UNITED STATES OF AMERICA

Congressional Record

PROCEEDINGS AND DEBATES OF THE 85th CONGRESS
FIRST SESSION

VOLUME 103—PART 11

AUGUST 9, 1957, TO AUGUST 21, 1957

(PAGES 14155 TO 15560)

UNITED STATES GOVERNMENT PRINTING OFFICE, WASHINGTON, 1957

J.
11
.R
V.103
pt.11

DEPOSITED BY THE
UNITED STATES OF AMERICA

Congressional Record

United States of America — PROCEEDINGS AND DEBATES OF THE 85th CONGRESS, FIRST SESSION

SENATE

FRIDAY, AUGUST 9, 1957

(Legislative day of Monday, July 8, 1957)

The Senate met at 10 o'clock a. m., on the expiration of the recess.

WALLACE F. BENNETT, a United States Senator from the State of Utah, offered the following prayer:

Our Father in heaven, as this body moves toward this session's end, we who serve here need Thy blessed guidance most of all. Since adequate deliberation may be difficult, we pray for heightened discernment. As available time diminishes, help us to use more worthily what time we have.

Give us greater singleness of heart. Deliver us from the temptation to speak chiefly for the sake of words, and to vote for the sake of votes. Give us faith in the people, so that we may build upon their strength an ever-new America. Thwart us when we seek political profit in their weaknesses. Protect them from our selfishness; and when we become bemused with our own cleverness, and puffed up with petty legislative victories, help us to repent and to find humility again.

Into our hands the people have put the welfare of this Nation, which is choice in Thy sight above all others, and which Thou hast greatly blessed. Help us to be worthy channels through whom even greater peace and happiness may come from Thee to our people and to all the world.

These blessings we ask, in the name of Thy Son, Jesus Christ. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Journal of the proceedings of Thursday, August 8, 1957, was approved, and its reading was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations and withdrawing the nomination of Jack Shackelford, to be postmaster at Webbers Falls, Okla., which nominating messages were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. JOHNSON of Texas. Mr. President, I have some unanimous consent requests for committee meetings which the Senator from California and I have approved. I ask unanimous consent that the Committee on Foreign Relations, the Subcommittee on Immigration and Naturalization of the Committee on the Judiciary, and the Subcommittee on Public Health, Education, and Welfare, and Safety of the Committee on the District of Columbia be permitted to sit during the session of the Senate today.

The VICE PRESIDENT. Without objection, it is so ordered.

THE CIVIL RIGHTS BILL

Mr. JOHNSON of Texas. Mr. President, one of the key facts of the debate on civil rights is that as time goes by and understanding and learning grow, acceptance of the Senate measure increases.

The heat of partisanship is lessening, and the effect of the propagandists is dying; and in their place is arising the realization that the bill as passed by the Senate is a serious and sincere effort to solve a serious problem. I have every confidence that the Senate version of the bill will become law.

The Baltimore Sun this morning comments on the superiority of the measure in its present form. The New York Times, although opposed to some of its features, recognizes the sincerity of the position taken by both sides in the debate. It recommends that the bill be accepted.

Mr. President, this is the process by which genuine legislation is finally reached on difficult issues. Proponents and opponents argue heatedly. Both are dissatisfied when they do not receive everything they desire.

But as time passes, there is a realization that the outcome represents substantial progress and advancement. And last-minute partisan efforts to jettison progress bear within themselves the seeds of their own destruction.

Mr. President, I ask unanimous consent that the editorial from the New York Times be printed in the RECORD, as part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Times of August 9, 1957]

CIVIL RIGHTS: WHAT NEXT?

A civil-rights bill has now passed the Senate by a 4-to-1 vote, which may be contrasted with a vote of something more than 2 to 1 by which an earlier civil-rights bill less than 2 months ago passed the House.

These figures do not mean, obviously, that the Senate is more enthusiastic about civil rights than is the House. The amended Senate bill represents a series of compromises, of which the most important were: first, the elimination of authority to use Federal injunctions, except where voting rights were involved; and, second, the insertion of a guaranty of a jury trial in criminal contempt cases brought for violations of court orders against interference with such rights.

The restriction of the bill to a guaranty of voting rights did not seem to most northern liberals a vital flaw. There is existing authority for the protection of other civil rights and the Supreme Court itself is proceeding with deliberate haste in ordering the enforcement of its own integration decision of May 17, 1954.

The jury-trial requirement is more disturbing. Convincing arguments may be made in its favor, yet it introduces a new element into contempt cases in Federal courts. The requirement of a jury trial in a case where a defendant has willfully defied the order of a court may be in some southern communities wholly undemocratic.

But the choice this year is not between a perfect civil-rights bill but between an imperfect bill and no bill at all. It is possible, to be sure, that a conference between Senate and House committees may result in some improvement in the Senate bill's features. There is little chance, however, that the provision for a jury trial in criminal cases can be removed. The 286 members of the House who voted for the stronger measure will therefore have to consider whether they want to accept this less satisfactory bill or reject it and start the fight all over again another time.

On the whole, we hope that they will take, however regretfully, what they can now get. They may do this with the most equanimity if they understand that the position of many southern Senators and Representatives was as conscientious as their own. We must all learn to think of social situations in these controversies and not of angels with wings on one side and devils with horns on the other side.

The question that we must indeed ask now is a practical one. If something like the Senate bill becomes a law with the signature of the President, what will be its results? We won't know, of course, until the law is actually on the statute books and until the Department of Justice, which down to now has remained skeptical as to the possibilities of the Senate bill, goes into action.

If a law does in fact emerge, let us regard it as an experiment in which honest men of both races and on both sides of the Mason and Dixon line may take part. We

may assume that under such a law more Negroes will vote in the Southern States than now do so. We believe that in many communities of the South there has already been a liberalizing of attitudes and that a better and mutually more understanding relationship between the two races is being attained. No society can stand still, least of all the vast and dynamic community which we call the United States of America.

Let us see what can be done. If the prospective law does not improve an unhappy situation, let us study how that law can be strengthened and improved. Meanwhile, let the people of both races be as patient as they can.

Mr. JOHNSON of Texas. Mr. President, I wish to read the editorial which was published in the Baltimore Sun:

A GREAT ACHIEVEMENT

The Senate has passed the civil-rights bill. The task now is to reconcile it with the very different version passed by the House. In our view it is up to the House to do most of the yielding in the process of compromise. The House bill is stronger in the rhetorical and fist-shaking sense. But it has two great weaknesses. The first is that the Senate would never accept it. The second is that the very strength of the House bill would render it almost unworkable and place both the Federal executive and the Federal judiciary (that is, the district judges actually sitting in the field) behind an impossibly large 8-ball.

The Senate bill, far from having been weakened by amendment, as some contend, is actually stronger for these amendments. By means of them it has been tailored to the practical job at hand, which is to provide tools neither too strong nor too weak for eliminating illegal restrictions on the voting right of Negroes in parts of the South.

Its greatest strength lies in the fact that it has been fashioned with the constructive assistance of southern senatorial leaders, notably LYNDON JOHNSON of Texas, and RICHARD B. RUSSELL of Georgia. This bill cannot be described as something forced down the throats of the South by the North. By their votes, southern Senators acknowledge that constitutional rights are being violated in the South and that it is proper for the Federal Government to take steps to prevent this, so far as Federal elections are concerned. In our opinion the importance of this southern acquiescence cannot be overestimated.

Second, a bill which in the beginning covered an unmanageably broad field has been pretty well narrowed to this single question of voting rights. One thing at a time is a good rule for those who want progress in racial relations.

Third, the force-law characteristics have been eliminated—an element of the House version which, more than any other, would provoke the South to dig in its heels and resist.

Fourth, the provision for jury trials in criminal contempt cases is no real handicap. Only in the rare cases when civil contempt moves over into criminal contempt would a jury be required. And in such cases the courts' moral authority would be strengthened by shifting the burden of determining guilt or innocence from judge to jury. We do not share the belief held by some that southern white jurors, informed of the law and confronted with the evidence, would cynically disregard both. That is not the lesson of experience with jury trials, despite occasional disconcerting exceptions. To offer an analogy, Federal attorneys during prohibition regularly obtained convictions, even though the jury might be antiprohibitionist to a man. Let us not underestimate the average man's respect for the law.

In the Senate bill, then, we have an instrument acquiesced in and in part fashioned by southern Senators, an instrument narrowed down to the problem in hand, except that the terms of the jury-trial amendment may cause some trouble in other fields, an instrument which does not place the whole burden on Federal executive and Federal judiciary, but through the jury-trial provision invites and requires local participation.

To say that this bill has been weakened in the Senate is to deny the facts. It is a strong bill, adapted to its high purpose by its recognition that force by itself can never do the job, a historical achievement. The House bill was passed in a rush, as House bills frequently are. But Members of the House, like the rest of us, have had the benefit of the remarkable senatorial debate on this subject. It is our hope and belief that a majority of the House will acknowledge the superiority of the Senate version and so make possible the first practical step in the enforcement of the 15th amendment that has been taken in almost a century.

Mr. President, I do not embrace every word or every line or every sentence in the editorial; but I do commend it to the attention of all Members of this body.

Mr. SMITH of New Jersey. Mr. President, I desire to concur in the statement which the distinguished majority leader has just made.

I firmly believe that the bill the Senate passed is a much stronger one than the bill passed by the House, as Mr. Walter Lippmann pointed out yesterday in the New York Herald Tribune.

I feel very strongly that the language of part III, which some of us worked to eliminate, would have created an impossible situation. Enforcement of that provision would have aroused bitter hostility between the North and the South. It would have seriously divided the country. It would have presented the President with an impossible problem of enforcement.

I feel that the right-to-vote bill which has been passed by the Senate will actually provide a concrete, meaningful advance for the Negroes of this country along the road to completely equal enjoyment of their civil rights. The right to vote is a fundamental civil right, as I have said many times.

I regret that the jury-trial amendment was adopted. I think it was a serious mistake, because it confuses the issue; but I am sincerely hopeful that in conference between the House and the Senate the bill can be modified so that the application of the jury-trial provision will be clarified and the bill can be accepted. Then we can have an all-American approach to solving this problem. We shall have avoided divisive and disruptive legislation, in favor of a united approach to a problem that has divided us. I plead for an all-American approach, and I sincerely hope that the civil-rights bill will be enacted this year.

TRANSACTION OF ROUTINE BUSINESS

The VICE PRESIDENT. In accordance with the order entered on yesterday, providing a period for the transaction of routine morning business, with a limitation of 3 minutes on statements, morning business is now in order.

WORK PLANS FOR WATERSHED PROTECTION AND FLOOD PREVENTION

The VICE PRESIDENT laid before the Senate a letter from the Director, Bureau of the Budget, Executive Office of the President, transmitting, pursuant to law, plans for works of improvement on the following watersheds; which, with the accompanying papers, were referred as indicated:

Arkansas, Caney Creek: to the Committee on Agriculture and Forestry;

Oklahoma, Sandy Creek; to the Committee on Public Works;

Texas, Sulphur Creek; to the Committee on Public Works; and

Washington, Lacamas Creek tributaries; to the Committee on Agriculture and Forestry.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A joint resolution of the Legislature of the State of Alabama; ordered to lie on the table.

"Senate Joint Resolution 68

"Be it resolved by the Legislature of Alabama (both houses thereof concurring):

"1. The Legislature of Alabama notes with gratification the recent action taken by the United States Senate in adopting an amendment to the pending so-called civil-rights bill, whereby it again vouchsafed to any person accused of violating the laws of this country the right to a trial by a jury of his peers.

"2. The Legislature of Alabama does hereby applaud this recent action of the United States Senate.

"3. The Senate of the United States is hereby memorialized to be ever vigilant that this most highly valued of all the rights guaranteed by the Constitution to the people of this country, the right to trial by jury, shall never be infringed, and each and every Member of that body is respectively urged to continue to work to the end that this right will always be safeguarded and no bill shall ever become law which seeks to abrogate or limit it.

"4. The secretary of the Senate of Alabama is hereby directed to transmit a copy of this resolution to the Secretary of the Senate of the United States and to release a copy thereof to the press.

"I hereby certify the above is a true, correct and accurate copy of Senate Joint Resolution No. 68 by Messrs. Goodwin and Little, adopted by the Legislature of Alabama, August 6, 1957.

"J. E. SPEIGHT,
"Secretary of Senate."

A resolution of the Fourth Guam Legislature; to the Committee on Interior and Insular Affairs:

"Resolution 162

"Resolution relative to requesting and memorializing the Members of Congress to favorably consider the passage of bill No. H. R. 7357 of the 85th Congress which establishes the elective office of Delegate to the House of Representatives of the United States for the Territories of Guam and the Virgin Islands

"Be it resolved by the Legislature of the Territory of Guam:

"Whereas the Honorable LEO W. O'BRIEN, Representative from the State of New York, has authored and introduced bill H. R. 7357

for the consideration of the 85th Congress; and

"Whereas said bill, which creates the elective office of Delegate to the House of Representatives, contains the deepest aspirations of the people of Guam; and

"Whereas it is fitting and in the public interest that the people of Guam be represented in the Capital of our Nation which representation is in the most highly prized heritage of our country: Now, therefore, be it

Resolved, That the Members of Congress be and they are hereby respectfully requested and memorialized to favorably consider the passage of bill H. R. 7357 of the 85th Congress which establishes the elective office of delegate to the House of Representatives of the United States for the Territories of Guam and Virgin Islands; and be it further

"Resolved, That the Speaker certify to and the legislative secretary attest the adoption hereof and that copies of the same be thereafter transmitted to the Congress of the United States, to the Committee on Territorial and Insular Affairs of both the Senate and House of Represenatives, to the Honorable LEO W. O'BRIEN, and to the Governor of Guam."

A resolution adopted by the Voice of Greek Orthodoxy in America, Washington, D. C., relating to the recognition of the Eastern Greek Orthodox faith; to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. O'MAHONEY, from the Committee on Interior and Insular Affairs, with amendments:

S. 1086. A bill granting the consent and approval of Congress to a Bear River compact, and for related purposes (Rept. No. 843).

By Mr. STENNIS, from the Committee on Armed Services, with amendments:

S. 319. A bill to provide for the conveyance to the State of Maine of certain lands located in such State (Rept. No. 844).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LANGER:

S. 2738. A bill to increase the benefits payable to certain disabled veterans; to the Committee on Finance.

By Mr. SCOTT:

S. 2739. A bill to amend the Postal Field Service Compensation Act of 1955 to change the position of elevator operator from level 2 to level 3 of the Postal Field Service schedule; to the Committee on Post Office and Civil Service.

By Mr. SCOTT (for himself, Mr. CARROLL, Mr. CHURCH, Mr. COTTON, Mr. JACKSON, Mr. KUCHEL, Mr. KERR, Mr. MAGNUSON, Mr. MARTIN of Pennsylvania, and Mr. NEUBERGER):

S. 2740. A bill to prohibit Government agencies to acquire or use the National Grange headquarters site without specific Congressional approval; to the Committee on Public Works.

By Mr. SMATHERS:

S. 2741. A bill for the relief of Louise Alford; to the Committee on the Judiciary.

By Mr. SALTONSTALL:

S. 2742. A bill to authorize the Secretary of the Navy to transfer to the Commonwealth of Massachusetts certain lands and improvements comprising the Castle Island Terminal Facility at South Boston in exchange for certain other lands; to the Committee on Armed Services.

By Mr. BRICKER:

S. 2743. A bill for the relief of Tam Elizabeth Scott (Bai Tam Shii); to the Committee on the Judiciary.

By Mr. CARLSON:

S. 2744. A bill for the relief of Winona Rose Voth (Whang Nada); to the Committee on the Judiciary.

By Mr. SCOTT (for himself, Mr. ERVIN, and Mr. HUMPHREY):

S. 2745. A bill to amend the Federal Property and Administrative Services Act of 1949 to permit the donation of surplus property to volunteer fire-fighting organizations; to the Committee on Government Operations.

By Mr. CARLSON:

S. 2746. A bill to authorize the establishment of three positions for specially qualified scientific and professional personnel in the Department of Health, Education, and Welfare; to the Committee on Post Office and Civil Service.

By Mr. CLARK (for himself and Mr. MARTIN of Pennsylvania):

S. 2747. A bill to provide for the appointment of two additional district judges for the eastern district of Pennsylvania; to the Committee on the Judiciary.

CONCURRENT RESOLUTION

PRINTING OF ADDITIONAL COPIES OF HEARINGS ENTITLED "INVESTIGATION OF THE FINANCIAL CONDITION OF THE UNITED STATES"

Mr. BYRD submitted the following concurrent resolution (S. Con. Res. 47), which was referred to the Committee on Rules and Administration:

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Committee on Finance 3,000 additional copies of part 1 of the hearings entitled "Investigation of the Financial Condition of the United States," and 5,000 additional copies of part 2 and subsequent parts of said hearings held by that committee during the 85th Congress, 1st session.

RESOLUTIONS

MAINTENANCE OF HARMONIOUS RELATIONS WITH OTHER COUNTRIES IN WESTERN HEMISPHERE

Mr. CAPEHART submitted the following resolution (S. Res. 180), which was referred to the Committee on Foreign Relations:

Whereas cordial and cooperative relations between the United States and all countries in the Western Hemisphere is essential to national security; and

Whereas no unresolved misunderstandings should exist between the United States and the Dominican Republic; and

Whereas the closed-door policy of the Western Hemisphere to Communist entry must be maintained and strengthened; and

Whereas the United States interests will best be served by clearing up any minor misunderstandings which may still exist: Now, therefore, be it

Resolved, That the chairman of the Committee on Foreign Relations and the ranking member of the minority on the committee shall make inquiry and diligently pursue the restoration of harmonious relations between these traditionally friendly countries to reaffirm the Western Hemispheric alinement against the common enemy of communism.

AMENDMENT OF RULE RELATING TO COMMITTEE PROCEDURE

Mr. JENNER. Mr. President, I rise to submit a resolution amending rule XXV of the Standing Rules of the Senate. This resolution would set forth, in formal terms, rules of procedure for Senate investigating committees.

I have been informed that the Senate Committee on Rules and Administration intends to consider various proposals which would amend rule XXV of the Standing Rules of the Senate.

I served on the Committee on Rules and Administration for 10 years and still retain a deep interest in the activities of that committee. I was privileged to serve as chairman of the committee during the 83d Congress. During that time we conducted the most extensive hearings on rules of procedure ever held. These hearings, as printed, comprise 10 separate parts and a total of 663 pages of testimony.

Then, at the beginning of the 84th Congress, 1st session, a comprehensive report was written, based on those hearings. The committee voted to report Senate Resolution 17, 84th Congress, 1st session, to the Senate. This resolution was drafted by the committee and is based on recommendations and suggestions received in the hearings.

The resolution which I submit today is identical to Senate resolution 17 of the 84th Congress.

Events have occurred since the submission of Senate Resolution 17 which make it imperative that the Senate take action in this field. Senate investigations are now under attack from several quarters. I feel that this resolution would go a long way toward preserving the integrity of the Senate and insuring greater service for the American people.

The VICE PRESIDENT. The resolution will be received and appropriately referred.

The resolution (S. Res. 181) was referred to the Committee on Rules and Administration, as follows:

Resolved, That rule XXV of the Standing Rules of the Senate is amended by inserting at the end thereof the following:

"5. The following shall be the rules of the standing committees of the Senate and subcommittees thereof, and the term 'committee' as used in this subsection (except in paragraphs (b) and (c)) means any such committee or subcommittee:

"(a) Special meetings: In addition to meetings called pursuant to section 133 (a) of the Legislative Reorganization Act of 1946, a majority of the membership of any committee may call a special meeting of the committee by filing a notice thereof with the committee clerk, whose duty it shall be to notify each member.

"(b) Subcommittee: A subcommittee of any standing committee shall be established by majority vote of such committee.

"(c) Committee staffs: The professional and clerical staff personnel of each standing committee and subcommittee thereof shall be appointed, and the services of such personnel terminated, by majority vote of such standing committee.

"(d) Subpenas: The authority to issue subpenas or otherwise to require the attendance of witnesses or the production of documentary material may be delegated by majority vote of any committee to its chairman or to any member.

"(e) Interrogation of witnesses: The interrogation of witnesses at committee hearings shall be conducted, on behalf of the committee, by members and authorized staff personnel only.

"(f) Executive session testimony: No testimony given in executive session shall be publicly released in any form unless such release has been authorized by the committee before which the testimony was given.

"(g) Notice to witnesses: The subject-matter of the investigation in which he is called to testify shall be stated to each witness prior to his appearance, for his information only, and not as a limitation upon the scope of the interrogation to be conducted at the hearing.

"(h) Counsel for witnesses: Unless otherwise provided by a majority of the committee members present at the hearing, a witness may be accompanied by counsel.

"(i) Statements: Witnesses shall be required, so far as practicable, to submit written statements of their proposed testimony in advance of the hearing at which they testify.

"(j) Distraction by communications equipment: A witness may request, on grounds of distraction, harassment, or physical discomfort, that during his testimony, television, motion picture, and other cameras and lights shall not be directed at him; such request to be ruled on by the committee members present at the hearing.

"(k) Transcripts: Accurate verbatim transcripts shall be made of all committee hearings where witnesses testify under oath. Transcripts of testimony given at public hearings shall be made available, for inspection or purchase, by witnesses and persons mentioned therein.

"(l) Requests for remedial action: Any person whose name is mentioned or who is specifically identified, and who believes that testimony or other evidence presented at a public hearing of a committee, or comment made by a committee member or counsel at such a hearing, tends to defame him or otherwise adversely affect his reputation, may (a) request to appear personally before the committee to testify in his own behalf, or (b) file a sworn statement of facts relevant to the testimony or other evidence or comment complained of. Such requests and such statements shall be submitted to the committee concerned for its action.

"(m) Reports: No measure or recommendation shall be reported by a committee unless a majority of its membership is actually present at the meeting at which such action is taken.

"(n) Controversy as to jurisdiction: In any case in which a controversy arises between committees as to the jurisdiction of any committee of the Senate to make any inquiry or investigation, the question of jurisdiction shall be decided by the presiding officer of the Senate, without debate, but such decision shall be subject to an appeal. Such decision finally arrived at, with or without appeal, shall not operate to invalidate proceedings of the committee prior thereto.

"(o) Notice to Senate: The chairman of each committee shall from time to time and at the earliest date practicable, report to the Senate the general nature of inquiries or investigations the committee proposes to undertake, or, in any case he deems the national security might be endangered by such report, he shall in writing advise the President of the Senate of that fact."

CONSTRUCTION OF CERTAIN WORKS OF IMPROVEMENT IN NIAGARA RIVER—AMENDMENT

Mr. CLARK (for himself and Mr. NEUBERGER) submitted an amendment, intended to be proposed by them, jointly, to the bill (S. 2406) to authorize the construction of certain works of improvement in the Niagara River for power and other purposes, which was ordered to lie on the table and to be printed.

PRINTING OF REVIEW OF REPORT ON RIO GRANDE AND TRIBUTARIES AT SOCORRO, N. MEX., (S. DOC. NO. 58)

Mr. CHAVEZ. Mr. President, I present a letter from the Acting Secretary of the Army, transmitting a favorable report dated May 20, 1957, from the Chief of Engineers, Department of the Army, together with accompanying papers and illustrations, on a review of report on the Rio Grande and tributaries at Socorro, N. Mex., requested by a resolution of the Committee on Public Works dated September 8, 1950. I ask unanimous consent that the report be printed as a Senate document, with illustrations, and be referred to the Committee on Public Works.

The VICE PRESIDENT. Without objection, it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. WILEY:

Radio address delivered by him on the subject of five problems facing Wisconsin.

NOTICE OF CONSIDERATION OF NOMINATIONS BY THE COMMITTEE ON FOREIGN RELATIONS

Mr. GREEN. Mr. President, as chairman of the Committee on Foreign Relations, I desire to announce that the Senate received today the following nominations:

The following-named persons to be representatives of the United States of America to the 12th session of the General Assembly of the United Nations, to serve no longer than December 31, 1957: Henry Cabot Lodge, of Massachusetts; A. S. J. Carnahan, United States Representative from the State of Missouri; Walter H. Judd, United States Representative from the State of Minnesota; George Meany, of Maryland; Herman B. Wells, of Indiana.

The following-named persons to be alternate representatives of the United States of America to the 12th session of the General Assembly of the United Nations, to serve no longer than December 31, 1957: James J. Wadsworth, of New York; Miss Irene Dunne, of California; Philip M. Klutznick, of Illinois; Mrs. Oswald B. Lord, of New York; Genoa S. Washington, of Illinois.

James H. Smith, Jr., of Colorado, to be Director of the International Cooperation Administration, in the Department of State, vice John B. Hollister, resigned.

Notice is given that these nominations will be eligible for consideration by the Committee on Foreign Relations at the expiration of 6 days in accordance with the committee rule.

NOTICE OF HEARING ON NOMINATION OF THOMAS C. EGAN TO BE UNITED STATES DISTRICT JUDGE FOR THE EASTERN DISTRICT OF PENNSYLVANIA

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Friday, August 16, 1957, at 10:30 a. m., in room 424, Senate Office Building, upon the nomination of Thomas C. Egan, of Pennsylvania, to be United States district judge for the eastern district of Pennsylvania, vice George A. Welsh, retiring.

At the indicated time and place all persons interested in the above nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from South Carolina [Mr. JOHNSTON], the Senator from Indiana [Mr. JENNER], and myself, as chairman.

NOTICE OF HEARING ON NOMINATION OF EDWARD T. GIGNOUX, TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF MAINE

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Friday, August 16, 1957, at 10:30 a. m., in room 424, Senate Office Building, upon the nomination of Edward T. Gignoux, of Maine, to be United States district judge for the district of Maine, vice John D. Clifford, Jr., deceased.

At the indicated time and place all persons interested in the above nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from South Carolina [Mr. JOHNSTON], the Senator from Indiana [Mr. JENNER], and myself, as chairman.

NOTICE CONCERNING CERTAIN NOMINATIONS BEFORE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

Harvey G. Straub, of Ohio, to be a member of the Board of Parole for the term expiring September 30, 1962, vice Scovel Richardson.

T. Fitzhugh Wilson, of Louisiana, to be United States attorney for the western district of Louisiana, 4-year term, reappointment.

James A. Borland, of New Mexico, to be United States attorney for the dis-

trict of New Mexico, 4-year term, vice Paul A. Larrazolo, resigned.

Harold Sexton, of Oregon, to be United States marshal for the district of Oregon, 4-year term, reappointment.

William M. Steger, of Texas, to be United States attorney for the eastern district of Texas, 4-year term, reappointment.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Friday, August 16, 1957, any representations or objections they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearings which may be scheduled.

INTERIM REPORT OF THE THEODORE ROOSEVELT CENTENNIAL COMMISSION

Mr. SMITH of New Jersey. Mr. President, there has come to my attention Senate Document No. 53, which is the interim report of the Theodore Roosevelt Centennial Commission. This thoughtfully written document by Herman Hagedorn, the well-known biographer of our 26th President, shows the range of activities and programs planned for this centennial year, starting on October 27, 1957, and ending on the 100th anniversary of Theodore Roosevelt's birth—October 27, 1958. As a personal friend of many years of Mr. Hagedorn's, I am especially appreciative of his Theodore Roosevelt enthusiasm.

I should like to take this occasion to commend the Commission for the wisdom of its plans. Rather than a series of eulogies, a theme has been adopted for the entire observance. This theme is Responsible Citizenship. As we all know, this was the dominating ideal of Mr. Roosevelt, and for which he so strenuously fought throughout his entire life.

The report lists in detail the many groups and organizations which have pledged cooperation, including Federal departments, State and local governments, and a most comprehensive number of private and semipublic organizations. I am glad to note especially the acceptance of the leadership of the Commission's College and University Committee by Dr. Arthur Flemming, president of Ohio Wesleyan University at Delaware, Ohio, and until recently Director of the Office of Defense Mobilization. This is important, because perhaps nowhere can the ideas of responsible citizenship be taught so effectively as in our higher institutions of learning, and many of these students are either young citizens or soon will be, and their leadership can be of intense and practical value.

From beginning to end, the program shows the results of sound thinking and progressive planning, and I hope that all of us here in the Senate will use every opportunity to make the yearlong program most valuable and effective.

Mr. NEUBERGER. Mr. President, will the Senator yield?

Mr. SMITH of New Jersey. I yield.

Mr. NEUBERGER. I should like to associate myself with the commendation which the Senator from New Jersey has voiced on the plans being made for the observance of the 100th anniversary of the birth of President Theodore Roosevelt. I am also glad to corroborate his high opinion of the commission and of Dr. Herman Hagedorn, who is one of the illustrious biographers of Theodore Roosevelt. We in Oregon, who are very familiar with Theodore Roosevelt's achievements in the field of natural resource conservation, are pleased and delighted to participate in this historic event.

S. 963 TO CONTROL SIGNBOARDS ALONG INTERSTATE HIGHWAYS

Mr. NEUBERGER. Mr. President, I desire the RECORD to show that the meeting of the Senate Public Works Committee to consider the signboard-control measure, S. 963, was canceled today because of the 10 o'clock meeting of the Senate.

I blame no one for this, because I realize how difficult it is to schedule Senate sessions to consider controversial matters so that the convenience of all will be served.

However, I urge that the Senate Public Works Committee be convened as soon again as possible to take up S. 963. I feel certain the distinguished chairman of the committee, the Senator from New Mexico [Mr. CHAVEZ], will give this every consideration which it deserves.

Mr. President, the American people are demanding some minimum protection for the roadside beauty and grandeur along 41,000 miles of interstate highways now under construction at a vast cost of $33 billion. Unless S. 963 is passed at least by the Senate at this session, there will be no legislative protection at all for scenic majesty along our roads. The billboard clutter will take over. As we sit here today, the rights-of-way for the highways already are being surveyed. Unless the Senate at least acts at this session of Congress, so-called grandfather rights will vest and accrue. The land will be rented, and the ugly billboards will be set up, and then it will be too late.

Mr. President, we Americans must learn what Switzerland long ago learned, that scenic beauty can be a thing of great and permanent value. Let us pass S. 963 and give this at least some guardianship from our Federal Government.

I ask unanimous consent to include in the CONGRESSIONAL RECORD two telegrams from leaders in American motoring, which support my backing for S. 963 as modified, and also affirm my position that S. 963 should not be tied to any increase at this time in the total mileage authorized under the Interstate System.

These telegrams are from my warm personal friend, T. Ray Conway, secretary of the Oregon State Motor Association, and Harry I. Kirk, president of the American Automobile Association.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

PORTLAND, OREG., *August 7, 1957.*

Senator RICHARD NEUBERGER,
Senate Office Building,
Washington, D. C.:

Urge Senate Public Works Committee to separate title I and title II of S. 963. The subject matter of these two titles have no relationship. Extension of interstate mileage and the related financing problems as provided in title II require much more study and consideration. Title I regulating outdoor advertising is not all we would desire but it is a step forward. We urge enactment of title I.

RAY CONWAY,
Secretary, Oregon State Motor Association.

WASHINGTON, D. C., *August 7, 1957.*

Hon. RICHARD L. NEUBERGER,
Senate Office Building,
Washington, D. C.:

AAA representing 5½ million motorists urges that title I and title II of S. 963 not be included in the same piece of legislation. They have no relationship and title II, providing extension of mileage on interstate system with attendant financing problems we feel requires much further study. Title I while not all we had hoped for in regulation of outdoor advertising, is step in right direction and we strongly support its provisions.

HARRY I. KIRK,
President, American Automobile Association.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. NEUBERGER. I yield.

Mr. CLARK. I should like to associate myself with the comments just made by the Senator from Oregon respecting the billboard menace. It is very real. It is important. If we do not take action promptly, the highways of this country are going to be defaced, and become areas of which we shall all be ashamed instead of proud. I hope our colleague from Oregon, who has fought so gallantly in support of this vitally needed measure, will be able to persuade the Senator from New Mexico [Mr. CHAVEZ], who is now present in the Chamber, to hold a meeting of the committee so that prompt action can be taken on this much needed legislation.

Mr. NEUBERGER. I appreciate the support of the very able Senator from Pennsylvania. I want to say that the chairman of the committee, the Senator from New Mexico, was most cooperative and understanding in specifically scheduling a meeting of the committee this morning to consider the signboard measure.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. NEUBERGER. I yield.

Mr. CHAVEZ. I had called a full committee meeting this morning to consider the bill the Senator from Oregon is speaking about. I was informed that the Senate was considering another bill, on TVA, which came from the Public Works Committee. Since that bill was reported by the Public Works Committee, I knew that members of the committee were interested in the TVA bill. The billboard bill affected the State of the

chairman of the Roads Subcommittee of the Public Works Committee, which considered the TVA bill as will the billboard bill. For that reason I had the meeting postponed, and I thought every member would be glad to have me do so. There is no idea in my mind whatsoever to delay consideration of the billboard bill, but I feel that members of the Public Works Committee should be present when the TVA bill is being considered, because I consider it to be just as important as is the other bill. But I shall call a meeting of the full committee as soon as I possibly can, and I want to assure my good friend from Oregon and my good friend from Pennsylvania that I like beautiful scenery as well as they do.

Mr. NEUBERGER. The Senator has much of it to protect in his own lovely State.

Mr. CLARK. I thank the Senator from New Mexico.

THE CIVIL-RIGHTS DEBATE

Mr. CHAVEZ. Mr. President, I should like to have the attention of the majority leader and the minority leader, if I may.

Mr. JOHNSON of Texas. The Senator has my attention.

Mr. CHAVEZ. Mr. President, I have read the debates of the Senate on many a question of the past and have read the debates of the early days. In my opinion, no debate has been more in keeping with the traditions of the Senate than the debate which took place on the civil-rights bill, from both sides of the aisle.

I wonder if it would be possible for the majority leader and the minority leader to get together to ascertain whether it would be justifiable that the debate be printed as a Senate document. I suggest that because I feel the debate just concluded has been as important as any debate which has taken place in the Senate heretofore. Having in mind the subject matter which was being debated, and having in mind the debates of the past, when the population of the country was 20 million or 40 million, while now it is more than 160 million. I feel that record should be kept. The record will be kept, of course, and will be kept forever. I do think, however, that the American people as a whole should know about the debate which took place. I respectfully make this suggestion to both the majority leader and the minority leader.

Mr. JOHNSON of Texas. Mr. President, first I wish to thank the distinguished and influential Senator from New Mexico for the constructive suggestion he has made. Frankly, I share his view concerning the quality of the debate. I was pleased to observe on a number of occasions, the atmosphere in which this very controversial and history-making subject was being discussed.

I have not explored the possibility of carrying out the suggestion of the Senator from New Mexico, because it is a novel one. It is one which is the result of imagination and vision.

I shall talk to the attachés of the Senate, search the precedents, inquire as to the cost, confer with my colleague across the aisle, and then report back to the author of the suggestion, and to the Senate what I may be able to learn and what conclusion I may reach.

I say to the Senator from New Mexico that his suggestion is a helpful one, and I encourage suggestions of this type. I know that there are few in the Senate who have had the wide experience as a legislator the Senator from New Mexico enjoys. The Senator from New Mexico had served in the House, and is one of the senior Members of the Senate. Any suggestion from him is rather compelling with me.

I agree with the Senator from New Mexico that the Senate was at its finest in the debate. The Senate acted in line with its best traditions. The debate was a historic one. I hope it can be made available to both sides, pro and con, to every library in the country, to every schoolchild in the country, and to any citizen who may be interested. I shall make a report shortly to the Senate, and I thank the Senator for his suggestion.

Mr. CHAVEZ. Mr. President, the Senator from Texas, the majority leader, will recall, I think, that I asked him to consult and determine whether it would be justifiable to follow the course I have suggested.

THE APPOINTMENT OF AMBASSADORS

Mr. GOLDWATER. Mr. President, before engaging in the main purpose of the morning business for which I rise, I cannot help commenting on the reference which the distinguished junior Senator from Oregon [Mr. NEUBERGER] made as to the appointment of Mr. Gluck to be Ambassador to Ceylon. The Senator indicated that Mr. Gluck did not have sufficient background, and the Senator was rather critical of the administration for making the appointment.

I recall a man by the name of Bill O'Dwyer who was sent to Mexico as Ambassador. I do not know of anything good about the seamy politics of New York which would give a man from that city special ability in the diplomatic field.

I remember a lady by the name of Mrs. Mesta who was appointed as an Ambassador. I do not know anything about the cocktail parties of Washington which would train a person to be particularly good in that field.

However, I will say that both of those persons made excellent ambassadors. In fact, I think I can say safely that Bill O'Dwyer was probably the best Ambassador we ever sent to Mexico.

I suggest to the junior Senator from Oregon that he withhold his criticism until he gives an honest American businessman a chance to show what he can do.

Mr. President——

The VICE PRESIDENT. The Senator from Arizona.

COMPULSORY UNIONISM

Mr. GOLDWATER. Mr. President, in my discussions of the labor field, particularly with reference to compulsory unionism versus voluntary unionism, I have referred to the fact that the United States of America is the only country in the world which has compulsory unionism written into its law. I have also recognized that there are four or five other countries which, by omission, might be said to have such a feature in their laws.

Many of my colleagues have asked for the source of that information. The source is the study entitled "Enquiry on Compulsory Unionism," which was made in September of 1953 by the International Organization of Employers.

So that my colleagues may have the benefit of this document, I ask unanimous consent, Mr. President, that it be printed in the body of the RECORD at this point in my remarks.

There being no objection, the document was ordered to be printed in the RECORD, as follows:

ENQUIRY ON COMPULSORY UNIONISM

INTRODUCTION

In September 1953, the Secretariat circulated for information to all members the text of an article originally appearing in the Australian review Industrial Victoria, published by the Victorian Chamber of Manufacturers.

The article, after noting that the question of compulsory affiliation of workers to a trade union had again arisen in two Australian States, stated that the Chambers of Manufacturers throughout Australia were "implacably opposed to compulsory unionism, not because they are antagonistic to trade unionism in itself, but because they believe implicitly in the liberty of the subject and, with compulsion, that liberty goes."

The Secretariat, in communicating this article to International Organization of Employees members, suggested that it would be of interest to trace any tendency toward compulsory unionism that might exist in the respective countries and said that it would welcome any information that members might wish to make available on the subject. At the same time, it recalled an American publication (1) previously circulated by the International Organization of Employees for information in which the term "union closed shop" had been defined as follows:

"In a closed shop, no one can become and remain employed (in a given undertaking) unless he is already an union member. In either case, this is in effect a 'union closed shop' because the door of continuous employment is open only to union members."

Members were invited to reply to the following questions:

1. Do "union closed shop" clauses, or other similar clauses exist in your country in industrial legislation, collective agreements, awards, etc. If so, to what extent is the system applicable (industrywide or individual undertakings, etc.) and to what extent is it actually in force? Are certain sectors particularly affected and, if so, which?

2. If no such system exists, is there any tendency in regard to the general question of compulsory unionism? What sectors would be affected?

3. Attitude of the employers: Action taken in answer to union demands (if any).

4. Does any legislation or agreement exist effectively prohibiting or preventing compulsory unionism?

The first inquiry brought in replies from the central employers' federations of 15 countries. This response seemed to indicate a strong interest in the question and with the agreement of Mr. Waline, chairman of the executive committee, it was decided to approach the federations which had not hitherto replied with the aim of providing as broad a view as possible of the present state of the question.

Three further replies were received in response to our second circular, bringing the number of countries covered to 18.[1]

As a result, this whole survey is based entirely on the information that has been supplied by our member federations. Part I consists of a summary of their replies. Part II contains the text of the replies or of broad extracts from them directly relating to the questions which were put.

As some time has elapsed since certain replies were first received, members are invited to notify this office of any changes which should be made in information given as a result of subsequent developments in their countries. These will be brought to the attention of our other members.

PART I. SUMMARY OF REPLIES RECEIVED

I. Countries where compulsory unionism exists in one form or another

Provision for compulsory union membership in one form or another inserted either in legislative texts or in agreements concluded between management and the labor unions are found in eight of the countries covered by this survey.

In Australia, as far as federal awards applying to the whole of the Commonwealth are concerned, these do not provide for compulsory unionism though, it is noted, in many industries it has, over the years, become established custom. The Commonwealth Conciliation and Arbitration Act contains provisions for preference to unionists, but the awards of the arbitration court set up under that act do not generally enforce these provisions. On one occasion when use was made of these provisions by a conciliation commissioner the employers successfully challenged in high court the validity of the order made.

State legislation providing preference for unionists is also met with in two states, but in these only. In one the arbitration court has interpreted such provision as compulsory unionism and enforces it in its awards. In the other, the preference provisions were amended in December 1953 to introduce compulsory union membership. This legislation has been challenged by the employers who, pending high court decision, are not complying with the terms of this particular provision.

As regards Belgium, the employers' federation reports that, as a general rule, union membership is not a condition of employment. The one exception concerns the quarrying industry and this is one particular region only, although strong pressure is being exerted by the unions to have similar measures extended to the industry in other regions. Similar tendencies have been observed in various metal processing plants.

In Canada, labor legislation in the separate Provinces does not compel union membership though the labor code of each permits such provisions being made part of collective agreements. A survey made in 1952 of 564 agreements applying to Canadian manufacturing industry showed that union shop provisions in one form or another affected almost one-fifth of all workers reported on. Provisions which called for maintenance of membership affected about 27 percent. Only in rare cases is there a closed shop provision—about 8 percent of workers reported on. Agreement clauses requiring the employer to check off (deduct) from wages and hand over to the labor unions the union dues of workers affected, in one form or another, 80 percent of workers.

Attempts to have this bargaining point made compulsory through Federal legislation (which applies only to nonmanufacturing industries, e. g., banks, railways, steamships, and airlines, etc.) are being combated by the emloyer's association.

In Greece, a fairly widespread tendency toward closed-shop enforcement has recently been revised by the repeal of 19 labor laws which indirectly imposed a closed-shop system in a large number of industries. At the same time a direct form of closed-shop system existing in one industry since 1925 has been abolished. An equally decisive step toward freeing the country's economy of a system which, the Federation of Greek Industries states, has proved asphyxiating to the right that every individual has to work has been the Government action in ending the compulsory contribution that every worker had previously to make to the central trade-union organization.

In Japan, surveys of trade agreements showed that 60 to 80 percent of the agreements carried union-shop clauses, while only 2 to 3 percent provided for a closed-shop system. It is noted, however, that most agreements recognize the right of the management to final decision as to whether a worker expelled from a union should be dismissed or allowed to continue in employment as a nonunion member. Legislation provides that such agreements may be concluded.

In Mexico, union-shop clauses have been negotiated at plant level by many workers' organizations, the employers, however, being of the opinion that this system is less dangerous than the system under which the union selects the labor to be hired by the employer. Where this latter system has been introduced it is noted that countermeasures have been devised by the employers.

In the United States, the Taft-Hartley Act prohibits the closed shop while permitting, under certain circumstances, the union shop. Since both systems compel union membership as a condition of employment, there is little difference between the two. In view of the fact that the Taft-Hartley Act already protects the right of the individual worker to join a union if he so chooses, as well as the rights of trade unions, American employers consider compulsory unionism unjustifiable. More, it is antisocial in that it concentrates dangerous power in the hands of the unions, inevitably bringing about violation of the freedom of individual workers, restriction of the employer in his natural function and exploitation of the consuming public as a whole.

In Switzerland, though there is no special prohibiting legislation, various legal prescriptions have the practical effect of preventing the introduction of compulsory unionism. An attempt to interfere with the worker's right to freedom of association can constitute an infringement of the Swiss civil and penal laws. A unique reciprocal system, which the courts have upheld as valid, exists mainly in the handicrafts industry. Under this agreed system, employers undertake only to hire workers possessing a labor card while the workers undertake in turn to accept employment only with employers holding a professional card. Organized employers and workers covered by this agreement are automatically regarded as in possession of these cards, while nonorganized employers and workers can obtain them on payment of a fixed annual contribution. Alternatively, nonorganized employers or workers are required to pay a special solidarity contribution to cover the cost of setting up and maintaining a control over the observation of employment contracts. The courts have, however, stipulated that such contributions, as well as the cost of the labor card, should in any case both be less than the prescribed union dues.

II. COUNTRIES WHERE COMPULSORY UNIONISM IS PROHIBITED, SAVE IN EXCEPTIONAL CASES, BY LAW OR COLLECTIVE AGREEMENT

In Austria, specific legislative provision prohibits compulsory unionism. Some tendency on the part of the workers toward introducing a system of compulsory membership has been observed with respect to the foodstuffs industry, but this has met with firm employer opposition.

In the Netherlands also, enforcement of union membership is prohibited by law. The employers' federation of the Netherlands reports that, exceptionally, a moderate form of compulsory unionism exists in the country for the graphic industry, but goes on to explain the apparent inconsistency of this with legislative provision. The federation adds, however, that compulsory unionism in general is considered unacceptable in the Netherlands both by employers and by workers.

In the German Federal Republic, the constitution guarantees freedom of association and hence the right of a worker either to join or not to join a trade union.

In Italy also, full freedom of association is guaranteed under the constitution. Neither labor legislation nor collective agreements contain provision relating to any form whatever of compulsory union membership.

According to the three replying Scandinavian federations (Denmark, Norway, and Sweden, compulsory unionism is prohibited under the terms of the basic agreements concluded by the three respective employers' confederations with the central workers' organizations. Organized employers in Denmark and Sweden are debarred under the statutes of their organizations from contracting union or closed shop agreements with unions. Outside the jurisdiction of the central employers' organizations, a very few collective agreements provide for such systems and, in the case of Denmark, these agreements have been held valid by the courts. While workers in Norwegian firms cannot, under the terms of the basic agreement, be forced to affiliate to unions, nonmembers may occasionally come under union pressure to do so. Employers can however apply to the labor court to have any undue pressure of this kind stopped. At the higher bargaining level, no attempt has been made by unions to insert union membership clauses in important agreements, since almost all workers in industry proper are already organized. The Norwegian employers also report that, exceptionally for longshoremen, who are not permanently employed by one employer alone, they have accepted a form of union closed shop.

In the Philippines, Government policy is to encourage the growth of free and responsible labor unions, based on the fundamental right that every person has to work. In consequence, labor laws do not permit compulsory unionism and any attempt to force this, says the employers' association, would not be accepted or tolerated.

III. COUNTRIES WHERE NO FORM OF COMPULSORY UNIONISM EXISTS

In France, the existence of the system of union plurality would effectively prevent any attempt to introduce compulsory unionism. Some tendency in this direction was noted in the postwar period but proved unsuccessful.

While no provisions exist for closed-shop systems or other similar systems in Luxembourg, pressure on the part of unions to stimulate membership has been observed. The employers' federation of this country reports that, in an agreement concluded with a local municipal authority, the contracting union obtained insertion of a clause under which, to secure the advantage entailed in the agreement, municipal workers who were not members of that union would be obliged to pay into the municipal social fund a sum equivalent to the union fee paid by members. After parliamentary discussion, the question of the legality of this clause has been submitted for decision to the Luxembourg State Council.

[1] Australia, Austria, Belgium, Canada, Denmark, France, Germany, Greece, Italy, Japan, Luxembourg, Mexico, Netherlands, Norway, Philippines, Sweden, Switzerland, and the United States.

Australia

Outlining the position in Australia, the Australian Council of Employers' Federations reports that the system of industrial regulation there is twofold. The Commonwealth Conciliation and Arbitration Act has established a Commonwealth Arbitration Court and Conciliation Commissioners. Because of constitutional limitations these tribunals are empowered only to settle disputes extending beyond the limits of one state and can only settle them by conciliation or arbitration. That act contains provisions for preference to unionists which is not exercised unless discrimination against unionists is shown by employers. Generally speaking, the awards of that court do not provide for preference to unionists. In 1949 a conciliation commissioner, acting under the preference provisions of that act, made an order for compulsory unionism in the case of clerks employed by wool selling brokers. The employers challenged the validity of that order in the high court which held that the preference provisions of the act could not be used as a means of enforcing compulsory unionism.

Although Federal awards do not provide for compulsory unionism it is the practice in many industries. For example, it applies to coal miners, waterside workers (wharf laborers), seamen, heavy engineering, sheep shearing, the clothing industry, and some others. It has been enforced by unionists refusing to work with nonunionists and has, over the years, become established custom.

Within the States, industrial regulation is by the Industrial Arbitration Acts of the various states. For many years the Queensland Arbitration Act has made provision for preference in employment to unionists. The arbitration court appointed by that act has interpreted it as compulsory unionism. In awards of that court, preference must be given to unionists and any nonunionist engaged must become a member of a union within 14 days of his engagement.

For many years the Industrial Arbitration Act of New South Wales has contained a provision for preference, other things being equal, firstly to ex-sailors, soldiers, and airmen, and second to unionists. The awards made by the court established under that act contained such a preference clause. The employer judged the meaning of other things being equal. By an amending act of December 1953, the Government of New South Wales introduced compulsory unionism. Briefly, that legislation provides:

An employer engaging any person 18 years of age and over shall give preference to unionists.

Any person 18 years of age and over in employment on December 17, 1953, must become a financial member of a union within 28 days.

An employer shall not knowingly continue the employment of any person 18 years of age and over unless he or she is a financial unionist.

Employers in New South Wales have challenged the validity of this legislation in the high court and the proceedings in that court are not expected to begin before March 1955. In the meantime employers are not complying with that law.

Comparable legislation does not exist in the other states.

Austria

In Austria, the principle itself of the union closed-shop clause is contrary to the law. Under a federal act of April 5 1930 [2] recognizing freedom of association and the right of assembly, all previous collective agreements concluded between employers and workers which were conducive, either directly or indirectly, to the exclusive employment in an undertaking of members belonging to one professional association, have been rendered null and void. This act is still effective in Austria and is the reason why union closed-shop systems are practically of no significance whatever.

Except for certain sectors of the foodstuffs industry, there are no general tendencies on the part of the unions in favor of compulsory unionism. Such tendencies as may exist toward this end are opposed by the employers' organizations.

Belgium

The results of an inquiry that the Federation of Belgian Industries conducted among its affiliate members show that compulsory affiliation of workers to a trade union does not as a general rule exist in Belgium. One exception to this general rule is noted, however, as regards quarry workers. In this industry, in one region, workers are required to become union members and a nonunion member would not be permitted to work. In another region, while the unions take no hand themselves in the hiring of workers, they require to be informed of any dismissal that is contemplated. In this latter region, considerable pressure is being brought to bear by the unions to secure affiliation of the works. So far, this has not become compulsory.

In a number of other regions, in the quarrying industry, a strong tendency has been noted on the part of the unions to press union membership but this is as yet a tendency only and there is no obligation attached to it.

Similar tendencies have been noted in various enterprises in the metal trades sector.

Canada

Labor relations within manufacturing, retailing, and other commercial activities are regulated separately within each of the 10 provinces of Canada. The Federal Government has jurisdiction in labor matters only with respect to such workers as bank clerks, railway employees, steamship employees, airline employees, and employees of national communication organizations such as telephones.

None of the 11 labor codes compels any form of compulsory unionism although they all permit union-shop and closed-shop provisions being made part of a collective agreement.

The closed shop is largely limited to small craft groups but the maintenance of membership provisions is the most common form of membership requirement. The most common practice is to require workers to continue any decision to participate at least throughout the term of the agreement. Next to the maintenance of membership provision, the union shop and modified union shop are the most common types of union membership requirements. Under the union shop, all workers must join the union after they are hired. In the modified union shop, the workers who were in the employ of the firm before the agreement was signed and are union members already are subject to a maintenance of membership clause only. These methods are to be found among larger establishments.

Preferential hiring for union members is the least common of the union membership clauses. For the most part, it is applied in work of a seasonal nature. It differs from the closed shop in that membership is not obligatory but it guarantees preferential treatment in many matters of employment.

Reports indicate that union security provisions in collective agreements have tended to increase in recent years. A survey made in 1952 of 564 agreements shows that union membership as a condition of employment exists only for a minority of the employees reported on. These having a union membership condition most often had the maintenance of membership clause. Only in rare cases is there a closed shop provision, about 8 percent of the workers reported on. On the other hand, the union shop in some form or other affected almost one-fifth of the workers reported on and the maintenance of membership provision affected about 27 percent. The checkoff (deduction from the worker's wages of his union dues) in some form or other, from the voluntary and revocable to the compulsory, affected about 80 percent of the workers covered under these agreements. The compulsory checkoff affected 30 percent of the workers and the voluntary checkoff 50 percent.

If legal provisions making deduction of union dues compulsory for the employer can be considered compulsory unionism, the Canadian Manufacturers' Association states, then this exists in Canada in six provinces, Alberta, British Columbia, Newfoundland, Nova Scotia, Prince Edward Island, and Saskatchewan. While some of the procedure is more involved than others, the underlying principle is that if the majority of the employees in the bargaining unit desire to have their union dues deducted by the employer and paid to the union, the employer must do this on the written assignment of an employee requesting such deduction.

Under most of the Canadian provincial laws respecting checkoff, the employer is compelled to accept it if the majority of the employees desire a checkoff which is usually signified by a vote and the individual employees sign the authorization. One might, the association notes, have a situation where the majority of the employees voted that there be a checkoff, and yet only a minority sign individual checkoff authorizations.

The association finally reports that there is a strong possibility that the Parliament of Canada will also change its Industrial Relations and Disputes Investigation Act to include a similar provision compelling the employer to checkoff union dues on the voluntary written request of an employee. The association is opposing this although the industries under the jurisdiction of the Canadian Parliament are not, as previously explained, manufacturing industries. The association's opposition is based on the ground that the checkoff is a bargaining point and the legislature should no more force it upon an employer than any other bargaining issue.

Denmark

In the opinion of the Danish Employers' Confederation, there are two different aspects to the question of compulsory unionism:

(a) The relations between the employer and the workers; and

(b) those between the unions themselves and the workers.

As regards (a), there is nothing under Danish legislation or arbitrational awards which establishes an obligation for an employer to employ union members only.

The right of the employer to freedom in the hiring of labor is guaranteed under an agreement popularly known as the September agreement, still in full force, which was concluded as long ago as 1899 by the Danish Employers' Confederation and the Danish Federation of Labor. Under paragraph 4 of this agreement:

"The employers' right to direct and distribute the work and to use what labor may, in his judgment, be suitable at any time is acknowledged by and, if necessary, must be supported by the workers' central organization."

Consequently, the employer may hire workers without regard to their union status, any intervention on the part of a trade union constituting a breach of contract. Although employers may waive this right, the Employers' Confederation has consistently forbidden its members to do so.[3]

[2] Antiterror law, par. 1—Bulletin of Austrian Laws No. 113.

[3] The Danish System of Labor Relations, Walter Galenson, Harvard University Press, 1952, p. 24.

Paragraph 20 of the confederation's statutes states, in effect, that:

"Neither the organizations, their individual members, nor individual undertakings may, without the approval of the chief committee, enter into agreements with the workers' organizations concerning * * * an obligation solely to employ organized workers."

Thus agreements which are concluded within the confederation's range of influence do not contain closed-shop clauses.

Outside the confederation's jurisdiction some collective agreements do contain provisions of this sort and have been held valid both by the labor courts and by the ordinary courts. Where such clauses are exceptionally found applying to organized employers, this is because the agreement embodying the closed-shop clause was signed before the employer became a member of the Employers' Confederation and it has not yet been possible to have the clause deleted by negotiation. Closed-shop clauses are thus mainly found outside the confederation's range of influence and such clauses that exist in agreements entered into by unions and employers who are not members of the confederation are sooner or later canceled out during the negotiation of agreements after the employers are affiliated to the confederation.

Regarding the second aspect of the question, namely, the relations between the trade unions themselves and the workers, the question of whether or not a trade union can refuse to admit a worker to membership is closely connected with the foregoing. In accordance with legislation relating to professional association, as it has developed through case law, it is an established rule that any member of the labor force normally included within a trade union's sphere of action has a legal right to be admitted to membership of that union, unless the courts adjudge that there are sufficient reasons to warrant admittance being refused. It is impossible in this summary to give an exhaustive account of the reasons which may entitle the unions to refuse admittance as each case must be decided in the light of its particular circumstances and the special conditions of each trade. Briefly, however, a worker who is guilty of a breach of the discipline enforced by the union—failing to take part in a legal action ordered by the union, for example—and who is consequently expelled from union membership, has no right to be readmitted. On the other hand, conditions that are not directly related to the achievement of the general aims of the union do not, as a rule, entitle the union to refuse admittance.

In the case of a worker who applies for union membership but who is refused without valid reason, with the result that he is either unable to obtain employment in his trade or is dismissed from his employment, the courts can order the union to pay compensation.

France

In France, there are no provisions made in connection with union or closed shop systems either in the national labor legislation or in collective agreements. Neither is there any obligation of this kind laid down by arbitration award and, in this connection, the National Council of French Employers recalls to mind that arbitration is not compulsory in France.

Immediately following the last war, some tendency toward such schemes was noted on the part of the General Confederation of Labor, this for political reasons. The attempt made by the workers' organization to introduce a system of this kind was, however, unsuccessful and was, in any case, doomed to failure as a result of the system of union plurality that is one of the characteristics of French labor relations. The sense of individual liberty is, moreover, too deeply implanted in the mind of the French people for it to have been possible to impose such an obligation.

The French employers state that they are categorically opposed to union claims of this nature, freedom of association being fully respected.

Germany

In Germany compulsory unionism does not exist as the constitution of the Federal Republic protects freedom of association in both senses: while it recognizes the right of a worker to become a union member, it also recognizes his right to abstain from such membership. Consequently, no worker can be forced into membership with a trade union.

Trade unions in Germany do not organize the shop but the individual worker. Union closed shop clauses, in the limited sense of the word, cannot therefore be negotiated within the Federal Republic of Germany.

Greece

Until recently, Greek labor laws turned a great number of jobs into a closed shop. These provisions existed mainly in laws and decrees while collective agreements including such a clause do not exist, at least for important categories of employees.

Still, it is not only through labor laws that such a regime was imposed in Greece. This was also done in an indirect way, i. e.:

(a) By the granting of health certificates to certain categories of workers. The royal decree of August 25, 1920, had stipulated that certain specific jobs should be filled by workers supplied with a health certificate after adequate medical examination. In the beginning, these jobs were mainly those that could prove dangerous to the health of the people. In fact, though, this practice eventually led to the closed shop, as no health certificate was granted unless the worker was registered with the relevant trade union.

(b) On the other hand in cases we had a de facto imposition of the closed shop. Thus, for example, the linotypists have long prevented the entrance into their profession of any newcomers by refusing them the necessary training or by threatening strikes, and so forth.

The whole system is applied in Greece at the level of industry rather than at the level of individual enterprises.

Before the last abolition of a large number of decrees by which the closed shop was imposed for certain categories of workers, the most important categories from the point of view of the number of the persons employed and the importance of their productive function, were the following: (1) Tobacco workers, (2) flour mill workers, (3) longshoremen, (4) printers, (5) bakery workers.

As already stated, several categories of workers were also affected by the system of health certificates which, in fact, was an indirect form of closed shop. Well over 80,000 workers were affected in this way, 60,000 of them in the textile industries alone.

It is clear that if drastic steps had not been taken in order to stop this trend toward the closed shop, it would have led to a state of absolute lack of any freedom of work.

It was the royal decree of June 16, 1953, that revoked 19 decrees imposing the regime of health certificates. Among the decrees revoked were those for the textile and chemical industries. Those two at least very important branches of the Greek industry avoided becoming sanctuaries for the most negative and unliberal form of labor protection. At the same time, the original form of the closed shop suffered a blow. By the law 2348/1953 the monopoly of the tobacco workers, who were supplied with a special permit of work, was abolished.

These legal measures constitute a bold step toward the restoration of freedom of work in Greece, but much has to be done in order to free the country's economy from a system which has proved asphyxiating to the right that every individual has to work.

Greek employers have long taken a clear and implacable stand toward this situation, inasmuch as constitutional reasons back this attitude of theirs, clause 3 of the Greek Constitution, providing that freedom of work is inviolable.

While it can be assumed that the present tendency toward closed shop has been reversed as a result of the recent enactment of the above-mentioned laws and decrees, a no less equally decisive factor to this end has been, we believe, the abolition under the ministerial resolution No. 25686, May 17, 1954, of the two drachmae compulsory contribution of every Greek employee to the Greek General Confederation of Labor.

This contribution, by its obligatory character, constituted a form of compulsory unionism of the most undemocratic nature. As such it was condemned by the team of ILO experts who visited Greece a few years ago in order to study labor conditions in this country (viz, Les Problems du Travail en Grèce, B. I. T. Genève 1949, p. 270).

Italy

In reply to our enquiry, the General Confederation of Italian Industry reports that, in Italy, full freedom of association is formally guaranteed under article 39 of the Italian Constitution. Consequently, neither labor legislation nor collective agreements contain provisions relating to the union closed shop or any other similar system.

It is noted that the organization of workers is carried out in Italy on an occupational and regional basis and that union organization of an undertaking as a whole does not exist, employer-employee relations (except for employment contracts) coming under the jurisdiction of the Works Committees.

Japan

According to a survey carried out by the Japan Federation of Employers' Associations on 368 companies in the principal industries of the country, about 60 percent of the trade agreements provided for a union shop clause and about 3 percent had closed shop systems. According to the survey carried out by the Japanese Labor Ministry on 1,075 labor agreements throughout the country, approximately 80 percent had the union shop clause and about 2 percent had the closed shop system.

As the trade union movement in this country became popular only after the end of World War II, and the unions during this cradle stage were not powerful enough, the union leaders insisted on the adoption of compulsory unionism. Most employers, being inexperienced at the early stage of the development of trade union movement, yielded to the unions' demand. And so today, the union shop system is comparatively widely adopted.

However, in order to protect management's prerogatives in dealing with any employee who has been ousted from the union, the union shop clause in most existing agreements reserves the right of the management to make final decision on whether the employee in question should be discharged or allowed to continue his service as a non-union member. Hence, it is the so-called modified union shop system which is today most prevalent in this country. Since compulsory membership is recognized as a condition of employment under this system, it can be said that it is still compulsory unionism.

As regards legislation, article 7 (Unfair Labor Practices), paragraph one of the trade union law reads, in part, "Provided, however, that this shall not prevent an employer from concluding a trade agreement with a trade union to require, as a condition of employment, that the workers must be members of the trade union if such trade union represents a majority of the workers in the

particular plant or working place in which such workers are employed."

The Japan Federation of Employers' Associations is advocating the open shop system as more democratic than the union shop system but there is no open opposition to the latter among most of the employers affiliated with the federation inasmuch as the law permits the adoption of this system.

Luxembourg

Neither the closed-shop system nor any other similar system exists in Luxembourg.

In the past, however, the workers' union organizations have on more than one occasion protested through their press against the nonaffiliation of workers. For example, it has been contended that nonunion members should not be entitled to benefit from the advantages secured through union-management bargaining; or in general, through collective agreements secured through union intervention. In the union journal for railway workers, nonunion members have thus been referred to as parasites of human society and a danger of democracy. Consideration, it is urged, should be given to this problem, measures eventually being taken with the employers' organizations to exclude nonunion members from participating in the advantages secured by organized workers.

Neither the Federation of Luxembourg Industrialists nor, to its knowledge, any other specialized employers' organization has so far been approached in this matter by the workers' organizations. Any such measure proposed would not however, the federation states, be accepted.

For the purpose of information, the federation reports the following case:

At the beginning of 1953, a question was asked in the Chamber of Deputies on the subject of a collective agreement concluded between the Dudelange municipal authority and a Socialist workers' organization. Reference was made to the provision in this agreement under which municipal workers who were not members of the union would not be entitled to benefit from the advantages secured under the new collective agreement unless two conditions were carried out: first, the municipal administrative college must give approval; second, such workers must pay into the municipal fund to the profit of the social office, a sum equal to the union subscription payable by union members.

In reply, the home secretary stated that, as the legality of this measure seemed questionable, the matter would be submitted to the state council for opinion. This has since been done, but as yet the state council has not expressed its opinion.

Mexico

In Mexico, the workers have managed to obtain insertion of an exclusion clause in their collective agreements under which a worker who is not a union member or who does not remain a union member must be dismissed by the employer. This system exists at the level of the undertaking and is in effect for very many trade-union organizations.

The Mexican employers consider far more dangerous however the union exclusive contract clause under which employers are obliged to hire only those employees and workers whose names are proposed by the unions. Wherever this latter system has been established, the employers have countered by laying down a series of technical qualifications that union-proposed workers are required to possess in order to be taken on. When such workers or employees do not possess the qualifications demanded, the employer himself generally proposes a suitable candidate to the union.

Netherlands

In Holland, it is legally forbidden to make membership of trade unions compulsory. Article 1 (3) of the Collective Agreements Act of 1927 stipulates that an employer cannot be forced to employ members of a certain union exclusively.

There is only one industry that is known to make membership compulsory in a moderate way. This is under the collective agreement concerning the graphic industries. Article 73 of this agreement stipulates that the employer is not allowed to employ anyone who is not a member of one of the unions signatory to the collective agreement. The question has been raised as to whether this does not contravene the Collective Agreements Act mentioned above. The reply has always been negative: The act refers to "a certain union," whereas in the collective agreement for the graphic industries there is a choice left for three unions. Moreover it is made possible for the contracting parties to admit other organizations as well.

The problem of compulsory membership again arose in Holland when the contracting parties to the collective agreement for the graphic industries introduced a request to have their contract made generally binding.

The possibility of forcing employers and workers not belonging to the contracting organizations to comply with the provisions of the agreement was instituted by the act of 1937 concerning the binding and nonbinding nature of collective agreement provisions, Article 2 (5) of this act lays down that provisions which attempt to force employers or workers into membership with employers or workers' organizations or to effect unequal treatment of those organized and those that are not, cannot be made binding.

The Board of Government Conciliators—a Government body which rules on the binding and nonbinding nature of clauses—has made article 73 of the collective agreement for the graphic industries binding in spite of the above restriction, with the view that compulsory organization is a fundamental principl for vocational training in the industry and for the entire system of social benefits secured through certain funds in this industry.

The board further considered that this clause allows the possibility of obtaining permission from a board comprising representatives from the various organizations to employ organized persons. Though on these grounds the clause in question was not considered to be opposed to legislative provision, the Government conciliators further added that, in case dispensation was not granted, the decision of the industrial board could be overruled by the conciliators themselves.

While thus insuring that those unorganized are guaranteed fair treatment, the Dutch Government has in fact accepted compulsory membership in this single case. The employers' federation adds, however, that compulsory unionism in general is considered unacceptable in the Netherlands both by employers and by workers. This is also evident from the legislation quoted above.

The question has nonetheless been raised in Holland as to whether it is right or fair that unorganized workers should profit from the results of the work that has been done in the social field by the unions over the course of the years. Accordingly it has been debated whether it might not be fair for the unorganized worker to bear part of the cost of this work in the form of a tax amounting to the contribution, usually paid by organized workers to their union. Though the question has been raised in some industries in employer-worker discussion, the Central Employers' Federation is unaware of any instance apart from the graphic industries where such a levy has been put into effect.

Norway

In Norway, there are very few collective agreements containing union closed shop clauses.

The confederation has always been opposed to such clauses and provision for freedom of organization is made in section 1 of the basic agreement concluded by the confederation with the Norwegian Federation of Trade Unions. According to this provision, workers are free to decide whether they wish to join a union or not. Nevertheless, the workers are exposed to a certain pressure both from the unions and from their workmates, aiming at union membership; but if undue influence is exerted on the worker in question, or on his employer, the employers are entitled to have such pressure legally prohibited through the agency of the labor court. Strikes or similar actions in this respect are therefore illegal.

Within a very narrow sector, however, the Norwegian Employers' Confederation has accepted some kind of union closed shop, namely, for longshoremen. Collective agreements relating to this category of workers provide that union members should have preference in performing the work. The reason is that such workers are not permanently employed by one employer alone.

Outside the scope of the confederation, the unions have secured union closed shop clauses in some collective agreements with individual employers, small employers' organizations and the organizations of consumers' cooperative societies in Norway. These clauses however affect comparatively few workers only.

For several years there has been no dispute as regards provisions concerning freedom of organization in the basic agreement mentioned above. The unions have not tried to introduce union closed shop clauses in really important collective agreements, due to the fact that in ordinary industry nearly 100 percent of the workers are organized.

This also applies to ordinary workers and subordinate white-collar workers. As regards the question of foremen, some difficulty arose 2 years ago when the Norwegian Federation of Trade Unions attempted to organize this category of wage earners also. The Norwegian Employers Confederation opposed this, and the question was finally solved by the introduction of a new law granting full freedom of organization to foremen and technical supervisors. Union closed shop clauses would therefore constitute an infringement of this law.

The Norwegian Employers' Confederation considers full freedom of organization to be highly important and is prepared to use all its power to resist any attempt to have union closed shop clauses introduced on the Norwegian labor market.

Philippines

There is no provision for compulsory unionism contained in the Philippine labor laws. The policy of the Government has been consistent in encouraging the growth of free and responsible labor unions based on the right of the person to work, which is as fundamental as the right to life, liberty, and the pursuit of happiness.

The Republic Act 875, otherwise known as the Magna Carta of labor, was enacted precisely to avoid any compulsory measures either on the part of the workers or on the part of the employers. This act applies with equal effect to both parties.

In consequence, any form of compulsion and/or compulsory unionism would not be sanctioned or tolerated, as it would be contrary to the policy of the aforementioned Magna Carta of labor.

Sweden

For undertakings affiliated to the Swedish Employers' Confederation, the introduction of a system of union closed shop is prohibited under article 35 of the confederation's statutes. This article states that "the right of the employer to hire and to dismiss his workers, to direct freely and allocate work and to employ workers who are members of any trade union or, alternatively, who are

not members of a trade union, shall be stipulated in all collective agreements concluded between an affiliate or participating member of the confederation and a trade union or workers' federation."

This right of the employers was recognized by the unions in 1906 after lengthy negotiation resulting in a compromise, the employers accepting to recognize and to support the right of the workers to organize. Since that date, these rights have not been contested.

There are, however, a number of associations covering branches of industry which are not affiliated to the Swedish Employers' Confederation, and a few of these associations, which cannot be considered as representing industry in the proper sense of the word, have closed-shop provisions inserted in their collective agreements. This exception from the general rule, however, is of small importance in the overall situation. The same observation applies to those undertakings which are not organized under a central association and for which collective agreements frequently contain a closed-shop clause.

Switzerland

In Switzerland there is the system of union plurality, the workers being represented by four trade union organizations: The Swiss Trade Union Association, 389,178 members; the Swiss Federation of National Christian Trade Unions, 64,251 members; the Swiss Association of Evangelical Workers and Employees, 16,425 members; the Swiss Association of Independent Trade Union, 16,010 members.

Swiss legislation and collective agreements do not contain any provision for either a union-shop system or a closed-shop system. In some exceptional and unimportant cases, however, collective agreements have been concluded with provision being made for the system known as union reciprocity under which the employer members of the contracting association undertake to employ only workers who are members of a union, the union members undertaking in return to accept employment only with firms affiliated to employers' organizations. Such agreements are however very much in the minority and in general have local effect only.

Some unions, particularly the unions affiliated to the Swiss Trade Association, frequently attempt to secure union monopoly for themselves by exerting pressure on workers who are either nonunion members or members of some other union.

One particular method employed by the unions to strengthen their position is to have provision made in collective agreements for the system of labor cards or solidarity contributions. Under the labor professional card system, the employers undertake to offer employment only to workers in possession of a labor card, while the workers in turn undertake to accept employment only with employers holding a professional card. Members of the employers' and workers' organizations signing the collective agreement are considered as being in possession of the labor or professional card and it is made available to nonmembers on payment of a fixed annual contribution.

Under the second system—the solidarity contribution—instead of a labor card given in exchange for payment, employers and workers who are not members of an organization are required to pay a special union contribution to cover the expenses of setting up and maintaining a form of control over observation of employment contracts.

The natural outcome of these two systems has been to exert a certain pressure on employers and workers who are not already members of an organization to become members. While, however, the labor tribunals have recognized the legitimacy of both the labor card and the solidarity contribution, their acceptance has been subject to the condition that the amount paid, either in payment for a labor card or as a solidarity contribution, shall not exceed a stated sum considered as equitable and which must be less than the sum normally laid down as union fee.

The two systems were first introduced for the small trades industry and have not been extended to industry properly speaking.

On the legislative side, the Swiss Employers' Union reports that while the national legislation does not contain any special provisions guaranteeing freedom of association, there are a number of legal prescriptions of a general nature which are effective in preventing the introduction of compulsory unionism.

In the first place, article 56 of the Federal Constitution recognizes the right of the citizens to form associations provided there is nothing in the aims of such associations or in the methods they employ that is illegal or which constitutes a danger to the State. The prime object of these prescriptions however, the Swiss employers note, is to safeguard freedom of association for the individual with respect to the State, the latter thus being prevented from imposing restrictions on the right of the individual to become organized.

It is also noted that an individual worker may appeal to the courts in cases where pressure to become a union member has unlawfully been brought to bear on him either by the unions or by other persons. His appeal may be based on the prescriptions of the Swiss Civil Code or these of the Penal Code. Under article 28 of the Civil Code, any person who suffers unlawful prejudice to his personal interests may apply to the judicial authority for such prejudice to be discontinued. In the same way, article 31 of the Federal Code of Obligations states that anyone who causes, in an unlawful manner, damage to be suffered by another, either intentionally or through negligence of imprudence, shall be held to make such damage good. Judgments have already been awarded by the courts on the grounds of these prescriptions ensuring respect for the right of freedom of association. Moreover, in certain cases, attempted infringement of the right to freedom in association can constitute a penal offense and in such cases the prescriptions of the Penal Code concerning either menace (art. 180) or constraint (art. 181) can be invoked to secure protection from these acts.

Finally, as regards the general enforcement of terms of collective agreements, provision is expressly made in current legislation that general compulsory application shall only be declared if the clauses in question respect freedom of association.

In conclusion, the Central Union of Swiss Employers Associations states that both the Swiss employers and their organizations are steadfast supporters of the principle of freedom of association and are categorically opposed to compulsory unionism.

United States

Union Security Protection

Protection of trade-union rights in the United States is secured by law. The effect of the Labor-Management Relations Act of 1947 (the Taft-Hartley Act) is that when a majority of the workers demonstrate that they wish to be represented by a union, the employer is legally obliged to recognize that union and he may not engage in certain acts defined as unfair labor practices which might serve to undermine the unions.

In consequence, as the Taft-Hartley Act protects the right of the individual worker to join a union if he so chooses, as well as the rights of trade unions, the attitude of American employers is that the compulsion of union membership or the compulsion of union dues payment is wholly unjustifiable.

Whatever form compulsory unionism may take[4] it is regarded by American employers as a denial of the right to refrain from self-organization. Whenever trade-union membership is made an indispensable condition of employment, a tendency naturally follows for unions to obtain a monopoly of the labor force which in turn invites abuse of such monopoly power so as to represent a serious threat to a free society.

From the worker's point of view, the power that unions can wield through compulsory unionism not only can infringe his right to secure and keep employment, but can deprive him of veto power over unacceptable conditions and interfere with his individual economic status and advancement.

For the employer, that same power in the hands of the unions can erect an impenetrable barrier to any attempt on his part to establish sound labor-management relations. It destroys discipline by making the worker more responsive to the wishes of his union officers than to his foreman. The employer may also be required to discharge his ablest workers for offenses that are essentially of a union character. At the same time, any satisfactory collective bargaining is made practically impossible under conditions of compulsory unionism. Last, but by no means least, compulsory unionism hits the consumer. Wages and other costs arbitrarily forced up to uneconomic levels through union pressure resting on power obtained by compulsory unionism, production cost increases brought about by union-enforced production rules limiting work performed in a given time, all inevitably are reflected in the price paid by the consuming public.

Closed Shop—Union Shop

Under the Taft-Hartley Act of 1947, the closed shop is now prohibited. This prohibition was inserted in the Act after the United States Congress, prior to the passage of the Act, had been confronted with irrefutable proof that the closed shop as practiced under the previous Wagner Act had given rise to serious abuse.

While outlawing the closed shop, however, the Act permits under certain circumstances the union-shop system, under which all employees in the appropriate bargaining unit must join the union within a fixed time from the date of employment and must thereafter remain members in good standing in the union with respect to the payment of union dues and certain specified payments, or the employer is required by the union to discharge them.

It follows that there is little difference between the two systems, since each compels union membership as a condition of employment. The only concession made by the Act is that a majority of the workers may revoke a union-shop clause agreed upon by their union. Even so, 49 percent of the workers in a bargaining unit may be compelled to join a union against their will.

[4] Apart from the closed- and union-shop systems, various other forms of compulsory unions are practiced in the United States, notably: Maintenance of membership, provided by collective agreement, under which employees who are union members on a specified date, or who subsequently join the union, must remain members in good standing during the life of the contract, and are not free to resign without loss of employment; checkoff, the automatic and regular deduction of union dues from the wages of union members by the employer before wages are paid. In such cases, the checkoff is dependent upon written authorization from the worker; preferential shop, agreement between an employer and a union that preference be given to union members, where available, in hiring and reemployment and other matters.

The Act also provides that a State already prohibiting compulsory unionism under its own laws shall be exempt from the union-shop proviso of the act.

The Employers' Position

The principles affecting this question as advocated by the National Association of Manufacturers are as follows:

"Every employee and prospective employee should be guaranteed freedom, without intimidation or coercion from any source, to join or not to join a labor organization and to maintain or discontinue his membership and participation in its activities. This means that—

A. Membership or nonmembership in a labor organization should not determine the right of any individual to secure or keep a job;

B. No individual should be deprived of his right to work at a job available to him, nor should anybody be permitted to coerce, to harm or to injure the employee, or his family, or his property, at home, at work, or elsewhere, in any matter or action relating to his employment.

To conclude, it is not without interest to quote the views of a Justice of the United States Supreme Court on the subject of industrial liberty:

"It is not true (he says) that the success of a labor union necessarily means a perfect monopoly. The union, in order to attain and to preserve for its members industrial liberty, must be strong and stable. It need not include every member of the trade.

"Indeed, it is desirable for both the employer and the union that it should not. Absolute power leads to excesses and to weakness. Neither our character nor our intelligence can long bear the strain of unrestricted power. The union attains success when it reaches the ideal condition, and the ideal condition for a union is to be strong and stable and yet to have in the trade outside its own ranks an appreciable number of men who are non-unionist.

"In any free community the diversity of character, of beliefs, of taste—indeed more selfishness—will insure such a supply if the enjoyment of this privilege of individualism is protected by law. Such a nucleus of unorganized labor will check oppression by the union as the union checks oppression by the employer."

RETIREMENT OF CHARLES E. WILSON AS SECRETARY OF DEFENSE

Mr. NEUBERGER. Mr. President, I should like to comment briefly upon the retirement of Charles E. Wilson as Secretary of Defense.

I am not an admirer of President Eisenhower's Cabinet as a whole, because I fear that it lacks in human sympathy and in support of governmental policies which would ameliorate inequities and unfairness in our way of life.

It also has been a Cabinet lacking in candor and courage—as witness, for example, the evasive testimony by Under Secretary of State Herter before the Senate Foreign Relations Committee recently, in trying to justify ambassadorship appointments of men untrained in diplomacy or international affairs.

However, courage and bluntness have been traits of at least one member of Mr. Eisenhower's Cabinet. That man has been Secretary Wilson. I do not know Mr. Wilson personally. He and I last met at Whitehorse, in the Canadian Arctic, when I was a second lieutenant in the Army and he was a General Motors official assigned to study the operation of motor vehicles in subzero temperatures on the great Alcan Highway. That was in 1942. We shook hands in a spruce-board barracks, although I am certain the Secretary would not remember that meeting. But he impressed me favorably as a man then, and his political courage has impressed me favorably from a distance while he has served in the President's Cabinet.

This is a town where evasiveness, doubletalk, straddling, and the quick shift often pay off—unfortunately Mr. Wilson has never been such an official. He has not hesitated to offend powerful groups politically. He has not hesitated to speak his mind to Congressional committees, when those committees occasionally consisted of men who were not above bullying or browbeating a witness. I salute Secretary Wilson for these personal characteristics of forthrightness and candor, without necessarily endorsing all of his policies in the Defense Department.

Nor can I close this brief tribute without expressing my admiration for Secretary Wilson's charming wife, Mrs. Charles E. Wilson, who was not afraid to place loyalty and love of her husband above fealty to the President, and who spoke up in defense of her mate. May there be more wives like Jessie Ann Wilson in our Nation's Capital.

PROPOSED INCREASE IN VETERANS' COMPENSATION—NOTICE OF INTENTION NOT TO OFFER AMENDMENT

Mr. LANGER. Mr. President, a few days ago I submitted an amendment intended to be proposed by me to House bill 52, a bill to provide increases in service-connected disability compensation and to increase dependency allowances, when it should be taken up for consideration.

I am informed that at this time the amendment has no parliamentary status. I hereby give notice that it is my intention not to offer such amendment.

CALL OF THE ROLL

Mr. KNOWLAND. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

DISPOSAL OF CERTAIN PROPERTY AT OBSOLESCENT CANALIZED WATERWAYS

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1520) to amend an Act entitled "An act to provide for the disposal of federally owned property at obsolescent canalized waterways and for other purposes," which was to strike out all after the enacting clause and insert:

That section 2 of the Act approved August 6, 1956, entitled "An Act to provide for the disposal of federally owned property at obsolescent canalized waterways, and for other purposes", Public Law 996, 84th Congress, 2d sess., is hereby amended by adding the following: *"And provided further,* That in lieu of preparing dam numbered 3 on the Little Kanawha River, W. Va., for abandoning, such funds may be expended for modification of the lock and restoration for said dam either as a movable or fixed type dam, but not to exceed $50,000, contingent upon local interests furnishing such additional funds as may be necessary and agreeing to accept the property and take over operation and maintenance of said structure."

Mr. CHAVEZ. Mr. President, I move that the Senate disagree to the amendment of the House, ask a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. CHAVEZ, Mr. KERR, Mr. GORE, Mr. MARTIN of Pennsylvania, and Mr. REVERCOMB conferees on the part of the Senate.

REDUCTION OF INCOME TAXES

Mr. YARBOROUGH. Mr. President, we discuss many different subjects in the Senate, but the subject I believe the people want to hear discussed is the subject of an income-tax cut. One of the Nation's leading weekly news magazines, the U. S. News & World Report, in its recent issue of August 9, 1957, has a very interesting and informative article on this subject entitled "What About a Tax Cut?"

Mr. President, we have had one tax cut under this administration, but 73 percent of that cut went to corporations, 18 percent to people in the higher tax brackets, and only 9 percent to the 80 percent of the people in the low-income tax brackets.

The burden of taxation is bearing down hardest on the little man of modest earnings. His taxes are deducted from wages; he never gets his hands on the money, he has no tax writeoffs, fast or slow.

Mr. President, the Nation needs a tax cut, and one for the people this time. I favor a tax cut for all the people, everybody, arrived at by increasing the deduction on personal incomes from $600 per person to $800 for every person. That is what the people want, and anything less will be an unwarranted disappointment.

Mr. President, the Congress talks of many things, but the people are thinking of tax cuts. It is time the Congress recognized the crushing burden the average family bears because of income taxation.

I request unanimous consent that the article, What About a Tax Cut? from U. S. News & World Report, be printed in the body of the RECORD as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHAT ABOUT A TAX CUT?—THE MEN WHO WRITE THE LAWS GIVE THEIR ANSWERS

People ask more and more often whether taxes on incomes will be cut, when those taxes will be cut and how big any cut will be.

Answers to these and other questions can be given only by Congress, particularly the 40 Members who make up the House Ways and Means Committee and the Senate Finance Committee. To get those answers, U. S. News & World Report interviewed members of the two committees.

From the 35 Senators and Representatives ready to express an opinion come these appraisals of the tax outlook:

There are 11 members of the tax-writing committees who say that a cut in taxes will be made on 1958 incomes of individuals. At the same time, eight committee members say flatly that there will not be a tax cut. The 16 others who express an opinion say that the question of a tax reduction will depend on the degree of inflation next year, on the state of the Government's budget and on the intensity of political pressure in an election year.

Any cut in taxes, all seem agreed, will be modest at first, probably not much more than $3 billion out of $41 billion now taken by taxes on incomes of individuals and $22 billion taken by taxes on incomes of corporations.

If taxes are cut, the weight of opinion is that the cut will affect income earned after July 1, 1958, and not income earned from January to July 1958. The cut, in other words, will not be retroactive to the first of the year.

Individuals will be favored over corporations when the first tax cuts are made. Most members of the tax-writing committees are willing to predict that there will not be a reduction in the tax on income earned by corporations in 1958. However, there is widespread feeling that it is unfair for the Federal Government to take more than 50 percent of the earnings of private business. As soon as the budget warrants, it seems clear that corporation taxes will be reduced to 50 percent—or to 47 percent—from the present 52 percent.

Cuts in excise taxes are not looked for in 1958 by most of those on the tax-writing committees. There is sentiment for removal of the tax on transportation, when and if budget conditions permit.

WAYS TO CUT

You get this further composite of opinion from interviews with members of the tax-writing committees:

Higher exemptions? There will be very strong support for an increase in personal exemptions as the first point in any bill for cutting taxes. The increase most often mentioned is from the present tax exemption of $600 to an exemption of $700 for each person. This increase would remove 3.9 million taxpayers from the tax rolls and would cost an estimated $2.8 billion in revenue. The result would be a severe limit upon the size of other cuts in taxes, if revenue losses are to be held within limits now talked about.

LOWER RATES?

A flat cut across the board in rates of income tax is given second priority. A cut of 5 percent is talked about by some committee members. Others express the opinion that a cut of 10 percent will command much support. However, a 10-percent cut in the tax would cost $3.5 billion. If these billions then should be added to the $2.8 billion that would be lost by a $100 increase in personal exemptions, the result would be a revenue loss of roughly $6 billion. This is more than the amount of reduction in revenue that most committee members consider desirable.

RELIEF AT THE TOP?

A widespread feeling exists within the tax-writing committees that the very highest bracket of tax on incomes should be reduced. A level of 75 or 70 percent—or lower—is mentioned as the tax summit in place of the present 91 percent. If only those top brackets are involved, the revenue loss will be small. But if the cuts are to be extended downward into middle incomes, the revenue loss will be large. The point is made by a number of members of the tax-writing committees that extremely high rates of tax encourage taxpayers to seek ways to avoid those rates.

Those are the broad conclusions to be drawn from interviews with 35 out of the 40 men who shape tax bills and whose decisions largely determine the actions of Congress on tax policy.

The interviews, at the same time, turned up many interesting viewpoints, and much comment of interest to taxpayers. In addition to their opinions as to what actually will be done about taxes, the tax shapers have strong ideas about what really should be done—and why.

In the interviews quoted, you get an insight into the thinking of key members of the tax-writing committees of Congress.

REASONS FOR RELIEF

There is unanimous agreement among those who write tax bills that relief from high taxes is badly needed—and there is frustration over budget problems that have delayed tax cuts.

A Republican member of the Ways and Mean Committee puts it this way: "Unless we do something to this tax structure pretty soon, we are going to be killing the goose that laid the golden egg. I think our taxes are so high that we are actually beyond the point of diminishing returns. We are damaging our basic economy and our tax structure itself by maintaining these tax rates. Something has to be done, in my judgment."

A Democratic colleague agrees: "In my judgment, these confiscatory rates are unwise from a revenue viewpoint, and they are not imposed for purposes of obtaining revenue. If they are lowered substantially, the Government would realize more revenue, because it would coax more funds out of tax exemptions and tax-exempt investments and would put more funds into risk capital."

There's agreement, too, that today's tax rates foster extravagance on the part of individuals and corporations. When Government takes 52 cents of each $1 of corporation earnings, the tax writers point out, a corporation can spend $1 at a cost of 48 cents.

As a Representative of an Eastern State expresses it, "I've always felt you shouldn't take away more than half of people's income, generally. I think it's a headache that makes for extravagance. The moment people see that Uncle Sam is going to pay more than half the cost of an expenditure, they start extravagance, and that leads to higher prices."

THE MAIN BARRIER

Only one major problem lies in the way of tax relief, the legislators say repeatedly. That's the question of making room in the budget for a revenue loss.

A Democratic Senator, asked if there will be a tax cut on 1958 incomes, answers: "I don't think so. I think we're going to end up with a very close budget situation in fiscal 1958, and I doubt if there is going to be any slash in income taxes, because the balancing of the budget is contingent on too many things—such as the postal increase that I don't think is coming."

A southern Democrat, recalling efforts by his party colleagues to put through a tax cut last year, agrees, and adds: "I don't think anybody wants to be accused of fiscal irresponsibility."

The $275 billion lid clamped on the national debt by Congress figures in the thinking of these tax writers, too.

Reluctance to grant tax relief out of borrowed dollars—that is, with a budget deficit—is not all that bothers the tax writers. There's the matter of the debt ceiling itself.

A high-ranking Republican on the Senate Finance Committee had this answer to the question about tax relief in 1958: "I don't think political pressure can force it unless we've got the money, because we're scraping the debt ceiling already." He doubts that voters will go along with any plan to boost the debt ceiling and give tax relief by deficit financing.

By no means all the taxwriters, however, take so gloomy a view of the budget. A number look for a sizable surplus. And at least one takes the view that tax cuts must come anyway.

Says an influential Republican on the Ways and Means Committee: "I think that we can't reduce expenditures unless we proceed to cut taxes first. Government bureaus are so eager to expand * * * that the hopes of having a substantial balance in the budget in advance of tax reduction is nil. Government will feed on all the tax receipts that are available and, therefore, I believe the way to get reduced spending and reduce taxes is, first of all, to reduce the taxes and then cut the cloth to suit."

A SPLIT OVER METHOD

How to cut taxes, when the time arrives, is a favorite topic of this group of legislators.

A raise in individual exemptions, to $700 from $600, is regarded as easily the best bet, but far from all these tax writers like the idea.

A Democrat from a Southwestern State says he expects "that the exemption approach would be the one, though I do not agree with that approach."

And a Republican Senator from the Midwest chimes in: "I would favor a reduction in rates rather than increasing the exemptions, but probably my views would not prevail."

Many of these legislators have well-defined ideas of the priority to be assigned various petitioners for tax relief.

A Democratic member of the Finance Committee is one. "If you're going to have a tax reduction," he says, "I would do 3 or 4 things: No. 1, put in a $100 increase in exemptions. No. 2, drop the corporate income tax by 2 percentage points a year for 3 years. No. 3, take these top brackets of up to 91 percent and bring them down to 70 percent over a period of 4 years—6 percent the first year and 5 percent a year thereafter. Then you'd get it down to a top of 70 percent or, more ideally, to a top of 60 percent, because I don't think we get anything from these very high levies."

There is a rough consensus for that same priority—first, individuals, then corporations, then excises—when tax relief is considered.

Many members of the tax-writing committees, however, stress relief in special situations.

Small businesses, for example, come in for a good deal of sympathy from these tax writers. So do self-employed individuals who, unlike millions of employees, have no employers to lay aside tax-free income for their retirement.

EXCISE CUTS AHEAD?

Many of the legislators see an acute need for reductions in excise taxes.

A midwestern Republican wants to repeal the 3-percent tax on transportation of goods because that is affecting so much of the national economy. He reports: "The great companies that have to transport a lot of

their goods are going into the trucking business and transporting the goods themselves so they don't have to pay that 3-percent tax. Oil companies are transporting their oil rather than hire small trucking outfits to truck it for them. Railroads are buying their own trucks. That is spreading like wildfire today, and it's hurting the small-business concerns and tending toward concentrating business in big-business hands."

While many of these men want to see relief from excises, there's little agreement as to the role of excises in the tax structure. Some prefer excises because they are a highly stable source of revenue, holding up relatively well in time of recession. Others dislike excises for exactly the same reason, preferring income taxes that give something like automatic tax relief during recession—even though this can bring a quick budget deficit.

Odds on cutting excises seem small. Reason: Excise trims lack the political sex appeal of income-tax reductions.

HELLS CANYON AND THE BRUCES EDDY STORAGE SITE ON CLEARWATER RIVER

Mr. NEUBERGER. Mr. President, I have spoken many times about the meaning of the struggle for Hells Canyon Dam as a milepost in development of our Nation's policies in conservation of resources. I have mentioned previously my strong convictions that loss of the Hells Canyon damsite to partial, piecemeal, wasteful use will increase pressures to barricade other rivers in the Columbia basin at sites which will imperil fish, wildlife, recreation, or scenic values. Only the passage of time will confirm or refute such a prophecy. However, many individuals in the national conservation movement share my belief that loss of Hells Canyon Dam will cause the Nation to pay a high price for the waste of a great natural resource. This viewpoint is reflected in a recent article which appeared in the August 1, 1957, issue of Conservation News, an informative and outspoken publication of the National Wildlife Federation. I ask consent to have printed in the RECORD with my remarks the article entitled "Hells Canyon and Bruces Eddy: An Object Lesson."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HELLS CANYON AND BRUCES EDDY: AN OBJECT LESSON

The long fight against authorization of Bruces Eddy Reservoir on Idaho's North Fork of the Clearwater River has reached a decisive stage. The House Public Works Committee has amended and reported S. 497, the Rivers and Harbors omnibus bill, in which the Senate included Bruces Eddy among more than a hundred Army Engineer projects. The House committee took Bruces Eddy out. Assuming the House will uphold its committee and keep Bruces Eddy out, the issue will then be settled, at least for this Congress, in conference committee.

If the proponents should prevail in conference, and Bruces Eddy be restored, conservationists will urge a veto.

Hells Canyon Dam, proposed for construction on the Snake River and considered by many as an alternative to Bruces Eddy, appears to be entombed in the House Committee on Interior and Insular Affairs. Opponents succeeded in blocking the Hells Canyon bill after the Senate passed it June 21 in a surprising vote.

Their experience with Bruces Eddy, together with the emerging pattern of relationship to Hells Canyon, has demonstrated to conservationists the necessity of offering alternatives to river-development plans that jeopardize wildlife and other valuable resources. It has convinced many that the task of protecting fish, game, wilderness and scenic values for future generations involves a greater burden of responsibility than simply opposing the projects which threaten those resources.

Until recent months few conservation groups had voiced support for alternatives to Bruces Eddy or to other potentially destructive dams in the middle Snake Basin. This is partly because the recommendation of alternatives would have involved them in the bitter struggle between public-power advocates and private power groups, a struggle in which Hells Canyon has been the grand prize. The opposing ideologies here do not necessarily bear any relationship to the sound management of natural resources. While some political leaders are classed among the country's leading conservationists, as a group conservationists are not politicians in the Republican and Democratic style. They are inclined to shy away from a political brawl. So in the partisan battle over Hells Canyon they had a tendency to stand on the sidelines while the politicians fumbled the ball.

Throughout their long fight against Bruces Eddy, the position of conservationists has been one of principle. They have protested any Congressional action to approve or finance construction of the 570-foot barrier until studies have been completed to show what the effect will be on fish and wildlife. This is a sound position. They are now optimistic of winning—at least in this Congress—if the group of conservation-minded legislators who make up the leadership of the House Public Works Committee can prevail against the Senate conferees. They are not so optimistic about future success in saving the great wildlife and recreational resources of the Salmon and Clearwater Rivers against the dam builders. Many have become convinced the future task would be easier if a big dam, developing the full power and water-storage potential of the site, were built at Hells Canyon.

That is the reason a number of conservation groups throughout the country came out recently in support of the high Hells Canyon Dam as a workable alternative to the Clearwater project. It offers 3,800,000 acre-feet of storage compared to 1,433,000 acre-feet at Bruces Eddy. Its power potential exceeds the capacity of Bruces Eddy. The Hells Canyon location, while causing inundation of a spectacular section of the deepest river gorge in North America, does not threaten vast fisheries, wildlife, or recreational resources.

Licenses for the three private dams in this same stretch of the Snake River—Brownlee, Oxbow, and low Hells Canyon—have been granted to the Idaho Power Co., by the Federal Power Commission. Brownlee is now under construction. But these dams together offer much less in the form of flood storage and hydroelectric potential than the proposed high Hells Canyon project. They do little to relieve the pressure for Bruces Eddy and for the project proposed at the Nez Perce site, downstream from Hells Canyon on the Snake River. The Nez Perce Dam would block the vast runs of steelhead and chinook salmon that now use the Salmon River. It is considered to be the biggest single dam threat to the great sport and commercial fisheries of the entire Columbia Basin.

Elsewhere in the Columbia system similar problems are faced and similar losses threatened through construction of high dams. Proposed Glacier View Dam in western Montana, for example, would flood portions of Glacier National Park. Proponents of Glacier View have been quiet of late but like dam promoters everywhere, they have the blueprints filed away and are biding their time. When they decide to push, the Nation will see another controversy not unlike the Echo Park Dam struggle that was won by the conservationists in the 84th Congress.

Nearby in Montana, on the Middle Fork of the Flathead River, proposed Spruce Park Dam would flood out wilderness, big-game wintering areas, and some of the last remnants of grizzly bear range in the United States. Here again conservationists might well consider the wisdom of supporting multipurpose dams at less destructive sites. Two that are now proposed, Libby Dam on the Kootenai River and Paradise Dam on the Clark Fork, would relieve much of the demand for upriver projects that place park, wildlife and wilderness resources in jeopardy.

The lesson to be drawn, then, from the related Bruces Eddy and Hells Canyon fights, is that in controversies over river development, conservationists must choose—or devise—a plan that will serve best to protect the valuable resources which, if not fought for, will be lost in America's passion for pouring concrete. Sometimes the choice may parallel the desires of private industry; in other instances, it may support the plans of public power. This is not to depreciate the private enterprise versus Government issue; the outcome of this issue may well be critical, in one way or another, to the future of America. But the way we use or misuse natural resources can be equally critical—and much more quickly—in the ultimate question of survival or disaster. The peculiar function of conservationists—and question of survival or disaster. The peculiar function of conservationists—and part of their great opportunity to serve America—is to insist that river-development plans make conservation sense. And if they do their job for America, they cannot be deterred by false accusations of partisanship that will be hurled at them by partisans. Conservationists must hew to the line and let the chips fall where they may.

CALL OF THE ROLL

The PRESIDING OFFICER. Is there further morning business?

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. SALTONSTALL. Mr. President, I most respectfully object.

The PRESIDING OFFICER. Objection is heard. The clerk will proceed with the call of the roll.

The legislative clerk resumed and concluded the call of the roll.

Aiken	Curtis	Johnson, Tex.
Allott	Dirksen	Johnston, S. C.
Anderson	Douglas	Kefauver
Barrett	Dworshak	Kerr
Beall	Eastland	Knowland
Bennett	Ellender	Kuchel
Bible	Ervin	Langer
Bricker	Flanders	Long
Bush	Goldwater	Magnuson
Butler	Gore	Mansfield
Byrd	Green	Martin, Iowa
Capehart	Hayden	Martin, Pa.
Carlson	Hickenlooper	McClellan
Carroll	Hill	McNamara
Case, N. J.	Holland	Monroney
Case, S. Dak.	Hruska	Morse
Chavez	Humphrey	Morton
Church	Ives	Mundt
Clark	Jackson	Murray
Cooper	Javits	Neuberger
Cotton	Jenner	O'Mahoney

Pastore	Smathers	Thye
Potter	Smith, Maine	Watkins
Purtell	Smith, N. J.	Wiley
Revercomb	Sparkman	Williams
Russell	Stennis	Yarborough
Saltonstall	Symington	Young
Schoeppel	Talmadge	
Scott	Thurmond	

Mr. MANSFIELD. I announce that the Senator from Delaware [Mr. FREAR], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Ohio [Mr. LAUSCHE], the Senator from West Virginia [Mr. NEELY], and the Senator from Virginia [Mr. ROBERTSON] are absent on official business.

The Senator from Arkansas [Mr. FULBRIGHT] is absent because of illness.

The Senator from Missouri [Mr. HENNINGS] is absent by leave of the Senate because of illness.

Mr. DIRKSEN. I announce that the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The Senator from Nevada [Mr. MALONE] is necessarily absent.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). A quorum is present.

Is there further morning business?

Mr. SALTONSTALL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SALTONSTALL. Is morning business completed?

The PRESIDING OFFICER. Morning business is not completed.

FORTY-FOURTH BIRTHDAY ANNIVERSARY OF SENATOR TALMADGE

Mr. JOHNSON of Texas. Mr. President, I had intended to call attention to the fact that the present distinguished occupant of the chair, the junior Senator from Georgia [Mr. TALMADGE], is celebrating his 44th birthday, and I know that all Members of the Senate will want to congratulate him and wish him many happy returns. He has made a great impression on this body since he came here. He has served only a few months, but he has already demonstrated that he is one of the most earnest and one of the most diligent and one of the best Senators in the Senate. We particularly appreciate the very fine relationship we have with him, and the very effective and efficient way in which he presides over the Senate.

Mr. MORTON assumed the chair.

Mr. TALMADGE. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the Senator from Georgia.

Mr. TALMADGE. I desire to express my appreciation to the distinguished majority leader, the senior Senator from Texas. He is always most generous to his colleagues in the Senate. Having reached the 44th anniversary of the year of my birth, I have about reached the point where I hate to be reminded of it at this time.

Mr. MANSFIELD. Mr. President, I wish to join the distinguished majority leader in extending congratulations to the Senator from Georgia, and to wish him many more years of good life and good health in the period ahead.

Mr. TALMADGE. I thank the Senator from Montana.

SENATOR CHURCH'S PART IN THE CIVIL-RIGHTS BILL

Mr. MANSFIELD. Mr. President, in this morning's Baltimore Sun there appears an article under the heading "Politics and People," by Thomas O'Neill. The article refers to our distinguished colleague, the junior Senator from Idaho [Mr. CHURCH]. Much has been said as to how passage of the civil-rights bill was finally achieved in the Senate. I do not believe enough credit has been given to the Senator from Idaho for the significant part he played in bringing about a civil-rights bill which guarantees more to the people and is a stronger and better civil-rights bill than the bill placed before us after passage by the House.

I think it is safe to say, insofar as the Church amendment is concerned, which guarantees the right of all Americans to serve on Federal juries, that it was purely the result of Senator CHURCH's thinking. He furnished the key which turned the lock and opened the door to a civil-rights bill which is workable, durable, and understandable. It is a civil-rights bill with which all people in all parts of the country can live. The Senator from Idaho is to be commended for his originality, his persuasiveness, and his ability to bring about a continuation of the jury trial system in American jurisprudence. Idaho and the Nation, let alone the Democratic Party, can well be proud of him.

Mr. President, I ask unanimous consent that at this point in my remarks I may include in the RECORD this laudatory article, and deservedly so, by Mr. Thomas O'Neill.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

POLITICS AND PEOPLE—MEMBER OF THE LODGE

(By Thomas O'Neil)

WASHINGTON.—Some members wait years for acceptance into the inner circle of the United States Senate, and others never attain it. Gadflies and those who arrive in Washington too full of themselves are automatically excluded from the apparently nebulous but in fact cohesive club within a club made up of those who get things done and exercise a large influence upon the day-by-day proceedings of the Senate. An example of those who remain outside throughout a Senate career is Senator WAYNE MORSE, a determined upstream swimmer who is never comfortable on the side of a majority. A contrasting example is provided by Idaho's Senator FRANK CHURCH, a Member of the Senate scarcely 7 months, who has won unspoken recognition as a member of the lodge. His achievement is especially notable because Senator CHURCH at 33 is the baby of the Senate and was an amateur in politics when he took the oath of office in January.

Senator CHURCH was preceded to Washington by a reputation as an oratorical prodigy, and there were misgivings that he would be tempted to demonstrate his virtuosity early and often. (As a high school youth he won the 1940 American Legion national oratory contest, and the $4,000 prize helped finance his education at Stanford and Harvard Law School.) Instead, he sat silent among the freshmen in the Senate's rear row for his first 6 months, adhering to the unwritten rule that newcomers are to be seen and not heard. When he did rise at last, it was on behalf of a subject of prime interest to Idaho, the Hells Canyon power bill, and the Senate learned that his reputation for eloquence had been truly earned. When he concluded, the Senate witnessed an unusual demonstration, a burst of congratulations from his colleagues, both Democrats and Republicans.

The young legislator's standing became even more apparent in the contest over the civil-rights bill. It was he who proposed the solution by which the Senate majority leader, Mr. LYNDON JOHNSON, was able to attract enough liberal votes for passage without precipitating a southern filibuster.

This solution was the addition to the jury-trial section demanded by the South of a provision qualifying Negroes for service on Federal court juries in the South even though they may be excluded from juries in State courts. It broke a deadlock by assuring against the automatic acquittal that had been foreseen in the event of white defendants appearing before all-white juries in the Deep South on charges of illegally interfering with the privilege of the ballot. A Negro juryman who believed a defendant guilty could force a mistrial, since acquittal requires a unanimous vote exactly as does conviction. Senator JOHNSON, whose first concern was to prevent open civil war between his Democratic forces, was grateful for the Church suggestion. Senator RICHARD B. RUSSELL, the Georgia leader of the opposition to civil rights, was agreeable to the extent of agreeing to forestall a filibuster. Senator CHURCH rounded up 11 other moderate liberals as cosponsors, and his amendment was accepted almost as routine. The bill then passed the Senate, the first such success for a civil-rights proposal in many years.

Senator MORSE, the insistent individualist, cast the only nonsouthern vote against passage. It was recalled that in his campaign last year one of the allegations made against Senator CHURCH was that if elected he would "hang his halter in the WAYNE MORSE stable."

In that campaign, which he won handily, Senator CHURCH was under fire from both the right and the left. His Republican opponent was the ineffable Mr. Herman Welker, a political primordial who had been a dubious ornament to the Senate for 6 years. On the left, running as an independent, was Mr. Glen Taylor, the guitar-strumming candidate for Vice President on the Henry Wallace ticket of 1948. Senator Welker, who found it advisable to assure constituents in his campaign advertising that he had stopped drinking, assailed Mr. CHURCH as "the puppet candidate of pinks and punks" on the ground that he had financial support from the National Committee for an Effective Congress. (Senator Welker, who favored the natural gas bill, was supported by contributions from Texas gas and oil interests.) Mr. CHURCH won a clear majority over both opponents.

The pink-cheeked, handsome young Senator was born into a Republican family but became a Democrat by his own choice when he cast his first vote. (He went even further when he married; his wife is a member of the Clark family, which is a Democratic dynasty in Idaho and has furnished two governors and a United States Senator.) His only political venture before running for the Senate was as an unsuccessful candidate for the State legislature.

RAYMOND R. PATY

Mr. KEFAUVER. Mr. President, we were all grievously shocked at news of the death of Dr. Raymond R. Paty, a

member of the Board of Directors of the Tennessee Valley Authority. He was a devoted public servant and a strong advocate and defender of the Tennessee Valley Authority. I knew Dr. Paty as a friend, and I respected him as a man who was devoted to the welfare of his people. His death is a sad loss to the Tennessee Valley Authority and to the people of that section of the country.

IMPLEMENTATION OF TREATY AND AGREEMENT WITH THE REPUBLIC OF PANAMA—STATEMENT BY SENATOR LAUSCHE

Mr. MANSFIELD. Mr. President, at the request of our distinguished colleague, the junior Senator from Ohio [Mr. LAUSCHE], I ask unanimous consent to have printed at this point in the RECORD his remarks relative to H. R. 6709, a bill to implement a treaty and agreement with the Republic of Panama.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR LAUSCHE

Yesterday the Senate passed H. R. 6709 to implement a treaty and agreement with the Republic of Panama, as amended, by substituting for its language the amended language of S. 1730, a companion bill. The bill, which now goes for conference with the House, amends section 102 (b) and section 103 of the Senate bill which was approved for passage by the Senate Interstate and Foreign Commerce Committee.

It was argued that these amendments were in order on the grounds that the shippers who use the Panama Canal should not bear the increased cost of canal operation which will result from the concessions made by our Government to the Republic of Panama under the treaty of 1955.

WHY THE ARGUMENTS AGAINST SECTION 102 (B) ARE NOT SOUND

The Panama Canal Company on its books carried, at their actual cost less depreciation, certain properties which under the treaty are to be conveyed to Panama. The Panama Canal Company paid interest to the United States Treasury on the basis of the actual cost less depreciation. In other words, the company, under its obligation to the people of the United States for the moneys which the latter invested, paid interest on the basis of the actual moneys expended. (Net direct investment.)

The shippers now take a different position concerning how this particular property transferred under the treaty should be valued. They claim that it has a market value of $24,300,000 and that, therefore, the capital investment of the people of the United States on which they are receiving interest should be reduced in an amount equal to the market value, and not the book value, of the properties conveyed. That will mean that the interest obligation of the company to the United States Treasury will be reduced in the sum of $24,300,000 being the reasonable market value of the property conveyed rather than in the sum of $4,300,000 constituting the actual investment of the Federal Government and upon which basis the Federal Government throughout the years was paid interest.

Manifestly, the shipping companies in determining the total capital upon which the Panama Canal Company should pay interest subscribed to the practice that they should be carried at their actual cost less depreciation. Now, however, that the capital is to be reduced they change their position and demand that the capital upon which interest shall be paid shall be reduced not in an amount equal to the actual cost of the properties, but in an amount equal to their present reasonable market value.

They should recognize the fact that if, for the purpose of reducing the capital obligation on which interest is paid, the market value of that property which is being transferred should be used as the basis of reduction, then the Panama Company will be justified in readjusting its entire accounting practice and carry all of the properties not on the basis of its actual cost but on the basis of its present reasonable market value.

The Panama Canal Company has been paying to the United States Government interest on the basis of a capital investment having an original cost less depreciation value of $342,465,445 as of June 30, 1956. If the views of the shippers are accepted that aggregate capital value will be reduced by $24,300,000 bringing the book value down to $318,165,445, on which hereafter interest will be paid to the Federal Government.

Manifestly, if in reducing the capital investment consistency is practiced and the capital value is reduced by $4,300,000, representing the actual investment less depreciation, the interest hereafter paid will be on the basis of a capital valuation of $338,165,445. These figures show clearly that the shippers throughout the years were benefited through the accounting system which carried properties at their investment cost less depreciation. They now want to change the method of accounting obviously because it will be beneficial to them to have the capital value reduced not on the basis of the original cost less depreciation of the properties transferred but on their promoted theory that the reduction should be on the basis of the market value.

However, conceding, although such concession cannot be made in justice and logic, the purpose of reducing the capital investment by the alleged market value of $24,300,000, cannot be supported under the facts.

In support of the foregoing, I wish to call attention to the testimony of Mr. L. Kermit Gerhardt, Assistant Director, Civil Accounting and Auditing Division, General Accounting Office, in presenting the views of the General Accounting Office on this legislation. Mr. Gerhardt stated in part as follows:

"We are of the opinion that it would be improper to reduce the interest-bearing investment of the Government in the Panama Canal Company for an extraordinary loss based on the use of appraised values unless the interest-bearing investment was first increased to reflect the appraised value of all properties."

In a supplemental statement, the General Accounting Office stated also:

"The effect on toll rates of the various proposals relative to the accounting treatment for facilities to be conveyed and their replacement will be nominal. However, in the course of the hearings the committee was urged to prescribe the use of market value of the properties to be conveyed, instead of book value, to measure 'extraordinary losses through directives based on national policy and not related to the operations of the Corporation.' We think it appropriate to point out that such treatment may result in a benefit to the tolls payers, at the expense of American taxpayers, measured by the reduced interest payments to the Treasury resulting from the reduction in the interest-bearing capital for a so-called profit unrealized by either the United States Government or the Company. The use of market value would result in the Company deriving a profit on a loss transaction. The bill properly recognizes the conveyance to be a loss transaction and assesses the loss, as measured by book value, against the United States Government."

WHY ARGUMENTS AGAINST SECTION 103 ARE NOT SOUND

The shippers take the position that the increase in the annuity from $430,000 to $1,930,000 should be borne by the taxpayers of the United States and not be made as an operational expense of the Panama Canal Company.

The answer to that argument is that admitting the $430,000 annuity was not adequate in order to continue under its rights to operate the canal, it was decided that an adjustment upward had to be made in the annuity. I submit that a just approach to the issue would require reasonable and honest minds to say that if a $250,000 annuity was just in 1903, a $430,000 annuity was unreasonable and unjust in 1957. No argument has been made that the $1,930,000 annuity is an extravagant payment for the rights held by our Government in operating the Panama Canal Company in Panama.

The General Accounting Office of the Federal Government takes the position that this increased annuity is an item to be charged to the operating expenses of the Company. The shippers on the other hand claim that it is a charge that ought to be borne by the general taxpayers and not by the shippers using the canal. The shippers have a special interest which they seek to protect. The officials of the Office of General Accounting, to say the least, are in a far better position to state objectively what ought to be done.

The position taken by the shippers is completely inconsistent with the concepts adopted in 1950 by the Congress that the canal enterprise shall be self-sustaining and involve no burden on the United States taxpayer.

Savings to ship operators in the aggregate are estimated at approximately $150 million a year through the use of the canal. About 30 days travel time are saved by going through the canal rather than around Cape Horn. The tolls have not been increased during the entire period of canal operation.

The Panama Canal Company annual report for the fiscal year ending June 20, 1956, states that 30 percent of the tolls collected from oceangoing commercial vessels were from vessels flying the American flag and 26 percent of the transits were made by these vessels. It would appear, therefore, that any shifting of the cost of operation from the Canal Company to the United States taxpayer would largely accrue to the benefit of commercial vessels flying flags other than that of the United States.

The position taken by the shippers opposing the provisions of S. 1730 is like that of Proteus, the mythological character who changed his form and position to suit his gain.

For the reasons set forth above, I sincerely hope the conference committee will deem that it would be in the best interest of the United States to revise the language in H. R. 6709 to conform with the language in S. 1730, as recommended by the Senate Interstate and Foreign Commerce Committee.

ANTARCTIC EXPEDITION

Mr. CASE of South Dakota. Mr. President, my interest in the Antarctic Expedition is of long standing. I have known for many years Capt. Finn Ronne, USNR, the intrepid explorer who has made many trips to the Antarctic, and is presently commander of the Weddell Sea Station. I also have had unbounded admiration for the late Richard E. Byrd, brother of the illustrious Senator from Virginia.

As recently as July 1954, the Senate Armed Services Committee held hear-

ings on proposed legislation which I had introduced pertaining to the Antarctic Expedition. We completed our work there by adopting a resolution, which I had prepared, stating that it was the sense of the committee that an Antarctic Expedition be conducted at the earliest possible date under the direction of the President of the United States.

Following the adoption of the resolution, the Antarctic Expedition was set up as a part of the International Geophysical Year.

My interest in the value of the Antarctic from a military and a scientific standpoint continues. On the 31st of May, 1957, with the Senator from Wisconsin [Mr. WILEY] and other Senators, I joined in the introduction of S. 2189, a bill to promote the increase and diffusion of knowledge of the Antarctic. The bill would create a permanent commission, so that all materials, documents, and records of the Antarctic could be brought and kept under one roof.

Mr. President, there is no known area of the world where such a large mountainous area exists as is now known to exist in the Antarctic which is not heavily mineralized. In this era of living by strategic minerals it is important that we pursue our work in the Antarctic and establish the basis for claims to the portions of the Antarctic where our heroic people have explored.

I hope the Senate will soon take up S. 2189 so that the good work being performed at this time during the International Geophysical Year may be carried on without interruption after the present worldwide cooperation and participation ceases.

Mr. President, I ask unanimous consent to have printed at this place in the RECORD, following my remarks, a résumé of the Amundsen-Scott IGY South Pole Station dedication, prepared by James E. Mooney. Mr. Mooney has prepared a review of the ceremonies and of some of the work under the direction of Rear Adm. George Dufek at the Amundsen-Scott IGY South Pole Station.

There being no objection, the résumé was ordered to be printed in the RECORD, as follows:

DEDICATION, AMUNDSEN-SCOTT IGY SOUTH POLE STATION, JANUARY 23, 1957

The small group of United States military men stood bundled against the cold, under a sparkling Antarctic sun, at Ross Island with members of the International Geophysical Year science project and visitors from nearby Scott-New Zealand Base, to dedicate a seven-house station at the very bottom of the world. In addition to those participating in the ceremonies there were correspondents, observers, and IGY scientists destined for Little America and Byrd IGY Station duties, as well as Navy personnel from five Deep Freeze ships, to witness this unique international event which symbolized the international nature of the IGY program, the dedication of the South Pole station as the Amundsen-Scott IGY South Pole Station. The date was January 23, 1957.

Rear Adm. George Dufek, Commander of United States TF-43, had coordinated the arrangements for the dedication after having received communications from Rear Adm. Richard E. Byrd, officer in charge, United States Antarctic programs, who had sponsored the plans for the historic ceremony.

Those participating in the ceremony, in addition to Admiral Dufek, were Dr. Laurence Gould, chairman, IGY Antarctic program, who acted as master of ceremonies; Dr. Harry Wexler, chief scientist, IGY program; Dr. Albert Crary, deputy chief scientist; Capt. Willie Dickey, United States Navy; Dr. Kaare Rodahl of IGY, from Norway; Dr. Trevor Hatherton, leader of the New Zealand expedition.

By necessity, the South Pole station was dedicated from the naval air facility, McMurdo Sound, some 730 miles to the north. A failing sea-ice airstrip had temporarily caused suspension of air-drop missions to the pole. Landings and takeoffs from the pole by ski-equipped planes are dangerous at best, and the task force commander, Admiral Dufek, had declared that only those flights which were operationally necessary to deliver construction men and scientists would be made.

It was, however, appropriate to hold a ceremony at McMurdo Sound, since this base supported the building of the Pole station and was also the area from which England's Capt. Robert Falcon Scott set out on his historical trek to the Pole. His wooden base hut was situated within sight of the ceremonial area. Norwegian representation in honor of Amundsen, who was first to stand at the South Pole, was on hand for the ceremonies. The British Commonwealth, including the United Kingdom representative and the New Zealand representative, were there to honor Captain Scott, who arrived at the South Pole in January 1912, approximately a month after the Norwegian, Amundsen. Admiral Dufek represented the King of Norway by special designation of the King. It was appropriate to have Admiral Dufek represent the King of Norway, inasmuch as he was the third man and the first American to stand at the South Pole with six other Navy men, October 31, 1956. Dr. Trevor Hatherton, leader of the present New Zealand Antarctic Expedition, was the official United Kingdom representative.

Flags of Norway, the British Empire, and the United States flew at equal masts for the ceremony in an attitude typical of the spirit under which the International Geophysical Year science studies were conceived. The ceremony, itself, was as simple as it was sincere. Messages were read from King Haakon of Norway; United Kingdom Secretary of State for Foreign Affairs Selwyn Lloyd; Dr. H. U. Sverdrup of the Norwegian Polar Institute; Dr. Joseph Kaplan, chairman, United States National Committee for the International Geophysical Year; Rear Adm. Richard E. Byrd, the first to fly over the South Pole, and from President Dwight D. Eisenhower.

Witnesses to the ceremony formed a human "U" before the speaker's platform which was backdropped by an unobstructed view of McMurdo Sound, Hut Point, Winters' Quarters Bay, and across McMurdo Sound, the Prince Albert Mountain Range of Victoria Land. Sailors and marines from the seaplane tender, U. S. S. *Curtiss*, formed the color guard.

JAMES E. MOONEY,
Ceremony Coordinator, United States Antarctic Programs.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed a bill (H. R. 8992) to provide for the appointment of representatives of the United States in the organs of the International Atomic Energy Agency, and to make other provisions with respect to the participation of the United States in that Agency, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 1446. An act to amend title 14, United States Code, so as to provide for retirement of certain former members of the Coast Guard Reserve;

S. 1856. An act to provide for the development and modernization of the national system of navigation and traffic control facilities to serve present and future needs of civil and military aviation, and for other purposes;

H. R. 3775. An act to amend section 20b of the Interstate Commerce Act in order to require the Interstate Commerce Commission to consider, in stock modification plans, the assents of controlled or controlling stockholders, and for other purposes; and

H. R. 7813. An act to organize and microfilm the papers of Presidents of the United States in the collections of the Library of Congress.

HOUSE BILL PLACED ON CALENDAR

The bill (H. R. 8992) to provide for the appointment of representatives of the United States in the organs of the International Atomic Energy Agency, and to make other provisions with respect to the participation of the United States in that Agency, and for other purposes, was read twice by its title and placed on the calendar.

AMENDMENT OF TENNESSEE VALLEY AUTHORITY ACT OF 1933

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (S. 1869) to amend the Tennessee Valley Authority Act of 1933, as amended, and for other purposes.

The PRESIDING OFFICER. The debate is limited, under the unanimous consent agreement.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that I may make a brief statement without the time being charged to either side.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

Mr. JOHNSON of Texas. Mr. President, when we have concluded with the consideration of the pending bill, I want Senators to be on notice that the following bills will probably be the first bills the Senate will be asked to consider:

Calendar No. 482, S. 98, to provide for the establishment and operation of a mining and metallurgical research establishment in the State of Minnesota.

Calendar No. 577, S. 2377, to amend chapter 223, title 18, United States Code.

Calendar No. 617, S. 2120, to authorize the Secretary of the Interior to construct, rehabilitate, operate, and maintain the lower Rio Grande rehabilitation project, Texas, Mercedes division.

Calendar No. 718, H. R. 6508, to modify the Code of Law for the District of Columbia.

Calendar No. 721, H. R. 6517, to provide for the retirement of officers and members of the Metropolitan Police Force and Fire Department of the District of Columbia, the United States Park Police Force, and for other purposes.

Calendar No. 709, S. 2127, to amend section 3 (d) of the Federal Employees' Group Life Insurance Act of 1954.

Calendar No. 713, H. R. 1937, to authorize the construction, maintenance, and operation by the Armory Board of the District of Columbia of a stadium in the District of Columbia.

Calendar No. 715, S. 1903, to amend section 7 of the Administrative Expenses Act of 1947.

Calendar No. 717, H. R. 52, to provide increases in service-connected disability compensation and to increase dependency allowances.

Calendar No. 787, H. R. 7540, to amend Public Law 815, 81st Congress.

Calendar No. 792, House Joint Resolution 426, amending a joint resolution making temporary appropriations for the fiscal year 1958, and for other purposes.

Calendar No. 800, House Joint Resolution 275, transferring to the Commonwealth of Puerto Rico certain archives and records in possession of the National Archives.

Calendar No. 812, H. R. 8643, to authorize the construction of certain works of improvement in the Niagara River for power, and for other purposes.

Calendar No. 815, S. 2674, to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954.

Calendar No. 858, S. 2431, granting the consent of Congress to the Klamatn River Basin compact between the States of California and Oregon, and for other purposes.

Calendar No. 805, S. 2229, to provide for Government guaranty of private loans to certain air carriers for purchase of aircraft and equipment, and for other purposes.

Calendar No. 848, S. 821, to amend the Civil Service Retirement Act with respect to annuities of Panama Canal ship pilots.

Mr. President, there will be other bills considered which have not been announced. I will announce them as soon as it is called to my attention that it is necessary to bring them before the Senate promptly.

I want all Senators to know that we expect to run late this evening, and we expect to meet early tomorrow and to be in session tomorrow. We may modify those plans. We have to on occasion, at the request of individual Senators. If a Senator seeks to be dilatory, he can keep the Senate for a time from transacting any business. That is his responsibility. When we see evidences of that it is frequently necessary for us to change our plans.

It is the hope of the leadership, with the heavy calendar that confronts us, to be able to dispose of some of these measures one way or the other, so that a decision can be reached. If the Senate follows my suggestion the Senate will stay here this evening and attempt to not only pass the TVA bill but as many others as it may be possible to pass, and to have a session tomorrow.

AMENDMENT OF TENNESSEE VALLEY AUTHORITY ACT OF 1933

The Senate resumed the consideration of the bill (S. 1869) to amend the Tennessee Valley Authority Act of 1933, as amended, and for other purposes.

Mr. SALTONSTALL. Mr. President, I offer the amendments which are at the desk, under my name.

The PRESIDING OFFICER. The amendments will be stated.

The CHIEF CLERK. On page 2, line 13, it is proposed to insert after "thereto" the following:

No such bonds shall be issued or sold, nor shall the proceeds of said bonds or of power revenues be used, except as necessary for such of the foregoing purposes as may be approved by the Congress in connection with its consideration of the Corporation's budget programs transmitted by the President pursuant to the provisions of the Government Corporation Control Act, as amended (31 U. S. C. 841–871).

On page 4, line 16, beginning with "The issuance and sale" delete all of the remainder of subsection (a) through line 6, page 5.

On page 11, after subsection (h) insert the following new subsection:

(i) Except for the audits of its accounts by commercial accounting firms as provided for in subsection (c) hereof, the authority granted to the Corporation by this section shall be subject in all respects to the provisions of sections 301, 302, and 303 of the Government Corporation Control Act as amended (31 U. S. C. 866–868).

The PRESIDING OFFICER. How much time does the Senator yield himself? He has a half hour.

Mr. SALTONSTALL. I yield myself 10 minutes, or less.

The PRESIDING OFFICER. The Senator is recognized for 10 minutes.

Mr. SALTONSTALL. Mr. President, the purpose of the amendments is very simple. At the present time the TVA is under the Government Corporation Control Act. The pending bill would take it from under that act and place the accounting and other procedures of its operations purely under its own jurisdiction.

The purpose of the Government Corporation Control Act, which was passed in 1945, was to exercise some control, through the President and Congress, over the various Government corporations. The Government corporations had increased from 10 in number in 1931 to 44 in number in 1944, and they held assest of more than $20 billion.

The accounting methods of these corporations in the past were all different, and it was very difficult for the Comptroller General or the Treasury Department to know fully what was going on, since they were really beyond the jurisdiction of the President and of the Congress. There were many attempts made between 1935, when the TVA was first inaugurated, and 1941 to reach some agreement on compromise legislation. The Joint Committee on Government Expenditures, headed by the distinguished Senator from Virginia [Mr. BYRD] wrote a very full report on the subject in 1944. A bill was passed, as I have said, on December 6, 1945.

President Truman wrote the chairman of the House committee, on June 11, 1945, as follows:

I heartily favor this proposal. It is a long delayed forward step applying the sound doctrine of an executive budget, as enacted in the Budget and Accounting Act of 1921, to the many important Government corporations which have since come upon the scene.

The purpose of the Government Corporation Control Act was to prescribe a method by which the President and the Congress could exercise some control over the 44 Government corporations, which were entirely financed by the Government and which had in excess of $20 billion of assets.

If we pass the bill in its present form without these amendments we will take away from the President and from the Congress the active control of the TVA, not only with relation to the issuance of bonds, not only with relation to power revenues, but for accounting purposes, and everything else of character.

As I view the matter, the pending bill would make the three TVA Commissioners independent of the President and the Congress to a great degree, although Congress could disapprove the issuance of certain bonds.

The purpose of the three amendments really is singlefold. It is to keep the TVA within the provisions of the Government Corporation Control Act. The amendment does not attempt to limit the issuance of bonds, or the issuance of bonds by using power revenues.

It would not change the effect in that respect at all; but it would keep in force the provisions of the Government Corporations Control Act. That is the sole purpose of the amendments. I believe they are wise amendments, and that they would help in the long run to avoid controversy, and retain control of the TVA within the executive department and Congress.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. CASE of South Dakota. When the able Senator from Massachusetts refers to the Government Corporations Control Act, he strikes a sensitive spot so far as I am personally concerned.

It was my privilege to introduce the first bill on this subject in the House of Representatives, which was the House version of the Government Corporations Control Act. The distinguished Senator from Virginia [Mr. BYRD] and the former Senator from Nebraska, Mr. Butler, were the authors of the bill in the Senate. Representative Whittington, of Mississippi, and I introduced the companion bill in the House of Representatives.

My sponsorship of the bill in the House of Representatives grew out of the fact that there had been a General Accounting Office review of the operations of the Panama Railroad and other activities in the Canal Zone, and we

found that, although such activities might be audited, it was impossible to bring about any effective improvement, because no one paid any attention to the reports. We found that there was a mingling of corporation cash with Government cash, and other things of that sort. That was the genesis of my interest in the subject, and I introduced the first bill on the subject in the House of Representatives. I say that to emphasize the fact that any questions I shall ask are asked from the standpoint of sympathy with the purposes of the act.

When the President signed the bill, I was called to the White House to witness the signing. I was 1 of the 4 persons who received pens which were used in the signing of the bill. So I disclaim any evil intent in asking the questions. I want the Government Corporations Control Act to be effective so far as possible.

What would the Senator's amendment do in making the provisions of sections 301, 302, and 303 of the Government Corporations Control Act applicable? Would it defeat what we are trying to accomplish by the basic legislation itself?

Mr. SALTONSTALL. I read those three sections last night. If I correctly interpret them, they provide, among other things, for auditing by the General Accounting Office.

Mr. CASE of South Dakota. I recall that at the time we were faced with the problem of fitting the TVA into the Government Corporations Control Act, the Tennessee Valley Authority Board had some general authority which made it possible for them, by a resolution, to authorize any so-called irregularity which might have taken place in their expenditures, if after review by the Board it was determined that, even though there might have been a technical failure to comply with some existing statutes, the transaction was honest. In other words, the Board could make the transaction whole, so to speak.

Mr. SALTONSTALL. Let me read the titles of those three sections.

The first is:

> Auditing expenses: (a) payment by General Accounting Office; reimbursement; disposition of reimbursing funds; utilization of reports.

The second title is:

> Depositary for banking or checking accounts; exemption of temporary accounts and accounts of certain corporations.

The third title is:

> Bonds, notes, and debentures, etc.: (a) Maturity dates; interest rates; terms and conditions.

Those are the titles of the three sections, 301, 302, and 303.

Mr. CASE of South Dakota. I do not wish to use too much of the Senator's time. I should like to consult those sections and study them as the debate proceeds.

I have in mind the basic fact that on three occasions the President recommended that Congress provide some way of financing the needed new capital expenditures of the Tennessee Valley Authority for power purposes. A part of the idea was to remove the burden on the legislative branch and the executive branch in connection with the review of what would be considered normal replacement and normal expansion to take care of necessary service within the valley.

I am hoping that on the one hand after removing from the legislative and executive branches the burden in connection with the details of normal replacement and normal expansion of facilities to meet normal growth, we will not, on the other hand, put the load back on the Congress.

Mr. SALTONSTALL. I hope my amendments would not put the load back on the Congress. I shall be glad to have the Senator give his thoughtful consideration to these sections.

Mr. KERR. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. KERR. I appreciate the fine attitude of the Senator from Massachusetts. This question was discussed at great length in the committee. As the Senator from South Dakota [Mr. CASE] has indicated, he was one of the authors of the legislation which the Senator from Massachusetts desires to bring into operation through the measure before us. Not only was the Senator from South Dakota one of the authors, but he has always been very zealous in maintaining the effectiveness of the act. That purpose was in his mind, and in the minds of members of the committee when we prepared the bill.

I should like to have the Senator tell me briefly what procedure would result from his amendment that would be different from the procedure under the terms of the bill as it is now before the Senate.

The PRESIDING OFFICER. The time of the Senator from Massachusetts has expired.

Mr. SALTONSTALL. Mr. President, I yield myself 5 additional minutes.

In reply to my distinguished friend from Oklahoma, who is very expert in these questions, let me say that, as I see it, the bill as it is now drawn would give the power of disapproval within a short span of 60 days, with respect to the issuance of new bonds and bonds with respect to power revenues.

Mr. KERR. Does the Senator mean that the power of disapproval would be given to the Congress?

Mr. SALTONSTALL. To the President and to the Congress within 60 days. That would take from under Government control all the ordinary accounting procedures. It would take the ordinary operations of the TVA completely out of control by the President and the Congress. It would put us back to the days when the TVA Commissioners had entire independence, and were not required to submit reports to the President or to the Congress for approval.

My amendment is open to modification, as I have indicated to the Senator from Tennessee [Mr. GORE]. I think my amendment would mean that the new requests to issue bonds, and for new purposes in any one year, would be presented by the President to the Congress at the same time he presented his budget message.

Mr. KERR. As the Senator from Oklahoma understands, it was that very procedure which was in the minds of the authors of the bill and of members of the committee in bringing the bill to the Senate. It was our thought that the Congress should now, by positive action, effectuate its will in connection with the very principle the Senator has in mind.

In other words, the TVA Authority, in response to the directive of the President to present a program to Congress for expansion, to outline its needs for a period of time, and to develop a method of financing them, has done that. It has brought the particulars to us, outlining its requirements, and has stated the amount which would be necessary to meet the requirements; then the committee had in mind a program which would do that. That having been done, in line with that principle, do I correctly understand the Senator to say that he would require TVA to come back each year and do it again, and have Congress each year go through what we are going through in the consideration of the bill, to determine whether the expansion which we now recognize is coming, and in connection with which we are now devising a method to meet it. Would the program have to be reappraised and restudied each year, both by the Authority and by Congress, notwithstanding the fact that we are doing it now in the package bill?

Mr. SALTONSTALL. My amendment reads:

> No such bonds shall be issued or sold, nor shall the proceeds of said bonds or of power revenues be used, except as necessary for such of the foregoing purposes as may be approved by the Congress in connection with its consideration of the Corporation's budget programs transmitted by the President pursuant to the provisions of the Government Corporation Control Act, as amended.

Mr. KERR. Is that not what the committee has indicated it has in mind? Is that not exactly the purpose of the pending bill?

Mr. SALTONSTALL. The bill in its present form covers the issuance of bonds for the purpose of new development and power revenues for the new development. It effectively removes TVA from the operation of the Government Corporation Control Act. By taking it out of the Government Corporation Control Act, as I see it, it would remove two things so far as the immediate operations of TVA are concerned. It would remove the control of the executive, and any legislative power Congress has over the ordinary operations of the Authority.

On pages 4 and 5 of the bill there appears the following provision:

> No such bond proceeds, nor any power revenues, shall be used to initiate the construction of an additional power-producing project until (1) the Corporation notifies the President and the Congress of its plan to construct such additional project, and (2) following such notification a period of 60 days of a single session of Congress elapses without the enactment of legislation disapproving such construction.

The PRESIDING OFFICER (Mr. MORTON in the chair). The time of the Senator from Massachusetts has expired.

Mr. KERR. I yield 5 minutes of my time to the Senator from Massachusetts.

Mr. SALTONSTALL. I thank the Senator.

In other words, that section of the bill, as I see it, provides that Congress must disapprove of such action within 60 days. The Senator knows the difficulty of getting a message from the President and taking action on it within 60 days if it involves a controversial matter. Therefore the value of such a provision becomes rather dubious.

In addition to that, there is nothing in the bill which keeps control of TVA within the Government Corporation Control Act for purposes of accounting and for purposes of ordinary operation.

Mr. KERR. Does not the Senator realize that in an operation of this kind plans must be made for a longer period than for a year at a time?

Mr. SALTONSTALL. I agree with that statement. I have listened to the TVA discussions for the past 12 years.

Mr. KERR. The committee had in mind the purpose of doing exactly, for a 5-year period, what the Senator indicates he would like to have required of them year by year. In order to afford an additional safety factor, even after in the pending bill we give consideration to the needs of TVA for 5 years, and set up a program whereby it can meet its requirements on the basis outlined in the bill, and after we have given it every possible consideration and deliberation we could give it, year by year—as would be the case under the Senator's amendment, as I understand—TVA would still have to come back and submit its specific plans year by year under the authority we propose to give it to provide for a 5-year program.

Then if Congress does not approve of the manner in which it is operating the Authority we now contemplate giving it in the development of a 5-year program, and if we are not satisfied it is doing it in the manner we have provided and specified, in a year we can, under the provisions of the bill, tell them to do it in that way.

Mr. SALTONSTALL. As I say, I have discussed with the Senator from Tennessee language which I believe would keep TVA within the Government Corporation Control Act for ordinary accounting purposes and for ordinary purposes of operation in any 1 year.

I believe what the Senator says is perfectly correct, namely, that it takes more than a year to build one of these projects or to build one of these units, and that the planning takes more than a year. One of the purposes of my amendment is to make certain that we do not exempt the TVA from the Government Corporation Control Act. It is not my purpose to try to tie down the proper expenditures or proper advancement of TVA within its area, because that is what we all know is going to happen and should happen.

Mr. KERR. I thank the Senator.

The PRESIDING OFFICER. The time of the Senator from Massachusetts has again expired.

Mr. KERR. I yield an additional 5 minutes from the other side.

Mr. SALTONSTALL. I thank the Senator.

Mr. KERR. I think what the Senator has in mind is what the committee had in mind. However, the committee felt, in view of the vast amount of time we have spent on the bill, in view of the fact that a 5-year program has been suggested, and we have found ample justification for it, in view of the fact that we are following in the bill for a 5-year period the very identical principle the Senator now advocates, in view of the fact that the bill is before us and we have an opportunity to approve or disapprove it, and, further, in view of the provision that, as the operations are carried out year by year, TVA must submit a report and give us an opportunity to express disapproval—if we disapprove of the manner in which it is carrying out the plan we now contemplate authorizing—it seems to me that the effect of the Senator's amendment would be to require them to do year by year again what they had thought they were doing and what the committee thought would be done under the bill.

Mr. SALTONSTALL. Would the Senator from Tennessee permit me to take back the suggested amendment which I had given him? It is the only copy I have. I should like the Senator from Oklahoma to study it.

Mr. GORE. Certainly.

Mr. SALTONSTALL. I should like to ask the Senator from Oklahoma a question, if he has my amendment before him.

Mr. KERR. I have had it, but I do not have it at the moment.

Mr. SALTONSTALL. To carry out the thought the Senator has just expressed, and which I have tried to express, perhaps the amendment should read this way:

> No such bonds shall be issued or sold, nor shall the proceeds of said bonds or of power revenues be used, except as necessary for such of the foregoing purposes, unless disapproved by Congress prior to the commencement of the ensuing fiscal year in connection with its consideration of the Corporation's budget programs transmitted by the President pursuant to the provisions of the Government Corporations Control Act.

That would mean, as I understand, that the President, as a part of his budget procedure, would submit plans in his budget message. If Congress did not act by June 30 of the particular year, those plans would be carried through. If, as the Senator says—and it is a 5-year plan—in the second year there was no change, the President's message would so state. Perhaps for the third and fourth year the same thing would occur. Then perhaps in the fifth year there would be a new project or a new unit coming up. The message would so state. Then, if Congress did not disapprove it by June 30, TVA could proceed with it. The idea is to keep all audits of ordinary revenues and expenditures—I do not know all the details of it—where they are now, in GAO, and also to give Congress and the President a look each year.

What is most essential, in my opinion, is to keep all the Government corporations under the Government Corporations Control Act. If one is exempted, there is no telling when it will be necessary to exempt others.

Mr. KNOWLAND. Mr. President, will the Senator yield for a point of clarification?

Mr. SALTONSTALL. I yield.

Mr. KNOWLAND. I wanted to be sure I understood the modification which the Senator was proposing if the amendment is to be modified. Does that come after the words "foregoing purposes"?

Mr. SALTONSTALL. Yes.

Mr. KNOWLAND. Then the language is changed from "as may be approved" to "unless disapproved."

Mr. SALTONSTALL. That is correct. After the word "Congress" in the fifth line would be added "prior to the commencement of the ensuing fiscal year."

Mr. KNOWLAND. How would the disapproval be shown? If the item in the budget program—meaning, perhaps in one of the appropriation bills—would it be considered as legislation on an appropriation bill and be subject to a point of order? I think it is important that we know by what process the disapproval would be shown. Otherwise, if it was by striking out an appropriation item, we could say so. But if it involved language in an appropriation bill, which might be subject to a point of order which, in fact, it would require a two-thirds vote in order to suspend the rules.

It seems to me that this ought to be spelled out either by a concurrent resolution or a joint resolution—a concurrent resolution if Congress did not want it to go to the President.

The PRESIDING OFFICER. The time of the Senator from Massachusetts has expired.

Mr. KNOWLAND. Mr. President, I yield 2 minutes on the bill itself, so that the Senator may answer.

Mr. SALTONSTALL. I think the Senator has raised a valid point. The amendment was drafted this morning after consultation with some of the officials of the Bureau of the Budget. I think that what the Senator says is perfectly correct. The language could be clarified by providing for a joint resolution, which could be referred to the Committee on Public Works, or by a concurrent resolution.

Mr. KERR. I should like the Senator from South Dakota to listen to what I am about to say to the Senator from Massachusetts, because I yield to the Senator from South Dakota in his great knowledge concerning the Government Corporations Operations Act.

Mr. SALTONSTALL. We all do on a number of subjects.

Mr. KERR. The committee thought it was doing exactly what the Senator from Massachusetts said should be done, if I understand him correctly, in bringing the plan before the Congress. It is before Congress; it will be before the President. If the Senator thinks that on page 5 the designation of a period of 60 days should be a longer period—say, 90 days, or June 30 of a particular year, whichever would give a great length of time—I could see no objection to that. But it was the thought of the committee that we were going through the proce-

dure which the Senator tells us should be followed.

What the Senator from Oklahoma feels is that, having done that, and having brought the proposal here for the consideration of Congress, and then having submitted it to the President, if Congress passes it——

The PRESIDING OFFICER. The time of the Senator from Massachusetts has again expired.

Mr. KERR. I yield 5 additional minutes to the Senator from this side.

There would be no justification for us putting into the bill that which could only slow down the operation or hamper the operation and bring about necessity for a repetition of the action we are now taking.

Mr. SALTONSTALL. Although I cannot name all of them, I call the Senator's attention to the fact that there are 30 sections of the Government Corporations Control Act which now apply. As I understand—and I think this is the difference between us, to a great degree—there are a number of provisions regarding ordinary accounting methods, the payment of salaries, the payment of ordinary expenditures, and vouchers—the ordinary operations of a Government corporation—which are, under the pending bill, exempted from the Government Corporation Control Act.

The bill is essentially a capital construction bill.

It goes to the use of the proceeds of bonds. We want to make it possible to have that done. That is what the committee wants. It is what the President has recommended.

What we do not want is to remove TVA from the complete control of the Government Corporations Control Act. My amendments, which could probably be better framed, are for that purpose.

I have thought that, if my amendment shall be agreed to, the third section on page 2 is perhaps unnecessary. I am not absolutely clear about that, but I think that is true.

I have just been informed that that section should be retained.

Mr. CASE of South Dakota. Mr. President, will the Senator yield? I should like to ask a question on that point.

Mr. SALTONSTALL. I promised I would yield first to the Senator from Tennessee [Mr. GORE] if he desires to have me yield to him.

Mr. GORE. I shall defer to the Senator from South Dakota for the moment.

Mr. SALTONSTALL. I yield to the Senator from South Dakota.

Mr. CASE of South Dakota. With respect to the method of expressing disapproval, the Senator from Oklahoma might have pointed out that the bill provides stronger control by Congress than what the Senator from Massachusetts now suggests. The bill provides that a resolution of disapproval by either House of Congress could stop the application of the proceeds of the bonds.

When the Senator suggests action by Congress, action would be required by both bodies of Congress to disapprove. So, in that respect, the bill is stronger than it would be by following the suggestion of the Senator from Massachusetts.

Mr. SALTONSTALL. I am not sure the Senator is correct in that. I do not believe he is right. That would apply when the Corporation went outside the area. On page 5 provision is made for the control by Congress of the issuance of bonds.

Mr. CASE of South Dakota. Then it should provide:

It is hereby declared to be the intent of this act that the power facilities which are acquired with the proceeds of such bonds shall not be used without prior approval by Congress for the sale or delivery of power by the Corporation outside the counties which lie in whole or in part within the Tennessee River drainage basin.

Then it makes an exception under which either House of Congress could disapprove.

I think the Senator from Oklahoma is correct when he says that the method or manner of disapproval ought to be spelled out.

Mr. SALTONSTALL. I agree with him on that.

Mr. CASE of South Dakota. If the language were to the effect that the disapproval could be by concurrent resolution, and if the Senator wanted to have the bill so provide, it would be perfectly all right with me.

What concerns me a little more than the Senator's amendment is that the last portion is a direct contradiction of a provision of the bill which relates to the part the Secretary of the Treasury might play in the sale of the bonds. The bill expressly provides that the Secretary of the Treasury shall be advised of a proposed sale of bonds within the $750 million limit, and that if within 15 days after he is notified he asks for a deferral of the sale, he can defer it for an additional 45 days.

The PRESIDING OFFICER. The time of the Senator from Massachusetts has again expired. The Senator from Massachusetts has 15 minutes remaining.

Mr. SALTONSTALL. I yield myself 5 minutes more.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I think the Senator from South Dakota has not finished.

I agree with the Senator that the two provisions he has cited are somewhat contradictory, and that if my amendment should be agreed to, the Secretary of the Treasury would have more responsibility than he has under the bill.

Mr. CASE of South Dakota. Would the Senator from Massachusetts consider an addition of some words on page 2 of his amendment, to make it read as follows:

Except for the audits of its accounts by commercial accounting firms as provided in subsection (c) hereof, and except as inconsistent with the express provisions of this act, the authority granted to the Corporation by this section shall be subject in all respects to the provisions of sections 301, 302, and 303 of the Government Corporation Control Act as amended (31 U. S. C. 866–868).

Mr. SALTONSTALL. The provisions of the bill, as the Senator says, give the Secretary of the Treasury at the present time just what authority?

Mr. CASE of South Dakota. Section 303 is the Corporation Control Act.

Mr. SALTONSTALL. I understand that, but what does the pending bill say?

Mr. CASE of South Dakota. The bill provides that the terms and rates of interest should be fixed by the directors of the Corporation.

Section 303 would have the Secretary of the Treasury determine the rates of interest, the forms, and the dimensions. The bill would permit the Secretary to defer the sale of the bonds for as long as 60 days, but it would not give the Secretary of the Treasury the right to determine——

Mr. SALTONSTALL. If that amendment is accepted, we shall encounter a great difficulty such as the one which at present exists. We have heard much discussion about the issuance of Treasury bonds and notes and the cost of money today. One of the difficulties is this: If we permit a Government-owned corporation to determine its own rates of interest and the maturities, we might upset a Treasury note offering which might come in the future. The result might be either to increase or to decrease the sales or the price, but in any event the result would be to make matters more difficult. So I think that provision is, for that reason, very important.

Again, I believe the language of the bill can be modified so as not to be quite so strong as that section now is. But taking away all authority after 60 days might have an effect on the country's outstanding indebtedness which could not be foreseen.

Mr. HOLLAND. Mr. President, will the Senator from Massachusetts yield to me?

Mr. SALTONSTALL. I yield to the Senator from Florida.

Mr. HOLLAND. I wish to inquire, first, about the language of the suggested modification. As I understood it, as it was presented by the Senator from Massachusetts, I believe it would accomplish the exact opposite of what he has in mind. As I understood him, he wishes to reword lines 2, 3, and 4, on page 1 of his amendment, so as to read as follows:

No such bonds shall be issued or sold, nor shall the proceeds of said bonds or of power revenues be used, unless——

Mr. SALTONSTALL. No, "except as necessary for such of the foregoing purposes, unless disapproved by the Congress."

Mr. HOLLAND. I call the attention of the Senator from Massachusetts to the point that that language would not carry out what he desires, because two negatives would be used—"no such bonds shall be used unless disapproved," which means that they could be used when they were disapproved; and I do not think that is what the Senator from Massachusetts has in mind.

Mr. SALTONSTALL. The Senator from Florida is a good English scholar. Would the words "if disapproved", when used in that context, constitute a double

negative? The purpose is to have the President send forward his budget message, including reference to the bonds and the proceeds and a statement as to what the bonds shall be used for. All that would be included in the budget message; and presumably, by carrying out the suggestion of the Senator from California, it would be referred to the Committee on Public Works. If the Committee on Public Works did not act before June 30, then the Corporation could proceed. That is the purpose.

Mr. HOLLAND. I think that by means of a further modification the Senator from Massachusetts can make the amendment he is suggesting read in the way he wishes. But I desired to call his attention to the fact that, as I understand the amendment, it is not properly worded.

Second, I should like to ask the distinguished Senator from Massachusetts this question: It is not the case, is it, that his amendment would require that the Congress authorize new steam-power units before they could be built by the TVA?

The PRESIDING OFFICER. The time yielded by the Senator from Massachusetts to himself has expired.

Mr. SALTONSTALL. Mr. President, I yield myself 5 additional minutes.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized for 5 additional minutes.

Mr. SALTONSTALL. Mr. President, how much more time is available to me, in connection with this amendment?

The PRESIDING OFFICER. After the additional 5 minutes which the Senator from Massachusetts has just yielded to himself, 5 more minutes will be available, under the control of the Senator from Massachusetts.

Mr. SALTONSTALL. I thank the Chair.

Let me say that my purpose in submitting the amendment was not to change at all the part of the bill referred to by the Senator from Florida.

Will the Senator from Florida repeat his question?

Mr. HOLLAND. First let me state the background for my question. As I understand, under the pending bill the TVA could, to the extent of $750 million of borrowings which would be permitted, plus the revenues, plus the proceeds of the sales of any facilities sold, construct new facilities without authorization by Congress for any of those facilities.

I was hoping that by means of this amendment the Senator from Massachusetts intended to change that provision of the bill, but I fear that he does not intend to do so.

Mr. SALTONSTALL. No. As I understand the bill, if the TVA wished to eliminate one plant because it was out of date, and if the TVA wished to rebuild another plant, that would be stated in the President's budget message, and the TVA could proceed to do so, if neither the President nor the Congress stopped it before June 30.

Mr. HOLLAND. Would not the same provision apply likewise to brandnew steam plants?

Mr. SALTONSTALL. Exactly. My amendment would not change the bill in that respect.

Mr. HOLLAND. Does the Senator from Massachusetts think it is sound government for the TVA to be allowed to proceed with a program of new construction exceeding three-quarters of a billion dollars, without Congressional approval, when the Congress itself could not do that? In the public works appropriation bill the Senate passed yesterday, less than three-quarters of a billion dollars applicable to new construction for flood control, irrigation, reclamation, and navigation was involved. But every one of those items required previous authorization by the Congress.

Therefore, does the Senator from Massachusetts think it is sound government to permit the TVA to proceed with such a great program without Congressional authorization—in other words, to have more power than the Congress itself has seen fit to grant itself in similar matters?

Mr. KNOWLAND. Mr. President, will the Senator from Massachusetts yield at this point? Before he answers the question of the Senator from Florida, I should like to make a suggestion for his consideration. As I understood, the modification involved the words "unless disapproved"; and then we got into a discussion of whether there would be a concurrent resolution.

If the Senator from Massachusetts will change the amendment, so as to have it provide that bonds could not be issued until approved by a concurrent resolution, then there would have to be affirmative action by the Congress.

A resolution of disapproval would seem to me to have the objection that it could be buried in either the House committee or the Senate committee; there would be no assurance that the resolution would be reported to either body, so that the House of Representatives or the Senate, as the case might be, would have a chance to express its will.

But if, instead, the language incorporated were such as to provide that that could not be done until approved, then the Congress would be sure of having such a resolution brought to the floor of the two bodies, for affirmative approval by the House of Representatives and the Senate, respectively.

I can understand how the persons concerned with this matter might not want to have a joint resolution provided for, inasmuch as a joint resolution would be subject to presidential veto. But the arrangement I have suggested would leave in the hands of the policymaking body, which is the Congress of the United States, the power to determine by concurrent resolution whether that should be done.

I submit that suggestion to the Senator from Massachusetts, prior to his response to the question of the Senator from Florida.

Mr. SALTONSTALL. Mr. President, I am glad the Senator from California has brought that point to my attention. It is my understanding that that was the substance of the colloquy the Senator from Oklahoma had with me a few minutes ago.

The purpose of the bill is to avoid an annual debate, on the floor of the Senate, as to whether a new unit shall be built here or a new unit shall be built there. Although I am not sure I shall support the bill, the purpose of the bill—the theory and background of the bill, as I understand, amount to this: There will be certain power revenues and revenues from the issuance of bonds; and, within reasonable limits, the Corporation will be permitted to use them to extend its activities.

The whole purpose of my amendment is to keep the operations within the provisions of the Government Corporation Control Act, and not to exempt the TVA from those provisions, as would be done by the bill as it now stands.

Mr. President, what the Senator from Florida has said and what the Senator from California has said constitute arguments in behalf of their own amendments. I did not intend to discuss them at this time.

I rather agree with the Senator from Florida, but I would prefer not to deal with the question he has raised in connection with my amendment.

The PRESIDING OFFICER. The time the Senator from Massachusetts has yielded to himself has again expired.

Mr. GORE. Mr. President, will the Senator from Massachusetts yield to me?

The PRESIDING OFFICER. Does the Senator from Tennessee yield to himself some time from the time available to those in opposition to the amendment?

Mr. GORE. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Tennessee is recognized for 5 minutes.

Mr. GORE. Mr. President, from the colloquy which has been had—if the Senator from Massachusetts will yield——

Mr. SALTONSTALL. Mr. President, I believe the Senator from Tennessee now has the floor.

Mr. GORE. Mr. President, I yield my 5 minutes to the Senator from Massachusetts, in order that I may ask him some questions.

Mr. SALTONSTALL. Very well.

Mr. GORE. From the colloquy between himself and the senior Senator from Oklahoma and other Senators, it seems to be clear that the senior Senator from Massachusetts does not desire to require annual approval of each action by the TVA with respect to the management and operation of its power program.

Mr. SALTONSTALL. On capital improvements.

Mr. GORE. On capital improvements; which I believe is one of the objectives President Eisenhower has stated in recommending self-financing legislation in his last three successive budgets.

The Senator has stated that the pending bill removes the TVA from the Government Corporation Control Act. I do not believe the Senator means that exactly. Is it not a fact that the Government Corporation Control Act itself exempted section 26 of the TVA Act, which is the section of the TVA Act which gives to the TVA latitude in using its revenues

for operations in connection with its power program, and then requires it to remit the net to the Treasury?

Mr. SALTONSTALL. I cannot answer that question. As a member of the Committee on Appropriations, I have heard that subject discussed every year. If the Senator from Tennessee says that is true, I shall take his word for it. I cannot answer that question of my own knowledge at the moment.

Mr. GORE. I will say to the Senator that that is the case.

If the Senator will turn to his amendment, I should like to refer to page 2, which has not been discussed. On page 2, the Senator's amendment refers to sections 866, 867, and 868 of title 31 of the United States Code.

Mr. SALTONSTALL. That is correct.

Mr. GORE. If the Senator will refresh his memory, section 866 of the code refers, does it not, to audits by the General Accounting Office?

Mr. SALTONSTALL. That is correct.

Mr. GORE. I agree that the accounts of TVA should be audited. There is no difference on that point. The pending bill authorizes the TVA to have an independent audit, as well as a General Accounting Office audit.

If the Senator will turn to section 867, I will ask him if that section of the code does not relate to the deposit of funds by a Government corporation.

Mr. SALTONSTALL. That is my understanding.

Mr. GORE. If I may state the difference, the pending bill would authorize the TVA to deposit funds in a Federal Reserve bank or a member bank, as a time deposit, during the period of construction of a project, thereby enabling the TVA to draw some interest on its funds. Section 867 of the code would require the TVA, as it requires all Government corporations, to deposit the funds with the Treasury.

Mr. SALTONSTALL. I call the Senator's attention to this language, reading from the top of the next page:

> The Secretary of the Treasury may waive the requirements of this section under such conditions as he may determine.

I suppose any Secretary would permit the TVA to keep its funds in any safe, trustworthy bank. If the TVA could put the funds in a bank as time deposits, it ought to do so. The Secretary would be very foolish if he did not allow that.

Mr. GORE. I think it may be entirely possible that any reasonable Secretary of the Treasury would reach such a conclusion and take such action.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. GORE. Mr. President, I yield the Senator 3 additional minutes.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized for 3 additional minutes.

Mr. GORE. Mr. President, will the Senator yield?

Mr. SALTONSTALL. Yes.

Mr. GORE. The committee, after 2 years of study, came to the conclusion it was reasonable to write into the bill provision for confirmation of authority for the TVA to deposit its funds as time deposits in a Federal Reserve bank or a member bank.

If I may quickly turn to the third section, section 868, that relates, does it not, to the manner of issuance of bonds?

Mr. SALTONSTALL. It does. If I may say so to the Senator, that may be the cause of a great difference of opinion. I think that section is a very important one. The one about bank deposits is not as important in my opinion, because I think if the directors did not keep the funds in a proper bank, they would not be proper persons to be directors.

The question of the issuance of bonds becomes very important, particularly in these times, because of the discussions we have had on the floor, and the discussions in which the Senator from Tennessee himself has engaged. We must have headed up, in one place, the responsibility of determining the very intricate question of the pricing of Government securities, and the pricing of Government-controlled corporations. I think that is an important provision.

Mr. GORE. Will the Senator yield?

Mr. SALTONSTALL. Yes.

Mr. GORE. I agree with the Senator that it is an important provision, and I am asking my questions in order to bring to the attention of the Senate the real differences between the Senator's amendment and the pending bill.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. GORE. I yield 2 additional minutes to the Senator.

The pending bill, I think the Senator will agree, authorizes the TVA board of directors to determine rates of interest, dates of maturity, and dates of issuance, with the exception that they must advise with the Secretary of the Treasury about the date of issuance, and the Secretary of the Treasury is authorized to prescribe a period of 45 days during which the TVA would not be authorized to issue bonds.

The amendment of the Senator from Massachusetts, I believe he will agree, would delegate that authority entirely to the Secretary of the Treasury. I am sure it would, and I am sure the Senator will agree with me that it would impose upon the Secretary of the Treasury, in addition to his other duties, including managing the public debt, the duty of determining the need for and the issuance dates, interest rates, and maturity dates of proposed bond issues and other duties with respect to the management functions of the TVA. I agree with the Senator that is important; but the committee, I believe unanimously in this case, thought that was essentially a management function which should be vested in the TVA Board of Directors, but that the function should be exercised in such a way as not to interfere with any of the funding operations of the Secretary of the Treasury.

Do I correctly state the difference?

Mr. SALTONSTALL. Yes. I will say to the Senator, if I may, and I am speaking in the Senator's time, and the time for debate on the amendment is running out, that essentially the purpose of my amendment is to keep TVA within the Government Corporation Control Act, with such modifications as will make it possible to carry forward the new programs of the TVA to the best possible advantage. I tried not to go into the question of limitation of area, and so forth. I think that is an important question, but I do not think it is so important as is the question of bookkeeping and accounting and keeping TVA within the purview of the Government Corporation Control Act.

Mr. BUSH. Mr. President, will the Senator yield to me?

Mr. SALTONSTALL. I understand my time has expired.

Mr. BUSH. Will the Senator from Tennessee yield me any time?

The PRESIDING OFFICER. Each side has 5 minutes remaining.

Mr. BUSH. Mr. President, may I have the attention of the Senator from Massachusetts [Mr. SALTONSTALL]? I understand the Senator has 5 minutes remaining. Will he yield to me?

Mr. SALTONSTALL. I yield the Senator from Connecticut 2 minutes.

Mr. BUSH. I suggest to the Senator a modification of his amendment, as follows:

On page 1, line 3, strike out the words "except as necessary."

On page 1, line 4, strike out the words "as may be" and insert the word "until" before the word "approved."

On page 1, line 5, after the word "Congress" insert the words "by concurrent resolution."

That would have the effect of making the amendment read as follows:

> No such bonds shall be issued or sold, nor shall the proceeds of said bonds or of power revenues be used, for such of the foregoing purposes until approved by the Congress by concurrent resolution in connection with its consideration of the Corporation's budget programs——

And so forth. I beg the Senator to accept that modification. Otherwise I feel disposed to offer it as an amendment to the amendment.

I believe the modification would meet the point the Senator from Florida raised. I have discussed it with other Senators.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. BUSH. The modification will meet the objection which exists.

Mr. SALTONSTALL. I yield the remainder of my 3 minutes to the Senator from Connecticut.

Mr. BUSH. I believe the modification would go a long way to comfort those who do not wish to see Congress relinquish its authority in this matter, but who wish to see Congress retain authority over expenditures of the TVA, as it has exercised it in the past.

The TVA is not a sacred organization belonging to one section of the country. It belongs to all the people of the United States. The Congress of the United States has a definite responsibility for it. I believe the modification I have suggested will go a long way toward meeting objections.

Mr. SALTONSTALL. I will say to the Senator from Connecticut, in what time is left to me, that I agree with what the

negative? The purpose is to have the President send forward his budget message, including reference to the bonds and the proceeds and a statement as to what the bonds shall be used for. All that would be included in the budget message; and presumably, by carrying out the suggestion of the Senator from California, it would be referred to the Committee on Public Works. If the Committee on Public Works did not act before June 30, then the Corporation could proceed. That is the purpose.

Mr. HOLLAND. I think that by means of a further modification the Senator from Massachusetts can make the amendment he is suggesting read in the way he wishes. But I desired to call his attention to the fact that, as I understand the amendment, it is not properly worded.

Second, I should like to ask the distinguished Senator from Massachusetts this question: It is not the case, is it, that his amendment would require that the Congress authorize new steam-power units before they could be built by the TVA?

The PRESIDING OFFICER. The time yielded by the Senator from Massachusetts to himself has expired.

Mr. SALTONSTALL. Mr. President, I yield myself 5 additional minutes.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized for 5 additional minutes.

Mr. SALTONSTALL. Mr. President, how much more time is available to me, in connection with this amendment?

The PRESIDING OFFICER. After the additional 5 minutes which the Senator from Massachusetts has just yielded to himself, 5 more minutes will be available, under the control of the Senator from Massachusetts.

Mr. SALTONSTALL. I thank the Chair.

Let me say that my purpose in submitting the amendment was not to change at all the part of the bill referred to by the Senator from Florida.

Will the Senator from Florida repeat his question?

Mr. HOLLAND. First let me state the background for my question. As I understand, under the pending bill the TVA could, to the extent of $750 million of borrowings which would be permitted, plus the revenues, plus the proceeds of the sales of any facilities sold, construct new facilities without authorization by Congress for any of those facilities.

I was hoping that by means of this amendment the Senator from Massachusetts intended to change that provision of the bill, but I fear that he does not intend to do so.

Mr. SALTONSTALL. No. As I understand the bill, if the TVA wished to eliminate one plant because it was out of date, and if the TVA wished to rebuild another plant, that would be stated in the President's budget message, and the TVA could proceed to do so, if neither the President nor the Congress stopped it before June 30.

Mr. HOLLAND. Would not the same provision apply likewise to brandnew steam plants?

Mr. SALTONSTALL. Exactly. My amendment would not change the bill in that respect.

Mr. HOLLAND. Does the Senator from Massachusetts think it is sound government for the TVA to be allowed to proceed with a program of new construction exceeding three-quarters of a billion dollars, without Congressional approval, when the Congress itself could not do that? In the public works appropriation bill the Senate passed yesterday, less than three-quarters of a billion dollars applicable to new construction for flood control, irrigation, reclamation, and navigation was involved. But every one of those items required previous authorization by the Congress.

Therefore, does the Senator from Massachusetts think it is sound government to permit the TVA to proceed with such a great program without Congressional authorization—in other words, to have more power than the Congress itself has seen fit to grant itself in similar matters?

Mr. KNOWLAND. Mr. President, will the Senator from Massachusetts yield at this point? Before he answers the question of the Senator from Florida, I should like to make a suggestion for his consideration. As I understood, the modification involved the words "unless disapproved"; and then we got into a discussion of whether there would be a concurrent resolution.

If the Senator from Massachusetts will change the amendment, so as to have it provide that bonds could not be issued until approved by a concurrent resolution, then there would have to be affirmative action by the Congress.

A resolution of disapproval would seem to me to have the objection that it could be buried in either the House committee or the Senate committee; there would be no assurance that the resolution would be reported to either body, so that the House of Representatives or the Senate, as the case might be, would have a chance to express its will.

But if, instead, the language incorporated were such as to provide that that could not be done until approved, then the Congress would be sure of having such a resolution brought to the floor of the two bodies, for affirmative approval by the House of Representatives and the Senate, respectively.

I can understand how the persons concerned with this matter might not want to have a joint resolution provided for, inasmuch as a joint resolution would be subject to presidential veto. But the arrangement I have suggested would leave in the hands of the policymaking body, which is the Congress of the United States, the power to determine by concurrent resolution whether that should be done.

I submit that suggestion to the Senator from Massachusetts, prior to his response to the question of the Senator from Florida.

Mr. SALTONSTALL. Mr. President, I am glad the Senator from California has brought that point to my attention. It is my understanding that that was the substance of the colloquy the Senator from Oklahoma had with me a few minutes ago.

The purpose of the bill is to avoid an annual debate, on the floor of the Senate, as to whether a new unit shall be built here or a new unit shall be built there. Although I am not sure I shall support the bill, the purpose of the bill—the theory and background of the bill, as I understand, amount to this: There will be certain power revenues and revenues from the issuance of bonds; and, within reasonable limits, the Corporation will be permitted to use them to extend its activities.

The whole purpose of my amendment is to keep the operations within the provisions of the Government Corporation Control Act, and not to exempt the TVA from those provisions, as would be done by the bill as it now stands.

Mr. President, what the Senator from Florida has said and what the Senator from California has said constitute arguments in behalf of their own amendments. I did not intend to discuss them at this time.

I rather agree with the Senator from Florida, but I would prefer not to deal with the question he has raised in connection with my amendment.

The PRESIDING OFFICER. The time the Senator from Massachusetts has yielded to himself has again expired.

Mr. GORE. Mr. President, will the Senator from Massachusetts yield to me?

The PRESIDING OFFICER. Does the Senator from Tennessee yield to himself some time from the time available to those in opposition to the amendment?

Mr. GORE. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Tennessee is recognized for 5 minutes.

Mr. GORE. Mr. President, from the colloquy which has been had—if the Senator from Massachusetts will yield——

Mr. SALTONSTALL. Mr. President, I believe the Senator from Tennessee now has the floor.

Mr. GORE. Mr. President, I yield my 5 minutes to the Senator from Massachusetts, in order that I may ask him some questions.

Mr. SALTONSTALL. Very well.

Mr. GORE. From the colloquy between himself and the senior Senator from Oklahoma and other Senators, it seems to be clear that the senior Senator from Massachusetts does not desire to require annual approval of each action by the TVA with respect to the management and operation of its power program.

Mr. SALTONSTALL. On capital improvements.

Mr. GORE. On capital improvements; which I believe is one of the objectives President Eisenhower has stated in recommending self-financing legislation in his last three successive budgets.

The Senator has stated that the pending bill removes the TVA from the Government Corporation Control Act. I do not believe the Senator means that exactly. Is it not a fact that the Government Corporation Control Act itself exempted section 26 of the TVA Act, which is the section of the TVA Act which gives to the TVA latitude in using its revenues

for operations in connection with its power program, and then requires it to remit the net to the Treasury?

Mr. SALTONSTALL. I cannot answer that question. As a member of the Committee on Appropriations, I have heard that subject discussed every year. If the Senator from Tennessee says that is true, I shall take his word for it. I cannot answer that question of my own knowledge at the moment.

Mr. GORE. I will say to the Senator that that is the case.

If the Senator will turn to his amendment, I should like to refer to page 2, which has not been discussed. On page 2, the Senator's amendment refers to sections 866, 867, and 868 of title 31 of the United States Code.

Mr. SALTONSTALL. That is correct.

Mr. GORE. If the Senator will refresh his memory, section 866 of the code refers, does it not, to audits by the General Accounting Office?

Mr. SALTONSTALL. That is correct.

Mr. GORE. I agree that the accounts of TVA should be audited. There is no difference on that point. The pending bill authorizes the TVA to have an independent audit, as well as a General Accounting Office audit.

If the Senator will turn to section 867, I will ask him if that section of the code does not relate to the deposit of funds by a Government corporation.

Mr. SALTONSTALL. That is my understanding.

Mr. GORE. If I may state the difference, the pending bill would authorize the TVA to deposit funds in a Federal Reserve bank or a member bank, as a time deposit, during the period of construction of a project, thereby enabling the TVA to draw some interest on its funds. Section 867 of the code would require the TVA, as it requires all Government corporations, to deposit the funds with the Treasury.

Mr. SALTONSTALL. I call the Senator's attention to this language, reading from the top of the next page:

> The Secretary of the Treasury may waive the requirements of this section under such conditions as he may determine.

I suppose any Secretary would permit the TVA to keep its funds in any safe, trustworthy bank. If the TVA could put the funds in a bank as time deposits, it ought to do so. The Secretary would be very foolish if he did not allow that.

Mr. GORE. I think it may be entirely possible that any reasonable Secretary of the Treasury would reach such a conclusion and take such action.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. GORE. Mr. President, I yield the Senator 3 additional minutes.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized for 3 additional minutes.

Mr. GORE. Mr. President, will the Senator yield?

Mr. SALTONSTALL. Yes.

Mr. GORE. The committee, after 2 years of study, came to the conclusion it was reasonable to write into the bill provision for confirmation of authority for the TVA to deposit its funds as time deposits in a Federal Reserve bank or a member bank.

If I may quickly turn to the third section, section 868, that relates, does it not, to the manner of issuance of bonds?

Mr. SALTONSTALL. It does. If I may say so to the Senator, that may be the cause of a great difference of opinion. I think that section is a very important one. The one about bank deposits is not as important in my opinion, because I think if the directors did not keep the funds in a proper bank, they would not be proper persons to be directors.

The question of the issuance of bonds becomes very important, particularly in these times, because of the discussions we have had on the floor, and the discussions in which the Senator from Tennessee himself has engaged. We must have headed up, in one place, the responsibility of determining the very intricate question of the pricing of Government securities, and the pricing of Government-controlled corporations. I think that is an important provision.

Mr. GORE. Will the Senator yield?

Mr. SALTONSTALL. Yes.

Mr. GORE. I agree with the Senator that it is an important provision, and I am asking my questions in order to bring to the attention of the Senate the real differences between the Senator's amendment and the pending bill.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. GORE. I yield 2 additional minutes to the Senator.

The pending bill, I think the Senator will agree, authorizes the TVA board of directors to determine rates of interest, dates of maturity, and dates of issuance, with the exception that they must advise with the Secretary of the Treasury about the date of issuance, and the Secretary of the Treasury is authorized to prescribe a period of 45 days during which the TVA would not be authorized to issue bonds.

The amendment of the Senator from Massachusetts, I believe he will agree, would delegate that authority entirely to the Secretary of the Treasury. I am sure it would, and I am sure the Senator will agree with me that it would impose upon the Secretary of the Treasury, in addition to his other duties, including managing the public debt, the duty of determining the need for and the issuance dates, interest rates, and maturity dates of proposed bond issues and other duties with respect to the management functions of the TVA. I agree with the Senator that is important; but the committee, I believe unanimously in this case, thought that was essentially a management function which should be vested in the TVA Board of Directors, but that the function should be exercised in such a way as not to interfere with any of the funding operations of the Secretary of the Treasury.

Do I correctly state the difference?

Mr. SALTONSTALL. Yes. I will say to the Senator, if I may, and I am speaking in the Senator's time, and the time for debate on the amendment is running out, that essentially the purpose of my amendment is to keep TVA within the Government Corporation Control Act, with such modifications as will make it possible to carry forward the new programs of the TVA to the best possible advantage. I tried not to go into the question of limitation of area, and so forth. I think that is an important question, but I do not think it is so important as is the question of bookkeeping and accounting and keeping TVA within the purview of the Government Corporation Control Act.

Mr. BUSH. Mr. President, will the Senator yield to me?

Mr. SALTONSTALL. I understand my time has expired.

Mr. BUSH. Will the Senator from Tennessee yield me any time?

The PRESIDING OFFICER. Each side has 5 minutes remaining.

Mr. BUSH. Mr. President, may I have the attention of the Senator from Massachusetts [Mr. SALTONSTALL]? I understand the Senator has 5 minutes remaining. Will he yield to me?

Mr. SALTONSTALL. I yield the Senator from Connecticut 2 minutes.

Mr. BUSH. I suggest to the Senator a modification of his amendment, as follows:

On page 1, line 3, strike out the words "except as necessary."

On page 1, line 4, strike out the words "as may be" and insert the word "until" before the word "approved."

On page 1, line 5, after the word "Congress" insert the words "by concurrent resolution."

That would have the effect of making the amendment read as follows:

> No such bonds shall be issued or sold, nor shall the proceeds of said bonds or of power revenues be used, for such of the foregoing purposes until approved by the Congress by concurrent resolution in connection with its consideration of the Corporation's budget programs——

And so forth. I beg the Senator to accept that modification. Otherwise I feel disposed to offer it as an amendment to the amendment.

I believe the modification would meet the point the Senator from Florida raised. I have discussed it with other Senators.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. BUSH. The modification will meet the objection which exists.

Mr. SALTONSTALL. I yield the remainder of my 3 minutes to the Senator from Connecticut.

Mr. BUSH. I believe the modification would go a long way to comfort those who do not wish to see Congress relinquish its authority in this matter, but who wish to see Congress retain authority over expenditures of the TVA, as it has exercised it in the past.

The TVA is not a sacred organization belonging to one section of the country. It belongs to all the people of the United States. The Congress of the United States has a definite responsibility for it. I believe the modification I have suggested will go a long way toward meeting objections.

Mr. SALTONSTALL. I will say to the Senator from Connecticut, in what time is left to me, that I agree with what the

Senator has said. I was trying to work out an amendment in such a way, I repeat, as to keep the TVA within the Government Corporation Control Act and yet require it, as to capital expenditures, to engage in an annual debate as to whether this unit or that unit is the correct one.

As I understand, that is the purpose of the President, and it was the underlying thought of the bill. I was trying to draft language which would accomplish that purpose without bringing about an annual debate.

Mr. BUSH. Does the Senator reject my proposal that he accept this modification? If he will not accept it, I should like to offer it as an amendment. It seems to me to do exactly what the Senator really desires, which is to give Congress proper control over the matter.

Mr. SALTONSTALL. I will say to the Senator from Connecticut, before I say "yes" or "no" to his proposition, that I should like to hear from the Senator from Tennessee. If the Senator from Tennessee and his group do not believe that language along such a line is proper——

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. SALTONSTALL. Will the Senator from Tennessee yield a minute to me?

Mr. GORE. I yield 1 minute to the Senator from Massachusetts.

Mr. SALTONSTALL. I approve of the language suggested by the Senator from Connecticut. I prefer the original language of my amendment.

What I was trying to do was to work out language also to carry out the purposes of the President, by allowing the proceeds of bond issues and power revenues to be used to enable the Corporation to proceed with proper development in the proper area of the Tennessee Valley Authority.

Mr. GORE. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 4 minutes remaining.

Mr. GORE. I will yield myself the 4 remaining minutes on the amendment, and it will be my purpose to yield next to the Senator from Kentucky some time on the bill.

Mr. CASE of South Dakota. Mr. President, will the Senator yield to me in order that I may offer an amendment to the amendment offered by the Senator from Massachusetts?

Mr. GORE. I yield for that purpose.

Mr. CASE of South Dakota. Mr. President, I offer an amendment to the amendment offered by the Senator from Massachusetts [Mr. SALTONSTALL].

Mr. President, will that not establish new time?

Mr. GORE. Mr. President, will the Senator permit me to use my time first, please?

Mr. CASE of South Dakota. Certainly.

Mr. GORE. Mr. President, first I wish to express my appreciation and gratitude to the Members of the Senate for listening, because the point under discussion seems to be the heart of the controversy over the bill. As I understand, there is no real controversy between the two sides of the aisle, at least, as to the necessity and desirability of passing a TVA self-financing bill. President Eisenhower has recommended in his last three successive budgets, the enactment of such a bill.

The able senior Senator from Massachusetts has offered an amendment which I should like to discuss very briefly, and I should like to have the attention of my colleagues. If I may have their attention, I will appreciate it very much. I have only 4 minutes.

Mr. President, if Senators will look at the amendment, I shall discuss it from the beginning.

The Senator from Massachusetts desires to retain Congressional control. I join him in that thought wholeheartedly.

The reason why the original Government Corporation Control Act, of which the Senator from South Dakota was a coauthor, provided an exemption for TVA, as to revenues and revenues only, was that the TVA was an operating utility, not like the Commodity Credit Corporation and not like the Panama Canal. It was an operating utility and needed authority to collect its revenues and to use its revenues to meet its bills, and then to remit to the Treasury whatever remained. Thus far the profit has been something over $400 million.

The committee, after 2 years of study, let me say to my colleagues, recommended that the management functions of the TVA be vested in a Board of Directors, subject to supervision by the President and subject to review by the Congress. The committee felt that the Secretary of the Treasury was not in as advantageous a position to exercise decisions on management functions as would be a Board of Directors living in the valley, where the problems arise, whose full function and duty would be to deal with those problems.

The committee felt that the question of depositing of funds should be treated in a manner different from that pertaining to a Government corporation domiciled in Washington. The TVA headquarters is in the valley. If it should have $500,000 which it would not be able to use for 60 days, we thought it advisable to give the TVA latitude to deposit such funds in a Federal Reserve bank as a time deposit, to draw a little interest.

The PRESIDING OFFICER. All time on the amendment has expired.

Mr. CASE of South Dakota. Mr. President, I offer an amendment to the amendment and ask for time on it, under the unanimous-consent agreement.

The PRESIDING OFFICER. The clerk will state the amendment to the amendment.

The LEGISLATIVE CLERK. On page 2, line 5 of the Saltonstall amendment, it is proposed to insert, after the comma, the words "and except as inconsistent with the express provisions of this act."

Mr. CASE of South Dakota. Mr. President——

The PRESIDING OFFICER. How much time does the Senator yield?

Mr. CASE of South Dakota. I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator is recognized for 10 minutes.

Mr. CASE of South Dakota. Mr. President, the amendment offered by the Senator from Massachusetts reads, on page 2, as follows:

(1) Except for the audits of its accounts by commercial accounting firms as provided for in subsection (c) hereof, the authority granted to the Corporation by this section shall be subject in all respects to the provisions of section 301, 302, and 303 of the Government Corporation Control Act as amended (31 U. S. C. 866–868).

My amendment proposes to make another exception, by inserting in line 5, after the words "hereof," the words "and except as inconsistent with the express provisions of this act."

The amendment then would read:

(1) Except for the audits of its accounts by commercial accounting firms as provided for in subsection (c) hereof, and except as inconsistent with the express provisions of this act, the authority granted to the Corporation by this section shall be subject in all respects to the provisions of section 301, 302, and 303 of the Government Corporation Control Act as amended (31 U. S. C. 866–868).

I wish to be utterly frank with Senators, and point out exactly what this amendment would do. Section 301 of the Government Corporation Control Act, or paragraph 866 of the code, relates to auditing. I see no particular problem in connection with auditing.

Section 302 relates to depositing funds, and I see no great conflict with respect to depositing funds.

It is true that there is a provision in the bill which would permit the Corporation to deposit its money in a Federal Reserve bank or a bank which is a member of the Federal Reserve System. The Government Corporation Control statute says the same thing, except that it provides that the Secretary of the Treasury may waive the requirements of that section. The Senator from Massachusetts has indicated that in all probability the Secretary would waive the requirements, on an understanding with the Board.

However, the particular conflict between the amendment offered by the Senator from Massachusetts and the express provisions of the bill comes between section 303 of the Government Corporation Control Act and the language in the bill which starts at the bottom of page 5 and is incorporated in the paragraph marked "(c)." The conflict comes in these words. The Government Corporation Control Act, in paragraph (a) of section 303, reads as follows:

All bonds, notes, debentures, and other similar obligations which are on or after December 6, 1945, issued by any wholly owned or mixed-ownership Government corporation and offered to the public shall be in such forms and denominations, shall have such maturities, shall bear such rates of interest, shall be subject to such terms and conditions, shall be issued in such manner and at such times and sold at such prices as have been or as may be approved by the Secretary of the Treasury.

That is the provision of the Government Corporation Control Act which would be directly contradicted by the provisions in the bill in paragraph (c) at the bottom of page 5. Let me read the applicable portions of the bill.

(c) Bonds issued by the Corporation under this section shall be negotiable instruments unless otherwise specified therein, shall be in such forms and denominations, shall be sold at such times and in such amounts shall mature at such time or times not more than 50 years from their respective dates, shall be sold at such prices, shall bear such rates of interest, may be redeemable before maturity at the option of the Corporation in such manner and at such times and redemption premiums, may be entitled to such relative priorities of claim on the Corporation's net power proceeds with respect to principal and interest payments, and shall be subject to such other terms and conditions, as the Corporation may determine: *Provided*, That before issuing any bonds hereunder, the Corporation shall advise the Secretary of the Treasury with respect to the amounts of bonds to be issued and the proposed date of the sale thereof, and if the Secretary, within 15 days after receiving such advice, shall request deferral of the sale thereof for a period not in excess of 45 days, the Corporation shall not sell the bonds before the end of such period. The Corporation may sell such bonds by negotiation or on the basis of competitive bids, subject to the right, if reserved, to reject all bids; may designate trustees, registrars, and paying agents in connection with said bonds and the issuance thereof; may arrange for audits of its accounts and for reports concerning its financial condition and operations by commercial accounting firms (which audits and reports shall be in addition to those required by sections 105 and 106 of the act of December 6, 1945 (59 Stat. 599; 3 U. S. C. 850–851), may, notwithstanding the provisions of sections 302 and 303 of the act of December 6, 1945, as amended (59 Stat. 601–602, 70 Stat. 667; 31 U. S. C. 867–868), or any other law, but subject to any covenants contained in any bond contract, invest the proceeds of any bonds and other funds under its control which derive from or pertain to its power program in any securities approved for investment of national bank funds and deposit said proceeds and other funds, subject to withdrawal by check or otherwise, in any Federal Reserve bank or bank having membership in the Federal Reserve System; and may perform such other acts not prohibited by law as it deems necessary or desirable to accomplish the purposes of this section.

The bill does not exempt the general, ordinary operations of the Tennessee Valley Authority from the provisions of the Government Corporation Control Act. The modification of the application Control Act with respect to the Tennessee Valley Authority would be accomplished only by the express and specific provisions in the bill. There is no general repealer or exemption from the Government Corporation Control Act.

With respect to the sale of bonds, the Corporation which directs the activities of the TVA knows when it is receiving revenues. It knows the financial capacity of TVA to repay bonds and to issue bonds. That is why the committee thought the Corporation should be the one to determine the maturities, the terms on which the bonds should be sold, and other conditions surrounding the sale of the bonds.

If the Secretary of the Treasury is to take over the determination of the terms of the bonds, the maturities, the repayment guaranties, and so forth, then the Secretary will have to establish a special division to study the financial capacity and the earning power of the facilities of the TVA, and go into the operations of the Tennessee Valley Authority itself.

The committee was sympathetic toward the idea of a consultation between the Corporation and the Secretary of the Treasury; and at my suggestion specifically provided that the Secretary of the Treasury might defer the sale of the bonds for as much as 60 days. On its face, the bill provides that he may defer it for 45 days. However, he also has 15 days in which to determine whether he will request a deferral. So that if he uses the 15 days to determine whether he shall request a deferral, and then may defer it for 45 days, it means that he has 60 days in all.

Mr. GORE. Mr. President, will the Senator yield?

Mr. CASE of South Dakota. I yield.

Mr. GORE. Will the Senator from South Dakota affirm the fact that it was the unanimous opinion, as I recall, of the Public Works Committee, that we did not want to permit the funding of any TVA issue to interfere in any way with the management of the public debt of the United States Government?

Mr. CASE of South Dakota. The Senator is absolutely correct. The committee does not want in any way to injure the ability of the Secretary of the Treasury to manage the public debt. It should be kept in mind that the bill expressly provides that the bonds issued by the Corporation shall not be obligations of the United States.

The PRESIDING OFFICER (Mr. SCOTT in the chair). The time of the Senator has expired.

Mr. CASE of South Dakota. I yield myself an additional 5 minutes.

On page 5 of the bill it is provided:

Bonds issued by the Corporation hereunder shall not be obligations of, nor shall payment of the principal thereof or interest thereon be guaranteed by, the United States.

Therefore the bonds do not become a part of the national debt in any respect whatever. They are obligations solely and only of the Tennessee Valley Authority.

Mr. GORE. They are revenue bonds.

Mr. CASE of South Dakota. Yes.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. CASE of South Dakota. I yield.

Mr. SALTONSTALL. While they do not become a part of the direct obligations of the United States Government, they are obligations of a Government-owned corporation, and thereby affect the Government security market, and are subject to the revenue that may be earned by a Government-controlled corporation. Obviously they will affect the ultimate marketing of Government securities. That is why it is so important to give the Secretary of the Treasury greater responsibility than the bill gives him.

Mr. CASE of South Dakota. Mr. President, I certainly agree that any sale of bonds in any sizable quantity on the market probably has some effect upon the general marketability of Government bonds. The availability of money, I suppose, affects the interest rate anyone must pay. We sought to meet that situation somewhat by placing a limitation on the total amount of securities which could be outstanding at any one time. As the bill was introduced, there was no limitation. On my motion, a limitation was added in the amount of $750 million. That suggestion was in harmony with the suggestion made by the Bureau of the Budget and by General Vogel, the most recent appointee to the Tennessee Valley Board of Directors.

Mr. GORE. Mr. President, will the Senator yield?

Mr. CASE of South Dakota. I yield to the Senator from Tennessee.

Mr. GORE. Was it not the purpose of the committee, in permitting TVA to have a commercial type of audit, in addition to the audit by the General Accounting Office, to meet the requirements for the sale of revenue bonds?

Mr. CASE of South Dakota. The Senator is correct. The Government audit would still be continued. Under the bill we do not in any sense relieve the Tennessee Valley Authority of the requirement to be audited by the General Accounting Office, or of any other Government audit. We provide for an additional audit, so that the marketability of the bonds will not encounter some technical difficulties.

Mr. GORE. Is it not also true that the committee unanimously felt that the TVA Board, which is located some 500 miles from Washington, should be permitted to deposit its funds in a Federal Reserve bank, or in member banks, in order to earn some interest during the period such funds are idle?

Mr. CASE of South Dakota. I think that is correct. I personally believe that the Secretary of the Treasury would have no hesitancy in waiving the requirement under section 302 of the Government Corporation Control Act. So far as I am personally concerned, I see no objection whatever to letting sections 301 and 302 of the Government Corporation Control Act apply, as provided by the amendment offered by the Senator from Massachusetts.

However, the direct problem arises in connection with section 303, as to who shall determine the conditions of the bonds, the security of the bonds, the maturity of the bonds, and things of that sort. If the Secretary of the Treasury is consulted, and if he can determine the timing of the issuance, he has adequate protection. Therefore, it seems to me also that the people who are administering the business are the ones who ought to have the final say as to the maturity of the bonds, because they are the ones who know the earning capacity of the corporation.

Mr. GORE. Mr. President, will the Senator yield?

Mr. CASE of South Dakota. I yield.

Mr. GORE. I agree with the statement the Senator just made. I think it adds up to the fact that the committee has met the overwhelming part of the desires of the able senior Senator from Massachusetts. We have done it in a different way, perhaps, but I believe we have accomplished fully 95 percent of the objectives which the Senator from Massachusetts has expressed. If I may return for just a moment to the question of the audit——

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. CASE of South Dakota. Mr. President, I yield the floor temporarily, and I reserve the remainder of my time.

Mr. GORE. Mr. President, I yield 10 minutes on the bill to the Senator from Kentucky [Mr. COOPER].

Mr. KERR. Mr. President, is it not true that 30 minutes is available for debate on the amendment of the Senator from South Dakota?

Mr. GORE. I am mistaken. I yield 10 minutes to the Senator from Kentucky on the amendment.

Mr. COOPER. Mr. President, I should like to direct my remarks to the amendment which has been offered by the senior Senator from Massachusetts [Mr. SALTONSTALL].

It should be clearly understood by the Members of the Senate that the amendment which the Senator from Massachusetts has offered will be the most important one we will vote on in connection with the pending bill. It should be clearly understood that if the amendment should be agreed to it would in great measure, if not entirely, defeat the purpose of the self-financing bill.

As has been said here, we agree that a bill to provide such self-financing is necessary. It is the judgment of the Directors of the Tennessee Valley Authority; it has been recommended by the Bureau of the Budget, and it has been recommended three times, I believe, by the President of the United States. The real question we must decide is whether we will make a self-financing plan effective.

I will narrow the question. The question is whether we will authorize the Tennessee Valley Authority to finance its operations during the next 5 years, or whether we will turn the power over to the Bureau of the Budget and, in a minor way, to the Congress.

If there were no restrictions on the financing operations of the Tennessee Valley Authority, or if there were no control left in Congress, I would say the amendment offered by the senior Senator from Massachusetts might have a point. But, I will point out the restrictions which have been placed in the bill on the financing operations of the Tennessee Valley Authority.

Whatever may be our disagreement over the power operations of the Tennessee Valley Authority, or the methods provided for in the bill, there are certain indisputable facts which have been brought out in the hearings. The first fact is that in the next 5 years construction of facilities to supply 3,750,000 kilowatts must be initiated, and that approximately $750 million will be required. The fixing of that amount is itself a limitation on the authority of the Tennessee Valley Board of Directors.

The second restriction which has been placed in the bill is a geographical restriction. I shall not discuss it at any great length, except to say that it is provided in the bill that, if the area is to be extended, there must be an affirmative decision made to that effect by Congress. It must be done by act of Congress. There are certain minor exceptions, but even with the exceptions the Tennessee Valley Authority must report its plan to Congress and to the executive branch of the Government, and Congress would have the power, in effect, to veto any expansion or use of proceeds of the bonds. So, that is the second restriction.

Third, there is the time limitation. Each year the Tennessee Valley Authority will submit an annual report to Congress. If Congress should see fit to change its plans, it has the inherent power to amend the act.

Finally, with respect to the Board of Directors, in view of the fact that the Board must report every year, and that within 5 years it must return to the Congress to request additional authority for financing, it must be we realize that the Board will want to make a good record under the authority granted by this bill and keep strictly within its limit.

The members of the Board of the Tennessee Valley Authority will be the appointees of the present administration. Certainly if, with the limitations which are placed upon their powers in the bill, we are to trust the three Directors, they ought to have the authority to operate effectively the self-financing plan.

The Senator from South Dakota [Mr. CASE], the Senator from Tennessee [Mr. GORE], and other Senators have pointed out as I do now that the real question is whether the financing shall be conducted by the Board of the Tennessee Valley Authority, or whether Congress will attempt to continue to conduct its detail or whether the Bureau of the Budget will do so.

I strongly believe we have come to the point where Congress must recognize that the Tennessee Valley Authority is charged with the responsibility of meeting the power needs of the area. By act of Congress, through continued appropriations year after year, and by the act of Congress which approved the sale of the private utilities in the Tennessee Valley area, the Congress has for years confirmed one function of the Tennessee Valley Authority; namely, a public utility which is charged with the responsibility of meeting the power demands of the area in which it operates. If Congress does not want to continue that function of the TVA, it should say so.

But if Congress intends to permit TVA to operate and to meet the needs of the area, then Congress ought to give TVA the authority to finance itself and the flexibility to operate. We have imposed conditions in this bill upon the methods and the areas in which these funds will be spent. But when it is now proposed to require TVA to come back to Congress year after year and have Congress approve every facility, the location of the facility, the capacity of the facility, the amount of bonds and the terms under which bonds can be issued, then I say that if this amendment is enacted, Congress will be trying to operate the Tennessee Valley Authority, or, perhaps to put it more accurately, the Bureau of the Budget will be found operating the Tennessee Valley Authority.

The restrictions which I have mentioned give the executive branch and the Congress adequate control over the TVA's operations during the 5 years. I think the Tennessee Valley Authority should now be enabled to go ahead with its necessary expansion and be permitted to operate its facilities.

I shall make a statement which probably does not bear directly the technical and legislative matters we are now discussing. My party has said during this administration that we intend to preserve the Tennessee Valley Authority. I think we should keep that promise.

I repeat what I said at the beginning. The amendment of the distinguished Senator from Massachusetts is the key amendment, upon which we will vote today. If the amendment shall be adopted it will prevent the Tennessee Valley Authority from effectively managing its operation during the next 5 years. The amendment should be defeated.

Mr. BUSH. Mr. President, will the Senator from South Dakota yield 3 minutes to me, so that I may propound some questions to him?

Mr. CASE of South Dakota. Mr. President, I yield myself 3 minutes for the purpose of permitting the Senator from Connecticut to interrogate me.

Mr. BUSH. Probably he has already done so, but will the Senator state what his amendment is designed to do?

Mr. CASE of South Dakota. The amendment is designed to avoid a conflict between the provisions of section 303 of the Government Corporation Control Act, and paragraph (c), as the language starts at the bottom of page 5. That relates to the determination of the amounts, conditions, maturities, and terms surrounding the issuance of the bonds.

The Government Corporation Control Act requires the Secretary of the Treasury to determine those questions. The bill provides that they shall be determined by the corporation, but the corporation must submit the amounts and the proposed date of the sale to the Secretary of the Treasury, who could defer the issue for 45 days beyond the date when he requests such deferral.

Mr. BUSH. Simply, then, the purpose of the amendment is further to emphasize the exclusion of the Secretary of the Treasury from authority in connection with the sale of the bonds?

Mr. CASE of South Dakota. It would permit the Secretary of the Treasury to control the timing of the issuance of the bonds within a limit of 60 days, but not the terms.

At the suggestion of the Senator from Massachusetts, I was working upon some language to provide that if the Secretary of the Treasury had some recommendations to make with respect to the terms and conditions of the bonds, they could be considered by the directors.

The PRESIDING OFFICER. The time of the Senator from South Dakota has expired.

Mr. BUSH. Mr. President, will the Senator yield me 2 additional minutes?

Mr. CASE of South Dakota. I yield 2 additional minutes to the Senator from Connecticut.

Mr. BUSH. I wish to emphasize the fact that the Secretary of the Treasury is responsible, if anyone is, for financing the Government of the United States, of which the TVA is a very definite part.

While one may not object to the TVA issuing its own bonds—I do not think I would object to that—I certainly object to anything which would take from the Secretary of the Treasury the authority to set the terms of a bond issue affecting, as it does, virtually the full faith and credit of the Government of the United States.

While it is provided that the bonds are not to be guaranteed by the United States, the people of this country cannot be fooled in that way. Any obligations of a Government corporation which is 100 percent owned by the United States Government is an obligation of the United States. If the people buy those bonds, they certainly expect the bonds to be paid, and everyone knows that they will be paid.

This question came up in connection with the highway bill 2 or 3 years ago, when a revenue bond issue was included in the original interstate system, as the Senator from South Dakota will recall.

Former Secretary of the Treasury George Humphrey spoke before the Committee on Public Works, of which I was then a member, and said he thought that, regardless of what was said in the bill about the guaranty of the bonds, the Government would have to make good on the bonds. That being the case as to that issue, I believe it applies also to any bonds issued by the TVA, which I think are very good bonds anyway, or will be good bonds.

The PRESIDING OFFICER. The time of the Senator from South Dakota has again expired.

Mr. BUSH. Mr. President, will the Senator yield me 1 more minute?

Mr. CASE of South Dakota. I yield myself 1 minute, and I yield that to the Senator from Connecticut.

Mr. BUSH. I simply say that, because the bonds are, in effect, an indirect and a very important obligation of the United States Treasury, the Secretary of the Treasury should have adequate authority to control their issuance and the terms and conditions of the bond issue. Therefore, I shall vote against the amendment of the Senator from South Dakota.

Mr. CASE of South Dakota. Mr. President, I yield myself 1 additional minute.

I do not see how the Secretary of the Treasury can soundly determine the maturity, terms, conditions, and size of the bond issue unless he sets up either in the Treasury Department or the Bureau of the Budget a new division, to be named something like "Tennessee Valley Authority Division," which will study the earning power, the revenues, the market for the power, and all other factors which relate to the ability of the Tennessee Valley Authority to redeem its bonds. I myself cannot see why the Secretary of the Treasury would want to take that burden upon himself.

I should think he would want to have a voice in determining the impact of any sale of bonds by the TVA upon the marketability of Government securities. But if we are going to have a Government corporation which is charged with administering the business of the corporation, I do not know why it should not be the one where responsibility would rest for determining the fiscal operations of the corporation and its obligations.

Mr. BUSH. Mr. President, if the Senator from South Dakota will yield, I should like to say that I do not think the arrangement of financing which is contemplated would be very complicated for the United States, which is accustomed to issue bonds in the amount of billions and billions of dollars. In this case an issue of $750 million is proposed.

Mr. CASE of South Dakota. But the Secretary of the Treasury does that with respect to the revenues of the United States. He knows what prospects of revenue the Government has, but he does not know what prospects of revenue the Tennessee Valley Authority has, or at least he does not know it to the extent that the Board of Directors of the TVA knows it.

The PRESIDING OFFICER (Mr. SCOTT in the chair). The time yielded to the Senator from South Dakota has expired.

Mr. BUSH. Mr. President——

Mr. CASE of South Dakota. Mr. President, if the Senator from Connecticut wishes to ask further questions, I think he should use some of the time available to the opposition.

Mr. BUSH. I do not know who controls the time available to the opposition.

Mr. KERR. Mr. President, I yield myself 3 minutes from the time available to those in opposition to the amendment.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for 3 minutes.

Mr. KERR. Mr. President, I wish to say that the statements which have been made do not portray the elements which exist.

The proposal about highway bonds was rejected by the Congress because the Congress said that it was going to raise the revenues, itself, and was going to control the revenues, and was going to control the expenditure of the revenues.

In this case the Congress is saying, "We are not going to raise this money by taxation." The Congress is not going to appropriate money from the tax revenues, in order to finance the TVA. The Congress and the President have said that they want the TVA, through its own operations, to sell revenue bonds to finance its own expansion.

Mr. President, the President of the United States appoints the Directors of the TVA, just as he appoints the Director of the Bureau of the Budget and just as he appoints the Secretary of the Treasury. Those appointments come before this very body, either for approval or for disapproval.

When the revenue bonds are issued under the legislative proposal now before us, the TVA must fix the rates for the electric power to be sold to the people of the valley, and they must be fixed on a basis which will enable the TVA to collect from the users of the power to be generated, sufficient funds to pay the carrying charges. The United States Government will not pay the carrying charges; the taxpayers will not pay them. Instead, the power users will pay them.

Mr. BUSH. Mr. President, will the Senator from Oklahoma yield?

Mr. KERR. Not at the moment, Mr. President.

The rates will have to provide sufficient revenue, in addition to an amount adequate to pay the carrying charges and the operating expense, to make it possible to retire the bonds—to liquidate them and pay them off. After that has been done, the property will belong to the United States Government.

The PRESIDING OFFICER. The time yielded by the Senator from Oklahoma to himself has expired.

Mr. KERR. Mr. President, I yield myself an additional 5 minutes.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for an additional 5 minutes.

Mr. KERR. Mr. President, why should the Secretary of the Treasury—who does not take these expenditures into account in fixing the budget, and does not take the requirements into account in connection with the determination of what the taxes will be or in connection with the determination of how much money will be appropriated by the Congress—have this burden placed upon him? The directors of the TVA, who are charged with the responsibility of administering this act, are appointees of the President of the United States; and the President of the United States also appoints the Secretary of the Treasury and the Director of the Bureau of the Budget. All those nominations must be approved by the Senate, if they are to be effective. Why should the Board of Directors of the TVA be authorized to do this work, and why should they then proceed to carry out this assignment in connection with a program which the people affected are paying for, if someone in Washington, 500 miles away—someone concerned with a national debt of $275 billion and an annual budget of $70 billion—is then either to have to be charged with the responsibility and to carry the burden of deciding those matters for this group in the TVA? That simply does not make sense, Mr. President.

Mr. BUSH. Mr. President, will the Senator from Oklahoma yield to me?

Mr. KERR. I yield.

Mr. BUSH. I wish to try to answer the question the Senator from Oklahoma has asked. But before I do so, will he not agree with me that 2 or 3 years ago the Secretary of the Treasury—in connection with the highway-revenue-bonds proposal, which I agree with the Senator from Oklahoma was rejected, and probably properly so—said, and did the Senator from Virginia also not testify, when he appeared before the committee, that those revenue bonds, if authorized, would, in effect, become obligations of the Government of the United States?

Mr. KERR. And the Senator from Oklahoma thought they would be moral obligations of the Government of the United States, and that therefore the Government of the United States should undertake to finance the program of building the roads and should appropriate the money and should control the program. But the Congress has said

that the funds required for that purpose will not be collected from the people; and the Congress has also said that it will not appropriate, from the tax revenues of the people, funds to be used to build the TVA.

In the case of the roads, they are not toll roads.

Mr. BUSH. I understand that, but——

Mr. KERR. On the other hand, the projects built by the TVA would be identical in principle to toll roads. This authority is created to build power-producing facilities, to sell power to the people in a limited area, who themselves will pay tolls, with the exception that after they have paid for the facilities, they still will belong to the United States Government. I know that my great friend, the Senator from Connecticut—who is not trying to help get the bill passed, but who is trying either to defeat it or to cripple it—knows what I am talking about.

Mr. BUSH. I should like to say that the Senator from Oklahoma has answered his own question as to why the Secretary of the Treasury should, in connection with this important matter, have some authority over the terms and conditions of the bond issue, because the Senator from Oklahoma agreed with the Secretary of the Treasury—according to my understanding of what the Senator from Oklahoma just said—that these obligations would be obligations of the United States Government.

Mr. KERR. No, Mr. President; the Secretary of the Treasury agreed with the Senator from Oklahoma. When the Secretary of the Treasury first made his proposal, he announced that the obligations would not be moral obligations of the United States Government.

Mr. BUSH. At any rate, the two eminent gentlemen now agree on that point. That is exactly the reason why I believe that if bonds are to be issued—bonds which, in effect, would be obligations of the United States—the Secretary of the Treasury, who is responsible for the issuance of all the other bonds of the Government of the United States, should have the authority and the responsibility of coordinating the financing of this agency with the whole program of financing the Government of the United States, which unfortunately is a very large program. That is the answer to the Senator's question.

Mr. KERR. Mr. President, I wish to say it is entirely right; I wish to say that if these bonds were to be financed by the people of the United States, the bonds should be under the control of the Secretary of the Treasury. But the bonds are not going to be financed by the people of the United States; they are not going to be collected by the Treasury; and the proceeds are not going to be appropriated by the Congress. This project is within an area which is handled by a group of men who, I must say, may be just as able as the Secretary of the Treasury, and they would devote their full time to it.

Mr. BUSH. But, Mr. President——

Mr. KERR. Mr. President, I did not yield further to the Senator from Connecticut.

The PRESIDING OFFICER. The additional time yielded by the Senator from Oklahoma to himself has expired.

Mr. KERR. Mr. President, I yield myself an additional 2 minutes.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for an additional 2 minutes.

Mr. KERR. Mr. President, it would be folly for the Congress to say to the people of that area, "We are going to set up a program which will enable you to meet the growing requirements of your area," on the one hand, and then, on the other hand, for the Congress to say that it is not going to permit the program to operate unless both the Secretary of the Treasury and the Director of the Bureau of the Budget and the Congress again approve, year after year, the program—which is before us now.

I am sure the Senator from Connecticut [Mr. BUSH] is not going to vote for this program, no matter what shape we get it in.

The matter is now before the Congress, in order to have the Congress determine how the program shall be operated and managed. Once that is determined, the Congress should permit it to be handled in the way Congress prescribes, by men appointed by the President of the United States and confirmed by the Senate. Those men, directors of TVA, should be permitted to carry out the program the Congress has developed, and should be permitted to carry it out in the manner the Congress has prescribed. That is what should be permitted, rather than to have the Congress make the program the small end of the tail of the dog, either in the case of the Director of the Bureau of the Budget or in the case of the Secretary of the Treasury.

Mr. CASE of South Dakota. Mr. President, I withdraw my amendment to the amendment of the Senator from Massachusetts.

Mr. GORE. Mr. President, before that is done——

Mr. HILL. Mr. President——

Mr. CASE of South Dakota. Very well, Mr. President; I withhold my withdrawal of my amendment to the amendment of the Senator from Massachusetts.

Mr. GORE. Mr. President, at this time I yield 5 minutes to the Senator from Alabama [Mr. HILL].

The PRESIDING OFFICER. The Senator from Alabama is recognized for 5 minutes.

Mr. HILL. Mr. President, the distinguished Senator from Kentucky [Mr. COOPER] very clearly and ably pointed out that there is every desire on the part of the supporters of the bill, as reported by the Senate Committee on Public Works, to continue the supervision by the President over this Government agency. There is every desire on the part of the supporters of the measure to continue the review by the Congress of the agency and of its functions and of the work that it does, and to facilitate accountability on the part of the agency to the Congress of the United States; but under the amendment offered by the Senator from Massachusetts, the result would be to transfer the management of the corporation, the Tennessee Valley Authority, out of the hands of the Board of TVA—the management the corporation has had ever since the corporation was created; the management which has done so well with an efficient staff; the management which is appointed by the President by and with the consent of the Senate.

What the Saltonstall amendment would do is take the management out of the hands of the Directors of the TVA, a responsibility which the Directors have exercised through the years and transfer the management to the Bureau of the Budget, with certain veto powers placed in the hands of the Secretary of the Treasury. That is what is involved in the amendment.

Are we to take the management out of the hands of the Board and have this battle every year? As was so ably stated by the Senator from Oklahoma, are we every year to sit in judgment on how to run the TVA? The Senator from Oklahoma has done a wonderful job in bringing the bill to the floor. If every time bonds are issued, every year or every 6 months, the TVA has to come to Congress to get the approval of Congress, then we shall require Congress, in passing on such legislation, to act as the board of management of that agency. If, as would be provided under the Saltonstall amendment, it should be required that before any bonds can be issued—even before the Tennessee Valley Authority Board can recommend to the Congress that bonds be issued—there must be a recommendation to that effect from the Bureau of the Budget, then we shall be transferring the management from the hands of the Board into the hands of the Bureau of the Budget.

This question came up when we passed the Government Corporation Control Act back in 1945. Provisions of the act as introduced would have had the same effect. They would have placed control of TVA's power revenues in the hands of the Bureau of the Budget. We opposed doing so at that time, although we then had a Bureau of the Budget that was under a Democratic administration. We Democrats opposed those provisions of the bill and obtained an amendment.

As the Senator from Tennessee has so well pointed out, Congress, in writing the Government Corporation Control Act, exempted from the provisions of the act the management of the TVA, and left it to the TVA Board to make decisions as to expenditures of revenues that came from the sale of power. Today, in opposing a transfer of the management into the hands of the Bureau of the Budget, we take the same position we took at that time, when we had a Democratic Bureau of the Budget.

Mr. GORE. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. GORE. Is it not true that the whole program has been, and is now, subject to review by the Appropriations Committees of the House and the Senate?

Mr. HILL. The program is not only subject to review by the Appropriations Committees of the House and the Senate, and both Houses of Congress, but each year it is reviewed. The Senator from

Alabama has sat on the House Committee on Appropriations. He now serves on the Senate Committee on Appropriations. Each year all the actions, all the decisions, all the steps taken by the Board are reviewed by the House Committee on Appropriations and by the Senate Committee on Appropriations. We would have it no other way. We want this opportunity to keep ourselves fully informed about TVA. That is our responsibility.

Mr. GORE. And, furthermore, the committees review what the Board plans for next year.

Mr. HILL. Not only do the committees review what the Board has done, but we say "Now, what are your plans for the coming fiscal year? What do you propose to do? What expenditures do you propose to make? What are your plans?" Every year that is done.

Of course, the bill as reported by the committee will retain, if not strengthen, that review; but the question which I see raised by the amendment offered by the Senator from Massachusetts is, Are we going to transfer the management to the Bureau of the Budget?

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. GORE. I yield the Senator from Alabama 5 additional minutes.

The PRESIDING OFFICER. The Senator from Alabama is recognized for 5 additional minutes.

Mr. HILL. As I say, the question is, Are we going to transfer the management to the Bureau of the Budget? Who is better able to manage the TVA? The Board which is there in the region, the Board whose one duty and whose one responsibility is to carry on the operations of the TVA, to meet the responsibilities as imposed by the statute, to carry out the obligations imposed on the Board by the act of Congress creating TVA, the Board which knows all the factors that enter into the operations of TVA? Who is better able to carry on the operations of TVA? Such a Board or someone in the Bureau of the Budget who has no particular knowledge of the TVA, who has no opportunity to observe the day-by-day operations of TVA, who is not in a position to have the knowledge and the facts that the TVA Board has and who cannot be held accountable by the Congress? What the amendment would do would be to strike down a basic concept of the whole TVA Act, and that is a decentralized, nonpolitical management of the TVA by a responsible TVA Board appointed by the President and confirmed by the Senate.

Mr. KERR. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. KERR. How many living members are now on the Board?

Mr. HILL. There is now only one living member on the Board.

Mr. KERR. By whom was he appointed?

Mr. HILL. The one living member was appointed by the present President, Mr. Eisenhower. There are 2 vacancies now on the Board, and, under the law, those 2 vacancies will have to be filled by appointment, and those appointments have to be made by President Eisenhower, and have to be made by and with the consent of the Senate. The Senate would have to confirm those nominations.

Some persons would have us think that the TVA was brought into being by the people of the Tennessee Valley. That is not true. The Tennessee Valley Authority was brought into being by the Congress of the United States. It came into being largely for the defense of the United States. It had its genesis in section 104 of the National Defense Act of 1916. It is today serving, in very large measure, the defense needs of our country, because 56 percent of all the power generated by TVA is today going directly to the Government of the United States. Most of that 56 percent is going to the Atomic Energy Commission. The rest of it is going largely to the Air Force at the Tullahoma wind tunnel project or to the Army ballistics missile center, the Redstone Arsenal at Huntsville, Ala. Fifty-six percent is going for the direct defense of the country, and of the remaining 44 percent, 22 percent is going to interests vital to the defense of our country, for the production of aluminum, rubber, and steel.

Senators may recall that most of the aluminum that went into the building of airplanes for the winning of World War II and for the Korean conflict came from the Tennessee Valley. The aluminum was produced in the Tennessee Valley. In addition to aluminum plants, great nitrate and phosphate plants made a mighty contribution to the winning of World War II and to our defense of the Free World at the time of the Korean conflict. Chemicals, metals, and munitions to carry on those wars came out of the Tennessee Valley.

Mr. President, here is an agency that has fulfilled and met the responsibilities imposed on it by the Congress, because we put the management of the TVA in a board named by the President, and confirmed by the Senate, and located in the Tennessee Valley.

Are we today to adopt the amendment offered by the Senator from Massachusetts, to take the management out of the hands of the Board, which has carried it on so well, which has achieved so much and which has brought together such an efficient, capable, and devoted staff, and turn such management over to the staff of the Bureau of the Budget?

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. CASE of South Dakota. Mr. President, I yield 5 minutes to the Senator from Mississippi [Mr. STENNIS].

Mr. STENNIS. Mr. President, I appreciate the time being yielded to me.

Mr. President, I am concerned about the Saltonstall amendment, but choose at this time to make a few remarks about the bill as a whole as well.

First, if I may, I should like to refer to the map distributed among some of the membership, which shows a large white area. The Senator from New Hampshire [Mr. COTTON] as I understand, is going to offer an amendment which will remove from eligibility for TVA service all the white area on the map. There will be no opposition from those of us who are interested in the passage of the bill to the Cotton amendment. That will come up at the proper time. I believe it will be satisfactory to a great majority of the membership, at least.

Mr. President, for several years I have advocated a sound self-financing plan for TVA, because as to the financial side of the picture I think the TVA ought to be able to stand on its own feet, issue its own revenue bonds, and pay the bonds off.

We are compelled to plead and almost beg for some kind of financing plan, for reasons I shall describe.

There is no contradiction as to the need. A 5-year program of expansion will require in the neighborhood of $150 million, it is believed. As I understand it, everyone from the President of the United States down has recommended some program along that line.

The bill under consideration provides that after the TVA Commission, which is charged with the responsibility of operating the Authority, has reviewed the needs, made a decision, and decided the need is for $30 million for an additional plant, the President must be notified, and so must the Congress, and the matter must remain here during 60 days of a session of Congress and be subject to legislative veto. That provision insures that the Congress will not take any chance. The TVA will not submit a project unless it is necessary, needed, can stand on its own feet, and is sound from top to bottom.

I favor legislative control over expenditures, and a minute examination. However, I wish to retain the bill as it now reads, as it comes from the committee.

Let me illustrate by stating the need of my own small hometown. I live in a place in East Mississippi which has a population of about 1,200 or 1,500. Away back in the 1920's the town had its own municipal plant, and it sold out to a power company. Some years later we woke up one morning to find that the power company had sold out to the TVA and REA interests. We were not consulted, and we knew nothing about it. We were left with that sole source of power, and that is the way it is today.

The rural residents of my county also get their electricity from TVA sources, but there was not a choice on their part about it. The power companies were there, serving the small towns, not the rural areas, but they sold out and went away.

Now TVA power is the only power we have. We are going to suffer there within a few years unless something is done. Fifty-eight percent of the power output of the TVA is used not by the people but by the Government, primarily to operate segments of our great defense program. We can thank God that there was a TVA to supply that need during World War II and later.

We are not begging, but we are still at the mercy of the Senate. Something must be done. Let us adopt this sound plan, this workable plan, this business-like plan, and give it Congressional approval today, and at the same time retain control in Congress.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. GORE. Mr. President, I yield 5 minutes on the bill to the senior Senator from Tennessee.

The PRESIDING OFFICER. The Senator from Tennessee is recognized for 5 minutes.

Mr. KEFAUVER. Mr. President, I thank my colleague.

I do not think this is particularly the time or the place to discuss the accomplishments or the merits of the Tennessee Valley Authority, although at any time I and other Senators and Representatives from that area, and people from all over the United States, are willing to defend TVA and to talk about its great accomplishments.

We are always willing to discuss how the TVA brought to a most distressed area better economic conditions, the contribution it has made to the Government and defense of the United States, the excellence of its operation during these years, and all other factors.

Mr. President, the point here to be discussed is that we are considering an emergency piece of legislation. We shall have brownouts and power shortages by the fall and winter of 1959 unless additional facilities can be built by that time to furnish needed electricity. Everybody recognizes that to be so.

Whether one likes the TVA or does not like the TVA is not important. That should not be any reason for destroying or crippling the great investment which the people of the United States have in the area, and retarding the progress of a great section of the United States.

Mr. President, the bill under consideration is not a bill which was gotten up exclusively by those of us whose homes are in the TVA area. This is a composite or compromise bill, representing ideas of those of us who live in the TVA as well as ideas of others, such as the Senator from Oklahoma [Mr. KERR], as set forth in his bill, the Senator from Kentucky [Mr. COOPER], as set forth in his bill, with several amendments presented by the Senator from South Dakota [Mr. CASE]. This bill is not everything we want, but it is a compromise bill which the TVA can live with.

Mr. President, I implore my colleagues at least to let us have a breathing spell so that we can get by the dire emergency with which we are faced. It is not only we of the valley who face the emergency. The defense installations of importance to the United States face it.

Let me say in that connection that the TVA has saved the United States Government a tremendous amount of money. One mill on the cost of power sold to the Atomic Energy Commission is equal to $50 million a year, and the price of power has been reduced to where it represents a tremendous savings of money for the Government.

Mr. President, the bill only provides for a 5-year program. There are plenty of safeguards to assure that the TVA will use the money carefully during those 5 years.

During those 5 years the TVA will be under the control of appointees of President Eisenhower, because at the present time there is only one surviving member, General Vogel, who himself was appointed by President Eisenhower and who I think has 8 years to serve. There is one vacancy for a 9-year term. The other day Dr. Paty died. He had a number of years to serve.

During the 5 years the Board of Directors of the TVA will be under the control of the appointees of the present administration. No Board of Directors of the TVA has ever done anything except properly to perform its mission in a most businesslike way, and I hope and trust the new members will measure up to the standard which has been set.

At the end of 5 years, or, so far as I am concerned, at any time, there could be a complete investigation of the operations of the TVA. There could be a complete investigation of the question whether TVA ought to be under the Government Corporation Control Act or not.

I point out, in that connection, that when the distinguished Senator from South Dakota [Mr. CASE] was a Member of the House of Representatives he introduced the first bill which led to the Government Corporation Control Act.

The PRESIDING OFFICER. The time of the Senator from Tennessee has expired.

Mr. KEFAUVER. Mr. President, will the Senator yield me 3 additional minutes?

Mr. GORE. I yield 3 additional minutes to the senior Senator from Tennessee.

Mr. KEFAUVER. The Senator from South Dakota and a distinguished Representative from Mississippi, Mr. Whittington, held extended hearings as to what should be in the act and what should not be. Those hearings were held before the Committee on Expenditures in the Executive Departments, now called the Government Operations Committee in the House, I believe.

In the Senate, the Senator from Virginia [Mr. BYRD], and former Senator Butler, of Nebraska, held extended hearings as to what should be in the Government Corporation Control Act. I think those hearings were before the Government Operations Committee. At any rate, it was not the Public Works Committee.

This act should not be amended by hasty action taken on the floor. The act was carefully written. Citizens from the TVA area and TVA officials came here and presented the reasons why the TVA, far removed from the Nation's Capital, should be regarded as a business operation, and why it should have certain leeway which did not apply to other Government corporations.

The Congressional committees, composed of thoughtful and considerate men, decided, and in turn, the House and Senate decided, that it would not be in the best interest of the Government to include the TVA, and so it was exempted.

Since that time 161 municipalities or rural electric cooperatives have spent hundreds of millions of dollars buying and installing distribution systems for the distribution of TVA power. They have a big stake in this operation. No hearings whatsoever have been held on amending the exemption of the TVA under the Government Corporation Control Act.

Various and sundry amendments, and amendments to amendments, have been presented. That proves that this is not the way to undo the work which was done after careful and full consideration. I respectfully urge upon my colleagues that before the investment of the people who put their money into something in good faith is jeopardized in any way, they should be given an opportunity to be heard. No TVA official or employee, no representative of the distributors, was asked his opinion as to the subject matter of the amendment of the Senator from Massachusetts.

I should be glad to join in urging a review of the entire subject by the appropriate committees, but I urge that the Congress pass this emergency legislation now, and not complicate it by extraneous matters on which no hearings have been held.

Mr. CASE of South Dakota. Mr. President, I yield myself 2 minutes.

Whatever the decision of the Senate may be with respect to the Saltonstall amendment, I had intended to propose an amendment which deals with this issue. It would add to the review powers of the Secretary of the Treasury as provided by the bill.

As provided by the bill reported from the committee, the Secretary of the Treasury would be entitled to 15 days within which to determine whether or not he wished to ask for a deferral of the time of sale; and if he so determined, he could ask that the sale of bonds be deferred for an additional period of 45 days.

I propose to suggest that, in addition to the time allowed the Secretary of the Treasury, he also have authority to recommend changes in the amounts, terms, maturities, or conditions of the bonds, and to require that the corporation shall not sell the bonds until it has considered his recommendations for at least 30 days, unless the recommendations are sooner agreed upon. That, I think, is consistent with good faith between Government agencies. It would give to the Secretary of the Treasury the opportunity to point out to the board of directors of the Corporation that possibly there should be some change in the maturity, size, or conditions of the bonds.

It would insure consideration by the board of directors of the corporation of the recommendations of the Secretary.

The PRESIDING OFFICER. The time of the Senator from South Dakota has expired.

Mr. CASE of South Dakota. I yield myself 1 additional minute.

As the Senator from Tennessee [Mr. KEFAUVER] has just pointed out, for the next several years the members of the board of directors will all be appointees of the present President of the United States. They are appointed for terms of 9 years. I am sure that if the Secretary makes recommendations to them, and they are required to consider them for 30 days, good faith will insure an honest consideration of such recommendations.

Mr. KERR. Mr. President, I wish to thank the Senator from South Dakota for what he has just said. As I understand, if the Saltonstall amendment is defeated, it is the purpose of the Senator from South Dakota to offer the amendment to which he has referred, providing further cooperative programs between the Authority and the Secretary of the Treasury.

Mr. CASE of South Dakota. That is true.

Mr. KERR. I wish to thank the Senator for what he has said; and I seek the privilege of joining him in sponsoring the proposed amendment.

Mr. THYE. Mr. President, will the Senator yield for a question?

Mr. KERR. I yield an additional 3 minutes to the Senator from South Dakota on the bill, in order that he may answer questions.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. CASE of South Dakota. I yield.

Mr. KEFAUVER. I ask the Senator if it is not true that for many days and weeks he and other Members of the House of Representatives at that time held hearings on and considered, and wrote the Government Corporation Control Act?

Mr. CASE of South Dakota. The Senator is correct.

Mr. KEFAUVER. Does not the Senator believe that before the act is changed those affected in the valley, and the officials of the agency, should have an opportunity to be heard?

Mr. CASE of South Dakota. I think there is something to that point. The Government Corporation Control Act was certainly the result of many days of hearings.

Mr. THYE. Mr. President, will the Senator yield?

Mr. CASE of South Dakota. I yield.

Mr. THYE. The amendment of the Senator from Massachusetts proposes to afford the Budget Bureau an opportunity to make a study of any proposed expansion which may take place within a period of 5 years, relating to the $750 million which is proposed for overall general expansion within the area now being served by the TVA. Is my understanding correct?

Mr. CASE of South Dakota. That is one part of the Saltonstall amendment.

Mr. THYE. Is my understanding correct as to that phase of the amendment?

Mr. CASE of South Dakota. I think so.

Mr. THYE. Is it not true that the Budget Bureau would have no authority beyond the new money to be authorized, within the proposal providing for $750 million?

Mr. CASE of South Dakota. The Budget Bureau already has authority with respect to any appropriations which may be made for administrative funds or other activities of the Tennessee Valley Authority; and such authority would not be impaired by the bill.

Mr. THYE. Let me ask one further question, in order to make certain that I understand the amendment very clearly. As I understand, there is no departure from the present administrative function of TVA. The only question involved is relative to the $750 million of new money for an expansion of generating facilities within the area now being served by TVA.

Mr. KERR. Mr. President, I yield an additional minute to the Senator from South Dakota in order that he may yield to me for a question.

Mr. CASE of South Dakota. Mr. President, has all my time expired?

The PRESIDING OFFICER. The Senator has 2 minutes remaining.

Mr. CASE of South Dakota. Mr. President, I yield myself an additional 2 minutes.

Let me say to the Senator from Minnesota that I would hesitate to take the responsibility of delineating everything comprehended by the amendment of the Senator from Massachusetts. I would rather have him define the limits of his amendment.

Mr. THYE. Mr. President, if the Senator will permit me, I should like to say that I was at a meeting of the Committee on Appropriations, and I did not hear all the discussion of the amendment, and therefore I was endeavoring to make certain that I understood it.

Mr. CASE of South Dakota. I should like to help the Senator, but I also want to be fair to the Senator from Massachusetts. I would prefer to have him define his own amendment in that respect. Mr. President, I yield back the remainder of my time, and withdraw my amendment to the Saltonstall amendment.

Mr. KNOWLAND. Mr. President, I yield myself 1 minute on the bill, to address a question to the Senator from Massachusetts. Apropos the Senator's amendment, on lines 4 and 5, where it is provided "as may be approved by the Congress," I wonder whether the Senator would be agreeable to add, after the word "Congress," the words "by concurrent resolution."

Mr. SALTONSTALL. I shall be glad to modify my amendment by adding in line 5 of my amendment, after the word "Congress," the words "by concurrent resolution." That is the only modification I make in my amendment. I make it because it clarifies how Congress shall act in connection with the requirements of my amendment.

Mr. KNOWLAND. Mr. President, I ask for the yeas and nays on the amendment, so that all Senators may be on notice.

The yeas and nays were ordered.

Mr. GOLDWATER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. PASTORE in the chair). The Senator will state it.

Mr. GOLDWATER. Is a motion to recommit in order at this time?

The PRESIDING OFFICER. Such a motion is in order.

Mr. GOLDWATER. I move that S. 1869 be recommitted to the Committee on Public Works.

A further parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. GOLDWATER. Does the time for discussion of my motion come under the limitation of debate now in effect? Am I limited to a half hour?

The PRESIDING OFFICER. The Senator has 30 minutes.

Mr. GOLDWATER. Mr. President, I am unalterably opposed to S. 1869 for several reasons. In the first place, the fiscal responsibility and integrity of the United States is vested in the Congress. It owes a solemn obligation to the people of this country to maintain firm and rigid control over expenditures and obligations of any branch of the Federal Government, any agencies, authorities, or other Federal corporate entities created by the Congress.

If we are to establish the precedent of permitting corporate structures of the Federal Government to issue revenue bonds to finance and expand either normal governmental functions or proprietary business undertakings, then we of the Congress are dodging our obligation of maintaining control over fiscal responsibilities of the Federal Government. For this reason I am against granting authority to any Federal entity to issue any kind of revenue bonds. If we are to create these Federal agencies, authorities, or other types of Federal corporate structures, then we should be willing to appropriate the funds to carry out the activities of the entity so created.

I have an idea that the reason some of my colleagues are so interested in this revenue-bond idea for TVA is so that they can tell their constituents that they have gotten this large Federal power monopoly off their taxpaying backs. But if this thing goes through, what is the next step? The next thing we will face is revenue bonds for Bonneville, the Southwest, the Southeast Power Administrations the Missouri River development, and then it will be easy to carry over into other operations of the Federal Government. So we, the Congress, will set up Government operation after operation edging more and more into the proprietary business field, simply because we do not have to appropriate collected tax funds to carry out these socialistic activities.

Mr. President, if I am willing to authorize these Federal activities, I am going to be willing to face the issue of appropriating funds for their operation. We are told that the revenue bonds are not obligations of the Federal Government—that they are outside the Federal budget—but the proponents of the bills in both the House and Senate have admitted that they are moral obligations of the Federal Government, and that the Government could not permit them to go into default. If that is true—and I believe it is—what else are such bonds but a Federal obligation? It is just another budget outside the present budget—a dual budget concept which the Congress has wisely decided against on numerous occasions.

Mr. President, even if it were desirable to permit TVA or other agencies of the Federal Government to issue revenue bonds, the pending bill, S. 1869, should never be passed. I am not censuring the proponents of TVA for wanting this type of legislation. I think any of us, if we were running a business, whether

it be public or private, would like to have a free rein to do just what we want to do when we want to do it. Well, that is just what TVA has in this bill if the Congress passes it.

When TVA revenue bonds were first seriously suggested the TVA people drafted some legislation along the lines they desired. The Budget Bureau looked over their proposal and made some 22 suggested changes. The Treasury Department and the Comptroller General suggested several very fundamental changes in the bill which TVA drafted. Mr. President, so far as I can see, the bill before us has recognized none of those suggestions. Oh, I know the Budget Bureau, in 1955, suggested a limitation of $750 million of outstanding bonds, but in 1957 it suggested a limitation of $200 million. The present bill would appear to have followed the Budget Bureau's first suggestion, but as I will show later the limitation is meaningless.

Mr. JENNER. Mr. President, will the Senator yield?

Mr. GOLDWATER. I yield.

Mr. JENNER. Mr. President, will the Senator yield for the purpose of asking for the yeas and nays on his motion?

Mr. GOLDWATER. I yield for that purpose.

Mr. JENNER. Mr. President, I ask for the yeas and nays on the motion of the Senator from Arizona.

The yeas and nays were ordered.

Mr. GOLDWATER. Mr. President, the pending bill allows TVA to go merrily along its way building what it wants to, where it wants to, expanding its territory, increasing the national debt, while thumbing its nose at the Congress and executive departments. It would have a freedom of action never before granted to any Federal agency.

Although I am against permitting any Federal agency to issue revenue bonds, I considered preparing some amendments to this bill that would give the Congress and the Executive some control over this agency, but after studying the bill further I came to the conclusion that it was too defective to even start amending. There is only one thing to do with something like this, Mr. President, and that is send it back to committee.

I may say, in view of what has transpired on the floor of the Senate this morning, where we saw a sensible, workable amendment torn to shreds on the floor, and attempts made to amend the bill so that it would be workable, and after listening to three different suggestions which have already been accepted, I can think of no bill that has been before the Senate this year which is more in need of further consideration by the committee than is the pending bill.

Let us have a look at some of the things this TVA revenue bond bill would do, Mr. President.

Under present law TVA is supposed to reimburse the Treasury within 40 years for appropriated funds that have been invested in power facilities. The bill would repeal that provision of law. The taxpayers need never be repaid their investment in TVA under the bill. The power revenues would be pledged for payment of interest and principal on revenue bonds and whatever was left over could be used for construction of new power facilities. The TVA people have long boasted that all the money invested in power would be repaid so that the taxpayers would not be out anything; in fact, in the early days, a Board member in testifying before congressional committees, said that all of the power investment would be repaid, with interest, in 25 years. Now then, when it is suggested that any change in legislation that would permit TVA to issue revenue bonds should contain a provision requiring payment of the people's investment in TVA, we are told that the present Federal investment is the people's equity in their power company; that any money returned to the Treasury would be the same as a payment of dividends; that since TVA belongs to the people there is no reason for return of capital. Mr. President, the people's investment in TVA is an involuntary one. They cannot go out and sell their equity in it as they can in a voluntary investment. Since under the bill a dividend can be postponed for 2 years, this legislation does not assure any dividend. All it assures is that TVA will keep spending the people's money expanding TVA, and the only ones who benefit from that are the power consumers—industries and individuals—in the TVA area.

The bill puts a limitation of $750 million on revenue bonds outstanding at any one time, but that has little meaning. In the first place, any limitation which Congress puts on, it can take off. We have no difficulty in remembering when the limit on the national debt was a great deal less than it is now. But aside from that, the bond limitation is no limitation on the financial obligations that TVA can assume. Bond proceeds can be used to enter into lease-purchase agreements under which TVA could assume obligations for payment of facilities costing far in excess of $750 million. If the bond limit was being crowded, TVA could get others—municipalities, cooperatives, or individuals—to construct facilities and lease them to TVA on a long-term lease-purchase agreement whereby TVA would guarantee interest and amortization costs, maintain and operate the facilities, and then take them over after they had been paid for. But such an arrangement would obligate an agency of the Federal Government and therefore the Federal Government itself. Furthermore there would be no limitation on or control over the amount for which this agency could obligate the Government.

Mr. President, the legislation as proposed by TVA would require the Treasury to purchase its bonds. That direct purchase provision has been dropped in the pending bill, but another provision has been added making these bonds a lawful investment of any fiduciary, trust, or public fund administered by any officer or agency of the Federal Government. So by purchase for public trust funds the Government can still buy the TVA bonds.

TVA proponents talk about testing the private money market, competing with private industry on the private money market, and so forth. Well, it will not have to. If they do not like the going interest rates on the private market, they just sell their bonds to some trust administered by the Government.

Another thing that strikes me as rather peculiar, Mr. President, is this question of area limitation. The TVA people say that they do not want to expand the TVA service area; but, every time there was any serious suggestion of inserting in the bill any restriction as to area, there was a squawk that could be heard all the way to Tennessee. If they have no intention of expanding their service area, why do they object to having limitations spelled out in the law? The provisions in the pending bill certainly do not limit them. They can expand north, south, east, and west to more than double their present area. The bill does away with the little restriction they have under present law, which is largely control through appropriations.

There would be nothing in this bill to keep them from going to what they considered economic transmission distance with power generated at facilities built by appropriated funds. They could use bond proceeds to build facilities to serve present load, and raid territory for hundreds of miles with power generated by present facilities. Furthermore, they could encourage establishment of transmission cooperatives in contiguous counties, and these co-ops could transmit TVA power for hundreds of miles.

The bill also permits TVA to supply electricity to any area where its power was used on July 1, 1957. Because of interchange agreements with companies, TVA power may have been used at considerable distance from its so-called operating area on July 1, 1957. This might permit TVA to expand for hundreds of miles in all directions. I know this may sound farfetched, and the idea will be pooh-poohed by the proponents of the bill, but we have seen TVA officials make some very strained interpretations of present laws in order to justify what they wanted to do; so there is no telling what they could do with a law as poorly drawn as this one. It will be noticed they are using power revenues to install hundreds of thousands of kilowatts of new generating capacity, although many of us think the law says they cannot, and the sentiment of Congress has been that they should not. Their general counsel says they can; so they go right along.

I have absolutely no confidence in the TVA's statement that they have no thought of expanding or desire to expand their operating area, otherwise they would have no objection to an area limitation clause in the law. I said once before and I repeat that TVA was conceived in socialism, born during a period of economic chaos, and has been nurtured and expanded in deceit, and I have not changed my mind a bit about that. Personally I am not sure that we could draw legislation so tight they could not find some loophole to creep through, and I am dead certain we cannot do it here on the floor of the Senate. The only way we can keep that agency under control is through the power of appropriations.

Mr. President, under the bill the Bureau of the Budget would have very little, if any, control over TVA. TVA would run its own Federal budget outside the present budget. The Treasury will have virtually no control over it. TVA would tell the Treasury that it intended to float some bonds and if the Secretary of the Treasury, within 15 days, asked them to hold up the sale, they would have to defer sale up to 45 days, and then could go ahead irrespective of the effect it might have on what the Treasury planned. Presidential and Congressional control would be ineffective. Before proceeding with construction of new power producing facilities, TVA would notify the President and Congress of its plans, and unless legislation was enacted after 60 days of a single session of Congress disapproving such construction, TVA would proceed. If Congress denied TVA the right to proceed and the President vetoed the act, it would take a two-thirds majority of both Houses to override the veto, so what control does Congress have left?

The bill does not require Federal Power Commission approval of TVA rates, so TVA will be the sole judge of what it wants to charge for power. If it wants to unbalance its rates in favor of municipals and rural cooperatives over Federal installations, as it apparently is doing now, there will be nothing to prevent it. If it does not charge enough for power to pay the Government any dividends, who is to tell them to increase the rates? No organization should be left so free of all controls.

Another thing, Mr. President, and this is most important: If legislation is enacted permitting TVA to issue revenue bonds to finance future expansion, then Congress will have recognized in TVA a complete utility responsibility for an area from now on. This is something Congress has not done for any area heretofore, and it is a very unwise step for Congress to take.

Mr. President, I recognize TVA as an accomplished fact, and I am not advocating selling it to private industry, but I am also not foregoing all semblance of local responsibility.

In this respect, I suggest to the States which are located within the confines of the area of the Tennessee Valley Authority that they consider taking this project over themselves, and that the people of those States finance the project.

I can assure the people of the TVA area that the people of Arizona are not interested one whit in supplying the hundreds of million of dollars necessary for the expansion of the TVA area through cheap electricty, electricity made cheap by the absence of the costs which are absorbed by established private enterprise.

The providing of an an electric power supply is primarily a local responsibility. Eighty percent of the people of this country provide their own power supply and pay taxes on it—Federal, State, and local. The mere fact that the Federal Government for some reason—such as flood control, navigation, or irrigation—has made a supply of power available to an area, should in no way obligate the Government to furnish the entire requirements of that area in perpetuity.

In my own State of Arizona the Government developed a source of cheap power through the construction of the Roosevelt—and that is Theodore Roosevelt—Hoover, Davis, and Parker Dams. We are glad to have that power and are using it, but when we needed more power we did not sit down and wait for the Government to supply it. The Salt River project built additional power dams and financed them on the private money market without Federal assistance. And when still additional power was required both the private utilities and the Salt River project constructed steam plants without Federal assistance. We who are fortunate enough to have economical hydroelectric sites in our States, whether developed by governmental agencies or private industry, should be grateful. But simply because the Government develops one or more of these sites we should not dodge our local responsibility and sit back and cry for the Government to hold our hand from then on.

Right now we should say to the people of the TVA area: "The Government has given you a very good start in the power business; it has been subsidizing your power bills for many years to the extent that you have enjoyed some of the most favorable power rates in the Nation. The Government is through obligating the rest of the people of the United States for any more power facilities in the TVA area. We will continue to operate and maintain the facilities the Government now owns, and will supply you with whatever power the Government does not need for its own use, but the responsibility for any additional power is yours."

The city of Memphis started a move in the right direction. It is constructing its own steam plant. There is no reason why others cannot do the same thing. Although the State of Tennessee has not prospered as well as most of its neighboring States, even after the Federal Government spending billions of dollars in the State on development of TVA and atomic energy, still the people are not destitute. They are still able to finance their own additional requirements of electric power. The answer is the TVA proponents do not want to. They want the rest of the country to do the job for them. They have received a big Federal subsidy on their power bills for many years, and they hate to give it up. This is just another example of what we run into when the Government starts doing things for the people that the people should be doing for themselves. There seems to be no end to it. The biggest mistake we made was in Government construction of the first TVA steam plant. But because that mistake was made and was repeated many times since, is no reason to continue making the same mistake.

National defense, firming up hydroelectric power, and many other excuses I can think of have been advanced to project TVA further and further into the electric power business at a cost to the taxpayers from the other 47 States. But there was no valid reason for it. Power for atomic energy and other defense activities can be and is being supplied by private industry on the periphery of TVA and at approximately the same cost as power supplied by TVA. And, if taxes paid by the private companies are considered, the cost of the private power is a great deal cheaper. TVA was a power shortage area in 1941 so it did not have a great surplus of power for war production. The power producing facilities had to be built by TVA to take care of the war industries. Those facilities could just as well have been built by others at other locations. The World War II effort was an excuse and not a reason for expanding TVA. The same is true of the Korean war effort and the cold war period that has followed.

Mr. President, on the question of firming up TVA hydro, the record is replete with statements of our colleagues about firming up this power. When steam plants were wanted it was to firm up the hydro. Senators would ask on the floor, "Is this steam plant for firming up the hydro?" Others have stated, "I would not vote for steam plants for TVA except to firm up the hydro." "Firm up" seemed to be the magic word—and TVA advocates played it to a fare-you-well, and it worked to where TVA is now primarily a steam power system with hydropower carrying the peaks.

Anyone who studies the question knows, Mr. President, that hydro power is firm in its own right. The only time when it is not firm is when it is improperly used. In other words, if a hydro plant is designed to produce firm power at a 30-percent load factor—which means to average operating at full capacity 30 percent of the time—and if an attempt is made to operate it at a 45-percent load factor, there will be years when it will run out of water and, therefore, will run out of power. If the operators are overoptimistic and sell more power, as firm power, than they can produce, they will run short. If they have guaranteed to deliver the power they have oversold, they have to rustle up some power from another source in order to make up the deficit. But the other power is not firming up the hydro power; it is just supplying kilowatt-hours of power when there is insufficient water to produce them. Of course, as streamflows vary from year to year, there are years during which more power can be produced than in others; but this additional power is secondary and dump and it is not made firm with steam-generated power. The steam-generated power is firm, but the surplus hydro power that is available only during certain years is not firm, and the steam-generated power does not make it so.

The TVA power system got its start as a byproduct of navigation and flood control. It was expanded with war efforts and firming up as an excuse. Now it is the largest power monopoly—and it is truly a monopoly—in the country, financed entirely by public funds; and here we have before us proposed legislation asking us to free it entirely from Congressional and executive control.

TVA has been a "sacred cow" for so many years that its supporters seem to think that what they want they should get and that other sections of the country or other agencies of government have no right to have their views on TVA matters considered. When they want more money for expansion, or when it is suggested that TVA should pay interest or taxes or pay back to the people of this country some of the money they have invested in it, we are told that TVA belongs to all the people. But when people from other sections, whose money is invested in it, offer some suggestions for the people's control over it, how are those suggestions received? Let me give you an example, Mr. President.

I read some of the hearings before the Senate committee. One of the witnesses who is vitally concerned with TVA future expansion, because he operates an electric-utility company near TVA, received rather peculiar treatment when he appeared before the committee. I shall not take the time of the Senate to discuss this particular hearing, but all Members of the Senate should read it. It occurred on June 6, 1957. After treatment which I think was altogether uncalled for, one of the Senators finally told the witness that he could proceed with his statement, but said: "I will try not to hear the rest of it."

I am afraid that is the general attitude of TVA and its proponents, Mr. President. They say go ahead, make whatever suggestions you want to, but we will try not to listen to you; all you have to do is foot the bill.

Mr. President, I have heard this proposed legislation referred to as a compromise bill. I should like to know what was comprised in it. Consider the original bill drafted by TVA, and compare it with this one; try to find any compromise. Oh, there are some changes in the language, and here and there one finds a little "sop" which might lead a casual reader to think that the TVA had accepted some compromise from its original bill. But on careful examination we find that, in substance, there has been no compromise at all. The TVA is getting everything it wanted in the first place; and the people, the owners, are losing what control they had over it, including a chance to get some of their money out of it.

This is serious proposed legislation, Mr. President. Even if the question of issuing revenue bonds were noncontroversial—although, so far as I am concerned, it is highly controversial—we should not pass a bill so poorly drawn as this one is. The only thing for us to do, in my opinion, is send it back to committee to be restudied and redrawn. That is the purpose of my motion.

Mr. CHAVEZ. Mr. President——

The PRESIDING OFFICER (Mr. PASTORE in the chair). The Senator from Arizona [Mr. GOLDWATER] has 5 minutes remaining on his side of the motion.

Mr. GORE. Mr. President, I yield 3 minutes to the Senator from New Mexico.

The PRESIDING OFFICER. The Senator from New Mexico is recognized for 3 minutes.

Mr. CHAVEZ. Mr. President, Senate bill 1869, as reported by the Committee on Public Works, would authorize the Tennessee Valley Authority to issue and sell revenue bonds in an aggregate amount not to exceed $750 million outstanding at any one time, to assist in financing its power program.

The bill also outlines the method of issuing the bonds, the use of the proceeds from their sale, and provides for certain Congressional control of the TVA operations. It provides the TVA Board with the necessary administrative authority and flexibility to aid it in carrying out the purposes of the TVA Act.

The Tennessee Valley Authority was established in 1933, and charged with the responsibility for development of the resources of the Tennessee Valley area. Beyond any question, it has done an admirable job. Reservoirs have been constructed on the main stream and tributaries of the Tennessee River for flood control, navigation, development of hydroelectric power, and other purposes. It has forwarded the development of the natural resources of the region—waters, soils, forests, and minerals.

The multiple-purpose dams constructed and operated by TVA adequately serve the three major purposes for which intended: flood control, navigation, and production of power. Floods in the basin have been practically eliminated. A 9-foot navigation channel has been provided, and is being maintained from the mouth of the river to Knoxville, Tenn., a distance of 650 miles. During 1956, approximately 12 million tons of traffic moved on this waterway, saving approximately $20 million in transportation costs. The installed hydro-electric generating capacity amounts to more than 3 million kilowatts, and the present steam-generated capacity is approximately 7 million kilowatts.

The TVA has maintained and operated the Muscle Shoals plant and laboratories for experimentation, development, and the manufacture of improved fertilizer products and munitions. Various activities relating to agricultural, forestry, and industrial development have been carried on.

We know that electric-power development is the only activity of the TVA that produces income in a commercial sense. Its other activities—flood control; navigation; fertilizer and munitions research; experimental fertilizer production; agricultural, forest, fish and wildlife, and malaria control; and recreational development—are not expected to yield returns in money; but, rather, their returns are in terms of improved resources, better living, more economic activity, public security, and generally improved well-being of the residents of the area.

During World War II, and again at the start of the Korean conflict, the power demands for production of aluminum, chemicals, and other war materials, from additional atomic-energy and other national defense facilities, increased manifold. The TVA provided a means to expand its facilities quickly and efficiently, in order to supply an abundant amount of electric power to meet the defense needs.

The TVA is the sole supplier of power for an area of 80,000 square miles in which 5 million pepole live and work. The remaining hydroelectric power potential in the region is small, when compared to the growing power needs of the area. The TVA must obviously build new steam plants in order to meet the tremendously increased demands for electric power, not only for the homes, farms, businesses, and industrial plants, but also for the national defense installations in the area.

In the past the TVA has obtained most of its funds through congressional appropriations. There has been a large amount of criticism of this procedure. The proposal that the TVA issue revenue bonds to finance additional power facilities has been before the Committee on Public Works for almost 3 years. This is not a new method of obtaining funds for the TVA. Congress has previously authorized it to issue revenue bonds. All the bonds previously issued and sold have been retired; and, in addition, a large part of the appropriation investment in the TVA power facilities has been returned to the Treasury.

The PRESIDING OFFICER. The 3 minutes yielded to the Senator from New Mexico have expired.

Mr. CHAVEZ. Mr. President, I should like to ask for some additional time.

Mr. GORE. Mr. President, I yield 2 additional minutes to the Senator from New Mexico.

The PRESIDING OFFICER. The Senator from New Mexico is recognized for 2 additional minutes.

Mr. CHAVEZ. I thank the Senator from Tennessee.

Mr. President, during the consideration of the bond-financing proposal, several features caused considerable discussion. These were: A ceiling limitation on the amount of bonds that the TVA would be permitted to issue; a limitation on the geographical expansion of the TVA service area; and a provision regarding the timing of issuance of the bonds. The Committee has amended the bill in such a way as to take care of these questions.

The TVA Act provides that preference in the sale of electric energy shall be given to public bodies and cooperatives, and establishes the objective that the TVA projects shall be considered primarily for the benefit of the people of the section as a whole, and particularly the domestic and rural consumers to whom the power can economically be made available.

The TVA has carried out these objectives well. The percentage of electrified farms has increased from 4 percent, in 1933, to 95 percent, at the present time, and their use of power is increasing. Such use will continue to increase as farm production increases, and the increased trend in manufacturing in the basin continues. Federal defense agencies in the basin now use about 58 percent of the TVA power output. If the region is to continue to grow and contribute more fully to the national productive strength, new supplies of electric power are absolutely essential.

TVA power is sold at wholesale rates, and reaches the consumers through the

distribution systems of 149 municipal and rural electric cooperative associations and 2 small private companies. The average residential use of electricity in the TVA area is double the national average, at about one-half the cost.

We who reside in areas removed from the TVA area view the major accomplishments of the TVA as its contribution to the REA's, the increase in private enterprise and small business in the area, and the improvement in economic and living conditions. Electrification of farms has increased the use of electrical equipment, washing machines, refrigerators, and electric pumps, increasing efficiency on the farms and relieving the drudgery of the housewives.

We realize that for the next few years TVA will have a struggle supplying the power needs of their present service area. We are not worried about TVA trying to expand or to increase that service area. However, we do not believe that a small town, or an REA in the area bordering on the present TVA service area, or the Tennessee River drainage area, should be precluded from obtaining TVA power if they so desire.

The TVA is now a reality. It belongs to the Federal Government and will continue to be Federal property. The revenue it produces will continue to go into the Federal Treasury or to be reinvested in TVA plant. The power facilities constructed with proceeds from revenue bonds and paid for by the power consumers will be the property of the Federal Government.

The Committee on Public Works believes that the bill provides a fair and workable solution for financing the future power needs of the Tennessee Valley area. The provisions of the bill are fully discussed in the committee report. I urge immediate passage of Senate bill 1869.

The PRESIDING OFFICER (Mr. MONRONEY in the chair). The question is on agreeing to the motion to recommit made by the Senator from Arizona.

Does the Senator yield back the time remaining to him?

Mr. GORE. First I should like to yield 5 minutes to the senior Senator from Vermont.

Mr. AIKEN. Mr. President, I am very much interested in the effort to find a solution to the problems of the Tennessee Valley Authority. I realize that there are several different viewpoints which may be taken of those problems, but I am concerned about one provision of the bill whereby the Tennessee Valley Authority is required to notify the Congress of any extensive operations, and then not to proceed to such operations within "60 days of a single session of Congress."

It seems to me that the limitation of within "60 days of a single session of Congress" is a very short time within which the Congress could express its approval or disapproval of the contemplated project or development. I am wondering if the sponsors of the bill would be willing to reword the proposal so that such a project or development could not be undertaken within a period of 90 days while Congress is in session. That would certainly give the Congress ample opportunity to examine the proposal and to decide whether it would approve or disapprove it.

I realize that legislation providing for disapproval might not be completed within the 90-day period, but I also feel certain that if the TVA felt the Congress was likely to disapprove the project, it would not proceed with it until Congress had had an opportunity to complete its examination and makes its decision. I would also ask if the sponsors would not agree to congressional action by concurrent resolution rather than by straight legislation.

Mr. COTTON. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. COTTON. I have an amendment which, if agreed to, would strike out the time limitation, and it looks as if the amendment may be agreed to by at least some of the proponents of the bill.

Mr. GORE. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. GORE. The Senator from Vermont has made a very valid point. So has the Senator from New Hampshire.

In considering the time limit, the committee considered the problem of construction weather. Let us assume the President's budget comes to the Congress about the first of February. Some persons suggested a period of 6 months. Six months from the first of February before such a project could become operative would almost be tantamount to an additional year, because the project could not get under way until the construction period of the year had largely passed. So we decided on a period of 60 days. But I will take the responsibility, speaking for the committee, to say that in the event the provision is not modified by the amendment of the Senator from New Hampshire, the committee will accept the amendment suggested by the senior Senator from Vermont.

The PRESIDING OFFICER. The 5 minutes of the Senator from Vermont have expired.

Mr. GORE. Mr. President, I yield the Senator 1 additional minute.

The Senator from Tennessee also agrees that it would facilitate the consideration by Congress to have the matter taken care of by concurrent resolution instead of legislation.

Mr. AIKEN. I thank the Senator from Tennessee. My suggestion applied particularly to item (1), beginning in the second line on page 5. I believe the amendment referred to by the Senator from New Hampshire applies to the wording at the bottom of page 2 and at the top of page 3.

Mr. COTTON. That is correct. I misunderstood the Senator.

Mr. AIKEN. I refer to item (1) on page 5 of the bill.

Mr. GORE. The committee is prepared to accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion to recommit.

Mr. GORE. Mr. President, I suggest the absence of a quorum——

Mr. GOLDWATER. Mr. President, will the Senator withhold his request?

Mr. GORE. I withhold my request.

Mr. GOLDWATER. I should like to ask the Senator from Tennessee if he intends to use the remainder of his time.

Mr. GORE. I am prepared to yield back the remainder of my time, if the Senator from Arizona is.

Mr. GOLDWATER. I have 4 minutes remaining. I should like to use a part of that time, and I will use it now if the Senator will withdraw his request for a quorum call.

The PRESIDING OFFICER. The Chair states that there cannot be a quorum call until the time has been yielded back or used.

Mr. GOLDWATER. I will use it.

The PRESIDING OFFICER. The Senator from Arizona has 4 minutes.

Mr. GOLDWATER. I think it becomes increasingly evident, as we proceed hour by hour today on the TVA bill, that my motion to recommit is a most proper one and one that should be voted on favorably by all the Members of the Senate.

I say that for two reasons. There is utter confusion on the Senate floor over the bill at the present time. There is misunderstanding as to the area which the bill would encompass. Several amendments will be offered to the bill. There is some hint there may be an agreement on the amendments. There is certainly confusion over who is going to control the money or who should control the money. I remember that the Saltonstall amendment was offered this morning. It was torn completely apart, until it was in worse shape then than what was originally intended. Then it was put back together until it reached some respectable form. The Case amendment was offered and debated at great length, and then the author decided it was not needed.

This matter has been discussed for 2 years. We now have a bill on the floor. If Senators are confused now, then perhaps 2 years was not long enough in which to consider the bill.

I say to my Republican colleagues and to my conservative colleagues on the Democratic side, the bill proposes to do something which, in my opinion, Congress should never allow to be done. We should never give to any agency of the Federal Government the right to finance its own operations; I do not care who controls it. What is the next step? Would it not be perfectly logical to say, "Let us have the Department of the Interior sell bonds and finance its operations?"

We might say, "The Department of Health, Education, and Welfare spends a lot of money. To get that load off the taxpayers' back we will let that Department sell revenue bonds."

Someone might say, "That is stupid. The junior Senator from Arizona is talking through one of his tall cacti." But, Mr. President, it is not stupid, because when the Federal Government once starts doing those things it never stops.

The TVA should never have been started in the first place under the concept by which it is operated today. I

certainly do not want to be a party—and I do not believe any Republican or conservative Democrat wants to be a party—to turning over to an agency of the Government the right to finance its own operations and at the same time have the Federal Government retain the moral obligation for its bonds.

Mr. President, I think we have come to a pretty sad day in the United States Senate when we even consider such a move as this—when we consider turning over one of the most treasured prerogatives of the Congress, the control of the purse strings, to an agency of Government.

Mr. President, I hope every Member of this body will give serious and deep consideration to the motion I have made to recommit the bill. I believe that the Tennessee Valley Authority can operate, but I believe the Tennessee Valley Authority should be taken over by the States of the area it serves. Let those States sell the revenue bonds. Let those States be responsible morally for the bonds. Let us not say to the other 44 or 45 States, "We must pay more taxes. We must retain moral responsibility for $750 million to begin with, and the Lord only knows how much more in the years to come."

Let those who are purchasing power from the Tennessee Valley Authority sell the bonds. Let the TVA be taken over by the interested States and by the municipalities, and let them sell the power to their customers.

Mr. President, I urge my colleagues to vote in favor of recommitting the bill, and I yield back the remaining seconds of my time.

The PRESIDING OFFICER. The Senator yields back the remaining seconds of his time.

The Senator from Tennessee is recognized.

Mr. GORE. Mr. President, I yield myself 2 minutes, and then I shall yield back all remaining time.

The PRESIDING OFFICER. The Senator from Tennessee is recognized for 2 minutes.

Mr. GORE. Mr. President, the distinguished and able Senator from Arizona has stated that the TVA should never have been created. He now advocates that it be dismembered.

Whether the TVA should have been created it seems to me is a bit beside the question. That decision was made long before either the Senator from Arizona or I arrived in this Chamber.

President Eisenhower on 3 separate occassions, in 3 successive budgets, has recommended against the dismemberment of the TVA, and has recommended the enactment of a bill which would provide for the issuance of revenue bonds in order that the TVA could finance its own development to meet the growing needs of an area where 5 million people live.

The distinguished Senator from Arizona not only disagrees with the existence of the TVA, but he offers a motion which is diametrically opposed to the recommendaiton of President Eisenhower and diametrically opposed to the decision of a bipartisan majority of the committee which has studied the problem for 2 years, and which has brought to the floor a carefully drawn, well thought out piece of legislation.

I ask that the motion to recommit be voted down.

I yield back the remainder of my time.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator yields back the balance of his time. The absence of a quorum has been suggested, and the clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Goldwater	Morton
Allott	Gore	Mundt
Anderson	Green	Murray
Barrett	Hayden	Neuberger
Beall	Hickenlooper	O'Mahoney
Bennett	Hill	Pastore
Bible	Holland	Potter
Bricker	Hruska	Purtell
Bush	Humphrey	Revercomb
Butler	Ives	Russell
Byrd	Jackson	Saltonstall
Capehart	Javits	Schoeppel
Carlson	Jenner	Scott
Carroll	Johnson, Tex.	Smathers
Case, N. J.	Johnston, S. C.	Smith, Maine
Case, S. Dak.	Kefauver	Smith, N. J.
Chavez	Kerr	Sparkman
Church	Knowland	Stennis
Clark	Kuchel	Symington
Cooper	Langer	Talmadge
Cotton	Long	Thurmond
Curtis	Magnuson	Thye
Dirksen	Mansfield	Watkins
Douglas	Martin, Iowa	Wiley
Dworshak	Martin, Pa.	Williams
Eastland	McClellan	Yarborough
Ellender	McNamara	Young
Ervin	Monroney	
Flanders	Morse	

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the motion of the Senator from Arizona [Mr. GOLDWATER] to recommit the bill. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Delaware [Mr. FREAR], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Ohio [Mr. LAUSCHE], the Senator from West Virginia [Mr. NEELY], and the Senator from Virginia [Mr. ROBERTSON] are absent on official business.

The Senator from Arkansas [Mr. FULBRIGHT] is absent because of illness.

The Senator from Missouri [Mr. HENNINGS] is absent by leave of the Senate because of illness.

I further announce that if present and voting, the Senator from Missouri [Mr. HENNINGS] and the Senator from Massachusetts [Mr. KENNEDY] would each vote "nay."

Mr. DIRKSEN. I announce that the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The Senator from Nevada [Mr. MALONE] is necessarily absent.

If present and voting, the Senator from Maine [Mr. PAYNE] would vote "nay."

The result was announced—yeas 22, nays 63, as follows:

YEAS—22

Allott	Carlson	Potter
Beall	Cotton	Purtell
Bennett	Dirksen	Revercomb
Bricker	Goldwater	Schoeppel
Bush	Hickenlooper	Watkins
Butler	Jenner	Williams
Byrd	Martin, Iowa	
Capehart	Martin, Pa.	

NAYS—63

Aiken	Hill	Morton
Anderson	Holland	Mundt
Barrett	Hruska	Murray
Bible	Humphrey	Neuberger
Carroll	Ives	O'Mahoney
Case, N. J.	Jackson	Pastore
Case, S. Dak.	Javits	Russell
Chavez	Johnson, Tex.	Saltonstall
Church	Johnston, S. C.	Scott
Clark	Kefauver	Smathers
Cooper	Kerr	Smith, Maine
Curtis	Knowland	Smith, N. J.
Douglas	Kuchel	Sparkman
Dworshak	Langer	Stennis
Eastland	Long	Symington
Ellender	Magnuson	Talmadge
Ervin	Mansfield	Thurmond
Flanders	McClellan	Thye
Gore	McNamara	Wiley
Green	Monroney	Yarborough
Hayden	Morse	Young

NOT VOTING—10

Bridges	Kennedy	Payne
Frear	Lausche	Robertson
Fulbright	Malone	
Hennings	Neely	

So Mr. GOLDWATER's motion to recommit was rejected.

The PRESIDING OFFICER. The question recurs on agreeing to the amendment offered by the Senator from Massachusetts [Mr. SALTONSTALL] as modified. All time for debate has expired. The yeas and nays have been ordered.

Mr. KNOWLAND. Mr. President, I yield 3 minutes on the bill to the Senator from Massachusetts.

Mr. SALTONSTALL. Mr. President, I hope the amendment will be adopted. The purpose is quite simple, it is primarily an accounting amendment. In 1931 there were in existence 11 Government corporations. In 1944 the number had grown to 44. In 1945 Congress subjected all Government-owned corporations to the Government Corporation Control Act. TVA was included.

The pending bill would exempt TVA from certain provision of the Government Corporation Control Act. I hope the amendment will be agreed to. I do not believe we ought to take a step backward. The purposes which have been recommended by the President can be carried out by the TVA if we adopt the amendment. As I have said, it keeps TVA within the Government Corporation Control Act. For that reason I hope the amendment will be agreed to.

Mr. GORE. Mr. President, I yield myself 1 minute on the bill. I take the minute to read a statement made in debate earlier today by the distinguished senior Senator from Kentucky [Mr. COOPER] with respect to the Saltonstall amendment. This is what he said:

> The amendment would in great measure, if not entirely, defeat the purpose of the self-financing bill.

I have obtained the permission of the distinguished senior Senator from Ken-

tucky to quote that statement to the Senate before we take a vote on the amendment. I do not believe the Senate should adopt the amendment.

The PRESIDING OFFICER. All time for debate on the amendment has expired.

Mr. KUCHEL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KUCHEL. Is the Senate about to vote on the amendment offered by the Senator from Massachusetts identified as 8–8–57—H?

The PRESIDING OFFICER. It is that amendment, as modified.

Mr. KUCHEL. Would the Chair have the modification read for the information of the Senate?

The PRESIDING OFFICER. The clerk will read the modification.

The LEGISLATIVE CLERK. On page 1, line 5, after the word "Congress," it is proposed to insert the words "by concurrent resolution."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Massachusetts, as modified. The yeas and nays have been ordered. The clerk will call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask that the Senate be in order.

The PRESIDING OFFICER. The Senate will be in order.

Mr. JOHNSON of Texas. I ask that Senate aids take their seats and that the pages take their seats.

The PRESIDING OFFICER. Attachés of the Senate will please retire to the rear of the Chamber and remain silent during the rollcall.

The legislative clerk proceeded to call the roll.

Mr. TALMADGE (when his name was called). On this vote I have a pair with the Senator from Missouri [Mr. HENNINGS]. If he were present and voting he would vote "nay"; if I were permitted to vote I would vote "yea." I withhold my vote.

The rollcall was concluded.

Mr. MANSFIELD. I announce that the Senator from Delaware [Mr. FREAR], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Ohio [Mr. LAUSCHE], the Senator from West Virginia [Mr. NEELY], and the Senator from Virginia [Mr. ROBERTSON] are absent on official business.

The Senator from Arkansas [Mr. FULBRIGHT] is absent because of illness.

The Senator from Missouri [Mr. HENNINGS] is absent by leave of the Senate because of illness.

I further announce that if present and voting, the Senator from Massachusetts [Mr. KENNEDY] would vote "nay."

Mr. DIRKSEN. I announce that the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate in order to represent the Senate at the Latin American Economic Conference in Buenos Aires.

The Senator from Nevada [Mr. MALONE] is necessarily absent.

If present and voting, the Senator from Indiana [Mr. CAPEHART] and the Senator from Maine [Mr. PAYNE] would each vote "yea."

The result was announced—yeas 37, nays 46, as follows:

YEAS—37

Allott	Ervin	Potter
Barrett	Flanders	Purtell
Beall	Goldwater	Revercomb
Bennett	Hickenlooper	Saltonstall
Bricker	Holland	Schoeppel
Bush	Hruska	Smathers
Butler	Jenner	Smith, Maine
Carlson	Knowland	Smith, N. J.
Cotton	Martin, Iowa	Thye
Curtis	Martin, Pa.	Watkins
Dirksen	McClellan	Williams
Dworshak	Mundt	
Ellender	Pastore	

NAYS—46

Aiken	Hill	Morse
Anderson	Humphrey	Morton
Bible	Ives	Murray
Byrd	Jackson	Neuberger
Carroll	Javits	O'Mahoney
Case, N. J.	Johnson, Tex.	Russell
Case, S. Dak.	Johnston, S. C.	Scott
Chavez	Kefauver	Sparkman
Church	Kerr	Stennis
Clark	Kuchel	Symington
Cooper	Langer	Thurmond
Douglas	Long	Wiley
Eastland	Magnuson	Yarborough
Gore	Mansfield	Young
Green	McNamara	
Hayden	Monroney	

NOT VOTING—12

Bridges	Hennings	Neely
Capehart	Kennedy	Payne
Frear	Lausche	Robertson
Fulbright	Malone	Talmadge

So Mr. SALTONSTALL'S amendment, as modified, was rejected.

Mr. GORE. Mr. President, I move that the vote by which the amendment was rejected be reconsidered.

Mr. HILL. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Alabama to lay on the table the motion of the Senator from Tennessee to reconsider.

The motion to lay on the table was agreed to.

Mr. COTTON. Mr. President, I have three amendments at the desk. I call up, first, the amendment designated "8–8–57—F," and ask that it be read.

Mr. STENNIS. Mr. President, may we have order?

Mr. LANGER. Mr. President, may we have order?

The PRESIDING OFFICER (Mr. BIBLE in the chair). Those not having business in the Chamber at this time will please retire. The sooner order is secured, the sooner we will proceed.

The amendment offered by the Senator from New Hampshire will be stated for the information of the Senate.

The CHIEF CLERK. On page 2, line 15, after the word "bonds" it is proposed to insert the following: "or power revenues."

Mr. COTTON. Mr. President, I yield myself 3 minutes.

The first amendment I offer is in the nature of a clarifying amendment. I understand it is acceptable to the proponents of the bill.

I am quite certain that when the committee reported the bill, they did not intend, in this part of the bill, to place the revenue from the sale of bonds under any different control than the net power revenues of TVA. So this amendment simply includes the power revenue with the proceeds from the bonds in this section, and they will both be included and treated in the same way.

Mr. GORE. Mr. President, will the Senator yield?

Mr. COTTON. I yield.

The PRESIDING OFFICER. The Senator will suspend. We will not proceed until the Senate Chamber is in order. This is a very important matter. It is impossible for one Senator to hear another. Those not having business in the Senate Chamber will please retire. We will not proceed until we have order.

The attachés of committees and staff members who are in the Chamber, but who must indulge in conversation, will do so outside the Senate Chamber.

The Senator from Tennessee may proceed.

Mr. GORE. I concur in the statement of the able Senator from New Hampshire. I have also conferred with the chairman of the subcommittee. He concurs in the understanding that it was our intent to have both the proceeds from bond sales and revenue from power operations made subject to the same limitations as provided on page 2.

I take the responsibility of accepting the amendment of the Senator from New Hampshire.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. COTTON. I yield.

Mr. CASE of South Dakota. The Senator from Tennessee has correctly stated the situation. I think it was clearly the intent that this provision was to cover both power revenues and the proceeds of bonds. The amendment is a clarifying amendment. It is identical with one which I proposed to offer.

Mr. GORE. Mr. President, will the Senator from New Hampshire further yield?

Mr. COTTON. I yield.

Mr. GORE. As a matter of fact, the committee report states that the intent of the provision is as stated.

Mr. COTTON. That is correct.

Mr. President, if no Senator wishes to object, or if no other Senator desires to speak to the amendment, I yield back the remainder of my time.

Mr. GORE. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment offered by the Senator from New Hampshire [Mr. COTTON].

The amendment was agreed to.

Mr. COTTON. Mr. President, I call up my amendment designated "8–8–57—G," and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The CHIEF CLERK. On page 2, line 24, it is proposed to strike out the comma and insert in lieu thereof a period; and

strike out all the language after the word "plants" down to and including the word "approval" in line 7 on page 3.

Mr. COTTON. Mr. President, I yield myself 10 minutes on this amendment.

It is my understanding that the Senator from Mississippi [Mr. STENNIS] desires shortly to offer a modification or an amendment to my amendment.

It is also my understanding that the members of the committee and the proponents of the bill, or most of them, at least, are willing to agree to the adoption of the amendment.

Throughout the years I practiced law, I learned the lesson that, ordinarily, if someone is willing to agree to something, it is not wise to argue about it too long, because opposition might be stirred up. However, this is a rather important amendment. I am not certain that there will be general agreement to it. In view of some of the confusion which has occurred concerning amendments today, and in view of the fact that I think it is highly necessary and urgent that the legislative history of the bill be carefully traced in the RECORD, I think it important to explain what has led up to the amendment, and exactly what it provides.

It seemed to some of us who are members of the Committee on Public Works that it was necessary to have some kind of definite territorial restriction. In fact, it semed so to the junior Senator from New Hampshire 2 years ago, in the last Congress, when we first began to consider a bill to permit the Tennessee Valley Authority to issue bonds and to operate without the need and necessity of returning to Congress every year for appropriations for the power program.

If we are to enact the proposed legislation, it seems obvious and logical that either there will have to be complete Congressional control over every acre or every square mile of the operations of the Tennessee Valley Authority, or, if we are to relinquish that control and give the TVA the opportunity to operate without the immediate supervision and control of Congress, there must be a definitely established perimeter within which its operations should take place.

On one side, it is perfectly natural and human, in a matter so complicated and so controversial as the Tennessee Valley Authority has always been, for those concerned to want to eat their cake and have it too. The Tennessee Valley Authority apparently wanted the Federal Government to put up the money and then to give the Authority the full power to sell its bonds and thus to operate its business to suit itself, without too much control by Congress. On the other hand, there were those who insisted on very complete control by Congress, which could largely defeat the purpose of the law.

For that reason, two years ago some of us sought to surround the proposal with definite territorial restrictions. It became very difficult to devise such restrictions.

The proponents of the bill—the distinguished junior Senator from Tennessee [Mr. GORE] and other members of the committee—repeatedly asserted during the committee's deliberations—both during the open hearings and during the committee's executive sessions—that the Tennessee Valley Authority did not wish to extend its operations outside the present service area; and they made the assertion, I insist, with complete sincerity. Nevertheless, they were most reluctant to agree to a territorial restriction. That, too, was logical, because, very naturally, some of the Senators from States around the perimeter of the TVA would not like to have word go forth to the people of the country that, by action of the Congress, a Chinese Wall had been constructed around the TVA, so that those who inhabit the adjacent areas could not hope at least ultimately to have the benefits and the privileges of the services of the TVA.

That brought about an impasse; and it was impossible to agree to a territorial restriction, even though—and I wish to emphasize this—the proposal did not, and does not, preclude an extension of the TVA. The question is simply how far the TVA can extend its sales of power without being required to come back to the Congress. That is all the question is.

Mr. President, I could not support the bill, and in the committee I voted against it, because under the bill that matter was wide open. But it seemed to me to be logical that a line should be drawn, and that in the area within that line the TVA should be allowed to conduct its business without coming back to the Congress.

During my service in the other body, I served for several years on the independent offices subcommittee of the Appropriations Committee; and serving there with me was my friend, the Senator from Tennessee [Mr. GORE]. Year after year the TVA had to come back to Congress, and it was necessary to go all through the difficult course of first having action taken by the House Appropriations Committee, and then having action taken by the House, and then having action taken by the Senate Appropriations Committee, and then having action taken by the Senate. So no one realizes more than I need to free these activities from some of that supervision.

Now we have the question of where the territorial restriction should be placed.

Written into the bill by the majority of the committee—although I, for one, could not vote for it—was the so-called territorial restriction, on pages 2 and 3.

Mr. President, earlier today a Senator exhibited to the Senate the map I now hold in my hand. The map is drawn to indicate the territory over which the TVA, under this bill, could expand its activities and its sale of power subject to the veto by Congress which is provided for in the bill.

As has been indicated—although all my colleagues may not be able to see readily all the details of the map—the shaded portions of the map indicate the portions of the territory within the watershed or the drainage area of the Tennessee River which is not now served by the TVA. The area marked in black indicates the parts of counties not now being served by the TVA, but which would be included because service is extended into some parts of those counties, or parts of these counties are in the watershed. The area indicated in white is the part which could be served under the provisions of the pending bill, which provides that cooperatives serving counties adjacent thereto could receive power from TVA.

Mr. President, that would mean that under the pending bill, as it now stands, without having to return to the Congress, the TVA could extend its sale of electricity into an area twice as large as its present service area. That could be done by the TVA without having to return to Congress, except insofar as it would return under the so-called veto provision.

In seeking to amend this part of the bill, question arose as to where to draw the line. Mr. President, I wish to say that my amendment is broader than I really would prefer in connection with this matter.

In the first place, let it be understood that the amendment would strike out entirely the portion of the bill on page 3 which provides for the power of veto by the Congress. In other words, the amendment seeks to provide that within a certain area the TVA can operate, so far as the sale of its electricity is concerned, without returning to the Congress. But if the TVA seeks to extend the sale of its electricity outside the area provided in the amendment, the TVA must have affirmative action taken by the Congress.

In other words, so far as one Member of the Senate is concerned, there would be none of the arrangement of notifying the Congress and then having the matter lie on the table for 30, 60, or 90 days, even though that custom developed in connection with the worthy Hoover Commission programs. As one Member, I can never view with any enthusiasm a proposal that someone may take certain action, provided he notifies the Congress, and, provided further, that the matter then lie on the table for a certain number of days. I have no enthusiasm for that arrangement, because anyone who has served in the Congress must know, I believe, in view of all the parliamentary possibilities and other possibilities, if the Congress surrenders its control over a certain matter, and permits action to be taken unless the Congress takes action to the contrary within 30, 60, or 90 days such an arrangement does not constitute very effective Congressional control.

The PRESIDING OFFICER. The time yielded by the Senator from New Hampshire to himself has expired.

Mr. COTTON. Mr. President, I yield myself 5 additional minutes.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized for 5 additional minutes.

Mr. COTTON. Mr. President, I would prefer to see the TVA free within its own service area, but be required to come to the Congress if it wishes to sell electricity outside that area.

Let me point out how liberal my amendment is—in fact, more liberal than I should like to have it.

Mr. President, I have before me, and in a moment I shall ask unanimous consent to have it printed in the RECORD, a table listing the towns in Virginia, Tennessee, North Carolina, Georgia, Alabama, and Kentucky which are within the drainage basin but are not presently being served by the Tennnessee Valley Authority. Those areas are shown by the shaded portions of the map. They comprise 8,451 square miles. I ask unanimous consent to have the table printed at this point in the RECORD, as a part of my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE I.—*Area within drainage basin not presently served by TVA equals 8,500 square miles*

County and State:	*Area in square miles within drainage basin not now served by TVA*
Scott, Va.	351
Wise, Va.	313
Russell, Va.	485
Washington, Va.	407
Tazewell, Va.	357
Smyth, Va.	413
Sullivan, Tenn.	106
Grayson, Va.	34
Wythe, Va.	66
Watauga, N. C.	135
Blount, Tenn.	316
Monroe, Tenn.	172
Graham, N. C.	304
Macon, N. C.	470
Rabun, Ga.	59
Jackson, Tenn.	438
Haywood, N. C.	548
Madison, N. C.	460
Yancey, N. C.	319
Buncombe, N. C.	635
Henderson, N. C.	272
Transylvania, N. C.	307
Mitchell, N. C.	216
Cherokee, Tenn.	166
Swain, N. C.	562
Avery, N. C.	19
Gilmer, Ga.	16
Dade, Ga.	113
Blount, Ala.	47
Winston, Ala.	44
Marion, Ala.	47
Franklin, Ala.	106
McCracken, Ky.	72
Marshall, Ky.	63
Graves, Ky.	13
Total	8,451

Mr. COTTON. Mr. President, all of that area is shown as being area to which the TVA may extend the sale of its electricity, through cooperatives, without being required to come back to the Congress.

I also have before me another table, marked table II, which also relates to the map to which I have been referring. Table II shows the nonservice areas of counties now partially within the present TVA service area or the watershed of the Tennessee River. These areas are shown on the map in black. They are the nonservice areas of counties now partially served by the TVA, to which the TVA may extend its sales, if the pending amendment is adopted, without having specific Congressional authority. These counties comprise a total of 22,078 square miles. The parts of these counties now serviced by the TVA comprise a total of 8,213 square miles. The net addition would be 13,865 square miles.

Mr. President, I ask unanimous consent to have this table printed at this point in the RECORD as a part of my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE II.—*Nonservice areas of counties partially within TVA service area or watershed (14,000 square miles)*

[In square miles]

County and State	Total area	Area serviced by TVA
Avery, N. C.	250	172
Buncombe, N. C.	676	0
Henderson, N. C.	363	0
Transylvania, N. C.	366	0
Washington, Va.	584	106
Scott, Va.	544	114
Harlan, Ky.	450	36
Bell, Ky.	360	10
Whitley, Ky.	452	94
McCreary, Ky.	410	8
Metcalfe, Ky.	310	108
Barren, Ky.	486	88
Grayson, Ky.	514	14
Ohio, Ky.	602	284
Muhlenberg, Ky.	500	240
Caldwell, Ky.	360	126
Lyon, Ky.	262	168
Marshall, Ky.	340	230
Graves, Ky.	546	504
De Soto, Miss.	490	290
Tunica, Miss.	472	40
Quitman, Miss.	406	112
Tallahatchie, Miss.	656	522
Grenada, Miss.	440	92
Webster, Miss.	422	342
Attala, Miss.	742	360
Rankin, Miss.	787	166
Scott, Miss.	630	374
Newton, Miss.	580	146
Franklin, Ala.	636	386
Winston, Ala.	666	258
Calhoun, Ala.	650	52
Chattooga, Ga.	314	232
Walker, Ga.	442	406
Gilmer, Ga.	444	24
Cherokee, Tenn.	468	226
Monroe, Tenn.	640	524
Blount, Tenn.	596	242
Sevier, Tenn.	592	534
Cocke, Tenn.	426	150
Sullivan, Tenn.	434	392
Jackson, Tenn.	507	0
Russell, Va.	506	6
Wythe, Va.	473	0
Dade, Ga.	194	15
Total	22,078	8,213
Area serviced by TVA	8,213	
Net addition	13,865	

Mr. COTTON. Mr. President, the area shown in white on the map is the area which could be served under the provision of the pending bill which provides that cooperatives serving counties adjacent thereto could receive TVA power. My amendment would eliminate that area; in other words, under my amendment the TVA could not sell its power in that area, even through co-ops, without going through the presently required process of obtaining authorization through the Bureau of the Budget, through the respective Congressional committees, and through the Congress. That area comprises a net total of 36,107 square miles.

I ask unanimous consent to have this table printed at this point in the RECORD, as a part of my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE III.—*Counties contiguous to (a) service area or (b) drainage basin=36,000 square miles*

A. SERVICE AREA

County and State:	*Area in square miles*
Sumter, Ala.	974
Pickens, Ala.	876
Lamar, Ala.	586
Marion, Ala.	724
Walker, Ala.	736
Blount, Ala.	666
Etowah, Ala.	560
Cleburne, Ala.	586
Polk, Ga.	292
Floyd, Ga.	508
Bartow, Ga.	468
Cherokee, Ga.	434
Pickens, Ga.	246
Dawson, Ga.	206
Lumpkin, Ga.	284
White, Ga.	262
Habersham, Ga.	296
Rabun, Ga.	370
Macon, N. C.	500
Graham, N. C.	280
Swain, N. C.	562
Haywood, N. C.	540
Madison, N. C.	446
Larue, Ky.	268
Hardin, Ky.	470
Breckenridge, Ky.	444
Dariess, Ky.	345
McLean, Ky.	270
Crittendan, Ky.	376
McCracken, Ky.	258
Lauderdale, Miss.	718
Holmes, Miss.	760
Carroll, Miss.	638
Sunflower, Miss.	733
Hinds, Miss.	817
Jasper, Miss.	648
Yancey, N. C.	314
Mitchell, N. C.	213
McDowell, N. C.	484
Burke, N. C.	596
Caldwell, N. C.	576
Watauga, N. C.	312
Ashe, N. C.	438
Grayson, Va.	428
Smyth, Va.	466
Tazewell, Va.	516
Buchanan, Va.	524
Dickenson, Va.	366
Wise, Va.	408
Letcher, Ky.	336
Perry, Ky.	366
Leslie, Ky.	428
Knox, Ky.	386
Laurel, Ky.	454
Wayne, Ky.	474
Clinton, Ky.	208
Adair, Ky.	374
Green, Ky.	264
Hart, Ky.	474
Mississippi, Miss.	958
Peniscot, Miss.	512
New Madrid, Mo.	714
Mississippi, Mo.	440
Hopkins, Ky.	562
Livingston, Ky.	334
Bullard, Ky.	280
Madison, Miss.	764
Montgomery, Miss.	436
Leflore, Miss.	612

TABLE III.—*Counties contiguous to (a) service area or (b) drainage basin=36,000 square miles*—Continued

A. SERVICE AREA

County and State:	Area in square miles
Conhoma, Miss.	588
Smith, Miss.	582
Simpson, Miss.	554
Total	34, 890

B. DRAINAGE BASIN

County and State:	Area in square miles
Harlan, Ky.	454
Letcher, Ky.	336
Dickenson, Va.	366
Buchanan, Va.	524
McDowell, W. Va.	566
Pulaski, Va.	310
Allegheny, N. C.	200
Wilkes, N. C.	200
Burke, N. C.	596
Rutherford, N. C.	548
Greenville, S. C.	783
Oconee, S. C.	673
Lamar, Ala.	586
Walker, Ala.	780
Bullard, Ky.	280
Mussac, Ill.	247
Livingston, Ky.	334
Pope, Ky.	366
Bland, Va.	382
Carroll, Va.	362
Ashe, N. C.	438
Caldwell, N. C.	576
McDowell, N. C.	484
Polk, N. C.	250
Pickens, S. C.	507
Habersham, Ga.	296
Fayette, Ala.	673
Total	12, 117
Totals—A	34, 890
B	12, 117
	47, 007
Duplications	10, 900
Net addition	36, 107

Mr. COTTON. Mr. President, before I yield to other Senators, I wish to make it crystal clear, for the RECORD, in order that the legislative history of this bill may clearly show it, that so far as the author of this amendment is concerned the amendment is not to be construed in any respect as promising, encouraging, or inviting the Tennessee Valley Authority to extend its sales of electricity beyond service area as of July 1, 1957. It simply establishes, and is very liberal in doing so, an ultimate perimeter beyond which TVA must not sell its electricity to anybody, including REA's, without returning to the Congress for specific authority. Distinguished Senators with whom I have served for many years, and in whom I have complete confidence, and whose sincerity I do not question for a moment, have repeatedly assured us in committee it is not the desire of TVA to do that; in fact, the Directors of TVA had resisted the extension of their power authority. I know they mean that, and no doubt that is the policy, but the need for territorial restriction is indicated by the fact that from June 1945 to June 1956, service has been extended to more than 119,470 new customers.

Mr. President, I ask unanimous consent to have incorporated in the RECORD at this point a table showing those figures.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TVA acquisitions, June 1945–June 1956

	Total number of customers, June 1956	Date of acquisition
Bristol, Tenn.	12, 504	June 1945.
Bluff City, Tenn.		
Bristol, Va.	7, 900	Do.
Elizabethtown, Tenn.	9, 772	Do.
Hampton and Watauga, Tenn.		
Erwin, Tenn.	3, 961	Do.
Embreeville and Unicoi, Tenn.		
Greenville, Tenn.	12, 315	Do.
4 smaller towns.		
Johnson City, Tenn.	20, 274	Do.
Jonesboro and Fairview, Tenn.		
Mountain Electric Cooperative, Mountain City, Tenn.	7, 853	Do.
Roan Mountain, Tenn. and Elk Park, and Minneapolis, N. C.		
Rural sections: Carter, Johnson, and Unicoi Counties, Tenn.; Avery, Burke, McDowell and Watauga Counties, N. C.		
Franklin County Electric Cooperative, Russellville, Ala.	2, 867	January 1947.
Rural sections: Colbert and Franklin Counties, Ala.		
Arab Electric Cooperative, Arab, Ala.	3, 605	September 1947.
Rural sections: Cullman; Marshall and Morgan Counties, Ala.		
Morristown, Tenn.	5, 412	January 1949.
Tullahoma, Tenn.	4, 151	Do.
Powell Valley Electric Cooperative, Jonesville, Va.	8, 462	November 1948.
Rural counties: Lee, Scott, and Wise, Va.; Claibourne, Granger, Hancock, Hawkins, and Union, Tenn.		
Tri-State Electric Cooperative, Copperhill, Tenn.	5, 608	January 1949.
Blue Ridge and McCaysville, Ga.		
Rural sections: Fannin County Ga.; Cherokee County, N. C.; Polk County, Tenn.		
Cullman, Ala.	10, 507	July 1949.
Hanceville, Ala.		
Rural sections: Cullman, Lawrence, Morgan, and Winston Counties, Ala.		
Oxford, Miss.	1, 904	February 1952.
Rural sections: Lafayette, Marshall, Pontotoc, and Union Counties, Miss.		
Union City, Tenn.	3, 324	August 1952.
Northcentral Mississippi Electric Power Association, Senatobia, Miss.	1, 531	Do.
Alcoa, Tenn.	7, 320	December 1955.
Total, 12 towns, 6 co-ops	119, 470	

Several Senators addressed the Chair.

Mr. COTTON. The Senator from Mississippi has been on his feet for some time. I yield to him first.

Mr. STENNIS. I thank the Senator for yielding to me. I have followed carefully the explanation which the Senator from New Hampshire has given of his amendment. I think he has correctly described its application and its operations. Speaking for myself, and I think for several other Senators who are particularly interested in the bill, we are in harmony with the thought that we shall not oppose the Senator's amendment. If adopted, it will strike out and make noneligible all the white area on the map which has been distributed.

However, I have a slight modification of the amendment, or an amendment to the amendment, which I have already discussed with the Senator from New Hampshire and with other Senators, and which I should like to offer on behalf of myself and my colleague [Mr. EASTLAND]. Let me read the amendment as a part of my remarks. It is to insert in the proper place the words "or to serve existing rural electric cooperatives (as same now exist as to area) now being served in part by the Tennessee Valley Authority."

The PRESIDING OFFICER. The time of the Senator from New Hampshire has expired.

Mr. COTTON. How much time do I have left?

The PRESIDING OFFICER. The Senator from New Hampshire has 15 minutes left.

Mr. COTTON. I yield myself 5 additional minutes.

Mr. STENNIS. May I have 5 minutes?

Mr. KERR. I yield the Senator from Mississippi 5 minutes on the other side.

Mr. STENNIS. I thank the Senator. My amendment is drawn to cover one situation and apply to only one rural electric cooperative in the whole perimeter of the TVA service area. It happens to be one that covers my home county.

Two of the counties affected are within the TVA area and are being served by TVA. The other two or three counties are not. Those counties have applied from time to time to become a part of the service area. The amendment perhaps does not do anything that could not otherwise be done under the bill, but I want to make sure that the door will not be slammed in their faces. The cooperative could not later enlarge its area and have the benefit of the amendment, because the amendment provides "as same now exist as to area."

It just happens that in the same area construction of a new naval air training base has just begun. It will be a customer for electricity from some source. It is not the kind of operation that will use any great amount of electricity, but even now there are applications pending with the Navy on behalf of the power company that serves one of those counties, and on behalf of the REA. There are petitions before the Service Commission in Mississippi. Both these organizations are trying to negotiate for a contract of service.

I do not believe the amendment is really absolutely necessary, I doubt that it adds anything, but it would leave the door open. I should dislike to see legislation enacted which would exclude their rights, whatever they may be.

Mr. COTTON. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. COTTON. It was indicated to me that the Board of the Tennessee Valley Authority had declined to serve the naval air training base.

Mr. STENNIS. So far as the Senator from Mississippi knows, there has been

no definite decision in the matter. I have heard that a member of the Board was opposed to it. If so, I assume there would be no real contract entered into. But the matter is still uncertain, as I understand. I am giving the Senator all the facts I know about the situation. I thought I should mention them, because the factor covered by the amendment is remotely in the picture.

Mr. COTTON. Is my understanding of the Senator's suggested modification correct? First, it covers only REA co-ops already being served by the Tennessee Valley Authority——

Mr. STENNIS. In part.

Mr. COTTON. In part——

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. COTTON. I yield 5 minutes to myself.

It provides that only co-ops already being served by the Tennessee Valley Authority may be served without specific authority from the Congress, provided the service does not cover an area greater than that now being served?

Mr. STENNIS. The Senator is correct; it is not to exceed the area of the electric co-op as it is fixed. The express wording of the amendment is "as same now exist as to area."

Mr. COTTON. So far as the Senator from Mississippi knows, the amendment deals with only one situation, the one to which he has referred, does it not?

Mr. STENNIS. I am advised by the Tennessee Valley Authority that at one time there was a similar situation in Kentucky, and perhaps there was one somewhere else at one time, but this is the only one left.

Mr. COTTON. Would the Senator be willing to change the wording to conform with the wording of the bill, and have it read, "being served on July 1, 1957," so it would not open the door to others?

Mr. STENNIS. That would be entirely all right with the Senator from Mississippi, so long as it is made plain that the area is to include the existing area of the electric co-op as it is now and the relative area being served now by the TVA.

Mr. COTTON. Mr. President, if it is parliamentarily permissible, I shall accept the modification.

The PRESIDING OFFICER. It is permissible for the Senator to modify his amendment, and the Chair understands he is accepting the modification of the Senator from Mississippi. Is that correct?

Mr. COTTON. Yes.

I yield myself 3 more minutes, and I yield to the Senator from South Dakota.

Mr. CASE of South Dakota. Mr. President, the able Senator from New Hampshire is so persuasive in his argument that even if he is talking about a situation where he thought he might be stirring up trouble, he does not run the risk he thought he might. I think the Senator not only has made his case, but with his knowledgeable observations, has made a great contribution in the development of the whole bill. As the Senator himself has said, he has served for years on the committee which deals with the Tennessee Valley Authority. Having served on the same committee, I know the questions which arise in it.

I commend the Senator from New Hampshire for his contribution to the deliberations of the committee and for offering the amendment. I think the language worked out between the Senator from New Hampshire and the Senator from Mississippi does exactly what the committee wanted to do, to say that there should be no extensions of territory beyond what now is served, except where the United States itself is a potential customer, where there is to be a connection with the TVA lines, or where a county is being served by an REA and getting a part of its power from the TVA.

What we sought to do was to provide that if an REA was served in part by the TVA today, it might be served in whole. I think there are possibly only 1 or 2 instances where the language would apply. As I understand, we are saying by the amendment, as modified, that if an REA is served today by the Tennessee Valley Authority in part, it may be served in whole.

Mr. COTTON. Served on July 1, 1957.

Mr. CASE of South Dakota. Using July 1, 1957, to define today.

In addition to that, we also say that if there is an area within the drainage basin of the Tennessee River Valley, any part of which is not served, it shall not be denied the same opportunity presently accorded to other customers or consumers within the Tennessee River drainage basin.

Mr. COTTON. It includes the drainage basin. It includes counties a part of which is being served. It includes the REA's, where a part is being served on July 1, 1957. That is all with the understanding it is permissive, but not an invitation for expansion.

Mr. CASE of South Dakota. Mr. President, in conclusion I may say I think this amendment furnishes a sensible solution to the problem. If we are to have a territorial limitation, we must draw the line somewhere. To draw the line upon the basis of the drainage basin of the Tennessee and the service area of the present customers of the Tennessee Valley Authority, makes a sensible limitation. I think the amendment agreed upon between the two Senators who have joined in presenting it will serve a useful purpose.

Mr. KEFAUVER. Mr. President, will the Senator yield to me?

Mr. COTTON. Mr. President, do I have any time remaining?

The PRESIDING OFFICER. The Chair is advised the Senator has 9 minutes remaining.

Mr. COTTON. Mr. President, I yield myself 4 minutes, and I shall yield first to the Senator from North Dakota [Mr. LANGER] who has been on his feet for some time.

Mr. LANGER. Mr. President, I should like to ask if in the amendment it is provided that the county mentioned by the Senator from Mississippi [Mr. STENNIS] will be included within the area?

Mr. COTTON. That is the county in which the Senator from Mississippi lives. I am afraid the Senator from Mississippi will have to answer the question.

Mr. STENNIS. Mr. President, will the Senator repeat the question, please?

Mr. LANGER. I am curious to know whether in the amendment it is provided that the county the Senator mentioned is to be included in the area?

Mr. STENNIS. That county is in the present REA area, and is served by the TVA.

Mr. LANGER. So it will be included?

Mr. STENNIS. Yes, it will be included. It would continue, in spite of the amendment, to be included.

Mr. COTTON. Regardless of the amendment offered by the Senator from Mississippi?

Mr. STENNIS. Yes.

Mr. COTTON. And regardless of my original amendment, it would continue to be covered?

Mr. STENNIS. It would continue to be included under the bill as written, or under the Cotton amendment, or under the amendment I offered. It is not directly affected, but the two counties to the south are affected.

Mr. LANGER. The counties to the south would not be included?

Mr. STENNIS. They would not be included unless the amendment is agreed to.

Mr. COTTON. Mr. President, I now yield to the Senator from Tennessee [Mr. KEFAUVER].

Mr. KEFAUVER. Mr. President, we would not want to have any Senators get a false impression about how the TVA has been operated or about the aims of the TVA. The testimony shows that throughout many years the TVA has operated on a friendly and harmonious basis with private power companies on the perimeter of its area, and there have not been any efforts by the TVA to expand into other territory. The private companies have gotten along all right with TVA.

It is not now the intention of the TVA, and it never has been, to extend into the white area shown on the map. I assure the Senator that was the testimony before the committee.

I know we who are sponsors of the bill and particular friends of the TVA have no desire to do more than make a minor adjustment, such as the Senator from Mississippi has explained, in connection with the TVA operation. I think the amendment of the Senator from New Hampshire, taken with the modification by the Senator from Mississippi, will clear the matter up. What it provides is in conformity with what all of us have had in mind, and with the intention and the practice and the purpose of the Board of Directors of the TVA itself.

Mr. COTTON. I will say to the Senator from Tennessee, as I said in my original statement, that I am completely convinced of the sincerity of Senators and of the TVA Board, and I know it is their intention and their desire to do as the Senator has stated. However, we are a Government of laws and not of men. If we are to cut loose from tight Congressional control a group so powerful as the TVA group, with all the resources it has at its disposal and with a history of continuous growth from the beginning, when it was simply a series of hydroelectric dams, until now, when

it is a vast power empire, in the interests of good legislation, the Senator from New Hampshire feels it is necessary to do this. He does not, however, at any time question the sincerity of the TVA. He does not believe they seek to extend their domain. I am happy to agree with the Senator to that extent.

Mr. KEFAUVER. I think there was some vagueness in the language, although I am sure what is to be accomplished now is what the drafters of the bill had in mind. The report on the bill stated the purpose was to make minor adjustments of the contiguous area.

Mr. COTTON. Mr. President, have I any time remaining?

The PRESIDING OFFICER. The Senator has 5 minutes remaining.

Mr. COTTON. Mr. President, I reserve my time.

Mr. KERR. Mr. President, I should like to yield 5 minutes of the time of the other side to the Senator from New Hampshire, so that I may ask him a question or two.

The PRESIDING OFFICER. The Senator is recognized for 5 minutes.

Mr. KERR. I am looking at what I believe to be a copy of the same map to which the Senator has referred.

First I wish to say I appreciate the attitude of the Senator from New Hampshire. I might even compliment him, because the Senator was one of the "moving spirits" on the committee in helping to bring about a situation where the most thorough consideration of the bill and deliberation with reference to it was achieved. The Senator was most helpful in his entire attitude. I appreciate his work, because he has been so forthright, frank, and sincere in his attitude with reference to the bill.

Mr. COTTON. I thank the Senator. I suspect he is lathering me and getting ready to shave me; but I thank him. [Laughter.]

Mr. KERR. I say to the distinguished Senator that such New England caution is a good thing to have, but it is not necessary in the relationship between the Senator from Oklahoma and the Senator from New Hampshire.

I did not agree that the bill would have carried the service of the TVA to the white area shown on the map. Since I did not, and since as I understand the Senator's amendment the effect of the amendment will be to exclude the white area, I want to say that I am happy to have the Senator offer the amendment and to have it accepted.

However, I note on the map a certain area in western North Carolina which is marked with a 3 inside of a circle. Does the Senator note that area?

Mr. COTTON. I do.

Mr. KERR. As I understand, the amendment would not exclude that area from service under the provisions of the bill.

Mr. COTTON. That is my understanding. It would not exclude any of the areas on the map, other than the white area.

Mr. KERR. The reason I wish to be especially certain as to the interpretation is that one of the great reservoirs of the Tennessee Valley development, built by the Authority, is in western North Carolina. One of the things in which the Senator from Oklahoma and others were interested was that the area in the vicinity of that great reservoir, from which so much power is taken to serve the valley, should have access to the power, and I thank the Senator for making it specific that that area would not be excluded from service under the provisions of his amendment.

The PRESIDING OFFICER. The time in opposition is under the control of the Senator from Oklahoma.

Mr. KERR. Mr. President, I yield back all the time in opposition.

Mr. COTTON. I yield back all of my time.

The PRESIDING OFFICER. All time has been exhausted or yielded back.

The question is on agreeing to the amendment offered by the Senator from New Hampshire [Mr. COTTON], as modified.

The amendment, as modified, was agreed to, as follows:

On page 2, line 24, to strike out the period and the words "or to serve rural electric cooperatives serving counties contiguous to the Tennessee River drainage basin or said power service area: *Provided*, That such proposed extensions of service shall be reported by the Corporation to the President and to the Congress and shall not be undertaken if, within sixty days of a single session of Congress after submission of such report, either House of the Congress adopts a resolution of disapproval.", and to insert "or to serve existing rural electric cooperatives (as same now exists as to area and as of July 1, 1957) now being served in part by the Tennessee Valley Authority."

Mr. COTTON. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from New Hampshire will be stated.

The CHIEF CLERK. On page 2, line 17, after the word "corporation" it is proposed to add the words "for use."

Mr. COTTON. Mr. President, I yield myself 2 minutes.

This is merely another clarifying amendment. My attention was directed to the necessity for it by the distinguished Senator from North Carolina [Mr. ERVIN]. The bill reads——

Mr. KERR. At what point is the Senator reading from the bill?

Mr. COTTON. On page 2, line 17. The bill now reads:

It is hereby declared to be the intent of this act that the power facilities built or acquired with the proceeds of such bonds shall not be used, without prior approval by act of Congress, for the sale or delivery of power by the Corporation outside the counties which lie in whole or in part within the Tennessee River drainage basin.

And so forth. It was brought to the attention of the Senator from New Hampshire by the Senator from North Carolina that there might be a loophole which was entirely unintended by the committee, and that the language should read, "for the sale or delivery of power by the Corporation for use outside," and so forth, in order to make clear the intent.

Mr. HILL. Mr. President, will the Senator yield?

Mr. COTTON. I yield.

Mr. HILL. I have not had an opportunity to examine the Senator's amendment closely. I hope he will not insist on it. I have no desire or disposition to do other than what is now contemplated.

Of course, the Senator realizes that TVA is a wholesale seller. The power is distributed by the local municipalities and by the REA cooperatives. The amendment might in some way affect some REA cooperative or some municipality. We have not had an opportunity to consider the amendment. I hope the Senator will not insist upon it at this time.

Mr. COTTON. Mr. President, I yield myself 3 more minutes.

The Senator from New Hampshire is very loath not to be cooperative, because distinguished Senators have been so cooperative and kind toward him.

We are leaving in the bill the provision that it shall not affect the interchange of power with other utilities, and will not prevent the interconnection of plants and units of the Tennessee Valley Authority. It seems to me that if there is anything dangerous about making it clear that the sale of power "for use" outside the area is prohibited without the approval of Congress, then the amendment which has just been adopted, and which the Senator from New Hampshire felt was highly important, might not be effective.

Mr. HILL. I do not want to see this power sold by the TVA outside this area. The power is distributed by municipalities and REA cooperatives—approximately 98 municipalities and some 53 cooperatives.

The committee considered the language of the bill pretty carefully. I hope the Senator from New Hampshire will not insist on his amendment. I do not know what might be the effect. I think the Senator, with his other amendment, now has the language in desirable form.

Mr. COTTON. But it does not mean anything if the provision can be circumvented simply by transporting power wholesale.

Mr. HILL. I am not thinking about any circumvention.

Mr. COTTON. I am sure the Senator is not.

Mr. HILL. I merely say that we have not had time to consider the Senator's amendment fully. The Senator now has the language in the form in which he described yesterday, and which he has described so eloquently on the floor of the Senate today.

Mr. COTTON. The language is not as the Senator from New Hampshire wants it, unless it prohibits the exportation of power outside the area.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. COTTON. I yield.

Mr. AIKEN. Would this amendment affect the sale of so-called displacement power, or the exchange of power?

Mr. COTTON. No.

Mr. AIKEN. Is that subject taken care of in the bill?

Mr. COTTON. The exchange of power and the interconnection of systems are provided for.

Mr. KERR. Mr. President, it seems to me that the language of the bill, together with the amendment of the Senator from New Hampshire, which has just been adopted, do what I think the Senator means to do. Let me see if the language does not cover the situation:

It is hereby declared to be the intent of this act that the power facilities built or acquired with the proceeds of such bonds shall not be used, without prior approval by act of Congress, for the sale or delivery of power by the Corporation outside the counties which lie in whole or in part within the Tennessee River drainage basin.

And so forth. If they cannot deliver it, they cannot use it; can they?

Mr. COTTON. Probably that is so. One of the ablest lawyers in this body stated to me that the language might be clearer if it read "sale or delivery of power by the Corporation for use outside," and so forth. I did not dream that there would be any objection to the amendment. However, if Senators are apprehensive——

The PRESIDING OFFICER. The time of the Senator from New Hampshire has expired.

Mr. KERR. Mr. President, I yield 2 additional minutes to the Senator from New Hampshire.

Mr. COTTON. If Senators are apprehensive, I shall be willing to withhold my amendment, but I will not abandon it. The fact that Senators are apprehensive disturbs me—not that I have any question of their motives; but if there is any apprehension about the words "for use," I wish to be very sure about the point.

Mr. KERR. That is not the purpose of my question. There is an apprehension within me with respect to adding language which the Senator says he did not conceive, and which he does not now know definitely is required. I may explain that the Senator from Oklahoma is not able, in this brief time on the floor, thoroughly to analyze the amendment. However, I believe that what the Senator has in mind is already covered by the language of the bill.

Mr. COTTON. It is the understanding of the Senator from New Hampshire that the intent of this amendment is to preclude the sale of power outside the area, except for the matter of interchange with utilities, and interconnection of parts and units of the TVA system. No sale of power outside the area, in any way, shape, or manner, would be permitted without the approval of Congress.

Mr. KERR. That is the way the situation is specified and determined in the language of the amendment of the Senator which has just been accepted.

Mr. COTTON. Mr. President, I now yield to the Senator from North Carolina [Mr. ERVIN].

Mr. ERVIN. Mr. President, I think the Senator from New Hampshire is correct in his position. The way the bill is now worded, despite the amendment which was offered by the Senator from New Hampshire and accepted by the Senate, the TVA would have complete authority to sell and deliver power within the TVA area, as defined by the bill, to anyone who might transmit it outside the TVA area for sale. So I think the Senator's amendment is necessary to clarify the situation.

Mr. COTTON. I thank the Senator for his contribution.

Mr. President, I yield myself 5 minutes additional.

Mr. STENNIS. Mr. President, will the Senator yield to me?

Mr. COTTON. I yield to the Senator from Mississippi.

Mr. STENNIS. Mr. President, I merely wish to say that I have looked into this matter very hurriedly, and I did so not too long ago. I thought that if it were entirely practical, perhaps the amendment could be accepted. However, I did find one situation about which I should like to tell the Senate. Some small towns are now being served by TVA, and TVA is their only source of power. They are located around the edge of the perimeter. As they grow, some of them, I am sure, will extend into an adjoining county. If the amendment in its present form is adopted, and if one of these towns should lap over into another county, which is not now within the TVA area, that town would no longer be able to obtain its power from TVA. It would be cut off from its source of power because it grew just outside the present line.

I could see that there could be abuses, and a great deal of electricity could be sold over a wide area, but the policy is certainly clear, and in any event we should take time to work out a proper amendment, if we decide steps should be taken along that line. Therefore, if that is our intention, we should take the time to prepare a proper amendment which will stop the abuses but which at the same time will permit the legitimate use of TVA power by the small towns I have in mind.

Mr. COTTON. I must say to the Senator that I sought in my explanation of the amendment to show that I had leaned over backwards and had gone much further than I had desired to go in allowing latitude in the matter of the area into which TVA could expand its sales of power without coming back to Congress. I have tried to make clear, both on the floor and in committee, my own support of the measure, and I wish it to be made perfectly clear that my amendment would not preclude the sale of power to anyone in America, provided TVA came back to Congress and asked for the authority. If a community is being subjected to illogical and unjust hardship, I cannot imagine Congress saying "no" to that community. However, we will either have a wall, or we will not have a wall. If we are not to have a wall, then the bill without this amendment but with the latitude it gives is a dangerous bill. I do not like to be stubborn about it, but it seems to me that my amendment is necessary. I have great confidence in the ability of the distinguished Senator from North Carolina [Mr. ERVIN], and he, too, feels that there is a loophole in the bill.

Mr. CASE of New Jersey. Mr. President, will the Senator yield?

Mr. COTTON. I yield.

Mr. CASE of New Jersey. Mr. President, I appreciate the Senator yielding to me so that I may make this point. I voted, as Senators know, against the amendment offered by the Senator from Massachusetts [Mr. SALTONSTALL]. I fully support the bill with a provision in it which would erect a wall. I would not be able to support the bill otherwise, and would have voted for the amendment offered by the Senator from Massachusetts, if the pending amendment were not to be added to the bill. I believe the wall ought to be absolute. While I thoroughly agree that if in the future hardship should exist, it should be taken care of, I think we ought not to leave the matter open in general legislation, because this is a matter which will affect relations between the utilities which are on the perimeter of the area, and their financing, and other matters. I think it is an essential amendment.

The PRESIDING OFFICER (Mr. BIBLE in the chair). The time of the Senator has expired.

Mr. COTTON. Mr. President, I yield myself 3 more minutes. In the first place, it is my recollection that the term "for use" was contained in the earlier drafts of the bill in committee. If there is anything in the suggested amendment which is hasty or unjust or dangerous, it should be remembered that the bill must go to conference, and that there will be time in conference to test the various suggestions. I cannot withdraw the amendment. I shall have to ask for the yeas and nays on the amendment.

Mr. KERR. Mr. President, will the Senator yield?

Mr. COTTON. I yield.

Mr. KERR. I am trying to get something clear in my mind. Let us visualize an REA cooperative which is getting its power from TVA. Let us assume, further, that it has a certain list of customers in either a single county or in a two-county area, and that the farmers in an adjoining county, but adjacent to the one which is served by the REA cooperative, desire to be served by the cooperative. Would it be the purpose of the Senator from New Hampshire to provide that the REA cooperative now using TVA power could not expand its service to customers if they lived outside that county?

Mr. COTTON. If that county is outside the perimeter which is established by the amendment, and if it is in the white portion I have indicated, I will be perfectly frank in saying to the Senator that I would insist that TVA come back to Congress to get permission to extend beyond that perimeter. The reason is, as the able Senator from Oklahoma knows—and I am sure the Senator from Oklahoma desires to be fair about this matter—during the consideration of this subject in the last Congress and in the present Congress, when we started talking about establishing a perimeter, again and again it was said, "You must not build a Chinese wall, because sooner or later somewhere, at some time or another, someone will say he is precluded, because he happens to live 5 or 3 or 2 miles outside the line."

I say if we ought to have a line, we must have the kind of line I suggest in my amendment. I have indicated the area within which the amendment would

be effective. I have extended it by thousands of square miles, into an area which is not now being served by TVA. If we are going to nibble away at that area, the whole plan falls. Therefore my answer to the Senator from Oklahoma is "Yes."

Mr. KERR. Mr. President, would the Senator temporarily withdraw his amendment? The Senator from South Dakota has amendments to offer which are noncontroversial. If the Senator were to do that, it would give me and the Senator from New Hampshire and other Senators an opportunity to sit down and contemplate the amendment, with the thought that if the amendment did what the Senator wants it to do, it would be agreeable to me, but I should like to have an opportunity to discuss it with him.

Mr. STENNIS. Mr. President, will the Senator yield one-half minute to me?

Mr. COOPER. Mr. President——

Mr. COTTON. Mr. President, I yield first to the Senator from Mississippi; then I shall yield to the Senator from Kentucky.

Mr. STENNIS. I merely wish to join in the request of the Senator from Oklahoma. The amendment of the Senator from New Hampshire could be laid aside temporarily, to see if we cannot perfect the language, because it seems to cancel out the very amendment the Senate agreed to a short time ago, which is an amendment I had asked him to adopt and he did.

Mr. COTTON. I yield now to the Senator from Kentucky.

Mr. COOPER. Mr. President, I can understand the reasoning of the Senator from New Hampshire with respect to his amendment. As I understand, he has accepted a modification which would permit the expansion of power to cooperatives in areas which such cooperatives now serve.

Mr. COTTON. The modification suggested by the Senator from Mississippi [Mr. STENNIS] was that if a cooperative was receiving power from TVA as of July 1, 1957, it could extend its service to customers within the area as served on July 1, 1957, but could not extend the service if that area grew into another area.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. COTTON. I yield myself 1 additional minute. I should like to address a parliamentary inquiry to the Chair.

The PRESIDING OFFICER. The Senator will state it.

Mr. COTTON. If I withdraw my amendment at this time, as suggested by the Senator from Oklahoma and the Senator from Mississippi, may I call it up again?

The PRESIDING OFFICER. The Senator would be better advised to temporarily postpone his amendment. If his amendment were temporarily postponed, when it was called up again it would be in exactly the same position as now.

Mr. COTTON. Then, Mr. President, I am very happy, as a matter of courtesy, to request that the consideration of my amendment be temporarily postponed. However, I wish to tell my friends that I certainly shall call it up again.

The PRESIDING OFFICER. The Senator from New Hampshire asks unanimous consent that his third amendment, which has been offered by him, be temporarily postponed. Is there objection to his request? The Chair hears none, and it is so ordered.

The Chair recognizes the Senator from Vermont [Mr. AIKEN].

Mr. AIKEN. Mr. President, I offer an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The CHIEF CLERK. On page 5, it is proposed to strike out lines 4 through 6, inclusive, and to insert in lieu thereof, the following:

And (2) following such notification a period of 90 days while Congress is in session elapses without the passage of a concurrent resolution disapproving such construction.

Mr. AIKEN. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER (Mr. BIBLE in the chair). Before the Senator proceeds, the Presiding Officer insists that the Senate be in order.

Mr. AIKEN. Mr. President, the amendment relates to subdivision (2) beginning in line 4, page 5. It simply provides that instead of having 60 days of a single session of Congress after a proposal to construct additional power-producing facilities has been submitted to Congress, Congress shall have 90 days, while it is in session, in which to consider the proposal.

The amendment also provides that if Congress decides to disapprove the proposal, it may do so by concurrent resolution, rather than by the enactment of legislation.

I have discussed the matter on the floor with the Senator from Tennessee and other Senators, and have been advised that it will be acceptable to the proponents of the bill.

Mr. BUSH. Mr. President, will the Senator from Vermont kindly read the substitute language once more?

Mr. AIKEN. The amendment would strike out lines 4, 5, and 6, on page 5, and substitute the following:

And (2) following such notification a period of 90 days while Congress is in session elapses without the passage of a concurrent resolution disapproving such construction.

Mr. BUSH. That does not necessarily confine the action to a Congress, such as the 85th Congress; it could go over from the 85th to the 86th Congress.

Mr. AIKEN. While Congress is in session.

Mr. BUSH. Does it mean a given session of a given Congress?

Mr. CASE of South Dakota. If the Senator will yield——

Mr. BUSH. The Senator has stricken that out.

Mr. AIKEN. It means while Congress is in session. It seems to me that Congress should have 90 days, because if a proposal came to Congress at the end of one session, and another session began in January, Congress should have 90 days.

Mr. CASE of South Dakota. If the Senator would preserve the language in line 5, he would accomplish the purpose. That language is: "of a single session." It would require the entire 90 days to be in a single session.

Mr. BUSH. If the Senator would use the language "of a single session," there would then be no question.

Mr. AIKEN. Yes; that is the purpose anyway. The purpose is to give Congress 90 days while Congress is in session, rather than 60 days of a single Congress, in which Congress can make up its mind whether to approve or disapprove a project.

It seemed to me that 60 days was too short a time, particularly if the proposal were made at a time when Congress might not be in session, or if there might be other matters which would occupy the entire 60 days. I merely thought the amendment would improve the bill.

Mr. BUSH. Do I correctly understand, then, that the amendment will be modified to make it clear that we are speaking of a given Congress and a single session of a given Congress?

The PRESIDING OFFICER. Does the Chair understand that the Senator from Vermont modifies the language of his amendment, so that there may be no misunderstanding about it?

Mr. AIKEN. Mr. President, I yield myself such time as may be necessary. I think the amendment is now in the proper language:

And (2) following such notification a period of 90 days while one Congress is in session elapses without the passage of a concurrent resolution disapproving such construction.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. CASE of South Dakota. If I may respectfully make an observation, from hearing the modification read I do not know whether that accomplishes what the Senator has in mind. The Senator is letting a part of the 90 days be in one session and a part in another session. The language in the bill provided that the time was to be in a single session of Congress.

Mr. AIKEN. One Congress would be a single session of Congress.

Mr. CASE of South Dakota. One Congress has two sessions.

Mr. AIKEN. If it were the same Congress, it would not matter whether a part of the 90 days was in the first session and the other part was in the second session.

Mr. CASE of South Dakota. It would be a little tighter if all 90 days had to occur within a single session.

Mr. AIKEN. Mr. President, I will so modify the amendment, and I shall read it as modified:

And (2) following such notification a period of 90 days while Congress is in a single session elapses without the passage of a concurrent resolution disapproving such construction.

If no Senator wishes to speak to the amendment, I yield back my remaining time.

Mr. GORE. I yield back the time in opposition.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment, as

modified, offered by the Senator from Vermont [Mr. AIKEN].

The amendment, as modified, was agreed to.

Mr. CASE of South Dakota. Mr. President, I desire to offer three amendments in sequence. The first one is not printed. I send it to the desk and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 6, line 13, after the word "amounts", it is proposed to insert "and terms."

In line 18, it is proposed to strike out the period and insert:

And if the Secretary of the Treasury shall recommend changes in the amounts, terms, maturities, or conditions of the bonds, the Corporation shall not sell the bonds until an additional 30 days have been given to consideration of said recommendations, unless they have been sooner agreed upon.

Mr. CASE of South Dakota. Mr. President, I yield myself 5 minutes.

This amendment goes to the problem which was raised by the amendment offered by the Senator from Massachusetts [Mr. SALTONSTALL], which would have placed in the hands of the Secretary of the Treasury full discretion with regard to the terms, amounts, maturities, and conditions of the revenue bonds to be issued by the Tennessee Valley Authority. The amendment was not agreed to.

However, I stated during the consideration of the amendment that if it was not accepted, I would offer an amendment which would give to the Secretary of the Treasury some additional voice in the character of the bonds which would be issued. The amendment I now offer proposes to do that in this way: In the language of the bill on page 6 a proviso will be noted, starting on line 11, as follows:

Provided, That before issuing any bonds hereunder, the corporation shall advise the Secretary of the Treasury with respect to the amounts of bonds to be issued and the proposed date of the sale thereof.

In line 13, my amendment would insert the additional words "and terms."

Thus the Secretary would be advised with respect to the amounts and terms of the bonds to be issued.

Then, toward the end of the proviso, after the language which now is in the bill, there is a provision that if the Secretary, within 15 days after receiving such advice, wishes a deferral, and so requests for 45 days, the corporation shall not sell the bonds before the end of such period. Then my amendment would add the following:

And if the Secretary of the Treasury shall recommend changes in the amounts, terms, maturities, or conditions of the bonds, the Corporation shall not sell the bonds until an additional 30 days have been given to consideration of said recommendations, unless they have been sooner agreed upon.

Mr. KERR. Mr. President, will the Senator from South Dakota yield?

Mr. CASE of South Dakota. I yield to the Senator from Oklahoma.

Mr. KERR. As I understand, the words "unless sooner agreed upon" mean that if the Secretary made a recommendation and if the Board of the TVA followed it at a date prior to the end of the 30 days, that would satisfy the waiting period, and the Board could go ahead; but if they did not agree to the recommendation, they could not go ahead until the end of 30 days; but after that, they could go ahead, even though the recommendation had not been accepted or agreed to. Is that correct?

Mr. CASE of South Dakota. That is correct.

Mr. KERR. I wish to say to the Senator from South Dakota that that is the way I understood the amendment, and it was on that basis that I announced that I wished to join the Senator from South Dakota in sponsoring the amendment.

Mr. BUSH. Mr. President, will the Senator from South Dakota yield at this point?

Mr. CASE of South Dakota. In a moment.

First, Mr. President, I wish to elaborate on my answer to the Senator from Oklahoma.

First of all, I assume that there is good faith between the Government agencies and that there would be good faith between the Secretary of the Treasury and the Board of Directors of the TVA. Certainly we would have a right to expect that the three members of the TVA Board, appointed by one President, would in good faith consider the recommendations made by the Secretary of the Treasury, appointed by the same President. That would be the situation with respect to the life of this authorization, under the facts now existing.

But I included the additional 30-day provision in order to assure that there would be some time for consideration, and for negotiation, if necessary, between the Board of Directors of the TVA and the Secretary of the Treasury, so as to make it possible to work out an harmonious offering of their respective securities in whatever way the circumstances at a given time might dictate.

Now I yield to the Senator from Connecticut.

Mr. BUSH. Mr. President, will the Senator from South Dakota read the last part of his amendment—the part in line 18, after the word "period"?

Mr. CASE of South Dakota. Yes:

and if the Secretary of the Treasury shall recomend changes in the amounts, terms, maturities, or conditions of the bonds, the Corporation shall not sell the bonds until an additional 30 days have been given to the consideration of said recommendations, unless they have been sooner agreed upon.

Mr. BUSH. That would simply give the Secretary of the Treasury a chance to explain his views on the issue to the TVA, and then the TVA could do as it pleased, after that period of time; is that correct?

Mr. CASE of South Dakota. Yes; then it could do as it pleased. But, as I have said, I provide for the additional 30 days in order to assure that there will be time for consideration and negotiation, and I assume there will be good faith in negotiation between such responsible persons as the ones who are named by the President and confirmed by the Senate of the United States.

Mr. BUSH. I thank the Senator from South Dakota. I think the amendment would be an improvement on the provisions of the bill as it stands at the present time.

The PRESIDING OFFICER. The time in opposition to the amendment of the Senator from South Dakota is in the control of the Senator from Oklahoma [Mr. KERR].

Mr. KERR. Mr. President, we yield back the remainder of the time available to us.

Mr. CASE of South Dakota, Mr. President, I yield back the remainder of the time available to me.

The PRESIDING OFFICER. All remaining time on the amendment of the Senator from South Dakota has been yielded back.

The question is on agreeing to the amendment of the Senator from South Dakota [Mr. CASE].

The amendment was agreed to.

Mr. CASE of South Dakota. Mr. President, I desire to call up an amendment similar to the one I have had printed, which deals with the repayment of $10 million on the appropriation investment. The printed amendment is identified as "8–8–57," but I desire to offer the amendment in a slightly different form, although it is substantially the same amendment.

I send the amendment to the desk, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISATIVE CLERK. On page 8, in line 17, it is proposed to strike out the period and to insert the following:

Plus a repayment sum of not less than $10,000,000, which repayment sum shall be applied to reduction of said appropriation investment.

On page 9, in line 2, after the word "payment", it is proposed to insert "as a return on the appropriation investment."

The PRESIDING OFFICER. How much time does the Senator from South Dakota desire to yield to himself?

Mr. CASE of South Dakota. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from South Dakota is recognized for 5 minutes.

Mr. CASE of South Dakota. Mr. President, as the law now stands, the 1948 act requires that within a 10-year period the Tennessee Valley Authority shall repay to the Federal Government $348 million, in round figures. The total appropriations investment in the power facilities of the TVA—as Senators may see by referring to the table appearing on page 7 of the committee report—is $1,337,000,000, in round figures. The aim of the requirement in the 1948 act was that within 10 years there should be repaid, on that appropriation investment, an amount which would reduce that figure to substantially $1 billion.

The total of the investment of Treasury funds in the power facilities of the TVA up to June 30, 1956, was $1,337,937,934, as shown by the table. The repayment of $348 million, as provided by the 1948 act, would pay back the $337

million, plus interest. Then a flat sum of approximately $1 billion would remain.

Then the 1948 act provided that there should be a repayment of the balance in 40 years. Obviously, the repayment of a principal balance in 40 years means that there would be a repayment in each year of approximately 2½ percent of the balance, inasmuch as 40 times 2½ equals 100.

So, Mr. President, as the law stands today, the only statutory requirement for repayment by the TVA is a requirement for a reduction in the amount of $348 million, plus payments, over a period of 40 years, in an annual amount equivalent to 2½ percent of the principal balance. That law does not require any payment of interest.

The bill as reported to the Senate requires the payment of interest on the appropriation investment, such payment to be at a percentage equivalent to the average rate of interest paid by the Government on its bonds, as of any given year, and the percentage is to be figured on the amount of the appropriation investment. The payment would be in perpetuity. There have been some who have felt that it would be better for the Government if the appropriation investment were retired in time.

Therefore, the purpose of my amendment is to provide that, in addition to the payment, annually, of interest on the appropriation investment, there shall be a payment of not less than $10 million a year in reduction of the appropriation investment.

Mr. GORE. Mr. President, will the Senator from South Dakota yield to me?

Mr. CASE of South Dakota. I yield to the Senator from Tennessee.

Mr. GORE. I hope the Senator from South Dakota will appreciate with what reluctance those of us who represent the 5 million persons who are dependent upon the TVA for their sole supply of power accept additional requirements and burdens which under certain circumstances might threaten to impair the financial stability of that agency.

In order that I may clearly understand the purport of the amendment of the Senator from South Dakota, I should like to ask him several questions, if I may.

Mr. CASE of South Dakota. I shall be glad to yield for that purpose.

Mr. President, at this time I yield myself an additional 5 minutes.

The PRESIDING OFFICER. The Senator from South Dakota is recognized for an additional 5 minutes.

Mr. GORE. If I understand the Senator's amendment correctly, the first obligation of the corporation's net power proceeds, as provided on page 8, subsection (e), would be to meet the requirements provided in the bill with respect to the retirement of bonds or bond contracts.

Mr. CASE of South Dakota. That is correct. In order to sell revenue bonds, I believe there would have to be a guaranty that earnings from the facilities would be sufficient to guarantee payments on the bonds.

Mr. GORE. The first requirement upon the TVA net power revenues, if the bill is enacted, will be to meet its obligations with respect to the payment of interest and amortization of the bonds sold.

Mr. CASE of South Dakota. Of the bond contracts.

Mr. GORE. The second requirement will be, will it not, the payment into the Treasury of the amount derived by the multiplication of the going rate of interest in any one year on all Government outstanding marketable obligations by the amount of the appropriation investment in the power properties?

Mr. CASE of South Dakota. Yes. I think the best affirmation of the facts in the Senator's inquiry is contained in the language of the bill itself, because it is very definite:

> The payment as a return on the appropriation investment in each fiscal year——

Mr. BUSH. What is the Senator reading?

Mr. CASE of South Dakota. I am reading from page 9, line 2. I am reading the language as it would read with the insertion of the language of my amendment:

> The payment as a return on the appropriation investment in each fiscal year shall be equal to the computed average interest rate payable by the Treasury upon its total marketable public obligations as of the beginning of said fiscal year applied to said appropriation investment.

Mr. GORE. Mr. President, will the Senator yield?

Mr. CASE of South Dakota. I yield.

Mr. GORE. The senior Senator from Oklahoma advised the Senate yesterday that as of now the average computed interest rate is 2.8 percent. On top of that——

Mr. CASE of South Dakota. Before the Senator makes his next point, I should like to suggest that the 2.8 percent return on the appropriation investment means that the Government will get more back under the bill than it is now getting because, under the 40-year repayment plan, the Government would get only 2.5 percent.

Mr. GORE. The difference between 2.5 percent and 2.8 percent amounts to approximately $3 million a year. On top of that the Senator proposes an amendment to require the TVA to pay into the Treasury each year not less than $10 million as a payment on or as a reduction of the appropriation investment.

Mr. CASE of South Dakota. Yes. In common business dealings we would speak of it as a reduction of the capital investment or loan.

Mr. GORE. The Senator has pointed out that at the end of the current fiscal year the appropriation investment in the TVA power facilities will have been reduced to approximately $1 billion.

Mr. CASE of South Dakota. That is correct.

Mr. GORE. Therefore, the $10 million which his amendment would require would approximate 1 percent.

Mr. CASE of South Dakota. That is correct.

Mr. GORE. Which, added to the 2.8 percent which is currently in effect, would make a minimum annual requirement for the TVA to pay into the Treasury, after it meets all of its obligations with respect to the bonds which it sells under the act, of approximately 3.8 percent a year on the appropriation investment.

Mr. CASE of South Dakota. Yes; that is correct. I may say, to balance that fact, that at the present time if a dam is constructed by the Corps of Engineers, the users of power pay for the power facilities resulting, plus interest. If a dam is constructed by the Bureau of Reclamation, the power features of that dam repay the cost of the dam, plus interest. So it is intended to bring the power facilities of the TVA more closely into line with the repayment principles recognized with respect to the Army engineers and Bureau of Reclamation dams.

Mr. GORE. Will the Senator yield for another question?

Mr. CASE of South Dakota. Yes.

Mr. GORE. Then is there not a fourth requirement in the law, after all the other requirements, including those contained in the Senator's amendment if it should be adopted, that any excess revenues remaining after those obligations are met and power program needs shall be paid into the Treasury?

Mr. CASE of South Dakota. I think that requirements rests upon existing law rather than on the amendment.

Mr. GORE. Will the Senator yield further?

Mr. CASE of South Dakota. Yes.

Mr. GORE. Is there not a further requirement written into the pending bill that, within a given period, the TVA shall either pay into the Treasury, retire bonds, or invest in added facilities, an amount which is equal to the depreciation allowable on facilities?

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. CASE of South Dakota. I yield myself 5 additional minutes.

The PRESIDING OFFICER. The Senator from South Dakota is recognized for 5 additional minutes.

Mr. CASE of South Dakota. To answer the question of the Senator from Tennessee, I say, "Yes," and to make the answer more specific, I should like to read the language of the bill itself, as that is the best answer. On page 10, beginning on line 3 the bill reads as follows:

> In order to protect the investment of holders of the corporation's securities and the appropriation investment as defined in subsection (e) hereof, the corporation, during each successive 5-year period beginning with the period from July 1, 1957, through June 30, 1962, shall apply net power proceeds either in reduction (directly or through payments into reserve or sinking funds) of its capital obligations, including bonds and the appropriation investment or to reinvestment in power assets, at least to the extent of the combined amount of the aggregate of the depreciation accruals and other charges representing the amortization of capital expenditures applicable to its power properties plus the net proceeds realized from any disposition of power facilities in said period.

My interpretation of that language is, to put it rather simply, that it prevents the corporation from living on its fat, so to speak. It must keep up its reserves or sinking fund or apply to improvement of its facilities an amount

equal to the depreciation, so that the money which the Government has in its appropriation investment, or so that the stake which the bondholders have in the facilities of the corporation, is not impaired.

Mr. GORE. Mr. President, will the Senator yield further?

Mr. CASE of South Dakota. I yield.

Mr. GORE. I am very grateful for the careful consideration which the Senator from South Dakota has given to this problem. I recognize that he has accurately pointed out that in the case of certain Corps of Engineers projects the investment is repaid in a shorter period than that proposed in the amendment, and that interest is also paid on the investments.

I point out that the reclamation projects and the Corps of Engineer projects are set up on a project basis. They are not expected to use their revenues to amortize revenue bonds to provide for still additional construction of power-producing facilities.

It may be that the TVA could meet the additional requirement which the amendment proposes. Over the period of its operation the TVA has earned a net profit of approximately 4 percent.

Under present interest rate conditions the amendment which the Senator proposes, if adopted, would impose upon the TVA the requirement of paying almost 4 percent into the Treasury—3.8 percent to be exact—but that would come on top of the first obligation, which would be to meet the amortization and interest charges on the revenue bonds.

I submit to the able Senator that that would be laying the hand on a little heavily. It may be that the TVA could do it. I will be frank—I always try to deal in utter frankness—I think the TVA can do it. But it is certainly drawing the line very fine.

If the Senator will concede that the TVA could have a little leeway, in the event of a very dry year or other circumstances beyond control, it would make the provision more acceptable.

I want the Congress to exercise the maximum of control over the agency. I want the agency to operate with maximum efficiency. The industrial prospects of a great region and the economic welfare of 5 million people are wrapped up in the success of this agency. I join any Senator, with an enthusiasm equal to that anyone may have, in desiring to have the agency operate as efficiently as any business in the United States.

If the Senate shall see fit to adopt the amendment, I hope that it will at least permit some leeway for the TVA to meet this added obligation, let us say on a 5-year basis. If the Senator would permit an averaging out on a 5-year basis it would make the amendment more acceptable. This year we have had a great deal of rain. Last year was a very dry year. It will be far easier to make profits when rainfall is plentiful, with a maximum use of hydroelectric power realized, and considerably more difficult in a dry year.

Mr. CASE of South Dakota. Mr. President, I wish to make two points in my comments upon the observations of the Senator from Tennessee.

First of all, the 3.8 percent of which the Senator speaks would apply only to the appropriation investment. The 3.8 percent would not double up on capital funds provided by the bonds. The bonds would have to earn their own sinking fund and interest for retirement. The TVA would not be required to make a payment to the Government of interest on the bonds. The interest on the bonds would stand by itself, for the benefit of the bondholders.

The figure which the Senator achieves of 3.8 percent, by adding the 2.8 percent of interest to the Government to the capital return to the Government, would be applicable only to the invested appropriation money and not to the invested bond money.

With respect to taking into consideration weather conditions——

The PRESIDING OFFICER (Mr. SMATHERS in the chair). The time of the Senator has expired.

Mr. KERR. Mr. President, I yield the Senator from South Dakota an additional 5 minutes.

The PRESIDING OFFICER. The Senator from South Dakota has been yielded 5 additional minutes.

Mr. CASE of South Dakota. I invite the Senator's attention to the language on page 9, beginning with line 6:

> Payments due hereunder may be deferred for not more than 2 years when, in the judgment of the Board of Directors of the corporation, such payments cannot feasibly be made because of inadequacy of funds occasioned by drought, poor business conditions, emergency replacements, or other factors beyond the control of the corporation.

That is not a 5-year cushion, but it is a 2-year deferral which could be operative in case of adverse weather conditions, as the Senator has suggested. I believe that should provide amply for the situation.

Mr. BUSH and Mr. COTTON addressed the Chair.

The PRESIDING OFFICER. Does the Senator yield; and if so, to whom?

Mr. CASE of South Dakota. I yield first to the Senator from Connecticut.

Mr. BUSH. I should like to ask the Senator from South Dakota whether it is not true that the amendment would provide something in the nature of a dividend, as if this were a private corporation, because the payment would come after the service of the bond issue, which would be a prior charge, and also after depreciation and other charges, which I believe the Senator specified are included in the bill. The payment then would be in the nature of a dividend on the investment. Is that not a fair interpretation of it?

Mr. CASE of South Dakota. The Senator from Connecticut is much better qualified than the Senator from South Dakota to define the character of returns on money invested. It is measured by an amount necessary to retire the money which the Government has invested. To that extent it would be a return of the capital fund or the money advanced.

To the extent that the facilities themselves eventually are a property of the United States, I suppose that the term "dividend" might be a more correct term.

Mr. BUSH. The Senator says this is to be measured so as to make a full return of the total appropriation investment.

Mr. CASE of South Dakota. Eventually it will accomplish that.

Mr. BUSH. Eventually. Does the Senator estimate the time involved in that process?

Mr. CASE of South Dakota. I do estimate it.

Mr. BUSH. What is the Senator's estimate.

Mr. CASE of South Dakota. Approximately 100 years.

Mr. BUSH. One hundred years. Mr. President, my observation is that 100 years is a very long time. I do not think one could fairly agree with the suggestion of my good friend, the Senator from Tennessee, that such action would put a very heavy burden on the TVA, inasmuch as the TVA still would be in a highly favored position vis-a-vis most any other supplier of power except a public-power operation. I think that the Senator's amendment certainly should be supported, as a very modest recognition of the enormous investment the Federal Government has in the TVA.

Mr. CASE of South Dakota. I appreciate the Senator's observation.

Mr. MORTON. Mr. President, will the Senator yield?

Mr. CASE of South Dakota. I yield to the Senator from Kentucky.

Mr. MORTON. On the point that we are doubling up and piling one cost on top of another, is it not true that the $750 million which will be derived from the sale of bonds will be used to build new facilities, which in turn will earn their way to amortize the bonds and pay interest? The $10 million per annum minimum, which the Senator from South Dakota suggests, should come from the earnings of present facilities, which have been built with appropriated funds.

Mr. CASE of South Dakota. The Senator is correct. The intention is to retire the investment in existing facilities.

Mr. MORTON. In good years the payment might be more.

Mr. CASE of South Dakota. It might be more.

The PRESIDING OFFICER. The time of the Senator from South Dakota has expired.

Mr. BUSH. Mr. President, will the Senator yield to me so that I may request the yeas and nays on the passage of the bill itself? The hour is getting late, and Senators may wish to be advised of that.

Mr. KERR. The Senator from South Dakota may wish to discuss his own amendment further.

Mr. BUSH. He may well wish to do so.

Mr. CASE of South Dakota. Mr. President, do I have any more time?

The PRESIDING OFFICER. The Senator from South Dakota has 13 minutes remaining.

Mr. CASE of South Dakota. Mr. President, I yield myself 3 minutes.

I yield to the senior Senator from Kentucky [Mr. COOPER].

Mr. COOPER. I should like to get the Senator's interpretation, as a member of the committee reporting the bill, of the provision in the bill regarding return to the United States Government. Does the Senator consider the return a repayment to the Government of its power investment, or a payment of interest, or a return as a kind of dividend?

Mr. CASE of South Dakota. Does the Senator mean under the present law?

Mr. COOPER. Under the terms of the pending bill.

Mr. CASE of South Dakota. The provision in the bill I would consider to relate purely to interest, because it is determined by a computation based upon the appropriation investment.

Mr. COOPER. The Senator said—and correctly—that present law requires repayment of investment funds over a period of 40 years.

Mr. CASE of South Dakota. That would be true following the completion of the $348 million payment by June 30, 1958.

Mr. COOPER. It is true that under the terms of the bill there is no absolute requirement for repayment of the power investment.

Mr. CASE of South Dakota. That is true. There would be paid in perpetuity the average annual interest rate.

Mr. COOPER. Does not the Senator think it would be appropriate, if we are referring to repayment of the investment, to permit the so-called return to be applied to the payment of power investment? Personally I should like to see an actual repayment of the money, plus interest, and I have always favored that. But if there is not to be any payment of interest, I would much prefer to see the money applied to the power investment, so that at some future time it could be said that the money which had been invested in the TVA had been repaid to the United States Government. While I will vote for the Senator's amendment, it seems to me that the proposition paying $10 million a year for 120 years is merely a kind of token payment.

Mr. CASE of South Dakota. I think the Senator is overlooking the fact that the bill itself provides for repayment on the appropriation investment.

Mr. COOPER. There is no absolute requirement for repayment.

Mr. CASE of South Dakota. Yes; there is.

Mr. COOPER. Within the discretion of the Authority.

Mr. CASE of South Dakota. No. There is an absolute requirement in the bill, as it is now written, that there shall be a payment each year of an amount equal to the computed average interest rate which the Government pays on its obligations, based upon the total of the appropriation investment.

Mr. COOPER. I am familiar with that; but the Senator said that he considers that to be a payment of interest.

Mr. CASE of South Dakota. I consider that to be interest on the appropriation investment.

Mr. COOPER. It could be a payment in perpetuity.

Mr. CASE of South Dakota. It could be a payment in perpetuity; but if we retire the appropriation investment by $10 million each year, eventually it will be liquidated.

The PRESIDING OFFICER. The time of the Senator from South Dakota has expired.

Mr. KUCHEL. Mr. President, will the the Senator yield to me?

Mr. CASE of South Dakota. Mr. President, I yield myself 3 additional minutes; and I yield to the Senator from California.

Mr. KUCHEL. Is it the intention of the amendment that the payment of interest which is provided for in the amended bill will be in addition to an annual payment of $10 million on principal?

Mr. CASE of South Dakota. That is correct; or, to put it the other way around, the bill provides for interest. I am providing, by my amendment, for payment on capital investment.

Mr. KUCHEL. But the provisions of the bill with respect to interest payments remain as they were fashioned in committee.

Mr. CASE of South Dakota. That is correct.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. CASE of South Dakota. I yield.

Mr. BUSH. I asked the Senator to yield to me in order that I might ask for the yeas and nays on the final passage of the bill itself, so that Senators may be advised that there is to be a vote on final passage tonight.

Mr. KERR. I understood the Senator from South Dakota was about to ask for the yeas and nays on his own amendment.

Mr. BUSH. In that case I withdraw my request.

Mr. CASE of South Dakota. Mr. President, I suggest the absence of a quorum, following which I shall ask for the yeas and nays on my amendment.

Mr. KERR. Why not ask for the yeas and nays now?

Mr. CASE of South Dakota. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. KERR. Mr. President, I suggest the absence of a quorum, and ask unanimous consent that the time be not charged to either side.

The PRESIDING OFFICER. Is there objection?

Mr. GOLDWATER. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. KERR. Then the Senator from Oklahoma suggests the absence of a quorum and takes the time out of the time in opposition to the Case amendment.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded, and that the time which has been taken in calling the quorum, the absence of which has been suggested by the Senator from Oklahoma [Mr. KERR], not be charged to the time of either side.

The PRESIDING OFFICER. Is there objection to the requests of the Senator from California? The Chair hears none, and it is so ordered. Does the Senator from Oklahoma desire the floor?

Mr. KERR. I wonder whether the Senator from South Dakota has concluded his remarks.

Mr. CASE of South Dakota. I have no desire to speak further on the amendment.

Mr. KERR. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for 5 minutes.

Mr. KERR. Mr. President, I wish to express my keen appreciation for the attitude of the Senator from South Dakota. He has worked as hard on the bill as any other Senator, in committee or on the floor, and his efforts in that regard have been productive and fruitful. I wish to express my appreciation to him.

It will be the purpose of the Senator from Oklahoma to vote for the amendment offered by the Senator from South Dakota. I do so, however, with the realization that it is placing a further and greater burden on the Tennessee Valley Authority than the committee had contemplated should be placed on it or that the Senator from Oklahoma had contemplated. In the first place, there will be the burden of amortizing the $750 million worth of bonds issued; and the interest rate on the bonds, in my judgment, will be the highest at which a similar issue of bonds will have been financed in 25 years. The interest will have to be paid, and the principal will have to be paid off, of course.

In addition to that, in accordance with the average interest rate on outstanding Government securities as of today, TVA will have to pay 2.8 percent on the unreimbursed portion of the appropriation account which it has received from the Government, which amount, as of the middle of next year, will be approximately $1 billion.

Of course, as the average interest rate on the outstanding maturities increases, the return which TVA will be required to pay into the Treasury will increase. The amendment offered by the Senator from South Dakota will increase that amount by at least 1 percent on the outstanding unreimbursed balance of $1 billion, which means $10 million a year, or more.

There are other features in the bill which require that the depreciation account reserves either be paid into the Treasury or invested in further productive facilities.

However, as I said, because of the fact that the great Senator from South Dakota has worked so hard to get the bill into shape to be acceptable to so many, and in view of his feeling that his amendment would improve the bill and should be accepted, it will be the purpose of the Senator from Oklahoma to vote for the amendment, but, at the same time, he feels that it is placing just about

all of the load on the Authority and the users and its customers which they can stand.

Mr. GORE. Mr. President, will the Senator yield?

Mr. KERR. I yield to the Senator from Tennessee.

Mr. GORE. I hope the Senator will appreciate the reluctance of those of us who represent the people whose very economic well-being is tied in with the success of the agency, in accepting a burden which TVA, as the Senator has concluded, can bear, but about which there might be some room for doubt, I believe the Senator will also conclude.

In order that the RECORD may be clear, and that I may have a clear understanding of the situation, is it correct to say that the first obligation on the net power proceeds of TVA will be to pay the interest and to retire all bonds issued under the act, if the bill is passed?

Mr. KERR. The Senator refers to the self-liquidating bonds, I assume.

Mr. GORE. Yes.

Mr. KERR. The Senator is correct.

Mr. KEFAUVER. I wonder whether the Senator from South Dakota will agree that that is correct.

Mr. CASE of South Dakota. I am being asked a question, but I did not hear it.

Mr. GORE. I asked if it was correct to say that the first requirement on TVA net power proceeds under the bill as it is now written, and if the Senator's amendment is added, will be the requirement that all revenues be used, to the extent necessary, to retire, with interest, the revenue bonds authorized to be issued by the bill.

Mr. CASE of South Dakota. Yes; that provision is in the bill at the present time. I believe it is an essential part of the bond contract, if the agency is to sell revenue bonds.

Mr. GORE. The second requirement will be to make a payment into the Treasury annually of an amount equal to the going rate of interest on all outstanding marketable Government obligations in a particular year.

Mr. CASE of South Dakota. The Senator is correct.

Mr. KERR. The average rate.

Mr. CASE of South Dakota. Yes; on all the money the Government has invested in power facilities.

Mr. GORE. As of now that rate is 2.8 percent.

Mr. CASE of South Dakota. That is my understanding.

Mr. GORE. As the outstanding Government debt is refunded, that interest rate will increase.

Mr. KERR. That is my expectation.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KERR. I yield myself 5 additional minutes.

Mr. GORE. Even after that, the Senator's amendment would impose an additional requirement of not less than $10 million a year; would it not?

Mr. CASE of South Dakota. Yes; I would hope that as the resources made it possible to do it, it would pay more.

Mr. GORE. There is a fourth requirement, which is that after all the first three requirements are met, any remainder, not reinvested, except for $1 million working capital, I believe, shall be paid into the Treasury. Is that not correct?

Mr. CASE of South Dakota. Yes; that is in the present law.

Mr. GORE. The able Senator from Oklahoma pointed out a provision in the bill which requires the TVA, on a 5-year basis, either to pay into the Treasury, or to retire bonds, or to invest in new facilities which would belong to the Government, an amount equal to the depreciation allowed on the facilities.

Mr. KERR. If available above the other requirements of the bill, namely, the payment of interest and principal on the refunding bonds, the 2.8 percent return to the Treasury, which now amounts to at least $10 million a year.

Mr. GORE. I am going to make a decision, that the whole purpose of the legislation recommended by the President and the Committee is to bring to a conclusion a vexatious problem as it affects the welfare of 5 million people. I am going to take a chance and vote with the Senator.

Mr. KERR. Mr. President, I yield the floor.

Mr. CASE of South Dakota. Mr. President, do I have any time left?

The PRESIDING OFFICER. The Senator from South Dakota has 7 minutes remaining.

Mr. CASE of South Dakota. I yield myself 2 minutes, for the purpose of yielding them to the Senator from Arizona.

Mr. GOLDWATER. Mr. President, I am interested in the Senator's amendment, and I intend to vote for it. I think it is a step—a very small step—in the right direction. At least, it is encouraging to know that some of our brothers on the other side of the aisle, who are interested in the TVA project, recognize that there is some responsibility to the taxpayers of the other 47 States, when they agree to the amendment offered by the Senator from South Dakota.

If the Senator from South Dakota will allow me to do so, I shall state why I feel that this is simply a small, faltering, baby step.

Since the TVA has been in operation, its power revenues have totaled $1,238,438,000.

The total net investment in the TVA power program is $1,575,000,000.

During the period of its operation, exclusive of a repayment of $65 million of Government bonds, this project has paid back $145 million.

Let us see what this country has sustained in the way of interest loss in that time: $261 million at simple interest; $370 million at compound interest. I have mentioned compound interest because the advocates of the high Helis Canyon Dam wanted to use compound interest. Because they are interested in compound interest, I now offer them that figure.

There has been a net tax deficiency in this period amounting to $302 million.

It has cost the people of this country $563 million to afford this luxury for 5 million people.

The PRESIDING OFFICER. The time of the Senator from South Dakota has expired.

Mr. CASE of South Dakota. I yield 2 more minutes, 1 to the Senator from Arizona, and 1 I reserve for myself.

Mr. GOLDWATER. Mr. President, 5 million people are asking 160 million to continue with this waste of money every year. I will not use the word "waste"; they are asking 160 million people to continue a power program which cost $101 million last year.

I shall vote for the amendment of the Senator from South Dakota. I do not think it goes far enough. I think, however, it is a step in the right direction.

Mr. President, I ask unanimous consent to have printed at this point in the colloquy a table I have prepared showing the net interest costs and net tax deficit of the TVA power program from 1934 through 1956, together with an explanation; and a table showing the total TVA operating revenues during the years of the operation of TVA.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Net interest costs and net tax deficit of TVA power program, 1934–56

[Structure of table explained on p. 2]

	Interest loss [1]		Net tax deficiency [2]	Cost of (simple) interest and tax deficiency (col. 1+ col. 3)	Interest cost of net tax deficiency	
	Simple (actual rates)	Compound (at 2.5 percent)			Simple (actual rates)	Compound (at 2.5 percent)
	(1)	(2)	(3)	(4)	(5)	(6)
1934	$1,200,000	$70,584,000	$92,299	$1,292,299	$2,769	$70,572
1935	1,200,000	----------	72,536	1,272,536	2,176	52,335
1936	1,200,000	----------	148,622	1,348,622	4,459	100,989
1937	1,200,000	----------	216,691	1,416,691	6,501	138,379
1938	1,200,000	----------	337,804	1,537,804	10,134	202,209

[1] Annual net simple interest costs were computed at rates actually paid over the years by U. S. Treasury on marketable bonds.

Net power investment (to which appropriate annual interest rates were applied is as given by TVA Annual Reports for years 1946 through 1956; for years 1934 to 1945 net power investment is as computed by the Senate Subcommittee on Flood Control staff, 80th Cong., 2d sess., p. 710, pt. I of hearings on S. 1277.

Net TVA power investment is comprised of (a) appropriated funds, (b) Government property transferred to TVA, (c) Government bonds issued by TVA, and (d) power earnings payable to Government but retained and used by TVA.

Annual net simple interest costs were arrived at by deducting annually the amounts of interest paid to Treasury by TVA on its funded debt from total interest payments incurred by Treasury on the TVA net power investment.

[2] Annual net TVA tax deficiencies were determined as follows: (a) TVA in lieu of taxpayments were deducted from gross TVA operating revenues; (b) TVA operating revenues as reduced were inflated by an amount equivalent to the national average amount of tax costs included in private electric company operating revenue minus taxes; and (c) total annual computed TVA tax deficits were reduced by actual TVA in lieu or taxpayments.

Net interest costs and net tax deficit of TVA power program, 1934–56—Continued

[Structure of table explained on p. 2]

	Interest loss		Net tax deficiency	Cost of (simple) interest and tax deficiency (col. 1+ col. 3)	Interest cost of net tax deficiency	
	Simple (actual rates)	Compound (at 2.5 percent)			Simple (actual rates)	Compound (at 2.5 percent)
	(1)	(2)	(3)	(4)	(5)	(6)
1939	1,717,922	11,192,000	788,645	2,506,567	23,375	441,326
1940	4,947,719	65,200,000	2,655,551	7,603,270	77,223	1,385,135
1941	5,089,398	7,267,500	3,745,478	8,834,876	104,386	1,814,684
1942	4,965,422	5,826,600	5,580,997	10,546,419	149,571	2,501,403
1943	6,454,309	31,793,300	7,498,956	13,953,265	187,024	3,096,319
1944	7,756,406	25,359,500	7,715,964	15,472,370	183,563	2,920,492
1945	8,298,393	11,378,400	8,152,436	16,450,829	188,647	2,810,960
1946	8,486,133	10,920,000	6,637,378	15,123,511	153,124	2,070,862
1947	9,531,830	12,298,160	8,347,136	17,878,966	192,568	2,337,198
1948	9,815,064	2,401,418	8,484,768	18,299,832	195,913	2,111,010
1949	10,398,229	5,076,053	11,341,621	21,739,850	262,332	2,477,010
1950	11,297,549	10,226,081	12,251,120	23,548,669	284,471	2,310,561
1951	14,275,009	19,731,667	17,806,185	32,081,194	414,350	2,841,867
1952	19,275,903	28,040,497	23,753,205	43,029,108	550,362	3,121,171
1953	24,192,243	20,529,356	26,109,112	50,301,355	611,475	2,710,126
1954	31,993,624	21,339,494	34,826,385	66,820,009	849,764	2,674,666
1955	37,640,563	9,826,773	53,255,781	90,896,344	1,320,743	2,694,743
1956	39,110,813	1,043,025	62,335,348	101,446,161	1,549,033	1,558,384
Total	261,245,529	370,033,824	302,154,018	563,400,547	7,323,963	42,442,401

Total simple interest cost (col. 1), net tax deficit (col. 3), and amount of simple interest on net tax deficit (col. 5) — $570,724,510

Total annual costs compounded (col. 2), net tax deficit (col. 3) and compounded interest cost of net tax deficit (col. 6) — 714,630,243

Total TVA operating revenues, gross power income, 1933–56

1933–38	$6,732,447
1939	5,507,077
1940	15,285,074
1941	21,137,371
1942	25,329,954
1943	31,674,210
1944	35,429,546
1945	39,383,231
1946	35,264,545
1947	44,144,090
1948	48,769,524
1949	58,030,515
1950	57,786,111
1951	70,329,580
1952	95,004,390
1953	104,877,869
1954	133,947,808
1955	188,162,989
1956	221,642,216
Total	1,238,438,547

Additional selected data on TVA

(Source: TVA Annual Reports)

Total net investment in TVA power program, 1956	$1,575,560,520
Repayment to United States Treasury by TVA [1]	145,059,019

[1] Does not include repayment of $65,072,500 of Government bonds issued by TVA to purchase private utilities.

Mr. CASE of South Dakota. Mr. President, I ask unanimous consent to have printed at this point in my remarks a table which appears in the committee report on page 7, and shows the investment of Treasury funds in TVA power facilities and repayments through June 30, 1956.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Year	Investment of Treasury funds	Payments to Treasury	Balance at end of year
Totals to June 30, 1947	$371,870,759	$23,631,519	$348,239,240
Fiscal year ending—			
June 30, 1948		10,500,000	337,739,240
June 30, 1949		5,500,000	332,239,240
June 30, 1950	17,745,840	5,500,000	344,485,080
Fiscal year ending—Con.			
June 30, 1951	$23,373,731	$9,000,000	$358,858,811
June 30, 1952	100,893,844	12,000,000	447,752,655
June 30, 1953	209,046,402	15,000,000	641,799,057
June 30, 1954	164,415,676	20,000,000	786,214,733
June 30, 1955	254,366,425	50,000,000	990,581,158
June 30, 1956	196,225,257	59,000,000	1,127,806,415
Total to June 30, 1956	1,337,937,934	210,131,519	1,127,806,415

Mr. CASE of South Dakota. Mr. President, I yield back the remainder of my time.

Mr. KNOWLAND. Mr. President, I yield myself 1½ minutes on the bill.

Since a question has been raised as to whether there might be a yea and nay vote on the passage of the bill, and so that no Senator will be under any misconception about it, I ask for the yeas and nays on the passage of the bill.

The yeas and nays were ordered.

Mr. KERR. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The yeas and nays have been ordered on the amendment of the Senator from South Dakota.

Mr. CASE of South Dakota. Mr. President, I suggest the absence of a quorum, so that all Senators may be on notice that a vote is about to be taken.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CASE of South Dakota. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment of the Senator from South Dakota. The yeas and nays having been ordered, the clerk will call the roll.

The Chief Clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Colorado [Mr. CARROLL], the Senator from Delaware [Mr. FREAR], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Ohio [Mr. LAUSCHE], the Senator from West Virginia [Mr. NEELY], and the Senator from Virginia [Mr. ROBERTSON] are absent on official business.

I further announce that the Senator from Arkansas [Mr. FULBRIGHT] is absent because of illness.

The Senator from Missouri [Mr. HENNINGS] is absent by leave of the Senate because of illness.

On this vote the Senator from Virginia [Mr. BYRD] is paired with the Senator from Colorado [Mr. CARROLL]. If present and voting, the Senator from Virginia would vote "yea" and the Senator from Colorado would vote "nay."

I also announce, if present and voting, the Senator from Delaware [Mr. FREAR], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Missouri [Mr. HENNINGS], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Ohio [Mr. LAUSCHE], the Senator from West Virginia [Mr. NEELY], and the Senator from Virginia [Mr. ROBERTSON] would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate in order to represent the Senate at the Latin American Economic Conference, in Buenos Aires.

The Senator from Nevada [Mr. MALONE] is necessarily absent.

If present and voting, the Senator from Maine [Mr. PAYNE] would vote "yea."

The result was announced—yeas 76, nays 6, as follows:

YEAS—76

Aiken	Goldwater	Mundt
Allott	Gore	Murray
Anderson	Green	O'Mahoney
Barrett	Hayden	Pastore
Beall	Hickenlooper	Potter
Bennett	Holland	Purtell
Bible	Hruska	Revercomb
Bricker	Humphrey	Russell
Bush	Ives	Saltonstall
Butler	Jackson	Schoeppel
Carlson	Javits	Scott
Case, N. J.	Jenner	Smathers
Case, S. Dak.	Johnson, Tex.	Smith, Maine
Chavez	Johnston, S. C.	Smith, N. J.
Church	Kerr	Stennis
Clark	Knowland	Symington
Cooper	Kuchel	Talmadge
Cotton	Long	Thurmond
Curtis	Magnuson	Thye
Dirksen	Mansfield	Watkins
Douglas	Martin, Iowa	Wiley
Dworshak	Martin, Pa.	Williams
Eastland	McClellan	Yarborough
Ellender	McNamara	Young
Ervin	Monroney	
Flanders	Morton	

NAYS—6

Hill	Langer	Neuberger
Kefauver	Morse	Sparkman

NOT VOTING—13

Bridges	Fulbright	Neely
Byrd	Hennings	Payne
Capehart	Kennedy	Robertson
Carroll	Lausche	
Frear	Malone	

So the amendment of Mr. CASE of South Dakota was agreed to.

Mr. CASE of South Dakota. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. BUSH. Mr. President, I move to lay on the table the motion to reconsider.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

Mr. COTTON. Mr. President, in accordance with the unanimous-consent agreement which was entered into earlier in the day, I call up the amendment I previously offered, but the further consideration of which was postponed. I ask that the amendment be stated at this time.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 2, in line 17, after the word "corporation," it is proposed to add the words "for use."

Mr. COTTON. Mr. President, let me inquire how much time is still available on the amendment.

The PRESIDING OFFICER. The Senator from New Hampshire has 14 minutes remaining under his control. The opposition to the amendment has 30 minutes.

Mr. COTTON. Mr. President——

The PRESIDING OFFICER. How much time does the Senator from New Hampshire yield to himself?

Mr. COTTON. I yield myself 4 minutes.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized for 4 minutes.

Mr. COTTON. Mr. President, there is no need for me to take a great deal of time on this amendment, for it has previously been discussed.

The Senate will recall that an amendment has been agreed to which places a limitation on the territory in which the TVA may sell power without coming back to Congress for further authority. The amendment establishing that area was adopted.

The amendment is offered now to make the previous amendment effective by inserting on line 17 on page 2 of the bill, after the word "corporation" the words "for use", so the language would read, "for the sale or delivery of power by the corporation for use outside the counties," and so forth.

I have conferred with Senators who are in doubt about this point, I have considered it carefully; I have taken the advice of others, and I regret that I must say this: In the first place, considering the fact that later on the same page ample reservation is made for the exchange of power with other utilities and with other systems, and considering the fact that ample exception is made for interconnection of power with the various units of the TVA, and in view of the fact that the territorial limitations provided by the amendment are so generous that already any co-op doing business and receiving and distributing Tennessee Valley electric power in any county may extend its lines within such county, and in view of the fact that any concern which is operating within any county, a part of which is in the basin of the Tennessee Valley can do so, I am compelled to conclude that the provision, if adopted without this amendment, would be exactly like a pail with a hole in its bottom. There would simply be no real limitation, because any outside utility or distributor of power, simply by building a connecting line to TVA and buying the power wholesale, could distribute it, without this provision being in the bill.

I find, by referring to the original bill introduced by the Senator from Kentucky, that the words "for use outside" were in his original bill. I find in the amendment which I offered in the committee, and which was rejected in committee, those words were included. I am compelled to conclude the language is essential.

While I still have a part of my 4 minutes, I ask unanimous consent that the yeas and nays be ordered on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. KERR. Mr. President, before the announcement is made, will the Senator yield?

Mr. COTTON. Certainly, I yield.

RECESS

Mr. KERR. Mr. President, I move that the Senate take a brief recess while the Senator from Mississippi and the Senator from New Hampshire discuss this matter, with respect to some language in connection with it.

The motion was agreed to; and (at 5 o'clock and 14 minutes p. m.) the Senate took a recess, subject to the call of the Chair.

On the expiration of the recess, the Senate reassembled (at 5 o'clock and 19 minutes p. m.) and was called to order by the Presiding Officer (Mr. SMATHERS in the chair).

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded, and that the time for the quorum call not be charged to either side.

The PRESIDING OFFICER. Is there objection to the request of the Senator from California? The Chair hears none, and it is so ordered.

Mr. COTTON. Mr. President, do I have any time remaining to yield to myself?

The PRESIDING OFFICER. The Senator has 20 minutes remaining.

Mr. COTTON. I yield myself 5 minutes, Mr. President.

Mr. President, as a result of the conference with proponents of this measure, there is an amendment which I should like to read and explain. I shall suggest it in a moment, and shall ask unanimous consent to have it substituted in place of my previous amendment.

The amendment reads as follows:

Provided further, That except as expressly provided above, all contracts entered into after this provision becomes law for the supply of power to any distributor shall contain an agreement by said distributor to confine the resale of such power within the boundaries of the counties above described and such additional areas (not more than 5 miles from such boundaries) as may be necessary to care for the growth of communities within said counties provided said communities were receiving Tennessee Valley Authority power on July 1, 1957.

Mr. President, in order to make the legislative history of the amendment as exact as possible, it is the understanding of the proponent of the amendment that the amendment offered as a substitute means simply that the area previously agreed to in the amendment offered by the Senator from New Hampshire earlier today—that is, the perimeter shown here on the map—still stands.

However, should there be a community on the perimeter of the present service area of the TVA receiving power on July 1, 1957, which, with its growth, extends beyond that perimeter, it may receive power up to 5 miles.

In other words, the amendment relates to that portion of the perimeter of the map which is not extended beyond the present service area. The amendment relates simply to those communities on the perimeter of the present power service area which are now receiving electric energy, which communities expand beyond the perimeter, into an area which was not provided in the amendment we had agreed to.

I ask unanimous consent that I be permitted to withdraw the amendment and that this amendment be substituted.

Mr. HILL. Mr. President, will the Senator yield?

Mr. COTTON. I yield.

Mr. HILL. I do not think the Senator needs to ask unanimous consent. The yeas and nays have not been ordered on the amendment. The amendment is still within the Senator's control. The Senator can modify his amendment as he sees fit.

Mr. COTTON. I modify my amendment by striking out the words "for use" in line 17, and substituting the language which I have read and which I send to the desk, to follow the word "plants," in line 24, on page 2 of the bill. In other words, it is to follow the amendment which was previously adopted.

The PRESIDING OFFICER. The Senator is permitted to modify his amendment. Does the Senator desire to have the amendment read?

Mr. COTTON. I ask the clerk to read the amendment.

The LEGISLATIVE CLERK. On page 2, in line 24, following the amendment previously agreed to, it is proposed to insert the following:

Provided further, That except as expressly provided above, all contracts entered into after this provision becomes law for the supply of power to any distributor shall contain an agreement by said distributor to confine the resale of such power within the boundaries of the counties above described and such additional areas (not more than 5 miles from such boundaries) as may be necessary to care for the growth of communities within said counties provided said communities were receiving Tennessee Valley Authority power on July 1, 1957.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Hampshire [Mr. COTTON].

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. COTTON. I yield.

Mr. CASE of South Dakota. Is it not fair to say that the effect of the amendment is this: If the town or community is on the perimeter of the area previously defined, and it starts to grow and spills over the line a little, if the extension does not go beyond 5 miles of spillover, the area can be served by the existing service utility.

Mr. COTTON. That is not exactly correct, as I understand. If a community in the present service area, which was served on July 1, 1957, starts to grow and expands over a county line, and that county line is not the county line of one of the counties included in the previous amendment offered by the Senator from New Hampshire, it will be possible to render service in the area around the edge of the present service area. Around the perimeter there are several thousand square miles of territory with respect to which there is no opportunity to expand further in the service area. It is only in those parts of the present service area, where no additional expansion is allowed under the previous amendment, that service could be rendered for a distance of not to exceed 5 miles.

Mr. CASE of South Dakota. In the area on the fringe of the community, no new utility is required.

Mr. COTTON. The Senator is exactly correct.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. COTTON. I yield.

Mr. BUSH. Can the Senator tell me whether the substitute which he has offered in lieu of his previous amendment would accomplish substantially what he set out to do by the previous amendment?

Mr. COTTON. I believe this amendment is satisfactory, because I believe it would not lead to any material expansion of the area lines established by my previous amendment.

Mr. BUSH. As I understand, this amendment has the same purpose as the amendment previously offered.

Mr. COTTON. That is correct; and it could not possibly interfere with any other utilities serving the public, because it would involve only those communities on the perimeter which, on July 1, 1957, were receiving TVA power.

Mr. STENNIS. Mr. President, will the Senator yield for a question?

Mr. COTTON. I yield.

Mr. STENNIS. The Senator stated that this amendment would come immediately after the word "plants" on page 2, line 24. I believe, for the information of those who will write up the bill, that it should be pointed out that it will not come after the word "plants," but will come after the amendment previously offered by the Senator from New Hampshire and accepted by the Senate. I understand that the Senator from New Hampshire had already covered that point, but the Senator from Mississippi did not hear his explanation.

Mr. COTTON. The situation is not quite clear to me. My previous amendment would have struck out all after the word "plants" in line 24 on page 2, up to and including the word "approval" on page 3, line 7.

Mr. HILL. Mr. President, will the Senator yield?

Mr. COTTON. I yield.

Mr. HILL. But the Senator accepted the amendment of the Senator from Mississippi.

Mr. COTTON. Yes.

Mr. HILL. So that language is in the bill, after the comma following the word "plants" in line 24 on page 2, and the Senator's present amendment would follow that amendment, as amended by the amendment of the Senator from Mississippi, or as modified by the Senator from New Hampshire at the suggestion of the Senator from Mississippi.

Mr. COTTON. The Senator is correct.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. COTTON. I yield.

Mr. STENNIS. As I understand the Senator's amendment, if county A has a community or municipality now being served by the Tennessee Valley Authority power, and if, by growth and expansion, it extends over into county B, let us say, for 5 miles, and county B is outside the perimeter established by the previous amendment, nevertheless, that 5-mile area in county B could be served by the TVA. Is that correct?

Mr. COTTON. That is correct, because if county A was receiving power from the TVA on July 1, 1957, if it is located in that part of the service area where it could expand and still be within the perimeter provided by the previous amendment, it would not need this amendment. It would receive power anyway. However, if it is located on the perimeter where there is no further space under the previous amendment, it can expand for a distance of 5 miles and still receive power.

Mr. STENNIS. As to those areas and counties, the Senator's amendment is not intended to limit the language which precedes it in the bill.

Mr. COTTON. That is correct.

Mr. STENNIS. It is in addition to the perimeter and lines previously laid down by the Cotton amendment.

Mr. COTTON. It does not affect the lines previously laid down, but in certain instances it would provide additional service.

Mr. STENNIS. And it does not detract from the lines formerly laid down.

Mr. COTTON. The Senator is correct.

Mr. MORSE. Mr. President, will the Senator from California yield 5 minutes to me?

Mr. KNOWLAND. I yield 5 minutes to the Senator from Oregon.

Mr. MORSE. Mr. President, I wish to make a brief statement of my attitude with respect to amending the bill. I have been in doubt with respect to many of the amendments, and when in doubt I always vote "nay." I wish to have the RECORD show my attitude in regard to the tendency to amend the bill.

It is one of the great ironies of our time that the TVA, the most successful experiment in resource development on a river-basin plan is admired and emulated throughout the world, but is now under attack by the political administration in the country of its origin.

TVA has transformed an underdeveloped area into a far more prosperous region. Flood ravages have been reduced and savings effected which almost equal the cost of the flood-control investment. Low-cost power from TVA has made possible vast new private undertakings in what was an area lacking industry. Conservation and reforestation have improved and regularized water flow and water supply and stopped the loss of irreplaceable soil. Fertilizer production has helped avert the exhaustion of soil and increased farm efficiency at low cost.

Despite these magnificent achievements, this administration has since 1953 followed a course of action which has prevented TVA from expanding to meet the growth needs of the area it serves. The infamous Dixon-Yates deal was only one part of the administration attack on TVA and the price and service yardstick it provides in the area ringing its own direct-service area.

One excuse has been that new TVA electric generating is to be provided by steam plants because hydroelectric resources are fully developed. Yet the beauty of TVA is that it can provide new power generation by the coordination of water and steam generation at the lowest possible cost. Steam plants are and can be integral parts of the region's hydroelectric system.

Supporters of TVA have been forced by the Eisenhower starvation program to propose a self-financing plan. The administration has tried to convert even this approach so that it will not be effective in maintaining the TVA-yardstick principle. If the administration insists that major expansion of generating capacity be financed by the system itself and not by appropriations, then the self-financing plan must be flexible enough to be operated at maximum efficiency and lowest cost. As a governmental agency TVA must, of course, remain subject to Congressional supervision. But if the new financing method is to live up to its name of self-financing, Congressional interference must be kept to a minimum.

Bond financing will be more expensive than appropriation financing. Additional interest costs can be offset in part by efficient programing and the elimination of construction delays. This makes it essential that TVA itself have the greatest possible leeway in the handling of bond issues. Unless it has such leeway TVA will be doubly hampered by the disadvantages of both the appropriation controls of Congress and executive agencies and the bonding method without the advantages of either.

The bill as reported is satisfactory to the Senators from the TVA area, whose lead I follow in legislation relating to their great system. The senior Senator from Alabama was the House father of TVA. His colleague has always worked hard for it. The senior Senator from Tennessee was TVA's great champion and defender in the Dixon-Yates battle

and investigation. His colleague has worked hard in formulating the pending bill in committee. It is satisfactory to other area representatives who have championed TVA.

In connection with the pending bill, the Senator from Oklahoma [Mr. KERR], chairman of the subcommittee which considered the bill, has done a grand job of leadership. The prospect of a self-financing bill has been used by the administration as an excuse for not requesting appropriations for sorely needed generating capacity. The bill must not be amended to continue the administration's vendetta against TVA.

In this case I shall support the leaders and defenders of TVA. The bonding plan is far from perfect and not necessarily a pattern for other areas. The Senators from Alabama and Tennessee and the senior Senator from Kentucky seem reasonably satisfied with the bill. The American people support TVA and its proven worth in the development of resources which belong to the Nation.

Let us not bow to the crippling amendments on financing and limitation of TVA's service area. I am against amendments to do indirectly what the Dixon-Yates deal was designed to do directly.

I congratulate the Senators from the Tennessee Valley who have done so much to make the best of a bad situation.

Sometimes it is necessary to make what is considered to be the best compromise it is possible to make in order to avoid a bad situation.

So far as I am concerned, unless more proof is presented to me than has been up to this point, I intend to vote against the amendments.

FOREIGN AID

Mr. JOHNSON of Texas. Mr. President, I yield 2 minutes on the bill to the Senator from Louisiana.

Mr. ELLENDER. Mr. President, I wish to make it absolutely clear that I am still unalterably opposed to the mutual security bill in its present form. The fact that it is now before us in a so-called compromise version makes no difference.

In a sense, it might be said that the bill has been improved because it has less money in it than the Senate version. But the House version would have been even more of an improvement, and the only improvement I could accept would be to get rid of the program altogether.

The American people are rightly incensed by this program that goes on forever and forever. Each year, we are sent some new gimmick. Each year we are told that the new approach promises to put an end to foreign aid within the foreseeable future.

There are some features of mutual security that I could support. I believe in technical assistance. But I do not believe in using such worthwhile features in order to cover up the squandering of taxpayer's funds all over the world.

I intend to oppose this bill with all the strength at my command. I feel it is the simple duty I owe my constituents.

In closing, I wish to suggest to the distinguished majority and minority leaders that I have been very much occupied during the past few days in the Committee on Appropriations, and I shall expect advance notice before the conference report is brought up in the Senate.

Mr. SYMINGTON. Mr. President, will the able Senator from Louisiana yield?

Mr. ELLENDER. I yield, if I have the time.

Mr. SYMINGTON. I ask my colleague from Louisiana this question: Inasmuch as only last May the President of the United States told the American people on television that any further reduction in his military budget for our defense forces would be foolhardy and against the security of the United States; and inasmuch as the President added that he knew this was true because he had had previous unfortunate experience with excessive defense budget cuts; inasmuch as since then, at the urging of this administration, the Congress has cut several billion dollars from the defense budget, and as a result the heads of our own defense forces have stated they do not have enough money to operate properly our own airplanes and train our own youth, does not the distinguished Senator from Louisiana agree that under those circumstances, it is questionable whether we should distribute vast sums of money, all over the world, to other nations for their military needs? Should not the efficiency of our own forces come first?

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ELLENDER. I agree with the Senator.

Mr. JOHNSON of Texas. I yield 1 more minute to the Senator from Louisiana.

Mr. ELLENDER. I wish to make the further statement that every department of Government has been sent a directive by the Bureau of the Budget to cut, percentagewise, as much as 25 percent of their expenditures. No such directive has been issued to cut back the foreign-aid bill, however. On the contrary, foreign aid seems to be the President's pet. It would seem to be his desire to have foreign aid appropriations as large as the House and the Senate will vote for. I would have thought that adequate training of our own people would come first.

AMENDMENT OF TENNESSEE VALLEY AUTHORITY ACT OF 1933

The Senate resumed the consideration of the bill (S. 1869) to amend the Tennessee Valley Authority Act of 1933, as amended, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendment on page 2, line 24, offered by the Senator from New Hampshire [Mr. COTTON].

The amendment was agreed to.

Mr. CASE of South Dakota. Mr. President, I send two amendments to the desk and ask that they be stated.

The PRESIDING OFFICER. The amendments will be stated.

The CHIEF CLERK. On page 1, line 6, after the word "repealed," it is proposed to insert the words "effective with the close of fiscal year June 30, 1958"; and on page 8, line 14, to strike out "1958" and insert in lieu thereof "1959."

Mr. CASE of South Dakota. To a large extent these are technical amendments. We are now in fiscal year 1958, and it is obvious that before the bill can become effective, we shall be well along in fiscal 1958. Therefore, it seems to me, after consultation with other members of the committee, that the provisions of the Government Corporation Control Act with respect to repayment should be continued through June 30, 1958; and the new repayment provisions of the bill commence with the beginning of the fiscal year 1959.

Mr. KERR. Mr. President, will the Senator yield?

Mr. CASE of South Dakota. I yield.

Mr. KERR. Mr. President, had the bill been prepared during fiscal 1958, instead of during fiscal 1957, the figures would have been as suggested by the Senator from South Dakota. Therefore, the amendments should be regarded as technical amendments and accepted.

Mr. CASE of South Dakota. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. Without objection, the question is on agreeing en bloc, to the amendments offered by the Senator from South Dakota [Mr. CASE].

The amendments were agreed to en bloc.

CIVIL RIGHTS

Mr. MORSE. Mr. President, may I have 5 minutes yielded to me on another subject?

Mr. KNOWLAND. Mr. President, I yield 5 minutes on the bill to the Senator from Oregon.

Mr. MORSE. Mr. President, I should like to call to the attention of the Senate an article which appeared in this morning's New York Times. It is written by James Reston, one of the most outstanding correspondents and columnists. He analyzes the civil-rights bill now awaiting some fate. I do not know what that fate will be, but perhaps it will die in conference or go to the President for a possible veto. Mr. Reston headlines his article "A Freedom Is Ignored."

Mr. President, I ask unanimous consent that the entire article be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A FREEDOM IS IGNORED: AN ANALYSIS OF SENATE'S THREAT TO PRESS IN SECRECY CLAUSE OF CIVIL RIGHTS BILL

(By James Reston)

WASHINGTON, August 9.—The Senate has taken much pride recently in its efforts to defend both the right to vote and the right to a jury trial.

But in its concentration on these issues it has almost wholly ignored the constitutional prohibition against Congressional infringement of the freedom of the press.

Indeed, while the civil-rights bill, as passed by the House and Senate, clearly attempts to strengthen the 14th and 15th amendments to the Constitution, it has almost certainly violated the first amendment's protection against Congressional censorship.

This was done when the House Judiciary Committee, on the motion of Representative FRANCES E. WALTER, Democrat, of Pennsylvania, inserted a clause in the administration's bill subjecting reporters to a $1,000 fine or a year in jail if they published testimony taken in private by the proposed Civil Rights Commission without the consent of the Commission.

This amendment went through both the House and Senate almost by accident. The purpose of it was never explained. The need for it was never debated. And while one or two Senators mentioned it after it had been spotted by the press, this was done only after the time had passed for deletion.

CONSENT IS REQUIRED

Thus, though the first amendment to the Constitution expressly forbids the Congress to pass any law "abridging the freedom of speech or of the press," subsection G of section 102 of the bill as passed by both Houses now states:

"No evidence or testimony taken in executive session may be released or used in public sessions without the consent of the Commission.

"Whoever releases or uses in public without the consent of the Commission evidence or testimony taken in executive session shall be fined not more than $1,000, or imprisoned for not more than 1 year."

In an effort to avoid the embarrassment of passing such a clause without even debating it, the Senate has acquiesced in an argument by Senator JACOB K. JAVITS, Republican, of New York, that the Congress intended this to apply, not to reporters but only to officials of the Civil Rights Commission.

It is true that the rules governing committees of the two Houses of Congress often use precisely this language prohibiting committee officials to "release or use" secret testimony, and this may very well have been the intent of Representative WALTER.

LANGUAGE AMBIGUOUS

Nevertheless, the language is generally regarded here as being ambiguous in the extreme, for if a reporter publishes information taken in executive session by the Civil Rights Commission without the Commission's "consent," he clearly "uses in public" this information, and thus can be consigned to the pokey for a year.

What happens after almost all secret sessions of presidential or legislative commissions is well known, reporters hang around the closed doors. They spot friends and relatives of witnesses inside. They buttonhole the witnesses when they come out, and by a variety of methods, including appeals to man's weakness for getting his name in the papers, wrangle out of said witnesses what went on inside.

This process has gone on ever since the first corridor was erected in these parts, usually with the cooperation of the distinguished gentlemen who sit in the Congress, and often to the enlightenment of the public at large. But now the Congressmen, in a moment of inattention, are saying that, if practiced outside the Civil Rights Commission door, it may cost the reporters $1,000.

Entirely aside from the fact that few reporters in Washington have $1,000, the general feeling here is that this is a curious thing to do in the name of civil rights, and that some way ought to be found to strike it out.

NO CURE FIGURED OUT

The difficulty, however, is that nobody has yet figured out how to do it, even though most Senators and Congressmen concede when it is pointed out to them, that they did not know it was in the bill.

What those two strategists from Texas, LYNDON B. JOHNSON, majority Senate leader, and SAM RAYBURN, House Speaker, are trying to arrange is for the House Rules Committee to agree to the Senate bill as passed, warts and all.

They do not like warts any more than a lot of others, but they fear that once any effort is made to amend the Senate bill, a whole flood of amendments will follow, opening the entire wrangle once more.

Nevertheless, an effort will be made to get an exception in this case. Senators and Congressmen are constantly charging the executive branch with a tendency toward censorship. Consequently, they are embarrassed to find that in this instance they have, in a fit of absentmindedness, almost done it themselves.

Mr. MORSE. Mr. President, Mr. Reston expresses great concern that the bill violates the first amendment to the Constitution. That amendment contains the great principle of liberty with respect to protection from the abridgment of the freedom of speech and freedom of the press. He points out in the article that Representative WALTER, of Pennsylvania, when the bill was on the House side, succeeded in having included in it some language which Mr. Reston believes involves an infringement of the freedom of the press.

I am inclined to believe that Mr. Reston is unduly concerned, because of the well established rule of law that if a criminal statute is ambiguous, and it is not perfectly clear from a reading of it what the offense is, and what the penalty therefor shall be, the courts rather consistently have held the statute not to be enforceable. However, I think that Mr. Reston does a masterful job in his article in pointing out the errors in the way the Senate handled the civil-rights bill. I should like to have the attention of the majority and minority leaders on this point.

It is just this kind of a question raised by Mr. Reston which, I think, calls for very careful committee consideration and for witnesses to be brought before a committee, in order that a very careful analysis may be made of a bill.

In my opinion, one of the greatest mistakes made procedurewise by the Senate in recent years was by putting the civil rights bill directly on the Senate Calendar. The question which Mr. Reston raises, about which he expresses the fear that we have even endangered freedom of the press by the bill, could certainly have been avoided, because I cannot imagine a Senate committee failing to modify or strike the language in the bill which Mr. Reston discusses and objects to in his article.

As Mr. Reston points out, it is very difficult to square the language of the bill with the first amendment to the Constitution, the freedom of the press amendment.

Of course, it is not new for a liberal to be standing in the Senate, seeking to defend the basic rights of the Bill of Rights, such as the freedom of the press. Although I disagreed with the majority leader in the course of action he followed with respect to the civil-rights bill once the bill was placed on the Senate Calendar, I appreciated the fact that he joined with me in trying to keep it off the Senate Calendar until we had the benefit of at least a committee report on the bill. I regretted that the minority leader did not join us in our attempt to refer the bill to committee under instructions.

I may be thought to be facetious about this, but I am in dead earnest when I say there is grave doubt about the bill as Mr. Reston points out in respect to its possible invasions of basic rights of the bill of rights. Mr. Reston is not the only newspaperman who is concerned about the objectionable language in the civil-rights bill. But how are we going to get it out. By what procedure can we get it out? Both the House and the Senate have agreed on it. I suppose that in conference the bill can be completely rewritten but I doubt if it will be.

The PRESIDING OFFICER. The time of the Senator from Oregon has expired.

Mr. MORSE. May I have 1 more minute?

Mr. KNOWLAND. One minute.

Mr. MORSE. The fact is that we made a great mistake in putting the bill on the Senate Calendar without committee consideration and a committee report. It would have been better to have had the bill referred to a committee, where the questionable language objected to by Mr. Reston could have been eliminated.

Mr. ERVIN. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. ERVIN. I wish to make an observation which sustains the position of the Senator from Oregon with reference to the procedure which was followed. I had drawn an amendment which would have stricken out that very section. I would have offered it if the committee had considered the bill.

Mr. MORSE. One would expect the Senator from North Carolina, great lawyer that he is to have done exactly that. He proves my point that the bill should have gone to the Senate Judiciary Committee.

I have a little advice for the President: Veto the bill, if you get the chance. Call us back in November for a special session, and we will write a good civil-rights bill as it ought to be written and send it to committee under instructions to report back to the Senate within a reasonable specified time.

AMENDMENT OF TENNESSEE VALLEY AUTHORITY ACT OF 1933

The Senate resumed the consideration of the bill (S. 1869) to amend the Tennessee Valley Authority Act of 1933, as amended, and for other purposes.

Mr. MARTIN of Pennsylvania. Mr. President, as an amendment in the nature of a substitute for the pending bill, I wish to offer my bill (S. 2145). I ask unanimous consent, because it is not my intention to press the amendment in the nature of a substitute for a vote, that the amendment not be read in full.

The PRESIDING OFFICER. Without objection, the amendment will be printed in the RECORD, but not read.

The amendment (Senate bill 2145) offered by Mr. MARTIN of Pennsylvania in the nature of a substitute for S. 1869 is as follows:

Be it enacted, etc., That (a) the Tennessee Valley Authority (Corporation) is authorized to issue, sell and refund bonds, notes, and other evidences of indebtedness (hereinafter collectively referred to as "bonds") to assist in financing its power program in an aggregate amount not to exceed $750 million outstanding at any one time. The Corporation may, in performing functions authorized by this Act, use the proceeds of the bonds authorized by this section, for the construction, acquisition, enlargement, improvement, or replacement of any plant or other facility used or to be used for the generation or transmission of electric power (including the portion of any multiple-purpose structure used or to be used for power generation) as may be required in connection with the lease, lease-purchase, or any contract for the power output of any such plant or other facility, and for other purposes incidental thereto. No such bonds shall be issued or sold, nor the proceeds thereof or any other funds of the Corporation be used except as necessary for such of the foregoing purposes as may be approved by the Congress in connection with its consideration of the Corporation's budget programs transmitted by the President pursuant to the provisions of the Government Control Act as amended (31 U. S. C. 841–871). The Corporation is authorized to enter into binding covenants with the purchasers of said bonds—and with the trustee, if any—under any indenture, resolution, or other agreement entered into in connection with the issuance thereof (any such agreement being hereinafter referred to as a "bond contract") with respect to the establishment of interest rates, reserve funds and other funds, provisions for insurance, application and use of power proceeds, restriction upon the subsequent issuance of bonds, or the execution of leases or lease-purchase agreements relating to power and such other matters, not inconsistent with this Act, as the Corporation may deem necessary or desirable to enhance the marketability of said bonds.

(b) The Corporation shall consult with the Secretary of the Treasury with respect to the dates of issuance and maturity (including the date of any recall) and the terms and conditions of bonds issued under the authority of this section in order that the financing activities of the Corporation will not conflict with or hamper those of the Department of the Treasury. At least 60 days prior to the issuance or recall of any such bonds the Corporation shall notify the Secretary of the Treasury of the date of such issuance (and the maturity date of the bonds to be issued) or the date of such recall, and the Secretary of the Treasury may postpone any such date not more than 90 days.

(c) Bonds issued by the Corporation hereunder shall not be obligations of, nor shall payment of the principal thereof or interest thereon be guaranteed by, the United States. Interest upon or any income from any such bonds and gain from the sale or other disposition of such bonds shall not have any exemption, as such, and loss from the sale or other disposition of such bonds shall not have any special treatment, as such, under the Internal Revenue Code, or laws amendatory or supplementary thereto. Proceeds realized by the Corporation from issuance of such bonds and from power operations and the expenditure of such proceeds shall not be subject to apportionment under the provisions of Revised Statutes 3679, as amended (31 U. S. C. 665), and such proceeds and bonds shall not be included in computations of receipts, expenditures, surpluses, or deficits in the budget prepared annually pursuant to section 201 of the act of June 10, 1921, as amended (31 U. S. C. 11).

(d) Bonds issued by the Corporation under this section shall be negotiable instruments unless otherwise specified therein, shall be in such forms and denominations, shall be sold at such times and in such amounts, shall mature at such time or times not more than 50 years from their respective dates, shall be sold at such prices, shall bear such rates of interest, may be redeemable before maturity at the option of the Corporation in such manner and at such times and redemption premiums, may be entitled to such relative priorities of claim on the Corporation's power proceeds with respect to principal and interest payments, and shall be subject to such other terms and conditions, as the Corporation may determine. The Corporation may sell such bonds by negotiation or on the basis of competitive bids, subject to the right, if reserved, to reject all bids; may designate trustees, registrars, and paying agents in connection with said bonds and the issuance thereof; may arrange for audits of its accounts and for reports concerning its financial condition and operations by commercial accounting firms (which audits and reports shall be in addition to those required by sections 105 and 106 of the Act of December 6, 1945 (59 Stat. 599; 31 U. S. C. 850–851), may, notwithstanding the provisions of sections 302 and 303 of the Act of December 6, 1945, as amended (59 Stat. 601–602, 70 Stat. 667; 31 U. S. C. 867–868), or any other law, but subject to any covenants contained in any bond contract, temporarily invest the proceeds of any bonds and other funds under its control which derive from or pertain to its power program in any securities approved for investment of national bank funds and deposit said proceeds and other funds, subject to withdrawal by check or otherwise, in any Federal Reserve bank or bank having membership in the Federal Reserve System; and may perform such other acts not prohibited by law as it deems necessary or desirable to accomplish the purposes of this section. Bonds issued by the Corporation hereunder shall contain a recital that they are issued pursuant to this section, and such recital shall be conclusive evidence of the regularity of the issuance and sale of such bonds and of their validity. The annual report of the Board filed pursuant to section 9 of this Act shall contain a detailed statement of the operation of the provisions of this section during the year.

(e) Bonds issued by the Corporation hereunder shall be lawful investments and may be accepted as security for all fiduciary, trust, and public funds, the investment or deposit of which shall be under the authority or control of any officer or agency of the United States.

SEC. 2. All rates or charges made, demanded, or received by the Corporation for or in connection with the production, distribution, or sale of electric energy and all classifications, rules, regulations, practices, and contracts of the Corporation affecting any such rate or charge shall be just and reasonable, shall not be unduly or unreasonably discriminatory and shall be subject to the jurisdiction of the Federal Power Commission. The Federal Power Commission is authorized and directed, upon appropriate notice to the Corporation and to all persons who purchase electric energy directly from the Corporation and after opportunity for hearing, to make, fix, and determine all such rates, charges, classifications, rules, regulations, practices, and contracts as of the beginning of business on or before July 1, 1959.

SEC. 3. After the determination by the Federal Power Commission, as specified in section 2 hereof, it shall be unlawful for the Corporation, except as authorized by the Federal Power Commission, to make, demand, or receive any rate or charge or to apply or observe any classification, rule, regulation, practice, or contract, for or in connection with the sale of electric energy.

SEC. 4. All action taken and proceedings had in connection with the determination by the Federal Power Commission of any such rates, charges, classifications, rules, regulations, practices, or contracts of the Corporation shall be taken and had as if the Corporation were a "public utility" as that term is defined in section 201 of the Federal Power Act (16 U. S. C. 824). The provisions of sections 205 (rates and charges; schedules; suspension of new rates), 206 (fixing rates and charges, determination of cost of production or transmission) and 208 (ascertainment of cost of property) of the Federal Power Act (16 U. S. C. 824d, 824e and 824g) are hereby made applicable to the determination by the Federal Power Commission of any such rates, charges, classifications, rules, regulations, practices, or contracts of the Corporation. In its investigation and ascertainment of the actual legitimate cost of the property of the Corporation used and useful in the production, distribution or sale of electric energy, the Federal Power Commission shall determine and include all costs incurred on behalf of the Corporation by any other agency or department of the United States.

SEC. 5. In determining the justness and reasonableness of any rate or charge, the Federal Power Commission shall take into account all costs or expenses properly assignable to the cost of producing, distributing, and selling electric energy (including costs applicable to multiple-purpose properties allocated to power and all costs or expenses paid or incurred by any other agency or department of the United States in behalf of the Corporation) including (a) all operating, maintenance, and administrative expenses, (b) provision for depreciation, (c) State and local taxes as hereinafter provided for in section 8, (d) allowance in lieu of Federal income taxes as hereinafter provided for in section 6, and (e) a reasonable return on the actual legitimate cost of the property of the Corporation, used and useful in the production, distribution or sale of electric energy to provide for (i) debt service on all outstanding bonds, (ii) interest on the Government investment as provided for in section 6 hereof, and (iii) a reasonable margin of retained earnings for investment in power system assets, retirement of outstanding bonds in advance of maturity and as may be otherwise required by the Corporation in connection with its power business, having due regard for the primary objectives of the act.

SEC. 6. The corporation for each fiscal year beginning July 1, 1959, shall pay into the Treasury of the United States (1) amortization amounts to repay over a 40-year period the Government investment in the Corporation's power business, (2) interest payments on such Government investment, and (3) amounts, as determined by the Federal Power Commission, equal to the Federal income taxes that are foregone by the Treasury of the United States by reason of the electric utility system of the Corporation not being owned and operated by a conventionally financed taxpaying electric utility enterprise. All such payments shall be made into the Treasury of the United States as miscellaneous receipts on or before June 30 of each fiscal year. The said Government investment shall consist, in any fiscal year, of the average of the beginning and end of such fiscal year of that part of the Corporation's total investment assigned to power (including both completed plant and construction in progress) which has been provided from appropriations, by transfers of property from other Government agencies without reimbursement by the Corporation, and from accumulated net income from power operations of the Corporation, less the total

of (1) repayments of the appropriation investment made under the fourth and fifth paragraphs of the subtitle "Independent Agencies and Corporations" in title II of the Government Corporations Appropriation Act, 1948, or other applicable law, and (ii) the repayments of amortization amounts made under the provisions of subsection (1) of this section. The rate of the interest payment in each fiscal year under subsection (2) of this section shall be the computed average interest rate of the outstanding publicly held bonds of the Corporation; payments due under such subsection may be deferred for not more than 2 years when, in the judgment of the Corporation, such payments cannot feasibly be made because of inadequacy of funds occasioned by drought, poor business conditions, emergency replacements, or other factors beyond the control of the Corporation.

SEC. 7. Notwithstanding section 26 of the Tennessee Valley Authority Act, as amended, none of the power revenues of the Corporation shall be used for the construction of any power producing units, installations, or projects (except for replacement purposes) except as may be made available by the Congress after consideration of budget programs transmitted by the President, pursuant to the Government Corporation Control Act, as amended.

SEC. 8. The properties of the Corporation used and useful in the production, distribution, and sale of electric energy and all securities issued in connection therewith shall be subject to taxation by the States in which the Corporation operates and by their political subdivisions in the same manner as for any other citizen but, in no event, may any discriminatory tax be levied against the Corporation, its properties or securities.

SEC. 9. The Corporation shall make, keep, and preserve for such periods such accounts, records of cost-accounting procedures, correspondence, memorandums, papers, books, and other records as the Federal Power Commission may by rules and regulations prescribe as necessary or appropriate for purposes of the administration of this act, including accounts, records, and memorandums relating to the depreciation of property, the generation, transmission, distribution, delivery, or sale of electric energy, the furnishing of services or facilities in connection therewith, and receipts and expenditures with respect to any of the foregoing. In prescribing such rules and regulations, the Federal Power Commission shall, insofar as practicable, establish requirements which are the same as apply to a "public utility" as that term is defined in section 201 of the Federal Power Act (16 U. S. C. 824).

SEC. 10. That paragraph (1) of section 5 of the Tennessee Valley Authority Act (16 U. S. C. 831d (1)) is amended by adding at the end thereof: *"Provided, however,* That as of the beginning of business on the first day of the calendar month in which this act shall become effective, the Corporation shall not (except as may subsequently be specifically authorized by law after the Corporation has submitted to the Congress and the Bureau of the Budget a request for such authorization), make any sales of electric energy except (a) sales to customers purchasing such energy for use for distribution only within the service area of the Corporation, by which is meant the area regularly served during the month of February 1957 with electric power generated by the Corporation, and (b) sales to, or exhanges of electric energy with, any electric utility system having generating capacity sufficient to supply substantially all of its own power requirements and distributing electric energy in areas adjacent to such service areas of the Corporation, but such sales or exchanges shall be made only to the extent necessary to the economic and efficient operation of the facilities of the Corporation."

SEC. 11. Section 10 of the Tennessee Valley Authority Act (16 U. S. C. 831i) is amended by deleting therefrom that portion which reads as follows: *"Provided further,* That the Board is authorized to include in any contract for the sale of power such terms and conditions, including resale rate schedules, and to provide for such rules and regulations as in its judgment may be necessary or desirable for carrying out the purposes of this chapter, and in case the purchaser shall fail to comply with any such terms and conditions, or violate any such rules and regulations, said contract may provide that it shall be voidable at the election of the Board:"; and is further amended by adding at the end thereof the following: *"And provided further,* That all such contracts so made by the Board shall be subject to the jurisdiction of the Federal Power Commission to the same extent as if the Corporation were a 'public utility' as that term is defined in section 201 of the Federal Power Act (16 U. S. C. 824); that no preference granted pursuant to the provisions of this section 10 shall be unduly or unreasonably discriminatory and that, in any event, no purchaser of electric energy sold by the Corporation, other than States, counties, municipalities, and cooperative organizations of citizens or farmers, not organized for profit, but primarily for the purpose of supplying electricity to its own citizens or members, shall be preferred by the Corporation in any way, and that any contract between such a purchaser and the Corporation whereby such purchaser is enabled to acquire electricity at an annual rate per kilowatt-hour lower than the highest annual rate per kilowatt-hour charged by the Corporation to any department or agency of the United States under similar conditions of delivery shall be void."

SEC. 12. That section 29 of the Tennessee Valley Authority Act (16 U. S. C. 831bb) is amended by adding at the end thereof the following: *"Provided, however,* That any revision of rates, charges, classifications, or conditions of service ordered by the Federal Power Commission pursuant to the jurisdiction conferred by this act shall not be deemed to impair the obligation of any contract for the sale of electric energy made by the Corporation, since all such contracts are made subject to the exercise of the inherent power of the Congress to cause any such revision to be effected."

SEC. 13. Paragraph seventh of section 5136 of the Revised Statutes, as amended (12 U. S. C. 24), is amended by inserting after "obligations of the Federal National Mortgage Association," the following: "or bonds, notes, and other obligations of the Tennessee Valley Authority."

SEC. 14. That sections 1, 2, 3, 4, 5, 6, 7, 8, and 9 of this Act are added to the Tennessee Valley Act of 1933 (16 U. S. C. 831 and the following) as sections 32, 33, 34, 35, 36, 37, 38, 39, and 40 thereof.

SEC. 15. The last three paragraphs under the subtitle "Independent Agencies and Corporations" in title II of the Government Corporations Appropriation Act, 1948 (61 Stat. 577), are hereby repealed.

SEC. 16. All Acts or parts of Acts in conflict with this amendatory Act are hereby repealed.

Mr. MARTIN of Pennsylvania. Mr. President, I should like to make a brief explanation of the amendment in the nature of a substitute which I have offered. It is the intention of some Senators between now and January 1, to prepare a bill having the purpose of taking out of the hands of the United States various projects such as the TVA, so that they may be financed locally. Then we may be able to apply the proceeds of their sale to the reduction of the public debt.

It will be absolutely impossible to figure on tax cuts in the near future unless we can keep the budget in balance; and in view of some happenings in the last few days, I am afraid we will not have much of a chance to do that, because it is doubtful if we have cut the President's budget as much as we had anticipated we would. Unless there is a substantial balance in the Treasury, there is no way for us to cut the budget.

So I shall explain what I have in mind by offering my bill as an amendment in the nature of a substitute.

It would authorize the TVA to sell $750 million in bonds to finance new construction, with the restriction that the bond proceeds shall be used as directed by Congress.

The terms and conditions of the bonds issued would be subject to review by the Treasury Department.

The bonds would not be obligations of the Federal Government.

The terms of the bonds would be for not more than 50 years, and they could be sold by negotiation or competitive bid.

The bonds would be lawful instruments, and would be acceptable as security for fiduciary and public funds of the Federal Government.

The TVA would be required to charge just and reasonable rates, as determined by the Federal Power Commission; and TVA would be subject to FPC regulation.

In determining just and reasonable rates, the Federal Power Commission would take into account operation, maintenance, administrative costs, depreciation, payment of State and local taxes, Federal income taxes, and a reasonable return on the appropriation investment, including the accumulated net income.

Yearly payments would be made into the Treasury to repay the Government investment.

The amendment would prohibit the use of power revenues, except as approved by Congress.

It would subject the TVA to taxation on the same basis as other enterprise.

It would limit the TVA's service area to that served as of February, 1957.

Mr. President, I ask unanimous consent to have printed at this point in my remarks a statement which I made and which appears on page 108 of the hearings on the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR EDWARD MARTIN, OF PENNSYLVANIA, UPON INTRODUCTION OF A BILL TO FINANCE TVA

A bill requiring the Tennessee Valley Authority to pay interest on the Federal investment in its power facilities, to pay Federal income taxes on its earnings as well as State and local taxes and to place its rates under regulation by the Federal Power Commission was introduced in the Senate today by Senator MARTIN, Republican, of Pennsylvania.

The bill would authorize TVA to finance future expansion, as approved by Congress, by the issuance of revenue bonds, not to exceed $750 million outstanding at any one time. It would also limit TVA to its present service area.

In explaining the purposes of the bill Senator MARTIN contended that the power business of TVA has advanced to a position where it no longer needs a subsidy from the taxpayers of the United States for its successful

operation. He asserted that one of the principal objectives of his bill is to place TVA on an equal footing with other business enterprises, subject to the same rules that Congress makes and enforces for private business, without any preferential treatment.

The Pennsylvania Senator placed in the CONGRESSIONAL RECORD a tabulation showing the proportionate share borne by each State of the funds appropriated and property transferred to TVA from its beginning in 1934 through 1956. The total, he pointed out, is nearly $2 billion of which, he said:

"The people of my State, Pennsylvania, have furnished over $147 million—almost six times as much as Tennessee's less than $25 million." Senator MARTIN suggested that each member of the Senate would be interested to see the share which the people of his State have contributed.

Addressing the Senate, Senator MARTIN said the most serious situation confronting the American people is "the astronomical size of the Federal budget and the unbearable burden of taxes necessary to support it."

"I am convinced," he continued, "that the only way the tremendous burden of taxes now carried by our people can be lightened and the budget reduced with safety to our national security, is to take up the various spending agencies, one by one, and examine their every aspect with care and good judgment. The purpose of this study should be to devise ways and means of getting these activities off the backs of the taxpayers, and at the same time advance the worthy purposes of the agencies.

"In like manner the various sources of tax and other revenues of the Treasury should be examined with equal care and good judgment. We should see to it that taxes are levied equitably and that revenues from business and quasi-business operations conducted by various agencies of the Federal Government are adequate to cover all the costs incurred.

"We have had, and still have, before the Congress an example of a Federal undertaking that should be examined in the manner I have described to see what adjustments can be made for the benefit of both the taxpayers and the section of the country directly affected by the agency.

"I am speaking about the Tennessee Valley Authority.

"The problem of financing the continued expansion of TVA's electric operation assumes alarming proportions when viewed against a backdrop of Congressional appropriations and transfers of property over the years, now aggregating nearly $2 billion. An extensive construction program, reaching indefinitely into the future, threatens to use up more and more funds supplied by our citizens everywhere by way of the Federal tax route.

"Today, with the urgent budget situation confronting us, it is even more essential to resolve the problem in the best interest of all of our citizens.

"Let me hasten to point out that this does not mean that TVA is to be done away with or that I am here advocating such a step. But it does seem to me that we must all agree that TVA as it stands today has developed far beyond and in many respects has become quite a different undertaking than what was originally contemplated when the TVA Act was passed almost a quarter century ago. I think, too, that we must give practical consideration to the facts as they presently exist and find a sound and realistic solution to the problem of supplying the power needs of the TVA area—in terms of adequate service to the people within the TVA area as it now stands; in terms of necessary facilities to provide such service, and in terms of financing the required facilities by appropriate measures under Congressional control so as to take care of fairly the beneficiaries of TVA service and, at the same time, to protect fully the taxpayers of the country.

"Any bill affecting TVA should continue and strengthen the control of the Congress over this vast business undertaking; not lessen or surrender it. The people of this country have every right to expect the Congress to safeguard their interests in this matter.

"Customers of TVA should contribute, through their bills for electric service, their fair share of taxes, not only at the State and local level but at the Federal level as well. To the extent that, as part of the business operations of the Nation, TVA escapes contributing its fair share, its customers are being subsidized, and the taxpayers of the country are making up the deficiency in addition to their proper share.

"Another serious defect in the TVA Act as it now stands has become increasingly apparent in recent years. Under the act, the Authority is not required to pay interest on any part of the investment of Federal funds in the TVA project.

"In my judgment, there should be a study of the rates, contracts, and allocations of TVA, and the responsibility should be placed in the Federal Power Commission. The Commission is qualified. It is the only agency of the Federal Government having complete and continuing records and information, from which sound conclusions can be reached consistent with the directives of Congress.

"For the reasons I have just outlined, I have prepared a bill which will take the TVA off of the backs of the taxpayers, and provide a means by which the future power needs of the area can be fully met without undue burdens being imposed on local power users. This bill would—

"1. Strengthen the control of the Congress over TVA and its operations;

"2. Limit the TVA to its present service area;

"3. Bring badly needed revenues to the United States Treasury and to local taxing bodies;

"4. Protect the interest which the Federal taxpayers now have in the undertaking;

"5. Remove TVA from the political arena;

"6. Permit TVA, under strict regulations by the Congress to issue bonds to provide new facilities, thus giving to the TVA area an assured means of carrying out needed expansion programs without appropriations by the Congress;

"7. Leave TVA in an extremely favorable competitive position;

"8. Give to TVA's customers the protection of Federal Power Commission regulation;

"9. Take an important and constructive step toward meeting the present critical budget and tax situation that confronts us."

Proportionate share of States in TVA appropriations of $1,977,500,000 (includes $45,200,000 of transfers of property from beginning) in fiscal year 1934 through fiscal year 1956

[In millions of dollars]

Alabama	$20.4
Arizona	7.7
Arkansas	11.3
California	172.8
Colorado	18.6
Connecticut	35.0
Delaware	9.1
Florida	27.9
Georgia	26.9
Idaho	5.7
Illinois	150.9
Indiana	46.5
Iowa	27.5
Kansas	21.2
Kentucky	21.6
Louisiana	22.3
Maine	8.1
Maryland	36.8
Massachusetts	66.2
Michigan	102.0
Minnesota	34.0
Mississippi	$11.1
Missouri	52.0
Montana	6.5
Nebraska	16.0
Nevada	2.8
New Hampshire	5.5
New Jersey	67.8
New Mexico	4.9
New York	394.1
North Carolina	29.7
North Dakota	5.3
Ohio	120.0
Oklahoma	21.0
Oregon	19.6
Pennsylvania	147.3
Rhode Island	10.7
South Carolina	13.6
South Dakota	5.7
Tennessee	24.7
Texas	84.0
Utah	6.7
Vermont	3.4
Virginia	29.3
Washington	31.8
West Virginia	15.6
Wisconsin	40.8
Wyoming	3.4
D. C. and possessions	29.9
Total TVA appropriations including transfers of property, fiscal year 1934 through fiscal year 1956	1,977.5

NOTE.—Proportionate shares borne by each State based on allocation of the Federal tax burden among the States and possessions as calculated by the Council of the State Chambers of Commerce and averaged for the fiscal years 1949 through 1956.

Mr. MARTIN of Pennsylvania. Mr. President, I withdraw my amendment.

The PRESIDING OFFICER. The amendment in the nature of a substitute offered by the Senator from Pennsylvania is withdrawn.

The bill is open to further amendment.

Mr. KNOWLAND. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Gore	Morton
Allott	Green	Mundt
Anderson	Hayden	Murray
Barrett	Hickenlooper	Neuberger
Beall	Hill	O'Mahoney
Bennett	Holland	Pastore
Bible	Hruska	Potter
Bricker	Humphrey	Purtell
Bush	Ives	Revercomb
Butler	Jackson	Russell
Byrd	Javits	Saltonstall
Carlson	Jenner	Schoeppel
Case, N. J.	Johnson, Tex.	Scott
Case, S. Dak.	Johnston, S. C.	Smathers
Chavez	Kefauver	Smith, Maine
Church	Kerr	Smith, N. J.
Clark	Knowland	Sparkman
Cooper	Kuchel	Stennis
Cotton	Langer	Symington
Curtis	Long	Talmadge
Dirksen	Magnuson	Thurmond
Douglas	Mansfield	Thye
Dworshak	Martin, Iowa	Watkins
Eastland	Martin, Pa.	Wiley
Ellender	McClellan	Williams
Ervin	McNamara	Yarborough
Flanders	Monroney	Young
Goldwater	Morse	

The PRESIDING OFFICER. A quorum is present.

Mr. WILLIAMS. Mr. President, I offer an amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 2, in line 4, after the word "bonds", it is proposed to strike out the period and to insert the following:

Provided, That any bonds issued by the Corporation must be included as a part of the national debt.

Mr. WILLIAMS. Mr. President, I have talked to the Senator from Tennessee about this amendment. I understand that he will not object too strenuously to it.

Mr. KERR. Mr. President, will the Senator from Delaware yield to me?

Mr. WILLIAMS. I yield.

Mr. KERR. I should like to ask a few questions. I wish to say that I shall object strenuously to the amendment, because I think the Senator from Delaware is trying, by means of the amendment, to make certain that the bill will be vetoed.

Mr. WILLIAMS. Mr. President, I shall explain the amendment.

I may say that several days ago, when the Under Secretary of the Treasury, Mr. Burgess, was testifying before the Finance Committee, he endorsed this proposal, although I do not think he was speaking from the standpoint of a spokesman for the administration.

The amendment provides that the bonds, the TVA issues, shall be counted as a part of the national debt. Why should they not be? They will be obligations of the United States Government. The fact is that the United States has in the TVA plant an investment of $1,137,000,000; and if the bill is passed, the Board of Directors of the TVA will be authorized to borrow $750 million, and, it is my understanding they can commit not only the new plants which will be constructed with the proceeds of the $750 million bond issue, but also the $1,137,000,000 investment which the Government now has in the facilities of the TVA.

If the Board of Directors of the TVA are to be given the right—without any obligation so far as the Government is concerned—to mortgage the $1,137 million plant of the TVA, to pledge all of the assets of the TVA in guaranteeing the payment of the $750 million of bonds, the bonds should be counted as a part of the national debt.

In my opinion, the bonds proposed to be issued will be obligations as solemn obligations of the Government of the United States as any bonds issued directly in the name of the United States. Certainly the Government would not allow the bonds to be forfeited, and thereby lose a plant in which $1,137 million has been invested.

Unless we can have a clear understanding otherwise these assets can be pledged.

And if these bonds are issued, I think they should be counted as a part of the debt of the National Government.

The national debt amounts approximately to $275 billion; and included in the assets of the United States Government is the $1,137,000,000 which the United States has in the past years spent in building the TVA plant. That plant has been built with borrowed money, money owed by the United States Government.

Mr. KERR. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS. I yield.

Mr. KERR. The Senator from Delaware has said the Under Secretary of the Treasury, Mr. Burgess, endorsed the Senator's proposal.

In the first place, Mr. Burgess is now the United States Ambassador to NATO.

Mr. WILLIAMS. He will be when he relinquishes his present post, although recently he has been testifying before the Finance Committee in his capacity as Under Secretary of the Treasury.

Mr. KERR. That is true. But has he not been nominated as the Ambassador of the United States to NATO?

Mr. WILLIAMS. Yes, he has. However, he is still qualified to speak on the basis of the experience he gained while he was serving in the Treasury Department, as I think the Senator from Oklahoma will agree.

Nevertheless, Mr. President, it is my personal opinion that if these bonds are to be issued, they should be counted as a part of the national debt unless we can have a clear understanding that the existing assets of the TVA are not to be pledged as collateral.

Mr. President, I yield the floor.

Mr. KERR obtained the floor.

Mr. KUCHEL. Mr. President, will the Senator from Oklahoma yield to me?

Mr. KERR. Mr. President, I shall be glad to yield to the Senator from California.

Mr. KUCHEL. Mr. President, I appreciate the courtesy of the Senator from Oklahoma, particularly because of the fact that in a few minutes I shall be called from the Chamber.

Mr. President, although in most instances I am able to agree with my friend, the Senator from Delaware, yet in the present instance I am almost shocked by the explanation he has given of his amendment.

I believe it was 2 or 3 years ago that some of us on this side of the aisle, particularly, were interested in a great, new highway program in the United States; and—in part because the administration had requested it—we were urging the Senate and the House of Representatives to pass a bill under which there would be created a new corporation which would have the right to issue revenue bonds. The point was made, and was reiterated on this floor, in connection with the debate on that subject, that one of the reasons why it was in the public interest to have that bill enacted was that those revenue bonds would not be classed as a part of the public debt. I believed that to be true then; I believed it was a sound theory with respect to the proposal the administration had sent to Congress for its consideration. I believe logic requires us to take a similar position in the present instance.

In no sense can these bonds be deemed, from either a legal or a practical standpoint, obligations of the Government of the United States. The Tennessee Valley Authority was created by the Congress. The reason why this bill has an appeal to some of us who intend to vote for it is that it permits the Tennessee Valley Authority, through the issuance of revenue bonds, to continue to meet the expanding requirements for power in its area.

Finally, Mr. President, let me say that I desire to pay my respects to the senior Senator from Oklahoma [Mr. KERR]. I am a member of the Public Works Committee. I sat in the committee under his leadership, in connection with the committee's consideration of this measure, which has been reported from the committee; and I also sat under his leadership when the committee was considering the Niagara bill, which I hope will be under consideration on the floor of the Senate in the next few days. I wish to say that the Senator from Oklahoma performed a completely unselfish chore in assuming the responsibility of leadership on this bill and also on the Niagara bill, which, as I have said, will soon be before the Senate.

So I pay my respects to the senior Senator from Oklahoma; and the action of the Senate in passing the bill later this evening—as I am sure the Senate will do—will be a tribute to the legislative ability of the distinguished senior Senator from Oklahoma.

Mr. CASE of South Dakota. Mr. President, at this point will the Senator from Oklahoma yield to me?

Mr. KERR. I yield.

Mr. CASE of South Dakota. Mr. President, I should like to join in what the Senator from California [Mr. KUCHEL] has said regarding the leadership the Senator from Oklahoma [Mr. KERR] provided in steering the bill through the hazardous course which necessarily must be taken by a bill of this type. Such a bill encounters sharp divergences of opinion, and many shadings of opinion are found.

This basic proposal is before the Congress because the President of the United States in his budget message for the fiscal year 1956—two years ago—pointed out that the Tennessee Valley Authority was giving attention to the possibilities of financing further expansion of its power system by means other than Federal appropriations. At that time the President said:

> The Authority has been requested to complete its studies in time to permit consideration by the Congress at this session of any legislation that may be necessary. It is expected that the power needs for the system will be reexamined after the Congress has had an opportunity to consider legislation to provide for future financing.

The Congress did not complete the legislation during the time following that budget message or during that year.

The committee held hearings in 1955, as well as this year.

In the President's budget message for the fiscal year 1958—the year we are now in—he again said:

> Legislation is recommended to authorize the TVA, subject to regular budgetary review, to finance new generating facilities by the sale of revenue bonds.

I do not suppose this bill, as is true of most other important pieces of proposed

legislation, meets in every particular the exact desire of everyone who had anything to do with it; but it represents a definite step forward, and it is definitely in the direction of the goal recommended by the President of the United States.

So far as the Senator from South Dakota knows, from anything that occurred during the extended hearings or the action on the bill, the Senator from California is well justified in saying the work which the Senator from Oklahoma has given is utterly unselfish. I hope the bill will be passed by an overwhelming vote.

Mr. CASE of New Jersey. Mr. President, will the Senator yield so I may ask a question of the Senator from South Dakota?

Mr. KERR. I yield for that purpose.

Mr. CASE of New Jersey. Will the Senator tell me if I am correct in thinking that there has been no disagreement among the members of the committee over the need for additional power in the area presently served by the TVA, and that the essential question is how the expansion is to be financed—by appropriations, which necessarily mean a burden on taxpayers, or by giving TVA authority to raise the necessary funds through the issuance of bonds up to an amount of $750 million?

Mr. CASE of South Dakota. I think there can be no question about that. General Vogel testified for the Tennessee Valley Authority and was definite in his statement as to the need for additional facilities within the service area of the Tennessee Valley Authority. Representatives of the Bureau of the Budget did not dispute that point. The figure of $750 million grew out of the estimates provided by representatives of the Bureau of the Budget and the Tennessee Valley Authority as to probable capital needs for meeting the requirements of the area during the next six or seven years.

Mr. CASE of New Jersey. If the Senator will yield for one more question, am I correct in assuming that in the view of the Senator from South Dakota, with the restrictions as to territorial limits of TVA, and as to the total amount of bonds that can be issued, and the opportunity for Congressional review of particular projects in addition to the normal budgetary review, the provisions of the bill would maintain a reasonable degree of control in the Government, and at the same time provide a way to meet the problem economically and efficiently?

Mr. CASE of South Dakota. I think it would. If the Tennessee Valley Authority wants to go beyond the authority of the bill, it can come to the Congress for definite approval.

Mr. CASE of New Jersey. Personally, I welcome the opportunity to relieve the general taxpayer of the burden of appropriations for expansion of TVA power capacity, and this proposal appears to me to be a reasonable and a fair way to accomplish that objective.

Mr. CHAVEZ. Mr. President, as Chairman of the Committee on Public Works, I was happy to report the bill, especially when I knew how earnestly the Senator from Oklahoma [Mr. KERR] had devoted his efforts to the bill. I was proud of the fact that he was chairman of the subcommittee. For days and days, the subcommittee held hearings. I do not know of anyone, in his economic position, who would have worked half so hard as did the Senator from Oklahoma. I am proud of the fact that he is a member of the Committee on Public Works, and I am proud of the fact that he was the one who really bore the burden of the work in preparing a bill which I think meets the needs of the TVA. I wish to join the Senator from California and the Senator from South Dakota in paying my respects to the Senator from Oklahoma.

Mr. KERR. Mr. President, I yield 5 minutes to myself.

I want to say I have agreed with much of what the Senator from California and the Senator from South Dakota and the Senator from New Mexico have said. I shall not publicly disagree with anything they have said. However, I feel it is barely possible that their kindness might become a psychological barrier in the minds of some of our colleagues when we want their minds entirely devoted to the evidence on the bill. I could not express my appreciation to them sufficiently.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. KERR. I yield to the Senator from Nebraska.

Mr. CURTIS. With regard to the bonds, once they are issued, are the physical assets of the Tennessee Valley Authority liable at all for their payment?

Mr. KERR. The Senator is correct.

Mr. CURTIS. I asked a question. I did not state a fact. Are they?

Mr. KERR. The revenues are.

Mr. CURTIS. The physical assets are liable for the payment of the bonds?

Mr. KERR. The Tennessee Valley Authority is being authorized to issue bonds. Under the amendment of the Senator from South Dakota, the Authority is required to discuss maturity dates and interest rates with the Secretary of the Treasury. The Secretary will have the responsibility of making recommendations to the Tennessee Valley Authority on those questions. The Senator from Oklahoma assumes that not only the revenue from facilities which will be built with the funds secured by the sale of the bonds, but also the revenues from facilities already built, will be security for the bonds and the interest.

Mr. CURTIS. In other words, the bonds are secured not only by the revenues but by all the assets of the TVA?

Mr. KERR. That would depend on the language of the bonds.

Mr. CURTIS. What is the intent of Congress? That is what I want to know.

Mr. KERR. The language in the bill authorizes the Tennessee Valley Authority to issue the bonds and provide the terms of the bonds, in consultation with the Secretary of the Treasury.

Mr. CURTIS. Then, the Congress is leaving it to the Executive to determine what is pledged to pay the bonds?

Mr. KERR. Under the bill, the Authority will have the right to pledge net power proceeds, as defined in the bill, as security for the bonds.

Mr. CURTIS. The language of the bill, then, is merely a direction as to procedure and accounting, and not a limitation on the security of the bonds? I refer to page 3, lines 7 to 9:

The principal of——

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. CURTIS. I should like to complete my question, if I may.

Mr. KERR. From what page is the Senator reading?

Mr. CURTIS. Page 3, lines 7 to 9, of the bill.

The principal of and interest on said bonds shall be payable solely from the Corporation's net power proceeds as hereinafter defined.

Is that a limitation on security for bonds or is that merely a direction for procedure and accounting?

Mr. BUSH. Mr. President, will the Senator yield?

Mr. KERR. If the Senator will wait a moment, I should like to read the language in the bill, so as to better answer the Senator from Nebraska.

I think the language of the bill is perfectly clear. If the Senator would like to have me do so, I shall read it.

The principal of and interest on said bonds shall be payable solely from the Corporation's net power proceeds as hereinafter defined.

Mr. CURTIS. Then the Senator's statement, made a while ago——

Mr. KERR. Let us read what follows "as hereinafter defined."

Mr. CURTIS. Very well.

Mr. KERR.—

Net power proceeds are defined for purposes of this section as the remainder of the Corporation's gross power revenues after deducting the costs of operating, maintaining, and administering its power properties (including costs applicable to that portion of its multiple-purpose properties allocated to power) and payments to States and counties in lieu of taxes but before deducting depreciation accruals or other charges representing the amortization of capital expenditures, plus the net proceeds of the sale or other disposition of any power facility or interest therein, and shall include reserve or other funds created from such sources. Notwithstanding the provisions of section 26 of this act or any other provision of law, the Corporation may pledge and use its net power proceeds for payment of the principal of and interest on said bonds, for purchase or redemption thereof, and for other purposes incidental thereto, including creation of reserve funds and other funds which may be similarly pledged and used, to such extent and in such manner as it may deem necessary or desirable. The Corporation is authorized to enter into binding covenants with the holders of said bonds—and with the trustee, if any—under any indenture, resolution, or other agreement entered into in connection with the issuance thereof (any such agreement being hereinafter referred to as a "bond contract") with respect to the establishment of reserve funds and other funds, provisions for insurance, charges for supply of power, application and use of net power proceeds, restrictions upon the subsequent issuance of bonds or the execution of leases or lease-purchase agreements relating to power properties, and such other matters, not inconsistent with this act, as the Corporation may deem necessary or desirable to enhance the marketability of said bonds. The issuance and sale of bonds by the Corporation and the expenditure of

bond proceeds for the purposes specified herein, including the addition of generating units to existing power-producing projects and the construction of additional power-producing projects, shall not be subject to the requirements or limitations of any other law: *Provided, however,* That, except with the approval of the President during a period of national defense emergency hereafter declared by the President or by the Congress, no such bond proceeds, nor any power revenues, shall be used to initiate the construction of an additional power-producing project until—

And then the provisions with reference to that are set forth.

As to the giving of a specific mortgage lien on a generating facility, which would permit the bondholders to take possession of it, I do not think that is provided in the bill. But in view of the fact that the reserve fund, or the sinking fund, is created from power revenues as a charge-off on amortization and depreciation, and in view of the fact that if the Corporation sells any of the facilities which it has acquired with these moneys the proceeds of the sale are answerable for the payment of the bonds and the interest, I should say to the Senator that the lien which will be sold will not only be with reference to the revenues and the depreciation and amortization funds but also with reference to the proceeds from the sale of any facility, and, in the final analysis, will constitute in a very considerable degree to a lien on the assets of the Corporation.

Mr. CURTIS. If the Senator will yield further, I wish to continue to read where the Senator stopped, page 5, lines 7 to 10:

(b) Bonds issued by the Corporation hereunder shall not be obligations of, nor shall payment of the principal thereof or interest thereon be guaranteed by, the United States.

I agree with all of that. I am not finding fault with the bill. What I think the RECORD ought to show—and I want to make it clear—is that payment of these bonds is limited to the revenue as defined in the bill.

Mr. KERR. To the revenue, income, proceeds, whether derived from the sale of power or the sale of assets.

Mr. CURTIS. But as defined in the bill.

Mr. KERR. It is defined in the bill. That is what the Senator from Oklahoma just read.

Mr. CURTIS. Yes. That refers to a situation when the TVA might sell its own property.

Mr. KERR. Yes, sir.

Mr. CURTIS. It does not refer to a bondholder selling property?

Mr. KERR. The Senator is correct.

Mr. CURTIS. So it is true that the only thing which is pledged for the bonds, or authorized to be pledged, is the net proceeds as defined, which would include the sale of assets if the TVA decided to sell them.

Mr. KERR. Of course, before I could answer that question, I will say to the Senator, I would have to understand what the Senator meant by "net proceeds."

Mr. CURTIS. That is defined in the bill.

Mr. KERR. As I understand it, not only profit above depreciation is available for the payment of these bonds, but also the item in the bookkeeping account referred to as depreciation.

Mr. CURTIS. That comes from net proceeds.

Mr. KERR. I would say that ordinarily a depreciation charge is made on an account before arriving at the amount of net proceeds.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. CURTIS. It represents earnings, anyway.

Mr. KERR. Income from the sale of power.

The PRESIDING OFFICER (Mr. MORSE in the chair). The time of the Senator from Oklahoma has expired.

Mr. KERR. I yield myself an additional 5 minutes.

Mr. CURTIS. Are we in agreement that the bonds are not secured by the physical assets of the Tennessee Valley Authority, unless it be an asset which the TVA voluntarily sells?

Mr. KERR. I say that there is no lien on the physical assets of the Corporation.

Mr. WILLIAMS. Mr. President, will the Senator yield to me at this point?

Mr. KERR. But if the Corporation sells the assets, then the proceeds of the sale are available for payment of the bonds.

Mr. REVERCOMB and Mr. WILLIAMS addressed the Chair.

Mr. KERR. I will yield to the Senator from West Virginia at this point.

The PRESIDING OFFICER. The Senator from Oklahoma yields to the Senator from West Virginia.

Mr. REVERCOMB. I will say to the Senator that I have listened with interest to the limiting language which the Senator from Nebraska has very pointedly read.

I will ask the Senator from Oklahoma if the payment of the interest on the bonds and the payment of the bonds is not limited to the net income of the TVA in order to make it clear that the credit of the United States is not behind these bonds? Is that not the purpose of it?

Mr. KERR. That is one of the purposes. Certainly it was the purpose of those of us who wrote the bill to make it very clear that these bonds were not obligations of the United States Government.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. REVERCOMB. Is that not the main purpose of the limiting language, to show that the bonds are not an obligation of the United States and the United States is in no way responsible for the payment of interest or principal on the bonds?

Mr. KERR. That is certainly the specific purpose of the language beginning on page 5, line 7.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. KERR. I yield to the Senator from Delaware.

Mr. WILLIAMS. I might say to the Senator from Oklahoma, with that understanding I shall not press the amendment, because it was my understanding that the existing assets of the TVA could be pledged as collateral for the payment of these bonds. If we have an understanding that the existing assets cannot be pledged for payment of the bonds, but that the bonds will be backed only by the assets acquired with the revenue from the bonds or the revenue derived from the sale of power thereof I will withdraw my amendment.

Mr. KERR. I thank the Senator.

Mr. WILLIAMS. I should like to have that assurance.

Mr. KERR. I will say that I should like to have the Senator from South Dakota [Mr. CASE] and the Senator from Tennessee [Mr. GORE], who have worked with me on the bill, advise me if I am correct when I say to the Senator that the present assets of the corporation cannot be made subject to a lien by these bonds.

Mr. CASE of South Dakota. If the Senator will yield to me, that is certainly my understanding. I have been reading the bill through, trying to find some statement to the contrary, and I have not been able to find one.

I think it is true that where revenue bonds are issued, if one liquidates a physical facility which was purchased by the proceeds from those bonds, is liquidated and its earning capacity destroyed, then good faith requires that the bondholders be taken care of by the sale of the facility purchased with the proceeds of the bonds.

What is pledged here is the earning capacity of the facilities provided.

Mr. WILLIAMS. Mr. President, will the Senator yield at that point?

Mr. CASE of South Dakota. I yield.

The PRESIDING OFFICER. The Senator from Oklahoma has the floor.

Mr. KERR. Mr. President, I yield for the purpose of permitting the Senator from Delaware to ask a question of the Senator from South Dakota.

Mr. WILLIAMS. The Senator said that the assets could be sold for the payment of the bonds. Is my understanding correct that the Senator is speaking of the physical assets which are built or constructed with the proceeds from the sale of the bonds?

Mr. CASE of South Dakota. With the proceeds from the sale of the bonds.

Mr. WILLIAMS. The question I want clear is this: Can the existing physical assets of the TVA be pledged as collateral for these bonds?

Mr. KERR. The physical assets cannot be. Revenues from them can be.

Mr. GORE. Mr. President, that is made very plain on page 3, line 7:

The principal of and interest on said bonds shall be payable solely—

I emphasize "solely"—

from the corporation's net power proceeds as hereinafter defined.

The Senator from Oklahoma read the definition.

Mr. WILLIAMS. Mr. President, with the understanding which we have here, namely, that the granting of the authority to issue bonds does not in any way extend the authority of the corporation to pledge the existing assets of the TVA system in payment of those bonds, I withdraw the amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. COOPER. Mr. President, will the Senator from Oklahoma yield to me?

Mr. KERR. Mr. President, I yield myself 3 minutes on the bill, and I yield to the Senator from Kentucky.

Mr. COOPER. I had the opportunity to sit in at several sessions of the hearings on the financing bills which were considered by the committee, including S. 1869. I think the Senator will agree with me that it was always considered in the subcommittee, that the bonds issued by the corporation would be a general obligation of the United States, but would be revenue bonds.

Mr. KERR. The Senator is eminently correct. Every safeguard we could think of was thrown around that principle in the bill.

Mr. COOPER. Subsection (b), page 5, reads as follows:

> Bonds issued by the Corporation hereunder shall not be obligations of, nor shall payment of the principal thereof or interest thereon be guaranteed by, the United States.

I make the further point that if there is no primary obligation on the part of the United States to pay the bonds—and upon that we agree—certainly the property owned by the United States could not be charged with payment of the bonds—that is, the assets of the TVA corporation, whatever they may be could not be charged with their obligation.

The only exception, as has been pointed out by the Senator from Oklahoma, is if assets are sold—and I assume they would be facilities built from the proceeds of the bonds—the revenue derived from the sale of such assets would, of course, be applied in payment of the bonds.

Mr. KERR. Payment of the bonds which had been issued and sold to buy the facilities.

Mr. COOPER. That is the only exception.

Mr. KERR. The Senator is correct.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. WATKINS. Mr. President, I desire to speak on the bill.

Mr. KNOWLAND. Mr. President, I have 20 minutes. I wonder whether the Senator intends to offer an amendment. If not, perhaps he would not object to the third reading of the bill at this time.

Mr. WATKINS. I have no amendment to offer.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

Mr. KNOWLAND. Mr. President, I yield 20 minutes on the bill to the distinguished Senator from Utah.

Mr. WATKINS. Mr. President, I rise in opposition to the bill. I am sure that my position will not result in the change of any votes. I am not deceiving myself in that respect. I am making this statement tonight to be consistent with the position I have previously taken, which I believe will be a position in the long-range interest of the Tennessee Valley area and of the people of all the rest of the United States.

My opposition should not be construed to mean that I am opposed to resource development in the Tennessee River Basin, nor that I am opposed to the principle of basinwide water resource planning and comprehensive development. Quite the opposite is true. As my colleagues know, I have been fighting for basinwide water resource planning and comprehensive river development ever since I came to Congress, and I intend to consistently fight for this principle in all the river basins of the country so long as I am in this body.

My opposition to this measure arises from these basic objections:

First. Its need has not been successfully established.

Second. It proposes a radical new policy of approving revenue bond financing for Federal Government agencies to produce power, an area where the sky is literally the financial limit.

Third. It proposes a radical change in water resource development policy that cannot be applied in other river basins of the country without jettisoning policies that have been in effect a half century and without creating billions of dollars of additonal expense and untold billions of dollars of additional financial commitments for the Federal Treasury.

For these reasons, I supported the motion to recommit the bill for additional study by the committee.

I shall discuss my objections briefly, in order.

First. I have seen many assertions of the need for this authority. From these expressions, one would assume that the development of new power production facilities at TVA had come to an abrupt end. That is not the case.

The Comptroller General has informed me that the TVA has tripled the capacity of its power system in the last 6 years—adding 5,780,200 kilowatts of new capacity—largely by the construction of new steam-generating plants.

Furthermore, at June 30, 1956, TVA had 10 additional steam-generating units with a capacity of 1,800,000 kilowatts under construction or authorized for construction. This new capacity is roughly two-thirds of the total TVA capacity on June 30, 1951.

This means that TVA, under existing authority, has been adding new steam capacity since 1951 at an average rate of roughly 1 million kilowatts a year.

This new capacity—more than 6 times the initial installed capacity of the proposed high Federal dam at Hells Canyon—has been put into operation both by direct appropriation and by the corporation's own use of its power revenues.

Now the supporters of this development are coming forward with the complaint that this tripling of capacity in 6 years is not sufficient—that $750 million in revolving revenue bonding authority is needed to keep up with the growth in the area.

In view of the tremendous expansion already made under existing authority, I feel that it is incumbent upon the Congress to assure itself that current expansion needs cannot be met from existing authority before we embark on a new program with an authorization broader than anything yet considered in the resource development field.

I ask unanimous consent to have printed in the RECORD at this point a statement and a table prepared by the Comptroller General which shows TVA system capacity growth in the period from 1951 through fiscal 1956.

There being no objection, the statement and table were ordered to be printed in the RECORD, as follows:

Exhibit 1

TENNESSEE VALLEY AUTHORITY

Tennessee Valley Authority is a wholly owned Government corporation created by the Tennessee Valley Authority Act of 1933 (16 U. S. C. 831) for the general purpose of providing for the unified development of the Tennessee River system, including flood control in the Tennesssee River and Mississippi River basins; navigation on the Tennessee River; generation of power consistent with flood control and navigation; reforestation and the proper use of marginal lands, and agricultural and industrial development of the Tennessee Valley; operation of Government power and chemical properties at and near Muscle Shoals, Ala.; and the economic and social well-being of the people living in the Tennessee drainage basin and adjoining territory.

In its power operations, TVA is both a wholesaler and a retailer of electric power, operating an integrated system of generating plants connected by high-voltage transmission lines. TVA wholesales power to 98 municipal and 51 cooperative systems and to 2 small private utilities; they, in turn, distribute the power to the ultimate consumers. TVA sells power directly to 25 major commercial and industrial power consumers and to 8 Federal agencies. One of the most significant aspects of TVA's power operations in recent years has been the tremendous increase in sales to Federal agencies. In fiscal year 1956, approximately 57 percent of TVA's total energy sales were to Federal agencies; nearly all of this energy was supplied to the Atomic Energy Commission.

To meet the ever-growing demand for firm power, particularly the power demands of the Atomic Energy Commission, TVA has added rapidly to its generating capacity during the 5-year period ended June 30, 1956. The following table shows the tremendous growth in TVA's generating capacity during this period. Over 90 percent of the added capacity was steam plant capacity.

	Total	Hydro-electric	Steam
Installed kilowatt capacity of Authority-owned plants at June 30, 1951	2,692,050	2,220,500	471,550
Constructed capacity placed in operation in fiscal year:			
1952	501,300	51,300	450,000
1953	1,146,700	201,700	945,000
1954	946,000	158,500	787,500
1955	1,723,500	36,000	1,687,500
1956	1,469,500	74,500	1,395,000
Total	5,787,000	522,000	5,265,000
Less retirements in fiscal years 1952 and 1954	6,800	----------	6,800
Increase in capacity during period	5,780,200	522,000	5,258,200
Installed kilowatt capacity of Authority-owned plants at June 30, 1956	8,472,250	2,742,500	5,729,750

The 5,787,000 kilowatts of capacity placed in operation during the 5-year period has more than tripled the capacity of all TVA-owned plants at June 30, 1951.

At June 30, 1956, TVA had 10 additional steam-generating units with a capacity of 1,800,000 kilowatts under construction or authorized for construction.

Source: Report of Comptroller General to Senator ARTHUR V. WATKINS, May 1957.

Mr. WATKINS. Second, S. 1869 proposes a radically new program of revenue bonding authority for a Federal Government agency.

The Tennessee Valley Authority is a wholly owned Government corporation created by the Tennessee Valley Authority Act of 1933.

No one has denied the nature of this Federal corporation since its creation in 1933.

However, we are now asked to approve a bill authorizing this wholly owned Government corporation to issue revenue bonds to build an almost unlimited number of steam power plants and other facilities.

Yet, in spite of this background, and in spite of the fact that the bill's sponsors assure us that the title to the facilities will vest in the Federal Government upon liquidation of the bonds, we are asked to pass a measure containing this denial of Federal responsibility:

Bonds issued by the Corporation hereunder shall not be obligations of, nor shall payment of the principal thereof or interest thereon be guaranteed by the United States.

This language is a change in the Tennessee Valley Authority Act as included in this bill under consideration.

I wonder how many Members of this body seriously feel that these bonds would not be obligations of the United States. Of course they would. Notwithstanding all that has been said here tonight, I still have the belief that in the end the United States will have responsibility, to a certain extent, for the payments of these bonds if the TVA gets into trouble, if the revenues are not sufficient to pay them off.

If this method of diversionary financing is appropriate for TVA, then it should be equally appropriate for other government agencies. Perhaps we are stumbling on to a new method of providing a vast amount of new Federal facilities, without direct appropriations and with no concession of Federal responsibility for the financial obligations involved.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. WATKINS. I yield.

Mr. JAVITS. I believe the point the Senator is making about the new way of handling these problems is very wise. I interrupt the Senator only to emphasize it and to point out that that is what is happening. We are trying it in New York, and people in other areas are thinking in these terms, knowing that other Members feel so strongly about Federal financing in situations where they feel the areas do not have the resources or the credit standing. I believe it helps them, because if we take the strain off the totality of what is required of the United States, we make it easier for the building of projects which truly deserve that kind of help.

Of course, I shall support the bill now before the Senate.

Mr. WATKINS. I thank the Senator for his comment.

People say we need a second Panama Canal; therefore, all we have to do is to authorize the Panama Canal Company to utilize current revenues of the canal and issue revenue bonds to construct the new canal.

The Congress has created the St. Lawrence Seaway Development Corporation. Why do we not authorize this Government agency to issue revenue bonds to build steam plants and possibly even to build a new fleet of barges and other ships to ply the seaway upon its completion?

And if we really want to go hog wild on this new type of authorization, we could commission the Inland Waterways Corporation to issue revenue bonds to build new locks, bridges, and barge lines, and thereby save the Congress the bother of appropriating funds for navigation on our inland waterways.

We have many Government corporations and many opportunities to build new facilities without Congressional appropriation, merely by the exercise of such a grant of revenue bonding authority.

We can see where this would lead us. Hence, let us give this measure a little additional consideration. This we refused to do this evening when we defeated the motion to recommit.

Third. Passage of this act would mean ignoring policies which have been in effect for a half century in other river basins of the country.

When the State of Texas, for instance, comes to Congress to urge authorization of a much-needed comprehensive water resource program for that great State, the projects adopted will be largely reimbursable in nature. And where revenue-producing power and municipal water features are involved, the citizens of Texas not only will be expected to repay the capital investment, but they will also be required to pay interest as well.

This is a requirement which has been a matter of Congressional policy since passage of the Reclamation Act of 1902. People in the West accept this fact, and they approve Federal assistance of this type.

However, when we get into the Tennessee River Valley, we are confronted with a unique set of ground rules. Here, the Federal Government not only builds flood control, navigation, and water conserving projects but the bill today is inconsistent with a 1948 act which required amortization of the investment, without interest, in 40 years.

The people in the Missouri River Basin, the Columbia River Basin, the Colorado River Basin, and the other great river basins of the country certainly have no objection to Federal assistance for water resource development on the Tennessee River. These other areas generally support water resource developments throughout the country. But they have a legitimate question: Why do the other river basins pay interest on project costs allocated to power, while the good people in the Tennessee River area get both hydro power and steam power facilities built at Federal expense without interest?

I hereby request unanimous consent to introduce at this point 2 schedules prepared for me by the Comptroller General, which shows the total Federal investment in TVA and the financial operations of the TVA for the period 1952 through fiscal 1956.

There being no objection, the schedules were ordered to be printed in the RECORD, as follows:

EXHIBIT 2

TENNESSEE VALLEY AUTHORITY

From inception in 1933 to June 30, 1956, the United States Government has made available to TVA through appropriations, bond purchases, and property transfers a total of $2,042,576,777. For the same period, TVA has recorded a net income of $355,286,690 from its power operations and net expenses of $166,616,339 for its other programs. TVA has repaid to the United States Treasury a total of $244,899,784. The resultant equity of the United States Government in TVA was $1,986,347,344 at June 30, 1956. Contributions in aid of construction totaling $303,417 have been made by others to June 30, 1956.

The following schedule shows the equity of the United States Government in TVA at June 30, 1956, segregated between power and nonpower, and includes all activity since TVA's inception in 1933.

	Total	Employed in power program	Nonpower
Appropriations, property transfers, and bonds issued:			
Appropriations by the Congress	$1,932,267,581	$1,345,190,221	$587,074,360
Property transfers from other agencies, net	45,236,696	19,365,266	25,871,430
Bonds issued	65,072,500	65,072,500	
	2,042,576,777	1,429,630,987	612,945,790
Net income from operations:			
Net income from power operations	355,286,690	355,286,690	
Net expense of nonpower programs	[1] 166,616,339		[1] 166,616,339
	188,670,351	355,286,690	166,616,339
	2,231,247,128	1,784,917,677	446,329,451
Less:			
Payments into the general fund of the U. S. Treasury	179,827,284	145,059,019	34,768,265
Bonds redeemed	65,072,500	65,072,500	
	244,899,784	210,131,519	34,768,265
Total equity of U. S. Government	1,986,347,344	1,574,786,158	411,561,186

[1] Deduction.

The United States Treasury funds invested in TVA's power program are required by law to be repaid. Title II of the Government Corporations Appropriation Act, 1948, requires that, beginning with the year ended June 30, 1948, the Authority must retire from net power proceeds for the preceding year not less than $2,500,000 of its outstanding bonded indebtedness and that payments of not less than $10,500,000 should be made by June 30, 1948. In addition, the act requires payments from these proceeds into the United States Treasury in amounts sufficient when added to the payments made on bonded indebtedness to total not less than $87,059,810 during the 10-year period ending June 30, 1958, and an equivalent amount during each succeeding 10-year period until an aggregate of $348,239,240 has been paid. The act requires also that new Congressional appropriations for power facilities shall be repaid to the Treasury of the United States, such payments to be amortized over a period of not to exceed 40 years after the year in which such facilities go into operation.

TVA's payments into the United States Treasury under the provisions of the Government Corporations Appropriation Act, 1948, are summarized below:

Minimum payments required to June 30, 1956, under the 1948 law	$30,500,000
Payments required to June 30, 1956, if 1948 law required straight 40-year amortization (one-fortieth of plant investment at end of previous year)	115,579,248
Actual payments made by TVA under the 1948 law to June 30, 1956	186,500,000

In addition to the $186,500,000 paid pursuant to the 1948 law, $23,631,519 was paid prior to June 30, 1947. Therefore, total payments applicable to the power program were $210,131,519 at June 30, 1956.

Section 26 of the TVA Act authorizes TVA to use the proceeds from power sales and other sources in the conduct of its power business, in the operation of dams and reservoirs, and in the production and disposition of fertilizers. Other legislation provides for the use of proceeds for certain bridge construction or alteration work and for part of the cost of resource development activities. The proceeds for each fiscal year in excess of (1) the amount considered necessary by TVA's Board of Directors for the purposes enumerated in section 26 plus (2) the amount expended for other authorized purposes must be paid into the United States Treasury by the end of the calendar year. A continuing fund of $1 million is excepted from the requirements of section 26 of the TVA Act.

There is no law requiring the repayment of United States Treasury funds invested in TVA's nonpower programs other than the requirements in section 26 of the TVA Act.

Appropriated funds have not been available for TVA to start any new powerplants or dams during the 3-year period ended June 30, 1956. However, in fiscal year 1956 the TVA Board of Directors authorized a major expansion program to be financed with TVA's own power revenues. The expansion program involves 7 additional generating units with an installed capacity of 1,215,000 kilowatts at existing steam-electric plants and is estimated to cost $184 million. During the 1st and 2d sessions of the 84th Congress, several bills were introduced to authorize TVA to finance new capacity with the proceeds from the sale of revenue bonds to the public. None of these bills were enacted into law. TVA self-financing bills have again been introduced in the 85th Congress and are currently being considered by the Congress.

Source: Report of the Comptroller General to Senator ARTHUR V. WATKINS, May 1957.

EXHIBIT 3

TENNESSEE VALLEY AUTHORITY

The following schedule compares condensed statements of TVA's power operations for the 5 years ended June 30, 1956. The schedule, together with the footnote relating to interest, presents fairly the results of TVA's power operations for the fiscal years ended June 30, 1952, through 1956:

	Fiscal year				
	1956	1955	1954	1953	1952
Revenues:					
Sales of electric energy:					
Federal agencies	$124,930,319	$102,962,859	$54,368,490	$31,505,622	$25,230,406
Others	95,972,218	84,398,495	78,951,396	72,779,565	69,236,249
Total sales of electric energy	220,902,537	187,361,354	133,319,876	104,285,187	94,466,655
Rents and other revenues	739,679	801,635	627,932	592,682	537,735
Total operating revenues	221,642,216	188,162,989	133,947,808	104,877,869	95,004,390
Expense:					
Production expense	109,628,559	91,131,436	65,313,196	51,882,464	41,305,635
Transmission	8,015,487	7,836,566	7,049,611	6,772,845	6,312,788
Payments in lieu of taxes	4,147,654	3,878,466	3,578,668	3,418,110	3,036,207
Administrative and general expenses	7,077,875	6,396,973	5,455,357	4,794,950	4,185,038
Provision for depreciation	38,095,699	30,092,618	22,959,503	17,910,186	13,540,482
Other operating expenses	775,932	926,245	771,077	805,205	784,891
Total operating expense	167,741,206	140,262,324	105,127,412	85,583,760	69,165,041
Net revenue from operations	53,901,010	47,900,665	28,820,396	19,294,109	25,839,349
Interest expense (net)	41,843	387,387	679,439	667,395	743,000
Net power income (see note)	53,859,167	47,513,278	28,140,957	18,626,714	25,096,349
Thousand kilowatt-hours of electric energy sold	53,845,388	42,044,954	30,058,772	23,678,681	20,177,163
Average selling price per kilowatt-hour (in mills):					
Sales to Federal agencies	4.09	4.73	4.61	4.52	5.13
Sales to others	4.11	4.16	4.32	4.35	4.54
Total sales	4.10	4.46	4.44	4.40	4.68
Percent return on average power investment	3.9	4.2	3.2	2.7	4.7
Net income per thousand kilowatt-hours of electric energy sold	$1.00	$1.13	$0.94	$0.79	$1.24
Net power income expressed as percent of gross revenue	24.3	25.3	21.0	17.8	26.4

NOTE.—Because the TVA Act and other Federal laws do not require the Authority to pay certain costs incurred by other Federal agencies for the benefit of the Authority, such costs are not included in the foregoing statement. The most significant cost not included is interest on United States Treasury funds furnished for the Authority's power program, other than that part represented by long-term debt. The payment of such interest at 2 percent would amount to about $24,400,000 (at 2.5 percent the amount is about $30,500,000) for fiscal year 1956 and would have a material effect on the financial position and results of power operations as reported by the Authority. The interest expense recorded in the statement was paid on bonds held by the United States Treasury. The last of these bonds were redeemed early in fiscal year 1956.

The schedule shows that TVA's revenues from sales of electric energy have increased tremendously during the 5-year period. While sales to all sources have increased, the major portion of the increase is accounted for by increased sales to Federal agencies, principally the Atomic Energy Commission.

The increases in power expenses result primarily from the increased use of coal-fired steam generating plants. Steam generation accounted for 78.8 percent of net generation in TVA-owned plants in 1956, compared to only 26.2 percent in 1952.

The primary reason for the reduction in the average selling price per kilowatt-hour during the period under review was the increased ability of TVA to supply power from its new steam plants and the corresponding decrease in the power required to be supplied from higher cost sources both inside and outside of the TVA system. This situation was particularly true in the case of the Atomic Energy Commission. Although TVA was expanding its steam-generating facilities to meet the demands resulting from sizable expansions at AEC sites, the AEC expansion was being completed considerably in advance of the TVA expansion. As a result, the segments of the TVA system reserved to serve the AEC loads could not meet the loads at that time, and it was necessary for TVA to obtain sizable blocks of interim and supplemental power from higher cost sources both inside and outside the system. TVA passed the estimated cost of this higher cost power, plus a factor of 15 percent for transmission losses and handling costs, to AEC. For example, the average rate paid by AEC for power supplied its Paducah, Ky., installation during fiscal year 1956 was 4.04 mills per kilowatt-hour. Normal or long-term firm power, however, was supplied at an average rate of 3.63 mills per kilowatt-hour during 1956. The cost of this power was based on the generation and transmission costs of TVA steam plants and facilities especially built for and reserved to serve the AEC loads, and the rate charged therefor is representative of the rate that will prevail once TVA is able to meet the AEC expansion requirements entirely from its new generating facilities.

The fluctuations in the percent return on average power investment, net income per million kilowatt-hours of electric energy sold, and the ratio of net power income to gross revenues were caused primarily by varying conditions of stream flow in each year.

TVA is required under its basic act to make payments in lieu of State and local taxes presently equal to 5 percent of its gross revenues from power sales, except for gross revenues derived from Federal agencies. These payments amounted to a total of $41,355,886 accumulatively to June 30, 1956.

Source: Report of the Comptroller General to Senator ARTHUR V. WATKINS, May 1957.

Mr. WATKINS. Mr. President, these schedules show that on a total Federal investment of $1,574,786,158 allocated to power, the TVA paid net interest costs of only $387,387 in 1955, and $41,843 in 1956. The Comptroller General pointed out that the payment of interest at 2 percent on a capital investment of that size, would be about $24,400,000, and 2.5 percent would be $30,500,000 for fiscal 1956.

Interest payments of the type and size foregone for TVA are made by all other areas of the country which have navigation, flood control, or irrigation projects which produce power incidental to the other public benefits.

This means that the TVA is benefiting today from a subsidy of roughly $24 million annually in interest payments which would be required on comparable Federal projects in any other part of the country.

The bill seeks to compound this exclusive subsidy by authorizing TVA to maintain a level of $750 million in bonded indebtedness for the construction and acquisition of new steam power-generating facilities.

In view of the fact that the TVA has tripled its system since 1951 and has nearly 2 million kilowatts of steam-generating capacity authorized or under construction, it is my belief that we can review this proposal and see if we can come up with something that can be applied in each of the other river basins as well.

One of the major objections I see to the proposed legislation is that it contributes to an even larger measure of Federal control over the destinies of the Tennessee River Basin.

The point has been made that after these revenue bonds are retired, the title to the new power facilities will go to the Federal Government.

Judging by the discussion I have heard this evening, it has been made clear that the title will remain in the United States from the beginning, even on these new buildings. If I have a misunderstanding about that, then what I have said would apply. This means that the total Federal stake in the Tennessee River will be something like $3 billion after the revenue bonds are issued. This will not be a local or regional asset—it will be an asset owned and controlled by the Federal Government. In other words, the control of the industrial and economic future of the Tennesse River region will rest right here in the Congress.

This control can possibly result in restrictive actions which may penalize the residents of that basin and submit them to the agonizing delays of the Federal legislative process. For example, it was suggested in the House debate on the supplemental appropriations bill that since the Government owns the TVA system, it should not pay the going rate on power provided for AEC installations there. And since Government installations consume about 57 percent of the power produced by TVA, if the Government is supplied this power at a more favorable rate, the residents of the TVA area will be charged with all the system overhead, and their rates undoubtedly would have to be increased. I am not saying that this suggestion will be ordered, but such a possibility is not remote, and a Federal action of that type could be rammed through the Congress over the objections of the minority in the Tennessee River Valley.

The long-range solution to this problem, as I see it, is for the Tennessee Valley people to place their project on a reimbursable basis, the same as applied to any other water resource program in the country. The project itself appears to be sound and economically feasible, and I am sure it would pay out just as successfully as any of our major river basin programs. This also would make it more of a yardstick of Federal power production.

Once the program has been placed on a completely reimbursable basis, I believe the people of the area should work toward eventual ownership, operation, and management of the facilities by the people of that region.

Mr. President, a number of years ago I introduced a bill which would have provided for the eventual ownership of all the water resources programs built by the Federal Government in the United States, both those on interstate streams and on intrastate streams. I did that because I believe the Federal Government should not be anything more than the banker, in a way, for the projects which the people themselves could not build with their own resources, rather than go into the business of operation and maintenance of projects it builds.

It has been proven that we get much better management and much closer supervision with respect to expenditures, particularly, when the people must foot the bills for management and when they are operating the projects themselves. I believe after they have paid for them, the assets of those river systems developments should belong to the areas where the people are located and who have repaid the construction cost.

I believe that with respect to the Colorado, the Columbia, the Tennessee Valley, and the Central Valley of California, and with respect to any of the areas where there are such developments constructed by the Federal Government.

I pointed out at that time that an interstate association could be authorized by act of Congress, setting up a local corporation or association or authority—or whatever it might be called—placing the responsibility in it, so that the board of directors or the commissioners could operate and maintain these facilities and works as soon as they are finished. They can then so manage them that they would pay back to the Federal Government on an amortized basis the total cost of these projects. When electric power or municipal water is involved, then they would also pay interest that is provided in most of the projects which have been authorized and are now under construction in the United States under the Reclamation Act of 1902.

If that could be done, then the people would have the control of their own destinies. They would be entitled to have these great resources for their benefit. They would not be dictated to by Congress and the administration in Washington, but they would have their own organizations, which would own and operate these giant projects for them.

I think the bill, while I am opposing it at the moment, may, to a certain extent, help to bring that kind of condition about.

I am planning to draft a measure which will make it possible for the Government of the United States to sell to such an organization, commission, or authority, as the bill would authorize to be organized among the States in the Tennessee River Valley.

The bill would attempt to bring about this type of organization and would grant authority to the Government to sell, after a contract had been negotiated with legal entity which may be set up under that kind of legislation.

It seems to me that then we would be making progress and would not continually have arguments in Congress every year with respect to what the Tennessee Valley or some of the other river developments such as, for instance, the Columbia River Basin, ought to have.

If a regional organization owned by the States involved on an interstate stream were set up to take care of or to manage its own river developments, it could do so on a comprehensive, basin-wide basis, and it could repay moneys advanced by the Federal Government from the resources income the entire cost, plus interest, of all features having to do with municipal water, industrial water, and power development.

There would be enough revenues from a development of that kind to make certain that practically every drop of water which could be put to beneficial consumptive use would be used. Under this kind of a program the interstate agency would receive all the revenues and from them would pay out the cost of operation and maintenance and in addition would repay construction costs with interests on those features where interest payment is required, and then when the repayment contract has been fully performed the agency would receive title to the project from the United States. I think this proposal is worthy of consideration, looking to the future. If a measure of that kind could be passed, it would be of great benefit, because the TVA is not now paying interest on construction costs advanced by the United States. The Comptroller General's report shows that they are not. Such a proposal would support the amendment offered by the Senator from New Hampshire [Mr. COTTON], which was accepted, and which confined the area of operations. If all costs, together with interest thereon, had to be repaid there would be very little temptation to expand into other areas.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Does the Chair understand correctly that the proponents of the bill are ready to yield back the remainder of their time?

Mr. SALTONSTALL. Mr. President, as the acting minority leader, I may say that several other Senators desire to be heard.

Mr. BUSH. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Connecticut will state it.

Mr. BUSH. Has the bill been read the third time?

The PRESIDING OFFICER. The bill has been read the third time.

Mr. KERR. Mr. President, I yield 5 minutes to the distinguished Senator from Mississippi.

Mr. EASTLAND. Mr. President, in the last three successive budget messages submitted to Congress, the President has recommended the enactment of legislation authorizing the TVA to issue revenue bonds with which to finance the construction of new generating capacity. Each of these messages has pointed to the continued growth in the demand for power within the area now served. Pending the enactment of this new method for financing power facilities, no appropriations have been requested for that purpose.

I shall show how the system proposed in the bill is superior to the present law.

In 1953, appropriations were requested and received to start construction on two additional generating units. Since that time no new starts have been financed with appropriated funds, yet the need for additional capacity has become more acute year by year. Fortunately, power revenues have been available with which to start some additional units to stave off the inevitable power shortage which approaches. But these revenues are not sufficient to provide the additional capacity which is needed in support of the reasonable economic growth of the Tennessee Valley region.

It must be remembered that TVA, just like any other utility, is a monopoly within the area which it serves. There is no other source whereby its customers may obtain electricity upon which the very life of the region's economy must depend. Unless the TVA is permitted and unless a way is provided to finance the capacity to provide the power, we can expect economic blight in this great area of our country which has made so much progress in the past two decades, and which now is contributing its reasonable share of taxes and providing a better life for its people.

The Congress of the United States, when it authorized the acquisition of other utility properties, made a moral commitment to the people of the Tennessee Valley to supply their legitimate power needs. We might as well consider the fact that unless we authorize the issuance of revenue bonds by the TVA, we will have to appropriate additional tax funds for this purpose. The people of the Tennessee Valley are willing and able to provide the support for revenue bond financing by the power rates they pay. Surely this seems to me a reasonable solution to a problem that is recognized by everyone.

Mr. President, let us examine for a moment the question of what the bill does in practical terms.

In the first place, it will eliminate the necessity of appropriating additional sums of money for the construction of power facilities in the Tennessee Valley. To those who have been protesting such appropriations in the past, I say here is the opportunity you have been seeking.

In the second place, the bill provides a limitation on the right of the TVA Board to expand geographically the territory which TVA serves. Those who have complained of TVA's operations have often expressed the fear that TVA would expand the area of its operation until it became an octopus engulfing the whole United States. I submit that TVA's record does not justify any such apprehensions at all. But to those who do have such fears, I say that the bill provides a safeguard in that direction.

In the third place, the bill provides for substantially larger payments into the Treasury of the United States by the TVA than are required by present law. A substantial annual payment is required as a return on the appropriation investment financed by the taxpayers. In addition, the bill has now been amended so as to insure continued reduction of the appropriation investment on a regularly scheduled minimum basis. To those who have complained that tax funds have been appropriated for the benefit of the people of the Tennessee Valley without adequate return, I say the bill improves that situation.

The PRESIDING OFFICER. The time of the Senator from Mississippi has expired.

Mr. KERR. I yield an additional 2 minutes to the Senator from Mississippi.

Mr. EASTLAND. Mr. President, the bill is a reasonable bill; all necessary controls of the operation of the TVA by this Congress are retained. We will continue to serve as a board of directors of this great agency. Sitting as a board of directors now, it seems to me that the evidence submitted by the committee justifies the action that the committee proposes. I believe we should authorize the TVA board to issue revenue bonds as recommended.

I urge the Senate to support the bill.

Mr. KERR. Mr. President, I have no further requests for time at this moment; neither am I prepared to yield back the remainder of my time.

Mr. SALTONSTALL. Mr. President, I yield 5 minutes to the Senator from Connecticut.

Mr. BUSH. Mr. President, I feel that the Senate has done very good and constructive work on the bill today in agreeing to the Cotton amendment to provide area control of the TVA, and also in the improved Case of South Dakota amendment, which establishes a new principle; namely, the payment of a dividend equivalent on the United States Government investment in TVA.

I am grateful to the distinguished Senator from Oklahoma [Mr. KERR], and the distinguished Senator from Tennessee [Mr. GORE], who have had charge of the bill on the floor, for their acceptance of those amendments.

However, the rejection of the amendment of the Senator from Massachusetts [Mr. SALTONSTALL] was, I believe, a serious blow to the bill. His amendment would have restored to the Secretary of the Treasury the authority of which the bill, in the absence of that amendment, will strip him. The bill as it now stands will not give the Secretary of the Treasury any voice or authority in connection with the issuance of the bonds, which certainly will be, indirectly, obligations of the Government of the United States. That was attested to during the hearings on other revenue bonds at the time when the highway bill was under discussion; and it was attested to by distinguished Senators, including the Senator from Virginia, who at that time appeared before the Public Works Committee in opposition to the proposed highway revenue bond issue.

I believe it fair to say, Mr. President, that the TVA is not an institution separate from the Federal Government. The TVA is a part of the Government. It is part and parcel of the Government of the United States, and it belongs to all the people of the United States. Therefore, it should be closely supervised by the Congress of the United States. If any important financing is to be done by the TVA, it should be approved by the Congress; and certainly the Secretary of the Treasury should, in my opinion, have the authority to provide for the financing and to negotiate for the financing, and to negotiate the terms and conditions under which these important bonds shall be issued.

So, Mr. President, as I have said, as a result of the rejection of the Saltonstall amendment, I believe the bill has suffered a serious blow.

Mr. President, I feel compelled to oppose the bill for that reason, and also for the reason that I am not in favor of doing anything which will help the TVA to expand its operations. I feel that the TVA provides a very strong attraction to industries now located in the North, particularly in New England, and that that attraction is subsidized by other States of the Union; and I do not think that is a fair proposition. The combination of cheap power and cheap labor is strong bait, indeed, to many of our northern industries; and the TVA is able to offer that strong bait. I am frank to say that that is very distasteful to me—representing, as I do, in part, the State of Connecticut, and having at heart, as well, the interests of other New England States. I do not believe we should be compelled to subsidize an operation which tends to cut our own economic throats. I believe that the TVA should be taken over by the States in which it operates, and that they should buy it from the Federal Government, and that the proceeds of the sale should be used to pay off the national debt, of which the Senator from Delaware has spoken so eloquently today.

So, Mr. President, I shall vote against the bill.

Mr. President, I yield back the remainder of the time which has been yielded to me.

Mr. SALTONSTALL. Mr. President, I yield myself 3 minutes; possibly I shall later yield myself 1 additional minute.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized for 3 minutes.

Mr. SALTONSTALL. Mr. President, it will be with great reluctance that I shall have to vote against the bill. I

say it will be with great reluctance because I believe that what is being attempted to be accomplished by means of the bill is correct, namely, that the TVA should be permitted within its area to increase its power facilities as it is necessary for them to be increased.

The bill has been improved today on the floor of the Senate.

The reasons why I shall vote against the bill can be simply stated. They are based on the question of accounting and the question of responsibility. For the past 10 or 11 years, I have been a member of the Appropriations Committee; and during a great portion of that time I have been a member of the subcommittee which has had before it the accounts of the TVA.

As I read the bill, particularly subsection (b), on page 5, it really establishes two budgets; it establishes one budget for power, including power receipts and power expenditures, the bonds which are to be issued, and the repayment of the bonds, and everything else that goes with the power. Then it establishes another budget—the one the President has to submit to the Congress, each year, in January, as required by law.

Under that budget there will be the TVA's receipts and expenditures in connection with navigation, flood control, and recreation, and any other receipts or expenditures the TVA may have. When that budget comes before the Congress, the Congress will have to appropriate sufficient funds to pay for those operations, if they do not pay for themselves. In connection with that budget—the budget for flood control and the other items I have just mentioned—Congress will not be able to consider the power receipts of the TVA. If the power receipts exceed the expenditures, there are certain provisions by means of which the TVA will pay back the appropriation investment the United States has in the TVA. They will be used in retiring the bonds, but that will not be subject to the control of Congress. It will not be presented to the Congress by the President. So the Congress may have to appropriate—on the basis of the budget which is submitted to it—funds for the flood control and the other facilities of the TVA. But in considering how much money to appropriate, Congress will have no opportunity to consider the power situation of the TVA, either in the case of receipts or in the case of expenditures.

Today I submitted an amendment for the purpose of keeping this Government corporation within the control of Congress. In connection with the amendment, I tried to confine my attention to the accounting situation. That amendment was rejected.

Mr. President, as I have said, it will be with reluctance that I shall vote against the bill, because I believe the bill contains a great many provisions which are along the right line. But as one Senator, I cannot vote for a bill which really will result in setting up two budgets and will keep of those budgets completely out of the control of the Congress. For that reason, I shall reluctantly vote against the bill.

Mr. President, I am ready to yield back the remainder of the time under my control.

Mr. KERR. Mr. President, I yield 3 minutes to the Senator from Vermont [Mr. AIKEN].

The PRESIDING OFFICER. The Senator from Vermont is recognized for 3 minutes.

Mr. AIKEN. Mr. President, it so happens that I come from the part of the country which "enjoys"—and I use that word in quotation marks—the highest electric power rates in the United States. I have been most unhappy to see industries leave the New England States and New York, in order to obtain the benefits of low-cost power elsewhere.

However, I do not blame the people in the TVA area or the people on the Pacific Coast or any other part of the country for attempting to get as low-cost power as they can in order to attract industries. New York, New England, and all the Northeast has needed low-cost power desperately; but every time we have tried to obtain it, we have been blocked by certain business interests which seem to think that high-cost power was a boon to our part of the country.

So, Mr. President, the fact that we have been unsuccessful in obtaining low-cost power for the Northeastern part of the United States is no reason at all for Senators to vote against allowing any other part of the country to develop its resources to the fullest extent in order to secure power at reasonable cost. For that reason, I shall vote for this bill.

Mr. KERR. Mr. President, I yield 2 minutes to the Senator from Tennessee [Mr. KEFAUVER].

The PRESIDING OFFICER. The Senator from Tennessee is recognized for 2 minutes.

Mr. KEFAUVER. Mr. President, today we are considering a bill which will make it possible for the Tennessee Valley Authority to continue to serve a great section of the country. That is all this bill does. I think we should understand that.

The TVA has a long and proud history. I do not think we need go into that here. What we should consider here is whether we want to write the final page to that history today. I believe it is not an overstatement to say that unless we give TVA the means to live—and that is all this bill does—we shall indeed be writing that final page.

We have long heard, on the Senate floor, as well as from other rostrums, that TVA power should no longer be financed by appropriations. We are ready to concede that, although we point out that under the TVA Act, all the appropriations were repaid to the Treasury. The Government lost nothing.

But if the TVA is not financed by appropriations, then it must have some other method of raising capital, just as any private company must have.

This bill gives the TVA the other method. It is a self-financing bill—a do-it-yourself bill for a great agency of the Government. How can we possibly refuse to give an agency, which is so vital to the Nation, the privilege and the means of doing for itself what the Government will not do for it?

If we do refuse, we shall have folded up a great defense asset—the agency which pours power into the atomic energy installations at Oak Ridge and Paducah, and which supplies the power for many other defense installations throughout the valley.

If we do refuse, we shall have struck an unwarranted blow at the economy of a great and vital part of the Nation.

There is no reason for Members to be suspicious of this bill. There is nothing hidden in it—no tricks.

Under it, Congress wil continue to control the TVA.

No one need fear an expansion of TVA territorially. The original act contained a limit—namely, the economic transmission distance from the hydro dams. In this bill we have written in an additional limit.

Let me read the new limiting language:

(a) No new power-producing project may be constructed either from revenues or bond proceeds until notice of such proposal has been given to the Congress and a period of 60 days shall have elapsed without Congressional action to disapprove.

(b) None of the bond proceeds may be used to bring about any substantial enlargement of the present service area; without approval by act of Congress. Minor adjustments in marketing area around the periphery of the present service area and outside the Tennessee River drainage basin may be put into effect only after notification to Congress and the passage of 60 days without disapproving action by either House of Congress.

And so it is with the financing provisions. As the distinguished chairman of the subcommittee which reported this bill, the Senator from Oklahoma [Mr. KERR], has said, we have not crossed every "t" and dotted ever "i" in exact conformity with the Budget Bureau demands, but we have most certainly tried to be reasonable to the utmost.

I hope that, in turn, the Members of the Senate will be reasonable with us.

Mr. President, I desire to thank the Senator from Oklahoma [Mr. KERR] for his guidance of the bill. I also desire to thank the other Senators on both sides of the aisle who have had such great understanding of our problem.

The PRESIDING OFFICER. Is the Chair correct in understanding that all time has been yielded back?

Mr. SALTONSTALL. I am prepared to yield back the time remaining to me.

Mr. KERR. Mr. President, I yield 5 minutes to the Senator from Kentucky.

Mr. COOPER. Mr. President, I do not wish to detain the Senate. I shall vote for the bill. I have supported its development during the hearings of the committee on Public Works. I compliment the Committee on Public Works, its chairman [Mr. CHAVEZ] and particularly the chairman of the subcommittee [Mr. KERR] for the constructive work they have done. If it had not been for the able leadership of the Senator from Oklahoma [Mr. KERR] it is probable this bill would not be before the Senate today.

I have been interested in the matter of authorizing the TVA to finance its operations for a long time. In 1948, when I was in the Senate I had the opportunity

to vote for the first steam plant authorized for the Tennessee Valley Authority, the New Johnsonville steam plant. In the early days of the TVA, it is probable that not many anticipated the large power requirements that would develop in the Tennessee Valley and the necessity for the construction of steam plants.

In 1954, when the Yates-Dixon contract was under consideration as an alternative I proposed on the Senate floor that the Tennessee Valley Authority be authorized to finance its operations and to meet its power needs. I urged such a plan to the administration in 1954, as an alternative to the Yates-Dixon proposal. I wish it had been adopted in 1954.

In April of this year, I introduced a financing bill for TVA, S. 1855, which provided some of the features contained in S. 1869—among them the provision of a fixed sum—$750 million for the issuance of bonds, and geographical limitations on the area in which the bond proceeds can be used.

I believe the bill, which the Senate will approve in a few minutes, is a sound bill. It provides a limitation on the amount of bonds that can be issued, in the sum of $750 million. That is the exact amount which the Bureau of the Budget, as well as the Tennessee Valley Authority, have stated can be used during the next 5 years. The bill provides geographical limits on the area which can be served by the facilities that will be built through the proceeds of the bonds. And the bill provides that, before bonds can be issued, there must be a consultation with the Treasury as to the time of issuance, and issuance must accord with the financing responsibilities of the United States Government. It seems to me that these conditions as well as the requirement of reporting by the TVA and the inherent power of the Congress to amend its acts, if it desires, enables the executive branch and the Congress to maintain control over the activities of the Tennessee Valley Authority, and at the same time give the Tennessee Valley Authority and its Board of Directors the flexibility needed for effective operation.

I recognize the power operations of the Tennessee Valley Authority have been the subject of controversy. I have supported the Tennessee Valley Authority in the past, and I will continue to support it so long as the Congress of the United States maintains it as a public power facility. It is an agency of the Congress of the United States. I do not think it is an agency of the executive branch of the Government, except under such terms as are provided by the Congress. As long as the Tennessee Valley Authority is maintained in its present form by the Congress, it is the duty and the responsibility of the Congress to enable TVA to conduct its power operations, and to meet the reasonable power demands of the section.

On the other hand, there is a great responsibility on the part of the TVA and its officials to adhere faithfully to the spirit and words of the law which give it authority. They have no other authority. The bill is a step forward. It removes the necessity for the Tennessee Valley Authority to ask Congress every year for appropriations. It removes the burden of appropriations from the people of the United States. It will enable the Authority to move forward and finance its own operations. It has a great responsibility. It must live up to it. So I shall be glad to vote for the bill.

The PRESIDING OFFICER. Do the leaders in control of the time yield back all time remaining to them?

Mr. SALTONSTALL. I yield back all time remaining to me.

Mr. KERR. I yield back all time remaining to me.

The PRESIDING OFFICER. The question is, Shall the bill pass? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Delaware [Mr. FREAR], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Ohio [Mr. LAUSCHE], the Senator from West Virginia [Mr. NEELY], the Senator from Virginia [Mr. ROBERTSON], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

I further announce that the Senator from Arkansas [Mr. FULBRIGHT] is absent because of illness.

I also announce that the Senator from Missouri [Mr. HENNINGS] is absent by leave of the Senate because of illness.

I further announce, if present and voting, the Senator from Missouri [Mr. HENNINGS] and the Senator from Massachusetts [Mr. KENNEDY] would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate in order to represent the Senate at the Latin American Economic Conference in Buenos Aires.

The Senator from Vermont [Mr. FLANDERS], the Senator from New Jersey [Mr. SMITH], and the Senator from Nevada [Mr. MALONE] are necessarily absent.

If present and voting, the Senator from Maine [Mr. PAYNE] and the Senator from New Jersey [Mr. SMITH] would each vote "yea."

The Senator from Indiana [Mr. CAPEHART] is paired with the Senator from Vermont [Mr. FLANDERS]. If present and voting, the Senator from Indiana would vote "nay" and the Senator from Vermont would vote "yea."

The result was announced—yeas 61, nays 20, as follows:

YEAS—61

Aiken	Curtis	Johnson, Tex.
Allott	Dirksen	Johnston, S. C.
Anderson	Douglas	Kefauver
Barrett	Dworshak	Kerr
Bible	Eastland	Knowland
Carlson	Gore	Kuchel
Carroll	Green	Langer
Case, N. J.	Hayden	Long
Case, S. Dak.	Hill	Magnuson
Chavez	Hruska	Mansfield
Church	Humphrey	McClellan
Clark	Ives	McNamara
Cooper	Jackson	Monroney
Cotton	Javits	Morse
Morton	Russell	Thurmond
Mundt	Scott	Thye
Murray	Smith, Maine	Wiley
Neuberger	Sparkman	Yarborough
O'Mahoney	Stennis	Young
Purtell	Symington	
Revercomb	Talmadge	

NAYS—20

Beall	Ervin	Pastore
Bennett	Goldwater	Potter
Bricker	Hickenlooper	Saltonstall
Bush	Holland	Schoeppel
Butler	Jenner	Watkins
Byrd	Martin, Iowa	Williams
Ellender	Martin, Pa.	

NOT VOTING—14

Bridges	Hennings	Payne
Capehart	Kennedy	Robertson
Flanders	Lausche	Smathers
Frear	Malone	Smith, N. J.
Fulbright	Neely	

So the bill (S. 1869) was passed.

Mr. KERR. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. HILL. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

INCREASE IN SERVICE-CONNECTED DISABILITY COMPENSATION AND DEPENDENCY ALLOWANCES

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 717, House bill 52.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 52) to provide increases in service-connected disability compensation and to increase dependency allowances.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Finance with amendments, on page 4, after line 23, to strike out:

SEC. 4. This act shall take effect on the first day of the second calendar month which begins after the date of its enactment.

And insert:

SEC. 4. Section 315 of the Veterans' Benefit Act of 1957 is amended by deleting the following figures in paragraphs (a) through (p), respectively: "$17", "$33", "$50", "$66", "$91", "$109", "$127", "$145", "$163", "$181", "$420", "$279", "$329", "$371,", "$420", and "$420", and inserting in lieu thereof the figures "$19", "$36", "$55", "$73", "$100", "$120", "$140", "$160", "$179", "$225", "450", "$309", "$359", "$401", "$450", and "$450", respectively.

On page 5, after line 11, to insert:

SEC. 5. Subsection 316 (a) (1) of the Veterans' Benefits Act of 1957 is amended by deleting the following figures in clauses (A) through (II), respectively: "$21", "$35", "$45.50", "$56", "$14", "$24.50", "$35", and "$17.50", and inserting in lieu thereof the figures "$23", "$39", "$50", "$62", "$15", "$27", "$39", and "$19".

After line 17, to insert:

SEC. 6. Section 335 of the Veterans' Benefits Act of 1957 is hereby amended by changing the period at the end thereof to a comma and adding the following: "counting 50 cents and over as a whole dollar."

After line 21, to insert:

SEC. 7. Section 336 of the Veterans' Benefits Act of 1957 is hereby amended by adding at the end thereof the following sentence: "The amounts payable hereunder shall be adjusted upward or downward to the nearest dollar, counting 50 cents and over as a whole dollar."

And, on page 6, after line 2, to insert:

SEC. 8. This act shall take effect on the first day of the second calendar month which begins after the date of its enactment, and sections 1 through 3 shall cease to be in effect January 1, 1958.

Mr. JOHNSON of Texas. Mr. President, this is a very important measure, and the distinguished chairman of the Finance Committee [Mr. BYRD] is prepared to give an explanation to the Senate. If we may have the attention of his colleagues, particularly on this side of the aisle, I think the result will be to expedite action on the proposed legislation.

Mr. BYRD. Mr. President, the bill as reported by the Committee on Finance provides increases in the service-connected disability compensation and dependency allowances for veterans suffering from disabilities incurred in or aggravated by service in one of the branches of the Armed Forces. It applies to all wars and peacetime veterans. The increases proposed for all basic rates of compensation for disabilities rated less than total and the additional allowances for dependents would amount to 10 percent. The rate for total disability, however, would be increased from $181 to $225 monthly, or approximately 24 percent. The statutory awards for certain specific disabilities would be increased by from 10 percent up to 30 percent, as shown in the table which I send to the desk asking unanimous consent to have incorporated at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Rates of compensation for wartime service-connected disabilities under Public Law 2, 73d Cong., as amended, and Veterans Regulations

	War service-connected rates under existing law	H. R. 52
(a) 10 percent disability	$17.00	*$19.00*
(b) 20 percent disability	33.00	*36.00*
(c) 30 percent disability	50.00	*55.00*
(d) 40 percent disability	66.00	*73.00*
(e) 50 percent disability	91.00	*100.00*
(f) 60 percent disability	109.00	*120.00*
(g) 70 percent disability	127.00	*140.00*
(h) 80 percent disability	145.00	*160.00*
(i) 90 percent disability	163.00	*179.00*
(j) Total disability	181.00	*225.00*
(k) Anatomical loss, or loss of use of a creative organ, or 1 foot or 1 hand, or both buttocks, or blindness of 1 eye, having only light perception, rates (a) to (j) increased monthly by	47.00	*47.00*
Anatomical loss, or loss of use of a creative organ, or 1 foot, or 1 hand, or both buttocks, or blindness of 1 eye, having only light perception, in addition to requirement for any rates in (l) to (n), rate increased monthly for each loss or loss of use by	[1] 47.00	[2] *47.00*
(l) Anatomical loss, or loss of use of both hands, or both feet, or 1 hand and 1 foot, or blind both eyes with 5/200 visual acuity or less, or is permanently bedridden or so helpless as to be in need of regular aid and attendance, monthly compensation	$279.00	*$320.00*
(m) Anatomical loss, or loss of use of 2 extremities at a level, or with complications, preventing natural elbow or knee action with prosthesis in place, or suffered blindness in both eyes, rendering him so helpless as to be in need of regular aid and attendance, monthly compensation	329.00	*369.00*
(n) Anatomical loss of 2 extremities as near shoulder or hip as to prevent use of prosthetic appliance, or suffered anatomical loss of both eyes, monthly compensation	371.00	*401.00*
(o) Suffered disability under conditions which would entitle him to 2 or more rates in (l) to (n), no condition being considered twice, or suffered total deafness in combination with total blindness with 5/200 visual acuity or less, monthly compensation	420.00	*450.00*
(p) In event disabled person's service-incurred disabilities exceed requirements for any of rates prescribed, Administrator, in his discretion, may allow next higher rate, or intermediate rate, but in no event in excess of	420.00	*450.00*
(q) Minimum rate for arrested tuberculosis	67.00	*67.00*

[1] But in no event to exceed $420.

[2] *But in no event to exceed $450.*

Additional disability compensation because of dependents [1]

	Wife, no child	Wife, 1 child	Wife, 2 children	Wife, 3 or more children	No wife, 1 child	No wife, 2 children	No wife, 3 or more children	Dependent parent or parents
Korean conflict World War II World War I Spanish-American War, Philippine Insurrection, Boxer Rebellion Civil War Indian wars Peacetime service (under combat or extrahazardous conditions)	$21.00 *23.00*	$35.00 *39.00*	$45.50 *60.00*	$56.00 *62.00*	$14.00 *15.00*	$24.50 *27.00*	$35.00 *39.00*	$17.50 (1) *19.00* 35.00 (2) *38.00*
Regular peacetime service	16.80 *18.00*	28.00 *31.00*	36.40 *40.00*	44.80 *50.00*	11.20 *12.00*	19.60 *22.00*	28.00 *31.00*	14.00 (1) *15.00* 28.00 (2) *30.00*

[1] Above rates are for 100-percent disability. If and while rated partially disabled, but not less than 50 percent, additional compensation is authorized in an amount having the same ratio to the amount specified in the applicable table, above, as the degree of disability bears to the total disability; e. g., war service-connected disability of 50 percent, compensation rate, $100 (under the bill). If such a veteran has a wife, his compensation would be increased as follows: $100+$11.50=$111.60.

NOTE.—Rates in italic are as reported in H. R. 52.

Mr. BYRD. The Veterans' Administration estimates that the total cost of the bill, if enacted, would approximate $167,707,000 the first year. Of this total approximately $160,047,000 would be attributable to the increases in the various rates of disability compensation and $9,660,000 for the increases in allowances for dependents. This cost would decrease slightly each year for the next 4 years to approximately $164,586,000 in the fifth year.

The bill reported by the committee has no substantive changes from the House-passed bill. The committee amendments are purely technical and are necessary to make the language of the bill conform to the provisions of the recently enacted Veterans Benefits Act of 1957, Public Law 85–56, codifying all the veterans laws.

The bill was unanimously approved by the Senate Finance Committee, and has the approval of all the veterans' organizations. I think it was also unanimously passed by the House.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

Mr. HUMPHREY. Mr. President, I shall take only a moment of the Senate's time. I am keenly interested in the bill. As I am sure the distinguished chairman knows, I had a similar measure, a companion bill to this one, before the Senate Finance Committee. The House acted first. The bill as reported from the committee is an amendment of the House bill. I believe such a measure is long overdue.

I wish to commend the chairman of the committee for this very worthy action. I am very much pleased that the

Senate is about to do what it was hoped could be done last year. A measure similar to this was passed last year in the House, but it was connected with other legislation, and therefore was not acceptable to this body.

I strongly support the measure.

Mr. NEUBERGER. Mr. President, I should like to associate myself with the remarks of the Senator from Minnesota. Both my senior colleague [Mr. MORSE], the present occupant of the chair, and I have received a great many communications from our State with respect to this particular measure. If I am not mistaken, last year we supported the Senator from Minnesota in sponsorship of a bill to increase service-connected disability compensations.

I recently received a communication from the State commander of the American Legion in our State, which is presently holding its annual convention in Eugene. I believe a similar communication was received by the senior Senator from Oregon, urging support of the pending measure.

The bill is not all that the veterans groups in our State and other States desired, but it is certainly a step in the right direction. In view of the high cost of living, the strain on veterans is ever increasing. They need this bill to help them meet these living costs. I commend the chairman of the Finance Committee for bringing before the Senate a bill to deal more fairly with our war veterans who are drawing compensation for service-connected disabilities.

Mr. JAVITS. Mr. President, I wish to associate myself with the views expressed by the Senator from Minnesota and the Senator from Oregon.

Not only is this measure long overdue in terms of the views of those who are beneficiaries, but my mail on this subject, which has been very heavy, evidences a rankling sense of injustice. I do not believe the people realize the detail involved in the legislative process. They have felt that this was a matter which deserved earnest, early, and complete attention.

I agree that this bill is not all we ought to do, but it is a good step in the right direction, and I shall support it. I appreciate very much the fact that the chairman of the Committee on Finance and the leadership have brought the bill up at this time.

Mr. THURMOND. Mr. President, I should like to associate myself with the remarks of the distinguished chairman of the Committee on Finance, the Senator from Virginia [Mr. BYRD], and to commend him and his committee for the splendid work they have done on the bill. It is a very worthwhile bill, and I hope it will be passed.

Mr. REVERCOMB. Mr. President, I too, wish to extend my compliments and pay tribute to the able Senator from Virginia [Mr. BYRD], the chairman of the Committee on Finance. I know a great deal of consideration was given to the bill, as to which deep interest has been shown throughout the country, including my State. It is a good bill. It is a needed bill. I am glad that it is ready for passage, and I hope that it will be passed.

Mr. JOHNSTON of South Carolina. Mr. President, I wish to join in commending the Senator from Virginia [Mr. BYRD] for the work he has done. I must say that there is not too much that we can do for our veterans. Legislation of this character is very much needed, and I hope the bill will be passed.

Mr. YARBOROUGH. Mr. President, I desire to associate myself with the Senators who have commended the Committee on Finance for the work on the pending bill. I congratulate the senior Senator from Virginia [Mr. BYRD] for his thorough work and his concise report on H. R. 52. We all know that the senior Senator from Virginia appreciates the value of a dollar, and the fact that the has endorsed the proposed legislation shows the urgency of the need. I have visited with many disabled veterans in Texas, and know the impelling need for legislation to increase payments to disabled veterans.

Mr. COOPER subsequently said: Mr. President, I ask unanimous consent to have inserted in the RECORD at a point prior to the passage of House bill 52, a statement which I send to the desk.

The PRESIDING OFFICER. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR COOPER

I am very glad that the distinguished chairman of the Senate Committee on Finance [Mr. BYRD] has reported H. R. 52 to the Senate, and has urged its passage.

While the bill does not satisfy all the needs of our veterans, it does provide increases in service-connected disability compensation for all our veterans and increases the dependency allowances for veterans of the Spanish-American War, the Philippine Insurrection, and the Boxer Rebellion, as well as for regular peacetime service.

I am happy to support this bill for our veterans, and urge its passage by the Senate.

The PRESIDING OFFICER. The question is on the passage of the bill.

The bill (H. R. 52) was passed.

RURAL DEVELOPMENT

Mr. THURMOND. Mr. President, in the current issue of Time magazine for August 12, 1957, on page 80 there is an interesting article to which I wish to call attention. The title of this article is "Rural Development—One Farm Program That Works."

With a Federal cash outlay of only $2,100,000 during the past fiscal year, a great deal has been accomplished by the rural development program. Congress has approved an appropriation of $2,500,000 for fiscal 1957–58.

This program deals with approximately 2,500,000 farmers who are in the marginal income category—those who are having a hard time making ends meet. The article to which I refer in Time describes some of the work which has been done under rural development during the past year—how this program has helped many small farmers in their specific problems. Rural development endeavors to study the individual farmer's need and helps him to find some solution to it. It is not a give-away program, but a program to help the marginal farmer to achieve self help.

Mr. President, in my opinion that is one of the greatest things that could be done for the small farmer. So much of our legislation has dealt with the problems of the large producer and the average producer that the really small farmer has been left out.

Not only that, but a program of self-help and technical assistance is much more important in dealing with a problem like this than even support prices, perhaps.

This article describes how 54 counties were selected in the Southeast, the Southwest, New England, and along the Ohio Valley, as well as in the Great Lakes area. In certain instances the program has dealt with the problem of helping farmers to make the best use of their land and equipment. In others it has helped to develop jobs in industry as a supplement to farm income. It has assisted still others in the substitution of one program for another as the old program has faded into the past.

Mr. President, this article points up very well the great importance rural development is having on the small scale it has been used during the past year and that it can have on a larger scale.

I hope that every Member of the Senate will read this article, which I ask unanimous consent to have inserted at this point in the body of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RURAL DEVELOPMENT—ONE FARM PROGRAM THAT WORKS

In campaigning for billions in price supports, Washington politicos often give the impression that the subsidies benefit all of America's 5,400,000 farm families. Actually, only a minority gets them, since only five crops (wheat, corn, cotton, rice, and tobacco) are supported, and they are produced by the Nation's most prosperous farmers. Left out almost completely are some 2,500,000 marginal farmers. These underfed and ill-housed families are a farm problem that few Congressmen talk about. Last week Congress grudgingly voted $2,500,000 for their benefit, a cut of $1,500,000 below the amount President Eisenhower urgently requested this year for rural development, the Nation's newest farm program.

Rural development is one of the few farm programs that really works. Yet it gets a cold reception from politicians because it is prompted by an unpleasant fact that they prefer to ignore. The fact: too many farmers are trying to scratch out a living on farms that are too small to be profitable. From 1930 to 1954, the average United States farm jumped from 157 to 242 acres. But, with the cost of mechanization, even that is not enough to support a single family in many areas. And in hundreds of scrubby farming counties the cultivated area per farm averages as little as 8½ acres.

To make the first broad-scale assault ever attempted on this problem, the Agriculture, Interior, Commerce, Labor, and Health, Education, and Welfare Departments, at President Eisenhower's orders, selected 54 counties and 3 multicounty areas in the Southeast, Southwest, New England, along the Ohio River Valley, and in the Great Lakes area as laboratories in which to test a new idea. The big idea: to encourage local farm leaders, businessmen, clergymen, and others to take over and work out their own farm-improvement plans, tailored to their own

needs, with technical and loan assistance supplied by their State and the Federal Government.

In the test counties, farmers got a choice. If they wanted to keep on farming, they were shown how to farm better, got help in buying more land and equipment. Others were helped in getting jobs in town or industry. Rural development has also persuaded industries to locate plants in distressed rural areas, and has aided farmers in starting their own businesses.

In Price County, Wis., Gordon Johnson, who was a misfit at dairying, last week started work on his first glass-fiber boat in his new company. In Monroe County, Ohio, ministers sparked a countywide poll of the labor force, which helped attract a new Olin Mathieson aluminum plant. In Espanola, N. Mex., fruit growers were helped to build a plant to grade and pack their apples and peaches. In Choctaw County, Okla., which was losing population in droves, a new cannery, a glove factory, and a feed mill were established.

With the help of rural development, many farmers are learning to be better farmers. In Lewis County, W. Va., rural development last year helped 12 farmers buy 146 western ewes. In one season they made enough from their lambs and wool to pay back the loan; this year they will pocket a sizable profit from their almost vertical hillside pastures.

In Tippah County, Miss., farmers were giving up their homesteads at the rate of nearly 100 a year, forced out of business by the cotton acreage cuts. The county was helped by rural development to launch a brand-new dairy industry. Merchants raffled off 27 prize Jersey cows as breeding stock, put up $25,000 to start a processing plant. The plant opened February 1, paid back the loan in full June 1. A similar shift is going on in Chesterfield County, S. C., hard hit by the cutbacks in tobacco acreage, where rural development is encouraging farmers to use tobacco barns no longer needed for curing tobacco to dry out and store sweetpotatoes. For many families, rural development means the amenities of living, whose lack is incomprehensible to many other Americans. In tiny Cañada de los Alamos, N. Mex., 13 Spanish-speaking families, thanks to rural development, now have a community well, ending generations of carrying water uphill.

Surveying such accomplishments, all brought about in little over a year with a Federal cash outlay of only $2,100,000 (the cost of storing Government price-supported crop surpluses for 2 days), some enthusiasts believe that if rural development were vastly expanded it would be an answer for the whole farm problem. But most experts point out that the plan's success is due to the fact that it relies on local and State initiative rather than a vast new Federal bureaucracy to dictate to farmers. As Editor F. W. Heath of the weekly Price County (Wis.) Bee put it last week: "At last we are beginning to realize that 'we' are the 'they' we talk about when we want something done."

Mr. AIKEN. Mr. President, I was about to rise for the same purpose for which the Senator from South Carolina did; namely, to ask unanimous consent to have the article from Time magazine printed in the RECORD. I am glad he has done so.

The rural development program, which has been going on quietly in 54 counties throughout the country, demonstrates what can be done by earnest people even with a small amount of money.

In fact, as we are just now finding out what can be done in this field, we should do more in it in the future. We have in our country at least a million and a half families living on small farms and who are trying to exist on an average annual income of around $1,000.

We can perform no better service than to help these people make a better living for themselves, either on or off the farm, or by a combination of both.

Therefore, Mr. President, I wish to pay tribute to the Undersecretary of Agriculture, Mr. True Morse, to the men who have been working on the rural development program in the field—and to the women, too, because they have been working in the homes, as well—in the past few years; and I hope that the program may be materially increased in the future.

UNIFORM SUCCESSION OF REAL AND PERSONAL PROPERTY IN CASE OF INTESTACY IN THE DISTRICT OF COLUMBIA

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 718, H. R. 6508.

The PRESIDING OFFICER. The clerk will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 6508) to modify the Code of Law for the District of Columbia to provide for a uniform succession of real and personal property in case of intestacy, to abolish dower and curtesy, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

CHANGES IN THE POLICIES AND OPERATIONS OF THE DEPARTMENT OF AGRICULTURE WITH REGARD TO REA LOANS

Mr. HUMPHREY. Mr. President, on Tuesday I announced plans for a hearing by the Subcommittee on Reorganization of the Committee on Government Operations into reported changes in the Department of Agriculture's policies and operations with regard to REA loans.

The hearing had been scheduled for this morning.

Because we were unable to get Secretary Benson to appear as requested, it was necessary to postpone the hearing.

All week we have been endeavoring to obtain agreement on a new date, but I regret to report Secretary Benson has so far indicated no date on which he could or would appear.

Because I feel it my duty to conduct this hearing as part of my delegated responsibility from the Committee on Government Operations to continually evaluate use of reorganizational authority granted departments of the executive branch by the Congress, I wish to serve notice that the hearing will be held whenever Mr. Benson makes himself available, and I want to further express the hope that the Secretary of Agriculture will not persist in remaining away until Congress adjourns.

I want the RECORD clear on this inquiry.

Serious charges about the Secretary taking away authority of the Senate-confirmed REA Administrator to approve loans were made in the national REA magazine. As chairman of the Subcommittee having jurisdiction over the reorganizational authority the Secretary is alleged to have misused or abused, I called a hearing to give him full opportunity to answer and explain his side of the story.

Unfortunately, the Secretary is out in the vicinity of Priest River, Idaho, inspecting national forests. According to his staff, he has been informed of our request but was unable to return for the hearing today.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MANSFIELD. I believe the fact should be mentioned that Secretary Benson has been vacationing in Idaho and Montana for the past month, and that he should be in Washington to answer inquiries being made by committees of Congress, a subcommittee of one of which the Senator from Minnesota heads, certainly inquiries with respect to matters such as the Senator from Minnesota has brought to our attention tonight.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. CARROLL. Does the Senator from Minnesota desire to mention the name of the man of whom the Secretary was critical and with respect to whom the Secretary is to be interrogated?

Mr. HUMPHREY. The gentleman is Mr. Hamil.

Mr. CARROLL. Is it Mr. David Hamil, the Administrator of REA?

Mr. HUMPHREY. The Senator is correct.

Mr. CARROLL. In the press of Colorado and in other newspapers I have learned what is proposed to be done with Dave Hamil. He is not a Democrat. He is a Republican. I have learned not only what is proposed to be done with him, but what is proposed to be done with reference to the lending authority. I believe it is very important that the Secretary of Agriculture return to Washington so that he may be questioned on that very important subject.

Mr. HUMPHREY. Mr. President, I should like to have my colleagues know that the request made of the Secretary was not made in a spirit of criticism but was made in a spirit of cooperation. We assured him that we would like to have an explanation of what he was doing under the authority which had been granted by Congress. This was done because at the time the reorganizational plan for the Department of Agriculture was approved, the Secretary assured us, and transmitted it by printed record, that there would be no tampering whatsoever, in any detail, with the REA, its administration, or its policies. Those policies and administrative matters apparently have been tampered with, in the light of the evidence which has been brought to our attention.

As I said, the Secretary has been in the vicinity of Priest River, Idaho, inspecting the national forests. We have offered him several alternative dates,

but so far we have been unable to get any commitment whatsoever. We have asked on what date he will be available, but so far we have been able to get no commitment as to any date.

I appreciate the difficulty of negotiating a hearing date while the Secretary is vacationing in the woods. But I respectfully suggest that it would be helpful to Congress to have the Secretary here in the closing days of the session. After that he will have ample time to enjoy the woods.

I understand the Secretary is coming back for a Cabinet meeting next week. Without any reflection upon the Acting Secretary or the other officials of the Department, I wish to make it abundantly clear why I feel the Secretary himself must personally appear to discuss the REA situation. It was the Secretary who gave his personal assurances to the Subcommittee on Reorganization at the time he was given the reorganization authority. We can hardly call upon others to account for the Secretary's stewardship or his personal word in this instance.

I call the attention of my colleagues to the fact that the assurance of the Secretary was that the loan authority would remain in the hands of the REA Administrator, and would not in any way be tampered with.

I have asked the staff of the Committee on Government Operations to conduct its own investigation, until we can obtain from Secretary Benson his consent to appear, as soon as he returns from the woods.

I have a memorandum from the staff of the Senate Committee on Government Operations—one of the best staffs in Congress—giving me a breakdown or a listing of the efforts which have been made since Tuesday to obtain an audience with the Secretary of Agriculture. I only note that on Thursday, August 8, the committee's counsel advised my administrative assistant that the Deputy Secretary, Mr. True Morse, had communicated this request to the Secretary, and that the Secretary had replied that he could not appear on August 16, nor August 19, nor August 21, and that he did not know when he could appear.

I submit that this is no way for a Cabinet officer to conduct himself. I further suggest that in the light of the commitments which have been made by the Department of Agriculture, it would be prudent and wise on the part of the Secretary to extend cooperation to a subcommittee of Congress, a subcommittee which will give him a courteous hearing, will seek only the facts, and will in no way seek to embarrass him.

Mr. President——

The PRESIDING OFFICER. The Senator from Minnesota.

INTEREST RATES

Mr. HUMPHREY. Mr. President, last month the Treasury Department offered notes at 4 percent, the highest interest rate since 1933. On August 5 the Federal Housing Administration boosted the interest rates on home loans to 5¼ percent. The following day Bankers Trust Company of New York, the ninth biggest bank in the country, raised its "prime" rate on loans to commercial borrowers from 4 percent to 4½ percent and other banks promptly followed suit.

As a result of the administration's tight money policies we are witnessing a frightening spectacle of interest rate "leap frog" whereby Treasury boosts its rates with the excuse it must do so to obtain funds, the FHA in turn raises home loan rates to attract funds, and the bankers in turn increase their rates on the grounds that "the prime rate has been lagging behind all the other rates for some time."

I ask, Mr. President, where does this all end? Whom will it benefit besides the big financial investors? It certainly will not benefit John Q. Public, who sees more and more of his taxes going to pay interest on the public debt. It certainly will not benefit home buyers, who see more and more of their monthly payments going to the bankers and other financial institutions. It certainly will not benefit small-business men, who are simply not able to compete in this battle of interest rates with their bigger competitors. It certainly will not benefit the farmers, who are paying more and more in interest on their loans.

What we are witnessing is the great shell game, and the American people are being taken for a ride by the money lenders. It is high time that we stop and ask ourselves just how long this will be permitted to go on. There should come a limit to our endurance.

I ask unanimous consent, Mr. President, that an article from the Wall Street Journal of August 7, announcing the boost in bank "prime" commercial loan rates to 4½ percent be inserted in the RECORD at the conclusion of my remarks. This article shows how fast interest rates have risen in the past year. "Prime" commercial rates from 3¾ percent to 4½ percent—that amounts to an increase of 20 percent. Prime commercial paper, 4 to 6 months, from 3⅛ percent to 3⅞ percent—an increase of 23 percent. This is what I call real inflation, but I have come to learn that this administration sheds no tears over the people being burdened with ever greater debts and heavy interest payments.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal of August 7, 1957]

BANKERS TRUST BOOSTS PRIME RATE ONE-HALF POINT TO 4½ PERCENT, BANKS IN OTHER CITIES FOLLOW, BUT NONE IN NEW YORK—RISE IS FIRST CHANGE SINCE AUGUST 1956; NEW LEVEL HIGHEST SINCE EARLY THIRTIES

NEW YORK.—Bankers Trust Co. of New York raised its prime rate on loans to commercial borrowers to 4½ percent from 4 percent, effective today. The new rate, the highest quoted by a major commercial bank since the early thirties, represents the first change in the basic cost of bank credit since last August.

Banks in Chicago, Boston, Philadelphia, Pittsburgh, Cleveland, St. Louis, Dallas, Kansas City, and Atlanta were among those that promptly announced they were following suit. But major banks in New York City, many larger than Bankers Trust, had no immediate announcements to make.

A spokesman for Bankers Trust, sixth largest bank in New York City and ninth biggest national, said the bank made the move "because the prime rate has been lagging behind all other rates for some time."

The prime rate is the fee commercial banks charge for loans to its biggest borrowers with the best credit rating. Interest charged other borrowers is scaled upward from the prime rate.

Although bankers had been openly discussing the need for another advance in the prime rate for some weeks, some of them indicated prior to yesterday that they were beginning to revise their thinking—largely, it was understood, because of somewhat less certainty about the business outlook.

But the Bankers Trust official said his bank had acted because its business loans have been going up faster than deposits, thus indicating this resulted in the bank having less money available to lend. Loans at the bank, he said, are about $35 million higher than last year, while deposits have gone up slightly.

The Bankers Trust announcement was made public at about 3 p. m. Other big New York banks, such as First National City, Chase Manhattan, Manufacturers Trust and Chemical Corn Exchange, were questioned as to their plans, but all said they could not answer immediately.

"This broke on us late in the afternoon and a lot of our people are away on vacation, making it pretty tough to get an immediate decision," an official of one of the other banks said. He said, however, that it was likely that other New York banks would boost the rate today.

Banks in cities that did not announce increases in their prime rate yesterday said it was almost a foregone conclusion they'd join the parade. "Of course, we'll follow suit almost immediately," said C. B. Stephenson, president of First National Bank of Portland, Oreg. "This sort of thing is practically automatic."

But a spokesman for Bank of America, the country's largest, at San Francisco, said: "We do not wish to comment at this early time."

The last time the prime rate was raised it was First National Bank of Boston, last August, which was the first to act, triggering a general advance from 3¾ percent to 4 percent. Yesterday a First National spokesman said: "The chances are 2 to 1 we will go up tomorrow."

Some New York bankers, however, indicated they might not have ordered prime rate increase at this time. Said a top official of a leading bank: "The business picture leaves room for doubt, and besides, this is the time of the year when our loans are usually at a relatively low level."

But this banker conceded that with a new Treasury financing ahead in the next 2 weeks or so, "if you were going to act, this would be the time to do it."

The climb of the prime rate has been paralleled by equally steady rises in other important borrowing rates, especially those of commercial paper and of bankers' acceptances. Both these short-term credit instruments are at record rates since the early 1930's.

Commercial paper, as quoted by broker-dealers, is at 3⅞ percent for prime 4 to 6 months' paper, and up to 4¼ percent for paper of less well known concerns. This compares with a rate just 1 year ago of 3½ percent for the prime 4-to-6 months' paper and 3½ percent for the smaller and less well known concerns.

Similarly, commercial paper sold through the large finance companies now ranges from 3½ percent on 30-to-89 day paper to 4 percent on 240-to-270-day notes. This is up sharply from rates of 2¾ percent on the 30-to-90-day paper to 3⅛ percent on 240-to-270-day notes.

Commercial paper is the money market term for notes which companies issue to raise funds for short-term seasonal needs.

The finance companies sell their paper directly to investors, while dealers, handling notes of other types of concerns, sell in the open market.

The most recent boost in commercial paper rates of brokers and dealers was made in mid-June. Shortly thereafter, the sales finance companies made their most recent change. The increases have nearly all come one-eighth percentage point at a time.

Bankers' acceptances range from 3½ percent bid, 3⅜ percent asked on 30-to-90-day bills to 3¾ percent bid, 3⅝ percent asked on 180-day bills. One year ago, the 30-to-90-day bills were at 2⅝ percent bid, 2½ percent asked and 180-day paper was at 2⅞ percent bid, 2¾ percent asked.

Bankers' acceptances, for the most part, are bills covering exports, imports and domestic shipments which have been accepted by a bank—putting the bank's credit behind the purchaser of the goods. After the draft has been accepted, it becomes negotiable and can be traded in the open market through dealers.

Bankers, as a rule, are reluctant to raise their rates just before the Government has to go into the capital market because of the impact such a change is likely to have on the price Uncle Sam would have to pay for his money.

For weeks, bankers across the country have been considering a prime rate increase mainly as a defensive measure, some said, to the higher rates borrowers have had to pay for capital funds. "Companies are balking at the 5½ percent interest they have to pay for long-term money and have been coming to us for help," said a New York lending officer.

This pressure, coupled with the effect on the banks of the Federal Reserve's policy of credit restraint, was said to be principal reasons behind a prime rate rise.

Commercial bank loans so far this year have increased at reporting banks in leading cities much more slowly than a year ago. But loans already on the books of these 210 banks in 12 key money centers are more than $3 billion higher than last year, thus reducing the banking industry's lending capacity.

At last report, only July 31, business loans at these banks had increased $514 million for the year, against $2 billion in the like period last year. So far in New York City Banks reporting to the Federal Reserve, commercial and industrial loans have increased $145 million, compared with $886 million last year. New York City business loans outstanding, however, are more than $1.6 billion above a year ago.

Mr. HUMPHREY. Mr. President, as a result of the rise in the prime bank rate from 4 percent to 4½ percent which was initiated on Tuesday, short term money rates have risen to the highest point since the bank holiday of 1933.

The Journal of Commerce of August 8 reports:

The latest culmination of the long rise in the curve of higher borrowing rates brought renewed deflation in the bond market, in the commercial paper market and in the bankers' acceptance market, in all of which yield rates were marked higher, and to the peak level of the past 26 years. Not since the bank holidays of 1933, when lenders of money arbitrarily made their own prices for funds, had short-term money rates generally been so high.

I ask unanimous consent, Mr. President, that two articles, one from the August 8 issue of the Wall Street Journal and the other from the Journal of Commerce of the same date, on the subject of higher short-term money rates, be printed at this point in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal of August 8, 1957]

MOST LARGE BANKS FOLLOW RISE TO 4½ PERCENT IN PRIME RATE; DEALERS HIKE BANKERS ACCEPTANCES, COMMERCIAL PAPER—INTEREST GOES UP ONE-QUARTER POINT ON ACCEPTANCES AND ONE-EIGHTH POINT ON COMMERCIAL PAPER

NEW YORK.—Short-term interest rates moved up on a broad front yesterday following the one-half-point rise in the prime bank rate Tuesday to 4½ percent by Bankers Trust Co. of New York.

Bankers acceptance dealers raised their rates one-quarter-point across the board and commercial paper dealers went up one-eighth-point on all maturities.

Most major banks in New York City and around the country have now adopted the new 4½ percent prime rate—the charge commercial banks make on loans to their biggest borrowers with the best credit ratings. Interest charged all other borrowers is scaled upward from the prime.

This basic bank credit rate, as well as commercial paper and bankers' acceptance rates to borrowers, continue to be the highest since the early thirties.

The upward moves by commercial paper and bankers acceptance dealers was expected. An increase in bank rates places the rates of short-term paper under pressure, since borrowers seek to shift more of their borrowings into these instruments. Dealers, however, who must pay the bank rate to raise their funds, would thus be caught in a squeeze unless they also move, a dealer explained.

New York banks joining the parade to the higher prime rate yesterday included First National City Bank, Irving Trust Co., Chase Manhattan Bank, United States Trust Co., Chemical Corn Exchange Bank, Hanover Bank, New York Trust Co., J. P. Morgan & Co., Inc., Bank of New York, and Guaranty Trust Co.

Manufacturers Trust Co. hopped on the bandwagon later in the day.

Also moving up to 4½ percent was the Nation's largest bank, Bank of America, headquartered in San Francisco.

Commercial paper is the money market term for notes which companies issue to raise funds for short-term seasonal needs. Brokers and dealers handling notes of business concerns sell them in the open market, while sales finance companies sell their paper directly to investors.

Bankers' acceptances, for the most part, are bills covering exports, imports, and domestic shipments which have been "accepted" by a bank—putting the bank's credit behind the purchaser of the goods. After the draft has been accepted, it becomes negotiable and can be traded in the open market through dealers.

The one-fourth percentage point increase in bankers' acceptances brought the rates up to 3¾ percent bid, 3⅝ percent asked on 30- to 90-day bills, 3⅞ percent to 3¾ percent on 120-day bills and 4 percent to 3⅞ percent on 180-day bills.

The increase of one-eighth percentage point in commercial paper by brokers and dealers brought their rates up to 4 percent for prime 4 to 6 months' paper and 4⅛ percent for lesser known names.

Both bankers' acceptance and commercial paper rates have been climbing gradually, mostly in one-eighth percentage point steps over the last year, while the banks' prime rate has remained unchanged in that period.

Nearly all major banks in Chicago, San Francisco, St. Louis, Cleveland, Los Angeles, Philadelphia, and Washington announced increases in their prime rates before the day was half gone.

By late yesterday all major Boston banks, First National Bank, Merchants National Bank, Second Bank-State Street Trust Co., National Shawmut Bank, and Rockland-Atlas National Bank had all gone to 4½ percent.

In Chicago, Northern Trust Co. became the fourth of that city's largest banks to go to 4½ percent.

In San Francisco, besides Bank of America, American Trust Co., Bank of California, First Western Bank & Trust Co., and Crocker-Anglo National Bank indicated they were going along with the prime rate rise.

Two of Washington, D. C.,'s three largest banks boosted their prime rates, American Security & Trust Co. and Riggs National Bank. A pair of Philadelphia banks raising their rate were Fidelity-Philadelphia Trust Co. and Central-Penn National Bank.

Other banks to raise their rates were Mellon National Bank & Trust Co., Pittsburgh; California Bank of Los Angeles; Central National Bank of Cleveland; Union Commerce Bank, Cleveland; and First National Bank of Minneapolis. According to James P. Hickock, president of St. Louis' First National Bank, all the large St. Louis banks went to 4½ percent yesterday.

[From the Journal of Commerce of August 8, 1957]

SEQUEL TO PRIME RATE HIKE—SHORT TERM MONEY RATES RISE TO HIGHEST SINCE 1933

(By Ed Tyng)

Major commercial banks in all the principal cities of the United States almost unanimously joined in the move initiated by the Bankers Trust Co. on Tuesday in raising to 4½ from 4 percent the rate at which they make unsecured loans to "blue chip" customers.

The latest culmination of the long rise in the curve of higher borrowing rates brought renewed deflation in the bond market, in the commercial paper market and in the bankers' acceptance market, in all of which yield rates were marked higher, and to the peak level of the past 26 years. Not since the bank holidays of 1933, when lenders of money arbitrarily made their own prices for funds, had short-term money rates generally been so high.

RAISED BY FRACTIONS

Yield rates for commercial paper were marked up one-eighth of 1 percent and those on bankers acceptances were quoted one-quarter of 1 percent higher. Relatively minor declines occurred in the Government bond market, which accepted the view of the Under Secretary of the Treasury, W. Randolph Burgess, that the higher prime rate already had been largely "discounted."

The principal New York banks saw no alternative but to follow the lead of the Bankers Trust Co., since to do otherwise would put more loan pressure upon them than they had funds available to lend.

Among the first to quote higher rates in line with the Bankers Trust Co. quotation were the Chase Manhattan Bank and the First National City Bank, the two largest banks in the East. Announcement of a similarly higher rate came also from the Chemical Corn Exchange Bank, the Manufacturers Trust Co., the Guaranty Trust Co., J. P. Morgan & Co., the New York Trust Co., United States Trust Co., Irving Trust Co., Marine Midland Trust Co., and many others.

IN LINE WITH PRIME RATE

Dealers in commercial paper, which is defined as promissory notes sold in the open market or directly to buyers, quoted rates of yield one-eighth of 1 percent higher, explaining that this was a smaller rise than anticipated but in line with the prime rate. The new commercial paper yield rate ranges from 4 percent for so-called best names to 4⅜ percent for lesser names. The commercial paper rate is directly competitive with the bank lending rate.

The latest increases in short-term money rates gave more than average significance to the position of the Federal Reserve banks rediscount rate, which at 3 percent is now much out of line with other rates. Directors of the Federal Reserve Bank of New York will pass upon the discount rate at a meeting to be held this afternoon. They may not change the existing rate.

The bankers acceptance rate, now one-quarter of 1 percent higher at 3¾ percent bid for 90 days, was up despite a good foreign demand for bills which, up to Tuesday, had been calculated to be adequate to absorb all supplies.

BOND MARKET CHANGES MODEST

Relatively modest changes, ranging from small fractions to a point, occurred in the bond market, which tended toward the view that the worst was now over so far as the money picture was concerned and that future developments could be only constructive. During most of the day corporate bonds were easier to unchanged with only moderate trading activity.

A few Government securities sank to new lows but many remained above previous bottom prices. The Treasury is on the eve of seeking $1½ billion to $2 billion of new money and may have to pay more for the funds in the light of new rates for other short-term funds.

Despite the higher prime rate for business borrowers in the "blue chip" class—a classification comprising not much more than 100 national corporations—bank credit continued to be available.

Many of the larger banks reiterated their view that credit expansion for commerce and industry won't go much further this calendar year. They declared the latest round of higher rates would preclude much borrowing that up to now had been contemplated. Other banks took a dim view of this supposition in the light of rising loan demands upon them.

The prime rate, while it has a limited application and therefore is not as important as are some other short-term interest rates, is a basic rate that is used as a yardstick for other forms of bank credit. Many of these other forms are now being marked up to correspond to the change in the prime rate.

Mr. HUMPHREY. Mr. President, I also ask unanimous consent that a brief article from the August 8 issue of the Wall Street Journal be inserted in the RECORD. It reports that the Federal National Mortgage Association, better known as Fannie May, will pay a record rate of 4⅜ percent on its $165 million public offering. This is the highest rate in the agency's 19-year history.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FANNIE MAY WILL PAY RECORD RATE OF 4⅜ PERCENT ON $165 MILLION ISSUE

WASHINGTON.—The Federal National Mortgage Association put a 4⅜ percent rate on its $165 million public offering today, the highest rate in the agency's 19-year history.

The secondary market debentures are being offered through Fannie May's fiscal agent, John H. Claiborne, Jr., New York, and a nationwide group of securities dealers.

The interest rate the agency will pay compares with 4¼ percent offered with a $100 million issue of debentures sold in June.

Fannie May, which buys and sells federally backed mortgages in the secondary, or resale market, originally planned to offer its latest debenture block Wednesday, but delayed the issue until today, presumably because of the new increase in the prime rate put into effect for the first time yesterday.

The new issue is being offered at par. It will be dated August 20, 1957, and will mature July 10, 1958.

Mr. HUMPHREY. Mr. President, I do not know when Congress will do something about high interest rates. We piddle around here many times with a lot of minor issues, when, in fact, the American people are being taken to the cleaners in the most inflationary market, in terms of the rent of money, that America has known since the dark days of the depression.

If the administration is unwilling to take control of these matters and to exercise its power in the public interest, then I think it is the duty of Congress to do so. Congress talks about economy. Many Senators believe strongly in economy. The best way to give ourselves some economy is to stop the runaway interest rates which are causing inflation. That is exactly what is going on. It is going on with the backing, support, connivance, and premeditation of this administration. Every day, every week, we see the picture expand.

I hope that before this session is over, at least some resolution may be adopted by this body, indicating the displeasure of the Congress with this fantastic picture of the administration, on the one hand, crying crocodile tears over inflation, and on the other hand, really creating it.

I submit that there is no commodity which has had its price rise as much as has the commodity of money. Money under this administration has had the greatest price increase of any commodity on the American market.

I charge this administration with financial hypocrisy and duplicity.

UNIFORM SUCCESSION OF REAL AND PERSONAL PROPERTY IN CASE OF INTESTACY IN THE DISTRICT OF COLUMBIA

The Senate resumed the consideration of the bill (H. R. 6508) to modify the Code of Law for the District of Columbia to provide for a uniform succession of real and personal property in case of intestacy, to abolish dower and curtesy, and for other purposes.

Mr. JOHNSON of Texas. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is H. R. 6508.

Mr. JOHNSON of Texas. And what is H. R. 6508?

The PRESIDING OFFICER. It is a bill to modify the Code of Law for the District of Columbia to provide for a uniform succession of real and personal property in case of intestacy, to abolish dower and curtesy, and to grant unto a surviving spouse a statutory share in the other's real estate owned at time of death, and for other purposes.

Mr. JOHNSON of Texas. I hope the explanation of the bill by the able chairman of the subcommittee will be briefer than the title. [Laughter.]

Mr. CLARK. Mr. President, I shall endeavor to accommodate the distinguished majority leader.

The purpose of the bill is to modify the Code of Law for the District of Columbia to provide for the uniform succession of real and personal property in case of intestacy, to abolish dower and curtesy, and to grant unto a surviving spouse a statutory share in the other's real estate owned at time of death.

The bill is in the form of a uniform law which is now in existence in all except three States of the Union. It was introduced at the request of the Bar Association of the District of Columbia and has the approval of the Board of Commissioners of the District of Columbia. At the hearings held before the Committee on the District of Columbia, there was no opposition to the bill.

Mr. President, I offer the amendments which I send to the desk and ask to have stated.

The PRESIDING OFFICER (Mr. MORSE in the chair). The amendments will be stated.

The LEGISLATIVE CLERK. On page 2, line 17, immediately after "SEC. 3." it is proposed to insert "(a)".

On page 3, between lines 6 and 7, it is proposed to insert the following new subsection:

(b) The intestate share as provided by section 940 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, shall attach to all real property owned by husband or wife during coveture: *Provided*, That neither husband nor wife hereafter shall have the right to convey, transfer, or encumber his or her real property free of the surviving spouse's interest in case of intestacy, as provided in this act, without joinder of the other spouse.

On page 6, line 17, it is proposed to strike out "Married" and insert in lieu thereof the following:

Subject to the provisions of subsection (b) of section 3 of this act, married.

Mr. CLARK. The purpose of the amendments is to give to the spouse a vested interest in all real property acquired by either during coveture. In other words, neither spouse would have the right to convey, transfer, or encumber his or her real property without joinder of the other spouse.

The PRESIDING OFFICER. The question is on agreeing to the amendments of the Senator from Pennsylvania.

The amendments were agreed to.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 6508) was read the third time, and passed.

Mr. CLARK subsequently said: Mr. President, I ask unanimous consent to have printed in the RECORD, following the passage of House bill 6508, a letter which I send to the desk.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WILLEY & CROOKS,
Washington, D. C., August 8, 1957.

Hon. JOSEPH S. CLARK,
United States Senate,
Washington, D. C.

MY DEAR SENATOR CLARK: As I believe you are aware, the Bar Association of the District

of Columbia has been extremely concerned with revision of the Code of Laws for the District of Columbia to provide for uniform succession of real and personal property in case of intestacy and to establish, in lieu of dower and curtesy, a statutory share in a surviving spouse. The bill, authored by the association some 4 years ago, and passed by the House of Representatives this session of Congress, being H. R. 6508, was reported favorably by your subcommittee and the Committee on the District of Columbia.

Recently Bill Gulledge informed me that the Women's Bar Association had pointed out its approval of the bill except that it urged such bill should contain a provision which would have the effect of creating an inchoate right in the surviving spouse's share. This does not surprise me nor members of my committee on probate law of the association.

As you know, common law dower, which has been a part of the law of the District of Columbia since 1801, attaches to all real estate owned by the husband during marriage and a wife must join in any conveyance of a husband to release such dower. In 1916, Maryland provided that common law dower be applied to both husband and wife, and since that time in the conveyance of Maryland real estate, it is necessary that a husband join in the conveyance by the wife of her separate estate in land. The proposed amendment has the same effect as to the statutory share, which is not only in lieu of dower and curtesy but gives a greater interest than dower.

In keeping with the modern concept of protecting a spouse as to property owned by the other spouse during marriage by requiring the joinder of both spouses in the conveyance of any real estate owned by either, I see no objection to the position of the Women's Bar Association.

I have discussed this matter with Bill Gulledge and a member of the Office of the Legislative Counsel of the Senate and the proposed amendment of section 3 of the bill, in my view, is desirable. I believe there will be no objection in the House.

There is much to be accomplished by this legislation, now so close to final adoption, that I respectfully urge that the bill be submitted to the Senate at the earliest opportunity with the amendment.

Your continued interest will be deeply appreciated.

Respectfully,

JAMES A. CROOKS.

APPOINTMENT OF REPRESENTATIVES OF THE UNITED STATES IN THE ORGANS OF THE INTERNATIONAL ATOMIC AGENCY

Mr. JOHNSON of Texas. Mr. President, there is at the desk House bill 8992. It has been passed by the House, but it is not on the Senate Calendar. It is an atomic energy bill. I invite the attention of the distinguished minority leader [Mr. KNOWLAND] and the distinguished junior Senator from New Mexico [Mr. ANDERSON].

I ask that the bill be laid before the Senate.

The PRESIDING OFFICER laid before the Senate (H. R. 8992) to provide for the appointment of representatives of the United States in the organs of the International Atomic Energy Agency, and to make other provisions with respect to the participation of the United States in that Agency, and for other purposes, which was read twice by its title.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of the bill.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

Mr. KNOWLAND. Mr. President, I have no objection to the present consideration of the bill. I understand that the distinguished chairman of the Joint Committee on Atomic Energy intends to request that all after the enacting clause of the House bill be stricken out, and that there be inserted the text of the corresponding Senate billl.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas that the Senate proceed to the consideration of House bill 8992.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 8992) to provide for the appointment of representatives of the United States in the organs of the International Atomic Energy Agency, and to make other provisions with respect to the participation of the United States in that Agency, and for other purposes.

Mr. ANDERSON. Mr. President, I move that all after the enacting clause of House bill 8992 be stricken out, and that there be inserted the text of Senate bill 2673, as reported to the Senate.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. It is proposed to strike out all after the enacting clause of H. R. 8992, and to insert:

Be it enacted, etc., That this act may be cited as the "International Atomic Energy Participation Act of 1957."

SEC. 2. (a) The President, by and with the advice and consent of the Senate, shall appoint a representative and a deputy representative of the United States to the International Atomic Energy Agency (hereinafter referred to as the Agency), who shall hold office at the pleasure of the President. Such representative and deputy representative shall represent the United States on the Board of Governors of the Agency, may represent the United States at the General Conference, and may serve ex officio as United States representative on any organ of that Agency, and shall perform such other functions with the participation of the United States in the Agency as the President may from time to time direct.

(b) The President, by and with the advice and consent of the Senate, may appoint or designate from time to time to attend a specified session or specified sessions of the General Conference of the Agency a representative of the United States and such number of alternates as he may determine consistent with the rules of procedure of the General Conference.

(c) The President may also appoint or designate from time to time such other persons as he may deem necessary to represent the United States in the organs of the Agency. The President may designate any officer of the United States Government, whose appointment is subject to confirmation by the Senate, to act, without additional compensation, for temporary periods as the representative of the United States on the Board of Governors or to the General Conference of the Agency in the absence or disability of the representative and deputy representative appointed under section 2 (a) or in lieu of such representatives in connection with a specified subject matter.

(d) All persons appointed or designated in pursuance of authority contained in this section shall receive compensation at rates determined by the President upon the basis of duties to be performed but not in excess of rates authorized by sections 411 and 412 of the Foreign Service Act of 1946, as amended (22 U. S. C. 866, 867), for chiefs of mission and Foreign Service officers occupying positions of equivalent importance, except that no Member of the Senate or House of Representatives or officer of the United States who is designated under subsection (b) or subsection (c) of this section as a delegate or representative of the United States or as an alternate to attend any specified session or specified sessions of the General Conference shall be entitled to receive such compensation. Any person who receives compensation pursuant to the provisions of this subsection may be granted allowances and benefits not to exceed those received by chiefs of mission and Foreign Service officers occupying positions of equivalent importance.

SEC. 3. The participation of the United States in the International Atomic Energy Agency shall be consistent with and in furtherance of the purposes of the Agency set forth in its statute and the policy concerning the development, use, and control of atomic energy set forth in the Atomic Energy Act of 1954, as amended. The President shall, from time to time as occasion may require, but not less than once each year, make reports to the Congress on the activities of the International Atomic Energy Agency and on the participation of the United States therein. In addition to any other requirements of law, the Department of State and the Atomic Energy Commission shall keep the Joint Committee on Atomic Energy, the House Committee on Foreign Affairs, and the Senate Committee on Foreign Relations, as appropriate, currently informed with respect to the activities of the Agency and the participation of the United States therein.

SEC. 4. The representatives provided for in section 2 hereof, when representing the United States in the organs of the Agency, shall, at all times, act in accordance with the instructions of the President, and such representatives shall, in accordance with such instructions, cast any and all votes under the statute of the International Atomic Energy Agency.

SEC. 5. There is hereby authorized to be appropriated annually to the Department of State, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary for the payment by the United States of its share of the expenses of the International Atomic Energy Agency as apportioned by the Agency in accordance with paragraph (D) of article XIV of the statute of the Agency, and for all necessary salaries and expenses of the representatives provided for in section 2 hereof and of their appropriate staffs, including personal services without regard to the civil service laws and the Classification Act of 1949, as amended; travel expenses without regard to the standardized Government travel regulations, as amended, the Travel Expense Act of 1949, as amended, and section 10 of the act of March 3, 1933, as amended; salaries as authorized by the Foreign Service Act of 1946, as amended, or as authorized by the Atomic Energy Act of 1954, as amended, and expenses and allowances of personnel and dependents as authorized by the Foreign Service Act of 1946, as amended; services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a); translating and other services, by contract; hire of passenger motor vehicles and other local transportation; printing and binding without regard to section II of the act of March 1, 1919 (44 U. S. C. 111); official functions and courtesies; such sums as may be necessary to defray the expenses of United States participation in the Preparatory Commission for the Agency, established pursuant to annex I of the statute of the Agency; and

such other expenses as may be authorized by the Secretary of State.

SEC. 6. (a) Notwithstanding any other provision of law, Executive order, or regulation, a Federal employee who, with the approval of the Federal agency or the head of the department by which he is employed, leaves his position to enter the employ of the Agency shall not be considered for the purposes of the Civil Service Retirement Act, as amended, and the Federal Employees' Group Life Insurance Act of 1954, as amended, as separated from his Federal position during such employment with the Agency but not to extend beyond the first 3 consecutive years of his entering the employ of the Agency: *Provided*, (1) That he shall pay to the Civil Service Commission within 90 days from the date he is separated without prejudice from the Agency all necessary deductions and agency contributions for coverage under the Civil Service Retirement Act for the period of his employment by the Agency, and (2) That all deductions and agency contributions necessary for continued coverage under the Federal Employees' Group Life Insurance Act of 1954, as amended, shall be made during the term of his employment with the International Atomic Energy Agency. If such employee, within 3 years from the date of his employment with the Agency, and within 90 days from the date he is separated without prejudice from the Agency applies to be restored to his Federal position, he shall within 30 days of such application be restored to such position or to a position of like seniority, status and pay.

(b) Notwithstanding any other provision of law, Executive order, or regulation, any Presidential appointee or elected officer who leaves his position to enter, or who within 90 days after the termination of his position enters, the employ of the Agency, shall be entitled to the coverage and benefits of the Civil Service Retirement Act, as amended, and the Federal Employees' Group Life Insurance Act of 1954, as amended, but not beyond the earlier of either the termination of his employment with the Agency or the expiration of 3 years from the date he entered employment with the Agency: *Provided*, (1) That he shall pay to the Civil Service Commission within 90 days from the date he is separated without prejudice from the Agency all necessary deductions and agency contributions for coverage under the Civil Service Retirement Act for the period of his employment by the Agency, and (2) That all deductions and agency contributions necessary for continued coverage under the Federal Employees' Group Life Insurance Act of 1954, as amended, shall be made during the term of his employment with the Agency.

(c) The President is authorized to prescribe such regulations as may be necessary to carry out the provisions of this section and to protect the retirement, insurance, and such other civil-service rights and privileges as the President may find appropriate.

SEC. 7. Section 54 of the Atomic Energy Act of 1954, as amended, is amended by adding the following new sentence: "Unless hereafter otherwise authorized by law the Commission shall be compensated for special nuclear material so distributed at not less than the Commission's published charges applicable to the domestic distribution of such material, except that the Commission to assist and encourage research on peaceful uses or for medical therapy may so distribute without charge during any calendar year only a quantity of such material which at the time of transfer does not exceed in value $10,000 in the case of one nation or $50,000 in the case of any group of nations." In the case of the International Atomic Energy Agency the Commission may distribute only such amounts of special nuclear materials as are authorized by Congress: *Provided, however*, That, notwithstanding this provision, the Commission is hereby authorized subject to the provisions of section 123, to distribute to the Agency 5,000 kilograms of contained uranium 235, together with the amounts of special nuclear material which will match in amount the sum of all quantities of special nuclear materials made available by all other members of the Agency to July 1, 1960.

SEC. 8. In the event of an amendment to the statute of the Agency being adopted in accordance with article XVIII–C of the statute to which the Senate by formal vote shall refuse its advice and consent, upon notification by the Senate to the President of such refusal to advise and consent, all further authority under section 2, 3, 4, and 5 of this act, as amended, shall terminate: *Provided, however*, That the Secretary of State, under such regulations as the President shall promulgate, shall have the necessary authority to complete the prompt and orderly settlement of obligations and commitments to the Agency already incurred and pay salaries, allowances, travel expenses, and other expenses required for a prompt and orderly termination of United States participation in the Agency: *And provided further*, That the representative and the deputy representative of the United States to the Agency, and such other officers or employees representing the United States in the Agency, under such regulations as the President shall promulgate, shall retain their authority under this act for such time as may be necessary to complete the settlement of matters arising out of the United States participation in the Agency.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Mexico.

The amendment was agreed to.

Mr. ANDERSON subsequently said: Mr. President, I ask unanimous consent to have printed in the RECORD, following the point at which the text of Senate bill 2673 was substituted for the text of House bill 8992, the explanation to be found on page 2 of the report, consisting of 6 or 7 paragraphs.

There being no objection, the excerpt from the report (No. 778) was ordered to be printed in the RECORD, as follows:

EXPLANATION

The Participation Act is similar to the Participation Act providing for representation of the United States at the United Nations and also at the specialized agencies, together with certain provisions specially applicable to the atomic-energy program. The act permits the President to name the representatives and deputy representatives of the United States to the Board of Governors and the General Conference and to the other organs of the Agency. The representatives and deputy representatives are to be appointed with the advice and consent of the Senate. The representatives are to vote and to act in accordance with the instructions of the President.

The bill provides for regular reporting of the activities of the Agency to the Congress and requires the participation of the United States to be in conformity with the statute of the Agency and the Atomic Energy Act of 1954.

The bill authorizes the payments of the United States share of the annual budget of the Agency, the expenses of the United States representatives to the Agency, and also its share of the expenses of the Preparatory Commission.

In order to encourage Federal employees to go with the Agency, they are given 3 years' protection on civil-service retirement, life insurance, and reinstatement rights in their positions.

To be sure that the materials distributed to the Agency are not a giveaway, they are required to be paid for at no less than the charges established for domestic use. While the President's offer of 5,000 kilograms of uranium 235, together with matched amounts of materials made available to the Agency by other members, is authorized, these materials must be distributed to the Agency under agreements for cooperation. Amounts above and beyond these require express Congressional authorization.

If the Senate by a formal vote should fail to ratify an amendment which goes into force for the Agency, all authority in the Participation Act is terminated except for that required for a prompt and orderly settlement of our representation.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill read a third time.

The bill (H. R. 8992) was read the third time and passed.

The PRESIDING OFFICER. Without objection, Senate bill 2673, to provide for the appointment of representatives of the United States in the organs of the International Atomic Energy Agency and to make other provisions with respect to the participation of the United States, is indefinitely postponed.

Mr. BRICKER subsequently said: Mr. President, I ask unanimous consent to have printed in the RECORD as a part of my remarks, in connection with the passage of House bill 8992, dealing with the International Atomic Energy Agency, the statement which I send to the desk.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BRICKER

I urge approval of the proposed International Atomic Energy Participation Act as reported by the Joint Committee on Atomic Energy.

I shall limit my remarks to section 7 of the bill. Section 7 is an exercise of the responsibility vested exclusively in the Congress by article IV, section 3, paragraph 2, of the Constitution of the United States. That constitutional provision reads in pertinent part as follows:

"The Congress shall have power to dispose of and make all needful rules and regulations respecting the territory or other property belonging to the United States."

Under the terms of the statute of the International Atomic Energy Agency, the United States will make fissionable materials available to the Agency. These special nuclear materials, highly strategic and very costly, are, in the words of the Constitution, "property belonging to the United States."

Nevertheless, some editorial writers believe that the President should have a blank check, drawn on our atomic bank and payable to the order of the International Atomic Energy Agency. They attack Congressional regulation of the distribution of atomic materials as an effort to handcuff the President in foreign affairs. This is not the purpose or effect of section 7 of the pending bill. In any event, it is the Congress, not the President, which is vested with constitutional power to dispose of property of the United States.

Section 7 contains two sentences. Both sentences are important. Both should be approved as written. The first sentence to be added to section 54 of the Atomic Energy Act of 1954, reads as follows:

"Unless hereafter otherwise authorized by law the Commission shall be compensated for special nuclear material so distributed at

not less than the Commission's published charges applicable to the domestic distribution of such material, except that the Commission to assist and encourage research on peaceful uses or for medical therapy may so distribute without charge during any calendar year only a quantity of such material which at the time of transfer does not exceed in value $10,000 in the case of one nation or $50,000 in the case of any group of nations."

In hearings on the treaty to establish the International Atomic Energy Agency, the Secretary of State, and the Chairman of the Atomic Energy Commission denied that any giveaway program was contemplated. Relying on those assurances, the Senate consented to ratification on June 18, 1957. However, article IX, A, of the treaty provides that members may make special fissionable materials available to the Agency "on such terms as shall be agreed with the Agency." Nothing in the Atomic Energy Act of 1954 would prohibit gifts of special fissionable materials by the United States to the Agency. Therefore, the first sentence of section 7 of the pending bill merely confirms the understanding of the administration and the Senate by providing that materials distributed abroad by the Atomic Energy Commission shall be compensated for at not less than domestic charges.

Our committee recognized, however, that, in appropriate circumstances, small quantities of special nuclear materials should be donated to encourage research on peaceful uses or for medical therapy. For these purposes the bill permits the Commission to donate up to $10,000 worth of special nuclear materials to any nation during a calendar year, and up to $50,000 worth to any group of nations in a calendar year.

The second sentence of section 7 of the pending bill was adopted by the Atomic Energy Committee at my suggestion. The sentence reads as follows:

"In the case of the International Atomic Energy Agency the Commission may distribute only such amounts of special nuclear materials as are authorized by Congress: *Provided, however,* Notwithstanding this provision, that the Commission is hereby authorized subject to the provisions of section 123, to distribute to the Agency 5,000 kilograms of contained uranium 235, together with the amounts of special nuclear material which will match in amount the sum of all quantities of special nuclear materials made available by all other members of the Agency to July 1, 1960."

To encourage participation in the International Atomic Energy Agency by the nations of the world, President Eisenhower on October 26, 1956, offered to make available to the Agency, from the time the Agency was established until July 1, 1960, 5,000 kilograms of uranium 235 plus contributions matching those made available by other members of the Agency. Of course, the President's offer was not a legally binding commitment. Nevertheless, the Atomic Energy Committee believed that the President should be authorized to fulfill what might be regarded as a moral obligation to the Agency. Accordingly, section 7 of the bill authorizes the President, subject to the provisions of section 123 of the Atomic Energy Act, to dispose of special nuclear material valued at approximately $80 million, exclusive of the matching contributions.

Those who believe that the President should have a free hand in disposing of special nuclear materials naturally oppose section 7 of the pending bill. Their opposition springs, however, from serious misconceptions of law and of fact.

First, some of the opponents of section 7 are either unfamiliar with article IV, section 3, of the Constitution, or they believe that the President should exercise a legislative power specifically delegated by the Constitution to the Congress.

Second, those who describe my amendment to the bill as a blow to the atoms-for-peace program are saying, in effect, that the Congress cannot be trusted to carry out treaty obligations of the United States. There is not a shred of evidence showing that the Congress, at any time during the past 50 years, has dishonored any treaty made by the President and the Senate. Although I have misgivings about some of the treaties to which the United States is a party, I have never voted for and have never urged unilateral repudiation by the United States.

Third, the opponents of section 7 seem to believe that no Congressional controls over the exportation of fissionable materials are necessary because, they say, the so-called atoms-for-peace treaty provides adequate safeguards. That is not true. The treaty language provides that adequate health and safety standards will be established; that an adequate inspection system will be devised; that competent scientific personnel will be recruited. The Agency is committed to all of these things at some future time. It would be reckless, indeed, for the Congress to authorize virtually unrestricted distribution of nuclear materials without knowing what controls against misuse of the material may eventually be adopted by the Agency.

Fourth, some opponents of section 7 seem to believe that the Congress intends to enact separate legislation for each allocation of fissionable material to the International Agency in excess of 5,000 kilograms. That is perfect nonsense. When the Agency has acquired some operational experience, the Congress will no doubt pass a general authorization bill tailored to fit the Agency's needs and capabilities.

The fifth misconception on the part of opponents of my amendment to the bill is that the United States has a huge stockpile or surplus of special nuclear materials above and beyond military and domestic industrial requirements. That may or may not be true. The pertinent information has not been made available to the Joint Committee on Atomic Energy. I shall not vote for a blank check on our atomic bank until I have more precise information about the assets and liabilities of that bank.

Finally, the opponents of section 7 of the bill labor under the delusion that the International Atomic Energy Agency has some pressing need for more than $80 million worth of fissionable material. But, as President Eisenhower pointed out when he signed the instrument of treaty ratification:

"* * * if we will look ahead, we see how much new ground we still must break. Many new fields must be pioneered before this Agency becomes a functioning reality. New international functions must be organized and made to work. Much development in atomic science itself will be required before the full possibilities of these discoveries are realized. Much remains to be accomplished in the fields of arms limitation and international cooperation."

Section 7 of the bill is constitutionally sound, and generous within prudential limits. I urge its approval by the Senate.

TRANSFER OF CERTAIN ARCHIVES TO THE COMMONWEALTH OF PUERTO RICO

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 800, House Joint Resolution 275; and I invite the attention of the Senator from South Carolina [Mr. JOHNSTON] to this matter.

The PRESIDING OFFICER. The joint resolution will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A joint resolution (H. J. Res. 275) transferring to the Commonwealth of Puerto Rico certain archives and records in the possession of the National Archives.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the joint resolution.

Mr. JOHNSTON of South Carolina subsequently said: Mr. President, in connection with the joint resolution transferring certain archives to the Commonwealth of Puerto Rico, I ask unanimous consent to have printed in the RECORD, immediately prior to the passage of the joint resolution, an excerpt from the report, regarding the basic reasons for the transfer; the excerpt includes a part of page 4 and all of page 5. That portion of the report explains the reasons for the joint resolution.

There being no objection, the excerpt from the report (No. 777) was ordered to be printed in the RECORD, as follows:

The basic reasons for the transfer of these records to the government of Puerto Rico are as follows:

1. Puerto Rico is an associated State or Commonwealth, and, as stated in the preamble of this bill, "it is fitting that such documents be now placed in the custody of the government of the said Commonwealth."

2. The Commonwealth of Puerto Rico has provided by law for an archival program (the above cited "act to establish a program for the preservation and disposal of public documents," approved December 8, 1955), which program is now in operation and supported by appropriations. The Commonwealth has recently made the initial appropriation toward a new archival building, which will, according to plans, provide air conditioning and other safeguards. It has already contracted for the purchase of a laminating machine, which will enable it to rehabilitate the fragile and damaged material. It paid for the trip of a staff member of the National Archives to go to Puerto Rico last fall to help plan and organize the program. It has recently employed another staff member of the National Archives (who will be given leave of absence) to supervise the program and train employees for a period of 12 months. Provisos in the bill insure that this program will be brought to a more advanced stage before the records will be transferred; indeed, the passage of the bill with these provisos will help to encourage the Puerto Ricans in this undertaking and help to secure continued support for it.

3. It is desirable for archival, administrative, and historical reasons to bring the original body of records together. The greater part, as has been described, is already in Puerto Rico. We can make little further headway in the National Archives toward a final arrangement of the records here because the registers and other controls that should determine that arrangement are in Puerto Rico. The Puerto Ricans likewise cannot set up their part of the records without knowing what is here. Programs for arrangement, description, and repair must await the merging of the two major bodies. Only then can the lesser parts be fitted in and the missing parts, lost in the fire or otherwise, be determined. Only after all this is done will it be possible to understand and make full use of the records for administrative, legal, historical, and other research purposes. The greatest demand for such use will come from Puerto Rico and Puerto Ricans and not from the United States, so the location of the re-

united body should unquestionably be in Puerto Rico.

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on the third reading of the joint resolution.

The joint resolution (H. J. Res. 275) was ordered to a third reading, read the third time, and passed.

The preamble was agreed to.

ORDER OF BUSINESS

The PRESIDING OFFICER. Is the Senator from Texas ready to move that the Senate take a recess?

Mr. JOHNSON of Texas. Mr. President, I wish to express my gratitude to the distinguished senior Senator from Oregon [Mr. MORSE], the present occupant of the chair, for the efficiency with which he has conducted the public business.

There are three of four other important bills which we wish to have passed this evening. One of them affects Texas, and is very important.

The PRESIDING OFFICER. Very well.

RIO GRANDE REHABILITATION PROJECT, TEXAS

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration—while the Senator from Oregon [Mr. MORSE] is in the Chair, because I know that he will be very helpful in that connection—of Calendar No. 617, Senate bill 2120.

The PRESIDING OFFICER. The bill will be stated by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2120) to authorize the Secretary of the Interior to construct, rehabilitate, operate, and maintain the lower Rio Grande rehabilitation project, Texas, Mercedes division.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill S. 2120 to authorize the Secretary of the Interior to construct, rehabilitate, operate, and maintain the lower Rio Grande rehabilitation project, Texas, Mercedes division, which had been reported from the Committee on Interior and Insular Affairs with amendments on page 2, line 13, after the word "pay", to insert a comma and "and shall, in addition, require the payment of interest on that pro rata share of the capital cost, which is attributable to furnishing benefits in each particular year to land held in private ownership by any one owner in excess of 160 irrigable acres, said interest to be at a rate determined by the Secretary of the Treasury by estimating the average annual yield to maturity, on the basis of daily closing market bid quotations or prices during the month of May preceeding the fiscal year in which the repayment contract is entered into, on all outstanding marketable obligations of the United States having a maturity date of fifteen or more years from the first day of such month of May, and by adjusting such estimated average annual yield to the nearest one-eighth of 1 percent"; on page 3, line 8, after the word "or", to strike out "insured" and insert "incurred"; in line 14, after the word "developed", to insert a colon and "*Provided*, That, for a period of 10 years from the date of enactment of this Act, no water shall be delivered to any water user for the production on newly irrigated lands of any basic agricultural commodity, as defined in the Agricultural Act of 1949, or any amendment thereof, if the total supply of such commodity for the marketing year in which the bulk of the crop would normally be marketed is in excess of the normal supply as defined in section 301 (b) (10) of the Agricultural Adjustment Act of 1938, as amended, unless the Secretary of Agriculture calls for an increase in production of such commodity in the interest of national security."; and, on page 4, line 3, after the word "sum", to strike out "$9,300,000" and insert "of $10,100,000 (January 1957 costs)."

Mr. JOHNSON of Texas. Mr. President, S. 2120 provides for the rehabilitation of the lower Rio Grande rehabilitation project, Mercedes division, in the State of Texas.

The Mercedes project is an old one. It was constructed between 1905 and 1912 without the use of Federal funds. Primarily an irrigation project, it is now in a state of disrepair, and is in urgent need of work on its canals and pumping stations. Water is now being lost through seepage and evaporation, where the canals are unlined or where the lining has deteriorated.

S. 2120 authorizes the expenditure of $10,100,000 for rehabilitating and maintaining the Mercedes division as a Federal reclamation project. This entire amount will be repaid over a period of 40 years.

The project covers an area of 68,000 acres, on which citrus, vegetable, and cotton crops are grown. This is basically a small-ownership area. Two thousand seven hundred and forty-one people own land within this project; and only 16 percent of the land represents acreage in excess of 160 acres per ownership.

The bill contains the usual provision prohibiting the delivery of water to any user for the production, on newly irrigated lands, of any basic commodity in surplus supply.

Interest is repayable on lands in excess of 160 acres, with the proviso that—as in the case of the Colorado-Big Thompson project, the Washoe project, the Owl Creek project, the East Bench unit of the Missouri Basin project, and others—the excess lands provisions shall not be applicable to lands which now have an irrigation water supply other than a Federal reclamation project, and for which no new waters are being developed.

The bill has the approval of both the Department of the Interior, and the Bureau of the Budget.

Mr. President, I urge my colleagues to approve this very important and well-justified project.

The PRESIDING OFFICER. The question is on agreeing to the first committee amendment.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the committee amendments be considered en bloc.

The PRESIDING OFFICER. Is there objection?

Without objection, the committee amendments will be considered en bloc and, without objection, they are agreed to en bloc.

Mr. JOHNSON of Texas. Mr. President, I offer an amendment to clarify the scope and application of section 3 of the bill.

The distinguished senior Senator from Illinois [Mr. DOUGLAS] and the Solicitor of the Bureau of Reclamation have expressed concern over the language in this section, feeling that the use of the word "lands," without specifically restricting the provisions to "lands in this project," might indicate a general application for the section.

Such was not the intent of the author of the bill, or of the committee. But to dispel any fear that this section of S. 2120 covers all reclamation projects, I offer this amendment by way of clarification.

S. 2120 is meant to apply only to the Mercedes division.

Mr. President, I send the amendment to the desk, and ask to have it stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 3, line 11, after the word "lands," it is proposed to insert "in this project."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Texas.

The amendment was agreed to.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 2120) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Interior, acting pursuant to the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388 and acts amendatory thereof or supplementary thereto, including particularly the act of July 4, 1955 (69 Stat. 244), but subject to exceptions herein contained) is authorized to undertake the rehabilitation and betterment of the works of the Hidalgo and Cameron Counties Water Control and Improvement District No. 9, Texas, and to operate and maintain the same. Such undertaking, which shall be known as the Mercedes division of the lower Rio Grande reclamation project, shall not be commenced until a repayment contract has been entered into by said district under the Federal reclamation laws, subject to exceptions herein contained, which contract may provide for payment of the capital cost of the Mercedes division over a period of not more than 40 years or as near thereto as is consistent with the adoption and operation of a variable payment formula which, being based on full repayment within said period under average conditions, permits variance in the required annual payments in the light of economic factors pertinent to the ability of the organization to pay, and shall, in addition, require the payment of interest on that pro rata share of the capital cost, which is attributable to furnishing benefits in each particular year to land held in private ownership by any one owner in excess of 160 irrigable acres, said interest to be at a rate determined by the Secretary of the Treasury

by estimating the average annual yield to maturity, on the basis of daily closing market bid quotations or prices during the month of May preceding the fiscal year in which the repayment contract is entered into, on all outstanding marketable obligations of the United States having a maturity date of 15 or more years from the first day of such month of May, and by adjusting such estimated average annual yield to the nearest one-eighth of 1 percent.

SEC. 2. Title to all lands and works of the division, to the extent an interest has been vested in the United States, shall pass to the Hidalgo-Cameron Counties Water Control and Improvement District No. 9 or its designee or designees upon payment to the United States of all obligations arising under this act or incurred in connection with this division of the project.

SEC. 3. The excess-land provisions of the Federal reclamation laws shall not be applicable to lands in this project which now have an irrigation water supply from sources other than a Federal reclamation project, and for which no new waters are being developed: *Provided*, That, for a period of 10 years from the date of enactment of this act, no water shall be delivered to any water user for the production on newly irrigated lands of any basic agricultural commodity, as defined in the Agricultural Act of 1949, or any amendment thereof, if the total supply of such commodity for the marketing year in which the bulk of the crop would normally be marketed is in excess of the normal supply as defined in section 301 (b) (10) of the Agricultural Adjustment Act of 1938, as amended, unless the Secretary of Agriculture calls for an increase in production of such commodity in the interest of national security.

SEC. 4. There is hereby authorized to be appropriated for the work to be undertaken pursuant to the first section of this act the sum of $10,100,000 (January 1957 costs), plus such amount, if any, as may be required by reason of changes in costs of work of the types involved as shown by engineering indexes.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there may be printed in the RECORD a brief statement indicating the benefit ratio, type of project, cost and repayment, and so forth.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

FACTS ABOUT S. 2120, THE BILL PROVIDING FOR REHABILITATION OF THE LOWER RIO GRANDE PROJECT (MERCEDES DIVISION)

1. Kind of project: Primarily, this is a single-purpose irrigation project. It may have minor value for flood control, municipal water, wildlife, or recreation, but no facilities for these purposes are proposed.

2. Cost and repayment: $10,100,000; all costs are fully reimbursable by the irrigation district in 40 years. S. 2120 will make the Mercedes division a Federal reclamation project. The existing irrigation and drainage works were acquired by the present district from predecessor organizations that constructed them in the years 1905–1912, without Federal financing.

3. How the money authorized will be spent:

(a) Rehabilitation of lateral irrigation system	$7,672,000
(b) Rehabilitation of the drainage system	1,700,000
(c) Rehabilitation of the storage and desilting basin	243,000
(d) Rehabilitation of the pumping plants	148,500
(e) Rehabilitation of the main canal	200,100
(f) Maintenance equipment	248,500

4. Need for S. 2120: The diversion and distribution systems now serving lands in the Mercedes division were constructed largely during the period 1905–12, and parts of the systems have been in continuous operation for over 50 years. Capable of serving the entire 68,000 acres of irrigable land in the district, these systems require modernization and improvement to effect an economical operation, and to salvage the beneficial use of water presently being lost through seepage and evaporation. It will be necessary to repair or replace the deteriorated canal lining, to install concrete lining in most of the presently unlined laterals of the irrigation system, to clean out all earth canals and drains, and to construct roads for maintenance purposes. The pumping and relift plants at Weslaco and South Palm Garden will be overhauled or replaced.

5. Land irrigated: No new or additional lands are expected to be irrigated as a result of this project.

6. Crops: Citrus, vegetables, and cotton. No water may be delivered to any water user for the production on newly irrigated lands of any basic agricultural commodity in surplus supply, for a period of 10 years.

7. Land ownership: Total acreage, 68,000 acres; total owners, 2,741 owners.

Number of persons owning more than 320 acres: 53.

Approximately 10,400 acres, or less than 16 percent of the district total, constitute lands in excess of 160 acres per ownership.

8. Excess lands provision: Interest is repayable on land in excess of 160 acres, in accordance with the Small Reclamation Projects Act of 1956; but the excess lands provisions are not applicable to lands which now have an irrigation water supply other than a Federal reclamation project, and for which no new waters are being developed. Precedents for this last provision are on the attached sheet.

9. Benefit ratio: Better than 2 to 1.

10. Approval: Approved by the Department of the Interior and the Bureau of the Budget.

Mr. JOHNSON of Texas. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. KNOWLAND. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California to lay on the table the motion of the Senator from Texas.

The motion to lay on the table was agreed to.

GOVERNMENT GUARANTY OF LOANS TO CERTAIN AIR CARRIERS

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 805, S. 2229.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 2229) to provide for Government guaranty of private loans to certain air carriers for purchase of aircraft and equipment, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Interstate and Foreign Commerce with amendments on page 1, line 6, after the word "air", to strike out "transportation, both within the United States and within the Territories of Alaska and Hawaii" and insert "transportation"; on page 2, line 16, after the word "operations," to strike out "wholly within the Territory of Alaska (including service between Alaska and adjacent Canadian territory)" and insert "(the major portion of which are conducted either within Alaska or between Alaska and the United States) within the Territory of Alaska (including service between Alaska and the United States, and between Alaska and adjacent Canadian territory) or (d) providing for operations within the Commonwealth of Puerto Rico (including service to the Virgin Islands and the Dominican Republic), or (e) providing for operations between Florida and the British West Indies (including service to Cuba)"; on page 3, line 21, to insert:

(f) On any aircraft manufactured under a United States type certificate issued prior to the passage of this bill.

And in line 24, after the word "prescribe", to strike out the comma and "either specifically or by limits, rates of interest, guaranty fees and such other reasonable fees or charges as it may require in connection with guaranty of aircraft purchase loans." and insert "and collect from the lending institution a reasonable guaranty fee in connection with each loan guaranteed under this act"; so as to make the bill read:

Be it enacted, etc., That it is hereby declared to be the policy of Congress, in the interests of the commerce of the United States, the postal service, and the national defense to promote the development of local, feeder, and short-haul air transportation. In furtherance of this policy it is deemed necessary and desirable that provision be made to assist certain air carriers engaged in such air transportation by providing governmental guaranties of loans to enable them to purchase aircraft suitable for such transportation on reasonable terms.

SEC. 2. As used in this act—

(a) "Board" means the Civil Aeronautics Board.

(b) "Aircraft purchase loan" means any loan, or commitment in connection therewith, made for the purchase of a commercial transport aircraft, including spare parts normally associated therewith.

SEC. 3. The Board is hereby authorized to guarantee any lender against loss of principal or interest on any aircraft purchase loan made by such lender to any air carrier holding a certificate of convenience and necessity (a) designated therein to be for local or feeder air service, or (b) providing for operations wholly within the Territory of Hawaii, or (c) providing for operations (the major portion of which are conducted either within Alaska or between Alaska and the United States) within the Territory of Alaska (including service between Alaska and the United States, and between Alaska and adjacent Canadian territory) or (d) providing for operations within the Commonwealth of Puerto Rico (including service to the Virgin Islands and the Dominican Republic), or (e) providing for operations between Florida and the British West Indies (including service to Cuba). Such guaranty shall be made in such form, on such terms and conditions, and pursuant to such regulations, as the Board deems necessary and which are not inconsistent with the provisions of this act.

SEC. 4. No guaranty shall be made:

(a) Extending to more than the unpaid interest and 90 percent of the unpaid principal of any loan.

(b) On any loan or combination of loans for more than 90 percent of the purchase price of the aircraft, including spart parts, to be purchased therewith.

(c) On any loan whose terms permit full repayment more than 10 years after the date thereof.

(d) Wherein the total face amount of such loan, and of any other loans to the same carrier, or corporate predecessor carrier or carriers, guaranteed and outstanding under the terms of this act exceed $5 million.

(e) Unless the Board finds that, without such guaranty, in the amount thereof, the air carrier would be unable to obtain necessary funds for the purchase of needed aircraft on reasonable terms.

(f) On any aircraft manufactured under a United States type certificate issued prior to the passage of this bill.

SEC. 5. The Board shall prescribe and collect from the lending institution a reasonable guaranty fee in connection with each loan guaranteed under this act.

SEC. 6. (a) To permit it to make use of such expert advice and service as it may require in carrying out the provisions of this act, the Board may use available services and facilities of other agencies and instrumentalities of the Federal Government with their consent and on a reimburable basis.

(b) Department and agenices of the Federal Government shall exercise their powers, duties, and functions in such manner as will assist in carrying out the objectives of this act.

SEC. 7. (a) Receipts from fees and charges under this act shall be credited to miscellaneous receipts of the Treasury.

(b) Payments to lenders required as a consequence of any guaranty under this act may be made from funds which are hereby authorized to be appropriated to the Board for that purpose.

(c) Administrative expenses under this act shall be paid from appropriations to the Board for administrative expenses.

SEC. 8. This act shall become effective upon enactment, and the authority contained in section 3 hereof shall expire 5 years thereafter.

Mr. MONRONEY. Mr. President, the purpose of the bill is to provide loans for the purchase of suitable aircraft for the replacement of the old DC–3's, used by local, feeder, and short-haul airlines. While it is well known that the larger lines have marched ahead with faster and more modern planes like the 707 Boeing jet or the DC–6 or Superconstellations, we have not since 1936 been able to perfect a replacement for this old workhorse, the DC–3.

Local service carriers, territorial airlines, both in Alaska and Hawaii, as well as in the Caribbean, are dependent almost wholly on an airplane which was designed about 1936 and which has not been built since 1945. We need desperately a replacement for the DC–3, a short- to medium-range plane.

Some 215 DC–3's are in use in local service operations, the Alaskan Airlines, and the Hawaiian Airlines. These workhorses are carrying a vast amount of passenger traffic, which is little realized by those who consider only the trunklines as being important in our aviation picture.

In 1945, those airlines flew more than 51 million revenue passenger-miles, and in 1956, more than 60 million revenue passenger-miles.

That represented an increase of 25.8 percent, compared with an increase in trunkline traffic of only 14.9 percent.

The bill covers 21 local airline carriers and four others, two Alaskan lines that are intra- and inter-Alaskan and United States service, and two in the Caribbean.

The bill would authorize the United States to guarantee a lender against loss of principal or interest on any aircraft purchase loan made to any one of the 25 eligible carriers, if the loan was approved by the Civil Aeronautics Board. The guaranty could not be for more than the unpaid interest and 90 percent of the unpaid principal of any loan, or for more than 90 percent of the purchase price of the aircraft, including spare parts. The guaranty could not run longer than 10 years, and could not exceed $5 million per carrier. In order to guarantee a loan, the Civil Aeronautics Board must find that the carrier was unable to obtain the necessary funds for the purchase of aircraft on reasonable terms. In addition, the loans which are guaranteed can be made only for the purchase of new type aircraft.

The purpose of the proposed legislation is to enable the feeder and short-haul type carrier to purchase equipment that will result in an economical and profitable operation, and to encourage the development of a suitable aircraft designed for that purpose.

One of the most serious problems in the aviation field is the operation of the local service and Territorial airlines that are costing the Government approximately $30 million a year in subsidy.

Hearings were held by the junior Senator from Nevada for 2 days, at which all interested parties were heard.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield to the Senator from Vermont.

Mr. AIKEN. I wish to ask the Senator from Oklahoma whether the committee had requests from any other lines than those designated in the bill.

Mr. MONRONEY. There were added to the bill four additional lines that were not included originally.

Mr. AIKEN. Were there any requests from the Northeast Lines?

Mr. MONRONEY. All the lines of the feeder type were included in the bill originally. I know of no lines, except helicopter lines, that are not now included.

Mr. AIKEN. All that made requests were included.

Mr. MONRONEY. Yes. The bill does not affect trunklines like Northeast or other large trunklines, but only local carriers, such as feeder lines, inter-Alaskan lines, and two Alaskan lines that fly between the United States and Alaska and also fly inside feeder service in Alaska.

Mr. AIKEN. I have thought that some of the lines on which I have flown must have had some of the original equipment.

Mr. MONRONEY. The DC–3 is a great airplane, but is becoming an expensive plane to operate. The parts have to be made by hand. Instead of costing $4 or $5, they cost $30 or $40 when fabricated by hand. The older a piece of equipment is, the more numerous are the parts which have to be replaced.

Mr. AIKEN. I think someday there might well be established a monument to the DC–3 for having played an important part in the development of commercial aviation. However, there comes a time when people would just as soon fly in airplanes other than DC–3's.

Mr. MONRONEY. A great many factories tried to replace the DC–3 and stay within that price range, but until last year they had been unable to build a plane that would offer a possibility as a replacement. The manufacturer of a new, modern-day replacement is possible only if there is an assured market for which to build the airplanes. An aircraft company is not going to build a plane of which it may be able to sell only two or three. Obviously, a company that is tied to the use of a DC–3 has a high per-mile operation cost. The financial statements of feeder lines are not such as to make it easy for them to finance the cost of a new type of aircraft. The only way we could assist in providing replacements for such airplanes, not only for the companies referred to, but for our own war potential and war mobilization potential, for a short-haul feeder line type of service, would by a guaranteed loan system, similar to FHA or similar to what is being done in the merchant marine, underwriting 90 percent of the loan, so that the manufacturers and financiers would be enabled to finance such construction at a decent rate of interest.

We heard testimony that bankers sometimes wanted from 10 to 20 percent interest to finance the construction of a new type of plane. Even on DC–4's some of the airlines had to put up as security $2 million in assets for a $150,000 loan. They had to turn over to a bank the entire assets of the company to get one DC–4. That illustrates the tight money picture.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield to the Senator from Colorado.

Mr. CARROLL. The questions of the Senator from Vermont were somewhat similar to the questions I had in mind. I wondered if the provisions of the bill would apply to the feeder line Frontier which serves the mountain area of Colorado, Utah, and many other sections of the West.

Mr. MONRONEY. The bill was designed to serve feeder airlines, of which Frontier is one, and to give such lines an opportunity to have a financial plan by which they could hope to provide modern replacement of obsolete, high cost aircraft equipment. There are 21 of those local carriers. There were four others, including two small United States to Alaska carriers, also serving as feeder lines inside of Alaska, and two in the Caribbean area.

Mr. CARROLL. The bill, then, does apply to Frontier?

Mr. MONRONEY. It applies to all of what we call the feeder lines, which service the small intercity centers,

skipped by the seven league boot jumps of the trunklines, but for which a great need is evidenced by the fact that they flew more than 6 million revenue passenger miles in 1956.

Mr. CARROLL. I think this is a very sound piece of legislation. In addition to the very fine points presented by the able Senator from Oklahoma, there is a safety factor involved for the people riding on the planes, in the great mountain areas. The DC–3's have become obsolete in a sense. In the layman's language they are like a great truck. Sometimes they do not have sufficient power to climb over the high mountain peaks.

Frontier was confronted with the very same problem when it was trying to get an extension of its route down to Phoenix. There was a question of money, how to finance it and how to reduce the subsidy the Government was paying.

I commend the Senator from Oklahoma for his very excellent statement.

Mr. MONRONEY. The only way we can reduce the subsidy is to provide modern airplanes, airplanes which will have a high loading capacity of from 40 to 60 passengers, or movable bulkheads to permit the carrying of air express or air freight or newspapers.

There must be a new service aircraft to create the desire to ride in safety, such as the four-motored turbo-prop type aircraft, which has a lower cost of operation per mile than the old DC–3.

We were told in the hearings that if the trunklines, great as they are—such as American, United, TWA, and others—had to use the DC–3 equipment, there would not be a single one of those trunklines without a subsidy. What hope can the feeder lines have of working away from the subsidy if they must rely on the old DC–3, which the testimony showed required some 75 to 90 percent load factor to pay expenses and break even, whereas the modern craft used by the trunklines can break even on a 50 percent load factor.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. CARROLL. As further evidence to prove what has been said by the able Senator from Oklahoma, only last year Continental went into the black and off subsidy. Why was that? It was because they had modern equipment.

In the presentation to the Civil Aeronautics Board it was shown that if Frontier had possessed the proper equipment they could have reduced their subsidy $700,000 in one year.

Mr. MONRONEY. I thank the Senator for his contribution.

SEVERAL SENATORS. Vote! Vote!

Mr. DOUGLAS and Mr. ALLOTT addressed the Chair.

Mr. MONRONEY. I yield to the Senator from Illinois [Mr. DOUGLAS].

Mr. DOUGLAS. May I ask the very able Senator from Oklahoma whether the refusal of his committee to include helicopters is necessarily final?

Mr. MONRONEY. It is not final. We feel that the helicopter is still in the experimental stage, as compared to the fixed wing for the intercity service. Today the helicopter is used for the downtown to airport service. It has not reached the intercity service. For that reason we felt adding helicopters at this time might slow down the bill, and might be going into a field which was not quite ready for the extension of the 90-percent guaranty financing.

Mr. DOUGLAS. The helicopter is also important.

Mr. MONRONEY. We think so.

Mr. DOUGLAS. For handling passenger traffic from a city field to the suburbs, and also for speeding up the movement of mail within a city.

The House of Representatives, as the Senator from Oklahoma knows, included helicopters in the bill.

Mr. MONRONEY. The Senator is correct.

Mr. DOUGLAS. I hope very much, if the Senator from Oklahoma will not accept an amendment to include helicopters, that he will give the subject most sympathetic consideration when the bill is in conference.

Mr. MONRONEY. We will give it serious consideration. We will listen to all the arguments conferees of the House of Representatives care to submit on the subject. We considered it thoroughly in our own committee. Because there were no permanently certificated helicopter lines, and since the bill deals almost exclusively with permanently certificated feeder lines we did not feel it wise to include helicopters at this time.

Mr. DOUGLAS. I should like to point out that probably within the next few years there will be helicopters with a capacity of 20 or 25 passengers, equipped with multiple-turbine powerplants. The helicopters will go through a rapid period of development. If they are shut out from the benefits of this bill it is likely to retard their development, which is particularly important for the large cities of the country.

Mr. MONRONEY. We are very much interested in the development of helicopter service. It is not for that reason that they were not included in the bill. They were not included because of the fact that we do not know yet what the ideal machine or the ideal helicopter is, to meet the need. For that reason we will be glad to discuss with the House conferees the subject of including them.

As the Senator knows, in conference we make compromises and try to come up with the best possible legislation.

Mr. DOUGLAS. Mr. President, I ask unanimous consent that a statement I have prepared on why I believe helicopter carriers should be included in the guaranty loan bill be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR DOUGLAS—THE HELICOPTER CARRIERS SHOULD BE INCLUDED IN THE GUARANTY LOAN BILL S. 2229 AND H. R. 7993

This legislation provides for Government guaranty of aircraft purchase loans to small air carriers to help such carriers to acquire better aircraft and improve the economy of their operations.

S. 2229 as reported by the Senate Commerce Committee includes all small carriers except the helicopter carriers.

H. R. 7993 as reported by the House Commerce Committee includes the helicopter carriers.

It is vital in my opinion for the Senate in passing S. 2229 to amend that bill to make it conform with the House bill in order to avoid a deliberate and unwarranted exclusion of the helicopter carriers which would greatly injure these carriers and would be highly discriminatory.

This amendment would be made in S. 2229 as reported by the Senate Interstate and Foreign Commerce Committee by inserting in line 1 on page 3 after the parenthesis the following words: "or (f) for the purpose of authorizing metropolitan helicopter service."

The Senate Commerce Committee excluded the helicopter carriers from S. 2229 according to my information because of a mistaken recommendation of the Civil Aeronautics Board.

The Board recommended against including the helicopter carriers simply because it said it had "no information from these carriers as to the possible improved or more economical operating characteristics of other rotary wing aircraft now in production or projected for the future."

However, the Board conceded that "it is of course possible that an improved and more economical helicopter may become available" within the 5-year period covered by the bill, and therefore "if * * * the Congress feels that the legislation should be extended to them, the Board would not object to amendment of the bill for that purpose."

Mr. DOUGLAS. The fact is that within the next 3 or 4 years, advance helicopters with capacity for 20 to 25 passengers and equipped with multiple-turbine powerplants are expected to be available for civil use. Acquisition of this new equipment will enable the metropolitan helicopter carriers to effect a radical improvement in the operating and economic characteristics of their services.

These larger helicopters will cost in the neighborhood of a half million dollars apiece. The aggregate capital requirements of the three metropolitan carriers for this reequipment program will probably range between $15 and $20 million, as compared with the present combined invested capital of these carriers amounting to less than $5 million.

Financing a reequipment program of these proportions will be a monumental task for the helicopter carriers, and a Government guaranty under this proposed legislation might well be the only way of raising the capital required.

Thus, if legislation is to be enacted to provide Government assistance to the air carriers in financing new equipment, the helicopter carriers are among those most in need of such assistance and should certainly be included in the legislation.

Should the legislation be enacted with the helicopter carriers being the only ones excluded, this could raise insurmountable problems for these carriers in trying to raise capital for new equipment in competition with carriers having the benefits of such legislation. The financial world would never understand why the helicopter carriers were singled out for exclusion, and this very circumstance would seriously handicap these carriers in their efforts to raise capital.

There is every reason why the helicopters should be included in this legisla-

tion, and there is no reason why they should be excluded.

Mr. BIBLE. Mr. President, will the Senator yield?

Mr. MONRONEY. I am happy to yield to the Senator from Nevada.

Mr. BIBLE. Mr. President, it was my pleasure to hear most of the testimony on this particular bill. I think a clear-cut and conclusive case was made for the bill. I heartily support the bill, and ask unanimous consent to have printed in the RECORD at this point a statement prepared in support of the proposed legislation.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The bill would authorize the United States to guarantee a lender against loss of principal or interest on any aircraft purchase loan made to any one of the 25 eligible carriers, if such loan was approved by the Civil Aeronautics Board. Such loans could not be for more than 90 percent of the unpaid principal of the loans, or for more than 90 percent of the price of the aircraft, including spare parts, run not longer than 10 years, and not exceed $5 million per carrier. In order to guarantee a loan, the CAB must find that the carrier is unable to obtain the necessary funds for the purchase of aircraft on reasonable terms. In addition, loans could only be made for the purchase of new type aircraft.

The purpose of the legislation is to enable the feeder and short-haul type carrier to purchase equipment that will result in an economical and profitable operation, and to encourage the development of a suitable aircraft designed for that purpose.

One of the most serious problems in the aviation field which faces your committee is the operations of the local service and Territorial airlines that are costing the Government approximately $30 million a year in subsidy.

In an effort to reduce this subsidy and assist and improve the operations of these carriers, the Civil Aeronautics Board requested the introduction of legislation to authorize Government guaranty of private loans for certain air carriers to enable purchase of modern aircraft and equipment.

Representatives from each of the local service and Territorial airlines testified in support of this measure, as did the executive director and general counsel of the Association of Local & Territorial Airlines, the Chairman of the Civil Aeronautics Board, the president of the Air Transport Association, the legislative representative of the AFL-CIO and the Delegate to Congress from the Territory of Hawaii, the Honorable JOHN A. BURNS. Each of the witnesses testified in support of S. 2229.

The unique function of the local-service carriers is to provide local air service between relatively small communities and feeder and commuter service from the small intermediate points to nearby metropolitan cities where connections may be made with long-haul trunkline flights. All of these carriers operate DC-3 aircraft, although 3 of the carriers have supplemented their flights with other 2-engine aircraft, the Martin 202 and the Convair 240. As of December 31, 1956, the local service air carriers operated 188 DC-3's. In addition, approximately 13 DC-3 aircraft were operated by the 6 Alaska carriers, and 15 DC-3 aircraft were operated by the 2 Hawaiian carriers.

These carriers desperately need short-to-medium range transport aircraft, of 36- to 40-passenger capacity with space for approximately 2,000 pounds of cargo, new loading configuration different from the 2-engine aircraft now available, pressurization for passenger comfort, and attractiveness to the public, among other things, to generate increasing response from the traveling and shipping public.

The DC-3, which is operated by all local-service carriers has a passenger capacity of from 21 to 28 seats and is not suitable for the full development of the cargo-traffic potential. It is not pressurized and, although the plane is in widespread use, is considered to be obsolete.

The relatively limited capacity and cost characteristics of the DC-3 indicate that its day as the main vehicle for the operations of the local service carriers has passed. Specialized short-haul air transportation requires a specialized aircraft having improved operational cost characteristics, greater capacity, greater speed, improved design insofar as traffic loading and capacity configuration is concerned, improved operating characteristics with respect to airport requirements, and pressurization.

The trend in the air transport industry is speed, comfort, and economy. If the local carriers are to keep pace with our country's dynamic growth and development they must have the tools with which to perform—not only to take advantage of such growth and development but to also make a contribution to it.

If the equipment problem faced by the local carriers is to be solved, some definite, positive, and effective action must be taken, and soon. The economy of modern aircraft has proven its value to the trunklines. The local service lines will reap the same benefits, given the same opportunities.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield to the Senator from Colorado.

Mr. ALLOTT. I have listened to the colloquy with a great deal of interest. There is one phase of the matter in which I am particularly interested, on behalf of all our feeder airlines. What would the Senator from Oklahoma say will be the effect of the bill upon the development and use of such planes, for example, as the Friendship F-27 and the smaller passenger planes, the four-motor planes, which will provide not only a much greater speed but a higher degree of efficiency in this field, and displace the old DC-3?

Mr. MONRONEY. That really has been a dream in the field. The unmet needs of modern aviation are for the short-range to medium-range aircraft to replace the DC-3. We have the Friendship F-27, being readied for test this fall by Fairchild. We have on the drawing board the Douglas 1940, another plane of medium range, and then the Safari plane, designed by Jack Frye, which is also in this class.

We feel that only with a guaranteed market, where the manufacturers can sell to the feeder lines with some assurance that they will receive their money, will they build the type of plane which has not been built since the DC-3.

Mr. ALLOTT. One of the necessary effects of the bill will be to permit development of these planes as a substitute for the now uneconomical DC-3 in this field?

Mr. MONRONEY. We feel the only way we can develop this type of plane is by a credit system of a 90 percent guaranty, so that there will be a market, in effect, for repayment of the aircraft factories manufacturing the planes to sell to the feeder airlines.

Mr. ALLOTT. I thank the Senator very much.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the committee amendments be considered en bloc.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? The Chair hears none, and the committee amendments will be considered en bloc.

The question is on agreeing to the committee amendments en bloc.

The amendments were agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to provide for Government guaranty of private loans to certain air carriers for purchase of modern aircraft and equipment, to foster the development and use of modern transport aircraft by such carriers, and for other purposes."

ANNUITIES OF PANAMA CANAL SHIP PILOTS

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 849, S. 821, a bill to amend the Civil Service Retirement Act with respect to annuities of Panama Canal ship pilots.

I invite attention of the distinguished Senator from South Carolina [Mr. JOHNSTON] and the distinguished Senator from North Carolina [Mr. SCOTT].

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 821) to amend the Civil Service Retirement Act with respect to annuities of Panama Canal ship pilots.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Post Office and Civil Service with an amendment on page 1, after line 5, to strike out:

"(g) Any employee who attains the age of 55 years and completes 15 years of service as ship pilot in the Panama Canal Zone shall, upon separation from the service, be paid an annuity computed as provided in section 9."

And insert:

"(g) Any employee while serving as a ship pilot in the Panama Canal Zone who attains the age of 55 years and completes 20 years of service, not less than 15 years of which has been as such a pilot, shall, upon separation from the service, be paid an annuity computed as provided in section 9."

So as to make the bill read:

Be it enacted etc., That section 6 of the Civil Service Retirement Act is amended by

adding at the end thereof a new subsection as follows:

"(g) Any employee while serving as a ship pilot in the Panama Canal Zone who attains the age of 55 years and completes 20 years of service, not less than 15 years of which has been as such a pilot, shall, upon separation from the service, be paid an annuity computed as provided in section 9."

SEC. 2. Section 9 (e) of such act is amended by inserting after "6 (c)" the following: "or 6 (g)".

SEC. 3. This act shall take effect on the first day of the first month which begins after the date of its enactment.

Mr. JOHNSTON of South Carolina. Mr. President, after the hearing was had, the bill was reported from the Post Office and Civil Service Committee unanimously.

In order to conserve time, Mr. President, I ask unanimous consent that the report, beginning with "purpose," through "justification," and "hearings," on page 2, be printed in the RECORD. This will give the purpose and the justification for the passage of the proposed legislation.

There being no objection, the excerpts from the report were ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of this legislation is to authorize the optional retirement of any ship pilot in the Panama Canal Zone who has attained the age of 55 and has completed 20 years of service, at least 15 years of which has been as such a pilot.

JUSTIFICATION

The careers of ship pilots in the Panama Canal Zone are of a very limited duration by comparison with other types of Federal employment. Because of the years of experience in seamanship and navigation that are required as a prerequisite to appointment, they cannot qualify as pilots before they are 30 to 35 years of age. For a variety of reasons, age 55 often marks the end of their maximum usefulness as active and full-time pilots, if, in fact, it does not end their careers entirely.

Thus, within these limits, the career of a ship pilot covers a span of from 15 to 20 years at best.

Consideration was given to extending the coverage of section 6 (c) to include service as a ship pilot in the Panama Canal Zone. If this were to be done, it would permit optional retirement at age 50 after 20 years of service. However, neither the age nor the service requirement seemed appropriate in case of Canal Zone pilots. On the one hand, to permit retirement at age 50 would deprive the Government of the services of senior pilots for at least a 5-year period (age 50 to 55) when they could be working with maximum usefulness. On the other hand, to require 20 years of service at age 55 before becoming eligible for retirement would be meaningless to the majority of pilots because, unlike other Federal employees, they cannot start their careers at an early age and, hence, at the age of 50 they would not have the service required to take advantage of the provision.

These circumstances of themselves suggested the type of provision that would be fair both to the Government and the pilots. From the Government's standpoint, pilots should not be permitted optional retirement until attainment of age 55. From the pilots' standpoint, those who begin their careers upon reaching the age of 35 would have 20 years of service when they reach age 55. Thus was suggested the age 55 and 20 years of service as requirements.

HEARINGS

Hearings were held May 19, 1957, on S. 821 as introduced. There was no testimony in opposition to the proposition that this small group of employees require and should be accorded special treatment under the Civil Service Retirement Act.

Administration officials, while agreeing on the justification for special consideration, advanced the view that the minimum 20-year service requirement common to other groups that have been accorded special treatment should not be waived in this instance. Careful consideration to this point resulted in adoption by unanimous agreement of the Retirement Subcommittee (W. KERR SCOTT, chairman, RICHARD L. NEUBERGER, and THOMAS E. MARTIN) of the amendment requiring a minimum of 20 years of service. The subcommittee amendment later was unanimously approved by the full committee.

Mr. JOHNSTON of South Carolina. Mr. President, the Senator from North Carolina [Mr. SCOTT] introduced the bill. He made the investigation and the report, and he should be given credit for that work.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

COMPACT BETWEEN THE STATES OF CALIFORNIA AND OREGON

Mr. JOHNSON of Texas. Mr. President, I invite the attention of the minority leader to this motion.

I move that the Senate proceed to the consideration of Calendar No. 858, Senate bill 2431.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2431) granting the consent of Congress to the Klamath River Basin compact between the States of California and Oregon, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. KUCHEL. Mr. President, this is an unusual piece of proposed legislation, in that the four authors are the distinguished senior Senator from California [Mr. KNOWLAND], the distinguished Senators from Oregon [Mr. MORSE and Mr. NEUBERGER], and myself.

The bill is required by reason of article I, section 10, of the Constitution, which requires the consent of Congress when two or more States enter into an agreement.

In this instance, in 1955 the Congress gave its consent to negotiations between the people of the State of Oregon and the people of the State of California looking toward an interstate compact by which the waters of the Klamath River were to be subjected to a long and fairly involved agreement.

The Federal Government was represented through the Bureau of the Budget, which coordinated the responsibilities of the various Federal agencies which were concerned in the area.

After the agreement had been consummated it was submitted to the Legislature of the State of Oregon and the Legislature of the State of California. Each legislative body passed a bill unanimously approving the compact. The Governor of Oregon and the Governor of California signed the respective State legislative enactments, and, under the Constitution, the compact is now before the Senate for approval.

I wish very briefly to refer to the language of the report which accompanies the bill, and to read 1 or 2 paragraphs from it:

The Klamath River Basin encompasses an area of some 10,010,000 acres, of which 3,610,000 acres are in Oregon and the remaining 6,400,000 acres are in California. The drainage system for this area is comprised of the Williamson, Sprague, and Wood Rivers in Oregon which flow into Upper Klamath Lake and form the headwaters of the Klamath River, and the Shasta, Scott, Salmon, and Trinity Rivers which are California tributaries to the Klamath. In addition, the Lost River, which rises in northeastern California, flows into Oregon and back into California where it discharges into Tule Lake, has been joined by an artificial channel with the Klamath River so that it too contributes to the streamflow of the Klamath.

* * * * *

The compact mainly concerns itself with the upper portion of the basin referred to in the compact as the Upper Klamath River Basin. It is defined as the drainage area of the Klamath River and all its tributaries upstream from the boundary between Oregon and California and the closed basins of Butte Valley, Red Rock Valley, Lost River Valley, Swan Lake Valley, and Crater Lake.

Of the 4,800,000 acres of land in this upper basin approximately 690,000 are classed as suitable for irrigated agricultural crops. There are 469,000 irrigable acres in the Oregon portion and 221,000 irrigable acres in the California portion of the upper basin.

Excluding lands within the Klamath project of the United States Bureau of Reclamation, there are presently irrigated about 174,000 acres of land in the Oregon portion and 23,000 acres of land in the California portion of the upper basin. Irrigation constitutes the major use of water in the upper basin, although sizable quantities are utilized for generation of hydroelectric power, the maintenance of fishlife, and the preservation of waterfowl.

This compact is a fine example of the achievement by two States of complete agreement with respect to the utility of waters in a stream common to both.

I urge the passage of the bill.

Mr. NEUBERGER. Mr. President, I subscribe to the statements just made in behalf of the passage of the Klamath River Basin compact bill by my distinguished colleague from the State of California, who has shared with me the effort in the Senate Committee on Interior and Insular Affairs to bring the bill before the Senate.

I should like to add to the effective presentation made by the Senator from California a very few observations about the Klamath River Basin and its resources.

To begin with, the bill is somewhat related to an earlier piece of legislation which the Senate passed this week. I refer to the conference report on Senate bill 469, which postponed the ter-

mination of Federal supervision over the Klamath Indian Tribe.

Many of the headwaters of the Klamath River originate in the vast ponderosa pine timber stand, and in the Klamath marsh, which are within the Klamath Indian Reservation.

Unless we can take effective steps in the future to safeguard these resources, the very origins and cradle of the Klamath River will be endangered.

For that reason I introduced earlier in this session, on behalf of the senior Senator from Oregon and myself, proposed legislation which would provide for Federal acquisition of this timber and marshland, which help to form the source of the Klamath River. It is my hope that the Senate, after it passes this bill, will later—either this session or next session—give favorable consideration to the bill providing for safeguarding by the Federal Government of the rich watershed where the Klamath River originates.

Furthermore, the sponsorship of this bill by the 2 very able Senators from California and by the 2 Senators from Oregon demonstrates, at least so far as the 2 Senators from Oregon are concerned, that there is no truth to the charge which has been voiced occasionally in our State, to the effect that we favor only Federal power development or no power development at all.

It is my understanding that once this compact has been ratified by the Federal Government, following its approval by the two State governments of Oregon and California, there will take place hydroelectric development on the Klamath River, which will be very largely financed and operated by the California-Oregon Power Co.

This is a private utility company which operates in southern Oregon and northern California. We of Oregon have joined with our able colleagues from California in sponsoring this bill because we want to see this development take place. It will be by a private power company, but it will not place in jeopardy any of the major plans of the Federal Government for multipurpose projects, and it will not put in peril any resources, such as migratory fowl, fisheries, and other similar wildlife—assets which we wish to preserve.

In conclusion, I wish to add an item to the inventory of resources recited by the junior Senator from California. In addition to the resources which the Senator has cited, the Klamath River Basin is one of the most important parts of the United States for the nesting and breeding of migratory waterfowl. In the Klamath River Basin, particularly in the marshlands near the source of the Klamath River, are some of the great areas where the ducks and geese which travel the Pacific flyway find sanctuary. These are major waterfowl refuges, and it is important that they be preserved and maintained.

It is my opinion that ratification of the compact by the Senate tonight will help toward reaching that great goal.

I wish to add that both the senior Senator from Oregon and I have been advocating and doing all we can to bring about favorable action by the Senate. We have been urged by the members of the Oregon State Legislature and by the distinguished Governor of the State of Oregon, Robert D. Holmes, to do all we can to bring about favorable action. Therefore, I join the junior Senator from California, my colleague on the committee, in supporting the ratification of the compact and in urging favorable action by the Senate.

Mr. KUCHEL. Mr. President, I thank my friend from Oregon very much for his very helpful and illuminating remarks.

I ask unanimous consent that article IV of the compact, on page 9 of the bill, be set forth in full in the RECORD at this point in my remarks.

There being no objection, article IV was ordered to be printed in the RECORD, as follows:

ARTICLE IV. HYDROELECTRIC POWER

It shall be the objective of each State, in the formulation and execution and the granting of authority for the formulation and execution of plans for the distribution and use of the waters of the Klamath River Basin, to provide for the most efficient use of available power head and its economic integration with the distribution of water for other beneficial uses in order to secure the most economical distribution and use of water and lowest power rates which may be reasonable for irrigation and drainage pumping, including pumping from wells.

Mr. DWORSHAK. Mr. President, I desire to congratulate the two Senators from the State of California for their success in negotiating a compact with the great State of Oregon, with the approval of the two Senators from that State.

I have mentioned on many occasions in the past the attitude of the people of Idaho in seeking for many years a comparable compact with the State of Oregon, to regulate the equitable use and benefits of the water in the Columbia River Basin. It would be extremely difficult for me to understand why Oregon would agree to a compact, except that in this case the compact governs the use of water originating in Oregon and flowing into another State, California. So far as the Columbia River Basin is concerned, the conditions are reversed. The State of Idaho has found it almost impossible to do any negotiating with the people of Oregon, because in that instance the compact would regulate and control the water flowing into Oregon from the upstream State of Idaho, instead of regulating the benefits from water flowing out of Oregon into another State, California.

Mr. President, I certainly hope that on this occasion, as the two Senators from Oregon are consenting to negotiating a compact with the adjoining State of California, they will recognize the advisability of applying the same pattern in their dealings with the State of Idaho.

There is a slight difference, of course, because in this instance the water flows out of Oregon into California, while in the other instance it flows from Idaho into Oregon.

I am sure that in the great Columbia River Basin it would be possible to use to the fullest advantage the extremely vital and important natural resources, if we could have the same degree of cooperation from the great State of Oregon with Idaho and the other States in the Columbia River Basin in the negotiation and signing of a compact.

I sincerely hope that we are establishing a pattern tonight, which will point to successful negotiations on our part. I am sure the people of Idaho will take a very broad view and will be greatly encouraged by this demonstration of cooperation on the part of the two Senators from Oregon in reflecting the views of the people of that State.

SEVERAL SENATORS. Vote! Vote!

Mr. NEUBERGER. Mr. President, I regret the fact that my colleague from Idaho—Mr. President, may we have only one Senator speaking at a time on the floor?

The PRESIDING OFFICER (Mr. TALMADGE in the chair). The Senate will be in order. All Senators who desire to converse will retire from the Chamber. Attachés will retire to the rear of the Chamber.

Mr. NEUBERGER. I regret the fact that the Senator from Idaho has taken advantage of a bill, which should be largely noncontroversial, to make an attack upon his two colleagues in the Senate from the State of Oregon. I call to his attention the fact that there is very little parallel between the proposed compact and the vast Columbia River system. We are dealing with a much smaller and modest proposal here than the great Columbia River Basin. The Klamath River carries down to the sea approximately 12 million acre-feet of water. The Columbia River carries down to the sea, by contrast, approximately 180 million acre-feet of water.

With respect to the proposed compact in the Columbia River Basin, it was rejected by my State of Oregon and by the State of Washington because, unfortunately, the State Government of Idaho contemplated surrendering for private exploitation vast sites in the upper Columbia Basin which should have been reserved for multipurpose use. No such situation has prevailed with respect to the Klamath River Basin.

I would further call to the attention of my colleague from Idaho that a Republican legislature in the State of Oregon rejected the proposed Columbia River interstate compact, while the Oregon Legislature ratified the compact pertaining to the Klamath River Basin, which is before us today.

It is my sincere hope that this bill will be passed and the Senate will uphold the compact which has been approved by the two States.

Mr. DWORSHAK. Mr. President, earlier in the session, during the debate on water-resources development in the Columbia River Basin, the senior Senator from Oregon [Mr. MORSE] unequivocally declared that he would never consent to negotiating a compact affecting the Columbia River and involving the interests of the State of Oregon. Does the junior Senator from Oregon share that view?

Mr. NEUBERGER. I cannot speak for any other Senator except myself. I can say that I would never agree to the

ratification of any compact which would bring about the surrender of waterpower sites for less than full development, or which would use a great multipurpose site for private, piecemeal, single-use exploitation. I am certain my able senior colleague would likewise take this attitude.

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. NEUBERGER. I yield.

Mr. DWORSHAK. Obviously the purpose of entering compacts is to enable and encourage the participating States to consider divergent views and to formulate an overall objective which will utilize to the fullest extent the water resources of an entire valley for the benefit of the various States involved. So far as the Columbia River Basin is concerned, it cannot be successfully contended by the junior Senator from Oregon that any concession has been made, because if there had been a compact, then certainly the opportunity would have been presented to the States in the Columbia River Basin to do what was considered best in promoting the interests of all the States.

Mr. NEUBERGER. I will say to the Senator from Idaho that, had his State government taken an enlightened and liberal attitude toward the resources of the Columbia River Basin, the proposed compact in the basin would not have been rejected by the legislatures of both Washington and Oregon.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed as follows:

Be it enacted, etc., That the consent of Congress is hereby given to the Klamath River Basin Compact between the States of California and Oregon, which compact is as follows:

"KLAMATH RIVER BASIN COMPACT

"*Index*

"Article I—Purposes
Article II—Definition of Terms
Article III—Distribution and Use of Water
Article IV—Hydroelectric Power
Article V—Interstate Diversion and Storage Rights; Measuring Devices
Article VI—Acquisition of Property for Storage and Diversion; in Lieu of Taxes
Article VII—Pollution Control
Article VIII—Miscellaneous
Article IX—Administration
Article X—Status of Indian Rights
Article XI—Federal Rights
Article XII—General Provisions
Article XIII—Ratification
Article XIV—Termination

"ARTICLE I. PURPOSES

"The major purposes of this compact are, with respect to the water resources of the Klamath River Basin:

"A. To facilitate and promote the orderly, integrated, and comprehensive development, use, conservation, and control thereof for various purposes, including, among others: the use of water for domestic purposes; the development of lands by irrigation and other means; the protection and enhancement of fish, wildlife, and recreational resources; the use of water for industrial purposes and hydroelectric power production; and the use and control of water for navigation and flood prevention.

"B. To further intergovernmental cooperation and comity with respect to these resources and programs for their use and development and to remove causes of present and future controversies by providing (1) for equitable distribution and use of water among the two States and the Federal Government, (2) for preferential rights to the use of water after the effective date of this compact for the anticipated ultimate requirements for domestic and irrigation purposes in the upper Klamath River Basin in Oregon and California, and (3) for prescribed relationships between beneficial uses of water as a practicable means of accomplishing such distribution and use.

"ARTICLE II. DEFINITION OF TERMS

"As used in this compact:

"A. 'Klamath River Basin' shall mean the drainage area of the Klamath River and all its tributaries within the States of California and Oregon and all closed basins included in the upper Klamath River Basin.

"B. 'Upper Klamath River Basin' shall mean the drainage area of the Klamath River and all its tributaries upstream from the boundary between the States of California and Oregon and the closed basins of Butte Valley, Red Rock Valley, Lost River Valley, Swan Lake Valley, and Crater Lake, as delineated on the official map of the upper Klamath River Basin approved on September 6, 1956, by the commissions negotiating this compact and filed with the secretaries of state of the two States and the General Services Administration of the United States, which map is incorporated by reference and made a part hereof.

"C. 'Commission' shall mean the Klamath River Compact Commission as created by article IX of this compact.

"D. 'Klamath project' of the Bureau of Reclamation of the Department of the Interior of the United States shall mean that area as delineated by appropriate legend on the official map incorporated by reference under subdivision B of this article.

"E. 'Person' shall mean any individual or any other entity, public or private, including either State, but excluding the United States.

"F. 'Keno' shall mean a point on the Klamath River at the present needle dam, or any substitute control dam constructed in section 36, township 39 south, range 7 east, Willamette base and meridian.

"G. 'Water' or 'waters' shall mean waters appearing on the surface of the ground in streams, lakes or otherwise, regardless of whether such waters at any time were or will become ground water, but shall not include water extracted from underground sources until after such water is used and becomes surface return flow or waste water.

"H. 'Domestic use' shall mean the use of water for human sustenance, sanitation, and comfort; for municipal purposes; for livestock watering; for irrigation of family gardens; and for other like purposes.

"I. 'Industrial use' shall mean the use of water in manufacturing operations.

"J. 'Irrigation use' shall mean the use of water for production of agricultural crops, including grain grown for feeding wildfowl.

"ARTICLE III. DISTRIBUTION AND USE OF WATER

"A. There are hereby recognized vested rights to the use of waters originating in the Upper Klamath River Basin validly established and subsisting as of the effective date of this compact under the laws of the State in which the use or diversion is made, including rights to the use of waters for domestic and irrigation uses within the Klamath project. There are also hereby recognized rights to the use of all waters reasonably required for domestic and irrigation uses which may hereafter be made within the Klamath project.

"B. Subject to the rights described in subdivision A of this article and excepting the uses of water set forth in subdivision E of article XI, rights to the use of unappropriated waters originating within the Upper Klamath River Basin for any beneficial use in the Upper Klamath River Basin, by direct diversion or by storage for later use, may be acquired by any person after the effective date of this compact by appropriation under the laws of the State where the use is to be made, as modified by the following provisions of this subdivision B and subdivision C of this article, and may not be acquired in any other way:

"1. In granting permits to appropriate waters under this subdivision B, as among conflicting applications to appropriate when there is insufficient water to satisfy all such applications, each State shall give preference to applications for a higher use over applications for a lower use in accordance with the following order of uses:

"(a) Domestic use,

"(b) Irrigation use,

"(c) Recreational use, including use for fish and wildlife,

"(d) Industrial use,

"(e) Generation of hydroelectric power,

"(f) Such other uses as are recognized under the laws of the State involved.

These uses are referred to in this compact as uses (a), (b), (c), (d), (e), and (f), respectively. Except as to the superiority of rights to the use of water for use (a) or (b) over the rights to the use of water for use (c), (d), (e), or (f), as governed by subdivision C of this article, upon a permit being granted and a right becoming vested and perfected by use, priority in right to the use of water shall be governed by priority in time within the entire Upper Klamath River Basin regardless of State boundaries. The date of priority of any right to the use of water appropriated for the purposes above enumerated shall be the date of the filing of the application therefor, but such priority shall be dependent on commencement and completion of construction of the necessary works and application of the water to beneficial use with due diligence and within the times specified under the laws of the State where the use is to be made. Each State shall promptly provide the commission and the appropriate official of the other State with complete information as to such applications and as to all actions taken thereon.

"2. Conditions on the use of water under this subdivision B in Oregon shall be:

"(a) That there shall be no diversion of waters from the Upper Klamath River Basin, but this limitation shall not apply to out-of-basin diversions of waters originating within the drainage area of Fourmile Lake.

"(b) That water diverted from Upper Klamath Lake and the Klamath River and its tributaries upstream from Keno, Oreg., for use in Oregon and not consumed therein and appearing as surface return flow and waste water within the Upper Klamath River Basin shall be returned to the Klamath River or its tributaries above Keno, Oreg.

"3. Conditions on the use of water under this subdivision B in California shall be:

"(a) That the waters diverted from the Klamath River within the Upper Klamath River Basin for use in California shall not be taken outside the Upper Klamath River Basin.

"(b) That substantially all of the return flows and waste water finally resulting from such diversions and use appearing as surface waters in the Upper Klamath River Basin shall be made to drain so as to be eventually returned to the Klamath River upstream from Keno, Oreg.

"C. 1. All rights, acquired by appropriation after the effective date of this compact, to use waters originating within the

Upper Klamath River Basin for use (a) or (b) in the Upper Klamath River Basin in either State shall be superior to any rights, acquired after the effective date of this compact, to use such waters (i) for any purpose outside the Klamath River Basin by diversion in California or (ii) for use (c), (d), (e), or (f) anywhere in the Klamath River Basin. Such superior rights shall exist regardless of their priority in time and may be exercised with respect to inferior rights without the payment of compensation. But such superior rights to use water for use (b) in California shall be limited to the quantity of water necessary to irrigate 100,000 acres of land, and in Oregon shall be limited to the quantity of water necessary to irrigate 200,000 acres of land.

"2. The provisions of paragraph 1 of this subdivision C shall not prohibit the acquisition and exercise after the effective date of this compact of rights to store waters originating within the Upper Klamath River Basin and to make later use of such stored water for any purpose, as long as the storing of waters for such later use, while being effected, does not interfere with the direct diversion or storage of such waters for use (a) or (b) in the Upper Klamath River Basin.

"ARTICLE IV. HYDROELECTRIC POWER

"It shall be the objective of each State, in the formulation and execution and the granting of authority for the formulation and execution of plans for the distribution and use of the waters of the Klamath River Basin, to provide for the most efficient use of available power head and its economic integration with the distribution of water for other beneficial uses in order to secure the most economical distribution and use of water and lowest power rates which may be reasonable for irrigation and drainage pumping, including pumping from wells.

"ARTICLE V. INTERSTATE DIVERSION AND STORAGE RIGHTS; MEASURING DEVICES

"A. Each State hereby grants for the benefit of the other and its designees the right to construct and operate facilities for the measurement, diversion, storage, and conveyance of water from the Upper Klamath River Basin in one State for use in the other insofar as the exercise of such right may be necessary to effectuate and comply with the terms of this compact. The location of such facilities shall be subject to approval by the commission.

"(B) Each State or its designee, exercising within the jurisdiction of the other a right granted under subdivision A of this article, shall make provision for the establishment, operation, and maintenance of permanent gaging stations at such points on streams or reservoir or conveyance facilities as may be required by the commission for the purpose of ascertaining and recording the volume of diversions by the streams or facilities involved. Said stations shall be equipped with suitable devices for determining the flow of water at all times. All information obtained from such stations shall be compiled in accordance with the standards of the United States Geological Survey, shall be filed with the commission, and shall be available to the public.

"ARTICLE VI. ACQUISITION OF PROPERTY FOR STORAGE AND DIVERSION; IN LIEU TAXES

"A. Subject to approval of the commission, either State shall have the right (1) to acquire such property rights in the other State as are necessary for the diversion, storage, conveyance, measurement and use of water in conformity with this compact, by donation or purchase, or (2) to elect to have the other State acquire such property rights for it by purchase or through the exercise of the power of eminent domain. A State making the latter election shall make a written request therefor and the other State shall expeditiously acquire said property rights either by purchase at a price satisfactory to the requesting State, or, if such purchase cannot be made, then through the exercise of its power of eminent domain, and shall convey said property rights to the requesting State or its designee. All costs of such acquisition shall be paid by the requesting State. Neither State shall have any greater power to acquire property rights for the other State through the exercise of the power of eminent domain than it would have under its laws to acquire the same property rights for itself.

"B. Should any diversion, storage or conveyance facilities be constructed or acquired in either State for the benefit of the other State, as herein provided, the construction, repair, replacement, maintenance, and operation of such facilities shall be subject to the laws of the State in which the facilities are located, except that the proper officials of that State shall permit the storage, release, any conveyance of any water to which the other States is entitled under this compact.

"C. Either State having property rights other than water rights in the other State acquired as provided in this article shall pay to each political subdivision of the State in which such property rights are located, each and every year during which such rights are held, a sum of money equivalent to the average annual amount of taxes assessed against those rights during the 10 years preceding the acquisition of such rights in reimbursement for the loss of taxes to such political subdivisions of the State. Payments so made to a political subdivision shall be in lieu of any and all taxes by that subdivision on the property rights for which the payments are made.

"ARTICLE VII. POLLUTION CONTROL

"A. The States recognize that the growth of population and the economy of the upper Klamath River Basin can result in pollution of the waters of the upper Klamath River Basin constituting a menace to the health and welfare of, and occasioning economic loss to, people living or having interests in the Klamath River Basin. The States recognize further that protection of the beneficial uses of the waters of the Klamath River Basin requires cooperative action of the two States in pollution abatement and control.

"B. To aid in such pollution abatement and control, the commission shall have the duty and power:

"1. To cooperate with the States or agencies thereof or other entities and with the United States for the purpose of promoting effective laws and the adoption of effective regulations for abatement and control of pollution of the waters of the Klamath River Basin, and from time to time to recommend to the governments reasonable minimum standards for the quality of such waters.

"2. To disseminate to the public by any and all appropriate means information respecting pollution abatement and control in the waters of the Klamath River Basin and on the harmful and uneconomic results of such pollution.

"C. Each State shall have the primary obligation to take appropriate action under its own laws to abate and control interstate pollution, which is defined as the deterioration of the quality of the waters of the upper Klamath River Basin within the boundaries of such State which materially and adversely affects beneficial uses of waters of the Klamath River Basin in the other State. Upon complaint to the commission by the State water pollution control agency of one State that interstate pollution originating in the other State is not being prevented or abated, the procedure shall be as follows:

"1. The commission shall make an investigation and hold a conference on the alleged interstate pollution with the water pollution control agencies of the two States, after which the commission shall recommend appropriate corrective action.

"2. If appropriate corrective action is not taken within a reasonable time, the commission shall call a hearing, giving reasonable notice in writing thereof to the water pollution control agencies of the two States and to the person or persons which it is believed are causing the alleged interstate pollution. Such hearing shall be held in accordance with rules and regulations of the commission, which shall conform as nearly as practicable with the laws of the two States governing administrative hearings. At the conclusion of such hearing, the commission shall make a finding as to whether interstate pollution exists, and if so, shall issue to any person or persons which the commission finds are causing such interstate pollution an order or orders for correction thereof.

"3. It shall be the duty of the person against whom any such order is issued to comply therewith. Any court of general jurisdiction of the State where such discharge is occurring or the United States District Court for the district where the discharge is occurring shall have jurisdiction, on petition of the commission for enforcement of such order, to compel action by mandamus, injunction, specific performance, or any other appropriate remedy, or on petition of the person against whom the order is issued to review any order. At the conclusion of such enforcement or review proceedings, the court may enter such decree or judgment affirming, reversing, modifying, or remanding such order as in its judgment is proper in the circumstances on the basis of the rules customarily applicable in proceedings for court enforcement or review of administrative actions.

"D. The water pollution control agencies of the two States shall, from time to time, make available to the commission all data relating to the quality of the waters of the upper Klamath River Basin which they possess as the result of studies, surveys, and investigations thereof which they may have made.

"ARTICLE VIII. MISCELLANEOUS

"A. Subject to vested rights as of the effective date of this compact, there shall be no diversion of waters from the basin on Jenny Creek to the extent that such waters are required, as determined by the Commission, for use on land within the basin of Jenny Creek.

"B. Each State shall exercise whatever administrative, judicial, legislative, or police power it has that are required to provide any necessary re-regulation or other control over the flow of the Klamath River downstream from any hydroelectric powerplant for protection of fish, human life or property from damage caused by fluctuations resulting from the operation of such plant.

"ARTICLE IX. ADMINISTRATION

"A. 1. There is hereby created a commission to administer this compact. The commission shall consist of three members. The representative of the State of California shall be the department of water resources. The representative of the State of Oregon shall be the State engineer of Oregon who shall serve as ex officio representative of the State Water Resources Board of Oregon. The President is requested to appoint a Federal representative who shall be designated and shall serve as provided by the laws of the United States.

"2. The representative of each State shall be entitled to one vote in the commission. The representative of the United States shall serve as chairman of the commission without vote. The compensation and expenses of each representative shall be fixed and paid by the government which he represents.

Any action by the commission shall be effective only if it be agreed to by both voting members.

"3. The commission shall meet to establish its formal organization within 60 days after the effective date of this compact, such meeting to be at the call of the governors of the two States. The commission shall then adopt its initial set of rules and regulations governing the management of its internal affairs providing for, among other things, the calling and holding of meetings, the adoption of a seal, and the authority and duties of the chairman and executive director. The Commission shall establish its office within the Upper Klamath River Basin.

"4. The Commission shall appoint an executive director, who shall also act as secretary, to serve at the pleasure of the Commission and at such compensation, under such terms and conditions and performing such duties as it may fix. The executive director shall be the custodian of the records of the Commission with authority to affix the Commission's official seal, and to attest to and certify such records or copies thereof. The Commission, without regard to the provisions of the civil service laws of either State, may appoint and discharge such consulting, clerical, and other personnel as may be necessary for the performance of the Commission's function, may define their duties, and may fix and pay their compensation. The Commission may require the executive director and any of its employees to post official bonds, and the cost thereof shall be paid by the Commission.

"5. All records, files, and documents of the Commission shall be open for public inspection at its office during established office hours.

"6. No member, officer, or employee of the Commission shall be liable for injury or damage resulting from (a) action taken by such member, officer, or employee in good faith and without malice under the apparent authority of this compact, even though such action is later judicially determined to be unauthorized, or (b) the negligent or wrongful act or omission of any other person, employed by the Commission and serving under such officer, member, or employee, unless such member, officer, or employee either failed to exercise due care in the selection, appointment, or supervision of such other person, or failed to take all available action to suspend or discharge such other person after knowledge or notice that such other person was inefficient or incompetent to perform the work for which he was employed. No suit may be instituted against a member, officer, or employee of the Commission for damages alleged to have resulted from the negligent or wrongful act or omission of such member, officer, or employee or a subordinate thereof occurring during the performance of his official duties unless, within 90 days after the occurrence of the incident, a verified claim for damages is presented in writing and filed with such member, officer, or employee and with the Commission. In the event of a suit for damages against any member, officer, or employee of the Commission on account of any act or omission in the performance of his or his subordinates' official duties, the Commission shall arrange for the defense of such suit and may pay all expenses therefor on behalf of such member, officer, or employee. The Commission may at its expense insure its members, officers, and employees against liability resulting from their acts or omissions in the performance of their official duties. Nothing in this paragraph shall be construed as imposing any liability upon any member, officer, or employee of the Commission that he would otherwise not have.

"7. The Commission may incur obligations and pay expenses which are necessary for the performance of its functions. But it shall not pledge the credit of any government except by and with the authority of the legislative body thereof given pursuant to and in keeping with the constitution of such government, nor shall the Commission incur any obligations prior to the availability of funds adequate to meet them.

"8. The Commission may:

"(a) Borrow, accept or contract for the services of personnel from any government or agency thereof, from any intergovernmental agency, or from any other entity.

"(b) Accept for any of its purposes and functions under this compact any and all donations, gifts, grants of money, equipment, supplies, materials and services from any government or agency thereof or intergovernmental agency or from any other entity.

"(c) Acquire, hold and dispose of real and personal property as may be necessary in the performance of its functions.

"(d) Make such studies, surveys and investigations as are necessary in carrying out the provisions of this compact.

"9. All meetings of the Commission for the consideration of and action on any matters coming before the Commission, except matters involving the management of internal affairs of the Commission and its staff, shall be open to the public. Matters coming within the exception of this paragraph may be considered and acted upon by the Commission in executive sessions under such rules and regulations as may be established therefor.

"10. In the case of the failure of the two voting members of the Commission to agree on any matter relating to the administration of this compact as provided in paragraph 2 of this subdivision A, the representative from each State shall appoint 1 person and the 2 appointed persons shall appoint a third person. The three appointees shall sit as an arbitration forum. The terms of appointment and the compensation of the members of the arbitration forum shall be fixed by the Commission. Matters on which the two voting members of the Commission have failed to agree shall be decided by a majority vote of the members of the arbitration forum. Each State obligates itself to abide by the decision of the arbitration forum, subject, however, to the right of each State to have the decision reviewed by a court of competent jurisdiction.

"11. The Commission shall have the right of access, through its authorized representatives, to all properties in the Klamath River Basin whenever necessary for the purpose of administration of this compact. The Commission may obtain a court order to enforce its right of access.

"B. 1. The Commission shall submit to the governor or designated officer of each State a budget of its estimated expenditures for such period and at such times as may be required by the laws of that State for presentation to the legislature thereof. Each State pledges itself to appropriate and pay over to the Commission one-half of the amount required to finance the Commission's estimated expenditures as set forth in each of its budgets, and pledges further that concurrently with approval of this compact by its legislature the sum of not less than $12,000 will be appropriated by it to be paid over to the Commission at its first meeting for use in financing the Commission's functions until the Commission can prepare its first budget and receive its first appropriation thereunder from the States.

"2. The Commission shall keep accurate accounts of all receipts and disbursements, which shall be audited yearly by a certified public accountant, and the report of the audit shall be made a part of its annual report. The accounts of the Commission shall be open for public inspection during established office hours.

"3. The Commission shall make and transmit to the legislature and governor of each State and to the President of the United States an annual report covering the finances and activities of the Commission and embodying such plans, recommendations and findings as may have been adopted by the Commission.

"C. 1. The Commission shall have the power to adopt, and to amend or repeal, such rules and regulations to effectuate the purposes of this compact as in its judgment may be appropriate.

"2. Except as to matters involving exclusively the management of the internal affairs of the Commission and its staff or involving emergency matters, prior to the adoption amendment or repeal of any rule or regulation the Commission shall hold a hearing at which any interested person shall have the opportunity to present his views on the proposed action in writing, with or without the opportunity to present the same orally. The Commission shall give adequate advance notice in a reasonable manner of the time, place and subject of such hearings.

"3. Emergency rules and regulations may be adopted without a prior hearing, but in such case they may be effective for not longer than 90 days.

"4. The Commission shall publish its rules and regulations in convenient form.

"ARTICLE X. STATUS OF INDIAN RIGHTS

"A. Nothing in this compact shall be deemed:

"1. To affect adversely the present rights of any individual Indian, tribe, band or community of Indians to the use of the waters of the Klamath River Basin for irrigation.

"2. To deprive any individual Indian, tribe, band, or community of Indians of any rights, privileges, or immunities afforded under Federal treaty, agreement, or statute.

"3. To affect the obligations of the United States of America to the Indians, tribes, bands, or communities of Indians, and their reservations.

"4. To alter, amend or repeal any of the provisions of the act of August 13, 1954 (68 Stat. 718), as it may be amended.

"B. Lands within the Klamath Indian Reservation which are brought under irrigation after the effective date of this compact, whether before or after section 14 of said act of August 13, 1954, becomes fully operative, shall be taken into account in determining whether the 200,000-acre limitation provided in paragraph 1 of subdivision C of article III has been reached.

"ARTICLE XI. FEDERAL RIGHTS

"Nothing in this compact shall be deemed:

"A. To impair or affect any rights, powers, or jurisdiction in the United States, its agencies, or those acting by or under its authority, in, over, and to the waters of the Klamath River Basin, nor to impair or affect the capacity of the United States, its agencies, or those acting by or under its authority in any manner whatsoever, except as otherwise provided by the Federal legislation enacted for the implementation of this compact as specified in article XIII.

"B. To subject any property of the United States, its agencies or instrumentalities, to taxation by either State or any subdivision thereof, unless otherwise provided by act of Congress.

"C. To subject any works or property of the United States, its agencies, instrumentalities, or those acting by or under its authority, used in connection with the control or use of waters which are the subject of this compact, to the laws of any State to an extent other than the extent to which those laws would apply without regard to this compact, except as otherwise provided by the Federal legislation enacted for the implementation of this compact as specified in article XIII.

"D. To affect adversely the existing areas of Crater Lake National Park or Lava Beds National Monument, or to limit the opera-

tion of laws relating to the preservation thereof.

"E. To apply to the use of water for the maintenance, on the scale at which such land and water areas are maintained as of the effective date of this compact, of officially designated waterfowl management areas, including water consumed by evaporation and transpiration on water surface areas and water used for irrigation or otherwise in the Upper Klamath River Basin; nor to affect the rights and obligations of the United States under any migratory bird treaty or the Migratory Bird Conservation Act (45 Stat. 1222), as amended, to the effective date of this compact.

"ARTICLE XII. GENERAL PROVISIONS

"A. Each State and all persons using, claiming, or in any manner asserting any right to the use of the waters of the Klamath River Basin under the authority of either State shall be subject to the terms of this compact.

"B. Nothing in this compact shall be construed to limit or prevent either State from instituting or maintaining any action or proceeding, legal or equitable, in any court of competent jurisdiction for the protection of any right under this compact or the enforcement of any of its provisions.

"C. Should a court of competent jurisdiction hold any part of this compact to be contrary to the constitution of either State or the United States, all other provisions shall continue in full force and effect, unless it is authoritatively and finally determined judicially that the remaining provisions cannot operate for the purposes, or substantially in the manner, intended by the States independently of the portions declared unconstitutional or invalid.

"D. Except as to matters requiring the exercise of discretion by the Commission, the provisions of this compact shall be self-executing and shall by operation of law be conditions of the various State permits, licenses, or other authorizations relating to the waters of the Klamath River Basin issued after the effective date of this compact.

"E. The physical and other conditions peculiar to the Klamath River Basin constitute the basis for this compact, and neither of the States hereby, nor the Congress of the United States by its consent, considers that this compact establishes any general principle or precedent with respect to any other interstate stream.

"ARTICLE XIII. RATIFICATION

"A. This compact shall become effective when ratified by the legislature of each signatory State, and when consented to by an act of Congress of the United States which will, in substance, meet the provisions hereinafter set forth in this article.

"B. The act of Congress referred to in subdivision A of this article shall provide that the United States or any agency thereof, and any entity acting under any license or other authority granted under the laws of the United States (referred to in this article as 'the United States'), in connection with developments undertaken after the effective date of this compact pursuant to laws of the United States, shall comply with the following requirements:

"1. The United States shall recognize and be bound by the provisions of subdivision A of article III.

"2. The United States shall not, without payment of just compensation, impair any rights to the use of water for use (a) or (b) within the upper Klamath River Basin by the exercise of any powers or rights to use or control water (i) for any purpose whatsoever outside the Klamath River Basin by diversions in California or (ii) for any purpose whatsoever within the Klamath River Basin other than use (a) or (b). But the exercise of powers and rights by the United States shall be limited under this paragraph 2 only as against rights to the use of water for use (a) or (b) within the upper Klamath River Basin which are acquired as provided in subdivision B of article III after the effective date of this compact, but only to the extent that annual depletions in the flow of the Klamath River at Keno resulting from the exercise of such rights to use water for uses (a) and (b) do not exceed 340,000 acre-feet in any one calendar year.

"3. The United States shall be subject to the limitation on diversions of waters from the basin of Jenny Creek as provided in subdivision A of article VIII.

"4. The United States shall be governed by all the limitations and provisions of paragraph 2 and subparagraph (a) of paragraph 3 of subdivision B of article III.

"5. The United States, with respect to any irrigation or reclamation development undertaken by the United States in the upper Klamath River Basin in California, shall provide that substantially all of the return flows and waste water finally resulting from such diversions and use appearing as surface waters in the upper Klamath River Basin shall be made to drain so as to be eventually returned to the Klamath River upstream from Keno, unless the Secretary of the Interior shall determine that compliance with this requirement would render it less feasible than under an alternate plan of development, in which event such return flows and waste waters shall be returned to the Klamath River at a point above Copco Lake.

"C. Upon enactment of the act of Congress referred to in subdivision A of this article and so long as such act shall be in effect, the United States, when exercising rights to use water pursuant to State law, shall be entitled to all of the same privileges and benefits of this compact as any person exercising similar rights.

"D. Such act of Congress shall not be construed as relieving the United States of any requirement of compliance with State law which may be provided by other Federal statutes.

"ARTICLE XIV. TERMINATION

"This compact may be terminated at any time by legislative consent of both States, but despite such termination, all rights then established hereunder or recognized hereby shall continue to be recognized as valid by the States."

SEC. 2. As used in this act—

(a) The term "United States" shall mean collectively or separately, as the case may be, the United States, any agency thereof, and any entity acting under any license or other authority granted under the laws of the United States.

(b) The terms appearing herein which are defined in article II or III of the compact shall have the meaning there stated.

(c) "The compact" refers to the Klamath River Basin compact, set forth in section 1 of this act.

SEC. 3. (a) Reserving the constitutional powers of the United States and subject to the provisions of section 4 of this act, the United States, in connection with developments undertaken after the effective date of this act, pursuant to the laws of the United States, shall comply with the requirements set forth in paragraphs Nos. 1, 2, 3, 4, and 5 of subdivision B in article XIII of the compact.

(b) The United States, when exercising rights to use water pursuant to State law, shall be entitled to all of the same privileges and benefits of the compact as any person exercising similar rights.

(c) This act shall not be construed as relieving the United States of any requirement of compliance with State law which may be provided by other Federal statutes.

SEC. 4. Nothing in this act or in the compact shall be construed as:

(a) Affecting the obligations of the United States to the Indians or Indian tribes, bands, or communities of Indians, or any right owned or held by or for the Indians or Indian tribes, bands, or communities of Indians, which is subject to control by the United States.

(b) Enlarging, diminishing, or otherwise affecting the jurisdiction of the courts of the United States.

(c) Impairing or affecting any existing rights of the United States to waters of the Klamath River Basin now beneficially used by the United States; nor any power or capacity of the United States to acquire rights in and to the use of the said waters of said basin by purchase, donation, or eminent domain.

SEC. 5. (a) The Federal representative to the Commission shall be appointed by the President, and shall report to the President either directly or through such agency or official of the Government as the President may specify. Such representative shall have no vote.

(b) The Federal representative shall receive compensation and shall be entitled to travel expenses, including per diem in lieu of subsistence, in the same manner as provided for experts and consultants under sections 5 and 15 of the Administrative Expenses Act of 1946 and the Travel Expense Act of 1949, except (1) that his term of service shall be governed by the terms of this act and shall not be affected by the time limitations of said section 15, and (2) his per diem rate of compensation shall be in such amount, not in excess of $100, as the President shall specify, but the total amount of compensation payable in any one calendar year shall not exceed $15,000: *Provided*, That if the Federal representative be an employee of the United States he shall serve without additional compensation: *Provided further*, That a retired military officer or a retired Federal civilian officer or employee may be appointed as such representative, without prejudice to his retired status, and he shall receive compensation as authorized herein in addition to his retired pay or annuity but the sum of his retired pay or annuity and such additional compensation as may be payable hereunder shall not exceed $15,000 in any one calendar year.

(c) The Federal representative shall be provided with office space, consulting, engineering, and stenographic service, and other necessary administrative services.

(d) The compensation of the Federal representative shall be paid from the current appropriation for salaries in the White House Office. Travel and other expenses provided for in subsections (b) and (c) of this section shall be paid from any current appropriation or appropriations selected by the head of such agency or agencies as may be designated by the President to provide for such expenses.

SEC. 6. The right to alter, amend, or repeal this act is expressly reserved.

CALL OF THE CALENDAR ON MONDAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that on Monday next, immediately following the close of morning business, measures on the Legislative Calendar to which there is no objection may be called from the beginning of the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I turn now to another matter.

The PRESIDING OFFICER. The Senator from Texas has the floor.

EULOGIES FOR THE LATE SENATOR GEORGE, OF GEORGIA

Mr. JOHNSON of Texas. Mr. President, for the information of the Senate I announce that, following the call of the calendar on Monday next, time will be set aside for eulogies on the late Senator from Georgia, Mr. George.

Mr. President——

The PRESIDING OFFICER. The Senator from Texas.

RIGHTS OF VESSELS OF THE UNITED STATES IN TERRITORIAL WATERS OF FOREIGN COUNTRIES

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 861, S. 1483.

The PRESIDING OFFICER. The bill be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1483) to amend the act of August 27, 1954, relating to the rights of vessels of the United States on the high seas and in the territorial waters of foreign countries.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to, and the Senate proceeded to consider the bill, which had been reported from the Committee on Interstate and Foreign Commerce with amendments on page 2, line 1, after the word "for", to strike out "all expenses incurred by them as a direct result of" and insert "the amount of any loss, including reasonable expenses in connection therewith, of fishing gear, equipment and catch resulting from"; in line 6, after the word "State", to strike out "He" and insert "The Secretary of the Treasury"; in line 7, after the word "vessel", to insert "who is a United States citizen"; in line 8, after the word "for", to insert "the amount of"; in line 9, after the word "incurred", to insert "or expected to be incurred, or both"; in line 12, after the word "any", to strike out "seaman" and insert "such member"; in line 13, after the word "pay", to strike out "to his dependents"; in line 14, after the figures "$10,000", to insert "to the surviving wife of such member, or if there be no surviving wife, in equal shares to the surviving natural or adopted minor children, if any, of such member. The determinations of the Secretary of State and the amounts certified by him under the provisions of this section shall be final and conclusive and not subject to review in any administrative or judicial proceeding"; after line 21, to strike out:

SEC. 2. The amendments made by the first section of this act shall be deemed to take effect as of January 1950.

And insert:

SEC. 2. Section 5 of such act of August 27, 1954, is amended to read as follows.

And, at the top of page 3, to insert:

SEC. 5. The Secretary of State shall take action to collect on claims against a foreign country for amounts expended by the United States under the provisions of this act because of the seizure of a United States vessel by such country, and shall make a report to the Congress annually as to the status of all such claims.

So as to make the bill read:

Be it enacted, etc., That section 3 of the act entitled "An act to protect the rights of vessels of the United States on the high seas and in territorial waters of foreign countries", approved August 27, 1954 (68 Stat. 883) is hereby amended by adding at the end thereof the following new sentences: "In addition to the amount of any such fine, the Secretary of the Treasury shall reimburse the owners of the seized vessel for the amount of any loss, including reasonable expenses in connection therewith, of fishing gear, equipment, and catch resulting from such seizure, as certified to him by the Secretary of State. The Secretary of the Treasury shall also reimburse each member of the crew of such vessel, who is a United States citizen, for the amount of all expenses and losses incurred or expected to be incurred, or both, by him which are similarly certified as arising out of injuries sustained by him as a direct result of such seizure, and upon the death of any such member as the result of such injuries the Secretary of the Treasury shall pay the sum of $10,000 to the surviving wife of such member, or if there be no surviving wife, in equal shares to the surviving natural or adopted minor children, if any, of such member. The determinations of the Secretary of State and the amounts certified by him under the provisions of this section shall be final and conclusive and not subject to review in any administrative or judicial proceeding.

SEC. 2. Section 5 of such act of August 27, 1954, is amended to read as follows:

"SEC. 5. The Secretary of State shall take action to collect on claims against a foreign country for amounts expended by the United States under the provisions of this act because of the seizure of a United States vessel by such country, and shall make a report to the Congress annually as to the status of all such claims."

The PRESIDING OFFICER. Without objection, the committee amendments will be considered en bloc. The question is on agreeing to the committee amendments en bloc.

The amendments were agreed to.

Mr. WILLIAMS. Mr. President, may we have an explanation of the bill?

Mr. YARBOROUGH. The bill is an amendment to the act approved August 27, 1954, and relates to the rights of vessels of the United States on the high seas and in the territorial waters of foreign countries.

The original act of 1954 authorized the Secretary of State to reimburse American fishing vessels for fines which they paid to foreign nations, and which were illegally levied upon them contrary to international law, when they were seized on the high seas.

For the most part, the seizures occurred on the west coast of South America, some of them 200 miles out in the Pacific, and involved American tuna boats fishing in the South Pacific.

In the Gulf of Mexico some American shrimp boats operating from various gulf ports have been seized by foreign nations.

The proposed amendment to the 1954 act provides that in additon to the fines, the fishing boat owners shall be reimbursed by the Secretary of the Treasury for their losses, including reasonable expenses in connection therewith, of fishing gear, equipment, and catch resulting from such seizure, as certified to him by the Secretary of State.

The bill provides that no amount in excess of $10,000 can be paid to a surviving wife. It provides that on determination by the Secretary of State, the amount certified by him under the provisions of law will be final and conclusive, and not subject to review at any administrative or judicial proceeding.

The final amendment, which is not in the present law, empowers the Secretary of State to take action to collect on claims against a foreign country for amounts expended by the United States under the provisions of this act because of the seizure of a United States vessel by such country. The bill requires that the Secretary of State shall make a report to Congress annually as to the status of all such claims.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. YARBOROUGH. I yield.

Mr. KNOWLAND. As I understand, the bill provides for the reimbursement for any gear which has been taken from the ship on the high seas.

Mr. YARBOROUGH. Yes, and for any fine which may have been imposed.

The 1954 act provided for reimbursement for fines illegally levied by foreign nations. The bill provides for the reimbursement for gear seized on the high seas. The boats are usually released after they have been stripped of gear. The bill provides for reimbursement for the gear, and also provides compensation to the surviving wife of any sailor or man killed or wounded.

Mr. KNOWLAND. Mr. President, I raise no objection to the bill, but I am not in favor of having American gear, equipment, or ships seized on the high seas. I think there are other ways of protecting our ships.

Mr. YARBOROUGH. I concur in the statement by the distinguished Senator from California, whose statement is reasonable and desirable. It is deemed advisable, in accordance with the good-neighbor policy, to negotiate these matters, rather than to use more strenuous means.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. YARBOROUGH. I yield.

Mr. WILLIAMS. Does the bill contain a retroactive feature?

Mr. YARBOROUGH. It did in the committee, but it is effective from the date of the passage of the enactment of the original bill, August 27, 1954. There was a provision in the bill that it was to take effect as of January 1950. The amount of the claims from 1950 to 1954 is relatively small.

As the bill was reported by the committee, I believe it contained a provision making it effective as of January 1950. That is still in the bill, although the printed copy I have shows there has been a mistake in the print. It is still in the bill.

Mr. WILLIAMS. Is that date in the bill now?

Mr. YARBOROUGH. I am advised by the committee counsel that it is in the bill at this time. There is some confusion with respect to the particular print.

Mr. WILLIAMS. There should not be any confusion as to the print. We are operating on only one bill, are we not?

Mr. YARBOROUGH. Yes.

Mr. WILLIAMS. On which bill are we operating?

Mr. YARBOROUGH. We are operating on Calendar No. 861.

Mr. WILLIAMS. I understood the Senator to say that the bill was retroactive until 1954, but I refer him to page 2 of S. 1483, Calendar No. 861, line 24, section 2, which provides:

Section 5 of such act of August 27, 1954, is amended to read as follows.

Does the bill go back to 1954 or to 1950?

Mr. YARBOROUGH. That part would go back to 1954, but there is a mistake, I think I may say to the Senator, because referring to page 14 of the report of the committee, section 7 reads:

The provisions of this act shall be effective with respect to the seizure of any vessel of the United States occurring on or after January 1, 1950.

Mr. WILLIAMS. Where does the Senator find that?

Mr. YARBOROUGH. On page 14 of the report, section 7.

Mr. WILLIAMS. I remind the Senator from Texas that the Senate is considering voting on the bill, not on the report. What is in the report does not mean anything, so far as what is in the bill is concerned. The bill does not carry out the language as explained in the report.

Mr. MAGNUSON. Mr. President, will the Senator from Texas yield?

Mr. YARBOROUGH. I yield.

Mr. MAGNUSON. I think the confusion arises because the committee print refers to section 5 of the act of 1954. The bill amends that act. The committee print apparently is in error.

Mr. WILLIAMS. I most respectfully suggest, then, that we had better postpone the consideration of the bill until we can get a proper explanation of it.

Mr. MAGNUSON. I did not think this particular matter would make any difference to the Senator from Delaware.

Mr. WILLIAMS. But it does make a difference. At least we want to know what is in the bill, and we cannot tell what is in the bill until it is printed properly. I am sure we have a right to have the bill printed properly.

Mr. MAGNUSON. In the committee print there is an error. It will have to be reprinted. I have just come to the floor, and I did not know what had happened.

Mr. JOHNSON of Texas. The members of the staff tell me they think there is an error in the bill, and that the report is correct. But in order that we may have the matter cleared up, if it is agreeable to the Senator from Texas and the Senator from Delaware, what we might do would be to leave the bill on the calendar and determine tomorrow whether to follow the report and amend the bill, or decide that the bill is correct and the report is in error.

Mr. WILLIAMS. I think that would be a wise procedure, because unquestionably there is a contradiction between the language of the report and the provisions of the bill.

Mr. MAGNUSON. I think there has been great pressure on the Printing Office in recent days, and once in a while a discrepancy will occur. I hope the Senator from Delaware will bear with us, because this is a good bill and should be passed.

The PRESIDING OFFICER. Without objection, the consideration of the bill will be temporarily postponed.

CONSTRUCTION OF STADIUM IN THE DISTRICT OF COLUMBIA

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 713, H. R. 1937.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to, and the Senate proceeded to consider the bill which had been reported from the Committee on the District of Columbia, with amendments, on page 3, lines 1 and 2, to strike the words "stadium, including the land upon which said stadium is located,", and insert in lieu thereof the word "stadium"; on page 3, lines 4 and 5, to strike the words "to be approved by the Secretary of the Treasury," and insert in lieu thereof the words "6 percent per annum"; on page 6, line 12, strike the word "nonalcoholic."

Mr. BIBLE. Mr. President, the purpose of the bill is to authorize the District of Columbia Armory Board to construct, maintain, and operate a stadium, including parking facilities, with a seating capacity of not to exceed 50,000, in the District of Columbia, suitable for holding athletic and other events.

The bill has the unanimous approval of the Committee on the District of Columbia. It has the approval of the Board of Commissioners of the District of Columbia.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. BIBLE. I yield.

Mr. MANSFIELD. Is this not merely an authorization bill, with no cost involved?

Mr. BIBLE. It is simply an authorization bill. The primary purpose of the bill is to permit the Armory Board to apply to the Housing and Home Finance Agency for an advance of $35,000 to cover the preliminary planning and survey of the proposed stadium, so as to determine the feasibility of building a stadium at the site selected by the National Memorial Stadium Commission.

Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc.

The PRESIDING OFFICER. Is there objection to agreeing to the amendments en bloc? The Chair hears none, and the amendments are agreed to en bloc.

The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

TRAVEL EXPENSES OF CIVILIAN OFFICERS AND EMPLOYEES

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 715, Senate bill 1903.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1903) to amend section 7 of the Administrative Expenses Act of 1947, as amended, relating to travel expenses of civilian officers and employees assigned to duty posts outside the continental United States.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the bill (S. 1903) to amend section 7 of the Administrative Expenses Act of 1947, as amended, relating to travel expenses of civilian officers and employees assigned to duty posts outside the continental United States, which had been reported from the Committee on Post Office and Civil Service with an amendment on page 2, line 3, after the word "allowed", to strike out "the expenses of round trip travel" and insert "expenses of transportation", so as to make the bill read:

Be it enacted, etc., That section 7 of the Administrative Expenses Act of 1946, as amended (5 U. S. C. 73b–3), is amended by inserting after the third proviso the following new proviso: "*Provided further*, Any officer or employee of the United States appointed by the President, by and with the advice and consent of the Senate, to serve for a term fixed by law, whose post of duty is outside the continental United States, shall be allowed expenses of transportation for himself and his immediate family, but excluding household effects, from his post of duty outside the continental United States to the place of his actual residence at the time of his appointment to such overseas post of duty, at the end of each 2 years of satisfactory service completed overseas, if he is returning to his actual place of residence for the purpose of taking leave prior to serving at least 2 more years of overseas duty or serving the unexpired portion of his term."

Mr. JOHNSTON of South Carolina. Mr. President, the Administrative Expenses Act of 1946, as amended, among other things, provides authority for the payment of transportation costs of employees and their families from posts of duty outside the United States to places of actual residence for the purpose of taking leave under certain conditions or prior to beginning another tour of duty.

Mr. ALLOTT. Mr. President, what bill is before the Senate? I could not hear.

The PRESIDING OFFICER. Calendar No. 715, Senate bill 1903 is under consideration.

The Senate will be in order, in order that the Senator from South Carolina may be heard.

The Senator from South Carolina may proceed.

Mr. JOHNSTON of South Carolina. Mr. President, it has been held that the language of the act is not sufficiently

broad to permit paying the transportation costs of certain Presidential employees, as for example, the United States marshal to the Canal Zone. The bill would correct this inadvertence.

Mr. President, we have an amendment which is more or less clarifying. It would strike out the words "the expenses of round-trip travel," and would insert the words "expenses of transportation," in order to limit reimbursement to the cost of transportation, as is the case with other Federal employees.

The amendment will make the procedure uniform in all cases, all though the departments.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

FEDERAL SCHOOL CONSTRUCTION AT WAKE ISLAND

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 787, House bill 7540.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 7540) to amend Public Law 815, 81st Congress, relating to school construction in federally affected areas, to make its provisions applicable to Wake Island.

The PRESIDING OFFICER. The question is on agreeing to motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, at the time of the enactment of Public Law 815, 81st Congress, there was a satisfactory school building on Wake Island and, therefore, it was not included under the provisions of the act. In 1952, Hurricane Olive blew the school building into the ocean, and since that time a makeshift quonset hut has been used as a school. Because of an increase in population on the island, new housing has been authorized, which will be constructed on the present site of the makeshift school. Since the school cannot be removed without destroying its usefulness, the children on the island will be left without a school building in the near future.

Public Law 874, 81st Congress, which provides financial assistance for operation of schools in areas affected by Federal activities, was extended to cover Wake Island 4 years ago. The records at present show 45 children on the island with an average daily attendance of 41 in school. A recent Civil Aeronautics Administration report states that there will be 70 elementary school-age children on the island by 1958. It is estimated by the Department of Health, Education, and Welfare that a 3-room school should take care of the existing and predicted needs at a cost of approximately $110,000.

Eighty percent of the population presently on the island are Federal employees working for the Civil Aeronautics Administration, operating a weather station and performing other duties, while the remaining 20 percent are contract workers on these installations. It is estimated that by 1958, 92 percent of the population will be Federal employees.

The committee recommends favorable action on the bill, and I hope the Senate will pass it.

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H. R. 7540) was ordered to a third reading, read the third time, and passed.

JACKSON SCHOOL TOWNSHIP, IND.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 529, Senate bill 807.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 807) for the relief of Jackson School Township, Ind.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with amendments on page 1, line 6, after the word "of", where it appears the first time, to strike out "$300,000" and insert "$275,000", and on page 2, at the beginning of line 1, to strike out "no part of the amount appropriated in this act in excess of 10 percent thereof" and insert "the appropriate authorities convey to the United States all their right, title, and interest in and to the township school property located at Lincoln, Ind., which property has been rendered useless for school purposes due to the noise and danger from Department of the Air Force aircraft using Bunker Hill Air Base: *Provided further*, That no part of the amount appropriated in this act", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Jackson School Township, Cass County, Ind., the sum of $275,000 in full satisfaction of such school township's claim against the United States for compensation for the loss of utility of its school at Lincoln, Ind., and for costs to be incurred in relocating such school due to the noise and danger from Department of the Air Force aircraft using Bunker Hill Airbase: *Provided*, That the appropriate authorities convey to the United States all their right, title, and interest in and to the township school property located at Lincoln, Ind., which property has been rendered useless for school purposes due to the noise and danger from Department of the Air Force aircraft using Bunker Hill Airbase: *Provided further*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. JENNER. Mr. President, this bill is to authorize and direct the Secretary of the Treasury to pay the sum of $275,000 to Jackson School Township, Cass County, Ind., as compensation for the loss of utility of its school at Lincoln, Ind., and for costs to be incurred in relocating such school, due to the noise and danger from Department of the Air Force aircraft using Bunker Hill Air Base, provided that such property as has been rendered useless for school purposes be conveyed to the United States.

The Lincoln Elementary School is located in the community of Lincoln, Ind., approximately 3 miles southwest of the end of Bunker Hill Air Force Base runway, and is three-quarters of a mile northeast of the extended center line of that runway. The building was constructed in 1921; is a two-story brick, and has been kept in good condition. It is presently used for the first four grades of elementary classes.

The country superintendent of schools, as well as other interested officials, contend that the building has been rendered practically useless because of the noise resulting from the flight pattern adopted in the frequent takeoffs and landings occasioned by jet aircraft at the adjoining Air Force base.

The jet bombers fly directly over the land on which the school is located, inasmuch as it is in a direct line with the extended center line of the runway of the nearby airfield.

Only two other schools in the United States are in a comparable situation.

The school building is being deeded to the United States. In connection with the taking of the property, it is specified that no school will be held in this area. There is a great possibility that an airplane would hit the building and would kill all the children.

The runway is going to be extended; and it is necessary that the bill be passed.

The PRESIDING OFFICER. The question is on agreeing to the amendments of the committee, which, without objection, will be considered en bloc.

The amendments were agreed to.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 807) was ordered to be engrossed for a third reading, read the third time, and passed.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I should like to announce that we plan to have the Senate consider Calendar No. 863, Senate bill 1426, to amend the act of March 6, 1952, to extend the time during which the Secretary of the Interior may enter into amendatory repayment contracts under the Federal Reclamation laws.

We also plan to have the Senate consider Calendar No. 865, House bill 2460, to improve the career opportunities of nurses and medical specialists of the Army, Navy, and Air Force.

We also plan to have the Senate consider Calendar No. 866, House bill 8240, to authorize certain construction at mili-

tary installations, and for other purposes.

We also plan to have the Senate consider Calendar No. 859, Senate bill 1031, to authorize the Secretary of the Interior to construct, operate, and maintain 7 units of the Greater Wenatchee division, Chief Joseph project, Washington.

We hope to have the Senate reach most of those bills, if not all of them, tomorrow. I shall keep in touch with the minority leader, to be sure that the majority Members and the minority Members of the committees are informed and are ready to have the Senate proceed to the consideration of those bills.

In addition, we plan to have the Senate consider Calendar No. 721, House bill 6517, to provide for the retirement of officers and members of the Metropolitan Police force, the Fire Department of the District of Columbia, the United States Park Police force, and so forth. It is my information that the Senator from Nevada [Mr. BIBLE] and the Senator from Delaware [Mr. WILLIAMS] have discussed the matter informally, and that they hope, so far as they are concerned, to confine the debate on the bill to approximately 2 or 3 hours. However, the bill is controversial, and no doubt there will be some extended debate, and possibly there will be some yea-and-nay votes upon it.

I should like to have all Senators be on notice of the possibility of having those bills brought up and considered at any time.

RETIREMENT OF OFFICERS AND MEMBERS OF THE METROPOLITAN AND OTHER POLICE FORCES

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 721, House bill 6517. My purpose in making the motion is to have the bill made the unfinished business.

The PRESIDING OFFICER. The bill will be stated by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 6517) to provide for the retirement of officers and members of the Metropolitan Police force, the Fire Department of the District of Columbia, the United States Park Police force, the White House Police force, and of certain officers and members of the United States Secret Service, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

Mr. THYE. Mr. President, will the Senator from Texas yield to me?

Mr. JOHNSON of Texas. As soon as I am able to have my motion voted upon.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 6517) to provide for the retirement of officers and members of the Metropolitan Police force, the Fire Department of the District of Columbia, the United States Park Police force, the White House Police force, and of certain officers and members of the United States Secret Service, and for other purposes.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, now that House bill 6517 has been made the unfinished business, I am in much better humor, and am glad to yield to the Senator from Minnesota.

Mr. THYE. Mr. President, the Senator from Texas is always in good humor.

I wish to ask whether on tomorrow the Senate will consider Calendar No. 438, Senate bill 1873, to amend section 401 (e) of the Civil Aeronautics Act of 1938, in order to authorize permanent certification for certain air carriers operating between the United States and Alaska. If that bill is placed on the agenda for tomorrow, I shall sleep better tonight.

Mr. JOHNSON of Texas. Mr. President, I shall be glad to have the bill considered tonight, if the Senator from Minnesota can work out the difficulties on his side of the aisle and if it will be agreeable to the distinguished minority leader.

Mr. KNOWLAND. Mr. President, I am perfectly willing to have the bill included in the list for tomorrow.

Mr. THYE. I thank both Senators.

Mr. JOHNSON of Texas. Mr. President, I do not wish to end the session in disagreement. If the distinguished minority leader wishes to have consideration of that bill go over until tomorrow, although the bill went over on yesterday, then I inform my friend, the Senator from Minnesota [Mr. THYE] that we shall get to the bill tomorrow, if we are able to get the bill for the retirement of officers and members of the Metropolitan Police Force, the Fire Department of the District of Columbia, the United States Park Police Force, and so forth, out of the way.

Mr. President——

The PRESIDING OFFICER. The Senator from Texas has the floor.

RÉSUMÉ OF SENATE ACTIVITY IN THE 1ST SESSION OF THE 85TH CONGRESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a schedule of the activity of the Senate in the 1st session of the 85th Congress. The schedule shows that the Senate has been in session, through August 8, 116 days, for a total of 693 hours and 34 minutes.

The schedule also shows that the Senate has passed 801 measures and has confirmed 42,511 nominations.

Mr. President, I really think an error has been made in the preparation of the résumé; it seems to me that the Senate has been in session longer than that, and that the Senate has passed more bills and has confirmed more nominations. But I have stated the figures reported by the statistician, and we shall rely upon them until we have better information.

The PRESIDING OFFICER. The question is on agreeing to the request of the Senator from Texas.

There being no objection, the résumé was ordered to be printed in the RECORD, as follows:

Senate activity, 85th Cong., 1st sess.

	Through July 8	Through Aug. 8
Days in session	92	116
Hours	506.16	693.34
Total measures passed by Senate	602	801
Senate bills	339	452
House bills	93	158
Senate joint resolutions	15	18
House joint resolutions	25	24
Senate concurrent resolutions	18	22
House concurrent resolutions	17	21
Senate resolutions	95	106
Public laws	84	121
Confirmations	36,002	42,511

ORDER FOR ADJOURNMENT UNTIL TOMORROW, AT 11 A. M.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in adjournment until tomorrow, at 11 a. m.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRANSACTION OF ROUTINE BUSINESS ON TOMORROW

Mr. JOHNSON of Texas. Mr. President, under the rule, on tomorrow, when the Senate convenes, there will be the usual morning hour, for the transaction of routine business only. In that connection, I ask unanimous consent that statements be limited to 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, August 9, 1957, he presented to the President of the United States the following enrolled bills:

S. 1446. An act to amend title 14, United States Code, so as to provide for retirement of certain former members of the Coast Guard Reserve; and

S. 1856. An act to provide for the development and modernization of the national system of navigation and traffic control facilities to serve present and future needs of civil and military aviation, and for other purposes.

ADJOURNMENT TO 11 A. M. TOMORROW

Mr. JOHNSON of Texas. I thank the distinguished Presiding Officer [Mr. TALMADGE] for spending most of his birthday in the chair. I express my gratitude to the Members of the Senate who have been so cooperative in the transaction of the Senate's business.

Mr. President, I move that the Senate adjourn.

The motion was agreed to; and (at 9 o'clock and 11 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until Saturday, August 10, 1957, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate August 9 (legislative day of July 8), 1957:

UNITED NATIONS

The following-named persons to be representatives of the United States of America to the 12th session of the General Assembly of the United Nations, to serve no longer than December 31, 1957:

Henry Cabot Lodge, of Massachusetts.
A. S. J. Carnahan, United States representative from the State of Missouri.
Walter H. Judd, United States Representative from the State of Minnesota.
George Meany, of Maryland.
Herman B. Wells, of Indiana.

The following-named persons to be alternate representatives of the United States of America to the 12th session of the General Assembly of the United Nations, to serve no longer than December 31, 1957:

James J. Wadsworth, of New York.
Miss Irene Dunne, of California.
Philip N. Klutznick, of Illinois.
Mrs. Oswald S. Lord, of New York.
Genoa S. Washington, of Illinois.

INTERNATIONAL COOPERATION ADMINISTRATION

James H. Smith, Jr., of Colorado, to be Director of the International Cooperation Administration, in the Department of State, vice John B. Hollister, resigned.

UNITED STATES DISTRICT JUDGE

Edward T. Gignoux, of Maine, to be United States district judge for the district of Maine, vice John D. Clifford, Jr., deceased.

PUBLIC HEALTH SERVICE

The following candidates for personnel action in the regular corps of the Public Health Service subject to qualifications therefor as provided by law and regulations:

I. FOR APPOINTMENT

To be senior assistant sanitarians

Cecilia C. Conrath — Joseph A. Staton
Mary L. Skinner — John E. Baker, Jr.
Daniel Sullivan — Desmond O'Hara
Robert E. Tumelty

To be assistant sanitarians

Don M. Hufhines
Richard E. Gallagher
Charles P. Froom

To be assistant scientist

Alfred L. Brophy, Jr. (This name is resubmitted for the purpose of corecting the grade, indicated as senior assistant scientist on previous nomination which was confirmed by the Senate on May 23, 1957.)

II. FOR PERMANENT PROMOTION

To be senior assistant surgeons

Stephen R. Dunphy
Emery A. Johnson

To be assistant pharmacist

Paul O. Fehnel, Jr.

TERRITORY OF HAWAII

William Francis Quinn, of Hawaii, to be Governor of the Territory of Hawaii, vice Samuel Wilder King, term expired.

POSTMASTERS

The following-named persons to be postmasters:

ARKANSAS

Mitchell A. McCoy, Kingsland, Ark., in place of Jessie Garner, retired.

CALIFORNIA

Arthur M. Webb, Mammoth Lakes, Calif., in place of S. M. Coleman, retired.

Berniece K. Williams, Rheem, Calif. Office established September 29, 1956.

ILLINOIS

Homer T. Smith, Erie, Ill., in place of R. M. Cocking, retired.

Kenneth C. Hall, Lombard, Ill., in place of G. W. Collins, retired.

Darwin E. Porterfield, Mount Erie, Ill., in place of L. S. Gardner, retired.

Charles L. Baird, Van Orin, Ill., in place of D. D. Clarke, resigned.

IOWA

William L. Talbot, Keokuk, Iowa, in place of T. J. McManus, deceased.

Robert W. Grote, Portsmouth, Iowa, in place of J. J. Herkenrath, retired.

KANSAS

John K. Wells, Coffeyville, Kans., in place of J. W. Robinson, resigned.

KENTUCKY

Carl B. Marshall, Lewisburg, Ky., in place of E. L. Day, retired.

MINNESOTA

Julian V. Dalum, Hoffman, Minn., in place of R. M. Sheppard, retired.

MISSISSIPPI

L. Jones Hand, West, Miss., in place of O. W. Thomas, deceased.

NEBRASKA

Arthur G. Pohl, Hampton, Nebr., in place of M. D. Jensen, resigned.

NEW JERSEY

Holger G. Holm, Metuchen, N. J., in place of W. H. Fraser, resigned.

NEW YORK

Ishmael B. Burns, Alexandria Bay, N. Y., in place of F. P. Cornwall, retired.

Leo J. Morgan, Farmingdale, N. Y., in place of F. J. Talbot, removed.

Glenn E. Bock, Sherman, N. Y., in place of G. R. Fisher, transferred.

Raymond P. Cary, West Coxsackie, N. Y., in place of Oliver Townsend, retired.

Royden W. McCullough, Wyoming, N. Y., in place of G. F. Powers, Jr., transferred.

NORTH CAROLINA

Calvin Turner Draper, Jackson, N. C., in place of May Calvert, retired.

NORTH DAKOTA

Maurice A. Ellingrud, Buxton, N. Dak., in place of R. B. Halvorson, resigned.

OHIO

Kenneth W. Folsom, Columbia Station, Ohio, in place of A. M. Jones, retired.

Frank A. Kitts, Kitts Hill, Ohio, in place of M. E. Kitts, retired.

PENNSYLVANIA

Rudolph Simitz, Spinnerstown, Pa., in place of Laura Lancaster, resigned.

SOUTH CAROLINA

Joe H. Giltner, Jr., Chester, S. C., in place of C. C. Wilkes, retired.

James T. Claffy, Eastover, S. C., in place of K. A. Dunn, retired.

TENNESSEE

William Onnie Cox, Mosheim, Tenn., in place of L. F. Robinette, resigned.

TEXAS

Dudley B. Lawson, Alto, Tex., in place of J. B. Thorn, Jr., transferred.

William M. Petmecky, Fredericksburg, Tex., in place of R. W. Klingelhoefer, retired.

Edward H. Leache, McGregor, Tex., in place of J. F. Bennett, Jr., transferred.

Jimmy Reid Simmons, Rockport, Tex., in place of M. L. McElveen, removed.

UTAH

John B. Nelson, Goshen, Utah, in place of V. G. Fisher, deceased.

VIRGINIA

C. Ronald Woodrum, Staunton, Va., in place of R. W. Rosen, retired.

WEST VIRGINIA

Leon D. Rishel, Spencer, W. Va., in place of W. H. Miller, transferred.

Dillard R. Walker, Stanaford, W. Va., in place of W. L. Warden, resigned.

WITHDRAWAL

Executive nomination withdrawn from the Senate August 9 (legislative day of July 8), 1957:

POSTMASTER

Jack Shackelford to be postmaster at Webbers Falls, in the State of Oklahoma.

HOUSE OF REPRESENTATIVES

FRIDAY, AUGUST 9, 1957

The House met at 10 o'clock a. m.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, our creator and benefactor, Thou hast created us with a capacity to be like Thee in spirit and blessed us with minds to know Thee and hearts to love Thee.

Give us now a satisfying and reassuring sense of Thy presence, Thy peace, and Thy power, and may we see all our problems and responsibilities in their true measure and right perspective.

Grant that we may never champion any cause or embark upon any enterprise that is not fully in accord with Thy holy will for ourselves and all mankind.

May we seek and covet earnestly Thy guidance and help as we face our appointed tasks and may this be a day of marked accomplishment in establishing a nobler civilization.

Hear us in Christ's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 3775. An act to amend section 20b of the Interstate Commerce Act in order to require the Interstate Commerce Commission to consider, in stock modification plans, the assets of controlled or controlling stockholders, and for other purposes; and

H. R. 7813. An act to organize and microfilm the papers of Presidents of the United States in the collections of the Library of Congress.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 4602. An act to encourage new residential construction for veterans' housing in rural areas and small cities and towns by raising the maximum amount in which direct loans may be made from $10,000 to $13,500, to authorize advance financing commitments, to extend the direct loan program for veterans, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, and requests a conference with the House on the disagreeing

votes of the two Houses thereon, and appoints Mr. FULBRIGHT, Mr. SPARKMAN, Mr. DOUGLAS, Mr. BRICKER, and Mr. BENNETT to be the conferees on the part of the Senate.

The message also announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 6709. An act to implement a treaty and agreement with the Republic of Panama, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, and requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MAGNUSON, Mr. PASTORE, Mr. LAUSCHE, Mr. BUTLER, and Mr. COTTON to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 377. An act to amend the Interstate Commerce Act to provide a 2-year statute of limitations on actions involving transportation of property and passengers of the United States Government and to provide that deductions for overcharges by the United States shall be made within 3 years from the time of payment;

S. 1384. An act to revise the definition of contract carrier by motor vehicle as set forth in section 203 (a) (15) of the Interstate Commerce Act, and for other purposes;

S. 1411. An act to amend the act of August 26, 1950, relating to the suspension of employment of civilian personnel of the United States in the interest of national security;

S. 1908. An act to amend the District of Columbia Hospital Center Act in order to extend the time and increase the authorization for appropriations for the purposes of such act, and to provide that grants under such act may be made to certain organizations organized to construct and operate hospital facilities in the District of Columbia; and

S. 2520. An act to amend section 31 of the Securities Exchange Act of 1934.

The message also announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 1856. An act to provide for the development and modernization of the national system of navigation and traffic control facilities to serve present and future needs of civil and military aviation, and for other purposes.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 1520) entitled "An act to amend an act entitled 'An act to provide for the disposal of federally owned property at obsolescent canalized waterways and for other purposes,'" requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. CHAVEZ, Mr. KERR, Mr. GORE, Mr. MARTIN of Pennsylvania, and Mr. REVERCOMB to be the conferees on the part of the Senate.

CALL OF THE HOUSE

Mr. SMITH of Wisconsin. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Obviously a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 183]

Anfuso	Hiestand	Powell
Beamer	Hillings	Prouty
Bolling	Holtzman	Rains
Brownson	Kearney	Scott, N. C.
Buckley	Kilburn	Shuford
Celler	Krueger	Siler
Curtis, Mo.	Lennon	Taylor
Dague	Machrowicz	Tuck
Davis, Tenn.	Mailliard	Van Pelt
Gray	Mason	Vinson
Gregory	Miller, N. Y.	Wilson, Calif.
Hays, Ohio	Pillion	
Hess	Porter	

The SPEAKER. On this rollcall 382 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

COMMITTEE ON EDUCATION AND LABOR

Mr. BARDEN. Mr. Speaker, I ask unanimous consent that the Committee on Education and Labor may be permitted to sit during general debate today.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

AUTHORIZING APPROPRIATIONS FOR THE ATOMIC ENERGY COMMISSION

Mr. DURHAM. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 8996) to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill, H. R. 8996, with Mr. DELANEY in the chair.

The Clerk read the title of the bill.

Mr. DURHAM. Mr. Chairman, I ask unanimous consent that the further reading of the bill be dispensed with and that it be open to amendment at any point in the bill.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The balance of the bill follows:

SEC. 102. Limitations: (a) The Commission is authorized to start any project set forth in subsections 101 (b), 101 (c), 101 (e), 101 (g), and 101 (j) only if the currently estimated cost of that project does not exceed by more than 25 percent the estimated cost set forth for that project.

(b) The Commission is authorized to start any project set forth in subsections 101 (d), 101 (f), 101 (h), 101 (i), and 101 (k) only if the currently estimated cost of that project does not exceed by more than 10 percent the estimated cost set forth for that project.

(c) The Commission is authorized to start a project under subsection 101 (l) only if it is in accordance with the following:

1. For community operations, the maximum currently estimated cost of any project shall be $100,000 and the maximum currently estimated cost of any building included in such project shall be $10,000.

2. For all other programs, the maximum currently estimated cost of any project shall be $500,000 and the maximum currently estimated cost of any building included in such a project shall be $100,000.

3. The total cost of all projects undertaken under subsection 101 (l) shall not exceed the estimated cost set forth in that subsection by more than 10 percent.

SEC. 103. Advance planning and design: There are hereby authorized to be appropriated funds for advance planning, construction design, and architectural services, in connection with projects which are not otherwise authorized by law, and the Atomic Energy Commission is authorized to use funds currently or otherwise available to it for such purposes.

SEC. 104. Restoration or replacement: There are hereby authorized to be appropriated funds necessary to restore or to replace plants or facilities destroyed or otherwise seriously damaged, and the Atomic Energy Commission is authorized to use funds currently or otherwise available to it for such purposes.

SEC. 105. Currently available funds: In addition to the sums authorized to be appropriated to the Atomic Energy Commission by this act, there are hereby authorized to be appropriated to the Atomic Energy Commission to accomplish the purposes of this act such sums of money as may be currently available to the Atomic Energy Commission.

SEC. 106. Substitutions: Funds authorized to be appropriated or otherwise made available by this act may be used to start any other new project for which an estimate was not included in this act if it be a substitute for a project authorized in subsections 101 (b), 101 (c), or 101 (d) and the estimated cost thereof is within the limit of cost of the project for which substitution is to be made, and the Commission certifies that—

(a) the project is essential to the common defense and security; and

(b) the new project is required by changes in weapon characteristics or weapon logistic operations; and

(c) it is unable to enter into a contract with any person, including a licensee, on terms satisfactory to the Commission to furnish from a privately owned plant or facility the product or services to be provided in the new project.

SEC. 107. Increases in prior project authorizations: (a) Public Law 141, 84th Congress' first session, is amended as follows:

(1) By striking therefrom the figure "$14,850,000" for project 56–b–2, fast power breeder pilot facility (ERB–II), and substituting therefor the figure "$29,100,000"; and

(2) By striking therefrom the figure "$4,015,000" for project 56–f–3, new Sigma Laboratory, Los Alamos, New Mexico, and substituting therefor the figure "$5,100,000."

(b) Public Law 506, 84th Congress, 2d session, is amended as follows:

(1) By striking therefrom the figure "$15,000,000" for project 57–d–1, high energy accelerator, and substituting therefor the figure "$27,000,000"; and

(2) By striking therefrom the figure "$350,000" for project 57–h–5, cosmotron target area, Brookhaven National Laboratory, and substituting therefor the figure "$3,550,000."

SEC. 108. Project rescissions: (a) Public Law 141, 84th Congress, 1st session, is amended by rescinding therefrom authorization for certain projects, except for funds heretofore obligated, as follows:

Project 56–b–1, power reactor development acceleration project, $25,000,000;

Project 56–d–1, metallex pilot facility, Oak Ridge National Laboratory, $1,000,000;

Project 56–d–3, special reactor facilities equipment, Hanford, Wash., $5,600,000;

Project 56–d–5, conversion of pilot plant and facility to production plant and facility, Fernald, Ohio, $600,000;

Project 56–d–8, expansion of metal recovery facility, Oak Ridge National Laboratory, $370,000;

Project 56–f–1, art construction project, fiscal year 1956 increment, $17,873,000;

Project 56–f–2, expansion of weapons material fabrication plant and facility, $15,000,000;

Project 56–g–2, reactor training school, Argonne National Laboratory, $712,000;

Project 56–g–3, chemistry cave for radioactive materials, Argonne National Laboratory, $448,000; and

Project 56–g–7, research reactors for the development of peacetime uses of atomic energy under agreements for cooperation, $5,000,000.

(b) Public Law 506, 84th Congress, 2d session, is amended by rescinding therefrom authorization for certain projects, except for funds heretofore obligated, as follows:

Project 57–a–1, additional feed materials plant, $22,200,000;

Project 57–a–8, chemical processing facility, St. Louis, Mo., $1,600,000;

Project 57–a–9, barrier plant automation, Oak Ridge, Tenn., $1,400,000;

Project 57–a–10, reactor temperature test installation, Hanford, Wash., $900,000;

Project 57–a–11, improvements to reactor cooling water effluent system, Hanford, Wash., $550,000;

Project 57–a–12, fuel element heat-treating plant, Fernald, Ohio, $500,000;

Project 57–c–10, amended reactor development project, $15,000,000;

Project 57–f–6, manufacturing support plant, Kansas City, Mo., $444,000; and

Project 57–f–8, mechanical shop additions, Livermore, Calif., $300,000.

SEC. 109. Expenses for move to new principal office: (a) The Commission is authorized to use its funds for the following purposes in order to facilitate retention and relocation of Commission headquarters employees in the course of and following establishment of a new principal office outside the District of Columbia, and without limitation on the Commission's authority under existing law as follows:

(1) Allowance and payment for travel and transportation authorized by section 1 of the Administrative Expenses Act of 1946, as amended, in connection with the relocation of residence occurring after July 29, 1955, prior to the effective date of the employee's change of official station: *Provided, however,* That each employee who received payments under the Administrative Expenses Act of 1946, as amended, prior to his change of official station shall be obligated to reimburse the amount thereof to the Government as a debt due the United States if he separates from Commission employ, other than for reasons beyond his control or otherwise acceptable to the Commission, prior to the effective date of the employee's change of official station.

(2) Until the move to the new principal office is effected, providing or arranging for commuting transportation to present Commission offices in Washington, District of Columbia, for employees, including those of other agencies who are assigned to fulltime duty at Commission headquarters, recruited from, or who have relocated their residences in, the area of the new headquarters, to the extent necessary and at such charge as to assure an adequate work force for the new principal office where this purpose cannot be achieved by ordinary transportation.

(3) Following the move to the new principal office, providing or arranging for commuting transportation for Commission employees and employees of other agencies who are assigned to full-time duty at Commission headquarters to and from the new headquarters site to the extent necessary and at such charge as to assure an adequate work force where this purpose cannot be achieved by ordinary transportation.

(4) Funds in an amount not to exceed $75,000 are authorized for purposes of subsections (2) and (3).

(b) Other departments and agencies of Government are authorized, without limitation upon their authority under existing law, to use funds available to them to make allowances and payments to their civilian officers and employees who are assigned to full-time duty at Commission headquarters prior to the time of the move to the new principal office, such allowances and payments to be in accordance with the provisions of subsection a. (1) of this section.

SEC. 110. Prototype power reactor facilities: (a) The Commission shall proceed with the design engineering, and construction under contract, as soon as practicable, of the prototype power reactor facilities authorized by section 101 for project 58–e–14 and project 58–e–15 at installations operated by or on behalf of the Commission and the electric energy generated shall be used by the Commission in connection with the operation of such installations.

(b) In the conduct of the work under this section the Commission is authorized to obtain the participation of private, cooperative, or public-power organizations to the fullest extent consistent with Commission direction of the project, ownership of the reactor, and utilization of the electric energy generated.

(c) Each prototype power reactor facility constructed under this section shall be operated by, or under contract with, the Commission for such period of time as the Commission determines to be advisable for research and development purposes and for such additional periods as the Commission may determine to be necessary for national defense purposes and for the purposes of subsection (a) of this section. Upon the expiration of the prototype reactor operations as determined by the Commission in accordance with this subsection, the Commission shall dismantle the reactor and its appurtenances.

SEC. 111. Cooperative power reactor demonstration program: (a) There is hereby authorized to be appropriated to the Atomic Energy Commission, in accordance with the provisions of section 261 a. (2) of the Atomic Energy Act of 1954, as amended, the sum of $129,915,000 for use in a program not to exceed $149,915,000, subject to the following conditions:

(1) Arrangements for projects sponsored by cooperatives and publicly owned agencies shall be carried on by direct contract between the Commission and the equipment manufacturer or engineering organization with respect to the development, design, and construction of the reactor and related facilities, and by direct contract between the Commission and the cooperative or publicly owned organization with respect to the provision of a site and conventional turbogenerating facilities, the operation of the entire plant including training of personnel, the sale by the Commission of steam from the reactor complex to the cooperative or publicly owned organization, and other relevant matters. Sale of steam by the Commission under contract with the cooperative or publicly owned organization shall be at rates based upon the present cost of, or the projected cost of, comparable steam from a plant using conventional fuels at such locations.

(2) Funds in the amount of $1,500,000 may be expended for additional general research and development in Commission laboratories to advance the technology of the fast breeder reactor concept.

(3) The date for approving proposals under the third round of the power demonstration reactor program shall be not later than December 31, 1958, and no funds authorized for the third round shall be expended on projects approved under the first or second rounds of such program or on other nuclear power projects already under construction.

(b) Before the Commission enters into any arrangement (including contract, agreement, and loan) or amendment thereto, the basis of which has not been included in the program justification data previously submitted to the Joint Committee on Atomic Energy in support of authorization legislation approved in accordance with the provisions of section 261 a. (2) of the Atomic Energy Act of 1954, as amended, and which involves appropriations authorized by subsection (a) of this section, the basis for the arrangement or amendment thereto which the Commission proposes to execute (including the name of the proposed contractor or party with whom the arrangement is to be made a general description of the proposed reactor, the estimated amount of the assistance to be provided under section 261 a. (2), the estimated cost to be incurred by the contractor or other party, and the general features of the proposed arrangement or amendment) shall be submitted to the Joint Committee, and a period of 45 days shall elapse while Congress is in session (in computing such 45 days, there shall be excluded the days on which either House is not in session because of adjournment for more than 3 days): *Provided, however,* That the Joint Committee after having received the basis for a proposed arrangement, or amendment thereto, may by resolution in writing waive the conditions of, or all, or any portion of such 45-day period: *Provided further,* That such arrangement or amendment shall be entered into in accordance with the program justification data described above and the basis for the arrangement or amendment submitted as provided herein: *And provided further,* That no basis for a particular arrangement or amendment thereto need be resubmitted to the Joint Committee for the sole reason that the estimated amount of assistance provided for therein exceeds the estimated amount of assistance previously submitted to the Joint Committee by not more than 15 percent.

Mr. PATTERSON. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. PATTERSON: On page 2, line 19, strike out all of subparagraph 8 from page 2, line 19, through page 3, line 5.

Mr. PATTERSON. Mr. Chairman, I offer an amendment to strike subparagraph 8 on page 2, line 19, through page 3, line 5.

This project is for $3 million for design study of a reactor.

It is completely unnecessary because section 103 of this bill already authorizes funds for advanced planning, construction design, and architectural services, which could be applied to this project. It is thus a wasted authorization of $3 million.

This would, moreover, be a dangerous authorization. If $3 million is authorized for the design study this year, it would logically be followed by $100 mil-

lion or more for construction of the reactor itself next year.

The reactor would supposedly make plutonium for weapons. However, the Joint Chiefs of Staff must determine requirements for weapons stockpiling, and they, and the Atomic Energy Commission have advised the committee that there is no need for increasing plutonium production at this time.

The Atomic Energy Commission opposes this particular section of the bill, and I quote from a letter that was received by the gentleman from New York [Mr. COLE]:

> The requirement to proceed with design, construction estimates, and construction schedule and to report on these matters by April 1, 1958, would have the unfortunate effect of freezing upon a specific reactor design almost immediately and denying the advantages of further developmental effort. The Commission further points out that the cost of complete development and design of a large plutonium production reactor capable of producing incidental electric power is preliminarily estimated at a minimum of $16 million; such development and design, even with an accelerated program, could not be completed by April 1, 1958. For all of these reasons the Commission believes the inclusion of project 58-b-8 is unnecessary and undesirable.

Mr. Chairman, during some of our hearings on the various reactors we were informed by the Joint Chiefs of Staff that they have enough plutonium at the present time for weapons and with the program that has been laid out they will have a sufficient amount for a number of years for the development of any weapons that they may want to make.

Furthermore, we have been told by the engineers and the scientists, those who are certainly well versed and educated along this particular use of the atom, that it is better in every case and much more economical to build a reactor which is going to produce strictly plutonium than to build a dual-purpose reactor which, in my opinion, this particular section is set up for. If you are going to have a reactor of any one particular type, it should be confined to plutonium or it should be confined to producing power, but with a combination there is too much waste and places an unnecessary burden upon the shoulders of the taxpayers of our country.

Furthermore, Mr. Chairman, the engineers who have appeared before our committee have right down the line advised us never to build a dual-purpose reactor. The purpose of this particular section is to build a reactor which will eventually be tied into public power. Coming from New England, I am strictly 100 percent against public power. I believe in private industry. I believe in private power. In New England we have the Yankee Reactor Corp. It is a corporation made up of private industry. The money has been invested by private individuals to the amount of something like $40 million—with a contribution of $5 million from the Government for research design.

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

Mr. BECKER. Mr. Chairman, I ask unanimous consent that the gentleman from Connecticut [Mr. PATTERSON] may proceed for 1 additional minute.

The CHAIRMAN. In there objection to the request of the gentleman from New York?

There was no objection.

Mr. BECKER. Mr. Chairman, will the gentleman yield?

Mr. PATTERSON. I yield to the gentleman from New York.

Mr. BECKER. As I understand, the gentleman's amendment strikes out from line 19, page 2, over to line 5, page 3, and at the beginning of the gentleman's statement I understood that this was covered by some other section in here. I could not hear it.

Mr. PATTERSON. This particular section is covered by section 103 on page 7. It is a duplicate.

Finally, the majority report, at page 25, indicates that the majority is really interested in a dual purpose reactor which would produce power as well as plutonium. This would be power from a federally owned reactor, and an extension of public power. I am from New England and I oppose public power.

In summary, this project is opposed by the AEC, and would probably lead to an additional $100 million expenditure next year, at the taxpayers' expense.

I urge all those who oppose public power, all those who support private industry, all those who oppose unnecessary Government expenditures, to support my amendment to strike project 58-b-8 from the bill.

Mr. DURHAM. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am very sorry the gentleman who has just offered this amendment was not in the committee when this item was acted on. Otherwise he would have been better informed.

I am certainly not for public power. My record here proves that. It is well known. I hope the House will not strike out this item. There is no duplication here. This is an authorized project, for this reason. I do not think this House expects us to come in here, as a joint committee, and tell them exactly how many weapons we have or what the need is in these materials down to the last detail. We try to provide what is necessary for the weapons that the Department of Defense says is needed for the security of this country. This project is primarily for design. The committee felt that after 14½ years of plutonium producing reactors at Hanford, where they provide an important part of the plutonium for our weapons, that a plant that old was in danger of becoming obsolete. So far they have operated well, but several have become expensive. We spent more than $2 million last year for repairs.

They may build any kind of reactor under this provision that they want to build. They may build a straight-out plutonium reactor, if they want to, or they may build a dual-type reactor, whichever they decide is best to produce the plutonium that they need. We have been told by the best experts at our laboratories at Los Alamos, and also in California, by Dr. Lawrence, by the director of the radiation laboratory there, by Dr. Edward Teller, by Dr. Mills, and others, that we need more plutonium.

Mr. KILDAY. Mr. Chairman, will the gentleman yield?

Mr. DURHAM. I yield to the gentleman from Texas.

Mr. KILDAY. The gentleman has stated that they can build any kind of reactor they desire. As a matter of fact, is it not correct that under this provision they may not build anything; this is $3 million for development, design, and engineering only, so that nothing can be built even if this provision is kept in the bill. The provision sought to be stricken provides that the Commission shall proceed with sufficient design work, together with appropriate engineering and development work, necessary for the Commission to begin construction as soon as practicable after authorization by the Congress.

Mr. DURHAM. That is correct.

Mr. KILDAY. So all this does is provide the money for development, design, and engineering and if anything is to be built hereafter, Congress must specifically authorize it.

Mr. DURHAM. That is correct.

Mr. HOLMES. Mr. Chairman, will the gentleman yield?

Mr. DURHAM. I yield to the gentleman from Washington.

Mr. HOLMES. This amendment offered by the gentleman from Connecticut [Mr. PATTERSON] would then affect directly, would it not, the research and design work, et cetera, directly connected with the Hanford Engineer Works in the State of Washington?

Mr. DURHAM. That is correct.

Mr. HOLMES. Because it involves plutonium.

Mr. DURHAM. That is right.

Mr. HOLMES. Mr. Chairman, I wish to thank the chairman of the committee [Mr. DURHAM], for giving me this information. I am opposed to the amendment.

Mr. DURHAM. Mr. Chairman, I hope this committee does not accept this amendment, because they have to report back to us by next April 1 as to what decision they make on design and study to improve the reactor in the production of plutonium. That is primarily what it is here for.

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. DURHAM. I yield to the gentleman.

Mr. HOSMER. Is this in the nature of a replacement for some of the equipment at Hanford?

Mr. DURHAM. Primarily, it should be, in my opinion.

Mr. HOSMER. The Commission did not ask for this replacement, did it?

Mr. DURHAM. The Commission did not ask for it.

Mr. HOSMER. They operate Hanford and presumably they know what they need at Hanford by way of repair and replacement. Yet they did not ask for it.

Mr. DURHAM. We have taken a position against the AEC on several occasions, I might inform the gentleman, where we pushed the H-bomb and Savannah River reactors and many others.

Mr. HOSMER. This is a matter of operating a plant and the equipment and machinery that you actually have in it, which the Commission apparently feels is at the present time adequate but which the committee feels it wants to replace.

Mr. DURHAM. I happen to know that in our weapons condition neither the War Department nor anybody else wants more plutonium.

Mr. PRICE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the one thing we should hold in mind is that regardless of what some may say there has been adequate testimony before the Joint Committee that there is need for further plutonium production. The item in this bill is geared toward meeting that need. The Commission itself has made certain requests along this line that were turned down, possibly for money reasons, I do not know; but I do know that there has been much testimony before the Joint Committee from our military authorities and from scientists as to the need for greater plutonium production if we are to maintain our weapons program.

Mr. PATTERSON. Mr. Chairman, will the gentleman yield?

Mr. PRICE. I yield to the gentleman from Connecticut.

Mr. PATTERSON. I am under the impression that the Joint Chiefs of Staff have informed the committee that they do not need any more plutonium. Further, the Atomic Energy Commission say they have sufficient plutonium.

Mr. PRICE. I have the gentleman's question. The Joint Chiefs of Staff apparently have some fear over this problem because they are presently restudying it. I will predict that they make a request for greater production of plutonium.

The Congress will remember the announcement from the White House 2 or 3 weeks ago on the clean bomb, after the President's visit with three of our top scientists, Dr. Teller, Dr. Lawrence, and Dr. Mills. Those three gentlemen appeared before our committee before they appeared at the White House. The need of additional plutonium production is important even in the effort to obtain a clean bomb. But these gentlemen also testified before our committee on the great need for a substantial increase in plutonium production. If their testimony is good enough for the President to make a policy decision and make a public announcement on the clean bomb, it is also good enough for us to take into consideration when we think about production for military needs in this country. If the gentleman from Connecticut and the others want to take the responsibility for holding back our military needs, well and good, but I as one Member of Congress am not ready to take that responsibility.

I say the increased plutonium needs are obvious on the basis of the testimony that has been given to our committee by members of the Commission itself and by the scientists who know more about our weapons program than any people that I can think of. I think there has been ample justification for the project which the committee has put into this bill. There has been a study on this project at the request of the Commission.

The testimony given to the committee on this project came from the people who operate the Hanford plant for the Atomic Energy Commission itself. This is not a new idea. We are trying to get this program moving. This is desirable. I think the Commission even concedes that it is desirable, but because of money limitations they are willing to sit back and wait for the time to come, and the time will apparently come as far as the Commission is concerned, when the reactors at Hanford may be no longer operable. I think we should take this step now before we find ourselves with inadequate production facilities at Hanford and other plants. I would like to call to the attention of the House that it will take 4 or 5 years to build this reactor. I think it is high time that we got started in the face of the age of our plutonium reactors.

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. PRICE. I yield.

Mr. HOSMER. How, if there is such a military necessity for this plutonium, can you justify the other item of the experimental plutonium reactor in this bill, too? In other words, you must be taking it away from the military if you are going to put it into the experimental power-producing reactor.

Mr. PRICE. I do not think so at all.

Mr. HOSMER. I cannot follow the gentleman's logic.

Mr. PRICE. Neither can I follow the logic of those Members who accept the word of the top research scientists—Dr. Teller, Dr. Lawrence, and Dr. Mills—as being so authoritative on the question of the clean bomb and then discard all their testimony on the need for greater plutonium production and the warnings that they gave to us in their testimony in regard to our weapons' program.

Mr. PELLY. Mr. Chairman, will the gentleman yield?

Mr. PRICE. I yield.

Mr. PELLY. I would like to say that the private power company in my district, which is around Seattle, and also PUD's, and Seattle's Municipal Light Co., all got together and urged that an experimental reactor be built somewhere in the neighborhood of the University of Washington because in its school of engineering all power interests are very much interested in the development of a scientific school and, of course, nuclear scientists and I think, perhaps, this might be the answer to their particular request for an experimental plant.

Mr. PRICE. It could be.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. COLE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, let me assure the members of the Committee that it is our purpose to expedite the consideration of this bill as rapidly as possible. I realize the heavy legislative program we have for today, but we do feel that the issues involved should be thoroughly understood before any Members are called upon to vote on the pending proposition. I should just like very quickly to recapitulate the arguments in favor of the pending amendment. This has not been requested by the Commission. It has not been budgeted by the Bureau of the Budget. It calls for an expenditure of $3 million which invites an eventual expenditure of $100 million. If there are any Members of the House remaining who are still interested in economy, it is the time for them to be serious in their deliberations on this measure. There has been some respectable opinions that more plutonium is needed for our national defense. I acknowledge that. However, the military people, the Joint Chiefs of Staff, who have that responsibility in determining whether we need more plutonium have not yet recommended to the joint committee that it is needed. Therefore, it seems to me that until that recommendation comes from the military people an initial expenditure, which will eventually cost $100 million, is premature.

Another argument has been advanced, namely, that this study is necessary in order to be in a position to replace the reactors at Hanford. That question was raised and the Chairman of the Atomic Energy Commission in the Joint Committee stated:

> The reactors at Hanford are constantly maintained and we do not have any fear of a breakdown of those reactors.

So in view of these considerations, it is my view and I urge that the amendment be adopted.

Mr. DURHAM. Mr. Chairman, will the gentleman yield?

Mr. COLE. I yield.

Mr. DURHAM. As chairman of the committee this year, I have written letters, I think, once or twice to the Joint Chiefs of Staff to try formally to get their needs or their desires or whatever they need in the way of plutonium to the Congress before we adjourned. So far I have not been able to get it.

Mr. BECKER. Mr. Chairman, will the gentleman yield?

Mr. COLE. I yield.

Mr. BECKER. If we eliminate this appropriation, this same authority is granted in section 103, without an appropriation?

Mr. COLE. That is right. It is provided in other places in the bill for the Commission to proceed with this kind of study under circumstances justifying it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut [Mr. PATTERSON].

The question was taken; and on a division (demanded by Mr. PATTERSON), there were—ayes 116, noes 113.

Mr. DURHAM. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chairman appointed Mr. DURHAM and Mr. PATTERSON as tellers.

The Committee again divided and the tellers reported that there were—ayes 153, noes 135.

So the amendment was agreed to.

Mr. VAN ZANDT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VAN ZANDT: On page 5, line 9, strike out all of lines 9 through 15.

Mr. VAN ZANDT. Mr. Chairman, my amendment will strike from the bill all of projects 58–e–14 and 58–e–15, lines 9 through 15 on page No. 5 and in so doing save the taxpayers of the United States $55 million.

During general debate yesterday, I summarized my opposition to these projects.

In connection with project 58–e–14, I should like to quote from the position of the Atomic Energy Commission as to this project:

Project 58–e–14, in our judgment, illustrates the disadvantages inherent in directives of the type embodied in this bill. By specifying a natural uranium, graphite-moderated gas-cooled reactor, the bill might well preclude any significant advance over the British technology embodied in their existing reactors.

Indeed, the newer versions now under consideration by the British involve slight enrichment with U–235, an approach with many well-recognized advantages, which this bill would prohibit.

The report continues:

The Commission is presently exploring the gas-cooled reactor concept on several fronts.

It believes that a project for construction of a large stationary powerplant of this type would be valuable only if it made very significant advances over present British technology.

The Commission believes that the specified project could only result in a reactor little if any better than the dual-purpose Calder-Hall reactors which we feel are obsolescent.

No attempt has been made to estimate the operating costs of the project.

In view of the bill's direction that the reactor be constructed by AEC at an AEC installation, that the power from it be used by the AEC, and that it be dismantled when it has served AEC's purpose, non-Federal contributions to the construction or operation of the project cannot be expected.

For these reasons the Commission opposes inclusion of this project in the bill.

In addition, as I mentioned earlier, we are receiving full information from the British regarding their experience with this type of reactor.

We have also received information from the British that they are in trouble, and that they are abandoning the natural uranium reactor.

It would be folly for the taxpayers to spend $40 million on this obsolete reactor as provided for by project 58–e–14.

My amendment will also strike project 58–e–15 from the bill which would save the taxpayers of the United States $15 million.

It would be unwise to commence early construction of this reactor at this time, as would be required by section 110a of this bill.

I would briefly like to say again as I said yesterday: $10 million is already being authorized in this bill in project 58–e–3 for a fuels technology center at Argonne National Laboratory to advance plutonium fuel technology.

Also, the taxpayers are paying for support of this project at Hanford, and $1,400,000 was budgeted for fiscal year 1957 on the design phases of a plutonium recycle reactor.

The Congress should defer consideration of this $15 million project until next year.

Mr. Chairman, let me summarize my objections to the authorization of these projects at this time.

Projects 58–e–14 and 58–e–15 should be stricken from the bill because, first, it would cost $55 million for unnecessary reactors.

Second, it would produce Federal public atomic power.

Third, the Atomic Energy Commission opposes these projects.

Fourth, in the case of the $40 million reactor, we can get the necessary information from the British.

Fifth, the British indicate that they are abandoning the natural uranium reactors in favor of our enriched uranium-type reactors.

Sixth, the best evidence from qualified reactor experts indicates that the $40 million reactor is a poorly chosen design.

Seventh, private industry has made proposals under the third round to build natural uranium gas-cooled reactors that will cost the taxpayers less money; yes, less than $40 million.

Eighth, Representatives from the coal areas on both sides of the aisle should oppose this expenditure because it is for a large-scale Federal public power reactor, and the Members interested in economy should oppose this authorization because it is an unnecessary authorization of $55 million of the taxpayers' money.

Mr. DURHAM. Mr. Chairman, will the gentleman yield?

Mr. VAN ZANDT. I yield to the gentleman from North Carolina.

Mr. DURHAM. Will the gentleman explain to the House what good the information will do that the AEC receives as far as private enterprise is concerned? Under our agreements, the information received from the British on the Calder Hall reactors cannot be passed on to private enterprise in this country, and that is one reason why we provided for the development of this type of reactor.

Mr. VAN ZANDT. In reply to the gentleman from North Carolina [Mr. DURHAM] let me read from a letter which will be found in the committee hearings, and signed by Dr. W. F. Libby, Acting Chairman of the Atomic Energy Commission. He says:

UNITED STATES
ATOMIC ENERGY COMMISSION,
Washington, D. C., June 6, 1957.

Hon. CARL T. DURHAM,
Chairman, Joint Committee on Atomic Energy.

DEAR MR. DURHAM: In our letter to you of March 8, 1957, the Commission summarized the present civil information cooperation with the United Kingdom and identified in particular several issues which have emerged in recent months. Subsequently, further discussions were held in London with representatives of the United Kingdom Atomic Energy Authority on this subject. In addition, the Commission has just concluded talks in Washington with Sir Edwin Plowden, Chairman of the United Kingdom Atomic Energy Authority.

You may recall that one of the basic problems set forth in our letter of March 8, was that the United Kingdom treats commercially valuable information differently than the United States. In summary, it is Government policy in the United Kingdom to require private industry to pay a royalty for such information made available by the British Government as a contribution toward the cost that the British taxpayers incurred in financing the research and development work involved. This policy was reaffirmed by Sir Edwin Plowden during our Washington discussions as not only now applying in the atomic-energy field but as having been for years a general policy applying to any information developed by the British Government which has a commercial application.

Our discussions were characterized by frankness and there was a recognition by both sides that the basic problem of exchange between the United States and the United Kingdom of commercially valuable information was very complex. As a step toward a solution of the overall problem, Sir Edwin Plowden made a proposal with respect to information on the Calder Hall reactor which the Commission has accepted.

However, it was mutually agreed that further discussion should take place, possibly in the autumn, to appraise progress made under the British proposal on the Calder Hall reactor and to explore possible additional steps in other areas aimed at achieving a resolution of the difficulties caused by the different policies followed by the two Governments in handling governmental information which has commercial implications.

The United Kingdom proposal is as follows:

(1) The United Kingdom Atomic Energy Authority will make available to the AEC and our direct contractors all detailed information on the Calder Hall design itself, subject to a cutoff date of January 1, 1957, i. e., the original Calder Hall design and all modifications introduced up to the date stated.

(2) The United Kingdom Atomic Energy Authority will make available for circulation to the United States access permit holders a body of information adequate in the view of the Authority for the evaluation of the Calder Hall reactor. This body of information would be subject to the same cutoff and would include some detailed information which is characterized by article II. A. 2 of the bilateral agreement.

(3) If the United States access permit holders or any United States firms want more detailed information than available to them under the above proposal, the United Kingdom Atomic Energy Authority will facilitate license arrangements with the British industrial consortia.

(4) The above proposal is not conditional on the receipt by the Authority from the Commission of similar information on Shippingport.

The Commission has accepted this proposal and will shortly hold technical discussions with the appropriate representatives of the Authority to place this proposal in effect.

Sincerely yours,

W. F. LIBBY,
Acting Chairman.

Mr. Chairman, I urge the House to support my amendment to strike from the bill, projects 58–e–14 and 58–e–15, lines 9 through 15 on page No. 5 and save the taxpayers the grand sum of $55 million.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. HOLIFIELD. Mr. Chairman, I move to strike out the last word and ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOLMES. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Washington.

Mr. HOLMES. I would like to ask the distinguished gentleman from California this: In this dual amendment, as I understand, that has been offered, there is included 58–e–15. Am I right in that?

Mr. HOLIFIELD. Yes.

Mr. HOLMES. And 58–e–15 is the plutonium recycle experimental reactor directly connected with Hanford, Wash.?

Mr. HOLIFIELD. That is right.

Mr. HOLMES. I wanted to get that clarified, because I am very much interested in the plutonium recycle experimental reactor at Hanford. I am opposed to the amendment.

Mr. HOLIFIELD. The gentleman is correct, and I was going to explain that. If the Members will allow me to proceed a little bit, I will try to be just as concise as possible and then yield for questions.

Mr. HOLMES. I thank the gentleman.

Mr. HOLIFIELD. Now, I think it is important for the House to realize that this involves $55 million, and the temptation to strike it out in the name of economy is a hard one to resist, I will admit. Your Atomic Energy Committee, by a vote of 11 to 7, however, agreed that a natural uranium reactor should be built.

Now, why was that? All of our reactors are enriched fuel. Here is what I mean by enriched fuel. In any mass of ordinary uranium one one-hundred-and-fortieth is fissionable; that is, the material that goes into the bomb, which is the material that is burned in a reactor. One hundred thirty-nine one-hundred-and-fortieths is waste. Now, if you have enriched fuel, you add one one-hundred-and-fortieth of any amount of uranium 235 to the fuel plate or rod, and you have a faster reaction and a higher temperature in the reactor.

Now, all of our reactors are on the basis of enriched fuel, but it costs a tremendous amount of money to make it enriched uranium. You have to reduce the metal to powder and then to a gas to get this one one-hundred-and-fortieth out. Then it has to be worked into the natural uranium so you have an enriched fuel. The English have gone the other way. They have built natural uranium reactors. What is the fraction involved in the natural uranium reactor? Only one one-hundred-and-fortieth is involved.

We are talking about the atoms for peace program, so that American manufacturers can make these reactors and export them to have-not nations, to neutral nations, to nations that do not have any coal or oil supply and cannot get it because of the cost of transportation.

The Japanese have been considering buying reactors. I hold in my hand the Whaley Eaton Atoms for Peace Service. This sells for several hundred dollars a year and is one of the most authoritative that I know of. This is dated August 1, and it says:

Japan's AEC has "informally" decided to import a 200,000-kilowatt to 250,000-kilowatt improved Calder Hall type reactor from Britain and a small pressurized water-type reactor, capable of producing 21,000 kilowatts, from the United States.

The foreign nations are making their decision as to whom they are going to deal with. I say that we should have a reactor to sell so that they can buy uranium fuel, natural uranium, anywhere in the world, so that they do not have to come to the United States for enriched fuel, because we are the only ones who can make it in quantity. For illustration, it is the difference between buying an automobile for which you have to go to one certain filling station when you want gas or buying an automobile for which you can get fuel at any filling station. A reactor that uses natural uranium can get the natural uranium anywhere in the world where they have uranium. This puts our manufacturers on a competitive level not only in the enriched field but also the natural uranium field.

There is not a kilowatt of public power involved in this. When this reactor is built, it will probably be built at Hanford, Wash., or Orco, Idaho. Any power that comes out as a result of this experimental reactor will be used by the Government in its own facilities. There will not be a kilowatt sold to any private consumer anywhere. So that issue is not involved. The issue is whether we want to put our people on a competitive level with the British, possibly with the Soviets, because we do not know exactly what is going on behind that Iron Curtain, or whether we want to go ahead and just have one kind of an automobile to sell, that burns one kind of gasoline. That is the question in the $40 million item.

In the $15 million item which the gentleman also seeks to strike, the purpose is an experimental reactor to learn how to burn plutonium. When we burn uranium 235, which is the 1/140 part of uranium in a reactor, we form it into either plates or cylinders and put it into the reactor and let the chain reaction take place. During the process of that chain reaction the uranium 235 slug or plate produces another element which has to be taken out of it later on. That is plutonium. The only use for plutonium today is in bombs and one of the reasons why we think we ought to have more plutonium is that it is a very necessary ingredient of cleaner bombs. Under the law every one of these reactors that are built by private companies, practically every one of them, produce plutonium. The Government has to buy that plutonium under the law. The private companies cannot keep it, the Government has to buy it. We have to buy it, and we buy it for two purposes, if we know how to use it. We can buy it for weapons or we can buy it for peacetime application. The $15 million item is to build an experimental type of reactor to learn how to burn plutonium, not to make power. It will make some power as an incident and it will be used in the local facility. It may run a day and be closed down a week or it may run a week and be closed down a day. The public power issue is not involved here. We want to know how to turn our plutonium bomb stock into peacetime application. The scientists have spent $2 million at the behest of the Atomic Energy Commission to find out if they can do this. They say they are ready to build a small reactor to find out if they can burn plutonium just as they burn U–235. This is what the $15 million is for.

The temptation to strike this out is very great, but there are some great issues involved here. The President's atoms-for-peace program, the competition in foreign fields with natural uranium reactors, is involved, the conversion of our bomb stock to peacetime fuel use is involved.

As far as I am personally concerned, I will be satisfied with what the House does, but I want you to know plainly what you are doing in this. The majority of the committee comes to you and says that in their judgment this should be done. It is up to the House to work its way.

Mr. COLE. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, as a reminder I would reiterate that $55 million of unbudgeted, unrequested funds is involved in this amendment. As the gentleman from California has indicated, this amendment does have a direct bearing on the world competition to build reactors. The principal countries supplying those reactors, manufacturing them, are Britain and the United States. It is indicated that the British approach is the natural uranium. The American approach is the enriched uranium. The best scientific advice that our manufacturers have been able to get is directed away from, not into line with the British reactors.

Can you imagine the effect that would occur in the minds of potential buyers of atomic reactors if the Congress of the United States by law directed the Commission to build a natural uranium reactor? Would there ever thereafter be any doubt in their minds as to whether they should buy a British reactor or an American reactor, since the Congress, supposedly informed on the subject, had thought so well of the natural uranium reactor that it directed the Government agency to go ahead and build it?

This amendment is of far-reaching consequences on American industry, and I would urge your extreme caution in deciding on it.

As to whether or not these reactors should be constructed at this time, the recommendation by a majority of the committee was predicated largely on the alleged recommendation of individual scientists of great reputation. After the majority reached its decision last week I sent a telegram to these outstanding scientists which in substance asked their recommendation as to whether it was feasible for Congress at this time to direct the Commission to proceed with the construction of a natural uranium reactor. I received these responses.

The first was from Henry D. Smyth. I doubt if there is any person in this chamber who would deny that Henry Smyth is one of the outstanding nuclear physicists in the country. We all are aware of the Smyth report published be-

fore the Commission was even created. We know that he was a member of the Commission and is an outstanding scientist. He says:

PRINCETON UNIVERSITY,
Princeton, N. J., August 2, 1957.

Representative STERLING COLE,
House of Representatives,
Washington, D. C.:

As stated in letter of June 27 to Mr. HOLIFIELD. Believe Federal Government should give vigorous leadership to nuclear power program. Nevertheless believe it mistake in principle for Congress to insist on construction of a specific reactor. Such technical judgments are responsibility of the Commission and its staff. Furthermore would oppose choice of gas-cooled natural uranium graphite moderated reactors unless clearly a technical advance over British type as to temperature and other specifications.

HENRY D. SMYTH.

The next response was from Alvin M. Weinberg, director of the Oak Ridge National Laboratory, Oak Ridge, Tenn. He says:

OAK RIDGE NATIONAL LABORATORY,
Oak Ridge, Tenn., August 5, 1957.

Hon. STERLING COLE,
Congress of the United States,
Washington, D. C.:

I consider it in principle inadvisable to specify in detail the type of reactor for AEC to build. It would be much better to allow AEC to decide on moderator degree of enrichment and power output in light of what will best further overall reactor art. I see no reason for great haste in building such a device and suggest timing be left to AEC.

ALVIN M. WEINBERG.

The next response was from Dr. Walter H. Zinn, another outstanding reactor physicist. He says:

AUGUST 4, 1957.

Hon. STERLING COLE,
House Office Building,
Capitol, Washington, D. C.:

In reply to your telegram and question of August 2. I believe the United States of America program must include natural uranium power reactors. Because of high temperature potential gas cooling should be added to our development program. I have made similar statements to the joint committee several times and in my view these items involve policy decisions for our atomic program. I have no special competence to comment on Government administration procedures. In my view, specification details such as combination of fuel and coolant, moderator choice, size, and cost estimates should be left to AEC and responsible contractors. I believe that instructions from Congressional committee will be most effective if limited to policy matters and if technical specifications are left to agency which is to execute instruction. If committee does not approve manner in which policy is executed projects should be vetoed by denying funds.

W. H. ZINN.

Then, finally, there was the response from Admiral Rickover who has done such an outstanding performance in the development of military reactors. He says:

AUGUST 6, 1957.

Hon. STERLING COLE,
House of Representatives,
Washington, D. C.:

This is in reply to your telegram of August 2, 1957. As I indicated in my recent testimony before subcommittees of the Joint Committee on Atomic Energy, I believe that an advanced gas cooled reactor utilizing natural uranium can be built and operated successfully. Such gas cooled reactors would well be the best way to produce power from natural uranium without dependence on large electric power consuming separation plants necessary for producing enriched uranium or heavy water. These reactors would thus be particularly attractive to underdeveloped countries because it would enable them to build atomic powerplants using natural uranium which they might find within their own borders. In this way they would not be dependent upon others to supply them with the enriched uranium or heavy water which are needed in other types of power reactors with regard to economics. There is at present insufficient information to make any realistic estimate on power costs on gas cooled or any type of power reactors. I believe that the most effective way to develop both economic and technical information on natural uranium gas cooled reactors is actually to develop, to design, and to build one of modest size as indicated in my testimony. I do not feel that it is appropriate for me to comment on the policy question of whether such a gas cooled reactor should be built or by whom.

H. G. RICKOVER,
Chief, Naval Reactors Branch, Division of Reactor Development, United States Atomic Energy Commission.

Mr. YATES. Mr. Chairman, if the gentleman will yield, I would like to ask the gentleman a question. On page 23 of the report there are excerpts from the testimony of the three gentlemen, the witnesses to whom the gentleman sent telegrams. The excerpts appear on page 23 and seem to be in direct contrast to the statements of the witnesses to the gentleman's telegrams. Is there not a conflict in the testimony of these people?

Mr. COLE. Is the gentleman quoting from the majority report or the minority report?

Mr. YATES. Yes; I am quoting from the majority report.

Mr. COLE. Since I was not a participant in the majority report, I would prefer that the gentleman direct that question to Members who did subscribe to the majority report.

Mr. YATES. But the gentleman has given the Members of the House statements made by the same witnesses whose statements appear in the majority report. There seems to be a direct conflict.

Mr. COLE. There does appear to be some kind of conflict. I have endeavored to be as completely objective and impartial as possible to allow these individuals to reflect their individual judgments.

Mr. YATES. I hope somebody on the majority side of the report will answer my question.

Mr. EVINS. Mr. Chairman, I ask unanimous consent that the gentleman from Tennessee [Mr. COLE] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. EVINS. Mr. Chairman, will the gentleman yield?

Mr. COLE. I yield.

Mr. EVINS. This House, I am sure, esteems and recognizes our colleague, the gentleman from New York [Mr. COLE], and the country recognizes him as an eminent authority in this field, and we certainly respect his abilities. But the telegram he just read from Admiral Rickover certainly is not in opposition to the Commission building this reactor. Admiral Rickover developed the *Nautilus*. He favors our Government's participation—not in withdrawing from active participation—if I understand his position and the telegram. Furthermore, one of the statements made by the gentleman from Pennsylvania [Mr. VAN ZANDT] for knocking out this project is that we can get the information from the British. To my mind that seems one of the basic fundamental issues in this debate, as to whether we should have the information ourselves, or whether our Government should be placed in a position of having to obtain the information from the British and others. They are advancing—we are falling behind. Why should not our country develop the facts and knowledge? America should not be behind or dependent on the British or any other country. I think the argument that we can get the facts from others is one of the weakest arguments the gentleman makes in support of his amendment.

Would the gentleman comment on that?

Mr. COLE. I thank the gentleman for his compliments, but I assure him I am no better informed on this subject than all the other members of the Joint Committee. It seems to me a wasteful expenditure of $40 million on a reactor, the basic principles of which we can obtain from the British who have already built these reactors.

The CHAIRMAN. The time of the gentleman from New York [Mr. COLE] has again expired.

Mr. DURHAM. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am sure the gentleman from New York [Mr. COLE] does not want to misinform the House. Under our agreement we receive a certain amount of information, but it is somewhat limited. The Commission can use that in its own laboratories, but under the agreements they cannot pass it on to private enterprise unless they go out and contract to build it.

In regard to the telegrams and letters, I do not like to get the Commission people on the spot, because they work for the Commission. Most of them are under contract with the Government. I think it is very unfair. Admiral Rickover, if you will read his statement on page 23 of the report and his statement made before the committee by Dr. Smythe, it speaks for itself. I think the gentleman from New York [Mr. COLE] made our case for us. You will see the testimony by Admiral Rickover, which is verbatim, and of Dr. Zinn, on page 23 of the report are the same. I consider these individuals as probably the top people in the country on reactors, especially this type of reactor; but, if you will notice, none of them has said we should not proceed and build the natural uranium reactor. In my opinion because of the fact that unless we do this, private

industry will not have much of a competitive position in Europe, because everybody knows that the gas-cooled natural uranium type reactor is going to be cheaper than an enriched fuel reactor.

As has been brought out here, I think it supplements the President's program of atoms for peace. Otherwise, I would not be here asking you to do it. I think it has a potential for peace in the world, and I hope you will vote down the amendment.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. DURHAM. I yield.

Mr. YATES. As a member of the Appropriations Subcommittee which deals with the National Science Foundation, I hear the testimony of many eminent scientists. They frequently point out that in the field of basic research there must be duplication, because frequently no one scientist can find the answer. If two scientists are engaged in the same endeavor there is a greater chance of success. Is not this same situation applicable to the reactor involved in this amendment?

Mr. DURHAM. What we are recommending in the report is an advanced type of this reactor.

Mr. YATES. So that we may actually learn more than the British by our experiment?

Mr. DURHAM. That is one way to do it. By trial and error.

Mr. PRICE. Mr. Chairman, will the gentleman yield?

Mr. DURHAM. I yield to the gentleman from Illinois.

Mr. PRICE. I wish the gentleman would reiterate to the House the fact that the dissemination of information on the British reactor is definitely restricted as far as our private industry in this country is concerned. But whatever experience we would get from building our own reactor could be transferred to all industry and anyone who had need to know could have any of the knowledge gained from our experiments.

Mr. DURHAM. Certainly I feel it would be to the advantage not only of AEC but to the country at large; otherwise I would not support it.

Mr. PRICE. It would be of great advantage to private industry particularly.

Mr. DURHAM. It certainly would.

Mr. PRICE. It would be of great advantage, of particular advantage to the United States in world trade.

Mr. DURHAM. I think the fact has already been pointed out that the Japanese have informally placed an order with England for a 250,000 kilowatt natural uranium gas-cooled reactor plant.

Mr. PRICE. I am afraid there will be an erroneous impression based on some of the remarks made in connection with this amendment that this information is currently available from the British. However, we have already passed the cutoff date of January 1, 1957, and current information is not available to us.

Mr. DURHAM. The gentleman is correct.

The CHAIRMAN. The question is on the amendment offered by the gentlemen from Pennsylvania.

The question was taken; and on a division (demanded by Mr. DURHAM) there were—ayes 138, noes 119.

Mr. DURHAM. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. DURHAM and Mr. VAN ZANDT.

The Committee divided, and the tellers reported that there were—ayes 162, noes 130.

So the amendment was agreed to.

Mr. PRICE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I would like to spend just a few minutes outlining the technical basis for the committee's reactor proposals. Last year our committee held extensive hearings on acceleration of the atomic power program. We received much testimony on gas-cooled reactors in the atomic energy program. The committee engaged the well-known reactor expert, Dr. W. H. Zinn, as a consultant. Dr. Zinn was formerly Director of the Argonne Laboratory for the Atomic Energy Commission, and he is regarded as the outstanding reactor designer in the country.

Dr. Zinn's reports indicated that five types of reactors could be selected in an accelerated program. One of these was the gas-cooled type which the House has just rejected.

This year we also had testimony from responsible people from the AEC, from their installations, including Dr. Smythe and Admiral Rickover. They testified as to the need for the natural uranium gas-cooled reactors. Dr. Zinn testified as to a gas-cooled reactor of different design for private development in the AEC demonstration program.

I think—this is my own opinion, of course, and I am not criticizing the action of the House—that we leave gaps in the program by rejecting the proposals of the committee. This is a serious matter that confronts this Nation.

On April 1, 1955, W. Kenneth Davis, who is in charge of reactor development for the United States Atomic Energy Commission, made glowing predictions before the American Power Conference for the AEC atom power program. He predicted about 2 million kilowatts of nuclear power capability in service by the end of 1960 and about 5 million kilowatts by the end of 1965.

On March 14, 1957, 2 years later, this same man in a speech stated:

> By the end of 1959 we expect 10 experimental plants to be producing nuclear power. Only one of these, however, the Shippingport pressurized water reactor, is a large scale plant, and our estimate of total nuclear generating capacity as of the end of 1959 is in the order of only 130,000 kilowatts.

In July 1957 Mr. Davis further indicated how we are losing ground when he issued his new forecast. He now predicts 1 million kilowatts of nuclear power stations in operation 5 years from now—1962. Compare this with the 2 million kilowatts by 1960 which he was predicting only 2 years ago.

BRITISH PLANS

In February 1955 the British announced plans to have between 1,500,000 and 2,000,000 kilowatts of nuclear power capacity in operation by the end of 1965.

After their experiences with the natural uranium type of reactor and realizing the necessity for rapid development of nuclear power, the British in March 1957 approximately tripled their desired and planned goals. In March 1957 the British officially announced that they now have decided to expand their goals to "a range of 5 million to 6 million kilowatts of nuclear capacity in operation by the end of 1965."

In other words, while Mr. Davis and the Atomic Energy Commission have been cutting back in their forecast during the same period the British are moving rapidly ahead.

SOVIET PLANS

The Soviet Government's original 5-year plan announced to the world in early 1956 that the Soviet Government planned to install between 2,000,000 and 2,500,000 kilowatts of nuclear capacity by 1960. From public announcements and speeches made by Soviet officials, it would appear that the Russians like Mr. Davis are beginning to cut back in their optimistic predictions. The latest available information indicates that the Soviet Government is planning to have 1,500,000 kilowatts of nuclear power in operation by 1960, which is still extremely substantial, particularly when you compare it with our latest expectations of only 130,000 kilowatts by the end of 1959, and only 1 million kilowatts by 1962.

Mr. COLE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. COLE: On page 14, line 13, strike out all of section 110.

Mr. COLE. Mr. Chairman, this amendment I feel sure will have no opposition. In view of the action taken by the House on the previous amendment, section 110 no longer applies. This amendment is offered simply to make the bill comply with the action previously taken by the Committee of the Whole on the Van Zandt amendment.

Mr. DURHAM. We have no objection to the amendment, Mr. Chairman.

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

Mr. COLE. Mr. Chairman, I offer a further amendment.

The Clerk read as follows:

> Amendment offered by Mr. COLE: On page 15, line 14, strike out all of section 111 (a) and substitute the following:
>
> "SEC. 111. Cooperative power reactor demonstration program: (a) There is hereby authorized to be appropriated to the Atomic Energy Commission, in accordance with the provisions of section 261a (2) of the Atomic Energy Act of 1954, as amended, the sum of $132,621,000: *Provided, however,* That not more than $1,500,000 is authorized for the Power Reactor Development Company project during fiscal year 1958."

Mr. COLE. Mr. Chairman, I shall try to be as brief as possible and cover quickly the points involved in this amendment.

At the outset, I want to assure you that there is no unbudgeted financial consideration involved. The amendment I have offered is substantially, dollarwise, the same as contained in the bill.

Prior to the changing of the law in 1954, through the persuasion of the Joint Committee, informally, the Atomic Energy Commission undertook a power reactor development program. Under the authority of the 1954 act, that program involved four reactors, one of which was the one at Shippingport about which you will hear some discussion, as you have already. That was financed entirely by the Federal Government, with the exception that private industry, the Duquesne Light & Power Co., contributed $5 million, and there were three other power reactor projects. The rest of the expense was borne entirely by the Federal Government.

In 1954, the law was changed which permitted a joint and cooperative operation between the Government and private industry. The Atomic Energy Commission undertook what was called the first round of the power demonstration reactor program. I think there were three projects in the first round, one of which was the Consumers Public Power District of Nebraska, which undertook negotiations looking toward a project involving the expenditure of some $50 million and the Consumers Power contributed $5 million toward the construction of the reactor.

Then the Commission had a second round under the power demonstration reactor program. In the second round the only proposals were from cooperatively and municipally owned groups: The city of Piqua, Ohio; the Chugach Electric Association in Alaska; the Elk River Cooperative Power Association in Minnesota, and the Wolverine Cooperative in Michigan. Those projects have been under discussion between the cooperatives and the Commission for a year and a half. Two of them are up to the point of finalization, where the contract may actually be signed. Funds for completion of those projects are carried in the bill.

Under those arrangements with the cooperatives, the Commission is proceeding on contract negotiations with the cooperatives to supervise construction of the reactors and supervise the operation of the reactors.

At the time when the demonstration purposes of the reactor were completed the reactor was to be dismantled or sold.

The joint committee by majority vote has changed all that and has by the provisions of section 111 (a) (1) directed the Commission to build the reactor itself, to operate the reactor, and to sell the steam to the cooperatives. There is no time limit placed on the period in which the Commission will operate the reactor so far as the bill is concerned. It is contemplated that the Commission may operate the reactor indefinitely.

The entire funds for the building of the reactor would come from the Federal Government. The cost of operating the reactor would come from the Federal Government. The Federal Government would sell the steam to the utility for an indefinite period of time. If that does not put the Federal Government right squarely in the center of public power, then I do not know what does.

So it is a matter of principle that is primarily involved in this amendment and not dollars.

To adopt the committee's provision, as contained in the bill, would negate all the negotiations that have taken place up to this point between the cooperatives and the Commission, and would require the negotiations to be started over again, involving and entailing a delay of, perhaps, another year or 2 years.

Mr. WIER. Mr. Chairman, will the gentleman yield?

Mr. COLE. I yield.

Mr. WIER. I have a particular interest, as most of us in Minnesota have, in the project that the gentleman has just mentioned, the Elk River project. I think the other project that the gentleman had some doubt about is the Northern State Power of Minnesota.

Mr. COLE. The Northern State Power has submitted a proposal under the third round.

Mr. WIER. Yes. Under the gentleman's amendment, and this has, as you have said, been pending a long time and this Elk River cooperative is ready to go—what effect would the passing of your amendment or the defeat of your amendment mean so far as the completion of these cooperatives?

Mr. COLE. It is my understanding that the Elk River project has reached the point where the contracts are ready to be signed and the terms in detail have been arrived at between the cooperatives and the Commission, and if this amendment of mine is not adopted and the committee's recommendation as contained in the bill is adopted, that will be upset, and the Elk River project will have to start negotiations all over again.

Mr. McCULLOCH. Mr. Chairman, I move to strike out the last word.

Mr. COLE. Mr. Chairman, will the gentleman yield?

Mr. McCULLOCH. I yield.

Mr. COLE. I am advised that I was not sufficiently clear in my response to the inquiry of the gentleman from Minnesota. If my amendment is adopted, the Elk River contract will proceed as the Elk River people have negotiated and agreed for it to proceed. If my amendment is adopted, the project at Piqua will proceed just as the city has negotiated on its terms with the Commission. That is likewise true with the two other cooperatives in Michigan and Alaska.

Mr. CEDERBERG. Mr. Chairman, will the gentleman yield?

Mr. McCULLOCH. I yield.

Mr. CEDERBERG. The gentleman from New York has answered my question and that is true of the cooperative in Michigan; is it not, may I inquire of the gentleman from New York?

Mr. COLE. Yes; it is.

Mr. CEDERBERG. That is the Wolverine project?

Mr. WEAVER. Mr. Chairman, will the gentleman yield?

Mr. McCULLOCH. I yield to the gentleman from Nebraska.

Mr. WEAVER. Can the gentleman tell me how his amendment affects the project in Nebraska?

Mr. COLE. If the amendment is adopted, it will not affect the project in Nebraska in any way. The project in Nebraska is near to the point of finalization and the funds are not involved in my amendment. But, it is involved in the provisions of the bill, as reported by the majority of the committee. If my amendment is adopted, the Nebraska deal may be carried out just as it is now.

Mr. McCULLOCH. Mr. Chairman, the city of Piqua has been mentioned by the gentleman from New York. That is my hometown. It is a city of some 18,000 people. We have an unusual director of utilities there who has done a magnificent job in negotiating with a private engineering firm, North American Aviation, Inc., and the AEC, and plans have progressed to the point that they are now in final negotiations with the Atomic Energy Commission in the matter of the erection of an organic moderated reactor in that city.

I would like again to address a question to the gentleman from New York [Mr. COLE] and that question is this: If the amendment which he has offered should be adopted, does that in any way modify or detract from the negotiations between the City of Piqua and the Atomic Energy Commission and the North American Aviation, Inc., which have been carried on to this point?

Mr. COLE. The amendment I have offered does not do violence to the Piqua project whatever. It contains funds which will permit the Piqua project to continue negotiations to the point of finality.

Mr. McCULLOCH. I would like to ask the gentleman from New York one other question. If his amendment be agreed to, will the North American Aviation, Inc., be authorized to enter into contractual negotiations directly with the Atomic Energy Commission and the city of Piqua not be necessarily made a party to the final contract?

Mr. COLE. The decision as to who is to make the contract with the manufacturer will be up to the city of Piqua or the Commission. As it is now, the city contemplates making a contract with North American. If my amendment is adopted and the Commission in its discretion determines that that is the better way to do it, then the Commission may make a contract with North American.

Mr. McCULLOCH. If the Atomic Energy Commission should come to the decision that it did not wish to contract with the North American Aviation, Inc., there would be no recourse for the city of Piqua, if the constitution of the State of Ohio should prohibit, the city of Piqua from contracting with the Atomic Energy Commission.

Mr. COLE. On the assumption which the gentleman has stated, I would assume that is the logical conclusion, but I am not advised that such is the case.

Mr. McCULLOCH. Is the gentleman of the opinion that the Atomic Energy Commission might take the position that it would not continue to contract with

the city and then the city find itself, by reason of the limitations in the constitution, utterly and completely blocked in this program which has been carried on thus far?

Mr. COLE. If the Commission feels that the nature of this reactor is of sufficient importance, in the art of reactor concepts, to justify the Commission making a contract directly with the North American Co., in view of the State constitutional limitations, then the Commission under its present authority might do so.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. McCULLOCH] has expired.

Mr. HOLIFIELD. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, as the gentleman from New York [Mr. COLE] said, this is a very important amendment, and the committee will ask for a rollcall on this amendment as well as the other two amendments which have been voted on.

Now let us be very plain as to what this does. This strikes out all of the protection which has been placed into the language by the committee. I address myself to the gentleman from Ohio [Mr. McCULLOCH], who made the queries.

I hold in my hand a letter from Mr. Gallagher, director of facilities in the city of Piqua, Ohio. I understand he has also sent a copy of this to several of the people in the Ohio area. This amendment strikes out any kind of protection which the co-ops may have.

Understand this: The joint committee did not put the co-ops into this program. They were put in by the Atomic Energy Commission. For 17 to 27 months they have been negotiating with these little co-ops, all of them small except Consumers of Nebraska. Consumers of Nebraska is a State-owned monopoly. It is not a co-op in the sense of these four small co-ops, but it is included in this. Fifty million dollars of the $99 million goes to Consumers of Nebraska, which is a State-owned monopoly. There is no private power in Nebraska. The other $49 million goes to these little four co-ops. The Atomic Energy Commission has been trying to deal with them for 17 months or more. They have not been able to come to an agreement. Why? Because the co-ops have no business in this program. They have no business in the program, and I told them so. The reason they have no business in this program is because this is an expensive program. You are playing in a game with thousand-dollar chips and the co-ops only have two-bit chips. They are going to get tricked into a contract where their cost of power will be unknown.

What the committee has done is to direct the AEC to make a straight open contract with the co-ops, telling them what their power costs will be. Do not mix it up now with a lot of this research and development contract stuff which involve unknown dollar cost or income.

If the co-ops do not have every factor nailed down as to their costs and income in these contracts they will walk into a financial trap which will bankrupt them. Just let the AEC tell them frankly what it will cost them, like they did with the private power company at Shippingport, the Duquesne Power & Light Co.; just as they did in the case of Southern California Edison in southern California in Santa Susana; just as they did in the case of the Niagara Mohawk Power Co. at West Milton, N. Y.; just give them a plain contract that says that steam from the Government-owned reactor will cost you so much per kilowatt. That is what we have done in the committee language.

Now, the gentleman's amendment strikes all that out of this, and you can imagine what will happen at this time with co-ops. If they are not very, very careful they are going to get sucked into a contract with an unknown cost factor, a cost that will later cause them, because they cannot accumulate a reserve for such a contingency, to go bankrupt. They are going to have to raise their rates to their customers. That means that the adjoining private utility will buy them up because they are bankrupt. Now, that is what the amendment will do.

Mr. McCULLOCH. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield.

Mr. McCULLOCH. I am very happy that the gentleman has raised the question with reference to the city of Piqua. I should like to draw this question to the attention of the gentleman from California: If the amendment offered by the gentleman from New York [Mr. COLE] is adopted, would it not yet be possible for the cooperatives and for the municipal powerplants in this country to enter into a contract with the Atomic Energy Commission whereby the Commission will guarantee to the cooperatives or to the municipal powerplants the difference between the cost of steam as they could produce it in their own plant and what it will cost under a reactor system?

Mr. HOLIFIELD. Oh, yes; it will be possible, but they have no mandate from the Congress to do it and they have been negotiating for 17 months because they will not do it.

The city of Piqua wants its power at 2.88 mills.

The CHAIRMAN. The time of the gentleman from California has expired.

(By unanimous consent, Mr. HOLIFIELD was allowed to proceed for 5 additional minutes.)

Mr. McCULLOCH. I appreciate the gentleman's courtesy very much. I think we are getting right down to the heart of a very important problem.

Mr. HOLIFIELD. That is right.

Mr. McCULLOCH. And I fully appreciate the gentleman's explanation even though there is no assurance that the cooperatives or the municipalities in this country will get such a contract. They may get it if they are hard enough bargainers and if the Atomic Energy Commission carries out what in my opinion is the plain mandate of Congress to have this research and development not only available for private power companies in this country but also for cooperatives and for municipal powerplants as well. Is that logical?

Mr. HOLIFIELD. The gentleman has made a logical statement. They may do it, but they have not been able to do it with consumers of Nebraska and they have been negotiating for 27 months.

The Piqua power system has a man by the name of John P. Gallagher who is a real businessman. I complimented him when he appeared before the committee. I said: "Mr. Gallagher, if I were in your shoes I would be making the same demand you are making." And I said: "I think you are a good enough businessman not to go into a contract unless you get what you want."

Now, just what Mr. Gallagher wants is what the committee wants Mr. Gallagher to get, and makes it mandatory that he get it.

So you are placing your dependence for Mr. Gallagher's Ohio project and all the others, you are placing it upon your dependence of the AEC making this type of contract which they have failed to make for 17 to 27 months.

Mr. McCULLOCH. Mr. Chairman, will the gentleman yield for a further question?

Mr. HOLIFIELD. I yield.

Mr. McCULLOCH. Is it a fact, in the opinion of the gentleman from California, if he cares to express an opinion, that the Commission has been dragging its feet in completing negotiations with the cooperatives and municipalities on this type of contract?

Mr. HOLIFIELD. It is the opinion of the gentleman from California that the Commission made an invitation and received proposals and that they have been playing each one of these little groups separately, not telling them what they want. The little groups have been trying to make a deal with the AEC. They cannot do it because there is too much ambiguity in the negotiations and I think time has proven that.

Now, Mr. Chairman, I want to speak of another program in the gentleman's amendment. The language of the gentleman's amendment provides congressional authorization for the PRDC contract which is being challenged under the Administrative Procedure Act on the ground of safety and with the threat of taking it into court on appeal with the right to take it into the court on appeal. Remember that the committee has not objected to the Yankee Atomic project, to the Commonwealth Edison project, to the Consolidated Edison project, all private projects. We have not objected to them because the Safety Reactor Committee cleared their safety design. But in the case of PRDC they could not find the evidence to clear the safety of the design.

In all the other private projects there have been laboratory models, prototype models, then they build the big reactors. On the fast breeder reactor there was one laboratory model and it ran wild and melted down. There are $29 million in the bill to complete a second laboratory model to try to see if they can make this fast breeder reactor work safely. They cannot give clearance on the safety of it until they know it will not endanger the lives of the people in Michigan.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Michigan.

Mr. FORD. I have read the language to which the gentleman from California refers in the amendment offered by the gentleman from New York:

Not more than 1 million 5 is authorized for the PRDC project during fiscal 1958.

Mr. HOLIFIELD. That means a million, five hundred thousand is authorized for the PRDC contract, not more than that. It means up to that amount is authorized, and, therefore, it would probably be claimed that it was Congressional approval of the contract.

Mr. FORD. It seems to me this is permissive language, it is not mandatory. It would depend on administrative action to make the actual expenditure.

Mr. MEADER. Mr. Chairman, I move to strike the requisite number of words.

Mr. MEADER. Mr. Chairman, I call the attention of the Committee to page 14126 of yesterday's CONGRESSIONAL RECORD and to the colloquy between myself and the gentleman from California [Mr. HOLIFIELD] concerning certain language in the majority part of the report on this bill.

I gathered from the colloquy, although it was not completely clear, that the committee did not instruct the AEC not to go forward with preconstruction research on the PRDC project at a cost of $1,500,000 for fiscal 1958. The amendment offered by the gentleman from New York [Mr. COLE] will remove any doubt on this point. For that reason I am in favor of the amendment of the gentleman from New York.

Let me say that this is a very important matter to my Congressional district. This group of private utilities and industries forming the Power Reactor Development Co. have gotten together on a pioneering project in the field of atomic energy to develop the commercial utility of atomic power through the fast breeder reactor and make it competitive with power generated by other fuels. They are now building the Enrico Fermi atomic powerplant near Monroe, Mich., in my district. It will benefit not just my district, but since it is a pioneering project it will eliminate, if it proves successful, the expense of transportation of heavier fuels and will pave the way for industrial development in areas that are not situated near coal beds or are not located on streams. It is extremely important for the research provided in the Cole amendment to be done and to permit the project to go forward so that we can demonstrate that atomic fuel can be used for electric power purposes.

It is very important that this particular project be supported and not be delayed.

Mr. COLE. Mr. Chairman, will the gentleman yield?

Mr. MEADER. I yield to the gentleman from New York.

Mr. COLE. I want to say that the project to which the gentleman refers offers the greatest promise of producing electric power from atomic energy on an economical basis, above and beyond all the others. It is one that should be proceeded with expeditiously. And in addition I should like to compliment the gentleman for his constant activity in promoting the interests of his district by his support of this important project. He has been constantly alert and most helpful.

Mr. BOW. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BOW. Mr. Chairman, it seems appropriate today to call attention to an activity conducted jointly by the Atomic Energy Commission and the Federal Civil Defense Administration that has caused irreparable damage to a manufacturer in my district and others across the country.

AEC and FCDA have permitted a manufacturer of vaults and safes to gain a reputation as the only manufacturer of safes whose product has been tested and approved as capable of withstanding atomic blasts.

The salesmen of every other safe company are greeted with the question: "Has AEC approved your safe?" The reply that AEC does not approve any particular product is not very helpful in the face of publicity in the American Banker, the Cleveland Plain Dealer, and other papers to the effect that AEC has in fact approved one manufacturer's product.

This situation developed from unusually poor judgment in the FCDA in negotiations for the test of a vault under atomic blast at the Nevada test site. In these negotiations FCDA failed to inform other members of the association of safe manufacturers until it was too late for them to be considered. Meanwhile the more fortunate and favored manufacturer was reaping untold value from publicity about the impending demonstration of his product.

At the time of the blast, officers of the Atomic Energy Commission referred to the product by name in a press briefing and a press release with the result that the American Banker, a reputable journal in the trade, headlined a story "AEC Puts Stamp of Approval on Mosler Safe in A-Blast." Identification of the vault as a product of the Mosler company was inexcusable. AEC and FCDA assert that the test of the vault was in the public interest and that the experiment will provide information of value to all the industry. This may be true, but even in the ivory towers of these two agencies there should be men who recognize the immediate result of their activity has been publicity of untold value to the Mosler company.

I am including as part of my remarks a letter from the AEC which states clearly that it does not put a stamp of approval, or in any way endorse the product of a particular manufacturer. This belated denial of the headline in the Banker and of the impression gained from other reports may be helpful to other manufacturers, but it can never overtake the original impression that AEC has approved this product and it can never repair the damage done to the competitive position of all other manufacturers including the company in my own district.

I also include with my remarks the press briefing and press release insofar as they relate to this vault. From these I believe the editor of the American Banker was fully justified in the assumption that prompted this headline. The fault is not with the magazine. It is with the indiscreet and injudicious press releases of the Atomic Energy Commission.

I agree that there can be value in these tests and I do not suggest that they be discontinued. I do suggest that AEC and FCDA take adequate precautions so that they can never again be accused in this manner.

UNITED STATES
ATOMIC ENERGY COMMISSION,
Washington, D. C., August 7, 1957.

Hon. FRANK T. BOW,
House of Representatives.

DEAR MR. BOW: This is in response to your letter of July 30, 1957, requesting information on the policy of the Atomic Energy Commission in the testing of manufacturers' products in connection with the weapons tests in Nevada. You expressed particular concern about the headline of an article which appeared in the American Banker on July 11, 1957, which states that "AEC puts stamp of approval on Mosler safe in A-Blast."

The AEC does not put a "stamp of approval" or in any way endorse products of particular manufacturers tested at the Nevada test site and did not do so in the case of the Mosler safe referred to in the article appearing in the American Banker. Products of various manufacturers have been tested in Nevada at each series since 1952, under "Industry Participation Agreements" with the Federal Civil Defense Administration. The products to be tested under the terms of the agreements, the selection of the manufacturers, and the funding arrangements, are handled by the Federal Civil Defense Administration. FCDA makes a determination that the information sought can only be obtained under nuclear test conditions and that the results will be of value to civil defense. The AEC, in addition, screens the proposals to be certain that the proposed tests are feasible and that they will not interfere with the primary purposes of the test series which are the development of weapons and the obtaining of data needed to carry out AEC's responsibilities for health and safety in its operations. The AEC further requires that the foreseeable results of the tests be of scientific value beyond the particular interests of the manufacturer and that no statements or reports of any kind be made without the express approval of the AEC's Office of Test Information located in Las Vegas.

The Mosler vault test was specifically mentioned at a press briefing in Las Vegas on July 10, 1957, conducted by the Office of Test Information. The Mosler vault was also identified in a prepared statement released by that Office the same day. Copies of both documents are attached for your information. It will be noted that the text of the article which appeared in the American Banker is generally consistent with the reports of the Office of Test Information, but that there is no basis for the headline. Representatives of the Federal Civil Defense Administration are endeavoring to determine responsibility for the authorship of the headline.

In regard to your question pertaining to the authority of the AEC under the Atomic Energy Act, there is no specific provision in the act which would permit us to "test and approve products of particular manufacturers." We do, of course, test products at the test sites and in our laboratories to determine their usefulness, safety, and reliability in connection with the various AEC

programs; but such tests are not for the benefit of the vendor or manufacturer, and in no case do we endorse the product or give it a stamp of approval. While the Atomic Energy Act of 1954, as amended, considered as a whole, contains broad authority to carry out its purposes, section 31, pertaining to research and development, and section 161, entitled "General Authority," provides more specific authority. It should be pointed out, however, that in the industry-participation program at the Nevada test site, the Commission is accommodating another Federal agency, namely, the Federal Civil Defense Administration. In our agreement with that agency, we have taken cognizance of its authority under Public Law 920, 81st Congress, to conduct research pertaining to civil defense, and also Public Law 537, 83d Congress, a general law enabling industry to deposit funds with the United States to the credit of agencies such as FCDA for defense purposes. It is under such authority that FCDA entertains proposals from industry and makes arrangements with particular companies (usually through manufacturers' associations) for the testing of their products. At the conclusion of the test series copies of the technical reports on the manufacturers' products tested are made available to industry and the public in unclassified form.

The Commission has, as a matter of policy, endeavored to accommodate other departments and agencies of the Government who have a need for information which can only be obtained by exposing materials, products, and structures to a nuclear detonation. The Public Buildings Administration and the Food and Drug Administration, for example, also have participated in the tests and have gained information of great value from the standpoint of national protection. Thus, there have been extremely useful byproducts of the Nevada tests. It is regrettable that, in addition to not being factual, such headlines as that which appeared in the American Banker tend to discredit what is basically a very worthwhile and carefully developed program.

If there is any additional information which you desire, we shall be happy to furnish it.

Sincerely yours,

R. W. COOK,
Deputy General Manager.

STATEMENT BY HAL J. JENNINGS, DIRECTOR, PROGRAM 30, CETG, SHELTERS FOR CIVIL POPULATIONS—OPERATION PLUMBBOB

The primary objectives of these tests are to develop engineering and design criteria for the development of shelters for protection against blast and nuclear radiation.

* * * * *

A fourth project, sponsored by the Mosler Safe Co., of Hamilton Ohio, in cooperation with the Federal Civil Defense Administration, is a one-half-inch plate steel vault covered with 18 inches of reinforced concrete. It is 11 feet 2 inches by 17 feet 3 inches by 9 feet 8 inches high fully exposed above the ground, except for the foundation. The one-half-inch plate steel vault liner is completely welded to form an airtight chamber. Closure is effected by a standard steel safe door, which faced ground zero. The vault was instrumented by Sandia Corp. for loading to obtain diffraction pressures and patterns. The vault structure was designed by Ammann and Whitney, consulting engineers for the Mosler Safe Co.

The structure has remained an integral unit with no apparent overall distortion or displacement. A layer of concrete has spalled off the front portion of the side walls and exposed some of the reinforcing bars and a small area of the internal 8 feet by 8 feet by 12 feet 7½-inch box of one-half-inch thick steel plate. The interior of the one-half-inch plate steel liner was undamaged and there was no apparent breaking of the welds as evidenced by a postshot air test. While all external projections except the nameplate were removed from the door by the blast, a Mosler representative opened the door in a few minutes. Preliminary examination of the interior gave no evidence of significant increase in temperature.

PRESS RELEASE FROM NEVADA TEST ORGANIZATION, OFFICE OF TEST INFORMATION, LAS VEGAS, NEV.

The following preliminary reports have been released by project officers in charge of the structure tests made by the Federal Civil Defense Administration under the civil effects test group program:

* * * * *

PROJECT 30.4—VAULT

The Mosler vault tested in Operation Plumbbob survived in satisfactory condition.

It is expected that instrument records will yield important new information on blast pressure phenomena in the high-pressure region.

A layer of concrete was blasted off the front portion of the side walls and exposed some of the reinforcing bars and a small area of the internal 8 feet by 8 feet by 12 feet 7½-inch box of one-half-inch thick steel plate which had been enclosed in an 18-inch thick reinforced concrete shell. The modified Mosler bank vault door survived with no structural damage although all external projections except the nameplate were removed by the blast. The interior one-half-inch plate steel liner was undamaged and there was no apparent breaking of the welds. Preliminary examination of the interior gave no evidence of significant increase in temperature.

The program was sponsored and supervised by the Mosler Safe Co. Ammann and Whitney served as consulting engineers for design and on the testing.

Mr. DURHAM. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I do not intend delaying the consideration of this bill at the present time. I expect to have a rollcall on this amendment.

The committee, of course, held extensive hearings, some 700 pages, on this situation in regard to all of these reactors. I think we all want this program to go on, that is, the co-op program, because when we wrote the 1954 act we tried to treat all power producing people alike, private as well as public, and we should. But, we find what happens in the situation here today when these little co-ops are coming down here to the REA and borrowing money. One borrowed about $5 million or something like that, and agreed to pay 2.5 percent in deferred interest and made only $16,000 in surplus last year.

Now, we can very easily see the situation we are getting the rural co-ops in with closed-end amounts covering their operating losses. So we tried to place certain protection around them, and that is in regard to the making of direct contracts with the Commission, just as at Shippingport and all the others. And, I cannot see why there is any objection to it. Under the Cole amendment you are giving about $150 million in program, to be exact, to the Commission, to use in any way they want to. Now, if the Congress wants to operate in that manner, why, go ahead.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. DURHAM. I yield to the gentleman from Minnesota.

Mr. JUDD. Why should the Federal Government be so oversolicitous allegedly to protect these co-ops when they themselves do not feel the need for it? We have in Minnesota one of the co-ops affected by this bill and it is begging to be left alone. It has completed its preliminary engineering work; its plans are drawn; it has worked out a contract with AEC and in fact it has signed the contract, but the AEC understandably is now unwilling to sign until it knows whether the Congress in this bill is going to change the ground rules.

Mr. DURHAM. I just thought I would give you the reasons, because REA funds are Federal funds, and I think the Congress should have some control over the projects in which those funds will be put. But, here we are giving them $2.5 million out of one pocket and $5 million out of the other.

Mr. JUDD. Those REA funds are repayable, as you know. The co-op is to get funds from the REA for everything that has to do with this project except the atomic reactor that it gets from the AEC. The co-op members and managers have exhibited the finest type of traditional American initiative in working with AEC, on a mutually beneficial basis, to make atomic power available on a relatively small scale and at competitive rates in the rural communities of our country. Minnesota is a logical place to experiment because it has about the highest cost electric power in the United States, due to lack of other fuels. The co-op is ready to go ahead, and it seems to me that we ought to let them do it, instead of Congress coming along now and in this bill saying to them, "Now, we have to protect you from your own inability to understand this complicated process, even though your plans meet the approval of the AEC." Why should we not adopt this amendment and let them do their best in this field where they have already made enormous strides?

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. Durham. I yield to the gentleman from California.

Mr. HOLIFIELD. I would like to have the attention of the gentleman from Minnesota. I wish to comment on the problem involved. Part of the problem of the Elk River people is the continuity of power which would be in this plant. Now, these plants are experimental and developmental plants. They may be able to furnish steady power, but more likely will be intermittent power and there may be shutdowns.

Now, the Elk River Co-op, for instance, buys its turbo-generating equipment with the money received through the REA. Then it is hooked up to the reactor. The reactor cannot furnish them with steady power, so one of the things they are concerned about is what to do with it when the atomic reactor is shut down. One of the things which the committee formula provides as a protection to these cooperative power groups who are not allowed to accumulate financial reserves, is that when interruption of power occurs the AEC will

provide alternate power from a commercial source. This is the protection which the Elk River people want and which they may not get from AEC, unless AEC voluntarily adopts our protective principles.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

The question is on the amendment offerd by the gentleman from New York [Mr. COLE].

The question was taken; and on a division (demanded by Mr. DURHAM) there were—ayes 140, noes 89.

So the amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. DELANEY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 8996) to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes, pursuant to House Resolution 391, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment?

Mr. DURHAM. Mr. Speaker, I ask for a separate vote on the three amendments.

Mr. HOLIFIELD. Mr. Speaker, in order to clarify the situation from a parliamentary standpoint, the first amendment is the amendment on page 2, item 8.

The second amendment is the amendment on page 5, the double amendment on project 14, on line 9, and project 15, through line 15. If those amendments carry, it will be necessary then to restore section 110, which was stricken but which pertains to those.

Mr. MARTIN. Mr. Speaker, we cannot have any discussion, can we, on this?

The SPEAKER. The gentleman is asking for a separate vote and trying to identify the amendments.

Mr. MARTIN. But he cannot go further than that.

The SPEAKER. The gentleman will stay within the rules.

Mr. HOLIFIELD. I was under the impression I was within the rules by identifying the amendments. I will try to stay within the rules.

Then the last amendment, which pertains to section 111, would be the third amendment.

The SPEAKER. A separate vote is demanded on all four amendments, as the Chair understands it.

Mr. HOLIFIELD. That is right.

The SPEAKER. The Clerk will report the first amendment on which a separate vote is demanded.

The Clerk read as follows:

On page 2, line 19, strike all of subparagraph 8 from page 2, line 19, through page 3, line 5.

The SPEAKER. The question is on the amendment.

Mr. HOLIFIELD. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 197, nays 201, not voting 34, as follows:

[Roll No. 184]

YEAS—197

Abbitt	Dorn, N. Y.	Moore
Adair	Dowdy	Morano
Alger	Dwyer	Morgan
Allen, Calif.	Fenton	Mumma
Allen, Ill.	Fino	Neal
Andersen, H. Carl	Flood	Nicholson
	Flynt	Nimtz
Andresen, August H.	Ford	Norblad
	Frelinghuysen	O'Hara, Minn.
Arends	Fulton	O'Konski
Auchincloss	Gavin	Osmers
Avery	George	Ostertag
Ayres	Griffin	Patterson
Bailey	Gross	Perkins
Baldwin	Gubser	Pillion
Bass, N. H.	Gwinn	Poff
Bates	Hale	Prouty
Baumhart	Halleck	Radwan
Becker	Harden	Ray
Belcher	Harrison, Nebr.	Reece, Tenn.
Bennett, Mich.	Harvey	Reed
Bentley	Haskell	Rees, Kans.
Berry	Hébert	Rhodes, Ariz.
Betts	Henderson	Riehlman
Bolton	Heselton	Robsion, Ky.
Bosch	Hill	Rogers, Mass.
Bow	Hoeven	Sadlak
Bray	Hoffman	St. George
Broomfield	Holt	Saylor
Brown, Ohio	Hosmer	Schenck
Broyhill	Hyde	Scherer
Budge	Jackson	Schwengel
Bush	James	Scott, Pa.
Byrd	Jenkins	Scrivner
Byrne, Ill.	Jennings	Scudder
Byrnes, Wis.	Jensen	Seely-Brown
Canfield	Johansen	Sheehan
Carrigg	Jonas	Simpson, Ill.
Cederberg	Judd	Simpson, Pa.
Chamberlain	Kean	Smith, Calif.
Chenoweth	Kearns	Smith, Kans.
Chiperfield	Keating	Smith, Wis.
Church	Kee	Springer
Clark	Keeney	Staggers
Clevenger	Knox	Stauffer
Cole	Laird	Taber
Collier	Latham	Talle
Corbett	LeCompte	Teague, Calif.
Coudert	Lipscomb	Tewes
Cramer	McConnell	Thomson, Wyo.
Cretella	McCulloch	Tuck
Cunningham, Iowa	McDonough	Utt
	McGovern	Van Zandt
Cunningham, Nebr.	McGregor	Vorys
	McIntire	Vursell
Curtin	McIntosh	Wainwright
Curtis, Mass.	McMillan	Walter
Davis, Ga.	McVey	Weaver
Dawson, Utah	Mack, Wash.	Westland
Delay	Martin	Wharton
Dennison	May	Widnall
Denton	Meader	Wigglesworth
Derounian	Merrow	Williams, N. Y.
Devereux	Michel	Wilson, Ind.
Dies	Miller, Md.	Withrow
Dixon	Miller, Nebr.	Wolverton
Dooley	Minshall	Younger

NAYS—201

Abernethy	Boyle	Dingell
Addonizio	Breeding	Dollinger
Albert	Brooks, La.	Donohue
Alexander	Brooks, Tex.	Dorn, S. C.
Anderson, Mont.	Brown, Ga.	Doyle
	Brown, Mo.	Durham
Andrews	Burdick	Eberharter
Ashley	Burleson	Edmondson
Ashmore	Byrne, Pa.	Elliott
Aspinall	Cannon	Engle
Baker	Carnahan	Evins
Barden	Chelf	Fallon
Baring	Christopher	Farbstein
Barrett	Chudoff	Fascell
Bass, Tenn.	Coad	Feighan
Beckworth	Coffin	Fisher
Bennett, Fla.	Colmer	Fogarty
Blatnik	Cooley	Forand
Blitch	Cooper	Forrester
Boggs	Dawson, Ill.	Fountain
Boland	Delaney	Frazier
Bonner	Dempsey	Garmatz
Boykin	Diggs	Gary
Gathings	Loser	Rogers, Colo.
Gordon	McCarthy	Rogers, Fla.
Granahan	McCormack	Rogers, Tex.
Grant	McFall	Rooney
Green, Oreg.	Macdonald	Roosevelt
Green, Pa.	Mack, Ill.	Rutherford
Gregory	Madden	Saund
Griffiths	Magnuson	Scott, N. C.
Hagen	Mahon	Selden
Haley	Marshall	Shelley
Hardy	Matthews	Sheppard
Harris	Metcalf	Sieminski
Harrison, Va.	Miller, Calif.	Sikes
Hays, Ark.	Mills	Sisk
Healey	Montoya	Smith, Miss.
Hemphill	Morris	Smith, Va.
Herlong	Morrison	Spence
Holifield	Moss	Steed
Holland	Moulder	Sullivan
Holmes	Multer	Teague, Tex.
Horan	Murray	Teller
Huddleston	Natcher	Thomas
Hull	Norrell	Thompson, La.
Ikard	O'Brien, Ill.	Thompson, N. J.
Jarman	O'Brien, N. Y.	Thompson, Tex.
Johnson	O'Hara, Ill.	Thornberry
Jones, Ala.	O'Neill	Tollefson
Jones, Mo.	Passman	Trimble
Karsten	Patman	Udall
Kelly, N. Y.	Pelly	Ullman
Keogh	Pfost	Vanik
Kilday	Philbin	Watts
Kilgore	Pilcher	Whitener
King	Poage	Whitten
Kirwan	Polk	Wier
Kitchin	Price	Williams, Miss.
Kluczynski	Rabaut	Willis
Knutson	Rains	Winstead
Landrum	Reuss	Wright
Lane	Rhodes, Pa.	Yates
Lanham	Riley	Young
Lankford	Rivers	Zablocki
Lennon	Roberts	Zelenko
Lesinski	Robeson, Va.	
Long	Rodino	

NOT VOTING—34

Anfuso	Hess	Porter
Beamer	Hiestand	Powell
Bolling	Hillings	Preston
Brownson	Holtzman	Santangelo
Buckley	Kearney	Shuford
Celler	Kelley, Pa.	Siler
Curtis, Mo.	Kilburn	Taylor
Dague	Krueger	Van Pelt
Davis, Tenn.	Machrowicz	Vinson
Friedel	Mailliard	Wilson, Calif.
Gray	Mason	
Hays, Ohio	Miller, N. Y.	

So the amendment was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Taylor for, with Mr. Holtzman against.

Mr. Hess for, with Mr. Buckley against.

Mr. Beamer for, with Mr. Anfuso against.

Mr. Brownson for, with Mr. Santangelo against.

Mr. Kearney for, with Mr. Vinson against.

Mr. Hiestand for, with Mr. Preston against.

Mr. Siler for, with Mr. Friedel against.

Mr. Mailliard for, with Mr. Shuford against.

Mr. Van Pelt for, with Mr. Hays of Ohio against.

Mr. Hillings for, with Mr. Davis of Tennessee against.

Mr. Krueger for, with Mr. Bolling against.

Mr. Miller of New York for, with Mr. Celler against.

Mr. Curtis of Missouri for, with Mr. Machrowicz against.

Mr. Kelley of Pennsylvania for, with Mr. Porter against.

Mr. Gray for, with Mr. Powell against.

Mr. BURDICK changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. ALBERT). The Clerk will report the next amendment on which a separate vote is demanded.

The Clerk read as follows:

On page 5, line 9, strike out all of lines 9 through 15.

The SPEAKER pro tempore. The question is on the amendment.

Mr. HOLIFIELD. On that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 211, nays 188, not voting 33, as follows:

[Roll No. 185]

YEAS—211

Abbitt	Fenton	Morano
Adair	Fino	Morgan
Alger	Fisher	Mumma
Allen, Calif.	Flood	Natcher
Allen, Ill.	Flynt	Neal
Andersen, H. Carl	Frelinghuysen	Nicholson
Andresen, August H.	Fulton	Nimtz
Arends	Gary	Norblad
Auchincloss	Gathings	O'Brien, N. Y.
Ayres	Gavin	O'Hara, Minn.
Bailey	George	O'Konski
Baldwin	Grant	Osmers
Bass, N. H.	Gray	Ostertag
Bates	Griffin	Patterson
Baumhart	Gross	Perkins
Becker	Gubser	Pillion
Belcher	Gwinn	Poff
Bennett, Mich.	Hale	Prouty
Bentley	Halleck	Radwan
Berry	Harden	Ray
Betts	Hardy	Reece, Tenn.
Bolton	Harrison, Nebr.	Reed
Bosch	Harrison, Va.	Rees, Kans.
Bow	Harvey	Rhodes, Ariz.
Boykin	Haskell	Riehlman
Bray	Hébert	Robeson, Va.
Broomfield	Henderson	Robsion, Ky.
Brown, Ohio	Heselton	Rogers, Mass.
Broyhill	Hill	Sadlak
Budge	Hoeven	St. George
Bush	Hoffman	Saylor
Byrd	Holt	Schenck
Byrne, Ill.	Hosmer	Scherer
Byrnes, Wis.	Hyde	Schwengel
Canfield	Jackson	Scott, Pa.
Carrigg	James	Scrivner
Cederberg	Jenkins	Scudder
Chamberlain	Jennings	Seely-Brown
Chelf	Jensen	Sheehan
Chenoweth	Johansen	Simpson, Ill.
Chiperfield	Jonas	Simpson, Pa.
Church	Judd	Smith, Calif.
Clark	Kean	Smith, Kans.
Clevenger	Kearns	Smith, Va.
Cole	Keating	Smith, Wis.
Collier	Kee	Springer
Colmer	Keeney	Staggers
Corbett	Knox	Stauffer
Coudert	Laird	Taber
Cramer	Latham	Talle
Cretella	LeCompte	Teague, Calif.
Cunningham, Iowa	Lennon	Tewes
Cunningham, Nebr.	Lipscomb	Thomson, Wyo.
Curtin	McConnell	Tuck
Curtis, Mass.	McCulloch	Utt
Davis, Ga.	McDonough	Van Zandt
Dawson, Utah	McGregor	Vorys
Dellay	McIntire	Vursell
Dennison	McIntosh	Wainwright
Denton	McMillan	Walter
Derounian	Martin	Weaver
Devereux	May	Westland
Dies	Meader	Wharton
Dixon	Merrow	Widnall
Dooley	Michel	Wigglesworth
Dorn, N. Y.	Miller, Md.	Williams, Miss.
Dowdy	Miller, Nebr.	Williams, N. Y.
Dwyer	Minshall	Wilson, Ind.
	Moore	Withrow
		Wolverton
		Younger

NAYS—188

Abernethy	Boggs	Cooley
Addonizio	Boland	Cooper
Albert	Bonner	Dawson, Ill.
Alexander	Boyle	Delaney
Anderson, Mont.	Breeding	Dempsey
Andrews	Brooks, La.	Diggs
Ashley	Brooks, Tex.	Dingell
Ashmore	Brown, Ga.	Dollinger
Aspinall	Brown, Mo.	Donohue
Baker	Burdick	Dorn, S. C.
Barden	Burleson	Doyle
Baring	Byrne, Pa.	Durham
Barrett	Cannon	Eberharter
Bass, Tenn.	Carnahan	Edmondson
Beckworth	Celler	Elliott
Bennett, Fla.	Christopher	Engle
Blatnik	Chudoff	Evins
Blitch	Coad	Fallon
	Coffin	Farbstein
Fascell	Lanham	Rivers
Feighan	Lankford	Roberts
Fogarty	Lesinski	Rodino
Forand	Long	Rogers, Colo.
Forrester	Loser	Rogers, Fla.
Fountain	McCarthy	Rogers, Tex.
Frazier	McCormack	Rooney
Garmatz	McFall	Roosevelt
Gordon	McGovern	Rutherford
Granahan	Macdonald	Saund
Green, Oreg.	Mack, Ill.	Scott, N. C.
Green, Pa.	Madden	Selden
Gregory	Magnuson	Shelley
Griffiths	Mahon	Sheppard
Hagen	Marshall	Sieminski
Haley	Matthews	Sikes
Harris	Metcalf	Sisk
Hays, Ark.	Miller, Calif.	Smith, Miss.
Healey	Mills	Spence
Hemphill	Montoya	Steed
Herlong	Morris	Sullivan
Holifield	Morrison	Teague, Tex.
Holland	Moss	Teller
Holmes	Moulder	Thomas
Horan	Multer	Thompson, La.
Huddleston	Murray	Thompson, N. J.
Hull	Norrell	Thompson, Tex.
Ikard	O'Brien, Ill.	Thornberry
Jarman	O'Hara, Ill.	Tollefson
Johnson	O'Neill	Trimble
Jones, Ala.	Passman	Udall
Jones, Mo.	Patman	Ullman
Karsten	Pelly	Vanik
Kelly, N. Y.	Pfost	Watts
Keogh	Philbin	Whitener
Kilday	Pilcher	Whitten
Kilgore	Poage	Wier
King	Polk	Willis
Kirwan	Price	Winstead
Kitchin	Rabaut	Wright
Kluczynski	Rains	Yates
Knutson	Reuss	Young
Landrum	Rhodes, Pa.	Zablocki
Lane	Riley	Zelenko

NOT VOTING—33

Anfuso	Hess	Miller, N. Y.
Avery	Hiestand	Porter
Beamer	Hillings	Powell
Bolling	Holtzman	Preston
Brownson	Kearney	Santangelo
Buckley	Kelley, Pa.	Shuford
Curtis, Mo.	Kilburn	Siler
Dague	Krueger	Taylor
Davis, Tenn.	Machrowicz	Van Pelt
Friedel	Mailliard	Vinson
Hays, Ohio	Mason	Wilson, Calif.

So the amendment was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Kelley of Pennsylvania for, with Mr. Holtzman against.

Mr. Hess for, with Mr. Bolling against.

Mr. Hiestand for, with Mr. Hays of Ohio against.

Mr. Taylor for, with Mr. Santangelo against.

Mr. Beamer for, with Mr. Vinson against.

Mr. Siler for, with Mr. Preston against.

Mr. Brownson for, with Mr. Machrowicz against.

Mr. Mailliard for, with Mr. Buckley against.

Mr. Van Pelt for, with Mr. Friedel against.

Mr. Hillings for, with Mr. Davis of Tennessee against.

Mr. Kearney for, with Mr. Powell against.

Mr. Krueger for, with Mr. Porter against.

Mr. Curtis of Missouri for, with Mr. Anfuso against.

Mr. Miller of New York for, with Mr. Shuford against.

Mr. HULL changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER. The Clerk will report the next amendment on which a separate vote is demanded.

The Clerk read as follows:

Page 14, line 13, strike out all of section 110.

The SPEAKER. The question is on the amendment.

Mr. HOLIFIELD. Mr. Speaker, the vote on the previous amendment took care of this amendment, and there is no reason for a rollcall. I withdraw my request for a rollcall.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The Clerk will report the next amendment on which a separate vote is demanded.

The Clerk read as follows:

On page 15, line 14, strike out all of section 111 (a) and substitute the following:

"SEC. 111. Cooperative power reactor demonstration program.—(a) There is hereby authorized to be appropriated to the Atomic Energy Commission, in accordance with the provisions of section 261 a (2) of the Atomic Energy Act of 1954, as amended, the sum of $132,621,000: *Provided, however,* That not more than $1,500,000 is authorized for the Power Reactor Development Company project during fiscal year 1958."

The SPEAKER. The question is on the amendment.

Mr. DURHAM. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 213, nays 185, not voting 34, as follows:

[Roll No. 186]

YEAS—213

Abbitt	Dorn, S. C.	McMillan
Adair	Dowdy	McVey
Alger	Dwyer	Mahon
Allen, Calif.	Fenton	Martin
Allen, Ill.	Fino	May
Arends	Fisher	Meader
Ashmore	Flood	Merrow
Auchincloss	Flynt	Michel
Avery	Ford	Miller, Md.
Ayres	Frelinghuysen	Minshall
Bailey	Fulton	Moore
Baldwin	Gary	Morano
Bass, N. H.	Gathings	Morgan
Bates	Gavin	Mumma
Baumhart	George	Natcher
Becker	Gray	Nicholson
Belcher	Griffin	Nimtz
Bentley	Gross	O'Brien, N. Y.
Betts	Gubser	O'Hara, Minn.
Bolton	Gwinn	Osmers
Bosch	Hale	Ostertag
Bow	Haley	Patman
Bray	Halleck	Patterson
Brooks, La.	Harden	Perkins
Broomfield	Harvey	Pillion
Brown, Ohio	Haskell	Poff
Broyhill	Hébert	Prouty
Budge	Hemphill	Radwan
Burleson	Henderson	Ray
Bush	Herlong	Reece, Tenn.
Byrd	Heselton	Reed
Byrne, Ill.	Hill	Rees, Kans.
Byrnes, Wis.	Hoeven	Rhodes, Ariz.
Canfield	Hoffman	Riehlman
Carrigg	Holt	Riley
Cederberg	Hosmer	Rivers
Chamberlain	Huddleston	Robeson, Va.
Chenoweth	Hyde	Robsion, Ky.
Chiperfield	Jackson	Rogers, Colo.
Church	James	Rogers, Fla.
Clark	Jarman	Rogers, Mass.
Clevenger	Jenkins	Sadlak
Cole	Jennings	St. George
Collier	Jensen	Saylor
Colmer	Johansen	Schenck
Corbett	Jonas	Scherer
Coudert	Judd	Schwengel
Cramer	Kean	Scott, Pa.
Cretella	Kearns	Scrivner
Cunningham, Iowa	Keating	Scudder
Curtin	Kee	Seely-Brown
Curtis, Mass.	Keeney	Sheehan
Davis, Ga.	Keogh	Sikes
Dawson, Utah	Kilgore	Simpson, Ill.
Dellay	Knox	Simpson, Pa.
Dennison	Laird	Smith, Calif.
Denton	Latham	Smith, Kans.
Derounian	LeCompte	Smith, Va.
Devereux	Lipscomb	Smith, Wis.
Dies	McConnell	Springer
Dixon	McDonough	Staggers
Dooley	McGregor	Stauffer
Dorn, N. Y.	McIntire	Taber
	McIntosh	Talle

Teague, Calif.	Wainwright	Williams, N. Y.
Tewes	Walter	Wilson, Ind.
Thomson, Wyo.	Watts	Withrow
Tuck	Westland	Wright
Utt	Wharton	Younger
Van Zandt	Widnall	Zablocki
Vorys	Wigglesworth	
Vursell	Williams, Miss.	

NAYS—185

Abernethy	Feighan	Morris
Addonizio	Fogarty	Morrison
Albert	Forand	Moss
Alexander	Forrester	Moulder
Andersen, H. Carl	Fountain	Multer
	Frazier	Murray
Anderson, Mont.	Garmatz	Norblad
	Gordon	Norrell
Andresen, August H.	Granahan	O'Brien, Ill.
	Grant	O'Hara, Ill.
Andrews	Green, Oreg.	O'Konski
Ashley	Green, Pa.	O'Neill
Aspinall	Gregory	Passman
Baker	Griffiths	Pelly
Barden	Hagen	Pfost
Baring	Hardy	Philbin
Barrett	Harris	Pilcher
Bass, Tenn.	Harrison, Nebr.	Poage
Beckworth	Harrison, Va.	Polk
Bennett, Fla.	Hays, Ark.	Price
Bennett, Mich.	Healey	Rabaut
Berry	Holifield	Rains
Blatnik	Holland	Reuss
Blitch	Holmes	Rhodes, Pa.
Boggs	Horan	Roberts
Boland	Hull	Rodino
Bonner	Ikard	Rogers, Tex.
Boyle	Johnson	Rooney
Breeding	Jones, Ala.	Roosevelt
Brooks, Tex.	Jones, Mo.	Rutherford
Brown, Ga.	Karsten	Saund
Brown, Mo.	Kelly, N. Y.	Scott, N. C.
Burdick	Kilday	Selden
Byrne, Pa.	King	Shelley
Cannon	Kirwan	Sheppard
Carnahan	Kitchin	Sieminski
Celler	Kluczynski	Sisk
Chelf	Knutson	Smith, Miss.
Christopher	Landrum	Spence
Chudoff	Lane	Steed
Coad	Lanham	Sullivan
Coffin	Lankford	Teague, Tex.
Cooley	Lennon	Teller
Cooper	Lesinski	Thomas
Cunningham, Nebr.	Long	Thompson, La.
	Loser	Thompson, N. J.
Dawson, Ill.	McCarthy	Thompson, Tex.
Delaney	McCormack	Thornberry
Dempsey	McCulloch	Tollefson
Diggs	McFall	Trimble
Dingell	McGovern	Udall
Dollinger	Macdonald	Ullman
Donohue	Mack, Ill.	Vanik
Doyle	Mack, Wash.	Weaver
Durham	Madden	Whitener
Eberharter	Magnuson	Whitten
Edmondson	Marshall	Wier
Elliott	Matthews	Willis
Engle	Metcalf	Winstead
Evins	Miller, Calif.	Wolverton
Fallon	Miller, Nebr.	Yates
Farbstein	Mills	Young
Fascell	Montoya	Zelenko

NOT VOTING—34

Anfuso	Hiestand	Porter
Beamer	Hillings	Powell
Bolling	Holtzman	Preston
Boykin	Kearney	Santangelo
Brownson	Kelley, Pa.	Shuford
Buckley	Kilburn	Siler
Curtis, Mo.	Krueger	Taylor
Dague	Machrowicz	Van Pelt
Davis, Tenn.	Mailliard	Vinson
Friedel	Mason	Wilson, Calif.
Hays, Ohio	Miller, N. Y.	
Hess	Neal	

So the amendment was agreed to.

The Clerk announced the following pairs:

Mr. Santangelo with Mr. Taylor.
Mr. Holtzman with Mr. Brownson.
Mr. Hays of Ohio with Mr. Beamer.
Mr. Bolling with Mr. Kilburn.
Mr. Anfuso with Mr. Krueger.
Mr. Buckley with Mr. Siler.
Mr. Vinson with Mr. Hess.
Mr. Preston with Mr. Hiestand.
Mr. Porter with Mr. Dague.
Mr. Machrowicz with Mr. Wilson of California.
Mr. Magnuson with Mr. Hillings.
Mr. Powell with Mr. Kearney.
Mr. Davis of Tennessee with Mr. Neal.
Mr. Abernethy with Mr. Miller of New York.
Mr. Friedel with Mr. Curtis of Missouri.
Mr. Kelley of Pennsylvania with Mr. Van Pelt.
Mr. Shuford with Mr. Mailliard.

Mr. FOGARTY, Mr. POAGE, and Mr. HEALEY changed their votes from "yea" to "nay."

Mr. DENTON and Mr. O'BRIEN of New York changed their votes from "nay" to "yea."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. COLE. Mr. Speaker, on this vote I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 383, nays 14, not voting 35 as follows:

[Roll No. 187]

YEAS—383

Abbitt	Cannon	Forand
Abernethy	Carnahan	Ford
Adair	Carrigg	Forrester
Addonizio	Cederberg	Fountain
Albert	Celler	Frazier
Alexander	Chamberlain	Frelinghuysen
Alger	Chelf	Fulton
Allen, Calif.	Chenoweth	Garmatz
Allen, Ill.	Chiperfield	Gary
Andersen, H. Carl	Christopher	Gathings
	Chudoff	Gavin
Anderson, Mont.	Church	George
	Clark	Gordon
Andresen, August H.	Clevenger	Granahan
	Coad	Grant
Andrews	Coffin	Green, Oreg.
Arends	Cole	Green, Pa.
Ashley	Colmer	Gregory
Ashmore	Cooley	Griffin
Aspinall	Cooper	Griffiths
Auchincloss	Corbett	Gross
Avery	Coudert	Gubser
Ayres	Cramer	Gwinn
Baker	Cretella	Hagen
Baldwin	Cunningham, Iowa	Hale
Barden		Haley
Baring	Cunningham, Nebr.	Halleck
Barrett		Harden
Bass, N. H.	Curtin	Hardy
Bass, Tenn.	Curtis, Mass.	Harris
Bates	Davis, Ga.	Harrison, Nebr.
Baumhart	Dawson, Ill.	Harrison, Va.
Becker	Dawson, Utah	Harvey
Beckworth	Delaney	Haskell
Belcher	Dellay	Hays, Ark.
Bennett, Fla.	Dempsey	Healey
Bennett, Mich.	Dennison	Hébert
Bentley	Derounian	Hemphill
Berry	Devereux	Henderson
Betts	Dies	Herlong
Blatnik	Diggs	Heselton
Blitch	Dingell	Hill
Boggs	Dixon	Hoeven
Boland	Dollinger	Hoffman
Bolton	Donohue	Holifield
Bonner	Dooley	Holland
Bosch	Dorn, N. Y.	Holmes
Bow	Dorn, S. C.	Holt
Boykin	Dowdy	Horan
Boyle	Doyle	Hosmer
Breeding	Durham	Huddleston
Brooks, La.	Dwyer	Hull
Brooks, Tex.	Eberharter	Hyde
Broomfield	Edmondson	Ikard
Brown, Ga.	Elliott	Jackson
Brown, Mo.	Engle	James
Brown, Ohio	Evins	Jarman
Broyhill	Fallon	Jenkins
Budge	Farbstein	Jensen
Burdick	Fascell	Johansen
Burleson	Feighan	Johnson
Bush	Fenton	Jonas
Byrne, Ill.	Fino	Jones, Mo.
Byrne, Pa.	Fisher	Judd
Byrnes, Wis.	Flynt	Karsten
Canfield	Fogarty	Kean
Kearns	Murray	Sheppard
Keating	Nicholson	Sieminski
Keeney	Nimtz	Sikes
Kelly, N. Y.	Norblad	Simpson, Ill.
Keogh	Norrell	Simpson, Pa.
Kilday	O'Brien, Ill.	Sisk
Kilgore	O'Brien, N. Y.	Smith, Calif.
King	O'Hara, Ill.	Smith, Kans.
Kirwan	O'Hara, Minn.	Smith, Miss.
Kitchin	O'Konski	Smith, Va.
Kluczynski	O'Neill	Smith, Wis.
Knox	Osmers	Spence
Knutson	Ostertag	Springer
Laird	Passman	Stauffer
Landrum	Patman	Steed
Lane	Patterson	Sullivan
Lanham	Pelly	Taber
Lankford	Perkins	Talle
Latham	Pfost	Teague, Calif.
LeCompte	Philbin	Teague, Tex.
Lennon	Pilcher	Teller
Lesinski	Pillion	Tewes
Lipscomb	Poage	Thomas
Long	Poff	Thompson, La.
Loser	Polk	Thompson, N. J.
McCarthy	Price	Thompson, Tex.
McConnell	Prouty	Thomson, Wyo.
McCormack	Rabaut	Thornberry
McCulloch	Radwan	Tollefson
McDonough	Rains	Trimble
McFall	Ray	Tuck
McGovern	Reece, Tenn.	Udall
McGregor	Rees, Kans.	Ullman
McIntire	Reuss	Utt
McIntosh	Rhodes, Ariz.	Vanik
McMillan	Rhodes, Pa.	Van Zandt
McVey	Riehlman	Vorys
Macdonald	Riley	Vursell
Mack, Ill.	Rivers	Wainwright
Mack, Wash.	Roberts	Walter
Madden	Robeson, Va.	Watts
Mahon	Robsion, Ky.	Weaver
Marshall	Rodino	Westland
Martin	Rogers, Colo.	Wharton
Matthews	Rogers, Fla.	Whitener
May	Rogers, Mass.	Whitten
Meader	Rogers, Tex.	Widnall
Merrow	Rooney	Wier
Metcalf	Roosevelt	Wigglesworth
Michel	Rutherford	Williams, Miss.
Miller, Calif.	Sadlak	Williams, N. Y.
Miller, Md.	St. George	Willis
Miller, Nebr.	Saund	Wilson, Ind.
Mills	Schenck	Winstead
Minshall	Scherer	Withrow
Montoya	Schwengel	Wolverton
Moore	Scott, N. C.	Wright
Morano	Scott, Pa.	Yates
Morris	Scrivner	Young
Morrison	Scudder	Younger
Moss	Seely-Brown	Zablocki
Moulder	Selden	Zelenko
Multer	Sheehan	
Mumma	Shelley	

NAYS—14

Bailey	Flood	Morgan
Bray	Gray	Natcher
Byrd	Jennings	Saylor
Collier	Jones, Ala.	Staggers
Denton	Kee	

NOT VOTING—35

Anfuso	Hillings	Porter
Beamer	Holtzman	Powell
Bolling	Kearney	Preston
Brownson	Kelley, Pa.	Reed
Buckley	Kilburn	Santangelo
Curtis, Mo.	Krueger	Shuford
Dague	Machrowicz	Siler
Davis, Tenn.	Magnuson	Taylor
Friedel	Mailliard	Van Pelt
Hays, Ohio	Mason	Vinson
Hess	Miller, N. Y.	Wilson, Calif.
Hiestand	Neal	

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Kelley of Pennsylvania for, with Mr. Machrowicz against.
Mr. Hess for, with Mr. Vinson against.
Mr. Hiestand for, with Mr. Preston against.
Mr. Beamer for, with Mr. Friedel against.
Mr. Brownson for, with Mr. Buckley against.
Mr. Neal for, with Mr. Anfuso against.
Mr. Siler for, with Mr. Bolling of Missouri against.
Mr. Taylor for, with Mr. Powell against.
Mr. Kearney for, with Mr. Porter against.
Mr. Van Pelt for, with Mr. Santangelo against.

Mr. Curtis of Missouri for, with Mr. Shuford against.

Mr. Krueger for, with Mr. Holtzman against.

Mr. Mailliard for, with Mr. Hays of Ohio against.

Mr. Hillings for, with Mr. Davis of Tennessee against.

Until further notice:

Mr. Buckley with Mr. Miller of New York.

Mr. Boykin with Mr. Kilburn.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. DURHAM. Mr. Speaker, I ask unanimous consent that the Clerk be authorized to correct the section numbers in the bill H. R. 8996 just passed.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

PUBLIC WORKS APPROPRIATION BILL

Mr. CANNON. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file a conference report on H. R. 8090, the public-works appropriation bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

PERSONAL EXPLANATION

Mr. JUDD. Mr. Speaker, on Wednesday last, on rollcall No. 177, there were five Members of the House who were unavoidably detained in conference with the Senate on the mutual security bill. They were the gentleman from Illinois [Mr. GORDON], the gentleman from Pennsylvania [Mr. MORGAN], the gentleman from Missouri [Mr. CARNAHAN], the gentleman from Ohio [Mr. VORYS], and myself. I should like the RECORD to show that was the reason for the absence of those five Members on that rollcall.

FEDERAL EMPLOYEES SALARY ADJUSTMENT

Mr. DELANEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 393 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 2462) to adjust the rates of basic compensation of certain officers and employees of the Federal Government, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Post Office and Civil Service, the bill shall be read for amendment under the 5-minute rule. It shall be in order to consider without the intervention of any point of order the amendment recommended by the Committee on Post Office and Civil Service now printed in the bill. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. DELANEY. Mr. Speaker, I yield 30 minutes to the gentleman from Pennsylvania [Mr. SCOTT] and yield myself such time as I may require.

Mr. Speaker, House Resolution 393 makes in order the consideration of H. R. 2462, the Federal employees salary adjustment bill. The resolution provides for an open rule, 2 hours of general debate on the bill, and waives points of order against the committee amendment now in the bill.

The amendment referred to strikes all after the enacting clause of H. R. 2462 and substitutes an 11-percent salary increase for approximately 968,000 classified, judicial, and legislative employees of the Government, subject to certain limitations. The increase would be effective on the first day of the first pay period which begins on or after September 1, 1957.

The limitations provide that no salary will be increased more than $1,000, that no salary will be increased in excess of the present maximum salary rate, which is $16,000, and no one now receiving this present maximum will receive an increase. The average annual increase will amount to $518.51.

The bill requires the Director of the Bureau of the Budget to provide by regulation for the absorption by the agencies in the executive branch of most of the increases in compensation provided for in the bill within the limits of existing appropriations for the fiscal year. However, it is estimated that the direct payroll cost of this proposed increase will amount to $503 million.

Since there is considerable controversy concerning this bill and its effect on the Government's fiscal policy and the national economy, the Rules Committee has provided adequate time for the Members to fully discuss the measure.

I urge the adoption of House Resolution 393 so the House may proceed to the consideration of H. R. 2462.

Mr. WOLVERTON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. WOLVERTON. Mr. Speaker, the pending rule will bring before the House H. R. 2462 for consideration.

This bill is known as the Federal Employees Salary Adjustment Act. The purpose of this bill is to adjust the rates of basic compensation for certain officers and employee of the Federal Government.

The general effect of this bill, if adopted in the form recommended by the committee, is to provide an 11 percent salary increase for classified, judicial, and legislative employees of the Federal Government subject to some limitations as follows: First, no salary will be increased by more than $1,000 a year; second, no salary will be increased to an amount in excess of $16,000 a year—the existing maximum salary rate provided by the Classification Act of 1949, as amended—which was recently raised from $14,800 to $16,000 a year; and third, no present salary of $16,000 or more will receive any increase. The average salary increase for classified employees will be $518.51 per annum.

The committee conducted complete hearings with respect to adjustments in the compensation of classified Federal employees. Witnesses representing nine major employee organizations, members of the Civil Service Commission, representatives of the Bureau of the Budget, and a number of Members of Congress appeared and testified. Every witness except those from the Civil Service Commission and the Bureau of the Budget strongly urged substantial upward adjustment in the compensation of these employees, and presented persuasive evidence in support of such adjustments.

In my opinion, Federal employees made out a conclusive case for immediate and substantial salary increases. Since July 1, 1951, classified Federal employees have received only 1 basic salary increase of 7½ percent, which was generally effective March 1, 1955. That salary increase failed by a considerable margin at that time to bring the compensation of these employees abreast of the rise in the cost of living and of salary increases granted other employees in private business and industry. They have lagged behind increases in the cost of living since the World War II period.

Since 1952, the average hourly straight-time earnings of employees in manufacturing industries have increased 18.5 percent. The 7½-percent increase granted classified Federal employees during the same period suffers badly in comparison. On this basis alone the 11-percent increase provided for in this bill is amply justified.

As the report of the committee further points out, the continued and accelerated upward spiral in the cost of living is a major factor in the consideration of the salary adjustments provided by this bill. Worse still, the rate of increase is rising, not falling. From every indication the cost of living will continue to rise in the foreseeable future. In the light of such conditions, an immediate and substantial pay adjustment for Federal classified employees is imperative. They are finding it more and more difficult, with their incomes lagging so far behind the increase in the cost of living, to make ends meet and to purchase the commodities they must have to maintain themselves and their families in a reasonable standard of living. This situation is bound to have a damaging effect on the employees' morale and, consequently, on the effectiveness of the performance of their duties for the Government.

Inadequate compensation was given as the primary reason for the high turnover of Federal employees—particularly in the scientific, engineering, and technical fields of Government activity which are essential to the maintenance of a strong national defense. Turnover rates of 25 percent a year and higher were cited, with instance after instance of trained and highly capable employees leaving Federal employment to accept

higher paid positions in private industry.

The cost of recruiting and training new employees and bringing them up, through the necessary period of service, to the standard of production of those they replace is a tremendous item of expense which well could outweigh a large part of the direct payroll cost of the 11-percent salary increase provided by this bill. The Hoover Commission has found that it costs $3,000 merely to recruit and train a new Federal employee up to a reasonable standard. This is aside from the undoubted delays and impediments to progress in carrying out essential Federal programs which result from high employee turnover. Improved morale, which would result from adequate pay scales, likewise, would be of major benefit to the Government.

Nor does the oft-repeated charge that a Federal classified pay raise will, in some remote way, contribute to inflation justify denial of the salary adjustment provided by this bill. The cost of this legislation is a little over two-thirds of 1 percent of our $71.8 billion budget—a very small portion. If we can afford to spend billions of dollars to aid the peoples of other nations, we certainly can afford the comparatively small cost of deserved recognition of our own Federal employees in the form of adequate pay adjustments.

Furthermore, we should never forget that Federal employees are bound to continue to work, regardless of inadequacy of the pay schedule. They do not have the right to enforce their demands by a strike. They are patriotically bound to continue to work in order that the business of government may go on unimpeded. They are therefore entitled to have the sympathetic consideration of Congress to the end that they may be justly and adequately treated in the matter of wages.

I am strongly in support of the bill that is to be brought before the House upon the adoption of the pending rule.

Mr. SCOTT of Pennsylvania. Mr. Speaker, on this side there is no opposition to the rule.

Mr. DELANEY. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

TALK MAY BE CHEAP, BUT DOUBLE-TALK IS MOST EXPENSIVE

Mr. MULTER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MULTER. Mr. Speaker, when Secretary Humphrey raised the interest rate on Government bonds as his last official act, I told this House that that was the signal to the bankers to raise interest rates across the country.

What happened?

First, FHA raised interest and discount rates. Then, while clamoring to legalize discount rates, so high that they result in illegal usurious interest charges, the bankers raised their interest rates one-half of 1 percent.

Next, the Federal Reserve Board increased the rediscount rate another one-half of 1 percent to the highest rate since 1934.

At the same time that the Chairman of the Federal Reserve Board was agreeing with his Board members to do that, he was emphasizing and reemphasizing before the House Banking and Currency Committee that he was for the lowest possible interest rate.

Simultaneously, in the other body, the Under Secretary of the Treasury was testifying that we could soon expect a lowering of interest rates.

The mad race continues between the moneychangers in and out of government. Like the blind Samson of old, their blind greed will surely pull the temple down around our heads.

They are speeding to the top of the spiral of inflation, from which they will tumble us all into the depths of depression and bankruptcy.

The Communists in their wildest dreams, could not bring about our economic destruction any faster than the grasping profiteering of those in control of our money—money which they borrow from us without cost to them or return to us and lend over and over again at ever higher interest rates for their own gain.

A fine old gentleman presides over the House Banking and Currency Committee, and daily tells us how important is the measure we are considering, and just as promptly prevents interrogation of the Government witnesses who can shed the most light on this horrible and horrifying situation.

The big business-big bank collusion, if not conspiracy, in and out of government, goes on day after day while we sit helplessly by.

We fail to hear the whir of the vultures because of the roar of the wolves in sheep's clothing.

I wonder, when the next veterans bread march on Washington occurs, who will be the Captain Eisenhower and the Colonel MacArthur who will lead our Army against them.

Wake up, America. While Dulles talks about the brink of war on foreign fronts, we are about to be pushed over the brink of economic foolhardiness into the chasm of financial collapse.

FEDERAL EMPLOYEES SALARY ADJUSTMENT

Mr. MURRAY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 2462) to adjust the rates of basic compensation of certain officers and employees of the Federal Government, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 2462, with Mr. JONES of Missouri in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. MURRAY. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. DOYLE].

MR. DOYLE TELLS OF DIRECTIVE RE LESS THAN HONORABLE DISCHARGES FROM DEFENSE DEPARTMENT

Mr. DOYLE. Mr. Chairman, I am pleased to advise the House that I have in my hand a directive issued August 7 from the Deputy Assistant Secretary of Defense. It reads:

ASSISTANT SECRETARY OF DEFENSE,
MANPOWER, PERSONNEL, AND RESERVE,
Washington, D. C., August 7, 1957.

Memorandum for Assistant Secretary of the Army (MP&RF), Assistant Secretary of the Navy (P&RF), Assistant Secretary of the Air Force (MP&RF).

Subject: Reenlistment of persons discharged under less than honorable conditions.

Persons discharged or dismissed under less than honorable conditions who demonstrate exemplary civilian behavior for a minimum period of 2 years subsequent to separation may, under appropriate conditions, be granted an opportunity to reenlist in order to permit them to earn honorable discharge by performance of further military duty of a character which warrants such higher recognition.

In determining the acceptability of such an applicant for reenlistment the following, among other factors, should be carefully evaluated:

(a) Nature, seriousness, and circumstances surrounding the offense(s) or conduct for which previously discharged.

(b) Age and military experience at the time of commission of offense(s).

(c) Civilian background, education, employment record, and general reputation in the community before and after military service.

The entitlement of an applicant to reenlist under these conditions is subject to the discretion of the individual service Secretaries, dependent upon the needs of their services. It is not to be construed as establishing a priority for the enlistment of this group in preference to other reenlistees or nonprior service personnel.

This procedure was previously agreed to by members of the armed services in coordinated consultation.

It is requested that your implementing directives be forwarded to this office.

STEPHEN S. JACKSON,
Deputy.

Accompanying said directive to me was the following letter from Mr. Jackson:

ASSISTANT SECRETARY OF DEFENSE,
MANPOWER, PERSONNEL AND RESERVE,
Washington, D. C., August 7, 1957.

Hon. CLYDE DOYLE,
Chairman, Special Subcommittee on Military Discharges,
House of Representatives.

DEAR MR. CHAIRMAN: Pursuant to your request on the telephone this morning, I am pleased to inclose two copies of the memorandum signed by me on this date concerning reenlistments of persons discharged under less than honorable conditions.

As I stated at the hearings, this formalizing of policy throughout the three services was prompted by the interest and concern generated by you and your committee on the general subject of persons holding less than honorable discharges from the Armed Forces. As you recall I also stated at the hearings that I would not issue this memorandum until I had the benefit of the comments from your committee, to whom I presented a copy of the memorandum at the hearings. Until your telephone call this morning, I had not known of the committee's reaction, which is, as you expressed, one of enthusiastic endorsement.

Although as you are aware, as representative of the Department of Defense I strongly oppose the passage of the bill and will continue to press this position in the event it is introduced in the Senate, I do wish to express to you my appreciation for the courtesy and cooperation extended by you and your committee to representatives of the Department of Defense.

Sincerely yours,

STEPHEN S. JACKSON,
Deputy.

The background of this letter to me and directive enclosed dated August 7, 1957, is that during the hearings by the Special Subcommittee of Armed Services, of which I had the honor of being chairman, on H. R. 8772 and related bills, the committee urged that the Military Establishment adopt a uniform policy on permitting men who received less than honorable discharges from any branch of the Military Establishment to reenlist promptly and work out and obtain an honorable discharge, instead of carrying the load and ton of lead throughout their lives, which definitely results from them having to carry any type of discharge less than honorable. I am pleased to say that Deputy Assistant Secretary Jackson and his associates regarded this very favorably and submitted the text of the within directive to the special subcommittee and upon us approving same, which we did cordially and enthusiastically, Mr. Jackson signed the same and transmitted it to me.

Mr. Chairman, the text of the directive speaks for itself. You will note that the (a), (b), (c) in same, together with other text, carries substantially the same factors to be considered as did H. R. 8772, which by the action of this House of Representatives on last Monday was approved by a vote of 226 ayes to 8 nays.

I am sure you and all the Members of this legislative body congratulate our military department on this directive and we respectfully urge that it be given fullest and most vigilant compliance by all concerned. In view of Secretary Jackson's letter to me transmitting the directive still stating strong opposition to H. R. 8772, and expressing intent to continue to press opposition thereto in the United States Senate, I wish to say that if the Department of Defense does so in the Senate consideration of H. R. 8772, it will be but a continuation of what the Department of Defense has done from the beginning on this subject of Congress legislating anything in the area of less than honorable discharges. I have not understood why they have.

I would respectfully suggest to the Department of Defense that the overwhelming vote of 226 ayes to only 8 nays on Monday last is clear as crystal evidence to the Department of Defense, that the House of Representatives frowns upon the opposition of the Defense Department to this legislation and also that the House approval by that overwhelming vote should be clear notice to our Military Establishment, that this House expects prompt and substantially different treatment of all boys who receive any type of less than honorable discharge, by the review boards and also by the officers in command and by the military personnel which has the area of discharge responsibility. I believe Mr. Jackson's statement to us that they have made great advances.

But, Mr. Chairman, I wish to repeat that I am sure not only the Special Subcommittee of Armed Services, and the full Committee on Armed Services compliment the Military Establishment on this directive, but that I speak for all the Members of this House of Representatives in the same vein.

May I very humbly call your attention to the fact that Mr. Jackson's letter to us tells that the formalizing of this uniform policy as culminating in the directive of August 7 to the commanders in all three military services, was generated by the special subcommittee which wrote the final bill, H. R. 8772, which was approved Monday last.

I am pleased to say that I am advised that this is a direct result of the bill which was passed Monday dealing with less than honorable discharges.

Mr. MURRAY. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. LESINSKI].

Mr. LESINSKI. Mr. Chairman, we have under consideration the bill H. R. 2462. I want the House to understand first of all that this does not cover all Federal employees. It covers only approximately half of them. The bill also covers employees in the judicial and legislative branches.

The raise carried in this bill is on the average of 11 percent. The bill H. R. 2462 initially called for an average raise of 18 percent. The Cordiner report recommended a raise of 12.3 percent. The bill now under consideration provides for an 11-percent raise, so this bill is below what we believe should be the actual amount paid to Federal employees.

I should like to point out a few other things here that I think are of very great importance to all of us. There is a lot of talk about inflation. We who are sponsoring this pay increase for Federal employees are likewise concerned about inflation. When an individual requests an increase in his salary because the cost of everything around him is going up and he is losing his purchasing power, that is not inflation. When a person is paid over and beyond his value, that is inflation. We in this bill are trying to let the Federal employees catch up and not go beyond.

The Hoover Commission claims it takes about $3,000 to train a civilian employee. There is a turnover of about 200,000 every year. This means it costs us roughly $600 million a year to train new personnel. The basic cost of this pay increase bill is $503 million, so if we gave these people more than 11 percent, which we think they should have, we would still be saving more money in the long run.

As you have read in the papers recently in connection with the Cordiner report, it takes $100,000 to train a pilot in the military. Therefore, by not paying our Federal employees and our military personnel sufficiently, we are in the long run losing many billions of dollars annually.

As to the cost of inflation, may I say that the steelworkers received an increase in wages. The steel companies, instead of raising the cost of steel in proportion to that wage increase multiplied it five times in raising their price of steel. When the cost to the producer of a basic commodity is increased, it automatically increases the price of all the items produced from that commodity.

If this trend keeps on going up and up, what we should do if we want to stop inflation is have on the books a strong price-control law. This would tend to keep prices down and people would be afraid to raise their prices.

I would like at this time to place in the RECORD a page of the Cordiner report as to what they have felt should be the increase at this time for Federal employees. It shows an average of 12.3 percent.

TABLE IV.—*Analysis of suggested interim salary schedule*

Grade	Suggested schedule								Comparisons				
	Minimum	Grade difference	Steps		Spread	Maximum	Midpoint		Civil Service Commission survey average	Ratio of schedule midpoint to survey average	Present midpoint	Increase midpoint	
			Number	Amount			Annual	Monthly				Dollars	Percent
GS-7	$4,700		6	$200	$1,200	$5,900	$5,300	$441	[1] $444	0.995	$4,930	370	7.5
GS-8	5,300	$600	6	200	1,200	6,500	5,900	492			5,375	475	8.8
GS-9	6,000	700	6	200	1,200	7,200	6,600	550	[2] 560	.982	5,845	755	12.9
GS-10	6,700	700	6	200	1,200	7,900	7,300	608			6,320	980	15.5
GS-11	7,400	700	5	250	1,250	8,650	8,025	669	708	.945	6,930	1,095	15.8
GS-12	8,600	1200	5	250	1,250	9,850	9,225	768	793	.967	8,110	1,115	13.7
GS-13	10,000	1400	5	275	1,375	11,375	10,690	890	946	.946	9,530	1,160	12.2
GS-14	11,500	1500	5	275	1,375	12,875	12,190	1,015	1,111	.944	10,860	1,330	12.2
GS-15	13,100	1600	5	300	1,500	14,600	13,850	1,152	1,285	.896	12,150	1,700	14.0
GS-16	14,800	1700	4	375	1,500	16,300	15,550	1,295			13,330	2,220	16.6
GS-17	16,600	1800	3	500	1,500	18,100	17,350	1,445			14,405	2,945	20.3
GS-18	18,500	1900	1	500	500	19,000	18,750	1,560			16,000	2,750	17.2

[1] Entrance level data.

[2] Survey data, grades 7 and 9 combined.

I also have a chart of the average increase in salaries for Federal employees which shows a cumulative of 81 percent from July 1, 1945. You want to remember that some of these increases have been requested by the Department of Defense because they, themselves, have acknowledged the fact that in certain circumstances people are not getting paid enough.

The chart follows:

Average percentage increases of salaries of classified Federal employees provided from 1945 to 1955, inclusive; 1945 was the first increase since 1939

Effective date of salary increase	Average percentage increase	
	For each pay raise	Cumulated
July 1, 1945	15.9	
July 1, 1946	14.2	32
June 30, 1948	11.0	47
Oct. 28, 1949 [1]	4.0	53
July 1, 1951 [2]	10.9	68
Mar. 1, 1955 [3]	7.5	81

[1] Salary increases were incidental to general revision of Classification Act.
[2] Effective 1st pay period beginning after June 30.
[3] Effective 1st pay period beginning after Feb. 28.

At the same time the cost-of-living index was 114.3.

The consumer price index since 1939 has gone up to 120.2 as of June of this year and is continuing to rise. That is an increase of 104 percent, as indicated in the following chart:

Increase in cost of living, as measured by Consumer Price Index, between dates indicated; and cumulated, August 1939 to June 1957

Month and year	Consumer Price Index on date indicated	Percentage increase	
		Between dates indicated	Cumulated
August 1939	59.0		
July 1945	77.5	31	31
July 1946	84.6	9	43
July 1948	104.3	23	77
October 1949	101.5	−3	72
July 1951	110.9	9	88
March 1955 [1]	114.3	3	94
June 1957 [1]	120.2	5	104

[1] The price index increased 3.1 percent from July 1951 to March 1955, and 5.2 percent from March 1955 to June 1957. The total increase in the index from July 1951 to July 1957 was 8.4 percent.

Mr. JOHANSEN. Mr. Chairman, will the gentleman yield?

Mr. LESINSKI. I yield.

Mr. JOHANSEN. Did I understand the gentleman to say that if we are going to cope with the inflationary trends, that we need at least standby legislation for price control?

Mr. LESINSKI. I did make that statement. We need some such means to enable us to hold this thing down. I am not recommending it to be enforced, and the gentleman will please note that.

Mr. JOHANSEN. Would the gentleman favor some standby controls for wages generally also in that case?

Mr. LESINSKI. I will say to my dear friend that it should include everything and everyone.

Mr. JOHANSEN. I thank the gentleman.

Mr. LESINSKI. In testimony before the committee, the members of the present administration have stated that there should be some adjustment of salaries. But they were opposed to this increase for Federal employees. It is rather peculiar, but nevertheless that is the way they stated their position. They also state that the salaries of the so-called blue-collar workers which comprise about 800,000 people are below the Federal employees'. Well, the facts are not correct. The truth has been that up to the last couple of years that was true, but in recent years the blue-collar workers are getting more money than the Federal employees are. The blue-collar workers in comparison have received a greater increase than the Federal employees. To show that the one hand does not know what the other hand is doing in this Government today, here you have an annual report of the Army Air Force Wage Board. It shows where the Wage Board employees, and I will read a paragraph here:

A basic rate was increased from 96 cents to $1.68 per hour or 89 percent. During the same period, the Wage Board rates increased 114 percent.

So while the classification act or so-called white-collar employees, and the supervisors of the blue-collar employees increase has been 89 percent cumulative, the Wage Board has gone up 114 percent. Still, testimony before our committee shows, that is testimony by members of the Civil Service Commission, and so forth, that the Wage Board employees are below the classified employees.

I would like also at this point to place in the RECORD some excerpts from the Cordiner report which show the problems they have in keeping men in the service at the present time.

CASE HISTORIES—EMPLOYEES WHO HAVE LEFT THE DEPARTMENT OF DEFENSE

CASE NO. 1

J. L. W.: Contract specialist. Government salary $8,360 a year. An expert in contract negotiation, he was notably proficient in reducing costs to the Government. His superiors estimated that he saved the Defense Department $200,000 yearly—almost 24 times his salary. Mr. W. recently resigned from Civil Service to accept a position as assistant to the president of a local engineering corporation at a salary of $10,000 a year.

CASE NO. 2

W. J. McF.: Statistician. Government salary $7,040 a year. Mr. McF. was noted for his work in establishing quality control procedures for material. Savings from the use of his procedures were estimated as amounting to an excess of $150,000 yearly. Industry recognized his marked abilities, and a nationally known electrical manufacturing firm hired him to do engineering measurement and analysis, at a starting salary of $9,000—an increase of $2,000 over his civil-service pay.

CASE NO. 3

J. W. S.: Training specialist. Government salary in the $8,990 to $10,065 range (GS–13). Recognized throughout Defense and throughout his profession as one of the top men in his field, Mr. S. contributed many valuable innovations to the Defense training program. Faced by a restricted future in Government, he accepted a position as president of a textile firm at $20,000 a year plus a percentage of profits.

CASE NO. 4

W. A. D., Jr.: Procurement specialist. Defense salary $9,035. Mr. D. supervised contract administration in 3 large States. In a single year (1953) he saved Defense over $250,000. His executive ability was recognized by industry, and he left Government service to accept the position of assistant plant manager in an industrial firm that offered him $12,000 a year.

CASE NO. 5

H. G.: Mechanical engineer. Government salary range $8,990 to $10,065. A specialist in the field of bearings, Mr. G. served with the Government for almost 10 years. Recently he left civil-service to accept the position of executive vice president of a bearing manufacturing firm. This company signed him up at $20,000 a year—twice the salary paid him by Government.

CASE NO. 6

R. S. M.: Industrial engineer. Defense salary $9,205 a year. Mr. M. integrated the work measurement system with production control and accounting programs in one of Defense's largest projects. Result in dollar value of improved effectiveness for 16 months was $1,409,096. Offered the position of plant manager with an aircraft maintenance corporation, Mr. M. resigned from civil service to enter industry. The starting salary of $12,270 a year amounted to a one-third increase over his Government pay.

CASE NO. 7

J. M. G.: Deputy comptroller. Federal salary range $11,610 to $12,690. In fiscal year 1952, Mr. G. was responsible for 381 management improvements which saved the Government $1,593,822. In fiscal year 1954 his procedural improvements saved $186,801.56 in equipment alone. In that same year Mr. G. effected the reduction of 73 manpower spaces at a saving of some $200,000. A firm in Oklahoma then hired him at a salary far higher than his civil-service rate.

CASE NO. 8

G. G. W.: Aircraft production specialist. Government salary range $9,600 to $11,200. Mr. W. headed up survey teams of aircraft production programs and made decisions on terminations of contracts. These contractual decisions involved hundreds of millions of dollars. After several outside offers, Mr. W. left the Government to enter an aircraft company. He is now an assistant general manager at an income double that of his salary with Defense.

CASE NO. 9

J. H. J.: Transportation specialist. Government salary $7,570 a year. Mr. J. in the words of his superiors, demonstrated exceptional ability in initiating and conducting various materials-handling projects. In 6 months' time, his work saved his department $123,855 in transportation costs. It is estimated that his innovations will save millions of Government dollars in the future. Mr. J. left civil service to go with a leading aircraft company at $10,500 a year—an increase of about $3,000 over his Government salary.

CASE NO. 10

R. J. N.: Assistant comptroller. Government salary $10,800. While employed by Defense, Mr. N. supervised work which resulted in cutting the delinquency delivery rate on contracts in half; improving supply effectiveness in the Department supply organization by 3 percent; reducing sick absenteeism by 17 percent, thereby saving Defense $4,095,000 in 1 year alone. Mr. N. left Defense to become control officer with a nationally known firm at a salary much higher than that paid him by the Government.

CASE NO. 11

S. J. S.: Financial management specialist. Federal salary range $8,990 to $10,065. Over a 5-year period Mr. S., through a system of

cash discounts, saved Defense some $10 million. He reduced man-hours required to process a unit of work by one-third. He cut the number of unpaid accounts 30 days old or older from 10,000 to 500. In November 1956, he was offered a high-paying position with a large construction company. Mr. S. accepted the offer.

CASE NO. 12

R. J. H.: Sanitary engineer. Government salary $8,430 a year. Mr. H. was responsible for design of industrial waste treatment plants at four major Defense installations. The plants cost $2 million. One of his design innovations saved the Government $100,000 annually. For this, he was given a Government award of $275. His repute brought him several offers of employment with industry. Mr. H. finally accepted a position in a firm which offered him $10,000 a year and far greater income opportunity than anything offered by civil service.

The reason for that is very obvious. In the CAA, for instance, it takes 3 years to train an employee in flight control. Let us say he gets a salary of $5,000 a year. It takes 3 years to train an employee and that makes $15,000. Once he gets trained on the job and learns what the job is all about, he ups and quits. Certainly, that is something we do not have any use for and this goes on throughout the whole Federal Government. Therefore, I recommend wholeheartedly that we pass the legislation as is.

Mr. REES of Kansas. Mr. Chairman, I yield 10 minutes to the gentleman from Virginia [Mr. BROYHILL].

Mr. BROYHILL. Mr. Chairman, I rise in support of H. R. 2462, which provides for an 11-percent increase across the board for all classified employees with a maximum increase of $1,000, and no increase in any salary which exceeds $16,000.

Mr. WEAVER. Mr. Chairman, will the gentleman yield.

Mr. BROYHILL. I yield.

Mr. WEAVER. Could the gentleman tell me what the average increase per employee will be?

Mr. BROYHILL. The average increase per employee would be $518.51. You will recall, about 3 or 4 weeks ago we passed a bill granting an increase of $546 for each of the 500,000 postal field employees. This was an increase of $546 across the board, which would average out to about a 12½-percent increase. This bill today provides almost—not quite, but almost the same treatment for the one-million-odd classified employees as we granted to the postal field employees a few weeks ago.

I feel sure the membership wants to be equally fair to all employees of the Federal Government. That alone should be a sufficient reason for us to approve this legislation today. However, there are many other reasons to justify approval of this bill. I have always felt that the classified employees' case could stand on its own merits and does not have to follow the trail of the postal employees, but historically we always have, and therefore it would be consistent today if we considered this bill on the basis that it is the same treatment that we gave the postal field employees.

This bill is in effect a compromise. Many of us felt that for a large number of the grades an increase in a larger amount would be justified. But most all legislation is the result of a compromise, so this bill today is that type of compromise.

Why do I say we can justify the increase called for in this bill? I always hesitate to refer to statistics, because they can be used by either side to serve whatever purpose you want to serve with them. However, we have all agreed that 1939 is the year we refer to as the par year, and to which we always refer as to the increase in cost of living. The Bureau of Labor Statistics says the cost of living has gone up 102 or 103 percent since 1939. I have the figures here, compiled by the Bureau of Labor Statistics and the Civil Service Commission, showing the actual increase in salaries for the classified employees in each grade since 1939. It shows that the only grades which have received an increase commensurate with the increase in cost of living have been grades 1 and 2, the two lowest grades. The average classified employees grade, which is GS–7, shows that the increase we have granted that grade over the years has been a total increase of 74 percent. We would certainly have to grant that grade alone an increase of 25 or 30 percent to bring it up to the standard of 1939. Of course, as the grades go up, we have not taken care of the grades nearly as well. But in the lower grades we have almost kept within the increase in the cost of living.

There are two approaches to this pay increase problem. One is the humane approach. All of us recognize that the employees in the lower grades—three-, four-, and five-thousand-dollar-a-year bracket, who have 3 or 4 children and who live in metropolitan areas—have a difficult time in getting along. In fact, they have a difficult time in providing their families with the basic necessities of life unless possibly the wife works, too.

I know all of us are sympathetic with that point of view; we have always been; we have always recognized it in the past when this matter of the increased cost of living came before us.

But there is another approach to the problem and that is from the employer's standpoint. Certainly every employer, and we as the Federal Government, would want to have the best type of employee, the most efficient, the most qualified, the most intelligent; and we recognize as an employer that we cannot get the best type of employee unless we pay the proper wages. We cannot expect the $10,000 engineer or a $10,000-a-year scientist, or a $10,000-a-year administrator to work in a position at a salary of $6,000, $7,000, or $8,000. When such a person cannot get ahead not only is he discouraged but he is going to be dissatisfied with his position as long as he holds it and be constantly looking for ways to improve himself. So it is to the advantage of the Federal Government as it is to any employer to recognize what is the value of the employee's services and pay that employee what he is worth rather than to have the employee resigning or having the standards and quality of the work of that employee lowered.

I certainly am conscious, as we all are, of the problems of inflation; and all of us concerned about the cost of this particular legislation. But I would like to submit that insofar as the inflationary aspects of it are concerned we are merely trying to catch up with this wage increase spiral that has been going on for a number of years.

I tried to point out a few moments ago that by far the larger number of Federal employees should have their pay increased by at least 25 percent in order to be brought up to the 1939 standard. So if we are going to stop these wage increases throughout the country let us start where they originally started.

When you get to the Federal service we are at least 25 percent behind; and I maintain that we would have to grant an average 25 percent increase to be up with private industry. Certainly we cannot economize in our Federal operation as a result of cheap personnel.

We have pending before us a $3.3 billion foreign aid bill. If that bill passes and appropriations are made we are going to have to have competent personnel to administer that foreign aid. We are constantly voting farm programs; we have got to have competent personnel to administer the programs. We have welfare programs under the Federal Government. We certainly need competent personnel to administer those programs.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL. I yield.

Mr. GROSS. This foreign giveaway program has been in operation for a long time. Is the gentleman suggesting that the personnel administering it has been incompetent?

Mr. BROYHILL. Not at all; I am suggesting that we should have competent personnel to administer it. We are not going to have competent personnel anywhere if we have cutrate employees.

The only way to economize, and I am for economy, and we are all for economy; the only way to economize is to cut out some Federal services, to cut out extravagances, to cut out waste, duplication and overlapping in the Federal service. The Federal employees themselves are the first to admit that, and they are just as enthusiastic in helping us rid the Federal service of waste and duplication as any group could be.

We have a subcommittee of the Committee on the Post Office and Civil Service, a Subcommittee on Manpower Utilization that is constantly investigating ways of improving efficiency in the Federal service. The way we are doing that, as I say, is eliminating needless waste and duplication, but not by cutting the actual salaries, or by not paying proper salaries to the employees we have.

I submit again that the cost of this bill was established by the enactment of other legislation prior to today creating the necessity of hiring the personnel and bringing the wages for our Federal employees up to those in comparable jobs in private industry.

We will get exactly what we pay for in personnel as we do in every other commodity; and I believe that in the long run paying the proper wages for

personnel will create more efficiency in our Federal service and in the long run will make the operation of our Federal Government more economical.

It would appear to the uninformed that an 11-percent increase is rather excessive compared with raises received by employees in private industry during the present year. Most of the latter groups have averaged only 3 to 5 percent during the past year. However, wage changes and wage movements cannot be viewed in isolation during any specific year.

In order to appraise the proposed 11-percent increase we must review the movement of salaries of classified Federal employees over recent years. We must also insure that salaries of Federal employees are competitive with those in private industry so that the Government may be able to obtain the necessary trained manpower to carry out the vital work that Federal employees are performing. I am not suggesting that the Federal Government should compete with private industry in paying top salaries such as executives in private industry receive, but I do believe that at lower levels, the salary schedules in Government and in private industry should be reasonably comparable so that we would be able to attract high type employees to Government service. We all know that prior to World War II Government positions were much sought after. The best of our college graduates from all over the country competed for Federal employment.

During the World War, while private industry continued to give raises, Government salaries more or less remained frozen. Thus, during the war the relative position of Federal employees deteriorated very sharply. But this process of deterioration did not stop with the war. A review of Federal Government salaries over the past decade reveals that Government employees have been losing ground in relation to wages in private industry. Since 1946, average salaries of Government employees have increased by 61 percent. But, in manufacturing, during the same period, the increase was 22 percent higher, and in bituminous coal, building construction, and railroads, the increases were just slightly less than in manufacturing. During the same period salaries of schoolteachers and other municipal employees have actually doubled.

Viewed in this light we can see that an 11-percent increase to Federal employees would not even make it possible for them to catch up with the position they held prior to the past decade. To restore the Federal employees' pay to the pre-World War II status would require an increase three times greater than the one I am proposing.

But even when we review the position of Federal employees within the most recent past we see it continuing to slip. I was struck the other day by an article I saw in the U. S. News & World Report which reviewed the impact of the present rise in prices upon various groups. The article showed that most groups are retaining their real income despite the increases in cost of living. Federal employees were singled out as one major group that has lost most by the increases in cost of living. Since we last granted a wage increase to Federal employees, wage and salary earners in private industry have won increases of 10 percent and more.

We know that the relative decline of the position of Federal employees has already caused serious problems in certain areas of Federal employment. Special provisions have to be made for recruiting engineering and scientific personnel. A survey conducted by the United States Civil Service Commission shows that Federal salaries in these categories are much lower than those in private industry. A recent survey by the National Office Management Association shows that similar conditions have developed in many office positions. Consequently, in some areas the Federal Government faces difficulties in hiring needed clerical help.

In other words, unless we step in immediately and grant at least the proposed salary increase, the Federal Government will not be able to get qualified personnel in many areas. This would mean that the very vital services that the Federal Government is now offering to the people in agriculture and in business would suffer, and, consequently, the whole economy may feel the ill effects of a deteriorating Federal service.

Finally, the argument has been made that the wage increase to Federal employees would at this time be inflationary. This argument appears to be most unfortunate. It is hardly fair to expect the underpaid Federal employee to be the only one to carry the brunt of fighting inflation, while wages and prices continue to increase in all other sectors of the economy. But even if we grant this argument—and, of course, I certainly do not agree with it—the result would endanger our ability to recruit the help necessary to perform the vital services of the Federal Government. Not only Federal employees will suffer if a pay increase is not granted; all of us would feel the effect of deficiencies in personnel.

I believe that the wage increase which the Committee on Post Office and Civil Service has recommended is a just and modest one. We must enact it without any further delay, both in fairness to the million classified Federal employees and in the interests of the Nation. I urge the adoption of H. R. 2462.

Mr. GROSS. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and four Members are present, a quorum.

Mr. MURRAY. Mr. Chairman, I yield 10 minutes to the gentleman from Louisiana [Mr. MORRISON.]

Mr. MORRISON. Mr. Chairman, in connection with this particular legislation the committee held hearings from July 2 through July 18. We would have held more hearings, but it was impossible to start these hearings before July 2 and unless we stopped them and considered the bill after the 18th, it would have been impossible to have brought this legislation to the floor today.

I want to assure the Members that we did not try to keep anybody from testifying. We wanted those who were for the bill to be heard and we wanted to hear from those who were against the bill. As a matter of fact, I would say that we heard from practically all the representatives of all of the organizations that represent the classified employees in our Government. Frankly, in my opinion, the hearings were adequate and they were thorough. The fact that our same committee had heard similar testimony previous to this hearing on numerous occasions in other years, and in other Congresses on similar bills contributed very materially to our knowledge on this subject. It was not like taking up something brandnew and having to consider it. We have wrestled with this problem many, many times before.

I happened to be a member of the Committee on Civil Service before the Reorganization Act. I took part in some of those pay-raise hearings then. I listened to the testimony on those occasions. I became a member of the Committee on Post Office and Civil Service since it was created under the Reorganization Act and since then I have taken part in all of the hearings that that committee has had with reference to Federal pay raises.

I want to say to the membership of this House that the committee was very thorough in hearing the witnesses and in carefully weighing the testimony of the witnesses of this bill. Frankly, I think they made a very excellent case. I do not know of any other time that the proponents of an increase for Federal employees pay made a better case or a more substantial case than they made on this particular bill. And, like I say, I have heard just about all of the testimony on pay legislation for the last 10 years, which includes of course pay increases for classified employees. No one appeared in opposition to this bill except representatives of the Government including the Bureau of the Budget and the Chairman of the Civil Service. When the Director of the Bureau of the Budget was explaining his position and giving us the different reasons why these employees should not be taken into consideration at this time, I asked him several questions. Mr. Merriman was the witness. I said, "Suppose the President of the United States had recommended this legislation, what would your position then have been?" "Well," he said, "I would have been for it." Then I said, "In other words, the only reason you are against is because the President did not recommend it, is that not correct?" And he said, "That is correct." Then I asked him, "Therefore, your testimony is in opposition because the President did not recommend it, is that correct?" And he said, "That is correct."

So, as far as the employee representatives are concerned, they made a fine, outstanding contribution in their arguments to the committee. They gave all possible information that the committee wanted or asked for. Frankly, the witnesses who appeared before us did an excellent job. And, I think Mr. Merriman, representing the Bureau of the

Budget, did an excellent job, but he just happened to be, as he admitted, under orders to be against this particular pay raise bill.

After all the facts were presented to the committee, and we discussed the bill, it was then open to amendment. It was my motion that provided for an 11-percent pay increase across the board for classified employees of our Government in this bill, H. R. 2462. It passed our committee, and, as you know, is now before us for your consideration.

According to the Cordiner report, if we would bring all classified employees up to what they deserve and are entitled to in comparison with other employees in private enterprise doing the same type of work, they would be entitled to receive a pay raise of 12⅓ percent. Since then the cost of living has gone up 1 percent. So, according to the Cordiner report, with the cost of living index increasing by 1 percent since that figure of 12⅓ percent was brought out, the figure now would be 13⅓ percent. So, with our 11-percent figure, we are really 2⅓ percent under the Cordiner report, plus 1 percent cost-of-living increase.

Now, yesterday when our distinguished chairman appeared before the Committee on Rules concerning this bill, he seemed to put some emphasis on the fact that we included our legislative help here on the Hill in the 11-percent increase, as well as the judicial employees. Well, that is nothing unusual as far as this legislation is concerned. From the way he talked, you would imagine that this was the first time that this had been done. That is not correct, for it has happened just about every time a pay bill similar to this was passed and became law.

Mr. MURRAY. Mr. Chairman, will the gentleman yield?

Mr. MORRISON. I yield to the gentleman from Tennessee.

Mr. MURRAY. There was no provision in the bill as introduced to give an increase in salary to legislative or judicial employees. There was no consideration given by the committee before the gentleman from Louisiana offered his amendment or motion to include legislative and judicial employees. So, it was passed without any consideration; is that not true?

Mr. MORRISON. That is just exactly what I am going to explain if the gentleman will be just a little patient.

Every other pay-raise bill, with one exception, which I shall explain in detail later, has included the legislative and judicial personnel. The fact that it was not included in the bill that was before our committee is not of importance. Everyone knows that many times a bill is introduced and then everything after the enacting clause is stricken and an entirely new bill is written by the committee. The fact that a bill does not contain a certain provision when it is introduced does not mean that the majority of the committee cannot add other relevant matter. There is no law, there is no regulation, there is no rule to prevent the majority of the committee from inserting other material in a bill if it wishes. The chairman of the committee seemed to think that the fact that it was not originally in the bill made a great deal of difference. I do not think so. I have seen many bills come to this floor that did not contain certain subject matter at first, but it was inserted before the bill was passed. So I think that objection is relatively unimportant.

The chairman also said that there were not any hearings with respect to our legislative and judicial employees. The fact is that every time heretofore we have voted a pay-raise bill we have included them in the same bill with one exception. They earn salaries comparable to those of the classified workers. That is as it should be. They have comparable jobs and are entitled to comparable rates of pay.

I did not close off the hearings in order to stop any testimony concerning our legislative and judicial employees. It was just a matter of being realistic. Either we were going to have a pay-raise bill, which meant that we had to close the hearings on July 18th, or we would not get any consideration of the bill in this session. So the majority of the committee thought the hearings should close on July 18. The committee obviously thought it was wise to include the legislative and judicial employees. I offered that motion, to have them included with the classified personnel, and it passed by a majority vote of our committee.

Let me tell you how many pay raises in the past included the legislative and judicial employees.

On July 1, 1945, there was a pay raise.

On July 1, 1946, there was a pay raise.

On June 30, 1948, there was a pay raise.

There has been only one time when pay-raise legislation has ever come out of our committee when these employees were not included. That was on October 28, 1949. The increases averaged $140 annually, the overall percentage increase was 4 percent, and 3 supergrades with a maximum salary of $14,000 were created.

On June 30, 1951, there was a 10-percent, across-the-board pay increase, in which the legislative and judicial employees were included.

On February 28, 1955, there was also an increase in which the legislative and judicial employees were included.

I think this is a good, clean, solid bill. I think it is just a question of the amount. There may be one or two inequities as far as the legislative employees are concerned and as far as other employees are concerned; the same applies to the classified workers, and those in the judiciary. But there are no more exceptions in the legislative or the judicial employees than in the 950,000 so-called classified employees.

If you think 11 percent is a correct, honest, and a fair figure, then I think the bill in all other respects is a solid and a good bill, and the best possible bill you could have passed out of the committee.

Mr. REES of Kansas. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, let me say at the outset. I have been, and am now, in favor of fair and adequate salaries and wages for all people who work in Government. I also favor increases in line with the increased cost of living. Since I have been a Member of this House I have supported increases in salaries, as well as other benefits for the employees who work in Government.

As a matter of fact you will find, if you examine the RECORD, that postal workers and classified workers secured higher increases during the period when I had the honor of being chairman of this great committee, than in any similar period in 20 years. This was done with the assistance of the present chairman and the then members of the committee. I mention this to indicate my interest of Federal employees in every group and class. I will call your attention to some facts and figures a little later on with respect to increases that have heretofore been approved by our committee and by the Congress. As I have said, I joined in securing their approval.

I think the pattern has been pretty well set by this House. A short time ago, when the postal pay bill was considered, I offered a proposed increase that was in line with the increased cost of living as reported by the Bureau of Labor Statistics. This House approved an amount considerably higher. I must agree there should not be discrepancy between the two groups.

Mr. Chairman, I am willing to go along with a percentage cost of increase for classified employees in line with the amount indicated by the Bureau of Labor Statistics. But this bill provides for increases of between 11 and 12 percent.

I want to be fair to Federal employees. I want to be realistic. I am convinced this measure will not be enacted into law. I would like to support a bill that has a chance of becoming law.

This is not the original H. R. 2462. It is an amendment to that bill which, as I recall, provided for increases from 14 to 16 or 18 percent. The amended bill was hastily drawn and hastily approved and contains a number of inequities. In fact it would be well if it were sent back to the committee for further study and revision.

Mr. Chairman, I believe, for the record, some facts ought to be considered. This bill would increase the salaries of 957,553 classified Federal employees. Four thousand two hundred in the Judiciary branch and 6,100 in the legislative branch by 11 percent of their salaries with a maximum of $1,000 increase annually.

The total cost of this legislation will be $537,640,000 annually. These pay increases will raise the Federal civilian payroll to almost $13 billion annually or $1 billion per month. Its enactment will require a supplemental appropriation of a half billion dollars for this fiscal year.

So, adding the additional $537,640,000 in this bill, together with the additional $317,000,000, and another $1 billion that is bound to follow for the military, you have an additional $2 billion added to the annual cost of Government. These charges are worthy of our attention in considering this measure.

On July 22, 1957, I offered an amendment to the postal pay bill to provide a 5 percent salary increase to offset the increased cost of living since March 1955, when the last postal pay increase became effective. In view of the overwhelming defeat of this amendment I shall not offer a similar amendment at this time, because I believe all Federal employees should be treated alike in connection with pay increases.

If this bill is approved by the Congress and sent to the President and it is vetoed, as I think it will be, those who favor this legislation should not blame the President for his failure to approve the bill.

In my judgment, to support this legislation is not in the best interests of Federal employees.

Over the years our committee has been generous and reasonable when it comes to providing increases in the salaries of Federal employees. Employees paid under Classification Act schedules have had the following salary increases beginning with July 1, 1945:

First. July 1, 1945, 20 percent on the first $1,200, 10 percent on the next $3,400, and 5 percent on the remainder, with a $10,000 ceiling—average increase, 15.9 percent;

Second. July 1, 1946, 14 percent with $250 minimum, subject to $10,000 ceiling—average increase, 14.2 percent;

Third. June 30, 1948, $330 across the board increase—average increase, 11 percent;

Fourth. October 28, 1949, increases averaging $140 annually, overall percentage increase 4 percent, with 3 supergrades—$14,000 maximum—created;

Fifth. First pay period beginning after June 30, 1951, 10 percent across the board, with $300 minimum and $800 maximum—average increase, 10 percent; and

Sixth. First pay period after February 28, 1955, 7.5 percent increase for each classified employee.

This bill does not take into consideration the salary increases which have been provided through upgrading, reclassification and within-grade promotions. The Bureau of the Budget in opposing these pay increases pointed out that there had been an increase of 14.6 percent in the average salary of Federal employees from 1953 to the present time. Seven and one-half percent of this increase is attributable to the pay adjustment which occurred in 1955 and the remainder of the increase or almost 7 percent resulted from what the Bureau of the Budget stated was upgrading, reclassification and other related personnel actions.

At present the average salary of employees in the executive branch covered by this bill is $4,744 annually. This bill will increase the average salary to $5,266.

There are many inequities in the legislation and the only way to correct these inequities would be for the legislation to be recommitted to the committee for thorough and complete study. For example, the bill does not provide a salary increase for our Foreign Service including the International Cooperation Agency and the United States Information Agency. The medical service personnel of the Veterans' Administration are not included. The committee did not receive any information from the Federal judiciary concerning the need for salary increases for its employees. The increase provided in certain cases for legislative employees is inequitable and salary increases are provided in a number of cases where increases were just recently approved.

It is possible that there may be a number of employees who work in and around the Capitol who should have increases in salaries, but no testimony was taken concerning them at all. They were included along with others without any discussion or explanation at all. To add 6,000 people without even presenting the matter to the committee seems a rather hasty method of handling legislation of this kind.

The President has warned the Congress of the grave consequences resulting from the enactment of general pay increase legislation at this time. He has pointed out that hasty action will set off a chain reaction which will add about $2 billion in increased expenditures. The same Congress which has criticized the President's budget in approving this legislation may well take note of this statement in trying to curtail Government expenditures.

Do not misunderstand me. I do not say the approval of this legislation will alone determine the matter of inflation. What I am saying is that in view of the President's statement and because of the inequities I have mentioned, he is not inclined to approve this bill. I believe a cost-of-living increase, in line with my proposal, would have a real chance for approval.

I regret such an important bill affecting the welfare of almost one million of our best citizens has not received the consideration to which it is entitled.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I am glad to yield to the distinguished Member, the gentleman from California and a former member of the committee who is quite familiar with this legislation.

Mr. MILLER of California. The gentleman said that this does not include the Foreign Service employees. Are not the Foreign Service employees, or their salaries rather, fixed under an entirely different act?

Mr. REES of Kansas. Yes. Just as the legislative and judiciary employees are not ordinarily considered under the jurisdiction of this committee. Of course, the gentleman realizes there are many employees not in the bill.

Mr. MILLER of California. I agree that perhaps they should be raised, and I hope they will be raised, but the gentleman knows that this matter of adjusting the salaries of legislative employees and judicial employees has always been the function of this committee. All of the long recitation that the gentleman has made of salary increases has always included these people. Occasionally we have left out one or two categories inadvertently, but the Foreign Service employees come under the Foreign Service Act. I am certain the distinguished gentleman from Kansas would not want to mislead the people by saying we are discriminating against them.

Mr. REES of Kansas. No; and the gentleman knows that they have not been misled.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. REES of Kansas. Mr. Chairman, I yield myself 3 additional minutes.

Mr. Chairman, the only point I am making with respect to that is that if you are going to add additional employees, then employees in the Foreign Service should have been included. But if we are going all the way as in this bill why would they be omitted?

Mr. CUNNINGHAM of Nebraska. Mr. Chairman, will the gentleman yield.

Mr. REES of Kansas. I yield to the gentleman from Nebraska who is a very valuable member of our committee and has attended all the hearings.

Mr. CUNNINGHAM of Nebraska. The legislative employees come under the jurisdiction of the various Congressmen, is that not true? Those people who work for you and me are considered legislative employees?

Mr. REES of Kansas. Of course, we did think they were under the jurisdiction of the Members of Congress, but under this proposal additional pay is provided, irrespective of whether we want to increase them or not.

Mr. CUNNINGHAM of Nebraska. I am in support of our civil service workers, but if a Congressman wishes to increase the pay of his staff he can do so without this legislation; can he not?

Mr. REES of Kansas. That is correct.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield.

Mr. JONAS. I understand this bill, plus the postal pay bill will make a total increase in payroll of $850 million.

Mr. REES of Kansas. About $850 million.

Mr. JONAS. A few weeks ago this Chamber rang with criticisms because of the largest peacetime budget in our history. Is it true that this additional pay raise would be over and above the budget figure submitted for 1958?

Mr. REES of Kansas. That is my understanding of it. The same economic conditions exist today as existed in the House only a month ago when the postal-pay bill was passed. Our No. 1 domestic problem is inflation. The President warned of the consequences resulting from increased pay. He pointed out that it might set off a chain of reaction which could add about $2 billion to our national budget.

This legislation does not include a military-pay increase, which is bound to come along later. So later on we will be faced with a bill providing for an increase for those in the military service.

Mr. DIES. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield.

Mr. DIES. What would it cost to give a proportionate increase to the military personnel?

Mr. REES of Kansas. I do not have those figures exactly, but it would be approximately a billion dollars.

The CHAIRMAN. The time of the gentleman from Kansas has again expired.

Mr. MURRAY. Mr. Chairman, I yield 5 minutes to the gentleman from Georgia [Mr. DAVIS].

Mr. DAVIS of Georgia. Mr. Chairman, this bill does not by any means deal with all of the Federal employees; this bill deals only with the classified civil-service employees plus 4,200 officers and employees in the judicial branch, and 6,100 employees in the legislative branch.

All told the Federal Government has on the payroll 2,400,000 civilian employees. This bill deals with nine hundred fifty-seven thousand some-odd and leaves nearly a million and a half more employees who are not dealt with in this bill.

Five hundred and eighteen thousand postal employees will receive a raise if the bill which passed the House a few weeks ago becomes law.

There are some 800,000 employees of the Federal Government who are called wage board employees, the blue-collar workers. Since 1951 their salary has been increased, these wage board employees, these 800,000 Federal civilian employees, by 25.8 percent, to those employed in the Navy, and an amount which pretty well corresponds to that in the other departments of the Government where these wage board employees work.

In addition to that increase for the wage board employees, we have an increase across the board of $546 per year for the postal employees.

Do you think under these circumstances, it is a fair proposition to say to the employees covered in this bill: We are not going to give you a raise? That is unfair and on the face of it the question answers itself. You cannot fairly and justly give cost-of-living increases to wage board employees, to postal employees, and then say to these remaining Federal employees: "We are not going to give you a raise."

Other Members have spoken about the rate of turnover in Federal employment, and it is a very serious thing. The turnover, in many instances, in our Government agencies runs as high as 25 percent. It is a costly thing to the Federal Government always to have new and inexperienced employees coming in while experienced employees leave Government to go into private business because they can receive better pay, better wages, and better fringe benefits than they get in Federal employment.

This bill gives an overall 11-percent increase with a ceiling of $1,000. You will find on pages 2 and 3 of the committee report a schedule of the present rates of pay and the proposed rates of pay; and it gives you to the dollar what the present pay is and what the proposed rates of pay will be.

You will also find at the bottom of page 3 in the report a table which gives the number of employees under the Classification Act of 1949, and the annual direct payroll cost. You will find listed there the officers and employees in the judicial branch—and they are just 4,200 as compared with 957,000 classified employees. You will find there also the officers and employees in the legislative branch.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. MURRAY. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. DAVIS of Georgia. Mr. Chairman, you will see there the officers and employees in the legislative branch—that is our branch—and they number 6,100. The annual direct payroll cost is $4,250,000.

Some objection was made that the committee held no hearings on the last two classifications—the judicial and the legislative employees. Well, we have held hearings before on these two classifications and, although none were held this year, if there is any subject a Member of Congress is qualified to legislate on without having hearings, we ought to be able to legislate on the pay of our own employees without hearings. We are familiar with every phase of information that concerns those legislative employees. You know whether or not they need an increase and, as the gentleman from Nebraska [Mr. CUNNINGHAM] pointed out a moment ago, if this increase is more than they should have the amount of pay for these legislative employees is in the hands of each Member and if his employees are getting more than they need it is a simple thing for him to reduce them. As the gentleman from Kansas said, that would be something that no Member would want to do, but if he feels that this is too much of an increase and too much money, he can correct that by simply reducing the salary.

The report on H. R. 2462 points out clearly that the weight of testimony at the hearings showed the need for such an increase. In 1951 the 7½ percent increase failed to bring Federal employees in line with private industry. Since 1952 the average hourly straight time wage earnings in industry have increased 18.5 percent. Based on this alone the 11 percent increase still won't bring the Federal employees up with those in industry.

Even within the Federal Government we find that wage board employees have had their salaries increased by 25.8 percent since 1951 as compared to 7½ percent for classification act employees. This is an obviously unfair situation.

It is common knowledge that the cost of living is rising sharply. How can we expect the Federal employee to feed his family and maintain a decent standard of living when his salary is not increased? We cannot and that is why we are losing competent employees. That is also one reason why we are faced with larger and large numbers on the payroll. We are paying a high price for our failure to grant a pay raise. We are paying for it by having to hire a greater number of inexperienced workers to replace the skilled ones we are losing. At the same time Government services are not being rendered as promptly and efficiently as they should.

We are talking now about a relatively small group of employees—a little over a million employees. Are they to be made to suffer when the rest of the country is getting additional pay? Are we going to let this small group be crushed by trying to use them as a roadblock to stop inflation? The cost of this legislation is a little over two-thirds of 1 percent of the budget. That will not upset our economy? Also those employees pay taxes. That means that about 100 million or one-fifth of the cost will be returned to the Treasury.

To me there is no real basis for denying this increase. In the name of fairness to this group of employees we should do unto them as has been done unto others.

Mr. REES of Kansas. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Chairman, I have no illusions about what the result of the vote on this bill will be. I have no misconceptions at all as to what anyone might say or do that will materially change the vote; but I do feel compelled so say a few things before the vote comes, and to express something of what I am quite sure is the attitude of the President in respect to this particular legislation.

Mr. Chairman, it is the responsibility of the Congress in the first instance to fix the pay of the people who work for the Government. We necessarily must meet this issue from time to time. Through the years as we have met it, and may I say for myself as I have met it, I have tried to be generous and helpful and understanding. I have voted for increases in pay from time to time. As majority leader of the House of Representatives on occasion I have taken the lead in putting such legislation through the House of Representatives. But while we always want to be generous—and, actually, if one has the human instincts I am sure we all have, we would like to be ultragenerous—we at the same time have a responsibility to the people of the country generally, yes, to the taxpayers of the country who, may I say, not long ago by the thousands were writing me, telegraphing me, calling me on the phone, and coming to see me, demanding that the budget retain its balance, that the cost of Government be cut in order that one day they could look forward again to a tax reduction.

In a way we are on the horn of a dilemma. We would like to be ultragenerous, as generous as anyone could think of being with the people who work for the Government, but at the same time the other horn of that dilemma is that we have a responsibility to the financial integrity and stability of the Government of the United States and the Treasury of the United States. Yes; the very people who will profit by the passage of this bill, if it ever becomes law, also have something at stake, too. But may I say parenthetically at this juncture it is my opinion that it will never become law as it is written; it is my conviction that it will not become law, and I think anyone who has read the public pronouncements of the President must know and understand that this bill as it is drawn is in direct contravention of the policy of the administration. So, while it is his practice, inviolate, not to say beforehand what may

happen, I think I can honestly predict, as one who knows something about the administration's attitude, that this bill, if it should go to the White House in this form, will be vetoed.

Now, having that in mind, let us take another look at the situation that has existed since this administration came to power in 1953. The cost of living since that time has gone up, roughly around 5 percent. Now, in all that time and in those earlier years particularly, many people did get an increase in their pay. Government employees got an increase in their pay, and I would just like to point this out, that those increases in pay were actual and honest and effective increases in pay. They meant more purchasing power in the take-home pay of the people who got the raises. For too long had increases in pay been illusory. They were not actually increases in pay; they were phony cost-of-living increases designed only to keep pace with the increased cost of living. As I say, the cost of living has remained relatively stable; not as stable as some would like to have it, but relatively stable. So, in undertaking what we are trying to do here today, as we undertook to do in the postal pay bill, I think it should be kept in mind, as many contend, that this will set off another inflationary spiral and we will get right back to where we were, which is that the increases in pay are immediately eaten up, if they ever catch up with inflation, which, as the gentleman from Kansas has said, is one of the major threats to our national security today.

Now, the gentleman from Kansas has pointed out another thing that I think we had better be thinking about. We have a debt limit in this country of $275 billion. When this administration first came into power it is my recollection that the debt was right up against the ceiling. And, after quite a bit of argument pro and con, if my memory serves me correctly, we had first of all a $5 billion temporary increase in the ceiling; then subsequently we had 1 year with a $3 billion temporary increase, and then after that a $2 billion temporary increase in the debt ceiling. Now, this year it had been hoped that we would be able to go through this fiscal year without increasing that debt ceiling, but I can say to you, if you will get the statement of the Treasury that is available to all of us, it is going to be nip and tuck whether we will make it. If we cannot make it, there is no alternative but to call the Congress back into session and to increase that debt ceiling. The debt right now is close to $272 billion. We know that as we go into the months between now and the end of the year, that is the time when receipts coming into the Government drop off. So you can see very readily how close we are now.

If the Postal Pay bill were to become law and if the bill before us were to become law, the total annual cost would be almost $900 million. If you divide that by 12, that is $75 million a month. If it becomes effective in September, that would be $300 million added to the burden of the budget for this year.

I say to you in all candor that that could well be the straw that will break the camel's back. If that is what the Congress wants to do, that is its responsibility. But I say to you frankly that as this bill is drawn, as far as it goes and the fashion in which it is drawn, I do not see how, under my responsibility as a Member of the House of Representatives, I can vote for it.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. Does the gentleman take into account in his prediction as to the effect on the budget that this increase would have, the present contract cancellations and cut-backs in rates of expenditure and the imposition of new ceilings on expenditures below the level of spending provided by the Congress?

Mr. HALLECK. Yes; I might say to the gentleman that those have all been taken into account. I just want to say to you that on the most optimistic assumptions it is possible to make—and some of them I do not think are quite valid—we are going to be right up against that debt ceiling. And if we are not very, very careful, we are going to be put to the necessity of increasing it.

Mr. DIES. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Texas.

Mr. DIES. If the postal pay increase becomes law and if the pending bill becomes law, how can we deny to the military personnel a proportionate increase?

Mr. HALLECK. I must say that a great many people believe that of all the folks who work for the Government, the people in the military service are the most underpaid. I saw a little item on the editorial page of the Washington Post this morning. I recall it particularly because one of the men named is from Lafayette, Ind., in the district I represent. I do not know how many Members saw it but it was headed "Quote Without Comment." I include it at this time because it is an interesting comment on pay in the military services:

QUOTE WITHOUT COMMENT

The following item is reprinted in entirety from the Conad News Service of the Continental Air Defense Command with headquarters at Ent Air Force Base in Colorado Springs:

"LAS VEGAS, NEV.—Four Air Force men handled the delicate assembly job on the arming for firing of an air-to-air atomic rocket on July 19, 1957, a test so successful it may revolutionize the air defense system.

"The men were 1st Lt. Don K. Sykes of Lansdowne, Pa., S. Sgt. William H. Ferguson, Lafayette, Ind., A1c Alvin R. Cox, Ulrichsville, Ohio, and Melvin Miko, Larksville, Pa.

"Their combined take-home pay per month equals that of another highly respected assembler in Las Vegas—one bartender."

Actually, these are the people who are underpaid. Pressure is building up there. Not only that, but pressures are beginning to build up all over the country for wage increases. Of course, many of those are justified. We all want to see everybody paid as much as it is possible to pay them. At the same time, there is a definite responsibility on our part to maintain the fiscal integrity and stability of our Government and the whole economy of the country.

Mr. MURRAY. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Chairman, I think we are all concerned with the fiscal condition of the country. I know we all take our responsibilities seriously. But I cannot for the life of me understand why we should single out one group of Federal employees and say to them, "Your salaries cannot be brought into relationship with the salaries of like people in private industry without destroying the whole fiscal balance of the country." It just does not make sense.

Are we always going to place our loyal employees on a subsistence-wage basis? People who work for subsistence wages are the people in the undeveloped regions of the world where a man through his efforts gets merely enough to keep body and soul together.

On the other hand, should not the Federal Government be the optimum-type employer and pay its employees at a rate sufficient that they can live according to the high, vaunted American way of life, that they can enjoy some of the good things of life, that they can be assured that their children and their families are taken care of, that they may own some of the gadgets that are so blatantly displayed and advertised over radio and television and through the pages of the slick-paper magazines? Should they be set aside as a class apart and told, "You are Federal employees, you are not entitled to these things"? How do you expect to get faithful employees and how do you expect to hold their respect in the Federal service?

Our colleague, the gentleman from Georgia, Judge DAVIS, has told you that there is a group within the Federal service, the wage-board employees, whose salaries are allowed to be set on another basis. Their salaries have gone up 25 percent during the period the Federal salaries have been allowed to go up but 7.5 percent.

You talk about the cost of living. It crept for a while and it is galloping now. I am not too certain that, within the next 6 months, it will not be going at supersonic speed. Are we ever going to close the gap between Federal salaries and that cost of living? We have not attempted it since 1951. It is time we acted realistically in recognizing the plight of our workers and bring their salaries into line with the salary scale of non-Government workers.

Mr. REES of Kansas. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. WAINWRIGHT].

Mr. WAINWRIGHT. Mr. Chairman, what we are doing here, as the former majority leader, the gentleman from Indiana [Mr. HALLECK] pointed out, is an exercise in semantics. As the gentleman from North Dakota said when we discussed the postal pay raise bill, the Congress of the United States is acting like a group of kindergarden children, if I remember the gentleman's words correctly. I think the same thing applies to us this afternoon.

We have been told by very responsible authority that the President of the United States intends to veto this bill. The bill will cost well over half a billion dollars. It has been pointed out here in the question asked by the gentleman from Texas [Mr. DIES] that the next people, and deservedly so, to receive a raise would be the armed services of the United States, which would make a total pay raise for this year of over $2 billion. Consequently, it seems to me this is a dead issue.

There is one hope, and that is an amendment that I hope will be offered by the ranking minority member of the committee, the gentleman from Kansas [Mr. REES], which presents the opportunity to vote for a 5-percent pay raise. Such a raise, whether it be called a cost-of-living raise or whether it be termed a reasonable pay raise, would possibly be acceptable to the executive branch and would not be vetoed. That kind of raise would then become the law of the land. The gentleman from Louisiana [Mr. MORRISON] suggested that the only people who opposed this bill, when they appeared before us, were the Bureau of the Budget people. I was reminded of my four children who every year want a new bicycle. They are always after their parents. The only person who objects to the granting of the new bicycle is the parent. The United States Government is in much the same position. The United States Government is the only objector to this $2 billion drain on the Federal budget.

Mr. REES of Kansas. Mr. Chairman, I yield 4 minutes to the gentleman from Michigan [Mr. CEDERBERG].

Mr. CEDERBERG. Mr. Chairman, I believe we find ourselves very much in the same position we did when we were debating the postal salary-increase bill. I take the position that there is a reasonable increase due to our employees. I set forth the 7½-percent amendment at that time. I intend to do this—at the appropriate time. I recognize the temper of the House and I realize this thing is going through with a large vote. Everybody is going to get all the political mileage that they can out of this thing except the Federal employee. That is the way it appears now. The same repeat performance that we had a couple of years ago. I do not understand why we cannot come to some reasonable compromise both from the administration's point of view and the point of view of the representatives of the employees so that the employees of the United States can get what is a reasonable and sound increase. Now there is another matter that is going to come up before this body either late today or probably next week. We are going to have to raise a little money to try to pay for some of these bills. We have a postal rate increase and that will bring in about four-hundred-and-some-odd millions of dollars. I might say, if the postal salary increase goes through and the civil-service salary increase goes through, and the same thing for our retirees and the same thing for the military, we are still going to be at least a billion dollars off. With reference to the postal rate increase, as I see it now, and that increase was passed out of our committee a few months ago, it is antiquated and it should be amended. I do not intend to amend it because I recognize it is very difficult for people, for some reason or another, to face the issue of raising the money. It is awfully easy politically to spend the money, but when it comes to raising it, we have another problem altogether. I am not going to take up any more of your time, but so far as I am concerned we might just as well vote. Get your vote on the record so that everybody can be recognized as being for the employee. I intend, if I can, to offer this 7½-percent amendment. If it is defeated, I intend to vote against this bill because I still think that is the best decision as far as the employees of the Government are concerned.

Mr. LAIRD. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield.

Mr. LAIRD. The statement the gentleman made is that if one is truly interested in helping the Federal employees, the only way you can do it is to try to reach a compromise someplace between the position of administration and of this committee; is that correct?

Mr. CEDERBERG. It seems that way to me.

Mr LAIRD. Do you not think the same thing is happening here that happened 3 years ago. The only loser today is going to be the Federal employees?

Mr. CEDERBERG. I think that is right. Furthermore, I find an inequity here. You are going to vote an 11-percent increase for the civil service employees, and it is 12 or 12.5 percent average for the postal employees. And under this you are going to do something else for the military. I see no consistency in this thing at all. There may be political consistency, but I see no consistency as far as the employees are concerned.

Mr. LAIRD. Mr. Chairman, I would like to say to the gentleman that I join with him and I shall support him on his amendment.

I am most anxious to see the Federal employees receive a wage increase this year. Every Member of the House knows that H. R. 2462 will never become effective unless amended to meet some of the objectives of President Eisenhower.

This bill provides for an 11-percent increase. The President has indicated that he would accept a 5-percent increase. I shall support the amendment offered by the gentleman from Michigan [Mr. CEDERBERG] providing for a 7½-percent increase. If this compromise is enacted we have an opportunity to do something concrete for our Federal employees. If this Cederberg compromise is defeated, it will mean a majority of this House is willing to do nothing for our Federal employees this year.

The average yearly pay for Federal employees throughout the United States is $4,700. If this 7½-percent amendment is adopted I am confident that the President will sign this bill. It will mean an average pay increase of $352.50, in addition to the yearly step increase. If this amendment is defeated, we are asking for a Presidential veto which will mean no increase during the next year.

Each member must decide now if he is a true friend of the Federal worker or is only interested in making political hay at the expense of these loyal workers. A vote for this bill without the Cederberg amendment is in effect a vote for no increase for Federal employees this year. I plead with the Members of the House today to enact a bill that can become law.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield.

Mr. EDMONDSON. Does the gentleman share the view of the gentleman from New York that the bill, which is before the House now, would be vetoed by the President if it is passed in its present form?

Mr. CEDERBERG. I would say in my personal opinion and from past experience, there is every indication that it will be vetoed. I will be glad to meet the gentleman in back of the Hall later on and make a little wager with him, if he likes.

Mr. EDMONDSON. Does the gentleman base that opinion upon the statement made by the gentleman from Indiana that it was his opinion that it would be vetoed?

Mr. CEDERBERG. No. I will tell you, I think the representatives of the postal employees know that it is going to be vetoed, and that is why they were so active, according to the newspapers that I read, to get so many civil-rights votes in the other body.

Mr. EDMONDSON. Then the gentleman does not place it upon the statement of the gentleman from Indiana?

Mr. CEDERBERG. No.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. CEDERBERG] has expired.

Mr. MORRISON. Mr. Chairman, I yield 2 minutes to the gentleman from Missouri [Mr. CHRISTOPHER].

Mr. CHRISTOPHER. Mr. Chairman, I listened with a great deal of interest, as I always do when the gentleman from Indiana [Mr. HALLECK] takes the well of this House. I believe he told the Members of this House how generous he would like to be if he saw any place he could get the money with which to be generous. I notice that whether the gentleman is generous or not depends a great deal on who is to be the recipient of that generosity. It seems as though the people who have his line of thinking are the people who seek to fulfill the Scriptures, wherein it is written:

> For unto him that hath shall it be given, and he shall have abundance: but from him that hath not shall be taken away even that which he hath.

I yield back the rest of my time, Mr. Chairman.

Mr. REES of Kansas. Mr. Chairman, I yield 1 minute to the gentleman from Michigan [Mr. JOHANSEN].

Mr. JOHANSEN. Mr. Chairman, I would like to associate myself with the view expressed in the minority report by the distinguished chairman of the committee, when he said in the final paragraph that he believed the legisla-

tion should be recommitted and no action taken until final disposition of the bill providing increases in salaries of postal employees.

I would like to point out that the history of this legislation for the past 2 or 3 pay raises have been either that the postal and classified pay raises were identical and incorporated in the same bill, as was the case with the vetoed bill of 1954, or that the classified pay increases were acted on in the House after the completion of all legislative action on the postal pay increases. This was the case in 1955 when the legislation for the classified increase was voted out of the House 10 days after the postal pay bill, once vetoed, had been passed a second time and signed into law.

It seems to me if we are to have equitable treatment of Government employees, that is the procedure that should be followed in this instance. I believe a classified pay increase is in order, but as a practical matter should be acted on following final decision on the postal pay legislation.

Mr. REES of Kansas. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. GUBSER].

Mr. GUBSER. Mr. Chairman, I hope my remarks will not be interpreted as being in opposition to this bill, because I intend to vote for it.

It is apparent to me, that in this bill and in the postal pay bill we have greased the squeaking wheel. Letters and phone calls and meetings have mounted up; pressure has mounted up, and we have justifiably yielded to it—I do not think that the action we have taken is wrong, but I do say we are making a big mistake in our consideration of pay-raise legislation when we do not seek out the very important wheel which has not squeaked so loudly. I refer to our scientific and technical personnel. We go along and we vote billions of dollars for new armaments, defense expenditures, mutual security, and we think we have protected our security; yet, day in and day out, in the most vital, scientific installations in this country we have capable, scientific, technical men who leave Government employment to go to private employers. These men are doing the research work which will decide whether we keep pace with our possible enemies. The Russians realize the importance of this problem, and they are cultivating their scientific personnel. Meanwhile, we grease the squeaking wheel and ignore one of the most vital areas of pay legislation, one which involves our national safety and security.

I sincerely hope that during the next session of Congress the Post Office and Civil Service Committee will grant hearings on the bills which have been introduced by my colleague from California [Mr. Moss] and myself. We believe they would permanently solve this problem of keeping our scientific and technical personnel on the job.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. REES of Kansas. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. BALDWIN].

Mr. BALDWIN. Mr. Chairman, I rise in support of the bill H. R. 2462. I think we have to recognize the fact that if we are going to attract to the Federal civil service the type of personnel we need in that service, we should make available to them salaries comparable with competing types of jobs.

I would just like to cite a few examples of wage rates in northern California, in the San Francisco Bay area. At the present time we are starting stenographers in the Government Service at Grade GS–2 at $246 per month and in GS–3 at $264 per month. The city of San Francisco is paying stenographers 18 percent above those figures. The city of Berkeley is paying stenographers 20 percent above those figures.

In the San Francisco Bay area Lockheed is advertising for stenographers at an opening salary of $352 per month. I would like to cite 2 or 3 more sets of figures. As an example, the San Francisco State College has been advertising in the San Francisco papers for stenographer-clerks at $261, and for typists at $286 per month.

In another case one of the large industrial companies in the San Francisco area has been advertising for IBM tabulating machine operators at $346 to start, with progressive increases during the first year.

The Federal Government pays its operators $286 to start, with a maximum of $327 after 6 years.

Our firefighters receive a starting salary of $286 and can advance to $327.

Our guards are starting at $264 and after 6 years reach $307 per month. Yet policemen and firemen for the city of San Francisco receive a maximum of $489 per month.

We have got to recognize this differential and take steps to correct it.

Mr. REES of Kansas. Mr. Chairman, I yield 2 minutes to the gentleman from Maryland [Mr. HYDE].

Mr. HYDE. Mr. Chairman, I rise in support of this legislation.

I do want to just emphasize what the gentleman from California [Mr. GUBSER] spoke about a few moments ago.

Although the Government employee has received a number of increases since World War II, nevertheless, his salary has not kept pace with the increase in cost of living.

It, therefore, seems appropriate that the Congress should give favorable consideration to a general salary increase for the classified Government employee. The Government employee does not have bargaining rights with his employer, consequently, it is incumbent upon the Congress to keep constantly on the alert to make sure that the Federal employee is paid an adequate income in order to enable the Government to be on an equal bargaining basis with private industry for the best qualified personnel.

I regret that the bill before us does not provide adequate salary increases and desirable classification adjustments for our scientific and technical personnel. The Federal Government is losing valuable scientific personnel every day because their salaries are so far out of line with what they can get in private industry.

A case in point and a good example is our Federal Bureau of Standards. Our Bureau of Standards is one of the most important branches of Government; as a matter of fact, although many may not be aware of it, one of its most important functions is to see that our economy, the free enterprise system, can function smoothly under a proper system of scientific standards.

The salaries of the employees of the Bureau of Standards are pitiful in comparison with what they can get in private industry. The people in this Bureau should be the best in their field of science, but the fact is we are no longer able to hold on to the best in that Bureau.

I sincerely hope that the Committee will give this important subject serious consideration without further delay.

Mr. REES of Kansas. Mr. Chairman, I yield 6 minutes to the gentleman from Pennsylvania [Mr. CORBETT].

Mr. CORBETT. Mr. Chairman, the bill before us is a good bill. It will go far to provide the classified workers with a better standard of living; perhaps it will only go far enough to keep for them a standard of living that they presently enjoy. From the Government's point of view it is going to help in the matter of the recruitment and retention of employees.

Mr. Chairman, we used to have a Member of this Congress from the State of Pennsylvania, a very fine, sincere Member, Mr. Rich, who would often come to the well of the House and raise the question, "Where are you going to get the money?" I want to face that question very fairly and forthrightly at this time. The figures will show that if the rate bill which is going to be the next order of business in this House is passed, it will provide funds to pay 75 percent of the postal and the classified pay increase. Then we ought to remember that 20 percent of this raise is never going to go out of the Treasury. It is going to be withheld in the form of taxes. That means 95 percent of the money is provided and, over and above that, the withholding for retirement will take some 6½ percent, which adds up to over 10 percent of this pay raise.

Mr. CUNNINGHAM of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. CORBETT. I yield to the gentleman from Nebraska.

Mr. CUNNINGHAM of Nebraska. Now that the gentleman is on that particular point I think it should be called to the attention of the committee that on page 13 of the report there is the following provision:

PROVISION FOR COST TO BE ABSORBED WITHIN EXISTING APPROPRIATIONS

Section 6 of the reported bill requires the Director of the Bureau of the Budget to provide by regulation for the absorption, by the respective departments and agencies in the executive branch, of the cost of the increases in compensation provided for in the bill within the limits of existing appropriations for the fiscal year in which the bill is approved. It is to be noted that this requirement applies exclusively to departments and agencies which actually are in, and are part of, the executive branch.

Subsection (b) of section 6 stipulates that this section shall not be considered to require the separation of any individual by reduction in force or other personnel action or the placing of any individual in a leave-without-pay status.

Subsection (c) of section 6 provides that such section shall not apply to the postal field service and to such other departments, agencies, establishments, and corporations in the executive branch as the Director of the Bureau of the Budget, with the approval of the President, may designate.

That amendment was inserted in the bill by our colleague from Michigan [Mr. JOHANSEN] and it directs the Bureau of the Budget to absorb so far as possible the additional expense that is involved in this pay raise within those agencies concerned. Will not the gentleman say something about that?

Mr. CORBETT. I would like to thank the gentleman for his excellent contribution to the logic of this particular point. As I recall we both voted for that amendment. Adding them all up again, if we are going to pass a postal rate increase which I think we will, and which I am willing to support, we are going to take care of 75 percent of this increased cost. We are going to retain approximately 20 percent in the way of taxes and we will, as the gentleman from Kansas pointed out, save a considerable portion of this money by a reduction in the payroll.

Likewise we must remember that this House and the other body in their wisdom have been doing a pretty thorough job of cutting the budget for fiscal 1958. So I cannot for the life of me see where this matter of granting a reasonable increase to the Federal employees is going to break the back of the most wealthy Nation in the history of civilization.

Mr. Chairman, I should like to address myself for a moment to another subject. We have been told repeatedly that this pay raise will spark another spiral of inflation. These facts, I am sure, are true: There is no kind of a pay raise that is less inflationary than a raise to Government employees because nobody can use such an increase as a justification for increasing the price of any commodity. There may be some increased demand on the part of this one sixty-fifth of our working force in the purchase of goods and supplies. Maybe they will utilize all of it in payment of their debts, I do not know, but I would say that actually what we are attempting to do here is to meet an inflation which has already occurred. We are trying to bring our people into a proper balance and we need not be ashamed of the benefits that Federal employees receive for giving a dedicated service to the Government of these United States.

Mr. MUMMA. Mr. Chairman, will the gentleman yield?

Mr. CORBETT. I yield to the gentleman from Pennsylvania.

Mr. MUMMA. I would like to ask a question about the wage board, because it presents quite a problem in my district. The blue collar workers seem to have an advantage over the white collar workers, and it causes a lot of unhappiness. Has the question of the wage board salary revision ever been discussed?

Mr. CORBETT. I will say that it has never been discussed, and it should be made clear here that in our many hundreds of area wage boards there is a constant revision being made to bring the blue collar workers' salaries up to the prevailing wage in the area. There never has been any discussion of terminating it but of applying it to the other workers.

Mr. MUMMA. I think one or the other ought to be eliminated because of the dissension among the employees. What was the original method of determining the rate of wages in the different trades? How did they arrive at it?

Mr. CORBETT. The area wage board is supposed to have examined into that.

Mr. MUMMA. Who does that consist of?

Mr. CORBETT. The area wage board is appointed by the Labor Department, and as to the enforcement of the various acts governing those particular wages, I am sure we could not go into it in detail right now, but I know what the gentleman is driving at.

Mr. Chairman, I hope this bill will pass.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. CORBETT. I yield to the gentleman from North Carolina.

Mr. JONAS. Section 6 of the bill requires the Director of the Bureau of the Budget to absorb those increases in regular appropriations.

Mr. CORBETT. Yes.

Mr. JONAS. But, subsection (b) says in part that this section shall not be considered to require the separation of any individual by reduction in force or other personnel action. Now, are not those two things inconsistent? How can the Director absorb this increase without making separations from the service?

Mr. CORBETT. The apparent inconsistency, I think, does not exist, because the attempt is being made there to have the Director of the Budget and the agencies do the job of reducing the work force by attrition so far as possible.

Mr. JONAS. By not hiring new people to take the place of people who resign?

Mr. CORBETT. That is right; that when vacancies occur, they should be left unfilled.

Mr. JONAS. But will that not operate to the detriment of the service?

Mr. CORBETT. We tried to approach that question in all sorts of ways over the years, and the last attempt was to give the President discretion as to which agency it applies to.

Mr. MURRAY. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, I am strongly opposed to the enactment of this legislation. I am taking the same position with reference to this measure as I did when the postal employees pay bill was considered. Unquestionably both of these pay bills are inflationary, will add fuel to the ever-increasing inflationary spiral, and furthermore, in my opinion, neither one will ever become the law of this land.

Now, this bill, if it is approved and becomes law, will increase the cost of the operation of our Federal Government by $537,638,000. The bill already voted by the House increasing the postal employees will cost $317 million, making a total cost of the two proposed pieces of legislation over $850 million. These two salary increases, if they ever become law, will raise the Federal civilian payroll to a record peacetime high of $12,815 million. This represents over 16 percent of our entire Federal budget.

These salaries already are getting out of line, and I say that if we ever expect to reduce the expenditures of our Government, we must go slow about increasing salaries. This is no time under present inflationary conditions to be increasing the salaries of employees, and for that reason I have taken a strong position ever since the first of this year against any increase this year in the salaries of any personnel of our Government on account of the condition of our National Treasury, the ever-increasing inflationary spiral and the urgent need for economy in our fiscal affairs.

We know that if the postal pay bill and the classified pay bill should become law—and I am absolutely confident they will not become law—that then increases will be given to military personnel, State Department Foreign Service personnel, medical employees of the Veterans' Administration, and so forth. There will be comparable increases for the 2,800,000 military personnel, the uniformed personnel of the United States Coast Guard, the Public Health Service and the Coast and Geodetic Survey; the 12,451 Foreign Service personnel, including the International Cooperation Agency and the United States Information Agency; and the 23,855 medical service personnel of the Veterans' Administration, all of which would cost an additional $1,100,000,000.

The end result of this chain reaction well could be a total increase of nearly $2 billion in total salary increases. Our Government just cannot stand this expenditure. As the gentleman from Indiana [Mr. HALLECK], stated, this Government is in serious financial condition today. It appears to me that it may be necessary to have at least a temporary increase in our debt ceiling of $275 billion.

I have here a news story by the Associated Press, dated yesterday. It says:

Under Secretary of the Treasury Burgess says he is sure that Secretary of the Treasury Anderson will want to talk with Congress about the national debt ceiling before this session ends.

He goes on to say:

Chairman BYRD, Democrat, of Virginia, of the Finance Committee told a reporter he understood unofficially that the Treasury might have trouble in getting by under the ceiling this October and November based on present revenue and spending estimates.

Of course, if this bill should become law it would require a supplemental appropriation. Where is this money coming from? I think it is high time that the Members of Congress showed some concern and some interest in our overburdened taxpayers. Our taxpayers

have been long suffering. They have been burdened with excessive taxation. How in the world can we ever hope to give our taxpayers any relief from the present oppressive and burdensome taxes if we keep on piling up increase after increase in the cost of the operations of our Government?

I think this is a serious matter and pretty soon you are going to find out that the taxpayers of our Nation are going to wake up and demand economy. In my opinion those Members who keep voting for these increases for everything will be called to task by the taxpayers and their votes for various increases in our Government expenditures may come to haunt them, because this excessive, unbridled spending must be halted or else the taxpayers will throw us all out of office for failing to hold down the expenses of this Government.

Mr. BYRNES of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. MURRAY. I am glad to yield to the gentleman.

Mr. BYRNES of Wisconsin. I want to compliment the gentleman on his forthright statement. I should like to have him comment on the language in section 6, which appears on pages 9 and 10. One would gather from this language that we are saying in effect that this should not require a supplemental appropriation, that the Bureau of the Budget must take steps to insure that this increased cost of $500 million be absorbed by the various departments. Is it the gentleman's impression that we have so overappropriated for these departments that now they can assume an additional responsibility of absorbing $500 million of cost?

Mr. MURRAY. I can assure the gentleman that that section is just wishful thinking.

Mr. BYRNES of Wisconsin. That is the way it appears to me.

Mr. MURRAY. It is innocuous, and it is not a directive or a mandate to the Director of the Budget to save this money.

Mr. BYRNES of Wisconsin. Either we have overappropriated by $500 million or else this directive in section 6 cannot be carried out.

Mr. MURRAY. Certainly the gentleman is correct.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. MURRAY. I yield to the gentleman from North Carolina.

Mr. JONAS. Subsection (b) in effect tells the Bureau that we do not mean what we say in subsection (a).

Mr. MURRAY. That is correct. It is a meaningless, powerless section, which has no effect whatsoever in reducing or taking care of any part of the cost of this item.

As I said before in discussing the postal pay bill, I think our greatest problem today is inflation. It is our No. 1 economic problem. And if Congress does not take some steps to help to curb inflation I do not know what is going to happen to the economy of this country.

This bill provides for an 11-percent increase to all the classified employees and the legislative and judicial employees. According to the Bureau of Labor Statistics, since the last increase of 7.5 percent was given to the classified employees and the legislative employees in 1955 there has been an increase of only 5 percent in the cost of living. How in the high heavens can you now justify an increase of 11 percent when there has been an increase of only 5 percent in the cost of living?

Further, the great majority of these classified employees have received promotions and pay increases through upgrading. According to the Director of the Budget, the average Federal employee's salary has increased from 1953 about 14.7 percent. Of that amount, 7.5 percent was due to a pay increase bill passed on March 1, 1955. The other half represents the promotions and the upgrading of employees, so they have actually gotten around 14 percent.

I know you are going to pass this bill, but I think you are going to make a serious mistake when you increase these Federal employees by 11 percent. The Committee on Post Office and Civil Service of the other body voted out a bill to increase the compensation of Federal employees by only 7.5 percent, and here you have this bill of 11 percent, without any cause, reason, or rhyme. I say it is high time to stop and call a halt to this excessive spending in our Government.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. MURRAY. I yield to the gentleman from North Carolina.

Mr. JONAS. Would the gentleman, for the RECORD, indicate in what other respects the Federal Government provides for employees?

Mr. MURRAY. We have the most liberal fringe benefits in the history of the world for Federal employees. The fringe benefits given to these employees amount to 29.5 percent of the total payroll. They include cheap insurance, liberal leave, the finest retirement system in the world, and many other fringe benefits amounting to 29.5 percent in addition to their salaries.

Mr. JONAS. Does not the Government provide half the cost of the retirement system and one-third the insurance premium?

Mr. MURRAY. That is correct; yes.

I should like to say one word about the legislative and judicial employees. When this bill was introduced there was no provision in the bill for increasing the legislative and judicial employees' pay. Naturally, there was no hearing as to the need for any increase for legislative or judicial employees.

Since the last pay bill was passed giving the classified employees and the legislative and judicial employees a 7.5-percent increase, which was on March 1, 1955, we have increased the base pay given to each Member of Congress for legislative help. In 1955, after the passage of the pay bill, we raised the base allowance of pay for each Member's staff from $15,000 to $17,500, which is a 16⅔-percent increase. Our legislative employees are pretty well paid, and they are paid better than they are in private employment. I do not believe it can be justified to give legislative employees an 11-percent increase.

Let us see about legislative employees outside the offices of Members of the House. Since the last pay bill was passed this House by 7 special resolutions has raised the salaries of 112 officers and employees. I have a list of them here, showing sizable increases in various offices, of officers of the House, and other employees of the House. Some of them have gotten increases since the last pay bill, as much as over $3,300. Another increase is $2,869, another $2,350, and another $2,240. They have been given these increases since the last pay bill was passed. Yet you would give these employees an 11-percent increase under this bill. In other words, the gross pay of an employee who now gets $9,000 would be increased by $999. There would be an increase of not more than $1,000 to these employees who are getting over $9,000. I say it is not justified.

Mr. WEAVER. Mr. Chairman, will the gentleman yield?

Mr. MURRAY. I yield.

Mr. WEAVER. I want to congratulate the gentleman on his very fine statement. Would the gentleman care to comment on this question? Based on the increase in the cost of living, what would the gentleman consider as fair and reasonable, not only for the postal employees but also for the classified employees?

Mr. MURRAY. I have stated my position several times during the debate on this bill and also on the postal pay bill. I am opposed to any kind of increase at this time because it will add fuel to the inflationary fire which, if it is not stopped, is going to ruin the economy of our Government. If it is not halted, in my opinion, we are going step by step, deeper and deeper, into a welfare socialistic government. Just mark my word. If we do not stop this trend that is what is going to happen to our Government.

Mr. WEAVER. I thank the gentleman.

Mr. MURRAY. Mr. Chairman, consider this question of the increase for employees of the judiciary. There is not one line of testimony about these increases. We do not know what the employees of the judiciary are getting. The committee does not know what the judges are paying their law clerks. We do not know what the secretaries of the judges are getting. Yet, without any testimony, we increase their salaries 11 percent. I say that this is an ill-considered bill. I think it should be recommitted. I do not think the House should pass this bill. It is not going to become law, so why waste our time here with a bill that will never become law. I fully realize that my opposition is in vain and that my efforts are futile, but I cannot remain silent.

Mr. WAINWRIGHT. Mr. Chairman, will the gentleman yield?

Mr. MURRAY. I yield.

Mr. WAINWRIGHT. I want to say that the gentleman will have the opportunity to vote to recommit the bill because such a motion will be offered at the appropriate time.

The CHAIRMAN. If there are no further requests for time, the Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That each of the existing rates of basic compensation provided in section 603 (b) of the Classification Act of 1949, as amended (65 Stat. 612; 54 S. C. 1113 (b); and 69 Stat. 172), is hereby increased by 10 percent of that part which is not in excess of $2,500 per annum, plus 24½ percent of that part thereof which is in excess of $2,500 per annum, but not in excess of $10,000 per annum, plus 27 percent of that part which is in excess of $10,000 per annum. Such augmented rates shall be considered to be the regular rates of compensation provided by such section.

SEC. 2. Section 802 (b) of the Classification Act of 1949, as amended, is amended to read as follows:

"(b) Any officer or employee who is promoted or transferred to a position in a higher grade shall receive basic compensation at the lowest rate of such higher grade which exceeds his existing rate by not less than the amount of difference between the minimum rate of the grade from which he is promoted or transferred and the minimum rate of the grade to which he is promoted or transferred. If there is no rate in such higher grade which exceeds his existing rate of basic compensation by the amount of such differences, such employee shall receive (A) the maximum scheduled rate of the grade to which he is promoted or transferred, or (B) his existing rate of basic compensation, whichever is higher."

SEC. 3. This act shall take effect as of the first day of the first pay period which begins after January 1, 1957.

With the following committee amendment:

Strike out all after the enacting clause and insert "That this act may be cited as the "Federal Employees Salary Increase Act of 1957."

"SEC. 2. (a) Section 603 (b) of the Classification Act of 1949, as amended (69 Stat. 172; 5 U. S. C. 1113 (b)), is amended to read as follows:

"'(b) The compensation schedule for the General Schedule shall be as follows:

"'Grade	Per annum rates					
GS-1	$2,985	$3,080	$3,175	$3,270	$3,365	$3,460	$3,555
GS-2	3,285	3,380	3,475	3,570	3,665	3,760	3,855
GS-3	3,525	3,620	3,715	3,810	3,905	4,000	4,095
GS-4	3,790	3,885	3,980	4,075	4,170	4,265	4,360
GS-5	4,075	4,225	4,375	4,525	4,675	4,825	4,975
GS-6	4,530	4,680	4,830	4,980	5,130	5,280	5,430
GS-7	5,020	5,170	5,320	5,470	5,620	5,770	5,920
GS-8	5,515	5,665	5,815	5,965	6,115	6,265	6,415
GS-9	6,040	6,190	6,340	6,490	6,640	6,790	6,940
GS-10	6,565	6,715	6,865	7,015	7,165	7,315	7,465
GS-11	7,095	7,355	7,575	7,815	8,055	8,295	------
GS-12	8,405	8,645	8,885	9,125	9,365	9,605	------
GS-13	9,990	10,205	10,420	10,635	10,850	11,065	------
GS-14	11,320	11,535	11,750	11,965	12,180	12,395	------
GS-15	12,610	12,880	13,150	13,420	13,690	------	------
GS-16	13,900	14,115	14,330	14,545	14,760	------	------
GS-17	14,975	15,190	15,405	15,620	15,835	------	------
GS-18	16,000	------	------	------	------	------	------

"(b) The rates of basic compensation of officers and employees to whom this section applies shall be initially adjusted as follows:

"(1) If the officer or employee is receiving basic compensation immediately prior to the effective date of this section at one of the scheduled or longevity rates of a grade in the General Schedule of the Classification Act of 1949, as amended, he shall receive a rate of basic compensation at the corresponding scheduled or longevity rate in effect on and after such date.

"(2) If the officer or employee is receiving basic compensation immediately prior to the effective date of this section at a rate between two scheduled or two longevity rates, or between a scheduled and a longevity rate, of a grade in the general schedule, he shall receive a rate of basic compensation at the higher of the two corresponding rates in effect on and after such date.

"(3) If the officer or employee (other than an officer or employee subject to paragraph (4) of this subsection), immediately prior to the effective date of this section, is receiving basic compensation at a rate in excess of the maximum longevity rate of his grade, or in excess of the maximum scheduled rate of his grade if there is no longevity rate for his grade, he shall receive basic compensation at a rate equal to the rate which he received immediately prior to such effective date, increased by an amount equal to the amount of the increase made by this section in the maximum longevity rate, or the maximum scheduled rate, as the case may be, of his grade until (A) he leaves such position or (B) he is entitled to receive basic compensation at a higher rate by reason of the operation of the Classification Act of 1949, as amended; but, when his position becomes vacant, the rate of basic compensation of any subsequent appointee thereto shall be fixed in accordance with such act, as amended.

"(4) If the officer or employee, immediately prior to the effective date of this section, is receiving, pursuant to paragraph (4) of section 2 (b) of the Federal Employees Salary Increase Act of 1955, an existing aggregate rate of compensation determined under section 208 (b) of the act of September 1, 1954 (68 Stat. 1111; Public Law 763, 83d Cong.), plus the amount of the increase provided by section 2 of the Federal Employees Salary Increase Act of 1955, he shall receive an aggregate rate of compensation equal to the sum of (A) his existing aggregate rate of compensation determined under such section 208 (b) of the act of September 1, 1954, and (B) the amount of the increase provided by section 2 of the Federal Employees Salary Increase Act of 1955 and (C) the amount of the increase made by this section in the maximum longevity rate of his grade, until (i) he leaves his position or (ii) he is entitled to receive aggregate compensation at a higher rate by reason of the operation of this act or any other provision of law; but, when such position becomes vacant, the aggregate rate of compensation of any subsequent appointee thereto shall be fixed in accordance with applicable provisions of law. Subject to clauses (i) and (ii) of the immediately preceding sentence of this paragraph, the amount of the increase provided by this section shall be held and considered for the purposes of section 208 (b) of such act of September 1, 1954, to constitute a part of the existing aggregate rate of compensation of such employee.

"SEC. 3. (a) The rates of basic compensation of officers and employees in or under the judicial branch of the Government whose rates of compensation are fixed pursuant to paragraph (2) of subdivision (a) of section 62 of the Bankruptcy Act (11 U. S. C. 102 (a) (2)), section 3656 of title 18 of the United States Code, the second and third sentences of section 603, section 604 (a) (5), or sections 672 to 675, inclusive, of title 28 of the United States Code are hereby increased by amounts equal to the increases provided by section 2 of this act in corresponding rates of compensation paid to officers and employees subject to the Classification Act of 1949, as amended.

"(b) The limitations of $13,485 and $18,010 with respect to the aggregate salaries payable to secretaries and law clerks of circuit and district judges, contained in the paragraph designated 'Salaries of supporting personnel': in the Judiciary Appropriation Act, 1958 (71 Stat. 65; Public Law 85-49), or any subsequent appropriation act, shall be increased by the amounts necessary to pay the additional basic compensation provided by this act.

"(c) Section 753 (e) of title 28 of the United States Code (relating to the compensation of court reporters for district courts) is amended by striking out '$6,450' and inserting in lieu thereof '$7,160'.

"SEC. 4. (a) Each officer and employee in or under the legislative branch of the Government whose rate of compensation is increased by section 5 of the Federal Employees Pay Act of 1946 shall be paid additional compensation at the rate of 11 percent of the aggregate rate of his rate of basic compensation and the rate of the additional compensation received by him under sections 501 and 502 of the Federal Employees Pay Act of 1945, as amended, section 301 of the Postal Rate Revision and Federal Employees Salary Act of 1948, the provisions under the heading 'Increased pay for legislative employees' in the Second Supplemental Appropriation Act, 1950, the act of October 24, 1951 (Public Law 201, 82d Cong.), section 4 (a) of the Federal Employees Salary Increase Act of 1955, and any other provision of law.

"(b) The rates of basic compensation of the Postmaster of the House of Representatives, the Chaplain of the House of Representatives, and the Coordinator of Information of the House of Representatives, and the rates of basic compensation of the Secretary for the Majority of the Senate, the Secretary for the Minority of the Senate, the Parliamentarian of the Senate, the Chief Clerk of the Senate, and the Chaplain of the Senate, are hereby increased by 11 percent.

"(c) Each employee in the legislative branch of the Government whose compensation—

"(1) is disbursed by the Secretary of the Senate or the Clerk of the House of Representatives,

"(2) is not increased by any other provision of this act, and

"(3) is fixed at a gross aggregate rate per annum, shall receive additional compensation at the rate of 11 percent of the rate of his existing gross annual compensation.

"(d) (1) The provisions of subsections (a) and (c) of this section shall not apply to employees whose compensation is paid from the appropriation contained in the paragraph designated 'Folding documents' under the heading 'Contingent expenses of the Senate' in the Legislative Branch Appropriation Act, 1958, or in any subsequent appropriation act, but the limitations contained in such paragraph are hereby increased by 11 percent.

"(2) The limitations in the paragraph designated 'Folding documents' under the heading 'Contingent Expenses of the House' in the Legislative Branch Appropriation Act, 1958, or in any subsequent appropriation act, are hereby increased by 11 percent.

"(e) The official reporters of proceedings and debates of the Senate and their employees shall be considered to be officers or employees in or under the legislative branch of the Government within the meaning of subsection (a) of this section.

"(f) The additional compensation provided by this section and the provisions of law referred to in subsection (a) of this section shall be considered a part of basic compensation for the purposes of the Civil Service Retirement Act.

"SEC. 5. Notwithstanding any other provision of this act, (1) no rate of compensation or salary which is $16,000 or more per annum

shall be increased by reason of this act, (2) no rate of compensation or salary shall be increased by reason of this act to an amount in excess of $16,000 per annum, and (3) no rate of compensation or salary shall be increased by an amount in excess of $1,000 by reason of this act.

"SEC. 6. (a) The Director of the Bureau of the Budget is authorized and directed to provide by regulation for the absorption from the respective applicable appropriations or funds available for the fiscal year in which this act is enacted, by the respective departments, agencies, establishments, and corporations in the executive branch, to such extent as the director deems practicable, of the costs of the increases in basic compensation provided by this act.

"(b) Nothing contained in subsection (a) of this section shall be held or considered to require (1) the separation from the service of any individual by reduction in force or other personnel action or (2) the placing of any individual in a leave-without-pay status.

"(c) Subsections (a) and (b) of this section shall not apply to the field service of the Post Office Department and to such other departments, agencies, establishments, and corporations in the executive branch as the director, with the approval of the President, may designate.

"SEC. 7. This act shall take effect on the first day of the first pay period which begins on or after September 1, 1957.

Mr. CEDERBERG. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CEDERBERG. I have an amendment which is on page 3. Do I have to ask unanimous consent to return to page 3?

The CHAIRMAN. No. The entire committee amendment is open to amendment at any point.

Mr. CEDERBERG. Then, Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CEDERBERG: Page 3 strike out beginning with line 1 and all that follows down through the schedule immediately following line 5 and insert in lieu thereof the following:

"SEC. 2 (a) Each per annum rate of basic compensation for each grade of the general schedule in section 603 (g) of the Classification Act of 1949, as amended (69 Stat. 172; 5 U. S. C. 1113 (b)), is increased by an amount equal to 7½ percent of the per annum rate for the fourth step-rate of such grade of such general schedule. The amount of each such increase shall be rounded off to the nearest dollar, with one-half cent and over raised to the next higher cent."

Mr. CEDERBERG. Mr. Chairman, I have two other amendments. I ask unanimous consent that they be considered en bloc.

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will report the other two amendments.

The Clerk read as follows:

Amendment offered by Mr. CEDERBERG: Page 7, line 3, strike out "$7,160" and insert in lieu thereof "$6,934."

Amendment offered by Mr. CEDERBERG: Strike out "11 percent" wherever it appears in section 4 and insert in lieu thereof "7½ percent."

And on page 9, immediately following line 12, insert the following:

"(g) The amounts of the increases provided for in this section shall be rounded to the nearest dollar, with one-half cent and over raised to the next higher cent."

Mr. CEDERBERG. Mr. Chairman, I will not take over 30 seconds. This is a 7½ percent amendment rather than 11 percent, as provided in the bill. That is all there is to it. The merits of the case have been debated back and forth for quite some time. This puts it in line with the action taken in the other body, and I believe it is an amendment that should merit your support.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield.

Mr. GROSS. Is this not the same increase proposed in the other body?

Mr. CEDERBERG. This is the exact increase proposed in the other body.

Mr. GROSS. I want to compliment the gentleman for offering this amendment and say to him that I propose to support it.

Mr. DELLAY. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield.

Mr. DELLAY. I would like to associate myself with the gentleman's remarks, and to say that I will support the amendment.

Mr. CEDERBERG. I thank the gentleman.

Mr. AVERY. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield.

Mr. AVERY. What would be the legislative situation if we adopt your amendment?

Mr. CEDERBERG. The legislative situation would be that you would be adopting a bill which would give an increase to the classified employees of 7½ percent.

Mr. AVERY. I mean could this bill be substituted for the bill in the other body?

Mr. CEDERBERG. The other body has not taken action on the committee recommendation as yet.

Mr. LESINSKI. Mr. Chairman, I rise in opposition to the amendment.

When the gentleman from Indiana [Mr. HALLECK] spoke, he indicated that regardless of what we do on the House floor the President would veto it. I wanted to ask him the question, What would the President accept? Unfortunately I did not have time to do it.

Since 1939 the Consumer Price Index has risen to 120.2. As of 1955 the Federal employees have received an increase of 81 percent, which means there is presently a 39-percent difference between the cost of living today and what they are receiving now. With 11 percent in the bill that still leaves it 28 percent below the cost of living.

The gentleman's amendment simply cuts it down some more and therefore it puts it further out of line with the needs of the Federal employees. I, therefore, recommend that the Committee reject the amendment.

Mr. BROYHILL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in opposition to the amendment proposed by the gentleman from Michigan [Mr. CEDERBERG]. As I pointed out earlier in the debate, this bill is already a compromise. There was legislation before the committee providing for increases up to 18 percent and 25 percent; so again I say it has already been compromised by the committee in bringing it down to 11 percent.

Mr. DIES. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL. I yield.

Mr. DIES. Who compromised?

Mr. BROYHILL. As to that, I would say the majority of the committee compromised.

As I pointed out also, the House about 3 or 4 weeks ago, adopted a pay-increase bill for the 500,000 plus postal employees, an increase which averaged 12½ percent.

The pending bill provides an increase for the classified employees of about 1½ percent less. I am sure the Members of this body want to be fair to all employees in the Federal service and provide equal treatment for each group.

I am very much concerned about this threat of a veto, but we have no assurance whatsoever that the 7½-percent proposal would not be vetoed. We may, I think, have to come back with a compromise on this proposed increase even further, but I am not ready to compromise any further until we know what the President will do to the bill when it gets there.

I urge that this amendment be defeated.

Mr. DIES. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL. I yield.

Mr. DIES. If this amendment is adopted and the same 7½ percent is given the postal employees, and the postal rate bill is passed, then will not the postal-rate bill provide enough revenue for the 7½-percent increase?

Mr. BROYHILL. I am not so sure as to whether the postal rate bill will supply enough additional revenue for a 7½-percent increase for both the postal workers and classified employees but I believe it will.

Mr. DIES. Approximately.

Mr. BROYHILL. Again I say that we have no assurance that even the 7½-percent bill will be signed by the President.

Mr. DIES. Does not the gentleman believe that the President would be more likely to sign the pay-increase bill if we pass the proposed postal-rate increase?

Mr. BROYHILL. Regardless of that, we feel that an 11-percent increase is justified.

Mr. DIES. But where are you going to get the money?

Mr. BROYHILL. From the very same source we get money to pay all these other bills that have been floating around here the past few years, from the taxpayers of the country, of course.

Mr. DIES. The taxpayers cannot pay an increase.

Mr. BROYHILL. If they cannot we are in very bad shape.

Mr. DIES. Would the gentleman recommend that we borrow the money at 4 percent?

Mr. BROYHILL. Of course not. I think the Government could well afford to pay a living wage to its employees. If they cannot they better get out of business.

Mr. DIES. Would you favor increased taxes?

Mr. BROYHILL. Of course not.

Mr. DIES. Where are you going to get the money to pay it?

Mr. BROYHILL. Mr. Chairman, I refuse to yield further.

Mr. SANTANGELO. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I rise in opposition to this amendment which would reduce the proposed increase from 11 percent to 7½ percent.

This amendment really compounds the wrong which was perpetrated against the classified employees in 1951 when Congress passed an increase of 7½ percent. The Civil Service Commission at that time advised us they were being underpaid by about 20 percent. Even with this increase of 7½ percent they were at that time receiving less than a living wage.

And what are we doing now? We are merely keeping it at a low figure so that they must come back and ask for more.

There is a limitation of increase in this bill set at $1,000. The overall average is about $500, I believe; at any rate it is less than the $546 we approved for the postal employees.

Do not forget that these employees cannot bargain with the Government; they cannot strike, nor can they appeal to any wage board which can adjust the differences because of need and the prevailing wage. The only remedy the classified employees have is to come to us and ask us to give them an increase which will permit them to work in dignity and not labor in debt. I say we must treat these employees not as minions but as Government help which make the wheels of our Government machinery go around. These people need this increase. As a matter of fact, the Civil Service Commission in response to an inquiry said, "Yes, we recognize that they need it but because of the economic and fiscal policy this administration cannot approve of this increase." An 11 percent increase will cost $503 million in direct payroll.

I believe it is more important to take care of our 967,000 classified Government employees than to throw $300 million or $500 million elsewhere in the Mid East or in Asia.

Mr. MORRISON. Mr. Chairman, will the gentleman yield?

Mr. SANTANGELO. I yield to the gentleman from Louisiana.

Mr. MORRISON. In view of our foreign aid authorization bill that we passed not long ago, does not the gentleman think these employees are entitled to an 11 percent cost of living increase which, in fact, does not bring them up to the cost of living figure, as was brought out in the Cordiner report?

Mr. SANTANGELO. I agree with the gentleman. In reply to the question which the gentleman from Texas asked "where are you going to get the money," I wish to state this. I asked the Civil Service Commissioner during the hearings, if we would reduce our budget and expenses sufficiently to offset this pay increase would this administration still oppose the increase and the answer to my question was "Yes." This administration opposes the increase because it does not want to give the Government employees a decent wage. I say we must take care of our own before we take care of the people in Indonesia, Cambodia or Laos or the Mid East.

Mr. DIES. Mr. Chairman, will the gentleman yield?

Mr. SANTANGELO. I yield to the gentleman from Texas.

Mr. DIES. How did the gentleman vote on foreign aid? Did he help take care of these people?

Mr. SANTANGELO. I voted for some cuts and I voted for granting some of these aids because I believe, though I may disagree with the President, that he is in a better position to know what is good for the country and I went along with him in some measure.

Mr. DIES. Did the gentleman vote for all the foreign aid bills?

Mr. SANTANGELO. I voted for some of the cuts when I thought it was necessary to cut.

Mr. DIES. How did the gentleman vote on final passage?

Mr. SANTANGELO. I voted for foreign aid because the President said we need it as a defense measure and I think we need this bill as a defense measure because we have to take care of our own, and in my opinion our best defense is our satisfied loyal Government employees.

Mr. LESINSKI. If we pass the postage rate increase, we would have more than enough money to take care of these increases, would we not?

Mr. SANTANGELO. Yes, and more than that. This bill will cost only $500 million because it does not cover all Federal employees. It covers classified employees who have no remedy except to come to Congress for relief. Who are these classified employees? They are the scientists, the engineers, the doctors, the lawyers, the technicians and executives, the accountants and the stenographers, the typists, clerks and examiners in the patent office and immigration service and others in various agencies.

I therefore oppose the pending amendment to reduce the increase to 7½ percent and favor an 11-percent increase.

Mr. WAINWRIGHT. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I have a motion to recommit at the desk. If I do not have the right to offer that motion I believe it will be offered from this side and it will affect the legislative employees and will in effect send the bill back to the committee and instruct the committee to bring forth a bill with a 5 percent increase. The reason it is impossible to put such wording into a motion to recommit is because of the technical and drafting problems involved. I just want to take this opportunity to explain the motion to recommit which will come from this side.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. WAINWRIGHT. I yield to the gentleman from Kansas.

Mr. REES of Kansas. At the proper time I expect to offer a motion to recommit that will provide for a 5 percent increase to all employees included in the pending bill.

Mrs. CHURCH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this is the day when a loyal member of the Republican Party searches her soul. It is not easy to go against the reported position of our leadership. It is, however, difficult and wrong to refuse to face the actual need of the classified workers in my own district. When the bills involving increases for postal employees and for classified employees first came up this year, I made up my mind that I would have to justify my own position to myself, one way or the other. I can only speak, Mr. Chairman, for the 13th District of Illinois, which is a high cost-of-living area. It is an exceptionally high cost-of-living area. I have checked the figures on food; I have checked the figures on rent; I have checked the figures on clothing; I have checked every possible expenditure, on which I could check, on the cost of living both elsewhere and in my area. I know just this: My classified employees need an increase in pay. I could not go home and say to those employees that I was persuaded by others in the Congress, whose areas may not need an increase. To refuse relief to those who have entrusted me with the responsibility for their care and well-being.

I would like to say just one more thing in view of the question that was asked as to where the money could come from. I am always interested, Mr. Chairman, a bit amused, and also more than a bit sorrowful, that the question of increase in the debt limit seems never to be raised except when we are dealing with our own. So, I am very happy to remind the Congress that last night there was put into the CONGRESSIONAL RECORD for today the conference report on the authorization bill for mutual security for this fiscal year. If you will remember, Mr. Chairman, the Senate had voted an authorization of $3,617,333,000 for foreign aid in the next year. This House, in its wisdom, had cut that amount to $3,116,833,000. Many in the House opposed that huge appropriation. They certainly hoped that the amount would not be increased in conference. Mr. Chairman, had our conferees remained firm—and I am not criticizing them, because nature is human even in a conferee, and the demands of the other body are great—but nevertheless, had they remained firm, we would have had the full amount to pay for this increase for our classified employees. And, I am glad to point out to the gentleman from Texas, with whose philosophy I almost always find myself in agreement, that if this House next week will find the wisdom to send back to conference the mutuel security bill, with instructions to insist on the House amount, we will at least be able to put, toward this present proposal, $250,250,000. This would go halfway toward paying the increase.

I am only hoping that someone will remind the House, when it once more discusses billions for foreign aid, that there is a debt limit; that we are perilously near the point where we shall have

to extend it; and that we must stick to the figures that this House put in the Mutual Security Act.

Mr. DAVIS of Georgia. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am one of those who did not vote for the foreign aid bill. I voted for every reduction in the bill and then was against it on final passage.

I do not think that the danger of inflation is in this bill which some of the Members apprehend. The cost of this legislation, as is pointed out in the committee report, is just a little over two-thirds of 1 percent of our budget of $71.8 billion. I, of course, know, as all of us know, that we do face the danger of inflation; in fact, we are in a certain degree of inflation now, and we are going to continue in it, I think, whether this bill passes or not. But, certainly it is not the alarming prospect which might be inferred from the discussion here by some of the Members if we pass this increase for our Federal employees.

Now, I want to point out again, as I have already stated one time, that there is a matter of justice and equity involved toward these people who are carried in this bill.

The 800,000 Wage Board employees, the blue-collar workers, the mechanics, carpenters, artisans, who are employed in the Department of Defense have received already since 1951—those in the Navy—an increase of 25.8 percent. We passed through this House unanimously, by an overwhelming vote just a few weeks ago, an across-the-board increase of $546 for the 518,000 postal employees.

Where is the justice and the equity to say that it is all right for 800,000 blue-collar Wage Board employees to get a 25 percent increase, that it is all right for 518,000 postal workers to get a $546 increase, but right here we turn thumbs down on the Federal classified employees?

Mr. CORBETT. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentleman.

Mr. CORBETT. I would like to ask the gentleman, along with the blue-collar workers and the postal workers, does he know of any large group of employees anywhere in the United States in private industry who have not secured greater salary increases since 1951 than the group here under consideration?

Mr. DAVIS of Georgia. No; I do not. And along that line I think there is equally as much danger or more danger of inflation from the advancing price of steel, from advances in other items which go to make up the cost of living, than would be involved in this proposal. And while I am here I would like to say this as to where the money is coming from. Our Subcommittee on Manpower Utilization pointed out to the various Government agencies, to the Executive Department where a 10 percent reduction in the number of employees could be effected without any firing, simply by the process of attrition, by not filling vacancies when they occur. If you really want to get down to brass tacks and save enough money to pay for this and a good deal more to boot, I would say at least $1 billion a year, then let the executive department follow the blueprint which we have laid down in that respect and you will have more than twice enough to pay the cost of this proposed increase.

Mr. ARENDS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I know how anxious everyone is to finish this long day's work. It has been an arduous one. But I do not think I should let the day go by without calling special attention to the responsibilities that we, as Members of this Congress have to the country as a whole for keeping our national economy on a sound basis.

I am not pointing a finger of blame at any one group in the United States, not the Congress, not industry, not labor, nor the individual. All of us together share in the responsibility for and responsibility to combat the upward spiral of wages and prices. It is a serious matter, and we simply must recognize how serious it is.

As Members of Congress we have a grave responsibility in how we spend the people's money. Government spending is a major factor in this inflation problem. To help solve it we must spend less, not more.

It is easy to talk about economy. We hear such speeches every day on this floor. But it takes some courage to vote for economy, particularly when some group or some section of the country, especially your own is affected. More important to me than any pressure group or any section is the country's economic welfare. It affects every group and section.

Look at the depreciation of the dollar. Between 1939 and 1953 it declined in value from 100 cents to 52 cents. It further depreciated since then around 4 cents. Inflation has been retarded, but by this proposed increase in Government spending we may undo all that has been done. I cannot too strongly emphasize that by passing a bill of this character we are not only making it more difficult to give our people relief for the burden of taxes, we are adding fuel to the fires of inflation that make it more difficult for people to live.

The other day I read into the RECORD a very clear statement of the dangers of inflation, which economic process many do not clearly understand. It appears in the RECORD of August 5, on page 13637, and I urge the Members to take the time to read it.

As Members of Congress I wonder if we fully realize the important part we play in this process that can destroy us. Russia has always contended that we will be destroyed by ourselves, that it is only a matter of time.

In the conclusion of this article on inflation the writer points out how the vicious circle of inflation operates. This is what he said about this spending, this continuing inflation:

When someone stops buying, someone stops selling.

When someone stops selling, someone stops making.

When someone stops making, someone stops working.

When someone stops working, someone stops earning.

When someone stops earning, someone stops buying.

Then we are back exactly where we started.

As Members of Congress in this great economy of ours we are a vital part of the buying public. The Federal Government is probably the largest single buyer in the world. We simply cannot afford, from any standpoint, to approve a bill involving over a half billion dollars in additional expenditures.

Mr. CEDERBERG. Mr. Chairman, will the gentleman yield?

Mr. ARENDS. I yield to the gentleman from Michigan.

Mr. CEDERBERG. I think we ought to correct the statement by the gentleman from Georgia which left the implication that the only increase the employees have received since 1951 or 1952 was 7.5 percent. We must remember that these employees received increases every year. Take our postal employees: Since 1945 the total increases have been $2,130. The entrance salary was raised from $1,700 to $3,660, or 115.3 percent. The postal employee who started in 1945 would receive an increase of 160 to 165 percent. But I am still for a 7.5 percent increase.

Mr. MOSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the distinguished minority whip stated that "when someone stops buying, someone stops making." We are dealing here with a great many people who well may have to stop buying. This Government is not overpaying its classified employees. Throughout the debate today there has not been a single person in opposition to the proposal who has suggested that we are overpaying them. They have not suggested that the amount proposed, before the amendment offered by the gentleman from Michigan was offered, was at all excessive.

No, we have been given other reasons, which carefully avoided dealing with the facts. We have been told that an increase is inflationary. This is not a case of starting inflation, this is an attempt to catch up with a very deeply ingrained pattern of inflation which has been going on at a rapidly accelerated pace for the past 18 months, at least, because with one exception in each of those 18 months the cost of living has increased.

We have also been given another reason, and this one is a time-worn one also. We have been told we would be faced with a veto. That is not the responsibility of the Congress, but of the President. Ours is to propose, ours is to do the job which our own best judgment indicates must be done, and leave to the President, his conscience, and his advisers, what action he can take or may take.

I do not think there is a man or woman in this body today who would say without equivocation that the President has assured them that a veto will follow the enactment of this legislation.

There are some good reasons why we should pass the full 11 percent and not the diluted portion which has been suggested. We are conducting a very effective training school for employees. We are doing it in every high cost area of the Nation. Our turnover is far beyond reasonable limits. Any private business

faced with the same rate of turnover would very quickly review their policies toward their employees. Turnover costs money. Turnover produces inefficiency. Turnover frequently requires 2 people, or at least 1½ people, to do the job that 1 efficient employee could do. We all know we are losing these people from Government and we are losing them because we are not paying adequate salaries. We have the incongruous situation of Class Act employees supervising Wage Board employees and drawing less money than men and women they are supervising.

Of course, I feel the solution would be a uniform wage-board policy for all employees of the Government. But, that is not the alternative facing us here today. In my section of the country, Wage Board wages have more nearly kept pace with the cost of living and with the competitive conditions in private employment and other public jurisdictions, but not one can contend that that is true of the Class Act employees. These people cannot strike. We deny them the right to bargain collectively with the Government. We deny them any effective means of presenting their case except every 1, 2, or 3 years when the Congress is willing to consider their pleas.

So, inherent in any increase we give them, is a considerable loss because of the lag of time. Never do we set their salaries to lead the way, but always to try to catch up. That catching up costs them money. It is not proper for us in this instance to say that we cannot afford to pay the wages that decent employees are entitled to receive on efficient Government demand.

Mr. KNOX. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am only going to take a couple of minutes, but I should like to have the attention of my distinguished colleague, the gentleman from Michigan [Mr. CEDERBERG]. On July 11 of this year, I appeared before the Committee on Post Office and Civil Service in behalf of the classified employees to determine if there was some means by which we could correct the inequities that exist between the wage-board employees and the classified employees. My question to my distinguished colleague, the gentleman from Michigan is this: Will the amendment the gentleman has offered to the bill correct the inequities that now exist between the wage-board employees and the classified employees?

Mr. CEDERBERG. I would just like to say this to my distinguished friend, the gentleman from Michigan. It is very difficult to say where these inequities exist. As you know, the wage-board employees are paid on an area wage basis. Class act employees are paid across-the-board, the same wage throughout the country regardless of the area in which they live. Another thing, there has been the statement made that since, I think it is 1951, there has been an increase of 25 percent for the wage-board employees. I believe if you will take most of the other employees and add the increase that was given to them —add this increase plus the incremental increases they received in in-grade increases plus some promotions from one grade to another, you will find that most employees are at least equal and some possibly a little ahead of the wage-board employees.

Mr. KNOX. I should bring to your attention that in the case of a janitor who has had 6½ years of service, he was receiving $1.90 an hour and an accounting and auditing clerk who had 14 years of service was receiving $1.89 an hour. I feel very strongly that there is an inequity as far as the classified employees are concerned as compared to the wage-board employees.

It was my hope that the committee would bring legislation before the Congress to correct the inequities that now exist.

Mr. Chairman, I yield back the balance of my time.

Mr. MILLER of California. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Michigan [Mr. CEDERBERG] because I believe that if adopted it would only compound the wrong. We would be right back where we started from. We would be giving these people who ask for bread a stone. It would not be very palatable, because it would not bridge the gap between the cost of living and the pay of classified employees.

Many things have been said about in-grade promotions. In-grade promotions are incentive pay. It is used in industry. It is used in the armed services. Let me call attention to the fact that since the last increase was granted to the Federal employees we passed an incentive pay bill for the armed services, in which we bore down on that very fact of in-grade promotions if they wanted to make the men happy and give them an incentive to work. Take incentive pay, are you going to consider it on the basis of basic pay? If you do, then you destroy the theory that has grown up in the personnel field and it would not be a healthy thing.

Mr. CEDERBERG. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield.

Mr. CEDERBERG. I agree that the incentive pay is very desirable.

Mr. MILLER of California. Then why does the gentleman bring it into this argument?

Mr. CEDERBERG. I did not bring it into this argument.

Mr. MILLER of California. You brought it in a few minutes ago.

Mr. CEDERBERG. I just said that the increase in pay——

Mr. MILLER of California. Oh, we are trying to create an atmosphere that these people have received an increase that they have not received.

Now, if you want to keep a high level of service in Government, if you want to get a dollar's worth of service for a dollar you pay, you have to recognize that the laborer is worthy of his hire, and pay him accordingly. If you want to continue this substandard pay to the employees of the Government, then be prepared to accept a lower standard of service. I assure you that if you want to get into the inflationary field, just lower these standards, because you will need more employees to do the work.

We hear the talk "Where is the money going to come from?" We were rather shocked a short time ago to read of a directive from the Bureau of the Budget to all departments to live within their fiscal 1957 budgets, which meant that about a billion dollars would be saved over the amount we appropriated. I think the savings we have made in this House will more than take care of this.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield.

Mr. HOLIFIELD. Is it not true that we have the responsibility of raising the wages of postal workers and classified workers? That is the only place they can go for a raise.

Mr. MILLER of California. Why, certainly.

Mr. HOLIFIELD. And is it not true that we have set up a formula for the blue collar workers which has given them an increase of 20.6 percent in the last 4 years. If we count that pay, we have given only 2½ percent to the others; therefore, they are 11½ percent behind. The workers in industry have a right to strike to get their wages raised, and they have done so, but the workers in the Government depend upon the Congress of the United States, and we should put them up on a level with the workers in industry.

Mr. MILLER of California. The gentleman is absolutely right; and unless we have paternalistic government we must recognize the good service rendered by good people to the Government, and pass this bill.

Mr. ROOSEVELT. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield.

Mr. ROOSEVELT. I congratulate my distinguished colleague from California and agree with his argument.

It is also true, is it not, that those who have more will spend more and thus create additional employment?

Mr. MILLER. Yes and the benefits that go with full employment.

The CHAIRMAN. The time of the gentleman from California has expired.

The question is on the three amendments offered by the gentleman from Michigan [Mr. CEDERBERG].

The question was taken; and on a division (demanded by Mr. CEDERBERG) there were—ayes 71, noes 110.

So the amendments were rejected.

Mr. MURRAY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MURRAY: On page 6, strike out beginning with line 4 and all that follows down through line 12 on page 9, and renumber the sections.

Mr. MURRAY. Mr. Chairman, this amendment would strike out the 2 provisions raising by 11 percent the pay of legislative employees and judicial employees. As I said before, our committee had no hearings whatsoever on these two sections. They were not even in the bill when it was originally introduced. They were added at an executive session without any consideration whatever.

We have already increased the base allowance for each Member of Congress since the last pay bill. On August 1, 1955, our base pay for clerical hire was

raised from $15,000 to $17,500, and we were given a maximum of 8 employees instead of 7.

On August 3, 1956, for those districts with over 500,000 population the allowance was raised to $20,000 and 9 employees. There are 67 districts which are getting this increased allowance to $20,000 and 9 employees.

The top salaries of our administrative assistants are today around $11,000 or $12,000. If this section is not eliminated and this bill becomes law these persons would get a $1,000 increase in salary which is not warranted or justified.

It is high time that we ourselves display some economy about our own office force and about our own legislative employees. How can we criticize spending by the Government when we do not put our own house in order?

Mr. RAYBURN. Mr. Chairman, will the gentleman yield?

Mr. MURRAY. I yield to the gentleman from Texas.

Mr. RAYBURN. Is it not true that we have always kept the employees of the House of Representatives separate and distinct from the other employees of the Government?

Mr. MURRAY. The distinguished Speaker is correct and I fully agree with him.

Mr. RAYBURN. I think we ought to continue to look after our own employees and fix their salaries in this House independent of the others. Therefore, as far as I am concerned I shall support the amendment offered by the gentleman from Tennessee.

Mr. MURRAY. I agree with the observations of the Speaker and, as I said in general debate, since the enactment of the last pay bill there have been 112 officers and employees of this House increased in large amounts; yet this section would still give those employees an 11-percent increase with a maximum of $1,000.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MURRAY. I yield to the gentleman from Iowa.

Mr. GROSS. I voted against this provision in committee, and I am opposed to it now.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. MURRAY. I yield to the gentleman from Kansas.

Mr. REES of Kansas. The gentleman recalls there were no hearings, no testimony, in respect to this feature of the bill?

Mr. MURRAY. The gentleman is correct.

Mr. REES of Kansas. It was placed in the bill without any discussion.

Mr. MURRAY. This section was added without consulting the Committee on House Administration that should pass upon this question about what we should do for our employees. We do not know how many judicial employees are covered. Our committee does not know what the present salary of the secretaries to these judges are or the law clerks or the other employees of the judiciary. We did not have one single, solitary line of testimony on that. Our committee did not consult the Judiciary Committee or the Judicial Conference about this matter and I say that both of those sections relating to the legislative and judicial employees should be stricken out.

Mr. MORRISON. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Tennessee [Mr. MURRAY].

Mr. Chairman, as much as I dislike opposing the views of the Speaker, I feel it is my duty to oppose the pending amendment. The chairman of the Committee on the Post Office and Civil Service [Mr. MURRAY] would have you believe that heretofore the legislative employees have not been included in the classified pay raise. Legislative and judicial employees have been included in the last five pay raises. Legislative and judicial employees and the judicial employees have been included in these last pay raises. In other words, in 5 out of the last 6 pay raises the legislative and judicial employees have been included.

I was a member during those hearings and I can truthfully get up here and say that to my knowledge I have not heard in those five pay raises where the legislative and the judicial employees were concerned that there was one word of testimony, nor was there one word of discussion. It was not handled any differently this time than it was in the other five cases of classified employees pay raises. If we included them in the last five times, why should they not be included this time?

One thing that is very important, I think, and that is, we are arguing over something important to all of us because we are considering by this proposed amendment of not taking care of those who work for us and who do everything in the world to do a fine splendid job. There are many temptations to be not loyal, but these legislative employees are most loyal. There are only about 6,000 legislative employees which in the overall, when compared to 950,000 classified workers, is a very small percentage. There is only a small amount of judicial employees involved. If these legislative employees have not been getting a salary that is correct or if the judicial employees are not getting a salary that is correct, our committee would have done something about it long ago. The salaries of the judicial employees and the legislative employees are in line with the classified employees.

If we are going to help the classified workers, why should we penalize and why should we hurt our office staffs? I, for one, am opposed to it, and I think many Members of this body feel the same way.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. MORRISON. I yield to the gentleman from California.

Mr. MILLER of California. When you were considering this bill, were you considering only the employees of the Department of the Interior? Were you considering only the employees of the Department of Commerce down the street, or were you considering only the employees of some special committee? You were not?

Mr. MORRISON. We considered them all together, and we did the same thing in dealing with the legislative employees and the judicial employees that we have done for the last 5 times.

Mr. JOHANSEN. Mr. Chairman, will the gentleman yield?

Mr. MORRISON. I yield to the gentleman from Michigan.

Mr. JOHANSEN. Is it not true that as far as the hearings were concerned, they related entirely to the classified employees?

Mr. MORRISON. That is exactly right, and that is what they have done the last 5 times that we have had hearings on classified pay raises. Unfortunately the gentleman was not a member of the committee then and he does not know what happened, but I do.

Mr. JOHANSEN. The gentleman concedes there was no hearing on the legislative and the judicial employees?

Mr. MORRISON. That is right. There have not been for the 5 times classified pay raises were considered. This is the first time the question was raised. Previously, the members of the committee always said, "Let the legislative employees and the judicial employees go right along with the same pay raises as the classified employees and that is what happened."

Mrs. GREEN of Oregon. Mr. Chairman, on July 23 the House by an overwhelming majority voted to grant an increase in salary to the postal workers of our country. I now rise to say that I sincerely believe we should keep faith with the classified civil service workers who, like the postal employees, are deserving of a long overdue pay raise.

Mr. Chairman, all of us recognize that our Nation today is caught in an inflationary spiral which threatens every segment of our economy. And it goes without saying that the white collar workers, whose income always lags behind increases in the cost of living, are the ones who are feeling the effect of these pressures the most.

Inadequate wages for Government workers can lead only to an inferior caliber of personnel, decreased efficiency and poor Government operation. The combination of these undesirable conditions inevitably results in most costly Government to every taxpayer. Many qualified civil service employees are forced to leave the Government because they receive better compensation in private industry.

The cost of Government is properly the concern of each of us. No one advocates useless spending or the waste of our Public Treasury. However, in the matter of wages for Federal employees, there is involved a very human question as well as a moral obligation on the part of those responsible for determining salaries. The human question can be satisfied only if the worker is given a wage that will enable him to provide decent and adequate care for his family. A moral responsibility exists as long as Federal employees do not have collective bargaining rights and in the absence of economic privileges accorded workers in private industry in a given wage dispute.

Every day I receive letters from Federal workers, earnestly written and conscientiously phrasing an appeal for an appropriate salary increase, at least

sufficient to help meet the constant rise in living costs. I should like to quote from some of these letters which reflect the opinions of all of them:

DEAR MRS. GREEN: This letter is to urge you to support H. R. 2462 which will grant a much-needed pay increase to Federal employees. Two reasons strongly demand your support of pay increases. The first is that the Government, as an employer, can neither attract nor keep capable, young, energetic personnel with salaries as much below competitive private markets as they are at present. Every day it seems another employee leaves for the fabulous offers of private employment. Even devoted Government workers cannot long watch those who are willing to move make such large gains without following in their tracks.

The second reason is that the administration's efforts to hold the price line are not working and this must be recognized. Especially since last November's election the costs of maintaining a home at a respectable level have taken a big jump. Staple groceries, fuel oil, mechanical repairs, and other services have had an increase since the election. I assure you that a $500 per year increase at this time would barely offset the increased cost of supporting my family and would leave little if any for diversion into hard goods to boost the inflation spiral. Let fair action for the Federal employees come ahead of politics and other pressures.

Sincerely.

DEAR MRS. GREEN: I request your cooperation in connection with a pay raise for Federal employees, as set forth in H. R. 2462. It is almost impossible for those in the lower income brackets to meet the everyday cost of living for themselves and their dependents, and if medical costs are added, at present high rates, it means no alternative but to obligate future earnings over a period of years. As you are well aware, living costs have been mounting monthly, and industry, in general, has been increasing the salaries of its employees to compensate, while Federal workers have been forced to continue on the same salary basis, for the last 2½ years. Why are we discriminated against?

It is very hard to understand or justify the thinking that inflation can be curbed by holding down the salary of the Federal employees when all other salaries and living costs are being increased—steel, for instance. Anything you can do to help the passage of this bill will be appreciated.

Very truly yours.

DEAR MRS GREEN: I urgently request your support of bill H. R. 2462, granting a pay increase to Federal employees. This increase is long overdue. It is most unfair to expect us to continue year after year at our same salaries while living costs keep rising. It is almost impossible for those of us in the lower income brackets to pay our everyday bills, particularly when there are medical costs to meet. Soon most of us will be forced into private industry or into accepting other work on the side.

If the President actually is sincere in wanting to curb inflation, he should restore price controls which, at the time he removed them, he promised to do if it became necessary. It is logical that penalizing Federal employees is not the answer. In fact, it will do more harm than good. It is obvious that salary conditions now are seriously handicapping Federal agencies. They are even willing to freeze the filling of vacancies in order to help pay for an increase in salary for us. We're getting to the point where we are almost ashamed to admit we work for the Federal Government. I again respectfully request you to do all you can in our behalf.

Sincerely.

DEAR CONGRESSWOMAN: Your support for an adequate pay raise for all Government employees is earnestly requested. During my 22 years as an engineer in the Department of Agriculture, I have seen too many well qualified technicians go. Now I am seeki g outside employment too. We can no longer expect to hire and hold good efficient professional personnel at the present pay scales. It is high time for the Government to start paying for brains to get the job done right.

Sincerely yours.

Mr. Chairman, because I believe the classified civil-service workers are deserving and in need of an increase in salary, I shall vote for this bill.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I would like to pay tribute to those faithful employees who work with us here in the Capitol, including the official reporters of debates who so faithfully and efficiently record the speeches in the House of Representatives, the pages, and others here in the Capitol including those who are connected with the committees of the House, and, last, but not least, our own staff. I do not know what we would do without them. They are under pretty much of a strain sometimes.

Mr. SANTANGELO. Mr. Chairman, the House is now considering a bill of very great importance to every classified Federal employee and his family. It is no exaggeration to say that for many thousands of people, the difference between bare subsistence and a decent standard of living depends upon Congressional enactment of an adequate pay raise, such as the one provided for in H. R. 2462.

The compelling necessity for an immediate increase in the Government's classified pay schedule can be made abundantly clear by citing a few basic and unyielding facts about the American economy today. The cost of living has been very high for some time, and it is steadily increasing. Federal salaries have not increased at anything like the same rate, with the result that the average civil servant's real income becomes smaller and smaller with each passing day.

The House Post Office and Civil Service Committee, of which I am proud to be a member, has within the past 2 months completed hearings on both postal and classified pay raise bills. Witness after witness has brought out, not just with emotional pleas, but with facts and figures and case histories, the unfortunate plight of those who are trying, without adequate funds, to make ends meet.

The last classified pay raise law was enacted in June of 1955 and made retroactive to March of that year. At that time, in March 1955, the cost-of-living index stood at 114.3. This index, through June of this year, was 120.2. The fact that this index jumped six-tenths of a point from May to June of 1957 shows how rapidly living costs are now rising and further emphasizes the urgency for speedy action on our part.

The administration has steadfastly opposed a pay increase, primarily on the grounds of fiscal policy and the belief that it would add to inflationary pressures. I reject these arguments. Increases in salaries do not reflect themselves in the price of goods. They render services and do not produce goods.

Even the Chairman of the Civil Service Commission, although opposing any pay increase, admitted that hundreds of thousands of (persons) on the Government payroll, undoubtedly need more money.

By what logic is it sound fiscal policy to ignore the financial hardships under which many Government workers are now living and to oppose any action designed to relieve this hardship?

Nobody wants inflation, but to argue that a pay increase will cause inflation is to confuse cause and effect. The Federal payroll is not the cause of inflation, and an increase in this payroll is needed now to keep up with the effects of inflation. Government employees no more cause inflation than they control it. There certainly is no good reason why they should be made to suffer excessively because of it.

In favorably reporting H. R. 2462 last week, the Post Office and Civil Service Committee presented what I regard as cogent and unanswerable reasons for its immediate passage. Since 1951 classified employees have received only one pay raise—the 7.5 percent increase in 1955 which, as the report says, "failed by a considerable margin at that time to bring the compensation of these employees abreast of the rising cost of living and of salary increases granted other employees in private business and industry." This report goes on to point out that since 1952, "the average hourly straight-time earnings of employees in manufacturing industries have increased 18.5 percent."

There are additional excellent reasons why Congress should pass H. R. 2462 without delay. Employee turnover in the Government has long been a serious problem. Former President Hoover has said it costs $3,000 to recruit and train the average civil servant. How can the Government hope to attract and keep competent people unless we pay them a decent salary? What hope is there for greater economy and efficiency in Government if we must cope with a 25-percent turnover in employees each year?

We must remember that, compared to workers in private enterprise, civil servants have very little bargaining power. They have no right to strike. They are wholly dependent upon Congress to take care of their needs and interests.

It is our responsibility to make certain this bill becomes law before this session of Congress adjourns. To do less would be a dereliction of duty on our part.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee [Mr. MURRAY].

The question was taken and the Chairman being in doubt, the committee divided; and there were—ayes 109, noes 110.

Mr. MORRISON. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. MURRAY and Mr. MORRISON.

The Committee again divided, and the tellers reported that there were—ayes 114, noes 126.

So the amendment was rejected.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. JONES of Missouri, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 2462) to adjust the rates of basic compensation of certain officers and employees of the Federal Government, and for other purposes, pursuant to House Resolution 393, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. REES of Kansas. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. REES of Kansas. I am, Mr. Speaker.

The SPEAKER. The gentleman qualifies.

The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. REES, of Kansas, moves to recommit H. R. 2462 to the Post Office and Civil Service Committee.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The question was taken, and the Speaker announced that the noes appeared to have it.

Mr. REES of Kansas. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 70, nays 319, not voting 43, as follows:

[Roll No. 188]

YEAS—70

Abbitt	Gwinn	Miller, Nebr.
Abernethy	Halleck	Mills
Alger	Harrison, Nebr.	Minshall
Arends	Harrison, Va.	Moulder
Bates	Harvey	Mumma
Bentley	Henderson	Murray
Berry	Herlong	Norblad
Bolton	Heselton	Norrell
Budge	Hoffman	O'Konski
Byrnes, Wis.	Jensen	Poff
Cederberg	Johansen	Reece, Tenn.
Chiperfield	Jonas	Reed
Clevenger	Jones, Mo.	Rees, Kans.
Cole	Kitchin	Rogers, Tex.
Colmer	Laird	Scherer
Dies	LeCompte	Scrivner
Dooley	McGregor	Simpson, Ill.
Flynt	McVey	Simpson, Pa.
Ford	Martin	Smith, Kans.
Gross	Matthews	Smith, Va.
Smith, Wis.	Vorys	Whitten
Taber	Vursell	Williams, Miss.
Tuck	Weaver	Winstead
Utt		

NAYS—319

Adair	Durham	Mack, Wash.
Addonizio	Dwyer	Madden
Albert	Eberharter	Magnuson
Alexander	Edmondson	Mahon
Allen, Calif.	Elliott	Marshall
Allen, Ill.	Engle	May
Andersen, H. Carl	Evins	Meader
	Fallon	Merrow
Anderson, Mont.	Farbstein	Metcalf
	Fascell	Michel
Andrews	Feighan	Miller, Calif.
Ashley	Fenton	Miller, Md.
Ashmore	Fino	Montoya
Aspinall	Fisher	Moore
Auchincloss	Flood	Morgan
Avery	Fogarty	Morris
Ayres	Forand	Morrison
Bailey	Forrester	Moss
Baker	Fountain	Multer
Baldwin	Frazier	Natcher
Barden	Frelinghuysen	Nicholson
Baring	Friedel	Nimtz
Barrett	Fulton	O'Brien, Ill.
Bass, N. H.	Garmatz	O'Brien, N. Y.
Bass, Tenn.	Gary	O'Hara, Ill.
Baumhart	Gathings	O'Hara, Minn.
Becker	Gavin	O'Neill
Beckworth	Gordon	Osmers
Belcher	Granahan	Ostertag
Bennett, Fla.	Grant	Passman
Bennett, Mich.	Gray	Patman
Betts	Green, Oreg.	Pelly
Blatnik	Green, Pa.	Perkins
Blitch	Gregory	Pfost
Boggs	Griffin	Philbin
Boland	Griffiths	Pilcher
Bonner	Gubser	Pillion
Bosch	Hagen	Poage
Boykin	Hale	Polk
Boyle	Haley	Price
Bray	Harden	Prouty
Breeding	Hardy	Rabaut
Brooks, La.	Harris	Radwan
Brooks, Tex.	Haskell	Rains
Broomfield	Hays, Ark.	Ray
Brown, Ga.	Hébert	Reuss
Brown, Mo.	Hemphill	Rhodes, Ariz.
Brown, Ohio	Hill	Rhodes, Pa.
Broyhill	Hoeven	Richlman
Burdick	Holifield	Riley
Burleson	Holland	Rivers
Bush	Holmes	Roberts
Byrd	Holt	Robeson, Va.
Byrne, Ill.	Horan	Robsion, Ky.
Byrne, Pa.	Hosmer	Rodino
Canfield	Huddleston	Rogers, Colo.
Cannon	Hull	Rogers, Fla.
Carnahan	Hyde	Rogers, Mass.
Carrigg	Ikard	Rooney
Celler	Jackson	Roosevelt
Chamberlain	James	Rutherford
Chelf	Jarman	Sadlak
Chenoweth	Jenkins	Santangelo
Christopher	Jennings	St. George
Chudoff	Johnson	Saund
Church	Jones, Ala.	Saylor
Clark	Judd	Schenck
Coad	Karsten	Schwengel
Coffin	Kean	Scott, N. C.
Collier	Kearns	Scott, Pa.
Cooley	Keating	Scudder
Cooper	Kee	Seely-Brown
Corbett	Keeney	Selden
Coudert	Kelly, N. Y.	Sheehan
Cramer	Keogh	Shelley
Cretella	Kilday	Sheppard
Cunningham, Iowa	Kilgore	Sieminski
	King	Sikes
Cunningham, Nebr.	Kirwan	Sisk
	Knox	Smith, Calif.
Curtin	Knutson	Smith, Miss.
Curtis, Mass.	Landrum	Spence
Davis, Ga.	Lane	Springer
Dawson, Utah	Lanham	Staggers
Delaney	Lankford	Stauffer
Dellay	Lennon	Steed
Dempsey	Lesinski	Sullivan
Dennison	Lipscomb	Talle
Denton	Long	Teague, Calif.
Derounian	Loser	Teague, Tex.
Devereux	McCarthy	Teller
Diggs	McConnell	Tewes
Dingell	McCormack	Thomas
Dixon	McCulloch	Thompson, La.
Dollinger	McDonough	Thompson, N. J.
Donohue	McFall	Thompson, Tex.
Dorn, N. Y.	McGovern	Thomson, Wyo.
Dorn, S. C.	McIntire	Thornberry
Dowdy	McIntosh	Tollefson
Doyle	Mack, Ill.	Trimble
Udall	Whitener	Wolverton
Ullman	Widnall	Wright
Vanik	Wier	Yates
Van Zandt	Wigglesworth	Young
Walter	Williams, N.Y.	Younger
Watts	Willis	Zablocki
Westland	Wilson, Ind.	Zelenko
Wharton	Withrow	

NOT VOTING—43

Andresen, August H.	Hess	Miller, N. Y.
	Hiestand	Morano
Anfuso	Hillings	Neal
Beamer	Holtzman	Patterson
Bolling	Kearney	Porter
Bow	Kelley, Pa.	Powell
Brownson	Kilburn	Preston
Buckley	Kluczynski	Shuford
Curtis, Mo.	Krueger	Siler
Dague	Latham	Taylor
Davis, Tenn.	McMillan	Van Pelt
Dawson, Ill.	Macdonald	Vinson
George	Machrowicz	Wainwright
Hays, Ohio	Mailliard	Wilson, Calif.
Healey	Mason	

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Krueger for, with Mr. Taylor against.
Mr. Hiestand for, with Mr. Hess against.
Mr. Wainright for, with Mr. August H. Andresen against.
Mr. Neal for, with Mr. Latham against.
Mr. Kilburn for, with Mr. Vinson against.
Mr. Mason for, with Mr. Preston against.
Mr. McMillan for, with Mr. Machrowicz against.
Mr. Bow for, with Mr. Kearney against.
Mr. Van Pelt for, with Mr. Kluczynski against.

Until further notice:

Mr. Hays of Ohio with Mr. Beamer.
Mr. Healey with Mr. Siler.
Mr. Shuford with Mr. Patterson.
Mr. Holtzman with Mr. Moore.
Mr. Anfuso with Mr. Mailliard.
Mr. Macdonald with Mr. Brownson.
Mr. Dawson of Illinois with Mr. Hillings.
Mr. Davis of Tennessee with Mr. Miller of New York.
Mr. Buckley with Mr. Curtis of Missouri.
Mr. Bolling with Mr. Dague.
Mr. Kelley of Pennsylvania with Mr. George.
Mr. Porter with Mr. Wilson of California.

Mr. McGREGOR changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

Mr. MURRAY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 329, nays 58, not voting 45, as follows:

[Roll No. 189]

YEAS—329

Adair	Barrett	Brooks, Tex.
Addonizio	Bass, N. H.	Broomfield
Albert	Bass, Tenn.	Brown, Ga.
Alexander	Baumhart	Brown, Mo.
Allen, Calif.	Becker	Brown, Ohio
Allen, Ill.	Beckworth	Broyhill
Andersen, H. Carl	Belcher	Burdick
	Bennett, Fla.	Burleson
Anderson, Mont.	Bennett, Mich.	Bush
	Bentley	Byrd
Andrews	Betts	Byrne, Ill.
Ashley	Blatnik	Byrne, Pa.
Ashmore	Blitch	Canfield
Aspinall	Boggs	Cannon
Auchincloss	Boland	Carnahan
Avery	Bonner	Carrigg
Ayres	Bosch	Celler
Bailey	Boykin	Chamberlain
Baker	Boyle	Chelf
Baldwin	Bray	Chenoweth
Barden	Breeding	Christopher
Baring	Brooks, La.	Chudoff

Church	Holt	Pillion
Clark	Horan	Poage
Coad	Hosmer	Polk
Coffin	Huddleston	Price
Collier	Hull	Prouty
Cooley	Hyde	Rabaut
Cooper	Ikard	Radwan
Corbett	Jackson	Rains
Coudert	James	Ray
Cramer	Jarman	Reuss
Cretella	Jenkins	Rhodes, Ariz.
Cunningham, Iowa	Jennings	Rhodes, Pa.
	Johnson	Riehlman
Cunningham, Nebr.	Jones, Ala.	Riley
	Judd	Rivers
Curtin	Karsten	Roberts
Curtis, Mass.	Kean	Robeson, Va.
Davis, Ga.	Kearns	Robsion, Ky.
Dawson, Utah	Keating	Rodino
Delaney	Kee	Rogers, Colo.
Dellay	Keeney	Rogers, Fla.
Dempsey	Kelly, N. Y.	Rogers, Mass.
Dennison	Keogh	Rogers, Tex.
Denton	Kilday	Rooney
Derounian	Kilgore	Roosevelt
Devereux	King	Rutherford
Diggs	Kirwan	Santangelo
Dingell	Kitchin	St. George
Dixon	Knox	Saund
Dollinger	Knutson	Saylor
Donohue	Landrum	Schenck
Dorn, N. Y.	Lane	Schwengel
Dorn, S. C.	Lanham	Scott, N. C.
Dowdy	Lankford	Scott, Pa.
Doyle	Lennon	Scudder
Durham	Lesinski	Seely-Brown
Dwyer	Lipscomb	Selden
Eberharter	Long	Sheehan
Edmondson	Loser	Shelley
Elliott	McCarthy	Sheppard
Engle	McConnell	Sieminski
Evins	McCormack	Sikes
Fallon	McCulloch	Sisk
Farbstein	McDonough	Smith, Calif.
Fascell	McFall	Smith, Miss.
Feighan	McGovern	Spence
Fenton	McIntire	Springer
Fino	McIntosh	Staggers
Fisher	McVey	Stauffer
Flood	Macdonald	Steed
Flynt	Mack, Ill.	Sullivan
Fogarty	Mack, Wash.	Talle
Forand	Madden	Teague, Calif.
Forrester	Magnuson	Teller
Fountain	Mahon	Tewes
Frazier	Marshall	Thomas
Frelinghuysen	Matthews	Thompson, La.
Friedel	May	Thompson, N. J.
Fulton	Meader	Thompson, Tex.
Garmatz	Merrow	Thomson, Wyo.
Gary	Metcalf	Thornberry
Gathings	Michel	Tollefson
Gavin	Miller, Calif.	Trimble
Gordon	Miller, Md.	Udall
Granahan	Montoya	Ullman
Grant	Moore	Vanik
Gray	Morgan	Van Zandt
Green, Oreg.	Morris	Walter
Green, Pa.	Morrison	Watts
Gregory	Moss	Westland
Griffin	Multer	Wharton
Griffiths	Natcher	Whitener
Gubser	Nicholson	Whitten
Hagen	Nimtz	Widnall
Hale	Norblad	Wier
Haley	O'Brien, Ill.	Wigglesworth
Harden	O'Hara, Ill.	Williams, Miss.
Hardy	O'Hara, Minn.	Williams, N. Y.
Harris	O'Konski	Willis
Haskell	O'Neill	Wilson, Ind.
Hays, Ark.	Osmers	Winstead
Hébert	Ostertag	Withrow
Hemphill	Passman	Wolverton
Herlong	Patman	Wright
Hill	Pelly	Yates
Hoeven	Perkins	Young
Holifield	Pfost	Younger
Holland	Philbin	Zablocki
Holmes	Pilcher	Zelenko

NAYS—58

Abbitt	Dooley	Laird
Abernethy	Ford	LeCompte
Alger	Gross	McGregor
Arends	Gwinn	Martin
Bates	Halleck	Miller, Nebr.
Berry	Harrison, Nebr.	Mills
Bolton	Harrison, Va.	Minshall
Budge	Harvey	Moulder
Byrnes, Wis.	Henderson	Mumma
Cederberg	Heselton	Murray
Chiperfield	Hoffman	Norrell
Clevenger	Jensen	Poff
Cole	Johansen	Reece, Tenn.
Colmer	Jonas	Reed
Dies	Jones, Mo.	Rees, Kans.
Scherer	Smith, Va.	Vorys
Scrivner	Smith, Wis.	Vursell
Simpson, Ill.	Taber	Weaver
Simpson, Pa.	Tuck	
Smith, Kans.	Utt	

NOT VOTING—45

Andresen, August H.	Hiestand	O'Brien, N. Y.
	Hillings	Patterson
Anfuso	Holtzman	Porter
Beamer	Kearney	Powell
Bolling	Kelley, Pa.	Preston
Bow	Kilburn	Sadlak
Brownson	Kluczynski	Shuford
Buckley	Krueger	Siler
Curtis, Mo.	Latham	Taylor
Dague	McMillan	Teague, Tex.
Davis, Tenn.	Machrowicz	Van Pelt
Dawson, Ill.	Mailliard	Vinson
George	Mason	Wainwright
Hays, Ohio	Miller, N. Y.	Wilson, Calif.
Healey	Morano	
Hess	Neal	

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Taylor for, with Mr. Krueger against.
Mr. Hess for, with Mr. Hiestand against.
Mr. Andresen, A. H., for, with Mr. Wainwright against.
Mr. Latham for, with Mr. Neal against.
Mr. Sadlak for, with Mr. Kilburn against.
Mr. Anfuso for, with Mr. Mason against.
Mr. Buckley for, with Mr. McMillan against.
Mr. Holtzman for, with Mr. Bow against.
Mr. Kelley of Pennsylvania for, with Mr. Van Pelt against.

Until further notice:

Mr. Hays of Ohio with Mr. Kearney.
Mr. Healey with Mr. Beamer.
Mr. Powell with Mr. Siler.
Mr. Preston with Mr. Patterson.
Mr. Vinson with Mr. George.
Mr. Porter with Mr. Dague.
Mr. Shuford with Mr. Curtis of Missouri.
Mr. Kluczynski with Mr. Brownson.
Mr. Dawson of Illinois with Mr. Miller of New York.
Mr. Bolling with Mr. Morano.
Mr. Machrowicz with Mr. Mailliard.
Mr. O'Brien of New York with Mr. Hillings.

Mr. O'KONSKI changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PROGRAM FOR WEEK OF AUGUST 12

Mr. MARTIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN. I take this time to ask the majority leader if he will kindly inform us as to the program for next week?

Mr. McCORMACK. I shall be pleased to.

There will be no session Monday.

Tuesday, Wednesday, Thursday, Friday, and Saturday: S. 2130, Mutual Security Act of 1957 conference report, if the conference report is ready.

H. R. 8090, public works appropriation bill, 1958, conference report, if the report is ready.

H. R. 1536, the postal service readjusting bill, that is, the postal rate increase bill.

Mr. MARTIN. As I understand, the postal rate bill will come up on Tuesday?

Mr. McCORMACK. I have it on the program to follow the two conference reports if they are ready; if they are not ready, the postal rate bill is the first regular business in order, and the probabilities are that the postal rate bill will come up on Tuesday; at any rate it is the first legislative business for next week.

H. R. 469, the textile fiber products identification bill.

S. 1383, freight forwarders bill.

H. R. 5822, relating to air carriers and the reinvestment of gains.

The above program is announced with the usual reservations that any further program will be announced later, and that conference reports may be brought up at any time.

Will the gentleman yield for a consent request?

Mr. MARTIN. I yield.

ADJOURNMENT OVER TO TUESDAY, AUGUST 13

Mr. McCORMACK. Mr. Speaker, in view of the fact there is no business scheduled for Monday, I ask unanimous consent that when the House adjourns today it adjourn to meet on Tuesday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

CALENDAR WEDNESDAY BUSINESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent, if not already granted, that business in order on Calendar Wednesday of next week may be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

INTERIM AUTHORITY TO SPEAKER AND CLERK

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House until Tuesday next, the Clerk be authorized to receive messages from the Senate and that the Speaker be authorized to sign any enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

GENERAL LEAVE TO EXTEND REMARKS

Mr. MORRISON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks in the RECORD on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

UNITED STATES LATIN-AMERICAN POLICY

Mr. REECE of Tennessee. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. REECE of Tennessee. Mr. Speaker, on August 1, 1957, the distinguished gentleman from California [Mr. JACKSON] delivered one of the most erudite, thought-provoking, and all-encompassing statements on United States Latin-American policy ever to be made on this floor. The gentleman is rightly regarded as one of the foremost Congressional experts in the field of Latin affairs. His depth of knowledge and breadth of experience were never more apparent than in those remarks. The gentleman speaks from the vantage point of 20 years' experience ranging from military service in Latin America during the era of American dollar diplomacy to his present assignment on the House Foreign Affairs Subcommittee responsible for the Western Hemisphere. While one would expect such an expert to speak with clarity and precision, the scope and import of the gentleman's remarks are truly impressive. I commend his remarks to all students and observers of United States-Latin American affairs. Through a field of international affairs dotted with pitfalls and traps, the gentleman leads us on an unerring course to the goal of hemispheric solidarity. Neither stepping on democratic principles nor overreaching sovereign rights, the gentleman strikes that elusive balance between American ideology and the pragmatic demands of international relations in a world divided into two warring camps. Basically, this is the same dilemma, with varying hues, which confronts America throughout the world. Anticolonialism versus historical allegiance, anticommunism versus resurgent nationalism are similar contradictory influences which compound the problems of American foreign policy. Architects of our foreign policy might well benefit from reading the gentleman's learned explanation of the basis and operation of our Latin American policy.

One cannot miss the comparison between the gentleman from California's deliberate, studied, careful approach and the headstrong, precipitous rushes of the gentleman from Oregon into this complex field. I had hoped that the well intentioned statement of the gentleman from California would cause the gentleman from Oregon to pause and reflect on his impetuous actions and statements. Despite the helpful counsel of his colleagues on the Foreign Affairs Committee, the gentleman from Oregon persists in his attacks on our bipartisan good-neighbor policy. Appearing last Sunday on the Meet The Press program, the gentleman from Oregon again intruded on the foreign policy of the United States. In response to questions, the gentleman from Oregon stated that he would like to see the Government of the Dominican Republic overthrown, and he commended the American Ambassador to Cuba's action in not remaining aloof from the internal political struggle in that country. The impropriety of a Member of Congress publicly sympathizing, on a nationwide broadcast, with revolutionaries plotting against a friendly government is so apparent that it warrants no elaboration. The gentleman's statement on the Cuban affair merits study. It is just this type of situation that calls for the most patient and tolerant restraint on the part of the United States. Here we find a movement with some apparent public support fighting against the recognized existing government with whom we have diplomatic relations. It being impossible to predict the outcome of the struggle or to know which government can best serve the Cuban people we must painstakingly refrain from any favoritism or support of any group or individuals. Not only are we pledged to refrain by treaty but experience and reason dictate against taking sides in any other nation's internal affairs. Bear in mind the cogent observation of the gentleman from California who said that it is a "demonstrated fact that no matter how deep one's hatred of domestic tyranny may be, that for foreign interference is greater."

The cause célèbre which propelled the distinguished member of the Committee on Post Office and Civil Service into the unfathomable intricacies of Latin American politics was the so-called Galindez-Murphy matter. While I approve of the gentleman espousing his constituent's cause, I have heard or read nothing that clearly implicates the Dominican Government. Certainly the gentleman said nothing on Meet the Press which convinced the panel or the audience that the responsibility lay with the Dominican Government. As Senator WILEY so aptly put it, the entire case vests on "accusation after accusation, hearsay and conjection; inference piled on top of inference." I am in agreement with the distinguished gentleman from Louisiana who stated that "it is preposterous to consider that any sort of a bona fide case can be presented against a legitimate and properly constituted government by a set of vague, farfetched, and unsubstantiated circumstances."

I don't know all the facts, the gentleman from Oregon doesn't seem to know all the facts. Under the circumstances, it would seem genuinely advisable to cease all attacks upon the Dominican Government until the Departments of State and Justice reach a final decision and make public their findings.

In the gentleman's haste to discredit the Dominican Government, he has not been careful to protect the names and reputations of many responsible persons. In the midst of his August 1 discourse on the Galindez-Murphy affair, he interjected an advance copy of a Look magazine article on American friends of the Dominican Government. The implication that all of those Americans named in the article were somehow involved in the alleged nefarious activities of General Trujillo was only too obvious. That such an inference could be drawn was demonstrated when the gentleman was asked on Meet the Press if all those named by Look were part of the Dominican scheme of terror. Included among those obliquely connected to the alleged crimes of the Dominican Government were three Members of this body, one of whom is our very able and distinguished majority leader, a son-in-law of the Secretary of State, a son of the late President Roosevelt, a brother-in-law of Mrs. Eisenhower, a former aid of President Truman's and many, many others of high integrity and distinction.

The above-mentioned persons did not exhaust the list of those who came in for criticism by the distinguished gentleman from Oregon. He next attacked the Department of Defense for their policy of encouraging dictatorships upon the premise of a fancied military advantage. Having thus summarily exposed the fallacy of Defense Department planning, the gentleman states that any invasion of the Western Hemisphere would be met by our forces, not those of Latin America. If we were to withdraw assistance from Cuba, Venezuela, the Dominican Republic, and other countries, and thus lose our sub, air, radar, and guided-missile bases, how would United States forces operate to cope with Soviet intervention in that area?

On Meet the Press the gentleman said that he favored aid to Spain because of the acknowledged value of our military bases in that country. He is either unaware of our bases in Cuba and the Dominican Republic or believes them to be of no genuine military advantage. I am at a loss to understand how the gentleman distinguished between the military advantage of bases in Spain and those in the Caribbean area. He admits the Department of Defense makes no such distinction. The only conclusion is that the gentleman considers himself a more qualified judge of military requirements than the Department of Defense.

The gentleman also disclaims the possibility and danger of a Communist base in the Western Hemisphere and repeatedly states that the danger of Communist aggression in Latin America is from subversion and not invasion. I agree that the main danger is from subversion, but the gentleman's distinction between subversion and invasion reveals a naive assumption that a government established by subversion is less dangerous than one brought about by invasion. Does the gentleman know that the Red Government of Guatemala, established by subversion, was toppled only days before the arrival of a Soviet arms shipment en route in a Swedish ship?

On July 15, 1957, the gentleman from Oregon said that he deplored acts of assassination and on July 22, 1957, he said that he was advocating no violations of treaties with the Dominican Republic, Cuba, Venezuela, and Nicaragua. But his statements and actions belie his adherence to these commendable principles. Certainly public statements that he

favors the overthrow of these governments and sympathizes with their revolutionary opponents constitute an infringement of our treaties. Such remarks similarly encourage would-be assassins who, as we have seen in Guatemala, are only too eager to strike.

The gentleman from Oregon also turns an incredulous eye on the endeavors of the able Morris Ernst and Judge Munson who are doing an independent objective investigaiton of the Galindez-Murphy case. The gentleman says that these distinguished lawyers are being used by Trujillo to gather secret Government evidence in the Galindez-Murphy case. From what I know of both these gentlemen, it is grossly inaccurate and unfair to say that they are serving either wittingly or unwittingly as tools of the Dominican Government.

The gentleman stated on Meet the Press that he had no faith in Mr. Ernst's efforts because Mr. Ernst was being paid by the Dominican Government. As a lawyer, the gentleman should see the fallacy of his own logic. Every day Federal judges paid by the United States Government are asked to resolve disputes in which the same United States Government is a party. The source of compensation does not necessarily color one's objectivity.

The gentleman from Oregon makes another point which merits attention. He states that he has talked to many people in the Department of State, and he has yet to find one below the post of Assistant Secretary for Inter-American Affairs who disagrees with him. This is indeed a perplexing and intriguing assertion. Our policy of nonintervention and nondiscrimination among sister Republics first took concrete form under the secretaryship of my brilliant and distinguished fellow Tennessean, Cordell Hull. It has found continuing acceptance to the present day with the warm endorsement of each succeeding Congress. Secretary Dulles and the Congressional Committees on Foreign Affairs should be made aware of the lack of staff support in the Department of State for this avowed policy of the United States. The gentleman from Oregon should make public the names of those State Department officials who are not in sympathy with our long-established bipartisan good-neighbor policy. In view of the fact that these officials are charged with implementing Congressional and administrative intent, their activities should be studied in order to ascertain how much their personal prejudices are frustrating the objectives of national policy.

The gentleman from Oregon states he has received considerable acclaim in Latin America. He notes that the fervency of his welcome in Costa Rica was embarrassing and that the President of Costa Rica stands solidly with him in his activities. Has the gentleman stopped to ask himself if the President of Costa Rica embraces the gentleman only out of the purest motivations of democratic principles? Any casual observer of the Central American scene knows that there has never been any love lost between Costa Rica and Nicaragua. One month after the gentleman from Oregon was, in his own words, "lionized by the people of Costa Rica," he introduced an amendment to the mutual security bill, which, if adopted, might have cut off all aid to Nicaragua. Such action would undoubtedly find enthusiastic approval in the councils of the Costa Rican Government. The gentleman states that the eagerness with which certain Latin American elements have pinned their aspirations on him, a freshman Congressman, contains a grave warning. I heartily concur. Any freshman Congressman or freshman Latin American expert should be forewarned to guard against any of their actions or statements being used by any country to promote its selfish national interests by securing favored treatment from the United States. In the gentleman from Oregon's own words "we are big, economically powerful" and as such, we desperately need skilled practitioners of foreign affairs to insure that our wealth and influence are not subverted to the preferential interest of any one or group of friendly nations.

The gentleman from California [Mr. JACKSON] has directed our attention to another problem which demands early resolution. I refer to the function and operations of the Legislative Reference Service of the Library of Congress. Specifically, the House should consider the propriety and legality of this service providing personnel to Members without regard to the nature of the mission or the need for the employees' services. I do not believe that Congress has empowered the Library of Congress with the right to provide employees to individual Members blindly under a blanket assumption that official business of Congress is involved.

The cause célèbre which provoked my original inquiries was the weekend trips of the gentleman from Oregon and Mrs. Rosita Bennett of the Library of Congress to Costa Rica and Colombia. I am not as much concerned with the gentleman from Oregon and the lady's trip as I am with the serious questions of propriety raised thereby. More particularly, the attitude and explanation of the Library of Congress appears to be unsatisfactory.

In order that you might appreciate the perplexity involved I will briefly review the facts as I know them. The gentleman from Oregon made several unofficial weekend visits to Latin America. The gentleman, by his own admission, had little knowledge of the area and no facility with the Spanish language. Thus, he requested that the Library of Congress have Mrs. Bennett accompany him as a Latin American expert. The request was apparently acceded to with no question. During the course of these excursions, the gentleman unqualifiedly attacked the governments of several Latin American countries. The Costa Rican papers gave the gentleman and Mrs. Bennett equal billing in their written and pictorial coverage of the visit. In both Costa Rica and Colombia, Mrs. Bennett's expenses were defrayed by the Costa Rican Government and a Colombian newspaper. Mrs. Bennett made at least one public statement and the fact that she was termed a collaborator of the gentleman from Oregon would indicate she was quite vocal in support of the gentleman's position. They jointly discussed with governmental and nongovernmental persons the internal politics of not only Costa Rica and Colombia but also of Venezuela and the Dominican Republic. They reportedly interviewed would-be assassins of the President of Costa Rica. Mrs. Bennett was publicly introduced by the gentleman as a "book I borrowed from the Library of Congress." Until now, I did not know that flesh and bone books were available for loan from the Library.

With this background, let us examine the position of Mrs. Bennett's superior, the Director of the Legislative Reference Service, Mr. Ernest Griffith. On first inquiry, this gentleman informed me that Mrs. Bennett was carrying out her official duties. In light of the lady's actions and the political and international tenor of these trips, I could only conclude that Mr. Griffith was unaware of the facts or that he had misconstrued the functions of his office as drafted by Congress. I then brought to light the facts I have just outlined. Reflecting on the latter, Mr. Griffith refuses to concede that Mrs. Bennett was exceeding the confines of her official duties. He now says that the requirement to provide data bearing on legislation sustains his action in providing Mrs. Bennett for this trip. He further states that he is not in a position to question the source of travel funds available to his employees, and that he always assumes that official business of Congress is involved in any request from a member. It would appear that any of us can call Mr. Griffith, tell him to send over an employee for a weekend trip and she or he will appear in our offices, bag in hand, ready to travel. By what authority or through what action does Mr. Griffith believe that he is unquestioningly required to provide such service? If such was the intent of Congress, it is unknown to me and either Mr. Griffith is exceeding his prerogatives or his mission should be speedily clarified. I cannot believe that Congress authorized or condones such a service nor that Mr. Griffith must acquiesce in every request from a Member of Congress without regard to any discretion on his part.

It has been brought to my attention that the Associated Press, under dateline of June 15, reports that Mr. and Mrs. Porter arrived in Costa Rica on that date. If the press had not confused Mrs. Porter with Mrs. Bennett, then it is proper to ask the gentleman if his wife's expenses were paid by foreign sources.

My aim is not to condemn the gentleman from Oregon but only to stimulate an open discussion and investigation of this matter. I have yet to discover the exact personnel composition of the gentleman from Oregon's party on these trips. Nor can I learn the specific amounts or nature of the expenses assumed for the benefit of Mrs. Bennett or anyone else in the company of the gentleman.

A Federal employee cannot accept anything of value from a foreign gov-

ernment without placing herself under obligation to that government. Such is directly contrary to the exclusive loyalty which an employee owes to his own government. Federal employees are expressly prohibited from any support of or participation in partisan American politics. How much more circumspect should they be about open association with the political forces of foreign countries. This is the conflict of interest question which the Library of Congress evades or refuses to answer. If an employee of the United States Government is free to delve into the politics of foreign nations and to accept emoluments from foreign governments in carrying out official duties, then the aggrieved party and real one in interest is the American taxpayer. Conceivably it may be that the technical letter of the law has not been violated by Mrs. Bennett accepting travel expenses but certainly the spirit of the law has been breached by a Federal employee placing herself under some obligation to a foreign government. No servant of the United States can serve two masters.

The gentleman states that the Library of Congress informs him that what he did was entirely legal. Such an opinion is readily understandable since the Library initially approved his action. If the gentleman desires an objective opinion of the law and ethics, he should seek a ruling from the Attorney General of the United States.

I hope that all Members will give thoughtful consideration to this problem for it appears that early clarification of our true intent must be directed at the Library of Congress.

I would remind the gentleman that on July 22, 1957, he rightly concluded that "under our Constitution, the President and his Secretary of State have responsibility for our foreign policy" and further, that "Congress has the responsibility for representing the people and, in particular, the House of Representatives authorizes the spending of and appropriates the taxpayers money." On July 19, 1957, the House of Representatives defeated the gentleman's proposed amendment to alter our Latin American policy by votes of 171 to 4 and 168 to 7. Does anyone doubt that this body has thus expressed its overwhelming disapproval of the gentleman's proposed revision of our longstanding good-neighbor policy. The gentleman states that the amendments were resoundingly defeated because the Foreign Affairs Committee had not previously considered them. Yet it is a fact that the gentleman brought these amendments and his report thereon to the attention of every Member 2 weeks before they were voted on in the House.

As I have repeatedly stated, the colloquy between myself and the gentleman from Oregon is not a personal exchange marked by any animosity or ill feeling. I hope that he continues to regard my comments in the light of fair criticism and counsel. During my long years of service in the Congress I have learned to proceed in established channels, guard my words and actions, and accept the judgments of a majority of my colleagues. The gentleman from Oregon has heard the overwhelming judgments of his colleagues and has been courteously counseled by the experts in this body who are responsible for Latin American affairs. In the interest of national security and inter-American harmony and out of due respect for the considered judgment of Congress and the President and his Secretary of State, I trust that the gentleman will bridle his emotions and moderate his actions. The Committee on Foreign Affairs is more than willing to entertain his views and consider his proposals. The Secretary of State or the cognizant Assistant Secretary are most courteous in discussing problems of foreign affairs with any Member of Congress. These are the proper and effective channels through which we must act to influence foreign policy. Spontaneous free swinging charges at home and abroad do not serve the interests of the United States or any other nation, nor can they have any constructive effect on the conduct of foreign affairs. Diplomacy is a precise art built on experience and knowledge and practiced through calm, intelligent deliberation and painstaking negotiation. The gentleman could best serve his constituents and all the American people by utilizing these implements of the craft of diplomacy.

REDUCTION OF PERSONAL INCOME TAXES

The SPEAKER. Under previous order of the House, the gentleman from West Virginia [Mr. STAGGERS] is recognized for 5 minutes.

Mr. STAGGERS. Mr. Speaker, after long deliberation I have this day written to the chairman of the House Ways and Means Committee, calling attention to the need for legislation to reduce personal income taxes. Concurrently, I have introduced a bill that would increase individual exemptions from $600 to $1,000.

Periodic promises have been made by the administration to the effect that reduced Federal spending is in prospect, bringing with it opportunities for reduction of the national debt and tax relief for the general public. The pledges have consistently been violated, and it has now become obvious that only through the concerted efforts of members of the Democratic Party will a brake be placed upon Government expenditures. In justice to officials responsible for projecting budgetary requirements, Congressional intent should be made known at this time, thus serving notice on Secretaries of the various departments and on all supervisory personnel that there will be less revenue in the next fiscal year and that outlays must be cut accordingly.

Mr. Speaker, I believe that the time has come for Congress to give positive assurance, rather than vague promises, to the American citizen with respect to tax relief. This assurance is contained in the bill which I have introduced today.

Despite the pressure of business that comes with the approach of adjournment of Congress, I return to my Congressional district almost every weekend. The people of the second district of West Virginia represent a typical cross-section of this great Nation, although our labor forces have perhaps been hit harder than their contemporaries in some of the other industrial areas. It is generally acknowledged that low-income groups—whether they be farmworkers, coal miners, railroaders, or employees of manufacturing and processing industries—have been and are the principal victims of the continued rise in living costs. When inflation stalks the land, its ugly shadow brings greater deprivation to the low-income group than to any other segment of the population. We have now reached a point where the presence of this economic demon is felt in thousands of homes in my State and yours. Families are no longer able to obtain necessary food and clothing, and prospects for children who have anticipated a higher education are becoming dimmer by the day.

The costs of living have soared to an alltime high in the past 10 months and at the moment there are no signs of retarding this trend. The one available remedy is a reasonable revision of the income-tax laws. Our taxpayers were originally asked to suffer an upward spiral in order to underwrite the cost of war. When hostilities ceased, they were told, relief would be forthcoming. World War II was concluded 12 years ago almost to the day, and the conflict in Korea came to an end 4 years ago, yet income-tax reduction is largely forgotten in Washington except during political campaigns.

Mr. Speaker, I ask that the following paragraphs from the current issue of U. S. News & World Report be inserted at this point:

People ask more and more often whether taxes on incomes will be cut, when those taxes will be cut and how big any cut will be.

Answers to these and other questions can be given only by Congress, particularly the 40 members who make up the House Ways and Means Committee and the Senate Finance Committee. To get those answers, U. S. News & World Report interviewed members of the two committees.

From the 35 Senators and Representatives ready to express an opinion come these appraisals of the tax outlook:

There are 11 members of the tax-writing committees who say that a cut in taxes will be made on 1958 incomes of individuals. At the same time, eight committee members say flatly that there will not be a tax cut. The 16 others who express an opinion say that the question of a tax reduction will depend on the degree of inflation next year, on the state of the Government's budget and on the intensity of political pressure in an election year.

I call particular attention to the last sentence of that excerpt. I charge that it is the responsibility of the Democratic Party to remain aloof from the administration's intention to use the tax cut as a political issue in the next campaign. In undertaking immediate action on this issue, we will not only fulfill a public trust but at the same time put a damper on an erupting fiscal crater stoked by irresponsible managers of the Federal exchequer.

Experience over the years has established the Republican Party as the faithful front of big business, which time and

again is the beneficiary of GOP tax concessions. Under the circumstances, it is an obligation on the part of the Democratic Members of Congress to pursue our course as representatives of men and women and children who were not born at the social and financial level necessary to be accorded compassion by leaders of the present administration. Let me point out that some of our colleagues on the other side of the aisle—those not beholden to the powers of affluence behind the administration—will, I am confident, join this move in the direction of more equitable tax laws. They have assured me that they stand ready at this very moment to join in support of my bill to increase personal income tax exemptions.

Mr. Speaker, I am directing my remarks to these Republican Members of the House as well as to my colleagues in the Democratic Party. Please get in touch with the chairman of the House Ways and Means Committee, as I have done today, and ask for an early hearing on my tax relief bill. Once it is enacted, we will have the satisfaction of knowing that the people who have been unfairly burdened for these many years will at least have had some measure of opportunity at catching up with the cost-of-living index. Those millions of deserving families thus partially rewarded for their patience will at last be able to use a greater share of their earnings for their personal use, as against required contributions of unfair proportions for the sustenance of an ever-growing bureaucracy. By buying those items of which they have been deprived for so many years, these taxpayers will also stimulate business generally, thus giving the entire national economy a share in the benefits of this remedial legislation.

DUAL COMPENSATION AND EMPLOYMENT; A REEXAMINATION OF THE FEDERAL DOCTRINE

Mr. HOSMER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include extraneous matter with tables.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOSMER. Mr. Speaker, at least 35 dual employment and dual compensation statutes are now in effect. It is a practical impossibility to administer them, let alone avoid repeated cases of inadvertent hardship and injustice. This is a situation badly needing a remedy, and the latter involves much more than first meets the eye.

After briefly studying the problem I became aware that both a tremendous research job and a tremendous job of analysis were required. I requested help from the Library of Congress, and Dr. Freeman W. Sharp of the American Law Section spent many months tirelessly assembling and analyzing the required data. I present it in detail today because it is important, and because I feel it should be preserved in a public document readily available to the many persons now and in the future who will want to study it.

For the purposes of clarity and reference, this study, based entirely on the work of Dr. Sharp, to whom full credit is hereby given, is sectionalized under the following topical headings: I—The Problem; II—Dual Employment of Military Retirees; III—The Federal Doctrine; IV—The Common Law and English Background of Officeholding; V—American Colonial and Post-Revolutionary Ideas; VI—The Federal Constitution; VII—The Early Federal Period, 1789–1850; VIII—The Middle Period, 1850–1874; IX—Restatement and Revision, 1874–1924; and X—The Test, 1924–1927.

DUAL COMPENSATION AND EMPLOYMENT: A REEXAMINATION OF THE FEDERAL DOCTRINE

I—THE PROBLEM

The shortage of trained personnel to staff Federal departments and agencies, from typists to atomic scientists, has persisted from the beginning of World War II to the present day, a period of some 15 years. Competition for the services of those available has led to the lowering of standards and the establishment of all kinds of makeshift devices without apparent effect upon the shortage. This has naturally caused Federal employment officers to eye a possible source of adequately trained personnel beyond their reach due to the laws prohibiting dual employment and dual compensation. In recent years an increasing number of bills have been introduced into the Congress to revise and liberalize those laws so that the Federal Government might obtain the benefit of that potential manpower without the return of the evils which those laws were designed to prevent.

The United States Civil Service Commission in a report, Dual Employment and Dual Compensation in the Federal Service, dated June 1955, has outlined the situation respecting the restrictions (pp. 3–4):

"There are now in effect at least 35 dual employment and dual compensation statutes. The earliest of these was enacted in 1894, the most recent in 1954.

"These statutes are extremely complicated; some are overlapping, some are inconsistent, and a number are no longer realistic in light of present-day economic conditions. No central management agency has responsibility for their administration through policy guidance and regulations. This situation results in poor manpower utilization, continuing administrative problems for agencies, and injustices to individuals because of inadvertent errors.

"Because the statutes arbitrarily restrict employment, and are badly out of date, many exceptions are sought. In the absence of any administrative means, such exceptions (sometimes for one individual) are obtained through enactment of additional laws.

"The present dual employment and dual compensation statutes have the following principal effects on the hiring and utilization of Federal employees. In considering the dollar limits discussed, it is important to have in mind that the lowest rate payable under the Classification Act is now more than $1,800 per year. Under Public Law 763, 83d Congress, the lowest Classification Act rate, upon abolishment of the CPC schedule in September 1955, will be at least $2,500 per year. (Today the lowest rate is $2,690.)

"1. A civilian employee cannot hold more than one position at the same time, even while on leave without pay from one of them, if the pay rate for either position is $2,500 per year or more.

"2. When a person does hold 2 positions, such as 2 part-time positions, each having a salary of less than $2,500 per year, he cannot receive salary from both positions for the same period of time if the combined annual rate exceeds the rate of $2,000 per year.

"3. The following retired military personnel can hold civilian Government positions and continue to receive their retired pay without any limitations:

"(a) Retired enlisted personnel other than warrant officers;

"(b) Warrant officers who are retired for disability incurred in line of duty; and

"(c) Retired commissioned officers who are retired for disability incurred in combat or caused by an instrumentality of war in time of war.

"4. Commissioned officers and warrant officers who are retired for another reason than disability incurred in line of duty (nondisability retirees) cannot hold a Federal job if either the retired pay to which they are entitled or the salary of the position is $2,500 a year or more. This restriction cannot be avoided by waiving retired pay. An exception exists for Reserve officers retired (on the basis of age and service credits) under title III of Public Law 810, 80th Congress.

"5. Commissioned officers retired for disability, but not for disability incurred in combat or caused by an instrumentality of war in time of war, may hold any Government position and receive the full salary of the position, but they cannot receive their retired pay while receiving the salary if the combined rate would exceed $10,000 a year. If the retired pay exceeds $10,000 a year, the officer may elect to waive the salary and receive only his retired pay. Reserve officers retired under title III of Public Law 810, 80th Congress, are subject to this limitation.

"6. Many agencies which have special or unique problems in connection with dual employment have obtained exceptions to all or certain provisions of the statutes. Examples: Panama Canal Company, Canal Zone Government, Post Office Department, Weather Bureau, Department of Agriculture, Census Bureau, Federal Civil Defense Administration, District of Columbia government, International Boundary and Water Commission (Department of State), and Central Intelligence Agency. These exceptions are contained in a number of specific laws and appropriations acts."

II. DUAL CIVILIAN EMPLOYMENT AND MILITARY RETIREES

The contrast in the employment of civilians and employment of military retirees can be gleaned from the civil service report, as follows (pp. 9 and 12–13):

"We have not been able to obtain data on numbers of civilian personnel employed in dual capacities, or numbers of applicants found ineligible for or unwilling to take Federal employment because of the dual employment-dual compensation restrictions. This information is not maintained by Federal agencies."

"Dual civilian employment

"Past thinking about changing the restrictions on dual employment of civilians has tended in the direction of arguing for greater freedom to hold more than one Federal job, particularly at the lower salary levels. However, sound personnel management indicates that dual job holding is acceptable practice only if it is consistent with efficiency and economy in Government operations. Such dual employment should be controlled so that it will not be so burdensome as to adversely affect employee efficiency, or be damaging to the employee's mental and physical well-being.

"Except under these circumstances, no employee should be permitted to hold more than one full-time job, or a combination of part-time work equaling more than a full-time job in terms of total hours worked. This is equally true at all salary levels. The rate of an employee's pay should not be a

deciding factor in determining whether or not he should be permitted to hold more than one Government job.

"Employment of military retirees

"Civilian office holding by retired military personnel is not the same thing as dual civilian office holding. Only in a legal sense does receipt of military retired pay constitute office holding—no double work or conflict of work is involved. The Government's need for hiring retired military personnel generally differs from its need for dual employment of civilians in terms of type of job, salary level, and duration of employment. Military personnel often retire at a relatively early age, and with service-developed special skills. These factors combine to make their Federal civilian employment particularly valuable and feasible. These facts argue for a separate policy governing civilian employment of retired military personnel as distinguished from dual employment of civilian employees.

"The present restrictions on Federal civilian employment of retired military personnel are inconsistent and inequitable and have no relation to the Government's hiring needs. Gradually, various categories of military retirees have been exempted from the original prohibitions and restrictions. All enlisted men, certain commissioned officers, and some warrant officers retired from military service now may be hired for Federal civilian jobs without restricton on receipt of retired pay. At present, certain officers retired for age and length of service remain as the only retirees who cannot hold Federal positions if either their retired pay or the salary of the position is $2,500 per year or more. Of the disabled commissioned officers, only those whose disability was not incurred in combat or caused by an instrumentality of war in time of war, are limited to a maximum combined rate of $3,000 per year.

"The two tables herewith illustrate how the major restrictions on employment and compensation apply to the approximately 182,000 personnel on the military retired list as of October 1954.

"TABLE I.—*Federal civilian employment of retired military personnel*

	Percent
"Enlisted personnel, disabled officers, reservists: Can hold Federal civilian job at any salary level	87
Nondisabled officers: Virtually barred from holding Federal job because of $2,500 prohibition	13
Total	100"

"TABLE II.—*Compensation of retired military personnel if federally employed*

	Percent
"Enlisted personnel: No limit on combined salary and retired pay	52
Disability commissioned officers: No limit if disability resulted from combat or instrumentality of war, otherwise $3,000 limit applies	31
Nondisabled commissioned officers, including reservists: $3,000 limit on combined annual rate of salary and retired pay	17
Total	100"

III—THE FEDERAL DOCTRINE

The Federal doctrine concerning dual employment and compensation, since it covers both public officers and employees, reaches historically all the way back to the common law.

The basic doctrine is presently stated in two sections of the United States Code, i. e., title 5, sections 58 and 62. Although as stated by the Civil Service Commission, supra, numerous statutes contain exceptions, etc.

Section 58 provides:

"Unless otherwise specifically authorized by law, no money appropriated by any act shall be available for payment to any person receiving more than one salary when the combined amount of said salaries exceeds the sum of $2,000 per annum" (R. S. par. 1763; May 10, 1916, c. 117, par. 6, 39 Stat. 120; Aug. 29, 1916, c. 417, 39 Stat. 582).

Section 62 provides:

"No person who holds an office the salary or annual compension attached to which amounts to the sum of $2,500 shall be appointed to or hold any other office to which compensation is attached unless specifically authorized thereto by law; but this shall not apply to retired officers of the Army, Navy, Marine Corps, or Coast Guard whenever they may be elected to public office or whenever the President shall appoint them to office by and with the advice and consent of the Senate. Retired enlisted men of the Army, Navy, Marine Corps, or Coast Guard retired for any cause, and retired officers of the Army, Navy, Marine Corps, or Coast Guard who have been retired for injuries received in battle or for injuries or incapacity incurred in line of duty shall not, within the meaning of this section, be construed to hold or to have held an office during such retirement" (amended July 30, 1937, c. 545, par. 6, 50 Stat. 549; June 25, 1938, c. 694, 52 Stat. 1194; May 31, 1924, c. 214, 43 Stat. 245; July 31, 1894, c. 174, par. 2, 28 Stat. 205).

It is the purpose of this study to trace the history of this doctrine and to indicate the practice thereunder as manifested in administrative and judicial decisions.

IV—THE COMMON LAW AND THE ENGLISH BACKGROUND

The common law placed no limit upon the number of offices which a person might hold at the same time provided that no one of them was incompatible with any of the others. The rule was well settled that "if two offices are incompatible, by the acceptance of the latter, the first is relinquished or vacant, even though it should be a superior office, *Milward* v. *Thacher* (2 T. R. (D and E) 81); *Rex* v. *Pateman* (2 T. R. (D and E) 777); *In re Dyer* (Dy. 158b); *Rex* v. *Jones* (1 B and Ad. 677); and *Rex* v. *Tizzard* (9 B and C 418). For a detailed discussion of the common law see, Mechein, Public Offices and Officers, 1890, pp. 420–427; and Throop, Public Officers and Sureties in Official Bonds, 1892, pp. 30–40.

The feudal system of the middle ages lay behind the concept of office holding. That system had been both a system of land tenure and a system of government. The tenure was not only applied to land but to many things connected with land including those governmental rights which went with such tenures. When kings desired to secure the performance of governmental functions they did not make a contract with a person to perform them, they granted him a right to perform them on certain terms. The profits of the office were then his. The office was regarded as a piece of property which gave the official certain rights and placed him under certain duties just as land gave the tenant certain rights and placed him under certain duties, *Vaux* v. *Jefferson* ((1556), Dyer 144 b). Thus offices might be bought and sold like land. This conception of the nature of offices and the position of office holders came naturally to medieval common law because it had a very rudimentary law of contract and a very highly developed law of property in land and rights in land. As might be imagined abuses and corruption crept in. In the sixteenth and seventeenth centuries, more modern ideas were beginning but legislation which was passed to give effect to such ideas was ineffectual, see 5, 6 Edward VI, c. 16, sec. 1 (1551–1552) and [British] Hist. Mss. Com. Thirteenth Rept., Pt. V, 17 No. 244 (1690) and same Fourteenth Rept. Pt. VI, 382 No. 710 (1692–1693). With respect to judicial offices, it was not until the beginning of the nineteenth century that medieval ideas concerning the nature of an office were rooted out of the English judicial system, for a detailed discussion of office holding upon which the foregoing is based in Holdsworth, A History of English Law, vol. I, pp. 246–264.

V—AMERICAN COLONIAL AND POST-REVOLUTIONARY IDEAS

When Englishmen moved to their colonies in North America they, of course, took their ideas with them including those with respect to offices. Two forces were at work, however, in the New World, i. e., English precedents and local conditions. From the interplay of these forces new ideas respecting officeholding evolved. The Pennsylvania Charter of 1682 provided that a person should hold only one public office at a time. No other colony went so far. Most simply provided that certain offices could not be held simultaneously: Sheriffs could not hold office in the colonial assembly, etc. In some colonies attorneys and clerks of courts were barred. Several, as Virginia and New Jersey, required persons accepting salaried positions to stand for reelection in order to hold their place in the assembly.

In the Revolutionary period prohibitions respecting multiple officeholding were extended further. The Articles of Confederation (1777) provided that no person, being a delegate to Congress, shall be capable of holding any office under the United States, for which he, or another for his benefit receives any salary, fees or emolument of any kind (article V). Although varying in detail, provisions against multiple officeholding became quite general. Most of the new State constitutions had sections requiring the three departments of the Government to be kept separate and barring officers of one holding office in another. While the original purpose was probably to prevent encroachment of one department on another, the provisions were interpreted to prevent the simultaneous holding of offices in the different departments. Many States also adopted general provisions against holding two lucrative offices at the same time, see *Doyle* v. *Raleigh* (89 N. C. 133). All States prohibited holding United States and State offices at the same time, see *Ryan* v. *Green* (13 N. Y. 295). In one form or another provisions were adopted by most of the new States to prevent incumbents from holding another office during the term of an office to which they had been elected. The most common of these was copied from the United States Constitution. For a detailed discussion of officeholding during this period see Miller, Legal Qualifications for Office in America, 1619–1899, pages 90, 103–104, and 145–150, upon which the foregoing statement is based.

VI—THE FEDERAL CONSTITUTION

Surprisingly enough the United States Constitution contains no prohibition against multiple officeholding with the exception of that in article I, section 6, clause 2:

"No Senator or Representative shall, during the time for which he was elected, be appointed to any civil office under the authority of the United States, which shall have been created, or the emoluments whereof shall have been increased during such time; and no person holding any office under the United States, shall be a Member of either House during his continuance in office."

The lack of a general constitutional prohibition on multiple officeholding opened the door wide. We will see, in the early days of the Federal service, those charged with making decisions respecting multiple officeholding enunciating the principle that the law placed no restrictions on the number of offices held so long as they were not incompatible. Although the Constitution left

the door wide open, it did not leave control and correction of such abuses as might occur beyond the powers of the Congress. It provided in article II, section 2, clause 2, that the "Congress may by law vest the appointment of such inferior officers, as they think proper, in the President alone, in the courts of law, or in the heads of departments."

Further, it gave to the Congress the broadest possible control over the disbursement of public moneys (art. 1, sec. 8). That abuses crept into Federal officeholding and that control was needed is evidenced by the series of acts enacted by the Congress and the long series of opinions and decisions by the Attorneys General, the Comptroller General and the courts.

VII—THE EARLY FEDERAL PERIOD, 1789–1850

The early controversies took the form of claims for extra pay for extra duties. Examples of these were Bullus case (1819) where a naval agent appointed for New York, whose duties were not defined by law, claimed extra compensation for being required to purchase and forward from New York supplies for the lake service (1 Op. Atty. Gen. 302) and Governor Cass case (1828) where the Governor of Michigan was employed to perform services which did not belong to his duty as Governor. His claim was upheld on the principles of a quantum meruit (2 op. Atty. Gen. 189). As a result of such claims provisions were included in a series of appropriation bills as follows:

1. The Civil and Diplomatic Expenses Appropriation Act, 1839 (5 Stat. 349, sec. 3):

"That no officer in any branch of the public service, or any other person whose salaries, or whose pay or emoluments is or are fixed by law and regulations, shall receive any extra allowance or compensation in any form whatever for the disbursement of public money, or the performance of any other service, unless the said extra allowance or compensation be authorized by law."

2. The Civil and Diplomatic Expenses Appropriation Act, 1842 (5 Stat. 487 (item No. 200)):

"That no allowance shall be made, out of any moneys appropriated by this bill, to any clerk or other officer for the discharge of duties, the performance of which belongs to any other clerk or other officer in the same or any other department; and that no allowance shall be made for any extra services whatever, which any clerk or other officer may be required to perform."

3. The Army and Military Academy Appropriation Act, 1842 (5 Stat. 510, sec. 2):

"That no officer in any branch of the public service, or any other person whose salary, pay, or emoluments, is or are fixed by law or regulations, shall receive any additional pay, extra allowance, or compensation, in any form whatever, for the disbursement of public money, or any other service or duty whatsoever, unless the same shall be authorized by law, and the appropriation therefor explicitly set forth that it is for such additional pay, extra allowance, or compensation."

4. The Incidental Expenses Appropriation Act, 1842 (5 Stat. 525, sec. 12):

"That no allowance or compensation shall be made to any clerk or other officer, by reason of the discharge of duties which belong to any other clerk or officer in the same or any other department; and no allowance or compensation shall be made for any extra services whatever, which any clerk or other officer may be required to perform."

After the enactment of these acts such claims were disallowed (see 3 Op. Atty. Gen. 422—clerks for selling Indian lands; same, 473, messengers and watchmen; same, p. 621, War Department clerks for business connected with Indian reservations; 4 Op. Atty. Gen. 126–128, Navy officers for an exploring expedition; same, p. 138, officers at West Point; same, p. 342, Navy officers for distant duties; same, p. 463, Pension Office clerks for acting as secretary to commissioners appointed to treat with the Indians; and Acting Secretary of State, 5 Op. Atty. Gen. 74).

This period might be characterized as the extra compensation period. Job descriptions, where they existed, were ill defined and lines of demarcation between them obscure. An officer or employee might find himself responsible for performing many unrelated duties for which he might demand and receive extra compensation. Today, many of the unrelated duties would have constituted separate jobs or offices. Even in that period some did constitute separate jobs or offices to which the officer or employee held separate appointments, see Bullus case Governor Cass case, the Navy Officers case, and the Pension Office Clerks case, cited supra. However, the question of the right of the officer to perform the additional duties or to hold the additional office does not seem to have been questioned in this period. The right to receive extra compensation appears to have been the only question litigated. Congress dealt with the question through the enactment of the appropriation acts of March 31, 1839, May 9, 1842, August 23, 1842, and August 26, 1842, supra. The net effect of the Congressional action could be summed up in the words of Attorney General J. Y. Mason in the *Pension Office Clerks* case (1846), supra, as follows:

"The Executive, under the recent opinions from this office and the judiciary, in the case of the *United States* v. *Eleason's Administrator* (16 Peters) is required to see that these laws are construed and executed according to the plain intention of Congress. This was to put an end to a practice which had long prevailed of salaried officers receiving compensation, over and above their salaries, for services which were not regarded as within the range of his official duties."

VIII—THE MIDDLE PERIOD, 1850–1874

The refusal to allow payment under the guise of extra compensation for what was in effect two offices, squarely pointed up the question of the right to hold two or more offices and to receive pay for each. What appears to have been the first legislative decision specifically on this question occurred as a result of the claims of Richard Rush, then Secretary of the Treasury for compensation for occasional services performed between the years 1825 and 1829 as Attorney General ad interim by designation of the President during the absence of William Wirt, Attorney General (6 Op. Atty. Gen. 83). The President's authority to so designate Rush was contained in the acts of May 8, 1792, and February 13, 1795 (1 Stat. 281, sec. 8: 451). In 1850 Congress included an item in the Civil and Diplomatic Appropriation Act, 1851, specifically compensating Rush for the services performed but added a proviso (9 Stat. 542–3) as follows:

"That hereafter the proper accounting officers of the Treasury, or other pay officers of the United States, shall in no case allow any pay to one individual the salaries of two different offices on account of having preformed the duties thereof at the same time. But this prohibition shall not extend to the superintendents of the executive buildings."

This proviso would seem on its face to make it clear that, with the exception of executive building superintendents, an individual could not receive salaries for two offices held by him at the same time. However, Attorney General Crittenden in 1851 held otherwise (5 Op. Atty. Gen. 765). By an act of 1807 (2 Stat. 413, ch. 8) the President had been authorized to survey the coasts of the United States and to employ persons for that purpose. He delegated this power to the Secretary of the Treasury. In 1844 (5 Stat. 660, ch. 37) the Secretary was authorized to sell the maps and charts of such surveys and in March 8, 1850, hired one Gilbert Rodman, to perform these duties at an annual salary of $400. While so acting Rodman was also a clerk in the Treasury Department at a salary of $1,400 per annum. The opinion of Attorney General Crittenden was that Rodman was entitled to hold both offices and to receive the salary of each. The Attorney General reasoned thusly (5 Op. Atty. Gen. 776, 768):

"The statutes of March 3, 1839, (V. stat. at large, p. 439, ch. 82, sec. 3d) enacts:

" 'That no officer in any branch of the public service or any other person, whose salaries or whose pay or emoluments, is or are fixed by law and regulations, shall receive any extra allowance or compensation in any form whatever, for the disbursement of public money or the performance of any other service, unless the said extra allowance or compensation be allowed by law.'

"The act approved August 23, 1842 (V. stat. at large, p. 510, ch. 183, sec. 2), enacts:

" 'That no officer in any branch of the public service or any other person, whose salary, pay, or emoluments, is or are fixed by law or regulation, shall receive any additional pay, extra allowance or compensation in any form whatever, for the disbursement of public money or for any other service or duty whatsoever, unless the same shall be authorized by law, and the appropriation therefor explicitly set forth that it is for such additional pay, extra allowance or compensation.'

"These two sections of the statutes are, in words, nearly the same, in sense and meaning, identical, the latter being only a repetition of the former. The extra allowance or additional pay forbidden by these sections is that exceeding the salary, pay, or emoluments, which was fixed by law or by a regulation, officially made by the President or by the head of a department, or by an officer of the Government, having competent authority to make such regulation. At the passage of these acts, there was no law forbidding any person from holding under the Government of the United States, two compatible offices or employment at one and the same time, and receiving the salary and emoluments belonging to each of the offices, whether fixed directly by law, or by a regulation made by a person lawfully authorized to make it. These sections do not forbid it. They are intended to fence against arbitrary extra allowances in each particular case; but do not apply to distinct employments with salaries or compensation affixed to each by law or by regulation.

* * * * *

"The 12th section of the act, approved August 26, 1842 (vol. 5, of Statutes at Large, p. 525, ch. 202), enacts:

" 'That no allowance or compensation shall be made to any clerk or other officer, by reason of the discharge of duties which belong to any other clerk or officer in the same or any other department; and no allowance shall be made for any extra services whatever, which any clerk or other officer may be required to perform.'

"This act does not prohibit the same person from holding two different offices at one and the same time, nor from receiving the compensation fixed, by law or regulation, to both offices, respectively, if he holds both offices, and performs the duties of both. In such case, the officer, so holding the two offices, is not, when officiating each and either, performing the duties of any other officer or clerk; he is performing his own duties, and in receiving the compensation affixed to each, he is receiving pay for his own proper services in his own proper offices respectively, and not pay for the services which should have been performed by any other clerk or officer, nor for extra services, but for the proper services belonging to his respective offices and proper employments.

"The opinion given by Chief Justice Taney, before cited, makes the holding of two offices

and performing the duties of both at one and the same time, an exception from the prohibitions of this statute of August 26, 1842, as well as from the two previous statutes of August 23, 1842, and March 3, 1839. He makes no discrimination between the provisions of the statutes of August 23, and August 26, 1842; but classed them together as the acts of 1842. There is, in truth, no difference in the sense and meaning of the three several acts before quoted.

"Neither does the act of September 30, 1850 (Session Acts by Little and Brown, ch. 90, pp. 542–3), prohibit the holding of two compatible offices by the same person, or the payment to him of the fixed salary or compensation of each of his offices. That was not the mischief intended to be guarded against; for indeed, it might often happen that it would be most convenient and conducive to public economy, as well as to the public service, to confer two offices on the same person. The provision of the act, last referred to, is in these words: 'That hereafter, the proper accounting officers of the Treasury, or other pay officers of the United States, shall in no case allow any pay to one individual the salaries of two different offices, on account of having performed the duties thereof at the same time. But this prohibition shall not extend to the superintendents of the executive buildings.'

"The plain meaning of this seems to be that an individual holding one office and receiving its salary, shall, in no case, be allowed to receive also the salary of another office, which he does not hold, simply 'on account of his having performed the duties thereof.'

"The prohibition is against his receiving the salary of an office that he does not hold, and not against his receiving the salaries of two officers, which he does legitimately hold.

"If it had been the intention of Congress to prohibit, in all cases, the holding a plurality of offices, that purpose could have been easily and directly expressed. The language they have used imports no such purpose, but is directed at an object and abuse, distinct and seperate.

"The case of Gilbert Rodman does not, according to my view of the subject, come within the prohibitions of the above-cited statutes."

The following year a provision was included in the Civil and Diplomatic Expenses Appropriation Act, 1853 (act of August 31, 1852, 10 Stat. 100), which provided as follows:

"SEC. 18. *And be it further enacted*, That no person hereafter, who holds or shall hold, any office under the Government of the United States, whose salary or annual compensation shall amount to the sum of $2,500, shall receive compensation for discharging the duties of any other office."

This provision, in identical language, had been included as section 7 in the original appropriation bill reported to the House on February 5, 1852, by the Ways and Means Committee (H. R. 196, 32d Cong., 1st sess., no written report). This provision appears to have passed the House without debate as section 9 of the bill. A brief glimpse, however, of the evils aimed at is afforded by the debate on a somewhat similar proposal to limit a proposed salary increase to only one salary where double salaries were involved. Attorney General Crittenden's opinion of 1851, supra, was also criticized (Cong. Globe, 32 Cong., 1st sess., pp. 2165–2166):

"Mr. DEAN. I move the following proviso, by way of amending to the amendment: *'Provided*, That this section shall not extend to any person receiving a salary for discharging the duties of more than one office at the same time, or to any person who does not actually discharge the duties of the office for which he receives such salary, or to any person engaged in prosecuting any claim before any of the departments or Congress; and that in case any paying or accounting officer of the Government shall pay said additional percentage to any such person, it shall be a misdemeanor in the person knowingly paying or receiving such additional percentage, rendering him liable to indictment, and punishment by fine and imprisonment.'

"Mr. Chairman, I am not disposed strongly to resist the proposition of the gentleman from Tennessee [Mr. Gentry], to add to the remuneration of the clerks who are legitimately engaged in the various departments of the Government. I have no doubt there may be instances where that remuneration should be increased, and if the section can be so guarded that the heads of departments and of bureaus cannot further abuse the power now in their hands, I shall vote for it. If I am correctly informed, however, there are individuals now, pets of the heads of departments, who, in the face of laws which have been passed, commencing in 1842, and reenacted year after year since, are receiving the salaries of at least three offices, the duties of none of which they adequately discharge.

"Mr. GENTRY. I know the objection which the gentleman states is an objection with many, and, as a consequence, an argument for voting against this additional compensation; but we cannot correct executive abuses. It is our duty to put it in the power of the executive government to do right, and to impeach them if they do wrong.

"Mr. DEAN. I want to guard the proposition of the gentleman, so that no head of a department of this Government, or head of an executive bureau, can pay to his sons, nephews, cousins, or favorites, salaries to the amount of $2,000, $3,000, or $4,000 each. By the passage of the gentleman's proposition without a provision of the character I have indicated, we shall increase the salaries of these pets to a greater extent. If there be any proper object for the increase of the salaries, it is to enable those men permanently engaged as clerks in the various departments of the Government in this city with families, to support them with respectability; it is not for the purpose of increasing salaries, but to reward labor adequately, and for that only can I support it.

"Another abuse will be corrected by that proviso, very prevalent, I am informed, in the departments—the allowing of persons to take a clerkship at $4 per day, who hire, for the discharge of its duties, other individuals at $1 per day, while they spend their time around the hotels, the gambling houses, or the lobbies of Congress to press claims through here or smuggling them through the departments. My provision is designed to reach cases of that kind. If there be any, it will prevent their continuance and repetition. If there be none, there will be no harm in the adoption of the amendment. It is intended, also, not only to reach those paying, but those receiving two salaries. There is an express law, passed in 1850, prohibiting any person from receiving two salaries except the Superintendent of Public Buildings. I understand the Attorney General, the law officer of this administration, has given it as his opinion that there is no objection whatever to the giving of a man two salaries. How he could give such an opinion I cannot understand. The Secretary of State and the Attorney General, within the last year, have given their certificate to a man as entitled to $3,000 for doing nothing, or discharging the duties of an office which did not exist, while he was at the same time receiving $2,500 for another office. I desire to have it provided by law that any person who shall receive more than one salary shall be liable to indictment. That is the only way in which the evil can be eradicated. If my amendment be adopted, I am willing, as a temporary expedient, to vote for this or some increase of compensation. I believe the expenses of living have increased here as well as in other places; but still, sir, it will be an unpleasant matter for us to meet our constituents, and to tell them we are voting increased salaries to clerks in Washington, while clerks in the various offices of our counties receive only $500 salary, and yet lay up a portion of that. This amendment should not apply to young men, who have no families, receiving a salary exceeding $1,000 per annum. If that will not support them, I fear their expenses are not such as we should countenance or encourage.

"Mr. GORMAN. I am opposed to this amendment. I have had occasion to look into the opinion of the Attorney General upon the subject of paying the officers of the Government, when they perform the duties of two offices. I had occasion in the last few days to present the question before the second Comptroller of the Treasury, and give my views, humble as they were, at some length. The second Comptroller decided, as indeed the former Comptroller has decided, that no person, under the existing law, can receive pay in two capacities. He has decided, if a clerk or other officer of the Government shall perform the duties of any other trade or office, that he cannot thereby get the additional pay. That decision has been made, I say, by the Comptroller, and the Comptroller of the Treasury has overruled, to some extent, the decision of the Attorney General heretofore made. But the Attorney General has not decided the point in the manner in which the gentleman states it. He has decided that an individual cannot draw the pay for two offices; but where a person is in any office, and is detailed to the discharge of other duties not incompatible with the duties of that office, he may receive pay for the duties to which he is detailed."

The salary increase and the limitation passed the House as section 2 of the bill and in fact was enacted with some slight modification as section 2 of the act, see 10 Statutes 97.

The Senate Finance Committee proposed to eliminate the $2,500 double salary limitation which had passed the House as section 9 of the bill. The committee appears to have made no written report. In reading the bill for amendment, the Senate eliminated section 9 and inserted other matter in lieu without debate (Congressional Globe, p. 2371), thus striking out the $2,500 double salary limitation. A detailed search of the proceedings of the Senate from that point through the adoption of the conference committee report by both Houses (Congressional Globe, 32d Cong., 1st sess., pp. 2371–2477) has failed to reveal exactly how the excluded language reappeared in the bill as approved by the President (10 Stat. 100, sec. 18, supra). The original copy of the bill as enacted by the two Houses and sent to the President and which was signed by him contains section 18 as set out in the Statutes at Large. It can only be assumed that the conference committee restored the stricken language as section 18 without specifically mentioning it in their report. There seems to have been some pressure upon the conference committee respecting a time deadline which may account for an omission in the conference report due to haste (Congressional Globe, 32d Cong., 1st sess., p. 2472):

"Mr. HOUSTON. I wish to make a report from the committee of conference upon the disagreeing votes of the two Houses upon the civil and diplomatic bill. I will state, in addition to other reasons for desiring to advance that bill as rapidly as possible, that it may be enrolled in time, I understood from one of the Senators upon the committee of conference, a few moments ago, that he had received a line from the President, saying that it would be impossible to look over the bill unless we act hastily upon it; and he made a special request that an expeditious course should be pursued with it. I call the previous question."

The rest of this period was marked by a series of opinions rendered by the Attorney General which guided the disbursing officers of the Government respecting dual office-holding and salaries. The first of these was rendered by Attorney General Cushing in *Hardin's* case on August 18, 1853 (6 Op. Atty. Gen. 80). Hardin held two offices in the Navy Department, one as clerk and the other as superintendent of the southwestern executive building. The question arose concerning his entitlement to the salary increase provided in the act of August 31, 1852, which had been limited therein to one salary for those with more than one office. In the course of his reasoning with respect to the pay raise, Cushing commented on the question of holding two offices and receiving two salaries thus:

"It is observable, on the very surface of the inquiry, that the act of 1852 explicitly assumes that persons exist, within the purview of the act, who hold two separate offices, discharge their distinct duties, and lawfully receive their different salaries. The words are, 'This section shall not extend to more than 1 salary of any person receiving a salary for discharging the duties of more than 1 office at the same time.' "

It should be noted that Cushing is referring to the pay raise section of the act (sec. 2), and not to the $2,500 double salary limitation in section 18. It is rather curious that he does not also mention the latter section in connection with this point.

Cushing also considered the Rush proviso in the act of September 30, 1850, supra, but limited its application strictly to situations involving the temporary performance of duties of another office by designation of the President. He then quoted the opinion of Chief Justice Taney of the Supreme Court, then on circuit in the United States Circuit Court, District of Maryland, in the case of *U. S.* v. *White* (Fed. Cas. No. 16, 684 (1852)). Chief Justice stated that there is no law which prohibits a person from holding two offices at the same time. Cushing stated that the Chief Justice had expressed this opinion with the acts of 1839, 1842, and 1850 before him as the very subject of consideration. Cushing was obviously right with respect to the acts of 1839 and 1842 respecting extra compensation; however, a reading of *U. S.* v. *White* reveals that the facts do not bear him out with respect to the act of 1850 and the Rush proviso. *U. S.* v. *White* was filed in the circuit court on March 25, 1850, and dealt with matters occurring before that date. The act of 1850 was not enacted until September 30, 1850, and its application to *U. S.* v. *White* would have been ex post facto. Nowhere in the opinion does the Chief Justice refer to the 1850 act and in fact at the outset states that the case is governed by the acts of 1839 and 1842.

Attorney General Crittenden's opinion in the Rodman case, supra, on the question of two salaries and two offices was cited with approval by Cushing who then closed his own opinion by deciding that the salary increase could be applied to only one of Hardin's salaries.

The next opinion which specifically dealt with the question of dual offices appears to be that in *Maj. R. B. Lee's* case (8 Op. Atty. Gen. 352 (1857)). Major Lee was treasurer of a board appointed under the Army Appropriation Act of August 31, 1852 (10 Stat. 108), to pass on the claims for supplies furnished to the command of Captain Fremont in California. The board employed a War Department clerk to serve also as its clerk and proposed to compensate him for such service. The question in the case was whether such compensation could be allowed in the accounts of Major Lee. In his opinion, Attorney General Cushing inquired first whether there was any provision of law which forbade the same person holding two distinct offices. This question was answered by him as follows:

"I am not aware of the existence of any such provision. A clause of the act of September 30, 1850, forbids the allowance to 1 individual of 'the salaries of 2 different offices, on account of having performed the duties thereof at the same time' (9 Stat. L., p. 542). This provision has been construed by my immediate predecessor (Mr. Crittenden), and also by Chief Justice Taney, as not applying to the present question. It means, that a person, holding one office, shall not receive the salary of another, which he does not hold, but of which he merely performs the duty, by temporary appointment, in place of the proprietor of the office." (See opinions, vol. V, p. 765; and vol. VI, p. 84.)

"Indeed, more than 1 of the provisions of statute in question expressly speaks of the same person as holding 2 distinct offices." (See act of August 31, 1852, secs. 2 and 18, 10 Stat. L., pp. 97, 100.)

It should be noted that Mr. Cushing was still in error respecting the opinion of Chief Justice Taney. The rest of his opinion deals with the question of extra allowance and the act of 1842. He reached the conclusion that Major Lee's case involved a separate office under distinct authority, and that the dual salaries might be allowed.

By 1857, Attorney General Cushing had been succeeded by J. S. Black. During Black's incumbency the question arose again in *Stackpole's* case (9 Op. Atty. Gen. 123). Stackpole was a watchman at the President's House who claimed dual compensation for services as assistant doorkeeper. Attorney General Black considered the questions of extra compensation and dual office holding, and reviewed the series of statutes enacted by Congress beginning in 1839, including the Rush proviso of 1850 and the $2,500 limitation of 1852. He stated further:

"A consideration and comparison of these acts plainly show that each of them had a specific aim and purpose. The act of March 3, 1839, was designed to put an end to the system of extra allowances and compensation, which, under various pretexts, were claimed by officers and employees for extra services in their respective offices or departments. Going a step further, the act of May 18, 1842, cut off extra pay for performing the duties of any other clerk or officer either in the same or any other department. A blow at the whole system of extra pay and double compensation was then struck by the act of August 23, 1842, by forbidding any extra pay or additional compensation, in any form whatever, to officers or persons having fixed salaries, for any other services whatsoever, unless on specific appropriation, explicitly setting forth that it was for such additional pay. But notwithstanding the comprehensive terms of this act—it having been held in the spring of 1950, by the circuit court of Baltimore, in White's case, that where 1 officer had performed the duties of 2 offices at the same time he might claim the salaries of both—the act of September 30, 1850, prohibited the payment of the salaries of 2 offices to 1 individual. There still remained, however, another class of officers who were receiving, or claiming, double pay—those; namely, whose salary or compensation was not fixed by law or regulations, but depended upon the amount of service or other contingency. Upon these the act of 1852 operated, by the provision that where the salary or annual compensation of an office amounted, in the aggregate, to $2,500 per annum, no pay for discharging the duties of any other office should be allowed him.

"The whole of this legislation manifests a determined purpose to prevent double compensation in any form, or under any pretext whatsoever. It cannot be denied that the policy which dictated these provisions is founded on just notions of public and private morality. Plurality of offices, and extra allowances to those who hold them, are the vices of a bad government, and have always prevailed to the greatest extent in the worst times. It may be that some officers have performed double duty for which they are justly entitled to additional compensation. In these cases, I do not doubt that proper provision will be made by Congress; but the justice of a claim cannot authorize its payment by the executive while the law forbids it."

With respect to Stackpole, Black noted the exceptions of watchmen and messengers in the act of 1842 and of superintendents of public buildings in the act of 1850. He therefore concluded that Stackpole came within the exceptions. He concluded in general, however:

"That no officer of the Government, having a salary fixed by law, nor no other officer whose compensation amounts to $2,500 per annum, can receive extra pay for any service whatever, whether it be within the line of his duty or outside of it. Nor is it possible for any such officer to receive the salaries of more than one office, no matter under what circumstances he may have performed the duties of more than one."

The next year Black considered the case of a court clerk who had held both the office of clerk of the district court and of the circuit court (9 Op. Atty. Gen. 250). Officers of this class have no fixed salaries but are entitled to retain a percentage of fees and emoluments. It should be pointed out that such offices had not been included in the provisions of the act of 1842 because of separate and distinct provisions enacted in another part of that act with special reference to the judiciary. The provisions in the act of 1842 had been reenacted as section 5 of the act of February 26, 1853 (10 Stat. 165), in substantially the same form:

"No clerk of a district court or clerk of a circuit court shall be allowed by the said secretary to retain of the fees and emoluments of his said office, or in case both of the said clerkships shall be held by the same person of the said offices, for his own personal compensation, over and above the necessary expenses of his office and necessary clerk hire included, also to be audited and allowed by the proper accounting officers of the Treasury, a sum exceeding $3,500 per year for any such district clerk or circuit clerk."

As pointed out by Black, the question of entitlement to the fees and emoluments of offices held at the same time had been settled by Mr. Justice Story in *U. S.* v. *Bassett* (Fed. Cas. No. 14539 (1843)). In that case Mr. Justice Story had decided that the defendant who had held two offices in Massachusetts was entitled to retain the maximum compensation which the law would have given if such offices had been held by different persons. In view of the fact that judicial offices appear to be covered by special provisions they need not be considered further unless they should at a future date come under the general provisions.

Chief Justice Taney again came into the picture in the case of *Converse* v. *U. S.* (62 U. S. 463 (1858)). In that case the collector of customs had been directed by the Secretary of the Treasury to perform extra duties in connection with disbursements for the Lighthouse Service, not only in his own customs district, but throughout the United States. On the death of the customs collector, a claim was brought against his estate for some $17,000, which he had retained as fees for the performance of this service. As collector of customs, his salary was fixed. Justice Taney in his opinion stated:

"The just and fair inference from these acts of Congress, taken together, is, that no discretion is left to the head of a department to allow an officer who has a fixed compensation any credit beyond his salary, unless the service he has performed is required by existing laws, and the remuneration for them fixed by law. It was undoubtedly within the

power of the department to order this collector, and every other collector in the Union, to purchase the articles required for lighthouse purposes in their respective districts, and to make the necessary disbursements therefor. And for such services he would be entitled to no compensation beyond his salary as collector, if that salary exceeded $2,500."

He then pointed out that the Secretary was not bound to entrust these services to the several collectors, but might require the whole to be performed by a single agent. This was the action actually taken by the Secretary. With respect to this, Judge Taney stated:

"Undoubtedly, Congress has the power to prohibit the Secretary from demanding or receiving of a public officer any service in any other office or capacity, and to prohibit the same person from accepting or executing the duties of any agency for the Government, of any description, while he is in office, and to deny compensation altogether, if the officer chooses to perform the services; or they may require an officer holding an office with a certain salary, however small, to perform any duty directed by the head of the department, however onerous or hazardous, without additional compensation. But the legislative department of the Government has never acted upon such principles, nor is there any law which looks to such a policy, or to such unlimited power in the head of an executive department over its subordinate officers.

"No explanation is given of the principle upon which the $400 additional compensation was allowed. If the services were regarded as extra and additional, and within the prohibition of the law, then he was not entitled to this additional allowance, because his salary exceeded $2,500, and nothing more than the salary fixed ought to have been allowed him. But if they were not within the prohibition, but for services in a different agency, then he was entitled, not merely to $400, but to the commissions fixed by law. This sum could not have been allowed for supplies in his own district, excluding those for other districts, because, as regards his own district, there is an express prohibition as above stated. We, however, express no opinion upon that particular item; and whether it is a proper allowance or not, must be determined by the circuit court, when it hears the evidence at the trial.

"For the reasons above stated, the judgment of the circuit court must be reversed."

The question of dual compensation was raised again in 1860 in *Brown's* case (9 Op. Atty. Gen. 507). Brown, at different periods, held various diplomatic and consular offices in Turkey, including that of dragoman and vice consul. Attorney General Black held that according to the decision in the Converse case, a person holding two compatible offices or employments under the Government is not precluded from receiving the salaries of both by anything in the general laws prohibiting double compensation. Subsequently Brown was appointed consul general and in addition discharged the duties of secretary of legation and dragoman. In contrast to the prior situation, where Brown had exercised the duties of several offices to which he had been appointed, Black held that where he had been appointed consul general and merely discharged the duties of secretary of legation and dragoman, without a special appointment thereto, he was not entitled to additional compensation under the $2,500 prohibition in the act of August 31, 1852. Still later, Brown was appointed secretary of legation and dragoman and continued to act as consul general without a regular appointment. Black stated then that he was to receive salary for the two appointments as secretary of legation and dragoman, but not for performing the duties of consul general.

Attorney General Bates, in *Whiting's* case (10 Op. Atty. Gen. 435 (1863)), attempted to bring some order into the confusion existing by reason of the growth of majority and minority schools of thought respecting dual office holding and salaries. Whiting had been appointed clerk in the Interior Department, at a salary fixed by law, to deal with matters respecting the act to suppress the slave trade. He was also appointed by the Secretary of the Interior as a clerk to deal with matters relative to Capitol extension and a new dome, at a small salary fixed by the Secretary. The majority school comprised Attorneys General Grundy (3 Op. 422, ibid. 47); Gilpin (3 Op. 621); Legare (4 Op. 126, ibid. 149); Nelson (4 Op. 432); Mason (4 Op. 464); Toucey (5 Op. 74); and Black (9 Op. 123).

Legare had stated the basic reasoning and conclusion of the majority to the effect that:

"The policy of the act of 1839 and several other statutes on analogous subjects is to deprive the executive department, first, indirectly to raise salaries by extraordinary allowances, and second, to create pluralities in favor of incumbents in office. Should any necessity arise for either of these deviations from the spirit and practice of our Government, it must be acknowledged by some act of Congress, expressly making provision for them."

Bates also quoted a paragraph from the opinion of Black in Stackpole's case, supra, pointing out that the whole of the legislation manifested a determination to prevent dual compensation in any form or under any pretext whatsoever; that plurality of offices and extra allowances are the vices of a bad government. The minority school of thought was composed of Attorneys General Crittenden (5 Op. 765) and Cushing (8 Op. 325), who concluded that these statutes did not forbid the holding of two distinct offices or appointments by one person; that the prohibitions on extra allowances and additional pay meant extra service pay, or allowance in some office, and not distinct service in separate offices.

Bates applied *Converse* v. *United States* (supra) to Whiting's case. He pointed out that the Converse case was not in harmony with the opinions of the majority, but that nevertheless the Court did not go so far in the other direction as Crittenden and Cushing had gone. The Court construed the statutes so as to allow compensation for services in the additional office, only in case such services are required by law and the compensation therefor fixed by laws. He stated:

"After reviewing the acts I have cited, the Court says: 'The just and fair inference from these acts of Congress, taken together, is that no discretion is left to the head of a department to allow an officer who has a fixed compensation any credit beyond his salary, unless the service he has performed is required by existing laws, and the remuneration for them fixed by law.'

"This is the latest and most authoritative construction of these statutes, and having been adopted with all the light which the discussions to which I have referred shed upon the subject, I think it should be accepted as the rule for the decision of these frequently recurring and often difficult questions of additional compensation to public officers."

Under this conclusion, Whiting was not entitled to compensation for services in connection with the Capitol extension where the salary had not been fixed by law but by the Secretary.

On the same basis, Bates decided *White's* case (10 Op. Atty. Gen. 442). White, a clerk in the General Land Office, had also been appointed Assistant Secretary to sign land patents, by appointment of the President under the act of Congress which did not fix the compensation for such an appointment. He also decided *French's* case (10 Atty. Gen. 444), in accordance with the ruling in Whiting's case. On the day following these decisions the question of the offices of register of wills for Washington County and commissioner of police, and the offices of member of the levy court, commissioner of police, and collector of internal revenue for the District of Columbia were decided favorably to the incumbent. The compensation of these various offices was fixed by law. (See 10 Op. Atty. Gen. 446.)

In 1868 Evarts, then Attorney General, was called upon to decide the case of Secretary of the Interior Browning, who had been authorized by the President as the head of the Interior Department, to act as Attorney General ad interim under the act of 1863 following the resignation of Attorney General Stanbery. This, of course, was the Rush proviso situation again, act of September 30, 1850. On examination of the act of February 20, 1863, which authorized the President to make ad interim appointments, Evarts found a very strong implication that Congress intended to make it the official duty of each head of department to perform functions of another executive department when called upon by the President, in the case of a vacancy in the latter office or inability of its chief to discharge his duties. Evarts concluded that independent of the act of September 30, 1850 (the Rush proviso), Secretary Browning was not entitled to receive the salary of the Office of Attorney General, but that in any event, the act of September 30, 1850, was a bar to the receipt of such salary.

U. S. v. *Shoemaker* (7 Wall. 338 (1868)) involved the question whether a customs collector could receive extra compensation for duties in connection with the erection of a new marine hospital and customs house within his own district. Mr. Justice Nelson, in a brief opinion, pointed out that the difficulty was "that there is not only no law providing for compensation, but the collector is forbidden to receive it" (act of May 7, 1882, sec. 18). The duties even within his own district fell within the prohibitions of the acts of 1822 and 1839, as interpreted in the Converse case.

Stansbury v. *U. S.* (8 Wall. 33 (1868)): Stansbury, being at the time a clerk in the Department of Interior, was appointed in 1851 by the Secretary of the Interior as an agent to proceed to Europe and to prepare an account of the London Industrial Exposition for that Department. During all the time he was engaged in London and subsequently in Washington, a term of 17 months, he drew his pay as a clerk. The Secretary had promised in writing to pay his expenses and to allow him a reasonable compensation for his services. The actual expenses were paid but on his return, a new Secretary having been appointed, the new Secretary declined to pay him anything more. Stansbury then brought suit in the Court of Claims which decided that his claim was barred by the act of August 23, 1842. Mr. Justice Davis, in his opinion, pointed out that no authority of law existed for the promise by the Secretary, neither was there any appropriation authorized; nor was the Secretary authorized by Congress to create such an agency to perform such service. He thereupon cited section 2 of the act of August 23, 1842, prohibiting extra compensation.

IX—RESTATEMENT AND REVISION, 1874–1924

The various provisions with respect to dual and extra compensation which have been enacted by the Congress starting in 1839 were included in the general revision and publication of the laws in force December 1, 1873, known as the Revised Statutes of the United States. The first edition of the Revised Statutes was approved June 22, 1874. The dual and extra compensation provisions were condensed into sections 1763–1765 as follows:

"SEC. 1763. No person who holds an office, the salary or annual compensation attached to which amounts to the sum of $2,500, shall receive compensation for discharging

the duties of any other office, unless expressly authorized by law.

"SEC. 1764. No allowance or compensation shall be made to any officer or clerk, by reason of the discharge of duties which belong to any other officer or clerk in the same or any other Department; and no allowance or compensation shall be made for any extra services whatever, which any officer or clerk may be required to perform, unless expressly authorized by law.

"SEC. 1765. No officer in any branch of the public service, or any other person whose salary, pay, or emoluments are fixed by law or regulations, shall receive any additional pay, extra allowance, or compensation, in any form whatever, for the disbursement of public money, or for any other service or duty whatever, unless the same is authorized by law, and the appropriation therefor explicitly states that it is for such additional pay, extra allowance, or compensation."

In *Hall* v. *United States* (91 U. S. 559 (1875)) Mr. Justice Clifford touched upon the question of compensation for extra services stating:

"Compensation for extra services, where no certain sum is fixed by law, cannot be allowed by the head of a department to any officer who has by law a fixed or certain compensation for his services in the office he holds, unless such head of a department is thereto authorized by an act of Congress; nor can any compensation for extra services be allowed by the court or jury as a set-off, in a suit brought by the United States against any officer for public money in his hands, unless it appears that the head of the department was authorized by an act of Congress to appoint an agent to perform the extra service, that the compensation to be paid for the service was fixed by law, that the service to be performed had respect to matters wholly outside of the duties appertaining to the office held by the agent, and that the money to pay for the extra services had been appropriated by Congress" (*Converse* v. *United States* (21 How. 470)).

One year later Pierrepont, Attorney General (15 Atty. Gen. 71), ruled that where a special agent of the Post Office Department is in receipt of a fixed compensation and in addition performed the duties of a deputy marshal, he cannot be allowed in respect of such services as marshal anything beyond his actual expenses incurred. (See 1765 Rev. Stat.)

The question of retired Army officers holding civil office was considered by Devens, Attorney General in 1877 (see *Retired Officer's* case (15 Atty. Gen. 306)). Devens ruled that a retired officer does not vacate his commission in the Army by accepting a civil office unless that office is in the diplomatic or consular service, in which case he is considered to have resigned his place in the Army. He pointed out that section 1222, Revised Statutes, forbidding officers to hold civil office, was limited to officers on the active list, and that even the prohibition respecting diplomatic or consular posts under section 1223, Revised Statutes, although applying to both the active and retired lists, did not apply to certain officers excepted under the act of March 3, 1875 (18 Stat. 512, ch. 178), concerning officers wounded in battle. The excepted officers, even though accepting consular and diplomatic posts, would not vacate their commissions thereby. Devens in respect to retired officers in general stated:

"The provisions of the statutes in regard to retired officers direct that they may be assigned to duty at the Soldiers' Home under certain circumstances, and that they shall not be assignable to any other duty (Rev. Stat., sec. 1259). And, further, that they may on their own application be detailed to serve as professors in any college. (Sec. 1260.) It would not, in my opinion, be a legitimate construction of these two sections to say that they prohibit an officer from accepting or being appointed to a purely civil office under the United States Government. In the absence of any provision of law forbidding such officers to hold civil offices, especially when these sections are taken in connection with the law that officers upon the active list are (by sec. 1222 of the Revised Statutes) held to have vacated their commissions by the acceptance of any civil office, and that all officers who accept or hold appointments in the diplomatic or consular service are (by sec. 1223) considered as having resigned their places in the Army, with the exception above alluded to, it must be considered that a retired officer is not precluded from holding a civil office under the United States Government, unless in the consular or diplomatic service.

"The third question proposed by you is, whether a retired officer is entitled to draw his pay as such and also the salary of any civil office he may hold under the United States Government.

"Sections 1763, 1764, and 1765 of the Revised Statutes forbid any person who holds an office, the salary or annual compensation of which amounts to the sum of $2,500, to receive compensation for discharging the duties of any other office, unless expressly authorized by law; they also direct that no allowance or compensation shall be allowed to any officer or clerk by reason of the discharge of duties which belong to any other officer or clerk in the same or any other department, and that no officer in any branch of the public service, or any other person whose salary, pay, or emoluments are fixed by law or regulations, shall receive any additional pay, extra allowance, or compensation, in any form whatever, for the disbursement of public money, or for any other service or duty whatever, unless the same is authorized by law, and the appropriation therefor explicitly states that it is for such additional pay, extra allowance, or compensation.

"The construction which has been given to these statutes (especially in the case of *Converse* v. *The United States* (21 How. 463)) is that the intent and effect of them is to forbid officers holding one office to receive compensation for the discharge of duties belonging to another, or additional pay, extra allowance, or compensation for such other services or duties where they hold the commission of but a single office, and, by virtue of that office, or in addition to the duties of that office, have assigned to them the duties of another office. According to that decision, however, if an officer holds two distinct commissions, and thus two distinct offices, he may receive the salary for each. The evil intended to be guarded against by these statutes was not so much plurality of offices as it was additional pay or compensation to an officer holding but one office for performing additional duties, or the duties properly belonging to another. If he actually holds two commissions, and does the duties of two distinct offices, he may receive the salary which has been appropriated to each office. Sections 1763, 1764, and 1765, above referred to, are condensations from statutes which were in existence at the time that this decision was made, and in conformity with it I deem it my duty, in answer to your inquiry, to say that a retired officer may draw his pay as such, and may also draw the salary of any civil office which he may hold under the Government, assuming always that the duties of the civil office are performed under and by virtue of a commission appointing him to that office, which he holds in addition to his rank as a retired officer."

On April 14, 1882, the Senate by resolution requested the Judiciary Committee to inform the Senate whether or not a retired United States Army officer could rightfully hold a civil office under the Government of the United States (CONGRESSIONAL RECORD, vol. 13, p. 2878). The committee, through its chairman, Mr. Garland, reported in the affirmative (p. 2977), as follows (S. Rept. No. 429, 47th Cong., 1st sess.):

"There is nothing in the Constitution touching the question embraced by the resolution.

"In the Revised Statutes (sec. 1222) any officer of the Army on the active list is prohibited from holding any civil office, whether by election or appointment, and by the same law, if any Army officer on the active list accepts or exercises the functions of a civil office, he shall thereby cease to be an Army officer and his commission as such shall be thereby vacated.

"This is limited to the active list and would clearly imply that an Army officer on the retired list could be a civil officer.

"The next section (1223) provides expressly that any officer of the Army who accepts or holds any appointment in the diplomatic or consular service of the Government shall be considered as having resigned his place in the Army, and it shall be filled as a vacancy. But this disqualification in the diplomatic or consular service was virtually repealed by the act of March 3, 1875, as follows: 'And every such officer now borne on the retired list shall be continued thereon notwithstanding the provisions of section 2, chapter 33, act of March 3, 1863'; and, also, 'and be it also provided, that no retired officer shall be affected by this act who has been retired or may hereafter be retired on the rank held by him at the time of his retirement.' (Rev. Stat., supp., ch. 178, p. 195.)

"Comparing the different statutes on the subject, the committee answer the question in the affirmative."

Devens once again upheld the right to hold two distinct offices and to receive the pay of each in *Riley's* case (16 Op. Atty. Gen. 7 (1787)). He again applied the ruling concerning the performance of extra duties only, which under section 1763, Revised Statutes, would prohibit extra payment in such cases (see *Dinsmore's* case (16 Atty. Gen. 565)).

The case of *U. S.* v. *Converse* (21 How. 463) was confirmed in 1884 in *U. S.* v. *Brindle* (110 U. S. 688). In that case, Brindle was employed as a receiver of public moneys in the sale of public lands for a district in Kansas, having an annual fixed salary. He was also appointed agent for the sale of Indian trust lands under the treaty of July 17, 1854 (10 Stat. 1048). The Court noted that the duties under the latter statute and treaty were different and not imposed upon Brindle by an office under the Government of the United States. Therefore he held two distinct offices. The Court stated:

"In *Converse* v. *United States* (21 How. 463), it was decided that provisions in appropriation acts, like section 18 of the act of August 31, 1852, prohibiting an officer from receiving more than one salary, could not by fair interpretation be held to embrace an employment which has no affinity or connection, either in its character or by law or usage, with the line of his official duty, and where the service to be performed is of a different character and for a different place, and the amount of compensation regulated by law." Page 471. In the present case the employment was for a special service in connection with a special trust assumed by the United States for the benefit of certain Indian tribes, in which express provisions were made for the payment of expenses. In legal effect, the appointment was to an agency for the sale of lands for the Indians, with an implied understanding that a reasonable compensation would be paid for the services rendered. So far as anything appears in the record, the appointment was not made because Brindle was receiver of the land office. The duties to be performed were of a different character and at a different place from those of the land office, and while the exact amount of compensation for this service was not fixed, it was clearly to be inferred that such compensation as the law implies where labor

is performed by one at the request of another, that is to say, a reasonable compensation, would be paid. This case comes, therefore, within the rule in *Converse* v. *United States*, and Brindle is not excluded by the act of 1852 from demanding compensation for this service by reason of his being receiver of the land office."

In 1885, Garland, Attorney General, applied the rule in the Converse and Brindle cases to the case of *Donovan* (18 Atty. Gen. 308). He held that a clerk in the office of the auditor of the District of Columbia, who was also appointed a referee by the Court of Claims, under the act of June 16, 1880, was entitled to receive the salaries of both offices.

The question was again raised in the Supreme Court in *U. S.* v. *Saunders* (120 U. S. 126 (1887)). Saunders, a clerk in the Office of the President, was also appointed clerk of the Committee on Commerce of the Congress of the United States. The Comptroller refused to pay him the salary of his position as committee clerk. Mr. Justice Miller, in his opinion, stated:

"We are of opinion that, taking these sections all together, the purpose of this legislation was to prevent a person holding an office or appointment, for which the law provides a definite compensation by way of salary or otherwise, which is intended to cover all the services which, as such officer, he may be called upon to render, from receiving extra compensation, additional allowances, or pay for other services which may be required of him either by act of Congress or by order of the head of his Department, or in any other mode, added to or connected with the regular duties of the place which he holds; but that they have no application to the case of two distinct offices, places, or employments, each of which has its own duties and its own compensation which offices may both be held by one person at the same itme. In the latter case, he is in the eye of the law two officers, or holds two places or appointments, the functions of which are separate and distinct, and, according to all the decisions, he is in such case entitled to recover the two compensations. In the former case, he performs the added duties under his appointment to a single place, and the statute has provided that he shall receive no additional compensation for the class of duties unless it is so provided by special legislation. The case of *United States* v. *Brindle* (110 U. S. 688), in which an Indian agent received large additional compensation for services connected with the sale of lands belonging to the Indians of his agency, which was affirmed in this court, was upon the ground that these additional services were performed for the benefit of the Indians, and the statute implied the payment of a reasonable compensation for such services. See also *Converse* v. *The United States* (21 How. 463).

Attorney General Garland covered the question again in *Marshal's* case (19 Op. Atty. Gen. 121 (1888)). The marshal had, in addition to his duties as marshal, been appointed an agent under section 5276, Revised Statutes, to bring back a fugitive criminal from a foreign country. Garland pointed out that the construction of the various statutes had been repeatedly passed upon by his predecessors. He reviewed the thinking of the majority school of thought represented by Attorney General Black that the $2,500 limitation prohibited not only the receipt of extra pay, but also the salaries of more than one office, no matter under what circumstances the duties of that office may have been performed and the minority school of thought, represented by Attorney General Crittenden, that none of the acts forbade a person from holding two offices and receiving the salaries thereof, because the prohibition was against his receiving salary of an office that he did not hold, and not against his receiving a salary of two offices which he did legitimately hold. Garland also reviewed the Supreme Court cases concerned in this general question: *Converse* v. *U. S.* (21 How. 463 (1858)); *Stanbury* v. *U. S.* (8 Wall 34 (1868)); *U. S.* v. *Shoemaker* (7 Wall 338 (1868)); *Hall* v. *U. S.* (91 U. S. 559 (1875)); *U. S.* v. *Brindle* (110 U. S. 688 (1884)); and *U. S.* v. *Saunders* (120 U. S. 126).

The question of retired officers was again reviewed by W. H. H. Miller, Attorney General, in *Major Smith's* case (19 Op. Atty. Gen. 383 (1889)). Major Smith, who held the civilian position in charge of river and harbor work at Wilmington, Del., was appointed from civil life to the position of major of engineering in the Army, and thereupon was placed on the retired list of the Army. Miller pointed out that this question had been passed upon by the Senate, the Attorney General and by the courts. He stated:

"The last two questions submitted have substantially been passed upon by the Senate, by this Department, and by the courts before.

"On the 14th of April 1882 the following resolution was submitted to the Senate of the United States:

"'*Resolved*, That the Committee on the Judiciary be instructed to inquire, and report by bill or otherwise, whether or not a retired United States Army officer can lawfully hold a civil office under the Government of the United States.'

"It was referred to the Committee on the Judiciary, which, on the 18th, through Mr. Garland, reported to the Senate, 'answering the question in the affirmative.'

"On the 7th of June 1851, a similar question was submitted to Attorney General Crittenden under the statutes of the 3d of March 1839 (5 Stat. 334–349), and of the 23d of August 1842 (5 Stat., 508–510), from which section 1765, Revised Statutes, was derived. He replied (5 Opin., 768):

"'The plain meaning of this seems to be that an individual holding one office and receiving its salary shall, in no case, be allowed to receive also the salary of another office, which he does not hold, simply on account of his having performed the duties thereof. The prohibition is against his receiving the salary of an office that he does not hold, and not against his receiving the salaries of two offices which he does legitimately hold.'

"On the 11th of June 1877 like questions were submitted to Attorney General Devens. In his reply (15 Opin., 306) he considers and interprets all the sections to which you refer, and declares:

"'Sections 1763, 1764, and 1765, above referred to, and condensations from statutes which were in existence at the time that this decision (*Converse* v. *The United States*), was made, and in conformity with it I deem it my duty, in answer to your inquiry, to say that a retired officer may draw his pay as such, and may also draw the salary of any civil office which he may hold under the Government, assuming always that the duties of the civil office are performed under and by virtue of a commission appointing him to that office which he holds in addition to his rank as a retired officer.'

"This interpretation is sustained by the Court of Claims in *Meigs* v. *United States* (19 C. Cls. R., 497), and by the Supreme Court in *Converse* v. *United States* (21 How. 464), *United States* v. *Brindle* (10 U. S. R., 688), and *United States* v. *Saunders* (120 U. S. R. 126), in which last case Miller, J., delivering the opinion, declares:

"'We are of opinion that, taking these sections (1763, 1764, and 1765) all together, the purpose of this legislation was to prevent a person holding an office or appointment, for which the law provides a definite compensation by way of salary or otherwise, which is intended to cover all the services which, as such officer, he may be called upon to render, from receiving extra compensation, additional allowances, or pay for other services which may be required of him either by act of Congress or by order of the head of his Department, or in any other mode, added to or connected with the regular duties of the place which he holds; but that they have no application to the case of two distinct offices, places, or employments, each of which has its own duties and its own compensation, which offices may both be held by one person at the same time. In the latter case he is in the eye of the law officers, or holds two places or appointments, the functions of which are separate and distinct, and, according to all the decisions, he is in such case entitled to recover the two compensations.'

"I am of opinion that the above interpretation of sections 1259, 1763, 1764, and 1765, Revised Statutes, to which you refer, is well established alike by reason, precedent, and authority.

"I therefore answer your first inquiry in the affirmative, and your second and third inquiries in the negative."

The year 1894 saw the passage of legislation which appears to have reversed in part the doctrine propounded by the Supreme Court. In the Converse case, Attorney General Crittenden's opinion was disallowed to the effect that a person might hold two offices to which he had been legitimately appointed and receive the salary of each. As we have seen, retired military officers had been specifically included within the limits of this doctrine. In 1894 language was attached to the Legislative, Executive, and Judicial Expenses Appropriations Act, 1895, in the form of a rider to section 2 which made it clear that persons holding an office, the salary or annual compensation attached to which amounted to $2,500, were not to be appointed to or hold any other office unless specifically authorized thereto by law.

That this rider applied to retired military officers is implied by the fact that the following was a part thereof:

"But this shall not apply to retired officers of the Army or Navy whenever they may be elected to public office, or whenever the President shall appoint them to office by and with the advice and consent of the Senate."

The Legislative, Executive, and Judicial Expenses Appropriations Act, 1895, had been introduced in the House of Representatives as H. R. 7097 and had been passed. In the Senate, the Senate Committee on Appropriations inserted the rider as the second sentence of section 2 of the bill. However, the committee did not discuss the matter in its report (S. Rept. 506, 53d Cong., 2d sess.). When the Senate considered the bill as reported on July 13, 1894, the following debate took place (CONGRESSIONAL RECORD, vol. 26, p. 7423):

"The next amendment was, in section 2, on page 126, line 10, after the word 'each,' to insert:

"'No person who holds an office the salary or annual compensation attached to which amounts to the sum of $2,500 shall be appointed to or hold any other office unless hereafter specially authorized thereto by law; but this shall not apply to retired officers of the Army or Navy whenever they may be elected to public office.'

"Mr. PLATT. I supposed we had a provision of law to the effect that no officer in the Government employ could draw a salary for two offices. Is there not such a law?

"Mr. COCKRELL. There is such a law, but we do not think it covers the case.

"Mr. PLATT. Will the Senator please explain why this amendment is necessary?

"Mr. COCKRELL. This is simply to prohibit in certain classes of cases the payment of double salaries, and yet not to make it an invariable rule in all kinds of cases. There is an exception to be offered to it. The

Senator from Iowa has the amendment to the amendment which was prepared for submission. After the words 'public office,' in line 15, to insert 'or whenever the President may appoint them thereto, by and with the advice and consent of the Senate.'

"Mr. PLATT. Let the amendment to the amendment be read at the desk.

"The PRESIDING OFFICER. The amendment to the amendment will be stated.

"The SECRETARY. After the word 'office,' in line 15, on page 126, it is proposed to insert 'whenever the President shall appoint them to office by and with the advice and consent of the Senate.'

"The amendment to the amendment was agreed to.

"The amendment as amended was agreed to."

No further debate took place in either House respecting the rider. The conference committee in its report to the Senate stated with respect to the final text of the rider (CONGRESSIONAL RECORD, vol. 26, p. 7844):

"That the House recede from its disagreement to the amendment of the Senate numbered 186, and agree to the same with an amendment as follows: In line 4 of said amendment strike out the word 'unless' and insert in lieu thereof the following: 'to which compensation is attached, unless specially heretofore or'; and the Senate agree to the same."

With respect to this the conference report in the House states (CONGRESSIONAL RECORD, vol. 26, p. 7056):

"On amendment numbered 186: Instead of the provision proposed by the Senate, prohibiting the holding of two offices by one person, inserts the following: 'No person who holds an office the salary or annual compensation attached to which amounts to the sum of $2,500 shall be appointed to or hold any other office to which compensation is attached unless specially heretofore or hereafter specially authorized thereto by law; but this shall not apply to retired officers of the Army and Navy, whenever they may be elected to public office, or whenever the President shall appoint them to office by and with the advice and consent of the Senate.'"

The bill H. R. 7097 with the rider in section 2 as amended was approved by the President on July 31, 1894 (28 Stat. 205).

The final text of section 2 of the act was (the text of the rider is in brackets):

"SEC. 2. That the pay of assistant messengers, firemen, watchmen, laborers, and charwomen provided for in this act, unless otherwise specially stated, shall be as follows: For assistant messengers, firemen, and watchmen, at the rate of $720 per annum each; for laborers, at the rate of $660 per annum each; and for charwomen, at the rate of $240 per annum each. [No person who holds an office the salary or annual compensation attached to which amounts to the sum of $2,500 shall be appointed to or held any other office to which compensation is attached unless specially heretofore or hereafter specially authorized thereto by law; but this shall not apply to retired officers of the Army or Navy whenever they may be elected to public office or whenever the President shall appoint them to office by and with the advice and consent of the Senate.]"

The 1894 statute was considered by Attorney General Griggs in *Putnam's Case*, 22 Op. Atty. Gen. 184 (1898). The Honorable William L. Putnam was a United States circuit judge who had been appointed as one of the commissioners under the convention of February 8, 1886, concerning claims growing out of seizures of vessels in the Bering Sea. Griggs considered that, provisions for the appointment of commissioners having been included in the convention, the office of commissioner was one growing out of the foreign relations of the United States and was not an office contemplated by article 2, section 2 of the Constitution, which provided for appointments by the President by and with the advice and consent of the Senate, etc. He concluded that under these circumstances the office of commissioner, not being a constitutional office, was therefore not within the prohibition of section 2 of the act of 1894. Griggs further considered the definition of office in the more popular sense and found that the Supreme Court had indicated that an officer was one whose office included tenure, continuation, emoluments, etc., citing *U. S.* v. *Germaine* (99 U. S. 510), *U. S.* v. *Mount* (124 U. S. 307), *Auffmordt* v. *Hedden* (137 U. S. 327). He concluded that the office of commissioner being only temporary and for a specific purpose only and having neither tenure, duration, or emoluments, could not be said to be a public office within the prohibition of the 1894 act. He therefore ruled that Judge Putnam could receive both his salary as a Circuit Court judge and compensation for his work as commissioner under the convention, notwithstanding the fact that his salary as circuit court judge exceeded $2,500.

Putnam's case appears to have been the first exemption from the prohibition against duel office holding in the 1894 act. A further exemption was made by Attorney General Bonaparte in *Neill's* case (26 Op. Atty. Gen. 247 (1907)). Commissioner of Labor Charles P. Neill was also appointed a member of the Immigration Commission under the act of February 20, 1907 (34 Stat. 898, 909), to investigate immigration affairs. His salary as Secretary of Labor exceeded $2,500. Bonaparte duly noted the holding of Griggs in the Putnam case. He rested his decision in behalf of Neill on the grounds that the position of member of the Immigration Commission, being of a temporary nature and for a single specific purpose, did not fall within the definition of "public office" as defined by the United States Supreme Court in *U. S.* v. *Hartwell* (16 Wall. 385, 393), *U. S.* v. *Moore* (95 U. S. 762), *U. S.* v. *Germaine* (99 U. S. 511), *Hall* v. *Wisconsin* (103 U. S. 5), *Auffmordt* v. *Hedden* (137 U. S. 327), *Opinion of the Judges* (3 Greenl. (Me.) 481), *Elliason* v. *Coleman* (86 N. C. 235), and *U. S.* v. *Maurice* (2 Brock 96). On this basis, Bonaparte held that Neill was entitled to hold both offices and receive the salary of both.

In 1916, the question of double salaries reoccurred in the Congress by the enactment of a rider on the Legislative, Executive, and Judicial Appropriations Act, 1917 (39 Stat. 126, sec. 6). That act had been reported in the House by the House Committee on Appropriations as H. R. 12207, 64th Congress, 1st session. As reported and as passed by the House, the bill contained no provisions respecting double salaries. The Senate Appropriations Committee in reporting the bill to the Senate (S. Rept. No. 329, 64th Cong.) included a section 6 in the bill without comment as follows:

"SEC. 6. That no money appropriated by this or any other act shall be available for payment to any person receiving more than one salary when the combined amount of said salaries exceeds the sum of $2,000 per annum, but this shall not apply to retired officers of the Army or Navy whenever they may be elected to public office or whenever the President shall appoint them to office by and with the advice and consent of the Senate."

When the bill was read for amendment on the floor of the Senate the following debate took place (CONGRESSIONAL RECORD, vol. 53, pt. 6, pp. 5731–5732):

"The next amendment was, on page 154, after line 14, to insert as a new section the following:

"'SEC. 6. That no money appropriated by this or any other act shall be available for payment to any person receiving more than one salary when the combined amount of said salaries exceeds the sum of $2,000 per annum, but this shall not apply to retired officers of the Army or Navy whenever they may be elected to public office or whenever the President shall appoint them to office by and with the advice and consent of the Senate.'

"Mr. Lodge, Mr. Swanson, and Mr. Kern addressed the Chair.

"Mr. LODGE. I merely wish to offer an amendment to the amendment. I dare say the Senator from Virginia rose to offer the same amendment I was going to propose.

"Mr. SWANSON. About the Marine Corps?

"Mr. LODGE. To insert, after the word 'Navy,' the words 'Marine Corps.'

"Mr. SWANSON. And, in line 20, 'appointed or.'

"Mr. LODGE. 'Appointed or' before 'elected.'

"Mr. OVERMAN. What is the amendment?

"Mr. LODGE. The amendment is to insert, after 'retired officers of the Army or Navy,' the words 'or Marine Corps,' and, of course, it ought also be read 'whenever they may be appointed or elected to public office.'

"The PRESIDING OFFICER. The proposed amendment will be read.

"The SECRETARY. On page 154, in section 6, after the word 'Army,' insert a comma and strike out the word 'or'; after the word 'Navy' insert the words 'or Marine Corps'; and, in line 20, before the word 'elected,' insert 'appointed or'; so as to make the section read:

"'SEC. 6. That no money appropriated by this or any other act shall be available for payment to any person receiving more than one salary when the combined amount of said salaries exceeds the sum of $2,000 per annum, but this shall not apply to retired officers of the Army, Navy, or Marine Corps whenever they may be appointed or elected to public office or whenever the President shall appoint them to office by and with the advice and consent of the Senate.'

"Mr. MARTIN of Virginia. I think that is a proper amendment.

"The amendment to the amendment was agreed to.

"The amendment, as amended, was agreed to.

"Mr. SHEPPARD. Mr. President, I wish, for information, to make an inquiry regarding section 6. As I understand it, the combined amount of salaries that one person may draw has heretofore been limited to $2,500. Am I correct in that?

"Mr. MARTIN of Virginia. No. The former law was that no clerk who was receiving as much as $2,500 per annum should have any second appointment at all.

"Mr. SHEPPARD. Why was that amount reduced to $2,000?

"Mr. MARTIN of Virginia. Because we were informed of abuses in some of the departments; that when they could not raise a clerk's salary—when Congress refused to make the allowance—they would just give him some other place in addition to that which he held.

"Mr. SHEPPARD. That is entirely satisfactory to me, Mr. President."

As thus adopted, the rider passed the Senate. At the conference certain additions were made to the amendment (H. Rept. No. 617, 64th Cong., pp. 6, 7, 12, 13), as follows:

"Amendment No. 229: That the House recede from its disagreement to the amendment of the Senate numbered 229, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment, insert the following:

"'SEC. 6. That, unless otherwise specially authorized by law, no money appropriated by this or any other act shall be available for payment to any person receiving more than one salary when the combined amount of said salaries exceeds the sum of $2,000 per annum, but this shall not apply to retired officers of the Army, Navy, or Marine Corps whenever they may be appointed or elected to public office or whenever the President

shall appoint them to office by and with the advice and consent of the Senate or to officers and enlisted men of the Organized Militia and militia in the several States, Territories, and the District of Columbia.'

"And the Senate agree to the same.

* * * * *

"No. 229: Inserts section 6, proposed by the Senate, prohibiting the payment of more than one salary to any person where the combined salaries exceed $2,000, modified so that the section shall not operate where more than one payment is specially authorized by law, and shall not be effective in the case of officers and enlisted men of the Organized Militia and the Naval Militia of the States, Territories, and the District of Columbia."

As thus amended the rider was enacted and became section 6 of the act, supra. Later in the same session the matter was taken up again in the Naval Service Appropriations Act, 1917 (39 Stat. 582), by means of another rider. This act had been reported in the House by the House Committee on Appropriations as H. R. 159457. Here also, the rider was attached in the Senate committee by amendment and without comment. The following occurred on the floor of the Senate (CONGRESSIONAL RECORD, vol. 53, pt. 11, pp. 11025–11026):

"The next amendment was, on page 70, after line 2, to insert:

"'Section 6 of an act entitled "An act making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1917, namely" approved May 10, 1916, is hereby amended so as to read as follows:

"'SEC. 6. That unless otherwise specially authorized by law, no money appropriated by this or any other act shall be available for payment to any person receiving more than one salary when the combined amount of said salaries exceeds the sum of $2,000 per annum, but this shall not apply to retired officers or enlisted men of the Army, Navy, Marine Corps, or Coast Guard, or to officers and enlisted men of the Organized Militia and Naval Militia in the several States, Territories, and the District of Columbia: *Provided*, That no such retired officer, officer, or enlisted man shall be denied or deprived of any of his pay, salary, or compensation as such, or of any other salary or compensation for services heretofore rendered, by reason of any decision or construction of said section 6.'

"Mr. NORRIS. Mr. President, I should like to inquire of the Senator from Virginia what change is made in section 6 from the law as it exists now?

"Mr. SWANSON. The only change is in the proviso.

"Mr. NORRIS. From the proviso on?

"Mr. SWANSON. In the proviso itself. I will state to the Senator that this takes care of Mr. Theall, who is the secretary of the Naval Affairs Committee of the House. We passed a provision that permitted that, and the Comptroller of the Treasury decided that the clerk of a committee was not a public officer, which precluded him from occupying that position. This simply puts a construction there so that the Comptroller of the Treasury cannot deprive him of his present position. We had previously passed a law taking care of him, and he decided that the clerk of a committee was not a public officer, and would not pay the salary.

"Mr. NORRIS. Does this apply to anybody except this official of the House of Representatives?

"Mr. SWANSON. To no one, I understand, except this officer.

"Mr. NORRIS. Why not make a direct reference to the particular person?

"Mr. LODGE. We are amending the statute. You cannot mention him in another statute.

"Mr. NORRIS. This particular position in the House of Representatives is filled by a retired naval officer. There is another question. If this applies only to an official or employee of the House of Representatives, why did not the House of Representatives put it in?

"Mr. SWANSON. I understand that there is another one at the Navy yard. If the Senator will permit me, we amended section 6 so as to enable them to employ a retired officer in the Navy to be clerk of the committee. That was included in the bill. The provision was included in the legislative, executive, and judicial appropriation bill. Having used the words 'public officer,' the Comptroller of the Treasury, I understand, rules that the clerk of the committee is not a public officer, and consequently he cannot receive his salary. The amendment is in the proviso which prevents the Comptroller from giving that interpretation to the law.

"Mr. LODGE. If the Senator will allow me, I may remind him that this ruling was not made until after the bill had left the House.

"Mr. NORRIS. Even if that be true, this is to give relief to some one in the House, and this is simply, of course, class legislation put on an appropriation bill. I had my attention called to it by a Member of the House, who said that it applied to a large number of retired persons, and I should think it would apply to practically the entire Navy Department. If there is any good reason why one man should be excluded from the operation of the law, I would not have any objection if he was excluded and excluded directly by name or his office or position excluded.

"Mr. LODGE. But the general law expressly provides that the provision about the salaries shall not apply to retired officers and enlisted men. That is the general provision of the statute. The exception is in the proviso, because there is an attempt made to exclude this one man from the general law by the Comptroller by a ruling which, it seems to me, is absurd. Down to the proviso it is the general existing law.

"Mr. NORRIS. Commencing, then, at line 17, with the proviso, that is the only change made in the existing law?

"Mr. LODGE. It is to enable him, if the Senator will read it, to receive his compensation as provided by law for services heretofore rendered.

"Mr. NORRIS. Let us see how it reads: 'Provided, That no such retired officer, officer, or enlisted man shall be denied or deprived of any of his pay, salary, or compensation as such, or of any other salary or compensation for services heretofore rendered, by reason of any decision or construction of said section 6.'

"Do I understand that the effect of that will be that this official in the House of Representatives, who seems to be the beneficiary, will get his back pay, but will in the future not be able to get any?

"Mr. LODGE. No; he will get it in the future. It covers both.

"Mr. NORRIS (reading)—

"'Of any of his pay, salary, or compensation as such, or of any other salary or compensation for services heretofore rendered.'

"Mr. LODGE. Yes; no such retired officer 'shall be denied or deprived of any of his pay, salary, or compensation as such, or of any other salary or compensation for services heretofore rendered.'

"Mr. SMOOT. Mr. President——

"Mr. NORRIS. I yield to the Senator from Utah.

"Mr. SMOOT. The Appropriation Committee of the Senate in reporting the legislative, executive, and judicial appropriation bill for this year inserted section 6 in the bill as follows:

"'That unless otherwise specially authorized by law no money appropriated by this or any other act shall be available for payment to any person receiving more than I salary when the combined amount of said salaries exceeds the sum of $2,000 per annum.'

"That is what the committee reported to the Senate. While the bill was under consideration the Senator from Massachusetts [Mr. LODGE] offered an amendment to the committee amendment as follows:

"'But this shall not apply to retired officers of the Army, Navy, or Marine Corps whenever they may be appointed or elected to public office or whenever the President shall appoint them to office by and with the advice and consent of the Senate or to officers and enlisted men of the Organized Militia and Naval Militia in the several States, Territories, and the District of Columbia.'

"That is the way section 6 of the bill finally passed the Senate. I understand, of course, that this proviso is put in the pending bill to take care of one man in the employ of the House of Representatives. I will say to the Senator that that case was called to the attention of the Appropriation Committee when it first considered the amendment, but the committee at that time did not feel justified in proposing an amendment to take care of one man, but after the Senate adopted the amendment offered by the Senator from Massachusetts it exempted retired officers and enlisted men of the Army and Navy and Marine Corps, and so forth. It develops now that the employee in the House of Representatives referred to is a retired officer, and if that be true he should be exempted under the amendment offered by the Senator from Massachusetts, but under a ruling it is held that no matter whether he is a retired officer or not, holding the position he does with a committee of the House, he is not entitled to the two salaries.

"Mr. NORRIS. I rather think since we have exempted everybody else from the effect of the law we ought not to hesitate to exempt this one man who is left. I understand the law prohibiting anyone from drawing two salaries is so amended that it does not apply to anyone except this clerk in the House of Representatives, and this is to let him out, also.

"Mr. SMOOT. That is the effect of the proviso, but I will say to the Senator——

"Mr. NORRIS. Why not repeal the law altogether?

"Mr. SWANSON. If the Senator will permit me, it was held that the appointment by a committee of Congress, as I understand the ruling of the Comptroller of the Treasury, is not a public officer, and consequently not being a public officer he cannot get the benefit of the exemption that others have. He is a very valuable man, one of the most valuable men in the House of Representatives as far as naval affairs are concerned, and he cannot afford to accept a clerkship in the committee unless this exemption is permitted. This is put in the bill at the request of the chairman of the Naval Committee of the House, who desires to retain the valuable services of this man, and it is made necessary on account of what seems to me to be the foolish ruling of the Comptroller of the Treasury that a clerk of a committee is not a public officer.

"Mr. NORRIS. I should like to inquire how many men are drawing two salaries now who are not affected by the law.

"Mr. SMOOT. I will say to the Senator that at the time the amendment to the legislative, executive, and judicial appropriation bill was being considered in the Committee on Appropriations we undertook to find out just how many there were in the employment of the Government drawing two salaries. We were unable to ascertain the exact number, but I will say to the Senator there were a great many of them, but since the passage of the legislative, executive, and judicial appropriation bill it has done away with all except retired officers, as stated before.

"I will state further to the Senator that the committee found that the practice was

growing to such an extent that it decided to pass a law prohibiting it. That is the reason why the committee reported the amendment to the legislative, executive, and judicial appropriations bill.

"Mr. NORRIS. Yes; but after it was amended it did not apply to anybody.

"Mr. SMOOT. Yes; it applied to everybody, with the exception of enlisted men and officers in the Army and Navy, Marine Corps, and Organized Militia, and Naval Militia.

"Mr. NORRIS. How many are there of those? Can the Senator state the number?

"Mr. LODGE. If the Senator will allow me, it has never been attempted to prevent retired officers from accepting private employment. It would be a useless cruelty.

"Mr. NORRIS. This law does not attempt to do that. We could not pass a law under the Constitution that would be of any validity, probably, that would do that, but we could pass a law that would prevent a man from drawing two salaries from the Government of the United States.

"Mr. LODGE. You could prevent a retired officer from accepting any other employment in private life.

"Mr. NORRIS. Nobody wants to do that.

"Mr. LODGE. You could make him forfeit his pay. That has never been done. Officers have always been allowed to accept private employment. Of course, they are always at the orders of the Government.

"Mr. NORRIS. Can the Senator from Utah answer my question as to how many men were drawing two salaries from the Government and are not drawing it now by reason of the enactment of this law?

"Mr. SMOOT. It would be only an estimate, but I will say to the Senator that there must have been something over 50 men who were drawing 2 salaries who are not doing so today. I do not want to state positively the number, but there were at least that many, and perhaps a great many more.

"Mr. NORRIS. I do not know that that is material now, because it is in the law anyway, but what was the reason for exempting Army officers and officers of the Marine Corps?

"Mr. SMOOT. The reason was this: As to retired officers of the Army, Navy, and Marine Corps, and officers of the Guard, their time belongs to them, and if any department of the Government desires to avail itself of their services, there should be no objection to that. The exemption was adopted so that the Government could avail itself of their services.

"Mr. NORRIS. Why not the other people who are not retired officers of the Army or Navy?

"Mr. SMOOT. The reason is this, because their time is already paid for by the Government, and extra long hours must of necessity interfere with their efficiency in both positions.

"Mr. WEEKS. It is the custom to pay certain officers connected with the Government a higher rate of pay on account of the excellence of their service. For instance, the clerk of the Committee on Appropriations of the House of Representatives is paid an annual salary of $5,000 a year as long as he holds that position. It is simply a reward for efficiency. The salary which he receives is a thousand dollars greater than would be the salary of any other man holding that place. The same general principle applies to this case. The clerk of the House Naval Committee is a graduate of the Naval Academy and served in the Marine Corps. He was retired for physical disability, but he is entirely competent to perform the duties of that technical position not only as well but better than almost any other man. Therefore it has seemed fair that he should receive his retired pay and such salary as the committee gave him. As a matter of fact, he is paid $2,400 as clerk of the committee, and his retired pay is between $1,900 and $2,000 or about $4,300 a year. That is his entire pay from the Government, and it is not a high salary for that particular place, which he fills so acceptably to the House Naval Committee.

"There are 3 or 4 other cases which come under this limitation, I understand. There are perhaps three other naval officers who are employed in such a way that they will not receive their salary under the ruling of the Comptroller. In this particular case the salary for the last 2 months which this House employee actually received is being checked up against his retired pay of the Navy, and unless something is done, as proposed in this measure, not only will he in future receive only the retired pay from the Navy, but the actual pay which he has received under the law up to this time will be checked against that retired pay. It seems to me, from my knowledge of the case, there cannot be two sides to the fairness and desirability of adopting the provision which the Committee on Naval Affairs has proposed to the bill.

"The VICE PRESIDENT. The question is on agreeing to the amendment of the committee.

"The amendment was agreed to."

In the conference committee, the House receded from its disagreement to this amendment by the Senate. The amendment was explained by the committee as follows (H. Rept. No. 1099, 64th Cong., p. 23):

"Amendment No. 107: Amends section 6 of the Legislative, Executive, and Judicial Act, approved May 10, 1916, whereby no person who receives more than one salary from the United States when the combined amount of said salaries exceeds the sum of $2,000 per annum shall be paid from any appropriation in that act or any other act, and excludes from the operation of the act retired officers of the Army, Navy, or Marine Corps who were appointed to public office. The Senate amendment excludes retired officers and enlisted men of the Army, Navy, Marine Corps, or Coast Guard, or the officers and enlisted men of the organized Naval Militia in the several States, Territories, and District of Columbia, and further provides that no such retired officer shall be checked in his pay due to any construction of section 6 prior to the passage of this act. And the House recedes."

This amendment constitutes the present text of the Federal doctrine on double salaries (U. S. C. 5: 58). The proviso respecting acceptance of retired officers or enlisted men appears in the United States Code, title 5, section 59. Various other amendments have been made to this act. However, the basic principle of the legislation has not been specifically changed. These amendments took the form of exemptions from the provisions of the act. For instance, United States Code, title 5, section 60, exempted employees of the Library of Congress, who perform special functions in connection with its trust funds, from the provisions of section 58. See also section 59a. The decisions and opinions on section 58, which have occurred since the 1916 amendment, are concerned with construing its effect and are reviewed below.

No questions concerning dual compensation and dual employment seem to have occurred during the years between the enactment of the 1916 amendment, supra, and 1921. On June 10, 1921, the Congress established the office of Comptroller General, who succeeded to the powers and duties theretofore imposed upon the Comptroller of the Treasury as well as the duties of the six auditors in that department. The opinions of the Attorney General gradually ceased to concern themselves with questions of dual employment and compensation and the decisions of the Comptroller General, since he was vitally concerned with the payment of money of the United States in accordance with law, supervened.

Between 1921, the date of appointment of the Comptroller General, and 1924, date of the latest and present text of the law (except for a minor amendment) respecting dual office-holding, the Comptroller General issued a number of decisions as follows:

"The act of May 10, 1916, 39 Stat., 120, prohibiting the use of any appropriation for payment to the same person of more than one salary from the Government when the combined amount exceeds the sum of $2,000 per annum, is applicable to the funds of the United States Shipping Board Emergency Fleet Corporation; hence an employee of the corporation may not also receive compensation from the United States Shipping Board when the combined compensation is more than $2,000 per annum." (1 Compt. Gen. 14, July 13, 1921.)

"A clerk of United States district court may legally be paid as clerk while holding a commission in the Officers' Reserve Corps of the United States Army, except for such periods as he may be on active duty as an officer in the Officers' Reserve Corps when he would be prohibited by provisions of section 6 of the act of May 10, 1916, as amended by the act of August 29, 1916, 39 Stat., 532, from receiving compensation as a clerk of court." (1 Compt. Gen. 65, Aug. 11, 1921.)

"The employment of a major retired from active duty as special assistant to the Attorney General with compensation attached, and payment to him of that compensation in addition to his retired pay, is prohibited by the act of July 31, 1894 (28 Stat. 205)." (1 Compt. Gen. 219, Oct. 17, 1921.)

This case concerned the desire of the Attorney General to employ Col. E. G. Davis, a retired Army officer, as a special assistant to the Attorney General. The Comptroller General after quoting section 2 of the act of July 31, 1894, to the effect that no "person who holds an office, the salary or annual compensation attached to which amounts to the sum of $2,500 shall be appointed to or hold any office to which compensation is attached, unless specially heretofore or hereafter specially authorized thereto by law; but this shall not apply to retired officers of the Army or Navy whenever they may be elected to public office or whenever the President shall appoint them to office by and with the advice and consent of the Senate" pointed out that the retired Army officers hold office within the meaning of the section unless they fall within the exceptions noted above. The Comptroller General distinguished the case in volume 38, Court of Claims, page 39, by pointing out that the compensation allowed there was payable from a discretionary appropriation which had been given to the President for national security and defense and was allowed by the court as not open to question for that reason. He further pointed out that *Geddes* v. *United States* (38 Court of Claims 428) turned largely upon the construction of another statute and is not decisive of the application of this section of the act of 1894 to retired Army officers. He stated that the prohibition applies to retired officers sought to be appointed to or to hold any office not elective or appointive in the manner prescribed by the statute. He noted that the earlier decisions permitting the appointment of retired Army officers rested upon the conclusion that the element of duration, thought to be one of the essentials to an office, was lacking in such appointments and concluded that it was clear that the proposed appointment of Colonel Davis at a yearly salary and for the purpose indicated would establish duration as one of the incidents of appointment.

With respect to the question of whether Colonel Davis could give up his retired pay and accept only the pay of the office of special assistant to the Attorney General, the Comptroller General pointed out that the

United States Supreme Court has held that public policy prohibits any attempt by unauthorized agreement with an officer of the United States under guise of a condition or otherwise, to deprive him of the right to pay given by statute. (*Glavey* v. *United States* (182 U. S. 595), *United States* v. *Andrews* (240 U. S. 90).) He concluded that any attempts by the colonel to relinquish his retired pay and restrict himself to the right to compensation as special assistant only would be ineffective for that purpose.

"The act of May 12, 1917, 40 Stat. 72, granting officers and employees of the United States, who are members of the Officers' Reserve Corps, leave of absence without loss of pay for not exceeding 15 days per year during which ordered to duty with troops or at field exercises or for instruction, together with section 39 of act of June 3, 1916, 39 Stat. 191, bring such employees within the exception to the general prohibition in section 6 of the act of May 10, 1916, as amended, as to the payment of 2 salaries aggregating more than $2,000 per annum, and they may be paid both their civilian pay and the pay of their rank or grade in the Reserve Corps for the period of such duty or exercises." (1 Compt. Gen. 544, Mar. 24, 1922.)

"Retired officers or enlisted men of the Army or Navy are not prohibited by the act of July 31, 1894, 28 Stat. 205, or the act of May 10, 1916, as amended, 39 Stat. 120, 582, from holding a Government position or office, provided neither the retired pay nor the salary attached to the position or office amounts to $2,500, the aggregate of the two being immaterial." (1 Compt. Gen. 571, Apr. 15, 1922.)

"The act of July 31, 1894 (28 Stat. 203), appropriating from the costs collected by the clerks of the circuit courts of appeals the amounts necessary for clerk hire and other expenses of the courts bring the employees of such courts within the scope of the act of May 10, 1916 (39 Stat. 582), and they are therefore prohibited from receiving compensation as bailiff of the court and also as clerical assistant when the aggregate of the two salaries exceeds $2,000 per annum." (1 Compt. Gen. 592, Apr. 24, 1922.)

"Retired officers or enlisted men of the Army or Navy hold offices with compensation attached within the meaning of the act of July 31, 1894 (28 Stat. 205), and are accordingly prohibited by said act from holding any other office under the Government, except an elective one or one to which appointment is made by and with the advice and consent of the Senate, if either the retired pay or the salary attached to the office or position amounts to $2,500 per annum." (1 Compt. Gen. 571 adhered to.) (1 Compt. Gen. 700, May 25, 1922.)

"Charges by an assistant surgeon of the Alaskan Engineering Commission for performing autopsies outside of the scope of his official duties are fees and not salary and do not come within the inhibition of the act of May 10, 1916 (39 Stat. 120), as amended; and as the salary of such assistant surgeon is not fixed by law or regulation he is not prohibited from receiving such additional fees by section 1765, Revised Statutes." (2 Compt. Gen. 37, July 22, 1922.)

"Retired enlisted men of the Army, Navy, or Marine Corps, whose retired pay is not in excess of $2,500 and who have been employed in the Veterans' Bureau at salaries exceeding $2,500 per annum contrary to the act of July 31, 1894 (28 Stat. 205), may be reappointed to positions paying less than $2,500 effective from the date the appointment is actually made and accepted, but such appointments may not be made retroactive to cover the period of service under the prior illegal appointment." (2 Compt. Gen. 373, Nov. 16, 1922.)

"Teachers in the night schools of the District of Columbia are paid from funds appropriated by Congress and are accordingly prohibited by the act of May 10, 1916 (39 Stat. 120), as amended by the acts of August 29, 1916 (39 Stat. 582), and October 6, 1917 (40 Stat. 384), from receiving for any 1 day's work as such teacher any compensation in excess of one three-hundred-and-twelfth of the amount by which $2,000 exceeds the salary they may be receiving from other employment by the Federal Government or by the District of Columbia in any other capacity than as teacher in the public schools." (2 Compt. Gen. 436, Jan. 13, 1923.)

"A retired captain of the fire department of the District of Columbia may be employed and paid as watchman at $720 per annum in the Treasury Department while continuing to draw his retirement relief of approximately $78 or $79 per month, provided such duty as watchman is not incompatible with his status on the retired list for the purposes of the act of September 1, 1916 (39 Stat. 720)." (2 Compt. Gen. 460, Jan. 27, 1923.)

"Teachers of the public schools of the District of Columbia are not in the Federal service and may therefore be employed during school vacation as expert examiners of the Civil Service Commission, the special appropriation for such examiners relieving them from the restrictions of the act of May 10, 1916, as amended (39 Stat. 120, 582.)" (3 Compt. Gen. 24, July 11, 1923.)

"An employee of the United States Tariff Commission having had 15 days' military leave as a member of the Officer's Reserve Corps is not entitled to receive his civilian salary, with annual leave, while performing a second period of military service in the same calendar year if the annual rates of the civilian salary and military pay for such second period of military service exceed $2,000 in the aggregate." (3 Compt. Gen. 116, Sept. 5, 1923.)

"Employment of the same person as laborer and as clerk at the same time when the combined salaries exceed an aggregate rate of $2,000 per annum is prohibited by the act of May 10, 1916 (39 Stat. 120), it being immaterial that by reason of the intermittent character of the employment the total pay actually received per annum does not amount to $2,000." (3 Compt. Gen. 260, Oct. 26, 1923.)

During the course of the 68th Congress, 1st session, an amendment was added to section 2 of the act of 1894 which had prohibited the holding of another lucrative office. The Senate bill 2450 containing the amendment provided for the addition of a new sentence at the end of section 2 of the Legislative, Executive, and Judicial Appropriation Act, approved July 31, 1894, to read as follows:

"Retired enlisted men of the Army, Navy, Marine Corps, or Coast Guard shall not be construed to hold an office within the meaning of this section."

This bill was reported by the Senate Committee on Military Affairs (S. Rept. 254, 68th Cong.), passed the House, and was reported by the House Committee on Military Affairs (H. Rept. 498). The House committee in its report repeated the report of the Senate committee as follows:

"The Committee on Military Affairs, to which was referred the bill (S. 2450) to amend section 2 of the Legislative, Executive, and Judicial Appropriation Act approved July 31, 1894, having considered the same, report thereon favorably with the recommendation that the bill do pass without amendment.

"A similar bill was reported to the Senate by your committee during the 67th Congress and the report accompanying that measure is appended hereto and made a part of this report, as follows:

"'The bill was introduced at the suggestion of representatives of the American Legion, and the purpose of it is explained in the following memorandum presented by them:

"'"The men affected by this bill are about 12 oldtime noncommissioned officers, who have been retired as enlisted men for length of service. All of these men are veterans of the Spanish-American War, the Philippine Insurrection, and the World War; two at least are veterans of Indian wars. All served as officers during the World War and returned to their grades as retired enlisted men after the war was over. These bills do not call for any appropriation or expenditure of funds.

"'"It is evident from a study of section 2 of the act of 1894 that Congress had no intention, nor even had in mind including retired enlisted men in the provisions of the act, which provides that no person holding an office with the Government shall hold any other office with compensation over $2,500. The Comptroller General has recently held that a retired enlisted man, as such, holds an office under the Government.

"'"Due to their ability and fitness in administrative and financial matters, certain of these men have been appointed under Congressional and civil-service authority to offices of trust in the Veterans' Bureau, Department of Agriculture, and other departments, and have proved to be valuable men. Under the Comptroller's decision they must now suffer a reduction in salary below many others doing similar or less important work.

"'"It is surely not the intent of Congress or the public that these men who have spent the better part of their lives in the military service should now be discriminated against on account of being retired enlisted men. It is the intent of this bill to rectify this discrepancy and to place these men on an equal footing for employment as other American citizens of equal ability."'

"A letter requesting the passage of this bill has been received from the Director of the Veterans' Bureau, Colonel Forbes, which is included in this report, as follows:

UNITED STATES VETERANS' BUREAU,
Washington, January 15, 1923.

Hon. JAMES W. WADSWORTH, JR.,
Chairman, Committee on Military Affairs, United States Senate, Washington, D. C.

DEAR SENATOR WADSWORTH: I desire to invite your attention to Senate bill 4315, introduced by you and which is now before your committee.

This bill allows retired enlisted men of the Army the same privileges of occuping a Government position or office as those enjoyed by the ordinary citizen. The bill has particular application to a limited number of former noncommissioned officers employed in this Bureau. These men are all of exceptional ability and particularly capable of filling positions of importance in the United States Veterans' Bureau because of their experience gained through long service, and it does not seem just that they should be discriminated against because of their service to the country.

I sincerely hope you will find it possible to act favorably with regard to this bill at an early date, in order that the men who have so forcibly demonstrated their devotion to these United States may be treated equitably.

Very truly yours,

C. R. FORBES,
Director.

"Your committee is convinced of the justice of this legislation and urges that it be acted upon by the Senate at an early date."

During the course of the floor debate in the Senate, the purpose of S. 2450 was explained as follows (CONGRESSIONAL RECORD, vol. 65, p. 5131):

"Mr. KING. I should like an explanation of that measure.

"Mr. WADSWORTH. This bill is here on account of another ruling of the Comptroller

General, and I think one of the most extraordinary ones I ever heard of.

"The law provides that a person holding office in or under the Government shall not hold another position under the Government which carries a salary in excess of $2,500 per annum. That needs no explanation.

"There are retired enlisted men of the Army and Navy and Marine Corps who have served 30 years in the service and are retired at three-fourths pay of the grade they occupied on the date of retirement. The Government, in other departments, has employed those men, some of them to the great advantage of the Government on account of their extraordinary training and experience. The Comptroller General comes along and says that a retired enlisted man holds an office as such, a most extraordinary conclusion. This bill states definitely that a retired enlisted man does not hold an office, and, of course, he does not hold an office. His relations to the Government are contractual in nature, that is all. If a retired enlisted man is held to hold an office under the Government, then an active-duty enlisted man must likewise be held to hold an office under the Government. As a matter of fact, we know that when an enlisted man enlists he takes a contract to serve the Government for a fixed period of years. How the Comptroller General or anybody else could say that an enlisted man in the Army or Navy holds an office under the Government passes my comprehension.

"Mr. FLETCHER. Does the bill permit a retired enlisted man to draw his three-fourths pay and at the same time draw his salary?

"Mr. WADSWORTH. Certainly, if he is serving the Government in another capacity. That ought to be the case.

"The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed."

The bill however was amended on the floor of the House as follows (CONGRESSIONAL RECORD, vol. 65, p. 9137):

"The Clerk read the bill as follows:

"'*Be it enacted, etc.*, That section 2 of the legislative, executive, and judicial appropriation act, approved July 31, 1894, is amended by adding at the end thereof a new sentence to read as follows: "Retired enlisted men of the Army, Navy, Marine Corps, or Coast Guard shall not be construed to hold an office within the meaning of this section."'

"Mr. STEPHENS. Mr. Speaker, I desire to offer the following amendment.

"The Clerk read as follows:

"'Amendment by Mr. Stephens: Strike out all of the printed bill after the word "follows", in line 6, and insert in lieu thereof the following: "Retired enlisted men of the Army, Navy, Marine Corps, or Coast Guard retired for any cause, and retired officers of the Army, Navy, Marine Corps, or Coast Guard who have been retired for injuries received in battle or for injuries or incapacity incurred in line of duty shall not, within the meaning of this section, be construed to hold or to have held an office during such retirement".'

"The SPEAKER. The question is on agreeing to the amendment.

"The amendment was agreed to.

"The bill as amended was ordered to be read a third time, was read the third time, and passed."

The amendment of the House was adopted and concurred in by the Senate as follows (CONGRESSIONAL RECORD, vol. 65, p. 9279):

"RETIRED ENLISTED MEN OF THE ARMY

"The Presiding Officer laid before the Senate the amendment of the House of Representatives to the bill (S. 2450) to amend section 2 of the Legislative, Executive, and Judicial Appropriation Act approved July 31, 1894, which was, on page 1, line 6, to strike out all after 'follows:' down to and including 'section', in line 8, and to insert in lieu thereof:

"'Retired enlisted men of the Army, Navy, Marine Corps, or Coast Guard retired for any cause, and retired officers of the Army, Navy, Marine Corps, or Coast Guard who have been retired for injuries received in battle or for injuries or incapacity incurred in line of duty shall not, within the meaning of this section, be construed to hold or to have held an office during such retirement.'

"Mr. WADSWORTH. I move that the Senate concur in the amendment of the House. It relates to the eligibility of persons in a retired status in the military service being employed in the civil service.

"The amendment was concurred in."

It should be noted in connection with the passage of this act that the first argument was that enlisted men do not hold offices under the Government of the United States, but enter into a contract of service. They, therefore, are contractors and not officeholders. The conclusion is that the prohibitions of the 1894 act would not and should not apply to enlisted men. The contrary holding by the Comptroller General therefore was incorrect. (See 2 Compt. Gen. 373 supra.) Although this seemed to be the basic theory of the bill, the House amendment completely shifted from this basis to what is obviously an idea of rewarding those enlisted men who have performed extraordinary service and have been retired for injuries received in battle or for injuries or incapacity incurred in line of duty. Only such enlisted men apparently are to be construed as not holding another office during such retirement. All other enlisted men would therefore be presumed to hold an office provided they were retired merely for age.

X—THE TEST, 1924–57

By 1924 the broad principle of prohibiting dual officeholding and double salaries had become generally established in our law. Although the basic principle has not been revised or changed since that date, exceptions have been made to take care of obvious situations. During this period, the doctrine has been subjected to the test of both depression and total war. In the first decade since 1924, there was a period of prosperity when undoubtedly little attention was paid to the doctrine. Jobs were plentiful, money easy and everybody was on a merry-go-round of prosperity. Then came the depression of 1930 when the idea of spread-the-work was foremost, since unemployment mounted to alarming proportions. The doctrine certainly fitted into that period. The next decade included a long, slow, and painful recovery from the ravages of the depression. This was followed by a period of prosperity accentuated by total war. In the depression period, manpower has been plentiful but jobs scarce. Total war brought the reverse, plenty of jobs but manpower in short supply. The third decade since 1924, found us with the reverse problem still unsolved. The advent of the cold war and the birth of atomic energy have all contributed their part to the continuance of the problem.

During this period a number of opinions and decisions have been rendered by the Attorney General and the Comptroller General of the United States respecting dual employment and compensation in connection with both civilian employees and Armed Forces personnel. While none of the opinions and decisions actually change, by way of interpretation, the basic principles of the doctrine as developed up to 1924, they do represent a refinement of the doctrine, by way of exception, under the stresses of both depression and total war. Digests of the opinions and decisions, divided into two groups, those affecting civilian employees and those affecting Armed Forces personnel, follow:

"1. CIVILIAN EMPLOYEES

"Chief, Bureau of Efficiency—Board of Actuaries, Civil Service Retirement Act—34 Atty Gen. 490—May 23, 1925:

"'Chief of the Bureau of Efficiency may be appointed a member of the Board of Actuaries under the Civil Service Retirement Act, to serve without compensation and such appointment will not be in violation of any statute.'

"Civilian Army employees—court-martial reports—5 Compt. Gen. 374—November 23, 1925:

"'Civilian employees of the Quartermaster Corps of the Army are not entitled to extra compensation for services rendered as court-martial reporters when such extra compensation, combined with their regular salary, exceeds the rate of $2,000 per annum.'

"Member of Alaska Legislature—Alaska Railroad employee—5 Compt. Gen. 806—April 8, 1926:

"'As the act of August 24, 1912 (37 Stat. 513) prohibits an officer or employee of the United States from being a member of the Alaska Legislature, and the act of July 31, 1894 (28 Stat. 205) prohibits any employee of the United States whose salary amounts to $2,500 per annum from holding any other position to which compensation is attached, an employee of the Alaska Railroad receiving compensation of $2,500 or more per annum vacates his position with the railroad by his election to and taking his seat in the Alaska Legislature.'

"National Sesquicentennial Exhibition Commission—5 Compt. Gen. 891—May 4, 1926:

"'Under the provisions of the joint resolution of March 15, 1926 (44 Stat. 207), employees of the Government may be paid compensation in addition to their regular compensation for work performed after regular office hours in preparing exhibits for the National Sesquicentennial Exposition, upon the certification as to the necessity for such work, notwithstanding the provisions of section 1765, Revised Statutes, and the act of May 19, 1916 (39 Stat. 120), to the contrary.'

"Compensation—Quarters in kind—6 Compt. Gen. 359—November 20, 1926:

"'The allowance of quarters in kind free of charge, in addition to the fixed rate of compensation specified in the schedule of wages for the regular daytime positions, is prohibited as compensation to employees of the Naval Establishment for duties performed outside of regular working hours, either on the basis that the duties outside regular working hours are separate and distinct from the regular duties of the employees, or on the basis that the duties outside regular work hours are not incompatible with employment in the regular daytime positions, but as extra duties.'

"Two positions in same Department—6 Compt. Gen. 435—January 4, 1927:

"'An employee may not be paid the salary of two separate and distinct positions in the same department or establishment even though the combined salaries thereof do not exceed the rate of $2,000 per annum.'

"Department of State—Public Health Service—6 Compt. Gen. 732—May 11, 1927:

"'An employee of the Department of State receiving an annual salary is prohibited by sections 1764 and 1765, Revised Statutes, from receiving any extra compensation for services rendered the Public Health Service after office hours where such additional compensation was not fixed in advance by law or regulation.'

"Postal service employees—8 Compt. Gen. 487—March 13, 1929:

"'Under the provisions of section 1 of the act of March 1, 1929 (45 Stat. 1441), dual employments are authorized when both posi-

tions are in the postal service, regardless of the rates of compensation, provided the total compensation actually paid for all services for any one fiscal year does not exceed $2,000. The act is not applicable to cases where one or both positions are in some other branch of the Government service. 8 Comp. Gen. 262 modified only insofar as postal service employees are concerned.'

"Postal service employees—8 Compt. Gen. 578—May 2, 1929:

"'A postmaster may not serve as substitute or temporary rural carrier and be paid therefor.

"'A postmaster, assistant postmaster, or other postal employee may not enter into contract to carry mail or perform service on a star route.

"'A rural carrier may serve as mail messenger and be paid not in excess of $300 for any one year provided his total compensation from postal funds does not exceed $2,000 for any one fiscal year.

"'A contractor or subcontractor for star-route service may not be employed as substitute or temporary rural carrier.'

"Postal service employees—8 Compt. Gen. 611—May 18, 1929:

"'Section 2 of the act of March 1, 1929 (45 Stat. 1442), authorizing the Comptroller General of the United States to relieve postmasters from unlawful payments made by them to "mail messengers, postal employees, and other employees of the United States employed in post offices" for services in a dual capacity, is not applicable to relieve a postmaster from refunding Government funds he received for carrying a rural route during the absence of the regular carrier.'

"Postal Service Employees—8 Compt. Gen. 662—June 24, 1929:

"'A special-delivery messenger may enter into a contract for mail messenger service and receive therefor in excess of $300 in any one year, provided he is the lowest bidder and his total compensation for all services does not exceed $2,000 for any one fiscal year.'

"Postal service employees—8 Compt. Gen. 76—July 19, 1932:

"'In view of the terms of section 1765, Revised Statutes, and the act of July 31, 1894 (28 Stat. 205), a civilian employee of the Government holding a position, the salary attached to which amounts to $2,500 per annum or more, may not be employed in any other position under the Government with compensation attaching during the period of administrative furlough without pay required under the terms of section 216 of the act of June 30, 1932 (47 Stat. 407).

"'In view of the terms of section 6 of the act of May 10, 1916, as amended by the act of August 29, 1916 (39 Stat. 582), a civilian employee whose compensation is at a rate less than $2,500 per annum may not be employed in a position under another department or office of the Government during the period of administrative furlough without pay required by section 216 of the act of June 30, 1932 (47 Stat. 407), if the combined rate of compensation under the two positions is in excess of $2,000 per annum.'

"Home Owners Loan Corporation and National Recovery Administration employees—14 Compt. Gen. 822—May 10, 1935:

"'Dual compensation statutes disqualify for further appointment under the National Housing Act those Federal officers and employees already receiving a rate of compensation under any other statute, including those applicable to the Home Owners' Loan Corporation, and the National Recovery Administration, which, together with the rate proposed to be paid by the Federal Housing Administration would exceed the maximum joint salary rate prescribed by the applicable dual-compensation statute to be received in more than one Federal office or position.'

"Federal land bank appraisers—Farm Credit Administration—15 Compt. Gen. 184—September 9, 1935:

"'The authority contained in the act of May 17, 1935 (49 Stat. 247), making appropriation for the Farm Credit Administration for "special reports by personal service without regard to the provisions of any other act," does not authorize the employment of temporary personal services without regard to the statutes relating to dual employment and Federal land-bank appraisers, appointed on a permanent basis with annual salaries in excess of $2,000 per annum, may not, during leave of absence without pay, hold any other permanent or temporary office or position under the administrative appropriation for the Farm Credit Administration.

"'Federal land bank appraisers are "required by law to be exclusively engaged upon some specific work" within the meaning of section 3, act of May 28, 1896 (29 Stat. 179), and when employed full time on an annual basis may not be temporarily detailed or assigned to other duties.'

"Fees from one Department—'per annum' from another—15 Compt. Gen. 828—March 21, 1936:

"'The receipt of fees for services rendered a Government agency while employed by another such agency on a per annum basis is prohibited by section 2 of the act of July 31, 1894 (28 Stat. 205), but said statute is not for application to reimbursement of traveling expenses incurred on behalf of the Government while so employed.'

"Inspector of hulls, Commerce Department—16 Compt. Gen. 813—March 5, 1937:

"'Inspectors of hulls of the Commerce Department may be appointed as deputy collectors of customs for the purpose of issuing "continuous discharge books" to seamen on merchant vessels of the United States as required by section 3 of the act of June 25, 1936 (49 Stat. 1934), notwithstanding their compensation is in excess of $2,500 per annum, provided the appointments are without compensation.'

"Contract fee basis—16 Compt. Gen. 909—April 1, 1937:

"'The employment by one Federal agency on a contract fee basis of a person serving under another Government agency in a part-time position on a per annum pay basis is not prohibited by the dual compensation statutes—section 1765, Revised Statutes; section 2, act of July 31, 1894 (28 Stat. 205); and section 6, act of May 10, 1916, as amended by the act of August 29, 1916 (29 Stat. 120, 582), notwithstanding the combined compensation of the two employments exceeds $2,000, or either of them exceeds $2,500 per annum, and a low bid for such contract services on a fee basis may not be rejected because of such other part-time employment.' (15 Compt. Gen. 751; id. 828, amplified.)

"Alien Property Custodian employees—19 Compt. Gen. 751—February 26, 1940:

"'While the moneys available to the Alien Property Custodian appointed to administer the Trading with the Enemy Act of October 6, 1917 (40 Stat. 411), for the payment of expenses of his office were derived from funds, etc., "due or belonging to an enemy, or ally of enemy," the position of chief of accounts in his office was nevertheless an "office" within the meaning of the act of July 31, 1894 (28 Stat. 205), prohibiting appointment of a person holding an "office" with an annual salary of $2,500 to another "office" to which compensation is attached unless specially authorized by law. Question whether appointment to said position of employee holding an "office," with salary of more than $2,500 per annum, was valid or void because of the said prohibition discussed and determined in favor of its validity, thus requiring refund of salary paid under the first "office" after the second appointment.' Various dual compensation acts—sections 1763, 1764, 1765, Revised Statutes; and acts of July 31, 1894, and May 10, 1916, as amended—discussed.

"Federal Housing Administration employees—19 Compt. Gen. 926—May 14, 1940:

"'Compensation payments to a person employed by the Federal Housing Administration during a period of employment under another Government agency need not be questioned as in violation of the Dual Compensation Act of May 10, 1916, as amended, in view of the broad personnel appointment, etc., authority vested in the Federal Housing Administrator by section 1 of the National Housing Act (48 Stat. 1246).'

"Annual Salary—fees—22 Compt. Gen. 312—October 3, 1942:

"'The employment by one Government agency of a medical adviser on an annual salary basis, who is also employed, whether by contract or otherwise, by another Government agency as a consultant on a fee basis does not constitute a violation of the restriction against the holding of more than one office contained in the act of July 31, 1894, as amended (15 Compt. Gen. 828, modified), nor does such employment constitute a violation of the dual compensation restrictions of section 1765, Revised Statutes, and the act of May 16, 1916, as amended.'

"Nurses aides—23 Compt. Gen. 900—May 27, 1944:

"'In the case of full time Federal employee receiving $2,000 or more per annum, the payment of $1 per annum compensation for services under appointment as nurses' aides outside of their regular hours of work would constitute payment of "salary" in contravention of the prohibition in the dual compensation statute of May 10, 1916, as amended, against the payment of more than one salary to a person if the combined amount of the salaries exceeds $2,000 per annum.

"'The furnishing of subsistence and lodging in kind, when necessary for the benefit of the Government—to full time Federal employees while they are serving as nurses' aides in Government hospitals outside of their regular hours of work does not constitute "salary" within the meaning of the prohibition in the act of May 10, 1916, as amended, against the payment of more than one salary to a person if the combined amount of the salaries exceeds $2,000 per annum; nor is it to be regarded as payment of salary or allowances within the meaning of the other dual compensation statutes (secs. 1764 and 1765, Revised Statutes, and the act of July 31, 1894, as amended).

"'Part time or intermittent employment of a regular full time Federal employee as a nurses' aide in a Government hospital does not constitute the "holding of an office to which compensation is attached" within the meaning of the act of July 31, 1894, as amended, prohibiting persons whose annual compensation in one office amounts to $2,500 or more from holding another office to which compensation is attached.

"'A nurses' aide employed in a Government hospital on a part-time or intermittent basis is not an "officer or clerk," and, therefore, where regularly employed Federal personnel are engaged, outside their regular hours, on a part time or intermittent basis as such nurses' aides, the "additional services" prohibition in section 1764, Revised Statutes, with respect to officers and clerks has no application.

"'Employment of full time Federal employees as nurses' aides in Government hospitals outside of their regular hours of work would not be incompatible with services performed in the regular positions and, hence, would not be in contravention of the additional compensation restrictions of section 1765, Revised Statutes, which have no application in the case of separate and distinct compatible employments.

" 'The practice of authorizing the payment of compensation at the rate of $1 per annum is unnecessary unless required by some statute or appropriation act other than section 3679, Revised Statutes, as amended, prohibiting the acceptance of voluntary service for the Government, so that the payment of $1 per annum to Federal employees serving as volunteer nurses' aides in Government hospitals outside of their regular hours of work is not required.'

"Within-grade salary advance—24 Compt. Gen. 52—July 19, 1944:

" 'If there have been met all of the terms and conditions necessary to authorize a within-grade salary advancement under the act of August 1, 1941, is one of the two positions which an employee holds, the advancement may not be delayed or defeated by action of the administrative office or the employee even though such advancement may preclude the employee from remaining in the position because of the operation of the act of July 31, 1894, as amended, prohibiting persons whose annual compensation in one office amounts to $2,500 or more from holding another office to which compensation is attached.

" 'In view of the provision in the act of July 31, 1894, as amended, prohibiting persons whose annual compensation in one office amounts to $2,500 or more from holding another office to which compensation is attached, the holding by a retired Army officer of a civilian position became invalid on the date the salary attaching to the position equaled $2,500 per annum due to a within-grade salary advancement pursuant to the act of August 1, 1941, and the salary paid to him in such position on and after that date, having been made in direct contravention of law, must be refunded by him.'

"State Federal Agricultural Extension Service employees—25 Compt. Gen. 868—June 13, 1946:

" 'Federal funds granted to a State under the act of May 8, 1914, for cooperative agriculture extension work, upon being properly receipted for by the State, lose their identity as Federal funds and become funds of the State, and therefore, the concurrent employment by the Federal Government of a State employee paid from such funds need not be regarded as in contravention of the dual compensation and employment statutes (5 U. S. Code 58, 62, and 69), provided the dual Federal and State employment prohibition of Executive Order No. 9, dated January 17, 1873, is not for application.'

"State and Federal positions—29 Compt. Gen. 277—December 15, 1949 (B-83536):

" 'The appointment of a full-time Federal employee with a salary in excess of $2,500 to a position as part-time administrative assistant in a State National Guard would not result in the holding of more than one office under the Federal Government in violation of the dual employment restrictions of the act of July 31, 1894, as amended, or of the dual compensation limitations of section 1763, Revised Statutes; nor is the latter employment incompatible with the former so as to constitute a violation of the additional compensation prohibitions of section 1765, Revised Statutes.'

"Dual offices—leave status—30 Compt. Gen. 336—March 28, 1951:

" 'An employee on leave without pay from a Government department may be employed by a Government commission of temporary character without contravening the act of July 31, 1894, as amended, prohibiting persons whose annual compensation in one office amounts to $2,500 or more from holding another office to which compensation is attached unless specially authorized by law.

" 'An employee placed in a leave-without-pay status from one Government agency is not prohibited from employment with another agency by the Dual Compensation Act of May 10, 1916, as amended, which prohibits the receipt of more than one salary of the combined amount of the salaries exceeds $2,000 per annum.'

"Double salaries—aggregate rate governs—30 Compt. Gen. 525—June 26, 1951:

" 'Under the dual compensation act of May 10, 1916, as amended, prohibiting the use of appropriated funds for payment to any person receiving more than one salary when the combined amount of said salaries exceeds the sum of $2,000 per annum, the aggregate rate of compensation and not the total amount received in any particular year governs the application of the act, so that a person who is in receipt of two salaries covering the same period of time the aggregate rate of which exceeds the sum of $2,000 per annum is required to refund one of the salaries.'

"Congressional committee—Government employees—31 Compt. Gen. 414—February 19, 1952:

" 'An employee on leave without pay from a Government agency may be employed by a temporary Congressional committee without contravening the act of July 31, 1894, as amended, prohibiting persons whose annual compensation in one office amounts to $2,500 or more from holding another office to which compensation is attached unless specifically authorized by law.'

"District of Columbia judges—reemployment—31 Compt. Gen. 505—April 10, 1952:

" 'In view of the dual compensation restriction in the act of August 29, 1916, as amended, a judge of the Municipal Court of Appeals of the District of Columbia who receives the retirement salary provided under the act of April 1, 1942, may not in addition thereto receive the compensation attaching to a position or office with the Federal Government nor may he waive the retirement salary for the purpose of accepting said compensation.

" 'A judge of the Municipal Court of Appeals of the District of Columbia, who receives the retirement salary provided under the act of April 1, 1942, is not prohibited by the dual compensation and employment statutes from accepting compensation as an employee of a State or municipal government or agency having no connection with the Federal or District of Columbia Governments.

" 'In view of the dual compensation restriction in the act of August 29, 1916, as amended, a judge of the Municipal Court of Appeals of the District of Columbia who receives the retirement salary provided under the act of April 1, 1942, may not in addition thereto receive the compensation of a position or office with a territorial government such as Alaska, the Virgin Islands, Puerto Rico, or Hawaii.

" 'A judge of the Municipal Court of Appeals of the District of Columbia who receives the retirement salary provided under the act of April 1, 1942, may accept compensation as an employee of an international agency, such as the United Nations, International Bank for Reconstruction and Development or the International Labor Organization, without violating the dual compensation and employment statutes.'

"Scholarship and pay—31 Compt. Gen. 670—June 19, 1952:

" 'An employee who was granted a one-year leave of absence from his position to accept a scholarship of limited duration, awarded by the Department of State and Board of Foreign Scholarships pursuant to the act of August 1, 1946, and who during the leave of absence received payment for a scrap survey conducted for his agency while drawing an allowance under the scholarship is not to be considered as having violated any of the dual employment or compensation statutes.'

"District of Columbia teachers—33 Compt. Gen. 466—April 16, 1954:

" 'The Dual Compensation Act of 1916, which prohibits the payment of combined salaries to any Government employee at a rate in excess of $2,000 per annum is applicable to District of Columbia school teachers, therefore an employee who was employed as a District of Columbia teacher while on annual leave prior to separation from the Government, and whose leave payment and compensation as a teacher exceeded the $2,000 per annum rate, is required to refund one of the salaries received.'

"Public Health Service officers—36 Compt. Gen. 249—September 27, 1956:

" 'Members of the commissioned corps of the Public Health Service who are receiving retired pay which amounts to $2,500 or more a year are prohibited by the act of July 31, 1894 (5 U. S. C. 62), from holding any office or position under the Federal Government to which compensation attaches, and the exemption relating to members of the Army, Navy, Air Force, Marine Corps, or Coast Guard who are retired for physical disability is not applicable to officers in the Public Health Service.'

"2. ARMED FORCES PERSONNEL

"Navy officer retired for disability 'in line of duty'—3 Compt. Gen. 1009—June 28, 1924:

" 'Navy officer retired for incapacity incurred in line of duty may be employed in a civil position, not in the Diplomatic or Consular Service, irrespective of the salary thereof, and at the same time received his retired pay from the Navy.'

"Army enlisted man on active duty—5 Compt. Gen. 408—December 5, 1925:

" 'Where a retired enlisted man of the Army is detailed to active duty pursuant to law and is in receipt of active-duty pay he may not, at the same time, be paid from Federal funds the pay and allowances of any other military office.'

"Naval officer on active duty—5 Compt. Gen. 548—January 29, 1926:

" 'A retired officer of the Navy on active duty, whose salary is in excess of $2,500 per annum is prohibited by the act of July 31, 1894 (28 Stat. 205), from holding another position to which compensation is attached.'

"National Guard enlisted men—caretakers—6 Compt. Gen. 683—April 20, 1927:

" 'The employment of enlisted men of the National Guard in the dual capacity of caretakers of material, animals, and equipment of the National Guard and caretakers of target ranges, and the payment of compensation for both employments, are in violation of the provisions of section 1765, Revised Statutes.'

"Emergency officers—Panama Canal—9 Compt. Gen. 221—November 23, 1929:

" 'A retired emergency officer who is entitled to retired pay under the act of May 24, 1928 (45 Stat. 735), is not a person "in military or naval service of the United States" within the meaning of section 4 of the Panama Canal Act of August 24, 1912 (37 Stat. 561).

" 'The act of May 24, 1928 (45 Stat. 735), is a part of the provisions made for disabled veterans of the World War, and in the construction of statutes imposing disabilities on persons in the military or naval service with respect to employment in the Federal civil service the act of May 24, 1928, should have a construction in keeping with its purpose.'

"Army officer—Bureau of the Census—10 Compt. Gen. 85—August 23, 1930:

" 'The employment under the Census Bureau of a retired officer of the Army, who was retired at his own request after 30 years' service, is in direct contravention of the act of July 31, 1894 (28 Stat. 205), as amended by the act of May 31, 1924 (43 Stat. 245), and is unauthorized.'

"Army officer—Commissioner of the District of Columbia—36 Atty. Gen. 386—March 4, 1930:

" 'A retired Army officer, who has the qualifications of citizenship and residence specified in section 2 of the act of June 11,

1878 (20 Stat. 103), is eligible for appointment of the office of Commissioner of the District of Columbia.'

"Military personnel—National Recovery Administration—13 Comptroller General 60—August 30, 1933:

" 'The National Recovery Administration may employ retired enlisted personnel, who have been retired on enlisted service only, and fix their rates of compensation for such civilian service on the same basis as that for any other officer or employee without restriction other than the value of the services and such employees would be entitled to continue to receive their retired pay.

" 'The National Recovery Administration may employ retired commissioned and warrant officers of the Army, Navy, Marine Corps, Coast Guard, and Coast and Geodetic Survey, who were retired for "injuries incurred in battle or for injuries or incapacity incurred in line of duty", but with the exception of those "retired for disability incurred in combat with an enemy of the United States" whose rate of compensation for civilian service may be fixed without regard to the restrictions of the dual compensation status, the rate of compensation paid for such civilian service, when combined with the rate of retired pay received, may not exceed $3,000 per annum.

" 'The National Recovery Administration may employ retired commissioned and warrant officers who were retired for causes other than disability, i. e., after 30 years' service or for age, only if the rate of retired pay and the rate of compensation fixed for the civilian office or position are each less than $2,500 per annum, but under section 212 of the Economy Act the officer or employee in such case could actually receive a combined rate of retired pay and civilian compensation not in excess of $3,000 per annum.

" 'The National Recovery Administration may not employ retired commissioned and warrant officers who were retired for causes other than disability incurred in line of duty if the rate of either the retired pay or the compensation fixed for the civilian position is $2,500 per annum or more.'

"Army and Navy officers (for age) holding temporary positions—14 Compt. Gen. 68—July 25, 1934:

" 'An officer of the Army, retired after 30 years' service, or an officer of the Navy, retired after 40 years' service, is not prohibited by the act of July 31, 1894 (28 Stat. 205), as amended from holding a temporary Federal office or position under appointment by the President or the head of a department, notwithstanding his retired pay is at a rate in excess of $2,500 per annum, and if both the retired pay and civilian compensation exceed the rate of $3,000 per annum, he may elect, under the terms of section 212 of the Economy Act, for the period of temporary civilian employment, between his retired pay and the compensation fixed for the temporary civilian office or position.'

"Naval officer (for age) Assistant Deputy Commissioner of Internal Revenue—14 Compt. Gen. 179—August 29, 1934:

" 'Pursuant to the act of July 31, 1894 (28 Stat. 205), the appointment of a retired naval officer, retired for length of service, whose retired pay is in excess of $2,500 per annum, to the position of Assistant Deputy Commissioner, Bureau of Internal Revenue, a permanent full-time position, was void ab initio, and payment of compensation in the civilian position is not authorized.' (Affirmed, 14 Compt. Gen. 289, Oct. 6, 1934.)

"Chief boatswain, Navy—14 Compt. Gen. 842—May 22, 1935:

" 'A retired chief boatswain of the Navy employed in a civilian office or position whose retired pay is based on longevity, including war-time commissioned service subsequent to retirement, is receiving pay "for or on account of services as a commissioned officer," within the meaning of section 212 of the Economy Act of June 30, 1932 (47 Stat. 406), which limits his combined rate of retired and civil pay to $3,000 per annum.'

"Navy nurses—15 Compt. Gen. 74—July 24, 1935:

" 'A retired nurse of the Navy retired for disability is within the inhibition of section 6 of the act of May 10, 1916, as amended by the act of August 29, 1916 (39 Stat. 582), being neither a retired officer nor a retired enlisted man within the express exception to that statute, and accordingly may not be employed in a civilian position with a salary rate which, together with the annual rate of retired pay, would exceed $2,000 per annum.'

"Naval officer—in line of duty—39 Atty. Gen. 94—August 17, 1937:

" 'A naval officer retired on account of incapacity incurred in line of duty may be appointed Director of the Bureau of Marine Inspection and Navigation without affecting his right, subject to the limitations in United States Code, title 5, section 59 (a), to receive retired pay.'

"Officers' Reserve Corps—39 Atty. Gen. 197—October 26, 1938:

" 'Section 1222, Revised Statutes, does not prohibit appointment of an Army officer on the active list to a civil office, but acceptance of such office vacates his commission in the Army.

" 'The section is inapplicable, under circumstances stated, to an officer of the Reserve Corps on leave of absence without pay from active duty with the Army.

" 'Section 2, act of July 31, 1894, prohibiting the holding of more than one office, is inapplicable where the annual compensation attached to each office amounts to less than $2,500.'

"Army warrant officer—reclassification of position—23 Compt. Gen. 445—December 16, 1943:

" 'The reclassification of a position, which is finally consummated, from grade CAF-6, $2,300 per annum, to grade CAF-7, $2,600 per annum, may not be regarded as void merely because the incumbent, a retired Army warrant officer, is prohibited by the dual compensation statute of July 31, 1894, as amended, from receiving salary in a civilian position at the rate of $2,500 or more per annum, and, therefore, the said retired warrant officer may not be deemed to have continued in grade CAF-6 after the reclassification but, rather, he is required to refund the entire amount of salary paid in grade CAF-7 at the rate of $2,600 per annum (21 Compt. Gen. 38, distinguished).

" 'A retired Army warrant officer who has been appointed to a civilian position and has received the salary thereof at a rate in excess of $2,500 per annum, in contravention of the dual compensation statute of July 31, 1894, as amended, may not elect to retain the salary of the civilian position and refund his retired pay for the period involved, but, rather, the civilian salary paid must be refunded.

" 'The words "salary or annual compensation" as used in the dual compensation statute of July 31, 1894, as amended, which provides that "no person who holds an office the salary or annual compensation attached to which amounts to the sum of two thousand five hundred dollars shall be appointed to or hold any other office," refer to basic compensation of $2,500 per annum, which is exclusive of overtime compensation authorized to be paid under the War Overtime Pay Act of 1943.'

"Coast Guard officer—merchant seaman—24 Compt. Gen. 344—November 3, 1944:

" 'In view of the provisions of section 1 (a) of the act of March 24, 1943, excluding seamen employed on vessels owned or operated by the War Shipping Administration for the operation of certain statutes applicable to Federal employees generally, thus indicating a legislative purpose to preserve the private-employee status of such seamen, a retired Coast Guard officer so employed is not to be regarded as within the limitation of section 212 of the act of June 30, 1932, respecting the concurrent payment of retired pay and civilian compensation in an office or position under the United States Government.'

"Marine Corps officer—United States Minister—24 Compt. Gen. 467—December 20, 1944:

" 'Irrespective of the fact that a retired Marine Corps officer may be receiving retired pay "for disability incurred in combat with an enemy" and, hence, is within the exception to the dual-compensation restrictions of section 212 of the act of June 30, 1932, as amended, such retired pay is "salary" within the meaning of the prohibition in the Department of State Appropriation Act, 1945, against the receipt by ambassadors and ministers of any other salary from the United States, so as to preclude the officer from receiving retired pay while receiving the salary of a United States minister.'

"Fleet Reserve members—retired enlisted men and warrant officers—25 Compt. Gen. 521—January 11, 1946:

" 'In view of the provisions of section 4 of the Naval Reserve Act of 1938, permitting enlisted men transferred to the Fleet Reserve to receive the compensation attached to civilian employment in addition to pay and allowances accruing under said act, the dual-compensation provisions of section 212 of the act of June 30, 1932, have no application to prevent such reservists from being paid the retainer pay authorized by said 1938 act in addition to civilian compensation, regardless of the civilian salary rate or whether retainer pay be regarded as "retired pay" under said section 212 or whether commissioned service was included in computing retainer pay or in determining eligibility for transfer to the Reserve.

" 'A retired enlisted man of the Navy receiving retired pay on the basis of his enlisted grade is not to be considered as receiving retired pay "for or on account of services as a commissioned officer" within the meaning of the dual compensation provisions of section 212 of the act of June 30, 1932, solely because service as a commissioned officer or commissioned warrant officer is included in the computation of his length of service for longevity pay and retirement purposes as an enlisted man, irrespective of whether such commissioned service was before or after retirement. (12 Compt. Gen. 37; 21 id. 72, distinguished.)

" 'Since retired enlisted men are expressly exempt from the restrictions of the dual compensation and employment statutes (act of May 10, 1916, as amended; act of July 31, 1894, as amended; and section 212 of the act of June 30, 1932, latter section being applicable only to retired pay "for or on account of services as a commissioned officer"), retired enlisted men of the Navy who are in receipt of the retired pay of their enlisted grades may receive the compensation attached to civilian employment and continue to receive their retired pay.

" 'Since a retired warrant officer may not be regarded as receiving retired pay "for or on account of services as a commissioned officer" within the meaning of the dual compensation provisions of section 212 of the act of June 30, 1932, such an officer may be employed in a civilian position and accept the compensation attached thereto while in receipt of his retired pay, provided the retired pay and such compensation each is less than the $2,500 per annum maximum contained in the dual-employment statute of July 31, 1894, as amended.'

"Army officers—Army emergency relief—26 Compt. Gen. 192—September 16, 1946:

" 'The Army Emergency Relief, a charitable and benevolent corporation organized for the benefit of personnel of the Army of the United States, which, while directed by War Department officials by virtue of their office

and administered, for the most part, by Government personnel, conducts its lawful functions without interference or assistance by the Government, is not an agency of the Government, and, therefore, a retired Army officer may be employed by the Army Emergency Relief without regard to the dual-compensation limitation of section 212 of the act of June 30, 1932, as amended, or the dual-employment restriction of section 2 of the act of July 31, 1894, as amended.'

"Navy enlisted personnel advanced on retired listed commissioned rank—26 Compt. Gen. 271—October 28, 1946:

" 'A retired Navy enlisted man who, as provided by section 10 of the act of July 24, 1941, as amended, is returned to inactive status with the commissioned rank held under a temporary promotion while on active duty after retirement does not hold the "office" of a retired officer but, rather, continues to hold the "office" of an enlisted man on the retired list and, therefore, remains within the exception of retired enlisted men from the prohibition in the act of July 31, 1894, as amended, against the appointment to, or the holding of, more than one office.

" 'Retired Navy enlisted men who, as provided by section 10 of the act of July 24, 1941, as amended, are returned to inactive status with retired pay computed on the pay of the temporary commissioned rank held while on active duty after retirement are to be regarded as in receipt of retired pay "for or on account of" commissioned service within the meaning of section 212 of the act of June 30, 1932, as amended, so as to be subject to the restriction therein on the combined rate of civilian compensation and retired pay which may be received.

" 'Navy enlisted men placed on the retired list pursuant to section 8 (a) of the act of July 24, 1941, or retired enlisted men advanced thereon pursuant to section 8 (b) of said act, with retired pay computed on the pay of the temporary active-duty commissioned rank held at the time of incurrence of physical disability, are to be regarded as in receipt of retired pay "for or on account of" commissioned service within the meaning of section 212 of the act of June 30, 1932, as amended, so as to be subject to the restriction therein on the combined rate of civilian compensation and retired pay which may be received.

" 'Enlisted men or retired enlisted men of the Navy who, pursuant to sections 8 (a) or 8 (b), or section 10, as amended, of the act of July 24, 1941, become entitled to retired pay computed on the pay of their temporary active-duty commissioned rank may not waive computation on such basis and elect to receive retired pay based on enlisted ratings, so as to render themselves exempt from the limitation of section 212 of the act of June 30, 1932, as amended, on the combined rate of civilian compensation and retired pay "for or on account of" commissioned service which may be received. Statements to the contrary in prior decisions no longer will be followed.

" 'The restriction of section 212 of the act of June 30, 1932, as amended, against the receipt by retired military, etc., personnel of retired pay at a rate which, when combined with the "annual rate of compensation" from a civilian position, equals or exceeds $3,000 per annum, has reference to basic civilian compensation, and, therefore, the salary differential payable in certain cases of civilian employment outside the continental United States, being a part of basic compensation, is for inclusion in applying such restriction.

" 'The monetary allowance for quarters, etc., prescribed for certain civilian employees on duty in foreign countries is not a part of basic compensation to be included in applying the restriction of section 212 of the act of June 30, 1932, as amended, against the receipt by retired military, etc., personnel of retired pay at a rate which, when combined with the "annual rate of compensation" from a civilian position equals or exceeds $3,000 per annum.

" 'In the case of a retired Navy enlisted man, employed in a civilian position when recalled to active duty, who, after return to inactive status, becomes entitled under the act of July 24, 1941, as amended, to retired pay computed on the pay of his temporary active-duty commissioned rank, application of the restriction of section 212 of the act of June 30, 1932, as amended, as to concurrent receipt of civilian compensation and retired pay on account of commissioned service does not constitute an abridgment of his reemployment rights under the Selective Training and Service Act of 1940, as amended—such restriction being operative in respect of retired pay only.'

"Reserve officers—28 Compt. Gen. 367—December 17, 1948:

" 'The payment of retired pay under title III of the Army and Air Force Vitalization and Retirement Equalization Act of 1948 to Reserve officers on inactive duty, who also occupy Federal civilian positions the compensation attached to which equals or exceeds $2,500 per annum, need not be regarded as in contravention of the dual employment restriction in the act of July 31, 1894, as amended.

" 'Commissioned Reserve officers retired under title III of the Army and Air Force Vitalization and Retirement Equalization Act of 1948, with retired pay computed on the basis of their highest grades, and who also hold civilian positions with the Federal Government, are to be regarded as receiving retired pay "for or on account of services as a commissioned officer" within the meaning of section 212 of the Economy Act of June 30, 1932, as amended, so as to be prohibited from receiving combined retired pay and civilian compensation in excess of $3,000 per annum.

" 'A person in receipt of an annuity under the Civil Service Retirement Act of 1930, as amended, on account of Federal civilian service, and who is entitled to be paid retired pay under title of the Army and Air Force Vitalization and Retirement Equalization Act of 1948 for military Reserve service, concurrently may receive retired pay under the 1948 act and annuities under the 1930 act as amended.'

"Nurses, Armed Forces—29 Compt. Gen. 80—August 17, 1949:

" 'Retired members of the Navy Nurse Corps who were placed on the retired list prior to April 16, 1947, the effective date of the Army-Navy Nurses Act of 1947, which granted commissioned officer status to members of the Navy Nurse Corp, do not receive retired pay for or on account of commissioned service within the purview of section 212 of the act of June 30, 1932, as amended, so as to be subject thereunder to the prohibition against the concurrent receipt of civilian compensation and retired pay at a combined rate in excess of $3,000 per annum.

" 'A member of the Navy Nurse Corps retired under the act of December 3, 1945, without having acquired a commissioned status, and who is receiving retired pay concurrently with civilian compensation in a combined amount in excess of $2,000 per annum—being neither an officer nor an enlisted man—is to be regarded as receiving a "salary" in her retired status within the meaning of the dual compensation statute of May 10, 1916, as amended, and, therefore, such person should be required to refund the salary which she has not elected to retain.'

"Fleet admiral, Navy—member of Presidential commission—30 Compt. Gen. 371—March 7, 1951:

" 'The receipt of compensation as a member of the President's Commission on Internal Security and Individual Rights concurrently with active-duty pay as fleet admiral of the Navy would be in contravention of the act of May 10, 1916, as amended, prohibiting payments from appropriated funds to any person receiving more than one salary when the combined amount of the salaries exceeds the sum of $2,000 per annum.'

"Commissioned officers—Veterans' Administration—31 Compt. Gen. 27—August 8, 1951:

" 'The 5-year period in section 2 of the act of August 10, 1946, during which the Administrator of Veterans' Affairs is authorized to employ retired commissioned or warrant officers without loss of their retirement rights is a limitation on the authority to appoint such officers rather than a limitation on the length of their employment, so that retired officers employed pursuant to said act may be continued on the rolls of the Veterans' Administration indefinitely so long as their services are needed, without loss of retirement rights.'

"Navy enlisted man advanced on retired list—31 Compt. Gen. 619—May 29, 1952:

" 'A retired enlisted man of the Navy who is advanced on the retired list, retroactively to the date of his retirement, to commissioned rank pursuant to the provisions of the act of July 24, 1941, as amended, would not be subject to the restrictions of section 212 of the act of June 30, 1932, as amended, prohibiting receipt of civilian compensation and retired pay in excess of a combined rate of $3,000 prior to the date of the order retroactively advancing him on the retired list.'

"Reserve officers—35 Compt. Gen. 497—March 2, 1956:

" 'Federal civilian officers and employees who have been or may be granted retired pay under title III of the Army and Air Force Vitalization and Retirement Equalization Act of 1948 and who, prior to January 1, 1953, were members of the Officers' Reserve Corps or National Guard or who, after that date, were members of any of the Reserve components, during the period covered by the payment, may receive retroactive and prospective military retired pay in addition to civilian compensation in accordance with the precedent in *Tanner* v. *United States* (129 C. Cls. 792), which excluded such reservists from the dual compensation statutes.' "

THE PRICE OF EGGS

The SPEAKER. Under previous order of the House, the gentlewoman from Minnesota is recognized for 15 minutes.

Mrs. KNUTSON. Mr. Speaker, I have been accused of mounting a campaign to increase the price of eggs. I plead guilty to that accusation. My friends—and those who are not so friendly—have accepted my crusade with varying degrees of amused tolerance.

I see no reason for amusement. The price of eggs, as paid to the farm women of America, is a deadly serious matter.

It should be treated with the earnest consideration in this body that we give to legislation pertaining to our national defense because it is part of our national defense. It should be studied by the executive branch of our Government with the same care that branch gives to atomic energy because—like atomic energy—the price of eggs exerts a tremendous influence on the future of the Nation.

One of the more common remarks of 1957 has been, "There are two sides to every question." At the risk of being named narrow-minded, I say, "There is only one side to this question."

I shall use no statistics in what I have to say, only facts. I believe, with Havelock Ellis, that:

> The methods of statistics are so variable and uncertain, so apt to be influenced by circumstance, that it is never possible to be sure that one is operating with figures of equal weight.

Mr. Speaker, I do not believe the farm women of America should be forced to accept depression prices for eggs while this country is undergoing a period of inflation.

What does the American farm woman do with her egg money? She uses it to finance the daily operation of her household. She uses it to purchase improvements for her home. She uses it to clothe herself and her family. She uses it to educate her children.

If I ran a grocery store in a market town in the midst of a Minnesota farming community, I should do all I could to help get the farm women of my community a fair price for eggs. I should do this selfishly. The unjustly treated farm woman is going to save money wherever she can. She is going to use eggs in her home, rather than sell them at giveaway prices. She is going to bake her own bread, while bakery products go stale on counters. She is going to do without an increasing number of items which the grocer sells.

This is the beginning of a chain reaction. If enough farm women follow these tactics, the grocer will have to close his doors. If enough grocers close their doors—wholesale houses, bakeries, food-processing plants and others—would have to do likewise. Here you have the germ of a real depression.

And what goes for grocers, applies also to clothing stores; radio, TV, and electrical appliance dealers, dry goods stores, the hardware business, and the owners of motion-picture theaters. Every merchant is affected by the price the farm woman gets for her eggs. Every merchant should support her rightful demand to get a fair price.

You, Mr. Automobile Dealer—you are behind in your quota; you are in real peril of having your agency taken away from you. Why? Because the farm woman is not getting a fair price for eggs. Sure, Jim Olson can afford to buy a new car. He has got the money for it in the bank. But he is going to make year-before-last's model do for another year. He is chipping in to help send Jim Junior to college. The "egg money"—if it had been enough—would have been used for that. It was not enough. You have got a big stake in what the farm woman gets for eggs, Mr. Automobile Dealer. If I were you, I would not let the grass grow under me waiting to get in the fight to give the farm woman a square deal.

There is not any use asking you, Mr. Banker, if you remember the early thirties, because you do. Any injustice to the farm woman is going to hurt you. Dealers in groceries, clothing, appliances, and automobiles going broke will stab at your financial stability. The farmer is going to tap his savings account and his checking account to make up the difference in the cost of running his household that would otherwise be taken care of by the egg money. It would be to your advantage, Mr. Banker, to side with the farm woman in her battle for justice.

There will not be much in the community-chest till in a farming community to pass out to deserving agencies if something is not done to raise the price of eggs to the first seller.

And there will be dimes—instead of dollars—in church collection plates.

Everybody—and I mean everybody—has a personal interest in the price the farm woman gets for eggs.

Mr. Produce Dealer, you buy the eggs from the farm. Your produce business may not be your only line. You, by chance, might sell as well as buy. You might even have a business where you sell farm implements to the farmer. Those new tractors, plows, seeders—and what have you—gathering dust in sheds, or rusting behind sheds, out in the open, they are your own fault. The farmer has had to supplement the money which, by rights, would be coming to his wife from the sale of eggs. He is using his old equipment—maybe stuck together with wire—but still working. He cannot afford to buy what you have on sale. How is that for cutting your own throat? Why do you not throw your weight into getting the farm woman a better price for eggs?

And last, but not least, I am talking to you, Mr. Patriot. So you want a brave tomorrow for America? Why do you not do something about it? Perhaps, the future discoverer of the true cause and cure of cancer is being kept home from medical college because his mother cannot get the necessary funds to pay for his education. Perhaps the potential Einstein of 1970 has abandoned his dreams to pitch in and help make ends meet on a farm that would have been solvent with the fair amount of egg money. Mr. Patriot, the first line of defense of your country's future is to join in the crusade for an honest egg price—so that exceptional children, born and raised on our farms, can get the opportunity they deserve to lead this Nation toward a better tomorrow.

Numerous plans have been advanced to increase the price of eggs at the farm. Some of these plans I have had a hand in formulating. Perhaps, you, and you, and you have a plan that would work. I do not care—it makes no difference to me—whether the plan comes from a farm wife, a banker, or an automobile dealer. The only yardstick I have for any plan to raise and keep at a higher level the price of eggs at the farm is that this plan works. A working plan of this nature would not belong to you or to me: It would belong to a grateful United States of America.

That plan must—it will—be found. And soon.

Mr. Speaker, Americans can never afford to underestimate the power of seemingly small items, such as the price of eggs. We must ever be mindful that it was America's patriot-philosopher, Benjamin Franklin, who wrote in his Poor Richard's Almanac for 1758:

> For the want of a nail the shoe was lost,
> For the want of a shoe the horse was lost,
> For the want of a horse the rider was lost,
> For the want of a rider the battle was lost,
> For the want of a battle the kingdom was lost—
> All for the want of a horsehoe nail.

CIVIL RIGHTS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. DINGELL] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. DINGELL. Mr. Speaker, the usual vacillating, weak leadership which this country has received from the White House on all matters during this Congress is continuing. We now find that the President is assuming still another position on the civil-rights bill. His initial remarks on the subject were that it was moderate, wise, and just. Many of us agreed with him on that. We had already been working hard to get this bill to the floor and through the House unchanged. Many men of good will did the same thing in the Senate. President Eisenhower gave little or no leadership in either fight and left those who were working for equal justice for all of our citizens to struggle alone with no vigorous expression or leadership by him. This was particularly obvious when the bill was being acted upon by the Senate.

Mr. Eisenhower must bear the responsibility for having had section 3 stricken from the bill by saying that he had not read the bill and was not aware of what section 3 provided. When he did this he literally pulled the rug from under the supporters of the bill. After having made the civil-rights bill a crucial part of his legislative program by his earlier pronouncements, this amounts to a very strange statement. He later stood silently by while the jury-trial amendment was attached to the bill, when by a strong statement at that time and by exerting leadership in his own party he could have swayed sufficient votes to have prevented this amendment. As stated in his press conference the President said that he felt it was not for him to influence Congress by statements as to whether he would veto a measure or not if it passed. He did also admit he could have been more voluble and more effective in securing passage of his legislative program of which the civil-rights bill was an important issue.

I understand that a special session of Congress in November is now being proposed to consider a civil-rights bill if this bill is unsatisfactory. It appears that Mr. Eisenhower is again locking the barn door after the horse is stolen, and after he failed to lead the American people he now intends to make political capital at the expense of the Congress by calling a special session. I assume this

means that he contemplates a veto of this bill.

This would be a grave mistake. While seriously weakened, this bill offers great opportunity for real advances in this most important field. The preliminary procedures for protecting the right to vote are as yet unimpaired. The enforcement provisions still have some effect with the jury trial provisions. New personnel, including an Assistant Attorney General, are provided to take necessary steps to protect civil rights of all our people.

The commission is yet unimpaired and can do valuable work in this field. The jury-trial amendment provides guaranties that Negroes can serve on southern juries, a most important advance.

This is not the time to talk veto. It is time for all who are really interested in civil rights to buckle down and try to make the best thing possible out of the bill. I hope the President will roll up his sleeves and help us to push this bill through Congress in the best and strongest shape possible. I hope he will get busy on behalf of this bill and help us to bring about the best measure possible from the conference which must take place between the House and Senate.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. MAILLIARD (at the request of Mr. ALLEN of California) for 1 month beginning on August 8, 1957, on account of official and other business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. HOFFMAN (at the request of Mr. MARTIN) for 20 minutes on Tuesday, August 13.

Mrs. KNUTSON for 15 minutes today.

Mr. REUSS for 40 minutes on Tuesday next.

Mr. STAGGERS for 5 minutes today.

Mrs. ROGERS of Massachusetts for 5 minutes on Tuesday next.

Mr. HESELTON (at the request of Mr. REES of Kansas) for 30 minutes on Tuesday next.

Mr. BRAY (at the request of Mr. SCHWENGEL) for 30 minutes on Wednesday next.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. TRIMBLE.

Mr. ALLEN of California.

Mr. KEARNS.

Mr. REUSS and to include extraneous matter.

Mr. SAYLOR and to include extraneous matter.

Mr. WOLVERTON in two instances and to include extraneous matter.

Mr. HARRISON of Nebraska and to include extraneous matter.

Mr. MULTER (at the request of Mr. MCCORMACK) and to include extraneous matter.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 377. An act to amend the Interstate Commerce Act to provide a 2-year statute of limitations on actions involving transportation of property and passengers of the United States Government and to provide that deductions for overcharges by the United States shall be made within 3 years from the time of payment; to the Committee on Interstate and Foreign Commerce.

S. 1411. An act to amend the act of August 26, 1950, relating to the suspension of employment of civilian personnel of the United States in the interest of national security; to the Committee on Post Office and Civil Service.

S. 1908. An act to amend the District of Columbia Hospital Center Act in order to extend the time and increase the authorization for appropriations for the purposes of such act, and to provide that grants under such act may be made to certain organizations organized to construct and operate hospital facilities in the District of Columbia; to the Committee on the District of Columbia.

S. 2520. An act to amend section 31 of the Securities Exchange Act of 1934; to the Committee on Interstate and Foreign Commerce.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 3775. An act to amend section 20b of the Interstate Commerce Act in order to require the Interstate Commerce Commission to consider, in stock modification plans, the assents of controlled or controlling stockholders, and for other purposes; and

H. R. 7813. An act to organize and microfilm the papers of Presidents of the United States in the collections of the Library of Congress.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 1446. An act to amend title 14, United States Code, so as to provide for retirement of certain former members of the Coast Guard Reserve; and

S. 1856. An act to provide for the development and modernization of the national system of navigation and traffic control facilities to serve present and future needs of civil and military aviation, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 3775. An act to amend section 20b of the Interstate Commerce Act in order to require the Interstate Commerce Commission to consider, in stock modification plans, the assents of controlled or controlling stockholders, and for other purposes; and

H. R. 7813. An act to organize and microfilm the papers of Presidents of the United States in the collections of the Library of Congress.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 6 minutes p. m.) under its previous order, the House adjourned until Tuesday, August 13, 1957, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1119. A letter from the Comptroller General of the United States, transmitting a report on review of Atomic Energy Commission contract No. AT(11-1)-476 with Power Reactor Development Co.; to the Joint Committee on Atomic Energy.

1120. A letter from the Acting Secretary of the Army, transmitting a report of claims settled by the Department of the Army for the fiscal year 1957, pursuant to Public Law 439, 82d Congress, and title 10, United States Code, section 2732, approved August 10, 1956; to the Committee on the Judiciary.

1121. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated July 2, 1957, submitting a report, together with accompanying papers and illustrations, on a survey of Pecos River and tributaries at Carlsbad, N. Mex., and vicinity, authorized by the Flood Control Act approved June 28, 1938 (H. Doc. No. 224); to the Committee on Public Works and ordered to be printed with two illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BECKWORTH: Committee on Post Office and Civil Service. H. R. 7911. A bill to amend certain sections of title 13 of the United States Code, entitled "Census"; with amendment (Rept. No. 1043). Referred to the Committee of the Whole House on the State of the Union.

Mr. BLATNIK: Committee on Public Works. H. R. 6701. A bill granting the consent and approval of Congress to the Tennessee River Basin water pollution control compact; with amendment (Rept. No. 1044). Referred to the Committee of the Whole House on the State of the Union.

Mr. BARDEN: Committee on Education and Labor. H. R. 8429. A bill to amend the Vocational Rehabilitation Act; with amendment (Rept. No. 1045). Referred to the Committee of the Whole House on the State of the Union.

Mr. BARDEN: Committee on Education and Labor. H. R. 7155. A bill to amend sections 4 (a) and 7 (a) of the Vocational Rehabilitation Act; without amendment (Rept. No. 1046). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOPER: Committee on Ways and Means. H. R. 8960. A bill to amend the Internal Revenue Code of 1954 with respect to

the treatment of copyright royalties for purposes of the personal holding company tax; with amendment (Rept. No. 1047). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H. R. 9020. A bill to amend the Packers and Stockyards Act, 1921, as amended, and for other purposes; without amendment (Rept. No. 1048). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DELLAY:

H. R. 9203. A bill to amend the Social Security Act and the Internal Revenue Code to provide benefits for dependents of disabled workers, authorize payment for rehabilitation services of disabled workers from the disability trust fund, increase benefits to workers who delay retirement, extend coverage to physicians, and for other purposes; to the Committee on Ways and Means.

By Mr. HALE:

H. R. 9204. A bill to increase farm income and to expand markets for cotton by enabling cotton to be sold competitively in domestic and foreign markets; to the Committee on Agriculture.

By Mrs. KNUTSON:

H. R. 9205. A bill to amend section 22 of the Agricultural Adjustment Act, as amended; to the Committee on Agriculture.

By Mr. PATTERSON:

H. R. 9206. A bill to increase farm income and to expand markets for cotton by enabling cotton to be sold competitively in domestic and foreign markets; to the Committee on Agriculture.

By Mrs. ST. GEORGE:

H. R. 9207. A bill to limit the appellate jurisdiction of the Supreme Court in certain cases; to the Committee on the Judiciary.

By Mr. SIMPSON of Pennsylvania:

H. R. 9208. A bill to amend section 1231 of the Internal Revenue Code of 1954 relating to property used in the trade or business and involuntary conversions; to the Committee on Ways and Means.

By Mr. STAGGERS:

H. R. 9209. A bill to increase the personal income tax exemptions (including the exemptions for dependents and the additional exemptions for old age and blindness) to $1,000 for 1958 and succeeding years; to the Committee on Ways and Means.

By Mr. WILLIAMS of Mississippi:

H. R. 9210. A bill to amend sections 4081 and 4062 of the Internal Revenue Code of 1954 to include wholesale distributors within the definition of "producers" of gasoline, and for other purposes; to the Committee on Ways and Means.

By Mr. PROUTY:

H. R. 9211. A bill to prohibit Government agencies to acquire or use the National Grange headquarters site without specific Congressional approval; to the Committee on Public Works.

By Mr. ADDONIZIO:

H. R. 9212. A bill to amend title I of the Housing Act of 1949 to provide that a portion of the assistance authorized thereby may be made available for the nonresidential redevelopment of urban renewal areas containing only nonresidential structures or vacant land; to the Committee on Banking and Currency.

By Mr. IKARD:

H. R. 9213. A bill to amend the Internal Revenue Code of 1954 to impose import taxes on lead and zinc; to the Committee on Ways and Means.

By Mr. MOULDER:

H. R. 9214. A bill to prohibit Government agencies to acquire or use the National Grange headquarters site without specific Congressional approval; to the Committee on Public Works.

By Mr. ZABLOCKI:

H. R. 9215. A bill to increase from $600 to $700 the personal income tax exemptions of a taxpayer (including the exemption for a spouse, the exemption for a dependent, and the additional exemptions for old age and blindness); to the Committee on Ways and Means.

By Mr. MOULDER:

H. R. 9216. A bill to provide for research and technical assistance relating to the control of salt-marsh and other pest mosquitoes of public health importance and mosquito vectors of human disease, to protect wetland resources, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H. Con. Res. 225. Concurrent resolution expressing the sense of the Congress with respect to its intention to exercise its constitutional powers to effectively cope with the Communist conspiracy in the United States; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the Territory of Guam memorializing the President and the Congress of the United States requesting favorable consideration and passage of H. R. 7357; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADDONIZIO:

H. R. 9217. A bill for the relief of Mrs. Katherine Ying Ku; to the Committee on the Judiciary.

By Mr. BROWNSON:

H. R. 9218. A bill to release all the right, title, and interest of the United States in and to all fissionable materials in certain land in Marion County, Ind.; to the Joint Committee on Atomic Energy.

By Mr. DOYLE:

H. R. 9219. A bill for the relief of Stanley J. Fisher, Jr.; to the Committee on the Judiciary.

By Mr. FULTON:

H. R. 9220. A bill for the relief of the estate of Mrs. Naka Sakai, deceased, her husband, and six children; to the Committee on the Judiciary.

By Mr. HOLIFIELD:

H. R. 9221. A bill for the relief of Mrs. Socorro Raquel Mendez-Cacho Arroyo; to the Committee on the Judiciary.

By Mr. HUDDLESTON:

H. R. 9222. A bill for the relief of Dr. Edgar Scott; to the Committee on the Judiciary.

By Mr. KING:

H. R. 9223. A bill for the relief of Robert Lee Moore (Moon Dai Jee); to the Committee on the Judiciary.

By Mr. O'NEILL:

H. R. 9224. A bill for the relief of Giovanni Antonio Leone; to the Committee on the Judiciary.

By Mr. POWELL:

H. R. 9225. A bill for the relief of Betty Lurie; to the Committee on the Judiciary.

By Mr. SCUDDER:

H. R. 9226. A bill for the relief of Capt. Arthur L. Benedict, United States Army, retired; to the Committee on the Judiciary.

By Mr. SIMPSON of Illinois:

H. R. 9227. A bill for the relief of H. M. Cooper; to the Committee on the Judiciary.

By Mr. POWELL:

H. R. 9228. A bill for the relief of Dr. Smbat Abian; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the clerk's desk and referred as follows:

325. By Mr. SADLAK: Petition of Gen. Julius Kovacs, vice president, Committee for Hungarian Liberation, Inc., Cleveland, Ohio, petitioning a special meeting of the General Assembly of the United Nations so that the report of the United Nations Special Committee on the Problem of Hungary may be brought before the world tribunal and some effective measures may be taken to help the Hungarian people; to the Committee on Foreign Affairs.

326. By the SPEAKER: Petition of the county clerk of Maui, Wailuku, T. H., petitioning consideration of their resolution with reference to requesting the Congress of the United States of America to amend paragraph (1) of section 73 of the Hawaiian Organic Act, same being also the last paragraph of section 673 of title 48, United States Code Annotated; to the Committee on Interior and Insular Affairs.

EXTENSIONS OF REMARKS

National Cultural Center

EXTENSION OF REMARKS

OF

HON. CHARLES A. WOLVERTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, August 9, 1957

Mr. WOLVERTON. Mr. Speaker, it is indeed unfortunate that the House on yesterday rejected the conference report providing for the construction of a national cultural center.

A group of public-spirited citizens, under the leadership of Mrs. Eugene Meyer, has worked long and zealously in behalf of this project and without expense of any kind to the Government. They deserve the commendation of all citizens for the interest they have taken in this all important matter. I trust that the action taken by the House so precipitously and under the stress of emotion will not discourage this splendid group of citizens, but that they will persevere with courage until provision is made by the Congress for the construction of this important and necessary facility that will add so greatly to our national prestige as a leader in things cultural.

In my travels in many countries throughout the world, I have been impressed with the emphasis so often placed in each of them upon the cultural

side of their national existence and the buildings and other facilities provided for uses that enhance their cultural life. Today, our Nation stands foremost among the nations of the world in our achievement of things material. Is it not time that in the Capital City of our great Nation that we give evidence also to our adherence to things cultural?

We now have in our great city of Washington, as a result of the generosity of public-spirited citizens, museums of art, libraries, and other types of cultural facilities. All of these are the result of cultural-minded citizens. It is now time that we should have some evidence of a national character of our adherence as a Nation to things of cultural value.

The construction of a national cultural center as envisaged by Mrs. Meyer and the citizens who have labored with her would be a fitting answer to meet the need that exists for a national center where cultural gatherings, both national and international in scope, might meet and advance cultural interests among our own people and the people of other nations.

I trust that upon further consideration the Congress will accept its responsibility in this matter.

Tito

EXTENSION OF REMARKS
OF
HON. JOHN P. SAYLOR
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Friday, August 9, 1957

Mr. SAYLOR. Mr. Speaker, while there was nothing startling in the news of the Tito-Khrushchev meeting in Rumania, each headline of this kind gives added prominence to the questionable American policy toward Yugoslavia. Thanks to the announcement of the new bond of friendship that was welded at last week's meeting between the two Red gangsters, another wave of indignation has arisen over the State Department's program of giving millions of dollars in vital materials, including jet aircraft, to the Butcher of Belgrade.

Actually, only the most naive could see in Tito's desired independence of Moscow any advantage to the Free World. Tito has been a Red fanatic for at least four decades. As Josip Broz, he fought in the Red army in the Russian Civil War in 1918–20. He was presumed to be an agent of the Cominform when he returned to his native Croatia several years later. From 1929 to 1934 he served a jail sentence as a political agitator, and through Soviet backing he was able to rise to power during World War II.

Already a virtual dictator, Tito won a major electoral victory in November 1945 as head of the Communist-dominated National Labor Front, whose candidates were the only ones permitted to run in the election. Then came the execution of Draja Mikhailovich, the imprisonment of Archbishop Stepinac, and whatever other blood-letting was required to maintain Tito's position.

Except for his insistence that he has been independent of the Kremlin, Tito's attitude has always been consistent enough for the world to recognize that there is no place in civilized society for him. Even during conferences with representatives of this country, he made no attempt to don robes of respectability or to hide the bloodstains on his hands that came with his domestic purges and in the murder of United States airmen. Despite his arrogance, Tito continues as a beneficiary of American largesse.

Although there is no relief for American taxpayers, United States Treasury funds are made available to one of the most defiant of all the leaders of the Communist world, the bloc which the foreign-aid program was presumably set up to oppose. Now that he has again drunk a toast to world communism with Khrushchev, perhaps the State Department will finally be forced to reverse its policy of assisting him to carry out his program of brutality and terror. Otherwise it will be all the more difficult for us to convince the rest of the world that what Tito and Khrushchev sup is a dangerous potion.

Let's Remember Hungary on the Day of St. Stephen

EXTENSION OF REMARKS
OF
HON. HENRY S. REUSS
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Friday, August 9, 1957

Mr. REUSS. Mr. Speaker, on August 20 Americans of Hungarian descent will once again celebrate the Day of St. Stephen. This year, however, this national holiday has significance to more than just those of Hungarian birth and ancestry. It is meaningful to everybody who cherishes liberty and national independence, because the name of Hungary has become a symbol of dedication to those principles.

The heroic revolt of last October and November has had enormous political significance throughout the world. It provided living proof that communism as an ideology has failed completely to win the hearts and minds of men, and that it is only by brute force that the Soviet tyrants are able to hold power. The revelation of the naked terror of their power shocked all civilized mankind.

The report of the United Nations investigating committee has now confirmed the tragic evidence of last fall. We all look forward to the meeting of the U. N. General Assembly on September 10 when this report will be discussed and the hypocrisy and shame of international communism will be written on the record by the representatives of free nations everywhere.

I hope that our own Government has learned from the experience of Hungary and that no longer will it sit by just waiting for something to happen. It is time now to prepare a positive program toward ultimate liberation of Hungary and her neighbors behind the Iron Curtain. A mutual withdrawal of troops from Central Europe, so that Soviet bayonets would no longer bolster the puppet regime in Budapest, might well be the first step toward freedom.

Let us celebrate the Day of St. Stephen this year with the glory of 1956 in our hearts and the opportunities of 1958 in our minds.

Farm Prices

EXTENSION OF REMARKS
OF
HON. ROBERT D. HARRISON
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Friday, August 9, 1957

Mr. HARRISON of Nebraska. Mr. Speaker, Representative POAGE professes in the August 1 CONGRESSIONAL RECORD, to be filled with fear and trepidation about the future trend of farm prices and cites certain statements of the Secretary of Agriculture to explain his jitters. But the Representative has thoughtfully left two key factors out of his discussion. First, he neglects to point out that farm prices had made a precipitous drop just before the Republicans took office. Second, he ignores the well-known fact that farmers, who must plan their operations months ahead, prefer stable prices, even though a bit on the low side, to fluctuating prices.

During the last 2 years of the Democratic administration, prices were far from stable. From a high point of 113 in February 1951, the parity level began to drop. By October 1951 it was down to 105; in April 1952 to 100; and by January 1953 to 95. In other words, within the short space of 2 years the Democrats let the parity level decline 18 points. Price "breaks" of that proportion can be disastrous. For example, farmers paid an average of $32.60 for feeder cattle in February 1951, but the average price they received for beef cattle in January 1953 was only $21.10. During those 2 years, many farmers feeding cattle forgot about profits. They concentrated on avoiding bankruptcy. Not all of them stayed out of bankruptcy.

The parity ratio in February 1953, the first full month under Republican stewardship, was 94. Since then prices have been about as steady as at any time in the history of American agriculture. Farmers have been able to plan with confidence, because there have been no precipitous declines. This conclusion is amply borne out by official Department of Agriculture statistics. From February 1953 through July 1957—a period of 54 months—the parity ratio has averaged 86. It was 84 in July 1957, only 10 points below what it was 4½ years earlier.

Mr. POAGE also failed to explain that the Republicans were saddled for over

2 years with unsound, unrealistic farm programs that had been carried over from the previous administration, which did nothing to improve the price record. Only now is agriculture recovering from its trip into an economic wonderland.

Representative POAGE's indictment of Secretary Benson's optimism can be dismissed at once. The Republican administration is happy that it has in Secretary Benson a man who can look at the bright side when the situation warrants—that he makes "cheery" statements. There was a time in this country—a time that has come to be known as the era of the New and Fair Deals—when the Government seemed to face a new emergency every day. During this era there was a premium on pessimism, not optimism, and the chap who could croak the direst predictions generally ended up at the head of the largest "emergency agency." In the past 4½ years of Republican guidance, the Secretary of Agriculture, the Secretary of Defense, the Secretary of State, and other Government officials have made many cheery statements, as Representative POAGE describes them. It has been an effective formula. As Representative POAGE must admit, the people of this country, under a Republican administration, have never had quite so much to be cheery about.

Opportunity Land

EXTENSION OF REMARKS
OF
HON. JAMES W. TRIMBLE
OF ARKANSAS
IN THE HOUSE OF REPRESENTATIVES
Friday, August 9, 1957

Mr. TRIMBLE. Mr. Speaker, we in Arkansas are proud of our State slogan "Land of Opportunity." That can easily be broadened to include our whole Nation.

Our country is great today because our young people can climb the ladder of success if they have the will to do it and can maintain the integrity which we have inherited from the pioneers.

If the time ever comes when they cannot do that, then our beloved land will go the way of the great nations of the past.

I am disturbed by the trend of our economic structure in recent years. I am not against bigness as such. We are a big country—the leader of the Free World—and we need big business, big labor, and big agriculture as integral parts of the process of survival in this atomic age. However, bigness must never be allowed to swallow littleness as large fish swallow little ones in our lakes and streams. If business becomes so big that it becomes a monopoly; if organized labor becomes so big that it forgets the reason for its existence, the protection of those who labor; if agriculture gets so big that big farms drive out the small farmer—then we are in for a sea of trouble. Domestic monopoly is just as dangerous and deadly as government monopoly.

When our small-business people and small farmers, like the ones who helped make this country what it is, can no longer grow and prosper enough to sustain a home and family, but are forced to leave by the thousands for jobs elsewhere, something is wrong in the heartstream of this Nation.

May the time never come when big people are not little people, and when little people are not big people. Our Nation cannot survive without both.

Five Problems Facing Wisconsin

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES
Friday, August 9, 1957

Mr. WILEY. Mr. President, it was my privilege to discuss over a Wisconsin radio station the subject of five problems facing Wisconsin. I ask unanimous consent that the text of my remarks be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

FIVE PROBLEMS FACING WISCONSIN

I would like to mention to you some of the problems facing Wisconsin. I will mention these problems, because it will be most helpful to me to get your reactions—your suggestions on how to meet these problems.

Let me list now the questions. As I mention them, you might turn over the answers in your mind. Here they are—five of our problems:

1. First, how best can Wisconsin keep step in the competitive race for new industries in this atomic age?

In other words, how can we make sure that our State gets its fair share of new factories, new business, new contracts, so as to increase the income of our 1½ million workers—and our 3¼ million population, as a whole?

2. Second, here is a related question: How can we increase the tourist income for our State?

I mean the $400 million which Wisconsin collects each year out of the tourist industry.

Remember, almost all the States in the Union are competing with us for the tourist dollar. What can we do, therefore, to strengthen our hand in that competition to attract more vacationers to wonderful Wisconsin?

3. Now, here's a third question. Again, it is a matter of competition.

What should we do, so as to make certain that Wisconsin gets its fair share of business out of the Great Lakes-St. Lawrence Seaway which opens in 1959? What should we do to attract the maximum amount of passenger and freight traffic through our own Wisconsin port cities?

Remember, ports in other States all along the Great Lakes are modernizing, in order to attract seaway business.

4. Here is a fourth question: It is the water problem in our State. Specifically, what further steps can we take to insure the availability and the cleanliness of the waters of Wisconsin?

This gets at the heart of the problem of pollution. As you know, we have made great progress in the fight against stream pollution. But I know that my listeners will agree that still more should be done. And not only do we need cleaner water, but we need more water for the use of new homes and new industries. So, what do you think, my friends, should be done so as to assure enough well water, as well as enough stream and lake and river water—clean for recreation—in our State?

5. Here is a fifth problem: What should be done to improve the income position of Wisconsin's farmers?

I needn't remind you that farm income in our State is unfortunately down. When the farmer can't buy goods, the businessman in the village and the town and the city soon feels the impact of that lag in the farmer's purchasing power. So, what do you think should be done to strengthen the economic position of Wisconsin's farmers?

These are some of the basic questions facing our State. There are no simple answers to any one of these five questions.

Naturally, it is my job in Washington to work on all of these problems. I'd like, however, to get the benefit of your reactions to them. Tell me what you think Wisconsin can do in the competition for new industry, for seaway traffic, for the tourist dollar, in the drive for more water and cleaner water, in the effort to improve farm income. Your own suggestions will be most welcome.

This, after all, is your State and mine. It is your job and mine to make sure that it is prosperous and healthy and sound.

A Flag for Members of the House of Representatives

EXTENSION OF REMARKS
OF
HON. JOHN J. ALLEN, JR.
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Friday, August 9, 1957

Mr. ALLEN of California. Mr. Speaker, a little over a year ago I introduced House Resolution 536 which would provide for a flag for Members of the House of Representatives. The resolution was reported out of the Committee on House Administration late in the second session of the 84th Congress but was not acted upon. A similar resolution (H. Res. 386) was introduced several days ago.

In an article in the CONGRESSIONAL RECORD, volume 102, part 8, pages 10296–10297, I gave an account of the manner in which the proposed flag had been designed.

Since the introduction of the original resolution a number of the flags have been produced and used by several Members of the House in anticipation that the flag might become official for Members of the House. It was flown at the yard on the steamship *Matsonia* on its trip from Newport News to New York when it was delivered by the shipyard to its owners and a number of Members of the House were on board. It has flown on the boats owned by several Members of the House. It may be seen in the offices of several Members.

Use of the flag to the limited extent indicated has probably preempted the design until such time as the House might desire to make it an official emblem of its Members. The design symbolizes some of the finest qualities of the House and its membership. I hope that action may be taken to adopt the resolution.

Disturbing Developments in Okinawa

EXTENSION OF REMARKS
OF

HON. CARROLL D. KEARNS
OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 9, 1957

Mr. KEARNS. Mr. Speaker, the House should take notice of two disturbing developments that threaten sovereignty over the island of Okinawa, America's most potent military fortress in the troubled Far East.

The first development concerns last Sunday's election for 30 council seats in the capital city, Naha. The outcome favored the anti-American and pro-Communist Mayor Kemejiro Senaga. The mayor was elected in a freak three-way race last Christmas Day. His pro-Red People's Party won 12 seats—not a majority as compared with the 17 seats and one neutral seat won by the anti-Senaga Conservatives, but enough seats to block a two-thirds majority vote for his ouster.

Senaga's election statement followed the usual Marxist pattern, "We hope America will revise its undemocratic policy toward Okinawa and meet the wishes of the people as expressed at the polls."

The fact is, as I personally observed on two visits to the island on my recent Far East trip, the people of Okinawa never had it so good, economically. Their economic level is much higher than under the Japanese. In 1939 the norm in Okinawa was 69 percent of the Japanese norm; today it is 115 percent of the Japanese norm. The island's per capita income has increased from $157 to $181 during fiscal 1956–57. I heard no serious talk in Okinawa about reverting to the days of paying tribute to the old Emperors of China and to the old overlords of Japan. I doubt that those who voted for Mayor Senaga really want to follow him into the slave labor camps and conditions of the Communist world.

The second disturbing development is the growth of the so-called Reversion Movement within Japan. Minority party politicians have been advocating the return of Okinawa to Japanese sovereignty. A segment of the Japanese press has been putting on a synthetic campaign to make this an issue. Before Premier Kishi's June visit to this country for talks with President Eisenhower, they tried to make it appear that his entire mission would fail unless he returned with Okinawa bulging in his briefcase. Of course, this was gross exaggeration, as was revealed when the terms of the communique were announced. The Kishi mission was a great success, without Okinawa. The Premier obtained many concessions, talking with the President from the vantage point of equality.

During the discussions, the Japanese delegation did bring up the subject by suggesting that the Japanese flag be flown side-by-side with the Stars and Stripes over the island. Word of this proposal was not contained in the communique, but it leaked out and reached the Far East, ironically, on July 4. I put it mildly when I say that American diplomats and military men who are stationed in that part of the world to defend the Free World against Communist aggression did not like the idea. Asked to comment, I said that the flag suggestion was "premature to say the least." And as for returning Okinawa before it has served its purpose in the Free World struggle, I said we would be foolhardy if we did so. In short, we have been magnanimous victors in our postwar dealings with Japan; but we need not be magnanimous fools.

One American officer who had fought on the Hagushi beachhead on Easter Sunday, April 1, 1945, made this hard remark:

> It would be like giving the White House back to the British, now that we've fixed it up.

Mr. Speaker, when the outcome of last Sunday's vote was announced one Japanese newspaper interpreted it as evidence that the people of Okinawa want to be returned to Japanese sovereignty. It is not only interesting but significant that Mayor Senaga and this segment of the Japanese press arrived at the same conclusion—a conclusion that is anti-American in most brazen and barefaced fashion. When it comes to Okinawa, our battle-won and blood-bought fortress of the Far East, the theme songs we hear from Moscow and a segment of Tokyo sound in perfect harmony and consonance.

Mr. Marvin L. Stone, Far East director of the International News Service, appeared on a panel discussion which I conducted in Tokyo to discuss the problems in the Orient. He predicted on that program that we can expect to hear more from the Reversion Movement in Japan within the next 2 years. He commented further, that while he believed that the Japanese Government understood the necessity of continued United States control and sovereignty, it had failed public relationswise in getting over the point to the Japanese people.

While I was in Japan, a demonstration was staged in front of the American Embassy protesting the extension of runways at a United States airbase. There were some Communists in the crowd. The signs read: "Yankee monkeys, get out of Japan and Okinawa." We are already withdrawing large contingents of our Armed Forces from Japan. In fact, the withdrawal had been announced nearly 2 weeks before this July 9 demonstration. The significance of this slogan is that Okinawa was linked with Japan proper. We may expect more of this kind of agitation with reference to Okinawa, as time goes on.

It is therefore important, I believe, for us to make our position on this issue crystal clear before anybody, whether in Okinawa, Japan, Peking or Moscow, gets any delusive ideas. We should state bluntly that insofar as the United States is concerned, Okinawa is not a matter for barter or bickering at this time in the light of our obligations for our own defense and the defense of the Free World.

This was my fifth stop at Okinawa; first, in 1952, during the Korean war when our B–29's based on Okinawa, were ranging all over the battle area up to the Yalu River, under the command of General Ralph Stirley; then in 1956 with the Air Force Symphonic Band and guest-conducted two concerts there. In my visit last month, I returned with a much stronger feeling than ever before that, unless there is an unexpected and radical shift in world affairs, we will have to maintain that strategic base at least for this generation and perhaps for the next and the next.

Okinawa is indipsensable today for our defenses in the Far East. Its planes can cover a 2,500-mile radius, fanning out from Borneo and Burma; to Tibet and beyond the Great Wall of China to Mongolia, and north to Vladivostok and Manchuria and beyond. Within that radius live the masses of Asia. Remember that from Okinawa, we can now exercise air control over one-third of the people of the world—both offensively and defensively.

Okinawa is much more strategically located than Taiwan, Japan, Korea, and the Philippines, where we also have bases, but on foreign soil. Taiwan is too close to the mainland to have sufficient warning of air attack if the Chinese Reds should unleash their jets from the complex of airfields across the Strait of Formosa. The alert time there is only 15 minutes as compared with the 45 minutes that Okinawa enjoys. The only other airbase located on soil under indisputable American sovereignty—aside from Okinawa—is Guam, and Guam is 1,400 miles farther away from the vital Asiatic target areas than is Okinawa.

At the end of the runway at Kadena airport where my planes landed on my various trips to Okinawa, several thousand Americans lost their lives coming ashore in the initial assault wave. Nor can I forget that 12,000 were killed and another 30,000 wounded or missing before that 67-mile-long strip of Pacific real estate was secured. Ernie Pyle, the GI's favorite war correspondent lost his life there in that last great battle of World War II. So did Lt. Gen. Simon Bolivar Buckner, commander of the 10th Army.

Ernie Pyle is buried today in Punch Bowl National Cemetery overlooking Pearl Harbor. This is another link in the minds of Americans between Okinawa and that infamous Sunday sneak attack upon American territory.

No matter how many slogans Japanese Communists and other extremists compose and wave aloft, I doubt that the American people will be inclined to yield Okinawa until Pearl Harbor has faded further back in their memories. And that will be considerable more time thar has elapsed since December 7, 1941—that day of infamy.

Let us keep this mighty fortress in our arsenal in the Far East under the strong arm of Uncle Sam as long as we need it.

The Construction of a Sister Ship to Steamship "United States" Highly Important at This Time

EXTENSION OF REMARKS
OF
HON. CHARLES A. WOLVERTON
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Friday, August 9, 1957

Mr. WOLVERTON. Mr. Speaker, two similar bills, H. R. 4342, by Mr. BONNER, of North Carolina, and H. R. 9351, by Mr. TOLLEFSON, of Washington, were introduced today which, I believe, merits the immediate attention of every Member. The purpose of the bills is to authorize commencement of construction during the present fiscal year of a sister ship to the *United States* as a replacement for the steamship *America*. The effect of favorable action on the bills would be to guarantee the continued development of a maritime fleet capable of protecting the national interest in peace or in war.

Mr. Speaker, a matter of such great importance deserves an objective and dispassionate examination by the House. My appeal is to reason—to the dedicated concern of my colleagues—for the well-being of the land we serve. The facts which I shall present at this time will establish beyond any doubt the justification and the urgent need for the measure which has been offered.

In evaluating this appeal, I trust that Members will bear in mind several fundamental factors which attest to the national significance and the emergency nature of the problem.

The principles of this proposed legislation are supported by the entire maritime industry. In 2 years of active discussion of the issue, every interested and qualified individual—in Government and out—has indorsed the idea of replacing the *America* with a superliner of the *United States* class. There is universal agreement that failure to do so would be tantamount to scuttling our future as a first-line maritime power. Even more important, it would all but demolish the capacity of our merchant fleet to do its assigned job in the event of another national emergency.

Mr. Speaker, that is too big a price to pay—too grievous a risk to run—for the sake of achieving a relatively small dollar saving.

The course provided for in these bills involves no radical departure from precedent. As a matter of fact, from our recent experience in connection with the building of the *United States*, it serves to diminish the problems and uncertainties which normally would attend an undertaking of this size. Of course, Members will recall that the construction of the *United States* involved substantial misunderstandings and controversy. There were questionable procedures and even litigation before delivery.

But I submit, Mr. Speaker, that it would be illogical and foolish for anyone to permit these circumstances to weight his judgment against the building of a second superliner at this time. On the contrary, the very fact that there were difficulties and the fact that a most searching investigation was made provides assurance that the difficulties will not be repeated.

We Americans traditionally place great stock in performance. The record, we hold, is a fair judge.

Today, after 5 years of service, the *United States* is the unchallenged queen of the seas. On her maiden voyage she established a speed record for the North Atlantic crossing which no other vessel has approached. She has operated at 95 percent capacity, well above the rated level for her class. Her fuel consumption has been less than was anticipated, attesting to the soundness of her design. To millions of our friends abroad who have seen her come and go in the ports of Northern Europe, she is a majestic reminder of the power and prestige of the Nation whose name and flag she bears.

Mr. Speaker, on the basis of the record, I suggest that every Member of this House today can derive real satisfaction from the construction and performance of this splendid ship. Certainly those Members who have made a crossing on the *United States* will agree with me. Let me point out, however, that one vessel—even one of this caliber—does not make a fleet. Our ocean-going passenger fleet, at the present time, is woefully inadequate. We simply are not competing with foreign-flag ships either on the seas or in the shipyards.

The reason for this is well known to Members who have followed the fortunes of our maritime industry in recent years. Our merchant marine was a casualty of World War II, and it has continued in casualty status as a result of post-war policies which have in effect aided its foreign competition.

In September of 1939 we had in commercial operation a total of 123 passenger ships with a capacity of 38,000 passengers. Today we have 39 ships with a capacity of 11,170 passengers. Of these 39 ships only 4 can sustain a speed of over 20 knots, and more than half operate under 18 knots.

This fleet, as a unit, is old and slow. Many of the ships have passed the age of economic operation. According to our naval leaders, their transport utility in wartime would be extremely limited and would entail severe risk.

The ship construction program now under way will bring America's passenger fleet up to approximately one-half its prewar tonnage. From the standpoint of our maritime progress, the prospect is at best disappointing. From the competitive standpoint, it is dismal.

For other maritime powers also are building ships, and most of them are building at a far greater rate. The ship construction program now under way in the United Kingdom, for example, will restore that fleet to 81 percent of its prewar size. The Netherlands will have 81 percent of its prewar tonnage, France 71 percent, and Greece, Norway, and Sweden 100 percent.

In each of these countries the government is contributing substantially to passenger ship construction. In some, the government is doing the whole job. And in every instance this building program has been made possible and accelerated by American economic aid.

Mr. Speaker, I do not quarrel with the principle of foreign aid. I invite every Member to ponder and decide, however, whether it is consistent and wise, while carrying on such a program, to withhold continuing support of our own maritime fleet.

The procedure contemplated in these two bills which have been introduced would permit commencement of work this year on a sister ship of the *United States*. It is a procedure that has been proved sound over a period of many years of cooperation between the Government and the maritime industry. Favorable consideration, in my opinion, would assure that the Congress is fulfilling at least its minimum obligation—as set forth in the Merchant Marine Act of 1936 to "foster the development and encourage the maintenance of a strong merchant marine."

Mr. Speaker, action by this Congress at this session to authorize the replacement of the *America* with a vessel of the *United States* type is clearly in the national interest. Let me cite some of the specific and practical advantages from which the entire country would benefit.

First, construction should have been started this fall in order to have the new vessel ready for service at the time the *America* is due for retirement in 1960. Unless we act now, the *America* in all probability will be removed from service at that time, leaving just one American-flag vessel on the North Atlantic passenger run. This is so because the terms of the contract between the Government and the United States Lines provide that the *America's* operating subsidy will be withdrawn in 1960 unless a replacement contract is in effect.

Second, construction of the ship would strengthen our overall defense posture. The Navy Department wants the vessel built. Its spokesmen, both civilian and uniformed, have repeatedly supported the project as being essential to the national defense. Testifying before a House committee more than a year ago, a naval official stated—I quote:

> The construction of this ship will (1) help to relieve the block obsolescence in transport vessels. There are some 24 Victory-type transport vessels in the national defense reserve fleet whose deficiencies in speed and safety cannot be overcome economically; (2) give the United States a capability of delivering 308,000 troops to Europe in a year as compared to the capability of the Steamship *America* to deliver 124,000 troops per year in convoy; and (3) provide a greater measure of safety to the troops carried against submarine and air attack because of its very high speed and the inherent flexibility in its use.

Third, savings in time and money can be realized by making use of the basic design and engineering features incorporated in the steamship *United States*. We have the word of the Navy and the Maritime Administration that a sister

ship, built at this time, would require only minor modifications of the *United States* plans.

Finally—again in the important area of economy—it is reasonably certain that costs of material and labor will be 5 percent higher a year from now than they are today. Where is the economy in postponing this matter? I have sufficient faith in the wisdom of the Congress and the Administration to assume that sooner or later a ship of this type will be built. Certainly, there is no economy in a further delay which can only jack up the final cost.

The legislation which has been presented was not drawn in haste. Neither is it offered in criticism of our established procedures. I commend it to your consideration at this time as a means of correcting what I believe to have been a simple oversight occasioned by perhaps an overly emotional—and in this case a misdirected—concern for economy.

Mr. Speaker, in fiscal year 1957 the Congress appropriated the sum of $100,700,000 for the purpose of ship construction. The budget estimate for fiscal 1958, as it came to us from the Administration, was $94,500,000—and the estimate included provision for the building of a sister ship to the *United States*. However, the Appropriations Committee recommended, and the House approved, a cut from $94,500,000 to $3 million, a gigantic reduction of more than 96 percent. Among the items eliminated was the one providing for the *America's* replacement.

The committee, acting in good faith, stated that its action was based upon the fact that considerable funds would carry over from the 1957 appropriation and upon the belief that this unspent reserve would support an effective maritime program for another year. Mr. Speaker, the facts do not sustain that belief. For the reasons which I have summarized, the people who are closest to our maritime needs are in agreement that an effective ship construction program for 1958 must include a start on replacement of the *America*.

I am convinced that, in acting on the appropriation bill, the House did not have the opportunity to fully understand the effect of this wholesale reduction. The Maritime Administration itself was not in a position to aggressively support its case. And those who might have pressed the matter apparently attached higher priorities to other items in the budget.

Be that as it may, Mr. Speaker, the issue is not one of placing blame. My appeal now is for action by the House in the national interest. We have the time and, in my judgment, we have the responsibility to avoid an error whose consequences might well be disastrous.

I count extravagance and inefficiency in government among the mortal enemies of our Republic. My record as a Member of this body will, I believe, verify that fact. But, Mr. Speaker, there is sometimes a thin line, particularly in the field of defense, between extravagance and sensible precaution.

Should an emergency develop and leave us no choice but to commit our boys' lives to transport that is too little and too late, it will be no help to them that we thought we were practicing economy.

During the present session we have approved a Federal budget of $78.2 billion. Many of us would prefer to have the Government run for less, but none of us seriously doubts the capacity of our economy to survive. The bill for which I ask my colleagues' support would entail a cost during the new fiscal year of $75 million. The price, I submit, is small in terms of what it will buy for America. It is a part—and a fractional part—of the price which we can and must afford for military and economic preparedness.

Mr. Speaker, the Members of this House bear an awesome responsibility with respect to the future security of our country. We best discharge that responsibility when we act not from fear but from reason, not for the moment but for the future, not in deference to possible criticism but in in furtherance of the Nation's strength. Let us heed the counsel of reason and vision and statesmenship, and act favorably on this bill.

Reflection Is Good for the Political Soul

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 9, 1957

Mr. MULTER. Mr. Speaker, as a prelude to my 1957 annual report to my constituents, I should like to call attention to my report at the close of the 84th Congress in July 1956, which read as follows:

REFLECTION IS GOOD FOR THE POLITICAL SOUL

(Extension of remarks of Hon. ABRAHAM J. MULTER, of New York, in the House of Representatives, Friday, July 27, 1956)

Mr. MULTER. Mr. Speaker, 4 years ago a giant hoax was perpetrated on the American people. They were promised a new approach to Government, one that truly was to represent them. In 1952, they were promised a world of peace and prosperity, lower taxes, higher wages, lower prices, and a balanced budget. The best business heads in America were to run our Government.

Two years went by, and the disillusioned American people went back to their own party, the Democratic Party, by electing a Democratic Congress. The administration moaned and warned of a partisan cold war, of a stalemate within the Government. President Eisenhower cried loudest. Let us now review what happened.

Whatever good there was in the President's program had more support in every instance from the Democratic Party than from his own Republican Party. The President, himself, presently admits that the Democratic Congress produced a substantial amount of worthwhile legislation.

In 1952 the American people were fooled into believing in a program that its authors themselves did not believe in. We hope in this election year they will not fall prey to the hoax that the elephant will again try to foist upon them.

Evaluation of the past will help us to spot the election year myths when they are presented by Republican campaigners.

THE ADMINISTRATION—ABSENTEE MANAGEMENT; WHO'S MINDING THE STORE?

We were promised a President who would be a guiding knight, an active and strong manager, a leader of our country, an expert in military affairs, and a friend of our foreign allies.

Instead we have an ailing gentleman, who had no experience in government, and who has shown no interest or desire to learn about his tasks. On several occasions he has told his press conferences about seeking the enactment of bills he had already signed into law. This disinterest or lack of knowledge cannot be attributed to ill health. Eisenhower's pleasing personality and past military achievements are no substitute for political leadership. There can be no justification for his delegating the authority and responsibility vested by our Constitution solely in the President.

The business managers of our Nation, such as Secretary Wilson and Secretary Humphrey, may be fine in business, but they have proved they do not belong in government. The promotion of the national well-being for the benefit of the many rather than the few is foreign to their philosophy.

It is not true that what is good for General Motors is good for the country. Profits of an automobile industry are not equivalent to the welfare of a people.

Our health program should not be measured with an eye to a balanced budget. Nor has Secretary of the Treasury Humphrey earned the right to act as an adviser to our Armed Forces. Defense and national security must not be impaired by a desire for a balanced budget.

THE CONSUMER, LABOR, AND THE FARMER—THE TIGHT SQUEEZE

The one problem common to the farmer, to labor, and to all of us, is that of the consumer.

Candidate Eisenhower promised us a lower cost of living. President Eisenhower will surely disclaim responsibility for a higher cost of living.

Consumers prices are at a record high. The National Consumer Price Index rose for the fourth successive time in a year. It has reached the highest peak in 5 years. Next month another rise is expected.

The Democratic farm program is based on the knowledge that general prosperity cannot be maintained while we continue to depress the farmer. President Eisenhower vetoed our Democratic farm price support bill and then quickly raised price supports himself. Apparently his sliding scale had slid too far, for farm income is down 30 percent in the past year.

Milk prices to the consumer have continued to rise. Secretary Benson decided to raise dairy prices just when manufacturers had warehouses filled with cheese and butter bought at the lower price level. The farmer who sold his milk at the lower price then had to buy it back as high priced butter. This apparently is the Republican idea of how to aid the dairy farmer. No wonder so many of these farm families spread oleo on their bread.

Milk prices do not worry Secretary Benson who finds that the little farmer is of no importance. Benson is more concerned with the three members of his advisory board whose firms have been indicted for monopolistic practices. Mr. Benson is apparently fully occupied in directing the administration's everchanging farm policy. He first opposed and then supported a soil bank; he first opposed and then approved the plowing under of crops; first opposed and then approved the idea of farm policy as a political issue.

The present administration makes many boasts as to the increase in the size of the labor force. This increase is largely a result of our ever-increasing population. Of far

greater significance is the fact that at least 2,900,000 people who want jobs, cannot find them. In the past year one million persons have been added to our unemployed rolls. That represents a total of nearly 10 million American men, women, and children who have lost their means of support. The billion dollar year that General Motors has just concluded does not help these people.

The Democratic Party sponsored a bill to help our unemployed learn new skills when their previous trades no longer offer employment. Retraining these people will help to relieve all of us of the burden of support. This is the type of constructive, positive, legislation which brought our country to the prosperous state which it enjoyed in 1952 when Republican businessmen began to tear it down.

Candidate Eisenhower pledged himself to the amendment of the Taft-Hartley Act. President Eisenhower has consistently refused to live up to his campaign promises. Former Secretary of Labor Durkin offered the President 19 amendments, which were in accord with Candidate Eisenhower's promises. Eisenhower refused to go along with any of them. Instead he submitted to Congress a program which would toughen the Taft-Hartley Act. His Labor Secretary resigned and was replaced with another big-business man. Congress refused to go along with President Eisenhower's labor program as presented.

In an attempt to meet the increased cost of living, Congress has raised the minimum wage to $1 per hour over President Eisenhower's protest that 90 cents was adequate.

The Republican Party as represented by President Eisenhower may be a party of the people, but of and for a very few people.

BAD GOVERNMENT

During his 1952 campaign candidate Eisenhower had much to say about corruption in Government and useless personnel in Government.

We said then and repeat now: no political party has a monopoly on virtue or efficiency. Every party when trusted with the privilege to govern must be ever alert to weed out the loafers, the incompetent, and the criminal.

President Eisenhower has sadly failed the people in that regard.

The executive departments, in almost every instance, are employing more people and more top executives at higher salaries than in any previous administration. The exceptions are in the so-called service departments.

The Post Office Department serving all of the American people is using fewer employees and giving the worst service we have ever experienced.

The Veterans' Administration, serving our veterans and particularly our disabled veterans, has been reduced in force, moved around, kicked around, and made a less useful agency to those who need it most.

The Agriculture Department has been reorganized to take out of the hands of the farmers, most of the things they can do best for themselves.

Misappropriating funds is the order of the day for this administration. This administration has appointed more corrupt officials than any other in our history.

Starting with Secretary Benson using Department funds to refurbish a Government lodge for his personal use, we find corruption rampant in every department.

Warehouses bursting at the seams, because improperly constructed; selling millions of dollars worth of cheese to the processors and buying them back at higher prices, without the cheese ever leaving storage or changing hands; indictments of three members of Secretary Benson's advisory board; self-dealing for his private profit of one of his paid subordinates; loading the school lunch program with more than $400,000 worth of phony transportation charges in Illinois for the sole benefit of one of his Republican friends. There are, no doubt, many more such incidents which have not yet been exposed. We are just beginning to investigate the monopoly enjoyed by three companies in disposing of surplus commodities.

Under 20 years of Democratic administration the Commodity Credit Corporation never exceeded an authorization of $6¾ billion. The total lost in those 20 years from operation of the program, was about $1 billion. During 3½ years, the Republicans have increased that authorization to $14 billion. The losses have increased by at least $4 billion. No small part is attributable to the increased interest rates paid to bankers and much of it paid in violation of law.

Dixon-Yates was bad, so bad that even the Republican administration has backed down on its spurious claim of legality.

The cancellation of a Defense Department contract awarded to the Chrysler Corp. and awarding the same business to General Motors is only a small part of the wrong doing in that Department.

The foot-in-mouth statements of Secretary Wilson is the least important of the many things that are bad in this administration.

The Small Business Committees of the Congress have devoted some part of almost every day to urging the Defense Department to follow the law and its own regulations in awarding contracts and making payments earned thereunder.

The Office of the Comptroller of the Currency and that of the Federal Deposit Insurance Corporation have also been managed in a manner adverse to the public interest.

The big banks and big holding companies have grown bigger with the aid and abetment of the Republican appointees to those agencies.

The responsibility for the Illinois bank scandal, the theft of State funds through bank manipulations, must be borne at least in part by those same Republican Federal appointees.

Internal mismanagement by those officials of their offices I hope will soon be the subject of thorough investigation.

Under the leadership of the Secretary of the Treasury and the Comptroller of the Currency attempts are being made to weaken our banking laws for the benefit of the big banks and to the detriment of the small banks and small investors. A part of that scheme was the abortive attempt to destroy the right of minority stockholders to minority representation on the directorates of national banks.

The full story about the giveaways by the Interior Department, the attempt to destroy TVA, REA, and our other public facilities and natural resources requires much more time than I can give here.

SMALL BUSINESS

Since 1953 our Government has been taken over by big business and the big banking interests of the country. The little fellow has had no representative in the Cabinet or at the top of any executive department. On the contrary, he has had as antagonist big business and the big banks, not only in the market place but also in every department of Government.

What is even worse, the so-called WOC—the big-business man on loan to the Government, drawing no compensation from the Government but being paid by his big-business employer—has an inside track keeping big business constantly informed as to Government plans and channeling Government business away from the small-business man and to big business.

Credit restrictions are manipulated so as to dry up all sources of credit for the small-business man.

Except in times of war or emergency, WOC's should not be employed by the Government.

I have contended and will continue to urge that the Small Business Administration Act must be strengthened by eliminating the Policy Board now dominated by Secretary of the Treasury Humphrey and Secretary of Commerce Weeks. The agency must be made not only permanent, but permanently independent of the Treasury Department and the Department of Commerce.

The small-business man, displaced by slum clearance and highway construction, should be entitled to low-interest-rate loans based upon character and ability to perform, rather than bankable collateral.

The Defense Department must be directed by the Small Business Administration to discard, as required by law, the old arbitrary, numerical definition of a small business firm, and follow a more realistic one. This will give small business a larger and more equitable share of Government contracts.

The Small Business Administration may boast that during 3 years, it has approved 3,560 business loans in an aggregate amount of $137,915,000 on account of which it disbursed $52,578,000. Compare that, however, to what this administration has done for big business in the same period through the Export-Import Bank alone, to wit: 805 loans for a total authorized aggregate amount of almost $7,500,000,000 against which it disbursed over $5,171,000,000. The Export-Import Bank made 22 percent as many loans with an average disbursement of over 426 times more per loan. To put it more simply, SBA's loan disbursements averaged less than $15,000 each and the bank's more than $6,400,000 each.

While big business has made more and bigger profits than at any time in the history of our country, small business has been going into bankruptcy in greater numbers than at any time since the depression days of the early 1930's.

For years, I have led the fight to establish offices of the Small Business Administration in Alaska, Hawaii, and Puerto Rico so to enable American citizens residing so far from the mainland to avail themselves of the privileges accorded by law to all. I personally urged the Appropriations Committee to give the agency the money for that purpose. The money was voted. I am still waiting to be informed that even one of those offices has been opened.

GIVEAWAY: THE GOVERNMENT'S PRIVATE CHARITY

The administration in its "partnership" plan gives, and gives, and gives, and the people get nothing in return. First, it was offshore oil lands, then TVA, then natural gas. Now, any river or forest that big business wants, it can have for the asking.

The President wanted and got a Federal water storage project on the upper Colorado River. Since no big business wanted it, the President's partnership plan was forgotten. And Idaho Power Co. wanted to build a private power project at Hells Canyon, so the administration opposed the public sponsored Hells Canyon project. The administration opposed the idea of municipalities in New York State having priority purchase rights to the electric power which would issue from the Niagara River power development program.

The development of atomic energy for peace is an idea that the Democratic Party sponsors wholeheartedly. But we voted against the administration's atoms-for-peace program since it would have given a few big businesses a monopoly in the development of atomic energy for peacetime use.

Incidentally, Attorney General Brownell now has completely disavowed the Dixon-Yates contract and has accepted the view of the Democratic Party that the whole agreement was illegal.

It took New Deal reclamation programs to give us back our forests. It has taken less

than 4 years of an Eisenhower administration to lose them. The administration's policy is to lease them to private industry—which flagrantly abuses them.

We have no right to expect anything else of the Department of Interior under this administration. Its consistent policy is to put political appointees in the place of ardent careermen. It has been no accident that many of these political appointees have been anticonservationists. There is no necessity for commenting on the scandals that have evolved over the private uses that many of these appointees have made of the assets of the Department.

FEDERAL AND POSTAL EMPLOYEES

Anyone aware of the importance of all Federal and particularly the postal employees, can see no reason why they should not have many of the rights that are accorded to workers in private industry.

We have, over the objection of the administration, raised their wages, to enable them to meet the rising costs of living. This, while the President kept clamoring for increased pay for those already in the highest brackets. We have also liberalized the civil service retirement benefits.

We have not yet devised any method to stop administrative destruction of the merit system.

Nor have we been able to abolish the brazen gag order that Republican Postmaster General Summerfield has imposed on postal workers. He has forbidden them to complain about the post office to anyone but their superiors in the post office. Members of Congress and the press have become off limits to these employees. We must now write into the law permission for these employees to complain to their Congressmen without impairing their merit standing.

The Supreme Court's decision, limiting the scope of the security program to those areas of government which can be defined as sensitive, would seem to have eliminated the problem created by the unwarranted administrative security clearance procedures. The administration is now sponsoring a bill which would classify all Government positions as "sensitive." The recommendations of the Association of the Bar of the City of New York, which fundamentally agree with the decision of the Supreme Court, should be followed in this regard. No American wants subversives in our Government. We can and must provide adequate means for protecting the Government's best interests. But we must do it without needless duplication of effort and without destroying our fundamental principles of fair play and of good Government.

VETERANS AND ARMED FORCES

Neither the veterans nor the Armed Forces have been forgotten by the 84th Congress. Aware of our debt, we, the Democratic Party, sponsored and supported measures to better their lot.

The veteran home-loan program has been extended, as have been the disability benefits for the veterans of World Wars I and II. Neither forgetting the youth of our Nation nor those who were their fathers, we are providing educational asisstance to children of servicemen who died in World War II and in Korea. We have extended the Missing Persons Act authorizing continued pay for service personnel missing or captured in Korea.

To maintain a strong armed force, we have extended the draft law to 1957. To provide greater incentive for career personnel—a necessary essential in our defense program—we have placed all military personnel under our social-security program, and have increased the benefit payments to survivors of servicemen and veterans. We have also provided for medical care for the dependents of members of our Armed Forces. We have raised the pay of our 6-month trainees under the Reserve program as well as the pay of the Armed Forces in order to attract and keep better men in the service.

SOCIAL LEGISLATION—THE UNBALANCED SCALE

Social legislation is not a partisan matter to the Democratic Party. The welfare of the Nation is more important than party politics. We, of the Democratic Party, were happy to note that much of the welfare legislation of the administration was an extension of New and Fair Deal plans. These acts and others of a similar nature were supported wholeheartedly by the Democrats.

Over the administration's protests we succeeded in amending the Social Security Act by lowering the retirement age for women to 62 and permitting the disabled to become eligible for full benefits at the age of 50. Democratically supported and New Deal initiated, and administration sponsored, the benefits under the Railroad Retirement Act, and the Longshoremen's and Harbor Workers' Compensation Act were increased.

National disaster insurance for the victims of flood and hurricane disasters was established.

We have extended the Federal school milk program to include child-care centers, nursery schools, settlement houses, summer camps, and other similar nonprofit associations.

I sponsored a Federal Scholarship Act. Worthy students who desire a college education or postgraduate work would be enabled to apply for these loans to aid them through school. This is no giveaway, since the students will repay these loans when their education has been completed. Such a program has been found feasible in prior years. It should have never been abandoned.

We have also authorized $378 million in Federal aid for school construction, in areas which have become overcrowded by increased governmental activity.

Little need be said of the failure of the school-aid bill. Due to a shameful coalition of a minority of the members of my own party and of a majority of the Republicans, this much-needed bill was defeated.

In matters of national health and medical research we went beyond what the administration requested. The Oveta Hobby attitude, of health being a strictly private affair, did not reoccur during this session. Ninety million dollars have been set aside for medical research of crippling and killing diseases, for extended hospital construction and for training nurses and health specialists. Four million dollars have been set aside for a dental research institute.

The housing bill authorizes a public housing program of only 35,000 units a year for 2 years. The Democratic majority in the House felt that this was an unrealistic attempt to remedy the housing shortage. Administrative opposition proved too strong and we were compelled to settle for less than is needed. We did succeed in liberalizing the terms of Federal mortgages; for financing home improvements, for financing single-family home purchases, and for financing rental dwellings. We also liberalized, not enough, but somewhat, the Federal mortgage terms for elderly people and for urban renewal projects.

The administration sponsored a civil-rights bill which was quite innocuous. It provided for things which the President now has the right to accomplish without any new laws. Once again a self-interested coalition of a few Democrats and a great many Republicans thwarted this measure. That action will no doubt be President Eisenhower's excuse to do nothing about the matter.

We did not enact the health insurance program of the President since it would have done nothing except help some insurance companies. It would have done nothing for the individuals who need medical and hospital assistance or insurance to pay therefor.

Throughout this program, the unbalanced scale continued to dominate the administration's thinking. No matter who sponsored the legislation, the Democratic Party approach was: If it was for the benefit of the people as a whole, we supported the bill. This cannot be said of the Republican Party. Their narrow interests and petty insights have not yet revealed to them the importance of the broadest approach for the benefit of the greatest number.

INTERNATIONAL AFFAIRS—PERILOUS PATHS

Under our system of government, the President must assume the leadership in the realm of International Affairs. He must make the policy in the first instance. His State Department should be his spokesman. Congress may respond by approving appropriations or by Senatorial action on proposed treaties.

The path of peace is always difficult. The Democratic Party believes it can only be maintained by an unequivocal but honorable approach to foreign affairs. To find a permanent peace, we must be vigilant and alert, honest with ourselves and with our allies, and firm with our potential enemies.

The ideological conflict between the East and West continues. The Communist countries have changed their outward demands, but they have not changed their aims of world domination. This administration has made no attempt to move forward in this field. It has mumbled and fumbled, it has bluffed and rebuffed, it has bleated and retreated.

The Democratic Party has supported President Eisenhower in his attempts to find a road to peace. We have supported his foreign-aid program authorizing $3.9 billion to be used for military, economic, and technical assistance to our friends and allies during the next year. Although the President asked for more, his aides have admitted that they cannot spend in the next year the funds now appropriated for those purposes.

The removal of United States troops from Japan is imminent and will permit her, as our ally, to regain her true place in the world of nations. The House passed a resolution asking that Japan be admitted to the United Nations.

I have been continually opposed to the Near East policies of President Eisenhower and Secretary of State Dulles. Their blindness, if not stupidity, has helped raise Egypt's Nasser to a position in which he thereatens the peace of the world.

Our demand for arms for Israel have been ignored. Instead of firmly insisting upon a cessation of hostility, Dulles has encouraged Arab fighting. We demanded that Dulles and Eisenhower protest against blocking the Suez Canal to Israeli and Greek ships. My question is still unanswered: "What will the United States do when American ships are barred?"

The anti-Semitic boycott by the Arab States has been approved by a delinquent administration. It has excluded American soldiers and American civilian employees of the Jewish faith from American bases in Saudi Arabia.

PROTECTING THE INTEGRITY OF UNITED STATES CITIZENSHIP

From the very earliest days of the establishment of our Nation, we have insisted that American citizens, wherever they may be and wherever they may go, must be treated as such regardless of race, color, or religion. We have a long history of having come to the aid of American citizens wherever their rights have been threatened, impaired, or impeded.

This administration has sadly failed the American people and has repeatedly and constantly backed away from that fundamental principle of American freedom.

The protection of the integrity of United States citizenship and of the proper rights of United States citizens to lawful trade and travel and other activities abroad, is a basic principle of United States sovereignty. It

is a primary principle of our Nation that there shall be no distinction among United States citizens based upon individual religious affiliations.

Any attempt by foreign nations to create such distinction among our citizens in the granting of personal or commercial access, or any other rights otherwise available to United States citizens, is inconsistent with and contrary to our principles. Any such distinctions directed against United States citizens is incompatible with the relations that should exist among friendly nations.

We should insist that in all negotiations between the United States and any foreign state, that every reasonable effort should be made to maintain these principles. We should carry on no negotiations and engage in no conventions, agreements, or treaties with any foreign nation that does not recognize these principles or violates them.

These principles have been so firmly imbedded in our tradition that up to 1952, no political party found it necessary to restate them in a political platform.

In 1952, however, the Republicans inserted these words in their platform, to wit:

"We shall see to it that no treaty or agreement with other countries deprives our citizens of the rights guaranteed them by the Federal Constitution."

That should have been a warning signal. We had no such treaties or agreements then and have none now. No prior administration, Republican or Democratic, ever permitted the rights of American citizens to be impaired by any foreign country.

This administration, however, has permitted the Arab States to disregard, ignore, and even trample upon the rights of American citizens in travel and trade. They prohibit Americans from traveling into, through, or over these nations because of religion. On the same basis they refuse to allow Americans to trade with their own citizens.

This administration has ignominiously permitted a foreign nation to violate a treaty obligation and acquiesced in that country, Saudi Arabia, banning American citizens from an American base on the sole ground of religion.

CIVIL DEFENSE

To aid our civilian defense program Congress has increased the appropriation for construction of aircraft control and warning systems.

Testimony adduced before Congressional committees established that our so-called civilian defense is utterly worthless and completely valuless in the event of an atomic bomb attack. Every penny presently being spent by the so-called Department of Civilian Defense is wasted.

Nevertheless, this administration would do nothing to improve this horrible and horrifying situation.

CONCLUSION

The record of the 84th Congress speaks well for our country. It could have been better. I am sure it would have been better, if we had had a Democratic President.

The levelheaded approach of a Democratic Congress under a Republican President produced meritorious legislation. We did not enact all the legislation that should have been passed. What was accomplished, in the main, is a record that the Democratic Party can be proud of. Even though we worked under an unsympathetic administration, the national interest was our first thought at all times. I am proud to have had the privilege to serve in the responsible 84th Congress.

During the ensuing recess I will continue to serve my constituency. My office at room 1305, New House Office Building, Washington, D. C., will remain open and fully staffed for that purpose.

SENATE

SATURDAY, AUGUST 10, 1957

The Senate met at 11 o'clock a. m.

Rev. John McPherson, D. D., pastor, Calvary Presbyterian Church, Alexandria, Va., offered the following prayer:

God of time and eternity, we pause a moment before Thee.

Open Thy window and pour out upon the Senators of this land of liberty-loving people such a blessing of love and light and wisdom as shall enable them today to be and act in ways that will please and glorify Thee.

According to Thy mercy and loving kindness, accept our thanks for Thy abiding presence and the answer to this our prayer. In Jesus' name. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Journal of the proceedings of Friday, August 9, 1957, was approved, and its reading was dispensed with.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting nominations was communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 2462. An act to adjust the rates of basic compensation of certain officers and employees of the Federal Government, and for other purposes; and

H. R. 8996. An act to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes.

HOUSE BILLS PLACED ON THE CALENDAR

The following bills were each read twice by their titles and placed on the calendar:

H. R. 2462. An act to adjust the rates of basic compensation of certain officers and employees of the Federal Government, and for other purposes; and

H. R. 8996. An act to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. NEUBERGER (for himself and Mr. MORSE):

S. 2748. A bill for the relief of Philip Galen Fitch (David Kim); to the Committee on the Judiciary.

By Mr. MANSFIELD (for himself, Mr. KNOWLAND, Mr. SALTONSTALL, Mr. NEUBERGER, Mr. YARBOROUGH, and Mr. WILEY):

S. 2749. A bill to provide for the establishment of a United States Foreign Service Academy; to the Committee on Foreign Relations.

(See the remarks of Mr. MANSFIELD when he introduced the above bill, which appear under a separate heading.)

By Mr. THYE:

S. 2750. A bill to authorize the Director of the Mint to honor one request from the Legislature of each State for a commemorative coin; to the Committee on Banking and Currency.

By Mr. KNOWLAND (for himself and Mr. GREEN):

S. 2751. A bill to authorize the President to appoint Col. George Arthur Lincoln as Assistant Secretary of State for Policy Planning and State Department Representative on the National Security Council Planning Board, without affecting his military status and perquisites; to the Committee on Foreign Relations.

By Mr. McCLELLAN (by request):

S. 2752. A bill to amend section 207 of the Federal Property and Administrative Services Act of 1949 so as to modify and improve the procedure for submission to the Attorney General of certain proposed surplus property disposals for his advice as to whether such disposals would be inconsistent with the antitrust laws; to the Committee on Government Operations.

(See the remarks of Mr. McCLELLAN when he introduced the above bill, which appear under a separate heading.)

By Mr. MARTIN of Iowa:

S. 2753. A bill to amend the Internal Revenue Code; to the Committee on Finance.

By Mr. KERR:

S. 2754. A bill to amend section 211 (a) (7) of the Social Security Act and section 1402 (a) (8) of the Internal Revenue Code of 1954 so as to permit ministers, in computing their net earnings from self-employment for purposes of social-security coverage, to count certain income which employees who are not ministers presently count for such purposes; to the Committee on Finance.

By Mr. LANGER:

S. 2755. A bill to amend the Veterans' Benefits Act of 1957 to provide for pensions of $125 per month to veterans of World War I who are 60 years of age; to the Committee on Finance.

S. 2756. A bill for the relief of Mr. and Mrs. Alf C. Bergum; to the Committee on the Judiciary.

By Mr. DWORSHAK (for himself and Mr. CHURCH):

S. 2757. A bill to authorize the Secretary of the Interior to construct, operate, and maintain a reregulating reservoir and other works at the Burns Creek site in the upper Snake River Valley, Idaho, and for other purposes; to the Committee on Interior and Insular Affairs.

UNITED STATES FOREIGN SERVICE ACADEMY

Mr. MANSFIELD. Mr. President, I introduce, for appropriate reference, a bill to establish a Foreign Service Academy. I am pleased to have as a cosponsor the very distinguished minority leader, the senior Senator from California [Mr. KNOWLAND].

than 4 years of an Eisenhower administration to lose them. The administration's policy is to lease them to private industry—which flagrantly abuses them.

We have no right to expect anything else of the Department of Interior under this administration. Its consistent policy is to put political appointees in the place of ardent careermen. It has been no accident that many of these political appointees have been anticonservationists. There is no necessity for commenting on the scandals that have evolved over the private uses that many of these appointees have made of the assets of the Department.

FEDERAL AND POSTAL EMPLOYEES

Anyone aware of the importance of all Federal and particularly the postal employees, can see no reason why they should not have many of the rights that are accorded to workers in private industry.

We have, over the objection of the administration, raised their wages, to enable them to meet the rising costs of living. This, while the President kept clamoring for increased pay for those already in the highest brackets. We have also liberalized the civil service retirement benefits.

We have not yet devised any method to stop administrative destruction of the merit system.

Nor have we been able to abolish the brazen gag order that Republican Postmaster General Summerfield has imposed on postal workers. He has forbidden them to complain about the post office to anyone but their superiors in the post office. Members of Congress and the press have become off limits to these employees. We must now write into the law permission for these employees to complain to their Congressmen without impairing their merit standing.

The Supreme Court's decision, limiting the scope of the security program to those areas of government which can be defined as sensitive, would seem to have eliminated the problem created by the unwarranted administrative security clearance procedures. The administration is now sponsoring a bill which would classify all Government positions as "sensitive." The recommendations of the Association of the Bar of the City of New York, which fundamentally agree with the decision of the Supreme Court, should be followed in this regard. No American wants subversives in our Government. We can and must provide adequate means for protecting the Government's best interests. But we must do it without needless duplication of effort and without destroying our fundamental principles of fair play and of good Government.

VETERANS AND ARMED FORCES

Neither the veterans nor the Armed Forces have been forgotten by the 84th Congress. Aware of our debt, we, the Democratic Party, sponsored and supported measures to better their lot.

The veteran home-loan program has been extended, as have been the disability benefits for the veterans of World Wars I and II. Neither forgetting the youth of our Nation nor those who were their fathers, we are providing educational asisstance to children of servicemen who died in World War II and in Korea. We have extended the Missing Persons Act authorizing continued pay for service personnel missing or captured in Korea.

To maintain a strong armed force, we have extended the draft law to 1957. To provide greater incentive for career personnel—a necessary essential in our defense program—we have placed all military personnel under our social-security program, and have increased the benefit payments to survivors of servicemen and veterans. We have also provided for medical care for the dependents of members of our Armed Forces. We have raised the pay of our 6-month trainees under the Reserve program as well as the pay of the Armed Forces in order to attract and keep better men in the service.

SOCIAL LEGISLATION—THE UNBALANCED SCALE

Social legislation is not a partisan matter to the Democratic Party. The welfare of the Nation is more important than party politics. We, of the Democratic Party, were happy to note that much of the welfare legislation of the administration was an extension of New and Fair Deal plans. These acts and others of a similar nature were supported wholeheartedly by the Democrats.

Over the administration's protests we succeeded in amending the Social Security Act by lowering the retirement age for women to 62 and permitting the disabled to become eligible for full benefits at the age of 50. Democratically supported and New Deal initiated, and administration sponsored, the benefits under the Railroad Retirement Act, and the Longshoremen's and Harbor Workers' Compensation Act were increased.

National disaster insurance for the victims of flood and hurricane disasters was established.

We have extended the Federal school milk program to include child-care centers, nursery schools, settlement houses, summer camps, and other similar nonprofit associations.

I sponsored a Federal Scholarship Act. Worthy students who desire a college education or postgraduate work would be enabled to apply for these loans to aid them through school. This is no giveaway, since the students will repay these loans when their education has been completed. Such a program has been found feasible in prior years. It should have never been abandoned.

We have also authorized $378 million in Federal aid for school construction, in areas which have become overcrowded by increased governmental activity.

Little need be said of the failure of the school-aid bill. Due to a shameful coalition of a minority of the members of my own party and of a majority of the Republicans, this much-needed bill was defeated.

In matters of national health and medical research we went beyond what the administration requested. The Oveta Hobby attitude, of health being a strictly private affair, did not reoccur during this session. Ninety million dollars have been set aside for medical research of crippling and killing diseases, for extended hospital construction and for training nurses and health specialists. Four million dollars have been set aside for a dental research institute.

The housing bill authorizes a public housing program of only 35,000 units a year for 2 years. The Democratic majority in the House felt that this was an unrealistic attempt to remedy the housing shortage. Administrative opposition proved too strong and we were compelled to settle for less than is needed. We did succeed in liberalizing the terms of Federal mortgages; for financing home improvements, for financing single-family home purchases, and for financing rental dwellings. We also liberalized, not enough, but somewhat, the Federal mortgage terms for elderly people and for urban renewal projects.

The administration sponsored a civil-rights bill which was quite innocuous. It provided for things which the President now has the right to accomplish without any new laws. Once again a self-interested coalition of a few Democrats and a great many Republicans thwarted this measure. That action will no doubt be President Eisenhower's excuse to do nothing about the matter.

We did not enact the health insurance program of the President since it would have done nothing except help some insurance companies. It would have done nothing for the individuals who need medical and hospital assistance or insurance to pay therefor.

Throughout this program, the unbalanced scale continued to dominate the administration's thinking. No matter who sponsored the legislation, the Democratic Party approach was: If it was for the benefit of the people as a whole, we supported the bill. This cannot be said of the Republican Party. Their narrow interests and petty insights have not yet revealed to them the importance of the broadest approach for the benefit of the greatest number.

INTERNATIONAL AFFAIRS—PERILOUS PATHS

Under our system of government, the President must assume the leadership in the realm of International Affairs. He must make the policy in the first instance. His State Department should be his spokesman. Congress may respond by approving appropriations or by Senatorial action on proposed treaties.

The path of peace is always difficult. The Democratic Party believes it can only be maintained by an unequivocal but honorable approach to foreign affairs. To find a permanent peace, we must be vigilant and alert, honest with ourselves and with our allies, and firm with our potential enemies.

The ideological conflict between the East and West continues. The Communist countries have changed their outward demands, but they have not changed their aims of world domination. This administration has made no attempt to move forward in this field. It has mumbled and fumbled, it has bluffed and rebuffed, it has bleated and retreated.

The Democratic Party has supported President Eisenhower in his attempts to find a road to peace. We have supported his foreign-aid program authorizing $3.9 billion to be used for military, economic, and technical assistance to our friends and allies during the next year. Although the President asked for more, his aides have admitted that they cannot spend in the next year the funds now appropriated for those purposes.

The removal of United States troops from Japan is imminent and will permit her, as our ally, to regain her true place in the world of nations. The House passed a resolution asking that Japan be admitted to the United Nations.

I have been continually opposed to the Near East policies of President Eisenhower and Secretary of State Dulles. Their blindness, if not stupidity, has helped raise Egypt's Nasser to a position in which he thereatens the peace of the world.

Our demand for arms for Israel have been ignored. Instead of firmly insisting upon a cessation of hostility, Dulles has encouraged Arab fighting. We demanded that Dulles and Eisenhower protest against blocking the Suez Canal to Israeli and Greek ships. My question is still unanswered: "What will the United States do when American ships are barred?"

The anti-Semitic boycott by the Arab States has been approved by a delinquent administration. It has excluded American soldiers and American civilian employees of the Jewish faith from American bases in Saudi Arabia.

PROTECTING THE INTEGRITY OF UNITED STATES CITIZENSHIP

From the very earliest days of the establishment of our Nation, we have insisted that American citizens, wherever they may be and wherever they may go, must be treated as such regardless of race, color, or religion. We have a long history of having come to the aid of American citizens wherever their rights have been threatened, impaired, or impeded.

This administration has sadly failed the American people and has repeatedly and constantly backed away from that fundamental principle of American freedom.

The protection of the integrity of United States citizenship and of the proper rights of United States citizens to lawful trade and travel and other activities abroad, is a basic principle of United States sovereignty. It

is a primary principle of our Nation that there shall be no distinction among United States citizens based upon individual religious affiliations.

Any attempt by foreign nations to create such distinction among our citizens in the granting of personal or commercial access, or any other rights otherwise available to United States citizens, is inconsistent with and contrary to our principles. Any such distinctions directed against United States citizens is incompatible with the relations that should exist among friendly nations.

We should insist that in all negotiations between the United States and any foreign state, that every reasonable effort should be made to maintain these principles. We should carry on no negotiations and engage in no conventions, agreements, or treaties with any foreign nation that does not recognize these principles or violates them.

These principles have been so firmly imbedded in our tradition that up to 1952, no political party found it necessary to restate them in a political platform.

In 1952, however, the Republicans inserted these words in their platform, to wit:

"We shall see to it that no treaty or agreement with other countries deprives our citizens of the rights guaranteed them by the Federal Constitution."

That should have been a warning signal. We had no such treaties or agreements then and have none now. No prior administration, Republican or Democratic, ever permitted the rights of American citizens to be impaired by any foreign country.

This administration, however, has permitted the Arab States to disregard, ignore, and even trample upon the rights of American citizens in travel and trade. They prohibit Americans from traveling into, through, or over these nations because of religion. On the same basis they refuse to allow Americans to trade with their own citizens.

This administration has ignominiously permitted a foreign nation to violate a treaty obligation and acquiesced in that country, Saudi Arabia, banning American citizens from an American base on the sole ground of religion.

CIVIL DEFENSE

To aid our civilian defense program Congress has increased the appropriation for construction of aircraft control and warning systems.

Testimony adduced before Congressional committees established that our so-called civilian defense is utterly worthless and completely valuless in the event of an atomic bomb attack. Every penny presently being spent by the so-called Department of Civilian Defense is wasted.

Nevertheless, this administration would do nothing to improve this horrible and horrifying situation.

CONCLUSION

The record of the 84th Congress speaks well for our country. It could have been better. I am sure it would have been better, if we had had a Democratic President.

The levelheaded approach of a Democratic Congress under a Republican President produced meritorious legislation. We did not enact all the legislation that should have been passed. What was accomplished, in the main, is a record that the Democratic Party can be proud of. Even though we worked under an unsympathetic administration, the national interest was our first thought at all times. I am proud to have had the privilege to serve in the responsible 84th Congress.

During the ensuing recess I will continue to serve my constituency. My office at room 1305, New House Office Building, Washington, D. C., will remain open and fully staffed for that purpose.

SENATE

SATURDAY, AUGUST 10, 1957

The Senate met at 11 o'clock a. m.

Rev. John McPherson, D. D., pastor, Calvary Presbyterian Church, Alexandria, Va., offered the following prayer:

God of time and eternity, we pause a moment before Thee.

Open Thy window and pour out upon the Senators of this land of liberty-loving people such a blessing of love and light and wisdom as shall enable them today to be and act in ways that will please and glorify Thee.

According to Thy mercy and loving kindness, accept our thanks for Thy abiding presence and the answer to this our prayer. In Jesus' name. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Journal of the proceedings of Friday, August 9, 1957, was approved, and its reading was dispensed with.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting nominations was communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 2462. An act to adjust the rates of basic compensation of certain officers and employees of the Federal Government, and for other purposes; and

H. R. 8996. An act to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes.

HOUSE BILLS PLACED ON THE CALENDAR

The following bills were each read twice by their titles and placed on the calendar:

H. R. 2462. An act to adjust the rates of basic compensation of certain officers and employees of the Federal Government, and for other purposes; and

H. R. 8996. An act to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. NEUBERGER (for himself and Mr. MORSE):

S. 2748. A bill for the relief of Philip Galen Fitch (David Kim); to the Committee on the Judiciary.

By Mr. MANSFIELD (for himself, Mr. KNOWLAND, Mr. SALTONSTALL, Mr. NEUBERGER, Mr. YARBOROUGH, and Mr. WILEY):

S. 2749. A bill to provide for the establishment of a United States Foreign Service Academy; to the Committee on Foreign Relations.

(See the remarks of Mr. MANSFIELD when he introduced the above bill, which appear under a separate heading.)

By Mr. THYE:

S. 2750. A bill to authorize the Director of the Mint to honor one request from the Legislature of each State for a commemorative coin; to the Committee on Banking and Currency.

By Mr. KNOWLAND (for himself and Mr. GREEN):

S. 2751. A bill to authorize the President to appoint Col. George Arthur Lincoln as Assistant Secretary of State for Policy Planning and State Department Representative on the National Security Council Planning Board, without affecting his military status and perquisites; to the Committee on Foreign Relations.

By Mr. MCCLELLAN (by request):

S. 2752. A bill to amend section 207 of the Federal Property and Administrative Services Act of 1949 so as to modify and improve the procedure for submission to the Attorney General of certain proposed surplus property disposals for his advice as to whether such disposals would be inconsistent with the antitrust laws; to the Committee on Government Operations.

(See the remarks of Mr. MCCLELLAN when he introduced the above bill, which appear under a separate heading.)

By Mr. MARTIN of Iowa:

S. 2753. A bill to amend the Internal Revenue Code; to the Committee on Finance.

By Mr. KERR:

S. 2754. A bill to amend section 211 (a) (7) of the Social Security Act and section 1402 (a) (8) of the Internal Revenue Code of 1954 so as to permit ministers, in computing their net earnings from self-employment for purposes of social-security coverage, to count certain income which employees who are not ministers presently count for such purposes; to the Committee on Finance.

By Mr. LANGER:

S. 2755. A bill to amend the Veterans' Benefits Act of 1957 to provide for pensions of $125 per month to veterans of World War I who are 60 years of age; to the Committee on Finance.

S. 2756. A bill for the relief of Mr. and Mrs. Alf C. Bergum; to the Committee on the Judiciary.

By Mr. DWORSHAK (for himself and Mr. CHURCH):

S. 2757. A bill to authorize the Secretary of the Interior to construct, operate, and maintain a reregulating reservoir and other works at the Burns Creek site in the upper Snake River Valley, Idaho, and for other purposes; to the Committee on Interior and Insular Affairs.

UNITED STATES FOREIGN SERVICE ACADEMY

Mr. MANSFIELD. Mr. President, I introduce, for appropriate reference, a bill to establish a Foreign Service Academy. I am pleased to have as a cosponsor the very distinguished minority leader, the senior Senator from California [Mr. KNOWLAND].

As all of us here in the Senate know, the frontline of our diplomatic defense in all areas of the world is our Foreign Service personnel. The responsibility of Foreign Service officers has increased tremendously in recent years. I feel that the time has come when we should be assured of a source of topnotch people to fill these important positions. We need people with the proper education and background. They must be the best qualified representatives of this country that can be obtained.

The Army, the Navy, the Air Force, and the Coast Guard each has a source upon which they can depend for future properly trained personnel. The bill the minority leader and I have introduced wuold create an Academy where interested young people would undergo 1 year of highly concentrated specialized study at the graduate level. These students would be selected from among the most highly qualified youth of the country, chosen by a competitive examination.

Upon completion of this 1 year each diplomatic cadet would receive the equivalent of a master's degree and would be eligible to receive an appointment to the Foreign Service of the United States, and would be required to fulfill a commitment of a minimum of 3 years of service.

The program would be under the direction of the Secretary of State, in cooperation with the Foreign Service Institute.

America must have a dynamic and effective Foreign Service training program if we are to be assured of qualified representatives abroad.

Mr. President, in conclusion, I ask that the text of this bill be printed in the RECORD.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. SALTONSTALL. Will the Senator permit me to join with him as a cosponsor of the bill?

Mr. MANSFIELD. I am delighted to do so.

Mr. SALTONSTALL. I have been interested in the subject for several years. I have made inquiry before the committee. I have tried, in a conservative way, not intruding into the important affairs of the committee too much, to get facts on the situation. I should like to join as a cosponsor.

Mr. MANSFIELD. Mr. President, the minority leader and I will be honored and privileged to have the distinguished senior Senator from Massachusetts join as a cosponsor of the bill, and I ask that the name of the Senator from Massachusetts be included on the bill as introduced today.

Mr. YARBOROUGH. Mr. President, I should like to have my name added to the list of cosponsors of the Foreign Service Academy bill. I commend the thought behind it, and I understand the necessity for it.

Mr. MANSFIELD. I appreciate the comment of the Senator from Texas. I am delighted to have him join as a cosponsor.

Mr. NEUBERGER. Mr. President, I also ask the junior Senator from Montana if he will permit me the same privilege he has just accorded the Senator from Massachusetts and the Senator from Texas, to participate in sponsoring his very excellent proposal.

Mr. MANSFIELD. I am delighted, honored, and privileged.

Mr. President, I ask unanimous consent that the names of the junior Senator from Texas and the junior Senator from Oregon be added to the list of cosponsors, along with the name of the senior Senator from Massachusetts [Mr. SALTONSTALL].

The PRESIDENT pro tempore. Without objection, it is so ordered.

The bill will be received and appropriately referred and, without objection, the bill will be printed in the RECORD.

The bill (S. 2749) to provide for the establishment of a United States Foreign Service Academy, introduced by Mr. MANSFIELD (for himself, Mr. KNOWLAND, Mr. SALTONSTALL, Mr. YARBOROUGH, and Mr. NEUBERGER), was received, read twice by its title, referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That this act may be cited as the "United States Foreign Service Academy Act."

SEC. 2. The Secretary of State is authorized and directed to establish and maintain, in or near the District of Columbia, a United States Foreign Service Academy (hereinafter referred to as the "Academy") for the instruction and training of diplomatic cadets in preparation for service as officers in the Foreign Service of the United States.

SEC. 3. (a) The Academy shall be under the general supervision of the Director General of the Foreign Service Institute and under such regulations as the Secretary of State may prescribe.

(b) The course of instruction and training for diplomatic cadets at the Academy shall be prescribed by the Secretary of State and shall be the equivalent of the curriculum prescribed by accredited colleges and universities as a prerequisite to the granting of a master's degree. Upon satisfactory completion of the prescribed course of instruction and training, diplomatic cadets shall be granted a master's degree.

(c) The Secretary of State may appoint or assign such officers and civilian instructors as the needs of the Academy require.

SEC. 4. (a) The corps of diplomatic cadets shall consist of such individuals as may be selected and admitted to the Academy upon competitive entrance examinations as prescribed by the Secretary of State.

(b) Diplomatic cadets while in attendance at the Academy shall be entitled to quarters and subsistence.

SEC. 5. There shall be appointed each year a Board of Visitors to the Academy which shall consist of 5 members from the Committee on Foreign Relations of the Senate and 5 members from the Committee on Foreign Affairs of the House of Representatives, to be appointed by the respective chairmen of such committees. The Board of Visitors shall exercise the same functions and be entitled to the same expense allowance as is provided in the case of the Board of Visitors to the United States Military Academy.

SEC. 6. Each diplomatic cadet selected for admission to the Academy shall sign an agreement that, unless sooner separated, he will—

(1) complete the course of instruction at the Academy; and

(2) accept an appointment and service, as an officer in the Foreign Service for at least the 3 years immediately following the granting of his degree from the Academy.

SEC. 6. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

Mr. MANSFIELD subsequently said: Mr. President, I ask unanimous consent that the name of the Senator from Wisconsin [Mr. WILEY] be added as a cosponsor of the bill to establish a Foreign Service Academy, which I introduced this morning.

The PRESIDENT pro tempore. Without objection, it is so ordered.

PROCEDURE FOR SUBMISSION OF CERTAIN SURPLUS PROPERTY DISPOSALS

Mr. McCLELLAN. Mr. President, by request of the Administrator of General Services, I introduce, for appropriate reference, a bill to amend section 207 of the Federal Property and Administrative Services Act of 1949 so as to modify and improve the procedure for submission to the Attorney General of certain proposed surplus property disposals for his advice as to whether such disposals would be inconsistent with the antitrust laws.

According to the Administrator, enactment of the bill would reduce delays in the disposal of surplus property, and result in increased returns to the Government, with savings in administrative costs.

Mr. President, I request unanimous consent that the letter from the Administrator of General Services, addressed to the President of the Senate, setting forth the background and objectives of the proposed legislation, be incorporated in the RECORD at this point as a part of my remarks.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 2752) to amend section 207 of the Federal Property and Administrative Services Act of 1949 so as to modify and improve the procedure for submission to the Attorney General of certain proposed surplus property disposals for his advice as to whether such disposals would be inconsistent with the antitrust laws, introduced by Mr. McCLELLAN, by request, was received, read twice by its title, and referred to the Committee on Government Operations.

The letter presented by Mr. McCLELLAN is as follows:

GENERAL SERVICES ADMINISTRATION,
Washington, D. C., August 5, 1957.

Hon. RICHARD M. NIXON,
President of the Senate,
Washington, D. C.

MY DEAR MR. PRESIDENT: There is enclosed for your consideration a draft of a bill "to amend section 207 of the Federal Property and Administrative Services Act of 1949 so as to modify and improve the procedure for submission to the Attorney General of certain proposed surplus-property disposals for his advice as to whether such disposals would be inconsistent with the antitrust laws."

Section 207 of the Federal Property and Administrative Services Act of 1949 requires executive agencies to solicit the views of the Attorney General as to whether certain proposed disposals of surplus property would tend to create or maintain a situation inconsistent with the antitrust laws. As a result

of the experience of the General Services Administration with this section, we feel that its present provisions invite amendments by way of clarification and betterment. The enclosed bill incorporates these amendments, which we now proceed to explain.

The first difficulties concern the requirement in the opening sentence of section 207 that an executive agency must notify the Attorney General "whenever any executive agency shall begin negotiations" for the disposal of certain categories of surplus property. For the quoted text the bill would substitute "before any executive agency shall consummate a disposal."

The use of the word "negotiations," to one reading the sentence at first glance, raises the question whether the requirements of the section apply only to negotiated disposals as distinguished from those made by award after competitive bidding. Section 207 is part of title II, "Property Management," of the Federal Property and Administrative Services Act of 1949, as amended, in which appears section 203 (e), which authorizes the Administrator of General Services, until July 31, 1958, to make surplus property disposals "without regard to any provision of existing law for advertising," i. e., by negotiation. (This Administration, as part of its program for the 85th Cong., 1st sess., proposes amendment of section 203 (e) so as to provide for permanent authorization for disposals of surplus property by negotiation in appropriate classes of cases.)

From a practical point of view, there is just as much reason to notify the Attorney General under section 207 of proposed disposals by award after advertisement for competitive bids as there is of those to be made by negotiation. This Administration has, therefore, in point of fact, given the broadest interpretation to what it conceived to be the Congressional intent, and has made it a policy to have the opinion of the Attorney General sought under the section in all cases to which the section could apply, whether the proposed disposal is to be made by award after advertising or by negotiation. The question, however, engendered by the use of the word "negotiations" in section 207 lingers, and we believe that the section should be amended to make clear that its application covers both methods of disposal.

The words "shall begin" in the first sentence of section 207 have given rise to a real practical difficulty. The beginning of negotiations, literally construed, would mean the first step of any kind in any intended disposal of surplus property. In the case of disposal by negotiation, it would mean the initial contact with prospective disponees; in the case of disposal by advertising, it would mean the issuance of the public invitation for bids. In either case, at that point, the identity of the eventual proposed disponee is unknown. Yet it is primarily and essentially that identity which constitutes the reason for the salutary requirement of section 207 that the opinion of the Attorney General be given on the antitrust aspect. Indeed, a punctilious adherence to the literal reading of section 207 would require the executive agency to notify the Attorney General of a mere inchoate and incomplete proposal upon which the latter would not have the facts to give any advice at all. The substitution in the first sentence of section 207 of "shall consumate" for "shall begin," as set forth in the enclosed bill, should make clear that the notification to the Attorney General need not be made until the terms of the proposed disposal have tentatively crystalized—that is, in the case of disposal by advertisement, after the bids have been submitted and the agency proposed disposal to the highest acceptable bidder, and in the case of disposal by negotiation, after the proceedings have reached the point where a suitable disponee has been provisionally determined upon.

Another amendment to section 207 as proposed by the bill would specifically require an executive agency (other than GSA) submitting a notification to the Attorney General simultaneously to send a copy of the notification to the Administrator of General Services. Observance of such procedure is desirable for two reasons. (1) Section 207 in its present form expressly calls upon the Attorney General to render his advice to the interested executive agency and the Administrator. If the Administrator in all cases receives the advice from the Attorney General, it is only logical that he should be furnished with full information as to the proposal upon which the advice is rendered. (2) The Administrator of General Services is the official charged by the Federal Property and Administrative Services Act of 1949 with general supervision and direction over the disposal of surplus property. As such, he should be kept au courant with significant developments in his assigned field.

A clarifying amendment included in the bill is the insertion in section 207 of the sentence specifically requiring the executive agency which has requested advice of the Attorney General to await such advice before making an award or taking other disposal action. We believe that such requirement is inherent in the spirit of section 207, but that it would be advisable for it to be spelled out in express language.

A further point concerns the clause, in the first sentence of section 207, reading "which cost the Government $1 million or more." We believe, and the bill so provides, that there should be a limitation here to the original acquisition cost or the acquisition cost plus capital expenditures. It often happens that property which originally cost the Government less than $1 million is used by it for a number of years before the property is determined to be surplus, during which period maintenance expenses are incurred in connection with the property which will eventually bring the Government's total outlay on the property to over $1 million. More than that, even after the property has been determined to be surplus, in some instances it is held in surplus status for a considerable time before it can be disposed of, and while in such status, further maintenance expenses and charges must be met. It is not felt that the addition of such expenses should make reference to the Attorney General necessary under the basic intention reflected by section 207.

As indicated above, section 207 now requires the referral to the Attorney General of proposed disposals of a plant or plants, or other property, which cost the Government $1 million or more. Under the enclosed bill the $1 million figure would be increased to $3 million. We feel that this amendment would be conducive to betterment of administration without in any way prejudicing the basic intent of section 207, namely, to prevent the creation or maintenance of situations inconsistent with the antitrust laws. The $1 million figure, it will be remembered, came into the Federal Property and Administrative Services Act of 1949 from a similar provision in the repealed Surplus Property Act of 1944 (sec. 20, 58 Stat. 775). The passage of 13 years has made that $1 million figure unrealistic in 1957. The doubling of costs of goods and services during that 13-year period accentuates this point. The national cost index for machinery and equipment as of 1944 was 102.4, and that index in January of 1957 was 218.3. To give another illustration, especially with reference to the surplus industrial plants held in GSA inventory, the national construction cost index increased from 134.5 in 1944 to 291.3 in January 1957.

Another factor emphasizing the unreality (in 1957) of the $1 million figure inserted in section 207 from the Surplus Property Act of 1944 is that depreciation charges have not been applied to surplus property in GSA inventory. The significance of this fact in relation to the $1 million figure in section 207 is readily seen in the case of GSA's surplus plants. Had depreciation been charged on them, then, taking January 1, 1943, as the average plant completion date, and with depreciation having been charged on buildings, machinery, and equipment to January 1, 1957, the following would result:

	Percent
Buildings, 14 years depreciation at 4½ percent per year	63
Machinery and equipment, 14 years depreciation at 6½ percent per year	87
Overall depreciation (buildings, machinery, and equipment)	79
Remaining book value	21

Thus it can be seen that a plant having an acquisition cost in 1944 of $2,834,000 would have a book value in 1957, had depreciation been taken, of only $595,140.

And it should be borne in mind that the recovery by the Government on sales of surplus plants does not exceed 30 percent of acquisition cost. The average annual recovery on sales of surplus personal property (other than scrap) is always below 10 percent of acquisition cost.

In view of all the foregoing factors, we submit that the public interest is in no way served by continuing to require the close scrutiny of disposals of surplus costing the Government less than $3 million which necessarily involves delay in disposals and the expense of the services of highly-specialized attorneys and administrative personnel, and which has little, if any relation to monopoly or the competitive standing of companies in their respective fields of activity.

Finally, we come to another amendment to section 207 which is of great importance to GSA and certain other executive agencies active in the field of surplus personal property disposal. That is the proviso shown in the draft bill which would exempt from the provisions of section 207 the disposal of surplus personal property which is determined to be scrap or salvage. The terms "scrap" and "salvage" are defined in a final sentence which the bill would add to section 207. In the period of approximately 4½ years from February 1952 through October 8, 1956, 85 percent of all the referrals to the Attorney General of proposed disposals of surplus personal property were for property in scrap or salvage condition.

Our experience in the administration of section 207 has convinced us that the likelihood of inconsistency with the antitrust laws in disposals of scrap and the not unrelated item of salvage is so minuscule as to make of most dubious public interest the administrative work, expenditure of public funds, and delays (sometimes leading to loss of favorable price to the Government) which are caused by the necessity of referral to the Attorney General in this class of cases. Scrap and property for salvage by their very nature offer little or no enticement to the monopolist.

The market for scrap is of a fluctuating nature, and fast disposal action is essential to assure the best price to be paid to the Government. The time ncessarily involved (running up to 60 days) in the submission of the proposed disposal to the Department of Justice, and its careful consideration in that Department, can cause an actual loss of money to the Government. With a substantial outlay of cash frequently to be made by the prospective buyer, he must, under good business practice, have reasonable assurance of a ready resale, in a volatile market, prior to making his investment in the surplus. Scrap dealers who regularly bid at Government sales of surplus scrap assert that the known delays incident to antitrust clearances cause them to bid materially lower than they would if selling activities could

make awards promptly after evaluation of bids. Thus delay in making awards, inevitable under the present requirement of section 207, precludes the Government from recovering the maximum value of the property.

Review was recently made of the copies of agencies' referrals to the Department of Justice on file in this administration. It leads us to the general conclusion that the offerings of metallic scrap material of any one kind at any one time at any one place by a military or civilian Government selling activity over the past several years have not represented a tonnage volume which would amount to more than a minute percentage of the total metallic scrap of that kind generated in the United States each year.

In summary, then, we submit that there is nothing to be gained for the Government, nor is it in furtherance of general public policy, to continue to enforce a procedure which is costly to the taxpayer by reason of administrative expense and loss of advantageous prices, when the likelihood of monopolistic transgression is at the most very remote.

While GSA is convinced that enactment of the proposed legislation will reduce delays in disposals of surplus property and will result in increased returns to the Government with savings in administrative costs, we cannot at this time offer any firm estimate as to the amount of such increase or of such savings.

GSA recommends enactment of the enclosed bill, and suggests that you lay the measure before the appropriate committee of the Senate.

The Bureau of the Budget has advised that there is no objection to the submission of this legislative proposal to the Congress.

Sincerely yours,

FRANKLIN G. FLOETE,
Administrator.

REFUND OF TAXES PAID BY CERTAIN INDIANS—AMENDMENTS

Mr. KERR submitted amendments, intended to be proposed by him to the bill (S. 1839) to permit Indians who are holders of beneficial interests under patents of allotted and restricted lands to secure refunds of income taxes paid to the United States on income from such lands which has been held exempt from Federal income tax, which were referred to the Committee on the Judiciary, and ordered to be printed.

NOTICE OF HEARING ON S. 2205 TO AMEND SECTION 116 (4) OF CHAPTER 10 OF THE FEDERAL BANKRUPTCY ACT

Mr. ERVIN. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Tuesday, August 13, 1957, at 10:30 a. m., in room 424, Senate Office Building, upon S. 2205, to amend section 116 (4) of the Federal Bankruptcy Act.

At the indicated time and place all persons interested in the proposed legislation may make such representations as may be pertinent. The subcommittee consists of the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Illinois [Mr. DIRKSEN], and myself, as chairman.

THE CIVIL-RIGHTS BILL

Mr. JOHNSON of Texas. Mr. President, I believe that all of us realize that no effective civil-rights bill can be passed in an atmosphere of partisan politics. Legislators working together conscientiously can come to an agreement upon the merits. But when the backroom politicians move into the picture, there can be nothing but chaos.

For more than 25 days the Senate discussed the civil-rights bill. The measure was debated in the light of reason, calmly and sanely, with the very minimum of partisanship. Senators presented their views forcefully and vigorously on both sides of the question, and their views were to the point. They spoke about issues and they spoke about facts.

When the votes were taken, they did not split along regional lines; neither did they split along party lines. The devision represented honest differences of opinion, and the binding cement of the majority was agreement on principles.

Mr. President, that is one of the finest things that can be said about the bill the Senate passed. Frankly, I would be suspicious of any civil-rights measure on which the votes divided upon purely regional or entirely partisan lines.

Apparently, however, this is not a situation which satisfies those who are more interested in votes than they are in the right to vote. Already they are busily at work bringing pressure to bear upon legislators in what some believe to be an effort to prevent the enactment of any bill.

Mr. President, it is a sad day for the country when the chairman of a political committee openly boasts that he is on the telephone laying down the line to the elected representatives of the people.

Mr. President, it is a sad day for the country when the mimeograph machines of a political party are busily at work cranking out letters which somehow reach the press tables before they reach the recipients.

And, Mr. President, it will be an even sadder day for our country if the Nation's policies become something to be made behind the closed doors of a political committee office, rather than in the open Halls of the Congress of the United States.

Mr. President, regardless of party, all of us are mature persons. No one is being deceived by the current set of moves. If we were so naive, the evidence is plain from the political press releases which are flooding the Press Gallery, under the letterheads of political organizations. The nonsensical statements to the effect that the bill has been "weakened" and "watered down" have been exposed for what they are—sheer partisan propaganda.

Mr. President, the facts are clear. The Senate has passed the only civil-rights measure to be approved by the United States Senate in 82 years. I believe the bill is a workable, enforcible measure. It goes far beyond anything the proponents of civil rights even requested of the Congress 2 years ago.

There is room for differences of opinion as to the items in the measure. Those differences can be adjusted, if only the political partisans will stop thinking about votes, and will turn, instead, to the question of how to secure effectively the right to vote.

Mr. President, I have every confidence in the Congress of the United States; in both bodies; in Members of both parties. I do not think the Members of either the majority or the minority are going to bow to or be led by the dictates of propagandists or political leaders. The oldest trick in the partisan book is to scream that there is not enough progress, and then demand no progress at all. This time, I do not think it is going to work.

Mr. JOHNSON of Texas subsequently said: Mr. President, I ask unanimous consent that immediately following my statement this morning there be printed a news release from the Republican National Committee, by Mr. Guylay, public relations director, for immediate release. This is a statement by Chairman Meade Alcorn, of the Republican National Committee, in which Mr. Alcorn characterizes the position of the President on the civil-rights matter, and also states that Mr. Alcorn is in touch with the House leadership, Mr. MARTIN, by telephone, concerning the strategy on the bill.

There being no objection, the news release was ordered to be printed in the RECORD, as follows:

STATEMENT BY CHAIRMAN MEADE ALCORN, OF THE REPUBLICAN NATIONAL COMMITTEE

The President has repeatedly stated that the weakened civil-rights legislation passed by the Senate is not satisfactory to him. He has made it clear that the legislation simply would not achieve the results which the administration seeks.

It is to be fervently hoped that the House of Representatives will insist upon a much stronger bill that will provide—at the least—genuine protection for the right of suffrage for all Americans.

Republican Leader JOSEPH W. MARTIN, JR., has made it plain he regards the Senate bill as falling far short of the objectives sought by President Eisenhower. Mr. MARTIN and I today conferred by telephone, and we are in complete agreement that the bill must be strengthened in every way possible before final passage.

Mr. KNOWLAND subsequently said: Mr. President, first of all, apropos of some of the earlier remarks by the distinguished majority leader, I, too, express the hope that, through the normal legislative processes, we shall have a civil-rights bill which will be finally acted upon by both Houses of Congress and sent to the President of the United States, because it is certainly my sincere desire that an effective civil-rights bill will be passed at this session of Congress and become a public law. I think that can be done within the confines of the legislative arm of the Government of the United States. There are always problems to be worked out. I hope those problems will be solved in the other body and then, jointly, through the legislative processes of Congress, there will be a bill which the President of the United States may find he can approve.

It is, I am quite frank to admit, always a little difficult, and it perhaps may be

not appropriate for outside agencies, at this period of the situation, to attempt to intervene in the legislative processes, be they national committees or other outside agencies; but I must say, Mr. President, if there has been any such intervention, at least there has been precedent for such action.

Mr. President, I should like to have printed at this point in my remarks a letter dated March 19, 1956, signed by Mr. Paul M. Butler, chairman of the Democratic National Committee, in which he discussed not only the situation relative to Hells Canyon, Tennessee Valley Authority, and other items then pending before the Congress, but intervened, apparently, with leaders of the members of his party in this body to point out how certain appropriations and certain legislation would be most helpful in the fall campaign. And so, Mr. President, if there has been any precedent for intervention by a national committee, I think it was established then.

I ask unanimous consent that the letter be printed in the RECORD, as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEMOCRATIC NATIONAL COMMITTEE,
Washington, D. C., March 19, 1956.

PAUL M. BUTLER,
Chairman

Hon. ——— ———
United States Senate,
Washington, D. C.

DEAR ———: I am sending to you as a member of the Committee on Interior and Insular Affairs a copy of my letter of March 16 to Senator LYNDON JOHNSON concerning the situation confronting our party in the area of natural resources.

I shall be most appreciative of anything which you may do in this matter.

With kind personal regards, I am

Sincerely,

PAUL M. BUTLER.

———

DEMOCRATIC NATIONAL COMMITTEE,
Washington, D. C., March 16, 1956.

Hon. LYNDON B. JOHNSON,
United States Senate,
Washington, D. C.

DEAR LYNDON: I am fearful that our party and its nominees for President, Vice President, the Senate and the House next fall may be in a very weak position in the area of natural resources unless some action is taken to bolster our legislative record in this session of Congress.

The Democratic record on Dixon-Yates and the upper Colorado project is deserving of special commendation to our Democratic leadership and our Senators and Representatives. But if we are to be in a position to go to the people with a record on conservation of our natural resources that will gain votes in one key State and district after another, it is apparent that a few important measures should be considered in this session.

I strongly believe that the public interest will be served by the earliest possible consideration of the following four matters:

1. Niagara: This is S. 1823 which has been reported out of the Senate Public Works Committee. The passage of this bill is of tremendous importance in the reelection of Senator Lehman and in the Congressional elections in many districts in New York, Pennsylvania, and Ohio, where there are 40 REA cooperatives and 144 municipalities located within economical transmission distance of the Niagara project.

2. Hells Canyon: S. 1333 and H. R. 4719, 4730, 4739, and 4740 are identical bills covering this project. They are now pending before the Interior and Insular Affairs Committees in both Houses. Our campaign attack on the administration giveaway at Hells Canyon is meaningless if the Democratic Congress has not moved in the 84th Congress to stop it. This action is vital in the election of Democratic Senators and Representatives in the four Columbia Basin States (Oregon, Washington, Montana, and Idaho) and will be an effective issue in other sections of the country. The attorney general in Oregon is about to prosecute criminally Idaho Power Co., the administration's licensee, because it has commenced construction of one of its three small dams at Hells Canyon without having obtained an Oregon water permit. This issue is hot in Oregon and will be a vital factor in the reelection of Senator MORSE and Representative EDITH GREEN.

3. TVA construction funds: The House Appropriations Committee has approved the use of TVA's corporate funds, which have now accumulated far ahead of required amortization schedules, to add steam generation units at John Sevier and Johnsonville plants and meet the impending power shortage in the valley.

The committee action reaffirms the opinion of TVA's General Counsel that corporate funds could legally be used for this purpose on existing units. If Congress carries through in both Houses, this would avoid needless delay from litigation which would probably be instituted to test the General Counsel's opinion. Such litigation is threatened. The minority report indicates that resort will be made to litigation to prevent such use of TVA funds.

Congressional action on this matter favorable to TVA will be of tremendous help this fall throughout the TVA area.

4. Loan appropriations for REA: President Eisenhower's budget message this year called for $145.3 million for new loans under REA, with a contingency fund of another $25 million. The contingency has little meaning, since it cannot be used unless the full appropriation plus last year's carryover has been earmarked.

Member cooperatives of the National Rural Electric Cooperative Association, in their estimate of needs for next year, show an aggregate requirement of $185 million in new loans as a conservative figure. Many of those cooperatives are located in important States and congressional districts. I am therefore hopeful that the higher figure can be agreed upon and included in the appropriation bill.

You included in your 13-point program for this session both the Niagara and Hells Canyon bills.

Our party has made a magnificent record in the conservation of our natural resources in the public interest. It is a noteworthy achievement which we can bring before the American people. The enactment of the foregoing measures in this session would be hailed as the accomplishments of our Democratic Congress and would be vitally important in our retaining control of the Congress for the next 2 years.

I speak for the Democratic National Committee in addressing this communication to you. Its members and I will appreciate your consideration of these matters in the interest of our country and our party.

Sincerely,

PAUL M. BUTLER.

P. S.—A similar letter is being sent to SAM RAYBURN and Members of Senate and House committees.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. JOHNSON of Texas. Mr. President, I do not deny that there is ample precedent. That does not mean that either the majority leader or the minority leader approves the precedent.

I want to say to the Senator that I feel very strongly that we in the Senate and our colleagues in the House, without the benefit of pressure from telephone calls or propaganda from political committees, are perfectly capable of discharging our duties. I hope that is the feeling of the Senator from California, regardless of whether it refers to the Democratic committee or the Republican committee.

Mr. KNOWLAND. I might say I was speaking in an entirely impartial and nonpartisan manner, and suggest both national committees might take due notice thereof.

Mr. JOHNSON of Texas. I so understood. Since the Senator is one of the few men in this body who has received the nomination of both parties, he can speak in a nonpartisan manner.

Mr. MANSFIELD. Mr. President, in this morning's issue of the Washington Post and Times Herald, there appears a well-merited editorial on the leadership and statesmanship of our majority leader, the senior Senator from Texas [Mr. JOHNSON], on the civil-rights bill. There are those who want no civil-rights legislation whatever; there are those who wants a civil-rights bill that will encompass the whole spectrum, and who would be prepared, if need be, to use force. There are those in the middle, who do not adhere to the extreme views, but are interested in a civil-rights voting bill which will guarantee to all our citizens, regardless of race, creed, color, or nationality, the right to vote. Such a bill has been requested by the President over the past 3 years. Let me say most respectfully that he now has, in the version passed by the Senate, the kind of bill he advocated; and it is a stronger, better, and more workable bill than the one which passed the other body.

Future historians will view with impartiality the leadership exemplified in the person of the senior Senator from Texas in this debate. Future historians will appreciate the great contribution he has made to democratic processes, and historians in the years to come will be able to assess more accurately the significance of the 5 weeks' debate on the civil-rights measure in the Senate in the summer of 1957.

I think it is well to point out that on last Wednesday for the first time, five southern Senators—from the States of Tennessee, Texas, and Florida, voted for a civil-rights bill.

I should like to point out that in other fields of civil rights, outside the voting right, the courts of this country are laying down decisions, and the people are making progress.

I should like to point out that this bill provides for the appointment of an Assistant Attorney General to specialize in civil-rights cases.

I should like to point out that a commission to be created under this bill—a six-member Civil Rights Commission to investigate cases and study the need for any further legislation—will be set up.

The life of the Commission would be limited to 2 years, but it would have subpena power to bring in witnesses for either open or closed hearings.

I should like to point out that the hidden meanings, the simple citations, the many pitfalls which were in the bill as it passed the House, have been uncovered, corrected, and laid out in the open for all to see, because of the drawn-out debate in the Senate.

I should like to point out that, contrary to all expectations, there has been no filibuster, and the right of unlimited debate has been maintained.

I should like to emphasize that the Senate version of the bill is a good bill, a stronger bill and a better bill, because of the corrections and the additions made in this body.

I should like to point out that trial by jury has been extended to all criminal contempt cases. In my opinion, jury trial should be provided in every case in which a citizen, a corporation, or a labor union is to be punished if found guilty of criminal contempt. The Senate, by emphasizing the right of trial by jury, has broadened it and made it more secure in the annals of American jurisprudence. This is as it should be.

Let me repeat that the Prseident has indicated over a period of time that he wanted a civil-rights voting bill. Again let me say most respectfully that he now has, in the bill passed by the Senate, the kind of bill he wanted, and the kind of bill which, in my opinion, he could sign with gratification and appreciation.

Mr. President, the editorial referred to gives a fair, understandable, and meaningful analysis of the part played by the distinguished majority leader. The senior Senator from Texas has consistently stated that, in his opinion, there would be a civil-rights bill passed this year. The Senator from Texas has consistently worked toward that end. The Senator from Texas has been successful in bringing about majority agreement on a bill which will meet with approbation, in my opinion, in all parts of the country.

In his speech of last Wednesday, he laid down a line of thought which in my opinion it would be well for us to read, re-read, and read again. If I wished to quote one portion from that magnificent speech which to me is more significant than the rest, I would repeat the following words of the majority leader:

> Nothing lasting, nothing enduring has ever been born from hatred and prejudice—except more hatred and more prejudice * * * there is a compelling need for a solution that will enable all Americans to live in dignity and unity.

Mr. President, those are words to remember. These are words which have been measured by performance. These are words which establish the senior Senator from Texas as a national figure, as a man of discerning judgment, and as an individual who has the real and vital interests of his country at heart.

The Senate can be proud of the civil-rights bill it passed, and the country can be grateful that, under the leadership of the distinguished majority leader, the civil-rights legislation was threshed out in the open and the final results achieved in the field of open discussion and full publicity.

I ask unanimous consent to have printed in the RECORD as a part of my remarks the editorial from this morning's Washington Post and Times Herald.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MR. JOHNSON'S TRIUMPH

Almost everyone can agree that Senate passage of the civil-rights bill in its present form was a personal triumph for Senator LYNDON JOHNSON. Even those who still feel that the softening of the bill amounted to mayhem must admire the consummate skill with which the majority leader sensed the legislative weather, found a common ground for agreement between South and North that extended across party lines, and marshaled his forces to put through the jury-trial amendment.

What may have been his personal motives other than the desire to obtain an acceptable bill only Mr. JOHNSON can say. Months ago he explained privately his thought that a civil-rights bill could be obtained in this session of Congress if it were properly presented, and he reiterated his own feeling that the most meaningful single advance lay in better protection of the right to vote.

In the process, it should be noted, Mr. JOHNSON did not injure his own political stature. He came out of the debate a national rather than regional figure on an issue deeply affecting both South and North. He managed, moreover, to hold the Democratic Party together when it appeared as if the northern and southern factions would tear each other apart to the chortling of the onlooking Republicans. All of this surely will have a bearing on whatever future ambitions he may have.

Yet it would be a disservice to the majority leader to leave the matter there. The art of compromise is very useful, indeed essential, in a democratic society; and what must not be forgotten in the present bill is that in return for the concessions that dismayed northern liberals Mr. JOHNSON won reluctant acquiescence without a filibuster from southern conservatives, some of whom were conscientiously determined to have no bill at all.

In a memorable speech before the bill finally was passed Wednesday night Mr. JOHNSON listed some of the positive accomplishments. He stressed the prestige of a new Assistant Attorney General in the field of civil rights and the importance of a Civil-Rights Commission with subpena powers (to which he had initially been opposed) as an instrument to sift facts from charges. He pointed out that, quite apart from the guaranty of jury trials in cases of criminal contempt, Federal judges will retain substantial civil powers to enforce compliance with their orders through fines, imprisonment, and compensatory damages. Then he added:

"For the first time in my memory this issue has been lifted from the field of partisan politics * * * I tell you—out of whatever experience I have—that there is no political capital in this issue. Nothing lasting, nothing enduring has ever been born from hatred and prejudice—except more hatred and more prejudice * * * there is a compelling need for a solution that will enable all Americans to live in dignity and unity * * * the Senate has dealt fairly and justly with this measure. This is legislation which is good for every State of the Union, and as far as I am concerned, Texas has been a part of the Union since Appomattox * * * I shall genuinely support this legislation with enthusiasm—secure in the belief that it represents progress and assures an advance in the rights to which all our people are entitled.

These words furnish a yardstick by which the practical performance under the bill can be measured. If the House and the President agree and experience bears out Senator JOHNSON'S glowing hopes, his own contribution in engineering consent will have been leadership of a high order.

Mr. JOHNSON of Texas. I thank the Senator from Montana for his very generous references.

INTERIM REPORT OF THE THEODORE ROOSEVELT CENTENNIAL COMMISSION

Mr. IVES. Mr. President, I have before me a most interesting Senate document, No. 53. It contains the interim report of the Theodore Roosevelt Centennial Commission, for which I had the honor of introducing the Authorization Act of April 1955. The report lists the many splendid national and international plans under way for the centennial events, from October 27, 1957 to October 27, 1958, with the dominant theme of responsible citizenship.

To me, and I think to all of us, the most interesting and revealing section is a paragraph on page 13. Here, the Centennial Commission and the Theodore Roosevelt Association recognize the great need to reduce the cost of Government, and therefore withdraw their request for a supplementary appropriation of Government funds. The report states that the Theodore Roosevelt Association will supply all needed money from its own funds and from contributions of friends and members.

This is truly an act of patriotism and self-reliance, and I feel that the association and the Commission merit public commendation for this recognition of the self-help principles so steadfastly practiced by Theodore Roosevelt himself.

REDUCTION IN DEFENSE WEAPONS PROGRAM

Mr. SYMINGTON. Mr. President, yesterday a large manufacturer of weapons for our defense said that he had noticed there was to be a further reduction of 5 percent in his production program.

In other words, still another reprograming.

"What the people running the show in Washington do not realize," he said, "is that the waste in this reprograming in itself will exceed any possible saving to the taxpayer resulting from this 5-percent cutback."

Anybody with any manufacturing experience knows how true is his statement. It is hoped that some day the Senate will become more interested in the billions of dollars being wasted annually by this type and character of operation in the Defense Department.

Mr. President——

The PRESIDENT pro tempore. The Senator from Missouri.

MILITARY PREPAREDNESS

Mr. SYMINGTON. Mr. President, according to the morning papers, the British Expeditionary Force in Oman has met with some reversal. How much we do not know.

In addition, the morning radio reports that the Soviet Communists have landed additional men and additional war materiel in Yemen. How many and how much, we do not know.

What we do know, however, is that the Senate has received authoritative sworn testimony to the effect that the military forces of the United States cannot lift and properly support a single division overseas.

When we consider the scores of worldwide commitments into which this country has now entered, and especially the Eisenhower doctrine—because that commitment involves the part of the world we are talking about, the Middle East—this news may be of more than passing interest.

The present plans for our already very small combat Army, as compared to the army of the possible enemy, mean that tomorrow as well as today the Army of the United States will be neither mobile nor modern.

Unless our plans for retaliation against aggression are limited to massive retaliation, therefore, this condition may become a serious matter indeed.

CHARLES WILSON, SECRETARY OF DEFENSE

Mr. POTTER. Mr. President, I wish to take this opportunity to express my deep personal gratitude to a man who is about to leave public service, a man who has contributed much to the welfare of his country, a great American, and a great citizen of Michigan, Charles Wilson, Secretary of Defense.

Charles Wilson will soon be leaving the Washington scene. He has brought to the Office of the Secretary of Defense a candor which has been refreshing in an area and community where doubletalk is commonplace. Charlie Wilson and his wife, Jessie, are loved by those who know them.

Charlie Wilson's businesslike approach to the work of the Office of the Secretary of Defense, for our country, has been outstanding.

Mr. President, few men have sacrificed so much in the public service of his country as has Charlie Wilson. We bid him and his family good health and happiness for many, many years to come. We know he and his family will be missed.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. POTTER. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I am glad to hear the Senator from Michigan express the sentiments he has. As one who has had an intimate contact with Mr. Wilson during the past 4 years in connection with matters at the Pentagon, I agree with what the Senator has said.

At times, Mr. Wilson seems very stubborn. At times he seems very determined to go the wrong path. But he is always open to reason. He has a fine sense of humor.

I know Mr. Wilson's record at the Pentagon as Secretary of Defense will be looked upon for many years as that of a man who gave everything he had, courageously, intelligently, and with persistence, to serve what he thought were the best interests of the security of our country.

Mr. POTTER. I thank the distinguished Senator from Massachusetts, because I know the Senator has worked very closely with the Secretary of Defense.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. POTTER. I yield to the Senator from New Mexico.

Mr. CHAVEZ. I wish to join the Senator from Massachusetts and the Senator from Michigan in paying tribute to the Secretary of Defense, who is now retiring from the office. As chairman of the Subcommittee on Appropriations for the Department which Mr. Wilson heads, I have on many occasions had the opportunity to judge this man. I have always found him to be reasonable.

As the Senator from Massachusetts says, Mr. Wilson has a very fine sense of humor. In his return to private life I wish for him and his family the best of everything.

Mr. SALTONSTALL. Mr. President, will the Senator yield for another remark?

Mr. POTTER. I yield.

Mr. SALTONSTALL. I should like to add another word about Mrs. Wilson, for I think she has helped Charles Wilson enormously in his responsibility in Washington in more ways than one.

Particularly, as the Senator from New Mexico has said about Mr. Wilson. Mr. Wilson exhibits a fine sense of humor and a sense of proportion and value of things.

Mr. POTTER. I thank the Senator from Massachusetts and the Senator from New Mexico. I think they have pointed out a very interesting fact, that Charlie and Jessie Wilson possess the qualities which make for an outstanding team. I know they will be sorely missed after they relinquish their duties here.

UNITED STATES DISTRICT JUDGE R. E. THOMASON MARKS 10TH ANNIVERSARY ON BENCH

Mr. JOHNSON of Texas. Mr. President, a great Texan with whom I had the privilege of serving in the House of Representatives when I first came to Congress recently observed his 10th anniversary as a Federal district judge. I refer to Judge R. Ewing Thomason, of El Paso.

Those of us who have been so fortunate as to have known Judge Thomason over a long period of time are not surprised to know that he has made an outstanding record on the bench.

Some highlights of the career of my friend, Judge Thomason, were set forth in a story written by Art Leibson and published recently in the El Paso Times. I ask unanimous consent that this article be printed in the RECORD.

I send my best wishes to Judge Thomason and his beloved wife.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

JUDGE THOMASON WILL MARK 10TH ANNIVERSARY ON BENCH THURSDAY

(By Art Leibson)

United States District Judge R. E. Thomason, workhorse of the Texas Federal courts, Thursday marks his 10th anniversary on the bench.

The man who has risen to the stature of "Mr. El Paso," after a distinguished career which included serving as mayor 4 years, and Congressman from the 16th District 17 years, will mark the day only with the study of knotty pending decisions.

Mrs. Pauline Silveus, who heads the office of the United States district clerk here, has compiled a statistical study which tells part of the story of the volume of work ground out by Judge Thomason in his decade as a jurist.

He has disposed of 34,647 criminal cases and 3,199 civil cases while naturalizing 4,549 new citizens. Judge Thomason has wound up more cases than any other Federal judge in the same period.

A large number of the cases were those of wetbacks, in the days of mass prosecutions of first offenders and repeaters. More recently, with the inception of the boatlift and the buslift, and the construction of the Immigration Service Detention Center here, the number of wetback prosecutions has dropped sharply.

The volume of business has become so great that a second Federal court for west Texas is in the making. It has been recommended by the Federal judges and a bill creating the new court now is before Congress. Politics, with a Democratic Congress pitted against a Republican administration, may pigeonhole the second court temporarily.

Judge Thomason has tried a wide variety of cases, with a large docket of workmen's compensation cases in the oilfields. He has probably had more landmark cases tried in his court than any other judge in a like period. He has been called to Washington to help unravel a backlog of cases when his own docket was cleared, but has shied away from invitations to help out on the coastal cities of New York and San Francisco.

HIS REASON

"I might draw some admiralty cases if I went there," Judge Thomason said, "and that would be embarrassing to a judge from the desert country." He also has stepped in to fill gaps in San Diego, Austin, San Antonio, and Sherman, Tex.

His most noted criminal trial, that plunged him into a mass of national publicity, was that of Clinton Jencks, convicted of falsifying a non-Communist affidavit required of union officials. It was the recent United States Supreme Court reversal in the Jencks case which drew a storm from the Nation's press and brought a hurry-up call for legislation to protect the secret FBI files from defendants in criminal cases.

It was Judge Thomason who found Harvey Matusow, turnabout witness, guilty of contempt, after he had reversed his testimony in a move to free Jencks. The confessed liar also won a reversal, in 1 of 2 major setbacks handed Judge Thomason on appeal but now is serving a 3-year term in New York for perjury.

After Nathan Witt, one of Jencks' attorneys, refused under oath to say whether or not he was a Communist and invoked the fifth amendment, Judge Thomason barred

him from ever appearing in the Federal court here.

POLITICAL INTEREST

The jurist has retained his keen interest in politics, along with the acumen of the veteran of political war, and if he has cloaked himself with the courtroom dignity necessary in his post off the bench he has remained the same friendly, offhandish, and jovial individual he was when he roamed the Congressional halls of Washington. He is the darling of the press corps and can always find time to talk with a newspaperman.

He told a reporter that only once was he seriously disturbed at the outcome of any case which came before him. It was when a jury returned a mandatory death penalty for two youthful Fort Bliss soldiers, Marvin Lee Austin and Raymond Lesley Button, convicted of killing a taxi driver on a military reservation. He made no secret of the fact that he slept much better after the appellate court reduced the sentence to life imprisonment.

Robert Ewing Thomason, only El Pasoan to make a strong bid for Governor of Texas, was an outstanding lawyer and partner of the late Tom Lea, Sr., before turning to politics. He moved up the ladder as State representative and speaker of the Texas House, before running for Governor. He went back to his law practice but gladly returned to the political arena when he was elected mayor in 1927. His two terms brought many major improvements to El Paso along with large industries such as the Phelps-Dodge, Standard Oil and Texas Co. refineries. He also was a key figure in starting the municipal airport and clearing the Stormville slum which was replaced by Rim Road. He also fought to bring natural gas to El Paso.

In 1931, when death brought a vacancy in Washington for Representative from the 16th District, Judge Thomason was a shoo-in winner. He was a forceful Member of Congress and had he stayed in Washington, he would for several years have been chairman of the powerful House Military Affairs Committee.

When former President Harry Truman announced the appointment of Judge Thomason to succeed Charles Boynton, on his retirement, the selection was popular and there never was any question of Congress approving the choice.

He was a liberal in Washington, during the New Deal days, and has remained a stanch Democrat throughout the Texas political upheavals. His brand of liberalism, was the kind that never came under attack, never carried any Red tag along with it, and today, he believes that under the same circumstances he would vote again exactly as he did on every major issue of his 17 years as Representative.

On the bench he sometimes disturbs law officers with his sympathetic approach to defendants. A man with a good previous record, who has stumbled once usually can expect a suspended sentence and another chance, except in major crimes.

Sometimes defendants who talked the court into a milder prison term walked away with a snigger, sure they have put something over on the judge. They weren't fooling anybody, least of all His Honor, who has always followed a policy of erring on the side of mercy.

A great guy, Judge Thomason, and one of the warmest personalities ever to grace El Paso's public life.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. CHAVEZ. I came to the House of Representatives at the same time Judge Thomason did. I had known him for many years before that time. Everything the Senator from Texas has said about him and his fine family is correct. I wish to associate myself with the remarks of the distinguished Senator from Texas.

Mr. JOHNSON of Texas. I thank my friend from New Mexico. I recall that Judge Thomason told me, when I first came here, that one of the best friends he had in the House of Representatives was the Senator from New Mexico.

Judge Thomason served in the Texas house with my father, and my father participated in electing him a young speaker of the State house of representatives.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. MAGNUSON. I wish to add my greeting to our old friend Judge Thomason. I, too, served in the House with him, along with our distinguished majority leader. I know of no finer man, no truer friend, and no better legislator than the distinguished judge from Texas. I wish for him a long and happy life. I concurred in the recommendation of the Texas delegation for his appointment. He has been a fine judge, and he has served with distinction the territory he loves so well.

Mr. JOHNSON of Texas. I express my appreciation to the Senator from Washington. I know that Judge Thomason had a very high regard for the Senator from Washington, as do all of us who serve with him.

Mr. YARBOROUGH. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. YARBOROUGH. I commend the distinguished majority leader for his thoughtfulness in paying tribute to Judge Thomason, an outstanding American and public servant.

When I first went to El Paso 30 years ago to practice law, my office was in the same building with that of Judge Thomason, who was then mayor of the city of El Paso.

He made a great contribution toward building up that area of the West. He was a distinguished mayor. He served as speaker of the Texas House of Representatives and in many other capacities. Twenty years ago it was my privilege to have Judge Thomason move my admission to practice before the Supreme Court of the United States.

I commend my senior colleague from Texas for his thoughtfulness in paying tribute to Judge Thomason.

THE IMPORTANT VOTE IN WISCONSIN, TUESDAY, AUGUST 27

Mr. WILEY. Mr. President, in just 17 days the people of my State will go to the polls to elect a United States Senator for the term ending in January 1959.

In the July 30 primary for this Senate race, 460,552 persons voted.

Primary votes in a special election tend to be small. But it is my earnest hope and belief that a far larger proportion of the eligible voters will exercise their franchise on August 27.

The problem of securing a large turnout at the polls, particularly during a summer vacation period, is, of course, not an easy one.

Nevertheless, I hope that the people of my State will use the fine opportunity which is theirs to demonstrate how highly we regard the precious right of a secret ballot.

I am pleased that the President of the United States has commented with regard to this election race.

Speaking at his press conference on Wednesday, President Eisenhower commended the Republican candidate for United States Senator, the Honorable Walter Kohler, three-time Governor of my State.

The President stated that he was a Kohler man and one of Kohler's great admirers.

I am glad to state very frankly that I share the President's sentiment 100 percent.

During the primary campaign, when 7 Republican candidates ran, I personally refrained completely from any type of interference whatsoever as regards who was to be the choice of the Republican Party.

Now that the party itself has spoken, I am glad to add my own fervent wish that Walter Kohler be given another resounding vote of confidence in my State.

He was a fine governor. He will make a fine United States Senator. He is a high-caliber leader of real responsibility, of balanced judgment, of devotion to the public interest.

I hope that the Republican Party of my State will unite behind him. I hope that the differences in the past primary will give way to genuine unity for the purpose of securing a Republican Senator who will be a part of an effective team in our Nation's capital.

AMENDATORY REPAYMENT CONTRACTS UNDER RECLAMATION LAWS

Mr. JOHNSON of Texas. Mr. President, has morning business been concluded?

The PRESIDENT pro tempore. Morning business has not been concluded.

Mr. JOHNSON of Texas. Mr. President, S. 1426 extends until December 31, 1960, the discretionary authority of the Secretary of the Interior to enter into amendatory repayment contracts under the Federal reclamation laws.

This authority was first given the Secretary in the Reclamation Project Act of 1939. It has been extended, first by the act of March 6, 1952, and then by the act of August 31, 1954. Unless further extended, the authority will expire on December 31, of this year.

Congress has given the Secretary this authority for one reason; namely, to grant relief to irrigation districts in special hardship cases. It has often happened, in the West and Southwest, that the terms of contracts drawn in normal years become harsh and constrictive in years of drought. Payments can be met only at severe cost to the

farmers of the district. With the authority extended by the bill, the Secretary of the Interior can adjust the original terms to permit a longer period of repayment, by deferring the repayments due to the Government. This authority is again purely discretionary.

The Secretary of the Interior has recommended that the bill be enacted.

Mr. President, there is before the Committee on Interior and Insular Affairs a House-passed bill, H. R. 5492, to accomplish the same objective.

I ask unanimous consent that the Committee on Interior and Insular Affairs be discharged from further consideration of the House bill, and that it be immediately considered by the Senate, and passed in lieu of S. 1426.

I further ask unanimous consent that S. 1426 be indefinitely postponed upon passage of H. R. 5492.

The PRESIDENT pro tempore. Without objection, the Committee on Interior and Insular Affairs is discharged from the further consideration of H. R. 5492, which will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 5492) to amend the act of August 31, 1954 (68 Stat. 1044) to extend the time during which the Secretary of the Interior may enter into amendatory repayment contracts under the Federal Reclamation laws, and for other purposes.

The PRESIDENT pro tempore. Is there objection to the present consideration of the House bill?

There being no objection, the bill (H. R. 5492) was considered, ordered to a third reading, read the third time, and passed.

The PRESIDENT pro tempore. Without objection, S. 1426 is indefinitely postponed.

CONSIDERATION NEXT WEEK OF CERTAIN NOMINATIONS AND AVAILABILITY OF PRINTED HEARINGS

Mr. JOHNSON of Texas. Mr. President, I should like to make an announcement for the benefit of all Members of the Senate who may be interested. There will be available today the printed hearings on the nomination of Don Paarlberg, to be an Assistant Secretary of Agriculture and member of the Board of Directors of the Commodity Credit Corporation. I should like every Member of the Senate who may be interested to know that the hearings will be available today. The printed hearings will also be available today on the nomination of Jerome K. Kuykendall to be a member of the Federal Power Commission. All Members who are interested in these two nominations are advised that the printed hearings will be available today.

We hope to proceed to the consideration of these nominations in executive session during the early part of next week, after each Member of the Senate has had an opportunity to review the printed hearings. I am sorry that the printing of the hearings was delayed, but we have corrected that situation now, and the hearings will be available today.

Mr. President——

The PRESIDENT pro tempore. The Senator from Texas.

ORDER FOR ADJOURNMENT UNTIL 11 A. M. ON MONDAY NEXT

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in adjournment until 11 o'clock on Monday next.

The PRESIDENT pro tempore. Without objection, it is so ordered.

LIMITATION ON STATEMENTS DURING THE MORNING HOUR ON MONDAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that during the morning hour on Monday, statements be limited to 3 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, for Monday we have ready for consideration the Niagara power bill and the military construction bill. I am informed that the military construction bill will take probably no more than 30 or 40 minutes to consider; perhaps an hour. No great controversy is anticipated with regard to it.

We hope to be able to pass the Niagara power bill also on Monday.

Today we have a few minor bills to be considered, one of them controversial.

Mr. President——

The PRESIDENT pro tempore. The Senator from Texas.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of nominations on the Executive Calendar, beginning with new reports, and that the nominations be considered en bloc. They are nominations in the Army.

There being no objection, the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGE REFERRED

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States submitting sundry nominations, which were referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

The PRESIDENT pro tempore. The clerk will state the nominations in the Army.

IN THE ARMY

The Chief Clerk proceeded to read sundry nominations in the Army.

The PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the President be notified of the nominations confirmed today.

The PRESIDENT pro tempore. Without objection, the President will be so notified.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

ORDER OF BUSINESS ON MONDAY

Mr. JOHNSON of Texas. Mr. President, I should like to call to the attention of all Senators who are interested in the military construction bill that following the morning hour on Monday we will proceed to its consideration, and that we hope we may be able to act on it promptly. Then we will take up the Niagara power bill, and we hope to complete action on it also on Monday.

I shall make further announcement of other measures we hope we may be able to consider, including Calendar No. 438, S. 1873, the civil aeronautics bill, in which the Senator from Minnesota is interested.

Mr. IVES. Mr. President, will the Senator yield for a question?

Mr. JOHNSON of Texas. I yield.

Mr. IVES. When will we have the memorial services for the late Senator George?

Mr. JOHNSON of Texas. At the conclusion of the morning hour. Then we will take up the military construction bill or the Niagara power bill. I am not sure which one we will take up first, but I believe it will be the military construction bill.

We will have the usual morning hour; memorial services for the late Senator George; and the call of the calendar, which will probably take no more than 10 or 15 minutes. Then we will consider the military construction bill, to be followed by the Niagara power bill. We will sit late on Monday, until 10 or 11 o'clock, if it is necessary, to consider those measures, and to consider other measures as well.

The House has not yet acted on the conference report on the public-works appropriation bill, and the House must act first on that conference report. I hope to be able to call it up on Tuesday or Wednesday; also the conference report on the mutual-security authorization bill.

RETIREMENT OF OFFICERS AND MEMBERS OF THE METROPOLITAN AND OTHER POLICE FORCES

Mr. JOHNSON of Texas. Mr. President, if morning business is concluded, I ask unanimous consent the Chair lay before the Senate the unfinished business.

The PRESIDENT pro tempore. The Chair lays before the Senate the unfinished business, which is H. R. 6517.

The Senate resumed the consideration of the bill (H. R. 6517) to provide for the retirement of officers and members of the Metropolitan Police Force, the Fire Department of the District of Columbia, the United States Park Police Force, the White House Police Force, and of certain officers and members of the United States Secret Service, and for other purposes.

Mr. JOHNSON of Texas. Mr. President, the pending bill is a controversial bill. There may be some yea-and-nay votes on it. I should like to ask the Senator from Delaware [Mr. WILLIAMS] whether he intends to offer amendments to the bill, and whether he anticipates more than one yea-and-nay vote.

Mr. WILLIAMS. I have no plan in regard to the bill. I merely wish to ask some questions with respect to it.

Mr. JOHNSON of Texas. Mr. President, I believe Senators should be notified that the bill is to be considered, and that there probably will be some yea-and-nay votes on it later. I ask the aides of the Senate to notify all Senators who may be interested in the bill. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BIBLE. Mr. President, the business pending before the Senate is H. R. 6517. The bill has been discussed on previous occasions.

The purpose of the bill is to increase the retirement and disability benefits of the officers and members of the Metropolitan Police force, the Fire Department of the District of Columbia, the White House Police force, the United States Park Police force, and of certain officers and members of the United States Secret Service.

At this time I wish to commend the Senator from Delaware [Mr. WILLIAMS] for the real contribution he has made in furtherance of the bill. He asked very pertinent and very important questions at a previous discussion of the bill. As a result of those questions, the bill was recommitted for further study.

I believe the study, the research, and the investigation which have been made, together with the report which has been filed, have all contributed toward showing the soundness, the validity, and the real value of the proposed legislation.

Since that time, too, I should add, the bill has had the careful scrutiny of the House Committee on the District of Columbia, which held full hearings. The bill which is before the Senate today has passed the House of Representatives.

This is the first measure to overhaul the police and firemen's retirement system in the District of Columbia since 1916. Following the enactment of the Civil Service Retirement Act amendments of 1956, it was felt that the members of the Police and Fire Department who came under section 12 of the act should be given the benefit of the more liberal provisions of the Civil Service Retirement Act.

The District of Columbia Commissioners and their representatives, together with representatives of the White House Police force, the United States Secret Service division, the United States Park Police, the Metropolitan Police Department, the Fire Department of the District of Columbia, and Police and Firemen's Associations, met on numerous occasions during the past year. As a result of their long, extended series of meetings, they submitted to our committee a bill which represented the joint efforts of the various groups and the various associations.

The bill before the Senate today has the favorable support of the Commissioners of the District of Columbia. I shall highlight a few of its provisions.

The bill provides that there shall be deducted and withheld from each employee's basic salary an amount equal to 6½ percent of such basic salary.

The bill provides for medical and hospital services for any member who becomes temporarily disabled by reason of injury received or disease contracted in the performance of duty.

The bill contains a very important new feature, which brings it into consonance with the Civil Service Retirement Act, that is, it provides nonservice connected disability benefits of 2 percent of the basic salary at the time of retirement, after 5 years of completed police or fire service, with a maximum limitation of 70 percent.

In addition, the bill provides for disability benefits for the service-connected injuries or diseases, increasing from the present permissible 50 percent maximum to a maximum of 70 percent. The minimum under the bill is 66⅔ percent, for service-connected injuries. The bill likewise provides that the minimum age at which a policeman or fireman may be eligible to retire, after 20 years of police or fire service, shall be 50.

The bill is in accord with the present provisions of the Civil Service Retirement Act, in so far as the hazardous occupations are concerned, the difference being that for one who serves in the FBI, the maximum is 80 percent, whereas under the District of Columbia Police Retirement System the maximum amount is 70 percent.

The costs to the District of Columbia—which constitute a factor which the distinguished Senator from Delaware developed very carefully and very thoughtfully in his piercing questions the last time the bill was before the Senate—are set forth in the report.

The bill, after being recommitted, received the unanimous approval of the committee.

Mr. President, let me say that those of us who serve on the District of Columbia Committee felt there was need for the enactment of legislation of this type. I believe Chief Murray made as able a presentation as I have ever heard regarding the dire necessity of retaining men in the police force of the District of Columbia. They are constantly leaving to accept employment in other Government agencies. It was felt that the retirement benefits now provided in the bill will constitute an added inducement to these men to remain in the police and fire services.

The entire presentation made at our very extended hearings showed the real need for the enactment of this proposed legislation. To me, it is significant that the Commissioners of the District of Columbia want the bill enacted and applied to the city of Washington, D. C., in order to increase the benefits which are to be made available to the men who daily render service in two of the most hazardous of all occupations—in the police work and the fire department work. The support of the bill by the District of Columbia Commissioners is, in itself, an excellent endorsement of the bill.

Primarily, Mr. President, I am interested—and I have so voted at previous sessions of the Congress—in having home rule provided for the people of the District of Columbia. Serving, as do the Members of Congress, in effect as the city council for the District of Columbia, I believe we should give great weight to the views of those who are primarily charged with the responsibility of conducting the affairs of the great city of Washington, D. C.

Mr. CLARK. Mr. President, will the Senator from Nevada yield?

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). Does the Senator from Nevada yield to the Senator from Pennsylvania?

Mr. BIBLE. I yield.

Mr. CLARK. Is it not a fact that presently there is some difficulty in recruiting a sufficient number of able and competent men for the District of Columbia police force?

Mr. BIBLE. The answer to the question is "Yes." At the last session, Congress authorized a strength of 2,500 men for the District of Columbia police force. If I correctly recall—and I believe my recollection is quite accurate—the present strength of the District of Columbia police force is only 2,300 men. In other words, presently the force is short 200 men, because of the difficulty of getting men to enter the police service in the District of Columbia.

Mr. CLARK. Mr. President, will the Senator from Nevada yield at this point?

Mr. BIBLE. I yield.

Mr. CLARK. I believe it to be a fact, which I would state for the RECORD—unless the Senator from Nevada disagrees with me—that the salary scale for the members of the District of Columbia police force is substantially below the salary scale for other large cities in the East, the South, and the West.

Mr. BIBLE. I do not know that it is substantially lower. I have here a table of the police salaries and fringe benefits in the case of cities of 500,000 and over in population, as of January 1, 1957. I ask unanimous consent that the table be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Police salaries and fringe benefits of cities of 500,000 and over in population, Jan. 1, 1957

	Private's entrance salary	Top salary of privates (patrolmen)	Corporal	Sergeant	Lieutenant	Captain	Inspector	Deputy chief	Chief	Longevity	Holiday pay	Number of policemen	Number of years to reach top private's pay
Los Angeles	$5,004	$5,868	None	$6,540	$7,296	$9,060	$11,280	$14,040	$15,000	Yes	None	4,252	4
San Francisco	5,268	5,969	None	6,660	7,344	9,168	----------	13,284	15,792	No	11	1,701	4
New York City	4,325	5,706	None	6,358	7,104	8,505	9,923	12,948	25,000	No	None	21,638	3
Detroit	4,881	5,502	None	5,856	6,416	None	7,603	11,689	13,059	Yes	None	4,509	3
Chicago	4,734	5,220	None	5,820	6,360	7,404	8,850	12,150	18,500	No	6	7,470	2
Washington	4,193	4,990	$5,472	5,936	6,460	7,085	8,335	9,094	13,438	Yes	8	2,500	3
Cleveland	3,718	4,514	None	5,424	5,982	7,080	7,728	8,810	11,352	No	6	1,802	3
Minneapolis	4,776	5,496	None	5,772	5,904	6,432	6,876	8,364	10,548	No	11	580	3
Milwaukee	?	4,737	None	5,347	5,861	6,940	8,530	9,754	10,890	No	8	1,272	3
Cincinnati	4,099	4,692	None	5,467	5,984	6,881	7,458	7,964	10,163	No	9	809	3
Philadelphia	3,583	4,500	None	5,160	5,652	6,480	7,430	9,333	10,000	No	13	4,763	5
Seattle	3,900	4,380	None	4,800	5,160	5,580	6,240	7,380	11,000	No	9	758	3
New Orleans	3,720	4,323	None	4,683	5,043	5,643	7,923	10,323	11,923	No	None	1,070	?
Buffalo	3,950	4,250	None	4,490	4,850	5,300	6,500	7,500	12,000	No	None	1,250	3
Houston	3,960	4,200	None	4,620	5,040	5,520	6,900	7,740	10,800	Yes	7	646	1
Boston	3,540	4,160	None	4,940	5,920	6,660	None	7,500	10,600	No	10	2,864	3
Baltimore	3,600	4,100	None	4,600	5,000	6,000	7,000	8,200	12,500	No	None	2,200	(?)
Dallas	3,420	3,900	None	4,200	4,500	4,980	6,180	7,020	10,500	Yes	6	765	(1)
St. Louis	3,480	3,840	$4,080	4,440	5,000	5,600	7,000	7,100	9,500	No	None	1,915	4
Pittsburgh	3,000	3,579	None	4,791	5,130	5,157	5,936	7,965	9,387	No	8	1,250	3

[1] 15 months.

City	Age	Years of service	Amount and retirement benefits
Los Angeles	55	25	40 percent.
San Francisco	55	25	50 percent average salary last 3 years. Compulsory at 65 years.
New York City	41	20	50 percent.
Detroit	?	25	50 percent last 5 years of patrolman's salary.
Chicago	55	25	50 percent at 55 years plus 1 percent each year to age 63.
Washington	55	25	50 percent. Compulsory, 64 years.
Cleveland	52	25	50 percent of highest 5 years plus 2 percent to 66 years of age.
Minneapolis	50	20	$207 per month.
Milwaukee	57	25	50 percent.
Cincinnati	52	25	¾.
Philadelphia	50	20	½ average highest 5 years salary.
Seattle	----------	25	45 percent 25 years service. 50 percent, 30 years service.
New Orleans	50	20	50 years applies to recruited since 1948. 50 percent plus 1 percent over 20 years not to exceed 30 years service.
Buffalo	----------	25	½ highest average 5 years salary.
Houston	55	25	Minimum, $75; maximum, $90 per month.
Boston	65–70	25	Under 30 years over 25 years ½ salary. Over 30 years service, ⅔ salary. Compulsory, 70 years.
Baltimore	----------	35	50 percent. Compulsory, 70 years.
Dallas	50	20	½ base pay of patrolman, regardless of rank.
St. Louis	60	35	½ average salary of last 10 years.
Pittsburgh	50	20	$135 per month up, depending on rank (information received from department not complete.

Mr. BIBLE. Mr. President, I think the District of Columbia, with a starting salary of $4,193, ranks somewhere in the neighborhood of seventh or eighth among the cities of comparable size in the United States.

Mr. CLARK. Does the table show what the maximum salary is?

Mr. BIBLE. The maximum salary is the salary being paid in the city of San Francisco; I refer to the salary for privates entering the service, the beginning salary for a raw recruit who enters the police force. San Francisco recruits at a salary of $5,268. Los Angeles pays $5,004.

Mr. CLARK. Does the table show the maximum salary which a patrolman in the District of Columbia will receive after he has had a number of years of service? My recollection is that in the case of the District of Columbia, the maximum salary is also somewhat lower than in the case of a number of other cities of comparable size.

Mr. BIBLE. I think that is also true. I believe that in this respect the District of Columbia again ranks about seventh or eighth among other cities of comparable size. The table I have had inserted in the RECORD shows this to be the case.

For instance, in the case of the District of Columbia, the salary for a police inspector is $8,335. The salary for a police inspector in the city of Los Angeles, for example, is $11,280. The salary of a police inspector in the city of Chicago is $8,850.

Mr. CLARK. Will the Senator from Nevada agree that if the bill is passed, the retirement privileges which will be accorded the members of the Metropolitan Police Force in the District of Columbia and the members of the District of Columbia Fire Department will not be so great as those presently enjoyed in a number of other cities, but merely will bring the District of Columbia policemen and firemen up to a sort of median position, among policemen and firemen employed by cities of comparable size and comparable economic background?

Mr. BIBLE. I believe that is approximately correct. The committee made a careful and earnest effort to obtain the figures for cities of comparable size. We believe the pending bill will bring the policemen and firemen of the District of Columbia into a proper position, as compared to the position of policemen and firemen in cities of comparable size—in other words, cities with populations of 500,000 and over.

Mr. CLARK. I am sure the Senator from Nevada will agree that the provision of fringe benefits of the sort provided by the pending bill—such as retirement benefits—and the increase of such fringe benefits constitute a very real inducement to young men in the District of Columbia to apply for employment as policemen and firemen. Thus to some extent it will remedy the present inability to recruit a top-level force for the District of Columbia, where a top-level force is required, in view of the necessity to maintain law and order in these difficult times.

Mr. BIBLE. I could not agree more fully with the Senator from Pennsylvania, who served with great distinction as the mayor of Philadelphia. Such was the absolute, straightforward, uncontradicted testimony of Major Murray, namely, that the bill, when enacted, will constitute one of the greatest inducements to the building up in the city of Washington, D. C., of one of the finest police forces in the United States.

Mr. CLARK. I thank the Senator from Nevada.

Mr. BIBLE. Mr. President, I am very happy to yield now to my distinguished colleague, the Senator from Maryland, if he is in the Chamber.

However, first I should like to state—this matter has been called to my attention—that in the pending bill, there is a provision—as an additional incentive or inducement to enter the police force and as an additional incentive to remain in the police force—that the annuity for optional retirement shall be computed at

the rate of 3 percent of the basic salary, instead of 2 percent, for each year of service, after a police officer has been in the service more than 20 years. The testimony by the Chief of Police, Major Murray, on that point was equally positive, namely, that this is felt to be an added incentive.

I should like to point out that the maximum which can be received under the provisions of the bill is 70 percent, whereas the maximum which can be received under the Civil Service Retirement Act, as it applies to those who serve in hazardous occupations—and we felt that it was fair to compare those who serve in the police and fire departments of the District of Columbia with those who serve in hazardous occupations in the service of the Federal Government, such as in the FBI, or those who serve as prison guards, or the Customs Service men or the Treasury men—is 80 percent. For those who serve the city of Washington, D. C., the maximum is 70 percent. But I wish to make it perfectly clear that after serving 20 years for the District of Columbia, they will be entitled to an additional 1 percent for each year's service.

Mr. President, I note that the distinguished Senator from Maryland [Mr. BEALL] is in the Chamber. He has been most active in connection with this proposed legisation. He has faithfully attended the hearings the committee has held. At this time I shall yield to him, in order that he may make whatever observations he may care to make.

Mr. LAUSCHE. Mr. President——

Mr. BIBLE. Mr. President, before I yield to the Senator from Maryland, I am very happy to yield to the Senator from Ohio.

Mr. LAUSCHE. Do I understand correctly that at the end of 20 years persons occupying these positions become entitled to retirement pay equal to 70 percent of their salaries?

Mr. BIBLE. No; that is the maximum. I wish to clarify that point. Perhaps I did not make it clear. The minimum age of retirement is 50. If a police officer is 50 years old and has served 20 years, he can retire at 40 percent of his salary. The most he could receive, if he were to serve an additional period of time, no matter how many years, would be a maximum of 70 percent.

Mr. LAUSCHE. That is, he has 1 percent a year added?

Mr. BIBLE. After age 50, and after 20 years of service.

To illustrate, if a man were 55 years of age and had served 25 years in the department, he would receive 40 percent for the first 20 years of service, and he would receive an additional 15 percent—3 times 5 for the additional 5 years—or a total retirement at age 55 of 55 percent.

Mr. LAUSCHE. How does the 70 percent enter into the discussion?

Mr. BIBLE. That is the maximum a policeman can receive. In other words, if a police officer remained in the service until he was 62, 63, or 64 years of age, even if we were to add the 2 and 3 percent, his retirement pay could not in any event exceed 70 percent.

Mr. LAUSCHE. If the 2 percent and 3 percent were added, when would they begin to be added?

Mr. BIBLE. The 2 percent would begin when he entered the service as a policeman. The 3 percent does not enter into the picture until he has served at least 20 years. But the maximum is 70 percent. In other words, if a policeman were 60 years of age, he would be entitled to retirement pay of 70 percent. If he served until he were 61 or 62 years of age, he would still have a maximum of 70 percent.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. BIBLE. I yield to the Senator from Pennsylvania.

Mr. CLARK. It occurs to me I might comment to my friend from Ohio, who was so distinguished a mayor of the city of Cleveland before he became Governor and then came to the Senate, that the purpose of fixing the retirement pay at 70 percent is to give an inducement to a man to retire at age 60, on the ground that he really ought to get out at that age because he could not receive additional retirement by staying in.

Mr. BIBLE. Mr. President, I yield the floor to the Senator from Maryland.

Mr. BEALL. Mr. President, I wish to congratulate the Senator from Nevada [Mr. BIBLE] for his work as chairman of the subcommittee. Hearings lasting many hours were held, and a great amount of work went into the bill. The bill was passed unanimously by the House of Representatives. It came from the Senate committee with a unanimous report of all Members present and voting.

Mr. President, the bill, H. R. 6517, was fully considered by the subcommittee, and we believe it is needed. The policemen and firemen of the District of Columbia are in dire need of a retirement system providing increased benefits. There are many problems in recruiting the kind of men we want in the Nation's Capital and in keeping their present members. We are hopeful that enactment of this bill will end the immediate problem.

This group of personnel in the District of Columbia have never had an increase in their retirement system since 1916. The bill would combine the Federal Employment Compensation Act and those sections of the Civil Service Retirement Act that deal with personnel engaged in hazardous employment, and give both of those benefits to the policemen and firemen of the District of Columbia.

The committee has determined that the cost of the bill would be approximately 1.3 percent higher, on a payroll basis, than under the aforesaid acts. For that reason we wholeheartedly recommend its passage.

In the ultimate, approximately 20 years hence it will cost approximately $1.8 million yearly to pay for this increase. We think that amount is very little to pay for the excellent police and fire systems we presently have in the District of Columbia.

If we can end many of the recruiting problems in the District, as we know we will by the result of the enactment of this bill, the savings to the District of Columbia in teaching and training new members will be great, and I believe that the bill will pay for itself in savings.

It costs a great deal of money to train policemen and firemen. It is perfectly ridiculous that the services of those men should be lost after they are trained. They can earn a sufficient living and secure more desirable employment elsewhere. The Police and Fire Departments of the District are competing for personnel with the Government departments, employment in which is perhaps more pleasant; and, because of the nature of their work, policemen and firemen have to have some inducement to stay on the forces.

Years ago, in my State there used to be a great demand for service on the police force. Today there is no such demand. Young men would rather go into other occupations which are more remunerative, and certainly safer.

For the reasons I have stated, I hope the bill will be passed.

Mr. THYE. Mr. President, I join the distinguished Senator from Maryland [Mr. BEALL] in paying tribute to the Senator from Nevada [Mr. BIBLE] as chairman of the subcommittee which reported the bill. I am in full support of the bill, as I was in support of it when the bill was before the Senate a few weeks ago. It is a good bill. It is a timely bill.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. WILLIAMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WILLIAMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILLIAMS. Mr. President, I should like to address a few questions to the chairman of the subcommittee, who has charge of the bill, the Senator from Nevada [Mr. BIBLE].

If I understand the Senator correctly, in explaining the bill to the Senate the Senator said it was the purpose of the committee to bring the metropolitan police and firemen's retirement system in line with the retirement formulas which are accorded to other law-enforcement officers under the Civil Service Retirement Act. Is my understanding correct?

Mr. BIBLE. Those engaged in hazardous occupations. As the report shows, I think to make a true comparison one has to take into consideration not only the Civil Service Retirement Act, but the Federal Employees Compensation Act as well, because of its disability provisions.

Mr. WILLIAMS. Then is it definitely agreed that the purpose of the committee is to accord to the employees covered by the bill the benefits which are provided for law-enforcement officers under the Civil Service Retirement Act?

Mr. BIBLE. The Senator is correct. There are some small, minor differences,

but in general that is the purpose of the committee.

Mr. WILLIAMS. When a comparable bill was before the Senate on June 3, at which time it was debated, I addressed to the Senator from Pennsylvania [Mr. CLARK], as follows:

How does the formula provided in the bill for the computation of annuities compare with that prevailing under the regular Civil Service Act?

And that the Senator from Pennsylvania [Mr. CLARK] replied:

It is my understanding that it is identical.

While I understand the word "identical" is not necessarily held to mean to include commas and periods, in substance it was the intention of the committee that the formula be substantially the same, was it not?

Mr. BIBLE. Is the Senator addressing the question to me?

Mr. WILLIAMS. Yes.

Mr. BIBLE. The purpose is, as I tried to say in my opening statement, to bring the benefits of the bill which is now before the Senate into close conformity with those granted to civil-service retirees who were employed in hazardous occupations, taking into consideration the benefits they have under the Federal Employees Compensation Act, which are additional benefits over and above those provided in the Civil Service Retirement Act.

I think in fairness we have to do that. The difficulty is in comparing the two formulas down to the last dotted "i" and crossed "t." In general, comparing the formulas in that manner, the pending bill would be comparable with the Civil Service Retirement Act insofar as it deals with those engaged in hazardous occupations plus the benefits they may receive from the Federal Employees Compensation Act. Under these assumptions the benefits are very close to being the same.

Mr. WILLIAMS. Mr. President, I appreciate the statement of the Senator from Nevada. I am sure he made it with the best of intentions. However, I am a little puzzled as to how to reconcile that statement with the statement made by the Civil Service Commission, as prepared in connection with the Director of the Bureau of the Budget. I addressed the question to the Civil Service Commission, and asked them what the additional cost would be to the United States Government if we were to extend to the employees under the Civil Service Retirement System benefits comparable to those provided for under this bill. I have received a letter under date of July 31, 1957, signed by the chairman, Harris Ellsworth, and I quote only one paragraph:

We find no material cost differences between S. 1770 and H. R. 6517. Hence our previous estimate still holds; that is, that if the proposed policemen's and firemen's benefit provisions were extended to the Civil Service Retirement System the Government's annual retirement cost would be increased by 13½ percent of payroll, or by more than $1.2 billion per year.

Mr. President, that, in my book, is a substantial item. Surely one cannot say that these two provisions are anywhere near a comparison.

I should like to ask a question of the chairman of the subcommittee. Is there any difference between the bill presently before the Senate and the bill which was recommitted under date of June 3? Is it not true that the subcommitee has reported back a bill identical to that previously rejected by the Senate?

Mr. BIBLE. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. BIBLE. Let me answer first questions first.

The Senator from Delaware has read a letter from the Chairman of the Civil Service Commission, saying that annual retirement costs would increase some 13 percent if the benefits provided by the pending bill were extended to one compared with the civil-service retirement system. I do not disagree with the statement of the Chairman of the Civil Service Commission, but the comparison which must be made, if it is desired to make a comparison, is between the provisions of the pending bill and those of the Civil Service Retirement Act, covering hazardous duty occupations. The letter the Senator read embraces everyone in the civil-service retirement system, including secretaries, stenographers, and all general employees. That statement is not limited only to hazardous occupations.

The table which appears in the report of the committee on page 7, indicates that the total excess cost of the pending bill as compared to the Civil Service Retirement Act, insofar as it deals with those persons engaged in hazardous occupations, and under the Federal Employees Compensation Act, is 1.33 percent. We have prepared a table showing the various components making up that difference.

The second question was whether this bill was identical with the bill formerly before the Senate. The answer is that it is not identical. The House bill made one very important change, and that was that the act would become effective, if the bill were passed, as of October 1, 1946. The House bill provided that those desiring the benefits of the act should pay retroactively to October 1. There is a difference in that respect. We would adopt that change. There is one other minor clarification.

Mr. WILLIAMS. There still is no difference in the two bills so far as the formula is concerned, or so far as the cost is concerned, whether the bill is made retroactive to October 1 or not.

Mr. BIBLE. Let me say to my distinguished friend that the only difference is that a greater payment is required from those now in the police and fire service of the District of Columbia.

Mr. WILLIAMS. That is true. It has been estimated that that difference would amount to about $6,000 or $8,000. However, the figure we are discussing is a little larger than that.

I am speaking about the difference in the retirement formula. Under the Civil Service Retirement Act, the highest benefits accrue to law-enforcement officers, such as FBI agents and others engaged in hazardous occupations. That classification includes revenue agents and some others who are engaged in a hazardous job. Men working in that capacity would be paying into the retirement fund identical amounts, or identical percentages, with these employees. They would be paying 6½ percent. There is no difference in the employee contribution. Yet an employee in a hazardous occupation under the Civil Service Retirement Act who puts in 30 years' service and retires is eligible to retirement pay of $3,600.

Under the terms of the pending bill, an employee to whom the bill would apply would be eligible to receive retirement pay of $4,200, or $600 more than the other employee. In addition, he would receive many other benefits.

Under the Civil Service Retirement Act, if a law-enforcement officer, engaged in a most hazardous occupation, works for 5 years, he is eligible for retirement based only upon his 5-year contribution. When he retired he would be eligible for retirement benefits roughly estimated at $1,000. If he died, his widow would be eligible for a reduced retirement benefit, which would be half of two-thirds of the $1,000.

Under the terms of the pending bill, we would guarantee that every widow, regardless of the period of service her husband might have had, even if it were only 1 year, would receive a minimum of $1,800. Is that not true?

Mr. BIBLE. That is correct.

Mr. WILLIAMS. The Senator will admit that that is a substantial difference. There are today many retired employees who are receiving less than $100 a month under this same system because they were separated from the service before they had established very much credit under the system. They are drawing from $75 to $100 a month. Under the terms of the pending bill, if such a man died, his widow would receive $1,800, or twice as much as the man himself was receiving in retirement benefits. By what kind of reasoning is a man worth more dead than alive?

Mr. BIBLE. I am very happy to have the views of the Senator from Delaware.

Mr. WILLIAMS. If any Senator wishes to challenge my statement, I ask him to do so.

Mr. BIBLE. I have some difficulty in hearing the Senator from Delaware. I was not aware that he was posing a question.

Mr. WILLIAMS. I will repeat it. We were comparing the situation of employees who would come under the terms of the pending bill, if enacted, with that of employees under the Civil Service Retirement Act who are engaged in hazardous occupations. A man under the District bill may be drawing a pension of $100 a month, by virtue of the fact that he has not worked very long. Under the terms of the pending bill, the minimum payment any widow would draw would be $1,800, even though her husband had only 1 year's service under the system. Is that correct?

Mr. BIBLE. The Senator is making a comparison with the Civil Service Retirement Act.

Mr. WILLIAMS. The Senator from Nevada, and not I, made a comparison with the Civil Service Retirement Act. The Senator told the Senate that his committee was trying to bring these provisions up to the level of the benefits available in the case of law-enforcement officers under the Civil Service Retirement Act. I think we need a bill which would do exactly that, but I am pointing out that the pending bill goes far beyond that. If I am mistaken, I should like to have my statement challenged.

Mr. BIBLE. I challenge the statement, because I say that the comparison we must make is not only a comparison between the pending bill and the Civil Service Retirement Act, but a comparison with the Civil Service Retirement Act and the Federal Employees Compensation Act.

Mr. WILLIAMS. I shall get to that comparison in a moment.

I have raised only one point with respect to the minimum payments so far as widows are concerned. I say that under the Civil Service Retirement Act there is no minimum, but under this bill there is. Two employees may be working side by side in the District of Columbia, doing comparable work. Both are paying 6½ percent into the retirement fund. Both are drawing checks from the United States Government. Both are classified as Government employees; yet one would be covered by the terms of the bill, if enacted, and the other would be covered by the Civil Service Retirement Act. The one who would be covered by the terms of this bill would receive 50 or 75 percent more retirement benefits than the other employee. I do not think any member of the committee can dispute that point. I cannot reconcile the two situations.

Mr. THYE. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. THYE. As I understand, the difference in compensation arises from the fact that in one case the occupation is listed as hazardous, and in the other case it is considered as ordinary Federal civil-service employment. Is that the situation?

Mr. WILLIAMS. No. I am not speaking of a comparison between hazardous employment and clerical duty. I am speaking of comparable duty. There are men in the District of Columbia doing guard duty in the parks. There are two classes of employees. One class is called guards, and the other is called police. They are doing the same type of work. Perhaps one has greater powers to arrest than the other, but they are doing essentially the same kind of work. There are 54 such employees in parks in the District of Columbia who would not be covered by the terms of the pending bill. They are working side by side with men who would be covered by the bill.

I will not use names, because that would be unfair, but I know of six men who are doing police duty in the Capitol. They are already eligible for benefits under the District system. They are working alongside some of those policemen whom Senators have appointed here in the Capitol.

Both men do equally hazardous work. Both pay 6½ percent into the fund. Yet 1 employee will receive 50 percent more retirement benefits for his 6½ percent than the other.

Mr. BIBLE. I do not know how many cases there are of that kind.

Mr. WILLIAMS. I know of only 6; but if there is only 1, that is too many.

Mr. BIBLE. Possibly there are some discrepancies or irregularities. Perhaps there are provisions in the Civil Service Retirement Act which might well be corrected. I do not believe that fact would make the pending bill wrong.

Mr. WILLIAMS. I am pointing out these inequities. According to the Department of the Interior there are men outside Washington who are doing comparable duty. I asked the Department to compile a list. There are a total of 346 outside Washington who are doing comparable duty. There are 189 in the city of Washington. All of them are doing comparable duty, the same as the other 54 I have mentioned. All of them are doing equally hazardous work, according to the Department of the Interior. They are all paying 6½ percent into a retirement fund. Yet some of them when retiring will retire on 50 percent less retirement benefits than are provided under the terms of the pending bill. A man in Minnesota, who is working for the United States Government and drawing a check for guarding a park in the State of Minnesota is entitled to just as great retirement benefits as is a man on guard duty in the city of Washington.

They both make the same contribution of 6½ percent to the fund, why not let them have the same benefits?

Mr. THYE. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. THYE. The Senator referred to a man working in a park area being listed as a guard. Does he receive the same retirement compensation as does a man stationed in the downtown area of Washington, or at the Capitol, but who is a District of Columbia policeman? Is that the comparison? Is there a difference between a policeman's compensation under the provisions of the Retirement Act, if he happens to be a member of the police force in the District of Columbia, and the retirement compensation of a guard stationed in a national park?

Mr. WILLIAMS. For the moment, I am not talking about the police in the District. This bill, if enacted, would cover not only the Metropolitan Police and firemen, but also Park Police in the District of Columbia and some members of the Secret Service.

In the District of Columbia there are the Park Police who are on guard in the parks. Then there is another classification called guards. The latter employees are classified solely as guards. The pending bill would take in the employees who are called Park Police and who serve in the parks, but the men who are classified as guards in the same area would be left out.

Mr. THYE. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. THYE. What is the difference in the salary between a guard and a policeman in the parks?

Mr. WILLIAMS. The salaries are comparable. I do not believe there is any difference, although I do not have the exact information on that point.

Mr. THYE. What are the duties which are prescribed for policemen and the duties which are prescribed for guards in the parks?

Mr. WILLIAMS. None, except so far as the line of authority is concerned, as it applies to policemen. Throughout the country this type employees are called guards and rangers. A guard on duty at one of our national monuments, such as Arlington, is not included in the bill. If the guard is on duty within the Capitol, he may be included in the bill.

The bill was submitted to us on the basis that it was designed to bring the law-enforcement officers' retirement system in the District of Columbia up to the level of the law-enforcement officers' retirement benefits under the civil-service system.

I said before, and I repeat, that I am fully in accord with such a plan, but I say the committee has not done that.

The bill was before the Senate on a previous occasion. I do not believe the members of the committee knew what was in the bill at that time. That is not an exaggeration, Mr. President. Now the committee comes back with the same bill. The only argument I have heard in favor of the bill is, we have the votes. Perhaps you have the votes here today, but someday you will have to answer to the other employees who are doing equally hazardous work, but are not getting comparable benefits.

I should like to point out also—to show how this bill will work—that an employee can retire from police employment downtown, as a member of the city employees' retirement system, and come to the Capitol and get a job here. One man has done that. I will not mention his name, because he is not doing anything illegal. The trouble is with the system, which Congress has authorized. We either approve it or stop it. It is entirely up to us. As I said, one man retired from the police force downtown because of disability. He retired because of disability; presumably he was unable to work in the District of Columbia as a policeman. Therefore he has been held eligible by the District of Columbia to receive a pension of $374.29 a month. That man is holding a job today in the Capitol. He is on duty today, drawing $6,248.40 a year. How disabled is he? What kind of police force do we have, Mr. President? He collects his pension and his salary both.

Not only that, but if that man remains in employment here for 5 years, he will be drawing retirement pay under two systems, because he now can qualify under the civil-service retirement system. He can qualify under the Civil Service Retirement Act as a result of his employment on the Hill. I do not think that is right.

The Government contributes a substantial part of the cost of this system in the District through appropriations.

If he can do the work of a $6,000 man on the Capitol Police, how can he be classified as disabled under another retirement system?

Mr. BEALL and Mr. JOHNSTON of South Carolina addressed the Chair.

The PRESIDING OFFICER. Does the Senator yield, and if so, to whom?

Mr. WILLIAMS. I yield first to the Senator from Maryland.

Mr. BEALL. There may be some other irregularities which the Senator has in mind, but I wish to point out to him that we are concerned with a particular bill. The Senator is apparently talking about something else, and I would suggest that he take it up with the appropriate committee. We are interested in a particular bill, which has been reported by our committee.

Mr. WILLIAMS. I am interested in the pending bill but I do not want to see a precedent established here that will create many inequities to correct later.

Mr. BEALL. I should like to read some testimony given before the Subcommittee on Fiscal Affairs of the District of Columbia Committee. The testimony was given by Mr. Warren B. Terry, Director of Personnel, Department of the Interior. In answer to a question by the Senator from Nevada [Mr. BIBLE] as to what the difference was between a park policeman and park rangers or guards, Mr. Terry said:

> Mr. TERRY. I will speak to it and perhaps Mr. Gartside can add to that. United States Park Police policies are concerned with all of the kinds of violations that occur in the metropolitan area. This includes not only the heavy traffic problems but also the criminal elements that they may come into contact with. Thus their responsibilities are similar to those of any of the police force of any larger metropolitan area.
>
> In the other national parks, for example, in our own State, the main problems that are encountered by a park ranger as a law enforcement officer would be relatively minor in that they might concern themselves on the Blue Ridge Parkway, for example, with some traffic enforcement, with the prolem of vandalism, with the question of keeping the peace and matters of that nature.

The Senator can see that there is a considerable difference between the duties of metropolitan policemen and of a man on duty in the parks. There is a difference in the duties and in the compensation. The duties and compensation in the District of Columbia area are comparable with those in other large cities. We are not out of line in that respect. We are talking about a particular bill, I remind the Senator. If the Senator from Delaware wishes to change some other conditions, he should take them up with the appropriate committee.

Mr. WILLIAMS. I point out to the Senator from Maryland that I am not talking about other proposed legislation. You said this bill only brought the benefits of this group to a comparable basis with other employees doing hazardous work for the Government. That statement was wrong.

Mr. BEALL. I should also like to point out to the Senator that the duties of a park ranger are fundamentally public-relations duties. The rangers are essentially public-relations employees. Their duties are considerably different from those of a metropolitan policeman.

Mr. WILLIAMS. I am not raising the point that the rangers or the policemen are not doing excellent work. I am saying that this bill is not properly represented when the committee claims it only brings benefits of this group to a par with other law enforcement officers covered by the Civil Service Retirement Act.

I would not admit that it is more hazardous to be on duty in a park in the District of Columbia than in any other park. Some people may think it is more hazardous for those in the District because Members of Congress reside here. [Laughter.] I point out that there are 54 guards on duty in the parks in the District of Columbia who are not covered by the pending bill. Those men are left out. On the other hand, 189 others are taken in under the bill. What is the difference in the duties?

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. JOHNSTON of South Carolina. I merely wish to call attention to the fact that the bill has been tightened up with regard to retirement for disability. It deals with a person who is disabled and retires and goes elsewhere and obtains other employment. That is not permitted under the pending bill. I refer the Senator to pages 14 and 15. Under the present law the Senator will find if a person has employment, an amount of retirement annuity received is deducted from his salary. That is true at the present time. In the future, if a person who is retired becomes able to work, he does not receive retirement pay. I believe that is correct.

Mr. BIBLE. The Senator is correct.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. WILLIAMS. I venture to say that there is not a member of the committee who will say that the man I referred to will be fired. I have other cases. Another man receives a pension of $279.91, as a former policeman on the Metropolitan Police force, and he, too, is now working in the Capitol. He is working here as a guard for the Capitol. He is earning $4,501.50 a year.

A third man receives a pension of $274.54. He will get an increase in his retirement under the bill, bringing his amount up to $366.06 a month. At the same time he is employed at the Capitol and receives a salary of $4,501.50. Perhaps he is listening to me now. These men to whom I refer are drawing their pay. I ask how these men can qualify for civil-service-retirement benefits under the present law and at the same time draw the other benefits.

I should like to ask another question. Under the Metropolitan Police retirement system, a man who is in that system can claim credit for military service. The same feature is included in other systems, and there is nothing wrong with that. Under the Metropolitan Police retirement system a policeman can count his military service for credit purposes. Is that correct?

Mr. BIBLE. I believe the Senator is correct. That is true with respect to all the retirement systems.

Mr. WILLIAMS. Under the Civil Service Retirement Act employees can likewise claim credit for military service.

Also, it is recognized by the Civil Service Commission that an individual employee may have worked for a State or city government—for instance, for the State of Delaware or the city of Wilmington—and qualified for a pension system under that city government or under the State government, and also receive credit for service in the military establishment. Then later, if that man gets a job with the United States Government, he can also get credit for military service under the United States civil service retirement system, because there is no connection between his State or municipal employment and his Government employment. My question is, Can the individuals to whom I have referred as having qualified under the Metropolitan police retirement fund, if they are veterans and have been given credit for their military service under that system, now get credit for military service under the civil service retirement fund by virtue of the fact that they are working here? And what is there in the bill to prevent it?

Mr. BIBLE. I am frank to confess that I have great difficulty in working out my poor little old income tax, let alone trying to answer the involved question of the Senator from Delaware.

I am advised that there is nothing specific in the present law which prohibits a retiree from receiving retirement from both systems; but, as a matter of ruling, it has not been done. It cannot be done.

The Senator from Delaware asked me to point to a specific statute that says it cannot be done. I cannot do it. I have no objection to having this matter clarified.

Mr. WILLIAMS. Is it not a fact that there is nothing in the bill—at least no one has been able to find anything in the bill—which would prevent persons from claiming military service in duplicate? I have asked that question, and have been answered that there is nothing. They definitely can qualify under both retirement systems.

Mr. BIBLE. My understanding is that there is a ruling on that question from the Comptroller General of the United States, to the effect that that practice cannot be followed. I have no objection to including such a prohibition.

Mr. WILLIAMS. I have been advised that the Comptroller General has ruled, as a matter of practice, that duplicate credit for military service is not permissible. But on what basis is this ruling made? Is the ruling based on the fact that, the Comptroller General of the United States, recognized the Metropolitan Police retirement fund in the District of Columbia as being a Government retirement fund?

If he rules that this retirement fund was a Government fund, was not the Government automatically, by his ruling, responsible for the payment if the District of Columbia government defaulted? I am advised that the answer would have to be "Yes."

I think we will find that the Comptroller General will hesitate a while before he issues a ruling in which he commits the United States Government to underwrite the payment. If he is going to recognize it as being a Government retirement system, then the Government must be responsible for the payment.

I think the bill should go back to the District of Columbia Committee, and that that committee should sit down with the members of the Committee on Post Office and Civil Service to work out a bill which will do what it is said is intended to be accomplished. I do not believe we should be considering a bill which is full of loopholes.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. LAUSCHE. At the very beginning, I express my commendation to the Senator from Delaware for concerning himself about the possibility that in the efforts to remove inequities, we may create new ones, and that then the new inequities later will be used as the basis for new demands to remove inequities, only resulting in another inequity.

Mr. WILLIAMS. That is correct. That is the point I raise.

The cost of this particular bill, I will readily admit, in comparison to the size of many bills which we handle, is small. But this is the first of the bills with which we are dealing in connection with retirement. We have on the calendar other retirement bills. Any employee of the United States Government has the right to demand that Congress give equal treatment for equal contributions, and equal payment for equal work.

Mr. LAUSCHE. That is the principle for which the Senator from Delaware is fighting. Will the Senator repeat the situation described by him a moment ago, in which he said that between two employees, engaged at similar work, attended by similar hazards, there is a great disparity so far as the amounts they receive as retirement pay are concerned?

Mr. WILLIAMS. I have a letter from the Department of the Interior, which states that there are 189 United States Park Police in the District of Columbia who will be covered by the bill. Those park police will be paying 6½ percent into the Metropolitan Police Retirement Fund if the bill shall be enacted. Those persons at the same time are drawing checks from the United States Government, and they are bona fide employees of the United States Government. They are paying into the city retirement fund.

At the same time, 54 employees of the United States Park Police are working as guards in the parks of the District of Columbia. What the difference between a guard and a park policeman is, I do not know. But certainly their work is comparable. Yet, while those 54 men will be paying into the fund 6½ percent, the same as the other employees are paying, they will draw out substantially less benefits.

In addition, there are 357 rangers—guards, as they are generally called—in other States of the Union, who operate as Government Park Police or guards. These are employees of the United States Government and pay 6½ percent of their earnings into the retirement fund. They do equally hazardous work, but they will draw only from one-half to two-thirds the amounts which will be received by the United States Park Police in the District of Columbia.

I also point out that many members of the FBI occupy hazardous positions. I am not speaking of the clerks, but those who are ruled to be working in the most hazardous positions of the FBI. They also will draw retirement benefits from 25 to 50 percent less than the benefits which will be received by the police in the District of Columbia under the bill, if it shall be enacted.

Mr. LAUSCHE. I have not heard any explanation to justify the disparity between the pay received by the rangers and park guards and that received by policemen and firemen in the District of Columbia.

Mr. WILLIAMS. There is no attempt to justify any difference. We have been told throughout the debate that there is no difference, but it is apparent that there is a difference.

I say again that an FBI agent drawing $6,000 a year, and having 30 years' service, will upon retirement draw about $3,600 a year under the Civil Service Retirement Act. A member of the Metropolitan Police or the United States Park Police, or anyone else covered under the bill, serving in the most hazardous position, would draw $4,200. In addition, his widow would get a minimum of $1,800.

If the FBI man had worked only 5 years, he would be eligible for a $600 or an $800 pension. His widow, of course, would be eligible for from one-half to two-thirds. But if a Metropolitan policeman worked only 1 month, he would qualify, because the bill provides no minimum and his widow be eligible for a minimum payment of $1,800.

I am not speaking of the FBI man injured in the line of duty; I am speaking of the FBI man who would come under the general retirement law. That FBI agent, who was engaged in hazardous duty, under the Civil Service Retirement Act, must put in a minimum of 5 years. But under this bill, the policeman or fireman would not have to be employed for a minimum period; all he would have to do would be to get on the payroll.

There is another inequity as compared to the civil-service retirement system which I shall mention. When an employee is retired under the civil-service retirement system and draws X amount as retirement, that is the limit; he receives no more. Congress may change the retirement formula later to increase the benefits. But unless Congress passes a law to benefit such a person directly, that is as far as the Government's legal obligation is concerned; that is what he receives.

But under this bill, the retirement benefits will continue to increase over the years to come. If a man is retired at 50 years of age on an annuity, and the man who takes his position gets an increase in salary 1 year, 5 years, or 10 years from now for the same type of job, the retiree of the years prior thereto will automatically receive an increase in his pension. That is not done under any other system.

Perhaps that is the practice which Congress wants. But if it is, let us act with our eyes open. Let us say that in increasing the benefits we are willing to do likewise for all law-enforcement officers engaged in equally hazardous work. I am not arguing whether we should or should not; I am directing my argument against the committee claim that the benefits under this bill are the same as the benefits of law-enforcement officers under the civil-service retirement system. That is not right.

Mr. LAUSCHE. Has the Senator from Delaware heard any explanation of why the FBI retirement pay should be $3,600, while under the bill persons doing similar work will be getting $4,200?

Mr. WILLIAMS. I have no explanation; neither have I heard anyone take exception to the statement that that will occur. That is only one example. It could be followed all the way through. There is no comparison between the benefits which will be received under the bill and those provided employees engaged in hazardous work in other fields.

Mr. BEALL. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. BEALL. We tried to show that Mr. Terry, who is the Director of Personnel in the Department of the Interior, said there was a considerable difference in the duties of the two types of officers. These men——

Mr. WILLIAMS. I ask the Senator to wait a moment, please. I am referring to the hazardous jobs.

Mr. BEALL. The men to whom the Senator from Delaware has been referring are public relations men. They even call in the police when arrests have to be made.

Mr. WILLIAMS. You cannot dispute the statement that benefits in this bill are higher than the formula in the civil service retirement system. I am told that only those who do comparable work are referred by the Department. But the case I was discussing with the Senator from Ohio——

Mr. BEALL. I have been quoting the Department of the Interior.

Mr. WILLIAMS. I should like to have the opinion of the Senator from Maryland.

I referred to the situation in the case of an FBI agent. I said that, for purposes of computation, we would use the salary figure $6,000. Such a person is considered to be serving in one of the most hazardous jobs under the Government. The maximum to which he would be entitled upon retirement with 30 years' service under the civil service retirement system would be $3,600. Under the provisions of the pending bill, a District of Columbia policeman or fireman or member of the Park Police, and also some members of the Secret Service, after having served at the same salary, and for the same number of years, would be entitled to retirement pay of $4,200, as against the $3,600. I say those two figures cannot be reconciled.

In addition, the FBI agent must serve a minimum of 5 years in order to be eligible to receive correspondingly lower

retirement benefits. In addition, he can retire at a minimum of 40 percent of his salary. I am not referring to retirement for a service-connected disability. I think both systems have provisions for retirement for service-connected disability, and they should have. But, under the provisions of the bill, retirement for non-service-connected disability is provided for, with a minimum of 40 percent of the person's basic salary, even though he may have received that salary for only 1 month or 1 year of his service. I have not found in the bill any provision of a minimum amount of service being required. On the other hand, in the case of the FBI, an employee must serve for 5 years, in order to qualify for any benefit at all.

Today, under the District of Columbia system there are six retirees who are receiving retirement benefits in the amount of $1,000 or less. If the bill is enacted—and in making this statement I am assuming that those retirees are married men—they will continue to receive the same amount until they die. But after they die, their widows will receive a minimum of $1,800. I do not understand it.

Mr. LAUSCHE. Mr. President, will the Senator from Delaware yield to me?

The PRESIDING OFFICER (Mr. COTTON in the chair). Does the Senator from Delaware yield to the Senator from Ohio?

Mr. WILLIAMS. I yield.

Mr. LAUSCHE. I have listened with interest to the statement that in the case of retirement for a disability not related to the work performed, there would be minimum compensation in the amount of 40 percent.

Mr. WILLIAMS. Forty percent of his last salary; yes.

Mr. LAUSCHE. What is the general rule in the case of all other Federal employees under similar conditions?

Mr. WILLIAMS. They receive some benefits, under some conditions, under the Employees Compensation Act, but nowhere near 40 percent.

Furthermore, the civil service retirement system provides no benefits in the case of retirement for non-service-connected disability. Retirement for service-connected disability is taken care of by all the systems, and it should be.

Mr. LAUSCHE. Does the Senator from Delaware know what principle was applied in selecting 40 percent as an absolute minimum, even though in the case of other services there is no such minimum?

Mr. WILLIAMS. I do not know. Certainly it cannot be said that they were trying to bring this retirement system up to a par with the civil service retirement system applicable to law-enforcement officers, because in the latter case there is no minimum.

Furthermore, a law-enforcement officer serving in the most hazardous sort of job, must, under the civil service retirement system, not only serve for 5 years, in order to qualify at all; but when his pension is computed, it is computed on the basis of the average of the highest salary for any 5-year period, whereas under the provisions of the pending bill such a person will be able to work at a low salary for 29 years, but then, if in the 30th year he receives a promotion, he will be able to have the higher salary he receives in the 30th year used as the basis for making the computation, instead of using the average of his salary during a period of 5 years.

Furthermore, under the provisions of the pending bill, if such a person receives a promotion only 30 days before he is discharged, or even if he receives a promotion in the amount of $1,000 just the day before he is discharged, his annuity will be increased in proportion, just as if he had received that greater amount of salary for the entire 30 years of his employment.

Mr. President, I have said that six former employees have been receiving $1,000 or less from the District of Columbia, as retirement, by virtue of having served for a short period of time. There are 21 who receive between $1,000 and $2,000 a year. Under the provisions of the bill, their widows would receive a minimum of $1,800; that would be the case following the death of those men. I say that we are certainly establishing quite a precedent when we move into a range in which a man is worth almost twice as much when dead as when he is alive.

Furthermore, under the bill, the provisions are from 20 percent to 30 percent higher if a man is retired by virtue of disability, as compared with ordinary retirement. There are now on retirement, under this system, 1,356 persons, who draw regular retirement benefits under the system; and there are 1,175 who are on retirement by virtue of disability.

I happened to check on the six to whom I have referred. I know they were working today as members of the Capitol Police Force, where they are on the payroll at salaries of between $4,500 and $6,250. They are working as guards for the Senate and the House of Representatives. But they are rated as disabled, and simultaneously they are drawing retirement checks from downtown, on the basis that that is a separate system, not a Federal Government system. Some of them are receiving monthly payments of as much as $375.

As I pointed out yesterday the rules of the Comptroller General are that when a man is drawing a retirement check from a Government retirement system, he must lose that check when he accepts employment from the United States Government. But another ruling of the Comptroller General had been that a man could not receive dual credit for military service under both these systems, by virtue of the fact that the District retirement fund is recognized as Government retirement systems. Obviously those two rules are in contradiction of each other if the funds are both Government funds then these men cannot draw a salary and a pension simultaneously. If they are separate and the District fund is ruled not governmental then how can they deny credit for military service under both systems? The law does not correct this situation.

Mr. BIBLE. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS. I yield.

Mr. BIBLE. If the Senator from Delaware has an amendment to take care of that situation, I shall be very happy to have it adopted.

Mr. WILLIAMS. Several amendments would be required to correct these inequities and the floor of the Senate is not the proper place to deal with such a delicate problem.

Mr. MUNDT. Mr. President, will the Senator from Delaware yield to me?

Mr. WILLIAMS. I yield.

Mr. MUNDT. Do I correctly understand that the Senator from Delaware has some amendments to correct the inequities he has been describing? In view of the way he has gone into the matter, it would seem to one who has just begun to hear the colloquy that the bill has as many bugs as a shepherd dog at flea time. We had better get the bugs out of the bill.

Mr. WILLIAMS. Mr. President, when we are dealing with the security of elderly men and women, naturally we wish to be sure we are correct; and I do not think the floor of the Senate of the United States is the proper place to have such measures written. That is why I think this should be done in the committee and that the bill should be recommitted.

Mr. MUNDT. Certainly I should like to do something for the benefit of the employees of the District of Columbia, who are talking to us and lobbying with us and visiting with us about their needs. We should aid them. I say their needs are realistic. But certainly we do not want to engage in a wild adventure which has so many inconsistencies and incongruities as those the Senator from Delaware has been describing in lightninglike fashion. If the amendments which the Senator says he has in mind are too complicated to handle on the floor of the Senate, are they in such form that, if the bill were recommitted, he could appear before the appropriate committees and their personnel, iron the amendments out, and enable us to solve the problem once and for all?

Mr. WILLIAMS. I should be only too glad to work with the committee. I said that before on many occasions but they did not seem interested.

Mr. MUNDT. Does the Senator anticipate there would be any undue delay?

Mr. WILLIAMS. No. I think it could be worked out very promptly. I believe the retirement laws for the District of Columbia need revision. I am fully in accord with making the benefits of those under the system equal to those which any law-enforcement officer gets under the civil service retirement system, and having them pay no more for it. I have been in agreement with that.

Mr. MUNDT. What the Senator is undertaking to do is get some equity.

Mr. WILLIAMS. What I am trying to do is to get some equity for the same type of employees.

Mr. MUNDT. It is very difficult for me to vote for such a bill when in the Black Hills of South Dakota, where national parks and Federal activities are located, I see persons who are doing exactly the same kind of work, getting the same type of salaries, and making the same 6½ percent contribution into the retirement fund, being discriminated against to the extent of 50 percent. I

do not see how any Senator could be expected to vote for a bill which discriminates against his own constituents as this bill appears to do, if what the Senator from Delaware says is accurate. The committee does not seem to challenge his statements. If the committee does not challenge them, we must accept them as facts.

Mr. WILLIAMS. If widows of employees in the States get only $75 a month, Senators will have a lot of explaining to do if they vote for a bill which provides widows here in the District with a minimum of $1,800 a year under the pending bill, because there is no such minimum in the other act.

Mr. MUNDT. A Senator would not be able to explain perpetrating that kind of injustice on his people. If the arithmetic and deductions of the Senator from Delaware are correct, it would be an imposition to ask Members of the Senate to vote directly against the interests of their own people. If the committee could show us that what the Senator from Delaware has said is an error, I would like to vote for the District of Columbia retirement bill; but I certainly am not willing to vote for such a bill when Government employees in South Dakota, who also contribute 6½ percent into the retirement fund, will get only 50 percent of the benefits that an employee of the District of Columbia would get, although they are doing the same kind of work so far as hazards are concerned.

Mr. THYE. Mr. President, will the Senator yield?

Mr. MUNDT. I should like to get an answer to my question.

Mr. WILLIAMS. I agree fully with the Senator from South Dakota that, granting that both kinds of employees are doing equally hazardous work, we cannot justify passing a bill which gives substantially more benefits for one type of employee than it does for the other type. We must treat all such employees on the basis of equality. We do not get equity when we have two guards at the Capitol, one on the payroll of the city, and one on the payroll of the Capitol, the latter of whom will be drawing 50 percent less benefits. It is not fair. They are doing the same work. It is equally hazardous.

Mr. MUNDT. Did I correctly understand the Senator to say that an agent of the FBI, who risks his life at gunpoint time after time, would, if the pending bill is passed, receive $600 a year less than a man who is on guard in Rock Creek Park making sure that people do not fish for shad out of season?

Mr. WILLIAMS. In the example to which I called attention there is that differentiation.

Mr. MUNDT. I wish the Senator would yield to the Senator from Nevada on this point.

Mr. WILLIAMS. I yield to the Senator from Nevada.

Mr. BIBLE. The problem which the Senator is posing caused some difficulty. As a result, the committee sent for a representative of the Department of the Interior.

Mr. WILLIAMS. Does the Senator take exception to what I stated with respect to the most hazardous job in the FBI, which was the example I gave to the Senator from South Dakota? That was the basis of the question he addressed to me. As I understand, under the bill a park policeman in Washington would get more in retirement benefits, by $600, than would the man in the most hazardous job in the example I used.

Mr. BIBLE. In the example the Senator used; but the example does not conform with the facts. We are advised that the average FBI salary at the present time is $8,186, so that in computing retirement, it should be computed against the higher salary the FBI man gets.

Mr. THYE. Mr. President, will the Senator yield for a question at that point?

Mr. BIBLE. Yes.

Mr. THYE. What is the maximum salary of a policeman in the Metropolitan Police Department?

Mr. BIBLE. If the Senator will bear with me for half a moment, I will try to get that information. I moved away from the source of my material so I could hear the interesting questions of the Senator from Delaware. I shall get the information for the Senator in a moment.

Mr. WILLIAMS. While the Senator from Nevada is getting the information, I will say to the Senator from Minnesota we are not dealing with a salary bill; we are dealing with a retirement bill. The agencies also have different standards for employment.

Mr. THYE. If the Senator will answer two inquiries, I shall have no further questions. May I ask those two questions?

Mr. WILLIAMS. I wish to reply to the first question of the Senator from Minnesota, and continue on the point he made. There may be a difference in the salary scale as between a park policeman and an agent of the FBI, but there is also a substantial difference in the standards required for their employment.

Mr. THYE. I will grant the Senator that, but we are thinking of a poor widow. If something befalls her husband, what will she receive with which to support herself?

The question I wished to ask the distinguished Senator from Delaware was primarily this: Does the bill apply to employees other than the Metropolitan Police?

Mr. WILLIAMS. Yes.

Mr. THYE. To what other employees does the bill apply? Does it go outside the District of Columbia?

Mr. WILLIAMS. No, but some of the work goes on outside the District of Columbia, as I understand, because the bill covers some of the Secret Service such as those guarding the President of the United States. Those men conceivably could be in Minnesota or other areas. Substantially, the work of those affected by the bill will be primarily in the District of Columbia.

Mr. THYE. The heading of the report reads:

> Providing for the retirement of officers and members of the Metropolitan Police force, the Fire Department of the District of Columbia, the United States Park Police force, the White House Police force, and of certain officers and members of the United States Secret Service, and for other purposes.

I do not know what is embodied in the term "and for other purposes," but my only concern is that if the benefits under the bill relate only to those who work in the metropolitan area, whose employment is that about which the Committee on the District of Columbia is obligated to legislate, let us deal with the pending bill, and then amend any other bill that might be involved, which needs correction. That is my only contention.

Mr. WILLIAMS. I agree with the Senator that we are dealing with the Metropolitan Police and other employees in the District of Columbia, but I point out again that the bill was presented today on the assurance that it would bring the retirement of such persons into conformity with that of those under the Civil Service Retirement Act. I say the purpose of the bill has been misrepresented so far as Congress is concerned. I do not mean deliberately; perhaps it would be more appropriate to say that it has not been properly represented. And what we do here on this bill will set a precedent for other employees later to ask similar consideration, and they will have an argument.

Mr. MUNDT. I listened to the deduction of the Senator from Minnesota with a little astonishment because I do not see how we can pick out one segment of Federal employees and say, "We will deal with them now, and next week we will deal with another segment," because if we did so we would start an escalator spiral of which the sky would be the limit. There should be equity. If we start going up such an inflationary spiral staircase, we would have no idea what the ultimate costs would be.

Someone has suggested that perhaps the Committee on Post Office and Civil Service and the Committee on the District of Columbia, perhaps relying on their counsel and the great statistical ability of the Senator from Delaware, might get together and soon submit to us a program of increased retirement which would be equitable to everybody. I would be prepared to vote for such a proposal, but I am presented with a very difficult problem when I am asked to vote higher retirement benefits for a man whose duty may be watching shad swimming up and down Rock Creek in Washington, D. C., when a man doing the same kind of work in the Black Hills of South Dakota, having the same responsibilities, would receive 50 percent less in the way of benefits.

Mr. WILLIAMS. I agree with the Senator from South Dakota. We do have a responsibility to treat all employees under the retirement systems equitably.

Mr. President, I want to see the Senate pass a bill which will provide for these employees all the benefits which have been provided for law enforcement officers under the provisions of the other legislation. But I point out that we do not have before us a bill which does only that. It goes far astray.

We are not dealing only with the employees covered by this bill, but we are

setting a pattern. If we are to provide such benefits for these employees, we must stand ready to provide the same benefits for others.

As the Chairman of the Civil Service Commission has pointed out, to extend the comparable benefits to all the employees coming within the civil-service system—and there has been taken into account and subtracted the benefits already provided under the Federal Employees Compensation Act—would cost an additional $1.2 billion a year.

Mr. MUNDT. How much?

Mr. WILLIAMS. $1.2 billion.

Mr. MUNDT. Over a billion dollars.

Mr. WILLIAMS. $1.2 billion to extend comparable benefits to beneficiaries of the Civil Service Retirement System.

Mr. MUNDT. Mr. President, this is pretty serious business to take up on a quiet Saturday afternoon with a mere handful of Senators on the floor. It is a matter which deserves pretty careful consideration, if we are about to plunge into a billion-dollar expenditure. It should not be asking too much to ask the two committees to get together for 24 or 48 hours to try to reconcile their differences before we plunge out into the great blue yonder on a billion-dollar journey to the moon.

Mr. WILLIAMS. Mr. President, it is because of that that I think the bill should be recommitted. The committee should be given an opportunity to revise in line with a formula which will bring these employees into line with the treatment accorded all other law-enforcement officers.

Therefore, Mr. President, I move that the bill be recommitted.

Mr. LAUSCHE. Mr. President, I wish to subscribe to the thoughts expressed by the Senator from South Dakota [Mr. MUNDT] and the Senator from Delaware [Mr. WILLIAMS].

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Delaware [Mr. WILLIAMS], that the bill be recommitted.

Does the Senator from Ohio seek recognition?

Mr. BIBLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Will the Senator withhold his suggestion of the absence of a quorum to permit the Senator from Ohio to make a statement or ask a question?

Mr. BIBLE. Mr. President, I have no intention of interrupting my distinguished friend, the Senator from Ohio. I thought he had yielded the floor. I am glad to withhold.

Mr. LAUSCHE. Mr. President, the subject is not so simple of disposition as has been suggested, namely, that we should pass the bill and then proceed to adjust the situation of other employees similarly situated.

The argument advanced is that the purpose of the bill is to create equality. It is now conceded that inequalities will be created, and that additional bills will have to be passed to put the other Federal employees similarly situated on a similar level.

I think we must guard against a fulcrum being created by this bill upon which force will be brought later in the form of an argument, "You have raised other retirement payments, but have not raised ours." We should be extraordinarily careful.

Mr. BIBLE. Mr. President, will the Senator yield?

Mr. LAUSCHE. I yield.

Mr. BIBLE. The position of the District of Columbia Committee is summed up in one sentence. I challenge even the Senator from Delaware to point out any flaws in the statement:

> The bill would provide benefits for these members, substantially similar to benefits available to persons who are engaged in hazardous occupations, under the Civil Service Retirement Act Amendments of 1956, as well as benefits substantially similar to benefits available to Federal employees under the Federal Employees' Compensation Act.

I say to my distinguished friend, the Senator from Ohio, that if he were to consider the Civil Service Retirement Act alone—by itself—he would find some differences, similar to those which the distinguished Senator from Delaware mentions. However, if he were to compare the two acts, he would find that the widow of an FBI man would not choose the benefits under the Civil Service Retirement Act, and obviously not. She would choose the better benefits of the Federal Employees Compensation Act, which would give her a far greater amount of money.

The Senator from Delaware has said that we are trying to compare this bill with only one act. I do not know why we should compare it with the Civil Service Retirement Act. We are seeking to legislate for the city of Washington. We are talking about a city police and fire retirement system, similar to the one in the State of Ohio for the city of Cleveland, where there is a city system. We are not comparing the retirement system of the city of Cleveland with the Civil Service Retirement Act, or the retirement system of the city of San Francisco with the Civil Service Retirement Act. We are trying to compare the system proposed for Washington with comparable city systems.

Why is that? It is because 90 percent of the money which will be used for retirement payments is money which will be paid by the taxpayers of the District of Columbia in their real-estate taxes, personal-property taxes, and other taxes levied in the District of Columbia.

The motion has been made that the bill be recommitted. We faced a similar situation not too long ago, and the bill was recommitted. We had hearings. We called on everybody we could think of to testify. Notice was given.

I did not see my distinguished colleague and friend, the Senator from Delaware, attending the hearings. Yet if he had wanted to clear up the points bothering him one would think he would have been present. We had the benefit of testimony from the best actuaries, and received the best intelligence we could get on the subject. We challenge anyone to disprove the table printed on the chart shown at the back of the Chamber.

That chart shows, in substance, that the total ultimate cost of the particular system we are considering is 1.33 percent higher than the combined civil service retirement system for those engaged in hazardous occupations and those under the Federal Employees Compensation Act, taken together.

We spent long hours attempting to bring before the Senate a bill which was justified and which could stand on its own. Believe me, this bill can. It is a fine retirement bill. It provides for a fine retirement system.

There should not be an attempt to confuse the issue. To compare the system proposed for Washington with other systems might be somewhat like comparing apples and oranges. In any event, even if we made the comparison on the basis stated by the Senator, we would find that the system provided by the bill would stand the most careful scrutiny.

There is one statement I should like to clear up, because there was a figure given which shocked the Senator from South Dakota [Mr. MUNDT], as it shocked me. That figure was "a billion dollars." The figure was used in a special context. It was said that if we were to bring everybody under the Civil Service Retirement Act, clerks, stenographers, and the regular employees, into complete accord with this proposed retirement system, it would represent a cost of around 13 percent. But the comparison was not limited to those engaged in hazardous occupations, to whom the pending bill applies. If the comparison is so limited, Senators will find the percentage of cost is in the neighborhood of 1 percent, if my memory is correct.

Mr. President, before suggesting the absence of a quorum, I cannot urge strongly enough that the motion to recommit be overwhelmingly defeated.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from Nevada suggests the absence of a quorum. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the motion of the Senator from Delaware [Mr. WILLIAMS] to recommit House bill 6517 to the Committee on the District of Columbia.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. WILLIAMS. Mr. President, I shall be very brief. I point out again that there is no dispute among us on one point. We are all perfectly willing to have a retirement bill which will give to the Metropolitan Police, the firemen, and the Park Police all the benefits which any law enforcement officer can receive under the Civil Service Retirement Act.

So far as concerns the cost, which has been minimized, and represented to be only a fraction of 1 percent I point out that the total salary payment to the

Metropolitan Police last year was around $18,500,000; and last year the cost of paying retirement benefits under the existing law was $7 million.

If this bill is passed, it will necessitate a levy of approximately 39 or 40 percent of the payroll to pay the retirement benefits. No one can cite any retirement system—public, private, city, or State—which carries comparable benefits. I say that we must take into consideration the fact that we are not only voting on this bill, but we are establishing a precedent for all other employees. It is true that the $1,200,000,000 extra annual cost which I pointed out if such benefits were extended to all other employees took into consideration all employees, and not merely law enforcement officers, but those employees all likewise pay 6½ percent into the fund.

The bill goes far beyond the benefits given to law enforcement officers under the Civil Service Retirement System, whether the comparison be made in terms of dollars, minimum benefits, or any other factor. If we vote to liberalize these benefits today for this class of employees, tomorrow we shall have to take care of the others.

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MANSFIELD. As I understand, the vote will be on the motion of the Senator from Delaware to recommit to the committee on the District of Columbia the police and firemen's retirement bill.

The PRESIDING OFFICER. The Senator is correct.

The question is on agreeing to the motion of the Senator from Delaware [Mr. WILLIAMS] to recommit to the Committee on the District of Columbia House bill 6157. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Pennsylvania [Mr. CLARK], the Senator from Mississippi [Mr. EASTLAND], the Senator from Louisiana [Mr. ELLENDER], the Senator from Delaware [Mr. FREAR], the Senator from Tennessee [Mr. GORE], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Oregon [Mr. MORSE], the Senator from Rhode Island [Mr. PASTORE], the Senator from Virginia [Mr. ROBERTSON], the Senator from Georgia [Mr. RUSSELL], and the Senator from Florida [Mr. SMATHERS], are absent on official business.

I also announce that the Senator from Arkansas [Mr. FULBRIGHT] is absent because of illness.

I further announce that the Senator from Missouri [Mr. HENNINGS] is absent by leave of the Senate because of illness.

On this vote, if present and voting, the Senator from Pennsylvania [Mr. CLARK], the Senator from Missouri [Mr. HENNINGS], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Oregon [Mr. MORSE], and the Senator from Rhode Island [Mr. PASTORE] would each vote "nay."

Mr. DIRKSEN. I announce that the Senator from Ohio [Mr. BRICKER], the Senator from Maryland [Mr. BUTLER], the Senator from Kansas [Mr. CARLSON], the Senator from Nevada [Mr. MALONE], tht Senator from New Jersey [Mr. SMITH], and the Senator from North Dakota [Mr. YOUNG] are necessarily absent.

The Senator from New Hampshire [Mr. BRIDGES] and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate in order to represent the Senate at the Latin American Economic Conference in Buenos Aires.

The Senator from Vermont [Mr. FLANDERS], the Senator from New York [Mr. JAVITS], the Senator from Pennsylvania [Mr. MARTIN], and the Senator from West Virginia [Mr. REVERCOMB] are absent on official business.

The Senator from California [Mr. KNOWLAND] and the Senator from Kansas [Mr. SCHOEPPEL] are detained on official business.

If present and voting the Senator from Maine [Mr. PAYNE] would vote "nay."

The Senator from New Jersey [Mr. SMITH] is paired with the Senator from New York [Mr. JAVITS]. If present and voting, the Senator from New Jersey would vote "yea," and the Senator from New York would vote "nay."

The Senator from California [Mr. KNOWLAND] is paired with the Senator from Nevada [Mr. MALONE]. If present and voting, the Senator from California would vote "yea," and the Senator from Nevada would vote "nay."

The result was announced—yeas 19, nays 47, as follows:

YEAS—19

Barrett	Goldwater	Potter
Bennett	Hickenlooper	Saltonstall
Bush	Hruska	Watkins
Cotton	Jenner	Wiley
Curtis	Lausche	Williams
Dirksen	Martin, Iowa	
Dworshak	Mundt	

NAYS—47

Aiken	Holland	Morton
Allott	Humphrey	Murray
Anderson	Ives	Neely
Beall	Jackson	Neuberger
Bible	Johnson, Tex.	O'Mahoney
Carroll	Johnston, S. C.	Purtell
Case, N. J.	Kefauver	Scott
Case, S. Dak.	Kerr	Smith, Maine
Chavez	Kuchel	Sparkman
Church	Langer	Stennis
Cooper	Long	Symington
Douglas	Magnuson	Talmadge
Ervin	Mansfield	Thurmond
Green	McClellan	Thye
Hayden	McNamara	Yarborough
Hill	Monroney	

NOT VOTING—29

Bricker	Frear	Pastore
Bridges	Fulbright	Payne
Butler	Gore	Revercomb
Byrd	Hennings	Robertson
Capehart	Javits	Russell
Carlson	Kennedy	Schoeppel
Clark	Knowland	Smathers
Eastland	Malone	Smith, N. J.
Ellender	Martin, Pa.	Young
Flanders	Morse	

So Mr. WILLIAMS' motion to recommit was rejected.

Mr. WILLIAMS. Mr. President, I fully recognize that in the light of the vote just taken, the Senate is ready to pass the bill. Therefore I shall delay the Senate a few minutes. I think it would be well, however, before we vote on the passage of the bill, to summarize briefly some of the questions which are raised, and the precedents which are being established.

The bill was presented to Congress for the purpose of bringing the retirement system for police officers into line with the benefits afforded law-enforcement officers under the Civil Service Retirement Act. I have said many times, and I repeat now, that I am fully in accord with that objective. I think the system here should be brought into line with the civil service retirement system so as to make available all benefits which law-enforcement officers get under that system.

But the bill goes far beyond that. I pointed out one instance in which a park policeman in Washington functions, as the Senator from South Dakota [Mr. MUNDT] has stated, merely to see to it that a citizen does not take the wrong-sized bass or kind of fish out of Rock Creek. That officer, after 30 years' service, will receive, under the bill, a retirement benefit of $4,200 annually, assuming his last year's salary is $6,000.

But the man in the FBI, engaged on one of the most hazardous jobs in the United States Government, would receive only $3,600, drawing the same salary and serving the same number of years, and both he and the park policeman would be paying into the fund 6½ percent of their salaries.

The bill, when passed, will establish a precedent by placing employees of the United States Government under a Metropolitan Police Department retirement system. These employees, to all intents and purposes, will be employees of the United States Government, except that they will be qualified to receive benefits under the city police retirement system.

I have pointed out also six specific cases in which former employees of the Metropolitan Police force receive disdisability pensions by reason of their service on that force. One employee is drawing disability pay of $347.25 a month from the Metropolitan Police, they are holding positions as guards in the Capitol, right where we are working today; one receives an annual salary of $6,248.46, and he is drawing his retirement benefit of $347.29 per month simultaneously. The bill will perpetuate that system.

I have a memorandum of 6 cases in which the salaries range from $6,248 down to $4,500. The recipients of these benefits are all on the payroll of the United States Government as officers and policemen while they are drawing benefits under the retirement system. One will receive a substantial increase in benefits by reason of the provisions in the bill now about to be passed.

The formula for establishing benefits under the civil service retirement system is that a person must use as a basis for his pension the 5 highest years of salary. That formula is used by all civil-service employees. Under this bill a

precedent will be established, whereby the 5 highest years will not be used, but only the highest single year. Even then, the formula provides for a substantially higher basis for computation purposes.

Furthermore under the bill we will be establishing minimum payments to every widow, regardless of the length of service her husband has had. The minimum payment will be $1,800 for widows. If we are to do that for widows of policemen in the District of Columbia, we shall be establishing a precedent and what will we do next week, when we vote on a retirement system which will include many other widows of the regular civil-service employees?

Six retirees of the District of Columbia police force are each drawing less than $1,000 by virtue of the fact they had not worked very long at the time of their separation. Twenty-one employees are drawing between $1,000 and $2,000. Under the bill, when those men die, their widows will get twice as much in retirement benefits, or a minimum of $1,800 annually. That again, is establishing a unique precedent. It will mean that a man will be worth twice as much to his wife when he is dead as when he is alive. There may be some who will agree with that but as men certainly we should approach this with caution. That is a rather dangerous precedent to set.

We are likewise establishing in the bill, for employees under this system, the principle that upon death their widows will draw a flat $300 in death benefits. That is a new formula and again a new precedent. It has no connection with any service record. Are we going to extend that principle when we consider benefits for other employees who are paying 6½ percent?

Let us suppose a man works 1 month and perhaps that is all the employment he has. If he is separated for disability, he will, under this bill, draw a minimum of 40 percent of his salary as benefits. That is not done under any other system. But we are asked to adopt this principle on the theory that we are equalizing this retirement system with other formulas.

Next week, when we consider equalizing the other systems, to extend benefits which are being extended to one group under this bill to all other civil-service employees, we shall be increasing the cost to the United States Government by $1,200,000,000 annually, beginning immediately. Those who believe it is possible to extend these benefits to all other employees of the Government may get ready to vote to provide $1,200,000,000. That will be the cost to the Government; and the next question is, Where is the money coming from? I think we should know what we are doing when we consider the bill, because with the Government operating as closely as it is fiscally, we shall be voting not merely on this bill; we shall be establishing a precedent which will come back and haunt this Congress in the days to come.

Let us not forget that only recently we were advised by actuaries of the social security system that that fund is now operating in the red. The security of a retirement system is based upon knowledge that that fund is sound financially.

Reckless action such as this being proposed here today is why these funds get in trouble.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. CHAVEZ. I do not know about some of the subjects which the Senator from Delaware is discussing, but I disagree with him completely about the hazards in the different kinds of work. I know the FBI does excellent work, but the FBI agents do not run the hazards of the average policeman who works in uniform. The fact that the average policeman wears a uniform makes him conspicuous to gangsters and muscle men who want to do damage, and they will do it to him. The officer who does a class of work which does not require the wearing of a uniform does not run the same risk of danger or injury.

Mr. WILLIAMS. Mr. President, the members of the FBI who do not serve in hazardous jobs do not receive the payments which are scheduled for hazardous work. The payments scheduled for hazardous work, under the civil service retirement system are available only to those who serve in hazardous jobs.

I call attention to another difference: by means of the bill there will be established a precedent whereby there will be mandatory retifement at age 60, without regard to previous service. In other words, there will be mandatory retirement at age 60, with no minimum period of service required. I see no provision to prevent a man from being employed at age 59½ and from retiring, 6 months later, at age 60, which would be the age of mandatory retirement, and from receiving retirement benefits based on 40 percent of his pay during that period of 6 months.

In addition, under the civil service retirement system, once the retirement compensation is fixed, it cannot be changed. On the contrary, under the pending bill automatic increases in the retirement compensation would be possible from time to time. The bill provides that under no circumstances shall a person's pension be lowered. But the bill also provides that if, after retirement, the successor in that jobs receives an increase in salary 5 years later or 10 years later the retirement compensation shall be correspondingly increased, without regard to the financial contribution to the retirement system the retired person has made. Again, that would establish a precedent of far-reaching effect. The civil service says that if all these extra benefits were applied to the civil service employees, the cost will be $1,200,000,000 a year.

In conclusion, Mr. President, I ask unanimous consent to have printed at this point in the RECORD a letter from the Civil Service Commission, showing that the cost of applying these proposed benefits to the civil service employees would be $1,200,000,000 a year.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES CIVIL SERVICE COMMISSION,
Washington, D. C., July 31, 1957.

Hon. JOHN J. WILLIAMS,
United States Senate.

DEAR SENATOR WILLIAMS: This is in reply to your letter of July 18, addressed to Mr. Andrew E. Ruddock, Chief, Retirement Division, with reference to H. R. 6517.

The Commission does not recommend that benefits under the civil-service retirement system and the Policemen and Firemen's Retirement and Disability Act be equalized if H. R. 6517 is enacted. The Commission is responsible for the administration of the civil-service retirement system which, in general, covers civilian employees of the United States and the District of Columbia not subject to another retirement system. The fact that Congress has seen fit to establish these other systems is evidence to the Commission that special provisions were needed to meet special needs.

We view a retirement system as an instrument of personnel policy for the attraction and retention of employees suited to the discharge of the employer's responsibilities. Where these responsibilities are significantly different, there may well be valid reasons for differences in retirement provisions, with one employer assuming a higher retirement cost than another. We do not consider that the same employee contribution rate in two systems leads necessarily to the conclusion that the benefit provisions should be identical.

You request an estimate of the average annual cost over the next 20 years if the additional benefits under H. R. 6517 were extended to the civil-service retirement system. You have, we understand, been furnished a copy of Mr. Ruddock's letter of June 3, 1957, to Mr. C. Spencer Platt of the Bureau of the Budget, with reference to S. 1770. We find no material cost differences between S. 1770 and H. R. 6517. Hence our previous estimate still holds; that is, if the proposed policemen and firemen's benefit provisions were extended to the civil-service retirement system, the Government's annual retirement cost would be increased by 13½ percent of payroll, or by more than $1.2 billion per year.

The following assumptions are implicit in our estimate:

1. Where the bill proposes more liberal benefits than civil-service retirement now provides (either new benefits or improvement of present benefits), such liberalizations would be added.

2. Where civil-service retirement now provides benefits not proposed by the bill (such as deferred annuities at age 62), such benefits would be retained.

3. Where the bill requires police or fire service for certain benefits, such requirement would not be applied to civil-service retirement. That is, the requisite amount of any service presently creditable under civil-service retirement would afford title to the proposed benefits, such as the 3 percent formula for service in excess of 20 years and retirement at age 50 after 20 years of service.

4. Inclusion in civil-service retirement of the provision for retirement for disability incurred while performing duty would not increase retirement costs, since benefits under the Federal Employees' Compensation Act would usually be elected, as is presently the case.

The major features of the bill, which if applied to civil-service retirement would increase costs, are as follows:

1. Optional retirement at age 50 after 20 years of service.

2. Mandatory retirement at age 60, with no service requirement.

3. Annuity computation formula (except for disability retirement) of 2 percent of final salary per year of service for the first 20 years, and 3 percent per year in excess of 20. (Maximum annuity is 70 percent of final salary in all cases.)

4. Minimum annuity of 40 percent of final salary on retirement for disability not incurred in performance of duty.

5. Automatic survivor annuity to widow on death after retirement, with no reduction in employee's annuity.

6. Minimum annuity of greater of $1,800 or 30 percent of final pay to widows, on death either before or after retirement.

7. Funeral benefit of $300 on death in service.

The above estimate is on the normal cost plus interest basis specified in section 17 (e) of the Civil Service Retirement Act. This means the cost is calculated as a level percentage of an assumed level payroll, and remains unchanged through all future years, except of course for changes in the assumptions on which the estimate is based. If your question contemplates only additional benefit disbursements during the next 20 years rather than incurred costs, then the figure would be substantially less than $1.2 billion per year because the full impact of the liberalizations would not be reflected in disbursements during that relatively short period.

I am enclosing an analysis, by feature, of H. R. 6517 and the Civil Service Retirement Act. Except for a few minor changes, this is identical with a similar comparison previously furnished you on S. 1770. As indicated at the beginning of this letter, the Commission does not consider that it is within its province to recommend for or against provisions in a retirement system administered by another agency and designed to meet another employer's responsibilities and personnel needs.

By direction of the Commission.

Sincerely yours,

HARRIS ELLSWORTH,
Chairman.

Mr. HICKENLOOPER. Mr. President, will the Senator from Delaware yield to me?

The PRESIDING OFFICER (Mr. MORTON in the chair). Does the Senator from Delaware yield to the Senator from Iowa?

Mr. WILLIAMS. I yield.

Mr. HICKENLOOPER. I wish to say that I think the Senator from Delaware has done an outstandingly fine piece of research on this bill. I do not believe any Member of this body wishes to see the Police Department and Fire Department of the District of Columbia treated any worse than civil-service employees holding similar jobs are treated. Certainly I stand ready to correct any inequity, if any exists in great measure.

But the Senator from Delaware has convinced me thoroughly and I have heard no arguments from Senators on the other side which would successfully refute what the Senator from Delaware has said—that this bill not only provides for a completely new approach, but also that it would constitute a precedent which would rise up to smite us, when applied to the entire civil service. At least the Senator from Delaware has convinced me that he is eminently sound in his approach, and that the bill does not, in fact, equalize—when the hazardous types of employment, and so forth, are taken into consideration—the District of Columbia Police Department and Fire Department retirement system with the other systems; but, on the contrary, I am convinced that the pending bill would give preference to these groups, as compared with the treatment accorded groups under the civil service.

I certainly think the statement of the Senator from Delaware was advisedly made, when he said we should know what we are doing by means of the bill. I am not a member of the committee; I am not an expert on this matter. But I heard the Senator from Delaware make his case on the previous occasion, and at that time I supported the motion to recommit the bill. I think the bill should have been recommitted at this time, because, so far as I can ascertain, after the bill was previously recommitted, no substantial change was made by the committee in the bill.

I regret that the vote which has just been taken apparently indicates that there are sufficient votes to pass the bill. I regret that very much, because I believe the proposed system will be a dangerous one.

Mr. WILLIAMS. Mr. President, I thank the Senator from Iowa.

Certainly the Congress has a responsibility to provide properly, and on an equal basis, for those who come under these systems. But by means of enactment of the pending bill, far more than that would be done; and I do not think the Federal Government has the funds which would be required if it were to go to such an extreme.

Furthermore, I have pointed out that six former employees, now receiving retirement pay under this system, are presently employed as members of the Capitol Police force; and in addition to receiving retirement benefits under this system, they are qualifying for retirement benefits under the civil service retirement system.

I wish to point out again that under the Metropolitan Police system for the District of Columbia, these employees can claim credit for their military service. That is proper, and I support it. But if it is ruled that the Metropolitan Police Department of the District of Columbia is not a Federal Government system, then, when these employees qualify for retirement after serving on Capitol Hill, they will be able to receive credit again for the same military service on the ground that only 1 of the 2 systems is maintained by the use of Federal Government funds. If the Government rules, on the other hand, that both funds are Federal Government funds, then these men have been illegally paid the pensions which they have received while they were working on Capitol Hill.

The Comptroller General has already issued a ruling that they can draw the dual payments, because he has said that the funds are separate. If so, then I cannot see anything to prevent these men from receiving dual credit for the same service.

It is admitted that a conflict exists here. Certainly it is a conflict—just one more conflict which should have been resolved by the committee. Certainly the American people will rebel when they find that Capitol Hill guards are receiving a pension of $347.29 a month from a subsidized fund, 80 percent of which is now being paid by the United States Government, and at the same time are being paid by the United States Government an annual salary of $6,250.48. The American people will not stand for the making of dual payments by the Congress. In 1956, the Government of the United States, by means of appropriations from Congress, paid $5,020,000 to pay for the Federal Government's part of this retirement fund. That was the situation as of last year. The employees paid $985,561. That shows the ratio; it shows that the Federal Government is paying approximately 80 percent of the retirement fund. The Government's contribution is paid from funds appropriated and commingled with the general revenues of the city.

So we cannot dodge the responsibility by saying that the Federal Government is not making the payments. The Federal Government is paying 80 percent of the $347.29 which this man is drawing monthly as retirement pay, and at the same time the Federal Government is paying 100 percent of the $6,250 annual salary which he is receiving concurrently with his retirement payments. Not only is that situation unconscionable, but the pending bill would authorize the perpetuation of that principle.

Mr. MUNDT. Mr. President, will the Senator from Delaware yield to me?

Mr. WILLIAMS. I yield.

Mr. MUNDT. I wish to join the Senator from Iowa [Mr. HICKENLOOPER] in his commendation of the distinguished Senator from Delaware.

I think the Senator from Delaware has rendered an outstanding service by bringing his great talents as an accountant to bear on the highly complicated bill which is before the Senate.

I regret that much of the debate occurred during the lunch hour, when many Senators were necessarily absent from the Chamber.

I am entirely convinced in my own mind that if all Senators had heard the analysis which was made by the Senator from Delaware, the motion to recommit would have been adopted. It should have been. I hope the Senator will renew his motion with instructions to report back next week.

I am afraid that when, on tomorrow, some of our colleagues read the debate in the CONGRESSIONAL RECORD, they will be surprised at what they voted for and what they voted against, because when we set in motion—as we do, according to the uncontradicted statements of the Senator from Delaware—an escalator program of retirement benefits which is designed to cost the American taxpayers more than a billion dollars a year, we have set in motion a new series of inequities, from the standpoint of retirement benefits, involving discrimination against Federal employees in every State in the Union who are doing the same kind of work that these employees in the District of Columbia have been doing. I do not think that is either wise or sound.

Certainly it is a far cry from the brave speeches about economy to which we

listened during the first 60 days of this session. Now, in the closing hours of the session, Senators seem to have buried the word "economy." The Senate seems to be passing one bill after another which results in shooting holes through the entire economy pattern. And now, on a Saturday afternoon, in this casual way, the Senate commits itself to a $1 billion annual potential payment. I think that is most shocking. But apparently some Senators have made up their minds to go through with it, regardless.

I was rather disappointed that only one Senator on the Democratic side of the aisle voted in favor of the motion to recommit the bill, and thus to make it possible to take proper care of the money of the taxpayers in the interests of economy. The Senate could have recommitted the bill to the committee, where it could have been so revised as to make it equitable compared with the civil service retirement law.

I speak as one who I think has proved himself in the past to be a friend of the policemen and firemen of the District of Columbia. I want them to have justice, but I do not want them to be used as a spearhead to inaugurate a whole new concept of retirement benefits. I would be happy to have a bill submitted to the Senate which would give them the highest possible benefits compatible with the regular civil-service criterion applicable to similar jobs; but I am highly disappointed that in the closing days of the session we are starting a program which I am sure will return to plague us, and which will result in costly repercussions before the end of this session of Congress.

Mr. PURTELL. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. PURTELL. Is it the Senator's intention to offer amendments which will correct some of the inequities to which he has called our attention?

Mr. WILLIAMS. When we are dealing with the retirement system, we are dealing with a delicate matter, and one which I do not think should be worked out on the floor of the Senate. If it involved only the system for the District of Columbia employees, it would be easy; but when we try to work out something which involves other retirement systems, the work has to be done in committee. I wanted the bill to go back to committee, because, in correcting one inequity, I did not want to create another. While I recognize we do not have the votes, even at this late moment if the Senate will reconsider its previous action and defeat the bill, I should be perfectly willing to state on the record I would support a bill which brings only these systems into line. A bill could be introduced Monday morning, and the committee could go to work on it. I would be glad to work with the committee, and the bill could promptly be reported. In that way we could bring the retirement status of metropolitan policemen and firemen into balance with that under the civil-service retirement system. If the committee did not have time to take action during this session, as I hoped it would, I should be willing to make the bill retroactive next year. I would be willing to agree that any bill which might be enacted should bear the same effective date as the bill now before the Senate bears, in order to show that we are not trying to "chisel" on the beneficiaries in the intervening months. I feel that every employee covered by the bill should have benefits equal to those of employees holding hazardous jobs in Federal employment under the civil service retirement system. I repeat, I shall be glad to work toward that objective; but I am fearful of the precedents which we are asked to establish here today and which may very well prove to be a billion-dollar escalator clause, as the Senator from South Dakota said.

Mr. PURTELL. Is the Senator from Connecticut correct in his understanding that heretofore the bill was recommitted?

Mr. WILLIAMS. It was recommitted, but the committee reported back a bill which carries the same benefits. It did not make any change at all in the original bill, except to provide that employees will have to make retroactive payments in order to qualify under the October date. Substantially it is the same bill.

Mr. PURTELL. Will the Senator from Delaware inform the Senator from Connecticut whether, when the bill was recommitted, additional hearings were held on it?

Mr. WILLIAMS. Additional hearings were held, yes, and the bill was reported by the committee. I do not question that, but I say, as I said before, that, in my opinion, such hearings should be held in conjunction with the Committee on Post Office and Civil Service. I do not say that as indicating any lack of respect for the qualifications of the District of Columbia Committee; I do not mean to intimate that, but I say that when we are dealing with retirement systems, and when we are dealing with a bill which it was stated would make the benefits under both retirement systems the same, that objective cannot be accomplished unless the other system is studied. How can the committee report a bill which will equalize the benefits if they do not study the other retirement act? The members of the committee have admitted they made no such inquiry.

Mr. PURTELL. What does the Senator think would be gained by recommitting a bill which has already been recommitted?

Mr. WILLIAMS. I think it would serve notice to the committee that it could not get this bill through the Senate. Although I do not wish to delay the action of the Senate, I think it would be in order to try to have the bill recommitted with instructions. The bill could probably be reported by next week. We would then have a bill in line with the benefits provided under the Civil Service Retirement Act for those holding hazardous jobs. I would support such a bill when it got to the floor. There would be no movement to delay it. So far as I am concerned, when the bill got to the floor there could be unanimous consent to act on it after 1 hour of debate. In fact, it could be passed on a call of the Consent Calendar.

Mr. PURTELL. Is it the Senator's opinion that information would be before the committee in addition to that which the committee had at the time the bill was recommitted?

Mr. WILLIAMS. Yes.

Mr. PURTELL. May I ask from what source that information would come?

Mr. WILLIAMS. All the committee would have to do would be to examine the Civil Service Retirement Act. No one has differed with what I have said. I should like to read into the RECORD one question which I asked the Senator from Pennsylvania [Mr. CLARK]:

> How does the formula provided in the bill for the computation of annuities compare with that prevailing under the regular Civil Service Retirement Act?

The Senator from Pennsylvania, who is one of the cosponsors of the bill and who is on the committee, answered:

> It is my understanding that it is identical.

That answer is very clear. No one questions the differences which have been established here. If anyone wants to take exception to my statement, very well. I have discussed the matter with the Retirement Division of the Civil Service Commission. They confirm what I have stated. The committee should have conferred with the proper authorities of the Civil Service Commission and satisfied themselves.

Mr. PURTELL. Is it the Senator's opinion that the scope of the proposed law is greater than the committee members voting out the bill understood it to be?

Mr. WILLIAMS. I will not say that, but the bill provides far, far greater benefits than those described by the committee members. If the committee members understood the bill to do what they said it would do, they were very much in error.

SEVERAL SENATORS. Vote! Vote!

Mr. JOHNSON of Texas. Mr. President, I ask for the yeas and nays on the passage of the bill.

The yeas and nays were ordered.

Mr. WILLIAMS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WILLIAMS. Would a motion to recommit with instructions, be in order at this time?

The PRESIDING OFFICER. Such a motion would be in order.

Mr. WILLIAMS. I suggest the absence of a quorum——

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MANSFIELD. Can the same Member make the same request twice?

Mr. WILLIAMS. My request included "with instructions."

The PRESIDING OFFICER. It will be a different motion if the motion is to recommit with instructions.

Mr. JOHNSON of Texas. Mr. President, Senators are present and they understand the issue. We have gone over it now for 2 or 3 hours. If the Senator will make his motion, we can have a rollcall on it, and then a vote

can be taken on the passage of the bill.

Mr. WILLIAMS. Mr. President, my understanding is that the rule provides that such a motion must be in writing. I was going to suggest the absence of a quorum so I could put it in writing and send it to the desk.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JOHNSON of Texas. Has the Senator from Delaware [Mr. WILLIAMS] offered his motion to recommit, with instructions?

The PRESIDING OFFICER. The motion to recommit, with instructions, has not been offered.

Mr. WILLIAMS. Mr. President, I now offer the motion to recommit, and ask the clerk to state it.

The PRESIDING OFFICER. The clerk will state the motion to recommit, with instructions.

The CHIEF CLERK. Mr. WILLIAMS moves that House bill 6517 be recommitted to the Senate Committee on the District of Columbia with instructions to report back to the Senate not later than August 14, 1957, bringing the retirement benefits of the employees concerned in House bill 6517 as nearly as possible in line with the retirement benefits provided for other employees holding hazardous jobs under the civil service retirement system.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Delaware [Mr. WILLIAMS].

Mr. JOHNSON of Texas. Mr. President, have the yeas and nays been ordered on the motion?

The PRESIDING OFFICER. Not on this motion.

Mr. JOHNSON of Texas. Mr. President, I ask for the yeas and nays on the motion to recommit with instructions. We have voted on one motion to recommit, have we not?

The PRESIDING OFFICER. The Senator is correct.

Mr. JOHNSON of Texas. Mr. President, I ask for the yeas and nays on the second motion to recommit.

The yeas and nays were ordered.

Mr. BIBLE. Mr. President, I desire to speak in opposition to the motion of the Senator from Delaware.

This is the third motion to recommit the particular bill which is being considered by the Senate. Based upon the first motion to recommit, the bill went back to the committee, where representatives of the Civil Service Commission, the actuarial officer of the Treasury Department, and all others interested were heard. The Senator from Delaware had an equal opportunity to come forward then and offer the amendments he mentions now.

Our subcommittee considered the bill twice. We have considered the bill very carefully. We have heard all suggestions.

I believe the motion to recommit should be overwhelmingly defeated.

SEVERAL SENATORS. Vote! Vote! Vote!

Mr. WILLIAMS. Mr. President, I desire to say only that recommittal would not delay the enactment of the proposed legislation. The bill can be properly drawn and reported back, under the proposal, by Wednesday. I will say that I shall stand on the floor of the Senate and support the proposed legislation at that time. I think it is neeeded.

All we are asking is that the bill be sent back to the committee, where it can be rewritten to bring it in line to accomplish what the committee says it wants to do, namely, to provide for these employees all the benefits which other employees holding hazardous jobs under the Civil Service Retirement Act now receive.

SEVERAL SENATORS. Vote! Vote! Vote!

Mr. MUNDT. Mr. President, I shall take only a few minutes. Because there were so many of our colleagues at lunch during most of the debate this afternoon on this very important matter. I am mighty happy that the Senator from Delaware is giving us this second chance to consider really the statistical and economic facts involved in this proposed legislation. This time certainly Senators can vote with their eyes open as to whether they want to spend 5 days in order to safeguard against a potential billion-dollar error or whether they want to slam something through fast and shut the door, and then have to go back to tell their constitutents afterwards, "We did not know exactly what we were doing."

This is a pretty complicated, a pretty far-reaching, and a rather significant piece of legislation. The Senator from Delaware is prepared now to present to the committee the actuarial facts which he has been able to work out with the Civil Service Commission.

The recommittal of the bill will give us a chance to bring it into compatibility and into line with the civil-service programs of the entire Government.

One of the great difficulties in a government so complex as ours is that we legislate for a small group at a time, and then we have to go to another group to say, "We will elevate you to that level." So we stagger constantly upward through an inflationary spiral. Then an attempt is made to condemn the administration because interest rates rise.

A vote to recommit will give us a chance to think about these matters a bit. It will not cost any single Federal employee in the District of Columbia anything, because the bill will have to be brought back before the Senate next week. The Senate committee is going to vote for it. The Senator from Delaware says he will vote for it. I shall vote for it, happily. But we want it right and we want it acturarily sound.

Recommittal would afford a chance to gear things together, so that like occupations would carry retirement compensation of similar amount, and so that we simply would not hook ourselves to a cloud, pulling up the entire retirement apparatus beyond the capacity of the country to sustain it; unless perchance, we want to sparkplug inflation ourselves here on this peaceful Saturday afternoon.

Mr. IVES. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from New York?

Mr. MUNDT. I yield.

Mr. IVES. Mr. President, I rather resent having my intelligence reflected upon. I was present during the entire debate before the previous motion was put. I deliberately voted against the motion to recommit, because it did not provide for the return of the bill. That is exactly why I voted against it. I shall vote for the pending motion, because it provides a date certain, on which the bill must be returned, namely, August 14. But I knew fully what was transpiring at the time.

Mr. THYE. Mr. President, will the Senator yield?

Mr. MUNDT. I shall be glad to yield in due course. This is a peaceful day. We do not need to become excited.

If I referred directly or indirectly, by implication or inference, to the Senator from New York, I deeply apologize. I did not even have him in mind. I assumed that he was at lunch, as many of our colleagues were.

Certainly I concur in the statement that the second motion to recommit accomplishes, by legislative direction, what I was confident all along the committee would do on its own initiative, and that is to report back a bill next week. The present motion requires that a report be made to the Senate on a specified day next week. I am convinced that the committee would have brought back a bill next week anyway. However, we now have safeguarded against the possibility which the Senator from New York feared, that the Congress might adjourn before justice was done to the policemen, firemen, and others engaged in hazardous occupations in the District of Columbia. I am sure we all cherish the intention to do equity for them, but we would like to do it without throwing the entire civil service retirement program out of gear.

Mr. THYE. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. THYE. Like the Senator from New York, I have been present in the chamber during all the debate on the bill. In fact, I heard more of the debate than did the Senator from South Dakota.

The Senator from South Dakota insults my intelligence when he says that I was at lunch, because I was seated directly in front of him during all the time the debate was in progress. I will say to the Senator from South Dakota that if he wishes to cast any reflections upon me on the ground that he thinks I may not have had my eyes open, that is his business.

I voted against the previous motion to recommit. However, in this instance,

the motion of the Senator from Delaware provides for a report from the committee on Wednesday, the 14th of August. The Senator from Delaware has stated that he will appear before the committee and make certain that his proposed amendments are considered, in order that we may not have to listen to 3 or 4 or 5 hours of debate on the floor of the Senate the next time the question comes before us.

Under those circumstances, I will vote for the motion to recommit with instructions. I do not wish to spend another Saturday sitting around discussing the question, and then sending the bill back to the committee.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. THYE. I am through.

Mr. MUNDT. Mr. President, I am happy to gain recruits under any circumstances, and for any reason.

I salute the Senator from Minnesota. Now that he, too, knows that we propose to set a day certain on which to consider the measure, I am sure he recognizes the wisdom of such a course.

If, by direction or indirection I referred to the Senator from Minnesota, I apologize. Actually, when I talk about Senators of the United States, I do not have in mind exclusively the Senator from New York or the Senator from Minnesota. I am thinking of all Senators, as a happy family or a big fraternity. I was not thinking about them alone. I suppose each Senator tends to think of the Senate in terms of himself. I was thinking only of a big, happy, senatorial Saturday afternoon matinee party. [Laughter.]

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. GOLDWATER. It is rather difficult for a Republican to say this, but I think we Republicans are beginning to sound like Democrats, and I suggest that we get on with the voting.

Mr. MUNDT. Rather than run that alarming risk, I am ready to vote. We should, however, safeguard the rights and interests of other Federal employees outside the District of Columbia. This time I hope the Senator's wise motion to recommit is adopted.

Mr. BEALL. Mr. President, Senate bill 1770 was recommitted to the Committee on the District of Columbia on June 5. There were 2 days of hearings. All Senators were welcome to appear before the committee and make suggestions. I do not know how we can expect to have any different situation now than we had before. The bill was before the committee for 3 weeks. We asked the Senator from Delaware for suggestions, but he did not have any. I do not see how we can accomplish a thing by sending the bill back to the committee.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Delaware [Mr. WILLIAMS] to recommit House bill 6517 to the Committee on the District of Columbia, with instructions. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. THURMOND (after having voted in the affirmative). On this vote I have a pair with the junior Senator from Florida [Mr. SMATHERS]. If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." I withdraw my vote.

Mr. McCLELLAN (after having voted in the affirmative. On this vote I have a pair with the senior Senator from Oregon [Mr. MORSE]. If he were present and voting he would vote "nay." If I were permitted to vote, I would vote "yea." I withdraw my vote.

Mr. MANSFIELD. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Pennsylvania [Mr. CLARK], the Senator from Mississippi [Mr. EASTLAND], the Senator from Louisiana [Mr. ELLENDER], the Senator from Delaware [Mr. FREAR], the Senator from Tennessee [Mr. GORE], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Oregon [Mr. MORSE], the Senator from West Virginia [Mr. NEELY], the Senator from Rhode Island [Mr. PASTORE], the Senator from Virginia [Mr. ROBERTSON], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

I further announce that the Senator from Arkansas [Mr. FULBRIGHT] is absent because of illness.

I also announce that the Senator from Missouri [Mr. HENNINGS] is absent by leave of the Senate because of illness.

On this vote, if present and voting, the Senator from Pennsylvania [Mr. CLARK], the Senator from Missouri [Mr. HENNINGS], the Senator from Massachusetts [Mr. KENNEDY], the Senator from West Virginia [Mr. NEELY], and the Senator from Rhode Island [Mr. PASTORE], would each vote "nay."

Mr. DIRKSEN. I announce that the Senator from Ohio [Mr. BRICKER], the Senator from Maryland [Mr. BUTLER], the Senator from Kansas [Mr. CARLSON], the Senator from Nevada [Mr. MALONE], the Senator from New Jersey [Mr. SMITH], and the Senator from North Dakota [Mr. YOUNG] are necessarily absent.

The Senator from New Hampshire [Mr. BRIDGES] and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate in order to represent the Senate at the Latin American Economic Conference in Buenos Aires.

The Senator from Vermont [Mr. FLANDERS], the Senator from New York [Mr. JAVITS], the Senator from Pennsylvania [Mr. MARTIN], and the Senator from West Virginia [Mr. REVERCOMB] are absent on official business.

The Senator from California [Mr. KNOWLAND], the Senator from Kansas [Mr. SCHOEPPEL], the Senator from Kentucky [Mr. COOPER], and the Senator from Michigan [Mr. POTTER] are detained on official business.

If present and voting the Senator from New York [Mr. JAVITS] and the Senator from Maine [Mr. PAYNE] would each vote "nay."

The Senator from California [Mr. KNOWLAND] is paired with the Senator from Kentucky [Mr. COOPER]. If present and voting, the Senator from California would vote "yea," and the Senator from Kentucky would vote "nay."

The Senator from New Jersey [Mr. SMITH] is paired with the Senator from Nevada [Mr. MALONE]. If present and voting, the Senator from New Jersey would vote "yea," and the Senator from Nevada would vote "nay."

The result was announced—yeas 30, nays 32, as follows:

YEAS—30

Aiken	Goldwater	Mundt
Allott	Hickenlooper	Purtell
Barrett	Hruska	Russell
Bennett	Ives	Saltonstall
Bush	Jenner	Smith, Maine
Case, S. Dak.	Kuchel	Stennis
Cotton	Langer	Thye
Curtis	Lausche	Watkins
Dirksen	Long	Wiley
Dworshak	Martin, Iowa	Williams

NAYS—32

Anderson	Hill	Monroney
Beall	Holland	Morton
Bible	Humphrey	Murray
Carroll	Jackson	Neuberger
Case, N. J.	Johnson, Tex.	O'Mahoney
Chavez	Johnston, S. C.	Scott
Church	Kefauver	Sparkman
Douglas	Kerr	Symington
Ervin	Magnuson	Talmadge
Green	Mansfield	Yarborough
Hayden	McNamara	

NOT VOTING—33

Bricker	Frear	Neely
Bridges	Fulbright	Pastore
Butler	Gore	Payne
Byrd	Hennings	Potter
Capehart	Javits	Revercomb
Carlson	Kennedy	Robertson
Clark	Knowland	Schoeppel
Cooper	Malone	Smathers
Eastland	Martin, Pa.	Smith, N. J.
Ellender	McClellan	Thurmond
Flanders	Morse	Young

So Mr. WILLIAMS' motion to recommit, with instructions, was rejected.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill was read the third time.

The PRESIDING OFFICER. The question is on the passage of the bill. The yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Pennsylvania [Mr. CLARK], the Senator from Mississippi [Mr. EASTLAND], the Senator from Louisiana [Mr. ELLENDER], the Senator from Delaware [Mr. FREAR], the Senator from Tennessee [Mr. GORE], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Arkansas [Mr. McCLELLAN], the Senator from Oregon [Mr. MORSE], the Senator from West Virginia [Mr. NEELY], the Senator from Rhode Island [Mr. PASTORE], the Senator from Virginia [Mr. ROBERTSON], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

I further announce that the Senator from Arkansas [Mr. FULBRIGHT] is absent because of illness.

I also announce that the Senator from Missouri [Mr. HENNINGS] is absent by leave of the Senate because of illness.

On this vote, if present and voting, the Senator from Pennsylvania [Mr. CLARK], the Senator from Missouri [Mr. HENNINGS], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Oregon [Mr. MORSE], the Senator from West

Virginia [Mr. NEELY], the Senator from Rhode Island [Mr. PASTORE], and the Senator from Florida [Mr. SMATHERS] would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from Ohio [Mr. BRICKER], the Senator from Maryland [Mr. BUTLER], the Senator from Kansas [Mr. CARLSON], the Senator from Nevada [Mr. MALONE], the Senator from New Jersey [Mr. SMITH], and the Senator from North Dakota [Mr. YOUNG] are necessarily absent.

The Senator from New Hampshire [Mr. BRIDGES] and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate in order to represent the Senate at the Latin American Economic Conference in Buenos Aires.

The Senator from Vermont [Mr. FLANDERS], the Senator from New York [Mr. JAVITS], the Senator from Pennsylvania [Mr. MARTIN], and the Senator from West Virginia [Mr. REVERCOMB] are absent on official business.

The Senator from California [Mr. KNOWLAND, the Senator from Kansas [Mr. SCHOEPPEL], and the Senator from Michigan [Mr. POTTER] are detained on official business.

If present and voting the Senator from Maine [Mr. PAYNE] would vote "yea."

The Senator from New Jersey [Mr. SMITH] is paired with the Senator from New York [Mr. JAVITS]. If present and voting, the Senator from New Jersey would vote "nay," and the Senator from New York would vote "yea."

The Senator from California [Mr. KNOWLAND] is paired with the Senator from Nevada [Mr. MALONE]. If present and voting, the Senator from California would vote "nay," and the Senator from Nevada would vote "yea."

The result was announced—yeas, 45, nays 19, as follows:

YEAS—45

Aiken	Holland	Morton
Anderson	Humphrey	Murray
Beall	Ives	Neuberger
Bible	Jackson	O'Mahoney
Carroll	Johnson, Tex.	Purtell
Case, N. J.	Johnston, S. C.	Russell
Case, S. Dak.	Kefauver	Scott
Chavez	Kerr	Smith, Maine
Church	Kuchel	Sparkman
Cooper	Langer	Stennis
Douglas	Long	Symington
Ervin	Magnuson	Talmadge
Green	Mansfield	Thurmond
Hayden	McNamara	Thye
Hill	Monroney	Yarborough

NAYS—19

Allott	Dworshak	Mundt
Barrett	Goldwater	Saltonstall
Bennett	Hickenlooper	Watkins
Bush	Hruska	Wiley
Cotton	Jenner	Williams
Curtis	Lausche	
Dirksen	Martin, Iowa	

NOT VOTING—31

Bricker	Fulbright	Pastore
Bridges	Gore	Payne
Butler	Hennings	Potter
Byrd	Javits	Revercomb
Capehart	Kennedy	Robertson
Carlson	Knowland	Schoeppel
Clark	Malone	Smathers
Eastland	Martin, Pa.	Smith, N. J.
Ellender	McClellan	Young
Flanders	Morse	
Frear	Neely	

So the bill (H. R. 6517) was passed.

Mr. BIBLE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. MANSFIELD. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana to lay on the table the motion to consider.

The motion to lay on the table was agreed to.

ORDER OF BUSINESS

Mr. JOHNSON of Texas. Mr. President, I wish to inform the Senate that we are about to take up two measures which it is thought can be explained in a matter of a very few minutes. The Senator handling the bills would like to explain them and then leave.

Following the disposition of those two bills, we shall have a matter of, perhaps, some controversy, Calendar 438, S. 1873, the bill to authorize permanent certification for certain air carriers operating between the United States and Alaska.

So if the Senators will permit brief explanations to be made of Calendar 869, S. 319, and Calendar 859, S. 1031, and then permit them to pass, we can then return to Calendar 438, S. 1873, and proceed in a more leisurely way. The majority leader will then have an opportunity to eat his lunch, about which the Senator from South Dakota has been speaking so much.

FEDERAL AID TO SCHOOL CONSTRUCTION

Mr. THYE. Mr. President, will the Senator from Texas yield?

Mr. JOHNSON of Texas. I yield.

Mr. THYE. As one Senator who has not had his lunch——

Mr. JOHNSON of Texas. I shall be delighted to have the Senator from Minnesota go with me.

Mr. THYE. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a letter dated August 8, 1957, which I have received from W. A. Wettergren, executive secretary, Minnesota School Association. This is a most important letter.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MINNESOTA SCHOOL BOARD ASSOCIATION,
St. Peter, Minn., August 8, 1957.

The Honorable EDWARD THYE,
United States Senator, Senate Chamber, Washington, D. C.

DEAR SENATOR: I wish to call to your attention action taken by the board of directors of the Minnesota School Board Association on Monday, August 5, 1957, during their regular monthly meeting. This action was taken by a unanimous vote, and I shall list the names and addresses of the board members at the conclusion of this letter:

"Whereas the recent Federal aid to school construction bill was killed by the United States House of Representatives; and

"Whereas the board of directors of the Minnesota School Board Association were not concerned with enactment of this legislation; and

"Whereas the board of directors did not believe that this bill was the answer to partial financing of public school construction; and

"Whereas the board of directors want to impress upon you, in spite of propaganda to the contrary, that there is a real need for assistance in school construction; and

"Whereas the board of directors believe that the property tax load is lending itself to the taxing many small communities out of existence; and

"Whereas the board of directors know from basis of fact that more and more school buildings will have to be built within the next 10 to 15 years; and

"Whereas the board of directors believe that the single major factor in the high school cost of school building, and the biggest factor in the rise of local property tax, is the high rate of interest that school districts are forced to pay on their bond issues; and

"Whereas some of the recent school bond sales have nearly reached 5 percent on the sale (Bloomington 4.897): Be it

"*Resolved*, That the board of directors of the Minnesota School Board Association respectfully request the Honorable Dwight D. Eisenhower, the Honorable Edward Thye, the Honorable Hubert Humphrey, the Honorable August Andresen, the Honorable Joseph O'Hara, the Honorable Roy Weir, the Honorable Eugene McCarthy, the Honorable Walter Judd, the Honorable Fred Marshall, the Honorable H. Carl Andersen, the Honorable John Blatnik, and the Honorable Coya Knutson to investigate the situation as it exists in Minnesota and other States, and to enact legislation that will alleviate the high interest rates on school bond issues. The Board of Directors believe that one of the main reasons for the high rate of taxation is the inability of school districts to borrow money at a low rate of interest. They believe that an emergency exists in the field of public school education, and that taxpayers and supporters of the public school system, should not be penalized in their efforts to provide an education for the young people of Minnesota, or any other State. We believe that this problem of high interest is one that must be dealt with on a national level. We respectfully request your assistance in correcting this problem."

W. A. WETTERGREN,
Executive Secretary.

Directors: Emery Lindesmith, Owatonna; Charles McCarthy, Madelia; R. A. Horton, Lindstrom; Mrs. Fred L. Paul, St. Paul; Miss Florence Lehmann, Minneapolis; Gordon Blume, Verndale; A. G. Sifert, Redwood Falls; Herbert Latvala, Nashwauk; Paul Olstad, Bemidji.

ORDER OF BUSINESS

Mr. LANGER. Mr. President, will the Senator from Texas yield?

Mr. JOHNSON of Texas. I yield.

Mr. LANGER. Will the distinguished Senator tell us, please, to what the first two bills he mentioned relate?

Mr. JOHNSON of Texas. Calendar No. 865 is House bill 2460, to improve the career opportunities of nurses and medical specialists of the Army, Navy, and Air Force. The bill will be handled by the Senator from Washington [Mr. JACKSON]. He tells me it will take very little time.

The next bill is Calendar No. 859, S. 1031, and relates to the Chief Joseph project in the State of Washington. This bill also will be handled by the Senator from Washington [Mr. JACKSON].

Mr. LANGER. I thank the Senator from Texas.

CAREER OPPORTUNITIES OF NURSES AND MEDICAL SPECIALISTS OF THE ARMY, NAVY, AND AIR FORCE

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 865, H. R. 2460.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 2460) to improve the career opportunities of nurses and medical specialists of the Army, Navy, and Air Force.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. JACKSON. Mr. President, probably the simplest statement of the objectives of the bill is that it would authorize more promotions and earlier retirement for nurses and medical specialists in all of the Armed Forces. The bill is a part of the legislative program of the Department of Defense, and its enactment has been urged by the Assistant Secretary of Defense for Health and Medical Affairs and the three Surgeons General as an incentive to a regular military career as a nurse or a medical specialist.

All of the Surgeons General testified that they have fewer Regular nurses than they require and that the grade structure of the Nurse Corps has an abnormal concentration in the grade of captain. The average nurse now can reasonably expect to advance no further than the grade of captain in the Army or lieutenant in the Navy.

The bill would raise by one grade the career expectancy of the average nurse, so that over the course of a career she could expect to become a major or a lieutenant commander and to be retired in this grade. The bill also would expand the number of allowable lieutenant colonels and would authorize a few permanent colonels to provide further incentives for a career as a nurse or a medical specialist.

A new system of compulsory retirement for nurses who completed specified years of service would be initiated. This system conforms generally to the provisions covering retirement of women members of the Armed Forces who are not nurses or medical specialists and it follows principles that control compulsory retirement of male officers.

The estimated cost of the bill is $768,000 for the first year, with slight annual increases until a peak cost of $1,982,000 is reached in fiscal year 1962. At that time the extra cost is expected to remain stable or to decline slightly, since by then the nurses and medical specialists who would under the bill be retired earlier would have qualified for retirement under laws now in effect.

The bill contains many other noncontroversial provisions that are spread out through some 42 pages of fairly technical language. These provisions are covered in detail in the committee report accompanying the bill. I shall be glad to discuss further any phase of the bill in which any Member of the Senate is particularly interested, but I doubt whether it is necessary or worthwhile to go through the provisions of the bill on a line-by-line basis.

The promotional and retirement opportunities of nurses and medical specialists have not been as liberal as those available to other officers of the Armed Forces. It is hoped that enactment of the bill will contribute to the development of a Nurse Corps and a Medical Specialist Corps which will be of the required size and competence. I am sure that it is unnecessary for me to comment on the importance of the work performed by the persons whom the bill would benefit.

The PRESIDING OFFICER. The bill is open to amendment.

If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

Mr. MUNDT. Mr. President, I wish to address the Senate briefly.

Mr. JOHNSON of Texas. Mr. President, will the Senator from South Dakota let the bill pass? There are two bills which we should like to dispose of, and Senators have been asked to remain until they are passed. We think they are noncontroversial. I should like to have action taken on them before I go to my lunch. I shall be back in the Chamber for the controversial bill.

Mr. MUNDT. Does the Senator think it will take a half hour?

Mr. JOHNSON of Texas. I do not think it will take 10 minutes.

Mr. MUNDT. Very well.

The PRESIDING OFFICER. The question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

AMENDMENT OF THE TENNESSEE VALLEY AUTHORITY ACT OF 1933

Mr. GOLDWATER. Mr. President, I had prepared some remarks for delivery prior to the passage of the TVA bill. Out of respect for brevity I did not deliver them. I ask unanimous consent that they be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

DOES TVA NEED REVENUE BOND AUTHORIZATION IMMEDIATELY?

(Statement by Senator GOLDWATER)

The plea is made that the TVA needs revenue bond legislation immediately in order to have an adequate supply of power in 1960–61. In hearings on the revenue bond bills it was said that the TVA will need about $150 million per year for power facilities, one-half from revenue bonds and one-half from power revenues. President Eisenhower said in his budget analysis that the whole problem of the power required of the TVA should be reappraised. Pending this study an authorization of 180,000 kilowatts of additional steam-generating capacity costing $30 million would be needed.

It is here contended that revenue-bond legislation is not needed to carry out the President's program. Sufficient funds are available to build the one facility requested by the President pending the reappraisal of power requirements. Before this can be understood, the sources of TVA power funds in recent years should be analyzed.

How much has the TVA been spending on power facilities in recent years? The figures for recent years are:

1954	$168, 750, 550
1955	117, 946, 220
1956	45, 482, 163
1957 (estimated)	83, 400, 000
1958 (estimated)	101, 163, 000

Where did TVA get this money? Part of these expenditures were derived from appropriations supplied by Congress and part has been from power revenues. The division between these two sources in recent years has been:

	Appropriated funds	From power revenues
1953	$332, 941, 151	$20, 307, 218
1954	143, 017, 918	25, 732, 532
1955	97, 240, 236	19, 705, 984
1956	29, 975, 445	15, 506, 718
1957	22, 883, 000	[1] 60, 557, 000
1958	1, 784, 000	[1] 99, 379, 000

[1] Estimate.

How are these power revenues derived?

In 1957 the TVA had net income from power operaitons of $57,454,000 and it earned depreciation amounting to $41,260,000. The total of these is $98,714,000. Out of this, $60,557,000 was spent on new power assets; $30 million went to the Treasury, and the balance went to increase the reserve for contingencies. In 1958 the estimated power revenues will be $60,433,000 and the depreciation $43,760,000 making a total of $104,193,000. Out of this total $102,269,000 will go for the acquisition of power assets, and $10 million will be paid to the Treasury as the minimum payment required under the Government Corporations Appropriation Act 1948. The TVA at the end of 1958 will have a balance reserved for contingencies of $58,512,138. In the next few years the power proceeds available for the acquisition of new power facilities probably will not decline. The justification for 1958 put it at $80,400,000 in years subsequent to 1958. It probably will not be less than that.

What is the present program of the TVA for constructing power facilities?

The TVA is now building steam generating facilities costing $184 million that will produce 1,115,000 kilowatts. By the end of 1958 there will have been spent on these a total of $69,579,000, leaving $79,387,971 for their completion. Not all of this remaining sum will have to be paid out in 1959 since at least one of the units at Gallatin will not come on the line until September 1959. The proceeds of power revenues for 1959 will more than cover the expenditures on these during that year, leaving the balance derived from power revenues and the reserve for contingencies to pay for the $30 million 180,000-kilowatt additions that the President says should be authorized.

The TVA will also get some new hydro facilities in the next few years. Through the Southeastern Power Administration it will get from an Army dam, Old Hickory, 75,000 kilowatts in 1957 and 25,000 kilowatts in 1958; from Chilhowee, a dam of the Aluminum Co., 50,000 kilowatts in 1957; from Cheatham (Army), 36,000 kilowatts in 1958, and from Barkley (Army), 136,000 kilowatts in 1962.

Why should there be a rush to pass the revenue bond bill when the President says that the needs of the TVA should be reappraised, and asks for only one plant to cost $30 million, and when this can be built out of funds available to TVA?

CONSTRUCTION OF UNITS OF THE GREATER WENATCHEE DIVISION, CHIEF JOSEPH PROJECT, WASHINGTON

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 859, Senate bill 1031.

The PRESIDING OFFICER (Mr. SPARKMAN in the chair). The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1031) to authorize the Secretary of the Interior to construct, operate, and maintain seven units of the Greater Wenatchee division, Chief Joseph project, Washington, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to, and the Senate proceeded to consider the bill (S. 1031) to authorize the Secretary of the Interior to construct, operate, and maintain seven units of the Greater Wenatchee division, Chief Joseph project, Washington, and for other purposes, which had been reported from the Committee on Interior and Insular Affairs, with an amendment to strike out all after the enacting clause and insert:

That for the purpose of furnishing water for the irrigation of approximately 8,700 acres of land in Chelan and Douglas Counties, Wash., the Secretary of the Interior is authorized to construct, operate, and maintain the East, Moses Coulee, Brays Landing, and Howard Flat units of the Greater Wenatchee division, Chief Joseph Dam project, in accordance with the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts admendatory thereof or supplementary thereto).

SEC. 2. Prior to initiating construction of any of the works authorized by section 1 of this act, there shall have been organized under the laws of the State of Washington an irrigation or reclamation district, satisfactory in form and powers to the Secretary, which embraces all of the lands within the East, Moses Coulee, Brays Landing, and Howard Flat units to which it is then proposed to furnish water, and the authority to construct works contained in section 1 shall not be exercised save with respect to lands which are then in, or thereafter come into, such district: *Provided*, That for a period of 10 years from the date of enactment of this act, no water from the project shall be delivered to any water user for the production on newly irrigated lands of any basic agricultural commodity, as defined in the Agricultural Act of 1949, or any amendment thereof, if the total supply of such commodity for the marketing year in which the bulk of the crop would normally be marketed is in excess of the normal supply as defined in section 301 (b) (10) of the Agricultural Adjustment Act of 1938, as amended, unless the Secretary of Agriculture calls for an increase in production of such commodity in the interest of national security.

SEC. 3. The provisions of section 2 of the act of July 27, 1954 (68 Stat. 568, 569), shall be applicable to the Greater Wenatchee division of the Chief Joseph Dam project. The term "construction costs" used therein shall include any irrigation, operation, and maintenance costs during the development period which the Secretary finds it proper to fund because they are beyond the ability of the water users to pay during that period.

SEC. 4. There are hereby authorized to be appropriated such sums as may be required to carry out the purposes of this act.

Mr. JACKSON. Mr. President, the pending bill would authorize four units of the Greater Wenatchee division of the Chief Joseph Dam project.

A total of 8,661 acres is involved in the bill, of which 1,440 acres are now irrigated.

The total estimated cost of the bill is $10,279,800.

The bill was reported unanimously from the Committee on Interior and Insular Affairs. It has received a favorable report from the Department of the Interior.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The question now is on the engrossment and third reading of the bill.

The bill (S. 1031) was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill to authorize the Secretary of the Interior to construct, operate, and maintain four units of the Greater Wenatchee project, Washington, and for other purposes."

HANDLING OF SHORT-PAID AND UNDELIVERABLE MAIL

Mr. JOHNSTON of South Carolina. Mr. President——

Mr. JOHNSON of Texas. I yield to the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. Mr. President, as chairman of the Committee on Post Office and Civil Service, it is my firm belief that, in addition to my other duties to my committee and to the Senate, I am charged with the high responsibility of safeguarding the committee's collective reputation and the good names of its individual members. I am also pledged to protect the integrity and sincerity of the committee against unjust and unfounded attacks.

For the past several days we have experienced one of the worst expositions of unbridled and uncalled-for defamation of a Senate committee that I have ever witnessed in all of my years as a Member of this body.

What I am about to say is to be in no way construed as a retreat from my conviction that the legislation proposed by my committee in behalf of controlled-circulation business magazines is anything else but right and just. But my first loyalty is to the honor of my committee, which I am dedicated to defend at all costs.

Therefore, in the face of whole-cloth accusations that its members have been engaged in underhanded, undercover, deceptive endeavor, I am withdrawing H. R. 7910, which, among other things, would give second-class postal handling to qualified controlled-circulation business periodicals, so that I and my committee members may find out all of the real facts behind this attack and about the organizations and personalities who have perpetrated it.

We are going to call witnesses for complete hearings, and we shall engage in a full investigation of the charges and exactly what may lie behind them. This should satisfy every Senator who has raised his voice in concern. For the consternation of those who have unethically objected to this proposed legislation, I am pleased to be able to submit for the RECORD a telegram I have received from National Business Publications, the largest organization of its kind in the world, which speaks for the controlled-circulation business magazines of this country and a number in Canada. I ask unanimous consent that the telegram be printed at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit A.)

Mr. JOHNSTON of South Carolina. Mr. President, the telegram urges me and my committee to recall the bill and to call for hearings on the subject, and calls for an investigation of the charges that have been leveled at the member-publishers of the group. I repeat, Mr. President, the integrity and sincerity of my committee shall be preserved. The selfish figures, lurking in the shadows of deceit, who have engineered these events, that would appear to be directed to their benefit, will be brought out into the bright light of a thorough investigation. We shall soon see just who is unethical and un-American in their blackjack methods to damage deserving publications in order to preserve their own selfish and competitive postal advantage.

Therefore, Mr. President, I ask unanimous consent that Calendar No. 813, House bill 7910, to revise laws relating to the handling of short-paid and undeliverable mail, and for other purposes, be recommitted to the Committee on Post Office and Civil Service, for further study.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

EXHIBIT A

Hon. OLIN D. JOHNSTON,
Chairman, Senate Post Office and Civil Service Committee, United States Senate, Washington, D. C.:

The United Business Press of America—as represented by this International Association of Trade, Technical, Scientific, Professional, and Industrial Magazines—is shocked by the messages received by Members of the Senate carrying unwarranted accusations in libelous language defaming the character of bona fide business and trade publications which have no connection whatever with newspapers. While the salutary legislation proposed by your committee would go a long way toward ending the unjustified and longstanding discrimination against controlled-circulation business magazines by providing those qualified with the normal service of second-class postal handling, and while the publishers of these important national and sectional periodicals wholeheartedly appreciate your committee's knowledge of and desire to correct this inequity—the controlled-circulation business magazine members of this association, in the face of such vicious charges as "junk mail" and "throwaways," respectfully request that you withdraw H. R. 7910 and strongly urge that you immediately schedule complete committee hearings and call for a full-scale investigation of the persons and real purposes behind this campaign. We stand ready to provide your committee with ample testimony. We are eager to help you prove just who is trying

to hide what from the Senate. We are sending copies of this telegram to every Member of the Senate, so that they may better judge where honesty and decency may exist in this matter. We are also sending your colleagues a followup statement defining our unjustified situation and seeking their interpretation of freedom of competition and our right to enjoy it.

Respectfully,

RUSSELL L. PUTMAN,
President, Putman Publishing Co., and Cochairman, Committee on Legislation, National Business Publications.

Mr. KEFAUVER subsequently said: Mr. President, House bill 7910, which is on the calendar, and which has to do with postal rates, apparently would give second-class mailing privileges to publications not having paid circulation.

I have received a number of telegrams from my State, particularly from the editors of weekly newspapers, protesting against passage of the bill. I desire to have the telegrams and a letter printed in the RECORD.

Mr. JOHNSTON of South Carolina. Mr. President, that is the bill which has just been recommitted, at my request, for further study. I should like to have the telegrams referred to the Committee on Post Office and Civil Service, since the committee is going to make a further study of the bill. I think there is confusion about the provisions of the bill, and therefore we are to have hearings on it.

Mr. KEFAUVER. Then, Mr. President, I ask unanimous consent that the telegrams and letter be printed in the RECORD and thereafter be referred to the Committee on Post Office and Civil Service, for its study.

Mr. JOHNSTON of South Carolina. We shall appreciate having that done.

The PRESIDING OFFICER. Without objection, the telegrams and letter will be printed in the RECORD, and will be referred to the Committee on Post Office and Civil Service.

The telegrams and letter are as follows:

NEW TAZEWELL, TENN., *August 8, 1957.*
Senator ESTES KEFAUVER,
Senate Office Building,
Washington, D. C.:

We are very interested in bill H. R. 7910 and would like you to investigate a provision in this bill which would give second-class mail rates to "controlled" newspapers and magazines (giveaways). We do not feel free-circulation publications should be recognized on a par with paid-circulation publications. Will you please see what you can do toward removing this section from bill H. R. 7910? We would like to point out that Senator OLIN JOHNSTON failed to give interested organizations an opportunity to be heard on this proposal. Thank you for anything you can do for us.

LOUIS SPILMAN,
Editor and Publisher, the Claiborne Progress, Union County Times, Hancock County News.

MILLINGTON, TENN., *August 9, 1957.*
Senator ESTES KEFAUVER,
Senate Judiciary Committee,
Washington, D. C.:

Bill H. R. 7910 giving postal rates to throwaways on par with paid-circulation publications disastrous to newspapers. Interested groups not heard by committee. Your help in matter earnestly sought.

RAYMOND HAMILTON,
Editor, the Millington Star.

JOHNSON CITY PRESS-CHRONICLE,
Johnson City, Tenn., August 6, 1957.
Hon. ESTES KEFAUVER,
Senator, Senate Office Building,
Washington, D. C.

DEAR SENATOR KEFAUVER: We understand the Senate Post Office Committee has reported on H. R. 7910 which provides for second-class mail rates and privileges to "control" circulation newspapers and magazines. It is the opinion of the writer that this bill should not be passed. After you have had an opportunity to study the provisions of the same, I hope you will find yourself in agreement.

May I hear from you regarding this particular bill? Of course, I am primarily interested in the section which has to do with the second-class privileges and rates for the above described publications known in the trade as giveaways.

Thank you for your study and consideration.

Respectfully,

CARL A. JONES,
Publisher.

ETOWAH, TENN., *August 6, 1957.*
Senator ESTES KEFAUVER,
Senate Office Building,
Washington, D. C.:

Feel that free circulation publications should be recognized on a par with paid circulations and are opposed to bill H. R. 7910 containing such a provision. This would cripple good newspapers.

THE ETOWAH ENTERPRISE.

MEMPHIS, TENN., *August 9, 1957.*
Senator ESTES KEFAUVER,
Senate Office Building,
Washington, D. C.:

I oppose section 7910 which gives second-class mail rates and privileges to controlled circulation newspapers and magazines.

LOUIS B. JONES,
Daily News.

GREENEVILLE, TENN., *August 6, 1957.*
Senator ESTES KEFAUVER,
Senate Office Building,
Washington, D. C.:

We strongly protest sleeper in bill H. R. 7910 as reported by Senate Post Office Committee which would give second-class mail rates to controlled circulation newspapers which are really throwaways. We consider this unfair and urge that you do all in your power to have this provision removed.

JOHN M. JONES,
Greeneville Daily Sun.

DONELSON, TENN., *August 6, 1957.*
Senator ESTES KEFAUVER,
United States Senate,
Washington, D. C.:

Urge deletion in H. R. 7910 giving second-class rates to controlled circulation newspapers. This is decided detriment to paid weekly and daily papers who are trying to do a job of service to their community.

JOHN L. OLIVER,
Donelson Diary.

McMINNVILLE, TENN., *August 6, 1957.*
Senator ESTES KEFAUVER,
Senate Office Building,
Washington, D. C.:

Strongly protest provision bill H. R. 7910 allowing second-class mail rates privileges to control circulation publications.

CHARLES E. WISE,
Publisher, Southern Standard.

KINGSPORT, TENN., *August 6, 1957.*
Senator ESTES KEFAUVER,
Senate Office Building,
Washington, D. C.:

Free publications should obviously not be recognized on par with paid circulation. Urge defeat bill H. R. 7910.

BENJAMIN HADEN,
Kingsport Times-News.

CAMDEN, TENN., *August 6, 1957.*
Senator ESTES KEFAUVER,
Senate Chamber,
Washington D. C.:

Re bill H. R. 7910, I feel that free circulation publication should not be recognized on a par with paid circulations publication.

MRS. H. T. BRADLEY,
The Camden Chronicle.

COLUMBIA, TENN., *August 6, 1957.*
Hon. ESTES KEFAUVER,
Senate Office Building,
Washington, D. C.:

Understand H. R. 7910 as reported by Senate Post Office Committee contains "sleeper" giving "controlled circulation" or "free" newspapers magazines same second-class privileges as bona fide publications. I hope you will oppose such a measure for which there is no justification.

Sincerely,

JOHN W. FINNEY.

WAYNESBORO, TENN., *August 6, 1957.*
Senator ESTES KEFAUVER,
United States Senate,
Washington, D. C.:

I believe you will protect us and not allow second-class mail rate and privileges to controlled or free newspapers and magazines, also failure to allow interested groups to be heard on the proposition.

HARVEY BAILEY,
Wayne County News.

CLINTON., TENN., *August 6, 1957.*
Senator ESTES KEFAUVER,
Senate Office Building,
Washington, D. C.:

Protest section in H. R. 1910 providing second-class mail rates and privileges to controlled or free circulation newspapers and magazines. If people want newspapers and magazines they should have the privilege of ordering them and not having them dumped into their mailboxes as junk mail. Protest also failure committee to allow public to be heard on this provision as undemocratic.

HORACE V. WELLS, Jr.,
Publisher, Clinton Courier-News.

COVINGTON, TENN., *August 6, 1957.*
Senator ESTES KEFAUVER,
Senate Office Building,
Washington, D. C.:

Consider bill H. R. 7910 inimical to best interests of Nation's press by putting giveaway publications on par with paid publications; understand provision is sleeper; please investigate.

W. C. SIMONTON,
The Covington Leader.

CONSERVATION OF WILDLIFE BY PARTNERSHIP PROGRAMS WITH SOIL BANK COOPERATORS

Mr. MUNDT. Mr. President, in the comparatively quiet and calm recesses of the bureaucratic offices of the Department of Agriculture, this week some very important progress has been made in the direction of the conservation of the wildlife of America. I desire to address myself briefly to that subject.

The progress to which I am referring is made by the new regulations for the crop year 1958, involving the use of the conservation reserve program, which is part of the soil-bank program.

I wish to discuss this matter briefly, for the benefit of the Senate, because I think Members of the Senate and Members of the House of Representatives will be interested in discussing with their respective State ASC committees and

the sportsmen and other conservationists of their States the vast potentialities that these regulations make available to all persons who are interested in fish or game or conservation in any form.

At the time when Public Law 540 was before the 84th Congress—I refer to the law commonly known as the Soil Bank Act—in subtitle B, which deals with the conservation reserve program, in section 107, some significant amendments were added in committee; and it now develops that those amendments are going to create for conservationists in America what I believe will be the best oportunity in the history of the United States to get something done through a partnership program for the preservation and development of habitat for the wild fowl of the country and for the impounding of the waters to be used by fish life and to provide breeding, resting, and nesting places for the waterfowl of the North American Continent.

I read now from paragraph (1) of subsection (a) of section 107:

(1) To establish and maintain for the contract period protective vegetative cover (including but not limited to grass and trees), water storage facilities, or other soil-, water-, wildlife-, or forest-preserving uses on a specifically designated acreage of land on the farm regularly used in the production of crops (including crops, such as tame hay, alfalfa, and clovers, which do not require annual tillage).

At the time when we were considering that legislation, Mr. President, it was on the motion of the senior Senator from South Dakota, as a member of the Committee on Agriculture and Forestry, that the Senate added the words, "water storage facilities" and "wildlife"—because it occurred to me then that this would open the door to a vista of opportunity for conservationists—if the proper regulations were issued by the Department of Agriculture—to do something for conservation in general.

Having been interested in conservation for a long time—for instance, over 25 years ago I served in South Dakota as president of the State Izaak Walton League—I wish to call attention to the fact that this great chain reaction of conservation opportunity was opened up completely yesterday with the clarification of the final regulations which obtain for 1958; and, therefore, what we envisioned then will become an actual reality in 1958.

As we went through the bill, of course, it was necessary at that time, when the legislation was being considered in the 84th Congress, to include the important little words relating to water storage facilities and wildlife and forest conservation uses, and so forth. In every section of the bill they will be found inserted. When we get to paragraph 3, fo example, we find it reads:

Not to harvest any crop from the acreage established in protective vegetative cover, excepting timber (in accordance with sound forestry management) and wildlife or other natural products—

And so forth. We were afraid a solicitor in the Department of Agriculture might someday hold that hunting or fishing as permitted under the conservation program was considered to be a commercial practice, and we had in mind, of course, that it would not be so construed.

So on page 5, in paragraph 1 and paragraph 2 of subparagraph (b), we find the same reiteration of words.

Mr. President, I ask unanimous consent that those pertinent passages from the act may appear in the RECORD at this point as a part of my remarks.

There being no objection, the passages were ordered to be printed in the RECORD, as follows:

SUBTITLE B—CONSERVATION RESERVE PROGRAM

TERMS AND CONDITIONS

SEC. 107. (a) To effectuate the purposes of this title the Secretary is hereby authorized to enter into contracts for periods of not less than 3 years with producers determined by him to have control for the contract period of the farms covered by the contract wherein the producer shall agree:

(1) To establish and maintain for the contract period protective vegetative cover (including but not limited to grass and trees), water storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses on a specifically designated acreage of land on the farm regularly used in the production of crops (including crops, such as tame hay, alfalfa, and clovers, which do not require annual tillage).

(2) To devote to conserving crops or uses, or allow to remain idle, throughout the contract period an acreage of the remaining land on the farm which is not less than the acreage normally devoted only to conserving crops or uses or normally allowed to remain idle on such remaining acreage.

(3) Not to harvest any crop from the acreage established in protective vegetative cover, excepting timber (in accordance with sound forestry management) and wildlife or other natural products of such acreage which do not increase supplies of feed for domestic animals.

(4) Not to graze any acreage established in protective vegetative cover prior to January 1, 1959, or such later date as may be provided in the contract, except pursuant to the provisions of section 103 (a) (3) hereof; and if such acreage is grazed at the end of such period, to graze such acreage during the remainder of the period covered by the contract in accordance with sound pasture management.

(5) Not to adopt any practice, or divert lands on the farm from conservation, woods, grazing, or other use, to any use specified by the Secretary in the contract as a practice or use which would tend to defeat the purposes of the contract.

(6) (A) In the event that the Secretary determines that there has been a violation of the contract (including the prohibition of grazing on conservation acreages) at any stage during the time such producer has control of the farm and that such violation is of such a substantial nature as to warrant termination of the contract, to forfeit all rights to payments or grants under the contract, and to refund to the United States all payments and grants received by him thereunder.

(B) In the event that the Secretary determines that there has been a violation of the contract but that such violation is of such a nature as not to warrant termination of the contract, to accept such payment adjustments, forfeit such benefits, and make such refunds to the United States of payments and benefits received by him, under the contract, as the Secretary may determine to be appropriate.

(7) To such additional provisions as the Secretary determines are desirable and includes in the contract to effectuate the purposes of this title and to facilitate the practical administration of the conservation reserve program, including provisions relating to control of noxious weeds.

(b) In return for such agreement by the producer the Secretary shall agree:

(1) To bear such part of the cost (including labor) of establishing and maintaining vegetative cover or water storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses, on the designated acreage as the Secretary determines to be necessary to effectuate the purposes of this title, but not to exceed a maximum amount per acre or facility prescribed by the Secretary for the county or area in which the farm is situated; and

(2) To make an annual payment to the producer for the term of the contract upon determination that he has fulfilled the provisions of the contract entitling him to such payment. The rate or rates of the annual payment to be provided for in the contracts shall be established on such basis as the Secretary determines will provide producers with a fair and reasonable annual return on the land established in protective vegetative cover or water storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses, taking into consideration the value of the land for the production of commodities customarily grown on such kind of land in the county or area, the prevailing rates for cash rentals for similar land in the county or area, the incentive necessary to obtain contracts covering sufficient acreage for the substantial accomplishment of the purposes of the conservation reserve program, and such other factors as he deems appropriate. Such rate or rates may be determined on an individual farm basis, a county or area basis, or such other basis as the Secretary determines will facilitate the practical administration of the program.

(c) In determining the lands in any area to be covered by contracts entered into under this section, the Secretary may use advertising and bid procedure if he determines that such action will contribute to the effective and equitable administration of the conservation reserve program.

Mr. MUNDT. Mr. President, in the development of the regulations on the part of the Department, as they were made applicable to the 1957 crop situation and as they were originally publicized for 1958, some misunderstandings had arisen which gave some concern to departments of fish and game, conservation organizations, the Izaak Walton League, and people generally interested in opening up this program for the type of wildlife practices envisioned at the time we adopted the amendments to which I earlier alluded.

I hold in my hand a letter received yesterday, and dated yesterday, from the Department of Agriculture, signed by Mr. Howard J. Doggett, Director of the Soil Bank Division, in which he, once and for all, finally and for all time, clearly and directly puts the Department on record as to what it proposes to do in the 1958 practices in this area of activity. This letter, as will become clear as I read it, followed a series of conferences and negotiations held in my office and in the Department of Agriculture, discussing these differences of opinion and interpretation, and pressing for a prompt decision, so we would know whether or not supplementary legislation was needed before Congress adjourned in order to implement the purposes Congress had in mind. Mr. Doggett's letter is a clear-cut implementation of our Congressional intent.

The letter devotes itself to answering several specific questions I had propounded to the Department of Agriculture. I read the letter of August 9, 1957:

Hon. KARL E. MUNDT,
United States Senate.

DEAR SENATOR MUNDT: These are the answers to the questions concerning the conservation reserve which you raised with me.

1. What is the formula used in determining the amount to be paid to a farmer under the conservation-reserve program for wildlife practices? For pond development?

Answer: Pond development:

Up to $625 of cost of structure (80 percent)	$500
$625 to $1,000 cost of structure (40 percent)	140
$1,000 to $4,300 cost of structure (20 percent)	860
$4,300 up (none)	0
Maximum cost share payment per structure	1,500

Then I asked:

What is the formula used in determining the amount to be paid to a farmer under the conservation-reserve program for protective cover?

Answer: For protective cover:

Not to exceed the higher of the cost-share payment which could be made if the same acreage was devoted to approved grass and legume cover or forest trees.

2. Can a sportsmen group pay a farmer for hunting rights on property which he has placed in the conservation reserve?

There follows a long paragraph, which I shall include by incorporating the entire letter in the RECORD; but the only reservation made in the reply was that it was perfectly all right for farmers to charge for hunting or fishing privileges on property which the farmer had placed in the conservation-reserve program, so long as the farmer did not establish a strictly commercial enterprise. The Department of Agriculture recognized that American farmers are mature, independent, and able citizens, fully capable of managing their own affairs.

I now go to the third question:

3. Can a farmer receive remuneration for the cost of performing wildlife practices under the conservation reserve from:

A State agency (fish, game, and parks department, etc.)?

A sportsmen group?

Answer: Yes, the 1958 conservation reserve regulations will provide that State agencies and others may contribute to the cost of wildlife practices without reducing—

I repeat, Mr. President, since this is the significant part—

without reducing the Federal cost share that would be otherwise available for the practice. This provision would not apply to participation by other Federal agencies.

Sincerely yours,

HOWARD J. DOGGETT,
Director, Soil Bank Division.

Mr. President, the last paragraph removes all doubt as to the intention of the Congress and the purpose of the program of the Department of Agriculture, implementing the conservation reserve program so that it can become, as was planned, a great opportunity for conservationists generally to cooperate in a gigantic partnership program with farmers and ranchers to improve the natural habitat for wildlife in this country.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the letter to which I have referred.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES DEPARTMENT OF AGRICULTURE,
COMMODITY STABILIZATION SERVICE,
Washington, D. C., August 9, 1957.

Hon. KARL E. MUNDT,
United States Senate.

DEAR SENATOR MUNDT: These are the answers to the questions concerning the Conservation Reserve which you raised with me.

1. What is the formula used in determining the amount to be paid to a farmer under the Conservation Reserve program for wildlife practices? For pond development?

Answer: Pond development:

Up to $625 of cost of structure (80 percent)	$500
$625 to $1,000 cost of structure (40 percent)	140
$1,000 to $4,300 cost of structure (20 percent)	860
$4,300 up (none)	0
Maximum cost share payment per structure	1,500

For protective cover?

Answer: For protective cover:

Not to exceed the higher of the cost share payment which could be made if the same acreage was devoted to approved grass and legume cover or forest trees.

2. Can a sportsmen group pay a farmer for hunting rights on property which he has placed in the Conservation Reserve?

Answer: Yes; as long as they do not establish a commercial enterprise. Hunting and fishing shall be considered a commercial enterprise where the steps considered to be normal to the development of a commercial enterprise are taken, e. g., establishment of specific charges and provision of facilities or services in connection with hunting or fishing in accordance with usual business practices. A farmer who charges an occasional fee for hunting or fishing on the Conservation Reserve will not be considered as using such land for a commercial enterprise unless he takes such steps as would be considered to be the actual establishment of a commercial hunting or fishing preserve. (Sec. 124, 70 Stat. 198; 7 U. S. C. 1812.)

3. Can a farmer receive remuneration for the cost of performing wildlife practices under the Conservation Reserve from:

A State agency (fish, game, and parks department, etc.)?

A sportsmen group?

Answer: Yes; the 1958 conservation reserve regulations will provide that State agencies and others may contribute to the cost of wildlife practices without reducing the Federal cost share that would be otherwise available for the practice. This provision would not apply to participation by other Federal agencies.

Sincerely yours,

HOWARD J. DOGGETT,
Director, Soil Bank Division.

Mr. MUNDT. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a copy of a news release which I have sent to the press gallery today, setting out in greater detail what the program encompasses.

There being no objection, the news release was ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., August 9, 1957.—Senator KARL E. MUNDT, Republican of South Dakota, member of the Senate Committee on Agriculture and Forestry and of the Agriculture Subcommittee of the Appropriations Committee, announced that he today received a letter from the Director of the Soil Bank Division of the Department of Agriculture completely clarifying the Department's 1958 regulations with regard to cooperative arrangements between farmers under the conservation reserve program and sportsmen's clubs or game and fish departments working with them to promote wildlife conservation practices.

Senator MUNDT, who authored the provisions of the basic Soil Bank Act establishing wildlife practices among those approved for conservation reserve practices, said "in today's letter from Howard J. Doggett, Director of the Soil Bank Division, United States Department of Agriculture, the Department advises me of its full approval and support of cooperative programs to increase participation by farmers in wildlife conservation practices. On a graduated scale from 80 percent for the first $500 to 20 percent on costs from $1,000 to $4,300 the Department will share in the construction costs of pond development for fish life or migratory wildfowl. In addition, payments will be made for protective cover for upland birds under the Department regulations for 1958 soil bank participation."

MUNDT continued, "The Department specifically assured me that either conservation groups, sportmen's organizations, or game and fish departments, or a combination of such cooperators, may supplement the rental or construction-sharing payments made farmers by the Federal Government for these purposes. Such supplementary payments will not be deducted from the money paid by the Federal Government. Thus throughout the land, conservationists now have our best opportunity in history to stimulate conservation practices for fish and wildfowl by encouraging farmers through supplementary payments and annual leases to participate in the conservation reserve phase of the soil bank program. By so doing farmers can substantially increase their income and conservationists can constructively improve the natural habitat for wildlife. I am further advised that the Department will shortly appoint a special assistant whose responsibilities will be to encourage cooperative practices of this type and State ASC committees are being requested to urge the expansion of programs of this type in every State where sportsmen and conservationists are active and where there are fish and game assets to protect and expand."

Mr. MUNDT. Mr. President, may I point out for the benefit of Senators who are not members of the Committee on Agriculture and Forestry, for the benefit of the Members of the House of Representatives who will be interested in this subject, and for the benefit of conservationists generally, exactly how the program can operate to make 1958 a year which we can call "Opportunity Unlimited" for the conservationists of America.

This program has opened up a whole series of aspects such as the most optimistic conservationist would never have dared to dream about 5 short years ago. Let me cite for Senators a few examples of how the 1958 intensified and emphasized wildlife practices program, combined with the conservation reserve practices, will be able to operate.

As the first example, let us consider a program to be initiated by the farmer. The farmer can go down to the local county office or to the State ASC office, and say, "I should like to be paid for

putting upon my farm some wildlife conservation practices and bringing the farm under the conservation reserve. I should like to build a pond. I should like to build a pond sufficiently deep so that I will be able to stock it with some fish, plant some trees and shrubs around the pond, perhaps put in picnicking areas and the like, and have a pond large enough so that ducks and other migratory waterfowl can use it as a nesting and breeding place."

That practice would be approved by the county conservation committee, by the State conservation committee, and by the Federal Government.

The Federal Government might say, "We will pay up to 80 percent of the cost of this practice, up to the total amount of $1,500." The farmer, however, might find that it would cost him $2,000 to put in the dam. The Federal Government might say, "Well, you will inundate 50 acres of land, and we are prepared to pay $10 per acre, or $500 a year, for this tract which you are inundating."

The farmer might say to himself, "That is pretty good, but on my books I show that I made $750 from that particular tract of land last year.

"I do not think I can afford to invest $500 of my own money in the dam and $250 of my own money a year by way of a loss of income, in order to provide a fishing and picnicking ground in this area, a place where a public group can get together. I would love to be able to do it. I am an outdoors man myself. However, after all, I have a family to support—no can do."

The farmer could then go to the Izaak Walton League chapter in his town, or to the local rod and gun club in his town, or to other conservation groups in his town, or to the game and fish department at the capital of his State, and he could say, "Look here, I should like to make this recreational place available as a fishing rendezvous, as a public shooting ground, as a family picnicking area, as a local swimming place near a small community which is 500 miles, perhaps, from the nearest lake, but I find that in order to do so I would come out short. If the game and fish department will make a contract with me to pay the extra $500 required in order to complete the dam, and if the department will pay me an annual rental of $5 an acre, to give me the $250 additional income I need in order to come out even, I will make a contract with the department for from 3 to 13 years so that this area can be used as a public shooting area, a public fishing area, and provide a place much needed for recreation far removed from the nearest adequate water supply, at an additional cost of $500 and a rental of $250 per year."

This area will provide for sportsmen and families in a wide area a recreational ground, while at the same time the Federal Government, by its investment of the initial $1,500 and by the payment of $500 per annum rental, will take out of production cropland which otherwise would be contributing to the ever-growing surpluses with which we have to contend.

That is the first example. That is a practical, concrete example of how John Q. Farmer, on his own initiative, can work out his problem to benefit not only himself, but to benefit the community in which he lives.

If he is a good bargainer, Mr. President—and many farmers are good bargainers—perhaps instead of renting the land for $5 an acre to the game and fish department he could rent it to them for $10 an acre, in which case his net income from the farm would be greater than it would have been had he put the land to crop, while at the same time he would be making all of these conservation benefits available to the community.

Let us next consider illustration No. 2. Under this illustration the program could be initiated by the sportsmen of the community. Five or six members of a duck club, five or six people who habitually fish together, or perhaps the members of an Izaak Walton League chapter, a Kiwanis Club, a Rotary Club, or the women's auxiliary of the American Legion might say, "Why do we not do something about providing a happy, healthy, wholesome, recreational facility for the kiddies in our community and for the adults who like to fish or who like to hunt? Why can we not figure out some way of bringing over on a magic blanket to our little community a nice, improved water area on which these happy activities can take place?"

Looking around, those people find that they are 500 miles from the nearest public water facility, or perhaps 100 miles, when they would like to have this project close to home. They start out with the idea. What can they do?

That group of people decides to do something, so they drive around some sunny Sunday afternoon and look at all the different pieces of land around the area, until they find a farmer with some low land near a creek or a watershed. They call in the county engineer and they say, "What would happen if we put a dam down there and flooded all this farmer's land? Is there enough runoff in the annual precipitation so that it would sustain itself and provide a little lake or a little pond in this area?"

If the engineer says "Yes," then the members of this group, on their own initiative, can go to the farmer and say, "Look here, you are in the business of agriculture to make a profit. You are in the business of agriculture to provide yourself with a way of life. You are in the business of agriculture because you want to raise your family in good, wholesome circumstances. Would it not be a wonderful thing if we could have a 50-acre, or 20-acre, or 10-acre lake, deep enough to sustain fish life, well enough protected to attract migratory birds and to provide some nesting areas for the little ducklings, and large enough to provide some swimming areas for the youngsters? Would that not be fine, Mr. Farmer?"

The farmer would say, "You betcha, but I cannot afford to do it." And they would say, "You do not have to be able to afford to do it. We will work with you. If you will go down to the county ASC office and see what kind of a deal you can make with them, to bring the land under the conservation reserve program, with a contract of from 3 to 13 years, when you get through making your deal with them you can come back and talk to us."

The farmer would make the deal, and when he got through with it he might find that it would not provide him with as much income as he would normally receive. Then he would talk to that group of sportsmen who initiated the program, and he might say, "If you can provide me with perhaps $100, perhaps $500, or perhaps $1,000 extra, toward the construction cost, and if you will provide me with $2, $3, $5, or $10 per acre additional to my Federal payments in an annual rental, I will contract with the ASC committee to construct the project, and will put it under contract, and I will contract with you folks to make it available for public purposes, and this thing can be done." I think normally that is the way it will be done.

The project might be so large that the local group of sportsmen who initiated the idea would go to the capital city of the State, instead, and enlist the support of the game and fish department, which, generally speaking over the United States, raises money from selling hunting and fishing licenses. So it is interested in increasing opportunities for hunting and fishing, because the more licenses it sells the greater is its revenue. The game and fish department can contribute money to these projects received from the sale of hunting and fishing licenses.

The group of sportsmen goes to the capital city and says to the game and fish department, "We do not have recreational facilities in our particular town or vicinity. How about your entering into a contract with our friend, Mr. Farmer, to help finish the structure, and help pay the rent?"

Let me give one further illustration of how such a program could be initiated. I find, from a survey which I have made, that except for the State of Missouri, the State of South Dakota, and a few other States, very little progress on wildlife conservation has been made in the direction we envisioned in writing in that magic language in the bill. So far as I know, 1958 may be the final year Americans will have to work with this conservation reserve program. In 1958, States, areas, communities, farmers, sportsmen's organizations, and fish and game departments which desire to do so, however, can enter into contracts running for as long as 12 or 15 years. So 1958 is a miracle year, the year of opportunity; 1958 is the time, the hour, and the date when conservationists all over America can enter into great partnership programs, working with farmers and ranchers and the Federal Government, to set in motion an unfolding wonderland of ponds, sloughs, lakes, upland refuges, and picknicking places, provided they understand what to do, whom to see, and how to do it.

The letter which I read into the RECORD, which I received from Howard Doggett yesterday, sets out the situation in black and white, so that all can see. The

1958 regulations will specify meticulously that the way I have described is the way the program can be accomplished.

Perhaps the farmer does not initiate the program. Perhaps there is no sportsmen's club in a little town in Wyoming, western South Dakota, or North Dakota. Perhaps there is no sportsmen's club in a little town 250 miles away from the nearest flowing water or lake. There is not much reason for organizing a club if there is no place where one can wet a fly or throw a baited hook, and nothing at which one can point a gun and pull the trigger.

So game and fish departments themselves upon the urging of sportsmen and conservationists can initiate these programs. I wish to focus a little public attention not only upon the opportunity, but upon the responsibility of the 48 game and fish departments in this country, which, I hope, will be clamoring for the manifestation of States rights and the opportunity to do things with their own money, in their own way.

What an opportunity for 48 departments of game and fish management. I once served for 6½ years as a member of the game and fish commission in South Dakota. I know the type of business in which game and fish departments are interested. I have attended a great many national conservation conventions, and have talked with many people who attend such gatherings. The game and fish departments, as they prepare their budgets for 1958, can set aside a little fund for conservation development—a wildlife practices protection fund. They can set aside $50,000, $75,000, $100,000, or $500,000 from the annual income, and say that that sum shall be earmarked to be used in this great partnership program, to help develop, in cooperation with farmers and ranchers, a magic matrix of attractive little conservation areas across the length and breadth of the State—here a duck pond, here a fishing place, here a place for children to swim, here a picnicking area, here some trees to provide shade for weary travelers, over here, perhaps, an upland game refuge.

All those projects can be carried out under contracts entered into with the proper agencies, so that every dollar spent by the game and fish department will be supplemented, supported, and multiplied many times by the dollar devoted by the Federal Government, because the contracts with the farmers have the major purpose of taking land out of production, to reduce the surplus of agricultural commodities.

A great device for conservation can be built with money set aside by the game and fish departments, and earmarked for that purpose, under contracts with farmers, who will follow certain regulations.

In some cases the game and fish department might say to the farmer, "We will do this if you will preserve the area as an inviolate reserve, and permit no shooting and no hunting. Make it a nesting place and feeding place for migratory fowl, a gathering place, an attractive area for wildlife, or a preserve for upland game birds.

In some other areas the game and fish department might say just the opposite. It might say to the farmer, "If you will make this a public shooting ground, we will build a fence inside, and leave the lake outside, so that anyone who wishes to do so can come in and hunt or fish."

In some cases the game and fish department might say to the farmer, "We will cooperate in this project if you will charge a minimum price of a dollar a day." All sorts of devices can be provided through the ingenuity of farmers, sportsmen, and game and fish managers over the country.

This project provides the greatest partnership program in connection with national conservation that has ever happened in America, bar none. It will be significantly successful once it is understood, and once we get the proper cooperation.

Now that the door has been opened and the opportunity presented, I encourage all who read these remarks or hear them, or who will learn about them through the press and radio, to move rapidly, because now is the time to get ready for this great program of 1958. If it works as I believe it will work, and as I hope it will work, I think it will be a great inducement to continue the soil conservation reserve program of the soil bank far beyond the end of 1958. But that is a step for the future. That is a conjecture. We know that we have 12 months in which to work right now, on an actual existing realistic and inviting program.

Finally, Mr. President, the Department of Agriculture is appointing next week, I believe—if not next week, very soon—a distinguished citizen from a neighboring State, a citizen from North Dakota, who will be named to serve in the Department of Agriculture with the sole and specific responsibility of promoting, across the length and breadth of this land, this phase of the conservation reserve program as it is first being fully exemplified and augmented by the conservation reserve regulations for 1958.

I think the Department of Agriculture is acting wisely. I congratulate it upon its choice and upon its decision and determination. I believe that this program provides an unparalleled opportunity for Americans everywhere, wherever there are conservationists, wherever there are sportsmen, wherever there is a habitat worth protecting, to promote and preserve the wildlife of America.

PERMANENT CERTIFICATION FOR UNITED STATES-ALASKA AIR CARRIERS

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the to the consideration of Calendar No. 438, Senate bill 1873.

The PRESIDING OFFICER. The bill will be stated by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1873) to amend section 41 (e) of the Civil Aeronautics Act of 1938 in order to authorize permanent certification for certain air carriers operating between the United States and Alaska.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Interstate and Foreign Commerce with amendments.

Mr. MAGNUSON. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an excerpt from the report on the bill.

There being no objection, the excerpt from the report (No. 431) was ordered to be printed in the RECORD, as follows:

The Committee on Interstate and Foreign Commerce, to whom was referred the bill (S. 1873) to amend section 401 (e) of the Civil Aeronautics Act of 1938 in order to authorize permanent certification for certain air carriers operating between the United States and Alaska, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

1. PURPOSE OF THE BILL

S. 1873 would amend section 401 (e) of the Civil Aeronautics Act of 1938 by providing means for permanent certification for certain air carriers operating between the United States and the Territory of Alaska. To qualify, such carriers would have to make application to the Civil Aeronautics Board within 120 days from the date of enactment of this legislation, and show that on January 1, 1957, and until the date of enactment, they were continuously operating under a temporary certificate of public convenience and necessity. If the foregoing could be shown by the carriers, unless the service rendered during such period was inadequate and inefficient, certificates of unlimited duration "shall" be issued.

The bill would enable each of the qualified carriers to more economically, efficiently, and satisfactorily provide air service over important routes which are of great significance to the welfare of the citizens in Alaska and of substantial importance to the defense effort in that part of the world. Continued development of the resources of the Territory of Alaska is a matter of significance to the whole country, and the efforts of the States-Alaska air carriers to aid in that development must be encouraged.

The three United States carriers that would be affected by the bill are Alaska Airlines, Inc., Northwest Airlines, Inc., and Pacific Northern Airlines, Inc.

2. COMMITTEE ACTION

This legislation was introduced by the chairman of your committee in recognition of the fact that the affected air carrier routes have become an integral part of our national transportation system and are providing services which are essential to the national interest in the continued development of economic and military assets of Alaska. It is felt that the qualified carriers are entitled to permanent certification on their States-Alaska routes in order to permit them to become more self-sufficient.

Your committee held open hearings on legislation designed to accomplish the purposes of this bill on March 26, 1956 (S. 3164, 84th Cong.). That measure passed the Senate April 30, 1956, but failed in the House. Since both the Senate and the House held open hearings on this legislation in the 84th Congress, your committee did not feel it necessary to have such testimony repeated this year, nor did we wish to impose the burden of time and expense on the witnesses

so recently heard, some of whom must travel from Alaska. Accordingly, on the basis of our files and records, your committee again urges the enactment of this measure.

3. NEED FOR LEGISLATION

The granting of certificates of unlimited duration to qualified carriers for their States-Alaska routes would aid considerably in helping to solve many of the problems with which they are faced. Your committee finds striking similarity in the problems of these carriers and those of the trunklines, the feeder or local service lines, the intraterritorial lines, and the domestic all-cargo lines before permanent certification was granted to them.

Examples of ways in which the public interest will be better served and expense to the Government in the form of subsidy minimized by this bill may be summarized as follows:

1. The recurrent and extensive diversion of executive talent to certificate renewal proceedings will be ended so that executive talent can be devoted to improving the operations of the airlines themselves, thereby serving the public interest and generating more commercial revenues.

2. The expense saddled upon the carriers by recertification proceedings, estimated upward to $100,000 for each renewal, will be terminated and that money devoted to such capital improvements as maintenance and navigational aids and other improvements contributing to the financial and operational progress of the carriers.

3. The great expense and inconvenience to States and cities and other users of the service who must devote great effort to supporting applications for renewal will be ended. Likewise the great expense to the Federal Government of having the Civil Aeronautics Board conduct such proceedings will be terminated.

4. States and municipalities (and to a certain extent the Federal Government) which have invested money in aeronautical facilities will have some assurance that their investments in those facilities may be considered foresighted rather than speculative.

5. The promotion of American commerce and national unity will be furthered by strengthening and making permanent the routes of air carriers which have been flying thousands of passengers and millions of pounds of cargo and mail between the States and Alaska for the past several years.

6. The carriers may develop long-range personnel programs and offer long-range careers to employees. In the past, many contracts of employment with these carriers have had to be short range and have led to a personnel turnover rate twice that of the trunk carriers and a consequent high training and replacement expense.

7. The carriers may, after passage of this legislation, make long-term arrangements for the larger and more expensive aircraft needed for the service and for hangars, navigational equipment, maintenance, and other facilities with the consequent economies to themselves and the Government that are inevitable from such arrangements.

9. Passage of the bill will enable the airlines to establish sensible financing programs sions of, or additions to, old businesses with some confidence that the air service on which they depend is permanent.

9. Passage of the bill will enable the airlines to establish sensible financing programs on a long-range basis. Such disadvantages as premium interest rates on loans, loan periods timed to temporary certificate dates, and many other penalties which the uncertain nature of the airlines' prospects have visited upon them may be either reduced or avoided.

10. Finally, and maybe most important, the bill will be beneficial to our national-defense effort.

Your committee realizes that none of the above-listed consequences is going to flow automatically from the passage of this bill. A great deal of effort and hard work will still be required on the part of the carriers to make the above-listed effects realities, but your committee is satisfied on the basis of past performance of these airlines and on the basis of the evidence before it that the incentive for progress is abundant in the current management of the carriers. For these reasons, your committee believes that this bill will permit the affected airlines to operate on a more efficient and more economical basis and in time to reduce substantially their need for subsidy mail pay from the Federal Government.

In that respect, the States-Alaska operation subsidies for the years 1954 through 1956 were $3,391,000; $3,517,000; and $3,343,000, respectively; $3,325,000 is estimated for 1957, and your committee believes the enactment of this bill would further decrease the subsidies.

4. HISTORY AND PROGRESS OF STATES-ALASKA SERVICE

Air transportation between the States and Alaska has been almost entirely a postwar development. During the war only limited service was provided by one carrier and no direct service existed between the States and Anchorage, the largest city in the Territory and center of defense activities in the area. In 1946 Northwest Airlines was certificated on a 7-year basis between Seattle and Anchorage and between Minneapolis-St. Paul and Anchorage via Edmonton, Canada. In 1951, to meet the increasing demands for service, Pacific Northern Airlines was authorized to operate between Anchorage and Seattle-Portland via Cordova and Juneau, and Alaska Airlines was authorized to operate between Fairbanks and Seattle-Portland. These latter two certificates were each of 28 months' duration, expiring simultaneously with the temporary certificates held by Northwest.

After extensive proceedings in 1953–55, the Civil Aeronautics Board in May 1955 decided to renew the temporary certificates of all three States-Alaska carriers. Northwest's authorization to operate between Seattle and Anchorage was renewed on a permanent basis and its certificate for the Twin Cities-Anchorage route was renewed for a period of 3 years. The temporary routes of both Alaska Airlines and Pacific Northern were to be renewed for 3 years under the Board's decision, but at the direction of the President renewals were finally issued for a 5-year period, expiring in 1960.

The historical and prospective developments in the economy and defense of Alaska indicate that the public need for the services of the present States-Alaska carriers will continue, and in fact will increase. Today, the airlines provide the only common carrier passenger service between the States and Alaska. Steamship service is confined to freight. The only alternative means of personal travel is by auto over the Alcan Highway. Moreover, surface transportation for freight is slow and the airlines provide the best service for perishable foods and other cargo having a high value in relation to weight.

As a conseqence of all these factors, the volume of passenger, cargo, and mail traffic carried by States-Alaska airlines has shown a steady and continuous growth. The future of both the Territory and the airlines which connect it with the States seems secure, especially if the airlines are at this time given the stability and security which they so much require to be able to reduce their subsidy requirements.

Your committee believes the foregoing demonstrates that the reasons which impelled Congress to enact permanent certificate legislation for other airlines apply with equal force in support of the desirability of similar action on behalf of the States-Alaska air carriers. In addition there are other factors which favor this bill. In the first instance, States-Alaska air service is not simply an alternative means of transportation; it is rather the only modern means for personal travel and fast freight shipment between the States and the Territory. Second, our files contain evidence of interest by high military officials in the continued development of civilian air transportation between the States and Alaska as an essential adjunct of military activities in the area.

5. AGENCY COMMENTS

The only agency that commented on this bill was the Civil Aeronautics Board, and they are adverse on the grounds that the granting of certificates of unlimited duration is for the Board after formal review.

Your committee would be highly pleased if the Board would only do what it says its duty is. The fact remains that the Board has not done so, nor has it ever done so.

Section 401 of the Civil Aeronautics Act of 1938 specifically charges the Board with the duty of issuing certificates of public convenience and necessity. Yet, except for route or service extensions, in the 19 years this law has been in effect, the Board has never seen fit to grant to any carrier applicant more than a temporary certificate.

Every permanent certificate has been authorized by an act of Congress. The original grandfather certificates were granted by the Civil Aeronautics Act of 1938, the local service certificates by Public Law 38, 84th Congress, and the intraterritorial certificates by Public Law 741, 84th Congress. On May 1, 1957, the Senate passed S. 1474, which would grant such certificates to all cargo air carriers in the continental United States.

This leaves only two groups operating on temporary certificates, the States-Alaska carriers covered by this bill, and the international cargo carriers.

In connection with this legislation in the 84th Congress, the Department of Commerce advised that the duration of a certificate of public convenience and necessity was an issue that should be decided by the Board under standards laid down by Congress in the Civil Aeronautics Act.

The Civil Aeronautics Board indicated that in its opinion economic conditions and other circumstances applicable to States-Alaska carriers were generally the same as in the case of local service airlines, and acknowledged that the enactment of that bill was in the public interest.

Your committee feels that a proper application of those statutory standards in this instance, as in the case of the local service airlines dictates the necessity for this legislation. Certainly, your committee knows of no reason for according different treatment to the States-Alaska airlines than Congress accorded to similarly situated local service carriers less than a year ago.

In any event, your committee finds the Board, not acting when it says to act is its duty, and changing its mind on the legislation from one year to the next, all to the detriment of the carriers involved. We emphasize that while it is true that the Board has the power and authority to do what this bill would do, that power and authority was delegated to it by the Congress, and since there has been, and still is, a failure to act, it is for the Congress to exert its authority.

In our report on S. 1474 (Rept. No. 251, 85th Cong.) on this point, your committee stated:

"The task of selecting which carriers are entitled in the public interest to certification is one of the principal responsibilities of air-commerce regulation for the discharge of which the Civil Aeronautics Authority was originally established. Section 401 of the Civil Aeronautics Act of 1938 specifically

charges the Authority (or its successor, the Civil Aeronautics Board) with this responsibility. Yet, in the 19 years this law has been in effect, the Board has never seen fit to grant to any carrier applicant more than a temporary certificate except for route or service extensions. The result of the Board's unwillingness to accept final responsibility in this area of operations has been to force upon the Congress the ultimate decision on permanent certification for individual lines. Thus, at the present time, all air carriers permanently certificated for the whole or for a part of their service were originally granted such status directly by act of Congress.

"In view of these facts your committee believes that in passage of the present legislation notice should be given that a final decision whether a carrier applicant meets the qualifications for regular certification should be made by the Board within a reasonable period, and that the Board should not hide behind the granting of a temporary certificate any longer than is absolutely necessary to test and evaluate the need for the applicant's services."

Your committee reaffirms that statement and again urges that the Board proceed in these matters.

6. CONCLUSION

The Board calls to our attention the desirability of clarification with respect to the possible application of section 801 of the Civil Aeronautics Act to certificates of public convenience and necessity which it may be called upon to issue when this bill is enacted into law. Even though the certificates of public convenience and necessity which would be issued under this bill authorize "overseas air transportation" as defined in the Civil Aeronautics Act, your committee feels that the issuance of such certificates shall not be subject to Presidential approval under section 801 of the act, because they would be "issuable under section 401 (e)" of the act and, therefore, by the language of the last sentence of section 801, clearly not within the application of that section.

Your committee believes that S. 1873 will have a salutary effect upon States-Alaska air carriers with corresponding benefits to the millions of Americans who live in the areas served by those airlines and especially to those people who depend on those airlines for essential services not otherwise obtainable. Your committee, therefore, recommends that this type of legislation be now extended to States-Alaska carriers, and that the bill, as amended, do pass.

Mr. MAGNUSON. Mr. President, the bill has the unanimous approval of the Committee on Interstate and Foreign Commerce. The bill merely provides for the permanent certification of three United States-Alaska carriers. They are the only three left. All other carriers have permanent certificates. The bill takes care of an item left out of the permanent feeder-line bill of last year. Enactment of the bill is necessary because of the fact that these are intercarriers.

Mr. DIRKSEN subsequently said: Mr. President, I ask unanimous consent that, following the statement by the Senator from Washington [Mr. MAGNUSON], I may have printed in the RECORD a statement with respect to Calendar No. 438, Senate bill 1873.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT SUPPLIED BY THE SECRETARY OF COMMERCE

The Senate and House Commerce Committees have favorably reported, with amendments, S. 1873 and H. R. 4520, bills to authorize permanent certificates for three United States-Alaska air routes operated by Alaska Airlines, Pacific Northern Airlines, and Northwest Airlines, respectively. H. R. 4520 passed House June 10, 1957. These bills, if enacted, would reverse the considered judgment of the Civil Aeronautics Board and the President of the United States that the public convenience and necessity require that these routes be authorized for an additional experimental period only. The determination of the CAB and the President was reached after full consideration under procedures provided by Congress and pursuant to carefully drawn standards which the Congress said should be applied.

It is the view of the President and the Board that, as the States-Alaska service expands in volume in response to normal growth of traffic, and as the pattern of service stabilizes owing to the completion of the majority of military projects in Alaska it will be desirable to review the entire States-Alaska service pattern to determine the maximum extent to which it may be made self-supporting. There would be involved in such a review a determination of the number of individual carriers which would be needed to provide adequate services, as well as their exact pattern of service.

This desire to determine the maximum extent to which this service may be made self-supporting is consistent with directives of the Congress to curtail subsidy payments as contained in House Report No. 1242 of February 25, 1954, 83d Congress, 2d session, and Senate Report No. 1541 of June 9, 1954, 83d Congress, 2d session. The House Committee on Appropriations said in House Report No. 1242 that:

"The committee recognizes that Federal expenditures are substantially affected by actions of this Board. It has made no reduction in the request for the coming year and expects that the Board will give prompt and serious consideration to ways and means of reducing the cost to the Government represented by mail payments to carriers in total as well as for subsidy."

The Senate Committee on Appropriations stated in Senate Report No. 1541 that:

"The committee directs that the Board undertake a complete review of subsidy payments immediately and report to the committee not later than January 1955 the results of such study so that the committee will be informed as to whether the amount recommended will be sufficient to meet subsidy payments. This request is made in light of the recent Supreme Court decisions relative to the computation of airline subsidies; and, in light of the report on Civil Air Policy made by the Air Coordinating Committee at the request of the President of the United States and released by him on May 26, 1954.

"This report recommends a program for the withdrawal of the air transport subsidy, except in certain cases primarily in the international field. It recommends a program of review by the Civil Aeronautics Board and the President 'to eliminate uneconomic duplicate service' to and within the Territories. * * *

"The report refers to the opportunity of the Board and the President to review the operations of our international carriers as well as carriers operating between the continental United States and its Territories and within such Territories."

Two of the routes involved, those of Alaska Airlines and Pacific Northern Airlines, are similar to, and directly competitive with, permanently certificated routes operated by Pan American World Airways and Northwest Airlines. The subsidy requirements of all of the carriers except Northwest for operating the United States-Alaska routes for the fiscal years 1955, 1956, and 1957 are as follows: [1]

	1955	1956	1957
Alaska Airlines	$979,000	$821,000	$800,000
Pacific Northern	1,243,000	2,075,000	2,298,000
Pan American	1,371,000	1,336,000	332,000

Northwest Airlines transpacific operations, including States-Alaska services, have been free of subsidy since January 1, 1955. Pan American Airways System operations since October 1, 1956, have been on a temporary mail rate without subsidy.

It is clear from the foregoing table that the routes operated by Alaska and Pacific Northern require substantial subsidy support from the taxpayer for their continued operation. It is also clear that subsidy requirements for these two carriers have continued to increase each fiscal year subsequent to 1954 despite the directive of the Congress in that year that the Board give serious consideration to ways and means of reducing subsidy payments.

Permanent certification of these carriers at this time would be in direct conflict with the directive of the Congress that ways and means be developed of reducing the cost to the Government of subsidy payments. The Board would be prevented from determining the number of individual carriers, as well as the pattern of service, which could result in a reduction in subsidy payments for the entire States-Alaska service. No incentive would be provided to the carriers to take steps leading to such a reduction once permanent certification is obtained.

If the circumstances which prompted the decision of the Board and the President should change sufficiently to warrant modification of their conclusions, the Congress has provided a procedure whereby such matters can be brought before the regulatory agency. If the facts developed in open hearings, tested by cross-examination and questioning by the members of the expert regulatory body created by Congress, should indicate that permanent certification is justified and consistent with the standards provided by Congress, then such certificates would be issued. Whatever narrow interests of the carriers may be served by permanent certification without following the standards of the Civil Aeronautics Act, the public interest in economy and adequate, efficient air service demands that the case for permanent certification, if it exists, be made pursuant to the standards in the Civil Aeronautics Act rather than via the shortcut which is here proposed.

It is clear, therefore, that permanent certification of these carriers by this legislation is not justified.

The PRESIDING OFFICER. The first amendment of the Committee on Interstate and Foreign Commerce will be stated.

Mr. JOHNSON of Texas. Mr. President, I was informed by the distinguished minority leader that there was no opposition to the bill from Senators on his side. However, I am now informed that a Senator on his side wishes to be present when the bill is considered. He is not present at this time. Under the circumstances, inasmuch as that Senator is not now in the Chamber, I ask that further action on the bill be withheld. I apologize to the Senator from Washington.

[1] Source: Civil Aeronautics Board, Bureau of Air Operations. These figures may be modified in minor respects upon final audit,

Mr. MAGNUSON. Mr. President, before action on the bill is suspended, I wish to have the Senate proceed now to the consideration of the companion House bill, Calendar No. 624, House bill 4520. When that is done, the Senate will be in a proper position to take action on that bill.

Therefore, Mr. President, at this time I move that the Senate proceed to the consideration of Calendar No. 624, House bill 4520, the companion House bill.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Washington.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 4520) to amend section 401 (e) of the Civil Aeronautics Act of 1938 in order to authorize permanent certification for certain air carriers operating between the United States and Alaska.

(Mr. MUNDT thereupon took the floor and addressed the Senate on another subject. His remarks appear elsewhere in the RECORD.)

(Subsequently, during the course of Mr. MUNDT's remarks:)

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. JOHNSON of Texas. I wonder if the Chair will put the question on the pending bill with the understanding that the Senator will keep the floor and that this colloquy will appear at the end of his remarks.

Mr. MUNDT. I yield with that understanding.

The PRESIDING OFFICER. The pending bill is H. R. 4520. The bill is open to amendment.

If there be no amendment to be offered, the question is on the third reading of the bill.

The bill (H. R. 4520) was ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 1873 is indefinitely postponed.

Mr. JOHNSON of Texas. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. DIRKSEN. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Illinois to lay on the table the motion of the Senator from Texas.

The motion to lay on the table was agreed to.

CONSTRUCTION AT MILITARY INSTALLATIONS

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 866, H. R. 8240.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H. R. 8240) to authorize certain construction at military installations, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Armed Services with an amendment.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I wish to say we do not expect to have a discussion on this bill tonight. It is the unfinished business. I have talked to the chairman of the subcommittee, the Senator from Mississippi [Mr. STENNIS], and the ranking minority member of the subcommittee, the Senator from South Dakota [Mr. CASE]. They will be prepared to discuss the bill on Monday. It is the military construction bill. Many Senators are interested in it. They anticipate it will take no longer than an hour.

I should like to point out again, for the information of my colleagues, we shall meet at 11 o'clock Monday morning, pursuant to an order already entered. We shall have the regular morning hour, then a call of the calendar, followed by eulogies on the late Senator George, after which the consideration of the military construction bill will be resumed.

When that is concluded, we may take up 2 or 3 noncontroversial bills which will require some explanation, and must be taken up by motion. Then we shall proceed to the consideration of the Niagara bill. We hope to complete action on the Niagara bill on Monday. We expect to be in session late that evening.

I give notice to Senators again that there are two controversial nominations on the Executive Calendar—that of Don Paarlberg, to be an Assistant Secretary of Agriculture, and Jerome K. Kuykendall, to be a member of the Federal Power Commission. I understand there is a minority report on Mr. Kuykendall. The printing of hearings was delayed for some 7 or 8 days, but they are now available. Any Senators who may desire to read the hearings can obtain copies. I do not know when we shall proceed to the consideration of executive business and take up those nominations, but all Senators should be on notice that they may be taken up late Monday or early Tuesday.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. DIRKSEN. Do I correctly understand that so far as the pending military construction bill is concerned, there will be only discussion this afternoon, and no further business?

Mr. JOHNSON of Texas. The Senator from Texas can no longer give any assurance. He had expected there would be only 1 hour of debate on the bill; but little bills sometimes attract big men, and vice versa. I do not know what will happen. I hope there will be nothing but discussion. When the Senator from South Dakota concludes his statement, so far as the majority leader is concerned, he is willing to make a motion to adjourn until Monday. If it shall be agreed to, the Senate will adjourn.

I appreciate the indulgence of the Senator from South Dakota, and I ask unanimous consent that all this discussion appear at the conclusion of his remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ATOMIC ENERGY LEGISLATION

Mr. ANDERSON. Mr. President, the Atomic Energy Commission authorization bill is on the calendar and will come before the Senate for action next week. I believe it may be considered as early as Tuesday, but certainly by Wednesday.

During the past week the so-called public power issue has been deliberately injected into the consideration of the bill as a means of confusing the issues and defeating our efforts to accelerate the lagging atomic energy program.

To illustrate what I mean, I wish to call attention to a portion of a news story which appeared with reference to the House action yesterday. After discussing various votes held in the House, there is this language:

Authority for the two reactors—

One was to be built, possibly, at Arco, Idaho, to develop a gas-cooled, natural uranium reactor—

was deleted by a rollcall vote of 211 to 188. But the House left in the bill, by a 201-to-197 vote, $3 million for preliminary work on a reactor to produce special materials for the weapons program.

The $3 million was for the design, for a single- or dual-purpose reactor, although it is somewhat difficult to find that out from the debate. However, it is not concerned with public power, because if it were the intention to produce power, the reactor would just have been confined to a dual-purpose reactor. The Joint Committee on Atomic Energy specifically provided that it should be either a single-purpose reactor or a dual-purpose reactor, and left the choice to the Atomic Energy Commission itself.

Therefore, if the Joint Committee on Atomic Energy was trying to force the Atomic Energy Commission to build a power reactor, it would have specified a dual-purpose reactor, which provides both plutonium and power.

The committee held extensive hearings; probably more hearings than some Members of Congress realize. They invited to those hearings all sorts of experts to tell them about the subject. Among the experts were those who know most about the matter, namely, organizations such as General Electric, which had been operating in the Hanford area since 1944.

Also testifying was the manager of the plant at Hanford, who was fully familiar with the proposal, and who knew what might be done.

Therefore, I say that any suggestion that the $3 million was to be spent solely for a dual-purpose reactor is completely contrary to the facts and completely contrary to what is involved.

Then there appears this paragraph:

The House voted 213 to 185, to remove the provisions which would have directed AEC to build reactors to sell steam to these public-power groups:

The Consumers Public Power District of Nebraska, the Elk River, Minn., Rural Cooperative Association, the Hershey, Mich., Wolverine Electric Cooperative, the city of Piqua, Ohio, and the Chugach Electric Association at Anchorage, Alaska.

In this part of the story it is stated that the House voted to remove the provisions which would have directed AEC to build reactors to sell steam to the public-power groups which are mentioned.

As a matter of fact, the situation is well known. The Atomic Energy Commission has been dealing for from 17 to 27 months with this group; yet the newspaper story would make it appear that this was a sudden public-power development.

I recognize the fact that the intricacies of this subject may be somewhat difficult to understand. I am not complaining about the individual who wrote the story, because the subject may have been hard to follow. At the same time I do not want it said that the Joint Atomic Energy Committee is trying to force the Atomic Energy Commission into contracts with public power groups. Let the RECORD be clear that the Atomic Energy Commission has been dealing with them for from 17 to 27 months. No member of the Atomic Energy Commission will deny it. It is unfortunate that such stories should be printed, particularly that there was a showdown on the vote between public and private power, and that the Democrats were following a public-power program.

As a matter of fact, the Democrats have asked for 3 years for what they thought was reasonable. Thus they put in an item for the expenditure of $40 million to build a gas-cooled, natural uranium reactor.

That was not to contribute to public power. It was to be built in an area where it could not be used to pour power into commercial lines. Probably it would be built at Arco, Idaho, although the location would be left to the discretion of the Atomic Energy Commisison. But if it were built at the most logical place, probably it would be built at Arco.

During the House debate, there was inserted in the RECORD an item setting forth that the Japanese had informally decided to go to Great Britain to buy a large power reactor, and that was going to be a gas-cooled, natural uranium reactor. That statement was also put in the RECORD by me in earlier statements on this situation.

Today I picked up a publication dealing with atomic energy and I learned from that publication that the great Krupp plant in Germany is embarking upon the production of reactors, and that their type of reactor will be a gas-cooled, natural uranium reactor.

Mr. President, the only people who seem to be unable to build one of these reactors are those who live in the very country which started the development of atomic energy. It is doubly ironical when we recall that our first atomic powerplant—the Daniels reactor—would have been gas cooled, but it was canceled in the early days of AEC. We are going to be made to sit back, apparently, until the British and the Germans have acquired the world markets; then, if no one objects too strenuously, we will be allowed to dabble in the picture a little.

The Joint Committee on Atomic Energy and no small segment of American industry believed that to be bad. Therefore, the Joint Committee reported a bill providing $40 million to enable Admiral Rickover and his group of scientists, who are already familiar with reactor construction programs, who built the pressurized water reactor which is in the *Nautilus*, who have designed and are constructing the reactor to be used in the Shippingport project, who have had a great deal to do with influencing the reactor of the Yankee group, to go ahead and use their experience to develop the gas-cooled, natural uranium reactor for this country. I do not believe that could be regarded as a public versus private power fight.

The second item was that we wanted AEC to spend $3 million in trying to ascertain the type of plutonium reactor which should be developed, and to get it ready, with plans and specifications, so that it might be built. Here again, that has nothing to do with public versus private power.

The members of the Joint Committee after listening to dozens of witnesses, including members of the Military Establishment, and scientists like Dr. Teller and Dr. Ernest Lawrence, who testified specifically on that particular point, decided that something should be done about the production of plutonium.

It is not unusual for the Joint Committee to try to push a program faster than the Atomic Energy Commission wants to push it. The Atomic Energy Commission had decided not to push the hydrogen bomb. The joint committee was the organization which put on the pressure which led to this country taking an active part in that project. Therefore, it is not outside the bounds of reason if the Joint Committee on Atomic Energy suggests that something be done along this line.

The third item in the bill was $15 million for a plutonium recycling plant, for which I believe the Atomic Energy Commission has long since recognized the need, and for which it has testified. This plant which could produce the equivalent of only 15,000 kilowatts would actually probably produce only token quantities up to 2,000 kilowatts.

I emphasize that of a total of $132 million recommended by the Commission for its atomic power demonstration program, $98 million was for projects to be carried on by cooperatives and by State and local publicly owned utilities. The amounts of funds for these organizations are summarized as follows:

Consumers Public Power District of Nebraska	$50,180,000
Rural Cooperative Power Association, Elk River, Minn	8,446,000
Wolverine Electric Cooperative, Hersey, Mich	5,472,000
City of Piqua, Ohio	7,510,000
Chugach Electric Association, Anchorage, Alaska	15,809,000
Postconstruction research and development and operating expenses	11,000,000
Total	98,417,000

It should be emphasized that as each of these five projects was proposed and recommended by the Atomic Energy Commission, the Government would own the reactor and the fuel, and the REA would finance the cost of the turbogenerating facilities, so that approximately from 90 percent to 100 percent of the projects would be Government financed under the plans and proposals of the Atomic Energy Commission itself.

All the Joint Committee amendment did was to require that AEC assume direct supervision of the construction of these developmental reactors, since they were going to pay for them, and that the contracts for the operation of the reactors should be on a straightforward, no-subterfuge basis. These projects are outlined in detail in the authorization hearings beginning at page 146, and are discussed at length in testimony by the AEC and cooperatives, and their equipment manufacturers on subsequent pages.

Mr. President, I ask unanimous consent that pertinent paragraphs from the hearings, beginning at page 146, which I shall subsequently designate, be printed at this point in the RECORD.

There being no objection, the paragraphs were ordered to be printed in the RECORD, as follows:

AUTHORIZING LEGISLATION

b. Consumers Public Power District

(1) Proposed contractual arrangements.

(a) Appropriate provisions for disposition of the nuclear portion of the plant on termination or completion of the contract, and suitable provisions with respect to the land on which the reactor is located will be included.

(b) Information: Information developed in the design, construction, and operation of the plant will be available to the Government and to the public under the Commission's information program. All records of transactions related to the contract will be available for inspection by the AEC and the GAO.

(c) Patents: All rights to inventions and discoveries made in the course of the work paid for by the Government will be determined by the Government. All rights to those made in the course of work paid for by CPPD will rest with CPPD, subject, however, to a royalty-free, nonexclusive license to the Government for Government purposes.

(d) Term of contract: From date of contract through the first 5 years of operation.

(2) Technical aspects: The objective of this project is to supplement other research and development as necessary to construct, initiate operations, and provide unusual postconstruction maintenance for a large-scale nuclear powerplant using a sodium graphite reactor. The work consists primarily of component development, engineering testing, and nuclear plant design and

assumes that other related development work proceeds in accordance with current program projections. The following project specifications represent contemplated design objectives and are therefore approximate:

Heat output: 245,000 kilowatts.

Electrical output: 75,000 kilowatts (nominal).

Amount of fuel: 23,600 kilograms.

Enrichment percent U–235: 2.5 percent.

Moderator: Graphite.

Coolant: Sodium.

Reactor outlet temperature (° F.): 925°.

Reactor pressure: 50 p. s. i.

Steam conditions (p. s. i. at ° F.): 800 at 825°.

Total estimated plant cost: $40,583,000.[1]

Byproduct production: 122 kilograms of plutonium delivered to AEC through fiscal year 1963.

Estimated date of completion: 1962.

(3) Assistance by the Government: The AEC, based upon a cost-type contract, will provide for the cost of the reactor, which is estimated at $24,013,000. The Consumers Public Power District will provide the site for the reactor on a long-term no-cost lease to the Government, and will provide electrical generating facilities. The total estimated cost of site and facilities to be furnished by the contractor is $11,350,000. In addition, the contractor will support reactor construction to the extent of $5,220,000.

In addition to providing the reactor, the AEC will conduct research and development under contract at no cost to Consumers estimated to cost $18,165,000. It is contemplated that the research and development will consist primarily of component development, engineering testing, and nuclear plant design.

In addition, the Commission would waive the use charge of special nuclear materials for the period of the contract, the value of which is estimated to be $1,325,000.

PROGRAM JUSTIFICATION DATA FOR SECOND ROUND INVITATION

General description

On September 21, 1955, the Commission invited proposals for the development, design, and construction and operation in the United States of power reactors of a range of capacity from 5,000 to 40,000 kilowatts of electricity. The aim of the program was to bring additional resources into the development of engineering information on the performance of nuclear-power reactors of a size which would benefit domestic users in certain areas and which would also help to meet the requirements of foreign countries.

In making this invitation the Commission indicated it would give consideration to the following types of assistance:

a. Waiver of the established Commission charges for use of source and special nuclear materials, up to an agreed upon amount of money, for a period not greater than 5 years from the issuance of the license to operate the facility. Otherwise full charges will be made for services and for materials used or sold in accordance with existing Commission policy and practices.

b. Performing in AEC laboratories without charge, or at less than full cost, up to a fixed dollar amount, mutually agreed upon research and development using specialized facilities, personnel, or equipment.

c. Entering into fixed amount research and development contracts with the proposer under section 31a of the Atomic Energy Act of 1954, for the technical and economic information resulting from development, design, construction, and operation of the nuclear powerplant. Payments under these contracts may be used to defray part of the costs of development, design, and engineering of the reactor portion of the plant, and a part of the experimental operation of the plant for a period not to exceed 5 years after issuance of the license to operate the facility. No part of the payments made under these contracts may be used to defray any part of the capital costs of the reactor proposed. Information obtained by the AEC through contracts of this type and for this purpose will be made available to the maximum extent practicable to the entire technical public.

d. Financing and retaining title to all or part of the reactor systems. The nature and extent of this type of assistance will determine whether the energy generated in the reactor will be subject to disposition in accordance with section 44 of the Atomic Energy Act of 1954 and its provisions regarding disposal of energy from utilization facilities of the Commission.

In response to this invitation, the Commission found proposals from the following companies to be acceptable for the purposes of initiating negotiations of contracts:

Rural Cooperative Power Association (Elk River).

Wolverine Electrical Cooperative Association.

City of Piqua, Ohio.

Chugach Electric Association of Alaska.

Proposed contractual arrangements

In accordance with the invitation, all of the proposals would include the following general types of contractual arrangements:

1. The Government will have title to the reactor portion of the plant, and suitable provisions will be included with respect to the land on which the reactor is located and disposition of the reactor on termination or expiration of the contract.

2. Information: All information developed in the design, construction, and operation of the plant will be available to the Government, and the public under the Commission's information program. All records of transactions related to the contract will be available for inspection by the AEC and the GAO.

3. Patents: All rights to inventions or discoveries made in work paid for by the Commission will rest with the Government, subject only to a royalty free license to the contractor. All rights to inventions or discoveries made in work paid for by the contractor will rest with the contractor, subject however, to a royalty free license to the Government for governmental purposes.

4. Term of contract: From date of contract through the first 5 years of operation of the reactor.

Specific arrangements

a. Rural Cooperative Power Association (Elk River)

(1) Technical aspects.—The objective of this project is to develop, design, and construct an advanced small capacity boiling water power reactor. The principal preconstruction research and development will be directed toward developing and testing an improved reactor core. The reactor will be operated for at least 5 years to conduct research and development aimed at improving its economic and technical characteristics. It is assumed that other related development work proceeds in accordance with current program projections. The following project specifications represent contemplated design objectives and are therefore approximate:

Heat output: 58,000 kilowatts (excludes superheater, 17,000 kilowatts).

Electrical output: 22,000 kilowatts (nominal).

Amount of fuel: 1,320 kilograms UO_2, 3,050 kilograms ThO_2.

Enrichment percent U–235: 9.8 percent.

Moderator: H_2O.

Coolant: H_2O.

Reactor outlet temperature (degrees Fahrenheit): 533°.

Reactor pressure: 900 pounds per square inch.

Steam conditions: 600 pounds per square inch at 825° F.

Total estimated plant cost: $7,995,000[2].

Byproduct production: None.

Estimated date of completion: 1959.

(2) Assistance by the Government: The AEC, based upon a cost type contract containing a ceiling, will provide for the cost of the reactor, and superheater, which has been established by negotiation at $5,686,000. Elk River will provide a site for the reactor on a long-term no-cost lease to the Government (at an estimated value of $700,000), and will provide the electrical generating facilities at an estimated cost of $1,750,000.

The AEC will also provide research and development assistance in Commission facilities up to an agreed limit of $100,000 and will pay on the cost-basis for research and development work and fuel fabrication up to a maximum of $2,615,000. It is contemplated that the research and development work will be primarily on the fuel elements.

In addition the Commission would waive the use charge for special nuclear materials for the period of the contract, the value of which is estimated to be $125,000.

b. Wolverine Electric Cooperative Association

(1) Technical aspects: The objective of this project is to develop, design, and construct a small capacity homogeneous reactor. The principal preconstruction research and development will be in corrosion test loops, chemical reprocessing, hydrostatic tests, and primary loop mockup. It is assumed that other related development work proceeds in accordance with current program projections. The following project specifications represent contemplated design objectives and are therefore approximate:

Heat output: 26,000 kilowatts (excludes superheater output of 7,000 kilowatts).

Electrical output: 10,000 kilowatts (nominal).

Amount of fuel: 16.8 kilograms.

Enrichment percent U–235: Fully enriched.

Moderator: Uranyl sulfate in heavy water.

Coolant: Circulating fuel.

Reactor outlet temperature: 570°.

Reactor pressure: 1,900 pounds per square inch.

Steam conditions (pounds per square inch at degrees Fahrenheit): 600 at 486°—steam from heat generator to gas-fired superheater.

Total estimated plant cost: $4,544,000.[3]

Byproduct production: None.

Estimated date of completion: 1961.

(2) Assistance by the Government: The AEC, based on a fixed price contract, will provide for the cost of the reactor, which has been established by negotiation at $3,309,000. The Wolverine Electric Cooperative Association will provide a site for the reactor on a long-term no-cost lease to the Government, and will provide the electrical generating facilities at an estimated cost of $757,000. The matter as to whether the contractor or the Government will pay for the shielding for the reactor is still under negotiation.

The AEC will also pay on a cost basis for research and development work by the reactor manufacturer up to a maximum of $1,635,000. It is contemplated that the research and development will include work on corrosion test loops; chemical reprocessing, hydrostatic tests, and primary loop mockup.

---

[1] Does not include fuel fabrication costs, research and development, and waiver of fuel use charges.

[2] Does not include costs of research and development, fuel fabrication, and waiver of fuel use charges.

[3] Does not include the fuel fabrication and conversion costs, and research and development costs.

In addition, the Commission would waive the use charge for special nuclear materials for the period of the contract, the value of which is estimated to be $250,000.

c. City of Piqua, Ohio

(1) Technical aspects: The objective of this project is to demonstrate and improve operational features of a small capacity nuclear powerplant utilizing the organic cooled and moderated reactor concept. The project provides for design and construction of a nuclear powerplant with a net electrical output of about 12,500 kilowatts and for 5 years of postoperational research and development with this plant. It is assumed that related development proceeds in accordance with current program projections. The following project specifications represent contemplated design objectives and are therefore approximate:

Heat output: 45,500 kilowatts.

Electrical output: 12,500 kilowatts (nominal).

Amount of fuel: 6,000 kilograms.

Enrichment percent U–235: 1.8 percent.

Moderator: Terphenyl.

Coolant: Terphenyl.

Reactor outlet temperature (degrees Fahrenheit): 617°.

Reactor pressure: 35 pounds per square inch.

Steam conditions (pounds per square inch at degrees Fahrenheit): 415 at 550°.

Total estimated plant cost: $7,965,000.[4]

Byproduct production: 7.1 kilograms of Pu delivered to AEC through fiscal year 1963.

Estimated date of completion: Not available.

(2) Assistance by the Government: The AEC, based on a fixed price contract will provide for the cost of the reactor, now estimated at $5,010,000. The city of Piqua will provide the site and buildings to house the reactor and will provide electrical generating and distribution facilities. The total cost of the site and facilities to be provided by the city of Piqua is estimated at $3,955,000.

The AEC will also provide research and development assistance in Commission facilities currently estimated to cost $3,500,000. It is contemplated that the research and development will include work on reactor design and fuel element concepts.

In addition the Commission would waive the use charge of special nuclear materials for the period of the contract, the value of which is estimated to be $625,000.

d. Chugach Electric Association

(1) Technical aspects: The objective of this project is to develop, evaluate, and demonstrate the technology applicable to a sodium-cooled, heavy-water moderated power reactor. The project is planned in three phases: (a) Preliminary design and development; (b) detailed design and construction of a demonstration power reactor; and (c) operation of the demonstration power reactor for 5 years. The following project specifications represent contemplated design objectives and are therefore approximate:

Heat output: 40,000 kilowatts.

Electrical output: 10,000 kilowatts (nominal).

Amount of fuel: 10,000 kilograms.

Enrichment percent U–235: 2 percent.

Moderator: Heavy water.

Coolant: Liquid sodium.

Reactor outlet temperature (degrees Fahrenheit): 950°.

Reactor pressure: Atmospheric.

Steam conditions (pounds per square inch at degrees Fahrenheit): 850 at 850°.

Total estimated plant cost: $7,350,000.

Byproduct production: 15 kilograms of Pu through fiscal year 1963 delivered to AEC.

[4] Does not include costs of research and development, fuel fabrication, and waiver of fuel use charges.

Estimated date of completion: Not available.

(2) Assistance by the Government: The AEC, based upon a fixed-price contract, will provide the cost of the reactor, now estimated at $5,500,000. The Chugach Electric Association of Alaska will provide a site and building for the reactor on a long-term no-cost lease to the Government, and will provide electrical generating facilities. The total estimated cost of site and facilities to be furnished by the contractor is $1,850,000.

The AEC will also conduct research and development work under contract at no cost to Chugach estimated to cost $8,080,000. It is contemplated that the research and development will include work on reactor design concepts and fuel elements.

In addition the Commission would waive the use charge of special nuclear materials for the period of the contract, the value of which is estimated to be $790,000.

Mr. ANDERSON. Mr. President, these projects are outlined in detail in the authorization hearings. Thus, at pages 292 and 293, it is made clear that under the AEC proposal the Government will not only own the reactor, but that the co-op has an option to buy the reactor at the end of the 5-year period. This is also confirmed for the Wolverine Co-op at page 309.

Mr. President, I ask unanimous consent that I may have printed at this point in the RECORD the proper passage indicating the fact to be so.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

Representative HOLIFIELD. Now what is your contract with the AEC in regard to the cost that you will pay per kilowatt for the steam which will be generated in this nuclear facility?

Mr. WOLTER. Our arrangement with the Atomic Energy Commission is that we would contribute toward the cost of the expense of operating the reactor the same amount that we would contribute toward the operation of a conventional unit. And if that were not adequate, the Atomic Energy Commission would supply the additional.

Representative HOLIFIELD. All right.

Can you give me the cost per kilowatt that you expect to get this power for?

Mr. WOLTER. Well, we are working on a basis of approximately somewhere around 9.5 for the cost of power out of the reactor powerplant.

Representative HOLIFIELD. In other words, you expect, for the first 5 years of operation, not to have to pay any more than 9.5 mills; is that right?

Mr. WOLTER. That is what we are trying to shoot for in our design of these facilities.

Representative HOLIFIELD. Do you have a guaranty that you will get it at that cost?

Mr. WOLTER. We do not have a guaranty on the element of fuel consumption; no, sir.

Representative HOLIFIELD. Do you have any guaranty as to the cost of fuel fabrication?

Mr. WOLTER. Yes. We have a fixed price for the fabrication of the fuel.

Mr. TOLL. What happens if the reactor plant produces heat so that the cost is 20 mills per kilowatt-hour? Who pays for it?

Mr. WOLTER. The difference would be taken out of the $3 million research and development fund.

Representative HOLIFIELD. For the first 5 years?

Mr. WOLTER. Yes, sir.

Mr. TOLL. And that is provided by the Commission?

Mr. WOLTER. Yes, sir.

Representative HOLIFIELD. What happens after the end of the 5 years?

Mr. WOLTER. At the end of the 5 years, we have an option to purchase the powerplant. If the powerplant is an unsuccessful endeavor, the Government would probably make some other use of the facility.

Representative HOLIFIELD. You would not be interested in buying it if you found out at that time that your $3½ million cushion had been used up in paying operating costs above conventional costs, would you?

Mr. WOLTER. At the end of that period, if there were no chances in the foreseeable future for a cost of that plant becoming competitive with what we would do conventionally, then we would have the right to discontinue operating the powerplant.

Representative HOLIFIELD. Do you feel that you have fully protected the solvency under the contract, at the point of negotiation to which you have arrived—do you think you have fully protected the solvency of the RCPA? Or are you gambling on an unknown factor of fuel fabrication, or any other unknown factor which might jeopardize the financial solvency of the RCPA?

Mr. WOLTER. We have, for an awfully long time, Mr. Chairman, before filing this proposal, investigated what we felt were trends in the atomic industry. And we attempted to work out this $3 million base as one which would be adequate to cover our costs under conditions of operation that were less than what we had found to be the general rule.

Chairman DURHAM. You say you are hoping to have it finalized. Who are you hoping to get your money from, the AEC or the REA people?

Mr. KEEN. This $4,890,000 plus the other figures. We have received a loan from the REA for a little over $3 million for the conventional part of the equipment. That is the turbine generator, the switch gear, land improvement, and so forth, necessary to go along with this construction.

Chairman DURHAM. Then you expect the AEC's contribution to be how much? The balance of the $4,890,000?

Mr. KEEN. I will give you that in just a second. We have asked AEC to supply $5,472,000 for this project. Part is research and development, part of the cost for the construction of the reactor, the reactor containment, and so forth. At the end of a 5-year operating period, Wolverine will obtain an option to purchase the Government's interest or the Atomic Energy Commission's interest that they have in this reactor project.

Chairman DURHAM. That is your final proposal?

Mr. KEEN. That is right.

Chairman DURHAM. What is the total cost overall?

Mr. KEEN. Approximately $8 million. Of that we are asking AEC for $5,472,000.

Mr. TOLL. Where is the rest coming from?

Mr. KEEN. The rest is coming from money that Wolverine is borrowing or has borrowed from the REA. Other parts of it are from Foster Wheeler themselves. They are contributing a substantial amount to it, and another company that we are associated with in the project.

Representative HOLLIFIELD. So that the record may be complete on the amount that has been requested. I understand your original request was for a total of $3,574,000. I am taking these figures from the 202 hearings in February of this year. Your then current estimate was increased to $4,544,000. It has now increased today to $5,472,000. Is that substantially correct?

Mr. KEEN. I could not verify your dates, but that is approximately correct.

Mr. ANDERSON. Mr. President, the question then arises as to who is sponsoring public power—the AEC or the Joint Committee? In current speeches and AEC lobbying letters, the impression is given that the AEC are ready to enter

into these contracts immediately upon authorization. Testimony before the committee, of very recent date, indicates the contrary to be true. The authorization hearings and report clearly show that negotiations have been dragging from 16 to 27 months with respect to these contracts. Some of the reasons for the lag are explained in the AEC statement beginning on pages 151 and 152 of part I of the authorization hearings.

Mr. President, I ask unanimous consent to have excerpts from the hearings printed at this point in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

POSTCONSTRUCTION RESEARCH AND DEVELOPMENT AND OPERATING EXPENSE

Any newly completed reactor will require extensive checking, minor modifications, and detailed experimental operation and analysis during the course of its initial operations. This is particularly true of reactors embodying new design concepts or which will be operated by groups without extensive reactor experience. Elaborate startup procedures are usually necessary and the startup period may extend over several months. Further, the operation during the first months and even years of operation will be intermittent and often at less than full power. Costs during this period will be high due to experimental operation, to the changes and modifications required, and to the high fuel cost and short life to be expected from initial fuel charges. It is, however, during this initial period of operation that the information of greatest value as research and development information will be obtained.

On the other hand, revenues from power produced will be low during this period because of the intermittent and low power operation and because such uncertain power has relatively less value than firm power.

A difficult financial problem arises during the early operating period if the desired research and development information is to be obtained, particularly with the small reactors to be built by publicly owned utilities where the nuclear power costs are relatively high and where the public power bodies are unable to accept any substantial financial loss even for a short period of time.

Since the purpose of the program is to understand the nature of the problems encountered in early operation and to conduct experiments necessary to achieving maximum results, it is the intention of the Commission to pay for the desired data by sharing in the costs of operation during this experimental and testing phase.

It is the objective of the Commission to limit its payments to fixed ceiling amounts and at the same time to have assurance that the companies will operate the reactors for the contract period of 5 years with the highest incentives to reduce costs. It is a difficult matter to arrange this with the limitations that the publicly owned utilities have on possible operating losses. By virtue of recent events there is also a possible legal problem which may now exist regarding the obligating of funds under such an arrangement. If possible conflict between fixed payments by the Commission and an inability of the companies to risk operating losses cannot be resolved, an alternate arrangement which may be considered might be for the Government, during the initial startup period, to assume the net cost of operation, with the expectation that the companies would proceed without additional payments by AEC when sustained operation was achieved. Detailed negotiations are proceeding with the various companies in an effort to achieve a mutually satisfactory formula. For this reason it is not possible at this time to list the specific form or amount of payment which might be offered to each of the various companies. Based upon the data before us, however, we estimate that the total amount of payments would not exceed $11 million.

Mr. ANDERSON. Mr. President, at pages 690 and 691 of part II of the hearings which were held only a few weeks ago, the AEC indicated they still had serious problems.

I ask unanimous consent to have printed at this point in the RECORD two paragraphs from that portion of the hearings.

There being no objection, the paragraphs were ordered to be printed in the RECORD, as follows:

However, I do think that one has to keep in mind that these things are intended to be prototypes of commercial plants, and not reactor experiments. They are not experiments in the sense of the SRE or reactors of this sort. So we have been struggling to find some way to do this where we could leave with the cooperatives involved the maximum amount of their own direct participation to try to achieve as near a commercial situation as possible, recognizing that these small plants and in their initial operations, as first plants, were not going to be economic.

So what we have attempted to do, and it has been a very difficult struggle obviously, is to find some formula by which we could retain this participation and retain such value as we could from these people who had made proposals and had made the proposals to undertake the projects and work out a satisfactory arrangement.

Now, we would still like to see this done to the greatest extent possible, but I think we all agree that there certainly are some very serious problems in just exactly how to set these up. If there weren't, we would have gotten these contracts negotiated long ago.

Senator GORE. Mr. Chairman, I appreciate Dr. Davis' restatement of that which he has already told us. The subcommittee likewise has carefully considered and has undertaken to bring forward a program which would do what the Chairman of the Commission has just stated the Commission would like to do, to find some way to go forward with the construction of demonstration reactors or prototype commercial reactors utilizing the public power agencies that have responded to round No. 2.

If the Commission gave its reaction, either support or opposition to what the subcommittee has not formally presented but which is now before you, I was on the telephone.

If you have not, I would love to know just your reaction. Maybe the Commission has not formally acted on this either, but if you have a position on it, I would like to know it and I am sure the other members of the subcommittee would.

Mr. STRAUSS. We have not acted on it, but our informal view which, in the absence of a quorum, is the best that we can give you is that we would rather go ahead with it on this basis than to drop these projects because we feel that these five projects are important to be explored in this manner.

Representative COLE. To clarify that, you would like to go ahead on this basis?

Mr. STRAUSS. On the basis provided in this draft.

Representative COLE. If this draft is not adopted, does that mean that the project will be abandoned?

Mr. STRAUSS. No; it means that we will be continuing to try to help these people find some method of financing. We have not yet ourselves talked to the REA. At least I have not. Whether there is some persuasion still left in us or not, I do not know. But Dr. Davis is not optimistic.

We had not asked for this assistance and, therefore, to that extent in this measure it is gratuitous, but I would hope that it would be adopted. I would like to see it adopted with respect to these plants.

Mr. ANDERSON. Mr. President, the principal problem involved has been the difficulty of utilizing closed-end research and development contracts as a means of subsidizing operations, the excess costs of which are unpredictable. In testimony given by top officials of the REA, it was made clear that the REA did not justify a loan on these projects if there was any possibility of loss.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD an item from pages 583 and 584 of part I of the authorization hearings.

There being no objection, the item was ordered to be printed in the RECORD, as follows:

Mr. TOLL. In other words, would it be correct to paraphrase your policy and say that you are willing to make the loans to the association if they can make arrangements that the cost to them will be no more than the cost of operating a conventional plant?

Mr. EDMUNDS. That is right.

Mr. TOLL. And if the costs are higher than that, which everybody recognizes they will be, they have to make arrangements for the AEC or the reactor manufacturer to pick up the difference?

Mr. MYNATT. That is right; yes, sir.

Representative PRICE. Would that be the main test of final REA approval?

Mr. FOREMAN. Yes, sir.

Chairman DURHAM. In other words, if a group like Wolverine should have a loss of $25,000 after operating their reactor, that extra cost will come from AEC funds. Is that correct?

Mr. EDMUNDS. I doubt if we can pin it down to figures.

Chairman DURHAM. I am just taking those out of the air. I was thinking about the soundness of the cooperative groups, because I believe Wolverine gave us a picture here of their profit last year of only $16,000.

Mr. EDMUNDS. That is right.

Chairman DURHAM. It does not take much of a loss to wipe out the capital structure, and that, of course, would not be endangered, because you expect this loss to come from some other Government funds?

Mr. FOREMAN. We will answer the question this way: When the contract comes to the Administrator for final approval, that it what we attempt to approve, a contract which will do exactly the thing that you mention.

Mr. ANDERSON. Mr. President, did the AEC leave in the possibility of loss in the hope that REA would finally refuse to make any loans to cooperatives? Do the true friends of rural cooperatives see what is going on? Can the AEC proceed piously to fool all the people all the time?

It is the purpose of the Joint Committee requirements to protect the cooperatives against these risks of loss, both by changing the contractual arrangements for operations, and to provide for direct AEC supervision of the contract for the reactor.

I might mention that when the Government got ready to build the great plant at Shippingport, it contracted with the Westinghouse Electric and Manufacturing Co. to build the reactor. The Government paid, on a $55 million reactor, all but $5 million of the cost. It

then arranged to sell the steam or energy delivered by the reactor to the Duquesne Light Co., an organization which is pretty largely owned by the Mellon family, or which is, let us say, a company very heavily owned by Pittsburgh capital.

It is all right, in the view of the Atomic Energy Commission, to have it make a contract with the Duquesne Light Co., a privately owned organization having plenty of capital.

It has been estimated that the cost will be from 70 to 90 mills, while the conventional cost is between 5 and 8 mills.

But as soon as the Joint Committee suggested that it wanted the same general method of direct contracting for the Consumers Public Power District in Nebraska, a publicly owned organization; for the Chugach Electric Association, of Anchorage, Alaska, and for the Elk River Electric Cooperative in Minnesota, and to have the Government assume the difference between the cost of conventional fuels and the cost of the fuel as it comes from nuclear components, the Atomic Energy Commission said, "That is rank socialism."

What is the difference? The difference is that the private company has a source of private money which it can borrow to enable it to stay in business if it needs to use it.

If they ran behind by anything like the amounts of money indicated for increases in cost of the reactor of course they would go broke immediately. Therefore, we have asked whether the real purpose of the program is to break the rural electric cooperative movement in the country.

The committee—assuming that the Atomic Energy Commission was dealing fairly with them—has said that the natural thing to do is to make the same general sort of direct contract arrangement with the REA coops that has been made with the Duquesne Power and Light Co., in Pittsburgh, or with the West Milton Public Utility group in the New England States, or with Santa Susana group in California in which the California Edison Co. is involved.

Why is it, Mr. President, that these things are sacred when they are done with large public utilities, but become rank socialism if they are done with an REA organization?

Mr. President, in conclusion, I wish to point out that our friends in the minority may have outsmarted themselves in striking down the Joint Committee's requirements in section 111 (a). Thus they struck out the authorization for the waiver of use charges. This will not only hurt the cooperatives, if the AEC method of contracting is followed, but it also eliminates the authorization of waiver of use charges for the private power companies. This amounts to more than $20 million for the latter, under this bill alone. The legislative history of section 261 a (2) indicates clearly that these waivers must be authorized, and the Atomic Energy Commission has requested such authorization.

Furthermore, by eliminating outright the committee's direct contracting requirement in section 111 a (1), instead of making it permissive, the minority thereby makes it mandatory that the old method of contracting be followed, as presented in the authorization hearings.

Section 111 (b), as explained in the committee report, requires that all contracts be executed in accordance with the policies presented at the authorization hearings, unless the policy is changed by law. The joint committee's policy is eliminated by the House version of the authorization bill which means that the parties revert to the policies presented in the authorization hearings.

This means that the Atomic Energy Commission cannot deal with one cooperative or public agency on one basis, and with another on a different basis. It would hurt our friends at Piqua, Ohio, who may have been inadvertently advised otherwise by the colloquy which occurred on the floor of the House.

Mr. President, the city of Piqua, Ohio, has a most interesting proposal. It has said that it would make its contract with the Atomic Energy Commission—and it has been given to understand by the Atomic Energy Commission that that is all right—so that the steam will cost it only 2.8 mills as fuel. There are very few places where it is possible to obtain steam as fuel at 2.8 mills. But Piqua is so situated that it is possible to obtain the coal and the other materials which may be needed and which may enter into the generating costs, in connection with the making of steam, that the figure 2.8 mills is not out of line.

We thought it would be all right to have Piqua, Ohio, given a contract; and the matter was going along fairly well, when the joint committee was informed that the laws of Ohio prevent the city of Piqua, Ohio, from making such a contract itself. The only way the contract can be carried through is by means of the exact language inserted by the joint committee, but stricken out yesterday by the House of Representatives.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a letter from the director of utilities of the city of Piqua, Ohio, to Representative CARL T. DURHAM—the chairman of the joint committee—addressed to him at the New House Office Building, Washington, D. C. The letter bears the heading, "Subject: H. R. 8996 and the Piqua, Ohio, Proposal for an Organic Reactor."

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CITY OF PIQUA, OHIO,
August 3, 1957.

Congressman CARL T. DURHAM,
New House Office Building,
Washington, D. C.

Subject: H. R. 8996 and the Piqua, Ohio, proposal for an organic reactor.

DEAR MR. DURHAM: The city of Piqua, Ohio, and the writer representing the Piqua power system are vitally interested in the passage of the captioned bill as presently written.

The writer has carefully reviewed section 111 (cooperative power reactor demonstration program) and I wish to urge that the mandatory requirement as evidenced by the word "shall" in line 12, page 15, of the captioned bill be retained to the end that AEC must complete arrangements for development, design, and construction of the reactor and related facilities by direct contract with the equipment manufacturer or engineering organization.

The writer has persistently recommended this approach in negotiations with the AEC since October 9, 1956. North American Aviation (the manufacturer for the proposed Piqut organic reactor) has also recommended this arrangement in the three-party negotiations.

It is the writer's considered opinion that without this mandatory requirement for a direct contract between AEC and the equipment manufacturer that there is little chance of any of these projects being completed because of legal liability and insurance problems, and in our particular case constitutional limitations of a municipality under Ohio law.

The writer is taking the liberty of sending copies of this letter to Congressman MCCULLOCH, of Piqua, Ohio; Congressman JENKINS, of Ironton, Ohio; and Senators BRICKER and LAUSCHE with the specific request that they give this section 111 of H. R. 8996 their wholehearted support in the interests of consummating this much-need program for industry in general and Ohio industry in particular.

Sincerely,

JOHN P. GALLAGHER,
Director of Utilities,
City of Piqua, Ohio.

Mr. ANDERSON. Mr. President, the point of the letter is to be found in the following:

The writer has carefully reviewed section III (Cooperative Power Reactor Demonstration Program) and I wish to urge that the mandatory requirement as evidenced by the word "shall" in line 12, page 15, of the captioned bill be retained to the end that AEC must complete arrangements for development, design, and construction of the reactor and related facilities by direct contact with the equipment manufacturer or engineering organization.

That is exactly what the Joint Committee did. We assumed that the Atomic Energy Commission, which has been negotiating with the city of Piqua, Ohio, for months and months on end, causing the city of Piqua, Ohio, to spend thousands and thousands of dollars, intended to go through with the contract. But the Atomic Energy Commission has recommended elimination of the only language which would let it go through with the contract. In other words, the Atomic Energy Commission is saying, in effect, "We know the law will prevent you from getting the contract, and we had to include some language which would have given us a chance to say, 'Oh, we would have done wonders for Piqua, Ohio, but someone on the Joint Committee would not let us do it.'"

In this case the Joint Committee was trying to have achieved what the Atomic Energy Commission said it wanted achieved. But what has happened? The charge is made that we are trying to let socialism run rampant in the program. I hope these excerpts will be studied by the Members of the Senate, and that such propaganda will have a very poor reception when the Senate votes.

RECENT DECISIONS OF THE SUPREME COURT—ADDRESS BY GEORGE BELL TIMMERMAN, SR.

Mr. THURMOND. Mr. President, on August 5, 1957, I placed in the CONGRESSIONAL RECORD an address delivered by George Bell Timmerman, Sr., before the Rotary Club of Thomson, Ga., on July 25, 1957.

In perusing the address as it was published in the CONGRESSIONAL RECORD, I have observed several errors of substance which were made by the Government Printing Office. Because of that, and because of the importance of having the address printed correctly, I ask unanimous consent that the address by Judge Timmerman be printed at this point in the body of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS OF JUDGE GEORGE BELL TIMMERMAN, SR., BATESBURG, S. C., BEFORE ROTARY CLUB, THOMSON, GA., JULY 25, 1957

I shall talk briefly about our form of Government, its background, its origin and the efforts that have been made and are being made to change it. What I shall say will be the expression of my own personal views, and is not to be considered an official statement.

Our America was settled by hardy, courageous and venturesome Europeans, whose aspirations were to escape European despotisms and to gain a refuge for religious liberty.

The tyrannies from which they fled pursued them and, against them, they rebelled. The result was the Revolutionary War. On one side was the loosely organized colonies and on the other mighty England.

The war ended with the surrender of Cornwallis at Yorktown in 1781, a direct result of British defeats at Cowpens and Kings Mountain. When the war was over the people of the former colonies, then citizens of sovereign states, sought means of uniting the states for common defense and other mutual advantages. They did not intend to create another tyrannical government that would rob them and their posterity of the right of local self-government.

Following much thought and extended debate a compact among the sovereign States emerged. Upon its ratification, it became the Constitution of the United States.

However, before final ratification there was more debate respecting its merits and the implications of its various provisions. Many foresaw abuse of the powers granted the Supreme Court. Others took a more optimistic view. They thought that no Supreme Court would exceed its intended functions. Recently we have learned that such optimism was unjustified, regrettably so.

The established government is a republic, sometimes called a constitutional democracy. It is unique because of the dual sovereignty involved, but without which the union would not have been formed at the time it was formed.

Almost from the beginning efforts were made to destroy the people's right of local self government, otherwise sometimes spoken of as States rights, and to centralize total power in the Federal Government. That effort continues even to this day, and it is now better organized and better financed than ever before; and, whether or not they are willing to face up to it, the liberties of the people are now at stake.

The Supreme Court has been construing the Constitution so as to make of it a protective shield for the criminally disposed and disloyal elements in our population; and it has been reading meanings into the Constitution and out of it that discriminate against white citizens, especially those of the so-called "deep South". If continued, this discrimination will eventually adversely affect the white populations of all the states of the Union, north, east, south and west.

As illustrative of what is going on, I direct attention to some fairly recent court opinions.

On December 30, 1947, the Fourth Circuit Court of Appeals held, and the Supreme Court sanctioned the holding, that acts of the Democratic Party in South Carolina constituted State action. Here is the Court's own language, "The question presented for our decision is whether, by permitting a party to take over a part of its election machinery, a State can avoid the provisions of the Constitution forbidding racial discrimination in elections and can deny to a part of the electorate, because of race and color, any effective voice in the government of the State. It seems perfectly clear that this question must be answered in the negative".

To one familiar with the facts of that case, it is clearly apparent that the Court set up a straw man and then knocked it down. The assertion that the State permitted "a party to take over a part of its election machinery" was completely disproved by the evidence in the case. It is common knowledge that a State's election machinery is established by law and in no other way. It can be stated without fear of successful contradiction that there was nothing in the Constitution of South Carolina, or in any of its statutory laws, that in any way controlled primary elections or any other party action, or that delegated authority over any part of its election machinery to any political party. It is true the State did not by law prohibit the organization of political parties or the functioning of them, just as it did not affirmatively prohibit the exercise of the senses of sight and feeling, or the use of the tongue or the feet.

It would be ridiculous to say, because of such failure, that the seeing or walking, or feeling or talking of an individual is State action. So, too, it was ridiculous for the Court to say that the voluntary action of private citizens in organizing a party to give legitimate expression and effect to their private political views was State action. The Court attained its objective of discriminating against white citizens of South Carolina by the simple expedient of substituting fiction for fact.

The Supreme Court, on April 19, 1948, signified its approval of what the Court of Appeals had done by refusing to consider the case on appeal. The effect of that action was to deny to white citizens the right to organize and control their own political party, free of the domination of a politically minded Court,—a discrimination which, if practiced by a State would be plainly unconstitutional.

In an opinion filed May 3, 1948, in *Shelly* v. *Kraemer*, the Supreme Court, among other things, said: That "* * * the principle has become finally imbedded in our constitutional law that the action inhibited by the first section of the Fourteenth Amendment is only such action as may fairly be said to be that of States. That Amendment erects no shield against merely private conduct, however discriminatory or wrongful". The Court then went on to hold: First, that private agreements to exclude persons of a designated race or color from the use or occupancy of real estate for residential purposes do not violate the Fourteenth Amendment, and that such agreements are within the legal competency of individuals to make; and, second, that a State court would violate the equal protection clause of the Fourteenth Amendment by undertaking to consider litigation arising out of such a valid agreement.

The parties who asked and got the Supreme Court aid in outlawing the long established jurisdiction of State courts were negroes. However, they were not parties to the agreement being attacked in the litigation, nor were they the owners of the real estate about which the agreement was made, when it was made. On the other hand, the parties who entered into the agreement were white, and they owned the land with which the agreement was concerned. By the Court's edict there was engrafted on the jurisprudence of this country a new and strangely un-American doctrine. For the first time in the history of the United States, the Supreme Court usurped the authority to deny to State courts one of their time honored jurisdictions.

The Supreme Court having held that the agreement in question did not violate any constitutional provision, and that it was a legal agreement, one the parties had a legal right to make, there was no constitutional basis for its attempt to outlaw a State court's legitimate jurisdiction. That case illustrates the extent to which the Supreme Court has gone and is going to discriminate against white citizens, for no apparent reason other than that they are white.

Attention is next directed to the Supreme Court's opinion in *Brown* v. *Board of Education* (in the so-called school cases), filed May 17, 1954. The Court correctly found as a fact that the negro and white schools involved in the cases had been equalized, or were being equalized, "with respect to buildings, curricula, qualifications and salaries of teachers, and other 'tangible factors' ". The dictionary defines "factors" as "elements that contribute to produce a result"; and "tangible" as "capable of being realized by the mind; substantial; objective". So, according to the Court's holding negroes were being afforded equal educational advantages, such as could be realized by the mind, and which were substantial and objective. Had the Court's opinion stopped there, it would have been supported both by fact and reason; but—it did not.

The Court went on to say that separately afforded equality constituted discrimination, in and of itself, as against a "minority group". As profoundly inaccurate as is that statement, it is not so startling as another that is implicit in the Court's opinion, viz: that in the Clarendon County School Case, up from South Carolina, and then before the Court, negroes constituted a "minority group". The truth is that when that statement was made negroes in that school district outnumbered the whites in a ratio of more than eight to one. This illustrates the distorted vision with which the Court has viewed and is continuing to view racial controversies.

Another thing which the Court said is this: "In approaching this problem, we cannot turn the clock back to 1868 when the Amendment was adopted, or even to 1896 when *Plessy* v. *Ferguson* was written". The Plessy case is the one in which the Supreme Court of 1896 sensibly, logically and factually interpreted the Fourteenth Amendment, holding that useable, tangible and objective equality of treatment, although separate, was the reasonable and practical course required by the Fourteenth Amendment.

If the statement, "we cannot turn the clock back" means anything, it means that the Court was unwilling to consider the truths of American history, American tradition and American judicial precedents; that the Supreme Court—our United States of America Supreme Court—preferred recourse to the sociological and socialistic writings of one Myrdal, a Swedish socialist, and to like writings by Myrdal's fellow travelers in America, none of which was a part

of the record in the case before the Court. It mattered little to the Court that it had ruled in divers other cases that it was highly improper to go outside the record in a case to find support for a desired result.

The crowning folly and the great danger in the opinion arises out of its inconsistent and illogical conclusions. While the Court held that the Fourteenth Amendment requires equality of treatment as between the races, as manifestly it does, it also held that equality of treatment as between the races, even if desirably separate, constitutes inequality in and of itself, and is therefore discriminatory. Thus, the Supreme Court changed the dictionary by holding in effect that equality equals inequality. According to it, a State may violate the Fourteenth Amendment both by failing to accord equality of treatment and by according it.

Here again is an illustration of the Supreme Court's bias against Southern white people and of its disposition to discriminate against white citizens for no apparent reason other than that they are white.

On April 2, 1956, the Supreme Court filed an opinion by Chief Justice Warren in *Pennsylvania* v. *Nelson*, holding that the Federal statute (54 Stat. 670) prohibiting "the knowing advocacy of the overthrow of the Government of the United States by force and violence, supersedes the enforceability of the Pennsylvania Sedition Act which proscribes the same conduct." The Court held that a State's sedition law is superseded by the Federal statute and is rendered ineffective by it, even if the State statute is intended to and does no more than supplement the Federal law against sedition. I find nothing in the Constitution that in terms denies to a sovereign State the right to use all reasonable means to protect its own sovereignty, and that of the United States; nor do I find in the Constitution any provision which, when legitimately interpreted, means that the Congress of the United States is granted the sole power to define, prohibit and punish sedition.

In an opinion filed April 29, 1957, the Supreme Court denied to a testator the right to dispose of his property in accordance with his own wishes. A Mr. Girard, by will probated in 1831, left a trust fund for the erection, maintenance, and operation of a college, directing that "as many poor white male orphans, between the ages of 6 and 10 years, as the said income shall be adequate to maintain" should be admitted to the college, and naming the City of Philadelphia trustee to administer the trust. The Supreme Court held that because the City of Philadelphia was the named trustee of the trust fund the testator's wishes could not be carried out. That the trust fund would have to be used for the benefit of negroes as well as for the benefit of whites. This is another example of the Supreme Court's attitude of discrimination against white citizens for no apparent reason other than that they are white.

As late as June 24, 1957, the Supreme Court set aside the verdict of a jury finding a negro guilty of the crime of rape. His victim was a decent white woman. The assigned reason for the Court's action was that the arresting officers took too much time investigating the crime before carrying the defendant before a United States Commissioner. The crime was committed late one afternoon while the victim was alone and unprotected. The defendant was not arrested until the next afternoon. When first questioned he denied his guilt. Later he agreed to submit to a "lie detector". The operator of the machine was not readily located. Hence a delay of two hours, during which time the defendant was given food and water. Later the defendant confessed his guilt. The officers then attempted to reach a United States Commissioner for the arraignment of the defendant the day of his arrest. Failing to locate one, the defendant consented to an examination by the deputy coroner. That official on examining the defendant saw no evidence that the defendant had been subjected to physical or psychological coercion. The defendant then repeated a prior confession; and the next morning he was carried before a Commissioner. The Supreme Court adjudged the investigating officers guilty of procrastination, citing rule 5 (a) of the Federal Rules of Criminal Procedure, which requires only that the arrested person be carried before the nearest available Commissioner without unnecessary delay. The Supreme Court thought the officers didn't get the defendant before the Commissioner fast enough. Therefore, the confessions were ruled incompetent and the defendant's conviction was annulled. Thus the victim was remitted to another public airing of her sorrow, if indeed the Court left enough uninhibited evidence in the case to warrant a retrial of it. Here again is discrimination, and it is against the white victim of a ravisher.

Other cases could be cited to show an apparently fixed determination on the part of the members of the Supreme Court to recast our government in a mold of their own design, but into which our constitutionally established form of government will not fit.

To my way of thinking, the great issue now before the American people is this: Shall we surrender our fortunes, our liberties and our futures, and those of our children, into the hands of a hierarchy of despotic judges that is bent on destroying the finest system of government ever designed by man and under which we as citizens have enjoyed the highest degree of political freedom and the finest standard of living ever enjoyed by any people, at any time, in any place, upon the face of the earth?

I do not know what decisions others may make, but, as for me, I hold that our form of government and our way of life are worth fighting for.

ADJOURNMENT TO MONDAY

Mr. JOHNSON of Texas. Mr. President, pursuant to the order previously entered, I move that the Senate stand in adjournment.

The motion was agreed to; and (at 4 o'clock and 6 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, to Monday, August 12, 1957, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate August 10, 1957:

IN THE NAVY

The following-named captains of the line of the Navy for temporary promotion to the grade of rear admiral, subject to qualification therefor as provided by law:

James M. Farrin, Jr.	Robert J. Stroh
George H. Wales	James W. Davis
Edward J. O'Donnell	Paul P. Blackburn, Jr.
James H. Flatley, Jr.	
Andrew M. Jackson, Jr.	Joseph C. Clifton
	Allan L. Reed
Kleber S. Masterson	Ernest C. Holtzworth
Marshall E. Dornin	Ray C. Needham
Robert L. Moore, Jr.	Robert M. Reynolds
Frank L. Johnson	Lloyd M. Mustin
Lot Ensey	Francis D. Foley
Denys W. Knoll	Ignatius J. Galantin
John W. Ailes III	Thomas H. Moorer
Jefferson R. Dennis	

CONFIRMATIONS

Executive nominations confirmed by the Senate August 10, 1957.

IN THE ARMY

The following-named officers for promotion in the Regular Army of the United States, under the provisions of title 10, United States Code, sections 3284 and 3299. All officers are subject to physical examination required by law:

To be captain

Helmick, Floyd J., O65345.

To be captain, Women's Army Corps

Piggott, Virginia L., L486.

The following-named officers for promotion in the Regular Army of the United States, under the provisions of title 10, United States Code, sections 3284 and 3298. All officers are subject to physical examination required by law:

To be first lieutenant

Ackerman, Albert A., O75132.
Babers, Donald M., O75137.
Bilyeu, Robert E., O71903.
Bittl, Frederick E., O72366.
Bowman, Ronald N., O71647.
Breithaupt, Marvin P., O75153.
Burk, Richard K., O71906.
Cauthen, Lewis J., Jr., O75163.
Cullison, James S., 2d, O71663.
Dearborn, William H., O75170.
Dreger, Wilson T., 3d, O71781.
Drexler, Charles H., O75179.
Edwards, Alfred Y., O71898.
Harber, Gerald J., O75204.
Harris, James T., Jr., O73155.
Helm, Gunther A., O72727.
Hill, Frank J., O71925.
Hostler, Howard K., O71807.
Hrncir, Oran T., O75211.
Kafonek, Richard H., O72742.
Kennedy, George I., Jr., O72375.
Komornik, Ronald G., O75225.
Mackintosh, Robert H., O75243.
Miller, Darwin C., O71563.
Neroutsos, George H., O75257.
Niemi, John A., O75260.
Owel, William R., O75262.
Price, Raymond S., O72353.
Rea, Thomas, O71953.
Reding, Charles H., O75275.
Riddle, Miles McZ., O71860.
Rosser, John C., Jr., O71716.
Royal, Charles M., O72982.
Ryan Dennis W., Jr., O75282.
Schneider, Robert L., O75289.
Smith, James L., Jr., O73196.
Smith, John J., O71874.
Soupene, James C., Jr., O72358.
Stone, George J., O75300.
White, Walter J., O69420.
Willis, William, Jr., O71306.
Woodmansee, Donald R., O75129.

To be first lieutenant, Women's Army Corps

Austin, Audrey H., L495.
Purcell, Mary M., L498.
Steinbach, Edna M., L477.

The following-named officers for promotion in the Regular Army of the United States, under the provisions of title 10, United States Code, sections 3284 and 3304. All officers are subject to physical examination required by law:

To be first lieutenant, Army Nurse Corps

Carroll, Elizabeth A., N2755.
Johnson, Mildred V., N2775.
Knox, Alice I., N2759.
Nichols, Glennadee A., N2762.
Smith, Marjorie A., N2773.
Terry, Frances M., N2754.

To be first lieutenant, Army Medical Specialist Corps

Hall, Wilmer F., M10166.
Metcalf, Virginia A., M10164.
Vollmer, Dorothy A., M10165.

SENATE

MONDAY, AUGUST 12, 1957

The Senate met at 11 o'clock a. m.

Rev. W. Kenneth Haddock, D. D., senior minister, Arlington Methodist Church, Arlington, Va., offered the following prayer:

Our Father, we thank Thee that Thy love embraces all Thy children, and that the concerns of these honorable Senators for the well-being of the people and the affairs of our beloved Nation find in Thee both their source and their solution. Aid them, we pray, never to despair because of the vastness and the complexity of their task, knowing that always at their disposal is the wisdom of Him who is eternal, and whose care a fallen sparrow does not escape.

Keep before all who bear the responsibility of public office, and all other citizens, as well, the principles of elemental justice, and personal and national liberty, vouchsafed to us by the sacred documents of our earlier days, which under God have been the foundation of our spiritual and temporal prosperity and the cherished treasure of all who name our land their home.

May this be a blessed day for the Members of the Senate, and for those whom they represent, to the glory of Jesus Christ, our Lord. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Journal of the proceedings of Saturday, August 10, 1957, was approved, and its reading was dispensed with.

COMMITTEE MEETING DURING SENATE SESSION

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Subcommittee on Fiscal Affairs of the Committee on the District of Columbia be permitted to meet during the session of the Senate today.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

AMENDMENT OF FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949, AS AMENDED, RELATING TO TRAINING OF EMPLOYEES

A letter from the Administrator, General Services Administration, Washington, D. C., transmitting a draft of proposed legislation to amend the Federal Property and Administrative Services Act of 1949, as amended, to provide for training of employees (with accompanying papers); to the Committee on Government Operations.

REPORT OF PRESIDENT'S COMMITTEE ON EDUCATION BEYOND THE HIGH SCHOOL

A letter from the Chairman, the President's Committee on Education Beyond the High School, Washington, D. C., transmitting, pursuant to law, a report of that Committee, dated July 1957 (with an accompanying report); to the Committee on Labor and Public Welfare.

AUDIT REPORT ON REVIEW OF ATOMIC ENERGY COMMISSION CONTRACT

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on Review of Atomic Energy Commission Contract No. AT (11-1)-476 with Power Reactor Development Co., dated May 1957 (with an accompanying report); to the Joint Committee on Atomic Energy.

RESOLUTION OF THE WESTERN UNION BAPTIST ASSOCIATION, XENIA, OHIO

The VICE PRESIDENT laid before the Senate a resolution adopted by the Western Union Baptist Association, at Cincinnati, Ohio, favoring the enactment of legislation to provide financial aid to Liberia and Ghana, which was referred to the Committee on Foreign Relations.

RESOLUTION OF MINNESOTA CHAPTER, INTERNATIONAL ASSOCIATION OF PERSONNEL IN EMPLOYMENT SECURITY

Mr. HUMPHREY. Mr. President, the Minnesota Chapter of the International Association of Personnel in Employment Security has recently sent me a copy of their resolution endorsing S. 1693. This legislation proposes the coverage of State employment security workers under the Federal Employees' Group Life Insurance Act of 1954.

I ask unanimous consent that the resolution be printed in the RECORD, and appropriately referred.

There being no objection, the resolution was referred to the Committee on Post Office and Civil Service, and ordered to be printed in the RECORD, as follows:

INTERNATIONAL ASSOCIATION OF PERSONNEL IN EMPLOYMENT SECURITY

Whereas the Federal Employees' Group Life Insurance Act of 1954 provides the basis for extending the benefit of group life and dismemberment insurance to Federal employees at a very attractive rate; and

Whereas as a result of this beneficent legislation many Federal employees are enabled to provide a degree of insurance protection to their families and dependents that would not otherwise be possible; and

Whereas all employees can render more effective service with the peace of mind that attends this type of security for their loved ones; and

Whereas the employees of the Minnesota Department of Employment Security are wholly compensated by Federal funds, and these employees have, generally speaking, somewhat lower salary scales than do the Federal employees with comparable duties and responsibilities; and

Whereas the need for this type of insurance protection is, therefore, even more needful in their case than in the case of the Federal employees; and

Whereas a bill identified as H. R. 4959 has been introduced in the House of Representatives by Congressman JOHN BELL WILLIAMS of the State of Mississippi and a bill identified as S. 1693 has been introduced in the Senate by Senator JAMES O. EASTLAND, of Mississippi, which are designed to extend the privileges of the Federal Employees' Group Life Insurance Act of 1954 to certain State employees wholly compensated by Federal funds which includes the employees of the State employment security agencies; and

Whereas the number of new employees sought to be covered by H. R. 4959 and S. 1693 is very few when compared with the number of Federal employees presently covered, and the increased cost to the Government would be very small and more than balanced by the improved service rendered by employees who would have the peace of mind and security that goes with the protection for their dependents; and

Whereas the Minnesota Chapter of the International Association of Personnel in Employment Security is an organization that represents the employees of the Minnesota Department of Employment Security: Now, therefore, be it

Resolved by the Minnesota Chapter of the International Association of Personnel in Employment Security in annual convention assembled, That this body go on record as enthusiastically endorsing H. R. 4959 and S. 1693 and the purposes that they are designed to attain; and be it further

Resolved, That the officers of this organization be and are hereby directed to take all lawful steps to encourage passage of this legislation and report its progress in detail to the individual members; and be it further

Resolved, That this organization express its appreciation to all who have expended and who will expend their time and their effort in connection with this measure; and be it further

Resolved, That copies of this resolution be mailed to Congressman JOHN BELL WILLIAMS of Mississippi and Senator JAMES O. EASTLAND of Mississippi as authors of the bills, to Congressman TOM MURRAY of Tennessee as Chairman of the House Committee on Post Office and Civil Service, to the individual members of said committee and to Minnesota's Senators and Congressmen.

Adopted May 3, 1957, by the Minnesota Chapter of the International Association of Personnel in Employment Security in annual convention assembled at St. Paul, Minn.

REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. BYRD, from the Committee on Finance, without amendment:

H. R. 38. An act to amend the Tariff Act of 1930 to provide for the temporary free importation of casein (Rept. No. 846);

H. R. 1953. An act to provide that checks for benefits provided by laws administered by the Administrator of Veterans' Affairs may be forwarded to the addressee in certain cases (Rept. No. 847);

H. R. 2237. An act authorizing the transfer of certain property of the Veterans' Administration (in Johnson City, Tenn.) to Johnson City National Farm Loan Association and the East Tennessee Production Credit Administration (Rept. No. 848);

H. R. 3658. An act to liberalize certain criteria for determining eligibility of widows for benefits (Rept. No. 849);

H. R. 4098. An act to provide for the conveyance to the State of California a portion of the property known as Veterans' Administration Center Reservation, Los Angeles, Calif., to be used for National Guard purposes (Rept. No. 850);

H. R. 5757. An act to increase the maximum amount payable by the Veterans' Administration for mailing or shipping charges of personal property left by any deceased veteran on Veterans' Administration property (Rept. No. 851);

H. R. 5924. An act relating to the International Convention To Facilitate the Importation of Commercial Samples and Advertising Matter (Rept. No. 852); and

H. R. 8705. An act to permit articles imported from foreign countries for the purpose of exhibition at the St. Lawrence seaway celebration, to be held at Chicago, Ill.,

to be admitted without payment of tariff, and for other purposes (Rept. No. 853).

By Mr. BYRD, from the Committee on Finance, with an amendment:

S. 1746. A bill to provide for the conveyance of certain property of the United States in Gulfport, Miss., to the Gulfport Municipal Separate School District (Rept. No. 845).

By Mr. BYRD, from the Committee on Finance, with amendments:

H. R. 2842. An act to amend the Tariff Act of 1930 to provide for the temporary free importation of certain tanning extracts (Rept. No. 854); and

H. R. 7096. An act to amend paragraph 1684 of the Tariff Act of 1930 with respect to istle or Tampico fiber (Rept. No. 855).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. POTTER:

S. 2758. A bill for the relief of Charles Edward Carniel; and

S. 2759. A bill for the relief of Martha Harwood; to the Committee on the Judiciary.

By Mr. CARROLL:

S. 2760. A bill for the relief of Sherrie Kay Crum (Kim Ran); to the Committee on the Judiciary.

By Mr. HRUSKA:

S. 2761. A bill to implement the treaties, agreements, and protocols regarding the status of the military forces of the United States; to the Committee on Foreign Relations.

(See the remarks of Mr. HRUSKA when he introduced the above bill, which appear under a separate heading.)

By Mr. BIBLE:

S. 2762. A bill for the relief of Floyd R. Lamb, Carlton Lamb, and Monte C. Lamb; to the Committee on the Judiciary.

By Mr. CASE of New Jersey:

S. 2763. A bill to provide assistance to the States in certain survey and planning with respect to college facilities; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. CASE of New Jersey when he introduced the above bill, which appear under a separate heading.)

By Mr. BEALL (by request):

S. 2764. A bill to credit certain teachers in the District of Columbia for services performed by them between September 1944 and July 1, 1955; to the Committee on the District of Columbia.

By Mr. JACKSON:

S. 2765. A bill to provide for the promotion of certain persons who participated in the defense of the Philippines; to the Committee on Armed Services.

By Mr. REVERCOMB:

S. 2766. A bill for the relief of Shyoichi Tanaka Jenkins; to the Committee on the Judiciary.

By Mr. IVES:

S. 2767. A bill for the relief of Simon Brimberg; to the Committee on Post Office and Civil Service.

RESOLUTION

Mr. JOHNSON of Texas submitted a resolution (S. Res. 182) providing for memorial addresses on the life, character, and public service of the late Senator Walter F. George, of Georgia, which was considered and agreed to.

(See resolution printed in full when submitted by Mr. JOHNSON of Texas, which appears hereafter in Senate proceedings of today.)

IMPLEMENTATION OF TREATIES, AGREEMENTS, AND PROTOCOLS REGARDING THE STATUS OF THE MILITARY FORCES OF THE UNITED STATES

Mr. HRUSKA. Mr. President, I introduce, for appropriate reference, a bill to implement the treaties, agreements, and protocols regarding the status of the military forces of the United States.

No incident during this session of Congress has aroused more public concern than that involving Army Specialist William Girard. The Girard case crystallized a growing demand for revision of status-of-forces treaties and agreements.

Accordingly, the bill I propose would provide a much needed revision of such treaties and agreements. It would abrogate no provision of such treaties and agreements. Instead, it would implement the treaties, agreements, and protocols regarding the status of the military forces of the United States.

This proposal seeks to implement article XVI of the NATO Status of Forces Agreement and article XXVI of the administrative agreement with Japan.

It is my judgment that, in the case of Girard, primary jurisdiction rested with the United States. Article XVII of the administrative agreement with Japan declares that primary jurisdiction rests with the sending state, that is the United States, in relation to (ii) offenses arising out of any act or omission done in the performance of official duty.

According to the testimony of Secretary of the Army Wilber Brucker, Girard's platoon commander certified that the incident occurred while Girard was in performance of official duty. This was concurred in by Girard's company commander, regimental commander, division commander, and by the Eighth Army commander and the United Nations and American forces commander.

Also according to Secretary Brucker, the decision not to assume jurisdiction was made by the American member of the joint committee established to resolve such matters under article XVII.

It is my belief that when an American serviceman is charged with violation of the laws of a foreign nation when in performance of official duty it is his right to have the decision whether the United States will have primary jurisdiction made by a responsible official of the United States Government who is charged by law with guarding the rights and well-being of our servicemen.

This bill provides, therefore, that such a decision shall be made only by the Secretary of the Army, Secretary of the Navy, or Secretary of the Air Force, depending on the serviceman involved.

Whenever there is a question whether the primary jurisdiction rests with the United States, this bill provides that the decision may be delegated to an Under Secretary or an Assistant Secretary. But when the request is for waiver of our primary jurisdiction, only the Secretary of the military department concerned may make the final decision.

This bill does not alleviate all the ills which I believe are involved in status-of-forces agreements and treaties. It does provide, however, a clear designation by statute of the responsibility for decisions to be made under these agreements and treaties—and corrects one of the most flagrant wrongs in these agreements and treaties.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 2761) to implement the treaties, agreements, and protocols regarding the status of the military forces of the United States, introduced by Mr. HRUSKA, was received, read twice by its title, and referred to the Committee on Foreign Relations.

ASSISTANCE TO STATES IN CERTAIN SURVEYING AND PLANNING WITH RESPECT TO COLLEGE FACILITIES

Mr. CASE of New Jersey. Mr. President, I introduce, for appropriate reference, a bill to provide assistance to the States in certain surveying and planning with respect to college facilities. I ask unanimous consent that the bill, together with a statement regarding the bill, which I have released, be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill and statement will be printed in the RECORD.

The bill (S. 2763) to provide assistance to the States in certain surveying and planning with respect to college facilities, introduced by Mr. CASE of New Jersey, was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc.—

STATEMENT OF PURPOSE, AUTHORIZATION OF APPROPRIATION, AND DEFINITIONS

SECTION 1. (a) For the purposes of assisting the States to inventory existing college facilities, to survey the need for additional college facilities especially in relation to the distribution of population, to develop State plans for college expansion programs, and to study the adequacy of State and other resources available to meet college facilities requirements, there is authorized to be appropriated the sum of $2,500,000 to remain available until expended. Sums appropriated pursuant to this section shall be used for making payments to States whose applications for funds for carrying out such purposes have been approved.

(b) Grants under the provisions of this act shall not be deemed to commit the Congress in any way to authorize or appropriate funds for any college facilities or college expansion programs.

(c) As used in this act—

(1) the term "State" means a State, Alaska, Hawaii, Puerto Rico, the Virgin Islands, or the District of Columbia.

(2) the term "Commissioner" means the Commissioner of Education, Department of Health, Education, and Welfare;

(3) the term "school-age population" means that part of the population which is between the ages of 5 and 17, both inclusive, and the school-age population of the several States shall be determined on the basis of the most recent estimates by the Department of Commerce.

STATE APPLICATIONS

SEC. 2. The Commissioner shall approve any application for funds for carrying out the purposes of this act if such application—

(1) designates the State agency for carrying out such purposes;

(2) provides a plan, in such detail as may be required by the Commissioner, for carrying out such purposes; and

(3) provides that such State agency will make such reports, in such form, and containing such information as the Commissioner may from time to time reasonably require, and, to assure verification of such reports, give the Commissioner, upon request, access to the records upon which such information is based.

ALLOTMENTS AND PAYMENTS TO STATES

SEC. 3. (a) Amounts appropriated in accordance with section 1 of this act shall be allotted among the several States in the same proportion as their respective school-age populations bear to the total school-age population of all the States, except that no such allotment to any State shall be less than $10,000. Within its allotment each State shall be entitled to receive an amount equal to 50 percent of its expenditures in carrying out the purposes of this act in accordance with its application.

(b) The Commissioner shall from time to time estimate the sum to which each State will be entitled under this section during such ensuing period as he may determine, and shall thereupon certify to the Secretary of the Treasury the amount so estimated, reduced or increased, as the case may be, by any sum by which the Commissioner finds that his estimate for any prior period was greater or less than the amount to which the State was entitled for such period. The Secretary of the Treasury shall thereupon, prior to audit or settlement by the General Accounting Office, pay to the State, at the time or times fixed by the Commissioner, the amount so certified.

WITHHOLDING OF CERTIFICATION

SEC. 4. (a) Whenever the Commissioner, after reasonable notice and opportunity for hearings to a State agency designated in accordance with section 2 of this act, finds (1) that such State agency is not complying substantially with the provisions of this act or the terms and conditions of its application approved under this act, or (2) that any funds paid to such State agency under this act have been diverted from the purposes for which they had been allotted or paid, the Commissioner may forthwith notify the Secretary of the Treasury and such State agency that no further certification will be made under this act with respect to such agency until there is no longer any failure to comply or the diversion has been corrected or, if compliance or correction is impossible, until such State agency repays or arranges for the repayment of Federal moneys which have been diverted or improperly expended.

(b) The final refusal of the Commissioner to approve any application made under this act, and the Commissioner's final action under subsection (a) of this section, shall be subject to judicial review on the record, in the United States court of appeals for the circuit in which the State is located, in accordance with the provisions of the Administrative Procedure Act.

ADMINISTRATION

SEC. 5. (a) The Commissioner is authorized to delegate to any officer or employee of the Office of Education any of his functions under this act except the making of regulations.

(b) There are hereby authorized to be appropriated for Federal administrative expenses such sums as may be necessary to carry out the provisions of this act.

The statement presented by Mr. CASE of New Jersey is as follows:

STATEMENT BY SENATOR CASE OF NEW JERSEY

It is impossible to read yesterday's report by the President's Committee on Education Beyond the High School without realizing the tremendous problem which this country faces if it is to provide adequate college facilities for the young people of our Nation.

As the report put it:

"Our colleges and universities are expected by the American public to perform something close to a miracle in the next 10 to 15 years. They are called upon to provide education of a continually improving quality to a far larger number of students—at least 6 million by 1970 compared to 3 million now. The sharp rise in births which began in the 1940's and which has already overcrowded the schools will shortly begin to strike the colleges. Meantime, with the college-age group in our population at its lowest point in 25 years, enrollments in higher education are at the highest level in history because a steadily increasing proportion of young people are going to college.

"This great expansion of capable young people seeking education beyond high school represents an enormous opportunity and challenge for our society. But our institutions of higher learning, despite their remarkable achievements in the past, are in no shape today to meet the challenge. Their resources are already strained; their quality standards are even now in jeopardy, and their projected plans fall far short of the indicated need."

Obviously, we will have to take tremendous steps to overcome this deficit in educational facilities. College education is not a luxury, but rather a necessity in today's world of nuclear tensions and constant ideological competition.

The failure to expand facilities for higher education will take its toll as our population continues to grow and the number of doctors, scientists, teachers, and ministers does not grow apace. It will take its toll in industry and commerce as higher and higher skills are demanded and proportionately fewer and fewer young people can provide them. The Nation will lose the benefits of the talents and brainpower of the bright youngsters and this loss can be counted in discoveries unmade and in services unrendered.

The President's Committee points out:

"The growing demands require development of national, regional, State, and local plans. The Committee endorses the planning steps taken quite recently in many forward-looking States and in the Southern, western, and New England regional groups. Such activity must be extended and go forward continuously. Plans should not be allowed to become dated.

"Plans must be comprehensive. They should be made by and account for all institutions of education beyond high school, public or private, vocational or liberal, rural or urban, and whether serving youth or adults. They should result in integrated or interrelated, flexible, action programs."

I plan to introduce a bill today to provide assistance to the States to inventory college facilities, survey the need for additional college facilities, develop State plans for college expansion and to study the adequacy of State and other resources available to meet college facilities requirements.

My bill would authorize the appropriation of up to $2,500,000 to be made available to the States on a matching basis to carry out the purposes of this act. The funds would be apportioned on the basis of school-age population except that no participating State would receive less than $10,000 in matching funds. The administration of the program would be placed in the hands of the Commissioner of Education in the Department of Health, Education, and Welfare.

Under this program, estimates indicate the following allotments:

Alabama	$55,141
Arizona	15,602
Arkansas	32,671
California	169,357
Colorado	22,203
Connecticut	29,404
Delaware	10,000
District of Columbia	10,000
Florida	46,873
Georgia	62,942
Idaho	10,401
Illinois	124,484
Indiana	62,875
Iowa	39,472
Kansas	29,204
Kentucky	51,140
Louisiana	49,740
Maine	13,802
Maryland	38,139
Massachusetts	65,009
Michigan	104,881
Minnesota	47,340
Mississippi	40,006
Missouri	56,408
Montana	10,000
Nebraska	19,803
Nevada	10,000
New Hampshire	10,000
New Jersey	69,743
New Mexico	14,269
New York	201,629
North Carolina	74,877
North Dakota	10,601
Ohio	124,417
Oklahoma	35,138
Oregon	23,937
Pennsylvania	154,355
Rhode Island	10,935
South Carolina	43,073
South Dakota	10,601
Tennessee	56,408
Texas	135,152
Utah	13,335
Vermont	10,000
Virginia	56,608
Washington	36,872
West Virginia	35,338
Wisconsin	53,741
Wyoming	10,000

The bill is intended to stimulate the States—and the public at large—to recognize the extent of the problem which we face and to begin making plans for its solution. Before the Senate completes its business for this year, I plan to introduce another bill to provide a program of assistance for the establishment and expansion of public community colleges. These 2-year institutions can do a great service in providing college education for youngsters preparing for professional careers and for other youngsters who are interested in the subprofessions and technical occupations. We must consider programs such as this now if we are to avoid a denial of adequate education for our talented youngsters.

PRINTING AS A SENATE DOCUMENT COLLECTION OF EXCERPTS AND BIBLIOGRAPHY ON UNITED STATES AID TO FOREIGN COUNTRIES

Mr. GREEN. Mr. President, during the academic year 1957–58 students of our national high schools will be debating the topic: "What Should Be the Nature of United States Foreign Aid?" This is under the auspices of the National University Extension Association. Needless to say, this question has generated a great deal of interest and, as a result, many Members of the Senate have received letters from high school students asking for sources of informa-

tion where debate material might be obtained.

The Legislative Reference Service of the Library of Congress is preparing a collection of excerpts and a bibliography dealing with United States aid to foreign countries. I believe this information will provide useful background as to the various points of view with respect to foreign economic assistance programs. In addition, the bibliography will furnish a useful guide to some of the extensive published materials on this subject.

Mr. President, we can help the young citizens of this country to acquire an improved understanding of United States foreign assistance programs by making available to them information we here in the Senate have at our disposal. Therefore, I ask unanimous consent that the collection of excerpts and bibliography referred to be printed as a Senate document. The document will not exceed 50 printed pages.

The VICE PRESIDENT. Without objection, it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. WILEY:

Editorial entitled "A Warning," published in the Textile Challenger of August 1957.

THE CIVIL-RIGHTS BILL AND THE JURY-TRIAL AMENDMENT

Mr. JOHNSON of Texas. Mr. President, throughout the debate on the civil-rights bill, one fact has emerged consistently. It is that time has worked in favor of the men of good will who truly desire a workable and enforcible bill; and time has worked against those who seek to take partisan advantage of a highly emotional issue. Time has been the important factor simply because it has helped to produce understanding of highly technical issues.

I doubt whether any other Senate debate has served such an important role in educating the American public. Once again, time is serving to dispel an illusion, and to replace it with a reality.

Mr. President, the illusion is that the Senate has somehow weakened what was supposed to be a strong bill. The reality is that the Senate has eliminated provisions of doubtful constitutionality, granting vague and poorly defined powers, and has replaced them with workable, enforcible provisions which represent a step forward in the cause of civil rights.

Mr. President, there are those who are interested in maintaining the myth that the bill has been weakened. They can do so only by a constant drumfire of statements which are notable for strong language backed by weak arguments. Most of these statements center upon the jury-trial amendment which was adopted by a substantial vote of the Senate. Probably never before has there been such a concerted effort to misrepresent the provisions of a bill.

The jury-trial amendment adopted by the Senate is completely different from the one which was considered by the House. It is based upon a different concept and a different approach. But even this elementary fact is ignored by those who pretend that there is something immoral about maintaining the jury trial—the oldest and the surest guaranty of our liberties.

Mr. President, it is not surprising that the distinction between civil contempt and criminal contempt—a distinction drawn by the Senate—is unfamiliar to the man on the street. It is somewhat abstruse legal concept. But there is nothing abstruse about the distinction between the power of a court to punish and the power of a court to compel compliance. And that is the only issue involved in the jury-trial amendment the Senate adopted.

Those who are opposed to the Senate version believe that a court should have the power to punish a man for criminal contempt without a jury trial. Those who are in favor of the jury-trial amendment the Senate adopted believe that a court should have the power to compel obedience, and obedience only, without a jury trial.

I believe it is in order at this point to review the powers a court has to compel obedience without a jury trial. These are powers which would not be touched by the amendment the Senate adopted.

First, the court can assess heavy fines. Second, the court can imprison a man until he obeys. Third, the court can require the posting of a heavy bond, which will be forfeited upon noncompliance. Fourth, the court can assess compensatory damages, if noncompliance goes beyond the point where the order can be obeyed.

Mr. President, what other powers of compulsion do the opponents of this amendment now seek? Are they asking for the thumbscrew, the rack, and the red-hot pincers?

Under the Senate version, there is only one set of circumstances in which a jury can intervene. It is a case in which a judge desires to punish a man for criminal contempt—in effect, to brand him as a criminal in the eyes of his fellow citizens. The idea that a man who is brought before a court can determine for himself whether he will face civil contempt or criminal contempt is ridiculous. The practical situation is that this question is something for the court, and the court alone—the court alone, I emphasize—to determine.

Under civil contempt, the man or women who is being enjoined or coerced has the power to call off the injunction or the coercion at any time, simply by obeying the court's order. But that man or that woman does not have the power to convert civil contempt into criminal contempt, unless we are to assume that our courts are corrupt or are lacking in initiative.

And to make the further assumption that a man will suffer fines, suffer imprisonment, or suffer forfeiture of bond and payment of compensatory damages, merely for the doubtful pleasure of having a jury trial, is to fly in the face of all reality and all experience.

Mr. President, the widespread assumption that the court orders issued under the proposed act will be disobeyed on a wide scale is, in my opinion, not justified. The further assumption that the courts will be powerless to handle those who disobey again is not justified.

The true power of the bill lies in the court order. But if the order is disobeyed, there are ample powers to compel obedience. And to assume that they are nonexistent, in my opinion is an incorrect assumption.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, a staff memorandum analyzing the memorandum prepared by the legal office of the Department of Justice on the effect of the jury-trial amendment. The Department of Justice memorandum has appeared in the press, and I believe it has appeared in the CONGRESSIONAL RECORD. Accordingly, I ask unanimous consent that this staff memorandum be printed in the RECORD, and also, in the event it has not previously been placed there, I ask that the Department of Justice memorandum be printed in the RECORD, immediately prior to the memorandum prepared by my staff.

There being no objection, the memorandums were ordered to be printed in the RECORD, as follows:

MEMORANDUM FOR THE ACTING ATTORNEY GENERAL REGARDING EFFECT ON CONTEMPT PROCEEDINGS IN THE SUPREME COURT AND THE COURTS OF APPEALS OF THE JURY-TRIAL AMENDMENT TO THE CIVIL RIGHTS BILL

This Office has been asked by you to make an analysis of the effect of contempt proceedings in the appellate courts of the United States of the so-called jury-trial amendment to the civil-rights bill.

Since the jury-trial amendment to the civil-rights bill applies to all criminal contempt proceedings for violation of orders of any court of the United States or any court of the District of Columbia, the amendment plainly covers the Supreme Court of the United States and the 11 Federal Courts of Appeals. In all criminal contempt proceedings in those courts for violation of their own orders—except where the contempt was committed in or near the presence of the court, or by a court officer—a jury trial would be required by the bill as it now stands.

1. The Supreme Court customarily issues, each year, various kinds of stay or injunctive orders, for the purpose of preserving its jurisdiction pending a decision in a case. If those orders are violated, criminal contempt proceedings can be instituted by the Court to punish the violator. Up to now, it has not been necessary to provide a jury trial. Under the bill, a jury trial will be mandatory.

For instance, it is not infrequent for the Court (or one of its justices) to stay the execution of a criminal by State prison authorities while the Supreme Court is considering the prisoner's case. If the prisoner should nevertheless be executed, or given over into the hands of a mob to be lynched, the Court's order would be violated, and the violators could be punished in contempt. *United States* v. *Shipp* (203 U. S. 563, in 1906), was just such a case. After a stay of execution had been issued by the Supreme Court, the sheriff was charged with delivering the prisoner—a colored man accused of

raping a white woman—into the hands of a local mob which lynched him. The Supreme Court then instituted contempt proceedings, and took testimony through a commissioner whom it appointed specially[1] (214 U. S. 471); on the basis of the written record of this testimony, the Court entered its judgment, after argument that the defendants were guilty (214 U. S. 386). Some of the defendants were sentenced to 90 days and some to 60 (215 U. S. 580).

Under the present version of the civil-rights bill, the Supreme Court would be required in these circumstances to impanel a jury (even though no proper provision is now made for finding and impaneling such a jury in the Supreme Court)[2] and to hold a full jury trial (as in the ordinary criminal case), before it could convict the violator and punish him. The jury would have to sit in the District of Columbia and in the presence of the Court; undoubtedly, the Court's other business would have to be delayed pending the trial which could take days or possibly even weeks.[3]

By contrast to the obsolescence of title 28, United States Code, section 1872, the Court and its Justices issue, each year, a substantial number of stay orders of various types.

The case would be similar if the Supreme Court should grant bail to a defendant and some official should refuse to recognize that order. The trial before the Supreme Court would have to be by jury. Other kinds of injunctive orders are also commonly issued, staying official or private action of some kind pending review by the Supreme Court—e. g., staying the effectiveness of railroad and other utility rates, staying mergers, staying the enforcement of Federal or State statutes, etc.

2. The same observations can, of course, be made with respect to the 11 courts of appeals which likewise issue stay, injunctive, and bail orders. An example of a contempt proceeding in a court of appeals is the well-known case of *Sawyer* v. *Dollar* (190 F. 2d 623 (C. A. D. C.)), involving the disputed stock in the American President Lines, Ltd. Under the present bill, the criminal aspects of that complicated contempt proceeding would have had to be tried by a jury.

This is a particularly serious matter for the courts of appeals which have constantly to issue decrees enforcing the orders of such agencies as the Federal Trade Commission, the National Labor Relations Board, and others. Under the bill, jury trials in the courts of appeals would have to be had in all such cases—with all the incongruities, difficulties, and delays already mentioned.

MEMORANDUM

You have requested an analysis of the memorandum supplied to the Acting Attorney General by the Office of Legal Counsel of the Department of Justice on the effect of the jury-trial amendment upon the Supreme Court and courts of appeal.

In brief, the memorandum correctly states that the jury-trial amendment would apply to the orders and decrees of the Supreme Court and the courts of appeal. Beyond this statement, the memorandum rests upon strained and inaccurate assumptions, and a clear attempt by legal obfuscation to make the jury-trial amendment appear disastrous to the orderly functioning of the courts of appeal. Interestingly enough, the memorandum totally ignores the greater powers of civil contempt which are available to the Supreme Court and the courts of appeal, as well as to all district courts.

The number of violations of orders and decrees issued by the Supreme Court and courts of appeal are negligible. Nor is it correct to assume that they are negligible because of the threat of quick punishment by criminal contempt proceedings. It is more accurate to recognize that the heavy civil penalties that can be imposed even more rapidly in civil-contempt proceedings are the most compelling deterrent to any individual who might otherwise be assumed willing to flout the authority of any Federal court.

It is noteworthy that as the single instance of where the Supreme Court's stay orders have been violated, the office of legal counsel has used a case which arose in 1906. This was used either because of its civil-rights overtones, which it seems safe to assume reflects a desire to argue with emotion rather than with evidence and reason, or because the office was unable to find any other instances in recent history where an order of the Supreme Court has been willfully disobeyed.

Moreover, a reading of *United States* v. *Shipp* discloses that the case was one where a jury trial would not be available under the present amendment. The principal defendant was the sheriff. The court stated that from the time the stay of execution was granted the prisoner was no longer in the custody of the State but was a Federal prisoner. "Shipp understood that thereupon Johnson was held as a Federal prisoner." As custodian of a Federal prisoner, for a Federal court, the Sheriff was a Federal court officer. Under the present amendment the sheriff would not be entitled to a jury trial since the contempt involved is misbehavior, misconduct, or disobedience of any officer of the court. As to the other defendants the court found them to have engaged in a direct obstruction of justice. This falls within a second exception in the amendment.

The memorandum assumes that criminal contempts arising out of orders of the Supreme Court and courts of appeal would necessarily have to be tried by these courts, and with juries. In virtually every instance, the court, if it desired, could exercise its civil contempt power to deal effectively with a violator to impose civil penalties and secure both compliance as well as compensatory payments to any injured party.

The separate memorandum sent to Senator O'MAHONEY by the Department shows that the courts of appeal would have no difficulty in trying criminal contempts before juries if they should so desire. But there would be no need for jury trials in either the Supreme Court or the courts of appeal.

If these courts desired to act punitively and impose punishments they could remand the proceeding, which is in any event a separate proceeding at law (*Gompers* v. *Bucks Stove & Range Co.* (221 U. S. 418, 445)) to a Federal district court for determination. In the rare instances where such courts might desire to try a criminal contempt action, it could scarcely be argued that it was an undue burden for them to provide the basic right to trial by jury in a criminal case.

In summary, the Justice Department memorandum attempts to create an atmosphere of impairment and obstruction in the Supreme Court and courts of appeal as the result of the jury trial amendment. Rare instances of criminal contempt proceedings brought in the past, and hypothetical cases not likely to arise in the future, are used to reach the unsound conclusion that jury trials in such courts would be required in connection with all criminal contempt proceedings arising out of violations of all orders and decrees issued by them.

Nothing could be further from the truth. These courts can, within the narrow confines of this amendment, enforce all of their orders and decrees without the use of juries; vindicate their authority by sanctions imposed without juries for a major proportion of the willful violations likely to occur in connection with the orders of such courts; and, where the jury trial amendment is applicable, direct that the proceeding to impose criminal punishment for willful violations be tried in the appropriate district court.

---

[1] When the Supreme Court (in an action commenced in that Court) is in need of testimony, it is its practice to appoint a commissioner or special master to take the testimony at any place in the country where it is convenient to do so. The commissioner, in the Shipp case took testimony at Chattanooga, Tenn., where the lynching took place.

[2] The provisions with respect to the impaneling of juries—contained in title 28, ch. 21, of the United States Code (28 U. S. C. 1861 et seq.)—are phrased in terms of "the judicial district," "the district," or "district courts" and were obviously intended to apply only to the Federal district courts. They do not fit the impaneling of juries in the Supreme Court or the courts of appeals.

[3] It should be noted that the statutes now provided that "in all original actions at law in the Supreme Court against citizens of the United States, issues of fact shall be tried by a jury" (28 U. S. C. 1872). The Court has been able to live with this provision—which is probably required by the seventh amendment guaranty of jury trial in civil suit at common law in the Federal courts—because original action at law in that Court against an individual citizen have been practically nonexistent almost since the beginning of our history. As a whole, original actions in the Supreme Court are very few; those few are rarely at law but mostly in equity; and they almost always involve States or governmental entities. The obsolescence of this provision of title 28, United States Code, sec. 1872, is indicated by the fact that the United States Code does not contain any mechanism for drawing a jury for the Supreme Court. See footnote 2, supra.

TRIBUTE TO THE NEUROLOGICAL DIVISION OF THE NATIONAL INSTITUTES OF HEALTH

Mr. JOHNSON of Texas. Mr. President, I should like to read into the RECORD a brief letter from a constituent and a close friend of mine, Mrs. Garland Woodward, of Coleman, Tex.

The letter requires no comment, but I think it will be of deep interest to every Member of the Senate who is interested in advancement and progress for our people.

It reads as follows:

COLEMAN, TEX., *August 8, 1957.*

Senator LYNDON JOHNSON,
Washington, D. C.

DEAR SENATOR JOHNSON: On May 28 of this year, my daughter, Sara Barnett, was admitted to the Neurological Division of the National Institutes of Health in Bethesda, Md. Her trouble was not new, in fact for 15 years we have sought the answer to her difficulties.

On August 1 surgery was performed, which uncovered the cause of her seizures. There is great hope that this operation will greatly improve her condition, or even bring about complete recovery. To us this is a bright and shining hope, but even before this is decided, I must express my appreciation for the services of National Institutes of Health. In the words of Sara: "Whether I'm improved or cured, or whether my condition remains the same, I shall always be glad I came to the National Institutes of Health." Someone who conceived the National Institutes of Health possessed great wisdom and those who direct it continue in the same spirit. It seems that every one of the 6,000 people who work there are dedicated to relieve human suffering. I saw a cultured attaché from one of the South American

Embassies and a 6-year-old Negro girl receive the same careful and loving treatment. Isn't it wonderful to live in a country where, regardless of race or color, fundamental and basic needs are met with no distinction? And to you who set aside the money that makes this service possible, I wish to give my personal thanks. All our family shall always remain debtors to our country.

Results of the research that emanates from National Institutes of Health will eventually reach out all over the world, due to the doctors who are trained there.

Someday when the threat of war shall cease we will have money to build such a center in every region of our country. Then many of the diseases which plague us will be conquered.

Mrs. Johnson and so many of the people in your office were so helpful and kind to us during our stay in Washington. We are indeed grateful. With kindest regards to you and each member of your family and staff, I am,

Sincerely yours,

HELEN WOODWARD.

I wanted to read that letter so that the distinguished minority leader and the distinguished Senator from Alabama [Mr. HILL], both of whom serve on the Appropriations Committee, could know the wonderful results of some of the work they have done.

THE CIVIL-RIGHTS BILL

Mr. KNOWLAND. Mr. President, on last Saturday the distinguished majority leader put into the RECORD and made some comments regarding a brief statement which had been issued on behalf of Mr. Meade Alcorn in regard to the civil-rights legislation. At that time I pointed out that, in my judgment, the bill was one that both the Senate and the House could handle, and perhaps it would be helpful if there were no outside activity in the effort to enact a civil-rights bill. I pointed out, however, that if the statement was issued by the chairman of the Republican National Committee, there had been ample precedents for it, because on March 18 the chairman of the Democratic National Committee, commenting on a whole series of bills then pending before the Congress, had pointed out in a letter sent to Democratic Senators how helpful it would be in the coming fall campaign to act on certain of those bills.

In making my comment I was not speaking particularly of what either the chairman of the national committee of the minority or majority party had done, but at that time I did not have available to me what has come into my hands over the weekend, a statement issued by the chairman of the National Democratic Committee on the civil-rights bill now pending. The statement is dated the 8th of August.

I have had some little part, I believe, in bringing the bill before the Senate so that it could be fully debated and so that in the process of legislation we might be able to act without passion and without prejudice to secure a civil-rights law for the first time in some 80 years of our history.

Mr. President, it seems to me the distinguished majority leader might well have also criticized specifically the statement of the chairman of the national committee of his party. Before I read extracts from the statement, I ask unanimous consent to have the entire statement printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

DEMOCRATIC NATIONAL COMMITTEE,
Washington, D. C., August 8, 1957.

Paul M. Butler, chairman of the Democratic National Committee, today described the Senate civil-rights bill as a major step forward and urged its passage.

"Now that a Democratic Senate is prepared to enact the first significant piece of civil-rights legislation since the Reconstruction era," Mr. Butler said, "the Republican Party is making a desperate effort to sabotage the bill and prevent a major step forward in protecting the rights of our citizens.

"The history of this bill makes it clear that the Republicans are more interested in partisan politics than in a progressive step in the field of civil rights. After sending a badly drafted bill to the Senate, the Attorney General took off on a junket to Europe. He left behind a President who said he did not understand the bill which was supposed to be his own proposal. During the debate in the Senate the President provided no leadership whatever. But after the bill was ready for final passage in the Senate, the President criticized certain provisions of the bill which he had failed to fight at the time of the debate.

"It would seem that some Republicans have decided that their best vote-hunting strategy is to try to block any civil-rights bill from passage in this session of Congress and to make it a political football in the 1958 elections. This is cynical partisanship at its worst, and it ill behooves the President to be a party to it.

"Many Democrats wanted and fought for provisions which are not in the present bill. But this does not obscure the fact that the present Senate bill is an important step forward in civil rights. It is certainly much better to have this civil-rights bill passed in its present form than to have no civil-rights bill at all.

"The bitterest criticism of the bill comes from members of a political party which poses in the North as the friend of civil rights and in the South as the friend of segregation. It comes from members of a political party which cynically used the civil-rights issue to prevent passage of a badly needed school-construction bill.

"The present effort of the President and the Republican leadership in the Congress to sabotage the Senate civil-rights bill is only the latest incident of partisan politics by Republicans on the civil-rights issue.

"I do not think it will fool the public. I do not think it will succeed in blocking civil-rights legislation in this Congress. I am confident that this Democratic Congress will pass the first major civil-rights bill in this century."

Mr. KNOWLAND. Mr. President, the statement says, and I deeply resent this, I may say:

The history of this bill makes it clear that the Republicans are more interested in partisan politics than in a progressive step in the field of civil rights.

Further on:

This is cynical partisanship at its worst, and it ill behooves a President to be a party to it.

Finally he says:

The present effort of the President and the Republican leadership in the Congress to sabotage the Senate civil-rights bill is only the latest incident of partisan politics by Republicans on the civil-rights issue.

Mr. President, I am becoming a little fed up with this situation. I recognize that in a closely divided Senate or House, no legislation can be enacted without substantially bipartisan support. During the whole period when the civil-rights bill was being considered, I paid tribute to those on the other side of the aisle who stanchly stood with us in attempting to have a constructive civil-rights law enacted during this session of Congress. I hope that through the legislative processes, we shall at this session of Congress, pass a civil-rights bill which can and will be signed by the President of the United States. But I do not think we are being helped by statements of the kind I have just read.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. KNOWLAND. In a moment.

The statements I have just read are far more extreme and far more capable of resentment by Members of the Senate on this side of the aisle rather than was the rather moderate statement issued by the chairman of the Republican National Committee.

What are the facts in regard to the civil-rights bill? In the first place——

Mr. JOHNSON of Texas. Mr. President, will the Senator yield on the point he made with reference to the committee statement, or does he decline to yield?

Mr. KNOWLAND. I yield to the Senator from Texas.

Mr. JOHNSON of Texas. I have no knowledge of the statement to which the Senator refers. I made it abundantly clear the other day I did not embrace all of the statements or actions of any political committee. The Senator is aware of that.

The Senator states he is "fed up," and that he resents the statement of the Democratic committee chairman. I ask the Senator if he is aware of the letter to me from Mr. Washington, director of the minority groups, and if he feels the same way about that type of approach from his committee that he does about the Democratic committee.

Mr. KNOWLAND. I have not seen the letter to which the Senator refers, but I would feel the same way about a letter from any political committee, under the circumstances. The letter of the chairman of the Republican National Committee was very moderate in tone compared with the statement issued by the chairman of the Democratic National Committee. I think that Members on both sides of the aisle should resent it, and I do resent it.

Mr. JOHNSON of Texas. I hope the Senator will examine the conduct of the Republican National Committee, and compare it with the conduct of the Democratic National Committee. I think we have not come to the point where it is necessary for a national committee to issue press releases attempting to tell distinguished men who have served in the Congress 20, 30, and perhaps 40 years, what they ought to do in matters of legislation. That goes for the Democratic committee as well as for the Republican committee. I am prepared to, and I think we can, complete action on this bill without any assistance, advice, or telephoning from either

committee. I do not believe the chairman of a political committee who wants an issue rather than a bill should be on the telephone calling Members of the Congress telling them what to do.

Mr. KNOWLAND. I concur with the Senator.

What was perhaps the most crucial vote on the civil-rights bill took place on June 20. That was when the issue was raised as to whether H. R. 6127 would have to go to the committee which had buried the Senate version of the bill for the entire session, and for a period of more than 6 months. On that crucial vote, which I think was the key vote as to whether we would have an opportunity to have a civil-rights bill, the RECORD shows. On the point of order raised by the Senator from Georgia [Mr. RUSSELL], there were 39 votes in the affirmative, made up, as I recall of 5 Republicans and 34 Democrats. Voting against sustaining the point of order, and in effect bringing the bill before the Senate, 34 Republicans were joined by 11 Democrats. I pay tribute to those 11 Democrats, who made it possible to get the bill before us at this session of the Congress.

The next vote came on the motion to make the bill the unfinished business of the Senate. That was on the 16th day of July. That motion was adopted by a vote of 71 to 18. The party division on that vote was as follows: Republicans voting to make it the unfinished business, 42. Democrats voting to make it the unfinished business, 29. I congratulate the Members of both parties who so voted.

Voting against making it the unfinished business were Republicans none, Democrats 18.

The next crucial vote came on the Morse motion to refer the bill to the Judiciary Committee with instructions. It is the belief of at least some of us on both sides of the aisle that this in effect would have meant the killing of the bill so far as any action at this session of Congress was concerned. The vote on that motion was 35 yeas and 54 nays. On the vote to refer the bill to the committee, which had buried the Senate bill for the entire session, 4 Republicans voted to refer the bill and 31 Democrats voted to refer it. Thirty-eight Republicans voted against referring the bill and 16 Democrats voted against referring it. Again I express my appreciation to those on the other side of the aisle. Without their votes it would not have been possible to win that fight.

The next crucial issue came on the question of striking from the bill part III, which dealt with civil rights other than voting rights. Part III dealt primarily with the rights guaranteed by the 14th amendment as distinguished from the 15th amendment, which deals with voting. When the vote came on the motion to strike part III from the bill, it was stricken by a vote of 52 to 38. It is shown on that vote that 18 Republicans and 34 Democrats voted for the motion to strike. Voting against the motion were 25 Republicans and 13 Democrats.

The next amendment dealt with the jury-trial provision, on which there is certainly an honest difference of opinion, despite comments to the contrary. In the form as finally passed by the Senate, there are many of us who believe this amendment will not only weaken the voting-right protections under the 15th amendment, but in addition to that, will endanger the entire bill by spreading the jury-trial provision into laws previously enacted, which I believe was not the intention of many of those who supported the amendment. There are many who believe such an amendment greatly weakens the provisions of the antitrust laws, the provisions of the law governing the Federal Trade Commission, and provisions of a great many other laws.

Even now I think there is a considerable body of opinion in both Houses which hopes that, regardless of what final action is taken, at least the jury-trial provision will not be retained as it was adopted by the Senate. That amendment was carried by a vote of 51 to 42. On that question, voting "yea" were 12 Republicans and 39 Democrats. Voting "nay" were 33 Republicans and 9 Democrats.

On final passage of the bill, it is shown that voting for final passage were 43 Republicans and 29 Democrats. Voting against final passage were no Republicans and 18 Democrats.

Mr. President, I would not have raised this issue had it not been for the statement by the chairman of the Democratic National Committee. I have consistently recognized the fact that this great debate should not be a narrow, partisan one. Without the able support of Senators on both sides of the aisle we would never have been able to bring the bill before the Senate, we would not have been able to conduct the great debate which has taken place, and we would not have been able finally to send the bill back to the House of Representatives as amended.

I sincerely hope we will have a bill agreed to at this session of the Congress. But when the chairman of the Democratic National Committee makes the statement that—

> The present effort of the President and the Republican leadership in the Congress to sabotage the Senate civil-rights bill is only the latest incident of partisan politics by Republicans on the civil-rights issue.

I say that our record on this issue at this session of the Congress and prior sessions of Congress is one that can be more than favorably compared with the record of the other party, which controlled the executive branch of the Government for 20 years, and controlled both the legislative and executive branches of the Government for 18 of those years, without passing an effective civil-rights bill.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield at that point?

Mr. KNOWLAND. I yield to the Senator from Texas.

Mr. JOHNSON of Texas. First of all, the Senator from Texas wants to make it abundantly clear that nothing he has said questioned either the motives of the President of the United States or the good intentions of the President, or what the President will ultimately do in this matter.

The Senator from Texas thinks that we will get a bill at this session of Congress. If the politicians do not get into this to the point where they insist, as the Senator says, "on burying this thing in a committee," I think we will get a bill.

The Senator from Texas feels that Republicans and Democrats on both sides of the aisle will be responsible for the legislation and will be entitled to whatever credit may flow from it.

The Senator from California talks about the bill being buried. The Senator was the majority leader for this body in the 83d Congress. How many civil-rights bills did the Senator report to the calendar during that period of 2 years under this administration?

Mr. KNOWLAND. With the problems before that committee, we did not get the bill out of the committee.

Mr. JOHNSON of Texas. I am not talking about problems, I am talking about bills. The Senator talks about the bill being buried. If the Senator had the votes to put the bill on the calendar, the Senator had the votes to discharge the committee.

The Senator says that the Morse motion would have resulted in burying the bill. I want to point out that certainly for many years we have not had civil-rights legislation. For 82 years, when the Democrats and Republicans were in control of the Congress, no legislation was passed.

The Senator was here in the 80th Congress, I believe. Is that not true?

Mr. KNOWLAND. The Senator from California was here, and he voted for cloture.

Mr. JOHNSON of Texas. The Senator was the leader for a substantial portion of the 83d Congress, but no civil-rights bill was reported to the Congress.

Mr. KNOWLAND. If the Senator will recall——

Mr. JOHNSON of Texas. If the Senator's views, and I fully grant their sincerity, had prevailed in my opinion no bill which could have been adopted this year would have passed the Senate.

Mr. KNOWLAND. Well——

Mr. JOHNSON of Texas. The point I want to make is this: The House of Representatives, with support of members of both parties, regardless of who was in the lead or who was behind, passed the civil-rights bill, and sent it to the Senate. The Senate, acting in line with its finest traditions, debated the bill for several weeks, and finally, as a result of a majority decision, passed it. That bill stands a chance of becoming law. It may be that some amendments will have to be adopted. It may be that some modifications will have to be accepted. Certainly men of good will of both parties will have to sit down and work it out.

The position the Senator from Texas took the other day is that it could be done without the chairman of the Republican National Committee getting on the telephone and calling anybody.

Mr. KNOWLAND. Or the chairman of the Democratic National Committee.

Mr. JOHNSON of Texas. And the same thing applies to the chairman of the Democratic National Committee.

And the Senator from Texas so stated then, and repeats it now.

Mr. KNOWLAND. I might say to the Senator that I regret very much that earlier we have not gotten through civil-rights legislation. I recall that on several occasions civil-rights bills were reported to the Senate. Motions were made to consider them. The threat of prolonged discussion intervened. It was late in the session. Finally motions were made to supplant the bills by other measures, and no further action was taken.

On a few occasions petitions of cloture were circulated. I think on each of those occasions after a period of time had elapsed during which debate occurred when it became obvious that the debate was designed to prevent the Senate from even considering the bill, much less from passing it, it will be found the Senator from California, who was then not minority leader of the Senate, signed the petitions for cloture, so that at least the Senate of the United States might have an opportunity to conduct the type of debate which took place on the civil-rights bill at this session, and finally obtain action on the proposed legislation then pending.

The minority leader regrets that during the period of time he was majority leader—and I think I need not remind the distinguished Senator from Texas, who has been my good friend, associate, and colleague, of that fact—there occurred the only period in history when a majority leader served without having a majority.

Mr. JOHNSON of Texas. I would not wish to agree to that.

Mr. KNOWLAND. The actual majority of the Senate was on the other side of the aisle.

Mr. JOHNSON of Texas. I found a similar situation to exist a few days ago, when the Senator, operating with his effecti"e coalition at that time, was actually the majority leader. Although I had the title of majority leader, as the Senator has pointed out, in connection with some of the votes I was in the minority on a number of occasions.

I have not invited the advice, assistance, or pressure of either the Democratic or Republican National Committees, and I am not bound by their activities. They have their responsibilities and I have mine. I do not have to accept their views.

Mr. KNOWLAND. Neither do I.

Mr. JOHNSON of Texas. I understand that to be the position of the Senator from California.

I agree that Members of both parties have made a great contribution in advancing the bill to its present state. I express the hope that the bill will not be buried by sending it to a committee from which it will never emerge.

I observe that in 82 years no civil-rights bill has advanced this far. I express the hope that the House of Representatives, in its wisdom, and in accordance with its procedures and its own best judgment, without the advice of a political committee, or any Member of the Senate, will take such action as it deems necessary and wise, which will lead to a meaningful bill, which the President of the United States, without regard to partisanship, can approve.

Mr. ERVIN. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. ERVIN. I do not believe the facts quite justify the statement of the distinguished minority leader that the committee kept the Senate version of the civil-rights bill bottled up for 6 months. Of the members of the Subcommittee on Constitutional Rights, to which the bill was referred, 5 were for a civil-rights bill, and only 2 against it. Those 2 agreed to a session of the subcommittee while the Senate was in session, in order that the subcommittee might vote on the bill.

So far as the full committee is concerned, I made the proposal in the committee on several occasions that if the committee would be willing to wait until the House bill came to the Senate and was referred to the Judiciary Committee, at the very next meeting of the full committee, which would have been on the following Monday, we would sit down with the other members of the committee and try to mark up the two bills.

Let me say, as one who has lived with this subject since the subcommittee began hearings, on the 14th day of February 1957, that I am firmly of the opinion that the Senate bill would have been before the Senate for consideration long before this if the course which I suggested had been followed.

It had been stated in the press that the Senate would not take up the civil-rights bill until the House had acted upon its bill. It seems to me that was a reasonable procedure to follow. Let me say to the distinguished minority leader that if that procedure had been followed, in my judgment, the provisions of part I, which are, in effect, an infringement of the right of freedom of the press and freedom of speech, would not have been in the bill.

In the committee there was a great deal of intemperate action with reference to the bill. The first day the subcommittee met, there was an effort to have all the bills reported immediately, without hearing. As a matter of fact, the subcommittee was denied the privilege of extending to a number of attorneys general and governors of Southern States the right even to be heard through the action of a majority of the subcommittee in fixing in advance an arbitary date for ending the hearings. All we insisted upon in the full committee, so far as I am concerned, was that action on the Senate bill be delayed until the House bill had passed the House and had been referred to the Senate Judiciary Committee.

So I cannot agree that the statement of the distinguished minority leader is completely accurate. I have great respect and the deep affection for him. I cannot agree that his statement that the committee bottled up the bill for 6 months is accurate, because it did not begin hearings until the 14th of February.

All I insisted upon was, first, that an opportunity be afforded to have the evidence printed; second, that action on the Senate bill be withheld until the House bill came to the Senate and was referred to the committee. I made that statement on behalf of the chairman [Mr. EASTLAND]. I made it on behalf of the distinguished senior Senator from South Carolina [Mr. JOHNSTON], and on behalf of the distingiushed senior Senator from Arkansas [Mr. MCCLELLAN]. There were only four members of the committee who were opposed to a civil-rights bill. We have never seen any so-called civil-rights bill of modern vintage proposing to grant rights to certain individuals which did not propose robbing other citizens of other rights equally as precious.

With respect to the jury-trial amendment, I make this observation: The Federal law with respect to contempt proceedings, as it stands at the present time, is a disgrace to any legal system which makes any pretense of being a system of justice. Under that law one man is tried in one way, and another man is tried in another way. One is subject to limited punishment, and another is subject to unlimited punishment. The jury-trial amendment was adopted to place all men on an equality under the law in Federal contempt proceedings.

One of the unfortunate things is that we have been getting more propaganda than law from the Department of Justice in respect to the civil-rights bill. The assurances given the American people by the President respecting his devotion to basic American principles indicate that he would not have been opposed to the amendments made in the bill if he had obtained some independent legal advice from a source other than the Department of Justice, which, as I have said, is short on law but long on propaganda.

Mr. JOHNSON of Texas. Mr. President, I commend the distinguished minority leader for his efforts in behalf of a civil-rights bill. I have differed with him as to the kind of bill which should be passed, and the kind of bill which could be passed by the Congress. However, I have never questioned his motives or his patriotism, although I have doubted his judgment with respect to some parts of the bill, as he has doubted mine.

The minority leader says that the vote upon the motion to send the bill to the committee with instructions to report it back in 7 days was a very crucial vote. That is his opinion. He is entitled to it. He thinks that course would have resulted in burying the bill. For myself, I will not say that when we send a bill to a committee even without any instructions, and without any time limitation, we are burying the bill. I will not go that far.

I think the Congress is perfectly willing, able, and eager to take whatever action it should take, without the necessity of any national political committee getting on the telephone and telling Members of Congress that they ought to send the bill to a committee, where, if the interpretation of the minority leader is correct, it would be buried. That is what the Senator from Texas is talking about. The Senator from Texas did not say that the Democratic national chairman ought to get on the telephone and round up votes, and say, "Get the bill before

the committee. We would rather have an issue than have the right to vote." The Senator from Texas is not making any such statement. The Senator from Texas has said that a national committee ought not to be calling Members of Congress and issuing press releases saying, "We are getting them on the telephone and telling them how to handle this matter."

If the Democratic national chairman is on the telephone attempting to guide Members and telling them what to do on this issue, so far as the Senator from Texas is concerned, he is not aware of it. I hope the telephone calls to which I have referred will not have any influence on any other Member. I do not believe such calls would have any influence on the distinguished minority leader.

Mr. KNOWLAND. I again wish to say that, while I do not condone the activities of the national committee of either party with respect to the situation, I find no such language in the statement issued by the Republican National Committee as the Senator suggests, that we would rather have an issue than a bill. To the contrary, the statement makes very clear that both the President and Mr. Alcorn and—as the statement of Mr. Martin is interpreted—Mr. Martin wants an effective bill.

I assume the Senator from Texas also wants an effective bill. He believes that the bill is effective as passed. Some of us believe it is at least less effective because of some of the amendments which have been added. That is an honest difference of opinion.

Mr. JOHNSON of Texas. The Senator is correct.

Mr. KNOWLAND. There is no indication in the statement, of the committee, that we want an issue rather than a bill. I can say to the Senator from Texas, whether or not that was the viewpoint—and I do not believe it was the viewpoint—so far as the Senator from California is concerned, he wants a bill, and he wants it at this session of Congress, and he wants a bill which will reflect credit on Members of both parties who helped to pass it, and a bill which can be approved by the President, who recommended it in his message to Congress.

Mr. JOHNSON of Texas. I am in complete agreement with the last statement of the Senator from California. I should like to ask him this question: When the Senate voted on the Morse motion to send the bill to committee with instructions to report it to the Senate in 7 days, the Senator said to do so would bury the bill. Does he think that if the bill should be sent to conference without instructions, where it could be discussed ad infinitim, it would not serve to bury the bill?

Mr. KNOWLAND. No; I do not believe so.

Mr. JOHNSON of Texas. Why does he believe a conference committee would act any more expeditiously than another committee, which would have instructions to report the bill back within a limited time?

Mr. KNOWLAND. Because for 6 months we had before the Senate Judiciary Committee a bill which had not been reported to the Senate. In the normal process of getting the two Houses together, the procedure is to have a conference. We have just had a conference committee report on the mutual aid authorization bill, and we have had a conference committee report on an appropriation bill. The House did not see fit to delay those bills. The normal legislative process is to have a conference. That is not the only way whereby we can get a bill. If the House wished to recede from its stand and concur in the amendments of the Senate, we could get a bill in that way. I hope we will get a bill by one process or another before Congress adjourns sine die.

Mr. JOHNSON of Texas. I believe we could expedite the matter a great deal if all outside forces would refrain from attempting, by telephone calls, to direct Congress in its activities. I assume the Senator from California agrees with me in that view.

Mr. KNOWLAND. I agree with the Senator. I have had no such telephone calls.

With respect to the Morse motion to recommit, and whether that would have had the effect of killing or burying the bill for the session, I should like to recall the legislative history which existed at that point.

We had followed, under rule XIV, the procedure which made unnecessary sending the House bill to the Senate Committee on the Judiciary, which had already considered and had had under consideration for approximately 6 full months the Senate version of the bill.

Secondly, a period of time under the gentleman's agreement had passed, and we had finally come to the point where, upon motion, the House bill, which had been placed on the calendar, became the unfinished business of the Senate, and was open to discussion.

At that point the Senator from Oregon [Mr. MORSE] made his motion to commit the bill to committee with instructions. The effect of that motion would not only have been to delay the bill for at least 7 days, with such additional time as might have been required to print reports and hearings, and so forth, but, on top of that, when the bill came back to the Senate, it would not have come back as the unfinished business before the Senate; instead, it would have been placed on the calendar, and we would have had to follow the same process all over again, and would have had a prolonged educational campaign, before the bill could have been taken from the calendar and made the pending business again.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. KNOWLAND. In a moment I shall be glad to yield.

With respect to a conference report, if a bill goes to conference and it comes back to the Senate in a conference report, it is a privileged matter before the Senate. When the conference report comes to the Senate—and I should hope it would came back with reasonable promptness—the report could be taken up without displacing any pending business the Senate might have before it at the time. Therefore that is the great difference.

That is why I said in my judgment—although I recognize the fact that the majority leader has the right to his own opinion—I believed the Morse motion would, in effect, have killed any hope of getting an effective civil-rights bill at this session of Congress. I yield to the Senator from Texas.

Mr. JOHNSON of Texas. I do not care to prolong the discussion, other than to repeat an observation I made previously. My friend finds himself confronted with the inconsistent position of having said to the Senate, a few weeks ago, that if we send the bill to committee with instructions we kill it——

Mr. KNOWLAND. For the reasons I have stated.

Mr. JOHNSON of Texas. And now he comes forward and says if we send the bill to conference, we revive it. I do not believe we would have killed the bill by sending it to committee under a motion which required it to be reported back to the Senate in 7 days, because the majority of the Senate could act on that bill and make it the pending business just as a majority of the Senate could act upon a conference report. The minority leader, therefore finds himself in the position of having said a few weeks ago we would kill the bill if we sent it to committee, and this week saying that we do not kill it if we send the bill to committee. The Senator from Texas hopes that the House will act on the measure so that we may get a bill. I am willing to leave it there.

Mr. KNOWLAND. I am willing to leave it there, too, but I am sure my good friend from Texas thoroughly understands the difference between a bill going to a committee of the Senate and being reported back, then having unlimited debate on the motion to make it the pending business before the Senate, and, on the other hand, a bill coming out of a conference committee, in which case it is a privileged matter and can be taken up at any time.

Mr. JOHNSON of Texas. The Senator from California, I am sure, does not wish to draw a curtain here and have us believe that a conference report is not subject to unlimited debate. The Senator must know that a conference report can be debated as long as the Senate desires to debate it. The Senator must know that a majority vote is required to take up a bill on the calendar, just as a majority vote is unecessary to adopt a conference report.

Mr. KNOWLAND. The Senator, I am sure, knows that on a conference report there can be only one period of prolonged debate, but when a measure is placed on the calendar, there can be prolonged debate on the question of taking it from the calendar, and then further prolonged debate to secure its passage. So there would be two prolonged debates, not one.

Mr. JOHNSON of Texas. The Senator from Texas is not going to assume that there will be any prolonged debate, if we legislate properly and wisely, as he thinks the Senate has done in this instance. The Senator from Texas has

confidence that the House will do likewise. In that event, there will be no necessity for having any prolonged debate at all.

DEATH OF DR. RAYMOND R. PATY, MEMBER OF THE TENNESSEE VALLEY AUTHORITY

Mr. HILL. Mr. President, many of us were saddened on last Thursday morning to learn of the sudden death of Dr. Raymond R. Paty, a member of the Board of Directors of the Tennessee Valley Authority. Dr. Paty was a generous and loyal friend, a gentleman and a scholar, and an able and devoted public servant. He began his career as a teacher in the school system of his native city of Bellbuckle, Tenn., and became associate professor of Bible and religious education at Emory University. He won distinction as president of Birmingham-Southern College, as president of the University of Alabama, and as chancellor of the university system of Georgia. In 1952 he became a member of the Board of Directors of the Tennessee Valley Authority and served with courage, with wisdom, and with vision, making many fine contributions to the work and the achievements of the Authority. In his death not only the Tennessee Valley Authority and the people of the Tennessee Valley but the entire Nation suffered a great loss. We shall sorely miss him.

THOMAS L. BLANTON

Mr. JOHNSON of Texas. Mr. President, Thomas L. Blanton, who was a Texas Member of the House of Representatives for 19 years, passed away on Sunday at his home in Albany, Tex.

Mr. Blanton represented the 17th District of Texas from 1917 to 1937, with the exception of a single year.

Tom Blanton was a man of strong views. He expressed those views forthrightly and vigorously. He was a man who often met with opposition, but he never met with misunderstanding.

During his 19 years of service in the House, he made a reputation as a fighter in debate and on the stump. The people of the west Texas district he represented traditionally love a fighter, and they returned him to Congress term after term.

Mr. Blanton was 84 years of age at the time of his death. He had retained a lively interest in governmental affairs and followed his lifelong policy of never hesitating to speak his mind.

Mr. President, I wish to express my deep personal sympathy to surviving members of Mr. Blanton's family.

MUTUAL SECURITY AUTHORIZATION

Mr. SMITH of New Jersey. Mr. President, it was the greatest regret to me as one of the conferees on the proposed mutual security authorization legislation that I felt it necessary to vote for the conference report which will presently be submitted to both the Senate and the House. While we saved some of the dollar cuts because of the action of the Senate, the compromise cuts are so drastic and so far below what the President and the administration asked for that I feel the country may be in danger.

After a year of close study by the Foreign Relations Committee of our whole so-called foreign-aid program, and the unanimous recommendations of all the experts whom we had invited to contribute their views on the subject to us, and after the introduction of an authorization bill substantially carrying out these recommendations, we are now compelled not only to reduce the dollar figures beyond the point of safety, but also to hold back the new revolving loan-fund authorization to a year-by-year basis.

The authorization bill is vitally important. If the appropriation which will follow the authorization is drastically cut further, we certainly would have our bargaining power with the Soviets reduced, and the President and the Secretary of State might later find themselves in a position to call for an emergency appropriation.

I cannot urge upon my colleagues too strongly the careful consideration and study of the whole matter before any further cuts are made in the appropriation.

Mr. President, in this connection, I ask unanimous consent to have printed at the conclusion of my remarks two editorials, one from the New York Times entitled "The Foreign Aid Cuts," and the other from the New York Herald Tribune, entitled "Compromising Mutual Security," both of which appeared on August 10.

There being no objection, the editorials were ordered to be printed in the RECORD.

(See exhibits 1 and 2.)

Mr. SMITH of New Jersey. Mr. President, I also call attention to an article entitled "India's Great Adventure, 10 Years Later," written by Mr. A. M. Rosenthal, who is the New York Times correspondent in India, and published in the New York Times magazine section of August 11. The article describes vividly the dynamic relation of the mutual-security program to a free India and the essential retention of India in the ranks of the free nations.

We must consider these worldwide implications of what we are doing, and when we realize that the total foreign-aid budget originally asked for by the President was less than $4 billion as compared to our overall defense budget of nearly $40 billion, we must think twice before we jump to the conclusion that these drastic budget cuts can be made in the mutual-security program which is vital to America's security.

EXHIBIT 1

[From the New York Times of August 10, 1957]

THE FOREIGN-AID CUTS

In preparation for the new mutual security program the Senate and House committees concerned initiated at considerable expense 21 separate official and private studies. All these studies agreed that in view of the continued threat of Communist aggression, and despite the $60 billion, including loans, already spent on it, both military and economic "foreign aid" must continue. They also made, with remarkable unanimity, certain specific recommendations on the basis of which President Eisenhower submitted to Congress a program designed not only to make "foreign aid" more effective but also to remove it as an annual football of domestic politics.

But Congress paid little heed to either the studies or the recommendations of the President and his aides. On the contrary, in the name of a false economy and falsely understood Congressional prerogatives, it has now cut the program to shreds.

After trimming his original program by half a billion dollars, President Eisenhower asked for $3,865 million for it. This, he warned, was a rock-bottom figure. Any further cut would imperil our own national security and that of our friends. The Senate-House conference has finally cut it to $3,366 million. This compares with $3,766,570,000 authorized and nearly $5 billion actually spent last year.

Such a cut might be welcomed if it were based on the same careful analysis and farsighted statesmanship that guided the President's program. But how was the final figure fixed? Why, by simply splitting the difference between the Senate and House figures. The cut will inevitably weaken free-world defenses in the Far and Middle East, where the Communists are now probing for weak spots. And the administration will still have to fight for the actual money appropriation, which is also subject to Congressional politics.

In keeping with the recommendations mentioned, President Eisenhower had also proposed to put military aid in the regular defense budget, where it belongs, and so take it out of politics. But Congress refused. In line with the same recommendations he likewise proposed to create a revolving development loan fund from which repayable loans would be made to underdeveloped countries. For this the President asked $2 billion over the next 3 years. Congress authorized only the $500 million asked for this year plus $625 million for the next year, which must still be translated into actual money.

The best that can be said for the conference bill is that it could have been worse. One can only hope that it will not cost us much more than the cut has "saved."

EXHIBIT 2

[From the New York Herald Tribune of August 10, 1957]

COMPROMISING MUTUAL SECURITY

The best that can be said for the compromise worked out by the Senate-House conference committee on the mutual-security bill is that it is better than the House was originally willing to accept. But it is worse than the Senate bill and falls far short of what President Eisenhower requested. In sum, it not only compromises the differences between the two Houses of Congress, but compromises mutual security.

In a period when Soviet military aid is spreading over an ever wider territory—the British charge that arms from the Communist bloc are going to Yemen, for example—the conference committee has agreed on mutual-security authorizations which fall short of the President's request by half a billion dollars. And at a time when political and economic conditions are in a state of flux in the lands that lie geographically between East and West, the President's long-range loan-fund proposal has been held to 2 years. This is better than the House decision to keep the fund to 1 year, but it would make it difficult to give real stability to the economic planning of nations whose present difficulties offer opportunities to communism and thus threaten the peace.

The shadow which hangs over every authorization measure is the queer practice of

Congress of trimming such bills when it comes to actually appropriating the money. Why Congressmen should, within the short space that elapses between authorization and appropriation, regard the former as only an ideal, to be cut down to smaller compass, is a standing puzzle of American legislative practice. Knives are already being sharpened in the appropriations committees to whittle more away from mutual security than Congress was willing to authorize.

But it is at this point that the line must be held. It is easy enough to find culprits to blame for the original reductions in the mutual-security program. The President's ambivalent attitude toward his budget and the failure to take the fight strongly enough and clearly enough to Congress are principally at fault. Whatever the reason for the present cuts, however, it is of national importance that they go no deeper. The United States cannot afford to gamble its own existence and that of the Free World on cheeseparing.

HEROISM DURING HURRICANE AUDREY

Mr. PURTELL. Mr. President, a little more than a month ago, the hearts of the people of this country went out to the people of Louisiana who were victims of a terrible natural disaster. Hurricane Audrey ripped through Cameron and Calcasieu Parishes in that State and exacted a terrible toll of devastation. More than 500 lives were lost, and property damage will finally be totaled in many millions of dollars.

The people of my own State of Connecticut, who themselves had a similar terror visited upon them only 2 years ago, were particularly saddened because they know at firsthand of the death, the suffering, the pain, and the dreary tasks of rehabilitation which are the inevitable results of the rampaging forces of nature on the loose.

In Louisiana, as they did in Connecticut in 1955, people rose to the emergency and teamed with their fellow citizens to fight the raging terror and to help one another in the many ways which mark man's humanity to man when disaster strikes.

Heroism was commonplace. Yet in the midst of great heroism there were recorded certain acts of certain people which will remain shining inspirations long after the devastation has been repaired and when the winds and the waters have receded from the memories of those living in the affected areas.

Such were the actions performed by three doctors. At the storm's beginning, they were the only doctors in the hardest hit area. They worked without sleep for days and their efforts were responsible for the saving of many lives.

These brave men of medicine were Dr. C. W. Clark, of Cameron, and Drs. G. W. Dix and S. E. Carter, of Creole.

Mr. President, 3 of Dr. Clark's 5 children perished in the flood. For many hours, the fate of his wife and his two sons was unknown to him.

Providentially, for those who were to receive his ministrations, Dr. Clark was at the medical center in Cameron when hurricane Audrey hit.

As he continued to treat the injured, Dr. Clark learned piecemeal that his home had been destroyed, that his wife and 2 sons were missing, that his 3 daughters had perished. He learned that his home had been swept away. Yet through all those agonizing hours, surrounded by the injured and the dying, Dr. Clark stayed at his post doing his job.

We can only guess at the emotion which must have racked him in this terrible period of trial. A paraphrase of the taunt hurled at the Lord himself when He hung from the cross must have reechoed through his mind: You are saving others, why can you not save those near and dear to you?

What memories must have crossed his mind as he treated young girls the same ages as his daughters. First, terrible uncertainty, then shocked certainty, then more agonizing hours as to the fate of the other members of his family. Yet, all the while, his fingers were busy, healing, soothing, saving.

Not far away two other men of medicine worked to save the living and ease the dying. Drs. Dix and Carter knew their own hospitals were being swept away. They too remained at their posts, beacons of hope and survival for those who had been brutally struck down by the hurricane. These men gave and gave and gave.

Mr. President, here were men who did not waiver in their duty. Here was duty above and beyond the call of duty. Here was devotion to a profession, but more important, to mankind, which marked the performances of these men with a nobility for which mankind often strives but seldom achieves.

Only a few years before, these three young men had sworn the Hippocratic oath, never dreaming that in the course of their practices in the rural part of Louisiana they would be tested under conditions far exceeding the most exacting trials that might be described by the most exacting fate.

These men, particularly Dr. Clark, have written a new chapter in the continuing history of medicine and its practitioners. They have inspired new hundreds of young men and women throughout the world to seek their lives' work in the medical profession. They have reaffirmed the faith of the people in their doctors. They have reaffirmed man's trust in his fellow man.

Even though they are still comparatively young men, these doctors have left us a heritage which cannot help but move all of us a step further toward the perfection in our calling, which we all seek daily.

Their motivation was plain. People, the people they had chosen to serve, needed their help. They gave it. There was no time for them to think of self. Their people needed doctors. They were doctors. How simple, yet how powerful, a motivation. These men rose to the heights of selflessness. They truly served.

Mr. President, there is a lesson to be learned from every disaster, and one which comes out of the terrible tragedy of hurricane Audrey is that the effective organization of civil defense with the various medical societies in Louisiana and Texas prevented a much greater loss of life. Doctors and nurses and other medical personnel in those two States were organized and prepared for disaster emergency. Their response was magnificent, their work was effective, and they proved both the necessity and efficiency of prudent and well-planned disaster emergency organization.

The medical profession is paying tribute to these heroic doctors. This week's issue of the Journal of the American Medical Association carries an account of the work of these men and the organizations of doctors and nurses who helped reduce the toll which might have been exacted had not these valiant people served so effectively. The magazine contains an editorial entitled, "Medicine's Finest Hour," which pays additional tribute to the work which was done.

Mr. President, I believe a special decoration should be available from the Government of the United States to be conferred upon men and women who perform the kind of services which these three doctors have rendered. I would like to see an honor society or some similar organization based upon an award for such special performances of duty under such demanding circumstances.

In honoring Drs. Clark, Dix, and Carter we honor also other men and women of the medical profession who have performed similar deeds, but whose performances have gone unnoticed or unheralded. There were other doctors and nurses who worked tirelessly and selflessly in the recent terror in Louisiana and in the floods in Connecticut in 1955 and in the other disasters which have struck down our people.

These three men in particular, and all those others who brought the knowledge of their professions to bear to aid the victims of hurricane Audrey, receive our gratitude and appreciation, both as personal figures and as symbols.

These three men are symbols of the medical profession, which is the deliverer and keeper of life, the giver of comfort, and the strong voice of scientific progress in our midst.

Here is a splendid example of the medical profession at its best. The efforts of these men and of the hundreds of others, unnamed and unsung, who perform similar heroic duty every day in the year richly deserve the accolade of their professional colleagues contained in the American Medical Association Journal, to which I referred earlier, and which is entitled, "Medicine's Finest Hour."

Mr. President, the work of Dr. Clark and of his fellow doctors has been recognized by the Surgeon General of the United States, who has written to Dr. Clark a letter expressing to him the appreciation of the Surgeon General for the outstanding work Dr. Clark did.

I ask unanimous consent that the letter sent by the Surgeon General to Dr. Clark be printed at this point in the RECORD, in connection with my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
PUBLIC HEALTH SERVICE,
Washington, D. C., August 7, 1957.

Dr. CECIL W. CLARK,
Cameron, La.

DEAR DR. CLARK: May I express, both for myself and on behalf of every physician in

the United States Public Health Service, our deep sense of gratitude, pride, and admiration for the manner in which you, Dr. G. W. Dix, and Dr. S. E. Carter answered the call of medicine when Cameron and Calcasieu Parishes in Louisiana were devastated by a hurricane last June.

We share your great personal sorrow in the loss of your children. All of you have our deepest sympathy for the destruction of your homes, your offices, and your clinics.

At great personal sacrifice, you gave medical care and brought relief to hundreds of people who were injured and distraught. You worked calmly, skillfully, and tirelessly under the most difficult conditions to minister to the needs of the hurricane victims. There is no way of telling how many lives you saved, how many families you helped reunite. One thing is certain, however: Your services, and those of your colleagues, did much to help the people of Cameron and Calcasieu Parishes resume their normal lives in the wake of a devastating disaster.

Sacrifice and devotion to duty are the hallmarks of the medical profession. Your actions, as well as those of Drs. Dix and Carter, in a time of great emergency epitomized those qualities. But there was something more. There was the seed of true greatness. Your acts of heroism and selflessness will shine for all men to see, and for all time. You have not only brought fresh honor to the profession we proudly share but to your community and to your Nation.

I understand you are reestablishing your practices in the towns in which you lived. As a result, I am sure that the people of Cameron and Calcasieu Parishes face the future with courage and hope. As Surgeon General of the United States Public Health Service, I have no fear that men and women of your caliber in local communities throughout the Nation will help us meet and conquer whatever medical emergencies may arise.

Again, let me express the profound tribute of the Public Health Service on your heroic deeds.

Sincerely yours,

L. E. BURNEY,
Surgeon General.

THE BRICKER AMENDMENT TO THE INTERNATIONAL ATOMIC ENERGY AGENCY BILL

Mr. HICKENLOOPER. Mr. President, in this morning's Washington Post there appears an editorial entitled "House Recovers Fumble." The editorial is so inaccurate as to amount, in my opinion, to irresponsibility. Certainly the author of the editorial did not carefully canvass the subject matter about which he wrote, for if he had, he could not possibly, in my opinion, have written the editorial.

I shall read the editorial, which is as follows:

HOUSE RECOVERS FUMBLE

The House did a good day's work in stripping Senator BRICKER's sabotage amendment from the bill authorizing a United States representative to, and financial support for, the International Atomic Energy Agency. Mr. BRICKER had attempted to require a separate act of Congress for every consignment of fissionable material by this country to the IAEA. Such a vote of no confidence in the President and his Atoms for Peace program would have exposed the United States to scorn and ridicule abroad. It might have blighted the hopeful experiment in the international development of atomic power for peaceful purposes. The House vote of 298 to 99 on the question of striking out the amendment—thus signifying that the House has no intention of interfering with the program—certainly reflects a large element of statesmanship.

Much of the credit for the outcome goes to the House members of the Joint Congressional Committee on Atomic Energy. Last month the committee had carelessly approved the amendment, apparently without full awareness of its implications. In the debate on the floor, however, both Republican and Democratic members of the committee denounced the amendment as a reflection on the good faith of the United States. We hope that the Senate members of the committee will now be equally candid in acknowledging their error and in guiding the Senate to acceptance of the House version. Incidentally, the time is overripe for a strong administration stand against Mr. BRICKER's niggling.

Mr. President, I have a few comments to make on the editorial and its inaccuracies and its responsibility.

In the first place, the editorial refers to the portion of the bill which was stricken by the House of Representatives as "Senator BRICKER's sabotage amendment."

Mr. President, the amendment was no such thing. I shall read the amendment. This is the language which was stricken:

In the case of the International Atomic Energy Agency the Commission may distribute only such amounts of special nuclear materials as are authorized by Congress: * * *

So far as that provision is concerned, it follows the language used in the letter of the President of the United States to the Chairman of the International Atomic Energy Agency, in New York, written about February 15 last, in which the President said that in making such materials available to this agency, he would expect to come to the Congress to secure the authorization of the Congress for that purpose. So that part of the language of the amendment follows the President's own statement in his own letter.

The rest of the amendment reads as follows:

Provided, however, That notwithstanding this provision, the Commission is hereby authorized subject to the provisions of section 123, to distribute to the Agency 5,000 kilograms of contained uranium 235, together with the amounts of special nuclear material which will match in amount the sum of all quantities of special nuclear materials made available by all other members of the Agency to July 1, 1960.

The PRESIDING OFFICER (Mr. CLARK in the chair). The time available to the Senator from Iowa, under the 3-minute rule, has expired.

Mr. HICKENLOOPER. Mr. President, during the morning hour is it possible for a Senator to rise to a question of personal privilege?

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senator from Iowa be recognized for 5 additional minutes, if that additional amount will be sufficient for his purpose.

Mr. HICKENLOOPER. I think it will be sufficient.

Mr. JOHNSON of Texas. Then, Mr. President, I ask unanimous consent that the Senator from Iowa may proceed for 5 additional minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. HICKENLOOPER. I thank the Senator from Texas.

Mr. President, with respect to the 5,000 kilograms and the matching amount, as provided for in the Bricker amendment, that provision was specifically included in the amendment by the Senator from Ohio in order to conform with the position the President took in his statement—which was made to the Agency itself—that he would do that.

The editorial insinuates—in fact, it flatly suggests—that the Bricker amendment would "pull the rug out from under" the President. Mr. President, the amendment would do no such thing.

Second, the editorial says, in referring to the Bricker amendment, that—

Mr. BRICKER had attempted to require a separate act of Congress for every consignment of fissionable material by this country to the IAEA.

Of course, Mr. President, that is untrue and is unfactual. Amounts over and above the 5,000 kilograms, plus the matching amounts which his amendment authorized—amounts over and above that—could be provided for periodically in one act, for distribution from time to time. The amendment would not necessarily require a separate act every time a quantity of fissionable material would be made available to the Agency.

Mr. KNOWLAND. Mr. President, will the Senator from Iowa yield to me?

Mr. HICKENLOOPER. I am glad to yield.

Mr. KNOWLAND. I should like to say—although perhaps the Senator from Iowa is going to mention it—that another gross inaccuracy in the editorial is its indication that this matter did not have full and proper consideration.

Mr. HICKENLOOPER. I shall come to that point.

Mr. KNOWLAND. The amendment was considered more than once by the Joint Committee. It was fully discussed, and was brought back a second time, and again was fully discussed; and the committee, after full discussion and debate, and after having additional witnesses before it, reaffirmed the position it had originally taken.

Mr. HICKENLOOPER. The Senator from California is correct, and in just a moment I shall enlarge upon that point.

The editorial also says:

Such a vote of no confidence in the President and his Atoms for Peace program would have exposed the United States to scorn and ridicule abroad.

Mr. President, the amendment is diametrically the opposite of that. It expresses confidence in the President. It sustains the proposition he made to the Agency.

What the amendment does do—and we might just as well understand this clearly—is this: It says that the Congress will not abandon for all time its control over valuable United States property, the ownership of which, once divested from the United States, could never be recaptured. That is what the Bricker amendment says; and it calls upon the Congress to make these authorizations from time to time, for amounts, over and above the amounts

which the President has already offered; and those offers are protected by the Bricker amendment.

A little further in the editorial we find a statement—although the inaccuracy in this instance probably is of little consequence:

The House vote of 298 to 99—

Mr. President, apparently the writer of the editorial did not read the CONGRESSIONAL RECORD, for the RECORD shows that the vote was 298 to 100. I do not call that point to the attention of the Senate for any purpose except to illustrate another inaccuracy and another irresponsible statement by the writer of the editorial, if the CONGRESSIONAL RECORD of August 8 is correct.

The editorial further says:

Last month the committee had carelessly approved the amendment, apparently without full awareness of its implications.

Mr. President, the suggestion of the Senator from Ohio was made on the floor of the Senate, and was discussed at the time when the treaty was before the Senate for ratification.

When the act of implementation went to the Joint Committee on Atomic Energy, the Senator from Ohio [Mr. BRICKER] presented his amendment. It was thoroughly discussed over a period of 2 days by the committee. The committee knew exactly what was in the amendment. The committee then, after thorough discussion, both pro and con, adopted the amendment and put it into the bill. A day or so later—I believe it was the next day—at the committee meeting, one of the members of the committee who was opposed to the Bricker amendment moved that the action of the committee in adopting the amendment be reconsidered, for the purpose of permitting further discussion of the amendment and for the further purpose of placing in the record other matters which he thought were important. The committee allowed that courtesy—although it was apparent that, following reconsideration, the amendment would be adopted again. So the motion to reconsider was adopted; and in the Joint Committee the Bricker amendment was considered again. Those who were opposed to it had their opportunity to present their side of it again; and again the amendment was thoroughly discussed. Thereafter, again the amendment was adopted by the votes of a substantial majority of the members of the Joint Committee on Atomic Energy. Yet this newspaper says that the committee had carelessly approved the amendment, apparently without full awareness of its implications.

The Senator from California was at the meetings. He has just verified that statement as to what happened. The editorial says in effect that the amendment would be a reflection on the good faith of the United States. The bill and the amendment authorize the giving to this Agency almost every gram of U–235 it has available from any place. We are supporting the Agency practically 100 percent.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HICKENLOOPER. Mr. President I ask unanimous consent that I may have 2 additional minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator is recognized for 2 additional minutes.

Mr. HICKENLOOPER. From a physical standpoint we are today the sole support of the Agency. The Senate passed the bill a few days ago. The bill will be in conference. But I could not, not only as a member of the committee, but as one interested in safeguarding the property of the United States, let the editorial go unchallenged. That is why I wanted to bring it to the attention of the Senate. At the end the editorial reads:

Incidentally, the time is overripe for a strong administration stand against Mr. BRICKER's niggling.

The argument of this editorial is in some ways astounding. As a friend and a long time acquaintance of the senior Senator from Ohio, who needs no apology on the part of anybody for the sterling patriotism and outstanding Americanism which he has always exhibited, I may say that I myself have the utmost faith and confidence in his devotion to the United States and constitutional government. If that be "niggling," they can make the most of it.

MUTUAL SECURITY AUTHORIZATION BILL

Mr. JOHNSON of Texas. Mr. President, I pay my respects and my compliments to the very able chairman of the Committee on Foreign Relations. I know of no Member of the Senate who has worked so constructively or who has had a better record of achievement than my friend, the Senator from Rhode Island [Mr. GREEN].

We are coming to the end of this session of Congress. We have to consider the conference report on the very important mutual security bill, which the Senator guided through the Chamber and which went to conference. I understand that the conferees have agreed and have filed a report. Before action can be taken on the appropriation bill, it will be necessary for the Congress to act on the authorization bill and, I assume, for the President to sign it, in order that we will know what the ceiling figure is.

Today we have scheduled for consideration the calendar; eulogies for the late Senator George, who served so long as chairman of the great Committee on Foreign Relations; the military construction bill, which is a very important piece of legislation; and the Niagara power bill. I am hopeful we can finish that late today or early tomorrow.

I wish to ask the distinguished Senator from Rhode Island a question. As I understand, the Senate will act first on the conference report, because the Senate passed the authorization bill first, and I wonder if it would be agreeable to the Senator, as chairman of the conference committee, to call up the conference report sometime tomorrow, even if it may be late in the day.

Mr. GREEN. I should be glad to try to do so. I think I can.

Mr. JOHNSON of Texas. If the Senator will notify the members of the conference committee who may be desirous of addressing themselves to the report, and if other Senators will take notice, it is the intention of the leadership, in cooperation with the chairman of the Committee on Foreign Relations, to consider sometime late tomorrow or, at the latest, on Wednesday, the conference report on the mutual security authorization bill. I believe we can get to it tomorrow. I hope we can. Unless our plans go astray, we will.

Mr. GREEN. I shall try to send out notices, so that all Senators will be available.

Mr. JOHNSON of Texas. I thank my friend.

REDUCTIONS IN ARMED FORCES

Mr. MANSFIELD. Mr. President, about a year ago at this time there was talk of the so-called Radford plan, which sought to reduce the armed services of the United States by some 800,000 men. At least, that was the rumor.

I attempted to obtain information as to the proposed reduction of the Armed Forces last year, but did not have any success. Then came the Suez crisis, and all talk of reductions in the defensive strength of this country ceased.

Within the past month the Secretary of Defense has announced there will be a 100,000-man reduction in the 4 branches of the armed services of the United States.

During the course of the debate on the Defense Establishment appropriation bill, I raised the question as to a possible further reduction of strength with the distinguished chairman of the committee, the Senator from New Mexico [Mr. CHAVEZ], and the chairman of the Senate Committee on Armed Services, the Senator from Georgia [Mr. RUSSELL]. Those Senators had no indication as to the truth of the rumor which I had heard, to the effect that a further reduction of 120,000 to 130,000 was planned for the next fiscal year.

However, I noted that in a press conference that same day the Secretary of Defense, Mr. Wilson, said there would be further reductions, although he did not give out any figure or estimate. I note also in today's Washington Daily News that the Defense Department is shooting for a 2.5 million man Armed Force by next July 1. That will be at the end of the present fiscal year—some 10 months away. If this story is true such a reduction would mean that instead of a total decrease of from 220,000 to 230,000, which I had heard would be the goal, approximately 300,000 men will be separated from the 4 branches of the armed services by next July 1.

Mr. President, I think in the delicate and difficult age in which we live the Congress ought to have a little more information as to exactly what is intended in the way of reductions in the numbers of our armed services during the coming fiscal year.

Furthermore, I should like to invite the attention of Mr. Wilson and his successor, Mr. McElroy, to the fact that while, as the distinguished Senator from Georgia pointed out, 3 of the armed services—the Army, the Navy, and the Air Force—have a manpower ceiling, 1 of the armed services, the Marine Corps, has a floor. That floor has been guaranteed by Congress, to the extent of 3 combat-size divisions and 3 air wings.

I sincerely hope, Mr. President, that the Defense Department, which may have good reasons for what it is doing, will tell Congress some of the reasons it may have for the contemplated reduction at this time. I suggest, most respectfully, that, at the very least, the chairmen of the Armed Services and the proper appropriations subcommittee be informed and the reasons for such cuts be explained.

Mr. President, I ask unanimous consent to have printed in the RECORD an article written by Jim Lucas, one of the Nation's most able military commentators, entitled "Pentagon Plans To Slash Armed Forces by 300,000," published in the Washington Daily News of Monday, August 12, 1957.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PENTAGON PLANS TO SLASH ARMED FORCES BY 300,000

(By Jim Lucas)

The Defense Department is shooting for a 2.5-million-man Armed Force by next July 1.

This will be 300,000 less than the present force of 2.8 million. It will mean manpower cuts of 200,000 in addition to the 100,000 already ordered by Defense Secretary Charles E. Wilson.

There is scant possibility that Mr. Wilson's successor, Neil H. McElroy, will reverse this decision. It was made at the White House—presumably after long discussion in the National Security Council—and transmitted to the Pentagon through the Budget Bureau.

REASONS

Rising costs and continued inflation are responsible.

As a result:

The Air Force, which already has called its 137 wings down to 128, will eliminate 5 to 8 more, principally in the tactical air force.

(The United Press reported that a Pentagon spokesman disclosed that Mr. Wilson has decided to restore to the Air Force 25 percent of the $1.250 billion cuts in its fund. The official indicated most of the $300 million will go for weapons, particularly guided missiles. The greater portion of the restored money was transferred out of the Army's account.)

The Army, which has come down 20 to 17 combat divisions, will inactivate 1, and perhaps 2, more.

The Navy will mothball more large ships.

For Gen. Nathan F. Twining, who takes over as Chairman of the Joint Chiefs of Staff this week, this is sobering news. It will make even more difficult his job of keeping the service chiefs together as a team.

BUDGET LID

Not only will he have a manpower ceiling, but the budget lid also is firmly in place. The services from now on can ask for no more than $38 billion a year.

This, in effect, means that none can ask for what its leaders believe to be the minimum necessary to carry out its missions. They can, however, try to get as close as possible, even if its means cutting some other service.

The sparring already has begun. Air Force Secretary James Douglas recently said the Air Force will need $2 billion more next year. Under budget ceilings, that could only come from the money now earmarked for the Army and Navy.

COMPETITION

Gen. Thomas D. White, Air Force Chief of Staff, refers to the days ahead as an "era of intense competition for funds" in which "tactical requirements must be fully screened to insure that we retain only essential forces."

Of all the services, only the Marines have legal protection. A law passed several years ago guarantees them 3 divisions and 3 air wings. But Senators PAUL DOUGLAS, Democrat of Illinois, and MIKE MANSFIELD, Democrat of Montana, both World War II marines, have protested recently that the Defense Department intends to "skeletonize" these.

On the face of it, that would seem a safe bet.

POLICY OF MARITIME BOARD

Mr. DIRKSEN. Mr. President, in other days, when I had more time to devote to it, I used to follow the work of the old United States Maritime Commission, mainly because it was a subject matter which came before the Subcommittee on Appropriations of which I was a member. I am unable to follow its activities closely, but I noticed some reference to a decision made by the Board not long ago in a controversy between the Far East Pacific Lines and the Matson Lines. I think an application was pending for service to Hawaii by the unsubsidized portion of the Far East Pacific Lines. There was a recommendation by the Board's examiner, there was a recommendation by the public counsel for the Board; but notwithstanding that fact, the Far East Pacific application was denied by a vote of 2 to 1.

I am not insensible of the fact that this is a quasi-judicial Board, but it seems that an element of monopoly is involved. I expect to present the case to the appropriate committees and the appropriate persons in the executive branch, and at the same time to respect the judicial character of the Board.

In connection with my remarks I ask unanimous consent to have printed in the RECORD at this point an article entitled "Stop-Go Policy on Monopoly," written by a very reputable reporter, Roscoe Drummond, and published in the New York Herald Tribune of August 4, 1957.

I ask also to have printed in the RECORD at this point an article on the same subject which was published in the Chicago Tribune of August 11, 1957.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Herald Tribune of August 4, 1957]

STOP-GO POLICY ON MONOPOLY

(By Roscoe Drummond)

WASHINGTON.—The Eisenhower administration is proud, bordering on the boastful, of its record of energetically enforcing the antitrust laws.

The President aims to keep it that way.

This is why the White House, if my information is correct, is pained and dismayed by the recent decision of the Federal Maritime Board protecting what the Matson Navigation Co.'s would-be competitors call its near-perfect monopoly of the shipping business between the west coast and Hawaii.

It is embarrassing to any administration when two arms of the executive branch are found fighting opposite battles—the battle of the Justice Department to combat monopoly and, in the Matson-Pacific Far East Lines case at least, the battle of the Maritime Board to protect monopoly.

Certainly the objective and the effect of Attorney General Herbert Brownell's vigorous application of the antitrust laws are to increase competition.

Certainly the effect, whatever the objective, of the Maritime Board decision in the Matson-PFEL case is to prevent competition.

It is the kind of schism in policy which frustrates any President, and which cannot fail to be especially galling to Mr. Eisenhower, who has given the green light to his Justice Department to use the law to nourish competitive enterprise at every opportunity, not to dry it up.

This schism stems from the Matson-PFEL decision, and here are pertinent facts:

The Pacific Far East Lines, Inc., which operates a subsidized line to Japan, Korea, the Philippines, and Hong Kong, and a nonsubsidized service to Guam and Japan, asked the Federal Maritime Board for permission to stop at Hawaii three times a month on its nonsubsidized run. The hearings took a year and a half, and at their end the Board's examiner recommended:

"The Board should find that the granting of PFEL's application will not result in unfair competition to any person, firm, or corporation operating exclusively in the coastwise or intercoastal service, or be prejudicial to the objects and policy of the act. Accordingly, the application should be granted."

The public counsel of the Maritime Board concurred and ruled: "The proposed service of PFEL will be consistent with the objects and policy of the act, and will not result in unfair competition to Matson."

Whereupon the Board itself voted 2 to 1 to guard the Matson Line's run to Hawaii from competition. The majority opinion held that Matson's favored position should be protected on the ground that it was a domestic, unsubsidized operator engaged in coastwise trade. But the judgment of the Board's examiner on this point was that both companies were on the same footing.

I am not assuming to judge the legal merits of the Maritime Board's action. Its legality and validity now are before the Federal district court at the instance of PFEL's attorneys.

But the consequence of the Board's action, which aids monopoly, is clearly at variance with the administration's avowed purpose of curtailing monopoly as in the Du Pont-General Motors case, the Eastman Kodak case, and many others.

It is true that the Maritime Board is a quasi-independent agency whose actions the President cannot directly influence. But the White House is involved and to a degree responsible for the Board's policies in light of the fact that it now is wholly made up of Mr. Eisenhower's appointees.

On the basic issue I am reminded of a paragraph which comes from the pen of Bernard Baruch in his forthcoming autobiography. It reads: "In time the Government forced the breakup of the Tobacco Trust despite Duke's bitter opposition. I happened to meet Duke some years later. 'As hard as I fought the dissolution of the Tobacco Trust,' he told me, 'I'd fight even harder any effort to put it back together again. We made more money after we were broken up and had competition.'"

[From the Chicago Tribune of August 11, 1957]

MARITIME BOARD'S POLICY IS CRITICIZED—DIRKSEN TO BRING MATTER BEFORE CONGRESS

(By Walter Trohan)

WASHINGTON, August 10.—While the strong right arm of the Eisenhower administration—the Justice Department—is energetically enforcing the antitrust laws, the Federal Maritime Board has been found to be not less strongly supporting a monopoly of the shipping business between the Pacific coast and Hawaii.

This apparent contradiction between the declared intention of the administration and the actual operation of one of its more important agencies has aroused the interest of Senator DIRKSEN, Republican, of Illinois. The Senator is interested in saving the administration embarrassment and in straightening out what he views as an injustice.

DIRKSEN will call the attention of Congress next week to a charge that the Maritime Board is supporting what has been termed the "near-perfect monopoly" by the Matson Navigation Co. in trade with the Hawaiian Islands. The charge was leveled by the Pacific Far East Lines, Inc., of San Francisco.

BOARD DENIES APPLICATION

PFEL was denied, under a ruling of May 14, the right to call three times a month at Hawaii in connection with its unsubsidized service between the west coast and Guam. The ruling was made by a 2 to 1 decision of the Federal Maritime Board over the recommendation of a trial examiner after a year and a half of hearings.

"The Board should find that the granting of PFEL's application will not result in unfair competition to any person, firm, or corporation operating exclusively in the coastwise or intercoastal service or be prejudicial to the objects and policy of the Maritime Act," the examiner reported. "Accordingly, the application should be granted."

In a separate report, the public counsel of the Board concluded that granting the application would not be unfair to the Matson Line. Yet, the Commission by its 2 to 1 vote ruled that the Matson Line is a coastwise trader and should be protected.

The Matson Line owns and controls Oceanic Steamship Corp., which is a subsidized international line to the Far East, with ports of call in Australia and New Zealand. PFEL also operates a subsidized route to the Far East with ports of call in Japan, Korea, the Philippines, and Hong Kong.

DOMINATES HAWAIIAN TRADE

Matson gets no Government subsidy on its Hawaiian run. This line is owned by 3 of the 5 companies which dominate Hawaiian commerce and industry and gets 98 percent of coastal shipping to Hawaii. It has acted to get 100 percent by petitioning the board to revoke permission granted the Pacific Transport Lines, the only competitor, to make a monthly trip to Hawaii.

PFEL gets no subsidy on its run to Guam. It asks that since it is on the same basis as Matson it be allowed to make three monthly stops at Hawaii on the nonsubsidized route.

In a suit filed in the Federal district court here, PFEL charges that the Maritime Board improperly disregarded the fact that Matson has a near perfect monopoly. It contends that the Board erred in ruling against the finding of its own examiner. PFEL is asking that it be permitted to serve Hawaii.

PROPOSED MUNICIPAL STADIUM FOR THE DISTRICT OF COLUMBIA—PERSONAL STATEMENT BY SENATOR LAUSCHE

Mr. LAUSCHE. Mr. President, yesterday in the Washington Post, in an article by one of its sportswriters, there was carried the following question:

When Ohio Senator FRANK LAUSCHE cast the lone vote that threatens to kill funds for a municipal stadium in Washington, was it in his craw that Congress had refused to approve a new $10 million stadium for the pan-American games in Cleveland?

Mr. President, it is not my habit to take exception to what I believe to be erroneous statements made by newspapermen when there is a semblance of justification for their utterances. But this statement is so patently in error that I feel obliged, for purposes of the record, lest my colleagues be misled by it, to state that the question put by the reporter is predicated upon an erroneous assumption of fact.

The Senator from Ohio vigorously opposed the granting of any money by the Federal Government for the building of a pan-American stadium in Cleveland. When I made that opposition—and I did so on the floor of the Senate—I connected it with a statement that I would not ask for Ohio that which I was not willing to give to any other State. That is exactly my position with respect to the building of a stadium in Washington at this time of inflation.

The President has made the statement that one of the menaces to our country is inflation, and that nonessential projects ought not to go forward at this time. I believe in the principle enunciated in that statement; and it was for that reason—although there would be no expenditure on the part of the Federal Government—that I voiced my opposition to a perfunctory passage of the bill when it was called up last week.

Furthermore, I wish to state that if I had been present on Friday when this measure was voted upon, I would have opposed it. Let the record be clear that I never asked for any money for Cleveland or for Ohio for the building of a stadium. I opposed it. I am sure that the citizens of Ohio who are indignant because of my past opposition to the allocation of funds for the building of a pan-American stadium in Cleveland would be astounded by what this sports reporter said.

Mr. President——

The PRESIDING OFFICER. The Senator from Ohio.

GOVERNMENT GUARANTY OF PRIVATE LOANS TO CERTAIN AIR CARRIERS

Mr. LAUSCHE. Mr. President, I wish to enter a motion to reconsider the vote by which Senate bill 2229 was passed on Friday last. Is such a motion in order at this time?

The PRESIDING OFFICER. Such a motion is in order.

Mr. LAUSCHE. I enter such a motion.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. LAUSCHE. I yield.

Mr. JOHNSON of Texas. I understand that the Senator from Ohio is entering a motion to reconsider the vote whereby a certain bill was passed.

Mr. LAUSCHE. That is correct.

Mr. JOHNSON of Texas. What is the bill?

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2229) to provide for Government guaranty of private loans to certain air carriers for purchase of aircraft and equipment, and for other purposes.

Mr. JOHNSON of Texas. As I understand, that was a bill which came from the committee of which the Senator is a member.

Mr. LAUSCHE. That is correct.

Mr. JOHNSON of Texas. And it was considered by the Senate in the absence of the Senator, while he was attending a funeral.

Mr. LAUSCHE. That is correct.

Mr. JOHNSON of Texas. And the Senator desires that the vote by which the bill was passed be reconsidered.

Mr. LAUSCHE. That is true.

Mr. JOHNSON of Texas. Mr. President, I would favor reconsideration by the Senate of the action by which the bill was passed. I hope that can be done at the conclusion of the call of the calendar today. That will allow opportunity for ample notification to all Senators.

If I may have the attention of the distinguished minority leader, I have a suggestion to make. I should like to have unanimous consent of the Senate that, at the conclusion of the calendar call today, the Senate reconsider the vote by which Senate bill 2229 was passed, with the understanding that discussion of the bill be limited to not more than 20 minutes to a side. I am told that that will be satisfactory to the Senator from Ohio. I am sure it will be satisfactory to the Senator from Oklahoma [MR. MONRONEY], who is the author of the bill. I think that would be an expeditious way to dispose of the situation in which we find ourselves, and at the same time preserve the rights of the Senator from Ohio. I wonder if that suggestion would appeal to the distinguished minority leader.

Mr. KNOWLAND. I have no objection.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that, at the conclusion of the calendar call today, the vote by which Senate bill 2229 was passed be reconsidered, that the bill be placed before the Senate, and that there be not to exceed 20 minutes discussion on each side.

The PRESIDING OFFICER. Is there objection?

Mr. DIRKSEN. Mr. President, reserving the right to object, I take it the bill would be subject to amendment.

Mr. JOHNSON of Texas. Certainly.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

ALLEGED DELAY BY SENATOR MORSE IN CONSIDERATION OF AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE BILL

Mr. MORSE. Mr. President, sometimes I think one of the greatest political allies I have in the State of Oregon is the Portland Oregonian, or any of the

similar reactionary smear sheets in my State, because they lie about me so profusely and so frequently that the people of the State are perfectly aware of the despicable journalism that characterizes them.

From time to time I make my record by way of reply to some falsehood reported in one of these reactionary sheets, such as the Oregonian. I can do so only a part of the time, if I am to carry on my other duties in the Senate. Time does not always permit a full reply to the reactionary press of my State. Once in a while, however, when there appears in the Oregonian an editorial so ludicrous as that of August 2, I make a reply, if for no other reason than to supply my friends in the State with the ammunition they need. Therefore, I ask unanimous consent to have printed in the RECORD as a part of my remarks at this point a letter which I wrote to the editor of the Oregonian under date of August 7, 1957.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON FOREIGN RELATIONS,
August 7, 1957.

EDITOR, THE OREGONIAN,
Portland, Oreg.

DEAR SIR: The editorial appearing in the Oregonian of August 2 could only have been written on the assumption that your readers would never find out the truth about my action in blocking a request for unanimous consent during the Senate civil-rights debate. The complete story is set forth below, and in justice not so much to myself as to your readers, who are consistently denied the facts in your political news stories and editorials, I request that it appear in full in your column, the People Speak.

Your charge that I blocked the Agricultural Trade Development and Assistance Act in which pear growers are interested and various appropriation bills, and that the Senate proceeded to act on them "despite Senator MORSE," is wrong on two counts: First, none of these bills was subject to unanimous consent. They were in the form of conference reports which are privileged; a motion to consider any of them was in order at any time and did not require unanimous consent. I stated repeatedly that I would not oppose action on any privileged business.

Second, had my motion of July 16 to send the civil-rights bill to the Judiciary Committee with instructions to report it back within a week been adopted, the conference reports would have been acted on in that week. The agricultural trade report had been ready since July 9; Republican Leader KNOWLAND and 37 other Republican Senators helped vote down my motion. Why was not the Oregonian outraged at that blocking of the agricultural bill and the appropriations?

What we were in fact asked to consent to was the setting aside of civil rights for both privileged and unprivileged matters. There was nothing in the agreement to assure that when we did return to the civil-rights bill there would be a limit on debate on the jury-trial amendment. Had I not insisted on a limitation of that debate as a part of any agreement, a full civil-rights filibuster could easily have developed and lasted indefinitely. Would that have pleased the Oregonian more?

Your grotesque series of assumptions to the effect that the Senate might have tried to punish me personally by putting aside civil rights to take up unprivileged bills, that a filibuster would have ensued when an effort was made to return to civil rights, leading to a conclusion that I had therefore risked a filibuster by my action is too outlandish to merit much analysis. It is the most far-fetched effort on your part to question my sincerity I have yet heard. The civil-rights bill itself afforded all kinds of opportunities for filibuster, and one was then in the making. The exact opposite of your charge is what really happened: My objection to the first agreement resulted in the fixing of a time to vote on the amendment and headed off a filibuster.

It is no surprise to me any more to find the Oregonian lying in ambush of my legislative record, or anything else about WAYNE MORSE it can think of. Perhaps the paper has not yet recovered from the lacing it took last fall as the publicity lackey for the State's reactionary political forces. But I think this time it is obvious that the Oregonian got overanxious and dropped its lead pipe on its own foot.

Sincerely,

WAYNE MORSE.

Mr. MORSE. Mr. President, I shall take the time to read only the closing paragraph:

It is no surprise to me any more to find the Oregonian lying in ambush of my legislative record, or anything else about WAYNE MORSE it can think of. Perhaps the paper has not yet recovered from the lacing it took last fall as the publicity lackey for the State's reactionary political forces. But I think this time it is obvious that the Oregonian got overanxious and dropped its lead pipe on its own foot.

Mr. President, I now turn to another matter.

The PRESIDING OFFICER. The Senator from Oregon has the floor.

THE HIGH HELLS CANYON DAM

Mr. MORSE. Mr. President, I ask unanimous consent that there be published in the RECORD at this point a letter which I received from the acting secretary of the Hood River Democratic Central Committee, Hood River, Oreg., on the Hells Canyon Dam issue.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

HOOD RIVER COUNTY
DEMOCRATIC CENTRAL COMMITTEE,
Hood River, Oreg., August 1, 1957.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MORSE: At our last board meeting, the unanimous conclusion was reached that our central committee should express by letter our wholehearted approval of the way in which you have battled for the high Hells Canyon Dam. We wish you to know that we feel the battle was won in the Senate by your personal efforts and through your great ability to convince your coworkers of the advantage of the high dam over the contemplated three low dams of the Idaho Power Co.

Sincerely yours,

HOOD RIVER DEMOCRATIC
CENTRAL COMMITTEE,
ARLUNE MOARE,
Acting Secretary.

The PRESIDING OFFICER (Mr. SPARKMAN in the chair). Is there further morning business?

Mr. MORSE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. O'MAHONEY. Mr. President, will the Senator withhold his request for a moment?

Mr. MORSE. I withhold it.

The PRESIDING OFFICER. The Senator from Oregon withholds his suggestion of the absence of a quorum.

THE CIVIL-RIGHTS BILL

Mr. O'MAHONEY. Mr. President, I desire to announce that at an appropriate time, when I have the opportunity to secure the floor, it will be my intention to discuss again the so-called civil-rights bill, which the Senate has passed, and which is now pending before the House of Representatives.

I have found a great deal of confusion in the minds of those who discuss the bill, or rather, I should say, perhaps, in the expressions which they make with respect to the meaning of the jury-trial amendment and about the value of the bill passed by the Senate.

I wish to make it clear that the bill the Senate passed is a very, very excellent civil-rights bill. It does more than Congress has done in 80 years to protect the right of voting, and it does it by a measure which guarantees that in protecting the right to vote the basic civil right of trial by jury shall not be lost.

I am familiar with the fact that many Members of the Senate and some commentators in the press and, rather surprisingly, some persons in the Department of Justice, are continually harping on what they contend to be a basic principle. They say that the Constitution of the United States does not grant jury trial in criminal contempt; therefore, they say, it is within the power of the courts, created by the Constitution, to punish criminally, by fine and imprisonment, for past acts or acts out of the presence of the court, without such acts having been defined as criminal in the statutes of the United States.

The answer to that statement, Mr. President, is very clear. There is nothing in the Constitution which gives to any court of the United States the power to punish for criminal contempt without a jury trial. There is no such constitutional right for any court to prosecute for criminal contempt. I read into the RECORD article III of the Constitution of the United States:

ARTICLE III

SECTION 1. The judicial power of the United States, shall be vested in one Supreme Court, and in such inferior courts as the Congress may from time to time ordain and establish. The judges, both of the Supreme and inferior courts, shall hold their offices during good behavior, and shall, at stated times, receive for their services a compensation which shall not be diminished during their continuance in office.

SEC. 2. The judicial power shall extend to all cases, in law and equity, arising under this Constitution, the laws of the United States, and treaties made, or which shall be made, under their authority; to all cases affecting Ambassadors, other than public Ministers and consuls; to all cases of admiralty and maritime jurisdiction; to controversies to which the United States shall be a party; to controversies between two or more States; between a State and citizen of another State; between citizens

of different States; between citizens of the same State claiming lands under grants of different States, and between a State, or the citizens thereof, and foreign states, citizens, or subjects.

In all cases affecting Ambassadors, other public Ministers, and consuls, and those in which a State shall be party, the Supreme Court shall have original jurisdiction. In all the other cases before mentioned, the Supreme Court shall have appellate jurisdiction, both as to law and fact, with such exceptions, and under such regulations as the Congress shall make.

Here I digress to say that this is a direct grant of power to the Congress of the United States to make exceptions from the jurisdiction of the Supreme Court and to provide regulations to govern the activities of the Supreme Court. I return to the reading:

The trial of all crimes, except in cases of impeachment, shall be by jury; and such trial shall be held in the State where the said crimes shall have been committed; but when not committed within any State, the trial shall be at such place or places as the Congress may by law have directed.

SEC. 3. Treason against the United States, shall consist only in levying war against them, or, in adhering to their enemies, giving them aid and comfort. No person shall be convicted of treason unless on the testimony of two witnesses to the same overt act, or on confession in open court.

The Congress shall have power to declare the punishment of treason, but no attainder of treason shall work corruption of blood, or forfeiture except during the life of the person attainted.

I have read every word of article III of the Constitution of the United States.

The PRESIDING OFFICER. The time of the Senator from Wyoming has expired.

Mr. O'MAHONEY. Mr. President, I ask unanimous consent that I may proceed for 1 more minute.

The PRESIDING OFFICER. Without objection the Senator may proceed for 1 more minute.

Mr. O'MAHONEY. Mr. President, in the language I have read from the Senate Manual, beginning on page 484, there is not a single word which says that there is no right of trial by jury for criminal contempt. "Criminal contempt" is a phrase which was never used in the Constitution of the United States. It was never used in any statute of the United States until 1941, when Congress gave to the Supreme Court, under the power here described, the right to draw a rule with respect to the trial of criminal contempt cases.

That rule, known as rule 42, contains two paragraphs, one of which preserves the right of the Court to enforce its orders by civil contempt through fine and imprisonment; the other provides for the method of procedure which must be followed by open notice in court on all other kinds of contempt.

Mr. MORSE. Mr. President, before I renew my request for a quorum call, I may say that any discussion of the law by the brilliant lawyer from Wyoming is always a great education and seminar for us in the Senate. I shall await with much interest his promise to speak later today on the civil-rights bill.

I say to my good friend that neither will he find in the Constitution of the United States a single word which authorizes the Supreme Court to declare acts of Congress unconstitutional; but there is no question that that is inherent in the power of the judiciary.

Likewise, I say to the Senator from Wyoming that the question as to the power of the courts in regard to criminal contempt goes to the matter of the inherent power of the judiciary to protect itself.

I have never taken the position, and do not now, that Congress cannot pass legislation requiring the calling of a jury in criminal contempt cases; but it will have to be done by legislation. In the absence of legislation, the court, to protect its inherent judicial power, is within its province to proceed, as courts have from time immemorial, to exercise their power in so-called criminal contempt cases and to hold a party liable without the calling of a jury.

So the issue is one of public policy. That has been the issue from the very beginning. The issue is not whether the Constitution requires or does not require the calling of a jury in criminal-contempt cases; the issue is whether, as a matter of public policy, Congress ought to require that by statute. That is the issue. On that issue I differ with my friend from Wyoming. I happen to believe that Congress should not impose that requirement on the courts by legislation.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. O'MAHONEY. I agree with the Senator from Oregon, whom I also call a friend of long standing, in his declaration that we are dealing with a matter of public policy. But when the Senator from Oregon, in response to my statement, that there is nothing in the Constitution which gives to the courts the right to punish for criminal contempt without a jury, says there is nothing in the Constitution which gives to the Supreme Court the right to pass upon the constitutionality of the statutes of the United States, I say I think my good friend and great lawyer has misread one sentence. He has misread the very first sentence of section 2 of article III, which I have just read, and which I shall read again:

The judicial power shall extend to all cases in law and equity, arising under this Constitution.

If anyone raises a question under the Constitution that a law is not constitutional, there is the grant of power to the Supreme Court.

The PRESIDING OFFICER. The time of the Senator from Oregon has expired.

Mr. MORSE. Mr. President, I ask unanimous consent that I may speak for 2 minutes, in order to reply to my friend from Wyoming.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MORSE. I respectfully recommend to my good friend a rereading of Marbury against Madison, in which the Supreme Court, by a decision rendered by the great Marshall, said it was inherent in the power of the Court to interpret the Constitution to determine whether an act of Congress was unconstitutional. In that case the Court said:

It is, emphatically, the province and duty of the judicial department, to say what the law is. Those who apply the rule to particular cases, must of necessity expound and interpret that rule. If two laws conflict with each other, the courts must decide on the operation of each. So, if a law be in opposition to the Constitution; if both the law and the Constitution apply to a particular case, so that the court must either decide that case, conformable to the law, disregarding the Constitution; or conformable to the Constitution, disregarding the law; the court must determine which of these conflicting rules governs the case; this is of the very essence of judicial duty. If then, the courts are to regard the Constitution, and the Constitution is superior to any ordinary act of the legislature, the Constitution, and not such ordinary act, must govern the case to which they both apply.

Those, then, who controvert the principle, that the Constitution is to be considered, in court, as a paramount law, are reduced to the necessity of maintaining that courts must close their eyes on the Constitution, and see only the law. This doctrine would subvert the very foundation of all written constitutions. It would declare that an act which, according to the principles and theory of our Government, is entirely void, is yet, in practice, completely obligatory. It would declare, that if the legislature shall do what is expressly forbidden, such act, notwithstanding the express prohibition, is in reality effectual. It would be giving to the legislature a practical and real omnipotence, with the same breath which professes to restrict their powers within narrow limits. It is prescribing limits and declaring that those limits may be passed at pleasure. That it thus reduces to nothing, what we have deemed the greatest improvement on political institutions, a written constitution, would, of itself, be sufficient, in America, where written constitutions have been viewed with so much reverence, for rejecting the construction. But the peculiar expressions of the Constitution of the United States furnish additional arguments in favor of its rejection. The judicial power of the United States is extended to all cases arising under the Constitution. Could it be the intention of those who gave this power, to say, that in using it, the Constitution should not be looked into? That a case arising under the Constitution should be decided, without examining the instrument under which it arises? This is too extravagant to be maintained. In some cases, then, the Constitution must be looked into by the judges. And if they can open it all, what part of it are they forbidden to read or to obey? (*Marbury* v. *Madison* (5 Cranch 137 at 177–179).)

I respectfully submit that the language which the Senator from Wyoming has recited is not apropos that great constitutional issue at all.

I repeat: Whether or not there should be a jury trial in contempt cases is a matter of public policy. In my judgment, by passing such a statute, we will impair the inherent power of the courts to protect themselves in their own integrity and the sanctity of the judicial process.

Mr. O'MAHONEY. Mr. President, I read to my friend from Oregon this paragraph from article VI of the Constitution of the United States:

This Constitution, and the laws of the United States which shall be made in pur-

suance thereof, and all treaties made, or which shall be made, under the authority of the United States, shall be the supreme law of the land, and the judges in every State shall be bound thereby, anything in the Constitution or laws of any State to the contrary notwithstanding.

I point out to my friend that that sentence says:

This Constitution, and the laws of the United States which shall be made in pursuance thereof.

If the laws are not made in pursuance of the Constitution, the Supreme Court has here the power to declare them unconstitutional.

Mr. MORSE. Mr. President, one would think we were back in the year 1803, because the argument of the Senator from Wyoming was made in 1803 in the famous case of Marbury against Madison. The Court, in a decision written by the great Marshall, held that it was not that language which gave the Court the power which it exercised in the case. That language simply means that the courts are bound by the Constitution.

But the issue was raised as to who shall declare acts of Congress unconstitutional. The great Marshall took the position that that authority is to be found in the inherent power of the Court. On the basis of the inherent power of the Court, the Court declared it had the right to pass upon the constitutionality of acts of Congress. That is what Marbury against Madison means.

Mr. O'MAHONEY. Mr. President, this is not the time for the debate which I think may be forthcoming. I welcome it. But I conclude my observation at this time with this simple statement: The inherent powers of the court—the so-called immemorial usage of the courts—were an inheritance from ancient England, which ancient England itself repudiated by declaring in the Magna Carta and in other subsequent declarations the right of a citizen to be tried by a jury of his peers.

The courts of Great Britain have sought by their plea of inherent jurisdiction to expand their power. The Constitution of the United States was written to limit the power of the courts; otherwise, there never would have been written into article VI the statement that Congress has the right to make the regulations which shall govern the Supreme Court.

I shall not be guided by the pettifogging of lawyers who try to win cases for their clients by throwing dust in the eyes of the court and of the opposition, just as the Department of Justice is trying to do now to defeat the jury-trial amendment.

The PRESIDING OFFICER. The time of the Senator from Oregon has again expired.

Mr. MORSE. Mr. President, I ask unanimous consent that I may have 1 more minute.

The PRESIDING OFFICER. Is there objection?

Mr. PURTELL. Mr. President, I shall not object, but I may say that I had understood the morning hour had been concluded. We of the calendar committees have been waiting around without the opportunity to get lunch, having had the understanding that there would be a call of the calendar.

There are certain rules which govern the morning hour. I shall not object to the request of the Senator from Oregon, but I think that out of consideration for the members of the calendar committees on both sides of the aisle we should proceed as quickly as we can to the call of the calendar.

FOREST SERVICE TIMBER SALES

Mr. MORSE. Mr. President, I agree with the Senator from Connecticut. So to stay within the rule, I desire to make a statement for the RECORD concerning timber sales and to place in the RECORD certain material. Then, within the 3 minutes allotted to me for that purpose under the rule, I shall make a further comment on the civil-rights bill.

On July 18, I placed in the RECORD a study by the Comptroller General on paperwork in the Forest Service timber-sale program. At that time I stated I would call upon the Forest Service to take action on the one point on which the Comptroller General recommended improvement.

Today I ask unanimous consent to have printed in the RECORD the reply I received from the Forest Service showing that they have instructed all of their offices to publicize the annual timber-sale plan where the timber-sale business is sufficient to justify it.

I am pleased with this prompt action, and I know it will be of material help to the lumber industry in planning to purchase national forest timber.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

UNITED STATES DEPARTMENT OF AGRICULTURE, FOREST SERVICE,
Washington, D. C., August 6, 1957.

Hon. WAYNE MORSE,
United States Senate.

DEAR SENATOR MORSE: This is in reply to your letter of July 24 in respect to the report you obtained from the Comptroller General on paperwork in the Forest Service. Thank you for your kind remarks on this study.

Enclosed is a copy of a circular letter which is being sent to our field organization to emphasize our policy on preparation and public circulation of annual sales program. Thank you for bringing this matter to our attention.

Sincerely yours,
RICHARD E. McARDLE,
Chief.

By V. L. HARPER.

Regional Foresters, All Regions.

DEAR SIR: At the request of Senator MORSE the General Accounting Office recently submitted a report on Forest Service timber sale paperwork. This report was inserted into the CONGRESSIONAL RECORD of July 18 (pp. 12068–12069). The GAO report raises no objections to the appraisal reports, contract forms and other types of sales records. The report does point out there is no overall Forest Service procedure which requires timber sale plans to be prepared and publicized in advance. Even though there is nothing in the Forest Service Manual to cover this specific point, we are sure that the Forest Service policy to publicize annual timber sale programs is well understood by the field organization. Most regions have instruction on preparation and circulation of annual sales plan in their regional supplements to the Forest Service Manual. The purpose of this circular letter is to be sure that all regions and all forest supervisors clearly understand the policy of the Service is to prepare and circulate annual sales programs in all areas where there is sufficient timber business and public interest to justify the procedure. A manual revision on this matter will be prepared in due course.

We do not plan to make the circulation of annual sales programs a rigid requirement for every forest. There are a few forests where the volume of timber sales is so minor and their sales activity is such a relatively small proportion of the total economic activity in their dependency zone that interest in Forest Service sales is of little consequence. However, we want to emphasize that each region should see to it that all forests do prepare and publicly circulate their annual sales program if there is practical possibility of general interest in it.

Sufficient copies of this circular are being furnished for distribution to all forest supervisors.

Very truly yours,
RICHARD E. McARDLE,
Chief.

By V. L. HARPER.

CIVIL-RIGHTS BILL

Mr. MORSE. Mr. President, speaking within the 3-minute limitation under the rule, I point out in reply to my friend from Wyoming that for many decades the courts have been exercising their powers to protect the integrity of the courts without jury trials in contempt cases. No legislation is needed to change that practice. However, legislation is needed to require a jury trial in contempt cases. That is exactly what the Senator from Wyoming [Mr. O'MAHONEY] succeeded in passing through the Senate. If it becomes law it will strike a serious blow against the power of the courts to protect the integrity of our judicial process.

THE CALENDAR

The PRESIDING OFFICER (Mr. SPARKMAN in the chair). The hour of 1 o'clock having arrived, morning business is concluded.

Under the unanimous-consent agreement, the call of the calendar of bills and other measures to which there is no objection, beginning with Calendar No. 11, is in order; and the clerk will proceed with the call.

BILLS AND OTHER MEASURES PASSED OVER

The concurrent resolution (S. Con. Res. 2) to create a joint Congressional committee to make a full and complete study and investigation of all matters connected with the election, succession, and duties of the President and Vice President, was announced as first in order.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Under the unanimous-consent agreement previously entered, the calendar of bills and other measures to which there is no objection is now being called; and Calendar No. 11, Senate Concurrent Resolution 2, has been announced as first in order.

Mr. TALMADGE. Mr. President, in view of the fact that all the bills and other measures on the calendar beginning with Calendar No. 11 and extending through Calendar No. 302, Senate bill 25, will be objected to, I ask unanimous consent that the call of the calendar begin with Calendar No. 389.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered; and Calendar No. 389 will be stated.

BILLS AND RESOLUTION PASSED OVER

The bill (S. 25) relating to effective dates of increases in compensation granted to wage board employees was announced as next in order.

Mr. PURTELL. Over, by request.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 931) to provide for the reorganization of the safety functions of the Federal Government, and for other purposes, was announced as next in order.

Mr. PURTELL. Over, by request.

The PRESIDING OFFICER. The bill will be passed over.

The concurrent resolution (S. Con. Res. 28) to print a compilation of materials relating to the development of the water resources of the Columbia River and its tributaries was announced as next in order.

Mr. PURTELL. Over, by request.

The PRESIDING OFFICER. The concurrent resolution will be passed over.

The bill (S. 98) to provide for the establishment and operation of a mining and metallurgical research establishment in the State of Minnesota was announced as next in order.

Mr. BARRETT. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2406) to authorize the construction of certain works of improvement in the Niagara River for power, and other purposes, was announced as next in order.

Mr. CLARK. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1386) to authorize the Interstate Commerce Commission to prescribe rules, standards, and instructions for the installation, inspection, maintenance, and repair of power on train brakes, was announced as next in order.

Mr. PURTELL. Over, by request.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2377) to amend chapter 223, title 18, United States Code, to provide for the production of statements and reports of witnesses, was announced as next in order.

Mr. CLARK. Over.

The PRESIDING OFFICER. The bill will be passed over.

REVISION OF TRIBAL ROLL OF THE EASTERN BAND OF CHEROKEE INDIANS, NORTH CAROLINA

The bill (H. R. 4830) to authorize revision of the tribal roll of the Eastern Band of Cherokee Indians, North Carolina, and for other purposes, was announced as next in order.

Mr. BARRETT. Over.

Mr. PURTELL. Mr. President, the only reason why the minority calendar committee ask that the bill be passed over is that those of us who serve on the committee believe that this bill is not proper Consent Calendar business. For that reason, we have asked that the bill go over.

Mr. ERVIN. Mr. President, is not this bill Calendar No. 578?

The PRESIDING OFFICER. It is.

Mr. ERVIN. I request that the Senators who have objected withhold their objection for a moment.

Mr. PURTELL. Mr. President, I ask that the clerk again read the title of the bill.

The PRESIDING OFFICER. The title of the bill will again be read.

The LEGISLATIVE CLERK. Calendar No. 578, House bill 4830, to authorize revision of the tribal roll of the Eastern Band of Cherokee Indians, North Carolina, and for other purposes.

Mr. PURTELL. Mr. President, I withdraw the objection; I have no objection.

Mr. ERVIN. I have no objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 4830) was considered, ordered to a third reading, read the third time, and passed.

BILLS AND OTHER MEASURES PASSED OVER

The bill (H. R. 7383) to amend the Atomic Energy Act of 1954, as amended, and for other purposes, was announced as next in order.

Mr. PURTELL. Mr. President, the remarks I made a moment ago apply to this measure, Calendar No. 579. I object, for the reason that those of us on the minority calendar committee believe that the bill is not proper Consent Calendar business.

The PRESIDING OFFICER. Objection being heard, the bill will be passed over.

The bill (S. 2150) to revise the Federal election laws, to prevent corrupt practices in Federal elections, and for other purposes, was announced as next in order.

Mr. CLARK. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 491) for the relief of Joanne Lea (Buffington) Lybarger was announced as next in order.

Mr. PURTELL. Mr. President, not because we do not believe the bill is meritorious, but because the minority calendar committee believe the bill involves issues such as the determination of what should be done with private funds of which the Congress acts only as trustees, we ask that the bill be passed over at this time, and later be brought up by motion, rather than be considered during the call of the Consent Calendar. Therefore, Mr. President, I object.

The PRESIDING OFFICER. Objection being heard, the bill will be passed over.

The bill (S. 1356) to amend the antitrust laws by vesting in the Federal Trade Commission jurisdiction to prevent monopolistic acts by certain persons engaged in commerce in meat and meat products, and for other purposes, was announced as next in order.

Mr. PURTELL. Over, by request.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2127) to amend section 3 (d) of the Federal Employees' Group Life Insurance Act of 1954 relating to the reduction in amounts of insurance of persons over the age of 65 was announced as next in order.

Mr. CLARK. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 4240) for the relief of Cornelia S. Roberts was announced as next in order.

Mr. PURTELL. Mr. President, I ask that the bill go over, for the reason that the minority calendar committee believe the bill would establish a precedent. The bill has great merit, and probably it will be brought up later by motion

The PRESIDING OFFICER. Objection having been heard, the bill will be passed over.

The bill (S. 27) to increase the rates of basic compensation of officers and employees in the field service of the Post Office Department was announced as next in order.

Mr. TALMADGE. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 2474) to increase the rates of basic salary of employees in the postal field service was announced as next in order.

Mr. TALMADGE. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1168) to amend the Securities and Exchange Act, as amended, was announced as next in order.

Mr. TALMADGE. Over.

The PRESIDING OFFICER. The bill will be passed over.

The resolution (S. Res. 118) to amend rule XXVI so as to require committee reports proposing legislation or ratification of treaties, involving expenditures of public funds, to show the estimated costs thereof, was announced as next in order.

Mr. TALMADGE. Over.

The PRESIDING OFFICER. The resolution will be passed over.

The bill (S. 72) to increase annuities payable to certain annuitants from the civil-service retirement and disability fund, and for other purposes, was announced as next in order.

Mr. CLARK. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 1733) for the relief of Philip Cooperman and others was announced as next in order.

Mr. PURTELL. Mr. President, this is another bill which the minority calendar committee believe to have much merit; but, again, we believe it is not proper Consent Calendar business, but should be brought up by motion. Therefore, Mr. President, I object.

The PRESIDING OFFICER. Objection being heard, the bill will be passed over.

The bill (S. 734) to revise the basic compensation schedules of the Classification Act of 1949, as amended, and for other purposes, was announced as next in order.

Mr. TALMADGE. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 6282) for the relief of the former shareholders and debenture noteholders of the Goshen Veneer Co., an Indiana corporation, was announced as next in order.

Mr. TALMADGE. Over.

The PRESIDING OFFICER. The bill will be passed over.

The joint resolution (H. J. Res. 426) amending a joint resolution making temporary appropriations for the fiscal year 1958, and for other purposes, was announced as next in order.

Mr. TALMADGE. Over.

The PRESIDING OFFICER. The joint resolution will be passed over.

CONVEYANCE OF CERTAIN LANDS TO THE CITY OF GLOUCESTER, MASS.

The bill (S. 1113) for the conveyance of certain lands of the United States to the city of Gloucester, Mass., was announced as next in order.

Mr. TALMADGE. Over.

Mr. PURTELL. Mr. President, will the Senator from Georgia withhold his objection, so that I may submit an amendment?

Mr. TALMADGE. I withhold the objection at this time, reserving my right to object later.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 1113) which had been reported from the Committee on Interstate and Foreign Commerce with an amendment on page 1, line 3, after the word "the", to strike out "Secretary of the Treasury" and insert "Administrator, General Services Administration".

The amendment was agreed to.

Mr. PURTELL. Mr. President, I offer and send to the desk, to be read, an amendment which is offered on behalf of the Senator from Massachusetts [Mr. SALTONSTALL].

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. At the end of the bill it is proposed to insert the following:

SEC. 2. The conveyance authorized by this act shall be subject to the condition that the city of Gloucester pay to the Administrator of General Services, as consideration for the improvements conveyed, an amount equal to 50 percent of the fair market value of such improvements as determined by the Administrator after appraisal of such improvements.

Mr. MORSE. Mr. President, I worked out the amendment with the Senator from Massachusetts [Mr. SALTONSTALL], I being the Senator who first objected to the bill.

I have studied the bill very carefully. It involves a piece of land which was conveyed to the Federal Government approximately 137 years ago.

Unfortunately, in the conveyance it was not made clear that the conveyance was for a specific purpose, and that when that purpose no longer existed, title to the property would revert to the Commonwealth.

However, as one studies the record of this case, I think there can be no doubt at all that that was the clear intention of the parties to the transaction. I believe there is adequate precedent, in the cases before the Senate in the past few years since 1946, when the Senate has consistently applied the Morse formula, for holding that in such a situation, if 50 percent of the fair market value of the improvements which have been placed on the land is paid for, then title to the property shall revert to the Commonwealth, in view of the clear intent.

Additional acreage was required in connection with the manning of the lighthouse by the lighthouse personnel. But today the lighthouse is useless, because one of the most modern signals for shipping has been installed. So the lighthouse purpose in connection with the conveyance no longer exists, and the land no longer is needed.

Furthermore, it is perfectly clear that in this instance the land will be used for a public benefit.

So I have no objection, in view of the amendment submitted by the Senator from Massachusetts.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered on behalf of the Senator from Massachusetts [Mr. SALTONSTALL] by the Senator from Connecticut [Mr. PURTELL].

The amendment was agreed to.

The bill (S. 1113) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Administrator, General Services Administration is authorized and directed to convey by quitclaim deed to the city of Gloucester, Mass., the following described property:

All that tract of land known as Ten Pound Island, with improvements thereon, lying in Gloucester Harbor, county of Essex, Commonwealth of Massachusetts, ceded to the United States by the Commonwealth of Massachusetts on June 14, 1820, and also conveyed by the town of Gloucester, Mass., by quitclaim deed dated July 14, 1820, and recorded in book C, page 189, records of Essex County, excepting a parcel to be retained by the United States for aids-to-navigation purposes, described as follows:

Beginning at a drill hole in ledge located 18 feet north 60 degrees 00 minutes west from center of the existing light tower, thence (1) north 62 degrees 00 minutes west 30.0 feet to a point, then (2) south 28 degrees 00 minutes west 30.0 feet to a point, thence (3) south 62 degrees 00 minutes east 30.0 feet to a point, thence (4) north 28 degrees 00 minutes east 30.0 feet to the point of beginning.

Together with an easement from the shore to the retained plot of land above described for power and control cables and the right of ingress and egress by the most convenient route from the beach or pier to the retained plot and the right to use the pier.

The lands to be conveyed herein comprise 3.5 acres more or less.

No structure shall be built on the island within an area lying between a line with true azimuth of 50 degrees 00 minutes from the new location of light and fog signal (old bell tower) through an arc counterclockwise around to a line with true azimuth of 146 degrees 00 minutes from the new location of light and fog signal, the height of which structure will obstruct the light and/or fog signal in any way as observed or heard from any boats in Gloucester Harbor, which may be located in the area lying within the 264 degrees arc bounded by lines having the true azimuths noted above.

SEC. 2. The conveyance authorized by this act shall be subject to the condition that the city of Gloucester pay to the Administrator of General Services, as consideration for the improvements conveyed, an amount equal to 50 percent of the fair market value of such improvements as determined by the Administrator after appraisal of such improvements.

BILLS PASSED OVER

The bill (H. R. 8643) to authorize the construction of certain works of improvement in the Niagara River for power, and for other purposes, was announced as next in order.

Mr. PURTELL. Over, by request.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2672) to amend the Atomic Energy Act of 1954, as amended, to increase the salaries of certain executives of the Atomic Energy Commission, and for other purposes, was announced as next in order.

Mr. TALMADGE. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2674) to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, and for other purposes, was announced as next in order.

Mr. CLARK. Over.

The PRESIDING OFFICER. The bill will be passed over.

SONO HOSHI

The bill (S. 1110) for the relief of Sono Hoshi was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 33 of the Trading With the Enemy Act, the Attorney General is authorized and directed to accept and consider upon its merits any claim filed pursuant to section 9 (a) of such act, within 6 months after the date of the enactment of this act, by Sono Hoshi, of Seattle, Wash., for the return of 10 shares of stock of the American Telephone & Telegraph Co., formerly owned by her, title to which was acquired by the United States under such act by vesting order No. 10132 of the Office of Alien Property, together with any dividends declared on such stock while held by the United States, or the

proceeds thereof if such stock has been liquidated by the United States. If no such return is made within a period of 60 days after the filing of such claim, said Sono Hosoi shall be entitled, within 1 year after the expiration of such period, to institute suit pursuant to section 9 (a) of such act for the return of such property.

REFUGIO GUERRERO-MONJE

The bill (S. 1456) for the relief of Refugio Guerrero-Monje was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Refugio Guerrero-Monje shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

ITSUMI KASAHARA

The bill (S. 1467) for the relief of Itsumi Kasahara was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Itsumi Kasahara shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

HIROKO MIYAZAKI

The bill (S. 1867) for the relief of Hiroko Miyazaki was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Hiroko Miyazaki, shall be held and considered to be the natural-born alien child of Sgt. Otis C. Moats, a citizen of the United States.

STEPHEN JAMES MEIER

The bill (S. 1929) for the relief of Stephen James Meier was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Stephen James Meier, shall be held and considered to be the natural-born alien child of Mr. and Mrs. James Meier, citizens of the United States.

TODD GENE BIEDERMANN

The bill (S. 1930) for the relief of Todd Gene Biedermann was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Todd Gene Biedermann, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Norbert J. Biedermann.

JON FREDERICK CORDES

The bill (S. 1931) for the relief of Jon Frederick Cordes was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Jon Frederick Cordes, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Fred Cordes, citizens of the United States.

INGE GERTRAUD PURSEL

The bill (S. 1993) for the relief of Inge Gertraud Pursel was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Inge Gertraud Pursel, shall be held and considered to be the natural-born alien child of Sgt. William F. Pursel, citizen of the United States.

YUKO SHIBA

The bill (S. 2111) for the relief of Yuko Shiba was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Yuko Shiba, shall be held and considered to be the natural-born alien child of Masazo Shiba and Rie Shiba, citizens of the United States.

MATTHEW M. EPSTEIN

The bill (S. 2498) for the relief of Matthew M. Epstein was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Matthew M. Epstein, of Washington, D. C., the sum of $281.87. Such payment shall be in full satisfaction of all claims for the said Matthew M. Epstein against the United States for reimbursement of medical and other expenses incurred by him as a result of an accident which occurred on October 10, 1956, when a 1,200-pound weight fell from a tower clock of a United States Government building: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

ACHILLE AQUINO FU' GIOVANNI

The Senate proceeded to consider the bill (S. 527) for the relief of Achille Aquino Fu' Giovanni, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and insert:

That, for the purposes of sections 101 (a) (27) (A), 101 (b) (1), and 205 of the Immigration and Nationality Act, Achille Aquino Fu' Giovanni shall be held and considered to be the unmarried minor alien child of Mrs. Maria Francesca Aquino, a citizen of the United States.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JOSEF SALAMON

The Senate proceeded to consider the bill (S. 1284) for the relief of Josef Salamon, which had been reported from the Committee on the Judiciary with an amendment in line 5, after the word "be," to insert "issued a visa and be," so as to make the bill read:

Be it enacted, etc., That notwithstanding the provisions of section 212 (a) (9) of the Immigration and Nationality Act, Josef Salamon may be issued a visa and be admitted to the United States for permanent residence, if he is found to be otherwise admissible under the provisions of such act: *Provided*, That the provisions of this act shall apply only to grounds for exclusion under such paragraphs known to the Secretary of State or the Attorney General prior to the date of enactment of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

KARIN TITTEL TAYLOR

The Senate proceeded to consider the bill (S. 1660) for the relief of Karin Tittel Taylor which had been reported from the Committee on the Judiciary with an amendment in line 5, after the word "be", to insert "issued a visa and be", so as to make the bill read:

Be it enacted, etc., That, notwithstanding the provisions of paragraph (9) of section 212 (a) of the Immigration and Nationality Act, Karin Tittel Taylor may be issued a visa and be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act: *Provided*, That this act shall apply only to grounds for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of the enactment of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ERIKE HABERL SAIN

The Senate proceeded to consider the bill (S. 2018) for the relief of Erike Haberl Sain, which had been reported from the Committee on the Judiciary with an amendment in line 5, after the word "be", to insert "issued a visa and be", so as to make the bill read:

Be it enacted, etc., That, notwithstanding the provisions of paragraph (9) of section 212 (a) of the Immigration and Nationality Act, Erika Haberl Sain may be issued a visa and be admitted to the United States for permanent residence if she is found to be

otherwise admissible under the provisions of such act. This act shall apply only to grounds for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of the enactment of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RELIEF OF CERTAIN ALIENS

The Senate proceeded to consider the bill (S. 1649) for the relief of certain aliens, which had been reported from the Committee on the Judiciary with amendments on page 1, line 5, after the word "be", to insert "issued a visa and be", and at the top of page 2 to strike out:

SEC. 2. Notwithstanding the quota limitations of the Immigration and Nationality Act, upon application hereafter filed, immigration visas may be issued, and admission for permanent residence granted, to Rudolf Moskovits, his wife, Irene Moskovits, and their minor children, Josef, Judith, Sara, Esther, and Erwin Moskovits, if they are otherwise admissible under the Immigration and Nationality Act. Upon the issuance of such visas, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

So as to make the bill read:

Be it enacted, etc., That, notwithstanding the provisions of paragraph (19) of section 212 (a) of the Immigration and Nationality Act, Irene Moskovits may be issued a visa and be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act. This act shall apply only to grounds for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of the enactment of this act.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Irene Moskovits."

RAMON NOTARIO BOYTELL

The Senate proceeded to consider the bill (S. 2040) for the relief of Ramon Notario Boytell, which had been reported from the Committee on the Judiciary with amendments in line 3, after the word "of", to strike out "paragraph (19)" and insert "paragraphs (17) and (19)", and at the beginning of line 6 to insert "issued a visa and be", so as to make the bill read:

Be it enacted, etc., That, notwithstanding the provisions of paragraphs (17) and (19) of section 212 (a) of the Immigration and Nationality Act, Ramon Notario Boytell may be issued a visa and be admitted to the United States for permanent residence, if he is found to be otherwise admissible under the provisions of such act. The provisions of this act shall apply only to grounds for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the State of enactment of this act.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RELIEF OF CERTAIN ALIENS

The Senate proceeded to consider the resolution (H. J. Res. 339) to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens, which had been reported from the Committee on the Judiciary with amendments on page 4, after line 11, to insert:

SEC. 12. Notwithstanding the provisions of section 212 (a) (6) of the Immigration and Nationality Act, Brigitte Kendziorra may be issued a visa and be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act, under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*, That if the said Brigitte Kendziorra is not entitled to medical care under the Dependents' Medical Care Act (70 Stat. 250), a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act.

On page 5, at the beginning of line 1, to change the section number from "12" to "13."

The amendments were agreed to.

The amendments were ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time, and passed.

RICHARDSON CORP.

The bill (H. R. 1473) for the relief of Richardson Corp. was considered, ordered to a third reading, read the third time, and passed.

GEORGE W. ARNOLD

The bill (H. R. 1861) for the relief of George W. Arnold was considered, ordered to a third reading, read the third time, and passed.

DONALD F. THOMPSON

The bill (H. R. 2264) for the relief of Donald F. Thompson was considered, ordered to a third reading, read the third time, and passed.

MORRIS B. WALLACH

The bill (H. R. 2674) for the relief of Morris B. Wallach was considered, ordered to a third reading, read the third time, and passed.

MRS. HARRIET SAKAYO HAMAMOTO DEWA

The bill (H. R. 2740) for the relief of Mrs. Harriet Sakayo Hamamoto Dewa was announced as next in order.

Mr. PURTELL. Mr. President, may we have an explanation of the bill?

The PRESIDING OFFICER. Is there an explanation of Calendar 837, H. R. 2740?

Mr. JOHNSTON of South Carolina. Mr. President, this bill would pay $5,280.62 to a resident of Madison, Wis., in settlement of her claims against the United States arising out of the confiscation and total loss of her sampan, the *Itsukushima Maru*, together with all the supplies and equipment, which occurred while the sampan was in the custody of the Armed Forces of the United States between December 14, 1941, and July 31, 1942.

The Department of the Army recommends enactment of the bill. The committee is in agreement with the recommendation of that Department that the claimant is entitled to recover the amount set forth.

Mr. PURTELL. I thank the Senator from South Carolina for the explanation. Mr. President, I have no objection.

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent that the entire statement I have prepared explaining the bill be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

MRS. HARRIET SAKAYO HAMAMOTO DEWA

This bill would pay $5,280.62 to a resident of Madison, Wis., in settlement of her claims against the United States arising out of the confiscation and total loss of her sampan, the *Itsukushima Maru*, together with all the supplies and equipment, which occurred while such sampan was in the custody of the Armed Forces of the United States between December 10, 1941, and July 31, 1942.

Records of the Department of the Army indicate that the claimant purchased the sampan from her father on May 1, 1939, for the sum of $10 and other valuable considerations not specified. At the time the sampan was confiscated, the claimant and her husband, both American citizens, were residing in Madison, Wis. The record indicates that from December 7 to 10, 1941, the sampan was engaged in fishing off the shores of Oahu, T. H., and, since it was not equipped with a radio, its crew was ignorant of the Japanese attack on Pearl Harbor. On December 10, 1941, a Navy destroyer discovered the sampan at a point 7 miles south of Pearl Harbor, and took its crew to the naval intelligence office at Pearl Harbor for questioning. When it was established that they were not involved in hostile activity, they were released but in the meantime the sampan was taken in tow by the Navy destroyer.

The claimant's father was in Hawaii during the war period, and acted as her agent in matters concerning the sampan. After considerable effort, he finally succeeded in locating the sampan, which had been moved from the wharf where it was originally moored, and found that the vessel had a large hole in its hull and that its deck was covered with water. Its hatch covers and practically all its contents were missing. The claimant's father and brother contacted a representative of a shipyard company in the basin that was working under contract with the Government and requested that the sampan be put into drydock and repaired. The company's representative advised that it would cost from $1,500 to $2,000 to repair the vessel, but that no materials were available for such repairs. Subsequently, a representative of the above-mentioned company removed the boat from the drydock and moored it in the basin, without notifying claimant or her family.

On March 3, 1942, the United States Coast Guard notified the registered captain of the sampan that it was necessary that the boat be moved from its present mooring and suggested that it be moored in the Ala Wai Canal, where an opportunity would be afforded to service it with the permission of

the military authorities. The captain proceeded to the basin and found the sampan almost entirely submerged, with part of its bow protruding from the water. No further action was taken by him with respect to the vessel.

Although the captain of the vessel was notified to move the boat to a place where it could be serviced with Government permission, as pointed out in the report of the Department of the Army, the Government is charged with the knowledge that the vessel had been impounded for approximately 3½ months prior to that time, and thus was responsible for its condition.

The Department of the Army recommends enactment of the legislation. The committee is in agreement with the recommendations of that Department that the claimant is entitled to recover $5,280.62, the amount stated in the bill, and so recommends.

Inasmuch as an attorney has rendered substantial services in connection with this matter, the 10 percent attorney's fee proviso is left intact.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 2740) was considered, ordered to a third reading, read the third time, and passed.

HARRY AND SADIE WOONTEILER

The bill (H. R. 2928) for the relief of Harry and Sadie Woonteiler was announced as next in order.

Mr. PURTELL. Mr. President, may we have an explanation as to whether or not the Government of the United States is in fact responsible in this particular case?

Mr. JOHNSTON of South Carolina. Mr. President, this bill would pay to Harry Woonteiler, of New York, the sum of $500 and to his wife the sum of $3,500, in full settlement of their claims against the United States for personal injuries sustained by them as the result of an automobile accident involving a truck owned by the Inter-American Geodetic Survey and an automobile in which they were passengers.

Contact with the Army Map Service discloses that the Inter-American Geodetic Survey employee was a member of a group of the United States Army Map Service who went to South America in order to help South American countries in a survey of the South American coastline, and that this group were United States Government employees and under the jurisdiction of the United States at all times.

Mr. PURTELL. I thank the Senator. We find no agency report, so I propounded the inquiry. The Senator from South Carolina has answered satisfactorily the question as to whether the accident was the responsibility of the Government.

Mr. JOHNSTON of South Carolina. I thank the Senator, and, Mr. President, I ask unanimous consent to place in the RECORD the entire statement in explanation of the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

HARRY AND SADIE WOONTEILER

This bill would pay to Harry Woonteiler, of New York, N. Y., the sum of $500, and to his wife the sum of $3,500, in full settlement of their claims against the United States for personal injuries sustained by them as the result of an automobile accident involving a truck owned by the Inter-American Geodetic Survey and an automobile in which they were passengers.

According to information furnished the committee, on July 20, 1952, a panel truck being driven by an employee of the Inter-American Geodetic Survey collided with a sedan in which the claimants were passengers, at a street intersection in Barranquilla, Colombia.

The street on which the sedan was traveling is described as a preference roadway. Under the traffic regulations of Barranquilla, drivers reaching such intersection must stop, sound their horns, and make sure the roadway is clear before entering the intersection. The driver of the Government vehicle maintained that he did stop and sound his horn before entering the intersection but that, due to the speed of the sedan in which the claimants were passengers, he did not see the sedan until he was halfway across the intersection, and he attributed the accident to the fact that the sedan was traveling at an excessive rate of speed. The Colombian authorities, however, found that the driver of the Inter-American Geodetic Survey truck had violated the traffic regulation and was responsible for the collision.

Even though the driver of the sedan in which the claimants were passengers was negligent, such negligence should not be imputed to the passengers. On the other hand, under the law, the street upon which the claimants were traveling was a preferential highway and it was incumbent upon the Government driver not to proceed unless he exercised a great degree of care and caution. The committee believes that greater care could and should have been exercised by the Government driver.

The bill as originally introduced provided for an award of $2,500 to Mr. Woonteiler and $15,000 to his wife. The House of Representatives, however, reduced those amounts to $500 and 3,500, respectively, and upon the basis of doctors' statements and medical evaluations presented, it is felt that the amounts stated in the bill are fair and reasonable and that the facts warrant favorable consideration of the bill.

Contact with the Army Map Service discloses that the Inter-American Geodetic Survey employee was a member of a group of the United States Army Map Service who went to South America in order to help South American countries in a survey of the South American coastline and that this group were United States Government employees and under the jurisdiction of the United States at all times.

Work of above nature is going on in 17 South American countries.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 2928) was considered, ordered to a third reading, read the third time, and passed.

CLARENCE L. HARRIS

The bill (H. R. 2937) for the relief of Clarence L. Harris was considered, ordered to a third reading, read the third time, and passed.

ALTON B. YORK

The bill (H. R. 2985) for the relief of Alton B. York was considered, ordered to a third reading, read the third time, and passed.

MAJ. GEN. JULIUS KLEIN

The bill (H. R. 3723) for the relief of Maj. Gen. Julius Klein was considered, ordered to a third reading, read the third time, and passed.

HORACE COLLIER

The bill (H. R. 6527) for the relief of Horace Collier was considered, ordered to a third reading, read the third time, and passed.

NATIONAL KEY DEER REFUGE, STATE OF FLORIDA

The Senate proceeded to consider the bill (H. R. 1058) to preserve the key deer and other wildlife resources in the Florida Keys by the establishment of a National Key Deer Refuge in the State of Florida, which had been reported from the Committee on Interstate and Foreign Commerce with amendments on page 2, line 1, after the word "interests," to strike out "there" and insert "therein"; in line 3, after the word "County," to strike out "Florida: *Provided, however,* That no land shall be acquired by condemnation on any island which is traversed at any point by United States Highway Numbered 1, as he shall find to be suitable for the conservation and management of the said Key deer and other wildlife." and insert "Florida, as he shall find to be suitable for the conservation and management of the said Key deer and other wildlife: *Provided, however,* That no land shall be acquired by condemnation on any island that is traversed at any point by United States Highway Numbered 1."; in line 19, after the word "and", to strike out "668" and insert "666", and on page 3, line 7, after the word "the", where it appears the first time, to strike out "opinions" and insert "opinion."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

WHITMAN NATIONAL MONUMENT, STATE OF WASHINGTON

The bill (S. 1118) to facilitate the administration and development of the Whitman National Monument, in the State of Washington, by authorizing the acquisition of additional land for the monument, and for other purposes was announced as next in order.

Mr. MORSE. Mr. President, I wish to say for the RECORD that the bill simply involves an intergovernment transfer of property. Therefore, it does not violate the Morse formula.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purpose of including within Whitman National Monument, Wash., certain properties that are of

historic significance in connection with the monument area and which are needed to provide suitable monument facilities, the Secretary of the Interior is authorized to procure not to exceed 50 acres of land adjacent to the existing monument and a right-of-way thereto from United States Highway 410, using therefor any land-acquisition funds available for purposes of the national park system, such property to be acquired in such manner as the Secretary shall consider to be in the public interest. Following the acquisition by the United States of land for addition to the monument pursuant to this act, such addition shall be effective in each instance upon the publication of notice thereof in the Federal Register.

SALE OF CERTAIN PUBLIC LANDS, STATE OF CALIFORNIA

The bill (H. R. 3473) to authorize and direct the Secretary of the Interior to sell certain public lands in the State of California was considered, ordered to a third reading, read the third time, and passed.

APPOINTMENT OF DISTRICT JUDGE FOR THE DISTRICT OF KANSAS—BILLS SENT TO FOOT OF CALENDAR

The bill (S. 264) to provide for the appointment of a district judge for the district of Kansas, was announced as next in order.

Mr. PURTELL. Mr. President, I ask that Calendar Nos. 849, 850, 851, 852, and 853, being respectively Senate bills 264, 697, 2700, 2701, and 2702, go over, by request.

Mr. SCHOEPPEL. Mr. President, will the Senator withhold his request until the Senator from Kansas has the opportunity to place the report in the RECORD?

Mr. PURTELL. I withhold the request.

Mr. SCHOEPPEL. I ask unanimous consent to have printed in the RECORD at this point, a copy of the report on Calendar No. 849, S. 264, which was reported to the Senate by the Committee on the Judiciary.

Mr. MORSE. Mr. President, I wish to ask a question of the Senator from Connecticut or the Senator from Kansas about Calendar No. 849, S. 264. Is the objection made by a Senator from the State in which the proposed judge comes?

Mr. PURTELL. Is the Senator referring to Calendar No. 849 now?

Mr. MORSE. Yes.

Mr. PURTELL. No; the objection is raised by Senators who are not from the States from which the appointments would be made.

Mr. MORSE. Does the Senator know whether or not Senators from the States involved approve the nominations?

Mr. PURTELL. The Senator from Connecticut has not inquired. When any Senator lodges a request that a bill go over, the Senator from Connecticut so announces.

Mr. MORSE. I shall obtain the information I seek. I only wish to say we take great heed of a suggestion by a Senator from the State from which the nominee comes.

Mr. PURTELL. I may say to the Senator, these are not nominations at all. The proposals are to provide for the appointment of district judges. These bills are simply to create additional judgeships.

Mr. MORSE. I thank the Senator. I was under a misapprehension.

Mr. JOHNSTON of South Carolina. Mr. President, we have a general bill under consideration before the Committee on the Judiciary, which carries provision for judges for various States. I happen to be chairman of the subcommittee which has been holding hearings regarding the judgeships. Our subcommittee may recommend additional judges for some States which are not on this list. Some of the bills now on the calendar are on the list which will probably be approved by the subcommittee.

We have not completed our study with respect to all the judges. For that reason, we have not reported the omnibus bill containing all the judgeships for the various districts of the United States.

Mr. SCHOEPPEL. Mr. President, my attention has been drawn to the fact that there is a rule against printing the entire report of a committee in the RECORD. I confess I did not know about it at the time I asked that the report be printed. If there is in fact such a rule of the Senate, I do not wish to violate it.

The PRESIDING OFFICER. The Chair is informed that is a rule, adopted on behalf of the Joint Committee on Printing.

Mr. SCHOEPPEL. If that is in fact the rule, may I make a parliamentary inquiry?

The PRESIDING OFFICER. The Senator will state it.

Mr. SCHOEPPEL. Is there any rule against having printed in the RECORD a part or a portion of a report, if it is explanatory?

The PRESIDING OFFICER. There is no rule against printing excerpts from the report.

Mr. SCHOEPPEL. Then, Mr. President, I wish to change my request. I ask unanimous consent that the explanatory part of the report be printed in the body of the RECORD.

The PRESIDING OFFICER. The Senator refers to the explanatory part of the report?

Mr. SCHOEPPEL. Yes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kansas?

There being no objection, the excerpts from the report (No. 825) were ordered to be printed in the RECORD, as follows:

The Committee on the Judiciary, to which was referred the bill (S. 264) to provide for the appointment of a district judge for the district of Kansas, having considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

PURPOSE

The purpose of the proposed legislation is to provide that the President shall appoint, by and with the advice and consent of the Senate, 1 additional district judge for the district of Kansas, thus raising the number of judgeships for the district of Kansas from 2 to 3.

STATEMENT

This bill is in acord with the recommendations of the Judicial Conference of the United States. The Conference in April 1954, recommended the creation of a third judgeship for the State of Kansas and has reaffirmed this recommendation in every subsequent meeting up to and including the present time. This judgeship was recomended favorably to the Senate by the committee in the 83d and 84th Congresses, and that recommendation is again reaffirmed by the committee. This legislation has been the subject of hearings in the 83d, 84th, and 85th Congresses, and the results thereof clearly indicate the need for additional judge power in this district.

The State of Kansas consists of a single judicial district which for many years was presided over by a single district judge. The second judgeship was added and the position was filled on November 27, 1945.

Attached to this report and made a part hereof is a memorandum of the judicial business of the United States District Court for the District of Kansas, together with statistics for that district commencing in 1941, showing the business of that district. This memorandum and statistical table was prepared by the Statistical Division of the Administrative Office of the United States. From the statistics, it appears that the civil caseload per judgeship filed in this district in 1953 was 331, as compared with the national average of 261. In 1954, there were 396 such cases commenced per judgeship, as opposed to the national average of 210. In 1956, the total civil cases commenced per judgeship were 400, as against a national average per judgeship of 225. This indicates the tremendous caseload per judge within the district, and points up the need for additional judgepower. The statistics further indicate that as of June 1948, there were only 116 private civil cases pending, but on the same date in 1955 the figure had risen to 389 cases pending, and in 1956 the private civil cases pending had risen to 343, so that there has been a continued rise and backlog of this court, although the terminations have been substantial. The attached memorandums before referred to makes clear the need for this additional district judgeship and, on the basis of all the evidence before it, the committee recommends that the bill, S. 264, be considered favorably.

Mr. CARLSON. Mr. President, I do not wish to have this opportunity pass without making the statement that there is certainly no division of opinion in Kansas as to the need for a Federal judge. I sincerely hope the bill will be approved before this session of Congress ends. The senior Senator from Kansas introduced the bill. I hope we will get early action, because the Federal judge is badly needed.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. CARLSON. I yield.

Mr. JOHNSON of Texas. I wonder if my friend would agree with me. I know nothing about the merits of any judgeship bill, but a number of such bills are on the calendar. I understand objection has been raised to the consideration of Calendar No. 849 through Calendar No. 854. Is that understanding correct?

Mr. PURTELL. Through Calendar No. 853, inclusive.

Mr. JOHNSON of Texas. Through Calendar No. 853.

Mr. President, I ask unanimous consent that Calendar Nos. 849 through 856 go to the bottom of the calendar. That will give us a chance to consider what

action we wish to take on these bills at a later time. If the committee is going to report some additional bills, we may be able to bring them all up, or perhaps we can resolve any differences which may exist.

Mr. KNOWLAND. Mr. President, reserving the right to object, I have no objection, of course, to the bills going to the bottom of the calendar, so long as they are not taken up on motion today.

Mr. JOHNSON of Texas. The Senator from Texas is not ever going to spring any bill on the Senator. I simply ask that the bills go to the bottom of the calendar. As stated, the committee has some other bills it wants to consider reporting, and this action will give a chance for both policy committees to review all the bills, and also any others that may be reported.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas?

Mr. MARTIN of Pennsylvania. Mr. President, reserving the right to object, I should like to make a comment. I think that the State of Pennsylvania needs several additional Federal judges. I appreciate the work which the Committee on the Judiciary has done, and particularly the work of the subcommittee under the leadership of the distinguished senior Senator from South Carolina. However, if it is at all possible, I sincerely trust that some relief will be given so that additional judges can be appointed in Pennsylvania. There is a very heavy backlog of cases, particularly in the western district of Pennsylvania and the eastern district of Pennsylvania.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas?

Mr. BARRETT. Mr. President, reserving the right to object, the Senator from Texas, I believe, is aware of the fact that there is no objection to Calendar No. 854. We might dispose of that bill.

Mr. JOHNSON of Texas. I understand several Senators feel they should object.

Mr. BARRETT. Calendar No. 854, Senate bill 2703, does not propose to create an additional judgeship.

Mr. JOHNSON of Texas. I understand, but all the bills can go over. Any one Senator can object.

What we would like to see done is to have Calendar Nos. 849 through 856 go to the bottom of the calendar. Then we can consider all additional bills which may be reported, consider when we should take them up and how they should be taken up. Otherwise they can be objected to when reached. I understand objection will be made.

Mr. BARRETT. I understand that as to Calendar No. 854 there is no objection.

Mr. JOHNSON of Texas. The minority leader has informed me there is.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? Without objection, the request of the Senator from Texas is agreed to, and the series of bills mentioned will go to the foot of the calendar.

The next bill in order on the calendar will be stated.

WILLIAM HENRY DIMENT AND OTHERS

The Senate proceeded to consider the bill (H. R. 5168) for the relief of William Henry Diment, Mrs. Mary Ellen Diment, and Mrs. Gladys Everingham, which had been reported from the Committee on the Judiciary with an amendment on page 2, at the beginning of line 11, to strike out "That no part of the amount appropriated in this act shall be paid out of the Treasury until such time as the Government of the United Kingdom has paid to Mrs. Gabrielle Evans, 85 Rue Olivier de Serras, Paris (15) Seine, France, the sum of $12,000, in full settlement of all claims against the Government of the United Kingdom on account of the personal injury and resulting death of her husband, LeRoy R. Evans, who was a citizen of the United States and a civilian employee of the United States Army when he was severely injured on January 1, 1949, in an accident involving a British Army vehicle, which occurred at Fontainebleu, France: *And provided further*."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

BILLS PASSED OVER

The bill (H. R. 232) to amend the Internal Revenue Code of 1954 with respect to the readjustment of tax in the case of certain amounts received for breach of contract, was announced as next in order.

Mr. PURTELL. Over, Mr. President, by request.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1483) to amend the act of August 27, 1954, relating to the rights of vessels of the United States on the high seas and in the territorial waters of foreign countries, was announced as next in order.

Mr. CLARK. Over, Mr. President.

The PRESIDING OFFICER. The bill will be passed over.

CASPER-ALCOVA IRRIGATION DISTRICT

The Senate proceeded to consider the bill (S. 1996) to approve the contract negotiated with the Casper-Alcova Irrigation District to authorize its execution, to provide that the excess-land provisions of the Federal reclamation laws shall not apply to the lands of the Kendrick project, Wyoming, and for other purposes, which had been reported from the Committee on Interior and Insular Affairs with amendments on page 2, line 3, after the words "excess-land", to insert "and antispeculation", and in line 4, after the word "laws", to insert "(act of May 25, 1926, sec. 46, 44 Stat. 636, 649, 43 U. S. C. sec. 423e)"; so as to make the bill read:

Be it enacted, etc., That the contract with the Casper-Alcova Irrigation District, Kendrick project, Wyoming, approved by the District Board of Commissioners on February 28, 1957, which has been negotiated by the Secretary of the Interior pursuant to subsection (a) of section 7 of the Reclamation Project Act of 1939 (53 Stat. 1192; 43 U. S. C. 485f), is hereby approved, and the Secretary is hereby authorized to execute said contract on behalf of the United States.

SEC. 2. The excess-land and antispeculation provisions of the Federal reclamation laws (act of May 25, 1926, sec. 46, 44 Stat. 636, 649, 43 U. S. C. sec. 423e) shall not apply to the lands of the Kendrick project, Wyoming, and any agreements heretofore made by any landowners of Kendrick project lands with the United States to conform their excess lands to such provisions may be disregarded by such landowners. The provisions of this section 2 are intended to meet the special conditions existing on the Kendrick project, Wyoming, and shall not be considered as altering the general policy of the United States with respect to the excess-land provisions of the Federal reclamation laws.

SEC. 3. The part of the cost of operation and maintenance of Seminoe Dam and Reservoir and Alcova Dam and Reservoir of the Kendrick project, Wyoming, incurred by the United States for the calendar year 1958, which is properly allocable for payment by project irrigation water users, is hereby assigned to be repaid from Kendrick project power revenues.

Mr. BARRETT. Mr. President, I ask unanimous consent to have printed in the RECORD a statement I have prepared with relation to S. 1996.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BARRETT

I desire to make this statement in support of S. 1996, a bill to approve a repayment contract with water users of the Kendrick project in my State. This bill authorizes the Secretary of the Interior to enter into an amendatory repayment contract with the Casper-Alcova Irrigation District of Wyoming. This contract was negotiated under the special provisions of section 7 (a) of the Reclamation Project Act of 1939, and it resolves many exceedingly difficult problems of the Kendrick Federal reclamation project. The contract has been approved as to form by the Secretary of the Interior, but it cannot be executed by him until approved by the Congress. It has been presented and considered by the water users at a regular election and has received their overwhelming support.

The contract is based upon the findings of detailed investigations and analyses conducted over a period of years by the Department of the Interior, particularly with reference to soils, climate, water supply, and agricultural economics as they relate to agricultural production.

In my judgment, the contract develops a sound basis for a permanent agricultural economy of the Kendrick project, and I commend those responsible for its execution and specifically for their splendid consideration of the practicalities of local conditions.

The Kendrick project was authorized in part as a make-work project during the great economic depression of the 1930's in an area where the growing season is very short. In that locality oldtimers contend that the first day of fall sometimes comes before the last day of spring. The soils have marked limitations due to shallow depths, and they overlie an impervious shale having saline characteristics.

At first it was proposed that the project would include an irrigable area of 66,000 acres. However, canals were constructed to serve only a portion of these lands. The water supply is derived from an appropriative right to store and regulate the flood waters of the North Platte River in the Semi-

noe Reservoir with a priority of 1934. This is the most junior right in the stream basin. The long drought period since 1931 has shown that the runoff is unable to supply prior rights, including the Pathfinder Reservoir and direct-flow diversions in Wyoming and Nebraska and also to fill Seminoe Reservoir. The shortage of water supply and the changes in land classification have completely altered the original concept of this development.

The water supply even for the reduced agricultural area covered in the amended contract totaling about 23,000 acres, while generally adequate, may be subject to seasonal or annual shortages of significant proportions. The limited crop production potential of the project is indicated by the slow rate of development. Low yields of the limited number of forage crops adapted to production in this area are to be expected. However, when combined with a range livestock economy the area can make a valuable contribution by providing feed for cattle and sheep.

The statement in the report from Assistant Secretary of Interior Aandahl to the Senate Interior Committee states that "the amendatory contract necessarily recognizes the reduced acreage of the lands * * * and their relatively low repayment capacity. In addition, it takes into account the questionable water supply and the serious seepage problem on project lands."

The Assistant Secretary of Interior also states that the financial arrangements in the contract provide that the district will immediately assume managerial and financial responsibility for operation and maintenance of the irrigation works, and it is recognized that this cost is nearly the economic capacity of this project. While the Bureau of Reclamation will complete certain surface drainage facilities at a stipulated cost, the district will assume all other seepage control works and necessary drainage facilities thereafter.

Because of the limitations on intensive crop production, it has long been a recognized fact that the area could not survive and develop properly under the restrictions of the acreage limitation. In recognition of these facts, the contract and the legislation which would authorize its execution propose that the project be exempt from the excess land law which would permit full integration with the range livestock economy which surrounds it.

In spite of all of the changes in the plan for the project as they are reflected in the amended contract, the Treasury will be fully repaid by project water users and by power. Under the proposed contract the operation and maintenance of the irrigation features of the project will be transferred to the water users thereby effecting a substantial savings in operation and maintenance costs now being borne in part by the Federal Government.

The district will pay $10,000 annually for the delivery of 2 acre-feet of water per acre. The district will pay an additional 50 cents per acre-foot for water in excess thereof delivered to the project and it is estimated that in 50 to 60 years the total payment for this excess water will aggregate $600,000. Thereafter the annual repayment will be $10,000 yearly toward the cost of operating Seminole Reservoir and other incidental facilities.

Under present arrangements of Federal responsibility for the project, the annual Government outlay is $30,000 and this contract will save the Treasury that amount each year. Again I should like to point out that this project was commenced as a make-work project and accordingly it requires special treatment in order to put it on a sound basis as far as the settlers are concerned. Fortunately, power will repay all of the cost to the Government.

The PRESIDING OFFICER. The question is on agreeing to the amendments of the committee.

The amendments were agreed to.

Mr. DOUGLAS subsequently said: Mr. President, I ask unanimous consent that a statement I have prepared on S. 1996, the Kendrich reclamation project bill, which passed on a call of the calendar earlier in the day, be printed in the RECORD just prior to the passage of that bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT ON S. 1996 BY SENATOR PAUL H. DOUGLAS

We have in this bill yet another example of an exemption of a project from the excess land limitations of the Federal reclamation laws.

In this particular case the exemption is justified by its proponents because of the short-growing season of the crops produced in the project and because the project itself is a marginal one where hay and pasture are the principal crops. It is entirely possible that a mistake was made in authorizing this project to begin with. Then, that mistake has been used as a justification to forego the traditional excess land limitations of the Federal reclamation laws.

Although the exemption for this particular project—now that it exists—may be argued and justified, when taken with the exemptions granted to this and other projects in recent times, it presents a very serious problem indeed. The Big Thompson project, the Arkansas-Frying Pan project, the Small Projects Act, and the Mercedes Division of the lower Rio Grande have all been exempted from the limitations of the Federal reclamation laws in recent times. The fact that one project has been exempted has been used to argue that others should be.

The excess land laws have a very real purpose. The purpose is to promote the family sized farm in America where the Government provides the money for the water. The purpose is to make certain that large-scale landlordism and corporate farming do not take over in America as they have in many European countries. Their purpose is to make certain that landlordism and corporate farming are not promoted by the policies of the Federal Government.

What these laws say, in effect, is that there shall be no limitation on land holdings by any individual, but if the Federal Government provides the money, taken in taxes from people in all parts of the country, and the water for these projects, then there shall be a limitation of land on which Federal waters shall be provided to 160 acres for each individual. In practice, since a man and his wife and their sons or daughters may also qualify, the practical limitation is not 160 acres but 320 or 480 or 640 or more acres. In almost every case this is an adequate acreage to support a farm family and the limitation should be kept intact when the Federal Government provides the money.

Various arguments are used to support an exemption for particular projects. The supplemental water argument is the one most often used. It is argued that the Federal Government should provide the water without any limitation because the water is supplemental. For a time I thought there was some merit in this argument but after a personal inspection I found that there is hardly a project which does not qualify under this argument and which does not now have water whether from surface or underground sources. Therefore, the effect of this argument is a wholesale exemption from the excess land provisions of the Federal reclamation laws. Providing water from artesian or other types of wells, for example, would mean that any Government-provided water would be supplemental.

It is also argued, as in this case, that an exemption should be provided in very high mountainous regions. There may be some case for this but the problem should be approached in terms of general policy and not one by one with these numerous specific project exemptions. It might be well to point out, however, that in citrus fruit regions, as in California and in the lower Rio Grande, a good living can be made on 20 or 40 or 60 acres, but there never seems to be any effort to make a special point of these and to limit the amount of water to a smaller acreage than 160 acres.

Before continuing on the present path, I believe that the Senate and House Interior Committees and the Department of the Interior should go into this matter very thoroughly. Some opportunity should be offered to those who have diverse opinions on this subject to testify about it. believe that a policy which keeps the traditional purpose of supporting the family sized farm and which would prevent the Federal Government from merely paying the costs while private individuals reap all the benefits, could be worked out. If it now takes more than 160 acres to support the family sized farm in some high altitude regions we could gear our policy to that problem. But, conversely, the policy should also be geared to those areas where considerably less than 160 acres is needed to support and maintain an economical farming unit. We should also deal with the question of dependents so that this feature cannot be abused, as now, to defeat the purpose of the irrigation laws.

I fear that if this piecemeal abandonment of our traditional reclamation policy continues, America may find that our Government is providing the funds for these projects while large holders of land dictate the policies to be followed. This would certainly be against the public interest and should not be continued.

I sincerely hope that before the Senate or House Interior Committees grant any further exemptions that hearings be held on this subject, that the views of those concerned with the public interest as well as those who have a stake in individual projects be heard, and that the general principle may be kept while providing some flexibility, not only by increasing the acreage limit but also by reducing it in our excess land laws.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MIRAGE FLATS IRRIGATION DISTRICT, NEBRASKA

The bill (H. R. 5679) to authorize amendment of the irrigation repayment contract of December 28, 1950, between the United States and the Mirage Flats Irrigation District, Nebraska, was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 8240) to authorize certain construction at military installations, and for other purposes, was announced as next in order.

Mr. TALMADGE. Over, Mr. President.

The PRESIDING OFFICER. The bill will be passed over.

BEAR RIVER COMPACT, IDAHO-UTAH-WYOMING

The Senate proceeded to consider the bill (S. 1086) granting the consent and approval of Congress to a Bear River compact, and for related purposes, which had been reported from the Committee on Interior and Insular Affairs with amendments on page 28, after line 20, to insert:

SEC. 3. Any modification of the allocation of storage rights contained in article V shall become effective only when consented to by the Congress.

And, at the beginning of line 24, to change the section number from "3" to "4", so as to make the bill read:

Be it enacted, etc., That the consent and approval of Congress is hereby given to the Bear River compact entered into by the States of Idaho, Utah, and Wyoming. The compact reads as follows:

"BEAR RIVER COMPACT

"The State of Idaho, the State of Utah, and the State of Wyoming, acting through their respective commissioners after negotiations participated in by a representative of the United States of America appointed by the President, have agreed to a Bear River compact as follows:

"Article I

"A. The major purposes of this compact are to remove the causes of present and future controversy over the distribution and use of the waters of the Bear River; to provide for efficient use of water for multiple purposes; to permit additional development of the water resources of Bear River; and to promote interstate comity.

"B. The physical and all other conditions peculiar to the Bear River constitute the basis for this compact. No general principle or precedent with respect to any other interstate stream is intended to be established.

"Article II

"As used in this compact the term

"1. 'Bear River' means the Bear River and its tributaries from its source in the Uinta Mountains to its mouth in Great Salt Lake;

"2. 'Bear Lake' means Bear Lake and Mud Lake;

"3. 'Upper division' means the portion of Bear River from its source in the Uinta Mountains to and including Pixley Dam, a diversion dam in the southeast quarter of section 25, township 23 north, range 120 west, sixth principal meridian, Wyoming;

"4. 'Central division' means the portion of the Bear River from Pixley Dam to and including Stewart Dam, a diversion dam in section 34, township 13 south, range 44 east, Boise Base and Meridian, Idaho;

"5. 'Lower division' means the portion of the Bear River between Stewart Dam and Great Salt Lake, including Bear Lake and its tributary drainage;

"6. 'Upper Utah section diversions' means the sum of all diversions in second-feet from the Bear River and the tributaries of the Bear River joining the Bear River upstream from the point where the Bear River crosses the Utah-Wyoming State line above Evanston, Wyo.; excluding the diversions by the Hilliard East Fork Canal, Lannon Canal, Lone Mountain Ditch, and Hilliard West Side Canal;

"7. 'Upper Wyoming section diversions' means the sum of all diversions in second-feet from the Bear River main stem from the point where the Bear River crosses the Utah-Wyoming State line above Evanston, Wyo., to the point where the Bear River crosses the Wyoming-Utah State line east of Woodruff, Utah, and including the diversions by the Hilliard East Fork Canal, Lannon Canal, Lone Mountain Ditch, and Hilliard West Side Canal;

"8. 'Lower Utah section diversions' means the sum of all diversions in second-feet from the Bear River main stem from the point where the Bear River crosses the Wyoming-Utah State line east of Woodruff, Utah, to the point where the Bear River crosses the Utah-Wyoming State line northeast of Randolph, Utah;

"9. 'Lower Wyoming section diversions' means the sum of all diversions in second-feet from the Bear River main stem from the point where the Bear River crosses the Utah-Wyoming State line northeast of Randolph to and including the diversion at Pixley Dam;

"10. 'Commission' means the Bear River Commission, organized pursuant to article III of this compact;

"11. 'Water user' means a person, corporation, or other entity having a right to divert water from the Bear River for beneficial use;

"12. 'Second-foot' means a flow of 1 cubic foot of water per second of time passing a given point;

"13. 'Acre-foot' means the quantity of water required to cover 1 acre to a depth of 1 foot, equivalent to 43,560 cubic feet;

"14. 'Biennium' means the 2-year period commencing on July 1 of the first odd-numbered year after the effective date of this compact and each 2-year period thereafter;

"15. 'Water year' means the period beginning October 1 and ending September 30 of the following year;

"16. 'Direct flow' means all water flowing in a natural watercourse except water released from storage or imported from a source other than the Bear River watershed;

"17. 'Border gaging station' means the streamflow gaging station in Idaho on the Bear River above Thomas Fork near the Wyoming-Idaho boundary line in the northeast quarter of the northeast quarter of section 15, township 14 south, range 46 east, Boise Base and Meridian, Idaho;

"18. 'Smiths Fork' means a Bear River tributary which rises in Lincoln County, Wyo. and flows in a general southwesterly direction to its confluence with Bear River near Cokeville, Wyo.

"19. 'Grade Creek' means a Smiths Fork tributary which rises in Lincoln County, Wyo., and flows in a westerly direction and in its natural channel is tributary to Smiths Fork in section 17, township 25 north, range 119 west, sixth principal meridian, Wyoming;

"20. 'Pine Creek' means a Smiths Fork tributary which rises in Lincoln County, Wyo., emerging from its mountain canyon in section 34, township 25 north, range 118 west, sixth principal meridian, Wyoming, and in its natural channel is tributary to Smiths Fork in section 36, township 25 north, range 119 west, sixth principal meridian, Wyoming;

"21. 'Bruner Creek' and 'Pine Creek Springs' mean Smiths Fork tributaries which rise in Lincoln County, Wyo., in sections 31 and 32, township 25 north, range 118 west, sixth principal meridian, and in their natural channels are tributary to Smiths Fork in section 36, township 25 north, range 119 west, sixth principal meridian, Wyoming;

"22. 'Spring Creek' means a Smiths Fork tributary which rises in Lincoln County, Wyo., in sections 1 and 2, township 24 north, range 119 west, sixth principal meridian, Wyoming, and flows in a general westerly direction to its confluence with Smiths Fork in section 4, township 24 north, range 119 west, sixth principal meridian, Wyoming;

"23. 'Sublette Creek' means the Bear River tributary which rises in Lincoln County, Wyo. and flows in a general westerly direction to its confluence with Bear River in section 20, township 24 north, range 119 west, sixth principal meridian, Wyoming;

"24. 'Hobble Creek' means the Smiths Fork tributary which rises in Lincoln County, Wyo. and flows in a general southwesterly direction to its confluence with Smiths Fork in section 35, township 28 north, range 118 west, sixth principal meridian, Wyoming;

"25. 'Hilliard East Fork Canal' means that irrigation canal which diverts water from the right bank of the east fork of Bear River in Summit County, Utah, at a point west 1,310 feet and north 330 feet from the southeast corner of section 16, township 2 north, range 10 east, Salt Lake base and meridian, Utah, and runs in a northerly direction crossing the Utah-Wyoming State line into the southwest quarter of section 21, township 12 north, range 119 west, sixth principal meridian, Wyoming;

"26. 'Lannon Canal' means that irrigation canal which diverts water from the right bank of the Bear River in Summit County, Utah, east 1,490 feet from the west quarter corner of section 19, township 3 north, range 10 east, Salt Lake base and meridian, Utah, and runs in a northerly direction crossing the Utah-Wyoming State line into the south half of section 20, township 12 north, range 119 west, sixth principal meridian, Wyoming;

"27. 'Lone Mountain Ditch' means that irrigation canal which diverts water from the right bank of the Bear River in Summit County, Utah, north 1,535 feet and east 1,120 feet from the west quarter corner of section 19, township 3 north, range 10 east, Salt Lake base and meridian, Utah, and runs in a northerly direction crossing the Utah-Wyoming State line into the south half of section 20, township 12 north, range 119 west, sixth principal meridian, Wyoming;

"28. 'Hilliard West Side Canal' means that irrigation canal which diverts water from the right bank of the Bear River in Summit County, Utah, at a point north 2,190 feet and east 1,450 feet from the south quarter corner of section 13, township 3 north, range 9 east, Salt Lake base and meridian, Utah, and runs in a northerly direction crossing the Utah-Wyoming State line into the south half of section 20, township 12 north, range 119 west, sixth principal meridian, Wyoming;

"29. 'Francis Lee Canal' means that irrigation canal which diverts water from the left bank of the Bear River in Uinta County, Wyo., in the northeast quarter of section 30, township 18 north, range 120 west, sixth principal meridian, Wyoming, and runs in a westerly direction across the Wyoming-Utah State line into section 16, township 9 north, range 8 east, Salt Lake base and meridian, Utah;

"30. 'Chapman Canal' means that irrigation canal which diverts water from the left bank of the Bear River in Uinta County, Wyo., in the northeast quarter of section 36, township 16 north, range 121 west, sixth principal meridian, Wyoming, and runs in a northerly direction crossing over the low divide into the Saleratus drainage basin near the southeast corner of section 36, township 17 north, range 121 west, sixth principal meridian, Wyoming and then in a general westerly direction crossing the Wyoming-Utah State line;

"31. 'Neponset Reservoir' means that reservoir located principally in sections 34 and 35, Township 8 North, Range 7 East, Salt Lake Base and Meridian, Utah, having a capacity of 6,900 acre-feet.

"Article III

"A. There is hereby created an interstate administrative agency to be known as the 'Bear River Commission' which is hereby constituted a legal entity and in such name shall exercise the powers hereinafter specified. The Commission shall be composed of 9 Commissioners, 3 Commissioners representing each signatory State, and if appointed by the President, 1 additional Commissioner representing the United States of America who shall serve as chairman, without vote. Each Commissioner, except the chairman, shall have one vote. The State Commissioners shall be selected in accord-

ance with State law. Six Commissioners who shall include two Commissioners from each State shall constitute a quorum. The vote of at least two-thirds of the Commissioners when a quorum is present shall be necessary for the action of the Commission.

"B. The compensation and expenses of each Commissioner and each adviser shall be paid by the Government which he represents. All expenses incurred by the Commission in the administration of this compact, except those paid by the United States of America, shall be paid by the signatory States on an equal basis.

"C. The Commission shall have power to:

"1. Adopt bylaws, rules, and regulations not inconsistent with this compact;

"2. Acquire, hold, convey or otherwise dispose of property;

"3. Employ such persons and contract for such services as may be necessary to carry out its duties under this compact;

"4. Sue and be sued as a legal entity in any court of record of a signatory State, and in any court of the United States having jurisdiction of such action;

"5. Cooperate with State and Federal agencies in matters relating to water pollution of interstate significance;

"6. Perform all functions required of it by this compact and do all things necessary, proper or convenient in the performance of its duties hereunder, independently or in cooperation with others, including State and Federal agencies.

"D. The Commission shall:

"1. Enforce this compact and its orders made hereunder by suit or other appropriate action;

"2. Annually compile a report covering the work of the Commission for the water year ending the previous September 30 and transmit it to the President of the United States and to the Governors of the signatory States on or before April 1 of each year;

"3. Prepare and transmit to the Governors of the signatory States, and to the President of the United States on or before a date to be determined by the Commission, a report of expenditures during the current biennium, and an estimate of requirements for the following biennium.

"Article IV

"Rights to direct flow water shall be administered in each signatory State under State law, with the following limitations:

"A. When there is a water emergency, as hereinafter defined for each division, water shall be distributed therein as provided below.

"1. Upper Division

"a. When the divertible flow as defined below for the upper division is less than 1,250 second-feet, a water emergency shall be deemed to exist therein and such divertible flow is allocated for diversion in the river sections of the division as follows:

"Upper Utah section diversions—0.6 percent,

"Upper Wyoming section diversions—49.3 percent,

"Lower Utah section diversions—40.5 percent,

"Lower Wyoming section diversions—9.6 percent.

"Such divertible flow shall be the total of the following five items:

"(1) Upper Utah section diversions in second-feet,

"(2) Upper Wyoming section diversions in second-feet,

"(3) Lower Utah section diversions in second-feet,

"(4) Lower Wyoming section diversions in second-feet,

"(5) The flow in second-feet passing Pixley Dam.

"b. The Hilliard East Fork Canal, Lannon Canal, Lone Mountain Ditch, and Hilliard West Side Canal, which divert water in Utah to irrigate lands in Wyoming, shall be supplied from the divertible flow allocated to the upper Wyoming section diversions.

"c. The Chapman Bear River, and Francis Lee Canals, which divert water from the main stem of Bear River in Wyoming to irrigate lands in both Wyoming and Utah, shall be supplied from the divertible flow allocated to the upper Wyoming section diversions.

"d. The Beckwith Quinn West Side Canal, which diverts water from the main stem of Bear River in Utah to irrigate lands in both Utah and Wyoming, shall be supplied from the divertible flow allocated to the lower Utah section diversions.

"e. If for any reason the aggregate of all diversions in a river section of the upper division does not equal the allocation of water thereto, the unused portion of such allocation shall be available for use in the other river sections in the upper division in the following order: (1) In the other river section of the same State in which the unused allocation occurs; and (2) in the river sections of the other State. No permanent right of use shall be established by the distribution of water pursuant to this paragraph e.

"f. Water allocated to the several sections shall be distributed in each section in accordance with State law.

"2. Central Division

"a. When either the divertible flow as hereinafter defined for the Central Division is less than 870 second-feet, or the flow of the Bear River at Border gaging station is less than 350 second-feet, whichever shall first occur, a water emergency shall be deemed to exist in the central division and the total of all diversions in Wyoming from Grade Creek, Pine Creek, Bruner Creek, and Pine Creek Springs, Spring Creek, Sublette Creek, Smiths Fork, and all the tributaries of Smiths Fork above the mouth of Hobble Creek including Hobble Creek, and from the main stem of the Bear River between Pixley Dam and the point where the river crosses the Wyoming-Idaho State line near Border shall be limited for the benefit of the State of Idaho, to not exceeding 43 percent of the divertible flow. The remaining 57 percent of the divertible flow shall be available for use in Idaho in the central division, but if any portion of such allocation is not used therein it shall be available for use in Idaho in the lower division.

"The divertible flow for the central division shall be the total of the following three items:

"(1) Diversions in second-feet in Wyoming consisting of the sum of all diversions from Grade Creek, Pine Creek, Bruner Creek and Pine Creek Springs, Spring Creek, Sublette Creek, and Smiths Fork and all the tributaries of Smiths Fork above the mouth of Hobble Creek including Hobble Creek, and the main stem of the Bear River between Pixley Dam and the point where the river crosses the Wyoming-Idaho State line near Border, Wyo.

"(2) Diversions in second-feet in Idaho from the Bear River main stem from the point where the river crosses the Wyoming-Idaho State line near Border to Stewart Dam including West Fork Canal which diverts at Stewart Dam.

"(3) Flow in second-feet of the Rainbow Inlet Canal and of the Bear River passing downstream from Stewart Dam.

"b. The Cook Canal, which diverts water from the main stem of the Bear River in Wyoming to irrigate lands in both Wyoming and Idaho, shall be considered a Wyoming diversion and shall be supplied from the divertible flow allocated to Wyoming.

"c. Water allocated to each State shall be distributed in accordnace with State law.

"3. Lower Division

"a. When the flow of water across the Idaho-Utah boundary line is insufficient to satisfy water rights in Utah, any water user in Utah may file a petition with the Commission alleging that by reason of diversions in Idaho he is being deprived of water to which he is justly entitled, and that by reason thereof, a water emergency exists, and requesting distribution of water under the direction of the Commission. If the Commission finds a water emergency exists, it shall put into effect water delivery schedules based on priority of rights and prepared by the Commission without regard to the boundary line for all or any part of the division, and during such emergency, water shall be delivered in accordance with such schedules by the State official charged with the administration of public waters.

"b. The Commission shall have authority upon its own motion (1) to declare a water emergency in any or all river divisions based upon its determination that there are diversions which violate this compact and which encroach upon water rights in a lower State, (2) to make appropriate orders to prevent such encroachments, and (3) to enforce such orders by action before State administrative officials or by court proceedings.

"c. When the flow of water in an interstate tributary across a State boundary line is insufficient to satisfy water rights on such tributary in a lower State, any water user may file a petition with the Commission alleging that by reason of diversions in an upstream State he is being deprived of water to which he is justly entitled and that by reason thereof a water emergency exists, and requesting distribution of water under the direction of the Commission. If the Commission finds that a water emergency exists and that interstate control of water of such tributary is necessary, it shall put into effect water delivery schedules based on priority of rights and prepared without regard to the State boundary line. The State officials in charge of water distribution on interstate tributaries may appoint and fix the compensation and expenses of a joint water commissioner for each tributary. The proportion of the compensation and expenses to be paid by each State shall be determined by the ratio between the number of acres therein which are irrigated by diversions from such tributary, and the total number of acres irrigated from such tributary.

"D. In preparing interstate water delivery schedules the Commission, upon notice and after public hearings, shall make findings of fact as to the nature, priority and extent of water rights, rates of flow, duty of water, irrigated acreages, types of crops, time of use, and related matters; provided that such schedules shall recognize and incorporate therein priority of water rights as adjudicated in each of the signatory States. Such findings of fact shall, in any court or before any tribunal, constitute prima facie evidence of the facts found.

"E. Water emergencies provided for herein shall terminate on October 15 of each year unless terminated sooner or extended by the Commission.

"Article V

"A. Existing storage rights in reservoirs heretofore constructed above Stewart Dam are as follows:

"Idaho	324 acre-feet
"Utah	11,850 acre-feet
"Wyoming	2,150 acre-feet

Additional rights are hereby granted to store in any water year above Stewart Dam, 35,500 acre-feet of Bear River water and no more for use in Utah and Wyoming; and to store in any water year in Idaho or Wyoming on Thomas Fork 1,000 acre-feet of water for use in Idaho. Such additional storage rights shall be subordinate to, and shall not be exercised when the effect thereof will be to impair or interfere with (1) existing direct flow rights for consumptive use in any river division and (2) existing storage rights above

Stewart Dam, but shall not be subordinate to any right to store water in Bear Lake or elsewhere below Stewart Dam. One-half of the 35,500 acre-feet of additional storage right above Stewart Dam so granted to Utah and Wyoming is hereby allocated to Utah, and the remaining one-half thereof is allocated to Wyoming, but in order to attain the most beneficial use of such additional storage consistent with the requirements of future water development projects, the three Commissioners for Utah and the three Commissioners for Wyoming are hereby authorized, subject to ratification by the Legislature of Utah and the Legislature of Wyoming, to modify by written agreement the allocations of such additional storage.

"B. The waters of Bear Lake below elevation 5,912.91 feet, Utah Power & Light Co. Bear Lake datum (the equivalent of elevation 5,915.66 feet based on the sea level datum of 1929 through the Pacific Northwest Supplementary Adjustment of 1947) shall constitute a reserve for irrigation. The water of such reserve shall not be released solely for the generation of power, except in emergency, but after release for irrigation it may be used in generating power if not inconsistent with its use for irrigation. Any water in Bear Lake in excess of that constituting the irrigation reserve may be used solely for the generation of power or for other beneficial uses. As new reservoir capacity above the Stewart Dam is constructed to provide additional storage pursuant to paragraph A of this article, the Commission shall make a finding in writing as to the quantity of additional storage and shall thereupon make an order increasing the irrigation reserve in accordance with the following table:

Additional storage acre-feet	*Lake surface elevation Utah Power & Light Co. Bear Lake datum*
5,000	5,913.24
10,000	5,913.56
15,000	5,913.87
20,000	5,914.15
25,000	5,914.41
30,000	5,914.61
35,500	5,914.69
36,500	5,914.70

"C. Subject to existing rights, each State shall have the use of water for farm and ranch domestic, and stock watering purposes, and subject to State law shall have the right to impound water for such purposes in reservoirs having storage capacities not in excess, in any case, of 20 acre-feet, without deduction from the allocation made by paragraph A of this article.

"D. The storage rights in Bear Lake are hereby recognized and confirmed subject only to the restrictions hereinbefore recited.

"Article VI

"It is the policy of the signatory States to encourage additional projects for the development of the water resources of the Bear River to obtain the maximum beneficial use of water with a minimum of waste, and in furtherance of such policy, authority is granted within the limitations provided by this compact, to investigate, plan, construct, and operate such projects without regard to State boundaries, provided that water rights for each such project shall, except as provided in Article V, paragraph A thereof, be subject to rights theretofore initiated and in good standing.

"Article VII

"A. No State shall deny the right of the United States of America, and subject to the conditions hereinafter contained, no State shall deny the right of another signatory State, any person or entity of another signatory State, to acquire rights to the use of water or to construct or to participate in the construction and use of diversion works and storage reservoirs with appurtenant works, canals, and conduits in one State for use of water in another State, either directly or by exchange. Water rights acquired for out-of-State use shall be appropriated in the State where the point of diversion is located in the manner provided by law for appropriation of water for use within such State.

"B. Any signatory State, any person or any entity of any signatory State, shall have the right to acquire in any other signatory State such property rights as are necessary to the use of water in conformity with this compact by donation, purchase, or as hereinafter provided through the exercise of the power of eminent domain in accordance with the law of the State in which such property is located. Any signatory State, upon the written request of the Governor of any other signatory State for the benefit of whose water users property is to be acquired in the State to which such written request is made, shall proceed expeditiously to acquire the desired property either by purchase at a price acceptable to the requesting Governor, or if such purchase cannot be made, then through the exercise of its power of eminent domain and shall convey such property to the requesting State or to the person, or entity designated by its Governor provided, that all costs of acquisition and expenses of every kind and nature whatsoever incurred in obtaining such property shall be paid by the requesting State or the person or entity designated by its Governor.

"C. Should any facility be constructed in a signatory State by and for the benefit of another signatory State or persons or entities therein, as above provided, the construction, repair, replacement, maintenance and operation of such facility shall be subject to the laws of the State in which the facility is located.

"D. In the event lands or other taxable facilities are acquired by a signatory State in another signatory State for the use and benefit of the former, the users of the water made available by such facilities, as condition precedent to the use thereof, shall pay to the political subdivisions of the State in which such facilities are located, each and every year during which such rights are enjoyed for such purposes a sum of money equivalent to the average of the amount of taxes annually levied and assessed against the land and improvements thereon during the 10 years preceding the acquisition of such land. Said payments shall be in full reimbursement for the loss of taxes in such political subdivision of the State.

"E. Rights to the use of water acquired under this article shall in all respects be subject to this compact.

"Article VIII

"Stored water, or water from another watershed may be turned into the channel of the Bear River in one State and a like quantity, with allowance for loss by evaporation, transpiration, and seepage, may be taken out of the Bear River in another State either above or below the point where the water is turned into the channel, but in making such exchange the replacement water shall not be inferior in quality for the purpose used or diminished in quantity. Exchanges shall not be permitted if the effect thereof is to impair vested rights or to cause damage for which no compensation is paid.

"Article IX

"A. The following rights to the use of Bear River water carried in interstate canals are recognized and confirmed.

"All other rights to the use of water carried in interstate canals and ditches, as adjudicated in the State in which the point of diversion is located, are recognized and confirmed.

Name of canal	Date of priority	Primary right second-feet	Lands irrigated	
			Acres	State
Hilliard East Fork.	1914	28.00	2,644	Wyoming.
Chapman	8-13-86	16.46	1,155	Do.
	8-13-86	98.46	6,892	Utah.
	4-12-12	.57	40	Wyoming.
	5- 3-12	4.07	285	Utah.
	5-21-12	10.17	712	Do.
	2- 6-13	.79	55	Wyoming.
	8-28-05	[1] 134.00	-------	
Francis Lee	1879	2.20	154	Do.
	1879	7.41	519	Utah.

[1] Under the right as herein confirmed not to exceed 134-second-feet may be carried across the Wyoming-Utah State line in the Chapman Canal at any time for filling the Neponset Reservoir, for irrigation of land in Utah and for other purposes. The storage right in Neponset Reservoir is for 6,900 acre-feet which is a component part of the irrigation right for the Utah lands listed above.

"B. All interstate rights shall be administered by the State in which the point of diversion is located and during times of water emergency, such rights shall be filled from the allocations specified in article IV hereof for the section in which the point of diversion is located, with the exception that the diversion of water into the Hilliard East Fork Canal, Lannon Canal, Lone Mountain Ditch, and Hilliard West Side Canal shall be under the administration of Wyoming. During times of water emergency these canals and the Lone Mountain ditch shall be supplied from the allocation specified in article IV for the upper Wyoming section diversions.

"Article X

"Applications for appropriation, for change of point of diversion, place and nature of use, and for exchange of Bear River water shall be considered and acted upon in accordance with the law of the State in which the point of diversion is located, but no such application shall be approved if the effect thereof will be to deprive any water user in another State of water to which he is entitled. The official of each State in charge of water administration shall, upon the filing of an application affecting Bear River water, transmit a copy thereof to the commission.

"Article XI

"Nothing in this compact shall be construed to prevent the United States, a signatory State or political subdivision thereof, person, corporation, or association, from instituting or maintaining any action or proceeding, legal or equitable, for the protection of any right under State or Federal law or under this compact.

"Article XII

"Nothing contained in this compact shall be deemed

"1. to affect the obligations of the United States of America to the Indian tribes;

"2. to impair, extend, or otherwise affect any right or power of the United States, its agencies or instrumentalities involved herein; nor the capacity of the United States to hold or acquire additional rights to the use of the water of the Bear River;

"3. to subject any property or rights of the United States to the laws of the States which were not subject thereto prior to the date of this compact;

"4. to subject any property of the United States to taxation by the States or any subdivision thereof, nor to obligate the United States to pay any State or subdivision thereof for loss of taxes.

"Article XIII

"At intervals not exceeding 20 years, the Commission shall review the provisions hereof, and after notice and public hearing, may propose amendments to any such provision, provided, however, that the provisions contained herein shall remain in full

force and effect until such proposed amendments have been ratified by the legislatures of the signatory States and consented to by Congress.

"Article XIV

"This compact may be terminated at any time by the unanimous agreement of the signatory States. In the event of such termination all rights established under it shall continue unimpaired.

"Article XV

"Should a court of competent jurisdiction hold any part of this compact to be contrary to the constitution of any signatory State or to the Constitution of the United States, all other severable provisions of this compact shall continue in full force and effect.

"Article XVI

"This compact shall be in effect when it shall have been ratified by the legislature of each signatory State and consented to by the Congress of the United States of America. Notice of ratification by the legislatures of the signatory States shall be given by the governor of each signatory State to the governor of each of the other signatory States and to the President of the United States of America, and the President is hereby requested to give notice to the governor of each of the signatory States of approval by the Congress of the United States of America.

"In witness whereof, the Commissioners and their advisers have executed this compact in 5 originals, 1 of which shall be deposited with the General Services Administration of the United States of America, 1 of which shall be forwarded to the governor of each of the signatory States, and 1 of which shall be made a part of the permanent records of the Bear River Commission.

"Done at Salt Lake City, Utah, this 4th day of February 1955.

"For the State of Idaho:

"FRED M. COOPER.
"MELVIN LAURIDSEN.
"MARK R. KULP.

"For the State of Utah:

"GEORGE D. CLYDE.
"J. LORENZO WEIDMANN.
"A. V. SMOOT.
"LAWRENCE B. JOHNSON.
"ALONZO F. HOPKIN.
"E. M. VAN ORDEN.
"ORSON A. CHRISTENSEN.

"For the State of Wyoming:

"L. C. BISHOP.
"H. T. PERSON.
"HOWARD B. BLACK.
"EMIL C. GRADERT.
"S. REED DAYTON.

"Approved:

"E. O. LARSON,
"Representative of the United States of America.

"Attest:

"E. J. SKEEN,
"Secretary of the Bear River Compact Commission."

SEC. 2. All officers, agencies, departments, and persons of and in the United States Government shall cooperate with the Bear River Commission, established pursuant to the compact consented to hereby, in any manner authorized by law other than this act, it being the purpose of Congress that the United States Government shall assist in the furtherance of the objectives of a Bear River compact and in the work of the commission created thereby.

SEC. 3. Any modification of the allocation of storage rights contained in article V shall become effective only when consented to by the Congress.

SEC. 4. The right to alter, amend, or repeal this act is expressly reserved.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

READJUSTMENT OF TAX FOR BREACH OF CONTRACT

Mr. BARRETT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BARRETT. What action was taken on Calendar No. 860, H. R. 232?

The PRESIDING OFFICER. Calendar No. 860 went over by request.

Mr. BARRETT. Mr. President, I ask unanimous consent that the Senate return to the consideration of Calendar No. 860.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Wyoming?

There being no objection, the Senate proceeded to consider the bill (H. R. 232) to amend the Internal Revenue Code of 1954 with respect to the readjustment of tax in the case of certain amounts received for breach of contract, which had been reported from the Committee on Finance with amendments on page 3, line 4, after the word "by", to insert "the first section and section 2 of"; and after line 8, to insert:

SEC. 4. Section 168 of the Internal Revenue Code of 1954 (relating to amortization of emergency facilities) is amended—

(a) by striking out "There" in subsection (e) (1) and inserting in lieu thereof the following: "Certifications on or before August 22, 1957: In the case of a certificate made on or before August 22, 1957, there";

(b) by striking out subsection (e) (2) and inserting in lieu thereof the following:

"(2) Certifications after August 22, 1957: In the case of a certificate made after August 22, 1957, there shall be included only so much of the amount of the adjusted basis of such facility (computed without regard to this section) as is properly attributable to such construction, reconstruction, erection, installation, or acquisition after December 31, 1949, as the certifying authority designated by the President by Executive order, has certified is to be used—

"(A) to produce new or specialized defense items of components of new or specialized defense items (as defined in paragraph (4)) during the emergency period, or

"(B) to provide research, developmental, or experimental services during the emergency period for the Department of Defense (or one of the component departments of such Department), or for the Atomic Energy Commission, as a part of the national defense program,

and only such portion of such amount as such authority has certified is attributable to the national defense program. Such certification shall be under such regulations as may be prescribed from time to time by such certifying authority with the approval of the President. An application for a certificate must be filed at such time and in such manner as may be prescribed by such certifying authority under such regulations but in no event shall such certificate have any effect unless an application therefor is filed before the expiration of 6 months after the beginning of such construction, reconstruction, erection, or installation or the date of such acquisition. For purposes of the preceding sentence, an application which was timely filed under this subsection on or before August 22, 1957, and which was pending on such date, shall be considered to be an application timely filed under this paragraph.

"(3) Separate facilities; special rule: After the completion or acquisition of any emergency facility with respect to which a certificate under paragraph (1) or (2) has been made, any expenditure (attributable to such facility and to the period after such completion or acquisition) which does not represent construction, reconstruction, erection, installation, or acquisition included in such certificate, but with respect to which a separate certificate is made under paragraph (1) or (2), shall not be applied in adjustment of the basis of such facility, but a separate basis shall be computed therefor pursuant to paragraph (1) or (2), as the case may be, as if it were a new and separate emergency facility.

"(4) Definitions: For purposes of paragraph (2)—

"(A) New or specialized defense item: The term 'new or specialized defense item' means only an item (excluding services)—

"(i) which is produced, or will be produced, for sale to the Department of Defense (or one of the component departments of such Department), or to the Atomic Energy Commission, for use in the national defense program, and

"(ii) for the production of which existing productive facilities are unsuitable because of its newness or of its specialized defense features.

"(B) Component of new or specialized defense item: The term 'component of a new or specialized defense item' means only an item—

"(i) which is, or will become, a physical part of a new or specialized defense item, and

"(ii) for the production of which existing productive facilities are unsuitable because of its newness or of its specialized defense features."; and

(c) by redesignating subsection (l) as (k), and by inserting after subsection (h) the following new subsection:

"(l) Termination: No certificate under subsection (e) shall be made with respect to any emergency facility after December 31, 1959."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

The title was amended so as to read: "An act to amend the Internal Revenue Code of 1954 with respect to the readjustment of tax in the case of certain amounts received for breach of contract, and to restrict the issuance of certificates for rapid amortization of emergency facilities."

Mr. JOHNSON of Texas subsequently said: Mr. President, I move that the Senate reconsider the vote by which it passed H. R. 232.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER (Mr. SPARKMAN in the chair). The question is on agreeing to the motion of the Senator from Virginia to lay on the table the motion of the Senator from Texas.

The motion to lay on the table was agreed to.

Mr. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD a statement which I have prepared with relation to H. R. 232.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BYRD

I wish to call up for consideration H. R. 232. Sections 1 to 3 of the bill are the same as passed by both the House and Senate last

year. It did not become law because the Senate bill had other amendments which the House did not have sufficient time to consider before adjournment.

Sections 1 to 3 apply to taxable years ending after December 31, 1954, but only with respect to amounts received or accrued after that date in the case of awards made after such date.

These sections provide that a taxpayer who receives or accrues an award in a civil action for breach of contract or breach of fiduciary duty or relationship may spread the amount of the award over the period during which it would have been received except for the breach of contract or duty if this results in a lesser tax than would result from including the entire award in gross income of the current year. Provision is also made for the allowance of all credits or deductions the taxpayer would have received had he received the income in the absence of a breach of contract or a breach of fiduciary duty or relationship.

Section 4 of the bill, which was added by your committee, restricts the authority of ODM to issue certificates of necessity. It limits the granting of certificates of necessity after August 22, 1957, to certificates with respect to facilities to produce new or specialized defense items or components thereof, or to facilities to provide research and developmental or experimental services for the Department of Defense or the Atomic Energy Commission for defense purposes. It is estimated that these limitations will reduce the certificates to be issued in the future by approximately 80 percent. In addition, your committee amendment will completely terminate after December 31, 1959, the authority to issue certificates of necessity.

The 5-year amortization provision was first enacted during World War II in connection with the imposition of an excess-profits tax. At that time it was estimated that World War II might last for a period of at least 5 years and that the provision was necessary to provide adequate facilities for the prosecution of World War II. During the Korean war an excess-profits tax was again imposed, and the 5-year amortization provision was again enacted to speed the construction of facilities essential to the prosecution of that war. The Korean excess-profits tax expired under the terms of the law on December 31, 1953; however, the 5-year tax amortization program of the Korean war has been continued in the code, in spite of the fact that more than 3 years have elapsed since that war was terminated.

I have been concerned about the granting of these certificates of necessity allowing a 5-year writeoff of these facilities for some time. Last year I instructed the staff of the Joint Committee on Internal Revenue Taxation to investigate the matter and on December 28, 1956, the staff issued a report on this subject. It has been stated that the amortization provision is necessary to encourage construction of facilities which it is estimated will be needed in a future war. Necessarily, such estimates are highly speculative and subject to frequent changes. When a certain goal of expansion is reached today it may be modified tomorrow. Considerable hardship might occur from a competitive standpoint in granting a certificate of necessity to one manufacturer and denying it to another. After peace was declared, in 1953, 6,000 certificates of necessity were issued by the Department of Defense, covering investments of $13 billion and tax writeoffs of $7 billion. This greatly exceeds the World War II figures. On the basis of certificates issued between the years 1950 to 1956, it is estimated there will be a loss in revenue of approximately $5 billion, none of which can begin to be recovered until 1961. In addition, the entire postponement imposes an interest cost to the Government of approximately $3 billion. This 5-year amortization provision represents a hidden cost for which no appropriation is required by the Congress. Its effect makes it more difficult to balance the budget or reduce the tax burden of taxpayers not receiving such a benefit. The granting of such broad powers to the Office of Defense Mobilization is not, in my opinion, in the public interest.

The former Secretary of the Treasury, Mr. Humphrey, in his testimony before our committee in speaking in favor of the amendment said:

"Artificial stimulants may well become artificial controls. Because rapid amortization is not applied universally, it could create a competitive imbalance in the sound, vigorous growth of our free economy. It is not the American way.

"The revenue lag from certificates issued through 1956 probably exceeds $5 billion during these early years which will be recovered in the years after 1960. But the interest cost to the Government, over the entire period of lag in tax collections, will be roughly $3 billion.

"The effects of a broadly applied amortization program go far beyond the effects on Government revenue. First, there is the stimulating effect which can temporarily add to inflation, with the possibility of a lag later. Then when rapid writeoffs are permitted for facilities which will be largely used to supply eventual regular civilian demand, there inevitably will be dislocations and unfair advantages between whole industries—and individual companies within an industry.

"Much of the total has been of this type. For example, over 14 percent of the total amortizable cost of facilities through December 28, 1955, was granted to utilities and sanitary services; over 16 percent more went to railroads; and about 20 percent went to primary metal industries. Other whole industries had none."

And Mr. Humphrey continues:

"Five-year amortization may be an alternative to direct Government construction and ownership of limited-purpose facilities since private capital is not likely to go into them. But this is far different than giving rapid writeoff to selected industries for general-purpose plants or equipment in an expanding economy.

"There is no fair or logical end to such a program. The margin of excess capacity in such industries at any time will regularly be absorbed by growing civilian demand and have to be regularly reestablished in later years. There would be continuing costs and revenue lags and the creation of new competitive problems."

Under existing law, the Office of Defense Mobilization has certified for rapid amortization any investment in new facilities which they regard as necessary in the interest of national defense. Under this vague language there has been allowed for rapid tax writeoff facilities designed to serve the civilian markets on the theory that they might be necessary in the case of some future war. The committee amendment prevents this.

It is true that at the present time the Office of Defense Mobilization has by administrative action sharply curtailed the issuance of certificates for emergency amortization. The power to extend the program, however, remains. There is no reason at this time to anticipate that the international situation will be much different in 1958 or 1959 from what it was in 1955. It would appear that under existing law as good a case could be made in 1958 as was made in 1955 for issuing a new batch of certificates for electric power facilities. The existing law is the same law under which the certificate was issued to the Idaho Power Co., for the dams at Oxbow and Brownlee in the vicinity of Hells Canyon. The prospect that there could be a new flurry of certificates for fast writeoffs should concern this Congress. This device of having an administrative agency select the particular taxpayer eligible for tax benefits is inconsistent with our determination to maintain a free enterprise system. This sort of favoritism works disadvantages between companies in the same industry and between entire industries.

We should not be lulled into a false sense of security in this situation by the argument that ODM is not now issuing many of these certificates. Actually, in 1954 the ODM greatly reduced the issuance of certificates and in the last quarter of 1954 certified for fast amortization investments costing only $233 million. In the last quarter of 1955, however, certificates were issued providing rapid amortization for facilities costing almost $2 billion.

Your committee's amendment deals with this problem of emergency amortization by restricting by law the broad authority under existing law to certify projects necessary in the interest of national defense to certifications made before August 22, 1957, and by terminating the authority completely to issue any certificate after December 31, 1959. The amendment will have no effect on the future tax treatment of holders of certificates which have been made prior to that date.

As I heretofore stated, after August 22, 1957, and before 1960, it is provided by the amendment that certificates may be issued only for two narrowly restricted classes of investment. One eligible class of investments comprises those designed to provide research, developmental, or experimental services for the Defense Departments or the Atomic Energy Commission in connection with the defense activities of those agencies. Thus a certificate could be issued to build a new building to house a laboratory to carry out a research contract with, say, the Air Force.

In addition to this research area it is provided that certificates may be granted for facilities required to produce new or specialized defense items or components of new or specialized items. The category "new or specialized defense items" is defined in the bill so as to be limited to certain plants constructed to produce such items sold to the Department of Defense or the Atomic Energy Commission. In addition the committee amendment requires that existing productive facilities must be unsuitable for the manufacture of this item either because of its newness or because of its specialized defense features. Under this concept, if the Air Force contract required a new type of jetplane which could not be suitably manufactured in existing facilities, it would be permissible to issue a rapid amortization certificate for the necessary plant. A certificate could also be issued for a component of a new or specialized defense item such as a motor for a jetplane, but here again the same test is applied that existing productive facilities must be unsuitable because of the newness or specialized defense features of the product.

It is important that we pass this bill without delay.

CONVEYANCE OF CERTAIN LANDS TO THE STATE OF MAINE

The Senate proceeded to consider the bill (S. 319) to provide for the conveyance to the State of Maine of certain lands located in such State, which had been reported from the Committee on Armed Services with amendments on page 1, line 9, after the word "thereon", to insert "except that the part of Fort Preble Military Reservation over which the Department of the Air Force exercises jurisdiction, together with all buildings and other improvements lo-

cated thereon shall not be conveyed by the aforesaid deed.", and on page 2, after line 2, to strike out:

SEC. 2. The deed effecting the conveyance authorized by the first section of this act shall provide—

(a) that, in the event such lands cease to be used for vocational or other school purposes, all right, title, and interest therein shall immediately revert to and revest in the United States; and

(b) that during any state of war or national emergency and for 6 months thereafter, if the Secretary of Defense determines that such lands are useful or necessary for national defense purposes, the United States may, without payment therefor, reenter such lands and use all or any part thereof (including improvements thereon), but upon the termination of such use such lands shall revert to the State of Maine.

And insert:

SEC. 2. The deed effecting the conveyance authorized by the first section of this act shall provide—

(a) that the State of Maine agrees to use the property only for vocational or other school purposes and in the event that such lands cease to be used for such purposes, all right, title, and interest therein shall immediately revert to and revest in the United States;

(b) that during any state of war or national emergency and for 6 months thereafter, if the Secretary of Defense determines that such lands are useful or necessary for national defense purposes the United States may, without payment therefor, reenter such lands and use all or any part thereof (including improvements thereon), but upon the termination of such use such lands shall revert to the State of Maine; and

(c) that the conveyance shall be conditioned upon an agreement by the State of Maine—

(1) to maintain the entire property in a condition suitable for immediate use by the Department of Defense in the event of mobilization;

(2) to retain all structures and improvements except for removal which may be requested by the State of Maine and approved by the Commandant, First Naval District.

So as to make the bill read:

Be it enacted, etc., That the Secretary of the Navy is authorized to convey, by quitclaim deed and without consideration, to the State of Maine, for vocational or other school purposes, all right, title, and interest of the United States, except as provided in this act, in and to the lands comprising the Fort Preble Military Reservation, South Portland, Maine, together with all buildings and other improvements located thereon, except that the part of Fort Preble Military Reservation over which the Department of the Air Force exercises jurisdiction, together with all buildings and other improvements located thereon shall not be conveyed by the aforesaid deed.

SEC. 2. The deed effecting the conveyance authorized by the first section of this act shall provide—

(a) that the State of Maine agrees to use the property only for vocational or other school purposes and in the event that such lands cease to be used for such purposes, all right, title, and interest therein shall immediately revert to and revest in the United States;

(b) that during any state of war or national emergency and for 6 months thereafter, if the Secretary of Defense determines that such lands are useful or necessary for national defense purposes the United States may, without payment therefor, reenter such lands and use all or any part thereof (including improvements thereon), but upon the termination of such use such lands shall revert to the State of Maine; and

(c) that the conveyance shall be conditioned upon an agreement by the State of Maine—

(1) to maintain the entire property in a condition suitable for immediate use by the Department of Defense in the event of mobilization;

(2) to retain all structures and improvements except for removal which may be requested by the State of Maine and approved by the commandant, First Naval District.

SEC. 3. In addition to conditions provided for in section 2 of this act, the Secretary of the Navy shall impose such other conditions and such exceptions and reservations as he determines to be necessary, or desirable to safeguard the interests of the United States and to insure that such lands will be used for the purpose for which they are conveyed.

Mr. MORSE. Mr. President, I wish to make a brief statement concerning the bill.

This bill involves a parcel of land now located on a Navy reservation. Under existing law, section 203 (k) of the Federal Property Administrative Services Act of 1949, the Secretary of the Department of Health, Education, and Welfare is authorized to make a determination as to the terms and conditions upon which land in such circumstances as this can be conveyed through administration action for public purposes. However, he advises the committee—and the committee report so shows—that under the law he cannot include a reverter clause. There is no question that there is a desire on the part of the Government to hold jurisdiction over this land for possible future use in case of a national emergency.

So this is not a case of an out-and-out transfer of land. I suppose it can best be described as a case of what is in effect a loan of the land for purposes of the technical training school for which the State of Maine wishes to use it.

Under those circumstances I take note of the fact set forth in the committee report, that the school, in its training program, will serve well a Federal interest in this section of the country, in connection with preparing young men for employment in the mechanical-technical occupations, including automotive mechanics, industrial electricity, machine shop, and radio-television.

In view of the fact that the Secretary of Health, Education, and Welfare could make this transfer if he had the power also to impose a condition of reverter, I shall not interpose any objection. I think it is a clear case in which there is a special Federal interest. This interest, together with the Federal reverter clause, would justify the bill.

However, I wish to make it very clear for the RECORD that I do object, and shall continue to object, to the transfer of Federal property in fee simple to States or subdivisions thereof for educational purposes, because, as I have said on the floor a good many times, that amounts to nothing more than a concealed form—and not too concealed at that—of Federal aid to education.

I have been consistent in my position. In support of that statement, I cite House bill 6772, of the 84th Congress, 1st session, introduced in the House on June 13, 1955, involving the State of Oregon. It was sought to transfer certain land from the Department of the Interior to Lake County, Oreg. I insisted that the bill include the provision requiring payment of the appraised fair market value of the land.

I cite another precedent, House bill 1797, in the 83d Congress, wherein it was proposed that a piece of land be transferred to the Oklahoma Agricultural and Mechanical College. The Morse formula was applied.

These are only two of many cases involving fee simple transfers. In my judgment, they did not involve the facts and circumstances surrounding the instant bill, which I think retains a sufficient Federal interest in order to permit use of this property for the purpose intended.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. RUSSELL. The Senator has pointed out that the conveyance is not in anywise in conflict with the Morse formula, because it involves what may be described as a contingent lease of the land.

The Senator did not point out that the Federal Government derives a pecuniary remuneration in that the State of Maine agrees to maintain all the buildings on the property at its expense. It agrees to maintain them as they are today. So that is in the nature of a rental rather than a fee simple transfer.

Mr. MORSE. I thank the Senator for mentioning that additional fact. I had it in mind, but did not state it. It supports my contention that there is a retention of a sufficient Federal interest.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (H. R. 8996) to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes, was announced as next in order.

Mr. TALMADGE. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 2462) to adjust the rates of basic compensation of certain officers and employees of the Federal Government, and for other purposes, was announced as next in order.

Mr. CLARK. Over.

The PRESIDING OFFICER. The bill will be passed over.

Certain bills were passed to the foot of the calendar.

Mr. PURTELL. Mr. President, I ask that Calendar Nos. 849 to 856, inclusive, be passed over until the next call of the calendar.

The PRESIDING OFFICER. The bills will be passed over.

The bills passed over were as follows:

S. 264. A bill to provide for the appointment of a district judge for the district of Kansas.

S. 697. A bill to provide for the appointment of a district judge for the district of Maryland.

S. 2700. A bill to provide for the appointment of a district judge for the eastern, middle, and western districts of North Carolina.

S. 2701. A bill to provide for the appointment of an additional district judge for the southern district of Mississippi.

S. 2702. A bill to make permanent the temporary judgeship for the district of Utah.

S. 2703. A bill to provide for the redistricting of the judicial district of North Dakota, and for other purposes.

S. 116. A bill to provide for the appointment of an additional circuit judge for the seventh circuit, and for the appointment of additional district judges for the northern district of Illinois.

S. 430. A bill to provide for the appointment of a district judge for the middle district of Tennessee.

The PRESIDING OFFICER. That concludes the call of the calendar.

ORDER OF BUSINESS

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JOHNSON of Texas. Under the unanimous-consent agreement, the Senate was to reconsider at this time the vote by which Senate bill 2229, a bill reported from the Committee on Interstate and Foreign Commerce, was passed.

I ask unanimous consent that I may be permitted to proceed for not to exceed 3 minutes to make certain insertions in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

DESIGNATION OF SENATOR CHURCH AS REPRESENTATIVE OF THE SENATE MAJORITY AT THE ECONOMIC CONFERENCE OF THE ORGANIZATION OF AMERICAN STATES

Mr. JOHNSON of Texas. Mr. President, it is a great pleasure to announce to my colleagues that the junior Senator from Idaho [Mr. CHURCH] has accepted the designation as representative of the Senate majority at the Economic Conference of the Organization of American States.

The Senator from Idaho is one of the newest Members of this body. But he has made already a strong and lasting impression among Members on both sides of the aisle.

I know the Members of the majority will feel that we are well and ably represented at this forthcoming important conference. And he and his colleague from the minority are men who know how to cooperate in the best interests of our country.

THE WATER PROBLEM IN TEXAS

Mr. JOHNSON of Texas. Mr. President, the short-lived hurricane Bertha brought heavy rains to limited areas of east Texas over the weekend. These rains simply focused attention on the fact that there has been no happy medium to the weather in Texas.

In the last 7 months my State has been swept from one of the worst droughts in its history through a succession of destructive dust storms, tornadoes, cloudbursts, and floods. And now, I regret to have to report, there are some signs that we may be entering another period of drought.

The last 5 years of drought cost Texas farm interests an estimated $2,700,000,000.

In the spring of this year the floods came, and within a period of 10 weeks Texas lost some 25 million acre-feet of water into the Gulf of Mexico.

Mr. President, this is the water we must save in Texas.

We must save this water so it can be used for human consumption—for farm irrigation—for industry.

There is one limiting factor, and only one, on the continued growth of the Texas population and the continued expansion of the Texas economy. That is our water supply.

The problem is a big one. The solution will have to be big. It is a program calling for teamwork among all units of government—Federal, State, local.

There must be no shortsighted competition between agencies of the Federal Government that are concerned with flood control and water supply.

There must be no withholding of full cooperation and full acceptance of its responsibilities on the part of our State government.

Our population is growing. The Bureau of the Census announced over the weekend that a growth of some two million is expected in the Texas population between now and the year 1965.

Our economy is a dynamic one. Growth and expansion are in the American tradition. The economy must continue to expand in order to provide a steadily higher standard of living for more and more people.

With a growing population and an expanding economy, we urgently need—we must have—a flood-control and water-conservation program that is both realistic and courageous.

We must step up the rate of our investments in development of our water resources.

On the national level, this is the responsibility of Congress. The Congress, composed of elected representatives of the American people, is properly responsive to the needs of the American people.

Coming from Texas, where drought and flood alternate in a disastrous cycle, I am immediately and urgently aware of the need for a coordinated, integrated water development program on a scale that will dwarf all that has been done in the past.

So far as Texas is concerned, we are 25 years behind other Western States in dealing with the water problem. We have to catch up—and without further delay.

Mr. President, I am determined that we shall catch up.

I have asked the Corps of Engineers and the Bureau of Reclamation to prepare and submit to me by next April a program that will give us a basis for catching up.

Up to now, the Federal investment in Texas flood control and water supply projects total $329 million. This investment has been made in the national interest. It has been made in conformity with Texas water laws. These same standards should, of course, apply in the future.

Mr. President, the investments that have been made in these completed projects have paid off. What has been done is excellent. But we have not done enough—not nearly enough.

We are going to have to do more—much more—in the future.

PERSONAL STATEMENT BY SENATOR MORSE—ABSENCES FROM THE SENATE

Mr. MORSE. Mr. President——

The PRESIDING OFFICER. Does the Senator wish to make a unanimous-consent request?

Mr. MORSE. No. I wish to make a brief statement.

Mr. JOHNSON of Texas. How long does the Senator desire to speak?

Mr. MORSE. Two minutes.

Mr. JOHNSON of Texas. I ask unanimous consent that the Senator from Oregon be recognized for 3 minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator from Oregon may proceed.

Mr. MORSE. Early this year I announced that I would make a statement for the RECORD setting forth my reasons for being absent from the Senate at the time of any yea-and-nay votes. I stated earlier this year that I intended to make that statement for the RECORD because of the gross misrepresentations and the many falsehoods which were spoken against me in the campaign last year with respect to my alleged absences from the Senate. I have done that from time to time in the Senate, and today I wish to bring the RECORD up to date.

On July 2 I missed two yea-and-nay votes. One was on the Douglas amendment to the Defense Department appropriation bill, House bill 7665, making savings of about $1 billion, and adding $500 million to the combat strength of the Army and Marine Corps. It was rejected by a vote of 7 to 68, with 21 absences. On that vote I was paired with the Senator from Texas [Mr. JOHNSON]. I would have voted for the amendment had I been present.

I may say also that on that day there was considered the Dworshak amendment to H. R. 7665, reducing the amount recommended by the committee for the Defense Department by $182 million. The amendment was rejected by a vote of 24 to 49, with 23 Senators absent. If I had been present, I would have been in favor of the amendment. The RECORD does not show my position on the amendment.

The reason for my absence was that on that evening I gave a lecture, which had been scheduled for many months, at the University of Pennsylvania, on the subject of foreign policy.

On August 10 I missed three rollcalls. The first was on the Williams motion to recommit the policemen's retirement bill, H. R. 6517. That motion was defeated by a vote of 19 to 47, with 29 Senators absent. I was announced as being opposed to the amendment.

I also missed the vote that day on the Williams motion to recommit H. R. 6517

with instructions. That motion was defeated by a vote of 30 to 32, with 33 Senators absent. I had a live pair on that motion with the Senator from Arkansas [Mr. McCLELLAN]. I wish publicly to thank him very much for the courtesy extended to me on Saturday in that connection. If I had been present, I would have voted against the motion to recommit with instructions.

The third vote I missed on August 10 was the vote on the final passage of H. R. 6517. The bill passed by a vote of 45 to 19, with 31 Senators absent. If I had been present, I would have voted for final passage. The reason for my absence was, surprisingly enough, that I had a sore throat, and I thought it was better for me to stay at home that day.

UNANIMOUS-CONSENT AGREEMENT ON FURTHER TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that at this time Senators may make statements not to exceed 2 minutes in connection with insertions in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE SIGNIFICANT NEW EXPOSÉ OF INTERNATIONAL COMMUNISM BY MILOVAN DJILAS, WHO BROKE WITH THAT SYSTEM IN YUGOSLAVIA—BOOK REVIEW FROM NEW YORK TIMES

Mr. NEUBERGER. Mr. President, the greatest and most compelling testament against any evil doctrine is the verdict of a man or woman who formerly temporarily succumbed to that doctrine. Such a testament has now been offered to the world in the significant new book written by Milovan Djilas, who was once a ruler of Yugoslavia under the Communist system.

The title of the book by Djilas is "The New Class: An Analysis of the Communist System." This is the work of a man who was at one time a dedicated and passionate Communist, a believer in that system of economics and of government. He was President of the Yugoslav Parliament. He was an heir-apparent to Tito's epaulets.

Gradually, Djilas became disillusioned with the system that had brought him power and fame. He visited free countries such as Britain, France, and Burma. He found himself hard put to defend communism against a way of life which permitted people to choose their own rulers.

And so Djilas broke with communism. Today he is in prison in Yugoslavia, where he is a symbol of resistance to tyranny and dictatorship. His book has stirred intellectuals and other thinkers all over the Free World, because it is one of the most impressive treatises against communism of our time. It is from a prison cell and not from some remote library or study.

Mr. President, for these reasons I believe there should be called to the attention of the Senate a significant book review from the New York Sunday Times of August 11, 1957, written by Jack Raymond, who was a New York Times correspondent in Yugoslavia and the Soviet Union, and now is on the Washington staff of that newspaper. Mr. Raymond has reviewed the book by Djilas, The New Class: An Analysis of the Communist System.

Mr. Raymond emphasizes that Djilas believes communism is the chief obstacle to world unity and understanding. We of the Senate, who have to live with this menace whenever we consider appropriations for national defense or support for mutual security, should take note of the significant new book by a 45-year-old patriot, who had the courage to break with communism even though his break deprived him of pomp and position and brought him only the narrow torture of a prison cell.

The courageous and enlightened views expressed by Djilas, in his challenge to the Communist system, fortify me in my decision to join with the junior Senator from Pennsylvania [Mr. CLARK] and some other Americans in urging Yugoslav authorities to give Djilas his freedom, and to liberate this man who has refused further to accept the doctrines and dogmas of communism.

Mr. President, I ask unanimous consent that Mr. Raymond's review be printed in the RECORD, together with the lead editorial from the Washington Post of August 12, 1957, which is entitled "Death by Dialectic," and analyzes the possible influences of this book on political thought.

There being no objection, the book review was ordered to be printed in the RECORD, as follows:

[From the New York Times of August 11, 1957]

REBEL AGAINST A WORLD HE MADE—FROM A YUGOSLAV PRISON, DJILAS STRIKES AT THE ROOTS OF COMMUNISM EVERYWHERE

(The New Class: An Analysis of the Communist System. By Milovan Djilas. Translated from the Serbo-Croatian. 214 pages. New York: Frederick A. Praeger.)

(By Jack Raymond)

Once Marshal Tito's heir-apparent and now most troublesome prisoner, Milovan Djilas has written a crushing indictment of Communist rule, on its own terms, often in its own language and employing the Marxist dialectical method. Djilas was no messenger boy on the fringes of conspiracy. He was a manipulator of power, a frequenter of the Kremlin and afterward Stalin's recognized ideological adversary.

He was one of the oligarchical quadrumvirate to whom red-starred Yugoslav partisans sang, "Tito, Kardelj, Djilas, and Rankovich, we will follow wherever you lead." This background and the author's clarity of expression, make "The New Class: An Analysis of the Communist System," one of the most compelling and perhaps most important sociological documents of our time.

In simple and frequently eloquent language, Djilas seizes the major premises and conclusions not only of the modern Communists but of the giants of the past—Marx and Lenin—and shatters these as lies and errors. He holds a mirror to the nature of communism as it really is—"a form of latent civil war between the government and the people." The author never wrote so informatively as a Communist propagandist; among other things, this volume is a fine example of how lucid a man's thoughts can be when they reflect his true convictions. One must recall the fuzzy appeals for democratization he published in the official newspaper Borba in the summer and fall of 1953 to feel the difference between the rationalization of a doubter and the emphatic stand of one who feels and tells the truth.

The Djilas story is cogently illustrated by an incident that occurred in the fall of 1953 during one of Yugoslavia's one-party election campaigns. Djilas, then vice president in charge of propaganda and education, was asked by foreign correspondents whether he, Tito, and the other rulers thought they could win a western-style free election. When he replied affirmatively, the correspondents chorused: "Then why don't you have free elections?"

"We think we would win—but we are not sure," he added, a boyish grin spreading over his pale, triangular face beneath the thick, curly hair.

Elected to Parliament that year by 99.8 percent of his Montenegrin constituency and, on Tito's recommendation, named President of that body, Djilas never took office. Spurred by conscience pangs that had been aroused in the Yugoslav condemnation of Stalin's despotism, he published a series of articles against Communist-ruled bureaucracy in Yugoslavia. Also, his political equilibrium had been upset during visits to democratic countries. There he had found himself continuously on the defensive while arguing with British, French, Burmese, and other Socialists.

At that time, Tito was engaged in an intensive courtship of the West, particularly the Socialists. Although some of Djilas' articles appeared extreme—he suggested that Communists might not be necessary to bring about socialism—Tito let him go on writing. A practical man, Tito didn't mind the impression gaining currency abroad that Yugoslavia was heading toward some form of democracy. So long as he continued to rule through the party, Tito could countenance his ambassador in London citing Djilas during diplomatic negotiations. Anyway, Djilas was a known maverick.

As Djilas appealed for more and more democracy, he also spoke out against the bourgeois types who insisted upon saying "mister" instead of "comrade" when addressing each other in public. Finally, a foaming, ill-mannered essay on the snobbery and social habits of his colleagues' wives proved Djilas' undoing. With an exasperated Tito presiding as chairman, he was kicked out of the ruling central committee and stripped of his government posts. The party press solemnly announced that Djilas' constituency had unanimously voted his recall.

Thereafter, living in isolation and penury, on the clerk's salary of his wife, the now thoroughly embittered Djilas turned to the foreign press when his own was closed to him. The partisan war hero who had never wiped off the caked Nazi blood on his sword refused to be silenced despite ominous warnings. Last January, after criticizing Tito's endorsement of the Soviet suppression of the Hungarian revolt, he was sentenced to 3 years' hard labor.

In the meantime, he finished his book The New Class, which was smuggled out of the country. He could have written a juicy exposé of the Yugoslav regime he helped to install and to rule for 9 years. Instead, having always had a philosophic flair, he chose to expose communism itself. He calls himself a Social Democrat now but does not offer any political program of his own. He is concerned only with a clinical description of communism as a system, pointing out, "no other revolution promised so much and accomplished so little."

The central theme of the book is simple. It resembles the Yugoslav leaders' ideological argument against Stalin's Cominform. But Djilas says that not only the Russian but any Communist regime must turn despotic.

Party monopoly and ownership of all the means of production inevitably create a self-perpetuating bureaucracy that is the core of a new exploiting class.

It is apparent, he says, that "all changes initiated by the Communist chiefs are dictated first of all by the interests and aspirations of the new class which, like every social group, lives and reacts, defends itself and advances, with the aim of increasing its power." Nor does the elimination of the chief despot end the cycle. The author notes that "when a palace revolution actually took place after Stalin's death, it could be seen that the essence had not changed; something deeper and more lasting was involved." The effort to change the character of communism in Yugoslavia is illusory too, Djilas adds. Khrushchev, who was frightened by the institution of workers' councils as a threat to the authority of the party organization, can take Djilas' word for it. The Yugoslav party runs the workers' councils as it runs everything else. "Clearly in an unfree society, nobody can freely decide anything," the author points out.

He describes the technique of party rule behind the facade of Government, the fumblings of the planners who must combat the slow, unproductive work of disinterested millions, and the Communist primacy of politicians over the military. As a matter of fact, he notes, if a military dictatorship were to supplant a political one, it would be a step toward freedom. Having himself imposed it and suffered it, Djilas is most informed and eloquent when he rails against the Communist tyranny over the minds of people. Yet, "even under communism, men think, for they cannot help but think," he reports. But "their thinking has two faces—one for themselves, their own; the other for the public, the official."

Frequently those who visit Communist countries ask, "How do the Communists rule, everything seems so placid, there are no guns in sight?" Djilas explains, "The mechanics of Communist power is perhaps the simplest which can be conceived, although it leads to the most refined tyranny and the most brutal exploitation. The simplicity of this mechanism originates from the fact that one party alone, the Communist Party, is the backbone of the entire political, economic, and ideological activity. * * * Laws and regulations do not have an essential importance. * * * Regardless of laws, everyone knows that the Government is in the hands of the party committees and secret police. * * * Everyone knows what can and cannot be done, and what depends on whom. People adjust to the environment and actual conditions."

Djilas concludes on a note of hope and optimism. Ironically, he has discovered that communism is the chief obstacle to world unity for which the rest of the world is striving. But, still young at 45 and intellectually undaunted, he forecasts achievement of that unity, a unity of variations rather than sameness, and ever-growing expansion of progress and freedom that will not be stopped either by brutal force or theory.

This book may prove a bombshell in Eastern Europe, as some have asserted, but it should be noted that the possibilities of its distribution there are limited. Besides, the people living in Communist lands already know the truth about their plight. Where this volume should count heavily, however, is in the so-called uncommitted areas of the world, where Communist slogans have placed treacherous temptations in front of newly stirring political groupings. And even in this country, it can be invaluable to any of our leading representatives who have trouble refuting Communist arguments about idealism.

"Ideas, philosophical principles, and moral considerations, the nation and the people, their history, in part even ownership—all can be changed and sacrificed," says the author of communism. "But not power. Because this would signify communism's renunciation of itself, of its own essence."

One wonders what Marshal Tito will do about his former comrade Djilas, now sitting in Srenca Mitrovica jail, perhaps in the same cell he occupied for 5 years under prewar Royalist jailers. When Djilas first fell, Tito boasted that he did not execute him. "My circumstances are, at best, uncertain," writes Djilas in his preface, a touching bit of understatement by an often arrogant but always brave polemicist, grandson of a Montenegrin mountain rebel.

[From the Washington Post of August 12, 1957]

DEATH BY DIALECTIC

The treatise by Milovan Djilas—Marshal Tito's former friend and comrade and present prisoner—which was somehow smuggled out of Yugoslavia, is described by the American publisher as an "Anti-Communist Manifesto." In reality the New Class is something even more important than that. It is a death blow to philosophic communism devolved entirely from Marxist premises and delivered through purely Marxist reasoning. Its effect, therefore, upon wavering party members ouside the Soviet orbit and upon their remaining fellow travelers is beyond all calculation.

From the Communist Manifesto (1848) of Marx and Engels we may perceive precisely what is meant by dialectical materialism, or the translation of Hegel's formula of thesis-antithesis-synthesis from metaphysical into materialistic terms. History is conceived as a continuous process of revolution, determined wholly by the play of economic forces. By historical necessity every ruling class (thesis) creates the conditions which make possible its overthrow by the class (antithesis) immediately beneath it, which thereupon constitutes itself as the new ruling class (synthesis).

However, one great weakness of the dialectic has been the logical difficulty the Marxists have found in explaining why this historical process, which is apparently inherent in their totally materialistic universe, should not continue after the predestined victory of the proletariat. In other words, what assurance is there that the "class-conscious" proletariat—as distinguished from the dialectically uninstructed mass of workers, or lumpen-proletariat—will not set itself up as still another ruling and oppressing class? The Marxist's answer of course is their utopian vision of the "classless society" in which time, history, and determinism will have come to an eschatological end.

The trouble with this argument is that the principal instrument by which (according to Marxist theory) the historical ruling classes have endeavored to perpetuate their own economic ascendancy is the political power—in a word, the state. Yet the seizure and monopoly of political power is also to be the device whereby the proletariat will consummate its triumph. This is what led Eugen Duehring and other anarchistically minded critics of Marxism to assert that the Marxist formula, if ever realized, would lead only to a form of autocracy and tyranny worse than the worst that history had yet known. It was Dr. Duehring's criticisms that prompted Engels to come forward with the notion that after the abolition of private property and of the profit motive the function of the State would become obsolete and that the political power would accordingly wither and die.

Now the substance of Comrade Djilas' argument—confirmed by the experience of almost 40 years—is that Duehring (though the name is not mentioned) was right and that Engels was wrong. The Communist triumph in Russia and elsewhere, so far from having brought an end to the class struggle, has only intensified it. The Communist Party and its bureaucracy have constituted themselves into a new class of owners and exploiters whose political power has penetrated into every pore of human life. The fact that under communism ownership of property is theoreticaly collective should not blind us to the monopolistic reality or to the oligarchic nature of owners:

"To be an owner or joint owner in the Communist system (says Djilas) means that one has entered the ranks of the ruling bureaucracy and nothing else. * * * Open at the bottom the new [Communist ruling] class becomes relentlessly narrower at the top. Not only is desire necessary for the climb; also necessary is the ability to understand and develop doctrines, firmness in the struggle against antagonists, exceptional dexterity, and cleverness in intraparty struggles and talent in strengthening the class."

Indeed life at the narrow top of the Communist hierarchy—the rarefied stratum that, when Djilas wrote, was still populated by Khrushchev, Molotov, Malenkov, and Shepilov—sounds, as Comrade Djilas describes it, very much like a reversion to the "state of nature" as represented by Thomas Hobbes in the Leviathan wherein there was "no mine and thine distinct but only that to be every man's that he can get for so long as he can keep it." At the bottom of the Communist pyramid, however—among those "children of starvation, the wretched of the earth," in whose name the party has professed to speak—there is nothing but "despair and hatred," hatred especially of the party and its hierophants; so that the plain inference is that the very same forces which, according to Marx and Engels, predestined the triumph of communism (much as Hobbes' anarchic "state of nature" gave rise to absolutism) also predestine its death and destruction.

The doctrine of the "dictatorship of the proletariat"—that theoretical interregnum between the revolution and the "withering away of the state"—has proved to be merely part of the process toward personal dictatorship.

"There is a constant tendency (exemplified in many historical analogies) to transform an oligarchic dictatorship into a personal dictatorship. * * * The leader who succeeds in getting to the top, along with his assistants, is the one who succeeds in most logically expressing and protecting the interests of the new (ruling) class. * * * But there is a specific and pure Communist reason for personal dictatorship: authority, (i. e., power) is the basic aim and means of communism and of every true Communist. The thirst for power is insatiable and irresistible among the Communists. Victory in the struggle for power is equal to being raised to a divinity; failure means the deepest mortification and disgrace. * * * Stalin, like every other Communist dictator, was aware that a retreat from the ideological bases of the party, from the monopolism of the new class, from the ownership of the nation's good, or from the totalitarian power of the oligarchy, would result in his inevitable downfall. Indeed, no such retreat was even considered by Stalin, as he was the foremost representative and creator of the system. * * * The fact emerges that in the Communist system no one is independent, neither those at the top nor the leader himself."

This goes also for national communism, that paradoxical phenomenon of which, until recently, Djilas' compatriot and comrade, Tito, was the most eminent exemplar. National communism, according to Djilas, is a contradiction in terms; for where it cannot

be enforced like Soviet communism by a ruthless dictatorship it can only lead "toward renunciation of communism itself or toward the disintegration of the Communist Parties. * * * In reality, national communism is communism in decline."

You will recall, no doubt, that it was Djilas' essay on the Hungarian insurrection—which he interpreted in Marxist terms as the beginning of the end of the Communist epoch in history—that brought about his rearrest and imprisonment at Tito's order. What will happen to him as the result of the publication of this earlier but more elaborate treatise we must wait to discover. Meanwhile there is no doubt that this book is comparable in its potential influence on political thought to the Communist Manifesto itself.

FEDERAL TRADE COMMISSION JURISDICTION OVER CERTAIN MEATPACKING ESTABLISHMENTS

Mr. THYE. Mr. President, Calendar No. 706, S. 1356, is a bill to amend the antitrust laws by vesting in the Federal Trade Commission jurisdiction over meatpacking establishments operating in interstate commerce.

This bill was reported to the Senate by the Judiciary Committee on July 24 with majority and minority views. The minority views submitted by the Senator from Illinois [Mr. DIRKSEN], the Senator from Indiana [Mr. JENNER], and the Senator from Maryland [Mr. BUTLER] support the so-called Dirksen amendment to S. 1356.

The Dirksen amendment would leave in the Department of Agriculture the jurisdiction over trade in interstate commerce by meatpacking establishments. It would also amend the Packers and Stockyards Act so as to prevent certain other business operations from exempting themselves from jurisdiction of the Federal Trade Commission through conducting a token meatpacking operation.

Mr. President, it is my intention to support the Dirksen amendment to S. 1356 when it is taken up for consideration on the Senate floor. I have studied the matter thoroughly and in my opinion the amendment offered by the Senator from Illinois more closely accomplishes the purpose which was intended by the introduction of this legislation without divorcing an agricultural industry from the Department of Agriculture where it more properly belongs.

I ask unanimous consent, Mr. President, to have printed in the RECORD at this point in my remarks a letter and certain telegrams which I have received indicating support for the views of the minority of the Judiciary Committee.

There being no objection, the letter and telegrams were ordered to be printed in the RECORD, as follows:

NORTHFIELD, MINN., *August 9, 1957.*

Senator EDWARD THYE,
United States Senate,
Washington, D. C.

DEAR MR. THYE: I believe that there is a bill being considered which would take meatpackers out of the Department of Agriculture and put them into the Federal Trade Commission.

I don't believe that this is the proper thing to do, because meatpacking is pretty close to the farm and it seems to me that the Department of Agriculture would be best able to regulate the meatpackers; also the Federal Trade Commission might not look out for us that market and raise livestock.

Yours very truly,

CASPER PETERSON.

WEST CONCORD, MINN., *August 9, 1957.*

Senator EDWARD J. THYE,
United States Senate Building,
Washington, D. C.:

I understand there is a bill now being considered which would take the regulation of meatpackers away from the Department of Agriculture and put it under the control of the Federal Trade Commission. I don't think this is the correct thing to do because meatpacking is very close to the farm and it seems that the agency looking over farm and agriculture problems should be best equipped to regulate the meatpackers also the Federal Trade Commission might look out only for the consumer and tend to forget those of us who raise and market the livestock.

SANDEM SENJEM.

ALBERT LEA, MINN., *August 9, 1957.*

Hon. Senator EDWARD J. THYE,
Senate Office Building,
Washington, D. C.:

We are concerned over Senate bill 1356 transferring jurisdiction of meatpacking industry trade practices from United States Department of Agriculture to Federal Trade Commission. Those who are primarily and principally engaged in meatpacking are an integral part of the country's agricultural economy and should remain under the control of the United States Department of Agriculture. We respectfully urge your support of Dirksen amendment to S. 1356 which would make it impossible for concerns such as grocery chains who conduct only a minor packinghouse operation to avoid Federal Trade Commission jurisdiction over their principal business activities. As a Senator representing one of the country's leading livestock-growing States your active support of the Dirksen amendment will best serve the public interests of Minnesota.

WILSON & CO., INC.,
H. B. HOUSH,
General Manager.

MONTEVIDEO, MINN., *August 10, 1957.*

Senator THYE,
Senate Office Building:

I hear there is a bill coming up which would move the regulation of the meatpackers from the Department of Agriculture to the Federal Trade Commission. I am against this bill because the meatpackers are in close contact with the farm and I believe that the department responsible for farm and agricultural problems should be the ones to regulate the meatpackers. Also I am inclined to think that the Federal Trade Commission is apt to favor the consumer in the relation to those of us who produce market and produce livestock.

B. E. BONN,
First National Bank.

ST. PAUL, MINN., *August 9, 1957.*

Senator EDWARD THYE,
Senate Office Building,
Washington, D. C.:

We believe the interest of the livestock producer is best served by jurisdiction over meatpackers being left under the Department of Agriculture, who supervise and regulate public stockyards. Your vote against transfer to Federal Trade Commission will be appreciated.

A. L. OLSON,
President, St. Paul Union Stockyards Co.

ST. PAUL, MINN., *August 9, 1957.*

Senator EDWARD J. THYE,
United States Senate,
Washington, D. C.:

In regard to S. 1356, transferring jurisdiction over packers from USDA to FTC, strongly urge you to oppose this bill. Farmers want control in Department of Agriculture.

J. L. MORTON,
President, Minnesota Farm Bureau Federation.

PRESTON, MINN., *August 10, 1957.*

Hon. EDWARD J. THYE,
United States Senator,
Washington, D. C.:

Information has been brought to my attention that there is a bill under consideration whereby the regulation of the meat packing industry would be taken away from the Department of Agriculture and put under control of the Federal Trade Commission. This seems entirely wrong to me as I believe that meat packing and livestock farming, being so essential to each other, should both be advised and regulated by the same department which is and should be the Department of Agriculture. Also the Federal Trade Commission might be inclined to forget about us fellows that are producing and marketing the livestock and look out for the consumer only.

Sincerely,

HILMAN ERICKSON,
PRESTON, FILLMORE COUNTY, MINN.

EDGERTON, MINN., *August 10, 1957.*

Senator EDWARD J. THYE,
United States Senate,
Washington, D. C.:

Take close look at bill that will take regulation of meat packers out of Department of Agriculture and put it under Federal Trade Commission. Trade Commission may not look from farmers' point of view. We don't want to lose any advantage the packers may be able to give us.

JOHN L. OLSON,
WORTHINGTON, MINN.

ELMORE, MINN., *August 10, 1957.*

EDWARD J. THYE,
Senator, Washington, D. C.:

Understand a bill to transfer regulation of meat packers from United States Department of Agriculture to FTC is pending. We feel this may harm rather than help the great livestock industry.

C. W. MEYERS,
Director, Minnesota Swine Producers.

JACKSON, MINN., *August 10, 1957.*

Senator ED J. THYE,
United States Senator,
Washington, D. C.:

I understand there is a bill under consideration which would take regulation of meat packing out of the Department of Agriculture and put it under Federal Trade Commission. I don't think this is the way to do it, because meat packing is pretty close to the farm and it seems that the agency that looks into farm and agriculture problems ought to be best able to regulate the meat packers. Although the Federal Trade Commission might look out for the consumers and tend to forget those of us who raise and market livestock.

ELDON H. SUMMERS.

Mr. THYE. Mr. President, the letter and telegrams to which I have referred are from some of the most prominent agriculturists in the State of Minnesota, and also from some business people

who are vitally concerned with the question involved in the bill. For that reason, I have asked unanimous consent that the letter and telegrams be printed in the RECORD as a part of my remarks.

PROBLEMS OF KLAMATH INDIAN TERMINATION—ARTICLES IN EUGENE REGISTER-GUARD

Mr. NEUBERGER. Mr. President, the Eugene Register-Guard, one of the major newspapers in my State, has published a series of well-documented articles by staff reporter William Dean on the problems involved in the termination of Federal supervision over the Klamath Indian Reservation. As chairman of the Indian Affairs Subcommittee of the Senate Committee on Interior and Insular Affairs, these stories have been of particular significance to me because they effectively outline the many questions of public policy which were not at all resolved by the original termination act and are now coming to light 3 years later.

Congress last week completed action on my bill, S. 469, which postponed the termination date for the Klamath Indians and authorized the Federal Government to compensate the tribe for at least a portion of the costs involved in preparation for the end of Federal supervision. I have also introduced, on behalf of myself and Senator MORSE, legislation providing for acquisition by the United States of tribal lands of the Klamath Indians. I believe that enactment of this bill, S. 2047, is an essential step for the protection of the economy of this area of Oregon and the preservation of good conservation practices in the Klamath River Basin.

The Eugene Register-Guard should be commended for its efforts to anayize the issues at stake in termination and present the views and opinions of those who are working on this problem. Although I do not endorse all the statements and comments contained in these articles, I think that they are worthy of close study by Members of Congress who must decide the questions involved, and I, therefore, ask unanimous consent that the first four stories by William Dean in this series be printed in the body of the RECORD. They were published in Eugene, Oreg., on August 4, 5, 6, and 7, 1957.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Eugene (Oreg.) Register-Guard of August 4, 1957]

SECOND LOOK NEEDED—WEAK POINTS FOUND IN KLAMATH INDIAN TERMINATION ACT

(EDITOR'S NOTE.—The Klamath Indian Reservation in southern Oregon is one of the first in the Nation to come under a relatively new Government policy to terminate supervision of the Indians. Termination has been in process for 3 years. This and following articles are a report on the progress of this program.)

(By William Dean)

At the junction of United States Highway 97 and Oregon 230, a few miles south of Chemult, there is this sign: "No hunting allowed—Klamath Indian Reservation."

For more than 50 miles south of this sign—south beyond Modoc Point on Upper Klamath Lake—the high plateaus, the hills and valleys belong to the Klamath Indians.

This million acres is land kept back by three tribes of Indians when they relinquished their ownership of the 20 million over which they had roamed for thousands of years. It is rich land of ponderosa pine, aspen groves, marshes alive with waterfowl, and of grassy range which can support thousands of cattle. It is land of plentiful water. Today, in midsummer, this land east of the Cascade Mountains is greener than the often rain-drenched Willamette Valley.

Living here in towns like Chiloquin, or communities like Sprague River and Beatty, are 1,300 descendants of the Klamath and Modoc Tribes and of the Yahooskin Band of the Snake Indians. Another 700 who can trace their ancestry back to these original owners of the Klamath Basin live off the reservation—in Klamath Falls, Malin, Eugene, or Springfield, and in 18 other States.

These 2,000 people and this million acres of rich land are proving an old adage:

"You can't do anything by just passing a law and waving your arm."

ASSUME FULL RESPONSIBILITY

Yet, that is what the Federal Government set out to do in August 1954. At that time the Interior Department proposed, and Congress passed, a law which said that by August 13, 1958, the Government would terminate its trusteeship over the persons and property of the Klamath Indians. On that date next August the Indians were to assume more than just the full rights of legal citizenship, which they already have been granted. They were to assume full responsibility for their own personal welfare. Those who couldn't manage their own affairs, children and incompetents, were to be protected by the laws of Oregon.

The termination act, Public Law 587, was passed 3 years ago. Since that time the Klamaths have been put through the wringer of emotional stress and near-violence probably unparalleled in a stormy history of internal conflicts.

Today, a few days more than a year before the original termination date, most of the procedures which were to have led to complete emancipation for the Indian have ground to a halt, or they have developed critical weaknesses.

Today the contrasts between the visible intent of the law and conditions on the reservation lead one to wonder whether Public Law 587 was designed for the Klamath Indians or some other group.

These contrasts between the law and the reservation to which it was supposed to apply have caused Congress to take a second look at termination. A week ago a Senate-House conference committee adopted amendments to Public Law 587 which will delay until 1960 the termination date, and will make other changes in the program.

FURTHER STUDY NEEDED

One reason for the delay is to give the Congressmen a chance to study termination in the light of what is now known about the Klamaths. But delay may not provide a real solution to the dozens of complex problems which affect not only the Klamaths but, in some degree, most of the people of Oregon.

When Congressmen take another look, these are some of the things they will find on the Klamath:

A population held together only by the tenuous thread, often microscopically thin, of blood-lines and by an equity in common property. This tribally owned property holds a different value for one group than it does for another. The people themselves are legally and administratively considered a race somewhat different from the rest of us—and they are a people who, among themselves, have progressed toward civilization at tremendously different rates.

The Klamaths are divided in the public eye by two strongly entrenched and determined factions. Neither opposes termination—but, led by men who have been in personal conflict over the last 20 years, they are unable to agree on how soon or in what from they want termination. A major number of the Klamaths, those who refuse to be identified with either faction, nevertheless are torn and confused by the cross-currents of the fighting.

Tribal government, never a strong influence on the Klamath, now has deteriorated to a point of almost complete failure.

Many Indians feel that they and their children have been made sitting ducks who will be exploited or legally robbed of their estates in the termination process. The tribal executive committee threatened a boycott against the Klamath County legal profession because of a special guardianship fee schedule established by the county bar association.

Non-Indians of the Klamath Basin look with genuine concern, and in a few cases with anticipation, toward the day when the Indians receive their shares in the $100 million reservation. Many fear the money will be blown within a short time. This would leave the Indian with neither the means nor the background with which to support himself, and will present the Klamath Basin and Oregon with a far greater problem than it has now.

Finally, Congressmen will find that many of the men who have been hired to work on the termination program are fearful of its effects. In a report which has never been released by the Interior Department, two of these men have said that Congress was misled about conditions on the reservation and the capacity of a majority of the Klamaths to assume personal responsibility.

Public Law 587 turned out to be the key to Pandora's box—once the box was opened these and many of the other ills of life on the Klamath reservation began to come into the open.

Today, even the men who have contracted to carry out a major part of the termination program are finding themselves in contradictory positions.

One of the men is Eugene Favell of Lakeview. He said recently in his Klamath Falls office that he and his coworker, T. B. Watters of Klamath Falls are "* * * meeting ourselves coming around the corners."

These men, with William Phillips of Salem, contracted with the Secretary of Interior to carry out the physical termination of the reservation property. Phillips resigned in March, 1956, and has not been replaced.

Watters and Favell are southern Oregon businessmen who have lived most of their lives in the area. Today they both admit freely that they really knew little about the Klamath Indians and, as a result of more than 2 years of study are just beginning to get the information we should have had to start with.

Neither of the men had had previous experience as a bureaucrat and this very naivete about some of the finer points of working for Uncle Sam is credited by many as the reason the Klamath fiasco has not developed into a full-scale disaster.

To begin with, as Watters proudly points out, they were able to get a peculiar (for Federal employees) clause attached to the contract which they signed with Secretary of Interior Douglas McKay in May, 1955.

This clause gives the management specialists the right to recommend changes in the termination law. It was opposed by nearly everyone in the Interior Department, Watters says. But, he reports, "McKay said: 'You'd better listen to these men from Oregon. They are on the scene.'"

Operating under the added clause, Watters and Favell—while carrying out the letter of the law—have not hesitated to become convincing and outspoken critics of some parts of it. They have urged an extension of the

termination period and basic changes in the provisions for disposing of tribal property.

Watters, who calls himself a life-long black Republican, has become a real black sheep to many of his Klamath Falls neighbors. Yet, he and Favell have been at least partly successful in convincing others of their neighbors that Public Law 587 will create more problems than it will solve.

Paul Landry, former mayor of Klamath Falls, said recently, "I have fought with Tom for years on most local issues, but this time I am with him."

[From the Eugene (Oreg.) Register-Guard of August 5, 1957]

BATTLE WON, BUT NOT THE WAR—SPECIALISTS APPLAUD TERMINATION DELAY

(By William Dean)

"I favor termination. But if it comes right down to the final analysis I would prefer to have 587 repealed than to go through with it as it is set up now."

The statement was made in mid-July by one of the men responsible for a major part of the termination program on the Klamath Indian Reservation. At the time, a Senate-House conference committee was considering amendments from each House of Congress which primarily are intended to delay parts of the termination program so that Congressmen can take a second look at what they created in August 1954, when they passed Public Law 587.

At the end of July, Tom Watters—who was one of three men hired in 1955 to terminate Federal supervision over the physical assets of the Klamath Tribe—told the Register-Guard:

"It's important that the Klamath Indians get out from under Government supervision * * *."

But, he added, "It's also important not to cause any more damage than necessary."

FRICTION AND DISTRUST

Watters is a cheerful, outspoken man who somehow had managed to keep his emotional balance despite the friction and distrust which has developed around his job since the passage of Public Law 587. His partner in the termination job is the more reticent Eugene Favell of Lakeview. A third man, William Phillips, of Salem, resigned in March 1956.

Watters and Favell are well aware that their official title—management specialists—is spoken with all shades and degrees of contempt or irony by many persons. They are themselves of the opinion that the title is a pretentious misnomer.

But that is the least of their problems. Under Public Law 587 they have what has turned out to be an almost impossible problem.

If they carry out the provisions of the law as it was passed, Watters and Favell are convinced that:

The majority of the Klamath Indians will suffer;

The economy of the Klamath Basin will suffer.

The management specialists consider the amendment which will delay termination from August 1958, until August 1960, a battle which has been won. But, Watters says, "We still haven't won the war."

FOUR BASIC STEPS

The battle—and the war—have been going on since May 1955 when the three men signed a contract with Secretary of Interior Douglas McKay. Since that time the specialists have been in almost constant conflict with either the department, members of the Klamath Tribe, or their non-Indian neighbors. The chore the specialists contracted to carry out by March 31 of this year required them to go through these basic steps:

1. Cause an appraisal of the 800,000 acres of the Klamath Reservation which are in tribal ownership (roughly valued at more than $100 million);

2. Conduct an election among the 900 adult Klamaths in which the Indians will choose between taking their per capita share (estimated at $50,000) of the reservation's value in cash and withdrawing from tribal membership—or of remaining in the tribe to share in a management plan. This plan can't be worked out until after the election when it will be known how much land and how many members will be left in the tribe;

3. Sell enough of the reservation in economic units to pay off the equities of the withdrawing members;

4. Develop a management plan under which the remaining forest and range lands can be operated as a communal unit under a private corporation or trust.

This would seem to be a fairly simple procedure. The catch is that 70 percent of the Klamaths have indicated they might favor withdrawal and $50,000 cash in hand against some sort of management scheme which is still very much of an unidentified bird in the bush.

If as many of 70 percent of the members withdrew a lot of timber would have to be sold. Earle Wilcox, forester working for the specialists, says that the volume to be dumped on the market in 1 year would be about eight times the amount normally absorbed by all of the mills in the entire Klamath Basin. This would probably result in low, panic prices. The Klamaths would not get full value for their property. And the dumping of so much stumpage would probably not only upset the economic structure of the western pine region, but would likely have an effect in the Douglas-fir region.

Furthermore, the termination act requires that the highest possible prices be obtained for the timber. This means it would have to be offered in small tracts where competitive bidding would bring the best prices. These tracts would be offered and purchased on the basis of immediate recovery of the investment through logging. The result would almost certainly be rapid liquidation of the individual tracts and ultimately of the forest.

Watters says, "One of the finest stands of timber in the United States would be destroyed."

AMENDMENT URGED

The specialists, after a year of detailed study, recommended that Public Law 587 be amended to permit the purchase of the Klamath forest and range land by the Federal Government. They feel that only in this way can the area be kept in one management unit for long-term conservation purposes and at the same time provide a fair market value return for the Indians.

This forest which the management specialists believe should be kept in one unit covers almost 600,000 acres of the 1 million which were originally within the reservation. Another 200,000 acres are in rangeland and the marshes which provide resting places for migratory birds and—more importantly—are the sponge which pours an undiminishing stream of water into the vast irrigation works around Klamath Falls. The total 800,000 acres is owned by the tribe as a group. The rest of the million acres is in allotments which were made in past years to individual Indians and which have been held in trust by the Bureau of Indian Affairs. Under Public Law 587 clear title to these lands will pass to individuals. A program of selling the allotted land has been underway for more than 2 years. Prior to 1954 more than 100,000 acres were alienated—sold to non-Indians.

The forest itself is one of the best ponderosa stands in the Nation. It contains an estimated 4¼ billion board-feet of merchantable timber. Another 4½ billion has been removed over the 40-some years in which there has been logging on the reservation. About one-fourth of the annual timber supply for the Klamath Basin comes from the reservation, through sales supervised by the Bureau of Indian Affairs.

INCOME FOR INDIANS

More important to the Indians, and of the greatest significance in the termination program, the forest has provided the tribe with a gross income of more than $30 million in the past 40 years. This has been redistributed to tribal members, after administrative expenses have been paid, at the rate of about $800 per person per year. Each man, woman, and child will get more than $1,000 this year.

For a family of 5 this has meant an annual tax-free unearned income of $4,000 a year for the last generation—and on that fact hangs the scalp of many a Klamath.

[From the Eugene (Oreg.) Register-Guard of August 6, 1957]

"LO, THE POOR INDIAN"—GENERALITY CAUSE OF MANY DIFFICULTIES

(By William Dean)

"Lo, the poor Indian."

That phrase has been a catchword with Americans for nearly a century. The transformation of the phrase into a mental image of the Indian has led to many of the difficulties involved in termination of Federal supervision over the Klamath Indians and their reservation.

To our forebears pushing westward the Indian was a fellow creature to be exterminated because he occupied land that they wanted, because he stood in the way of progress, and because he frequently was a threat to our ancestors' own lives. But, he also was frequently an individual with great personal dignity and courage, a man with whom the non-Indian could and did live with as a neighbor.

Later, when the Indian was pushed onto reservations where the non-Indian could conveniently forget him, confident that he was out of the way—or was being cared for by a paternalistic Great White Father—Lo came into being as a figment of our imagination, a creature of the fiction and movie script writers.

The Indian ceased to be an individual and became a generality. He became Lo, the poor Indian, the wronged but noble red man. Or, to the less sentimental, he became Lo, the lazy, dirty, brawling man with dark skin and straight black hair.

It is this generality which today haunts the people who live on the Klamath Reservation and trace their ancestry back 10,000 years before a treaty was made with the white man by La-Lake, Chil-oque-nas, Chemult, Schon-chin, Sky-te-ock-et, and other tribal leaders.

These chiefs of the three tribes who today make up the Klamaths would find it hard to see any similarity between Lo and the people who live at Modoc Point, Chiloquin, Sprague River, Beatty, or Eugene.

But the non-Indian in setting up and in administering the Klamath termination has seen Lo behind every face. The 2,000 persons of Klamath descent have been pigeonholed. We have said, because among the 700 who live off the reservation there are many capable and well-adjusted persons, that all Klamaths are so. We have said, because among the 1,300 who live in the area of the reservations there are some alcoholics and spendthrifts, that all Klamaths are drunks and wastrels.

These attempts to pigeonhole the Indian—and his refusal to fit into preconceived

niches—has caused many of the contradictions in the termination program.

Yet, in the termination program it is necessary to consider them as a group with some degree of common ancestry and a common equity in the reservation property. It is necessary to know that there are only 351 full-blooded Indians, that most of the Klamaths are minors, that most of the marriages are with non-Indians or non-Klamath Indians. It is necessary to know that among the Klamaths there is a sizable group who want to escape the teepee concept of themselves; who, along with A. H. Wright, director of Oregon's Indian education and training program, ask:

"Just why is a man who is seven-eighths Swede and one-eighth Indian legally labeled an Indian?"

At the same time that it is necessary to compile group statistics about the Klamaths, it is vital to see them as individuals. Termination for most Klamaths is ultimately a problem of individual ability to leave the shelter of the reservation.

Let's break Lo into component parts and listen to some of the individuals living on the Klamath reservation.

AGENT UNDER STRAIN

The first is Seldon Kirk, for more than 20 years the chairman of the Klamath Tribal Council and a member of the Grange for a quarter of a century. Retired now from the carpenter's job which he held for many years, Kirk has aged rapidly—friends say—under the strain of trying to hold together a badly divided people.

In his comfortable farmhouse near the Council Grove, where the treaty of 1864 was signed between the United States and the leaders of the three tribes, Kirk said recently:

"The termination law wouldn't faze us one bit if the people had been brought up to be independent and to earn their own bread and butter. But they haven't been. The attitude now seems to be one of shiftlessness. Why should a man learn to work when he knows he'll get enough from the timber sales to live on? The per capita payments (distribution of timber sale receipts) have been an inducement to shirk our personal responsibilities."

One time, Kirk continued, his father called him and told him to keep their five family land claims together. Kirk extended his gnarled hands. He flexed the fingers and made a twisting motion:

"My father picked up a bunch of sticks—you know the symbol—they can be broken one at a time but in a bunch they have great strength. That is what has happened to us. We've been divided and now we're fighting among ourselves."

IMMEDIATE TERMINATION

One of the leaders of the group which wants immediate termination is Ida (Mrs. Wade) Crawford. She spends much time away from the reservation, in Washington, D. C., or in meetings with some of the one-third of the tribe who have already, in effect, terminated themselves by moving away from the reservation influence. A woman of personal charm and the strength of her convictions, Mrs. Crawford says:

"The old Roman law of divide and conquer is being followed by these interests who have ruled us for all these years. They want to pick the pockets of our children and force the Indian to bear the burden of sustained yield by delaying termination until Congress can take a second look at the economic implications of liquidating the 4¼ billion board-feet of ponderosa pine on the reservation.

"It's our equity in these resources that is being frittered down the drain while the politicians stall," Mrs. Crawford charges. At the July 13 meeting of the tribal council she read a magazine editorial which said that the Klamaths are no more ready for termination than the headhunters of New Guinea.

"See what they think of us," she cried. "See what they think of the Indian."

Boyd Jackson is one of the most outspoken opponents to the 4-year termination program started by Congress in 1954. Short and stocky, Jackson's smile-crinkled face becomes serious when he explains his view that termination should be a more gradual process.

Making circling motions with a finger, Jackson said, "The politicians come out here and stir us around this way; then another bunch comes out here and stirs us around that way—like we were something in a bowl. We've been groping around in the dark since the passage of the law. I still feel (termination) is too far off; I can't believe it is going to happen, yet the time is on our necks."

WASHINGTON PROGRAM

One of Jackson's criticisms of the termination program is that it was worked out "in Washington instead of here on the ground."

"No one really tried to find out what we wanted, only what some of us wanted. It's the same way now. The law says that there should be consultation with the tribe on the management plan so that it will be acceptable to us. But they can't consult with us until after the plan is completed. What is consultation, anyway?"

These are three of the leaders of the tribe. There are many others who, when you talk with them, take shape as individuals:

Delphine Jackson, a student in commercial art at Marylhurst College near Portland, who feels that the 2-year-old educational program on the reservation—under which she is taking her training—could be an important factor in readying tribal members for termination. But, like her grandfather, Boyd Jackson, she feels termination is premature and that not enough time has been allowed for the transition from reservation life to the outside world.

The woman who gave an impassioned invocation at the July meeting of the tribal council: "Give us the heart and mind, oh Lord, to do what is right * * * to show that we are not uneducated savages for people to look down on."

DECORATED BARRELS

Edison Chiloquin, a descendant of one of the treaty signers after whom the reservation's only incorporated town is named. Chiloquin, who has one of the few Indian surnames on the reservation, has decorated the town's waste barrels with symbolic paintings during various stints in the city lockup: The barrel in front of the State liquor store carries the ugly face of a roaring (non-Indian) drunk, in front of the post office a barrel shows on one side an Indian sending smoke signals and on the other a pony express rider.

Vina (Mrs. Friedman) Kirk, an Indian but not a Klamath who is married to the son of Seldon Kirk, and who is the first and only woman or Indian ever elected to the Chiloquin City Council.

An Indian woman speaking of the requirement that a proposed management plan for whatever part of the reservation will be left after the termination election must have the approval of the Secretary of the Interior before it can be discussed in detail with the tribal executive committee: "We're the ones being terminated, not the Secretary."

The woman leader of the on-reservation discussion group studying termination problems who criticized a leader of one of the factions for his repeated questions during a meeting by asking rhetorically: "What is greater than a fool who is always asking questions? He who already knows all of the answers."

And Hiram Robbins, one of no more than a dozen actually successful Indian ranchers on the Klamath Reservation.

MORE STUBBORN THAN MOST

Robbins, half Modoc, was born in Oklahoma where many of the Modocs were sent to exile after the war of 1872–73. He got out from under the blanket at an early age but has remained on his ranch within the reservation. "I was more obstinate and stubborn than most people, I guess," he says.

Robbins, who enjoys an excellent reputation among the businessmen of Klamath Falls, covered many subjects of Indian life during and interview in which more than 4 hours slipped by. But he returned invariably to this one theme which may be the key to many of the reasons why the Klamath termination has not worked out smoothly.

"All of these people who came out here, all of the Congressional committees and everyone else, never talked about the people. Always, when they came here to study us, they looked at the trees and the water.

"We have a race of people here, not just the timber; but they didn't visit our homes, they drove through our forests and measured our trees instead."

[From the Eugene (Oreg.) Register-Guard of August 7, 1957]

REPORTS IN DIRECT CONFLICT—ARE KLAMATHS READY FOR TERMINATION?

(By William Dean)

On January 4, 1954, Orme Lewis, Assistant Secretary of the Interior, sent that Department's draft of a bill to terminate the Klamath Reservation to Congress.

The legislation had been sought through a Congressional resolution 6 months earlier. In his letter, Lewis expressed the Department of the Interior's view that the Klamaths were not only anxious for termination but were prepared to assume the greater personal responsibility that this would entail.

Since then there have been both official and private reports which are in direct conflict over whether the Klamaths are prepared. In each case the reports speak of the Indians as a group although the reports actually deal with a so-far undefined portion of the 2,000 in the tribe.

In his cover letter, Lewis said:

"It is our belief that the Klamath Tribe and members have attained sufficient skill and ability to manage their own affairs without special Federal assistance.

"Through intermarriage with non-Indians and cooperative work and association with their non-Indian neighbors such as adult education and technical-assistance programs, education in the public schools over an extended period of years and employment in gainful occupations within and without the reservation, these people have been largely integrated into all phases of the economic and social life of the area * * *."

In August 1954, Congress passed a termination law based on the Interior Department's draft. It became Public Law 587. It also became the catalyst that set off 3 years of dissension and distrust among the Indians—and between them and their non-Indian neighbors with whom Lewis said they had been engaging in cooperative work and association.

How do you reconcile the Department's official view of the Klamaths with such statements as these:

The Klamaths are "no more able to assume the responsibilities (of termination) than the aboriginal headhunters of the Fly River area of New Guinea" (editorial in American Forests, February 1957).

"The Indians and the Klamath Reservation are receiving a very poor education. The chief difficulty is the attitude of the people. Lack of education is reflected in the scarcity of skilled workmen and the total absence of professional people. Education is the yardstick by which we measure the ability of any people to make their way in our complex society, and it is unfortunate

that the Klamath people do not nearly measure up to their non-Indian neighbors" (report of the Klamath Agency, and office under the Bureau of Indian Affairs which is part of the Interior Department).

"The material culture of the Klamath Indians is little different from their non-Indian neighbors. They drive the same type cars, live in similar houses, dress and speak the same. They do not wear their hair in braids and very few aboriginal foods are still eaten. Only in the field of nonmaterial culture, such as attitudes toward time, work, and money, are the Klamath set apart in any degree from other citizens of Oregon" (from report by Oregon State Department of Education on Klamath termination program).

OFFICIAL DEPARTMENT VIEW

Finally, how do you reconcile the official Department view with the material contained in a report made to the Secretary of the Interior last winter—a report which has never been released officially? This report on the social implications of Public Law 587 was filed by the management specialists—Tom Watters and Eugene Favell—who were hired by the Secretary to carry out termination of the physical resources of the tribe.

They say, however, "we cannot ignore the basic social implications of this legislation. Of national importance is the question of what will happen to the Klamath tribal forests. * * * Of equal importance is the question of what will happen to the 2,000 human beings who are directly affected by this law."

The report at the outset quotes the paragraph from Lewis' letter reproduced above and suggests that it can only refer to those Klamaths living on the reservation since little was known in 1954 about the one-third of the tribe living in other places.

Then, the report says, "we have become convinced that Congress acted on the basis of inaccurate information concerning the majority of Klamath tribal members. * * * The Klamaths are entitled to consideration in the light of valid factual information. The decision to terminate * * * must necessarily be based on facts."

The management specialists say that the concept apparently held by members of Congressional committees on Indian affairs that the Klamaths are and have been managing their own affairs is erroneous.

"The Klamaths have never managed their own affairs as a group since the establishment of the reservation and there is a large group * * * whose members do not manage their own affairs as individuals."

The 12-page report also states: "One month after the passage of Public Law 587, 240 adults were considered by a local committee to be incompetent to handle their own personal funds, and the funds of 600 minor tribal members were held at the agency for supervision. This means that almost 50 percent of the adult Klamaths then living on the reservation were not considered competent to handle their own funds at the time Public Law 587 was passed.

"Records disclose a number of case histories of individuals who have received substantially large sums of cash and have dissipated those sums with no apparent increase in their standard of living. Three of the more recent examples of this type involve a 40-year-old male Klamath who received $2,180 in a lump sum in December of 1955 and did not have money for food 2 weeks later; a 50-year-old female tribal member who received close to $70,000 during the summer of 1955 and who is currently (December 1956) borrowing money; and a middle-aged male Klamath who received more than $11,000 in February 1956, and by midsummer had spent more than $8,000 with no perceptible increase in his standard of living."

DEGREES OF SUCCESS

The report points out that while information furnished to members of committees on Indian affairs indicates that the Klamaths have received education in public schools comparable to that of other citizens, the fact is that in the school year 1953–54 the school work of 40 percent of the 225 Klamath children enrolled in Klamath County public schools was not sufficiently satisfactory to warrant their being promoted to the next grade.

"Insofar as experience in business management is concerned, there is at present one tribal member who appears to be successfully operating a service station and store on the reservation and a few Klamath Indians who are operating ranches with varying degrees of success.

"It appears that more than two-thirds of the 270 able-bodied male Klamaths on the reservation between the ages of 18 and 63 either do not work at all or work only off and on. The majority of this group live, so to speak, from one per capita (distribution of timber sale proceeds) to the next."

The existence and functions of the Klamath Tribal Loan Board also, the report says, "have been cited as an example of the adequate business and management ability of the Klamaths as a group. When viewed in the light of the facts this example proves otherwise.

"It became the major function of the Klamath Tribal Loan Board to make advances on per capita payments and there was little or nothing in the situation to imbue the tribal members with any sense of financial responsibility."

During the period the board was in operation there were only two applications for loans to be used to purchase land, the report says.

Discussing the degree of social integration attained by the Klamaths on the reservation, the specialists' report turns to the court records of Klamath County which indicate that a substantial majority of the local adult Klamaths have been arrested and convicted during the past 10 years for offenses other than traffic violations. The number of convictions ranges from 1 to more than 100 per individual.

"The record also shows that the Klamath Indians, whose numbers in Klamath County comprise less than 3 percent of the county population, are accounting for almost 50 percent of the child delinquency cases requiring county welfare services."

The report concludes:

"The Klamath Indians have been described to Congress as one of the most advanced Indian groups in the United States. To substantiate this has been offered a description of their material possessions and references to the absence of Indian customs and dress. We suggest that a more reasonable criterion than the extent to which the Klamaths have shed the blanket, is how well the majority of them have acquired skills and attitudes necessary for the assumption of responsibilities in a non-Indian society which they will be required to assume upon termination."

The specialists, as shown in the report, obviously do not believe the majority of the Klamaths can make the transition from the blanket to full status in a non-Indian society under the terms of Public Law 587.

At the same time, a strong and vocal group disagrees.

They assert that it is now or never for the Klamaths. These tribal members say that they and the other Indians have been shackled by the reservation system far too long.

This internal conflict is one of the keys to the Klamath problem.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONSIDERATION OF CERTAIN NOMINATIONS IN THE FEDERAL POWER COMMISSION AND THE DEPARTMENT OF AGRICULTURE

Mr. KNOWLAND. Mr. President, I should like to address an inquiry to the distinguished majority leader. We have had some discussion on the floor, on several occasions, relative to the nominations which were passed over on the Executive Calendar, with particular reference at this time to the nomination in the Federal Power Commission of Mr. Jerome K. Kuykendall, to be a member of the Federal Power Commission, and the nomination of Mr. Don Paarlberg, to be an Assistant Secretary of Agriculture and a member of the Board of Directors of the Commodity Credit Corporation.

I had understood from the distinguished majority leader that after we had disposed of the unfinished business, perhaps early this week—and I hope by tomorrow—we might proceed to the consideration of the nominations.

Senators on both sides of the aisle have expressed to me the feeling that the nomination of Mr. Kuykendall, which is to fill a vacancy, and the nomination of Mr. Paarlberg to two very important positions in the Department of Agriculture should be acted upon. Can the Senator from Texas give any assurance as to when the Executive Calendar may be called and action taken on these nominations?

Mr. JOHNSON of Texas. First, the Paarlberg nomination was not reported to the Senate until August 7. The Kuykendall nomination was reported on August 1. The problem which has confronted us has been that the printed hearings on both nominations have not been available. I hold in my hand the hearings on the nomination of Mr. Don Paarlberg. I had asked that they be placed on my desk when they were available. I also have now the hearings on the nomination of Mr. Kuykendall.

It is the plan of the majority leader, subject to the will of the Senate, and certainly subject to the approval of my friend, the minority leader, to have Calendar No. 866, H. R. 8240, the military construction authorization bill, and also the Niagara River power bill, taken up following the eulogies of the late Senator George today. I hope it will be possible to have both those bills considered today, perhaps late this afternoon. I give notice now that the Senate will remain in session late this evening if it is necessary to pass the Niagara bill.

It is planned to have the Senate convene at 11 o'clock tomorrow morning. I should like to have the Senate take up then the resolution which has come

over from the House to extend appropriations for certain agencies. Also, I should like to have the Senate consider the conference report on the public-works bill and the conference report on the mutual-security authorization bill. It may also be that there will be 2 or 3 other noncontroversial matters which will have to be sandwiched in.

At the conclusion of the consideration of those matters, which I hope will be not later than the middle of the day, and if it is agreeable to the minority leader, and also if the Senate will support me, I shall move to proceed to the consideration of the nominations on the Executive Calendar. I understand the nominations are controversial. I feel certain there will be some yea and nay votes. I do not want any Senator to think that a vote is being "sprung" on him.

I apologize to Senators for the delay which occurred in the publication of the hearings. I myself spoke with the Senate Printing Clerk about the matter, and the hearings are now available. I should like every Senator to take notice of that fact. Senators can now review the hearings.

Unless we get off schedule, I should think it would be possible to consider the nominations on the Executive Calendar by midday tomorrow, or late tomorrow afternoon.

I shall keep in touch with the Senator from California and with any other Senators who may be interested in the nominations. If the nominations are not reached by tomorrow afternoon, I hope they will be reached the first thing on Wednesday. But it is desired to give highest priority to the conference reports on the appropriation bills and on the mutual-security authorization bill. I have already scheduled them; otherwise I would consider moving them ahead of the bills we are about to consider. But the Senator from California knows that the feeling concerning the Niagara bill is pretty touchy, because it was the pending business before the Senate took up the consideration of the civil-rights bill, and I want to keep faith with my colleagues who are interested in the Niagara bill.

Mr. KNOWLAND. Mr. President, the program as outlined by the majority leader is satisfactory to me, but I most strongly urge that he follow the course of action which he has outlined, so that the Senate may begin to consider the nominations by tomorrow afternoon, even if it is necessary to have the Senate remain in session later in order to move along with them. I think it is necessary in fairness to the persons concerned, and also to the President, who submitted the nominations to the Senate, that we should move toward their consideration. I appreciate the cooperation of the majority leader.

Mr. JOHNSON of Texas. I thank my friend from California and assure him that that is my intention. If there is any change to be made in the plans, I shall be in touch with him.

I may state for the information of Senators who are present and for the benefit of the RECORD that the hearings on the nominations have been available since 9 o'clock last Saturday morning.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. HUMPHREY. I did not understand that there was to be any arrangement as to a limitation of time on the consideration of the nominations.

Mr. JOHNSON of Texas. The sky is the limit. It is understood that the nominations are controversial and that there will be extended discussions.

Mr. HUMPHREY. I assure the Senator from Texas that the nominations are very controversial.

Mr. JOHNSON of Texas. I am aware of that. The Senator from Texas was made aware of the controversy in his endeavor to have the hearings printed. But the hearings have been available since Saturday. My friend, the Senator from Oregon [Mr. MORSE], wanted the opportunity not only to have the hearings printed and a copy made available to each Senator, but also the opportunity to review them. That is why I did not move to have the nominations considered on Saturday or today. But it is my plan to call them up tomorrow, after the Senate has finished with the appropriation bill and the other important business.

Mr. HUMPHREY. The majority leader is very considerate in proposing a program to which we will be glad to adhere.

Mr. JOHNSON of Texas. I appreciate the Senator's comments.

RECOMMITTAL OF NOMINATION OF VICTOR R. MILLIGAN TO COMMITTEE ON POST OFFICE AND CIVIL SERVICE

Mr. JOHNSTON of South Carolina. Mr. President, while we are discussing nominations, I ask unanimous consent to have recommitted to the Committee on Post Office and Civil Service the nomination of Victor R. Milligan to be postmaster at Ketchikan, Alaska. After the nomination had reached the calendar, objections were raised to it, and a hearing was asked for. I have talked with the distinguished Senator from Kansas [Mr. CARLSON], the ranking minority member of the committee, and he also agrees to having the nomination recommitted.

The PRESIDING OFFICER. Without objection, it is so ordered.

KEEPING WILDERNESS WILD

Mr. HUMPHREY. Mr. President, many of us who have fought for preservation of our country's natural beauty welcomed a splendid article in the New York Times, Sunday, by David Cushman Coyle, entitled "To Keep the Wilderness Wild."

Mr. Coyle, an engineer by profession, has written for many years on political and public affairs. The wilderness article is in part taken from his forthcoming book Conservation and Accomplishment, which is scheduled for October publication.

Mr. President, I ask unanimous consent to have the article referred to printed at this point in the body of the RECORD, and commend it to my colleagues for review.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TO KEEP THE WILDERNESS WILD

(By David Cushman Coyle)

Almost a century ago Henry David Thoreau, recalling the royal game preserves that William the Conqueror and his successors established in Britain, wrote in The Atlantic Monthly:

"Why should not we, who have renounced the king's authority, have our national preserves * * * in which the bear and the panther * * * may still exist, and not be civilized off the face of the earth—our forests, not to hold the king's game merely, but to hold and preserve the king himself also, the lord of creation—not for idle sport or food, but for inspiration and our own true recreation? or shall we, like villains, grub them all up, poaching on our own national domains?"

Today only a few such uncivilized preserves remain. Some 55 million acres—about 2½ percent of the 2,300,000,000 acres in the United States and its territories—of Federal lands can be classed as wilderness. They are divided into two main groups. One consists of the undeveloped sections of the national parks—not the areas cleared for roads, picnic grounds, trailer camps and ski runs, but the reaches beyond where man is at most a brief visitor who leaves no more than a path to mark his trail. The other is composed of reserved areas in the national forests—about 14 million of the forests' 181 million acres—set aside by the Forest Service, but subject to change by its administrators, under the Secretary of Agriculture.

Other smaller wilderness areas have been designated within the National Wildlife Refuges and on Indian reservations. There are also 3 million acres of wilderness in State-owned lands, most of it in the Adirondack and Catskill forest preserves, which under the New York State constitution must be kept forever wild.

With our population heading for the 300 million mark within the next two generations and our cities and suburbs expanding at the rate of a million acres a year, these wilderness areas are meeting steadily increasing dangers of invasion. The most obvious pressures come from private commercial interests—lumbermen, stockmen, miners, and oilmen. But sometimes the Government itself invades the wilderness reservations. The attempt of the Interior Department to put through an irrigation and hydroelectric development on the upper Colorado, including Echo Park Dam in the Dinosaur National Monument, is an example. In that case, protests from nature lovers all over the country persuaded Congress to hold up the whole project until its proponents agreed not to attempt to put a dam in any reserved area. The Armed Forces, too, demand increasing amounts of land, for testing and practice with atomic and other weapons.

But the most direct pressure on the wilderness lands comes simply from the increasing population, the crowds of people who want to get into the open country for sport or relaxation, who have the leisure to go and the automobiles to take them there. In 1953 18 million people are reported to have bought tickets to baseball games, but 32 million bought hunting or fishing licenses. A report from Wisconsin in 1955 showed that, while the population had increased 25 percent since 1947, small-game hunters increased 125 percent, and out-of-State fishermen 600 percent.

There happen to be handy statistics about hunting and fishing. Countless millions who do not hunt or fish go into the open for camping or picnicking, or simply to look, for

the good of their souls. More than 50 million people visit the national parks every year, and other millions are turned away because there are no accommodations for them.

As the people coming into the parks become more numerous, park officials are led to build more roads and open up more areas to reduce the crowding. The result is deeper incursions into the unspoiled wilderness. Picnic grounds are not acceptable habitats for the many kinds of shy creatures that scorn peanuts and chocolate.

Unless something unforeseen reduces the American standard of living, indications are that for at least the next 50 years—the period in which our population can be expected to double—popular demand is going to force an increase in the acreage converted from wilderness to resorts. Other uses of wild land also will call for increased acreage, and the conflicts among rival demands will grow more severe.

This year one of the recurring battles to keep intact the best of our remainding wild areas, beyond the park lands already trampled by the herds of tourists, is going on in Congress. It centers in the Wilderness bill, introduced in the Senate by HUBERT H. HUMPHREY, Democrat of Minnesota, and others of both parties, and in the House by a bipartisan group led by Representative JOHN P. SAYLOR, Pennsylvania Republican.

The bill would establish a National Wilderness Preservation System with a council made up of the heads of interested Government agencies, the chairmen and ranking minority members of the Senate and House Committees on Interior and Insular Affairs and representative private citizens. They would maintain constant surveillance over the wild areas that have been already set aside in the Federal lands but that now are subject to the danger of transfer to other uses by a hostile administrator or overdevelopment by an ambitious one. It is possible that a few other, almost unknown, wild areas in the Federal domain might be added to the protected list under the proposed bill, notably the rugged northern Cascades in the State of Washington.

Is the preservation of these areas worth the trouble of making and enforcing laws to that end? The general conservation principle, since the time of Gifford Pinchot and Theodore Roosevelt, has been that it is wasteful to destroy unnecessarily any resource that we may want in the future.

The most familiar example of such waste is, perhaps, the creation of irretrievable soil erosion. The same principle applies also, with special force, to the preservation of wildlife habitats and wilderness reserves. Any type of landscape, in its natural form and with all its biological elements in balance, can usually be preserved by suitable means, but if it is once destroyed it may be impossible to restore by any human agency, or by nature in any foreseeable future.

Thus the issue of wilderness preservation comes down to two questions: Is the wilderness a valuable resource? What other values would have to be sacrificed in preserving it?

The greatest value of the unspoiled sanctuaries is esthetic, even spiritual. Some people always will want to go quietly into these wilderness areas, where no roads penetrate but travelers on foot or horseback are welcome, to see what virgin nature is like. Many more will find pleasure and reassurance simply in knowing that such untouched places exist. Opponents of wilderness preservation may call such reasons sentimental, but the mere fact that most of the multitudinous life of the world of our forebears still exists is a comfort to a large number of people. And spiritual comfort is as necessary as physical comfort in maintaining a high standard of living.

One important short-range economic reason is that in many cases the wild areas provide the cheapest and best form of watershed and soil conservation, storing rainwater and releasing it naturally to the land outside. For sportsmen, they assure continuing stocks of game and fish by providing wildlife with natural breeding grounds—from which members of each generation will venture into unprotected regions.

Their educational and scientific values should be obvious. They are natural museums of our country's past and natural laboratories for such studies as genetics, zoology, botany, and geology. They offer the scientist in any of these fields an invaluable control to match against experiments conducted in a civilized environment.

What is perhaps not so obvious is that we cannot tell what practical uses the technology of the future may find for some plant or animal—provided it still exists. Who would have thought, for instance, that the humble mold penicillium would suddenly spring into prominence as the source of a lifesaving antibiotic? We may have a future use for only one species in a million—but which one? The wilderness areas are insurance that it will not have become extinct.

As the New York Times noted last year: "This isn't just a question of city folk seeking outdoor recreation, or enjoying spectacular scenery, or breathing unpoisoned air. It goes much deeper; it springs from the inextricable relationship of man with nature * * *. Man needs nature; he may within limits control it, but to destroy it is to begin the destruction of man himself. We cannot live on a sterile planet * * *."

What other values, then, would have to be sacrificed to preserve the wilderness areas? In every political struggle over competing uses of land, the intangible benefits are contrasted with tangible, commercial uses. Most of the present wild land in this country, however, has remained wild because it is worthless as farmland and is relatively inaccessible. Some of it does have notable timber values, and was retained in public ownership only by the fact work of the early conservationists. Some of it may have oil or other minerals.

If the time should ever come when it would really be of first importance to invade the wildlife sanctuaries in search of food or oil or timber for want of supplies elsewhere, that would be scraping the barrel indeed, presumably in the last stages of a Malthusian disaster with hordes of hungry people crawling all over the planet. If such a possibility were to be admitted it would become one more practical argument for keeping the wild areas intact and in reserve: what we use up now we obviously cannot draw upon in some future emergency.

But the contestants over the uses of American wild land all assume a rising living standard, and with a rising standard of living the amenities will become more important and the basic necessities less so. In these circumstances, the distinction between practical and sentimental reasons for preserving our wild areas melts away.

A BILL, NOT AN ISSUE

Mr. HUMPHREY. Mr. President, everyone seriously concerned with protection of civil rights is more interested in getting a bill enacted than in political maneuvering to create an issue.

I am pleased to note that a similar position has been taken by the more objective press in our country, especially newspapers which had supported the President and supported the efforts of those of us who worked as vigorously as we know how for a stronger bill.

Mr. President, I ask unanimous consent to have printed in the body of the RECORD an editorial from the Minneapolis Morning Tribune of August 6, entitled "A Bill, Not an Issue," and an editorial from the Washington Post of August 8, entitled "Give It a Try." I also ask consent to have printed another editorial from the Washington Post of the following day, paying tribute to the role of the majority leader in getting Senate action without a filibuster, a column by Walter Lippmann discussing the bill and what it means, and a column by Doris Fleeson discussing some of the background behind the final action.

Mr. President, I also ask unanimous consent to have printed in the RECORD an article from the Washington Post of August 9 indicating a Republican move to put off action at the present session, and a press statement of my own issued a week ago when Republican leaders began to indicate the bill was dead.

There being no objection, the articles and editorials were ordered to be printed in the RECORD, as follows:

[From the Minneapolis Morning Tribune of August 7, 1957]

A BILL, NOT AN ISSUE

If Congress should fail to enact a civil-rights bill at this session, the whole angry controversy now centering in the Senate is sure to be revived next year. Since 1958 is a campaign year, such a revival would tend to strengthen, the political fortunes of the Republicans who could point to deep divisions on civil rights the Democratic Party.

The Democrats are largely responsible for weakening the present bill. Many Republicans, beyond any doubt, would like to refight the battle next year to wring the maximum political advantage from it.

But if civil-rights legislation were deliberately killed with this end in view, it would be a great disservice to the Nation. The Senate bill leaves much to be desired even in the limited area of voting rights which is its primary concern. There is no doubt that the jury trial amendment made it a less effective measure.

Yet as Senator HUMPHREY says, "it does represent a significant step forward and, properly administered, can serve usefully to protect civil rights." Its passage would represent a definite recognition by Congress that denials of the right to vote exist and must be dealt with by Federal authority. It would be the first Federal legislation in 80 years addressed to the strengthening of the Negro's civil rights.

Under the circumstances, any political stratagem which killed the bill merely to preserve the issue would be despicable. We believe that Senator JAVITS, Republican, of New York, took the proper attitude when he said: "I am disappointed in the bill as it is but I want a bill and not a campaign issue."

The American people, too, unquestionably want a bill and not a campaign issue. They would prefer a little progress in the field of civil rights to none at all, and they would not accept slick political maneuvering as a satisfactory substitute for progress.

There is some talk that Mr. Eisenhower may veto the bill unless the jury-trial amendment is limited to cases involving the right to vote. But disappointed as he may be in the measure as it now stands, with its sharply restrictive amendments, we do not believe that the President would arbitrarily veto it for partisan ends.

Mr. Eisenhower's interest in securing the Negro's rights has been amply demonstrated. He has placed the weight of his office and his influence on the side of those rights many

times. His whole record indicates that a capricious veto is highly unlikely. He is not the sort of man to reject the progress offered by a moderate bill to keep the fires of party controversy blazing.

[From the Washington Post of August 8, 1957]

GIVE IT A TRY

The 16 national organizations which have joined in a statement urging final passage of the civil-rights bill have taken a realistic view of what is possible. All of these groups opposed the jury-trial amendment approved by the Senate; but all of them recognize, also, that an amended bill is vastly preferable to no bill at all. It is noteworthy that among the signers is Roy Wilkins, executive secretary of the National Association for the Advancement of Colored People. Mr. Wilkins has courageously participated in the appeal to place the goal of some progress in this area ahead of any fancied political advantage.

This ought to be a signal to legislators who are interested in seeing a meaningful measure become law, and it ought also to help persuade the President. Mr. Eisenhower seemed to be slightly more conciliatory in his remarks yesterday. He indicated, without actually saying so, that if the jury-trial amendment is narrowed so as to apply only to voting-right cases he may approve the bill, or at least may not veto it. Here at least is room for adjustment.

This sort of delimitation of the jury-trial amendment in discussions between House and Senate will be a ticklish matter in view of all the temptations to make politics over the bill, but it is nevertheless very important. The amendment as written extends to all cases of criminal contempt and could have unknown and possibly very damaging effects on established equity procedure. It can be limited so as to apply only to voting-right cases and still make the point the Senate sought to make. Also desirable is some sort of reference in the legislative history or report softening the application of the excessive penalties for unauthorized use of testimony before the proposed Civil Rights Commission.

If these improvements can be accomplished, it then will be time for the proponents of stronger civil-rights legislation to put aside their misgivings and give the bill a try. This is a compliance rather than a punishment bill, and there can be no absolute certainty that it will be effective in all cases of denial of voting rights. But it is the first real civil-rights implementation bill in more than a generation, and it carries with it strong moral obligation as well as not inconsiderable enforcement powers. If the bill should prove inadequate in practice, surely it would be a great deal wiser to repair a law already on the books than to leave the whole question of civil rights in the stage of impassioned talk but no action.

[From the Washington Post of August 10, 1957]

MR. JOHNSON'S TRIUMPH

Almost everyone can agree that Senate passage of the civil-rights bill in its present form was a personal triumph for Senator LYNDON JOHNSON. Even those who still feel that the softening of the bill amounted to mayhem, must admire the consummate skill with which the majority leader sensed the legislative weather, found a common ground for agreement between South and North that extended across party lines, and marshaled his forces to put through the jury-trial amendment.

What may have been his personal motives other than the desire to obtain an acceptable bill only Mr. JOHNSON can say. Months ago, he explained privately his thought that a civil-rights bill could be obtained in this session of Congress, if it were properly presented, and he reiterated his own feeling that the most meaningful single advance lay in better protection of the right to vote.

In the process, it should be noted, Mr. JOHNSON did not injure his own political stature. He came out of the debate a national rather than regional figure on an issue deeply affecting both South and North. He managed, moreover, to hold the Democratic Party together when it appeared as if the northern and southern factions would tear each other apart to the chortling of the onlooking Republicans. All of this surely will have a bearing on whatever future ambitions he may have.

Yet it would be a disservice to the majority leader to leave the matter there. The art of compromise is very useful, indeed essential, in a democratic society; and what must not be forgotten in the present bill is that in return for the concessions that dismayed northern liberals, Mr. JOHNSON won reluctant acquiescence without a filibuster from southern conservatives, some of whom were conscientiously determined to have no bill at all.

In a memorable speech before the bill finally was passed Wednesday night, Mr. JOHNSON listed some of the positive accomplishments. He stressed the prestige of a new Assistant Attorney General in the field of civil rights and the importance of a Civil Rights Commission with subpena powers (to which he had initially been opposed) as an instrument to sift facts from charges. He pointed out that, quite apart from the guaranty of jury trials in cases of criminal contempt, Federal judges will retain substantial civil powers to enforce compliance with their orders through fines, imprisonment, and compensatory damages. Then, he added:

"For the first time in my memory this issue has been lifted from the field of partisan politics * * * I tell you—out of whatever experience I have—that there is no political capital in this issue. Nothing lasting, nothing enduring has ever been born from hatred and prejudice, except more hatred and more prejudice * * * there is a compelling need for a solution that will enable all Americans to live in dignity and unity * * * the Senate has dealt fairly and justly with this measure. This is legislation which is good for every State of the Union, and as far as I am concerned, Texas has been a part of the Union since Appomattox. * * * I shall genuinely support this legislation with enthusiasm, secure in the belief that it represents progress and assures an advance in the rights to which all our people are entitled."

These words furnish a yardstick by which the practical performance under the bill can be measured. If the House and the President agree, and experience bears out Senator JOHNSON'S glowing hopes, his own contribution in engineering consent will have been leadership of a high order.

[From the Washington Post and Times Herald of August 8, 1957]

A STRONG BILL

(By Walter Lippmann)

It is not, it seems to me, a true reading of what has happened about civil rights to suppose that the Senate has taken a good and a strong bill and has made it into a poor and a weak one. The Senate version is, on the contrary, a far better bill than the one brought forward by Mr. Brownell and accepted in the House.

The radical vice of the original bill is that it promises more than the President and the Attorney General can in fact perform. It invests the Federal Executive with nominal power and an enormous mandate, that of compelling the Southern States to cease and desist from all violation of civil rights, including segregation in the public schools. Because the bill promises so much more than the Federal Executive can possibly do, it is fair to say that it was drafted not by statesmen seriously concerned with the civil rights of southern Negroes, but by northern politicians concerned with the vote of northern Negroes.

For if the President were to do what innocent supporters of the Brownell bill have been led to expect him to do, he would find himself embroiled all over the Deep South in fierce legal battles and popular commotions. Such a massive Federal intervention as the House bill calls for would surely provoke a sectional resistance which would divide the country and would embitter the human condition of the South.

And if the President hesitated and was cautious, he would be charged with violating his oath of office. He would be subject to all manner of demagogic pressure and to popular reprisals. If President Eisenhower had understood the problem, he would now be congratulating himself on the defeat of the House bill. For he has escaped the stresses and the strains, the turmoil and the trouble, which passage of that bill would have brought upon him. He would have found himself obligated to do quickly by widespread legal coercion what can in fact be done, as he well knows, only gradually by the evolution of opinion.

The great virtue of the Senate's bill is that it reduces the responsibility of the executive branch of the Government to a manageable size. The responsibilities are manageable because the Senate bill registers an historic event—namely, an agreement with the big political leaders of the South that the time has arrived to secure and protect by Federal intervention the civil rights of qualified Negroes to vote. The reason the Senate bill is really stronger than the House bill is that underneath the powers granted to enforce the critical civil right to vote there is the agreement to acquiesce and to comply in the acknowledgment of the right. The Senate bill can be enacted without a filibuster. What this signifies is that it can be used effectively without provoking the resistance of a more or less united South.

Whether the Senate bill will be used effectively depends not on Congress but on the administration—on whether it is disinterested, on whether it is lucid, and on whether it has the imagination to make the most of what the Senate leaders have conceded. Led by Senator RUSSELL, of Georgia, and Senator LYNDON JOHNSON, of Texas, they have acknowledged the constitutional right of qualified Negroes to vote and they have accepted the principle that the Federal Government has the right and the duty to intervene to protect this right.

To reject this concession, to treat it as uninteresting and unimportant, would be stupid and foolish. The Senate bill, precisely because it is based on such wide consent in the South, differs not in degree but in kind from the Brownell draft and the House bill.

The bill has certain defects, which are quite incidental, most importantly, the jury trial amendment should be limited to the field covered by the bill itself—namely the protection and the securing of the right to vote. Without sacrificing anything of principle or of substance, the Senate should agree to correct this mistake.

If that is done, there will be no ground on which the House can reasonably reject the Senate bill. There will be none on which the President can veto it. For the bill is not only a great advance in the civil rights of the southern Negroes. It is a very great advance in the concurrence on a dangerous issue of the Nation as a whole.

HOW JURY TRIAL AMENDMENT WON

(By Doris Fleeson)

WASHINGTON.—Senate sentiment turned toward adoption of the heavily disputed jury trial amendment to the civil-rights bill in the final day of debate.

A big factor was the South's willingness to yield on its filibuster threat if the O'Mahoney-Kefauver-Church amendment confining jury trials to contempt cases were adopted. A grinding defeat for their southern colleagues had never been palatable to the Senate moderates, who enjoy their service with those courteous, knowledgeable men.

The railroad brotherhoods picked off Midwest Republicans on whom the antijury forces, led by GOP leader KNOWLAND, had depended. These were CASE of South Dakota, CURTIS of Nebraska, and possibly SCHOEPPEL of Kansas.

John L. Lewis and his United Mine Workers bore down on Republican CHAPMAN REVERCOMB of West Virginia. It was anticipated by the liberal Democrats and KNOWLAND that Lewis might also get the gravely ill Democrat MATT NEELY of West Virginia, whom they were reluctant in any case to call.

NEELY and the senior Republican, Senator STYLES BRIDGES, of New Hampshire, a convalescent from exhaustion, were the only absentees. BRIDGES did not want to vote against his southern friends or his GOP leader.

Another Republican surprise was Senator MARGARET CHASE SMITH, of Maine, chiefly because she had voted with KNOWLAND on the issue of retaining in the bill wider provisions than the right to vote.

Mrs. SMITH consulted not only her conscience but her famout declaration against the tactics of the late Senator Joseph R. McCarthy. It called for trial by jury, not trial by accusation. This seemed to her still valid. Also she concluded that Americans generally understand trial by jury and that it would improve public acceptance of the history-making measure.

KNOWLAND had assured his Democratic allies he would lose at most 5 or 6 GOP votes. He lost 12. He had assumed SCHOEPPEL, chairman of the Senate Republican campaign committee, would stay with Mr. Eisenhower; also Senator HOMER CAPEHART of Indiana. But CAPEHART is not up for reelection until after Mr. Eisenhower has been 2 years gone from the White House, nor has the President been lavish with his gratitude for CAPEHART's defense of him.

Tactically, it was a mistake for Mr. Eisenhower to be at the Burning Tree golf course when the final wheeling and dealing took place, just as he was when title 3 was stricken from the bill.

Attorney General Brownell went off to London to the bar meeting while his brain child was being reshaped. His partisan attack there on former President Truman's Justice Department didn't help.

Among Democratic liberals disposed to the compromise, a key figure was PASTORE of Rhode Island, who took his venerable senior, THEODORE FRANCIS GREEN, along with him. PASTORE is up next year and his integrity and liberalism cannot be questioned.

He could not bring himself to feel that the jury trial amendment would hurt the bill. He argued, too, that the legislation as a practical matter was principally designed to order officials to do their duty rather than to change general public attitudes. He felt this would be achieved.

There were, of course, expedient votes cast. An example: JENNER of Indiana is normally always on the far right, normally disregardful of Mr. Eisenhower, but he is up next year in a tough fight.

Generally speaking, it was a thoughtful Senate vote, however, perhaps the most thoughtful of recent years. The better Senators weighed carefully how best to proceed on what is, after all, the first Federal legislation on civil rights since Reconstruction, an era few care to remember and none to repeat.

The Senate as a whole voted as Senators, not as men with national aspirations. When the chips are down they usually do, which is one reason they rarely become President.

An exception is being charged in the case of Senator JOHN KENNEDY. The Massachusetts Democrat, a supposed liberal left the dauntless nine who stood fast. He is accused of being mindful of the South's presumed veto power over a Democratic nominee for President. Apparently he feels that his appeal in the big city States as a Catholic will overcome their pro-civil-rights sentiments.

[From the Washington Post and Times Herald of August 9, 1957]

CIVIL RIGHTS MAY CALL CONGRESS BACK IN FALL

(By Wilmot Hercher)

Representative JOSEPH W. MARTIN, JR., of Massachusetts, Republican leader of the House, yesterday advocated a special session of Congress if necessary to get a satisfactory civil-rights bill.

He spoke as the Senate's historic civil-rights measure lay on the Speaker's table in the House and party leaders weighed their next moves.

MARTIN told reporters that if the bill in its final form fails to meet President Eisenhower's specification he will personally recommend that Mr. Eisenhower veto it and recall Congress in November to try again.

Senator WILLIAM F. KNOWLAND, of California, the Senate's GOP leader, said it was too early to say whether a special civil-rights session might be called. Congress may adjourn by the end of this month.

Other Senators said KNOWLAND had told the Republican policy committee at a private meeting that a special session is a definite possibility if Mr. Eisenhower doesn't get the legislation he wants.

Two main courses were open to the House in handling the bill which the Senate approved 72–18 Wednesday night after nearly 5 weeks of debate.

The House could accept the Senate's amended version and risk a Presidential veto. Mr. Eisenhower is opposed to the jury-trial provision inserted by the Senate, considering it "most damaging to the entire Federal judiciary."

Or the House could send the bill to a Senate-House conference committee for attempted adjustment of the differences between it and a much broader measure passed by the House June 18.

There were indications that northern Democrats were anxious to save what they can of the first civil-rights bill to get through the Senate in more than 80 years.

Representative EMANUEL CELLER, Democrat, New York, who would head the House conferees, said Wednesday he thought both branches of Congress would accept a compromise limiting the jury-trial amendment to voting-right cases.

As it now stands, the amendment would require jury trials in nearly all kinds of criminal contempt proceedings arising from efforts to enforce Federal court injunctions. These proceedings, under present law, are generally handled by judges alone

House Speaker SAM RAYBURN (Texas), leader of the Democratic majority, said he would have a statement today on what he thinks should be done with the legislation. The House may act after that.

The bill approved by the Senate contains these provisions:

Authority for the Attorney General to apply for Federal court injunctions against any violations of voting rights or threatened violations (the House bill contains authority for injunctions against all kinds of civil-rights violations).

A requirement that jury trials be given to all violators of injunctions in a wide field of law when the cases involve criminal contempt (the House rejected a jury-trial amendment).

Authority to establish a Civil Rights Division in the Justice Department under a new Assistant Attorney General.

Authority to set up a bipartisan commission with broad subpena power to make a 2-year inquiry into civil-rights problems.

THE CIVIL-RIGHTS BILL

Mr. HUMPHREY. Mr. President, it is regrettable that the fate of the civil-rights bill seems hung at dead center, during a controversy over whether it should or should not be sent to a conference committee. Unfortunately, but perhaps understandably, this controversy has turned into a battle of public statements, rather than sincere attempts by reasonable men to sit down together and agree on a course of action.

I am convinced such public controversy at this stage will serve no useful purpose for the cause of civil rights. We all become victims of the same desire for self-justification. Each statement made by one party brings forth answering statements from another. I have become embroiled in this exchange, myself; and it is for that very reason that today I want to reassert my foremost desire of getting a civil-rights bill enacted, regardless of who gets the credit.

Perhaps I can say what we all know is true: Unless we can bury the partisan hatchet for a while, we are likely to get no bill at all. I am willing to extend the olive branch—if I can find any takers. I am willing to put the civil-rights bill above all else. Our majority leader has taken the same attitude.

Quite frankly and quite sincerely, I ask: What can be achieved out of a formal conference committee, that cannot be achieved far more surely out of an informal conference of the leadership of both Houses and of both parties, meeting together in good faith to determine how to proceed now for action? What is needed is a meeting of the minds of the leadership of both Houses, in connection with this vital issue.

If we start from a premise of trying to get action completed on the best possible civil-rights bill that can be accepted by this Congress, I am convinced we can get agreement in 48 hours. Our leaders on both sides of the aisle know the views and sentiments in each House. They know how many votes exist on each side of this issue. They are reasonable men; and I, for one, am convinced they can guide us to a successful resolution of this issue.

Mr. President, I am prepared to place this issue in the hands of these responsible leaders on both the majority and the minority sides.

Again I pay tribute to the distinguished senior Senator from California [Mr. KNOWLAND] for what I believe to be his integrity of purpose and for the manner in which he has conducted himself in connection with this issue.

Let us call a truce on partisan bickering, and let us explore ways to get results. I invite my Republican friends to join me in this approach.

Mr. President, I concur in the editorial published today in the Minneapolis Tribune, which asks whether we want an issue or whether we want a bill. I want to have a civil-rights bill passed;

I do not want an issue. I want accomplishment, rather than a fight.

The PRESIDING OFFICER (Mr. MANSFIELD in the chair). The time available to the Senator from Minnesota has expired.

Mr. HUMPHREY. Mr. President, I did not know the Senate was still proceeding in the morning hour.

The PRESIDING OFFICER. Morning business has been concluded. However, under the unanimous-consent agreement which has been entered into, statements made at this time, in connection with the making of insertions in the RECORD, are not to exceed 2 minutes.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that I may proceed for an additional 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered; and the Senator from Minnesota may proceed.

Mr. HUMPHREY. Mr. President, perhaps the leaders in both Houses may want to broaden the representation in an informal negotiating group to represent different areas of thought in their own bodies. Perhaps they would prefer to work out the matter alone. But one thing should be clear to everyone: Anything an official conference committee could agree upon could be agreed upon just as quickly—and probably a lot faster—by such an informal conference, which could clear the way for approval by the House Rules Committee, without any amendment being necessary. We need only one Republican vote to get such an agreement in the Rules Committee. What do our Republican colleagues ask, before they will release one vote?

Let us see whether we can get a meeting of the minds, based upon realism, instead of letting ourselves get further entangled in partisan battling which will produce no results.

A majority of both Houses have indicated they want a civil-rights bill enacted into law. It would be tragic to have civil-rights progress now fail just because of disagreement over mechanics, timing, or minor details. It will be a real test of good faith and good leadership to reconcile our remaining differences quickly and to complete, before we adjourn the job we started. I am convinced it can be done. I want to help do it, not hinder. Many fine Republicans worked sincerely and vigorously for a strong civil-rights bill. We worked shoulder to shoulder, putting the cause above partisanship, while the heat of the battle was on. There is no reason to change our course now. I invite every Republican seriously concerned about civil rights to assert his influence now toward completing the job at this session of Congress.

Mr. President, I ask unanimous consent that a statement I have prepared protesting against the premature burial of the civil-rights bill be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HUMPHREY

Contrary to what some Republican spokesmen are saying, the civil-rights bill is not dead. It can only be killed if Republicans now show they are more interested in stirring up a partisan issue than in getting some constructive action, however little it may be.

For those of us who put partisanship aside to work in good faith with the administration toward enacting a meaningfull bill, it is a real disappointment to see some Republicans already more interested in playing politics with the outcome than in getting action completed.

The civil-rights bill is wounded, but it is not dead. With the proper sincerity of purpose this issue deserves, both from the White House and the majority and minority leadership in the Senate and the House, we can still make a historic stride forward in the cause of human rights. But to abandon efforts at this stage, just because the bill does not contain all that many of us hoped it could, would be a distinct setback to the cause we are trying to serve. I cannot conceive of that happening unless some people are so blindly partisan they are more interested in creating an issue than they are in finding a solution.

Of course the bill does not satisfy all of us. All legislation is the product of compromise. Yet the measure does represent a significant step forward and, properly administered, can serve usefully to protect voting rights.

The American people have followed a historic Senate debate on human rights. They have a right to expect action to be completed. They will justly resent the disillusionment of seeing sincere purpose distorted in the end to political jockeying for partisan advantage, even if it means killing of the progress made so far.

GOVERNMENT GUARANTY OF PRIVATE LOANS TO CERTAIN AIR CARRIERS

The PRESIDING OFFICER. Under the unanimous-consent agreement previously entered into, the business now before the Senate is the further consideration of Senate bill 2229. In connection with the further consideration of the bill, 40 minutes have been allotted, with 20 minutes under the control of the Senator from Ohio [Mr. LAUSCHE] and 20 minutes under the control of the Senator from Washington [Mr. MAGNUSON].

At this time the bill will be read by title.

The LEGISLATIVE CLERK. A bill (S. 2229) to provide for Government guaranty of private loans to certain air carriers for purchase of aircraft and equipment, and for other purposes.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that I may suggest the absence of a quorum, with the understanding that the time required therefor not be charged to either side under the unanimous-consent agreement.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. SCOTT in the chair). Without objection, it is so ordered.

Mr. MAGNUSON. Mr. President, I will allow myself 2 minutes.

Briefly, S. 2229 is a bill providing for a Government guaranty of private loans to certain air carriers for the purchase of aircraft and equipment. I place great emphasis upon the word "certain." The bill applies mostly to the so-called feeder lines in the United States, of which there are a great number, which give air service to the small communities. Those lines, because of the lack of passenger traffic in some places and towns that need to be served, do not receive the revenues which accrued to the major lines, and, therefore, under the Civil Aeronautics Act, these smaller lines must receive a subsidy of the difference between cost of operation and revenues.

Because we are developing our small feeder systems, the principal progress of which has occurred since the war, and fitting them into a domestic air pattern that is second to none in the world, it is important to realize that such airlines have had a great deal of difficulty in the matter of securing up-to-date equipment. The result has been that the feeder airline subsidies have been great. None of the major lines receive subsidies. Pay for carrying mail takes care of the amount that would be required to be contributed by the Government to keep those lines operating and furnishing service to the public under the provisions of the law.

When most of the feeder airlines started in business, the planes flew short distances, and, in some places, as in my section of the country, over mountainous terrain, providing service for areas that could use it. They started operations with equipment comprised mostly of DC-3's. The DC-3 has been a fine plane in American aviation history. It is still a good plane, but it does not supply the need of faster and better service demanded by the communities served by the so-called feeder airlines.

All the feeder companies have had great difficulty in financing the purchase of new equipment. One reason was that prior to last year, when Congress passed a permanent certification bill for the feeder airlines, they were under temporary certification. No one would make them equipment loans, for the reason that some of the certificates would run for only 3 years, or 5 years at the most.

The PRESIDING OFFICER. The time of the Senator from Washington has expired.

Mr. MAGNUSON. Mr. President, I yield myself 2 additional minutes.

Since the feeder lines have been under permanent certification, they have been attempting to buy new equipment. Their inability to get loans for new equipment is largely because their operating revenues and gross capitalization make such purchases somewhat difficult. Whereas such airlines bought the DC-3 in the early days, as the report points out, for as little as, in some cases, $42,500 or $50,000 or $60,000, the new airplane suitable for the local service market, carries a price tag of half a million dollars.

The bill would allow the Government to guarantee loans up to 90 percent, so the airlines may buy new equipment. We have done as much for other regulated economic activities in this country. The loans would have to be certified and examined. They would have to be good loans.

The whole purpose of the bill is to make available to the feeder lines more efficient and better means of operation, so they may give the public better service, and so as gradually to make it possible for the airlines not to depend on subsidies. I believe that in the long run the Government would save money if the bill were enacted.

There was no yea-and-nay vote in the Committee on Interstate and Foreign Commerce on reporting the bill, but, as I recall, there was only one vote against it. It means much to the so-called feeder airlines to have such legislation enacted, so that they may be able to do what we want them to do in the development of our great domestic air system.

Mr. BARRETT. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. BARRETT. I desire to ask the Senator if the necessity for a subsidy of $30 million annually to the feeder lines is occasioned by the fact that their equipment is getting out of date.

Mr. MAGNUSON. In large part it is. With new, faster, more efficient equipment, the feeder lines should be able to reduce the amount of subsidy necessary by probably 50 percent in the first year, and gradually avoid the necessity for any subsidies.

The PRESIDING OFFICER. The time of the Senator from Washington has expired.

Mr. MAGNUSON. I yield myself 2 additional minutes.

The DC–3's are good ships, but they have outlived their usefulness.

Mr. BARRETT. That was my impression. The feeder lines are rendering great service, particularly in the mountain section of the country.

Mr. MAGNUSON. I know the question could be asked, "If we give such help to the airlines, will it not establish a precedent for aiding other forms of transportation, such as railroads and trucklines?" The answer to that suggestion is that in this particular case there is a subsidy. In the other cases the companies have private licenses. They have licenses from the ICC, but no subsidy is involved.

Mr. BARRETT. Is it not true that if the feeder airlines took advantage of the opportunity to improve their facilities, they probably would be able to do without subsidies quicker than in any other way?

Mr. MAGNUSON. I think so.

Mr. President, I had intended to yield to the Senator from Florida, but he is not present at this time.

The Senator from Ohio may proceed, if he wishes.

Mr. LAUSCHE. Mr. President——

The PRESIDING OFFICER. How much time does the Senator allot to himself?

Mr. LAUSCHE. I desire to voice my opposition to the passage of the bill.

The PRESIDING OFFICER. How much time does the Senator desire to yield to himself?

Mr. LAUSCHE. I yield myself 12 minutes, to begin with.

I heard the statement made by the Senator from Washington in which he said that all the bill does is to guarantee the repayment of moneys the feeder airlines will borrow. I respectfully submit to my colleagues that that is the argument made in practically every instance when there is advocacy of subsidies, the making of loans, and the guaranteeing of loans by the Federal Government.

I am deeply concerned about this problem, because I believe we are reaching the point of no return. To me this expanded program of the Government in the way of lending money, guaranteeing loans, and giving subsidies is nothing more than a complete entry into private business by the Federal Government, in conflict with every cherished principle which has been enunciated by the believers in our form of government.

I recognize that the feeder airlines have financial problems, but I should like to put the question to my colleagues: How many other segments of the economy are there which are not likewise in need of financial help? It would probably require an extraordinarily large catalog if we began to list the various business enterprises in our country which felt they could not get from private lending companies the necessary financial assistance, and, therefore, felt that the Federal Government should provide it for them.

A scant 2 years ago many of the companies which are now seeking this help begged the Congress to grant them permanent certificates for their operation. They were unable to get certificates from the Civil Aeronautics Board. They came directly to the Congress and said, "Give us permanent certificates and we will lift ourselves out of our financial difficulties." The strong argument in support of that request was that permanent certificates would enable these carriers to solve their pressing financial difficulties and help them attain a status of subsidy-free operation.

I repeat that to the Senators who are here assembled that when these carriers came to the Committee on Interstate and Foreign Commerce they argued, "If you will grant us permanent certificates we will quickly relieve the Federal Government of the responsibility of subsidizing us." That is the same argument which is now advanced in favor of the bill.

Significantly, at that time they recognized debt financing as a less-than-desirable means of meeting their financial needs. A president of one of the companies made the statement in testimony that "equity capital is by far the soundest method of financing for us. Return on investment is then paid out of profits, if any. It is not forced out of capital, regardless of earnings, as is interest on debt financing."

Keith Kohle, the president of Central Airlines, Inc., made that statement. In substance he said, "If you will grant us permanent certificates, we will finance ourselves by the issuance of bonds and other types of equity capital."

My query is: What has become of that argument which was urged upon the Senate committee when the permanent certificates were awarded?

We have here a situation where the Federal Government is in effect putting more and more into private business. It is provided in the bill that the Civil Aeronautics Board is to determine if and when the Federal Government shall guarantee the loan. My query is: What is there about the Civil Aeronautics Board which specifically equips it to pass judgment on the feasibility of guaranteeing loans? It is true that at one time they acted as advisers for the Reconstruction Finance Corporation in that respect, but let us remember that the Reconstruction Finance Corporation was formed to help in a depression, and it was contemplated that when the fiscal problems had been removed the Reconstruction Finance Corporation should go out of existence. It has gone out of existance.

What has been the substitute? It has been the creation by the Congress of a multiplicity of agencies which are loaning money, granting subsidies, and guaranteeing borrowing. I do not believe we can be unmindful of the fact that more and more the Government is going into the money-lending program, into the borrowing guaranteeing program, and into the subsidizing program.

If we pass this bill, I respectfully ask my colleagues, what will we do when the railroads make a similar request, probably next year? They are asking for the creation of a Federal agency with an initial capital of $500 million, and with authority to borrow another $2 billion, which is to be used as a lending fund with which to purchase railroad equipment. If we finally enter into that program, I humbly say to my colleagues, we are beyond the point of return. We will then have a socialistic government as deep and confirmed as can possibly be imagined.

It may be that that is the goal to which we are moving. It may be that there are some who will say, "We have gone too far. We cannot return. Let us go the full length." I am not willing to be one of them. I shall not be one of them.

Let us take a look at what the fiscal picture is. In 1945 $5 billion were loaned directly to private enterprise by the Government. On June 30, 1956, that amount had risen to $17 billion.

When it comes to private loans guaranteed by the Federal Government, the amount is now $51 billion, eight times what it was in 1945.

In 1956 the total outstanding private debt of the country was $394 billion. Of that $17 billion was in the form of direct loans, and about $51 billion in the form of guaranteed loans.

Mr. THYE. Mr. President, will the Senator yield?

Mr. LAUSCHE. If the Senator from Minnesota will wait until I conclude, I shall then answer his question.

Mr. THYE. I thank the Senator.

Mr. LAUSCHE. What the total contingent liability of the country is, I do not know. The distinguished Senator from Virginia [Mr. BYRD] is present in the Chamber. I should like to yield some time to him to discuss that phase of the problem.

Mr. BYRD. Mr. President, I wish to commend the Senator from Ohio for what he is saying and for the work he

has done for economy and sound government during his service in the Senate. We can look forward to many years of the same fine service the Senator from Ohio is now rendering.

The contingent liability of the Federal Government is estimated at a minimum of $250 billion. As a matter of fact, if we included in total contingent liability, the liability involved in social security, it would be in excess of that. As the Senator knows, we guarantee social security payments to about 70 million people. Therefore, the Senator is exactly right in saying that if the bill is passed, it will be an invitation to many other groups to ask for the same treatment; namely, to have the Government guarantee loans made to them.

The Senator from Ohio is eminently correct in saying that loans of this character will lead us to a more socialistic government than we have now. He knows that the trend toward socialism has been increasing greatly in the past 25 years. People then did not lean upon the Government to do anything like the extent they do now.

The PRESIDING OFFICER. The time of the Senator from Ohio has expired.

Mr. LAUSCHE. I will take 5 more minutes.

Mr. BYRD. I commend the Senator, and I am in thorough accord with the position he has taken.

Mr. LAUSCHE. Mr. President, I wish to invite the attention of my colleagues on the other side of the aisle to what the Hoover Commission said on this subject. The following list of weaknesses inherent in Government lending, prepared by the Hoover Commission, may be cited in support of what I have said:

1. The tendency of such agencies to expand their functions beyond their original purposes.

2. When the function for which such agencies were established has been completed, there is an inner impulse to continue when they should be liquidated.

3. There is a tendency to create activities which could be undertaken by private agencies.

4. In some of these agencies there are concealed subsidies.

5. Congressional policies which permit the making of loans or guaranties by such agencies to individuals or concerns without adequate equities.

6. The making of loans or guaranties without adequate premiums or fees or interest rates from beneficiaries out of which administrative expenses can be paid and reserves against losses built up.

7. Departmental lending or guaranteeing programs have a fatal attraction politically. Pressure groups, whether business, farmers, or veterans, often force the abandonment of the normal standards of prudence in the organization of these agencies which alone can assure the repayments of credits granted. Thus some of these operations practically become subsidies to a small fraction of the people from the taxpayer at large.

8. Where easy money is obtainable from the Government, financial integrity tends to deteriorate and windfalls and corruption frequently flourish.

One further word, and then I shall close. I suggest to my colleagues, and especially those on the other side of the aisle, that the administration is opposed to this bill. I wish to read the testimony of Hon. Bradley D. Nash, Deputy Under Secretary for Transportation:

We are opposed to enactment of H. R. 7993. We believe that further extension of the principle of guaranty by the Federal Government of private loans is undesirable. Such guaranties should not be extended in the absence of the most compelling justification. In this particular area we do not believe that there is entirely persuasive evidence of the necessity for such guaranties. This bill would single out for extraordinary favorable treatment a particular group of air carriers which are presently guaranteed a fair rate of return by the Government provided their management is honest, efficient, and economical consistent with the mail rate standards of the Civil Aeronautics Act. In addition to this, the other two bills currently pending before the Congress are intended to aid these carriers as well as other carriers to obtain necessary financing. In view of this we cannot perceive any compelling necessity at this time for extending to these carriers the extraordinary benefit proposed by H. R. 7993. We believe that it would be most undesirable for the Government to assume such an undertaking under these circumstances. With the passage of the capital gains and equipment trust bills, and the subsidy benefits already provided, these carriers ought to be in a sufficiently strong position to finance necessary requirements. We believe that enactment of H. R. 7993 would be unnecessary and undesirable.

I assume that Mr. Nash is speaking the will of the President of the United States.

The PRESIDING OFFICER. The time of the Senator from Ohio has again expired.

Mr. LAUSCHE. I will allow myself 2 more minutes. Has my time fully expired?

The PRESIDING OFFICER. The Senator has 3 minutes remaining.

Mr. LAUSCHE. I will reserve the remainder of my time.

Mr. MAGNUSON. Mr. President, how much time have I left?

The PRESIDING OFFICER. The Senator has 14 minutes.

Mr. LAUSCHE. Mr. President, I ask for the yeas and nays on the passage of the bill.

The yeas and nays were ordered.

Mr. MAGNUSON. Mr. President, I yield 5 minutes to the Senator from Florida [Mr. SMATHERS], 5 minutes to the Senator from Oklahoma [Mr. MONRONEY], and 4 minutes to the Senator from Nevada [Mr. BIBLE]. Those Senators held hearings on the bill, and are very familiar with the problem.

Mr. SMATHERS. Mr. President, first I wish to commend the able Senator from Ohio, who has a very worthy interest in economy. I can assure him, however, that he is not the only Senator who is interested in economy. I think we must have economy, and we must get it whenever and wherever it is practicable to obtain it. However, we should not eliminate any of the necessary Government functions which help us to strengthen the general economy of the United States, in the name of economy. In this particular instance, I believe that his proposal would do just that.

In 1938 we created the CAB, which the Senate approved of at that time. The action of the Congress at that time was designed to foster a strong aviation transportation system. Because the airline industry was in the nature of a quasi-public utility it was regulated, and today the operations of all commercial airlines are almost completely regulated. The routes are assigned, the rates are prescribed, the hours of operation are fixed, and the safety factors are established in the public interest. When the Senator from Ohio says that all other industries and all other businesses will shortly be wanting the same treatment, I think the obvious answer is that there would be no justification for a similar request from any unregulated business and fortunately most businesses do not fall into the category of regulated business. However all commercial airlines, feeder as well as trunklines, are regulated and therefore justifiably come to the Government with their problems.

This particular bill providing for a guaranty of loans to feeder lines is a Civil Aeronautics Board sponsored bill. It was not conjured up by any Member of the Senate. The Board believed it to be necessary in order to get the present feeder airlines off their present large subsidy. Twenty-four such lines today have a subsidy of $208 million.

We who support this bill desire economy. It was the thought of the CAB and our committee that this bill would enable us to achieve economy by making it possible for the feeder airlines to obtain better equipment, which would in turn enable them to operate more efficiently, and thereby reduce the subsidy which they must now receive from the Government. This new, more efficient equipment, would result in a more economical operation thereby saving the taxpayers money and at the same time developing a stronger air transportation system.

Today there are no major trunklines on subsidy, because they have modern equipment which enables them to carry a large number of passengers at a lower cost than they could with older, outmoded planes.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. SMATHERS. I am happy to yield.

Mr. MAGNUSON. The history of commercial aviation in this country is that when the RFC was in existence the major trunklines borrowed money from the RFC, and all of that money was paid back. Is that not correct? Now we have one of the finest trunkline systems anywhere.

Mr. SMATHERS. The Senator is completely correct.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. SMATHERS. I do not have sufficient time to yield to the able Senator from Ohio. I would prefer that the Senator direct any questions to me on the time which he controls and I would be pleased to answer them.

I wish to say, however, that the whole concept of the bill is to bring about a stronger air-transportation system, at lower cost to the taxpayer, in the United States.

We believe that the bill will bring about a more economic and efficiently operated air-transportation system. We

believe it will result in less subsidy having to be paid out by the Federal Government for the operation of the air-transportation system.

This bill has been approved by the subcommittee on aviation, of which the able Senator from Oklahoma [Mr. MONRONEY] is the chairman. It was also approved, with only one dissenting vote, by the full Committee on Interstate and Foreign Commerce. It is the kind of legislation which we believe will bring about a stronger aviation industry, and at less expense to the Government.

Mr. POTTER. Mr. President, will the Senator yield?

Mr. SMATHERS. I am happy to yield to the Senator from Michigan who is a member of our full committee.

Mr. POTTER. Is it not true that unless legislation of this kind is enacted, the feeder airlines will not be able to get the equipment they need? The Senator well knows that new equipment is badly needed, not only for efficient operation, but for safety, and that because it is a semi-regulated industry, it is impossible for the industry to get private financing to enable it to secure the badly needed equipment, in the interest of safety.

Mr. SMATHERS. The Senator is absolutely correct. It was our information that this proposal would not cost the Government anything, because the Government does not make the loans; it merely guarantees them. The feeder-line operation is growing at such a rapid rate that with these new airplanes and an economically run operation, the lines can meet the obligations as they come due.

Mr. BIBLE. Mr. President, I merely wish to concur in the statements made by the able chairman of the full committee [Mr. MAGNUSON], and by the Senator from Florida [Mr. SMATHERS]. It was my privilege to conduct the subcommittee hearings and thus to hear practically all the testimony in support of the proposed legisaltion.

I should like to make 2 or 3 observations. The first is merely in reiteration of what the Senator from Florida has said. It is that the pending proposal before was introduced at the request of the Civil Aeronautics Board itself. It is not a bill which was inspired either by the local service airlines or by the committee. The Civil Aeronautics Board certainly is in a position to know, from cold, hard experience, the difficulty this particular segment of our air industry is facing in getting away from subsidy.

It was the CAB's considered judgment that there was a greater opportunity of taking the local service airlines off the subsidy by the enactment of the pending bill than by any other means.

It was surprising to hear the testimony of carrier after carrier before the committee about the difficulty they have in securing adequate financing to replace the DC–3 by the F–27 and the Safari, or some other comparable high-speed aircraft design suitable to today's needs. One witness testified to the fact that the interest rate charged in some cases was from 15 to 20 percent, and, of course, it was impossible for a company to go through with the financing under these circumstances. It was the considered judgment of the committee that the pending bill will hasten the time when the local service carrier will be off subsidy.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. BIBLE. Much as I should like to yield, I do not have the time remaining to yield. I have only about a minute remaining. If I have any time left at the end of my remarks, I shall be happy to yield to the distinguished junior Senator from Ohio, but I am working under a very limited time allowance.

I should like to make one additional point, and that is that the Comptroller General of the United States likewise recommended the enactment of the pending bill. In the last 2 or 3 paragraphs of his letter he states:

> In our report on audit of the Civil Aeronautics Board, dated October 1955, we referred to the report of the President's Air Coordinating Committee entitled "Civil Air Policy" issued in May 1954, and commented as follows:
>
> "Therefore, as stated in the President's report, to ease the transition of a subsidy-free status for air carriers, temporary financial relief, including loans, loan guaranties, or other interim measures may be justified in lieu of outright subsidy grants to meet situations in which these carriers face temporary financial difficulties, and are unable to obtain private credit on reasonable terms."
>
> Since the purpose of the proposed legislation appears to be in line with this position, we would recommend its favorable consideration.
>
> Sincerely yours,
>
> JOSEPH CAMPBELL,
> *Comptroller General of the United States.*

I strongly urge the enactment of the bill. We feel an excellent case has been made for it.

Mr. MAGNUSON. Mr. President, I yield the remainder of my time to the Senator from Oklahoma.

Mr. MONRONEY. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator has 5 minutes.

Mr. MONRONEY. The issue here, Mr. President, is whether the benefits of aviation—its speed and convenience—are to be reserved for the major metropolitan cities, or whether we will assure those benefits to the whole country, and for all the people of all the 48 States.

Without the small, local service airlines we would confine our aviation transport service, and its convenience, to cities like Washington, Chicago, Pittsburgh, Memphis, and the other major cities of the country. But it would do little good to fly from Washington to Chicago for example, in an hour and 20 minutes by jetplane, and then find no railroad service available from Chicago to communities in lower Illinois, for example, to which one might want to travel, if the feeder airline facilitiy had also been removed from the transportation picture. Today, even buslines are reducing their schedules.

If we are to use aviation, as I think we should and must use it, we should maintain capable and efficient service on the feeder lines between the smaller cities and between the smaller cities and the larger metropolitan areas.

We have had endless testimony before the committee that this cannot be done if old-model planes, such as the DC–3's, are to be used. The DC–3, which began to be used around 1936, has not been built since 1946. Parts for the plane have to be handmade at a cost 10 times their original cost. Those planes are now selling at exorbitant prices even though they are used planes. Some of them are 15 years old, at least by design. There is no market to which local short-haul feeder lines can go, except to the used aircraft market, to obtain additional DC–3's. We have seen inflation rise to the point where these planes are now selling—and remember that they are used planes—for 1½ times more than their original cost.

The Chairman of the Civil Aeronautics Board, in recommending favorable action on the pending bill, said:

> The CAB believes not only that under its terms the carrier may acquire suitable and improved short-haul aircraft and thereby ultimately reduce subsidies, but also that this legislation represents the only method which basically will provide the proper equipment to the carriers without the Government's making direct grants-in-aid of some kind.

I believe that is absolutely correct, because for years suggestions have been made by interested aviation authorities that the Government should subsidize the development of a short-haul, medium-sized plane to replace the DC–3. The figure mentioned was about $100 million, which is about the total amount of the loan guaranties of the bill. The Government would have no way of reclaiming the $100 million spent for a prototype plane which would meet the Nation's basic aviation need for a short-haul plane of that design.

It seems to me that a law guaranteeing a program approved by the Civil Aeronautics Board, at an interest rate the airlines will be able to pay coupled with a service fee that will be paid to the Civil Aeronautics Board, affords just about the soundest program we can possibly have, for the benefit of our basic aviation needs and in the national interest.

Mr. SMATHERS. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. SMATHERS. Is it not a fact that each one of the lines is limited to a maximum loan of $5 million?

Mr. MONRONEY. The Senator is correct. It is not possible to guarantee to any of the lines an amount in excess of $5 million, and the time limit is 10 years. The loan must prove to be economically feasible, not only to the lender, but also to the Civil Aeronautics Board.

Mr. SMATHERS. Is it not also a fact that there will be no aviation industry along this line built up, and no construction of this type of smaller plane, unless this kind of legislation is adopted?

Mr. MONRONEY. There is no market for such planes unless there is established a sound financial plan by which the feeder lines serving the thinly populated and thinly traveled areas of the country are able to purchase them. Otherwise the planes would be built for a market that did not exist.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. MONRONEY. I am happy to yield.

Mr. LAUSCHE. Is it not a fact that the representatives of the feeder lines, when they appeared before the committee, of which the Senator is chairman, testified that if we would grant them permanent certificates they would solve their own financing problems?

Mr. MONRONEY. They hoped they would be able to do so. However, we are in a tight-money situation. Money is costing from 10 to 20 percent and if these lines must pay these unreasonable rates the Government would have to make up the difference and increase rather than decrease the $30 million annual subsidy. We had testimony to that effect, and I hope the Senator will read it.

Mr. MAGNUSON. Mr. President, has all time for debate expired?

The PRESIDING OFFICER. The Senator from Ohio has 3 minutes remaining.

Mr. LAUSCHE. I yield 2 minutes to the Senator from Delaware.

Mr. WILLIAMS. Mr. President, I ask the Senate not to adopt the principle of further extending Government loans for this purpose. I think the best statement which could be made is that made by the agency charged with administering the program. I notice that Secretary of Commerce Weeks said:

> Generally speaking, we believe that further extension of the principle of guaranty by the Federal Government of private loans is undesirable. Loan guaranties of the type proposed would be justified, in our opinion, only if there were convincing evidence sufficient to prove that they would shortly complete the transition of these carriers to a subsidy-free status. We think the evidence is lacking.

I also notice that the Acting Secretary of the Treasury, Mr. Burgess, likewise has written a letter urging that the bill be rejected.

I ask unanimous consent that the letter be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

> OFFICE OF THE SECRETARY
> OF THE TREASURY,
> *Washington, July 3, 1957.*
>
> Hon. WARREN G. MAGNUSON,
> *Chairman, Committee on Interstate and Foreign Commerce, United States Senate, Washington, D. C.*
>
> MY DEAR MR. CHAIRMAN: Reference is made to your request for the views of this Department on S. 2229, to provide for Government guaranty of private loans to certain air carriers for purchase of aircraft and equipment, and for other purposes.
>
> As a general policy, the Treasury is opposed to the establishment of new loan-guaranty programs except under conditions of extreme urgency. With the present heavy demand for available credit, it is essential that we do all we can to avoid adding unnecessarily to this demand. Under these circumstances, the Department would be opposed to the enactment of S. 2229.
>
> The Department has been advised by the Bureau of the Budget that there is no objection to the submission of this report to your committee.
>
> Very truly yours,
> W. RANDOLPH BURGESS,
> *Acting Secretary of the Treasury.*

Mr. WILLIAMS. Mr. President, I cannot agree with the views of my colleagues that the enactment of the bill would not cost the United States Government anything. It has been my experience that the little bills which we continue to pass, which it is said will not cost anything, eventually cost large sums of money. If this practice is not stopped, the country will become bankrupt. We are frequently told that bills of this type will not cost the Government anything. But we might as well be realistic and recognize that in many instances the Government will be called upon, in this case, just as it has been in many other cases, to pay the balances due when the carriers have defaulted on them.

Mr. JAVITS. Mr. President, will the Senator yield for a question?

Mr. MAGNUSON. I yield.

Mr. JAVITS. I notice a reference to helicopter companies including the New York Airways. I wonder whether it might be appropriate to ask, if helicopters are not provided for in the bill at this time, the reason why they are not included, and what precedent will be established with respect to helicopters.

Mr. MONRONEY. The committee considered that question at quite some length.

The PRESIDING OFFICER. The time of the Senator from Washington has expired.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senator from Oklahoma may have 2 minutes in which to answer the inquiry of the Senator from New York.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MONRONEY. All the airlines, except one which operates in the Caribbean, are permanently certificated. That means the Government has already guaranteed payments to meet borrowing costs and the depreciation to pay out the planes 100 percent during the course of their useful life.

Helicopter companies are still operating on temporary certificates. Those certificates will expire in 1, 2, or 3 years. Their routes are not yet fixed permanently as intercity routes.

The committee felt that eventually, when the routes are extended to intercity use, there will be a very large use of helicopters. But today helicopters operate chiefly from airport to airport, or from the airports to the downtown sections.

For that reason, while I strongly favor continuing helicopter service on an experimental basis, to enable helicopters to operate in a pioneering way, the committee was not willing to extend certification to include that type of equipment.

The House Committee on Interstate and Foreign Commerce reported a bill which includes helicopters. We shall be glad to consider the matter again. Our minds are not closed. But we feel that it is a little too early to take helicopters into the loan-guaranty plan.

We have tried to be conservative in the matter of having the Government lend money. But the new plan will afford ample security for the loans, in addition to which there will be the guaranty of operating costs and depreciation.

Mr. JAVITS. But this may set a precedent for helicopters. I favor the bill. I heard it discussed on the call of the calendar. I wanted to be certain that some of the helicopter lines, like New York Airways, might ultimately be considered.

Mr. MAGNUSON. There is no question that the increase in helicopter service in the large metropolitan areas has been beneficial. In my opinion, it will not be very long before the Government will permanently certificate the adjunct services. Then helicopters could come under the act. The designs of helicopters are changing from year to year. Actually helicopters are still in the experimental stage, but one of these days we shall find that they will perform a valuable service for all of us. I think that time will come very soon.

The PRESIDING OFFICER. The Senator from Ohio has 1 minute remaining.

Mr. LAUSCHE. Mr. President, has not the opposition had more time?

Mr. JOHNSON of Texas. Yes, Mr. President; they have. The Senator from Ohio may have whatever time he desires.

Mr. LAUSCHE. May I have 3 minutes?

Mr. JOHNSON of Texas. I yield 3 additional minutes to the Senator from Ohio.

Mr. LAUSCHE. How much time does that give me in all?

The PRESIDING OFFICER. The Senator from Ohio has 4 minutes.

Mr. LAUSCHE. Mr. President, the dialog we have just heard emphasizes the processes through which our Government is moving. Today we are subsidizing feeder airlines. Tomorrow helicopters will come into the picture. Next year, the railroads will come in. What will the end be, I ask?

I submit that we are putting the Government into business. We are placing upon the taxpayers the burden of the Government's being in business. What do the bankers say about this? Certainly they subscribe to it. They want an additional umbrella over the loans which they make. But I candidly and sincerely say that there is great danger ahead.

Two years ago, the Senate committee of which many of our colleagues who spoke are members granted permanent certificates to these carriers. That was done on the basis that the carriers would finance themselves. What has become of that commitment? The statement is now made that the tight-money policy has caused the difficulty, and that, therefore, the Federal Government must provide the vehicle through which those airlines can get financial aid.

How many other segments of the economy are in that identical position? How many private citizens are in the position where they cannot borrow money from banks, but must go to 3-percent-a-month loan companies? How is the Government helping them?

We shall continue to move on in the way we have been following. What the end will be may be within our own time and vision.

I ask for a reconsideration of the vote by which the bill was passed because I

believe it was an expansion of a dangerous policy. I believe it is contrary to the views of the President, I believe it is contrary to the views expressed by most of my colleagues who, when they are speaking to the taxpayers, tell them of the need for economy in Government.

Today the argument is different. Today the argument is that we have to help the airlines; otherwise, they will perish.

I shall vote against the bill. I urge my colleagues to vote against it, in the event they believe I am sound in my thinking.

The PRESIDING OFFICER. The time of the Senator from Ohio has expired.

Mr. JOHNSON of Texas. Does the Senator from Ohio desire additional time?

Mr. LAUSCHE. No.

Mr. JOHNSON of Texas. I suggest the absence of a quorum.

The legislative clerk called the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Texas will state it.

Mr. JOHNSON of Texas. Have not the yeas and nays been ordered on the question of the passage of the bill?

The PRESIDING OFFICER. That is correct.

Mr. JOHNSON of Texas. On this vote, all Senators who are in favor of passage of the bill will vote "yea"; all Senators who oppose passage of the bill will vote "nay"; is that correct?

The PRESIDING OFFICER. That is correct.

The question is, Shall the bill pass?

The yeas and nays have been ordered, and the clerk will call the roll.

Mr. MAGNUSON. Mr. President, is the vote to be taken on the motion to reconsider?

Mr. JOHNSON of Texas. No; the vote is to be taken on the question of the passage of the bill. All Senators who favor passage of the bill will vote "yea"; all Senators who oppose passage of the bill will vote "nay." Is that not correct, Mr. President?

The PRESIDING OFFICER. That is correct.

The yeas and nays have been ordered on the question of the passage of the bill.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Mississippi [Mr. EASTLAND], the Senator from Delaware [Mr. FREAR], the Senator from Tennessee [Mr. GORE], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Oklahoma [Mr. KERR], the Senator from West Virginia [Mr. NEELY], and the Senator from Rhode Island [Mr. PASTORE] are absent on official business.

The Senator from Arkansas [Mr. FULBRIGHT] is absent because of illness.

The Senator from Missouri [Mr. HENNINGS] is absent by leave of the Senate because of illness.

On this vote, if present and voting, the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Missouri [Mr. HENNINGS], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Oklahoma [Mr. KERR], the Senator from West Virginia [Mr. NEELY], and the Senator from Rhode Island [Mr. PASTORE] would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from Ohio [Mr. BRICKER] and the Senator from Nevada [Mr. MALONE] are necessarily absent.

The Senator from New Hampshire [Mr. BRIDGES] and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate in order to represent the Senate at the Latin American Economic Conference in Buenos Aires.

If present and voting, the Senator from Nevada [Mr. MALONE] and the Senator from Maine [Mr. PAYNE] would each vote "yea."

The result was announced—yeas, 72, nays 9, as follows:

YEAS—72

Allott	Hayden	Morton
Anderson	Hickenlooper	Mundt
Barrett	Hill	Murray
Beall	Holland	Neuberger
Bennett	Hruska	O'Mahoney
Bible	Humphrey	Potter
Bush	Ives	Purtell
Butler	Jackson	Revercomb
Carlson	Javits	Russell
Carroll	Johnson, Tex.	Saltonstall
Case, N. J.	Johnston, S. C.	Schoeppel
Case, S. Dak.	Kefauver	Scott
Chavez	Knowland	Smathers
Church	Kuchel	Smith, N. J.
Clark	Langer	Sparkman
Cooper	Long	Stennis
Cotton	Magnuson	Symington
Curtis	Mansfield	Talmadge
Dirksen	Martin, Iowa	Thurmond
Douglas	Martin, Pa.	Thye
Dworshak	McClellan	Watkins
Ellender	McNamara	Wiley
Ervin	Monroney	Yarborough
Green	Morse	Young

NAYS—9

Aiken	Goldwater	Robertson
Byrd	Jenner	Smith, Maine
Flanders	Lausche	Williams

NOT VOTING—14

Bricker	Fulbright	Malone
Bridges	Gore	Neely
Capehart	Hennings	Pastore
Eastland	Kennedy	Payne
Frear	Kerr	

So the bill was passed.

ORDER OF BUSINESS

Mr. JOHNSON of Texas. Mr. President, I should like to say, for the information of the Senate, that at the conclusion of the tributes to the late Senator George, we will attempt to get an agreement of an hour's limitation of debate on the military-construction bill. When we have completed action on that bill, we will attempt to get an agreement of an hour and a half on the principal amendment to the Niagara bill, and 1 hour on the bill. We expect to have yea and nay votes in the late afternoon and evening on the Niagara bill, if we have not completed action on it before evening.

Mr. CHAVEZ. Mr. President, I did not hear what bill the Senator from Texas said would be taken up prior to the Niagara-power bill.

Mr. JOHNSON of Texas. The military-construction bill, reported by the Armed Services Committee.

THE LATE SENATOR WALTER F. GEORGE

Mr. JOHNSON of Texas. Mr. President, I send to the desk a resolution, and ask to have it stated.

The PRESIDING OFFICER. The clerk will read.

The legislative clerk read the resolution (S. Res. 182), as follows:

Resolved, That the legislative business of the Senate be now suspended for the purpose of permitting the delivery of memorial addresses on the life, character, and public service of Hon. Walter F. George, late a Senator from the State of Georgia.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the present consideration of the resolution.

There being no objection, the resolution was considered, and unanimously agreed to.

Mr. MUNDT. Mr. President, because the Senate Select Committee To Investigate Improper Activities in Labor Management Relations is meeting this afternoon, with an important witness before it, I shall not be on the floor during the eulogies of the late Senator George. I should like to have unanimous consent to have printed in the RECORD at some appropriate place a short statement in tribute to him.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that all Senators may have that privilege.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

Mr. RUSSELL. Mr. President, Walter Franklin George, for more than 34 years a Senator from the State of Georgia, was one of the truly great men who has adorned a seat in this body. Volumes could be spoken and reams could be written to extol his life and services without fully describing the man and all of his endeavors.

I was permitted, Mr. President, the honor of being the principal speaker at three testimonial dinners given for Senator George in 1956, the last full calendar year of his life. It was my high privilege to render my homage, to voice my tribute, and to express my affection for this great man in his living presence. I shall not on this occasion undertake to speak at length, because I shall be eternally thankful for the fact that I was permitted to voice my sentiments and regard to Senator George personally and to receive his handclasp when the meeting had concluded.

My heart is too heavy, Mr. President, to enable me to do justice to my sentiments and my feelings here today.

I ask unanimous consent that a brief statement I issued when I received the sad tidings of the death of Senator George be printed in the RECORD at this point as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR RUSSELL

The passing of Senator Walter F. George removes from the earthly scene a great man, whose name is revered wherever men hope and pray for peace.

He was one of Georgia's greatest sons and occupied a prominent place among the great world figures of this era.

For nearly 25 years, I worked with Senator George in the United States Senate. It was my great privilege to claim him as a close personal friend and confidant. I loved and respected him and am proud that he often indicated the warmest affection for me.

Our laws are replete with proof of his wisdom and statesmanship. There are countless thousands throughout this land who today enjoy the benefits of his labors in the Senate. I saw him steer the lend-lease bill and great international treaties through the Senate. I believe, however, that he was prouder of his authorship of liberalizing amendments to our social security laws benefiting the disabled and enabling women workers to earlier enjoy the benefits of the retirement system than of any other single accomplishment of a long and productive career.

Without ostentation, he was a deeply religious man with unfaltering faith in God and in life beyond the grave.

I mourn his passing and the fact that I will no longer enjoy the warmth of his friendship and the benefit of his counsel, but I shall always be thankful for the heritage of our association.

His wife, "Miss Lucy," is a great person in her own right. Not only was she the perfect companion and helpmate, but her social graces and personal charm have captivated all who know her. I extend to her and to all of the members of his family, my deep and affectionate sympathy in their great loss.

Mr. RUSSELL. I likewise ask unanimous consent, Mr. President, that the remarks of Rev. L. C. Cutts, pastor of the First Baptist Church of Vienna, Ga., the small south Georgia town which claimed Senator George as its most distinguished citizen, be printed in the RECORD at this point.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

FUNERAL OF WALTER FRANKLIN GEORGE, FIRST BAPTIST CHURCH, VIENNA, GA., AUGUST 5, 1957

There is a sense in which we are here to pay our respects to Walter Franklin George. I did not say nor would I say the last or final respects. That cannot be done to a great and good life worthily lived. We are also here to put heart alongside of heart and as best we can bear one another's burdens, to share the grief and the loss of these loved ones, a grief-stricken community, State, and Nation. It is not my desire nor my purpose to eulogize the Senator, as we affectionately knew him. All of the adjectives have been used by men who are far more able than I. There are some things that a word or words cannot do. Word or words cannot fully describe the beauty and the charm of a rose. Words cannot catch the color and the grandeur of the sunset, the rainbow, or describe the grandeur of Grand Canyon, the roar of Niagara or give to us the sparkle of a jewel. Even so no word or words can fully describe the glory, the fullness, the worth and value of a great and good man's life. The Senator was a great man, truly great. The Bible does not often use these words, "great" and "good" in referring to men. The Book speaks of a great God, of a great Saviour, a great work, a great faith, a great salvation, a great commandment, a great reward.

It was the prophet, Micah, who singled out the three elements essential to complete and to make a well-rounded life of the good and the great man. "He hath shewed thee, O man, what is good, and what doth the Lord require of thee, but to do justly and love mercy and walk humbly with thy God?" (Micah 6: 8.) Here is true goodness and true greatness, and to us here is the Senator.

Do justly, that is, integrity of character. Character is a byproduct, it comes whether we will or no. To live is to have character, the question is what kind of a character? There are six things that determine character: What one believes, what one thinks, reads, hears, what one does, what one feels. No character can rise higher than its beliefs in certain great fundamentals. The reality and nature of God, the deity and saviourhood of Christ, the presence and power of the Holy Spirit, the inspiration and authority of the Bible, the necessity for loyalty and obedience to moral law, the supremacy of faith and sacrifice, the certainty of heaven or hell. Here are great beliefs. No life can be worthwhile that lives in the shallows regarding these fundamentals. These the Senator believed. He did not hold opinions, he had convictions. Men do not die for opinions, they die for convictions, integrity of character.

What doth the Lord require of thee but to love mercy, that is, sympathy of heart. He had a warm heart for his fellow man. This showing of mercy and his consideration for all coined for him the word "reasonable." Our Lord has something to say about greatness along this line. "Whosoever would be great among you let him be the servant of all." The Senator was as Paul said of himself, "I am debtor" to all mankind, I owe myself to humanity—consideration, mercy and sympathy for his fellow man. Shakespeare speaks of that quality which he wore with grace and charm:

"The quality of mercy is not strain'd,
It droppeth as the gentle rain from heaven
Upon the place beneath; it is twice bless'd;
It blesseth him that gives, and him that takes:
'Tis mightiest in the mightiest; it becomes
The throned monarch better than his crown:
His sceptre shows the force of temporal power,
The attribute to awe and majesty,
Wherein doth sit the dread and fear of kings;
But mercy is above this sceptred sway;
It is enthroned in the hearts of kings,
It is an attribute to God himself;
And earthly power doth then show likest God's,
When mercy seasons justice."

Reasonableness, sympathy of heart for his fellow man.

What doth the Lord require of thee but to do justly, to love mercy, and walk humbly with thy God, that is reverence of spirit. Here we hit rockbottom, here's the foundation, there can be no integrity of character or love of mercy apart from a humble walk with God and reverence of spirit. Here's the basic element of true greatness for where there is no reverence of God, there is no reverance of manhood or anything. Certainly to walk with, walk humbly with thy God, to walk with means that they go in the same direction. The Senator walked in God's direction. He was a spiritually minded man. And certainly to walk with Him is to be humble and to possess a genuine spirit of humility. He believed God, he trusted Christ as his Saviour, he loved his church, this church where his membership remained throughout his days.

Well do I remember an experience some few years ago when I joined him in the celebration and homecoming of a little church where he attended in his youth. Old Macedonia, it was. I was invited simply to represent our family. My father attended that church as a boy and served that church in his early ministry. The Senator was the speaker. How impressive to see this great and good man stand there and say in humility, "It was here in this little church where I first heard about God; it was here in this little church where I met Christ as Saviour; it was here in this little church where I was taught those great principles by which I have sought to live and which have guided my life."

Phillips Brooks had developed the friendship of a little girl some 4 years of age. They were great friends. When the great divine slipped on, it became the duty of the mother to tell the little girl that the great Phillips Brooks had died. She went into the room, took the little one in her arms, and said, "Phillips Brooks has died and gone to heaven." The little one clapped her hands and smiled as she said, "Oh, Mother, won't the angels be glad." Somehow, we feel that way about the Senator.

"Let fate do her worst, there are relics of joy,
By dreams of the past which she cannot destroy.
They come in the nighttime midst sorrow and care,
And bring back the features that joy used to wear.
Long, long be my heart with such memories filled,
Like the vase in which roses have once been distilled,
You may break, you may shatter the vase if you will,
But the scent of the roses will cling round it still."

Blessed be his memory.

Mr. RUSSELL. Mr. President, very few men who have served in any capacity have received such worldwide recognition in the editorial columns of the press of this and other countries as did Senator George. I ask unanimous consent that a number of editorials be printed in the RECORD at this point.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the New York Times of August 5, 1957]

WALTER FRANKLIN GEORGE

A majestic decency; a civilized faith in a genteel but steel-hard political conservatism of a kind that is now all but gone into memory; a devotion to a true internationalism that has done no little in these past 30 years to shape the world's affairs—all these qualities are lessened now with the death of Walter Franklin George.

His last mission was as a foreign-policy adviser to President Eisenhower; and in this he served with a faithfulness and a small private sense of irony, both of which his friends knew always to live in him.

But his real mark upon our public affairs, and upon the pilgrim's progress toward unity and safety of the Western World, was made as George, of Georgia. George, of Georgia, was, of course, Senator George—the former chairman of the Senate Foreign Relations Committee, the former chairman of the Senate Finance Committee, the dean and patriarch of all the Senate.

His melancholy thunders from the floor left no man unmoved; he was the greatest Senate debater of many years. He was the greatest Senator, southern style, of this century, to say the very least.

Certain aspects of what is called economic democracy were not for him; he was safe and he was proud of it, and he closed his eyes in pain at the economic heresies of

the last two Democratic Presidents. These he supported magnificently "beyond the water's edge"; from them he turned in aristocratic horror when they dealt with matters like labor and civil rights.

But, in the last and highest sense, he served nothing less noble than honorable strength and honorable peace, warring first upon Hitler and his confederates and last upon Stalin and those who have followed him in the darkness of the Kremlin.

Well done, George, of Georgia—and farewell.

[From the Baltimore Sun of August 5, 1957]

SENATOR GEORGE

Senator George was a fine embodiment of that unique American institution, the southern Senator. He had been a judge and had his chance to run for the Presidency, but it was not judicial or executive office that attracted him, it was being a Senator of the United States. Coming from the South as he did, he had the advantage of tenure which southern legislators often enjoy. His was one of the longest services in the upper House and among the most fruitful.

A man of sobriety and reflection, Senator George gravitated through the subtle Senate acknowledgment of such qualities to the solidest committee assignments. He achieved distinction on both the Finance and Foreign Relations Committees, and his standing there was not due simply to seniority. He made himself into one of the esteemed taxation experts in the Congress. His work on the Foreign Relations Committee was vital and on this Democratic Senator, the Republican President Eisenhower relied for some of the most ticklish policymaking in the postwar internationalism.

Not that Senator George fell automatically into any easy groove of doctrine. The southern Senator is often an internationalist, but in the late thirties, Senator George was against American intervention in foreign quarrels. He had fought the League of Nations but supported the United Nations. The southern Senator often reflects an agrarian background and sometimes harshens into a critic if not a foe of industrialism. As a tax expert, Senator George insisted that the abundance of the revenue itself depended on buoyant business.

In his last years, indeed, there was pressure on him to narrow his broad vision of enterprise into niggling regional protectionisms in behalf of the new industry of the South. It must have been with sadness that the Senator from Georgia found himself insisting on restrictions against Japanese textile imports, because the new textile mills of Georgia were afraid of that competition. But if these and other changes in his native State raised new problems they altered not a bit the sound record that had already been written. In a long life, Senator George did well by the Senate and the South, and the Nation as a whole.

[From the Christian Science Monitor of August 6, 1957]

A SOUTHERN STATESMAN

A statesman in a functioning democracy is not a public figure who simply ignores politics and forgets parties. He is more likely to be a capable politician, but one who recognizes the issues that deserve to be lifted above partisan strivings.

Within the last decade the United States has produced two such statesmen whose especial contributions lay in pushing back partisanship from the water's edge: Senators Arthur H. Vandenberg and Walter F. George.

Senator Vandenberg, a conservative and once isolationist Republican, played an outstanding part in bringing a decisive bipartisanship behind foreign policies under two Democratic Presidents, Roosevelt and Truman—notably in American participation in the United Nations and later in NATO.

Senator George, a lifelong Democrat and a Deep South conservative, became a tower of strength to Republican President Eisenhower, notably with respect to the Formosa crisis and to the summit meeting at Geneva. His senatorial contributions to the conduct of foreign affairs were fittingly crowned by his appointment as Ambassador to NATO.

His abilities in other fields were typified in his chairmanship of the Senate Finance Committee. And if on some questions his stand may have seemed sectional and autocratic, he held to it with dignity and decency.

It was his complete integrity and innate courtliness that earned respect for Walter George regardless of differing convictions—that once prompted Franklin Roosevelt, his political foe, to declare him beyond question, a scholar and a gentleman, and Dwight Eisenhower to lament the passing of an outstanding American and a fine gentleman.

[From the Washington Evening Star of August 5, 1957]

MR. GEORGE OF GEORGIA

In American public life, Walter George long ago earned without qualification the designation of statesman. Elected to the United States Senate in 1922, the Georgian walked a steadily ascending path to distinction in the service of the Nation. In his earliest years in the Senate, Mr. George established his reputation as a lawmaker fully dedicated to the national welfare and uncompromising in his personal integrity. Through the crisis of the depression and the early excitement of the New Deal period, the Georgian applied his own calm and exacting judgment to the multitude of legislative reforms and panaceas that were being offered. His standards of what were good or bad were not determined by political partisanship. His words when he spoke in committee, in conference rooms or on the floor of the Senate were heeded not only for their eloquence but for the reasoning which they brought to bear on the problems at hand.

But it was during World War II and the troubled years since that Senator George reached his greatest stature. His influence in this later period was unquestioned and perhaps unrivaled on either side of the party aisle. Assuming chairmanship of the Foreign Relations Committee in 1955, he gave living reality to the term "bipartisanship" in the shaping and implementation of our world policies. His decision not to run for reelection in 1956 was forced in large part by Georgia's own unique political system and psychology. His retirement from the Senate was occasion for unprecedented tribute from colleagues of both parties. His subsequent service as President Eisenhower's Ambassador to the North Atlantic Treaty Organization was restricted by his failing health. His death, at 79, is a loss to the Nation and, in a sense, to the whole world.

[From the New York Herald Tribune of August 5, 1957]

SENATOR GEORGE

Walter Franklin George, who died in Vienna, Ga., yesterday at the age of 79, was unquestionably one of the great Americans of this century. He served in the United States Senate 34 years with outstanding vigor and distinction. In that body he exerted a tremendous power of leadership which was based on integrity, knowledge, hard work and the statesman's determination to act at all times for his country's welfare beyond the narrow reaches of partisanship.

In fact, it was perhaps this very quality of the disinterested titan that led to Senator George's decision last year against undertaking reelection to a seventh term. For the man from Georgia, with all his tremendous prestige in the Senate, scorned the conventional artifices of politics. He therefore chose not to run again, whereupon President Eisenhower promptly appointed him as his personal representative and special Ambassador to NATO.

As Senator George once said, "If I have any influence in the Senate today, it is because the Senate has generally credited me with being sincere." It was a characteristically modest remark, but it was the measure of his strength and the respect in which he was held by Republicans and Democrats alike. The Senator was an effective leader for the Eisenhower foreign policies, and he carried a policymaking weight with the President and Secretary of State Dulles on many occasions. It made no difference to Mr. George what might be the source of sound policy. He was concerned only with genuine bipartisanship which was truly unpartisan.

This brand of intellectual honesty made Senator George selfless and dedicated legislator. He was twice at the helm of the powerful Foreign Relations Committee and also served in strenuous wartime as chairman of the Finance Committee. The burdens were great, but he led with expertness, wisdom and the determination of principle. There was in him an aggressive sense of conviction, of Olympian insistence on what he considered to be right for America and the free world. And it is for this legacy of bipartisan accomplishment against tryanny that all free people, at home and abroad, stand in Senator George's lasting debt.

[From the Washington Post and Times Herald of August 5, 1957]

WALTER F. GEORGE

It is something of a paradox that former Senator Walter Franklin George, who in his day became the most powerful man in the Senate, was so little known as a personality. From the beginning of his career the Senator had made a practice of letting his work speak for him. He shunned both society and publicity, and demagoguery was foreign to his nature. The son of a tenant farmer and a man of simple tastes, he never exploited his homespun qualities for political purposes, except when his opponents portrayed him as a tool of wealth. Though he never attained the status of a popular hero, his solid achievements are prominently woven into the fabric of history for a quarter of a century.

The most dramatic event in his long career came in 1938 when President Roosevelt sought to defeat him for renomination because he had courageously fought the President's attempt to pack the Supreme Court the year before. Sitting on the platform at Barnesville, Ga., from which the President called for his defeat, Senator George accepted the challenge and carried his case to the voters. He had supported most of the New Deal; he was not an anti-Roosevelt Democrat; but he ripped into F. D. R.'s efforts to purge him without restraint and won two-thirds of the counties in Georgia.

It is significant that after his return to the Senate observers could detect no vindictiveness in his voting record. Much of the respect that he acquired among his colleagues stemmed from his habit of voting his convictions, and his convictions usually reflected careful study of the issues rather than mere partisan affiliation. In 1941 he gave powerful support to F. D. R.'s Lend-Lease Act and other prewar and wartime measures. In more recent years he became the anchor of the administration's strength in the Senate.

There is nothing to indicate that Senator George's political affiliations wavered when he aided the Republican administration as ardently as he had previously supported Presidents of his own party in foreign policy. He was no political opportunist. Rather, he threw his influence behind the administration in both instances because he believed that the policy being pursued was right. The

policy itself had changed but little with the shift from Democrat to Republican control, and Senator George insisted that it was as important to support the President in one instance as in the other.

This basic sincerity in the man accounts for much of the power he wielded in the Senate. His colleagues came to realize that George, as they often called him in recognition of his stature, could be relied on to vote what he believed to be the national interest with little regard for political pressures, local interests, or popular slogans. In the finest sense of the word, he was an authentic bipartisan in foreign affairs, and on domestic issues he was more likely to be influenced by what he believed to be constitutional and wise than by partisan considerations.

In his general outlook Senator George was conservative without being reactionary. Though his name is linked closely with the pay-as-you-go system of collecting the income tax, he was not an innovator. His largest contribution to the legislation of his day was that of judgment—a steadying influence. Many Senators came to rely upon him to sift out the facts with fine objectivity and draw a seasoned conclusion which would make their own decisions easier.

He took to the Senate genuine dignity without arrogance or pretense. The characterization of him as a typical southern aristocrat is far wide of the mark. His demeanor can more accurately be described as that of a judge, and indeed he did sit in three different courts of his native Georgia. His courtesy and simple manner plus his habit of knowing his business and speaking his mind when the right occasion arose brought him eminence that had no taint of aristocracy.

The Senator's brief service as the President's personal Ambassador to the North Atlantic Treaty Organization is significant chiefly as an indication of his willingness to continue serving his country after age, ill health, and changing political currents had made it advisable to give up his original plan of seeking another term in the Senate last year. It is typical of him that he remained in harness to the end. His 34 years in the Senate will be gratefully remembered as an unfolding of statesmanship of the type that democracy sorely needs.

[From the Atlanta Journal of August 5, 1957]

GEORGIA HAS LOST ONE OF ITS GREATEST MEN

Death has taken one of the greatest of Georgians. But his life and works will influence this Nation and the world for a long time to come and his name forever is written in history.

Former United States Senator Walter F. George died quietly at his home in Vienna after a long and rich life full of honors and free of reproach. He was the confidant of Presidents, the friend of kings and prime ministers, and, through his unique position in the Senate, one of the most powerful figures of our time.

The Senator was born in 1879 in Webster County in a State poverty stricken by the effects of war and bruised by military occupation. After high school he taught in order to finance his college education at Mercer and graduated with a law degree. His practice led him to the bench, first the superior court, then the State court of appeals, and the Supreme Court.

In 1922 he offered for the Senate to fill the unexpired term of the famous Tom Watson. On his retirement last year he had completed 34 years, 1 month, and 4 days in that august body. His abilities, coupled with his seniority, made him one of the most revered of statesmen. When George of Georgia spoke the world and his fellow Senators listened with respectful attention. When he put his weight behind a measure it was almost assured of passage. He was a Senator's Senator, rich in experience and wisdom, and one who grew in stature with each term.

He used his powers for the good of the country and matured beyond partisanship years ago. It was George the Democrat whose force saved President Eisenhower's foreign policy and aid programs.

It was a Senator without rancor who threw his weight behind the Roosevelt administration's lend-lease program, though only a short time earlier the President made a trip to Georgia for the express purpose of replacing him with a man more New Dealish in his views.

It was then, in 1938, that Senator George stated a principle that Georgia's representatives in Washington still use as their creed.

"I am a liberal within the limitations of the Constitution. I'm sure the people of Georgia want a voice in the Senate, not an echo."

This was his answer to Mr. Roosevelt's challenge and the people gave him another term despite the formidable opposition of Gov. Eugene Talmadge and the Roosevelt-endorsed United States Attorney Lawrence Camp.

Senator George's career was one of continual development built around unswerving devotion to principle. Some called him a rich man's Senator because of his dedication to the preservation of American capitalism in the days when such a course was unfashionable. But it was Senator George who sponsored liberalization of social-security laws for the benefit of the disabled. And it was the senior Senator from Georgia who recently tried to increase personal tax exemptions for the benefit of the little man, though the current administration blocked this move.

All big men have their detractors. Senator George had fewer than most, though he did not escape entirely. But he was bigger than his enemies. He did not stoop to conquer. Gentle dignity was a facet of his character as were self-respect and a lack of the demagogic qualities that mean much in election years but are definite handicaps in the Senate Chamber.

In the Senate seniority is important and Senator George had that in the ultimate degree when he retired to accept President Eisenhower's appointment as Ambassador to the North Atlantic Treaty Organization.

We like to think this seniority may have been divine providence's reward for the gracious act that opened his career in Washington. He delayed presenting his credentials after his election so Mrs. Rebecca Felton could have her niche in history as the first woman Senator.

Gov. Thomas Hardwick had appointed Mrs. Felton to fill the vacancy created by Senator Watson's death until an election could be held. Senator George was named before the Senate convened. Mrs. Felton's honor appeared an empty one until Senator George showed the fine stuff of which he was made by delaying his appearance until Mrs. Felton had been seated for a day.

A career begun in such a way was marked for greatness of spirit and of mind. And each successive term was greater than the last. When Senator George retired it was at the peak of his powers and the zenith of his prestige.

Georgia is proud to have nurtured him and given his superior talents to the Nation and the world. He marked them both as a great man, a great Georgian, a great American and one of the foremost citizens of the globe.

[From the Christian Science Monitor of August 5, 1957]

Senator Walter George has passed on, and his old friends and colleagues are paying the heartfelt tribute which goes to an independent and honest man who put right before party.

I like to remember a little-known fact about Senator George. His Senate term might have been 2 days longer and his seniority too if—back when it started in 1922—he hadn't refrained from presenting himself at the bar of the Senate so that Grandma Felton—Mrs. Rebecca Felton, a grand old Georgia feminist leader—might present herself, qualify as a Senator, and make a speech.

Mrs. Felton had been appointed to a vacancy under the expectation she would never sit—the election would come along before the Senate met. But Grandma Felton came to Washington determined to sit, if only for a few minutes, and Walter George gallantly gave up an all-important edge in seniority so that she might be the first woman Senator.

The women of Georgia have been grateful ever since.

[From the Columbus Enquirer of August 6, 1957]

DEATH OF WALTER GEORGE DEPRIVES GEORGIA, NATION OF GREAT LEADER

The governmental councils of the United States have lost a giant—Georgia's former Senator Walter Franklin George, who died early Sunday at his home in Vienna of an illness which struck him last June.

Born near Preston, Ga., in Webster County, the Georgia statesman began his life on a tenant farm and it is said that his first regular reading material was the CONGRESSIONAL RECORD. Be that as it may, his interests, natural oratorical talent and sharpness of mind led him during his 79 years from one eminence to another, culminating in the post of special Ambassador to the North Atlantic Treaty Organization to which he was appointed at the close of 34 years of service as United States Senator from Georgia.

It would be difficult accurately to assess the effect of Senator George's life, either as to his influence upon domestic affairs or upon international relations. There is no doubt that his most important works were wrought in the Senate, where he won from the people of the Nation and from his colleagues a reputation for caution, wisdom, statesmanship, integrity, knowledge; where he was respected for his stand that if a policy were workable, reasonable and to be desired, it made no difference whether it were advanced by a Democrat or a Republican.

His close associate for nearly 25 years, Senator RICHARD B. RUSSELL, said of him that "our laws are replete with the evidences of his wisdom and statesmanship." He added: "There are countless thousands throughout this land who today enjoy the benefits of his labors.* * *"

Senator George was chiefly known for his influence and manifest good judgment in matters involving foreign relations. His efforts in this field began during the war years, when he steered the lend-lease bill and other great international agreements through the Senate. Twice chairman of the Foreign Relations Committee, he counseled President Eisenhower in international complications that have arisen since the Republicans came to power, as he did Democratic Presidents in earlier years.

But the Senator's works were not confined to international affairs. Senator RUSSELL said he believed George was prouder of his authorship of liberalizing amendments to our social-security law benefiting the disabled and enabling women workers to enjoy earlier the benefits of the retirement system than of any other single piece of legislation.

Last year, when Senator George originally announced his intention to seek reelection, the Enquirer immediately announced its support of his candidacy. Later, however, rather than undertake a campaign in the

summer at his advanced age, George decided to retire, leaving the field open to HERMAN E. TALMADGE. President Eisenhower appointed him special Ambassador to NATO in order to retain his immense knowledge and understanding of foreign affairs in the service of the United States, and it was in this post that he served until he became ill.

Georgians are apt to remember Senator George as a courtly, quiet, dignified, and sincere man who only once faced major opposition. Then, in 1938, President Roosevelt openly challenged him and tried to use his influence against him because of disagreement over the New Deal. Senator George defeated both former Gov. Eugene Talmadge and Lawrence Camp in that race, and this determination against odds was reflected again in his final illness. Gravely ill for a week, the statesman clung to life with the same tenacity that carried him to the heights of his career.

Expressions of respect and admiration came from near and far when news of the former Senator's death spread. President Eisenhower said "he served his country and the Free World for many years with distinction and integrity." Former President Harry Truman called him "a wonderful and honorable man." The Senate met only briefly yesterday and recessed out of respect for the Georgian. Georgia's Capitol Building was closed.

The good, gray Senator, as he was sometimes called, was buried yesterday at Vienna, where he had begun practicing law 56 years ago, and the great and near great and their representatives were among the throng at his funeral.

It is certain that Senator George holds high position among the great figures of this era, and none is a greater son of Georgia than the man who rose from farm boy to country lawyer, solicitor general, associate justice of the Georgia Supreme Court, United States Senator and Ambassador, and who died mantled in the respect of nations and men around the world.

[From the Augusta Chronicle of August 5, 1957]

GEORGIA'S LOSS

The death of Senator Walter F. George has saddened many persons throughout the world. To Georgians in particular it has brought sorrow of the kind that does not often attend the passing of men in public life, even though they may be distinguished for one reason or another.

This is true not only because Senator George represented the people of Georgia for 34 years in the United States Senate. The stronghold that Georgia's beloved Senator had on the hearts of the people of Georgia can be attributed only in part to the distinction with which he fulfilled his duties to them.

Deeper still was the tie forged out of the knowledge that the high position held by Senator George was the reward for outstanding ability in the son of a Georgia farmer—a man to whom poverty in his youth had proved no handicap and who looked out upon the world and found it not too large for him.

From the start of his law practice 56 years ago, Senator George moved forward steadily until he attained, on the eve of his death the honor and distinction of having been chosen by President Eisenhower as his personal representative in helping to work out the involved problems surrounding NATO's efforts in the world at large.

He will be missed in Washington because he had made many close friends there during the time which he served his State in the Senate, but the sense of profound loss will be deeper still in the minds and hearts of all Georgians.

[From the Atlanta Constitution of August 5, 1957]

NATION MOURNS PASSING OF SENATOR GEORGE, ORATOR, STATESMAN, AND LEADER OF MEN

Few Americans have had a greater impact on the life and times of this country during the past three decades than has the distinguished Georgian who has just passed away at his home in Vienna, former Senator and more recently Ambassador Walter Franklin George.

A great Georgian and a great American, the Senator—as he always will be remembered to all citizens of this country—was so much more than the run-of-the-mill politician. During 33 years in the United States Senate, he proved himself a statesman equal to the best the Nation has produced. He will live in history as one of the greatest legislators the Senate has seen, ranking in stature with Webster, Calhoun, and Taft.

In the great American tradition, Walter George reached greatness from humble beginnings. The son of a tenant farmer, he worked his way through high school and Mercer University. As a youth his favorite reading matter was the CONGRESSIONAL RECORD. He started the practice of law as a young man in Vienna and first sought public office as a prosecuting attorney.

He became a district court judge in 1912 and was elected to the State court of appeals in 1916. Appointed associate justice of the State supreme court in 1917, he served with distinction in that capacity until 1922, when he ran for the Senate to succeed Tom Watson, who died in office. Reelected for each sucessive term since, he remained in the Senate until this year.

During his years of service to Georgia, he usually was unopposed for reelection. He survived the Roosevelt purge effort in 1938 to go on to greater service.

He went to Washington in 1922 as an opponent of the League of Nations in the camp of the isolationists. He soon moved to the middle court and for the remainder of his career was a middle-of-the-roader. He became the undisputed dean of the Senate, his wisdom and advice being sought by all its Members.

Serving as a member of 12 committees during his career, Senator George was chairman of five. His top fields of interest were taxes and foreign relations, although he rendered outstanding service to agriculture. He sponsored legislation which set up the vocational agriculture program—a program which has brought benefits to millions directly and indirectly.

During the critical war years, Senator George served as chairman of the Senate Finance Committee. In both World War II and the Korean conflict, he was called upon to steer tax legislation through Congress which enabled this country to meet the challenge of arming while maintaining the stability of the domestic economy. He differed frequently with President Roosevelt and with President Truman but usually won his points.

Also, during those critical years, he twice served as chairman of the Senate Foreign Relations Committee. Following loss of his son during World War II he became a firm believer in international cooperation as the best means of preserving the peace. He helped lead the fight for lend-lease and his speech in support of the United Nations Charter turned the tide toward United States participation in that organization.

An orator and a fighter for the things in which he sincerely believed, Senator George was one of the most respected men the Senate has seen. His power was such that the outcome of legislation usually could be determined by whether he was "for" or "against" it.

A mild man, he could lash his opponents with deadly venom without ever forgetting his station or the dignity of the Senate. He could wither a demagog like Senator McCarthy by describing him as "odd." When he was deeply stirred, the Senate Chamber rang with his oratory and logic.

His crowning achievement came during his last 2 years in the Senate. As chairman of the Senate Foreign Relations Committee, with a Democratic Congress and a Republican President, Eisenhower, he reached the height of his power and prestige. He became his party's most eloquent spokesman and leader in foreign affairs, reestablishing the bipartisan approach which the Republicans themselves had destroyed.

During those years he saved President Eisenhower from the isolationists in his own party who wanted the country to tread the same fatal course it did during the 1920's. He defeated the Bricker amendment to curb the President's powers in foreign policy. He played a key role in guiding foreign policy programs through the Senate, advising the President and Secretary Dulles on major issues. He became a respected figure in capitals all over the world as people everywhere turned to him for wisdom and leadership.

In one of his great utterances, which showed his willingness to put country above party and above his own political best interests, Senator George declared: "I am not concerned with party in guiding our foreign policy. If I am for the policy and if I believe it is a workable policy, it makes no difference whether it is put forward by a Democratic or a Republican President."

He thus shamed those who had played politics with the Nation's foreign affairs—shabby politics which cost the country dearly in prestige and in its efforts to win the cold war and a secure peace. He stepped in to save what was left of the only course the country could take—that of international cooperation. He did it in spite of the certain opposition he knew it would arouse. This was without doubt his greatest moment, the moment which assured his place in history.

Upon his retirement from the Senate this year, President Eisenhower appointed him special Ambassador to the North Atlantic Treaty Organization and as a special adviser on foreign affairs to the State Department. He praised him, too, for his bipartisan, unpartisan approach.

And so, today, the State which has honored him so many times and which he has represented so ably mourns the passing of Senator George. He ranks with the greatest Georgia has produced—a statesman without demagoguery, a gentleman and a scholar. He will continue to grow in the affections of the people.

The Constitution joins with all Georgians and all Americans in grateful tribute to a great citizen, a great American, statesman, and sincere public servant. To his family we offer our sincere sympathy. To the Nation we commend his example of unselfish service as the ideal to guide them in selection of those to represent them at all levels of government.

[From the Savannah Morning News of August 5, 1957]

SENATOR WALTER FRANKLIN GEORGE

Death yesterday wrote finis on the career of one of the most distinguished Americans of our time. He was former Senator Walter Franklin George, who started life as a farm boy in Vienna some 79 years ago.

But for one coincidence, Senator George might well have been President of the United States. Certainly he had the training and the ability. But for the circumstance of having been a Georgian, his chances would undoubtedly have been good. But never during his political lifetime did his native State pack the political weight or influence to propel him into a prominent position for the nomination. And never, for that matter,

did Senator George ever trade expediency for principle to the point that he could have wangled nomination by any other methods than those generally termed open and aboveboard. For George of Georgia was never that kind of man.

One could write at considerable length of his many and glowing accomplishments as a Senator and an international statesman. It is highly significant, we think, that not only was his ability recognized by the Senators and other governmental executives with whom he served, but that he enjoyed an international reputation as well. For, in our considered opinion, he was one of the greatest and most respected voices for world peace which the world has ever known. And from a thorough review of the world history of the recent past, we are quite well prepared to believe that the entire world was fully conscious of the stature of Senator George of Georgia, as a world statesman. Our State, we think, has never produced a greater.

Of all the stories of Senator George that have been told—and will be retold for many years—there is one which, to us, is most unforgettable. It is something of no great world significance. But it is a picture of the man that takes him close to the people of south Georgia whom he served so long and so well.

The CONGRESSIONAL RECORD—a document usually considered rather dreary and unrewarding by most young people—was a virtual breath of life to 16-year-old Walter George. He was planning to be a dentist, but already it was apparent that his ambitions and talents fitted him for something decidedly better. And part of his training, almost by intuition, we might say, was a daily reading of the RECORD in which the full speeches and other insertions of the Members of the United States Congress were faithfully recorded. There were few books in the George home, but luckily young George's father was interested in government and received the RECORD regularly. Walter read it from cover to cover, and speeches or articles that he particularly relished were memorized.

One day when he was but 16 he went to nearby Cordele for a Confederate Memorial Day service. A large crowd had assembled to hear an orator of wide repute. But for some still unexplained reason the orator didn't show up. The committee on arrangements finally, in sheer desperation, called on young George to make a speech.

He was ready. One of the articles which he had memorized from the RECORD—and improved on out of his own emotions—was concerned with Gen. Robert E. Lee. No subject could have been better, and so well did young George deliver his oration that he became practically a living legend over that section of south Georgia. And, just to prove that this particular performance was no fluke, George went on at Mercer University to win the coveted oratorical medal for four straight years. Then after a career as a country lawyer, prosecuting attorney, and associate justice of the Georgia Supreme Court, he went on to the United States Senate. There he served for 33 consecutive years—despite such potent influences as that of Franklin D. Roosevelt in his heyday—to purge him.

One could say almost anything in praise of Walter F. George and not be too wrong. He was a great man by whatever criterion one would judge him. But, to our way of thinking, he really proved his greatness by his constant refusal ever obsequiously to bow his will to any man or combination of men. To boil the matter to a nutshell, Senator George was his own man. Under all the administrations which he served he never hesitated or deviated in the expression of his opinions. And regardless of how thoroughly his opinions were cussed or discussed, they were always respected. That, we humbly submit, is the final measure of a man.

The Savannah Morning News pays to this great man our most sincere respects. He has served his country better than any Georgian in recent history. And his name should be revered with the alltime Georgia greats.

[From the Atlanta Constitution of August 6, 1957]

TRIBUTES TO GEORGE PROVE HIS STATURE

The great outpouring of tribute and affection from all over the Nation for Senator Walter F. George is gratifying to all Georgians. It is indeed a compliment to the citizens of the State who had the wisdom to keep him in the United States Senate for 34 years.

It often appears strange to the rest of the Nation that a region which could produce a statesman like Walter George also has been responsible for the Huey Longs, the Bilbos, and other extreme demagogues who have been typed as typical of southern politicians.

But out of the Deep South, from the sovereign State of Georgia, came one of the truly great legislators of this century, a man whose strength came from character and sincere convictions. Senator George was a fighter but he fought by the rules. He was a conservative but not one so blind as to forget the welfare of the people.

In the field of taxation, the Georgian was recognized as an expert. Frequently opposing administration tax policies, he summed up his ideas thus: "A government can confiscate only once; it can tax forever, provided it preserves free enterprise and the American way of life."

Georgians could and did believe in such a man. They returned him to office without serious opposition except on 1 occasion for 6 successive times. They proved that demagoguery is not necessarily a must for success in Georgia politics. And the Senator himself proved that to be successful one does not necessarily have to be the provincial peddler of prejudice.

So the State is proud of Senator George and grateful for the unprecedented tribute by his colleagues in the Senate and House, more than 25 of whom attended the services yesterday at Vienna. This gesture by both Democrats and Republicans was a moving thing.

Appreciated, too, are the editorial comments from newspapers all over the land. Typical among these was that of the New York Times, which, in reviewing his career, called him "the greatest Senator—southern style—of this century, to say the very least." Concluding, the editorial said:

"In the last and highest sense, he served nothing less noble than honorable strength and honorable peace, warring first upon Hitler and his confederates and last upon Stalin and those who have followed him in the darkness of the Kremlin.

"Well, done, George, of Georgia—and farewell."

It truthfully can be said that George, of Georgia, was a credit to his State and Nation—a statesman worthy of the name. His strength and his record of service will remain as inspirations to all those who follow him in the Senate.

[From the Macon Telegraph of August 5, 1957]

GEORGE DEVOTED HIS LIFE TO SHAPING BETTER WORLD

In the passing of Walter Franklin George, death has removed a true American statesman in an era that has produced too few.

No other Georgian of his time attained the status in world affairs as did this taciturn, dedicated man who came out of Dooly County not long after the turn of the century to devote more than 50 years of public service to his State, his country and a better world.

Few Americans in public life enjoyed more universal respect, if not affection, of their fellows than Walter George. There were many, of course, who disagreed from time to time with his views, since Senator George was a man not reluctant to give voice to his opinions, but when he spoke in the Senate in his stentorian manner the Chamber listened.

It will be long remembered that in 1938 when President Roosevelt, with whom Senator George had broken on the former's Court-packing plan, came into Georgia to purge Mr. George from the Senate by backing New Dealing Lawrence Camp in the Democratic primary, FDR laid his arm across the George shoulder and said, "God bless you, Walter. Let's always be friends."

How Georgians resented and repudiated the Roosevelt intervention and sent Senator George back to the Senate to become, in later years, the dean of that body, will be recounted as long as Georgians talk of politics of yore.

Walter George was a Senator's Senator. He left the dramatics and Capital society to others. His fare was work and when he arose to take the floor he had something to say. He kept himself versed with all business before the body, but his two loves were finances and foreign affairs.

After the economical emergencies of the 1930's had subsided and there existed no longer the need for drastic legislation that characterized the New Deal, Senator George moved to the middle of the road on domestic issues.

He went to Washington in 1922 as an opponent of the League of Nations, but the years broadened his view and years later as chairman of the Senate Foreign Relations Committee he supported the United Nations as the best hope of world peace.

Senator George was well rewarded for his tireless labors in behalf of the people he loved. After 10 years on the Georgia bench, as circuit judge, State appellate judge and supreme court justice, Walter George was sent by the people of Georgia to the United States Senate in 1922 and there they returned him for 34 years.

During his last 2 years in the Senate he served as President Pro Tempore of that body, making him third in lines of succession to the Presidency of the United States.

Upon his retirement from the Senate, Senator George experienced the rare satisfaction of being appointed to the rank of ambassador by a President of the opposition Republican Party, who was unwilling that the Nation deny itself the great talents of the man from Vienna. As Mr. Eisenhower's special representative to NATO, Mr. George carried on his works in the cause of world peace until his final illness.

Senator George also had among his numerous honors the distinct pleasure of seeing the Mercer University law school, where he received his law degree in 1901 and won signal acclaim as a debater, named for him in 1947.

There is widespread sadness at the passing of Senator George; a man of noble thoughts and deeds has gone. But that grief is assuaged in remembering that Senator George's life was a long one, brimming with accomplishments along the road which leads to a world of peace.

GEORGIA EDITORS LOOK OVER THE STATE—WALTER F. GEORGE EARNED A FIRM NICHE IN HISTORY

The Macon News:

"The great of the world have paid sincere and admiring tribute to Walter Franklin George. The President, the Members of the Senate, the Congressmen, the governors, so many in public life who held the great ex-Senator in the highest esteem have voiced their sorrow and their evaluation of the loss America and the world have suffered.

"He lies now in Vienna, the town he loved and lived in for more than 50 years. * * *

"But, even more than the great of the world, it is the ordinary people who will miss Senator George, the most. The Joe Smiths and the John Does owe him the most and his passing removes from this life a valiant champion of their rights.

"He was splendid in war and in peace. In the troubled times of conflict, his was the clear brain and the wise voice that went straight to the heart of a problem and saw that what had to be done was done. And in time of peace, he labored unceasingly to better the lot of his fellow man. The legislation he helped fashion will reflect his vision and statesmanship for many years to come.

"His stature, as a Senator, as a Georgian, and as an American will stand unchallenged so long as there exists our democracy of the people, by the people, and for the people."

The Valdosta Daily Times:

"In the death of Senator Walter F. George, our State, our Nation, and the Free World have suffered a grievous loss. Although his death was not unexpected, it is nevertheless a shock to those who have long considered him one of the world's outstanding statesmen.

"Through a long and useful public career he never wavered from his convictions and often he refused to permit expediency to influence his decisions.

"From a humble beginning, Walter George rose to heights attained by few men. His calm judgment, his devotion to those things he believed right, and his determination at all times to follow a course that his stern conscience dictated, made him a 'man of distinction' in a world that sorely needed leadership of the kind he provided.

"Never one to seek personal aggrandizement, he ever sought to advance those causes he believed to be right, often at sacrifice to himself.

"His long and distinguished career in the Senate where he was the acknowledged leader of those forces which sought peace and understanding made him ready to serve well when called to be personal representative of President Eisenhower on the world scene as ambassador to NATO.

"Senator George, probably more than any other man in public life, contributed to a nonpartisan approach to the Nation's foreign problems in perilous times. From the President on down his advice was sought on matterms of vital concern and his judgment was always sound.

"Senator George had a deep and tolerant understanding of the Nation's problems and on world affairs he was consulted many times when the fate of nations was in the balance.

"He was called by fate to 'walk with kings' and yet he never lost the touch of the 'common man.'"

The Marietta Daily Journal:

"Although the death of Walter F. George comes as no great shock, it leaves Georgia and the Nation with an overwhelming sense of loss. For, with the passing of this statesman-diplomat, our era is losing one of its most talented and effective leaders.

"The gradual decline in Senator George's condition braced most of his friends and admirers for the inevitable. Yet, this knowledge could in no way ease that pang of remorse felt by so many Georgians. For Georgians claimed this man for their own although his disassociation with provincialism could have well classified him as an international citizen.

"Many great tributes were paid the man by dignitaries the world over. Editorials herald his rise to lofty heights from humble beginnings. They trace his ascent in politics to his last post as ambassador to the North Atlantic Treaty Organization. His contributions to this Nation's welfare were measured and evaluated as outstanding in the course of history during the past two decades.

"Georgians hold the memory of Senator George in highest esteem—for he brought to this State something much more valuable than anything found in a pork barrel. To Georgia, Senator George bestowed a tag of dignity so precious during times when our State was being constantly undermined and scorned by outside critics. Representation in the Senate by such a respected statesman did much in the way of counteracting these attacks. A great deal of the respect accorded Senator George rubbed off on Georgia, definitely enhancing our position and prestige on the national scene."

[From the De Kalb New Era of August 8, 1957]

WALTER F. GEORGE

In the cloistered peace of his beloved home, a thousand miles from the scene of so many of his greatest triumphs, Walter Franklin George, the master general of statecraft, quietly fell into eternal sleep.

The State of Georgia, this Nation, and the Free World mourn his death. Deliberative bodies ceased their activities in his honor. Flags throughout the Nation flew at half-mast. Even the ships at sea and in a hundred ports over the world did him honor, and showed their respect for greatness.

No man lived who was his superior. In close intimacy he walked and talked with Presidents and monarchs and ministers of state. He was at home with the princes of the earth. Statesmen sought his counsel. He was the compatriot of every loyal and true American, regardless of political affiliations.

But his world was not alone in the company of the high and the mighty. The farmer, the laborer, the small-business man, the man on the street all knew him as their friend and recognized in him their ally. He spoke the language of the palace and the hovel, for he knew mankind, he understood human nature, and he had a heart big enough for all.

Silent now are those lips which for so many years advocated world peace and understanding among men. Stilled forever is the sound of his resonant voice, speaking words of logic and commonsense with a fervancy of this Nation and that of the Free World.

But not so with his tremendous influence. History has been indelibly marked with the imprint of his magnetic power, his gigantic strength and his phenomenal prestige. As long as America is what she is, a Nation loving freedom, just so long will his influence continue to reach into the basic structure of our national thinking. To a great extent he has fixed the course of our ship of state, and has left us a chart for the future, which, if we are wise, we will follow to our continued happiness as a people and which will bring the world ever nearer to a lasting and a just peace.

From the profession of law, through the judgeships of the inferior, superior, and supreme State courts, through the Halls of the United States Senate, into the worldwide post of special ambassador for the President of the United States, he followed his star with increasing honor for himself and has at the same time honored each separate toga he wore with a matchless integrity. In this long span of years he shouldered burden after burden of his people and his Nation until in his crowning years he assumed the mantle that carried with it the burden of free peoples everywhere.

In every capacity he was a man of intense feeling, of great love and compassion, of devoted loyalty to right, of impeccable honor and integrity. In conduct and character he was a Christian gentleman. Such attributes endeared him to a world with a craving for honorable leadership, and gave him a power and an influence the equal of any of this age.

His loved ones found in him a soft tenderness, a deep devotion, and an unbeguiled affection. His friends loved him for his loyalty, his understanding, and his helpfulness. His foes respected him for his utter sincerity, his consuming strength of sound reasoning, and his complete fearlessness. All saw in him the inherent greatness of character.

The man, the judge, the Senator, the statesmen, the ambassador is dead, they say. But such a one never dies. The laws he fashioned, the principles he instilled, the ideals he envisioned, the goals he set for men and governments were by his labors shaped into imperishable monuments which future generations can see and to which they can cling with assured safety. These things will live on across the frontiers of freedom as guideposts of a revealing light, as a solace to the oppressed, and as an inspiration to those who carry on the affairs of mankind. On the foundations which he was so instrumental in building, men will add piece by piece until at long last they will have builded a structure that will not be destroyed by the hands of tyrants or torn away by the vaunted ambitions of dictators.

And so we bid farewell to one of Georgia's greatest sons, to one of our Nation's wisest leaders, to one of the most powerful advocates the Free World has even known. To his family, his friends, his people, and to the cause of world peace the New Era extends its deepest sympathy in the loss of a husband, a father, a true friend, a patriot, and an advocate above reproach.

[From the Cochran Journal of August 8, 1957]

WALTER FRANKLIN GEORGE

In a way an era died when Walter Franklin George was buried in Vienna Monday in the town he loved so well, while a hot Georgia sun beat down on the hundreds who came to pay him tribute.

A statesman had died, and there are those in Congress who knew him well over a period of 34 years, who will rise and eulogize him. Once, following a major speech by George on foreign relations, the entire Senate of the United States rose to applaud him in an unprecedented move.

Few men have ever enjoyed the prestige in any legislative body that George had in the Senate. It was not a political prestige, but that rare regard that all men hold for a person who is so diligently honest, so well grounded in his field, that his word is almost a command, and his interpretation of any piece of legislation was sought as a guide.

As Arthur Edson put it, to disagree with Senator George was almost like questioning Moses on the authenticity of the Ten Commandments.

When they buried Walter George on a sun-filled afternoon in a Georgia cemetery, they buried an era with him.

But, he left behind him a great heritage, not only for his people in Georgia, but for the Nation and the world.

His name became a worldwide symbol for truth and justice and understanding among nations, and for peace among men of good will.

Our sons will reap the good harvest from the seeds of peace he sowed for them.

Mr. RUSSELL. I may say, Mr. President, that these editorials come from the great metropolitan press, and from the smaller daily papers of my State and of other States and there are several from the weekly papers of my State. This does not purport to be a fraction of the total of the editorials written paying heartfelt tribute to a truly great soul, but these few editorials do represent a fair cross section of the sentiment of the people of the United States, as expressed

through the medium of the press, on the passing of Senator George.

One of the editorials states, Mr. President, "In a way an era died," when Walter Franklin George came to his final resting place in the little cemetery in Vienna. He has left monuments to his memory that are found in the laws of our land, which will be more enduring than any stone that may be raised above his last resting place.

No man who was ever privileged to serve in the Senate with Senator George will ever forget him or fail to prize the association with him.

Mr. TALMADGE. Mr. President, Georgia, the Nation, and the world have suffered an irreparable loss in the death of the renowned and distinguished former senior Senator from Georgia, Walter F. George.

I am confident that I speak the sentiments of all Georgians when I say that no man ever was more beloved or held in higher esteem by his native State.

There is not a citizen of Georgia who does not thrill to the honor and prestige which he brought to our State.

There is not a single Georgia youth who has not found inspiration in his example.

As Georgia's ambassador to the Nation—and to the world—he did more to accentuate the human and physical resources of Georgia than any leader our State has produced this century. By his very stature he negated every barb and insult which any would-be critic of our State and region ever hurled.

When the history of the past 50 years is written and evaluated, I predict there will be no more brilliant chapter than that recounting the contributions of Walter F. George to this century.

In a fast-moving world which sometimes gives the appearance of having gone completely mad, it was a comforting reassurance to have the firm and confident hand of Senator George at the wheel of the ship of state. Looking back over the reckless course of this Nation's vacillating, ofttimes nebulous foreign policy of the past 4 years, one is appalled to think what disaster probably would have befallen had it not been for the steadying influence of Walter George upon those who, by their own admission, carried America to the brink of war itself.

The people of Georgia and the United States—and, yes, of the entire Free World—give thanks that this Nation was blessed to have the leadership of such a man with the vision and courage to champion a course for peace rather than fatalistically insisting upon drafting a blueprint for war.

Senator George was the established champion of peace in the minds and eyes of the men and women of the Free World. They respected his wisdom and trusted his judgment.

Senator George above all men understood the urgent need for collective security among the democratic nations of the Free World. His vision, his courage, his wisdom, and his humanity are attributes which will be sorely missed during the years of crisis ahead.

The biography of Walter Franklin George is a story of unparalleled achievement in the truest American tradition. It is one worthy of the best efforts of the most skilled of writers.

Of Senator George's background, one can truly say with Ralph Waldo Emerson:

> Born for success he seemed, with grace to win, with heart to hold, with shining gifts that took all eyes.

Birth in the modest circumstances of a tenant farm proved no handicap for him. From early boyhood his genius was apparent and—despite the fact that he had to put his hand to the plow to earn his way—by the time he was a young man in his teens he had an established reputation as one of the best scholars and most forceful speakers in his section of the State.

After a brilliant scholastic record in law at Mercer Univerity, he entered upon an equally brilliant legal career as a practicing attorney. So successful was he, so the story is told, the other lawyers in his town decided the only way they could make a living was to get him named solicitor-general of his circuit.

From there his career took him to the bench of the superior court and on to seats on the Georgia Court of Appeals and the Supreme Court of Georgia. At all levels of the judiciary in Georgia he added distinction to his growing reputation as a public servant and proved himself to be, as Shakespeare said:

> An upright judge, a learned judge * * * a judge that no king can corrupt.

Upon the death of the late Thomas E. Watson and at the urging of his friends throughout Georgia, Judge George offered himself to the Georgia electorate as Watson's successor. He was overwhelmingly elected and was subsequently reelected to five endorsement terms—giving him the longest continuing record of service of any Georgian in the United States Senate.

Perhaps more than any other one incident, the best index to the character and integrity of Senator George is found in his gallant decision to postpone presentation of his credentials of election to the Senate in order that Mrs. Rebecca L. Felton, who had been appointed to the Watson vacancy by Governor Hardwick, might be sworn in to become the first woman ever to sit in the United States Senate. That gesture of unselfishness was the epitome of the entire makeup of the man that Walter Franklin George was.

In his years of service as a Member of the Senate, Senator George was associated with the drafting and passage of virtually all of the progressive legislation which has blessed this generation. None earned him a warmer place in the hearts of the people of his State and Nation than his advocacy of vocational education.

Senator George was listed as author of every major bill relating to vocational education during his long and distinguished career as a Member of the Senate. And history will record him as the "father" of the program as we know it in the public school systems today.

It was fitting indeed that 6 years ago, a monument honoring his great service to the youth of our Nation in this regard was unveiled and dedicated in his hometown of Vienna, Ga.

As chairman of the Senate Finance Committee and later of the Senate Foreign Relations Committee, Senator George played major roles in the development of the economy and foreign policy of this Nation for the past quarter of a century. He was an acknowledged authority in both fields, and his advice in either was always heeded.

As befits the character of this great man, Senator George never made an open display of his power, influence, or prestige. He preferred to work modestly, but always effectively, in the background. However, when he did choose to speak, every chair was filled and every ear attuned to his words as his golden oratory reverberated through this Chamber.

All who ever had the privilege of hearing him speak will agree without hesitation that he was one of the greatest orators in the history of our country.

It was in appreciation of his myriad contributions to Georgia, the Nation, and the world and as a tangible tribute to the honor and prestige his achievements brought him that Mercer University at Macon, Ga., named and endowed its law school in his honor. And the Walter F. George School of Law is today one of the finest institutions of legal learning in the Nation with a fame among members of the bar which far transcends the boundaries of the State of Georgia.

Throughout his life, Walter George gave unselfishly and wholeheartedly of his tremendous energy and talent to the service of his fellow men.

He forwent the wealth which undoubtedly would have been his had he chosen to continue in the private practice of law or entered into the field of business.

But in foregoing the monetary rewards of life which might have been his, he gained a wealth far more lasting and precious than mere silver and gold—the wealth of love, admiration, and respect of his fellow Georgians which will live as long as there is a tongue to pass the story of his great service from one generation to the next.

There is a little poem of anonymous authorship which, I think, more aptly sums up the great attributes of Walter Franklin George than any words I might utter. It goes like this:

He has not served who gathers gold,
Nor has he served whose life is told
In selfish battles he has won,
Or deeds of skill that he has done;
But he has served who now and then
Has helped along his fellow men.

The world needs many men today,
Red-blooded men along life's way,
With cheerful hearts and helping hands,
And with a faith that understands
The value of the simple deed
To serve another's hour of need.

Mr. President, Walter Franklin George spent his entire life serving others' hours

of need, and history will record the great success which he achieved in his lifetime of selfless service.

He has built a monument in the hearts of the people of Georgia and this Nation which is more imposing than any memorial of stone which may ever be erected to honor his deeds and perpetuate his memory.

Though he has departed this vale of tears and strife for the peace and rest of eternity in the arms of almighty God, he will always live in the hearts of those whom he served and through the myriad concrete contributions he made to the advancement of human life here on earth.

One of our great American journalists, Walter Lippmann, once wrote that "the final test of a leader is that he leaves behind him in other men the conviction and the will to carry on."

Walter Franklin George left such a heritage—a heritage which will live so long as there is a United States and a United States Senate.

On behalf of the distinguished senior Senator from Missouri [Mr. HENNINGS], I desire to read the following letter, and then request unanimous consent that an insertion be made in the RECORD.

The letter is dated August 7, 1957, and is addressed to the junior Senator from Georgia. It reads:

UNITED STATES SENATE,
Washington, D. C., August 7, 1957.

The Honorable HERMAN E. TALMADGE,
United States Senate,
Washington, D. C.

DEAR HERMAN: My doctor has warned me against any sustained activity for awhile as yet, although I am allowed to return to the Senate for an occasional vote. I read in the RECORD that time will be set aside next Monday for tribute to Walter George. As it is likely that I will not be present, I wonder if you would be kind enough to read this letter to the Senate and to insert the attached article in the RECORD in my behalf.

The article was written several years ago by my old friend, Ed Woods, one of the outstanding reporters in Washington. It is a very able profile of an extremely able Senator and statesman. In his article, Mr. Woods describes me as a "warm admirer" of Walter George. This is indeed an understatement. He also describes a "toe to toe debate" that I had with the then chairman of the Foreign Relations Committee, with respect to the Bricker amendment. He said that this debate took place "to the amazement" of my colleagues. This was no understatement, since Walter George was probably the outstanding authority on international affairs in the Senate at that time and I respected him and his point of view vastly. Since I agreed with my colleague on almost all matters, it was only with great reluctance that I dared to debate publicly with him on this important subject. As always, Walter George deported himself on the highest plane and as a gracious scholarly gentleman for whom my admiration was exceeded only by my affection. He was always kind and helpful to me.

Therefore, I want to pay my small tribute to the memory of one whom I was privileged to call my friend. With kindest regards to you, as always, I am

Sincerely yours,

THOMAS C. HENNINGS, Jr.

Mr. TALMADGE. Mr. President, I ask unanimous consent that the article be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the St. Louis Post-Dispatch of February 27, 1955]

WHO'S WHO IN THE NEWS: GEORGE, OF GEORGIA, FOREIGN RELATIONS CHAIRMAN, A SENATOR FOR 32 YEARS—THE MAN ROOSEVELT WANTED TO PURGE NOW AT PINNACLE OF HIS CAREER—AT AGE 77 HE IS AN INSTITUTION IN WASHINGTON—GOT CONGRATULATIONS, THANKS FROM PRESIDENT EISENHOWER FOR BIPARTISAN SUPPORT

(By Edward F. Woods)

WASHINGTON, February 26.—When courtly Walter Franklin George, of Georgia, moves down the center aisle of the United States Senate Chamber he leaves the impression that he owns the place, or at least is about to bid on it.

If George exudes something of a proprietary interest in the meeting place of the world's greatest legislative body, he may be pardoned. For 32 years and 3 months as of Washington's Birthday the Chamber has periodically trembled at the impact of his powerful voice.

In that time he has become the undisputed dean of his Democratic colleagues. He is credited with being the only man in the Senate who can switch votes by making a speech. He has collided openly with two Presidents within his own party and today is openly a favorite of a Republican Chief Executive.

Now, in the twilight of his career, the 77-year-old Georgian has reached the pinnacle. He no longer is regarded as just another Senator. He has become an institution, taking his place in history along with the late Senators William E. Borah and Hiram Johnson. In a sense he has become the custodian of Senate traditions and the Senate's way of doing things.

As the Democratic chairman of a Democratic-controlled Foreign Relations Committee he is the Nation's most important instrument for effectuating the foreign policy of President Eisenhower. In this, he has inherited the role of the late Arthur H. Vandenberg, the Republican Senator from Michigan who was an effective collaborator in the Roosevelt-Truman foreign policy.

George now is above legislative pulling and hauling. He is not what is known here as a cloakroom trader. Lobbyists shrink in horror at the thought of buttonholing him. While he is not a member of the Democratic policy committee, Senator LYNDON JOHNSON of Texas, the majority leader, confers with him for 20 minutes to a half hour each noon hour as the Senate convenes, clearing with him such decisions as the policy committee may have reached on pending business.

His influence is such that it is hard to conceive of a coalition of which he was a member being beaten on any issue, though it did happen once. That was last year when Senator THOMAS C. HENNINGS, JR., of Missouri, a warm admirer of George, led a floor fight against the George amendment to limit the power of the President to make executive agreements with foreign governments.

To the amazement of his colleagues, Senator HENNINGS engaged in toe-to-toe debate with the distinguished Georgian, and the amendment was beaten by the margin of one vote.

Senator George's hold on his colleagues stems from two major sources: His age and tenure—and his voice and imperiously paternal bearing.

He makes a speech only when he has something very important to say, a rare quality in the Senate. On these occasions he could spellbind a rooster. He generally opens on a conversational tone, his pleasant southern accent washing soothingly over his listeners.

Then without warning, his voice hardens into a thundering rumble, one fist goes high over his head, soon followed by the second, and then down they both come as scorn and passionate indignation are commingled in a harsh finale intended to cast into outer darkness the issue or the person which is his target.

Senator George actually began to achieve the status of an institution in the last Congress, which was Republican controlled, fashioning an astounding unity among the diverse Democratic elements on two major issues.

In one instance, Senator George did not approve of the way an Eisenhower appointee to the National Labor Relations Board, Albert C. Beeson, had failed to fully and frankly inform the Senate Labor Committee of a private pension arrangement he had with his former employers. George let it be known that he would vote against Senate confirmation of Beeson. On the rollcall, only two Democrats failed to fall in line with him.

Later, he likewise made known that he was in favor of recommitting to committee, or killing off, the administration-sponsored revisions in the Taft-Hartley law. On this rollcall every Democrat joined him. It was the first time in the history of the party that the Democrats, who usually claw each other on labor-union issues, voted unanimously on such a question.

His crowning achievement, however, came last January 28, when, as chairman of the Foreign Relations Committee, he guided the administration's resolution on defense of Formosa to a whopping 85-to-2 victory in the Senate. Nary a Democrat strayed on the rollcall, and George achieved a noteworthy milestone in the conduct of bipartisanship in the cold war.

Senator George used forceful language in support of that resolution, declaring:

"I hope that no Democrat will be heard to say that because the President of the United States came to Congress he is thereby subject to criticism.

"He chose a courageous course, a course which would be taken only by a prudent man who knows the pitfalls along the course and who knows the horrors of war.

"No person can guarantee the results of any important public act. We cannot. But there is no man who is worth his salt * * * who is not willing to exercise his best judgment, his honest judgment in response to the President."

It is no secret that many Democrats found the calling for the defense of Formosa and its current tenant, Chiang Kai-shek, grossly unpalatable. And while the resolution undoubtedly would have passed anyway, the opinion here is that George alone was responsible for the overwhelming assent. George's vigorous support of the resolution was viewed by some as justifying claims during the 1954 campaign that a Democratic Congressional victory would help rather than hinder Mr. Eisenhower in foreign policy matters.

President Eisenhower was so elated over the vote that he sent George a note describing his leadership on the Formosa resolution as superb and offering his congratulations and grateful thanks. The following day, Secretary of State Dulles personally conducted George from his suite at the Mayflower Hotel to the White House to take part in the signing ceremonies. It was George's 77th birthday.

There are some here who say privately that Eisenhower and Dulles are simply using George to push projects which are not compounded on a true bipartisan basis. He rejects such contentions, asserting that the Eisenhower-Dulles approach to bipartisanship on foreign policy is genuine and complete. He attributes to the White House no disposition to confront the Democratic leadership with decisions already made.

Senator George's influence is by no means confined to passage or defeat of legislation. In this city where foot-in-mouth disease is rampant, 44-year-old Majority Leader JOHNSON frankly exults that some of the dean's aloofness and reserve has rubbed off on him, thus restraining him from popping off to the press as does the minority leader, Senator WILLIAM F. KNOWLAND, of California.

With more than 32 years' tenure behind him, Senator George is the fourth most durable man in Senate history. Ranking him in this respect were South Carolina's Ellison D. Smith and Iowa's William B. Allison, each of whom served 35 years and 5 months, and Wyoming's Francis E. Warren, who was a Senator for 37 years and 5 days.

Some of the Senator's critics regard him as an archconservative. He calls himself a liberal, but a liberal within the Constitution.

George was born January 29, 1878, at Preston, Ga., the son of a tenant farmer. His childhood was one of hard work and privation. He acquired a 1-room-schoolhouse elementary education and eventually went through Mercer University and into a successful law practice.

He became a judge and rose from the lower courts to the State supreme court. A studious and scholarly man, he devoted long hours to the history of the Constitution and its interpretation, strengthening his concept of the rights of the States and localities against potentially oppressive powers of a central government.

In 1922, firebranding Senator Tom Watson, of Georgia, died and George got the nod from Georgia business and utility interests to run for the vacant seat. His views have undergone some startling changes since then.

In a scorching 1922 campaign, George roundly denounced the League of Nations and all such foreign entanglements. He criticized the soldier bonus and proposed liberalization of immigration laws. The Volstead Act, he preached, should have stiffer penalties for illicit dealing in spirits.

Four years later, however, in the next primary campaign, his enemies attacked him for having voted for World Court and, in 1928, after receiving 52½ national convention votes for the Democratic presidential nomination, he was supporting that implacable foe of prohibition, Al Smith, for President, and was denouncing the Volstead Act as a Federal invasion "of a domain it has no business to be—the regulation of a private citizen's habits and wishes."

In 1932, George opposed the nomination of Franklin D. Roosevelt for President, a misdeed which Roosevelt never forgot. However, after Roosevelt's election, George voted for NRA, AAA, TVA, SEC, and social security. He bridled against regulation of utility holding companies, the New Deal housing bill, and Roosevelt's plan to enlarge, or as some put it, to pack, the Supreme Court. He energetically, but without success, fought the 1936 tax bill which included a levy on the undistributed profits of corporations.

His opposition to so much New Deal legislation earned him the hostility of the White House and President Roosevelt marked him for a political purge.

The President journeyed to Gainesville, Ga., in 1938 and with George seated behind him on the speaker's platform he informed the Peach State's citizens that he wanted George defeated in the upcoming primary. When the President finished, George got up, shook his hand, expressed his regrets over the President's position, and added:

"Mr. President, I accept the challenge."

He fought the President up and down his State in the best southern political tradition. He denounced outside interference, carpetbaggers, and another march to the sea. When he concluded his speeches a brass band rendered Dixie, and tears flowed.

In the voting, George won, thus becoming the hero of the anti-New Dealers. He polled 141,922 votes to 102,264 for Eugene Talmadge, and 78,223 for Roosevelt's hapless candidate, Lawrence Camp.

In 1949, George found himself at loggerheads with another Democratic President, Harry S. Truman, over the President's plan to raise taxes to cover spending contemplated in the Fair Deal program and still keep the budget balanced. George thought the budget could be balanced by slashing Truman's spending plans and leaving taxes at their current levels.

George concedes that during the war years he was reputed, undeservedly, to have been unduly tender with corporations and wealthy people in tax matters as chairman of the Senate Finance Committee.

But a year ago he rose in wrath against the whittling away of tax exemptions for lower bracket income taxpayers and he horrified his more conservative followers with a proposal that exemptions for dependents be increased immediately from $600 to $800 and eventually to $1,000. This bombshell failed to detonate.

When he is not fulfilling his function as pivot man in legislative and policy matters, George confines himself to his Mayflower Hotel rooms where he and his wife, whom he calls Miss Lucy, watch television and read. His habits are simple and he regards even White House receptions as above and beyond the call of duty.

In view of George's advanced age, it is no secret that several Georgia politicians are wondering when he will step down and give somebody else a chance, because no one will have the chance unless he gives it to him.

Asked if he might quit in 1956 and support HERMAN TALMADGE as his successor George replied:

"I do not know if I can support anybody at that time. I am somewhat in the position of an old friend of mine in Savannah who said that when he died he wished to be carried back to Savannah to be buried because every 2 years they would resurrect him at election time so he could vote. I do not know who would be my redeemer in such circumstances and, therefore, I do not know whom I would vote for."

Mr. JOHNSON of Texas. Mr. President, it has been many years since the country has suffered a loss so grievous. In the passing of Walter F. George, our Nation lost a statesman, a gentleman, and a friend. I shall not do the impossible by attempting in a few brief words to assess the role of Walter George in the history of this great Republic. I can leave that to the historians, secure in the knowledge that the name of Walter Franklin George will have a permanent and enduring place.

But I do want to sum up exactly what Senator George meant to many of us.

We are privileged in our lifetime to have a few briefs contacts with authentic greatness. I am not using that word loosely. Walter George was a great man in every sense—in ability, in integrity, in statesmanship, in devotion to his duty in the Senate and in his representation of all the people of our free land. Walter George represented to me one of those brief contacts. But it was more than that. He was always, from the time I entered this body, as a young freshman Senator, a selfless friend who helped to guide my footsteps through many trying hours, and through many difficult times.

This has been a better world for me and for all my colleagues in this body because we came in touch with Walter George. It has been better because my life has been touched by wise, disinterested advice and counsel, which was always patriotic, and because I felt the warmth of the personality of this great man.

I wish desperately that there was some way I could find comfort for his thousands of friends and for his grieving family. All that I can say to "Miss Lucy" and to his son is that this was a truly great man, who is going to be remembered long after the rest of us are gone and forgotten.

Walter Franklin George will live in the sense that his achievements as a Member of this great body which were hammered out on the anvil of the Senate are a permanent part of the history of this great land.

Mr. KNOWLAND. Mr. President, it was with a deep feeling of regret that we learned of the death of Ambassador Walter F. George.

I wish today to say a few words in memory of the distinguished career and life of our beloved former colleague. Those of us who knew and witnessed Senator George's great endeavors in this legislative hall, where he served for so many years, recognized the tremendous assets he had as a man.

He was kindly, courageous, and was possessed of great personal integrity. He was generous in his friendships for his colleagues and all of us had for him a deep and abiding personal affection.

Most of the Senators present witnessed the great humility and simplicity of Senator Walter George when he rose in the Senate in the closing days of the session of Congress in 1955 and said:

Mr. President, I hope I shall return. Whether I do or not, the one great profound regret of my life is that I have been able to do so little for mankind.

Mr. President, if each of the 95 Senators who, at the moment, constitute this body, could leave this world with one-half the record of accomplishment that Senator George performed, history would certainly record such an era as the Senate's period of greatest achievement.

As other Senators have noted, Senator George was one of the few Members of this great body who by sheer persuasion of his eloquence could move men's minds on the floor of the Senate and produce changes on important votes.

Senator George, with his great powers of intellect and moderation, brought the highest degree of prestige and respect to the two great Senate committees of which he served as chairman, the Committee on Foreign Relations and the Committee on Finance.

It was my privilege for a time to serve on the Committee on Foreign Relations during the time Senator George was chairman of that great committee.

He performed his duties in an impartial, nonpartisan manner. He gave the same devoted service to a Republican President of the United States as he would have given, and as he would have expected another to give, to a Democratic President of the United States.

In matters concerning the welfare of his country and the defense of the Nation, there was no partisan line, so far as Senator George was concerned.

It was my privilege during the past 5 years, first as Republican majority leader and later as minority leader, to participate in conferences with him on matters of the gravest import and public concern, matters affecting the welfare of our country. His discerning judgment on those as on all other great public questions was guided by the same criteria and principles which motivated him all his life—the protection and the furtherance of the public welfare of all the people of the United States. He has been termed by one of his colleagues as "a Senator's Senator."

It was a sad journey which some of us were privileged to make to the last rites for Senator Walter George in the little town of Vienna, Ga. That community is small, but, in a sense, it is typical of America. Senator George had spent much of his life in that community. He was loved by the people there. As we went from his home to the church and thence to the cemetery, evidences of the affection in which Walter George was held by those people could be seen by all of us.

It had been my privilege a year or so earlier—and I am glad I was able to have it—to go to another affair in Georgia, in the community of Gainesville, where the people were celebrating Walter George Day. Again I had the opportunity to see the people who, because of their love and admiration for him, came to pay tribute during his lifetime to this great Senator and great son of Georgia. He was this, Mr. President, and he was more. He was a great American statesman.

I offer my heartfelt condolences and sympathy to his widow and to the other members of his family.

So long as any of us shall live, we will remember the great and outstanding service of Walter F. George, a United States Senator from the State of Georgia, but, more important than that, a Senator of the United States.

Mr. GREEN. Mr. President, during the last few days many words have been spoken on Walter F. George. We have heard words of deep-felt grief; we have heard words of fond recollection; we have heard words of praise and profound respect.

These words have come from every part of the land. They have come from people in all walks of life. They have come from those who knew him as an intimate and from those to whom Walter F. George was but a name or a familiar picture in the newspapers.

To each person who has spoken, Walter F. George had a special meaning. Now that he is gone, each seeks to recapture the essence of that meaning in words. Each seeks to hold that meaning vividly for a final moment before his great and good spirit merges into the priceless heritage of the Nation and humanity.

Many who have spoken of Walter F. George knew him longer or better than I did. I knew him best as a distinguished colleague in the Senate, and as a long-time associate on the Committee on Foreign Relations, where we served together 19 years, and as my predecessor as chairman of that committee.

Walter F. George was a man of varied talents and he gave freely of them in many public endeavors. I believe he made his greatest contribution, however, when in the closing years of his life he turned his attention primarily to international problems.

As chairman of the Committee on Foreign Relations, he led his colleagues with wisdom, with restraint, and with a gentle firmness. There were differences of view in the committee during his tenure as chairman. There always have been and probably there always will be such differences there. The leadership of Walter F. George was such, however, that these differences never became personal, never vindictive, never political. He had a way of looking at the work of the committee in the huge mirror of history. What he saw overwhelmed the petty and the inconsequential; and what he saw, he helped his colleagues on the committee to see also.

In the same fashion, he worked with the President and the Secretary of State. He gave freely to them of his wisdom, his perception, and his courage.

The contribution of Walter F. George to the foreign policy of the Nation was profound. So he helped to separate the enduring from the temporary.

He was able to serve the Nation in foreign policy as he did because he looked down the road of history from his vantage point of a long and full life. He could see clearly beyond all petty divisions to where the total interests of the Nation were to be found; and he could see even further to where the interests of humanity, beyond all national distinctions, were enshrined. Because he saw so clearly, he gave expression to the inner strength of the Nation and directed that strength into the quest for a rational peace. I believe he sought peace out of a profound abhorrence of war which was based in part on the personal tragedy which it had brought him. He sought it even more, perhaps, because, as he often asked the Senate, he had asked himself, "What is the alternative to peace?"

Walter F. George is now of the ages. Because he lived and walked among us, we shall have a greater incentive to find the way to the rational peace which he believed to be essential to the future of our Nation and of mankind.

Mr. WILEY. Mr. President, we meet to commemorate a life lived among us—the life of a very humble but great American, the life of Walter George.

I rise to pay tribute to a man who was one of the most distinguished Members in the history of the Senate; but, more than that, I rise to speak of him because I found in him a friend.

It was my privilege to serve under Walter F. George when he was the chairman of the Committee on Foreign Relations. It was my privilege to have him at my side when I was the chairman of that committee. Whether he was in the majority or in the minority, Senator George was, first, last, and always, a true American. He was always a Senator, to whom statesmanship—and I emphasize statesmanship—came first, and partisanship well behind. It was always comforting to be with him and to feel his presence. Strength radiated from him.

In our committee we could always count on him for balanced judgment, for wisdom, and for the understanding which come not only with age but with dedication to the Republic—qualities which were developed from a life well lived.

Among other things, his life demonstrates industry and clear thinking. It demonstrates qualities which a United States Senator should have. There was no hate in Walter George. As he has been described by the distinguished minority leader, Senator George was a Senator's Senator. As was stated by the distinguished majority leader, the world is better because Senator George lived. The reason is that Walter George had a reverence for this great institution, the United States Senate. He was proud of the Senate. He was determined to uphold its highest traditions.

Next, his life demonstrated character. As has been stated, he was a man of strong convictions. But he was always kind, courteous, and considerate.

At the final services in his honor, the minister well recalled the words of Micah, in applying those words to the departed. He said:

> The Senator was one who did justly, who loved mercy, and who walked humbly with his God.

But, Mr. President, when a vital issue was involved, Senator George spoke his views with firmness, with clarity, and with conviction; and he convinced others. He did not shrink from battle; but neither did he allow battle to warp his sense of decency and fair play.

His life demonstrated in a large sense what has been called the American way. He was the son of a tenant farmer. He rose through the ranks as attorney, as judge, and then as an outstanding United States Senator.

All this, his life demonstrates, and more.

It demonstrates, as well, as I have indicated, devotion to the Nation, devotion to the State in which he was born, and his State's devotion to him.

The fact that Senator George was very close to the heart of Georgia, was perhaps best demonstrated by the vote of confidence it gave him in 1938, when it refused to listen to President Roosevelt at the time when the President sought Senator George's defeat.

But it was characteristic of our late colleague, that when he came back to the Senate, there was no vindictiveness in his heart. He had accepted the President's challenge. He had triumphed. But he returned as a member of the Democratic Party, and as one of its finest members; and he served under the leadership of his President.

The tributes which are paid to him, the praise in his memory which poured from all corners of the Nation, demonstrate the position he held in the eyes of the American people.

It is appropriate that this praise should come from the very highest individual in our land—from the President of the United States. But it was echoed in the

hearts of the humblest citizen of Vienna, Ga., and of other small communities throughout this vast land.

The fact that he was a distinguished southerner did not for one moment lessen the testimonials to him which came from the North, from the East, and from the West.

We of the Senate have just emerged from an intense debate on an issue vitally affecting the great Southland. It is worth recalling that in all the civil-rights debates, which have preceded this one, never once did Senator George fail to speak his position, the South's position, with anything but reason and balance.

The flags throughout this land flew, by Presidential direction, at half-mast, in honor of Senator George, when he passed on. But, in truth, the flag will always fly high, thanks to the contributions which he and similar great Americans have made.

As has been said, he was a champion of peace. The Geneva Conference at the summit between President Eisenhower and the leaders of the Soviet Union was, in large part, due to Senator George's urging. He insisted that no stone be left unturned in the never-ending quest for world peace.

So, too, on the homefront, many a domestic bill, especially many a tax measure, bears the lasting imprint of his statesmanship.

This, then, is what his life symbolizes and what the record contains.

But what of the future? We can only say this: He is still with us. His spirit, his great ideals, and his wonderful contributions are still with us.

He has shed this mortal coil, but he has not left either our hearts, this Chamber, or this Nation, for his spirit abides with us.

We shall forever be the beneficiaries of his understanding, his selflessness, his inspiration, his friendship, and the blessings he brought to our lives.

So, Mr. President, we remember him with gratitude for the life he lived and for the contributions he made to our lives.

To his beloved wife and to all the other members of his family we extend heartfelt sympathy.

I should like to end these brief remarks with a recollection of the many times he spoke to me of his deep faith. I should like to recall that he told me how greatly his life had been enriched by faith. He well knew that his mortal existence was not all.

Let me conclude with a bit of inspiration I read a little while ago:

> How comforting it is to know that man is not just a mortal coming and going through birth and death. He is the expression of eternal life, which neither begins nor ends. Man never discontinues living. The real man—the spirit—is deathless, having been molded by the hand of God.

Mr. BYRD. Mr. President, sometimes I think of myself as the most fortunate Member of the United States Senate, because it has been my privilege to serve on the Finance Committee nearly a quarter of a century under the brilliant leadership of Pat Harrison, Eugene Millikin, and Walter George. I am greatly gratified that this Nation realizes its deep indebtedness to these great men.

Walter George did much to preserve and strengthen our form of government. He contributed an unbroken flow of wisdom and leadership—an example of American statesmanship at its best.

Of these three men, I have served longest and closest with Walter George, whose passing I profoundly mourn.

To his family, I know Walter George imparted faith and love. To his fellow man, he inspired confidence and strength, as does a great teacher, respected not only as a teacher, but equally for his teachings. In his work—as a barrister, as a jurist, as a representative of his people and his Nation—Senator George was a master of eloquence, always capable of illuminating the most difficult subjects. It may be truly said that he made his life a journey toward the ideal.

I am deeply grateful for the privilege of having been so closely associated with Senator George for so long. It was an association which never ceased to be inspiring and refreshing.

I have known his kindness and beneficence, the spell of his personality, and the inspiration of his talent.

I have been inspired by his serenity and nobility, the dignity of his spirit, the power of his knowledge, and his ability for sound judgment and judicious decision.

He was never a man to be far from reality. In his reasoning he seemed always conscious of the sequence and unity of events. He had strength and freedom and balance.

His was a rare combination of heart and intellect, with never a lapse in his ability to treat mankind and its problems charitably, firmly, intelligently, and justly.

When Senator George is measured by his character and his works, he was truly a great man, a true man, and a man in whom nature succeeded. He was a man dedicated completely to the service of his country and his countrymen.

He was a man, who, by his service, reached a position of distinction and eminence above the power of others either to add to his honor or detract from his fame.

My admiration for him was exceeded only by my love and devotion for him. Today, I voice the sorrow of all Virginians at his death and in their behalf express their gratitude for his great public service.

Mr. MARTIN of Pennsylvania. Mr. President, with a profound sense of personal loss I join in tribute to one of the greatest statesmen of our time, our dearly beloved friend and former colleague, Walter Franklin George.

It was my extreme good fortune, when I first came to the Senate, to be closely associated with Senator George as a member of the Finance Committee. That was in the 80th Congress, when the Senator from Georgia was the ranking minority member of the committee, after having served for many years as its chairman.

From the very beginning I recognized the comprehensive knowledge, the superior ability, the strength of character, and the integrity which made him such a powerful figure in the service of our Nation. He gave us an example of sincere and patriotic dedication to the public welfare that has never been surpassed.

The same may be said of his brilliant service as chairman of the Foreign Relations Committee, where his courageous leadership exerted tremendous influence on American foreign policy directed toward peace and freedom in the world.

The principles to which Senator George adhered with unswerving devotion were never compromised by political or sectional considerations. He was unmoved by partisan clamor. He did not seek popular acclaim. He always put his country above party, and his party above self-seeking groups or factions.

There is no doubt in my mind that his influence will live as an inspiration in this Chamber and to many generations of Americans, far into the future.

Mr. President, few men in public life have been so highly esteemed as has Senator George. Few men have held such a warm place in the affections of his fellow citizens, regardless of their political affiliations.

His kindliness, his unfailing courtesy, and his gentle manner endeared him to all, great and humble. He was respected and admired as a true Christian gentleman.

To his charming and gracious wife, Miss Lucy, to his son, and to all who were near and dear to him, I extend my deepest sympathy.

Mr. THURMOND. Mr. President, the people of South Carolina have always felt a common bond with the people of Georgia. Events that have made the people of one of these States happy have made the people of the other happy also. Events which have made Georgians sorrow and grieve have also made South Carolinians sorrowful.

The Nation and the world has lost a great man in the death of Senator Walter George. But Georgia has lost a son, and a man who attained honor and greatness for himself and for his native State through his masterful achievements in Government. As the people of Georgia mourn the loss of Senator George, so mourn the people of my State.

Shakespeare wrote that "Some are born great, some achieve greatness, and some have greatness thrust upon them." Senator George came neither in the first nor third categories. He could only be classified as a man who achieved greatness—a man who through his own efforts stood on a pinnacle which few ever reach.

I regret that I did not have the opportunity to serve with him longer in the Senate. But I shall never forget the solemn quiet which fell upon this Chamber whenever he rose to express his views and opinions on matters of vital import. His impact on questions before the Senate was something felt, not so much because of what he said, as because of the man who was saying it.

This Nation owes a debt of gratitude to Senator George for the part he played on behalf of humanity, his achievements in helping to create a strong Defense Establishment, and his accomplishments in developing a bipartisan approach to foreign affairs.

But above the specific attainments of the Senator and Ambassador, we who were his colleagues owe him a debt for his lessons in statesmanship. He was a man who placed his convictions above convenience when he came to consider what was best for his State and Nation.

A poet once said:

When a great man dies
For years beyond his ken,
The light he leaves behind him
Will shine upon the path of men.

Mr. President, the light left by Senator George will be a guidepost for generations yet unborn.

Mr. BIBLE. Mr. President, I join my colleagues in paying tribute to a man we all loved deeply. One of the treasured memories of my life will be my association with Walter George. He was a magnificent Senator, a stanch friend, and undoubtedly one of the great men of this generation. He rose above politics always, and became a true statesman. Yet he never forgot his beloved State of Georgia.

I am glad I was among a group last year who journeyed to the fine little town of Gainesville, Ga., where the townspeople paid tribute to their favorite son, Walter George. He was visibly moved that day by the expressions of those men and women who loved him as their neighbor, their intimate friend, and their Senator—their personal contribution to the list of great Americans who will be long remembered for the service they gave unselfishly in a time of great concern, as this troubled Nation arrived at its manifest destiny in accepting leadership of the bewildered world of today.

Senator George listened to those tributes from his friends and neighbors with the same earnest humility and deep reverence which marked his every action. Twenty-five years ago, as a law student, I listened here in the Capitol many times to that magnificent voice carrying messages of wisdom and human understanding to all of those about him. In 1940, Walter George came to Reno to pay final tribute to his friend, Senator Key Pittman; and people of the Far West came to respect and admire this man of the South who symbolized simple honesty and strength, and who reassured them in their search for men of backbone and principle in whom they could place their trust and know it would be safe.

Senator George had a political creed throughout the entire course of his public life which all of us can understand. This was, in his straightforward language, to do his "dead level best." He always exceeded his own political standard, as he inspired others to their "dead level best," too; and the world is a better place because there once lived a man like Walter George.

Mr. HILL. Mr. President, when our friend, Walter George, left the Senate I endeavored to pay my tribute to him and to express my appreciation of his great services, his many historic achievements, and his inspiring leadership as a Member of this body. In presenting him to a large assemblage of Georgians and Alabamians some 2 years ago, at the breaking of ground for the Fort Gaines Dam on the Chattahoochee River, I declared that if a visitor entered the Senate Gallery, saw practically every Senator in his seat listening attentively, and all was quiet save the voice of the Senator addressing the Senate, he could know that the speaker was Senator Walter George, of Georgia.

We know how commanding was his presence, how clear his reasoning, how incisive and convincing his logic, how persuasive and moving his eloquence as he spoke in rich, resonant tones.

He was indeed a towering figure. He fought so many good fights in this body and fought all of them so well, but I like to remember him in his last battle on this floor as he fought for amendments to the Social Security Act for the care and benefit of our totally disabled. He spoke of this battle as the one that brought him the greatest satisfaction.

Today we give our thanks for his patriotism and his statesmanship. We know that one of the strong men of our time has passed from the service of our country. In his speeches and his writings and the example of his life, his services and his character, he still speaks—speaks for the fundamentals of our Republic and for the peace of the world.

To his devoted wife, affectionately known to us as Miss Lucy, and to his fine son, Heard, who in these later years was his father's good right arm, we express our deep sympathy.

Mr. President, the day after Senator George's death the New York Times paid a beautiful tribute to him in an editorial which closed with these words:

But, in the last and highest sense, he served nothing less noble than honorable strength and honorable peace, warring first upon Hitler and his confederates and last upon Stalin and those who have followed him in the darkness of the Kremlin.

Well done, George of Georgia—and farewell.

Mr. President, I ask unanimous consent that the editorial be printed in full at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WALTER FRANKLIN GEORGE

A majestic decency; a civilized faith in a genteel but steel-hard political conservatism of a kind that is now all but gone into memory; a devotion to a true internationalism that has done no little in these past 30 years to shape the world's affairs—all these qualities are lessened now with the death of Walter Franklin George.

His last mission was as a foreign policy adviser to President Eisenhower; and in this he served with a faithfulness and a small private sense of irony, both of which his friends knew always to live in him.

But his real mark upon our public affairs, and upon the pilgrim's progress toward unity and safety of the Western World, was made as George of Georgia. George of Georgia was, of course, Senator George—the former chairman of the Senate Foreign Relations Committee, the former chairman of the Senate Finance Committee, the dean and patriarch of all the Senate.

His melancholy thunders from the floor left no man unmoved; he was the greatest Senate debater of many years. He was the greatest Senator—Southern style—of this century, to say the very least.

Certain aspects of what is called economic democracy were not for him; he was safe and he was proud of it, and he closed his eyes in pain at the economic heresies of the last two Democratic Presidents. These he supported magnificently "beyond the water's edge; from them he turned in aristocratic horror when they dealt with matters like labor and civil rights.

But, in the last and highest sense, he served nothing less noble than honorable strength and honorable peace, warring first upon Hitler and his confederates and last upon Stalin and those who have followed him in the darkness of the Kremlin.

Well done, George of Georgia—and farewell.

Mr. SMITH of New Jersey. Mr. President, the passing of Walter Franklin George brings to a close a wonderful chapter in the history of America. I had the great privilege of serving with him in this body for about 13 years, and a little more than 10 years of that time on the Foreign Relations Committee.

I became accustomed to rely on the soundness of his judgment, especially in the fields in which he was an expert because of his committee assignments, namely, Finance and Foreign Relations.

We all were aware of the magnificent bipartisan leadership displayed in the Senate Finance Committee by Senator George on the Democratic side and Senator Millikin on the Republican side, in the handling of our involved and difficult financial problems.

I knew Senator George, however, more intimately because of our contacts on the Foreign Relations Committee and the opportunity afforded me to appreciate his wisdom and calmness in his approach to foreign affairs. Like his predecessor chairman of the Foreign Relations Committee, Senator Vandenberg, he was an outstanding supporter of true bipartisanship in our foreign policy and in our foreign relations. Because I have been a strong supporter of an all-American foreign policy and not either a Republican or Democratic foreign policy, I felt the inspiration of Senator George's leadership in this field.

On the more personal side I wish to say a word about my experience last Monday, when I went with colleagues from this body to Vienna in Georgia to attend the funeral of our beloved colleague. What deeply impressed me was the feeling that what "Mr. George" stood for and dedicated his life to was America at its best. Here in a little town in Georgia, away from the turmoil of the large cities, was born a boy of humble parents, who, because of the spiritual qualities of his life, was led step by step to outstanding service for his State, for his country, and for the world.

In making these brief remarks in tribute to Walter George, I must include his beloved wife, "Miss Lucy." Mrs. Smith and I became intimate friends with both Walter and "Miss Lucy," and we had

come to realize what an important part she played in his distinguished career.

Mrs. Smith joins with me in sending to "Miss Lucy" and all the beloved family our deepest sympathies on this sad occasion.

Mr. COTTON. Mr. President, like every other Member of the Senate, I honor the memory of Walter George.

Like every other Senator, I am proud and grateful to have had the privilege of serving with him in this body. Nevertheless, because my service with him was brief, I would not, on my own behalf, have ventured to speak of him today, but would have contented myself with giving reverent attention to Members of the Senate who knew him better and served with him longer.

I have addressed the Chair for the purpose of reading to the Senate the statement of my colleague, the senior Senator from New Hampshire [Mr. BRIDGES], who served in this body with Senator George for 20 years, and who is unable to be present today because he is recuperating from an illness. This is the statement which the senior Senator from New Hampshire would make were he present today. He has asked me to read it.

STATEMENT BY SENATOR BRIDGES

The passing of our former colleague and my close personal friend, Senator Walter George, has brought deep sadness to the American people.

His distinguished career in service to the United States started long before I came to the United States Senate, but I had the honor and privilege of being associated with him since 1937. In my early years in Washington, his counsel on matters of great national importance was of inestimable value to me and I shall always cherish the memory of our association.

Following his retirement from the Senate, the President of the United States wisely requested Senator George to continue in the service of his Government. As always, Walter George bowed to the needs of the American people, despite major personal considerations. I do not hesitate to predict that he will be known in American history as one of America's greatest modern statesmen.

I extend to Mrs. George my deep personal sympathy. Her love and generous personal sacrifices for her husband contributed much to his greatness.

Mr. REVERCOMB. Mr. President, it was my privilege to serve with Senator Walter F. George for 6 years during his long and able tenure as a Member of the Senate. I knew him not only on the floor of the Senate and in his office, but also in his Washington home, where he dwelt so happily with his lovely and charming wife, Miss Lucy.

Senator George was a strong man, and a man of impressive power; and yet he was filled with kindly gentleness.

Mr. President, I join my colleagues in paying tribute to our late colleague, who for so many years exerted a wide and wholesome influence in directing the destiny of our Nation.

There are those whose greatness is not fully recognized until long after their death. The greatness of Senator George was so evident to his countrymen, however, that few American statesmen have been held in such high esteem by their contemporaries. His colleagues in the Senate recognized and appreciated his greatness and his goodness. Americans everywhere sensed the deep sincerity which motivated his actions.

Senator George possessed many talents, many virtues. He was a wise man, an honest man, an able man. He was a man of convictions, a man of principles, a man of integrity. And, in addition, he was a statesman who could, and did, rise above partisan strivings in dealing with the crucial problems of his times.

As a bipartisan in foreign affairs, Senator George exercised tremendous influence in deciding some of the great issues affecting the security of this country. And it was only fitting, in keeping with his deep sense of duty and devotion to country, that he should have been appointed Ambassador to NATO following his retirement from the Senate.

Great changes were wrought in America and the world during the 34 years that Senator George served in this body. And he will long be identified with those changes. His greatness is recognized today, and I am sure that the esteem in which he was held at the time of his death will not diminish when future generations assess his labors and fix his place in history.

I am proud to have been privileged to serve in this body with Senator George. He was ever a helpful colleague to me, and I deeply regret his passing.

Mr. JOHNSTON of South Carolina. Mr. President, in remembering our late beloved colleague, Walter F. George, the world may allow his interest in international relations to overshadow the other great works which this man from my neighboring State of Georgia accomplished.

In his last years in the Senate, the national and international publications and newspapers quite naturally devoted most of their coverage of Senator George to his efforts to create and maintain bipartisan foreign policy. They, too, properly credited him with sober influence on affairs affecting the security and military strength of this Nation.

But behind this international theme that surrounded the name of Walter George stood a man who was devoted to his native State of Georgia and the people he represented. The true Walter George was just as concerned for the social and economic welfare of the smallest Georgia tenant farmer as he was for the biggest international problem.

Walter George fought through the years for parity support programs for farms; rural electrification for farmers; public power projects; reforestation; soil conservation, and numberless other measures to benefit the farmers of the Nation.

Senator George's influence in the field of taxation and fiscal policies was so great that in his later years the people took for granted his part in such matters. Especially did he have an understanding of the way complicated tariffs and international agreements could affect the farming people and small business of his South and the rest of the Nation. He was a watchdog in things of this sort.

Last year Walter F. George was at his best when the issue of broadening the social-security program came before the Senate. He led the floor fight for adoption of his now famous "George amendment." In this fight he once again touched, in the legislative way, nearly every human being in the United States.

This was typical of Senator George, who throughout his career, always found a way to do things that have touched, in good and beneficial ways, every American.

I am honored to have served in the Senate during his career. He was a splendid example of dedication to service and humility among honors.

Mr. CARLSON. Mr. President, those of us who had the privilege of knowing and working with Senator George learned not only to respect him, but to hold him in very high regard.

It was my privilege to serve as a member of the House Ways and Means Committee for 8 years and it was at that time that I first learned to know Senator George. We had many discussions and many conferences on tax matters. He was an outstanding tax authority.

As a member of the Senate Finance Committee I had the opportunity of learning to know Senator George much better. I could mention many occasions when he was of great help to me personally in analyzing some difficult tax problems.

Last Monday I had the opportunity to attend his funeral service at Vienna, Ga. The distinguished senior Senator from Georgia [Mr. RUSSELL] has placed in the RECORD the eloquent tribute paid to Senator George by Dr. Clinton Cutts, the minister who conducted the service. The text used by Dr. Clinton Cutts at the service was so appropriate for Senator George that I want to quote the Scripture he used. It is found in Micah 6:8 and reads as follows:

> He hath shewed thee, O man, what is good; and what doth the Lord require of thee, but to do justly, and to love mercy, and to walk humbly with thy God?

Those of us who knew Senator George knew that he had true goodness and true greatness. To do justly, to love mercy and to walk humbly with God were characteristics of his entire life.

The best evidence of the love and the high regard in which he was held was demonstrated by everyone, in every walk of life who gathered at the church for the final rites.

Senator George started his life in this community and it was there that he finished the course. That to me was another mark of greatness, because so many people ofttimes forget the people and the community that started them on their successful career.

Mrs. Carlson and I extend to Mrs. George and the family our sincerest and deepest sympathy.

Mr. HOLLAND. Mr. President, I would be completely unresponsive to my own feelings and to the attitude of all the people of Florida if I did not voice briefly, here on the floor of the Senate,

the warm affection and the high respect which we held for Senator Walter George. We knew him well and loved him dearly.

His father had his home, in his later years, at Lakeland, in my home county in Florida, and Senator George was often there. Other relatives lived in Bradenton, in Jacksonville, in Miami, and elsewhere in my State. Senator George was frequently there to visit them. He liked to visit and fish near Tallahassee. He visited Florida rather frequently, as an honored speaker. The last occasion of that kind I recall was his eloquent address before the American Legion convention at Miami 2 or 3 years ago. He was always to us a distinguished and well-loved guest. The memory of his resonant voice will always linger in the hearts of thousands of Floridians.

Mr. President, to me personally some of the qualities which stood out most clearly in him and which I thought showed the essential nobility of Senator George were the following:

First, his humility and his essentially humble character. I think that quality shone out to best advantage on the various occasions when some of his grateful fellow citizens assembled to do him honor.

I was privileged to attend several of those meetings. But I think the one which I shall always remember most warmly was the occasion when he received from the Veterans of Foreign Wars, at their annual convention in Washington, the gold medal of that order—which is composed wholly of veterans of foreign service of our Nation in time of war—for the rendition of outstandingly distinguished service to his country. I never saw a great speaker more upset in his effort to accept modestly a great tribute tendered to him. His embarrassed self-deprecation on that occasion I shall always remember with a little bit of a smile, because it showed so clearly the true characteristic of the man.

The second quality which I like to remember is his great courage. He was not always displaying it because there was only rare occasion for it. I happened to be listening on the radio when the then President of the United States, President Roosevelt, in a platform address in our adjoining State of Georgia, made his open endorsement of another citizen of that State who was running against Senator George. I remember that the radio station allowed Senator George to come to the transmitter and speak. Quietly, but firmly, he said what I shall never forget: "Mr. President, I accept your challenge." They were words of dignity, words of courage, and words of trust and confidence in himself and in his own people.

Mr. President, another occasion which I shall always recall was one in which he showed his ability to put his own deep feelings below the surface and to subordinate them to what he regarded as the best interests of his Nation, and, in this case, the needs of a war-torn world.

I was on the floor of the Senate when the first group of delegates from West Germany—while that country was still under armed occupation and had not yet become a republic—came to pay us a visit. We admitted them, as Senators will remember, to the floor of the Senate. After they had been presented we took occasion to greet them on that first peaceful visit of representatives of that country to our country following the great war.

I knew, as did others on the floor of the Senate, that Senator George had lost a very deeply loved son in armed conflict with the Germans. I watched carefully to see what would be his reaction. His head was bowed, and he was sitting quietly next to the leader. For a moment or two I was not sure whether he was going to get up and shake hands with them. Then I saw him arise and, not in a casual or perfunctory way, but in a very generous and respectful manner, shake hands with each of the representatives of that great people, with whom we had only shortly before been in such grave conflict.

When he returned to his seat I sat by him and said, "Senator George, I think I saw a Senator—a close friend of mine—who had a hard task to perform just a few minutes ago." He said, "Yes, Spessard, it seemed a little hard at first. Then I thought if there ever was a time when the world needed friendship and needed peace and understanding, this is it. It seems to me that our primary duty in the Senate to our country and to the world is to leave nothing undone that will bring better understanding and will pave the way to peace. These men are trying to establish peace and freedom in Germany and we must help them to do so."

Mr. President, I shall never forget that. Following that I was not surprised when he left his cherished post of chairman of the Senate Committee on Finance to become chairman of the Committee on Foreign Relations, and then to lead, in that capacity, with tremendous ability and great vigor the waging of the great bipartisan effort for peace, so that we might bring order to this troubled world.

Mr. President, I do not believe that any Senator since that war, with the possible exceptions of Senator Vandenberg and Senator Connally, has rendered anything like so great a service to the cause of peace as did Senator George in the relatively brief period he served as chairman of that great and important committee.

I was not surprised, therefore, when, after he gave up his seat in the Senate, he accepted an important post at the hands of President Eisenhower to become our Ambassador to NATO. I am certain that he rendered good service in the few months which were permitted him to serve in that vital capacity. I only regret, as I am sure he would have regretted, that he was not allowed more time in which to render greater service in that post of tremendous responsibility.

Mrs. Holland and I extend our deepest sympathy and our warmest affection to Miss Lucy, to Heard, and to the other members of the family. I hope there may be comfort for them in knowing that they are not the only ones who deeply loved Walter George, of Georgia, and who will greatly miss him.

Mr. HICKENLOOPER. Mr. President, in the course of the memorial services which have been held on the floor today, perhaps almost all the fine words possible in commendation of and appreciation for the late Senator George have been spoken. All of us can join in associating ourselves with the very fine sentiments which have been expressed with reference to him and in his memory.

I had the very great privilege and honor of serving with Senator George for 10 years on the Committee on Foreign Relations. While we become quite well acquainted with our colleagues in the Senate in our daily associations, we get to know one another intimately in our relationships as committee members, when we are in almost daily association in connection with matters which are common to our responsibilities.

Senator George was a man of great capacity, and a man of great kindness, as has been pointed out repeatedly on the floor. He was also a man of the greatest integrity and devotion to his responsibilities, not only his responsibilities as an individual, but also his responsibilities to his country. Week after week, and year after year, the association which I had with him endeared him to me increasingly. As is usually true in our relations with other great and good men, my admiration for him grew with each day of our acquaintance.

I recall no instance when Senator George even slightly gave any indication of irritation, and certainly no occasion when he gave the slightest indication of disrespect for his associates or for his fellow man.

He contributed greatly to the good of this Nation, not only in the field of finance, but also in the field of foreign relations and in the other fields in which he labored.

I think his calm judgment had as much influence on his colleagues, regardless of their political party, as that of any other man whom I have ever known in my experience, and far more than most.

We all mourn his passing. We are sorry to lose his counsel and advice, his steady, guiding hand, and his fine judgment. Yet we are all richer because we have known him. We are all more inspired and more appreciative of the responsibilities which public officials have because of his example and because of the stimulus of our association with him.

History will write his record. The more objectively it is written, the greater will his character appear, I feel certain.

Mrs. Hickenlooper and I have privately expressed our sorrow to Miss Lucy. Today I join with my colleagues in this public expression of sorrow at the Senator's passing, but with gratitude for the help I have received from him during the years of association which I have been privileged to have with him.

Mr. SALTONSTALL. Mr. President, I shall always think of Senator Walter George as my ideal of a true southern gentleman in the best sense of that term. My colleagues today have testified to his intellectual capacity and to his ability to grasp quickly the essentials of a problem and to express it clearly in language that

everyone could readily understand. His personal courage, his political independence, which caused him to do what he thought was right, his patriotism, and his love of country were known and admired by all of us. Certainly he never forgot the people of Georgia and their needs. He fought for them and generally won, partly because he was usually right, and partly because his colleagues all respected him greatly.

These qualities of Senator George help us now and will help us in the days to come to guide our own thinking and actions. They strengthen us as individuals to carry on in these difficult times as he so patriotically carried on.

Mr. President, I shall add a personal note. Walter George was so friendly to me, always so ready to laugh and joke with me, always so complimentary about my Commonwealth of Massachusetts and his friends in my State with whom he used to go fishing each year, that I enjoyed our times together. With him and Mrs. George—Miss Lucy to all of us—Mrs. Saltonstall and I built up a warm relationship which we shall always remember with affection. Certainly we shall all miss him in the Senate as a friendly gentleman and a wise counselor.

Mr. KEFAUVER. Mr. President, I join with my colleagues in the Senate in the expression of deep regret at the passing of Walter George.

We who served with him knew what a forceful figure he was in expressing the internationalism of the United States at a time when it was most important to have strong voices raised for such a purpose in the Senate.

Since his departure from the Senate, we had great hopes for his new work as the President's personal Ambassador to the North Atlantic Treaty Organization. As my colleagues know, I have always felt that this North Atlantic Union is our surest hope of achieving a peaceful solution to the world's many problems.

The greatest tribute that I can pay to Walter George is that his death leaves a void in NATO which the President will find it hard to fill.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a portion of an editorial entitled "Walter George, Statesman," published in the Kingsport (Tenn.) Times of August 6, 1957.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Kingsport (Tenn.) Times of August 6, 1957]

WALTER GEORGE, STATESMAN

With the passing of Walter George we are reminded once more of how handicapped a man is in public life who happens to be born in the South. Politically that bars him from the Presidency. There is no question that if he had come from some other part of the country, Walter George might well have become President, and if so, he would have made a great one.

Walter George was a statesman in every sense of the word. For years he stood head and shoulders above his fellows in the Senate with perhaps one or two others who were his peers. His advice and counsel carried weight as few men's did.

George was preeminent not only in mentality and grasp of large problems, but he was great in character. For years he was not only the recognized authority on Government finances, easily the most complex subject with which Congress has to deal, but he was the man to stand up for what he thought was right and do it without fanfare.

* * * * *

It is said that some of the greatest Americans who ever lived never reached the Presidency. Walter George can join that illustrious company.

Mr. STENNIS. Mr. President, history will write the verdict and make the evaluation of the services to his country of the late Senator George. I shall mention this afternoon a few personal aspects of his record, a few personal items about his influence and his very fine character.

I notice that one of the newspaper accounts of his funeral said that Senator George requested that the services be simple. That certainly was typical of the man. He was a daily reminder to me of the old adage that simplicity is true greatness. Certainly Senator George personified true greatness without show, without affectation, and without mannerism.

When I first came to the Senate, I felt the greatness of this man and the power of his influence. Senator George never asked anyone particularly to vote a certain way or to take a certain position. His influence was somewhat like the law of gravity. One's mind would run in his direction and inquire what his ideas or his conclusions or his recommendations were. In that way, his opinion was felt throughout this Chamber.

In my estimation, his influence, certainly during the time I have been a Member of the Senate, came to its finest fruit when Senator George returned to the Committee on Foreign Relations and conducted the hearings on the Formosa Resolution. The Committee on Armed Services was sitting jointly at that time with the Committee on Foreign Relations. That was my only chance to serve on a committee with him or actually to observe him conduct a hearing.

I remember his wonderful speech on the floor of the Senate, delivered in thunderous tones of conviction, and with the ring of conviction. He rose to what I thought was the peak of his presentation and asked the question, "What are the alternatives?" There had been uncertainty—although not suspicion and doubt—in the minds of many, until they heard Senator George handle that one subject. I know when he answered that question, he left all with a real answer to it. There was no alternative.

Mr. President, Senator George was one of the few Members of the Senate who could actually make a change in the outcome of a vote by making a brief statement, even in the final phase of the debate, because of the convincing logic of his presentations.

I also like to remember his participation on the occasion when the Senate was bidding farewell to Senator Millikin, of Colorado. Certain Senators, including Senator George, made remarks on that occasion. Senator Millikin was seated across the aisle from where I now stand. I remember that Senator George walked over to Senator Millikin, and they clasped hands. Neither said a word. Then Senator George left the Chamber through the door to my left, and Senator Millikin left the Chamber through the door to my right. All other Members of the Senate, all in the press gallery, and all others who knew those 2 men, knew that 2 truly great men were retiring from this body.

I like to think of Senator George, as I believe other Senators do, as still being with us, because his influence will be felt here for many years to come.

I remember reading a story about an old prospector in the West who had journeyed as long as he could toward the setting sun, and finally, in a little cabin, while alone, reached his last hours. He realized what would happen, and he scribbled this note to whatever friend might find it:

Never think of me as having died. Just think of me as having gone on an eternal prospecting trip.

Mr. President, I feel that Senator George's soul has gone on an eternal prospecting trip, where I am sure the God he faithfully worshiped will afford that great soul an eternal resting place, while those of us who have been left behind will continue to benefit from his great character, his great mind, his great heart, and the influences of his great career of service.

During his entire career, all of us know very well the splendid part played by his beloved wife, whom all of us love and respect so highly. The work of this great man was shared by the work of a truly great lady. May God's richest blessings sustain her and rest upon her.

Mr. COOPER. Mr. President, I am very glad that I had an opportunity to know and to serve in the Senate with Walter George, of Georgia. One could not serve with him without recognizing his profound knowledge of the American system of government, and of the history and constitutional processes from which it grew. He recognized the fact of change, and knew the responsibilities of our country in the world of today. With it all, he never lost touch with the problems of the people he served. All of this gave him the unique capacity to be a great representative of his State and of the Nation. His integrity, his dignity, and his ability to express powerfully, yet simply, his beliefs, enabled him to fulfill his great capacities. It has been said—and I believe it has been said correctly—that Senator George would have been a great Senator at any time in the history of the United States.

Mr. President, the death of Senator George, of Georgia, is a loss to the whole Nation. I join with the other Members of this body in our sincere expressions of profound sympathy and friendship to Mrs. George, a great woman, and to the other members of his family.

Mr. SPARKMAN. Mr. President, I wish to join my colleagues in paying tribute to one of the great men in the entire history of the Senate of the United States, the late, beloved Senator Walter George, of Georgia.

I have often thought that whereas most of the publicity given to Senator George—certainly most of it in recent

years—had to do with his work in the field of international relations, yet it should not be forgotten that he had a profound influence upon all kinds of legislation considered by the Senate of the United States.

Particularly do I like to think of the interest he manifested throughout his entire service in the little man. I have had the privilege of going with him to the White House, when we were to speak to the President, and at other times I have had the privilege of going with him to various departments, to speak to Cabinet members in behalf of the small cotton farmer, the small peanut farmer, the small tree farmer. The little man, in whatever work he might be engaged, always had the careful attention and support of the great and fine Senator George, of Georgia.

Mr. President, there was another field in which he operated in an outstanding manner. Reference has been made to it, and it certainly causes his memory to stand as a great monument in the minds of many farm boys and farm girls. I refer to his activity in the field of vocational agricultural education. I believe one of my colleagues has already said, in the course of the tributes paid today to Senator George, that during all his service in the Senate, there was not one vocational agricultural program to which his name was not attached. What that has meant to thousands of farm boys and farm girls it is impossible to estimate.

Senator George was forceful in debate; but he was always fair, courteous, and helpful. He struck at the very heart of the issue, whatever it might be.

Mr. President, I am glad I had an opportunity to serve under this great man on the Senate Foreign Relations Committee. The manner in which he served as chairman of the committee was most impressive and constructive. He was always fair, he was always able, and he was always as completely nonpartisan as I think any man could possibly be.

I attended the funeral services which were held in Vienna, Ga., Senator George's hometown. I was impressed, as were all those of us who were present at that time, with the manner in which the services were conducted in the church he had attended, and which he had helped for so long a time to support. He was carried to rest in the town cemetery, following the sermon and services, borne to his grave by friends and neighbors, among whom he had lived for many years. We were most impressed by the remarks made at that time by the minister. I am delighted that the senior Senator from Georgia [Mr. RUSSELL] has had those remarks printed in the CONGRESSIONAL RECORD, in order that all may read them. The loving care and attention given to Senator George at that time were most impressive to all of us.

Mr. President, in an editorial entitled "Senator George, Southern Statesman," which was published in the Tuscaloosa (Ala.) News, there is one statement which I wish to read at this time:

Certainly it can be said of him that he was a southern statesman. He served his State, his section, and his Nation with honor and distinction not as a stalwart Democrat, but as an American dedicated to the perpetuation of our way of life.

I ask unanimous consent that the entire editorial be printed at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SENATOR GEORGE, SOUTHERN STATESMAN

The long, valiant, and valued public-service career of Georgia's Senator Walter F. George has come to an end.

Senator George, who before his retirement last January, held the record for longest service in the upper House of Congress, died of a heart disease Sunday. Since his retirement from the Senate he had been serving as the President's Special Ambassador to the North Atlantic Treaty Organization.

The veteran Georgia Senator had an enviable political career. He was never defeated for public office starting from the time he offered himself for city solicitor in Vienna, Ga. He was first elected to the Senate in 1922 and served continuously until his last term expired in January of this year.

Senator George labeled himself a "constitutional Democrat" and it must be said that he had and showed courage of his convictions. Several times during his service in the Senate he broke with his party colleagues on matters of principle. In fact it was on this score that he became involved in his greatest political struggle. The late President Franklin Roosevelt sought to purge him in 1936 because of the Georgian's opposition to phases of the Roosevelt New Deal program. Senator George scored an overwhelming victory in this race.

During his career in the Senate many bills bore his name. It was as a champion for improved foreign relations, however, that he gained most distinction. Shedding party label, Senator George helped to win Senate adoption of many important treaties and international agreements and as chairman of the Senate's Foreign Relations Committee he was considered one of the best informed men in Congress in this field.

Certainly it can be said of him that he was a southern statesman. He served his State, his section, and his Nation with honor and distinction not as a stalwart Democrat but as an American dedicated to the perpetuation of our way of life.

Mr. SPARKMAN. In conclusion, I, too, want to pay tribute to the helpmeet who went down through the years with him, known to everyone as "Miss Lucy," a great woman, a great helper, and a great supporter for this great man through the years. We all join in expressing our sympathy to her and to other members of her family.

Mr. ALLOTT. Mr. President, I rise to speak on this occasion in memory of our greatly loved friend, Senator Walter George. In doing so, I bear, I suppose in a real sense, a double responsibility, because I must, of course, speak today not only for myself, but I must speak also for the man who I am sure was one of Walter George's closest friends and longtime colleagues in the Senate, Eugene Millikin, formerly my senior colleague, and now residing in Colorado.

If Gene were here today, I am certain he would have me, if he were unable to do so, speak a few words memorializing the greatness that was Walter George. I cannot help but recall that last year, on the floor of the Senate, upon 2 separate occasions, 2 very historic events took place. The first of these was the announcement of Senator George that he would not seek reelection. No man who was in the Senate at that time will forget the spontaneous speeches which took place to pay tribute to his greatness that day. No one can ever forget the remarks of the great Senator Millikin as he sat here on the floor and joined in paying tribute to the man who was his greatest friend in the Senate; and then shortly after that, upon the passage of a bill in which Senator Millikin was interested, there arose spontaneously on this floor, as every Senator will remember, numerous Senators successively paying tribute to the greatness that was also Eugene Millikin. So probably no Senator here, no matter the form our words take or how we weave them into thoughts, can begin to express the real emotions which came to each of those men in paying tribute to the other.

I well remember Senator George, because in the 2 years I served with him, he became one of my good and fast friends. Shortly after I came to this body, it was necessary for me to seek his counsel upon a matter which involved, in my opinion, the soundness of one of our Congressional committees and some of its personnel. I did so. It was a time when lesser men could have been political. It was a time when lesser men could have looked back and perhaps used a few weapons out of the past to even up old or imaginary scores. But that did not happen on that occasion or any other occasion, because I received from him then and afterward, the kind of advice and the kind of counsel which was what one would expect from Walter George. He was not, in the real sense, required to be a great Democrat; in his own mind and conscience, he had only to be right.

James Russell Lowell, in a beautiful poem he wrote, which was later set to an old Welsh tune, said:

Once to every man and nation, comes the moment to decide,
In the strife of truth with falsehood, for the good or evil side.

It seemed to me it was not just once, but many times, that Walter George, even in the short time I knew him, had to decide for the good or evil side; and it will be to his eternal credit that base motives never prompted him and never overcame him. And therein, I believe, lay his strength. Here, I believe we may all say, with truthfulness:

His life was gentle, and the elements
So mix'd in him, that nature might stand up
And say to all the world, "This was a man."

Mr. BENNETT. Mr. President, it was my privilege to serve with Walter George for 4 years on the Finance Committee, but before I reached the seniority which enabled me to serve on that committee I came to realize that he was one of the few men in this body who, it could have been said, embodied the spirit and the character of the Senate itself.

The Senate is an institution. It does have a spirit and a character. And when men of essential goodness have the privilege of serving it for long periods of time, I think they come to capture and

embody that noble aspect which represents the best of the Senate.

As my colleague from Mississippi [Mr. STENNIS] has said, Walter George embodied the power on the floor of the Senate to sway men's minds with simple, and yet basically profound, logic. I am sure he is one of the few men who had changed my vote after I had come to the floor of the Senate prepared to cast it, because instinctively one trusted in his judgment even when it conflicted with his own.

In the committee I found him a kindly, wise man to follow. There hangs on the wall of the Senate Finance Committee room a picture of a younger Walter George, whom I never knew—a face that exemplified great strength, great ability, great drive. When I knew him he had settled into a kindly stability. His strength was wisdom rather than drive. His value to the committee was the tremendous wealth of experience from which he could draw when difficult problems arose.

As many of my colleagues have said, there is another aspect of this man which marks him with simplicity and greatness. I suppose no Senator who has spoken of him today has failed to mention the lovely Miss Lucy. I think it is a mark of greatness in a man when the family relationship, the power and personality of his wife, is entwined with and related to the service he gives in this kind of situation. It was Mr. George and Miss Lucy together who were respected and who represented the finest ideals of this body.

Undoubtedly, because of the contests and the responsibilities it faces, the Senate will again produce men who in their time will exemplify its spirit as he did, but the times will never produce a better, more essentially righteous representative than we had while Walter George was among us.

I am one of those who sincerely believe that in the eternal economy of things the character and ability which Walter George built into his life are not necessarily lost, and that he will find opportunities in the life to which he has gone to make use of the great experience he had here. In the meantime, those of us who remain behind and follow will find help, assurance, and a sustaining force not only in our memories but in the record he made for America in his service here.

Mr. SYMINGTON. Mr. President, I should like to associate myself with the many beautiful tributes paid the late great Senator from the State of Georgia, the Honorable Walter F. George; and especially with the remarks made by the distinguished senior Senator from Georgia [Mr. RUSSELL], and the distinguished junior Senator from Georgia [Mr. TALMADGE].

Mr. President, about 20 years ago it was my honor to first meet Senator George through a mutual friend, the late Governor O. Max Gardner, of North Carolina, one of the Senator's closest friends and also one of the finest of all men. Since then I treasured my friendship with Senator George.

This beloved gentleman was wise and courageous, humble in his knowledge, but firm in his convictions.

At least twice in recent years, Mr. President, the Senator from Missouri has given as his opinion that Walter George was our greatest living American.

To his sweet and gracious wife, Miss Lucy, my wife and I extend our deep sympathy and affection. We also extend the same to his son, Heard George, a worthy son of this great statesman from Georgia.

Mr. MANSFIELD. Mr. President, a great man has gone to his reward. There is not much I could add to what has been said by my colleagues on the floor this afternoon.

To me Walter George was both a father and a colleague, because he gave of his wisdom, he gave of his time, he gave of his energy, and he gave of his ability. He was always courteous and considerate.

To my way of thinking, Walter George was one of the greatest Senators this country has ever produced, and he served at a time when the services he rendered were in the greatest demand. He was beloved by all his colleagues, on both sides of the aisle. He was not an intemperate man, rather he was an understanding and tolerant individual. He was willing to listen and he was willing to give of the wisdom which he possessed in such great abundance.

When I was in Vienna, Ga., last Monday attending his funeral, I was struck with the simplicity of the town in which he lived, a town which contained a population of approximately 2,500. I was struck with the simplicity of the home in which Walter George lived, a simple dwelling with a little acreage around it. I was struck with the simplicity of the lines in the service in which he was buried. I was struck most of all by the feeling of friendship and sympathy which the people of Vienna displayed toward their favorite son.

A great man has gone from us, and it will be a long day before anyone comes to take his place. I feel a deep personal loss, and I know that I shall be the poorer because of his passing and because of the fact that he was one man who gave willingly of his greatness to others, one man regardless of party whom we shall all miss.

Mrs. Mansfield and I extend our condolence and our sympathy to his devoted helpmate, Miss Lucy, and their son, Heard. They, too, contributed to the philosophy of Senator George. In their loss, we suffer too. They have lost a good husband and father; the Nation has lost a great man.

May his soul rest in peace.

Mr. DIRKSEN. Mr. President, sometimes in evaluating the contribution of a great character in public life we minimize some intrinsic virtues. That brings to mind the text of the minister at the services in Vienna. First, it was short. Second, it was very simple. Third, I thought it was extremely poignant.

The minister went back to one of the minor Prophets, Micah, for his text. There the question was hurled that has come down the corridors of time all these centuries, "What doth the Lord require of thee?"

That in itself is at once a beautiful and a challenging text. The answers are set forth on the ancient parchments.

First, "to do justly." I have no recollection, in the years that I have been either in the House or in the Senate, that I ever heard or saw anything in the nature of a punitive act or a punitive spirit in Walter George. He was intensely just, and in the pursuit of justice of course there came not only thoroughness but great wisdom.

The second answer to the question, "What doth the Lord require of thee?" is "to love mercy."

There was great mercy in Walter George. I think sometimes of the mother who appealed to Napoleon for the life of her son, who was in the French Army. When that imperial personage talked about justice, she said, "It is not justice I came for, sire; it is for mercy." So there was a merciful attribute, a great quality in a great man.

Finally there is the third answer to the question, "What doth the Lord require of thee?" which is "to walk humbly."

Walter George was the essence of humility. There was not the slightest hint of arrogance about him.

So the elements of moral and spiritual greatness are in one little package—to do justice, to love mercy, and to walk humbly. That, in essence, in a single paragraph, was the life of Walter George. That was the intrinsic man; and because he was such a man, his character shone forth everywhere he went. His character impressed itself on people wherever he might be, whether in the humble town of Vienna or in the National Capital. From it all there came a tremendous influence on people in all walks of life, an influence which is immortal in its character, and will shine down the corridors of time.

There, then, is the essence of greatness in a man; and in that sense he was truly great.

Mr. CASE of South Dakota. Mr. President, if any Member of the Senate has occasion to be grateful for the integrity and the objectivity of the judgments of the late great Senator George, it is the junior Senator from South Dakota.

My entry into politics came at a time when the people in my section of the country were appreciative of the independence of some men who would not sacrifice their convictions, even though at the particular time it seemed to be the popular thing to follow the leadership of the man who was then in the White House. We had a great deal of respect for the men who, while following him when they thought he was right, did not hesitate to take a contrary position if they felt their conscience dictated a different course.

I have had occasion, during the years I have been serving on Capitol Hill, to see further evidences of the selfless patriotism with which Walter George addressed himself to questions which concerned the country. Among the many tributes which have been paid him

by the press, none has seemed to dwell on that facet of his character with any greater directness than an editorial which was published in the Wall Street Journal on the 6th of August. I wish to read a few sentences from it. It is headed "Uncommon Men":

UNCOMMON MEN

We spent a good many years, long ago, in the galleries of Congress. Our time happened to overlap the years of such men as George Norris, William Borah, Arthur Vandenberg, Carter Glass, and Walter George.

In many ways it would be hard to find a more dissimilar group. They certainly were not joined together in any co-fraternity of political philosophy. They often disagreed with each other. The public often disagreed with them. And sometimes one or another seemed to disagree with himself from one decade to another.

Yet all these men had some qualities in common that stamped them as uncommon men. They were distinctive individuals; they had strong opinions and they asserted them with vigor. At one time or another each pridefully defied the councils of his nominal party when he felt he could not otherwise be true to himself. The action of Walter George in the famous Roosevelt "purge" was a fairly typical performance.

* * * * *

That willingness to permit a man to vote his convictions is going to have a hard time in a day when every Congressman's voting record on every bill is cataloged by pressure groups who judge him on how many times he votes "right" and how many "wrong." It can hardly survive if the voters come to adopt this modern political idea, which is not so much to weigh the man as to strike his statistical average.

And we are old fashioned enough to think that would be a pity. We are all, conservatives and liberals alike, sure to be the losers if we cannot nourish politically those who are willing, as was Walter George, to walk their own way in the corridors of our Capitol.

I have already indicated that I feel a special sense of personal appreciation for the integrity with which Walter George regarded the dictates of his judgment and his conscience.

I feel a personal obligation to all Members of the Senate who have respected that integrity, and to the people of Georgia, who respected the integrity of his judgments and kept him in the Senate for the many years he was privileged to serve as a Member of this body.

I join in all that has been said in tribute to the memory of a very great man.

Mr. MANSFIELD assumed the chair.

Mr. JAVITS. Mr. President, I should like to join my colleagues in paying tribute to Senator George. I knew him when I was in the other body, and he was a great leader of the bipartisan foreign policy. I knew him as a most distinguished and warmhearted and fine human being. The aura which he spread in this Chamber, even in the absence of those who are very new here, affects us and makes us understand the great impact he had upon the traditions, the history, and the actions of the Senate.

I join with many of my colleagues in expressing great appreciation to Mrs. George, who sustained him in an arduous life. I think we all understand the great burdens of the wife in such a union, and also the great contribution which she makes to the fruition and success of such a career.

Finally, speaking for myself and Mrs. Javits, we treasure his memory and pay deep respect and regard to it because he was an apostle of peace, for which we are all grateful. Those of us who serve here in a representative capacity for so many millions of people must be grateful to a man who exercised leadership in that field with such great integrity.

I know of no finer expression of peace leadership by any Member of Congress than devotion to the bipartisan foreign policy of our country, in which field Senators Vandenberg and George were such great leaders. He epitomized this spirit, and to him we owe a great many actions taken in that spirit, which would not have been possible without the unifying leadership which he demonstrated.

To Mrs. George and all the other members of the family we offer our deepest condolences and great appreciation as Americans.

Mr. JACKSON. Mr. President——

The PRESIDING OFFICER (Mr. JAVITS in the chair). The Senator from Washington.

Mr. JACKSON. Mr. President, I did not have the opportunity of knowing the late Walter F. George for as long a period as did some other Members of this body. During the time I had the privilege of knowing him, I came to appreciate and greatly admire his wise counsel and advice. He was a kindly man. He was always interested in the problems of others. On many occasions I found it very helpful to discuss difficult problems with him.

His judgment was sound. He might not agree with another person's views on a given subject, but Walter George always gave the other person the best of his advice.

As we all know, few Members of this body have been as effective advocates of great causes affecting our domestic and foreign policy as was Walter George. We shall all miss him greatly.

Mr. MUNDT. Mr. President, Walter George was a Senator's Senator. During his long career, he stood out in our body as a man truly exemplifying the best traditions of the Senate. He was a man of honor; a man of integrity; a man of conviction; and a man of influence in the Congress and in the country.

Perhaps the Nation's first real knowledge of the great qualities which won Walter George the respect of so many who knew him intimately was when he accepted with calm courage the cruel and unjustified effort of former President Franklin D. Roosevelt, who chose a meeting in Georgia at which he and Senator George shared the same platform, to try to purge him from the Senate and to destroy his political career. The resounding majority given Senator George in his reelection campaign bears eloquent testimony to the esteem in which the voters held him and their corresponding disregard for the President's judgment.

Walter George and his delightful helpmate, Lucy, were recognized in Washington as friendly, warmhearted public servants and the Senator's devotion to duty and adherence to principle were never questioned even by those disagreeing with him most violently. President Eisenhower acted with wisdom and with the complete approval of Walter's colleagues when he selected him as his personal representative abroad after the Senator's retirement from the Senate. It was typical of the Senator's devotion to duty that he accepted this final responsibility as an opportunity to render further service to the country which he loved so well.

Personally, Walter George was a kindly individual possessing all the graces of a southern gentleman. He was never mean, bitter, or vindictive. Able and convincing in senatorial debates, he refused to resort to personalities or demagoguery in pursuit of a victorious vote. It is sad that the country had to lose his counsel and his inspiration so soon after his retirement from the Senate.

In closing, on behalf of Mrs. Mundt and me, I want to extend our sympathies and best wishes to Lucy George and to the entire family.

Mr. PURTELL. Mr. President, the death of Senator Walter George removed from the ranks of the dedicated public servants of this Nation a most noble and able American.

Walter George dedicated a major portion of his life to the service of the people of his State and his Nation.

As a citizen of this country, I mourned the passing of an outstanding legislator and statesman.

As a United States Senator, I mourned the passing of a cherished colleague whose performance as a Member of this body was and is an inspiration to me and to all his colleagues.

Walter George was a giant among men. Yet his true stature was expressed in gentle and courtly ways. His wisdom was imparted in even, precise, and measured tones. His patriotism and his concern and love for his fellow man were evident in his every word and deed.

Walter George embodied all that we strive to be as Members of the Senate of the United States. His love of country was never swerved by partisanship. His personal dignity added stature to the Senate.

By his deeds, he was already a tradition of the United States Senate before he retired from service in this body.

He had an enormous capacity for service, and his mind was able to embrace quickly and think through the myriad responsibilities which were placed on his capable shoulders.

His leadership was gently vigorous. His motives were crystal pure. His methods reflected always his own high personal integrity.

Even after his long and distinguished service in the Senate, he was willing to undertake another assignment in behalf of his country, that of the Ambassador to the North Atlantic Treaty Organization.

We here in the Senate who were privileged to know him personally will

remember warmly and with delight the companionship and the affection which existed between the Senator and "Miss Lucy." The Georges were a couple with a special, friendly charm which made every meeting with them a memorable one.

Our hearts go out to "Miss Lucy" in her sorrow. Our thoughts and prayers are of her. Our sympathy goes also to his son, Heard, a capable right arm who devotedly served his father.

It can be truly said that Walter George gave his life for his country. He passed on only 15 years after his son, Marcus, was killed in the service of his country. Dedicated service is woven through all the fibers of the Georges.

Walter George served his State on its courts and in the Senate of the United States.

He served his country with a record of distinguished performance which will continue to shine down through succeeding generations. His convictions will guide legislation in this body for many years to come.

Walter George served his fellow man, and in so doing served his God.

We have lost a friend, a trusted and most respected colleague, and a great American.

We have not, however, lost the memories, the deeds, the inspirations for which he has been responsible.

We have gained new courage, new determination, and, I trust, more wisdom, because of him.

Mr. PASTORE. Mr. President, in the Georgia home of his career's earliest dreams, Walter Franklin George has passed into the eternity of history. It was fitting that his mortal days should find their closing in the cherished scenes of his beginnings. But these Senate Halls will forever project dimensions of his immortality.

Here in the most fateful generation of the country he served and adored, his eloquence was the expression of his transcendent loyalty to his land and his generous and genuine love for all mankind. Here he could surmount the bitterness of debate with an aristocracy of intellect that was balanced by the humility of a heart that could hate no man.

There could be about him the aloofness of a dedicated man as he sought to raise the practicality of ideas to the high plane of his ideals. Yet ever there was in him an invitation to approachability that would counsel and comfort the lowliest among his colleagues.

Many there will be among us who will appreciate our apprenticeship under a mind that reached for and resolved problems that challenged an entire world. We will treasure the tutelage of a man who could be gentle; yet with a giant's power at alert when the moment or the measure might demand a giant's strength of will and wisdom.

Men may seek to find phrases to blend the many qualities of a great man and fashion them into a single word. They would be such phrases as the bearing of a patrician, the boldness of a patriot, the intellect of a scholar, the genius of a strategist, the perseverance of a saint, the patience of a friend, the sacrifice of a sincere public servant. The sum of all those qualities would produce the term "statesman." The synonym of all those qualities we would recognize as Walter Franklin George.

May his example be not lost upon us. May his inspiration endure against all that would divide us or divert us from our common concern that our country may be strong so that the world may know justice and peace.

Such was the goal of Walter George—strength to country—justice and peace to all.

His country will be grateful to the patriot. History will be just to the just man who was Walter Franklin George.

May his God grant him eternal peace.

Mr. BRICKER. Mr. President, not even the most eloquent rhetoric can portray the affection and esteem in which Walter F. George was held by his colleagues on both sides of the aisle. Mere words cannot encompass the benign influence of this legislative giant.

When I came to the Senate of the United States in January 1947, Senator George was already the model of senatorial deportment by which junior Senators sought to orient themselves. We could not have had a more perfect embodiment of dignity, courtesy, character, and integrity. The example he set for other Senators was perhaps more important than his legislative achievements, numerous and significant though they were.

The pressures converging on this body have produced actions that are petty, rash, or inspired by base political motives. When these actions of individual Members were attributed to the Senate as a whole, the criticism was often deflected from the institution to the man merely by pointing out, "But, then, there is George of Georgia."

I did not have the privilege of serving with Senator George on either of his two standing committees. However, I accepted on faith his recommendations on complex revenue measures reported from the Senate Finance Committee. My confidence in his judgment was never misplaced.

As chairman of the Senate Foreign Relations Committee, Senator George was ideal. His advice and counsel were sought by the administration, not primarily because of his position, but because of his profound insight on questions of foreign policy. His recommendations to his colleagues were almost always accepted because few men had a better understanding of the relationship that ought to exist between modern international law and domestic constitutional law.

Since all of us are the elected representatives of the sovereign States, the influence of one Senator over another is necessarily limited. If, on the average, a Senator can influence one vote per rollcall, he deserves to be called one of the leaders of this body. Walter George did far better than that.

However, many legislative issues are somewhat ephemeral. Walter F. George will live in the memory of the Senate long after his legislative victories and defeats are forgotten. His influence will subtly shape for the better the content of bills not yet introduced and legislation not yet enacted.

Those who heard Senator George address the Senate on a major issue will never forget that magnificent voice. It was like a great organ—clear, majestic, and compelling. And that great voice was never enlisted in the service of any demagogic appeal.

A pillar of the Republic has fallen. We shall miss him greatly in the difficult days ahead.

Mr. BARRETT. Mr. President, I desire to join with my colleagues in paying respect to the memory of that great Senator, the late Walter F. George, of Georgia.

He could well be termed "a Senator's Senator," for the very simple reason that he had the admiration and respect of every Member of this body on both sides of the aisle. When he spoke he commanded the undivided attention of every Member in the Senate. Although he represented in a splendid fashion the people of his beloved Georgia, yet he was truly a Senator of the United States.

While he believed sincerely in the principles and traditions of the party of his choice, yet he put the best interests of his country above party considerations on all occasions.

Judged by any standard, Walter F. George was truly a great American.

Mr. JENNER. Mr. President, Senator Walter George was outstanding among distinguished Members of the Senate, and he will be long remembered for his contributions to constitutional government, and the separation of powers.

He was in the forefront of the Members of Congress who fought to preserve the integrity of our Supreme Court against attempts to pack it with new appointees who would reverse the solemn judgments of honorable and learned judges. Senator George knew that a fearless and independent judiciary is one of the most important safeguards of liberty.

Senator George was punished for his temerity in fighting for the independence of the courts. He felt the full weight of attempts by the President and his advisers to come into his State and to turn his own constituents against him. In spite of the vast power of the Federal executive branch, Senator George fought valiantly, and the people of his State sent him back in triumph to the Senate.

During the war years, Senator George had a choice of heading the Senate Foreign Relations Committee or the Senate Finance Committee. He chose the arduous work of the Finance Committee, to protect our economy against socialistic attempts to undermine it by misuse of the taxing power.

He fought valiantly against attempts, in the Defense Production Act, to give the executive branch unlimited and unspecified power to commandeer or to set up its own production plants.

Senator George was true to the great Senate tradition. He understood and fully sympathized with the constitutional role of the Senators as representatives of sovereign states, meeting in Washington, to find, by discussion and consensus, the best methods of protecting and strengthening the Nation.

As a Senator from the State of Indiana, which cherishes so highly the sovereign independence of our States, I am happy to pay tribute to a Senator who for so many years served the Federal Union of sovereign States which is the keystone of our liberty.

Mr. McCLELLAN. Mr. President, I wish to associate myself with all of my colleagues who have preceded me today, and also with those who may follow, in what they have said or may say in eulogizing and paying tribute to our deceased friend and former colleague, Walter F. George, of Georgia.

Nothing has been said here today, and nothing will be said, however generous and complimentary, that can possibly be regarded as an exaggeration or extravagance in praise of him whom I admired and esteemed as one of the greatest Americans I have been privileged to know.

I can truly say that my life has been enriched, and the value of my labors here in the Senate has been greatly enhanced, by reason of my knowing him, my association with him, the bond of friendship that existed between us, and his counsel which I so frequently sought and received on many perplexing problems and issues we have had to resolve.

I often sought his advice—particularly so on measures involving taxation and revenues, and on questions relating to foreign affairs. I frequently discussed with him, and sought his opinion on, the overall policies of our Government, for there was no one whose judgment I respected more than his.

He was possessed of great mental capacity, an astute and analytical mind, and a profound wisdom of a quality unexcelled among the statesmen of our time.

He was endowed with those superb and admirable qualities of human kindness, sympathy, understanding, and consideration for his fellowman; and yet he was strong, firm, and unyielding in his convictions. Motivated at all times by the highest ideals and purposes, he pursued his labors, met his responsibilities, and discharged his duties with resolute determination and with fearless and unfaltering courage.

I cannot even begin in these few remarks to enumerate or evaluate the great contribution he made to the welfare of our people, to the security of our country, and of the preservation of human liberty, of freedom, and our American way of life. History will make an accurate appraisal of that, and I am sure it will accord him his proper place among the great of all time.

We know he never sought wealth. He never permitted the material to detract from or obscure the more precious and enduring truths of spiritual values. He was loyal and faithful to friendships and obligations; he was consecrated in his faith and was wholly dedicated to the performance of his duties and to the service and welfare of all mankind.

When the President of the United States said that he felt a keen personal loss when Mr. George passed away, he spoke truly for millions of American citizens. We here in the Senate too feel, and shall always feel, that we have experienced a keen personal loss now that our friend has gone. But we have this consolation; we know that he left to us an example of sterling character, dynamic integrity, and able and devoted statesmanship worthy of our emulation and a heritage of beautiful memories that we shall always cherish and revere.

Mr. MORSE. Mr. President, on Monday afternoon, when the Senate honored the memory of Senator Walter George, I was engaged in a very important conference away from the Senate with departmental officials on proposed legislation which will be considered before the adjournment of Congress. Therefore, I was not privileged to express my very sincere feelings about Walter George.

I say now, as I said to the press at his funeral, that he was one of the great statesmen of our history. I add only that the glorious history of the United States would not be so glorious if Walter George had not lived and served the people of his State and his country in the Senate of the United States.

Mr. BEALL. Mr. President, it is with the most sincere humility and respect that I rise today to pay tribute to the memory of our former colleague from Georgia, the late Walter F. George. No eulogy from my lips could possibly add to the monument which he himself built during his years of faithful service and which he has now left as a guide for all Americans. No words could possibly indicate the loss the entire world has suffered through his death. My remarks, therefore, shall be confined to a few personal comments.

I began hearing about Senator George in the days when I was a novice to public office, and the things I heard were good. Through the years, that never changed. For those of us who were trying to serve in local public offices, Senator George offered inspiration and an example. Here, truly, was a statesman. Later, after having been elected by the people of Maryland to serve in the Congress, I obtained a much greater realization of the true greatness of this man, and I found that my former admiration had not been misplaced. It was an honor and a privilege to serve with Senator George. With millions of other Americans, I am indebted to him for the example of patriotic service he has provided. Mrs. Beall and I offer our most sincere condolences to Senator George's devoted wife, "Miss Lucy," and his son.

LIMITATION OF DEBATE ON MILITARY CONSTRUCTION BILL AND NIAGARA POWER BILL—UNANIMOUS CONSENT AGREEMENTS

During the delivery of eulogies on the late Senator George,

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that I may submit two proposed unanimous-consent agreements, with the understanding that this colloquy and the action thereon will appear at the end of the tributes to the late Senator George.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. JOHNSON of Texas. I submit, in behalf of the distinguished minority leader [Mr. KNOWLAND] and myself, the following two proposed unanimous-consent agreements:

Ordered, That when the Senate proceeds to the consideration of the bill (H. R. 8240) to authorize certain construction of military installations, debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 30 minutes to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided*, That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill, debate shall be limited to 1 hour, to be equally divided and controlled, respectively, by the majority and minority leaders: *Provided*, That the said leaders, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

Mr. LONG. Mr. President, reserving the right to object, to which bill does the Senator refer?

Mr. JOHNSON of Texas. The military construction bill, reported by the Committee on Armed Services.

The PRESIDING OFFICER. Is there objection to the proposed unanimous-consent agreement? The Chair hears none, and it is so ordered.

Mr. JOHNSON of Texas. I submit another proposed unanimous-consent agreement which is agreeable to the Senator from New York and the Senator from Pennsylvania. I submit it on behalf of the distinguished minority leader and myself:

Ordered, That during the further consideration of the bill H. R. 8643, the Niagara power bill, debate upon an amendment to be proposed by Mr. CLARK (for himself, Mr. NEUBERGER, and Mr. LAUSCHE), on page 2, line 21, or upon any motion or amendment relating thereto, shall be limited to 2 hours, to be equally divided and controlled by Mr. CLARK and the majority leader; that upon any other amendment or motion, debate shall be limited to 30 minutes, to be equally divided and controlled by the mover of any such amendment and the majority leader: *Provided*, That in the event the majority leader is in favor of any amendment proposed to the bill, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided*, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That debate on the question of the final passage of the bill shall be limited to 2 hours, to be equally divided and controlled by the majority and minority leaders: *Provided further*, That the said leaders, or either of them, may, from the time under their control on the passage of the said bill allot addititional time to any Senator during the consideration of any amendment, motion or appeal.

The PRESIDING OFFICER. Is there objection to the proposed unanimous-consent agreement? The Chair hears none, and it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I should like to announce it may

be that the time allowed on both the military-construction bill and the Niagara bill amendments will not be consumed. So all Senators should be on notice that we are going to attempt to get action on both bills before we conclude our deliberations today.

ORDER FOR ADJOURNMENT TO 12 O'CLOCK NOON TOMORROW

Mr. JOHNSON of Texas. Mr. President, if it is agreeable to the minority leader, I am going to suggest, since committees have work they can do tomorrow and since we both have policy committee meetings, that the Senate convene at 12 o'clock tomorrow.

Mr. KNOWLAND. That is agreeable.

Mr. JOHNSON of Texas. I ask unanimous consent that when the Senate concludes its business today, it stand in adjournment until 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS ON TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate convenes tomorrow following an adjournment and has the usual morning hour for the transaction of routine business only, there be a 3-minute limitation on statements.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONSTRUCTION AT MILITARY INSTALLATIONS

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. JAVITS in the chair). Without objection, it is so ordered. The Chair lays before the Senate the unfinished business, which is H. R. 8240.

The Senate resumed the consideration of the bill (H. R. 8240) to authorize certain construction at military installations, and for other purposes.

The PRESIDING OFFICER. Pursuant to the unanimous-consent agreement previously entered into, the time for debate is equally divided and controlled. The time allowed on each amendment is 30 minutes, equally divided, and 1 hour is allowed on the bill, equally divided.

Mr. STENNIS. How is the time divided on the bill and on amendments?

The PRESIDING OFFICER. The time for debate on the bill is limited to 1 hour, 30 minutes to each side, and 30 minutes on each amendment, equally divided between the proponents and opponets.

Mr. STENNIS. Mr. President, I allow myself 15 minutes.

The PRESIDING OFFICER. The Senator from Mississippi is recognized for 15 minutes.

Mr. STENNIS. Mr. President, H. R. 8240 is the annual military construction bill, for military construction projects at home and abroad, classified and unclassified, exclusive of family housing, most of which is called Capehart housing, and also exclusive of Public Law 480, which has to do with agricultural commodities.

Mr. President, when the figures were first submitted by the services to the Department of Defense, the total amount requested for fiscal 1958, in round numbers, was $3.6 billion. The Department of Defense reduced that total to $2.09 billion. The Bureau of the Budget first submitted a figure of $1,779,000,000. Then there was a second request by the Bureau of the Budget—which was the figure submitted when the hearing started—of $1,561,000,000.

The bill itself recommends $1,203,000,000, which is a reduction of approximately 34 percent from the amount originally requested.

Mr. President, these reductions were effected largely through the application of certain criteria which were adopted by the committee in its early deliberations in January and February of this year. Those criteria appear on pages 2 and 3 of the committee report.

I ask unanimous consent to have printed at this point in my remarks that part of the report on pages 2 and 3 which is entitled, "Criteria."

There being no objection, the excerpt from the report (No. 842) was ordered to be printed in the RECORD, as follows:

CRITERIA

In order to insure a review procedure which would meet both the interests of economy and military need, a standard criteria was established in light of which all service requests were compared. In general outline, this criteria is as follows:

1. Items considered firm requirements:

(a) All operational aspects properly justified and for which the services plan to request fiscal year 1958 appropriations.

(b) Replacement of irreparable facilities considered essential to morale and well-being.

(c) Chapels.

(d) Community and recreational facilities and housing at isolated installations, or where local civilian community support does not exist at an adequate level.

(e) Key service school installations for which the services have a long peacetime need.

(f) Deficiency authorizations pertaining to prior-authorized projects resultant from cost-of-living increases, from changes in military technology, and new operational concepts.

2. Items considered feasible to delete or defer:

(a) Officers clubs, noncommissioned officers clubs, commissaries, post exchanges, theaters, and so forth, where adequate facilities already exist, substitute facilities are available, or local civilian community can provide similar support.

(b) Replacement of existing administration buildings, warehouses, and headquarters buildings.

(c) Barracks and bachelor officers quarters where 50 percent of permanent construction program is already provided, or under construction, or where existing World War II assets can continue to be utilized on an economical basis.

(d) Family housing where there exists adequate civilian community support or sufficient prior authorization.

(e) All items not being funded.

Mr. STENNIS. Mr. President, quite briefly with respect to the criteria: The first criterion is that all operational aspects, to be considered firm requirements, are to be properly justified and for them the services plan to request fiscal 1958 appropriations.

I can say to the Senate that in all the reductions recommended there is not one which we believe in any way would impair the bone and muscle of the bill or in any way would impair the essential requirements of the military-construction program for the fiscal year 1958.

We did not include any item in the bill for which the budget did not request authorization. Therefore, any Senator who is interested in any project which has been excluded by the committee, will know that it was not considered by the committee.

Furthermore, we made inquiry with respect to what requests the Department of Defense was going to make along the line of appropriations for the fiscal year 1958. If the Department of Defense reported that it was not going to make any request for an appropriation for a particular project in 1958, we deferred the authorization for that item. That does not mean we rejected it or that we disallowed it; it means that there would be no financing, therefore there was no need for an authorization.

Thus we bring closer into line the authorizations and appropriations. In the past few years we have had many bills which authorized military construction all over the world. Because of changing conditions many of those projects were never built.

Pursuing our trend for another year will bring the situation more into focus, and will serve to bring a closer relationship between authorizations and appropriations, which we think should prevail. Therefore, approximately $350 million worth of new authorizations have been deferred. They relate mostly to projects which have not been rejected and not condemned, but merely deferred. There was no request for an appropriation for them. I have a list of those projects, and if any Senator wishes to inquire about them, I can show him the list. Perhaps we can later put the list in the RECORD, for the information of all Senators.

I believe particular attention should be called to one phase of the bill, the one having reference to the Capehart housing. It is contemplated that in the neighborhood of 95,000 units of Capehart housing will be built in fiscal year 1958.

No line authorization is necessary and no appropriation is necessary for those items. At an average of $15,000 each they will total, in round numbers, one billion five hundred and twenty million dollars. It shows that for the Capehart housing alone the amount is something like $300 million more than is provided in the entire military construction bill. For that reason, and for other reasons, we recommend in the bill that the so-

called Capehart housing program be discontinued and repealed, and cease to exist as such, after June 30, 1958, that date having been put forward that much to allow a reasonable transition period from one program to another, because the alternative would be that it would be necessary to justify the new housing program and to get an appropriation for it, just as it is necessary to do for other military construction. There must be time in which to transfer from one system to another. It is too late to make appropriations and to justify line items.

The present program for this type of building will run for 1 year. Thereafter it goes back to line authorizations and appropriations, which we believe there will bring about a better program and a better system, will enable the Government to get more for its money, and will assure the persons for whom the houses are built better houses for the money.

The bill provides for 2,640 units at a cost of approximately $52 million. That is family housing to which, for one reason or another, the Capehart housing law does not apply, perhaps because the housing is located in remote areas or areas of inaccessibility, and because of special circumstances.

The bill contains a rather elaborate provision for substandard housing. It represents the contents of a bill which passed the House in one form and passed the Senate in another form last year. At that time the House and Senate were unable to get together on the program, and the bill did not become law. The bill this year includes the version of the program which passed the Senate last year. In the House the bill is known as the Bennett bill. I hope the differences between the two Houses on this subject can be worked out in conference, because the subject matter, we think, is very timely.

Mr. President, before I am interrupted by questions, I wish especially to thank, and to commend as well, my colleagues on the subcommittee which considered the bill—the Senator from South Dakota [Mr. CASE] and the Senator from Washington [Mr. JACKSON]. The bill contains about 4,000 lines of items and represents days and days of hearings, in addition to a large amount of fieldwork. The two Senators I have named are experts on the matter in many ways. They worked very diligently, most happily, most cooperatively, and very effectively. They have done as much work on the bill as I have, if not more. They deserve more credit than I do for what has been done. On behalf of the subcommittee and on behalf of the Senate, I thank them. It has been a great treat for me to work with them.

In a large measure, the subcommittee has been guided in the writing of the bill by the able and timely assistance of our staff member, Col. Kenneth BeLieu, who has rendered outstanding service and has helped to prepare a report which I think is really outstanding and should be in the files of every Senator and every Senator's staff. That report contains a world of up-to-date information on the entire building program, and a great number of suggestions, as well.

The bill contains a provision for $115 million as an installment on what is called the Nike program. That is the air-to-ground missile defense.

Mr. President, in that connection, I ask unanimous consent to have printed at this point in the RECORD pages 21 and 22 and half of page 23 of the report—No. 842—under the the subject Continental Air Defense.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CONTINENTAL AIR DEFENSE

During the course of this and last years' hearings on the military construction authorization bills, it has become increasingly apparent to the committee that more and more of our military resources are being directed to the field of continental air defense. Last year, the committee said:

"While it is not the committee's intent to delve into the broad fields of military strategy or policy, the very act of authorizing military construction and base structure facilities is in itself a policymaking function, particularly when it deals with the foundations for weapons systems and the bases from which operations will be conducted. As mentioned before, DEW line is a billion-dollar project and so is SAGE. The Nike-Talos systems is a multi-billion-dollar program. These things are basically for defensive purposes. In reviewing the requirements contained in this bill for facilities and systems to provide passive defense, the committee has had occasion to question whether there might be a dangerous trend toward a 'Maginot line' type of thinking, and with the construction and establishment of fixed defense installations, whether the military posture of the Nation might as a result be limited in offensive capabilities."

The committee is still of the same frame of mind. It believes the time has come to reevaluate and to insure that our efforts are spent only on those systems that will meet future requirements. The committee believes that close and continuous scrutiny must be given the subject in order that too great a priority is not given to defensive aspects, even to the extent of denying funds and authorizations and of cutting back existing programs in favor of those which promise greater results. Obviously, until we have an offensive weapon system which will completely deter an aggressor, we must maintain adequate defenses. An adequate defense system, however, must be designed to keep pace in a flexible manner with any threat against the United States. In view of the ever-increasing capacity of offensive weapons, both in our hands and in those of the potential aggressor, the committee cannot help but feel uncomfortable at the thought of spending increased amounts for the weapons which represent but a last-ditch symbol. Defensive operations, in the opinion of the committee, should not be hampered by an absence of initiative which the committee believes is inherent in fixed positions. One has only to remember what happened to the "Maginot line" concept to be well aware of this point.

Approximately 40 percent of this year's Army-construction program is devoted to Nike. Nike is a fixed-point defensive system. It will be remembered that when the Korean war broke out, it was decided to deploy anti-aircraft units in defense of key installations in the United States. At first, conventional gun battalions were used. Then as the Nike was developed, the gun battalions were more and more replaced by Nike battalions. The committee believes the original Nike system was properly conceived to meet a need existing at that time, that it fills a requirement as of now; however, the committee questions the wisdom of future extensions of the system on a larger scale. In view of the fact that weapons of mass destruction can be released at great distances from their potential targets, the committee came to the conclusion that the time is at hand when emphasis must be placed on weapons systems which will provide greater defense in depth.

The committee also became quite concerned over the possibility that the Department of the Army might be placing too much emphasis and devoting too much of its effort to static-defense concepts. It feels that the Army must place first priority on the capability to engage in successful and sustained ground combat—that this mission must not be subordinated to any other.

In view of the foregoing, the committee seriously considered recommending that no further authorization be approved to expand the existing Nike system. It does not so recommend only because the best military advice available strongly recommended that the committee approve the program. The committee thoroughly reviewed the subject. It was made the topic of a special classified briefing conducted by a representative of the Joint Chiefs of Staff and senior departmental witnesses. Results of this briefing were such as to convince the committee that even though it still has doubts, it has no other recourse than to recommend the Nike funds be authorized in this year's construction program.

Even though the committee was impressed by the aforementioned briefing, it could not help but conclude that in many areas each military service is developing weapons systems in a seeming effort to become self-sufficient apparently with little regard to those in existence or being developed by other services. The committee requests the Secretary of Defense to take vigorous action to insure that only those systems are approved and maintained that fit in with the overall strategic doctrine (and at this point, it cannot help but state that it hopes this doctrine will be tailored to tactical and strategic requirements rather than budgetary decisions). The committee feels that it is pertinent at this time to quote from Henry A. Kissinger's article in the Foreign Affairs magazine of April 1957, entitled "Strategy and Organization":

"In the absence of a generally understood doctrine, our actions will of necessity prove haphazard; conflicting proposals will compete with each other without an effective basis for their resolution. Each problem, as it arises, will seem novel and energies will be absorbed in analyzing its nature rather than in seeking solutions. Our services will find it impossible to make a meaningful choice among the mass of new weapons with which their research and development programs will soon overwhelm them. We will continue to cede the initiative to others and our course will become increasingly defensive."

The requirements for each new weapon or system when presented to the committee have been justified mainly on the ground of technological advances and military capabilities. This is only natural and proper but it is also only logical to expect certain older and superseded systems to be discarded. Earlier this year, the Chief of Naval Operations in an appearance before a subcommittee of the Senate Committee on Appropriations, stated in part, "we are converting cruisers to missile ships—and we are building guided missile destroyers—because guns are no longer effective against modern aircraft. We are converting to a guided missile capability as fast as we can." The committee cannot help but question the retention and maintenance of conventional antiaircraft artillery units in the troop structure. At this very moment the committee is in receipt of requests to approve leasing arrangements in order that conventional AAA gun battalions may continue to be deployed

in defense of key installations. It surely would appear that if further troop reductions are to be made, they should be made in this area.

The committee believes that the Department of Defense must not only closely scrutinize the extent to which our limited military resources are allocated to air defense, including area and point missile systems and manned interceptors, but must also take positive steps to eliminate ineffective weapon systems.

Mr. STENNIS. Mr. President, in yesterday's New York Times there appeared an article by Hanson W. Baldwin entitled "New Missile Program Is Left Up to McElroy." I ask unanimous consent that the article on this great problem be included in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NEW MISSILE PROGRAM IS LEFT UP TO MCELROY—CHOICE OF WEAPONS AND ASSIGNMENT TO SERVICES YET TO BE DECIDED

(By Hanson W. Baldwin)

Secretary Charles E. Wilson, who entered office in 1953 as an economizer, is leaving with a trail of canceled projects and many noses out of joint behind him.

The ax, so far, has bitten rather deeply into the Nation's tremendous missile program. The Air Force's supersonic ram-jet winged missile Navaho, designed for a 5,000-mile range, has been canceled after half to three-quarters of a billion dollars had been spent on it.

The Navaho is perhaps the most spectacular cutback in the missile program, but many others, unannounced, are probably impending. The Navy's Triton project—like the Navaho, powered by large ram-jet engines—may be eliminated; and there appear to be a number of other projects facing cutbacks or stretchouts.

These economies may sharpen a good many unsettled or partially settled conflicts between the services which Mr. Wilson leaves as a heritage to his successor, Neil H. McElroy.

KEY DECISIONS

In one of the key decisions of his term of office Mr. Wilson last fall adjudicated a missiles dispute which was primarily between the Army and Air Force. The Air Force's Thor (developed by Douglas Aircraft and a complex of companies) was in competition with the Army's Jupiter (developed by the Army's ballistic missile agency at Redstone Arsenal, Ala.). Both missiles were designed for intermediate, or 1,500-mile, range; both services hoped to use them.

Mr. Wilson ruled that parallel development of the two missiles was to continue until late this fall when they would be evaluated and one or the other selected for final development and production. But at the same time he held that the IRBM (intermediate-range ballistic missile), like the ICBM (intercontinental ballistic missile), would be, when finished, operated by the Air Force, not the Army. He ruled that the Army should not plan to operate anything beyond the 200-mile Redstone missile, now coming into service. At the same time he assigned point antiaircraft defense to the Army; it was to operate all antiaircraft missiles up to the 100-mile range; the Air Force, with responsibility for antiaircraft area defense, would take over, beyond that range, with its 200-mile Bomarc missile.

NAVY'S MISSILES

The Navy was not directly affected by these judgments since its requirements for ship-based missiles differ technically from those that are land based. The Navy was authorized to continue development of its antiaircraft weapons and its ship-based version of the 1,500-mile IRBM—the Polaris.

The Army—particularly its junior ranks—was greatly cast down last fall by Mr. Wilson's decision. But this decision did not by any means shut the door completely to the Army's development of long-range bombardment and antiaircraft missiles and to the Army's hopes of gaining operational control of some of these missiles in the future. In fact, Mr. Wilson's decision permitted competitive development and testing of Jupiter and Thor and permitted the Army to develop in "limited feasibility studies" experimental versions of bombardment missiles which would fill the gap between Redstone's 200-mile reach and Jupiter and Thor's 1,500-mile range.

Today, as the time of decision again approaches, the Army—which some of its officers thought was underdog last year—seems to be in a rather good position. The Army's Jupiter has been successfully launched several times, and it has flown more than 1,500 miles. Thor, on the other hand, has had several abortive launchings, and one very short flight, interrupted by a malfunction.

The Army has also developed—in addition to a whole host of short-range tactical missiles—new bombardment missiles of great promise. It has developed or tested about six different configurations of ballistic missiles with ranges between 200 and 1,500 miles—a gap hitherto unfilled. These are by no means ready for production but could serve as prototypes.

The Sergeant, a bombardment missile with a range between the Corporal's 90 miles and the Redstone's 200, is another Army missile with challenging potential. Unlike the other longer ranged missiles, the Sergeant uses solid propellants, and further development of its rocket motor could put it into competition with the Navy's solid-propellant Polaris.

ARMY PROJECT

The Army also has in an early production, final development stage the improved Nike-Hercules, with 50- to 60-mile range, and nuclear warhead. And it is continuing experimental initial development work on a system to combat ballistic missiles.

This work got a great technical boost last week when a technological breakthrough was achieved which will, in time, lead to the development of so-called long-range radar capable of detecting ballistic missiles in their upper trajectories thousands of miles away.

Thus actual events between last fall and today have demonstrated Mr. Wilson's wisdom in leaving something of an open door for competitive missile development. If Jupiter had been halted and all our bets placed on the Thor, the Nation might not be anywhere near as close to an operational IRBM as it is today. This need for competitive and parallel roles in research and development has been proved time and again in the past: the air-cooled and liquid-cooled aircraft engines, for example. To this extent service rivalries pay off and competition is not only healthy but essential.

But when development reaches its final stages, someone must intervene to prevent unnecessary duplication and make a choice of one or both of two competitive systems. And at the same time top authority must decide what service is to handle and operate the weapon that is finally developed.

These problems, despite the precedent set by Mr. Wilson's order of last year, have not been finally resolved. Mr. McElroy will have to take them on his broad shoulders early in his tenure of office.

Mr. STENNIS. Mr. President, the information contained in the report on that subject is very helpful. It includes a quotation from our last year's observation and recommendations.

I speak for myself with reference to that part of the program without elaboration. But I feel we are spending too much money and placing too much emphasis on mere point defense. We are trying to defend many individual points in the United States by means of a program which is fast approaching a cost of many billions of dollars. If it is carried to its ultimate purpose, the cost will be many more billions of dollars.

Trying to defend every important point throughout the country—and the points are important—involves a tremendous cost for the installation of a missile which was brilliantly conceived. But I believe the time has passed when the kind of attack which will come can be successfully coped with. After a modern air attack of any kind has reached to within 25 or 50 miles of any city in the United States, the attacker is already here. Anyway, some of his planes most probably would get through. In modern times, only one weapon need get through in order to destroy.

There would be great merit in the system if it were proposed that we could defend everything throughout the country to the ultimate degree. But I myself think that we are making a great mistake in spending multibillions of dollars for a system which is purely defensive. We ought to put our money into and offensive striking power, obtain the very best type of warning system which can be had, and then install perimeter defenses.

But, after all, we are not the ones who make the final decision. I hope that the missiles, important as they are—and they are important—will be further evaluated, and that better and more specific recommendations will be made concerning the programs, with greater emphasis in the years to come on the offense rather than on the point defense.

As the report states, we were reluctant to abolish a system which is recommended by the Joint Chiefs of Staff. Nevertheless, speaking for myself, I am becoming a little tired of hearing so much conflicting testimony about these matters from our own military men.

I hope the program soon will be advanced to the stage where there will be more uniformity of opinion about its merits, and that the so-called big money will be put more into offense rather than into point defense.

The bill does not provide for the so-called John Towers Field, which was proposed for the Naval Academy. The committee strongly recommends that room be found for the cadets at the Naval Academy. We want the cadets to have the necessary briefing, orientation, and implementation concerning air operations, but we feel, since Annapolis is so near the Andrews Air Force Base, where the Air Force has a tremendous installation, with an immensity of space, that it is not practical to have the Government buy new land in order to make an entirely new installation.

Pages 25 to 37 of the report contain a very valuable tabulation of the different items in the bill, according to the services.

On pages 41 to 47 there is a tabulation according to States.

On pages 47 and 48 there is a tabulation according to areas outside the United States.

The PRESIDING OFFICER. The 15 minutes which the Senator from Mississippi allotted to himself have expired.

Mr. STENNIS. Mr. President, I shall not speak at great length, but in order to provide myself with some time, I offer an amendment, which I shall later ask to withdraw.

The PRESIDING OFFICER. The amendment will be read for the information of the Senate.

The CHIEF CLERK. On page 95, line 5, it is proposed to delete "$59,056,000" and insert in lieu thereof "$58,027,000."

Mr. STENNIS. Mr. President, I have offered the amendment as a means of affording myself additional time. I allot myself 10 minutes on the amendment.

I call attention to the competitive bidding on construction of military housing. In the last year, 93 percent of the money spent was on competitive bids. The other 7 percent has been spent on noncompetitive construction, due to isolation or some other special circumstances which controlled.

Section 507 carries something which the Senate inaugurated several years ago, in placing a ceiling on the unit costs of these installations. For warehouses, we continue the ceiling of $6 a square foot, average. But for cold-storage warehouses we increased the unit cost of $22 a square foot to a possible $28 a square foot.

For barracks, the ceiling is $1,850 per man, and we continue it at $1,850.

For bachelor officers' quarters, the present ceiling is $6,500 per unit. We have increased that, on proof of what almost seemed to be necessity, to $7,500 per unit.

Mr. President, I believe that covers the high points of the bill. I certainly wish to have ample time used by other members of the subcommittee, and I shall be glad to yield to them.

Mr. JACKSON. Mr. President——

Mr. STENNIS. I yield to the Senator from Washington.

Mr. JACKSON. Mr. President, I should like to take this opportunity to express my appreciation to the chairman of the subcommittee and to my colleague on the committee, the distinguished junior Senator from South Dakota [Mr. CASE], and to our staff assistant, Colonel BeLieu, for an outstanding job.

I think it can be said that we have made some prudent economies. I believe it can be said that we have accomplished these economies without reducing our military capabilities. I believe these are the kinds of economies that are most appropriate under the circumstances.

I should like to associate myself with the remarks made by the distinguished chairman of the subcommittee in the presentation of this authorization bill to the Senate.

Mr. STENNIS. Mr. President, I thank the Senator from Washington very much. I also thank him again for his very valuable services on the subcommittee and his very fine knowledge of many phases of this immense, worldwide program.

Mr. CASE of South Dakota. Mr. President, I should like to speak on the bill, if I may.

Mr. STENNIS. I am glad to yield to the Senator from South Dakota 20 minutes, or whatever amount of time he may care to have.

Mr. CASE of South Dakota. Perhaps I shall need 15 minutes.

Mr. KUCHEL. Mr. President——

Mr. STENNIS. Mr. President, I understand that the Senator from California wishes to ask a question. In that case, I yield first to him.

Mr. KUCHEL. I thank the Senator from Mississippi.

Actually, I should like to ask two questions.

First of all, let me say that I was most interested in the Senator's comment regarding the military-construction program for housing. Judging from some of the housing which has been constructed in the past few years, particularly in Europe, for military personnel, and judging particularly from the Air Force housing which has been constructed, it seems to me that Uncle Sam does not have the most desirable type of construction which I personally witnessed in the case of some of the housing which has been built there in connection with some of our Air Force installations.

On that point, can the Senator from Mississippi tell me whether the Capehart housing program will continue in operation until June 30, 1958, subject to having Congress carry out the recommendations which the Senator from Mississippi and the other members of the subcommittee have made in their report?

Mr. STENNIS. The bill, as we have reported it to the Senate, provides that the Capehart program may continue until June 30, 1958; thereafter, the so-called program of line items and appropriated funds will take over. But there will be no interim period or break.

Mr. KUCHEL. So the Capehart housing program will have to die on June 30, 1958; is that correct?

Mr. STENNIS. Yes; but by that time the other program will have been reinstated.

Mr. KUCHEL. I thank the Senator.

I have another problem in mind: Of course, in the Western States, water is of paramount importance. I come from a semiarid State—California—which has a continuing water problem.

I should like to ask this question: When a military installation is located in a semiarid area, and when the local people—for example, the farmers—have organized reclamation districts or irrigation districts, in order to bring water to their lands, in the opinion of the Senator from Mississippi, what is the policy which the military establishes in connection with participating in any costs with respect to the program in an area where a military installation is located and needs supplemental water? Is there a policy in that connection?

Mr. STENNIS. It is purely a local problem, depending upon the circumstances existing there. Usually the military meets the situation. In our construction program, we do not have any method of dealing directly with problems of that kind. The procedure in such a case is just like the procedure in connection with foundation problems and similar problems: They have to cope with what they find, and to deal with it.

Mr. KUCHEL. Is it fair to conclude that so far as the Army, the Navy, the Air Force, and the Marine Corps are concerned, to the extent they would benefit from having supplemental water brought into an area where such an installation is located, to that extent that branch of the service would have authority to enter into agreements in that connection?

Mr. STENNIS. Yes. It is a local matter, and they participate in working it out as best they can.

Mr. LAUSCHE. Mr. President, will the Senator from Mississippi yield to me?

Mr. STENNIS. I do not wish to keep the floor, to the exclusion of the Senator from South Dakota [Mr. CASE], who is a member of the subcommittee.

Mr. CASE of South Dakota. Mr. President, I am glad to wait.

Mr. STENNIS. Very well. I believe the Senator from Missouri [Mr. SYMINGTON] had previously indicated that he wished to ask a question. At this time I shall yield to him, if the Senator from Ohio does not mind waiting.

Mr. LAUSCHE. I am glad to wait.

Mr. SYMINGTON. Mr. President——

Mr. STENNIS. I yield to the Senator from Missouri.

Mr. SYMINGTON. I thank the Senator from Ohio and the Senator from South Dakota for their courtesy.

Does the Senator from Mississippi believe that the Nike installations are obsolete?

Mr. STENNIS. If there were to be an attack on a city or military installation in the United States, it would come with weapons with which, in my opinion, Nike, unfortunately, could not completely cope or deal effectively. But there is a great difference of opinion on that point. Some military men say it could not; some say it could. But I do not think we should go so deep on that program.

Mr. SYMINGTON. Mr. President, will the Senator yield further?

Mr. STENNIS. Certainly.

Mr. SYMINGTON. Is it not true that approximately $3 billion has already been spent on this program, and that billions more are scheduled to be spent on it.

Mr. STENNIS. I have understood that the actual figures on that matter were classified. Frankly, I could not see any reason why they should be classified. But the Senator's information is about the same as mine. It is in the neighborhood of several billion dollars, with many more anticipated, in my estimation.

Mr. SYMINGTON. Does not the Senator from Mississippi agree that if the Army has been doing as much fine work in the ground-to-ground missile field as we have been hearing about recently, in the IRBM field—then, instead of making an arbitrary limitation——

The PRESIDING OFFICER. The 10 minutes the Senator from Mississippi has yielded to himself have expired.

Mr. STENNIS. Mr. President, I yield myself an additional 5 minutes.

The PRESIDING OFFICER. The Senator from Mississippi is recognized for an additional 5 minutes.

Mr. STENNIS. Mr. President, I continue to yield to the Senator from Missouri.

Mr. SYMINGTON. I thank the able Senator.

Does not the Senator from Mississippi agree that it would be better to continue the program in question—the IRBM program on the part of the Army—than concentrating on what the Senator from Mississippi has so ably described in his analysis of point defense?

Mr. STENNIS. That is my opinion, after hearing all the testimony, backward and forward, for approximately 2 years.

Mr. SYMINGTON. Did I correctly understand the Senator from Mississippi to state that he would place in the RECORD at this point the part of his committee's report dealing with the intercontinental air defense?

Mr. STENNIS. I asked and obtained unanimous consent to have printed as a part of my remarks excerpts from the report dealing with this very important subject.

Mr. SYMINGTON. Mr. President, I congratulate the distinguished junior Senator from Mississippi for the splendid job which he, as chairman, and the able Senator from Washington [Mr. JACKSON] and the able Senator from South Dakota [Mr. CASE] have done in reporting the bill to the Senate. They have been very thorough. Especially now that so much emphasis is being placed on the importance of additional economy, I believe the position they have taken on the bill reported is sound and wise.

Mr. President, I hope that the amount of these reductions will be taken into full consideration—reductions in our own forces and in needed construction for our forces—when the foreign-aid bill comes before the Senate.

I thank the able Senator from Mississippi.

Mr. STENNIS. I thank the Senator from Missouri.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. STENNIS. I yield to the Senator from Ohio.

Mr. LAUSCHE. Referring to page 3 of the report, under the title, "Department of Defense Actions," in about the third sentence, I read:

> Originally, the total service requests for new authorization amounted to $3,641 million.

Those were the requests submitted to the Secretary of Defense by the various agencies; is that correct?

Mr. STENNIS. The Senator is correct.

Mr. LAUSCHE. Reading further, it states:

> At the Secretary of Defense level, this total was reduced to $2,098 million.

Mr. STENNIS. That is the first figure the Department of Defense settled on.

Mr. LAUSCHE. There is the further statement that:

> Following this, further reductions were made, presumably by the Bureau of the Budget, until the final official figure submitted to Congress was approximately $1,779,000,000.

Mr. STENNIS. That is correct.

Mr. LAUSCHE. Is my understanding correct that the amount finally recommended by the Senate committee was $1,203,413,000, as shown on page 2, covering new installations?

Mr. STENNIS. That is correct.

Mr. LAUSCHE. But, in addition to that, in order to have a complete picture of the total expenditures for installations, one would have to add another figure, which appears on what page?

Mr. STENNIS. On pages 39 and 40.

Mr. LAUSCHE. At the bottom of page 39.

The PRESIDING OFFICER. The time of the Senator from Mississippi has expired.

Mr. STENNIS. I allow myself 2 minutes on the bill.

The PRESIDING OFFICER. The Senator is recognized for 2 minutes.

Mr. LAUSCHE. What is the total amount which will be appropriated covering new installations and supplemental allocations to complete projects previously authorized and started?

Mr. STENNIS. The appropriation bill is now before the Appropriations Committee and carries a total request of $1,665,000,000. It includes all the items in the pending bill, plus old authorizations.

Mr. LAUSCHE. That would mean the original request of $3,641,000,000 has been brought down, through screening in the various phases of its consideration, to the sum of $1,600,000,000——

Mr. STENNIS. No. The original request for new authorizations, new authorized projects, new items, has been brought down to $1,200,000,000, as reflected in this bill; but in the appropriation bill we not only have authorizations which we call new, but we have older authorizations from prior years, under which requests were made for money. Sometimes they involve a second installment or a third installment on a project.

Mr. LAUSCHE. What is the overall amount requested to implement the old authorization?

Mr. STENNIS. It is the difference between $1.6 billion and $1.2 billion; in round figures, about $400 million. Actually it is between $400 million and $440 million.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

The PRESIDING OFFICER. The Chair will remind the Senator from South Dakota that he has 15 minutes of his own on the amendment.

Mr. CASE of South Dakota. I yield to myself, if I may, 3 minutes on the amendment, merely to deal with the question which the Senator from Ohio has raised.

I think the comparative figures which the Senator wants are those dealing with new authorizations. The Senator was correct, in his reference to page 3, that the total request for new authorizations was $3,641,000,000, and that figure should be compared with the $1,203,000,000 figure, as the authorizations here reported as new authorizations. However, there is, as has been indicated by the chairman, an augmentation of prior authorizations of approximately $181 million, and that brings the authorizations as carried in the bill to a total of about $1,445,000,000.

That, technically, is the authorization carried in the bill. Of that figure, $181 million is an augmentation of prior authorizations because of a change in plans, change in cost of construction, or something of that sort. The figure which the Senator from Ohio has most recently asked about—that is, the appropriation figure—the Senator from Mississippi has suggested is approximately $1,700 million.

Mr. LAUSCHE. $1,665 million.

Mr. CASE of South Dakota. That figure is a figure known to the Appropriations Committee, but it is not necessarily carried in the bill. It deals with cash for prior authorizations in prior years. When I come to my general remarks, I expect to deal with some of those prior authorizations to some extent.

Mr. STENNIS. Mr. President, I believe I have used all my time on the amendment.

The PRESIDING OFFICER. That is correct.

Mr. CASE of South Dakota. I yield the Senator 3 more minutes.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. STENNIS. I yield to the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. I notice the committee has stricken out the authorization for the Fort Jackson Hospital.

Mr. STENNIS. Yes. The Senator is correct. That came about in this way. It was not a rejection or a disapproval of the item, but it was not recommended by the Budget Bureau, and there was no request for an appropriation for the fiscal year 1958. Really, the Army advised that it was not going to spend any remainder of the money on that project, so the item went out of the bill as the rest of such items do, under the rule not to authorize this year items for which no appropriation is to be requested or for which no money is to be spent. It is a deferral rather than a disapproval.

Mr. JOHNSTON of South Carolina. Was the committee's attention called to the need for 500 beds?

Mr. STENNIS. Yes. It was not in the budget recommendation of last year, but the committee recommended it to the Senate, and the Senate approved the item. Also, there was not any budget request for an appropriation last year, but an appropriation for it was approved. On the list of priorities, the Army said it was not going to build or spend any money on it, so there was not anything to do but take the item out of the bill. However, the authorization still stands and the authorization for a 500-bed hospital stands. The request was to authorize a 1,000-bed hospital. The committee did not disapprove it, but deferred it.

Mr. JOHNSTON of South Carolina. I should like to ask the Senator this question: The bill refers to it as Camp Jackson. It is Fort Jackson. There is quite a difference between a camp and a fort. Fort Jackson is permanent. Can the Senator explain why it is designated in that manner?

Mr. STENNIS. We have understood it to be Fort Jackson. I suppose the old term was simply carried forward through error. We have a memorandum from the Army, dated in May 1957, in which it is referred to as Fort Jackson.

Mr. JOHNSTON of South Carolina. I certainly hope that is is true. When it is named "Fort Jackson" the name refers to a permanent fort. Of course, a camp is sometimes temporary.

Mr. STENNIS. We gave every consideration to the matter. That particular item went out on the grounds I have stated.

May I now yield to the junior Senator from South Carolina [Mr. THURMOND]?

The PRESIDING OFFICER. The three minutes yielded to the Senator have expired. Does the Senator from South Dakota [Mr. CASE] desire to yield any additional time?

Mr. CASE of South Dakota. Mr. President, out of the time in opposition to the amendment I yield an additional 2 minutes.

Mr. THURMOND. Mr. President, I wish to thank the distinguished Senator from Mississippi, who was so instrumental in helping Fort Jackson obtain its authorization, in 1955, for the new hospital at Fort Jackson. Fort Jackson is a permanent military installation.

Mr. STENNIS. The Senator is correct.

Mr. THURMOND. It had been permanent for many years, until about 1949, when President Truman took it off the list. It was restored to the permanent list in 1956. Since it is a permanent installation a need is felt for permanent buildings. According to my information, the Army feels that one of its most important needs is a permanent hospital. In 1955, as I stated, the authorization and appropriation of $5 million was passed, for the purpose of building a permanent hospital at Fort Jackson. At that time the construction was calculated upon the basis of a 250-bed hospital on a 500-bed chassis. Since that time, as I am informed, one reason why no steps have been taken to go forward with the hospital is that the Defense Department and the Army feel they do not wish to proceed with plans for construction of a hospital which they believe will be inadequate, and that they really need a larger hospital. They desire a 500-bed hospital on a 1000-bed chassis. That will provide for the hospital to be expanded in the future.

I can readily see the advantage in such a hospital, and can understand the position of the Defense Department and the Army in this matter, because the larger hospital will be needed.

There is just one question I should like to ask the Senator. I observe that in the House bill——

The PRESIDING OFFICER. The 2 minutes which were yielded to the Senator have expired.

Mr. CASE of South Dakota. Mr. President, I yield an additional 1 minute from the time in opposition.

Mr. THURMOND. The five and four-tenth million dollars were put in the bill to increase the hospital to the size which is actually desired. Since the subcommittee on the Senate side left that item out this year, I should like to ask the Senator to bear that matter in mind when the bill goes to conference. The need for this hospital is urgent. We hope that the conferees will see fit in the conference committee to give most careful consideration to the matter of restoring the authorization which was put in by the House.

Mr. STENNIS. I can assure the Senator it will certainly be considered in the conference. I know of the Senator's fine interest in and diligent and consistent work on this matter for 2 years now. It has come a long way in that time.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. STENNIS. Mr. President, I yield the floor.

The PRESIDING OFFICER. How much time does the Senator from South Dakota desire?

Mr. CASE of South Dakota. Mr. President, I yield myself 10 minutes of the time on the bill.

The PRESIDING OFFICER. Of the time on the bill, or on the amendment?

Mr. CASE of South Dakota. Ten minutes of the time on the bill.

The PRESIDING OFFICER. The Senator has 7 minutes remaining on the amendment and 30 minutes on the bill. The Senator is recognized for 10 minutes from his time on the bill.

Mr. CASE of South Dakota. Mr. President, the impact of this annual military construction bill on the military posture of the United States is not generally recognized, but by this bill, its predecessors and successors, we gradually determine the shape and form of the Military Establishment of the United States.

Does the Army desire a large tract of the national forest for a firing range? The authorization basically will come out of the military construction bill.

Does the Navy desire a large portion of the public domain for a flying training area suited to its needs? The answer will come out of the authorization carried in this annual bill.

Does the Air Force feel it has a need for an expansion of its military bases overseas? The basic authorizations are to be found in this bill, in its predecessors, or in the successor bills to it.

Therefore, Mr. President, the military-construction bill, whether the members of the Armed Services Committee or the members of the particular subcommittee desire it so or not, does set the pattern. The fact remains that we are compelled to make decisions which determine the military posture of the United States.

At the outset of my remarks, I should like to join in the tribute which the Senator from Washington [Mr. JACKSON], my colleague on the subcommittee, has paid to the chairman of the subcommittee for his splendid work in the long hearings which were conducted. The size of the hearings in printed form as to this particular bill, although they carry some 790 pages, do not suggest the length of the hearings which the committee conducted. By the very nature of things, a great deal of the testimony taken was off the record. It was classified and of a nature which could not be printed. The committee keeps a record of its action in all respects, and the record is preserved for the reference of the committee or those who might need it in years to come.

We do conduct many long hearings. The chairman of the subcommittee was not only efficient, but patient with the members of the subcommittee as to their desire to explore certain aspects of the problems presented.

All I say about the chairman could also be stated as my feelings toward my colleague, the Senator from Washington [Mr. JACKSON], because he has made a most valuable contribution to the deliberations of the subcommittee, by his repeated insistence upon facing the problem that is represented in the development of missiles in our several military branches at this time. The junior Senator from Washington serves not merely on our subcommittee but also on the Joint Committee on Atomic Energy, and there has access to and has a personal knowledge of the developments in the nuclear field. His experience has been most valuable to the subcommittee, and I would be remiss if I did not acknowledge the obligation which I think the Senator from Mississippi and I both feel for him in that regard.

I also wish to say that I think the report which the committee has presented is the finest report which has ever been presented from the military construction subcommittee during the period I have been a member of it, which now covers some 4 years.

Colonel BeLieu has not merely been an aid to the committee in digging up information, but in his organization of the material for the consideration of the committee he has saved us all a great deal of time. The keen analytical ability he has with respect to military problems is reflected in the organization of and in the text of the report which is submitted. I feel personally a deep obligation to him for that, and I think the country should know he has made that contribution.

While I am saying something about the personnel, Mr. President, I should like to say that Mr. Floyd S. Bryant, the Assistant Secretary of Defense, and his assistant, Mr. Ed Sheridan, have been of great assistance to the committee. I could go on and mention the assistants of the several representatives of the Air Force, Army, and the Navy, but I shall not take the time to do that. I do, however, wish to say that when Mr. Franklin G. Floete, the present Administrator of the General Services Administration, left the post of Assistant Secretary of Defense—Properties and Installations—all of us felt that we were losing a man who would be practically irreplaceable. However, Mr. Bryant, his successor, and Mr. Sheridan, Assistant to the Secretary, have been most helpful and have certainly demonstrated that they were

well qualified for the trust which is imposed upon them in the important positions they hold, in coordinating the military-construction programs of the three services for the Defense Department.

Mr. THYE. Mr. President, will the Senator yield?

Mr. CASE of South Dakota. I yield.

Mr. THYE. I notice, on page 70 of the bill, that the committee has stricken section 411, which continues through most of page 71. That refers specifically to what must be done by the Defense Departments before they can close any establishment which might be considered as a business activity.

Mr. CASE of South Dakota. Section 411, as carried in the bill passed by the House, is not included in the Senate version of the bill as our committee has reported it.

Mr. THYE. I wish to commend the committee for having stricken this proposed language from the bill, because if this language were to remain in the bill, as I understand, it would deny any of the Defense Department agencies the opportunity to close out any of their activities which might be classified as strictly business activities, which might better be carried on by private enterprise, rather than by any agency of the Defense Department.

I commend the committee for having stricken this section from the bill. I hope the committee will resist any effort to reinstate this language in the bill, if an attempt should be made to do so, and I express the hope and strong conviction that in conference, if the House Members should insist upon their version of the bill the Senate conferees will resist reinstatement of this language, because the Select Committee on Small Business conducted many hearings throughout the year, extending into the spring, on this very question. The Defense Department has made an effort to dispose of its business activities wherever they are in competition with private enterprise; and if language like this remains in the bill, we tie the hands of the Defense Department, and continue defense agencies in the field of private enterprise. So I commend the committee.

Mr. CASE of South Dakota. I am sure I speak for the other members of the committee when I say that we are pleased to hear the words which the Senator from Minnesota has spoken with respect to section 411. I think I can say that our action was unanimous in reporting the bill to the Senate without section 411 of the House version. So far as I am personally concerned, I would resist its reinstatement on the floor, as I would resist its reinstatement in the conference.

Mr. THYE. I thank the Senator.

I hold in my hand a committee report dealing specifically with that question. The heading of the report is "Government Competition With Private Business." The report is dated April 16, 1957. We conducted hearings to try to establish where the Federal Government was in competition with private business.

Mr. CASE. It was not my intent to speak particularly on that section, or to go into detail. However, in view of what the Senator has said, I may say that there are two considerations——

The PRESIDING OFFICER. The time of the Senator from South Dakota has expired.

Mr. CASE of South Dakota. I yield myself an additional 10 minutes.

With respect to what the Senator from Minnesota has said, let me say that there are two reasons why I think we would oppose the reinstatement of this language.

The first is that which the Senator has stated. We feel that if the Defense Department wants to get out of competition with private business it should be permitted to do so.

Second, we think it should be permitted to do so without having to come to congressional committees and submit to us, on a referendum basis, the question as to whether or not the business should be continued, if it employs 10 persons or more in competition with private business. The Armed Services Committee has several responsibilities, and we do not think we should have the detailed responsibility of making a determination in such cases as that.

Mr. THYE. I thank the distinguished Senator for giving us that positive statement and assurance that the committee will continue to resist any effort to reinstate that language.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. CASE of South Dakota. I yield.

Mr. JOHNSTON of South Carolina. I urge on the conferees—if there is to be a conference—that they look thoroughly into the question of the additional 500 hospital beds at Fort Jackson.

It may be that I am somewhat influenced by sentiment. I helped to survey the first spur track which ran from the Southern Railroad to Fort Jackson. Also I helped to survey for the first barracks there. I was in the Army at the time. Also I helped to lay out the first streets at Fort Jackson. I have kept up with it down to the present day.

Since Fort Jackson is a permanent installation, the additional 500 beds in the hospital would mean much, not only to Fort Jackson, but to a great many people in the immediate vicinity. There should be a sufficient number of beds to take care of the people of the vicinity.

I remember that in 1949 the War Department issued a standby order with regard to Fort Jackson. I remember that on many occasions I took up the subject with the War Department, and conferred with my friend Louis Johnson. Finally, I think because I talked so much about Fort Jackson, because of sentiment, he continued the fort at Fort Jackson. If Senators will look up the record, they will find many telegrams which passed between Louis Johnson and myself. At that time I think probably I helped to save Fort Jackson; and today I wish to try to help save the hospital, and get the 500 beds, if possible.

Mr. CASE of South Dakota. Mr. President, I have no doubt that the distinguished Senator from South Carolina had a great deal to do not only with starting Fort Jackson, but with saving it, as he says. He is a persuasive Senator, and I am sure the other members of the subcommittee will join with me in saying that we gave careful consideration to the proposal to increase the authorization for hospital beds at Fort Jackson.

However, unfortunately, once in a while committees must make decisions which will permit them to be consistent all along the line.

The Senator from South Carolina very properly reflects his sentiments with regard to matters affecting his State; but it would have been impossible for the subcommittee to have permitted its affection for the Senator from South Carolina and its desire to respect his sentiments to influence its decision without making it impossible for the subcommittee to draw the line with respect to other special requests. The augmentation of the hospital organization at Fort Jackson was impossible under the very first of the criteria which were established. The chairman of the subcommittee has inserted them in the RECORD, and I shall not take the time to repeat more than the very first one:

1. Items considered firm requirements:

(a) All operational aspects properly justified and for which the services plan to request fiscal year 1958 appropriations.

We were advised that the services would not ask for 1958 appropriations for the implementation of any augmentation of the hospital at Fort Jackson. Consequently, we could not, with the criterion applying to other requests, include the augmentation in the bill we reported. However, I am sure that the subcommittee will give careful consideration to any matter which may come up in conference.

Mr. President, I wish to say a few words with respect to the housing program which is presented by the bill, and then I wish to devote a few observations to the overall aspects of the bill.

The military housing program is certainly one which is of great concern to every Member of the Senate. We recognize that, in view of the way the Military Establishment is developing, we are getting an Army, an Air Force, and a Navy in which there are many older men. That grows out of the fact that we have a technological development in military affairs these days which requires some persons to have exceptional skills, and those skills are not acquired overnight. We cannot conduct a modern Army or a modern Air Force or a modern Navy and depend on 18-month enlistments or 2-year terms for the backbone of the services. We must have men who have been in the service for some period of time, in order to have personnel who will be effective in handling the machines and scientific equipment in use today.

Consequently, Mr. President, we get older men, men with families. They will not stay in the service unless they have adequate housing. The committee is entirely sympathetic with providing decent housing for these persons. At the same time we have the same responsibility in the connection that we have in passing on other requests, and that is keeping the secrets within the financial capabilities of the country.

The so-called Wherry housing was a device developed to permit the financing of new housing construction without requiring money immediately to be raised by taxes or by the sale of bonds.

Under that program, and its sucessor, Capehart housing, a great deal of additional housing is being provided. However, even that is presenting some problems, because of the financing involved. In the housing bill passed by Congress a year ago, as supplemented by the housing bill passed this year, there is a provision that Capehart housing projects shall not be undertaken until the military acquires the existing Wherry housing projects on the same installations. Personally, I think that is a mistake. It is one of the reasons why I voted against the housing bill at this session of Congress. It is unfair to the Government and it is unfair to the Treasury to require that the Military Establisment shall purchase the existing Wherry housing before it can engage in a new Capehart housing project. It is true that a formula was established for pricing the Wherry housing. Nevertheless, I make the prediction this evening that the time will come when Congress will regret the mandatory provisions with respect to the purchase of the Wherry housing before the Capehart housing is undertaken.

I say that because when we tell the Government it must buy a certain piece of property before it can engage in the building of a new piece of property, the Government is placed at a disadvantage in negotiating. Some of the Wherry housing was attended by so-called windfall profits for the sponsors of the projects, who got large guaranteed loans and then got a change of orders, or, by one development or another, built for less than the amount of the loan.

Mr. President, I yield myself an additional 7 minutes in opposition to the amendment.

Mr. LAUSCHE. Mr. President, would the Senator describe the Wherry housing? I am not familiar with it.

Mr. CASE of South Dakota. I will do so very briefly. The Wherry housing was built in accordance with a provision under which a sponsor could propose to the Government that it would build some housing at a Military Establishment, with the understanding that it would be adjacent to a military installation, and that the clients for the housing would be military personnel. The military personnel were entitled to quarters allowance, and out of that allowance they paid the rent for the housing. At the conclusion of a certain number of years, most of that housing will become the property of the Government.

When the authorization for the Wherry housing expired, the Capehart housing came into being. The Capehart housing is a similar type of venture.

During the past 2 years the housing bills have carried the requirement that the Capehart housing shall not be undertaken until existing Wherry housing has been purchased.

That grew out of the fact that much Wherry housing is substandard, and the Wherry housing sponsors, or the owners of the present Wherry projects, were afraid that if better housing were built under the Capehart housing program, they would be left with some vacancies.

Congress, therefore, provided in the housing bill that the Government would have to purchase the Wherry housing before it went ahead and provided better housing.

The formula in the housing bill provides what is supposed to be a fair price to the owner of the Wherry housing. However, in many instances the Wherry housing today could not be reconstructed for the price at which it was built, or for the price at which it was acquired by the present owners and operators of such housing. The result is that the present owners of the Wherry housing would like to get the benefit of the increased value, or unearned increment, so to speak, if they sell to the Government. I refer to it as an unearned increment because in many instances the enhancement in value has been due to the existence of a Government establishment itself. The housing is adjacent to military installations. Such housing his increased in value, not because of the enterprise of the owner of the Wherry housing, but because of the increased investment in and growth of the military installation.

Therefore, I have not felt that the owner of Wherry housing should have the benefit of an enhancement in value to which such owner made no contribution, but which was due in many instances to the additional investment of the Government itself, or due to the inflation of construction costs. Therefore, I have felt that we should not provide for a mandatory buying of Wherry housing, but that a fair price should be offered for it, and that should be the end of it. If the owners did not want to take it, they could continue to operate the Wherry housing.

The alternative to negotiation under the mandatory provision is that the owner of the Wherry housing can go to court and get a court determination. That does take from the Government, I suppose, and from Congress, the burden of paying a high price for the property. I recognize that there have been through the years established principles of law as to how high a price must be paid when property is taken for Government use. However, when the Government is not free, as in this instance, to determine whether it wants to take the housing, the Government should not be bound by the ordinary rules of eminent domain, when the property is taken for Government use.

Mr. LAUSCHE. Mr. President, will the Senator yield further?

Mr. CASE of South Dakota. I yield.

Mr. LAUSCHE. What were the windfalls the private owners enjoyed in the construction?

Mr. CASE of South Dakota. The windfalls which the private owners enjoyed, as nearly as I can recall the instances which were brought out by the investigation conducted by the Committee on Finance, related to a sponsor of a project, for example, getting an insured loan for X number of dollars, and then building the project for Y number of dollars, which latter amount was less than the amount of the insured loan.

In many cases the present owner of the property is not responsible for that, because the present owner, in many instances, is a corporation which bought out the interests of the original corporation, and those who might now get a windfall through an enhancement of value might not be the same ones who got the original windfall. In some cases it could be.

In any event, I sought to work out a formula whereby the committee could modify the action which was taken on the housing bill. However, I was not able to work out language on which the subcommittee members could agree. I think there is a general feeling in the committee, however, that we shall watch very closely the takings of the Wherry housing, and that the committee will be reluctant to give approval to the starting of Capehart housing projects if it feels that there has been any undue payment of windfalls to Wherry housing owners in the development of the proposed new projects.

Mr. STENNIS. Mr. President, will the Senator yield me a half minute?

Mr. CASE of South Dakota. I yield a half minute to the Senator from Mississippi.

Mr. STENNIS. I agree heartily with most of what the Senator from South Dakota has said, and also to thank him for the excellent work he has done in connection with the Wherry housing program. As for myself, the only reason why we did not fully agree with him in his proposal concerning the change of the formula was that we thought another year's experience, especially in the light of the slight change which has already been made in the formula, would be helpful. We hope that another year will bring a case into court which will test some of the questions and will obtain an evaluation of approach by the court. For those reasons, we do not fully agree with the Senator in his amendment. But his work has been very constructive and helpful in dealing with a knotty problem which has no easy answer.

The PRESIDING OFFICER. The time of the Senator from South Dakota has expired.

Mr. CASE of South Dakota. Mr. President, I yield myself 5 additional minutes from the time on the bill.

I think the saving factor in the situation is that new Capehart projects will require clearance from the committee. Before the committee will grant clearance, I assume we will want to have a complete record with reference to the treatment of the existing Wherry housing project. We think that if the Government is going to be bilked, we will certainly deny approval of the Capehart project.

I wish to address myself in the few minutes remaining to a larger problem. The Senator from Mississippi, our chairman, has already referred to the decision which the committee had to make with respect to Nike. I think he expressed the sentiment of all of us when he stated that we were not happy about the large investment in the so-called Nike system. In fact, I should like to read for the

information of Senators present a paragraph which appears in the middle of page 22 of the report, in which the committee said:

In view of the foregoing, the committee seriously considered recommending that no further authorization be approved to expand the existing Nike system. It does not so recommend only because the best military advice available strongly recommended that the committee approve the program. The committee thoroughly reviewed the subject. It was made the topic of a special classified briefing conducted by a representative of the Joint Chiefs of Staff and senior departmental witnesses. Results of this briefing were such as to convince the committee that even though it still has doubts, it has no other recourse than to recommend the Nike funds be authorized in this year's construction program.

I wish to read also the paragraph in which the report quotes from an article written by Henry A. Kissinger, entitled "Strategy and Organization," and published in Foreign Affairs magazine for April 1957:

In the absence of a generally understood doctrine, our actions will of necessity prove haphazard; conflicting proposals will compete with each other without an effective basis for their resolution. Each problem, as it arises, will seem novel and energies will be absorbed in analyzing its nature rather than in seeking solutions. Our services will find it impossible to make a meaningful choice among the mass of new weapons with which their research and development programs will soon overwhelm them. We will continue to cede the initiative to others and our course will become increasingly defensive.

Because of this problem—and it is a very grave problem, one which our colleague on the committee, the Senator from Washington [Mr. JACKSON], has referred to as the philosophy which is involved in our defense policies—I suggest that I think the time has come for the President to appoint a commission to examine the structure of the Defense Department, and to consider the possible simplification of our present triplication of armed services by creating two basic combat services of land-based air and sea-based air.

The aims of such a study should be the age-old goals of all basic studies—efficiency and economy. In the present state of affairs, however, they are urged by the necessities of security abroad and well being at home and are dictated by the increasing competition of both the weapon users and the weapon makers.

My thought is that possibly today's realities call for 2 basic air-age combat forces, 1 land and 1 sea based, each completely integated and equipped with trained personnel and weapon systems providing proper balances between air and surface capabilities, and each designed to meet not only the needs of a purely military situation, but equally, if not more importantly, our Nation's need in the political-military area.

Mr. President, normally we think of defense as purely a military proposition. But as the series of articles which Mr. Chalmers M. Roberts is writing and which is currently being published in the Washington Post and Times Herald points out, today we are confronted by the necessity of the political values and the political impact of our military posture.

So the Commission I am proposing should consider, I think, not merely the weapons system and the military aspects, but also it should consider the impact of our military posture in the political-military area.

The PRESIDING OFFICER. The time of the Senator from South Dakota has expired.

Mr. CASE of South Dakota. I yield myself 2 additional minutes.

The specific questions which should be considered by such a Commission as I have suggested are these:

First. Are we slipping into a dangerous Maginot-line type of defense planning, as is evidenced by the millions of dollars being spent on point defense systems?

Second. Is it too expensive to let each service interpret its roles, as witness the military rivalries touched off in Red Stone and Matador, Atlas and Jupiter, Nike and Talos, and Bomarc?

Third. The Commission should consider whether we are wasting the abilities of outstanding men by the natural limitations on interservice use of personnel. I could elaborate on that proposal, and I shall at another time. I think brilliant men are serving in one branch of the Military Establishment whose services ought to be directly available to the other branches of the Military Establishment.

Fourth. Should the airlift be transferred to the Army? Or should the Army become an integral part of a land-based air wing of the armed services, integrated into the Air Defense and Tactical Air Commands?

Fifth. What economies can be achieved by further joint use of procurement, storage, hospitalization, transportation, and other facilities of a common character?

Such a study should provide answers which would be helpful in our overall problems of security, inflation, and sound national economy. Nothing could be more disastrous than to have rivalry in weapons and contracts exhaust our materials, skills, and means. Nothing contributes more to inflation than unbalanced wage-spending power created by producing goods which wage earners do not buy.

The early retirement of senior officers in recent years affords an ample reserve of qualified men who could serve on such a Presidential commission. I earnestly commend such a proposal to the attention of the administration.

Mr. President, I reserve the remainder of my time.

Mr. STENNIS. Mr. President, I withdraw the amendment I had heretofore offered. On the time allotted on the bill, I may say that the bill has been available to Senators for several days. The report also has been published, and all who are interested in it have had the chance to obtain it. Many Senators have communicated with members of the subcommittee and the staff of the subcommittee. I think there is great unanimity generally in support of the bill. Therefore, I do not think it is necessary to ask for a yea-and-nay vote, unless the leadership should particularly want it.

I yield back such time as I may have remaining.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. CASE of South Dakota. Mr. President, do I have any time remaining on my side?

The PRESIDING OFFICER. The Senator from South Dakota has 3 minutes remaining.

Mr. CASE of South Dakota. I yield myself 2 minutes.

Mr. President, this will be the last bill for which the present Secretary of Defense, Mr. Charles E. Wilson, has had some very definite responsibility. The reductions in the authorizations under the bill are in large part due to the efficiency and to the masterly command which Mr. Wilson has had of the Defense Department.

When he took office, he asked that all the outstanding authorizations for military construction be reviewed, and that any construction program which was not at least 5 percent under way should be reevaluated.

In 1953, the military construction bill, under that directive, accomplished a rescission and a programing of authorizations in the amount of approximately $720 million—almost three-quarters of a billion dollars.

Under the leadership of Mr. Wilson there has been a continual review of these outstanding authorizations. The pending bill liquidates any authorizations over 4 years old. I think in last year's bill, any authorization over 5 years of age was liquidated.

The outstanding authorizations at the end of the fiscal year 1957 were in excess of $2 billion. Under the policies recommended by the Secretary, and followed by the committee, the outstanding authorizations at the conclusion of the fiscal year 1958 will be approximately $1,700,000,000—or a considerable reduction. Certainly, that is the right direction in which to travel. I desire to mention this as one of the ways in which I believe Secretary Wilson has earned the title of one of the greatest Secretaries of Defense the Nation has ever had.

Mr. STENNIS. Mr. President, I wish to use 1 minute of the time I have yielded back.

The PRESIDING OFFICER. The Senator from Mississippi is recognized for 1 minute.

Mr. STENNIS. Mr. President, I desire to commend Assistant Secretary Bryant for the very fine work he has done as Assistant Secretary of Defense; and also I desire to commend the splendid contributions made by Mr. Edward J. Sheridan, who is chief of Mr. Bryant's staff, and also is his Director of Construction. These gentleman have been very helpful to us, and have been very sincere and diligent in their work. They are very capable men.

I also desire to thank Secretary Wilson for the work he has done as Secretary of Defense. I think he has made a real contribution; and his energy and his rugged sincerity and his willingless to express himself in so frank a man-

ner have all contributed greatly to the doing of a job which is most difficult, indeed. Its size is beyond one's comprehension, unless one has made a study of the vastly complicated matters involved. Secretary Wilson has made a distinct contribution, and all of us are most indebted to him for what he has done.

Mr. THYE. Mr. President——

Mr. STENNIS. Does the Senator from Minnesota desire to have some time yielded to him?

Mr. THYE. I should like to take a moment or two to pay a tribute to these gentlemen.

Mr. STENNIS. Will 2 minutes be sufficient for the Senator from Minnesota?

Mr. THYE. Yes.

Mr. STENNIS. Very well; I yield 2 minutes to the Senator from Minnesota.

The PRESIDING OFFICER (Mr. SCOTT in the chair). The Senator from Minnesota is recognized for 2 minutes.

Mr. THYE. Mr. President, I desire to pay my tribute to those in the Department of Defense who have aided and assisted in connection with the matters coming before the committee, by supplying the information needed in connection with the pending bill.

I wish to join my colleagues in the tributes they have paid to these gentlemen. I believe that history will prove that Charles Wilson, the Secretary of Defense, not only has performed with outstanding ability, but also has shown a tremendous amount of courage and good commonsense. As Secretary of Defense, I believe he has given the administration of President Eisenhower real administrative leadership, and he has given the Nation a Department of Defense and an industrial rebirth, so to speak, in the military, including the ordnance plants, which have brought to the Nation military strength of the most efficient type. So I desire to commend Charles Wilson, the Secretary of Defense, for having done an outstanding job.

Mr. STENNIS. Mr. President, I yield back the remainder of the time under my control.

Mr. CASE of South Dakota. Mr. President, I yield back the remainder of the time under my control.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The question now is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 8240) was read the third time and passed.

Mr. STENNIS. Mr. President, I ask unanimous consent that the bill, as passed by the Senate, be printed, showing the committee amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONSTRUCTION OF CERTAIN WORKS OF IMPROVEMENT IN THE NIAGARA RIVER

Mr. MANSFIELD. Mr. President, under the unanimous-consent agreement, what is the pending question?

The PRESIDING OFFICER. Nothing is pending at the present time. The Chair is waiting for the next bill to be called.

Mr. MANSFIELD. Mr. President, I thought a unanimous-consent order had been entered. However, at this time I ask that Calendar No. 812, House bill 8643, to authorize the construction of certain works of improvement in the Niagara River for power, and for other purposes, be laid before the Senate.

The PRESIDING OFFICER. The Chair lays before the Senate the bill which will be read by title.

The LEGISLATIVE CLERK. Calendar No. 812, House bill 8643, to authorize the construction of certain works of improvement in the Niagara River for power, and for other purposes.

The Senate thereupon proceeded to consider the bill (H. R. 8643) to authorize the construction of certain works of improvement in the Niagara River for power, and for other purposes.

Mr. CASE of South Dakota. Mr. President, I ask that the unanimous-consent agreement under which the bill is being considered, be read.

The PRESIDING OFFICER. The agreement will be read.

The legislative clerk read as follows:

Ordered, That during the consideration of the bill H. R. 8643, the Niagara power bill, debate upon an amendment to be proposed by Mr. CLARK (for himself, Mr. NEUBERGER, and Mr. LAUSCHE), on page 2, line 21, or upon any motion or amendment relating thereto, shall be limited to 2 hours, to be equally divided, and controlled by Mr. CLARK and the majority leader; that upon any other amendment or motion, debate shall be limited to 30 minutes, to be equally divided, and controlled by the mover of any such amendment and the majority leader: *Provided,* That in the event the majority leader is in favor of any amendment proposed to the bill, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided,* That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That debate on the question of the final passage of the bill shall be limited to 2 hours, to be equally divided, and controlled by the majority and minority leaders: *Provided further,* That the said leaders, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

Mr. CASE of South Dakota. Mr. President, my only reason for requesting that the unanimous-consent agreement be read—of course it has already been entered—is that inasmuch as it was entered earlier in the day, and inasmuch as there has not been an opportunity to have it printed, I thought it would be well to have it read at this time, for the information of all Members of the Senate.

Mr. CLARK. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Pennsylvania will state it.

Mr. CLARK. Several days ago, several amendments were printed and circulated; they are amendments to the Senate bill, and are identical to proposed amendments to the House bill which now has been called up.

I wish to know whether the amendments thus submitted to the Senate bill will be considered pertinent to the House bill, which I did not realize would be called up.

The PRESIDING OFFICER. The bill is open to any amendment.

Mr. CLARK. So the amendments already prepared and distributed as amendments to the Senate bill may be called up, and may be offered to the House bill; is that correct?

The PRESIDING OFFICER. Yes; so long as the amendments are germane to the bill.

Mr. CLARK. I thank the Chair.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that at this time, I may suggest the absence of a quorum, with the understanding that the time required therefor not be taken out of the time available under the order already entered.

The PRESIDING OFFICER. Without objection, it is so ordered; and the clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Green	Morton
Allott	Hayden	Mundt
Anderson	Hickenlooper	Murray
Barrett	Hill	Neuberger
Beall	Holland	O'Mahoney
Bennett	Hruska	Potter
Bible	Humphrey	Purtell
Bricker	Ives	Revercomb
Bush	Jackson	Robertson
Butler	Javits	Russell
Byrd	Jenner	Saltonstall
Carlson	Johnson, Tex.	Schoeppel
Carroll	Johnston, S. C.	Scott
Case, N. J.	Kefauver	Smathers
Case, S. Dak.	Kerr	Smith, Maine
Chavez	Knowland	Smith, N. J.
Church	Kuchel	Sparkman
Clark	Langer	Stennis
Cooper	Lausche	Symington
Cotton	Long	Talmadge
Curtis	Magnuson	Thurmond
Dirksen	Mansfield	Thye
Douglas	Martin, Iowa	Watkins
Dworshak	Martin, Pa.	Wiley
Ellender	McClellan	Williams
Ervin	McNamara	Yarborough
Flanders	Monroney	Young
Goldwater	Morse	

Mr. MANSFIELD. I announce that the Senator from Mississippi [Mr. EASTLAND], the Senator from Delaware [Mr. FREAR], the Senator from Tennessee [Mr. GORE], the Senator from Massachusetts [Mr. KENNEDY], the Senator from West Virginia [Mr. NEELY], and the Senator from Rhode Island [Mr. PASTORE] are absent on official business.

The Senator from Arkansas [Mr. FULBRIGHT] is absent because of illness.

The Senator from Missouri [Mr. HENNINGS] is absent by leave of the Senate because of illness.

Mr. DIRKSEN. I announce that the Senator from Nevada [Mr. MALONE] is necessarily absent.

The Senator from New Hampshire [Mr. BRIDGES] and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate in order to represent the Senate at the Latin American Economic Conference in Buenos Aires.

The PRESIDING OFFICER. A quorum is present. The bill is open to amendment.

Mr. JOHNSON of Texas. Mr. President, I yield to the distinguished chairman of the Committee on Public Works, the senior Senator from New Mexico [Mr. CHAVEZ], 5 minutes' time on the bill.

The PRESIDING OFFICER. The Senator from New Mexico is recognized for 5 minutes.

Mr. CHAVEZ. Mr. President, I am most thankful for the kindness of the Senator from Texas in yielding me 5 minutes. I think the bill is of sufficient importance to the American people that one should be thankful for 5 minutes.

Mr. President, development of hydroelectric power at Niagara Falls, N. Y., was first undertaken by private enterprise over 60 years ago. Since that time there have been many proposals for additional development of power at that location.

A treaty between the United States and Canada was ratified in 1950 providing for additional diversion of waters at Niagara Falls for power purposes, and dividing such diversions between the two countries. The treaty contained a reservation that no project for use of the United States share of the water would be undertaken until specifically authorized by act of Congress. The treaty also provided that either country could utilize the other's share of water until that country completed its power installation.

Since ratification of the 1950 treaty, various bills have been introduced in each Congress providing for development of the available power on the American side of the river, but action has not been completed on the proposed legislation. In the meantime, power installations have been completed on the Canadian side, and they are now utilizing the United States share of the water provided by the treaty.

The Committee on Public Works has held numerous hearings on the measures introduced in each Congress.

I want to thank the Senator from Oklahoma [Mr. KERR], who has no direct interest in the proposed legislation whatsoever, for his patience in giving his time and energy to it.

During the 83d Congress the committee reported a bill providing for the development of the power at Niagara Falls. During the 84th Congress the committee reported such a bill and it was passed by the Senate, but was not passed by the House. At that time there were two proposals for the power development before the committee. One would have directed the Federal Power Commission to issue a license to a private corporation for the development of the power, and the other one would have directed the Commission to issue a license to the Power Authority of the State of New York, with public-preference provisions included in such license. The latter bill was the one passed by the Senate.

There were two bills before the Committee on Public Works during the present session of Congress. Each would direct the Federal Power Commission to issue a license to the Power Authority of the State of New York for construction and operation of the Niagara Falls project. One would give preference to public agencies in the distribution of the power, the other would not.

The committee held hearings on these bills. The chairman of the subcommittee, the Senator from Oklahoma [Mr. KERR], worked diligently with the various interested parties in working out a compromise bill in order that the development of the power at Niagara could proceed. The compromise bill was approved by the committee and reported to the Senate, and that is the bill now before us.

Senate bill 2406 directs the Federal Power Commission to issue a license to the Power Authority of the State of New York, requiring that 50 percent of the power developed at Niagara Falls be made available at the lowest rates reasonably possible to public bodies and nonprofit organizations within economic transmission distance. If the power subject to the preference provisions is sold to utility companies, the bill requires that flexible arrangements be made to withdraw, on reasonable notice and fair terms, enough power to meet the reasonably foreseeable needs of the preference customers.

The bill also provides that a reasonable portion of the power subject to the preference provisions shall be made available to neighboring States within reasonable economic transmission distance, in an amount not to exceed 20 percent of that power subject to the preference provisions.

The Power Authority of the State of New York was established by the legislature of that State for the specific purpose of developing the available power at Niagara Falls and the International Rapids section of the St. Lawrence River. The Federal Power Commission granted a license to the authority for development of the St. Lawrence power, and construction on that project is nearing completion.

The PRESIDING OFFICER. The time allotted to the Senator from New Mexico has expired.

Mr. JOHNSON of Texas. Mr. President, I yield 3 additional minutes to the Senator from New Mexico.

Mr. CHAVEZ. I thank the Senator from Texas for his kindness.

The power authority now desires a license and is ready to develop the Niagara power in conjunction with the St. Lawrence project. Integration and interconnection of these two great projects will increase their feasibility and prove advantageous to the region and to the State.

It should be noted that the State power authority obtains its funds from the sale of revenue bonds, just as any private power company would do, with appropriations from the State treasury. There are no Federal funds involved in this case.

The Niagara Falls project is potentially one of the greatest hydroelectric power projects on the North American Continent. No dams or provisions for storage of water are necessary. That storage is provided by the Great Lakes, which insure a fairly constant regulated flow in the Niagara River. The power head is provided by the fall in the river which is concentrated in the Niagara area.

The Buffalo-Niagara area contains a heavy concentration of industry, including electrochemical and electrometallurgical processing industries that require a vast amount of power for their operations; and unless low-cost power can be made available they cannot continue to operate. The bill makes provisions for meeting the emergency situation created for industry in the area by the collapse of the Schoellkopf powerplant of the Niagara Mohawk Power Corp. on June 7, 1956.

The New York and New England area has the highest power rate of any section of the country. It is hoped that the Niagara project will provide a source of cheap, dependable power that will provide an adequate yardstick and permit lower power rates and greater use of electricity over a large part of the northeastern section of our country.

Senate bill 2406 is a committee bill. It has the endorsement of the people of the area, the State officials, and representatives of the private-power companies of the region. It complies with the provisions of the 1950 treaty, the Federal Power Act, and the laws of the State of New York. It is not inconsistent with the New York public authorities law, nor does it conflict with any State law that might prevent the authority from accepting a license subject to the conditions of S. 2406. The power from the project is urgently needed by the existing industries in the area, many of them vital to the defense of this Nation.

I urge immediate enactment of the bill.

Mr. President, I pay my respects to and express appreciation, on behalf of the Committee on Public Works, of the diligent work and energy of the Senator from Oklahoma [Mr. KERR], who has worked so hard on this bill, notwithstanding the fact that he had no particular direct interest in it.

Mr. KERR. Mr. President, I yield 15 minutes to the Senator from New York on the bill.

Mr. IVES. Mr. President, I have labored for 7 years on the effort to resolve the Niagara power controversy. Today the Senate has before it a bill which offers the bright hope that, at long last, that controversy shall be ended. And ended it must be, at this session of the Congress. One consideration is paramount—that construction of this project may begin immediately to meet a desperate need for additional hydroelectric power from the waters of the Niagara River.

My efforts during these 7 years have been devoted to helping to bring the parties at interest together. It has been a lengthy and most difficult task. The bill before us is a compromise. As such it cannot please all of the parties at interest in all of its details; in fact, it cannot

please anyone completely. But it is a bill that all of the parties can live with, a bill that will produce the power and distribute it equitably. It is a bill which will rescue a vital industrial area from a decline threatening it by virtue of the high cost and temporary nature of emergency power now being obtained from Canada.

In this connection, I point out that this is the first time that all the interests in New York State—political, economic, business, and other interests—have united on a bill of this nature. Democrats and Republicans, private power interests and public power interests are united in favor of the bill.

As we know, this bill is before us because the Senate attached a reservation to the 1950 treaty with Canada which divides the waters of the Niagara River between the United States and Canada. That reservation specified that the Congress must pass upon the development of future hydroelectric power from the American share of the Niagara's waters.

The controversy began as a struggle between advocates of a Federal power project on the one hand and of private enterprise on the other. Late in 1951, however, I proposed that the State of New York build the project in accordance with the law of New York State providing for State development. The extremes of the controversy are implicit in the legislative history of this issue. In the 83d Congress, the House passed a bill providing for development of the project by private enterprise. The Senate refused to go along. In the 84th Congress, the Senate passed a bill which provided that the project be constructed by the Power Authority of the State of New York. But that bill contained a preference clause governing distribution of the power in such a fashion that almost 90 percent of the power generated could be distributed outside the State of New York. The House did not concur.

Now, however, we have for consideration a bill identical with the measure which was passed by the House on August 1, 1957, by a vote of 313 to 75. Now is the time to bring this issue to a head and resolve it.

I should like to note, in passing, the situation with respect to Niagara as it involves the Federal courts.

Some time ago, the United States Circuit Court of Appeals for the District of Columbia ruled on the reservation attached to the treaty with Canada by the Senate in 1950. By a 2-to-1 decision, the court held that the reservation was in fact merely an expression of opinion on the part of the Senate as to a domestic issue. If this decision is not appealed by the Federal Power Commission, or if upon appeal it should be upheld by the Supreme Court, the Power Commission could then proceed to issue a license to the New York State Power Authority to begin the project forthwith. New York State would actually be better off under this set of circumstances than it would be under the legislation now being considered.

Nevertheless, in the interests of expediting a solution of this problem and of fairness to other States involved, particularly Ohio and Pennsylvania, I feel it is essential that we proceed with the bill now before us. What we decide here will of course supersede any action of the courts or the Federal Power Commission.

Delay has been costly. The project planned by the New York State Power Authority will now cost about $600 million—all of which will be raised by issuing bonds. Had it been started in 1950, it would have cost $385 million. Rising construction and interest costs account for the difference. Today's project will require a bond issue totaling approximately $600 million. The delay thus far has increased construction costs by considerably more than $200 million and the cost of raising the money by many millions of dollars more.

The effect on the industrial complex of the Niagara frontier has also been costly, though less measurable. This is a territory of electrochemical and electrometallurgical industry, depending upon low-cost hydroelectric power. The need for additional power in this area has existed for years, if industry in that territory were to expand. The rock slide in June of last year which wiped out the bulk of the power production from the American waters of the Niagara River transformed an undesirable situation into a critical one. Most of the electric current now used on the Niagara frontier comes from Canada. It is high priced, and there is no guaranty as to how long it will be available. The best estimate is that by starting the New York State Power Authority project this year, it can go into production just in time to take over the job when the Canadian power will no longer be there for the use of American industries.

I do not believe that there is any question about the urgency of this project. No one disputes the economic feasibility or desirability of development of the Niagara River's full power potential. All parties agree that the Power Authority of the State of New York should build the project and market the power.

Thanks particularly to the leadership of the distinguished senior Senator from Oklahoma [Mr. KERR], the Public Works Committee has produced a bill which makes it possible for the New York State Power Authority to market the bonds essential for financing this project. The bill, which the House very recently passed so overwhelmingly, is identical. That bill is now before the Senate. It substantially conforms to New York State law and protects the interests of New York State, unlike its predecessor in the 84th Congress. Yet it also provides adequately, and more than adequately, for the future needs of rural cooperatives and municipal utility systems in New York, Ohio, and Pennsylvania.

This bill contains a Federal preference clause modified to accommodate the plain facts of the situation concerning this particular project. We are neither doing violence to a principle nor establishing a precedent in this legislation. This is not a Federal power project; it is a New York State project financed by the private sale of bonds—not by the taxpayers. Cooperative and municipal systems in Ohio and Pennsylvania will get a fair share of power under this bill. I might note here that the Legislatures of Pennsylvania and Ohio have not thus far seen fit to create State agencies which would contract with the New York State Power Authority for the Niagara power which may be requested in those States; but if it should be sought, the power will be there.

We in New York State have no desire to be selfish about this power. We want Ohio and Pennsylvania to have a fair share. We want cooperative and municipal systems to flourish wherever they are needed. But we plead with our colleagues for a realistic approach. We urge that this is primarily a New York project, to be built by New York, to be financed by New York, and to meet power needs which are largely in New York.

I therefore urge the Senate to adopt this bill as passed by the House and as reported by the Committee on Public Works, without amendment, so the costly delay and controversy on this issue may draw to a close.

I yield back the remainder of my time.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. CLARK. Mr. President, I call up my amendment "7-2-57-B" which I offer on behalf of myself, the Senator from Ohio [Mr. LAUSCHE], and the Senator from Oregon [Mr. NEUBERGER].

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 2, line 21, of the bill, it is proposed to strike out "reasonable."

Mr. CLARK. Mr. President, I yield myself 20 minutes.

First I should like to narrow the issues which confront the Senate in considering the bill. I am in accord with the Senators from New York and with the Public Works Committee that an emergency confronts the Niagara Falls area. I am in accord with the feeling that Congress should legislate.

Mr. MARTIN of Pennsylvania. Mr. President, to which amendment is the Senator now speaking?

Mr. CLARK. I ask that the amendment be stated again, for the information of the distinguished Senator.

The PRESIDING OFFICER. The amendment will again be stated.

The LEGISLATIVE CLERK. On page 2, line 21, it is proposed to strike out "reasonable."

Mr. MARTIN of Pennsylvania. I thank the Senator.

Mr. CLARK. Mr. President, we are in accord that legislation on this subject should be enacted. Those of us who are sponsoring the amendments are content to have the project power divided into two parts, one-half to go to private power interests, and the other half to be reserved under the normal Federal preference clause. The only question which confronts the Senate in connection with the amendments sponsored by the Senator from Oregon [Mr. NEUBERGER], the Senator from Ohio [Mr. LAUSCHE] and myself is whether the bill is fair and just to the States of Ohio and Pennsylvania. It is our contention

that it is not. That will be the burden of my discussion this evening.

In order to make it just, we propose not only the present amendment, but two other amendments, which I shall presently explain, in the hope that when we come to vote on them the time needed for their explanation will have been substantially curtailed.

Ohio and Pennsylvania do not come before the Senate as supplicants to the State of New York, with tin cups in their hands. We, as sovereign States—2 of the 8 States whose waters contribute to the Niagara Falls—have an equal right with New York State and with our other sister States to the water which is the basis for the powerplant to be erected.

It is our contention that merely because the project will be constructed by the New York Power Authority, and merely because there are decisions which hold that in the absence of Federal action the rights to the Niagara River are owned by the State of New York as distinct from its citizens is no reason for departing from the almost age-old agreement in Congress that waters arising in more than one State, and which are being used for navigation or for power shall be used for the benefit of the citizens of all States within the region to which that power can be economically transmitted.

Accordingly, we contend that the question confronting us is whether the State of Ohio and the Commonwealth of Pennsylvania are being fairly treated. We contend they are not. To make that point clear, let me give a little history. A year ago the Senate, by a vote of 48 to 39, passed the Lehman bill. The Lehman bill was satisfactory at that time, or at least it was acceptable to the chairman of the New York Power Authority and the Governor of New York and all other interested parties. That bill was eminently just and fair to the Commonwealth of Pennsylvania and the State of Ohio. It contained the usual preference clause in support of the right of cooperatives and public bodies, regardless of where located, if within the economic transmission distance of the powerhouse, to get their fair share of the power.

Mr. CHAVEZ. Mr. President, I should like to say to the Senator from Pennsylvania that it was not the purpose of the Committee on Public Works to deprive Pennsylvania or Ohio of any of their rights.

Mr. CLARK. Of that I am sure. I should like to remind the Senator that I am speaking under the terms of the unanimous-consent agreement. It is with great reluctance that I can yield to the distinguished Senator from New Mexico only briefly for a question, because my time is so limited. Therefore in all humility I say I would appreciate it if the Senator would withhold his comment until I have had an opportunity to present my argument.

Mr. CHAVEZ. I am humble, too. I want to be fair to the Senator from Pennsylvania.

Mr. CLARK. I am sure of that.

Mr. President, that kind of bill, as I pointed out, would have taken care of all the legitimate interests of Pennsylvania and Ohio. What has happened since the Lehman bill to result in so drastic a change in the bill which has been reported by the Committee on Public Works? Twin catastrophes.

The first catastrophe was that a private powerplant fell into the Niagara River, and thereby some 300,000 kilowatts of power were no longer available. That created an emergency. This bill takes care of that emergency, and it takes care of the emergency in a very fair way, to my way of thinking. I have no objection to it; nor have my colleagues.

The second catastrophe was the substitution of a private-power Senator for a public-power Senator from the State of New York. The result of that—from my point of view—catastrophe—and I say that with all respect to my good friend, the distinguished junior Senator from New York [Mr. JAVITS], who fought and bled with me over the civil-rights bill, and as I hope we shall over other bills—has been a change in the proposed legislation which is adverse to the interests of Ohio and Pennsylvania.

As a result of those twin catastrophies, instead of having a bill which takes care of the legitimate interests of Ohio and Pennsylvania as well as New York, we have a bill in which, in a phrase now happily obsolete, we have been "sold down the river."

In order to make that point clear, I should like to refer to the provisions of the bill, as they are shown on the chart which has been before the Senate during the course of the afternoon.

One million eight hundred thousand kilowatts of power, more or less, will be generated at the proposed plant. The bill provides that 900,000 kilowatts shall go to private utilities of the State of New York. To that we have no objection. If we had any objection, it would not do us any good. It is with respect to the other 50 percent of the power that we feel Pennsylvania and Ohio are being unfairly treated.

Ostensibly the bill will give preference-clause priority to REA's and municipalities which purchase or generate and sell their own power. But the bill contains a clause which restricts the export of power to 10 percent of the project's total power, namely, 180,000 kilowatts of a total of 1,800,000 kilowatts, or 20 percent of the 50 percent allocation under the priority clause of the bill.

It may be asked, Why should Ohio and Pennsylvania protest if they are getting 20 percent of the part of the power which is set aside for preference purposes? This is why: It so happens that the REA's and municipalities in Pennsylvania and Ohio are now using more power, proportionately, than the relatively weak and relatively small REA's and municipal powerplants in the State of New York. Under the preference clause, if Pennsylvania and Ohio get only 10 percent of the total power, what will happen is that pretty nearly all the remaining power under the preference clause will not go to the New York REA's and municipal and other public-power systems, because they cannot use it. It will go straight back to the private-power companies. So, in effect, if the bill is passed in its present form, it is my sincere conviction that approximately 1,584,000 kilowatts of a total of 1,800,000 generated at the powerplant will go to the private utilities, and only a little more than 200,000 kilowatts will go to public-power bodies and co-ops, of which 180,000 kilowatts will go to those outside New York State.

I submit that that indicates pretty clearly that this is not a compromise public versus private-power bill at all, but is in reality a private-power bill, with a certain amount of window dressing to make it appear as though—and I say, "to make it appear," in perfectly good faith; I am charging no one with improper motives; I think the proponents of the bill are completely sincere—the end result will be that almost all the power will go to private utilities.

Getting back to the point of the injustice which will be done to Pennsylvania and Ohio, much testimony was given by Mr. Robert Moses, the distinguished and able chairman of the New York Power Authority, a gentleman dedicated to the cause of private power, to the effect that the power could not be transmitted economically any more than 150 miles from Niagara Falls. He made that statement in the face of the fact that, as the chairman of the New York State Power Authority, he has contracted to send St. Lawrence power 234 miles, and probably will be transmitting it even farther before the year is over.

On the basis of the false assumption that the power could be transmitted only 150 miles, we do not think the bill should contain a clause which provides that power can be shipped only to what he calls the economic market area. "Economic market area" is a phrase which means that power is sold as close to the plant as possible, because it can be sold cheaper. That phrase has never been used in any Federal legislative act.

The distinguished Senator from Oklahoma [Mr. KERR] and his subcommittee rejected that clause and insisted on using the usual clause, "economic transmission distance," a clause which is well known to Members of the Senate who have heretofore dealt with similar bills. "Economic transmission distance" means that the power must be shipped anywhere it can be received and used cheaper than the power which is now being used in the particular place.

It is our contention—and able engineers, including a former member of the Federal Power Commission, so testified—that the Niagara power could be shipped 300 miles from Niagara Falls and still be within economic transmission distance. But if we assume only a 150-mile radius, the REA's and the public and municipal power agencies in Pennsylvania and Ohio are presently using more than 40 percent of the total power now being used by the cooperative and public bodies of the 3 States, or twice as much as the ceiling which the bill imposes on the States of Ohio and Pennsylvania.

As the distance becomes greater and reaches a point 200 miles away, New York is using less than 25 percent of the power, and Pennsylvania and Ohio are

using 75 percent of the power consumed by the public bodies. The New York proportion becomes less as the distance is increased, and when a distance of 300 miles is reached, Pennsylvania and Ohio are using 88 percent of all the public power which is being used within the economic transmission distance.

I shall explain my first amendment, which is to strike the word "reasonable." Although the committee refused to humor Mr. Moses by including his phrase "economic market area," they did humor him to the extent of having inserted ahead of "economic transmission distance" the word "reasonable." So the bill now reads that the power can be shipped only "within reasonable economic transmission distance."

It is indeed a brave thing for a new Member of the Senate to come before his colleagues and to ask them to strike out the word "reasonable." But that is exactly what we are asking tonight. The word "reasonable" is the joker in the language of the bill. It will, in my opinion as a lawyer, make it possible for Mr. Moses to contend that the phrase "reasonable economic transmission distance," which has never been interpreted by any public body, by any court, or by any impartial authority, means the same as "economic market area."

I realize my colleague, the distinguished Senator from Oklahoma [Mr. KERR], disagrees with me. I know he is a very able lawyer, but with great deference I have to say I disagree with him—it is my contention that if the word reasonable stays in the bill, there will be a strong effort made to deny Ohio and Pennsylvania any power at all, because it will be said——

Mr. CHAVEZ. Mr. President——

Mr. CLARK. I regret that I am unable to yield to my colleague. My time has almost expired. I shall be happy to discuss the matter later with the Senator from New Mexico.

Mr. CHAVEZ. I thank the Senator for his kindness.

Mr. CLARK. The end result is that the argument will be made that reasonable economic transmission distance means that the power must be sold as close as possible to Niagara Falls. Of course, the power can be used there, and we will not get any of it. The purpose of my first amendment, then, is to strike out the word reasonable.

In order that we may save time as the later amendments are discussed, I shall discuss the second amendment, which I shall call up after the first one has been disposed of.

The second amendment would double the amount of power permitted to be exported to Ohio and Pennsylvania under the bill. Let me make that abundantly clear. At the present time, the bill provides that Ohio and Pennsylvania cannot have any more than 10 percent of the total project power, or 20 percent of the power which is set aside under the preference clause. That is the ceiling, although nothing in the bill provides that Pennsylvania and Ohio shall get as much as one kilowatt. In other words, there is no floor; there is only a ceiling.

So Pennsylvania and Ohio are prohibited from ever getting as much of a share of the public power in the area as the share they are getting now, since Pennsylvania and Ohio are using 40 percent of the power being used by, and available to, public-power groups and REA's.

Mr. President, we have tried to be reasonable about this matter, because we agree that there is an emergency, and we agree that legislation on this subject should be enacted. Although we believe that our rights in connection with this power are equal to those of the great State of New York, we have to agree that New York is going to build the project and is going to sell the bonds, and also that Niagara Falls is located in the State of New York, and that Pennsylvania has no claim to the site, by reason of geography, even though Pennsylvania produces much of the water. Furthermore, we do not wish to make to the Senate a request which would be beyond the bounds of reason.

Therefore, Mr. President, even though it may be a fact that a point 300 miles from the site is still within economic transmission distance—and we think it is, and at that distance we are using 88 percent of the public power; and even though at a distance of 250 miles, Pennsylvania and Ohio are using 84 percent of the public power; and even though at a distance of 200 miles, Pennsylvania and Ohio are using 78 percent of the public power, we are ready to reduce the distance to 150 miles, which is what Mr. Moses says is the economic transmission distance—although we disagree with him. At that point, we are still using 43 percent of the public power, and we are asking only for 40 percent of the preference power—which is only 20 percent of the total project power.

So my second amendment will provide for doubling the ceiling for Pennsylvania and Ohio, so that if we can prove that our REA's and municipalities are within economic transmission distance, we shall be able to obtain up to, but not in excess of, the proportion of the publicly distributed power which we are using now.

Mr. President, in essence, that is our case.

Before I close, I should like to answer briefly several of the arguments which either have already been made or will soon be made against the amendments proposed by my colleague and myself.

In the first place, it will be asked, "Why is Pennsylvania, one of the greatest coal-producing States in the country, trying to get electric power brought in, when she can produce power with coal and can sell it for less than she would have to charge for power brought in from Niagara Falls?"

The answer to that question is clear: In many instances we cannot produce power, by means of coal, and sell it for anywhere near as low a price as the price for which we can sell power transmitted from Niagara Falls.

One may ask, "How can you prove that?" Mr. President, we do not offer to prove that before the Senate. We are willing to leave that to bargaining and to the determination of the Federal Power Commission. If we can produce power from coal and can sell it for a lesser price than the price for the power we can wheel from Niagara, then we are not within economic transmission distance and we are not entitled to one kilowatt of that power. But we say to our colleagues, "Do not yourselves make that decision. Let us produce proof of the matter, ourselves, before the competent authorities." When we do that, if Mr. Moses is correct in his contention, then we shall not get any of the power.

The PRESIDING OFFICER. The time yielded by the Senator from Pennsylvania to himself has expired.

Mr. CLARK. Mr. President, I yield myself an additional 5 minutes.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized for an additional 5 minutes.

Mr. CLARK. Mr. President, the second point which will be made against our amendments is that Pennsylvania and Ohio have not created, by means of actions taken by their legislatures, any agency to bargain with New York for the power. To that point, there are two answers: First, the bill does not require them to do so. It is perfectly proper for the existing agencies—the REA's and municipalities, through their associations—to bargain for the power; there is no need for any State intervention.

But, Mr. President, more important than that, and I say this with all due deference to the Senator from Ohio—in both Ohio and Pennsylvania, private-power lobbies control the legislatures. Therefore, in Pennsylvania it has been impossible to get the Republican-dominated legislature to enact legislation creating an agency which would make it simpler to make an agreement with respect to this power.

Fortunately, Mr. President, the Governor of Pennsylvania is in a position to act in this connection; and already by executive order he has designated his secretary of commerce to represent the Pennsylvania REA's and public bodies in bargaining with the New York Power Authority. I take it that no Member of the Senate will say that the Governor of Pennsylvania, advised by his own attorney general, is exercising rights in excess of his constitutional authority. I think there still exist enough States rights for all of us to agree that we must assume that the Governor of Pennsylvania is acting within his rights.

So, Mr. President, I suggest that we discard the thought that because the private power-dominated legislatures have not created agencies to make it easy to get this power, the request of the Senator from Ohio and myself—namely, that our States get a fair share of this power—should be rejected.

Mr. President, for the time being, I yield back the remainder of the time I have yielded to myself.

Mr. KERR. Mr. President, I yield 15 minutes to the distinguished junior Senator from New York [Mr. JAVITS].

Mr. JAVITS. Mr. President, I think the only disaster which has struck in this situation, as described by my friend and colleague, the Senator from Pennsylvania [Mr. CLARK], arises from the

fact and the reality that a proposed law has finally caught up with the illusion and the wishful thinking, for the history of this matter, as recounted by the senior Senator from New York [Mr. IVES], demonstrates that although this body has acted before, no law on the subject has been enacted by the Congress, for the reason that the other body has not concurred.

In addition, we have the problem which already has been stated by the distinguished senior Senator from New York, namely, who is going to finance this venture. That is an all-important point. Certainly that could not be decided under a bill passed by the Senate alone.

Finally, and very important, let me say that when I was attorney general of New York—a job I laid down last year, to take up this distinguished post—I stated in a legal opinion which was furnished to this body and to the other body that, according to the laws of the State of New York under which the Power Authority must operate, it could not do the things provided for in the Senate bill. In other words, neither in fact nor in law could anything of that sort happen.

But at last we have before us a bill which has been passed by the other body. So hurdle No. 1 has been successfully surmounted.

Second, the Senate has before it a bill which, in the opinion of the present attorney general of New York, and in my own opinion, squares with the law of the State of New York.

Third—and this is also very important, and the testimony shows this—under the bill the House of Representatives has passed, bonds can be financed.

Mr. President, let all Senators understand clearly what the opponents of this measure—because that is what they are, when they offer the amendments; I say this very kindly—seek to accomplish. All they could possibly accomplish would be to postpone the matter, so that this proposal would revert to its former position, because the bonds could not be sold, in view of the kind of power reservations they request; and, furthermore, legislation of that sort would not square with the laws of the State of New York.

For 7 years the United States and particularly New York State have been hamstrung from using the United States share of the Niagara waters for the development of power. For the last 3 of these years our great neighbor, Canada, because it was ready, has been able both to use its share of these waters and that of the United States as well. This situation was self-imposed by the United States through Congress' failure to authorize the use of the additional Niagara water pursuant to the 1950 treaty reservation. The time has come for Congress to spring these self-imposed bonds.

New York State is united and both political parties strongly support this compromise bill. It is not often that New York seeks and needs the direct help of the Federal Government. In the overwhelming portion of cases it is New York which contributes to the Federal Government. For example, it provides twice as much in Federal taxes as its proportion of the national population. At Niagara, New York seeks and needs the help of its sister States. We seek neither Federal funds nor Federal credit. The people of New York have faith that authority to commence this project will be granted promptly and in a generous spirit to meet the present emergency.

If all the statements the Senator from Pennsylvania [Mr. CLARK] has made are as accurate as his conclusion that I am a private-power Senator, then I think he will find himself very wrong, indeed, for, Mr. President, in the House of Representatives, it was I, as the only Member of the New York delegation, who voted against the private-power development of Niagara, and voted for the amendment which would have caused the Power Authority of New York to build the project; and that was my consistent record in the House of Representatives, where not only was I not known as a private-power Member of Congress, but I was well known as very much more—and this is most significant, considering the State from which I come—namely, as a public-power Member of Congress.

Mr. President, in connection with this entire discussion, there are two fundamental fallacies which must be shown for what they are, in order to have our colleagues understand the situation.

First and foremost, it should be pointed out that this project is not being financed with Federal funds. The project will cost the Federal Government nothing. The project is brought here only because of the fact that, by virtue of a treaty reservation made in 1950, it is necessary, in order to get the project moving—and in order not to have to depend upon the courts to resolve a very knotty legal question, a point which I emphasize—to obtain from the Congress an authorization, so that the State of New York may proceed with the project, through its own power authority.

That is a very important consideration. Every argument made by the Senator from Pennsylvania could be substantiated with greater sympathy were this a Federal project in which the Federal preference clause should be invoked, but it is not. It has been the consistent record of the Congress—and this would be the one exception to it—that where a project is financed by a State or an agency other than the United States, and the authority moves from the authority of the United States, the Federal preference clause is not imposed. Indeed, I should like to refer my colleagues to the fact that in three separate projects—namely, in the State of Alabama, in the State of Washington, and in the State of Oklahoma, within the very recent past—Congress authorized projects of this very character, not financed by the United States, without the imposition of a Federal preference clause.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. HOLLAND. Is the Senator aware of the fact that in the case of the State of Nebraska the authority was granted to that State to develop all hydroelectric power within the State under the laws of the State; and that in the case of the State of South Carolina the authority to develop the Santee-Cooper project, and also the Greenwood district project, was given to that State to develop hydroelectric power under the laws of the States?

Mr. JAVITS. I am very grateful to the Senator from Florida for that information. I was not aware of it. I was drawing from information I had.

Mr. HOLLAND. Will the Senator yield further?

Mr. JAVITS. I yield.

Mr. HOLLAND. Is there any reason why the same right which has been extended to several other States, either by the Congress or by the Federal Power Commission, should not be equally extended to his own State, the State of New York, so it can develop hydroelectric power within its borders under the laws of the State of New York?

Mr. JAVITS. The Senator from New York knows of no such facts or law within the points made by the Senator from Pennsylvania.

Fallacy No. 1 is that this is a Federal project, which it definitely is not. It involves no expense on the part of the Federal Government, but, very importantly, there is required legislation which can be complied with by the laws of the State of New York, which is another thing our colleagues must not overlook. It is only the authority of the State of New York that must be complied with. I will detail why it would be violated were we to adopt the amendments being proposed.

The second fallacy is this: There is no definition in the law to the effect that the only way the public can get the benefit of the power is through the REA's and the municipal systems. It is assumed in the whole argument that the public is not benefited unless the power moves through an REA or a municipal system. As a matter of fact, only 5 percent of the power generated in my State moves through an REA or municipal system. Indeed, only a fraction of the power generated in Ohio or Pennsylvania is subject to the same kind of sale. But what is extremely important is, Does the public get the benefit of the generation of power at one of these sites? Under the evidence submitted, the people of New York State, rural and domestic consumers, will get all the benefit. Power does not have to go through an REA or a municipal system for the people to get all the benefit. New York law provides that the power will go to rural and domestic consumers under strictly limited prices, determined by the power authority, in accordance with the laws of the State, which passes on to those persons the complete and full benefits of all the economies which are realized in the generation of power. This is the essence of it: Despite the fact that in

New York State only 5 percent of the power moves through REA and municipal systems, the people will get the direct benefit of all the power which results from Niagara generation which is not used for commercial or industrial purposes, or to discharge contractual obligations, and that amounts to over 400,000 kilowatts a year.

I should like to call attention to another point which I think is of very great importance. To what does my colleague from Pennsylvania refer when he talks about 150 miles and 200 miles? We are not inexperienced in the business. We are not talking in the air; again we are talking about facts. We have a project, which is the St. Lawrence project, authorized by the Federal Power Commission. It needed no Congressional authorization. It needed a license. It had no treaty complications. So we did not have to come to Congress. Our experience demonstrates that the transmission distance is about 150 miles. I know my colleague will forgive me for this. I am not trying to be too critical of him, but the distance from the generation of Niagara to the outermost point, Brattleboro is not 200 miles, but about 185 miles.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. AIKEN. The State of New York has sold the State of Vermont not less than 100,000 kilowatts of power, to be made available as soon as St. Lawrence power is available to the State of New York. However, I do not expect that the power which will come into Vermont will be St. Lawrence power exclusively. It is my humble opinion that most of the St. Lawrence power will be used within 125 miles of the place of origin. The people who live near Brattleboro will presumably get displacement power. In other words, the State of Vermont will sell to utility companies in the northern part of the State, within 100 miles or so of Messina, N. Y., where St. Lawrence power is generated, a certain block of St. Lawrence power, and in return it will secure from the utility companies on the east side of the State an equal amount of power. That means that instead of Brattleboro getting power from St. Lawrence, about 230 miles away, the people there probably will use power developed at the Vernon Dam or Whitingham Dam, a distance of 5 miles or 30 miles away, depending on which place it comes from. So St. Lawrence power is not actually transmitted that far. The State of Vermont has seen fit to equalize the price of power over the State when St. Lawrence power is available. That is how it happens that in the southeast corner of the State, which really is about half as far from Boston as it is from Messina, N. Y., the users will get power at the same price as users in other parts of the State which are nearer to the St. Lawrence.

Mr. JAVITS. I thank the Senator, who speaks with personal knowledge, and who is exceedingly well informed on this very point.

Mr. AIKEN. I might say that by equalizing the rates for the whole State, it will cost the northwestern part of the State, which is very near the St. Lawrence development, probably 1 mill or 1½ mills more than if they could have the whole 100,000 kilowatts there.

Mr. JAVITS. To buttress the argument made about economic transmission distance, the State of Massachusetts, with reference to St. Lawrence power, started out the very way my colleague from Pennsylvania started out, except they applied facts instead of rhetoric, and had a distinguished engineering firm make a study. It was found it was uneconomic to transmit St. Lawrence power to them, and they gave up any claim they had to it. On the other hand, Vermont found it was economic to get power from the St. Lawrence development. Therefore, Vermont has a firm contract for power.

Mr. AIKEN. I might add that making a contract with the State of New York was the smallest part of the job. After the power gets to the New York border, some way has to be found to get it delivered to where it is wanted in the State—either that power or displacement power—and there has to be full cooperation of all the people concerned. In our case we had to have the cooperation of the private utilities which will transmit St. Lawrence power for the State. This will be somewhat more expensive than transmission over State-owned lines would have been, nevertheless, we hope to reduce wholesale rates by a substantial amount.

Mr. JAVITS. I thank the Senator.

Mr. CLARK. Mr. President, in view of the fact that a reference has been made to my rhetoric, I wonder if the Senator will yield to me for one brief observation?

Mr. JAVITS. Certainly, I yield.

Mr. CLARK. I hold in my hand a map which shows the airline distance from St. Lawrence to Brattleboro to be 185 miles. I also have a map which shows the distance traversed by the transmission lines. I wonder if my friend will agree with me that the transmission-line distance is 238 miles?

Mr. JAVITS. I will accept the explanation of the Senator from Vermont [Mr. AIKEN]. I think he has given the situation exactly as it is.

Mr. President, the percentages we have been discussing are pretty tricky, for this reason: The percentages are premised upon the fact that the city of Cleveland, Ohio, has one of the greatest municipal systems in the United States. As soon as the percentages of the city of Cleveland, Ohio, are thrown into the picture, the percentages become enormous in terms of Ohio and Pennsylvania.

The minute one goes outside the 150-mile distance and into the 200-mile figure, the city of Cleveland, Ohio, is included; and, if that is the standard, then New York State might as well merchandise all the power. Without any question it can be used very well by large cities elsewhere.

This is not a far-western area. This is the State of New York, where 3½ million people are living around the site. They can use every bit of the power which is developed.

The only question which is involved with respect to the neighboring States is, What shall be fair treatment for them? That depends on what they need and can economically use themselves. In this case the absolute figures become extremely important, and they are found at the very end of the committee report, page 13. They show that in the States of Pennsylvania and Ohio——

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JAVITS. May I have 5 more minutes, please?

The PRESIDING OFFICER. Does the Senator from Oklahoma yield 5 additional minutes to the Senator from New York?

Mr. KERR. I yield the Senator from New York an additional 5 minutes.

Mr. JAVITS. I thank the Senator.

Mr. President, these figures show that in the States of Pennsylvania and Ohio, within the 150-mile distance, the total preference demand is about 40,000 kilowatts per annum, and the allocation under this bill is a maximum of 180,000 kilowatts per annum.

Even if we go into the 200-mile range, the total preference demand in Pennsylvania and Ohio is 95,000 kilowatts. So the bill still provides for nearly twice that amount of power. I respectfully submit that upon that basis alone the bill is a very fair proposition.

The second point which my colleague, the Senator from Pennsylvania, glossed over very quickly is a fact which the map portrays very clearly. I respectfully invite the attention of the Members of the Senate to the map. The block of blue represents coal production. As all Senators are aware, when coal is immediately available power can be produced as cheaply or cheaper than it can be produced by rushing water. That is very significant in terms of the argument, for when this very matter was debated in the other body most of the Pennsylvania representatives were not only not in favor of such amendment as is proposed by the Senator from Pennsylvania, but were against it. They wanted to cut down the 180,000 kilowatts a year, because they said that they had a large number of unemployed miners and a whole lot of coal and they did not want to encourage the use of elecrticity from waterpower. They wanted electricity to be used after producing it from coal.

From the map we can see what can possibly be done. We see that one sitting, so to speak, on the coal can make power from coal cheaper than from a water source far away, from which it is necessary to wheel the power, which is an important item.

The one who prepared the report is nobody's fool. When the Senator from Pennsylvania made a tremendous thing out of this in his campaign, and subsequently reiterated it in respect to this bill, he demonstrated that fact. The facts and figures contained in this volume, to my mind, make up as intelligent and as constructive an analysis as I have

ever seen of any bill, in terms of preparation for debate in this body. The facts and figures show that practically in the case of the cooperatives which are being discussed, the power can be produced for less, or merchandized for less, right on the ground in the Pennsylvania area as compared to bringing it from Niagara.

In that case, what is this argument all about? I think what it is all about is this: It is either a doctrinaire idea that every power project in the United States, whether it applies or not, must have a preference clause applied to it as a matter of principle, or it is some idea about a yardstick, which we have always heard discussed, which was not mentioned by the Senator from Pennsylvania, but which figured in the testimony and the discussion about the bill.

The yardstick principle in this particular case is quite inapplicable by virtue of the fact that the State of New York, under New York State law, has a power authority which fixes the rates for the power it will produce which is going to be resold, no matter who resells it, even if resold over private transmission lines.

The other thing that we might speculate about is that this is a pickaback amendment, indeed, all these amendments are pickaback amendments, and the thought is that "the State of New York is going to do a fine job, so let us get as much of a free ride as we can. If we are offered 180,000 kilowatts, despite the fact that we cannot use more than 90,000 kilowatts, let us try to get twice as much, and demonstrate to the people of the communities that we are doing a very special job."

I might look at that and smile and say, "That is a nice idea. I might be able to do that myself some day, except for the fundamental point, which is that if we put these amendments in the bill they could well result in disabling the power authority from being able to sell the bonds upon which the whole project is based."

The PRESIDING OFFICER. The additional time of the Senator from New York has expired.

Mr. JAVITS. Will the Senator yield me 2 more minutes, please?

Mr. KERR. I yield 2 more minutes to the Senator from New York.

Mr. JAVITS. There is one other thing with which I should like to deal. It has been assumed in this discussion that there is desired a percentage of the 1.8 million kilowatts, which is what the project will produce, figured on what is called a 70-percent load factor. I will not take the time and trouble to explain to the Senate what the 70-percent load factor is, for I had a hard enough time learning what it meant myself. The only thing I will say is that in any case that is the capacity. It has been assumed that what is desired is a percentage of that figure. That, my friends, is the height of unfairness, and for this reason: The State of New York since 1909 has been using three-fifths of this water under licenses from the Federal Government. It has been producing power all of that time. The only thing our action will add is two-fifths. That is what we will add by this authorization. In other words, we will add about 700,000 kilowatts only, because the State of New York is financing the work and doing a good job on the whole situation right now.

I respectfully submit that the 180,000 kilowatts is about 26 percent of the roughly 700,000 kilowatts which will be added.

Finally, Mr. President, I hope very much the Senator from Oklahoma [Mr. KERR] will tell Senators about this matter, because the 180,000-kilowatts figure is not our figure. We are not interested in going that high. It seemed doubtful to us that the bonds could be sold with that figure. That was the figure set by the Senator from Oklahoma, after hearing all the testimony, when he finally convinced the members of the committee they ought to go along with it, at long last, in order to get this matter settled. That is the very maximum limit within which the bonds can be sold. We cannot do any more. That is why, as the senior Senator from New York [Mr. IVES] said, this is of vital and critical importance to us. If we "monkey" with this bill in the way now proposed, it will ruin it for all of us. I cannot believe that the proponents of the amendment want that, yet that will be the practical effect of it.

I thank the Senator from Oklahoma.

Mr. KERR. Mr. President, I yield 5 minutes to the distinguished Senator from Pennsylvania [Mr. MARTIN], and I shall yield more time if he desires it.

Mr. MARTIN of Pennsylvania. Mr. President, in the first place, I am opposed to public power, but my distinguished friends, the Senators from New York, have explained the situation. The catastrophe which occurred on the Niagara makes it necessary for us to move and to move promptly. However, there is a difference between Federal power and power from an authority in one of the States or from a municipality.

In Pennsylvania we already have several authorities, for sewage disposal, for water, and things of that kind. They have worked out most satisfactorily. I feel that the committee has been very generous to Pennsylvania in allocating to us the amount of power provided for in the bill; but I would dislike to see any power brought into Pennsylvania unless it was necessary to take care of our needs.

All States have certain natural resources. Pennsylvania has coal. Coal is now a drug on the market. It is very difficult to sell coal. Many miners are out of employment. They are fine, upstanding Americans who have made their contribution to the economic welfare of the Nation.

I shall not take much of the time of the Senate, because the hour is growing late, and I hope we can quickly reach a conclusion and vote on the amendments and on the bill.

If the amount of power we are now discussing were made available in Pennsylvania, the coal miners of that State would lose more than $1 million a year in wages. Our railroads, in the transportation of fuel, would lose more than $1,200,000 a year. As Senators know, our railroads now have a great struggle to exist. They are very important to our transportation system.

Furthermore, in railroad wages there would be a loss of almost $700,000 a year. That means a great deal to the economic life of Pennsylvania. The coal-mining communities have made every possible effort to bring into the State other industries, and they are succeeding to a certain extent. However, the loss of this amount in wages would be very injurious.

The junior Senator from New York has already cited certain figures. I shall offer for the RECORD later a table which shows the present costs to consumers of rural electric cooperatives, in comparison with what the cost would be if the power were transported from Niagara.

Take the Warren REA, which is only 95 miles from Niagara. One of the things we must take into consideration is the great expense of transmission lines of any great length. In the eastern part of the United States such lines go through densely populated areas.

In the Commonwealth of Pennsylvania there is a law to the effect that transmission lines must be located a certain distance from buildings. In Pennsylvania there are mountains to cross, which makes the building of transmission lines extremely expensive.

The Warren REA has 2,907 customers. The wholesale cost for the production of power locally is 8.8 mills. From Niagara it would cost 10.5 mills. The retail rate is 3.40 if Pennsylvania power is used. If the power is transmitted, the cost will be 3.57.

The Gettysburg REA is 245 miles distant; the Central, 145 miles; the Claverack, 160 miles; the Northwestern, 105 miles; the Sullivan County, 170 miles; and the Tri-County, 135 miles. The only place where there would be any retail saving would be in the Central REA, which is 145 miles distant, and there the retail saving would be only .02, which really is negligible.

These figures are given to me by the power authority of the State of New York. Their engineers have made these calculations. I think they are unanswerable.

Moreover, there is the injury which would be done to miners. When an economic injury is done to miners, it affects small retail stores, men employed in transportation, and many others.

I very much appreciate the effort and work which my colleague, the junior Senator from Pennsylvania [Mr. CLARK], has done in this connection. I know that he is absolutely sincere. He has made the statement that while the Pennsylvania Legislature—and the subject was before its committees for several months during the last session of the legislature—did not enact a law giving such authority, the Governor would have the right to grant it.

I had the honor of being the Governor of the Commonwealth of Pennsylvania for 4 years, and I am fearful that our

Governor does not have such authority. But even if he does, I sincerely trust that the Senate will reject these amendments.

I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks the table to which I have referred.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Comparison of cost of Niagara power to present costs, rural electric cooperatives, Pennsylvania—Rural electric cooperatives

	Gettysburg, Adams	Central	Claverack	North Western	Sullivan County	Tri-county	Warren
Distance from Niagara (miles)	245	145	160	105	170	135	95
Customers (1955):							
Residential	5,666	8,666	4,603	7,099	1,791	6,423	2,750
Other	20	625	1,009	323	86	29	157
Total	5,686	9,291	5,612	7,422	1,877	6,452	2,907
1955 wholesale cost of power (mills/kilowatt-hours)	9.9	8.7	10.5	8.3	10.4	10.4	8.8
Wholesale cost of Niagara power (mills/kilowatt-hours)	11.4	8.5	11.7	9.2	11.9	11.6	10.5
1955 retail rate (cents/kilowatt-hour)	2.72	2.92	3.34	2.14	3.29	2.97	3.40
Retail rate using Niagara power (cents/kilowatt-hour)	2.85	2.90	3.46	2.23	3.44	3.11	3.57
1955 average monthly bill	$8.51	$6.89	$8.98	$8.56	$7.24	$7.01	$6.22
Average monthly bill using Niagara power	$8.92	$6.84	$9.31	$8.92	$7.57	$7.34	$6.53

Mr. CLARK. Mr. President, I yield 5 minutes to the junior Senator from Oregon [Mr. NEUBERGER].

Mr. NEUBERGER. Mr. President, as a member of the Senate Public Works Committee who wrote the minority views which are on the desks of Members of the Senate, I am pleased to join my friends and colleagues from Pennsylvania and Ohio in urging that their States receive justice, equity, and fairness in the use of a great natural resource.

I should like to reply rather briefly to some of the misrepresentations and distortions which have been voiced on the floor here tonight.

It has been said that power cannot be transmitted for a greater distance than 150 miles. I am not a physical scientist. I do not know whether there are different kinds of kilowatts in the East than in the West. I thought that electricity was a universal element, whether it was made in Germany, North Dakota, New York, Oregon, British Columbia, Sweden, or anywhere else on the face of the earth. In the Pacific Northwest electricity is being transmitted for more than 320 miles, from Bonneville Dam on the Columbia River. It is being sent to rural electric cooperatives on the wonderful Oregon coast, and they are selling the power at far lower rates than the rates at which it is sold in the areas in this vicinity, and in the areas being discussed in connection with the bill.

Mr. CLARK. Transmission of electricity in the West is over high mountains, too; is it not?

Mr. NEUBERGER. It is over very difficult terrain. When we speak of terrain, one would think the transmission line under discussion here had to be thrust up over Mount Everest. In British Columbia, where one of the lowest power rates anywhere prevails, on the Great Kitimat project, a transmission line has been built on a living glacier, which moves every year, and still power can be produced for 2 mills a kilowatt-hour.

When I listened to the testimony of Mr. Moses and the other witnesses who were brought here to testify, concerning the difficulties in transmitting Niagara power, I thought the line would have to be strung across the Pacific Ocean and then over the Himalayan Mountains.

The man who was responsible for the fact that Bonneville power is transmitted 320 miles in our State, to remotely located rural electric cooperatives, was one of the greatest Governors the State of New York ever had. He was Franklin D. Roosevelt.

In fact, the preference clause was created and amplified by two Governors of the State of New York. Yet, the Senators from New York are here on the floor tonight to gut it, to end it.

The preference clause was originally written by Theodore Roosevelt, one of the most outstanding and courageous Governors the State of New York ever had. He went on to the White House, where he became an illustrious President.

The preference clause was given its widest application by Franklin Delano Roosevelt, who was another famous Governor of the State of New York, and who went to the White House, where he became the only President in history to be elected for four terms. He was one of our greatest national figures.

Franklin Delano Roosevelt came to the Bonneville Dam in 1937 to make the dedicatory address. I was in the audience at the time. The issue then was raised by my city of Portland, which is the largest community in the State of Oregon. I hope the recital of this episode will answer the claim of the distinguished junior Senator from New York that we are not talking about a far western area. At this particular time, when the Bonneville Dam was coming into existence, and the power was first coming on the line, some business leaders in the city of Portland wanted a special zoned rate established, so that nearly all of that energy could be monopolized by Portland, which is about 38 miles from the site of the dam.

Franklin Delano Roosevelt, together with Charles L. McNary, a great Republican Senator and Republican leader in the Senate for a good many years, said "No." Portland shall not monopolize the power. We will see to it that it will be sold throughout the Columbia Basin under what we will call the postage-stamp rate." They said it would be the same rate in remote Coos County, 300 miles from Bonneville, as it would be in the city of Portland. That was the policy evolved by a great Democratic President and a great Republican Member of the Senate.

As a result of that decision, the postage-stamp rate has prevailed in the Pacific Northwest, and we have had power sent more than 300 miles, and sold there at the same rate as at a city 30 or 40 miles from the dam. We have had the lowest rates which have prevailed anywhere in the United States, and perhaps in any other country of the world, with the possible exception of a few favored parts of Canada.

The Senator from New York discussed the difficulty of selling bonds. I admit that such high financing of bonds is something that is far outside my ken. I do not know very much about it. I wish I did. However, I do not understand how it would be possible to sell the bonds if they give Ohio and Pennsylvania only 10 percent of the power, but that they cannot sell the bonds if they give those States 20 percent of the power. Do not those people in Pennsylvania and Ohio have coin of the realm? Is the presumption that those people would buy power with wampum or beans? I am sure those people are civilized, and I am sure they would offer good money for the power.

Mr. JAVITS. Mr. President, will the Senator yield so that I may briefly explain that situation?

Mr. NEUBERGER. I yield.

Mr. JAVITS. The States of Ohio and Pennsylvania and cooperatives and municipal systems do not have to take any of this power. What I was talking about was that in order to sell the bonds it is necessary to have a basic number of commitments and contracts.

The PRESIDING OFFICER. The time of the Senator from Oregon has expired.

Mr. CLARK. I yield an additional 5 minutes to the Senator from Oregon, but I hope the time will not be taken by the Senator from New York.

Mr. NEUBERGER. On the question of bonds, of course if we give to the bond buyers the power to determine the policies—and they are men who are not in favor of public power, and they are not in favor of the widespread application of hydroelectricity, and they never have been—that is not a very wise thing. If those men had had the right to determine our power policies, we would never have had established the policies of Theodore Roosevelt, Franklin Roosevelt, and Charles L. McNary.

The distinguished Senator from Pennsylvania, my good friend, General MARTIN, pointed out that this is not Federal power, and that this would not be Federal power. There is one thing, Mr. President, that is eternal and immutable and universal, and that is the water in the

great rivers as it rushes down from the highlands to the sea.

No matter who floats the bonds, the rivers are the same. It is a mistake to Balkanize our rivers. It is a mistake to allow them to be divided up, and monopolized, perhaps, by one State or area.

Let us look at Niagara Falls. Niagara Falls is not one little short river. Niagara Falls is all the Great Lakes rushing to the sea. The water in Ohio and the water in Pennsylvania contribute to Niagara Falls. Those States have a real stake in the project. They help originate the river.

That was the philosophy of Franklin D. Roosevelt when he laid down the postage-stamp rate proposal. He said the location of the dam that could be built is largely just a freak of bedrock or a sudden fall in the river, but that every drop of water up in the most ultimate creek and brook and glacier and snowfield contributed to that power; and the people immediately around that dam site should not be allowed to monopolize that whole benefit. President Roosevelt said the people in the remote areas, where that river rises, should have a share in the power that is created.

In conclusion, I should like to answer the statement that if the power were produced with coal it would provide extra jobs for coal miners and for people on the railroads hauling the coal. My State has had the highest unemployment, unfortunately, this winter because the lumber industry has been affected by no new housing starts. I suppose we could employ more people if we burned wood chips to produce power. However, electricity should be made with an eternal resource that goes on forever, and will go on long after all of us are gone, and perhaps even after the human race is gone. The rivers will still always be going. They will never be used up. They are an inexhaustible source of fuel. They are the cheapest source of fuel.

When Oscar L. Chapman, an outstanding Secretary of the Interior, was at Bonneville Dam, he said, "You are looking at a coal mine that will never thin out; at an oil well that will never run dry."

I am sure my time is almost up, but I wish to say one more thing before I sit down. It is that the policies which were formulated by Theodore Roosevelt in 1905 and 1906, and the policies that were pursued by Franklin D. Roosevelt and George W. Norris and Charles L. McNary are still good policies for this Senate. They are not partisan policies. In my State they were carried on originally not by a Democrat but by a great Republican.

Mr. President, may I have 2 additional minutes?

Mr. CLARK. I yield 2 additional minutes to the Senator from Oregon.

Mr. NEUBERGER. They were carried on by a great Republican Senator who was known personally by many Senators here. I am sure the Senator from New Mexico [Mr. CHAVEZ] knew Charlie McNary personally. I know that the Senator from Alabama [Mr. HILL] knew him personally, and so did the Senator from North Dakota [Mr. LANGER]. He fought for the preference clause in our State, because he wanted the power used by everyone in the area, not monopolized by a small locality right around the power site. Those principles are perennial.

It is my hope that the advocacy of the distinguished Senator from Pennsylvania and the distinguished Senator from Ohio, in seeking simple fairness for their States, will prevail in the Senate tonight.

In conclusion, I ask unanimous consent to have printed in the RECORD a brief discussion which I have prepared about those issues, to supplement my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR NEUBERGER

There are striking parallels in some of the provisions of the Niagara power bill and those which have been effectively and beneficially in effect in the Pacific Northwest region in connection with development and distribution of hydroelectric energy.

The Bonneville Project Act of 1938 and subsequent legislation took into account the fact that development of water resources should reflect a basinwide viewpoint. State boundaries have not been permitted to act as barriers in the use of Columbia River water resources, and as a result, the benefits have had widespread distribution throughout the length and breadth of the vast Bonneville transmission network. From the far southwestern corner of the Oregon coast to the distant site in Montana of the Hungry Horse project, power flows through the Bonneville system for the use of industries, and to the customers of private and public-owned utilities without respect to State lines.

The Niagara bill likewise gives recognition to the fact that flowing water has basinwide characteristics. I share with the able junior Senator from Pennsylvania [Mr. CLARK] some objections to the manner in which the present bill restricts the scope for application of the regionwide use of power resources, but the bill does, in a limited way, recognize that the neighboring States have a right to share in power produced from water flowing past the Niagara site.

In the Pacific Northwest, the term "economic transmission distance" as applied to distribution of power has come to have considerable flexibility. The original concept of economic transmission distance in the midthirties was applied by some engineers to mean a radius of some 50 miles around a hydroelectric project. But, through years of experience in interconnecting various generating units and through technological advances, this narrow view has been abandoned. Power is shifted and exchanged over vast distances in the Bonneville Power System, and the term "economic transmission distance" now can almost be defined as any distance over which powerlines can be strung and transmission towers erected. Thus, in the Pacific Northwest, we find low-cost Federal kilowatts being distributed through public and private outlets which are located hundreds of miles from the nearest generating plant.

It is my hope that the present bill can be amended to permit this sort of flexibility in the marketing of Niagara power. In the minority report, which I included in the committee report on the bill, need for improving the language in the bill with respect to preference to public body agencies and with respect to transmission distance is discussed at length. It is not my intention to quote extensively from this report at this point, in the interests of saving time for my colleagues, but I would like to call these minority views to the attention of the Senate.

Mr. MARTIN of Pennsylvania. Mr. President, will the Senator from Oklahoma yield me 2 minutes?

Mr. KERR. I yield 2 minutes to the Senator from Pennsylvania.

Mr. MARTIN of Pennsylvania. The distinguished Senator from Oregon mentioned the floating of bond issues. In my State and in New York State many large bond issues have been floated by different authorities. For example, in Philadelphia we have the Delaware River Bridge Authority. That authority has floated bonds to the extent of about $100,000,000, I believe. In my own community, of 40,000 people, just a year ago we floated a bond issue of $2½ million for a sewage disposal plant. I have never found that we have had any trouble selling the bonds.

Mr. JAVITS. Mr. President, will the Senator from Pennsylvania yield to me, and will the Senator from Oklahoma yield 1 additional minute?

Mr. KERR. I yield 2 additional minutes to the Senator from Pennsylvania.

Mr. JAVITS. Mr. President, it seems to me that again we are thinking there is something magical about getting money from the Federal Government with which to finance these projects. The Senator from Oregon has given us an alternative. We do not have that luxury in New York. We could not go to the Federal Government. We have to sell the bonds in the market place. What is wrong with that? Does it necessarily make wrong everything we do in order to get private investors to invest their money in this project? And is getting money from the Federal Government the only right way to proceed? I will not yield to anyone in terms of my advocacy of aiding projects where it is necessary to get money from the Federal Government. At the same time, when there is not such a necessity, and when by perfectly reasonable terms and conditions it is possible to raise the money privately, it seems to me that it is almost our bounden duty to do so.

I am very proud to be a Senator from a State which is going to finance the project, as agreed, because we are situated that we can do it in exactly that way.

Mr. MARTIN of Pennsylvania. Mr. President, it seems to me the time has come when everyone must not come to Washington to satisfy his wants. The United States Government now has a bonded indebtedness of almost $275 million. We do not want to raise the debt ceiling.

Mr. FLANDERS. Billion.

Mr. MARTIN of Pennsylvania. I thank the Senator from Vermont. People from New England are always watching for misstatements like that.

If bond issues can be floated, it seems to me that that is what ought to be done.

Last week a group of governors and persons representing the Federal Government met at Hershey, Pa., in an effort to work out methods to reduce the cost of government.

I think the great State of New York is doing that now. We ought to appreciate that and thank New York for it.

Mr. THYE. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The time of the Senator from Pennsylvania has expired.

Mr. KERR. Mr. President, I yield an additional minute to the Senator from Pennsylvania.

Mr. THYE. Mr. President, will the Senator yield?

Mr. MARTIN of Pennsylvania. I yield.

Mr. THYE. We in Minnesota are in the Midwest. The Senator paid high tribute to a New Englander for catching the fact that the Senator said "million" instead of "billion."

I call attention to the fact, in order that Minnesota might have the credit for it, that it was the Senator from Minnesota who detected and called to the attention of his colleagues the fact that the Senator from Pennsylvania had made that error. I simply wanted Minnesota to have the credit.

Mr. MARTIN of Pennsylvania. I thank the Senator from Minnesota.

Mr. FLANDERS. I was glad to join with the Senator from Minnesota.

Mr. KERR. Mr. President, I yield myself 15 minutes.

Mr. President, I may say to the Senator from Minnesota that no one here has doubted the fine dignity and the standing of the credit of the State of Minnesota. Sometimes it is a little hard to get it and to use it. It will cost more next week than it did last week in the way of interest rates.

The amendment before the Senate has to do with one word—the word "reasonable." On page 2 of the House bill, which is now before the Senate, in line 19, are these words:

> The licensee shall make a reasonable portion of the project power subject to the preference provisions of paragraph (1) available for use within reasonable economic transmission distance in neighboring States.

Actually, the word "reasonable" appears twice in the few lines I have read. I do not know why my good friends, the Senator from Pennsylvania [Mr. CLARK], the Senator from Ohio [Mr. LAUSCHE], and the Senator from Oregon [Mr. NEUBERGER], pick upon one use of the word and not the other. But they have, and that is their privilege; and the purpose of their amendment is to strike out the word "reasonable."

First, I have the highest regard for the distinguished Senator from Pennsylvania, the distinguished Senator from Ohio, and the distinguished Senator from Oregon. I know that they are sincere in their purposes in sponsoring the amendment, and I do honor to them for their motives.

I was a little surprised at the remarks of the Senator from Oregon when he said there had been misrepresentations and distortions on the floor with reference to the meaning of the bill. I looked around. Then I remembered that I had not made any misrepresentations, or representations; so I presumed the Senator from Oregon was not talking to the Senator from Oklahoma. It was a kind of shotgun explosion, I presume, made at whom it may concern. I hope that if any Senator feels he is the one who was not identified, and wants to plead guilty and to correct any misrepresentations, I shall be glad to yield him time to do so.

Then the Senator from Oregon said that the problem of transmission from Niagara was not any different from what it was in the open spaces of Oregon and Washington. I believe that in that statement the Senator was sincerely mistaken. We know that it costs much more to obtain rights-of-way and to build transmission lines in an area which is highly developed by cities and suburbs and by industries than it does in an area where such developments have not occurred.

I ask Senators to visualize the building of transmission lines from one of the most highly industrialized areas on earth, around Niagara Falls and the city of Buffalo. I have been there, and I find that there are other attractions there than those which have brought about the spending of so many honeymoons there. It is one of the most highly industrialized areas in our Nation. In fact, it is not possible to build a transmission line from Buffalo, N. Y., within the United States, in any direction from Niagara Falls without practically going through the main street of some community, city, or suburb.

That is one of the reasons why, Mr. President (Mr. COTTON in the chair), as you yourself will recall, since you participated in the development of the bill in the Senate Committee on Public Works, for the use of the word reasonable in the bill.

I want to read to Senators an interpretation or a definition of the word "reasonable" as it appears in Webster's New Collegiate Dictionary:

> 1. Having the faculty of reason; rational.
> 2. Just; fairminded; of acts, thoughts, etc., agreeable to reason; not beyond the bounds of reason, logic, etc.

This is the first time I have ever heard reasonable men object to the application of the term "reasonable" in connection with the proposed legislation. Is the alternative that they want something unreasonable? What is the evil of the word "reasonable"?

I call the attention of Senators to the fact that many viewpoints were expressed before our committee in the preparation of the bill. Bear in mind that the House of Representatives has done something which, as my brief experience leads me to believe, is the first time it has ever been done that I know of, in my legislative experience.

The bill now before the Senate is H. R. 8643. Yet it is in identical terms and language to the provisions of S. 2406. The Senate Committee on Public Works has worked on the bill for 5 years, in one form or another. They have brought the proposed legislation to the floor in many forms. They worked on it for months this year. After weeks of hearings and weeks of deliberations, we resolved the differences between many divergent points of view.

The great senior Senator from Pennsylvania [Mr. MARTIN] is the ranking Republican member of our committee, and he did not want any bill. The junior Senator from Pennsylvania [Mr. CLARK], another great Senator, wanted a bill different from the one which was reported.

The distinguished senior Senator from Ohio [Mr. BRICKER], if he wanted any bill, has yet to apprise the Senate Committee on Public Works, or this chairman of the Subcommittee on Flood Control, to that effect. Our good friend, the distinguished junior Senator from Ohio [Mr. LAUSCHE], wants a bill. We did not have the benefit of his testimony before the committee. But we do have the benefit of his proposal on the floor of the Senate.

The two distinguished Republican Senators from New York [Mr. IVES and Mr. JAVITS] wanted a bill. The distinguished Democratic Governor of the State of New York, Mr. Harriman, wanted a bill. But they did not entirely agree on what they wanted in the bill.

Then there is a dynamic personality from the State of New York by the name of Robert Moses. [Laughter.] I wish to say to Senators that if they have not contacted that bundle of electric energy and human dynamics, then they have awaiting them an experience to which they can look forward with some degree of interest and pleasure. [Laughter.]

I have seen domestic scenes—not in which I was a principal, but of which I was an observer [laughter]—which reached the height of the intensity and forcefulness attained by Mr. Moses in his presentation of evidence before our committee; but I wish to say to the Senate that outside of such a situation or that which prevails on a baseball field in Brooklyn, after the local fans think the umpire has given the game away to the St. Louis Cardinals, Senators can hardly visualize the pandemonium which Robert Moses created in the Public Works Committee hearings on the bill. [Laughter.]

I wish to say to the Senate that, as chairman of the subcommittee, when I approached that committee hearing in the midst of Mr. Moses' presentation, I bowed to him and said to him, "Sir, do I have your permission to enter, and can you give me a certificate of safe passage to the chair?" [Laughter.]

Mr. President, if Mr. Moses, in his representation of the New York Power Authority, agreed with the viewpoint of any other living human, I have not yet found out the identity of the one with whom he harmonizes. [Laughter.]

Well, Mr. President, if I do say so myself, I undertook to harmonize the viewpoint of these divergent interests.

If the good Lord lets me live, I have taken a pledge that never again—save only when the solemn interest of the sovereign State of Oklahoma is vitally involved—will I ever thrust myself into the vortex of such convulsive human emotions as those which revolved around my head as I attempted to bring order out of the human-provoked chaos that abounded in that committee room. [Laughter.]

But resolve their difficulties, they did; and the Senate now has a bill before it, on the floor of the Senate; and the bill was made the unfinished business, a few weeks ago. Then the cyclonic eruption which took place at that time, in the attempt to have another bill made the unfinished business, met head on with the

action the Senate had taken in making the Niagara bill the unfinished business. And, Mr. President, I want to tell you that the Niagara bill suffered in that contact; it was laid aside.

In the weeks that ensued, following the taking of that action by the Senate, the House of Representatives, yielding to the great urgency and necessity existing for this project, took the amazing action of passing by a vote of 313 to 75 a bill identical—identical to the last dotting of an "i" and crossing of a "t"—to the bill the Senate Public Works Committee had reported to the Senate.

I say that so far as I know, that is the first time since I have been in Congress that such an amazing event has ever occurred.

So now the Senate has before it the bill passed by the House of Representatives; and it is identical in terms and provisions to the bill the Senate committee reported, which bill was made the unfinished business some weeks ago; and the bill passed by the House of Representatives has again been made the unfinished business, and it is now before the Senate.

I think the bill is a good bill, and I would hate to see it amended. I do not believe it is a reasonable thing for reasonable men to refuse to permit the word "reasonable" to remain in a reasonable bill. [Laughter.] But that is what is involved in this amendment; the proponents of the amendment wish to delete that one word from this bill.

Mr. President, the distinguished Senator from Pennsylvania [Mr. CLARK] has said that if we leave in the bill the provision which limits the amount of power which can be exported beyond the borders of the State of New York to 20 percent of one-half of the power generated, that will mean that less than a total of 200,000 kilowatts will ever be available for public-power customers. Is that not what the distinguished Senator from Pennsylvania said?

Mr. CLARK. Mr. President, if the Senator from Oklahoma will yield, let me say that my contention is that his friend and mine, Mr. Moses, will argue very strongly, if we leave the word "reasonable" in the bill. I contend that he will then do so in what I suggest will be an unreasonable fashion; and I contend that, in that event, he may claim we are not entitled to 100,000 kilowatts of the power.

Mr. KERR. Mr. President, I ask the Senate, does the Senate think the statement made by the Senator from Pennsylvania is responsive to my question? [Laughter.] I asked my friend, the Senator from Pennsylvania, a simple question, namely, whether he made on the floor of the Senate the statement to which I referred.

The PRESIDING OFFICER. The time the Senator from Oklahoma has yielded to himself has expired.

Mr. KERR. Mr. President, I yield to myself an additional 10 minutes.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for an additional 10 minutes.

Mr. KERR. I asked the Senator from Pennsylvania whether he said that if the limitation presently found in the bill—namely, that not more than 20 percent of one-half of the power generated can be transported beyond the borders of New York to public-power customers—remains in the bill, it will mean that not more than 200,000 kilowatts, as a total, could be used for all public-power customers, both within and without the boundaries of the State of New York.

Mr. CLARK. I think the figure I used was slightly in excess of that stated by the Senator from Oklahoma, but not much. I think I said it would be 180,000 plus 36,000. I think the Senator from Oklahoma can add those figures in his head.

Mr. KERR. Well, Mr. President, I will tell you right now that the total is 219,000. I got a certificate of graduation from the eighth grade class in the grammar school at Ada, Okla.——

Mr. HILL. Mr. President, the total is 216,000.

Mr. KERR. Mr. President, evidently the school at Ada made a great mistake when they gave it to me [laughter], for I am now told that the correct addition is 216,000.

Can we agree that that is the figure designated by the Senator from Pennsylvania?

Mr. CLARK. I am happy to agree with my distinguished colleague.

Mr. KERR. Then, Mr. President, I submit to my distinguished colleagues that that is pure speculation. I do not deny the prerogative of the Senator from Pennsylvania to speak for Pennsylvania, nor do I fail to recognize that he has quite a job on his hands. I doubt that he is in a position to speak for the State of Ohio, and I am sure there are at least two Senators here from the State of New York who would object to having him attempt to exercise the prerogative to speak for the State of New York.

I wish to say that there are in New York nearly as many opportunities for municipalities and defense projects or Government installations and REA cooperatives to make use of the preference provided in this bill for public-power customers as there are in the nearby areas of Pennsylvania and Ohio. I state frankly that I am not in a position to dispute the statement the Senator from Pennsylvania [Mr. CLARK] made about Pennsylvania, but I think I am nearly as well informed regarding what is the potential use of power by public-power customers in New York as is the distinguished junior Senator from Pennsylvania.

Furthermore, I wish to say to the Senate that the evidence adduced before our committee, as given to us by representatives of the State of New York, is not the same as the figures the Senator from Pennsylvania just picked out of the air, here and there, on the floor of the Senate. [Laughter.]

Mr. CLARK. Mr. President, at this point will the Senator from Oklahoma yield briefly to me, in view of the comment he made about taking things out of the air?

Mr. KERR. I will, if the Senator from Pennsylvania will have the time he uses charged to the time available to him. I believe that is in accordance with the rule he laid down to the Senator from New York.

Mr. CLARK. I ask unanimous consent to that effect, Mr. President. I am happy to have the time I use now charged to the time under my control, and I hope I shall not use more than 30 seconds at this time.

The figures which are on the chart came from the minority views filed by the junior Senator from Oregon [Mr. NEUBERGER]. I believe they are 100 percent correct.

Mr. KERR. I say if the junior Senator from Oregon [Mr. NEUBERGER] and the junior Senator from Pennsylvania [Mr. CLARK] corroborate each other long enough, they will probably convince each other. [Laughter.] I cannot imagine a more delightful situation for either than for one to have the public endorsement of the other.

Mr. CLARK. Will the Senator yield further on my time?

Mr. KERR. I yield on the time of the Senator from Pennsylvania.

Mr. CLARK. I hope to be able to convince also not only the junior Senator from Oregon, but a few of my colleagues whose minds, I hope, are not quite made up.

Mr. KERR. That is a hope the Senator is entitled to have, and one which I am sure he will indulge in until the rude awakening comes, which it will when a vote is had on this amendment.

Mr. CLARK. I am under no illusions about the ability of the senior Senator from Oklahoma to control the majority in the Senate. I merely thought the record should be clear about our views.

Mr. KERR. I accept the Senator's unconditional surrender, but I want to say to him that what I say is in no wise binding on the Senate. I have made a reasonable attempt, using the word which the Senator seeks to delete from the bill, to find a reasonable attitude on the part of reasonable Senators on the issue, based on reasonable implications derived from facts. I have urged my reasonable assumptions in which I have indulged in my statement.

Now I call the Senate's attention to the fact that we have two Senators in this great body from the State of Pennsylvania, one the distinguished senior Senator [Mr. MARTIN], and the other the distinguished and charming junior Senator [Mr. CLARK]. Could they resolve their differences, no one would be more happy to go along with their joint objective than would the Senator from Oklahoma; but when they stand on this issue like two mighty chargers ready to go in opposite directions, and the Senator from Oklahoma tries to hold them together down the legislative path, it reinforces my efforts to try to enable the Senate to arrive at a reasonable solution to the problem. In doing so I hope we shall be consistent by not stripping from the language of the bill the one word which made the greatest contribution to our being able to resolve the problem, and that is the word "reasonable."

I would that I were in a position to grant the request of the junior Senator from Pennsylvania, the junior Senator from Ohio, and the junior Senator from

Oregon; but I want to say to Senators this is not my project. I am sure the Senate would like to comply with the reasonable requests of both Senators from Pennsylvania, both Senators from Ohio, both Senators from New York, and the distinguished junior Senator from Oregon; but it is not ours to give. In the bill we deal with an asset of the sovereign State of New York, and that is the question in the main.

Now, by reason of a reservation in a treaty, there is an obligation upon the Congress. In 1950 a treaty between our Government and Canada with reference to a division of the waters of the Niagara River contained this provision:

> The United States on its part—

And I say this provision was placed in the treaty, as I remember, on the motion of the distinguished Senator from Vermont [Mr. AIKEN], and I think I voted for it—

> The United States on its part expressly reserves the right to provide, by act of Congress, for development, and for the public use and benefit, of the United States share of the waters of the Niagara River made available by the provisions of the treaty, and no project for redevelopment of the United States share of such waters shall be undertaken until it be specifically authorized by act of Congress.

That treaty places some responsibility upon the Congress, but I remind Senators we are dealing with an asset wholly within the boundaries of the State of New York. I wish to say that an appellate court a few weeks ago handed down a decision that that reservation in the treaty is ineffective and in reality in no way impairs the title of the State of New York to the asset. That decision, of course, will be appealed to the Supreme Court of the United States. I do not know what the Supreme Court decision will be. I want to say, great lawyer that I am, I have long ceased to predict what decision the Supreme Court will make. [Laughter.] But the decision is on appeal to that great Court. I recognize that in the meantime the Congress of the United States has the authority to deal with this asset, but I remind Senators we are not doing so on the basis of Uncle Sam's picking up the check.

Mr. CASE of South Dakota rose.

Mr. KERR. Did the Senator from South Dakota wish me to yield to him?

Mr. CASE of South Dakota. At the Senator's convenience.

Mr. KERR. I could think of no better time.

Mr. CASE of South Dakota. With reference to the Supreme Court and the proprietary interest of the State of New York, I bring to the attention of the Members of the Senate the so-called Niagara-Mohawk power appropriation decision, which was handed down on the 17th of March 1954, in which the Court said:

> The most significant issue raised by this case is whether the Federal Water Power Act of 1920 had abolished private proprietary rights existing under State law, to use waters of a navigable stream for power purposes. We agree with the court of appeals that it has not.

Mr. Alan S. Emory, writing in the Watertown Daily Times of March 16, 1954, said:

> Despite a 4-to-3 decision on the technical issue before the Court, all 7 Justices agreed on the 1 issue that concerned the Dewey administration. They were unanimous that New York had proprietary rights in Niagara River waters and any use of the water that the Niagara Mohawk Power Corp. might have resulted from a State grant and was limited to that grant.

In other words, in that Niagara Mohawk case of 1954——

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KERR. Mr. President, how much additional time does the Senator from Oklahoma have?

The PRESIDING OFFICER. The Senator from Oklahoma has no more time on the amendment, but he has 40 minutes remaining on the bill.

Mr. KERR. I yield myself 10 minutes on the bill.

Mr. CASE of South Dakota. In other words, in the Niagara Mohawk Power appropriation case, which involved the Federal Power Commission as petitioner, the Supreme Court recognized that New York had granted proprietary rights to an individual and it said those rights might not be disturbed.

Mr. KERR. In other words, the Supreme Court did that which amounted to validating the claim of New York to the title to the water?

Mr. CASE of South Dakota. Yes. If the Senator will indulge me for a moment longer, I should like to say to the Members of the Senate, that, as the Senator from Oklahoma has said, this is a matter which has been before the Senate for many years. In 1954 we had extended hearings on this subject. I hold in my hand copies of the hearings which were held at that time, when 4 or 5 different bills were before us. There were three principal bills. One bill was the so-called Miller-Capehart bill, which at that time had been passed by the House. The other was the so-called Lehman-Roosevelt bill. The Miller-Capehart bill proposed to turn the power development over to private power development. I say to my Republican colleagues that Governor Dewey at that time opposed it because the turning over of the power was to apply to specific companies as if they had been named in the bill.

At the other extreme was the so-called Lehman-Roosevelt bill, which proposed to have the Federal Government develop the project and put up the money for it.

After listening to the hearings and testimony taken at the time, I, as one who was far removed from Niagara, ventured to suggest a solution. I proposed a bill, S. 2599, which would have lifted the restriction in the treaty. In other words, it would have let the matter fall into the lap of the Federal Power Commission. This proposal was made by me because of my belief that the Federal Power Commission was established to license power development; that it had technicians to determine the proper details of a license; that, in addition, the Federal Power Act of 1920, as amended in 1936, set forth specific principles governing the operation and the protecting of the public interest, that the State of New York itself had a specific statute which set forth various provisions for the protection of the public and guaranteeing the use of power for the public benefit, particularly for rural consumers. So I was led to the conclusion that we should lift the restriction and let the granting of the license fall into the lap of the Federal Power Commission. We knew that if we did so the Federal Power Act provided that where a State was the applicant the State, other things being equal, should have priority. In other words, we knew at the time that if we lifted the restriction provided in the treaty reservation and the matter went to the Federal Power Commission, the result would be the approval of the license sought by the State of New York.

The committee members at that time were divided. I see the Senator from Florida [Mr. HOLLAND] is present in the Chamber. The Senator was a member of the committee at the time. He will remember that some persons strongly favored either private development or Federal power development. The only way in which we were able finally to get a common denominator at all was to report the bill which would lift the restriction and let the granting of the license fall into the hands of the Federal Power Commission, recognizing that they would give preference to the application of the State of New York.

At the time the bill was reported in 1954, the time consumed in the preparation of the reports caused the bill to reach the Senate so late in the session that it was not passed by the Senate.

I had no personal stake in the matter. I stood on the sidelines pretty much during the development of the bills this year. But I should like to say for the RECORD that the able Senator from Oklahoma [Mr. KERR] did venture to try to bring this long-delayed matter to a solution. It must be solved now, because nature has intervened since 1954. Some of the rock contiguous to Niagara Falls has fallen into the river. The private power companies have been deprived of the use of the proprietary license they had over a long period of time. As a result of the intervention of nature and the desire of reasonable men to come to a reasonable solution, the committee reported the bill which is now before the Senate.

The Senator from Oklahoma made a real contribution in melding the different points of view. The Senator has offered a bill which is substantially what would have been accomplished in 1954, except that now there is provided a special reservation of power, so that the preference customers not only in the State of New York but outside the State of New York will definitely be assured of some protection.

I think this bill offers a reasonable solution. It is substantially the solution we came to 3 years ago, when we went over the same ground. It is a better solution, in the fact that it provides a reservation of power for preference customers, and gives them some definite assurance over and above that provided in New York State law.

I think this is a good bill. I certainly hope it will be approved as reported by the committee.

Mr. CHAVEZ. Mr. President, will the Senator yield to me?

Mr. KERR. I yield to the Senator from New Mexico.

Mr. CHAVEZ. I should like to ask my friend, the Senator from South Dakota, is it not true that the members of the committee and of the subcommittee did not have any direct interest in the matter, but were only attempting to solve the problem as they understood it?

Mr. CASE of South Dakota. I think that is correct. I believe everybody approached the subject quite objectively.

Mr. CHAVEZ. That is correct. Without having any direct interest whatsoever, they were only trying to help solve the problem involved in the Niagara power situation.

Mr. CASE of South Dakota. I think that is true, as it relates to the interest of the national economy.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. KERR. I yield to the Senator from Florida.

Mr. HOLLAND. Mr. President, the distinguished Senator from South Dakota referred to the fact that the Senator from Florida was serving as a member of the Committee on Public Works in 1954 when this subject was formerly considered. I think the Senator may have forgotten to mention that there was a third bill pending before the committee at that time, known as the Ives bill, which was in its main provisions the same as the bill which we now have before us, which would have permitted the development of the power by the State of New York Power Authority.

I do wish to say, though, that I think the Senator from South Dakota made a very great contribution at that time, when it was apparent that a majority of the committee could not get together to support any one of the three bills pending before us.

The Senator from South Dakota, as he has said, suggested the bill which the committee finally reported, simply to permit the Federal Power Commission to assume full jurisdiction to handle the matter, just as they could other ordinary water power development matters.

I may say that while I joined the Senator in reporting that bill, I always favored the then Ives bill. I still favor the proposal in the present bill, because it seems to me that since the Federal Government has by special act of Congress or by action of the Federal Power Commission granted full power to several of the States to develop hydroelectric power within their boundaries—I am thinking particularly of the States of South Carolina, Oklahoma, and Nebraska—it is only reasonable, right, and fair that the same power should be given, as is given under the pending bill, with some small subtraction to the State of New York, to develop the power on the Niagara River under its own laws. I think it is peculiarly equitable that that be done, because the State of New York, without competition, was allowed authority from the Federal Power Commission——

The PRESIDING OFFICER. The time of the Senator has again expired.

Mr. HOLLAND. Will the Senator yield 2 more minutes?

Mr. KERR. I yield 2 more minutes on the bill.

Mr. IVES. Mr. President, will the Senator permit me to have 1 minute, so that I may ask a question of the Senator from Florida?

Mr. KERR. I will say to the distinguished Senators that the time on the amendment has expired, and the time on the bill will soon expire.

Mr. HOLLAND. Mr. President, I simply want briefly to develop my comment.

The PRESIDING OFFICER. Does the Senator from Oklahoma yield himself 2 more minutes, or does he yield 2 minutes to the Senator from Florida?

Mr. KERR. I yield myself 2 more minutes, and I now yield to the Senator from Florida.

Mr. HOLLAND. I thank the distinguished friend.

It seems to me the State of New York has been granted authority, and has proceeded to use such authority, to develop the St. Lawrence rapids power, which is not as economical power, where the power will not be as cheap and will not be as attractive for public or private use by people of all kinds and by all users in the State of New York, as power developed under this bill, so certainly the State should be allowed to develop this better location where power can be produced more cheaply, to be pooled with the more expensive St. Lawrence power, particularly since nature has intervened and made it impossible for the private-power developers to reinvest the funds which would be required to replace their collapsed powerplant in the brief time permitted them under their license.

I certainly hope the bill will pass. I compliment the Senator from Oklahoma for having brought the bill before the Senate, and having brought this matter to a head. I hope we will get this problem behind us, so that the people of New York may develop their power without added delay.

Mr. IVES. Mr. President, will the Senator yield?

Mr. KERR. Mr. President, I yield myself 5 more minutes on the bill, and I yield to the Senator from New York.

Mr. IVES. I will only take about 30 seconds.

I thank the distinguished Senator for his remarks. I desire to mention one thing which has bedeviled us, and that is that we have had, in the past, a distinct difference between the two Houses as to approach. Now we are united behind one bill.

Mr. HOLLAND. And the bill is substantially the same as the bill introduced by the distinguished senior Senator from New York several years ago.

Mr. IVES. It is substantially the same; the Senator is correct.

Mr. CARROLL. Mr. President, will the Senator from Oklahoma yield?

Mr. KERR. I will say to my friend, the Senator from Colorado, that a little later on, on another amendment, I will yield. I have very little time left on this matter. I wish to make a few remarks and save some time for discussion.

Mr. CARROLL. May I say to the distinguished Senator from Oklahoma that, if I can get the time, I want to make a record on this particular amendment.

Mr. CLARK. I will yield the Senator some time.

Mr. KERR. Will the Senator wait, permit me to hold the floor, and do that later?

Mr. CARROLL. I wanted to have some time to explain my position on this particular amendment.

Mr. KERR. If it is agreeable, the time can be yielded by the Senator from Pennsylvania.

The PRESIDING OFFICER. The Senator from Pennsylvania yields how much time to the Senator from Colorado?

Mr. CLARK. Is 3 minutes sufficient?

Mr. CARROLL. Yes.

Mr. CLARK. Shall I yield now, or later?

Mr. KERR. Now will be fine.

The PRESIDING OFFICER. The Senator from Colorado [Mr. CARROLL] is recognized for 3 minutes.

Mr. CARROLL. The distinguished and able chairman of the committee knows that I am with him on this bill, except for one amendment. Yet a certain question arises, and this would be a good time to make the record for the future.

It will be observed, on page 2 of the bill, in line 9, there is reference to 50 percent of the project power. In line 10 we find the language "shall give preference and priority to public bodies and nonprofit cooperatives within economic transmission distance."

Moving down to line 19, we find the following:

> The licensee shall make a reasonable portion of the project power subject to the preference provisions of paragraph (1) available for use within reasonable economic transmission distance in neighboring States, but this paragraph shall not be construed to require more than 20 percent of the project power subject to such preference provisions to be made available for use in such States.

We place a limitation upon the word "reasonable" appearing in line 19, by the "20 percent" appearing in line 23.

Was it not the intention of the committee that 20 percent of the 50 percent of power would be given to the neighboring States of Pennsylvania and Ohio? That is my understanding, and that is why I wish to make the record. Twenty percent was to be allocated to the neighboring States, was it not?

Mr. KERR. Is the Senator asking me that question?

Mr. CARROLL. Yes.

Mr. KERR. As I remember it—and the distinguished Presiding Officer at this time [Mr. COTTON] was present in the committee—the committee agreed and decided to allocate up to 20 percent of the one-half to which the Federal purpose clause was attached, for use in the neighboring States of Pennsylvania and Ohio. The Senator is eminently correct, in that that was the purpose of the committee, and that is what the committee did. That is the language of the bill.

Mr. CARROLL. Let me ask the Senator a further question. It is my understanding that in attempting to reach some sort of compromise, in order to get a bill to the floor of the Senate, as has been so ably expressed by the Senator from Oklahoma, the committee thought the figure should be 20 percent. I had a different idea. I thought it should be 25 percent. The distinguished chairman and other members of the subcommittee thought it should be 20 percent. We had in mind that at least 20 percent would go to the neighboring States.

This is the question I think we should have answered in the record: We have not placed the word "reasonable" in line 11. We do not say "within reasonable economic transmission distance" with reference to a public body.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KERR. Mr. President, I yield myself 5 minutes on the bill.

As the Senator from Colorado has said, we made 50 percent of the power to be generated available for application under the Federal purpose clause, within economical transmission distance of the project, and we set aside up to 20 percent of the one-half for neighboring States, within a reasonable transmission distance of the project.

There is great doubt, if this question should go to the Supreme Court without the Congress having acted, whether the validity of the reservation under which we act could be sustained.

Therefore we face the problem either of letting the Federal Power Commission grant the license under the Federal Power Act, or usurping that right and doing it ourselves, although the court may decide not only that the State has no sole use, but that the Congress did not even have the right to make the reservation which it made.

I ask each Senator, if this were a bill to authorize his State to pledge its credit and sell its bonds to develop a natural resource in his State, would he not feel that if the Congress of the United States said, after the State had done so, after it had sold its bonds and pledged its credit and put a lien upon an irreplaceable natural resource in order to develop it, that it would be necessary to make 20 percent of one-half of the power generated available to neighboring States for use in those States, the Congress had been generous enough with the assets of the State?

That is the feeling of the Senator from Oklahoma. We resolved the differences between two Republican Senators of New York and a Democratic governor. We resolved the differences between public power advocates and the private utilities. For the first time in the history of the Congress since I have been here, private utilities, and many of us who are as strong for public power as any other Members of this body, are in agreement.

I wish to thank the State of New York for its reasonableness in saying, "Although we think we could win the lawsuit, go to the Federal Power Commission, obtain the license to generate this power, and use every bit of it within our State, we are confronted with a great emergency." Where the private utility, which had a facility to generate about one-fourth of the power that can be generated from these falling waters, is located, rocks on the bank of the river crumbled and fell into the river, and the power users of 450,000 kilowatts now are having to buy power in Canada or transmit it for long distances, and will have to do so until Congress acts and the New York Power Authority builds this project.

In the light of that emergency, two Republican Senators and the Democratic governor, public power advocates, and private utilities have said, "Let us resolve this difference. New York will give up 20 percent of one-half this power for the use of its neighbors in order to resolve the difference and get action to meet the emergency."

Therefore I ask reasonable men to sustain the word "reasonable" in this bill and sustain the action of the committee and the action of the House, and vote down the pending amendment.

Mr. CLARK. Mr. President, am I correct in assuming that I have 24 minutes remaining?

The PRESIDING OFFICER. The Senator is correct.

Mr. CLARK. I yield myself 7 minutes, and I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. CLARK. Mr. President, for the benefit of my colleagues who came to the Chamber after the debate started, I should like to say briefly just what these amendments are about.

The pending amendment, which is to strike the word "reasonable"—and I shall come to that later—is for the purpose of making it abundantly clear that Pennsylvania and Ohio can get as much power as they can prove is within economic transmission distance from Niagara Falls. No one sponsoring the amendment claims that an emergency does not exist. None of us will vote against the bill. We agree the bill should pass. We merely contend that the bill as at present drawn is unfair to Ohio and Pennsylvania.

I should like briefly to rebut some of the arguments which have been made by distinguished Senators on the other side of the aisle and by some distinguished Senators on this side of the aisle also. In the first place, I do not think my colleagues will agree that the New York Power Authority can sell revenue bonds if they give Pennsylvania and Ohio the right to take only 10 percent of the power, but cannot sell such bonds if they give Pennsylvania and Ohio the right to take 20 percent of the power. That makes no sense to me, particularly in view of the fact that in the St. Lawrence project the authority in charge of it has already given Vermont 13 percent of the power, which is more than New York is willing to give us, conditioned on our ability to prove that we are within economic transmission distance.

The bond issue has nothing to do with the case. They are not to be bonds pledging the credit of the State of New York. They are revenue bonds, just like the St. Lawrence bonds, which were sold without any trouble as these bonds can be sold, too.

I should like to point out to my distinguished friend from South Dakota that the law is as clear as a bell and is admitted by counsel from the New York Power Authority. I quote from page 127 of the hearings, from the testimony of Mr. Moore, counsel for the New York Power Authority:

> There is no dispute here at all that the Federal Government has paramount rights over those of the State of New York which the Federal Government derives from the commerce clause of the Constitution of the United States.

I could read much more of the testimony, but that one terse sentence disposes of the suggestion made by some of my distinguished colleagues that New York has any paramount rights under any Supreme Court case or by virtue of any other fact. Counsel for the New York Power Authority admits that we have every right to use the power within economic transmission distance.

I hope the Senate will discard both the question of law and of the salability of the bonds. They have nothing to do with the case.

I turn with some reluctance to the argument made by the distinguished senior Senator from Pennsylvania [Mr. MARTIN], for whom I have the greatest respect and affection, who has shown nothing but kindness to me, and with whom I have been in the closest of harmony on the mutual problems of our State. It is unfortunate that the senior Senator from Pennsylvania and the junior Senator from Pennsylvania should differ on a matter of political philosophy. I respect him for his views, as I know he respects me for mine.

The senior Senator from Pennsylvania said that if the amendment were adopted the miners of Pennsylvania would lose $700,000 a year, and perhaps $1 million, in wages, and that the railroads would lose $2,500,000 in freight revenue because the electric power would displace the coal which is now being used.

In answer to that argument, I should like to say that not 1 cent of wages and not 1 cent of freight revenue would be lost to any miner or railroad in Pennsylvania or anywhere else if the amendment should be adopted. Why? Because for every kilowatt of power which would come from the Niagara project to Pennsylvania to replace the more expensive power now being generated from coal, the State of New York, which does not mine coal, would have to buy coal from Pennsylvania, and the railroads would make more money because they would have longer hauls.

Therefore, I hope none of my colleagues will feel that the miners of Pennsylvania or that the railroads would derive anything but benefit from the amendment we propose.

It is fairly clear that the argument about 150 miles being the limit within which it is possible to transmit power is completely and utterly untenable. The New York Power Authority proposes to hook up St. Lawrence and Niagara in one system. They are 300 miles from each other.

The authority is now planning to transmit power from Niagara to Brattleboro, Vt., a distance of more than 225 miles as the powerlines run.

It is a more sophisticated problem than that. We are not going to build any transmission lines. There is not going to be any high cost involved in the building of a great many new lines. The lines are already built. Under the grid system, the power will be wheeled along existing lines, and the transmission cost itself will be negligible.

Qualified engineers have testified—and all we ask is the opportunity to sustain their position before the Federal Power Commission—that the power can be transmitted 300 miles from Niagara cheaper than the Pennsylvania and Ohio REA's and municipalities can now buy power.

We do not ask Senators to accept our views on that point. All we ask is an opportunity to prove it before the Federal Power Commission. We know we cannot prove it before Mr. Moses. I share the high views which have been expressed of Mr. Moses by the Senator from Oklahoma and other Senators——

The PRESIDING OFFICER. The time of the Senator from Pennsylvania has expired.

Mr. CLARK. Mr. President, I yield myself 3 additional minutes.

Mr. Moses has a closed mind on this subject. He is a private power advocate. He does not want any of the power to go outside New York, if he can hold on to it. I do not criticize him for his stand. Nevertheless, the power can be transmitted cheaper than we are now getting our power generated, and can be brought to many an area in Pennsylvania and Ohio well beyond the 150-mile limit. We do not ask for that. All we ask is that we be given our fair share of the power within the 150-mile area, where we are now taking 40 percent of the public power. New York State wants to give us only 20 percent. All we ask is that our REA's and municipal systems be given a chance to grow, as we want the New York co-ops and public systems to grow.

I should like to say to my friend from Ohio and to my friend from New York that the city of Cleveland is not inside the 150-mile area. We are asking for our fair share exclusive of the city of Cleveland.

Mr. President, I come finally to the reason why we are striking the word "reasonable" from the bill. As I said, nothing is harder than to persuade reasonable men to strike the word "reasonable" from the bill. But, as the Senator from Colorado [Mr. CARROLL] made abundantly clear and plain, the difficulty is that the use of the word "reasonable" introduces a new element of doubt and uncertainty, which will make it possible to argue—and I am sure that Mr. Moses will argue most convincingly—that we meant to change the definition of "economic transmission distance" by inserting the word "reasonable." There is the real danger, in my judgment as a lawyer, if that word remains in the bill.

Mr. President, in conclusion, I should like to say that our figures are accurate. Our figures are sound. The amendments do nothing more than simple, minimum justice to the Commonwealth of Pennsylvania and the State of Ohio.

If the pending amendment is adopted, we will propose another amendment to raise our percentage from 10 percent of the total project power to 20 percent; that is, from 20 percent of the power reserved for public power to 40 percent of that power. That is the share we are now using. We think it is only fair and just. I hope very much that our colleagues in the Senate will agree with us.

I yield as much time as he may require to the distinguished Senator from Ohio.

Mr. LAUSCHE. Mr. President, at the very beginning I wish to express commendation of the junior Senator from Pennsylvania for the fervor and clarity with which he has presented his cause. Lightness has been the treatment which has been accorded to the unexplained insertion into the bill of the word "reasonable." I wish I could dispose of it in that same light vein.

If the word "reasonable", is so innocuous as it has been pretended to be tonight, I submit the question: Why was it deemed of such importance that it should be used to preface the commonly accepted language in preparing bills of this type? May I ask who concocted and devised the idea that in the bill the word "reasonable" should be prefixed to the normal language "economic transmission distance"?

If Senators will listen to me for a moment, I will try to give them an explanation. I asked the Senator from Oklahoma [Mr. KERR] the other day, after he had told me that the word "reasonable" did not change the meaning of the language, "Why not strike it from the bill?" I repeat my question.

The argument was made that "reasonable" neither added to nor detracted from the meaning of "economic transmission distance." I submit, in calm and objective judgment, that if it means nothing, then it ought not to be in the bill. If it means something, then it ought to stay in the bill. Who will interpret what it means? What is expected to be the interpretation of that word?

I asked the question, Do the proponents of the word "reasonable" think that it means something different? The answer was, "I do not know."

I again commend the junior Senator from Pennsylvania for making the fight he has made. He has had a most formidable opponent. If ability to present the cause means victory, then, though undeservedly, he will go down to defeat. But I assume that in the Senate the ability to make the presentation does not stamp as right the cause of him who is most eloquent, and as wrong the cause of him who is incapable in the same superlative degree of presenting his cause.

I ask the question, Why was the word "reasonable" prefixed to the normal language used in bills of this type? Is it possible that the dynamic, electrifying director of the New York Power Authority was attempting to create a situation under which, in the courts, he could defeat the allocation of the 10 percent made in the bill?

Let us look at the language used by Congress in previous bills passed on this subject.

In the Bonneville Power Act, we read:

> It is declared to be the policy of the Congress, as expressed in this chapter, to preserve the said preferential status of the public bodies and cooperatives herein referred to, and to give to the people of the States, within economic transmission distance of the Bonneville project.

To the distinguished Senators whose States are being served by the Tennessee Valley Authority, I point out that the language used in the Tennessee Valley Authority Act states that preferential service shall be given to "the States, counties, and municipalities within economic transmission distance."

So again I put the question, Why was the word "reasonable" prefixed to this commonly accepted wordage?

The argument has been made that leniency and mercy are being shown to the States of Pennsylvania and Ohio in the allocation of 20 percent of the 50 percent of the 1,800,000 kilowatts of power which will be generated. In response to that argument, I call attention to the fact that former Senator Lehman's bill contained no such provisions as are contained in this bill.

I shall read the language contained in the order issued by the Federal Power Commission with regard to the St. Lawrence project. The Federal Power Commission said that the St. Lawrence project was in a regional area; that the waters therein belonged to the people of the region; and that, therefore, Vermont and the other States within economic distance should be served with the power.

We submit that the same situation prevails with respect to the Niagara power project. To be specific, one of the 25 orders issued by the Federal Power Commission directed the Power Authority to make a reasonable portion of the power output available for use within the economic area in the neighboring States. The order was based on a finding that the project was a national resource of the entire northeastern region of the United States, and therefore its output should be made available on an equitable basis to consumers within economic transmission distance.

The members of the Senate Committee on Public Works last year made this statement:

> The Niagara project would utilize waters of a navigable stream forming our international boundary with Canada and is thus within the jurisdiction of the Federal Government. Its use for hydroelectric development is the subject of a treaty. Its waters are the property of all the people of the Nation.

My point is that the waters which will generate the power at Niagara are the property of the people who live in the nine States which are within the basin from which the water will flow.

We concede that New York has done a magnificent job in furthering this project. We want it to go forward. But over and above the money which will be invested, there are the rights of the people of the nine States, including those of the people within the State of Ohio. We are entitled to a fair share of the

power which will be generated. We are asking that there be given to us only the proportion of the public power which is now being generated and sold by municipalities and rural electrification agencies. I respectfully submit that Ohio is entitled to that allocation on the basis of the precedents established and followed by Congress.

The State of Ohio will survive, regardless of what is done here. We will generate our power, and we will be able to sell it and have it bought. But I humbly and respectfully submit to my colleagues that New York, in this instance, should not be dealt with preferentially. Why should the rules be changed in the middle of the game? If in the Lehman bill the provisions which we are now urging were acceptable, why are they not acceptable now?

When the language which is generally incorporated in these bills is "economic transmission distance," why is it being changed now to "reasonable economic transmission distance"?

If heretofore the theory has been that the people who live in a water basin shall all be allowed to participate in the power generated, why should it not be that way now? That is our case. I submit it on that basis.

I further desire to say that I am not one of the fervent believers in public power. But inasmuch as this is to be a public-power project, my judgment is that Pennsylvania and Ohio ought to get their fair share of the power, without a crippling word which might deprive them even of the 10 percent.

Mr. CLARK. Mr. President, I yield back the remainder of the time under my control; and at this time I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CLARK. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment of the Senator from Pennsylvania [Mr. CLARK]. All remaining time available on the amendment has been yielded back.

On this question, the yeas and nays have been ordered.

Mr. JAVITS. Mr. President, I ask that the amendment be stated.

The PRESIDING OFFICER. The amendment of the Senator from Pennsylvania will be stated.

The LEGISLATIVE CLERK. On page 2, in line 21, it is proposed to strike out the word "reasonable."

The PRESIDING OFFICER. On this question, the yeas and nays have been ordered; and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Mississippi [Mr. EASTLAND], the Senator from Delaware [Mr. FREAR], the Senator from Tennessee [Mr. GORE], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Montana [Mr. MURRAY], the Senator from West Virginia [Mr. NEELY], and the Senator from Rhode Island [Mr. PASTORE] are absent on official business.

The Senator from Arkansas [Mr. FULBRIGHT] is absent because of illness.

The Senator from Missouri [Mr. HENNINGS] is absent by leave of the Senate because of illness.

On this vote, the Senator from Virginia [Mr. BYRD] is paired with the Senator from Delaware [Mr. FREAR].

If present and voting the Senator from Virginia would vote "yea" and the Senator from Delaware would vote "nay."

I further announce, if present and voting, the Senator from Missouri [Mr. HENNINGS], the Senator from Montana [Mr. MURRAY], and the Senator from West Virginia [Mr. NEELY] would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from Nevada [Mr. MALONE] is necessarily absent.

The Senator from New Hampshire [Mr. BRIDGES] and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate, in order to represent the Senate at the Latin American Economic Conference in Buenos Aires.

The Senator from South Dakota [Mr. MUNDT] is absent on official business.

The Senator from Arizona [Mr. GOLDWATER] and the Senator from West Virgina [Mr. REVERCOMB] are detained on official business.

If present and voting, the Senator from South Dakota [Mr. MUNDT] and the Senator from Maine [Mr. PAYNE] would each vote "nay."

The result was announced—yeas 30, nays 48, as follows:

YEAS—30

Carroll	Johnston, S. C.	O'Mahoney
Church	Kefauver	Robertson
Clark	Langer	Russell
Douglas	Lausche	Sparkman
Ervin	Long	Stennis
Green	Magnuson	Symington
Hayden	Mansfield	Talmadge
Hill	McClellan	Thurmond
Humphrey	Morse	Yarborough
Jackson	Neuberger	Young

NAYS—48

Aiken	Curtis	Martin, Pa.
Allott	Dirksen	McNamara
Anderson	Dworshak	Monroney
Barrett	Ellender	Morton
Beall	Flanders	Potter
Bennett	Hickenlooper	Purtell
Bible	Holland	Saltonstall
Bricker	Hruska	Schoeppel
Bush	Ives	Scott
Butler	Javits	Smathers
Carlson	Jenner	Smith, Maine
Case, N. J.	Johnson, Tex.	Smith, N. J.
Case, S. Dak.	Kerr	Thye
Chavez	Knowland	Watkins
Cooper	Kuchel	Wiley
Cotton	Martin, Iowa	Williams

NOT VOTING—17

Bridges	Goldwater	Murray
Byrd	Gore	Neely
Capehart	Hennings	Pastore
Eastland	Kennedy	Payne
Frear	Malone	Revercomb
Fulbright	Mundt	

So the amendment offered by Mr. CLARK for himself and other Senators was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. CLARK. Mr. President, I call up my amendment identified as "7–2–57–C," offered on behalf of myself, the junior Senator from Ohio [Mr. LAUSCHE], and the junior Senator from Oregon [Mr. NEUBERGER], and ask that it be read by the clerk.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. It is proposed on page 2, line 25, to insert the word "total" before "project power," and to strike out "subject to such preference provisions."

The PRESIDING OFFICER. The Senator has 15 minutes. How much time does he yield to himself?

Mr. CLARK. I yield myself so much of 5 minutes as I shall use.

The purpose of the amendment is to double the ceiling on the power which would be available to Ohio and Pennsylvania, if we can prove that we are able to utilize it within reasonable economic transmission distance. The burden is on us in Ohio and Pennsylvania to prove that we can take this power at a cheaper cost than we are presently buying or generating our own power.

If the amendment should be agreed to, I say to my colleagues that Pennsylvania and Ohio would then have an opportunity to prove to the satisfaction of the Federal Power Commission that we could use economically the same percentage of the public power which we are now using within the 150-mile area which our friends from New York say is as far as power can be economically transmitted—which is roughly 40 percent for Pennsylvania and Ohio, and 60 percent for New York.

We could have asked for much more than that on the basis of a radius of 200, 250, or 300 miles. We want to be reasonable. All we ask is to be allowed to grow together with the public power agencies in the State of New York. We want to maintain the status quo.

Without further ado, because I know it is late, and I do not desire to detain my colleagues, I rest my case on the fact that justice and equity to Pennsylvania and Ohio require that they be given the same percentage of public power which those States are now using.

Mr. President, unless Senators desire me to yield them time, I am prepared to yield back the remainder of my time.

Mr. MORTON. Mr. President, will the Senator yield?

Mr. CLARK. I yield to the Senator from Kentucky.

Mr. MORTON. Cannot the people in Pennsylvania do what we in Kentucky do—generate power from coal, which is cheaper than water power?

Mr. CLARK. If we could do so more economically, we would not be able to prove our right to one kilowatt of Niagara power, because we must prove that we can get our power cheaper from Niagara than we can from coal.

Mr. MORTON. We had better ship the people of Pennsylvania some Kentucky coal.

Mr. KERR. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator is recognized for 3 minutes.

Mr. KERR. I remind Senators the purpose of the amendment is to give the States of Ohio and Pennsylvania a call

on nearly 20 percent of the power to be developed by projects which will be financed by the State of New York, on the credit of the State of New York, and operated by the State of New York.

If any Senator feels, if his State was going to build a power-generating facility within its boundaries, using water over which his State claims sovereignty, he would then want to give a call on 20 percent of that power to users in other States, I think he should vote for the amendment. But remember, Mr. President, this is a power project to be built by the power authority of the State of New York, utilizing water over which the State of New York claims sovereignty, and which claim has been dignified by at least one confirmatory decision by the Supreme Court. The State of New York is going to sell bonds on its credit. New York, in my judgment, has been more than generous in agreeing to give to neighboring States 20 percent of half of the power to which we have attached the Federal preference clause. But to me it goes beyond the realm and scope of reasonableness to expect the great State of New York to do this job, to build this project, to finance its cost, to bond itself with the repayment of what it is going to cost, and then be compelled to give 20 percent of the total to consumers in other States.

I believe reasonable Senators will vote the amendment down.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER (Mr. TALMADGE in the chair). Does the Senator from Oklahoma yield back the time remaining to him?

Mr. KERR. I yield back the time remaining to me.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Pennsylvania, for himself and other Senators, on page 2, line 25.

The amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. CARROLL. Mr. President, I have an amendment on page 2, line 23, to strike out the numeral "20" and insert in lieu thereof the numeral "25."

The PRESIDING OFFICER. The amendment of the Senator from Colorado will be stated.

The CHIEF CLERK. It is proposed on page 2, in line 23, to strike out the numeral "20" and insert in lieu thereof the numeral "25."

The PRESIDING OFFICER. How much time does the Senator from Colorado yield to himself?

Mr. CARROLL. About 3 minutes.

The PRESIDING OFFICER. The Senator from Colorado is recognized for 3 minutes.

Mr. CARROLL. Mr. President, the amendment is very important to both the State of Pennsylvania and the State of Ohio. The amendment just offered, and which was rejected, I thought was too strong. I voted against it. I am a member of the Flood Control Subcommittee of the Public Works Committee. I told the subcommittee chairman when we were marking up the bill I was going to offer the amendment.

The bill provides for only 20 percent. It is my recollection that the subcommittee agreed that Pennsylvania and Ohio were to get 20 percent of the 50 percent, or 180,000 kilowatts. My amendment would provide 5 percent more, or 225,000 kilowatts.

Mr. President, this is a compromise. In the case of the St. Lawrence project, a license was issued by the Federal Power Commission. The State of Vermont got 13.6 percent of 750,000 kilowatts. Under my amendment, the State of Ohio and the State of Pennsylvania, if they could come within the definition of economic transmission distance, would get 225,000 kilowatts. Out of how much? One million eight hundred thousand kilowatts.

I urge an additional 5 percent, because the people of New York have been fair. The figure of 15 percent was offered in the subcommittee by the New York representatives. The chairman said, "Let us raise it to 20 percent." I said, "Let us go one step further and raise it to 25 percent."

It seems to me this amendment is in the nature of a compromise. Wonderful work has been done by the distinguished Senator from Pennsylvania and the distinguished Senator from Ohio. By equity and compromise we derive a standard. There is a basis for such action.

What have we done? The pending bill may be interpreted as giving Pennsylvania and Ohio 20 percent. If we adopt this amendment will they receive 25 percent? Not necessarily. Why? Because it is up to the Federal Power Commission to determine what reasonable transmission means. I think on that question there will be a great deal of litigation.

That is the reason I voted against my own committee in relation to use of the term "economic transmission distance." I do not know how much Pennsylvania and Ohio will get, but I sat as a member of the committee and I talked with the REA Co-op representatives from Pennsylvania and from Ohio, and I know how much they need.

We, in Colorado, have no direct interest in this matter. The chairman of the subcommittee has done a magnificent job on the bill. I ask only that the preference customers in Pennsylvania and Ohio be given this extra 5 percent of power, and that my amendment be agreed to.

Mr. KERR. Mr. President, I yield myself 1 minute.

The same argument I tried to make with reference to the other amendment, which the Senate voted down, applies to this amendment, with the additional fact that, as I recall—and I would want my good friend, the Senator from Colorado, for whom I have the greatest respect and affection, to correct me if I am in error—the Senator offered the amendment in the committee, and I believe it was defeated by a vote of 11 to 2.

Mr. CARROLL. The Senator is correct in that statement.

Mr. KERR. The figure in the bill is a compromise. As I said, the ranking Republican on the committee was the great senior Senator from Pennsylvania, and he did not want any of the power to come into Pennsylvania. We worked out the bill on the compromise basis of the 20 percent of the one-half.

I hope the Senate will approve the bill as it is. I ask the Senate to reject the amendment.

I yield back the remainder of my time.

The PRESIDING OFFICER. Does the Senator from Colorado yield back the time remaining to him?

Mr. CARROLL. I yield back the time remaining to me.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Colorado [Mr. CARROLL].

The amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. CLARK. Mr. President, I call up my last amendment, and I shall not detain my colleagues long. The amendment is 8–9–57–A. I ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 2, line 19, it is proposed to strike out "reasonable" and on page 3, line 1, to change the period to a comma and add:

Nor shall it be construed to permit less than that amount if the preference customers within economic transmission distance in neighboring States demonstrate their ability to utilize the power requested.

Mr. CLARK. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized for 3 minutes.

Mr. CLARK. Mr. President, the purpose of the amendment is to put a floor as well as a ceiling on the amount of power which Pennsylvania and Ohio can prove to the Federal Power Commission they can use within the reasonable economic transmission distance.

I should like to make it very clear that I have given up on the word "reasonable," which remains in the bill under this amendment. Although we are striking one word "reasonable," it is not the key word and it is a word necessary to be stricken to give the amendment effect. It has no basic significance.

If this amendment were to be adopted, the result would simply be that if we could show we could use 20 percent of the project power set aside for public power under the preference clause we would not be short-changed by getting less. It seems to us unfair to impose a ceiling and not give us the benefit of a floor. Therefore, I hope very much my colleagues will see fit to let this run both ways, not merely against us, and to give us at least a guaranty of the 180,000 kilowatts.

Mr. President, at the request of the Senator from Ohio [Mr. LAUSCHE], I shall read the amendment again.

On page 2, line 19, it is proposed to strike out the word "reasonable." I say again that this is not the same "reasonable" we were talking about earlier. It has no significance.

The key words would be added on page 3, line 1:

Nor shall it be construed to permit less than that amount—

Twenty percent of the 50 percent—

If the preference customers within economic transmission distance in neighboring States demonstrate their ability to utilize the power requested.

The purpose of the amendment is to impose a floor as well as a ceiling.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. Does the Senator from Oklahoma desire recognition?

Mr. KERR. Mr. President, I yield myself 1 minute.

I believe, Mr. President, it will be just as unreasonable to strike out the word "reasonable" in this line as it would have been to have stricken out the word "reasonable" in another line.

It is our belief in the committee, and my personal belief, that the bill should be reasonable and that the objective is helped to be attained by keeping this language.

I know the Senator does not want to confuse the bill by the provision he seeks to add, which would only result in throwing it into conference with the House and perhaps unduly delaying passage of the proposed legislation.

I hope this amendment will likewise be rejected.

The PRESIDING OFFICER. Does the Senator from Oklahoma yield back the remainder of his time?

Mr. KERR. I yield back the time remaining to me, Mr. President.

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield back the remainder of his time?

Mr. CLARK. I do, Mr. President.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Pennsylvania [Mr. CLARK] for himself and other Senators.

The amendment was rejected.

Mr. MARTIN of Pennsylvania. Mr. President, I call up my amendment 7-1-57-D.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 2, lines 21 and 22, it is proposed to strike out "within reasonable economic transmission distance in neighboring States" and to insert in lieu thereof the following:

In neighboring States, and in determining such portion shall give consideration to economic marketing area, economic transmission distance, and the number of potential rural and domestic consumers to whom the power can economically be made available.

Mr. MARTIN of Pennsylvania. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized for 5 minutes.

Mr. MARTIN of Pennsylvania. Mr. President, may I have the attention of the senior Senator from Oklahoma [Mr. KERR]?

Mr. KERR. I beg the Senator's pardon.

Mr. MARTIN of Pennsylvania. I should like to have the Senator's attention for a moment.

Mr. President, I think this is one of the most important measures we have considered in many years. As has been stated several times, I was personally opposed to the creation of any separate authority, either Federal or State, to produce power at Niagara Falls. However, the serious catastrophe, occasioned by the rocks falling and the bank caving in occurred and the people of that section of the United States need additional power, and need it badly.

I am hoping the Senate will pass the bill tonight.

Mr. KERR. Mr. President, will the Senator yield?

Mr. MARTIN of Pennsylvania. I yield.

Mr. KERR. I have read the language of the Senator's amendment very carefully. I wonder if the Senator does not conceive the probability that the elements which he sets forth in his amendment would not be given due consideration by the Federal Power Commission in the eventuality that the bill becomes a law and the public Power Authority of the State of New York secures the license, especially in view of the language on page 3 of the House bill, in line 2, wherein it is stated:

In the event of disagreement between the licensee and the power-marketing agencies of any such States—

That would mean the States of Ohio and Pennsylvania.

Mr. MARTIN of Pennsylvania. And the Power Authority of New York.

Mr. KERR. It would be a party to the transaction.

Mr. MARTIN of Pennsylvania. Yes. It would be a party to the transaction.

Mr. KERR. The language is:

In the event of disagreement between the licensee and the power-marketing agencies of any such States, the Federal Power Commission may, after public hearings, determine and fix the applicable portion of power to be made available and the terms applicable thereto.

Mr. MARTIN of Pennsylvania. I very much appreciate the reference made by the distinguished chairman of the subcommittee of the Public Works Committee. I simply propose to add a qualification to the term "economic transmission distance." I should like to ask the distinguished chairman whether it would not be reasonable to take into consideration the economic marketing area in determining "such portion."

I wish to be reasonable to both sides. The Power Authority of New York has a very important part in this operation, and the Commonwealth of Pennsylvania has an important part. So does the State of Ohio.

I wonder if it would not be reasonable for the power authority to give consideration to the factor of the sound economic marketing area. Should not that be one of the considerations, in addition to the economic transmission distance?

Mr. KERR. I will say to my good friend from Pennsylvania that, as he recalls, in the consideration of the bill some of the matters included in his amendment were discussed by the committee in its deliberations. We felt that we were making provision for the settlement of any dispute which might arise by designating the Federal Power Commission as the agency to determine the question in the event of disagreement. In order to expedite the handling of the case, I believe it was the suggestion of the Senator from Oklahoma that the word "reasonable" be inserted in connection with the term "economic transmission distance."

Let me say to the distinguished Senator from Pennsylvania that I am not in a position to commit the Federal Power Commission, nor am I in a position to limit it. It seems to me that it would be entirely possible that the very elements which the Senator seeks to place in the bill by language would be among those which the Federal Power Commission could certainly take into consideration, in the event that there should be a disagreement between the licensee and the power marketing agencies of any such State, and the case was before the Federal Power Commission to be resolved.

Mr. JAVITS. Mr. President, will the Senator yield to me?

Mr. MARTIN of Pennsylvania. I yield.

Mr. JAVITS. The Federal Power Commission has shown its policy in the license given for the St. Lawrence project. The policy is expressed in the St. Lawrence license as follows:

The licensee shall make a reasonable portion of the power capacity and a reasonable portion of the power output available for use within the economic market area in neighboring States—and shall cooperate with agencies in such States to insure compliance with this requirement.

The Federal Power Commission itself has exactly the policy which is being spelled out by the Senator from Pennsylvania.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. MARTIN of Pennsylvania. I yield.

Mr. AIKEN. I think the New York Power Authority would be unable to sign a contract with any authorized agency in another State unless that agency agreed to give the rural and domestic users of such State first chance at the power, and to take it to them at cost.

Mr. JAVITS. That is exactly correct. That is the policy expressed in so many words in the Power Authority Act of the State of New York, upon which I myself rendered an opinion as attorney general.

Mr. MARTIN of Pennsylvania. Mr. President, I greatly appreciate the comments of the Senator from New York, the Senator from Vermont, and the Senator from Oklahoma. I desired some comment on this question, because I have been very much worried as to whether there might be a misunderstanding, and I am asking these questions for clarification more than anything else.

I feel satisfied with the explanations which have been made. I believe that it will be possible to enter into these agreements without undue delay and controversy, and I therefore withdraw my amendment.

The PRESIDING OFFICER. The amendment offered by the Senator from Pennsylvania is withdrawn.

Mr. KERR. I thank the Senator from Pennsylvania for his consideration.

The PRESIDING OFFICER. The bill is open to amendment. If there be no further amendment to be proposed, the question is on the third reading of the bill.

The bill (H. R. 8643) was ordered to a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

On this question the proponents have 23 minutes, and the opponents 60 minutes.

Mr. JOHNSON of Texas. Mr. President, I am prepared to yield back the remainder of my time, on condition that the minority leader will do likewise.

Mr. KNOWLAND. Unless there is a request for time, I am prepared to yield back the remainder of time on our side.

Mr. JOHNSON of Texas. Does the Senator from New York desire the yeas and nays?

Mr. IVES. I do not believe it is necessary to ask for the yeas and nays on the passage of the bill. I think the sentiment is overwhelming in favor of it.

Mr. KNOWLAND. I am prepared to yield back the remainder of my time.

Mr. JOHNSON of Texas. I yield back the remainder of the time on our side.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (H. R. 8643) was passed.

Mr. JOHNSON of Texas. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. KNOWLAND. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT OF FEDERAL EMPLOYEES' GROUP LIFE INSURANCE ACT OF 1954

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 709, Senate bill 2127.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2127) to amend section 3 (d) of the Federal Employees' Group Life Insurance Act of 1954 relating to the reduction in amounts of insurance of persons over the age of 65.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas [Mr. JOHNSON].

The motion was agreed to, and the Senate proceeded to consider the bill, which had been reported from the Committee on Post Office and Civil Service with an amendment, on page 2, after line 2, to insert:

SEC. 2. The amendment made by this act shall take effect as of August 17, 1954, except that it shall not be applicable in any case in which the employee's death or retirement occurred prior to the date of enactment of this act.

So as to make the bill read:

Be it enacted, etc., That so much of section 3 (d) of the Federal Employees' Group Life Insurance Act of 1954, as amended, as precedes the proviso, is amended to read as follows:

"(d) Each of such amounts of insurance shall be reduced by 1 percent thereof at the end of each full calendar month following the date the employee attains age 65, subject to minimum amounts prescribed by the Commission, but not less than 50 percent of the insurance in force immediately preceding the first reduction provided herein."

SEC. 2. The amendment made by this act shall take effect as of August 17, 1954, except that it shall not be applicable in any case in which the employee's death or retirement occurred prior to the date of enactment of this act.

PROGRAM FOR TOMORROW

Mr. JOHNSON of Texas. Mr. President, I should like to announce the schedule for tomorrow.

We expect to consider Calendar No. 709, Senate bill 2127, a bill to amend the Federal Employees' Life Insurance Act. We understand that it is not a very controversial bill, and that its consideration will require only a short time.

Next, we expect to take up Calendar No. 792, House Joint Resolution 426, amending a joint resolution making temporary appropriations for the fiscal year 1958, and for other purposes.

Following that, we shall proceed to the consideration of the conference report on the Public Works appropriation bill.

Then the Senate will consider the conference report on the foreign-aid-authorization bill, or the so-called mutual-security-authorization bill.

Then we will proceed to the consideration of the nominations on the Executive Calendar, of Mr. Jerome Kuykendall, to be a member of the Federal Power Commission, and of Mr. Don Paarlberg, to be an Assistant Secretary of Agriculture and member of the Board of Directors of the Commodity Credit Corporation.

There may be some other bills to go on the agenda for tomorrow. If so, I shall announce them as soon as I have the information.

THE CIVIL-RIGHTS BILL

Mr. CHURCH. Mr. President, I ask unanimous consent to have printed in the RECORD a letter to the editor of the New York Times, dated August 12, 1957. The letter was written by the very distinguished Royall professor of law at Harvard Law School, Dr. Paul Freund. Professor Freund's learning and insight in the field of administrative and constitutional law are well know to every student of our legal system. His cogent arguments to the effect that the civil-rights bill, as passed by the Senate, is workable, that the fears of those who foresee chaos and ineffective enforcement are groundless, and that our action on the bill marked a significant step forward in the painful story of civil rights, should be compelling to everyone who reads them. I respectfully recommend this letter to every Member of the Senate, to our friends in the House, and to the President and his advisers.

There being no objection, the letter to the editor was ordered to be printed in the RECORD, as follows:

FOR THE SENATE RIGHTS BILL: COMPROMISE ON CONTEMPT CITATIONS BELIEVED TO REPRESENT GAINS

(The writer of the following letter, an authority on the U. S. Supreme Court, has served in the Department of Justice. He is Royall professor of law at Harvard University.)

To the EDITOR OF THE NEW YORK TIMES:

As one of those who have maintained that there is no constitutional right to a jury trial in contempt cases, may I now urge that the Senate compromise, drawing a line between civil and criminal contempt, be accepted if limited to voting cases.

The point of view expressed in some quarters that it would be better to let the legislation go by default exaggerates the limitations of civil contempt and underrates the resourcefulness of the judicial process.

It is argued that an order requiring registration of voters could not be enforced by civil contempt once the voting day has passed, since compliance would then have become moot. But there is no reason why an order for registration need be limited in the first place to a particular election; certainly this is so where the usual long-term or permanent system of registration prevails.

CONTINUITY OF ORDER

It is said that a registrar who is sentenced to jail until he obeys can avoid the force of this civil-contempt decree by resigning. Apart from the dubious assumption that public officeholders are so lightly attached to their jobs, there is no reason why an injunction order cannot run from the beginning against a registrar and his successors, each of whom would then be faced with civil-contempt sanctions for disobedience.

It is contended that an injunction negative in form, for example, one ordering the defendants to cease and desist from intimidation or acts of violence, cannot provide the basis for civil contempt, since if the defendants were imprisoned there is no definite act which would suffice to purge them of their contempt. But in lieu of imprisonment they could be required in civil contempt to give a bond which would be forfeited if they renewed their threats or violence.

No doubt in some cases the civil-contempt remedy m..y be impractical. But to write off the bill for this reason is to make a double assumption: that a judge's order will not be obeyed without some form of contempt proceedings and that a jury in criminal contempt will be sure to acquit.

SUPPORT FOR ENFORCEMENT

Before yielding to these assumptions we should remember several facts. Unlike desegregation, the principle of equality of voting rights has been part of our constitutional law for generations. The enforcement procedure adopted by the Senate was supported by the spokesmen for the States chiefly concerned.

What is at stake (as Judge Taylor admirably explained to the jury in the Clinton, Tenn., case) is the orderly processes of law, the issue whether the legal and moral authority of a Federal jury may be flouted with impunity.

If juries, put to the test, carry out their responsibilities, there will be a positive gain in the self-education that comes from sharing in the administration of justice. If the results should turn out otherwise, the climate of national opinion will be clarified by the experiment.

Party politics aside, is there any reason why Congress should deny to itself and the

country the benefit of a judgment from experience rather than from speculation?

PAUL A. FREUND.

CAMBRIDGE, MASS., *August 5, 1957.*

RESOLUTION OF KANSAS CITY SYNOD OF THE EVANGELICAL AND REFORMED CHURCH

Mr. CARLSON. Mr. President, the Kansas City Synod of the Evangelical and Reformed Church, at its 18th annual meeting in St. Luke Church, Independence, Mo., on May 14, 15, and 16, 1957, adopted resolutions urging that Congress give its fullest support to the United Nations in working for peace and justice in the Middle East and in central Europe and other troubled spots of the world.

I ask unanimous consent that the resolutions be printed in the RECORD, and referred to the Committee on Foreign Relations.

There being no objection, the resolutions were referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

1. Be it resolved that Kansas City Synod encourages the President of the United States and Members of the Congress to the fullest use and support of the United Nations in working for peace and justice in the Middle East and in central Europe, and in other troubled spots of the world.

2. Be it resolved that Kansas City Synod urges its people to study the spiritual and community conditions of Indian Americans (on and off the reservations) and all minority groups, and, where possible, join in church, civic, and governmental efforts that might help them to enjoy the same rights, privileges and responsibilities enjoyed by other Americans.

3. Be it resolved that Kansas City Synod urges that we support the keeping open of our immigration laws so that worthy tyranny-fleeing individuals, and those with high aspirations, be received and welcomed into our country and way of life.

ADDITIONAL BILL INTRODUCED

Mr. SPARKMAN (for himself and Mr. HILL), by unanimous consent, introduced a bill (S. 2768) for the relief of Dr. Edgar Scott, which was read twice by its title, and referred to the Committee on the Judiciary.

AMENDMENT OF CODE RELATING TO PRODUCTION OF STATEMENTS AND REPORTS OF WITNESSES—AMENDMENT

Mr. O'MAHONEY. Mr. President, I submit an amendment, in the nature of a substitute, intended to be proposed by me to the bill (S. 2377) to amend chapter 223, title 18, United States Code, to provide for the production of statements and reports of witnesses. I ask unanimous consent that the amendment may be printed in the RECORD.

The VICE PRESIDENT. The amendment will be received, printed, and will lie on the table; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

To strike out all after the enacting clause and insert in lieu thereof the following: "That chapter 223 of title 18, United States Code, is amended by adding a new section 3500 which shall read as follows:

"'§ 3500. Demands for production of statements and reports of witnesses

"'(a) In any criminal prosecution brought by the United States, no statement or report of a witness or prospective witness (other than the defendant) which is in the possession of the United States shall be the subject of subpena, or inspection, except as provided in paragraph (b) of this section.

"'(b) After a witness called by the United States has testified on direct examination, the court shall, on motion of the defendant, order the United State to produce any written statements previously made by the witness in the possession of the United States which are signed by the witness or otherwise adopted or approved by him, and any transcriptions or recordings of oral statements made by the witness to a Federal law officer, relating to the subject matter as to which the witness has testified. If the entire contents of any such statements, transcriptions or recordings relate to the subject matter of the testimony of the witness, the court shall order them delivered directly to the defendant for his examination and use. In the event that the United States claims that any statement, transcription, or recording ordered to be produced contains matter which does not relate to the subject matter of the testimony of the witness, the court shall order the United States to deliver such statement, transcription, or recording for the inspection of the court in camera. Upon such delivery the court shall excise the portions of said statement, transcription, or recording which do not relate to the subject matter of the testimony of the witness. With such material excised, the court shall then direct delivery of such statement, transcription, or recording to the defendant for his use. If, pursuant to such procedure, any portion of such statements, transcriptions or recordings is withheld from the defendant, and the trial is continued to an adjudication of the guilt of the defendant, the entire text of such statements, transcriptions, and recordings shall be preserved by the United States and, in the event the defendant shall appeal, shall be made available to the appellate court for the purpose of determining the correctness of the ruling of the trial judge.

"'(c) In the event that the United States elects not to comply with an order of the court under paragraph (b) hereof to deliver to the defendant any statement, transcription, or recording or such portion thereof as the court may direct, the court shall strike from the record the testimony of the witness and the trial shall proceed unless the court in its discretion shall determine that the interests of justice require that a mistrial be declared, or take such other action as the court deems appropriate.'"

The analysis of such chapter is amended by adding at the end thereof the following:

"'§ 3500. Demands for production of statements and reports of witnesses.'"

ADJOURNMENT

Mr. JOHNSON of Texas. Mr. President, if no Senators desire to address the Senate, I am prepared to move that the Senate adjourn.

In accordance with the order previously entered, I move that the Senate adjourn until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 10 o'clock and 40 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until Tuesday, August 13, 1957, at 12 o'clock meridian.

EXTENSIONS OF REMARKS

The Continuing Danger of Natural Gas Rate Bill; Consumers Must Wake Up

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Monday, August 12, 1957

Mr. WILEY. Mr. President, this morning we were all rather entertained when we saw the majority leader and minority leaders of the Senate—we call them Damon and Pythias—engage in what were, let us say, countermovements as to what was involved in the civil-rights bill. I am glad they came to an agreement that they would not bury the civil-rights bill. I should like now to speak of something I wish I could get them to agree on. If the gas bill comes up, I hope they will agree to bury it.

Mr. President, within the past few days there have been hopeful indications that the new version of the natural gas rate increase bill will, very fortunately, not be brought up in the House of Representatives for final vote at this session. Apparently, the realistic backers of the bill, after detailed counting of noses, have determined that they do not have enough votes to steamroller it through.

This is good news to the Nation's consumers, because if the news is true, it means that consumers will be saved literally hundreds of millions of dollars in inflationary gas rate increases which might otherwise have "socked" them.

We hear discussion about the increase in steel prices and the increase in wages, because they all make an impact on the inflationary pressures. However, if the gas bill were to be enacted, it would "sock" the ordinary housekeeper around $40 a year additional. Senators can imagine what that would mean in terms of the probably 40 million persons involved.

CONSUMERS HAVE ALMOST BEEN ASLEEP

I wish to say, in all frankness, that the apparent inability of the gas lobby to pass the bill thus far is not due—I repeat, it is not due—to vigilant consumer reaction. On the contrary, the inability of the gas lobby to prevail is due to the basic good sense of the Members of the House of Representatives.

The fact is that, unfortunately, consumers and their organizations still have not spoken in large numbers to the Members of Congress. The fact is, and I say this in all candor, that consumer organizations have almost been asleep on this issue.

But the gas lobby has not been asleep. It might almost have won by default if it had not been for the good sense and the basic good judgment of Members of the House of Representatives, themselves.

Consumers, therefore, cannot take very much credit for delaying this bill, because they have done virtually nothing to stop it.

ACTIVE MINORITIES ON COMMITTEES AGAINST BILL

Fortunately, a minority of the House Interstate Commerce Committee was active against the bill, as was a minority, at least, of the House Rules Committee.

Thanks in large part to those minorities, consumers this time have won—yes, largely, too, by luck, and by the good sense of the House itself. Next time, however, consumers may lose, just as they have lost in the past when a similar bill has several times been passed by both Houses.

Even now, there is no certainty that consumers' luck will hold out. Some Friday, when some Members of the House from nearby large cities are absent, who knows but the gas-rate bill may come up all in a rush and be whisked through to passage?

And then, in the Senate, the bill's prospects are, unfortunately, still more favorable.

HANDFUL OF ABSENTEES CAN SPELL GAS VICTORY

Now, Mr. President, my reason for speaking so frankly is that I may alert the consumers of this country.

The gas lobby is not going to cease in its efforts. For these final 2 weeks of the session, and then during the recess period, it is going to concentrate on trying to round up that last handful of votes which will give it, it hopes, the margin of victory in the House of Representatives. Just a few absentees among opponents will assure the gas lobby literally billions in added profits.

If the consumers of this country do as little in the future against this bill as they have in the past, then there is a very real danger that the consumers' luck will run out and that the gas bill will pass next year. Consumers will have only themselves to blame.

I do not in any way underestimate the efforts which have been performed at the grassroots by a relative handful of interested individuals—by mayors of leading municipalities, by some State attorneys general, city attorneys, and others.

In my own State of Wisconsin, Mayor Frank Zeidler, of Milwaukee, and Mayor Jack Humble, of Racine, have been active in this fight, as have some other leading individuals. But infinitely more must be done if the bill is to be assured the oblivion which it deserves.

TRADE UNIONS INTERESTED

I was glad to read in the August 1957 issue of the newspaper the Textile Challenger, published by the United Textile Workers of America, a warning as to the dangers of this inflationary bill. The editorial quoted in detail from comments which I personally have previously made.

As a welcome indication that the trade union movement is fortunately not asleep on the dangers of this bill, I send to the desk the text of this editorial from the Textile Challenger. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WHERE IS THE BREAKING POINT IN LIVING COSTS?—A WARNING

On July 9, Senator ALEXANDER WILEY, of Wisconsin, broke into the civil-rights talkfest to sound a note of warning and to alert 30 million consumers of natural gas. Mr. WILEY said:

"Mr. President, I wish to take a few moments of the time of the Senate to discuss what I think is a very dangerous condition; namely, the inflationary situation. There are many causes. The increase of $6 a ton by the steel companies will add impetus to the inflationary trend. But I wish to speak from another angle.

"Mr. President, 30 million American consumers were dealt a severe blow yesterday. The House Committee on Interstate and Foreign Commerce, by a vote of 15 to 13, unfortunately approved the gas rate increase bill. This bill is designed to eliminate effective regulation over gas going into interstate pipelines.

"The legislative battle now shifts to the House Rules Committee, and thereafter will go to the floor of the House of Representatives.

"My purpose in speaking today is once more to sound the alert to the American people.

"In connection with the gas bill, there may be diversionary tactics. We may be diverted by the civil-rights bill, and by other matters, so that we lose sight of one of the great dangers to our economic health.

"Once more I wish to caution the American people the gas-rate bill is undoubtedly the most inflationary single piece of legislation coming up for action voting in this first session of the 85th Congress."

DEFEAT THE GAS BILL

"Unfortunately, the American people to date, because of their preoccupation with other problems, have failed to recognize this danger.

"Of course, the lobbying and propaganda forces of the natural gas industry have been concentrating 365 days a year on passing this proposed legislation. But, by contrast, there is not a single force in the United States which has devoted concentrated and continued attention to opposing this inflationary bill. The organization of mayors of the various cities and few consumer organizations have been able to give to this problem only the spottiest attention. As a result, the evil gas bill may win by default, unless the consumers of this country rise up and demand that it be defeated.

"Let me point out that the American dollar is already losing more and more of its purchasing power. On the first day of every month, when 30 million consumers receive their gas rate utility bills, the consumers are going to find, if this inflationary bill shall be enacted, that their dollar will have lost still more purchasing power. So the time to act is now. This gas rate increase bill should not win by default. It must be defeated. The bill must be defeated, because its impact upon the inflationary cycle would be most dangerous to our economic health."

A WORD TO THE WISE

If enacted, this bill would mean an annual increase of $40 or more for the housewife and consumers of natural gas. Congress passed this bill at the last session of Congress but it was vetoed by the President on the grounds of questionable conduct by some of the proponents. However, he said he would sign such a bill under different circumstances.

Organized labor fought the "gas steal" in the last Congress and labor must fight it harder than ever in this Congress.

Textile workers are vitally effected by this legislation. Our opposition is powerful. We now have a combination of the President with leading Democrats and Republicans in the House and Senate. We must write to our Congressmen and Senators urging the defeat of the gas bill.

SENATE

TUESDAY, AUGUST 13, 1957

The Reverend Herley C. Bowling, assistant secretary, Methodist Commission on Chaplains, Washington, D. C., offered the following prayer:

Our gracious Heavenly Father, source of wisdom, love, and justice, we pray that this day we may be given the wisdom to distinguish the truth, the will to love it when we see it, and the justice to desire it for all men, as well as ourselves.

Give us the patience to deal with stupidity and thoughtlessness on the part of others, but give us the strength to be impatient with ourselves when we deal carelessly with our knowledge of the facts.

Guard us from self-pity when our best efforts are met with ridicule and blame on every hand. Guard us also from false pride when men praise us and seek our favor. Help us to let neither praise nor blame swerve us aside from the ideals once clearly perceived, but now grown dim through the dust of our daily duties.

As we pause to turn our thoughts to Thee, may Thy holy spirit descend upon us and open our eyes, illuminate our minds, purify our hearts, and prepare our wills for the tasks of the day. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Journal of the proceedings of Monday, August 12, 1957, was approved, and its reading was dispensed with.

MESSAGE FROM THE HOUSE—ENROLLED BILLS AND JOINT RESOLUTION SIGNED

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills and joint reso-

lution, and they were signed by the President pro tempore:

H. R. 6517. An act to provide for the retirement of officers and members of the Metropolitan Police force, the Fire Department of the District of Columbia, the United States Park Police force, the White House Police force, and of certain officers and members of the United States Secret Service, and for other purposes;

H. R. 7540. An act to amend Public Law 815, 81st Congress, relating to school construction in federally affected areas, to make its provisions applicable to Wake Island; and

H. J. Res. 275. A joint resolution transferring to the Commonwealth of Puerto Rico certain archives and records in possession of the National Archives.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. FULBRIGHT, and by unanimous consent, the Committee on Interior and Insular Affairs was authorized to meet during the session today.

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Committee on Armed Services was authorized to meet during the session of the Senate tomorrow.

THE CIVIL-RIGHTS BILL

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent to have printed in the body of the RECORD two editorials: one entitled "Accentuate the Positive," which was published in the Washington Post; and the other, entitled "Real Test on Civil Rights," which was published in today's issue of the Washington Star.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Washington Post of August 13, 1957]

ACCENTUATE THE POSITIVE

Members of the House who are sincerely concerned about inadequacies in the Senate version of the civil-rights bill need to consider the alternative. From every indication it would be impossible to obtain a stronger bill in this session of Congress. If the House were to insist on restoration of the curtailed section III or were to eliminate (rather than narrow) the jury-trial amendment, the great probability would be utter disagreement in conference. Realistically the alternative to acceptance of the Senate bill in substantially its present form would be to have no bill at all. This would hardly be a victory for principle, and any fancied political advantage in blocking the bill would evaporate quickly.

To their credit a number of civil liberties champions on Capitol Hill and elsewhere—including labor groups as well as the National Association for the Advancement of Colored People—have recognized as much. They are arguing for House acceptance of the Senate amendments. This newspaper believes that is the proper course if a way can be found to narrow the jury-trial amendment so as to apply it only to voting-right cases. Also important is some reference in the legislative history or final report making it clear that the penalties for unauthorized use of testimony before the proposed Civil Rights Commission apply to leakage of information rather than publication by the press.

House Republicans and liberal Democrats who have doubts about the bill may find it helpful to review the positive aspects of the Senate version. Under the Senate bill the Civil Rights Commission would have broad authority, with subpena powers, to hold hearings and publicize its findings. A new Assistant Attorney General would be appointed to specialize in civil rights and work for enforcement of existing laws. The Department of Justice could itself initiate suits on behalf of persons denied the right to vote. Federal judges would have substantial power to enforce compliance with court orders through civil contempt proceedings, although criminal punishment (as distinct from mere enforcement) would require jury trials. The bill also would remove an artificial barrier against service by Negroes on Federal juries.

Admittedly, the emphasis in the Senate bill is on compliance rather than on punishment for disobedience. This is not to say, however, that the bill does not carry with it real compulsions. Among these are a very considerable moral pressure as well as the prestige of the United States Government. The fact that the enforcement provisions of the bill are concerned primarily with the right to vote can be an advantage, inasmuch as the school segregation issue is being handled separately by the courts. Few responsible southerners will attempt to justify interference with voting rights. Thus the bill starts with the acquiescence, if not actual support, of all but the most extreme southern legislators. The fact that this acquiesence has been obtained without a bitter division can be in itself an important factor in encouraging compliance. And there is sound reason to think that respect for other civil rights will stem from the exercise of voting rights.

What is necessary at the moment is for House Members to look at what the bill does, rather than what it does not do. When the positive features are measured against the alternative of no civil-rights legislation, they represent a material advance worthy of the support of conscientious men.

[From the Washington Star of August 13, 1957]

REAL TEST ON CIVIL RIGHTS

The strength of forces behind opposing moves to kill or to enact a civil rights bill at this session of Congress should be revealed before the end of the week.

It is possible that some Republicans can see more political gain in a dead bill than one which owes its life to Democratic leadership in the Senate. Joined by enough southern Democrats, who make no bones about prefering a dead bill, they may have the votes to kill the bill now or delay the execution ceremonies until next year.

But if the Republican leadership, from the President on down through the Congress, really throws the weight of its influence behind the Senate bill—with modification of the jury-trial amendment, applying its provisions only to cases arising under the civil-rights legislation—the bill should become law before adjournment.

That should be the objective of Members of Congress, regardless of party, regardless of who won what preliminary skirmish, if they are interested in having a strong civil-rights law on the books now, a new civil-rights division in the Department of Justice led by an Assistant Attorney General, and a National Commission on Civil Rights operating from Washington with broad powers of investigation and report.

The attitude of Republican Leader KNOWLAND and other Republican and Democratic Senators who fought the jury-trial amendment and were defeated is admirable. They know that this bill is more than merely a half a loaf. They know it is the strongest civil-rights bill that has ever reached, in modern times, the possibility of immediate passage. Joined by some of their colleagues in the House, who took the same position on the jury-trial amendment, they are anxious that the bill be passed.

But the attitude of Republican leadership at the top has become so confused by the extravagant statements emanating from the Department of Justice regarding effects of the jury-trial amendment, that what happens in Congress from now on is anybody's guess.

If the bill is killed for this session, however, it should not be difficult to identify the assassins.

THE MORNING HOUR

The VICE PRESIDENT. The Senate having met today following an adjournment, under the rule there is the usual morning hour, and, in accordance with the order entered yesterday, there is a 3-minute limitation on statements.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

FINANCIAL ASSISTANCE TO REPUBLIC OF KOREA

A communication from the Korean Ambassador, embodying a message from the Speaker of the House of Representatives of the Republic of Korea, relating to financial assistance to the Republic of Korea; to the Committee on Foreign Relations.

REPORT OF ATTORNEY GENERAL

A letter from the Acting Attorney General, transmitting, pursuant to law, a report of the Attorney General covering a survey of the administration of the Defense Production Act as it affects the production and distribution of nickel, dated August 9, 1957 (with an accompanying report); to the Committee on Banking and Currency.

TRANSFER OF CERTAIN PROPERTY IN VIRGIN ISLANDS TO GOVERNMENT OF VIRGIN ISLANDS

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to authorize and direct the transfer and conveyance of certain property in the Virgin Islands to the Government of the Virgin Islands (with an accompanying paper); to the Committee on Interior and Insular Affairs.

REPEAL OF RESTRICTIVE PROVISIONS, RELATING TO FORM OF PUBLISHERS' BILLS, ETC.

A letter from the Deputy Postmaster General, transmitting a draft of proposed legislation to further amend the first sentence of the act of January 20, 1888 (25 Stat. 1), as amended, by repealing the restrictive provisions relating to the form of publishers' bills, receipts and orders for subscriptions enclosed in publications mailed at second-class rates of postage, and for other purposes (with an accompanying paper); to the Committee on Post Office and Civil Service.

CIVIL RIGHTS—PETITION

The VICE PRESIDENT laid before the Senate the petition of Myrtle Catherine Edelbrock, of Kansas City, Mo., relating to civil rights, which, with the accompanying papers, was referred to the Committee on the Judiciary.

RESOLUTIONS OF NORTH DAKOTA ASSOCIATION OF RURAL ELECTRIC COOPERATIVES

Mr. MURRAY. Mr. President, I have received a letter from the North Dakota

Association of Rural Electric Cooperatives reporting several resolutions involving legislation now pending in the Congress.

The resolutions involve the preference clause in the reclamation law, cost allocation, Yellowtail Dam construction, and management of the Missouri River Basin project.

I ask unanimous consent that the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NORTH DAKOTA ASSOCIATION OF RURAL ELECTRIC COOPERATIVES,
Bismarck, N. Dak., July 31, 1957.

Senator JAMES E. MURRAY,
Chairman, Committee on Interior and Insular Affairs, United States Senate, Washington, D. C.

DEAR SENATOR MURRAY: Because the following resolutions are directly related to the legislation which has been or will be considered by your Committee on Interior and Insular Affairs, we want you to have the information for future reference:

"PREFERENCE CONCEPT

"Whereas water power resources belong inevitably to the people of the United States and not to private individuals or corporations; and

"Whereas it is of the utmost importance to the general public that the historic attitude of Congress of the United States with reference to power preference be maintained: Therefore be it

"*Resolved*, That we do hereby commend the Congress of the United States for its preservation of the preference concept, and do further urge that the Congress of the United States continue to support and maintain preference for Rural Electric Cooperatives and other consumer-owned electric systems.

"TRIMBLE BILL

"Whereas we are of the opinion that the cost of construction and operation of multiple purpose dams should be borne in direct relation to benefits received by individual purposes such as flood control, irrigation, power generation, recreation and wildlife, etc., and be repaid on a period recognizing the life expectancy of these facilities; Be it therefore

"*Resolved*, That we do urgently request the favorable consideration by the Congress of the United States of the Trimble bill, H. R. 965.

"YELLOWTAIL DEVELOPMENT

"Whereas the continually increasing demand for low cost electric power makes it necessary that the potentialities of the Yellowtail project be integrated with the Missouri Basin power development program; and

"Whereas we reject the partnership concept of development of public power resources: Now, therefore

"We urge the immediate and expeditious development of the Yellowtail project in the State of Montana on the Bighorn River, as a self-liquidating Federal project; and

"We further request that the Bureau of Reclamation be empowered to construct necessary transmission lines and facilities to integrate this project with the other Missouri Basin projects.

"USE OF MISSOURI BASIN WATER

"Whereas the time has come when the so-called abundant supply of water in the Missouri River Basin is no longer adequate to supply all the demand for water of the Missouri Basin as well as demands for water for navigation and other purposes downstream to the gulf; and

"Whereas the amount of water stored behind all main stem dams on the Missouri River at June 1 this year was less than the amount stored behind Fort Peck Dam alone 2 years ago, indicating a serious depletion of our water supply apparently to take care of navigation and other downstream requirements; and

"Whereas this matter is of such concern to the people of the Missouri Basin that the State Legislatures of Montana, South Dakota, and North Dakota all memorialized Congress earlier this year to study this problem, giving careful consideration to the present uses of our water resources, in relation to compliance with the O'Mahoney-Millikin amendment: Now, therefore, be it

"*Resolved*, That we, the members of the North Dakota Association of Rural Electric Cooperatives, respectfully request Congress to continue studies and hearings on this problem, and that they take steps necessary to see that the O'Mahoney-Millikin amendment be adhered to, and we further urge Congress to reexamine the whole area of Missouri Basin planning and management to determine whether it would not be better to substitute one agency with overall authority and responsibility rather than the numerous inefficient agencies and bureaus which we now have."

The issues resolved are of great concern to us in rural electrification here in North Dakota and we hope that you will think kindly of the stand we have taken.

With kindest regards, we are,

Sincerely yours,

R. G. HARENS,
Executive Manager.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. O'MAHONEY, from the Committee on Interior and Insular Affairs, without amendment:

H. R. 1826. An act to authorize the sale of certain lands of the United States in Wyoming to Bud E. Burnaugh (Rept. No. 856).

By Mr. BIBLE, from the Committee on Interior and Insular Affairs, with an amendment:

H. R. 5538. An act to provide that withdrawals, reservations, or restrictions of more than 5,000 acres of public lands of the United States for certain purposes shall not become effective until approved by act of Congress, and for other purposes (Rept. No. 857).

By Mr. CHURCH, from the Committee on Interior and Insular Affairs, without amendment:

S. 2757. A bill to authorize the Secretary of the Interior to construct, operate, and maintain a reregulating reservoir and other works at the Burns Creek site in the upper Snake River Valley, Idaho, and for other purposes (Rept. No. 861).

By Mr. BYRD, from the Committee on Finance, without amendment:

H. R. 8821. An act to amend title II of the Social Security Act to facilitate the provision of social security coverage for State and local employees under certain retirement systems; (Rept. No. 860).

By Mr. BYRD, from the Committee on Finance, with amendments:

H. R. 8753. An act to amend title II of the Social Security Act to include California, Connecticut, and Rhode Island among the States which are permitted to divide their retirement systems into two parts so as to obtain social security coverage, under State agreement, for only those State and local employees who desire such coverage (Rept. No. 858);

H. R. 8755. An act to amend title II of the Social Security Act to permit any instrumentality of two or more States to obtain social security coverage under its agreement separately for those of its employees who are covered by a retirement system and who desire such coverage (Rept. No. 859); and

By Mr. GREEN, from the Committee on Foreign Relations, without amendment:

H. R. 8929. An act to amend the act of August 27, 1935, as amended, to permit the disposal of lands and interests in lands by the Secretary of State to aliens (Rept. No. 862);

H. J. Res 404. Joint resolution providing for the recognition and endorsement of the Second World Metallurgical Congress (Rept. No. 863); and

H. J. Res. 408. Joint resolution authorizing the President to invite the States of the Union and foreign countries to participate in the St. Lawrence Seaway celebration to be held in Chicago, Ill., from January 1, 1959, to December 31, 1959 (Rept. No. 864).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. GREEN, from the Committee on Foreign Relations:

William B. Macomber, Jr., of New York, to be an Assistant Secretary of State, vice Robert C. Hill;

Henry Cabot Lodge, of Massachusetts, and sundry other persons, to be representatives at the 12th session of the General Assembly of the United Nations;

James J. Wadsworth, of New York, and sundry other persons, to be alternate representatives at the 12th session of the General Assembly of the United Nations; and

Robert F. Cartwright, of the District of Columbia, and sundry other persons, for appointment and promotion in the diplomatic service.

By Mr. BYRD, from the Committee on Finance:

George W. O'Sullivan, of New Mexico, to be collector of customs for customs collection district No. 50, with headquarters at Columbus, N. Mex.

By Mr. ANDERSON, from the Joint Committee on Atomic Energy:

John S. Graham, of North Carolina, to be a member of the Atomic Energy Commission, vice John Von Neumann; and

John Forrest Floberg, of Illinois, to be a member of the Atomic Energy Commission, vice Thomas E. Murray.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MANSFIELD:

S. 2769. A bill to increase the salaries of officers and members of the Metropolitan Police force and the Fire Department of the District of Columbia, the United States Park Police, and the White House Police, and for other purposes; to the Committee on the District of Columbia.

(See the remarks of Mr. MANSFIELD when he introduced the above bill, which appear under a separate heading.)

By Mr. FULBRIGHT:

S. 2770. A bill to promote the foreign policy of the United States, to provide for the protection of United States citizens abroad, to provide standards for the issuance of passports by the Department of State and for other purposes; to the Committee on Foreign Relations.

(See the remarks of Mr. FULBRIGHT when he introduced the above bill, which appear under a separate heading.)

By Mr. JOHNSON of Texas:

S. 2771. A bill for the relief of John Robert Wheless and James Stanley Wheless; to the Committee on the Judiciary.

By Mr. LANGER:

S. 2772. A bill for the relief of Andrew Franciszek Bielecki; to the Committee on the Judiciary.

By Mr. JOHNSTON of South Carolina:

S. 2773. A bill to provide for the appointment of a district judge for the eastern and western districts of South Carolina; to the Committee on the Judiciary.

By Mr. ANDERSON:

S. 2774. A bill to continue the authority of the United States to make payments to Bernalillo County, New Mexico, for furnishing hospital care to certain Indians; to the Committee on Interior and Insular Affairs.

RESOLUTIONS

Mr. BUSH (for himself, Mr. CASE of South Dakota, Mr. STENNIS, Mr. SMATHERS, Mr. POTTER, and Mr. FLANDERS) submitted a resolution (S. Res. 183) to amend rule XIX so as to prohibit the introduction of occupants of the galleries during sessions of the Senate, which was referred to the Committee on Rules and Administration.

(See resolution hereafter printed in full in Senate proceedings of today.)

Mr. GOLDWATER submitted a resolution (S. Res. 184) to establish a procedure for committees in considering proposed legislation relating to Federal grants-in-aid to the States, which was referred to the Committee on Rules and Administration.

(See above resolution printed in full hereafter in the Senate proceedings of today.)

INCREASED COMPENSATION FOR POLICEMEN AND FIREMEN IN THE DISTRICT OF COLUMBIA

Mr. MANSFIELD. Mr. President, I introduce, for appropriate reference, a bill to increase the salaries of officers and members of the Metropolitan Police force, and the Fire Department of the District of Columbia, the United States Park Police, and the White House Police, and for other purposes.

Mr. President, Congress has sent to the President new proposed legislation which improves and revises the retirement program for the Metropolitan Police and Fire Departments. I sincerely hope the President will sign this new measure, which is so sorely needed. This is a major step in elevating the local police force to a basis equal to that of the forces of other large metropolitan areas in this country. This proposed legislation recognizes the many unusual situations faced by the District of Columbia Police and Fire Departments.

I have long felt that the Nation's Capital should have a police force second to none. If this is to become a reality, we need to have a top career force, with an adequate retirement and salary schedule. The proposed legislation now before the President takes care of one of the aspects of this program, and the bill I have introduced today would provide the other necessary factor—a salary increase for the Metropolitan Police force and Fire Departments.

The entrance pay for a Washington policeman is exceeded by that in six other cities of comparable size, according to the latest information I have. In Los Angeles, a private's entrance salary is $5,004; in San Francisco, he receives $5,268; the Washington entrance salary is $4,193. I realize that each city has its own problems, and the situation in the District of Columbia is local. Many who meet the qualifications in the Police Department are also of the caliber in demand by the Federal civil service, where promotional opportunities, retirement, and working conditions are more attractive. The new retirement program and salary increase will place the Metropolitan Police force on a competitive basis. An adequate salary schedule is necessary to offset the unusual working conditions.

Duty on the Metropolitan Police force requires regular evening and night work, changing shifts weekly; and a great deal of off-duty time is spent in attending court and hearings. The men are exposed to all types of weather, and must meet all kinds of situations associated with the Nation's Capital—parades, large influx of tourists, and problems connected with the diplomatic center of the country. The policemen are subject to adverse criticism from individuals and minority groups; and their work is of a personally hazardous nature, coupled with discipline stricter than that required on average jobs.

All are familiar with the mass confusion created by the transit strike, lasting 6 weeks, during the hot summer months of 1955. The District of Columbia policemen deserve great credit for guiding the city through that crisis in an orderly fashion. In that instance, specal legislation was required, in order to give them overtime pay for their extra duty during the strike.

Only adequate salaries, in addition to the new liberalized retirement program, can compensate for these conditions and can procure adequate and qualified career personnel.

The Congress has a duty to provide a strong career service of policemen and firemen for the Nation's Capital, and a salary increase will be a major step forward in stimulating recruitment, halting resignations, and improving morale. The bill I have introduced will put the salaries in these services in line with those of the Federal service, its major competition.

Congress may be in an economy mood; but to deny these increases and additional benefits to the metropolitan policemen and firemen would be false economy.

Mr. President, I ask unanimous consent that the bill be printed in the CONGRESSIONAL RECORD at the conclusion of my remarks; and I also ask to have printed in the RECORD the salary schedule of the Metropolitan Police Department, showing the present basic salaries, those contemplated under this bill, and also a schedule of the police salaries and fringe benefits in cities over 500,000 in population.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill and schedules will be printed in the RECORD.

The bill (S. 2769) to increase the salaries of officers and members of the Metropolitan Police Force, and the Fire Department of the District of Columbia, the United States Park Police, and the White House Police, and for other purposes, introduced by Mr. Mansfield, was received, read twice by its title, referred to the Committee on the District of Columbia, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That section 101 of the District of Columbia Police and Firemen's Salary Act of 1953 (Public Law 74, 83d Congress), as amended, is amended to read as follows:

"SEC. 101. (a) Except as provided in subsection (b) or (c), the annual basic salaries of the officers and members of the Metropolitan Police force shall be at the rates set forth in the following table:

Chief of police	$15,500
Deputy Chiefs	11,367
Inspector	9,918
Captains	9,356
Lieutenants	8,075
Sergeants	7,420
Corporals	6,840
Private, class 4 (3 or more years' service)	6,237
Private, class 3 (2 or more but less than 3 years' service)	5,883
Private, class 2 (1 or more but less than 2 years' service)	5,530
Private, class 1 (less than 1 year's service)	5,241

All original appointments of privates shall be made at the annual basic salary of $5,241 and the first year of service shall be probationary.

"(b) The annual basic salary of a private of any class of the Metropolitan Police force shall be increased by—

"(1) $1,612, while he is assigned to duty as a detective sergeant;

"(2) $800, while he is assigned to duty as a precinct detective;

"(3) $403, while he is assigned to duty as a station clerk;

"(4) $500, while he is assigned to duty as a detective;

"(5) $300, while he is assigned to duty as a plainclothes man for a period of more than 30 days; or

"(6) $525, while he is assigned to duty as a motorcycle officer.

Paragraph (6) of this subsection shall apply to any officer below the grade of lieutenant.

"(c) Subject to the approval of the Commissioners, the annual basic salary of a private of the Metropolitan Police force shall be increased by an amount not to exceed $525 while he is assigned to duty as a technician."

SEC. 2. Section 102 (a) of the District of Columbia Police and Firemen's Salary Act of 1953 is amended by striking out "$129" and "$215" and inserting in lieu thereof "$160" and "$268", respectively.

SEC. 3. Section 201 of the District of Columbia Police and Firemen's Salary Act of 1953 is amended to read as follows:

"SEC. 201. (a) Except as provided in subsection (b) or (c), the annual basic salaries of the officers and members of the Fire Department of the District of Columbia shall be at the rates set forth in the following table:

Fire Chief	$15,500
Deputy fire chiefs	11,367
Superintendent of machinery	11,367
Fire marshal	11,367
Battalion fire chiefs	9,918

Assistant superintendent of machinery	$9,918
Deputy fire marshal	9,918
Captains	9,356
Pilots	8,503
Marine engineers	8,503
Lieutenants	8,075
Sergeants	7,420
Assistant pilots	6,770
Assistant marine engineers	6,770
Inspectors	6,467
Private, class 4 (3 or more years' service)	6,237
Private, class 3 (2 or more but less than 3 years' service)	5,883
Private, class 2 (1 or more but lesss than 2 years' service)	5,530
Private, class 1 (less than 1 year's service)	5,241

All original appointments of privates shall be made at the annual basic salary of $5,241 and the first year of service shall be probationary.

"(b) The annual basic salary of a private of any class of the Fire Department of the District of Columbia shall be increased by—

"(1) $525, while he is assigned to duty as an aide to the Fire Chief or to a deputy or battalion fire chief;

"(2) $280, while he is assigned to duty as a regular first driver-operator or tillerman of a fire department hose wagon, pumper, aerial ladder truck, rescue squad, or fire department ambulance;

"(3) $525, while he is assigned to duty as a chief radio technician; and

"(4) $280, while he is assigned to duty as a chief photographer.

"(c) Subject to the approval of the Commissioners, the annual basic salary of a private or an inspector of the Fire Department of the District of Columbia shall be increased by an amount not to exceed $525 while he is assigned to duty as a technician."

SEC. 4. Section 202 (a) of the District of Columbia Police and Firemen's Salary Act of 1953 is amended by striking out "$129" and "$215" and inserting in lieu thereof "$160" and "$268", respectively.

SEC. 5. This act shall take effect on the first day of the first pay period which begins after the date of its enactment.

The schedules presented by Mr. MANSFIELD are as follows:

Metropolitan Police Department, salary schedule

Rank	Basic salary	New bill
Chief of Police	$13,438	$15,500
Deputy Chief of Police	9,094	11,367
Inspector	8,335	9,918
Captain and special investigator	7,085	9,356
Lieutenant	6,460	8,075
Sergeant	5,936	7,420
Corporal	5,472	6,840
Private, class 4	4,990	6,237
Private, class 3	4,707	5,883
Private, class 2	4,424	5,530
Private, class 1	4,193	5,241

Police salaries and fringe benefits of cities of 500,000 and over in population, Jan. 1, 1957

	Private's entrance salary	Top salary of privates (patrolmen)	Corporal	Sergeant	Lieutenant	Captain	Inspector	Deputy chief	Chief	Longevity	Holiday pay	Number of policemen	Number of years to reach top private's pay
Los Angeles	$5,004	$5,868	None	$6,540	$7,296	$9,060	$11,280	$14,040	$15,000	Yes	None	4,252	4
San Francisco	5,268	5,969	None	6,660	7,344	9,168		13,284	15,792	No	11	1,701	4
New York City	4,325	5,706	None	6,358	7,104	8,505	9,923	12,948	25,000	No	None	21,638	3
Detroit	4,881	5,502	None	5,856	6,416	None	7,603	11,689	13,059	Yes	None	4,509	3
Chicago	4,562	5,045	None	5,406	5,886	$7,124	8,000	10,832	18,500	No	6	7,470	2
Washington	4,103	4,990	$5,472	5,936	6,460	7,085	8,335	9,094	13,438	Yes	8	2,500	3
Cleveland	3,718	4,914	None	5,424	5,982	7,080	7,728	8,810	11,352	No	6	1,802	3
Minneapolis	4,248	4,968	None	5,220	5,352	5,772	6,084	7,188	10,548	No	11	580	3
Milwaukee	(?)	4,737	None	5,347	5,861	6,940	8,530	9,754	10,899	No	8	1,272	3
Cincinnati	4,099	4,692	None	5,467	5,984	6,881	7,458	7,964	10,163	No	9	809	3
Philadelphia	3,583	4,500	None	5,160	5,652	6,480	7,430	9,333	10,000	No	13	4,763	5
Seattle	3,900	4,380	None	4,800	5,160	5,580	6,240	7,380	11,000	No	9	758	3
New Orleans	3,720	4,323	None	4,683	5,043	5,643	7,923	10,323	11,923	No	None	1,070	(?)
Buffalo	3,950	4,250	None	4,490	4,850	5,300	6,500	7,500	12,000	No	None	1,250	3
Houston	3,900	4,200	None	4,620	5,040	5,520	6,900	7,740	10,800	Yes	7	646	1
Boston	3,540	4,160	None	4,940	5,920	6,660	None	7,500	10,000	No	10	2,864	3
Baltimore	3,600	4,100	None	4,600	5,000	6,000	$7,600	8,200	12,500	No	None	2,200	(?)
Dallas	3,420	3,900	None	4,200	4,500	4,980	6,180	7,020	10,500	Yes	6	765	[1] 15
St. Louis	3,480	3,840	$4,080	4,440	5,000	5,600	7,000	7,100	9,500	No	None	1,915	4
Pittsburgh	3,000	3,579	None	4,791	5,130	5,157	5,936	7,965	9,387	No	8	1,250	3

[1] Months.

City	Age	Years of service	Amount and retirement benefits
Los Angeles	55	25	40 percent.
San Francisco	55	25	50 percent average salary last 3 years. Compulsory at 65 years.
New York City	41	20	50 percent.
Detroit	?	25	50 percent last 5 years of patrolman's salary.
Chicago	55	25	50 percent at 55 years plus 1 percent each year to age 63.
Washington	55	25	50 percent. Compulsory 64 years.
Cleveland	52	25	50 percent of highest 5 years plus 2 percent to 66 years of age.
Minneapolis	50	20	$207 per month.
Milwaukee	57	25	50 percent.
Cincinnati	52	25	¾.
Philadelphia	50	20	½ average highest 5 years salary.
Seattle		25	45 percent 25 years service. 50 percent 30 years service.
New Orleans	50	20	50 years applies to recruited since 1946. 50 percent plus 1 percent over 20 years not to exceed 30 years service.
Buffalo		25	½ highest average 5 years salary.
Houston	55	25	Minimum, $75; maximum, $90 per month.
Boston	65–70	25	Under 30 years over 25 years ½ salary. Over 30 years service ¾ salary. Compulsory 70 years.
Baltimore		35	50 percent. Compulsory 70 years.
Dallas	50	20	½ base pay of patrolman, regardless of rank.
St. Louis	60	35	½ average salary of last 10 years.
Pittsburgh	50	20	$135 per month up, depending on rank (information received from department not complete).

STANDARDS FOR ISSUANCE OF PASSPORTS

Mr. FULBRIGHT. Mr. President, I am about to introduce a bill, and I ask unanimous consent that I may speak on it in excess of the 3 minutes allowed under the order which has been entered.

The VICE PRESIDENT. Without objection, the Senator from Arkansas may proceed.

Mr. FULBRIGHT. Mr. President, I introduce, for appropriate reference, a bill to promote the foreign policy of the United States; to provide for the protection of American citizens abroad; to provide standards for the issuance of passports by the Department of State, and for other purposes.

Mr. President, I ask unanimous consent that this bill which is quite short, be printed in the RECORD at the close of my remarks.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD, as requested by the Senator from Arkansas.

The bill (S. 2770) to promote the foreign policy of the United States; to provide for the protection of United States citizens abroad; to provide standards for the issuance of passports by the Department of State, and for other purposes, introduced by Mr. FULBRIGHT, was received, read twice by its title, and referred to the Committee on Foreign Relations.

(See exhibit A.)

Mr. FULBRIGHT. Mr. President, it is my hope that the introduction of the bill will serve to stimulate study and discussion of the passport problem between now and the next session of Congress.

In my opinion, a general review of the laws and policies relating to limitations on the travel of Americans abroad is long overdue. The basic statute on this subject was passed in 1856, at a time when a passport constituted nothing

more than a formal letter of introduction which a citizen carried abroad with him. It was not something which a citizen had to have before he could leave this country, and it was not something which he had to have before he could enter some other country. Since 1856, world conditions have changed very greatly, and we have passed through two world wars, during which systems of passport control have been established for security reasons. At the present time, because of the continued existence of the Korean war emergency, no citizen can leave the United States without a passport. At the present time also, there are very few places in the world where one can go without having a passport.

Under the present law, the Secretary of State claims to possess discretion to decide which American citizens may leave this country and which foreign countries American citizens may visit. In recent years the courts of the United States have begun to restrict, somewhat, this claim of the Secretary of State, but most of the basic questions in the field are still unsettled, and no case on the subject of the scope of the Secretary's discretion has come to the Supreme Court of the United States.

Mr. President, I shall not attempt now to describe in detail the present situation with respect to travel controls and problems. This has been done very ably in many writings and speeches during the last several years. For a brief but excellent discussion of the passport problem, I would refer Senators to the article entitled "The Right To Travel: The Passport Problem," written by Prof. Louis L. Jaffe, of the Harvard Law School, and published in the magazine Foreign Affairs of October 1956. I should like to quote a few sentences from the conclusion of the article:

> The right to go abroad may not be of so exalted a nature as the right to move about, to associate and to speak within one's country; thus to participate in the community's life is the paramount opportunity and duty of the citizen. But it is nevertheless a right of great moment; it is liberating for the individual and fructifying for his own community. It will be said that certain individuals misrepresent us abroad, that they may bring our policy, our culture or our humanity into disrepute. But what government, what courts, what bureaus are capable of judging who shall speak for us, what manners are comely, what culture is sound, what policies are sacrosanct? Who are the persons competent to make such judgments? What law can establish a standard for such action? To put these questions is to give the answer. It becomes clear how monstrous it is, into what perversity we have fallen, when a minister of the gospel cannot go abroad because some minor official disapproves of his "political activity." What began in an alarmed concern for the country's safety concludes in routines of unmitigated gall.

Another reason, Mr. President, why I shall not attempt now to discuss in detail the existing problems with respect to controls on travel by Americans abroad is that the Committee on Foreign Relations has recently held hearings on this subject. These hearings will shortly be published. Senators will recall that in late 1956 several events brought to a head the longstanding anxiety on the part of many persons about the passport policies of our Government. Two events especially occurred last year to bring this subject into the news: first, the ban imposed by the Department of State on August 7, 1956, on the travel of newsmen to Communist China; second, the suspension, resulting from the Suez crisis, on travel of Americans to Israel.

At a meeting of the Committee on Foreign Relations on March 19, 1957, these events and other passport questions were discussed; and the committee decided to ask the Secretary of State to present the views of the administration on these matters. Deputy Under Secretary of State Robert Murphy appeared as a substitute for the Secretary of State at a public hearing on passport policies on April 2, 1957. Mr. Murphy read a prepared statement, and he was questioned for nearly 2 hours by members of the committee. On April 11, the public hearings were continued; and testimony was taken from a number of members of the public.

Mr. President, the record of these hearings contains a great deal of information on the subject of limitations imposed by the United States Government on the travel of Americans abroad and on United States policy with respect to cultural exchanges generally.

I wish to call these hearings to the attention of my colleagues and also to the attention of the press. I mention the press because the press has a direct interest, not only in the outcome of the current controversy over whether American newsmen should be allowed to go to Communist China, but also in the limitations on the travel of newsmen anywhere in the world.

Mr. President, the record of these hearings on passport policy will reveal, I think, that the Department of State is very defensive on the subject of the travel controls which the Department exercises over American citizens. I shall illustrate this defensive attitude by reciting briefly the difficulty the committee has had in obtaining answers from the Department of State to the questions raised during the public hearing on April 2, 1957.

On numerous occasions during the questioning of Deputy Under Secretary of State Murphy by the Committee on Foreign Relations on April 2, he stated that he was not sure of the correct answer, and would prefer to supply the answer later, for the committee's record. When the committee decided to bring the hearing to an end, I received permission to submit a number of additional questions on cards to Mr. Murphy, and he agreed to supply answers to them for the record. That was on April 2.

On April 17, there was received from Deputy Under Secretary Murphy a letter which purported to answer all questions raised by the committee during the hearing on April 2. In reality, the Department of State answers contained in the letter of April 17 were incomplete in several respects. First, the answers to the questions raised orally during the hearing were in many cases incomplete or unresponsive to the questions. Second, two of the questions which had been raised orally during the hearing, and which Mr. Murphy had agreed to answer, were not answered. Third, the Department's letter failed to answer any of the questions I had handed to representatives of the Department at the close of the hearing.

The staff of the Committee on Foreign Relations asked for an explanation about the missing answers. The staff was told that representatives of the Department at the working level had thought the answers supplied in Mr. Murphy's April 17 letter to questions raised orally during the hearing were sufficiently comprehensive to cover the questions which had been handed to the Department at the close of the hearing. This was obviously not the case, however. Anyone who inspects the hearing record, which is soon to be published, will see that the additional questions handed to the Department at the close of the hearing dealt with many matters not covered during the oral questioning of Mr. Murphy. The Department therefore agreed to supply more adequate answers to the questions raised orally during the hearing on April 2, and, in addition, to answer the questions which had been submitted to the Department at the end of the hearing. The staff of the Committee on Foreign Relations sent to Deputy Under Secretary of State Murphy, under date of April 24, a letter which pointed out the respects in which the answers supplied by the Department on April 17 were inadequate and unresponsive.

On April 29, 1957, Deputy Under Secretary of State Murphy sent to the staff of the committee a brief note expressing regret that the first answers submitted to the committee were not adequate, and expressing the hope that the Department would be able to provide the committee with replies in a few days' time. On May 22, over 3 weeks later, Mr. Murphy sent another letter to the committee. This letter dealt with only three of the questions which had been raised orally during the hearing on April 2. No answer was given to any of the questions submitted at the end of the hearing on April 2, and no additional material was supplied to supplement the partial answers which had been submitted to the committee in Mr. Murphy's letter of April 17.

As the weeks went by, several estimated dates given by the Department of State for supplying the material came and went. Finally, on July 8, 98 days after the qusetions were asked, the answers to the questions which had been raised on April 2 were received. The committee still awaits a reply to the interrogatory of April 24.

I believe this conduct on the part of the Department of State is shocking. One cannot help concluding that the Department of State has deliberately dragged its feet in responding to the request of the Committee on Foreign Relations. It may be that the Department hopes the Congress will adjourn before the information is supplied. Whatever the reason for the delay, the Senate ought to know that information which the Congress and the public is entitled to have has been withheld by the Department of State for an unreasonably long time.

The Department of State has thousands of employees. It can act promptly on requests of a committee of the Senate if it wants to. I shall cite only one example, which occurred during the recent consideration by the Committee on Foreign Relations of the proposed Mutual Security Act of 1957. In this case the Department acted quickly. The Mutual Security Act is a measure which the Department wants the Congress to pass. The last of the hearings by the Committee on Foreign Relations on the mutual security bill were held in three all-day sessions on June 3, 4, and 5. During these hearings, hundreds of pages of printed testimony were recorded, and dozens of questions were left unanswered during each day's hearing. These questions required extra research, and they had to be answered within 3 days, in order that the accelerated printing schedule of the committee could be met. All of these questions were answered by the Department of State, and were answered in time. The record of the hearings on the mutual-security bill was printed, and was ready for Senators to inspect on June 10, only 5 days after the testimony by representatives of the Department of State had ended. I cite this example to show that when the Department of State really cares, it can supply answers to complicated questions raised by the Committee on Foreign Relations, not in 98 days, but in 3 days.

Mr. President, the record shows that the Department of State is embarrassed and defensive about its passport policies, and the record gives one no confidence that the Department is likely to propose to the Congress a bill to rationalize the present legal situation with respect to the travel of Americans abroad.

The bill which I am introducing will, I think, provide a vehicle for a complete examination of United States policy with respect to the travel of our citizens abroad. I do not expect that the present form of the bill will be its final form; and I welcome the comments of all interested persons, both in and out of the Government, during the adjournment of the Congress.

My bill has two main features which I shall discuss briefly. First, it would lay down standards to guide the Secretary of State in the issuance of passports. At the present time, under the law the Secretary of State claims the right to refuse passport facilities to any person when it appears to the satisfaction of the Secretary of State that the person's activities abroad would be prejudicial to the interests of the United States abroad. That language comes from the Department's own regulations on the subject of travel. Note the phrase "to the satisfaction of the Secretary of State." Thus, the Secretary claims the authority to be the final judge as to which American citizens can go to which countries abroad, and for what purposes. This is extraordinary power, Mr. President, which, the record shows, has been unwisely used in a significant number of cases.

The second feature of my bill would be to reverse, in peacetime, the burden of proof in passport cases. At the present time, an American citizen is presumed to be guilty until he can prove to the satisfaction of the Secretary of State that he ought to be allowed to travel abroad. My bill would reverse that presumption of guilt, and would place every citizen, with respect to his freedom to travel, on the same footing as that on which he stands with respect to other important freedoms under law. In other words, the bill would provide that in time of peace, and in the absence of a declaration of national emergency by the President, the travel abroad of any citizen shall not be restrained for a period of more than 30 days, unless the Department of State can establish before the United States district court of the district in which the citizen lives reasonable cause to deny the citizen the right to travel on one of the grounds specified in the law. This shift of the burden of proof in passport cases is entirely reasonable. Out of some 500,000 applications by citizens for passports in 1956, less than 100 passports were refused. Therefore, it will be no trouble for the Department of State to go to court in 100 cases a year, out of half a million cases, if the Department, in the interest of national security, seeks to restrain the travel abroad of American citizens.

Mr. President, I do not know what further action the Committee on Foreign Relations and the Congress may decide to take with respect to the passport authority and policies of the Department of State. On the basis of my consideration of this problem so far, however, my conclusion is that the general policy of the law ought to be that travel by Americans abroad should be as free from governmental restraint as possible, consistent with the requirements of national security. I believe the bill I am now introducing embodies this principle.

EXHIBIT A

Be it enacted, etc., That this act may be cited as the United States Travel Act.

SEC. 2. Statement of policy: Travel by citizens abroad should be as free of governmental restraint as possible consistent with the requirements of national security. The Government should facilitate such travel and should provide for the protection of citizens abroad by providing passports, by negotiating with other countries to minimize travel formalities, and by other appropriate means.

SEC. 3. Definitions: For the purposes of this act:

(a) The term "passport" means the document issued by the Department of State to a citizen which identifies him and requests that he be permitted to travel safely and freely and, in case of need, be given such help as would be extended to citizens of foreign states in the United States.

(b) The term "travel abroad" means exit from the United States, entrance into the United States, and travel outside of the United States.

(c) The term "Department" means the Department of State.

(d) The term "United States" means the States, the District of Columbia, Alaska, the Canal Zone, Hawaii, Puerto Rico, the Virgin Islands, Guam, America Samoa, and all territory and water, continental and insular, subject to the jurisdiction of the United States.

SEC. 4. Travel policy: No restraints shall be placed on the travel abroad of any citizen except those restraints provided for in this act.

SEC. 5. Passport policy: Every citizen is entitled to receive a passport except as otherwise specified in this act. The Department may charge fees for the issuance of passports which shall be no higher than is necessary to defray the cost of issuance. At the request of the head of a family, the Department may issue family passports covering a husband and wife and children under 16 years of age, but no group passports shall be required. Passports shall be valid for 3 years, unless revoked on one of the grounds specified in section 7 in accordance with the procedure prescribed in section 9. Passports may be restricted at any time as to validity pursuant to section 8.

SEC. 6. Applications for passports: The Department may require persons desiring passports to provide reasonable information as to their personal history so that the Department may establish that the person is a citizen.

SEC. 7. Grounds for restraining travel of individual citizens: Travel abroad of citizens may be restrained, and passports may be denied to citizens, only on the following grounds:

(a) That there is good reason to believe that the travel abroad of the citizen or his activities abroad will violate the laws of the United States;

(b) That the citizen is a member of the Communist Party or a member of an organization which has been finally ordered by the Subversive Activities Control Board to register or has recently terminated such membership under such circumstances as to warrant the conclusion, not otherwise rebutted by the evidence, that he continues to act in furtherance of the interests and under the discipline of the Communist Party or such organization; or

(c) That the citizen owes the Government of the United States money for previous transportation back to the United States.

SEC. 8. Grounds for general travel restrictions:

(a) Travel of all citizens may be restrained, and passports may be limited in validity, pursuant to the procedures set forth in section 10, with respect to travel to the following places:

(1) Places where armed hostilities are in progress;

(2) Countries with which the United States is at war; and

(3) Countries to which the President finds that travel should be restricted in the national interest.

(b) The Department may make exceptions to general travel restrictions for individuals and for classes of persons, including the classes of professional news gatherers and doctors on medical missions.

SEC. 9. Imposition of travel restraints on individual citizens:

(a) In time of war or other national emergency declared by the President to require measures pursuant to this subsection, the travel of individual citizens may be restrained and the Department may deny, restrict, withdraw or revoke their passports on the grounds specified in section 7 according to the procedures set forth in this subsection.

(1) Within 30 days after the receipt of an application for a passport, the Department shall either grant the passport or deny it.

(2) Upon denial of a passport or the taking of any other action adversely affecting the right of a person to receive or use a passport, the Department shall give notice forthwith of such action in writing to such citizen, together with sufficient reasons to justify such action. Under reasonable regulations to be issued by the Department, a citizen shall be entitled to appeal from such adverse action, to receive a full and

fair hearing before a board of passport appeals, and to be represented at such hearing by counsel.

(3) The citizen shall be entitled to a final decision by the Department on such appeal within 30 days after the close of the hearing and shall then have the right to take an appeal from such final decision to the United States district court for the district in which such citizen has his principal place of residence.

(b) The authority to apply measures under subsection (a) of this section as a result of any emergency declared by the President shall not extend beyond 1 year unless extended by law.

(c) In time of peace and in the absence of a declaration by the President under subsection (a) of this section, the travel abroad of any citizen shall not be restrained, and the Department shall not deny the right of a citizen to receive or use a passport for a period of more than 30 days unless the Department shall establish before the United States district court for the district in which such citizen has his principal place of residence reasonable cause to take either of such actions on one of the grounds specified in section 7.

SEC. 10. Imposition of general travel restrictions: Travel abroad of any citizen shall not be restrained and passports shall not be limited in validity with respect to any place unless the President has made an appropriate declaration under subsection (a) of section 8. In each such case the President shall report the reasons for such declaration to the Committee on Foreign Relations of the Senate and to the Committee on Foreign Affairs of the House of Representatives and such declaration shall be effective for a period of not more than 1 year, unless such time is extended by law.

SEC. 11. Regulations: The President may issue, or cause to be issued, regulations not inconsistent with this act.

SEC. 12. Effective date: This act shall take effect on the 180th day after the date of its enactment.

REVISION OF FEDERAL ELECTION LAWS—AMENDMENT

Mr. CURTIS submitted an amendment, intended to be proposed by him, to the bill (S. 2150) to revise the Federal election laws, to prevent corrupt practices in Federal elections, and for other purposes, which was ordered to lie on the table and to be printed.

REFUND OF EXCISE TAX ON CERTAIN ELECTRIC LIGHT BULBS—AMENDMENT

Mr. BUSH. Mr. President, I submit an amendment, intended to be proposed by me, to the bill (H. R. 17) to reduce the cabaret tax from 20 percent to 10 percent. I ask unanimous consent that the amendment be referred to the Committee on Finance.

The VICE PRESIDENT. The amendment will be received, printed, and referred to the Committee on Finance.

Mr. BUSH. Mr. President, this amendment is designed to correct an inconsistency in the law by extending to importers of electric light bulbs the same treatment provided by present law to importers of electric, oil and gas appliances. The floor stock refunds authorized by the Excise Tax Reduction Act of 1954 provided that dealers and others who, on the rate reduction date, held electric, oil and gas appliance in stock for resale or for use in further manufacture might apply to the manufacturer, producer, or importer for a refund of the difference between the tax rate applicable to such items prior to enactment of the Excise Tax Reduction Act and 10 percent, the applicable rate following enactment of that act. The manufacturer, producer, or importer could then apply to the Internal Revenue Service for a refund of the amount paid to dealers and others under the act.

In case of electric light bulbs, however, the relief provided by the floor stock refund was limited to manufacturers or producers. Importers, perhaps through inadvertence, were not included in this refund provision although importers were specifically included in the refund provision relating to electric, oil and gas appliances. This amendment would place importers of both classes of items on an equal basis.

ACQUISITION OF NATIONAL GRANGE HEADQUARTERS SITE WITHOUT CONGRESSIONAL APPROVAL—ADDITIONAL COSPONSOR OF BILL

Mr. SCOTT. Mr. President, I ask unanimous consent that the name of the Senator from Wyoming [Mr. BARRETT] may be added as an additional cosponsor of the bill (S. 2740) to prohibit Government agencies to acquire or use the National Grange headquarters site without specific Congressional approval, introduced by me on August 9, 1957.

The VICE PRESIDENT. Without objection, it is so ordered.

PRINTING OF REPORT ON INTERIM REPORT ON HURRICANE SURVEY OF NEW BEDFORD, FAIRHAVEN, AND ACUSHNET, MASS. (S. DOC. NO. 59)

Mr. CHAVEZ. Mr. President, I present a letter from the Acting Secretary of the Army, transmitting a report dated June 25, 1957, from the Chief of Engineers, Department of the Army, together with accompanying papers and illustrations, on an interim report on hurricane survey of New Bedford, Fairhaven, and Acushnet, Mass., requested by a resolution of the Committee on Public Works, dated November 9, 1954, and authorized by Public Law 71, 84th Congress. I ask unanimous consent that the report be printed as a Senate document, with illustrations, and referred to the Committee on Public Works.

The VICE PRESIDENT. Without objection, it is so ordered.

AUTHORIZATION FOR SELECT COMMITTEE ON SMALL BUSINESS TO FILE REPORT DURING ADJOURNMENT OF CONGRESS

Mr. SPARKMAN. Mr. President, on behalf of the Select Committee on Small Business, I ask unanimous consent to be permitted to file a report of the committee during the adjournment of Congress. The report will be entitled "Mergers and Possible Growth of Concentration in the Trucking Industry."

The VICE PRESIDENT. Without objection, it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. WILEY:

Address on CARE, delivered by Senator HUMPHREY at Washington, D. C., on July 24, 1957.

By Mr. YARBOROUGH:

Statement by him before the Subcommittee on Agriculture of the Committee on Appropriations regarding damage caused by drought and flood in Texas.

By Mr. KEFAUVER:

Article entitled "When the Next Soviet Satellite Revolts," published in the Western World for August 1957.

GEORGE M. HUMPHREY AND CHARLES E. WILSON

Mr. SMITH of New Jersey. Mr. President, the pending departure of Secretary of the Treasury George M. Humphrey and Secretary of Defense Charles E. Wilson reminds all of us of the outstanding services these two distinguished men rendered to their country during the first 5 years of the Eisenhower administration.

Each of these men had achieved one of the highest positions of honor in the business world before he devoted his services to the Nation. Each one had shown an outstanding talent for administration, which was further demonstrated by his unselfish service during his tenure in the President's Cabinet.

The similarities between these two men are striking. Both men are the same age, and both were born in small midwestern towns, in average middle-class families. Each rose on his own abilities to preeminence in his particular field in the business world.

As members of the President's first Cabinet, both of these men have contributed to the spirit and life of Washington during their tenures. Both Mrs. Wilson and Mrs. Humphrey have added charm and enthusiasm by their gracious participation in our life here.

During the period in which they have held office, these two gentlemen have encountered significant and complex problems—Secretary Humphrey in the field of finance, where continuing inflation has paralleled continuing prosperity; and Secretary Wilson in the field of defense, where weapons are changing so swiftly that today's first-line fighter plane becomes tomorrow's obsolete mechanism. Both have brought skill and ability to the task of coping with these difficulties, and the Nation has suffered a loss by their departure.

They were big men in big jobs, and their services were devoted to dealing capably with two of the most serious problems facing our Nation today—national defense and a sound financial system.

The President and the Nation are, indeed, fortunate—not only in the services rendered by these men, but also in

the able successors they have respectively helped to choose, and who will add new distinction to President Eisenhower's second administration.

All of us who have worked with these outstanding Americans are saddened by their departure. We wish them many prosperous years ahead in whatever endeavors they undertake; and, as they go, we join in sending them our best wishes and the appreciation of the Nation for work well done.

WALTER F. GEORGE

Mr. FULBRIGHT. Mr. President, on yesterday, I was unavoidably absent from the session of the Senate, because of illness, and was, therefore, unable to join my colleagues in their eulogies of the late great Senator from Georgia, Walter F. George.

The tributes of my colleagues are impressive and all encompassing. I endorse those expressions of respect and esteem. I have never known a finer gentleman or a more dedicated public servant than Senator Walter George. He loved this body, and he gave to it and to his country every ounce of his energy and the benefit of his well trained and penetrating intelligence. He was a great Senator in the finest tradition of this body.

He deserves well the many tributes which have been paid to him in this body and throughout this land.

I join my colleagues in extending heartfelt sympathy to that great lady "Miss Lucy," the Senator's widow.

Mr. SCHOEPPEL. Mr. President, I join with my colleagues in the Senate today in paying my respects to one of the truly great men who has served his Nation in this body, and in other responsible positions of our Government abroad.

Senator George was a man who inspired confidence in legislative government and in the orderly functioning of the legislative processes of our Nation.

He was a conscientious man, a thorough man, a considerate man. Never did he use his great ability, his prestige, or his power, to gain an advantage for himself.

No man who has served in the United States Senate, within my memory, has ever excelled him in his constructive efforts in protecting the basic rights established under our Constitution and the Bill of Rights.

He was a fearless advocate of fundamental progress within the constitutional processes of this Nation, and he will remain an inspiration to men of the future who serve in these legislative Halls.

AMENDMENT OF RULES RELATING TO INTRODUCTION OF VISITORS IN THE GALLERIES DURING SENATE SESSIONS

Mr. BUSH. Mr. President, I have noted with increasing discomfort for several years, a practice by Senators of introducing guests in the galleries, or calling attention to the presence in the galleries of a person, or groups of persons.

Rule XIX, section 6, of the Senate prohibits applause from the galleries. The Presiding Officer constantly reminds our guests in the galleries that order is required, and applause is out of order.

Yet, from time to time, Senators invite applause from the Senate and the galleries by calling attention to the presence of some person, or some favorite group. This practice should be stopped. I submit that it is in spirit, if not in fact, a violation of existing rules, specifically rule XIX, section 6. Applause is not in keeping with the dignity of the Senate.

I have felt at times that it cheapens the atmosphere and offends the decorum of this beautiful Chamber, and this distinguished body of men—the last upper house of any parliament in the world with real power.

The House of Representatives has a rule which reads:

> It shall not be in order for any Member to introduce to or bring to the attention of the House during its sessions any occupant in the galleries of the House, nor may any speaker entertain a request for the suspension of this rule by unanimous consent or otherwise.

So, Mr. President, the House not only frowns upon the frivolous practice of gallery play, but prohibits it. Should the Senate have less respect for its own dignity and prestige than the House? I think not.

Accordingly, on behalf of myself, the Senator from South Dakota [Mr. CASE], the Senator from Mississippi [Mr. STENNIS], the Senator from Florida [Mr. SMATHERS], the Senator from Michigan [Mr. POTTER], and the Senator from Vermont [Mr. FLANDERS], I submit a resolution and ask for its appropriate reference. The resolution will add a new paragraph to rule XIX, and, if adopted, will stop the practice of gallery introductions.

I ask unanimous consent that the resolution be printed at this point in my remarks. I shall not read it. It conforms quite closely to the rule applying in the House of Representatives, which I have read.

The VICE PRESIDENT. The resolution will be received and appropriately referred.

The resolution (S. Res. 183) was referred to the Committee on Rules and Administration, as follows:

Resolved, That (a) rule XIX of the Standing Rules of the Senate is amended by adding at the end thereof a new paragraph to read as follows:

"(7) No Senator shall introduce to or bring to the attention of the Senate during its sessions any occupant in the galleries of the Senate. No motion to suspend this rule shall be in order, nor shall the Presiding Officer entertain any request to suspend it by unanimous consent."

(b) The last sentence of rule XL of the Standing Rules of the Senate is amended to read as follows: "Any rule may be suspended without notice by the unanimous consent of the Senate, except as otherwise provided in clause 1, rule XII, or clause 7, rule XIX."

Mr. BUSH. Mr. President, to me it is very disturbing to hear a Senator call attention to the presence of a prominent star of stage and screen, now playing at a local theater, by saying, perhaps, "Distinguished colleagues; We are honored today by the presence in our Chamber of a beautiful star of stage and screen now playing at the National Theater—I give you Lily Lysle." Miss Lysle then rises and bows smilingly. One trouble with this is that Dorothy Dacron, another beautiful star, follows Miss Lysle at the National Theater 2 weeks later; so, her publicity agent carefully plans her introduction, too. It is a bit of nice clean, free publicity.

Do not misunderstand me, distinguished colleagues. I would like to meet Miss Lysle, and Miss Dacron, too. And if they came from Connecticut, I might even take them to lunch in the Senate restaurant, where my colleagues might see them and be introduced, should they stop at our table.

But, Mr. President, let us spare the Senate Chamber. Let us agree to keep it free from publicity stunts. Let us urge the Rules Committee to get this resolution before the Senate so we can stop the practice of playing to the gallery, and keep the dignity and decorum of the Senate on the high plane where it belongs.

Mr. President, I noted yesterday, 2 weeks after I prepared the resolution, an article in the Washington Evening Star entitled "Senate Dignity Strained in Ovations to Visitors," written by Charles Bartlett, which I ask unanimous consent to have appear in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SENATE DIGNITY STRAINED IN OVATIONS TO VISITORS

(By Charles Bartlett)

The Senate has fallen prey to a habit which some of its Members fear may have got out of hand.

The habit is the amiable one of calling attention to certain visitors in the galleries and of asking them to rise so they may receive a standing ovation from the Senators on the floor.

The gesture, which has been made more often in this session than any time in history, derived from the Senate practice of calling a brief recess in order to bring distinguished visitors to the floor to meet the Senators. During the thirties such celebrities as Sgt. Alvin York, Charles Lindbergh, Rear Adm. Richard Byrd, Amelia Earhart Putnam, and Lady Astor were honored in this fashion.

The present practice was instituted by the late Senator Alben Barkley, of Kentucky, on June 29, 1939, when he called the attention to the presence of Prince Olav and Princess Martha, of Norway, in the diplomatic gallery. The Kentuckian apparently enjoyed the incident, for he did it again less than a year later in recognizing the presence of 20 young ladies from a foreign land.

His innovation was not repeated until 1944, when Senators Robert M. La Follette, Jr., of Wisconsin, and Albert Thomas, of Utah, made the same sort of gesture. The fact that there were no set standards for the recognition was implied in the following year when a group of quiz kids and Miss America of 1945, Bess Myerson, were accorded the honor.

This year there have been more than 30 such interruptions in the Senate procedure and the varied group of honorees has included comedians Jimmy Durante, Jerry Lewis, and Arthur Godfrey; a girls' drill team from Houston; a cherry blossom princess from Maryland; the Little Chamber Orchestra, of Portland, Oreg.; a New Jersey vegetable queen; a choir from Minnesota; the sheriff's posse, from Clark County, Nev.; the

561st Air Force Band; a Sunday school class from Houston; the National Ballet of Canada; at least eight school groups from Maryland, Louisiana, South Carolina, and Texas; and Adlai Stevenson.

The turning point may have come last Tuesday when Actress Jayne Mansfield visited the Senate. Her status as a celebrity certainly merited gallery recognition in terms of the precedents of the session, but the dazzling and somewhat focused quality of her beauty quickly raised the specter of the Senate's dignity. Miss Mansfield was received off the floor in the majority leader's office.

Majority Leader LYNDON JOHNSON, who holds the record for the session with four introductions, is reported to have decided that the habit has gone too far and to be planning to pass the word that the introductions should be more selective in the future.

Mr. RUSSELL. Mr. President, I wish to commend, in the very highest terms of which I am capable, the effort which the distinguished Senator from Connecticut is making to restore some semblance of dignity to this body. In common with the statement he has made, I can understand the reasons for some of the views he has stated. I have been asked on occasion when large high school groups, and even beauty queens, have visited here, to introduce them to the Senate. I have not done so because I believe this practice can be carried to the point where it cheapens the Senate, if, indeed, it has not already done so.

The United States Senate is the most powerful parliamentary body on earth.

I should like to point out how liberal we are with our rules as compared with other parliamentary bodies. The British House of Commons never allows any visitor upon the floor. The entire United States Senate, or a delegation composed of the leaders of the Senate, might be on a special mission to England, but no Senator would be permitted to enter the floor of the House of Commons. The House of Commons does permit such visitors to sit in the galleries and observe the proceedings. It even has a distinguished visitors' gallery, where American officials and probably the majority leader and the minority leader and the chairman of the Foreign Relations Committee or the ranking minority member of the Foreign Relations Committee could listen to the debate; but they are barred from entering the floor of the House of Commons and they would not be recognized from the floor.

In the Senate we have a practice of inviting to the floor any delegation, small or large, from any parliamentary body of any nation anywhere, and of introducing them and interrupting the proceedings of the Senate and having Members of the Senate meet the visitors and shake their hands and assure them how warmly they are welcomed to this country.

That is all very well in its place, but I think the practice has been badly abused. It threatens the stature of the Senate as the greatest parliamentary body.

There are a number of other things to which attention might be called that represents changes in the practices which heretofore prevailed, at a time when we were truly considered a great deliberative body. A legislative body cannot remain a great deliberative body unless it has some dignity attached to its proceedings.

I say to the Senator from Connecticut I will support, as vigorously as is within my capacity and ability, a change in the rule as suggested. I assume the reason why we have not had a rule on the subject heretofore is that up until recently no Senator would have conceived of some of the things which now transpire in the Senate. I do not say that in a spirit of criticism. When we start by introducing a distinguished Prime Minister from a foreign country, it opens the door. We then proceed to such cases as that of Miss Dacron, whom the Senator hopes to take to lunch. I hope I will be introduced to her in the Senate restaurant. That is the proper place for such introductions, not from the floor of the Senate.

I heartily commend the Senator from Connecticut.

Mr. STENNIS. Mr. President, will the Senator yield on my time?

Mr. BUSH. Mr. President, I ask unanimous consent that I may yield to the Senator from Mississippi on the 3 minutes allowed to him.

May I say first that I appreciate the comments of the senior Senator from Georgia [Mr. RUSSELL], with whom I have discussed the matter. I do not know of any Senator whose support I would welcome more than that of the distinguished Senator who has just spoken.

In sending the resolution to the desk, I neglected to announce that the other sponsors of it included the Senator from Mississippi [Mr. STENNIS], the Senator from South Dakota [Mr. CASE], the Senator from Florida [Mr. SMATHERS], and the Senator from Michigan [Mr. POTTER].

Mr. President, I ask unanimous consent that the resolution may lie on the desk for 48 hours, so that other Senators, if they choose, may add their names as cosponsors of the resolution.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). Without objection, it is so ordered.

Mr. BUSH. Mr. President, I should like to yield, on his own time, to the Senator from Mississippi [Mr. STENNIS], who discussed this matter with me several months ago and encouraged me more than anybody else to draw up and submit the resolution.

Mr. STENNIS. Mr. President, I appreciate the Senator's yielding to me. I commend the Senator highly for the step he has taken, and the very forceful way in which he has presented a real problem of the Senate, which I think is simply a part of a larger problem we have of maintaining in the Senate Chamber an atmosphere that will permit sound legislation.

I have observed, Mr. President, that few, if any, Senators really wish to make these presentations, but in one way or another they are pressured into it. I know I have flatly refused requests from various sources to present persons who are in the galleries. I have said frankly it was outside of my conception of proper procedure of the Senate.

I think, also, with regard to unanimous consent being given, that such a procedure is almost unanimously disapproved. The only reason I even consent to it is to keep from putting a fellow Senator in an embarrassing position, since he has doubtless already made arrangements with a constituent or somebody else to have some person introduced to the Senate.

So, with almost unanimous disapproval by the Senator who is doing the sponsoring and almost unanimous disapproval by the Senators on the floor, the impression, nevertheless, goes out that while the world is on fire and is aflame in other ways, we are "diddling arcund" in presenting various people to the Senate.

I make no reference to such persons as to personal traits or characteristics, but I think whatever honor there was once attached to the process has been so greatly diluted that it has largely faded from the picture.

Even if the proposed rule is adopted, if it is not respected any more than some of the other rules we have, the Senate will not be much better off. I do not say this in criticism, but I should like to read the paragraph from the letter sent to me by the Senator from Connecticut:

> Whenever confusion arises in the Chamber or the galleries, or demonstrations of approval are indulged in by the occupants of the galleries, it shall be the duty of the Chair to enforce order on his own initiative and without any point of order being made by a Senator.

I refer to the confusion on the floor. I wish to point out that whoever the Presiding Officer is—be it the Vice President, the President pro tempore, or a Senator—he not only has the authority but under the rules of the Senate he has the positive duty, on his own initiative, to maintain order on the floor.

I am glad the Senator from Connecticut has pointed out that rule, and I commend him for his presentation.

Mr. BUSH. Mr. President, I am most grateful to the Senator from Mississippi for his commendation. I am sure that all Senators will agree that no one presides over the Senate with greater dignity or with a firmer determination to enforce observance of the rules than the Senator from Mississippi.

GOVERNOR'S DAY AT INDIANTOWN GAP MILITARY RESERVATION, PA.

Mr. MARTIN of Pennsylvania. Mr. President, last Saturday Governor's Day was observed at beautiful Indiantown Gap Military Reservation, the training ground of many of the most famous military organizations of the United States.

On this occasion the historic 28th Division, Pennsylvania National Guard, dating back to days of Benjamin Franklin, passed in review in honor of the Governor of the Commonwealth, the Honorable George M. Leader.

Many outstanding officers of the National Guard were present. The review was attended also by Representative JAMES G. FULTON, from western Pennsylvania, and Representative DANIEL J. FLOOD, from the eastern section.

Governor Leader has taken a great interest in the Pennsylvania National Guard. The training of the troops was a great tribute to the skill and understanding of Maj. Gen. Anthony J. D. Biddle, Jr., adjutant general of Pennsylvania, and the capable leadership of the division commander, Maj. Gen. Henry K. Fluck.

The units presented a thrilling spectacle as 8,000 guardsmen passed by in almost perfect precision.

The 112th Infantry, from northwestern Pennsylvania, with a brilliant record of service dating back to the Spanish-American War, marched to the tune of Old Soldiers Never Die.

The 109th Infantry, from the hard coal region of northeastern Pennsylvania, marched to the strains of The Old Gray Mare.

The 110th Infantry, which first covered itself with glory in the Philippines, stepped to its favorite marching tune, No. 9 or Khaki Bill. This outfit has used Khaki Bill since World War I days, and has used Dixie at its guard-mount ceremonies since 1898.

The Field Artillery battalions and the auxiliary troops used as their marching tune the new Army song, The Artillery Goes Rolling Along. The Artillery, the Special Troops and the Tank Battalion are from Philadelphia, Pittsburgh, Wilkes-Barre, and Johnstown.

Mr. President, before the review, Gen. Lyman L. Lemnitzer, Vice Chief of Staff, United States Army, delivered a most inspiring address to the troops. As it is of great interest to all civilian soldiers, I ask unanimous consent that it be printed in the RECORD at this point as a part of my remarks.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS BY GEN. LYMAN L. LEMNITZER, VICE CHIEF OF STAFF, UNITED STATES ARMY, AT GOVERNOR'S DAY REVIEW, INDIANTOWN GAP MILITARY RESERVATION, PA., SATURDAY, AUGUST 10, 1957

I welcome this opportunity to return to my home State for this Governor's Day Review and to speak to the members of the 28th Infantry Division, their families, and their friends. I was very pleased to receive the invitation to come here today from an old associate of mine, General Biddle—your adjutant general.

Having served with General Biddle on several occasions—during World War II when he was on General Eisenhower's staff in Europe and also in Washington in 1954–55 when he was special assistant to former Army Chief of Staff, Gen. Matthew Ridgway—I am well aware of his outstanding qualifications for his present office.

As a Pennsylvanian and professional soldier, I have always felt proud of the willingness of the civilian soldiers of this Commonwealth to contribute their time and efforts—and in many cases, their lives—in the defense of our Nation. Recently, I returned to the United States after a tour of duty in the Far East where I was commander in chief of the Far East and United Nations Commands. There I was fortunate to have, as a key member of my staff, a former member and commanding general of the 28th Infantry Division, Maj. Gen. Daniel B. Strickler.

General Strickler applied his uniquely broad experience to the performance of important duties related to the deployment of our Armed Forces in Japan, the Republic of Korea, and the Ryukyu Islands. His patience and diplomacy assisted materially in solving complex problems and in maintaining harmonious relations with the governments and people concerned. As an example of his selfless devotion to duty, General Strickler, upon retiring from active service in Tokyo after 40 years of distinguished military service, consented to remain in Japan to assist in effecting a smooth transition in the realignment of the United States commands in the Far East.

I consider that General Strickler typifies the selfless attitude of the American citizen-soldier, so many of whom, past and present, have been members of the 28th Division. Here is a man who time and again, when his services were required, willingly left his home and established law practice to serve his country and his native State of Pennsylvania.

Responding to the call to military service, however, is characteristic of Pennsylvanians. It is most fitting that Governor Leader, a veteran of World War II, extended the reputation of the Commonwealth's fighting governors begun by its first governor, Thomas Mifflin, in the Revolutionary War. The long, distinguished military record of Senator EDWARD MARTIN—also a former commander of the Keystone Division—adds further to the military contributions of our governors as well as to the enviable achievements of the 28th Division. Thus, those of you who form the division today carry on the historic traditions of the citizen-soldiers of our State and the brilliant record of your units which, in the span of my own military career, have answered the call to the colors in three wars.

Today, the National Guard has a far more important role than it has ever had in the past. The primary purpose of all Armed Forces—Active and Reserve—is to prevent war. Consequently, there is a greater requirement today for combat-ready forces so organized and so deployed as to present visible and unmistakable evidence to our enemies that Communist aggression will be dealt with promptly and effectively.

To illustrate my point, I shall turn momentarily to the Far East, an area with which I have spent much of my service since the fighting in Korea. As a division commander during the Korean war, I witnessed at first-hand the tremendous price of unpreparedness. At the outset of the war, six partially trained and lightly equipped Republic of Korea divisions were the total forces available to attempt to halt the unprovoked and deliberately planned aggression by invading Communist armies which were specifically armed, trained, and equipped to attack and overrun the Republic of Korea. A situation had been created wherein the Communists believed that they could accomplish a quick land grab along the frontier of the Free World uncontested by the armed might of the democratic nations. The Communist belief that such an aggression would be profitable to them resulted in a war which produced the fourth largest number of casualties ever suffered by the United States Army and heavy casualties to our allies, particularly the Republic of Korea.

Today, we have no intention of permitting a similar situation to arise again. The modern, combat-ready divisions of the Republic of Korea present a startling contrast to the forces which existed in 1950. These divisions reflect the tremendous strides we have made in assisting a stalwart ally—the Republic of Korea—to develop the military power her security and independence require.

Standing alongside the Korean Army on the frontier of the Free World are two United States Army divisions and other forces of the United Nations command. Facing the Chinese and North Korean Communist forces, these divisions serve notice to the Communists that a renewal of aggression will be met by the armed might of the United States and its allies in the United Nations command. In addition, they demonstrate clearly to our Korean friends that we are willing to share with them the dangers of living within range of Communist guns.

Our overseas deployments in Korea and our assistance in the development of the Republic of Korea Army are characteristic of the Army's efforts to build deterrent strength and forces capable of meeting aggression and winning a war, if deterrence fails. Deployed overseas in areas of strategic importance in Europe and the Far East, our combat-ready forces provide the visible strength necessary to create an effective deterrent. Our military advisory groups and missions, stationed in 44 foreign countries, are providing substantial assistance in improving the effectiveness of over 200 allied divisions, thereby greatly extending the deterrent strength of the Free World.

Now, how does the National Guard contribute to the deterrence of war? The answer is, of course, that the National Guard is an essential and vital component of today's Army forces which are shaped both to prevent and to win a war. We may all be certain that when the Communists weigh their chances for success in any aggression, they must consider the ready backup strength that we have here at home. They must ask themselves the questions: How long will it take the United States to reinforce its forces overseas, and what is the caliber of those reinforcements? Accordingly, it is essential that our National Guard be kept at the highest state of training and readiness for any emergency.

It is reassuring for me to return to my home State today and see Pennsylvania's citizen soldiers here at Indiantown Gap devoting themselves to perfecting their training, their readiness, and their effectiveness for whatever missions they may be called upon to perform.

I extend to each of you my best wishes for continued success in your training during the remainder of your encampment here at Indiantown Gap and your future service in the 28th Division, to your native State of Pennsylvania, and to your country.

THE CIVIL-RIGHTS BILL

Mr. BUTLER. Mr. President, with each passing day, the weight of expert opinion as to the legal merits of the civil-rights bill adopted by the Senate becomes more impressive.

It has now become virtually impossible for any informed man to assert that the jury-trial amendment weakens the bill. The only issue upon which thoughtful experts disagree is the breadth of the amendment.

One of the latest contributions to thinking on the subject has been made by Paul A. Freund, Royall professor of law, at Harvard University. He urges acceptance of the Senate version if limited to voting cases.

And, in a letter to the New York Times, Mr. Freund touches upon the basic point involved. He says:

> Party politics aside, is there any reason why the Congress should deny to itself and the country the benefit of a judgment from experience rather than from speculation?

Mr. Freund's question—and I assume this was his intention—answers itself.

For the first time in my memory, we have been able to consider the issue on the basis of merit rather than emotion. If this effort fails, it will be many years before the climate of reason and sanity can be recaptured.

We will be plunged into an atmosphere of partisan politics which will benefit

very few people—least of all, those whom the civil-rights concept is designed to benefit.

The Baltimore Sun, which has done such a superb job of presenting the facts to its readers, sums up that point this morning. In its editorial it says:

The choice is between a moderate bill which still makes notable progress, and no bill at all. As this realization sinks in, the moderate bill is bound to pick up strength in Congress.

Mr. President, I ask unanimous consent that Mr. Freund's letter to the New York Times and the Baltimore Sun editorial be printed in the RECORD as a part of my remarks.

There being no objection, the letter and editorial were ordered to be printed in the RECORD, as follows:

[From the New York Times of August 12, 1957]

FOR THE SENATE RIGHTS BILL: COMPROMISE ON CONTEMPT CITATIONS BELIEVED TO REPRESENT GAINS

(The writer of the following letter, an authority on the United States Supreme Court, has served in the Department of Justice. He is Royall professor of law at Harvard University.)

To the EDITOR OF THE NEW YORK TIMES:

As one of those who have maintained that there is no constitutional right to a jury trial in contempt cases, may I now urge that the Senate compromise, drawing a line between civil and criminal contempt, be accepted if limited to voting cases.

The point of view expressed in some quarters that it would be better to let the legislation go by default exaggerates the limitations of civil contempt and underrates the resourcefulness of the judicial process.

It is argued that an order requiring registration of voters could not be enforced by civil contempt once the voting day has passed, since compliance would then have become moot. But there is no reason why an order for registration need be limited in the first place to a particular election; certainly this is so where the usual long-term or permanent system of registration prevails.

CONTINUITY OF ORDER

It is said that a registrar who is sentenced to jail until he obeys can avoid the force of this civil contempt decree by resigning. Apart from the dubious assumption that public officeholders are so lightly attached to their jobs, there is no reason why an injunction order cannot run from the beginning against a registrar and his successors, each of whom would then be faced with civil contempt sanctions for disobedience.

It is contended that an injunction negative in form, for example, one ordering the defendants to cease and desist from intimidation or acts of violence, cannot provide the basis for civil contempt, since if the defendants were imprisoned there is no definite act which would suffice to purge them of their contempt. But in lieu of imprisonment they could be required in civil contempt to give a bond which would be forfeited if they renewed their threats or violence.

No doubt in some cases the civil contempt remedy may be impractical. But to write off the bill for this reason is to make a double assumption: that a judge's order will not be obeyed without some form of contempt proceedings and that a jury in criminal contempt will be sure to acquit.

SUPPORT FOR ENFORCEMENT

Before yielding to these assumptions we should remember several facts. Unlike desegration, the principle of equality of voting rights has been part of our constitutional law for generations. The enforcement procedure adopted by the Senate was supported by the spokesmen for the States chiefly concerned.

What is at stake (as Judge Taylor admirably explained to the jury in the Clinton, Tenn., case) is the orderly processes of law, the issue whether the legal and moral authority of a Federal judge may be flouted with impunity.

If juries, put to the test, carry out their responsibilities, there will be a positive gain in the self-education that comes from sharing in the administration of justice. If the results should turn out otherwise, the climate of national opinion will be clarified by the experiment,

Party politics aside, is there any reason why Congress should deny to itself and the country the benefit of a judgment from experience rather than from speculation?

PAUL L. FREUND.

CAMBRIDGE, MASS., *August 5, 1957.*

[From the Baltimore Sun of August 11, 1957]

ALL BUT IN HAND

Senators AIKEN and JAVITS have said it and Representative RAYBURN has said it: that if the Congress and civil libertarians generally want a civil-rights bill this year they can have it with hardly any trouble. A civil-rights bill has passed the House. A civil-rights bill (in our opinion a better civil-rights bill) has passed the Senate. All that is needed is agreement between the two versions and the country will have a law fortifying the voting rights of southern Negroes for the first time since the abortive legislation of Reconstruction days.

The key difference between House and Senate bills is the jury-trial section in the latter. Both bills provide that a Federal court may issue orders defending the right of Negroes to vote. Both bills provide that the courts may enforce such orders by citing violators for contempt. The Senate bill provides, as the House bill does not, that in cases of criminal contempt, when the court feels it necessary to punish rather than merely to force compliance, the accused may have a jury trial. So far, this is a good thing. But the Senate pushes this jury-trial privilege beyond the civil-rights cases so as to apply in all Federal court injuction matters.

Leading Members of both Houses think this is too much. The Department of Justice thinks this is too much. It is too much. Civil-rights cases will be a very special kind of proceeding and the jury-trial provision as originally proposed was tailored to this special quality. As a further inducement to orderly progress in the South, the jury-trial provision has already shown its value in the way its proponents avoided a southern filibuster in the Senate and actually got the present bill through. But there should be no jury-trial expansion into areas where the special civil rights need does not exist. Those in House and Senate who feel this way have the best of the argument.

The parliamentary problem is thus to restrict the jury trial of the Senate bill to civil-rights cases and then to get both Houses to accept the result. Representative RAYBURN, a powerful man in the democratically controlled House, is willing to go along on such a course. Leading Republicans are balking. Some of them don't want any jury trial at all. No doubt they see political advantage in standing for the toughest possible civil-rights bill. But the fact is that a tough bill just is not possible. The real choice is not between a tough bill and the moderate bill that is all but in hand. The choice is between a moderate bill which still makes notable progress, and no bill at all. As this realization sinks in, the moderate bill is bound to pick up strength in Congress.

APPOINTMENT OF ARNOLD JONES AS TVA DIRECTOR

Mr. SCHOEPPEL. Mr. President, I ask unanimous consent to place in the CONGRESSIONAL RECORD an editorial from the Manhattan Mercury, under date of Tuesday, July 2, 1957, captioned "In Our Opinion—Able Man for TVA."

Mr. President, this editorial is in the home city newspaper of Arnold Jones who has been designated by the President as a Director of the TVA. I commend it to my colleagues.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

IN OUR OPINION—ABLE MAN FOR TVA

When this writer was asked to do a special feature on Arnold Jones for a Tennessee newspaper in a city near where Jones will live if confirmed as a Director of the Tennessee Valley Authority, the temptation was to refer to the former K-State official as a troubleshooter.

In fact, we did use the word but only to illustrate that he has acquitted himself nobly in a series of appointments to what must be acknowledged as rather hot spots. The overall theme of our piece, however, was that Jones in 30 years of academic, professional and even political life has proven himself equal to the responsibility demanded in each succeeding position. And, we might add for the edification of those unacquainted with the nature of those assignments, that each new position has carried an increasing load of responsibility.

That Jones has risen to each occasion in outstanding fashion is attested to by the fact that he was the second Kansan to receive major national appointment in the Eisenhower administration—that of Deputy Director of the Budget which certainly is a key Washington job that sees Jones in almost daily contact with the White House and not infrequently with the President himself.

And now comes Jones' nomination to be one of three Directors of the vast Tennessee Valley Authority. Perhaps it is surprising that this should happen to a man who only a relatively short time ago was here in Manhattan as a college official. And yet it is not surprising at all if one has followed the Jones career and seen him justify the trust placed in him.

We certainly cannot escape the overtones of public versus private power in the nomination of a fellow Kansan. Undoubtedly that issue will make headlines as Jones faces the confirmation hearings.

Headline material that it may be, we hardly think it is the basic consideration at all when considering whether Jones should be a Director. There is, of course, an ideological argument over TVA as it relates to governmental policy in future area development.

The Tennessee Valley Authority itself, however, is a reality—operating and beyond any doubt having a definite beneficial place in the scheme of things in the wide area it serves.

As a real, operating thing representing millions of dollars in Federal investment it deserves the best possible management. It is our unqualified opinion that Arnold Jones is the type of man to enhance TVA's operation and serve, if you will, as a zealous protector of this gigantic investment.

THE CIVIL RIGHTS BILL

Mr. KEFAUVER. Mr. President, I believe there are certain features of the civil-rights bill which should be explained carefully to all our people.

There has been considerable discussion of what the bill does not do. It seems to me that the more important fact is what the bill does do and what it offers in terms of guaranties of civil rights.

The Senate measure was worked out by men of good will who thought it was more important to solve a problem than to preserve an issue. It was carefully and thoroughly discussed for 25 days.

It was the beneficiary of one of the finest debates in the history of this body. It emerged as a bill which is strong in the only meaningful sense of the word—strong in that it confers rights upon our people. I should like to review briefly the positive steps that would be taken by this measure.

First. It would establish a Commission with full subpena powers to make inquiries into the field of civil rights.

In the future, we can consider this issue on the basis of merit, and we shall need the recommendations of calm, wise, reflective men. Whatever mistakes may be made in this bill can be corrected after experience and study.

Second. This bill would create an Assistant Attorney General to handle civil-rights cases. This would insure the full prestige of the Federal Government could be brought to bear.

Third. The bill would repeal the Reconstruction troops with bayonets statute.

This may appear to some to be a negative accomplishment. But I believe it is more than negative. It has a positive virtue in that it removes from our statute books a source of irritation and vexation.

I do not believe some of my colleagues realize fully just how strongly such statutes can operate in inflaming old wounds and keeping open sores that should be healed.

Fourth. The bill confirms the authority of the Federal Courts to aid individuals seeking remedial protections for their civil rights. The authority, in my opinion, already exists but this removes any possibility of a challenge.

Fifth. The bill specifically authorizes the use of Federal Court orders to secure the most basic of all rights—the right to vote.

The importance of the use of court orders in this field cannot be stressed too heavily. Laws—by their very nature—are inflexible. They cannot be passed rapidly enough to meet the highly fluid situations that can arise in an election campaign.

But the Federal courts can operate quickly and expeditiously. I do not believe their orders will be disobeyed.

When their orders are disobeyed, the court has the full power of civil-contempt proceedings to handle violators. And, as the majority leader pointed out yesterday, those powers are virtually unlimited.

Sixth. The bill guarantees to defendants in criminal-contempt proceedings the right to a trial by jury. For the first time, we will bring order into what is now a chaotic situation.

I know that this provision is controversial. There are many who believe it should be limited to voting cases only.

I have seen no real showing that this amendment is too broad. I would prefer that the House adopt the bill as passed by the Senate. If experience shows that it is not workable in some fields that could be readily adjusted at the next session of Congress. But, if we must water down this amendment so it covers voting cases only, I will urge that we consider legislation at the next session of Congress covering all criminal-contempt cases. The importance of some settlement of this issue and the removal of it from the political scene is so urgent that I am willing to restrict the jury trial to voting cases only. But I am not willing to abandon the principle and I believe the Senate will eventually adopt it.

Seventh. And finally, the bill assures the right of minority groups to serve on Federal juries. This is one of the most important rights of all. Mr. President, for 82 years we have struggled to make any kind of a step forward in this field. We now have the opportunity to take not just any kind of a step but an important step forward.

Passage of this bill in the Senate version would mean the dawn of a bright new day for millions of our fellow Americans. Its defeat at the hands of overly excited partisans would plunge us back into the arena of the politics of prejudice and hatred from which nothing constructive can emerge.

THE CIVIL-RIGHTS BILL

Mr. MONRONEY. Mr. President, as one of those who voted in the Senate for the civil-rights bill, I consider it of vital importance to this country that the measure be approved at this session.

I have served as a Member of Congress for 19 years. I have seen proposals for civil-rights bills of every nature come and go. All have floundered; in fact, up to this point none has had a chance of becoming the law of the land.

Now we have an opportunity—for the first time in 82 years—to pass a bill that has meaning and substance. We have an opportunity to pass a bill that is workable and enforcible, a bill which, in fact, is stronger than any which we have considered in two decades.

I would hate to see us lose this opportunity simply because the bill does not suit all opinion in this important field. Legislation by its very nature is the art of adjusting differing opinions to achieve the possible. Few bills of such importance meet the criteria of everyone who advocates them or opposes them.

The best we can hope to do, especially when the subject is one of social and political progress, is to make a beginning. It is important that this beginning be in the right direction and be possible of achievement.

To pass any bill, no matter how severe, nor how filled with so-called teeth, would be futile if the will to make it work did not accompany the legislative action.

Much legislation passed during the days of reconstruction was punitive in nature, aroused racial passions, and was self-defeating of enforcement. The important thing about this new step, taken after eight decades of inaction, is that it provides a workable mechanism which will guarantee to all Americans the right to vote.

Given this opportunity, I feel sure that many, if not most, of the desires for strengthening the civil rights of all groups will follow in the pattern of true democracy. They will come about through the exercise of the right of the franchise which this bill takes affirmative steps to guarantee.

We realize that the measure does not solve all the problems. It would be a miracle if any measure, passed by any legislative body, could solve all of them, for they are as old as the Nation itself. But we must be honest with ourselves and also realize that this bill grants the strongest protections of the right to vote Congress has ever approved.

The bill also does something else of great importance. It establishes a commission—a commission with subpena powers—which can inquire exhaustively into the issue, study to formulate recommendations and which will have the stature to lend persuasion and prestige to its findings.

A few years ago, the mere fact that such a commission could have been established would have been recognized as an historic achievement.

In addition, a new Assistant Attorney General will be appointed to concern himself with the protection of civil rights. The guaranty contained in the bill to provide the unquestioned right of all minority groups to serve on Federal juries in all the 48 States, is another forward step.

Mr. President, this is progress indeed. Certainly it will not suit all who would like to pass a law and consider the problem of all civil-rights guaranties immediately solved. Such social problems are not solved immediately by laws, as our experience with many of those which have been on the statute books for 85 years proves. They are solved rather by significant events which remove important barriers to cooperation in their solution.

I feel that the civil-rights bill passed by the Senate is such a landmark. Men of fairness and willingness to move toward the solution of this age-old problem will be far more susceptible to making this bill work—and work well—than they are likely to be with the type of bill sent to us by the House of Representatives.

If consideration for opinion of all sections of the Nation has been shown—and I feel it has in this instance—then there will be hundreds of thousands of willing advocates to make the bill work as the Senate has decreed. Had the bill been filled with punitive measures, the ground would have been cut out from beneath that growing body of public opinion in many States which has been advocating an expansion of the voting rights of minority groups for the past several years.

The responsibility for making this bill work rests not merely upon the Government and its agents, but upon those who have been urging progress with moderation, who want to see the right to vote become a reality to every American.

To have passed a bill, denying the right of jury trial to persons cited for criminal contempt, would have destroyed the chance for these leaders of moderation to be effective in their communities. Yes, it would have aroused anew a feeling of persecution and unfairness that would have set the cause of extension of voting and other rights back for decades.

We cannot achieve under the guise of progress retrogressive action which would repeal the basic civil right of all free peoples, the right to a trial by jury. By carefully working out an amendment to guarantee this precious right, the bill was strengthened—not weakened—by the Senate action.

Again, by eliminating the scatter-shot approach of part III of the bill, and making the bill clear in respect to the objective of extending voting rights, the hands of those who would welcome progress are strengthened.

Without these and other amendments added to the bill by the Senate, the gains made could not have been achieved through legislation for years to come. Or if legislation were enacted, it would have been rendered unworkable by the measures it contained withdrawing civil rights of others.

Mr. President, for 82 years this issue has been before the Congress in some form. For 82 years, there has been no possibility of action because the chasm between the advocates of greater civil rights and those who opposed them has been too wide. The Senate bill, and the wise amendments written into the bill, will narrow this chasm.

It would be a disaster to allow a desire for political advantage, or an overzealous desire to include everything everyone might want in the bill, now to defeat its enactment. We are near the eve of a forward step of important proportions in our history.

Anyone who would seek, for partisan gain, to frustrate this progress, would be guilty of a disservice not only to his cause, but to his country as well.

THE THOREAU SOCIETY

Mr. HUMPHREY. Mr. President, Henry David Thoreau was an outstanding 19th century American noted for his originality, his uniqueness. He was an individualist. It is characteristic of us Americans to respect such a man.

Perhaps it would seem paradoxical to Thoreau, but it also is characteristic of our American genius to form organizations, and one of our interesting, valuable organizations is the Thoreau Society—a group of scholars and others which meets annually in Concord, Mass., on the Saturday nearest the anniversary of the birth of Thoreau, on July 12, 1817. There, in Thoreau's village, they pay their respects and celebrate at a forenoon gathering by listening to learned discussions on Thoreau, his life and writings, and his significance.

This year, on July 13, 1957, the Thoreau Society at the special invitation of its president, Dr. Howard Zahniser, had as its principal speaker His Excellency, the Ambassador from India, the Honorable G. L. Mehta, who with Mrs. Mehta and his personal secretary Raja, made a pilgrimage that day with the Thoreauvians to Concord, to Walden Pond where Thoreau lived for a time in a hut in the woods, and to other points of interest in and about this historic village.

Discussing Thoreau's influence on Gandhi and in India, His Excellency delivered a paper of value to all of us. Among other comments his emphasis on the importance of conscience in determining conduct is certainly of very special value to all of us.

I count it a great privilege to know His Excellency as a personal friend and to know the sterling qualities of his mind and character. I ask unanimous consent that there be printed in the RECORD at this point his address.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THOREAU AND GANDHI

(Text of speech delivered by Mr. G. L. Mehta, Ambassador of India to United States of America at the 1957 annual meeting of the Thoreau Society at First Parish Church, Concord, Mass., on Saturday, July 13, 1957)

When there was a successful bus boycott staged by American Negroes in Montgomery, Ala., the leader of the movement, Rev. Martin Luther King, said that he drew his inspiration from Mahatma Gandhi's philosophy of passive resistance. Gandhi himself, when he was studying law in London in 1907, came across Thoreau's essay on "Civil Disobedience" which profoundly influenced him. Thoreau, in his turn, had studied Indian philosophy and was versed in Hindu lore. As Louis Fischer put it, "Thoreau in Massachusetts borrowed from Gandhi's India, and repaid the debt with words that reached Gandhi in a South African cell."

(The Washington Post, in an editorial on April 10, 1957, said: "The ideas of an eccentric Yankee individualist and a saintly Russian count (Tolstoy) have spun round the world and have provided the oppressed with an honorable philosophy of resistance.")

And when we are apt to think in terms of nuclear power and material wealth, it is well to remember that ideas can also be powerful and spread round the world without aircraft and apparatus of propaganda. More: When Thoreau, Emerson, and the Transcendentalists studied Indian thought, modern means of communication did not exist. And, yet, Thoreau in his library had copies of Wilson's Rig Veda Sanhita, translations of the Upanishads and Bhagavad Geeta, aphorisms of Mimansa and Nyaya, the Bhagavad Purana and Vishnu Purana as also Kalidas' immortal play Shakuntala and two volumes on the Theater of the Hindus. Minds spoke to minds across vast distances. Ideas had wings.

GANDHI A TRANSLATOR OF THOREAU

Thoreau's writings produced such a deep impression on Gandhi that he translated portions of his writings in Indian Opinion which was being edited by him in South Africa and which published extracts from Thoreau's works from time to time. When Gandhi was in prison in South Africa, he copied words Thoreau had written of his own prison experience—"I did not feel for a moment confined, and the walls seemed a great waste of stone and mortar." Shri Pyarelal, who was Gandhi's secretary for several years and is his biographer, has pointed out some striking resemblances between Thoreau's and Gandhi's thought and personal traits.

Neither of them was a philosopher living in an ivory tower. But they were both seekers after truth and had an intense, overpowering desire to live according to their own convictions. Nevertheless, there was one fundamental difference between the two men. Thoreau wanted to live by himself according to his own principles while Gandhi became a national leader seeking to apply his principles to social and political problems. Thoreau was an individualist, a philosophical anarchist, if you will. Gandhi sought to develop a social movement on the basis of "conscientious objection."

What appealed principally to Gandhi in Thoreau was the fact that he taught nothing he was not prepared to practice in himself. This was fundamentally Gandhi's own philosophy in action. He was a great leader because he was his own best follower. He never asked anyone to do anything which he himself had either not done or was not prepared to do. He did not believe that there should be any gulf between profession and practice. Gandhi, like Thoreau, was a strict judge of himself. Unlike most of us who are lenient in judging ourselves and charitable in overlooking our own faults and deviations while being meticulous and ruthless in condemning the slightest error of others, Gandhi never spared himself. Rather than pull out the moat from another's eye, he preferred to behold a beam in his own.

Gandhi shared Thoreau's fundamental belief in the dignity of man, the freedom of the individual and the supremacy of conscience. Political philosophers discuss problems of General Will. Politicians being more practical seek to organize public opinion. Only a prophet or an apostle or a martyr can rouse national conscience. Such men were Thoreau and Gandhi. They were not content merely to be the captains of their own souls; they endeavored to initiate and, indeed, heralded a scheme of values, a way of living. Gandhi's whole life even like that of Thoreau was a continuous moral protest against the violation of conscience in any sphere of life. Such men are crusaders on behalf of the still small voice within us.

CONSCIENCE THE ULTIMATE CRITERION

To such men as Gandhi and Thoreau, conscience is the ultimate criterion, the final sanction. But in such a concept, conscience is not caprice, not a stray uncoordinated impulse; it is the instructed moral sense, the profounder rationality which is in harmony with the whole personality. It determines right and wrong, it is the reservoir of moral strength, the final safeguard of moral conduct, a fundamental of life which cannot be surrendered. Every individual is regarded, above all, as a moral being; and the most vital contribution man can make to society is the exercise of his moral faculties. "The only permanent safeguard of democratic government," observed Prof. Harold Laski in his Authority in the Modern State "is that the unchanging and ultimate sanction of intellectual decision should be the conscience." Nevertheless, the one thing which authority, whatever its complexion and form, and whether it be political or religious, tends instinctively to resist and fear is this insistence of conscience. Yet, as Professor Laski has emphasized in his Dangers of Obedience and Other Essays, "no state is ever securely founded save in the conscience of its citizens."

The conscience of Gandhi as of Thoreau was a stern master. It bade such men deny the sovereignty of any authority except that to which it gave sanction, it set a limit to the control which external power could exercise over them. "Physical liberty may be taken from a man," said Bertrand Russell in his Justice in War Time, "but spiritual liberty is his birthright which all the armies and governments of the world are powerless to deprive him of without his cooperation." That, indeed, was the premise on which Thoreau's and Gandhi's schemes of value were based. Their obedience was not servile docility nor their cooperation a passive

acquiescence. The consent of their conscience had always to be won. Their lives were an assertion of what Professor Laski has admirably described in another context as "the supremacy of that last inwardness of the human mind which resists all authority save its own conviction of rectitude."

But Gandhi's conscience was not merely the arbiter of his own life. It shaped for nearly three decades the destiny of a people. He became the moral barometer of our times. He entered politics and suspended his movement, he embarked on fasts and was prepared to lay down his life whenever his conscience revolted. Because the conscience of such men as Gandhi and Thoreau were ever sensitive and alert, there was no moral apathy, no spiritual vacuum in their lives. It was ceaseless questioning, endless wrestling. Nor were people permitted to have an attitude of equanimity. Such men put others on the defensive, they compel others to search their souls. Such men exercise a moral restraint on our selfishness and pettiness and hatreds, they are a moral tonic which braces up a whole people. As Thoreau said, "it is not so important that many should be as good as you, as that there be some absolute goodness somewhere; for that will leaven the whole lump." We cannot, indeed, be indifferent to the subtle and often inscrutable workings of the consciences of such men unless we are indifferent to the true values of life. The conscience of such men, in fine, becomes our mentor and our beacon.

TECHNIQUES OF NONRESISTANCE

From the theory of nonresistance based on the principle of nonviolence, Gandhi developed various techniques such as passive resistance, noncooperation and civil disobedience; in its essence, he called it satyagraha which translated means soul force. What was unique in the political expression he gave to this concept was the scale of the experiment and its objectives. It was the first organized attempt at the application of the principle of nonviolent resistance on a national scale for the attainment of national independence. It constituted a political revolt on the basis of pacific resistance. Although it has been judged as a method of achieving national emancipation, to the historian of the future it would connote a deeper meaning. For it was a mass movement based on a fundamentally individualistic idea, an effort to generate a positive social and political force through individual nonresistance. It embodied an active social principle and was meant to have definite social, political and economic effects. Gandhi evolved this method during his struggle against racial discrimination and humiliation in South Africa. On his return to India, he experimented with it in various fields for redressing the grievances of peasants and agricultural laborers and in fighting for the claims of industrial workers; and, finally, he applied it in the national struggle in India in 1920 and carried it on until 1942. It was this technique of nonviolent resistance as a method of social pressure and change that was Gandhi's supreme contribution to the modern world—a contribution not less vital and creative than that of many social and economic doctrines and philosophies which have influenced the minds and actions of peoples.

It might be asked whether such a doctrine does not contain within it the seeds of anarchy and does not imply a denial of authority without which social organization and collective living are not possible. But if Thoreau's and Gandhi's principles are adequately understood and accepted with their full implications, if conscience makes us neither cowards nor wilful and capricious beings, and if there is the development of a truly moral sense, there is hardly such risk of anarchy. Emerson, in his Essay on Politics, said: "We live in a very low state of the world and pay unwilling tribute to governments founded on force. There is not, among the most religious and instructed men of the most religious and civil nations, a reliance on the moral sentiment and a sufficient belief in the unity of things to persuade them that society can be maintained without artificial restraints * * *. What is strange, too, there never was in any man sufficient faith in the power of rectitude to inspire him with the broad design of renovating the state on the principle of right and love * * *. I do not recall a single human being who has steadily denied the authority of the laws on the simple ground of his own moral nature." Such men are, indeed, the salt of the earth. We are overrun by pinchbeck dictators and demagogic revolutionaries. Authority is usually challenged by those who seek power themselves, not by those who wish to put power to a moral test. Revolutionaries swear by principles which they are the first to sacrifice when they themselves attain power. Ends are forgotten in the clash for power, means are merely maneuvers for personal, party or national aggrandisement. And yet as Thoreau emphasized, "action from principle, the perception and the performance of right * * * is essentially revolutionary." No revolution is fundamental which does not influence the minds and hearts of men and women and does not make them more rational and more humane and induce them to live in greater harmony.

The theory of natural law and natural rights on which the Declaration of Independence of the United States and the system of fundamental rights of many democratic constitutions is based has at its core the doctrine of social contract. This doctrine insists that rulers may exercise only such authority as their subjects may delegate to them; and that the delegated authority, when exercised in a manner contrary to natural law and toward ends inimical to natural rights, may and should be withdrawn and redelegated to other rulers under conditions better calculated to preserve the rights. This theory, no doubt, has been disproved by anthropological research and has its own weaknesses as an interpretation of law and government because it is difficult to define such terms as natural law and natural rights. Natural rights tend to be equated with status quo just as the erratic forces of the market and the stock exchange come to be regarded as natural economic laws. Nature seems to load the dice in favor of those who have as against those who have not. The one sinner against natural progress, in this concept, would be the man who tries to save the lamb from the wolf. Nevertheless, such a theory has an element of value in that it emphasizes the ultimate limitations of authority and the moral worth of the individual. Only in recent weeks has the Supreme Court of the United States sought to redeem Chief Justice Hughes' promise that in the forum of conscience, duty to a moral power higher than the state has always been maintained, and has invoked what John Lord O'Brien called the irresistible moral power exerted by conscience.

"MORE IMPERATIVE THAN EVER"

While force and violence have been steadily replaced by law in municipal and civil life, they are still the accepted instrument of settling differences between countries. But it is evident that civilization has no future unless we can devise a more sensible method of settling differences and resolving conflicts between nations than by destroying one another. After the use of the atomic bomb in Japan, Gandhi said that unless the world now adopted nonviolence, it would spell certain suicide for mankind. The developments of the last 12 years have proved beyond doubt that there is, as President Eisenhower remarked, "no alternative to peace" and that nuclear power itself has largely paralyzed the countries possessing them. Resort to peaceful methods for settlement of disputes, however difficult and unsatisfactory, is infinitely preferable to the present drift wherein blocs armed with H-bombs are ranged against each other. For sooner or later, the truce of fear may be broken and uncontrolled arms race can only lead to conflagration and annihilation. War can no longer achieve even the narrow objectives of diplomacy, it can only destroy indiscriminately all that we prize and hold dear. True security today lies in the effective promotion of peace. In an age of monolithic states, industrial empires, rigid parties and powerful social organizations, the message of men like Thoreau and Gandhi is more imperative than ever. Such men inspire us through the ages to dedicate ourselves to values without which human existence has little significance and meaning.

Mr. HUMPHREY. Mr. President, it is the custom of the Thoreau Society annually to hear also a paper on some special aspect of Thoreau by its president. This year's presidential paper, prepared by a conservationist whom many of us here know as the executive secretary of the Wilderness Society and the editor of the Living Wilderness, was entitled "Thoreau and the Preservation of Wildness." It has proved to be a particularly timely as well as a significant discussion. It not only has a national bearing on the present concern with wilderness preservation and conservation as centered in the wilderness preservation bill (S. 1176) but it also proved to be pertinent to Concord itself, where special problems have arisen in the preservation of the natural values of Walden Pond and its surrounding woods.

Concluding his address with a report of a resolution on this issue as adopted by the society's executive committee the night before, Dr. Zahniser later appointed a committee with a title suggested by Thoreau in his journal in 1861—a committee to see that the beauty of the town receives no detriment.

This committee in cooperation with Concord and other members of the society's executive committee, has pursued its duties so effectively that the concern with Walden's preservation has been reported in the New York Times, the Boston Globe, the Boston Herald, the Christian Science Monitor, the Haverhill Gazette, and other papers as well as in the Concord Journal. Radio and television features have been broadcast.

Once again our American concern with the preservation of some areas of natural beauty has been expressed, and once again the threat of our civilization to all such areas has been illustrated. I ask unanimous consent that Dr. Zahniser's address be printed in the RECORD at this point.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THOREAU AND THE PRESERVATION OF WILDNESS

(Remarks by Howard Zahniser, executive secretary and editor of the Wilderness Society, made as president of the Thoreau Society at its annual meeting held in the First Parish Church in Concord, Mass., July 13, 1957)

Second-century Thoreauvians, who for the past 12 years have been celebrating a series

of centennials, can look upon 1957 as the 100th anniversary of a most interesting and significant year in the life and works of Thoreau. Among the many provocative delights, rhapsodies, poignant reflections, and observations on the men and women, the seasons, the outdoors, and the living creatures with whom Thoreau shared his year of 1857, and of whom he wrote in his Journal, none has carried deeper meaning through this century and into our own times than those that are concerned with the preservation of wildness.

As Thoreau entered 1857, in the midst of his own 40th year, he was surveying the Lee farm, and on January 4 he wrote into his Journal:

"After spending 4 or 5 days surveying and drawing a plan incessantly, I especially feel the necessity of putting myself in communication with nature again, to recover my tone, to withdraw out of the wearying and unprofitable world of affairs. The things I have been doing," he wrote, "have but a fleeting and accidental importance, however much men are immersed in them, and yield very little valuable fruit. I would fain have been wading through the woods and fields and conversing with the sane snow. Having waded in the very shallowest streams of time, I would now bathe my temples in eternity. I wish again to participate in the serenity of nature, to share the happiness of the river and the woods. I thus from time to time break off my connection with eternal truths and go with the shallow stream of human affairs, grinding at the mill of the Philistines; but, when my task is done, with never-failing confidence I devote myself to the infinite again."

Walking over Goose Pond on the last day in the year, Thoreau thought that he saw "an old glove on the ice or slosh, but, approaching, found it to be a bullfrog." Touching it, as he records in his Journal for December 31, 1857, he found it to be alive, though it could only partially open its eyes. It hung motionless and flimsy like a rag in his hands. Thoreau "looked round a good while and finally found a hole to put it into, squeezing it through," thus in compassion for a bullfrog closing the year that he had begun in devotion to the infinite.

"THE MOST AGREEABLE THING I DO"

When this year of 1857 was a week old and Thoreau was going through the woods along the side of the Well Meadow Field he reflected that, "There is nothing so sanative, so poetic, as a walk in the woods and fields even now, when I meet none abroad for pleasure. Nothing so inspires me and excites such serene and profitable thought." It was from this January 7, 1857, entry that Bradford Torrey, who edited the entire Journal, chose quotations to exemplify the attitudes of which he wrote in his own essay entitled "Thoreau's Demand on Nature."

"I wish to know something; I wish to be made better," Thoreau wrote on this day. "I wish to forget, a considerable part of every day, all mean, narrow, trivial men * * * and therefore I come out to these solitudes, where the problem of existence is simplified. I get away a mile or two from the town into the stillness and the solitude of nature, with rocks, trees, weeds, snow about me. * * * This stillness, solitude, wildness of nature is a kind of thoroughwort, or boneset, to my intellect. This is what I go out to seek. * * * I am aware that most of my neighbors would think it a hardship to be compelled to linger here 1 hour, especially this bleak day (January 7, 1857), and yet I receive this sweet and ineffable compensation for it. It is the most agreeable thing I do."

Thoreau concluded that day that he would not be ashamed to have a shrub oak for his coat-of-arms. A month and a day later, he declared to his Journal: "I would rather hear a single shrub oak leaf at the end of a wintry glade rustle of its own accord at my approach than receive a shipload of stars and garters from the strange kings and peoples of the earth." It was my medicinal fate on June 3, 1957, during a presidential year's rereading of these Journals, to come upon this declaration in the early morning hours of a commencement day when my alma mater had elected to risk on me an honorary degree. I read no more that day but had fresh occasion to reflect on the therapeutic, or prophylactic, or corrective values that there are in these writings of Thoreau.

THE HUMAN VALUES OF WILDNESS

Thoreau's therapy or prophylaxis is directly derived from his experiences in the wild.

In reviewing a group of Thoreau books, about 10 years ago, I wondered "If the greatest enduring significance of Thoreau may not be in his apprehension of the human values of wildness." I suggested then that "this is probably most concretely illustrated in the Chesuncook narrative in The Maine Woods, most affirmatively stated in the essay on Walking."

When I first felt the challenge of tdoay's occasion I resolved to pursue this probability, this wonder, and I am still doing so. Having reread the Journal, The Maine Woods, Walden, and Walking, and having reviewed my notations in all the other works, I have been rewarded with a sense of having spent most profitably so much of the past year's reading time. My hypothesis has indeed survived its scrutiny, and although my demonstration is not final, that is only because there are still some notes to ponder more, some collateral reading still to be done. The distracting charm of the aptness, for this purpose, of Thoreau's Journal for the year of our present centennial, has had something to do with my procrastination of argument, I am sure.

"Sympathy with nature," wrote Thoreau on November 18, 1857, "is an evidence of perfect health," as we were about to note when this digression began. A couple of days later he recorded, "Here I have been these 40 years learning the language of these fields that I may the better express myself." He derived much of his message and its language from the wild. "A great part of our troubles," he reflected on April 26 in this year, "are literally domestic or originate in the house and from living indoors."

Thoreau's perceptions regarding the values of wildness did not, of course, begin in 1857. In the Sunday chapter of A Week on the Concord and Merrimack Rivers, his first book, he confessed, "There is in my nature, methinks, a singular yearning toward all wildness." In the Monday chapter of the Week he declared also that "the wilderness is near, as well as dear, to every man," and "our lives need the relief of such a background where the pine flourishes and the jay still screams." His comment in Walden's closing pages is among his best known texts:

"Our village life would stagnate if it were not for the unexplored forests and meadows which surround it. We need the tonic of wildness—to wade sometimes in marshes where the bittern and the meadow-hen lurk, and hear the booming of the snipe; to smell the whispering sedge where only some wilder and more solitary fowl builds her nest and the mink crawls with its belly close to the ground. At the same time that we are earnest to explore and learn all things, we require that all things be mysterious and unexplorable, that land and sea be infinitely wild, unsurveyed and unfathomed by us because unfathomable. We can never have enough of nature. We must be refreshed by the sight of inexhaustible vigor, vast and titanic features, the seacoast with its wrecks, the wilderness with its living and its decaying trees, the thundercloud, and the rain which lasts 3 weeks and produces freshets. We need to witness our own limits transgressed, and some life pasturing freely where we never wander."

In 1846 Thoreau left his Life in the Woods at Walden for a 2-weeks trip into the wilderness of Ktaadn. He wrote of his experiences there in an account that ran serially through five issues of the Union magazine for 1848. Another wilderness trip to Maine that he made in 1853 he described under the title "Chesuncook" in the May, June, and July issues of the Atlantic Monthly for 1858—articles on which indeed he may have been working in our year of 1857. A final trip to "the wilds of Maine" he did make in 1857. Less than a month after his return from a 10-day mid-June trip to Cape Cod he started on his "third excursion to the Maine woods Monday, July 20, 1857." From this trip he returned on August 8. Its account is in the third chapter, The Allegash and East Branch, first published in the 1864 posthumous volume entitled "The Maine Woods"—so rich a volume in wilderness descriptions, evaluations, and expostulations that no one who is interested in or cherishes the wilderness should venture to start quoting from it at this late hour in the forenoon.

THOREAU'S ESSAY ON "WALKING"

What I have taken to be Thoreau's most affirmative statement of his sense of the value of wilderness was also first published posthumously—in the Atlantic Monthly for June 1862, poignantly soon after his death, on May 6, 1862—and later collected in the 1863 volume entitled "Excursions." This was the essay on Walking. This essay and Wild Apples Henry Seidel Canby said "have gone round the world" and next to Walden "have been probably the best read of Thoreau's works." Thoreau read it as a lecture in Worcester, Mass., on February 13, 1857, and in advance correspondence regarding this occasion gave it a significant subtitle, calling it Walking, or the Wild.

It had been written half a dozen years earlier in sentences and paragraphs that spread excitement and delight at its apprehensions and its felicities of expression through Journal readings for 1850, 1851, and 1852. Thoreau was never able to construct the book that would best communicate his vision of what wilderness means to civilized man, but in this essay on Walking, or the Wild he did prepare what I believe might well be its synopsis and he did write its text: "In wildness is the preservation of the world."

"What I have been preparing to say," wrote Thoreau, "is, that in wildness is the preservation of the world." He confessed, "I do not know where to find in any literature, ancient or modern, any account which contents me of that nature with which even I am acquainted." Less than 2 months before death ended his last lingering weakening illness, in a letter that I take to be his last, he dictated "if I were to live, I should have much to report on natural history generally." It would be an ineffable benefit, of course, to have this unheard report. It would also be unthinkably inspiring if we could go back a hundred years last February to Worcester, to hear the word that Thoreau did "speak for nature, for absolute freedom and wildness," regarding man "as an inhabitant, or a part and parcel of nature"—as indeed he is.

"Hope and the future for me are not in lawns and cultivated fields, not in towns and cities, but in the impervious and quaking swamps."

"From the forest and wilderness come the tonics and barks which brace mankind."

"Life consists with wildness."

PRESERVING WILD AREAS

When we think of Thoreau and the preservation of wildness, however, we think not only of the preservative qualities that wildness has for us, but also of the preservation by ourselves of wildness and of areas of the

earth that still are and may still remain wild and untrammeled. For Thoreau not only perceived that in wildness is the preservation of man but also that in man are the possibility and hope for preserving the wilds, what he once (August 30, 1856) called "little oases of wildness in the desert of our civilization."

Noting on April 11 in our year of 1857 how fishes are driven out by man's so-called *improvements*—a word that Thoreau himself, italicized—he recorded, "I can hardly imagine a greater change than this produced by the influence of man in nature." When he climbed the Chesterfield Mountain in September 9, 1856, he declared, "This town will be convicted of folly if they ever permit this mountain to be laid bare."

In his Journal for October 15, 1859, Thoreau recommended a primitive forest for every town.

"Each town," he wrote, "should have a park, or rather a primitive forest, of 500 or a 1,000 acres, where a stick should never be cut for fuel, a common possession forever, for instruction and recreation. We hear of cow-commons and ministerial lots, but we want men-commons and lay lots, inalienable forever. Let us keep the New World new, preserve all the advantages of living in the country. There is meadow and pasture and woodlot for the town's poor. Why not a forest and huckleberry field for the town's rich? All Walden Wood might have been preserved for our park forever, with Walden in its midst, and the Easterbrooks Country, an unoccupied area of some 4 square miles, might have been our huckleberry field. If any owners of these tracts are about to leave the world without natural heirs who need or deserve to be specifically remembered, they will do wisely to abandon their possession to all, and not will them to some individual who perhaps has enough already. As some give to Harvard College or another institution, why might not another give a forest or a huckleberry field to Concord? A town is an institution which deserves to be remembered. We boast of our system of education, but why stop at schoolmasters and schoolhouses? We are all schoolmasters, and our schoolhouse is the universe. To attend chiefly to the desk or schoolhouse while we neglect the scenery in which it is placed is absurd. If we do not look out we shall find our fine schoolhouse standing in a cow yard at last."

This paragraph in Thoreau's Journal, with its imaginative proposal for a township primitive area and its suggestive appeal for public-spirited bequests, so far as I know, remained unpublished until 1906. So likewise I presume did a suggestion that Thoreau made to his Journal on January 3, 1861, for a committee "to see that the beauty of the town received no detriment." He advocated that "precious natural objects of rare beauty should belong to the public." On this day asking himself, "What are the natural features which make a township handsome" he answered, and commented:

"A river, with its waterfalls and meadows, a lake, a hill, a cliff or individual rocks, a forest, and ancient trees standing singly. Such things are beautiful; they have a high use which dollars and cents never represent. If the inhabitants of a town were wise, they would seek to preserve these things, though at a considerable expense; for such things educate far more than any hired teachers or preachers, or any at present recognized system of school education."

Henry Seidel Canby included this latter plea in his one-volume selection of The Works of Thoreau published in 1937. Edwin Way Teale quoted the October 15, 1859, Journal comment in the introduction to the higher laws chapter of the Walden edition that Mr. Teale edited in 1946. What their influence has been one can only speculate, but they do indeed reveal Thoreau.

As to the preservation of the larger tracts of parks and wilderness—the areas that have become a characteristic American institution—we can ascribe with confidence a considerable influence to Thoreau. This is in part due to the inspiration of Thoreau's comments in Walden, Walking, The Maine Woods, and elsewhere for the minds of men and women who through the past century have worked for conservation, including the preservation of areas of wilderness. Our confidence in ascribing this influence, like the influence itself, also is due to the fact that in The Maine Woods Thoreau did speak out for the establishment of preserves, he was published, and he was read. He still is, and he still speaks.

Advocating in the Congress of the United States a bill to establish a national wilderness preservation system, the Honorable JOHN P. SAYLOR, of Pennsylvania, last year declared:

"So far as I know the first one to write a plea for wilderness preservation was Henry David Thoreau."

Representative SAYLOR then spoke in details that may well conclude these present remarks. He said:

"Thoreau, whose world-classic volume called Walden had its setting in the wild lands around Concord, Mass., urged in that volume:

" 'We Need the Tonic of Wildness.'

"That book was published more than a century ago, in 1854. Four years later, in 1858, Thoreau wrote in the Atlantic Monthly about a trip he had made to the wilderness of northern Maine in 1853, and he ended this article with an earnest plea for preservation. In 1864 this article, Chesuncook, was included in Thoreau's posthumous volume entitled "The Maine Woods."

" 'The kings of England formerly had their forests to hold the king's game,' Thoreau remarked. 'I think they were impelled by a true instinct,' he commented. And then he asked:

" 'Why should not we, who have renounced the king's authority, have our national preserves, * * * in which the bear and panther, and some even of the hunter race, may still exist, and not be civilized off the face of the earth—our forests, not to hold the king's game merely, but to hold and preserve the king himself also, the lord of creation—not for idle sport or food, but for inspiration and our own true recreation?' "

A MEASURE OF THOREAU'S INFLUENCE

These remarks by Congressman JOHN P. SAYLOR in our National House of Representatives, advocating wilderness preservation legislation that has since been advancing steadily and in spite of some opposition, I take to be something of a measure of the influence of Henry Thoreau for the preservation of wildness. And although quite by coincidence, unnoticed until some time afterward, there was surely a peculiar appropriateness in the fact that this significant address by Representative SAYLOR, entitled "Saving America's Wilderness," was presented on July 12, 1956, the 100th anniversary of the day when Thoreau entered his 40th year, the conclusion of which we have observed in this our own centennial.

* * * * *

It seems particularly fitting that we should thus have been discussing Thoreau and the preservation of wildness at a time when the preservation of the remaining wildness of Walden itself has unexpectedly become a matter of issue. I accordingly consider it appropriate that I should, at the conclusion of this paper, report to you the following resolution unanimously adopted here in Concord, Mass., last night, July 12, 1957, the anniversary of the birth of Henry David Thoreau, by the officers and executive committee of this society:

"The officers and members of the executive committee of the Thoreau Society, convening for the society's 1957 annual meeting, have visited Walden Pond and have noted with deep concern the drastic changes recently made in the woodland shores of the pond, and have also recalled that in giving the land around Walden to the Commonwealth in 1922, the members of the Forbes and Emerson families stated in their deeds that it was 'the sole and exclusive purpose of the conveyance to aid the Commonwealth in preserving the Walden of Emerson and Thoreau, its shores and woodlands, for the public who wish to enjoy the pond, the woods, and nature.'

"Realizing that this purpose requires the most careful cherishing of the natural features of the area and the most deliberate and well-considered planning and administration of the area's services for the public, the officers and executive committee members of the society have voted to urge such policies upon the public officials charged with the custody of Walden Pond and express an eagerness to cooperate in every way possible with these officials for the preservation and best use of Walden, its shores, and woodlands."

Mr. HUMPHREY. Mr. President, finally, our understanding of the resolution here referred to and included in Dr. Zahniser's address will be enhanced, I am sure, by an article in the July 21, 1957, issue of the New York Times entitled "A Battle Rages at Walden Pond." I ask unanimous consent that the article be printed in the RECORD as a conclusion of these remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A BATTLE RAGES AT WALDEN POND—THOREAU SOCIETY PROTESTS BULLDOZERS CARVING OUT A NEW BEACH THERE

(By John H. Fenton)

CONCORD, MASS., July 20.—Citizens of this village, whose ancestors fought battles for political independence, are girding for a new fight to protect a shrine of cultural independence. The shrine, in a sylvan setting is Walden Pond, immortalized in literature by Henry David Thoreau.

On the 69th anniversary of the signing of the Declaration of Independence, July 4, 1845, Thoreau began a 2-year experiment of living a life reduced to its essentials among the glades around Walden Pond.

In Walden, or Life in the Woods, a collection of philosophical observations, Thoreau wrote:

"While men believe in the infinite, some ponds will be thought to be bottomless."

He also wrote:

"There are a thousand hacking at the branches of evil to one who is striking at the root."

BULLDOZERS AT WORK

Those words were recalled as bulldozers, uprooting trees to create a new beach at Walden, have aroused members of the Thoreau Society of Concord against what they term a desecration of the spot. Moreover, even the contour of the pond is being changed, they have charged.

The bulldozers were sent in by the Middlesex County commissioners as part of a $50,000 project to restore the reservation. The commissioners are an elected body of three men who function as a supergovernment for the several communities within the county.

Under the terms of an agreement by which Walden became a public reservation in 1922, the commissioners were made the official overseers. The gift was made possible by the Emerson, Forbes, and Heywood families of Concord.

The Thoreau Society members hold that the commissioners have failed to preserve the Walden of Emerson and Thoreau, its shores

and woodlands, as specified in the gift agreement.

COMMISSIONER DISSENTS

But Thomas B. Brennan, chairman of the county commissioners, disagrees. He, too, is a muser in Walden.

"Often, when I have a problem, I go to Walden, taking a couple of my pipes to puff on while I stroll through the woods," he said today. "And when I come out my problem is usually solved."

Walden Pond covers 64 of a total of about 140 acres of an oak-and-pine-shaded plot near the junction of State routes 2 and 126. Part of it borders on the town of Lincoln.

As a literary shrine, it has been visited by thousands of students on annual pilgrimages. A stone cairn off one of the wooded paths marks the site of the shack in which Thoreau lived during his self-imposed solitude.

With the rapid movement of population into the suburbs, Walden has become increasingly popular as a summer bathing resort. A bathhouse and diving pier have been there for more than 20 years. Boating is limited to oared vessels.

In the interests of water safety, the Concord Red Cross chapter asked if a separate area might be provided for the instruction of children. Classes are held for several weeks in the early summer.

The stretch of shore chosen, near the general bathing area, is at the bottom of a steep bank. In order to provide access for service trucks and possibly an ambulance, the commissioners had an N-shaped road bulldozed through the woods from route 126.

That was when a committee to save Walden was formed last week. The prime movers were Mrs. Herbert Buttrick Hosmer, vice president of the Thoreau Society; Mrs. Caleb Wheeler, news editor of the Concord Journal, a weekly newspaper, and John E. Nickols, an architect.

They have retained Frederick G. Fisher, Jr., a Boston lawyer, to represent them in any possible legal action, such as a petition for a restraining order to prevent further work on the project.

Mr. Fisher has been granted a hearing before the county commissioners on Monday at 1 p. m.

Commissioner Brennan has given assurance that trees would be replaced and sod and grass seed used to cover up what he acknowledged was a raw-looking cut in the woods.

It is the sort of a situation that may have counterparts elsewhere, but rarely with the historic overtones that are heard in New England. A somewhat similar situation prompted the State department of public works to rebuild the Revolutionary battle bridge at Concord with wood instead of reinforced concrete.

PROBLEMS AFFECTING THE INDIANS

Mr. LANGER. Mr. President, I ask unanimous consent that an editorial appearing in the Devils Lake (N. Dak.) Journal of July 26, 1957, dealing with the problem of law and order at the Fort Totten Indian Reservation in Benson County, N. Dak., be printed in the RECORD following my remarks.

Mr. President, I had the privilege of conducting a series of hearings on problems affecting Indians throughout the United States, the solution of which would give the Indians and their youth a better way of life.

The problem of law and order at the Fort Totten Indian Reservation in Benson County, N. Dak., was brought to our attention during the course of the hearings and, after a hearing with North Dakota State officials and officials of the Interior Department and Bureau of Indian Affairs, the Bureau of Indian Affairs agreed to send peace officials and a judge to Benson County to improve conditions with respect to law and order in that area.

I am happy to see from this editorial that progress has been made.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

AGENCY POLICING IMPROVES

Since the Bureau of Indian Affairs has assigned policemen to the Fort Totten Indian Reservation, policing of that area apparently has become less of a problem.

For a while confusion resulted because of the refusal of Benson County to continue providing law enforcement for the reservation, except on lands owned by white persons and thus subject to taxation.

The problem in Benson County is the same as other North Dakota counties which have Indian lands within their borders. While the Federal Government would like county officials to enforce law and order, counties feel that without revenue from the Indian land, they are unable to provide such service.

For years Benson County provided law enforcement services for Fort Totten Indians, but later balked by making a test case of an Indian arrested on Indian land. The Supreme Court ruled that Benson County and the State of North Dakota were not responsible for law enforcement on reservations.

There followed a period in which the Fort Totten area actually was somewhat of a no-man's land with the Bureau of Indian Affairs reluctant to take over. Finally the Federal Government, perhaps realizing that it had responsibility for Indians as Federal wards, stepped in to appoint a tribal judge and policemen.

While there has been some dissatisfaction over the method of selecting the judge, law-enforcement officers at Fort Totten apparently have satisfied the Fort Totten Indians. Well paid and at least part Indian themselves, they appear to be doing a good job.

It may not be the most economical way to handle the problem of law enforcement, but it is the only way it can be done until changes are made in the law.

North Dakota refused to approve a measure which would have enabled the State to take over jurisdiction from the Indians, under certain conditions. Another attempt will probably be made in a subsequent election and until the people give their consent, there's not much more for the State to do.

If counties were reimbursed by the Federal Government for their work in law enforcement, most of them would probably consent to policing all of the land within their boundaries. In the long run, it would probably be less costly to have one jurisdiction handle all of the work.

Generally North Dakotans are afraid that if the Federal Government hands the Indian problem as regarding law enforcement to them, they will be saddled with it, while actually it is not a State problem at all.

In categories other than law enforcement, there is a great deal of squabbling over responsibilities particularly for such programs as child welfare.

While the bickering continues, the Indian problem becomes more complex. At least Fort Totten Indians now have a workable system of law enforcement and to tamper with it might create new problems rather than solve present ones.

LOANS OR GRANTS TO INDIANS

Mr. LANGER. Mr. President, at the beginning of the present session I introduced S. 809. The subcommittee considering the bill has held only one hearing on it, and has not reported the bill. It has done nothing about it. Our Government has been in charge of the Indians since 1824, and today the Indians are in worse condition than they were at the time the Bureau of Indian Affairs was established. I have prepared a statement on the bill, and I also have a statement which I had prepared for presentation to the Subcommittee on Indian Affairs of the Committee on Interior and Insular Affairs. I ask unanimous consent that both statements be printed in the body of the RECORD.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR LANGER

Pending before the Senate Subcommittee on Indian Affairs, of the Interior Committee, is a bill, S. 809, which I introduced and which was cosponsored by 20 United States Senators.

This bill will provide for loans or grants to Indian tribes or to Indians who are in a position of aiding industry to come in or near an Indian reservation resulting in job opportunities for the Indian people who today suffer because of the lack of adequate annual income to properly support themselves and their families.

Not only will the Indian community benefit but also the immediate surrounding non-Indian community.

A chart put out by the United States Chamber of Commerce shows that if a new plant should come into an area employing 100 persons, it will require an additional 185 new employees to provide the necessary services to the newly employed 100 persons in the plant.

I had the privilege, with the Congressional delegation of North Dakota and State officials from the State of North Dakota, in inducing the Bulova watch people to inaugurate a jewel-bearing plant at Rolla, N. Dak., which employs 150 Indians. Since that time seven other plants, in or near reservations in various parts of the country, have been established through the excellent work of the Bureau of Indian Affairs under Commissioner Emmons.

The purpose of this bill, S. 809, is to establish, we hope, 100 such plants in or near reservations in order to provide additional opportunities to gain employment for Indians and thereby help themselves and their community.

Taking the Rolla jewel-bearing plant as an example, if we had 100 such plants throughout the United States, it would add $50 million a year in salaries to our American Indians and this would be $50 million in salaries that would otherwise not be available to the Indians as a source of income. It takes not too much argument to influence anyone that through gainful employment the Indian not only will properly care for his family but will place him and his community in a position that many of the services provided by the Bureau of Indian Affairs and other governmental agencies and by State agencies would be lessened to a great degree and the Indians would be in a better position to care for their needs.

I would like to reiterate that I have received letters from all over the country, from Indians and non-Indians, urging the passage of this most important bill which will not burden the United States Treasury since most of the loans will be repayable

but, in turn, will provide a source of income to our Indian friends.

I hope we follow the good judgment of these people who have written me and have this important bill reported out of the committee and brought before the floor for immediate passage.

STATEMENT BY SENATOR LANGER IN SUPPORT OF S. 809

Mr. Chairman, inasmuch as I am at the Bethesda Naval Hospital for treatment, I am submitting to you, and the entire Indian Affairs Subcommittee of the Committee on Interior and Insular Affairs of the United States Senate, this statement in support of S. 809, through a member of my staff.

In my opinion, this bill is one of the most significant and forward-looking bills on Indian affairs that has come before the Congress of the United States. I want to say at the outset that, although I introduced this bill, I was joined by 20 United States Senators in its introduction—all of whom are vitally concerned with the future of the American Indian. These gentlemen who are cosponsoring this bill with me come from States where there are Indian reservations, and they are well aware of the plight of the American Indian and the many problems with which he is faced.

This bill is a simple bill. It provides for $200 million to be used as a fund for grants or loans to encourage industry in areas in or near Indian reservations.

Let us reflect. Testimony before the Congress of the United States and its committees and subcommittees, and before the Bureau of Indian Affairs in its many conferences around the country has revealed over and over again one very significant factor. That significant factor is that the Indian people do not have the opportunity to obtain sufficient employment to properly care for themselves and their families. The Subcommittee to Investigate Juvenile Delinquency of the United States, under the chairmanship of Senators ROBERT C. HENDRICKSON, Republican, of New Jersey, and ESTES KEFAUVER, Democrat, of Tennessee, designated me as acting chairman to conduct hearings on Indian reservations throughout the United States. The subcommittee sent questionnaires to public officials and Indian leaders in all areas where Indian reservations were located. We conducted hearings and participated in conferences reaching the Indian population in all parts of the country. In these hearings, we heard testimony from governors, attorneys general, judges, United States attorneys, and heads of the departments of health, education, and welfare of their respective States. We also heard from Federal officials dealing with matters of Indian lands, loans to Indian ranch and farm properties. Also appearing before the subcommittee were various Federal, State, and local public officials, church and civic leaders, and representatives of organizations interested in the welfare of the American Indian. Lastly, and most important, we heard from tribal officials and Indian citizens. Among the very pertinent testimony that was submitted to the subcommittee was the significant fact that the Indian could not obtain gainful employment to support his family.

In the report by the juvenile delinquency subcommittee to the Senate (p. 60, Appendix 6) the annual average income of Indian families is indicated. These figures were obtained from answers to questionnaires submitted to the House of Representatives during the 82d Congress, 2d session, under House Report 2503.

Can you imagine an entire family—and most of them, according to the record, are large—receiving an annual income of $500. According to the figures in the subcommittee's report the annual income for Indian families on the Standing Rock Indian Reservation in North Dakota is $500; at the Port Madison Reservation in the State of Washington the annual income is $800; at the Pueblo Reservation in New Mexico the figure is $750; $750 at the San Carlos Reservation, Ariz.; and the figure is $775 at the Choctaw Reservation, Miss. At that time, on the Navaho Reservation in New Mexico, the average income per family was $300. Can we expect any family in the United States to maintain a decent standard of living on an annual income of $300 or even $800. Then, what has been the principal reason for the low incomes? The major answer is the inability of the American Indian to obtain gainful employment. I could belabor this point for hours, Mr. Chairman, but these facts are only too well known to you and to the members of this subcommittee.

On behalf of the Juvenile Delinquency Subcommittee, I authorized Peter Chumbris, the associate counsel of the subcommittee, to attend a 10-day conference at Dallas, Tex. At that conference, 120 leaders representing 40 Indian tribes in the States of Oklahoma, Kansas, Nebraska, and Mississippi were called together by Commissioner Glenn L. Emmons to discuss the many and varied problems affecting the Indian people in those respective areas. Mr. Chumbris reported to me and the subcommittee that the most repeated demand by the Indian leaders was that the Indian people expressed the desire to obtain stable and gainful employment so that they might become a self-sustaining people, and not depend any more than necessary on the services accorded by the Federal and State Governments.

Mr. Chairman, they further stated, the only way that desire can be fulfilled would be to encourage industry to go in or near Indian reservations, for as most of us know there is not now sufficient industry to provide jobs for the Indian people in the areas of the Indian reservations throughout the United States.

The statements given at the Dallas conference, regarding the need for industry to be brought to or near Indian reservations, were heard repeatedly by Commissioner Emmons on his tour through the country conducting similar conferences as the one held in Dallas.

Mr. Chairman, I had the privilege of working with State officials of North Dakota and the Congressional delegation from the State of North Dakota in encouraging the Bulova watch people to inaugurate a program of employing Indian people exclusively through the opening of the jewel-bearing plant at Rolla. The success of this plant was a great milestone in the encouragement of industry in or near Indian reservations. The Indian Bureau has worked diligently in following such a plan and today there are plants employing exclusively Indian labor located at Gallup and Zuni, N. Mex.; Flagstaff and Casa Grande, Ariz.; Cherokee, N. C., and Lamb Deer, Mont. Plants to be established in Oklahoma, Wyoming, South Dakota, and on the McNary site near the border of the States of Washington, Oregon, and Idaho, are under consideration. The threat of closing the jewel bearing plant on December 31, 1956, by the Defense Department, started a chain reaction which was heard throughout the United States. Indian leaders as well as public officials and interested Indian organizations contacted Senators and Congressmen and the Bureau of Indian Affairs in a plea to prevent the closing of the first plant that exclusively hired Indian people. They feared it would have an adverse effect on the expansion of a program to bring industry to or near Indian reservations, and I do believe they were so correct in their thinking.

The threat led to a conference held in my office on January 7, 1957, attended by Senators, or their representatives, from 11 States. A memorandum of that meeting will be submitted to you as an exhibit.

The most important thing coming out of that meeting was the approval of a proposed bill to be submitted to the Senate to encourage a program of instituting industry in or near as many Indian reservations in the United States as found feasible. Accordingly S. 809 was prepared to carry out that plan.

Mr. Chairman, there is so much that can be said in support of this bill that it is impossible to do so in the 2 hours that have been allocated to the witnesses who desire to appear. I have received numerous resolutions from State legislatures, from chambers of commerce, and from many Indian tribes throughout the United States urging, very strongly, the passage of this legislation. For instance, an Indian leader, Alfred Smith from North Dakota, writes, "the Senate bill 809 which honorable Senators propose for the United States Indian would be the greatest help for the United States Indian ever received from the Government. We sincerely hope that our honorable representatives will agree with S. 809 and help us poor Indians."

The Indian affairs committee of the Anadarko Chamber of Commerce of Anadarko, Okla., sent a letter to the Oklahoma delegation and a copy to me of their position on S. 809 which is as follows: "In our opinion legislation of this type should have been enacted many years ago. The Indians, as we know them, have been and are a mistreated race. We as citizens and our Government have failed through the years to provide proper ways to help the Indian to be the kind of citizen that he should be. Money could not be spent for a better use or service than to find a way to develop within the reach of Indian labor so that the Indian could have the opportunity to earn an independent living. By these methods he would ultimately become an independent citizen and be able to compete with his neighbors and find a proper place in society. We recognize the unfortunate situation of the Indian here in Anadarko perhaps better than any other community in the country. There are thousands of Indians in this area that would make excellent workers or employees in most any kind of industry. Such a move would not only help the Indians individually but would assist immeasurably in improving the social and economic situation in the community where they live." The above quotation points out the fact that Indians make excellent workers in most any kind of industry. This has been proven time and time again in North Dakota where the State employment department has testified before our subcommittee that the employers throughout the State have stated that the Indians have proven themselves as capable workers and maintain an excellent average daily attendance on the job. As an illustration, at the jewel-bearing plant at Rolla, N. Dak., there was only 3 percent turnover whereas in a similar industry in the New England area there was 100 percent turnover among the employees.

This year, as in the past, the Congress will appropriate billions of dollars to take care of people outside of the United States of America. It is therefore incumbent upon the Congress of the United States to encourage a higher standard of living and the right and ability to obtain decent employment for all American Indians in this country. This is so, not only because it is our duty to people who are citizens of our great country, but because of the impact that it will have on peoples in foreign lands.

An official of a country in the continent of Asia told one of our prominent Americans, "How do you expect the solve the plight of the many people in depressed areas around the world, when you cannot solve the plight of the few hundred thousand Indians in your own country."

To be practical, let's examine closely what impact our industrial plants will have on or near our Indian reservations. For ex-

ample, the jewel-bearing plant at Rolla, N. Dak., now employs 150 Indians who previously had no opportunity for gainful employment. This means over a half million dollars a year will be earned by those 150 Indians which will place that money into circulation in that area. Not only will it aid the Indians but it will also stimulate business with the non-Indians who service the needs of the Indians in that area. This pattern will follow in every area where there is inaugurated industry on or near Indian reservations throughout the United States.

Since there are now seven such industries established in or near Indian reservations, it means over $3 million earned by Indians would be placed in circulation in their respective areas which normally would not have been earned by those particular people. So if there are a hundred such industries inaugurated on or near Indian reservations in the United States it would mean $50 million earned by American Indians and placed in circulation in their respective areas which heretofore was unavailable to the American Indians.

Does that not appear to be good business? Particularly, would not the non-Indian as well as the Indian in those localities be benefited? Bear in mind that the funds that S. 809 will establish will be grants and loans so that the loans that are granted to induce industry to come in or near Indian reservations will be repaid just like any other loan.

One of the significant changes in the Government's policy toward the American Indian in recent years was the establishment of the relocation program where the Bureau of Indian affairs has aided those Indians living on Indian reservations who desire to obtain employment in the cities of Chicago, San Francisco, and Los Angeles. The purpose of this program was to help those American Indians who saw a greater future in the large city rather than remaining on the Indian reservation. However noble this program may be, it has not been able to alleviate the serious shortage of job opportunites to the Indians who remain on the reservation. The relocation program has unable to absorb the vast number of Indians living on the reservation who are unable to obtain gainful employment.

Another significant factor to be considered is, because of the inability of the Indians to find gainful employment near their home, it has become necessary for them to travel hundreds of miles away from their homes and families to obtain jobs, and in most instances, these jobs are of temporary nature. This procedure has led to many serious problems of Indian family life and in numerous instances has resulted in women and children being technically deserted and being forced to live on various forms of Federal and State relief which runs into millions of dollars. All of this could very easily be avoided if job opportunities were available to the American Indian near his home on the reservation.

Approximately 30 percent of those Indians who have taken advantage of the relocation program have deserted their jobs and returned to the Indian reservation for varying reasons. Those of the returning relocated Indians who would be capable of obtaining gainful employment find no such job opportunities on or near the Indian reservation. Therefore, the $200 million or so much of it as is necessary to provide loans and grants to encourage industry on or near Indian reservations, will help in rectifying this problem also.

As has been stated previously, the more glaring problems affecting the American Indian are his health, welfare, and education needs. We have learned from previous experience, when certain groups among us have improved in their financial standard of living, their problems of health, welfare, and education have lessened. This principle will also apply to the American Indian. Give him a better standard of living and he will be in a position to request less aid for health, welfare, and education needs. I quote again from the Indian leader, "the Indian people express the desire to obtain stable and gainful employment so that they might become a self-sustaining people and not depend any more than necessary on the services accorded by the Federal and State governments."

In closing I most strongly urge this valuable legislation by the committee of the passage by the Senate and the Congress of the United States of S. 809.

NOMINATION OF DON PAARLBERG TO BE AN ASSISTANT SECRETARY OF AGRICULTURE

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a telegram I have received from the National Farmers Union concerning the Paarlberg nomination.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

DENVER, COLO., *August 12, 1957.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

Speaking for the members of National Farmers Union, I urge you to vote against confirming the appointment of Donald Paarlberg as Assistant Secretary of Agriculture. By his statements during the past 10 years Mr. Paarlberg has shown clearly that he is not in favor of most of the farm programs that he would be responsible for administering if his appointment were approved. Surely President Eisenhower can find another appointee who is more in sympathy with the farm programs built out of the depressions and heartbreaks of the past. Farm families at this point in American history need help from their Government, not calloused manhandling from the opponents of a prosperous farm economy. We do not need another fox to guard America's agricultural henhouse. Please vote against confirming Mr. Paarlberg's nomination.

JAMES G. PATTON.

THE CIVIL-RIGHTS BILL

Mr. MORSE. Mr. President, within the 3-minute limitation, I wish to express my dissent from the views expressed by many Democratic leaders in recent days in support of the civil-rights bill which is now pending before Congress.

I have been highly amused by some of the statements made by Democratic leaders to the effect that the Republicans want a political issue in 1958 and 1960, but that the Democrats want a civil-rights bill. The Democrats have not given the country a civil-rights bill. They have talked about a step forward, when in fact they have taken the country a step backward.

I happen to be one who believes that this issue is so nonpartisan that I do not intend to join in party politics, either Republican or Democratic.

I disagree with the Vice President on many, many matters. But when I think he is right on something, I join with him; as when I think the President is right, I join with him. If the Vice President has been properly quoted in the press, I think he is completely right in his opposition to what I consider to be the hoax civil-rights bill which has been passed by the Senate.

In my opinion, the so-called jury-trial amendment has so weakened the judicial process that it will have an adverse effect, for example, on the whole integration problem, as we seek to carry out the Supreme Court decision striking down school segregation. That is what I think some of my Democratic colleagues have done in helping to pass the Senate civil-rights bill. They are asking that we go along with what I consider to be a compromise of principle which cannot be justified in the light of sound Jeffersonian democracy.

This session of Congress was the time to recognize that it is not possible to divide the rights of citizenship. We cannot say that we will deal with one segment that has to do with so-called voting rights, but that we will ignore the other precious human rights which belong to all the colored people of the United States. I do not believe in dividing up citizenship. We should either guarantee first-class citizenship to all or propose to repeal the 14th and 15th amendments. That is the issue.

Today on the floor of the Senate I dissociate myself from the views of any Democratic leader who is trying to give the American people the impression that something substantial has been granted to American Negroes in the field of civil rights by the Senate bill. I think the Senate bill defrauds the Negroes of America and that they are beginning to wake up to that fact more and more, day by day.

Oh, statements have been made in the Senate that this association of colored people and that association of colored people are for the bill. Let me tell the Senate that my mail increasingly shows that the rank and file of the Negroes of the country are aware of the fact that a mockery has been handed to them.

I hope that this session of Congress will be adjourned without putting on the statute books what I consider to be a very bad piece of legislation, so far as the best interests of the American people are concerned. I hope that we will come back in January and go to work again on a true civil-rights bill, a bill which will give meaning to the 14th and 15th amendments to the Constitution. I hope we will not follow the course of action of trying to segmentize the 14th and 15th amendments which we did when part III of the House bill was stricken and the jury amendment was added.

I close by saying to my Democratic friends: "If you think you have taken the civil-rights issue out of the 1958 and 1960 campaigns by the passage of this so-called compromise civil-rights bill, you have a rude awakening ahead of you. Civil rights will be one of the issues of the 1958 and 1960 campaigns in city after city and community after community throughout the country." The minority groups know when they are being fooled. They know they are being fooled by the Senate civil-rights bill, and by Democratic leadership which tries to present it as something it is not.

SOUTHERN JURIES

Mr. FULBRIGHT. Mr. President, I feel certain that our northern friends who are so avid in their support of legislation to regulate and control the conduct of southerners feel a glow of self-righteousness every year when they speak on the annual civil-rights proposed legislation. There is nothing more stimulating to the ego than to be able to point at someone else's real or fancied shortcomings.

Our good friends from New York and Chicago have had a field day based upon their assumption that southern juries will not convict anyone involved in depriving a Negro of his right to vote or of any other constitutional right.

A few days ago we were treated to the spectacle of Mr. Johnny Dio attacking a news photographer. We might recall how influential Mr. Dio is in New York City, and how very influential his friend and patron, Mr. James Hoffa, is in Detroit, Chicago, and, in fact, throughout all the northland and in Washington.

It is interesting to note—and I call the attention of my friends from New York, Chicago, and Detroit to the fact—that the juries of New York, of Washington, and of Oregon seem to be less eager to convict the Dio's and Hoffa's than the jury of Tennessee was to convict Kasper.

The Arkansas Gazette, on August 10, 1957, published an excellent editorial on this subject. I ask unanimous consent that the editorial, entitled "The Hood," be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE HOOD

If Johnny Dioguardia, alias Johnny Dio, did not epitomize the gangster as he does, complete with drooping eye and drooping cigarette, it would be necessary for Hollywood's Central Casting to create him.

Johnny D., in the act of swinging on a United Press photographer, was caught in one of the most memorable news photographs of the year, with quote to match:

"You S. O. B., I've got a family."

This protective family man is the same Johnny Dio who has been publicly charged with fingering the acid blinding of labor columnist, Victor Riesel, allegedly at the offhand instance of Jimmy Hoffa, who hopes to succeed Dave Beck as president of the teamsters.

In all the justified recent debate over the likelihood of getting justice out of a white jury in a southern race-relations case, we have tended to slight the question of whether it is possible for the courts to dispense full justice in cases involving the teamsters and their agents, full and part time, in any part of the country.

Mr. Dio, who now has taken the fifth before the McClellan committee, saw his trial for complicity in the Riesel blinding indefinitely postponed in New York because of the plain physical intimidation he was able to exert upon the other plotters.

In Washington, Mr. Hoffa has been sprung from a Federal charge of bribery, not primarily on the facts in the case, but on an emotional appeal directed to the Negro majority on the jury.

In faraway Portland, Oreg., public officials identified as hirelings of the west coast teamsters, in testimony before the McClellan committee have been gaily freed by local juries.

Up to now, the McClellan committee has batted 0.000, so far as the subsequent treatment of its exposés has been concerned. But we hope it will stay in there swinging anyway, as Senator MCCLELLAN has promised it will.

TEMPORARY APPROPRIATIONS, 1958

Mr. FULBRIGHT. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 792, House Joint Resolution 426.

The PRESIDING OFFICER. The joint resolution will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A joint resolution (H. J. Res. 426) amending a joint resolution making temporary appropriations for the fiscal year 1958, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Arkansas.

The motion was agreed to; and the Senate proceeded to consider the joint resolution.

Mr. FULBRIGHT. Mr. President, the continuing resolution, House Joint Resolution 426, is effective only until August 31, 1957. It will provide for those agencies of Government whose appropriations will appear in bills to be acted upon by the Senate in the near future.

For the Bureau of Reclamation, the Interior power marketing agencies and the Corps of Engineers, the continuing resolution provides appropriations at the current rate of fiscal year 1957 or at the rate provided in the House or Senate bill, whichever is lower.

The following agencies of the Government will be able to operate during the month of August at the current rate of the fiscal year 1957 or at the rate of the budget estimate, whichever is lower.

Export-Import Bank, Small Business Administration, Atomic Energy Commission, and civil government in Ryukyu Islands.

For the mutual-security program, the continuing resolution provides $100 million for the entire program for the month of August. An amount of $200 million was provided for July, which means a total of $300 million will be available for the 2-month period. This is approximately 7 percent of the total amount of the authorization as passed by the Senate and approximately 8 percent of the authorization as it passed the House.

There have been no payless paydays in the Government although we are well into the month of August. This is occasioned by reason of the fact that early August paydays were financed from July appropriations.

Any amounts used during August will be charged against the regular 1958 appropriations for these agencies when enacted.

The PRESIDING OFFICER. The joint resolution is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the joint resolution.

There being no objection, the joint resolution (H. J. Res. 426) was ordered to a third reading, read the third time, and passed.

AMENDMENT OF FEDERAL EMPLOYEES' GROUP LIFE INSURANCE ACT OF 1954

The PRESIDING OFFICER. Is there further morning business? If not, the Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (S. 2127) to amend section 3 (d) of the Federal Employees' Group Life Insurance Act of 1954 relating to the reduction in amounts of insurance of persons over the age of 65.

Mr. JOHNSTON of South Carolina. Mr. President, the Federal Employees' Group Life Insurance Act will observe its third birthday the 17th of this month.

There is general agreement that it was a wise, progressive, and much needed piece of legislation. Furthermore, the program has proven actuarially sound. As a matter of fact, the reserve fund is growing more rapidly than was anticipated. At the present time, there is in excess of $100 million in the fund, and it is estimated that the fund will continue to grow.

These facts are widely known and well understood. However, what many do not know is that the insurance policies reduce rapidly when the insured reaches the age of 65. That is true whether the insured continues to be employed in the Federal service or is in a retired stage. The rate of reduction is 2 percent a month until the amount of insurance has been reduced to 25 percent of its face value.

For example, an employee whose salary is between $4,000 and $5,000 would have a policy with a face value of $5,000. Upon the attainment of age 65 the automatic reduction starts. Three years and three months later, or when he reaches the age of 68 years and 3 months, his insurance, which once amounted to $5,000, is only 25 percent of what it once was, or $1,250.

The bill would cut the rate of reduction from 2 percent to 1 percent a month and cease when the effective amount of the policy reached 50 percent of its face value.

The committee amendment fixes the effective date as of the date of enactment of the act. That is done so that employees still in the service who have passed their 65th birthday will benefit from the more favorable reduction formula.

The Civil Service Commission estimates that the bill will increase disbursements from the insurance fund by a small amount currently and will reach approximately $7 million by 1960 and $32 million by 1975.

As will be seen, the bill is an amendment to the present law and changes the ratio of reduction and also the amount of the reduction of the policy.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. LAUSCHE. Has there been consultation with actuaries to ascertain whether the proposed increase in the coverage which will ultimately be held by the insured is sound, having in mind that there is $100 million now in the fund?

Mr. JOHNSTON of South Carolina. It has been pointed out that the reserve fund has grown to $100 million in 3 years.

I read now from the statement of the Commission, as set forth in the report:

> The Civil Service Commission estimates that enactment of the bill will result in increasing disbursements from the insurance reserve fund by a small amount currently, with a gradual growth to some $7 million by 1960 and $32 million by 1975.

Mr. LAUSCHE. Have the actuaries advised that the proposed increase in the face value of the policy—from 25 percent, under the present law, to 50 percent, under the proposed law—will in any way, from a fiscal standpoint, endanger the fund?

Mr. JOHNSTON of South Carolina. No; it would not. The present reserve is in excess of $100 million, and it is estimated that it will increase to more than $425 million within 15 years. The fund is increasing faster than was anticipated when Congress passed the law only 3 years ago.

Mr. LAUSCHE. Am I correct in my understanding that when the law was passed, the premium rate was fixed at an amount which now is greater than the actuarial studies indicate is required?

Mr. JOHNSTON of South Carolina. That is true; and the reserve is increasing much more rapidly than we were informed it would, at the time of the passage of the bill.

Mr. LAUSCHE. Was there any discussion about the provision of an alternative remedy: First, to reduce the premiums paid; second, to increase the coverage given prior to age 65; and, of course, third, the recommendation which has been made?

Mr. JOHNSTON of South Carolina. That came up in the discussion concerning the bill. The committee was unanimous in reporting the bill. The committee thought this measure, if enacted, would not jeopardize the fund, and would meet more immediate needs than would any other small liberalization which might be made at this time.

Mr. LAUSCHE. In other words, if the premium were reduced, the amount of reduction to the individual policyholder would be so negligible that it would be inadvisable to make such a reduction; is that correct?

Mr. JOHNSTON of South Carolina. That is true.

Mr. LAUSCHE. Is the Senator from South Carolina able to tell me what was the reason for the inclusion in the initial policies of the provision that after the insured attained age 65, the face value of the policy would be reduced at the rate of 2 percent a month, until it was brought down to 25 percent of its original face value? What was the theory underlying that provision? I am at a loss to understand it.

Mr. JOHNSTON of South Carolina. That was done in order to make it possible to provide cheaper insurance to the employees.

Mr. LAUSCHE. In other words, if the policy, after age 65 was reached, was carried at its original face value, there was doubt as to whether the premiums would be adequate; is that correct?

Mr. JOHNSTON of South Carolina. That is correct.

We were more or less feeling our way.

Another point was that at that time a good many of the employees were rather close to age 65. It was not thought that it would be fair for them not to have to pay any premiums after age 65, at which age they could draw the full benefits. But after 3 years' time has elapsed, it is somewhat more justifiable to allow them to receive a little bit more.

Mr. LAUSCHE. What is the premium on each thousand dollars of coverage?

Mr. JOHNSTON of South Carolina. The employee's premium is $6.50 a thousand a year.

Mr. LAUSCHE. Does the Government contribute?

Mr. JOHNSTON of South Carolina. The Government premium is one-half that of the employee.

Mr. LAUSCHE. In other words, the insured pays $6.50 a thousand a year; and the Government——

Mr. JOHNSTON of South Carolina. The Government pays $3.25 and the employee $6.50 per year per thousand dollars of insurance.

Mr. LAUSCHE. In my opinion, if the actuaries have recommended that this change can be made and additional coverage given after age 65, I feel that the recommendation is sound.

Mr. JOHNSTON of South Carolina. To the best of my recollection, every actuary we consulted said this would not impair the solvency of the program.

Mr. WILLIAMS. Mr. President, will the Senator from South Carolina yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. WILLIAMS. I notice that the committee report does not contain a statement on the part of the Civil Service Commission. I wonder what the Commission recommended. Does it recommend that the proposed change would be actuarily sound?

Mr. JOHNSTON of South Carolina. The Commission views were not received until after the bill had been reported. The Commission does not approve it for a number of reasons.

Mr. WILLIAMS. Is it the understanding of the Senator from South Carolina that the Commission did not feel that enactment of the bill would render the fund actuarily unsound?

Mr. JOHNSTON of South Carolina. Yes; the Commission does not.

Mr. WILLIAMS. The Commission does not what?

Mr. JOHNSTON of South Carolina. In none of their statements to us have they said that enactment of the bill would render the fund unsound.

Mr. WILLIAMS. I notice that the report does not contain any letters from the Department.

Mr. JOHNSTON of South Carolina. That is true. We received the letter after the bill was reported.

Mr. WILLIAMS. Concerning that letter from the Commission which was sent to the Senator from South Carolina as chairman of the committee—I happen to have a copy of it before me; it is dated July 25, 1957—there are some statements which I should like to read into the RECORD. I read from page 3 one paragraph which is a little difficult to reconcile with your statement:

> The bill would weaken the financial soundness of the program. Enactment of S. 2127 would increase benefit payments at an accelerating rate. Additional disbursements over those under the present law would rise from $7 million in 1960 to $32 million in 1975, and would continue to climb. At about that time the insurance fund would become exhausted, under present contribution provisions. Either an increase in the contribution rate or a decrease in benefits would then be required to keep the program in operation.

I am a little concerned about the statement that in 1975 the funds will be exhausted under present rates if the bill is enacted. If that happens in 1975 what will be your solution? Will it then be necessary to raise the rates, or will you drop the benefits? What does the Senator from South Carolina have in mind in that respect?

Mr. JOHNSTON of South Carolina. Where does the Senator from Delaware find the words "would become exhausted"?

Mr. WILLIAMS. I am reading from page 3 of their letter dated July 25, 1957, addressed to you as chairman of the Senate Committee on Post Office and Civil Service.

Mr. JOHNSTON of South Carolina. Will the Senator from Delaware read the next paragraph, too?

Mr. WILLIAMS. Yes. I am referring to the paragraph which states that "at about that time the insurance fund would become exhausted under present contribution provisions."

Perhaps there is an explanation, but I am wondering what it is. While it is always very desirable to increase benefits, I do not think it is desirable to deplete or bankrupt the fund in the next 10 or 15 years.

The next paragraph of that letter reads:

> The present reserve is over $100 million, which is estimated to increase to over $425 million within 15 years, is not a surplus available for liberalization.

Under the present formula it is estimated that the fund will be $425 million by 1975, but as I understand the situation, the Commission has advised the chairman of the committee that if the bill now before us passes, rather than being $425 million at the end of 15 years the fund may be exhausted. If I misunderstand the letter I wish you would clarify it.

Mr. JOHNSTON of South Carolina. All the actuaries who came before the committee testified that the proposal would not in any way jeopardize the program.

Mr. WILLIAMS. I do not question the statement of the Senator from South Carolina so far as sincerity goes, but have hearings been printed on the bill so that we can have the statements of the actuaries put in the RECORD? I think when we are dealing with a trust

fund involving the security of life insurance policies a statement by the Commission that the fund will be exhausted in 15 years if the bill passes is something that cannot be brushed off.

Mr. JOHNSTON of South Carolina. To use their own figures, payments from the fund would increase gradually until they reach $7 million a year in 1960. By 1975 the figure would be $32 million. However, increased contributions can also be counted on being added to the fund. A fund of $100 million has been built up in 3 years. If the reserve continues at anything like that rate, all the actuaries think there will be double what would be needed to meet the new demands.

Mr. WILLIAMS. I do not question that statement, but I am wondering if copies of the hearings, with these statements by the actuaries, are available. The letter of this Commission is damaging unless refuted.

We should have the information the hearings afford. I do not question that the actuaries gave that information if you say they did, but are the hearings or testimony available?

Mr. JOHNSTON of South Carolina. No.

Mr. WILLIAMS. Were there any hearings on the bill?

Mr. JOHNSTON of South Carolina. We had no hearings. The committee acted from a consideration of the bill itself.

Mr. WILLIAMS. If the Senator will yield further for a question, if there were no hearings how did the actuaries testify?

Mr. JOHNSTON of South Carolina. A subcommittee has been making a study of the insurance program for a long time. In January a subcommittee was organized to make investigations into this particular field. We have had persons experienced in the insurance field looking into the program to see if the benefits could be liberalized, because it was brought to our attention that it ought to be done.

Mr. WILLIAMS. I agree with the Senator that if it can be done it should be done. I am well aware of the authorized study to which the Senator has referred. It was on January 3 that the Senator from Kansas [Mr. CARLSON] submitted a resolution for this study, and $25,000 was appropriated to finance an investigation into the soundness of the program to determine whether it should be liberalized. This study was under the jurisdiction of your committee. Has the committee issued a report or any summary of findings as a result of this study?

Mr. JOHNSTON of South Carolina. No. The committee is still making a study of the matter. Several changes in the insurance program have been suggested. In the proposal before the Senate, only a small change is suggested, rather than going more deeply into the matter, until the study can be completed.

I may say to the Senator, the committee probably will be back next year with additional recommendations to liberalize further the insurance program. If we find further liberalization practicable from the facts which the subcommittee has reported—and I believe it will be so found—it will be possible to take liberalizing action.

Mr. WILLIAMS. I hope the Senator is correct, and I do not question it, but I am wondering if after having provided $25,000 to study this question it would not be better to await the report. Is there not any report by the committee to support your claims?

Mr. JOHNSTON of South Carolina. The committee is to report back next year. The subcommittee will run until the first of next year. It will make a report at that time.

Mr. WILLIAMS. Is there not a possibility that we have put the cart before the horse?

Mr. JOHNSTON of South Carolina. I do not believe so.

Mr. WILLIAMS. In this instance a bill is before the Senate on which there have been no hearings and no reports to support the claims of the committee. I do not question the sincerity of the committee. But I am concerned about the letter from the Commission which states that the fund will be bankrupt in 15 years if the bill passes. I do not say the Commission is infallible but their report does stand unchallenged. I should like to have the identity of some of the actuaries whom you say supported this bill so that we can put their names in the RECORD. I do not question that they did make such recommendations, but who were they? What did they say? Where are their statements?

Mr. JOHNSTON of South Carolina. What really happened in this situation was that the Civil Service Commission reported that a reserve of $100 million had been built up in 3 years.

Mr. WILLIAMS. But they recommended against the bill.

Mr. JOHNSTON of South Carolina. That is correct. However, the Civil Service Commission report indicates that the additional expense of the amendment would increase gradually to $7 million in 1960. Anyone should know that an additional expenditure of $7 million will not deplete the insurance fund. If it were something we could not change, that would be a different matter; but the insurance plan can be changed in the future. If it should become necessary to make changes in the future, that can be done. In the meantime, I think it possible to provide those who become 65 years of age with a little greater protection.

Mr. WILLIAMS. I agree with the Senator fully that an increase in payments of $7 million between now and 1960 is not going to deplete the fund; but that is not the story in the letter which was addressed to the Senator from South Carolina as chairman of the committee by the Civil Service Commission stating:

> Benefit payments will double within the next 25 years, due primarily to the increasing number of deaths after retirement, whereas income will remain relatively stable. Financial prudence demands the establishment and maintenance of reserves to meet this inevitable and foreseeable future need.

I certainly want to liberalize the benefits if we can do it. But I hesitate to see it done in the face of the only official statement which is before us on the part of any department wherein it is emphatically stated that if we pass the bill we shall bankrupt the fund within 15 years. I do not think we would be doing justice to anyone who is retired, or who has insurance, if we give them an increased benefit today knowing that 15 years from now the fund will be bankrupt and he will get zero unless the rates are substantially increased. The security of a life insurance policy is paramount; the face value of the policy is secondary. While I should like to see the benefits increased if it can possibly be done, I should like to see testimony, somewhere, on the part of some actuary that it can be done. I am wondering what actuary the committee has to back up the statement that it can be done.

Mr. JOHNSTON of South Carolina. For the information of the Senator, we called the Commission actuaries before our committee. They went over the matter with us and gave us all the facts and figures we have.

Mr. WILLIAMS. What were their names?

Mr. JOHNSTON of South Carolina. They came from the Commission.

Mr. WILLIAMS. They may have come from the Commission, but I should like to have their names. I do not question that they came before your committee, but who were they, and what did they say? If we had their names and had their statements to put in the RECORD, we would have a basis upon which we could proceed. The letter objecting to this bill is signed by the Chairman of the Civil Service Commission. I assume he talked to his actuaries.

Mr. JOHNSTON of South Carolina. For the information of the Senator——

Mr. WILLIAMS. We should have the names of the actuaries. I do not question that they came before the committee, but I should like to know who they are.

Mr. JOHNSTON of South Carolina. For the information of the Senator from Delaware, I should like to state also that when Congress passed the original bill, although $100 million has been accumulated in 3 years, the Senator will find the same concern was expressed by the then Chairman of the Civil Service Commission.

Mr. WILLIAMS. I might say to the Senator from South Carolina that the approval of the Commission is not necessarily essential for me before I vote on the bill. I reserve the right to make up my own mind about it. I am not taking their objections to the bill as being infallible, but I point out that we face the situation that the Commission has put their reasons for objecting in a written statement, and we are told that somebody—"they"—has said otherwise. I should like to know who "they" are. I think it would be well to put that information in the RECORD.

I am sure somebody gave information to the Senator and his committee. I hope the Senator will not misunderstand me; I am not questioning his statement, but I should like to have that information in the RECORD.

Mr. JOHNSTON of South Carolina. The Senator served on the committee with me for several years. He knows

that the committee staff works on matters of this kind and provides information, to the committee as a whole.

Mr. WILLIAMS. I do not question that, but we face the situation where we have a letter from the Chairman of the Commission saying otherwise.

Mr. JOHNSTON of South Carolina. We have on our staff several very capable men. Don Kerlin for one was with the Bureau of the Budget for years. I think he is very capable in obtaining data on matters of this kind.

Mr. WILLIAMS. Is he the actuary to whom the Senator referred?

Mr. JOHNSTON of South Carolina. No, he is not an actuary.

Mr. WILLIAMS. I understood that a couple of actuaries testified.

Mr. JOHNSTON of South Carolina. In the investigation the staff has talked with a great many actuaries. They discussed the matter with them, and obtained information from them with respect to the insurance program.

Mr. WILLIAMS. Mr. President, if the Senator will yield, I should like to see the bill pass if the committee claims can be supported. I think the bill has much merit if the money is available; however, before the bill is passed, we should at least know what we are doing and that we are on solid ground.

I am very much concerned about the letter from the Commission, which is based upon their actuarial estimate, stating that if the bill is passed the fund will be bankrupt within 15 years.

I say again to the Senator that I do not accept the Commission's statement as being gospel, but it has not been refuted. We do have in the Government a group of men who are employed and paid on the basis that they are qualified actuaries. I assume that the Commission's letter is based upon their report.

I am wondering if it would not be advisable, without prejudice to the bill, to hold up its consideration until we can get a statement from some group of actuaries. I would not want to see the bill unduly delayed, but we are dealing with a very important matter. This is a trust fund which supports the life insurance of the Federal employees. I think the Congress would be playing rather loosely if, without proper investigation, it should pass the bill in the face of a warning by the Commission that the fund would be bankrupt within 15 years. In the event that happened, we would have to raise the rates on a basis sufficient to carry the extra load at that time, or else suspend payments.

I think we should face the problem now. This is a trust fund, and we are the trustees. We have a responsibility to maintain the solvency of these insurance policies.

Mr. JOHNSTON of South Carolina. The Senator can consider the testimony or statement from Harris Ellsworth, the Chairman of the Civil Service Commission. It is stated that the additional cost will amount to $7 million by 1960. Then the limit in 1975 is $32 million. The Senator can take those figures, and determine the answer for himself.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield to the Senator from Ohio.

Mr. LAUSCHE. Does the Chairman of the Civil Servise Commission not state that with the burden of $7 million plus the $32 million—or is it $62 million?

Mr. JOHNSTON of South Carolina. $32 million.

Mr. LAUSCHE. The $7 million and the $32 million are a total of $39 million?

Mr. JOHNSTON of South Carolina. No. The two are not separate. The amount increases on a graduated scale. The additional cost will eventually go up to $7 million by 1960, and then it will continue to go up until by 1975 it will reach a total of $32 million.

Mr. LAUSCHE. A total of $32 million.

Mr. JOHNSTON of South Carolina. That is correct.

Mr. LAUSCHE. Does the Chairman of the Commission not say that the added burden of the $32 million in payments will reduce the capital to such an extent that the fund will not be actuarially sound and, therefore, in the eyes of the law, will be bankrupt at the end of that time?

Mr. WILLIAMS. I will quote for the Senator the exact language of the Commission's statement to the committee:

> Benefit payments will double within the next 25 years, due primarily to the increasing number of deaths after retirement, whereas income will remain relatively stable.

In the letter the Commission also points out that:

> Additional disbursements over those under the present law would rise from $7 million in 1960 to $32 million in 1975, and would continue to climb. At about that time the insurance fund would become exhausted under present contribution provisions. Either an increase in the contribution rate or a decrease in benefits would then be required to keep the fund in operation.

I think we should face the problem head on.

If that is a true statement, we had better reexamine this bill. If we shall face the necessity of increasing the contribution rates in order to keep the fund solvent, we should face that situation now.

Mr. JOHNSTON of South Carolina. For the information of the Senator, if it is found that the fund is not solvent at any time, Congress can raise the premium rates. I think that answers all the questions.

Mr. WILLIAMS. Who can raise the rates?

Mr. JOHNSTON of South Carolina. Congress. It would have to be done by Congress.

Mr. WILLIAMS. That is correct.

Mr. JOHNSTON of South Carolina. Any time Congress wants to do so.

Mr. WILLIAMS. I agree with the Senator as to our authority and responsibility, but if the rates are going to be raised as the result of action we take here today, is this not the time? Let us not kid these employees who are buying this insurance.

Mr. JOHNSTON of South Carolina. What really happened is that 3 years ago we anticipated what it would be necessary to pay, but instead of the estimate made at that time being correct the funds have risen more rapidly than was anticipated at that time.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. LAUSCHE. I should like very much to support the bill. I think, however, that there ought to be some preponderance of evidence given by actuaries that the procedure proposed is consistent with sound insurance practices. If there is not actuarial advice that it can be done, then in my judgment there is a danger in doing what has been recommended.

Mr. WILLIAMS. One of the things we must keep in mind is that we are dealing with a life insurance fund which is owned by more than 2 million Government employees. To enact the bill in the face of the warning from the Commission, unless their claim can be refuted, would be the height of irresponsibility. The Commission has said that if we pass the bill without raising the rates, the fund will be depleted within 15 years. We will be asking the 2 million employees to continue paying into the fund for the next 15 years in the face of a warning given to the chairman of the committee that at the existing rates the fund will be insolvent in 1975 or 1980. I think it would be the height of irresponsibility on our part to act in the face of such a warning. If it is claimed that a report from another group of actuaries supports the bill their statements should be produced. The Civil Service Commission has a group of qualified actuaries, and they have rendered this adverse report to us. As I see it, we have no report to contradict it except the statement that the committee staff has recommended that the proposed course be enacted. I have confidence in the committee staff, but we must have a little more support than that for our action.

Mr. JOHNSTON of South Carolina. The Commission is not speaking from an actuarial standpoint.

Mr. WILLIAMS. We have every right to assume that when the chairman of a commission sends a statement to us, he has at least conferred with his own actuaries. Certainly he would be subject to criticism if he did not.

In the fourth paragraph of his letter we find the following:

> The Advisory Council on Group Insurance opposes present liberalization.
>
> Section 12 of the Insurance Act establishes a Council consisting of the Secretary of the Treasury, the Secretary of Labor, and the Director of the Bureau of the Budget. The Council met with the preceding Commission on February 6, 1957, and after studying the effect on the fund of various suggestions for liberalization (among which was the minimum 50 percent after age 65, proposed by S. 2127), the Council unanimously voted to resist efforts to liberalize the Life Insurance Act until we have had several more years' experience with its operation.

I repeat what I previously said. I do not contend that we should necessarily accept the recommendations of an agency. I have voted for many bills against the recommendations of Government

agencies and reserve the right to do so again. But we are dealing here with a life-insurance fund, a trust fund. But I should like to have placed in the RECORD some substantiating statements on the part of qualified actuaries to the effect that the Commission is wrong, if Congress is to proceed to act against their recommendations. We must be sure we are right.

Mr. JOHNSTON of South Carolina. The Commissioners say:

Additional disbursements over those under the present law would rise from $7 million in 1960 to $32 million in 1975, and would continue to climb.

The additional disbursements will not reach even $7 million until 1960.

Mr. McNAMARA. Mr. President, will the Senator yield to me for the purpose of suggesting the absence of a quorum? A number of Senators are interested in the bill.

Mr. JOHNSTON of South Carolina. I yield.

Mr. McNAMARA. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a letter from the United States Civil Service Commission, dated July 25, 1957, dealing with the bill under consideration, S. 2127.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES CIVIL SERVICE COMMISSION,
Washington, D. C., July 25, 1957.

Hon. OLIN D. JOHNSTON,
Chairman, Committee on Post Office and Civil Service, United States Senate.

DEAR SENATOR JOHNSTON: I am referring further to your letter of May 23, 1957, relative to S. 2127, a bill "To amend section 3 (d) of the Federal Employees' Group Life Insurance Act of 1954, relating to the reduction in amounts of insurance of persons over the age of 65."

Under present law, the amount of group life insurance in force at age 65 is reduced by 2 percent thereof at the end of each full calendar month following the date the employee attains age 65, subject to a minimum amount of not less than 25 percent of the insurance in force immediately preceding the first reduction. This reduction applies in all cases—to active employees, to retired employees, and to employees whose insurance is continued while in receipt of benefits under the Federal Employees' Compensation Act. A similar reduction operates in respect to the amount of group accidental death and dismemberment insurance in force on active employees.

The bill would change the monthly rate of reduction from 2 percent to 1 percent, and would raise the minimum amount—after reduction from 25 percent to 50 percent of the amount of insurance in force at age 65. Under present law, the amount of insurance payable is 25 percent of the amount in force at age 65 if death occurs in or after the 39th month following the month of attainment of age 65. Under S. 2127, the amount is 50 percent (twice that under present law) if death occurs in or after the 51st month, and the amount would of course exceed that under present law during the months after age 65 in which the reduction was operating.

The language of the bill does not indicate whether it is intended to have only a prospective effect or some retroactive effect. The present law provides for a 2-percent reduction of the amount of insurance at the end of each month after the employee attains age 65. As written, the bill could be interpreted as having only a prospective effect so that the full result of the 2-percent reduction rate sustained by an employee in the past would not be affected. The Commission understands that the intention is to apply the 1-percent reduction retroactively except where claims have already arisen, and subsequent comments in this report are premised on this understanding. If it is intended that the 1-percent rate apply to all insurance-amount determinations after the bill's enactment, it should contain an effective date section along the following lines:

"SEC. 2. This amendment shall be effective as of August 17, 1954, but shall not be applicable in any case in which the death, dismemberment, or conversion to an individual policy of life insurance has occurred before the date of enactment of this amendment."

The Commission is opposed to the enactment of S. 2127 for the following reasons:

1. The bill would increase benefits at ages where the need is least.

The primary purpose of a group life-insurance program is to provide protection of minimum cost during employment, at the time financial obligations are heavy. The costs of rearing children and establishing a home are generally incurred before age 65. Death of a young or middle-aged employee usually leaves a far greater void to be filled by insurance than does death after age 65. The Commission believes that any liberalization of benefits should preferably be below age 65, but that in any event the below-65 group should receive at least proportional liberalization.

2. The bill would increase benefits for those who have contributed the least.

Under the group insurance program, employee contributions cease at age 65, or upon retirement if earlier. The program has been in effect less than 3 years. On December 31, 1956, there were 57,000 insured active employees over age 65 who had contributed little or nothing, and there were an even greater number of insured, noncontributing, retired employees. The Commission sees no justification for doubling, in most cases, the amount of insurance payable upon the death of well over 100,000 persons who were granted, practically free, the insurance they now have. A present increase in the amount of insurance after age 65 seems premature. If an increase is to be made, it might well be deferred until employees attaining age 65 had more than token contributions under the program.

3. The bill would weaken the financial soundness of the program.

Enactment of S. 2127 would increase benefit payments at an accelerating rate. Additional disbursements over those under the present law would rise from $7 million in 1960 to $32 million in 1975, and would continue to climb. At about that time the insurance fund would become exhausted under present contribution provisions. Either an increase in the contribution rate or a decrease in benefits would then be required to keep the program in operation.

The present reserve of over $100 million, which is estimated to increase to over $425 million within 15 years, is not a surplus available for liberalization. It is needed to maintain the stability of the program under the present contribution and benefit provisions. Benefit payments will double within the next 25 years, due primarily to the increasing number of deaths after retirement, whereas income will remain relatively stable. Financial prudence demands the establishment and maintenance of reserves to meet this inevitable and foreseeable future need.

4. The Advisory Council on Group Insurance opposes present liberalization.

Section 12 of the Insurance Act establishes a Council consisting of the Secretary of the Treasury, the Secretary of Labor, and the Director of the Bureau of the Budget. This Council met with the preceding Commission on February 6, 1957, and after studying the effect on the fund of various suggestions for liberalization (among which was the minimum 50 percent after age 65 proposed by S. 2127), the Council unanimously voted to resist any efforts to liberalize the Life Insurance Act until we had had several more years of experience with its operation.

Based on the foregoing considerations the Commission recommends against enactment of S. 2127.

The Bureau of the Budget advises that there would be no objection to the submission of this report to your committee.

By direction of the Commission:

Sincerely yours,

HARRIS ELLSWORTH,
Chairman.

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent that the bill now under discussion, S. 2127, be laid aside until I can furnish to the Senate some actuarial data on the matter.

The PRESIDING OFFICER. Is there objection to the request of the Senator from South Carolina? The Chair hears none, and it is so ordered.

POSTAL PAY INCREASE

Mr. HUMPHREY. Mr. President, like other Members of the Senate, I have received literally thousands of letters from postal employees and friends of postal employees urging me—in fact, literally begging me—to do all I can to see that a pay increase for postal employees becomes law before the Congress adjourns.

I am most desirous of seeing this accomplished. I am most desirous to see a postal pay increase, as well as a general pay increase for civil-service employees, become a reality.

Recently these letters have been expressing growing concern over the possibility of Congress adjourning without taking final action on a pay bill. The House of Representatives has passed and sent us a pay bill to grant all postal employees a flat increase of $546 across the board.

I believe we should pass the House bill. It is a good bill. We should pass it and send it to the President for his signature.

We have been told that the President would veto a postal pay increase bill. To the best of my knowledge the President himself has not made such a statement, but it has been made for him, principally by those who are opposed to the pay bill, and are opposed to doing justice to our faithful and loyal employees.

It should not be necessary to present substantive arguments on behalf of a pay raise, which is so obviously necessary. However, there are, apparently still a few who will require some convincing, though not in Minnesota, I am happy to say. In my State I find universal agreement that there should be a

postal pay raise. But there are some in the Nation's Capital who apparently need some convincing. I am happy to note that one of them is not the distinguished chairman of the Senate Committee on Post Office and Civil Service, the Senator from South Carolina [Mr. JOHNSTON], who has been the friend and champion of Federal workers.

To demonstrate the unanimity of opinion in my State of Minnesota, I present a statement by one of our leading citizens. He is not a postal employee. He does not wear the blue and gray uniform, with the new maroon trim, of the letter carrier. He is not a postal clerk. He is not the relative of a letter carrier. He is a banker. He is the president of the largest savings and loan association in Minneapolis, Minn. The letter signed by this Minneapolis banker was published in the Minneapolis Morning Tribune. It reads as follows:

I am not a postal worker nor do I have any connection with the postal service, but nevertheless I am greatly disturbed by the plight of the postal employee.

One reads articles of wage increases of 20 cents an hour to groups who have been getting an increase of approximately the same amount every year for 10 years running. On the same page is the statement that an increase in postal pay would cause inflation.

The postal workers and carriers I know have a take-home pay of approximately $60 per week.

Lending institutions consider them as poor customers in home purchases, unless they can make a 50 percent downpayment on a relatively inexpensive home, not because they are poor pay, but because they wouldn't want them to starve while paying.

One of the very few items that hasn't tripled or quadrupled since the war is postage cost. Certainly we could stand an increase in rates.

These loyal employees of the postal service have no force they can exert to obtain an increase in pay. Consequently they have thrown away their pride for a living wage, but to no avail. I am not a believer in radical methods to obtain an end, but in this case, even if they have signed a no-strike pledge, they are certainly justified in striking.

Here is an opportunity for one of our long-winded politicians (either side) to blow his horn in the right direction and obtain, not $10 per week as will be proposed but an increase of $40 per week minimum for the postal workers. They are 6 years behind in pay increases.

ROY C. LARSON,
President, Twin City Federal Savings and Loan Association.

I agree with Mr. Larson that our postal employees are away behind in their attempt to keep up with the cost of living; they are still further behind in their battle to keep up with the improved American standard of living. In our dynamic economy, we are constantly creating new products that bring improved living standards to our people. Some of these changes are mandatory—such as the improved packaging and preparation of foods. The Secretary of Agriculture chose to refer to this development as "built-in maid service." When a postal employee goes to the store today, he not only has to pay the increased cost of living, but he has to pay for the "built-in maid service." There are many inescapable improvements in our standard of living which people must accept. The decline of public transportation has made private transportation more necessary—it costs more, but this cost is not reflected in the cost of living.

I am sure that when we take up the pay bill for consideration in the Senate—and I hope it will be taken up, and the purpose of my remarks is to join with the distinguished chairman of the subcommittee, the Senator from Oregon [Mr. NEUBERGER], and the distinguished chairman of the committee, the Senator from South Carolina [Mr. JOHNSTON], in urging action on the bill—we will find those in the administration who are opposed to decent pay scales comparing the gross pay of postal employees with the changes in the cost of living. This is a distortion of the real situation. The cost-of-living index does not include taxes. The cost-of-living index is not a budget. The cost-of-living index, as has often been stated by the Commissioner of the Bureau of Labor Statistics, Ewan Clague, is merely a measure of the changes in the prices of certain selected commodities. It does not measure improvements in the standard of living, and as I stated previously, it does not make any allowance for taxes. I would like to ask where are the postal employees going to get the approximately 25-percent increase in their income to take care of their taxes if it is not in their pay checks? Do we expect them to reduce their standard of living by 25 percent? In comparing the increase in the cost of living with postal employees' pay, the comparison should be made with take-home pay, not with gross pay.

Mr. NEUBERGER. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. NEUBERGER. I wish to commend the Senator from Minnesota for the remarks he is making on the floor today. As chairman of the subcommittee which considered pay-raise legislation, I presided for 2 weeks over hearings into the entire issue of postal employee pay in particular and Federal employee pay in general.

I am a relatively new Member of the Senate, as the Senator from Minnesota knows. Perhaps that is why I was shocked by the data we received. What was brought out in the hearings seemed, in my opinion, a positive disgrace to the United States Government. We had testimony before our subcommittee—and it was not refuted or disputed—of families of postal workers, with 3 or 4 children, who had to get along on a food budget of $25 a week. Anyone who goes to a supermarket knows how much food can be bought for $25 a week. It is not very much or very nourishing.

I had a letter from a prominent physician in my community, who enclosed with his letter correspondence which he had had with the wife of a postal worker. The wife of the postal worker was his patient. She demonstrated to the doctor in detail why the family was unable to pay the doctor a medical bill of $8.50 a month. The doctor was so amazed and astounded by what she told him about the condition of her family, which is a typical postal worker's family, that he sent her letter to me along with a covering letter of his own, in which he expressed his disgust with the United States Government, so far as this policy was concerned.

I could go on indefinitely reciting similar situations to the able Senator from Minnesota. Suffice to say that the statistics presented to our subcommittee demonstrated conclusively that the pay of the postal employees has sadly lagged behind the cost of living, even though the cost-of-living figures do not accurately reflect all financial stress and strains, as the Senator from Minnesota has so ably pointed out.

I wish to say to the Senator that if there is any way in which I can aid him in his efforts to have the leadership bring out a bill before the end of the session, I certainly assure him that I will collaborate in every way possible.

I also hope to point out that the Senator from Minnesota is quite correct when he says that the House bill is now on the calendar and could be passed very quickly, without the necessity of going to conference. The Senate bill, which was reported out by our committee, under the leadership of the distinguished Senator from South Carolina [Mr. JOHNSTON], happens to be my own bill.

However, I am quite willing to put aside any pride of authorship I may have, or any individual claim there might be to personal glory, in order that the House-passed bill may take precedence over my own bill. In that way the Senate could act immediately, and the House bill could be sent to the White House, without the necessity of having a long conference on it. In such a way the President could act on the bill.

I wonder if I might have the attention of the Senator from South Carolina, who is in conference with other Senators on the floor at the moment.

I will state to the Senator from South Carolina that I was just saying to the Senator from Minnesota, in view of his discussion, that, so far as I am concerned, I am quite willing to have my own bill dealing with postal pay, which came from my own subcommittee, put aside, so that the bill already passed by the House may take precedence and be acted on immediately. Thus we could send the bill to the President at once without the necessity of going to conference, and perhaps in that way avoid a delay at this late day in the session.

I said to the Senator from Minnesota, who has initiated this helpful discussion, that I felt certain my attitude had the full cooperation of the chairman of the Committee on Post Office and Civil Service. That is why I sought the attention of the chairman of the full committee.

Mr. JOHNSTON of South Carolina. Under the circumstances and conditions of the present moment, so far as time is concerned, I believe it would probably be best to take up the House bill instead of the Senate bill. Of course, we have had under discussion in the committee, as the chairman of the subcommittee knows, the question whether we would favor a flat raise for everyone or a percentage increase for the various employees. We thought that it probably

would be best to have a percentage increase. In any event, I want the employees to get some kind of raise. It looks as though it will be necessary for us to take up the House bill instead of the Senate bill. When the time comes, it shall be my intention to ask that the House bill be considered, in order to expedite matters.

Mr. NEUBERGER. I am glad the chairman of the committee takes that position. From the standpoint of equity and sound governmental fiscal procedure, I honestly believe that the Senate bill is a better bill. But at this late hour in the session, with adjournment almost upon us, I believe it would be the part of wisdom to have the House bill considered by the Senate, in the interest of urgent haste.

Mr. HUMPHREY. I thank the Senator from Oregon and the Senator from South Carolina for their comments on the statement I am making. I am not here to give leadership; I am here to support the leadership that has been so ably given by the Senator from Oregon, who handled the bill in the subcommittee, and the distinguished chairman of the Committee on Post Office and Civil Service, the Senator from South Carolina [Mr. JOHNSTON].

I felt I should make this statement because, as the Senator from South Carolina knows, and as the Senator from Oregon also knows, we have an obligation to act on a Federal pay bill, particularly on a postal pay bill. I happen to believe that we have an obligation to act on a pay bill for all Federal workers.

As a family man, I know what it costs to support a family. I do not understand how some of the Federal workers can do it on the pay they receive. I do not know how they are able to do it.

I have something to say to this administration about its crocodile tears over inflation. The administration creates its own problems, and then talks about them. It creates its own inflation. All the money that would have to be paid out for a Federal employee wage increase would be less than the interest charge the administration has foisted upon the American taxpayers. All it wants to do is "play footsie" with the bankers.

The trouble with this administration is that it likes to have certain types of friends. If the administration can get into a room with the representatives of the large commercial banks and investment trust companies and sort of negotiate new kinds of increases, not increases in pay for Government employees, but new increases in interest rates for the bankers, they come out of the room and say, "See what we have done." They point with pride to the rising interest rates.

But I say the administration would do better to point with pride to a little increase in Government employees' pay. Then, if they have a little more compassion in their hearts and would put their minds to it, I think they could even help the farmers.

Mr. JOHNSTON of South Carolina. During this administration, the income of the farmers has been reduced from $16,100 million to $11,600 million; in other words, a reduction of $3,500 million. Notice that it is a reduction in billions, not millions.

Then the administration talks about inflation resulting from giving to the Government employees a $300 million increase in pay.

Mr. HUMPHREY. Every time we have a Republican President, we can be certain of three things: The interest rate on the public debt will go up. That is No. 1. That is to the benefit of the bondholders.

Second, farm prices and farm income will go down, to the detriment of the farmer and the independent businessman in the small towns throughout the country. Third, the Federal employee will have a tough time getting a pay increase. We can put that down as being axiomatic. That is like a Mother Goose nursery rhyme. It just happens.

Mr. NEUBERGER. And, fourth, the natural resources of the Nation will be given away.

Mr. HUMPHREY. We can even extend the list still further, of course, but our immediate attention is to giving a living wage to those who work for the Government.

I shall proceed with a statement I have prepared. I call the attention of my colleagues to facts, not opinions.

In comparing the increase in the cost of living with the pay of postal employees, the comparison should be made with take-home pay, not with gross pay. It is the take-home pay that pays the grocery bills. It is the take-home pay that pays the rent. It is the take-home pay that pays the dentist and the doctor and buys the clothes for the little children in school. It is the take-home pay that sends the older daughter and older son to college—and they are entitled to a college education.

A letter carrier with a wife and one child in the District of Columbia, in the entrance grade receives a gross salary of $3,660; however, he receives only $3,045.12 as take-home pay. This is the amount he has with which to buy groceries, pay rent, buy clothes, furnish transportation for his family, pay for schooling, furnish his home, and take care of the multitude of individual items which constitute the family budget.

My colleagues can well imagine what a whopping good time that family will have on $3,045.12. What fun!

If the letter carrier has reached the top automatic grade, he receives a gross salary of $4,410, but he actually receives only $3,589.82.

In 1939 his gross salary was $2,100, but he actually took home $2,026.50. Since 1939 his take-home pay has been increased 77 percent, but the cost of living has increased from 59.4 in 1939 to 120.1 in June of this year, or 102 percent.

The cost of living has gone up 102 percent, and his take-home pay has gone up 77 percent. So if the postal worker was hoping only to stand still, and never to buy a television or never to see Around the World in Eighty Days; if he never went to a movie—he would be running behind approximately 25 percent. This is clear evidence that a substantial increase is needed at this time.

The only place to which these workers can go is to Congress. They do not have a business agent, like the ordinary unions have, who can meet with the employer and say, "This is what we think we should receive in the way of a fair wage. Either you will give it to us, or you will be taking a long vacation, because we will close down the shop."

The postal workers cannot do that under Federal law. Every Federal employee has to sign a no-strike pledge. This means that he cannot quit his job in a mass movement in order to enforce a salary increase request. So the only place to which the Federal employee can go is to Congress, and to ask us to act as his negotiator, because we are, in a sense, his employer.

The chairman of the board is at 1600 Pennsylvania Avenue—occasionally. If we can get the chairman of the board and his lieutenant, the Postmaster General—who occasionally is in the Post Office Department—to sit down together and consider the needs of those employees, we can get a bill through Congress and not have any threat of a veto. I am sure the President will not veto the bill. The President could not veto this bill. There are men working at the Burning Tree golf course who make more than our postal employees do. So the President is not going to veto this bill.

But the President has a good many self-appointed spokesmen who will tell Congress that the President will veto the bill. They are trying to carry on a political cold war.

But I happen to think President Eisenhower is a warmhearted man. If we can just get a message to him, if we can get through the barricades of advisers, we will be able to get a bill through Congress and have it signed by the President.

H. R. 2474 provides an increase of $546 across-the-board. That amounts to $21 a payday. A substantial part of that increase will be left with Uncle Sam. I do not believe the increase is what it should be. I believe the need is great, and I want to urge my colleagues to pass the bill with all due dispatch, so that it will become law before adjournment.

I say to the Senator from South Carolina that I think the Senate bill is better than the House bill. I think it is more equitable. I believe it takes into consideration the skills in the postal service. I believe a percentage-increase bill, arranged according to base salary, is a more desirable bill. But the truth is between the Senate bill and the House bill, and the shenanigans from the Post Office Department working on them, I know what will happen. I know what goes on. I have not been around Washington this long without having learned something.

The advisers will be coming from the executive branch, and they will have every Member of the Senate and the House fighting with one another as to whether to pass the House bill or the Senate bill. We will end by having passed no bill; the advisers will end with having to take no responsibility, and the postal workers will end in debt.

But we will not let the executive department get away with that. We will try to have a bill passed which will give

a modicum of relief to the postal workers.

The bill has been opposed because it has been said that a flat increase will distort pay scales; it will disturb the existing differences between various levels.

If the administration thinks the bill will distort pay scales, all they have to do is to get busy and undistort them. They can get busy and write a bill which will not distort pay scales.

If they think the bill will disturb the existing differences between various levels, they can cure that trouble.

There is nothing wrong with having the Postmaster General adjust the differences. He seems to have all kinds of ideas about raising the postal rates. He knows how to raise the postal rates which affect every man, woman, and child in the United States. He has the time for that. Why does he not assign a couple of employees to figure out a better pay scale? If he is short an expert or two, I think we might lend him 1 or 2 experts from the staff of the Committee on Post Office and Civil Service. I am sure the generous and kindly chairman of the committee would be willing to do that. Then these so-called problems would not develop.

If there is a salary of $3,660 in 1 level, and 2 levels higher there is a salary of $4,530, there is a difference of $870. One does not have to be a graduate of the Harvard Business School to figure that out. One simply adds up the figures. It is simple arithmetic.

Public Law 68 has been held up as being sacrosanct. We have been told, "Thou shalt not touch." That is the so-called postal classification law. Yet within a few short months after Public Law 68 became law, the administration sought and secured increases in the 3 top levels under the executive pay bill. When Public Law 68 was passed, I recall that strenuous last-minute efforts were made to amend it. It was imperfect then. But we are told now that it is perfect; that we must not touch.

No, I think it can be improved; and it can be improved by giving a pay increase to employees in the lower pay levels. There are 317,191 employees in level 4—this is out of a total of 520,000. All letter carriers, the great majority of postal clerks, and a substantial number of postal transport clerks are in this level. Let us pass the $546 pay increase as soon as possible. The majority of postal employees—the letter carrier, the clerk, the railway mail clerk, and others—are married men with families. They do not move from level to level. They receive a few automatic increases, then are confined to that level for the rest of their lives. The postal employees acquire skills that have no market value elsewhere. When they do not receive adequate pay increases, they are in economic chains. Congress alone can strike their economic shackles. Now is the time to do it.

We have been told that a postal pay raise would be inflationary. This indeed is a paradox I cannot accept. For 10 straight months the cost of living has zoomed upward. The postal employees, the same as other people, are the victims of inflation, not the cause of it. Like the massacred victims of Lidice, the victims are charged with being the aggressors.

The postal employees have not had a pay increase in 10 months, but the cost of living continues to rise.

While talking on the subject of inflation, let me say that I recall a statement made by President Eisenhower on the subject of rising prices, as printed in the New York Times:

> Question (by Mr. John R. Gibson of the Wall Street Journal): "Mr. President, on the inflation question, sir, could you give us your appraisal of just how serious the threat of inflation is now?"
>
> Answer: "Well, you have had the beginning of a type of inflation because, after having been successful over a period of almost 4 years in keeping the cost of living from rising more than a percent or two, I've forgotten exactly, within the past year, we now have it going up more rapidly and that becomes alarming because the curve bends upward.
>
> "Now, part of that, of course, is due to the deliberate policy to bring to the farmer his own proper share of national income. We say 'proper share,' and I am not exactly sure what that means but, as you know, they have taken certain years to be representative of justice in this matter, and have tried to approach that through all sorts of laws.
>
> "We are still, the whole country is still, experimenting with laws in that question.
>
> "But, that has accounted for a very considerable amount of this increase in cost."

So it would appear that, in the opinion of the White House, the villains of inflation are the farmers and the postal employees. These two groups, to the contrary, are not the villains—they are the helpless victims.

The President began to talk about what is causing inflation, but he wound up by referring to the one group in American society that is more deflated than any other group—the American farmer; and then he pointed to the group that is running a close second, which is the group of postal workers. The President says, in effect, "We have found the causes of inflation, and they are the farmer and the postal worker."

What an amazing discovery. I cannot understand what the President has been reading or to whom he has been listening or what in the world he has been hearing. Apparently he did not hear about the increase in the price of steel, or apparently he has not heard of the fantastic profits of the top 500 corporations of the country. Apparently he has not heard of the growing net profits of the commercial and investment banks.

But in response to a question, the President said this about the reason for the rise in the cost of living, the upward trend in the so-called inflation curve—and I read his own words:

> Now, part of that, of course, is due to the deliberate policy to bring to the farmer his own proper share of national income.

Mr. MANSFIELD. Mr. President, will the Senator from Minnesota yield?

The PRESIDING OFFICER (Mr. SCOTT in the chair). Does the Senator from Minnesota yield to the Senator from Montana?

Mr. HUMPHREY. I yield.

Mr. MANSFIELD. Will the Senator from Minnesota inform the Senate how much farm income has declined in the 4 years and 8 months under the present administration?

Mr. HUMPHREY. Approximately $5 billion.

Mr. MANSFIELD. Can the Senator from Minnesota state the percentage of the decline?

Mr. HUMPHREY. Approximately 29 percent, if I am not mistaken.

Mr. MANSFIELD. Can the Senator from Minnesota inform the Senate how the increase in the cost of living has affected the farm population of the country?

Mr. HUMPHREY. The increase in the cost of living has been a burden on the American farmer second to no other group, because of the increased cost of farm machinery; the increased interest the farmer has to pay when he wishes to borrow—the higher interest rates and the increased interest on farm credit—the increased cost of fertilizer; the increased cost of food; the increased cost of petroleum; and the increased cost of the petroleum products which are used to lubricate the mechanized farm equipment. I can assure the Senator from Montana that the rise in the cost of farm operation has been a decided factor in farm income deflation and farm depression.

Mr. MANSFIELD. Mr. President, will the Senator from Minnesota yield further to me?

Mr. HUMPHREY. I yield.

Mr. MANSFIELD. How much has the United States dollar declined in value during the 4 years and 8 months of this administration?

Mr. HUMPHREY. I wish I had that information at my fingertips. I think the Senator from Montana discussed that point one day. I am not sure what the exact amount of the decline has been.

Mr. MANSFIELD. Based on the statistics predicated on the average from 1947 to 1949, I believe that over a year ago it was down by 5 cents—from approximately 55 cents to 50 cents. Since that time the dollar has declined still further, but I cannot obtain any accurate statistics at the moment.

For how many months has the cost of living been rising in the United States, under this administration?

Mr. HUMPHREY. The cost of living has risen for 14 months. There was one month in which it was steady. But at least there has been a continuous rise in the cost of living for more than 1 year.

Mr. MANSFIELD. What has the administration done to meet the cost of living and the curse of inflation which now is rampant throughout the country?

Mr. HUMPHREY. The best I have known the administration to do is to give a few little gentle pats on the wrist, and to say, "Bad things, boys. Musn't do this." The President has said it is bad for the workers to get higher wages; and he has said, "Tish, tish; tut, tut. Don't do these things."

Mr. JOHNSTON of South Carolina. The administration did not object to the increase in the price of steel, did it?

Mr. HUMPHREY. No; that is on sacred ground. The President speaks in general terms. He likes everyone. Therefore, he does not like to say anything which would offend anyone, even when someone is wrong. The President did say that industry and labor should not raise prices or wages. But when the steel companies raised the price of steel substantially—$6 a ton, I believe—the President was not too specific in his rejoinder.

In 1952, the farmers' share of the food dollar was approximately 47 cents; for every dollar the housewife spent in a supermarket or grocery store, the farmer received 47 cents. I can now report to my colleagues that after 5 years of this "giving the farmer"—in the words of the President—"his proper share," the farmer's share of the food dollar now is down to 37 cents. In other words, the farmer has lost 10 cents somewhere along the line. Where it went, I do not know. But, Mr. President, to return to my subject, certainly it did not go to the postal workers.

Mr. MANSFIELD. The farmer sells his wheat, let us say, for $2 a bushel and subsequently it is processed through the mills and the bakeries and the ultimate price of the bushel, in the form of bread, is between twelve and thirteen dollars. By that time it is worth a great deal more than the farmer was paid for it. The statistics indicate that the farmer's share of the dollar is decreasing all the time, and the farmer is more and more in a difficult position.

I recall that last year the Senator from Georgia [Mr. RUSSELL], I believe it was, stated, during a debate on the farm bill—and the figures which were used at that time were taken from this administration's Commodity Credit Corporation—that 1,400,000 farm families in the United States were earning less than $1,000 a year.

Mr. HUMPHREY. That is correct.

Mr. MANSFIELD. And still some persons say that the farmer is the cause of the inflation. Mr. President, the farmer is getting it "in the neck."

Mr. HUMPHREY. The President did not say the farmer was all the cause; he said the farmer was a part of the cause. I should like to know what part. With farm prices going down and farm income going down and farm costs rising, I wish to know what kind of economic thinking would bring one to the conclusion that the farmer is the cause, or a part of the cause, of the inflation.

I am quite disturbed about that statement, because I am sure the President did not think it through. I am sure that Sherman Adams or James Hagerty or someone else put such a statement on the President's desk, and said to the President, "This is the reason for the inflation."

Mr. MANSFIELD. Mr. President, will the Senator from Minnesota yield further to me?

The PRESIDING OFFICER (Mr. THURMOND in the chair). Does the Senator from Minnesota yield to the Senator from Montana?

Mr. HUMPHREY. I yield.

Mr. MANSFIELD. The Senator from Minnesota means that one of the palace guard, who tells those in authority what to do, made such a statement, and it was repeated.

In referring to advisers, I am reminded of the fact that in a short time the Senate is to consider the nomination of Mr. Paarlberg to be an Assistant Secretary of Agriculture. He is one of the present advisers to Secretary Benson who are saying that the farmer is to blame for his own hard luck and that there is no room for the family-type farm.

Is it not true that the total cost of the parity program to every person in the United States, over a 20-year period, was approximately $1,150,000,000, or 35 cents a year for every man, woman, and child in this country over a 20-year period?

Mr. HUMPHREY. That is correct.

Mr. MANSFIELD. How much has this administration paid out in subsidies, and how much has this administration decreased the surpluses on the shelves?

Mr. HUMPHREY. In the last 4 years, on a farm program which was unworkable, which was ill conceived, ill advised, and poorly managed, this administration has spent more money than the previous Democratic administrations spent in 20 years. What is more, the present administration has accumulated, through its period of custodianship of the Government, more surpluses, and at the same time has depressed farm income, and at the same time has complained and bellyached more about farm surpluses than has any other administration within the memory of man.

The most colossal failure of all time, the apex of an utter and complete colossal failure, is the administration's farm program. I can furnish expert knowledge on this subject, and will welcome the opportunity to do so, and we are going to have an opportunity to review the program when the nomination of Mr. Paarlberg to be an Assistant Secretary of Agriculture comes before the Senate for confirmation. I shall hold most of my remarks for that most challenging moment.

Mr. MANSFIELD. Mr. President, will the Senator yield further?

Mr. HUMPHREY. I yield.

Mr. MANSFIELD. I look upon the Senator from Minnesota as being the most knowledgeable and the most expert of all Senators in the field of agricultural policy. I recall that in the debate on the farm bill several years ago the Senator put into the RECORD statistics which indicated that when this administration took over, in January 1953, if my recollection serves me correctly, there was a 3-month supply of wheat on hand.

Mr. HUMPHREY. That is correct.

Mr. MANSFIELD. Will the Senator tell us how much of a supply of wheat, to take only one commodity, is now on hand?

Mr. HUMPHREY. About 14 months' supply.

Mr. MANSFIELD. Is there any indication that the policies of Mr. Benson and his cohorts have helped solve the problem of surplus which they seem to fear?

Mr. HUMPHREY. No. There is no indication at all that they have solved it. As a matter of fact, the situation grows worse. I should like to say, while my good friend from Montana speaks of the policies of Mr. Benson, that the most closely guarded secret of this administration is the whereabouts of Mr. Benson.

Mr. MANSFIELD. I can tell the Senator——

Mr. HUMPHREY. Mr. Benson has been absent from the Capital for weeks. He has been parading around the country. From what I have heard, he happens to be communing with Mother Nature in the forest lands of the beautiful Far West. I gather he is not planning to come back to Washington until Congress adjourns. That is at least a sign of caution on his part, if not responsible public service.

Mr. MANSFIELD. I can appreciate the Secretary of Agriculture, Mr. Benson, spending a month in the forests of western Montana and northern Idaho, but he has a job here. The Senator from Minnesota has been trying to get him back for months to answer questions which are of vital importance to agriculture. Has the Senator received an answer yet?

Mr. HUMPHREY. I have not. I think the Secretary is going to let loose a couple of homing pigeons and get an answer to us; but he is so far from any modern means of communication that we have been unable to get an answer.

Mr. President, I shall, today or tomorrow, present for the review of the Senate the itinerary of the Cabinet members. I want to say to my good friend from Montana, if he is looking for a Cabinet member now, the odds are he will not find him in Washington. We are at the concluding part of the session. We are now coming to the most crucial legislation which is to be enacted. It so happens that if we are looking for a Cabinet member in the field of the judiciary, we shall have to go beyond the Atlantic seacoast. If we are looking for a Cabinet member in the field of foreign policy, we shall have to go far beyond the State of New York. If we are looking for a Cabinet member in the field of agriculture, we shall have to try to find him in the untrodden paths of the wilderness of one of our great national forests. If we want to find a Cabinet member having to do with the Department of the Interior, we shall have to go into the Pacific.

I have a rundown of the itineraries of the Cabinet members. They are not here. They are enjoying life. I must say that in a way I am a little jealous. They are having a fine time. Here is the Congress of the United States with the responsibility of legislation. We are to have before us a mutual security bill, and the Cabinet officer in charge of that responsibility is not here. We are to have farm legislation, and the Cabinet officer in charge of that responsibility is not here. We are to have civil-rights legislation, and the Cabinet officer who made such a great demand for it is away, seeing Queen Elizabeth. We are to have legislation having to do with power and

reclamation, and the Cabinet officer who has such responsibility is in the Pacific.

The only Cabinet officer hanging around is the Postmaster General. He is going to see to it that the postal workers will not get a pay increase. [Laughter.] But what a surprise he has coming, because the Congress of the United States is going to legislate in this field. I am positive there is a will to confirm, by an overwhelming vote, what the House of Representatives has already done. The House of Representatives has already indicated, by an overwhelming vote, against administration pressure, that postal workers—and I hope it goes for all Federal workers—are going to get a fair day's pay for a fair day's work.

This administration can spend its time raising interest rates, and it does so every month. Do not worry, not a month will pass that the interest rates will not go up. Wait until we get out of town. Ho, ho! Wait until Congress leaves. They have been on good behavior while we have been here. Wait until the next refinancing comes up. We shall see where the money goes. There will be nobody saying the Government cannot stand it.

The one thing that has gone up more than anything else in this administration is the price of money. The administration is unwilling to face it. President Eisenhower says a part of the cost of inflation is the farmer's getting his proper share of the income. I shall not say anything more about that, because anyone who has studied agricultural economics knows the farmer has never had his share. The postal worker has received his share only by fighting for it and having friends backing him. He has had friends like the Senator from North Dakota [Mr. LANGER], who has fought the good fight for Federal workers, year in and year out.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. LANGER. I was interested in what the Senator had to say about Cabinet officers. Does the Senator believe that if once in a while Cabinet officers and Ambassadors had been appointed from States like Montana, Idaho, South Dakota, and other States small in population, we might have had better Cabinet officers and Ambassadors?

Mr. HUMPHREY. I wish to concur in what the Senator has said, that such fine jobs and fine positions should be made available so that such great States as North Dakota, Montana, South Dakota, Rhode Island, Minnesota, and Missouri would have an opportunity to be recognized.

Mr. LANGER. I notice the Senator from Florida [Mr. HOLLAND] sitting in the Chamber. I mentioned the fact that Florida has never had one of its citizens in the Cabinet in 105 years. Perhaps it is 107 years now. I was assured by my good friend from Florida that during the Confederacy there was a Secretary of the Navy from Florida.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. HUMPHREY. I am glad to yield for a rejoinder.

Mr. HOLLAND. I am happy to refresh the memory of my distinguished friends from North Dakota and Minnesota, that in order to get a Cabinet member appointed from the State of Florida, Florida had to leave the Union, at which time we did get a Cabinet member from Florida as Secretary of the Navy. Incidentally, he had been chairman of the Naval Affairs Committee of the Senate prior to that time. He was a very, very great man in his field, and was recognized as such, but he is the only person from our State who has yet had the recognition of being appointed as a Cabinet member. I thank the distinguished Senator from North Dakota for reminding us of that fact. I hope the State of Florida will not have to leave the Union again in order to get recognition of that kind.

Mr. HUMPHREY. I may say to the Senator from Florida, I hope the honors which are due the State of Florida may come without any such pain, with or without the civil-rights bill.

Mr. President, I wish to conclude my remarks regarding our postal workers by stating that a wage increase for them will not cause inflation.

We are confronted today with a very peculiar inflation. Prices rise, according to our classic economists, when there is an oversupply of money and a shortage of goods. We had that condition during World War II. We were compelled to enact economic restraints. We do not have that condition now. Now practically every industry in America is producing goods in excess of demand; inventories are high, and great attempts are made to stimulate demand by high-powered advertising. We should be increasing the consuming power of those in lower paid groups—not confining it. Our economy will be stronger if such groups are enabled to increase their consuming ability. Only good can come to our Nation if we increase the income of the American farmer and the American postal employee.

A number of economists recently testified before the Kefauver antitrust subcommittee on this subject of inflation. If supply and demand worked as simply as Adam Smith assumed, then the cause of inflation would be easy to detect. The simple classic supply-and-demand theory looks rather foolish when one examines charts showing the increase in the price of food and the decline in the income of farmers who grow the food. The economists have come up with a new term, "administered prices." These prices are established by corporations without regard to supply and demand. Administered prices are to blame for our present inflation—not the farmer—not the postal employee.

We have heard a great deal about wage-price spiral. The spiral, however, is not a wage-price spiral—it is a price-wage spiral. I wish to present expert testimony from an outstanding witness to support that position. Who is this witness? Is he a long-haired economist? Oh, no. A New Dealer or Fair Dealer? Not in the slightest. A great industrialist? Yes. A member of President Eisenhower's Cabinet? Yes. He is none other than the Secretary of Defense, Charles Wilson. Writing in the March 1952 issue of the Reader's Digest, he had this to say:

> I contend that we should not say "the wage-price spiral." We should say "the price-wage spiral." For it is not necessarily wages that push up prices. It is primarily prices that pull up wages.

The neatest summation I have seen of the "postal wage increases will increase inflation" absurdity was a little verse published in John Cramer's column of the Washington Daily News that read as follows: it is titled "A Smile About No Laughing Matter":

> No wonder dogs bite him;
> Your postman's a heel:
> His appeal for more wages
> Caused higher priced steel.

No, sir; a postal wage increase would not cause inflation. If we are presently so close to the brink of disaster that increasing wages of our skilled, faithful postal workers would topple us into the abyss of disaster, then we are indeed in sad shape. The increase in the price of steel is taken lightly at the White House, but a cost-of-living increase for underpaid workers is dangerous. This is the most incongruous situation I have ever witnessed.

We have still another responsibility and that is to the postal service itself. It is up to us to see that the service does not suffer from loss of competent employees. Before resigning the position of postmaster in the largest post office in the world in a spirit of complete frustration, former Postmaster Robert H. Shaffer, of New York, made the following observation, as quoted in the New York Mirror:

> "The truth is," Shaffer declared, "that even as the Nation's economy began to expand in the late 1930's and through the 1950's, the salaries of postal workers went down and down. Until the time that the economic squeeze is lifted off the postal workers, no one will be able to say that morale is away up there."
>
> He said he wished "some of those who sit in the seats of the mighty in all branches of Government could be made aware of the plight of the postal worker, who has to augment his Government pay by income from outside employment in order to meet his family needs."
>
> And he added, "A lot of experts outside of the Department have been trying to demonstrate that we have adequate salaries. Just let them sit in the postmaster's chair for 6 days and they will learn differently."

In my own city of Minneapolis from July 1956 through June 1957, 1,348 men were called for employment in the post office; only 541 would accept employment at the present low wage schedule; and during the same period 517 employees left the postal service. We cannot retain and we cannot attract good employees with the present substandard pay scales. It is our absolute responsibility to pass pay legislation and see that it becomes law before we go home this year. The need is a most pressing one.

In a recent news article, I read that Cardinal Tisserant, a French cardinal, recently observed that "employers who

pay poorly commit sin." Cardinal Tisserant pointed out that, "measures for a prompt payment of just wages" were contained in the law proclaimed by Moses in the name of God, and that St. James had warned against this injustice in his epistle.

I agree with the learned holy man—if we have been guilty of this sin with reference to postal pay in the past—and I think we have—let us correct it immediately. Let us pass H. R. 2474 now and relieve the anxiety, worries, and pressing needs of our capable, loyal postal employees.

Mr. President, I ask unanimous consent to have printed in the RECORD a table relating to take-home pay for field service postal employees and the article from the Catholic Standard and Times of Philadelphia, Pa., to which I have referred.

There being no objection, the table and article were ordered to be printed in the RECORD, as follows:

LEVEL 4—TAKE-HOME PAY

Approximately 75 percent of all field service postal employees are in level 4. This level includes letter carriers; the great majority of post office clerks; a substantial number of postal transport employees; most of the motor vehicle employees; some custodial employees; and special delivery carriers. According to recent Post Office Department figures there are 225,162 regulars and 92,029 substitutes in this level.

This chart shows the actual take-home pay of a District of Columbia postal employee in level 4. The illustration shows the take-home pay of the employee in each step in level 4. In the chart, three exemptions for tax purposes are claimed:

Yearly gross salary	Biweekly gross pay	Federal withholding tax	District of Columbia withholding tax	Retirement deduction	Group life insurance	Total deductions	Net biweekly take-home pay	Total annual take-home pay
$3,660	$140.77	$11.70	$1.80	$9.15	$1.00	$23.65	$117.12	$3,045.12
$3,785	145.57	12.40	1.89	9.46	1.00	24.75	120.82	3,141.32
$3,910	150.37	13.20	1.98	9.77	1.00	25.95	124.42	3,234.92
$4,035	155.17	13.90	2.07	10.09	1.25	27.31	127.86	3,323.56
$4,160	159.97	14.60	2.16	10.40	1.25	28.41	131.56	3,420.56
$4,285	164.77	16.00	2.34	10.71	1.25	30.30	134.47	3,496.22
$4,410	169.57	16.80	2.43	11.02	1.25	31.50	138.07	3,589.82
$4,510 (after 13 years' service)	174.37	17.50	2.52	11.33	1.25	32.60	141.77	3,686.02
$4,610 (after 18 years' service)	179.17	18.20	2.61	11.65	1.25	33.71	145.46	3,781.96
$4,710 (after 25 years' service)	183.97	18.90	2.70	11.96	1.25	34.81	149.16	3,878.16

EMPLOYERS WHO PAY POORLY COMMIT SIN, CARDINAL SAYS

ROME.—Employers who pay inadequate wages violate the seventh commandment, "Thou shalt not steal," a cardinal has said in a pastoral letter.

His Eminence Eugene Cardinal Tisserant, who is dean of the Sacred College of Cardinals, said that the seventh commandment aims at the creation of perfect social justice, and that inadequate salary is a cause of some of the most harmful consequences of social life.

Habitual injustice in the remuneration of workers engenders discontent as a result of gradual increasing want. Cardinal Tisserant said that this fault constitutes one of the main causes of the origin and spread of the doctrines of Karl Marx.

The French-born cardinal declared that the seventh commandment "aims at achieving perfect justice in human society." And he noted that "the decalog—in this section as in the others—surpasses civil laws, since these consider only external acts, while the divine law applies to the deepest thoughts and desires as well."

Cardinal Tisserant recalled that "measures for a prompt payment of just wages" were contained in the law proclaimed by Moses in the name of God, and that St. James had warned against this injustice in his epistle.

SADDEST CONSEQUENCES

The dean of the College of Cardinals went on to say:

"Among the most recent popes, Leo XIII, Pius XI and Pius XII in particular have issued directives to management on the treatment of workers. There is no need to deal here at length on the subject. We need only to recall the principle: he who gives the worker a wage that is not adequate sins against the seventh commandment.

"The sin committed by management which pays insufficient wages or does not pay at the stipulated time is one of those sins which bring about the saddest consequences to the life of society."

MARX'S CHIEF MOTIVE

"Insufficient pay in industry was the principal motive to Karl Marx when he composed the works in which he expounded his system, and the propagandists of Marxism stress this argument to gain followers. Men are so made that they listen willingly when told that they deserve to be treated better. Thus those who resist just wage demands damage society as a whole."

Mr. HUMPHREY. Mr. President, what I have said with reference to the postal employees applies also to every member of the civil service of the Government of the United States. These employees are entitled to fair compensation.

I add, Mr. President, that the loss of a good worker is the most expensive loss the Government can possibly sustain. In order to train new people, to recruit them and fit them into the intricate mechanism of this great Government we must engage in an expensive and time-consuming program. It is prudent judgment and sound economy to maintain on the job the trained, skilled, faithful, trusted, and experienced employees we have. In so doing, even if we pay them more, we actually save the Government and the taxpayers money.

RAILROAD POWER BRAKES

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 576, S. 1386.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1386) to authorize the Interstate Commerce Commission to prescribe rules, standards, and instructions for the installation, inspection, maintenance, and repair of power or train brakes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 1386), which had been reported from the Committee on Interstate and Foreign Commerce with amendments, on page 1, line 3, after the word "That", to insert "(a) this Act may be cited as the 'Power or Train Brakes Safety Appliance Act of 1957'"; at the beginning of line 5, to insert "(b)"; and in the same line, after the amendment just above stated, to strike out "section" and insert "Section", and on page 2, line 1, after the word "language", to strike out "'The Commission shall prescribe, after hearing, rules, standards, and instructions for the installation, inspection, maintenance, and repair of all power or train brakes, and such rules, standards, and instructions shall remain the rules, standards, and instructions for the installation, inspection, maintenance, and repair of all power or train brakes, unless changed, after hearing, by order of the Commission. The provisions and requirements of this section shall be held to apply to all trains, locomotives, tenders, cars, and similar vehicles used, hauled, or permitted to be used or hauled, by any railroad engaged in interstate commerce; and failure to comply with any rule, regulation or requirement promulgated by the Commission pursuant to the provisions of this section shall be subject to the like penalty as failure to comply with any requirement of this section'" and insert "'Thirty days after the date of enactment of the Power or Train Brakes Safety Appliance Act of 1957, the Interstate Commerce Commission shall adopt and put into effect the rules, standards, and instructions of the Association of American Railroads, adopted in 1925 and revised in 1933, 1934, 1941, and 1953, with such revisions as may have been adopted prior to the enactment of such act, for the installation, inspection, maintenance, and repair of all power or train brakes for common carriers engaged in interstate commerce by railroads. Such rules, standards, and instructions shall thereafter remain the rules, standards, and instructions for the installation, inspection, maintenance, and repair of all power or train brakes unless changed, after hearing, by order of the Interstate Commerce Commission: *Provided, however,* That such rules or standards or instructions or changes therein shall be promulgated solely for the purpose of achieving safety. The provisions and requirements of this section shall apply to all trains, locomotives, tenders, cars, and similar vehicles used, hauled, or permitted to be used or hauled, by any railroad engaged in interstate commerce. In the execution of this section, the Interstate Commerce Commission may utilize the services of the Association of American Railroads, and may avail itself of the advice and assistance of any department, commission, or board of the United States Government, and of State governments, but no official or employee of the United States shall

receive any additional compensation for such service except as now permitted by law. Failure to comply with any rule, regulation, or requirement promulgated by the Interstate Commerce Commission pursuant to the provisions of this section shall be subject to the like penalty as failure to comply with any requirement of this section' "; so as to make the bill read:

Be it enacted, etc., That (a) this act may be cited as the "Power or Train Brakes Safety Appliance Act of 1957."

(b) Section 2 of the act of March 2, 1903 (chapter 976, sec. 2, 32 Stat. 943, 45 U. S. C., title 45, chapter 1, secs. 1–16) is amended (1) by changing the semicolon at the end of the third clause thereof to a period, (2) by striking the remaining language of the section, and (3) by adding at the end of that section the following new language: "30 days after the date of enactment of the Power or Train Brakes Safety Appliance Act of 1957, the Interstate Commerce Commission shall adopt and put into effect the rules, standards, and instructions of the Association of American Railroads, adopted in 1925 and revised in 1933, 1934, 1941, and 1953, with such revisions as may have been adopted prior to the enactment of such act, for the installation, inspection, maintenance, and repair of all power or train brakes for common carriers engaged in interstate commerce by railroad. Such rules, standards, and instructions shall thereafter remain the rules, standards, and instructions for the installation, inspection, maintenance, and repair of all power or train brakes unless changed, after hearing, by order of the Interstate Commerce Commission: *Provided, however*, That such rules or standards or instructions or changes therein shall be promulgated solely for the purpose of achieving safety. The provisions and requirements of this section shall apply to all trains, locomotives, tenders, cars, and similar vehicles used, hauled, or permitted to be used or hauled, by any railroad engaged in interstate commerce. In the execution of this section, the Interstate Commerce Commission may utilize the services of the Association of American Railroads, and may avail itself of the advice and assistance of any department, commission, or board of the United States Government, and of State governments, but no official or employee of the United States shall receive any additional compensation for such service except as now permitted by law. Failure to comply with any rule, regulation, or requirement promulgated by the Interstate Commerce Commission pursuant to the provisions of this section shall be subject to the like penalty as failure to comply with any requirement of this section."

Mr. SMATHERS. Mr. President, this bill is known as the power-brake bill.

Mr. KNOWLAND. Mr. President, I wonder if the Senator will yield temporarily, so that I may suggest the absence of a quorum. I had the bill cleared on my calendar, but I am informed by one of the staff members that some of the Senators had indicated to our calendar committee they might have some objection. I think perhaps that has been cleared away.

Mr. SMATHERS. I am happy to yield to the Senator from California.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SMATHERS. Mr. President, the pending bill is commonly known as the power-brake bill. It originates from a desire of the Interstate Commerce Commission not only to have the responsibility of bringing about safety with respect to railroads, but to have the necessary authority. The Commission desires authority to enforce reasonable safety regulations with respect to power brakes.

Back in 1925 the railroads and the Interstate Commerce Commission got together and, between them, devised a code of rules for the installation and maintenance of power brakes. Throughout the years they have tried to follow the rules which were agreed upon. But in recent years it has become increasingly evident that the Interstate Commerce Commission must have greater authority to see that power brakes are not only installed in a modern fashion, but maintained in such fashion as to bring about maximum safety in the operation of trains.

The bill was before our subcommittee. I do not think there has ever been a bill before a committee which received greater consideration. Opportunity was given for those on all sides to be heard. We received not only the representation of the Interstate Commerce Commission, but, at the same time, we allowed the American Railroad Association the right to make such recommendations for changes as it thought would be desirable in the bill proposed by the Interstate Commerce Commission.

We then invited the criticism of the Brotherhood of Railway Trainmen and other labor organizations.

Throughout the entire hearing we endeavored to get the various groups together. It required about 6 or 8 weeks to do so. We continued to amend the bill. We finally settled upon the bill which was reported to the Senate. Every member of the committee was satisfied that it was the nearest thing to a practicable, workable, power-brake bill it was possible to write.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. SMATHERS. I yield.

Mr. LANGER. Did I correctly understand the distinguished Senator from Florida to say that the Brotherhood of Railway Trainmen indorsed the bill?

Mr. SMATHERS. The Senator is absolutely correct. The Association of American Railroads has indicated to me that it has no objection to the bill. It would prefer that such operations be continued on a voluntary basis. However, I think it was the opinion of all members of the committee that, so long as we were charging the Interstate Commerce Commission with responsibility for maintaining safety along the railroad routes, we should give the Commission the authority and power to see that power brakes were kept in order, so that safety might be assured.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. SMATHERS. I yield.

Mr. COOPER. I am very happy that the able Senator from Florida has brought Senate bill 1386 before the Senate for consideration and passage.

As I understand, it would enable the Interstate Commerce Commission to see to it that the railroads comply with their own safety rules regarding airbrakes.

Mr. SMATHERS. The Senator is correct.

Mr. COOPER. Only recently, on June 29, a disastrous wreck occurred on the Louisville and Nashville Railway in Kentucky, at a point near Guthrie. Thirty freight cars, with an engine and caboose, crashed into the side of a passenger train. Six people were killed, and there was considerable damage. No one yet knows the exact cause of the wreck. I am not now ascribing negligence to the railroad, but there was evidence indicating that 12 of the cars had defective brakes, and that on one car the air was entirely cut off. I understand that is one of the situations with which the bill would deal.

Mr. SMATHERS. That is true.

Mr. COOPER. The Interstate Commerce Commission would be given the authority to see to it that the railroads really policed their own airbrake installations and observed their own rules.

Mr. SMATHERS. The Senator is correct.

To reemphasize what the Senator has just stated, the Chairman of the Interstate Commerce Commission went so far as to say, "We will adopt the rules of the American Railroad Association itself as our rules. However, of course, we want to reserve the right to modernize them and change them from time to time. However, we shall make changes only after a hearing has been given to all parties concerned."

If the proposed legislation were enacted, and if the Interstate Commerce Commission were to adopt as its rules the rules of the American Railroad Association, of course it would not penalize any railroad which was living up to the rules of its own association. The law would affect only those railroads which were not living up to their association rules.

Mr. COOPER. I understand that every opportunity would be given to the railroads for a fair hearing, to determine whether or not the rules were being observed.

Mr. SMATHERS. The Senator is correct.

Mr. COOPER. Mr. President, I ask unanimous consent to have printed in the RECORD at this point an article from the magazine Labor, dated July 20, on the subject of the wreck to which I have referred.

There being no objection, the article was ordered to be printed in the RECORD as follows:

L. & N. FREEZEOUT OF UNION AT CRASH HEARING ASSAILED—INEFFICIENT BRAKES ON FREIGHT TRAIN ADMITTED BY OFFICIAL OF CARRIER

(By Edward P. Corwin)

A management investigation held in Louisville last week of the fatal crash of a freight train into the side of a passenger train on the Louisville & Nashville at Guthrie, Ky., on June 29, produced these extraordinary developments, among others:

1. Protection of the interests of the freight engineer, J. T. Raspberry, who was killed in

the crash, was denied by L. & N. officials when they refused the request of his union, the Locomotive Firemen and Enginemen, to speak for him in the probe.

They took the amazing stand that, since Raspberry had died, there was no one involved whom the brotherhood represented. Thus, the L. & N. would be free to blame the dead engineer, if it so concluded, without anyone being present to protect his reputation or the interests of his family. The BLFE strongly protested this freezeout.

COOPER HITS CARRIER STAND

This injustice was also hit by Senator JOHN COOPER, Republican, of Kentucky. In Washington he pointed out that this was a public matter, in view of the fact that the Interstate Commerce Commission had representatives at the scene while the railroad was making its own investigation, and the brotherhood should have been called in.

2. An L. & N. official, it was revealed, admitted at the hearing that nearly half the cars of the 30-car freight train had inefficient brakes. As a result, further evidence showed, the train could not be stopped in time to avoid running into the side of the passenger train, the Dixieland, at a crossing of two L. & N. lines. Five people on the passenger train lost their lives and 21 were injured.

The tragedy spotlighted the urgent need for measures now pending in Congress designed to guard against such brake conditions as were revealed. The bills are backed by all the standard railroad labor organizations and the ICC.

An ICC official said that a report will be issued later on the probe of the crash by Commission inspectors, who held no separate hearings, but sat in on the carrier's hearings at Louisville, Ky.

Mr. POTTER. Mr. President, will the Senator yield?

Mr. SMATHERS. I am happy to yield to the able Senator from Michigan, who is a member of the subcommittee, and who heard the testimony.

Mr. POTTER. Mr. President, I merely wish to reemphasize what the chairman of the subcommittee has stated. I know of no bill before the committee which has received more careful consideration than the pending bill. The distinguished Senator from Florida and the other members of his subcommittee have leaned over backward to meet the objections which were raised, and to carry out, so far as possible, the recommendations of all interested groups.

I think the bill presented to the Senate at this time is a good bill, and one which would carry out the objectives of the Interstate Commerce Commission and provide the safety which both labor and the railroad industry seek as an operating standard.

This was not a hastily considered bill. It received the sincere and serious attention of the committee for some time. The Senator from Florida has stated the facts accurately. I know of no objection to the bill on the part of any Member of the Senate.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. SMATHERS. I yield.

Mr. JAVITS. I commend the Senator from Florida for bringing this measure before the Senate. Perhaps it will interest the Senator to know that I have heard a great deal about the bill through my mail. The Senator is justified in feeling that he is not only serving a policy, but serving the interests of people. I have received large quantities of mail regarding the bill from railroad workers who felt themselves endangered by the absence of such legislation. They urge very strongly that I take an interest in the subject, in terms of their own safety. They are the men who ride the trains and cabooses, and they feel very deeply on this subject.

I hope the Senator will feel, therefore, that in his fine service he is serving not only a policy which the committee is convinced is the correct one and I believe the Senate should be convinced is the proper policy, but a policy which individual workers in large numbers feel affects their own safety.

Mr. SMATHERS. I thank the able Senator from New York for his very kind remarks. Certainly we are aware that this is a safety measure which affects the lives of thousands of people. I yield to the Senator from Kansas, a member of the subcommittee, who has contributed yeoman service to the subject under consideration by the Senate.

Mr. SCHOEPPEL. Mr. President, I thank the Senator from Florida. He was chairman of the subcommittee which heard lengthy testimony on the bill. I concur in what he has said with relation to the bill which is before the Senate. It is a tremendous step forward in the safety provisions existing on our railroads, both from the standpoint of the railroads, and from the standpoint of those who labor on the railroad, as well as from the standpoint of the people who travel on the railroads.

I am sure that the Senator from Florida, the chairman of the subcommittee, will agree with me that many hours of laborious work were spent in considering the bill, and in conferences which had to be held on it, not only among the members of the subcommittee, but with railroad representatives and with other members of the Committee on Interstate and Foreign Commerce, and with staff members, as well as with labor groups, who were vitally interested in the proposed legislation.

Although the bill does not give everyone everything he wants, it represents what I believe to be a most constructive compromise approach to a problem which all of us recognize had to be met and solved. The bill can be truly called a genuine compromise bill. It is a good bill and a constructive bill. There was give-and-take on the part of all parties interested in this vital subject. It is a measure which will lend itself to readjustment and rechecking and revision from time to time. For the first time it gives the Interstate Commerce Commission the right to establish some guideposts which have heretofore been lacking.

I commend the Senator from Florida for his painstaking work, and for the tolerance he manifested in getting all the parties together and bringing about this culmination. I hope the Senate will overwhelmingly pass the bill.

Mr. SMATHERS. I thank the Senator from Kansas for his kind remarks, particularly for his generous words about me. He made a valuable contribution to the final drafting of the bill. I now yield to the Senator from Texas, a member of the subcommittee.

Mr. YARBOROUGH. Mr. President, I desire to associate myself with the remarks of the distinguished junior Senator from Florida [Mr. SMATHERS], and I wish to join in the words of commendation which have been spoken about the fair and thorough manner in which he conducted the hearings.

It was my privilege to sit on the subcommittee of which he was the chairman. All parties were heard; some changes were made in the bill, and differences were worked out. As a result, I believe we now have a good bill before us. It will result in greater safety factors, which will be of benefit to the transportation industry, to shippers, and to the people as a whole. I commend the Senator from Florida for the fair manner in which he conducted the hearings, and I wish also to commend the full committee for the manner in which it treated the report of the subcommittee. I believe the bill comes to the floor of the Senate with the unanimous support of all members of the committee.

Mr. SMATHERS. I thank the able Senator from Texas. I hope the Senate will pass the bill with an overwhelming vote.

Mr. JOHNSON of Texas. Mr. President, I wish to commend the committee, particularly the able chairman of the subcommittee, the Senator from Florida [Mr. SMATHERS]. The railroad brotherhoods have talked to me about it a number of times, and have asked me several times to schedule the bill for consideration. I am very happy that we have been able to bring it up for consideration this afternoon. I hope we may be able to pass the bill very shortly.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. REVERCOMB. Mr. President, before the bill is passed I should like to express my own sentiments regarding it. The purpose of the bill is to increase the safety of the workers on the railroads, and I am always interested in the safety of men. I commend the Senators who have been responsible for bringing the bill to the floor of the Senate, and I express the hope that it will pass the Senate by an overwhelming vote.

The PRESIDING OFFICER. The question is on the passage of the bill.

The bill (S. 1386) was passed.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate reconsider the vote by which the bill was passed.

Mr. JAVITS. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New York to lay on the table the motion of the Senator from Texas.

The motion to lay on the table was agreed to.

OUTSTANDING RECORD MADE BY OREGON ENTRANTS IN FREEDOMS FOUNDATION PROGRAM

Mr. NEUBERGER. Mr. President, the Freedoms Foundation at Valley Forge, Pa., has taken the lead in encouraging pride of American history and traditions in millions of boys and girls. This has been done through essay contests and other competition, based upon genuine appreciation for our American way of life.

I have been pleased and honored to learn from Dr. Kenneth D. Wells, president of the Freedoms Foundation, that Oregon has excelled in this patriotic and meritorious undertaking.

On August 12 Dr. Wells wrote to me from Valley Forge:

> The wondrous work and clearly defined validity of the special programs for building an understanding of the American way of life, and excellent personal citizenship are shining brightly in your State of Oregon. There is clear proof in the remarkable series of awards earned in 5 of your major communities. No State has shone more brightly before the distinguished awards jury, the review panels, as they have met during the past 7 years.

This is one more indication of the excellence and thoroughness of Oregon schools. An earlier example was cited in my speech on the Senate floor June 26, when I discussed the fact that Oregon inductees ranked second in the Nation in their records during the educational tests conducted by the Army in the Korean emergency.

Dr. Wells places Oregon at the very top of the pinnacle in the attainments of Oregon students in the Freedoms Foundation awards contests. Five Oregon communities have participated in these achievements—Burns in Harney County, Grants Pass in Josephine County, Medford in Jackson County, Perrydale in Yamhill County, and Salem in Marion County.

Dr. Wells has provided me with the full list of Oregon award winners, which shows a remarkable performance by the students and teachers of the school system of our State capital city of Salem.

Indeed, this may be a factor in the decision of Dr. Wells himself to purchase a farm home in the lovely and verdant Willamette River Valley, a few miles north of Salem.

I ask unanimous consent that the list of Oregon participants in these successful efforts be included in the CONGRESSIONAL RECORD—as a demonstration of the caliber and quality of the educational systems of our great State. I also ask that Dr. Wells' moving and eloquent letter to me, of August 12, likewise be printed in the body of the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FREEDOMS FOUNDATION AT VALLEY FORGE,
Valley Forge, Pa., August 12, 1957.

Hon. RICHARD L. NEUBERGER,
Senate Office Building,
Washington, D. C.

DEAR SENATOR NEUBERGER: The wondrous work and clearly defined validity of the special programs for building an understanding of the American way of life, and excellent personal citizenship are shining brightly in your home State of Oregon. There is clear proof in the remarkable series of awards earned in five of your major communities. No State has shone more brightly before the distinguished awards jury, the review panels, as they have met during the past 7 years.

May I express official thanks for your warm greeting and personal interest in and assistance to the considerable number of teachers and outstanding students we have brought to our Nation's Capital, as a part of their school award. Your remarks to them on the historic meanings of the Capitol itself, and of the price paid that Americans might be free, have contributed to their understanding of their individual rights and personal responsibilities to the fundamental principles of this Republic.

May I call your particular attention to the long list of awards to many schools in Salem, your State capital? These do not include teachers' medals earned by many of these outstanding women and men.

It is your hope that every State, and each city, will proceed with as great vigor in fine works, affirmatively telling the American story, while we are in the great battle with the swaggering ugly philosophy of atheist communism.

Faithfully yours,

KENNETH D. WELLS.

AWARDED SCHOOLS IN OREGON

BURNS

Burns Grade School, box 431; principal: Henry L. Slater; 1950, honor medal, school; 1952, Valley Forge pilgrimage, school.

GRANTS PASS

Grants Pass High School, Olive Street; principal: Frank W. Thomas, 1952, Valley Forge pilgrimage, school; 1955, Valley Forge pilgrimage, school.

MEDFORD

Medford Senior High School, 815 South Oakdale; principal: Lester D. Harris; 1954, Valley Forge pilgrimage, school; 1956, freedom library, school.

PERRYDALE

Perrydale High School; superintendent-principal; Donald F. Miller; 1950, certificate of merit, general.

SALEM

Bush School, University and Mission Streets; principal: Alvin W. Hoerauf; 1953, Valley Forge pilgrimage, school; 1954, honor medal, school; 1955, freedom library, school; 1956, freedom library, school.

Englewood School, 19th and Nebraska; principal: Dorothy Daughtery; 1950, honor medal, school; 1951, freedom library, and Valley Forge pilgrimage, school; 1952, Valley Forge pilgrimage, school; 1953, honor medal, school; 1954, Valley Forge pilgrimage, school; 1955, freedom library, school; 1956, Valley Forge pilgrimage, school.

Keizer School, 5005 North River Road; principal: Mrs. Carmelite I. Weddle, superintendent; 1953, Valley Forge pilgrimage, school; 1954, honor medal, school; 1955, Valley Forge pilgrimage, school; 1956, freedom library, school.

Leslie Junior High School, Howard and Cottage; 1955, Valley Forge pilgrimage, school; 1956, honor medal, school.

McKinley Elementary School, Miss Dorothy Rea, principal; 1954, Valley Forge pilgrimage, school; 1955 freedom library, school.

Morningside Elementary School, 3113 South 12th Street; Marion Miller, principal; 1956, Valley Forge pilgrimage, school.

Oregon State School for the Blind; 1955, Valley Forge pilgrimage, school.

Richmond Elementary School, Richmond Avenue and Mill Street; Miss Mathilda Gilles, principal; 1953, freedom library, school; 1954, freedom library, school; 1955, honor medal, school; 1956, freedom library, school.

Salem Heights School, Steve Irving, principal; 1955, freedom library, school.

South Salem High School, Carl E. Aschenbrenner, principal; 1956, honor medal, school.

MUTUAL SECURITY ACT OF 1957—CONFERENCE REPORT

Mr. GREEN. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2130) to amend further the Mutual Security Act of 1954, as amended, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of August 14, 1957, pp. 14740–14742, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. JAVITS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Gore	Monroney
Allott	Green	Morse
Anderson	Hayden	Morton
Barrett	Hickenlooper	Murray
Beall	Hill	Neuberger
Bennett	Holland	O'Mahoney
Bible	Hruska	Pastore
Bricker	Humphrey	Potter
Bush	Ives	Purtell
Butler	Jackson	Revercomb
Byrd	Javits	Robertson
Capehart	Jenner	Russell
Carroll	Johnson, Tex.	Saltonstall
Case, N. J.	Johnston, S. C.	Schoeppel
Case, S. Dak.	Kefauver	Scott
Chavez	Kennedy	Smathers
Church	Kerr	Smith, Maine
Clark	Knowland	Smith, N. J.
Cooper	Kuchel	Sparkman
Cotton	Langer	Stennis
Curtis	Lausche	Symington
Dirksen	Long	Talmadge
Douglas	Magnuson	Thurmond
Dworshak	Malone	Thye
Ellender	Mansfield	Watkins
Ervin	Martin, Iowa	Wiley
Flanders	Martin, Pa.	Williams
Fulbright	McClellan	Yarborough
Goldwater	McNamara	Young

Mr. MANSFIELD. I announce that the Senator from Mississippi [Mr. EASTLAND], the Senator from Delaware [Mr. FREAR], and the Senator from West Virginia [Mr. NEELY] are absent on official business.

The Senator from Missouri [Mr. HENNINGS] is absent by leave of the Senate because of illness.

Mr. DIRKSEN. I announce that the Senator from New Hampshire [Mr. BRIDGES], and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate in order to represent the Senate at the Latin American Economic Conference in Buenos Aires.

The Senator from South Dakota [Mr. MUNDT] is absent on official business.

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the conference report.

Mr. GREEN. Mr. President, the Mutual Security Act conference report provides an even split between the overall total provided by the Senate and that provided by the House in authorizations of appropriations for the fiscal year 1958. In most other respects, the conference report follows the provisions of the House version of the bill.

The total authorization provided by the conference report for the fiscal year 1958 is $3,367,083,000. This is a reduction of $250,250,000 from the Senate version of the bill, and is an increase of a like amount over the House version.

Actually, so far as the fiscal year 1958 is concerned, only three figures were in dispute between the two Houses. For military assistance, the Senate had authorized $1.8 billion; the House, $1.5 billion. The conferees agreed on $1.6 billion.

For defense support, the Senate had authorized $800 million; the House, $600 million. The conferees agreed on $750 million.

For administrative expenses, the Senate had authorized $33 million; the House, $32.5 million. The conferees agreed on $32,750,000.

Overshadowing the amounts to be authorized for 1958, however, was the issue of future-year authorizations, particularly so far as the development loan fund was concerned.

Senators will recall that the Senate version of the bill authorized appropriations for the fiscal year 1959 of $1.5 billion for military assistance, and appropriations of $710 million for defense support. The Senate version of the bill also authorized the development loan fund to borrow $750 million from the Treasury, beginning in each of the 2 fiscal years 1959 and 1960. The House version contained no authorizations for either appropriations or for borrowing beyond 1958.

The conferees met long and earnestly, in an attempt to resolve these differences, which really stem from a basic and fundamental difference in the concept of the foreign-aid program. The Senate approach reflected the results of the exhaustive studies made by the Special Committee To Study the Foreign Aid Program. The Senate version of the bill was also more nearly in line with the recommendations of the President.

Although I can speak only for myself, I believe that the Senate conferees are still unanimously of the view that the Senate version would have resulted in a sounder and more effective program. However, after many hours of discussion with our House colleagues, a majority of the Senate conferees became convinced that there was no practical possibility of House approval of the Senate approach at this session of Congress. The Senate conferees, therefore, yielded, but with great reluctance. As a result, the conference report contains no authorizations for military assistance or defense support beyond the fiscal year 1958.

On the paramount issue of financing for the development loan fund, however, the House did make a concession in agreeing to an authorization for appropriations of $625 million for the fiscal year 1959. This is in addition, of course, to the authorization for the appropriation of $500 million for the fiscal year 1958, which was in both the Senate and House versions.

A prerequisite to the fund's success is that it have sufficient capital and that it not be dependent upon annual appropriations. The Senate version would have provided a capital of $2 billion for the loan fund over a 3-year period.

The House version, which was limited to $500 million and a single year, gave the fund virtually no hope of success. The Senate version gave it every reasonable hope. The conference agreement gives it some hope. Just how much depends upon whether the appropriations authorized are in fact made available without fiscal-year limitation. The Senate conferees yielded as much as they did only after having received informal assurances from the House leadership that this would be done.

A final word needs to be said about administration of the fund. On this point, the conference report adopts the language of the House version, which provides for a Manager, to be appointed by the President and confirmed by the Senate; and for a Loan Committee, consisting of the Deputy Under Secretary of State for Economic Affairs, as Chairman, the Director of the International Cooperation Administration, and the Chairman of the Board of Directors of the Export-Import Bank.

The Manager will be an official of the International Cooperation Administration, but both he and the Loan Committee will operate under the close policy guidance and control of the Secretary of State. The Development Loan Fund will be a significant arm of United States foreign policy. It will fail of its purpose unless it is controlled by the official responsible for foreign policy—namely, the Secretary of State.

Mr. President, I daresay that no Senate conferee is entirely satisfied with this conference report. Certainly I am not. But it is the considered judgment of a majority of the Senate conferees that, in view of the situation prevailing in the House, this is the best agreement we can get at this session. The report does represent some improvement over the existing foreign-aid program. It is my hope and my expectation that next year further progress can be made.

Mr. SMITH of New Jersey subsequently said: Mr. President, it had been my purpose to make a few remarks in support of the statement by the chairman of the committee [Mr. GREEN], but I have decided instead to ask unanimous consent to have printed in the RECORD, following his presentation, a statement which I have had prepared. The statement includes a brief history of the Mutual Security Act, and makes some comments on the conference report. It also covers the subject of the foreign-aid studies made this past year before the bill was prepared and before it came before either House. The statement covers the results of those studies, and the Senate and House bills, and the differences. It also covers the sums authorized, as already reported by the chairman. It urges support of the conference report as the most feasible way to obtain mutual-security legislation this year. It finally points out, in conclusion, that the President has requested the appropriations be as near as possible to the conference report figure.

Mr. President, I ask unanimous consent that the statement be printed in full following the presentation of the chairman of the committee.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR SMITH OF NEW JERSEY

MUTUAL SECURITY ACT, 1957—CONFERENCE REPORT

I

The conference report on S. 2130, the Mutual Security Act of 1957, should be supported. Unfortunately, the conference bill differs in some important respects from the version as passed by the Senate, a bill adopted after a long and intensive examination by the Special Committee To Study the Foreign Aid Program, aided by the proposals of two Executive-appointed committees. I regret that the House stand has made it impossible to secure acceptance of all the Senate changes this year, especially the 3-year revolving loan fund, but the conference bill does contain many admirable features and I urge that it be supported.

II

Foreign aid studies

A reexamination of the mutual-security program was initiated last year because of the realization that it was not being clearly understood by the American people and its administration was not adapted so as to integrate it most effectively with American foreign policy. Its purposes were diffused and its policies were confusing.

Nine years of operation of the mutual-security program had produced some significant accomplishments; the strengthening of the military power of the Free World, and assisting the underdeveloped nations in their drive to attain economic progress and maintain their freedom, independence, and the right of self-determination.

But there was a need for a clarification of policies and purposes, and for a reappraisal of the administration of the program; these, in addition to the experience which had been accumulated, made it possible to survey and reexamine the entire program so as to ascertain more clearly its function in the foreign policy of this Nation.

III

Results of the studies

The special committee study, the reports of witnesses, proposals by the executive, and the final report of the special committee stressed the following aims and recommendations for the mutual-security program in the future:

1. Increased efficiency and effectiveness.
2. Clarification of policies and objectives.
3. More functional programing and administration.

From these general objectives certain important specific aims were set forth:

1. Separation of military and nonmilitary aid.

2. A closer integration of military assistance to the total overall defense effort of the United States, and a possible placing of military assistance in the Defense Department budget.

3. Creation of a program for a long-term economic assistance to be available on a continuing basis.

4. Emphasis on loans and a businesslike economic assistance program, rather than on grants.

5. Deletion of some existing restrictions on planning and programing of military and economic aid; that is, by authorizing funds to be spent on a "no-year" basis.

6. Continuation and extension of the technical cooperation program.

7. Increased flexibility to enable the President to meet emergencies and unexpected contingencies.

IV

Senate and House bills

The Senate bill largely carried out these objectives, especially through the creation of a 3-year revolving development loan fund, and 2-year authorization of military assistance and defense support funds on a "no-year" basis. The House bill eliminated the 2-year authorizations for these latter funds and thus prevented their placement in the Defense Department budget in fiscal year 1959. It restricted the loan fund to 1 year and substituted its own form of administrative organization for the fund, and it severely restricted the President's flexibility in the handling of special assistance moneys.

The House, however, did add certain advantageous features and these have been preserved in the conference bill:

1. It broadened the banking authorization in the loan fund by widening the power to make guaranties.

2. It authorized technical cooperation funds to remain available until expended, instead of having 25 percent of them available for 15 months.

3. It extended the time for reemployment rights of personnel hired by ICA from other Government agencies from 24 to 30 months in order to allow such personnel to spend more time abroad.

Sums authorized

The President's request for $3.8 billion was reduced in the Senate bill to $3.6 billion and was cut further by the House bill to $3.1 billion. The conference fixed the amount at $3.3 billion representing a reduction of $300 million in the military assistance authorization from the figure requested by the President, and a reduction of $150 million in defense support.

VI

Support of the conference bill

Despite the fact that the conference report emasculates the long-term revolving loan fund by substituting a 2-year authorization in the place of borrowing power, and replaces 2-year authorizations for military assistance and defense support monies with annual authorizations so that they cannot be placed in the Defense Department budget in fiscal year 1959, I urge that the report be supported.

I deeply regret that these provisions have been eliminated from the act this year, especially the long-term revolving loan fund because it constitutes a potent weapon in the mutual security program today when much of the cold war conflict between the free nations and international communism has shifted to the economic sphere where the underdeveloped countries are heavily involved.

However, an overall examination of the conference report does reveal that a considerable advance has been accomplished in this bill:

1. Military assistance and defense support funds are now available until expended, i. e. on a "no-year" basis, enabling planning and programing in these categories to be more effective than in the past.

2. Defense support has been limited to military items in the main, and a distinct separation of military and nonmilitary items had been achieved.

3. A long-term loan fund has been started with a possible capitalization of over $1 billion, although it will not be revolving.

4. The principle of long-term loans rather than grants in the economic field has been upheld.

5. Technical cooperation has been extended and placed on a "no-year" basis.

6. Greater flexibility has been provided for the President in the event of emergencies and contingencies.

7. Obsolete sections of the act have been eliminated and titles have been clarified.

8. Policies and objectives have been clarified; and

9. Administrative gains have been achieved which can promote efficiency and more effectiveness in carrying out the program in the future.

These are positive steps forward. Many of the recommendations made in the studies have been included in the bill, and the report urges that careful consideration be given to the creation of a corporation to administer long-term economic loans next year. Other steps can and will be taken. In fact, they must be attempted if the underdeveloped nations are to be enabled to become economically strong and to retain their independence.

VII

Conclusion

The conference report, even with its variances from the Senate bill, does provide for a more efficient and effective mutual-security program than has existed heretofore. It provides for substantial advances in policymaking and programing and, through its clarifiaction of objectives, the mutual-security program can be more fully integrated with the foreign policy of the Nation in the future. I urge that all my colleagues support the bill.

However, in adopting the report it must not be forgotten that the amounts authorized constitute the rock-bottom figures which the President has warned are essential for the security of the country. To appropriate anything less would be an unwise "saving" which could jeopardize the safety of the Nation.

Mr. LANGER. Mr. President, will the Senator from Rhode Island yield for a question?

The PRESIDING OFFICER (Mr. LAUSCHE in the chair). Does the Senator from Rhode Island yield to the Senator from North Dakota?

Mr. GREEN. I yield.

Mr. LANGER. Can the distinguished Senator from Rhode Island tell us the total of United States loans to foreign countries, from the very inception of this program?

Mr. GREEN. I shall have to obtain those figures. The sums are very large.

Mr. LANGER. Will the figures include the ones for the grants which have been made? Will the Senator from Rhode Island also obtain the figures for the grants?

Mr. GREEN. I can procure those figures.

Mr. LANGER. It always seemed to me that the so-called Marshall plan was entirely misnamed, and that all that the Marshall plan did was to carry out what William Gibbs McAdoo did following World War I, when the United States loaned billions of dollars to certain foreign countries, but the only country that ever repaid what we loaned was Finland. Is that correct?

Mr. GREEN. I think there are certain differences.

Mr. LANGER. As a matter of fact, those loans never have been canceled; and the office of the Secretary of the Treasury still carries on its books, as money owed to the United States by those foreign countries, the various amounts which the United States loaned to them during the administration of Woodrow Wilson.

Mr. GREEN. The total foreign aid since 1945 amounts to approximately $55 billion.

Mr. LANGER. That does not include the money given them after World War I, does it?

Mr. GREEN. No; the figure I have stated is for the period since 1945.

Mr. LANGER. I should like to have the Senator provide the other figures, if he can do so; and I should like to have them inserted in the RECORD.

Mr. GREEN. I shall be glad to obtain them, if they are immediately available.

Mr. LANGER. I should like to ask a further question: Is the presently proposed arrangement to be for 1 year or for more than 1 year?

Mr. GREEN. The arrangement provided in this measure is for 1 year.

Mr. LANGER. Yes; that is what I mean.

Mr. GREEN. The appropriation is for 1 year, but the development loan fund has an appropriation authorized for the following year, as well.

Mr. LANGER. What is the amount of that?

Mr. GREEN. One billion one hundred and twenty-five million dollars over 2 years.

Mr. LANGER. I think the Senator is aware, as a member of the Foreign Relations Committee, that I have been opposed to any loans or the granting of funds from the very inception of the program.

Mr. GREEN. I think the Senator has made it very clear.

Mr. LANGER. I have made it clear, and I should like to make it very clear that I am going to vote against the conference report.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8090) making appropriations for civil functions administered by the Department of the Army and certain agencies of the Department of the Interior, for the fiscal year ending June 30, 1958, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 4, 5, 6, 7, 16, and 23 to the bill and concurred therein; that the House receded from its disagreement to the amendment of the Senate numbered 24 to the bill and concurred therein with an amendment, in which it requested the

concurrence of the Senate, and that the House insisted upon its disagreement to the amendment of the Senate numbered 3 to the bill.

The message also announced that the House insisted upon its amendment to the bill (S. 1520) to amend an act entitled "An act to provide for the disposal of federally owned property at obsolescent canalized waterways and for other purposes," disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. BLATNIK, Mr. FALLON, Mr. DAVIS of Tennessee, Mr. MACK of Washington, and Mr. SCUDDER were appointed managers on the part of the House at the conference.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 1937) to authorize the construction, maintenance, and operation by the Armory Board of the District of Columbia of a stadium in the District of Columbia, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MCMILLAN, Mr. HARRIS, Mr. TEAGUE of Texas, Mr. SIMPSON of Illinois, and Mr. O'HARA of Minnesota were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 2973) for the relief of the estate of William V. Stepp, Jr.; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. LANE, Mr. FORRESTER, and Mr. BURDICK were appointed managers on the part of the House at the conference.

The message further announced that the House had agreed to the amendments of the Senate numbered 1, 2, 3, 4, 5, and 7 to the bill (H. R. 4602) to encourage new residential construction for veterans' housing in rural areas and small cities and towns by raising the maximum amount in which direct loans may be made from $10,000 to $13,500, to authorize advance financing commitments, to extend the direct-loan program for veterans, and for other purposes, and that the House agreed to the amendment of the Senate numbered 6 to the bill, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House insisted upon its disagreement to the amendments of the Senate to the bill (H. R. 4813) to extend the life of the District of Columbia Auditorium Commission, and for other purposes; asked a further conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MORRISON, Mr. MULTER, Mr. GRANAHAN, Mr. KEARNS, and Mr. BROYHILL were appointed managers on the part of the House at the further conference.

The message further announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 6709) to implement a treaty and agreement with the Republic of Panama, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. BONNER, Mrs. SULLIVAN, Mr. GARMATZ, Mr. TOLLEFSON, and Mr. SHEEHAN were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 8240) to authorize certain construction at military installations, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. VINSON, Mr. BROOKS of Louisiana, Mr. KILDAY, Mr. DURHAM, Mr. RIVERS, Mr. ARENDS, Mr. COLE, Mr. GAVIN, and Mr. NORBLAD were appointed managers on the part of the House at the conference.

The message further announced that the House had severally agreed to the amendment of the Senate to the following bills of the House:

H. R. 1672. An act for the relief of the legal guardian of Frederick Redmond;

H. R. 1682. An act for the relief of Edward J. Moskot;

H. R. 1864. An act for the relief of Mrs. Lidie Kammauf;

H. R. 2045. An act for the relief of Robert D. Miller, of Juneau, Alaska;

H. R. 2950. An act for the relief of Lt. Col. Emery A. Cook;

H. R. 3281. An act for the relief of Howard S. Gay;

H. R. 4023. An act for the relief of Oswald N. Smith;

H. R. 4154. An act for the relief of the legal guardian of Thomas Brainard, a minor; and

H. R. 5627. An act for the relief of Mrs. Emma Hankel.

The message also announced that the House had severally agreed to the amendments of the Senate to the following bills of the House:

H. R. 52. An act to provide increases in service-connected disability compensation and to increase dependency allowances;

H. R. 1058. An act to preserve the key deer and other wildlife resources in the Florida Keys by the establishment of a National Key Deer Refuge in the State of Florida;

H. R. 1460. An act for the relief of Tom R. Hickman and Nannie Conley and husband, Jack Conley;

H. R. 1562. An act for the relief of Maj. John P. Ruppert;

H. R. 2049. An act for the relief of Mrs. Blanche Houser; and

H. R. 3440. An act for the relief of Lillian Schlossberg.

ENROLLED JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled joint resolution (H. J. Res. 426) amending a joint resolution making temporary appropriations for the fiscal year 1958, and for other purposes, and it was signed by the President pro tempore.

THE SENATE BILL, A CONSCIENTIOUS CONTRIBUTION TO CIVIL RIGHTS

Mr. O'MAHONEY. Mr. President, there has been so much discussion in the press, so many statements have been issued by responsible leaders in Government with respect to the jury-trial amendment to the civil-rights bill, there have been so many charges that the amendment emasculates the bill passed by the Senate, there have been so many intimations that there are men in this government who would prefer no legislation at all rather than see the Senate bill become a law, that I feel compelled to make some studied comments upon the situation.

I was very much impressed this morning, on opening a copy of the Washington Post, to see a cartoon drawn by the very noted and able cartoonist, Herblock, representing an elephant riding upon the back of the public desiring to make progress in handling civil rights. I can refer to that cartoon without hesitation and without giving offense to Republicans, because so much able and conscientious assistance was given to the Members of the Senate who sponsored the jury trial amendment by Republican Members of this body that it might be said it probably would have been impossible to have adopted the amendment without their assistance.

I want the country to know that Republican colleagues of mine in this body, because they were moved by a deep conviction that it is impossible to save one civil right by destroying another, gave their aid and assistance in working out the bill which now lies upon the desk of the Speaker of the House of Representatives.

So, Mr. President, in order that there may be in the RECORD, from one of the sponsors of the jury trial amendment, a statement on the amendment which was offered by the Senator from Tennessee [Mr. KEFAUVER], the Senator from Idaho [Mr. CHURCH], and myself, it seems desirable to tell the whole story as simply and as clearly as I am capable of doing it. I believe the Senate bill is a conscientious contribution to civil rights, and that nothing has transpired in the Congress of the United States dealing with this subject in 80 years that is comparable to it as a contribution to the public welfare and to harmonious racial relations.

From the beginning of this debate I have asserted my unreserved conviction that the right to vote belongs to all citizens without disqualification on account of race, color or creed. As a member of the Judiciary Committee I have worked to the full extent of my ability to bring about the enactment of a law that would preserve to all our citizens the voting rights guaranteed to them by the Constitution. No person can challenge my devotion to the principles of popular government. I devoutly hope that this Nation may be able to lead the world to the universal adoption of free political and economic institutions that will include all races and all people.

That end cannot be attained if, in the illusory hope that some temporary partisan gain could be won thereby, Republican leadership should now lend itself to the defeat of the civil-rights bill which has passed the Senate. I do not hesitate to say that any leader in this Republic, whatever his name or whatever his political affiliation, who is will-

ing to bring about the defeat of the civil-rights measure because of any fancied disagreement with the terms of the Senate bill is doing a great disservice to his country and to the world.

TO DROP BILL WOULD BE TO RISK LOSING WORLD LEADERSHIP FOR FREEDOM

I have just been informed that the former Speaker of the House of Representatives, JOSEPH MARTIN, Republican Congressman from the State of Massachusetts, has said that he would rather have no civil-rights bill at all than have the bill passed by the Senate. If this be true, then Mr. MARTIN is willing to risk the destruction of American leadership as a force for freedom in the world on the false assumption that the Senate bill is not a good one.

It is a good bill. It is a strong bill. It is a bill which has gone further to strengthen basic individual human rights than any measure enacted by Congress in 80 years, and it was passed in the Senate without a filibuster.

A STRONG BILL WAS FORGED ON SENATE FLOOR

The Senate is the only legislative body in which unlimited debate is still permissible. There can be no filibuster in the House of Representatives. There was no filibuster in the Senate, but in this body, in which the bill which came to us from the House was withheld from the Judiciary Committee where it normally would have gone, it was, by the courageous, conscientious, thoughtful actions of Members of both parties, subjected to studious, painstaking, and sincere analysis.

Without partisan distinction, the Members of this body in an open public forum welded the measure sent to us by the House into a potent weapon to advance the cause of liberty and equality.

I have been a Member of the Senate, with a slight exception, ever since the first of January 1934, and I have never seen a debate of such great importance conducted in this or any other body with such tolerance, with such patience, and with such evident determination to do what was right.

There were emotions, of course; there were deep emotions; but no Members of the Senate and no group in the Senate allowed their emotions to sway them to bring about the defeat of the measure. That might easily have been done.

IT AUTHORIZES ATTORNEY GENERAL TO PROTECT VOTING RIGHTS

This bill in part IV authorizes the Attorney General to institute civil proceedings in the courts of the United States to secure court orders prohibiting any act or practice which would deprive any citizen of his voting rights. It vests in the Federal Government the authority for which the 14th and 15th amendments were designed to throw the protecting circle of Federal power about the voting rights of all individual citizens.

In part III the bill protects the right of every United States citizen to recover damages or to secure equitable relief for the protection of his civil rights, including the right to vote.

IT SETS UP DIVISION TO PROTECT VOTING RIGHTS

In part II the bill establishes a new division in the Department of Justice headed by an additional Assistant Attorney General to assist the Attorney General in the performance of his duties. The nomination of this new Assistant Attorney General will be by the President, and his confirmation will be by the Senate, which is provided in order to strengthen the Department of Justice in the protection of the right of every citizen to vote.

COMMISSION WILL STUDY ALL ASPECTS OF CIVIL RIGHTS

This is not all. In part I of this bill there is established a Commission on Civil Rights, armed with the power to investigate allegations that citizens are being deprived of the right to vote by reason of race, color, or national origin, and to study and collect information concerning any legal developments that might constitute a denial to any citizen of equal protection of the laws under the Constitution, and finally to make an appraisal of the laws and policies of Federal Government in this regard. The Commission is charged with the duty of submitting interim reports to the President and to the Congress, and at the end of 2 years to submit a final comprehensive report including its findings and recommendations. As it came from the House, the bill required the report to be made only to the President. The Senate amended the bill to provide that the report should be made also to the Congress, thus guaranteeing complete publicity, through both the executive and legislative branches of Government, for the findings and recommendations on civil rights.

Thus is created a new Commission, the sole duty of which is to investigate the denial of civil rights. In passing upon this provision of the House bill, the Senate made several amendments, but was careful to preserve the basic plan to have an independent investigation of the whole problem.

The creation of this Commission, the members of which are to be nominated by the President and confirmed by the Senate of the United States, will make it possible to take this question out of the arena of possible partisan debate. The Senate did well in avoiding partisan debate upon this matter, because the bill was rendered possible solely by the cooperation of Senators of both parties and from all sections.

Mr. President, I firmly believe the Commission will also be created in such fashion that it will stand above mere political partisanship. The country can look forward to its report and to its recommendations in firm confidence that the report and the recommendations will be made with the same conscientious devotion which was displayed by the Members of the Senate in writing the bill which now is upon the desk of the Speaker of the House of Representatives.

JURY-TRIAL AMENDMENT WILL PROTECT AN EXISTING CIVIL RIGHT AND ESTABLISH A NEW ONE

Finally, in part V the Senate added the jury-trial amendment to protect the constitutional civil right of persons charged with crime to be protected from prosecution for criminal offenses by the Government without a jury. This amendment was carefully drawn so as to preserve untouched the right of the Federal courts by fine and imprisonment to compel obedience to their lawful orders without the intervention of a jury trial. In order to answer the unfounded charge that the juries which would be called to sit under the amendment in the United States courts would be exclusively all-white juries, the amendment eliminated the present provision of Federal law that a person to qualify to serve as a juror must be a voter under State law. Thus the jury-trial amendment extended a new civil right, namely, the right to serve on Federal juries, to citizens of the Negro race.

To any leader in the House of Representatives, from former Speaker MARTIN on down, and to any political leader upon any political committee, I say with all the emphasis at my command, "If you now scheme and endeavor and maneuver to bring about the defeat of this bill because the jury-trial amendment is included in it, you will be denying the right which the Senate has extended to the Negro citizens of the South to sit upon the juries without first having been registered as voters under State law." That represents a gain which any person who believes in civil rights must acknowledge to be extraordinary.

TO DISCARD BILL NOW WOULD DESTROY DOMESTIC UNITY AND IMPAIR OUR STANDING ABROAD

To say that this bill has been weakened or emasculated by the elimination of provisions that would have permitted the revival of the force bills of the reconstruction era and by the addition of the jury-trial amendment is to mislead the people, and to assert that no bill at all would be better than this bill is to exploit the fears of honest citizens of every race and color who have not had the opportunity to read the measure.

To advocate that the great achievement of humanitarian progress accomplished in the Senate should now be discarded is only to advocate that the Congress allow the Nation to be plunged into an era of emotional chaos that can only impair our standing abroad and destroy domestic unity at a time when the realization of our opportunity to lead the whole world to peace and freedom depends upon our capacity to maintain unity and understanding at home.

THIS IS NO TIME FOR POLITICAL MANEUVERING

This is the time for all our leaders to abandon all thoughts of political maneuvering and to apply the high considerations of public service which enabled Democrats and Republicans alike to revise and improve the bill that was sent to us from the House. This body made the House bill the pending business and, bypassing the Judiciary Committee, considered it on the floor. The public will be served and civil rights advanced, in my opinion, if the House now follows the same pattern and takes the bill as it was sent back from the Senate for consideration on the floor of the House.

BILL PRESERVES INTEGRITY OF THE JUDICIARY

I have been amazed at the manner in which some of the spokesmen of the Department of Justice have sought to convince the President that the jury-trial amendment is damaging to the entire Federal judiciary. This is a charge which cannot be sustained. This bill preserves and protects the integrity of the judiciary. Under the law as it now exists—section 401, title 18, Criminal Code and Criminal Procedure—any court of the United States has the power to punish by fine or imprisonment, at its discretion and without a jury, any contempt of its authority which consists of misbehavior by any person in its presence, misbehavior of any of its officers in their official duties, or disobedience or resistance to its lawful writ, process, order, rule, decree, or command.

This is the law now. It remains the law under the jury-trial amendment. Every United States court, district, appellate, and supreme, and all special United States courts are protected in their right to maintain their integrity and to compel obedience to their lawful orders by the use of fines and imprisonment without a jury trial.

That is accomplished by the jury-trial amendment, and no one can deny it—wherever he sits, wherever he stands, wherever he walks, or whatever position in or out of Government he may hold.

The bill as passed by the Senate does not impair the power of United States courts—all the United States courts—to protect their integrity and enforce their orders by civil-contempt proceedings.

Mr. LONG. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. LONG. It seems to me particularly unfortunate that efforts have been made completely to mislead the public with regard to the issue of jury trials. Some of the Justice Department propaganda is as far from the actual facts of the case as anything I have seen in a long time.

It is unfortunate that some of our major magazines—I have in mind particularly Time magazine—have gone to such extremes to try to give the impression that the right of jury trial is given in cases in which it did not exist before, when actually the amendment the Senator has in mind merely preserves the right of citizens to have a jury trial, which they always had prior to the time the civil-rights bill was proposed. There is only one modification, and that is that in certain cases in which the United States is a party, the citizen will have the right of jury trial if he is being tried for criminal contempt. It makes no sense to say that a man is entitled to be tried by a jury of his peers if one man is suing him, but not if another man is suing him.

Mr. O'MAHONEY. I thank the Senator.

Any attempt, direct or indirect, by the Department of Justice or any of its spokesmen to convince the President or the people that the jury-trial amendment weakens this power of the judiciary can properly be described only as a deceitful practice. I use those words deliberately, with full knowledge of their meaning.

AMENDMENT DEALS ONLY WITH CRIMINAL CONTEMPT

The jury-trial amendment deals only with what may be called criminal contempt proceedings brought to punish defendants by fine and imprisonment. It has been said by some opponents that the Constitution does not guarantee a jury trial to persons accused of criminal contempt. The answer to that argument is that the Constitution gives no power to the courts to try citizens for criminal contempt without a jury. Indeed, the third clause of section 2 of article III of the Constitution of the United States, which establishes the courts, specifically provides that the trial of all crimes, except in cases of impeachment, shall be by jury.

Commonsense teaches us that criminal contempt is a crime. Otherwise the adjective "criminal" would have no place in the description. It will be observed that the drafters of the Constitution were of the impression that the word "crimes" would include cases of impeachment unless an exception were made, and so they made an exception of such cases from trial by jury because cases of impeachment were to be tried by the Senate. Nowhere in the whole document creating this Government is there the slightest reference to the trial of criminal contempt without a jury, and if it had been intended by the drafters of the Constitution that the courts were to have the power to try such cases without a jury then an exception would have been made, as it was made with respect to cases of impeachment. This is commonsense. This does not require any technical, legalistic argument. This is merely an appraisal of the simple words which were used by the drafters of the Constitution to define what they had in mind.

"CRIMINAL CONTEMPT" FIRST APPEARED ON STATUTES IN 1941

As a matter of fact, the words "criminal contempt" were never used in any act of Congress until on November 21, 1941, Congress passed a law to grant the Supreme Court the authority to make a rule of procedure in the case of criminal contempt.

When I recall that the Judiciary Committee, of which I was then a member, reported the bill granting the Supreme Court the right to draw a rule of procedure for criminal contempt, I wonder what those lawyers are thinking of who say that the power to punish for criminal contempt is an inherent power granted to the courts by the immemorial usages of the courts of England.

Congress, under the Constitution in article III, was given the right to make regulations for the Supreme Court. It was in the exercise of that right that Congress passed the act authorizing the Supreme Court to write criminal rule 42. If Congress had not passed the act, the Supreme Court would not have had the power to write the rule. Therefore, how can it be contended by any person who pretends to use the brains with which he was born that the courts of the United States have a power not given to them by the Constitution of the United States?

The fact that Congress had to pass and the President had to sign the act authorizing the Supreme Court to make a rule with respect to criminal contempt proves that the power of the court to deal with criminal contempt does not proceed from immemorial usage or from the inherent power of the courts, but from an act of Congress, and from no place else, except the Constitution which gave Congress the power to pass the law.

The words "criminal contempt" did not originate with Congress but with the experts who compiled the United States Code in 1940. In this compilation reference was made to criminal contempt, but it came from the mind of the compiler and not from any law of Congress. It was written into the code as a title for a law which did not use the word.

AMENDMENT CONTAINS NO THREAT TO JUDICIARY

The Supreme Court was not particularly anxious to exercise the new power that Congress gave it by the act of November 21, 1941, and it was not until March 21, 1946, almost 4½ years after the act was passed, that the Supreme Court adopted rule 42 of Federal Rules of Criminal Procedure. It is quite obvious that the Court was not disturbed by any thought that the lack of authority to make a rule of procedure for criminal contempt was a threat to the Federal judiciary, as the spokesmen of the Department of Justice now attempt to convince the President, without warrant, the jury trial would be.

Of course, it was not a threat, nor is it a threat now, even in the face of the misinformation the Department of Justice is distributing to Members of Congress and to the President. The prosecution of antitrust cases would be upset, they tell President Eisenhower, endeavoring to shake his confidence in the Congress with which he has repeatedly said he wants to work in cooperation. How does it come about, if these warnings have any basis in fact, that in the entire period since the Sherman Antitrust Act was adopted in 1890, a period of 67 years, there have been only 26 contempt cases filed? Of these 26, 9 were civil and 17 were criminal. Obviously criminal contempt is not a weapon for which the Department of Justice has found much use in the prosecution of antitrust cases, and therefore the granting of jury trials in cases of criminal contempt would not upset the judiciary. It would not even upset the Department of Justice.

Mr. LONG. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. LONG. If I correctly understood the Senator's statement, it means that there has been 1 criminal contempt case in every 3 years.

Mr. O'MAHONEY. The Senator is correct.

Mr. LONG. The act became effective in 1890.

Mr. O'MAHONEY. In 1890, 67 years ago. There have been 26 contempt cases. Nine were civil, and 17 were criminal.

Mr. LONG. That would mean that 1 case in every 4 cases was a criminal contempt case.

Mr. O'MAHONEY. The Senator's mathematics is correct. It certainly proves that these are imaginary arguments made for the illiterate, for those who have not read the law, and for those whose emotions, the Department of Justice feels, may be so stirred up as to defeat the civil-rights bill, and perhaps to gain a victory in the Congressional elections of 1958.

I say, however, if they entertain any such belief as that, the commonsense and the reason of the people of America will find them out before they know it, and they will lose, rather than gain, by turning their backs upon the greatest advance which has been accomplished in 80 years toward establishing universal rights.

Mr. LONG. The propagandists who are against the jury-trial amendment will be disappointed to find that the people of this Nation understand what a jury trial is. A person does not have to be a lawyer to know what it means.

Mr. O'MAHONEY. The Senator is correct. To repeat, obviously criminal contempt is not a weapon for which the Department of Justice has found much use in the prosecution of antitrust cases, and therefore the granting of jury trials in cases of criminal contempt would not upset the judiciary. Nor would it bother the corporations which are so frequently politely called into conference to reach consent decrees. It would, however, be of tremendous importance to the individual natural persons who might innocently become involved in the prosecution of criminal contempt cases under the civil-rights bill.

JURY TRIAL REQUIRED ONLY WHEN PUNISHMENT COULD BE CRIMINAL SENTENCE

Remember that there is no jury trial in this amendment for the person who disobeys an order of the court which the court is trying to enforce. Such person may be sent to prison and heavily fined by the judge whose order is flouted until such person agrees to obey the order. The jury trial comes into play only when the Department of Justice undertakes to punish a defendant by securing a criminal sentence from the court as a punishment instead of seeking fine or imprisonment by the court to secure compliance with the court order. The latter can be done without a jury, because the defendants in such cases are identifiable persons. It should not be done in the former cases because there the defendants could frequently be innocent bystanders without any official position but arrested because they were found accidentally in an area in which, for example, a riot was proceeding.

WEBSTER-BUCHANAN ACT PROVIDED FOR TRIAL BY JURY IN CRIMINAL CONTEMPT

As long ago as 1831, as I have previously pointed out, Daniel Webster, of the Senate, and James Buchanan, of the House of Representatives collaborated in the passage of an act designed to preserve the right of the court to punish for contempt in its presence or to secure obedience to its decrees without the intervention of a jury. This act, however, contained a second section which provided for the indictment of persons who attempted corruptly to bribe officials of the court or members of the jury in any court proceeding. That law provided for the indictment of persons. That means indictment by grand jury. That was recognized as long ago as 1831. Thus two of the outstanding public officials of our history clearly saw the distinction between civil and criminal contempt. They provided for the bringing of criminal contempt proceedings through the indictment of a grand jury and trial according to the usual practice of the law.

A PROSECUTION FOR CRIMINAL CONTEMPT IS A CRIMINAL PROSECUTION

Early in this century, a case in which Samuel Gompers, head of the American Federation of Labor was involved, went twice to the Supreme Court. Gompers and some of his associates, sued by a private company, were forbidden by the court to engage in certain practices. Tried without a jury they sought relief from the Supreme Court, which on May 15, 1911, held that civil and criminal contempts are essentially different and are governed by different rules of procedure. In this first case the Supreme Court held "that in proceedings for criminal contempt the defendant is presumed to be innocent" and "must be proved to be guilty beyond a reasonable doubt, and cannot be compelled to testify against himself."

These are all aspects of the crimes which article III of the Constitution of the United States says must be tried by jury. These are all aspects of criminal prosecution in which the sixth amendment of the Bill of Rights provides that "the accused shall enjoy the right to a speedy and public trial, by an impartial jury of the State and district wherein the crime shall have been committed." A prosecution for criminal contempt is a criminal prosecution and plainly within the thinking of the court in the Gompers case. In its decision of May 15, 1911, the Supreme Court reversed the judgment of the court of appeals upholding the penalties imposed upon Gompers but sent the case back to the Supreme Court of the District of Columbia to dismiss the proceedings which had been brought against Gompers by a private litigant "but without prejudice to the power and right of the Supreme Court of the District of Columbia to punish by a proper proceeding, contempt, if any, committed against it."

Thereafter the Supreme Court of the District of Columbia took up the case again in its own right and sought to punish for criminal contempt. This time the defendant Gompers pleaded the statute of limitations fixing the period within which criminal prosecutions must be begun. On behalf of the District court the Government argued that contempts cannot be crimes and if they are not crimes they are not within the statute of limitations.

That is exactly the same argument which the Department of Justice is now trying to impress upon the President, the former Republican Speaker of the House of Representatives, and others who may listen to their statements.

The Supreme Court would have none of that argument, saying:

> The English courts seem to think it wise, even when there is much seeming reason for the exercise of a summary power, to leave the punishment of this class of contempts to the regular and formal criminal process *Matter of Macleod* (6 Jr. 461). Maintenance of their authority does not often make it really necessary for courts to exert their own power to punish, as is shown by the English practice in more violent days than these, and there is no more reason for prolonging the period of liability when they see fit to do so than in the case where the same offense is proceeded against in the common way.

There speaks the Supreme Court of the United States, counseling the same course of action, the same caution, the same consideration, the same devotion to the basic principles of freedom which were followed by the United States Senate in 1957, when it adopted the jury trial amendment.

Then applying the wise thought of the English courts, the United States Supreme Court went on to say with respect to the statute of limitations:

> Even if the statute does not cover the case by its express words, as we think it does, still, in dealing with the punishment of a crime a rule should be laid down, if not by Congress by this Court. The power to punish for contempt must have some limit in time, and in defining that limit we should have regard to what has been the policy of the law from the foundation of the Government.

This, of course, was an invitation by the Supreme Court for Congress to do precisely what the Senate has done by the jury trial amendment, and so the judgment of the Supreme Court of the District of Columbia was reversed against Mr. Gompers. Quoting, in support of its action, from Chief Justice Marshall in *Adams* v. *Woods* (2 Cranch, 336, 340, 341, 342); the Court used these words:

> In a country where not even treason can be prosecuted after a lapse of 3 years, it could scarcely be supposed that an individual would remain forever liable to a pecuniary forfeiture.

CITIZEN MUST NOT BE DEPRIVED OF HIS RIGHT OF TRIAL BY JURY

It is true, of course, that the Gompers case was initiated by the plaintiff, Bucks Stove & Range Co., in a court of equity to restrain the defendants from making public statements that the plaintiff was guilty of unfair trade practices, and that Chief Justice Marshall's opinion was rendered in an action of debt for a penalty, but the Justice was saying that the statute of limitations applied there. How much more certain is it that the statute of limitations applies with respect to crimes. This is the genius of our laws, handed down thus from the beginning, that the individual has rights which not even the Government can take away. One of these rights is the right of trial by jury. The authority of the court to defend its integrity by civil contempt should not be expanded, in a bill presented as a civil rights bill, to include the grant of authority to the Attorney General of the United States

to take away from any citizen the right of trial by jury.

The bill which came from the House without the jury-trial provision was presented to the Senate as though it were designed to confer upon Negroes the sure and certain right to vote. I am for that. The Senate bill is for it. But I say to every citizen of the United States that the right to vote cannot long endure when we take away the right of jury trial in criminal cases.

When we give to an appointive officer of the Government of the United States the power to turn a civil offense into a criminal offense and to punish without a jury trial; when we give to an officer of the United States the authority to decide, in his own discretion, in what State he will proceed by indictment, by grand jury, and by trial before a petit jury, and in what State he will discard the jury principle and proceed in a court of equity—when we do that, we are undermining the basic principles of the Bill of Rights, the basic principle upon which our Government was founded, namely, that the people themselves are the source of all authority which may be exercised over them, political and economic.

JUSTICE DEPARTMENT ADVICE ON AMENDMENT IS UNRELIABLE AND MISLEADING

If the advice which the Department of Justice has submitted to the President is similar to that which has been submitted to Congress, I have no hesitation in saying that it is altogether unreliable and misleading. I have examined the memorandum of the Office of Legal Counsel for the Acting Attorney General which was made available to the Senate through the minority leader. I have received a memorandum from the Acting Attorney General, in response to the telegram of inquiry I sent to him on behalf of the sponsors of the jury-trial amendment—the Senator from Tennessee [Mr. KEFAUVER], the Senator from Idaho [Mr. CHURCH], and myself. An examination of these documents shows that they could not have been written by any person who had studied the Senate jury-trial amendment, or, indeed, by any person who had studied the bill which came to the Senate from the House of Representatives.

One entire memorandum is devoted to an attempt to establish the point that the jury-trial amendment would tend to destroy the effectiveness of the Supreme Court and the court of appeals. In this attempt the Department of Justice wholly fails, despite its dire forebodings.

The number of willful violations of orders and decrees of the Supreme Court and the courts of appeals is indeed negligible. It is noteworthy that the Department has been able to cite only one case in the Supreme Court in which that Court has had to invoke its criminal contempt powers—namely, the case of United States versus Shipp, which took place early in this century.

Not even in this case, however, was there a deliberate refusal to obey the order of the Supreme Court. The principal defendant was adjudged guilty of contempt because he was negligent in protecting a Federal prisoner from a lynch mob. Despite the fact that the defendant's negligence resulted in the death of the prisoner, the sentence imposed upon the defendant, Sheriff Shipp, was fixed at 90 days.

If the Acting Attorney General had studied the Shipp case in the light of the Senate amendment, he would have discovered that the case was not one in which a jury trial would be available. The principal defendant was a sheriff. The Supreme Court found that from the time when it entered its stay order, Shipp, the sheriff, was the custodian of a Federal prisoner, subject to the orders of the Supreme Court with respect to the prisoner. As custodian of a Federal prisoner for a Federal court, the sheriff was, in effect, a Federal court officer, because, as the Supreme Court said, he was the custodian of a Federal prisoner. He would not, under the Senate amendment, be entitled to a jury trial, since his contempt amounted to misbehavior, misconduct, or disobedience of an officer of the Court. The other defendants were found to be engaged in a direct obstruction of justice. They, too, would not be entitled to a jury trial under the Senate amendment, because their case falls within another exception.

Since the case clearly does not raise any problem under the Senate amendment, I can only assume that it was cited solely because of its civil rights overtones, in an attempt to inject emotion into a problem which should be decided upon evidence and reason.

The Shipp case is characteristic of both memorandums, which, I regret to say, display an evident purpose to use language for the purpose of concealing thoughts. This is not a satisfactory way for the Department of Justice to deal with a momentous issue such as civil rights, which rises far above the level of political maneuvering.

DEPARTMENT WILL BE INVITED TO APPEAR BEFORE COMMITTEE TO JUSTIFY ITS STAND ON AMENDMENT

Mr. President, I am chairman of the Subcommittee on Improvements in the Federal Criminal Code of the Senate Judiciary Committee; and in that position I am not willing to permit this issue of jury trials to rest upon the responses which thus far have been received from the Department. It will be my purpose to move promptly to invite the officers of the Department of Justice to appear before my subcommittee and to undertake, if they can, a justification of the emanations which have proceeded from the Department since the beginning of this debate, in an effort to create a misconception of the purpose, the object, and the effect of the Senate version of the bill, with the jury-trial amendment included.

Mr. President, several days ago I addressed to the Acting Attorney General a letter in which I requested, on behalf of myself, as chairman of the Judiciary Subcommittee on Improvements in the Federal Code, certain information. I also addressed to him a telegram. Several days ago a tentative reply to the telegram was received, and it was immediately placed in the RECORD, together with the text of the letter which I had addressed to the Acting Attorney General.

This afternoon I have received from the Acting Attorney General another response to my letter. This response contains some of the information—which I, myself, have already placed in the RECORD—coming from the administrative office of the United States courts, which shows that in 1957 the total number of contempt cases brought under title 18, in all the courts of the United States numbered only 39.

Mr. President, I ask unanimous consent to have printed in the RECORD, as an addendum to my remarks, a copy of the letter I sent to the Acting Attorney General and a copy of the response I have now received from him, dated August 12, 1957. I ask that the Official Reporters be good enough to make note that I should like to have the letter returned to me, after it has been used at the Government Printing Office.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

AUGUST 5, 1957.

Hon. WILLIAM P. ROGERS,
Acting Attorney General,
Department of Justice,
Washington, D. C.

MY DEAR MR. ATTORNEY GENERAL: As chairman of the Subcommittee of the Senate Judicial Committee on Improvements in the Federal Criminal Code, I joined today with Senators ESTES KEFAUVER and FRANK CHURCH in requesting of the Department the following information:

The number of criminal contempt actions brought by the United States to punish for willful disobedience of equity orders or decrees issued by Federal courts in the enforcement of all Federal statutes since January 1953.

In addition we asked that as soon as possible thereafter, the Department provide in further detail complete identification of the cases, the statutes involved, the results of the actions, and whether or not a jury was offered to or used by the defendant in the proceedings.

I should now like to request the same information covering the life of every statute involved, with an annual breakdown identifying the particular year in which specific actions were brought.

It is important that this information be available to the Members of the Senate at the earliest possible time. I am assuming that the initial statistical request can be complied with immediately, and express the hope that the more detailed information can be supplied within a very few days.

Sincerely,

JOSEPH C. O'MAHONEY.

OFFICE OF THE ATTORNEY GENERAL,
Washington, D. C., August 12, 1957.

Hon. JOSEPH C. O'MAHONEY,
United States Senate,
Washington, D. C.

DEAR SENATOR: Our staff is still engaged in gathering the information which was requested by you and Senators KEFAUVER and CHURCH, in your letter and telegram of August 5, 1957. We have, however, some data which I think might be of immediate interest to you.

The Administrative Office of the United States Courts has furnished us statistics reflecting the total number of criminal contempt cases filed in the United States courts during each of 5 fiscal years, the last ending on June 31, 1957. By eliminating from these overall figures the number of contempt cases identifiable as having been brought under provisions other than sections 401 and 402 of title 18 of the United States Code, the approximate number of criminal contempt cases brought under title 18 provisions has been arrived at by the Administrative Office. The figures are as follows:

	Total cases	*Title 18 cases*
1953	58	39
1954	49	46
1955	58	31
1956	48	45
1957	69	39

It is, I trust, needless to emphasize that the power to punish by criminal contempt is an effective deterrent to the willful disobedience of all court orders. The number of occasions on which criminal contempt is invoked can hardly be used as a measure of its effectiveness. On the contrary, an absence of the need to invoke it could well be regarded as a clear indication that the present threat of its use has been fully effective in securing compliance with court orders.

I am enclosing a copy of a tabulation prepared by the Department of Labor, showing the criminal contempt proceedings prosecuted since 1953 for violation of injunctions issued in litigation of that Department. We are advised by the Department of Labor that the number of contempt proceedings in recent years has been few as compared with the number in the early years of the enforcement of the Fair Labor Standards Act.

I am also enclosing a copy of a résumé of the cases in which criminal contempt actions have been instituted since January of 1953 for willful disobedience of equity orders or decrees in antitrust cases. In none of these cases do the records of the Department of Justice indicate that a jury trial was either offered to or used by the defendant in the proceedings.

We have noted that both the telegram of August 5 and your letter of the same date request information regarding criminal contempt actions arising from "disobedience of equity orders or decrees issued by Federal courts in the enforcement of all Federal statutes." However, H. R. 6127, in the form in which it was passed by the Senate, would also insert a jury trial in other types of contempt cases prosecuted by the Government. For instance, willful disobedience of a court's order to answer questions before a Federal grand jury is prosecuted under the provisions of title 18, United States Code, section 402, which provisions would be amended by H. R. 6127 to allow a jury trial. Likewise, willful disobedience of a court's subpena to appear and testify in either a criminal or civil trial would, under the present provisions of H. R. 6127, be punishable as criminal contempt only after opportunity for a separate trial by jury. Proceedings to punish for these types of contempt are generally regarded as ancillary to the main court proceedings and for that reason there is often no separate record kept of them either by the court or by the Government. Accordingly, it would be impossible to determine the number of contempt citations issued in all litigation by the Government. We are, however, attempting to obtain as much information as possible regarding contempt proceedings in Government cases, which proceedings would be subject to the jury trial provisions contained in H. R. 6127.

Sincerely,

WILLIAM P. ROGERS,
Acting Attorney General.

Department of Labor criminal contempt cases, fiscal years 1953 to date

Name of case	Court	Number	Filed	Jury	Disposition				
					Date	Plea	Trial	Fine	Restitution
In re M. H. Oswald, d. b. a. Twin City Lumber Co.	Eastern district of South Carolina, Columbia division.	Criminal No. 19195.	Mar. 18, 1952	No	June 12, 1953	No	Yes	(1)	
U. S. v. H. D. Castle, d. b. a. H. D. Castle Lumber Co.	Southern district of Mississippi, eastern division.	Criminal No. 4556.	Apr. 21, 1952	do	Sept. 23, 1954	Yes	No	$250	
In re Clarence Wheeland, Williamsport, Pa.[2]	Middle district of Pennsylvania.	Criminal No. 4384; civil action 4359.	June 18, 1952	do	Nov. 18, 1952	No	Yes		$3,823.59 (restitution); compensatory fine, $487.84.
U. S. v. K. W. H. N. Broadcasting Co. and Hiram S. Maksimen.	Western district of Arkansas, Fort Smith division.	Criminal No. 5040.	July 15, 1952	do	Oct. 14, 1952	Stipulation	No	(3)	Restitution, $500; compensatory fine, $300.
U. S. v. Julian M. Trevino, Inc.	Southern district of Texas, Laredo division.	Criminal No. 14711.	Sept. 12, 1952	do	Jan. 5, 1953	Yes	No	250	
U. S. v. Edison Mosely	Southern district of Georgia, Dublin division.	Criminal No. 1432.	Oct. 9, 1952	do	Dec. 16, 1952	do	No	500	$694.06.
U. S. v. Max Berwick	Eastern district of New York.	Criminal No. —; civil No. 3732.		do	Oct. 27, 1952	(2)	(2)	(2)	$455.26.
Durkin v. Puerto Rico Tobacco Marketing Coop. Assoc.	District of Puerto Rico	Criminal No. 7067.	Jan. 9, 1953	do	Feb. 20, 1953	Yes	No	(1)	$794.93 compensatory fine and restitution of about $2,000.
U. S. v. Keystone Mfg. Co. & Ray R. Parham.	Western district of Arkansas, El Dorado division.	Criminal No. 1010.	Feb. 16, 1953	do	Apr. 21, 1953	Yes (stipulated.)	No	(1)	Compensatory fine $250; restitution $807.10
In re Edward H. Taubman	District of Maryland	Criminal No. 5494.	June 12, 1953	do	Feb. 3, 1954	No	No	(1)	$251.09.
In re Lawrence A. Morningstar d. b. a. Ehrhardt Cooperage Co.	Eastern district of South Carolina, Orangeburg division.	Criminal No. 20,000.	Dec. 9, 1953	do	Jan. 5, 1954	Yes	No	[4] 500	Bankrupt.
Fleming v. Deshler Broom Factory.	District of Nebraska, Lincoln division.	File No. 4503 miscellaneous.	Mar. 15, 1954	do	July 26, 1954	do	No	(2)	Restitution—as much as possible.
U. S. v. Marie Bond d. b. a. Bond Detective Agency.	Southern district of California, central division.	Civil No. 17199–C.	Sept. 14, 1954	do	Apr. 25, 1955	Agree to pay back wages.	No	(1)	$1,500 restitution.
U. S. v. A. B. Cloer	Southern district of Georgia, Augusta division.	Criminal action No. 4093.	Jan. 20, 1955	do	Mar. 14, 1955	Yes	No	500	$2,133.06.
U. S. v. Marion Frank Elliot	Middle district of Georgia, Macon division.	Criminal No. 7160.	June 27, 1955	Demand for jury trial (denied).	June 22, 1956	do	No	750	
In re H. & L. Delivery Service	Southern district of Mississippi, Hattiesburg division.	Criminal	Feb. 8, 1956		Pending				
U. S. v. General Detective and Guard Service.	Southern district of California, central division.	No. 14147 H. W. (civil).	Mar. 2, 1956	No	Mar. 19, 1956	No	Yes	250	Restitution of $389.28.
U. S. v. Russell S. Duncan d. b. a., Scottsboro Dimension Mills.	Northern district of Alabama, northeast division.	Criminal No. 9422.	June 7, 1956	do	Aug. 31, 1956	Not guilty	No	750	
In re John T. Sicreenk, Jr.	Middle district of Alabama, eastern division.	Criminal No. 1962E.	Sept. 10, 1956	do	Apr. 16, 1957	Yes	No	500	$3,874.50.

[1] Dismissed.
[2] Failure to observe court order, Apr. 2, 1954, sentenced to 3 months at Allenwood Farms, a division of Lewisburg Penitentiary.
[3] Proceedings withdrawn in toto.
[4] $300 Suspended.
[5] Dismissed on motion by plaintiff.
One criminal contempt case was attempted within past year but rejected by the court who would not permit filing.
Four criminal contempt prosecutions are presently under consideration.

RÉSUMÉ OF CASES IN WHICH CRIMINAL CONTEMPT ACTIONS HAVE BEEN INSTITUTED SINCE JANUARY 1953 FOR WILLFUL DISOBEDIENCE OF EQUITY ORDERS OR DECREES IN ANTITRUST CASES

1. *United States* v. *Western Pennsylvania Sand & Gravel Association, et al.* (Criminal No. 13855—W. D. Pa.).

Criminal contempt proceeding filed April 20, 1953, charging the defendants with violation of the decree entered February 21, 1940, by continuing an illegal conspiracy to agree on prices for the sale of sand and gravel and by using and quoting agreed upon prices in connection with bids on United States and State projects with knowledge that such projects were financed in whole or in part by the United States Government.

On November 10, 1953, one corporate pled nolo contendere and was fined $10,000. A second corporate defendant pled nolo contendere March 11, 1954, and was fined $20,000. The defendant association, two corporate and two individual defendants pled nolo contendere March 30, 1954, and were fined a total of $67,500. The remaining individual defendant pled nolo contendere May 19, 1954, and was fined $5,000.

2. *United States* v. *Schine Chain Theatres, Inc.* (Criminal No. 6279–C—W. D. N. Y.).

Criminal contempt proceedings instituted March 10, 1954, charging violation of decree entered in 1949 against J. Myer Schine, Louis W. Schine, John A. May, Schine Chain Theatres, Inc., and five subsidiary corporations. The petition alleged that defendants in the original antitrust case continued an unlawful combination and conspiracy to maintain local motion picture monopolies in violation of the 1949 decree and that they failed to dispose of 23 out of 39 theaters which the court had ordered them to sell.

Trial of the case concluded March 1, 1955, and before the decision was handed down the judge died. A new trial was ordered and on December 27, 1956, the court found the defendants guilty of contempt. On March 26, 1957, the defendants were fined a total of $73,000.

3. *United States* v. *American Can Co.* (Criminal No. 34089—N. D. Calif.).

Contempt proceeding instituted May 21, 1954, charging violation by American Can Co. of decree entered June 22, 1950, by refusing to sell can containers to Davis Bros. Fisheries of Gloucester, Mass., except upon terms and conditions prohibited by the final judgment. The petition charged this action by American Can Co. prevented Davis Fisheries from resuming packing operations in January 1954 resulting in financial loss and unemployment in the town of Gloucester.

On December 8, 1954, the court handed down an opinion and order dismissing the Government's petition.

4. *United States* v. *Associated Credit Bureaus of America, Inc.* (Equity 10420—E. D. Mo.).

Criminal contempt proceedings instituted June 25, 1954, alleged violation by ACB of A (a national association of retail consumer credit reporting bureau) of an order entered October 19, 1953, amending a 1933 antitrust decree against its predecessor National Retail Credit Association. The Government charged the violation consisted of a failure and refusal by the defendant to furnish information upon request concerning prices charged by its members for credit reports and the type of report covered by such charge. During the pendency of the contempt proceeding the court offered the defendant an opportunity to purge itself which it did. Thereupon the court, at the request of the Government, dismissed the criminal contempt petition.

5. *United States* v. *Milk Wagon Driver Union Local 753* (Supplement to Civil 2088, N. D. Ill.).

Criminal contempt proceedings instituted July 30, 1954, charging respondents with violation of an antitrust decree entered September 16, 1940, enjoining them from attempting to compel or coerce any milk distributor not to serve any customer served by any other distributor or not to take customers away from any other distributor. Criminal contempt proceedings were combined with civil contempt proceedings which were instituted simultaneously.

In both cases the court ruled adversely to the Government June 1, 1955, holding that the actions complained of were part of a bona fide labor dispute and thus exempt from the decree. Both civil and criminal contempt proceedings were dismissed by the court at the same time.

Mr. O'MAHONEY. Mr. President, I yield the floor.

ORDER FOR ADJOURNMENT TO 11 A. M. TOMORROW—LIMITATIONS ON STATEMENTS DURING MORNING HOUR

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until tomorrow at 12 o'clock noon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I also ask unanimous consent that during the usual morning hour following an adjournment there be a limitation of 3 minutes on statements by Senators.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUSH. Mr. President, will the Senator yield for a question?

Mr. JOHNSON of Texas. I yield.

Mr. BUSH. We were told by the minority leader that at 12 o'clock noon tomorrow, time would be set aside for eulogies of the late Senator McCarthy. I believe that is an order of the Senate.

Mr. JOHNSON of Texas. I believe I am in error.

The PRESIDING OFFICER. That is an order of the Senate.

Mr. JOHNSON of Texas. I believe the Senator from Connecticut is correct.

Mr. BUSH. I understood that memorial addresses on the late Senator McCarthy would be delivered, starting at 12 noon tomorrow.

Mr. JOHNSON of Texas. I have just discussed this matter with the minority leader, and we thought the Senate might convene at 11 o'clock tomorrow morning, but there is an important committee hearing to be held tomorrow at which the Secretary of Defense is to testify, and there is also another important committee meeting scheduled. I believe we overlooked the 12 o'clock order. We had better meet at 11 o'clock, then.

Mr. President, I withdraw my previous request. Therefore, I ask unanimous consent that when the Senate adjourns today it adjourn as in executive session until 11 o'clock tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. The Senator from California has entered the Chamber, and I should like to say to him that we overlooked the fact that we had an order for 12 o'clock tomorrow in connection with the McCarthy eulogies. I had forgotten completely about it until I was reminded by the Senator from Connecticut. Therefore, I have changed the request from 12 o'clock to 11 o'clock, a. m.

MUTUAL SECURITY ACT OF 1957—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2130) to amend further the Mutual Security Act of 1954, as amended, and for other purposes.

Mr. FULBRIGHT. Mr. President, I rise to oppose Senate acceptance of the conference report on the Mutual Security Act of 1957.

Last year, the then chairman of the Senate Committee on Foreign Relations, the late Senator George, supported the creation of a Special Senate Committee To Study Foreign Aid. He called for a thorough study of the program because he sensed—as did most Members of this body—that the foreign-aid program, if it was to be effective and acceptable to the American people, needed a deliberate and thorough overhauling.

Over the years since the inception of the Marshall plan, with its positive and definite purpose, the foreign-aid program had lost its way in the labyrinth of conflicting claims and inconsistent purposes. The Senate had serious doubts as to whether the program, as thus administered, was serving the interests of the American people.

Last year, Mr. President, many of the Members of this body went along with the administration's foreign-aid programs for 1 more year, on the condition that such time would be used to examine the program from the ground up, to determine, in the words of the resolution then adopted, "Whether foreign-aid served, could be made to serve, or did not serve the national interest."

After the late, distinguished Senator George proposed a thorough Senate study, the then chairman of the House Committee on Foreign Affairs, Mr. RICHARDS, proposed a similar study. And, finally, the administration itself decided to begin a reexamination of its own programs and the President created the Fairless Committee.

Mr. President, the special committee presided over first by the late Senator George, and then by the present chairman of the Committee on Foreign Relations, the distinguished senior Senator from Rhode Island [Mr. GREEN], was given $300,000 to carry on its study. Among its 19 members were the chairman and ranking minority members of the Senate Committee on Armed Services and the Senate Committee on Appropriations.

After some 9 months of serious and continuous work, which involved sending distinguished citizens of all political persuasions to every part of the world; after some 9 months during which the committee received scholarly and thor-

ough studies, undertaken by no less than 10 nonpolitical institutions of higher learning and other private contractors, the special committee brought forth a unanimous report. The report was supported by nearly 1,600 pages of surveys, hearings, and special studies.

Interestingly enough, Mr. President, that Senate report, on point after point after point, was in agreement with the study undertaken for the House by Representative RICHARDS, with the study undertaken by Mr. Fairless for the President, and with a study undertaken independently by the International Development Advisory Board.

Based upon this thorough preparation, the administration proposed an aid program which embodied a new approach to foreign aid. In two particulars, this foreign-aid proposal of last May broke new ground.

In the first place, it proposed that we take seriously the words of our Joint Chiefs of Staff over the years. They have asserted that the furnishing of arms and ammunition to our allies is an integral and important part of the defense program of the United States. The President proposed, therefore, in line with the recommendations of most of the outside studies, that henceforth military aid to foreign countries should be included in the Defense Department budget. The Senate accepted this suggestion. It was willing to try this approach for 2 years.

In the second place, the President, again in agreement with the findings of all of the research groups to which I have referred, and with the findings of the Senate committee, proposed that all economic assistance unrelated to military effort be put on a long-term, loan basis. He proposed a development loan fund which, over 3 years, would be capitalized at $2 billion. The Senate accepted this proposition, fully appreciating, I think, that it was taking a major bold step forward in endorsing the principle that the economic progress of other free peoples is important to the security and welfare of the United States.

Mr. President, I have refused to sign the report of the conferees because the committee of conference has now rejected efforts of the President, the Senate, and many of the most able students of United States foreign economic policy to put foreign aid on a sound basis. Adoption of this conference report will result in continuing right down the same old path. We shall continue to act hastily under 1-year appropriations instead of acting wisely under long-range planning. We shall continue to disguise economic assistance as military assistance. We shall do nothing to eliminate cases in which too many arms are put into countries which must grind themselves further into poverty in order to keep their military machines going.

I had hoped, Mr. President, that we would have the foresight and the ability to pull ourselves out of the old rut. I had hoped that the President could exert enough influence in the House of Representatives to support a more rational approach to foreign aid.

I am proud of the action this body took when it passed the Senate version of the aid program. I was pleased with the work of the House Committee on Foreign Affairs when, after some trembling, it came up with a program that had at least some semblance of the recommendations of all the study groups and the President.

The sad truth is, however, that the President of the United States failed miserably to push his program in the House. Members could not hear the voice of the President. They did not heed the voice of their own committee which had studied the program intensively. They did not even hear the voice of their own constituents who have been crying for a new approach to foreign aid.

Let me give an example of the kind of argument that was made in the House. The isolationist Members of the House used to complain bitterly because military and economic aid was considered in the same bill. They argued that military aid was in the bill in order to drag the economic aid along with it. They said that if military aid was so important, why not put it in the regular Department of the Defense budget and let it stand on its own feet? This year, Mr. President, the Senate bill and the bill approved by the House Foreign Affairs Committee proposed to do exactly that. The bill provided the mechanism by which military assistance would this year and in the following year be a part of the regular Department of the Defense budget, rather than be a part of the mutual security appropriation bill. Those House Members who had been calling for this for years finally had their chance. What did they do with it? They did a flipflop. This year they argued that the proponents of foreign aid were trying to hide in the regular Department of Defense bill the funds necessary to help support the military forces of our foreign allies. This record makes abundantly clear that these critics of foreign aid in the House are opposed to any kind of foreign aid in any form. It is a consistent position to oppose any foreign aid on the ground that it is hopeless, ineffective, and so forth. It is irrational to support the hand-to-mouth annual appropriated giveaways because one may be opposed to foreign aid. Such a policy is wasteful and inexcusable.

The other body listened again to the commands of a few critics who are able to bend Congress to their will. Even our Senate conferees, Mr. President, finally went down to defeat. The full extent of the Senate' capitulation is indicated in the report which has been filed. Mr. President, I ask unanimous consent that the clerk may read the first three paragraphs of the conference report on S. 2130.

The PRESIDING OFFICER (Mr. JAVITS in the chair). Without objection, the clerk will read, as requested.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2130) to amend further the Mutual Security Act of 1954, as amended, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its amendments numbered 22, 24, 27, and 28.

That the Senate recede from its disagreement to the amendments of the House numbered 2, 4, 5, 6, 7, 8, 9, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 29, 30, and 31 and agree to the same.

Mr. FULBRIGHT. Mr. President, if the whole report is studied one sees that the House receded on four amendments. The Senate receded on 21 amendments. These figures, Mr. President, do not look like the results of a conference. These figures represent a complete rout.

The conference, in which I participated, was one of the most amazing it has ever been my privilege to experience. I think I reveal no secrets if I report that time after time conferees from the other House found it necessary to suspend action while they consulted with members of the House Committee on Appropriations, with certain leaders in the House, and with the House Parliamentarian. On the last day, Thursday, the House conferees dragooned the Senate committee into canceling a previously scheduled meeting with the Secretary of State in order to force through without further delay their views.

I do not greatly oversimplify the matter when I say that a few members of the House Appropriations Committee wrote the conference bill now before the Senate. The conference bill was not written by the conferees from the Committees on Foreign Relations and Foreign Affairs. The expert knowledge they brought to bear was ignored. This fiasco of a conference was engineered by men behind the scenes who told the conferees what they could do and what they could not do.

Mr. President, in Congress we have two types of committees, legislative committees and appropriations committees. The task of legislative committees is to work out basic policies and programs for the United States. The task of the appropriations committees is to estimate how much money will be required to carry out the approved Congressional policies. This conference report on the Mutual Security Act of 1957 provides a case where the Appropriations Committee of the House has usurped the function of the Senate Committee on Foreign Relations as well as the House Committee on Foreign Affairs. The Senate of the United States and the House Foreign Affairs Committee decided on two major changes in the foreign-aid program. First, the military portion of the program was to be included in the regular Department of Defense budget so that military aid planning could go hand in hand with domestic defense planning.

Second, it was decided that there ought to be a development loan fund to handle the assistance determined to be necessary to underdeveloped countries. The Appropriations Committee of the House was opposed to these policies. Have we

reached the point in Congress where a few members of the House Appropriations Committee can frustrate the will of the rest of the House of Representatives and the will of the Senate and the views of the administration on a matter of basic foreign policy? If we have reached this point, then I say the foreign policy of the United States is indeed in a precarious condition.

The administration's foreign aid proposals, which started out with such promise and which were supported in this body with enthusiasm and virtually without change, were gutted, and we are now asked to approve the slaughter. Those of us who went down the line for the report of their own special committee on foreign aid are now asked to go down the line for a soiled version of what was once an imaginative new program.

I for one do not intend to become a part of this operation. This program, which started with such vigorous support a few months ago, has been deserted. The Director of the International Cooperation Administration resigned in the middle of the battle. The President apparently has lost interest in the program. The Secretary of State, who appeared once in behalf of the program before our committee in the Senate, has confined his activities in recent weeks to occasional answers to questions in his press conferences. I have not heard a word from the Secretary of Defense, the head of the Department which is to receive the lion's share of the funds herein authorized.

Mr. President, a handful of men on the Appropriations Committee of the House of Representatives have undertaken to reverse a major foreign policy decision taken by the Senate. The question is whether the Senate will permit this. I say "No." I say that the Senate should insist on having in the mutual security bill a development loan fund in substantially the same form as the Senate adopted it.

The Senate bill established a development loan fund, the capital of which would be built up over a 3-year period to a fund of $2 billion. The first year's increment of the fund was to be provided by a no-year appropriation, and the second and third year's increment was to be provided by borrowings from the Treasury under conditions similar to those established for the other Federal lending institutions like the Export-Import Bank. Careful criteria were spelled out in the bill for the making of loans. In other words, a major portion of the foreign aid program was to have been put on a long term loan or repayable basis, carefully planned by the best talent available to our Government.

The conference bill now before the Senate is very different from the Senate bill. The conference bill provides for authorization of an appropriation of $500 million for the fiscal year 1958 on a no-year basis and an authorization of an appropriation of $625 million for the fiscal year 1959 on a no-year basis. The conference bill is unwise first on the question of the method of capitalizing the development loan fund after the first year. The appropriation method is not as sound for this kind of institution as is the public debt transaction or borrowing authority. The appropriation method leaves the fund at the mercy of the House Appropriations Committee. It nullifies the principle of continuity and the assurance of continuity, which is necessary to induce foreign countries to undertake long term planning. I understand, Mr. President, that some kind of oral assurance has been given by certain members of the House Appropriations Committee with respect to future financing of the fund, but I submit that this is a wholly unsatisfactory foundation on which to try to establish the development loan fund.

The second defect in the conference bill with respect to the fund is that the amount of money authorized for the fund has been cut by more than one-half. The Senate loan authorization is $2 billion. The total House authorization is $500 million. Even splitting the difference between these two figures would have resulted in a figure of $1,250,000,000, but the conference agreement which is before us calls for a total of $1,125,000,000, which is $125 million below the one-half mark.

Mr. President, there are other features of the conference report which are not satisfactory. I shall mention only one of them. The Senate bill, in the portion dealing with the development fund, provided that the assets of the fund might be used to guarantee investments by United States individuals and corporations overseas under the same rules which are now applicable to the guaranty program being carried out by the International Cooperation Administration. Under the Senate bill the sole new feature is to provide an additional fund so that the guaranty program could be enlarged. The risk to be covered by the guaranties is not to be enlarged, that risk is to be confined to the risk of war, the risk of expropriation, and the risk of inconvertibility of earnings.

The House bill, by an amendment which was accepted by the Senate conferees, would make this guaranty authority in the development loan fund a wide-open authority, except for a limit which I shall mention in a moment. The conference bill would permit the development loan fund to be used to issue any kind of guaranty to anybody and for any purpose with the aforementioned exception. Guaranties could be issued to foreign investors as well as United States investors. Guaranties could be made of loans, or sales, or corporate investments. There is only one limitation included in the conference bill, which is:

> No guaranties of equity investment against normal business-type risks shall be made available under this subsection.

There was disagreement in the committee of conference as to what this language meant, and the provision is, therefore, bad on that ground alone. What is an "equity investment"? The Conferees were not sure, although some said that the language meant that while the Chase National Bank could be guaranteed its return of capital and interest on a loan against normal business-type risks, General Motors could not be given such a guaranty if it purchased a part of the stock of a foreign company. Before such contingent liabilities are accepted I think we should be more certain about the character and extent of such liabilities.

Mr. President, I shall not discuss any of the other unsatisfactory provisions of this conference report. I believe I have established a sufficient case to justify returning the bill to the committee of conference in an effort to have a better bill brought back to the Senate. Mr. President, my intention is to try to find out whether the Senate of the United States is to have any substantial influence over the foreign policy of the United States. Personally, I am unwilling to give up to the other body complete control of our foreign policy. I believe it our duty to exercise some influence upon these affairs.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an editorial entitled "Risky Frugality," published in the Washington Evening Star of August 12, 1957.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

RISKY FRUGALITY

Although leaving himself open to misinterpretation, Secretary Dulles spoke realistically when he recently told a House Appropriations Subcommittee that the purpose of American foreign policy is not primarily to make friends in the world, but "to look out for the interests of the United States."

The more friends we have, of course, and the stronger and stabler they are, the better that is for us. But friendship, solely and simply for friendship's sake, is not the guiding principle of our country's international programs. Actually, far from being naively altruistic or sentimental, the guiding principle is aimed at the hard-headed objective of achieving those things that seem best calculated to advance our own national well-being and security. That is why our Government strives, for example, for good relations with dictatorships as different as Generalissimo Franco's in Spain and Marshal Tito's in Yugoslavia.

This is what is known as the policy of enlightened self-interest. It is a policy that motivates the actions of every mature and independent government in the world. Countries do not fall in love with each other. They are all selfish and self-centered, in their own ways, and when they develop close ties or enter upon a sort of international married life, they do so only because they have concluded that that is the wisest and most promising course for them to follow. This explains why we have the great alliance called the North Atlantic Treaty Organization. And it explains, too, why we have been investing billions of dollars each year in our mutual security program of defense support and economic aid to our friends and allies abroad, and even to neutralist powers and a maverick Communist land like Yugoslavia. The main objective, to repeat, is not to make friends, but to serve the best interests of our Nation.

It is against this background that Americans must judge what Congress has done to President Eisenhower's rock-bottom request for $3.8 billion to continue with the mutual security program in the current fiscal year. A Senate-House conference committee has reached an agreement under which the au-

thorizing legislation cuts that sum to $3.3 billion. Further, the agreement, which may suffer additional slashes when the time comes to appropriate the money for it, greatly weakens the President's commonsense proposal to set up a long-term revolving loan fund for developmental projects overseas. As a result, militarily, politically and economically, the Kremlin is now likely to find it easier to carry on its conspiratorial work in such vital areas as Asia and the Middle East.

True, both Houses of Congress have agreed on something that seems to have saved money for the American taxpayer. But appearances are often deceiving. In this instance, in terms of serving the interests of our country, the frugality may well prove to have been recklessly improvident.

Mr. FULBRIGHT. I particularly invite attention to one sentence, in which the editor said:

Further, the agreement—which may suffer additional slashes when the time comes to appropriate the money for it—greatly weakens the President's commonsense proposal to set up a long-term revolving loan fund for developmental projects overseas. As a result, militarily, politically, and economically, the Kremlin is now likely to find it easier to carry on its conspiratorial work in such vital areas as Asia and the Middle East.

In addition, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an editorial entitled "The Foreign Aid Cuts," published in the New York Times of August 10; also an article entitled "The President and Nation Lose," written by Roscoe Drummond, and published in the Washington Post of August 9, 1957.

There being no objection, the editorial and article were ordered to be printed in the RECORD, as follows:

[From the New York Times of August 10, 1957]

THE FOREIGN AID CUTS

In preparation for the new mutual security program the Senate and House committees concerned initiated at considerable expense 21 separate official and private studies. All these studies agreed that in view of the continued threat of Communist aggression, and despite the $60 billion, including loans, already spent on it, both military and economic foreign aid must continue. They also made, with remarkable unanimity, certain specific recommendations on the basis of which President Eisenhower submitted to Congress a program designed not only to make foreign aid more effective but also to remove it as an annual football of domestic politics.

But Congress paid little heed to either the studies or the recommendations of the President and his aids. On the contrary, in the name of a false economy and falsely understood congressional prerogatives, it has now cut the program to shreds.

After trimming his original program by half a billion dollars, President Eisenhower asked for $3,865,000,000 for it. This, he warned, was a rock-bottom figure. Any further cut would imperil our own national security and that of our friends. The Senate-House conference has finally cut it to $3,366,000,000. This compares with $3,766,570,000 authorized and nearly $5 billion actually spent last year.

Such a cut might be welcomed if it were based on the same careful analysis and far-sighted statesmanship that guided the President's program. But how was the final figure fixed? Why, by simply splitting the difference between the Senate and House figures. The cut will inevitably weaken free world defenses in the Far and Middle East, where the Communists are now probing for weak spots. And the administration will still have to fight for the actual money appropriation, which is also subject to congressional politics.

In keeping with the recommendations mentioned, President Eisenhower had also proposed to put military aid in the regular defense budget, where it belongs, and so take it out of politics. But Congress refused. In line with the same recommendations he likewise proposed to create a revolving development loan fund from which repayable loans would be made to underdeveloped countries. For this the President asked $2 billion over the next 3 years. Congress authorized only the $500 million asked for this year plus $625 million for the next year, which must still be translated into actual money.

The best that can be said for the conference bill is that it could have been worse. One can only hope that it will not cost us much more than the cut has saved.

[From the Washington Post of August 9, 1957]

PRESIDENT AND NATION LOSE

(By Roscoe Drummond)

On one of the two crucial budget issues which he made a central test of his influence with Congress and on which he appealed strenuously to the country for support, President Eisenhower is losing badly.

The issue is the size and character of the mutual security program—military and economic aid to friendly nations. The battle is just about over and at this point there is no evidence that the President will be able to salvage much, if anything, from the wreckage.

The blunt fact is that Mr. Eisenhower has lost at every point. While his views have been supported almost uniformly by the Senate, they have been rejected almost uniformly by the House. Furthermore, he has lost in matters where he has the widest experience the highest credentials and, I believe the trust of the country.

Here is the score to date:

The appropriation—President Eisenhower proposed a mutual security budget of $3,864,000,000 as vital to America's defenses. He defended it as the most economic means of increasing our defenses, that is, by putting the weapons of defense, which they could not otherwise afford, into the hands of our allies.

The Senate cut the authorization $227 million. The House cut it another $500 million, a total slash of $727 million. The end is not yet. This is only what is authorized. The House Appropriations Committee is busy cutting it further.

Military side—President Eisenhower, and many others inside and outside the Government, proposed to separate the military from the economic development part of the so-called "foreign aid" program and to put it where it belongs—in the defense budget. The President holds that these overseas military expenditures are as essential to our defense as the costs of our own Army, Navy, and Air Force and should be identified as such in the budget and in the public mind. Almost 75 percent of all mutual security funds goes to help build the defense of our allies. Most of it goes to Korea, Formosa, Vietnam, Pakistan, and Turkey.

The Senate Foreign Relations Committee approved this procedure. The Senate approved it. The House Foreign Affairs Committee approved it. The House membership rejected it.

Long-term loans—President Eisenhower, and many others inside and outside the Government, proposed that all funds for economic—that is nonmilitary—assistance be put on the basis of long-term loans. The purpose is not only to get away from gifts, which are bad for receiver as well as benefactor—all agree with this part of the proposal—but also to make possible intelligent, practicable, business-like long-range planning so that the funds could be most efficiently used.

The Senate approved the President's request for a $500 million development loan revolving fund and for authority to borrow up to $750 million in each of the first two years to keep the fund going. The House rejected these provisions.

Mr. Eisenhower's recommendations are supported by every independent study which has been made of the aid program during the past year—by the Benjamin Fairless Committee, by the International Development Advisory Board headed by Eric Johnston, by the Massachusetts Institute of Technology Center for International Studies and by three special committees for whose detached advice the Senate appropriated $300,000.

Events by now have apparently overrun any opportunity to restore the mutual security program to the level equal to the need. Unless the House can be brought by the President and by the public to reverse itself next year, we will be recklessly throwing away one of the most valuable means of defense.

Mr. Eisenhower has a tremendous educational campaign ahead of him.

Mr. FULBRIGHT. Mr. President, I am ready to yield the floor.

Mr. SPARKMAN. Mr. President, will the Senate yield for a question before he yields the floor?

Mr. FULBRIGHT. I yield.

Mr. SPARKMAN. I commend the Senator from Arkansas for making the point he has made with reference to this program.

Is it not true that every study our committee had made during the adjournment of Congress and in the early part of this year resulted in a recommendation in favor of the type of program which the Senate had adopted in its version of the bill?

Mr. FULBRIGHT. The Senator is quite correct. There was a unanimity which one rarely finds in fields of this kind, with regard to what should be done about the economic aspect of the program. All those who studied the problem recommended a program such as the committee approved, and which the Senate adopted.

Mr. SPARKMAN. Studies were made not only by one different group, but many different groups. As I understand, there were 21 different teams.

Mr. FULBRIGHT. There were many groups, and many studies, besides the Senate study, on which we expended $300,000. There was a recommendation by the Fairless Committee.

Mr. SPARKMAN. That was a group of industrialists.

Mr. FULBRIGHT. A group of businessmen.

Mr. SPARKMAN. They had been appointed by the President.

Mr. FULBRIGHT. The President appointed them.

Mr. SPARKMAN. The group was headed by Ben. F. Fairless, formerly president, and later chairman of the board of the United States Steel Corp.

Mr. FULBRIGHT. That is correct. They agreed on all important aspects of this part of the program.

Mr. SPARKMAN. Mr. Fairless testified before our committee.

Mr. FULBRIGHT. He did; and he was an excellent witness.

Mr. SPARKMAN. I am sure the Senator will remember another group, which was under the chairmanship of Eric Johnston.

Mr. FULBRIGHT. The Senator is correct.

Mr. SPARKMAN. It made an independent study, and came forth with the same recommendation; did it not?

Mr. FULBRIGHT. The same recommendation.

Mr. SPARKMAN. Does the Senator remember the recommendations made to us by the United States Chamber of Commerce?

Mr. FULBRIGHT. Their representatives also felt that this was the proper approach.

Mr. SPARKMAN. In fact, every group which made a study of the problem came to the same conclusion, and made the same recommendation; is that not true?

Mr. FULBRIGHT. Yes. We must not overlook the Massachusetts Institute of Technology group which had been studying this problem long before our committee undertook to study it. That group made a study independently of the committee study. The group was headed by Walter Rostow and Max Millikan. They were also in accord with the conclusions reached as a result of the other studies.

Mr. SPARKMAN. Is it not true that in our committee during the past several years we have tried to work up to some such programs as this, and have made some headway heretofore in putting the program on a loan basis, and gradually working up to the point where we could get away from gifts and grants, and put the entire program on a proper lending basis?

Mr. FULBRIGHT. The Senator is absolutely correct. That was the objective of the Senate. The way to get out from under the heavy burden of the program as it has been operated in the past several years was to use the approach recommended by the committee. That was the only practical way we could see to finally relieve the American people from the heavy burden of the program.

Mr. SPARKMAN. I wonder if the Senator from Arkansas recalls that about 2 months ago there was published a study—I believe by the Congressional Quarterly—on the record of repayment of loans by various governments. It showed what to me was an amazing record. They had already paid back approximately 25 percent. They had an excellent record.

Mr. FULBRIGHT. I do not remember that particular study, but I know that during the course of the hearings, as the Senator will recall, I requested that we be furnished with the best figures available with regard to repayment, even under the original Marshall plan, and with respect to many loans which everyone regarded as gone. They were not seriously considered as loans at the time they were made. A substantial amount is being repaid today on those old loans.

In addition, there is the experience of the Export-Import Bank, which has a remarkably good record. It does not make governmental loans, but it makes foreign loans, which are based upon foreign trade.

The International Bank is not a United States agency, but I understand it has had no defaults.

Mr. SPARKMAN. They have made money.

Mr. FULBRIGHT. They have made an enormous amount of money.

Mr. SPARKMAN. I believe I saw an item the other day to the effect that they had made $31 million.

Mr. FULBRIGHT. That was for 6 months. They have made more than $250 million.

Mr. SPARKMAN. While I signed the conference report, I did so because I felt that it was the best we could possibly get out of the conference. However, let me say to the Senator from Arkansas that I am in complete accord with the views he has expressed as to the need for changing this program into one of the type such as was provided for in the bill as it passed the Senate.

I hope our action today will not serve as a letdown, but that we may give notice that in connection with any future programs it will be our purpose to place them on a repayable loan basis, under a plan which will operate in such a way as to give reasonable assurance of success.

Mr. FULBRIGHT. I appreciate the comments of the Senator from Alabama. That approach is the only practical way to stop a very wasteful program, under which we give away funds without proper planning, and when we know in advance that such grants will not achieve their purposes. If any other approach can be made to work, it will not only save money, but it will achieve the objective of restoring the prosperity and strength of the other countries.

Mr. SMITH of New Jersey. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. SMITH of New Jersey. Let me recall to the mind of the distinguished Senator from Arkansas the situation in conference. Unfortunately the Senator was ill the second day, when we engaged in a discussion of what was best to do under the circumstances.

I think we all agree that the House rejected the revolving loan fund plan under pressure of the House Committee on Appropriations, which was a terrible mistake.

I agree with everything the Senator has said on that subject. The question was whether we should allow a stalemate to develop, or whether we could make some adjustment.

The House Committee on Appropriations said, in effect, "Unless we can adjust this program to a 1-year basis, there will be no appropriation this year at all," and the House bill reflected this fact.

That was pretty bad news. It is the reason why the Senate conferees finally felt that it was wiser to accept the adjustment, even though we did so with a great deal of hesitation and doubt as to the wisdom of such a course.

I ask the distinguished Senator from Arkansas, whether he does not believe that the thing to do is to approve the conference report now, and aim later on at what we all want to do, namely, to follow the advice and recommendations of our expert committees, which spent a year in trying to set up a new plan.

I assume the House conferees thought they could not accept the 2-year program for defense and the longer range program for the revolving loan. We are definitely committed to that program. But it seems to me that this year we cannot very well say that we will send the bill back to conference and deadlock the whole matter, when we are in need of the military part of the program especially. Therefore, I feel that we must approve the report. I join in commending the Senator for calling the matter to our attention, and particularly for his reference to the troubles which we encountered. We are now faced with the possibility of making no progress at all, of course, if we refuse to accept the report.

Mr. FULBRIGHT. I cannot go along with the Senator's feeling in the matter. I know that difficulties arise in every conference for I have served on a number of conference committees with Members of the House. This matter is of very grave importance, and it does not involve so much a question of money. In that connection, I told House Members that on several of the other items I would be perfectly willing to go along with them, and accept their figures, if that was what concerned them. What I was concerned with was getting the program on a proper basis and considering it as a matter of policy.

Mr. SMITH of New Jersey. We are all interested in that.

Mr. FULBRIGHT. The Senate has a responsibility in that regard. I do not believe we are justified in yielding to the Committee on Appropriations of the House. I believe we should accept a deadlock rather than to go along with the House. If the report is agreed to as it is, I do not know how we can ever resist the House on these items. This is the breaking point. This is the culmination of studies made by the Senate and by the executive department. The whole subject was studied by a presidential committee. The Fairless committee studied the subject, and so did the Johnston committee. All of them were in agreement. I do not know how we can afford to yield under a situation like that. To do so would mean we are giving up the whole principle, and yielding to the Committee on Appropriations of the House. Therefore, I do not know how the Senator can think there will ever be a better time for the Senate to stand its ground. We have never been in a better position. If we are going to give up our position now, I do not see any chance that we will ever be able to revive the policy next year. I will not be a party to sacrificing a principle so important as this one is. This is not a small matter. It involves hundreds of

millions of dollars, from the money standpoint alone, aside from the principle which is involved.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. SPARKMAN. Reference has been made to various studies. We must not forget that the House made a study too, through the Richards committee, and that committee came up with the same recommendation.

Mr. FULBRIGHT. Certainly. The House Committee on Foreign Affairs was in agreement with the Senate on this matter. I have never seen a clearer case of agreement. We are being asked to give in to the Appropriations Committee of the House, because of its power over appropriations.

Mr. SMITH of New Jersey. Actually, we are on the spot. The question is whether we will accept a stalemate on the whole program, or let it go through this year and take it up again next year.

Mr. FULBRIGHT. I said twice in committee that I was not going to give up that principle. I said I would be willing to go along and support the House figures in connection with the military assistance program and the defense support program. The conferees on the part of the House did not want to stop at that. They were quite willing to split the difference on those figures, but they also insisted upon determining the policy. The basic policy. The basic policy, apparently, is to be established at the behest of the Committee on Appropriations of the House. That is my opinion.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. KNOWLAND. I am sorry I missed a part of the Senator's remarks, but I was present when the presentation was made by the distinguished chairman of the Committee on Foreign Relations, the Senator from Rhode Island [Mr. GREEN]. It is true that there was a difference of viewpoint, as the Senator states, not only dollarwise, but policywise between the two Houses. It is not quite fair, however, to say that it was a matter of yielding to the House Committee on Appropriations. I have great respect for that committee. I serve as a member not only of the Committee on Foreign Relations but also of the Committee on Appropriations of the Senate. The House conferees are an able group of men, and I am sure they were trying to uphold the position, not of the Appropriations Committee of the House, but of the House of Representatives itself. In the House there had been cast some rather decisive votes.

We are a two-House legislature. We are two Houses of equal power when it comes to legislation. It is a matter of finding an area of agreement.

That is true, first of all, dollarwise. As the distinguished Senator from Arkansas has pointed out, in that connection there was agreement reached. The Senator from Arkansas, who is one of the most valued members of the Committee on Foreign Relations, and next to the chairman, is the ranking Democratic member of that committee, has pointed out that the dollar problem was not a major point of difficulty. We had arrived at an adjustment in that regard, which I think was fair to the Senate and fair to the House.

A question arose as to the borrowing authority. We did have a difference of opinion on that. At the same time, from the point of view of the development fund, it was important to have continuity, because one of the most wasteful things that can happen, if we have only a 1-year fund, is the necessity of doing all the planning between the time the Senate can act and the House can act. We are now in August, and by the time witnesses can be heard we will be in January or February next year. Therefore, we do not get a chance to make any plans. We did get the House to agree not only to the matter of having no-year funds so far as the defense support is concerned, and no-year funds so far as the military was concerned, but, in addition, we obtained a first year and a second year on the development fund so far as the authorization is concerned.

As the Senator has so ably pointed out, every recommendation of the various committees that were established by the Senate and House and the executive branch have stressed the importance of getting away from grants and into loans. While we did not get everything we desired, I believe we have made progress.

I remember many years ago, when I was a youngster in my State of California, riding up a mountain on a cog railroad. While we were riding, my father pointed out to me—and I think it was very good advice then and I still think it is—that sometimes when we are making a steep climb it is better to make slow and steady progress than it is to go too fast and perhaps strip the gears, so to speak, and lose the cars and all the passengers.

I believe we are making progress. We do have the development fund. We have the development fund with some continuity to it.

The House has had to go part way to meet us, and we have had to go part way to meet the House. I see nothing wrong in that. It is a matter of finding an adjustment between the two Houses. For that reason, I shall support the conference report. It does not satisfy me in every regard, but I shall wholeheartedly support the chairman of the Committee on Foreign Relations and vote to adopt the conference report.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. FULBRIGHT. The distinguished minority leader says we must adjust differences. It seems we are doing more than that. The House has receded on 4 items, and the Senate on 21. That is just about the measure of what we have given up. It is not the money so much. We are yielding on a point of principle.

Mr. KNOWLAND. I do not dispute the actual number of recessions being made by each House. However, I say it is not quite a comparable situation with what we did in past years. This year, unlike prior years, the Senate originated the bill. The basic bill is a Senate bill. Therefore a great deal of the language in the bill is Senate language. In past years we have passed one bill and the House has passed another bill. Then we have had to allow some latitude between the two bills, and in many cases the two bills were vastly different from one another. The House has yielded in some instances and the Senate in others. It is not fair to make a comparison between what we did this year and what prevailed in prior years.

The House has actually yielded on a number of items on which I am sure the House would have preferred not to have yielded. Quite frankly, we have yielded on matters on which we did not desire to yield. It is true that philosophically the House Members have agreed on a great many points with the Senate conferees. Nevertheless, the House conferees, mindful of their obligations as conferees on the part of the House, have felt an obligation, not to the Committee on Appropriations of the House, but to the House itself, to represent the point of view of that body. I do not think we can have any quarrel with them because of that.

Mr. FULBRIGHT. I do not wish to reiterate my speech, but I cannot help reminding the Senate that I have treated the subject of policy and appropriations.

The Senator from New Jersey a moment ago confirmed what I said about the influence of the House Committee on Appropriations. We are concerned here with an authorization bill, and it is eminently proper that we insist upon our views concerning the policy in accordance with which the program shall be operated, leaving to the Committee on Appropriations, under the usual traditions of Congress, the question of what is a reasonable amount to carry it into effect.

But it was quite clear in the committee of conference that the House conferees were subject to dictation by the House Committee on Appropriations.

There is one other point I wish to make to confirm that statement. I recall a conference not very long ago with the House conferees on the State Department appropriation bill. We were confronted with very much the same situation, and it was an extremely arbitrary and difficult situation.

It irritates me, especially when I pick up a newspaper, as I did yesterday, to read that Congress is to blame for the situation concerning ambassadors, because Congress refuses to appropriate sufficient representation money for the Embassies in London and Paris. I recall very well who cut those appropriations down—and it was over the Senate's protest. It seems to me that in every conference in which I have participated, which has involved foreign affairs, the Senate has been dragooned by the House into adopting policies which I think are disastrous to the long-term welfare of the United States in the field of foreign affairs.

I recall very well what happened at the conference this spring. The House had

its way very largely. They cut down the representation allowances, thus making it necessary from now on, I suppose, to appoint persons to ambassadorships because of their party contributions and because of their wealth, but not because of their qualifications.

Congress is blamed by the press for this situation. I say it should be the House Committee on Appropriations. I am becoming a little tired of taking the responsibility for their attitude in matters of policy.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. SALTONSTALL. I was a member of the Senator's committee which studied the question of economic loans and policies, and all that went into the whole program. Our committee, the Richards committee, and the Fairless Committee, as the Senator has said, agreed upon a policy. I agreed with the policy. I still agree with it.

But I point out to the Senator from Arkansas that I have been concerned with problems of defense ever since I have been in Congress. During all the years of my membership in this body, I have been a member of the Committee on Armed Services. We must never forget that in the authorization bill, the principal items are for defense support and defense assistance. It seems to me that we have got to get some results out of a conference.

I was not a member of the committee of conference, but I have listened to the minority leader, the Senator from California [Mr. KNOWLAND]; the Senator from New Jersey [Mr. SMITH]; and the Senator from Rhode Island [Mr. GREEN]. I am certain the Senator from Arkansas feels as I do, namely, that if we are to get that defense assistance and defense support, we shall have to compromise to a certain extent on the economic side.

I have listened to the discussion and read the report. We now have authority granted for 2 years. The problem next year will not be one of authority, but one of appropriation. While it may be that we will have difficulties when it comes to appropriations, at least we will have authority for 2 years; and, what is more, defense assistance and defense support this year.

So while the Senate may have yielded on some points, the principle has been established and the authority granted with which we can act in the Committee on Appropriations later.

I agree to the conference report, although I am sorry, as a member of the Subcommittee on Economic Aid, headed by the Senator from Arkansas, that we did not get an appropriation for 2 years, or even 3, because I think that principle is a good one.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. JAVITS. I agree with the Senator, and support him, because I have found that a spirit of fight pays. The Senator has made a fight for a very major principle, in which I know he believes deeply, namely, economic aid on a business basis, with business opportunity, which means a fund in hand.

The Senator from Arkansas ranks very high on the Committee on Foreign Relations. This is not the end of the battle. I notice from the report that it is contemplated that a corporation will be organized to administer foreign aid. I think, in addition to all the other expressions which have been made in the Senate, that the Senator from Arkansas should be encouraged in this fight. I think he is fighting for the best in a bipartisan foreign policy, and is fighting for the best long-range interests of our country.

Mr. FULBRIGHT. I thank the Senator from New York.

Mr. ELLENDER. Mr. President, early this year, Congress was presented with a new look foreign-aid bill. Programs were juggled, figures were changed, and we were told that the entire concept of mutual assistance had been brought up to date.

The most important of the face lifting processes which the program underwent was the substitution of a program of economic development loans for outright gifts. A great fanfare accompanied the announcement of this program. The press and radio were filled with glowing accounts of this reappraisal of policy. The development loan fund concept was supposed to put the economic aid program on a more realistic basis.

As Senators will recall, the development loan program—as submitted to Congress—was to operate in the following manner:

First, in fiscal 1958, Congress was to appropriate $500 million to begin these loans. In addition, during fiscal years 1959 and 1960, the aid program was to be authorized to borrow up to $1.5 billion from the Treasury to make foreign economic loans, without having to return to Congress for appropriations.

This 3-year fund, aggregating $2 billion, was described as a revolving fund. The concept was advanced by the President, justified by the International Cooperation Administration, endorsed by the Senate Foreign Relations Committee, and approved by the Senate.

However, the record is replete with evidence that this is a revolving fund which will not revolve. The 3-year authorization voted by the Senate would have been only a starter. In essence, the fund—even as it now stands—will be a loan fund in name only. The money to be made available from this new foreign-aid "kitty" will, for all practical purposes, constitute outright gifts.

As I warned during the debate on the bill, congressional endorsement of this program as voted by the Senate would have committed Congress to continuing a foreign economic-aid program over at least a 3-year period. Congressional control over the program during the last 2 years of this period would have been surrendered by permitting the International Cooperation Administration to bypass the Appropriations Committees of both Houses. This would have occurred since the development loan fund would have been empowered to borrow directly from the Treasury in fiscal 1959 and 1960 instead of justifying its budget to Congress, as has been the custom in the past, and, I submit, as should continue to be the practice in the future—if, indeed, the program is to continue at all.

With great prudence, the House of Representatives eliminated the 1959 and 1960 borrowing authority and confined the loan-fund program to a 1-year, $500-million authorization.

In conference, the differences between the House and Senate bills were compromised. An initial appropriation of $500 million was authorized for fiscal 1958; in addition, a loan program was authorized for fiscal 1959 in the amount of $625 million, with the provision that the fund would have to be financed in fiscal 1959 by an appropriation, instead of a Treasury loan.

With all due respect to the committee of conference, the compromise reached on this particular item ignores the evidence offered to date on the program.

I am opposed to any 1959 or subsequent-year authority, for two reasons:

First, the agreement reached on this item marks a distinct departure from an established congressional policy with respect to foreign aid. As Senators well know, we have never authorized the program for more than 1 year at a time. By authorizing a 2-year-aid fund at this time, we are opening the door to a long-range foreign-aid authorization to cover future years.

Of course, proponents of the revised 2-year development-loan fund have said that the 1959 authority is necessary in order to give the program continuity.

I remind Senators that before 1 penny in loans can be consummated, over and above the $500 million authorized for the fiscal year 1957, the fund must first obtain an appropriation. In other words, none of the fiscal 1959 lending authority can be exercised until that authority has been implemented by cash—and this, of necessity, means that loans for the fiscal year 1959 must be preceded by an appropriation next year.

It is obvious, Mr. President, that the fiscal year 1959 authority is meaningless. Therefore, provision for it should be deleted from the conference report. I realize the pressure under which the Senate is working, but I believe the report should be returned to the committee of conference. I want to make it perfectly clear that the fiscal year 1959 authority is unnecessary. In addition, as I have stated, it is dangerous, since it is a complete departure from the long-standing Congressional policy to authorize foreign aid only on a year-by-year basis.

My second objection to the loan fund is more basic. As I indicated previously, this is a loan fund in name only. We have been told it is a revolving fund, but I submit that it will never revolve. It is patently clear that the fund is to be used to make loans upon which we expect little or no repayment. However, even if repayments on these loans are made on schedule, the fund cannot revolve for at least 5, and probably not for as long as 10, years.

A revolving fund presupposes prompt payments, with the payments used to finance future loans. We are not going to see any such development on this fund, in my humble opinion.

First, there is to be a moratorium on both principal and interest for a period of time, probably 5 years. Since for at least 5 years, neither interest nor principal will be repaid, there will be nothing flowing into the fund.

For this period of time, at least, the only way our money will go is out. None will come in.

In addition, although loans are to be made in dollars, repayments can be made in local currencies. The testimony before both the Senate and the House committees on this item indicates very clearly that the overwhelming demand of potential borrowers from this fund is for dollars. They have little or no need for local currencies. I should like to know, Mr. President, how this so-called revolving fund is ever going to revolve, if repayments are made in local currencies, while loans are made in dollars. The answer is obvious. The so-called revolving fund is going to require revolving appropriations from the Treasury; we are going to be called upon to replenish the fund's supply of dollars year after year, ad infinitum.

Let us not fool ourselves. Although the fund would be set up on a 2-year basis, under the conference report, we are going to find ourselves extending this authorization and appropriating dollars to sustain the fund for many years to come.

Mr. President, I wish to call the attention of the Senate to the fact that I personally examined Mr. C. Douglas Dillon, Deputy Under Secretary of State for Economic Affairs. He testified quite frankly before the Senate Appropriations Committee that even the original 3-year authority requested by the administration and approved by the Senate was "just a starter." I quote from that testimony:

Senator ELLENDER. Now, is it not a fact as to any of these loans that are made to any particular country, that unless the repayment in the local currency can be used elsewhere, then any revolving fund that will be created will have to be used within that host country?

Mr. DILLON. That is certainly one of the most likely uses, Senator; that is correct.

Senator ELLENDER. So that as you have just indicated, the original request of $500 million for this fiscal year, that is, 1958, and for the fiscal years 1959 and 1960, is just a beginner?

Mr. DILLON. That is correct.

Senator ELLENDER. And you no doubt will come back in the future in order to obtain more money to continue this lending operation?

Mr. DILLON. If the world situation stays the same, and I presume it will, we will probably be back.

That is the same story we have heard for the past 10 years.

Later, Mr. President, Mr. Dillon gave us an estimate as to how long it may take for this so-called revolving fund to revolve:

Senator ELLENDER. The point I wish to make is that it is not contemplated that these loan funds are going to be repaid within the next 5 years.

Mr. DILLON. No sir. They will not be repaid on such a scale as to obviate the fund's need for further resources.

In other words, for at least 5 years, Mr. President, there will be no income for the fund. All there will be will be expense, and this expense will have to be absorbed by the Treasury—by our taxpayers.

I continue to quote from Mr. Dillon's testimony:

Senator ELLENDER. Nor within the next 10 years.

Mr. DILLON. That is correct, although it is much more difficult to predict 10 years ahead. We should certainly be getting larger repayments by then and these countries should be able to meet more of their need from their own production.

Mr. ELLENDER. In the meantime, it will be necessary, in order to continue this program, for Congress to authorize more and more funds in the event conditions remain as you say they are.

Mr. DILLON. That is correct. We will need further resources for some years.

Mr. President, it goes without saying that if world conditions remain as they are and if the fund is not replenished by collections, or if any collections which may be made are not converted into dollars, good old Uncle Sam will have to keep on pouring money into the revolving fund, in order to keep the fund going.

There is the picture, Mr. President. This highly advertised, "self-supporting" loan fund is nothing more than a new method for making economic-aid grants. Furthermore, although it was advanced as a 3-year program, a program which was to be self-liquidating and self-perpetuating, we now find that it is going to require continued outlays of tax dollars—and outlays which may cover, not 3 years, but as long as 10 years.

As I indicated previously, the report should be returned to conference. I do not want the Senate or our people to be under any illusion as to what we are getting into. The conference report as it now stands, and particularly the provisions dealing with the so-called development loan fund, constitutes a long-range commitment. We are binding ourselves to a long-range program of gifts, although they are labeled "loans." We are committing ourselves to appropriations of tax dollars for perhaps as long as a decade, although the fund is described as a "revolving fund."

I only desire to set the record straight, and to serve warning upon the administration that I intend to do everything I can to correct this obnoxious situation, when the time comes to mark up the appropriation bill containing this item, as well as other items.

Our foreign-aid administrators should be made to fish or cut bait. There is a growing public sentiment against economic-aid grants. The administration should not be permitted to play both ends against the middle—to appease public opinion by camouflaging a long-range program of economic-aid grants under the guise of a short-term, self-supporting loan fund.

Mr. FULBRIGHT. Mr. President, will the Senator from Louisiana yield?

The PRESIDING OFFICER (Mr. MORTON in the chair). Does the Senator from Louisiana yield to the Senator from Arkansas?

Mr. ELLENDER. I yield.

Mr. FULBRIGHT. In order to make the matter clear, is it not true that the Senator from Louisiana is simply opposed to any kind of foreign-aid program? He is opposed, is he not?

Mr. ELLENDER. No; I am not. I want to taper off on the foreign-aid program. I would favor a sound program of loans—loans which would be repaid. But such a program is yet to come. The so-called development loan fund would certainly not be such a program, as I have already demonstrated.

The Senator from Arkansas well knows that I supported the Marshall plan for a period of approximately 5 years. After the goals set for recovery were reached, I opposed further gifts. Senators and the committees who studied the original program said the Marshall plan was to end in a certain period of time; they said that if the United States spent a certain amount of money, certain objectives could be attained.

I was willing to go along on that basis. But I wish to say to my good friend, the Senator from Arkansas, that the program has been going for 4 years longer than we anticipated. The objectives originally proposed have been reached and surpassed, yet, now we are being asked to enter into another program. This new program is said to be of 3 years' duration, but the facts prove otherwise. It will require at least another decade of handouts. That is the opinion of Mr. C. Douglas Dillon, who is now Under Secretary of State, and who formerly was our Ambassador to France.

Mr. FULBRIGHT. I am not trying to criticize the Senator at all. I am trying to elicit his basic ideas. If he is against foreign aid altogether, I quite understand his position; but I do not understand a position wherein he is for it, but insists on a method of dispensing aid which everybody in and out of Congress is against. I do not mean every individual, but every committee in the Congress, including both committees dealing with foreign-aid policy, plus the Fairless Committee, plus the International Development Advisory Board, plus all the other organizations has said, "If we are going to have foreign aid, the better way to do it is this way." The Senator dismisses it by saying it should not be done some other way. I can quite understand the position that foreign aid is hopeless and that we ought to get out of it. That is a logical position. But to say we ought to have a foreign-aid program, and then resist the method which the committee has approved, and which practically everybody agrees is an improvement—that is where I leave the Senator. I do not quite understand his insisting that it be a giveaway, grant program if there is the slightest chance that the loan program will operate properly. Surely the Senator will agree that there is a slight chance.

Mr. ELLENDER. The Senator pointed out a while ago that in the past some loans were made and repaid.

Mr. FULBRIGHT. They are being repaid now.

Mr. ELLENDER. By some countries in Western Europe.

Mr. FULBRIGHT. Yes.

Mr. ELLENDER. Those countries have made payments on their loans only because we have continued to furnish money to them by way of gifts and other kinds of aid, and have otherwise kept their economy bolstered. The Senator knows what happened to the British loan a short time ago. We had to postpone interest payments on it. If we want to make loans to foreign countries, why do we not utilize the Export-Import Bank and the World Bank? Why should we create another agency to get into the business of lending?

Mr. FULBRIGHT. The Senator is saying what I thought he said in the beginning. He is against the program. I think that is a logical position. I do not quarrel with the Senator when he takes that position. The only thing I quarrel with is the statement of the Senator from Louisiana that he is for the program, but then he insists on carrying out the program the wrong way.

I can understand the position of anyone who says, "This is a hopeless program. I do not quite go along with it." Sometimes I have doubts about it; but in view of Russian competition, I do not think we can afford to let the uncommitted part of the world find its own way without any guidance from us. I cannot follow the position that "I am for it, but I insist on doing it the old way," using methods which I think we have demonstrated should come to an end. I do not see any justification for the old short-term program, which necessitated our rushing at the end of the year to obligate sums for programs which might be for good purposes in themselves, such as a program for the eradication of mosquitoes, or other small programs, but which did not include any of the basic programs for increasing the production of wealth in the recipient countries. That is where I leave the Senator. If the Senator were to say, "I think this whole program should come to an end," I would at least have no quarrel with his logic.

Mr. ELLENDER. Mr. President, I think I have made my position clear in the many years we have had the program on the statute books. I voted for the program at its inception and for a number of years thereafter. I do not recall the exact number of years. When the goals proposed under the Marshall plan were reached, that is when I drew the line.

When we started the Marshall plan back in 1948, Mr. Paul Hoffman, who was the first administrator of the program, indicated that after 4 or 5 years, and after spending about $18 billion, we could increase the industrial capacity of Western Europe to the point where we could withdraw. He set a productive goal and said when that goal was reached Europe could stand on her own feet. Moreover, it was understood that once Europe recovered she would help us in other areas. What was that goal? It is in the record. Mr. Hoffman said if we could increase industrial production in those countries by 25 percent over prewar, we could withdraw. What is the situation today? Industrial production in those countries has increased to over 66 percent of prewar, and we are still assisting those countries. In addition, we are now assisting other countries as well. We are receiving no help from Europe in carrying these burdens. On the contrary, Europe has her hand out for more United States money.

We have started a program in Southeast Asia that will continue to grow and grow and grow like Topsy if we keep pouring funds into that area. We are trying to create for those people the kind of economies which they cannot possibly support alone. If the assistance we render were kept within the ability of the people to understand, and within their capacity to maintain, I would be in favor of the program. However, Mr. President, when we pour into countries like South Vietnam and South Korea more money than they ever had before, when we inaugurate programs which they do not have the technicians to maintain, and do not have the economic capacity to support themselves, it simply means we are going to have to keep spending tax dollars in order to assist them.

Loan programs sound good. If I thought we could make loans which would be repaid in dollars, and that such loans would help those countries to help themselves, I would be in favor of them. However, that is not the way it will be.

We have been led to believe that the program was going to be on a 3-year basis, that if we put $2 billion in the kitty that would be the end of it. But Mr. Dillon, who is Under Secretary of State, a former Ambassador to France, a recognized economist, and a businessman, stated this was just the beginning. He said the program might last for as long as 10 years. That means every year Congress will have to put up from $500 million to $750 million in order to keep enough money in the kitty to keep the fund in business.

It is my judgment that such a program would be nothing more than a continuation of the same philosophy which has brought the present aid scheme into such disrepute.

The loans contemplated under any loan program should be sound loans. There should be some prospect of repayment. We should have some assurance that the funds loaned would be put to sound and prudent uses.

In other words, a loan program based on sound lending practices could prove useful. However, as constituted now, the development loan fund is merely a device to maintain economic aid grants in the guise of loans, for I am sure that we will see our planners beating their way up to Capitol Hill in just a few years begging Congress to forgive those loans.

When we make loans that are neither sound nor prudent, we are not only doing our taxpayers a disservice, but we are also doing a disservice to the borrowers.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. LANGER. If it is of any satisfaction to the Senator from Louisiana, I want him to know that the Senator from North Dakota fully agrees with every word he has said this afternoon.

Mr. ELLENDER. I thank the Senator.

Mr. LANGER. In my opinion, future history will record the fact that the Senator from Louisiana was absolutely right. I did not vote for the Marshall plan. I did not vote for it because history after World War I showed that, under Woodrow Wilson and William McAdoo, we poured billions and billions of dollars into Europe. The only country that ever repaid us was Finland. So the Marshall plan was nothing new. It was simply a reinauguration and a continuation of the program started by Woodrow Wilson. The very fact that Coolidge, Harding, and Hoover, 3 Republican Presidents, gave away not $1, and took the nearly $3 billion which was received—it may not have been quite that much—and applied it on the national debt showed that we had 3 Republican Presidents interested in keeping the national debt down. It was not until Franklin Roosevelt that we inaugurated the system of more loans, grants, and gifts. To me the Marshall plan was nothing new. It was as old as the hills. After World War I we did everything that Winston Churchill and other foreign representatives asked us to do. In line with the previous example, Churchill was right back here getting more money.

It does my heart good to find the distinguished Senator from Louisiana fighting for the taxpayers of the United States. If the United States Government had hired Winston Churchill and paid him $4 million or $5 million just to keep quiet, it would have been the best investment the United States had ever made.

Mr. MALONE obtained the floor.

Mr. JAVITS. Mr. President, will the Senator from Nevada yield?

Mr. MALONE. I yield to the distinguished Senator from New York.

Mr. JAVITS. I thank the Senator.

Mr. President, I wish to invite attention to a provision of the bill to which this conference report relates, found on page 42, lines 2 to 6, wherein it is stated:

> In determining whether or not to continue furnishing assistance for Palestine refugees in the Near East the President shall take into account whether Israel and the Arab host governments are taking steps toward the resettlement and repatriation of such refugees.

Mr. President, for the purpose of discussion of the conference report I wish to state that I consider this the most nettling and difficult problem in the whole Middle East situation, and perhaps the key to peace there. I shall at a later time, without intruding upon the patience of the Senator from Nevada, who has been very gracious in yielding to me, analyze the subject in detail. It keys directly to this provision of the bill.

I wish to invite the attention of the Senate to this matter, and state I hope to address myself to it constructively. I consider it not only a formidable problem, but the key to the situation in this very difficult problem area of the world.

I thank the Senator from Nevada.

SO-CALLED MUTUAL SECURITY—THE DISTRIBUTION OF THE AMERICAN TAXPAYERS' WEALTH THROUGHOUT THE WORLD THROUGH INFLATION, FREE TRADE, AND CASH—PATTERN OF INTERNATIONAL SOCIALISM

Mr. MALONE. Mr. President, the Mutual Security Act of 1957 did not start, of course, in 1957. It really did not start in 1946, but 1946 was the first open and brazen attack upon the United States Treasury following World War II.

It was then in the form of a so-called loan. Of course, the loan referred to was of the type generally made in a family, when there is no hope or expectancy of repayment.

THE GIFT TO END ALL GIFTS

It was $3¾ billion, Mr. President, in 1946. That was going to end all gifts and all loans. Everything in Europe was to be perfect from then on. That was the argument. That was the promise and debate on this floor.

The senior Senator from Nevada was not in the Senate at that time, but he read the newspapers very closely, and has since read some of the records. Assurances that this aid would be the last accompanied the arguments for that loan, designed perhaps to break the ice in the United States Senate.

PERPETUAL FOREIGN AID, THE STATE DEPARTMENT PLAN

Mr. President, Mr. Dulles has been a very frank man in all his testimony which I have heard. I am a member of the Senate Committee on Finance, where Mr. Dulles comes to justify his foreign plans when the spending of money is involved. I have heard him testify that foreign aid should be a permanent thing—not only for 1 year, 2 years or 3 years, but permanent. The State Department has never made any secret about that, from the time the senior Senator from Nevada arrived in the Senate Chamber.

A PARAGRAPH THAT COST UNITED STATES TAXPAYERS AN INITIAL $17 BILLION

In 1947 General Marshall made his famous speech at Harvard, which included a paragraph that we should do something about business conditions in Europe. It has always been the opinion of the Senator from Nevada that General Marshall did not know the paragraph was in his speech. It was a very inoffensive paragraph, but somebody knew it was in the speech. The trans-Atlantic telephone no doubt was working well, and so the Prime Minister of England took that statement on the first bounce, and in 30 days told the United States of America exactly how much it was going to cost, which was $17 billion for 5 years. That, of course, was supposed to end all help.

The argument was made on the Senate floor in 1948. The Senator from Nevada had his say then, as he is going to have it now. The argument was that we should reestablish the productive capacity of European nations.

DOLLAR CURE PRESCRIBED FOR ALREADY HEALTHY NATIONS

Mr. President, Senators will find in the RECORD at that time a table prepared by the senior Senator from Nevada which showed that the nations which were to get the money were then producing from 92 to 98 percent of their production prior to the war. When the next round came about, whatever it was, the ECA or something else—for they change the name nearly every year, so that the public and the taxpayers can hardly keep up with what is being done—those nations had reached their prewar production, and in many cases had passed it.

BRITAIN ALWAYS TARDY ON LOAN REPAYMENTS

Of course, no one expects any loan to be repaid. As to the loan to England, there has been some interest paid at different times—at opportune times, when it was necessary to have a headline showing that they were paying their debts, but in the meantime we had given them much more money than they had ever repaid or ever did repay in interest.

In 1947, after the distinguished General Marshall made his famous speech at Harvard, the statesmen in London were busily engaged in determining just exactly how much the American taxpayer should pay for the following 5 years. At that time the senior Senator from Nevada was a freshman, and he took occasion to go to Europe, to visit almost every nation on the continent. He did not go over for social purposes. He even went into the Ruhr and visited the coal mines and the steel mills of Germany, as well as the chemical industries in Frankfort. He went into France and into England, into the steel mills and coal mines, because he thought at that time, in his youth and innocence, that perhaps there was some excuse for loaning some money or in some way helping them get started again.

After reviewing the situation in all of those countries in Europe, and coming back to the United States, the Senator from Nevada formed a pretty definite conclusion. He had some very interesting conversations while making his inspection tour.

HOW BRITAIN SUPERVISED COAL PRODUCTION

England, of course, was supervising the coal production in Europe. All of the propaganda in this country was that England was trying to increase production. They were not trying to increase it; they were trying to decrease it. I could tell some stories about that, but I will tell only one.

After reaching the end of a tunnel, on an inspection trip, watching the production and the loading, I had a conversation with one coal man in the Ruhr, while we were going to a new head, crawling on our hands and knees for a while in a mine wet with water. There was a good 6-foot coal cutter which had been set up, and I was asking the German worker, who talked a little broken English, about the production. I looked at the cutter, which was cutting down the coal. I looked at the 35- or 40-foot shaker, the steel conveyor, taking the coal to a conveyor belt and up to another level, down 300 or 400 yards to the loading chutes, and dropping it in the 35-ton cars, automatically, without anybody touching the coal.

They were running it out to a four-shift elevator, hoisting it to the surface a couple of thousand feet, and coming back in. I said to the man, "This looks pretty good to me. Why do you not open up more faces? That is what we do in the mining country, when we have the room, and you have it here." He said, "We would like to, but the only factory which makes the coal cutters is on the reparations list."

KEY INDUSTRIES OF GERMANY PLACED ON REPARATIONS LIST

That was only one incident. There were 50 incidents like that. The propaganda in the United States was that only 10 percent of the German industry was on the reparations list. But, Mr. President, it was the 10 percent which was like the mainspring out of the watch, that industry could not operate without. That was true in many other instances.

Finally, when they were crowded into a corner, they would laugh and say, "You know you are going to pass that Marshall plan to save your own industry."

That startled me a little, but I still did not believe we were that silly, until I returned and watched the Senate and House. I had to watch them for a couple of years before I knew what was going on.

HOW EUROPE WAS BANKROLLED AFTER WORLD WAR I

Before I continue, let me say that there is one advantage of being old enough to have experienced two wars. In the First World War I took a battery of field artillery to France and dug into the engineering business after I returned in 1919. This is what I noticed.

The New York bankers loaned the European nations $8 billion to $10 billion to buy our goods, believing, of course, that when they distributed those bonds or notes, or whatever they used, among their branch banks throughout the country, or their cooperative banks, or whatever the connections happened to be, the foreign nations would buy the goods, and then pay the debt.

The way that money was handled was this: Foreign nations bought a great deal of American goods, because they had the credit here, and did not actually send the money across, as we are foolish enough to do now.

LOANS TO EUROPE PRELUDE TO DEPRESSION

We did not get any of the money back. There is no time to recount the history of that debacle. It had a sharp hand in producing the catastrophe which happened in 1929, called the depression. The loss was distributed among the bankers of the country, and in the long run many of the banks went broke. That was the foundation of the break, in many cases.

WORLD WAR II ENDS AND THE PATTERN CHANGES; FOREIGN AID BURDEN PUT ON BACKS OF TAXPAYERS

I will say one thing for the New York bankers. It does not take them long to learn, and they do not forget. After World War II, when we could have cut down production to the size of the market we had, which would have been the smart thing to do, what was done was to start building propaganda.

Mr. Marshall was only one link in the chain.

All of the propaganda was to the effect that we must help foreign countries. So the burden was loaded onto the taxpayers. No bank loaned the money, with a chance of perhaps not selling all the goods. Instead of $8 billion or $10 billion, in this case $70 billion was involved, and, again we never got any of the money back. The burden was placed on the backs of the taxpayers to start with. There was never any question about it.

I have listened to a great deal of debate on the floor of the Senate about stopping world war III, or winning it if it starts, or making friends throughout the world for the American system.

What is the American system? Without going into detail, the American system is being badly bent now. The system is not working very well. I will go into that subject in a few minutes. If we want to make friends for the American system throughout the world, the best thing we can do is to make the American system work; and the way to make the American system work is not to divide the capital, the markets, and the cash of the American taxpayer with every other nation on earth.

CONSTITUTIONALITY OF FOREIGN AID CHALLENGED

There is little question in my mind that the distribution throughout the world of American capital, the money of the taxpayers, is unconstitutional. It has been hung on the excuse of national defense, which is very thin. There has been some criticism of the Supreme Court. I do not intend to join in it, because I think Congress is mostly to blame for the freak laws it passes. But those who wrote the Constitution never intended to divide the capital of the United States of America with foreign nations.

Our excuse, of course, is national defense. What we are doing is dividing our capital with other nations every year. We say we are making friends. Dulles said the other day that he did not care whether we made friends or not; he wanted to keep other nations from communism. What does he think they have?

NATIONS WE AID ARE AIDING RUSSIA

Almost every nation in Europe is selling directly or indirectly to Russia. They are using our money, our capital, and the goods we are sending them. Everyone knows that. It is not denied.

So, Mr. President, with all the commitments we have made, all the pacts we have signed, we have the most expensive foreign diplomacy on earth. We have bought every pact. We have given money, at random, almost, to support other nations. All they do is to sign their names, which means nothing when the showdown comes. That is when we shall find it out when our money is gone.

Mr. President, what has become of honest diplomacy, of dealing with other nations on a basis of mutual honor and respect, of regulating our trade with them on the time-honored principle of fair and reasonable competition? For that matter, what has become of honest money with which the trade of the world was formerly conducted, gold and silver the value of which could be readily determined in any country by its weight and fineness? When nations deal honestly with one another they deal with honest money and on the basis of fair and reasonable competition.

GRATITUDE RUNS THIN WHEN THE FLOW OF MONEY SLOWS

Today we are like a man at a bar, with his money on the bar. He has been paid off. Men are standing three deep at the bar. After a while he runs out of money, and he looks around, and no one is there. That is what we are riding for.

The history of all agreements is that no nation ever keeps an agreement which becomes obnoxious to it.

The conference report involves an expenditure of $3,367,083,000. We talk about billions of dollars as we used to discuss thousands of dollars. No one understands what a billion dollars is. All we know, all the Senate knows, all the House knows, and apparently all the White House knows is that all we have to do is to vote more bonds, and we must raise the money to pay the interest.

CARRYING CHARGE ON OUR NATIONAL DEBT GROWS AND GROWS

Finally, the carrying charge on the debt, instead of being $5 billion or $6 billion, will be $15 billion or $16 billion, and no one cares anything about it.

In 1933 and 1934, when all this started to happen, the foundation was laid. It required $3½ billion a year to operate the United States Government. At the present time, when we add interest at the increased rate, it costs five times that amount of money for interest on the national debt.

Whom do we find in the foreground in connection with many of these programs, for example, in the organization of the World Bank, called the International Bank? We find Mr. Harry Dexter White. In 1945, after I had been all over Asia and Alaska and the South Seas as a consultant to the Senate Military Affairs Committee, that committee sent me to San Francisco as an observer.

ALGER HISS, HARRY DEXTER WHITE POLICIES STILL BEING FOLLOWED

What did I observe? I observed Mr. Alger Hiss leading around by the nose some of the finest Members of the Senate I have ever had the pleasure of knowing. We signed an agreement out there with very few votes, and very tight obligations.

Mr. Harry Dexter White organized the International Bank to lend money to anyone who will take American capital abroad, take advantage of our practically free trade, and then bring the low-labor cost foreign manufactured goods back into the United States.

Mr. Hiss spearheaded the organization of the United Nations. Just as Mr. White had great influence in the Treasury Department for many years under Mr. Morgenthau, Mr. Hiss had great influence in the State Department during the same time. One of them is dead, and the other has served a term in a United States prison. Both of them were traitors to this country. We are still following their policies.

INFLATIONARY SPIRAL BEGAN IN 1933

In 1933 we started the inflationary spiral by giving up the gold standard. Everybody knows it, but nobody seems to be in favor of doing anything about it. Therefore, every day from that day forward we have lowered the wages and pensions and insurance benefits in this country through inflation.

In 1934, we passed an act called the Reciprocal Trade Act. That was a wonderful word—reciprocal. It was thought up by the London bankers and sold to the taxpayers of the United States.

What did it do? It transferred the constitutional responsibility of Congress to regulate foreign trade and the national economy to the White House. We did not stop there. We gave full authority, as testified by Mr. Dulles in 1955 before the Committee on Finance, to the President to transfer it to any place in the world under the auspices of any organization he might designate or spearhead.

GATT GIVEN CONSTITUTIONAL POWERS OF CONGRESS IN 1947

In 1947—events are piling up now—the then President spearheaded the organization of the General Agreement on Tariffs and Trade. It is called GATT. Those initials have become rather famous—or infamous—depending on how one wishes to regard them. Those powers were transferred to Geneva. At this moment, Mr. President, 34 foreign competitive nations, under the General Agreement on Tariffs and Trade, regulate our foreign trade and national economy.

Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. MALONE. This is accomplished by GATT through the simple expedient of lowering the duties and tariffs, which have the effect of equalizing the wages of the competitive countries and our country, and the lowering of tariffs continues under an act passed in 1955 by Congress. In that act we extended the 1934 Trade Agreements Act to June 1958, with permission to lower the duties further by 15 percent, at the rate of 5 percent a year. That is being done today.

TRADE ACT FORCING UNITED STATES DEPENDENCE ON FOREIGN NATIONS

The process I have described started in 1934. In addition to that policy, we have become dependent upon foreign nations. By destroying our industries we have become dependent on foreign nations for critical and strategic minerals and ma-

terials, without which we cannot fight a war or live in peace.

Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. MALONE. In 1933 we started the debacle by starting the inflationary spiral. In 1934 we started the free trade which, in turn, started the influx of low labor-cost materials into the United States. In 1947, in accordance with the same act, that authority was transferred to Geneva, where now 34 foreign competitive nations are regulating our foreign trade and national economy.

AMERICAN INVESTMENT ABROAD SUBSIDIZED BY TAXPAYERS THROUGH FOUR ORGANIZATIONS

In addition, Mr. President, we have created four different organizations to encourage American capital to invest abroad.

Organizations such as the Export-Import Bank have been entirely financed by American taxpayers, up to $5 billion, to encourage the export of American plant and capital to the low-wage foreign nations by means of low interest, long-term loans. This was the testimony of the distinguished former Secretary of the Treasury, Mr. George Humphrey, whom I greatly admire and believe to be one of the greatest men who has ever served in the present Cabinet.

He further testified that the International Monetary Fund, the International Bank for Construction and Development, and the International Finance Corporation are all set up with the objective of encouraging American capital to move into foreign, cheap-labor countries, which will not only furnish the markets, but which also will supply low-cost labor products to compete with products produced in this Nation with our higher standards of living, higher wages, and higher cost of doing business. In addition this capital which has gone abroad will escape having to pay American taxes.

What does the pattern lead to? It leads to a simple division of the wealth, the markets, the cash, and the assets of the taxpayers of the United States with the nations of the world.

THE PATTERN OF INTERNATIONAL SOCIALISM

The entire pattern, from the time of the abandonment of the gold standard in 1933, to the passage of the Trade Agreements Act in 1934, to the transfer to Geneva, in 1947, of the constitutional responsibility of Congress to regulate our foreign trade, to the creation of four corporations to encourage American capital to invest in foreign, low-wage standard nations, to the mutual security giveaway program, is to distribute American markets and American dollars among the low-wage-standard-of-living European and Asiatic nations. It all adds up to international socialism in its worst form.

The United States is the only producing nation in the world today which does not protect its own workingmen and investors by a duty or a tariff or by import and exchange permits, or both.

PROTECTION OF OUR OWN CITIZENS VITAL NEED

Protection of our own citizens will become feasible only when the flexible duty or tariff provided in article I, section 8, of the Constitution is adjusted on imports so as to take the profit out of foreign sweatshop labor at the water's edge. Then the foreign nations will allow their wage standard of living to increase and will create a market within their own borders.

The objective of free trade would be reached automatically when their living standard reached the level of ours, because the duty or tariff could be reduced as their wage standard of living increased, and as they stood on an equal basis. But that would be up to the foreign country.

WORLD COLONIAL SYSTEM GUARANTEED BY ATLANTIC PACT ARMS GIVEAWAYS

We signed the Atlantic Pact, and by so doing we guaranteed the security of the colonial system throughout the world. We are finding it very hard to follow through on. A part of the money which is authorized in the bill which is before the Senate today, added to the $70 billion or $75 billion—whichever it is—which we have already given to the foreign nations, will be used for the arms and armies of those nations to preserve their colonial systems. That happened in Indochina. It happened in North Africa. It is now happening in the Middle East, in the oil area, where England is trying desperately to save the only oil area it can now control. According to the news reports this morning, British jet planes finally ran the opposition away, so the British can continue in that area; continue to control it.

FOREIGN AID HYPOCRISY

But that simply goes to show that the things we do here support the things which we deny we are supporting. As a matter of fact, we all know where the money is being used. It is futile to deny it. The money is being used in North Africa, and in the Middle East. There is no end to all this, and we get into it deeper every day.

The cost of this temporary friendship is a division of American wealth with the nations of the world, and we will be standing alone after our wealth is gone.

The nations of Europe are just as helpless as a babe in arms. England and France must have trade. They must trade with China; they must trade with the nations of Europe and Asia. Anyone who is familiar with foreign trade knows that. It is a matter of geographical location; it is not a matter of intent.

Some persons were led by the State Department to believe that by a division of our wealth and by supporting those nations in their geographical locations we could keep them from trading with the nations surrounding them. Of course, we would believe no such thing if we were to stop to think for just a minute.

UNITED STATES FIRST GAVE JAPAN BILLIONS; NOW SHARING WITH HER OUR TRADE

We have given Japan billions of dollars. We have divided our trade with Japan—the textile trade, the optical instrument trade, and trade in many other fields.

We said we would keep Japan from trading with China, with Manchuria, and with other areas controlled by the Communists.

Mr. President, that is the silliest thing on earth. It seems almost impossible that anyone would make a remark of that kind. But we made a treaty a few years ago, and some distinguished Senators flew to San Francisco to have their pictures taken with the great Secretary of State signing the treaty with Japan. That treaty provided that Japan was not to trade with Red China; she was to trade with us.

IMPORTS FROM JAPAN DAMAGING AMERICAN INDUSTRIES

How would Japan trade with us? By displacing our American workingmen and investors. That is the only way in which Japan could trade with us.

So at the moment our textile factories are closing down. Our optical instrument industry is in danger. Our sewing machine manufactureres are in danger. The manufacturers of dozens of other products are in danger. Why? Because we in the United States pay $1.75 to $2 an hour to our labor, while Japanese labor is paid from 13 cents to 15 cents an hour.

FOUR AGENCIES ENCOURAGING AMERICAN INVESTMENT IN JAPAN WITH AMERICAN MARKET THEIR TARGET

We have four great organizations, one totally financed by ourselves, up to $5 billion—the Export-Import Bank. All of them have the same purpose; namely, to encourage American investors to go to Japan and buy into Japanese industries and to use American machinery to produce products with low-cost labor, and then to bring the products back to the United States.

The other three organizations I mentioned, besides the Export-Import Bank, were financed up to 35 percent. That was the testimony of the former Secretary of the Treasury.

At the moment, not an industry which is being established in Japan with American capital can survive in America. It has no chance on earth. At the moment, the Japanese are negotiating with both China and Russia, and with other nations in the area. They must do that in order to survive.

STATE DEPARTMENT NEEDS AN INDUSTRIAL ENGINEER

Any industrial engineer could tell us that what the State Department needs, apparently, is an industrial engineer; someone who could be asked how a nation must conduct itself in order to live and to feed its people, or to make it so that they can feed themselves in a particular area. All that such an industrial engineer would have to be told would be where the country is located, the production, the consumption, and the surrounding nations. He would then be able to say with whom that nation would trade.

Our representatives would sign anything. When they came back to the floor of the Senate a few years ago with that great treaty, which was a treaty to end all trade by Japan with Communist

nations, the senior Senator from Nevada took the floor for about 30 minutes.

SENATOR RECALLS HIS OPPOSITION TO JAPANESE TREATY

If anyone is interested in knowing exactly what I said at that time, let me say it has been reprinted, and copies are available. Mr. President, everything I predicted at that time has happened. Of course, it had to happen; there was no other possibility.

Again, I emphasize that we are not content with inflation, which normally lowers fixed duties to the extent of the inflation. We are not content with passing a 1934 Trade Agreements Act giving the State Department 50 percent leeway in the case of lowering duties, and then several years later allowing another 50 percent leeway, making a total of 75 percent. In addition, in 1955 the Congress passed an act extending the 1934 Trade Agreements Act for 3 years—to June 30, 1958—and allowing a further 15 percent reduction—with the 34 competitive foreign nations doing the job, and laughing at us, at Geneva.

MEETING WITH GATT CHIEF AT GENEVA RECOUNTED

Mr. President, when I was on my way to Russia, in 1955, I stopped at Geneva. The meeting there happened to be the first meeting that the top scientific experts of all those countries had ever had. I was in the room there, at the first meeting those atomic-energy engineers and experts ever had.

Later, when I was in Russia, I went to see the atomic energy reactor, near Moscow. There I met the man I had seen in the room at Geneva.

But my purpose in going to Geneva was to meet the head, or the secretary, of the General Agreements on Trade and Tariffs—the organization which is dominating our foreign trade and is dividing the markets of the United States among the 34 member nations.

I found him to be a very delightful British subject. I was not surprised at that, because, Mr. President, I want you to know that Russia may not be the most dangerous nation to the United States of America. We can whip Russia. We know it, and Russia knows it. But it is a little tough for us to whip a nation which has a representative on our Cabinet. In my opinion, in our Cabinet the Secretary of State does not move without telephoning London. That is where the things I have enumerated here today have come from—not from Russia.

Mr. President, where did the Iron Curtain come from?

The Iron Curtain was manufactured in Missouri, where Mr. Churchill made a speech for Mr. Truman. When I went to Czechoslovakia, and then to Austria and Hungary, I took pictures of the Iron Curtain. It is there, all right. It had a name. We mouth these catchwords and phrases which are invented for us, and we pass bills in support of them.

THE MANUFACTURED DOLLAR SHORTAGE

For instance, consider the dollar shortage. Mr. President, why define a dollar shortage? A 7-year-old schoolchild knows that there is only one way for an individual to have a dollar shortage, and that is when he spends more than he earns. In that event, he is broke when his bank will no longer make loans to him.

On the other hand, a nation can have a dollar shortage in two ways: either by spending more than it earns—which all the other nations do, today, because they know the United States will pick up the check; or, second—and this is the most destructive way, in the long run—by fixing a value on its own money, a value, in terms of the dollar, that is higher than the market price—with the result that no one will take its currency at that price except the silly Congress of the United States.

Mr. President, that is what these countries do. I could go into detail in the case of almost every nation on the face of the earth, because I have visited all the principal foreign nations, and not for social purposes. I visited them to observe their industries and to see what their workingmen were eating and what they were being paid and how they did their work and how they approached their work.

CURRENCIES JUGGLED TO FLEECE UNCLE SAM

Mr. President, when these countries manipulate their currencies, in terms of the dollar, they do so in order to take advantage of the United States and to get our cash, in order to meet their dollar shortage. Then what happens? The Congress of the United States picks up the check. But, Mr. President, what will happen when Uncle Sam goes broke? The only trouble then will be that Uncle Sam has no uncle; and that time is not far away.

BRITISH POUND GIVEN ARTIFICIAL VALUE

When I was in Hong Kong, in 1948, my purpose was to find out what was the real value of the British pound. I traveled to the other countries I visited in order to find out the real value of their currencies, as well. However, for the moment let us confine our attention to the British pound.

When I was in Hong Kong, one could go to a bank window and could lay down a silver United States dollar, and could get, in exchange, 6 Hong Kong silver dollars. Then one could walk to another bank window—and, Mr. President, this is not the first time I have stated this matter on the floor of the Senate, but I do not expect anyone to pay any more attention now than was paid before—and could lay down a silver United States dollar, and could in exchange get 16½ Hong Kong silver dollars. As a result, what was the British pound worth? It was worth $2.60, which is what it cost.

No one in New York—no importer I knew, no one trading in world affairs that I knew, no one who had any sense—was paying any more than that for the British pound. The only one who was paying any more for it was the United States Congress, which still is paying $4.03 for the British pound.

EUROPE'S TRADE AND TRADE WARS FINANCED BY UNITED STATES FOR 40 YEARS

Mr. President, for 40 years we have been financing old Europe's trade and trade wars, through foreign aid. As a result, we have the biggest national debt of any country in the world—larger than that of all other nations put together.

As a result, more nations are imposing against us barriers in one form or another—high tariffs, restrictive exchange controls, or import licenses and skimpy quotas—than at any time in history.

As a result, we are more disliked, dishonored, or detested by the people in the 84 countries we have aided than we have ever been before.

There have been 4 periods of billion-dollar foreign aid in the past 40 years, and each period has added to our public debt, and to the trade barriers and ill will against us.

We financed our allies in World War I.

We financed both our former allies and former enemies after World War I.

We financed Germany in her preparations for World War II.

We financed our allies in World War II.

We have financed both our former allies and former enemies since World War II.

We are financing allies, enemies, neutrals, and nobodies now, and will continue to finance them for years to come, if this bill is enacted.

RESPONSIBILITY FOR PERPETUAL FOREIGN AID PLACED ON CONGRESS

Congress alone is responsible for it all. No Member of the Senate, no Member of the House of Representatives, can blame it on the White House and can say correctly that the President recommended that we do this, because nowhere in the Constitution of the United States can one find that the Congress of the United States shall be guided by anything except the consciences of the Members of the Senate and the consciences of the Members of the House of Representatives.

INTERNATIONAL WPA FATTENED BY CONGRESS

It is Congress that is compelling our taxpayers to finance foreign nations around the world in their eternal conflicts, hot and cold.

It is Congress that set up this international WPA that has cost our taxpayers $120 billion and created a $280 billion Federal debt.

Forty years ago, before we embarked on three world wars and, between wars, global giving, this country was the least debt ridden and tax ridden of all the nations.

Today we are the most debt ridden and tax ridden. Congress is responsible.

Mr. President, there are—or were—three distinct departments in this Government, and Congress according to the Constitution, heads the list. Whether it actually does or not is another matter. The Executive comes next.

Congress is to make the laws, to pass the laws, not to pick up the telephone and ask, "What do you want?" Issues are to be debated on the floor of Congress. The Executive is to enforce the laws that Congress enacts and administer those laws. That is its sole job.

WHY THE SUPREME COURT IS NOW WRITING OUR LAWS

The Supreme Court, the judiciary, the third branch, and the third on the totem

pole in the Constitution of the United States, is to interpret those laws when they come before it, both as to constitutionality and as to an interpretation of the meaning of the laws. It is not its function to write the laws of the country. Only because the Congress of the United States has been stumbling in the last 24 years is the Supreme Court writing the laws. Congress can blame itself, not the Supreme Court, not the Executive. It is silly to blame anybody else.

NATIONAL DEBT EXCEEDS COMBINED DEBT OF ALL OTHER NATIONS IN THE WORLD

Several months ago the New York Daily News Bureau in Washington compiled a list of the Federal debts of all the principal nations in the world, 26 of them excluding the United States.

The total debts of all these nations came to $153,738,000,000.

The United States debt at that time was $280,800,000,000. It varies from day to day.

Yet we are being asked here today to vote more billions to nations with federal debts only a fraction of our own, or whose debts are negligible.

Whom were we elected to serve, foreign taxpayers or our own constituents? The senior Senator from Nevada prefers to vote in the interest of our own taxpayers.

FOREIGN AID TOO ONEROUS A BURDEN FOR UNITED STATES TAXPAYERS TO HAVE TO SHARE

Mr. President, even if it were a good idea to distribute the wealth, we do not have it to distribute. There are many things an individual would like to do in his community. He sees poor people, those whose children do not have satisfactory clothes with which to go to school. What does he do? He pays his taxes, contributes to the Red Cross, and does everything else that is the custom in the community. What would happen if he sold his home and business and gave everybody in the community $2? Then everybody would be broke. That is what we are doing.

Our taxpayers do not have the money. Ninety percent of the taxpayers in my State of Nevada—and I believe it is true of the rest of the country—are either paying their taxes on the installment plan or going to the bank to borrow money to pay them. That is the fault of Congress.

I take part of the blame for that, because of my inability to stop it. We sit here. All we have to do is grant foreign aid every year. One time when I was working my way through school and I was doing surveying on the open range with someone else, I observed that we could buy out a homesteader or someone else near a waterhole. My companion said, "I wouldn't mind buying them if they stayed bought, but their brother comes along the next year and buys them up. They don't stay bought."

There was a world of wisdom in that remark.

NATIONAL DEBT OF FOREIGN NATIONS LISTED

Mr. President, I ask unanimous consent to have printed in the RECORD the list of nations and their national debts, arranged in alphabetical order, published in the New York Daily News, to which I have previously referred.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Here's a laboriously worked out table showing the debts of the important nations of the world as translated into American dollars and presented in millions:

United States	280,800
Australia	2,930
Belgium-Luxembourg	6,378
Brazil	1,037
Burma	140
Canada	14,546
Chile	74
Colombia	281
Denmark	1,306
France	16,229
Germany	5,024
Greece	295
India	6,408
Israel	506
Italy	7,233
Japan	2,601
Mexico	300
Netherlands	5,423
Norway	1,726
Pakistan	681
Philippines	452
Portugal	486
Sweden	2,803
Thailand	353
Turkey	1,158
United Kingdom	74,200
Venezuela	10

This total does not include those minor nations of the world whole trivial debts (in current money talk) are in the millions—not billions. In the last 12 months of prosperity, we've run our debts up by another mere $5 billion.

Mr. MALONE. Mr. President, one of the fictions of the foreign aid promoters, including those in the administration, is that we are buying trade, good will, and friendship with our foreign aid billions.

In the foreign trade field how successful have we been? The June 10, 1957 issue of Foreign Commerce Weekly, published by the Department of Commerce, gives one answer.

COMMERCE DEPARTMENT PROMOTING EXPORT OF AMERICAN WEALTH TO LOW-WAGE FOREIGN COUNTRIES

Mr. President, I digress to say that the Department of Commerce, one of the executive departments, is devoting a good deal of time getting American citizens to invest money abroad so that they may take advantage of the low cost of foreign production, and so that those goods can be exported to this country to compete with goods produced here under our higher standard of living. That is the business of the Department. I am not trying to direct the Department of Commerce, but I should like to call attention to what it is doing.

The Foreign Commerce Weekly lists 95 trading countries and dependencies which make their own import and exchange regulations, and arranges them in three categories, those which require import licenses and/or exchange permits, those which require them on some imports and do not require them on others, and those that do not require them at all.

Those which require import licenses on some goods but not on others are listed as "No, except for," and so on.

Sixty-five nations definitely require import licenses without qualification; 23 others require them on some commodities; and only seven do not require them at all.

HOW OTHER COUNTRIES ERECT TRADE BARRIERS AGAINST AMERICAN PRODUCTS

As the Department of Commerce puts it:

Many countries do not permit foreign goods to be imported unless they are covered by import licenses, which must be obtained by the importer. In some cases an import license must be granted before the order for goods is placed and some countries also require the importer to obtain an exchange permit before he may make payment for the import.

United States exporters, the Department continues, therefore are urged to make certain before shipping that the foreign importer has obtained the required permit, and they should insist on being furnished the identifying number or symbol of the permit.

There is no problem about import licenses, the International Cooperation Administration informs me, when foreign nations are getting their imports free; that is, when the products entering their country are being paid for by the American taxpayer. But, of course, there is a very great problem for the American producer who exports through commercial channels, as can be seen.

SYSTEM PROMOTES INTERNATIONAL SOCIALISM

Any government can deny an import license for his product, or a permit to enable him to be paid, and any government which operates under such a system, as nearly all of them do, can exert absolute control over their import trade.

They can, if they choose, admit only American goods that they get for free through ICA, thus excluding the American free enterpriser entirely.

ICA is promoting international socialism, and has achieved remarkable success in its promotion.

Mr. President, going through the hearings on the bill now before us, I note that the chairman on one occasion brought up the question of tariffs, while examining an ICA witness.

FOREIGN AIDERS IGNORE FOREIGN TRADE BARRIERS

The chairman, the Senator from Rhode Island [Mr. GREEN], was questioning G. Douglas Dillon, Deputy Under Secretary of State for Economic Affairs, about the proposed multimillion dollar development fund for foreign countries.

The chairman said:

There is a question that I would like to ask, which is fundamental. You have said those administering the fund would take into account the broad foreign policy interests of the United States.

I wonder if that applies to tariffs.

In other words, would you lend money to a factory making a product, say woolen goods, cotton goods, jewelry, or farm products? Would, in making the loan, consideration be taken of the fact that in some cases we have tariffs on those products, or in some cases have not. Would an element in making a decision be the effect on our country of the way the money is spent?

Mr. DILLON. I would think that we would take everything of that nature into account.

The CHAIRMAN. Is there anything anywhere to intimate that that should be taken into consideration?

Mr. DILLON. I don't think there is; no, sir.

Of course, there is not. The State Department has not been interested in safeguarding American free enterprise in 20 years.

It has only been interested in furthering international socialism.

No mention whatever was made during the hearings of other drastic foreign trade barriers, of quotas, import licenses, or exchange permits.

ALL FOREIGN NATIONS CONTROL IMPORTS

Mr. President, I have been in every nation. As I said before, I did not go there for social purposes. I wanted to learn how they handled their imports, exports, and money exchange systems, and how they controlled them. They all do control them. If an American wanted to export a product to one of those countries, what would he have to do? He would have to go to an official of the country to which he wished to export the product. That official would look much the same as our officials do. When the officials do not want certain imports to enter their country, they put off from day to day the one trying to send his goods into that country. "Manana" is good enough for them, and the person never gets an import license.

MECHANICS OF FOREIGN TRADE RESTRICTIONS EXPLAINED

If the subject gets hot enough and the officials think it is a good idea to have the product imported into their country, they issue an import license. Then the person has to have an exchange permit. What is that? He goes to the proper government official and offers dollars to secure the exchange for the goods. They have to be paid for in that nation's money. Then one is put off again. If the country does not want the goods, one never is successful. If one finally does accomplish the result, Mr. President, it will be at such a rate of exchange that the profit is taken out of the transaction.

Mr. President, in 1955, I think it was, I was in Bolivia. All South American nations operate about the same. There are only about two exceptions in the world, in addition to the United States.

EXCHANGE FOR FOREIGN CURRENCY COMPULSORY IN MOST NATIONS

If you get a dollar in your hands, or a pound, or some other foreign currency while in the country, there is a law or a ruling which says you must exchange it. The legislature of the country does not need to act, in many cases. That matter can be handled by the dictator, the president, the king, or whoever it is. We are fast approaching that stage, so that it will not be necessary for Congress to pass certain legislation or to attempt to control the monetary system, because the Federal Reserve knows best, and the 34 competitive nations in Europe know best what we ought to import. So why should Congress have anything to do with it?

I suppose we are patterning ourselves after those countries. They do not have to go through their legislative units in most cases.

What they would do in Bolivia, for example, is this: When they have a ruling or the law, within 30 or 60 days after one gets a dollar or a pound, he must turn it in to the central bank and take a number of bolivianos for the dollar that they officially fix for the rate of exchange.

THE BOLIVIAN EXCHANGE SYSTEM

At that moment, in 1955, if one secured a dollar in trade in 30 days he would become an outlaw if he did not turn it in. If he turned it in, he would be given 500 bolivianos for it. On the street, the dollar is worth 1,700 bolivianos. They stole two-thirds of the value the first go-round. There is not much of a profit for importing goods on that basis into Bolivia. There was not at that time.

On the other hand, if they wanted the goods imported, if the goods were something they did not produce, then the exchange would be made in a fair method, and the goods could be imported.

In the United States, we allow them to import and put our own people on the street. We are living on a war economy. We all should know that, without it being necessary to explain it.

FOREIGN IMPORT AND EXCHANGE RESTRICTIONS LISTED

Mr. President, I ask unanimous consent to have printed in the RECORD at this point in my remarks the compilation made by the Department of Commerce of countries requiring import licenses and exchange permits, as published in the Foreign Commerce Weekly of June 10, 1957.

There being no objection, the compilation was ordered to be printed in the RECORD, as follows:

SUMMARY OF FOREIGN CONTROL REGULATIONS APPLYING TO IMPORTS FROM THE UNITED STATES

The following tabulation of the import and exchange permit requirements of foreign countries, prepared by the Bureau of Foreign Commerce as an aid to exporters, has been revised as of May 21, 1957.

These regulations apply primarily to goods of United States origin and to other goods payable in United States dollars.

Many countries do not permit foreign goods to be imported unless they are covered by import licenses, which must be obtained by the importer. In some cases an import license must be granted before the order for goods is placed, and some countries also require the importer to obtain an exchange permit before he may make payment for the import.

United States exporters therefore are urged to make certain before shipping that the foreign importer has obtained the required permit, and they should insist on being furnished the identifying number or symbol of the permit.

More detailed information on licensing and exchange controls may be obtained from the field offices of the United States Department of Commerce. Publications covering licensing and exchange controls of individual countries also are available from the field offices at a nominal charge.

Country	Is import license necessary?	Is exchange permit required?
Afghanistan	No; but a declaration or customs permit must be obtained from Afghan border officials or trade agents abroad.	No; but permission to remit foreign exchange to exporters abroad must be obtained from the Government bank.
Arabian Peninsula areas:		
Saudi Arabia	Yes	No.
Aden, Bahrein, Qatar, Trucial Oman	Yes	Yes.
Muscat and Oman, Yemen	No	No.
Argentina	No; except for certain products subject to import quota	Yes, for goods contained in lists of imports granted official rate of exchange. No, for goods contained in free-market lists.
Australia	Yes	No; import license carries right to foreign exchange.
Austria	Yes; except for specially exempted items	Yes; but cannot be refused for items on dollar-import free list.
Belgium-Luxembourg	Yes; but automatically granted for most commodities	No separate permit required.
Belgian Congo	Yes; combination import license and exchange authorization is required for all imports except shipments valued at $100 or less, provided the goods are not intended for resale. License is usually granted as formality.	Yes.
Bolivia	No	No.
Brazil	Yes	No; exchange for most imports is sold at auction.
British colonies not specified elsewhere [1]	Yes	Yes; import license generally assures release of foreign exchange.
Bulgaria	do	Import license automatically assures foreign exchange.
Burma	Yes; except for Government imports	Yes.
Cambodia	Yes	Yes; import license carries right to foreign exchange.
Canada	No; except for a few commodities	No.
Ceylon	Yes; unless the commodity is under open general license	Yes.
Chile	No; but items permitted import are listed, and items not on the list are prohibited import. Importers of merchandise permitted import must place a deposit with the central bank, and the foreign exporter must present a copy of the deposit certificate to a Chilean consulate.	No.

See footnote at end of table.

Country	Is import license necessary?	Is exchange permit required?
Colombia	All imports require prior import license, called import registration certificate, which is issued without quota upon payment of a stamp tax. In addition, certain food products and chemical and pharmaceutical products require permits from appropriate Government ministries. Many items considered nonessential are prohibited import. Spare parts for agricultural machinery and for roadbuilding and maintenance equipment may be imported at a reduced stamp tax rate with prior approval of the Caja Agraria.	Payment for imports requires exchange registration (registro), which normally is granted upon submission of the import registration and evidence (customs manifests) that the goods have entered the country.
Costa Rica	No; except for live animals.	Yes, for imports with official exchange. No permit required for imports with free market exchange.
Cuba	No; except for wheat and wheat flour, rice, tires and tubes, red and pink beans, potatoes, condensed milk, and butter. Imports of butter, cheese, powdered skim milk, and cream or fats obtained from milk are subject to special requirements involving registration of purchase contracts and prior authorization for customs clearance.	No.
Czechoslovakia	Yes	Import license automatically provides for allocation of necessary foreign exchange.
Denmark	Yes; but no license required for dollar goods on extensive general free list.	Yes; copy of license or importer's declaration with customs certification of import takes place of exchange license.
Dominican Republic	No; except for wheat and wheat flour, rice, fertilizer, radio transmission apparatus, air-conditioning units, treated wood posts, barbed wire, wire staples, fruit, vegetables, seed, tubers, empty bags and sacks, lard and rendered pork fat, and confectionery and other edible products in which sugar or chocolate constitutes the principal ingredient.	No; but all applications for foreign exchange require Government approval, which is granted automatically for bona fide commercial transactions.
Ecuador	Yes; one copy must be presented to obtain consular legalization of prescribed documents. Many items considered nonessential are prohibited import. Import quotas are imposed on certain items to stimulate local production.	No; import license carries right to foreign exchange.
Egypt	Yes; unlicensed imports are subject to confiscation	Yes.
El Salvador	No; except for a few items such as chemical and pharmaceutical products, strong liquors, essences for making liquor, and cotton.	No.
Ethiopia	No	Yes.
Finland	Yes	No separate permit required; import license carries right to foreign exchange.
France	Yes; with a few exceptions	No separate permit required; import license carries right to foreign exchange.
French oversea territories not elsewhere specified, except French Somaliland.	Yes	Yes; import license carries right to foreign exchange.
French Somaliland	No	No.
Germany, Federal Republic, including Western Berlin	Yes; except for items on dollar import free list. At present over 90 percent of imports except state-traded goods are liberalized for the dollar area.	Yes; import and payments license combined in one document.
Germany, Soviet zone, including Soviet sector of Berlin	Yes; Government monopolies for foreign trade are the only importers.	Yes.
Greece	No; except for certain machinery and a few luxury items	No; but applications for foreign exchange must be registered with the authorities; for imports financed by International Cooperation Administration procurement authorization, Bank of Greece approval is required.
Ghana	Yes	Yes; import license generally assures release of foreign exchange.
Guatemala	No; except for wheat and wheat flour, strongboxes, certain safety vault doors, cement, and Salk polio vaccine.	No.
Haiti	No; except for wheat-quota imports and tobacco products.	No.
Honduras	No; except for firearms, gunpowder, munitions, explosives, alcohol, narcotics and pharmaceutical specialties, and live animals.	No.
Hong Kong	Yes; for dutiable, strategic, or short-supply goods	No; except for few transactions financed at official rate of exchange.
Hungary	Yes	Yes.
Iceland	Yes; except for items on "special conditional free list" and a limited number of staples.	Yes; except for "special conditional free list" imports.
India	Yes; unless the commodity is under open general license	Yes; however, foreign exchange is automatically released upon presentation of validated import license to exchange bank.
Indonesia	Yes	No separate permit required; combined import license-foreign exchange permit necessary.
Iran	Yes; but only to release goods from customs	Yes.
Iraq	Yes	Yes; permits are obtained through licensed dealers, unless specifically authorized by national bank.
Ireland	For a few products only	Yes.
Israel	Yes	Yes; import license carries authority (an exchange permit) to obtain foreign exchange.
Italy	Yes; from Italian Exchange Office except for list A goods—mostly industrial raw materials and certain types of machines.	No separate permit required.
Japan	Yes	Some commodities, announced by Japanese Government from time to time, require allocation certificate; for others, import license carries right to foreign exchange.
Jordan	Yes; except for imports from nearby Arab States	Yes.
Korea, Republic of	No. A limited number of commodities require approval from certain Government agencies.	No. Items on Government's ordinary (essential) import list may be imported with foreign exchange deposited in an import account in the Bank of Korea, purchased from the bank, or purchased at Government dollar sales. Items on the special (less essential) list are importable only with exchange earned from exports.
Kuwait	No; except for firearms, munitions, poisonous substances, pork, pork products, and alcoholic beverages.	No.
Laos	Yes	Yes; import license carries right to foreign exchange.
Lebanon	Yes	No.
Liberia	No; except for arms, ammunition, used clothing, pharmaceuticals, and rice.	No.
Libya	Yes	Yes; exchange permit issued automatically if import license has been issued.
Malaya, Federation of[1]	Yes; only certain items may be imported directly from hard-currency sources. Licenses to import non-sterling-area goods via Hong Kong are issued provided certain exchange regulations are observed.	Yes; for direct imports. For imports from hard-currency areas via Hong Kong no permit is necessary but payment must be made in a sterling-area currency and shipment effected on a bill of lading issued in Hong Kong.
Mexico	Yes; for an extensive list of articles	No.

See footnote at end of table.

Country	Is import license necessary?	Is exchange permit required?
Morocco (the three former zones of Morocco were united in 1956, but the regulations of each continue pending development of a unified system):		
Former French Zone	Yes; with exception of goods imported sans devise, i. e., shipments financed by importer with his own funds held abroad. A temporary import-quota system requiring special permits for import of used clothing, certain textiles, readymade men's garments, and electric cable and wire, established in March 1955, covers all such imports regardless of means of financing or country of origin and includes imports sans devise.	Yes; except for goods imported sans devise.
Former Spanish Zone	Yes	Yes; import license carries right to foreign exchange.
Tangier (former International Zone)	No	No.
Netherlands	Yes; but automatically granted for most commodities	No separate permit required.
Netherlands West Indies	No; except for certain luxury items	Yes.
New Zealand	Yes; except for some commodities on world exemption list.	No; import license carries right to foreign exchange.
Nicaragua	Yes	No; import permit authorizes purchase of exchange.
Norway	Yes; but issued automatically for wide range of products.	No; foreign exchange is automatically made available in currency specified in import license.
Pakistan	Yes	Yes; however, foreign exchange is automatically released upon presentation of validated import license to exchange bank.
Panama	No; except for lettuce, potatoes, copra, hatching eggs, powdered and evaporated milk, tomato paste, sauce, and canned tomatoes, baby chicks, and salt. A few agricultural items are subject to quota restrictions and some are prohibited import.	No.
Paraguay	No	Yes; exchange permit serves also as import license.
Peru	No; except for plants, roots, seeds, cuttings, animals, medicinal cigarettes, explosives, firearms and other weapons, alcoholic beverages, salt, tobacco, chemical and pharmaceutical products, matches, hatching eggs, and duplicating machines. Prior authorization also is required for import of automobiles to be brought into the country outside the quota established for import of automobiles.	No.
Philippines, Republic of	No	No permit as such; exchange generally allocated to importers semiannually for one or more of five classes of imports. A certain number of decontrolled commodities may be imported without quota limitations. Letter of credit opened against allocation considered as exchange license.
Poland	Yes	Yes.
Portugal, including the Azores and Madeira	Yes; but granted automatically for certain items	Do.
Portuguese colonies	Yes	Yes; in Angola, however, import license carries with it authorization to obtain foreign exchange needed for payment of goods to which license pertains.
Rhodesia and Nyasaland, Federation of	Yes; some items are limited by quota; many are prohibited entirely, and other goods not prohibited or under quota are liberally licensed.	Yes; import license carries right to foreign exchange.
Rumania	Yes	Yes.
Singapore [1]	Yes; only certain items may be imported directly from hard-currency sources. Licenses to import non-sterling-area goods via Hong Kong are issued provided certain exchange regulations are observed.	Yes, for direct imports. For imports from hard-currency areas via Hong Kong no permit is necessary, but payment must be made in a sterling-area currency and shipment effected on a bill of lading issued in Hong Kong.
Spain, including the Canary Islands	Yes; obtainable mainly for essential raw materials	Yes; special exchange rates fixed for many import products.
Spanish Africa	Yes	Yes; import license carries right to foreign exchange.
Sudan	Yes; for hard-currency imports	Yes.
Surinam	Yes	No; import license carries right to foreign exchange.
Sweden	No; for most goods imported from the United States import license still required for such commodities as automobiles, coal, and certain agricultural products.	No separate permit required. Foreign exchange, including dollar exchange, is automatically made available if import license specifies payment in such currency and if license is registered with a foreign-exchange bank within 2 months after issuance.
Switzerland	Import license required for certain agricultural products and some types of vehicles and machinery. Also, special import authorizations must be obtained for most animals and fowl, shellfish, bees, beeswax, and honeycomb.	No.
Syria	Yes	No.
Taiwan (Formosa)	Yes	No.
Thailand	No; except for 23 categories of specified goods	No; but a "certificate of payment" issued by Bank of Thailand or authorized bank for company is required.
Turkey	Yes	One application suffices for both import permit and exchange-control purposes.
Union of South Africa, including Southwest Africa, Basutoland, Bechuanaland, and Swaziland.	Yes, for most goods. Import licenses are issued to importers on basis of periodic exchange quotas established by Government. Special licensing restrictions apply to certain nonessential items; recent trend has been toward liberalization of such restrictions and outright decontrol of many consumer goods and industrial raw materials.	No; import license carries right to foreign exchange up to amount expressed in local currency in relevant import license.
United Kingdom	Yes; except some foodstuffs, raw materials, fertilizers, etc.	Yes; granted automatically following issuance of import license.
Uruguay	Yes	No; import license carries right to foreign exchange.
U. S. S. R.	Yes; importing Government agencies are responsible for securing own permit.	Yes; all exchange is allocated by U. S. S. R. State Bank upon receipt of import license.
Venezuela	No; except for approximately 25 tariff items	No.
Vietnam	Yes	Yes; import license carries right to foreign exchange.
Yugoslavia	No; individual import license abolished July 1, 1952; since that time only licensed import firms are permitted to carry on import operations.	No; but Government maintains strict control over foreign exchange allocations.

[1] Includes Bermuda, British West Indies, British East Africa, Gambia, Nigeria, Sierra Leone, British Honduras, and minor colonies, protectorates, and trusteeship territories. For British Borneo—Brunei, North Borneo, and Sarawak—the regulations are the same as for Singapore and the Federation of Malaya.

NATIONS WHICH BAR AMERICAN GOODS RECEIVE HUGE FOREIGN AID GRANTS, MANY NATIONS BARRING AMERICAN GOODS HAVE RECEIVED FOREIGN AID OVER A PERIOD OF 40 YEARS

Mr. MALONE. Mr. President, among these countries imposing drastic and rigid trade barriers against American products are countries we have been squandering taxpayer's dollars on for 40 years.

During World War I we financed Great Britain, France, Italy, Russia, Belgium, and Serbia. Our loans to these nations were made with proceeds from Liberty Bond sales, not from taxes.

The United States, in effect, borrowed $10 billion from its citizens through the device of selling them bonds which later depreciated.

Congress stipulated that proceeds of these sales should go only to the Allies and only for the duration of the war.

WORLD WAR I FOREIGN AID TOTALED

When the war ended $7,296,000,000 had been advanced, and under the letter and intent of the Liberty Loan Act that is where they should have stopped. Instead, under pressure of our foreign debtors, particularly Great Britain, another $2,170,000,000 was sent abroad.

I might invite attention to the fact, Mr. President, that since I am referring to 1919 or 1920, $1 was worth approximately four or five of the ones that are floating around currently, so instead of $10 billion, we are talking about $40 billion or $50 billion in present currency.

FOREIGN AID

This was nothing more or less than peacetime foreign aid, and aid from Liberty-bond sales did not stop going to Europe until September, 1920. Some of the money went also to Germany and Austria contrary to provisions of the act.

Of the more than two billion dollars thus illegally disbursed after World War I, Harvey E. Fisk in "The Inter-Ally Debts" states:

> It is unquestionably a fact that millions of dollars' worth of products purchased with United States money loaned to foreign governments were sent directly to Germany with our sanction. It is also true that large quantities of supplies for relief of other distressed peoples were bought with Liberty Loan money, while millions of dollars were lent to Great Britain after hostilities had ceased to enable her to build up her trade.

Mr. President, may we have order?

The PRESIDING OFFICER (Mr. CLARK in the chair). The Senator from Nevada requests order. Senators who desire to converse will please retire from the Chamber, at the request of the Senator from Nevada.

The Senator from Nevada is recognized.

Mr. MALONE. I understood the Chair was requesting that there be order. Would the Chair take that responsibility?

The PRESIDING OFFICER. The Chair is prepared to take the responsibility. In the opinion of the Chair, the Senate is in order.

Mr. MALONE. I thank the Chair.

FOREIGN-AID FUNDS USED BY BRITAIN TO PAY BACK LOANS TO WALL STREET BANKS

Britain also used Liberty Loan money to pay back $648 million borrowed from New York banks, and $1,872,000,000 to pay back loans she had made with foreign governments other than the United States.

Britain did not pay back the United States, but foreign aid continued.

When Germany could not pay her reparations to Britain and France, and Britain would not pay their debt to the United States, two plans—the Dawes and Young plans—were contrived to extend foreign aid to Germany. With this money Germany was to pay reparations to her former European adversaries, who were, in turn, to pay similar amounts on their war debts to the United States.

The United States advanced Germany $2,475,000,000. Germany paid this and her own money to the Allies in the sum of $4,470,000,000. The Allies paid $2,616,000,000 on their war debt. Thus Uncle Sam paid half of Germany's reparations, and the Allies made nearly $2 billion profit on the deal, which was not unusual.

Not long after that our ever-loving allies stopped paying anything on their debt to the United States.

WORLD WAR I DEBT OF FOREIGN COUNTRIES NOW ALMOST $18 BILLION

Principal and interest on the World War I debt, as of June 30, 1956, stood at $17,882,359,850.18, according to the last annual report of the Secretary of the Treasury.

When the next annual report comes out it will be higher because of accumulated and unpaid interest.

None of it, of course, will ever be paid, unless we receive some contributions from honest Finland, the only nation that has made any payments at all in recent years.

Britain's World War I debt still owed to the United States is $8,086,559,301.93. That of France is $5,569,707,289.34.

POST-WORLD-WAR I LOANS TO GERMANY DID NOT PREVENT WORLD WAR II

Neither country ever intended to pay up its war debts, including that owed on post-World War I foreign aid. Yet after World War II with the enormous British World War debt still standing on the books, the United States blithely loaned Britain another $3,750,000,000, and with our sanction she has begun to welch on paying that.

A post-World War I debt owed by Germany for foreign aid extended to her totals $1,192,804,499.26.

Germany borrowed money from Britain, France, and Holland, her former enemies. She borrowed billions more than she needed to meet her reparations payments. All of the money loaned to Germany was foreign aid. She used the excess to prepare for World War II.

Foreign aid to Germany after World War I helped her to build up the mighty war machine with which she struck at her old adversaries in World War II. Most of this foreign aid came from the United States.

FAILURE OF FOREIGN AID TO ASSURE PEACE A MATTER OF HISTORIC RECORD

There are few more preposterous claims for foreign aid than the one that it will assure peace. The record shows it did not keep the peace after World War I; it prepared the nations of old Europe for another and bigger war.

Who can assure us that foreign aid extended since World War II will keep the peace, or that it will even contribute to maintaining peace?

Foreign aid has been extended by the United States in connection with World War II and its aftermath for 17 years, beginning from more than a year before our entry into that war until the present day.

FOREIGN AID BURDEN SHIFTED TO TAXPAYERS BEFORE WORLD WAR II

When World War II loomed, the problem of financing Britain and France perplexed our statesmen in the White House. It would be difficult, after the disastrous experience of World War I, to finance them from sales of liberty bonds. It would be equally absurd to finance them through loans, because everyone then knew that such loans are not repaid. So the decision was made to finance them through taxes imposed on all our citizens, which is the way foreign aid is being financed today, 17 years later.

This is money extracted from our citizens in taxes to hand over to some foreign country.

We began giving World War II foreign aid on September 3, 1940, 14 months before Pearl Harbor, when President Roosevelt handed over to Britain 50 destroyers which had initially cost the taxpayers $75 million.

Then in March 1941, 9 months before Pearl Harbor, Congress passed the Lend-Lease Act. Before the war was over lend-lease had cost the taxpayers $47.1 billion, of which 90 percent went to three countries: $28.6 to the United Kingdom, $10.8 to Soviet Russia, and $2.6 to France. Other countries received a total of $5.1 billion.

Congress set up UNRRA, United Nations Relief and Rehabilitation Administration, in November 1943, which cost our taxpayers another $2.7 billion. UNRRA was an international operation. The other 45 nations put up a total of only $1 billion.

WARTIME PLANS LAID FOR POSTWAR FOREIGN AID

During the latter part of the war Congress also authorized the International Monetary Fund, of which Harry Dexter White, the Soviet spy, would become Executive Director, and to which $2,750 million in American taxpayers' money was paid.

Another foreign-aid scheme was the International Bank, to which the United States is obligated to subscribe in capital stock to the amount of $3,175 million, of which $635 million has been paid.

Then there were the post-UNRA $350 million authorization; the interim-aid program for Austria, France, and Italy, costing $597 million; and the Greek-Turkish aid program, $627 million.

All of these, except the British loan, were presented to Congress as temporary measures. Even the so-called Marshall plan, proposed in 1947 and enacted in 1948, was supposed to continue for only 4 years and cost no more than $17 billion.

PROGRAM CALLS FOR PERPETUAL FOREIGN HANDOUTS

The bill before us contemplates foreign aid for at least another 3 years and actually proposes between the lines to go on forever.

Perpetual handouts for perpetual beggars is the program.

For 17 years Congress has required our taxpayers to finance foreign wars, foreign industry, foreign trade, and foreign competition against American farmers, wage earners, producers, and investors.

During these 17 years we have fought two wars ourselves at a terrible cost in lives, blood, and treasure.

Yet in addition to paying our own way, the taxpayers of the United States have

Country	Is import license necessary?	Is exchange permit required?
Morocco (the three former zones of Morocco were united in 1956, but the regulations of each continue pending development of a unified system):		
Former French Zone	Yes; with exception of goods imported sans devise, i. e., shipments financed by importer with his own funds held abroad. A temporary import-quota system requiring special permits for import of used clothing, certain textiles, readymade men's garments, and electric cable and wire, established in March 1955, covers all such imports regardless of means of financing or country of origin and includes imports sans devise.	Yes; except for goods imported sans devise.
Former Spanish Zone	Yes	Yes; import license carries right to foreign exchange.
Tangier (former International Zone)	No	No.
Netherlands	Yes; but automatically granted for most commodities	No separate permit required.
Netherlands West Indies	No; except for certain luxury items	Yes.
New Zealand	Yes; except for some commodities on world exemption list.	No; import license carries right to foreign exchange.
Nicaragua	Yes	No; import permit authorizes purchase of exchange.
Norway	Yes; but issued automatically for wide range of products.	No; foreign exchange is automatically made available in currency specified in import license.
Pakistan	Yes	Yes; however, foreign exchange is automatically released upon presentation of validated import license to exchange bank.
Panama	No; except for lettuce, potatoes, copra, hatching eggs, powdered and evaporated milk, tomato paste, sauce, and canned tomatoes, baby chicks, and salt. A few agricultural items are subject to quota restrictions and some are prohibited import.	No.
Paraguay	No	Yes; exchange permit serves also as import license.
Peru	No; except for plants, roots, seeds, cuttings, animals, medicinal cigarettes, explosives, firearms and other weapons, alcoholic beverages, salt, tobacco, chemical and pharmaceutical products, matches, hatching eggs, and duplicating machines. Prior authorization also is required for import of automobiles to be brought into the country outside the quota established for import of automobiles.	No.
Philippines, Republic of	No	No permit as such; exchange generally allocated to importers semiannually for one or more of five classes of imports. A certain number of decontrolled commodities may be imported without quota limitations. Letter of credit opened against allocation considered as exchange license.
Poland	Yes	Yes.
Portugal, including the Azores and Madeira	Yes; but granted automatically for certain items	Do.
Portuguese colonies	Yes	Yes; in Angola, however, import license carries with it authorization to obtain foreign exchange needed for payment of goods to which license pertains.
Rhodesia and Nyasaland, Federation of	Yes; some items are limited by quota; many are prohibited entirely, and other goods not prohibited or under quota are liberally licensed.	Yes; import license carries right to foreign exchange.
Rumania	Yes	Yes.
Singapore [1]	Yes; only certain items may be imported directly from hard-currency sources. Licenses to import non-sterling-area goods via Hong Kong are issued provided certain exchange regulations are observed.	Yes, for direct imports. For imports from hard-currency areas via Hong Kong no permit is necessary, but payment must be made in a sterling-area currency and shipment effected on a bill of lading issued in Hong Kong.
Spain, including the Canary Islands	Yes; obtainable mainly for essential raw materials	Yes; special exchange rates fixed for many import products.
Spanish Africa	Yes	Yes; import license carries right to foreign exchange.
Sudan	Yes; for hard-currency imports	Yes.
Surinam	Yes	No; import license carries right to foreign exchange.
Sweden	No; for most goods imported from the United States import license still required for such commodities as automobiles, coal, and certain agricultural products	No separate permit required. Foreign exchange, including dollar exchange, is automatically made available if import license specifies payment in such currency and if license is registered with a foreign-exchange bank within 2 months after issuance.
Switzerland	Import license required for certain agricultural products and some types of vehicles and machinery. Also, special import authorizations must be obtained for most animals and fowl, shellfish, bees, beeswax, and honeycomb.	No.
Syria	Yes	No.
Taiwan (Formosa)	Yes	No.
Thailand	No; except for 23 categories of specified goods	No; but a "certificate of payment" issued by Bank of Thailand or authorized bank for company is required.
Turkey	Yes	One application suffices for both import permit and exchange-control purposes.
Union of South Africa, including Southwest Africa, Basutoland, Bechuanaland, and Swaziland.	Yes, for most goods. Import licenses are issued to importers on basis of periodic exchange quotas established by Government. Special licensing restrictions apply to certain nonessential items; recent trend has been toward liberalization of such restrictions and outright decontrol of many consumer goods and industrial raw materials.	No; import license carries right to foreign exchange up to amount expressed in local currency in relevant import license.
United Kingdom	Yes; except some foodstuffs, raw materials, fertilizers, etc.	Yes; granted automatically following issuance of import license.
Uruguay	Yes	No; import license carries right to foreign exchange.
U. S. S. R.	Yes; importing Government agencies are responsible for securing own permit.	Yes; all exchange is allocated by U. S. S. R. State Bank upon receipt of import license.
Venezuela	No; except for approximately 25 tariff items	No.
Vietnam	Yes	Yes; import license carries right to foreign exchange.
Yugoslavia	No; individual import license abolished July 1, 1952; since that time only licensed import firms are permitted to carry on import operations.	No; but Government maintains strict control over foreign exchange allocations.

[1] Includes Bermuda, British West Indies, British East Africa, Gambia, Nigeria, Sierra Leone, British Honduras, and minor colonies, protectorates, and trusteeship territories. For British Borneo—Brunei, North Borneo, and Sarawak—the regulations are the same as for Singapore and the Federation of Malaya.

NATIONS WHICH BAR AMERICAN GOODS RECEIVE HUGE FOREIGN AID GRANTS, MANY NATIONS BARRING AMERICAN GOODS HAVE RECEIVED FOREIGN AID OVER A PERIOD OF 40 YEARS

Mr. MALONE. Mr. President, among these countries imposing drastic and rigid trade barriers against American products are countries we have been squandering taxpayer's dollars on for 40 years.

During World War I we financed Great Britain, France, Italy, Russia, Belgium, and Serbia. Our loans to these nations were made with proceeds from Liberty Bond sales, not from taxes.

The United States, in effect, borrowed $10 billion from its citizens through the device of selling them bonds which later depreciated.

Congress stipulated that proceeds of these sales should go only to the Allies and only for the duration of the war.

WORLD WAR I FOREIGN AID TOTALED

When the war ended $7,296,000,000 had been advanced, and under the letter and intent of the Liberty Loan Act that is where they should have stopped. Instead, under pressure of our foreign debtors, particularly Great Britain, another $2,170,000,000 was sent abroad.

I might invite attention to the fact, Mr. President, that since I am referring to 1919 or 1920, $1 was worth approximately four or five of the ones that are floating around currently, so instead of $10 billion, we are talking about $40 billion or $50 billion in present currency.

FOREIGN AID

This was nothing more or less than peacetime foreign aid, and aid from Liberty-bond sales did not stop going to Europe until September, 1920. Some of the money went also to Germany and Austria contrary to provisions of the act.

Of the more than two billion dollars thus illegally disbursed after World War I, Harvey E. Fisk in "The Inter-Ally Debts" states:

> It is unquestionably a fact that millions of dollars' worth of products purchased with United States money loaned to foreign governments were sent directly to Germany with our sanction. It is also true that large quantities of supplies for relief of other distressed peoples were bought with Liberty Loan money, while millions of dollars were lent to Great Britain after hostilities had ceased to enable her to build up her trade.

Mr. President, may we have order?

The PRESIDING OFFICER (Mr. CLARK in the chair). The Senator from Nevada requests order. Senators who desire to converse will please retire from the Chamber, at the request of the Senator from Nevada.

The Senator from Nevada is recognized.

Mr. MALONE. I understood the Chair was requesting that there be order. Would the Chair take that responsibilty?

The PRESIDING OFFICER. The Chair is prepared to take the responsibility. In the opinion of the Chair, the Senate is in order.

Mr. MALONE. I thank the Chair.

FOREIGN-AID FUNDS USED BY BRITAIN TO PAY BACK LOANS TO WALL STREET BANKS

Britain also used Liberty Loan money to pay back $648 million borrowed from New York banks, and $1,872,000,000 to pay back loans she had made with foreign governments other than the United States.

Britain did not pay back the United States, but foreign aid continued.

When Germany could not pay her reparations to Britain and France, and Britain would not pay their debt to the United States, two plans—the Dawes and Young plans—were contrived to extend foreign aid to Germany. With this money Germany was to pay reparations to her former European adversaries, who were, in turn, to pay similar amounts on their war debts to the United States.

The United States advanced Germany $2,475,000,000. Germany paid this and her own money to the Allies in the sum of $4,470,000,000. The Allies paid $2,616,000,000 on their war debt. Thus Uncle Sam paid half of Germany's reparations, and the Allies made nearly $2 billion profit on the deal, which was not unusual.

Not long after that our ever-loving allies stopped paying anything on their debt to the United States.

WORLD WAR I DEBT OF FOREIGN COUNTRIES NOW ALMOST $18 BILLION

Principal and interest on the World War I debt, as of June 30, 1956, stood at $17,882,359,850.18, according to the last annual report of the Secretary of the Treasury.

When the next annual report comes out it will be higher because of accumulated and unpaid interest.

None of it, of course, will ever be paid, unless we receive some contributions from honest Finland, the only nation that has made any payments at all in recent years.

Britain's World War I debt still owed to the United States is $8,086,559,301.93. That of France is $5,569,707,289.34.

POST-WORLD-WAR I LOANS TO GERMANY DID NOT PREVENT WORLD WAR II

Neither country ever intended to pay up its war debts, including that owed on post-World War I foreign aid. Yet after World War II with the enormous British World War debt still standing on the books, the United States blithely loaned Britain another $3,750,000,000, and with our sanction she has begun to welch on paying that.

A post-World War I debt owed by Germany for foreign aid extended to her totals $1,192,804,499.26.

Germany borrowed money from Britain, France, and Holland, her former enemies. She borrowed billions more than she needed to meet her reparations payments. All of the money loaned to Germany was foreign aid. She used the excess to prepare for World War II.

Foreign aid to Germany after World War I helped her to build up the mighty war machine with which she struck at her old adversaries in World War II. Most of this foreign aid came from the United States.

FAILURE OF FOREIGN AID TO ASSURE PEACE A MATTER OF HISTORIC RECORD

There are few more preposterous claims for foreign aid than the one that it will assure peace. The record shows it did not keep the peace after World War I; it prepared the nations of old Europe for another and bigger war.

Who can assure us that foreign aid extended since World War II will keep the peace, or that it will even contribute to maintaining peace?

Foreign aid has been extended by the United States in connection with World War II and its aftermath for 17 years, beginning from more than a year before our entry into that war until the present day.

FOREIGN AID BURDEN SHIFTED TO TAXPAYERS BEFORE WORLD WAR II

When World War II loomed, the problem of financing Britain and France perplexed our statesmen in the White House. It would be difficult, after the disastrous experience of World War I, to finance them from sales of liberty bonds. It would be equally absurd to finance them through loans, because everyone then knew that such loans are not repaid. So the decision was made to finance them through taxes imposed on all our citizens, which is the way foreign aid is being financed today, 17 years later.

This is money extracted from our citizens in taxes to hand over to some foreign country.

We began giving World War II foreign aid on September 3, 1940, 14 months before Pearl Harbor, when President Roosevelt handed over to Britain 50 destroyers which had initially cost the taxpayers $75 million.

Then in March 1941, 9 months before Pearl Harbor, Congress passed the Lend-Lease Act. Before the war was over lend-lease had cost the taxpayers $47.1 billion, of which 90 percent went to three countries: $28.6 to the United Kingdom, $10.8 to Soviet Russia, and $2.6 to France. Other countries received a total of $5.1 billion.

Congress set up UNRRA, United Nations Relief and Rehabilitation Administration, in November 1943, which cost our taxpayers another $2.7 billion. UNRRA was an international operation. The other 45 nations put up a total of only $1 billion.

WARTIME PLANS LAID FOR POSTWAR FOREIGN AID

During the latter part of the war Congress also authorized the International Monetary Fund, of which Harry Dexter White, the Soviet spy, would become Executive Director, and to which $2,750 million in American taxpayers' money was paid.

Another foreign-aid scheme was the International Bank, to which the United States is obligated to subscribe in capital stock to the amount of $3,175 million, of which $635 million has been paid.

Then there were the post-UNRA $350 million authorization; the interim-aid program for Austria, France, and Italy, costing $597 million; and the Greek-Turkish aid program, $627 million.

All of these, except the British loan, were presented to Congress as temporary measures. Even the so-called Marshall plan, proposed in 1947 and enacted in 1948, was supposed to continue for only 4 years and cost no more than $17 billion.

PROGRAM CALLS FOR PERPETUAL FOREIGN HANDOUTS

The bill before us contemplates foreign aid for at least another 3 years and actually proposes between the lines to go on forever.

Perpetual handouts for perpetual beggars is the program.

For 17 years Congress has required our taxpayers to finance foreign wars, foreign industry, foreign trade, and foreign competition against American farmers, wage earners, producers, and investors.

During these 17 years we have fought two wars ourselves at a terrible cost in lives, blood, and treasure.

Yet in addition to paying our own way, the taxpayers of the United States have

been compelled by Congress to support at one time or another every country on the globe, including those that were or have gone Communist.

AVERAGE COST OF FOREIGN AID TO EACH AMERICAN FAMILY NOW $2,459

Mr. President, we have given or loaned—mostly given—foreign nations $107 billion since the outbreak of World War II. That $107 billion breaks down to $2,459 for every family in the United States, and $619 for every individual in the United States, man, woman, or child.

The nations to which we have given money cover a considerable list. I have received such a list from a Mr. Hill, Assistant Secretary of State. I ask unanimous consent to have the list printed in the RECORD at this point as a part of my remarks.

NATIONS ON OUR FOREIGN-AID DOLE LIST

There being no objection, the list was ordered to be printed in the RECORD, as follows:

CALENDAR OF TRADE AGREEMENTS

Listed below are the 51 countries with which the United States has concluded reciprocal trade agreements under the provisions and authority of the Trade Agreements Act of 1934, as amended and extended. Agreements with 41 of these countries are presently in effect; 33 are under the multilateral General Agreement on Tariffs and Trade (GATT), and the remaining 8 are bilateral agreements.

Meanings of symbols used in the list are as follows:

* indicates that a former bilateral agreement was suspended because the country became a contracting party to the General Agreement on Tariffs and Trade (GATT).

(B) indicates bilateral agreement.

(G), (A), (T), or (J) indicates multilateral conference at which country negotiated for accession to GATT: (G)—Geneva, Switzerland, 1947; (A)—Annecy, France, 1949; (T)—Torquay, England, 1951; (J)—Geneva, Switzerland, 1955.

The 10 countries with which trade agreements are no longer in effect are indicated by striking through.

Country	Date concluded	Date effective	Date terminated
Argentina (B)	Oct. 14, 1941	Nov. 15, 1941	
Australia (G)	Oct. 30, 1947	Jan. 1, 1948	
Austria (T)	Apr. 21, 1951	Oct. 19, 1951	
Belgium * (G)	Oct. 30, 1947	Jan. 1, 1948	
Brazil * (G)	do	July 31, 1948	
Burma (G)	do	July 30, 1948	
Canada * (G)	do	Jan. 1, 1948	
Ceylon (G)	do	July 30, 1948	
Chile (G)	do	Mar. 16, 1949	
[China] (G)	do	May 22, 1948	[1] May 5, 1950
[Colombia] (B)	Sept. 13, 1935	May 20, 1936	[2] Dec. 1, 1949
[Costa Rica] (B)	Nov. 28, 1936	Aug. 2, 1937	[2] June 1, 1951
Cuba* (G)	Oct. 30, 1947	Jan. 1, 1948	
[Czechoslovakia]* (G)	do	Apr. 21, 1948	[3] Sept. 29, 1951
Denmark (A)	Oct. 10, 1949	May 28, 1950	
Dominican Republic (A)	do	May 19, 1950	
[Ecuador]	Aug. 6, 1938	Oct. 23, 1938	[2] July 17, 1956
El Salvador (B)	Feb. 19, 1937	May 31, 1937	
Finland* (A)	Oct. 10, 1949	May 25, 1950	
France* (G)	Oct. 30, 1947	Jan. 1, 1948	
Germany (T)	Apr. 21, 1951	Oct. 1, 1951	
Greece (A)	Oct. 10, 1949	Mar. 9, 1950	
[Guatemala] (B)	Apr. 24, 1936	June 15, 1936	[1] Oct. 15, 1955
Haiti*(A)	Oct. 10, 1949	Jan. 1, 1950	
Honduras (B)	Dec. 18, 1935	Mar. 2, 1936	
Iceland (B)	Aug. 27, 1943	Nov. 19, 1943	
India (G)	Oct. 30, 1947	July 9, 1948	
Indonesia (G) [4]	do	Mar. 11, 1948	
Iran (B)	Apr. 8, 1943	June 28, 1944	
Italy (A)	Oct. 10, 1949	May 30, 1950	
Japan (J)	June 8, 1955	Sept. 10, 1955	
[Lebanon] (G)	Oct. 30, 1947	July 30, 1948	[1] Feb. 25, 1951
[Liberia] (A)	Oct. 10, 1949	May 20, 1950	[1] June 13, 1953
Luxembourg* (G)	Oct. 30, 1947	Jan. 1, 1948	
[Mexico] (B)	Dec. 23, 1942	Jan. 30, 1943	[2] Jan. 1, 1951
Netherlands* (G)	Oct. 30, 1947	Jan. 1, 1948	
New Zealand (G)	do	July 31, 1948	
Nicaragua* (A)	Oct. 10, 1949	May 28, 1950	
Norway (G)	Oct. 30, 1947	July 11, 1948	
Pakistan (G)	do	July 31, 1948	
Paraguay (B)	Sept. 12, 1946	Apr. 9, 1947	
Peru * (T)	Apr. 21, 1951	Oct. 7, 1951	
Rhodesia and Nyasaland (G) [5]	Oct. 30, 1947	July 12, 1948	
Sweden * (A)	Oct. 10, 1949	Apr. 30, 1950	
Switzerland (B)	Jan. 9, 1936	Feb. 15, 1936	
[Syria] (G)	Oct. 30, 1947	July 31, 1948	[1] Aug. 6, 1951
Turkey * (T)	Apr. 21, 1951	Oct. 17, 1951	
Union of South Africa (G)	Oct. 30, 1947	June 14, 1948	
United Kingdom * (G)	do	Jan. 1, 1948	
Uruguay * (A)	Oct. 10, 1949	Dec. 16, 1953	
Venezuela (B)	Nov. 6, 1939	Dec. 16, 1939	
Supplemental agreement	Aug. 28, 1952	Oct. 11, 1952	

[1] Country indicated withdrew from the GATT effective as of the termination date shown.

[2] Bilateral agreement terminated by joint agreement effective as of the date shown.

[3] United States obligations to Czechoslovakia under the GATT were suspended as of Sept. 29, 1951.

[4] Prior to Feb. 24, 1950, the date on which the Republic of Indonesia was recognized as a contracting party, the Netherlands applied the general agreement to the Netherlands Indies as a Netherlands territory.

[5] Prior to Oct. 29, 1954, the date on which the Federation of Rhodesia and Nyasaland was recognized as a contracting party, the general agreement was applied in the present Federation area by Southern Rhodesia and by the United Kingdom (for Northern Rhodesia and Nyasaland).

NATIONS AIDED BY UNITED STATES MAKE TRADE PACTS WITH IRON CURTAIN COUNTRIES

Mr. MALONE. A list of trade agreements made with nations to which we have given money, including the amounts within the $107 billion I have mentioned, and the nations included in the list of those which have made foreign trade agreements with our actual and potential enemies behind the Iron Curtain was received from Robert C. Hill, Assistant Secretary, on June 27, in a letter. I ask unanimous consent that this letter, together with the enclosures, be made a part of the RECORD at this point.

There being no objection, the letter and enclosures were ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
Washington, June 27, 1957.

The Honorable GEORGE W. MALONE,
United States Senate.

DEAR SENATOR MALONE: The four categories of date on Soviet bloc trade requested in your letter of June 19, 1957, have been assembled on an urgent basis and are set forth in four enclosures to this letter.

A listing of all known trade agreements between countries of the Free World and the Soviet bloc is contained in enclosure No. 1. More detailed information on certain of these agreements is available and, on request, could be furnished.

Lists of goods that the Soviet Union imports are included in the data presented in enclosures Nos. 2 and 4.

Lists of goods that the Soviet union imports from satellite countries, as a bloc, are given in enclosure No. 2 and the distribution of Soviet imports from the various satellites is enumerated in enclosure No. 3. A detailed breakdown by commodity of Soviet imports from each Soviet bloc member is not available.

Finally, experts during 1955 of all Free World countries to each Soviet bloc country, broken down by commodity, are tabulated in enclosure 4. Preliminary data for the first 6 months of 1956 are available but are not enclosed since you requested data on the most recent 12-month period. Data for the full year 1956 are in the process of preparation and, if you require this information, it may be provided late this year.

I trust the enclosed information is fully responsive to your needs.

Sincerely yours,

ROBERT C. HILL,
Assistant Secretary.

Trade and/or payments agreements between the Sino-Soviet bloc and the Free World as of June 24, 1957 [1]

	Albania	Bulgaria	Czechoslovakia	East Germany	Hungary	Poland	Rumania	U. S. S. R.	China	North Korea	North Vietnam
Europe:											
Austria		(*)	(*)	(*)	(*)	(*)	(*)	(*)			
Belgium		(*)	(*)		(*)	(*)	(*)	(*)			
Denmark		(*)	(*)	(*)	(*)	(*)	(*)	(*)			
Finland		(*)	(*)	(*)	(*)	(*)	(*)	(*)			
France		(*)	(*)	(*)	(*)	(*)	(*)	(*)			(*)
Germany, West		(*)	(*)	(*)	(*)	(*)	(*)				
Greece		(*)	(*)	(*)	(*)	(*)	(*)	(*)			
Iceland			(*)	(*)	(*)	(*)	(*)	(*)			
Italy	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)			
Netherlands		(*)	(*)	(*)	(*)	(*)		(*)			
Norway		(*)	(*)	(*)	(*)	(*)	(*)	(*)			

See footnotes at end of table.

Trade and/or payments agreements between the Sino-Soviet bloc and the free world as of June 24, 1957 [1]—Continued

	Albania	Bulgaria	Czechoslovakia	East Germany	Hungary	Poland	Rumania	U.S.S.R.	China	North Korea	North Vietnam
Europe—Continued											
Portugal			(2)	(2)	(2)	(2)					
Sweden		(*)	(*)	(*)	(*)	(*)	(*)	(*)			
Switzerland		(*)	(*)		(*)	(*)	(*)	(*)			
Turkey		(*)	(*)	(*)	(*)	(*)	(*)	(*)			
United Kingdom		(*)	(*)		(*)	(*)					
Yugoslavia	(*)	(*)	(*)		(*)	(*)	(*)	(*)	(*)		
Near East and Africa:											
Egypt		(*)	(*)	(*)		(*)	(*)	(*)	(*)		
Ethiopia			(*)								
Iran			(*)		(*)	(*)		(*)			
Israel		(*)			(*)	(*)	(*)	(*)			
Lebanon		(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)		
Morocco								(*)			
Sudan			(2)	(*)	(*)	(*)					
Syria	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)		
Yemen			(*)	(*)				(*)			
South Asia:											
Afghanistan			(*)			(*)		(*)			
Ceylon		(*)	(*)		(*)		(*)		(*)		
India		(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)		(*)
Pakistan			(*)		(*)	(*)		(*)			
South East Asia:											
Burma			(*)	(*)	(*)	(*)	(*)	(*)			
Cambodia			(*)					(*)			
Indonesia			(*)	(*)			(*)	(*)	(*)	(*)	(*)
Latin America:											
Argentina			(*)		(*)	(*)	(*)	(*)			
Brazil			(*)		(*)						
Colombia			(*)	(*)							
Mexico			(*)								
Paraguay			(*)		(*)	(*)					
Uruguay		(*)	(*)	(2)	(*)	(*)		(*)			
Other:											
Canada								(*)			
Australia							(*)				

[1] The list includes agreements known to be in force, agreements which are assumed to have been tacitly renewed, and newly signed agreements of uncertain date of entry into force.

[2] Payments agreement only.

Composition of Soviet trade in 1955

[In millions of current United States dollars]

	Percent of total	Total value	Bloc (percent)	Nonbloc [1] (percent)
Imports:				
1. Machinery and equipment	33.0	1,025	81.5	19.5
2. Crude materials and fuels	48.0	1,500	84.5	15.5
Coal and coke	3.1	95	99.0	1.0
Oil and oil products	2.8	85	60.0	40.0
Metals and ores	9.5	295		
Natural rubber	.8	25	20.0	80.0
Cotton	.6	20	0	100.0
Other textile materials	5.4	170	79.5	20.5
Peanuts, soy beans, and oilseeds	3.6	110	100.0	0
Others	22.2	695	88.0	12.0
3. Foods and consumer goods	19.0	595	72.5	27.5
Meats and dairy products	4.2	131	82.5	17.5
Sugar	2.9	90	41.0	59.0
Grains	2.2	70	66.0	34.0
Textile fabrics	3.2	100	95.0	5.0
Total	100.0	3,125		

	Percent of total	Total value	Bloc (percent)	Nonbloc [1] (percent)
Exports:				
1. Machinery and equipment	22.1	690	97.5	2.5
2. Fuels and crude materials	59.9	1,870	74.5	25.5
Coal	1.3	40	[3].0	100.0
Oil and oil products	6.4	200	59.5	40.5
Metals	15.2	470	82.0	18.0
Lumber and wood products	4.7	145	29.5	70.5
Cotton	11.3	355	83.0	17.0
Furs	1.5	45	40.0	60.0
Fiber flax	.1	5	87.5	12.5
Others	19.4	605	87.5	12.5
3. Foods and consumer goods	18.0	560	83.0	17.0
Grains	10.3	320	84.5	15.5
Sugar	.8	25	8.0	92.0
Meat and dairy products	.3	10	90.0	10.0
Textiles	1.6	50	88.0	12.0
Fruits and vegetables	1.5	45	72.0	28.0
Total	100.0	3,125		

[1] Based upon statistics from the Department of Commerce; figures would be slightly higher were Soviet statistics available.

[3] Small amounts were exported to East Germany, Rumania, and Hungary.

Distribution of the trade of the U. S. S. R.

[In millions of current United States dollars]

	1937	1950	1953	1954	1955	1956
Total	801	2,570	5,750	6,250	6,250	6,830
Percent	100.0	100.0	100.0	100.0	100.0	100.0
Bloc	61	2,010	4,750	4,900	4,875	5,160
Percent	7.5	78.5	82.5	78.5	78.0	75.5
Communist China	17	350	1,050	1,175	1,250	1,300
Percent	2.0	10.0	18.0	18.5	20.0	19.0
East Germany	28	327	915	1,040	935	1,090
Percent	3.5	12.5	16.0	16.5	15.0	16.0
Czechoslovakia	8	416	690	745	795	925
Percent	1.0	16.0	12.0	12.0	12.5	13.5
Poland	6	340	595	665	595	505
Percent	0.7	13.0	10.5	10.5	9.5	7.5

	1937	1950	1953	1954	1955	1956
Rumania		235	320	325	365	420
Percent		9.0	5.5	5.0	6.0	6.0
Hungary		130	320	300	250	190
Percent		5.0	5.5	4.5	4.0	2.5
Bulgaria		120	195	205	180	190
Percent		4.5	4.0	3.5	3.0	2.5
Albania		12	16	14	23	24
Percent		0.5	0.3	0.2	0.4	0.3
Other bloc countries and unaccounted for			650	430	480	505
Nonbloc	740	560	1,000	1,350	1,375	1,670
Percent	92.5	22.0	17.5	21.5	22.0	24.5
Alternative nonbloc			815	1,130	1,190	1,520

NOTES FOR SUMMARY TABLES SHOWING EXPORTS TO AND IMPORTS FROM SOVIET BLOC COUNTRIES BY FREE-WORLD COUNTRIES, JANUARY–DECEMBER 1955

These summary tables show the trade of Free World countries, by commodity groups, with the Soviet bloc (i. e., Albania, Bulgaria, Czechoslovakia, Soviet Zone of Germany, Hungary, Poland, Rumania, U. S. S. R., and China). The total value of Free World exports and imports as shown on the attached sheets represents all the known officially reported trade of Free World countries (totaling 69) with Soviet bloc countries, except those whose trade did not exceed $1 million in any year after 1950. The commodity details in these tables relate only to the trade of 44 countries. However, their exports comprised 99 percent of the total known free-world exports to the Soviet bloc and their imports were 94 percent.

Commodity data were compiled from the latest available official publications of each country or from other official sources as of August 1956. The 44 countries included in the tables are: OEEC countries—Austria, Belgium-Luxembourg, Denmark, France, Federal Republic of Germany, Greece, Iceland, Ireland, Italy, Netherlands, Norway, Portugal, Sweden, Switzerland, Turkey and United Kingdom; other countries—Algeria, Argentina, Australia, Brazil, Burma, Canada, Ceylon, Cuba (exports only), Egypt, Finland, French Morocco, Gold Coast, Hong Kong, India, Indonesia, Israel, Iran, Japan, Malaya, New Zealand, Nigeria, Pakistan, Sudan, Taiwan, Union of South Africa, United States, Uruguay, and Yugoslavia.

The above list includes Organization for European Economic Cooperation (OEEC) countries and all other countries whose exports to or imports from the Soviet bloc totaled $5 million or more in any year after 1951 with 5 exceptions. These—Cuba (imports only), Iraq, Lebanon, Syria, and Vietnam—have not yet published commodity data showing trade with the bloc for the year 1955.

Of the countries for which commodity detail is presented, the following do not show the Soviet Zone of Germany separately: Brazil, Hong Kong, Indonesia, Iran, Taiwan, and Uruguay. The total official trade with the Soviet Zone of Germany is therefore greater than the totals shown by an unknown, though probably quite small, amount.

China data as far as possible refer to mainland (Communist) China, including Manchuria, Inner Mongolia, and Tibet. The following are known exceptions to this rule: Algeria, France, Iran, and Italy include Taiwan; Austria, Norway and the United Kingdom include Outer Mongolia; Australia excludes Manchuria; Egypt includes Mongolia; Indonesia includes Outer Mongolia and excludes Manchuria; Ireland includes Taiwan and excludes Manchuria; Switzerland includes Taiwan, Hong Kong and Macao; Portugal includes Taiwan and excludes Inner Mongolia. Total values include an unknown amount of duplication of trade through Hong Kong.

Exports are valued f. o. b., port of shipment, by all countries except Canada and the Union of South Africa, which value exports f. o. b., inland point of shipment, and the United States which values exports f. a. s. Imports are valued c. i. f. by all countries except Australia, Canada, Union of South Africa, and the United States, which report f. o. b. values. Adjustments have not been made for these differences.

Figures are for special trade (i. e., imports from consumption and domestic exports) except for the following countries which report general trade (i. e., general imports and exports, including reexports): Australia, Brazil (imports only), Burma, Ceylon, Cuba, Gold Coast, Hong Kong, India, Ireland, Japan, Malaya, Nigeria, New Zealand, Pakistan, Sudan, Union of South Africa, United Kingdom, and United States. Taiwan reports general imports minus reexports.

Commodity groups are arranged as far as possible according to the United Nations Standard International Trade Classification. Because of the nature of the raw data, the commodity group totals cannot be entirely complete. Detailed commodity figures are not available for all Free World countries by each Soviet bloc country. Moreover, the data as published by the individual countries could not be combined into strictly comparable categories. The groups shown are those categories into which a substantial amount of the trade could be combined, and generally understate the total value of the trade in each group.

An "other and unspecified" item has been listed under many commodity groups, as well as at the end of the tables, to cover items not comparable with more detailed SITC categories and, in some instances, to group items valued at less than $10,000. The value of "other and unspecified merchandise" at the end of each table also includes a considerable amount for which commodity detail is not available because data were not reported in complete detail, or are entirely lacking for all or part of 1955. The major share of unspecified exports is accounted for by exports valued at $7,800,000 from India, $11,700,000 from Burma, $9,900,000 from Iran, and $2 million from Lebanon. The major unknown import detail consists of imports valued at $17,700,000 by India, $2,700,000 by Burma, $5,846,000 by Iran, $5,200,000 by Iraq, $5,400,000 by Lebanon, $5,500,000 by Syria, and $8,500,000 by Vietnam.

Wherever possible, the statistics have been converted from original currency units to United States dollars at the rates published by the International Monetary Fund. Otherwise, rates as reported by the countries themselves have been used.

Free World exports to Soviet bloc countries by commodity groups, January–December 1955

[Value in thousands of United States dollars]

Commodity group	Total to Soviet bloc	Total to Soviet bloc in Europe	Albania	Bulgaria	Czechoslovakia	Soviet zone of Germany	Hungary	Poland	Rumania	U.S.S.R.	Soviet bloc in Eastern Europe [1]	China [2]
Exports, total	[3] [4] 2,061,808	[3] 1,747,290	681	25,900	261,962	275,050	190,043	325,703	77,797	590,148	----------	314,493
Food	422,497	401,943	------	1,837	77,196	82,149	49,490	53,079	11,633	126,257	302	20,554
Live animals, chiefly for food	12,626	12,511	------	151	2,191	6,134	77	54	----------	3,868	36	115
Meat and meat preparations	34,619	34,561	------	4	9,982	3,440	1,273	199	1	19,656	6	58
Butter	20,402	20,402	------	----------	9,097	11,305	----------	----------	----------	----------	----------	----------
Cheese	7,422	7,418	------	----------	1,098	5,594	----------	24	----------	648	54	4
Eggs	1,520	1,520	------	----------	319	1,201	----------	----------	----------	----------	----------	----------
Other and unspecified dairy products; honey	1,536	1,478	------	----------	----------	988	52	58	380	----------	----------	58
Fish and fish preparations	49,722	49,600	------	311	7,931	21,128	160	1,093	864	18,001	112	122
Cereals and cereal preparations	119,927	107,171	------	255	9,191	6,936	32,819	44,359	4,633	8,978	----------	12,756
Wheat and wheat flour	69,548	69,480	------	----------	1,398	----------	27,603	37,356	3,709	14	----------	68
Rice	31,056	18,460	------	----------	2,200	3,523	6	3,440	327	8,964	----------	12,596
Barley	7,161	7,069	------	255	3,479	1,517	1,650	168	----------	----------	----------	92
Corn	2,542	2,542	------	----------	2,086	----------	356	55	45	----------	----------	----------
Other and unspecified cereals and cereal preparations	9,620	9,620	------	----------	28	1,896	3,804	3,340	552	----------	----------	----------
Fruits and vegetables	49,163	48,787	------	1,075	11,179	15,666	3,592	1,685	2,139	13,447	4	376
Sugar and sugar preparations	62,452	59,098	------	----------	4,732	359	3,947	23	1,958	48,079	----------	3,354
Cocoa, chocolate, and preparations	25,614	25,410	------	32	6,462	2,655	1,253	3,047	470	11,468	23	204
Coffee, tea, spices and manufactures	15,980	14,073	------	----------	5,959	1,851	2,015	1,891	294	2,019	44	1,907
Feeding stuff for animals	10,658	10,658	------	----------	7,829	689	1,493	535	110	2	----------	----------
Margarine and shortenings	7,878	7,878	------	----------	1,200	2,945	2,783	104	755	91	----------	----------
Other and unspecified foods	2,978	1,378	------	9	26	1,258	26	7	29	----------	23	1,600
Beverages and tobacco	40,897	38,824	------	1	7,252	11,302	2,987	12,261	230	4,723	68	2,073
Beverages	2,833	2,796	------	1	718	1,057	268	343	207	168	34	37
Tobacco and tobacco manufactures	38,064	36,028	------	----------	6,534	10,245	2,719	11,918	23	4,555	34	2,036
Crude materials, inedible, except mineral fuels	617,870	501,194	------	6,443	106,873	38,456	64,961	131,738	22,626	129,763	334	116,670
Hides and skins, undressed	42,680	42,463	------	----------	9,173	1,153	4,885	9,801	1,713	15,711	27	217
Fur skins and unspecified hides and skins, undressed	3,695	3,695	------	----------	361	3,262	53	----------	----------	1	18	----------
Oilseeds, oilnuts and oil kernels	7,113	4,893	------	----------	2,062	538	210	1,199	686	198	----------	2,220
Crude rubber, including synthetic and reclaimed	79,921	54,862	------	451	11,175	----------	1,694	21,463	613	19,466	----------	25,059
Fuelwood	1,715	1,715	------	----------	----------	9	1,251	----------	----------	455	----------	----------
Wood in the round or simply worked	43,435	43,349	------	718	2,656	9,491	12,673	352	1	17,449	9	86
Cork, raw and waste	8,905	8,551	------	208	1,297	234	644	302	647	5,219	----------	354
Pulp and waste paper	23,096	22,616	------	575	1,783	1,523	2,744	9,062	417	6,512	----------	480

See footnotes at end of table.

Free World exports to Soviet bloc countries by commodity groups, January–December 1955—Continued

[Value in thousands of United States dollars]

Commodity group	Total to Soviet bloc	Total to Soviet bloc in Europe	Albania	Bulgaria	Czechoslovakia	Soviet zone of Germany	Hungary	Poland	Rumania	U.S.S.R.	Soviet bloc in Eastern Europe [1]	China [2]
Crude materials, etc.—Continued												
Textile fibers	360,422	275,016	------	3,914	68,591	15,409	37,959	68,608	18,081	61,390	64	85,400
Wool and other animal hair	139,095	117,720	------	2,278	27,238	4,792	8,377	35,207	6,705	33,074	49	21,369
Cotton	158,798	100,979	------	281	32,563	4,096	20,813	17,656	6,383	19,187	------	57,819
Jute	11,050	5,765	------	------	720	------	640	4,405	------	------	------	5,285
Other vegetable fibers	14,886	14,358	------	------	5,279	1,220	2,662	3,245	172	1,780	------	528
Synthetic fibers	20,358	19,959	------	503	99	1,580	2,833	3,220	4,388	7,329	7	399
Waste materials from textile fabrics	15,496	15,496	------	852	2,600	3,030	2,634	5,862	427	1	------	------
Other and unspecified textile fibers	739	739	------	------	2	691	------	13	6	19	8	------
Crude fertilizers and minerals, except coal, petroleum and precious stones	10,074	10,044	------	237	2,184	1,998	750	4,587	50	189	49	30
Natural phosphates	3,757	3,757	------	------	613	151	59	2,920	14	------	------	------
Crude minerals except fertilizers and fuels	6,317	6,287	------	237	1,571	1,847	691	1,667	36	189	49	30
Metalliferous ores and metal scrap	22,400	22,400	------	------	6,431	399	439	13,754	11	1,325	41	------
Iron ore and concentrates	17,055	17,055	------	------	5,622	262	160	11,008	------	3	------	------
Ores of nonferrous base metals and concentrates	3,052	3,052	------	------	169	------	12	2,239	11	591	30	------
Unspecified ores and metal scrap	2,293	2,293	------	------	640	137	267	507	------	731	11	------
Animal and vegetable crude materials, inedible	14,003	11,205	------	340	1,116	4,107	1,655	1,610	403	1,848	126	2,798
Crude animal materials, inedible	1,207	919	------	25	281	217	119	178	7	57	35	288
Crude vegetable materials, inedible	12,796	10,286	------	315	835	3,890	1,536	1,432	396	1,791	91	2,510
Unspecified crude materials	411	385	------	------	44	333	4	------	4	------	------	26
Mineral fuels, lubricants, and related materials	20,874	20,718	------	108	1,769	9,258	5,663	3,245	23	603	49	156
Coal, coke, and briquets	12,007	12,007	------	------	------	6,230	5,565	------	------	212	------	------
Petroleum, crude, and products	5,711	5,555	------	108	1,355	337	98	3,245	23	340	49	156
Gas, natural and manufactured; electric energy	3,105	3,105	------	------	414	2,691	------	------	------	------	------	------
Unspecified mineral fuels and related materials	51	51	------	------	------	------	------	------	------	51	------	------
Animal and vegetable oils and fats	45,335	39,832	43	168	3,305	5,508	5,084	3,211	456	21,983	74	5,503
Chemicals	[3] 195,555	98,981	11	3,985	20,401	27,260	11,918	17,617	9,311	5,255	3,223	96,574
Inorganic chemicals	20,150	15,981	7	1,394	2,693	2,089	4,135	4,050	554	1,025	34	4,169
Organic chemicals	26,629	10,067	1	149	2,194	1,262	1,575	2,198	1,054	1,583	51	16,562
Mineral tar and crude coal-tar chemicals	397	328	------	13	40	211	56	7	1	------	------	69
Dyeing, tanning and coloring materials	50,452	27,947	------	1,638	5,982	6,545	2,509	6,579	4,017	582	95	22,505
Coal-tar dyestuffs and natural indigo	35,880	16,040	------	653	3,260	5,008	1,976	2,896	1,804	422	21	19,840
Dyeing and tanning extracts and materials	10,597	8,430	------	933	1,721	416	271	2,923	2,166	------	------	2,167
Pigments, paints, varnishes and related materials	3,975	3,477	------	52	1,001	1,121	262	760	47	160	74	498
Medicinal and pharmaceutical products	18,314	8,815	2	383	1,639	2,014	1,038	1,450	1,771	440	78	9,499
Essential oils and perfume materials; toilet, polishing, and cleansing preparations	4,967	4,355	------	41	695	1,149	512	237	200	1,431	------	612
Fertilizers, manufactured	46,207	7,266	------	4	792	5,040	7	1,296	127	------	------	38,941
Nitrogenous fertilizers and fertilizer materials, n. e. s.	36,450	803	------	4	792	------	7	------	------	------	------	35,647
Phosphatic fertilizers and fertilizer materials, n. e. s.	9,517	6,463	------	------	------	5,040	------	1,296	127	------	------	3,054
Potassic fertilizers and fertilizer materials, n. e. s.	240	------	------	------	------	------	------	------	------	------	------	240
Explosives	724	724	------	72	90	428	27	12	72	23	------	------
Synthetic plastic materials in primary forms	8,646	7,964	------	57	1,940	3,964	1,044	687	213	------	59	682
Other and unspecified chemicals	[4] 19,069	15,534	1	234	4,336	4,558	1,015	1,101	1,212	171	2,906	3,535
Manufactured goods classified chiefly by material	342,780	314,298	452	7,908	24,635	71,808	36,587	54,365	26,634	90,628	1,281	28,482
Leather, dressed furs, and manufactures, except travel goods, clothing and footwear	5,798	5,782	289	8	49	521	1,331	49	6	3,525	4	16
Rubber manufactures except clothing and footwear	4,876	4,703	------	172	194	946	142	3,023	97	21	108	173
Wood manufactures	7,604	7,594	------	------	751	3,920	1,460	304	------	1,142	17	10
Cork manufactures	1,020	942	------	------	375	87	186	24	48	222	------	78
Paper, paperboard, and manufactures	40,589	35,158	------	410	786	4,584	2,616	2,027	1,729	22,954	52	5,431
Textile yarn, fabrics and manufactures, except clothing	68,759	51,065	48	597	5,742	9,146	11,211	4,083	14,214	5,491	533	17,694
Wool and hair yarn, fabrics and manufactures	8,094	7,305	------	249	841	960	1,618	1,380	12	2,036	209	789
Cotton yarn, fabrics and manufactures	18,916	16,637	15	41	948	2,458	1,557	257	11,178	------	183	2,279
Jute yarn, fabrics and manufactures	6,334	265	10	------	167	------	88	------	------	------	------	6,069
Synthetic fiber yarn, fabrics and manufactures	22,864	16,840	------	227	2,775	554	6,618	1,441	2,242	2,909	74	6,024
Other and unspecified yarn, fabrics and manufactures	12,551	10,018	23	80	1,011	5,174	1,330	1,005	782	546	67	2,533
Nonmetallic mineral manufactures	4,042	3,868	------	65	422	569	552	1,262	272	620	106	174
Lime, cement, and fabricated construction materials, except glass	1,788	1,726	------	42	4	184	193	764	26	513	------	62
Other mineral manufactures, except pottery and glass	1,196	1,101	------	6	165	3	205	391	189	54	88	95
Glass, glassware and pottery	1,058	1,041	------	17	253	382	154	107	57	53	18	17
Silver, platinum, gems and jewelry	915	271	------	2	122	14	17	16	99	1	------	644
Base metals and manufactures	208,537	204,324	115	6,649	16,178	51,486	19,070	43,565	10,166	56,646	449	4,213
Pig iron and ferroalloys	3,592	3,335	------	11	440	2,299	------	585	------	------	------	257
Other and unspecified iron and steel and semimanufactures	84,461	82,913	75	4,861	4,485	14,330	12,645	27,224	7,724	11,463	106	1,548
Copper wire rods and wire	53,210	53,202	------	------	6,444	253	3,071	5,977	812	36,645	------	8
Other and unspecified copper and semimanufactures	4,887	4,742	------	4	404	143	36	3,260	233	684	38	145
Nickel and semimanufactures	99	66	------	------	12	------	16	38	------	------	------	33
Aluminum and semimanufactures	229	224	------	30	7	------	75	99	13	------	------	5
Lead and semimanufactures	2,988	2,981	------	------	2,276	------	341	359	------	5	------	7

See footnotes at end of table.

Free World exports to Soviet bloc countries by commodity groups, January–December 1955—Continued

[Value in thousands of United States dollars]

Commodity group	Total to Soviet bloc	Total to Soviet bloc in Europe	Albania	Bulgaria	Czechoslovakia	Soviet Zone of Germany	Hungary	Poland	Rumania	U.S.S.R.	Soviet bloc in Eastern Europe [1]	China [2]
Manufactured goods, classified, etc.—Continued												
Base metals and manufactures—Continued												
Zinc and semimanufactures	132	104	------	1	------	------	83	3	------	17	------	28
Tin and semimanufactures	3,828	3,828	------	------	607	------	1,137	1,980	104	------	------	------
Other and unspecified base metals and semimanufactures	2,970	2,944	------	------	795	1,102	77	709	9	------	252	26
Arms and ammunition	282	87	------	36	6	------	3	23	17	2	------	195
Iron and steel structural parts, wire cables, netting, and related manufactures	3,933	3,917	5	355	24	47	280	873	492	1,841	------	16
Copper structural parts, wire cables, netting, and related manufactures	709	702	------	3	55	------	101	523	20	------	------	7
Manufactures of metals, other	17,069	15,585	35	1,340	606	3,690	1,188	1,951	740	5,982	53	1,484
Other and unspecified metals and manufactures	30,148	29,694	------	8	17	29,622	17	21	2	7	------	454
Unspecified manufactured goods classified chiefly by material	640	591	------	5	16	535	2	12	3	6	12	49
Machinery and transport equipment	275,265	260,230	5	3,861	8,132	14,369	8,373	35,651	4,564	184,678	597	15,035
Machinery other than electric	114,879	108,657	1	1,690	4,430	9,654	5,225	22,600	3,076	61,588	393	6,222
Power generating machinery, except electric	25,484	25,306	------	514	320	1,924	761	10,173	345	11,167	102	178
Agricultural machinery and implements	2,291	2,291	------	11	124	19	127	621	70	1,294	25	------
Tractors other than steam	210	210	------	5	23	------	116	5	52	9	------	------
Office machinery	505	306	------	5	8	72	13	197	2	4	5	199
Metalworking machinery	3,513	3,451	------	83	132	616	273	435	81	1,798	33	62
Conveying, hoisting, excavating, road construction and mining machinery	13,626	13,403	------	147	390	759	154	2,623	57	9,193	80	223
Paper mill, pulp mill, and paper processing machinery	7,831	4,948	------	5	35	2	14	197	1,138	3,557	------	2,883
Textile machinery and accessories	19,614	18,458	------	143	128	338	278	549	29	16,875	118	1,156
Sewing machines	3,721	3,561	------	17	63	380	123	63	53	2,862	------	160
Ball, needle or roller bearings	5,061	4,978	------	81	1,398	124	1,452	1,804	119	------	------	83
Other and unspecified mining, construction and industrial machinery	15,301	14,685	1	446	779	240	1,398	3,636	729	7,456	------	616
Unspecified nonelectrical machinery	17,722	17,060	------	233	1,030	5,180	516	2,297	401	7,373	30	662
Electric machinery, apparatus and appliances	38,222	35,527	1	1,559	2,436	3,430	2,162	9,045	662	16,128	104	2,695
Electric generators, alternators, motors, converters, transformers, switchgear	14,968	14,730	------	1,073	383	13	194	4,218	41	8,772	36	238
Radio and other apparatus for telegraphy, telephony, television and radar	1,730	1,477	1	127	147	42	227	673	97	160	3	253
Insulated cables and wire for electricity	2,486	2,272	------	114	24	77	107	460	361	1,129	------	214
Other and unspecified electric machinery	19,038	17,048	------	245	1,882	3,298	1,634	3,694	163	6,067	65	1,990
Transport equipment	120,489	115,674	3	499	1,154	1,269	952	3,924	817	106,956	100	4,815
Railway vehicles	1,263	1,202	------	10	111	------	34	447	309	260	31	61
Road motor vehicles	7,977	7,634	3	448	870	452	670	2,954	491	1,694	52	343
Road vehicles other than motor vehicles	769	412	------	24	14	34	247	48	8	37	------	357
Ships and boats	109,625	105,601	------	------	153	------	------	466	------	104,965	17	4,024
Unspecified transport equipment	855	825	------	17	6	783	1	9	9	------	------	30
Unspecified machinery and transport equipment	1,675	372	------	113	112	16	34	82	9	6	------	1,303
Miscellaneous manufactured articles	53,448	35,124	3	565	3,535	10,176	2,026	6,167	1,215	10,934	497	18,324
Prefabricated buildings and assembled parts	8,702	8,702	------	------	351	------	------	------	------	8,351	------	------
Clothing	1,514	1,415	------	13	54	598	1	497	12	189	51	99
Footwear	3,925	3,925	------	------	126	2,321	5	829	80	563	1	------
Instruments, photographic goods, watches and clocks	31,684	14,060	3	484	2,433	3,701	1,651	3,298	670	1,548	272	17,624
Professional and scientific instruments and apparatus	6,799	4,330	------	108	822	574	510	1,112	192	835	177	2,469
Photographic and motion-picture supplies and film	3,858	2,914	------	8	424	114	321	1,233	43	676	95	944
Watches and clocks	[6] 19,798	5,587	3	368	1,187	1,795	820	942	435	37	------	[6] 14,211
Unspecified instruments, photographic goods, watches and clocks	1,229	1,229	------	------	------	1,218	------	11	------	------	------	------
Other and unspecified manufactured articles	7,623	7,022	------	68	571	3,556	369	1,543	453	283	173	601
Miscellaneous transactions and commodities	5,912	5,543	------	16	790	46	565	3,343	170	509	14	369
Other and unspecified merchandise [7]	[8] 41,375	[8] 30,603	167	1,008	8,074	[9] 4,718	2,389	5,026	935	14,725	------	[10] 10,753

[1] Includes exports to the Soviet bloc countries in Europe which could not be broken down by individual countries.

[2] China data as far as possible refer to mainland (Communist) China, including Manchuria, Inner Mongolia, and Tibet. The following are known exceptions to this rule: Algeria, Chile, France, Iran, Italy, Spain, and Syria include Taiwan; Austria, Norway and the United Kingdom include Outer Mongolia; Australia excludes Manchuria; Egypt includes Mongolia; Indonesia includes Outer Mongolia and excludes Manchuria; Ireland includes Taiwan and excludes Manchuria; Switzerland includes Taiwan, Hong Kong and Macao; Portugal includes Taiwan and excludes Inner Mongolia.

[3] Includes exports to East Austria of miscellaneous manufactured articles valued at $6,000.

[4] Includes exports to North Korea of wool and other animal hair valued at $6,000; to North Vietnam, unspecified merchandise valued at $18,000; and to Outer Mongolia, unspecified merchandise valued at $1,000.

[5] Includes exports from the Netherlands valued at $2,504,000 for which Eastern European country detail is not available, representing a combined total of coal-tar dyestuffs and chemical fertilizers without further value detail.

[6] Includes exports of watches and clocks from Switzerland to "China" valued at $13,503,000, most of which may have been shipped to Hong Kong since Switzerland's reported trade with China comprises Communist China, Taiwan, Hong Kong and Macao. Hong Kong's 1955 imports of watches and clocks from Switzerland were valued at $12,977,000; exports of watches and clocks from Hong Kong to Communist China during the same period were valued at $560,000, which may include some reexports of goods originating in Switzerland.

[7] The major share of unspecified exports is accounted for by exports from India valued at $7,825,000 for which commodity detail is unavailable and by exports for which commodity detail is entirely lacking in all or part of 1955 (indicated in the following by the months for which no detail is included), exports valued at $5,710,000 from Burma (October–December), $9,893,000 from Iran (July–December), $1,997,000 from Lebanon (January–December), and $2,059,000 for French West Africa (January–December).

[8] Figure shown is balancing figure and is less than the sum of other and unspecified merchandise by $6,439,000, the total of the column headed "Soviet Bloc in Eastern Europe."

[9] Includes certain exports from the Federal Republic of Germany to the Soviet Zone of Germany which are not shown above because they are reported in broad categories, as follows: stones, earths and their manufactures, valued at $670,000; other minerals and their products, $138,000; wood and cork manufactures, $679,000 and other and unspecified wood, $363,000.

[10] Includes exports from the Netherlands to China valued at $875,000, representing a combined total of synthetic fibers, coal-tar dyestuffs and chemical fertilizers for which value detail is not available.

NOTE.—Leaders indicated negligible values or no trade.

Free World imports from Soviet bloc countries by commodity groups, January–December 1955

[Value in thousands of United States dollars]

Commodity	Total to Soviet bloc	Total to Soviet bloc in Europe	Albania	Bulgaria	Czechoslovakia	Soviet Zone of Germany	Hungary	Poland	Rumania	U.S.S.R.	Soviet bloc in Eastern Europe [1]	China [2]
Imports, total	[3] [4] 2,418,388	[3] 1,914,347	292	24,664	344,149	292,541	144,255	355,814	119,365	632,861	----------	494,425
Food	503,763	309,098	------	7,272	31,676	13,495	52,909	84,463	24,478	94,120	669	194,661
Live animals, chiefly for food	40,995	11,179	------	309	280	3	10,213	17	347	10	----------	29,816
Meat and meat preparations	74,912	65,454	------	155	1,203	412	9,817	51,702	351	1,714	100	9,458
Butter	5,297	5,297	------	14	----------	----------	2,261	3,022	----------	----------	----------	----------
Eggs	45,329	18,596	------	2,970	11	731	4,215	10,523	146	----------	----------	26,733
Other and unspecified dairy products; honey	1,614	1,468	------	----------	153	----------	1,271	----------	22	----------	22	146
Fish and fish preparations	21,983	12,607	------	----------	----------	43	46	564	33	11,911	10	9,376
Cereals and cereal preparations	150,230	106,411	------	927	16,196	2,661	13,943	3,505	19,110	50,051	18	43,819
Wheat and wheat flour	44,532	44,532	------	92	1,380	----------	6,122	----------	3,361	33,577	----------	----------
Rice and rice flour	41,737	950	------	34	8	----------	836	----------	1	70	1	40,787
Barley	4,845	4,413	------	----------	1,922	----------	----------	439	----------	2,052	----------	432
Corn	23,059	23,038	------	701	----------	----------	4,729	----------	15,722	1,886	----------	21
Other and unspecified cereals and cereal preparations	36,057	33,478	------	100	12,886	2,661	2,256	3,066	26	12,466	17	2,579
Fruits and vegetables	66,145	21,793	------	2,218	5,229	304	7,757	5,107	434	445	299	44,348
Sugar and sugar preparations	41,353	41,229	------	----------	7,845	7,537	1,186	9,572	----------	14,996	77	124
Tea	25,935	2	------	----------	----------	----------	----------	----------	----------	2	----------	25,933
Coffee, cocoa, spices, and preparations	4,160	1,125	------	38	152	1	556	144	138	----------	96	3,044
Feeding stuff for animals	19,000	18,598	------	179	2	----------	840	197	2,525	13,840	15	402
Other and unspecified foods	6,801	5,339	------	462	605	1,803	804	110	372	1,151	32	1,462
Beverages and tobacco	11,034	8,394	------	5,452	444	195	856	57	7	1,223	160	2,640
Beverages	2,992	1,250	------	19	433	30	611	56	1	23	77	1,742
Tobacco and tobacco manufactures	8,042	7,144	------	5,433	11	165	245	1	6	1,200	83	898
Crude materials, inedible, except mineral fuels	565,084	391,348	125	3,715	35,132	18,080	7,386	37,235	29,252	259,791	632	164,644
Hides and skins, undressed	3,486	997	------	22	59	----------	----------	835	1	73	7	2,489
Fur skins, undressed	32,749	29,055	81	59	878	45	50	13	389	27,532	8	2,503
Soybeans	42,696	678	------	617	----------	----------	2	----------	59	----------	----------	42,018
Other and unspecified oilseeds, oilnuts, and oil kernels	31,587	5,480	------	1,500	336	277	904	732	1,665	3	63	26,107
Crude rubber, including synthetic and reclaimed	2,175	2,175	------	----------	----------	2,087	----------	----------	----------	86	2	----------
Fuelwood and charcoal	2,239	795	------	----------	563	33	----------	18	181	----------	----------	1,444
Wood in the round or simply worked	200,936	200,396	------	193	22,141	1,223	20	28,225	24,857	123,728	9	540
Pulp and waste paper	13,218	13,218	------	----------	1,690	----------	----------	35	----------	11,493	----------	----------
Textile fibers	101,288	62,299	------	482	831	82	463	2,043	211	57,977	210	31,088
Silk	11,992	869	------	224	----------	----------	83	----------	----------	476	86	11,123
Cashmere goat hair	9,586	----------	------	----------	----------	----------	----------	----------	----------	----------	----------	2,573
Wool and other animal hair, except cashmere	17,861	3,268	------	13	600	----------	50	1,075	63	1,424	43	13,705
Cotton	57,109	55,215	------	46	----------	----------	11	----------	64	55,088	6	1,894
Jute and other vegetable fibers	3,251	1,487	------	177	91	----------	122	106	48	923	20	1,764
Other and unspecified textile fibers	1,489	1,460	------	22	140	82	197	862	36	66	55	29
Crude fertilizers and minerals, except coal, petroleum, and precious stones	44,443	34,137	------	48	4,191	12,581	1,148	1,851	301	13,789	138	10,306
Natural phosphates	6,145	6,145	------	----------	45	----------	2	----------	----------	6,098	----------	----------
Crude potash salts	10,445	10,445	------	----------	----------	10,445	----------	----------	----------	----------	----------	----------
Other and unspecified crude fertilizers	1,238	1,013	------	20	----------	370	----------	40	27	526	21	225
Crude minerals, except fertilizers and fuels	26,615	16,534	------	28	4,146	1,757	1,146	1,811	364	7,165	117	10,081
Metalliferous ores and metal scrap	22,812	21,727	20	210	2,778	146	243	6	4	18,316	4	1,085
Iron ore and concentrates	917	18	------	----------	----------	----------	----------	----------	----------	18	----------	899
Iron and steel scrap	1,872	1,829	------	----------	----------	----------	----------	----------	4	1,825	----------	43
Manganese ore and concentrates	12,286	12,286	------	----------	----------	----------	----------	----------	----------	12,286	----------	----------
Chromium ore and concentrates	2,539	2,539	20	----------	----------	146	----------	----------	----------	2,373	----------	----------
Other and unspecified ores of nonferrous base metals and concentrates	2,278	2,171	------	210	143	----------	----------	----------	----------	1,814	4	107
Nonferrous metal scrap	2,920	2,884	------	----------	2,635	----------	243	6	----------	----------	----------	36
Animal and vegetable crude materials, inedible	66,881	20,038	24	580	1,642	1,461	4,443	3,444	1,475	6,778	191	46,843
Bristles	20,316	5,539	------	36	53	----------	7	718	60	4,634	31	14,777
Feathers	13,338	5,260	------	39	674	----------	2,317	1,248	821	161	----------	8,078
Other and unspecified crude animal materials	4,238	1,068	------	1	135	18	156	316	19	956	67	2,570
Vegetable materials for plaiting, including bamboo	2,453	385	------	----------	----------	----------	304	81	----------	----------	----------	2,068
Plants, seeds, and parts of plants, mainly for use in medicines or perfumery	12,004	1,670	------	264	48	1	416	110	152	679	----------	10,334
Other and unspecified crude vegetable materials	14,327	5,315	24	141	693	1,425	1,216	966	418	339	93	9,012
Unspecified animal and vegetable crude materials	205	201	------	99	39	17	27	5	5	9	----------	4
Unspecified crude materials	574	353	------	4	23	145	113	33	19	16	----------	221
Mineral fuels, lubricants and related materials	402,245	400,444	------	99	14,466	66,174	3,372	156,340	49,788	110,162	43	1,801
Coal, coke, and briquettes	259,521	257,720	------	74	12,964	49,990	561	154,543	1	39,587	----------	1,801
Petroleum, crude and partly refined	15,376	15,376	------	----------	----------	----------	----------	----------	----------	15,376	----------	----------
Gasoline and other light oils for similar uses	28,415	28,415	------	----------	167	3,966	6	----------	15,268	9,008	----------	----------
Gas oil, diesel oil, and other fuel oils	45,271	45,271	------	----------	1	3,373	348	121	19,758	21,670	----------	----------
Other and unspecified petroleum and products	53,043	53,043	------	25	1,161	8,547	2,457	1,528	14,761	24,521	43	----------
Gas, natural and manufactured; electric energy	619	619	------	----------	173	298	----------	148	----------	----------	----------	----------
Animal and vegetable oils and fats	23,394	6,933	------	811	53	141	4,944	30	52	877	16	16,461
Tung oil	10,817	----------	------	----------	----------	----------	----------	----------	----------	----------	----------	10,817
Other and unspecified animal and vegetable oils and fats	12,577	6,933	------	811	53	141	4,944	30	52	877	16	5,644

See footnotes at end of table.

Free World imports from Soviet bloc countries by commodity groups, January–December 1955—Continued

[Value in thousands of United States dollars]

Commodity	Total to Soviet bloc	Total to Soviet bloc in Europe	Albania	Bulgaria	Czechoslovakia	Soviet Zone of Germany	Hungary	Poland	Rumania	U.S.S.R.	Soviet bloc in Eastern Europe [1]	China [1]
Chemicals	124,482	108,568	------	1,560	14,137	54,156	4,216	16,712	458	16,831	498	15,914
Inorganic chemicals	22,849	21,762	------	394	2,776	14,068	519	2,359	169	1,365	112	1,087
Organic chemicals	20,026	18,005	------	------	3,753	10,617	165	876	76	2,452	66	2,021
Mineral tar and crude coal-tar chemicals	18,002	17,618	------	------	4,434	289	27	4,944	------	7,897	27	384
Coal-tar dyestuffs and natural indigo	3,073	3,055	------	------	322	707	437	804	22	741	22	18
Pigments, paints, varnishes, and related materials	3,157	2,256	------	12	432	384	615	478	67	177	91	901
Other and unspecified dyeing, tanning, and coloring materials	216	104	------	------	33	------	------	20	------	51	------	112
Medicinal and pharmaceutical products	3,638	2,423	------	------	386	367	1,193	226	4	205	42	1,215
Essential oils and perfume materials; toilet, polishing, and cleansing preparations	7,457	2,293	------	1,033	43	286	322	169	1	411	28	5,164
Fertilizers, manufactured	25,246	25,245	------	------	4	23,035	347	157	------	1,702	------	1
Nitrogenous fertilizers and fertilizer materials	4,779	4,779	------	------	------	2,736	260	111	------	1,672	------	------
Potassic fertilizers and fertilizer materials	20,217	20,217	------	------	------	20,181	------	6	------	30	------	------
Other and unspecified manufactured fertilizers	250	249	------	------	4	118	87	40	------	------	------	1
Explosives	507	293	------	------	53	48	118	12	------	------	62	214
Synthetic plastic materials in primary forms	2,770	2,770	------	------	324	2,339	81	1	------	25	------	------
Other and unspecified chemicals	17,541	12,744	------	121	1,577	2,016	392	6,666	119	1,805	48	4,797
Manufactured goods classified chiefly by material	457,016	395,817	------	3,721	135,217	51,426	35,015	43,529	7,837	117,315	1,708	61,199
Furs, dressed, except clothing	8,364	7,532	------	------	535	440	683	------	1	5,847	26	832
Rubber manufactures, except clothing and footwear	3,039	3,039	------	1	1,967	518	433	3	------	52	65	------
Wood manufactures	20,818	19,484	------	50	3,027	579	7	1,361	524	13,850	86	1,334
Paper, paperboard, and manufactures	26,820	18,969	------	2	7,712	4,892	37	1,923	713	3,580	110	7,851
Textile yarn, fabrics and manufactures, except clothing	124,111	82,220	------	1,694	22,982	22,671	17,188	10,851	33	6,285	467	41,891
Silk yarn, fabrics, and manufactures	7,749	6	------	------	------	5	1	------	------	------	------	7,743
Wool and hair yarn, fabrics, and manufactures	4,699	4,681	------	94	2,022	781	174	1,546	5	59	------	18
Cotton yarn, fabrics, and manufactures	62,869	41,803	------	50	13,697	2,466	11,908	7,488	24	6,054	116	21,066
Synthetic fiber yarn, fabrics, and manufactures	6,719	6,467	------	1,493	1,590	1,256	1,379	699	------	1	------	252
Other and unspecified yarn, fabrics, and manufactures	42,075	29,263	------	57	5,673	18,163	3,726	1,118	4	171	351	12,812
Nonmetallic mineral manufactures	80,325	76,928	------	1,075	29,080	15,268	4,278	17,116	6,381	3,340	390	3,397
Cement	32,283	31,999	------	608	5,574	1,788	2,804	12,660	5,302	3,252	11	284
Other and unspecified lime, cement, and fabricated construction materials, except glass	7,362	6,870	------	90	4,479	2,002	172	55	------	------	72	492
Other mineral manufactures, except pottery and glass	2,894	2,791	------	------	1,132	828	241	503	6	5	76	193
Glass, glassware, and pottery	37,627	35,129	------	377	17,815	10,647	1,052	3,887	1,004	56	231	2,498
Unspecified nonmetallic mineral manufactures	159	139	------	------	80	3	9	11	9	27	------	20
Silver, platinum, gems, and jewelry	44,416	42,641	------	171	17,859	106	516	------	------	23,925	64	1,775
Silver, unworked and partly worked	10,372	10,372	------	171	------	------	------	------	------	10,201	------	------
Platinum	26,894	26,894	------	------	13,885	------	------	------	------	13,009	------	------
Other and unspecified platinum group metals	1,956	1,956	------	------	1,230	------	112	------	------	614	------	------
Other and unspecified silver, platinum, gems, and jewelry	5,194	3,419	------	------	2,744	106	404	------	------	101	64	1,775
Base metals and manufactures	147,890	143,913	------	724	51,616	6,651	11,726	12,159	184	60,423	430	3,977
Pig iron	25,190	25,190	------	------	------	------	------	329	------	24,861	------	------
Ferroalloys	5,765	5,765	------	------	323	1,320	48	818	------	3,127	129	------
Other and unspecified iron and steel and semimanufactures	76,260	75,597	------	304	39,588	487	7,374	6,172	155	21,390	127	663
Nickel and semimanufactures	568	568	------	------	------	------	------	------	------	568	------	------
Aluminum and semimanufactures	6,829	6,802	------	------	1,246	------	1,387	247	------	3,917	5	27
Lead and semimanufactures	291	291	------	------	291	------	------	------	------	------	------	------
Zinc and semimanufactures	5,981	5,981	------	------	88	17	------	2,313	------	3,485	78	------
Tin and semimanufactures	149	149	------	------	------	19	109	------	------	21	------	------
Other and unspecified base metals and semimanufactures	1,658	750	------	------	118	157	3	7	------	446	19	908
Arms and ammunition	1,118	1,118	------	------	399	707	2	------	------	------	10	------
Manufactures of metals	19,640	17,346	------	420	8,071	2,460	2,382	2,132	29	1,815	37	2,294
Other and unspecified metals and manufactures	4,441	4,356	------	------	1,492	1,484	421	141	------	793	25	85
Unspecified manufactured goods classified chiefly by material	1,233	1,091	------	4	439	301	147	116	1	13	70	142
Machinery and transport equipment	145,396	143,890	------	226	55,401	47,976	18,033	5,729	229	15,862	434	1,506
Machinery other than electric	68,308	67,154	------	67	23,808	35,411	3,929	2,162	27	1,450	300	1,154
Power-generating machinery, except electric	3,727	3,717	------	16	2,392	583	555	68	19	34	50	10
Agricultural machinery and implements	1,662	1,662	------	------	804	573	66	175	4	17	23	------
Tractors, other than steam	5,338	5,338	------	------	4,905	13	2	252	------	144	22	------
Office machinery	11,279	11,266	------	------	494	10,732	1	------	------	------	39	13
Metalworking machinery	17,666	17,608	------	41	6,609	7,770	1,865	1,140	3	87	93	58
Conveying, hoisting, excavating, road-construction and mining machinery	1,645	1,548	------	------	653	200	339	5	------	351	------	97
Paper mill, pulp mill, and paper processing machinery	506	506	------	------	88	390	------	------	------	28	------	------
Textile machinery and accessories	7,275	7,105	------	------	2,270	4,645	37	145	------	------	8	170
Sewing machines	3,416	2,662	------	------	939	1,460	137	------	------	126	------	754
Other and unspecified mining, construction, and industrial machinery	12,471	12,461	------	2	3,367	7,351	748	359	1	568	65	10
Unspecified nonelectrical machinery	3,323	3,281	------	8	1,287	1,694	179	18	------	95	------	42
Electric machinery, apparatus, and appliances	17,254	17,030	------	159	5,587	4,413	6,104	613	1	66	87	224
Transport equipment	53,244	53,118	------	------	23,487	8,094	6,501	683	201	14,120	32	126
Railway vehicles	7,683	7,683	------	------	199	------	4,303	23	------	3,158	------	------
Road motor vehicles	40,772	40,772	------	------	20,914	6,938	1,332	628	1	10,938	21	------
Road vehicles, other than motor vehicles	3,504	3,379	------	------	1,970	511	860	24	------	4	10	125
Aircraft	130	130	------	------	129	------	------	------	------	------	1	------
Ships and boats	267	267	------	------	16	51	------	------	200	------	------	------
Unspecified transport equipment	888	887	------	------	259	594	6	8	------	20	------	1
Unspecified machinery and transport equipment	6,590	6,588	------	------	2,519	58	1,499	2,271	------	226	15	2

See footnotes at end of table.

Free World imports from Soviet bloc countries by commodity groups, January–December 1955—Continued

[Value in thousands of United States dollars]

Commodity	Total to Soviet bloc	Total to Soviet bloc in Europe	Albania	Bulgaria	Czechoslovakia	Soviet Zone of Germany	Hungary	Poland	Rumania	U.S.S.R.	Soviet bloc in Eastern Europe [4]	China [2]
Miscellaneous manufactured articles	81,500	71,047	49	135	24,321	32,877	8,518	3,125	69	1,251	702	10,453
Clothing	21,033	18,961	------	------	3,936	10,875	3,739	329	2	52	28	2,072
Footwear	6,074	5,959	------	------	5,144	83	622	63	------	------	47	115
Professional and scientific instruments and apparatus	8,160	8,143	1	------	1,789	5,642	450	127	------	72	82	17
Photographic and motion-picture supplies and film	4,067	4,052	------	------	91	2,429	814	245	------	338	135	15
Other and unspecified manufactured articles	42,166	33,932	48	135	13,381	13,848	2,893	2,361	67	789	410	8,234
Miscellaneous transactions and commodities	3,318	2,851	------	91	859	261	939	571	31	24	75	467
Other and unspecified merchandise [5]	[6] 101,156	[6] 75,957	118	1,582	32,443	[7] 7,760	8,067	8,014	7,164	15,405	------	24,679

[1] Includes imports from the Soviet bloc countries in Europe which could not be broken down by individual countries.

[2] China data as far as possible refer to Mainland (Communist) China, including Manchuria, Inner Mongolia, and Tibet. The following are known exceptions to this rule: Algeria, Chile, France, Iran, Italy, Spain, and Syria include Taiwan; Austria, Norway and the United Kingdom include Outer Mongolia; Australia excludes Manchuria; Egypt includes Mongolia; Indonesia includes Outer Mongolia and excludes Manchuria; Ireland includes Taiwan and excludes Manchuria; Switzerland includes Taiwan, Hong Kong and Macao; Portugal includes Taiwan and excludes Inner Mongolia.

[3] Includes imports from East Austria of sugar valued at $16,000; and imports from Bulgaria and Rumania which were not reported separately, valued at $390,000, consisting of synthetic fiber fabrics, $49,000, and other and unspecified merchandise, $341,000. Totals do not include gold imports which amounted $8,846,000, consisting of $3,690,000 admitted by France from Czechoslovakia on a temporary basis; $56,000 imported by the Federal Republic of Germany from Poland for commercial use; and $5,100,000 returned to Iran from U. S. S. R. where it was deposited to Iran's account during World War II.

[4] Includes imports from Outer Mongolia valued at $9,614,000, consisting of fruits and vegetables valued at $4,000; fur skins, undressed, $1,191,000; cashmere goat hair, $7,013,000; other wool and animal hair, $888,000; and other and unspecified merchandise, $518,000. Also includes imports from North Korea of other and unspecified merchandise valued at $2,000.

[5] The major share of unspecified imports is accounted for by imports from India valued at $17,717,000 for which commodity detail is unavailable and by imports for which commodity detail is entirely lacking in all or part of 1955 (indicated in the following by the months for which no detail is included), imports valued at $2,724,000 into Burma (October-December), $10,942,000 into Iran (July-December), $2,093,000 into French West Africa (January-December), $5,168,000 into Iraq (January-December), $6,316,000 into Lebanon (January-December), $5,512,000 into Syria (January-December), and $9,165,000 into Vietnam.

[6] Figure shown is balancing figure and is less than the sum of other and unspecified merchandise by $4,937,000, the total of the column headed "Soviet bloc in Eastern Europe."

[7] Includes certain imports into the Federal Republic of Germany from the Soviet Zone of Germany which are not shown above because they are reported in broad categories, as follows: clay, kaolin, coloring earths, and their manufactures, $696,000; stone, slate, asphalt, and their manufactures, $396,000; slag and slag products, $996,000; other stones, earths and their manufactures, $1,251,000; miscellaneous mineral products, $518,000; wood and cork manufactures, $485,000; and other and unspecified wood, $34,000.

NOTE.—Leaders indicate negligible values or no trade.

NATIONS MAKING TRADE PACTS WITH POTENTIAL ENEMIES LISTED

Mr. MALONE. I also ask that a list of nations, together with the trade agreements which have been made with our actual or potential enemies by the countries which we are financing today, and have been financing since World War II, be printed in the RECORD at this point as a part of my remarks.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Trade and/or payments agreements between the Soviet bloc and the Free World, Dec. 31, 1956, and June 14, 1957

	Estimated number as of June 14, 1957 [1]		Estimated number as of Dec. 31, 1956
	Number	Increase over 1956	
Europe:			
Austria	7	0	7
Belgium	6	−1	7
Denmark	7	0	7
Finland	7	0	8
France	8	0	8
Germany	6	0	6
Iceland	6	0	6
Italy	8	0	8
Netherlands	6	0	6
Norway	7	0	7
Portugal	4	0	4
Sweden	7	0	7
Switzerland	6	0	6
United Kingdom	4	0	4
Yugoslavia	8	−1	9
Total	97	−2	100
South Asia:			
Afghanistan	3	0	3
Ceylon	5	−1	6
India	8	0	8
Pakistan	4	0	4
Total	20	−1	21
Southeast Asia:			
Burma	6	−2	8
Cambodia	2	0	2
Indonesia	7	1	6
Total	15	−1	16
Middle East:			
Egypt	7	0	7
Ethiopia	1	0	1
Greece	7	0	7
Iran	4	0	4
Israel	5	0	5
Lebanon	8	0	8
Morocco	1	1	0
Sudan	4	0	4
Syria	9	0	9
Turkey	7	0	7
Yemen	3	0	3
Total	56	1	55
Latin America:			
Argentina	5	0	5
Brazil	2	−1	3
Colombia	2	1	1
Mexico	1	0	1
Paraguay	3	0	3
Uruguay	7	1	6
Total	20	1	19
Other:			
Canada	1	0	1
Australia	1	1	0
Grand total	210	−2	212

See footnote at end of table.

Trade and/or payments agreements between the Soviet bloc and the Free World, Dec. 31, 1956, and June 14, 1957—Continued

[1] No information is available indicating that the agreements between Yugoslavia-East Germany, Indonesia-Poland, Brazil-Poland, Finland-Communist China, Ceylon-Poland, Belgium-East Germany, Cambodia-Communist China and Burma-Communist China-Bulgaria have been specifically extended to June 14, 1957. Since these pacts do not provide for tacit renewal they are not included in this list.

NOTE.—Includes agreements known to be in force, agreements which are assumed to have been tacitly renewed, and newly signed agreements of uncertain date of entry into force.

ICA DISTRIBUTING AGENCY FOR TAXPAYERS' CASH

Mr. MALONE. We now come down to what is called the ICA, that being the latest name for the distribution of the American taxpayers' cash. I have not made an accurate count of the number of names in this organization. It is a rather loosely operated agency. I understand it is becoming very difficult at present to obtain men to take jobs with it, because they are beginning to realize that the American taxpayer is waking up to just what kind of deal he has been getting. They are not quite sure about it yet.

One of the things which has mystified me during the 11 years I have been a Member of the Senate is this: Coming here, as I did, fresh from a business, to my mind there was only one office above that of Senator, and that was President of the United States.

A Senator of the United States then, was someone to look up to, to trust, to depend upon. Therefore he was not someone that one had to check upon to find out what he was trying to do with the taxpayers' money. One trusted the United States Senate, as the greatest body on earth; and it was. I will not say it is, Mr. President. I will not say that I believe it is. I will say that I believe it was.

The people of the United States also trust a President. They almost worship him. We have seen it with our own eyes. It does not depend so much upon who the individual is; if he is President of the United States, the people almost worship him—and he will let them do it. They refuse to believe that he is not looking out for their interests.

VALUE OF DOLLAR CONTINUALLY SHRINKING

The Senate comes next, and then the House. Times are changing very fast in this country; and it will be a terrible

loss to the Congress when the people of the Nation wake up—and they are beginning to wake up—to the fact that the value of their money is being destroyed. When they put $2 in the bank one day, the next day it is worth $1.98.

This process started in 1934. It did not start in 1952 or 1957. I am attending the hearings before the Senate Committee on Finance, which I hope will result in one of the greatest reports ever made in the Congress. I cannot guarantee it, but I hope so, if we stay on the subject.

PURCHASING POWER OF THE DOLLAR DWINDLING RAPIDLY

For 24 years we have been destroying the purchasing power of the dollar for which workingmen work with their hands. The thrifty ones try to save enough to invest in a business.

We saw the time, not long since, when a $1,000 10-year bond was sold for $750. At the end of the 10-year period it was worth less in purchasing power than the $750 paid for it in the first instance.

When we do that we are robbing the people. We are stealing their money. It can be called nothing else. The sad part is that Members of this body know it. How could they help it? They are intelligent men. They know that they are not stopping inflation. They know that there has been no serious effort to stop it for 24 years.

LIFETIME SAVINGS OF MANY AGED CITIZENS NOW WIPED OUT BY INFLATION

What was the result? The savings of the old people who retired 15 years ago or 10 years ago have been destroyed. They have to go back to live with relatives, or, if they were able to do so, they tried to get work again.

The insurance which people had taken out to educate their children, when the children were 2 or 3 or 4 years old, would not even start them in college when they reached the age of 17 or 18. Members of this body know it, and they do nothing about it.

TESTIMONY OF SECRETARY HUMPHREY BEFORE FINANCE COMMITTEE AVAILABLE

Testimony is available now to every Senator. It is testimony given before the Committee on Finance, and volume I of that testimony has already been printed and is available to every Senator. There was the testimony of the Secretary of the Treasury to the effect that the fixing of the interest on the bonds which are to be sold was his duty. He had the duty to fix the interest rate. He said he did his best to fix the interest rate high, so that the bonds would sell. Of course, the value of the money fixed it for him. However, in the last analysis, it was his judgment whether a bond carried 2 percent or 3 percent or 4 percent or 5 percent interest, or even 10 percent interest. The bonds had to sell.

He testified that the Federal Reserve Board could determine the amount of money in circulation. Any 7-year-old schoolchild knows that the amount of money in circulation will ultimately fix its value. There is no mystery about that.

MORE IMPORTANT TESTIMONY GIVEN

Mr. Martin, who is currently appearing before the Committee on Finance, is the man who, with his board, can determine, to the best of his judgment, how much money ought to be in circulation.

CONSTITUTIONAL POWERS DISSIPATED BY CONGRESS

The Constitution provides that Congress shall issue money and fix its value. The Constitution also states that Congress shall regulate foreign trade. However, it is no longer that way. Senators who are interested will find, by digging a little into the matter, that about all this body has left is the fixing of the tax rate.

Under my questioning, something else was developed. I asked the Secretary of the Treasury a certain question. He kept referring to the fact that Congress controlled the appropriations. I got a little tired of hearing that, and I said, "Is that so? Would you mind digging up the record for about 20 years, and put in the RECORD the recommendations that came from the White House and what was actually appropriated?"

I said, I did not think it would vary 3 percent. It did vary at one time, but not now.

Congress fixes nothing. It follows orders. I cannot tell where along the line Congress lost it, its authority and its courage, but it lost it. It lost it in connection with the regulation of the trade and the national economy, and lost it in regulating the amount of money to be appropriated. Congress does not move without asking what the White House wants. Congress is afraid to do anything.

PROFESSED OBJECTIVES OF FOREIGN AID EXAMINED

Mr. President, what are the real objectives of foreign aid? According to the testimony of administration promoters of the program, the primary objectives are:

First. To provide military equipment to other countries. I want to say on that point that most of the military equipment has been used to do things that we do not countenance, and a great deal of it has fallen into the hands of our enemies, as it did in Indochina and in other places, when a country falls, which it always does.

Second. To provide economic aid which will compensate the other countries for expenditures they are making in their own behalf for defense.

Third. To assist in the economic development of other nations.

WIDE UNDEVELOPED AREAS OF UNITED STATES RECEIVE NO HELP WHILE AID POURS OUT TO FOREIGN COUNTRIES

I have heard a great deal about the development of underdevelopment areas and undeveloped areas. I want to state for the record that a very small percent of the United States has been geologically mapped.

If any Senators want to see some undeveloped areas, and will spend a few weeks with me after the Senate finally gets through with its work—if we can call it that—and spending taxpayers' money, I will show them in the United States some really undeveloped country, and also areas of the country which have been developed and which have gone back to the savage state because of inflation or because of the things that I have described today.

Half of the people who are talking about undeveloped areas have never been west of the Potomac River or west of the Hudson River. They would not know what we are talking about. They would not recognize an undeveloped area if they saw it, particularly if they saw it in the United States. It looks good on paper to talk about undeveloped areas. Those people are not trying to improve our own vast underdeveloped areas; they are trying to do 1 of 2 things, stay on the payroll or save the world.

FOREIGN AID MEMORANDUM

The salesmen of the program which is costing our taxpayers $4 billion a year make it sound very attractive and entirely altruistic.

When they come up here on Capitol Hill to testify before committees they profess a mission to save the world.

In their own offices, I suspect, there are also other motives.

A memorandum of the International Cooperation Commission which I have here, issued last December, adds to my suspicions.

It is titled "ICA Policy Relating to Worldwide Procurement."

That policy is to obtain commodities for ICA distribution to foreign countries at the lowest free world price at which they can be obtained anywhere in the world.

ICA TEXTILE PURCHASES IN JAPAN

If the lowest price can be obtained in Japan, as happens to be the case with textiles, ICA procures its textiles from Japan.

The ICA memorandum states frankly:

> In 1955–56, Japan was the largest beneficiary of the ICA world wide procurement policy, including offshore procurement of basic textiles.

ICA purchases in Japan totaled $66,139,000.

That should make our American textile men and workers suffering from imports of low-cost Japanese textiles a little skeptical of the advantages to them of foreign aid.

At the same time it knocks the props out of the argument of the foreign-aid promoters that one objective is to assist in the economic development of a nation.

When they buy offshore goods in the lowest cost market—the lowest cost foreign market, that is—they are putting a premium on low wages and low living standards.

JAPANESE TEXTILES CHEAPEST BECAUSE WAGE RATES LOWEST

Japanese textiles are cheap because Japanese textile workers get 13 to 19 cents an hour.

As long as Japanese employers keep wages lower than anywhere else in the world they can enjoy the millions of dollars shelled out to them by ICA's procurement agents.

So the real ICA objective is not merely low-cost goods but cheap labor and low wages.

Foreign workers are not dumb.

When they see a policy of another country working to keep their own wages at minimum levels they must consciously

or subconsciously resent both the policy and the country that laid it down.

They are not concerned about the profits accruing to their employers through having ICA as a customer. They know and the employer knows that the reason ICA is a customer is that nowhere are prices and wages lower in the particular item they produce and sell to ICA.

ICA POLICY HOLDS WORLD WAGES TO LOWEST LEVELS

The employer knows that if he is to continue having ICA as a customer he must hold his wages down and if some other foreign country can get its labor cheaper he must meet the competition.

Mr. President, is it any wonder that throughout the low-wage countries of the world the working people are becoming more and more cynical about American idealism and more and more antagonistic toward the United States?

The riots and disorders that have occurred in other parts of the world to disturb our missions have all taken place in low-wage countries. We blame Communist agents and there is no doubt that Communist agents are active in fomenting these riots. They always are where there is a fertile field for such activity.

COST-WAGE POLICY PRESENTS FERTILE FIELD FOR COMMUNISM

And wherever foreign aid is subsidizing employers of low-wage or subsistence-wage labor and encouraging them through a misguided policy to keep wages at a minimum there is a fertile field for Communist agents and propaganda.

Mr. President, this brings me back to the real objectives of ICA as expressed in the Memorandum previously referred to.

The memorandum states:

> In the management of procurement this means the obtaining of the lowest Free World price for the commodities furnished or purchased through the Mutual Security Act:
>
> 1. Development of strong mutually beneficial international trade relations among the nations of the Free World.
>
> 2. Promoting a sounder basis for our own international trade in competition with that of the friendly nations. (Trade which requires aid to sustain it will create pressures to continue aid after the original justification has ceased.)
>
> 3. Sustaining the development of the economies of the friendly nations, including those we are giving direct assistance to at this time as well as those which are no longer receiving direct aid.

FOREIGN AID A SUBSIDY TO TRADE

Those are ICA's inner-office objectives, and they all boil down to trade. The real purpose of foreign aid is to increase foreign trade by subsidies paid out of the pockets of American taxpayers. Since World War II these subsidies have amounted to nearly $60 billion, all to promote foreign trade.

Point No. 2 or objective No. 2 if you prefer is designed to perpetuate foreign aid forever.

ICA'S PRESSURE TACTIC

Let me read the second sentence of this ICA paragraph again.

> Trade which requires aid to sustain it will create pressures to continue aid after the original justification has ceased.

What trade? Trade that requires aid to sustain it.

What effect? Such trade will create pressures.

What pressures? Why pressures to continue foreign aid after the original excuses for the foreign aid program have vanished.

One might examine this sentence further and ask what trade requires foreign aid to sustain it. That is simply trade that cannot stand on its own feet, trade that is artificial, unsound or uneconomic both from the standpoint of quality or quantity. Or it may be trade founded on such pitiful and abysmal wages that the producer refuses to pursue it without a perpetual subsidy.

Artificial trade in any form does not assist in the development of economies. If it does anything, it holds them down and ICA's lowest Free-World-price policy is designed to hold wages and living standards down.

DISTRIBUTION OF ICA PROCUREMENT DOLLARS GIVEN

ICA will answer that irregardless of this policy it is purchasing most of the goods it supplies to foreign nations in the United States, that during the 1956 fiscal year of a total of $912,899,000 spent on commodities $624,520,000 were spent in the United States and $288,379,000 in foreign countries. Thus the taxpayers, they will contend, got back more than two-thirds of the total expended on commodity procurement in wages, dividends, or profits.

Procurement of food and agricultural commodities was almost entirely in the United States, 96 percent, but that of miscellaneous fibers was only 5 percent, that of nonmetallic minerals 4 percent, and the percentage of metallic ores and concentrates procured for overseas distribution in the United States was so negligible that it was not recorded.

Thirty-six percent of the iron and steel mill material and products, including ferroalloys which ICA supplied to foreign countries was purchased in the United States and 64 percent abroad. Twenty-two percent of the nonferrous metals and products distributed by ICA were procured in the United States and 78 percent abroad. Forty-two percent of the lumber and lumber manufactures were bought in the United States and 58 percent abroad, all foreign purchases, of course, being made with American taxpayers' money.

POWER TO REMAKE INDUSTRIAL MAP OF NATION NOW HELD JOINTLY BY ICA AND STATE DEPARTMENT

Mr. President, I have observed on this floor on several occasions that the State Department through passage of the 1934 Trade Agreements Act, obtained the power to remake the industrial map of America. ICA now has obtained the same power through foreign-aid legislation passed by Congress.

If any particular industry is in disfavor as the metals and mining industries obviously have been through three administrations and as the textile industry seems to be, ICA can channel its purchases abroad to the cheapest market. If a particular industry is in favor ICA can concentrate its purchases at home.

ICA itself notes in its policy memorandum that there are exceptions to its policy of obtaining the lowest Free World price when procuring commodities for foreign distribution. One exception imposed by Congress in previous acts affects purchases of surplus agricultural commodities. Perhaps that is the reason ICA has bought a larger percentage of agricultural products here and a smaller percentage abroad than any other item.

ICA PURCHASES IN FOREIGN COUNTRIES LISTED

Mr. President, I ask unanimous consent to have printed in the RECORD a list of foreign countries and the amounts paid to each in fiscal 1956 by ICA for commodities for foreign distribution.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Nonproject commodity expenditures during fiscal year 1956 [1] by area of source, July 1, 1955–June 30, 1956

	Thousands of dollars
Grand total	912,899
Source of procurement:	
United States	624,520
Canada	11,816
Far East	94,328
Japan	66,139
British overseas territories	14,244
Indonesia	7,154
China (Taiwan)	3,414
Philippines	2,951
Other countries	427
Near East, Africa, and south Asia	14,519
Overseas territories	4,379
Union of South Africa	3,847
Israel	3,099
India	2,918
Other countries	276
Latin America	10,174
Cuba	3,071
Uruguay	2,653
Dominican Republic	1,549
Brazil	1,054
Other countries	1,847
Europe	156,529
Germany (Federal Republic)	43,113
France	39,755
United Kingdom	31,950
Italy	11,643
Belgium	6,772
Sweden	6,108
Austria	5,910
Switzerland	3,712
Netherlands	2,792
Denmark	1,673
Other Europe	3,102
Other countries	1,013

[1] The above data do not include project expenditures during period fiscal year 1956 which were as follows:

Source:	Thousands of dollars
Worldwide total	126,715
United States	78,754
Offshore	47,961

ICA'S RESPONSE TO INQUIRE ON PROCUREMENT POLICY

Mr. MALONE. Mr. President, in connection with this program of worldwide procurement by ICA using taxpayers money I addressed a letter a year ago to John B. Hollister, administrator of ICA,

requesting certain information about the program and policy. A little more than a month later I received a reply from Guilford Jameson, Deputy Director for Congressional Relations, containing the information sought.

I ask unanimous consent that this correspondence be printed in the RECORD, as it provides data on ICA purchases in the United States and abroad prior to the current fiscal year.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

JUNE 13, 1956.

Mr. JOHN B. HOLLISTER,
Administrator, International Cooperation Administrator, Washington, D. C.

DEAR MR. HOLLISTER: In numerous ICA bulletins offering procurement information to businessmen, the procurement source of many commodities is given as "worldwide." Please define this term for me, listing the countries which it includes, and those countries, if any, which it excludes.

For example, in ICA Bulletin No. 116 the procurement source for truck contracts for the benefit of Brazil is given as "worldwide." Does that mean that any American or foreign company manufacturing trucks abroad may bid on this contract, and if not, companies operating in which foreign countries may not so bid?

Procurement items for India, Pakistan, Indonesia, the Philippines, Spain, and Formosa also are listed in this bulletin for "worldwide" procurement, although many of these commodities are manufactured in the United States in ample supply to meet both domestic and export demand.

Kindly advise me also the total of ICA expenditures on foreign products and manufactures for foreign use or distribution, and the total of ICA expenditures on products and manufactures of the United States and its possessions for use or distribution abroad.

I would appreciate similar information with regard to the respective totals on expenditures by predecessor foreign-aid agencies since adoption of the Marshall plan. This information is needed for legislative purposes.

Sincerely yours,

GEORGE W. MALONE,
United States Senator.

INTERNATIONAL COOPERATION ADMINISTRATION,
Washington, D. C., July 17, 1956.

Hon. GEORGE W. MALONE,
United States Senate,
Washington, D. C.

DEAR SENATOR MALONE: Reference is made to your letter of June 13, 1956, receipt of which I acknowledged on June 18. In your letter, you asked for clarification of the term "worldwide" and for certain statistical data regarding purchases financed by the International Cooperation Administration and its predecessor agencies.

The term "worldwide" as defined in this agency's Geographic Code Book means: Any country in the world except those listed below (and the participating country itself when used as a possible source for purchases):

Albania, Bulgaria, Czechoslovakia, East Germany, Hungary, Poland (including Danzig), Rumania, China mainland (including Singkiang, Manchuria, and Tibet), North Korea, Vietnam (North of the 17th parallel), and the U. S. S. R. (including Estonia, Latvia, South Sakhalin, and the Kurile Islands, formerly Japanese territories under U. S. S. R. administration).

The term does mean that the materials authorized may be purchased from any eligible source country. The procurement policy of the International Cooperation Administration is to encourage the purchase of commodities, equipment, or materials financed under its programs at the lowest cost, all other relevant factors being equal.

This is not to be interpreted as making "lowest cost" the only governing factor in determining source of procurement; there is a need to make certain that bids by or purchases from foreign suppliers are evaluated in terms of other relevant factors, such as quality, specification and design, terms of delivery, etc., as well as price, so as to insure that the United States and the beneficiaries of our dollar aid will receive full value for the expenditures.

In authorizing worldwide procurement, the International Cooperation Administration takes care to insure that the United States is always included as a source and that American industry has the opportunity to participate in all ICA-financed procurement through the wide publicity given procurement, as well as through this agency's insistence on adequate and comparable quality standards. It is believed that the foreign interests of the United States and the purposes of the Mutual Security Act are best served by a policy which permits all Free World countries, including the United States, to compete for ICA-financed procurement.

During the period from April 3, 1948, to June 30, 1955, the predecessor agencies of ICA expended $14,464,321,000 for commodities, of which $10,113,102,000 came from United States suppliers. For the 8-month period from the establishment of ICA on July 1, 1955, through February 28, 1956, a total of $609,365,000 was expended, of which $394,209,000 went to suppliers in the United States.

Trusting that this is the information you require, I remain,

Sincerely yours,

GUILFORD JAMESON,
Deputy Director for Congressional Relations.

Mr. MALONE. ICA stands for International Cooperation Administration. I say that for the information of people who have not known of the fast changes in the names of late.

Mr. President, it is noteworthy that Mr. Jameson confirms what I have stated about the procurement policy of ICA. He states:

> The procurement policy of the International Cooperation Administration is to encourage the purchase of commodities, equipment or materials financed under its programs at the lowest cost, all other relevant factors being equal.

FIFTEEN-CENT PER HOUR FOREIGN LABOR PREFERRED TO AMERICAN WAGE RATES

He speaks of the lowest cost. That means 15-cent an hour labor or no-cost labor all over the world, in competition with our labor, under conditions where a man lives in a home with curtains on the windows, who makes about $15 or $17 or $20 a day.

Later on he states:

> In authorizing worldwide procurement, the International Cooperation Administration takes care to insure that the United States is always included as a source and that American industry has the opportunity to participate in all ICA-financed procurement through the wide publicity given procurement, as well as through this agency's insistence on adequate and comparable quality standards.
>
> It is believed that the foreign interests of the United States and the purposes of the Mutual Security Act are best served by a policy which permits all Free World countries, including the United States, to compete for ICA-financed procurement.

In other words, industries and wage earners must compete with those of foreign countries to get back a portion of their own tax dollars and in addition must compete on a lowest cost basis.

Competition on a low-cost basis usually is achieved by superior mechanization or a lowering of wage rates.

FOREIGN INDUSTRIES SUPPLIED WITH LATEST EQUIPMENT THROUGH FOREIGN AID

ICA has seen to it that old world industries and factories obtain at American taxpayers' expense, of course, machinery and equipment equal to their competitors here at home and frequently superior.

It is frequently superior because it is the newest and most modern available. Many American industries, burdened by taxes and with their capital and margins of profit cut to the bone by competition against foreign goods entering the United States on a free-trade basis cannot afford to modernize and must be content with obsolete equipment.

There remains wage competition.

Fortunately labor in America has been able to resist lowering of their wage rates to meet foreign standards. They have succeeded because they are strongly organized, and the senior Senator from Nevada hopes that they will continue to succeed.

THE MENACE OF FOREIGN-AID-PROMOTED COMPETITION

But ICA and the State Department is exerting pressures on the American economy designed to do 1 of 2 things:

First. Eliminate the job, or

Second. Reduce wages.

ICA's policy of worldwide procurement with American tax dollars at the "lowest cost," threatens to do both.

First, when foreign commodities are purchased they displace American labor. A Japanese textile worker, for example, producing for ICA's world giveaway, means one less American worker given the opportunity to produce for the commercial world market.

Second, to regain such an opportunity, there are the inevitable pressures to reduce wages in American textile factories to the Japanese level.

It was not for the purpose of finding a more delightful climate that many of our northern textile enterprises moved south. A more important location factor was the lower wage rates to be found there. Now the business of these mills and factories, and many of the jobs also, are going to Japan where wages are infinitesimal. And ICA is encouraging this trend.

A THREAT TO ECONOMIC SUICIDE

Foreign aid is a continuing threat to American industry, the wage earner and investor, compelled all to help pay, through taxes, for their own injury or extinction.

Foreign aid creates and stimulates artificial competition against American free enterprise, as virtually admitted in the ICA policy memorandum I referred to previously. It will also stimulate further artificial trade and aid as many

years as Congress votes to continue it. Because, and I again quote from the ICA policy memorandum:

Trade which requires aid to sustain it will create pressures to continue aid after the original justification has ceased.

Foreign aid forever appears to be the ICA motto.

AMERICAN DOLLARS BUILDING BIGGER AND BETTER FOREIGN INDUSTRIES AND PROJECTS

Mr. President, some of the greatest projects we have in America have been duplicated in foreign countries. I have seen industries developed which were equal to and frequently superior to those in the United States, and they were all paid for by the taxpayers of the United States.

Earlier in my address I mentioned four organizations organized by the United States, one of them entirely financed by the United States, up to $5 billion—the Import-Export Bank. The other three world organizations have been financed up to 35 percent by the money of the American taxpayers.

The board of directors includes one member from each country. From 60 to 70 countries are represented. The vote is according to the amount of money invested, which means that they control the organizations. The organizations are under foreign control.

So all we have to do is say where the money is going. The United States of America has very little to say about what is done except to put up its taxpayers' money.

As my good friend of 1914 or 1915 said, when I was sleeping out in the brush and making the surveys of cattle ranges, "I would not mind paying them once if they would stay bought. But paying them every year gets a little monotonous."

HARRY DEXTER WHITE'S MEMORANDUM ON RESOURCES RECALLED

The first World War II foreign aid program was proposed by Harry Dexter White, as I said earlier in my address. Harry Dexter White was a great American except for one thing: He was a traitor, like Benedict Arnold and others who have gone down in history. Of course, we did not finance and spend our money as Mr. Benedict Arnold told us to. After he left in a sort of rush, we quit following his advice.

But Harry Dexter White died, and we are still following every program he proposed, except for one thing which we did not accept, and only the Lord knows why we did not do that.

When he was Assistant Secretary of the Treasury under Mr. Morgenthau in 1945, Harry Dexter White submitted a memorandum which is included verbatim in Senate Report 1627, 83d Congress. We sent our research men to Princeton University to dig it out.

MULTI-BILLION-DOLLAR LOAN TO RUSSIA URGED BY WHITE

White suggested to the Secretary of the Treasury, in detail, that we give Russia from $5 billion to $10 billion. For what? To furnish us the raw material—manganese, tungsten, oil, and other raw materials—which he said we did not have. We placed in the report the memorandum and the table. He said we had a 3-year supply of tungsten; that we had a 5-year supply of manganese; and a 10- or 12-year supply of oil.

Of course, everyone knows that we now have 10 times as much of everything he mentioned as we had then. All we had to do was to pay the difference in the wages and other fixed prices, or a duty, as mentioned in article I, section 8, of the Constitution. If Congress will fix the duty, we are in business in all those materials of which Harry Dexter White said we did not have.

Mr. Harold Ickes, that great Secretary of the Interior, died believing that the United States had none of those materials. Every year he would urge that steps be taken to make the Harry Dexter White doctrine effective. I do not believe he did it as a traitor. I think he was a loyal American. But the fact is that he followed Harry Dexter White's line. But, was he any worse in doing it then than we are in doing it now?

MEMORANDUM PASSED ON TO WHITE HOUSE BY SECRETARY MORGENTHAU

Harry Dexter White submitted that memorandum. If anyone is interested in knowing what is in it, he can look it up. Copies are available in the Government Printing Office. Secretary Morgenthau submitted the memorandum intact, practically without a word changed, to the President of the United States. It consisted of 3 pages. The President was quite impressed, and refused to approve continuation of the buy-American act. He said we should get these materials from foreign nations and save our own supplies. Save what? What can we save if we do not know where it is?

How can anything be saved if it is not produced, and produced profitably, under our system? How can we know where it is?

THE TUNGSTEN SHORTAGE MYTH

Harry Dexter White said the United States had a 2-year supply of tungsten in 1945. In 1953, under the Malone-Aspinall Act, a price was fixed which we figured, after consulting many authorities, would equal practically the difference in the wages in the United States and in the chief competing country. In 3 years tungsten was practically running out of our ears. We had more in the stockpile than we could use. We still had free trade, but we developed a tungsten industry. Tungsten is still bought from foreign countries which pay their labor low wages.

But we are now proving that all we needed was either a duty or a fixed price to make up the difference between the wages and the taxes in this country and the wages and the taxes in the chief competing country. We have all the tungsten we want, more than we can possibly use in 500 years.

TUNGSTEN MINES NOW CLOSING DOWN

The tungsten mines are now closed down, and we are back where Harry Dexter White started us. We are following his plan and do not even know it, just as Mr. Ickes did not know it.

Undoubtedly Mr. Ickes was a fine man. I never had the pleasure of knowing him intimately. He would talk, and there seemed to be no connection at all between the facts and what he said. It was a case of his opening his mouth and talking, but he had the authority and backing of the President of the United States, and he made Congress like it.

NO ASSURANCE OF ETERNAL FRIENDSHIP BOUGHT BY FOREIGN AID

Can anyone in the International Cooperation Administration—that is the ICA—or in the State Department, or in any other agency of the Government give us the assurance that if the bill is passed, that 12 years from now everyone of the 81 countries will be friendly to us, or will even be neutral?

Secretary of State Dulles made the remark of the century. He said he did not care whether those nations were friendly to us or not. He simply did not want them to go Communist. Mr. President, the word "Communist" is loosely used.

In 1955 I had already visited all of our star boarders in Europe and Asia. I thought I had finished the job, so I got in touch with the Russian Ambassador here. The Ambassador is still here. He happens to be in the engineering business, so we spoke a sort of common language.

I said, "I would like to go to Russia and take a look at some of your plants."

SENATOR RECALLS U. S. S. R. INSPECTION TOUR

A passport was issued to me. The State Department also issued what they called a passport, at first, but they wrote on it, "This is not good to go from one country to another in certain places, without the further approval of the State Department." So I sent that one back and got another one.

So I got into Russia. Whoever the Ambassador was at that time is not there now, but he spoke Russian better than the Russians do. But he was under the civil service, and he could not do anything which would offend anyone, because it might get back to the civil service, and he was under the retirement setup. That is one thing which has ruined our Foreign Service. Our Foreign Service employees simply have to be friendly and must be complimented all the time by the nation in which they are serving.

When I first paid my respects to the Ambassador, he said, "You understand that your visit is unofficial, and that I cannot do anything to introduce you to anyone."

I said, "Mr. Ambassador, if you will take another look at this visa, I have news for you. I have no connection with the State Department. I am not looking for any connection with the State Department. All I want you to do, when you say my trip is unofficial, is to do your duty according to the rules of the State Department. Then you and I will get along all right. Otherwise you and I will be in serious trouble."

INTRODUCTION OFFERED

Some news reporter must have gotten hold of that statement, because it went

all over the world. The next day the Ambassador called me in and said, "I will introduce you to anyone whom you suggest."

I said, "You could, but it would not be much of a recommendation for you to do that." At that time the Russians would not let the Ambassador or anyone else from the State Department leave Moscow. But I was able to travel all over Russia. I covered some 7,000 miles. I traveled into the Urals and got as far as Tashkent, in the heart of Russia.

RUSSIA HEAVILY MINERALIZED

All the minerals in the world are to be found in Russia. I could tell the Senate a good deal about Russian industry. We are now making a report, which will be the equivalent of two reports. One relates to the Western Hemisphere, and shows the location and the economic setup of each of the 46 nations of the Western Hemisphere.

We are now doing that also for the Eastern Hemisphere, under a Senate resolution. I hope that will be completed sometime early next year. I believe it will be considerable news to the people who are taking what they hear from the State Department and other places in the way that a bass takes a bait.

I wanted to take one of the Ambassador's staff members as an interpreter, but they would not let him leave Moscow. Finally, I was able to go anywhere I wanted to go. So I am not so sure that the recommendation I received would have been of much account if I had had it to begin with.

VISIT TO BULGARIA

Then I went to Bulgaria. One of our representatives there some time previously did not exactly conform to the Bulgarian social customs, and the Bulgarian officials took him to task. As a result, we canceled our diplomatic relations with Bulgaria. Since Bulgaria is a very powerful nation, of course we were very bold in taking that action. However, I notice that we did not cancel our diplomatic relations with Russia when Russia told us to go to places which the Russians described, which would not be very habitable. But we canceled our diplomatic relations with Bulgaria.

I visited all the Balkan countries, after first going to Czechoslovakia and Austria and Hungary. Later I visited Rumania, and finally I reached Bulgaria. I had obtained a considerable amount of information about the Balkans.

ENGINEERING BACKGROUND VALUABLE IN TOUR BEHIND IRON CURTAIN

For years I have been in the engineering business, and I have gathered information throughout the world, because that has been part of my business. I knew that there were fissionable materials in Bulgaria. So I wanted to go there. So, from Rumania, I telephoned our Ambassador in Bulgaria. Then I talked to one of the Bulgarian officials. I could not speak his language, and he could not speak mine. So communication was a little complicated for a while, but was not too difficult.

I made arrangements to go to Sofia. There I had a meeting with 7 or 8 of the Bulgarian Ministers. I spent some time there. I asked them to tell me something about their history. I said to them, "I have no great knowledge of history; I have never had much time to study it." So they started to tell me about their history. At one point they said, "Turkey occupied us for 500 years." Then they proceeded with the discussion; they seemed to make no great point of that catastrophe.

BALKAN NATIONS LONG DOMINATED BY GREAT POWERS

But we say we are going to make all those little countries free. Mr. President, for 2,000 years those countries have been subjected to the influences of Germany, Russia, and Turkey.

Germany, Russia, and Turkey have dominated practically all the other nations of Europe. Even when I was in Finland, I found that at one time Sweden dominated Finland for many years. I was surprised to learn that; I never knew that the Swedes had that sort of disposition. But I guess there was a good deal that I did not know until I began to meander around the world. I also found that Poland occupied Moscow at one period of time.

However, my point is that none of the Balkan nations has ever been free for any great length of time. The only question was who would control them. Therefore, Mr. President, if we were to turn one of them lose today, it would be just like turning a minnow loose in a catfish pond; the only question would be who would catch it.

SENATE REPORT NO. 1627 CITED

While I was in Bulgaria, I found out about the Bulgarian deposits of uranium and other materials, which we used to think we could obtain only from South Africa. You know, Mr. President, until 1954, when we brought to the President the report on the Western Hemisphere, he used to think that of course we had to protect Belgium and the Belgian colonies because we had to get uranium from the Belgian Congo.

The report shows that the Western Hemisphere can be made self-sufficient, either for war or for peace.

Mr. President, in July 1954, I said that if our taxpayers were treated half as well as the United States has treated the foreigners, uranium found in the United States of America would be "running out of our ears" in 2 years. Actually, Mr. President, it began to "run out of our ears" within 1 year.

URANIUM DEPOSITS IN UTAH AND COLORADO FIRST STUDIED IN 1938

I had studied the uranium deposits in Utah and Colorado as long ago as 1938, when I made a report on the 11 Western States. The report also covered the situation in Alaska, the Philippines, and Hawaii. That report is still available, and the deposits described in it are still available.

But now the United States is going to buy uranium and ship it all over the world. Is that not wonderful, Mr. President?

In the last few days I have noticed in the newspaper articles which state that the United States is again going to recognize Bulgaria. I guess the Bulgarians have, by now, been properly disciplined. Of course they seemed to get along fairly well without being recognized by the United States.

But perhaps we wish to send to Bulgaria some more of our money, and no doubt we must recognize Bulgaria if we wish to send money and equipment there, if we wish to treat Bulgaria in the same way that we treat the dictator of Yugoslavia, who has "worked both sides of the street" ever since World War II, although everyone knows that in the event of war, he will be on the side of Russia.

BALKAN NATIONS SMALLER THAN SOME UNITED STATES COUNTIES

Some of these countries are not as large as some counties in the United States. On many occasions I have gotten into an automobile at 7 o'clock in the morning, to travel from one of those countries to the next one.

The country I was in would have its Ambassador travel with me. But he could not cross the boundary line. So I would drive up to the boundary line with one Ambassador, and there I would meet the Ambassador of the other country.

In the morning Mrs. Malone would put on her levis—you see, Mr. President, she travels with me almost everywhere I go—and, accompanied by the Ambassador of that country, we would drive up to the border line, and there we would meet the Ambassador of the next country, and from that point we would travel with him. Is that not a fine howdy-do, Mr. President? And we finance the whole business.

EDITORIAL COMMENT ON FOREIGN AID CITED

Mr. President, beginning on May 21 and concluding on June 10, 1957, a series of four editorials on the question of foreign aid was published in the Wall Street Journal. The first of the editorial is simply entitled "Foreign Aid." It points out that—

> The people are now disillusioned with this 20 years of foreign aid programs.
>
> Reasons for the disillusionment of the people are not hard to pin down.
>
> It is not just that taxes continue at a high level. It is not just that inflation continues to chop away at salaries and savings. There is the overriding fact that foreign aid just hasn't seemed to have gotten anywhere.
>
> Just since the end of World War II some $55 billion has been rushed abroad, much of it to hold back communism. But where communism has been held back there is the very great question of whether it wouldn't have been held back anyway. And in some places where contributions have been made, the people there have come to regard the aid as a permanent price for not going Communist.
>
> Then there have been cases—as in the Middle East recently—where offers of aid have been more embarrassing to anti-Communist forces than of help to them: Offers of dollars were offered as proof by pro-Reds that the United States was about to take over the country.

Elsewhere the editorial states:

> The administration must have some favorable examples to set against the case of Indonesia—freed as a Dutch colony from the Japanese with American help, backed in its drive for independence from the Dutch by

this country, granted dollar help and now—so its leaders announce—looking to Moscow for precept in molding itself into a nation.

Indonesia, which has received $259 million in grants and credits, more than a quarter billion dollars, is the country cited in this editorial.

THE RECORD OF FOREIGN AID TO BRITAIN

But what about Britain, which was given $4,277,000,000 in World War I in loans that have never been repaid and never will be, $28,600,000,000 in World War II, $3,750,000,000 in 1946, and $3,087,000,000 of American taxpayers' money since then?

Britain, in return for this $39,714,000,000 in foreign aid has recently signed a pact with Red China to supply her with materials and equipment that will inevitably go to build up the Communist war machine; has reduced her own military budget by more than $600 million, has welshed on her commitments to help defend Western Europe, has reduced her armed forces, has waged aggressive war against weak Egypt until deterred by Soviet threats and a United Nations resolution, and has begged off from payments on the $3,750,000,000 loan she made from the United States in 1946.

BRITAIN'S BID FOR MORE RED TRADE

Britain today is closer to Soviet Russia than she has ever been since the height of World War II. Where have the billions loaned and given Britain by the United States helped us in deterring communism?

In this connection, Mr. President, I ask unanimous consent to have printed in the RECORD an article by Mr. David Lawrence, titled "Shades of the Days of Munich," published in the Washington Evening Star and other newspapers under date of June 12, 1957.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SHADES OF THE DAYS OF MUNICH—BRITISH TRADE WITH RED CHINA, AS WITH HITLER, SEEN SPEEDING WAR

(By David Lawrence)

Sometimes the biggest news is invisible, glossed over, or minimized because government, itself, doesn't speak out about the dangers of what is happening contemporaneously. For something very alarming has just happened that could be one of the steps which would force a world war on the American people in the next decade.

The question might well be asked out of bitter experience—are the free nations today preparing to arm the enemy and will they not thereby accelerate the time when a third world war may sweep the globe?

The decision on the part of Great Britain to break faith with the United States and seven other nations by relaxing the embargo on trade with Red China is a sensational development. It is unquestionably a turn of affairs which spells a weakening of the position of the free governments in the cold war.

Hitler bought his arms from British colonies and territories and kept supplying his munitions stockpile up to almost the very month when the Second World War broke out in 1939. The allies paid for that mistake—in human lives lost.

British merchants kept on trading with the enemy through nearly 3 years of the First World War at the same time that American trade with neutral countries was being interferred with by the London government. This prolonged the conflict and the casualty lists.

Had there been an economic embargo against the dictatorships, as the League of Nations proposed in the 1930's, there would never have been a Second World War. Had the British ceased their trade with the enemy earlier than they did in the First World War, the conflict would have been terminated sooner.

Now is history to repeat itself? For the sake of material gains, are the Red Chinese to be industrialized so that they can become a menace to Japan, to the Philippines, to all of southeast Asia as well as to Indochina and perhaps India?

The British are eager to send goods to Red China which they declare are not strategic. But this, nevertheless, will relieve the shortages that the Red Chinese must overcome in order to concentrate on articles of a strategic nature. It also will ease Russia's present burden in supplying Red China.

The Red Chinese do not have an abundance of foreign exchange with which to buy any substantial amounts from the British, but they will substitute goods of a higher strategic priority for war purposes which they need badly.

This is the biggest victory which the Communists have won since the cold war began. It has spread nervousness throughout the Far East, and it could easily lead to such a crumbling of the situation as to add materially to the cost the American taxpayers eventually will have to bear to defend the American line from Japan to the Philippines.

The story of what happened at the international conference which considered the revision of the trade embargoes has not been fully told. Eight of the fifteen nations agreed with the American position of restriction. Only five sided with the British, and neither Japan nor Canada voted. This means that in the face of the majority of the free nations involved, Great Britain decided to go it alone and open up trade with Red China.

This victory for the Communists, moreover, comes at the very time when the United States and its allies in Asia have gotten the upper hand. It comes when Indonesia and India are more worried about Soviet intentions than they ever have been. It comes when Western influence in Burma and Cambodia has been rising. It comes when a strong defense is being built up by the free people in Indochina. It comes at a time when the Chinese Communists have not shown the slightest sign of becoming peaceful but on the contrary, have manifested a greater degree of belligerency than before. They have violated the armistice in Korea and have built up airfields for jets. They have constructed new military supply lines to mount a threat against Formosa. They hold by force of arms two provinces of Laos and Cambodia.

Now the Asian nations see Great Britain weakening on the embargo and observe also lots of people in America talking naively about going along with that decision as a practical matter. It is all so reminiscent of Munich and the prewar days when many people thought you could do business with Hitler.

President Eisenhower has not spoken out clearly as yet about the situation. In fact, his offhand comments at the press conference last week gave the impression that it is up to Congress and that there is a law which prevents our trading with the Red Chinese. The embargo can be dissolved overnight by a Presidential revision of the Executive order now in effect. The President doubtless has been briefed by now on the implications of any weakening by America and on the dangerous consequences in southeast Asia as well as the Far East. It may be assumed that an official statement reiterating the position of the United States and expressing regret at Britain's decision to go it alone in world affairs will soon be forthcoming.

It is by mistakes arising out of a selfish materialism that the peaceful nations of the world find themselves dragged into war. To arm the Red Chinese now by letting them industrialize rapidly is to bring nearer the day of a third world war.

THE RECORD OF FOREIGN AID TO FRANCE

Mr. MALONE. Mr. President, France offers an example of foreign gratitude for American aid.

During and after World War I the United States loaned France $3,996,658,000. During World War II we gave her $2.6 billion. Since World War II we have given her another $5,257,000,000. France thus has benefited by more than $11 billion of American taxpayers' hard-earned dollars.

Yet, here is France today, after the abortive Egyptian invasion, imposing drastic new import curbs on American and other foreign products and readying, according to reports from Paris, plans to tap the United States for a loan or gift of another $400 million.

More disturbing than that is the fact that, while the United States has been lavishing military aid and supplying France with military airplanes, France has been selling warplanes of her own manufacture to other countries.

In the hearings before the Foreign Relations Committee on June 4, 1957, Mr. President, that fact was admitted by Brig. Gen. John S. Guthrie, Director of the European Region, Office of European Regional Affairs, Department of Defense.

UNITED STATES SUPPLIES PLANES TO FRANCE WHILE FRANCE SELLS OWN PLANES TO FOREIGN COUNTRIES

General Guthrie was being questioned about the need to increase funds for military assistance to Europe from $261 million to $338.5 million.

One of the reasons, he testified, was the desire to supply France with P–2V aircraft.

The distinguished Senator from Vermont [Mr. AIKEN] questioned General Guthrie.

Senator AIKEN. Hasn't France sold military equipment of her own manufacture to other countries?

General GUTHRIE. We have encouraged all the countries, who are capable of doing so, to manufacture equipment.

Senator AIKEN. For sale?

General GUTHRIE. Including sale to other countries. They have to have a market somewhere.

Senator AIKEN. And France has made sales to other countries?

General GUTHRIE. I believe they have. So has England.

FRENCH SALES RECALL BRITISH JET-ENGINE SALES TO RUSSIA

Mr. President, some of the Members of this body may recall that in 1947, while we were advancing billions to Britain in foreign aid, the senior Senator stated on this floor that Britain was selling jet engines to Soviet Russia.

At first my statement was denied by responsible authorities in the executive branch, but later it was admitted, substantiated and confirmed.

The jet engines that England sold to Soviet Russia were prototypes of jet engines used in Korea to shoot down American flyers.

Through foreign aid we supply foreign countries with military aircraft so they can sell military aircraft of their own manufacture to other foreign countries, including those which may or may not be friendly.

Under the withering influence of gifts and loans from the United States extended over a period of 40 years the once proud and self-reliant European powers, Britain and France, have been reduced, I regret to say, to perpetual boarders at Uncle Sam's banquet table. It would be uncharitable to call them perpetual beggars.

UNITED STATES MILITARY EQUIPMENT USED BY FRENCH IN ALGERIA

Foreign aid may have strengthened their economy, but certainly their will to resist the menace of international communism and their ability to do so has been weakened.

France, for example, is using American military equipment, not to strengthen its defenses against communism, but against subjects in Algeria.

The distinguished Senator from Arkansas, Senator FULBRIGHT, during the interrogation of General Guthrie, asked:

How much of the aid for France goes into Algeria?

General GUTHRIE. It would be difficult for me to say. You mean the equipment itself, the hardware?

Senator FULBRIGHT. Yes.

General GUTHRIE. Everyone knows that a good deal of the hardware we have delivered in the past has gone to Africa, and even France reports that it cannot determine exactly which rifle or truck it acquired as a result of the aid program, but I am safe in saying it is a substantial portion of the equipment in Alegria.

Thus foreign aid is being used to support imperial colonialism.

TWO SCORE PACT NATIONS ON FOREIGN AID DOLE

Mr. President, on May 23, 1957 the Wall Street Journal published another editorial on the subject of foreign aid, this one titled: "The President's Case Against Foreign Aid," certainly a most unusual title.

Briefly it points out that under the theory that we must continue to finance the defense of the 42 or 44 nations with which we have entered into pacts, these nations have no real determination to oppose communism and in that case are highly unreliable allies.

The editorial also discounts the contention that if foreign aid were discontinued the United States would find itself in the position of "going it alone."

I ask unanimous consent that this editorial, titled "The President's Case Against Foreign Aid," be printed in the RECORD.

THE PRESIDENT'S CASE AGAINST FOREIGN AID

Let us assume for a moment that President Eisenhower is correct when he says that to cut even a dollar out of the foreign aid program would be reckless, would weaken the Nation and could lose both peace and freedom. What does that acutally mean?

Mr. Eisenhower contends that without our military help overseas, we would have to spend "many billions of dollars more" on our own defense, put more men in uniform and keep them there longer. If that is so, it plainly means that but for our aid the forty-two nations with which we are associated in defense treaties would do little or nothing in their own defense.

And if that is true, it means in turn that these forty-two nations have no real determination to oppose Communism; they are building up their own defenses mainly because the United States helps them. If that is the case, they are highly unreliable allies.

If all this, moreover, is the real significance of foreign aid, it clearly indicates we can never stop. To do so, ever, would be to bring the whole anti-Communist defense structure toppling down, since it presumably rests on nothing more substantial than handouts from Washington.

The President, in fact, offers no hope that foreign aid will ever end. On the contrary, he seeks to establish the principle of permanence, first by proposing to make military aid a direct charge against the Defense Department budget, and second by recommending to Congress a long-range revolving loan fund for some types of economic aid. The program that was originally to last 4 short years is now to be a program in perpetuity.

It is thus the bleakest kind of picture the President paints. For ourselves, we do not believe the outlook is all that bad.

We doubt very much that the alternative to military aid is "going it alone." We think a good many of our allies would make considerable defense efforts in their own self-interest and would remain allies, without any dollars from us. A nation like Britain has never been unaware of the need for military preparedness, or allergic to its national interest. Even now the British Government is glad to show, by developing its own hydrogen bomb, how much it can defend itself.

Many other allies have powerful defense capabilities with which to deter the Communists. What's more, they would still come under the protective shield of the United States even without American military aid. The greatest deterrent to Communist aggression is not the number of jets in Europe or Formosa, but the United States treaty obligations to assist its allies should they be attacked.

But if that is somehow not the case—if the allies are so crass and so blind that they will do little or nothing without our help and the assurance of our help forever—then God help us. Such allies would not be worth having in a showdown.

In making this kind of argument, the administration is not making an argument for foreign aid. It is unwittingly making the strongest possible case against foreign aid.

Mr. President, the Wall Street Journal on May 27, 1957, published the third of its series of editorials opposing foreign aid.

I ask unanimous consent that this editorial, titled "All or Nothing," be printed in the RECORD.

ALL OR NOTHING?

Not the least of the difficulties with President Eisenhower's position on foreign aid is that it makes the present package an all-or-nothing proposition.

For Mr. Eisenhower says that to change it at all, either in cost or concept, will render it utterly useless. To support that position he has to argue that our allies and friends are so weak in determination and capacity that they will fold up before the Communist threat the moment we reduce our subsidy by an iota. We must thus subsidize not only some of the non-Communist nations but all of them, just as a general proposition. And if they are not to falter we must subsidize them not only now but forever.

This argument becomes a powerful one for abandoning all foreign aid altogether. If we are just pouring our aid into a bottomless pit, then all is futility.

Yet that is not the real case at all. In our opinion this country would be very well advised to abandon the foreign-aid program as presently conceived and executed. It would not be well advised, we think, to adopt the attitude, "We will not now or ever give any aid to any foreign country under any circumstances."

This is no contradiction or tricky paradox. It is simply a recognition that the idea of helping ourselves by helping others is not something mystical to be "for" or "against" in the abstract; the idea is a commonsense one to which commonsense tests ought to be applied in particular cases.

In the case of Greece and Turkey, where all this started, the practical matter was that the two countries were beset by an immediate and tangible danger. More importantly, there was a will to resist independent of any aid from the United States. As a practical matter a little extra help could, and possibly did, tip the balance. The cost was not exorbitant and the gain redounded both to the two countries and to our own interests.

There are, or may be, other like cases to be considered on their individual merits. But this is not the same thing as a mammoth and permanent program of handing out guns indiscriminately in the guise of "fighting international communism." It is a far cry from the global ideals of building dams in Egypt or roads in Afghanistan in the belief that we are thus buying their allegiance and friendship.

The difficulty with this kind of approach is that it cuts loose from all anchors. Foreign aid is held up as a good in itself without anything except the vaguest requirements that the recipients be on our side or seem to be persuadable with a few dollars. Anyone who questions this is "against foreign aid" is therefore stupid and most likely that wicked creature, an isolationist.

The sad part of all this is that foreign aid, used sparingly and disciplined by commonsense, could well be a useful instrument of foreign policy. But if the choice is all of the present shapeless package or else nothing—then the sensible answer is, very plainly, "nothing."

LOAN PLAN VIEWED AS PERPETUAL AID SCHEME

Mr. President, on June 10 of this year the Wall Street Journal published the last of its series of editorials opposing the pending foreign-aid bill, and in this editorial it went to the heart of the pending legislation.

Titled "Foreign Aid in Disguise" the editors of the newspaper analyzed the bill and its astounding implications.

With reference to the new international RFC provided in section 202 of the bill, the editorial observes:

All this could easily mean simply the addition of hundreds of millions a year in loans to the $4-billion plus a year currently being spent for military and economic aid.

Moreover, the loan fund idea would cement into the Federal budgets, perhaps ineradicably, the principle of foreign aid; Mr. Dulles said the fund "would need continuing authority and a capital authorization for several years, to be renewed, when needed."

Once Congress bought this plan, it would be extremely difficult, and maybe impossible, for Congress ever to call a halt to heavy foreign-aid spending.

Of course it would; that undoubtedly is the reason the proponents of perpetual foreign aid included it.

It required Congress more than 20 years to rid itself of the Reconstruction Finance Corporation, set up as a temporary stopgap agency in the early de-

pression years. As a matter of fact RFC still has a substantial payroll engaged in what is sweetly called the process of liquidating the agency.

CONGRESS LOSING ITS CONTROLS

The editorial Foreign Aid in Disguise, notes as follows:

The proposal would remove foreign aid further from the control of Congress.

Mr. President, there is a tremendous drive in the executive branch to remove virtually everything except our dignity away from the control of Congress.

The constitutional power to lay and collect duties and to regulate the foreign commerce has been removed from the power of Congress.

The power to coin money and determine the value thereof was removed from Congress during the Roosevelt administration: the power to declare war was lifted from Congress by President Truman in the Korean conflict.

The international RFC plan, as the Wall Street Journal observes, would remove foreign aid further from the control of Congress and put it undoubtedly in the State Department.

A Deputy Undersecretary of State would act as Chairman of the so-called Advisory Loan Committee which would be created.

"The administration," the editorial continues, "already has such funds for use at its own discretion. Under the new plan the administration would have greater leeway to embark on big long-range projects: As Mr. Dulles put it, the administration wants to 'break away from the cycle of annual authorizations and appropriations' by Congress."

The editorial also includes comments of interest on the military aid aspects of the pending legislation.

Mr. President, I ask unanimous consent to have printed in the RECORD the editorial titled "Foreign Aid in Disguise" published in the Wall Street Journal under date of June 10, 1957.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FOREIGN AID IN DISGUISE

The handling of foreign aid has been rejuggled time and again, usually with a rechristening of the responsible agency. The administration's latest proposed revamping has some particularly disturbing features.

One big objective of the new proposal is pretty plainly to make foreign aid more palatable to Congress, which has been prepared to cut the fiscal 1958 program substantially. That in itself is a dubious approach; either the program stands on its merits or not at all.

As outlined by Secretary of State Dulles, the rearrangement would put military aid and so-called defense support aid under the Defense Department budget. In addition, a continuing economic development fund would be established to make loans which might soon total $750 million a year.

Now if there is to be foreign economic aid, it is certainly better that it be on a loan basis instead of a grant basis, and in proposing the loan fund the administration was presumably aware that many in Congress share that opinion. But it should be noted that this loan fund would not supplant either direct grants of economic aid or the technical assistance program; both would go on largely as they are.

So all this could easily mean simply the addition of hundreds of millions a year in loans to the $4 billion-plus a year currently being spent for military and economic aid.

Moreover, the loan fund idea would cement into the Federal budgets, perhaps ineradicably, the principle of foreign aid; Mr. Dulles said the fund "would need continuing authority and a capital authorization sufficient for several years, to be renewed when needed." Once Congress bought this plan, it would be extremely difficult and maybe impossible for Congress ever to call a halt to heavy foreign aid spending.

At the same time, the proposal would remove foreign aid further from the control of Congress. The administration already has such funds for use at its own discretion. Under the new plan the administration would have greater leeway to embark on big long-range projects; as Mr. Dulles put it, the administration wants to "break away from the cycle of annual authorizations and appropriations" by Congress.

Even with the present degree of Congressional control the spending of foreign aid money has been notoriously sloppy or worse in some instances. What it would be with the watchdog thus chained is not pleasant to contemplate.

The argument for putting military aid in the Defense Department budget is equally unsound. To do so would make it that much harder to tell just how much we are pouring out to arm our allies. Also, it is designed to persuade the American people that military aid is just as integral and permanent a part of American defense as are the dollars spent to maintain the United States Armed Forces—a proposition never proved and which many might feel misgivings about putting to a test.

The fact is that indefinitely continued military aid is, like economic aid, a questionable activity. Mr. Dulles argued its necessity because "many nations cannot support the military establishments which, in the common interest, should be on their soil." The answer is that if they cannot support them they will not in the long run keep them, as the big new British military retrenchment amply attests.

Mr. Dulles' presentation of the new plan is reported to have been well received in Congress. Before the lawmakers get too enthusiastic, however, they ought to recall that it was never the intent of Congress to make either military or economic aid a permanent drain on the taxpayer. And they ought to take a good look at their own diminished role under the administration proposal.

The American people, from all the evidence, want changes in foreign aid, but not changes which tend to entrench and disguise it. They want changes that will lower the cost of the program and, in a reasonably near future, rejuggle it right out of existence.

PERPETUAL AID MEANS PERPETUAL HIGH TAXES

Mr. MALONE. Mr. President, S. 2130 is a perpetual foreign aid bill.

Perpetual foreign aid means perpetual heavy taxes on the American people to support not their interests but the interests of foreign nations.

Perpetual foreign aid means perpetual beggary by these foreign nations.

Perpetual foreign aid means perpetual abandonment of American industry, wage earners, and markets to the avarice of foreign competitors.

And perpetual foreign aid, in my opinion, means perpetual wars.

THE "VULCANIZER SPECIAL"

Mr. President, in my visits with Mr. Bulganin and Mr. Khrushchev—whom I came to know about as well as anyone can know a person after meeting him and talking with him for 8 or 10 hours—I obtained some very pertinent information.

Visit them in their office; they are great people for going to cocktail parties. These various Ambassadors would give cocktail parties. Every time one would come back, there would be a cocktail party. They were drinking that vulcanizer special they call vodka. I quit drinking character building whiskey 7 or 8 or 9 years ago, so I was not tempted very much. I told Mr. Bulganin on the first round that it looked like the "white mule" we used to have during prohibition days. I thought I would confine my drinking to wine.

I want to warn anybody who is going there that they do not have to drink. They can go just as they wish. There was a time when Ambassadors had to get drunk in order to have a conference. That is not so any more.

BULGANIN'S DEFINITION OF "SOCIALISM"

I asked Mr. Bulganin, among a lot of other things that I will not now go into, to tell me the difference between socialism and communism. I have my own ideas about it. I have debated it quite at length at different times. He was talking to me through an interpreter. I think he understood a lot of English, but he did not answer in English. He said, "I will be glad to tell you. Socialism is the first step to communism."

I visited every one of the 16 socialist republics, from Siberia to Georgia, including the rest of them. It is quite a story. One of these days I shall have a report on it. I hope someone will look at it. I could not guarantee that someone will look at it, the way such reports are treated in the Senate and the House. Mr. Bulganin said, "We do not have communism. That is our objective. What we have is socialism, and socialism is the first step toward communism."

I said, "Mr. Bulganin, what is the difference, then, if socialism is the first step?" He said, in no uncertain terms—he did not stutter—"Under socialism, you work according to your ability and get paid according to your work; and under communism, you work according to your ability and get paid according to your needs." That is when socialism becomes communism. So we know what communism is. Only 3 percent of the Russian people are Communists.

FOREIGN STATESMEN SERVING INTERESTS OF THEIR COUNTRIES

Mr. President, we cannot joke about what this country is doing. I have said this before, and I say it again, I am for the United States of America as Churchill is for England and as Khrushchev is for Russia. We are the only nation on earth that breeds people who want to divide the wealth of their country with the rest of the world.

What did Mr. Churchill say when the effort was being made to liquidate the colonial empire? He said, "I did not become the Prime Minister to participate in the liquidation of the colonial empire of Great Britain."

I have been in every nation on earth. I have found that every man is for his country. I did not hear anybody in those countries say, "Let us appropriate $2 billion, or $10 billion, or $10 to send to the United States, or to any other nation on earth," and we do not hear it now. Every other nation that lends money gets back dollar for dollar, with interest. Why does Great Britain send jet airplanes into the Middle East? Is it to protect a little king in that country? Great Britain wants to protect the only area from which she can get oil.

MIDDLE EAST OIL RESOURCES VAST

I was in the Middle East in 1947. I was in Iran. I went through the greatest oil-reduction plant in the world. It was the greatest then, and I think it still is. I went through that plant with the British, with a fine-tooth comb. I knew when I left they were going to lose Iran, because they paid an insignificant royalty. I think Great Britain paid 18 or 20 cents a barrel in royalties, when across the boundary a great deal more was being paid.

The royalties were going to about 350,000 persons, and the rest of the millions of people in Iran were not getting the benefit of it. Of course, the British were run out. When Great Britain was run out, we stepped in and paid its debt and helped salvage the situation, and perhaps became a partner of Great Britain.

SOCIALISM, COMMUNISM, FASCISM HAVE SAME OBJECTIVE

I did not complete the story I was telling. When Mr. Bulganin was explaining what the difference was between socialism and communism, namely, that under socialism that everyone worked according to his ability and got paid according to his work, and under communism—which was the final objective—everyone worked according to his ability and got paid according to his needs, Mr. Bulganin asked me what I thought the difference was. I said, "Mr. Bulganin, here is the way I have always described it: That there is no difference between socialism, communism, and fascism. There is no difference in the final objective of all three, which is government ownership, with the individual owning nothing. The difference is in how the government gets into power."

Mr. Bulganin asked me what I considered that difference to be.

The first thing I had done when we opened the conversation was to say, "We do not like your form of government. You do not like ours." And we got right down to business. I said, "The only difference between socialism and communism is that a Communist will shoot you to gain his ends, to get into power, and a Socialist will spend you into it."

THE THREE SALES ARGUMENTS FOR FOREIGN AID

Mr. President, critical materials, markets for American goods, and mutual security were the three themes of Harry Dexter White in his pitch for foreign aid to Russia, which I referred to earlier in my remarks.

The critical materials argument was used by proponents of perpetual foreign aid in the recent hearings before the Foreign Relations Committee. They listed it as one of the reasons for foreign aid in a chart but did not elaborate. The reason they did not elaborate, I think, is that the argument is as phony as a $3 bill.

Senate Report 1627 of the 83d Congress exposed the fallacy of squandering taxpayers' money all around the globe to "safeguard critical materials," as these witnesses put it. The report showed that on the basis of expert testimony, some of it from military men themselves, that in the event of any all-out war Soviet submarines and/or bombing planes could cut off these supplies from distant overseas areas.

WESTERN HEMISPHERE SELF-SUFFICIENT IN CRITICAL MATERIALS

The report further demonstrated that every one of the 77 critical and strategic materials could be obtained in the Western Hemisphere, that the Western Hemisphere could be made self-sufficient for everything needed for war or an expanding peace, and that the Western Hemisphere, and only the Western Hemisphere, could be adequately defended in the event of an all-out war.

Yet from the days of Harry Dexter White foreign aid has been advocated in the name of protecting distant sources of critical materials, most of them in areas we could not defend until we had achieved overwhelming air superiority.

Mr. White knew his argument was "bunk." What he was interested in was diverting a large chunk of America's wealth to his favorite foreign country; namely Russia, and in destroying America's own strategic and critical materials potential.

MINERALS SPECIFIED WHICH RUSSIA COULD PROVIDE

Manganese, tungsten, graphite, mica, chrome, mercury, iron ore, platinum, and copper were specified by White as metals Soviet Russia could well spare and send us, and the President was assured that Russia could supply us also with petroleum in substantial quantity.

The argument was made that we would conserve our mineral and fuel reserves "by importing from abroad to meet ordinary annual production requirements." In other words, that we should close down our mines and oil wells and depend on Soviet Russia for our metal and liquid fuel supplies.

Twelve years later this proposal seems fantastic, and it was fantastic. Twelve years from now some of the mutual security, critical material, and export trade schemes that are before us now may seem equally fantastic. Twelve years ago Russia was an ally, and Germany and Japan were enemies. Today Russia is an enemy, and the German Republic and Japan are listed by our foreign aid spokesmen as friendly nations.

Can anyone in the International Cooperation Administration, State Department, or any other agency of Government give us assurance while this bill is being debated that 12 years from now each of the 84 foreign countries to which foreign aid in some form is being extended will be friendly to us or even neutrals?

White's theory in general has been put into execution everywhere else in the world this side of the Iron Curtain.

During the past 3 years alone barter deals have been made with foreign countries to exchange surplus foods for critical materials valued at $767,500,000, or more than three-quarters of a million dollars.

ICA FINANCING FOREIGN MINERALS DEVELOPMENT

ICA has handed out $53,500,000 to foreign countries to be used there in mining and minerals development which inevitably will compete with our own domestic mining industries.

ICA has given to foreign countries $54 million more to acquire new and modern mining equipment so that these foreign mines will not have to compete at a mechanical disadvantage with our American industries.

None of this money has gone to Soviet Russia but some of it has gone to Communist Yugoslavia and pro-Communist Indonesia.

ICA has advanced $44,200,000 to foreign countries for petroleum projects and equipment so that they can compete in the world market or the American market against American oil.

FOREIGN IRRIGATION PROJECTS FINANCED BY ICA

ICA has given foreign countries $355,800,000 to build irrigation, reclamation, and power projects so that they can compete against American farm products of which we have a surplus. This surplus, in the absence of export markets which ICA has helped to close, has to be virtually given away for foreign currencies, or in barter deals, or both, in order to dispose of it at all, while in the meantime with American tax dollars, many of them extracted from our own farmers, ICA strives to increase foreign agricultural production.

THIRTY-FOUR FOREIGN NATIONS GET MINING HELP

Mining and minerals development has been financed by ICA in 34 foreign nations, 6 in Europe, 9 in Latin America, 7 in the Far East, from which no materials would reach us in the event of war, and 12 in the Near East, south Asia, and Africa.

The European nations in which ICA has financed mining ventures are Austria, France, Italy, Norway, Spain, and Communist Yugoslavia.

Latin American countries are Bolivia, British Guiana, Brazil, Chile, Colombia, Cuba, Honduras, Mexico, Peru.

Far Eastern countries: Cambodia, Nationalist China, Indonesia, Korea, the Philippines, Thailand, and Vietnam.

Countries in other parts of the world which have been assisted in their mining and minerals developments by ICA are Afghanistan, Egypt, Greece, India, Iran, Israel, Jordan, Lebanon, Liberia, Nepal, Pakistan, and Turkey.

Mining equipment paid for with American tax dollars has gone to Austria, Belgium, Luxembourg, Denmark, France, Germany, Iceland, Ireland, Italy, the Netherlands, Norway, Portugal, Spain, Sweden, United Kingdom, Burma, Nationalist China, Indochina, Indonesia, Korea, the Philippines, Thailand, Vietnam, Greece, Iran, Israel, Lebanon, and Bolivia.

PETROLEUM PROJECTS FINANCED IN MANY COUNTRIES WITH FOREIGN-AID FUNDS

Petroleum refining projects costing a total of $24,686,000 of American money have been financed by ICA in France, Italy, Germany, and the United Kingdom, and oil drilling and refining equipment totaling $19,495,000 in value has gone to France, Italy, Germany, United Kingdom, Turkey, Austria, the Netherlands, and China.

In addition to ICA's contributions to foreign extraction industries, the Export-Import Bank several years ago loaned $100 million to the 6-nation European Coal and Steel Authority to expand its operations and provide new houses for foreign miners.

This totals up to $607,500,000 of taxpayers money spent in building up competitive extraction industries in foreign countries—$507,500,000, or more than half a billion dollars by ICA.

Mr. President, we are all familiar with the struggle our domestic mining industry, both metals and solid fuels, has been having in recent years. Mines have closed. Miners have been thrown out of work. Distressed areas have been created. The Agriculture Department in some parts of the country has had to rush in supplies of surplus foods to alleviate the hunger and suffering of unemployed miners' families.

But dollar aid to foreign miners and mining interests rolls merrily on and on in the hundreds of millions.

CONGRESS CREATING FOREIGN COMPETITION AGAINST AMERICAN INDUSTRIES

Could it be that Congress itself, in voting year after year new foreign aid funds to be spent in developing more and more foreign competition against our miners, is contributing to domestic distress and unemployment?

Could it be also that Congress itself, in voting year after year, millions upon millions in new foreign aid funds for foreign irrigation, reclamation and power projects—while American farm income continually declines—is destroying the traditional foreign markets for our food products and thus increasing our farm surpluses?

Are we financing our own economic suicide?

The Wall Street Journal of June 11, 1957 carries this headline: "American Zinc Cuts Zinc Smelting Output to Reduce Oversupply."

Firm plans to curtail operations at Fort Smith, Ark., 40 percent now and at Dumas, Tex., 10 percent July 1.

Howard I. Young, president of American Zinc, is quoted as stating:

It is believed by management that metal output should be curtailed until there is either a reduction in imports of foreign refined zinc into this country or a substantial increase in demand from domestic consumer.

NINETEEN HUNDRED AND FIFTY-SIX ZINC IMPORTS LISTED

Last year we imported $118,873,555 worth of zinc, much of it from Austria, Belgium, Germany, Italy, Communist Yugoslavia, Iran, Peru, Bolivia, Honduras,, Guatemala, countries in which ICA has financed mining ventures or equipment.

On June 10 the same newspaper noted that "lead and zinc consumers expect prices of both to go still lower," noting that prices on the previous Friday had closed at 11 cents a pound.

BARTER CONTRACTS FOR MORE FOREIGN ZINC SIGNED

It noted that the week previously the administration had announced that in April it had signed zinc barter contracts for $20,700,000.

"No tonnages were given," the news article continued, "but figured on the basis of the 13½-cent East St. Louis United States price then prevailing, it indicated a whopping 74,000 tons of foreign zinc contracted in April will be delivered to United States authorities over the next few months."

Foreign aid in any form, Mr. President, means foreign wages, costs and prices dominate our markets and closes or cuts back production in American plants and mills. Perhaps that is one of the objectives of its proponents.

FOREIGN AID WORKING HARDSHIP ON AMERICAN FARMERS

Foreign aid also is an injustice to our industrious American farmers.

ICA has expended a total of $355,800,000 in American tax dollars, as previously stated, for irrigation, reclamation and power development in foreign lands. That is a third of a billion dollars.

European countries aided by ICA in such development are Denmark, Belgium—Congo; France—both Europe and Africa; Iceland, Italy, the Netherlands—both in Europe and Surinam; Portugal, Spain, Austria, Germany, Yugoslavia and the United Kingdom—Malta, Jamaica, Somaliland and Cyprus.

What possibly can be the obligation of hard-pressed American taxpayers to spend millions in developing British, Belgian and Netherlands colonies I do not profess to understand.

Colonial-minded nations previously in history have been responsible for the economy of their own colonies as long as they could hold them. It is a strange circumstance that a Nation which in 1776 threw off colonialism would now be spending tax dollars to strengthen and preserve the colonial policies of other nations.

BRITISH EXPORT TRADE BOOMING, DEFENSE EFFORT CUT BACK

Britain is booming, thanks to our aid.

In the first 4 months of this year, according to the Wall Street Journal, her exports reached a record of $3.1 billion, $300 million above that of the same period in 1956.

Exports to the United States were $233 million, an increase of 22 percent over the same period in 1956.

Automobiles and textiles ranked with whiskey as major exports to the United States.

Britain has cut back her defense budget $607,600,000 and has opened trade with Red China in vital machine tools, electric motors and generators, rubber-manufacturing machinery, motor vehicles, railway locomotives, scientific instruments, chemicals, rubber and internal-combustion engines, all of which will increase Red China's military potential.

UNITED STATES TAXPAYERS FINANCING FARM DEVELOPMENT IN BRITISH COLONIES

Yet American taxpayers are required by Congress and the ICA to finance the agricultural development of Malta, Somaliland, Cyprus and Jamaica, all British colonial possessions.

In the Far East ICA has developed irrigation, reclamation, and power projects in Cambodia, Nationalist China, Indonesia, Korea, Laos, the Philippines, Thailand, and Vietnam, improving them so that they will be more attractive prizes or targets for the Reds.

In the Near East and South Asia irrigation and power developments have been financed by ICA in Afghanistan, Ceylon, Egypt, Greece, India, Iran, Iraq, Israel, Jordan, Lebanon, Nepal, Pakistan, and Turkey.

In Africa ICA is financing irrigation, reclamation or power projects in Libya, Somaliland, Liberia, Ethiopia, and the Gold Coast, and in Latin America in Chile, Colombia, El Salvador, Guatemala, Haiti, Honduras, Nicaragua, and Panama, a total of 46 countries and 6 colonies.

Probably from ICA's viewpoint this program has been a great success.

FOREIGN COTTON, TOBACCO PRODUCTION SKYROCKETS

In the Near East cotton production has tripled over that of prewar years, from an annual pre-war average of 471,000 bales to 1,544,000 bales in 1956. In South America it has doubled from 361,000 to 741,000 bales, and in Central America from a negligible 9,000 to 300,000 bales.

ICA-aided areas also have increased tobacco production.

India, a major exporter of flue-cured tobacco, has increased production from 27 million pounds to 125 million pounds and the Central African Federation has increased production from 28 million to 166 million pounds.

The Free World, excluding the United States, has increased production from 243.7 million pounds to 971.3 million pounds.

Production of oriental and semi-oriental type tobaccos also has increased; in Turkey from 128 million to 245 million pounds, in Greece from 132 million to 185 million, in Yugoslavia from 33 million to 75 million, and in Iran from 10 million to 25 million pounds. Also have received bountiful foreign aid paid for by the American taxpayer including the cotton and tobacco growers.

Free World wheat, meat, and dairy production also has increased enormously in foreign countries as agriculture and husbandry improve with ICA assistance.

As foreign production of farm commodities increases the world market for our own farm products contracts and the world price at which our Government is attempting to dispose of much of our farm surplus sinks.

ICA is subsidizing foreign food production and using American tax dollars to compete against American industry and agriculture.

TAXPAYERS' AWAKENING AWAITED

Mr. President, I will say at this point that if there ever comes to the taxpayers

of America the knowledge of the colossal bungling and waste of American taxpayers' money in foreign lands, it will really cause a furor. How can anyone spend $5 billion or even $3 billion in a year, through all of these widespread organizations, and in countries where graft and corruption are rampant and the practice is to keep a part of any money that goes through their hands?

China is a good example. I was in China in 1948. They call it kumshaw. They pay people nothing, but it is understood, a part of everything that goes through their hands will be kept. There is just a difference as to what it is called in the various foreign countries, that is all.

If the taxpayers of America ever fully realize what Congress has done with their money, it will be a sad day. We are responsible for this, whether we think so or not.

BARTERING FARM PRODUCTS FOR FOREIGN MINERALS CLOSING AMERICAN MINES

Early last year at a meeting with a few Senators Mr. Dulles said, "I am running into trouble. When I go out to sell our products at the world price or below the world price, in order to move them, as you have told me to do, I make enemies of the nations which have been furnishing this market."

I told him, "One thing more you are doing, Mr. Secretary, does not suit some of us very well. That is that you are trading the surplus farm products for minerals which our own miners are mining, and shutting down our mines. Some of us do not like that."

TAXPAYERS HELPLESS WHILE THEIR DOLLARS SQUANDERED ABROAD

If Senators will listen to their constituents they will know what the effect of continually assessing the helpless taxpayers of America is.

And they are helpless. They are helpless to a point, Mr. President. Let me tell Senators that we could well read a little history. The taxpayers of this country will remain helpless, until they make up their minds what we are doing to them. If some day about 20 percent of them sit on their hands instead of anteing up this money, what are we going to do? I know what we are going to do. That would scare every Senator and every Representative within an inch of his life, and he would never vote for another dime to go any place outside of this country.

MR. PRESIDENT, WE HAVE BEEN LUCKY SO FAR

There is a confidence which is inbred in Americans. It has been so for 180 years. The people have an inbred confidence in their public officials.

The President of the United States is the greatest man in the world—and he is. Let me say to Senators what I think of the President we have now. I think he is an honest man. I think he is one of the finest men I ever met. And I think he is in the hands of the wrong people. He will wake up sometime, and when he does, the people who have been leading him around with these programs of inflation, free trade, billions to Europe, four big organizations to finance American investment abroad to use cheap foreign labor bringing their products back to compete with the very people he was raised with in Texas and Kansas will be shocked. Do not tell me that the President will go for that, when he finally wakes up to it. He will not.

REPORT SHOWS GRANTS OF FOREIGN AID BY AGENCIES

Mr. President, I have in my hand what is called a statistical appendix, which is available to Senators here in the Chamber and to others in Congress, but I doubt that many of them have noticed it. This is headed:

REPORTING AGENCIES

Data on foreign grants and credits for the period January through March 1, 1957, are based upon information made available to the Office of Business Economics by the various fiscal, statistical, and operating branches of the agencies listed below. The sources of data for periods prior to December 31, 1956, are given on page S–3 of the preceding quarterly report.

EXPORTING UNITED STATES CAPITAL A MAJOR COMMERCE DEPARTMENT OBJECTIVE

That is a reference which might be interesting. The reporting agencies are listed. They start with the Agriculture Department, the Commodity Credit Corporation, and the Commerce Department.

I have already described one of the real objectives of the Department of Commerce and one of the Cabinet officers of this Nation of ours, which has been the emphasizing of a program, probably more than any other program, of sending American capital abroad and financing through the World Bank, through the Export-Import Bank, and the other organizations.

One is all financed by American capital and the others are 33 percent financed by American capital, controlled by foreign directors. They have emphasized what great success they have had in sending $44½ billion of American capital into the foreign low-wage nations to establish plants and mines and other industries, and thereafter send the material back to the United States, to compete with the production of the high-wage, high-living standard workingmen here.

I say again that when the American taxpayer finally wakes up there will be woe to the Senate and to the House of Representatives, and it does not matter who is in them at the time, Mr. President.

OTHER AGENCIES VIE IN SPREADING UNITED STATES WEALTH AROUND THE WORLD

I could go ahead with these other departments. They listed the Defense Department, Air Force Department, Army Department, Navy Department, Export-Import Bank, General Services Administration, State Department, International Cooperation Administration, Treasury Department, and United States Information Agency—that great organization.

Mr. President, I do not desire to read this material. It will be interesting, but I doubt if very many will ever review it seriously. It would stand them in good stead if they should do so.

This information is turned out by the Department of Commerce. It has the stamp of the Department of Commerce on it. It is labeled for the Department of Commerce, United States of America, March 1957 quarter.

The June quarter is due, but it will be available in September. Any Senator can get it when it finally comes out.

BREAKDOWN OF FOREIGN GRANTS AND CREDITS PLACED IN THE RECORD

Why it takes 3 months to get 1 of these quarterly reports out I could not say, but at least this is the report.

Mr. President, I ask unanimous consent to have printed in the RECORD at this time as a part of my remarks the statistical appendix, from page S–1 to and including S–18. This gives a breakdown by geographical area, using the statistical tables in the report, to show where the $107 billion, or whatever amount is included in this up to June 1957, went, showing all of the nations that I have mentioned, with the list in the quarterly report.

Mr. President, I ask unanimous consent to have printed pages S–1 through S–18 of this report as a part of my remarks.

There being no objection, the excerpt from the statistical appendix was ordered to be printed in the RECORD, as follows:

FOREIGN GRANTS AND CREDITS BY THE UNITED STATES GOVERNMENT

REPORTING AGENCIES

Data on foreign grants and credits for the period January through March 1957 are based upon information made available to the Office of Business Economics by the various fiscal, statistical, and operating branches of the agencies listed below. The sources of data for periods prior to December 31, 1956, are given on page S–3 of the preceding quarterly report.

Agriculture Department; Commodity Credit Corporation; Commerce Department; Defense Department; Air Force Department; Army Department; Navy Department; Export-Import Bank; General Services Administration; State Department; International Cooperation Administration; Treasury Department; United States Information Agency.

GEOGRAPHICAL ARRANGEMENT USED IN STATISTICAL TABLES IN THIS REPORT

The following list designates the dependent areas of countries which are included in the grouping Western Europe and dependencies in table 2. Activity has not necessarily been reported for the listed dependency. Because of the inclusion of dependencies in the grouping Western Europe, data shown for other groupings in table 2, particularly Near East and Africa, are correspondingly understated.

Belgium—Luxembourg: Belgian Congo, Ruanda-Urundi.

France: Algeria, Clipperton, French Cameroons, French Equatorial Africa, French Guiana, French Oceania, French Somaliland, French West Africa, French West Indies, Madagascar, New Caledonia, St. Pierre and Miquelon.

Italy (including Trieste): Somaliland Trust Territory.

Netherlands: Netherlands New Guiana, Netherlands West Indies, Surinam.

Portugal: Angola, Azores, Cape Verde Islands, Macao, Madeira Islands, Mozambique,

Portuguese Guinea, Portuguese India, Portuguese Timor.

Spain: Canary Islands, Spanish Sahara.

United Kingdom: Aden, Bahamas, Barbados, Bermuda, British Borneo, British East Africa, British Guiana, British Honduras, British Islands East of Africa, British Leeward and Windward Islands, British Solomon Islands, British Somaliland, British South Africa, Cyprus, Fiji, Gambia, Gibraltar, Gilbert and Ellice Islands, Gold Coast, Hong Kong, Jamaica, Malaya, Malta, New Hebrides (British-French), Nigeria, St. Helena, Sierra Leone, Singapore, South Atlantic areas, Tonga Islands, Trinidad and Tobago Western Pacific Islands (miscellaneous).

Transactions with international agencies are considered foreign transactions. Major agencies for which transactions are reported include the following:

European Coal and Steel Community [1]
European Payments Union [1]
European Productivity Agency [1]
Intergovernmental Committee for European Migration
Intergovernmental Committee for Refugees
International Refugee Organization
Organization of American States [2]
Pan American Sanitary Bureau [2]
United Nations
United Nations Children's Fund
United Nations Relief and Rehabilitation Administration

[1] Transactions included in Western Europe.

[2] Transactions included in American Republics.

TABLE 1.—*Summary of foreign grants and credits, by program:* [1] *Postwar period, July 1, 1945, through Mar. 31, 1957 (before and after Korean invasion, June 25, 1950), calendar year ended Dec. 31, 1956 (by quarter), and quarter ended Mar. 31, 1957*

[Millions of dollars]

	Postwar period			Calendar year 1956					January to March 1957
	Total	After Korean invasion	Before Korean invasion	Total	January to March	April to June	July to September	October to December	
Net grants and credits	58,653	32,306	26,346	4,337	1,090	1,656	768	823	903
Net grants (less conversions)	47,809	30,748	17,062	4,365	1,088	1,584	818	875	997
Gross grants	51,779	32,520	19,259	4,448	1,113	1,601	841	893	1,022
Mutual security	37,407	30,336	7,071	4,208	1,042	1,532	794	841	980
Military aid:									
Military supplies and services [2] [3] M	17,224	17,161	63	2,593	652	1,091	436	414	599
Multilateral-construction program contributions M	405	405		68	13	31	22	1	21
Other aid (economic and technical assistance):									
Famine and other urgent and extraordinary) relief	330	330		108	28	26	21	34	20
Other [2]	19,448	12,440	7,008	1,440	348	384	315	393	341
Civilian supplies	5,856	978	4,878	4	1	1	1	2	1
UNRRA, post-UNRRA, and interim aid	3,443		3,443						
Lend-lease	1,906		1,906						
Military M	679		679						
Postwar pipelines	1,227		1,227						
Greek-Turkish aid	653	23	629						
Military M	530	23	507						
Other	122	(4)	122						
Philippine rehabilitations	635	116	519						
Surplus agricultural commodities through private welfare agencies [5]	547	541	6	185	52	50	34	39	34
Military equipment loans [7] M	326	326		23	13	5	3	3	
Chinese military and naval aid M	261	4	258						
Inter-American programs	186	51	134	10	1	3	2	4	4
Other	561	145	416	18	4	2	8	5	3
Less:									
Prior grants converted into credits	2,257	1,001	1,256	1			1		
Reverse grants and returns	1,713	772	941	83	25	18	23	17	25
Mutual security counterpart funds:									
Military aid M	60	58	1	16	7	2	1	5	3
Other aid (economic and technical assistance)	903	570	333	64	15	15	21	13	22
Reverse lend-lease	133		133						
Cash war-account settlements for lend-lease and other grants	120	(6)	120	(6)			(6)		
Return of lend-lease ships	490	136	354						
For military use M	189	123	67						
For economic value	301	14	287						
Return of civilian supplies	4	4		3	3				
Return of military equipment loans [7] M	4	4							
Net credits (including conversions)	10,843	1,559	9,285	−27	2	72	−50	−52	−3
New credits	12,898	3,565	9,333	482	112	181	71	116	118
Export-Import Bank (for own account)	4,840	2,188	2,651	233	54	74	34	72	61
Direct loans	4,564	2,066	2,498	223	47	68	36	72	59
Loans through agent banks	275	122	153	10	6	6	Credit 2	(6)	2
British loan	3,750		3,750						
Mutual security [8]	2,234	1,243	990	227	54	106	27	40	57
Surplus property (including merchant ships)	1,492	9	1,482	6			6		
Lend-lease (excluding settlement credits)	71	2	69						
Other	513	122	390	15	5	2	4	4	1
Plus prior grants converted into credits	2,257	1,001	1,256	1			1		
Less principal collections	4,311	3,007	1,305	509	110	109	122	168	122
Export-Import Bank (for own account)	2,441	1,809	632	266	85	60	57	64	85
Direct loans	2,115	1,633	482	220	59	47	54	61	82
Loans through agent banks	326	176	149	46	26	13	4	3	3

See footnotes at end of table.

TABLE 1.—*Summary of foreign grants and credits, by program:* [1] *Postwar period, July 1, 1945, through Mar. 31, 1957 (before and after Korean invasion, June 25, 1950), calendar year ended Dec. 31, 1956 (by quarter), and quarter ended Mar. 31, 1957*—Continued

[Millions of dollars]

	Postwar period			Calendar year 1956					January to March 1957
	Total	After Korean invasion	Before Korean invasion	Total	January to March	April to June	July to September	October to December	
Net grants and credits—continued									
Net credits (including conversions)—continued									
Less principal collections—continued									
British loan	280	280		49				49	
Mutual security [8]	63	63		25	4	10	3	9	3
Surplus property (including merchant ships)	567	443	124	65	12	16	19	19	18
Grants converted into credits	139	118	22	20	(*)	(*)	12	8	1
Lend-lease (excluding settlement credits)	159	139	21	71	7	19	26	18	15
Other [9]	662	155	507	13	2	3	5	3	(*)

[1] Grants are transfers for which no payment is expected (other than a limited percentage of the foreign currency funds generated by the grant), or which at most involve an obligation on the part of the receiver to extend aid to the United States or other countries to achieve a common objective. Credits are loan disbursements or transfers under other agreements which give rise to specific obligations to repay, over a period of years, usually with interest. In some instances assistance has been given with the understanding that a decision as to repayment will be made at a later date; such assistance is included in grants. At such time as an agreement is reached for repayment over a period of years, a credit is established. Such credits, cannot, as a rule, be deducted from specific grants recorded in previous periods; an adjustment for grants converted into credits is made at the time of agreement. All known returns to the U. S. Government stemming from grants and credits, other than interest, are taken into account in net grants and net credits. The measure of foreign grants and credits generally is in terms of goods delivered or shipped by the U. S. Government, services rendered by the U. S. Government, or cash disbursed by the U. S. Government to or for the account of a foreign government or other foreign entity. The Government's capital investments in the International Bank ($635,000,000), International Finance Corporation ($35,000,000), and International Monetary Fund ($2,750,000,000) are not included in these data although they constitute an additional measure taken by this Government to promote foreign economic recovery and development. Payments to these international financial institutions do not result in immediate equivalent aid to foreign countries. Use of available dollar funds is largely determined by the managements of the institutions, in some instances subject to certain controls which can be exercised by the U. S. Government.

Further definition and explanation of these data are contained in the Foreign Aid supplement to the Survey of Current Business, published November 1952, and in the explanatory notes to the appendixes of the National Advisory Council on International Monetary and Financial Problem Semiannual Reports to the President and to the Congress.

[2] Includes foreign currencies which were obtained through sale of agricultural commodities under title I of the Agricultural Trade Development and Assistance Act (Public Law 83-480, as amended) and which were available under secs. 104 (c), (d), (e), and (g) for expenditure without charge to a dollar appropriation.

[3] Includes mutual security program aid for common-use items which are to be used by military forces of nations receiving assistance, and for direct forces support, when such assistance provided under secs. 123 and 124 of Public Law 83-665, as amended, is administered in accordance with ch. 1, Military Assistance, of title I of that act; Cash transfers are included in "Other aid (economic and technical assistance)", see footnote 4.

[4] Includes mutual security program aid for economic and technical assistance use from military aid appropriations. Also includes mutual security program aid from appropriations for common-use items which are to be used by military forces of nations receiving assistance, and for direct forces support, when such assistance under secs. 123 and 124 of Public Law 83-665 is administered in accordance with ch. 3, Defense Support, of title I of that act. Also includes transfers of funds for forces support (for example, in Cambodia, Laos, and Vietnam (and forces of France located in such states)) and of funds in support of production for forces support.

[5] Less than $500,000. M—Programs identified by M are included in "Military grants" in table 2.

[6] Includes donations of agricultural commodities transferred through United Nations Children's Fund under authority of sec. 416 of Public Law 81-439, as amended by title III of Public Law 831-480.

[7] "Military equipment loans" are included in this report as part of military grants; these "loans" are essentially transfers on an indeterminate basis, generally requiring only the return of the identical item, if available. In essence this was the requirement pertaining to wartime lend-lease transfers of watercraft, which were included as grant transfers in these data.

[8] Values for deliveries of materials in payment of principal reported as collected by the General Services Administration on deficiency and strategic-materials-development loans are in some instances estimated when first reported. Reported data have been adjusted to eliminate obvious (negative) bookkeeping adjustments as final values are recorded.

TABLE 2.—*Summary of foreign grants and credits—Military and other, by major country,* [1] *postwar period, July 1, 1945, through Mar. 31, 1957 (before and after Korean invasion, June 25, 1950); calendar year ended Dec. 31, 1956 (by quarter), and quarter ended Mar. 31, 1957*

[Millions of dollars]

	Postwar period			Calendar year 1956					January to March 1957
	Total	After Korean invasion	Before Korean invasion	Total	January to March	April to June	July to September	October to December	
Net grants and credits	58,653	32,306	26,346	4,337	1,090	1,656	768	823	993
Net grants (less conversions)	47,809	30,748	17,062	4,365	1,088	1,584	818	875	997
Gross grants	51,779	32,520	19,259	4,448	1,113	1,601	841	893	1,022
Less prior grants converted into credits	2,257	1,001	1,256	1			1		
Less reverse grants and returns	1,713	772	941	83	25	18	23	17	25
Net credits (including conversions)	10,843	1,559	9,285	−27	2	72	−50	−52	−3
New credits	12,898	3,565	9,333	482	112	181	71	116	118
Plus prior grants converted into credits	2,257	1,001	1,256	1			1		
Less principal collections	4,311	3,007	1,305	509	110	109	122	168	122
Total grants and credits, by type:									
Military grants, net [2 3]	19,172	17,735	1,438	2,668	671	1,124	459	413	617
Gross grants	19,426	17,920	1,506	2,684	679	1,127	461	417	630
Less reverse grants and returns	253	185	68	16	7	2	1	5	3
Other grants and credits, net	39,480	14,571	24,909	1,670	419	532	309	410	377
Net grants (less conversions)	28,637	13,013	15,624	1,697	416	459	359	463	380
Gross grants	32,354	14,601	17,753	1,765	434	475	381	475	402
Less prior grants converted into credits	2,257	1,001	1,256	1			1		
Less reverse grants and returns	1,460	587	873	67	18	15	21	13	22
Net credits (including conversions)	10,843	1,559	9,285	−27	2	72	−50	−52	−3
New credits	12,898	3,565	9,333	482	112	181	71	116	118
Plus prior grants converted into credits	2,257	1,001	1,256	1			1		
Less principal collections	4,311	3,007	1,305	509	110	109	122	168	122

See footnotes at end of table.

TABLE 2.—*Summary of foreign grants and credits—Military and other, by major country,[1] postwar period, July 1, 1945, through Mar. 31, 1957 (before and after Korean invasion, June 25, 1950); calendar year ended Dec. 31, 1956 (by quarter), and quarter ended Mar. 31, 1957*—Continued

[Millions of dollars]

	Postwar period			Calendar year 1956					January to March 1957
	Total	After Korean invasion	Before Korean invasion	Total	January to March	April to June	July to September	October to December	
Total grants and credits, by area:									
Western Europe (excluding Greece and Turkey) and dependent areas: [2 4]									
Net grants and credits	36,221	18,286	17,934	1,725	470	782	248	226	348
Net grants (less conversions)	28,005	18,177	9,828	1,953	517	792	325	320	403
Gross grants	31,199	19,737	11,463	2,018	537	805	344	333	423
Less prior grants converted into credits	1,970	1,000	970						
Less reverse grants and returns	1,225	560	665	66	20	13	19	13	19
Net credits (including conversions)	8,215	110	8,106	−226	−47	−10	−76	−93	−56
New credits	8,625	1,008	7,617	52	2	34	3	13	6
Plus prior grants covered into credits	1,970	1,000	970						
Less principal collections	2,379	1,898	481	278	49	44	79	106	61
Eastern Europe:									
Net grants and credits	1,095	−12	1,107	−3	−1	−1	1	−1	[3]
Net grants (less conversions)	803	14	788	3	[3]		3		2
Gross grants	1,065	28	1,037	3	[4] Credit		3		2
Less prior grants converted into credits	222		222				[3]		
Less reverse grants and returns	39	14	26	[3]					
Net credits (including conversions)	292	−26	319	−6	−1	−1	−2	−1	−1
New credits	123		123						
Plus prior grants converted into credits	222		222						
Less principal collections	53	26	27	6	1	1	2	1	1
Near East (including Greece and Turkey) and Africa: [5]									
Net grants and credits	5,514	4,148	1,366	678	168	223	151	136	156
Net grants (less conversions)	4,863	3,739	1,124	594	140	204	128	122	158
Gross grants	5,085	3,833	1,252	603	142	208	130	124	159
Less prior grants converted into credits	9		9						
Less reverse grants and returns	214	94	120	9	2	3	2	2	2
Net credits (including conversions)	651	409	242	84	28	19	23	14	−1
New credits	856	558	298	110	34	27	27	22	9
Plus prior grants converted into credits	9		9						
Less principal collections	214	148	65	26	6	8	4	8	9
South Asia, other Asia, and Pacific:									
Net grants and credits	13,064	8,217	4,847	1,720	408	603	306	403	370
Net grants (less conversions)	12,163	7,677	4,486	1,567	380	517	306	365	343
Gross grants	12,394	7,724	4,670	1,575	384	518	307	366	347
Less prior grants converted into credits	53		53						
Less reverse grants and returns	178	47	130	8	4	1	1	2	4
Net credits (including conversions)	901	540	361	153	29	86	1	38	27
New credits	1,633	905	728	226	58	99	19	50	59
Plus prior grants converted into credits	53		53						
Less principal collections	785	365	420	73	29	13	19	12	32
American Republics: [7]									
Net grants and credits	1,477	1,121	356	113	22	25	40	27	77
Net grants (less conversions)	743	606	137	138	26	43	33	36	49
Gross grants	800	660	140	139	26	43	34	36	49
Less prior grants converted into credits	3	1	2	1			1		
Less reverse grants and returns	54	53	[3]	[3]		[3]		[3]	
Net credits (including conversions)	733	515	219	−25	−4	−18	7	−9	27
New credits	1,433	1,045	388	94	18	21	23	32	45
Plus prior grants converted into credits	3	1	2	1			1		
Less principal collections	702	531	171	120	22	40	16	41	18
Canada:									
Net grants and credits	−6	−7	1	−5	−2	−3	−[3]	−[3]	−[3]
Net grants									
Gross grants	4	4							
Less reverse grants and returns	4	4							
Net credits	−6	−7	1	−5	−2	−3	−[3]	−[3]	−[3]
New credits	163	22	142	[3]		[3]			[3]
Less principal collections	169	28	141	5	2	3	[3]	[3]	[3]
Other international organizations and unspecified areas:									
Net grants and credits	1,288	553	736	108	26	28	22	33	43
Net grants (gross grants)	1,232	534	698	110	26	28	24	33	43
Net credits	56	18	38	−2			−2		
New credits	65	27	38						
Less principal collections	9	9		2			2		

See footnotes at end of table.

TABLE 2.—*Summary of foreign grants and credits—Military and other, by major country,[1] postwar period, July 1, 1945, through Mar. 31, 1957 (before and after Korean invasion, June 25, 1950); calendar year ended Dec. 31, 1956 (by quarter), and quarter ended Mar. 31, 1957*—Continued

[Millions of dollars]

	Postwar period			Calendar year 1956					January to March 1957
	Total	After Korean invasion	Before Korean invasion	Total	January to March	April to June	July to September	October to December	
Total grants and credits by area—Continued									
Military grants:[3]									
Net grants	19,172	17,735	1,438	2,668	671	1,124	459	413	617
Gross grants	19,426	17,920	1,506	2,684	679	1,127	461	417	620
Less: Reverse grants and returns	253	185	68	16	7	2	1	5	3
Western Europe (excluding Greece and Turkey):[2]									
Net grants	11,626	11,581	45	1,601	444	682	246	230	345
Gross grants	11,722	11,676	46	1,610	448	683	246	232	346
Less: Reverse grants and returns	96	94	1	9	4	2	1	2	2
Near East (including Greece and Turkey) and Africa:									
Net grants	2,499	1,982	518	341	72	134	80	55	93
Gross grants	2,516	1,998	518	342	73	134	80	56	93
Less: Reverse grants and returns	16	16		1	1	(5)	(5)	1	
South Asia, other Asia, and Pacific:									
Net grants	4,537	3,665	871	643	144	279	110	110	147
Gross grants	4,620	3,682	938	649	147	279	111	112	149
Less: Reverse grants and returns	84	17	67	5	3	(5)	1	2	2
American Republics:									
Net grants	317	317		58	6	21	18	12	25
Gross grants	371	371		58	6	21	18	12	25
Less: Reverse grants and returns	53	53		(5)		(5)		(5)	
Canada:									
Net grants									
Gross grants	4	4							
Less: Reverse grants and returns	4	4							
Unspecified areas: Net grants (gross grants)	193	189	4	25	4	9	6	6	7
Other grants and credits:									
Net grants and credits	39,480	14,571	24,909	1,670	419	532	309	410	377
Net grants (less conversions)	28,637	13,013	15,624	1,697	416	459	359	463	380
Gross grants	32,354	14,601	17,753	1,765	434	475	381	475	402
Less: Prior grants converted into credits	2,257	1,001	1,256	1			1		
Less: Reverse grants and returns	1,460	587	873	67	18	15	21	13	22
Net credits (including conversions)	10,843	1,559	9,285	−27	2	72	−50	−52	−3
New credits	12,898	3,565	9,333	482	112	181	72	116	118
Plus: Prior grants converted into credits	2,257	1,001	1,256	1			1		
Less: Principal collections	4,311	3,007	1,305	509	110	109	122	168	122
Western Europe (excluding Greece and Turkey) and dependent areas:[4]									
Net grants and credits	24,595	6,705	17,889	125	26	100	3	−3	3
Net grants (less conversions)	16,379	6,596	9,783	351	73	110	79	90	59
Gross grants	19,477	8,061	11,416	408	89	121	97	101	77
Less: Prior grants converted into credits	1,970	1,000	97						
Less: Reverse grants and returns	1,129	465	664	57	16	11	19	11	18
Net credits (including conversions)	8,216	110	8,106	−226	−47	−10	−76	−93	−56
New credits	8,625	1,008	7,617	52	2	34	3	13	6
Plus: Prior grants converted into credits	1,970	1,000	970						
Less: Principal collections	2,379	1,898	481	278	49	44	79	106	61
Austria:									
Net grants and credits	1,018	318	700	5	−2	4	2	1	
Net grants	1,010	334	677	3	−2	3	1	1	(5)
Gross grants	1,064	364	700	6	1	3	1	1	(5)
Less: Reverse grants and returns	54	30	24	3	3		(5)		
Net credits	8	−15	23	2	(5)	1	1	1	−1
New credits	34	9	25	3	(5)	1	1	1	(5)
Less: Principal collections	26	24	2	1	(5)	(5)	(5)	1	1
Belgium—Luxembourg and dependent areas:									
Net grants and credits	719	119	600	−6	−1	−1	−2	−2	−2
Net grants	581	161	420	1	1	1		(5)	(5)
Gross grants	583	162	420	1	1	1		(5)	(5)
Less: Reverse grants and returns	2	2	(5)	(5)	(5)			(5)	
Net credits	139	−42	180	−7	−2	−2	−2	−2	−2
New credits	240	25	214						
Less: Principal collections	101	67	34	7	2	2	2	2	2

See footnotes at end of table.

TABLE 2.—*Summary of foreign grants and credits—Military and other, by major country,[1] postwar period, July 1, 1945, through Mar. 31, 1957 (before and after Korean invasion, June 25, 1950); calendar year ended Dec. 31, 1956 (by quarter), and quarter ended Mar. 31, 1957*—Continued

[Millions of dollars]

	Postwar period			Calendar year 1956					January to March 1957
	Total	After Korean invasion	Before Korean invasion	Total	January to March	April to June	July to September	October to December	
Other grants and credits—Continued									
Denmark:									
Net grants and credits	282	97	185	1	—(5)	2	—(5)	—1	(5)
Net grants	234	101	133	(5)	(5)	(5)	—(5)		
Gross grants	248	107	141	(5)	(5)	(5)	(5)		
Less: Reverse grants and returns	14	6	8	(5)	(5)		(5)		(5)
Net credits	48	—4	52	1	—$1	2	—(5)	—1	(5)
New credits	57	5	52	2		2	(5)	(5)	(5)
Less: Principal collections	9	9	(5)	2	1	1	1	1	(5)
Finland:									
Net grants and credits	70	—31	101	—5	—2	—1	—2	—(5)	—2
Net grants (gross grants)	4	2	2						
Net credits	67	—32	99	—5	—2	—1	—2	—(5)	—2
New credits	126	(5)	126						
Less: Principal collections	59	32	27	5	2	1	2	(5)	2
France and dependent areas:									
Net grants and credits	5,511	1,803	3,708	35	—2	25	—4	16	—15
Net grants (less conversions)	3,833	2,167	1,666	100	21	25	37	17	8
Gross grants	4,371	2,264	2,107	100	21	25	37	17	8
Less: Prior grants converted into credits	353		353						
Less: Reverse grants and returns	184	97	87	1	(5)	(5)	(5)	(5)	(5)
Net credits (including conversions)	1,678	—364	2,042	—64	—23	—(5)	—40	—1	—24
New credits	2,117	350	1,767	1	1	1			
Plus: Prior grants converted into credits	353		353						
Less: Principal collections	792	714	78	66	23	1	40	1	24
Germany:									
Net grants and credits	3,894	811	3,083	23	7	10	3	1	—6
Net grants (less conversions)	2,741	—125	2,867	46	11	17	7	11	3
Gross grants	3,818	911	2,907	46	11	17	7	11	3
Less: Prior grants converted into credits	1,000	1,000							
Less: Reverse grants and returns	77	37	40	(5)	(5)	(5)	(5)	(5)	(5)
Net credits (including conversions)	1,153	936	216	—23	—3	—7	—3	—10	—9
New credits	346	87	258	(5)		(5)		(5)	
Plus: Prior grants converted into credits	1,000	1,000							
Less: Principal collections	193	151	42	23	3	7	3	10	9
Iceland:									
Net grants and credits	33	23	10	—(5)	—(5)	—(5)	(5)	—(5)	—(5)
Net grants	28	20	8	(5)	—(5)	(5)	(5)	(5)	(5)
Gross grants	30	22	8	(5)	Credit (5)	(5)	(5)	(5)	(5)
Less: Reverse grants and returns	2	2	(5)						
Net credits	5	3	2	—(5)		—(5)		—(5)	—(5)
New credits	6	3	2						
Less: Principal collections	(5)	(5)		(5)		(5)		(5)	(5)
Ireland:									
Net grants and credits	145	46	99	—1		—(5)		—(5)	
Net grants	17	15	3						
Gross grants	18	15	3						
Less: Reverse grants and returns	1	1	(5)						
Net credits	128	32	96	—1		—(5)		—(5)	
New credits	128	32	96						
Less: Principal collections	1	1		1		(5)		(5)	
Italy (including Trieste) and dependent area:									
Net grants and credits	2,822	839	1,983	49	25	7	8	9	13
Net grants	2,569	942	1,626	66	31	10	13	13	12
Gross grants	2,649	995	1,654	66	32	10	13	13	12
Less: Reverse grants and returns	80	52	28	(5)	(5)	(5)			
Net credits	253	—103	356	—17	—6	—3	—5	—3	2
New credits	451	46	405	6	1		1	4	4
Less: Principal collections	198	149	49	23	7	3	5	7	3
Netherlands and dependent areas:									
Net grants and credits	1,017	160	857	—25	—7	—9	—3	—5	—3
Net grants (less conversions)	792	327	465	(5)	(5)	(5)	(5)	(5)	(5)
Gross grants	891	353	538	(5)	(5)	(5)	(5)	(5)	(5)
Less: Prior grants converted into credits	47		47						
Less: Reverse grants and returns	51	26	26						
Net credits (including conversions)	225	—168	392	—25	—7	—9	—3	—5	—3
New credits	389	20	369						
Plus: Prior grants converted into credits	47		47						
Less: Principal collections	211	188	24	25	7	9	3	5	3

See footnotes at end of table.

TABLE 2.—*Summary of foreign grants and credits—Military and other, by major country,[1] postwar period, July 1, 1945, through Mar. 31, 1957 (before and after Korean invasion, June 25, 1950); calendar year ended Dec. 31, 1956 (by quarter), and quarter ended Mar. 31, 1957*—Continued

[Millions of dollars]

	Postwar period			Calendar year 1956					January to March 1957
	Total	After Korean invasion	Before Korean invasion	Total	January to March	April to June	July to September	October to December	
Other grants and credits—Continued									
Norway:									
Net grants and credits	294	102	192	−9	−2	−2	−2	−3	−2
Net grants (less conversions)	210	121	88	1	1	−(5)	(5)	−(5)	(5)
Gross grants	237	132	105	2	1	(5)	(5)	(5)	(5)
Less: Prior grants converted into credits	6		6						
Less: Reverse grants and returns	21	10	11	(5)	(5)	(5)		(5)	
Net credits (including conversions)	85	−19	104	−11	−3	−2	−2	−3	−2
New credits	135	25	109	(5)	(5)				(5)
Plus: Prior grants converted into credits	6		6						
Less: Principal collections	56	44	11	11	3	2	2	3	2
Portugal and dependent areas:									
Net grants and credits	70	65	5	2	1	1	1	−(5)	(5)
Net grants	19	18	1	4	1	2	1	(5)	(5)
Gross grants	20	19	1	4	1	2	1	(5)	(5)
Less: Reverse grants and returns	1	1	(5)	(5)	(5)	(5)	(5)		
Net credits	51	47	4	−2	−(5)	−1	−(5)	−1	−(5)
New credits	54	50	4	(5)				(5)	(5)
Less: Principal collections	3	3	(5)	2	(5)	1	(5)	1	(5)
Spain and dependent areas:									
Net grants and credits	187	187	(5)	83	8	50	11	15	6
Net grants	92	92	(5)	46	7	21	11	8	5
Gross grants	187	187	(5)	96	17	31	30	19	23
Less: Reverse grants and returns	96	96		50	10	10	18	11	18
Net credits	95	95		37	1	29	(5)	7	1
New credits	121	121		39	1	30	1	8	1
Less: Principal collections	26	26		2		1	(5)	1	1
Sweden:									
Net grants and credits	107	38	68	−1		−(5)		−(5)	
Net grants (gross grants)	87	42	45						
Net credits	20	−4	23	−1		−(5)		−(5)	
New credits	24		24						
Less: Principal collections	5	4	1	1		(5)		(5)	
United Kingdom and dependent areas:									
Net grants and credits	6,844	1,051	5,793	−61	1	11	−13	−61	7
Net grants (less conversions)	2,729	1,439	1,290	47	2	27	6	13	21
Gross grants	3,812	1,520	2,291	47	2	27	6	13	21
Less: Prior grants converted into credits	562		562						
Less: Reverse grants and returns	520	81	439	(5)		(5)			
Net credits (including conversions)	4,116	−388	4,503	−108	−1	−16	−18	−73	−14
New credits	4,244	91	4,153						
Plus: Prior grants converted into credits	562		562						
Less: Principal collections	691	478	213	108	1	16	18	73	14
Yugoslavia:									
Net grants and credits	795	484	311	29	−2	3	1	26	7
Net grants (less conversions)	748	450	298	32		3	3	26	8
Gross grants	773	474	299	35	1	4	3	26	8
Less: Prior grants converted into credits	1		1						
Less: Reverse grants and returns	25	25		2	1	1	(5)	(5)	(5)
Net credits (including conversions)	47	34	13	−3	−2		−2		−2
New credits	55	43	12						
Plus: Prior grants converted into credits	1		1						
Less: Principal collections	9	9		3	2		2		2
Other and unspecified Western Europe:[4]									
Net grants and credits	784	591	193	4	1	1	1	1	1
Net grants (gross grants)	684	491	193	4	1	1	1	1	1
Net credits (new credits)	100	100							
Eastern Europe:									
Net grants and credits	1,095	−12	1,107	−3	−1	−1	1	−1	(5)
Net grants (less conversions)	803	14	788	3	(5) −*		3		2
Gross grants	1,065	28	1,037	3	(5)		3		2
Less: Prior grants converted into credits	222		222						
Less: Reverse grants and returns	39	14	26	(5)			(5)		
Net credits (including conversions)	292	−26	319	−6	−1	−1	−2	−1	−1
New credits	123		123						
Plus: Prior grants converted into credits	222		222						1
Less: Principal collections	53	26	27	6	1	1	2	1	

See footnotes at end of table.

TABLE 2.—*Summary of foreign grants and credits—Military and other, by major country,[1] postwar period, July 1, 1945, through Mar. 31, 1957 (before and after Korean invasion, June 25, 1950); calendar year ended Dec. 31, 1956 (by quarter), and quarter ended Mar. 31, 1957*—Continued

[Millions of dollars]

	Postwar period			Calendar year 1956					January to March 1957
	Total	After Korean invasion	Before Korean invasion	Total	January to March	April to June	July to September	October to December	
Other grants and credits—Continued									
Eastern Europe—Continued									
Czechoslovakia:									
Net grants and credits	191	2	189						
Net grants	186	2	183						
Gross grants	186	2	183						
Less: Reverse grants and returns	(3)		(3)						
Net credits	[1] 5	−1	6						
New credits	30		30						
Less: Principal collections	25	1	24						
Eastern Germany: Net grants (gross grants)	17	17		−(3)	−(3)		(3)		−(3)
Poland:									
Net grants and credits	418	−23	441	−6	−1	−1	−2	−1	−1
Net grants	365	−(3)	365	−(3)			−(3)		
Gross grants	365		365						
Less: Reverse grants and returns	(3)	(3)		(3)			(3)		
Net credits	53	−23	76	−6	−1	−1	−2	−1	−1
New credits	78		78						
Less: Principal collections	24	23	1	6	1	1	2	1	1
U. S. S. R.:									
Net grants and credits	426	−14	440						
Net grants (less conversions)	204	−14	217						
Gross grants	465		465						
Less: Prior grants converted into credits	222		222						
Less: Reverse grants and returns	39	14	26						
Net credits (prior grants converted into credits)	222		222						
Other Eastern Europe:									
Net grants and credits	43	6	37	3	−(3)	−(3)	3	(3)	2
Net grants (gross grants)	31	8	23	3			3		2
Net credits	12	−3	14	−(3)	−(3)	−(3)		−(3)	−(3)
New credits	16		16						
Less: Principal collections	4	3	1	(3)	(3)	(3)		(3)	(3)
Near East and Africa: [2]									
Net grants and credits	3,014	2,167	848	337	96	89	71	81	63
Net grants (less conversions)	2,363	1,757	606	253	67	71	48	67	64
Gross grants	2,569	1,835	734	261	69	74	50	68	66
Less: Prior grants converted into credits	9		9						
Less: Reverse grants and returns	198	78	120	8	1	3	2	1	2
Net credits (including conversions)	651	409	242	84	28	19	23	14	−1
New credits	856	558	298	110	34	27	27	22	9
Plus: Prior grants converted into credits	9		9						
Less: Principal collections	214	148	65	26	6	8	4	8	9
Egypt:									
Net grants and credits	70	63	7	27	11	8	5	3	2
Net grants (gross grants)	66	66	(3)	27	12	8	5	3	2
Net credits	4	−3	7	(3)	−1		1		
New credits	19	2	18	2			2		
Less: Principal collections	16	5	11	1	1		1		
Greece:									
Net grants and credits	1,359	583	776	54	15	14	13	11	1
Net grants	1,268	592	676	44	11	10	10	12	3
Gross grants	1,334	637	696	45	12	11	11	12	3
Less: Reverse grants and returns	66	46	20	2	1	1	(3)	(3)	(3)
Net credits	91	−9	99	10	4	4	2	−1	−1
New credits	140	29	111	16	6	7	3		
Less: Principal collections	49	38	12	5	1	3	(3)	1	1
Iran:									
Net grants and credits	283	270	14	56	16	12	12	17	17
Net grants (less conversions)	204	212	−8	34	4	11	6	12	14
Gross grants	220	220	1	34	4	11	6	12	14
Less: Prior grants coverted into credits	9		9						
Less: Reverse grants and returns	9	9							
Net credits (including conversions)	79	58	22	22	12	(3)	5	5	3
New credits	81	58	23	22	12	(3)	5	5	3
Plus: Prior grants converted into credits	9		9						
Less: Principal collections	10	(3)	10	(3)	(3)			(3)	(3)

See footnotes at end of table.

TABLE 2.—*Summary of foreign grants and credits—Military and other, by major country,[1] postwar period, July 1, 1945, through Mar. 31, 1957 (before and after Korean invasion, June 25, 1950); calendar year ended Dec. 31, 1956 (by quarter), and quarter ended Mar. 31, 1957*—Continued

[Millions of dollars]

	Postwar period			Calendar year 1956					January to March 1957
	Total	After Korean invasion	Before Korean invasion	Total	January to March	April to June	July to September	October to December	
Other grants and credits—Continued									
Near East and Africa—Continued									
Israel:									
Net grants and credits	407	374	33	25	9	12	2	3	−2
Net grants	257	257	1	14	7	3	2	2	3
Gross grants	258	257	1	14	7	3	2	2	3
Less: Reverse grants and returns	(5)	(5)							
Net credits	150	118	32	11	2	9	−(5)	(5)	−5
New credits	171	139	32	13	3	9	1	(5)	1
Less: Principal collections	21	21		2	1		1		6
Jordan:									
Net grants	32	32		5	2	1	1	2	1
Gross grants	32	32		5	2	1	1	2	1
Less: Reverse grants and returns	(5)	(5)							
Liberia:									
Net grants and credits	29	13	16	2	(5)	1	1	(5)	1
Net grants (gross grants)	8	8	(5)	1	(5)	(5)	(5)	(5)	(5)
Net credits	21	5	16	1	(5)	(5)	(5)	(5)	(5)
New credits	26	10	16	1	(5)	(5)	1	(5)	1
Less principal collections	6	6		(5)	(5)		(5)	(5)	1
Libya: Net grants (gross grants)	42	42		13	1	2	9	1	4
Rhodesia and Nyasaland:									
Net credits	56	56		9	2	1	3	3	(5)
New credits	61	61		11	4	1	3	4	1
Less principal collections	5	5		1	1			(5)	1
Turkey:									
Net grants and credits	474	399	75	94	27	28	14	24	24
Net grants	346	337	9	72	23	25	5	19	24
Gross grants	376	361	16	78	24	27	7	21	26
Less reverse grants and returns	31	24	7	6	(5)	2	2	1	2
Net credits	129	62	66	22	4	4	9	5	−(5)
New credits	169	92	77	24	5	4	10	5	(5)
Less principal collections	40	30	11	2	1	(5)	1	(5)	1
Union of South Africa:									
Net grants and credits	32	124	−91	11	4	1	3	2	1
Net grants (reverse grants and returns)	−92		−92						
Net credits	125	124	1	11	4	1	3	2	1
New credits	144	143	1	20	5	5	3	8	2
Less principal collections	19	19	(5)	10	(5)	4	1	5	1
Other and unspecified Near East and Africa: [6]									
Net grants and credits	230	212	18	40	7	9	9	15	14
Net grants (less conversions)	232	212	20	42	7	10	9	16	14
Gross grants	233	213	20	42	7	10	9	16	14
Less:									
Prior grants converted into credits	(5)		(5)						
Reverse grants and returns	(5)	(5)							
Net credits (including conversions)	−3	−1	−2	−3	−(5)	−1	−(5)	−1	1
New credits	44	24	20	(5)		(5)		(5)	
Plus prior grants converted into credits	(5)		(5)						
Less principal collections	47	25	22	3	(5)	1	(5)	1	(5)
South Asia:									
Net grants and credits	832	819	12	191	59	59	39	35	28
Net grants (less conversions)	515	543	−28	151	51	40	30	30	26
Gross grants	554	551	3	152	51	41	30	30	29
Less:									
Prior grants converted into credits	2		2						
Reverse grants and returns	36	8	29	1	(5)	(5)	(5)		(5)
Net credits (including conversions)	317	276	40	39	8	19	9	4	2
New credits	322	281	41	40	8	19	9	5	2
Plus prior grants converted into credits	2		2						
Less principal collections	8	5	2	1				1	
Afghanistan:									
Net grants and credits	51	51	(5)	14	2	2	5	4	7
Net grants (gross grants)	14	14	(5)	4	(5)	1	1	2	6
Net credits (new credits)	37	37		10	2	2	4	2	1

See footnotes at end of table.

TABLE 2.—*Summary of foreign grants and credits—Military and other, by major country,[1] postwar period, July 1, 1945, through Mar. 31, 1957 (before and after Korean invasion, June 25, 1950); calendar year ended Dec. 31, 1956 (by quarter), and quarter ended Mar. 31, 1957*—Continued

[Millions of dollars]

	Postwar period			Calendar year 1956					January to March 1957
	Total	After Korean invasion	Before Korean invasion	Total	January to March	April to June	July to September	October to December	
Other grants and credits—Continued									
South Asia—Continued									
India:									
Net grants and credits	479	467	12	82	17	32	16	17	10
Net grants (less conversions)	227	255	−28	62	14	18	14	16	9
Gross grants	258	255	3	62	14	18	14	16	9
Less:									
Prior grants converted into credits	2		2						
Reverse grants and returns	29		29						
Net credits (including conversions)	252	211	40	20	2	14	3	1	(2)
New credits	257	217	40	21	2	14	3	2	(2)
Plus prior grants converted into credits	2		2						
Less principal collections	7	5	2	1				1	
Pakistan:									
Net grants and credits	278	278	(2)	91	40	24	16	11	10
Net grants	250	250	(2)	82	36	21	14	10	9
Gross grants	258	258	(2)	82	36	21	14	10	12
Less reverse grants and returns	8	8		1	(2)	(2)	(2)		2
Net credits	28	28		10	4	3	2	1	1
New credits	28	28	(2)	10	4	3	2	1	1
Less principal collections	(2)		(2)						
Other and unspecified south Asia: Net grants (gross grants)	24	24		4	(2)	1	1	2	2
Other Asia and Pacific:									
Net grants and credits	7,606	3,732	3,963	886	205	265	158	258	195
Net grants (less conversions)	7,112	3,469	3,643	772	185	198	166	224	170
Gross grants	7,220	3,492	3,728	774	185	198	166	224	169
Less:									
Prior grants converted into credits	51		51						
Reverse grants and returns	57	23	35	2	1	(2)	(2)	(2)	(2)
Net credits (including conversions)	584	263	321	114	21	67	−8	34	25
New credits	1,311	624	687	186	50	81	11	45	57
Plus prior grants converted into credits	51		51						
Less principal collections	777	360	417	72	29	13	19	11	32
Burma:									
Net grants and credits	22	18	5	(2)	(2)	(2)	(2)	(2)	(2)
Net grants	21	21	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Gross grants	21	21	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Less reverse grants and returns	1	1							
Net credits	2	−3	5	(2)		(2)			(2)
New credits	5		(2)						
Less principal collections	3	3	(2)	(2)		(2)			(2)
China-Taiwan (Formosa):									
Net grants and credits	1,376	557	819	114	33	28	27	25	34
Net grants (less conversions)	1,240	540	700	94	25	23	26	20	26
Gross grants	1,296	543	753	94	25	23	26	20	26
Less: Prior grants converted into credits	50		50						
Less: Reverse grants and returns	6	3	3						(2)
Net credits (including conversions)	136	17	120	20	8	6	1	5	7
New credits	212	33	179	22	8	6	2	5	7
Plus: Prior grants converted into credits	50		50						
Less: Principal collections	126	16	110	2	(2)	(2)	1	(2)	(2)
Indochina (Cambodia, Laos, and Vietnam):									
Net grants and credits	785	785	(2)	312	61	92	55	103	68
Net grants	760	760	(2)	287	61	67	55	103	68
Gross grants	762	762	(2)	287	61	67	55	103	68
Less: Reverse grants and returns	3	3		(2)		(2)	(2)		(2)
Net credits (new credits)	25	25		25		25			
Cambodia:									
Net grants	(2)	(2)	(2)	37	9	3	10	16	6
Gross grants	(2)	(2)	(2)	37	9	3	10	16	6
Less: Reverse grants and returns	(2)	(2)	(2)	(2)		(2)	(2)		(2)
Laos:									
Net grants	(2)	(2)	(2)	52	15	13	6	17	11
Gross grants	(2)	(2)	(2)	52	15	13	6	17	11
Less: Reverse grants and returns	(2)	(2)	(2)	(2)		(2)			

See footnotes at end of table.

TABLE 2.—*Summary of foreign grants and credits—Military and other, by major country,[1] postwar period, July 1, 1945, through Mar. 31, 1957 (before and after Korean invasion, June 25, 1950); calendar year ended Dec. 31, 1956 (by quarter), and quarter ended Mar. 31, 1957*—Continued

[Millions of dollars]

	Postwar period			Calendar year 1956					January to March 1957
	Total	After Korean invasion	Before Korean invasion	Total	January to March	April to June	July to September	October to December	
Other grants and credits—Continued									
Indochina (Cambodia, Laos, and Vietnam—Continued									
Vietnam:									
Net grants and credits	(5)	(5)	(5)	221	37	74	40	70	51
Net grants (gross grants)	(5)	(5)	(5)	196	37	49	40	70	51
Net credits (new credits)	(5)	(5)	(5)	25		25			
Unspecified Indochina: Net grants (gross grants)	(5)	(5)	(5)	2	(5)	1	(5)	−(5)	
Indonesia:									
Net grants and credits	258	93	164	11	3	4	−(5)	5	−1
Net grants	120	36	84	9	2	2	2	3	1
Gross grants	125	38	87	9	2	2	2	3	1
Less: Reverse grants and returns	5	1	4	(5)		(5)	(5)		(5)
Net credits	138	57	80	2	1	2	−3	2	−2
New credits	158	77	81	10	3	2	2	2	(5)
Less: Principal collections	21	20	(5)	8	2	(5)	4	1	2
Japan and Ryukyu Islands:									
Net grants and credits	2,608	634	1,973	80	13	22	4	41	23
Net grants (gross grants)	2,442	483	1,959	20	1	1	3	14	3
Net credits	165	151	14	60	12	21	1	27	20
New credits	699	399	300	106	38	33	3	33	48
Less: Principal collections	534	248	286	46	26	12	2	6	28
									11
Korea:									
Net grants and credits	1,679	1,312	367	309	81	94	67	67	56
Net grants	1,658	1,312	346	309	81	94	67	67	56
Gross grants	1,676	1,321	355	310	81	94	67	67	56
Less: Reverse grants and returns	18	9	9	1	1	(5)			
Net credits	21		21						
New credits	25		25						
Less: Principal collections	4		4						
Philippines:									
Net grants and credits	848	228	620	16	6	5	1	4	4
Net grants	775	220	555	20	7	4	3	7	5
Gross grants	780	224	555	21	7	4	4	7	5
Less: Reverse grants and returns	4	4		1	(5)	(5)	(5)	(5)	(5)
Net credits	73	7	65	−4	−1	1	−2	−3	−1
New credits	140	61	79	3	(5)	1	2	(5)	(5)
Less: Principal collections	67	54	14	7	1	(5)	4	3	1
Thailand:									
Net grants and credits	88	83	5	39	8	7	11	14	12
Net grants	79	79	(5)	32	7	7	8	9	10
Gross grants	80	80	(5)	32	7	7	8	9	10
Less: Reverse grants and returns	1	1		(5)	(5)	(5)	(5)	(5)	(5)
Net credits	9	4	5	7	(5)	(5)	2	4	2
New credits	16	10	6	7	(5)	(5)	2	4	2
Less: Principal collections	7	6	1	(5)	(5)			(5)	
Other and unspecified Asia and Pacific:									
Net grants and credits	32	23	9	5	−(5)	13	−7	−1	−(5)
Net grants (less conversions)	17	18	−1	1	(5)	(5)	(5)	(5)	(5)
Gross grants	37	18	19	1	(5)	(5)	(5)	(5)	(5)
Less: Prior grants converted into credits	1		1						
Less: Reverse grants and returns	20		20						
Net credits (including conversions)	16	5	10	4	−(5)	13	−8	−1	−(5)
New credits	31	19	12	13	(5)	13	(5)	(5)	
Plus: Prior grants converted into credits	1		1						
Less: Principal collections	16	14	2	9	(5)	(5)	8	1	(5)
American Republics:[7]									
Net grants and credits	1,159	804	356	55	16	3	22	15	52
New grants (less conversions)	426	289	137	81	20	22	15	24	24
Gross grants	429	289	140	81	20	22	16	24	24
Less: Prior grants converted into credits	3	1	2	1			1		
Less: Reverse grants and returns	(5)	(5)	(5)						
Net credits (including conversions)	733	515	219	−25	−4	−18	7	−9	27
New credits	1,433	1,045	388	94	18	21	23	32	45
Plus: Prior grants converted into credits	3	1	2	1			1		
Less: Principal collections	702	531	171	120	22	40	16	41	18

See footnotes at end of table.

TABLE 2.—*Summary of foreign grants and credits—Military and other, by major country,[1] postwar period, July 1, 1945, through Mar. 31, 1957 (before and after Korean invasion, June 25, 1950); calendar year ended Dec. 31, 1956 (by quarter), and quarter ended Mar. 31, 1957*—Continued

[Millions of dollars]

	Postwar period			Calendar year 1956					January to March 1957
	Total	After Korean invasion	Before Korean invasion	Total	January to March	April to June	July to September	October to December	
Other grants and credits—Continued									
American Republics—Continued									
Argentina:									
Net grants and credits	71	71	(2)	−10		−5	(2)	−5	
Net grants (gross grants)	(2)	(2)	(2)	(2)			(2)		
Net credits	71	71	(2)	−10		−5		−5	
New credits	102	101	(2)						
Less: Principal collections	31	31	(2)	10		5		5	
Bolivia:									
Net grants and credits	100	79	$21	20	$6	2	$4	8	$4
Net grants	66	63	2	19	6	2	4	7	4
Gross grants	66	63	2	19	6	2	4	7	4
Less reverse grants and returns	(2)	(2)							
Net credits	34	16	18	(2)	(2)	(2)	−1	(2)	(2)
New credits	42	24	19	2	1	1	(2)	(2)	(2)
Less principal collections	8	8	(2)	2	1	(2)	1	(2)	(2)
Brazil:									
Net grants and credits	452	384	69	−13	−(2)	−12	5	−5	21
Net grants (gross grants)	31	22	9	6	1	2	1	2	1
Net credits	421	362	59	−19	−2	−14	4	−7	20
New credits	672	576	96	41	7	7	12	15	31
Less principal collections	251	214	37	60	9	21	9	21	11
Chile:									
Net grants and credits	64	−3	67	−3	(2)	−3	(2)	−(2)	1
Net grants	13	9	4	2	1	1	(2)	1	(2)
Gross grants	13	9	4	2	1	1	(2)	1	(2)
Less reverse grants and returns	(2)								
Net credits	51	−12	63	−5	−(2)	−4	−(2)	−1	(2)
New credits	125	35	90	3			(2)	3	1
Less principal collections	74	47	28	8	(2)	4	(2)	4	(2)
Ecuador:									
Net grants and credits	34	25	9	7	2	1	1	2	1
Net grants	11	8	2	2	(2)	1	(2)	1	(2)
Gross grants	11	8	2	2	(2)	1	(2)	1	(2)
Less reverse grants and returns	(2)								
Net credits	22	17	7	5	2	1	1	1	(2)
New credits	34	25	9	6	2	1	1	2	1
Less principal collections	10	8	2	2	(2)	(2)	(2)	(2)	(2)
Guatemala:									
Net grants and credits	47	38	9	18	3	7	3	6	6
Net grants (gross grants)	45	36	9	17	3	7	3	5	5
Net credits	2	2		1	(2)	(2)	(2)	1	(2)
New Credits	2	2		1	(2)	(2)	(2)	1	(2)
Less principal collections	(2)	(2)		(2)		(2)		(2)	(2)
Haiti:									
Net grants and credits	38	39	−1	9	3	3	1	2	2
Net grants	19	16	3	5	3	1	1	1	2
Gross grants	19	16	3	5	3	1	1	1	2
Less reverse grants and returns	(2)								
Net credits	19	23	−4	4	(2)	2	(2)	1	−(2)
New credits	24	24	1	4	1	2	(2)	1	
Less principal collections	6	1	4	(2)	(2)	(2)	(2)	(2)	(2)
Mexico:									
Net grants and credits	210	61	149	−8	2	−3	−1	−5	3
Net grants	107	24	83	1	(2)	(2)	(2)	(2)	(2)
Gross grants	107	24	83	1	(2)	(2)	(2)	(2)	(2)
Less: Reverse grants and returns	(2)		(2)						
Net credits	104	37	67	−9	1	−3	−2	−5	2
New credits	244	130	114	10	4	4	1	1	5
Less: Principal collections	140	94	47	19	3	7	3	7	3

See footnotes at end of table.

TABLE 2.—*Summary of foreign grants and credits—Military and other, by major country,[1] postwar period, July 1, 1945, through Mar. 31, 1957 (before and after Korean invasion, June 25, 1950); calendar year ended Dec. 31, 1956 (by quarter), and quarter ended Mar. 31, 1957*—Continued

[Millions of dollars]

	Postwar period			Calendar year 1956					January to March 1957
	Total	After Korean invasion	Before Korean invasion	Total	January to March	April to June	July to September	October to December	
Other grants and credits—Continued									
American Republics—Continued									
Peru:									
Net grants and credits	70	62	8	26	3	5	8	9	7
Net grants	25	21	4	8	1	3	1	2	2
Gross grants	25	21	4	8	1	3	1	2	2
Less: Reverse grants and returns	(5)		(5)						
Net credits	45	41	4	18	2	2	7	7	4
New credits	52	46	6	10	2	2	7	8	5
Less: Principal collections	7	5	2	1	(5)	(5)	(5)	1	(5)
Other than unspecified American Republics: [7]									
Net grants and credits	73	48	25	10	−3	9	1	4	7
Net grants (less conversions)	109	88	20	19	4	6	3	6	8
Gross grants	112	89	23	20	4	6	4	6	8
Less: Prior grants converted into credits	3	1	2	1			1		
Less: Reverse grants and returns	(5)		(5)						
Net credits (including conversions)	−36	−40	5	−9	−8	3	−2	−2	−(5)
New credits	136	83	53	7	1	5	1	1	3
Plus: Prior grants converted into credits	3	1	2	1			1		
Less: Principal collections	174	124	51	16	8	2	4	3	4
Canada:									
Net credits	−6	−7	1	−5	−2	−3	−(5)	−(5)	−(5)
New credits	163	22	142	(5)		(5)			(5)
Less: Principal collections	169	28	141	5	2	3	(5)	(5)	(5)
Other international organizations and unspecified areas:									
Net grants and credits	1,095	363	732	83	21	19	16	27	35
Net grants (gross grants)	1,039	345	694	85	21	19	18	27	35
Net credits	56	18	38	−2			−2		
New credits	65	27	38						
Less: Principal collections	9	9	(5)	2			2		

[1] For security reasons data by country do not include the military aid furnished principally under the mutual-security program. Transfers of military assistance generally reflect the area of consignment of the equipment; in particular data for Asia and Pacific include shipments to Indochina (Cambodia, Laos, and South Vietnam) while those for Western Europe include shipments to France, a part of which may have replaced equipment used by the French forces in Indochina. See also note on p. 8–2. The aid shown in the table includes credits which have been extended to private entities in the country specified; the net credit shown for Canada, for example, represents credits extended to private entities in Canada. Country data include Government grants of agricultural surpluses through American voluntary relief agencies and international organizations. For definition of grants and credits see footnote (1) to table 1.

[2] Includes contributions to the multilateral-construction program of the North Atlantic Treaty Organization, some part of which may be disbursed in Greece and Turkey, as NATO members.

[3] Includes programs marked M in table 1. In particular, includes "military equipment loans" as explained in footnote 7 to table 1. The transfers reported for Canada represent the loan and return of aircraft, for example, under the program announced by the Defense Department Aug. 15, 1952.

[4] Includes grants to European Payments Union and European Productivity Agency and loan to European Coal and Steel Community.

[5] Less than $500,000.

[6] Includes grants to United Nations Relief and Works Agency for Palestine Refugees.

[7] Includes grants to Organization of American States. Includes transactions, particularly prior grants converted into credits and repayments on lend-lease credits, not separately available for security reasons.

[8] Detail not available.

VOTE PLEDGED AGAINST FOREIGN-AID APPROPRIATION

Mr. MALONE. In closing, I wish to say that I shall vote not only against the conference report, but against any appropriation, because of the things I have told the Senate today. We are riding for the greatest fall in history. We have a debt of more than $270 billion. It varies from time to time. We have not reduced it materially in the past 4 or 5 years. That debt grew from $16½ million or less in 1933 to $280 million.

We talk continually about how much we are going to do for the people of the country. All we have done is to devalue their money, to destroy the insurance which they had 10 or 15 years ago, and lower their wages so that they have had continually to strike for higher wages. All the time we were imposing a burden upon them. We had to load it on to someone. If we could hold down wages and let the process continue, we could finally load it onto one class of people. I am not for that. I have been voting for salary increases ever since I first became a Member of this body, to take up the slack caused by inflation.

SENATOR FAVORS BENEFITS FOR UNITED STATES VETERANS, POSTAL WORKERS, NOT FOREIGN INDUSTRIALISTS

I led the fight in the Senate Finance Committee to bring about a 10-percent increase in the pensions of totally disabled veterans. Conditions were such that they could not live. They are totally disabled. Think of what they have sacrificed, and then think of the things we do to this country, and the trouble we get it into. I have enumerated some of those things today.

I shall vote for the increase in wages of postal employees and employees in the civil service, to make up for the inflation which has taken place since the last increase. Such salaries ought to be tied to some factor, so that they would automatically be increased when it was necessary. Those people are helpless. What can they do? They have nothing. They are trying to keep their families together.

Mr. President, the score must be added up some time before the session ends. At the new interest rate, the interest on the public debt probably will be between $12 billion and $15 billion a year, which is almost 4 times what it cost to operate the Government 24 years ago.

BUILD DOMESTIC ECONOMY INSTEAD OF PASSING OUT BILLION-DOLLAR BUNDLES TO NATIONS ABROAD

We talk about economy. We have not the guts in Congress to do anything about it. I am sorry about it. I assume part of the responsibility myself, because of my inability to stop it. I do not mean to stop improving the United States, to stop building dams, to stop building roads, to stop increasing salaries.

What I mean to stop is the distribution of our wealth in billion-dollar bundles among the other nations of the world.

Let us quit free trade. Let us quit throwing people out of work in various

areas of our country in the textile industry, the minerals industry, the machine-tool industry, and industries concerned with 5,000 other products.

DEPRESSED AREAS IN UNITED STATES SHRUGGED OFF BY STATE DEPARTMENT

What does the State Department do? I could read the account, but it would require a little time. Senators can look it up for themselves. The Department says, "Of course, our program may cause unemployment in depressed areas."

The Secretary of State has been conducting these operations under three Presidents, and still was, until the control was placed in Geneva, where now we have 1 vote out of 35. Our representative there also is in favor of distributing our markets and of buying other nations to keep them from communism, nations that are all now trading with China. They are all trading with Russia and her allies and doing everything we say we will not do; but we are doing it indirectly.

We are dividing our markets with them and throwing our own people out of work. We shall hear more about it next year. We do not need to worry about that. The problem will come to us.

FATE OF ALL AMERICAN INDUSTRIES AT STAKE

What remedy is suggested for this depressed-area problem I referred to? It is suggested that we appropriate hundreds of millions of dollars, to do what? To retrain displaced workers to do some other kind of work when they are thrown out of work by an overall decision which is supposed to be in the best interests of the United States. They are thrown out of work, and it is proposed to retrain them for different work, in another area. What work is meant is not clear, because all industries are at stake.

It is also proposed to reimburse the stockholders of the companies which are destroyed by virtue of this policy. Mr. Dulles, under cross-examination by the senior Senator from Nevada, said that he believed that any industry in this country should be destroyed if such action were judged by the President of the United States to be for the overall benefit of the Nation.

Let me show the Senate the fallacy of that argument. It is not a question of trusting the President of the United States. No human being on earth can tell what industries should be destroyed and what industries should be built up. There is the greatest graft and corruption involved—not on the part of the White House, but as the inevitable result of a policy of this kind. It is practiced by people we have never heard of, in the second, third, or fourth echelon.

No Secretary of State, no President, nor anyone else, can go into all the details. So the program for the distribution of the cash and markets of the taxpayers of this country is conducted by subordinates.

NATION BUILT ON PRINCIPLE

The only way this country was ever built was on a principle. What was that principle? For 145 years the principle of Congress, carried out awkwardly at times—was to use the tariff to make up the difference in wages between this country and the principal competing nation. When we concluded that we would raise our standard of living above that of the rest of the world, and we declared ourselves free of colonial-minded England, we paved the way for the American way of life.

Today, we are trying to help Great Britain hold the rest of her colonies and financing her in that effort. She is using the money and materials we give her. France and the other colonial nations will do the same.

ECONOMIC INDEPENDENCE BUILT ON TARIFFS

In 1776 we broke away from the colonial system. What did we say? We said, "We are going to build our industries in this country." When we broke away, we did build them. Then, as our living standard rose, we fixed a tariff or duty, as it is called in article I, section 8, of the Constitution of the United States, to make up for the difference in wages, taxes, and cost of doing business in the United States, as compared with the costs in the chief competing country.

ECONOMIC INDEPENDENCE NOW FORFEITED TO 34 FOREIGN NATIONS

Until 1934, we followed that policy, and it was a principle. Anyone in the United States could judge it to the best of his ability, and if he had $2 or $200 or $2,000 or even $2 million, he could invest that money to the best of his judgment. If he misjudged, he might lose the money. If his judgment was right, he made money for his stockholders. That is the principle on which the country was run for 145 years. Suddenly we changed the policy and we changed the principle, and we relied on the judgment of one man. Now we rely on the judgment of 34 competitive nations to decide which industries shall survive and which industries shall be destroyed.

So far as currency is concerned all we have to do is to go back to a sound money standard. We had it in 1933. Then we left it. Since then we had inflation. My bills, S. 1775, to provide a free market for gold, and S. 1897, providing for a return of the United States to the gold standard would stop inflation and place our currency back again on a sound and stable basis.

LET INIQUITOUS TRADE ACT EXPIRE NEXT JUNE

In June 1958, when the so-called Reciprocal Trade Act expires, let us not renew it. Let us just sit still. If we do that, we will be back in business.

We put the Tariff Commission back in business. Where does the authority go? It goes back to where it was, to the Tariff Commission, where Congress put it in 1930.

What did we say in 1930? I shall put the exact quotation in the RECORD, but it said the Tariff Commission shall determine the difference in cost in the production of an article in the chief competing country and in this country, and shall recommend what ought to be the tariff. That is what it said. They can call a meeting on their own motion, at the request of the President, or of a Congressional committee, or at the request of a consumer or a producer. However, the principle laid down by Congress was that the difference should be the duty or the tariff, and that was the principle that has guided this country for 145 years.

I have introduced a bill during several Congresses, to provide just that.

WAR ECONOMY SUPPORTING UNITED STATES TODAY

Of course, today it makes no difference whether the tariff or duty is 1 percent or 50 percent. We are staying in business today because we are in a war economy. We are spending $37 billion a year to buy stuff for a war economy, and we are giving $5 billion a year to foreign countries to buy our goods. If we were to stop that economy for 60 days in this country, we would be out like a light. That is what scares people to death. That is what is waking them up.

Mr. LANGER. Mr. President, I wish to compliment the distinguished Senator from Nevada for one of the greatest speeches I have ever heard made by any American. I do not believe the people of Nevada realize what a great and distinguished citizen represents them in the Senate. I hope his speech will be sent to the people of Nevada, and, for that matter, all over the United States, because in my opinion it is a speech which not only every Senator should read, but which should be read by all citizens of this great country.

Again I wish to compliment the Senator from Nevada for giving it.

Mr. MALONE. I thank the Senator. I am sure I do not deserve the compliment. However, it sounds good, and at least it comes from the inside. Thank you.

Mr. MANSFIELD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. LANGER. I object. This conference report involves $3 billion. Certainly we ought to have a live quorum.

The PRESIDING OFFICER. The clerk will resume the call of the roll.

The legislative clerk resumed and concluded the call of the roll, and the following Senators answered to their names:

Aiken	Gore	Monroney
Allott	Green	Morse
Anderson	Hayden	Morton
Barrett	Hickenlooper	Murray
Beall	Hill	Neuberger
Bennett	Holland	O'Mahoney
Bible	Hruska	Pastore
Bricker	Humphrey	Potter
Bush	Ives	Purtell
Butler	Jackson	Revercomb
Byrd	Javits	Robertson
Carlson	Jenner	Russell
Carroll	Johnson, Tex.	Saltonstall
Case, N. J.	Johnston, S. C.	Schoeppel
Case, S. Dak.	Kefauver	Scott
Chavez	Kennedy	Smathers
Church	Kerr	Smith, Maine
Clark	Knowland	Smith, N. J.
Cooper	Kuchel	Sparkman
Cotton	Langer	Stennis
Curtis	Lausche	Symington
Dirksen	Long	Talmadge
Douglas	Magnuson	Thurmond
Dworshak	Malone	Thye
Ellender	Mansfield	Watkins
Ervin	Martin, Iowa	Wiley
Flanders	Martin, Pa.	Williams
Fulbright	McClellan	Yarborough
Goldwater	McNamara	Young

The PRESIDING OFFICER (Mr. LAUSCHE in the chair). A quorum is present.

The question is on agreeing to the conference report.

The report was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 8992) to provide for the appointment of representatives of the United States in the organs of the International Atomic Energy Agency, and to make other provisions with respect to the participation of the United States in that Agency, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. DURHAM, Mr. PRICE, Mr. KILDAY, Mr. COLE, and Mr. VAN ZANDT were appointed managers on the part of the House at the conference.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H. R. 1473. An act for the relief of Richardson Corp.;

H. R. 1861. An act for the relief of George W. Arnold;

H. R. 2264. An act for the relief of Donald F. Thompson;

H. R. 2674. An act for the relief of Morris B. Wallach;

H. R. 2740. An act for the relief of Mrs. Harriett Sakayo Hamamoto Dewa;

H. R. 2928. An act for the relief of Harry and Sadie Wonteiler;

H. R. 2937. An act for the relief of Clarence L. Harris;

H. R. 2985. An act for the relief of Alton B. York;

H. R. 3473. An act to authorize and direct the Secretary of the Interior to sell certain public lands in the State of California;

H. R. 3723. An act for the relief of Maj. Gen. Julius Klein;

H. R. 4520. An act to amend section 401 (e) of the Civil Aeronautics Act of 1938 in order to authorize permanent certification for certain air carriers operating between the United States and Alaska;

H. R. 4830. An act to authorize revision of the tribal roll of the eastern band of Cherokee Indians, North Carolina, and for other purposes;

H. R. 5492. An act to amend the act of August 31, 1954 (68 Stat. 1044), to extend the time during which the Secretary of the Interior may enter into amendatory repayment contracts under the Federal reclamation laws, and for other purposes;

H. R. 5679. An act to authorize amendment of the irrigation repayment contract of December 28, 1950, between the United States and the Mirage Flats Irrigation District, Nebraska;

H. R. 6527. An act for the relief of Horace Collier; and

H. R. 8643. An act to authorize the construction of certain works of improvement in the Niagara River for power, and for other purposes.

ASSUMPTION OF MORE RESPONSIBILITIES BY THE STATES

Mr. GOLDWATER. Mr. President, speaking before the recent annual meeting of the governors at Williamsburg, Va., the President of the United States proposed that a study be made to ascertain what functions now performed by the Federal Government could better be handled by the States themselves. This has been a continuing concern of the President since he has been in office, as it has been a traditional concern of the Republican Party.

In suggesting that the States assume more of the responsibilities that are rightfully theirs—and, therefore, channel more tax money that is now going to Washington into the coffers of the States—it should be recognized that serious obstacles stand in the way of this goal. While we have been talking about returning responsibilities to the States, the process of expanding Federal grants-in-aid has been going on at a rapid rate. The budget for 1958 proposes twice the amount of grants that were given in the fiscal year 1954.

Congress has been and is under continuous pressure to approve aid for many worthwhile and desirable purposes. That pressure has not come from the representatives of State governments with overall responsibility. In fact, governors of the States at their annual meetings have repeatedly called for a reduction of grants-in-aid in return for a return of some tax sources by the Federal Government. Several State legislatures have passed similar resolutions. Reviewing the testimony before Congressional committees holding hearings on proposed aid programs, we find that representatives of special interest groups testified that the States were unable to finance essential activities. The officials responsible for the fiscal affairs of State governments, such as State finance or budget directors or chairmen of State legislative councils or appropriations or ways and means committees never said so.

In other words, we are faced with the fact that special interest groups have asserted an inability on the part of State governments while those governments never admitted that they were unable to support activities which they deem necessary. Those special interest groups in effect have been asking Congress to overrule the judgment of the elected State officials with general responsibility in regard to the necessity of certain projects and services.

Thus, whenever grants-in-aid were considered, Congress heard the voice of the special interest groups and not the voice of the States.

Secondly, there is the obstacle of the Federal Government. Bureaus beget bureaus, and the established large and powerful Federal bureaucracy will fight to the death to maintain itself in power—not to be changed one iota by the desires of the President, the Congress, or the State governments. This is a fact of history. It cannot be refuted, nor can it be denied. Programs that were instituted as emergency programs 20 or more years ago are still on the books, although, in some cases, the emergencies as such have passed.

While we are considering obstruction to the President's suggestion at the Federal level, we must recognize that the Congress, too, would have a tendency to refrain from giving up the prerogative of Federal spending because of the political power that goes with the development and maintenance and operation of the bureaus and the projects concerned.

Finally, there is the obstacle of outside pressure. Pressure groups working directly on the Congress will do everything in their power to see that their individual pet bureaus and projects are not abandoned at the Federal level and turned over to the several States. It goes without saying that it is easier to lobby and pressure one Congress in Washington than to lobby and pressure 48 State legislatures and their governors.

Considering these obstacles to the President's suggestion, I do not for a moment propose that they are insurmountable; and I offer three courses that come to my mind which would enable us to surmount them.

Above all, we must uphold the spirit of the Constitution which clearly intended to set up and preserve a system of government of widely dispersed powers. The Constitution did not intend that authority and responsibility be gradually shifted from the States to the Central Government.

But if grants-in-aid continue to expand at the rate at which they have been growing in recent years, the Federal Government will within not too many years be running virtually all public services and facilities and relegate the States to the role of mere administrative subdivisions.

The first step would be, of course, to forget politics at every level in this needed effort to return the powers of government to the States.

Then, I think we should apply the words of the 10th amendment, and remember that it was the purpose of our Founding Fathers to have a Republican form of Government that would retain in the States the powers not specifically vested in the Congress. We are charged with upholding the Constitution, and I suggest that this obligation extends to every word, comma, and amendment of this magnificent document of freedom.

Thirdly, I believe that the Congress and the Executive should say "No" to these projects as they begin to develop at the Federal level. We in Congress do not have to implement them, nor does the executive branch have to advance or accept them.

Now, Mr. President, it is obvious to many people that action supplementing and implementing the suggestions of the administration in this regard must be begun now if we are to stem the tide of bloated government and return to a constitutional balance in our Federal-State relationships. And because the Congress is so intimately involved in this problem, and its collective attitude so significant in determining the ultimate solution, I think it is only appropriate that we lose no time in contributing where we are able, to the basic objective of the President's Federal-State Joint Action Committee which has been entrusted with the obligation of studying ways and means to reverse the trend to a centralized government.

Therefore, Mr. President, I send to the desk a resolution designed to manifest the good faith and cooperation of this body toward this Committee, as well as to achieve some measure of progress toward the fulfillment of its stated purpose; and I ask unanimous consent that this resolution be appropriately referred in order that the action which it proposes may be considered diligently and, I hope, approvingly by the Senate.

The PRESIDING OFFICER. The resolution will be received and appropriately referred.

The resolution (S. Res. 184) to establish a procedure for committees in considering proposed legislation relating to Federal grants-in-aid to the States, submitted by Mr. GOLDWATER, was referred to the Committee on Rules and Administration, as follows:

Whereas the continued existence of strong and self-reliant States and the decentralization of power are essential to the maintenance of our Federal system of government; and

Whereas the President of the United States in addressing the annual conference of the State governors in June 1957, declared that "slowly at first, but in recent times more and more rapidly, the pendulum of power has swung from our States to the Federal Government," and also quoted a distinguished scholar who recently counseled "that in the measurable future, if present trends continue, the States are sure to degenerate into powerless satellites of the National Government in Washington"; and

Whereas the President of the United States has called upon the governors of the States to establish a joint task force for the purpose of seeking ways by which the States can regain and preserve their traditional rights; and

Whereas the President of the United States pointed out in the same speech how Federal intervention and expansion into areas traditionally reserved to the States has come about largely through new or expanded Federal grants-in-aid; and

Whereas, in the year 1948, the executive committees of the governors' conference meeting with Representatives of both Houses of Congress in an effort to reverse the expansion of Federal activities at the expense of the States agreed to reduce Federal grants-in-aid for the fiscal year 1950 by at least 20 percent but despite this agreement Federal aid reached a new record $2,269 million in 1950 and has been growing rapidly since that time; and

Whereas the 83d Congress, in establishing a Commission on Intergovernmental Relations, declared that "the activity of the Federal Government has been extended into many fields which under our constitutional system, may be the primary interest and obligation of the several States and the subdivisions thereof," and included among the duties of the Commission a study of the justification of Federal aid in the various fields; and

Whereas the Commission on Intergovernmental Relations, in its report to the President and the Congress, recommended that in the case of proposed Federal grants-in-aid "a healthy safeguard here is for Congress to consult representatives of State governments—those with overall responsibility as well as heads of functional agencies—on the need for and the form of national participation"; and

Whereas a number of Federal grants-in-aid to the States have been enacted or expanded without consulting the governments of the States; and

Whereas the amount of grants-in-aid has grown from $2,657 million in 1954 to $5,502 million as proposed for the fiscal year 1958; and

Whereas an expansion of Federal grants-in-aid at such a rapid rate and without due consultation of the States as to the need and justification for such action, poses the threat that within not many years the Federal Government will bear the major financial responsibility for and will control most or all government activities thereby relegating the States to a mere shadow existence; and

Whereas it behooves Congress to give consideration to the recommendations of the Commission on Intergovernmental Relations and to exercise caution before authorizing further expansion of Federal aid to the States, particularly while a task force proposed by the President of the United States is investigating how this dangerous trend toward centralization of governmental power can be reversed: Now, therefore, be it

Resolved, That before any standing committee of the Senate reports any bill which enlarges an existing program of Federal grants-in-aid to the States, or their subdivisions, or establishes a new program of grants-in-aid, the committee shall transmit copies of such bill to the Governors of the several States and to the presiding officers of both Houses of the several State legislatures, and to the chairmen of the legislative councils in those States where such continuing legislative bodies exist, for their respective opinions as to (1) whether such Federal aid is necessary because the particular service, function, or activity is essential and the States are unable to finance it, and (2) whether the States favor such aid being made available to them, either in the form of the bill transmitted to them, or with any amendments they may desire to suggest.

SEC. 2. Within a reasonable time after the transmission of any bill to the States by a standing committee of the Senate as hereinabove provided, the committee shall tabulate the replies received from the various States and, after consideration thereof, may report to the Senate any such bill, either with or without amendment, as the committee in its judgment, may determine. Such bill shall be accompanied by a report, which shall contain the replies received by the committee together with its recommendations.

Mr. GOLDWATER. Mr. President, briefly, this resolution, if agreed to, would require that any committee considering a bill calling for new or modified Federal grants-in-aid to the States, ascertain from the governors and legislative officers of the 48 States "their respective opinions as to first, whether such Federal aid is necessary because the particular service, function, or activity is essential and the States are unable to finance it; and, second, whether the States favor such aid being made available to them."

Following the receipt of such advice and counsel, the committee may report the bill itself to the Senate, either with or without amendment, along with a report containing the replies received from the States and its own recommendations.

Mr. President, I shall not comment further at this time on this proposal, but I urge my colleagues to consider carefully its possible benefits, as well as the opportunity which it provides for this body to reaffirm its belief in those principles of limited, economical government, and the preservation of the basic, individual liberties of all Americans.

If each of us will take a realistic and sincere attitude toward this problem of our growing Federal bureaucracy, I feel certain that it can be resolved for the betterment of the United States—its citizens of today and those who are to come.

PUBLIC WORKS APPROPRIATION BILL—CONFERENCE REPORT

Mr. ELLENDER. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8090) making appropriations for civil functions administered by the Department of the Army and certain agencies of the Department of the Interior for the fiscal year ending June 30, 1958, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report. (For conference report, see House proceedings of August 13, 1957, pp. 14571–14576, CONGRESSIONAL RECORD.)

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

The PRESIDING OFFICER. The question is on agreeing to the report.

Mr. NEUBERGER. Mr. President, is it in order for questions to be asked about the report?

Mr. ELLENDER. Certainly.

The PRESIDING OFFICER. Yes, the question of agreeing to the report is debatable.

Mr. ELLENDER. Mr. President, at this time I ask unanimous consent to have printed in the RECORD a statement which I submit. The statement outlines the action of the conferees on this measure.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR ELLENDER

Considering that all legislation must be the result of adjusting the differences in a bill as passed by the two Houses of Congress, I consider the result of this conference as very satisfactory to the Senate conferees, and the report was signed by a majority of the Senate conferees. There was some compromising with reference to the Senate amendments, but that is the purpose of a conference.

The conference report provides an appropriation of $858,094,323, which is $26,057,000 below the amount approved by the Senate, and $43,281,300 above the amount approved by the House.

Attached is a summary of the bill, showing how the money is to be distributed between titles I and II. Title I covers civil functions, Department of the Army. Title II covers certain agencies of the Department of the Interior.

Public works appropriation bill, fiscal year 1958—Bill summary

	Budget estimates, 1958	House allowance	Senate allowance	Conference allowance
TITLE I.—CIVIL FUNCTIONS, DEPARTMENT OF THE ARMY				
Quartermaster Corps, cemeterial expenses	$6,775,000	$6,815,000	$6,815,000	$6,815,000
Corps of Engineers:				
General investigations	8,900,000	8,900,000	10,779,600	10,779,600
Construction	453,755,000	422,186,800	470,040,500	449,398,500
Operation and maintenance	99,000,000	98,870,000	103,850,000	103,850,000
General expenses	11,350,000	11,350,000	11,350,000	11,350,000
Mississippi River and tributaries	59,000,000	58,950,000	62,480,000	60,715,000
Niagara remedial work				
St. Lawrence Joint Board of Engineers	125,000	125,000	125,000	125,000
Total, Corps of Engineers	632,130,000	600,381,800	658,625,100	636,218,100
Total, title I	638,905,000	607,196,800	665,440,100	643,033,100
TITLE II.—DEPARTMENT OF THE INTERIOR				
Bureau of Reclamation:				
General investigations	5,932,000	4,500,000	5,932,000	5,932,000
Construction and rehabilitation	135,688,000	113,046,223	120,386,223	116,736,223
Operation and maintenance	28,338,000	28,000,000	28,000,000	28,000,000
General administrative expenses	4,242,000	4,000,000	4,164,000	4,164,000
Upper Colorado River Basin fund	25,142,000	25,142,000	25,142,000	25,142,000
Total, Bureau of Reclamation	199,312,000	174,688,223	183,624,223	179,974,223
Office of the Secretary, Southeastern Power Administration, operation and maintenance	1,939,000	1,939,000	1,939,000	1,939,000
Southwestern Power Administration:				
Construction	1,480,000	1,480,000	1,480,000	1,480,000
Operation and maintenance	1,045,000	1,000,000	1,000,000	1,000,000
Continuing fund	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)
Total, Southwestern Power Administration	2,525,000	2,480,000	2,480,000	2,480,000
Bonneville Power Administration:				
Construction	25,142,000	19,879,000	22,038,000	22,038,000
Operation and maintenance	8,630,000	8,630,000	8,630,000	8,630,000
Total, Bonneville Power Administration	33,772,000	28,509,000	30,668,000	30,668,000
Total, title II	237,548,000	207,616,223	218,711,223	215,061,223
Grand total	876,453,000	814,813,023	884,151,323	858,094,323

With respect to title I, the amount approved for cemeterial expenses of the Quartermaster Corps by both the House and Senate was $6,815,000, so this item was not in conference. Proceeding to the Corps of Engineers, the conference bill provides $636,218,100 which is $22,407,000 below the amount approved by the Senate and $35,836,300 more than the amount approved by the House.

On general investigations, the House agreed to the Senate amount

On "construction, general," the conferees agreed on $449,398,500, which is $20,642,000 below the amount approved by the Senate and $27,211,700 above the amount allowed by the House.

I append a tabulation showing a breakdown of the construction and planning items as passed by the Senate, and as agreed to in conference.

Corps of Engineers, construction, general, fiscal year 1958

Construction, general, State, and project	Approved budget estimate for fiscal year 1958		House allowance		Senate allowance		Conference allowance	
	Construction	Planning	Construction	Planning	Construction	Planning	Construction	Planning
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Alaska:								
Dry Pass	$874,000			$23,900	$874,000		$874,000	
Gastineau Channel		$50,000		50,000		$50,000		$50,000
Ketchikan Harbor	1,900,000		$1,900,000		1,900,000		1,900,000	
Kodiak Harbor	1,440,000		1,440,000		1,440,000		1,440,000	
Rocky Pass in Keku Strait	(1)		(1)		(1)		(1)	
Alabama:								
Columbia lock and dam, Alabama and Georgia		150,000		150,000		150,000		150,000
Fort Gaines lock and dam, Alabama and Georgia	6,600,000		6,600,000		6,600,000		6,600,000	
Jackson lock and dam	1,700,000		1,700,000		1,700,000		1,700,000	
Millers Ferry lock and dam						75,000		
Paint Rock River		30,000		30,000		30,000		30,000
Warrior lock and dam	2,000,000		2,000,000		2,000,000		2,000,000	
Arizona:								
Camelsback Reservoir [2]						100,000		
Painted Rock Reservoir	3,165,000		2,841,000		3,165,000		3,165,000	
Whitlow Ranch Reservoir		147,000		147,000	300,000	147,000	300,000	147,000
Arkansas:								
Arkansas River and tributaries, Arkansas and Oklahoma (general studies)						225,000		
Arkansas River and tributaries, Arkansas and Oklahoma (bank stabilization)		50,000		50,000		100,000		100,000
Arkansas River and tributaries, Arkansas and Oklahoma (emergency bank stabilization and channel rectification)	1,300,000		1,300,000		1,500,000		1,500,000	
Beaver Reservoir		250,000		250,000		250,000		250,000
Bull Shoals Reservoir, Ark. and Mo. (addition of units 5 and 6)	110,000		110,000		110,000		110,000	
Calion	210,000		210,000		210,000		210,000	
Dardanelle lock and dam	800,000		800,000		1,400,000		1,400,000	
DeGray Reservoir						50,000		50,000
Greers Ferry Reservoir	1,700,000		1,700,000		1,700,000		1,700,000	
Maniece Bayou	(1)		(1)		(1)		(1)	
Ouachita and Black Rivers, Ark. and La.		150,000		150,000		150,000		150,000
Red River levees below Denison Dam, Ark., La., and Tex.	300,000		300,000		750,000		750,000	
Table Rock Reservoir, Ark. and Mo.	17,000,000		17,000,000		17,000,000		17,000,000	
Walnut Bayou					200,000		200,000	

See footnotes at end of table.

Corps of Engineers, construction, general, fiscal year 1958—Continued

Construction, general, State, and project	Approved budget estimate for fiscal year 1958		House allowance		Senate allowance		Conference allowance	
	Construction	Planning	Construction	Planning	Construction	Planning	Construction	Planning
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
California:								
American River levees	$1,900,000		$1,900,000		$1,900,000		$1,900,000	
Black Butte Reservoir		$179,000		$179,000		$179,000		$179,000
Carbon Canyon Dam and Channel	800,000		800,000		800,000		800,000	
Devil, East Twin, Warm, and Lytle Creeks	1,150,000		1,150,000		1,150,000		1,150,000	
Hogan Reservoir					250,000			
Los Angeles County drainage area	18,100,000		16,215,000		18,100,000		18,100,000	
Lower San Joaquin River and tributaries	1,000,000		1,000,000		1,000,000		1,000,000	
Middle Creek	300,000				300,000		300,000	
Mill Creek levees						50,000		50,000
New Melones Reservoir		186,000				186,000		186,000
Playa del Rey Inlet and Harbor	600,000		600,000		600,000		600,000	
Redondo Beach Harbor	2,620,000		2,620,000		2,620,000		2,620,000	
Riverside	1,430,000		1,230,000		1,230,000		1,230,000	
Russian River Reservoir	5,000,000		5,000,000		5,000,000		5,000,000	
Sacramento River	3,000,000		3,000,000		3,000,000		3,000,000	
Sacramento River (deepwater ship channel)	2,815,000		2,815,000		2,815,000		2,815,000	
Sacramento River major and minor tributaries (active units)	700,000		700,000		700,000		700,000	
San Antonio and Chino Creeks	3,400,000		2,721,100		3,400,000		3,400,000	
San Diego River and Mission Bay	1,100,000		1,100,000		1,100,000		1,100,000	
San Jacinto River and Bautista Creek						80,000		80,000
San Joaquin River, Stockton deepwater channel	600,000		600,000		600,000		600,000	
San Lorenzo Creek	1,000,000		1,000,000		1,000,000		1,000,000	
San Lorenzo River	1,200,000		1,200,000		1,200,000		1,200,000	
Santa Clara River		50,000		50,000		50,000		50,000
Santa Maria River		75,000		75,000		75,000		75,000
Success Reservoir	5,000,000		518,000		5,000,000		5,000,000	
Terminus Reservoir	2,500,000		100,000		2,500,000		2,500,000	
Truckee River and tributaries, California and Nevada. (See Nevada.)								
Connecticut:								
Hall Meadow Brook Reservoir [2]						100,000		
Mad River Reservoir [2]						100,000		
Thomaston Reservoir	2,900,000		2,900,000		2,900,000		2,900,000	
Delaware: Inland Waterway, Delaware River to Chesapeake Bay, Del. and Md.: Summit Bridge	1,200,000		1,200,000		1,200,000		1,200,000	
Florida:								
Central and southern Florida	5,500,000		5,226,000		5,500,000		5,500,000	
Horseshoe Cove					244,000		244,000	
Intracoastal Waterway, Caloosahatchee River to Anclote River						135,000		
Intracoastal Waterway, Jacksonville to Miami	1,150,000				1,150,000		1,150,000	
St. Augustine Harbor	600,000		600,000		600,000		600,000	
Tampa Harbor: 30-, 34-, and 36-foot channels	2,250,000		2,250,000		2,250,000		2,250,000	
Georgia:								
Columbia lock and dam, Alabama and Georgia. (See Alabama.)								
Fort Gaines lock and dam, Alabama and Georgia. (See Alabama.)								
Savannah River below Augusta	835,000		835,000		835,000		835,000	
Hawaii:								
Honolulu Harbor		50,000		50,000		50,000		50,000
Kawaihae Harbor	2,450,000		2,450,000		2,450,000		2,450,000	
Idaho:								
Bruces Eddy Reservoir [1] [3]						500,000		500,000
Columbia River local protection: Weiser River		70,000		70,000		70,000		70,000
Illinois:								
Alton		97,000		97,000		97,000		97,000
Carlyle Reservoir		65,000		65,000	500,000	65,000	250,000	65,000
East St. Louis and vicinity	800,000		800,000		800,000		800,000	
Hunt and Lima Lake Drainage District		85,000		85,000		85,000		85,000
Illinois Waterway, Calumet-Sag: Channel—part I	6,000,000		6,000,000		6,000,000		6,000,000	
Mississippi River between Missouri River and Minneapolis, Minn.: Rectification of damages	65,000		65,000		65,000		65,000	
Mississippi River between Ohio and Missouri Rivers, Ill. and Mo.: Regulating works	500,000		500,000		500,000		500,000	
Mississippi River between St. Louis, Mo., and lock and dam 26, Illinois and Missouri (dam 27) [1] [3]					500,000			
New Harmony Bridge, Ill. and Ind.	405,000		405,000		405,000		405,000	
Wabash railroad bridges at Meredosia and Valley City	350,000		350,000		350,000		350,000	
Wilson, Wenkel, and Prairie du Pont Drainage and Levee District	600,000		600,000		600,000		600,000	
Wood River Drainage and Levee District	550,000		550,000		550,000		550,000	
Indiana:								
Lock and dam 41, Indiana and Kentucky. (See Kentucky.)								
Mansfield Reservoir	1,600,000		1,600,000		1,600,000		1,600,000	
Markland locks and dam, Indiana, Kentucky, and Ohio	9,500,000		9,500,000		9,500,000		9,500,000	
Monroe Reservoir [1] [2]						25,000		
New Harmony Bridge, Ill. and Ind. (See Illinois.)								
Iowa:								
Coralville Reservoir	900,000		900,000		900,000		900,000	
Iowa River-Flint Creek Levee District No. 16		50,000		50,000		50,000		50,000
Little Sioux River	2,000,000		2,000,000		2,000,000		2,000,000	
Missouri River agricultural levees, Iowa, Kansas, Nebraska, and Missouri	3,300,000		3,300,000		3,650,000		3,650,000	
Missouri River, Kenslers Bend, Nebr., to Sioux City, Iowa. (See Nebraska.)								
Missouri River, Kansas City, Mo., to Sioux City, Iowa:								
Kansas City to Omaha	3,300,000		3,300,000		3,300,000		3,300,000	
Omaha to Sioux City	6,600,000		6,600,000		6,600,000		6,600,000	
Muscatine	470,000		320,000		320,000		320,000	
Muscatine Island Levee District and Muscatine-Louisa County Drainage District No. 13		75,000		75,000		75,000		75,000
Rathbun Reservoir		100,000				100,000		
Red Rock Reservoir		225,000				225,000		100,000
Upper Iowa River	400,000		400,000		400,000		400,000	

See footnotes at end of table.

Corps of Engineers, construction, general, fiscal year 1958—Continued

Construction, general, State, and project	Approved budget estimate for fiscal year 1958		House allowance		Senate allowance		Conference allowance	
	Construction	Planning	Construction	Planning	Construction	Planning	Construction	Planning
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Kansas:								
Abilene	$400,000		$400,000		$400,000		$400,000	
Council Grove Reservoir		$125,000		$125,000		$125,000		$125,000
Elk City (Table Mount) Reservoir Alone 1.01; system		85,000				85,000		85,000
Milford Reservoir						50,000		50,000
Missouri River agricultural levees, Iowa, Kansas, Nebraska and Missouri. (See Iowa.)								
Ottawa	500,000		500,000		500,000		500,000	
Perry Reservoir						50,000		50,000
Pomona Reservoir		145,000		145,000		145,000		145,000
Salina	500,000		500,000		500,000		500,000	
Strawn Reservoir		125,000		125,000	200,000	125,000		125,000
Topeka	1,500,000		1,500,000		1,500,000		1,500,000	
Toronto Reservoir	4,700,000		4,700,000		4,700,000		4,700,000	
Tuttle Creek Reservoir	10,000,000		10,000,000		10,000,000		10,000,000	
Wichita and Valley Center	830,000		830,000		830,000		830,000	
Wilson Reservoir		50,000				50,000		50,000
Kentucky:								
Barkley Dam (lower Cumberland lock and dam), Kentucky and Tennessee	5,000,000		5,000,000		5,000,000		5,000,000	
Buckhorn Reservoir	1,900,000		1,900,000		1,900,000		1,900,000	
Catlettsburg	2,000,000		2,000,000		2,000,000		2,000,000	
Greenup locks and dam, Kentucky and Ohio	13,500,000		13,500,000		13,500,000		13,500,000	
Lock and dam 41, Indiana and Kentucky	4,000,000		4,000,000		4,000,000		4,000,000	
Markland locks and dam, Indiana, Kentucky, and Ohio. (See Indiana.)								
New Richmond lock and dam, Kentucky and Ohio		175,000		175,000	825,000	175,000	825,000	175,000
Nolin Reservoir		138,000		138,000		138,000		138,000
No. 2 Barren Reservoir		50,000		50,000		50,000		50,000
Rough River Reservoir and channels	3,000,000		3,000,000		3,000,000		3,000,000	
Louisiana:								
Amite River and tributaries	1,000,000		1,000,000		1,000,000		1,000,000	
Gulf Intracoastal Waterway: Plaquemine-Morgan City alternate route	3,500,000		3,500,000		3,500,000		3,500,000	
Mississippi River, Baton Rouge to Gulf of Mexico		240,000		240,000		240,000		240,000
Mississippi River-gulf outlet		375,000		375,000	625,000	375,000	625,000	375,000
Ouachita and Black Rivers, Ark. and La. (See Arkansas.)								
Red River levees below Denison Dam, Ark., La., and Tex. (See Arkansas.)								
Maryland:								
Cumberland, Md., and Ridgeley, W. Va	2,000,000		2,000,000		2,000,000		2,000,000	
Inland Waterway, Delaware River to Chesapeake Bay, Del. and Md. (See Delaware.)								
Massachusetts:								
Adams	1,120,000		1,120,000		1,120,000		1,120,000	
Barre Falls Reservoir	376,000		376,000		376,000		376,000	
Boston Harbor: Extension to 40-foot anchorage	1,000,000		1,000,000		1,000,000		1,000,000	
Buffumville Reservoir	1,117,000		1,117,000		1,117,000		1,117,000	
East Brimfield Reservoir	1,500,000		1,500,000		1,500,000		1,500,000	
Fall River Harbor	900,000		900,000		900,000		900,000	
Gloucester Harbor	(1)		(1)		(1)		(1)	
Hodges Village Reservoir	1,860,000		1,860,000		1,860,000		1,860,000	
Mystic River: 35-foot channel	550,000		550,000		550,000		550,000	
North Adams	3,697,000		3,697,000		3,697,000		3,697,000	
Wellfleet Harbor	(1)		(1)		(1)		(1)	
West Hill Reservoir		50,000		50,000		50,000		50,000
Westville Reservoir		100,000		100,000		100,000		100,000
Weymouth Fore River	1,350,000		1,350,000		1,350,000		1,350,000	
Worcester	1,500,000		1,500,000		1,500,000		1,500,000	
Michigan:								
Au Sable Harbor	(1)		(1)		(1)		(1)	
Battle Creek	2,000,000		2,000,000		2,000,000		2,000,000	
Big Bay Harbor						22,000		
Cheboygan River and Harbor	50,000		50,000		50,000		50,000	
Great Lakes connecting channels	13,000,000		13,000,000		13,000,000		13,000,000	
Harrisville Harbor	100,000		100,000		100,000		100,000	
Houghton-Hancock Bridge	300,000		300,000		300,000		300,000	
Lac LaBelle Harbor					(2)		(1)	
Manistique Harbor					150,000		150,000	
Saginaw River	475,000		475,000		475,000		475,000	
St. Marys River, improvement of south canal	500,000		500,000		500,000		500,000	
Whitefish Point Harbor	130,000		130,000		130,000		130,000	
Minnesota:								
Grand Marais Harbor						18,500		18,500
Mississippi River between Missouri River and Minneapolis, Minn., rectification of damages. (See Illinois.)								
St. Anthony Falls	550,000		550,000		550,000		550,000	
Missouri:								
Bear Creek Reservoir		90,000		90,000		90,000		90,000
Bull Shoals Reservoir, Ark. and Mo. (See Arkansas.)								
Canton	100,000							
Cape Girardeau (reach No. 2 only)	1,300,000		1,300,000		1,300,000		1,300,000	
Fabius River Drainage District		65,000		65,000		65,000		65,000
Mississippi River between Ohio River and Missouri River, Ill. and Mo. (See Illinois.)								
Mississippi River between St. Louis, Mo., and lock and dam 26, Illinois and Missouri (dam 27). (See Illinois.) [3]								
Missouri River, Kansas City to mouth	4,000,000		4,000,000		5,000,000		5,000,000	
Missouri River, Kansas City, Mo., to Sioux City, Iowa. (See Iowa.)								
Pomme de Terre Reservoir	2,000,000		2,000,000		2,000,000		2,000,000	
St. Louis		649,000		649,000		649,000		649,000
Table Rock Reservoir, Ark. and Mo. (See Arkansas.)								
Montana:								
Fort Peck Dam (second powerplant)	3,000,000		3,000,000		3,000,000		3,000,000	
Miles City		56,000		56,000		56,000		56,000

See footnotes at end of table.

Corps of Engineers, construction, general, fiscal year 1958—Continued

Construction, general, State, and project	Approved budget estimate for fiscal year 1958		House allowance		Senate allowance		Conference allowance	
	Construction	Planning	Construction	Planning	Construction	Planning	Construction	Planning
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Nebraska:								
Missouri River agricultural levees, Iowa, Kansas, Nebraska, and Missouri. (See Iowa.)								
Missouri River, Kensiers Bend, Nebr., to Sioux City, Iowa (including Miners Bend), Iowa, Nebr., and S. Dak.	$1,400,000		$1,400,000		$1,700,000		$1,700,000	
Nevada:								
Mathews Canyon Reservoir	463,000		463,000		463,000		463,000	
Pine Canyon Reservoir	678,000		678,000		678,000		678,000	
Truckee River and tributaries, California and Nevada		$50,000		$50,000		$50,000		$50,000
New Hampshire:								
Hopkinton-Everett Reservoir					100,000	500,000	100,000	500,000
Otter Brook Reservoir	2,000,000		2,000,000		2,000,000		2,000,000	
New Jersey:								
Delaware River, Philadelphia to Trenton (40-foot project), N. J. and Pa.	9,000,000		9,000,000		11,000,000		9,000,000	
New York and New Jersey Channels, N. Y. and N. J.	5,200,000		5,200,000		5,200,000		5,200,000	
Staten Island Rapid Transit bridge, New York and New Jersey. (See New York).								
New Mexico:								
Abiquiu Reservoir	2,450,000		2,450,000		2,450,000		2,450,000	
Albuquerque (north channel 3.30; south channel)	750,000		750,000		750,000		750,000	
Artesia	545,000				545,000		545,000	
Los Esteros-Alamogordo Reservoirs		120,000		120,000		120,000		120,000
Rio Grande Floodway (Cochit to Rio Puerco unit)						50,000		
Two Rivers Reservoir		70,000		70,000		70,000		70,000
New York:								
Allegheny River Reservoir, Pa. and N. Y. (See Pennsylvania.).								
Barcelona Harbor	210,000		210,000		210,000		210,000	
Endicott, Johnson City, and Vestal	1,400,000		1,400,000		1,400,000		1,400,000	
Great Lakes-Hudson River Waterway: Depth of 13 feet through locks	190,000		190,000		300,000		190,000	
Jones Inlet	305,000		305,000		305,000		305,000	
New York and New Jersey Channels, N. Y. and N. J. (See New Jersey.)								
Oswego Harbor, detached breakwaters	400,000		400,000		400,000		400,000	
Staten Island Rapid Transit Bridge, N. Y. and N. J.	1,700,000		1,700,000		1,700,000		1,700,000	
Wellsville	150,000		150,000		150,000		150,000	
North Carolina:								
Atlantic Intracoastal Waterway, Masonboro Inlet	306,000		306,000		306,000		306,000	
Wilkesboro Reservoir		160,000				160,000		160,000
North Dakota:								
Garrison Reservoir	4,500,000		4,000,000		4,500,000		4,500,000	
Lower Heart River	200,000		200,000		200,000		200,000	
Ohio:								
Ashtabula Harbor	1,500,000		1,500,000		1,500,000		1,500,000	
Dillon Reservoir	4,000,000		4,000,000		4,000,000		4,000,000	
Greenup lock and dam, Kentucky and Ohio. (See Kentucky.)								
Markland locks and dam, Indiana, Kentucky, and Ohio. (See Indiana.)								
New Cumberland locks and dam, Ohio and West Virginia	4,500,000		4,500,000		4,500,000		4,500,000	
New Richmond lock and dam, Kentucky and Ohio. (See Kentucky.)								
Pike Island lock and dam, Ohio and West Virginia		50,000		50,000		50,000		50,000
Roseville	500,000		426,800		500,000		500,000	
Toledo Harbor (removal of center dike)	146,000		146,000		146,000		146,000	
Oklahoma:								
Arkansas River and tributaries, Arkansas and Oklahoma. (See Arkansas.)								
Boswell Reservoir						25,000		
Denison Reservoir, Tex. and Okla. (See Texas.)								
Enid						60,000		60,000
Eufaula Reservoir	5,200,000		5,200,000		5,200,000		5,200,000	
Keystone Reservoir	3,100,000		3,100,000		3,100,000		3,100,000	
Oologah Reservoir	6,800,000		6,800,000		6,800,000		6,800,000	
Oregon:								
Amazon Creek	446,000		446,000		446,000		446,000	
Blue River Reservoir		100,000		100,000		100,000		100,000
Cheteo River	200,000		200,000		200,000		200,000	
Columbia River at mouth, Oregon and Washington	1,150,000		1,150,000		1,150,000		1,150,000	
Columbia River between Vancouver, Wash., to The Dalles, Oreg.					500,000			
Columbia River local protection:								
Malheur River						25,000		25,000
Umatilla River		16,000		16,000		16,000		16,000
Cougar Reservoir	6,570,000		6,570,000		6,570,000		6,570,000	
Fall Creek Reservoir						150,000		150,000
Green Peter Reservoir		225,000		225,000		225,000		225,000
Hills Creek Reservoir	4,800,000		4,800,000		4,800,000		4,800,000	
Holley Reservoir		100,000		100,000		100,000		100,000
Interstate Bridge, Columbia River, Oreg. and Wash.					10,000			
John Day lock and dam, Oregon and Washington. (See Washington.)								
Lower Columbia River at new locations: Clatskanie River area						15,000		15,000
Lower Columbia River bank protection		40,000		40,000		40,000		40,000
Lower Columbia River improvement to existing works:								
Clatsop County Diking District No. 1					(1)		(1)	
John Drainage District	(1)		(1)		(1)		(1)	
Midland Drainage District No. 1					(1)		(1)	
Multnomah Drainage District No. 1	500,000		500,000		500,000		500,000	
Pendleton	400,000		400,000		400,000		400,000	
Rogue River Harbor at Gold Beach		21,000		21,000		21,000		21,000
The Dalles Dam, Oreg. and Wash.	19,000,000		19,000,000		19,000,000		19,000,000	
Willamette River bank protection	300,000		300,000		450,000		450,000	

See footnotes at end of table.

Corps of Engineers, construction, general, fiscal year 1958—Continued

Construction, general, State, and project	Approved budget estimate for fiscal year 1958		House allowance		Senate allowance		Conference allowance	
	Construction	Planning	Construction	Planning	Construction	Planning	Construction	Planning
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Pennsylvania:								
Allegheny River Reservoir, Pa. and N. Y.	$1,000,000		$1,000,000		$1,000,000		$1,000,000	
Allentown	350,000				350,000		350,000	
Bear Creek Reservoir	2,200,000		2,200,000		2,200,000		2,200,000	
Bethlehem		$100,000		$100,000		$100,000		$100,000
Bradford	500,000		500,000		500,000		500,000	
Curwensville Reservoir		50,000		50,000		50,000		50,000
Dam 8, Monongahela River	1,000,000		1,000,000		1,000,000		1,000,000	
Delaware River, Philadelphia to Trenton. (See New Jersey.)								
Dyeberry Reservoir	[3] 2,000,000		2,000,000		1,500,000		1,500,000	
Kettle Creek Reservoir		215,000		215,000		215,000		215,000
Maxwell lock and dam, Monongahela River		50,000		50,000		50,000		50,000
Prompton Reservoir	[4] 1,700,000		1,700,000		1,000,000		1,000,000	
Stillwater Reservoir	2,000,000		2,000,000		2,000,000		2,000,000	
Rhode Island: Woonsocket	1,750,000		1,750,000		1,750,000		1,750,000	
South Dakota:								
Big Bend Reservoir		300,000		300,000		300,000		300,000
Missouri River, Kenslers Bend, Nebr., to Sioux City, Iowa (including Miners Bend) Iowa, Nebr., and S. Dak. (See Nebraska.)								
Oahe Reservoir	27,500,000		26,000,000		27,400,000		27,000,000	
Sioux Falls	1,200,000		1,200,000		1,200,000		1,200,000	
Tennessee:								
Barkley Dam, Ky. and Tenn. (See Kentucky.)								
Cheatham lock and dam	1,375,000		1,375,000		1,375,000		1,375,000	
Lake City	340,000		340,000		340,000		340,000	
Memphis, Wolf River and Nonconnah Creek	330,000		330,000		330,000		330,000	
Old Hickory lock and dam	704,000		704,000		704,000		704,000	
Texas:								
Brazos Island Harbor	1,000,000		1,000,000		1,000,000		1,000,000	
Buffalo Bayou	2,900,000		2,900,000		2,900,000		2,900,000	
Cooper Reservoir and Channel		275,000		275,000	225,000	275,000	225,000	275,000
Corpus Christi Bridge	1,400,000		1,400,000		1,400,000		1,400,000	
Denison Reservoir, Tex. and Okla.:								
(a) Highway bridge at Willis site	1,000,000		1,000,000		1,000,000		1,000,000	
(b) Additional recreation facilities					235,000		235,000	
Ferrells Bridge Reservoir	3,294,000		3,294,000		3,294,000		3,294,000	
Galveston seawall	1,000,000		1,000,000		1,000,000		1,000,000	
Gulf Intracoastal Waterway between Apalachee Bay, Fla., and the Mexican Border (Galveston District):								
Guadalupe River channel to Victoria					248,000		248,000	
Realined route vicinity of Aransas Pass					890,000		890,000	
Houston ship channel	1,000,000		1,000,000		1,000,000		1,000,000	
Kenedy	(1)		(1)		(1)		(1)	
Lampasas Channel improvement						30,000		30,000
Lampasas Reservoir						100,000		100,000
McGee Bend Dam					500,000		500,000	
Port Aransas-Corpus Christi Waterway: 36-foot channel	1,000,000		1,000,000		1,000,000		1,000,000	
Proctor Reservoir		100,000		100,000		100,000		100,000
Red River levees below Denison Dam, Ark., La., and Tex. (See Arkansas.)								
Sabine-Neches Waterway	980,000		980,000		980,000		980,000	
San Antonio Channel	500,000		500,000		500,000		500,000	
Waco Reservoir [5]		150,000		150,000		150,000		150,000
Utah: Salt Lake City	300,000		300,000		300,000		300,000	
Vermont:								
Ball Mountain Reservoir	1,300,000		1,300,000		1,300,000		1,300,000	
East Barre Reservoir (modification)	600,000		600,000		600,000		600,000	
North Hartland Reservoir	1,000,000		1,000,000		1,000,000		1,000,000	
North Springfield Reservoir	1,300,000		1,300,000		1,300,000		1,300,000	
Townshend Reservoir	1,200,000		1,200,000		1,600,000		1,400,000	
Virginia:								
Norfolk Harbor: Widening 40-foot channel	1,750,000		1,750,000		1,750,000		1,750,000	
Norfolk & Portsmouth Belt Line RR. bridge	300,000		300,000		300,000		300,000	
Pound Reservoir						140,000		100,000
Waterway, coast of Virginia, Chesapeake Bay to Chincoteague Bay	352,000		352,000		700,000		600,000	
Washington:								
Bellingham Harbor	1,078,000		1,078,000		1,078,000		1,078,000	
Blaine Harbor	355,000		355,000		355,000		355,000	
Chief Joseph Dam	4,800,000		4,800,000		4,800,000		4,800,000	
Colfax		136,000		136,000		136,000		136,000
Columbia River at Baker Bay	531,000		531,000		531,000		531,000	
Columbia River at the mouth, Oregon and Washington. (See Oregon.)								
Columbia River between Chinook, Wash., and head of Sand Island, Oreg.	(1)		(1)		(1)		(1)	
Columbia River local protection: Lower Cowlitz River		10,000		10,000		10,000		10,000
Eagle Gorge Reservoir	8,000,000		8,000,000		8,000,000		8,000,000	
Everett Harbor and Snohomish River	316,000		316,000		316,000		316,000	
Grays Harbor and Chehalis River:								
(a) West Haven breakwater extension	291,000		291,000		291,000		291,000	
(b) Bay City Channel, West Haven Cove, breakwater and Point Chehalis levee	125,000		125,000		125,000		125,00	
Ice Harbor lock and dam	18,500,000		18,500,000		18,500,000		18,500,000	
Interstate bridge, Columbia River, Oreg. and Wash. (See Oregon.)								
John Day lock and dam, Oregon and Washington					1,000,000		1,000,000	
Lower Columbia River levees at new locations: Washougal area		32,000		32,000		32,000		32,000
Lower Monumental lock and dam		200,000		200,000		500,000		500,000
Port Angles Harbor	396,000		396,000		396,000		396,000	
Shilshole Bay	1,780,000		1,780,000		1,780,000		1,780,000	
The Dalles Dam, Oreg. and Wash. (See Oregon.)								
Willapa River and Harbor and Naselle River	555,000		555,000		555,000		555,000	

See footnotes at end of table.

Corps of Engineers, construction, general, fiscal year 1958—Continued

Construction, general, State, and project	Approved budget estimate for fiscal year 1958		House allowance		Senate allowance		Conference allowance	
	Construction	Planning	Construction	Planning	Construction	Planning	Construction	Planning
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
West Virginia:								
Cumberland, Md., and Ridgeley, W. Va. (See Maryland.)								
Hildebrand lock and dam	$5,300,000		$5,300,000		$5,300,000		$5,300,000	
New Cumberland lock and dam, Ohio and West Virginia. (See Ohio.)								
Opekiska lock and dam						$100,000		$100,000
Pike Island lock and dam, Ohio and West Virginia. (See Ohio.)								
Summersville Reservoir		$225,000		$225,000		225,000		225,000
Sutton Reservoir	8,000,000		8,000,000		8,000,000		8,000,000	
Wisconsin: Prairie du Chien Harbor	[1]		[1]		[1]		[1]	
Wyoming: Sheridan	200,000		200,000		200,000		200,000	
Local protection projects not requiring specific legislation	3,000,000		3,000,000		3,500,000		3,500,000	
Emergency bank protection	400,000		400,000		400,000		400,000	
Snagging and clearing	600,000		600,000		600,000		600,000	
Projects deferred for restudy		3,000		3,000		3,000		3,000
Small authorized projects	3,000,000		3,000,000		4,000,000		4,000,000	
Dredging projects (planning)		50,000		50,000		50,000		50,000
Reduction for anticipated savings and slippages	−14,000,000		−29,000,000		−14,000,000		−29,000,000	
Total	444,655,000	7,500,000	413,868,900	6,717,900	457,815,000	10,625,500	438,295,000	9,503,500
Lower Columbia River fish sanctuary program (Fish and Wildlife Service)	1,600,000		1,600,000		1,600,000		1,600,000	
Total construction, general	446,255,000	7,500,000	415,468,900	6,717,900	459,415,000	10,625,500	439,895,000	9,503,500
	(453,755,000)		(422,186,800)		(470,040,500)		(449,398,500)	

[1] Included under item for small authorized projects.
[2] Project not yet authorized.
[3] Fiscal year 1958 funds request for Dyberry project reduced to $1,500,000 during testimony before subcommittee.
[4] Fiscal year 1958 funds request for Prompton project reduced to $1,000,000 during testimony before subcommittee.
[5] Local interests requested authority to advance $250,000 in order to start construction in fiscal year 1958.

On the item "Operation and Maintenance," for which the Senate proposed an additional $5 million for maintenance, the House agreed to the Senate amendment. The budget provided $5 million for this purpose. So there will be a total of $10 million available for deferred maintenance. This should reduce the backlog of deferred maintenance to about $45 million. Last year the Senate committee recommended a program of $10 million a year for this purpose until this backlog of deferred maintenance has been eliminated so that the projects that have been completed can serve the purposes for which they were built.

On Mississippi River and tributaries the conferees agreed on $60,715,000, which if $1,765,000 below the amount approved by the Senate and $1,765,000 above the amount allowed by the House.

I append a tabulation showing a breakdown of the items as passed by the Senate and as agreed to in conference.

Flood control, Mississippi River and tributaries, fiscal year 1958

Projects	Approved budget estimate for fiscal year 1958		House allowance		Senate allowance		Conference allowance	
	Construction	Planning	Construction	Planning	Construction	Planning	Construction	Planning
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1. General investigations:								
(a) Examinations and surveys	$519,000		$519,000		$519,000		$519,000	
(b) Collection and study of basic data	50,000		50,000		50,000		50,000	
Subtotal, general investigations	569,000		569,000		569,000		569,000	
2. Construction and planning:								
Mississippi River levees	$1,925,000		$1,925,000		$1,925,000		$1,925,000	
Channel improvement	18,300,000		18,300,000		20,000,000		18,955,000	
Memphis Harbor	0		122,000		122,000		122,000	
Vicksburg Harbor	600,000		600,000		750,000		750,000	
Baton Rouge Harbor	0				500,000		500,000	
Old River control	10,000,000		10,000,000		10,000,000		10,000,000	
St. Francis Basin	3,000,000		[1] 2,878,000		2,878,000		2,878,000	
Lower White River	10,000		10,000		10,000		10,000	
Reelfoot Lake	166,000		166,000		166,000		166,000	
Grand Prairie-Bayou Meto	0	$50,000						
Lower Arkansas	400,000		400,000		400,000		400,000	
Tensas Basin: Boeuf and Tensas Rivers, etc	950,000		950,000		1,000,000		970,000	
Yazoo Basin	(4,060,000)		(4,060,000)		(4,060,000)		(4,060,000)	
Arkabutla Reservoir	500,000		500,000		500,000		500,000	
Auxiliary channels	2,010,000		2,010,000		2,010,000		2,010,000	
Main stem	700,000		700,000		700,000		700,000	
Tributaries	200,000		200,000		200,000		200,000	
Big Sunflower River, etc	650,000		650,000		650,000		650,000	
Yazoo backwater	0	50,000		$50,000		$50,000		$50,000
Atchafalaya Basin	2,850,000		2,850,000		3,500,000		3,105,000	
Lake Pontchartrain	550,000		550,000		550,000		550,000	
Total construction and planning	42,811,000	100,000	42,811,000	50,000	45,861,000	50,000	44,960,000	50,000
3. Maintenance	15,520,000		15,520,000		16,000,000		15,705,000	
Grand total	59,000,000		58,950,000		62,480,000		60,715,000	

[1] Reduced to provide $122,000 for Memphis Harbor.

The item of $125,000 for the St. Lawrence Joint Board of Engineers was not in conference.

With respect to title II, the conference bill provides $215,061,223, which is $3,650,000 less than the amount approved by the Senate and $7,445,000 more than the House allowed.

With respect to general investigations of the Bureau of Reclamation, the House agreed to the Senate amendment.

For construction and rehabilitation, the conferees agreed on $116,736,223, which is $3,650,000 less than the amount approved by the Senate and $3,690,000 above the amount allowed by the House.

I attach a tabulation showing a breakdown of the construction and rehabilitation items as passed by the Senate, and as agreed to in conference.

Bureau of Reclamation construction and rehabilitation

State and project	Total estimated Federal cost (obligations)	Amount allocated to June 30, 1957	1957 program	Budget estimate 1958	House allowance	Senate allowance	Conference allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Arizona: Gila project	$55,818,664	$53,655,243	$919,226	$869,000	$869,000	$869,000	$869,000
Arizona-California-Nevada: Parker-Davis project	142,934,694	142,142,694	556,439	792,000	792,000	792,000	792,000
California:							
Central Valley project:							
Less Trinity River division	824,336,883	465,605,258	9,559,611	8,038,400	5,773,400	8,038,400	8,038,400
Trinity River division	225,000,000	11,566,788	10,175,600	17,107,600	17,107,600	17,107,600	17,107,600
Santa Maria project	14,754,263	5,849,794	4,295,183	5,627,000	5,627,000	5,627,000	5,627,000
Solano project	39,109,000	32,511,302	9,859,508	3,672,000	3,672,000	3,672,000	3,672,000
Ventura River project	26,800,000	6,900,000	6,900,000	12,000,000	12,000,000	12,000,000	12,000,000
Colorado:							
Collbran project	13,883,649	970,000	970,000	2,000,000	2,000,000	2,000,000	2,000,000
Colorado-Big Thompson project	158,929,626	158,244,528	504,490	549,000	549,000	549,000	549,000
Idaho:							
Little Wood River project	2,151,000			400,000	400,000	400,000	400,000
Michaud Flats project	4,475,313	2,600,000	2,125,254	1,297,000	1,297,000	1,297,000	1,297,000
Minidoka project, North Side pumping division	10,598,809	8,755,809	2,792,669	1,465,000	1,465,000	1,465,000	1,465,000
Palisades project	61,525,000	59,807,951	6,118,331	1,500,000	1,500,000	1,500,000	1,500,000
Montana-North Dakota: Fort Peck project	21,692,000	10,586,795	122,748	645,000	645,000	645,000	645,000
New Mexico: Middle Rio Grande project	28,449,236	19,790,817	3,881,249	3,758,000	3,758,000	3,758,000	3,758,000
Oklahoma: Washita Basin project	40,301,031	500,000	500,000	3,500,000	3,500,000	3,500,000	3,500,000
Oregon:							
Crooked River project	6,287,000			850,000	850,000	850,000	850,000
Rogue River project, Talent division	20,526,000	2,220,000	2,220,000	6,041,000	6,041,000	6,041,000	6,041,000
Wapinitia project	514,000			400,000	400,000	400,000	400,000
Utah:							
Provo River project	33,559,132	32,798,915	935,380	574,000	574,000	574,000	574,000
Weber Basin project	68,780,000	31,333,180	8,947,224	6,500,000	6,500,000	6,500,000	6,500,000
Washington:							
Chief Joseph Dam project, Foster Creek division	3,780,000	1,834,000	1,401,782	1,138,000	1,138,000	1,138,000	1,138,000
Columbia Basin project	762,055,000	510,921,787	15,611,402	13,850,000	13,850,000	13,850,000	13,850,000
Yakima project, Roza division	21,792,807	20,765,516	1,726,154	697,000	697,000	697,000	697,000
Wyoming:							
Eden project	7,722,533	6,590,918	1,079,367	875,000	875,000	875,000	875,000
Shoshone project	23,836,649	22,337,649	565,736	544,000	544,000	544,000	544,000
Drainage and minor construction program	313,395,887	289,670,124	7,531,555	893,000	893,000	893,000	893,000
Rehabilitation and betterment of existing projects			3,762,487	3,530,000	3,530,000	3,530,000	3,530,000
Loan program—distributions systems	23,800,000	16,100,000	12,900,000	7,700,000	[1] None	None	None
Subtotal (exclusive of Missouri River Basin)	[2] 2,823,405,176	[2] 2,075,750,515	116,303,385	106,812,000	96,847,000	99,112,000	99,112,000
Missouri River Basin project:							
Ainsworth unit, Nebraska	23,722,000			1,100,000	None	1,100,000	None
Bostwick division, Nebraska-Kansas	48,449,360	32,675,860	4,937,523	1,471,000	1,471,000	1,471,000	1,471,000
Cedar Bluff unit, Kansas	18,862,321	13,823,021	28,970	50,000	None	50,000	50,000
Farwell unit, Nebraska	31,974,000			750,000	None	750,000	None
Frenchman-Cambridge division, Nebraska	79,297,583	54,279,549	3,237,599	3,260,000	3,260,000	3,260,000	3,260,000
Glendo unit, Wyoming	39,093,932	21,770,589	11,012,214	9,951,000	9,951,000	9,951,000	9,951,000
Helena Valley unit, Montana	11,456,113	3,548,213	2,433,871	4,500,000	4,500,000	4,500,000	4,500,000
Kirwin unit, Kansas	19,705,842	17,522,742	2,143,229	1,435,000	1,435,000	1,435,000	1,435,000
Owl Creek unit, Wyoming	3,122,000	1,692,000	830,000	1,100,000	1,100,000	1,100,000	1,100,000
Sargent unit, Nebraska	14,492,273	5,409,666	1,213,950	313,000	313,000	313,000	313,000
Shoshone extensions unit, Wyoming	46,804,000			500,000	None	None	None
Transmission division, various States	297,620,170	101,430,103	6,954,134	8,000,000	8,000,000	8,000,000	8,000,000
Webster unit Kansas	16,348,700	11,930,500	603,375	1,000,000	1,000,000	1,000,000	1,000,000
Drainage and minor construction, total	200,848,267	145,781,402	2,339,835	791,000	791,000	791,000	791,000
Missouri River Basin investigations	74,069,494	49,586,303	2,975,547	3,000,000	2,000,000	3,000,000	2,750,000
Other Department of Interior agencies, total		44,962,660	2,804,076	3,125,000	2,500,000	3,125,000	3,125,000
Subtotal, Missouri River Basin	[3] 1,013,928,555	508,412,608	41,684,323	40,346,000	36,321,000	39,846,000	37,746,000
Grand total, construction and rehabilitation	3,837,333,731	2,584,163,123	157,987,708	147,158,000	133,168,000	138,958,000	136,858,000
Less carryover			−14,012,208	−11,500,000	−20,121,777	−18,571,777	20,121,777
Total appropriation			143,975,500	135,658,000	113,046,223	120,386,223	116,736,223

[1] Based on an interim division of all construction costs, 85 percent Federal and 15 percent non-Federal, pending Congressional action on a restudy undertaken in accordance with the 1954 Flood Control Act.

[2] This amount does not include funds for other than listed projects.

[3] Estimated cost is for general studies only.

The amount for operation and maintenance was $28 million in the bill as passed by both the House and Senate, so this item was not in conference.

With respect to general administrative expenses, the House agreed to the Senate amendment.

On upper Colorado River the House and Senate approved the budget estimate of $25,142,000, so this item was not in conference.

The items for the power marketing agencies of the Department of the Interior were not in conference except "Construction, Bonneville Power Administration." On that item the House agreed to the Senate amendment, which provides $22,038,000 for construction.

Mr. ELLENDER. Mr. President, let me say that in connection with the recommendations made by the conferees, the conferees on the part of the Senate have had to recede in the case of a few of the projects for which the Senate provided funds.

For instance, in Alabama, the conferees on the part of the Senate had to recede on the item for Millers Ferry lock and dam, for the reason that the benefit-cost ratio was low, being 1.07 to 1, and the House would not agree to that project.

One of the projects in which I am sure the distinguished Senator from Oregon [Mr. NEUBERGER] is very much interested is the Bruces Eddy project. This item was reported in disagreement and the House insisted on its disagreement. I assume it is an item about which the Senator from Oregon wishes to inquire.

Mr. NEUBERGER. There are two items about which I wish to inquire. If the Senator from Louisiana prefers to complete his statement, I shall be glad to postpone my questions until he has done so.

Mr. ELLENDER. Mr. President, I ask unanimous consent that a brief statement showing the changes in amounts and the deletion of the items for various

projects be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Reductions in amounts of Senate bill

Alabama: Millers Ferry lock and dam	[1] $75,000
Arizona: Cameloback Reservoir	[1] 100,000
Arkansas: Ark River general studies	[1] 225,000
California: Hogan Reservoir	250,000
Connecticut:	
Hall Meadow Brook Reservoir	[1] 100,000
Mad River Reservoir	[1] 100,000
Florida: Intracoastal Waterway, Caloosahatchee River to Anclote River	[1] 135,000
Illinois: Carlyle Reservoir	250,000
Mississippi River dam 27	500,000
Indiana: Monroe Reservoir	[1] 25,000
Iowa:	
Rathbun Reservoir	[1] 100,000
Red Rock Reservoir	[1] 125,000
Kansas: Strawn Reservoir	200,000
Michigan: Big Bay Harbor	[1] 22,000
New Jersey: Delaware River, Philadelphia to Trenton	2,000,000
New Mexico: Rio Grande Floodway	[1] 50,000
New York: Great Lakes to Hudson River	110,000
Oklahoma: Boswell Reservoir	[1] 25,000
Oregon:	
Columbia River, Vancouver to The Dalles	500,000
Interstate Bridge	10,000
South Dakota: Oahe Reservoir	400,000
Vermont: Townshend Reservoir	200,000
Virginia:	
Pound Reservoir	[1] 40,000
Waterway coast of Vihginia	100,00
Reduction for anticipated savings and slippages	15,000,000

[1] Planning only.

Mr. ELLENDER. Mr. President, at this time I will be glad to answer questions.

Mr. NEUBERGER. Mr. President, I appreciate the characteristic courtesy of the chairman of the subcommittee.

First, I should like to say it is my understanding that in the conference committee, the item of $500,000 for commencing the work of improving and restoring the channel of the Columbia River from Vancouver, Wash., to The Dalles, Oreg., was eliminated. Is that correct?

Mr. ELLENDER. That is correct.

Mr. NEUBERGER. I should like to express my profound regret about that. I realize that the conferees cannot always insist on having their own way in the case of various projects, and I realize that the conferees for each House do their utmost to uphold the position taken by the particular body they represent.

Yet, I hope that in a future measure, perhaps in a supplemental appropriation or in another year, this very beneficial navigation project will be provided with funds.

Next, I should like to ask the chairman of the subcommittee about a somewhat more involved matter. I understand that funds were provided for the Bruces Eddy project, on the North Fork of the Clearwater River, in Idaho. Am I correct in my understanding that the construction of this project has not been authorized by law?

Mr. ELLENDER. The Senator from Oregon is correct. But the provision the Senate placed in the bill merely authorized some planning funds, in the hope that in the near future the entire project would be authorized.

As a matter of fact, the project is included in the omnibus public-works authorization bill the Senate recently passed. I understand that the House has deleted that item from the bill. But in any event, it will be in conference; and it is entirely possible that when the conferees on the part of the House and the conferees on the part of the Senate meet to consider the conference report on the omnibus public-works bill—and that bill is now before the House of Representatives—the item for Bruces Eddy will be reinstated. It was in the hope that it would be reinstated, that the conferees agreed to recommend that provision be made for planning on the Bruces Eddy project.

Mr. NEUBERGER. Let me ask the Senator from Louisiana whether I am correct or incorrect in this assumption: That inasmuch as the Bruces Eddy project has not yet been authorized by the Congress in a bill signed by the President, it is not proper, under the rules of the Senate and the rules of the House of Representatives, to provide either planning or construction funds?

Mr. ELLENDER. It would have been proper to provide for the planning. It would have been proper to provide for the construction of the project, if the House had not acted as it did. The Senate wrote into the bill a provision which would have permitted planning funds to the extent of $500,000. Unfortunately, the House of Representatives struck out that provision, on the ground, as the Senator from Oregon has just pointed out, that the project had not been authorized; and objection was urged because legislation was provided in an appropriation bill. That was the point of disagreement. When the motion to recede and concur in the Senate amendment was made in the House, the Members of the House would not agree to the motion.

Mr. NEUBERGER. Mr. President, I thank the chairman of the subcommittee for providing this information.

As he realizes, some of us from the Northwest have been disturbed and perhaps even alarmed over the adverse impact which the Bruces Eddy project might have on wildlife, fisheries, and outdoor scenery. Therefore, personally—although I know that some of my colleagues disagree with me—I am glad that the House of Representatives has not authorized this particular project.

But I wish to say that I am obliged to the chairman of the subcommittee for the courteous consideration he always shows to those of us who represent the Pacific Northwest, as regards our attitudes, whatever they may be.

Mr. President, I ask unanimus consent to have printed at this point in the RECORD, correspondence I have had with Mr. Charles L. Watkins, Parliamentarian of the United States Senate, with respect to the parliamentary situation involving the Bruces Eddy project, because it had not been formally authorized by law.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

AUGUST 10, 1957.

Mr. CHARLES L. WATKINS,
Parliamentarian, United States Senate,
Washington, D. C.

DEAR MR. WATKINS: During consideration of the public works appropriation bill on August 8, an amendment was offered by Senator DWORSHAK, of Idaho, to include $500,000 for the planning of the Bruces Eddy project on the north fork of the Clearwater River in Idaho. This is in the CONGRESSIONAL RECORD at page 13990.

For your information, the Bruces Eddy project has never been authorized for construction by Congress and the President. My question to you, as Parliamentarian of the Senate, is this:

In view of the fact that the Bruces Eddy project has not been authorized by law, can the $500,000 appropriation for planning of this project be eliminated on a point of order when the public works conference report is before the Senate?

I would appreciate an early reply to this inquiry.

With every good wish, I am,

Sincerely,

RICHARD L. NEUBERGER,
United States Senator.

UNITED STATES SENATE,
Washington, D. C., August 10, 1957.

Hon. RICHARD L. NEUBERGER,
United States Senate,
Washington, D. C.

DEAR SENATOR NEUBERGER: Your letter of even date, inquiring whether an item of $500,000 for the planning of the Bruces Eddy project in Idaho, inserted as a Senate amendment in the public works appropriation bill, if included in the conference report, is subject to a point of order on the ground that the project has not been authorized by law, has been received.

In view of the fact that no point of order was raised against the amendment while the bill was under consideration in the Senate, and it was adopted by that body, it is my opinion that if the conferees recommend its acceptance by the House a point of order will not lie against the report, even though the project has not been authorized by the Congress, if and when the report is under consideration in the Senate.

As you doubtless know, a conference report is not subject to amendment, but must be acted upon as an entirety.

Trusting this will give you the information desired, I am,

Sincerely yours,

CHARLES L. WATKINS,
Parliamentarian.

Mr. NEUBERGER. Mr. President, I also ask unanimous consent that supplemental information provided by the Parliamentarian, and also a telegram which I have received from the National Wildlife Federation, be printed at this point in the RECORD.

There being no objection, the memorandum and telegram were ordered to be printed in the RECORD, as follows:

APPROPRIATION FOR PREPARATION OF PLANS FOR BRUCES EDDY PROJECT, IDAHO

Senate amendment No. 3 to the public works appropriation bill (H. R. 8090) appropriated $500,000 for the preparation of detailed plans for the Bruces Eddy project on the north fork of the Clearwater River, Idaho, and authorized the preperation of such plans.

This amendment seems to be in contravention of rule XXI of the House, relating to amendments to general appropriation bills, and it is probable that the House conferees would ask for a disagreement on that amendment and send it back to the floor of the House for action, leaving it out of the conference report itself.

Ordinarily, the conferees could make a recommendation that—(1) The Senate recede from an amendment adopted by it; (2) the House recede from its disagreement and agree to such amendment; and (3) the House recede and agree with an amendment.

WASHINGTON, D. C., *August 12, 1957.*
Senator RICHARD L. NEUBERGER,
Senate Office Building,
Washington, D. C.:

Regret that my advance warnings of impending appropriation for Bruces Eddy Dam were not received by you. We recognize, however, that even with this notification you probably could not have been present on Senate floor at all times to object to suspension of rules. We deeply appreciate your continuing efforts against any start on this project until wildlife investigations are completed.

STEWART M. BRANDBORG,
National Wildlife Federation.

Mr. DWORSHAK. Mr. President, will the Senator from Louisiana yield to me?

Mr. ELLENDER. I yield.

Mr. DWORSHAK. Mr. President, on behalf of the people of the State of Idaho, I should like to express my appreciation and their appreciation of the sympathetic understanding shown by the distinguished chairman of the subcommittee to our State and the development of its water resources.

It is unfortunate that the National Wildlife Federation, in collusion with the junior Senator from the State of Oregon, has taken the position that although every drop of water to be impounded in the Bruces Eddy project originates within the State of Idaho, it is primarily the responsibiilty of the hypocritical people in the lower basin of the Columbia Valley to dictate in an autocratic manner to the people of Idaho what they shall do concerning their water-resource development.

Mr. President, the hypocritical groups which contend that efforts are being made to disregard fish and wildlife aspects of the project deliberately misrepresent and distort the facts. The facts are that the senior Senator from Idaho with the help and cooperation of virtually every member of the Public Works Committee of the Senate and the cooperation of virtually every member of the Senate Appropriations Committee succeeded in making available during the past 3 years a total of $185,000 to enable the Federal Fish and Wildlife Service to make surveys and studies of fish and wildlife in the middle section of the Snake River and the Clearwater drainage system. While the lower basin States in 1949 initiated the Columbia River sanctuary program, not until last year were they willing to permit Idaho to participate in that program.

With the help of the distinguished chairman of the subcommittee, $200,000 was earmarked last year to enable Idaho to participate in that program, and this year the amount earmarked was $125,000.

Mr. President, a total of $510,000 has been made available for fish and wildlife studies in the middle Snake River area to provide adequate safeguards and protection for fish and wildlife in that area. Yet the National Wildlife Federation and the junior Senator from Oregon have contended that those interests have been ignored in planning the Bruces Eddy project.

I think the various groups representing conservation interests should be grateful to the senior Senator from Idaho for having made available—it was done primarily through his efforts—$510,000, because prior to 3 years ago the same groups which now are contending they are doing everything to safeguard those interests in that section of our State were not able to allocate one single dollar to initiate those studies.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. DWORSHAK. I do not have the floor.

Mr. ELLENDER. I yield to the Senator from California.

Mr. KNOWLAND. Without going into the controversy that may exist between the States of Idaho and Oregon, with the details of which I am not familiar, but leaving that controversy aside, I wish to say to the Senator from Idaho and to the Members of the Senate that I have now been in the Senate for some 13 years, and have served on the Committee on Appropriations for approximately 12 years of that time. I have served on conference committees for a large part of that time. I can say to the Members of the Senate that in all the 12 years I have served on the Committee on Appropriations I have never heard a more able presentation of the Bruces Eddy project, or any other project, than I heard from the Senator from Idaho in the conference committee.

As a matter of fact, while the Senate conferees, I think, were generally favorable to the Senator's position—I am confident the Senator from Louisiana will bear me out—there was less unanimity on the part of the House conferees. We all know that in debate in the Senate and in debate in the House, very often Members have, from the information they have received, taken their position; but I have seldom seen a case where the sheer weight of the argument had such an impact on the members of the conference as did the argument of the Senator from Idaho. Single-handedly, almost, although he had the able assistance of the Representative from Idaho in regard to the matter, he led the fight, and by the sheer weight of the argument and discussion in the committee I saw, with my own eyes, a change in the position of the House conferees on this item and a strengthening of the position of the House conferees to the extent that finally, when the conference report was reported, it was reported in conformity with the views of the Senator from Idaho. Although the House, as it has a perfect right to do under our constitutional system, has taken a different position, I think the Senator from Idaho performed one of the outstanding services I have ever seen in my 12 years in the Senate in his presentation of the matter to the conferees.

Mr. DWORSHAK. The Senator from Idaho is grateful for those comments, and will not labor the point at this time. We have heard a great deal about conserving water resources and using the resources in the Colorado River Basin. As shown by the statistics of the Bureau of Reclamation, the average discharge of the Colorado River is slightly in excess of 12 million acre-feet a year. The same records from the Bureau of Reclamation indicate that the annual average discharge of the Clearwater River at Spalding is 10½ million acre-feet, or almost equal to the discharge of water in the great Colorado River Basin. The difference is that at the present time there is not a single storage reservoir on the three forks of the Clearwater River, which discharges a great volume of water annually.

It is unfortunate that at a time when the lower basin States receive a total of $1¼ billion of appropriations for planning and for construction of various projects, the junior Senator from Oregon will deny to the State of Idaho a single dollar on a single project, notwithstanding the fact that the State of Idaho furnishes every drop of water which would be used at the Bruces Eddy Dam, which would be impounded, and then discharged to firm power generation in the lower basin.

The reason I am making these remarks is that the Portland Oregonian recently published an editorial charging that the senior Senator from Idaho was sabotaging developments like the John Day Dam. Mr. President, I submit to my colleagues in this body that the record proves conclusively that that is a falsehood. In reality, the junior Senator from Oregon is the saboteur who is denying to his people full utilization of the water in the upper watershed of the Columbia River Basin, and is in an autocratic manner denying to the people of Idaho full participation in the comprehensive development of the Columbia River Basin.

Mr. President, on behalf of the people of Idaho I desire to extend my appreciation to my colleagues on the Appropriations Committee and on the Public Works Committee, and particularly to the distinguished chairman of the Appropriations Subcommittee [Mr. ELLENDER], who has a complete and thorough understanding of the need for Idaho to participate in this comprehensive development, because it is not equitable and it is not fair to deny Idaho participation in the development of the Columbia River Basin.

Mr. THYE, Mr. CASE of South Dakota, and Mr. NEUBERGER addressed the Chair.

Mr. ELLENDER. I yield to the Senator from Minnesota.

Mr. THYE. Mr. President, as a member of the conference committee, I wish to state that I have never heard a more able presentation of any question or any item in an appropriation bill than was made by the distinguished senior Senator from Idaho [Mr. DWORSHAK] before the Committee on Appropriations and before the conference committee. It

was on the strength of the presentation he made of that particular item, Bruces Eddy, that the conferees agreed to the item. I regret exceedingly that the item is not in the report we are considering at present. Bruces Eddy certainly was not deleted because the able and distinguished Senator from Idaho had not put up a fight, because he did put up one of the most able fights for the need of the project that I have ever heard in any conference committee.

Mr. ELLENDER. Mr. President, as I stated a moment ago, I very much favor the enactment of the bill which is now before the House, and I hope that eventually the conferees of the Senate and House will put the Bruces Eddy project in the omnibus bill. I truly believe that the erection of the dam in question, known as Bruces Eddy, will be a help toward firming the power in the lower reaches of the river. There is no doubt it will be very beneficial.

It is my hope, if I am chairman of the Subcommittee on Public Works next year, that we will be able to incorporate in the public-works appropriation bill the item for Bruces Eddy, because I feel almost confident that the Congress will enact the omnibus bill with Bruces Eddy in it.

As a matter of fact, the Bruces Eddy project was included in the omnibus bill of last year. Both the Senate and the House passed the bill, but as all of us know the President vetoed the bill.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield to the Senator from California.

Mr. KNOWLAND. I desire to say, not apropos of the Bruces Eddy matter, because that has been discussed by the Senator from Idaho, the Senator from Oregon, and the Senator from Louisiana, that I would not want this opportunity to pass—as I did not want the opportunity to pass the other day when the able Senator from Louisiana presented the public works bill to the Senate—without commending the Senator from Louisiana again for his able leadership as chairman of the conferees.

I can say, of course, that in a conference there has to be some give-and-take in order to reach an agreement between the two Houses.

The Senator from Louisiana had the full support of the members of both parties among the Senate conferees for his position, which is a recognition that perhaps, more than any other Member of this body, he has a grasp of the problems affecting the country in regard to civil functions of the Department of the Army, flood control and harbor development, as well as other matters which come within the purview of the subcommittee.

At this time I wish to express appreciation not only on the part of the minority side of the aisle, but I am sure also on behalf of every Member on the other side of the aisle, for the outstanding job which the Senator has done, not only as chairman of the subcommittee but as chairman of the conference which has agreed to the conference report which is now before the Senate.

Mr. CASE of South Dakota. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. CASE of South Dakota. Mr. President, I rose first to ask about another matter, but since this question has come up and since it seems to hinge upon the fact that the House has not yet passed the omnibus flood control authorization bill, which we have already passed in the Senate, I wonder if, in the conference, the distinguished chairman of the conference received any indication as to when the omnibus bill may come up in the House of Representatives.

Mr. ELLENDER. At the next session, next year.

Mr. CASE of South Dakota. At the next session?

Mr. ELLENDER. Yes.

Mr. CASE of South Dakota. Early in the next session?

Mr. ELLENDER. Early in the next session, I was given to understand.

Mr. CASE of South Dakota. So the authorizations which are carried in the bill, if approved, will be available for appropriations next year?

Mr. ELLENDER. The Senator is correct.

Mr. CASE of South Dakota. Mr. President, the direct question which I wanted to ask the Senator has to do with the so-called small flood-control projects, which the Corps of Engineers may undertake if they are found to be within certain limits of cost. Could the chairman of the subcommittee state for the record the amount of the conference agreement with respect to the small authorized projects and also the so-called small unauthorized projects?

Mr. ELLENDER. As the Senator remembers, the House bill provided $3 million for the small authorized projects. The Senate provided another $1 million, which made a total of $4 million, and the House agreed to that figure.

As to the unauthorized projects, the House provided $3 million, and the Senate raised that amount to $3.5 million, and the House agreed to that figure.

Mr. CASE of South Dakota. Mr. President, I express my appreciation for the action of the conferees. As the Senator from Louisiana knows, from our many conversations on the subject, and previous statements on the floor, these small projects mean a great deal to many small communities. They do not have the glamor and they do not have the publicity of some of the large projects, but they do mean a great deal toward saving human values and economic values in the small communities.

I appreciate what the conferees did in agreeing to the figures the Senator has mentioned.

Mr. NEUBERGER. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield to the Senator from Oregon.

Mr. NEUBERGER. In deference to the time of the distinguished chairman of the subcommittee and the Members of the Senate, I do not intend to argue the merits or demerits of the Bruces Eddy project tonight. I do not think this is the place to do so.

I hope that others besides the senior Senator from Idaho give me credit for sincerity. I give the Senator from Idaho credit for sincerity. I know that he feels he is advancing the best interests of his State and of his Nation when he advocates the Bruces Eddy project.

I trust the time may come when the Senator from Idaho will believe I am equally as sincere in my fear that the project will have a crippling and adverse effect on wildlife, fisheries, and other resources which I hold very dear.

I will say, before I sit down, that if ever when I am arguing the Bruces Eddy project or any other undertaking before the Senate I feel my case is so weak that I have to refer to other Senators as hypocrites and saboteurs, I will change my opinion and not continue that line of argument.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield to the senior Senator from Oregon.

Mr. MORSE. Mr. President, I cannot sit in silence while my colleague is attacked as he was attacked by the Senator from Idaho in this unfortunate debate tonight.

We have great problems in the Pacific Northwest with respect to our water resources. I think it behooves all of us who represent the Pacific Northwest, irrespective of party, to try to find a common denominator for the best development of our resources, to promote the interests of the people of our section of the country and the people of the country as a whole.

To that end, I happen to know that my colleague is a dedicated servant of the people of the Pacific Northwest—not only of my State, but of the entire region.

In my section of the country the junior Senator from Oregon is frequently referred to as "Mr. Conservationist." There may be those who differ with him in regard to the emphasis which he places upon conservation, but I wish to say for the record that I resent any statement that would leave, even by implication, the charge that he is either a hypocrite or a saboteur. I recognize that in the heat of debate, out of our enthusiasm for a particular cause we sometimes misspeak ourselves; but I regret that those words were spoken about my colleague.

I have been trying to see if we could not arrange between the representatives of the Pacific Northwest and the administration, some kind of joint conference whereby there could be a reappraisal and a reevaluation of the entire water resource problem of that area, so that we would not constantly, on the floor of the Senate, be getting into individual contests over individual projects. One month it is Hells Canyon. The next month it is Pleasant Valley. The next month it is Bruces Eddy. The following month it is some other project. We are trying to make the approach on a segmentized basis, when I think what we ought to do is to take a look, Republicans and Democrats alike, at the whole

water resource problem of the Northwest, and see if we cannot come to some understanding.

My colleague was a leader in that proposal, as I think the record will show, in January of this year. He was the first of our group, as I recall, to suggest a White House conference with the President, with regard to these problems. I think some of the differences developed in this debate tonight might have been ironed out months ago.

That is all I wish to say at this time. I agree with my colleague that this is not the proper time, in connection with this bill, to get into a contest. I say good naturedly to my good friend, the senior Senator from Idaho [Mr. DWORSHAK] that he should not be so disturbed about the Portland Oregonian, any more than I am disturbed by the Boise Statesman. I think they are equally yellow in their journalism, unreliable in their editorials, and dirty in their tactics; and I pay no attention to either one of them. Therefore, I hope my friend from Idaho will not be too much hurt by any editorial in the Oregonian, any more than I am concerned about similar editorials about me in the Boise Statesman.

On that tone, I close this reference to my colleague. I want him to know that I am satisfied that the people of Oregon share the very high regard and confidence in him, in the entire field of water resources, which I have expressed for the record tonight.

As the senior Senator from Oregon, I wish to express to the chairman of the subcommittee, on behalf of the people of my State, what I know will be their deep feelings of gratitude to the Senator from Louisiana for the fair consideration he has given to the interests of the Pacific Northwest—not only Oregon, but all the States, in the conference report he has presented to the Senate.

Mr. ELLENDER. I thank the Senator.

Mr. CARROLL. Mr. President, I desire also to commend the distinguished Senator from Louisiana for the very careful job he has done, not only for Colorado, but for all sections of the United States.

I especially commend him when I look at the report and find that, in connection with amendment No. 1, there is an appropriation of $10,779,600, which is an improvement over the House figure, which was an appropriation of $8,900,000.

Mr. ELLENDER. That is for investigation.

Mr. CARROLL. That is especially important to the State of Colorado. I now refer to page 6. I wish to have this statement in the RECORD because it is of vital interest to Colorado.

The committee report indicates that the committee, in substance, prefers not to make specific allocations for individual investigations. Let me say to the chairman of this very important subcommittee that if an investigation had been made years ago, and had there not been a mistake some years ago, we would have saved millions of dollars worth of property, and at least three lives in Colorado which were lost as a result of recent floods. This is not the fault of the Army Corps of Engineers. In a 24-hour period starting May 8, the South Platte River Basin in eastern Colorado received 3½ inches of rain. I shall not go into that situation in detail. However, this problem has been with us along the South Platte for 10 years. Suddenly, because of the very heavy rainfall recently, much damage was done.

Therefore, as I ask the Senate to agree to the conference report on House bill 8090, including the amount I have mentioned, $10 million odd, for general investigations by the Army Corps of Engineers, I point out to the Corps of Engineers that with this bill they will receive, for flood-control studies, $910,000 more than was requested in their approved budget estimate for the fiscal year 1958. I ask that a reasonable amount of this increase be designated for a study of the South Platte River in Colorado, which will be of great help to the people of Colorado.

Again I commend the chairman of the subcommittee for the fine work which has been done.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a statement which I have prepared in support of appropriations for flood-control restudy of the South Platte River in Colorado.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR CARROLL IN SUPPORT OF APPROPRIATIONS FOR A FLOOD CONTROL RESTUDY OF THE SOUTH PLATTE RIVER IN COLORADO

In a 24-hour period starting May 8 the South Platte River Basin in eastern Colorado received 3.5 inches of rain.

Rain continued to fall and within the next few days the total precipitation was close to 7 inches.

In the early months of this year, prior to the May 8 storm, the South Platte Basin had received 292 percent more precipitation than the same period last year and 136 percent more than the average for the period.

This concentration of moisture swelled the creeks and tributaries draining into the South Platte River causing severe and sustained flooding over three counties.

The South Platte in Adams and Weld Counties has a ragged river bed capable of carrying six or seven thousand cubic feet per second. The river flow there in May was ten to fifteen thousand cubic feet per second.

We had disastrous floods north and east of Denver, in the area between Denver and the town of Platteville.

Three lives were lost.

It is estimated that the flood damage in Adams County alone, to property, crops, and livestock, was over $1.5 million.

Frederick, Colo., a town of 620, was hit with damages totaling about $500,000. It suffered 3 floods in 4 days. For several days the town was without drinking water; schools and businesses were closed. It was declared a disaster area by the regional small-business administration.

Other Colorado communities severely damaged by the floods were: Lyons, Firestone, Evanston, Aurora, Brighton, Derby, and rural areas in Adams, Weld, and Boulder Counties.

It is estimated that damages to homes, crops, roads, bridges, and municipal waterworks in the South Platte River Basin amounted to three or four million dollars.

At the time I made my appeal to the Appropriations Committee for flood-control-study funds for the South Platte River, I met here in Washington with the Governor of Colorado, Stephen McNichols, the director of the Colorado Water Conservation Board, Ivan Crawford, and by telephone with the State engineer, Gene Whitten. It is the opinion of these men, who have studied this terrible situation and who have observed the flooding on the scene, that flood control works upstream on the Platte and on several of the tributary creeks could have prevented this ruinous spring flood.

I am directing my remarks especially toward the so-called Chatfield Dam restudy planned by the Corps of Engineers.

This is a restudy of the South Platte River to consider the possibility of erecting a small flood-control dam on Plum Creek near its confluence with the Platte south of Denver, plus engineered bank-and-dike construction and a continuous levee system from Plum Creek to the Saint Vrain 40 miles north of Denver.

On June 14, 1956 the Senate Public Works Committee authorized this restudy of the South Platte. However, funds have not been designated for this critical study.

It is my understanding now that the Corps of Engineers would need $135,000 over a 3-year period to complete a restudy of the Platte and if $30,000 were appropriated for such a study in fiscal 1958 the study could be initiated and more quickly brought to a fruitful conclusion.

The problems of flooding along the South Platte were recognized by the Congress over 10 years ago, yet little has been accomplished since then to alleviate the problem and the problem has now been aggravated by extraordinary population growth in the affected areas. On July 6, 1946, the Chief of Engineers circulated a report on flooding of the South Platte. That report was later published at House Document No. 669, 80th Congress, 2d session, May 8, 1948. The Corps of Engineers studies grew out of a meeting of citizens and Government officials in Greeley, Colo., on November 8, 1939, at which time the desperate needs for flood protection were dramatically related.

The Flood Control Act of 1950 authorized the Chatfield Dam, which is now infeasible because of changes in population settlement at the proposed dam site.

However, flooding continues and each new flood brings greater losses to our Colorado communities. Lives are snuffed out, property is damaged, the need for flood-control works is even greater than 10 years ago.

It is the firm opinion of Colorado's State engineer, Mr. Whitten, that a dam south of Denver on the Platte River would have cut the water flow in the spring floods from the flood high of 15,000 cubic feet per second to about 7,000 cubic feet per second. This would still have been above flood stage, but improved levee works or other small dams on tributary creeks would have eliminated the total flood hazard.

The areas we need immediately studied, in addition to the Platte itself, according to Mr. Whitten are: (1) Plum Creek; (2) Sand Creek; (3) Bear Creek; (4) Clear Creek.

An appropriation of $30,000 in 1958 and $135,000 for the 3-year period, to be applied to a flood-control study of the South Platte River, would amount to a substantially sound investment in community protection when analyzed in light of the staggering history of flood losses in the South Platte basin.

Up to 1944 there were 18 major floods along the South Platte and a total of 147 floods of all types on tributaries and the main river. These floods caused damages of $41,638,500 or an average annual damage of $1,154,839.

In the area between Denver and Greely alone there were 10 floods causing a total of $10,983,000 damage, or an annual damage of $219,660.

Major floods along the South Platte totally ruin 20,000 acres of farmland and critically impair the irrigation systems of another 160,000 acres between Denver and Saint Vrain creek 40 miles to the north.

The Corps of Engineers has estimated that the benefits of South Platte flood-control works to Denver in the event of one major storm will be $30 million and to the rural areas north of Denver $12 million.

I call to the committee's attention the splendid service rendered by the Cherry Creek flood-control dam during the spring flooding. Cherry Creek Dam, 13 miles southeast of Denver, is impounding at this moment several thousand acre-feet of water. The outlet valves are closed and water is continuing to pile up.

If this water had been permitted to pour into the Platte River in downtown Denver it would have added thousands of cubic feet per second to the already disastrous flood crest.

Cherry Creek Dam this year has saved us millions of dollars in potential additional damage in Denver and Adams Counties.

I extend to this committee and to the Public Works Committee and to the whole Congress the gratitude of the Colorado people who live in the Cherry Creek and South Platte basins for the construction of the Cherry Creek flood-control dam and for the protection it has afforded us this year.

I ask the Senate to pass this conference report on H. R. 8090, the public works appropriation bill, 1958, including the amount of $10,779,600 for general investigations by the United States Army Corps of Engineers. I point out to the Corps of Engineers that with this bill they will receive for flood-control studies $910,400 more than requested for in their approved budget estimate for fiscal 1958. I ask that a reasonable amount of this increase be designated for a study of the South Platte River in Colorado.

Mr. JOHNSON of Texas. Mr. President, I believe that my opinion of this public works appropriation bill is well known.

I consider it a long stride forward in solving the flood-control and water-conservation problems of my State and of other States.

It is as progressive and forward looking a piece of legislation as has ever been considered by this body.

It calls for expenditures that can properly be regarded as investments—sound investments—in the future of our country.

I know what it means to Texas, where flood control and water supply constitute the greatest single problem we face.

Passage of this bill, as reported by the conference committee, means that the people of Waco can see the start of construction on a reservoir that will insure them an adequate supply of water for municipal and industrial use.

It means that planning can be completed and construction started on Cooper Reservoir.

It means that planning work will go forward on Lampasas Reservoir, in an area that suffered a disastrous flood earlier this year.

It means that construction will be advanced almost to the point of completion of Ferrells Bridge Reservoir.

Mr. President, this bill provides appropriations for projects of vital importance to the people of Texas. They include navigation projects that will pay for themselves within a comparatively short time. They include flood-control projects that will save human lives and prevent property loss. They include water-supply projects that will assure the continued sound development of my State.

Funds also are provided by this bill to conduct surveys of a number of Texas streams. The amounts involved are not large, but the surveys themselves are of vital significance.

We need to learn more about our rivers and creeks. We need to learn where flood danger exists and how it can be prevented. This is the kind of information that will be provided by these surveys.

Only if we have this information can we reach our objective of an adequate water-development program for Texas—a State that, I regret to say, is years behind in dealing with its water problems.

Mr. President, some commentators—and I can only call them shortsighted—have said sneeringly of this bill that it has something for everybody. So it does. That is the basic reason why it is sound legislation.

This is a bill for the people of the United States. It is a measure based on a hard look into the future to see what the needs of our people for water will be.

Congress has a responsibility to foresee those needs and to take action to meet them.

In passing this bill, Congress will show that it is determined to assume fully the responsibility it has for proper development of our water resources.

I support the bill wholeheartedly and without any reservation.

The PRESIDING OFFICER. The question is on agreeing to the conference report on House bill 8090.

The report was agreed to.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives, announcing its action on certain amendments of the Senate to House bill 8090, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
August 13, 1957.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 4, 5, 6, 7, 16, and 23 to the bill (H. R. 8090), making appropriations for civil functions administered by the Department of the Army and certain agencies of the Department of the Interior, for the fiscal year ending June 30, 1958, and for other purposes, and concur therein:

That the House recede from its disagreement to the amendment numbered 24 to said bill and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert:

"After August 31, 1957 the position of Administrator of the Southeastern Power Administration shall be in grade GS-18 of the Classification Act of 1949, as amended, but without regard to the numerical limitation contained in section 505 of said act; the salary of the Administrator of the Southwestern Power Administration shall be the same as the salary of the Administrator of the Bonneville Power Administration, so long as held by the present incumbent; and the salary of the Administrative Assistant Secretary of the Department of the Interior shall be the same as the Solicitor of the Department of the Interior."

That the House insist upon its disagreement to the amendment of the Senate numbered 3.

Mr. ELLENDER. Mr. President, I move that the Senate recede from its amendment No. 3. That is the one pertaining to Bruces Eddy.

The motion was agreed to.

Mr. ELLENDER. I move that the Senate concur in the amendment of the House to the amendment of the Senate numbered 24.

The motion was agreed to.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

Mr. MANSFIELD. Mr. President, in accordance with the agreement previously entered into——

Mr. KNOWLAND. Mr. President, will the Senator withhold his statement?

Mr. MANSFIELD. Yes, indeed.

Mr. KNOWLAND. I understand, I will say to the acting majority leader, that the Senate is now in executive session, and that the first nomination to be considered is the first one which appears on the list on the calendar, namely, the nomination of Jerome K. Kuykendall, to be a member of the Federal Power Commission.

Mr. MANSFIELD. The minority leader is correct.

Mr. KNOWLAND. And that is to be followed by the nomination of Don Paarlberg to be Assistant Secretary of Agriculture, and also a member of the Board of Directors of the Commodity Credit Corporation.

Mr. MANSFIELD. The Senator is correct.

Mr. KNOWLAND. Also, for the record, I understand that under the order previously entered, the Senate will convene at 11 o'clock a. m. tomorrow.

Mr. MANSFIELD. The Senator is correct.

Mr. KNOWLAND. There will be a morning hour, and at 12 o'clock there will be memorial services for the late Senator McCarthy, of Wisconsin, following which the Senate will resume the consideration of executive business, for consideration of nominations on the Executive Calendar.

Mr. MANSFIELD. That is my understanding.

Mr. KNOWLAND. I thank the Senator from Montana.

ADJOURNMENT TO 11 A. M. TOMORROW

Mr. MANSFIELD. Mr. President, in accordance with the order previously entered, I move that the Senate now stand in adjournment until 11 o'clock a. m. tomorrow.

The motion was agreed to; and (at 8 o'clock and 39 minutes p. m.) the Senate in executive session adjourned, the adjournment being, under the order previously entered, until tomorrow, Wednesday, August 14, 1957, at 11 o'clock a. m.

HOUSE OF REPRESENTATIVES

TUESDAY, AUGUST 13, 1957

The House met at 12 o'clock noon.

The Reverend George A. Chauncey, pastor, First Presbyterian Church, Monticello, Ark., offered the following prayer:

Almighty God, who hast made of one blood all the nations of the earth, we come to Thee as representatives of one of Thy nations, expressing our thanks, confessing our sins, and seeking Thy grace.

We are grateful because in Thy love Thou hast laid upon us responsibilities that demand our most thoughtful deliberations, our most courageous decisions, and our most effective action. Thou hast called us to be Thy faithful servants.

We are penitent because in our sin we have often proved irresponsible: our deliberations have been thoughtless, our decisions timid, and our actions ineffective. We have not always responded to Thy call.

We pray for Thy grace because only in Thy light do we see truth, only in Thy power do we find courage, and only in Thy love do we act responsibly. Fill us with Thy spirit, that we may become what Thou hast called us to be and do what Thou wouldst have us do; through Jesus Christ our Lord. Amen.

The Journal of the proceedings of Friday, August 9, 1957, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McBride, one of its clerks, announced that the Senate had passed without amendment bills and joint resolutions of the House of the following titles:

H. R. 1473. An act for the relief of Richardson Corp.;

H. R. 1861. An act for the relief of George W. Arnold;

H. R. 2264. An act for the relief of Donald F. Thompson;

H. R. 2460. An act to improve the career opportunities of nurses and medical specialists of the Army, Navy, and Air Force;

H. R. 2674. An act for the relief of Morris B. Wallach;

H. R. 2740. An act for the relief of Mrs. Harriet Sakayo Hamamoto Dewa;

H. R. 2928. An act for the relief of Harry and Sadie Woonteiler;

H. R. 2937. An act for the relief of Clarence L. Harris;

H. R. 2985. An act for the relief of Alton B. York;

H. R. 3473. An act to authorize and direct the Secretary of the Interior to sell certain public lands in the State of California;

H. R. 3723. An act for the relief of Maj. Gen. Julius Klein;

H. R. 4520. An act to amend section 401 (e) of the Civil Aeronautics Act of 1938 in order to authorize permanent certification for certain air carriers operating between the United States and Alaska;

H. R. 4830. An act to authorize revision of the tribal roll of the Eastern Band of Cherokee Indians, North Carolina, and for other purposes;

H. R. 5492. An act to amend the act of August 31, 1954 (68 Stat. 1044) to extend the time during which the Secretary of the Interior may enter into amendatory repayment contracts under the Federal reclamation laws, and for other purposes;

H. R. 5679. An act to authorize amendment of the irrigation repayment contract of December 28, 1950, between the United States and the Mirage Flats Irrigation District, Nebraska;

H. R. 6517. An act to provide for the retirement of officers and members of the Metropolitan Police force, the Fire Department of the District of Columbia, the United States Park Police force, the White House Police force, and of certain officers and members of the United States Secret Service, and for other purposes;

H. R. 6527. An act for the relief of Horace Collier;

H. R. 7540. An act to amend Public Law 815, 81st Congress, relating to school construction in federally affected areas, to make its provisions applicable to Wake Island;

H. R. 8643. An act to authorize the construction of certain works of improvement in the Niagara River for power, and for other purposes;

H. J. Res. 275. Joint resolution transferring to the Commonwealth of Puerto Rico certain archives and records in possession of the National Archives; and

H. J. Res. 426. Joint resolution amending a joint resolution making temporary appropriations for the fiscal year 1958, and for other purposes.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills and a joint resolution of the House of the following titles:

H. R. 52. An act to provide increases in service-connected disability compensation and to increase dependency allowances;

H. R. 232. An act to amend the Internal Revenue Code of 1954 with respect to the readjustment of tax in the case of certain amounts received for breach of contract;

H. R. 1058. An act to preserve the Key deer and other wildlife resources in the Florida Keys by the establishment of a National Key Deer Refuge in the State of Florida;

H. R. 1937. An act to authorize the construction, maintenance, and operation by the Armory Board of the District of Columbia of a stadium in the District of Columbia, and for other purposes;

H. R. 5168. An act for the relief of William Henry Diment, Mrs. Mary Ellen Diment, and Mrs. Gladys Everingham;

H. R. 6508. An act to modify the Code of Law for the District of Columbia to provide for a uniform succession in real and personal property in case of intestacy, to abolish dower and curtsey, and to grant unto a surviving spouse a statutory share in the other's real estate at time of death, and for other purposes;

H. R. 8240. An act to authorize certain construction at military installations, and for other purposes;

H. R. 8992. An act to provide for the appointment of representatives of the United States in the organs of the International Atomic Energy Agency, and to make other provisions with respect to the participation of the United States in that Agency, and for other purposes; and

H. J. Res. 339. Joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 319. An act to provide for the conveyance to the State of Maine of certain lands located in such State;

S. 527. An act for the relief of Achille Aquino Fu' Giovanni;

S. 807. An act for the relief of Jackson School Township, Ind.;

S. 821. An act to amend the Civil Service Retirement Act with respect to annuities of Panama Canal ship pilots;

S. 1031. An act to authorize the Secretary of the Interior to construct, operate, and maintain four units of the Greater Wenatchee project, Wash., and for other purposes;

S. 1086. An act granting the consent and approval of Congress to a Bear River compact, and for related purposes;

S. 1110. An act for the relief of Sono Hoshi;

S. 1113. An act to provide for the conveyance of certain lands of the United States to the city of Gloucester, Mass.;

S. 1118. An act to affiliate the administration and development of the Whitman National Monument, in the State of Washington, by authorizing the acquisition of additional land for the monument, and for other purposes;

S. 1284. An act for the relief of Josef Salamon;

S. 1456. An act for the relief of Refugio Guerrero-Monje;

S. 1467. An act for the relief of Itsumi Kasahara;

S. 1649. An act for the relief of Irene Moskovits;

S. 1660. An act for the relief of Karin Tittel Taylor;

S. 1867. An act for the relief of Hiroko Miyazaki;

S. 1869. An act to amend the Tennessee Valley Authority Act of 1933, as amended, and for other purposes;

S. 1903. An act to amend section 7 of the Administrative Expenses Act of 1946, as amended, relating to travel expenses of civilian officers and employees assigned to duty posts outside the continental United States;

S. 1929. An act for the relief of Stephen James Meier;

S. 1930. An act for the relief of Todd Gene Biedermann;

S. 1931. An act for the relief of Jon Frederick Cordes;

S. 1993. An act for the relief of Inge Gertraud Pursel;

S. 1996. An act to approve the contract negotiated with the Casper-Alcova Irrigation District, to authorize its execution, to provide that the excess-land provisions of the Federal reclamation laws shall not apply to the lands of the Kendrick project, Wyoming, and for other purposes;

S. 2018. An act for the relief of Erika Haberl Sain;

S. 2040. An act for the relief of Ramon Notario Boytell;

S. 2111. An act for the relief of Yuko Shiba;

S. 2120. An act to authorize the Secretary of the Interior to construct, rehabilitate, operate, and maintain the lower Rio Grande rehabilitation project, Texas, Mercedes division;

S. 2229. A act to provide for Government guaranty of private loans to certain air carriers for purchase of modern aircraft and equipment, to foster the development and use of modern transport aircraft by such carriers, and for other purposes;

S. 2431. An act granting the consent of Congress to the Klamath River Basin compact between the States of California and Oregon, and for related purposes; and

S. 2498. An act for the relief of Matthew M. Epstein.

HUGH BROWN, SR., OUTSTANDING ALABAMA LABOR LEADER, HONORED ON RETIREMENT

Mr. HUDDLESTON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. HUDDLESTON. Mr. Speaker, one of Alabama's most energetic and widely known labor leaders, Mr. Hugh Brown, Sr., of Birmingham, has just retired after serving the labor movement for 40 years. He began his active leadership during World War I as a grievance committee chairman and diligently served labor's cause as he advanced from assignment to assignment.

For 4 years, he served as secretary-treasurer of the Alabama Federation of Labor. At the time of his retirement in June, he was business manager of Local 136 of the International Brotherhood of Electrical Workers in Birmingham. All told, he compiled an outstanding record in labor leadership.

Mr. Brown's worthwhile activities were not confined to the labor movement. He made numerous significant contributions to the civic life of our community. He was instrumental in securing a nonpolitical civil service system for municipal and county employees in Jefferson County. For a time, he served on the civil service personnel board, which presently supervises all the employees.

Mr. Speaker, there is no doubt but that Mr. Brown's untiring service greatly aided the progress of the labor movement in Alabama as well as the welfare of all workers. His sound leadership abilities materially benefited the labor movement at a time when organized labor was just getting started in Alabama.

In 1918, Mr. Brown was employed by the Southern Railway shops in Birmingham and was elected chairman of the shop committee for the electrical workers. In this capacity, he helped in the settling of all grievances until 1925, when he transferred to the construction trades.

In Local 136 of the International Brotherhood of Electrical Workers, he served on the executive board, as convention delegate and as president. During the 1940's, he worked on the international staff except for a 2-year term as business manager. After he was secretary-treasurer of the Alabama Federation of Labor from 1947 to 1951, he was elected to three additional terms as business manager.

Following his retirement at the end of June, his many friends remembered his interest in fishing and presented him with an outboard motor, boat, and trailer. Even though retired, Mr. Brown will still be available to counsel others in the labor field. If he teaches them his secrets, the labor movement need have no qualms about the future.

As a former governor of Alabama, the late Bibb Graves, said: "Hugh Brown is a very trustworthy and diligent worker, with an abundance of intelligence—he is helpful to the cause of human welfare—I am glad that Alabama has such a good labor man."

On the occasion of Mr. Brown's retirement, it is a privilege and a pleasure for me to add my voice to those of his thousands of friends in paying tribute to his outstanding qualities of labor leadership and integrity.

MANPOWER SAVINGS IN THE FEDERAL GOVERNMENT

Mr. DAVIS of Georgia. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. DAVIS of Georgia. Mr. Speaker, The Air Force has announced that it is taking steps to cut back its payroll for civilian personnel by approximately 5 percent and to cut back on employment by defense contractors.

The Subcommittee on Manpower Utilization has long been convinced that essential governmental services can be performed with at least 10 percent less employees. We have pointed out that this can be done by designating nonessential positions and eliminating them by transfer or when they become vacated, making functional surveys to eliminate overlap and duplication of functions and, in general, by improving management.

Our hearings have demonstrated that the programs we have suggested can generate manpower savings of at least 10 percent. But the manpower reports to our subcommittee show that the savings have been gobbled up by other activities; activities that the departments had gotten along without until the savings became available. If this practice were stopped by the Secretary of Defense the 5 percent reduction could be made without curtailing the defense effort. This also applies to all the departments and agencies of Government.

It is hoped that the same general procedures will be followed in reducing employment by defense contractors. This cutback should help lessen the inflated demand for scientists and engineers that has been plaguing the Government and industry for some time. I am sure if the Department of Defense and private industry will eliminate duplication of effort and nonessential activities, such as have been reported by the General Accounting Office, this portion of the defense effort can also be maintained through good manpower utilization.

VIEWS OF DAUGHTERS OF THE AMERICAN REVOLUTION ON IMMIGRATION

Mr. JENKINS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include a short article.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. JENKINS. Mr. Speaker, the Daughters of the American Revolution have always taken an active interest in all kinds of immigration. In the first few years of my service here in the House of Representatives I took a very special interest in matters of immigration, and was the author of some very important legislation. I still feel that we should not throw our gates open to all the undesirables of the world, but that we should enforce our immigration laws and admit only those who will cooperate with the American way of life. In other words, we should prevent the influx of undesirables, and we should expel those who have proven themselves to be undesirable.

The following is an article that appeared recently in one of the newspapers of our district, and which expresses the views of the Daughters of the American Revolution:

DAR TAKES STAND ON IMMIGRATION

Of special significance to all members of the Elizabeth Zane Dew Chapter as well as to every citizen is the following letter, a copy of which has been sent to every chapter in the United States, from the National Society, Daughters of the American Revolution, from the chairman of the national defense committee, Mrs. Ray L. Erb:

"DEAR MEMBER: Terrific pressure is being brought upon the Members of Congress, and especially Congressman FRANCIS E. WALTER, to liberalize the present immigration law—McCarran-Walter act. The pressure is steadily increasing. Without question it is the obligation of the members of our society to actively support the following resolution which was adopted by the 66th Continental Congress in April 1957:

"'IMMIGRATION AND NATIONALITY ACT—M'CARRAN-WALTER ACT

"'Whereas, The House Committee on Un-American Activities has recently revealed that the Communist conspiracy in the United States has created over 180 organizations for the purpose of bringing pressure on the Congress to weaken the McCarran-Walter Act; and

"'Whereas in addition to these Communist-controlled organizations, certain politicians are seeking to solicit the so-called vote of nationality groups by sponsoring amendments to the Immigration and Nationality Act which would open the floodgates, undermine the national origins quota system, and remove the principal security safeguards of that act, and it is imperative that the voices of individuals and patriotic organizations at the crossroads of America be heard emphatically on this issue in the Halls of Congress.

"'*Resolved*, That the National Society, Daughters of the American Revolution, reaffirm its confidence in and support of the McCarran-Walter Immigration and Nationality Act, and urge that this legislation be preserved intact.'"

GOVERNMENT BY MEN

Mr. PELLY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. PELLY. Mr. Speaker, as to the House accepting the civil-rights bill in its present form with the jury-trial amendment as added in the other body, let me quote a great authority—none other than the chairman of the House Judiciary Committee himself. This is what the distinguished gentleman from New York [Mr. CELLER] said, as Members will recall, during the House debate when the jury-trial amendment was rejected. These are the gentleman's own words:

But trial by jury is not provided by the Constitution for contempt of court. All this oratory about the noble right of trial by jury is irrelevant.

Then, quoting again, the gentleman from New York [Mr. CELLER] said:

The ends of justice will not be served, if, in an effort to insure a jury trial for those who flouted a court order, both the authority

of the courts and the right to vote are destroyed.

Mr. Speaker, I have heard the gentleman from New York [Mr. CELLER] in the past in this very Chamber draw on Emerson, saying "Consistency is the hobgoblin of little minds." If the gentleman from New York [Mr. CELLER] says now the civil-rights bill should be accepted in its present form, without a struggle to strengthen it, I can only express admiration, in line with Emerson's words, of the distinguished gentleman for the size of his mind.

As for me, Mr. Speaker, when it comes to protection of the right to vote and the principles of the issue as I see them, I urge a patient attempt by this House to reconcile the differences between itself and the Senate.

This Senate version would fail to protect the right of the southern Negroes to vote and therefore I oppose it. Also as I see it, a jury interposed between a court and the enforcement of an injunction is government of men rather than government of law. With either of these two issues in America there should be no compromise.

THE LATE HAMILTON C. JONES

The SPEAKER. The Chair recognizes the gentleman from North Carolina [Mr. JONAS].

Mr. JONAS. Mr. Speaker, it falls to my sad lot to announce the death last Saturday afternoon of former Representative Hamilton C. Jones who served in the 80th, 81st, and 82d Congresses as the Representative of the 10th Congressional District of North Carolina.

He is survived by his wife, the former Miss Bessie Erwin; by two children, William Erwin Jones, of Charlotte, and Alice Jones Noble, of Hartford, Conn.; by two sisters, Mrs. Lewis Burwell and Mrs. Francis Bruguiere, of Charlotte; and by five grandchildren.

While in Congress, Mr. Jones served with fidelity and ability as a member of the Committee on Veterans' Affairs.

He was a genial and friendly person and was highly regarded by his colleagues.

Hamilton C. Jones was descended from a line of distinguished North Carolinians. In his own career he continued in the pattern set by his forebears. Throughout adult life he was very active in the political, religious, and civic activities of his home city of Charlotte and of North Carolina.

He followed in the footsteps of his lawyer father and for many years was a leading member of the Charlotte bar. He served as president of the Mecklenburg County and North Carolina Bar Associations. For many years he was a member of the American Bar Association.

Mr. Jones served as judge of the Charlotte recorder's court from 1913 until 1919 and was active in helping draft and in securing passage of the necessary legislation establishing a juvenile court in that city and served as judge of the first such court to operate in our State. Later he served as assistant United States attorney for the western district of North Carolina.

Mr. Jones' record in public service was as outstanding as his professional career. In addition to serving three terms in Congress, he served a term in the North Carolina State Senate, and for many years was active in promoting the interests and fortunes of the Democratic Party in Mecklenburg County and in the 10th Congressional District of North Carolina.

As is frequently the case with men who are active in professional and political life, Hamilton C. Jones always found some extra time to devote to civic affairs. For many years he was a member of the Charlotte Rotary Club and once served as president for that fine organization. He was a member of the Charlotte Masonic Club, the Charlotte Country Club, the Charlotte Executives Club, and the Charlotte Elks Club. He was a former president of the Family Service Association, former chairman and member of the executive committee of the Thompson Orphanage and Training School; was active in the movement which culminated in the construction of the Charlotte Memorial Hospital and served as member of the board and vice chairman of the Charlotte Memorial Hospital Authority. He was a member of the vestry and senior warden of St. Peter's Episcopal Church of Charlotte.

Mr. Jones was graduated from the University of North Carolina with a bachelor of arts degree in 1906 and later served as a member of the board of trustees of that institution. Following his graduation from the university, he continued his education at Columbia University from which institution he received a master's degree in 1907.

He was born in Charlotte on September 28, 1884, and departed this life on August 10, 1957, in the city where he was born and lived out his distinguished career.

Mr. Jones and I were personal friends for many years. I first made his acquaintance when we were practicing law together in the courts of North Carolina. We were both active in the affairs of the North Carolina Bar Association. We belonged to different political parties but that fact did not interfere with our friendship. In 1952 we engaged in a contest for the seat in Congress which he held for 6 years and in which he rendered outstanding service to the people of our district, and in which I now have the honor of serving. Although the campaign of 1952 was heated, I am happy to say that nothing happened during that contest to mar our personal friendship. It was not in Hamilton Jones' makeup to hold grudges or to be vindictive. Although it might have been natural for him to have displayed some resentment toward the one who succeeded him, Hamilton Jones was above that sort of thing. Immediately following the election in 1952, we exchanged telegrams of regards and good wishes.

Our paths have crossed frequently since 1952 and he has called on me several times when business has brought him to Washington.

Hamilton C. Jones was a patriot and interested in the welfare of his district, State and Nation. He served long and faithfully in the public interest and will be remembered for the high quality of that service.

My profound sympathy is extended to his widow and children in this hour of their sorrow.

Mr. Speaker, I ask unanimous consent that all Members who desire to do so may extend their remarks at this point in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SHUFORD. Mr. Speaker, it was with profound sorrow that I learned of the death of the Honorable Hamilton C. Jones, a former Member of this body. Mr. Jones' life was dedicated to public service and he gave unstintedly of his time and energy to the development and advancement of his native State of North Carolina. He served two terms in the State senate. He also served as assistant United States district attorney and judge of the Mecklenburg County recorders court prior to his election to the United States Congress. While a Member of the Congress he interested himself particularly in veterans' affairs, and he contributed much to the advancement of the veterans' program.

Mr. Jones was a Christian gentleman of the old school, a loyal friend with a tremendous understanding of his fellow man, it was his delight to be of service to him. North Carolina and the Nation will greatly miss Mr. Jones in the years to come.

I extend my very deep sympathy to the members of his family.

Mr. RAYBURN. Mr. Speaker, in the passing of Hamilton Jones our country has lost a patriot and a good citizen. He was not only a patriot and good citizen, he was a good man. I extend to his wife and other loved ones my deepest sympathy.

Mr. McMILLAN. Mr. Speaker, Members of the House, I was shocked to learn of the untimely passing of my good friend, Hamilton Jones, a former distinguished Member of Congress from the State of North Carolina.

I always felt very close to the late Congressman Jones as we had a number of similar problems confronting us during the time he was a Member of Congress and I found him to always be very cooperative.

Mr. Jones enjoyed the respect of every Member of the House during the time he served in this great body and we all remember him very pleasantly. I have never heard Mr. Jones make one derogatory statement about any person during the number of years I was associated with him here in the House. He always spoke highly of his political opponents and his business associates in North Carolina.

My deepest sympathy goes out to Mrs. Jones and the other members of his lovely family. Mr. Jones was devoted to his family and their welfare took precedence over his legislative and public affairs.

I could not permit this opportunity to pass without expressing my deepest sympathy to Mr. Jones' lovely wife and children and to say that knowing my good friend, the late Congressman Jones, was one of the finest privileges I have had

during my term of service in the House of Representatives.

Mr. WHITENER. Mr. Speaker, the State of North Carolina has lost one of her most outstanding sons in the passing of Hamilton C. Jones. Those of us who knew him through the years today have a peculiar and deeply personal sense of sadness.

Ham Jones was a public-spirited citizen in every respect. He was a skilled lawyer, a devoted churchman, a successful businessman, and an outstanding public servant in many positions in government on the local, State, and national level.

But most of all, I think that our departed friend stood out as a devoted father to his children and attentive husband to his lovely wife.

Ham Jones had another great love. It was the Congress of the United States. I know of no person who has served in this body who appreciated his role as a Member of Congress more than did he. He was ever at the forefront in proclaiming the value of a democratic form of government, and particularly did he proclaim the importance of the role of the Congress in furthering our form of government. On many occasions he has expressed his affection for the many men with whom he served during his tenure as a Representative of the 10th Congressional District of North Carolina. I am sure that many of you who knew him as a fellow Congressman have also been the beneficiaries of these manifestations by our late friend.

My association with Ham Jones was always most pleasant. He has been my close personal friend since 1941. While he did not reside in my Congressional district, it was my privilege to serve as a public official in his native county of Mecklenburg for several years. During that time he was always most thoughtful and cooperative in matters in which we had a mutual public or private interest. I shall miss him very much. Even though his passing is a part of the cycle of all human beings, those of us who enjoyed his friendship, nonetheless, find that our hearts are heavy upon the occasion of his passing.

To Mrs. Jones and the other members of his family I extend my deepest sympathy in this hour of great loss. It is my prayer that our Heavenly Father will comfort and console them in this period of deep grief which they are now experiencing.

Mr. DORN of South Carolina. Mr. Speaker, Hamilton C. Jones, was my warm personal friend. I enjoyed my years of association here with him in the Congress. Ham Jones had a heart of gold. He was loyal and faithful to his family and to his friends. He was always loyal to the Democratic Party through times of prosperity and through adversity. Above all, Ham Jones was a patriotic American, placing the welfare of his countrymen above any personal or party consideration.

I was saddened to learn of his passing and extend my deepest sympathy to his wife and lovely family. "They pass on, but their good works do follow them."

Mr. DURHAM. Mr. Speaker, I knew and loved Hamilton Jones from his early college days at the University of North Carolina. I recall his love for baseball. While he was playing on the varsity team of the university, he met his lovely wife, Miss Bessie Erwin, whose father was one of the most respected textile manufacturers in that section of the State.

Not only did I love Hamilton Jones—I deeply respected him, because he was an American in every thought and act. His family was also deeply rooted in their love for North Carolina and for America.

He had one burning desire—to serve in the Congress. That opportunity was in due course given to him, and he served here with distinction to the State and to the country. Most of his colleagues here in Congress, who are present here today, will recall that we all addressed him affectionately as "Ham." He was a dignified gentleman of the old southern school.

Our deceased colleague was true to every instinct of liberty, true to the whole trust that reposed in him by the people he served in the 10th North Carolina Congressional District, in which is located the city of Charlotte, our largest metropolitan center, and the County of Mecklenburg, which today can claim the distinction of having issued the first declaration of independence, adopted at Charlotte on May 20, 1775.

As a man, Hamilton Jones commanded not only the respect but also the love of this body. It was the purity and the loyalty and the sympathy of his nature that attracted so many people to him. We all here felt the sweetness of his character, the broadness of his sympathy, and the depth of his faith, and today we mourn the passing of these fine qualities as exemplified in Ham's life, which are so sorely needed in our world today.

Mrs. ROGERS of Massachusetts. Mr. Speaker will the gentleman yield?

Mr. WHITENER. I yield.

Mrs. ROGERS of Massachusetts. I would like to say how extremely I regret the passing of the late Hamilton Jones, and to express my great appreciation for the work he did while he was a Member of Congress. It was a great pleasure to serve in the Congress of the United States with him. I was chairman of the Committee on Veterans' Affairs when he was a Member, and I shall never forget his valuable help. There was no politics in what he did. He was loyal, fine, and a very great man.

Please extend to his lovely wife and family my deepest sympathy. I mourn with them and with his great State of North Carolina the loss of this splendid patriot. The memory of his splendid deeds will live on and be an inspiration not only to the North Carolinians but to the Nation.

Mr. WHITENER. I thank the gentlewoman from Massachusetts. I may say that on many occasions he has expressed to me appreciation of the many courtesies shown him by the gentlewoman from Massachusetts.

Mr. WILLIAMS of Mississippi. Mr. Speaker, I join with my colleagues in expressing sorrow over the passing of Hamilton C. Jones. Ham Jones and I began our service here together, in the 80th Congress. Through our association here, we became close friends, and I feel a great personal loss in his passing.

Ham Jones was a man of integrity and ability, and one who possessed great personal charm. He was an able representative of his district, and was held in great esteem and respect in this body. He will be long remembered by all of us who served with him here.

My deepest and most heartfelt sympathies are with his family and loved ones in their bereavement.

THE LATE HERMAN PAUL KOPPLEMANN

The SPEAKER. The Chair recognizes the gentleman from Connecticut [Mr. MAY].

Mr. MAY. Mr. Speaker, I ask unanimous consent that all Members who care to do so may extend their remarks following my remarks on the life and character and public work of the late Herman Kopplemann.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MAY. Mr. Speaker, on Sunday afternoon, the 11th of August 1957, former First District of Connecticut Representative Herman Paul Kopplemann died unexpectedly at his home in Hartford, Conn.

I am sure that all of the Members of the House of Representatives will join with me in mourning the passing of this honored and dedicated man who contributed so much to this distinguished body. Many years of his life were unselfishly given in service to the people of his community, the State of Connecticut and the Nation. I should like to recall for a moment some of the high points of a career of service that will command a prominent place in the memories of the people whom he served so faithfully.

He was born in Odessa, Russia, on May 1, 1880, and came to Hartford in 1882. He grew up and was educated in Hartford public schools. He married Adeline Augusta Greenstein, of Hartford.

Herman Kopplemann began his distinguished career in government as a member of the City Council of Hartford, to which he was elected in 1904, and served as president in 1911. He served also as a member of the House of Representatives in the State of Connecticut and later as a State senator.

He was elected to the 73d, 74th, and 75th Congresses, where he served as a member of the Banking and Currency Committee. Later, he was elected to the 77th and 79th Congresses, wherein he served on the Appropriations Committee.

His contributions as a legislator were most noteworthy. He was prominent in the introduction of legislation dealing with the dairy industry, small business, and tobacco. Many residents of Connecticut will remember the Walsh-Kopplemann Flood Rehabilitation Act.

His service to the people of his community did not end with the performance of his duties in these distinguished bodies which I have just named. Many

will remember him even more for his many contributions of time and effort to numerous projects dedicated to the betterment of his fellow man.

Herman Kopplemann served faithfully and with great distinction. We shall all miss him greatly. My profound sympathies are extended to Mr. Kopplemann's family.

Mr. SADLAK. Mr. Speaker, will the gentleman yield?

Mr. MAY. I yield.

Mr. SADLAK. Mr. Speaker, I would like to associate myself with the gentleman's remarks and those of our colleagues on the life, character, and public service of our former distinguished colleague, Herman Kopplemann. I knew him well when he was in the House through my activity as secretary to Congressman Monkiewicz, of Connecticut.

I am sure that those of us who have had somewhat longer service than the gentleman from Connecticut [Mr. MAY] will remember the races between Congressman Kopplemann and Congressman Miller. One term the seat would be filled by Mr. Kopplemann and the next by Mr. Miller, if President Franklin Roosevelt was not running. These Congressional seat contests are legend. They were two great types and each of them made a specific contribution to the Congress and the country; but in this instance we are considering Congressman Kopplemann and the fine service he rendered to the Nation, while a Member of five Congresses and his civic and philanthropic enterprise throughout his life.

I join with other of our colleagues and Mr. Kopplemann's friends in expressing sympathy particularly to his brothers, Marcus and Abe whom I have known well, to his sister, and to Mrs. Kopplemann.

Mr. MORANO. Mr. Speaker, will the gentleman yield?

Mr. MAY. I yield.

Mr. MORANO. I wish to join with the distinguished gentleman from Connecticut in tribute to the late Herman Kopplemann. He was a great public servant. He most ably represented his Hartford County constituents which is the great First District of Connecticut. Congressman Kopplemann never lost his interest in the public weal. After his retirement from Congress he continued to devote his time and energies to the great problems of his State and the Nation.

I want to express my profound sympathy to his widow and the other members of his family.

Mr. MAY. I thank the gentleman from Connecticut.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. MAY. I yield.

Mr. CELLER. Mr. Speaker, I want to join in the fine sentiments expressed of our late lamented colleague, Herman Kopplemann.

I remember most clearly how he sponsored and fought for humanitarian legislation, his work on the Widows' Aid and Children's Dependent Act. He served his district well through the enactment of the Flood Rehabilitation Act which bears his name. He worked hard and long for the benefit of his district, helping the small-business man in the dairy and tobacco industries. Withal, he was a good companion, full of cheer and high spirits, friendly to all.

The country has lost a patriot and we have lost a friend.

Mr. MAY. I thank the gentleman from New York.

Mr. CRETELLA. Mr. Speaker, will the gentleman yield?

Mr. MAY. I yield.

Mr. CRETELLA. I wish to join with my colleagues from Connecticut in expressing my sympathy and that of the House to the family of Herman Kopplemann. I knew him not too intimately, but I have had occasion to know of his qualities and devotion to duty. He was interested and devoted to public service, and served both his State and country well. His passing was indeed a shock and I extend my deep sympathy to his family.

Mr. SEELY-BROWN. Mr. Speaker, will the gentleman yield?

Mr. MAY. I yield.

Mr. SEELY-BROWN. Mr. Speaker, the death of former Congressman Herman P. Kopplemann came as a shock to all of his many friends. His fine qualities were well known and recognized not only by his constituents whom he served so well but also by his colleagues in the Congress of the United States. I extend my deepest sympathy to the members of his family in this hour of sadness.

Mr. RAYBURN. Mr. Speaker, in the passing of Herman Kopplemann his community, his State, and the country he loved so well have lost a real serviceable citizen. He was my friend and I shall miss him greatly. To his wife and other loved ones I express my deepest sympathy.

CIVIL RIGHTS ACT OF 1957

Mr. KEATING. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. KEATING. Specifically with regard to the bill H. R. 6127, which is now on the Speaker's desk, I wish the Speaker would advise whether a unanimous consent request is necessary from some Member to dispose of it in some manner as a preliminary to its being sent to the Committee on Rules?

The SPEAKER. It requires unanimous consent to take it up for consideration, send it to conference, or to agree to the amendments of the Senate.

Mr. KEATING. Mr. Speaker, I ask unanimous consent to take the bill H. R. 6127, to provide means of further securing and protecting the civil rights of persons within the jurisdiction of the United States, from the Speaker's desk, with Senate amendments thereto, disagree to the amendments of the Senate and ask for a conference.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. WALTER objected.

Mr. CELLER. Mr. Speaker, I ask unanimous consent that the House recede and concur in the Senate amendments to the bill (H. R. 6127) to provide means of further securing and protecting the civil rights of persons within the jurisdiction of the United States.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. CELLER].

Mr. KEATING. Mr. Speaker, I object.

Mr. Speaker, I have a further parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. KEATING. Would the Speaker recognize me to move to send the bill to the Rules Committee?

The SPEAKER. The Chair would not. It is not necessary to do that.

Mr. KEATING. Mr. Speaker, a further parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. KEATING. Would the Speaker advise what action is necessary now in order to get the bill to the Committee on Rules?

The SPEAKER. Anyone can make the request of the chairman of the Committee on Rules to call a meeting of the committee to consider the whole matter.

Mr. KEATING. Mr. Speaker, a further parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. KEATING. Mr. Speaker, if that were done, would the bill which is now on the Speaker's desk be before the Rules Committee?

The SPEAKER. It would not be before the Committee on Rules. The Committee on Rules could consider the matter of what procedure to recommend to the House for the disposition of this whole matter.

AUTHORIZING CERTAIN CONSTRUCTION AT MILITARY INSTALLATIONS

Mr. VINSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 8240) to authorize certain construction at military installations, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and request a conference with the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

Mr. ARENDS. Mr. Speaker, reserving the right to object, what was the request of the gentleman?

Mr. VINSON. To send the military installations construction bill to conference. I spoke to the minority leader [Mr. MARTIN] about that this morning.

The SPEAKER. Is there objection to the request of the gentleman from Georgia? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. VINSON, BROOKS of Louisiana, KILDAY, DURHAM, RIVERS, ARENDS, COLE, GAVIN, and NORBLAD.

STADIUM IN THE DISTRICT OF COLUMBIA

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent to take from the

Speaker's table the bill (H. R. 1937) to authorize the construction, maintenance, and operation by the Armory Board of the District of Columbia of a stadium in the District of Columbia, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments and request a conference with the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the requestion of the gentleman from South Carolina? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. McMILLAN, HARRIS, TEAGUE of Texas, SIMPSON of Illinois, and O'HARA of Minnesota.

DISTRICT OF COLUMBIA AUDITORIUM COMMISSION

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 4813) to extend the life of the District of Columbia Auditorium Commission, and for other purposes, with Senate amendments thereto, further insist upon its disagreement to the Senate amendments and request a further conference with the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. MORRISON, MULTER, GRANAHAN, KEARNS, and BROYHILL.

AMENDING TITLE III OF THE SERVICEMEN'S AND VETERANS' SURVIVOR BENEFITS ACT

Mr. TEAGUE of Texas. Mr. Speaker, I ask unanimous consent that the bill (H. R. 9117) to amend title III of the Servicemen's and Veterans' Survivor Benefits Act to provide for payment of the death gratuity in certain cases involving deaths after June 27, 1950, and before January 1, 1957, which was referred to the Committee on Veterans' Affairs be rereferred to the Committee on Armed Services.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

INCREASES IN SERVICE-CONNECTED DISABILITY COMPENSATION AND DEPENDENCY ALLOWANCES

Mr. TEAGUE of Texas. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 52) to provide increases in service-connected disability compensation and to increase dependency allowances, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 5, strike out lines 1, 2, and 3, and insert:

"SEC. 4. Section 315 of the Veterans' Benefits Act of 1957 is amended by deleting the following figures in paragraphs (a) through (p), respectively: '$17', '$33', '$50', '$66', '$91', '$109', '$127', '$145', '$163', '$181', '$420', '$279', '$329', '$371', '$420', and '$420', and inserting in lieu thereof the figures '$19', '$36', '$55', '$73', '$100', '$120', '$140', '$160', '$179', '$225', '$450', '$309', '$359', '$401', '$450', and '$450', respectively.

"SEC. 5. Subsection 316 (a) (1) of the Veterans' Benefit Act of 1957 is amended by deleting the following figures in clauses (A) through (H), respectively: '$21', '$35', '$45.50', '$56', '$14', '$24.50', '$35', and '$17.50', and inserting in lieu thereof the figures '$23', '$39', '$50', '$62', '$15', '$27', '$39', and '$19'.

"SEC. 6. Section 335 of the Veterans' Benefits Act of 1957 is hereby amended by changing the period at the end thereof to a comma and adding the following: 'counting 50 cents and over as a whole dollar.'

"SEC. 7. Section 336 of the Veterans' Benefits Act of 1957 is hereby amended by adding at the end thereof the following sentence: 'The amounts payable hereunder shall be adjusted upward or downward to the nearest dollar, counting 50 cents and over as a whole dollar.' "

Page 5, after line 3, insert:

"SEC. 8. This act shall take effect on the first day of the second calendar month which begins after the date of its enactment, and sections 1 through 3 shall cease to begin in effect January 1, 1958."

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

VETERANS' HOUSING LOANS

Mr. TEAGUE of Texas. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 4602) to encourage new residential construction for veterans' housing in rural areas and small cities and towns by raising the maximum amount in which direct loans may be made from $10,000 to $13,500, to authorize advance financing commitments, to extend the direct-loan program for veterans, and for other purposes, with Senate amendments thereto, and concur in Senate amendments 1, 2, 3, 4, 5, and 7, and in Senate amendment No. 6 with an amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 7, line 19, strike out "1958" and insert "1959."

Page 7, line 22, strike out "date." " and insert "date."

Page 7, after line 22, insert:

"(g) (1) The Administrator shall commence the processing of any application for a loan under this section upon the receipt of such application, and shall continue such processing notwithstanding the fact that the assistance of the Voluntary Home Mortgage Credit Committee has been requested by the Administrator for the purpose of ascertaining whether or not such loan can be placed with a private lender.

"(2) If the assistance of such Committee has been requested by the Administrator in connection with any such application, and the Administrator is not notified by such Committee within (A) 20 days after such assistance has been requested, or (B) 20 days after the date of enactment of this subsection, whichever is the later, that it has been successful in enabling the applicant to place such loan with a private leader, the Administrator shall proceed forthwith to complete any part of the processing of such application remaining unfinished, and to grant or deny the application in accordance with the provisions of this section."

Page 7, line 25, strike out "1958" and insert "1959."

Page 8, line 7, strike out "1959" and insert "1960."

Page 9, after line 20, insert:

"SEC. 4. (a) Section 500 (a) of the Servicemen's Readjustment Act of 1944 (38 U. S. C. 694) is amended by striking out '11' and inserting in lieu thereof '12.'

"(b) Subsection (g) of such section is amended to read as follows:

"'(g) Notwithstanding any other provision of this title, if a loan report or an application for loan guaranty relating to a loan under this title has been received by the Administrator on or before July 25, 1959, such loan may be guaranteed or insured under the provisions of this title on or before July 25, 1960.'

"(c) Section 507 of such act (38 U. S. C. 694) is amended by striking out '11' and inserting in lieu thereof '12'."

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Senate amendments were concurred in.

The Clerk read as follows:

Senate amendment No. 6:

Page 8, strike out lines 8 to 20, inclusive, and insert:

"(c) Subsection (d) of such section 513 is amended by inserting immediately after the first sentence a new sentence as follows: 'That the Secretary of the Treasury shall also advance to the Administrator from time to time until July 25, 1959, such additional sums not in excess of $50 million as the Administrator may request.' "

Mr. TEAGUE of Texas. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. TEAGUE of Texas moves that the House recede from its disagreement to the amendment of the Senate numbered 6 and concur in the same with an amendment as follows: Strike out subsection (c) of the Senate amendment and insert in lieu thereof the following:

"(c) Subsection (d) of such section 513 is amended (1) by striking out '1957' and inserting '1959'; (2) by inserting immediately after 'so advanced' the following: 'under this sentence'; and (3) by inserting immediately after the first sentence therein the following new sentence: 'The Secretary of the Treasury shall also advance to the Administrator from time to time until July 25, 1959, such additional sums as the Administrator may request (not in excess of the difference between the amounts advanced under this subsection after June 30, 1955, and the maximum amounts which could have been advanced upon the request of the Administrator after June 30, 1955, and before the date of the request).' "

Mr. TEAGUE of Texas. Mr. Speaker, when the House passed the bill H. R. 4602 it provided $200 million to be used as a direct-loan fund. In the other body this amount was cut to $50 million. This amendment merely restores the $200 million in the bill as it passed the House.

The SPEAKER. The question is on the motion.

The motion was agreed to.

A motion to reconsider was laid on the table.

TREATY AND AGREEMENT WITH THE REPUBLIC OF PANAMA

Mr. BONNER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 6709) relating to the treaty and agreement with the Republic of Panama, with a Senate amendment thereto, disagree to the Senate amendment and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina? The Chair hears none, and appoints the following conferees: Mr. BONNER, Mrs. SULLIVAN, and Messrs. GARMATZ, TOLLEFSON, and SHEEHAN.

KEY DEER

Mr. BONNER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1058) to preserve the key deer and other wildlife resources in the Florida Keys by the establishment of a National Key Deer Refuge in the State of Florida, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, line 1, strike out "there" and insert "therein."

Page 2, line 2, strike out all after "County," down to and including "wildlife." in line 7 and insert: "Florida, as he shall find to be suitable for the conservation and management of the said key deer and other wildlife: *Provided, however,* That no land shall be acquired by condemnation on any island that is traversed at any point by United States Highway No. 1."

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. MARTIN. Mr. Speaker, reserving the right to object, will the gentleman explain what these changes are?

Mr. BONNER. I will say to the gentleman it is merely clarifying language; nothing new in it whatsoever.

Mr. MARTIN. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

VETERANS' HOUSING

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that all Members may extend their remarks on the veterans bill conference report previously agreed to.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

FOR THE RELIEF OF EDWARD J. MOSKOT

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1682) for the relief of Edward J. Moskot, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:,

Page 1, line 7, after "1954," insert "and from November 1, 1954, to November 15, 1954."

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

TOM R. HICKMAN AND NANNIE CONLEY AND HUSBAND, JACK CONLEY

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1460) for the relief of Tom R. Hickman and Nannie Conley and husband, Jack Conley, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 5, strike out "Hickman and" and insert "Hickman"; page 1, line 6, after "Conley," insert "Tina M. Hickman, Ray Conley, Mike Conley, W. B. Conley, Rebecca Conley, Louise Conley, Mary Frances Hickman, David B. Hickman, Tom R. Hickman, Jr., Ruth Conley, Willett J. Hickman, Jr., Martha Hickman, Ruth Hickman, and Rolland Hickman"; page 1, line 6, after "Texas," insert "as their interests may appear"; amend the title so as to read: "An act for the relief of Tom R. Hickman and others."

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. KEATING. Mr. Speaker, reserving the right to object, may I inquire of the gentleman from Massachusetts with respect to the bills he is now presenting to the House to which there are Senate amendments, those amendments have to do either with the elimination of the attorney's fee provision or in one instance sending the claim to the court, or other purely technical changes; is that correct?

Mr. LANE. That is right. May I say to the gentleman from New York that these are technical amendments having to do with the usual legal provision that is put on these bills.

Mr. KEATING. In no case is there any change in the amount of the award; is that correct?

Mr. LANE. That is correct.

Mr. KEATING. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

MAJ. JOHN P. RUPPERT

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1562) for the relief of Maj. John P. Ruppert, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 3, strike out "the Treasury" and insert "Defense."

Page 1, lines 4 and 5, strike out "any money in the Treasury not otherwise appropriated" and insert "funds currently available to the Department of the Army."

Page 2, line 8, strike out "in excess of 10 percent thereof."

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

MRS. LIDIE KAMMAUF

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1864) for the relief of Mrs. Lidie Kammauf, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 6, strike out "upon" and insert "under."

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

ROBERT D. MILLER

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 2045) for the relief of Robert D. Miller, of Juneau, Alaska, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, lines 1 and 2, strike out "in excess of 10 percent thereof."

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

LT. COL. EMERY A. COOK

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 2950) for the relief of Lt. Col. Emery A. Cook, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, lines 14 and 15, strike out "in excess of 10 percent thereof."

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

HOWARD S. GAY

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3281) for the relief of Howard S. Gay, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 11, strike out "in excess of 10 percent thereof."

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

OSWALD N. SMITH

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 4023) for the relief of Oswald N. Smith, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 3, strike out "in excess of 10 percent thereof."

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

THOMAS BRAINARD

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 4154) for the relief of the legal guardian of Thomas Brainard, a minor, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 2, strike out "10 percent thereof" and insert "$500."

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

MRS. EMMA HANKEL

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 5627) for the relief of Mrs. Emma Hankel, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 12, and page 2, line 1, strike out "in excess of 10 percent thereof."

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

MRS. BLANCHE HOUSER

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 2049) for the relief of Mrs. Blanche Houser, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Line 3, strike out "and" and insert "to."

Line 9, after "act" insert "as made applicable to employees of the Civil Works Administration."

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

FREDERICK REDMOND

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1672) for the relief of the legal guardian of Frederick Redmond, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert "That, notwithstanding the provisions of section 2401 (b) of title 28, United States Code, jurisdiction is hereby conferred upon the United States District Court for the Eastern District of New York to hear, determine, and render judgment on the tort claims of Frederick Redmond, an infant, and Ruth Redmond, his mother and natural guardian, of Staten Island, Richmond County, N. Y., against the United States on account of personal injuries sustained on March 16, 1945, allegedly as a result of the negligence of a driver of a United States mail truck.

"SEC. 2. Suit upon such claims may be instituted hereunder not later than 6 months after the date of enactment of this act: *Provided, however,* That nothing contained in this act shall be construed as an inference of liability on the part of the United States Government."

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

LILLIAN SCHLOSSBERG

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3440) for the relief of Lillian Schlossberg, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments as follows:

Strike out all after the enacting clause and insert "That, notwithstanding the provisions of section 2401 (b) of title 28, United States Code, jurisdiction is hereby conferred on the United States District Court for the Eastern District of New York to hear, determine, and render judgment on the tort claim of Mr. and Mrs. Allan Schlossberg, of Brooklyn, N. Y., arising out of an accident involving a United States Army vehicle on December 8, 1945, in the vicinity of Canal Street and West Broadway, New York, N. Y.

"SEC. 2. Suit upon such claim may be instituted hereunder not later than 6 months after the date of the enactment of this act: *Provided, however,* That nothing contained in this act shall be construed as an inference of liability on the part of the United States Government."

Amend the title so as to read: "An act for the relief of Mr. and Mrs. Allan Schlossberg."

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

WILLIAM V. STEPP, JR.

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 2973) for the relief of the estate of William V. Stepp, Jr., with a Senate amendment thereto, disagree to the Senate amendment, and ask for a conference with the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. LANE, FORRESTER, and BURDICK.

PUBLIC WORKS APPROPRIATION BILL, 1958

Mr. CANNON. Mr. Speaker, I call up the conference report on the bill (H. R. 8090) making appropriations for civil functions administered by the Department of the Army and certain agencies of the Department of the Interior for the fiscal year ending June 30, 1958, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. TABER. I object, Mr. Speaker.

The SPEAKER. The Clerk will read the conference report.

The Clerk read the conference report.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1049)

The committee of conference on the disagreeing votes of the two Houses on the

amendments of the Senate to the bill (H. R. 8090) making appropriations for civil functions administered by the Department of the Army and certain agencies of the Department of the Interior for the fiscal year ending June 30, 1958, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 12.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 8, 9, 10, 13, 14, 17, 18, 19, 20, 21, and 22, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$449,398,500"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$60,715,000"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$116,736,223"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 3, 4, 5, 6, 7, 16, 23, and 24.

CLARENCE CANNON,
LOUIS C. RABAUT,
MICHAEL J. KIRWAN,
JOHN E. FOGARTY,
JOHN J. RILEY,
JOE L. EVINS,
EDWARD P. BOLAND,
DON MAGNUSON,
Managers on the Part of the House.

ALLEN J. ELLENDER,
CARL HAYDEN,
JOHN L. MCCLELLAN,
WARREN G. MAGNUSON,
SPESSARD L. HOLLAND,
ROBERT S. KERR,
WILLIAM F. KNOWLAND,
LEVERETT SALTONSTALL,
MILTON R. YOUNG,
EDWARD J. THYE,
KARL E. MUNDT,
MARGARET CHASE SMITH,
HENRY C. DWORSHAK,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8090) making appropriations for the civil functions administered by the Department of the Army, and certain agencies of the Department of the Interior, for the fiscal year ending June 30, 1958, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

TITLE I—CIVIL FUNCTIONS, DEPARTMENT OF THE ARMY

Rivers and harbors and flood control

General Investigations

Amendment No. 1: Appropriates $10,779,600 as proposed by the Senate instead of $8,900,000 as proposed by the House.

Construction, general

Amendment No. 2: Appropriates $449,398,500 instead of $470,040,500 as proposed by the Senate, and $422,186,800 as proposed by the House. The conferees are in agreement that the funds appropriated under this item shall be allocated as set forth in the following tabulation:

State and project	Budget estimate for fiscal year 1958		Conference allowance	
	Construction	Planning	Construction	Planning
Alaska:				
Dry Pass	$874,000		$874,000	
Gastineau Channel		$50,000		$50,000
Ketchikan Harbor	1,900,000		1,900,000	
Kodiak Harbor	1,440,000		1,440,000	
Alabama:				
Columbia lock and dam, Alabama and Georgia		150,000		150,000
Fort Gaines lock and dam, Alabama and Georgia	6,600,000		6,600,000	
Jackson lock and dam	1,700,000		1,700,000	
Paint Rock River		30,000		30,000
Warrior lock and dam	2,000,000		2,000,000	
Arizona:				
Painted Rock Reservoir	3,165,000		3,165,000	
Whitlow Ranch Reservoir		147,000	300,000	147,000
Arkansas:				
Arkansas River and tributaries, Arkansas and Oklahoma (bank stabilization)		50,000		100,000
Arkansas River and tributaries, Arkansas and Oklahoma (emergency bank stabilization and channel rectification)	1,300,000		1,500,000	
Beaver Reservoir		250,000		250,000
Bull Shoals Reservoir, Ark. and Mo. (addition of units 5 and 6)	110,000		110,000	
Calion	210,000		210,000	
Dardanelle lock and dam	800,000		1,400,000	
DeGray Reservoir				50,000
Greers Ferry Reservoir	1,700,000		1,700,000	
Ouachita and Black Rivers, Ark. and La		150,000		150,000
Red River levees below Denison Dam, Arkansas, Louisiana, and Texas	300,000		750,000	
Table Rock Reservoir, Ark. and Mo.	17,000,000		17,000,000	
Walnut Bayou			200,000	
California:				
American River levees	1,900,000		1,900,000	
Black Butte Reservoir		179,000		179,000
Carbon Canyon Dam and channel	800,000		800,000	
Devil, East Twin, Warm, and Lytle Creeks	1,150,000		1,150,000	
Los Angeles County drainage area	18,100,000		18,100,000	
Lower San Joaquin River and tributaries	1,000,000		1,000,000	
Middle Creek	300,000		300,000	
Mill Creek levees				50,000
New Melones Reservoir		186,000		186,000
Playa del Rey Inlet and Harbor	600,000		600,000	
Redondo Beach Harbor	2,620,000		2,620,000	
Riverside	1,430,000		1,230,000	
Russian River Reservoir	5,000,000		5,000,000	
Sacramento River	3,000,000		3,000,000	
Sacramento River (deep-water ship channel)	2,815,000		2,815,000	
Sacramento River major and minor tributaries (active units)	700,000		700,000	
San Antonio and Chino Creeks	3,400,000		3,400,000	
San Diego River and Mission Bay	1,100,000		1,100,000	
San Jacinto River and Bautista Creek				80,000
California—Continued				
San Joaquin River, Stockton deep-water channel	$600,000		$600,000	
San Lorenzo Creek	1,000,000		1,000,000	
San Lorenzo River	1,200,000		1,200,000	
Santa Clara River		$50,000		$50,000
Santa Maria River		75,000		75,000
Success Reservoir	5,000,000		5,000,000	
Terminus Reservoir	2,500,000		2,500,000	
Truckee River and tributaries, California and Nevada. (See Nevada.)				
Connecticut: Thomaston Reservoir	2,900,000		2,900,000	
Delaware:				
Inland waterway, Delaware River to Chesapeake Bay, Del. and Md.: Summit Bridge	1,200,000		1,200,000	
Florida:				
Central and southern Florida	5,500,000		5,500,000	
Horseshoe Cove			244,000	
Intracoastal Waterway, Jacksonville to Miami	1,150,000		1,150,000	
St. Augustine Harbor	600,000		600,000	
Tampa Harbor: 30-, 34-, and 36-foot channels	2,250,000		2,250,000	
Georgia:				
Columbia lock and dam, Alabama and Georgia. (See Alabama.)				
Fort Gaines lock and dam, Alabama and Georgia. (See Alabama.)				
Hartwell Reservoir, Ga. and S. C.				
Savannah River below Augusta	835,000		835,000	
Hawaii:				
Honolulu Harbor		50,000		50,000
Kawaihae Harbor	2,450,000		2,450,000	
Idaho:				
Bruces Eddy Reservoir				500,000
Columbia River local protection: Weiser River		70,000		70,000
Illinois:				
Alton		97,000		97,000
Carlyle Reservoir		65,000	250,000	65,000
East St. Louis and vicinity	800,000		800,000	
Hunt and Lima Lake Drainage District		85,000		85,000
Illinois Waterway, Calumet-Sag: Channel—part I	6,000,000		6,000,000	
Mississippi River between Missouri River and Minneapolis, Minn.: Rectification of damages	65,000		65,000	
Mississippi River between Ohio and Missouri Rivers, Ill. and Mo.: Regulating works	500,000		500,000	
New Harmony Bridge, Ill. and Ind	405,000		405,000	
Wabash railroad bridges at Meredosia and Valley City	350,000		350,000	
Wilson, Wenkel, and Prairie du Pont Drainage and Levee District	600,000		600,000	
Wood River Drainage and Levee District	550,000		550,000	

State and project	Budget estimate for fiscal year 1958		Conference allowance	
	Construction	Planning	Construction	Planning
Indiana:				
Lock and dam 41, Indiana and Kentucky. (See Kentucky.)				
Mansfield Reservoir	$1,600,000		$1,600,000	
Markland locks and dam, Indiana, Kentucky, and Ohio	9,500,000		9,500,000	
New Harmony Bridge, Ill. and Ind. (See Illinois.)				
Iowa:				
Coralville Reservoir	900,000		900,000	
Iowa River-Flint Creek Levee District No. 16		$50,000		$50,000
Little Sioux River	2,000,000		2,000,000	
Missouri River agricultural levees, Iowa, Kansas, Nebraska, and Missouri	3,300,000		3,650,000	
Missouri River, Kenslers Bend, Nebr., to Sioux City, Iowa. (See Nebraska.)				
Missouri River, Kansas City, Mo., to Sioux City, Iowa:				
Kansas City to Omaha	3,300,000		3,300,000	
Omaha to Sioux City	6,600,000		6,600,000	
Muscatine	470,000		320,000	
Muscatine Island Levee District and Muscatine-Louisa County Drainage District No. 13		75,000		75,000
Rathbun Reservoir		100,000		
Red Rock Reservoir		225,000		100,000
Upper Iowa River	400,000		400,000	
Kansas:				
Abilene	400,000		400,000	
Council Grove Reservoir		125,000		125,000
Elk City (Table Mound) Reservoir		85,000		85,000
Milford Reservoir				50,000
Missouri River agricultural levees, Iowa, Kansas, Nebraska and Missouri. (See Iowa)				
Ottawa	500,000		500,000	
Perry Reservoir				50,000
Pomona Reservoir		145,000		145,000
Salina	500,000		500,000	
Strawn Reservoir		125,000		125,000
Topeka	1,500,000		1,500,000	
Toronto Reservoir	4,700,000		4,700,000	
Tuttle Creek Reservoir	10,000,000		10,000,000	
Wichita and Valley Center	830,000		830,000	
Wilson Reservoir		50,000		50,000
Kentucky:				
Barkley Dam (Lower Cumberland lock and dam), Ky. and Tenn	5,000,000		5,000,000	
Buckhorn Reservoir	1,900,000		1,900,000	
Catlettsburg	2,000,000		2,000,000	
Greenup locks and dam, Kentucky and Ohio	13,500,000		13,500,000	
Lock and dam 41, Indiana and Kentucky	4,000,000		4,000,000	
Markland locks and dam, Indiana, Kentucky, and Ohio. (See Indiana.)				
New Richmond lock and dam, Kentucky and Ohio		175,000	825,000	175,000
Nolin Reservoir		138,000		138,000
No. 2 Barren Reservoir		50,000		50,000
Rough River Reservoir and channels	3,000,000		3,000,000	
Louisiana:				
Amite River and tributaries	1,000,000		1,000,000	
Gulf Intracoastal Waterway: Plaquemine-Morgan City alternate route	3,500,000		3,500,000	
Mississippi River, Baton Rouge to Gulf of Mexico		240,000		240,000
Mississippi River—Gulf outlet		375,000	625,000	375,000
Ouachita and Black Rivers, Ark. and La. (See Arkansas.)				
Red River levees below Denison Dam, Arkansas, Louisiana, and Texas. (See Arkansas.)				
Maryland:				
Cumberland, Md., and Ridgeley, W. Va	2,000,000		2,000,000	
Inland Waterway, Delaware River to Chesapeake Bay, Del. and Md. (See Delaware.)				
Massachusetts:				
Adams	1,120,000		1,120,000	
Barre Falls Reservoir	376,000		376,000	
Boston Harbor: Extension to 40-foot anchorage	1,000,000		1,000,000	
Buffumville Reservoir	1,117,000		1,117,000	
East Brimfield Reservoir	1,500,000		1,500,000	
Fall River Harbor	900,000		900,000	
Hodges Village Reservoir	1,860,000		1,860,000	
Mystic River: 35-foot channel	550,000		550,000	
North Adams	3,697,000		3,697,000	
West Hill Reservoir		50,000		50,000
Westville Reservoir		100,000		100,000
Weymouth Fore River	1,350,000		1,350,000	
Worcester	1,500,000		1,500,000	
Michigan:				
Battle Creek	2,000,000		2,000,000	
Cheboygan River and Harbor	50,000		50,000	
Great Lakes connecting channels	13,000,000		13,000,000	
Harrisville Harbor	$100,000		$100,000	
Houghton-Hancock Bridge	300,000		300,000	
Manistique Harbor			150,000	
Saginaw River	475,000		475,000	
St. Marys River, improvement of south canal	500,000		500,000	
Whitefish Point Harbor	130,000		130,000	
Minnesota:				
Grand Marais Harbor				$18,500
Mississippi River between Missouri River and Minneapolis, Minn., rectification of damages. (See Illinois.)				
St. Anthony Falls	550,000		550,000	
Missouri:				
Bear Creek Reservoir		$90,000		90,000
Bull Shoals Reservoir, Ark. and Mo. (See Arkansas.)				
Canton	100,000			
Cape Girardeau (reach No. 2 only)	1,300,000		1,300,000	
Des Moines and Mississippi Levee District No. 1				
Fabius River Drainage District		65,000		65,000
Mississippi River between Ohio River and Missouri River, Ill. and Mo. (See Illinois.)				
Mississippi River between St. Louis, Mo., and lock and dam 26, Illinois and Missouri (dam 27). (See Illinois.)				
Missouri River, Kansas City to mouth	4,000,000		5,000,000	
Missouri River, Kansas City, Mo., to Sioux City, Iowa. (See Iowa.)				
Pomme de Terre Reservoir	2,000,000		2,000,000	
St. Louis		649,000		649,000
Table Rock Reservoir, Ark. and Mo. (See Arkansas.)				
Montana:				
Fort Peck Dam (second powerplant)	3,000,000		3,000,000	
Miles City		56,000		56,000
Nebraska:				
Missouri River agricultural levees, Iowa, Kansas, Nebraska, and Missouri. (See Iowa.)				
Missouri River, Kenslers Bend, Nebr., to Sioux City, Iowa (including Miners Bend), Iowa, Nebr., and S. Dak	1,400,000		1,700,000	
Nevada:				
Mathews Canyon Reseroir	463,000		463,000	
Pine Canyon Reservoir	678,000		678,000	
Truckee River and tributaries, California and Nevada		50,000		50,000
New Hampshire:				
Hopkinton-Everett Reservoir			100,000	500,000
Otter Brook Reservoir	2,000,000		2,000,000	
New Jersey:				
Delaware River, Philadelphia to Trenton (40-foot project), N. J. and Pa	9,000,000		9,000,000	
New York and New Jersey Channels, N. Y. and N. J	5,200,000		5,200,000	
Staten Island Rapid Transit Bridge, New York and New Jersey. (See New York.)				
New Mexico:				
Abiquiu Reservoir	2,450,000		2,450,000	
Albuquerque	750,000		750,000	
Artesia	545,000		545,000	
Los Esteros-Alamogordo Reservoirs		120,000		120,000
Two Rivers Reservoir		70,000		70,000
New York:				
Allegheny River Reservoir, Pa. and N. Y. (See Pennsylvania.)				
Barcelona Harbor	210,000		210,000	
Endicott, Johnson City, and Vestal	1,400,000		1,400,000	
Great Lakes-Hudson River Waterway: Depth of 13 feet through locks	190,000		190,000	
Jones Inlet	305,000		305,000	
New York and New Jersey Channels, N. Y. and N. J. (See New Jersey.)				
Oswego Harbor, detached breakwaters	400,000		400,000	
Staten Island Rapid Transit Bridge, N. Y. and N. J	1,700,000		1,700,000	
Wellsville	150,000		150,000	
North Carolina:				
Atlantic Intracoastal Waterway, Masonboro Inlet	306,000		306,000	
Wilkesboro Reservoir		160,000		160,000
North Dakota:				
Garrison Reservoir	4,500,000		4,500,000	
Lower Heart River	200,000		200,000	
Ohio:				
Ashtabula Harbor	1,500,000		1,500,000	
Dillon Reservoir	4,000,000		4,000,000	
Greenup lock and dam, Kentucky and Ohio. (See Kentucky.)				

State and project	Budget estimate for fiscal year 1958		Conference allowance	
	Construction	Planning	Construction	Planning
Markland, locks and dam, Indiana, Kentucky, and Ohio. (See Indiana.)				
New Cumberland locks and dam, Ohio and West Virginia	$4,500,000		$4,500,000	
New Richmond lock and dam, Kentucky and Ohio. (See Kentucky.)				
Pike Island lock and dam, Ohio and West Virginia		$50,000		$50,000
Roseville	500,000		500,000	
Toledo Harbor (removal of center dike)	146,000		146,000	
Oklahoma:				
Arkansas River and tributaries, Arkansas and Oklahoma. (See Arkansas.)				
Denison Reservoir, Tex. and Okla. (See Texas.)				
Enid				60,000
Eufaula Reservoir	5,200,000		5,200,000	
Keystone Reservoir	3,100,000		3,100,000	
Oologah Reservoir	6,800,000		6,800,000	
Oregon:				
Amazon Creek	446,000		446,000	
Blue River Reservoir		100,000		100,000
Chetco River	200,000		200,000	
Columbia River at mouth, Oregon and Washington	1,150,000		1,150,000	
Columbia River local protection:				
Malheur River				25,000
Umatilla River		16,000		16,000
Cougar Reservoir	6,570,000		6,570,000	
Fall Creek Reservoir				150,000
Green Peter Reservoir		225,000		225,000
Hills Creek Reservoir	4,800,000		4,800,000	
Holley Reservoir		100,000		100,000
John Day lock and dam, Oregon and Washington. (See Washington.)				
Lower Columbia River at new locations:				
Clatskanie River area				15,000
Lower Columbia River bank protection		40,000		40,000
Lower Columbia River improvement to existing works:				
Multnomah Drainage District No. 1	500,000		500,000	
Pendleton	400,000		400,000	
Rogue River Harbor at Gold Beach		21,000		21,000
The Dalles Dam, Oreg. and Wash.	19,000,000		19,000,000	
Willamette River bank protection	300,000		450,000	
Pennsylvania:				
Allegheny River Reservoir, Pa. and N. Y.	1,000,000		1,000,000	
Allentown	350,000		350,000	
Bear Creek Reservoir	2,200,000		2,200,000	
Bethlehem		100,000		100,000
Bradford	500,000		500,000	
Curwensville Reservoir		50,000		50,000
Dam 8, Monongahela River	1,000,000		1,000,000	
Delaware River, Philadelphia to Trenton. (See New Jersey.)				
Dyeberry Reservoir	2,000,000		1,500,000	
Kettle Creek Reservoir		215,000		215,000
Maxwell lock and dam, Monongahela River		50,000		50,000
Prompton Reservoir	1,700,000		1,000,000	
Stillwater Reservoir	2,000,000		2,000,000	
Rhode Island: Woonsocket	1,750,000		1,750,000	
South Dakota:				
Big Bend Reservoir		300,000		300,000
Missouri River, Kenslers Bend, Nebr., to Sioux City, Iowa (including Miners Bend) Iowa, Nebr. and S. Dak. (See Nebraska.)				
Oahe Reservoir	27,500,000		27,000,000	
Sioux Falls	1,200,000		1,200,000	
Tennessee:				
Barkley Dam, Ky. and Tenn. (See Kentucky.)				
Cheatham lock and dam	1,375,000		1,375,000	
Lake City	340,000		340,000	
Memphis, Wolf River and Nonconnah Creek	330,000		330,000	
Old Hickory lock and dam	704,000		704,000	
Texas:				
Brazos Island Harbor	1,000,000		1,000,000	
Buffalo Bayou	2,900,000		2,900,000	
Cooper Reservoir and Channel		275,000	225,000	275,000
Corpus Christi Bridge	1,400,000		1,400,000	
Denison Reservoir, Tex. and Okla.:				
(a) Highway bridge at Willis site	1,000,000		1,000,000	
(b) Additional recreation facilities			235,000	
Ferrels Bridge Reservoir	3,294,000		3,294,000	
Galveston seawall	1,000,000		1,000,000	
Texas—Continued				
Gulf Intracoastal Waterway between Apalachee Bay, Fla., and the Mexican border (Galveston District):				
Guadalupe River channel to Victoria			$248,000	
Realined route vicinity of Aransas Pass			890,000	
Houston ship channel	$1,000,000		1,000,000	
Lampasas Channel improvement				30,000
Lampasas Reservoir				100,000
McGee Bend Dam			500,000	
Port Aransas-Corpus Christi Waterway: 36-foot channel	1,000,000		1,000,000	
Proctor Reservoir		$100,000		$100,000
Red River levees below Denison Dam, Ark., La. and Tex. (See Arkansas.)				
Sabine-Neches Waterway	960,000		960,000	
San Antonio Channel	500,000		500,000	
Waco Reservoir		150,000		150,000
Utah: Salt Lake City	300,000		300,000	
Vermont:				
Ball Mountain Reservoir	1,300,000		1,300,000	
East Barre Reservoir (modification)	600,000		600,000	
North Hartland Reservoir	1,000,000		1,000,000	
North Springfield Reservoir	1,300,000		1,300,000	
Townshend Reservoir	1,200,000		1,400,000	
Virginia:				
Norfolk Harbor: Widening 40-foot channel	1,750,000		1,750,000	
Norfolk and Portsmouth Belt Line RR. bridge	300,000		300,000	
Pound Reservoir				100,000
Waterway, coast of Virginia, Chesapeake Bay to Chincoteague Bay	352,000		600,000	
Washington:				
Bellingham Harbor	1,078,000		1,078,000	
Blaine Harbor	355,000		355,000	
Chief Joseph Dam	4,800,000		4,800,000	
Colfax		136,000		136,000
Columbia River at Baker Bay	531,000		531,000	
Columbia River at the mouth, Oregon and Washington. (See Oregon.)				
Columbia River local protection:				
Lower Cowlitz River		10,000		10,000
Eagle Gorge Reservoir	8,000,000		8,000,000	
Everett Harbor and Snohomish River	316,000		316,000	
Grays Harbor and Chehalis River:				
(a) West Haven breakwater extension	291,000		291,000	
(b) Bay City channel, West Haven Cove, breakwater and Point Chehalis levee	125,000		125,000	
Ice Harbor lock and dam	18,500,000		18,500,000	
Interstate bridge, Columbia River, Oreg. and Wash. (See Oregon.)				
John Day lock and dam, Oregon and Washington			1,000,000	
Lower Columbia River levees at new locations: Washougal area		32,000		32,000
Lower Monumental lock and dam		200,000		500,000
Port Angeles Harbor	396,000		396,000	
Shilshole Bay	1,780,000		1,780,000	
The Dalles Dam, Oreg. and Wash. (See Oregon.)				
Willapa River and Harbor and Naselle River	555,000		555,000	
West Virginia:				
Cumberland, Md., and Ridgeley, W. Va. (See Maryland.)				
Hildebrand lock and dam	5,300,000		5,300,000	
New Cumberland lock and dam, Ohio and West Virginia. (See Ohio.)				
Opekiska lock and dam				100,000
Pike Island lock and dam, Ohio and West Virginia. (See Ohio.)				
Summersville Reservoir		225,000		225,000
Sutton Reservoir	8,000,000		8,000,000	
Wyoming: Sheridan	200,000		200,000	
Local protection projects not requiring specific legislation	3,000,000		3,500,000	
Emergency bank protection	400,000		400,000	
Snagging and clearing	600,000		600,000	
Projects deferred for restudy		3,000		3,000
Small authorized projects	3,000,000		4,000,000	
Dredging projects (planning)		50,000		50,000
Reduction for anticipated savings and slippages	−14,000,000		−29,000,000	
Total	444,655,000	7,500,000	438,295,000	9,503,500
Lower Columbia River fish sanctuary program (Fish and Wildlife Service)	1,600,000		1,600,000	
Total, construction, general	446,255,000 (453,755,000)	7,500,000	439,895,000 (449,398,500)	9,503,500

Amendment No. 3: Reported in disagreement.

Amendment No. 4: Reported in disagreement.

Amendment No. 5: Reported in disagreement.

Amendment No. 6: Reported in disagreement.

Amendment No. 7: Reported in disagreement.

Amendment No. 8: Inserts the words "Construction, general" in the language proviso of the House prohibiting the use of funds for other than bank stabilization on the "Missouri River, Kansas City to the mouth" as proposed by the Senate.

Amendment No. 9: Increases the amount available for construction of small authorized projects from $3,000,000 to $4,000,000 as proposed by the Senate.

Red River levees below Denison Dam: The conferees are in agreement that the Corps of Engineers has too narrowly and conservatively interpreted their authority for bank stabilization works on the Red River, and that they should prosecute the bank protection works with due regard to comprehensive future losses of farm lands, levees, and permanent alinement of the river.

Missouri River, Omaha to Sioux City, Iowa: The conferees agree with the Corps of Engineers that a cutoff at the De Soto-Bertrand Bend on the Missouri River is feasible. Therefore, the conferees direct the engineers to proceed with the cutoff above described, on approval of the proposed refuge by the Migratory Bird Conservation Commission.

Tuttle Creek Reservoir, Kansas: The conferees agree to remove the Senate restriction placed on the Tuttle Creek Reservoir, Kansas, in 1952 to the effect that the dam was to be operated as a dry dam without either power or conservation features in order that the Corps of Engineers may proceed on the basis of providing adequate conservation storage.

Abiquiu Dam, New Mexico: The conferees agree to the inclusion of an uncontrolled outlet.

Fargo, N. Dak.: The conferees are in agreement that the Corps of Engineers should initiate construction on the Fargo, N. Dak., local protection project, using available funds, as soon as the conditions of local cooperation have been fulfilled.

Lower Monumental Dam, Washington: The conferees agree that funds appropriated to the Lower Monumental Dam shall not be utilized for determining the location of Little Goose Dam.

Canton, Mo.: The corps is directed by the conferees to credit against the local contribution requirements a sum equal to the total cost of the improvements contributing to the project which have already been constructed by the city of Canton.

Columbia River fish sanctuary program: As indicated in the Senate report, it is directed that the Fish and Wildlife Service allocate $125,000 for studies of salmon and sport fishery in Idaho.

Investigations costs: The conferees are in agreement that the Corps of Engineers need not include in the total costs of projects the costs of general investigations in the budget tables and justifications for fiscal year 1959. However, the conferees believe that this question should be studied during the coming year to determine the appropriate manner in which to reflect such costs in the budgetary presentation.

Operation and maintenance, general

Amendment No. 10: Appropriates $103,850,000 as proposed by the Senate instead of $98,870,000 as proposed by the House. The conferees are in agreement that up to $120,000 of the funds budgeted for hatchery operations may be utilized during fiscal year 1958 by the Fish and Wildlife Service for initiation of studies to correct disease and nutritional deficiencies at program hatcheries. Should additional research be required in fiscal year 1959, the Fish and Wildlife Service is directed to budget for these studies as part of their regular research program.

Flood control, Mississippi River and tributaries

Amendment No. 11: Appropriates $60,715,000 instead of $62,480,000 as proposed by the Senate, and $58,950,000 as proposed by the House.

The reduction below the Senate figure is to be applied proportionately to the increases shown in the Senate report for channel improvement, Boeuf and Tensas Rivers, and the Atchafalaya Basin.

Administrative provisions

Amendment No. 12: Authorizes replacement of 150 passenger motor vehicles as proposed by the House instead of 247 as proposed by the Senate.

TITLE II—DEPARTMENT OF THE INTERIOR

Bureau of Reclamation

General Investigations

Amendments Nos. 13 and 14: Appropriate $5,932,000 as proposed by the Senate instead of $4,500,000 as proposed by the House and provide that of this amount $5,182,000 shall be derived from the reclamation fund as proposed by the Senate instead of $3,800,000 as proposed by the House.

The conferees are in agreement that the transfers between projects and units of projects are to be limited to 15 percent of the amounted allotted in the justifications to the project receiving the transferred funds. No projects or units of projects budgeted in the investigation stage are to be moved into advance planning. No funds are to be used on any project or unit of a project not itemized in the budget justifications for the fiscal year for which the funds are appropriated. In addition the Bureau of Reclamation is directed to submit to the Committees on Appropriations quarterly reports showing all transfers made in the general investigations item for the preceding 3 months.

Construction and rehabilitation

Amendment No. 15: Appropriates $116,736,223 instead of $113,046,223 as proposed by the House and $120,386,223 as proposed by the Senate. The conferees are in agreement that the funds appropriated under this item shall be allocated as set forth in the following tabulation:

State and project	Budget estimate 1958	Conference allowance
Arizona: Gila project	$869,000	$869,000
Arizona-California-Nevada: Parker-Davis project	792,000	792,000
California:		
Central Valley project:		
Less Trinity River division	8,038,400	8,038,400
Trinity River division	17,107,600	17,107,600
Santa Maria project	5,627,000	5,627,000
Solano project	3,672,000	3,672,000
Ventura River project	12,000,000	12,000,000
Colorado:		
Collbran project	2,000,000	2,000,000
Colorado-Big Thompson project	549,000	549,000
Idaho:		
Little Wood River project	400,000	400,000
Michaud Flats project	1,297,000	1,297,000
Minidoka project, North Side pumping division	1,465,000	1,465,000
Palisades project	1,500,000	1,500,000
Montana-North Dakota: Fort Peck project	645,000	645,000
New Mexico: Middle Rio Grande project	3,758,000	3,758,000
Oklahoma: Washita Basin project	3,500,000	3,500,000
Oregon:		
Crooked River project	850,000	850,000
Rogue River project, Talent division	6,041,000	6,041,000
Wapinitia project	400,000	400,000
Utah:		
Provo River project	574,000	574,000
Weber Basin project	6,500,000	6,500,000
Washington:		
Chief Joseph Dam project, Foster Creek division	$1,138,000	$1,138,000
Columbia Basin project	13,850,000	13,850,000
Yakima project, Roza division	697,000	697,000
Wyoming:		
Eden project	875,000	875,000
Shoshone project	544,000	544,000
Drainage and minor construction program	893,000	893,000
Rehabilitation and betterment of existing projects	3,530,000	3,530,000
Loan program—distribution systems	7,700,000	----------
Subtotal (exclusive of MRB)	106,812,000	99,112,000
Missouri River Basin project	----------	----------
Ainsworth unit, Nebraska	1,100,000	----------
Bostwick division, Nebraska-Kansas	1,471,000	1,471,000
Cedar Bluffs unit, Kansas	50,000	50,000
Farwell unit, Nebraska	750,000	----------
Frenchman-Cambridge division, Nebraska	3,260,000	3,260,000
Glendo unit, Wyoming	9,951,000	9,951,000
Helena Valley unit, Montana	4,500,000	4,500,000
Kirwin unit, Kansas	1,435,000	1,435,000
Owl Creek unit, Wyoming	1,100,000	1,100,000
Sargent unit, Nebraska	313,000	313,000
Shoshone extensions unit, Wyoming	500,000	----------
Transmission division, various States	8,000,000	8,000,000
Webster unit, Kansas	1,000,000	1,000,000
Drainage and minor construction, total	791,000	791,000
Missouri River Basin investigations	3,000,000	2,750,000
Other Department of Interior agencies, total	3,125,000	3,125,000
Subtotal, Missouri River Basin	40,346,000	37,746,000
Grand total, construction and rehabilitation	147,158,000	136,858,000
Less carryover	−11,500,000	−20,121,777
Total appropriation	135,658,000	116,736,223

Amendment No. 16: Reported in disagreement. The motion to be offered will insert Senate language waiving the land-certification provision on class 6 lands of the Southern San Joaquin Municipal Utility District. The conferees wish to make it clear that the action in this instance shall not be construed as establishing a precedent in the future handling of similar cases.

Amendment No. 17: Strikes language inserted by the House providing for annual partial payments on loan contracts for distribution systems. The conferees agree that the loan program should be submitted under a separate appropriation item.

Yellowtail unit, Wyoming: The conferees agree that unobligated balances on the Yellowtail unit, Wyoming, shall not be available to cover the costs involved in matters pertaining to the acquisition of the site.

Operation and maintenance

Amendment No. 18: Provides that $22,740,000 shall be derived from the reclamation fund as proposed by the Senate instead of $22,860,000 as proposed by the House.

Colorado River and front work levee system: As indicated in the Senate report, not to exceed $50,000 shall be available for emergency dredging and channel rectification in the vicinity of Yuma, Arizona.

General administrative expenses

Amendment No. 19: Appropriates $4,164,000 as proposed by the Senate, instead of $4,000,000 as proposed by the House.

Administrative provisions

Amendment No. 20: Substitutes the word "expended" for "extended" as proposed by the Senate.

Cost-type budget: The conferees are in agreement that future budget estimates for all of the programs contained in the bill

shall be submitted on an obligational basis instead of on the so-called cost-type basis by the Department of the Army and the Department of the Interior.

Bonneville Power Administration

Construction

Amendment No. 21: Appropriates $22,038,000 as proposed by the Senate instead of $19,879,000 as proposed by the House.

Administrative provisions

Amendment No. 22: Strike out language proposed by the House providing for the replacement of 18 passenger motor vehicles.

Southwestern Power Administration

Construction

The conferees are in agreement that available funds should be used for the construction of the Bentonville transmission facility.

Continuing fund

Amendment No. 23: Reported in disagreement.

General provisions, Department of the Interior

Amendment No. 24: Reported in disagreement.

CLARENCE CANNON,
LOUIS C. RABAUT,
MICHAEL J. KIRWAN,
JOHN E. FOGARTY,
JOHN J. RILEY,
JOE L. EVINS,
EDWARD P. BOLAND,
DON MAGNUSON,
Managers on the Part of the House.

Mr. TABER. Mr. Speaker, I make a point of order against the conference report on the ground that it carries appropriations not authorized by law. In support of the point of order, Mr. Speaker, I call attention to the conference report and the statement in connection therewith. On page 4, the Success Reservoir is carried at $5 million and the Terminus Reservoir at $2,500,000. The two together are more or less in the same project. They had only $500,000 available at the time the bill was in the House, and there has been no authorization bill passed since that time. At the time the bill was in the House, the committee said:

Success and Terminus Reservoirs, Calif.: The current basin monetary authorization would be exceeded by $6,882,000 if the budget estimates of $7,500,000 were allowed for these two projects. The committee has allowed $618,000, the balance remaining in the present monetary authorization. Of this amount $518,000 is for Success Reservoir and $100,000 is for Terminus Reservoir. The Corps of Engineers is directed to proceed with these two projects up to the limit of the budget estimates, using available unobligated funds, should legislation be enacted increasing the monetary limitation to an amount equal to or in excess of the total of the budget estimates.

Furthermore, Mr. Speaker, I call attention to page 15 of the bill and the change of language in the sentence beginning on line 20 in amendment No. 20 on line 21 which changes existing law and, therefore, I make a point of order against that language where the word "extended" is changed to "expended."

Therefore, Mr. Speaker, upon those grounds I make the point of order against the conference report.

Mr. DAVIS of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. DAVIS of Tennessee. On the basis of that same argument, would not the gentleman include the sums for the Bruces Eddy in the sum of $500,000? The Committee on Public Works unanimously voted not to authorize this project in the pending bill.

Mr. TABER. The situation there is that that item is not included in the conference report. It has been reported back in disagreement. Therefore, I cannot make a point of order against an item which was not agreed to in the conference report.

The SPEAKER. Does the gentleman from Missouri [Mr. CANNON] desire to be heard on the point of order?

Mr. CANNON. Mr. Speaker, the point of order would have been good had it been presented at the time the bill first came up for consideration in the House. But, this is an amendment of the other body, which has been added to the bill as a Senate amendment, and, having been brought back in technical disagreement is not subject to the point of order.

Furthermore, Senate amendment No. 4, on page 5, to which the gentleman refers, is not an appropriation but precludes use of funds for items in the appropriation unless or until authorized.

Accordingly, the point of order that it is not authorized does not lie.

With reference to the further point of order on page 3, line 21, it will be noted that the effect of this change is limited to projects "authorized by law," as provided in line 22, page 3.

And, even if that were not true, the item to which the gentleman refers is not legislation, but merely a correction of a typographical error.

I submit, therefore, Mr. Speaker, that the points of order are not well taken.

Mr. FULTON. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield.

Mr. FULTON. Mr. Speaker, the question is with reference to the parliamentary situation on the point of order. I understand the gentleman from New York [Mr. TABER] made a point of order as to a particular item. What is the parliamentary situation?

The SPEAKER. The Chair will pass on that as soon as the gentlemen have concluded their discussion.

Mr. TABER. I have no further comments, Mr. Speaker.

The SPEAKER. The gentleman from New York [Mr. TABER] makes a point of order on two items set forth in the statement of the managers on the part of the House. It appears to the Chair that the report of the conference committee stays within the amount of the two Houses. The language on page 3 specifies that the appropriation can only be used for projects authorized by law. Therefore, the Chair must overrule the point of order.

On amendment No. 20, page 15, it would seem to the Chair that that is simply a correction of a typographical error. So that the Chair overrules that point of order.

The gentleman from Missouri is recognized on the conference report.

Mr. CANNON. Mr. Speaker, this bill was exhaustively discussed and debated at the time it passed the House and there is little need of further exposition. After passage by the Senate it was sent to conference, and the managers on the part of the House and the Senate, in one sitting, reached complete agreement on every item in the bill. Both the Senate and House are in complete agreement on the pending report.

There are seven items in technical disagreement which will come up for separate votes following disposition of the conference report.

I might say that as compared with the 1957 appropriation of $867,494,000, the appropriation for the current year, the estimate sent to us by the Bureau of the Budget for the fiscal year 1958, was, in round numbers, $10 million in excess of the figures for 1957. Of the amount requested in the budget, $876 million, the House bill approved $814 million, a cut of over $62 million from the budget estimates.

The Senate, however, increased the bill received from the House and provided $884,151,323, an increase of $43,281,300.

In conference the managers on the part of the House and Senate, after full and free conference, agreed to the bill which is before us in this report, carrying $858,094,323, a decrease of $26,057,000 below the Senate bill. The gentleman from Iowa [Mr. JENSEN], asked me to yield. I shall be glad to yield to the gentleman.

Mr. JENSEN. Did I understand the gentleman from Missouri [Mr. CANNON], chairman of the full Committee on Appropriations to say that the conference report before the House comes with complete and unanimous agreement of all the conferees?

Mr. CANNON. No; the gentleman could not have understood me to say that, because I did not say it.

I said that the managers on the part of the House and the managers on the part of the Senate reached a complete agreement on every item in the bill.

Mr. JENSEN. I thought the gentleman said that.

Mr. CANNON. I did not say it was unanimous by every Member of the House or by every Senator. We do not vote individually in a conference; the vote is by Houses, the House and the Senate voting as units. The agreement between House and Senate managers was complete and final on every item in the bill.

Mr. JENSEN. Now, Mr. Speaker, you see here another example of just how little the House minority Members are considered when we mark up a bill in conference. Here again we are told by the chairman of the full committee that a complete agreement was reached, when the facts are that not a single minority Member of the House signed the conference report because in that conference little attention was paid to the minority Members of the House.

The gentleman from Missouri, chairman of the full committee, and some other majority members sat at the head of the table; and the table is about 30 feet long with about 30 of us around it—I am just trying to give you a word picture of it—and the House Republican Members were down in Dixieland, the

southern end of the table. Now, of course, we were pleased to be in Dixieland, because we have great respect for the "Dixiecrats"; but in this instance we did not appreciate it very much because we did not know what was going on up north, we had to pound the table to find out what they had done after they had agreed on a half-dozen matters of difference between the House and the Senate. That was the procedure.

When they were all through the minority Members of the House and, in fact, very few members of the conference committee knew exactly what was in the bill. Consequently the minority Members of the House could not properly sign that conference report because we did not know what we were signing. Why? As I said, because we did not have full knowledge of what was in the bill at the end of the conference. I have learned to be cautious about signing anything that I had not read or did not know much about and there are a lot of Members of this House who have taken the same position. So, Mr. Speaker, this conference report does not come to the floor of the House in complete agreement.

Mr. CANNON. Mr. Speaker, the situation which the gentleman describes is a very familiar one.

Mr. JENSEN. It happens all the time.

Mr. CANNON. Yes, Mr. Speaker; when we were in the minority, they paid no attention whatever to any Member of the minority. In the 83d Congress, I sat at the same end of the same table and was completely ignored.

Mr. JENSEN. We never treated you like you treat us.

Mr. CANNON. Of course not. You treated me worse. I had no opportunity to get an item in the bill, but at this conference you put in this conference report and in this bill, by the unanimous vote of all Republican conferees, an item that was neither budgeted nor authorized by law. It adds $131 million to the bill and has not even been surveyed.

The gentleman says they did not know what was in the bill. Why, Mr. Speaker, that is nothing new. Over there they vote every day without having even read the bill and sometimes when they have read it they do not know, as the gentleman well says, what they are voting on.

It is a chronic situation, Mr. Speaker, over on that side of the aisle.

I must concede, however, Mr. Speaker, that they knew exactly what they were voting on when all of them voted unanimously in the conference to put in the Bruces Eddy appropriation of $131 million for a power dam on the Columbia River. They put it in over my protest. And in voting it in they voted for socialistic public power against private enterprise. No other construction can be put on it. And they knew what they were doing, the gentleman from Iowa's protest to the contrary notwithstanding, because I pointedly called their attention to it at the time. The gentleman from New York [Mr. TABER] can testify to that fact.

And they are still supporting it here on the floor this morning.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present. I think other Members ought to hear this discussion.

The SPEAKER. The Chair will count. [After counting.] Two hundred and eight Members are present, not a quorum.

Mr. CANNON. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 190]

Adair	Hays, Ohio	Meader
Alger	Hess	Merrow
Andresen,	Hiestand	Miller, Calif.
August H.	Hillings	Miller, N. Y.
Anfuso	Holtzman	Morgan
Barden	Kilburn	Neal
Beamer	Krueger	Norblad
Bolling	Lesinski	Powell
Boykin	Long	Preston
Brownson	Loser	Prouty
Buckley	McConnell	Riehlman
Dague	McCormack	Robsion, Ky.
Dawson, Ill.	McGregor	Scherer
Evins	Macdonald	Siler
George	Mailliard	Taylor
Harvey	Mason	Williams, N. Y.

The SPEAKER. On this rollcall, 381 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PUBLIC WORKS APPROPRIATIONS, 1958

Mr. CANNON. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, the House conferees went over to the other body and they yielded on almost every important item involved, and on many items which have been in controversy for years and years. It was absolutely impossible for the minority Members to keep track of what was going on and how it was going on. Some of the things included in this conference report are such things as a million dollars extra for the John Day project of $350 million in the State of Washington. That, to my mind, is a very extravagant and expensive project and one that we ought not to be getting into. The whole report to me is an abomination. I was not happy with the bill, as it came from the House committee, because it was too big and I am less happy now with the bill today because it is bigger. It is bigger by $48 million and that amount to me is a considerable item. I do not believe these things are justified. Therefore, when the time comes for a vote on this bill, I am going to vote against it and against the whole conference report. I do not believe we ought to have a conference where the minority Members are not given an opportunity to have anything to say or to even know what is going on because we might just as well not be there at all as to have anything of that kind. The only way we can make any progress in a legislative way is by having a conference where everybody has an opportunity, and in this case we did not have such an opportunity.

Mr. CANNON. Mr. Speaker, I yield 5 minutes to the gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. Mr. Speaker, I have already voiced my objection to the manner in which the minority Members of the House were treated at the conference. It was shameful treatment and unbecoming any Member of Congress or any number of Members of Congress to treat their colleagues in the manner in which we were treated at that conference.

In regard to the bill, most of the items in this bill are justified. Most of the projects for which funds are provided in this bill are good projects. I do object to a number of the changes in the amounts above the House figure.

When the conference was concluded most of the conferees did not know about a number of decisions made by the few. We now know exactly what is in the bill, after reading it, part of which I do not like. However, I shall not oppose the entire bill on final passage.

Mr. Speaker, as every Member knows I have been a stanch supporter of soil and moisture conservation as well as needed flood control. I am sorry, Mr. Speaker, that the conferees did not see fit to include funds for two irrigation projects in the State of Nebraska, for certainly as irrigation projects go, those two projects are as good and in many respects better than some of the irrigation projects for which Congress has appropriated money over the years.

Mr. KIRWAN. Mr. Speaker, will the gentleman yield?

Mr. JENSEN. I yield.

Mr. KIRWAN. If the gentleman is sorry they are not in the bill, why did not the gentleman see that they were in the bill when we marked up the bill?

Mr. JENSEN. I tried to.

Mr. KIRWAN. Oh, the gentleman did not do any such thing. The record is there. The project was out when we marked up the bill. The gentleman said they were good projects, but the gentleman never raised his voice to put them back in.

Mr. JENSEN. Does the gentleman mean in the House bill?

Mr. KIRWAN. Yes.

Mr. JENSEN. I said I hoped the project would be included in the bill.

Mr. KIRWAN. There is no place in the record where the gentleman made a motion or said anything about putting the projects back in the bill. Not one place.

Mr. JENSEN. Well, I knew it would be hopeless. I did not offer a motion in committee because I knew it would be defeated.

Mr. KIRWAN. Last Friday when a motion was made to put in $500,000 for Bruces Eddy, to start a $131 million project, you won, did you not?

Mr. JENSEN. We won that vote, yes; and we lost in conference.

The SPEAKER. The time of the gentleman from Iowa [Mr. JENSEN] has expired.

Mr. AVERY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. AVERY. Mr. Speaker, the remarks of the gentleman from Iowa [Mr. JENSON] have been very much to the point in the handling of the conference report that is before us this afternoon. As many Members of the House know, the reservoir program for Kansas has been highly controversial for 20 years. The controversy over Tuttle Creek Reservoir was known over the Middle West and had reprecussions affecting former Members of this House. Nevertheless opposition was no less marked to the two projects included in this bill today for which planning money is being appropriated, Milford and Perry Reservoir.

I have been opposed to these projects for many years for personal and ideological reasons. I am not opposing them this afternoon for two reasons. In the first place, from a legislative standpoint there is little I could do in the way of offering opposition to them inasmuch as those items are not in disagreement between the Senate and House bill. In the second place, the State of Kansas through the State legislature and through the present Governor, have taken an official stand on endorsing these two reservoirs.

I do feel, however, since these projects were in my district, one of them affecting my own home and my own community, it would seem as a simple matter of Congressional courtesy the chairman of the committee might have conferred with me as to the inclusion of these projects in the conference report. Neither project was in the budget submitted by the President nor in the bill as passed by the House. As a matter of fact, there was virtually no testimony favoring these projects in the hearings before the Subcommittee on Public Works of the House Appropriations Committee. Rather than to further oppose these projects here today, I am reconciled to the fact that they are to eventually be built.

As I have done previously in the well of this House, I would like to point out a few of the gross inequities that exist in the present policy of the Corps of Army Engineers affecting the displaced persons by these projects. Although this policy is administered by the Corps of Army Engineers, it has been established by Congress and by the administrative department of the Government. In the administration of this policy by the Corps of Army Engineers, there is much to be desired.

This is not simply a matter of speculation as I have seen these inequities demonstrated in the land acquisition policy for a reservoir now under construction, also in my district, the Tuttle Creek Dam.

Since it is the policy of Kansas and the Congress that these projects are to be built, it would appear to me that Congress should reconsider its present policy of arbitrarily and in some cases ruthlessly, displacing the persons and property owners in the reservoir area.

One problem for the displaced persons is the policy adopted by this administration of acquiring certain lands in easement rather than in fee.

This policy has been in the main unacceptable to the displaced landowners. My comments are based on my personal observations as to the application of this policy in the acquisition of land for the Tuttle Creek project, and will work very similar to other projects I referred to previously, Milford and Perry.

I am asking, Mr. Speaker, that a copy of my letter of April 30, 1957, to Secretary Brucker asking that this policy be modified in the case of Tuttle Creek Dam, be made a part of the RECORD at this point. I will quote only significant parts from it, as these paragraphs describe the inequities of the policy as it applies to this project.

> Because of the rough terrain in the upper reaches of the reservoir area, under the easement policy landowners being displaced are having their productive land taken from them and left with isolated and fragmentary tracts to which they have no access. This prevents the displaced landowner from an opportunity to transplant his operation to a new and separate location. Since he cannot liquidate his capital investment, he cannot afford to move, but yet under the easement policy he is left with land not sufficient, and in some instances inaccessible, to support his necessary operation.
>
> In my opinion, it was not the intent of the Congress to grant Federal agencies authorization to formulate land acquisition policies which would create such gross inequities, as outlined herein. Further, I do not believe Congress intended any programs which would result in contingent benefits to the Federal Government at the enormous expense of a few individuals.
>
> The policy may have merit for some projects and be acceptable to the affected persons. Possibly this would be true where a reservoir area was rolling; however, the perimeter of this reservoir is intercepted by feeder creeks and draws at frequent intervals thereby isolating certain tracts of land.

These are not big landowners like the Texas example referred to previously, but small farmers in the main, who are being dispossessed from the most productive portion of their land, in many cases from their improvements, and yet cannot liquidate their investment sufficiently to relocate. In other words, they cannot have the use of their land and yet cannot leave it.

There have been two basic reasons offered to justify the policy, first, to reduce the cost of the land to the Government, and, second, to allow the land to remain on the local tax rolls.

Without question it does reduce the initial cost to the Government, in fact in the project the corps has estimated it will reduce the cost in the neighborhood of 40 percent. This would appear to be reasonable as the 60 percent of the cost of the fee purchase falls midway between the 73-percent estimate of the easement cost by the committee staff, and 55-percent estimate made by the corps. Since the Government will also be denied the portion of the revenue from rentals, the long-range advantage of the Government is doubtful.

It would appear to me that the policy would result in the loss of revenue to local taxing units, particularly schools. When land was purchased in fee, the local taxing units received 75 percent of the lease money. Under the easement policy, there would be no lease return from the land under the 5-year line. The land above the 5-year line, although on the tax rolls, should be reduced in assessment in the percent that the easement bears to the full value of the land. A landowner would have every right to expect this.

In the Tuttle Creek project, I want to also emphasize the nature of the terrain and the lack of access by the landowner to various fragments of land owned by him, not acquired by the corps. You will recall that I mentioned this problem in my letter to the Secretary of the Army. At this point, Mr. Speaker, I would like to make the Secretary's reply of June 10, 1957, to my letter of April 30, 1957, asking for modification of the policy, a part of this record. Some modification has been granted and I will quote the paragraphs describing this modification:

> (a) In general, fee title will be acquired to land lying below the 1094 contour, as blocked out, and flowage easements will be acquired in the areas between the 1094 contour as blocked out, and the 1140 contour.
>
> (b) Where landowners wish to have the Government acquire fee title to land below the 1140 contour rather than flowage easements, due to changes in normal farm operations arising from the Government's planned operation of the project, negotiation with owners on that basis is authorized, if it is to the financial advantage of the Government, consideration being given to severance damage, loss of access, isolation of small areas, and public relations.
>
> (c) Where a landowner wishes to retain title to his land and it is to the financial advantage of the Government, a flowage easement will be acquired which will grant the right to permanently inundate the land to the 1094 contour, with the right to occasionally overflow the land between the 1094 and the 1140 contours.

That would appear to be an acceptable solution to the problem until you read the following paragraph:

> The above stated acquisition authorization contemplates that the desires of the landowners, as to the estate to be acquired, will receive every practicable consideration. However, the Government cannot accede to the desires of some owners to buy them out. Where the Government cannot accept an owner's proposal at an agreed price, condemnation proceedings will be limited to the lands actually required for project purposes.

In other words, apparently for public relations sake they say they will buy out isolated tracts, but at the same time concede they want to buy them at less than value as they will not condemn such tracts.

Earlier in the hearings the committee expressed interest in public access and control of the conservation pool waterline. Here is a case where the landowners want to make it available to the corps and they are unwilling to take it for what the court will establish as fair value.

I can see no reason why the policy could not be optional between the 5-year line and the project line. In the upper reaches where the land would not be inundated frequently and the conservation pool waterline several miles downstream, it is likely that most of the owners would prefer the easement policy and much land left in private ownership.

Nearer the dam, it is probable that most owners would prefer to sell in fee, as their land would be dissected by draws and feeder creeks. This would provide any needed access mentioned earlier and also provide additional recreational facilities.

In this way the displaced persons are given some degree of consideration and it would appear that the public interest would be enhanced.

Another alternative that is not original, I think is worthy of mention and would provide essentially the same ownership pattern. From the dam, proceed upstream from the dam site to a point on the streambank where the 5-year flood line rests. At this point establish a line across the valley at right angles to the stream. From this point to the dam itself, acquire all land in the project-in-fee; from this point upstream to the top of the project line, acquire under easement.

I feel this plan would solve most of the valid objections by landowners, as well as meet the objections of Members of Congress to the lessening of the public interest that may occur under the present policy.

If the Congress does complete a study on the land-acquisition policy, I would invite your attention to the many appraisal problems. Earlier in the hearings testimony showed for one project the cost of the fee was 164 percent of the appraisal. Why should a citizen sacrifice 20 percent of the value of his land to defend it against the right of eminent domain? For large and valuable tracts of land or other property, maybe there is no other way. However, for the old folks that own a small cottage or a small farm, it does not seem necessary to confound their natural frustration at having to move, by forcing them into court to get a reasonable value for their home. There should be a better procedure.

It would seem to me as a matter of equity special consideration must be given to older persons living on a fixed income in these small towns that are to be inundated. Many of these persons are retired farmers, or retired on social-security benefits and are past the age of supplementing their income. In many cases they have sacrificed to acquire and to pay for a house possibly worth $2,000 or $2,500. Although it is a modest house, it is sufficient for their needs and they are very comfortable. When the corps comes in to acquire property under the present policy, they take the house by negotiation or threat of condemnation, for a value as mentioned above, and where can the displaced person replace the property on the present market for $2,000?

If it was the intent of Congress to acquire property strictly on its appraised value, as it exists between a willing buyer and a willing seller, for the public interests, it would seem to me that the public has a responsibility to help these displaced persons become relocated in circumstances similar, or at least as good as they were situated before the advent of the public-works project. These are the kind of questions that no Member of Congress seems to have the answers to, and there is little public concern as to the future welfare of these persons. I also feel that there is a public responsibility for business losses incurred to businessmen in a town that is within a reservoir area, particularly when the town is surrendering its corporate identity. The only defense that has been suggested for not recognizing business losses is the fact that it is difficult to appraise, therefore it is not compensable. That theory has been a result of many court decisions and Congress has not elected to legislate counter to judicial findings. Think, if you will, of a businessman who has spent 30 years developing a profitable business in a reservoir area, many times operating in facilities of moderate value. When a public-works project inundates the location of his business and his trade territory he is merely compensated for the moderate value of his real estate. The goodwill and confidence he has worked hard to establish throughout his lifetime is confiscated. For a young man it is not difficult for him to start again. For a man past middle age, he faces a critical challenge to suddenly find himself confronted with the necessity of reestablishing his business relations in an entirely new community.

These are just a few of the inequities that displaced persons must face. I can understand the desire of promotional groups from downstream urging the construction of each and every project. Those same groups have no concern, nor do they feel any responsibility for the persons that must sacrifice virtually all of their possessions. If it is in the public interest for Congress only to make public compensation to the degree now recognized for property taken, possibly consideration should be given to added compensation for displaced property owners to be paid by the benefiting areas. The Corps of Army Engineers have discussed such a proposal with me in some detail, and I think it would be most illuminating to this body, particularly to the Public Works Committee, which originally authorizes these projects.

Mr. CANNON. Mr. Speaker, I wish my good friends over there could get together. The gentleman from New York [Mr. TABER] says he is going to vote against everything in the bill. On the other hand, the gentleman from Iowa [Mr. JENSEN] says it is a fair bill.

Apparently the only item on which they are wholeheartedly in accord is the delectable item of $131 million for a high dam, unsurveyed, unbudgeted and unauthorized by law, for the generation of socialistic power, the Bruces Eddy Dam in Idaho.

I shall give them an opportunity to take a sober second thought on that by asking for a record vote when the item is reached following disposition of the conference report.

Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The question was taken; and a division (demanded by Mr. TABER) there were—ayes 144, noes 33.

So the conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read, as follows:

Senate amendment No. 3: Page 4, insert "of which $500,000 shall be made available for the preparation of detailed plans for the Bruces Eddy project on the north fork of the Clearwater River, Idaho, recommended for construction in the report of the Chief of Engineers, United States Army, contained in Senate Document No. 51, 84th Congress, 1st session, and the preparation of such plans is hereby authorized."

Mr. REUSS. Mr. Speaker, I urge the defeat of that section of the public works appropriation bill, 1958, which appropriates $500,000 for the Bruces Eddy project in Idaho.

In addition to violating the established procedures of the Congress, the move to gain appropriations for the unauthorized Bruces Eddy Dam would represent a flagrant abuse of all known principles of wise river development.

The Bruces Eddy Dam on the north fork of the Clearwater River is a grave threat to fish, wildlife, and wilderness values. Until the reports of the United States Fish and Wildlife Service on these resources are completed and made available to Congress, no start should be made on this project.

From its hundreds of miles of dashing mountain streams to its snowcapped alpine peaks, every acre of the Clearwater's back country is an outdoor man's paradise. Thousands of elk, mule, and whitetail deer, herds of mountain goats and remnant bands of bighorn sheep, black bear, coyote, cougar and many other animals of the northern Rocky Mountains are still to be found living here under natural conditions. Nowhere in the United States can one find a richer combination of vast primitive areas and abounding wildlife. Thousands of people who have visited here recognize this as one of our country's last frontiers where wilderness living can be enjoyed at its very best.

Bruces Eddy would flood out 49 miles of the north fork of the Clearwater River, in the very heart of this area. Proposed as a flood control and hydroelectric facility, the fluctuating water levels and silt-covered shorelines of its reservoir would destroy forever the great beauty of one of the most scenic mountain canyons and magnificent trout streams of the West.

The Idaho Department of Fish and Game has stated:

The program of dam construction, as proposed by the Corps of Engineers for the Clearwater River drainage, would most certainly block and annihilate all runs of salmon and steelhead above the point of construction. In fact, it might well be that the salmon and steelhead will be almost completely annihilated from the entire Clearwater River drainage since there is only a very small portion of the river below the proposed dam sites that is suitable for spawning purposes.

These remarks were made in reference to Bruces Eddy and its companion project which is proposed for the middle fork of the Clearwater River at the Penny Cliffs site. The official reports remove all doubt as to the fate of the fisheries with

the proposed river development by continuing:

If dams are constructed on the forks of the Clearwater River, it can be anticipated that the resultant impoundments will be of little value as fish-producing waters. In fact, from experience with similar impoundments in Idaho, it can be anticipated that the reservoirs will produce less fishing than that portion of the inundated river presently provides.

In 1955 over 42,000 trout were taken by anglers on the North Fork of the Clearwater. Of these, 60 percent were spawned by steelhead, which would be completely destroyed by the 570-foot Bruces Eddy Dam because there is no practical method for passing sea-run fish over an obstruction of this vast height.

The big game herds of the Clearwater country are world famous. Its elk, numbering over 25,000, make up what is probably the largest herd in the world. People come from every State to see and hunt these animals, and the herd provides 10 percent of the total hunter take within the United States. In 1954, more than 4,700 elk were taken by over 15,000 hunters.

The herd of elk on the Clearwater can possibly be sustained under careful management, but only if the present critical winter ranges are not excessively restricted. If dams are built, thousands of acres of low valley ranges, where the animals now concentrate during the hard winters, may be flooded out. Natural migration routes may be seriously obstructed, or made into death traps for animals that venture out on the treacherous winter ice which will cover the reservoirs. Recognizing that the results of the current Fish and Wildlife Service study of big game distribution on the North Fork of the Clearwater should be in hand before final consideration is given to the authorization of Bruces Eddy, the House Public Works Committee has wisely postponed final consideration of this project and it has been deleted from the omnibus rivers and harbors authorization bill, S. 497. Now we face an attempt to gain appropriations for this unauthorized dam which is made without any regard for the position taken by the House committee.

Opposition to proposals for the Bruces Eddy Dam has been registered by all of the national and regional conservation organizations. At the State level, the Idaho Wildlife Federation, representing both the organizations within the Clearwater drainage and those from other sections of the State, has offered strong protests to both the private company and the Corps of Engineers plan for building these high dams on the Clearwater. Other groups which have expressed their opposition to Bruces Eddy Dam include the Idaho Outdoor Association, the Oregon Wildlife Federation, the Oregon Division of the Izaak Walton League of America, Inc., the National Wildlife Federation, the Wilderness Society, the Wildlife Management Institute, the National Parks Association, the Sierra Club, the National Hikers and Campers Association, the National Audubon Society, Citizens Committee on Natural Resources, Federation of Western Outdoor Clubs, Sport Fishing Institute, and the Outdoor Writers Association of America. Each of these groups has urged postponement of authorization of this project until wildlife studies are completed.

The Idaho Department of Fish and Game, the United States Fish and Wildlife Service, the Idaho Cooperative Wildlife Research Unit, the Oregon State Game and Fish Commissions have stated that the Bruces Eddy Dam may have serious effects on wildlife. These agencies have urged that the biological investigations, now underway, be completed before the authorization of this project is considered. Such studies would serve to demonstrate the effects of these dams on fish and game, and the million of dollars of income that accrue from recreational uses of this wilderness. Once destroyed, these values will be lost forever.

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The SPEAKER. The question is on the motion.

The question was taken; and on a division (demanded by Mr. CANNON) there were—ayes 70, noes 87.

Mr. CANNON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 23, nays 363, not voting 46, as follows:

[Roll No. 191]

YEAS—23

Andrews	Fenton	Natcher
Boland	Gregory	O'Hara, Minn.
Bow	Jarman	Patterson
Budge	Jensen	Perkins
Burdick	Kirwan	Pfost
Chenoweth	LeCompte	Rogers, Mass.
Clevenger	Merrow	Taber
Dooley	Miller, Nebr.	

NAYS—363

Abbitt	Blatnik	Clark
Abernethy	Blitch	Coad
Adair	Boggs	Coffin
Addonizio	Boiling	Cole
Albert	Bolton	Colmer
Alexander	Bonner	Cooley
Allen, Calif.	Bosch	Cooper
Allen, Ill.	Boykin	Corbett
Andersen, H. Carl	Boyle	Cramer
	Bray	Cretella
Anderson, Mont.	Breeding	Cunningham, Iowa
	Brooks, La.	
Arends	Brooks, Tex.	Cunningham, Nebr.
Ashley	Broomfield	
Ashmore	Brown, Ga.	Curtin
Aspinall	Brown, Mo.	Curtis, Mass.
Auchincloss	Brown, Ohio	Dague
Avery	Broyhill	Davis, Ga.
Ayres	Burleson	Davis, Tenn.
Bailey	Bush	Dawson, Utah
Baker	Byrd	Delaney
Baldwin	Byrne, Ill.	Dellay
Baring	Byrne, Pa.	Dempsey
Barrett	Byrnes, Wis.	Dennison
Bass, N. H.	Canfield	Denton
Bass, Tenn.	Cannon	Derounian
Bates	Carnahan	Devereux
Baumhart	Carrigg	Dies
Becker	Cederberg	Diggs
Beckworth	Celler	Dingell
Belcher	Chamberlain	Dixon
Bennett, Fla.	Chelf	Dollinger
Bennett, Mich.	Chiperfield	Donohue
Bentley	Christopher	Dorn, N. Y.
Berry	Chudoff	Dorn, S. C.
Betts	Church	Dowdy
Doyle	Kelley, Pa.	Rivers
Durham	Kelly, N. Y.	Roberts
Dwyer	Keogh	Robeson, Va.
Eberharter	Kilday	Rodino
Edmondson	Kilgore	Rogers, Colo.
Elliott	King	Rogers, Fla.
Engle	Kitchin	Rogers, Tex.
Fallon	Kluczynski	Rooney
Farbstein	Knox	Roosevelt
Fascell	Knutson	Rutherford
Feighan	Laird	Sadlak
Fino	Landrum	Santangelo
Fisher	Lane	St. George
Flood	Lanham	Saund
Flynt	Lankford	Saylor
Fogarty	Latham	Schenck
Forand	Lennon	Schwengel
Ford	Lipscomb	Scott, N. C.
Forrester	McCarthy	Scrivner
Fountain	McCulloch	Scudder
Frazier	McDonough	Seely-Brown
Frelinghuysen	McFall	Selden
Friedel	McGovern	Sheehan
Fulton	McIntire	Shuford
Garmatz	McIntosh	Sieminski
Gary	McMillan	Sikes
Gathings	McVey	Simpson, Ill.
Gavin	Machrowicz	Simpson, Pa.
Gordon	Mack, Ill.	Sisk
Granahan	Mack, Wash.	Smith, Calif.
Grant	Madden	Smith, Kans.
Gray	Magnuson	Smith, Miss.
Green, Oreg.	Mahon	Smith, Wis.
Green, Pa.	Marshall	Spence
Griffin	Martin	Springer
Griffiths	Matthews	Staggers
Gross	May	Stauffer
Gubser	Meader	Steed
Gwinn	Metcalf	Sullivan
Hagen	Michel	Talle
Hale	Miller, Calif.	Teague, Calif.
Haley	Miller, Md.	Teague, Tex.
Halleck	Miller, N. Y.	Teller
Harden	Mills	Tewes
Hardy	Minshall	Thomas
Harris	Montoya	Thompson, La.
Harrison, Nebr.	Moore	Thompson, N. J
Harrison, Va.	Morano	Thompson, Tex.
Harvey	Morris	Thomson, Wyo.
Haskell	Morrison	Thornberry
Hays, Ark.	Moss	Tollefson
Healey	Moulder	Trimble
Hébert	Multer	Udall
Hemphill	Mumma	Ullman
Henderson	Murray	Utt
Herlong	Nicholson	Vanik
Heselton	Nimtz	Van Pelt
Hill	Norrell	Van Zandt
Hoeven	O'Brien, Ill.	Vinson
Hoffman	O'Brien, N. Y.	Vorys
Holifield	O'Hara, Ill.	Vursell
Holland	O'Konski	Wainwright
Holmes	Osmers	Walter
Holt	Ostertag	Watts
Horan	Passman	Weaver
Hosmer	Patman	Westland
Huddleston	Pelly	Wharton
Hull	Philbin	Whitener
Hyde	Pilcher	Whitten
Ikard	Pillion	Widnall
Jackson	Poage	Wier
James	Poff	Wigglesworth
Jenkins	Polk	Williams, Miss.
Jennings	Porter	Willis
Johansen	Price	Wilson, Calif.
Johnson	Prouty	Wilson, Ind.
Jonas	Rabaut	Winstead
Jones, Ala.	Radwan	Withrow
Jones, Mo.	Rains	Wolverton
Judd	Ray	Wright
Karsten	Reece, Tenn.	Yates
Kean	Reed	Young
Kearney	Rees, Kans.	Younger
Kearns	Reuss	Zablocki
Keating	Rhodes, Ariz.	Zelenko
Kee	Rhodes, Pa.	
Keeney	Riley	

NOT VOTING—46

Alger	Hiestand	Norblad
Andresen, August H.	Hillings	O'Neill
	Holtzman	Powell
Anfuso	Kilburn	Preston
Barden	Krueger	Riehlman
Beamer	Lesinski	Robsion, Ky.
Brownson	Long	Scherer
Buckley	Loser	Scott, Pa.
Collier	McConnell	Shelley
Coudert	McCormack	Sheppard
Curtis, Mo.	McGregor	Siler
Dawson, Ill.	Macdonald	Smith, Va.
Evins	Mailliard	Taylor
George	Mason	Tuck
Hays, Ohio	Morgan	Williams, N. Y.
Hess	Neal	

So the motion was rejected.

The Clerk announced the following pairs:

Mr. Anfuso with Mr. McConnell.
Mr. Hays of Ohio with Mr. Taylor.
Mr. Bolling with Mr. Siler.
Mr. Holtzman with Mr. Hess.
Mr. Preston with Mr. Hiestand.
Mr. Morgan with Mr. Beamer.
Mr. Buckley with Mr. Kilburn.
Mr. Evins with Mr. Robsion of Kentucky.
Mr. Powell with Mr. Collier.
Mr. McCormack with Mr. Krueger.
Mr. Macdonald with Mr. Alger.
Mr. Shelley with Mr. Scherer.
Mr. Dawson of Illinois with Mr. Norblad.
Mr. Barden with Mr. McGregor.
Mr. Lesinski with Mr. August H. Andresen.
Mr. Long with Mr. Riehlman.
Mr. O'Neill with Mr. Brownson.
Mr. Loser with Mr. Mason.
Mr. Smith of Virginia with Mr. Curtis of Missouri.
Mr. Tuck with Mr. Hillings.

Messrs. ASPINALL, BROOKS of Louisiana, CHELF, KEARNS, CORBETT, CUNNINGHAM of Iowa, DAWSON of UTAH, and DIXON changed their votes from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

Mr. CANNON. Mr. Speaker, I move that the House insist on its disagreement to the amendment of the Senate No. 3, since it was so overwhelmingly rejected by the vote just had.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 4. Page 5, line 3, insert "*Provided further*, That no part of this appropriation shall be used for projects which are authorized by a law limiting the amount to be appropriated therefor, except as may be within the limits of the amount now or hereafter authorized to be appropriated."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 5. On page 5, line 7, insert "*Provided further*, That not to exceed $3,500,000 of the funds herein or hereafter provided for the Plaquemine-Morgan City alternate route shall be available for the construction of a four-lane, high-level, fixed bridge on Louisiana State Highway No. 1 (formerly Route 168) over the extension of the Plaquemine-Morgan City route of the Gulf Intracoastal Waterway in West Baton Rouge Parish, La."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield.

Mr. TABER. Mr. Speaker, this is an appropriation that is not authorized by law, and it provides for a different type of thing than was provided for in the law. I do not believe, so long as we have established a rule not to take up any projects except those that are now authorized, that we should go on with this one.

Mr. CANNON. Mr. Speaker, may I say in response to what the gentleman from New York has said, that this is an appropriation for a bridge on an arterial highway. Recently, due to an increase in the appropriation for highways and corresponding readjustments in requirements, it became necessary to widen the highways, and, of course, widen the bridges, in order to conform to this new order. That is all there is to this proposition. The bridge is already authorized and, of course, when the highway is widened the bridges must be widened.

Mr. WILSON of Indiana. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Indiana.

Mr. WILSON of Indiana. The original authorization was for a 2-lane bridge, and the law calls for a 4-lane bridge?

Mr. CANNON. That is correct. A wider highway requires a wider bridge.

The SPEAKER. The question is on the motion offered by the gentleman from Missouri [Mr. CANNON].

The question was taken; and on a division (demanded by Mr. TABER), there were—ayes 105, noes 99.

So the motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 6, page 5, line 15, insert "*Provided further*, That the Secretary of the Army shall advance to the North Dakota State Water Conservation Commission out of funds herein or hereafter appropriated for the Garrison project, North Dakota, 50 percent of the cost, but not to exceed $40,000, for the construction of works to improve the productivity and fertility of Government-owned lands within the Garrison Reservoir, North Dakota, formerly part of the Lewis and Clark Irrigation District, subject, however, to a mutual agreement being reached by the Chief of Engineers, the North Dakota State Water Conservation Commission, and the lessees using the land for the full repayment of the funds advanced by the Federal Government within a period of 10 years."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 7, page 6, line 2, insert "*Provided further*, That the contribution by local interests toward construction of the Ferrell's Bridge Reservoir, Texas, as required by Public Law 160, 84th Congress, may be made in 2 equal installments of 50 percent each, payable on January 1, 1958, and September 1, 1958, and that title to the proportionate share of the water supply storage authorized in said reservoir shall pass to such local interests upon completion of each of the separate payments."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 16: Page 10, line 24, insert "*Provided further*, That any portion of this or prior appropriations available for the construction of extensions to the distribution system of the Southern San Joaquin Municipal Utility District may be expended without regard to the land certification requirement under this heading in the Interior Department Appropriation Act, 1953 (60 Stat. 445), after the execution and approval of a contract which obligates the entire district to repay the cost of such facilities."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 23: Page 19, line 14, strike out all of line 14 through line 19, and insert "*Provided*, That in addition to the amount authorized to be made available from the continuing fund, fiscal year 1954 (67 Stat. 262) and fiscal year 1956 (69 Stat. 356), there shall be made available from the continuing funds amounts sufficient to liquidate claims payable under lease-purchase contracts with generating and transmission cooperatives. *Provided*, That the unexpended balance made available from the continuing fund for the fiscal years 1954 (67 Stat. 262) and 1956 (69 Stat. 356) shall be available to liquidate claims payable for the fiscal year 1954 under lease-purchase contracts with generating and transmission cooperatives as certified by the Comptroller General of the United States: *Provided further*, That any deficiency in those funds for payment of such claims may be paid out of the continuing fund."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The Speaker. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 24: Page 21, strike out lines 15 to 19 inclusive, and insert "After July 31, 1957, the salaries of the Administrator of the Southeastern Power Administration and the Administrator of the Southwestern Power Administration shall be in grade GS–17 of the Classification Act of 1949, as amended, but without regard to the numerical limitations contained in section 505 of said act; and the salary of the Administrative Assistant Secretary shall be the same as the salary of the Solicitor of the Department of the Interior."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 24, and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following: "After August 31, 1957, the position of Administrator of the Southeastern Power Administration shall be in grade GS–18 of the Classification Act of 1949, as amended, but without regard to the numerical limitation contained in section 505 of said act; the salary of the Administrator of the Southwestern Power Administration shall be the same as the salary of the Administrator of the Bonneville Power Administration, so long as held by the present incumbent; and the salary of the Administrative Assistant Secretary of the Department of the Interior shall be the same as the Solicitor of the Department of the Interior."

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from New York.

Mr. TABER. Mr. Speaker, this is another of those increases in salary individually by legislation, and I can see no reason why the House of Representatives should pass on this sort of thing without its going to the Committee on Civil Service. It seems to me we ought not to do it.

Mr. CANNON. Mr. Speaker, in response, may I say to the gentleman that the House itself has already passed on it.

Furthermore, the amendment here reduces the salary of one of the participants included in the House bill.

The SPEAKER. The question is on the motion.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. CANNON. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to extend their remarks in the RECORD on the bill, and that all those Members having remarks relating to the Bruces Eddy project have leave to extend their remarks at the point at which the vote was taken on that motion.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. LANE. Mr. Speaker, the people of Massachusetts and New Hampshire are pleased and encouraged by the action of the conference committee on Public Works Appropriation to earmark $600,000 for the beginning of a project to control the Merrimack River and prevent the recurrence of damaging floods.

This project was authorized as far back as June 28, 1938.

The necessary appropriations to make a start on this project were sidetracked by a number of factors, including the preliminary requirement of working out a formula between the two States involved. The Merrimack River flood control compact has been approved by the Legislatures of New Hampshire and Massachusetts, and has been signed by the President.

Further delays would only increase the cost of a project that must be constructed to control the Merrimack River which is described by engineers as "potentially the most dangerous flood site in Massachusetts today."

The New England division of the United States Army Engineers estimates that, if the disastrous floods of 1936 and 1938 were to spill over the banks of the Merrimack today, the damage in Massachusetts alone would exceed $140 million. New Hampshire would suffer damages of $74 million.

Eventual completion of the $34 million flood control dam and reservoir at Hopkinton-Everett in New Hampshire, plus other control measures, will eliminate 85 percent of the danger to New Hampshire, and 70 percent of the threat to Massachusetts.

A mere $50,000 was provided for advance planning in fiscal 1957.

Now that the compact has been approved and signed, a further appropriation of $600,000 is needed so that the Engineers may get on with their vital work. Of this sum, $500,000 is allocated for planning, and $100,000 for land acquisition.

Massachusetts, as the major beneficiary downstream, has already approved, through the compact, the payment of 70 percent of the tax losses to New Hampshire, for properties to be flooded in the reservoir area.

The New England division, Corps of Engineers, was unable to include a request for funds to proceed with the project in fiscal 1958, until the compact was approved. Therefore, no budget estimate was sent to Congress. Since the compact has been signed (early this calendar year) we ask for House approval of this item to avoid further delay.

The Senate Appropriations Committee has included this item in its approval of H. R. 8090, the public works appropriation bill for 1958. So has the joint public works appropriations conference committee.

At last, after many disappointments, and anxious postponements, protection for the hundreds of thousands of people and the many important economic activities of this industrial river valley nears the construction stage.

My own home city depends upon this river to provide filtered drinking water for its inhabitants. Every community along its banks depends upon it as the source of its industrial water supply. Without adequate reservoirs and protective works, this river can turn from a helpful friend to a destructive enemy. It has done so in the past, and will threaten us again in the future with loss of life and property, until the Hopkinton-Everett project is completed.

We are grateful that this Congress realizes our danger and is taking the initial steps to provide us with the necessary flood-control works.

The Senators and Representatives from Massachusetts and New Hampshire have worked hard for this appropriation, but none more so than Representative EDWARD P. BOLAND, of the Second Massachusetts District, and Mrs. EDITH NOURSE ROGERS. The comprehensive knowledge and the diligent study that he brings to his work as a member of the Appropriations Committee did much to convince others of the need and the soundness of this project.

We want to express our thanks to Chairman CLARENCE CANNON, and to the ranking minority member, JOHN TABER, of the House Appropriations Committee.

Our appreciation is extended to the conferees: Senators ELLENDER, HAYDEN, RUSSELL, MCCLELLAN, ROBERTSON, HILL, MAGNUSON, HOLLAND, KERR, KNOWLAND, SALTONSTALL, YOUNG, THYE, MUNDT, SMITH of Maine, and DWORSHAK; and on the House side: Representatives CANNON, RABAUT, KIRWAN, FOGARTY, RILEY, EVINS, BOLAND, MAGNUSON, JENSEN, ANDERSON, TABER, FENTON, and BUDGE.

This is the first solid step toward implementation of a project that has waited a long time for its turn.

As it is endorsed by the United States Army Engineers, and is recognized by the Congress as one of the projected public works now in a position of top priority, the people along the length of the Merrimack River Valley begin to see in the distance the end of their anxiety.

For them I wish to voice their gratitude for the understanding and cooperation all along the line that their problem has received from this first session of the 85th Congress.

DISPOSAL OF FEDERALLY OWNED PROPERTY AT OBSOLESCENT CANALIZED WATERWAYS

The SPEAKER. The Chair recognizes the gentleman from Maryland [Mr. FALLON].

Mr. FALLON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1520) to amend an act entitled "An act to provide for the disposal of federally owned property at obsolescent canalized waterways and for other purposes," with a House amendment thereto, insist on the amendment of the House and agree to the conference requested by the Senate.

The Clerk read the title of the bill.

Mr. MARTIN. Mr. Speaker, reserving the right to object, has the gentleman taken this up with the ranking minority member of the committee?

Mr. FALLON. Yes. He is in Ohio today.

Mr. MARTIN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Maryland? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. BLATNIK, FALLON, DAVIS of Tennessee, MACK of Washington, and SCUDDER.

POSTAL RATE READJUSTMENT AND POLICY

The SPEAKER. The gentleman from Texas [Mr. THORNBERRY] is recognized.

Mr. THORNBERRY. Mr. Speaker, by direction of the Committee on Rules, I call the resolution (H. Res. 394) providing for the consideration of H. R. 5836, a bill to readjust postal rates and to establish a Congressional policy for the determination of postal rates, and for other purposes, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5836) to readjust postal rates and to establish a Congressional policy for the determination of postal rates, and for other purposes. After general debate which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Post Office and Civil Service, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. THORNBERRY. Mr. Speaker, House Resolution 394 makes in order the consideration of H. R. 5836, the postal rate readjustment and policy bill. The resolution provides for an open rule and 2 hours of general debate on the bill.

This bill is similar to the bill, H. R. 11380, which passed the House during the last Congress.

As pointed out in the report of the House Committee on Post Office and Civil Service, "the Congress is faced with a most urgent decision in this question of postal rate increases."

Many of us have been concerned with the fact that the President's budget of 71.8 billion was excessive and have made effective efforts to reduce it substantially. Yet I must point out that the President's budget, even as high as it was, anticipated the passage of some postal rate increase legislation. In fact, this huge budget will be increased by over half a billion dollars unless this legislation is passed.

This legislation proposes an increase in postal revenues by about $527.5 million. Therefore, you can see that this bill is just as important a part of the fiscal program of the Government as any cuts of a comparable amount which we have made in the President's budget during this session of Congress.

The House Committee on Post Office and Civil Service in its report states that—

> Unless the Congress enacts rate increases now, the deficit in the next fiscal year will be at least $651 million, and goes on to call our attention to the rather sobering fact that if postal costs and revenues maintain a continuing relationship over the next few years, the annual deficit will be more than $1 billion.

It is our responsibility to deal with this staggering problem. I realize that it is not an easy one but we cannot in the interest of the taxpayers ignore it.

There are those of us who would prefer that the increases in each category be made on a more proportionate basis. This is an open rule and permits germane amendments at any point, and the opportunity is presented for us to change each of the increases as our wisdom tells us is proper and wise for the people we try to serve.

In order that the House may consider, discuss and amend this bill on its merits, I urge adoption of this resolution so that the House may proceed to the consideration of H. R. 5836 for which ample time has been provided.

Mr. Speaker, I have no further requests for time on this side.

Mr. BROWN of Ohio. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, the gentleman from Texas has ably described the purpose of House Resolution 394, which makes in order the consideration of the bill, H. R. 5836, a bill to increase postal rates and charges.

I have no further requests for time on this side.

Mr. THORNBERRY. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. MURRAY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5836) to readjust postal rates and to establish a Congressional policy for the determination of postal rates, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H. R. 5836, with Mr. HERLONG in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. MURRAY. Mr. Chairman, I yield myself such time as I may desire.

Mr. MURRAY. Mr. Chairman, the Members of the House today face a most urgent decision on the question of adjustments in postal rates if we are to avoid an increase of more than $650 million in the record peacetime budget of $71.8 billion.

Never has any legislation before your Committee on Post Office and Civil Service received more careful, deliberate, or extended consideration than the recurring problem of our tremendous postal deficit and the establishment of postal rates which will provide revenues adequate to maintain efficient postal service and a reasonable relationship between postal incomes and postal expenses.

Your Post Office and Civil Service Committee has held 21 days of hearings on this legislation, H. R. 5836, a bill to readjust postal rates, in this Congress. We heard 114 witnesses, including representatives of all major groups of mail users, members of the President's Cabinet, many Members of Congress, and other authorities on postal and budgetary matters. Every witness acknowledged the need for increases in the postal rates, although many users felt that the increases should be applied to anyone but themselves. The committee in the last Congress gave extended consideration to a similar postal rate bill which the House of Representatives passed by a substantial majority.

The results of our committee deliberations are set forth in the committee report. I believe this report clearly demonstrates the urgent need, and convincingly points up the complete justification, for the increases recommended in first-, second-, and third-class mail rates.

I introduced this bill on the basis of the proposal of the Postmaster General in a letter to the Speaker of the House of Representatives dated March 7, 1957. The reported bill is identical to the Postmaster General's proposal, with the exception of three minor revisions made by the amendments in the reported bill which do not relate to the proposed rate adjustments.

This bill as reported would increase postal revenues by $462 million for the first year and by $527 million each year after all of the increases are in effect. This first year revenue increase however, is based on an effective date of July 1, 1957, and will be reduced to $360 million because of the necessity to change the effective date to October 1, 1957. Without the $462 million increase, the postal deficit for the current fiscal year is estimated to be $651 million.

This bill is the same, except in 3 respects, as the postal rate adjustment bill approved by a majority of 52 votes by the House last year. First, it increases the rates on post cards and postal cards from 2 cents to 3 cents. Second, it increases second-class pound rates on that portion of publications sent outside the county of publication by 60 percent, in 4 equal 15-percent increments, applied to both reading and advertising matter, compared to a 30-percent increase on reading matter and 120-percent increase on advertising matter in 5 increments under last year's bill. And it increases the minimum piece rate on bulk third-class mailings in 2 increments, to 2 cents on the effective date and to 2.5 cents July 1, 1959, compared to the single increase to 2 cents in last year's bill.

A deficit of approximately $5 billion, representing the difference between revenues and costs, has accumulated in postal operations over the last 10 years. This is primarily due to increased labor, transportation, and other costs without corresponding increases in postal rates. This deficit has a direct relationship to the overall budget. If this Congress fails to act on a postal rate increase bill, the result will be an increase in the net amount that the Congress must appropriate in the fiscal year 1958. In other words, this failure to act would negate a large segment of the reductions made by the Congress in the $71.8 billion budget.

This bill is a nonpartisan, nonpolitical measure which is in the best interest of our country and will go a long way toward eliminating the huge annual deficit of the postal service. As an indication of its nonpartisan nature, former Postmasters General James A. Farley and Jesse M. Donaldson both testified in favor of the increases in 1956 and submitted statements this year recommending the postal rate adjustments contained in this bill.

The heart of this bill is the 1-cent increase on first-class letter mail. This increase will return $315 million a year in increased revenues. If the first-class letter rate is left at 3 cents, it would not be equitable to raise postal cards to 3 cents, individual mailings of third-class to 3 cents, or bulk mailings of third-class to 2½ cents. These raises represent most of the increased revenues remaining in the bill.

Postal rates should be increased at this time in line with the recommendations of our committee. Never has a stronger or more convicing case been made for these increases.

The rate on first-class letter mail is increased from 3 cents to 4 cents an ounce. The rates on postal cards, each portion of double post cards and private mailing cards, and the rate on drop letters, are increased from 2 cents to 3 cents each. The rate on domestic airmail is increased from 6 cents to 7 cents an ounce and the rate on airmail post cards from 4 cents to 5 cents each. These increases represent $365.8 million in additional revenue per year.

In second-class mail, the pound rates applicable to that portion of publications addressed for delivery outside of the county of publication will be increased in 4 annual increments of 15 percent each year. The increase does not apply to any issue of a newspaper with a press run of 5,000 copies or less. The minimum charge on these publications is increased from one-eighth cent to one-quarter cent per piece. These increases do not apply to publications of nonprofit religious, educational, scientific, philanthropic, agricultural, labor, veteran's, or fraternal organizations or associations.

The transient rate—publications having second-class entry mailed by other than publishers or as sample copies in excess of 10 percent allowance—is increased from the present rate of 2 cents for the first 2 ounces and 1 cent for each addtional 2 ounces, to 2 cents for the first 2 ounces and 1½ cents for each additional 2 ounces. These increases in second-class mail will bring in increased revenue in the amount of $33 million a year.

Controlled circulation publications are increased from 10 cents—for those not over 8 ounces—and 11 cents—for those over 8 ounces—to 12 cents per pound regardless of the weight of individual issues. The minimum charge of 1 cent per piece is not changed. These rates will remain in effect on controlled circulation publications until changed by the Congress. Incidentally, controlled circulation publications consist of magazines which are similar to second-class magazines except they do not have subscription lists.

Third-class mail, as the Members know, consists primarily of printed matter and small packages of merchandise weighing less than 8 ounces. The principal increase in this class of mail is on the matter mailed in bulk under regulations established by the Postmaster General.

I know that many Members have received considerable correspondence with respect to this class of mail and objections on the part of patrons to what they call cluttering up the mail with an inordinate amount of this advertising matter. A few years ago this class of mail went at the minimum rate of 1 cent per piece. In 1951 we raised it to 1½ cents per piece. In this bill we raise it to 2 cents until July 1, 1959, when it will go to 2½ cents. In other words, a few years ago a thousand pieces of this type of mail could be sent for $10. When all of these increases are in effect, it will be $25, or a 250 percent increase. I mention this because many people are of the view that we are not raising this class of mail sufficiently. In my judgment, it will be increased substantially if this bill is enacted.

The individual mailings of third-class mail are presently going for 2 cents for the first 2 ounces. These will be raised to 3 cents for the first 2 ounces. There is an increase for the permit to use third-class mail from $10 a year to $20 a year and an increase in the charge for odd-sized pieces of third-class mail from 3 cents to 5 cents apiece.

The total increased revenue from third-class, after all the increases are in effect, will be $128 million a year.

In fourth-class mail there is an increase proposed for books, from the present rate of 8 cents for the first pound and 4 cents on each additional pound—up to 70 pounds—to 10 cents on the first pound and 5 cents on each additional pound. While this rate is increased, it will not materially improve the financial situation of the Post Office Department because we are, at the same time, authorizing a number of other items such as manuscripts, tests, and certain other materials to go at this rate. The Department estimates that the lower revenue on this material, which presently goes through the mail at first-class rates, will offset the increased revenue from the higher rates on books. The broadened category was urged by many of the colleges and universities who also are interested in the book rate. While it was felt that the categories going under the book rate could not be increased without some rate adjustment, we did work out what I believe is a fair compromise.

The first-class letter rate increase, as I have indicated, is the very heart of this bill. It accounts for $314 million of the increased revenue. This rate has not been raised since 1932 when it was raised on a temporary basis. This temporary rate was continued periodically but was made permanent in 1947 by legislation coming from our committee. Incidentally, it was made permanent by a procedure which required unanimous consent of the House.

Since 1945, when costs began to rise, there has been an increased cost to the postal service of $1,860,000,000. Much of this was for salary increases—and they were deserved increases—to postal employees. The sender of first-class letters has not been called upon to pay one single bit in increased rates to meet this increased cost. Even in this bill we are proposing only a 33⅓-percent increase.

After this bill is enacted, virtually every other class of mail will have received increases ranging from 100 to 300 percent.

There are those who say that first-class mail is showing a profit. They are in error. In the first place, they use figures that are outdated. They are quoting cost figures that are nearly 3 years old. In the fiscal year which began July 1 the Post Office Department estimates that first-class mail will fail to recover its apportioned cost by nearly $50 million and this does not take into consideration anything at all for the priority of service enjoyed by the first-class mail user. If the postal pay bill already passed by the House is enacted into law this direct loss on first-class mail will be $150 million this year and $175 milion or more each year thereafter.

Seventy-five to 80 percent of first-class mail is used by business. A preponderance of this matter is metered mail, which means that it does not have to be faced or canceled by the Post Office Department. Now we have not heard from any of the large business users of this mail who have not agreed that this rate should be increased. As a matter of fact, the fact that business meters its mail, and there is such a volume of it, is the only reason first-class mail makes such a good showing on the financial records of the Post Office Department. The high cost of handling the letter of the individual who drops it into the corner mail box or the post office and has it delivered to the addressee any place in a complex urban community, such as the Washington area or even 600 miles away, is mixed in with the more favorable cost figures of these large business mailings.

Also, the final cost of all first-class mail is reduced by the pieces of first-class mail weighing more than 1 ounce, on which an added charge is made. Again, these are not the pieces sent by individuals but by the business mailers. I emphasize this because there has been some sentiment expressed that we are charging the individual user of the mail an additional amount over and above what it costs to handle it. This, of course, is not so. He has had pretty much of a free ride all along by virtue of the large mailers whose mailings, because of the volume and the weight, make substantial savings possible in handling although they are charged the same rate as the one who sends the individual letter.

Just to summarize, this bill is necessary if we are in any way to cut into the tremendous deficit in the postal service and prevent a further increase in the budget. I have always favored the Post Office Department paying its own way. Looking back in retrospect, it would have been pretty nice if the Post Office Department, instead of running up an accumulative deficit throughout the years, had paid its own way.

Just think, our national debt limit could be $5 billion lower. And we must remember, also that the next generation is probably going to have to pay more in interest on the postal deficit, that we fail to charge today, than we would have paid had we paid that necessary postal rate ourselves.

Secondly, first-class mail is not only failing to pay its apportioned cost but it does not even begin to pay for the preference in handling which it receives. At the time the first-class letter rate was made permanent at 3 cents, it was paying 30 percent above its apportioned cost. That was about the lowest that it has paid above its apportioned costs through the years. It has paid as high as 64 percent above its apportioned cost. This was in 1945, and no one thought then that they were overcharging the user of first-class letter mail. At least, I did not receive a single letter of complaint as a member of the Post Office and Civil Service Committee.

Unless we raise the first-class letter rate, the other rates will be out of line. We cannot charge 3 cents for postal cards, 3 cents for individual mailings of third-class mail, or 2½ cents for bulk mailings. This represents an additional $112 million of the increases.

I hope that the Members again this year will support this essential legislation, as they did last year. More than that, I hope that this time, and we have

been trying to do the right thing now for 6 years, that there will be pretty general support for a measure which certainly all should recognize as just and a must.

Now let us see who appeared in behalf of this postal rate increase:

LIST OF THOSE WHO TESTIFIED IN FAVOR OF POSTAL RATE BILL

Hon. James A. Farley, former Postmaster General.
Hon. Jesse M. Donaldson, former Postmaster General.
Hon. George M. Humphrey, Secretary of the Treasury.
Hon. J. Vaughan Gary, chairman of the Subcommittee on Appropriations.
Hon. Percival Brundage, Director, Bureau of the Budget.
The Advisory Board of the Post Office Department.
Mr. John F. Fixa, president, National Association of Postmasters of the United States.
Mr. John S. Coleman, president, Chamber of Commerce, of the United States.
Mr. John C. Allen, general traffic manager, Sears, Roebuck & Co.
Mr. Fred W. Bennion, executive director, Wyoming Taxpayers Association, Cheyenne, Wyo.
Hon. John Taber.
Hon. Thomas E. Martin.
Mr. M. C. Nave, president, National Association of Postal Supervisors.
Mr. Francis J. Pinque, president, New Jersey Taxpayers Association, Inc., Trenton, N. J.
Mr. Ernest G. Swigert, president, National Association of Manufacturers.
Mr. Charles M. White, chairman of the board, Republic Steel Corp., Cleveland, Ohio.
Mr. John W. Fitzgerald, Pontiac Press, Pontiac, Mich.
Mr. Steve Stahl, executive vice president, Oklahoma Public Expenditures Council, Oklahoma City, Okla.
Mr. James H. S. Ellis, president, Kudner Agency, Inc., New York, N. Y.
Mr. W. A. Paton, professor of accounting, University of Michigan, Ann Arbor, Mich.
Mr. Theodore A. Serrill, executive director, Washington Publishers Association, Washington, D. C.

If this bill is not approved by the Congress this year, the deficit of the Post Office Department will be $651 million. It certainly seems to me that Members would vote for it, especially those who have voted for large appropriations and increases in pay for postal employees as well as the classified employees. They should certainly come along and help us in a little way to wipe out this deficit of the Post Office Department. We are all concerned about the national debt which is nearly reaching the limit now. Yet, we have lost $5 billion in the last 10 years in the operation of the postal service. It is not right or fair to place the burden of that debt upon the people, when the Post Office Department should be self-sustaining and the users of the mail should pay their own way. I hope the committee will, as it did last year, approve this bill.

Mr. REES of Kansas. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, this is an extremely important piece of legislation and in some degree controversial. It is the second time in 2 years we have brought this almost identical measure before the House for your consideration. This bill, as the chairman has told you, is for the purpose of increasing the postal rates. It provides for an increase that would secure additional revenue in the amount of $527.5 million annually.

Mr. HOLIFIELD. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and twenty Members are present; a quorum.

The gentleman from Kansas will proceed.

Mr. REES of Kansas. Mr. Chairman, I urge the approval of H. R. 5836, a bill to increase postal rates. This legislation provides for an increase in postal rates, which will secure additional postal revenues in the amount of $527.5 million annually when all of the increases are in effect. By a large majority our committee has determined that there is an urgent and vital need for this legislation. The postal deficit is reaching staggering proportions by reason of the failure of Congress to enact adequate postal rate increases despite the repeated recommendations of President Eisenhower and President Truman over the last 9 years.

Unless the Congress acts now to increase postal rates, the postal deficit at the end of the fiscal year will be over $686 million and if a pay increase for postal employees is enacted, without a rate increase, the postal deficit next year will reach almost $1 billion annually.

Extensive hearings were conducted this year as in former years and more than 100 witnesses appeared before the committee, many of whom supported this legislation. Among those who urged its approval included former Postmasters General Jesse M. Donaldson and James A. Farley.

There are only three major differences between this bill and the one the House approved last year. This bill increases the rate on postal cards from 2 to 3 cents. Last years' bill did not include such an increase. This bill provides an increase in second-class rates of 60 percent in 4 annual 15-percent increments, while the bill last year provided a greater increase—a 120-percent increase on advertising in second-class publications. The bill last year provided a one-half cent increase in the minimum per piece rate for third-class bulk mailings, while the bill this year provides the same increase plus another one-half cent increase at the end of the second year.

Briefly the provisions of this bill are as follows:

First-class letter rates are increased from 3 cents to 4 cents an ounce; post and postal cards are increased from 2 cents to 3 cents each; and airmail rates are increased from 6 cents to 7 cents an ounce with an increase of from 4 cents to 5 cents on air-mail cards. Additional revenues will be provided by these total first-class and airmail increases amounting to $365,800,000 a year.

Second-class rates are increased by 4 annual installments of 15 per cent each year with continued exemptions for newspapers with press runs of 5,000 copies or less, and publications addressed for delivery within the county of publication. The minimum per piece or copy rate on second-class publications is increased from one-eighth cent to one-fourth cent. No increase is provided for publications of nonprofit, religious, educational, scientific, philanthropic, agricultural, labor, veterans' or fraternal organizations. The additional revenues which will be secured under increased second-class rates will amount to $33 million annually when the new rates are completely in effect.

In the third-class category the piece rate for circulars, merchandise, and miscellaneous advertising will be increased from 2 cents to 3 cents for the first 2 ounces and additional ounces will be increased from 1 cent to 1.5 cents. A similar increase is provided in the piece rate for books and catalogs weighing 2 ounces or less. The bulk rates are increased from 14 cents to 16 cents a pound for circulars and from 10 cents to 12 cents a pound for books and catalogs. The minimum per piece rate for third-class is increased from 1.5 cents to 2 cents for the first year and 2.5 cents for the second year and thereafter. Rates per piece on odd sizes are increased from 3 cents to 5 cents and the annual bulk mailing fee is increased from $10 to $20. These increases in third-class mail will produce additional revenues of $128 million annually.

Fourth-class book rates for the first pound are increased from 8 cents to 10 cents and additional pounds from 4 cents to 5 cents. Controlled circulation publications weighing not over 8 ounces are increased from 10 cents to 12 cents a pound and over 8 ounces from 11 cents to 12 cents a pound. This rate increase for books and controlled circulation publications will produce $700,000 annually in additional revenues.

During this fiscal year the Post Office Department estimates that first-class mail will fail to meet its apportioned cost by $50 million; second-class by $282 million; and third-class by $261 million. It is clear that the increased revenue in second-class mail, which is applied in 4 annual 15-percent increments and totals only $33 million, is fair to the publishers. Third-class rates, which, at the end of the second year will provide $128 million in increased revenue, are also reasonable.

It is only fair to point out, of course, that since neither second-class nor third-class mail have priority of service that is given first-class mail, these classes of mail should not be expected to pay their fully apportioned costs

I know that there has been a lot of confusion and misunderstanding concerning the cost-ascertainment system of the Post Office Department.

If I may take a moment here, I believe I can explain it readily by an illustration. The costs of the postal service are primarily personnel costs. The time that it takes an employee to handle first-class mail is the same, as far as payroll costs are concerned, as the time it takes an employee to handle the lesser preferred classes of mail. Since first-class mail is handled first and receives preferential treatment that time, of course, is valuable. It is also more valuable to the one receiving the preferential service.

Another illustration which was used during the hearings to describe the postal-cost procedure is that of charging

for theater admission. It was pointed out that the cost to the theater for providing all seats is relatively the same. The cost of heat, light, tickets and other service is identical as far as all seats are concerned. The seats in the center section, however, sell for much more because these are preferential seats. That is the same with first-class mail. It has preference and thus it has a greater time and monetary value.

Throughout the years Congress has established this preference at about 30 percent. The Members may want to note, in our committee report we have outlined this preference markup in a chart appearing on page 11. You will note that first-class mail paid on the average—between 1926 and 1941—approximately 40 percent above its apportioned costs. Since we have had the tremendous increases in costs following 1945 and not increased the first-class rate, it has gone down now until it pays less than its apportioned costs.

In 1947, when I was chairman of the Post Office and Civil Service Committee, President Truman requested that the first-class letter rate, which would have reverted to 2 cents, be made permanent at 3 cents. Our committee considered it in a rate bill that contained many other items. There was no controversy on this proposal and the first-class letter rate of 3 cents was taken out of the rate bill and passed separately. It was approved by unanimous consent.

I mention this to show there was pretty general agreement that the 3-cent rate was the proper rate for first-class mail at that time when it was paying 30 percent more than its apportioned costs, while today it is $50 million below its apportioned costs. If the postal pay bill is approved, it will be almost $150 million below its apportioned cost.

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Florida.

Mr. HALEY. There has been a great deal of conversation about a change in accounting procedure and that, with the change, there has been the suggestion that first-class mail is taking a greater amount of the cost than formerly. Is that the case? And, if there is a deficit in the cost of carrying first-class mail, to what does the gentleman attribute it?

Mr. REES of Kansas. There was a time when first-class mail did pay its way—that is, under present accounting procedure if applied at that time, first-class mail did pay its way. It paid more than its way at one time, considerably more, but because of the increased cost that has come about in the years it has kept going down lower and lower until now it does not quite pay its way.

I would like to explain to the gentleman and to the Members of the House that when we apportioned these costs we did not include all of the items of cost with which they should have been charged; for instance, the expense of building post-office buildings, the care and maintenance of the buildings. Items of that sort are really not reflected in these costs. When we compute them even under the present procedure, we see that first-class mail is not paying its own way by a substantial measure.

Mr. MACK of Washington. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Washington.

Mr. MACK of Washington. On page 3 there is a table showing the rates on publications and newspapers. The effective date in the first column is July 1, 1957. That date has already passed. Will these rates be retroactive, or has the committee an amendment to change the date and make it effective later?

Mr. REES of Kansas. The chairman at the proper time will offer an amendment to change the date "July 1, 1957" to "October 1, 1957."

The opponents of this measure state their views in contradictory terms. First, they say that the burden of the increase in postal rates should not fall on the users of first-class mail, and then they deplore the fact that rates on second- and third-class mail are not greater than provided in the bill.

It should be clear to anyone who has studied this legislation that we cannot increase third-class rates—even to the point that they have been increased in this legislation—unless first-class mail is increased. In other words, without an increase in first-class rates there could not be even a reasonable increase in third-class rates.

So far as the contention about the small increase in second-class mail is concerned, I need only to point out that it would require an increase of several hundred percent to provide that the users of second-class mail would pay their apportioned costs under the cost-ascertainment system. If we were to increase second-class rates to that extent, the rates on newspapers and magazines would be so great it would cause many publishers to go out of business. Therefore, the committee recommends in this legislation a reasonable increase which I believe is the maximum that should be provided at this time. I am aware of the great benefits to the large publishers on the basis of present second-class rates. I believe they should pay their fair share in postal revenues, and I believe the bill provides such an increase.

There was virtually no opposition to an increase in first-class mail by the witnesses who appeared before the committee. We should bear in mind that this 1-cent increase in first-class letter mail is the first increase in first-class rates since 1932, which is the only increase since 1885. Recently many surveys have been conducted, including some by Members of Congress, which show that the American people believe that an increase of 1 cent in first-class mail is reasonable and will produce further improved services for postal patrons. More than 75 percent of first-class mail by volume is sent by business. It is estimated that the increased first-class rates provided in this bill will cost the average American family only about 15 cents a month.

In considering this legislation the Members should bear in mind that 78 percent of the expenditures of the Post Office Department are for salaries and other necessary expenses for postal employees. On page 7 of our report on this bill a table shows that since 1945 increased costs for employee benefits and for transportation have amounted to $1,859,851,000 annually. Thus, it is clear the increased deficit in the Post Office Department over the years has resulted to a large extent from salary increases which are necessary and just. Fifteen percent of the expenditures of the Post Office Department are for transportation. At the present time the railroads are requesting the Interstate Commerce Commission for additional rate increases which will necessitate even larger expenditures for transportation. Seven percent of such expenditures go for supplies, rents, utilities, communications, and other miscellaneous expenditures. Therefore, when we discuss the advisability of reducing the deficit in any way other than by rate increase, it is clear how impossible it would be.

The postal service is responding to the needs of this atomic era, and it is expected that within a few years mail volume will reach nearly 75 billion pieces annually. To provide the services that are necessary, to reduce the deficit, and to modernize the postal rate structure, it is necessary to increase the rates as proposed in this legislation. Those Members who are concerned about economy and those who recognize the increased costs of our modern Government will understand the urgent need for the approval of this legislation.

Mr. Chairman, I realize it is not so easy to vote for postal rate increases but there is one thing sure: Either you are going to increase these postal rates through the legislation we have before us today or else you are going to charge it against the Federal Treasury and the small taxpayer will pay the cost.

I hope the members of the committee will see fit to support this very important legislation.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from New Jersey.

Mr. CANFIELD. Is it not true that under modern cost analyses, consideration has to be given costs in that first-class mail receives a preferential service from the time the mail is sent to the time it is delivered?

Mr. REES of Kansas. That is correct. Incidentally, I should also state that most of this first-class mail is sent by business and industry and commercial institutions. More than 75 percent of it is sent by business.

Mr. CANFIELD. Does the gentleman know of any major country in the world that charges a lesser rate for its first-class mail than in the United States of America?

Mr. REES of Kansas. The United States now has the lowest first-class mail rate.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. REES of Kansas. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia [Mr. BROYHILL].

Mr. BROYHILL. Mr. Chairman, the details of this bill have already been very thoroughly explained by the distinguished chairman of the Committee on the Post Office and Civil Service, the gentleman from Tennessee [Mr. MURRAY] and by the ranking minority member of that committee, the gentleman from Kansas [Mr. REES]. I am going to deal very briefly here with some of the overall objectives of the bill and the basic principles involved.

The overall objective, of course, is to raise postal rates and to increase the revenue of the Post Office Department in an effort to reduce the deficit. Another desired objective, of course, is to balance the postal budget.

Going into this next fiscal year it is estimated that the postal deficit will be in the neighborhood of $700 million. Now, that does not include the increase in salaries which we acted upon here in the House about 3 or 4 weeks ago for the postal field service employees, which, if added onto this estimated $700 million, would make the deficit amount to approximately a billion dollars. So, we are not talking about peanuts here, nor are we talking about millions of dollars, but billions of dollars. We estimate, if this wage increase goes into effect, the postal deficit for the next year will amount to a billion dollars, and that will have, of course, a very serious effect on our national budget. The budget submitted by the President for this year took into consideration that we would raise the estimated revenue by $654 million.

Mr. PORTER. Mr. Chairman, I make the point of order that a quroum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and ten Members are present, a quorum.

Mr. BROYHILL. If we would take no action on this bill whatsoever, it would have the same effect as if we increased the President's budget by $654 million. As was pointed out by the chairman of the committee, the total deficit in the postal operation since 1946 has amounted to approximately $5½ billion, and there is no question but that it did have an effect on the temporary authorization that we passed here in 1955 and 1957 to increase the debt limit. And, if we do not take any action here today, there is no question in my mind but that ultimately we will again have to act on increasing that debt limit. Certainly this bill is somewhat controversial. No one likes to absorb an increase in cost on any operation. But, we have had extensive hearings. I have been a member of this committee ever since I have been a Member of the Congress, and we have had more hearings, many times more hearings, on this subject than we had on any other problem which we had before our committee. And, it is a compromise at best. It is a fair distribution of this rate increase.

Now, what are the basic principles involved? We have got to decide whether or not the people who use this postal service should pay for that service. If they do not pay for it, certainly the other taxpayers, all the taxpayers of the Nation, are going to have to pay for it. And, who are these other taxpayers of the Nation? No one else but the postal users themselves. So, it is the fairest way of distributing the cost, by making the people who actually use it pay for it. And, if they do not pay for it, it will constitute a burden that will be passed on to future generations. Sometimes it is necessary, in times of grave emergencies, or time of war to have deficit financing, but I think it is unconscionable at a time of the greatest prosperity in the history of this Nation to pass on to future generations the cost of the postal service instead of on those who enjoy it. We have not had an increase whatsoever in the first-class letter rate since 1932.

During the past few weeks many of us have talked about the increased cost of living since 1939, and have been pleading with the Members of this body to recognize that increased cost of living for the employees of the postal service and the Federal classified employees. We asked for a salary increase to cover that cost of living. Well, then, it is altogether fitting and proper that we likewise act in the same manner, with the same kind of concern, in raising revenue so that we can reimburse the Government for their increase and their cost of service in this postal operation.

The American people have a right to expect the Post Office Department to be run on a sound fiscal basis. This legislation is a step in that direction and I urge its favorable consideration.

Mr. MURRAY. Mr. Chairman, I yield 5 minutes to the gentlewoman from Idaho [Mrs. PFOST].

Mrs. PFOST. Mr. Chairman, I opposed this bill when it was reported by our committee because I did not believe first-class and airmail rates should be raised to pay for the so-called trash mail that clutters up everybody's mailboxes.

First class and airmail are already paying their own way, and making a profit for the Post Office Department. In 1956 first-class mail made a profit of $35 million and airmail made a profit of $23½ million. The real deficit comes in second- and third-class mail which is carried at a tremendous loss.

Nothing was said or done during the many tedious weeks of hearings to convince me that there is any need to burden the average citizen who uses first-class mail with the responsibility for balancing the Post Office Department's budget. Nearly 70 percent of the increased revenue raised by this bill comes from the users of first-class mail and airmail letters.

Increased rates in this instance, therefore, are nothing more than a tax upon the people—a tax imposed without regard either to equity or ability to pay. Nothing could be more unfair.

Mr. Chairman, this Republican administration seems to have lost sight of the fact that the postal system was set up as a service to the people. Carrying the mail at a reasonable cost has always been considered one of democracy's general welfare services to the people.

This bill makes a radical change in the basic philosophy under which the Postal Establishment has always been run. It marks the end of the post office as an instrument for public service—as a tool through which our national horizons could be expanded. If this bill is passed, from now on the Post Office Department will be a hard-boiled business establishment, governed by a profits-and-loss philosophy.

This changed philosophy is tied up in a package which is presented to the Congress as an emergency measure. We are told, in effect, that it is "must" legislation.

I feel that the "must" label could be tagged more appropriately to a bill which would attempt to resolve the basic philosophy question itself—without the high pressure tactics to which the Department has resorted in its rush to justify a tax on mail users who are already paying their way—and more.

Only when the basic policy question is decided—only when we know whether we want the Post Office Department to continue to be a service organization, or whether we want it put on a cold profits-and-loss basis—will it be possible to sit down and assess the true need for additional postage funds and to determine just where those funds should come from.

To place an emergency tax on an individual's business and personal correspondence in order to help pay the cost of other classes of mail—including so-called junk mail—seems to me to be a poor way of solving the postal deficit.

Mr. Chairman, I oppose this bill. I think it should be recommitted, and we should start all over.

Mr. MURRAY. Mr. Chairman, will the gentlewoman yield?

Mrs. PFOST. I yield to my distinguished chairman.

Mr. MURRAY. The gentlewoman says that this new philosophy is a philosophy of the Republican administration. How does she account for the fact that Postmaster General Farley was in favor of postal rate increases as was Postmaster General Donaldson?

Mrs. PFOST. I would say to my distinguished chairman—and I have a great deal of respect for my chairman—that I heard Postmaster General Farley's testimony last year and he said he favored an increase in first-class and airmail postage rates.

I think the distinguished former Postmaster General agrees with me however, that second- and third-class mail should more nearly pay its way, and that the real burden should not be placed upon those classes of mail that already pay their way—such as first-class and airmail.

Former Postmaster General Donaldson, as I recall, agreed to a first-class rate increase only on the condition that second-class rates be increased by 70 percent. It should be noted that neither he nor former Postmaster General Farley appeared before our committee in person this year. And when they did last year they freely stated that they had not gone into the details of the Post Office

Department's presentation. They plainly had no firsthand knowledge of this newfangled and unique philosophy—used by the present postal administration—that intangibles suddenly discovered in the past 2 years warrant increasing first-class rates so that letter mail will return a profit of $300 million to the Post Office Department. This increase, in effect, would pay for the tremendous losses on other classes of mail.

Mr. REES of Kansas. Mr. Chairman, I yield 8 minutes to the gentleman from New Jersey [Mr. CANFIELD].

Mr. CANFIELD. Mr. Chairman, since 1945 I have been a member of the seven-man subcommittee of the Committee on Appropriations of the House handling Post Office Department funds. Today, Mr. Chairman, every member of that committee, Democrat and Republican, stands for the enactment of this legislation.

It is a tragic thing, when you think about it, forcing the Post Office Department of our country to operate on 1932 rates, facing as it does 1957 costs.

I was one of the 317 Members of this body who a few days ago voted for increased pay for the postal workers of our country. The vote was 317 to 38. I cannot believe that this House today will turn down this bill calling for realistic postal rates.

The present 3-cent letter rate has not been changed since 1932. The last change prior to that date was in 1885. I say to you, Mr. Chairman, if we want to provide modern mail service we have to charge modern prices. First-class mail is today being run at a loss on any basis of accounting. If we consider the cost of providing preferential service on first-class mail, even a 4-cent letter rate would not get the Post Office Department out of the red.

The loss on first-class mail in 1956, according to the Post Office figures, was $345 million. In 1957 it probably will be close to $375 million. If the postal pay is increased, and I hope it is increased, this will make the first-class loss, according to estimates I received today from the Post Office Department, just about $500 million. This bill only increases first-class mail revenues about $350 million, so there will still be a large loss in this class of mail.

First-class mail, Mr. Chairman, is not bearing its fair share of the burden of increased cost. Even if this bill is enacted, first-class mail will still not have faced the same proportion of increase that second- and third-class mail have met in the last 10 years. Second-class mail, for example, will have increased 92 percent over the level of 10 years ago, and third-class rates will have increased 104 percent as compared with an increase of only 33 percent for letter mail. Letter mail which in 1946 contributed 42 percent of the total postal revenues now contributes only about 32 percent. This is what President Eisenhower had in mind when he stated in a special message that:

> The failure of this type mail to maintain its revenue contribution is a major factor in the present postal deficit. There is, therefore, an urgent need to increase the rate of postage of first-class mail.

That was the President's clarion call.

The 3-cent letter rate has been in effect for 25 years during which time postal costs have more than doubled. On the basis of the change in the value of the dollar alone during the last quarter century, the Department could now be charging 6 cents rather than 3 cents for a letter stamp. How, then, can one logically oppose a 4-cent rate?

A letter-rate increase would not be burdensome for the American family. The cost to the average family would be only about 4 cents a week since private letters account for only 25 percent of all letter mail. Meanwhile, private individuals are contributing 60 percent of the Federal income-tax revenues which are paying a large share of the cost of business mail. A 4-cent letter rate would put the burden where it belongs, on business, which originates 75 percent of letter mail today.

Let me say something about letter rates in other countries and about salaries for postal workers in other countries. Germany today charges for first-class letter mail 4.8 cents. At the same time in Germany the annual salary of an experienced postman is $1,161. France today for domestic letter rates charges 5.7 cents while an experienced postman in France receives a salary annually of $1,149.

Switzerland charges 4.6 cents for a first-class stamp and the salary of an experienced postal worker in Switzerland today is $1,830.

Denmark charges 4.3 cents for a first-class rate and today an experienced postal worker in Denmark receives an annual stipend of $1,485, as compared to the 3-cent first-class stamp in the United States while our postal workers who are experienced receive an annual stipend of $4,410.

Mr. SANTANGELO. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield.

Mr. SANTANGELO. The majority report on page 14 indicates that second-class mail is yielding a revenue of less than 3 percent of the total revenue and comprises 25 percent of the burden of the Post Office. Does the gentleman think it is fair that second-class mail which gives so little and uses so much of the service of the Post Office Department should not carry an increased rate so that it will carry itself? On the other hand, I would like to point out to the gentleman, that first-class mail users that show a profit for the Post Office Department are going to assume the burdens which businessmen of second-class and third-class mail are incurring.

Mr. CANFIELD. The gentleman knows that they are gradually increasing those rates. The second-class mail rates today, as shown by the figures of the Post Office Department, show an increase of 92 percent over the level of 10 years ago while the increase in the first-class mail shows only 33 percent.

Mr. SANTANGELO. The majority of the committee on page 14 indicates that 2.7 percent of the total departmental receipts comes from second-class mail whereas 24.7 percent of the total volume of the mail is used by second-class mail users. Does the gentleman think it is fair, using the same standards of comparison that he applied to the first-class mail users, that the second-class mail users should be getting a free ride at the expense of the first-class mail users?

Mr. CANFIELD. The gentleman is not arguing that the first-class mail, which today shows a deficit of $375 million, should not be increased; is he?

Mr. SANTANGELO. Under the cost ascertainment system, the first-class mail in 1956 made a profit of 35.7 million and the increases in this bill will recoup 314 million for the first-class mail users.

Mr. CANFIELD. I am sorry to say the gentleman is mistaken because the figures the gentleman has quoted do not take into consideration the preferential treatment which the first-class mail has to receive from the Post Office Department of the United States.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MURRAY of Tennessee. Mr. Chairman, I yield 4 minutes to the gentleman from South Carolina [Mr. HEMPHILL].

Mr. HEMPHILL. Mr. Chairman, what is at issue here today is not only the question of whether or not the postal rates, which now exist, shall be increased, but whether the post office as a service department of this Government and as a service to the people shall be destroyed by this sort of legislation. Historically, the Post Office Department has been a department of service. It is unique in that it is the only Department of Government that I know anything about wherein the revenues are set apart as against the expenses. Yet, even though that be true, those revenues do not go into the Post Office Department as the Budget Director found out some time ago, but they go into the general Treasury.

Now if we are going to consider this legislation in the light in which it should be considered, we first have to take the first-class mail and look at the service given by the Post Office Department, which I ask to put into the RECORD at this point.

This chart shows that since 1926 the first-class mail has traditionally paid its way through 1955, until we were given the cost ascertainment system. In 1926 first-class mail paid 129.8 percent of its way. Second-class only 29 percent, and third-class 97 percent. We can go down to 1955 in which year first-class mail paid 105 percent of its way, second-class 21 percent, and third-class 59.9 percent.

Now we seek to place the burden on first-class mail. We say that even if it paid 105.4 percent of its way, we are going to write in the first-class preferential treatment, which treatment on its face may seem to be true, but if you know anything about the Post Office Depart-

ment and have talked to postmasters, you will find there is such a thing as "red tag" treatment. That is the Wall Street Journal, and certain other publications. They are given first-class treatment, the same as first-class mail is given. That is nothing more than an excuse to cover up for some others who have been receiving the same sort of treatment.

At this point, Mr. Chairman, I ask unanimous consent to insert in the RECORD the figures for 1953, 1954, and 1956, as furnished by the Post Office Department, showing the preferential treatment insofar as rates are concerned, and indicating the preferential treatment insofar as service is concerned, by certain magazines.

The CHAIRMAN. The Chair will state to the gentleman that that permission will have to be procured in the House rather than in the Committee.

Mr. HEMPHILL. Let me read to you from 1955.

National Geographic, revenue $486,000; cost $1,820,000.

Life magazine, revenue $7,485,000; cost $16,797,000.

In 1955 these publications—and I will put these in the RECORD—took the Government for $61 million more than the revenues received.

If that is true, why should the man who is paying on first-class mail be asked to carry the burden for these particular magazines?

Let me read to you from 1956. Ladies' Home Journal cost $287,000. Excess of cost $159,000.

Estimated annual loss, $1,917,000.

Collier's magazine, 1956, cost $3,146,000; Life in 1956, $9,310,000.

Colliers magazine in 1956 cost the taxpayers $3,146,000 because of inadequate postal rates; Saturday Evening Post cost $6,087,000; Reader's Digest cost $4,172,000. These are figures furnished by the Post Office Department. These are all good magazines—but if the little man who uses only 10 letters a year, first class, is to pay his own way, then why not a profitable magazine?

We must recognize that there are certain services which the postal user and the taxpayer are paying for. From table 100–A of the cost-ascertainment report we find exempt publication cost the Department $55,042,090 more in 1956 than the revenue received from postal revenues. Daily newspapers cost $65,996,414 more. Other newspapers cost $23,854,170 and magazines and periodicals $70,539,141. The total year-end deficiency for 1956 totaled $254,846,862. This deficiency arises because we recognize the services rendered in these fields. Someone has to pay for these services if we are to continue these services. This is proof of the fact that the Post Office Department is a service department.

On March 27, 1957, the House of Representatives passed H. R. 5206 which, in effect, recognized these service features. By passing that legislation this Congress recognized an airmail subsidy of $14,577,044.

From table 100–B of the Post Office Cost Ascertainment Report for 1956 we find special services, such as certified mail, money orders, and so forth, account for $57,911,843 of the deficit. Nonpostal services account for another $1,135,886.

These are deficits which must be absorbed, or corrected. The legislation makes no attempt to do either, unless to place the burden on the back of the first-class user.

It is not morally right to have first class shoulder the burden.

We need a policy which defines the services rendered and recognizes them as such. If we are to adjust, each class of mail should pay its own way. Fourth class is required to by law.

We find on page 3 of the committee report that according to budget estimates $654 million of revenue to be expected from this legislation is written into the budget—written in before the bill is passed. I want to know who is trying to mislead whom? Is it just, or fair, to write into the budget moneys not yet realized, or authorized?

This bill will, reportedly, increase revenues by about $527.5 million if all the increases are granted. So we are going to be short whatever we do. In addition, Mr. Stans, Deputy Attorney General, told the committee the Department would be $250 million or $300 million short if every increase were granted. So we are using a bad bill which cannot cure the deficiencies.

Unless this bill is changed from its present form, I will have to vote against it.

Mr. Chairman, I include as part of my remarks before the Committee as a Whole certain charts furnished by the Post Office Department—

First. Chart of revenues to expenditures of 1st, 2d, and 3d class mail, 1926 to 1956.

Second. Chart showing 1953 deficit occasioned by five or six of the largest circulation magazines.

Third. Chart showing 1955 deficit of certain magazines.

Fourth. Chart showing 1956 deficit of certain magazines.

Fifth. Table 100 of the Post Office Cost Ascertainment Report of 1956.

Sixth. Table 100–A and 100–B of the Post Office Cost Ascertainment Report, 1956.

Ratio of revenues to expenditures[1] 1st-, 2d-, and 3d-class mail, 1926–56

	Expense coverage (percent)		
	1st class	2d class	3d class
1926	129.8	29.2	97.5
1927	131.7	29.4	94.1
1928	132.5	28.9	91.3
1929	131.0	24.1	76.7
1930	129.0	25.5	74.1
1931	121.0	22.1	71.4
1932	112.2	18.8	63.7
1933	146.1	18.4	64.3
1934	158.1	21.5	74.4
1935	150.1	18.9	72.2
1936	144.2	19.4	73.2
1937	151.1	21.5	78.1
1938	150.2	21.5	75.3
1939	152.0	21.5	74.6
1940	154.4	22.6	74.1
1941	155.2	23.6	78.8
1942	156.6	23.8	75.6
1944	146.1	21.4	71.4
1945	164.7	20.1	76.8
1946	131.5	18.3	61.5
1947	126.4	19.7	56.2
1948	130.0	20.2	56.4
1949	112.9	19.0	51.3
1950	111.9	18.9	53.1
1951	113.8	18.7	53.8
1952	105.4	16.9	46.2
1953	108.8	18.3	57.0
1954	105.9	19.7	62.1
1955	105.4	21.0	59.9
Average: 1926 through 1941	140.5	22.9	77.1
1956: Allocated postal costs, plus current pay increases and costs paid by other Government departments	96.8	19.5	52.3
If H. R. 5836 is passed: Allocated postal costs, plus pay increases, and costs paid by other Government departments	130.1	29.2	77.7

[1] Without regard to reallocation of cost to recognize differential in service or value of mails.

Itemized breakdown of the amounts of deficit occasioned in handling mail of five or six largest circulation magazines and four or five largest circulation newspapers

	Quarterly weight	Copies	Quarterly postage at present rate	Cost of handling	Quarterly loss	Annual loss
	Million pounds	*Millions*				
Magazines:						
Life	47.5	45.8	$1,273,000	$3,424,000	$2,151,000	$8,604,000
Saturday Evening Post	34.1	36.9	690,000	2,321,000	1,631,000	6,524,000
Ladies' Home Journal	10.2	7.7	215,000	623,000	408,000	1,632,000
Collier's	17.4	33.1	386,000	1,623,000	1,237,000	4,948,000
Reader's Digest	7.0	23.5	134,000	1,051,000	917,000	3,668,000
Newspapers:						
Chicago Tribune	5.9	9.8	154,000	601,000	447,000	1,788,000
New York Times	5.6	7.6	211,000	636,000	425,000	1,700,000
Detroit Free Press	.8	1.4	17,000	75,000	58,000	232,000
St. Louis Post-Dispatch	1.7	2.6	37,000	150,000	113,000	452,000
Los Angeles Times	.5	.7	24,000	69,000	45,000	180,000

NOTE.—The above figures are based on mailings for the quarter ended Dec. 31, 1952. Postage paid has been adjusted for the 10-percent increase on Apr. 1, 1953. Costs are based on expenditures for the fiscal year 1952.

Itemized breakdown on costs and receipts for 1st-class mail, local and nonlocal (fiscal year 1952)

	Pieces	Revenue	Expenditures	Excess of revenues	Average per piece	
					Revenue	Expenditure
	Billions	*Millions*	*Millions*		*Cents*	*Cents*
Nonlocal letters and sealed parcels	15.1	$542.0	$478.8	$63.2	3.60	3.18
Local letters and sealed parcels	7.4	235.1	192.7	42.4	3.18	2.61

Estimated annual revenues and costs of selected leading magazines, 1955

Publication	Revenue	Cost	Publication	Revenue	Cost
National Geographic	$486,000	$1,921,000	Ladies' Home Journal	$1,530,000	$3,449,000
Good Housekeeping	881,000	2,175,000	Collier's magazine	1,238,000	4,415,000
Saturday Evening Post	3,488,000	9,557,000	Life	7,485,000	16,979,000
American Legion Magazine	143,000	1,455,000	Woman's Home Companion	741,000	2,325,000
Coronet magazine	180,000	976,000	McCall's magazine	1,097,000	2,604,000
American Home magazine	623,000	1,753,000	Look magazine	1,534,000	5,016,000
Better Homes and Gardens	758,000	1,904,000			
Reader's Digest	1,082,000	5,891,000	Total	21,592,000	61,679,000
American Monthly	326,000	1,359,000			

Volume, revenues, and estimated handling costs of selected 2d-class publications, based on one issue

[In thousands]

Publication	One issue					Estimated annual loss
	Weight (pounds)	Copies	Postage at present rates	Cost of handling	Excess of costs over postage	
Ladies' Home Journal	5,835	3,706	$128	$287	$159	$1,917
Collier's magazine	1,909	3,070	48	169	121	3,146
Life	5,410	4,775	144	323	179	9,310
Saturday Evening Post	3,095	3,106	67	184	117	6,087
Reader's Digest	3,829	9,163	90	438	348	4,172

NOTE.—In all cases costs were based on average cost factors computed for a subgroup of publications applied to volume data for each publication, and not on individual traffic studies and cost factors attributable to each specific publication.

Source: Post Office Department, Bureau of Finance, Division of Cost Analysis, Cost Ascertainment Branch.

Summary of allocations of revenues and costs to classes of mail and services, with computations necessary to reflect factors not carried in Post Office Department accounts (fiscal year 1956)

Class of mail or service	Total revenues	Allocated budgetary expenditures	Nonbudgetary cost or revenue additions			Year-end excess (+) or deficiency (−) (cols. 1−2−3+4−5)	Estimated reallocation of costs for intangible factors [4]	Adjusted costs for revenue requirements	Deficiency in revenues [5]
			Costs paid by other Government agencies [1]	Public service revenue or cost factors (credit) [2]	Increased costs not wholly reflected [3]				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1st-class mail [6]	$1,013,678,916	$979,013,941	$55,707,003		$9,732,698	−$29,864,726	+$316,305,667	$1,359,849,309	$346,170,393
Domestic airmail [7]	150,938,105	127,513,988	4,809,027		799,183	+17,815,907	+32,392,951	165,515,149	14,577,044
2d-class mail [8]	65,890,784	318,412,212	17,051,219	$3,102,000	2,739,431	−269,210,078	−167,550,431	167,550,431	101,659,647
Controlled circulation publications	5,713,253	7,708,000	413,808		67,794	−2,476,349	−2,047,401	6,142,201	428,948
3d-class mail	266,019,592	471,914,026	28,863,243	5,989,829	4,744,124	−233,511,972	−124,882,891	374,648,673	108,629,081
4th-class mail [9]	592,814,842	607,911,107	29,634,251	14,977,707	3,695,297	−33,448,106		626,262,948	33,448,106
Total, prepaid domestic mail	2,095,055,492	2,511,473,274	136,568,551	24,069,536	21,778,527	−550,695,324	+54,217,895	2,699,968,711	604,913,219
Government mail:									
Penalty mail, other departments	32,426,000	32,494,378	1,741,918	1,013,000	307,544	−1,104,840		33,530,840	1,104,840
Registry service (free), other departments		1,583,629	96,658	1,685,287					
Franked mail:									
Members of Congress	2,076,000	1,853,165	96,129		17,900	+108,806		1,967,194	(108,806)
Others		91,482	4,748	96,230					
Total, Government mail	34,502,000	36,027,654	1,939,453	2,794,517	325,444	−996,034		35,498,034	996,034

[1] Includes civil service retirement costs for Post Office Department employees amounting to $125,260,302, computed at 6½ percent of applicable salaries. Effective July 13, 1957, the Department is required to reimburse the civil service retirement fund for such costs. For details see table 90.

[2] Computed amounts of identified subsidies to specified classes of mail users and expenditures made for public-service purposes, not reimbursed. For details see table 98.

[3] To place cost increases during fiscal year 1956, resulting from legislation and only partially reflected in the year, on a full annual basis. Adjustment does not include amounts that would be applicable to public-service items in column 4. For details see table 90.

[4] Estimated reallocations of costs for intangible ratemaking factors are based on recovery currently of 50 percent of allocated and indirect costs assigned to 2d-class mail, and 75 percent of such costs for controlled circulation publications and 3d class. Reallocations for special services, unassignable items, and that portion of civil-service costs related to civil-service functions for the Post Office Department, are based on the assumption that all allocated and other Government agency costs not recovered on these services as a whole will be borne by the mail services in applying this formula. Costs are discounted by public-service revenue or cost-credit amounts where applicable before application of this formula. The amount for reallocation to 1st-class and domestic airmail is assigned to those classes on the basis of all costs developed for 1st-class letters and cards and airmail letters and cards.

[5] This column shows the Department's computation of current revenue needs on the basis of the figures shown and conditions existing June 30, 1956. It does not include any amounts for (1) the Department's planned capital program for modernization of buildings and equipment, for (2) railroad rate increases, pending subsequent to July 3, 1957, for carrying the mails, or for (3) depreciation, currently estimated at $40 million per year, on public buildings used in the postal service.

[6] Amounts shown include revenue from weight in excess of the 1st ounce on each piece, amounting to $141,449,444 on 1st-class letters. For detailed segregation of revenue and expenditures see table 99.

[7] Includes paid airmail to and from the Armed Forces overseas, and outlying possessions of the United States. Revenue from weight in excess of the 1st ounce on each piece on domestic airmail letters amounts to $16,191,545.

[8] For detailed segregation of revenues and expenditures see table 100–A.

Summary of allocations of revenues and costs to classes of mail and services, with computations necessary to reflect factors not carried in Post Office Department accounts (fiscal year 1956)—Continued

Class of mail or service	Total revenues	Allocated budgetary expenditures	Nonbudgetary cost or revenue additions			Year-end excess (+) or deficiency (−) (cols. 1−2−3+4−5)	Estimated reallocation of costs for intangible factors	Adjusted costs for revenue requirements	Deficiency in revenues
			Costs paid by other Government agencies	Public service revenue or cost factors (credit)	Increased costs not wholly reflected				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Free for blind		$911,692	$53,532	$965,224					
Total, domestic mail	2,129,557,492	2,548,412,620	138,561,536	27,829,277	$22,103,971	−$551,691,358	+$54,217,895	$2,735,466,745	$605,909,253
International mail	85,494,375	80,999,427	2,611,485	1,143,000	422,208	+2,604,255		82,890,120	(2,604,255)
Total all mails	2,215,051,867	2,629,412,047	141,173,021	28,972,277	22,526,179	−549,087,103	+54,217,895	2,818,356,865	603,304,998
Special services [1]	224,893,389	264,752,202	15,137,065		2,915,965	−57,911,843	−57,911,843	224,893,389	
Unassignable revenues and costs	7,419,824	2,578,147	8,252		3,591	+4,829,834	+4,829,834	7,419,824	
Total mails and special services	2,447,365,080	2,896,742,396	156,318,338	28,972,277	25,445,735	−602,169,112	+1,135,886	3,050,670,078	603,304,998
Nonpostal services [1]	1,623,010	16,197,152	841,964	14,294,817	14,597	−1,135,886	−1,135,886	1,623,010	
Grand total, all operations	2,448,988,090	2,912,939,548	157,160,302	43,267,094	25,460,332	−603,304,998		3,052,293,088	603,304,998
Deductions:									
Indemnity claims	4,831,608	4,831,608							
Embossed envelopes purchased	8,519,953	8,519,953							
Losses and chargeoffs	61,427	61,427							
Reimbursements:									
Airmail transportation	13,709,940	13,709,940							
Nonpostal	2,181,833	2,181,833							
Money-order items	329,665	329,665							
Net postal operations	2,419,353,664	2,883,305,122							

[1] For detailed segregation of revenue and expenditures see table 100-B.

Mails and services	Revenues	Allocated budgetary expenditures	Nonbudgetary costs or revenue additions			Year-end deficiency
			Costs paid by other Government agencies	Public service revenue or cost factors (credit)	Increased costs not wholly reflected	
	(1)	(2)	(3)	(4)	(5)	(6)
2d class:						
Exempt publications	$5,158,081	$58,678,561	$3,149,540	$2,144,000	$516,070	$55,042,090
5 percent or less of advertising	1,102,189	10,238,215	547,659		90,013	9,773,698
Daily newspapers	14,603,011	75,887,656	4,067,619		644,150	65,996,414
Newspapers other than dailies	2,663,069	24,864,508	1,420,098		232,633	23,854,170
Magazines and periodicals	30,623,162	95,429,000	4,949,707		783,596	70,539,141
Agriculture, business, professional, etc., publications	7,186,685	30,752,242	1,644,572		266,785	25,476,914
Religious, educational, welfare publications	199,491	2,223,459	128,710		21,326	2,174,004
Exempt classroom publications	440,752	2,418,825	113,408	119,000	17,950	1,990,431
Total paid publishers' 2d class [1]	61,976,440	300,492,466	16,021,313	2,263,000	2,572,523	254,846,862
Transient	3,042,266	3,910,892	193,970		30,952	1,093,548
Publishers' returned, form 3579	872,078					[2] (872,078)
Free in county (2d class)		14,008,854	835,936	839,000	135,956	14,141,746
Total, 2d class mail	65,890,784	[3] 318,412,212	17,051,219	3,102,000	2,739,431	269,210,078
4th class:						
Local delivery	10,248,785	10,628,387	721,550		92,464	1,193,616
Zones 1 and 2	140,156,427	138,699,582	8,642,614		1,069,108	8,254,877
Zone 3	86,740,848	86,563,337	4,860,667		598,757	5,281,913
Zone 4	97,570,439	97,400,363	4,717,805		583,582	5,131,311
Zone 5	90,281,417	91,251,779	3,672,472		457,018	5,099,852
Zone 6	41,650,357	42,112,213	1,440,520		179,449	2,081,825
Zone 7	33,016,680	33,068,897	975,435		122,120	1,149,772
Zone 8	52,536,203	51,185,351	1,355,494		167,782	172,424
Total, zone rates	552,201,156	550,909,909	26,386,557	3,270,280		28,365,590
Catalogs (pt. 135.12 Postal Manual)	19,335,390	21,422,911	1,399,147		187,998	3,674,666
Books (pt. 135.13 Postal Manual)	19,909,451	33,165,389	1,696,120	13,255,938	217,764	1,913,884
Library books (pt. 135.14 Postal Manual)	679,716	2,351,744	149,199	1,672,028	18,883	168,082
Matter for blind at 1 cent per pound	11,413	61,154	3,228	49,741	372	3,600
Domestic mail fees	677,716					[2] (677,716)
Total 4th class mail [4]	592,814,842	[5] 607,911,107	29,634,251	14,977,707	3,695,297	33,448,106

[1] Revenue includes $102,354 from 2d-class application fees.
[2] Denotes year-end excess of revenues.
[3] Includes apportioned expenditures of $1,225,296 for post office penalty mail, post office registry, and for the payroll deduction system.
[4] Revenue includes $2,215,779 from special handling service.
[5] Includes apportioned expenditures of $895,227 for post office penalty mail, post office registry, and for the payroll deduction system.

NOTE.—The above segregation of the computed total expenditures chargeable to 2d class and to 4th class, and of revenues to zones for 4th class matter have been developed by processes of approximation.

Mr. REES of Kansas. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. CEDERBERG].

Mr. CEDERBERG. Mr. Chairman, this matter of increasing the postal rates is a subject, of course, of great concern to everyone in the United States.

When the postal deficit reaches 1 billion a year, then it is time that we took notice. Either we have been charging far, far too much for postal rates in the past or we are not charging enough now. If it was fair to send a first-class letter for 3 cents in 1932, a rate of 4 cents certainly is not out of order at this time.

As a matter of fact, as I said before, this rate bill is already antiquated in view of all of the other increases that have been voted for the Department, in the way of salary increases and other expenses and rates to the railroads. It seems to me that what we ought to do is not to talk about a 4-cent letter but we ought to be talking about a 5-cent letter. It is also strange that some of those who are opposing the first-class rate offered an amendment in the committee to cut the second-class rate and third-class rate below what is proposed

in the committee bill. How are you going to do anything about the revenues of the Department in face of that? Let us look at the various classes of mail.

First-class mail, of course, receives preferential treatment. You are allowed to send a letter and seal it to any place in the United States for 4 cents. I say to you it is about the best bargain in the world today. But unless we are going to do something about first-class mail there will be nothing done about the deficit in the Post Office Department; it is going to have to be absorbed by the general taxpayer. Why should he have to pay it?

Seventy percent—and I believe that to be a conservative estimate—of all the first-class mail in the United States is sent by business houses; only 30 percent is sent by individuals. If that be the case, it would indicate to me that the dividuals are subsidizing through the tax rolls the first-class users of mail as much as they are the second or third-class users.

Mr. CRETELLA. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from Connecticut.

Mr. CRETELLA. Is it not true, I ask the gentleman from Michigan, that testimony before the committee revealed that the reason for the high cost of first-class mail was the special treatment it got for night service, night delivery, and the 10 percent increase in wages for night differential, and that it added to the 75 percent the gentleman is talking about? Actually it is the business people who are paying for that service that they demand, and they demand Saturday service as well. They should pay for it.

Mr. CEDERBERG. The gentleman is entirely correct.

Mr. PORTER. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from Oregon.

Mr. PORTER. Is it not also correct that according to the accounting procedures, first-class mail pays more than 98 percent of its way?

Mr. CEDERBERG. No; I would say according to the cost ascertainment system as presented to our committee, first-class mail does not pay its way.

But as to rates on these other classes of mails, there was not one single amendment offered when the bill was under consideration in the committee to raise second- and third-class rates over and above what was provided by the committee.

In all this matter the simple question is: Do you want a deficit of $1 billion a year in the Post Office Department, or do you not? It is just that simple.

Mr. PORTER. Will the gentleman yield for one more question?

Mr. CEDERBERG. I yield.

Mr. PORTER. Is it the gentleman's position that first-class mail users should pay more than the actual cost of the service they get just so second- and third-class does not show a deficit?

Mr. CEDERBERG. No; I do not say that at all; as a matter of fact I am not one who believes that the Post Office Department should be run entirely as a self-supporting organization; I do not happen to hold that point of view. But I say when you have a billion dollars a year deficit it is about time you revised the rates we have been charging over the past 20 years, especially in view of the increased costs in the Department. There should be an increase in the rates. I think that is justified. I cannot see anything wrong with that. I think when you can send a single letter for 4 cents anywhere in the United States, it is still the best bargain that is available in this country.

Mr. SANTANGELO. Mr. Chairman, will the gentleman yield?

Mr. CEDERBURG. I yield.

Mr. SANTANGELO. Is it not a fact that the bill which passed the House last year with respect to second-class mail and the rate applicable thereto were higher than the rates which are embodied in the bill which was approved by the Post Office Committee? And if so, why is it that when we are trying to balance the budget that we do not increase the rates commensurate with the service rendered for second-class mail?

Mr. CEDERBERG. In the first place I think that in last year's bill second-class mail was treated on a different basis, on the basis of the amount of advertising contained.

Mr. SANTANGELO. And the rate was higher than is contained in this year's bill.

Mr. CEDERBERG. No, I do not think that is entirely the situation, and I want to be corrected if I am wrong. I believe the gentleman from Oregon [Mr. PORTER] offered an amendment to reuce the second-class rate instead of having four 15-percent increases, having four 10-percent increases. I think the gentleman from New York went along with it.

Mr. SANTANGELO. As a matter of fact, I offered an amendment which would increase the rate to 20 percent instead of the 15 that is in the bill. The gentleman is incorrect.

Mr. CEDERBERG. We recognize that we would get into trouble on volume. I stand corrected.

Mr. SANTANGELO. The fact is that the rate last year was 30 percent higher than the rates fixed in this bill for magazines containing advertising, whereas this year when we are trying to raise rates to meet the cost you have not increased it to the extent necessary to do this.

Mr. CEDERBERG. Does the gentleman intend to offer an amendment to do that when we get to that point in the bill?

Mr. SANTANGELO. I intend to offer an amendment with respect to second-class mail.

Mr. CEDERBERG. Then I will discuss it with the gentleman at that time. From attending the hearings I have come to the conclusion that if we increase the second-class mail to cover all of the different expenses as shown in the cost ascertainment system, we will take all of the profits of all of the publishers of the United States and wipe them out. When we talk about cost ascertainment you have to remember that what we have involved here is an allocation of those costs, even though some of them would not exist if we did not have first-class mail.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. REES of Kansas. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. CEDERBERG. If we only had the facilities to handle second-class mail we could do away with a tremendous amount of expense, a good deal of that expense that is allocated in the cost ascertainment system to first-class mail. That occurs because of some of the facilities we have available for first-class mail.

Mr. SANTANGELO. Is it not a fact that the Postmaster has come in with the doctrine of intangible factors which we cannot isolate, which we cannot estimate, which we cannot figure out, to show that first-class mail has taken a loss?

Mr. CEDERBERG. I do not think there is anything wrong with intangible factors. There are a lot of intangibles in many areas. A lot of businesses use them in the pricing of their products.

The question is, do you want the Post Office Department to operate at a billion-dollar-a-year deficit, 70 percent of which in first-class mail is picked up by the business houses and also second- and third-class and let the general taxpayers pay the bill?

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from New Jersey.

Mr. CANFIELD. Many Members of the House periodically take polls among their constituents. Does the gentleman know what those polls show regarding this question of realistic postal rates?

Mr. CEDERBERG. The overwhelming sentiment of the polls is in favor of a postal rate increase. Those who are for a postal rate increase in first, second, and third class are for saving the constituents some money. Instead of paying it through the tax window they ought to pay it through the stamp window.

Mr. CANFIELD. They are the losers?

Mr. CEDERBERG. They are the losers. It is the average individual who is picking up the burden through the tax window.

Mr. LAIRD. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from Wisconsin.

Mr. LAIRD. I wish to commend the gentleman from Michigan for his very fine statement. I think there is no Member of the House who has a clearer understanding of the operation of the Post Office Department than does the gentleman from Michigan [Mr. CEDERBERG].

Mr. CANFIELD. We who serve on the Appropriations Committee handling Post Office Department funds have faced this recurring deficit year after year and we know that what the gentleman says is true. All of our membership, Democrats and Republicans alike, want to see this bill passed today.

Mr. CEDERBERG. It is just plain commonsense and something we should

have faced long ago, but Congress has been negligent in not doing so.

Mr. MURRAY. Mr. Chairman, I yield 4 minutes to the gentleman from California [Mr. HOLIFIELD].

Mr. HOLIFIELD. Mr. Chairman, the Post Office Department recovers now 85 percent of its cost of operation. In other words, its deficit is about 15 percent. There is no other department of Government that has this record.

The question is, Who shall pay this deficit? Shall it be paid by the classes of mail users, second- and third-class people, or shall it be paid by the 3- and 6-cent letter user or shall it be paid by all of the people all over the United States?

This bill does not fasten the deficit on second- or third-class mail where the deficit occurs. It fastens it on first-class mail where the profits are. I hold in my hand the 1956 cost chart furnished us by the Post Office Department, and it shows that first-class mail makes about $32 million profit; second-class mail loses about $252 million and third-class, $206 million.

Now, they have a phony cost ascertainment program in which they include intangible factors. Now, an intangible factor, if you put it in your income tax return, they will send you to the penitentiary for it. But, they put an intangible factor in here of cost on first-class mail in order to bring up the first-class mail to a point of deficit. So, do not be fooled with that.

Now, the position of some of the Members is going to be this: I voted for the raises for the employees; therefore I should vote for the rate raise. Well, I want to show you the fallacy in that. The gentleman from Indiana [Mr. HALLECK], the gentleman from Kansas [Mr. REES], and several other gentlemen, including our chairman, have said that the President is going to veto the postal employees pay bill and the classified Federal employees pay bill, but he will sign this one. So, all of you folks who voted for the pay raise bills and who are going to vote for this bill, just remember when the President vetoes the first two bills, you have walked into a trap. You are voting to carry some $400 million or more back to your little 3-cent letter user and your 6-cent letter user of airmail in the place of letting all of the people of the United States carry this deficit as has been the policy of the Post Office Department for over 170 years. Just remember those facts when you get ready to vote for this rate increase. You are walking into a trap. And, when they tell you that the first-class mail does not pay its way, they have got to resort to a newfangled intangible factor of cost and place it on the first-class mail in order to show a deficit.

Mr. SANTANGELO. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from New York.

Mr. SANTANGELO. Is it not a fact, sir, that, even if this bill were to go into effect, the Post Office Department would be operating at a deficit to the extent of 5 percent?

Mr. HOLIFIELD. The deficit of the Post Office Department, even if this bill goes into effect, will be $89 million, figured on 1956 figures. And, of course, it will be more than that in 1957 and 1958.

Mr. SANTANGELO. And the losses are incurred in the operation of the second- and third-class mail?

Mr. HOLIFIELD. The second-class mail in 1956 incurred a deficit of $252 million and the third-class, $206 million, or a deficit of $458 million; and those are the Post Office Department's own figures.

Mr. REES of Kansas. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. REED].

Mr. REED. Mr. Chairman, it will be my purpose in the brief remarks I shall make at this time to speak in support of H. R. 5836 and to urge my colleagues in the House to vote in support of this meritorious legislation.

The legislation now under consideration is substantially in accord with the schedule of adjusted postal rates proposed by the distinguished Postmaster General in his letter to the Speaker of the House of Representatives dated March 7, 1957. It is my view that the Congress of the United States should give careful heed to the recommendations of Postmaster General Summerfield who has rendered such great public service to the American people since joining the Cabinet of the Eisenhower administration and assuming principal responsibility for the conduct of our vast postal service. General Summerfield assumed public office after distinguishing himself first as a private citizen in business and in personal life. Under the guidance of General Summerfield and as a consequence of his dedicated ability and integrity in office our Nation's postal service has achieved greater efficiency and has rendered a more complete service to the American public than have ever before been realized in our Nation's history. Under the direction of General Summerfield we have had 1,700 new postal facilities developed with private capital through the use of the straight commercial lease arrangement. Under General Summerfield our postal transportation system has been standardized and modernized. Mail delivery and postal services have been improved at less cost and less indebtedness to the taxpayers of our Nation. It is because of that distinguished record of accomplishment achieved by General Summerfield that I say to the Members of the House that it is appropriate for us to give careful heed and favorable consideration to his recommendations with respect to an adjusted postal rate schedule.

Mr. Chairman, there are certain areas in connection with the rendering of services and the making available of goods and facilities where it is appropriate for the Federal Government to apportion the cost of such functions among the users who are benefited thereby rather than imposing the cost burdens on the taxpayers generally. One example where such user cost apportionment is appropriate is with respect to our Nation's highways. This concept was established by the Highway Revenue Act that was enacted during the 84th Congress. Another example where such user cost apportionment is equally appropriate is with respect to the postal services provided by our Federal Government. We are all aware of the large deficits that annually occur in connection with our postal services that the Congress is called upon to offset by appropriations from the general funds of the Treasury and from the tax collections which our Federal Government exacts from our Nation's citizens. The reason these annual deficits must be offset is that the postal rates charged for our postal services are not commensurate with the cost of maintaining such services. Accordingly, Mr. Chairman, if we as the elected Representatives of the American people are to be consistent in our efforts to obtain reduced budgetary expenditures, reduced Federal taxation, and reduced public indebtedness, we should support the enactment of H. R. 5836.

Mr. MURRAY. Mr. Chairman, I yield 4 minutes to the gentleman from Michigan [Mr. LESINSKI.]

Mr. LESINSKI. Mr. Chairman, recognizing that the Post Office Department has expanded considerably since 1932 and that costs for handling mail have increased proportionately, I agree that postal rates should be increased. However, I must disagree with the proposed increase from 3 cents to 4 cents in first-class mail rates at this time. I would not oppose the increase in that class of mail if the rates of the other classes were increased so that they would pay a fair share of the cost of handling.

The American public and we in Congress have been made aware of the large deficit, $252 million in 1956 and approximately $270 million this year, in second-class mail. This has been largely the result of increased costs of handling without proportionate increases in rates.

In 1934 the rates of second-class mail, that is publications, were cut to assist publishers to recover from the business recession and to stimulate the publishing industry. Since then the greatest increase in costs to the Department in relation to quantity mailed has been in this class.

Let us compare first and second class per pound, piece, income and expense for 1956:

	Pieces	Weight	Income
1st class	30,000,000,000	873,000,000	$1,000,832,000
2d class	6,914,000,000	2,902,000,000	65,800,000

Total postal revenues were over $2.4 billion.

True, there are 30 billion pieces in first-class mail and only 7 billion in second class, a ratio of 4½ to 1 or 22 percent. On that basis, 22 percent of the $1 billion that first class brings in amounts to $220 million; but according to the Department's own regulations second class takes twice as long to handle, so the actual figure should be $440 million. Yet the Department shows a deficit of $270 million. This bill does not correct the present inequities in the postal-rate schedule.

As you can readily see, the income of $66 million shows that second-class mail pays only 2.7 percent of the income to the Department, against the 41 percent

paid by first class. Still second class has three times as much weight as first class. Anyone of us who have shipped items knows that there is a minimum charge on shipments but weight is the principal factor in cost. Furthermore, first class brings in 16 times more revenue than second class and consists of less than a third of the weight. Even in number of pieces, first class has only 4.5 times as many pieces against that 16 times the receipts.

If we take an average pound of letters—40—and multiply it by 3 cents, we get $1.20. A 1-pound magazine costs less than 2 cents to mail. This, of course, would be increased according to zone. Many lighter magazines go for one-eighth, one-quarter, or one-half cent per piece and these magazines take longer to handle than regular mail. The typical popular magazine costs the Department 6 cents to handle.

It is claimed that second-class mail is like a hitchhiker—first class has to be carried anyway. This comparison would be good if it were so. Unfortunately, a bus rather than an automobile would have to be used to carry all of the hitchhikers that would be picked up.

I am not saying that second class should pay all of its way, but it should pay at least 50 percent. It is presently paying only 19½ percent. According to the Department, the present bill will provide for 29 percent. There is evidence that the Department has placed a larger burden of cost on first class than previously. Therefore, I doubt the accuracy of that figure for their other figures show only 2.7 percent of total income comes from second-class mail.

In 1951 the committee reported out a 60-percent increase in second-class mail rates which was disapproved so as to protect small publishers. It was cut by the House to 10, 10, and 10, or 30 percent. It was recognized by the Postmaster General at that time that the rate increase should be 100 percent before there should be any first-class increase, though he settled for less. The present bill falls short of even that 1951 objective and still leaves second-class mail paying well under a third of its cost, compared to first-class mail, which is to be saddled with one-third more than its cost.

Second class is far from paying its own way, and the rates should be increased by at least 80 percent at this time. Even with such an increase, it would pay only 37 percent of its cost. For the large publishers the increase will add very little to the costs of the magazines, as compared with present costs. In testifying before the committee, representatives of many publishers carefully avoided admitting how small a part of their total costs the postal rate increase would be. The increase, of course, largely would be passed on to the advertisers in any event. Leading experts in the field testified that such an increase would amount to less than 3 percent of the total costs of the firms doing the advertising, who really pay the bill.

According to testimony, publishing costs—labor, raw material, and so forth—have increased 10 percent annually since 1956. Since that date, the overall increase has been 110 percent in costs other than mailing. Second-class mail rates have been increased 30 percent. The expenses of the Department have also increased; so second-class rates should be increased properly to reflect the added costs of handling. It is not fair that the users of other classes of mail should continue to subsidize users of second-class mail to such a large degree. Ever since 1934 publishers have been reaping benefits without precedent. Gone is the nickel magazine; now we have the 20-cent copy.

As with the escalation of income taxes, magazines having a lesser volume should be given a lower rate than the bill provides; that is, 10 percent annually for 4 years, so that they may also be given the privileges the other publishers have received since 1932. Mr. Stans, in his testimony before the committee—pages 849 and 850, postal rates hearings—said that a rate differential on second class could be worked out. Apparently, pressures made him change his mind, and at a later date before an executive session of the committee he stated that he would oppose any rate differential and that the bill should be reported out as submitted by the Post Office Department.

Many publishers using second-class mail request time value which costs the Department huge sums of money each year. "Time value" is the terminology applied to the situation in which the publisher of a magazine or paper requests that the Department deliver the publication through the mail on a specific date. Often the material is brought into the post office the day or evening before it is to be delivered. This requires the Department to put on extra employees so as to get the mail out on the specified date. Second-class mail is not intended to receive preferential treatment and is supposed to be handled following the sorting of first-class mail during slack periods. Second- and third-class mail are to be used as a fill-in for the postal employees. The time value does not allow the Department to have a maximum number of employees on for steady employment and throws postal employment schedules off. I therefore recommend that any publisher requesting time value pay first-class mail rates. This would either increase the revenue of the Department in second class and give second class the same priority that first class is intended to receive or else cause the publishers to deliver their publications a few days in advance so as not to crowd the post offices a few days every week or month, depending on the type of publication. It will allow a more even flow of mail in the Post Office Department at a saving to the Department.

Third-class mail has also had a substantial deficit and the bill provides that the increases will bring revenues from this class up to about 80 percent of the cost of handling, according to cost ascertainment. Although I believe the increases should be spread out over a longer period, at least they are comparatively in line with what they should be.

Postal cards were increased from 1 cent to 2 cents in 1951. That was a 100-percent increase. Although the postal card has been called the poor man's mail, it is seldom used as such today by individuals, and a large portion of the cards are used by advertisers and publishers. However, we must not forget that the postal cards at the present 2-cent rate are also serving civic, political, fraternal, and other organizations as a means of informing their members of meetings, affairs, and so forth. Although the 2 cents, it is recognized, does not pay the way, I believe the time schedule for increasing the postal card rate is too soon and that the increase should be put off until some future date. The increase from 2 cents to 3 cents at this time will put a heavy and unwarranted burden on the organizations that are of such vital importance to America.

Based on all the information available, it can readily be seen that the low rates, large bulk, and slower handling of second-class mail are bringing about a tremendous expense to the taxpayers of this country. It is in that class where the principal raise should be.

The bill repeals the provision in the Civil Service Retirement Act of 1956 relating to the payment of the Department's contribution to the retirement fund from the Federal Treasury. The intent of the amendment is to saddle postal rates with retirement costs for which there is no established precedent. It is absolutely inequitable that our citizens should be taxed through postal rates to pay retirement of our Federal employees. The Congress just last year laid down the policy that these retirement costs are not properly for consideration in determining postal rates. This repealer, therefore, represents a complete reversal of that sound policy. It should be struck out of the bill.

Mr. Chairman, we have heard a lot of arguments here today; I will let some of them ride. First of all I would like to leave in the minds of the members of the committee a few figures. Second-class mail provides one-sixteenth of the revenue of first-class mail. First-class mail pays $1,010 million. Second-class mail pays $65 million. Second-class mail has three times more weight than first-class mail. The exact figures are 873 million pounds in first-class mail and 2,902 million pounds. Talk about second-class mail paying its way. You know, it is a funny thing, it depends upon whose ox is gored. It depends on who are the friends of the administration.

Mr. Brumbaugh, of the Luce publications, said that second-class mail was making money for the Post Office Department. Do you realize that the postal regulations show that it takes twice as much time to process second-class mail? Their own regulations show that.

Let us talk about pieces of mail. Second-class has one-third the number of pieces of first-class mail. If you take one-third of $1,010,000,000, you get a figure of over $337 million. But it is only bringing in $65 million. That is the reason for the proposed increase in the first-class mail. It is not that they do not need the money at this time. The facts are, according to the figures of the Post Office Department, second-class

mail brings in only $65 million. With reference to what has been said about increasing second-class mail, Postmaster General Donaldson in 1951 requested 100 percent. The committee cut that down to 60 percent. They did not want to hurt small business. That was taken in 3 steps of 20 and 20 and 20. The House, in Committee of the Whole in 1951, cut it down to 30 percent or 10, 10 and 10, because they were afraid of hurting small business. I offered an amendment in the committee to increase second-class mail from 15 to 20 percent to small publishers. That increase would have represented about $10 million more in second-class mail. Therefore, to say that no one has offered an increase in second-class mail I think is wrong.

Mr. CEDERBERG. Mr. Chairman, will the gentleman yield?

Mr. LESINSKI. I yield to the gentleman from Michigan.

Mr. CEDERBERG. The gentleman recognizes that the 20-percent increase he offers and the limitation on the press run of magazines would in effect help the big magazine more than it would the little fellow. Life magazine would get a better break under that proposal than the little fellow would. They publish every week. The monthly magazine at the same rate would be harder hit.

Mr. LESINSKI. Under the income tax law every man, whether he makes a million or a thousand dollars a year, has an exemption of $600. All corporate taxes on the first $25,000 is 30 percent. After that, 52 percent. This simply follows a precedent already established in other Government operations.

Mr. REES of Kansas. Mr. Chairman, I yield such time as he may desire to the gentleman from Washington [Mr. PELLY].

Mr. PELLY. Mr. Chairman, the Federal Treasury does not collect revenues like we receive our pay in equal monthly installments. In fact during the late fall months in particular, I understand, tax payments decline, and as a result the Government has to make additional short term borrowings in order to pay its bills.

It is quite obvious, Mr. Chairman, that all Federal agencies have been under executive pressure to assist in every possible way in curtailing expenditures which deplete the cash balances of the Treasury and increase the national debt, which debt temporarily had to be raised twice during the past 4 years.

In the ensuing months and especially around November, as I said, there will be a short period when the Treasury Department will find itself very close to the debt limit set by Congress. There might easily be a situation where payments would have to be deferred. Adjustment in Federal employee salaries and other needed increases in cash outgo which Congress votes I believe will greatly aggravate this situation. That explains one reason why the administration opposes pay adjustments.

As for me, I realize under a popular demand for economy, for Congress to raise, even temporarily, the debt limit would not be politically expedient, nor is this proposal to increase postage revenue pleasant from a political standpoint. But if the United States during the next 4 or 5 months is going to pay its bills and meet its payrolls, and still stay within the legal limit on the national debt, there must be more income coming in. The 1932 scale of postage rates and income of the Post Office Department will not cover 1957 scale of expense and outgo. Therefore to avoid a billion per year postal deficit I feel the users of the mail service should increase the amount they pay for their service, and I will vote accordingly.

Meanwhile it seems to me better public understanding of the fiscal needs of our Federal Government is in order.

After all, when the Eisenhower administration took over, there was an $80 billion carryover of authorized but unexpended liabilities. Today, that figure has declined, I understand, to $70 billion. In other words, we are better off, as a Nation, to the extent of two balanced budgets and a $10 billion reduction in the amount of future contractual payments it will be necessary to make.

Perhaps figures make dull listening, and I am sure they are difficult to understand. However, it seems to me that the public should be given more facts. What we need now, it may well be, is a financial report from our President. We in the Congress could use more information, and informed constituents are equally important because in the last analysis public opinion is the most powerful force in the affairs of a democracy.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. PELLY. I yield to the gentleman from New Jersey.

Mr. CANFIELD. The gentleman has just listened to a presentation by the distinguished gentleman from New York [Mr. REED]. Mr. REED is not only the Republican dean of the House of Representatives, having served in this body longer than any other Republican, he is also one of the greatest tax authorities in the United Sttaes and in the world. We should give great weight to his counsel, his plea for this bill.

Mr. REES of Kansas. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. GUBSER].

Mr. GUBSER. Mr. Chairman, I should like to address myself briefly to two points. As many of you know, I had the privilege of serving on the Committee on Post Office and Civil Service for 4 years, and during that service listened to in excess of 12 solid weeks of hearings. That is why I feel qualified to address myself to these two points.

The first is the point made by the gentleman from Michigan [Mr. LESINSKI] to the effect that there is a great deal more weight carried as second-class mail and, therefore, it should be expected to bear as large a portion of the cost of running the Post Office Department as does first-class mail. I think you can answer that point with one simple question: Which costs the most, to move coal with all its weight of to move diamonds? Obviously, you give the diamonds preferential handling, and the move costs more.

The other point to which I should like to address myself is the implication which has gone through this entire debate. It has been implied that this bill constitutes a change in policy, that it will call upon the users of first-class mail to carry an increased and unjust share of the cost of running the Post Office Department. I submit to you that this is not a change in policy at all. From 1933, and for a great many years thereafter, we charged 3 cents to carry a first-class letter. Since 1933 costs have gone up, to my knowledge, in excess of 115 percent. In 1933, 3 cents presented more opportunity for profit to the Post Office Department than 4 cents would present today.

This is the same policy we have had since the days of Ben Franklin. It is the policy we followed right after 1933. In no sense is it a change of policy at all.

Mr. LESINSKI. Mr. Chairman, will the gentleman yield?

Mr. GUBSER. I yield.

Mr. LESINSKI. The gentleman was a member of the committee and has knowledge of proceedings in the Post Office. Is it not true that certain publications ask for time value? That is, they requested that the mail should get out by a particular day—meaning that if the mail comes in on Thursday, it should be delivered on Friday and that that costs the Department a lot of money?

Mr. GUBSER. That is correct. However, the gentleman has been around post offices a great deal and he will not contend, I am sure, that handling a certain type of magazine or newspapers or publications is difficult or as time consuming nor does it necessitate the qualified personnel to put the mail into individual pigeonholes for individual addresses, as is required in the case of first-class mail.

Mr. LESINSKI. I would like to correct the gentleman. The regulations of the Post Office Department that cover sorting it calls for twice as much time as regular mail.

Mr. GUBSER. I would argue that point. However, this is not the time or place for it.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. MURRAY. Mr. Chairman, I yield 4 minutes to the gentleman from Oregon [Mr. PORTER].

Mr. PORTER. Mr. Chairman, we hear a lot of talk about the deficit here and that this increase, especially the increase in first-class mail rate is going to do something about the deficit. I would like to see the deficit in Government taken care of, but I do believe if we are going to raise the price of any class of mail above what it costs, then we are levying a tax. That is what is happening here. This is not a very technical bill. This is a bill that every Member of the House can understand quite readily. Let me give you just three very simple sets of figures here which show you what is happening in this bill. These are from figures supplied by the Postmaster General. These are figures that come out of the normal cost ascertainment processes or the usual business way

of figuring out what your costs are. Now what is happening to the first-class mail? Right now, taking the Postmaster General's figures, which are very much weighted against first-class mail—but just taking them, the first-class mail pays more than 98 percent of its way. Yet, this bill would raise it to 132 percent. Second-class mail goes from 21 percent to 31 percent. Third-class mail goes from 56 percent to 83 percent. I want to make clear here that it is highly unfair, not to mention improper, for the Committee on Post Office and Civil Service to be raising the rates on the first-class mail users. Mr. Coleman, president of the Chamber of Commerce, agreed in the committee that the users should pay for the service they get. Why should the first-class mail users pay more than the service he gets? He should pay for the service he gets. You say all the users should pay for the services they get. I think, if this House could decide on the percentage of subsidy for second- and third-class mail, if any, our committee has to decide first and our committee has not decided it. In other words, if the second-class mail, the newspapers and magazines should have any kind of a subsidy, we in the committee should recommend the percentage to this House and we have not done it. If the third-class mail, the people who send out so much advertising through the mails, and many small businesses are represented who use this kind of medium, and they should, they should be protected, and our committee should decide what it should be. Should that carry a 25 percent subsidy from the Treasury. Should the newspapers and magazines get a 50 percent subsidy? I do not know. We have no evidence on that in our hearings. We did not consider the consequences of these raises. The raises in second- and third-class mail are irresponsible raises. They are arbitrary. They have no basis in any facts which appeared before our committee. The Postmaster General thought them up using intangible factors and came up with something that looks as though it will balance his books as though the Post Office Department any more than any other department of the Government was actually just a business that ought to pay its own way. I think it should pay its own way to the extent that Congress decides and Congress has never decided. Congress has never faced up to how much second-class and third-class mail should be paid out of the General Treasury. The first-class mail people should not be saddled with this burden. As for this argument, "Well, at 4 cents, it is a bargain." At 10 cents, it is a bargain to take a letter from here to my home State of Oregon—at 20 cents, at 20 dollars, it is a bargain. But, that is not the point. The point is what is the cost? The cost is determined by the Postmaster General's employees and they say that 3 cents is adequate.

The CHAIRMAN. The time of the gentleman has expired.

Mr. REES of Kansas. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. CORBETT].

Mr. CORBETT. Mr. Chairman, as I have listened to this debate today I have come to the conclusion that we should perhaps criticize our great Rules Committee for not bringing this bill in under a closed rule. I have listened to the welter of statistics, misinformation, lack of conception, and general confusion. I do not know how any of the Members of this House who did not sit through the hearings could possibly make an accurate decision as regards this very complex business of fixing postal rates. Certainly, if there is any justification for bringing a tax bill here not subject to amendment, there should be justification for bringing rate bills here that are not subject to amendment either. So, at the outset, while I am not enthusiastic about this bill, I do hope that the House in its wisdom will see fit to pass this bill as it is written, without any amendments to the rate structure.

I want to emphasize this. I have good friends who are saying, "You should not raise the price of first-class mail to 4 cents," yet they want to raise third-class mail to 2½ or 3 cents.

Do you realize that 7 procedures must be performed by the users of third-class mail, and these 7 steps are very costly, and if we bring the cost of third class to 2½ or 3 cents, too close to the cost of first-class mail, the third-class users will simply dump their mail into the post-office boxes and the Post Office Department would then have to hire tens of thousands of people to collect the mail, to face it, sort it, zone it, and everything else, and the net result would be chaos in the Post Office Department. So you might as well face up to it. This job is complicated. You have to keep one class within the balance of the other or you will throw it all out of kilter. So, when you talk about upping third-class rates and keeping the first-class rates down, you are going to run into trouble.

Mr. CEDERBERG. Mr. Chairman, will the gentleman yield?

Mr. CORBETT. I yield.

Mr. CEDERBERG. As a practical matter, unless you raise the first-class mail to 4 cents, you can do nothing about the third-class mail?

Mr. CORBETT. That is exactly right.

Mr. CEDERBERG. So you might just as well forget anything about raising the third-class rates unless you raise the first-class rates, or else you will cause chaos in the Department.

Mr. CORBETT. Of course. You have to be logical. There are a number of things to consider. I will not take the time to cover them all.

In times past I have been much opposed to many of these rate increases. I find myself presently able to support this bill because I think basically it is an inflationary adjustment, as someone has pointed out. I think that is its basic justification. All this talk that we ought to pass a rate bill because we passed salary bills—that marriage never should occur, with or without a shotgun. As a matter of fact, what needs to be emphasized time after time is the fact that there is absolutely no relationship between salaries and the revenue of the Post Office Department. Every penny that comes from the sale of a stamp, or any postal service, goes into the Federal Treasury. The Federal Treasury is then called upon to pay so much to run the Post Office Department.

So there is no more connection between postal revenue and postal salaries than there is between postal revenues and the salaries of classified workers. What Federal employees should receive is a matter we decide in our wisdom.

I think we ought to know something else. There has been all kinds of emphasis today on what first-class mail costs. If we fix rates on the basis of cost alone it will indicate that we are probably the only body in the world that does not understand that cost is only one factor in fixing price, just one factor. Businessmen the world over know that there are many factors that affect cost; and we have given no thought here to anything except what it costs to deliver a piece of mail.

One other thing I want to point out here in determining the proper price or cost of first class or, in fact, of any of these classes of mail: There has not been one word said in this debate today about post office costs included in the deficit which the Congress decided should be saddled on the Post Office Department. This deficit that has been talked about time and time and time again is simply not an accurate representation of the true figures. We have in the last few years finally been able to educate the Department downtown to the fact that what you spend in the developing of the postal service is not all properly chargeable to the users of the mails, that some of it is a matter of policy established by this Congress; and, therefore, some important percentage of this deficit is a matter of calculated loss.

The most obvious example is that there should be free mail for the blind, free mail for publications addressed within a county. How can you charge that to users of the mails? That is properly chargeable to the Treasury of the United States.

As I say, you cannot cover everything here.

I have heard it said that Life magazine costs the Post Office Department $9 million a year to handle. The simple facts of the matter are that the advertising portion of that magazine probably pays its own way now, and certainly will if this bill is passed. You go into all kinds of figures here. We have had all the statistics in the world.

Now, I want to read a part of the bill in the hopes that it will help clarify our thinking. I want to call your attention to this statement on page 13, the beginning of subsection (4):

(4) historically and as a matter of public policy there have evolved, in the operations of the postal establishment authorized by the Congress, certain recognized and accepted relationships among the several classes of mail. It is clear also, from the continued expansion of the postal service and the authorization of certain services rendered or facilities provided at a calculated loss to the Government, that the postal establishment performs some functions in which the public interest outweighs the profit and loss factors which would prevail if the postal establishment were operated solely as a business enterprise.

Subsection (5) reads:

(5) the postal establishment should be operated in a businesslike manner but clearly is not a commercial enterprise conducted for profit and it would be an unfair burden upon users of the mails to compel them to underwrite those expenses incurred by the postal establishment which are not related to the postal services they receive.

I will say to the gentlemen who are going to oppose this bill that again I do think we have an inflationary adjustment that ought to be made and that if we are not going to take the bill as it comes from the committee we better be most careful of what we do.

Mr. SANTANGELO. Mr. Chairman, will the gentleman yield?

Mr. CORBETT. I yield.

Mr. SANTANGELO. I would like to state for the record that I think the gentleman from Pennsylvania has been eminently fair in the hearings with respect to the proposition of the Post Office being a public service. I would like to call to the attention of the gentleman from Pennsylvania and of the committee the report of the Citizens Advisory Council which states that the Post Office is a public service and that there are $392 million of public welfare items which Congress has indicated should not be chargeable to the Post Office, but should be a kind of subsidy to the public welfare items, and therefore we do not expect these items to be included in the recoverable cost of the Post Office.

Mr. CORBETT. The gentleman knows I agree with him at least to a considerable degree.

Mr. SANTANGELO. We should not expect the Post Office to be on a pay-as-you-go basis. We must subsidize to a certain extent.

Mr. CORBETT. In agreeing with the gentleman almost entirely, may I say that there would be a considerable deficit still left if we pass this bill.

Mr. CUNNINGHAM of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. CORBETT. I yield to the gentleman from Nebraska.

Mr. CUNNINGHAM of Nebraska. First of all, I want to congratulate the gentleman from Pennsylvania, a very valuable member of our committee. I want to associate myself with his remarks. Frankly, I think he will agree with me that we know of no real opposition to this bill other than from some second- and third-class users who may have to pay more for their postal service; is that not true? The general public does not seem to have any objection to this. They would rather pay the extra penny on their letters than pay extra dollars at the tax window.

Mr. CORBETT. The gentleman from Nebraska had perhaps a 100-percent-attendance record at the committee hearings and proved to be an extraordinary first-termer on the committee. He has made a statement rather than asking a question and I think it speaks for itself.

Mr. MURRAY. Mr. Chairman, I yield 2 minutes to the gentleman from Missouri [Mr. JONES].

Mr. JONES of Missouri. Mr. Chairman, at the proper time I intend to offer an amendment which I offered last year. The amendment was defeated last year, the first vote being 104 to 110. At that time there were a lot of people who misunderstood the effect of the amendment.

The amendment I will offer at the proper time is to restrict the mailing of reprint from the CONGRESSIONAL RECORD under the Congressional frank and to limit those to the States or Territories of the Members, Delegates, or Resident Commissioner.

A practice has grown up among a few Members of Congress, which I think subjects all of us to a lot of criticism because of it, of abusing the frank. I saw in the paper last fall where one Member of another body sent out under his Congressional frank 9 million copies of a speech that had been placed in the CONGRESSIONAL RECORD. I know that practice is not confined to Members on either side of the aisle.

My amendment would at least signify that Congress is trying to correct some of the abuses which we have brought upon ourselves. I do not think it would be an injustice to anyone and it would save a lot of money.

I would like to see it apply only to the district of the Member or in the case of those Members who represent metropolitan districts to the metropolitan district in which they reside. However, this amendment applies to the State.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. MURRAY. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. JONES of Missouri. I yield to the gentleman from California.

Mr. HOLIFIELD. I should like to ask a question for information. Last year when the gentleman offered his amendment it applied to the district of the Members. This year he has changed it to apply to the State of the Member?

Mr. JONES of Missouri. That is right. Actually, the amendment that appeared in the RECORD last year said "State." But I intended to offer it to apply to the "District." It applied to the State. This amendment I shall offer applies to the whole State. The gentleman from California could mail anywhere in the State of California; it would not restrict him, but it would prevent him from mailing CONGRESSIONAL RECORD reprints under his frank, outside the State, not personal or first-class but only printed matter from the CONGRESSIONAL RECORD. That is junk mail, as I call it. He could not mail it outside California and widespread over the United States.

Mr. CEDERBERG. Mr. Chairman, will the gentleman yield?

Mr. JONES of Missouri. I yield to the gentleman from Michigan.

Mr. CEDERBERG. Would this apply also to the chairman of a committee who might want to send out a great amount of information from a particular committee I am happening to think about?

Mr. JONES of Missouri. I think it would apply to any Member of the Congress. However, the amendment says "under such regulations as the Postmaster may prescribe." So we give him a lot of latitude in that regard.

Mr. CEDERBERG. In other words, the intention of the gentleman's amendment would be not to allow a chairman of a committee, because he is chairman of a committee, to send, shall we say, propaganda out across the entire 48 States?

Mr. JONES of Missouri. That would be my intention, yes.

Mr. REES of Kansas. Mr. Chairman, I yield 3 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, I am not entirely satisfied with this bill, and how I vote on it on final passage will depend on what amendments are adopted. I am not impressed by those who have taken the floor this afternoon and complained about the deficit in Government, because some of those who have complained the loudest about deficits have, with the greatest of ease voted for billions of dollars in foreign handouts and many other spending propositions, all of which have contributed heavily to deficits.

Mr. CEDERBERG. Mr. Chairman, if the gentleman will yield, the gentleman was not referring to me, was he? I made one of the statements. Does the gentleman want to exclude me from that statement?

Mr. GROSS. The gentleman understood that I said some, s-o-m-e, Members of the House.

Nor am I impressed by those who point to the pay for postal workers in foreign countries as contrasted with those in the United States. I do not care what they pay them in foreign countries. I am interested in the postal workers of this country. I do know that in some foreign countries they have better mail service than we have in the United States, and I have no doubt that some of the billions that we are shoveling out over there to certain of these foreign countries has helped to provide them with better mail service than we have in the United States. Neither am I impressed by the fact that business will bear the cost of the first-class letter increase, because I am aware, and I think every Member of this House is aware, that as quickly as business can pass on the 1-cent increase in the first-class letter rate, they will pass it right on down to those who cannot pass it on. So, we may as well face up to the fact now that the first-class rate increase will be paid in large part by those who cannot pass it on, the ordinary users of the mail.

Again I say that my support for this bill depends on what happens to it between now and the time the final vote is taken. In view of the steadily increasing costs in the operation of the postal service I feel that some increase in rates is justified.

Mr. MURRAY. Mr. Chairman, I yield 5 minutes to the gentleman from Louisiana [Mr. PASSMAN].

Mr. PASSMAN. Mr. Chairman, I have requested this time in order to ask the distinguished chairman of the Committee on Post Office and Civil Service certain questions with respect to the postal operations. To further clarify my position I might state that I am a member of the Treasury-Post Office Subcommittee on Appropriations. Even though the committee of which I am a

member has nothing to do with the legislation as such, the committee does have to provide for the appropriation of the money to carry out the laws after they have been enacted.

It is my understanding, Mr. Chairman, that we still have the same first-class postage rate that was established in 1932. Is that correct?

Mr. MURRAY. That is correct.

Mr. PASSMAN. And since 1932 we have had increases in second-class mail and third-class mail?

Mr. MURRAY. The gentleman is also correct.

Mr. PASSMAN. Now, I want to know if the gentleman has had an opportunity to check the information submitted to the Subcommittee on Appropriations, to the effect that in 1932, in order to maintain the Post Office Department on a self-sustaining basis as nearly as possible, even though this was during the period of severe economic depression, the Congress was courageous enough to increase the first-class postage rate from 2 to 3 cents?

Mr. MURRAY. The gentleman is entirely correct. That was done upon the recommendation of the Committee on Ways and Means as a revenue measure and in 1947 the House, by unanimous vote, made that permanent.

Mr. PASSMAN. And is it not true, also, that from 1900 to 1940 the average annual loss of the Post Office Department was only $33 million?

Mr. MURRAY. On what class of mail was that?

Mr. PASSMAN. That was the total average annual deficit of the Post Office Department, only $33 million yearly for the 40-year period, 1900 to 1940.

Mr. MURRAY. That is correct.

Mr. PASSMAN. But for the following 12 years the average annual loss has been in excess of $445 million?

Mr. MURRAY. The gentleman is correct about that.

Mr. PASSMAN. And the total deficit during that period has been in excess of $5 billion.

Mr. MURRAY. Yes, sir; the deficit has been $5 billion in the last 10 years.

Mr. PASSMAN. Here are excerpts from some certified figures which came to the committee handling the Post Office Department appropriation, and I should like to ask the distinguished chairman if they are in accord with the figures given him; that, for example, at least 75 percent of all first-class postage is used by businesses.

Mr. MURRAY. It is about 80 percent.

Mr. PASSMAN. And businesses may charge off for income-tax purposes every nickel of that postage as an expense; is that correct?

Mr. MURRAY. Yes, sir; that is right.

Mr. PASSMAN. And only 25 percent of the postage is used by the so-called little man, the average individual?

Mr. MURRAY. Yes, sir. And I will say that those who represent big business, such as the chamber of commerce and the National Association of Manufacturers, have endorsed this proposed increase from 3 cents to 4 cents.

Mr. PASSMAN. Is not it true that it costs a certain amount of money to carry the mail and the difference between the amount collected from the user and the cost of operation must be obtained from the Federal Treasury?

Mr. MURRAY. Certainly, the gentleman is correct.

Mr. PASSMAN. Is it not also true that business pays into the Treasury only 40 percent of the total Federal revenues and the so-called little man, the individual, pays into the Treasury 60 percent of all the money that is received through taxes by the Federal Government?

Mr. MURRAY. I think that is true.

Mr. PASSMAN. So that in any way this matter may be considered, under a continuation of this program of not increasing first-class postage it is a situation where the little man is subsidizing the big man; is that not correct?

Mr. MURRAY. Yes, sir.

Mr. PASSMAN. I wonder if the membership fully understands the fact that 75 percent of all first-class postage is used by business, and that business may charge off, as expense for tax purposes, every nickel of this postage cost. But for the difference between the Post Office Department operating cost and the revenue, it is necessary to obtain the money from the Treasury. And when the money is paid into the Treasury, it is the average individual, the little man, who contributes 60 percent of the total, and the big man 40 percent; is that substantially correct?

Mr. MURRAY. I think that is correct.

Mr. PORTER. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman.

Mr. PORTER. If the businessman does use 75 percent of the first-class mail and does charge it off as a business expense, that means that the net to the United States Government, looking at this as a revenue measure, as many are inclined to do, is only 48 percent on every dollar of postage paid by 75 percent of the first-class users. So actually the Government does not wind up in as good shape as it has been said it would under this bill.

Mr. PASSMAN. Mr. Chairman, I will say to the gentleman that the Founding Fathers had the courage to put the Post Office Establishment on an almost self-sustaining basis. For 156 years the Post Office Department operated on almost a self-sustaining basis. Now we have built up a postal deficit in the years from 1945 to 1956 of in excess of $5 billion.

Mr. Chairman, I should like to say further that had we permitted the cost of first-class postage to follow the trend of our overall economy, as practically everything else has done, the rate today for a first-class postage stamp would be 7 cents, and not the proposed 4 cents.

The third-class mail has been increased 38 percent since 1932 and the second-class has been increased 3 percent, while letter rates remain the same. May I ask the gentleman where the opposition comes from to changing a 1932 3-cent rate? I want to know from the gentleman, why he does not actually ask for a 5-cent rate, not a 4-cent stamp. If I should vote against this bill it would be because the provision is to increase the first-class letter rate only to 4 cents, and not to 5 cents. I represent a predominantly rural district, but I would support an amendment to increase the rate to 5 cents. In reality, if we should follow the trend of the economy and operate as the facts indicate we should do, the proposal now would be for a 6-cent stamp, and not a 4-cent stamp.

Mr. Chairman, prior to concluding, I wish to express my highest regard for Postmaster General Summerfield and my appreciation for the efficient, businesslike manner in which he is endeavoring to operate the Post Office Department. We should support him in this effort, which is definitely in the public interest.

Mr. MURRAY. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia [Mr. GARY].

Mr. GARY. Mr. Chairman, I have heard the statement made on numerous occasions that if the Post Office Department would merely modernize its operations and adopt efficient methods, there would be no deficit. Frankly, when the Democrats were operating the Post Office Department I heard that frequently from the Republicans. I knew then that it was not true. I know now that it is not true. I do not know of a single business in the entire United States that is operating today on 1932 receipts and 1957 expenditures. It just cannot be done.

Modernization and efficiency will help materially in reducing the deficit. It has been my pleasure, as most of you know, to serve as chairman of the Subcommittee on Post Office Appropriations for a number of years. When I was not serving as chairman of that committee, my good friend from New Jersey [Mr. CANFIELD] was the chairman. We have alternated the chairmanship, I think, for the last 12 years.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from New Jersey.

Mr. CANFIELD. And we have never disagreed on this issue.

Mr. GARY. Never on this issue, and whenever we have disagreed on any issue we have done so without being disagreeable. I may say, moreover, that during that time there has never been any partisan politics on the committee.

Our committee has been insisting for years on modernization and efficiency in the Post Office Department, and I am glad to say, great strides have been made in recent years in that direction. I can say that a great many of the improvements that have been made were started during the Democratic administration and they have carried over into the Republican administration. The present Post Office Department administration is doing, I believe, a good job of trying to modernize and bring greater efficiency into the Department.

Five hundred or six hundred million dollars is a lot of money, and that is the annual deficit today.

I say $500 million or $600 million because I do not think anybody can use a definite figure with reference to the deficit. It is gradually going up every year and with the increase in postal salaries that the House recently voted, it will be at least $750 million next year unless we increase the postal rates. There is only one way that the Post Office can

operate on anything like a balanced budget and that is by increasing the rates.

Another argument has been used on numerous occasions. It has been said that if you will simply eliminate the subsidies in the Post Office accounting, then you would eliminate the deficit. We have eliminated practically every one of the subsidies. We took out the airplane subsidy that the Post Office was paying, and properly so. There was no reason in the world why the Post Office Department, as such, should subsidize the air lines in the United States. We took out other subsidies which were in the Post Office Department. There are only a few minor subsidies amounting to about $27 million still left. I believe there is a bill pending before the Congress to eliminate them, and they should be eliminated. What we should do is to put in, as we are now trying to do, and as the Post Office administration is trying to do, a sound accounting system. Then, we should insist that the users of the mail pay the cost of the services which they receive. Otherwise, what do you have? You have the Post Office Department subsidizing the users of the mail at the expense of the taxpayers. Consider the so-called junk mail which is third-class mail. I think the advertisers have a perfect right to use the Post Office Department. It is a good medium of advertising. But when they do, they ought to pay the cost. There is no reason why a person should send me advertising matter which I throw into the trash basket, and then make me pay a part of the cost of sending it to me through taxes. The only way to avoid that is to require the users of the mail to pay for the services they receive. I think every class of mail should pay its own way with the exception of certain mail for religious, educational or charity purposes, and even then I think the subsidy should be handled in a different way and not by the Post Office. The Post Office is not a subsidizing agent. The Post Office is a service arm of the Government. They are rendering a very definite service to certain classes of the American people. The people who enjoy that service should pay for it, and not pass the cost on to the general public through taxes.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. MURRAY. Mr. Chairman, I yield such time as she may desire to the gentlewoman from Pennsylvania [Mrs. GRANAHAN].

Mrs. GRANAHAN. Mr. Chairman, I am against this bill.

I am against this bill because it raises the wrong postal rates by the wrong amounts.

As a member of the House Committee on Post Office and Civil Service, I sat in prolonged hearings of the committee, day after day, listening to representatives of this administration try to justify a 4-cent rate on first-class mail.

It cannot be justified.

First-class mail—and I do not care how you slice this or how you try to explain away the facts—first-class mail pays its way. It is not the cause of the postal deficit.

The huge mass circulation magazines are subsidized in the millions of dollars a year on their postal costs. This is freely admitted. But we are told the postal service is supposed to shoulder part of the cost of delivering Life and Reader's Digest and similar magazines as a means of spreading light and information and perhaps culture among the American people.

If we are going to subsidize Life, let us then be free to admit that the postal service is not intended to pay its own way.

But if we are going to insist on the postal service being run as a business—paying all of its costs and perhaps even showing a profit—then we must start with the areas of postal activities which cost the taxpayer the most money—and raise those to the level where they pay their own way.

Until you do that, it is unfair and discriminatory to punish the average citizen and make him pay one-third more to mail a letter.

This increase as proposed has not been justified to my satisfaction and whether I am the only person in the entire House who votes against it—and I know I will not be the only one—but even if I were completely alone on this issue, I would nevertheless vote "No." I am against this bill.

Mr. MURRAY. Mr. Chairman, I yield myself the balance of the time.

Mr. Chairman, ever since I have been a member of the Post Office Committee, I have endeavored to increase the postal rates. Since my membership starting in 1943, we have been able to increase the postal rates only once in 1949 and once in 1951. Those increases were on second- and third-class mail and not on first-class mail. We have a sound, a good, and a reasonable bill here. I cannot see how any Member can oppose it. I regret that our distinguished majority leader is not here. It was expected to call this bill up Friday. He told me, "How can I vote against an increase in postal rates when I voted for these two pay increase bills? I regret I will not be here to support the bill." I cannot see how those Members who voted for this postal pay bill and the classified pay bill, amounting to $850 million, can now come here and fight any increase in postal rates. If this bill is approved, it will still not wipe out the deficit in the Post Office Department. The 1958 deficit will be $339 million, even though this bill is approved; and if the pay bill is approved, then the deficit, with this postal rate bill in effect, would be $603 million.

Let us see how the expenses of the Department have gone up. In 1945 there were 435,155 employees. What is it today? There are 521,198 employees, and the payroll is $2,340,000,000. In the last 12 months there has been an increase of 85,243 in the number of employees, and an increase in payroll of $1,459,650,000.

Since 1946 we have passed 22 employee benefit bills, including six pay bills. They amount now to an annual cost of $1,859,851,000.

It does not make sense for one to vote for all these increases in salaries and then not vote for an adequate increase in postal rates. The Post Office Department is going to have additional costs. The railroads are now asking for an increase in the transportation of mail. That will cost the Department about $22 million additional. So if there ever was a bill justified under the circumstances, it is this bill.

What did General Farley say? He said:

> Furthermore, a 4-cent letter rate would still be one of the world's greatest bargains. Raising first-class rates to 4 cents is both practical and logical. A higher cost for second- and third-class mail is absolutely and eminently fair and necessary.

Postmaster General Donaldson also corroborated what General Farley said.

I sincerely hope the committee will approve this bill without any amendments, except three minor amendments offered by the committee. Let us vote down the amendments that are offered and pass this bill this afternoon.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. MURRAY. I yield.

Mr. JONAS. Is it not true that if we had realistic rates during the last 10 years we could have reduced the public debt by $5 billion?

Mr. MURRAY. Certainly. I said the Post Office has incurred a deficit of $5 billion in the past 10 years.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. MURRAY. I yield.

Mr. VORYS. I do not find in the report whether the Post Office revenues have been increasing during the period that we have not been giving them more to work with. Is that in the report?

Mr. MURRAY. It should be. It is in the annual report of the Postmaster General. The revenues have been increasing, but the expenses of operation have been increasing far more than the receipts.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

All time has expired.

The Clerk will read.

The Clerk read as follows:

Be it enacted, etc.

GENERAL STATEMENT

In the light of the findings in title II of this act and information received by the Congress with respect to postal activities, revenues, and expenses, the Congress recognizes that—

(1) adjustments in presently existing postal rates and fees are necessary and desirable in order that, to the extent consistent with the public interest and the policies in title II of this act, postal revenues will more nearly equal postal expenses; and

(2) it is necessary and desirable in the public interest that the Congress establish a definite, affirmative, and integrated policy with respect to postal activities, revenues, and expenses which will serve as a guide in the determination and adjustment by the Congress, from time to time, of the postal-rate structure.

With the following committee amendment:

Page 2, line 2, after the word "expenses", insert "and postal service will be improved."

The committee amendment was agreed to.

Mr. RHODES of Pennsylvania. Mr. Chairman I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RHODES of Pennsylvania. Mr. Chairman, I am opposed to the committee bill unless it is improved by amendments.

For a number of years I had the pleasure of serving as a member of the Post Office and Civil Service Committee under the distinguished chairman of the committee, the gentleman from Tennessee [Mr. MURRAY] and also when the committee was headed by the distinguished gentleman from Kansas [Mr. REES].

I have differed with them at times but I have always held both gentlemen in high regard. When the last postal rate increase bill was passed I served on the conference committee and was in complete agreement with our chairman and the ranking minority members in supporting the postal rate increase in 1951. On the bill now before us, however, I cannot accept their proposal to raise letter postage to 4 cents, while only a token increase is proposed in second class, which contributes most to the postal deficit.

I do not contend, Mr. Chairman, that 4 cents for letter postage is excessive. Even at 5 cents, letter postage would be a big bargain. If the postal system would be operated by private interests the cost would be many times that amount. My objection is that the committee bill is discriminatory. It would be most unfair to increase rates on first-class mail users to 4 cents, a total increase of $365 million, while second class would be increased by only $33 million spread over a 4-year period, or slightly more than $8 million annually. Users of first-class letter postage who now pay their own way, would be burdened with an additional annual cost of $365 million.

According to the fiscal year 1956 cost ascertainment report, the latest official figures available, there was a loss for the year of more than $252 million in second class. Yet this bill suggests a second-class increase of only $8 million annually for 4 years. During the same fiscal year of 1956, first-class mail revenues exceeded costs of handling by over $35½ million, while air-mail revenues exceeded costs by more than $23 million. These are official figures published in table 100 of the Post Office cost ascertainment report.

Mr. Chairman, I cannot agree that first-class mail is being carried at a loss for 3 cents an ounce. It may come as a surprise to many of my colleagues to know that during fiscal year 1956 nonlocal first-class letters and sealed parcels brought in 3.682 cents in average revenue per piece handled by the Post Office Department. These are up-to-date figures that can be verified by an examination of table 41 of the fiscal 1956 cost ascertainment report. Like many other Members I cannot accept what has been recently introduced as intangible factors. It is a gimmick to put across an increase that cannot be justified by the facts.

An increase in first-class rates to 4 cents an ounce is not justified from a careful examination of the Post Office Department's own statistical data. It would be inflationary as well as most unfair to the American people.

Mr. Chairman, this is a bad bill. By putting the unjust and unfair burden on the average citizen who uses first-class mail it would make more secure the unreasonable subsidies that in the case of one publisher runs as high as $10 million a year.

How can we, in good conscience, pass such a bill? We should cut out of this bill the proposal for a first-class letter-postage rate increase or make a more substantial increase in second class than the committee proposes. If either of such amendments are accepted I will support the bill. At the proper time I intend to introduce an amendment to improve the bill which I hope the committee will accept.

Mr. Chairman, I am not opposed to a postal-rate increase. When the Post Office and Civil Service Committee brings to the floor a bill that will be fair to all mail users in the apportionment of their rightful share of the postal deficit, I shall support it. H. R. 5836 is not such a bill.

Unless it is improved by amendments the bill should be defeated.

Mr. SANTANGELO. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in opposition to this bill conditionally just as did the gentleman from Iowa.

As a member of the committee who has listened to all of the testimony, I want to commend the chairman for his fairness to the younger members and the new members of the committee, giving us the opportunity to probe and question so that we could have a better understanding of this complex problem.

Throughout these hearings I have been disturbed by a reversal of policy that the Postmaster General has been trying to initiate. I read the report of the Advisory Council to the Senate which was made to the 85th Congress this year. It indicated historically and traditionally that the Post Office was a public service; yet today we hear that the Postmaster General is trying to put the Post Office Department on a pay-as-you-go basis, or on a system which would make it meet its own costs.

According to the report that was published and from which I read a little while ago, $392 million of the cost of the Post Office Department is dedicated to public welfare made up of mail which goes out under the franking privilege, mail to the blind, favored treatment to certain newspapers, and many other phases of public welfare. Yet the cost of these services is included in the overall expense of the Post Office Department.

I try to be fair about this measure, and I recognize that what we are talking about in this whole postal budget is 16 percent of the total revenues. The total revenue amounts to $2½ billion, and the operating costs are $3 billion, leaving a deficit of about $500 million, 16 percent.

This bill provides enough additional revenue to recoup about 11 percent of this deficit. This means that we will still have a deficit of 5 percent.

Now the question uppermost in all our minds is, who is to assume this burden of 5 percent? Shall it be the users of first-class mail or the users of second- and third-class mail? The first-class mail is used 75 percent by business and 25 percent by individuals, by people exchanging correspondence with each other, writing letters to their Congressmen, writing letters to their boys in the service, love letters, Christmas and Easter cards, and mail for personal use.

During the course of the committee hearings, I made the suggestion that those people using first-class mail for personal reasons should continue to pay the 3-cent rate and that others pay 4 cents. But that proposal was voted down immediately, because the Postmaster General said it was impractical and unfeasible.

Now I ask why should we this year take this second-class mail, the periodicals, the newspapers and magazines and reduce the rates below those which were included in the bill last year? Last year they approved a bill which required that newspapers and periodicals containing more than a certain amount of advertising would pay an additional 30 percent rate; but this year that particular provision was deleted and eliminated.

So what do we find? Under the cost-ascertainment system, first-class mail is making a profit. According to it, first-class mail made a profit of $35.7 million in 1956, and second-class mail caused a loss of over $250 million.

But the Postmaster General through a little change in accounting, taking into consideration certain intangible factors comes up with a loss of $316 million on first-class mail and a lesser loss on second-class mail.

What has happened? He has asked for a 33-percent increase on first-class mail which will give him an amount in excess of loss which he says first-class mail is causing, taking into consideration the intangible factors.

What happens to second-class mail? This is the mail on which the loss was $250 million or more. The Postmaster suggests a sliding scale over a period of 4 years to yield the grand sum of $31 million, which means they will still be operating at a deficit which the first-class users subsidize. The newspapers, magazines, and periodicals are losing $250 million and will pay under the terms of this bill only the sum of $31 million additional.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. MOSS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I oppose this bill as written because it represents, in my judgment, a completely inadequate and unrealistic approach to the assignment we have here in this House today, that of setting rates. We are not raising taxes, we are setting rates for a service which the Government renders exclusively to the citizens of the United

States. We have had a lot of discussion about the cost of this service. I want to make it perfectly clear that the so-called intangible factors which have been mentioned repeatedly are completely phony because every one of them is carefully weighed in arriving at a cost-ascertainment figure.

What is cost ascertainment? It of necessity is an arbitrary allocation to each class of mail of the cost for the facilities and the personnel employed in the processing of that class of mail. How is it done? It is done on a sampling basis, just as any sound cost ascertainment procedure must necessarily look to a sampling process in an operation the size of the United States Post Office. Every single man-hour of work in the processing of each class of mail, every single postal facility is carefully evaluated and measured, and every factor capable of measurement is included in the cost ascertainment.

What does it show? It shows, first, that it is a sound method because by law this Congress has directed that the cost ascertainment system be a ratemaking tool in the case of fourth-class mail. That is the ratemaking tool. If it is valid in fourth-class mail, then of necessity and in consistency it must be valid in every other class of mail.

Now we are asked here to up the cost of handling the only class of mail which makes a profit under cost ascertainment, and it does make a profit. Those figures come from the official cost ascertainment reports of the Post Office Department. It made $35 million in the last measurable and accounted-for period. Over the last 10 years from 1947, it has accumulated a profit of over $800 million.

Where does the loss occur? It occurs in second-class mail. Over the last 10 years second class has accumulated a loss of over $2 billion, and third-class mail, on this same official measurement, has accumulated a loss of $1,459,000,000. I will put these figures in the RECORD year by year because they are very revealing.

Excess or deficit of revenue over expenditures, selected classes of mail, 1947 to 1956, inclusive

Fiscal year	1st class [1]	Airmail (domestic) [2]	2d class [3]	3d class
1956	+$35,664,975	+$17,815,907	−$269,210,078	−$233,511,972
1955	+62,325,144	+20,266,779	−219,586,785	−172,039,091
1954	+63,327,680	+3,598,035	−218,354,765	−147,187,173
1953	+82,450,467	−42,042,375	−230,477,533	−158,568,348
1952	+52,407,981	−32,497,079	−226,740,091	−191,913,098
1951	+102,387,227	−25,980,369	−188,567,349	−130,114,233
1950	+80,423,334	−35,501,867	−179,224,730	−135,872,341
1949	+82,064,709	−37,261,064	−174,674,835	−129,052,786
1948	+154,308,612	[4] −27,075,431	−152,665,801	−86,681,326
1947	+131,044,351	[5] −18,984,425	−148,092,646	−74,519,210
Total	+846,404,480	−177,670,889	−2,007,594,613	−1,459,459,578

[1] Included in costs is free mail for the United States Armed Forces.
[2] United States Armed Forces mail, domestic and to and from overseas included.
[3] "Free in county" not included in expenditures. Prior to 1953, controlled circulation publications included.
[4] $8,000,000 included as expense for estimated cost of pending rate change by CAB.
[5] Expenditures include $11,880,429 estimated added cost due to CAB rate (pending) and $4,418,703 estimated cost of transporting domestic airmail over foreign airmail routes.

NOTE.—Excess of revenue over expenditures indicated by plus (+) sign before dollar amounts, and excess of expenditures over revenue by minus (−) sign.
Source: Cost ascertainment reports of the United States Post Office Department for the years 1947 to 1956, inclusive.

Mr. Chairman, we are told that very few people have protested this bill. Of course, they have not. The average first-class user of mail is not organized; he is represented by no one but we who sit here as Members of the House of Representatives. He is not able to be articulate in his own interest. But do not ever think that the phony polls which have been taken correctly reflect the views of the average first-class mail user because they most assuredly do not. If we were to direct to him a factual poll, pointing out that first-class mail pays its way; and asking: "Would you want, therefore, to increase the rate?" the answer would be in the negative. I tried this in my district and over 85 percent of my people said: "No, sir, we do not want to increase the rate from 3 cents to 4 cents." I join with them. I do not want to increase it, either. If the day ever comes when the Post Office Department requires an increase in first-class mail to underwrite its legitimate portion of the cost of postal service, I will be one of the first to step forward and support that proposal.

But, that day has not arrived, and whether or not it will is highly speculative. The gentleman from Indiana tells us that the speculative cost of increased wages is one we should not regard because the President in his wisdom is going to veto it. He gave us the same assurance on the classified pay bill. Now, if next year the President, recognizing the need of the postal service, should decide to sign the pay bill, and cost ascertainment figures then show clearly that an increase in the first-class rate was necessary, I would at that time support it enthusiastically.

Mr. JOHANSEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I would like to just call attention to one or two facts that seem to be overlooked or minimized in this debate. I rise, of course, in support of the bill. I think the first point that we need to consider is the fact that even if this Congress in its wisdom elects to do nothing about postal rates, it still is doing something and something very substantial about the relationship between the revenues and the cost of the postal service. If, by rejecting this bill—and I do not for a moment believe this House will—we did nothing with respect to the increase in postal rates, it would have the very definite effect of increasing the disparity between the revenues and the cost of the services that are furnished.

Now, I heard it said here on this floor earlier this afternoon that if we adopted this bill we would destroy the service concept of the Post Office Department. I cannot conceive of a more fantastic or unrealistic statement than that. I say, in the first place, whether or not the Members of this House want the postal service to pay its way, whether or not the Postmaster General wants the postal service to pay its way, there is not a chance in the world that the postal service is going to pay its way if this bill is adopted, because the increase in revenues in relation to the present deficit will by no means bridge the gap, and there are prospects of increased costs over and above the increases that we have already experienced.

In the second place, if we do not adopt this bill, we are in effect increasing the so-called service aspects, because we are increasing by a do-nothing action, the portion of the cost that must be saddled upon the taxpayer rather than being paid by the users of the mail.

Now, with respect to those who argue that by adopting this legislation we would destroy the service principle, may I ask whether in 1947, when first-class mail was paying 130 percent of its allocated cost, we had at that time destroyed the public-service concept. The fact of the matter is that if this legislation is adopted and costs remain fixed, we would restore that historic pattern and ratio of 130-percent revenue in relationship to the cost for first-class mail. Of course, the reason for that differential is the matter of preferred service. It is not a tax any more than it is a tax if you pay extra for a box seat at a ball game rather than elect to sit in the bleachers. You pay for what you get. You pay for the service.

We propose in this legislation to restore a historic pattern, one which no one regards as hostile to the public-service concept. We do the very thing which former Postmaster General Farley said he would regard as imperative if he were faced with the situation which the present able and distinguished Postmaster General faces. And, I quote his exact words from his testimony before the committee last year. Mr. Farley said:

> If my staff had presented me with the figures and the evaluation of what is developing in the postal service, demonstrating that I would be faced with a $500 million deficit annually, I would have been greatly concerned. If I had spent as much time and energy in trying to work out improvements in the postal service as has Postmaster General Summerfield, General Donaldson, and their predecessors only to see it absorbed in dispensing much-deserved higher salaries and fringe benefits to employees without commensurate rate increases, I would be deeply discouraged.

Mr. HOLIFIELD. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, the gentleman from Michigan mentioned the name of Mr. Farley. It might be well to point out that Mr. Farley is connected with the Coca-Cola Co. He is a businessman.

The product he sells which is famous all over America, sells for 5 cents, just as it did in 1932. That might answer also the suggestion that some gentleman on the floor made a few minutes ago to point to one single company that sold its services or its product for the same price as it did in 1932. I point to the world-famous American Coca-Cola which still sells for 5 cents.

Let us get down to what this is all about. We are asked to do something here for the Post Office Department which we are not asked to do for any other department of Government. The Department of Agriculture spends over $3 billion and we do not ask it to pay its own way. The Departments of Labor and Health, Education, and Welfare, spend $2,871 million and they render services to the people, also. We do not ask them to carry their own way. But when we get to the Post Office Department suddenly we become very desirous that the Post Office Department pay its own way. The Post Office Department pays 85 percent of its own way under the present management. It has a deficit of only around 15 or 16 percent.

The question before the House is, who shall pay this deficit of 15 or 16 percent? Should the people who incur the deficit, who are the second- and third-class users of mail, pay it? Shall all of the people pay it out of the general tax fund? Or shall we lay it on the backs of the 3-cent letter user and the 6-cent letter user? That is all there is to it.

If you want to raise the deficit of this one department of government and make it pay its way, you put it on the back of the 3-cent letter user and the 6-cent letter user. You do not let the people of the United States carry the deficit as it has in years gone by as a matter of national policy, but you say, "here is a good place to gouge the little fellow who is not organized and we will gouge him and we will use this as a revenue raiser."

The Post Office Department's own book for 1956 shows that first-class revenues were $1,013 million. The expenditures for the Department were $978 million. In other words, it made a profit of $35,700,000 on first-class 3-cent mail. Now not only do we want to make $35,700,000 but we want to add another $300 million on to the burden of the 3-cent letter user for the benefit of whom? I will tell you, I have it right here. I sent a letter in March to the Post Office Department and I asked them what the subsidy was to some of our big national publications. Here is the subsidy to Ladies Home Journal, Collier's magazine—now defunct—Life, Saturday Evening Post, and Reader's Digest, as the Post Office furnished to me:

Volume, revenues, and estimated handling costs of selected second-class publications based on one issue, for the year 1956

[In thousands]

Publication	1 issue					Estimated annual loss
	Weight (pounds)	Copies	Postage at present rates	Cost of handling	Excess of costs over postage	
Ladies' Home Journal	5,835	3,706	$128	$287	$159	$1,917
Collier's Magazine	1,909	3,070	48	169	121	3,146
Life	5,410	4,775	144	323	179	9,310
Saturday Evening Post	3,095	3,106	67	184	117	6,087
Reader's Digest	3,829	9,163	90	438	348	4,172

NOTE.—In all cases costs were based on average cost factors computed for a subgroup of publications applied to volume data for each publication, and not on individual traffic studies and cost factors attributable to each specific publication.

The Saturday Evening Post, $6,087,000. These are the Post Office Department figures, they are not mine.

The Reader's Digest, $472,000.

Those are the people that are incurring the deficit, and you want the little 3-cent letter user to carry this deficit.

Mr. JOHANSEN. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Michigan.

Mr. JOHANSEN. Was the little 3-cent letter mail user being gouged in 1947 when he was paying 130 percent of the allocated cost?

Mr. HOLIFIELD. If the gentleman wants the classes of mail to pay their own way, yes, he was being gouged. Certainly, once they are making a profit off him, he is being gouged, particularly when you are using that profit to cover the deficit of the big newspapers like the Chicago Tribune, the New York Times and all other large metropolitan daily newspapers.

Mr. MOSS. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from California.

Mr. MOSS. Is it not true that the rate set in 1932 which produced this excess of revenue over cost was set after action by the Committee on Ways and Means as a clear revenue-producing measure and not as a rate measure?

Mr. HOLIFIELD. Exactly. It was done by the Committee on Ways and Means and it was later affirmed by the Post Office and Civil Service Committee in 1947.

Mr. Chairman, at the proper time I shall offer an amendment.

Mr. CEDERBERG. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise at this time to ask a question of the chairman of our committee.

Mr. MURRAY. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from Tennessee.

Mr. MURRAY. I hope we can pass the bill this afternoon. We may have to stay here a little longer, but I hope these speeches will be abbreviated and curtailed, so that we can get down to the consideration of the amendments.

Mr. CEDERBERG. May I ask our distinguished chairman if it is his understanding that the leadership on his side of the aisle supports this legislation at the present time?

Mr. MURRAY. I have taken it up with the Speaker and majority leader, and I think they are supporting it.

Mr. CEDERBERG. The majority leader advised me that if he were to be here today, and if the bill had been taken up Friday evening, as it had been originally planned, he intended to support this legislation, and he gave some very obvious reasons why he intended to support this legislation, although he had not done so in the past.

I am not going to take the full 5 minutes because I want to respect the request of the chairman of the committee that we get along with this bill.

You cannot raise third-class mail unless you raise first-class mail, as the distinguished gentleman from Pennsylvania pointed out, so if any of you are going to vote for an amendment to reduce the proposed 4-cent rate in the bill to 3 cents, then we have to reduce the third-class mail. There just cannot be any other way; otherwise it will cause tremendous chaos in the Department.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from California.

Mr. HOLIFIELD. I want the House to know very fairly where I stand. I shall offer an amendment, if I am recognized, to strike out the increase in the 3-cent letter and the 6-cent letter mail rate. I will also support any amendment offered to strike out the raises in the other two.

Mr. CEDERBERG. In other words, the gentleman is not for anything.

Mr. HOLIFIELD. I am against the bill, and I want to say so honestly.

Mr. CEDERBERG. We appreciate the candor of the gentleman. He has always been very frank. The gentleman from California is strictly willing to go along with a billion-dollar deficit in the Post Office Department.

Mr. HOLIFIELD. I say that any deficit in a department of the Government that renders a service is a matter apart from the income of that department.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from Indiana.

Mr. HALLECK. I wonder if the gentleman from California would go so far as to say that the Post Office Department ought to carry the mail for everybody at no charge. I do not see how you can escape that end position in view of what the gentleman has just said.

Mr. HOLIFIELD. The gentleman from California is not seeking to change the present situation. I am perfectly willing to go along with the present situation.

Mr. HALLECK. It is very obvious that the gentleman does not want to change the present situation, which is that the taxpayers have to make up, if this bill does not pass, a billion dollars in the postal deficit.

Mr. HOLIFIELD. Why should the first-class mail users have that great burden?

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield.

Mr. TABER. Does what the gentleman from California said mean that he is in favor of keeping taxes up just as high as possible to maintain a deficit in other departments of the Government as well?

Mr. CEDERBERG. It is the policy of the liberal Democrats to have more deficits and continually more deficits all of the time.

Mr. JOHANSEN. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield.

Mr. JOHANSEN. Is it not a fact that whether or not the gentleman from California wants the situation to remain the same as it is, or wants it changed, that it is changing constantly with the increasing costs?

Mr. CEDERBERG. Why, certainly. A deficit of $1 billion in the Post Office Department is absurd and it was so stated by former Postmasters General. It is unbelievable.

Mr. PORTER. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield.

Mr. PORTER. Does the gentleman then support further raises in second- and third-class rates so that they will pay 100 percent of their way?

Mr. CEDERBERG. Here is what I would do if I were going to amend this bill. I am aware of the temper of the House and therefore will not offer amendments. I think this bill should allow the 4-cent rate to go into effect. About a year from now, we should go into the 5-cent letter. Then the four 15-percent increases in second-class mail should be extended to five 15-percent increases. That would cover a period of 5 years. The third-class mail should be raised from 1½ cents to 2 cents the first year; to 2½ cents the second year, and 3 cents the third year. Then, you would have a sensible bill. Because it is a historical fact that once we do something about this rate, we are not going to touch it again until 10, 15, or 20 years from now and the deficit is going to mount and the poor individual taxpayer who some of the people think their hearts are bleeding for, is the fellow who is going to pick up the check.

Mr. PORTER. Is it then the gentleman's position the fact that the second-class mail only pays 31 percent and the third-class under the second increase pays 83 percent, that that is a satisfactory situation?

Mr. CEDERBERG. No. The situation is this and I am practical enough to know and that has been the history of the Department that second-class mail will never pay its way. We recognize the public service feature there, but the gentleman's position is completely inconsistent. He would put in an amendment to reduce it from what it is in the bill now.

The CHAIRMAN. The time of the gentleman has expired.

Mr. PORTER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I know the hour is late and I know the time of the year is late. I also know this House has come in for some criticism recently in Times magazine section about the way it legislates. I think I know this bill. I know because I sat in on almost every one of its 21 hearings. My attendance record is as good as any Member's. I know that the bill before you is unfair and imprudent. It is unfair because, as has been very well pointed out by the gentleman from California [Mr. HOLIFIELD] and the gentleman from California [Mr. Moss] and others, it is unfair to the first-class mail users because it puts on them more expense than the cost of the service that they get. It is imprudent because it calls for increases in second-class and third-class mail rates that have no rationale. The facts have never been, in fact, presented to our committee. We have no evidence in our hearings as to what the result of these increases on second-class mail will be. We have no evidence with regard to what this great increase in third-class mail will be. Yet, many small businesses are involved. I know there are big businesses involved. I think our committee has a good deal of work to do to decide whether there are classes that can be made so that this burden will not sink a good many small businesses. But, we do not have that information. This bill should be defeated because it is unfair to the first-class mail users, and it is imprudent because it does not take into account the consequences of these increases on the second-class mail users and the third-class mail users. This bill should be defeated.

Mr. SISK. Mr. Chairman, will the gentleman yield?

Mr. PORTER. I yield.

Mr. SISK. Quite a lot of talk around here has been heard about who is bleeding for whom. I wonder if the gentleman would distinguish for me the difference between the bleeding taxpayer and the bleeding postal users. Is there an entirely different group of people involved or is it not a fact that what we are proposing here is actually an increase in the taxes on the American people?

Mr. PORTER. That is correct, and I think the taxpayers may be better organized than the first-class mail users.

Mr. SISK. I thank the gentleman.

Mr. CEDERBERG. Mr. Chairman, will the gentleman yield?

Mr. PORTER. I yield.

Mr. CEDERBERG. I am amazed at the gentleman's inconsistent position. He is complaining about second-class mail, yet in the committee he voted to cut the bill about 10 percent.

Mr. PORTER. I repeat what I said twice before. I believe that the proposed increases on the second-class mail are irresponsible. I do not know the consequences until we have made such a study. Until we have such information we should not make increases either in second- or third-class mail.

Mr. CEDERBERG. Are they any more irresponsible than the deficit in the second-class?

Mr. PORTER. The fact it does not pay its whole way? I do not like that. But the increase should not be a step in the dark.

Mr. CEDERBERG. How did you arrive at the 10 percent figure?

Mr. PORTER. I wanted to reduce the possible economic injury. I talked to many small magazine publishers. They said that the 5 percent in each of four stages would mean the difference between survival and going out of business. My motive was to make a stopgap measure so that we would save some of these small magazines while the committee did its duty to find the facts which were necessary for proper legislation.

The CHAIRMAN. The time of the gentleman from Oregon [Mr. PORTER] has expired.

Mr. MURRAY. Mr. Chairman, I ask unanimous consent that the bill be considered as read, and open to amendment at any portion.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

Mr. CORBETT. Mr. Chairman, reserving the right to object, does the gentleman not feel, in view of the fact that there are 9 or 10 amendments pending, that it is impossible to proceed tonight?

Mr. MURRAY. I do not think so. I think we can dispose of them very rapidly.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The remainder of the bill is as follows:

TITLE I—POSTAL RATE INCREASES

Short title

SEC. 101. This title may be cited as the "Postal Rate Increase Act, 1957."

First-class mail

SEC. 102. (a) That part of the first section of the joint resolution of June 30, 1947 (61 Stat. 213; 39 U. S. C. 280), which precedes the proviso, is amended by striking out "3 cents" and inserting in lieu thereof "4 cents."

(b) Section 1 of the act of October 30, 1951 (65 Stat. 672; 39 U. S. C. 280), as amended, is further amended—

(1) by striking out "2 cents" wherever appearing in subsection (a) and inserting in lieu thereof "3 cents"; and

(2) by striking out "2 cents" in subsection (b) and inserting in lieu thereof "3 cents."

Domestic airmail

SEC. 103. Section 201 of the Postal Rate Revision and Federal Employees Salary Act of 1948 (62 Stat. 1261; 39 U. S. C. 463a) is amended—

(1) by striking out "6 cents" in the first sentence and inserting in lieu thereof "7 cents"; and

(2) by striking out "4 cents" in the second sentence and inserting in lieu thereof "5 cents."

Second-class mail

SEC. 104. (a) Section 2 (a) of the act of October 30, 1951 (65 Stat. 672; 39 U. S. C.

289a), is amended by inserting immediately before the colon which precedes the first proviso the following: ", and (4) such postage is further adjusted to the amounts set forth in the following table, on the dates specified:

	Effective July 1, 1957 (cents per pound, or fraction thereof)	Effective July 1, 1958 (cents per pound, or fraction thereof)	Effective July 1, 1959 (cents per pound, or fraction thereof)	Effective July 1, 1960 (cents per pound, or fraction thereof)
A publication having not more than 5 percent of its space devoted to advertisements, and that portion of other publications devoted to matter other than advertisements	2.2	2.5	2.8	3.1
Advertising portion of a publication having more than 5 percent of its space devoted to advertisements:				
1st and 2d zones	2.2	2.5	2.8	3.1
3rd zone	3.0	3.4	3.8	4.2
4th zone	4.5	5.1	5.7	6.2
5th zone	6.0	6.8	7.5	8.3
6th zone	7.5	8.4	9.4	10.4
7th zone	9.0	10.1	11.3	12.5
8th zone	10.5	11.8	13.2	14.6"

The adjustment in postage contained in the amendment made by this subsection shall not apply to any issue of a newspaper with respect to which issue the entire press run consists of 5,000 copies or less and the rate or rates of postage, as in effect immediately prior to the date of enactment of this act, for the mailing of any issue of any newspaper to which this sentence applies shall remain in effect until otherwise provided by Congress.

(b) Section 2 (c) of such act of October 30, 1951, is amended by striking out "one-eighth of 1 cent" and inserting in lieu thereof "one-fourth of 1 cent, except that (1) the postage on each individually addressed copy mailed by the organizations listed, and for the purposes prescribed in the second and third provisos of subsection (a) of this section, and each individually addressed copy of a publication of the second class addressed for delivery within the county and not entitled to the free-in-county mailing privilege, shall not be less than one-eighth of 1 cent, and (2) the per copy rates prescribed for publications covered by section 25 of the act of March 3, 1879, as amended (39 U. S. C. 286), are continued."

(c) Section 2 (d) of such act of October 30, 1951, is amended by striking out "1 cent" and inserting in lieu thereof "1½ cents."

Controlled circulation publications

SEC. 105. Section 203 of the Postal Rate Revision and Federal Employees Salary Act of 1948 (62 Stat. 1262; 39 U. S. C. 291b), is amended—

(1) by striking out "10 cents a pound or fraction thereof" and inserting in lieu thereof "12 cents a pound or fraction thereof regardless of the weight of the individual copies"; and

(2) by adding at the end thereof a new sentence reading "The rates provided in this section shall remain in effect until otherwise provided by Congress.".

Third-class mail

SEC. 106. Section 3 of the act of October 30, 1951 (65 Stat. 673; 39 U. S. C. 290a–1), is amended—

(1) in that part of such section which precedes the first proviso—

(A) by striking out "2 cents" wherever appearing therein and inserting in lieu thereof "3 cents";

(B) by striking out "1 cent" and inserting in lieu thereof "1½ cents"; and

(C) by striking out "1½ cents for each additional two ounces or fraction thereof" and inserting in lieu thereof "1 cent for each additional ounce or fraction thereof";

(2) in the first proviso contained in such section, by striking out "$10" and inserting in lieu thereof "$20";

(3) in the second proviso contained in such section—

(A) by striking out "14 cents" and inserting in lieu thereof "16 cents";

(B) by striking out "1 cent" wherever appearing therein and inserting in lieu thereof "2 cents"; and

(C) by striking out "10 cents" and inserting in lieu thereof "12 cents";

(4) by striking out the third proviso contained in such section and inserting in lieu thereof *"Provided further,* That the minimum charge per piece of 2 cents specified in the foregoing proviso shall be increased to 2½ cents on July 1, 1959:"; and

(5) in the fourth proviso contained in such section, by striking out "3 cents" and inserting in lieu thereof "5 cents."

Fourth-class mail

SEC. 107. Sections 204 (d) and (e) of the Postal Rate Revision and Federal Employees Salary Act of 1948 (62 Stat. 1262), as amended (39 U. S. C. 292a (d) and (e)), are amended to read as follows:

"(d) The following materials when in parcels not exceeding 70 pounds in weight may be sent at the postage rate of 10 cents for the first pound or fraction thereof and 5 cents for each additional pound or fraction thereof, and this rate shall continue until otherwise provided by the Congress: (1) books permanently bound for preservation consisting wholly of reading matter or scholarly bibliography or reading matter with incidental blank spaces for students' notations and containing no advertising matter other than incidental announcements of books; (2) 16-millimeter films and 16-millimeter film catalogs except when sent to commercial theaters; (3) printed music whether in bound form or in sheet form; (4) printed objective test materials and accessories thereto used by or in behalf of educational institutions in the testing of ability, aptitude, achievement, interests, and other mental and personal qualities with or without answers, test scores, or identifying information recorded thereon in writing or by mark; and (5) manuscripts for books, periodical articles, and music.

"(e) (1) The following materials when in parcels not exceeding 70 pounds in weight when loaned or exchanged between (A) schools, colleges, or universities and (B) public libraries, religious, educational, scientific, philanthropic, agricultural, labor, veterans, or fraternal organizations or associations not organized for profit and none of the net income of which inures to the benefit of any private stockholder or individual, or between such organizations and their members or readers or borrowers, shall be charged with postage at the rate of 4 cents for the first pound or fraction thereof and 1 cent for each additional pound or fraction thereof, except that the rates now or hereafter prescribed for third- or fourth-class matter shall apply in every case where such rate is lower than the rate prescribed in this subsection, and this rate shall continue until otherwise provided by the Congress: (i) books consisting wholly of reading matter or scholarly bibliography or reading matter with incidental blank spaces for students' notations and containing no advertising matter other than incidental announcements of books; (ii) printed music, whether in bound form or in sheet form; (iii) bound volumes of academic theses in typewritten or other duplicated form and bound volumes of periodicals; and (iv) other library materials in printed, duplicated, or photographic form or in the form of unpublished manuscripts.

"(2) The rate provided in paragraph (1) for books may apply to sixteen-millimeter films, filmstrips, transparencies for projection and slides, microfilms, sound recordings, and catalogs of such materials when sent in parcels not exceeding 70 pounds in weight to or from (A) schools, colleges, or universities and (B) public libraries, religious, educational, scientific, philanthropic, agricultural, labor, veterans, or fraternal organizations or associations, not organized for profit and none of the net income of which inures to the benefit of any private stockholder or individual.

"(3) Public libraries, organizations, or associations, before being entitled to the rates specified in paragraphs (1) and (2) of this subsection, shall furnish to the Postmaster General, under such regulations as he may prescribe, satisfactory evidence that none of their net income inures to the benefit of any private stockholder or individual."

Determination of class of post office and compensation of postmaster and certain employees

SEC. 108. On and after January 1, 1958, 80 percent of the gross postal receipts of all classes of post offices shall be counted for the purpose of determining the class of the post office or the compensation or allowances of postmasters or other employees whose compensation or allowances are based on the annual receipts of such offices. Nothing contained in this section shall operate to decrease the compensation or allowances in effect immediately prior to January 1, 1958, for postmasters and other employees in the postal field service on such date whose compensation or allowances are based on the annual receipts of such offices.

Repeals

SEC. 109. The last sentence of section 4 (a) of the Civil Service Retirement Act as contained in the Civil Service Retirement Act Amendments of 1956 (70 Stat. 747) is hereby repealed, and hereafter the amounts contributed by the Post Office Department to the civil service retirement and disability fund in compliance with such section 4 (a) of the Civil Service Retirement Act shall be considered as costs of providing postal service for the purpose of establishing postal rates.

Conditions precedent to withdrawal from general fund of Treasury

SEC. 110. That part of the paragraph under the heading "General Provisions" under the appropriations for the Post Office Department contained in chapter IV of the Supplemental Appropriation Act, 1951 (64 Stat. 1050; 31 U. S. C. 695), which precedes the proviso is amended by striking out "the receipt of revenue from fourth-class mail service sufficient to pay the cost of such service" and inserting in lieu thereof "(1) that the revenues from fourth-class mail service will not exceed by more than 3 percent the costs thereof, or (2) that the costs of such fourth class mail service will not exceed by more than 3 percent the revenues therefrom."

Effective dates

SEC. 111. (a) The rates of postage prescribed by this title, except those prescribed in section 104 (a), shall become effective on July 1, 1957.

(b) The rates of postage prescribed by section 104 (a) of this title shall become effective as provided in such section 104 (a).

(c) The fee prescribed by section 106 (2) of this title shall become effective on January 1, 1958.

(d) Section 109 of this title shall become effective as of the effective date of the Civil Service Retirement Act Amendments of 1956.

TITLE II—POSTAL RATE POLICY

Short title

SEC. 201. This title may be cited as the "Postal Rate Policy Act."

Findings

SEC. 202. The Congress hereby finds that—

(1) the Postal Establishment was created to unite more closely the American people, to promote the general welfare, and to advance the national economy;

(2) the Postal Establishment has been extended and enlarged through the years into a nationwide network of services and facilities for the communication of intelligence, the dissemination of information, the advancement of education and culture, and the distribution of articles of commerce and industry;

(3) the development and expansion of these several elements of postal service, under authorization by the Congress, have been the impelling force in the origin and growth of many and varied business, commercial, and industrial enterprises which contribute materially to the national economy and the public welfare and which depend upon the continuance of these elements of postal service;

(4) historically and as a matter of public policy there have evolved, in the operations of the postal establishment authorized by the Congress, certain recognized and accepted relationships among the several classes of mail. It is clear also, from the continued expansion of the postal service and the authorization of certain services rendered or facilities provided at a calculated loss to the Government, that the postal establishment performs some functions in which the public interest outweighs the profit and loss factors which would prevail if the postal establishment were operated solely as a business enterprise;

(5) the postal establishment should be operated in a businesslike manner but clearly is not a commercial enterprise conducted for profit and it would be an unfair burden upon users of the mails to compel them to underwrite those expenses incurred by the postal establishment which are not related to the postal services they receive;

(6) Notwithstanding the need for all users of the mails to be informed with reasonable certainty of the postal rates and fees which will be imposed upon them, the Congress heretofore has not laid down a firm policy (except for fourth-class mail and certain special services authorized by law) with respect to the identification and evaluation of those services rendered by the postal establishment in whole or in part for the benefit of the general public and those services which inure in whole or in part to the benefit of certain users of the mails; and

(7) the public interest and the increasing complexity of the social and economic fabric of the Nation require an immediate, clear, and affirmative declaration of Congressional policy for the creation and maintenance of a sound and equitable postal-rate structure which will assure efficient service, produce adequate postal revenues, and stand the test of time.

Declaration of policy

SEC. 203. (a) The Congress hereby emphasizes, reaffirms, and restates its function under the Constitution of the United States of forming postal policy.

(b) It is hereby declared to be the policy of the Congress, as set forth in this title—

(1) to provide a more stable basis for the postal-rate structure through the establishment of general principles, standards, and related requirements with respect to the determination and allocation of postal revenues and expenses; and

(2) in accordance with these general principles, standards, and related requirements, to provide a means by which the postal-rate structure may be fixed and adjusted by action of the Congress, from time to time, as the public interest may require, in the light of periodic reviews of the postal-rate structure, periodic studies and surveys of expenses and revenues, and periodic reports and recommendations, required to be made by the Postmaster General as provided by section 206 of this title, on the basis of the cost ascertainment system.

(c) The general principles, standards, and related requirements referred to in subsection (b) of this section are as follows:

(1) In the determination and adjustment of the postal-rate structure, due consideration should be given to—

(A) the preservation of the inherent advantages of the postal service in the promotion of social, cultural, intellectual, and commercial intercourse among the people of the United States,

(B) the development and maintenance of a postal service adapted to the present needs, and adaptable to the future needs, of the people of the United States,

(C) the promotion of adequate, economical, and efficient postal service at reasonable and equitable rates and fees,

(D) the effect of postal services and the impact of postal rates and fees on users of the mails,

(E) the requirements of the postal establishment with respect to the manner and form of preparation and presentation of mailings by the users of the various classes of mail service,

(F) the value of mail,

(G) the value of time of delivery of mail, and

(H) the quality and character of the service rendered in terms of priority, secrecy, security, speed of transmission, use of facilities and manpower, and other pertinent service factors.

(2) The acceptance, transportation, and delivery of first-class mail constitutes a preferred service of the postal establishment and, therefore, the postage for first-class mail should be sufficient to cover (A) the entire amount of the expenses allocated to first-class mail in the manner provided by this title and (B) an additional amount representing the fair value of all extraordinary and preferential services, facilities, and factors relating thereto.

(3) Those services, elements of service, and facilities rendered and provided by the postal establishment in accordance with law, including services having public service aspects, which, in whole or in part, are held and considered by the Congress from time to time to be public services for the purposes of this title shall be administered on the following basis:

(A) the sum of such public service items should be assumed directly by the Federal Government and paid directly out of the general fund of the Treasury and should not constitute direct charges in the form of rates and fees upon any user or class of users of such public services, or of the mails generally, and

(B) nothing contained in any provision of this title should be construed as indicating any intention on the part of the Congress (i) that such public services, or any of them, should be limited or restricted or (ii) to derogate in any way from the need and desirability thereof in the public interest.

(4) For the purpose of the determination and adjustment of the postal-rate structure in the manner provided by this title and by section 207 of the act of February 28, 1925, as amended (39 U. S. C., sec. 247), and section 12 of the act of October 30, 1951 (39 U. S. C., sec. 246f), the postal rates shall be adjusted from time to time so that the total amount of the adjusted revenues shall be approximately equivalent to the total amount of the expenses, both as determined in the manner provided by this title.

Authorization of appropriated funds

SEC. 204. There is hereby authorized to be appropriated to the revenues of the Post Office Department for each fiscal year from any money in the Treasury not otherwise appropriated an amount equal to the sum of the public service items referred to in section 203 (c) (3). Such appropriations shall be available to enable the Postmaster General to pay in to postal revenues at quarterly or other intervals such amounts as he shall determine to be necessary to reimburse the Post Office Department for such expenses and losses of revenue.

Application of cost ascertainment system

SEC. 205. (a) For the purposes of this title, revenues and expenses shall be determined and ascertained, and each allocation and apportionment with respect thereto shall be made, upon the basis of the cost acertainment system, to the extent not otherwise indicated in this title.

(b) Nothing in this title shall be construed to affect the cost ascertainment system or any authority, power, duty, or procedure of the Postmaster General or of the postal establishment generally, except to the extent necessary to carry out this title.

Reviews, studies, surveys, reports, and recommendations of Postmaster General

SEC. 206. (a) The Postmaster General is authorized and directed to initiate and conduct, through the facilities of the postal establishment, either on a continuing basis or from time to time, as he deems advisable, but not less often than every 2 years, a review of the postal-rate structure and a study and survey of the expenses incurred and the revenues received in connection with the several classes of mail, and the various classes and kinds of services and facilities provided by the postal establishment, in order to determine, on the basis of such review, study, and survey for each class and kind of service or facility provided by the postal establishment, the need for adjustment of postal rates and fees in the manner provided by this title.

(b) The Postmaster General shall submit to the Senate and the House of Representatives not later than April 15 of each alternate fiscal year, beginning with the fiscal year ending June 30, 1959, a report of the results of the review, study, and survey conducted pursuant to subsection (a) of this section. Such report shall include—

(1) information with respect to expenses and revenues which is pertinent to the allocation of expenses and the determination and adjustment of postal rates and fees in the manner provided by this title,

(2) such other information as is necessary to enable the Congress, or as may be required by the Congress or an appropriate committee thereof, to carry out the purposes of this title, and

(3) such recommendations as the Postmaster General deems appropriate.

Congressional action prerequisite to adjustments in postage rates and fees

SEC. 207. Except as otherwise provided by law, nothing in this title shall be construed to authorize any change, adjustment, or revision with respect to any postal rate or fee, except by further action of the Congress.

Definitions

SEC. 208. (a) For the purposes of this title, the term—

(1) "cost ascertainment system" means the cost ascertainment system (including the principles and standards thereof) utilized by the Post Office Department (39 U. S. C., sec. 826), for the ascertainment and allocation of expenses and revenues of the postal service, as in effect from time to time, to the extent consistent with this title;

(2) "revenues" and "costs", whether applied to the total postal operation or to the mail classes or services, shall have the same meaning as when used in the cost ascertainment report, and the terms "costs" and "expenses" shall be synonymous; and

(3) "adjusted revenues", whether applied to the total postal operations or to the mail classes and services, shall mean the revenues, increased by the sums authorized under section 204 to be appropriated to the Post Office Department for the public service items referred to in section 203 (c) (3).

(b) Whenever reference is made in this title, or in any other law or regulation in connection with this title, to any of the several classes of mail and services, such reference shall have the same meaning as when used in the cost ascertainment report, except that first-class mail shall include domestic air mail other than air parcel post.

Mr. HOLIFIELD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOLIFIELD: On page 2, strike out lines 14 to 25, inclusive, and appropriately renumber the succeeding sections, and the references to such sections, contained in title I of the bill;

And on page 10, lines 3 and 4 and 14, strike out "the effective date of the rate of postage prescribed by section 102 (a)" and insert in lieu thereof "the effective date prescribed by section 110 (a)";

And on page 10, line 18, strike out "the effective date of the rate of postage prescribed by such section 102 (a)" and insert in lieu thereof "the effective date prescribed by such section 110 (a)."

Mr. HOLIFIELD. Mr. Chairman, the amendments strike out the first-class mail section and make adjustments on page 10, in lines 3, 4, and 14, and line 18, which would necessarily have to be made because they refer to section 102, in case section 102 is stricken.

I am not going to repeat much of what I said before, because I think the same people are here now who were here before.

I regret that the membership is not as large at this particular time as I would like to have it, because the issue is just this: I would like to have the attention of my friends on the right. Many of you voted for the wage increase, just as I did, and you are going to say, "Well, I voted for the wage increases and, therefore, I should vote for this rate increase." In my humble opinion, there is no connection between the two. If the wage increases were going to be granted and if they were tied together in a package, one made contingent upon the other, this might be so. But you are walking into a trap here. The President will veto the two wage bills, the post office pay bill and the classified pay bill. He will veto them. The leadership on the Republican side has told you this. You will vote for the rate increase, and he will let that go through into law, and you will not get your wage increases for the employees. It is not inflationary when you put on the backs of the 3-cent letter user another fifty or sixty million dollars.

That is not inflationary, that is not a deduction from their wages when they have to pay 4 cents for a letter in place of 3; oh, no, that is not inflationary; but if you give the postal employee, who might want to write a letter on his own, $450 million, spend over $970 million on some five-hundred-and-some odd-thousand employees in the Post Office Department and nine-hundred-and-some-odd-thousand in the classified service, give them a wage increase, that is inflationary. Inflation works both ways; it works in the rise of costs, and it works in the decrease in the purchasing power of the wage spender. So you are decreasing the value of the wage spender's money, and you are increasing the price of the product. And you are talking about inflation.

As to the question of where the taxpayer enters in, it has been described as the policy of this Government that certain concessions are to be made to mail users. I did not make that policy; it has been in force for years. When you take that policy away by increasing costs to your 3-cent-letter user who is already paying a profit, what do you do? You take the pressure off of these big people. I read to you before where Life Magazine gets a $9 million subsidy a year; the Saturday Evening Post, $6 million. You take the pressure off of them. Why? Because the cost is being borne by the little 3-cent-letter user. That is what you are doing when you vote for the increase.

Mr. BROWN of Missouri. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield.

Mr. BROWN of Missouri. The gentleman from Missouri stated to the House that it was impossible to raise second and third-class rates realistically without also raising first-class rates. Is that true?

Mr. HOLIFIELD. The gentleman has a problem there, I will admit, how to raise second- and third-class rates. That is a problem that has to be taken care of very carefully because you have a lot of small-business men who are using second-, third-, and fourth-class mail, especially third-class mail. You have a lot of small-business men who are involved who cannot pay the increase. The big-business men can pay this increase on first-class mail because he writes it off as part of the expense of doing business; it is only a small cost to him, and there will be a lot of them who will write it off in the expense list. So some big-business men are for this, but they are for it for a reason. There is a real reason. I do not blame my friends over here for passing a bill like this.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. HOLIFIELD. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. JOHANSEN. Mr. Chairman, I object.

Mr. MURRAY. Mr. Chairman, the issues raised in the amendment offered by the gentleman from California have been fully and thoroughly debated. If the gentleman's amendment is approved it will cut the very heart out of this bill; it would cut over $400 million of first-class revenues out of the bill. As I said in explaining the bill to the House, the increase on first-class mail is the very heart of this bill, and I appeal to you to vote down the amendment.

Mr. Chairman, I ask for a vote on the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. HOLIFIELD].

The question was taken; and on a division (demanded by Mr. HOLIFIELD) there were ayes 58, noes 106.

So the amendment was rejected.

Mr. LESINSKI. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LESINSKI of Michigan: On page 2, line 15, strike out "(a)" and on page 2, strike out beginning with line 19 and all that follows down through the period at the end of line 25.

Mr. LESINSKI. Mr. Chairman, the purpose of this amendment is to delete the part of the bill that deals with drop letters and postal and post cards. As you will recall, in 1951 we increased postal cards from 1 to 2 cents. The increase in this bill would make them 3 cents.

Mr. MURRAY. Mr. Chairman, will the gentleman yield?

Mr. LESINSKI. I yield to the gentleman from Tennessee.

Mr. MURRAY. Has not the committee just voted down the amendment proposed by the gentleman?

Mr. LESINSKI. No.

Mr. MURRAY. The gentleman from California included post cards and drop letters, did he not?

Mr. LESINSKI. That is correct. This deals with small business, fraternal, civic organizations, and the like that use postcards as notices of meetings. The effect of my amendment will be a loss of $33,000,000. On the other hand, in all fairness to the American public, we increased postal cards in 1951 and we want to increase them again, a total of 200 percent. I hope that my amendment be adopted.

Mr. MURRAY. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Michigan [Mr. LESINSKI].

Mr. Chairman, the committee just voted in substance on the amendment offered by the gentleman from Michigan when it disapproved the amendment offered by the gentleman from California [Mr. HOLIFIELD] who offered an amendment cutting out the increase on drop letters. The gentleman from Michigan offers the same amendment but leaves out the increase on first-class letters. The matter has been thoroughly debated. I hope the committee will vote this amendment down.

Mr. ROOSEVELT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I had the same amendment at the desk as has been offered by the gentleman from Michigan [Mr. LESINSKI]. I want to compliment him on his amendment and I emphasize it is quite different from the amendment offered by the gentleman from California [Mr. HOLIFIELD].

In the first place, it leaves almost intact the entire increase in first-class mail. It is limited to post cards. I think it is time to give a little consideration to the particular kind of people who use post cards in the United States. These are the people who usually cannot afford to write 4- 5- or 6-cent letters and it is necessary for them, therefore, to use the post cards in order to communicate.

If you will look over the figures, all that is being proposed is the elimination of $33 million out of a total of $527 million in increased revenues.

If you have any interest in the fact that 3,278,000,000 post cards were used in the United States last year, you will get some understanding of the tremendous importance to the vast majority of people who will be affected by this rate increase.

I sincerely hope that the amendment offered by the gentleman from Michigan will be supported. It does not in any way hurt the fundamental purposes of the bill which has been offered.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. ROOSEVELT. I yield to the gentleman from Kentucky.

Mr. PERKINS. I want to join with the gentleman from California in supporting the amendment offered by the gentleman from Michigan. Personally, I feel that somewhere in this bill there should be some semblance left that the Post Office Department is a service organization and that we should not deprive these people who use post cards of that opportunity in many instances by reason of increased rates.

Mr. ROOSEVELT. I thank the gentleman, and I certainly agree with him.

Mr. CEDERBERG. Mr. Chairman, will the gentleman yield?

Mr. ROOSEVELT. I yield to the gentleman from Michigan.

Mr. CEDERBERG. This is an example of how difficult it is to write a rate bill on the floor. If this amendment goes through, you will have your third-class mail, after the second year, at 2½ cents and your post card at 2 cents, and a lot of them will not use the third-class rate. So, you will lose more than $30 million.

Mr. ROOSEVELT. I disagree with the gentleman. The most important thing to remember is the people who are using it, and you do not give any consideration to the human side of it, and I feel that is something that the Congress will certainly give some consideration to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. LESINSKI].

The question was taken; and on a division (demanded by Mr. LESINSKI) there were—ayes 56, noes 117.

So the amendment was rejected.

Mr. LESINSKI. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LESINSKI: On page 3, strike out the table immediately following line 15 and insert in lieu thereof the following:

[Cents per pound or fraction thereof]

	Effective July 1, 1957	Effective July 1, 1958	Effective July 1, 1959	Effective July 1, 1960
A publication having not more than 5 percent of its space devoted to advertisements and that portion of other publications devoted to matter other than advertisements	2.3	2.7	3.0	3.4
Advertising portion of a publication having more than 5 percent of its space devoted to advertisements:				
1st and 2d zones	2.3	2.7	3.0	3.4
3d zone	3.1	3.6	4.1	4.6
4th zone	4.6	5.4	6.1	6.8
5th zone	6.2	7.2	8.1	9.1
6th zone	7.7	9.0	10.2	11.4
7th zone	9.3	10.8	12.2	13.7
8th zone	10.8	12.5	14.2	15.9

Mr. LESINSKI. Mr. Chairman, to those on my left, you talk about increasing rates and raising the first class to 4 cents, but remember this: The deficit is in the second-class mail. What this does is to raise the rates from 15 percent in the bill now pending to 20 percent. The total additional income would only be about $10 million more.

Following this amendment, if it is adopted, I shall have an amendment to cut one-half of these rates for small publishers. The effect of it will be that of a press run the first 75,000 copies, will be cut one-half of the proposed rate that I have proposed in the amendment, meaning that they will only get a 10 percent increase. But remember also that many magazines have a million or more copies in a press run. Therefore, publications such as Reader's Digest, Look, and Life will be affected 20 percent with the exception of the first 75,000. The effect is the same as the income-tax law. Any corporation making up to $25,000 has a tax of 30 percent, but from there on it is 52 percent. The effect of it is to help small publications.

Mr. CEDERBERG. Mr. Chairman, will the gentleman yield?

Mr. LESINSKI. I yield to the gentleman.

Mr. CEDERBERG. The effect of the gentleman's amendment would be that on the 75,000 press run for Life magazine, which publishes 52 weeks a year, to give them a reduction on over 3,900,000 copies.

Mr. LESINSKI. That is correct, but the effect of it is that for magazines on the first 75,000 of the press run, they get an increase of 10 percent. From there on it is 20 percent.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. LESINSKI. I yield.

Mr. GROSS. It is my understanding that Life magazine, for instance, publishes in several plants or in 2 or 3 or 4 plants. Would this apply to the press run at each plant?

Mr. LESINSKI. No, it is one press run. It makes no difference in how many places it is printed.

Mr. COOLEY. Mr. Chairman, I offer a substitute.

The Clerk read as follows:

Amendment offered by Mr. COOLEY of North Carolina as a substitute for the amendment offered by Mr. LESINSKI of Michigan: On page 3 beginning on line 10 strike out that portion of section 104 to line 1 on page 4, and substitute the following:

"SEC. 104. Section 2 (a) of the act of October 30, 1951 (65 Stat. 672; 39 U. S. C., sec. 289), is amended by striking out the colon which precedes the first proviso and inserting a comma and the following: 'and (4) such postage shall be further increased by (a) an additional 10 percent based on the rates in force as of October 30, 1951, beginning on January 1, 1958, (b) by an additional 10 percent, based on the rates in force as of October 30, 1951, beginning on January 1, 1959, and (c) by an additional 10 percent, based on the rates in force as of October 30, 1951, beginning on January 1, 1960.'"

Mr. COOLEY. Mr. Chairman, in offering this amendment, I am speaking principally for that vital and indispensable segment of the American economy—our rural people. Originally, I planned to limit my amendment so that it would apply only to agriculture newspapers, and magazines, which have provided our American people with the finest farming techniques in the world. However, as I pondered the question of defining what constituted an agriculture newspaper or magazine, I suddenly realized that I would be guilty of a common mistake if I thought for a moment that our rural people were concerned with agricultural information only.

There have been many developments since the turn of the century which have served to unite the rural and urban peoples of this Nation. In the mail service, particularly, the advent of rural free delivery was based upon our belief that the people of this Nation should have equal mail service, and I believe the record will bear me out that this was included in postal activities as a service to be provided irrespective of cost. In addition, we have seen the development of improved highways, the advent of rural electrification, the introduction of the automobile, of radio, television, and a host of modern improvements and techniques which are equally available to the people who operate our great farm industry. I am confident that, as a result of this greater union of our people, the average farm family is just as concerned with national and international news and events as any other United States citizen.

With farm income down, I am sure our farmer must rely on the many fine magazines which provide him a great fund of knowledge on the do-it-yourself techniques. His wife and daughters must also have a craving to know the latest

homemaking ideas, as well as to follow the fashions of the day. Therefore, I sincerely feel that rural people have interests over and above those which are strictly applicable to farming itself. Vital information on many subjects carried in the Nation's press has made these people better and more enlightened American citizens.

Last year the Congress enacted a rural library bill providing $7½ million a year for a period of 5 years so that the rural areas of our country would have improved library facilities. This, I am sure, was a direct result of a demand by our rural people for cultural opportunities that have not been heretofore extended to them. This action parallels that of the Congress in 1879 when low second-class rates were established on newspapers and magazines for the purpose of educating and uniting our people. I believe the same need exists today to provide our rural people with the same educational and informational data that is so readily available to our urban population.

There are 25,000 newspapers and magazines with second-class entry and I am reliably informed that many of these are facing a struggle to stay in business. I believe it most unfortunate that several of our prominent periodicals have disappeared from the newsstands in the last year or so. I am not surprised at this when I note on page 670 of the House postal rate hearings that out of 1,243 tax returns on periodicals, 563, or approximately 50 percent, represented returns with no net income and whose total deficit amounted to in excess of $12 million.

The administration, in its original version of this bill, requested a total of 60 percent increase, in four parts: A 15-percent increase on July 1, 1957, and repeated on the same date each successive year up to and including 1960. At this late date, I do not believe this Congress would enact a measure increasing rates as of July 1, 1957. This smacks of ex post facto. My amendment would provide an increase of 30 percent in a series of three 10-percent increases spread equally commencing January 1, 1958, and I believe would provide a more equitable solution to the problem.

H. R. 5836, as amended, calls for an increase of greater magnitude—a 60 percent increase in the second-class rates. This increase is punitive: Second-class rates are now 30 percent above the 1951 rates, whereas the 3 cent first-class nonlocal letter rate has not been raised since 1932.

Publishers are not opposed to postal rates which are based on sound postal policy, but the second-class rates in H. R. 5836 bear no resemblance to sound policy—they are arbitrary and discriminatory.

Back in 1951 when we raised second- and third-class rates there was a serious objection to an increase in first-class rates because, as I recall, second-class rates were not raised sufficiently high enough and Members believed that the 30-percent increase in 1951 still placed an unfair burden on first-class mail. You will recall that the increase requested in 1951 on second class amounted to 60 percent. My amendment will now achieve a total of 60-percent increase since 1951 and this should lay the basis for a more equitable treatment of rate adjustments in other classes. I sincerely believe that low second-class rates must be maintained, but if we are to increase the rates on other classes of mail, then second-class rates should also face some upward adjustment. If my amendment is enacted into law, it will mean that the second-class category of mail will have been increased a total of 60 percent since 1951. The hearings record will show that this will work a hardship on many publishers, but the spread of time is granted to permit them to make whatever adjustments are necessary. Certainly, we cannot in good conscience so drastically revise our policy of long standing and expect the newspapers and magazines of this country to absorb an additional increase of 60 percent at this time. If we accept the administration proposal adding another 60 percent to second-class rates it will mean that our Nation's newspapers and periodicals will have been increased 108 percent since 1951. In view of the low profit margins on agricultural and many other publications, I believe that the administration's proposal is unreasonable and inconsistent with Congressional policy of long standing.

Members should bear in mind that a very few large publications, out of the 25,000, might well be able to absorb the increases proposed in H. R. 5836, but does this not tend to encourage monopoly? Does this not force the smaller publications to the wall? I believe that the American press, which is the greatest free press in the world, is strong only because we have many publications in existence. This number should expand rather than decrease, so as to continue as forceful as possible an enlightened public opinion, which is one of the main underpinnings of our Republic.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. REES of Kansas. We have had a considerable amount of discussion today and complaint on the part of some people because the second-class rates in the bill were not high enough. Some of them say it ought to be more. As I understand, the gentleman wants to decrease the rates in this bill.

Mr. COOLEY. I am proposing to decrease the rates. The bill contains a 15-percent increase each year for a period of 4 years, making a total of 60 percent. I am proposing a 10-percent increase each year for 3 years, making a total of 30 percent. I do that because of what I have just said, that the impact on the small publishers will be terrific and it will force many of them out of existence.

Mr. REES of Kansas. The gentleman from California and the gentleman from Michigan made very persuasive statements in support of an increase in the rates we have in this bill.

Mr. COOLEY. Yes, but they also propose to make some provision for the very small publisher. I am trying to restrict this increase to these agricultural magazines. We know that they are rendering a service to the rural people of America that is not actually rendered by many of the large magazines which are now enjoying such a great subsidy under the present system.

Mr. REES of Kansas. But the gentleman's proposal does not take care of just agricultural magazines.

Mr. COOLEY. No; I agree with the gentleman that it is not limited to agricultural magazines. I did not limit it to agricultural magazines because of the difficulty of defining just what an agricultural magazine really is. Further, I should like to insist on this thought, at least: When this rural service was provided for the rural people of America it was known as rural free delivery, so our predecessors here in the Congress intended that this should be free service to the rural people of America. Now you are complaining because the rural mail service is not self-supporting. It never was intended that it should be self-supporting, and it has been admitted on the floor today that perhaps it never will be self-supporting.

Mr. LESINSKI. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Michigan.

Mr. LESINSKI. The purpose of my amendment was to raise the rate from 15 to 20 percent. The gentleman wants to cut that back to 10 percent.

Mr. COOLEY. That is right. I propose to increase the rate 10 percent for each year for 3 years.

Mr. LESINSKI. If my amendment is adopted, I also have an amendment to cut back to half the increase for small publishers. This is the effect of my second amendment.

Mr. COOLEY. All of this clearly indicates to me that the committee did not have factual information available to it at the time these provisions were considered. That has been indicated by the speech of the gentleman from Oregon and the gentleman from Michigan and the gentleman from California. This is a good place to compromise. I do not have any ax to grind. I do not have any particular publication in mind. But I do know from the evidence that I have and the information that has been furnished to me that this is going to have a devastating effect on a lot of little rural publishers.

Mr. Chairman, I hope the substitute will be adopted.

Mr. MURRAY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment calls for a decrease in the anticipated revenues. We heard the publishers on the bill. This amendment would cut in half the increase we have asked for. I appeal to the committee to vote down the substitute and also the amendment offered by the gentleman from Michigan.

Mr. WITHROW. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from North Carolina because I think it is a just amendment. When you and I speak about magazines we have in mind, or at least most of the people have in mind, such magazines as Life, the Sat-

urday Evening Post, and Look. But there are thousands of other magazines. In fact, I believe there are more than 12,000 magazines published in the United States. An increase of 20 percent is presenting a distinct advantage to the large magazine publishers who by reason of their operations can avoid sending a portion of their publications through the mails, while on the other hand the small publishers do not have that advantage. The small publishers are not on the newsstands, but the large publishers are. In addition to that, it is a distinct advantage because the result of it all will be that a great many of these small publishers will go out of business. Certainly that will help the large publishers. I will give you a few examples of the advantages that the large publisher has. First of all, the Saturday Evening Post, Look, and Life are not in reality current publications. They ship their magazines by express or freight, perhaps, to places in the United States where they can take full advantage of the zone rates. The small publishers cannot do that. The large publishers can. That is why the small publishers should receive a little assistance. When you place the rate at 20 percent, you are putting a great many of them out of business. If you will recall, they took a 10-percent increase for 3 years. This would give them a 10-percent increase for 3 more years. It will be 6 years in all. I believe the small publishers throughout the United States should be given this opportunity to stay in business.

Mr. LESINSKI. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want the Committee to be sure that they know what they are doing here. First of all, the American public, as such, is opposed to an increase in the first-class rates because of the large subsidies they pay through taxes for second-class mail. I have tried to work out a fair compromise. The effect of my amendment is to increase it from 15 percent to 20 percent and then to offer another amendment to do the same thing as proposed by the gentleman from North Carolina. Small publishers will get a 10-percent increase. The first run of 75,000 would be 10 percent and from thereon in 20 percent. If you want the wrath of the American public on your heads, go ahead and vote for the amendment.

Mr. GUBSER. Mr. Chairman, will the gentleman yield?

Mr. LESINSKI. I yield.

Mr. GUBSER. In the event that the substitute is voted down and we vote on your original amendment, this amendment would only be for an increase in second-class rates?

Mr. LESINSKI. The gentleman is correct.

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from North Carolina.

The substitute amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The amendment was rejected.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment on page 9, strike out lines 14 to 24, inclusive, and insert in lieu thereof the following:

"SEC. 108. Eighty-two percent of the gross postal receipts of all classes of post offices accruing on or after the effective date of the rate of postage prescribed by section 102 (a) of this act shall be counted for the purpose of determining the classes of the respective post offices and the compensation and allowances of postmasters and other employees whose compensation or allowances are based on the annual gross receipts of such post offices. Nothing contained in this section shall operate to relegate a post office to a class or receipts category below the class or receipts category to which such post office may be assigned on the basis of gross postal receipts accruing during the last complete calendar year prior to the effective date of the rate of postage prescribed by section 102 (a) of this act or, in the case of a newly established post office, on the basis of gross postal receipts accruing during the last full quarter prior to the effective date of the rate of postage prescribed by such section 102 (a)."

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 11, line 14, after the word "than", strike out the balance of line 14, line 15 and line 16, down to and including the word "centum" and insert: "1 percent the costs thereof and (2) that the costs of such fourth-class mail service will not exceed by more than 1 percent."

The committee amendment was agreed to.

Mr. MURRAY. Mr. Chairman, I move that all debate on this bill, and all amendments thereto, close in 30 minutes.

The CHAIRMAN. The question is on the motion offered by the gentleman from Tennessee.

The motion was agreed to.

Mr. RHODES of Pennsylvania. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. RHODES of Pennsylvania. At the end of the 30 minutes will I have an opportunity to offer my amendment?

The CHAIRMAN. The gentleman will have an opportunity to offer his amendment, but there will be no debate on any amendment.

The Chair recognizes the gentleman from Michigan [Mr. LESINSKI].

Mr. LESINSKI. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. LESINSKI: Page 3, immediately after the table following line 15, insert the following: "The average rates of increase on the first 75,000 mailed copies of any issue of any such publication shall be 50 percent of the rates of increase in postage provided for in the table immediately preceding this sentence."

Mr. LESINSKI. Mr. Chairman, as I mentioned before, the publishers of small magazines who testified before our committee claimed that their cost has gone up between 7 and 10 percent annually. What this will do is to allow the small publishers, on the first 75,000 to cut their overall increase to 7½ percent. Therefore, there will be a loss to the Department estimated at about $2 million.

Mr. MURRAY. Mr. Chairman, will the gentleman yield?

This amendment was offered in the committee and voted down, was it not?

Mr. LESINSKI. It was voted down, but the point is this: When the administration dictated to the committee, the committee acquiesced to them. I shall not.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. LESINSKI. I yield.

Mr. COOLEY. What is the provision of the gentleman's amendment?

Mr. LESINSKI. The first 75,000 will be increased one-half.

Mr. COOLEY. One-half of that provided in the bill?

Mr. LESINSKI. Yes.

Mr. WITHROW. Mr. Chairman, will the gentleman yield?

Mr. LESINSKI. I yield.

Mr. WITHROW. This applies to all magazines?

Mr. LESINSKI. It applies to all magazines.

Mr. WITHROW. All magazines pay one-half the increase on the first 75,000?

Mr. LESINSKI. Yes.

Mr. WITHROW. So that it is not discriminatory?

Mr. LESINSKI. No, sir.

Mr. WITHROW. It is fair.

Mr. LESINSKI. Yes; may I say to my esteemed colleague from Wisconsin.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. LESINSKI].

The question was taken; and on a division (demanded by Mr. LESINSKI) there were—ayes 40, noes 96.

So the amendment was rejected.

Mr. CORBETT. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. CORBETT moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

The CHAIRMAN. The gentleman from Pennsylvania is recognized on his preferential motion.

Mr. CORBETT. Mr. Chairman, I take this time because I have two very important but not complex amendments I wish to discuss.

We worked for weeks and months on this particular bill and now to find that debate is being cut off with no opportunity to consider important matters is, to my mind, very lamentable. Therefore, I just want to take a minute or two on each of these amendments.

One of these amendments is very basic, it deals with the policy portion of the bill wherein language has crept in which would make the policy determination that the Post Office is a business rather than a service. So in the policy statement on page 18, line 5, I shall offer an amendment which will say that the revenue of the Post Office should be more nearly equal to the expenditure in lieu of language that it be "approximately equivalent to". That sounds like a minor item, but it is the difference between recognizing the service features of the Post Office and trying to

make it strictly a business. That language will be identical with the language in the preamble of the bill, and I believe that the chairman and the ranking minority member have agreed that the amendment should be written into the bill.

The other item perhaps requires a little more attention. In the matter of third-class mail, this bill proposes to increase the minimum piece rate by half a cent on October 1, 1957, and another half cent on October 1, 1958, which will mean that we will have an increased rate on third-class mail in the matter of 4 years of 150 percent.

It is my feeling that there is great danger that this increase in third-class rates is going to hurt small business drastically and that it may seriously reduce the volume of third-class mail to the point where it could be driven out of the mails.

I am, therefore, proposing a simple amendment to the effect that the Postmaster General shall be given the power, given the right, that if he finds that the increase of third-class mail, the first half cent, is too severe he may suspend the second increase. It is a safety valve. If he does not feel that the increase is hurting, all right; but if he finds that it is hurting the small-business man who uses third-class mail because he cannot afford advertising in the metropolitan papers; the man engaged in selling direct by mail, he can simply suspend the imposition of the second increase. It is a safety-valve factor and I hope that when the matter is considered the Committee will see fit to adopt it.

Mr. JOHANSEN. Mr. Chairman, will the gentleman yield?

Mr. CORBETT. I yield.

Mr. JOHANSEN. Is the same principle to be applied to second-class mail under the gentleman's proposal?

Mr. CORBETT. I should like to find a way in which it could be applied.

Mr. Chairman, I ask unanimous consent to withdraw my preferential motion.

Mr. JONES of Missouri. Mr. Chairman, will the gentleman yield?

Mr. CORBETT. I yield.

Mr. JONES of Missouri. Under the gentleman's motion that the Committee rise and report the bill back to the House, would it not be possible for the committee to bring the bill back here tomorrow when we could give it a little more time?

Mr. CORBETT. I think the gentleman is so correct. As far as I understand, there is only 1 hour of business programed tomorrow. We have a lot of important things and I wish we could have a couple of hours on this tomorrow.

Mr. JONES of Missouri. Then withdraw your motion.

Mr. CORBETT. Will the gentleman vote for it?

Mr. JONES of Missouri. I will vote for it, sure.

Mr. SMITH of Mississippi. Mr. Chairman, I rise in opposition to the motion offered by the gentleman from Pennsylvania.

Mr. Chairman, it is appropriate that I oppose the motion offered by the gentleman from Pennsylvania because I want the opportunity to discuss an amendment which I will offer in reference to third-class mail. The gentleman wants to do something to save the junk mail business. My amendment would abolish it.

Mr. Chairman, the House can do something constructive in this bill by just abolishing the bulk mail privilege. If these people have anything to sell they can mail it for 3 or 4 cents or whatever the first-class rate is. There is nothing that we could do which would be more satisfactory to our constituents than to just abolish junk mail. We would save a lot of money for the Government and save a lot of post office time. We will be acting unjustly and unfairly to the mail users of the country if we raise the rate to 4 cents and still allow the mail boxes of our constituents to be cluttered with this junk mail. It is true that the junk mail is being increased slightly by this bill, but it is being increased only with the same differential that exists today. In other words, the junk mail will continue to come unless you do something about it. I intend to offer language to strike out the bulk mail, eliminate that mail privilege and then we will be doing something for our constituents.

Mr. GAVIN. Mr. Chairman, I make the point of order that the gentleman is not talking on the amendment that is before the House. Let him confine his remarks to the amendment.

Mr. SMITH of Mississippi. I am opposing the motion in order to have a chance to speak on an amendment.

Mr. Chairman, this amendment if adopted, gives us a chance to do something toward the abolition of a racket, a junk device that we are foisting on the American people. This so-called service concept of the mail was not designed to give these business firms an opportunity at our expense, at the taxpayers' expense, to come into the citizen's home without invitation. If they have a proposal let them pay for it at the regular full rate and I think they will do better businesswise and Uncle Sam will do better businesswise.

Mr. CEDERBERG. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Mississippi. I yield to the gentleman from Michigan.

Mr. CEDERBERG. I hope that the gentleman's amendment will not be adopted.

Mr. SMITH of Mississippi. I do not yield for a speech. The gentleman is against every change offered. I appreciate his effort to establish himself in the good graces of the Postmaster General who is a powerful figure in his home State but he might give us a chance to get in full freedom on this matter here today.

Mr. CORBETT. Mr. Chairman, I ask unanimous consent to withdraw my motion.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

Mr. HALLECK. Mr. Chairman, I object.

The CHAIRMAN. The question is on the motion offered by the gentleman from Pennsylvania [Mr. CORBETT].

The motion was rejected.

Mr. SANTANGELO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SANTANGELO of New York: On page 3, lines 5 and 6, strike out lines 5 and 6 on page 3.

Mr. SANTANGELO. Mr. Chairman, I am going to take an air flight in my argument because of the shortage of time. But, this is a subject that has not been discussed throughout the debate. This amendment would keep the airmail at 6 cents rather than to increase it to 7 cents.

Presently the air mail is operating at a $25 million profit. The Postmaster General has adopted an experiment which permits him to send airmail from various cities on air cargo at the rate of 3 cents. He has this mail going from New York to Miami, or Miami to Chicago or from Seattle down to San Francisco, and he can operate at a profit by charging only 3 cents and he proposes to increase the rate on airmail from 6 to 7 cents and thereby obtain another $31 million. This experiment has gone on for a period of more than 3 years. It is time that we enacted a statute which would compel him to fix the rate at 6 cents, keep it at 6 cents, and not to raise it to 7 cents when the post office is making a $25 million profit in the operation of airmail.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. SANTANGELO].

The question was taken; and on a division (demanded by Mr. SANTANGELO) there were—ayes 57, noes 129.

So the amendment was rejected.

Mr. MURRAY. Mr. Chairman, I ask unanimous consent that the Clerk be authorized to correct the spelling of the word "apropriated" in line 9, page 18.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. MURRAY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MURRAY: On page 3, in the table immediately following line 15, strike out "July 1, 1957" and insert in lieu thereof "October 1, 1957" and on page 11, line 23, strike out "July 1, 1957" and insert in lieu thereof "October 1, 1957."

Mr. MURRAY. Mr. Chairman, since July 1 has gone by, it will be necessary to put in a new effective date for this increase, so we substitute October 1, 1957, for July 1, 1957.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee [Mr. MURRAY].

The amendment was agreed to.

Mr. JONES of Missouri. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JONES of Missouri: On page 17, line 22, strike out the period at the end of line 22 and add a comma, followed by the word "except" and add a new subsection to read as follows:

"(C) The CONGRESSIONAL RECORD, or any part thereof, or speeches or reports contained therein, shall, under the frank of a Member of Congress, or Delegate, or Resident Commissioner from Puerto Rico, be carried in the mail free of postage under such regulations as the Postmaster General may pre-

scribe, only if directed to addresses within the State, Territory, or Commonwealth served by such Members, Delegates, or Resident Commissioner."

Mr. JONES of Missouri. Mr. Chairman, I took 3 minutes during general debate to discuss this subject. All this amendment does is to restrict the mailing of reprints from the CONGRESSIONAL RECORD under a Member's frank, to the State of residence of that Member of Congress. In other words, it would do away with the United States-wide mailing that I think Members on both sides of the aisle have engaged in. This amendment is not nearly as stringent as I would like to see it, but it does make a start. And if Members want to do something to help correct some of the abuses which have grown up, I think they will find this would be helpful.

Mr. GUBSER. Mr. Chairman, I offer a substitute to the amendment offered by the gentleman from Missouri.

The Clerk read as follows:

Amendment offered by Mr. GUBSER as a substitute for the amendment by Mr. JONES of Missouri: Page 17, line 22, change the period to a comma and insert "except that no Senator or Representative in, or Delegate or Resident Commissioner to, the Congress of the United States shall mail more than 500 identical pieces of any item of mail (not including responses to communications received by him, routine committee mail, or any other items which are mailed or distributed in the ordinary course of the business of his office), under his frank, to destinations outside the State or district which he represents. This limitation shall not apply to chairman of a standing, select, special, or joint committee of the Senate and/or House of Representatives provided a majority of the members of the committee shall authorize a mailing in excess of this limitation."

Mr. GUBSER. Mr. Chairman, the basic difference between my amendment and the amendment offered by the gentleman from Missouri [Mr. JONES] is that my amendment would allow each Member to mail up to 500 identical pieces of mail outside his own district. It would in no way restrict him in the answering of correspondence or routine committee work which might come from outside his own district.

It also makes an exception in the case of a committee chairman who wishes to advise the Nation of his committee's activities, providing a majority in that committee approve his action and the mailing. There are abuses in the use of the frank. The public frowns upon them. This is a means of expressing to the public that there shall be no future abuses.

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from California [Mr GUBSER] to the amendment offered by the gentleman from Missouri [Mr. JONES].

The substitute to the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri [Mr. JONES].

The amendment was rejected

Mr. SMITH of Mississippi. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Mississippi: On page 6, strike out lines 3 to 19, inclusive, and insert in lieu thereof the following: "(2) by striking out the first, second, and third provisos contained in such section; and."

And on page 6, line 20, strike out "(5)" and insert "(3)" in lieu thereof.

And on page 12, strike out lines 3 and 4 and insert in lieu thereof the following:

"(c) The amendment made by section 106 (2) of this title shall become effective on January 1, 1958."

Mr. SMITH of Mississippi. Mr. Chairman, this is the amendment to which I referred a while ago. It would abolish junk mail. Those categories of third-class mail, in other words, mail along that line, would have to be paid for if this bill becomes law at 4 cents a letter instead of 2 cents or 2.5 cents, or whatever would be the result under the bill.

I offer this sincerely in an effort to do away with what I think is a great abuse and to increase the revenue to the Government.

I call your attention to the fact that I am a supporter of the bill and have voted against all the amendments that would reduce the revenue involved in this legislation.

I hope the House today will act in full freedom on this amendment and vote to abolish this junk mail. This is the only opportunity you will ever get to do it. We are not likely to get this bill out of the Post Office Committee as a separate piece of legislation.

I hope you will join with me in voting to abolish junk mail.

Mr. MURRAY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this matter was considered by the committee and a majority of the committee is strongly opposed to abolishing third-class mail. We must keep first-, second-, third-, and fourth-class mail. We are giving third-class mail an opportunity to increase. Up to 2 years ago it was just 1 cent. Under this bill it is going up to 2.5 cents. I think it would be a serious mistake to abolish third-class mail and make it all first-class mail. It would be a tremendous burden on the Post Office Department.

I ask that the amendment be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi.

The question was taken; and on a division (demanded by Mr. SMITH of Mississippi) there were ayes 91, noes 105.

Mr. SMITH of Mississippi. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. SMITH of Mississippi and Mr. MURRAY.

The Committee again divided, and the tellers reported that there were—ayes 103, noes 143.

So the amendment was rejected.

Mr. FISHER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FISHER: On page 6, strike out lines 10 and 11, and insert in lieu thereof the following:

"(B) by striking out '1 cent' wherever appearing therein and inserting in lieu thereof '2½ cents';" and on page 6, strike out lines 15 to 19, inclusive, and insert in lieu thereof the following:

"(4) by striking out the third proviso contained in such section; and."

Mr. FISHER. Mr. Chairman, I am supporting this bill. I think it is a very fair bill and a very reasonable one.

Mr. Chairman, this is a very simple amendment. It proposes to increase the rate on so-called junk mail to 2½ cents per piece. The committee recommends that the rate be increased from 1½ cents to 2 cents on October 1, 1957, and to 2½ cents on October 1, 1959. All this amendment does is to make the 2½-cent rate effective on October 1, 1957.

The increase is needed now. Since 1951—and this could be taken back to 1934—the loss in third-class mail has increased more than the loss in second-class mail, contrary to popular belief. The loss in third-class has increased by $76 million since 1951 while the loss in second-class has increased by $52 million since 1951. The Post Office Department handled in excess of 14½ billion pieces of third-class mail in 1956 and it is increasing at the phenomenal rate of 750 million pieces a year. The Department reports that it is losing money on third-class mail at the rate of $207,305,000 per year under present rates. In view of the tremendous increase in the number of pieces of third-class mail handled each year, the increasing deficit, and other factors, it seems to me that the 2½-cent rate is more than justified at this time.

This class of mail consists primarily of advertising circulars, miscellaneous printed matter, and merchandise weighing 8 ounces or less. It does not seem right to me that commercial advertising matter should be carried in the mails with heavy expense to the general taxpayer. In 1926, when the cost-ascertainment program was inaugurated, third-class mail was paying 98 percent of its allocated cost. Currently it is paying only 56 percent. If the rate is increased to 2½ cents, third-class mail will be paying 83 percent, under present conditions. This does not take into consideration any anticipated postal employees pay raises nor the application of the carriers, such as railroads, for over $100 million for services.

Some people contend that large third-class losses are mainly due to the costs of handling matter mailed by exempt organizations which enjoy preferential rates of postage. This is not the case.

Of the excess of costs of about $207 million in third-class mail in 1956, approximately $25 million was the result of handling the mailing of nonprofit organizations. The balance, about $183 million, was directly incurred in handling regular third-class mail, mailed for profit. The facts are clear. It is largely the commercial advertisements of profit-motivated firms which are responsible for the losses in third-class mail.

Finally, I would like to make it clear that I am not criticizing direct-mail advertisers. I believe the Post Office Department should continue to make available a service which can carry any sales message to any home in the land. I am simply saying that direct-mail advertisers should pay more postage effective

October 1, 1957. It would seem to me that every fair-minded direct-mail advertiser understands the indispensable value of postal service to his operations. How then can there be valid objections to a fair postal increase to offset increases in the costs of the Department in handling the tons of advertising carried each year?

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. FISHER].

The question was taken, and the Chair being in doubt the committee divided and there were—ayes 147, noes 74.

So the amendment was agreed to.

Mr. CORBETT. Mr. Chairman, I demand tellers.

Tellers were refused.

So the amendment was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. CORBETT].

Mr. CORBETT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CORBETT: On page 18, line 5, strike out the words "approximately equivalent to" and insert in lieu thereof the words "more nearly equal to."

Mr. MURRAY. Mr. Chairman, as far as I am concerned I shall accept the amendment.

Mr. CORBETT. I thank the gentleman.

Mr. REES of Kansas. Mr. Chairman, we have no objection to the amendment.

Mr. CORBETT. Mr. Chairman, I am glad to see that commonsense has finally prevailed.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. CORBETT].

The amendment was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. RHODES].

Mr. RHODES of Pennsylvania. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RHODES, of Pennsylvania: On page 4, immediately following line 24, insert the following:

"(d) Section 2 of such act of October 30, 1951, is amended by adding at the end of such section the following new subsection:

"'(e) If, at any time during any Post Office Department fiscal year, beginning with the fiscal year ending June 30, 1958, the costs incurred by the Post Office Department (as ascertained under the cost ascertainment system of such Department) in connection with the mailings of any user at rates provided in subsections (a) and (d) of this section exceed by $100,000 the revenues received by such Department (as ascertained under such cost ascertainment system) in connection with such mailings of such user, the Postmaster General shall fix and determine, for the remainder of such fiscal year, the rates for such mailings of such user on a basis which will effect, as nearly as may be practicable, the equalization, during the remainder of such year, of the revenues received, and the costs incurred, by the Post Office Department in connection with such mailings of such user. From and after the beginning of the Post Office Department fiscal year immediately following the fiscal year in which rates for such mailings of such user are made effective by action of the Postmaster General under this subsection, the rates of such mailings of such user shall be as provided in subsections (a) and (d) of this section, subject to the application of this subsection. This subsection shall not apply to any organization, association, newspaper, periodical, or publication within the purview of the second or third proviso of subsection (a) of this section and publications mailed by others than publishers or authorized news agents.'"

Mr. RHODES of Pennsylvania. Mr. Chairman, all this amendment does is to place a limitation of $100,000 on the amount of subsidy to any user of second-class mail during 1 fiscal year.

It seems to me, Mr. Chairman, that when postal subsidies, to one publisher reaches approximately $10 million in a single year, it is time for Congress to take steps to stop this waste of taxpayers' dollars.

This is not a new approach to bring about a reduction in the postal deficit where losses are most heavy. This amendment was offered in a bill that I introduced in the 84th Congress, and which was again introduced this year.

Nor is the principle of limiting subsidies to second-class users unique. My colleagues will recall, just recently, that a $3,000 limit was placed on payments to individual farmers under the acreage reserve program in the Agriculture Department appropriations bill. Some big farm landlords and corporation farmers received as much as $200,000 a year in soil bank money for not planting crops.

The $3,000 soil-bank limitation was wisely voted by Congress to put a stop to these unwarranted handouts. Last year, by a vote of 78 to 11, the other body voted to limit price-support subsidies to any one farmer producer to $100,000 annually. This limitation was never finally enacted, but the proposal illustrates the thinking of many Members of the Congress in both bodies, and in both parties. It was an expression of the thought that we should slow down on excessive subsidy payments like these, whether it be in agriculture, the postal service, or any other area.

I feel, Mr. Chairman, that my amendment should have a strong appeal to all Members of the House. It should have the support of those who are opposed to Federal-aid programs, for there are many millions of dollars in Federal aid in this postal rate bill. It should appeal to House Members because it is an economy amendment. It has an appeal to those Members, who feel as I do, that a 4-cent first-class rate is not justifiable unless we take steps to limit these big postal subsidies.

I am not opposed to the proposed 4-cent rate because I feel it is excessive. Even at 5 cents, letter postage would still be a big bargain. If the Post Office Department were run by private interests, we know that it would cost many times this amount and the service would not be as good. I am opposed to the committee bill because it is discriminatory and because it places an unjust and disproportionate burden on those who are already paying more than their fair share of the costs of the postal service.

To increase postage rates as proposed in this bill would not help the average citizen. It would not be in the public interest. The real beneficiaries would be the big publishers whose unconscionable subsidies would be made more lasting and more secure. The publishers cannot make a good case against this amendment to limit Federal aid in postal subsidies. I say this because the big magazines have been the sharpest critics of Federal aid legislation. For example I have a copy of a reprint from the Reader's Digest, entitled "The Biggest Con Game in Politics." On page 2 of the pamphlet the story starts by saying that Federal aid to States and communities has become a source of staggering extravagance. Let me say to you, and to the Reader's Digest, that if aid to the States and to the people for schools, health, conservation, and research is a waste of the people's money, how in the name of commonsense can we justify Federal aid to Reader's Digest of approximately $5 million a year, and to other big publishers, some of whom receive even greater subsidies?

The Digest may claim that this article, written by former Governor Driscoll of New Jersey, does not necessarily represent the views of the Digest, yet it is quite evident that these planted stories are usually more effective in expressing the publisher's thoughts and interests than any editorial. After the article was published through the cooperation of the Digest, reprints were made to flood the country with this propaganda.

This attack on Federal aid said nothing about Federal aid in postal subsidies. Few individuals or corporations in this country get Federal aid benefits which are greater than postal subsidies. Members who come from farm districts should be interested in this amendment since second-class postal subsidies amount to much more than what has been paid to the Nation's farmers in price-support subsidies.

Opponents of my proposal will contend that it is unworkable. That argument is not valid. Once the amount of subsidy has been reached, as determined under the cost ascertainment system of the Post Office Department, the Postmaster General is directed to readjust the rates of the second-class mail user, so that the revenue from handling that user's publication equals, as nearly as practicable, the costs incurred to the Department in handling the mailings of such user. At the end of the fiscal year, the established second-class rates shall again apply to the user's mailings until such time as the limitation is exceeded during another fiscal year. It is workable, it is practical, if there is a will by the Congress to cut down on big postal subsidies.

My amendment would not disturb present exemptions on newspapers or periodicals such as religious, educational, and fraternal organizations which are now exempt.

The latest available estimates of subsidies paid to big magazines are contained in the following report showing revenue received and cost of handling, as prepared by the Division of Cost

Analysis, Bureau of Finance of the Post Office Department:

U. S. Post Office Department estimated annual revenues and costs of selected leading magazines

[In thousands of dollars]

Publication	Revenue [1]	Cost [2]	Difference (cost minus revenue)
Life	7,485	16,979	9,494
Saturday Evening Post	3,488	9,557	6,069
Look	1,534	5,016	3,482
Ladies' Home Journal	1,530	3,449	1,919
McCall's magazine	1,097	2,604	1,507
Reader's Digest	1,082	5,891	4,809
Good Housekeeping	881	2,175	1,294
Better Homes and Gardens	758	1,904	1,146
American Home magazine	623	1,753	1,130
National Geographic	486	1,821	1,335

[1] In general, the revenue estimates are based on data from administrative records covering the mailings of all issues of these publications for the month of March 1956, extended to annual revenues on the basis of the number of issues per year. For Life magazine, revenue estimates were based on mailings of the first 3 issues in March. Revenues and cost estimates for Better Homes and Gardens and Saturday Evening Post are based on issues for the month of November 1954, and for Reader's Digest these estimates are based on the November 1955 issue.

[2] A complete cost analysis of the publications listed in this table would require detailed studies at all points of entry and of the large number of delivery offices. Such analysis would of course be very expensive and time consuming; therefore, the estimates have been developed as outlined below.

Source: Division of Cost Analysis, Bureau of Finance, U. S. Post Office Department. The column showing the difference between cost and revenue was computed by the Legislative Reference Service.

Mr. Chairman, time does not permit me to give all the details but they will be included with my remarks under my privilege to extend.

These figures show that in March 1956 the second-class postal subsidy being paid to Life magazine was running at an annual rate of $9,494,000. Saturday Evening Post's subsidy, based on November 1954 circulation, was $6,069,000. Reader's Digest was receiving an annual subsidy of $4,809,000, based on November 1955 circulation. Look magazine's subsidy was running at an annual rate of $3,482,000 in March 1956. Six other large magazines received between one and two million dollars each.

Moreover, these estimates are conservative since most of the magazines have increased their circulation since this report was compiled. Still other large mail subscription magazines were not included in the study. The annual second-class subsidy paid to magazines and periodicals would be substantially reduced if my amendment is adopted.

The educational, news, and service values of magazines and periodicals of general interest has often been given as justifying the tremendous handouts. My amendment recognizes that magazines perform some general service to the public in this area, but limits the subsidy for this service to $100,000 a year.

Spokesmen for these groups always appear before the committee whenever a second-class mail increase is offered. They appeared before the committee in 1951 when the last rate increase was being considered to plead against increases because of their lack of financial means to absorb the increase without raising the price of their magazines, which they said would reduce circulation and cut into their meager profits. This has not happened. The bill which was eventually enacted in October 1951 (Public Law 233, 82d Cong.) increased second-class rates by 10 percent a year for each of 3 years, beginning April 1, 1952. It has now been more than 3 years since the last of these increases took effect.

Now, let us see what effects these rate increases had on magazine publishers during this period. I requested the Legislative Reference Service of the Library of Congress to furnish me available financial data of leading magazine publishing companies for the period 1952–56. The results of this study are extremely interesting and most pertinent to the objective of the subsidy-limiting amendment which I have offered.

During this period Time, Inc., publishers of Life, Time, Fortune, House and Home, Sports Illustrated, and which also has substantial interests in paper companies, radio, and television, increased its net profits after taxes from $7,750,000 in 1952 to $13,850,000 in 1956. The 1956 figure is before capital gain, after applicable taxes, of $15,113,733 received from the liquidation of investment in the Houston Oil Co. of Texas.

McFadden Publications, publishers of such magazines as True Story, Photoplay, True Romance, TV–Radio Mirror, and True Detective increased their profits after taxes from $281,000 in 1952 to $636,000 in 1956.

Curtis Publishing Co., publishers of Saturday Evening Post, Ladies Home Journal, Holiday, and other magazines, increased their profits after taxes from $4,404,000 in 1952 to $6,234,000 in 1956.

McGraw-Hill Publishing Co., publishers of Business Week and 27 other specialized business-trade magazines, more than doubled its net profits after taxes during this period, increasing from $3,273,000 in 1952 to $7,871,000 in 1956.

Meredith Publishing Co., publishers of Better Homes and Gardens, Successful Farming, and which also operates a number of radio and television stations through subsidiary corporations, increased its net profits after taxes from $2,938,000 in 1952 to $4,047,000 in 1956.

Financial data on many other leading magazine publishers is not available from public sources. These include Reader's Digest, with a circulation of more than 11 million copies monthly; Cowles Magazines, Inc., which publishes Look magazine with a circulation of more than 4 million; Confidential, Inc., publishers of Confidential with a bimonthly circulation of almost 3½ million, and who are now engaged in a court action. Mr. Chairman, many other magazines on this listing, prepared by the Legislative Reference Service, would seem to have little educational value. I will include the list in the RECORD so that my colleagues may judge for themselves the types of magazines being carried through the mails at taxpayers' expense and for which there is no financial data on their operations available:

Selected publishing companies which publish magazines with total circulation of over 1,000,000 (and not listed by Standard & Poor's or Moody's)

Company	Magazines	Circulations
American Home Magazine Corp.	American Home	3,102,406
Martin Goodman, publisher	Complete women's group (Confession Stories, Filmland, Life Confessions, My Romance, Screen Stars, Secret Confessions, TV People, TV World, Time Secrets).	
	Complete men's group (For Men Only, Male, Men, Stag).	1,561,358
Confidential, Inc.	Confidential, bimonthly	3,442,536
Dell Publishing Co.	Dell Modern Group (Modern Romances, Modern Screen, Screen Stories).	2,594,783
	Dell Men's Group (Front Page Detective, Inside Detective).	638,978
Fawcett Publications, Inc.	Fawcett Men's Group (Cavalier, Startling Detective, True Police Cases).	704,334
	Fawcett Women's Group (Motion Picture, True Confessions).	2,102,724
	True	2,116,969
Farm Journal, Inc.	Farm Journal	3,623,554
Hearst Corp.	Good Housekeeping	3,602,533
Cowles Magazines, Inc.	Look, biweekly	4,189,604
Periodical House, Inc.	Secrets Romance Group (Confidential Confessions, bimonthly; Daring Romances, bimonthly; Revealing Romances, monthly; Secrets, monthly).	1,250,820
Popular Publications, Inc.	Argosy	1,384,730
Reader's Digest Association, Inc.	Reader's Digest	11,024,410
Triangle Publications, Inc.	TV Guide	3,975,241
U. S. News Publishing Corp.	U. S. News & World Report	820,908
Weekly Publications, Inc.	Newsweek, weekly	1,063,281

Source: Legislative Reference Service, Library of Congress.

A study of the second-class-mail subsidy reveals the strange fact that as a publisher becomes more successful, as his circulation, and presumedly his profits increase, his mailing operations cost to the Post Office Department also increases and the second-class-postal deficit grows larger.

The magazine publishing business today is booming. Advertising Age reports that national magazine advertising revenue hit a record high of $931,475,192 in 1956 as compared with $841,349,349 in 1955, an increase of 10.7 percent. Ninety-three general and farm magazines alone had $723,549,487 of the 1956 advertising revenues. In 1956, General Motors spent $25,685,637 on magazine advertising. General Electric spent $13,906,103 and Procter & Gamble $10,781,931 on magazine ads during 1956. Curtis Publishing Co. had advertising revenue of over $119 million during the past year.

Reader's Digest has announced a 10-percent advertising rate increase effective next January 1. A four-color page ad in Reader's Digest will cost $38,000, topping the previous record high of $37,975 for a single page ad which Life magazine will set with its September 9, 1957, issue. Coronet magazine, published by the Esquire Co. also raised its advertising rate, along with such magazines as Look, Newsweek, Sports Illustrated, and Ladies Home Journal. Time, Inc. is now building a new 47 story Time and Life Building, opposite Radio City Music Hall in New York City at a cost of $7 million. Business is booming in the advertising and publishing businesses, while their postal subsidies continue to rise.

Mr. Chairman, by adopting my amendment we can call a halt to the tremendous subsidies which go to big publishing interests. This amendment will not hurt smaller publishers, but will only require the handful of giant publishers to carry their fair share of the postal costs incurred by the Department in handling of their magazines. A much more strict limitation, proportionately, than is offered in this aemndment was written into the acreage-reserve program to be applied to farmers during the coming fiscal year.

The amendment recognizes that there are certain educational values of current magazines circulating through the mail. It merely places a subsidy limit of $100,000 on these values for any one second-class-mail user. It continues the exemptions for nonprofit groups. It curbs the abuses which now contribute heavily to the postal deficit.

Mr. Chairman, I urge the adoption of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. RHODES].

The question was taken; and the Chair being in doubt, the Committee divided and there were—ayes 130, noes 133.

Mr. RHODES of Pennsylvania. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. MURRAY and Mr. RHODES of Pennsylvania.

The Committee again divided, and the tellers reported that there were—ayes 171, noes 147.

So the amendment was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. O'HARA].

Mr. O'HARA of Illinois. Mr. Chairman, I am in artistic confusion. What should be the design on the 4-cent stamp? Should it carry the pirate's flag or should it carry the elephant with the Postmaster General riding astride?

Let us know exactly for what we are voting, and let us take the facts firsthand from the committee's own words. On page 3 of the committee's report, which is identified as Report No. 524, we are told that the first-class rate increase will bring in $314.7 million a year. The ranking minority member of the committee, the distinguished and highly respected gentleman from Kansas [Mr. REES], has told us in debate that first-class mail now is failing to pay its own way only by a slight margin. Others maintain that the post office's own figures show that first-class mail is making a good profit. But accepting the figures of Mr. REES and of others supporting this bill, the post office's loss on first-class mail is of almost negligible volume.

Now turn to page 14 of the committee's report, identified as Report No. 524. Here the committee tells us that second-class mail constitutes 12.2 percent of total prices of mail handled by the post office or 24.7 percent of the total in pound weight. Despite the fact that second-class mail is one-fourth of the total mail handled in pound weight, the committee report on page 14 frankly tells us that it pays into the post-office receipts only 2.7 percent of total revenue. That means, in plain language, that for 25 percent of use there is made a contribution of less than 3 percent to the cost.

But let us continue with the reading of the committee's own words on page 14 of its report, identified as Report No. 524. Please bear in mind that these are not my words or my figures. They are the committee's own words and figures, and you will find them on page 14 of the committee's own report, identified as Report No. 524.

Let me read the exact words:

> Since 1945 the costs of handling second-class mail have exceeded revenues from this mail by over $2.3 billion. * * * In 1956 the excess was $252,500,000. * * * The (second class) increases recommended by the committee will produce additional revenues of $33 million when all rate adjustments are in effect.

Summarized, what the committee is telling us in its report, identified as Report No. 524, is that as a contribution to an annual loss of $252.5 million in the handling of second-class mail the publishers responsible for the loss, and benefiting from it, will pay only $33 million, leaving $219.5 million to be borne by somebody else.

Now turn back to page 3 of the committee's report, identified as Report No. 524, for answer to the question: From whence is to come the money? Here we are told with honest candor that the money to pay the big publishers' bill, as well as to make up the deficits on third-class mail, some $315 million in all, is to be extracted from the users of a mail service that by actual figures maks a profit or, if you accept the reckoning by intangibles, comes mighty close to breaking even.

I have great respect for the committee and for its able, earnest, and sincere chairman, for whom I hold a warm affection, however, much at times we may have honest differences on issues, and philosophies. I appreciate the complexity of the problem of postal rates, and the hard work the members of the committee have given to the subject in the spirit of commendable devotion to duty.

But I am fearful that in their zeal to find a path from the wilderness of postal deficits they have fallen into the path of least resistance. It is the easy path, because the men and women, whose 3-cent stamps turned into 4-cent stamps to pay someone else's bills, are scattered in millions of homes our country over, and are lacking an organized voice to speak for them.

So, Mr. Chairman, I lapse again into artistic confusion, puzzled whether the design on the proposed 4-cent stamp should be that of an old-fashioned pirate or a Postmaster General, model 1958, astride a trumpeting elephant.

Mr. PORTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. PORTER: On page 7, lines 5 and 6, strike out "10 cents" and "5 cents" and insert in lieu thereof "8 cents" and "4 cents."
>
> On page 12, strike out line 8 and all that follows down through line 17 on page 21.

Mr. PORTER. Mr. Chairman, all the first amendment asks is that the 25-percent increase in the rate on books and educational films in section 107 in this bill go back to what it was. When we finish the increases on second-class mail in this bill, they will be paying 31 percent of their way. As the result of this 25-percent increase in the rate on books and educational film, they will be paying 75 percent of their way. This amendment is to put the bill back with no increase on these books, because it will fall largely on educational institutions and libraries. Therefore, this is part of the service the post office should give.

The other amendment is simply to strike title II, which purports to give the policy for this bill. I say it has some fine language in it, but it is very inadequate. Further, the first part of the bill does not pay any attention to it. The policy of this bill is to soak the first-class mail user and to take a big step in the dark. It is an improvident, ill-considered increase on first- and second-class mail. So the postal policy should be stricken, and the committee should write a policy section that can be defended as based on making the user pay for the cost of the service he is given and by class of mail, except as we decide in very specific terms a percentage of subsidy, if we decide any at all, should be given for second- and third-class mail.

The action of the committee approving a 25-percent increase in the rate on books and educational films in section 107 of the bill is not sound postal policy and is inconsistent with the earlier action of the committee on March 20, 1957 in reporting unanimously on H. R. 5206, a bill dealing with certain public services performed by the Post Office Department. H. R. 5206 establishes certain postal rates, including the book rate, as public service rates which should not be expected to cover fully allocated postal costs. No reason was presented in the hearings as to why this policy, approved by the action of the committee on H. R. 5206, should now be changed in this bill by increasing the book rate by 25 percent. Under the provisions of H. R. 5836 as approved by the committee, books and other educational and cultural materials sent under the book rate, would immediately be required to pay rates returning about 75 percent of fully allocated postal costs. This contrasts with the much more fav-

orable rate granted to second-class matter which, even with its advertising content, will be paying under this bill at the end of 4 years less than one-third of fully allocated costs. In view of the great educational and cultural value of the materials included in section 107 of the bill, and the fact that this increase will be born, in large part by educational institution and libraries which pay the postage charges on their purchases of these materials, this rate should not be higher than the second-class rate.

The extension of the book and library book rates to other educational materials for the first time in section 107 of the bill represents a desirable and long needed minor adjustment of certain postal classifications. On the other hand, no evidence was presented by the Department to support its estimate that the cost of these additions would amount to $5 million per year, thus offsetting the $5 million in additional revenue which will result from the 25-percent increase in the present rate. Nor did the Department attempt to refute testimony presented by reputable educational and library organizations in the hearings that the cost increase from the addition of these materials would amount to no more than $1 million per year.

The present postal rate bill is based on a statement of policy which does not spell out so-called public services and which provides that the cost-ascertainment system, with its uncertain conclusions, be used as a basis for ratemaking.

It seems to me that there is need for the Congress to establish a basis so that both the Post Office Department and the Congress would know what we are asking the users of the mail to pay. For example, do we ask the users to pay a $100 million estimated subsidy to the railroads? Are we asking the users to pay the losses on books and exempt publications which total over $60 million. Finally, are we going to ask the users to contribute a tremendous profit on first-class mail?

As was set forth in the minority views of the House committee report:

> It is the duty not only to the Congress but to the people, to mark out and define basic policy of public service; this obligation has not been met.

A few examples will serve to illustrate my contention. On page 113 of the cost-ascertainment report table 100–A shows the total second-class deficiency for 1956 to be $269 million, yet in this very same document, in table 100 we find the loss on second-class mail amounting to approximately $102 million. This is a variation of $167 million which, in my opinion, permits the Post Office Department great latitude in the matter of determining second-class costs.

When they state the lesser loss on second-class mail they, of course, increase the loss on first-class mail. True cost-ascertainment figures would show a profit of approximately $35 million on first-class mail, yet when the Post Office Department finishes juggling its figures on a premise not heretofore authorized by the Congress, they come up with a loss on first-class mail of over $346 million. I contend that with the proper policy guidance from the Congress, the Post Office Department can do just about anything it chooses with its cost-ascertainment figures.

In the $102 million shown as a loss on second-class mail there are still a number of public service factors, for which the Post Office Department itself is not requesting an increase. When you speak of $102 million loss on second-class mail, bear in mind that this loss still contains such items as $28 million loss on exempt publications; a loss of $11 million caused by the exemption of the first 5,000 circulation of weekly newspapers from rate increases; free-in-county, $7 million; and other items which would greatly reduce even the $102 million loss.

How does the present administration expect the Congress to come to grips with this problem without better guidelines than have heretofore been established? Do we abdicate Congressional control of ratemaking to the extent that a Postmaster General can have a free hand in determining what is best for the American people? I am confident that a great many years of hard and fruitless work could have been avoided if the Congress had established a firm basic policy upon which to evaluate rate proposals, and finally upon which to take intelligent action.

I have talked to a great many users of mail services who have told me that without a policy they are at a loss to know the size of the mortgage they are asked to pay off. I think we owe the people of the country a better deal than is contained in the present so-called policy provision under title II of this measure.

I want to direct the committee's attention that nine members of the House Post Office and Civil Service Committee affixed their names to minority views. There were three specific dissenting statements, each one of which laid emphasis on the need for an adequate postal policy as a basis for a proper rate bill. I, for one, believe that this measure should be recommitted to the House Post Office and Civil Service Committee for the purpose of asking this committee to develop an adequate postal policy which, in turn, would serve as the Department's basis for its proposition and the Congress' basis for its disposition.

There are a number of ways to advertise and sell goods: through newspapers, radio, television, billboards, and magazines. Such advertising has brought to the attention of the American people new products and new ideas. The American people respond to such advertising. As a result there are buyers for our vast industrial output. Whenever the buying public loses its incentive to acquire the things they produce, the economy will stagnate. The American Republic need never be ashamed of the vital part advertising plays in getting people to buy goods and services. We are a capitalistic Nation. It is not wrong to make a profit.

One important segment of the economy has been the object of concern—small business. As business failures mount among the ranks of smaller concerns, the feeling grows that mammoth corporations pick up the pieces and continue to expand. It is generally recognized that the American dream of everyone's right and ability to start from scratch will have been destroyed unless steps are taken to strengthen the economic position of hundreds of thousands of struggling small-business firms, such as pear growers and cheesemakers in my district.

Both major political parties have expressed their concern for the small-business man. Their platforms have always contained planks which assert their willingness to adopt measures to protect him in an era of corporate merger—big companies joining with bigger ones. In spite of this spreading cancer in the body politic, we have a tendency to fall back on pious platitudes when speaking of the little fellow. We do not take all the time we should to investigate his problems, to hear his complaints and to act on them. As a result we sometimes take actions—unconsciously and without malice, it is true—which dig but a little deeper his economic grave.

The postal-rate bill now before us is a case in point.

In opening these remarks I referred to various types of advertising. I did not list third-class mail—that category of mail which is so often referred to as "junk" or "nuisance" mail. It is a valuable form of advertising. Only one thing distinguishes it from all the others.

Where big business has the financial wherewithall to afford network radio and television shows, full-page ads in newspapers and magazines, such is not the case with the small-business mailer. In a word, third-class mail is the selling tool of the small-business man. Take it away from him and he is helpless to continue. His margin of profit generally is so tenuous that even a small increase in his selling costs can wipe it out completely.

We are sometimes politicians before we are statesmen. To a large extent our thinking and our actions are guided by what we read in the press and in our correspondence. Oftentimes it is politically expedient to go along with such opinion, even though we may suspect or know that a differing viewpoint has greater validity.

It behooves us, it seems to me, to take a great big look at this "junk" mail charge. Third-class mail is nothing new. It has existed since 1862. As a fill-in deferred service category of mail, it has provided revenues for the postal service in the same way that low-priced night telegrams enable Western Union to keep its expensive facilities utilized during slack periods.

Third-class mail has very few friends in the Congressional arena. My able colleague from Pittsburgh, BOB CORBETT, is about the only one who, year in and year out, has attempted to demonstrate the importance of this small man's selling tool in the American economy. If this small plea on behalf of the 225,000 third-class bulk mail permit holders gains but one recruit, my remarks will not have been wasted. You will find in the postal-rate bill a part of Mr. Summerfield's policy formula the condition that "consideration shall be given to the effect of

postal services and the impact of postal rates and fees on the users of the mails."

During the hearings on the bill I sought in vain for an answer to the question: Can the users of third-class mail continue in business if the Congress raises their rate 150 percent in the short span of 4 years?

No one came forward to answer this one. Mr. Summerfield guessed that everything would be all right. The Secretary of Commerce, Mr. Sinclair Weeks, had nothing to contribute on the subject. And the Small Business Administration was not heard from at all. Yet, I think Members will agree that 150 percent is quite a substantial hike, whether we are dealing with the water bill, taxes, the price of dog tags, or anything else.

Last year's bill did not provide for a 150-percent increase over the third-class rate previously in effect. In July 1952 the minimum piece rate was increased from 1 cent to 1½ cents. In the last Congress, Mr. Summerfield proposed a 2-cent rate for third class. He did not get any increases then, and he is raising his sights on third class to 2½ cents. He has provided no logical argument for such an increase.

Since we have no information to guide us regarding the ability of third-class users to withstand an increase of from $15 to $25 per thousand, it might be well for the House to consider for a moment what persons are affected and what their contribution to the economy is.

We have the testimony of witnesses who claim the following:

First. There are 225,000 bulk permit holders; that they are situated in every Congressional district in America.

Second. Third-class mail presently pays $250 million annually in postage.

Third. The value of goods and services sold through third-class advertising exceeds $15 billion annually—which is three times the value of oil produced each year in the United States.

Fourth. Four to five million people depend wholly or partially on such direct mail sales for their livelihood.

Fifth. As a result of the rate increase of July 1, 1952, third-class users are paying $95 million more in postage each year than they did prior to July 1, 1952.

Sixth. That the goods and services totaling $15 billion are produced in all of the 48 States.

Seventh. That 95 percent of the 225,000 bulk permit holders qualify as small business.

Eighth. That the term "junk mail" was coined by the newspapers which consider third class as a competitive advertising medium.

Ninth. That the embargo on third-class mail ordered by the Postmaster General last April, coupled with a complex and unworkable zoning requirement now under consideration, makes clear Mr. Summerfield's intention to greatly diminish the volume of third-class mail.

Shall we vote to make the increase on third-class mail 150 percent over what it was in 1952? I am frank to admit I am disturbed about the possible hardships which will flow from such a rate. I do not believe the volume of mail will remain at 15 billion pieces under the impact of a $25 per thousand rate. If that should be the case, Mr. Summerfield is not going to get the $128 million additional revenue he estimates from this category of mail. Some qualified observers suggest the volume will drop to 10 billion pieces. If so, does that mean sales of goods and services will also decline one-third, from $15 billion to $10 billion annually? Should that be the result it will be obvious to the most uninformed that unemployment will result, tax revenues will be reduced and the number of business failures will increase.

By voting for a 2½-cent rate on bulk third-class mail, there is a very good chance the Federal Government will lose as much as $2 billion in tax revenues.

As I said earlier, I do not know all the answers. If such a rate is enacted, let us all hope I am wrong. I would feel a little more confident if our able Postmaster General had presented to our committee some economic data on this subject. I will be the first to admit that his introduction of the ballpoint pen to the Nation's post offices was a stroke of genius but I am not inclined to credit him with more than blind, unyielding bullheadedness in the complex field of postal policy.

The late Senator Barkley often told a story on himself which might very aptly be applied to Mr. Summerfield. It concerned the town bum who had died leaving behind him a record of jailings for drunkenness, wife-beating, and general cussedness. At the funeral rites not even the minister could bring himself to say a kind word about the deceased. In attendance was the town barber who, as the coffin was being lowered into its grave, commented: "He might not have been much, but I will say one thing about Jim—he was an easy man to shave."

The bill should be defeated. It is imprudent and unfair.

Mr. MURRAY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I hope these two amendments will be voted down. They were submitted to our committee. The gentleman from Oregon well knows that the increase on books is very moderate from 8 cents to 10 cents per pound. Furthermore, the policy provisions of this bill were adopted overwhelmingly by a majority of our committee, and I ask that both amendments offered by the gentleman from Oregon be voted down.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Oregon [Mr. PORTER].

The amendments were rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Kansas [Mr. REES].

Mr. REES of Kansas. Mr. Chairman, I want to use this 1 minute to explain that the amendment adopted a few minutes ago, which was referred by the gentleman from Pennsylvania [Mr. RHODES] is something you should think about. In my judgment, it is utterly impossible of administration. We talk about the subsidy for magazines and newspapers. I have been for reducing the subsidy as much as we can. But, the way you subsidize is by favorable rates. Under this amendment, you fix a limit of $100,000. How in the world are you going to be able to figure out the $100,000 so-called subsidy for each magazine is almost an impossibility, in my opinion.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. POAGE].

Mr. POAGE. Mr. Chairman, I think we have overlooked a fundamental thing here. We talk about trying to raise some money. This bill is going to raise very, very little money. All it is going to do is to bail out the Post Office Department. Most of the money involved here comes from business mail. Every letter and every post card of business mail is chargeable as a business expense and comes off the income tax. You are not going to raise $500 million here. You will be lucky if you raise $50 million from grandma's post card or from some lover's letter or from some mother's letter to her son. That is the only thing. You can laugh, but there is no way that you can add money to the public Treasury by adding to business expenses. All you do is that next year, you will be back here and you will be required to raise taxes, income taxes, if you please, by half a billion dollars. You are fooling yourselves and you are possibly now fooling the public, but you will not fool the public long. This bill does not raise money for the support of the Government except to a very small degree. It does bail out the Post Office Department at the expense of the general revenue and you are fooling yourselves when you think you are not.

Mr. SANTANGELO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SANTANGELO, of New York: On page 3, strike out line 9 and all that follows down through line 15, including the table following line 15, and insert in lieu thereof the following:

"SECOND-CLASS MAIL

"SEC. 104. (a) Section 2 (a) of the act of October 30, 1951 (65 Stat. 672; 39 U. S. C. 289a), is amended by inserting immediately before the colon which precedes the first proviso a comma and the following: "and such total postage shall be further increased—

"'(A) by 10 percent on 150,000 copies or less of magazines, periodicals, and newspapers mailed in a calendar year,

"'(B) by 15 percent on more than 150,000 but not more than 300,000 copies mailed in a calendar year, and

"'(C) by 20 percent on all copies in excess of 300,000 mailed in a calendar year,

in four successive increments, effective on January 1, 1958, January 1, 1959, January 1, 1960, and January 1, 1961, respectively'."

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. SANTANGELO].

The amendment was rejected.

The CHAIRMAN. If there are no further amendments, under the rule, the Committee rises.

Accordingly the Committee rose, and the Speaker having resumed the chair, Mr. HERLONG, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 5836) to readjust postal rates and to establish a Congressional policy for the determination of postal rates, and for other purposes, pursuant to House Reso-

lution 394, he reported the bill back to the House with sundry amendments adopted in the Committee of the Whole.

The SPEAKER. Under the rule the previous question is ordered.

Is a separate vote demanded on any amendment?

If not, the Chair will put them en gros.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. SMITH of Wisconsin. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. SMITH of Wisconsin. I am.

The SPEAKER. The gentleman qualifies.

The Clerk will report the motion.

The Clerk read as follows:

Mr. SMITH of Wisconsin moves to recommit the bill to the Committee on Post Office and Civil Service.

Mr. MURRAY. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The question was taken and the Speaker announced that the noes appeared to have it.

Mr. LESINSKI. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were refused.

So the motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. LESINSKI. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken and there were—yeas 256, nays 129, not voting 47, as follows:

[Roll No. 192]

YEAS—256

Abbitt	Brown, Ohio	Durham
Abernethy	Broyhill	Dwyer
Adair	Budge	Edmondson
Albert	Byrne, Ill.	Fallon
Alexander	Byrnes, Wis.	Fascell
Allen, Calif.	Canfield	Fenton
Allen, Ill.	Carrigg	Fisher
Andersen, H. Carl	Cederberg	Ford
	Chamberlain	Forrester
Andrews	Chelf	Fountain
Arends	Chenoweth	Frazier
Ashley	Chiperfield	Frelinghuysen
Ashmore	Church	Friedel
Auchincloss	Clark	Fulton
Avery	Clevenger	Gary
Ayres	Cole	Gathings
Bailey	Colmer	Gavin
Baldwin	Cooper	Gregory
Bass, N. H.	Corbett	Griffin
Bass, Tenn.	Coudert	Gross
Bates	Cramer	Gubser
Baumhart	Cretella	Gwinn
Becker	Cunningham, Iowa	Hagen
Belcher		Hale
Bennett, Fla.	Cunningham, Nebr.	Halleck
Bennett, Mich.		Harden
Bentley	Curtin	Hardy
Berry	Curtis, Mass.	Harris
Betts	Dague	Harrison, Nebr.
Boggs	Davis, Tenn.	Harrison, Va.
Boland	Dawson, Utah	Harvey
Bolton	Dellay	Haskell
Bonner	Dennison	Hays, Ark.
Bosch	Derounian	Hébert
Bow	Devereux	Henderson
Boykin	Dies	Herlong
Bray	Dixon	Heselton
Brooks, La.	Dooley	Hill
Broomfield	Dorn, N. Y.	Hoeven
Hoffman	Miller, Md.	Seely-Brown
Holland	Miller, Nebr.	Sheehan
Holmes	Miller, N. Y.	Sikes
Holt	Mills	Simpson, Ill.
Horan	Minshall	Simpson, Pa.
Hosmer	Moore	Smith, Calif.
Hyde	Morano	Smith, Kans.
Ikard	Morris	Smith, Miss.
Jackson	Mumma	Spence
James	Murray	Springer
Jarman	Neal	Stauffer
Jenkins	Nicholson	Steed
Jennings	Nimtz	Taber
Jensen	Norrell	Talle
Johansen	O'Hara, Minn.	Teague, Calif.
Jonas	O'Konski	Teague, Tex.
Jones, Ala.	Osmers	Tewes
Jones, Mo.	Ostertag	Thomas
Judd	Passman	Thompson, La.
Kean	Patman	Thomson, Wyo.
Kearns	Patterson	Thornberry
Keating	Pelly	Tollefson
Keeney	Pilcher	Trimble
Kilday	Pillion	Tuck
Kilgore	Poff	Udall
Kitchin	Prouty	Utt
Knox	Radwan	Van Pelt
Laird	Ray	Van Zandt
Landrum	Reece, Tenn.	Vorys
Lankford	Reed	Vursell
Latham	Rees, Kans.	Wainwright
LeCompte	Rhodes, Ariz.	Walter
Lennon	Rhodes, Pa.	Weaver
Lipscomb	Riehlman	Westland
McCulloch	Riley	Wharton
McDonough	Rivers	Whitten
McIntire	Robeson, Va.	Widnall
McIntosh	Rogers, Fla.	Wigglesworth
McVey	Rogers, Mass.	Williams, Miss.
Mack, Ill.	Sadlak	Willis
Mack, Wash.	St. George	Wilson, Calif.
Mahon	Saylor	Winstead
Martin	Schenck	Withrow
Matthews	Schwengel	Wolverton
May	Scott, N. C.	Young
Meader	Scott, Pa.	Younger
Merrow	Scrivner	
Michel	Scudder	

NAYS—129

Addonizio	Fogarty	O'Brien, N. Y.
Anderson, Mont.	Forand	O'Hara, Ill.
	Garmatz	O'Neill
Aspinall	Granahan	Perkins
Baring	Grant	Pfost
Barrett	Gray	Philbin
Beckworth	Green, Oreg.	Poage
Blitch	Green, Pa.	Polk
Boiling	Griffiths	Porter
Boyle	Haley	Price
Breeding	Healey	Rabaut
Brooks, Tex.	Hemphill	Rains
Brown, Ga.	Holifield	Reuss
Brown, Mo.	Huddleston	Roberts
Burdick	Hull	Rodino
Burleson	Johnson	Rogers, Colo.
Bush	Karsten	Rogers, Tex.
Byrd	Kee	Rooney
Byrne, Pa.	Kelley, Pa.	Roosevelt
Cannon	Kelly, N. Y.	Rutherford
Carnahan	Keogh	Santangelo
Celler	King	Saund
Christopher	Kirwan	Selden
Chudoff	Kluczynski	Sheppard
Coad	Knutson	Shuford
Coffin	Lane	Sieminski
Cooley	Lanham	Sisk
Davis, Ga.	Lesinski	Smith, Wis.
Delaney	McCarthy	Staggers
Denton	McFall	Sullivan
Diggs	McGovern	Teller
Dingell	McMillan	Thompson, N. J.
Dollinger	Machrowicz	Thompson, Tex.
Donohue	Madden	Ullman
Dorn, S. C.	Magnuson	Vanik
Dowdy	Marshall	Watts
Doyle	Metcalf	Whitener
Elliott	Miller, Calif.	Wier
Engle	Montoya	Wright
Farbstein	Moss	Yates
Feighan	Moulder	Zablocki
Fino	Multer	Zelenko
Flood	Natcher	
Flynt	O'Brien, Ill.	

NOT VOTING—47

Alger	Curtis, Mo.	Holtzman
Andresen, August H.	Dawson, Ill.	Kearney
	Dempsey	Kilburn
Anfuso	Eberharter	Krueger
Baker	Evins	Long
Barden	George	Loser
Beamer	Gordon	McConnell
Blatnik	Hays, Ohio	McCormack
Brownson	Hess	McGregor
Buckley	Hiestand	Macdonald
Collier	Hillings	Mailliard
Mason	Preston	Smith, Va.
Morgan	Robsion, Ky.	Taylor
Morrison	Scherer	Vinson
Norblad	Shelley	Williams, N. Y.
Powell	Siler	Wilson, Ind.

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. McCormack for, with Mr. Buckley against.

Mr. Smith of Virginia for, with Mr. Holtzman against.

Mr. Blatnik for, with Mr. Morrison against.

Mr. Morgan for, with Mr. Hays of Ohio against.

Mr. Norblad for, with Mr. Powell against.

Mr. Taylor for, with Mr. Dawson of Illinois against.

Mr. Hess for, with Mr. Gordon against.

Mr. McGregor for, with Mr. Dempsey against.

Mr. Hiestand for, with Mr. Kearney against.

Mr. Collier for, with Mr. Macdonald against.

Mr. Scherer for, with Mr. Anfuso against.

Until further notice:

Mr. Shelley with Mr. August H. Andresen.

Mr. Vinson with Mr. Siler.

Mr. Long with Mr. Baker.

Mr. Loser with Mr. Beamer.

Mr. Preston with Mr. Robsion of Kentucky.

Mr. Evins with Mr. Brownson.

Mr. Barden with Mr. Wilson of Indiana.

Mr. BUSH changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks in the RECORD on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

INTERNATIONAL ATOMIC ENERGY AGENCY

Mr. PRICE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 8992) to provide for the appointment of representatives of the United States in the organs of the International Atomic Energy Agency, and to make other provisions with respect to the participation of the United States in that Agency, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and ask for a conference with the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Illinois? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. DURHAM, PRICE, KILDAY, COLE, and VAN ZANDT.

DROUGHT RELIEF IN EASTERN MASSACHUSETTS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to

revise and extend my remarks and include two letters.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, in spite of our having had some rain in Massachusetts the drought is very bad there. I am including two letters, one from the assistant commissioner of agriculture in Massachusetts, and another from two gentlemen in Littleton Common, Mass., describing the difficult conditions in Massachusetts due to this drought. They are as follows:

THE COMMONWEALTH
OF MASSACHUSETTS,
DEPARTMENT OF AGRICULTURE,
Boston, August 9, 1957.

Hon. EDITH NOURSE ROGERS,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN ROGERS: As you perhaps realize we in the Department of Agriculture are very much disappointed in the reaction of Washington in not declaring Massachusetts or sections of Massachusetts a disaster area. I realize that this may be by comparison with the Southwest areas that have been declared disaster areas, but I think it is only fitting to point out that the type of agriculture carried on here in New England is quite different from the agriculture procedures carried on throughout the Southwest.

Our crop areas are much more concentrated and our types of crops are suited to a different type of soil and are based on a higher rate of precipitation so that when a drought does occur in New England, it is much more disastrous to the overall agricultural picture, more particularly dairying. In this instance if we have to stop feeding our dairy cattle for one or two feedings, their production immediately drops and in most instances does not return to normal.

I am enclosing an overall picture, as near as we can possibly determine at the present time, of the situation throughout the drought affected areas along with some suggestions of needs of the farmers to meet the situation.

As you undoubtedly know, we have done everything in our power within the State to alleviate the drought by hiring the Howell Associates to make rain. We feel this has been of some assistance but it has not by any means completely eliminated the drought situation.

I know you appreciate our problem and I thank you for your continued efforts in our behalf.

Sincerely,

CHARLES F. SHELNUT,
Assistant Commissioner.

PICTURE OF DROUGHT AREAS IN MASSACHUSETTS; THESE ARE ESTIMATES BUT WE FEEL THEY ARE QUITE CONSERVATIVE

As of July 27, 1957 (8 a. m.), we are 11 inches short of average rainfall according to Essex County Agricultural School records which indicate about 2 inches of rain since April 1, 1957, with average normal rainfall being 13 inches for the months of April through July which is 15 percent of normal.

An estimate of the current condition of hay first cutting 75 percent of normal; second cutting 2 percent of normal; pasture none; silage corn 50–75 percent; green feed 5–10 percent; new seedings 20 percent including spring and fall of 1956.

Milk 85 percent of normal production.

Unirrigated vegetable crops 15 percent. Irrigated 75 percent to 80 percent.

Farm ponds have less than 10 percent of normal water supply.

Apple crop early, 50 percent; late, 75 percent.

No peach crop due to low winter temperature in January.

Young fruit trees, 50 percent.

Nursery stock unirrigated 10–20 percent. New growth mostly lost.

Estimate of supply as percent of normal: Hay 40 percent; pasture 0 percent; green feed 10 percent (including corn silage).

Condition of livestock, poultry not adversely affected to date except burned-out ranges; young stock in pastures losing weight unless fed roughage; milk production off 15 percent.

Other information: Hay supply next fall will be 25 percent of normal if present condition continues; silage and green feed will be 0 percent of normal. Dairy farmers have been feeding hay and grass silage for the past month due to condition of pastures.

If drought continues, fruit crop will be 50 percent or less with much unsalable fruit. If drought continues, there will be a complete loss of unirrigated vegetables including potatoes, squash, root crops, cabbage, etc.

Irrigation and livestock water ponds are nearly empty. More towns are limiting use of water for irrigation, and a serious loss of crops now irrigated will result if additional water supply is not forthcoming.

OUR SUGGESTIONS ARE FOR NEEDS OF OUR FARMERS

The effects of drought conditions in the State, as well as 1957, are evidenced in the complete loss of many spring and fall seedings made in 1956, as well as those in the spring of 1957; therefore, the committee requests as much assistance as possible on reseeding.

As much assistance as possible in the construction of new and enlargement of old farm ponds for water conservation.

The need for all available assistance on purchase of hay and feed. (Reduced freight rates on hay most important. We are working toward this with the railroads in Massachusetts.)

That short-term, low-interest-rate loans be made available for farmers needing emergency assistance.

GREEN MEADOW FARM,
LITTLETON COMMON, MASS.,
August 8, 1957.

Hon. EDITH N. ROGERS,
United States House of Representatives, House Office Building, Washington, D. C.

DEAR REPRESENTATIVE ROGERS: We are very disappointed to learn from the newspapers that the Secretary of Agriculture refuses to name eastern Massachusetts as a disaster area in spite of the recordbreaking drought we have suffered this year.

Although the drought as compared with droughts in the semiarid sections of the West may not appear to the Secretary as severe or of as long duration, the impact on agriculture may be just as disastrous. We feel that the following facts may not be fully understood and evaluated in making the decision.

1. Our agriculture is of an intensive nature and is not adjusted to drought conditions because of relative infrequency of occurrence.

2. Our costs per acre are several times higher than in many areas so that total or partial failure of even a few acres is very damaging.

3. Our soils are mostly very shallow and rocky therefore there is much less retention of winter rainfall than most other sections.

4. Because of the localized nature of the drought we must compete in the markets with other not very distant areas which have not suffered this handicap.

5. It would seem most desirable to have agriculture in a vigorous, healthy condition in this heavily populated area. Especially in case of a possible national emergency, we might well be of great value to the urban population. A poverty-stricken, demoralized agriculture would be in no position to assist in an emergency.

We hope you will make every effort to have the Secretary reconsider his decision and consider all the factors enumerated.

Sincerely yours,

JAMES and ROBERT STUART.

THE NAVY—AN ESSENTIAL IN OUR DEFENSE PLANNING

Mr. HUDDLESTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. HUDDLESTON. Mr. Speaker, since the earliest days of recorded history, ships have filled an important role in world civilization. The United States has recognized this fact from its very beginning. Down through the years, the United States Navy has left its mark in history. John Paul Jones' defiant "I have not yet begun to fight," became the rallying cry of the American Revolution. The dying words of Capt. James Lawrence: "Don't give up the ship," spurred our young country to victory in the War of 1812. In nearly every war there have been other famous battle cries, too, like "Remember the *Maine*." Every American can well be proud of his Navy.

The United States Constitution gives Congress the power to provide and maintain a Navy. From a meager beginning 170 years ago, our Navy has grown into the largest fleet in the world. The Navy is important to us, Mr. Speaker, in fighting our wars and also in maintaining our peace.

In these troubled times, control of the oceans is more important than ever before. The seas are the avenues of trade for the Free World and essential to these countries' very existence. The seas are also the avenues of aggression for enemy nations, who would desire nothing better than to control these vital water lanes. This is evidenced by the present build-up of submarine fleets in the Iron Curtain countries, principally Russia. If it is to endure, the Free World must retain control of the seaways, for this is a cardinal principle of geopolitics. The Free World depends on sea transportation and the ship lanes must be kept open.

America relies on its Army to protect the mainland and its Air Force to maintain faithful vigil in the air but only the Navy can control the seas. The Navy is not more important or less important than either of the other armed services. This triumvirate of military power is necessary to give us effective diversification of our defenses. The Navy's role in our national security is downright essential to America's strategic defense. There can be no denying that our security demands that we control the oceans, which can be done only with an adequate Navy.

In recent months, there have been a number of unwarranted attacks upon the Navy. These criticisms are based on the unjustified contention that modern weapons have destroyed the Navy's purpose and usefulness. This is completely untrue.

Thermonuclear weapons have not left our Navy defenseless. Neither have these weapons eliminated the need for the Navy. Except for its delay in discarding heavy battleships, the Navy is not obsolete and it is certainly not outmoded by the times, nor is it unnecessary by any stretch of the imagination.

Like other elements of America's armed might, the Navy is in a process of change. Already, its fleets are streamlining for the atomic age. By continually modernizing its designs and equipment, the Navy can never become obsolete. The present-day Navy is built around the powerful aircraft carrier, which both improves the fleet's defense capabilities and boosts its striking power. The mighty carrier, with its banks of guided missiles, faster-than-sound attack planes and superhuman electronic equipment, has replaced the heavy battleship. Offensively as well as defensively, the Navy is vastly superior today than it was 10 years ago.

In addition, the Navy is converting to atomic power. Of all military forces, it best lends itself to the full utilization of the power of the atom. Within a few years, the entire fleet will be atomic-powered, thus assuring greater mobility and less difficulties of supply.

In times of peace, the Navy is our best insurance against war in any part of the world. Our ships at sea today form a potent force for peace. Because our ships are a self-contained fighting force instantly ready, the Navy serves to neutralize world tensions—as it did a few months ago in sailing to the eastern Mediterranean when Jordan's independence was threatened.

In instances of limited war, our ships constitute a tremendous stabilizing force. As the Navy can throw its full weight almost anywhere in the world, it is an impressive deterrent against full-scale war. With the Navy, we are able to fight battles far away from our shores without waiting for them to spread to our own land. Our ships are ever patroling the possible routes of attack. When and if it comes, the Navy may be expected to give us an early warning if the attack is over the sea.

In case of all-out war, our Navy is far from being as defenseless as some would have you believe, Mr. Speaker. Our carriers, equipped with the best defenses known, are no sitting ducks. The fleet's vulnerability is, at most, questionable in an atomic attack. If an attacking plane or submarine can penetrate the maze of fleet defenses, its H-bomb may get only one ship at the most. This is because the Navy in fighting an atomic war would have its ships staggered over an extremely wide area. The convoy huddle of World War II is a thing of the past.

From missiles as well as H-bombs, the Navy is comparatively safe. At times, our fleets might be within the range of enemy ballistic missiles. However, such missiles must be aimed on firing, like artillery shells. Because ships are constantly moving while at sea, they cannot be fixed targets for long-range ballistic missiles. Homing missiles, which must be fired at closer range, can be lured astray by various devices and effective defenses.

In short, the Navy is well able to take care of itself.

In the words of Adm. Arleigh A. Burke, Chief of Naval Operations, the Navy may possibly become "a decoy for the mainland" if war comes. He readily admits that an H-bomb can sink a carrier, if the enemy throws its force against the fleet instead of the mainland. "And so the bomb that destroys the carrier spares Chicago. And the 'misses' aimed at the carrier don't destroy the suburbs of Chicago. And the Soviet planes that fall, don't fall on Milwaukee—they fall into the sea."

The H-bomb which fails to hit its target ship falls harmlessly into the ocean, where its radioactive fallout is wasted. Not so over the mainland, where it is entirely possible that a bomb may miss a military installation but hit a thickly settled area killing many thousands. If the enemy ever attacks our fleet with atomic weapons, instead of dropping them on the mainland, the Navy will be everyone's hero.

In all-out war, our naval strength will also be needed to keep open the sealanes of supply, concentrating on enemy submarines. Certainly modern warfare has not eliminated the need for merchant vessels plying between the nations of the Free World. As long as our enemies would destroy this vital trade, there is paramount need for the United States Navy.

The Navy's seapower is a necessary force to back up the Army on the ground and the Air Force in the air. Their roles in war, as in peace, are intermeshed but yet strategically distinct. A balance of our military power is fundamental to our defense. A strong Navy which can control the seas is more important than ever before in order to give us this balanced military defensive and offensive force. The Navy's importance is in the very critical role which it serves in our pattern of defense.

THE DANGER OF INFLATION

Mr. VURSELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to include a concurrent resolution.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. VURSELL. Mr. Speaker, the Members of this body ought to make a special effort to slow down or stop the present inflationary spiral before we adjourn. Most of the Members here realize that inflation is the most dangerous enemy facing this Government on the domestic front.

In the past few years, we have seen it destroy the economy of several European countries. It can and will destroy the economy of this Nation if the Congress fails to come to grips with this problem.

Mr. Speaker, it is time now, in this session, for the Members of both bodies to speak up with such emphasis and clarity that the labor leaders and the business leaders of the Nation will realize that, even late as it is, the Congress has the courage to say, "we have had enough of it."

In fact, Mr. Speaker, since 1939 the purchasing power of the dollar has been driven down to 50 cents, which has caused the cost of living to rise over 100 percent. We Members have a responsibility that should be discharged in the interest of 10½ million people who under social security are drawing from $30 to $108 a month, or an average of $64 a month. We must realize that this pitifully small sum of $64 a month now buys only $32 a month in groceries and other necessities.

Then, Mr. Speaker, there are 5 million people drawing from $30 to $80 a month in public assistance from the welfare departments, in cooperation with the States. This small amount since 1939 has been gradually cut until today in real purchasing power it is only from $15 to $40 a month.

Then, there are 250,000 people drawing annuities from the social security retirement fund, which have met the same fate.

Mr. Speaker, may I also point out that every Congressman who has retired, or will retire, if the purchasing power of the dollar is even held at 50 cents must take the same loss because of inflation, which has already done much damage to the economy of this country. If the Congress does not act, those who retire later may be the further victims of a 30-cent dollar in purchasing power rather than the present 50-cent dollar.

Mr. Speaker, both bodies have wasted much time through delay, and in giving attention to other problems that amount to nothing in comparison with the danger of inflation. Yet, other than making considerable reductions in the budget request for the coming year, nothing substantial has been done to stop the upward spiral in the cost of living.

There is one thing that can be done in cooperation with the President, that should be done before adjournment. This body, in my judgment, should pass a concurrent resolution, joining our efforts with those of the President who has called upon the labor leaders of the Nation to cooperate with him in deferring further wage raises unless they conform to increased productivity of the individual, or where there are demonstrable injustices existing in particular areas.

Mr. Speaker, the President also called upon the business leaders of the country to cooperate with him in holding down prices. Three times in his press conferences the President has shown his concern, and asked for the patriotic cooperation of the business interests, the labor leaders and the public to help stop this dangerous inflationary spiral.

I believe the American people will patriotically and voluntarily help stop this inflation when they understand its

great danger, if they know a mass movement to curb inflation is being led by the President, the Congress, influential labor leaders and the business interests. I have confidence that in a movement of this kind the responsible leaders of labor and business, in the interest of the members of their organizations, would want to stop the increase in the cost of living, and would accept and carry out the suggestions of the President to stop wage increases, unless within the range of very exceptional cases.

Mr. Speaker, such voluntary action on the part of both business and labor and the Congress would stop the deflation of the purchasing power of the dollar, and thereby help all of the people in every walk of life, and hurt no one.

Mr. Speaker, some days ago I introduced House Concurrent Resolution 222, which I desire to have included in the RECORD at the conclusion of my remarks. I sincerely hope that the leaders on both sides will get together and pass some kind of a resolution along the line I suggest which will bring the unanimous voice of the executive department and the legislative body into a persuasive and forceful demand for the cooperation I have pointed out in my remarks.

Mr. Speaker, if we can have the cooperation of all, we can stop this inflation, reduce the cost of living and prevent the further lowering of the purchasing power of the dollar. It is an effort that should be made before adjournment because inflation must be stopped.

I believe with the leadership I have suggested that hundreds of business organizations and hundreds of labor union locals throughout the country will enthusiastically join in an effort to lower the cost of living. Such a movement will have the endorsement of every housewife, every wage earner, every farmer in the country. It is a challenge worthy of the attention and efforts of this body, and the American people.

Mr. Speaker, this is a challenge that can be successfully met to the great good of the Nation—if we do not hesitate in helping to furnish the proper leadership.

If we do not make this effort, inflation will have made such gains between now and January 1958 that the President and the Congress may be compelled to enact price- and wage-control legislation, which all of us hope to avoid. However, we must stop inflation even if we have to take drastic action.

House Concurrent Resolution 222

Whereas next to the need to maintain peace, there is nothing more vital to the national welfare than the maintenance of a sound economy; and

Whereas Members of Congress in both bodies know how dangerous and destructive inflation can be, having seen its deadly effect on the economy of other nations in the recent past, and know it can, and unless checked, will, destroy our present prosperity and economy by further reducing the purchasing power of the dollar; and

Whereas since the years 1939 and 1940, inflation has reduced the purchasing power of the dollar to about 50 cents and increased the cost of living over 100 percent; and

Whereas in 1956 there was an alarming inflationary increase of 2.9 percent and a continuing increase each month of this year to a total of 1.4 percent through May; and

Whereas the Members of Congress in both bodies; realizing the great danger of inflation, have made a most courageous and effective effort by reducing the budget and eliminating as far as possible the inflationary effects of unnecessary Government spending; and

Whereas President Eisenhower has called attention to the danger of inflation three times this year in his press conferences and has urged the labor leaders and the business leaders of the country to stabilize and help prevent further inflationary effects of wage and price increases: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress joins with the President in a united appeal to all leading labor officials, to the National Association of Manufacturers, to the national chamber of commerce, to the State chambers of commerce, and to all of the businessmen of the Nation, to cooperate in a voluntary and patriotic effort to stabilize wages and prices, and to stop inflation and the constant rise in the cost of living.

It is the firm conviction of the Members of Congress that such a united movement, led by the President and the Congress, with the business interests and the labor leaders of the Nation furnishing enthusiastic cooperation and leadership, can voluntarily stop further inflation and turn the cost of living on a downward trend which will benefit every citizen of the Nation, and protect and increase the purchasing power of the dollar.

The Members of Congress are aware that everyone deplores wage and price controls, but unless the Government can have the cooperation of the business leaders, the labor leaders, and the citizens generally in a voluntary effort to stop increasing inflation and protect the purchasing power of the dollar, the Government may be compelled to impose such controls.

QUALIFYING FEDERAL JUDGES: WHAT ROLE FOR THE AMERICAN BAR ASSOCIATION?

Mr. UDALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. UDALL. Mr. Speaker, during the recent convention of the American Bar Association in New York City the following news story appeared in the New York Times:

David F. Maxwell of Philadelphia, president of the association, said the organization was pleased with present arrangements whereby prospective appointments to the Federal judiciary are submitted to it for approval.

"There has not been a single appointment since August 1956, over our objection," he said. He also reported that the association's adverse reports had blocked some appointments.

"We are concerned mostly to insure that judges of all courts have the essential qualifications," he explained. "Our objective is to remove the judges of both Federal and State courts from politics and assure appointment of experienced and qualified men to all the courts."

He said the Attorney General submits to a special committee of the association the names of all persons being considered for judicial appointments. The committee investigates and reports.

Mr. Speaker, as one member of the American Bar Association I found some of the implications in this report disquieting. Moreover, I was somewhat surprised that such a plan would be instituted without a full-dress debate within the association. And it aroused my concern that the association would undertake the commission proposed by the chief legal officer of the country without first arriving at a membership consensus concerning the appropriate premises and guidelines involved in such a screening system.

I entertained these thoughts out of concern for the welfare and prestige of the ABA. Our organization has rendered invaluable service in recent years in improving the administration of justice, in fighting against the law's delays, and in attempting to provide legal service for all citizens irrespective of ability to pay. It is for these reasons that I felt there should be deliberateness in any move by the association to undertake the delicate task of qualifying jurists.

If the association can clearly define its role and agree on standards and procedures which will have wide acceptance, one might anticipate that it will make a vital contribution to the process of selecting secondary Federal court judges. The ABA could indeed provide a salutary counterweight to the political influence which at times is the dominant factor in the selection of these judicial officers.

However, because of the unique character of our Supreme Court, I have wondered whether any clearance procedure should be interposed other than that provided by the Constitution itself. When due regard is given to the careful screening provided by the Senate under its constitutional mandate—as contrasted with the less thoroughgoing scrutiny given by that body to lesser judicial appointments—one might well be apprehensive lest the ABA itself become involved in politics, that is, in disputes with the United States Senate. Certainly one of the most regrettable chapters in the history of the ABA was the attempt by some of its leaders to block Senate confirmation of Justice Brandeis in 1916.

What I am attempting to express is my belief that it would be the better part of wisdom to debate basic policy issues within the organization before fixed patterns are set. Certainly such a new function should not be assumed by the ABA without a searching discussion which might reveal the pitfalls and obviate future controversy.

The stage could be set for such a debate by the publication of the commission tendered by the Attorney General and all subsequent correspondence. These communications should then serve as the anvil on which basic policies could be hammered out. A second step might be a listing of the names of the members of this powerful special committee, and information concerning the manner of their selection.

It is plain, I think, that there might be a wide divergence of opinion within the association on many of the questions raised by the Attorney General's proposal. To indicate some of the outlines of the problem let me list some of the

questions which must be in the minds of many ABA members:

First. With regard to Supreme Court appointees, what are the essential qualifications?

Second. What criteria is the special committee using to determine when a prospective nominee is experienced or qualified?

Third. Have objective standards been set up, or is the determination made largely on the basis of subjective opinions held by members of the committee?

Fourth. What present or past members of the Supreme Court would not be approved under the procedures presently followed by the special committee?

Fifth. Should such a screening system be interposed at the Supreme Court level?

Sixth. To what extent does prior judicial service weigh in the scales? Does such service weigh more or less than, say, possession of a capacious, cultivated mind?

Seventh. What type of investigation should the committee conduct?

Eighth. Should the ABA committee have merely a consultative function? Or should it assume broader powers, including a clearance veto?

Ninth. And, finally, what action should the ABA take in the event an adverse report by its committee is ignored by a President?

These are a few of the questions which might well be raised by those interested in this problem.

Although avoidance of another Brandeis case is a worthwhile objective, there is an even stronger argument for caution. I refer to the fact that, unlike the integrated bars of many States, the American Bar Association is still a minority voice in the legal profession. Although 37 percent of our lawyers now belong to the ABA, it cannot presume to speak for the bar at large.

I submit that this circumstance alone should dictate a policy of self-restraint in dealing with broad questions which affect all of our people.

It is my hope that the leaders of the American Bar Association will adopt such a spirit in approaching this challenging new responsibility.

CITIZENS TAX RELIEF

Mr. OSMERS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. OSMERS. Mr. Speaker, I recently introduced a measure, H. R. 8430, which I have titled the "Citizens Omnibus Tax Relief Bill." It is my sincere belief that the American taxpayer must be given a break in order to reduce the oppressive burden of income taxation that he must now bear.

Some have suggested that the personal exemption ought to be raised. However, it is my feeling that before there can be any general reduction in such a manner there must be relief that will best reflect the actual out-of-pocket expenditures of the individual that in most cases are necessities of everyday living.

It has been the policy of the Congress in the past to provide deductions for items which must be characterized as "necessaries"; we need only look to the provisions concerning deductions for medical expenses over 3 percent, deduction for child care in certain situations, and deductions for travel expenses while at work, to demonstrate this point.

The citizens omnibus tax-relief bill is designed to bring equality in the treatment of these "necessaries" by allowing deductions, exclusions, credits, and exemptions as I will outline.

MEDICAL AND DRUG EXPENSES

Section 5 of the bill, relating to deductions for medical and drug expenses, will amend the 1954 code to allow a deduction—when the taxpayer itemizes his return—for all medical expenses over the 3-percent ordinary expense, without the limitations now imposed. Thus, all drug expenses, instead of only drug expenses over 1 percent of adjusted gross income, will be allowed toward the deduction; also, there will be no limitation on the amount actually spent by the taxpayer for his medical expense. Under the present law, there is a general maximum of $2,500 for each exemption.

The present law is not a true and fair test of the necessary expense a taxpayer may incur. The proposed bill will certainly heal the inherent inequity now existing by allowing a more realistic treatment of medical expenses.

DEDUCTION FOR WORKING MOTHERS

Section 6 of the bill provides for long-needed relief to working mothers. Under the present code, such a taxpayer is entitled to a deduction of up to $600 for expenses incurred for child care. I am sure that all my fellow members will agree with me when I say that this is not a realistic attitude toward a very serious problem. Where the family situation requires the mother to work and necessitates the hiring of help to take care of the children, we must realize that such expense will be greater than the deduction now allows. To provide a fairer treatment for persons so situated, section 6 of the citizens omnibus tax-relief bill will provide a deduction of up to 50 percent of the adjusted gross income not to exceed $2,500. In my opinion, this is genuinely more realistic than the present law. For example, a working mother who otherwise qualifies, earning $80 a week, would be entitled to a reduction of $40 per week to pay the expenses of child care. Now, this latter figure is not too much to pay for adequate child supervision in this day and age, and we must take cognizance of this situation by giving this added relief.

ADDITIONAL EXEMPTION FOR DEPENDENTS OVER 65, BLIND, OR PHYSICALLY HANDICAPPED

Section 4 of the bill will finally remedy a situation which has been a great cause of consternation to the public as well as to myself. The code now provides that there shall be one exemption for any dependent as that term is defined, no matter what the physical condition of that dependent. Under my bill any dependent who is blind, physically handicapped, or over 65, will give an additional exemption to the taxpayer. This is only fair in that the same dependent would himself be entitled to two exemptions upon filing a return. The question is whether it is any easier to support such persons than it is for them to support themselves? The answer is "No." Why then should this additional exemption be taken away from such a taxpayer due to the fortuitous circumstance of having someone to support them. The citizens omnibus tax-relief bill would remedy this inequity.

TRANSPORTATION TO AND FROM WORK

Additional provisions of the bill will give needed relief in varied areas of the law. In our modern society, with the abnormal development of suburban communities, it has become a virtual necessity for a growing portion of our population to commute great distances to reach their places of employment. This is not a problem of convenience because it is evident that most of the people moving to the suburban areas just cannot find suitable living accommodations nearer the centers of business. Transportation to and from work, then, becomes a necessary and in most cases burdensome expense.

The proposed legislation would provide a deduction for actual expense, not to exceed $500 in 1 year. This would not include, for example, depreciation on a vehicle used in such commuting. I strongly feel the citizens of our country deserve this consideration.

EDUCATIONAL EXPENSES

Also included in this bill is a provision for deduction for educational expenses to a maximum amount of $900. Because of the ever-rising cost of college tuition and fees, it has become increasingly difficult for many persons to attend higher institutions of learning. This directly affects our national welfare as our Nation has always maintained its leading position in world affairs by reason of our vastly superior educational standards. By allowing a deduction from adjusted gross income for tuition and fees at institutions of higher learning we can directly benefit our country and many of our citizens.

INTEREST ON SAVINGS ACCOUNTS—PARTIAL DEDUCTION FOR INSURANCE AND HOSPITALIZATION PREMIUMS—DEPRECIATION OF TAXPAYER'S PRINCIPAL RESIDENCE

Other sections of the bill would permit an exclusion from gross income of up to $50 for interest received on savings accounts; a deduction of up to $200 paid as premiums on life or hospitalization insurance; and for the depreciation of property owned and occupied by the taxpayer as a principal residence on the theory that this is in general a business investment for the average citizen.

Taken as a whole, the Citizens Omnibus Tax Relief bill is legislation which will at long last give needed relief to our taxpayers while at the same time minimizing the possibility of an inflationary rise due to the buoyant effect of newfound resources. I urge the Ways and Means Committee to hold hearings on this bill and similar measures as soon as practicable.

ALIEN PROPERTY PROBLEM

Mr. REECE of Tennessee. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. REECE of Tennessee. Mr. Speaker, last week President Eisenhower issued a statement promising a fair and final solution to the conflict over disposition of seized enemy property. Contrary to many prior statements since 1945, this declaration unequivocally proclaims our adherence to the historic American policy of maintaining the sanctity of private property even in wartime. The administration in attempting to resolve the many legal and practical issues proposes to send legislation to Congress at the beginning of the next session.

Furthermore, the administration contemplates early sale of the vested property now worth almost $600 million. Approximately $541 million worth represents seized German assets and the remainder is composed of seized Japanese assets.

Regardless of the final solution, any action taken by the United States Government will have international ramifications. Continued American possession of these assets has been a sorepoint in our relations with both Germany and Japan. There is every reason to believe that the administration would like to see a solution as pleasing as possible to the German and Japanese Governments. In fact, it has been suggested that in deference to closer German-American ties, a large portion of the property should be returned to German owners as an act of grace.

Apart from considerations of foreign policy, the administration recognizes its obligation to pay in full all legitimate American war claims. Despite its avowal of the principle of "sanctity of property", no solution would be proposed which did not justly satisfy aggrieved American claimants.

Commendable as the administration's new position may be, there are apparent several inconsistencies. First, the administration recognizes the prerogatives of Congress in arriving at a legal and workable solution. Both this and the former administrations have recognized that this problem cannot be resolved by unilateral action of the executive branch. Hence, the President proposes to submit new legislation to Congress in January. But on the other hand, the latest administration declarations strongly suggest that all the assets will be sold in the most expeditious manner. Such action could well occur during the Congressional adjournment. Granted, the assets from the sale will not be distributed before Congress has the opportunity to speak, but suppose Congressional intent should take the form of return of property in kind? There are many possible avenues of approach to compensating the rightful owners of the property. Congress might designate one class of owners to receive restitution in moneys and another in kind. Congress might decide that liquidation of all assets would be unnecessary to satisfy outstanding American claims and thus unfair to the owners who may look to their asset investment for future benefit. Regardless of what form Congressional intent will take, it would likely be frustrated if the administration sells the property before Congress can act. If Congress is to exercise its full duties and rights in this regard, the administration should postpone any and all action, including sale of the assets, until Congress reconvenes.

In this connection, it should be noted that there is now pending on the Senate calendar, S. 1639, introduced by Senators DIRKSEN and OLIN JOHNSTON, which would prevent the Attorney General from selling any vested property until Congress has considered all alien property legislation, pending or proposed. Also, Representative OREN HARRIS has introduced a similar bill in the House on which the Interstate and Foreign Commerce Committee will commence hearings August 8, 1957.

The second major inconsistency in administration approach to the problem goes to the heart of any proposed solution. In the same breath, the administration proclaims the sanctity of private property, but asserts that return of same to rightful owners is an act of grace in the best interests of our international relations. It is obvious that these premises are conflicting and that widely divergent solutions might result depending on which premise is relied upon. Congress should undoubtedly have the opportunity to declare the policy of the United States underlying any eventual solution. Since Congress has the right to predicate the solution on one or the other, or neither premise, the administration should withhold all action until it is aware of Congressional policy directing the manner of disposition of property.

TINKERING WITH THE CAPITOL'S EAST FRONT

The SPEAKER. Under previous order of the House, the gentleman from Wisconsin [Mr. REUSS] is recognized for 40 minutes.

Mr. REUSS. Mr. Speaker, Charles Lamb tells the story of the boy Bobo who lived in China many years ago, before the art of cooking meat had been discovered. Bobo's father left him alone in the house one day, together with a litter of pigs. Bobo foolishly played with matches, a fire started, the house burned down, and the pigs perished.

Bobo and his father, when he returned, found the scorched piglets delicious to the taste. The discovery that burning down the house produced roast pig spread like wildfire throughout China. Fires soon lit up the entire countryside, and pigs were in short supply, not to mention houses.

Some time later reports Lamb:

> A sage arose who made discovery that the flesh of swine might be cooked without necessity of consuming a whole house. * * * By such slow degrees do the most useful and seemingly the most obvious arts make their way among mankind.

PLACING THE COMMISSION IN A STRAITJACKET

I do not wish to press the parallel too closely, Mr. Speaker, but it strikes me that Congress is about to provide for feeding itself by the somewhat excessive process of tearing down its historic house. This body has recently taken constructive steps to provide adequate restaurants in the Capitol for itself and the public. In the process, however, we are apparently bent on a needless project to alter and mar the front face of the Capitol. Furthermore, we have placed in a straitjacket the officials responsible for carrying out the alterations of the Capitol, by limiting them to a single plan—a plan which not only was put forward reluctantly by consulting architects in 1904, but whose rejection was urged by its own creators. That is what we have struck ourselves with today.

Let us examine how this has come about:

The Legislative Appropriation Act of 1956—Public Law 242, 84th Congress, approved August 5, 1955—authorized:

> The Architect of the Capitol * * * under the direction of a Commission for Extension of the United States Capitol, to be composed of the President of the Senate, the Speaker of the House of Representatives, the minority leader of the Senate, the minority leader of the House of Representatives, and the Architect of the Capitol, to provide for the extension, reconstruction, and replacement of the central portion of the United States Capitol in substantial accordance with scheme B of the architectural plan submitted by a joint commission of Congress and reported to Congress on March 3, 1905 (H. Doc. No. 385, 58th Cong.), but with such modifications and additions, including provisions for restaurant facilities, and such other facilities in the Capitol Grounds, together with utilities, equipment approaches, and other appurtenant or necessary items, as may be approved by said Commission, and for such purposes there is hereby appropriated $5 million.

MOST EXPENSIVE IN HISTORY

In 1956, an additional $12 million was appropriated for the Capitol extension project. Total costs are estimated as high as $42 million. According to the Architectural Forum, the space created by this project would cost $200 a square foot—four times as much as the most expensive working space ever built heretofore.

Yet no public hearings were held on this important bill in either House or Senate. No floor debate took place in either body when the project was approved in 1955. No separate authorization for the appropriation exists.

As will be seen, Public Law 242 puts the Commission for Extension of the United States Capitol into a tight corset—it must proceed in substantial accordance with scheme B. I shall speak more in detail of scheme B later. For the moment, it is enough to note that scheme B requires that the east facade of the central block of the Capitol be torn down and extended 32 feet, 6 inches to the east.

WHAT THE PERIODICALS SAY

Life magazine calls this—June 11, 1956, page 40—"a project which will ruin the beauty of a national shrine."

The Architectural Forum—July 1957—says:

This scheme B extension of the east front is what is solidly opposed by the majority of architects and by the great weight of historical and architectural criticism: on the grounds of beauty, symbolism, and utility.

A St. Louis Post-Dispatch editorial—August 1, 1956—says:

NO PUSH TO THE EAST

One enactment of the 84th Congress is a venture in lily gilding, and an expensive one. Congress added $12 million to the $5 millions voted last year to move the facade of the National Capitol 40 feet to the east and to make some other alterations.

Congressmen have had their own private ideas of how to improve the famous building for years. Now they expect to get a few more hearing rooms and a lunch room and corridor by toying with the Capitol's east facade—the historic setting for the inauguration of President.

Here the legislators are matching their esthetic judgment against that of the American Institute of Architects.

Moving the facade to a line even with the 2 Capitol wings would eliminate the forecourt and, as 1 eminent architect says, would make the dome less dominant. Congress also ignored the sound advice of Joseph Hudnut, retired professor of architecture and dean of the School of Design at Harvard University, who said: "History has harmonized a thousand imperfections in the Capitol. We would do well, I think, to leave this building in the hands of that ingenious architect. Besides, we should then spare our descendents the trouble of improving our improvements."

It is still possible that the architectural advisory committee for Capitol improvements might recommend against changing the east facade. A better defense of the Capitol could come from aroused citizens. Public opinion would cause Congressmen to think twice before any scaffolding marred the historic front designed by Latrobe and Bulfinch.

A New York Herald Tribune editorial—June 18, 1956—says:

LEAVE THE CAPITOL ALONE

In spite of this up-and-down history, the completed building as it now stands on Capitol Hill, has caught the imagination and holds the warm regard of the American people. It is doubtless fortunate that it had during its evolution the services of such exceptional architects as Thornton, Latrobe, and Bulfinch, whose work is especially well exemplified in the facade which it is now proposed to alter. In any event, the building carries impressive artistic credentials in its present form—the American Institute of Architects, for example, has come to its defense in formal resolutions at a number of past conventions—and cannot be summarily condemned on esthetic grounds.

The practical argument for the alterations, to the effect that Congress needs more space, seems equally ill advised. If more space is needed, it can be had in another location; in fact, the current House appropriation includes $10 million as a start on a new $64 million House office building.

All in all, the east-front alteration project looks like a waste of money. It should be abandoned.

HARM WORKED BY SCHEME B

If the scheme B proposal goes through, it will destroy these things:

First. The priceless east facade of the Capitol. This is the one masterpiece of early Federal architecture which bears the touch of Thornton, Latrobe, and Bulfinch, and the approval of Washington and Jefferson. It is original, historic, familiar, beloved, beautiful.

To tear down the facade, then build a replica 32 feet or 40 feet to the east, is senseless. Who wants a reproduction when he can have the real thing? The Williamsburg restoration is magnificent, but we would give much more to have the original.

Second. The distinctive three-part composition of the Capitol. As it stands today, the projection of the House and Senate wings eastward of the old central block gives a feeling of solidity to the whole structure.

Third. The internal court, traditional scene of inaugurations since Madison's day. If the east face of the central block were extended, the Capitol would then present a practically solid front, making it much more difficult than at present for one approaching from the north or south to see the whole east side at one time.

Fourth. The present unity between the dome and the facade. As it is now, the columns and windows of the dome cascade down to the columns of the facade, and thus to the earth; conversely, the dome seems to rise in steady progression from the earth. If the facade is moved to the east, the dome will then be just like any other dome—one coming out of the roof of the building, instead of the unique part of the whole building which it now is. The present effect of the dome, fully visible to one standing in the internal court, will be lost.

THE SPACE ARGUMENT

Why in the world, then, have we compelled the Commission for Extension of the United States Capitol to wear this hair shirt of scheme B? The various arguments for scheme B tend to vanish into thin air upon examination:

First. "Scheme B provides necessary space." Moving the east facade 32 feet 6 inches east is surely not the only way that space can be found for Congressional activities. Through the years, many activities that once took place in the Capitol have been decentralized to other buildings, including the Library of Congress, the various House and Senate office buildings, including the two now under construction, and the Supreme Court. Surely, the House needs new dining room space. Equally surely, a space could be found for this elsewhere in the Capitol Building, possibly by using the present west terrace, without sanctioning all the defects that scheme B involves.

SANDSTONE OR MARBLE?

Second. "The Aquia sandstone of the central block is deteriorating." This sandstone is painted the same color as the cast-iron dome, and has weathered so as to harmonize unobtrusively with the marble of the House and Senate wings. Sandstone structures, such as the State House at Nashville, Tenn., New York City Hall, and the White House itself, have been repaired. There is no reason why sandstone in the center block, if defective, cannot likewise be repaired or replaced. It is thought that marble is preferable, let the sandstone be replaced with marble, although this might provide an unpleasant contrast with the cast-iron dome, which must be painted. Replacing the sandstone with marble certainly does not involve any extension to the eastward, as envisaged in scheme B.

SEEING THINGS THAT ARE NOT THERE

Third. "Scheme B is necessary to correct an architectural defect." This defect is really no defect at all. Ordinarily, domed buildings have a broad base on all sides of the dome. The Capitol has such a base on its north, west, and south sides. The reason for the narrow base of roof on the east—the fact that the dome seems to rise directly from the columns of the east facade—is a happy accident.

The building which is now the center block originally had a light wooden dome. It was supported by the present stone ring. To have replaced the wooden dome with a marble dome would have required tearing out the entire existing stone ring and erecting deep foundations—difficult because of the spongy character of the ground on Capitol Hill. Therefore, the architect, Thomas U. Walter, used a cast-iron dome, because it did not require new foundations or an extension of the structure to the east.

A marble dome would have required an eastward extension for adequate support. But since the dome is of cast iron, not marble, extending the support to the east is structurally unnecessary and irrelevant. All concede that the present central block, with its cast-iron dome, is structurally sound. Indeed, none of the proposed extensions of the east facade would in any way enhance the soundness of a structure already sound.

A MOST FORTUNATE "DEFECT"

Where then is this "defect"? It is in the mind of a few pedantic souls whose eye is offended by the failure of the east wing to project far out from the dome. Here, for example, is the testimony of a consulting architect to a House committee on this very subject in 1935:

One of the few questions of taste that may be reduced to a definite rule is that the supports of a structure, to satisfy the eye, should not only be adequate from the standpoint of safety and stability, but should be so obviously adequate that there remains in the mind of the spectator no uncertainty or misgiving concerning it. To satisfy this principle it is not sufficient that there should be concealed somewhere within the fabric a system of hidden piers, ribs, beams, and cantilevers which by computation may be proved to be of sufficient strength to sustain the building, so long as, to the eye of the observer, it is evident that if the dome were of masonry, as it appears to be, and if it actually rested on the portico as it appears to rest upon it, the columns of the portico would be crushed beneath the load.

Obviously, the brain is telling the eye that the dome ought to be of marble and looks like marble and that, if it were marble, an eastward extension would be necessary. A few architectural brains are saying in this case:

"Let's build out a fake foundation to support the marble dome that isn't there but ought to be."

MAKE THIS SIMPLE TEST

Well, I am happy with the cast iron dome and the east facade just as they are. I urge my colleagues to take a good

look at the east side of the Capitol themselves.

More importantly, I suggest that you do what I have been doing for some time: Take your visitors from your Congressional District to the east court. Let them look at the Capitol, without coaching. Then ask them if they think there is anything wrong. Is it lopsided? Does it seem about to collapse? Is the overall impression offensive or inspiring?

I have asked dozens of Congressmen and hundreds of visitors from my Congressional district whether there is the slightest disproportion, lack of symmetry, imbalance, or appearance of inadequate structure in the east facade. Uniformly, I have been told that what they see in the dome, the facade, and the entire view as it now stands delights the eye.

Moreover, the people do not want their Capitol changed. They do not want it tampered with. They recognize it as historic building, a familiar friend, an inspiring symbol of America. They like it the way it is.

ARCHITECT THOMAS U. WALTER

Fourth. The original Architect, Thomas U. Walter, viewed the building as incomplete. Walter, Architect of the Capitol from 1851 to 1865, designed the present dome in 1859. In 1863 he drew a plan, never executed, to extend the central block 55 feet to the east, flush with the north and south wings. In his report of November 1, 1863, Walter said:

The eastern portico of the old building will certainly be taken down at no very distant day, and the front be extended eastward at least to the front line of the wings, so as to complete the architectural group.

In 1874 he drew still another plan to build the central part out still further to the east. Like any great architect, Walter never ceased during his life to want to improve his building. He probably envisaged, quite correctly, that the Nation's Capitol, like the Nation, would also be ripe for growth. That he drew later plans, however, does not mean that we must give up our power to judge whether these later plans were in fact as fine as the building he actually built. Indeed, if the purpose of Public Law 242 is to honor Architect Walter's plan, it fails to do so; his plan called for a 55-foot extension; Public Law 242 for the scheme B or 32-foot 6-inch extension.

SCHEMES A AND B WERE OPTIONAL

Fifth. Scheme B has previously been approved by Houses of Congress. In the hearings before the Legislative Appropriations Subcommittee of the House Committee on Appropriations on June 6, 1955, the language which has since become Public Law 242 was before the Committee. The justification for scheme B was as follows—hearings page 52:

EXTENSION OF THE CAPITOL, $5 MILLION

It is a project that has twice been approved in bills passed by the Senate—once in 1935 and again in 1937.

This language clearly implies that the scheme B plan had been twice endorsed by the Senate.

In fact, the bill passed by the Senate on April 9, 1935 provided that—

The central portion of the Capitol shall be extended, reconstructed and replaced in substantial accordance with either scheme A or B of the architectural plan submitted by the Joint Commission of Congress and reported to Congress on March 3, 1905 (H. Doc. 385, 58th Cong., 3d sess.), with such modifications as the Commission (for the extension and completion of the United States Capitol) may determine (CONGRESSIONAL RECORD, 74th Cong., 1st sess., p. 5319).

SENATOR CONNALLY'S EXPLANATION

It should be noted that the bill passed by the Senate gave the Commission and its Architect the option of using either scheme A or scheme B.

Again in 1937, the bill passed by the Senate, S. 1170, provided in identical terms for either scheme A or scheme B. Senator Connally in explaining his bill on the floor said—CONGRESSIONAL RECORD, 75th Congress, First session, pages 2625–2626:

Mr. President, there are two plans possible under this measure. One is plan A, which would bring forward the central section 12 feet and 10 inches, and the other is plan B, which would bring it forward 32 feet 6 inches. The determination as between 2 plans is left, under the bill, to the Commission, but still the Senate and the House are not precluded when the appropriation comes forward, of course, from rejecting either 1 of the plans as they may see fit. The reason for the bill having an optional plan is that the overwhelming mass of architectural testimony before the committee was to the effect that, while the majority of architects favored the remodeling, there were some aspects as between the 2 plans which ought to have very careful and very detailed study by the Commission before a plan was adopted.

House Resolution 218, 84th Congress, passed in February 1955, provided that:

In order to increase and improve the restaurant facilities in the Capitol building for Members and employees of Congress, the Committee on House Administration recommends that the Architect of the Capitol be authorized to take necessary steps to extend and complete the east central front of the Capitol as recommended in S. 1170, 75th Congress, passed by the Senate on March 23, 1937, and in accordance with a chart prepared by the Architect of the Capitol and submitted to the House Committee on Appropriations in the 83d Congress.

The chart referred to is found on page 151 of the hearings before the Legislative-Judiciary Subcommittee of the House Committee on Appropriations, 83d Congress, 2d session. It would move the east facade of the Capitol 40 feet forward, as contrasted with the 12 feet 10 inches of scheme A and the 32 feet 6 inches of scheme B.

From all this, it can be seen in what a casual way scheme B got into Public Law 242. It now becomes pertinent to ask about the derivation of scheme A and scheme B.

CARRERE & HASTINGS STUDY

The House on February 11, 1903, passed a bill authorizing the expenditure of $2,500,000 toward the extension and completion of the Capitol Building in accordance with the original plans therefor of the late Thomas U. Walter—the 55-foot extension. The measure was not passed by the Senate. Thereafter, Congress passed the Sundry Civil Appropriations Act of April 28, 1904, which set up a Joint Commission to inquire and report to Congress at its next session plans in detail for estimates of cost for the extension and completion of the Capitol Building, in accordance with the original plans therefor of the late Thomas P. Walter, with such modifications thereof as they may deem advantageous or necessary.

It should be noted that the Congressional mandate to the Joint Commission was to come up with a proposal or proposals for carrying out Walter's idea of extending the east facade. The Joint Commission appointed the firm of Carrere & Hastings of New York as consulting architects. Carrere & Hastings' report to the Commission, dated December 27, 1904, is included in House Document No. 385, 58th Congress, 3d session. Carrere & Hastings' report makes clear several things. First, Carrere & Hastings were reluctant to recommend any change at all. However, since their mandate required some adherence to Walter's plans—which they felt he may have been pressured into adopting—they recommended scheme A, moving the east front a mere 12 feet 10 inches.

Secondly, while compelled by their mandate to come up with a scheme B moving the east front to provide more interior space, they expressed the "hope, nevertheless, that this alternative plan, scheme B, will not be favorably considered."

THE 1904 REPORT

A substantial section of the report of Carrere & Hastings is worth reading in full:

Gentlemen, we feel deeply the responsibility imposed upon us in reporting to your Commission in regard to any changes to be made in the Capitol Building of the United States, a building so interesting from the artistic as well as from the historic point of view, and which, though it may have some architectural faults, is, nevertheless, one of the most monumental and beautiful edifices in this country. We find ourselves, therefore, hesitating whether we should advise the reproduction of the east front of the building in marble to harmonize with the rest of the Capitol, preserving the design practically as it exists today, or whether we should recommend enlarging the building in accordance with Mr. Walter's plans of 1865.

In his report as Architect of the Capitol extension, dated November 1, 1864, he states:

"Now that the new dome and the wings of the Capitol are approaching completion, it must be apparent to everyone that the extension of the center building on the east to the line of the new wings becomes an architectural necessity. I have therefore prepared plans for thus completing the work in harmony with what has already been done, and will place them in the Capitol for future reference.

"I do not suppose, nor would I recommend, that any action be taken by Congress in reference to such an improvement until the war is ended and the financial condition of the country becomes settled and prosperous; but inasmuch as it is my purpose to retire from these works as soon as the dome is finished, I deem it incumbent upon me to leave upon record my views as to their final completion."

When we read this report accompanying his plans of 1865 we were impressed with

the feeling that Mr. Walter had been influenced, perhaps under pressure from Congress, by the desire to obtain increased accommodations within the building, and that he would have recommended a somewhat different treatment if he had had under consideration only the strictly architectural necessities of the design. We feel very sure that it would be better to reproduce the present design in marble, as nearly as possible, as it now stands than to carry out Mr. Walter's plans of 1865 in their entirety.

It seems remarkable, when considering the history of this building, that so beautiful and harmonious a design should have resulted from the successive additions made to the original building, the result of which is certainly a monument to the skill of Mr. Walter. Whatever faults there may be in the design are distinctly the outcome of the limitations which were imposed upon the architect in adapting the new conditions to the building as it then existed. The dome had to be designed in proportion to the enlarged building, and yet Mr. Walter found himself compelled to place this larger dome upon the masonry foundations and walls of the smaller dome. Owing to the fact that the foundations were built on most unfavorable soil, he very naturally hesitated to add upon these walls any unnecessary masonry weight or to disturb in any way the existing masonry where it would be used and adapted to the new conditions. He felt very strongly, however, as we do, the defect that on the east front the dome does not appear to be supported; in fact it overhangs the wall of the building and seems to rest partly upon the portico. He was right in wishing to have this defect corrected and, also, in wishing to add another column on either side of the central motif on the east front of the building, thus increasing the width of the pediment and making the central motif with its pediment predominate over the two wings with their pediments. While we feel, therefore, that the direct elevation of the east front of the Capitol recommended by Mr. Walter should be carried out in every respect, we are at the same time certain that could Mr. Walter have given more time and further study to this great problem, unhampered by practical limitations, he would have been finally persuaded not to project the central building with its pediment any farther east than absolutely necessary to give the dome the apparent support which it now lacks.

In our judgment, one of the most impressive views of the Capitol is obtained when one sees the entire east front and the dome together, which is only possible while standing fairly close to the building and to the east of either the Senate or House wing. Now, if the central building were brought too far forward it would mask the dome and destroy this very picturesque and yet imposing view of the Capitol; and there would be no point from where the entire height of the dome could be seen in its relation to the rest of the building, which is now possible on the east front.

We also believe that if this central building were carried far forward toward the east, the architectural effect of the entire east front would be injured, even when considered without regard to the dome. In a monumental scheme of this character, three parts or architectural motifs are much simpler, and a broader and better composition, than five parts. The extreme projection of this central building would completely destroy the present composition of three units, with its breadth and simplicity, and would not only produce a division with five members—the center, the two wings, and the intervening spaces—but would make these members practically equal in size and architectural value. That such a composition already existing on the west front is, nevertheless, rather imposing is to be ascribed to the fact that the Capitol is always so greatly foreshortened by the perspective, due to the fall of the land on the west—a result which could not be expected on the east from where the foreground is level and the building can be seen in close proximity.

Another important reason for not making this great projection is that it would destroy the courtlike effect of the east front where the two wings project beyond the simple and broad central building, one of the most picturesque and pleasing features of the Capitol wherever seen on the east, but especially when standing fairly close to the building and looking up at the dome.

Lastly, it would seem most unfortunate not to be able, when looking diagonally toward this facade as one approaches from the north or from the south, to see the full length of the building as at present. The extreme projection of the central building would produce this result, for it would practically mask that part of the building beyond it, so that when approaching the Capitol from the south one would see the House wing and the central projection, while the Senate would be hidden from view by the projection of the central building. The same would be true with regard to the House wing when approaching the building from the north. We are, therefore, strongly of the opinion that if Mr. Walter had been entirely unhampered by practical considerations, and if he had written his report after the completion of the Dome and the two wings, he would have reached the same conclusion.

In view of these considerations, and after very careful study, we respectfully submit plan, scheme A, as being, in our opinion, the most conservative and in every way the best solution of the architectural problems involved in correcting the defects of this facade, which Mr. Walter called attention in his report of 1865.

Realizing, as already stated, that the composition of this facade, and especially the relation of wall surfaces to each other, should be changed as little as possible, we have moved the entire front of the center portion forward, only so far as necessary to bring the main wall of the building, at the center, under the extreme projection of the Dome, and give the Dome the apparent support which it should have. At the same time, we have added one column on each side of the main pediment, broadening the pediment accordingly, so that it will dominate the two pediments of the Senate and House wings, which Mr. Walter, so strongly felt should be done.

In this scheme no consideration has been given to increased space within the building, and the problem has been solved strictly according to the architectural necessities of the case; nevertheless, the moving of the wall easterly 12 feet 10 inches gives, on the main floor to the east of Statuary Hall, a series of alcoves which can be used to advantage for the additional storage of documents; and, to the east of the Supreme Court, a similar series of alcoves, back of the present screen, for retiring or robing rooms for the judges. Similar alcoves would also be obtained, in both cases, on the floor above, which could be reached from the central portion of the building and used for various purposes. These changes would in no way affect any of the internal arrangements or even the decorations on the main floor.

In the basement this additional projection has added to the size of the adjacent rooms, enlarging and improving them, especially in the case of the law library under the Supreme Court.

In the central section of the building 2 spacious rooms are obtained on either side of the main entrance, with windows opening on to the portico, giving 12 additional rooms for committee or other purposes, those on the first and second floors being well lighted and all very accessible.

We strongly recommend that whatever alterations are decided upon should be substantially in harmony with this plan, scheme A, and that in no event should the central portion of the building be made to project any farther eastward than shown thereon.

We have prepared an alternative plan, scheme B, partly to illustrate our contention that the building should not be projected further eastward than absolutely necessary to give an apparent support to the dome, and at the same time to show what, in our judgment, is the least objectionable manner, if the architectural beauty and simplicity of the east front are to be preserved, of obtaining additional space within the building while retaining to the greatest possible extent the present character of the east front.

In scheme B of the central portion has been projected 32 feet 6 inches easterly from the walls of the Supreme Court and Statuary Hall, adding to the building 14 spacious and well-lighted rooms on each floor, 7 on each side of the main entrance. These rooms are approached by a corridor of ample width connecting with both the Senate and House wings, the Rotunda, and other important circulations of the building. This corridor, besides giving the Senators and Congressmen direct access to their respective committee rooms, also provides a new communication from one end of the Capitol to the other, which would be both private and convenient.

In order to obtain this through corridor and at the same time avoid the deep-recessed courts which would then exist between the Senate wing and the central building on the one side of the House wing and the central building on the other, we have indicated on the plan, scheme B, entirely new sections. Each of these new sections connecting the central building with the Senate and the House wings, would contain 4 additional large rooms on each floor, opening into a court, supplying light from the east to the present passages connecting the main building with the Senate and the House wings. The colonnade now existing at this point is moved forward to form the easterly facade of the new connecting section.

By reference to the plan it will be seen that, under this scheme, 18 large, well-lighted rooms are obtained on the main floor, and a similar number on the gallery floor, available for committee rooms or other purposes. Eighteen corresponding rooms are obtained on the ground floor, some of which can be used for committee rooms and others for the services of the building.

From the practical point of view, this plan commends itself to us very highly, as it provides ample and well-lighted additional space without disturbing the present internal arrangements of the building or its decorations. It establishes, besides, a new and important circulation between the two wings, serving the different new committee rooms. It produces a more interesting and satisfactory facade than could be obtained under the recommendation made by Mr. Walter in his report of 1865. It would be simpler and more dignified, and would preserve the breadth and monumental character of the easterly facade; but it would be much less interesting and picturesque. It would be such a great change from the present facade, so familiar to our people and which they have learned to love and venerate, that we make this suggestion merely to meet the condition which has been imposed upon us by your Commission of reporting a scheme with added space. We hope nevertheless, that this alternative plan, scheme B, will not be favorably considered.

REJECTED SCHEME B NOW RESURRECTED

The Joint Commission adopted the recommendation of Carrere & Hastings, recommending that Congress adopt scheme A, not scheme B.

The net result of all this is that scheme B, rejected by Carrere & Hastings and by the Joint Commission, and gathering dust for more than half a century, has suddenly been resurrected by House Resolution 218, 84th Congress, which was concerned with adding to the House restaurant facilities, and then became imbedded in the law as a result of Public Law 242.

THE ARCHITECTURAL CONSULTANTS

Since the passage of Public Law 242, the Commission for Extension of the United States Capitol selected Arthur Brown, architect of San Francisco; John F. Harbeson, architect of Philadelphia; and Henry R. Shepley, architect of Boston, as a consulting and advisory group to assist the Architect of the Capitol in determining the proper architectural treatment of the east front of the Capitol and the necessary changes to be made on the interior of the building. The Commission also selected Roscoe DeWitt and Fred L. Hardison, of Dallas, Tex.; Alfred Easton Poor and Albert Homer Swanke, of New York City; and Jesse M. Shelton and Alan G. Stanford, of Robert & Co. Associates, of Atlanta, Ga., as associate architects and engineers for the extension of the Capitol and other improvement. Preliminary planning by these consulting and associate architects is now in progress.

According to the July 1957 Architectural Forum:

> There are certain strong reasons to believe that solutions have been reached by this committee, which would not only leave the east front alone but be functionally easier to plan and build, cleaner and less costly in obtaining the purposes of Congress * * * [but] the architectural consultants * * * are not at liberty to do this. They are like doctors compelled to make a prescribed prescription. They are allowed to advise only how to work out solutions which provide moving out the east front. It is the law.

THE AIA'S RESOLUTION

The American Institute of Architects, of which more than 11,000 of the Nation's 15,000 practicing architects are members, in annual convention in 1939, 1949, 1955, 1956, and again this year, voted overwhelmingly against tampering with the Capitol's east front. The resolution adopted by the American Institute of Architects at its June 1955 convention in Minneapolis, Minn., reads as follows:

> Whereas the Congress of the United States is currently considering a bill for the enlargement of the central section of the National Capitol in order to obtain additional committee rooms and a new dining room; and
>
> Whereas the proposed rebuilding will involve destruction of the original form and materials of the historic and original east facade of the central block as designed and erected by William Thornton, Benjamin Henry Latrobe, and Charles Bulfinch, three of America's most gifted and famed architects; and
>
> Whereas the proposed rebuilding would destroy the authenticity and integrity of the Nation's best known historic monument, which has become the tangible symbol of national growth and struggle from early Republic to leader of the free world; and
>
> Whereas the provision of additional service facilities by such means constitutes an irresistible precedent for other denaturing alterations in the future: Therefore be it
>
> *Resolved*, That the American Institute of Architects, in convention assembled, register with the Congress its strongest opposition to the alterations of the external form of the National Capitol and urge the Congress to preserve intact the authenticity and integrity of the Capitol as the Nation's greatest historic monument; and be it further
>
> *Resolved*, That the American Institute of Architects offer its services to the Congress through a committee of distinguished and unbiased architects who would advise as to how to obtain more space without sacrificing these priceless historic values.

Mr. Speaker, I believe that Congress erred in imbedding into Public Law 242 the provision that the Commission for Extension of the United States Capitol is bound to use scheme B to the exclusion of scheme A or some other proposal, including one that would not disturb the east front.

STRIKING OUT SCHEME B

I have today introduced a bill to strike out from Public Law 242 the words "in substantial accord with scheme B of the architectural plan submitted by the Joint Commission of Congress and reported to Congress on March 3, 1905—House Document 385, 58th Congress—but with such modifications and additions." This simple amendment, if passed, would enable the Commission for Extension of the United States Capitol to come up with the best proposal for the Capitol, not compel it to come up with the worst—which is what the creators of scheme B, Carrere and Hastings, thought of it. Under my amendment, the advisory and consulting architects would be enabled to give the Commission their honest advice, uninhibited by any terms of reference restricting them to scheme B. Moreover, the American Institute of Architects would, if the Commission wished, "offer its services to the Congress through a committee of distinguished and unbiased architects who would advise as to how to obtain more space without sacrificing these priceless historic values," as suggested in its June 1955 resolution.

Mr. Speaker, the Chinese in Lamb's story finally found that it was not necessary to destroy the house in order to have something good to eat. I am entirely confident that a timely amendment to Public Law 242 will enable Congress to provide attractive eating facilities without marring the Nation's house in the process. Not a stone of the east facade has yet been disturbed. It is not too late to have a clear look at what we are doing before we do it.

ATOMIC ENERGY COMMISSION AUTHORIZATION LEGISLATION

The SPEAKER pro tempore (Mr. FASCELL). Under previous order of the House, the gentleman from Illinois [Mr. PRICE] is recognized for 15 minutes.

Mr. PRICE. Mr. Speaker, I believe that some of the press coverage of last week's debate in this Chamber on the AEC authorization bill has tended to give the erroneous impression that the major issue involved in the debate was the so-called public versus private power controversy. Press statements such as "public versus private power neared a showdown" and articles describing the discussions as a "renewal of the old public versus private power fight" have focused attention on the strawman of public power which apparently has been set up to becloud the real issues at stake.

I think that in the development of atomic power, which is becoming increasingly important to our economy as time goes on, there is ample room for differences of opinion, particularly as to the way in which our development program is conducted. This is as it should be, and I am all for vigorous discussion of the major questions arising in connection with that program.

But when the discussions get bogged down in extraneous issues which are totally unrelated to the actual subject under discussion, I think it is time for us to set the record straight.

Let us set to rest once and for all this bogyman of public versus private power in the atomic energy field. The program is still at a research and development stage. The first reactors will be uneconomic and will produce only intermittent power. So there will be no commercial power to sell.

Let us, therefore, face up to these very real technical and financial problems besetting our atomic power program and attempt to work out means of overcoming them. This is the real task at hand and the one to which the joint committee's authorization bill was directed.

It will be abundantly clear to those who take the trouble to read the authorization bill and committee report that no attempt is being made to put the Government in the atomic power business. Only one of the three new projects added by the committee in its bill was for a power reactor at all, and even there provision was made to insure that while it was in use, any power it produced would be used in connection with the operation of Government facilities. After it outlived its usefulness for research and development purposes, the prototype reactor would be dismantled.

In a similar vein, it will be seen by those who read the committee bill and report, that no attempt is being made to favor any one group over another group in the cooperative demonstration-power program. Far from it, the bill attempts to untangle the mess in which the AEC finds itself with regard to negotiations with cooperative groups under the so-called Second Round of the Power Demonstration Program.

I suggest that those who feel these arrangements with the cooperatives are public power run wild refer their complaints to the AEC, who initiated the program and carried these negotiations in the first place. For, make no mistake, this was and is AEC's program. If there was a public-power issue it is still there, since these AEC projects are still in the authorization bill as passed by the House.

I am hopeful that when the authorization bill is discussed in the other body, the press and public alike will demand to know what the real issues are with regard to our atomic power program. I hope they will not be distracted from the really important questions involved by any superficial clamor over the red herring of public versus private power.

It is important to the national interest that we proceed rapidly with atomic power development both here and abroad. Let us not get bogged down in extraneous issues at this critical point in our development program.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. LOSER (at the request of Mr. COOPER) for today and tomorrow on account of death in the family.

To Mr. GEORGE (at the request of Mr. MARTIN) indefinitely on account of illness in family.

To Mr. SMITH of Virginia (at the request of Mr. GARY) for Tuesday, August 13, 1957, on account of important business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. PRICE, for 15 minutes, on today.

Mr. DAVIS of Georgia, for 45 minutes, on Thursday.

Mrs. ROGERS of Massachusetts, for 5 minutes, tomorrow.

Mr. HESELTON (at the request of Mr. DIXON), for 30 minutes tomorrow and to vacate his special order for today.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. PORTER.

Mr. IKARD.

Mrs. BOLTON and to include extraneous matter.

Mr. MILLER of Nebraska and to include a telegram.

Mr. VURSELL and to include extraneous matter.

Mr. ALGER.

Mr. FULTON.

Mr. SIMPSON of Illinois and to include a statement.

Mr. GRIFFIN and to include extraneous matter.

Mr. PHILBIN.

Mr. MOULDER and to include a questionnaire.

Mr. JUDD (at the request of Mr. DIXON).

Mr. VAN ZANDT (at the request of Mr. DIXON) and to include extraneous matter.

Mr. MOSS (at the request of Mr. ALBERT) to revise and extend remarks made by him in Committee of the Whole and to include extraneous matter including a table of statistics.

Mr. DINGELL (at the request of Mr. ALBERT) in two instances and to include extraneous matter.

Mr. TELLER (at the request of Mr. ALBERT) in one instance and to include extraneous matter.

Mr. KING (at the request of Mr. ALBERT) in one instance and to include extraneous matter.

Mr. HARRISON of Virginia (at the request of Mr. ALBERT) in one instance and to include extraneous matter.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 527. An act for the relief of Achille Aquino Fu' Giovanni; to the Committee on the Judiciary.

S. 807. An act for the relief of Jackson School Township, Ind.; to the Committee on the Judiciary.

S. 821. An act to amend the Civil Service Retirement Act with respect to annuities of Panama Canal ship pilots; to the Committee on Post Office and Civil Service.

S. 1031. An act to authorize the Secretary of the Interior to construct, operate, and maintain four units of the Greater Wenatchee project, Washington, and for other purposes; to the Committee on Interior and Insular Affairs.

S. 1086. An act granting the consent and approval of Congress to a Bear River compact, and for related purposes; to the Committee on Interior and Insular Affairs.

S. 1110. An act for the relief of Sono Hoshi; to the Committee on the Judiciary.

S. 1118. An act to facilitate the administration and development of the Whitman National Monument, in the State of Washington, by authorizing the acquisition of additional land for the monument, and for other purposes; to the Committee on Interior and Insular Affairs.

S. 1284. An act for the relief of Josef Salamon; to the Committee on the Judiciary.

S. 1456. An act for the relief of Refugio Guerrero-Monje; to the Committee on the Judiciary.

S. 1467. An act for the relief of Itsumi Kasahara; to the Committee on the Judiciary.

S. 1649. An act for the relief of Irene Moskovits; to the Committee on the Judiciary.

S. 1660. An act for the relief of Karin Tittel Taylor; to the Committee on the Judiciary.

S. 1867. An act for the relief of Hiroko Miyazaki; to the Committee on the Judiciary.

S. 1869. An act to amend the Tennessee Valley Authority Act of 1933, as amended, and for other purposes; to the Committee on Public Works.

S. 1903. An act to amend section 7 of the Administrative Expenses Act of 1946, as amended, relating to travel expenses of civilian officers and employees assigned to duty posts outside the continental United States; to the Committee on Government Operations.

S. 1929. An act for the relief of Stephen James Meier; to the Committee on the Judiciary.

S. 1930. An act for the relief of Todd Gene Biedermann; to the Committee on the Judiciary.

S. 1931. An act for the relief of Jon Frederick Cordes; to the Committee on the Judiciary.

S. 1993. An act for the relief of Inge Gertraud Pursel; to the Committee on the Judiciary.

S. 1996. An act to approve the contract negotiated with the Casper-Alcova Irrigation District, to authorize its execution, to provide that the excess-land provisions of the Federal reclamation laws shall not apply to the lands of the Kendrick project, Wyoming, and for other purposes; to the Committee on Interior and Insular Affairs.

S. 2018. An act for the relief of Erika Haberl Sain; to the Committee on the Judiciary.

S. 2040. An act for the relief of Ramon Notario Boytell; to the Committee on the Judiciary.

S. 2111. An act for the relief of Yuko Shiba; to the Committee on the Judiciary.

S. 2431. An act granting the consent of Congress to the Klamath River Basin compact between the States of California and Oregon, and for related purposes; to the Committee on Interior and Insular Affairs.

S. 2498. An act for the relief of Matthew M. Epstein; to the Committee on the Judiciary.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 1473. An act for the relief of Richardson Corp.;

H. R. 1861. An act for the relief of George W. Arnold;

H. R. 2264. An act for the relief of Donald F. Thompson;

H. R. 2674. An act for the relief of Morris B. Wallach;

H. R. 2740. An act for the relief of Mrs. Harriett Sakayo Hamamoto Dewa;

H. R. 2928. An act for the relief of Harry and Sadie Woonteiler;

H. R. 2937. An act for the relief of Clarence L. Harris;

H. R. 2985. An act for the relief of Alton B. York;

H. R. 3473. An act to authorize and direct the Secretary of the Interior to sell certain public lands in the State of California;

H. R. 3723. An act for the relief of Maj. Gen. Julius Klein;

H. R. 4520. An act to amend section 401 (e) of the Civil Aeronautics Act of 1938 in order to authorize permanent certification for certain air carriers operating between the United States and Alaska;

H. R. 4830. An act to authorize revision of the tribal roll of the Eastern Band of Cherokee Indians, North Carolina, and for other purposes;

H. R. 5492. An act to amend the act of August 31, 1954 (68 Stat. 1044), to extend the time during which the Secretary of the Interior may enter into amendatory repayment contracts under the Federal reclamation laws, and for other purposes;

H. R. 5679. An act to authorize amendment of the irrigation repayment contract of December 28, 1950, between the United States and the Mirage Flats Irrigation District, Nebraska;

H. R. 6517. An act to provide for the retirement of officers and members of the Metropolitan Police force, the Fire Department of the District of Columbia, the United States Park Police force, the White House Police force, and of certain officers and members of the United States Secret Service, and for other purposes;

H. R. 6527. An act for the relief of Horace Collier;

H. R. 7540. An act to amend Public Law 815, 81st Congress, relating to school construction in federally affected areas, to make its provisions applicable to Wake Island;

H. R. 8643. An act to authorize the construction of certain works of improvement in the Niagara River for power, and for other purposes;

H. J. Res. 275. Joint resolution transferring to the Commonwealth of Puerto Rico

certain archives and records in possession of the National Archives; and

H. J. Res. 426. Joint resolution amending a joint resolution making temporary appropriations for the fiscal year 1958, and for other purposes.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H. R. 6517. To provide for the retirement of officers and members of the Metropolitan Police force, the Fire Department of the District of Columbia, the United States Park Police force, the White House Police force, and of certain officers and members of the United States Secret Service, and for other purposes;

H. R. 7540. To amend Public Law 815, 81st Congress, relating to school construction in federally affected areas, to make its provisions applicable to Wake Island; and

H. J. Res. 275. Transferring to the Commonwealth of Puerto Rico certain archives and records in possession of the National Archives.

ADJOURNMENT

Mr. WILLIAMS of Mississippi. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 14 minutes p. m.), the House adjourned until tomorrow, Wednesday, August 14, 1957, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1122. A letter from the Director, Bureau of the Budget, Executive Office of the President, transmitting a watershed work plan for the Caney Creek watershed, Arkansas, pursuant to section 5 of the Watershed Protection and Flood Prevention Act (68 Stat. 667), as amended by the act of August 7, 1956 (70 Stat. 1088), and Executive Order No. 10654 of January 20, 1956; to the Committee on Agriculture.

1123. A letter from the Director, Bureau of the Budget, Executive Office of the President, transmitting a watershed work plan for the Sandy Creek watershed, Oklahoma, pursuant to section 5 of the Watershed Protection and Flood Prevention Act (68 Stat. 667), as amended by the act of August 7, 1956 (70 Stat. 1088), and Executive Order No. 10654 of January 20, 1956; to the Committee on Public Works.

1124. A letter from the Director, Bureau of the Budget, Executive Office of the President, transmitting a watershed work plan for the Lacamas Creek tributaries watershed, Washington, pursuant to section 5 of the Watershed Protection and Flood Prevention Act (68 Stat. 667; Public Law 566, 83d Cong.) and Executive Order No. 10654 of January 20, 1956; to the Committee on Agriculture.

1125. A letter from the Director, Bureau of the Budget, Executive Office of the President, transmitting a watershed work plan for the Sulphur Creek watershed, Texas, pursuant to section 5 of the Watershed Protection and Flood Prevention Act (68 Stat. 667), as amended by the act of August 7, 1956 (70 Stat. 1088), and Executive Order No. 10654 of January 20, 1956; to the Committee on Public Works.

1126. A letter from the Acting Secretary of Agriculture, transmitting a report relative to the cooperative program of the United States with Mexico for the control and the eradication of foot-and-mouth disease for the period January 1 to June 30, 1957, pursuant to section 3 of Public Law 8, 80th Congress; to the Committee on Agriculture.

1127. A letter from the Acting Attorney General transmitting a report on a survey of the administration of the Defense Production Act as it affects the production and distribution of nickel, pursuant to section 708 (e) of the Defense Production Act of 1950, as amended; to the Committee on Banking and Currency.

1128. A letter from the Administrator, General Services Administration transmitting a draft of proposed legislation entitled "A bill to amend the Federal Property and Administrative Services Act of 1949, as amended, to provide for training of employees"; to the Committee on Government Operations.

1129. A letter from the Assistant Secretary of the Interior transmitting a draft of proposed legislation entitled "A bill to authorize and direct the transfer and conveyance of certain property in the Virgin Islands to the Government of the Virgin Islands"; to the Committee on Interior and Insular Affairs.

1130. A letter from the Deputy Postmaster General transmitting a draft of proposed legislation entitled "A bill to further amend the first sentence of the act of January 20, 1888 (25 Stat. 1), as amended, by repealing the restrictive provisions relating to the form of publishers' bills, receipts, and orders for subscriptions enclosed in publications mailed at second-class rates of postage, and for other purposes"; to the Committee on Post Office and Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[*Omitted from the Record of August 9, 1957*]

Mr. CANNON: Committee of conference. H. R. 8090. A bill making appropriations for civil functions administered by the Department of the Army and certain agencies of the Department of the Interior, for the fiscal year ending June 30, 1958, and for other purposes (Rept. No. 1049). Ordered to be printed.

[*Submitted August 13, 1957*]

Mr. BARDEN: Committee on Education and Labor. H. R. 8679. A bill to provide a 1-year extension of the programs of financial assistance in the construction and operation of schools in areas affected by Federal activities under the provisions of Public Laws 815 and 874, 81st Congress; with amendment (Rept. No. 1050). Referred to the Committee of the Whole House on the State of the Union.

Mr. MONTOYA: Committee on the Judiciary. H. R. 7636. A bill to provide for the conveyance to the State of Florida of a certain tract of land in such State owned by the United States; with amendment (Rept. No. 1051). Referred to the Committee of the Whole House on the State of the Union.

Mr. WILLIAMS of Mississippi: Committee on Interstate and Foreign Commerce. H. R. 9023. A bill to amend the act of October 31, 1949, to extend until June 30, 1960, the authority of the Surgeon General to make certain payments to Bernalillo County, N. Mex., for furnishing hospital care to certain Indians; with amendment (Rept. No. 1052). Referred to the Committee of the Whole House on the State of the Union.

Mr. BUCKLEY: Committee on Public Works. S. 497. An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes; with amendment (Rept. No. 1122). Referred to the Committee of the Whole House on the State of the Union.

Mr. HARDY: Committee on Armed Services. H. R. 1140. A bill to amend Public Law 314, 78th Congress, to provide that retired reservists may waive receipt of a portion of their retired pay; with amendment (Rept. No. 1123). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAVIS of Tennessee: Committee on Public Works. H. R. 4266. A bill to amend the Tennessee Valley Authority Act of 1933, as amended, and for other purposes; without amendment (Rept. No. 1124). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS of Louisiana: Committee on Armed Services. H. R. 5809. A bill to provide for a U. S. S. *Arizona* Memorial at Pearl Harbor, T. H.; with amendment (Rept. No. 1125). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 8290. A bill to authorize the erection of a national monument symbolizing the ideals of democracy in the fulfillment of the act of August 31, 1954 (68 Stat. 1029), "An act to create a National Monument Commission, and for other purposes"; with amendment (Rept. No. 1126). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOPER: Committee on Ways and Means. H. R. 8933. A bill to amend the Tariff Act of 1930 to place handmade and machine handmade paper on the free list; without amendment (Rept. No. 1127). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOPER: Committee on Ways and Means. H. R. 9035. A bill to amend the Internal Revenue Code of 1954 with respect to the basis of stock acquired by the exercise of restricted stock options after the death of the employee; without amendment (Rept. No. 1128). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 2824. A bill to provide for the distribution of the land and assets of certain Indian rancherias and reservations in California, and for other purposes; with amendment (Rept. No. 1129). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 8465. A bill granting the consent of Congress to the Klamath River Basin compact between the States of California and Oregon, and for related purposes; without amendment (Rept. No. 1130). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOPER: Committee on Ways and Means. H. R. 9049. A bill to amend section 503 of the Internal Revenue Code of 1954 with respect to certain loans made by employee trusts; without amendment (Rept. No. 1131). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. S. 556. An act to provide for the conveyance of certain real property of the United States situated in Clark County, Nev., to the State of Nevada for the use of the Nevada State Board of Fish and Game Commissioners; without amendment (Rept. No. 1133). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LANE: Committee on the Judiciary. S. 493. An act for the relief of Irene Montoya; with amendment (Rept. No. 1053). Referred to the Committee of the Whole House.

Mr. MONTOYA: Committee on the Judiciary. S. 524. An act for the relief of Robert F. Gross; without amendment (Rept. No. 1054). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 1392. A bill for the relief of Karl L. Larson; with amendment (Rept. No. 1055). Referred to the Committee of the Whole House.

Mr. POFF: Committee on the Judiciary. H. R. 1495. A bill for the relief of Alfred Hanzal; with amendment (Rept. No. 1056). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 1638. A bill for the relief of Lt. Percy Hamilton Hebert; without amendment (Rept. No. 1057). Referred to the Committee of the Whole House.

Mr. DONOHUE: Committee on the Judiciary. H. R. 1692. A bill for the relief of Mrs. Margot M. Draughon; without amendment (Rept. No. 1058). Referred to the Committee of the Whole House.

Mr. FORRESTER: Committee on the Judiciary. H. R. 1829. A bill for the relief of the estate of Mrs. Frank C. Gregg; with amendment (Rept. No. 1059). Referred to the Committee of the Whole House.

Mr. BURDICK: Committee on the Judiciary. H. R. 3567. A bill for the relief of John R. Cook; with amendment (Rept. No. 1060). Referred to the Committee of the Whole House.

Mr. BURDICK: Committee on the Judiciary. H. R. 4543. A bill for the relief of Arthur J. Dettmers, Jr.; with amendment (Rept. No. 1061). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 5163. A bill for the relief of Forest H. Byroade; without amendment (Rept. No. 1062). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 6069. A bill for the relief of Col. Jack C. Jeffrey; with amendment (Rept. No. 1063). Referred to the Committee of the Whole House.

Mr. MONTOYA: Committee on the Judiciary. H. R. 6824. A bill for the relief of the family of Joseph A. Morgan; with amendment (Rept. No. 1064). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 7200. A bill for the relief of the estate of Isa Hajime; without amendment (Rept. No. 1065). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 7591. A bill for the relief of Anton N. Nyerges; without amendment (Rept. No. 1066). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 8618. A bill for the relief of Henry M. Lednicky; with amendment (Rept. No. 1067). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 5222. A bill for the relief of Gladys Arbutus Joel; without amendment (Rept. No. 1068). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 8374. A bill for the relief of Virginia Ray Potts; without amendment (Rept. No. 1069). Referred to the Committee of the Whole House.

Mr. CHELF: Committee on the Judiciary. House Joint Resolution 437. Joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens; with amendment (Rept. No. 1070). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 336. An act for the relief of Angela Ferrini; without amendment (Rept. No. 1071). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 397. An act for the relief of Willem Woeras; without amendment (Rept. No. 1072). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 398. An act for the relief of Benjamin Wachtfogel; without amendment (Rept. No. 1073). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 441. An act for the relief of Jose Ramirez-Moreno; without amendment (Rept. No. 1074). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 463. An act for the relief of Pedro Ampo; without amendment (Rept. No. 1075). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 465. An act for the relief of Maria Concetta Di Turi; without amendment (Rept. No. 1076). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 485. An act for the relief of Luigi Lino Turel; without amendment (Rept. No. 1077). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 499. An act for the relief of Daniela Renata Patricia Zei; without amendment (Rept. No. 1078). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 562. An act for the relief of Hideko Takiguchi Pulaski; without amendment (Rept. No. 1079). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 567. An act for the relief of Vida Djenich; without amendment (Rept. No. 1080). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 660. An act for the relief of Ursula Rosa Pazdro; without amendment (Rept. No. 1081). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 662. An act for the relief of Howard I. Buchbinder; without amendment (Rept. No. 1082). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 796. An act for the relief of Zacharoula Papoulia Matsa; without amendment (Rept. No. 1083). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 976. An act for the relief of Charles A. Sidawi; without amendment (Rept. No. 1084). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1035. An act for the relief of Alice Eirl Schaer (Mi On Lee); without amendment (Rept. No. 1085). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1049. An act for the relief of Mrs. Ahsapet Gamityan; with amendment (Rept. No. 1086). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1050. An act for the relief of Hrygory (Harry) Mydlak; without amendment (Rept. No. 1087). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1153. An act for the relief of Zdenka Sneler; without amendment (Rept. No. 1088). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1167. An act for the relief of John Nicholas Christodoulias; without amendment (Rept. No. 1089). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1175. An act for the relief of Helene Cordery Hall; without amendment (Rept. No. 1090). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1241. An act for the relief of Edward Martin Hinsberger; without amendment (Rept. No. 1091). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1271. An act for the relief of Daniel Alcide Charlebois; with an amendment (Rept. No. 1092). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1290. An act for the relief of Lee-Ana Roberts; without amendment (Rept. No. 1093). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1293. An act for the relief of Eithaniahu (Eton) Yellin; without amendment (Rept. No. 1094). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1306. An act for the relief of Pao-Wei Yung; without amendment (Rept. No. 1095). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1307. An act for the relief of Toribia Basterrechea (Arrola); without amendment (Rept. No. 1096). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1308. An act for the relief of Carmen Jeanne Launois Johnson; without amendment (Rept. No. 1097). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1335. An act for the relief of Sandra Ann Scott; without amendment (Rept. No. 1098). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1370. An act for the relief of Wanda Wawrzyczek; without amendment (Rept. No. 1099). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1387. An act for the relief of Rebecca Jean Lundy (Helen Choy); without amendment (Rept. No. 1100). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1414. An act for the relief of Wolfgang Jochim Herman Schmiedchen; without amendment (Rept. No. 1101). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1421. An act for the relief of Ansis Luiz Darzins; without amendment (Rept. No. 1102). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1496. An act for the relief of Nicoleta P. Pantelakis; without amendment (Rept. No. 1103). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1685. An act for the relief of Sic Cun Chau (Tse) and Hing Man Chau; without amendment (Rept. No. 1104). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1736. An act for the relief of Rosa Sigl; without amendment (Rept. No. 1105). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1767. An act for the relief of Eileen Shelia Dhanda; without amendment (Rept. No. 1106). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1783. An act for the relief of Randolph Stephan Walker; without amendment (Rept. No. 1107). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1804. An act for the relief of Marjeta Winkle Brown; without amendment (Rept. No. 1108). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1815. An act for the relief of Nicholas Dilles; without amendment (Rept. No. 1109). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1817. An act for the relief of John Panagiotou; without amendment (Rept. No. 1110). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1838. An act for the relief of Charles Douglas; without amendment (Rept. No. 1111). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1848. An act for the relief of Michelle Patricia Hill (Patricia Adachi); without amendment (Rept. No. 1112). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1896. An act for the relief of Maria West; without amendment (Rept. No. 1113). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1902. An act for the relief of Belia Rodriguez Ternoir; without amendment (Rept. No. 1114). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1910. An act for the relief of Salvatore Salerno; without amendment (Rept. No. 1115). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1972. An act for the relief of Letizia Maria Arini; with amendment (Rept. No. 1116). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2003. An act for the relief of Jozice Matana Koulis and Davorko Matana Koulis; without amendment (Rept. No. 1117). Referred to the Committee of the Whole House.

Mr WALTER: Committee on the Judiciary. S. 2095. An act for the relief of Vaclav Uhlik, Marta Uhlik, Vaclav Uhlik, Junior, and Eva Uhlik; without amendment (Rept. No. 1118). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2165. An act for the relief of Gertrud Mezger; without amendment (Rept. No. 1119). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. Senate Concurrent Resolution 40. Concurrent resolution favoring the suspension of deportation in the cases of certain aliens; with an amendment (Rept. No. 1120). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 1633. A bill for the relief of Jane Froman and Gypsy Markoff; with amendment (Rept. No. 1121). Referred to the Committee of the Whole House.

Mr. HYDE: Committee on the Judiciary. House Joint Resolution 435. Joint resolution for the relief of certain aliens; with amendment (Rept. No. 1132). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BAILEY:

H. R. 9229. A bill to amend the Tariff Act of 1930 to transfer natural gas from the free list to the dutiable list; to the Committee on Ways and Means.

By Mr. BOGGS:

H. R. 9230. A bill to provide for the conveyance of a pumping station and related facilities of the Intracoastal Waterway system at Algiers, La., to the Jefferson-Plaquemines Drainage District, La.; to the Committee on Public Works.

By Mr. BROYHILL:

H. R. 9231. A bill to protect the east vista and to preserve the wooded area on the north and west side of the Custis-Lee Mansion grounds as an appropriate environment in the immediate vicinity of the mansion, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BURNS of Hawaii:

H. R. 9232. A bill to amend section 73 (1) of the Hawaiian Organic Act to authorize the Commission of Public Lands to amend existing land patents in hardship cases by removing the restrictions contained therein which have run for 10 or more years; to the Committee on Interior and Insular Affairs.

By Mr. CANNON:

H. R. 9233. A bill to prohibit Government agencies to acquire or use the National Grange headquarters site without specific Congressional approval; to the Committee on Public Works.

By Mr. FOGARTY:

H. R. 9234. A bill to amend title II of the Social Security Act to reduce from 65 to 60 the age at which old-age and other monthly insurance benefits may become payable thereunder; to the Committee on Ways and Means.

By Mr. HERLONG:

H. R. 9235. A bill to prevent the unauthorized censorship by broadcasting, television, telephone, telegraph, and all similar companies, or networks, of songs, tunes, words, lyrics, and other material and things; and providing certain procedure to be followed in such cases, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HYDE:

H. R. 9236. A bill to credit certain teachers in the District of Columbia for services performed by them between September 1944, and July 1, 1955; to the Committee on the District of Columbia.

By Mr. KING:

H. R. 9237. A bill to regulate the importation of tuna; to the Committee on Ways and Means.

By Mr. REUSS:

H. R. 9238. A bill to amend the Legislative Appropriation Act, 1956, to eliminate the requirement that the extension, reconstruction, and replacement of the central portion of the United States Capitol be in substantial accord with scheme B of the architectural plan of March 3, 1905; to the Committee on Public Works.

By Mr. SAUND (by request):

H. R. 9239. A bill to provide for the construction of an irrigation distribution system and drainage works for restricted Indian lands within the Coachella Valley County Water District in Riverside County, Calif., and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SCOTT of North Carolina:

H. R. 9240. A bill to revise certain provisions of law relating to the advertisements of mail routes, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. SIMPSON of Illinois:

H. R. 9241. A bill to amend the Internal Revenue Code of 1954 to provide an exclusion from gross income for the first $3,600 of salary earned by a teacher in any year; to the Committee on Ways and Means.

By Mr. UTT:

H. R. 9242. A bill to amend the Veterans' Benefits Act of 1957 to permit permanent plan United States Government life (converted) insurance policies and national service life insurance policies to be assigned as collateral for certain loans; to the Committee on Veterans' Affairs.

H. R. 9243. A bill to regulate the importation of tuna; to the Committee on Ways and Means.

By Mr. WILSON of California:

H. R. 9244. A bill to regulate the importation of tuna; to the Committee on Ways and Means.

By Mr. WRIGHT:

H. R. 9245. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income for certain amounts paid by a teacher for his further education; to the Committee on Ways and Means.

By Mr. DIXON:

H. R. 9246. A bill to provide for a research program in the field of weather modification to be conducted by the National Science Foundation, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H. R. 9247. A bill to provide assistance to the States in certain surveying and planning with respect to college facilities; to the Committee on Education and Labor.

By Mr. GRAY:

H. R. 9248. A bill to amend the Internal Revenue Code of 1954 to impose import taxes on lead, zinc, and fluorspar; to the Committee on Ways and Means.

By Mr. McMILLAN:

H. R. 9249. A bill to amend section 1231 of the Internal Revenue Code of 1954 relating to property used in the trade or business and involuntary conversions; to the Committee on Ways and Means.

By Mr. VINSON:

H. R. 9250. A bill to prevent the loss of pay and allowances by certain officers designated for the performance of duties of great importance and responsibility; to the Committee on Armed Services.

H. R. 9251. A bill to amend title 10, United States Code, to provide authority to drop certain persons from the rolls of the Armed Forces, and for other purposes; to the Committee on Armed Services.

By Mr. BECKWORTH:

H. R. 9252. A bill to amend title II of the Social Security Act to provide monthly insurance benefits for the unmarried dependent sister of an individual who dies leaving no other survivors eligible for benefits under such title; to the Committee on Ways and Means.

By Mr. GRIFFIN:

H. R. 9253. A bill to prohibit Government agencies to acquire or use the National Grange headquarters site without specific Congressional approval; to the Committee on Public Works.

By Mr. WIDNALL:

H. R. 9254. A bill to amend section 46, title 18, United States Code, with respect to transportation of water hyacinths and seeds; to the Committee on the Judiciary.

By Mr. REUSS:

H. R. 9255. A bill to amend section 218 (f) of the Social Security Act with respect to the effective date of certain State agreements or modifications thereof; to the Committee on Ways and Means.

By Mr DIXON:

H. Res. 396. Resolution creating a select committee to conduct a study of the fiscal organization and procedures of the Congress; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BAKER:

H. R. 9256. A bill for the relief of the Park National Bank; to the Committee on the Judiciary.

By Mr. BONNER:

H. R. 9257. A bill to provide for the conveyance of certain lands of the United States to the Hatteras Girls Club, Inc., of Hatteras, N. C.; to the Committee on Government Operations.

By Mr. BURNS of Hawaii:

H. R. 9258. A bill for the relief of Mrs. Minnie Perreira; to the Committee on the Judiciary.

By Mr. CARNAHAN:

H. R. 9259. A bill for the relief of Lee Young Kil; to the Committee on the Judiciary.

By Mr. CHUDOFF:

H. R. 9260. A bill for the relief of Aram Fayda and his wife, Elena Fayda; to the Committee on the Judiciary.

By Mr. CRETELLA:

H. R. 9261. A bill for the relief of Maggiorina Furlan; to the Committee on the Judiciary.

By Mr. CUNNINGHAM of Iowa:

H. R. 9262. A bill for the relief of A. A. Alexander; to the Committee on the Judiciary.

By Mr. DAWSON of Utah:

H. R. 9263. A bill for the relief of the Smith Canning Co.; to the Committee on the Judiciary.

By Mr. DIXON:

H. R. 9264. A bill for the relief of George Kubota; to the Committee on the Judiciary.

By Mr. DOLLINGER:

H. R. 9265. A bill for the relief of Sarina L. DeTrabout, Luna D. L. Trabout, Ester Trabout; to the Committee on the Judiciary.

By Mr. DONOHUE:

H. R. 9266. A bill for the relief of Sirvart Cark; to the Committee on the Judiciary.

By Mr. HOLTZMAN:

H. R. 9267. A bill for the relief of Mrs. Doudy Bakalian; to the Committee on the Judiciary.

By Mr. NORBLAD:

H. R. 9268. A bill for the relief of Linda Diane Hunt (Chun Sun Nam); to the Committee on the Judiciary.

By Mr. POWELL:

H. R. 9269. A bill for the relief of Stephen Volpe; to the Committee on the Judiciary.

By Mr. RHODES of Pennsylvania:

H. R. 9270. A bill for the relief of Katina Soteriou Roumeliotis; to the Committee on the Judiciary.

By Mr. SMITH of Virginia:

H. R. 9271. A bill to authorize the National Society of the Sons of the American Revolution to use certain real estate in the District of Columbia as the national headquarters of such society; to the Committee on the District of Columbia.

By Mr. TELLER:

H. R. 9272. A bill for the relief of Eliezer Elhanan Schalit, born Eliezer Schreibman, also known as Ely Schalit; to the Committee on the Judiciary.

By Mr. WIDNALL:

H. R. 9273. A bill for the relief of Fahridin Nushi; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

327. By Mr. HAYS of Arkansas: Petition of Pope County Peach Growers Cooperative Association, expressing approval of H. R. 8362 introduced by Congressman TRIMBLE which proposes an amendment to the present laws regulating the making of agricultural loans by the Farmers' Home Administration; to the Committee on Agriculture.

328. By the SPEAKER: Petition of Mrs. Grace E. McCracken and others, Steubenville, Ohio, requesting veto of the civil-rights bill; to the Committee on the Judiciary.

329. Also, petition of Eric E. Glass, San Antonio, Tex., requesting a thorough Congressional investigation of the activities of Judge Albert L. Watson, of the United States District Court for the Middle District of Pennsylvania, and more specifically concerning his direct and indirect activities with the criminal trial of Adolphus Hohensee, No. 12529; to the Committee on the Judiciary.

330. Also, petition of Charles F. Jordan, secretary-treasurer, International Brotherhood of Operative Potters, East Liverpool, Ohio, relative to condemning severely the administration of our trade and tariff laws under State Department domination; to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

Aviation Corporation of America

EXTENSION OF REMARKS
OF

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 13, 1957

Mr. DINGELL. Mr. Speaker, 1,200 workers employed by the Aviation Corporation of America—Avco—at its New Idea division plant have been on strike more than 16 weeks. It has meant great sacrifice for the workers and for their union. But the union is as solid today as it was when the strike began.

The union has continued because the workers involved are fully convinced of the justice of their demands. The New Idea division has always brought a substantial profit to Avco and there is no doubt that the company can afford to meet the wage standards generally prevailing in the steel industry.

Avco is listed by Fortune magazine as the 121st largest manufacturing company in America. It had sales of $350 million in 1956. Its assets total $181 million. Yet, this firm pays a substandard wage at its struck plant at Coldwater, Ohio—a wage more than 50 cents an hour below that paid by other organized companies in the industry.

This is the basis for the strike and the reason it has gained solid support from the workers at Coldwater—this, and the medieval policy of Avco. Despite the fact that a pension plan generally is recognized as a standard working condition by America's large industrial companies, there is none at Avco's Coldwater plant and the company refuses to grant one. Although the idea of supplemental unemployment benefits has been accepted by major steel-fabricating companies, this idea is too advanced for Avco.

A decisive part of big industry has recognized the justice of cost-of-living clauses guarding the buying power of their employees. This has not been the case at Avco, which even today offers what is at best only an inferior clause making a mockery of the whole idea of worker protection against inflation.

The union shop had existed at Avco for years, but now, in retaliation against the strikers, the company is seeking to destroy all union security at its New Idea plant. Avco wants a long-term contract. The union is agreeable to a 3-year contract to insure stability for all. The company offers a package increase over that period worth only slightly more than half the gains accepted by other major fabricating firms as fair and reasonable.

In a telegram sent to Mr. H. W. Lacey, industrial relations director for Avco at the struck Coldwater plant a week before he died, Red Davis informed the company that when "Avco manufacturing decides to agree to a fair wage structure, a seniority provision in the contract that actually gives Avco employees protection against your sharpshooting tactics, and grievance procedures that we have always had at New Idea, and that protects the incentive employee, then you can have a new contract in a matter of hours."

These facts involve a matter of economic and social justice for these citizens of Ohio, and the Nation, but they also involve an important matter of public policy.

Avco manufacturing retains its advantageous position in American industry today largely because of Government contracts. Despite the strike and the company's refusal to pay wages equal to those of its competitors, Avco has been guaranteed a profitable operation by the taxpayers, millions of whom are union members.

During the current negotiations at Coldwater, Avco management there informed United Steelworker negotiators that its workers have no need for the prevailing industry wage or pensions because they are, after all, little more than country bumpkins who will only spend the money foolishly. Yet this company which views American citizens with contempt has had no hesitancy in accepting the defense business of those same citizens.

On July 2, the New York Times announced that Avco had been awarded a $111 million contract for the development of a nose cone for the Air Force's hydrogen bomb carrying ballistic missile. The Wall Street Journal's account of this transaction pointed out that it was the largest peacetime Government contract awarded to this company and that it is in

addition to more than $8 million of previous research and facilities contracts.

An enlightened social policy is as much a part of the defense of our free America as the H-bomb and possibly more so. It will do us little good to defend ourselves with H-bomb development if, in the process, we permit the destruction of free collective bargaining by antiunion employers emboldened and supported by Government subsidy coming in the form of negotiated defense contracts.

It is time for the agencies that let out our defense contracts to recognize that an enlightened labor policy by employers should be as much a requirement as efficient engineering. Certainly employers who persist in paying substandard wages or in maintaining poor working conditions in any part of their operation have no right to Government contracts on the same terms as fair employers. Certainly, Government money should not be used to subsidize employers seeking to impose substandard contracts upon workers, as in the case of Avco.

Government policy in this whole area will benefit if this situation is carefully examined. It may well be that the provisions of the Bacon-Davis law are being disregarded by permitting Government contracts to be given to employers paying less than the prevailing wage to their employees.

Questionnaire to 11th District of Missouri

EXTENSION OF REMARKS
OF
HON. MORGAN M. MOULDER
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 13, 1957

Mr. MOULDER. Mr. Speaker, several weeks ago, I submitted a questionnaire to the rural, star route, post-office boxholders and to all persons listed in the telephone directories in all cities and towns of the 11th Congressional District of Missouri. I am pleased to report that 14,414 people have answered the questionnaire to date. I appreciate the fine response to the questionnaire and I am gratified to say that the people of the 11th District of Missouri are intensely interested in their Government and are willing to take the time to participate in it by expressing their opinions and advice to their Representative in the Congress.

The following is the questionnaire and the results, first in the actual figures and second in percentages:

1. Would you rather balance the budget and reduce the national debt than cut taxes? Yes, 9,565 (67.2 percent); no, 3,518 (24.7 percent); no opinion, 1,160 (8.1 percent).

2. Do you favor Federal aid for school construction? Yes, 7,584 (53.4 percent); no, 5,771 (40.7 percent); no opinion, 843 (5.9 percent).

3. Do you favor extending the Federal minimum wage and overtime hour laws—$1 an hour minimum—to retail stores and service establishments? Yes, 7,595 (53.4 percent); no, 5,093 (35.8 percent); no opinion, 1,541 (10.8 percent).

4. In the operation of the Post Office Department there is presently an annual deficit of approximately $464 million. Do you favor an increase in all classes of postal rates to: (a) Make the Post Office Department self-supporting? Yes, 7,418 (52.8 percent); no, 3,555 (25.3 percent); no opinion, 3,085 (21.9 percent). (b) Make a substantial reduction in the deficit? Yes, 5,633 (39.9 percent); no, 1,937 (13.8 percent); no opinion, 6,517 (46.3 percent).

5. If it requires a social-security tax increase, should the social-security retirement age for men be lowered to 62 (as now provided for women)? Yes, 6,945 (45.2 percent); no, 6,420 (45.4 percent); no opinion, 768 (5.4 percent).

6. Do you favor an increase of old-age assistance benefits? Yes, 8,549 (60.4 percent); no, 4,232 (29.9 percent); no opinion, 1,369 (9.7 percent).

7. Last year we adopted the farm soil-bank plan (costing $1.2 billion annually) to pay farmers for taking certain farmlands out of production to reduce farm product surpluses. (a) Do you favor this program? Yes, 3,371 (24 percent); no, 8,656 (61.6 percent); no opinion, 2,015 (14.4 percent).

(b) Do you favor the Eisenhower administration of this program? Yes, 3,045 (21.1 percent); no, 7,586 (52.6 percent); no opinion, 3,783 (26.3 percent).

8. Do you favor Federal regulation of labor union welfare funds? Yes, 9,767 (68.2 percent); no, 2,546 (17.8 percent); no opinion, 2,001 (14 percent).

9. Do you favor right-to-work laws which provide that a worker does not have to join a union to hold a job? Yes, 10,600 (75.1 percent); no, 2,954 (20.9 percent); no opinion, 564 (4 percent).

10. The President's annual budget asks for $4.4 billion for foreign military and economic aid ($2.6 billion for military aid and $1.8 billion for economic aid) for and during the next fiscal year. Do you favor this? Yes, 4,215 (30.9 percent); no, 7,133 (52.4 percent); no opinion, 2,278 (16.7 percent).

11. Do you approve President Eisenhower's general foreign policy? Yes, 4,951 (36.6 percent); no, 6,353 (47 percent); no opinion, 2,219 (16.4 percent).

12. Do you favor admitting more immigrants, including refugees from Communist-dominated countries, as permanent residents? Yes, 2,548 (18 percent); no, 10,094 (71.4 percent); no opinion, 1,504 (10.6 percent).

13. Do you favor the admission of Alaska and Hawaii as States? Yes, 10,861 (79.6 percent); no, 1,370 (10.1 percent); no opinion, 1,406 (10.3 percent).

A Bill To Allow School Teachers an Income Tax Exemption on the First $3,000 of Their Salary

EXTENSION OF REMARKS
OF
HON. SID SIMPSON
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 13, 1957

Mr. SIMPSON of Illinois. Mr. Speaker, I have today introduced a bill which would allow all accredited schoolteachers an income-tax exemption on the first $3,000 of their salary. It seems to me teachers and instructors, because of low salaries, are harder to obtain than classrooms.

This exemption, which is equivalent to a salary increase, can well be the contribution of Federal aid to education, and without any Federal control. It would relieve local taxing bodies of any tax increase in order to obtain teachers at higher salaries. Some States have a minimum teacher's salary, which in Illinois is $3,200.

The estimated number of teachers in the United States for 1956–57 is as follows: Elementary schools, 751,490; high schools, 426,560; college instructors, 1955, 298,910; almost 1½ million.

In introducing this bill this late in the session, I am hopeful the Ways and Means Committee will consider some such proposal when that committee holds hearings this fall on next year's tax bill.

There is a precedent for this kind of legislation in the additional exemption for all over 65.

Taxes, Trujillo, Jr., and Training for Tyranny

EXTENSION OF REMARKS
OF
HON. CHARLES O. PORTER
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 13, 1957

Mr. PORTER. Mr. Speaker, Members particularly concerned with the prudent spending of the taxpayers' money in the interest of national defense may be interested in the following correspondence between myself and the Defense Department:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., July 25, 1957.

Hon. WILBER M. BRUCKER,
Secretary of the Army,
Washington, D. C.

DEAR MR. SECRETARY: An item appearing in a New Orleans newspaper on July 19, 1957, reports that Rafael L. Trujillo, Jr., the son of the Dominican dictator, left New Orleans on that day to attend the Army's Command and General Staff School at Fort Leavenworth, Kans.

I should like to know if this information is true, and if it is, the explanation for General Trujillo's admission there.

Furthermore, I should greatly appreciate having a list of those individuals from Cuba, Nicaragua, Venezuela, and the Dominican Republic who are in the same class with General Trujillo, and a list of such nationals who have been in previous classes within the last 5 years.

I must say that I find it hard to rationalize making this wonderful training available to men who will use it to oppress their own peoples and who will never be able to contribute anything substantial to American defense. Your comments on this aspect are invited.

Sincerely yours,
CHARLES O. PORTER,
Member of Congress.

DEPARTMENT OF THE ARMY,
OFFICE OF THE SECRETARY OF THE ARMY,
Washington, D. C., August 13, 1957.

Hon. CHARLES O. PORTER,
House of Representatives.

DEAR MR. PORTER: This letter is in further reply to your inquiry concerning the attendance of Gen. Rafael L. Trujillo, Jr., and other foreign nationals at the Command and

General Staff College, Fort Leavenworth, Kans.

General Trujillo, who assumed the rank of colonel while at school, and Lt. Col. Fernado A. Sanchez, members of the armed forces, Dominican Republic, are students at the Command and General Staff College. Enrolled in the same class are two students from Venezuela, Lt. Col. Benjamin Maldonado and Maj. Carlos Oscar Mendez Cardenas. Cuba and Nicaragua do not have students enrolled in the present class.

Under the Mutual Security Act of 1954, as amended, the Dominican Republic is eligible to receive military assistance. The Dominican Republic requested and was allocated two spaces at the Command and General Staff College.

The following students from Cuba, Dominican Republic, Nicaragua, and Venezuela have attended the Command and General Staff College during the past 5 years:

Cuba: Maj. Benjamin Camino y Gomendia, 1955.

Dominican Republic: No students have attended prior to fiscal year 1958.

Nicaragua: No students have attended to date.

Venezuela: Lt. Col. Jose V. Zambrano, 1952; Lt. Comdr. Carlos Bacalao-Lora, 1952; Maj. Raul Antonio Groce-Roa, 1955; Maj. Lulio Salgado Ayala, 1955.

The Department of the Army provides training at United States Army service schools only to those countries which have been declared eligible for such training under Presidential directives, the Mutual Security Act of 1954, as amended, and Department of Defense policy directives.

Your interest in this matter is appreciated.

Sincerely,

J. E. BASTION, JR.,
Brigadier General, GS., Deputy Chief of Legislative Liaison.

Jewish War Veterans Question Constitutionality of Discriminatory Dhahran Airbase Agreement

EXTENSION OF REMARKS
OF
HON. LUDWIG TELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 13, 1957

Mr. TELLER. Mr. Speaker, we fight for vindication of a profound American tradition when our efforts are directed to combating all forms of discrimination, whether based on religion, color, creed, or belief. This American tradition is not only an internal source of strength but a beacon of hope for all the world, and substantially accounts for our international prestige.

The present administration has sullied this glorious tradition in recently confirming an agreement with Saudi Arabia by which soldiers of the Jewish faith are excluded from the airbase at Dhahran. As usual, the Jewish people are not alone in this disgraceful episode of discrimination. Chaplains representing all faiths are obliged to perform their religious services surreptitiously. Insignia and other identification of the clergy of all faiths may not be worn or displayed at the Dhahran Airbase.

The Jewish War Veterans of the United States adopted a resolution in May 1957 in which the Dhahran Airbase agreement was condemned as an unwholesome departure from American instincts and traditions, and the constitutionality of this oil-motivated agreement was questioned.

On Tuesday, September 17, 1957, Constitution Day, the New York State Jewish War Veterans will hold a conference at the Wall Street Synagogue from 6 p. m. to 8:30 p. m. at which Department Commander Hyman Bravin will preside. The main purpose of the conference will be given over to questioning the constitutionality of the Dhahran Airbase agreement. The discussion will be led by one of our most active figures in Jewish, fraternal, civic, and political affairs, Jacob Padawer, department judge advocate of the Jewish War Veterans of the United States. Mr. Padawer, a noted lawyer, will dissect the constitutional infirmities of the Dhahran Airbase agreement, and he will also expose its violation of basic American principles and traditions.

The September 17 meeting of the Jewish war veterans at the Wall Street Synagogue has large current significance, and Mr. Padawer's presentation will be of great public interest, because its celebration of Constitution Day will be accompanied by warnings that we must practice what we preach if our ideals are to be respected at home and abroad.

M. Sgt. Thomas F. Bell

EXTENSION OF REMARKS
OF
HON. FRANK IKARD
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 13, 1957

Mr. IKARD. Mr. Speaker, recently I had the privilege of visiting in my office with a very distinguished constituent of mine, M. Sgt. Thomas F. Bell, from Vernon, Tex. Sergeant Bell entered the military service in 1942 as an infantryman and transferred to the Air Force in 1943. He was with the 15th Air Force in Italy during the early part of 1944 as a flight engineer and gunner in the 781st Bomber Squadron and flew 56 combat missions in B–24 heavy bombers. His missions included bombings over Ploesti, Munich, and Frankfurt, and during one of his missions he was wounded over Bologna, Italy. Since the war he has served as line chief in B–26, test engineer at Frederick Air Force Base, Okla., and later sent to Sheppard Air Force Base as a liaison sergeant for the Air Force Reserve and returned to flying status when he was transferred to Walker Air Force Base, N. Mex., where he also served as a flight engineer on B–29 and B–50 aircraft.

Sergeant Bell was in Korea with the 27th Fighter Bomber Wing and served for 9 months as a line chief on F–84 thunder jets. In 1951, Sergeant Bell returned to the United States and took his discharge from the Air Force. He returned to Vernon, Tex., as a civilian and served as chief of police in Vernon from 1952 to 1955 when he decided to go back into the Air Force. He was voluntarily recalled to active duty in 1955 and became a line chief for F–86 Sabrejets while stationed at Perrin Air Force Base, Tex. He went overseas to Naha Air Force Base, Okinawa, and served as line chief in the 16th Fighter Interceptor Squadron.

The occasion of Sergeant Bell's visit to Washington was for the purpose of attending the golden anniversary of the United States Air Force as the representative of the Pacific Air Force. He was chosen for this honor in competition with other Pacific Air Force noncommissioned airmen and was 1 of 21 outstanding noncommissioned airmen selected for this honor. Sergeant Bell is married and has three sons. He is presently serving with the Air Force in Okinawa.

I consider it a privilege to call attention to the splendid record of Sergeant Bell, and to publicly commend him for his distinguished service to his country, both in time of war and in time of peace.

Save Grange Headquarters

EXTENSION OF REMARKS
OF
HON. ROBERT P. GRIFFIN
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 13, 1957

Mr. GRIFFIN. Mr. Speaker, I have introduced a bill to prohibit any Government agency from acquiring or using the National Grange Headquarters site here in Washington without specific Congressional approval.

The bill is a companion to a number of bills introduced in the House and to S. 2696, introduced in the Senate by Senator POTTER. The bill would require the Administrator of the General Services Administration to withdraw the declaration, heretofore filed in United States district court, taking title to the Grange Building and lot, and would require him to take such other action as may be necessary to restore title to the National Grange of the Patrons of Husbandry.

Title was taken by the Government to the entire block known as Jackson Square, in which the Grange lot is situated, with the notable exception of the Decatur House which surrounds on the west and north the relatively small rectangle—50 by 70 feet—occupied by the 7-story Grange Building.

I have tried to view this matter objectively. Based upon information which has come to my attention, I believe Grange Master Herschel D. Newsom has justification for saying that because of its juxtaposition with Decatur House, destruction of the Grange Headquarters Building is not necessary in order to permit erection of the planned Federal Office Building.

Furthermore, present plans for the proposed new office building to be erected in Jackson Square indicate that the new building will not occupy any of the land now owned by the Grange. It appears that the Grange site will only

serve as lawn area for the new building. In light of the important economy drive now in force, I do not think taxpayers would approve an expenditure of $150 to $200 a square foot to provide for grass and flowers.

Certainly the National Grange property, purchased in 1941 with funds raised through the activities of more than 7,000 local Grange organizations, should not be sacrificed merely to provide lawn space.

I believe that the Members of Congress should keep in mind also that the Grange Building, in addition to its own national offices, houses the National Council of Farmer Cooperatives, the American Institute of Cooperation, National Agricultural Research, Inc., Farm Roads Foundation, and Washington offices for more than 30 farm publications.

Certainly, this building is now serving very important and worthwhile public purposes which are in the interest of agriculture, the American farmer, and the Nation generally. I therefore urge my colleagues to give all possible support to proposed legislation which would save the National Grange Headquarters Building from destruction.

Washington Report, August 10, 1957

EXTENSION OF REMARKS
OF
HON. BRUCE ALGER
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 13, 1957

Mr. ALGER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following Washington Report of August 10, 1957, my weekly newsletter to constituents:

The supplemental appropriation bill, 1958, was passed with many misgivings. Why—only weeks after a new fiscal year starts, for which period every Government agency appropriation had been previously passed—should more money be needed? Eleven departments received additional funds. Also, with logic known only to the Appropriations Committee's leadership, the $1.5 billion military construction expenses were included instead of comprising the usual separate bill.

Of the State Department appropriation of $6 million the greatest furor came over $3.5 million to Israel for club premises, ceramics kiln, and studio building equipment, one-floor addition to a museum's art gallery, completion of a cultural center, a revolving scholarship fund, financing of a postgraduate college building, completion of hostel construction, choir assembly support, construction of a museum, library, music conservatory, concert hall, and Boy Scout camp development, financing archaeological expeditions, construction and equipment of a nursery, summer camp for underprivileged children, a YMCA building, and many others. Some may question if all these are even the function of a local charity like the Community Chest, much less the role of one government providing for another. Many of these projects we do not permit our Federal Government to provide for our own people. So who's looking after our taxpayers' money and for economy and "cut the budget"? Only 82 of us voted to trim out some of the questionable projects.

No other Texan joined me to eliminate $10 million from the $13.5 million additional appropriation to the TVA for more socialized power production, and we lost 158 to 244. Here's an excellent example of the mutual back-scratching—anyone having a Federal project in the works feels it necessary to vote for the other fellow's project. The alleged Southern States righters voted for this greatest boondoggle of all time. It just isn't right for all taxpayers to foot the bill for the favored few to get Government-subsidized cheaper electricity. This in addition to the violence done to the Constitution and States' rights by this big Federal bureaucratic empire of lakes, dams, powerplants, and numerous Government business enterprises like fertilizer manufacture, etc.

Civil rights, now watered down to a Federal right-to-vote law, poses an interesting question and violation of States rights. What happens now to individual States' varied voting standards, property ownership, residence, and the like? Decentralized voting by States has been one of the greatest protections against complete Federal domination.

The Atomic Energy Commission appropriation bill to appropriate $259 million passed overwhelmingly, but only after a spirited debate over the issue of whether Government (public) or private enterprise should build atomic reactors to develop electric power. Happily, the private enterprise amendments won out by a close vote of 211 to 188 and 213 to 185. It was almost a party line vote—Democrats for Government development, Republicans for private. Only 3 and 4 Texans joined me in these votes to reduce Government participation in this program.

The Federal employees' salary bill averaged an 11 percent increase. In view of the 5 percent cost-of-living rise since the last pay boost, the 11 percent seemed high to me, considering also that retirement benefits have been increased by 25 percent in the last year. I voted to increase the pay 7½ percent because I believe a pay increase is warranted at this time. Of course, it's easy to spend the taxpayers' money. In fact, to some there's a little reason to oppose Government spending at any time, particularly when votes back home are at stake. This pay increase becomes particularly objectionable in view of the already huge Government expenditures. First, we must cut out some Government spending before we hastily spend more; otherwise, we must increase taxes or increase the national debt by borrowing and thus, through inflation, further reduce everyone's buying power. This bill increases the Federal payroll $532 million per year. It passed 329 to 58.

This newsletter will be the last regular weekly—with possibly a summary just at or after adjournment. Remember, you have two Senators to inform how you feel. Congress' adjournment is still most uncertain and most political.

What Do Minneapolis People Think on Major Issues?

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 13, 1957

Mr. JUDD. Mr. Speaker, in recent years I have annually prepared and sent to each resident of my Congressional district whose name was listed in the telephone directory, a questionnaire dealing with some of the major controversial issues facing Congress and the Nation. The response to this year's questionnaire, totaling almost 9,000 replies, has been most gratifying and informative.

It was my plan to report a compilation of the replies earlier in the present session. In fact, May 1 was established as a cutoff date and complete tabulations were made. But when hundreds of additional replies continued to come in, it seemed advisable to retabulate. This has considerably delayed the public report, but the trends in the thinking of the people of my district were quite plain by last April.

At least a third of those replying took the trouble to add constructive comments. Many said that on certain questions a straight "yes" or "no" answer was not fully descriptive of their view. I recognize fully that on a complicated issue it is not possible to phrase a short question in such a way that a "yes" or "no" answer will express exactly what one believes. But even so, the person's reaction of approval or disapproval "in general," tells me a lot and is very useful.

This is the same problem a Congressman has to resolve when he votes on a complicated bill. How often I wish I could vote, say, 70 percent for and 30 percent against a bill. But I can vote only "yes" or "no" as if it were all good or all bad. The decision has to be made on whether I think the good features are sufficiently good to justify accepting the bad along with them.

Highly significant is the consistency with which residents of the Fifth Minnesota District, regardless of party affiliation, are in fairly close agreement on most issues. This is particularly true with respect to foreign policy questions, but carries over to a surprisingly high degree on most major domestic issues. For example, a large majority of the members of both parties as well as of independents believe that postal rates should be increased to pay more of the costs of operating the postal service, and that Government aid to farmers should not be increased.

Considering the recent magazine articles and radio and TV programs emphasizing waste or failure in our foreign aid programs, it is important to note overwhelming support in all groups for the basic objectives of our mutual security programs to assist friendly nations in the struggle against world communism. The rank and file are properly concerned about the trees, but they do not lose sight of the forest.

The replies show clearly that the two uppermost concerns of our people today are our national security and our economic stability. They recognize that the menace of world communism is the No. 1 issue of the 20th century. National defense—the threat from without—ranks first in concern. Communism in Government—the threat from within—ranks second. The economic stability of our Nation is next, as shown by the fact that reducing taxes, reducing

the Federal budget, and reducing the national debt rank third, fourth, and fifth.

The replies make plain the desire of the people for greater economy in governmental expenditures. And, I might add, this desire has brought results. I have received much less mail this year urging new spending than in any of my 15 years in the Congress.

Yet, by no means do people desire to abolish or curtail established assistance programs, such as social security. They show, however, a growing awareness of the costs of these programs and ask that a real justification be made before we further extend or expand them.

What the people want now, the replies demonstrate, is a thorough reappraisal of our social security system in terms of today's conditions. Many failed to realize, when social security was begun in the depression years, that it was not designed primarily to provide for employed persons the income necessary to an adequate living standard in their later years, but rather to get older persons out of the labor market and thereby spread the number of jobs. To accomplish that end the original law provided that a retired person would lose his benefits if he earned more than $14.99 a month. But now there is no such need to save jobs for younger people. The economy needs the skills of all, including the elderly. There is no need to penalize them for the good American virtue of industry. They are happier as well as better off if they can work a few years longer.

Furthermore, they need the additional income because they find that they cannot live on the retirement benefits they receive. Many had been led to believe that social security would take care of their retirement needs and they did not save as formerly or make other provision for their old age. Their payments into the fund were never adequate to provide annuities of the size they need—especially now when continued inflation has reduced so drastically the purchasing power of those annuities. Much clear thinking and numerous adjustments are necessary in this area if the confidence of our people is to be retained.

Distinctly evident in the replies is the tendency of rank-and-file people to have less confidence than some officials have in their ability to make any lasting and beneficial arrangements with the leaders of Communist nations—be they Russian, Chinese, or Titoists. The people can tell the difference between right and wrong; they put principle ahead of expediency. They know that the Communist form and philosophy of government is incompatible with human freedom and with our own way of life; therefore they are not too optimistic about negotiations with leaders of Communist governments. They put more trust in sticking to our principles than in deals with oppressors. My own conviction is that history will prove the people more realistic in their appraisal than many supposed experts have been.

It is interesting to note the overwhelming and bipartisan support for increased postal rates to pay the cost of the postal service, and yet the great difficulty in getting the Congress to pass this type of legislation.

Civil rights is of greater concern to the people of the Fifth Minnesota District this year than it was in last year's questionnaire, as would be expected in view of recent public discussion of this issue in Congress, and in the news.

Low farm prices are of less concern than they were last year. Probably this is accounted for by the leveling off in farm price decline, and in many instances, substantial increases in farm prices under present long-range farm programs.

May I also say that I am personally very grateful for the appreciative remarks a good many added about my work as their representative in the Congress. Naturally I like to hear that, but I also value and welcome the criticisms expressed by some. Wherever there is dissatisfaction it is helpful to know it, so that my views or actions, if in error, can be corrected; or if the criticism results from misunderstanding of my position, it can be better explained.

Mr. Speaker, these are but a few of the observations and reflections suggested by the response to my questionnaire this year. The replies indicate careful consideration and thought. They deserve equally careful and serious study.

The survey follows:

OPINION SURVEY—FIFTH CONGRESSIONAL DISTRICT, MINNEAPOLIS, MINN., 1957

Do you consider yourself:

	Number of replies	Percent of total
Democrat-Farmer-Labor	737	8
Republican	4,956	57
Independent	3,015	35
Total returned	8,708	100

FOREIGN POLICY

1. In general, do you approve the way the Eisenhower administration is handling our foreign relations?

	Yes	No	No opinion
In Europe?			
All	75.5	16.9	7.6
Democrat-Farmer-Labor	47.4	42.9	9.7
Republican	86.3	8.5	5.2
Independent	68.0	24.6	7.4
In the Middle East?			
All	63.3	28.1	8.6
Democrat-Farmer-Labor	29.0	60.8	10.2
Republican	74.9	17.2	7.9
Independent	52.7	38.1	9.2
In the Far East?			
All	68.8	21.9	9.3
Democrat-Farmer-Labor	38.5	49.7	11.8
Republican	79.3	12.6	8.1
Independent	58.9	30.6	10.5

2. In general, do you favor continued United States assistance to other countries in the Free World's struggle against Communist aggression and subversion?

	Yes	No	No opinion
All	79.5	13.8	6.7
Democrat-Farmer-Labor	75.9	17.2	6.9
Republican	82.0	11.7	6.3
Independent	76.2	16.4	7.4

3. Do you favor such assistance to:

	Yes	No	No opinion
Egypt?			
All	30.7	55.7	13.6
Democrat-Farmer-Labor	30.4	58.3	11.3
Republican	31.4	54.2	14.4
Independent	29.7	57.5	12.8
Israel?			
All	50.6	36.4	13.0
Democrat-Farmer-Labor	56.2	34.3	9.5
Republican	50.3	35.9	13.8
Independent	49.9	37.5	12.6
Poland?			
All	52.1	34.8	13.1
Democrat-Farmer-Labor	54.3	34.6	11.1
Republican	53.2	33.4	13.4
Independent	49.2	37.2	13.6
Yugoslavia?			
All	43.0	42.1	14.9
Democrat-Farmer-Labor	46.5	40.9	12.6
Republican	43.6	41.1	15.3
Independent	41.1	44.2	14.7

4. Do you favor changing our laws to permit barter of farm surpluses to Communist nations?

	Yes	No	No opinion
All	42.1	49.5	8.4
Democrat-Farmer-Labor	39.3	52.9	7.8
Republican	40.3	50.9	8.8
Independent	45.7	46.3	8.0

5. Do you think Congress should authorize admission of a greater number of refugees from Communist-dominated countries?

	Yes	No	No opinion
All	30.8	62.7	6.5
Democrat-Farmer-Labor	29.1	66.4	4.5
Republican	30.9	62.4	6.7
Independent	31.1	62.1	6.8

DOMESTIC POLICY

6. Do you favor Federal financial aid for construction of public schools:

(a) If the amount of aid to a State is determined only by the number of school-age children in that State?

	Yes	No	No opinion
All	29.9	56.6	13.5
Democrat-Farmer-Labor	45.0	40.3	14.7
Republican	26.1	60.7	13.2
Independent	32.7	53.7	13.6

(b) If the amount of aid takes into consideration also a State's resources and the effort it is making with those resources? (A "no" answer to both (a) and (b) will indicate you are opposed to Federal aid.)

	Yes	No	No opinion
All	59.6	31.9	8.5
Democrat-Farmer-Labor	73.7	17.1	9.2
Republican	56.4	35.9	7.7
Independent	61.3	29.2	9.5

7. If you approve Federal aid for public school construction, do you favor inclusion of a provision barring aid to States that maintain segregated school systems?

	Yes	No	No opinion
All	37.0	40.0	23.0
Democrat-Farmer-Labor	47.1	44.8	8.1
Republican	33.5	39.7	26.8
Independent	40.4	39.3	20.3

8. Welfare programs such as social security, old-age assistance, unemployment

and disability compensation, etc., have been expanded substantially during recent years, with corresponding increase in costs. Do you favor further expansion of these programs?

	Yes	No	No opinion
All	55.2	38.9	5.9
Democrat-Farmer-Labor	84.0	13.0	3.0
Republican	47.1	46.9	6.0
Independent	61.5	32.1	6.4

9. In general, do you believe the Congress should provide greater financial assistance to farmers than they are now receiving?

	Yes	No	No opinion
All	15.1	78.5	6.4
Democrat-Farmer-Labor	39.3	53.7	7.0
Republican	9.8	84.5	5.7
Independent	17.9	74.6	7.5

10. Do you think Congress should increase postal rates to reduce the estimated Post Office deficit of $650 million instead of paying the annual deficit by taxes as at present?

	Yes	No	No opinion
All	75.4	19.9	4.7
Democrat-Farmer-Labor	72.9	23.7	3.4
Republican	75.5	19.9	4.6
Independent	75.7	19.2	5.1

11. Do you think Congress should repeal the provision under which some States have banned compulsory union membership clauses in labor-management contracts?

	Yes	No	No opinion
All	21.7	68.1	10.2
Democrat-Farmer-Labor	50.5	38.4	11.1
Republican	14.7	75.7	9.6
Independent	26.1	62.7	11.2

12. Do you think Congress should pass legislation requiring Federal registration and regulation of labor union pension and welfare funds?

	Yes	No	No opinion
All	85.3	9.3	5.4
Democrat-Farmer-Labor	77.7	16.7	5.6
Republican	88.1	7.1	4.8
Independent	82.2	11.5	6.3

13. Do you think Congress should increase substantially the limitation of $1,200 which a person receiving social security benefits can earn without losing those benefits, even though such increase would require larger payroll deductions for social security?

	Yes	No	No opinion
All	56.4	35.8	7.8
Democrat-Farmer-Labor	65.7	27.8	6.5
Republican	55.3	37.2	7.5
Independent	56.0	35.5	8.5

14. Do you favor continued development of Wold-Chamberlain Field as the major airport for commercial flying in the Twin City area?

	Yes	No	No opinion
All	78.9	15.4	5.7
Democrat-Farmer-Labor	78.4	17.8	3.8
Republican	80.3	14.1	5.6
Independent	76.8	17.0	6.2

15. Please number (1, 2, 3, 4, 5) in order of their importance the five domestic issues which cause you greatest concern today:

	All	Democrat-Farmer-Labor	Republican	Independent
National defense	16,683	1,243	9,767	5,673
Communist influence in United States	12,256	850	7,739	3,667
Reducing taxes	11,834	840	7,178	3,816
Reducing the Federal budget	11,778	444	7,815	3,519
Reducing the national debt	10,199	463	6,717	3,019
Civil rights	8,314	945	4,065	3,304
Corruption in Government	8,041	729	4,234	3,078
Federal bureaucracy	7,900	207	5,253	2,440
Cost of medical care	7,824	828	3,783	3,214
Provision for elderly people	7,294	801	3,774	2,719
School construction	7,188	935	3,421	2,832
Labor-management relations	7,043	416	4,459	2,168
Slum clearance	3,627	493	1,573	1,561
Low farm prices	3,561	545	1,757	1,259

NOTE.—Above ratings arrived at by figuring 5 points for issues numbered 1, 4 points for issues numbered 2, 3 points for those numbered 3, 2 points for those numbered 4, and 1 point for those numbered 5.

Col. John R. Donovan, Jr., a Tragic Loss

EXTENSION OF REMARKS
OF
HON. PHILIP J. PHILBIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 13, 1957

Mr. PHILBIN. Mr. Speaker, many people in Massachusetts and throughout the country were greatly saddened recently to learn of the untimely passing of Col. John L. Donovan, Jr., United States Air Force, retired, who for some years had resided at Quincy, Mass. He was a close friend, and I am deeply grieved by his demise.

Colonel Donovan had a distinguished, inspiring career. A graduate of Harvard College, where he stood out for his brilliant scholarship and his athletic prowess as an outstanding football star, John Donovan was a man of many parts and many interests.

At the time of his death, he was a high and very capable official of the General Services Administration at Boston, and previously served with the Veterans Administration in that city. His government service was conspicuous for great ability, efficiency and devotion to duty. Yet it was only one facet of the busy life of this most striking personality, who moved in many spheres of life.

The interests of John Donovan covered the widest range. He was active in a host of societies and organizations. To each, he brought unbounded enthusiasm, commanding mental powers and tireless energy.

John Donovan was a natural leader who inspired the confidence and trust of the people. He was brilliant in his conceptions, and once he decided upon a course of action he vigorously pursued it until it was successfully completed. He was a born organizer and his activities covered unceasing efforts and contributions in religious, patriotic, charitable, civic, military, and political programs.

He was intensely interested in the problems of youth and from early in life took effective leadership in the guidance, assistance, and counseling of innumerable young people. He worked wholeheartedly under the Commonwealth of Massachusetts in activities to better and improve the lot of the disabled, the handicapped, and less fortunate brothers.

Devoutly religious, he rendered unselfish service and furnished superb direction to a number of laudable, organized groups of his own religious faith—a faith which he embraced with unfaltering love, devotion, and loyalty throughout his life.

Prior to his association with the Government, he was prominently identified with political affairs in the city of Boston and the State of Massachusetts, and his advice, counsel, and help were eagerly sought by many candidates, who rose to high public stations. I can recall and acknowledge from a very grateful heart the magnanimous support and effective assistance which he rendered to me early in my political career and which was so helpful in enabling me to advance in the public service.

John Donovan was a dedicated and zealous patriot. When World War II came, he immediately rallied to the great cause of country and served with rare distinction in our great Air Force. At the time our American forces invaded France, Colonel Donovan was assigned with our expeditionary units and had the great honor of raising the American flag above the towers of the city hall at Paris.

One of Colonel Donovan's most brilliant accomplishments was his work in organizing and leading the Air Force Reserve unit at Boston following the war up to the time he became physically disabled not long ago.

I had the privilege at one time of visiting with and addressing this very remarkable unit. I was profoundly impressed by its personnel and esprit de corps. I came away convinced that it was the finest Reserve unit I had ever seen. Its roster read like a list of Who's Who in the business and professional life of New England. This was one of Colonel Donovan's greatest prides and greatest achievements. He was heartbroken when his physical condition required him to withdraw from its activities, because it was so dear to his heart. And well it may have been. I doubt there is another Reserve unit like it in the country. It is a monument largely to the vision, ability, and hard work of John Donovan.

Colonel Donovan has passed to his heavenly reward at the very crest of his powers. He leaves a rich legacy of devoted service to his country and his fellow man. He will long be remembered for his amiable personality and his constructive achievements, high character, and purpose.

Loving husband and brother, warmhearted, generous and devoted friend, public benefactor in many fields, loyal servant of his country in war and peace,

Colonel Donovan leaves a deep void in the lives of many that can never be filled. His memory will long remain green to bring inspiration, hope and faith for those who strive for a better nation.

I join in mourning the loss of a dear, admired friend and an able, generous counselor, and extend to his bereaved family, his gracious wife, who did so much to encourage, help and sustain him, and his loyal sisters who were ever a source of encouragement and assistance, most heartfelt sympathy. May they be comforted by the Almighty to bear their irreparable loss with true Christian reconciliation.

And may he find peace and rest in his eternal reward.

When the Next Satellite Revolts

EXTENSION OF REMARKS
OF
HON. ESTES KEFAUVER
OF TENNESSEE
IN THE SENATE OF THE UNITED STATES
Tuesday, August 13, 1957

Mr. KEFAUVER. Mr. President, many of us have been sorely concerned by what happened in Hungary, and our consciences have been disturbed. The Special Committee of the United Nations, composed of representatives of five nations, in a unanimous report has detailed the ruthless manner in which the revolt was crushed by the Soviet Union, and a legal government, popularly supported by the people of Hungary, was deposed. I think that the peoples of the Free World should be now discussing and adopting policies to deal with such future revolts. There is little we can do to repair what has happened in the past. We can prepare for the future. I ask unanimous consent to print an article which I wrote on this subject and which appeared in Western World for August 1957.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHEN THE NEXT SOVIET SATELLITE REVOLTS

(By Hon. ESTES KEFAUVER, of Tennessee)

(EDITOR'S NOTE.—Senator KEFAUVER served in the House of Representatives from 1939 until 1949, when he was elected to the Senate where he has served since that time. He is a member of the Judiciary and Armed Services Committees. He was the Democratic candidate for Vice President last year.)

There is an ominous silence over Eastern Europe. How long will the calm last?

In Hungary, Soviet repression continues and the trials of the rebels seem about to begin.

Red Poland is balancing on a tightrope. Gomulka, whose antipathy to Moscow has been greatly exaggerated, has relaxed the tension somewhat by loosening the peoples' shackles. He can hardly retighten the screws without provoking a popular revolt that would bring a worse repression. Yet, allowing his restless Poles full freedom (sure to include secession from the Kremlin) would have the same tragic result. How long can his act continue?

Another satellite outbreak anywhere seems almost sure to ignite a rebellion among the East Germans of the so-called People's Democratic Republic.

Already exiled Hungarian leaders are predicting a new revolt in the near future. It could hardly be otherwise. For the Hungarian revolt revealed unmistakably what the West should never have doubted—namely, that the East European peoples reject all forms of communism, national or Soviet, and will settle for nothing less than real freedom. Certainly not all of Mao Tse-tung's promises of a "hundred flowers blooming, a hundred schools of thought contending," will placate the dissatisfied if the condition is that all must be red.

Since the political barometer points to storm, elementary statesmanship would seem to require the governments of the free countries to face this possibility, and singly and collectively decide what, under such circumstances, they are prepared to do when the tempest breaks. Doing nothing could be excused in the case of Hungary on the grounds of surprise. For Westerners to stand idly by and once more wring their hands while brave men (and women and 12-year-olds) die in a cause we claim is ours, would discredit the West entirely. Henceforth no uncommitted people would be tempted to rely upon us for anything.

How, some will ask, can we be sure of anything behind the Iron Curtain? Would we not risk going off half-cocked, and plunging the world through ignorance into the world's worst war?

Let's look at Hungary.

Within the past few months that country has disgorged 190,000 refugees. And we have heard the sounds of that historic uprising, from the wild shouts of a short-lived triumph to the shrieks of terror that died out in a thin radio cry for help.

Now, to eliminate the last uncertainty, a United Nations report indicting the Soviets before the world and its fellow nations in the strongest denunciatory language gives the complete story.

On January 10, 1957, almost 3 months after the initial October revolt began in Hungary, the General Assembly of the United Nations appointed a Special Committee on the Problem of Hungary, composed of Mongi Slim, of Tunisia; Alsing Andersen, of Denmark; K. C. O. Shann, of Australia; R. S. S. Gunewardene, of Ceylon; and Enrique Rodriguez, of Fabregat, of Uruguay.

The Assembly asked the committee to carry out a full and objective investigation af all aspects of Soviet intervention in Hungary by armed force and by other means, and of the effects of such intervention in Hungary by armed force and by other means, and of the effects of such intervention on the political development of Hungary.

In its report, the committee stated that in carrying out the mandate, it studied "a rich documentation supplied by governments and obtained from other sources, while it closely questioned more than a hundred witnesses, representing every stratum of Hungarian society, whose testimony filled 2,000 pages in the verbatim record."

The committee also pointed out that the General Assembly had asked that the investigation be pursued in Hungary also, but the attitude of the Hungarian Government did not allow the committee to carry out this part of its mandate.

The five United Nations delegates saw fit to delete the more gruesome details of Soviet cruelty and barbarism. Yet the report is shocking enough in its blow-by-blow account of the heroic but fruitless uprising of an entire people and its subsequent bloody and illegal repression by the Russians. Even in its unexpurgated edition, free peoples wince to remember how they looked on passively while this was going on, and the United Nations—so prompt and brave in its reaction to Suez—did nothing but vote a series of academic resolutions, which Soviet Russia systematically and insolently flouted.

The essence of the committee's conclusions are:

1. The entire population, excluding only the political police, and including women and 12-year-olds, participated in the revolt.

2. The rebels established a legal government popularly supported by the people of Hungary.

3. Russia intervened, and removed this popular government formed by a spontaneous national movement, and neither aided nor abetted from the outside.

4. The government put into power by the Soviet did not at the time, and does not now, have the support of the people of Hungary.

5. The situation in Hungary today is as bad or even worse than at the time of the revolt. The people have no personal freedom and are completely under the yoke of the Soviet communistic dictatorship.

A CONGRESSIONAL VIEW

A previous special report on the subject of Hungary by the House of Representatives' Committee on Foreign Affairs gave the world additional background information about what happens when a satellite nation defies Soviet Russia.

Here is a summary of some of its observations and impressions:

The catastrophic Hungarian revolution of October 23 caught the Free World totally unprepared, and subsequent events clearly show the Soviet Union is determined to go to any and all lengths to maintain its empire of enslaved peoples by the most brutal forms of armed subjugation and repression, when permitted to do so. Its policy toward the satellite nations is one of ruthless colonialism and overlordship of both human and natural resources without parallel in modern history. Because of this knowledge now broadcast without equivocation or doubt to the world, it might be difficult if not impossible to prevent Free World volunteers from moving in to counter Soviet aggression should another satellite nation revolt.

A third detailed report made by the International Commission of Jurists in The Hague in April of this year has this to say in summary:

Soviet intervention in Hungary clearly constituted aggression, if it took place without Hungarian permission, according to the Soviet definition of the word aggression, the relevant part of which (art. I) reads as follows:

"In an international conflict that state shall be declared the attacker which first commits one of the following acts: Invasion by its armed forces, even without a declaration of war, of the territory of another state; bombardment by its land, sea, or air forces of the territory of another state or the carrying out of a deliberate attack on the ships or aircraft of the latter; the landing or leading of its land, sea, or air forces inside the boundaries of another state without the permission, particularly as regards the length of their stay or the extent of the area in which they may stay."

Permission to station Soviet troops in Hungary is given by the Warsaw Pact of May 14, 1955, provided it is "by agreement among the states, in accordance with the requirements of their (the signatories of the Warsaw Pact) mutual defense."

So the world now has proof positive and authentic background information on how the Soviets acted when a satellite nation revolts. It also has the dismal evidence of how the rest of the world behaved in the face of such action as a direct result of lack of foresight in planning a policy of action in the wake of such a revolution.

The revolt of Hungary may have been a dangerous crisis wherein extreme prudence can be understood if not approved.

But it was nonetheless what the House of Representatives subcommittee called "the lost opportunity of our generation." For

the United States administration, which had for years emphasized the need for the "liberation of East Europe," to fall back on "reliance on moral pressures" was a retreat that verged on a surrender. But neither the American nor his European colleague showed any stomach for positive action.

Nor did the United Nations.

In fact, the double failure of the North Atlantic Treaty Organization and the United Nations to give positive help to the Hungarians was one of two things. Either it was the acknowledgment of Russia's right to dominate the Warsaw Pact area (a revival of the 1944–45 American alibi that the U. S. S. R. could properly claim "friendly neighbors"), or it was a confession that Western devotion to freedom is a punier thing than Western fear of being involved in another major war.

Give the Western peoples credit. They wanted to help. I have never seen my own fellow Americans or Members of the United States Congress so universally disturbed by any world crisis as they were by the Hungarian revolt. I trust in this world of the stiff upper lip that it would not be melodramatic to say I heard women weep and saw usually cheerful men walk around with a stunned solemnity in those days immediately following the Hungarian revolt. I have never seen shame and horror so universally written on the faces of my countrymen.

And I heard them ask over and over * * * what can we do?

The thing is, they didn't know what to do. Many were ready to spring into action as volunteers along with the Hungarians.

And the United States administration, preoccupied with the events around Suez, gave no lead. For 4 days, October 23 to 27, it did nothing. Then, having summoned the United Nations, it limited itself to strictly verbal condemnation of Soviet aggression. To all of which the Kremlin paid not the slightest attention. Indeed, to underline their contempt for world opinion, Russian leaders suddenly threatened to obliterate Paris and London with guided missiles.

President Eisenhower later announced that Americans cannot have one law for their friends and another for their enemies. Indeed, it would have been enough if he had treated our enemies, the Red Russians, with the same severity he showed toward our much-provoked friends—France, Britain, and Israel. Instead, some suspect the administration of whistling in the dark. While talking bravely, it was actually preoccupied with preventing the revolt from spreading from Hungary to other captive peoples. This might have made liberation a fact, but it would not have contributed to that relaxation of tensions with communism which the President had steadfastly pursued. And it would have made a caricature of the previous American policy of urging the captive peoples to settle for some form of national communism, rather than demanding the same amount of freedom as Americans consider their own birthright.

Ninety percent of the Americans would, in my judgment, have been prepared to follow wherever the administration led. But the Hungarian crisis came at a peculiarly awkward moment. With a national election less than 2 weeks off, the people were absorbed in domestic politics. They were also understandably confused by the simultaneous Suez affair. And finally, one must admit, they shared the administration's fear of provoking the U. S. S. R. into starting a major war. These reasons were obvious at the time, and contributed to the general atmosphere of impotence.

Yet, looking back, I am convinced the main cause of the West's paralysis was quite simple—lack of a united plan of action by the NATO powers.

For years these countries had simply ignored paragraph 2 of the NATO treaty urging amplification into economic and political fields. Yet the recent recommendations for strengthening NATO by the Three Wise Men were almost insignificant.

KEFAUVER'S RESOLUTION

As far back as 1949, I introduced a resolution requesting the American President * * * "to invite the other democracies which sponsored the North Atlantic Treaty to name delegates, including members of their principal political parties, to meet in a convention with similarly appointed delegates from the United States and from other democracies as the convention may invite, to explore and report to what extent their peoples might further unite within the framework of the United Nations, and agree to form, federally or otherwise, a defense, economic and political union."

This my colleagues never allowed to get out of committee, but it has been discussed in various sessions of Congress and, at one time or another, has had the support of about 40 percent of the Senators and House Members.

Without going nearly so far, the NATO governments could easily have amplified and deepened their understanding. On the basis thereof, they could have made appropriate plans for dealing with crises of almost any type, in any part of the world.

Instead, nothing.

Or rather * * * nothing but the Hungarian debacle, with its frustration and subsequent dangers. For, in my opinion, the dangers of not intervening on behalf of freedom may in the long run outstrip the danger of intervention.

Now in my judgment, the time has come to end the period of Western equivocation and find out just how far the American and other governments are willing and able to agree upon a policy for action both now and when the next satellite revolts. Here is what I propose:

First, immediate measures.

The tragedy of the Hungarian revolution, and what it has meant in the crushing of human beings and their love of liberty, should be kept alive continually before the people of the world. Its horror should remain a constant reminder of what is behind the facade of the Soviet Union. It should not be forgotten in the confusion of various statements from various representatives of the United States Government and the governments of other nations.

The three reports to which we have already referred, especially the UN report, should be circulated as widely as possible. These reports should be continually and persistently referred to for the next 5 years in the United Nations.

When the United Nations General Assembly reconvenes, it should demand that the Soviet Union explain why it should not be expelled if it continues to violate the resolutions of that body.

The Kadar government, by virtue of the United Nations own report, does not represent the Hungarian people, and should therefore be immediately expelled from the world organization.

STOP EXECUTIONS

The U. N. should take immediate steps to stop the execution of 2,000 Hungarian patriots who have been sentenced to death. A resolution unanimously passed by a conference of lawyers organized by the International Commission of Jurists at The Hague, March 2, 1957, reports as follows:

"This conference * * * is of the opinion that the laws and decrees of the authorities in Hungary violate human rights in failing to provide the minimum safeguards of justice in criminal trials which are recognized by civilized nations, particularly for offenses punishable with death, in that they fail to provide in every case for an impartial tribunal; define offenses in vague terms open to abuse in interpretation; give the accused no proper notice of the charge preferred; do not allow adequate time and facilities for the accused to prepare his defense, to call witnesses, and to instruct counsel on his behalf; do not always provide an effective right of appeal or effective procedure for clemency.

"Deplores the secrecy in which almost all the criminal trials in Hungary have been conducted since November 4, 1956, and regrets the refusal of the authorities in Hungary to allow impartial legal observers to trials which are of concern to lawyers of all nations."

The United Nations should immediately create a permanent military force ready for action in all future cases of naked aggression.

And what should NATO do?

First, at their next meeting, the NATO parliamentarians should urge their respective governments to negotiate immediately a common plan of concerted action when the next satellite country revolts. We—for I am one of them—should set up a watchdog committee to see that our several governments get busy immediately and do not stall for fear of provoking the U. S. S. R. For unless there is such a common policy, a repetition of the Hungarian debacle is inevitable—with even worse consequences. Action by some, inaction by other NATO governments, will not do. Nothing could be worse than, say, positive action by Britain and France, inaction by the United States and West Germany—or the other way around. Once NATO as NATO has accepted such a common policy, it should broadcast it to the world, thus letting everybody know that the U. S. S. R. cannot expect to commit rape a second time with impunity.

A 6-POINT PROGRAM

Now my suggestion for the planks of such a policy.

To begin with, monetary and physical help for the refugees of the last time is mere salve on a deep wound. The gaping sore of peoples condemned to slavery is a festering wound and its healing must include disinfection and, if necessary, surgery.

1. The NATO countries should seek to have the U. N. Assembly instruct the Secretary General in advance to issue in the Assembly's name to an aggressor country whose troops cross an established frontier an immediate warning to desist.

2. The Secretary General, in case of noncompliance within 24 hours, and without further authorization, should send into the attacked countries U. N. civilian observers with their own transport, regardless of any protests by the aggressor.

3. The NATO countries should immediately summon the U. N. Assembly and when it convenes, consider the opportunity of sending a previously constituted U. N. military force—if any—to assist the country attacked.

4. At the same time, the NATO countries should ask the Assembly to recommend that the members take complete economic and political sanctions against the aggressor, including an embargo on all shipments and future trade and the breaking of diplomatic relations. In case the Assembly refuses, the NATO countries should undertake these sanctions independently.

5. The NATO countries should publicly reserve the right as nations to come to the accumulative defense of any sovereign people that invites assistance against attack.

6. The NATO countries should move quickly to grant diplomatic recognition to any government that manages to achieve the start of a success in an armed uprising against Communist tyranny. They should not wait—as in the case of Hungary—and then merely refuse to recognize somebody's stooge.

Such measures would be legal insofar as they would be either in defense of the U. N. Charter or justified by other international laws. They would not, under these, be acts

of war. However, they might cause a war if the Kremlin decided it would prefer its own total destruction to any relinquishment of territories or victim peoples.

The East European satellites are of value to the Kremlin in two ways: as cows to be milked for the benefit of the U. S. S. R. and as a glacis lying before the Soviet fortress (militarily and ideologically). They are of little value as a source of military contingents since the peoples would leap at the first opportunity to desert. In case of war, satellite manpower would doubtless be shanghaied into Soviet factories or put to guard remote stretches of railroad track in central Asia.

Short of an attack upon them, it is extremely unlikely that the Kremlin beneficiaries of a spoils regime will risk their own position and the total destruction of world communism rather than lose control over rebellious peoples whom it cannot hope to keep forever unless the West disintegrates or surrenders. But against the risk of war, the West must weight the risk of any further nonintervention in defense of its principles. For these are the most precious capital on earth.

Rejection of the Ainsworth and Farwell Irrigation Districts

EXTENSION OF REMARKS
OF
HON. A. L. MILLER
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 13, 1957

Mr. MILLER of Nebraska. Mr. Speaker, it is a great personal disappointment not only to me but to the folks living in the Ainsworth and Farwell areas of Nebraska to learn that the conference committee on the public works appropriations bill failed to include funds to get two worthy reclamation projects under way—the Ainsworth Irrigation District and the Farwell Irrigation District.

These projects, fully approved by the Department of Interior and Bureau of the Budget, were stricken from the bill by the House committee. They were put back into the bill by a Senate committee and approved on the floor of the Senate. The conference committee then struck them out.

These are sound projects. They are feasible projects. They are needed projects. They would be a great investment in the future of America.

There seemed to be only two reasons advanced against their inclusion in the bill:

First. That the Bureau of Reclamation failed to make an adequate presentation of the merits of the projects;

Second. That the Nebraska Legislature had passed resolution No. 10 in which Congress was asked not to pass new grants-in-aid programs.

Mr. Speaker, the resoltuion had rather wide publicity. It was placed in the CONGRESSIONAL RECORD. Comments extended across the country relative to the action of the legislature. Some newspapers carried big headlines, Nebraska Wants No More Federal Aid. That was not the meaning of the resolution at all.

Now as to the first complaint, I want to point out that I agree the hearings showed a very poor presentation of the case by the Department of the Interior. Some of this testimony was vacillating, not at all positive. However, I would further point out the projects do have legislative approval. They do have full approval of the Department of the Interior. The projects do have the approval of the administration and were budgeted when funds were requested. In all fairness, funds for these sound projects should have had the immediate approval of Congress.

Now as to the resolution which seemed to dampen the ardor of some of my colleagues in regard to Federal money for Nebraska, it is quite true the Nebraska Legislature passed a resolution against new grants-in-aid programs and asked that such existing projects be reexamined. Here is the potent paragraph in the resolution:

Now, therefore, be it
Resolved by the members of the Nebraska Legislature in 68th session assembled, That the Federal Government refrain from enacting new grant-aid programs and reexamine all such existing programs and end or reduce their costs wherever possible.

The resolution in no way referred to irrigation projects such as Ainsworth and Farwell. These are not grants-in-aid programs. They fall within an entirely different category. They follow the pattern of the wise men of vision who founded reclamation more than a half century ago.

It would seem that the resolution provided a rather flimsy excuse for removing from the appropriations bill projects that have met all legislative and Bureau of the Budget demands.

The people of the Ainsworth and Farwell areas had formed legal irrigation districts. They had signed repayment contracts. They had met all the demands of the law in their efforts to get water to their parched land.

It is a little difficult for me to understand why a single resolution by the legislature should be the governing factor in rejecting funds for projects which will repay their cost, a resolution in no way related to these projects, a resolution with which the people involved in these projects had nothing to do.

Of course, Nebraska, like other States, participates in a great many grant-aid programs. Some of these require matching by the State. Others are outright grants. I believe the record will show that Nebraska last year participated in 65 various types of Federal-aid programs. The total amount allotted to Nebraska last year was $56,237,891. Some of these programs are fine ones. Some should probably be curtailed. Others were available in which Nebraska did not take part. But I emphasize again such programs are totally unrelated to irrigation.

Now, Mr. Speaker, it is not always easy to find the full facts when conferees meet behind closed doors. However, I am told that when this appropriations bill was considered, tempers were rather high and it would seem that emotion dulled the senses of good, honest, reasonable men sitting in that conference. Perhaps this long and very fatiguing session of Congress had its effect in shortening the conference to such an extent that full consideration could not possibly have been given to individual projects.

It must have been so or these men could not have avoided coming to the conclusion that the Ainsworth and Farwell projects do have merit. If they had given only casual attention to the language of the resolution against new welfare programs, that resolution could not possibly have carried enough weight to be the determining factor against the development of good, sound, feasible irrigation projects which are of vital importance to the people of the State of Nebraska.

The Ainsworth and Farwell projects are two of the best in the entire Missouri River Basin. They would pay back, over a period of years, most of the moneys invested in them. The projects carry only about 4 percent of nonreimbursable funds for flood control and fish and wildlife benefits.

The Ainsworth Irrigation District is designed to bring water to 34,000 acres of land. The Farwell Irrigation District is designed for 52,500 acres which in conjunction with the Sargent Irrigation District, now under construction, would irrigate a total of 68,700 acres. These projects would bring the glow of agricultural prosperity to areas which have been stricken with drought year after year. They would bring new hope, new ambition, new wealth to the fine people who populate the two areas.

Mr. Speaker, we are now considering a conference report. It is not possible to offer an amendment to make it concur with the bill passed by the Senate which included the two Nebraska projects. Were it possible, I would want to take that course, but the rules seem to prohibit that procedure.

I can only hope, Mr. Speaker, that when these two projects come before the committee next year for consideration that a better presentation can be made by the Bureau of Reclamation and that Congress will have placed the Nebraska resolution in its proper perspective. These projects will stand the closest scrutiny of the Appropriations or any other committee. Such scrutiny is invited. The projects will stand up.

Mr. Speaker, in a few days we will be passing a bill for foreign-aid appropriations. At this time I cannot help pointing out that in that foreign-aid bill there is probably 30 times as much money for projects all over the world as is needed for the two projects in Nebraska.

Remember, too, that money is gone forever. It will not be paid back as would be the case with Ainsworth and Farwell.

I was disturbed and dismayed a few months ago when I had a report compiled for me showing the expenditures of our money for reclamation, irrigation, flood control, and power projects overseas.

I found that in a period of about 8 years, ending last December 31, our cost for such projects was $355.8 million for 197 projects in 46 countries. That is a lot of money to be spending all around the world at the very same time our good people at home are standing helplessly by while a burning sun in a rainless sky destroys their crops.

Mr. Speaker, I consider the Ainsworth and Farwell Irrigation Districts an investment in the great resources of a great America. The projects are sound. The people have met all the legislative and budget demands.

In a spirit of commonsense, the people should not be prevented from bringing together the two great resources that are needed to raise food for your table and mine—water and land.

Attached is a telegram which came from the directors of the Farwell Irrigation District:

GRAND ISLAND, NEBR., *August 13, 1957.*

Hon. A. L. MILLER,

Washington, D. C.:

Understand public works appropriation bill will come up today or tomorrow for a vote in the House of Representatives. Our people are extremely disappointed that conference committee saw fit to leave out an appropriation for the Farwell unit. Surely, the determination of our people to have irrigation development, as evidenced by the formation of a reclamation district, an irrigation district, and the signing of repayment contracts, should not now be frustrated by a single resolution of our State legislature, over which they have no direct control. It is a black day for us to have had years of hard work be held for naught by actions of others who are in no way connected with us. Our people have the utmost confidence in your leadership, and, frankly, we firmly believe we are entitled to have you exert every act at your command to have this irrigation development now, not in the future. We have fulfilled every demand made on us by all Government agencies including Congress itself. The matter now rests with you and your colleagues. To be sure we feel justified, and are hopeful of your efforts on our behalf.

Peter I. Badura, President; George R. Semler, Vice President; Rudolph Manasil; Martin Sack; Ray Lewandowski; Harold Grint; Marvin Price; Alvin Chriastensen; Arnold Krogh; Steve Smith; Anders Nielsen; C. S. Lukasiewicz; C. P. Shaughnessy, Attorney; the Loup Basin Reclamation District, and the Farwell Irrigation District.

Address by United States Senator Edward Martin of Pennsylvania, at the 38th Annual Encampment of the Department of Pennsylvania Veterans of Foreign Wars of the United States Held at Harrisburg, Pa., July 10–14, 1957

EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 13, 1957

Mr. VAN ZANDT. Mr. Speaker, at the 38th Annual Encampment of the Department of Pennsylvania Veterans of Foreign Wars of the United States held at Harrisburg, Pa., July 10–14, there were several outstanding addresses delivered by prominent officials of the Federal Government in keeping with the theme of the encampment, Defense Means Freedom.

On July 12, 1957, the following address was delivered by United States Senator EDWARD MARTIN of Pennsylvania:

ADDRESS OF UNITED STATES SENATOR EDWARD MARTIN OF PENNSYLVANIA, AT THE 38TH ANNUAL ENCAMPMENT OF THE DEPARTMENT OF PENNSYLVANIA, VETERANS OF FOREIGN WARS, AT HARRISBURG, PA., JULY 12, 1957

It is a great honor for an old soldier to be invited to address this outstanding organization of real Americans.

Your patriotism has been tested on foreign battlefields. You know what it means to face the enemies of our Nation in the hellfire of war. Sustained by loyalty and devotion to American ideals you have been willing to sacrifice everything that this Nation, under God, may live in honor, peace, and freedom.

The welfare of our country is always uppermost in the hearts and minds of the veteran. For that reason I want to discuss frankly with you some of the dangers confronting our Nation.

But first, let us look back with pride at the background of the United States. Let us review the magnificent achievements which in less than 200 years have converted a savage wilderness into the world's greatest stronghold of industrial and agricultural production. Let us be thankful that we have advanced to the highest cultural and spiritual levels ever attained by any similar area in the whole world.

The history of America is a glorious story. It tells of toil, sacrifice, and heroism. It tells of victory produced by a people whose hearts and minds were aflame with the spirit of liberty and independence.

It tells of those courageous patriots who met in Philadelphia more than 180 years ago, and pledged their lives, their fortunes, and their sacred honor to establish a new Nation. For the first time in all the world, government recognized the Divine origin of man's inalienable right to "life, liberty, and the pursuit of happiness."

For the first time a government was based upon the sound principle that governments derive their just powers from the consent of the governed.

The story of America is the story of George Washington, Benjamin Franklin, Thomas Jefferson, Abraham Lincoln, and all the dedicated statesmen of each generation.

It is the story of the heroes who offered their lives for independence at Lexington, Bunker Hill, Valley Forge, and Yorktown. It is the story of Gettysburg, New Orleans, the fields of Mexico, and Admiral Dewey at Manila. It is the story of Chateau Thierry, the Argonne, the Normandy Beaches, Iwo Jima, and the frozen hills of Korea.

There is no story so glorious in all world history. It should be told and retold, over and over again, in our schools and colleges from the pulpits and lecture platforms, in meetings of fraternal and patriotic organizations, in labor meetings, political rallies and every other place where Americans assemble.

Therefore, it is most appropriate, in a meeting such as this, to consider the situation confronting the United States.

The course of history has placed upon the American people the responsibility for peace and progress in the world. The United States stands as the one strong barrier against the Communist conspiracy to dominate and enslave the entire world.

We must not allow ourselves to be lulled into a false sense of security by the mask of friendliness now worn by the masters of the Kremlin.

Recently there was broadcast into millions of American homes an example of Communist propaganda more flagrant than anything ever before attempted.

It was a brazen attempt to convince American listeners that Soviet Russia has no evil designs against the free nations of the world. We were told that the Russian dictators seek only friendship and peaceful coexistence.

Yes, my fellow Americans, the Communist boss talked of peace but real Americans were not fooled. The record denies their words.

The civilized world will long remember the ruthless slaughter of men, women and children by Communist tanks and machine guns in crushing the Hungarian revolt of 1956.

Yet those guilty of this monstrous crime—those responsible for the wholesale execution of Hungarian freedom fighters—ask us to believe that this time they are sincere when they talk of peace. The record shows that the Communists have sabotaged every effort for peace and will continue to do so.

Their fundamental objectives have not changed. They have not abandoned their unholy ambition to destroy all human freedom.

Those of you who heard that broadcast will recall the prediction that the grandchildren of Americans living today will live under a socialistic system.

That was a grim warning that must not be ignored. It calls upon us to be constantly alert to the dangers of Communist influence here at home. We must fight disloyalty with every legal weapon at our command, and if our laws are not strong enough they should be made stronger.

You are all familiar with the decision of the United States Supreme Court made about a year ago, which held that the Federal Government has exclusive jurisdiction in the field of sedition and subversion.

This decision struck down laws enacted in 42 States and Territories under which those guilty of subversion could be prosecuted and punished by the State.

I believe that each State should have the right to combat sedition within its borders. I believe each should have the right to punish not only those who seek forcible overthrow of the State but also those who would overthrow the Nation by force.

More recently several other decisions of the Supreme Court have greatly weakened the Federal Government's legal drive against Communists and subversives.

I have no criticism of the Court. We are a nation of law and under our system no individual is denied equal justice. But I repeat if existing law is not adequate to deal effectively with disloyalty it is the duty and responsibility of Congress to enact legislation strong enough to do the job. I can assure you that Congress is taking steps in that direction.

Now I would like to direct your attention to some other dangers that threaten America.

First, inflation. Since 1939, the purchasing power of the dollar has dropped to less than 50 cents.

One of the most difficult functions of a free government is to maintain a stable currency. At the same time it is one of the most important objectives of government. Inflation has the power to crush any economy upon which it fastens its grip and thus it can destroy a nation. In fact, more great nations have been destroyed by inflation than by invading armies or destructive bombs. A nation destroyed by a military force can rebuild itself, if the people have the spirit and the will to work, but a nation where incentive of the individual is destroyed has very little chance of recovery.

Inflation damages all with fixed incomes and inflicts severe hardship on millions of our people. The person who lives on a pension, social security, or interest on savings cannot escape the evils of inflation. There are now in the United States more than 16½ million on social security, corporation, and Government retirement, veterans' pensions, veterans' survivors benefits and military re-

tirement pay. Many are widows and orphans. Continued inflation is a threat to the many millions of savers in the United States, the owners of bonds, owners of life insurance policies and savings accounts.

Second, big government and government doing things that we should do for ourselves. More than 7 million now work for the three levels of government, at an annual payroll of $40 billion.

The vast expansion in the size and cost of government at all levels is leading us away from the ideals of the Founding Fathers. The people are constantly demanding more and more services and many believe that projects paid for with Federal funds do not cost them anything.

The cost of State and local government has been increasing more rapidly than the Federal Government. The tendency toward more and more expensive government by taxes and borrowing must be stopped or we will drift into creeping socialism.

It has been proposed that consideration be given to a new division of the functions of government and a new allocation of taxes to perform those functions. President Eisenhower in a speech delivered to the governors' conference at Williamsburg, Va., on June 24, called upon the governors to join in an effort to return certain responsibilities to the States.

Several years ago I suggested that national defense, foreign affairs, rivers and harbors and banking and currency be Federal functions with income taxes, import duties and liquor and tobacco taxes to furnish the Federal revenues. The States would build the roads, provide higher education, administer penal and correctional institutions and conservation with estate taxes, sales taxes and the gasoline tax to furnish them the money. Local government would provide police power, sanitation, courts and public schools and have as its tax source real estate, admissions, mercantile and wage taxes. This is just a brief outline but I am sure that such a plan would mean a big saving for the taxpayers.

Third, too much private and public debt. Never before in the history of the world have any people owed so much as we owe today. It should be a matter of deep concern to every one of us that the American people now owe a total of more than $800 billion in gross private and public debt. This is an average of about $4,700 for every man, woman, and child in the Nation, or about $18,800 for the average American family of four persons.

Net corporate debt went up from $92½ billion in 1946 to $208 billion at the end of 1956.

People have been buying out of tomorrow's paycheck. At the end of 1945 individuals owed less than $6 billion which in 1956 had increased to $42 billion.

Net State and local government debt has increased from $13½ billion in 1945 to $42.7 billion at the end of 1956 and has greatly increased since that time.

Fourth, moral decay among the people. Great armies and great navies will not maintain a nation's strength where the moral courage and patriotic fervor of its people are permitted to decay. Every student of history knows that great nations of the past have gone down to destruction when the moral fiber of the people was undermined by greed and corruption.

Fifth, too little interest in government. Unfortunately, there are too many misguided Americans who do not understand and do not appreciate the real meaning of America.

They do not seem to realize that our system of free government places upon each citizen an equal share of responsibility for our security and our progress.

Good citizenship is the basis of patriotism. That is why I am constantly urging every individual to take a more active, intelligent and patriotic part in government.

I bring these dangers to the attention of this great organization of veterans because your patriotic service entitles you to leadership in civic responsibility.

We pray that America may never turn away from its historic mission—to defend liberty, to oppose oppression, to stand against injustice and to support the aspiration of all men of good will for a world of peace and freedom.

We hope and pray for the day when all nations will lay down their arms and live in brotherhood under God.

But until that happy day dawns we must be prepared to defend the God-given freedom that we hold sacred.

Eternal vigilance is still the price of liberty.

Address by Hon. Hubert H. Humphrey, of Minnesota, to the National Board of Directors of CARE

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES

Tuesday, August 13, 1957

Mr. WILEY. Mr. President, on July 25 I spoke on the Senate floor regarding a splendid address which had been delivered by our colleague, the senior Senator from Minnesota [Mr. HUMPHREY], on the occasion of the annual meeting of the board of directors of CARE—Cooperative for American Remittances to Everywhere.

I felt that this address was of the type which should be given the widest possible circulation.

It came from the heart of our friend, the Senator from Minnesota; and it went straight to the hearts of his audience.

I ask unanimous consent that the address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS OF THE HONORABLE HUBERT H. HUMPHREY, UNITED STATES SENATOR FROM MINNESOTA, BEFORE THE ANNUAL LUNCHEON MEETING OF THE NATIONAL BOARD OF DIRECTORS OF CARE (COOPERATIVE FOR AMERICAN REMITTANCES TO EVERYWHERE), JULY 24, 1957, HOTEL STATLER, WASHINGTON, D. C.

Ladies and gentlemen, I shall take the opportunity in a moment or two to comment on some of the information that you communicated to this audience. But in the meantime, I would like to pay my respects to my two distinguished senior colleagues who are here—Senator GREEN, who has given us such dedicated leadership in the field of foreign policy; and Senator WILEY, who likewise has given us the same devoted leadership in the field of international relations.

I want to say if I meet many more Republicans like Senator WILEY and Mr. Williams, I may have some of my partisan enthusiasm slightly diluted momentarily. [Laughter.]

I couldn't help but note, when the Secretary was commenting upon my expressions, at least alleged expressions, relating to foreign policy, and about my being a vigorous opponent of going it alone, that he then stated he found this to be strangely similar to good, old-fashioned Republican doctrine. Well, it may have such a strange similarity, but it's this modern Republican doctrine, you see, that has me worried. [Laughter.]

Now, having made my comments on political matters in jest and in good spirit, let me be more serious with you.

We are under a little duress of time today. There is a debate going on in the Senate, and I should like to participate in it before the day is through. Therefore, I shall try to eliminate extraneous material and get right down to cases.

UNIVERSAL PRINCIPLES IN OUR FOREIGN POLICY

I am here to address a group of men and women who, to my mind, have performed a great and important patriotic service, not only for the United States of America, but for the cause of human decency and freedom all over the world. I always like to identify the overall objectives of American foreign policy beyond the confines of the territorial limits of the United States. After all, there are some universal principles which should motivate and guide us. Our foreign policy demonstrates its strength when it has a relationship to those universal principles of democratic faith; it demonstrates its weakness when it deviates from those principles of democratic faith.

Now, what is the motivating principle behind a democracy? It is service to the individual. And I say that every person who is elected to office, or holds office by appointment, in a free country under democratic institutions, should remind himself every hour of the day that his primary responsibility, duty, and purpose is to serve and not to be served. This is the Christian ethic, too. "He who would be first, let him be last." "I come to minister, not to be ministered unto."

There is much that can be said from the perspective of all religions concerning service.

THE FEATURE THAT DISTINGUISHES AMERICA—VOLUNTARY ACTION

I believe that our foreign policy has real importance and genuine constructive effect when we search for, find, and use the key to what we call the American way of life.

What is it that really typifies our country? Not wealth; other countries have been rich, even though we surely have great wealth compared with other nations today. Not power; other countries have had power and have used it, and sometimes used it to their destruction. It is not size, because we are not the biggest country even today.

So what is it that has exemplified and characterized what one calls an American? We Americans are not a unique breed of the human species. It is impossible to define an American from the point of view of anthropology or physiology. We are a conglomerate. So, what is it that identifies us?

It is a sense of generosity, of compassion, of kindliness, of tolerance, of understanding, exemplified not only in our public institutions but in our voluntary organizations.

No country on the face of the earth has the number of voluntary organizations that we have in the United States—voluntary organizations that are so generously supported and that have such a wide scale of activities.

In France, for example—the France which cherishes her individualism, the France of liberté, égalité and fraternité—one finds a dearth of voluntarism in terms of community activity. The French people rely on the state; they rely on the government for their social welfare programs; they rely on official institutions, without voluntary help or cooperation.

THE MEANING OF SOVIET TOTALITARIANISM

We are engaged today, fellow Americans, in a struggle with a totalitarian force. It is unfortunate that the American people are not being educated as to what is meant by totalitarianism. All too often they assume it is a political party in control of a country; they assume it is just another political force at work. It is not; it is more than that. It is a political force, a military force, an economic force, a social force, a human force—put in one package, mobilized, directed and

energized for the purpose of the leadership of a state.

Now, our Government is only part of America. Therefore, when the Government of the United States joins the issue with the Soviet Union, a totalitarian state, we have, so to speak, one arm strapped behind our back and one leg cut off. The Government of the United States alone cannot successfully compete with a totalitarian power. But the Government of the United States plus the voluntary organizations, plus every social and political institution that we have in America, cannot only compete but can win.

I say most respectfully to my friends who are in public service, the task of American Government today in the field of foreign policy is this: How do we, on the basis of individual participation and voluntary action, mobilize, energize, and utilize the great forces of freedom which are available in the American community? If we cannot find a way to mobilize those forces, we may well lose our struggle. By its nature, a democracy is a limited instrumentality of social organization. Therefore, when a free government is compelled to compete against the combined forces of a totalitarian state, where the literature, the music, the playgrounds, the household, the factory, the books—where everything is a part of a total state policy—a democratic government is in a weak competitive position.

CARE REPRESENTS TOTAL HUMAN MOBILIZATION

You can understand, therefore, that CARE, representative of 26 great voluntary organizations, is a fundamental adjunct to, and part of, the total mobilization of human resources so urgently needed in this country for the fulfillment of objectives of American foreign policy and the strengthening of the spirit of democracy.

This is why I am here today. I have been a teacher in school; I always mention that because I may need a job again. [Laughter.] From observation it is clear that many of our educators and leaders have done a poor job of teaching democracy, and a worse job explaining to the American people what is involved in totalitarianism. They have some idea that it is socialism; then they argue as to whether that is good or bad. They have some idea that it is atheism. Well, it is that, plus a kind of distorted socialism, plus all kinds of other things that represent power and brutality and organization and strict discipline. Until we American understand what we are really up against, we are going to be constantly fighting an uphill battle, utilizing fewer of our resources than we should for the objectives that we seek to attain.

VOLUNTARY AGENCIES MUST TEAM WITH GOVERNMENT

This situation leads me to say this: We can achieve more good in terms of human welfare, in terms of human betterment, in terms of emancipation of people from their fears, from disease, illiteracy, ignorance, frustration—by voluntary groups working in the field of social welfare and voluntary groups working with other peoples in other lands, than we can through government.

Now, both are needed, don't misunderstand me. This isn't either/or, this is "and." It includes both. It means a role to be served by government and a companion, supplemental, coordinate role to be served by the voluntary agency. But at all times the voluntary agency should be truly so. It must not be dominated by government. We must keep that liberalization, that emancipation from the rigidity of official governmental policy, which comes with voluntary organization. This means that we must have trust.

If State Department officials were here today, I would say, "Don't be suspicious of our voluntary agencies; if they don't do everything that you believe ought to be done in the field of American policy, it's possible that you are wrong, not they." The odds are that the voluntary groups may be right. What is more, one of the great attributes of a democracy is the right of people to make mistakes and admit them. The trouble with Government is it hesitates or dislikes to admit mistakes, thus decreasing the democratic appeal of our actions and decisions.

One of the privileges of a great free people is the right to start something, then decide to shift gears, to go some place else, and admit it.

FATE OF WORLD AT STAKE

So, my friends, there is a great role for organizations such as CARE to play. You are not engaged in something now that is just doing good; you are engaged, as you and I know, in a life-and-death struggle.

This is a one-game world series. I don't know how many innings it is going to go, but you do not have 4 chances out of 7 in this one. This isn't the New York Yankees versus the Milwaukee Braves—nor is this the Chicago White Sox versus the Brooklyn Dodgers. This is a one-game world series against forces of evil, of imperialism, of totalitarianism—and we either win or lose. How long it goes on only we can tell, by what we do each day. This is where CARE is important.

OPENING OUR HEARTS TO OTHERS' NEEDS

What does CARE, then, represent?

It represents self-help. This is good.

What else does it represent?

It represents compassion and charity by living application. There is something noble in being charitable. I have always said that between the platforms of Santa Claus and Scrooge, I will stick with jolly Santa. Any time anyone wants to run on that platform, they can count me in. I have no desire to be the richest man in the cemetery. I desire to use the good things that the good Lord gave me. I have never made a fetish to see how many dollars can be saved; I prefer to find out how many can be well invested, and for what purpose. Many people have saved and saved only to destroy themselves and their families; countries have done exactly the same thing.

I grew up at a time when this country closed its doors to immigrants, when it closed its mind to new ideas, closed its heart to the crying suffering of other people. Finally we ended up closing our factories, our businesses, and our banks, and almost destroying the whole temple of American democracy. I remember because that was the impressionable period of my life. From 1920 to 1933 I listened attentively to those who were then the spokesmen of American ideals, and their sense of idealism was only to save, to amass money, to guard it, to protect it—don't let anybody touch it, don't let anybody use it, and don't be too good to anybody. [Laughter.] In the process, they were among the first to suffer and the first to be destroyed.

I remember when bankers were jumping out of hotel windows faster than pheasants were depleted in our South Dakota cornfields. [Laughter.] I am not saying this to be unkind; I am saying it because it is true. I am the happiest man in the world to have since lived in a time when the Government of the United States has been criticized for being overgenerous, rather than for being a tightwad.

I am happy to have lived in a time when the American people have been asked again and again through the Community Chest, through the CARE program, through the Crusade for Freedom, through all the many programs sponsored by generous-minded citizens, to contribute and contribute and contribute. And interestingly enough, my good friends, look and see what has happened. The record reveals that as contributions to voluntary agencies grow larger, the economic index indicates the prosperity of the country is that much better. Study it sometime, and see if I am not right.

You will find that when people show a spirit of generosity, of openness, of kindliness, for some peculiar reason the country itself is in a better economic, political, and social state of health.

That is why I feel the way I do about politics, and that is why I feel the way I do about these great programs.

PRAISE OF "CARE" FROM FOREIGN OFFICIALS

Now, what is CARE doing as I witnessed it? I saw CARE in operation, and I want to be specific now. In Italy, for example, I was told that our surplus food, much of it administered through CARE, had done more than anything else to defeat the forces of communism. I was told this by our present Ambassador there, by our economic minister there, and by the former Ambassador to Italy, Mrs. Luce. I have been told by three prominent officials that our food program did more to defeat communism in Italy than the Government of the United States had been able to accomplish through any of its other agencies of aid. I happen to think the forces of religion helped immeasurably too, but if you put those two together, that is what did it. Not our military assistance, not one bit. We need that, just as sometimes we may need to remove our appendix. It isn't something planned nor longed for; yet it sometimes is necessary. But constructive aid is preferable.

I was told in Greece, for example, that without our food program and particularly without our CARE program, Greece would be fighting for her life, despite all the military assistance we poured in, despite the hundreds of millions of dollars in grants we gave to Greece. I was told by the Prime Minister, the Foreign Minister, and the present American Ambassador to Greece, that our food program was the difference between success and failure in Greece.

FOOD SURPLUS—A GREAT ASSET

I have gone home to Minnesota to tell a few of our farm people about this, because too often they have been criticized for producing food. I want to say to my friends of the metropolitan press, farmers have been abused daily because they produce an abundance of food. Any country or government that doesn't know what to do with food is intellectually sterile and hopelessly lost.

Can you imagine what Bulganin and Khrushchev would be doing if they had the surpluses of food and fiber that we have? Can you imagine what those "Gold Dust Twins of Disaster and Despair" would be doing? They would be tying to the Soviet one country after another economically. Yet we go around crying about our food surplus as if it was the worst thing that ever happened to a free country.

Finally, in the last year and a half to two years, it has begun to penetrate the American mind—and I am not complaining only about public officials, I am talking about the whole American mind—it has become increasingly evident to Americans that possibly food may have something to do with acceptance of America abroad. Possibly food might be the vehicle through which we can bring about agreement on other policies.

Fellow Americans, if it were not for the American food provided India, that country would be fast on her way to a Communist society at this hour. American food is doing more to keep India a part of the Free World than all the arms of the United States. Without food, India today would be hopelessly lost to the Free World. I thank God for the CARE program and the work that it is doing. Thank God for the village help program. Thank God for the Ford Foundation program. Thanks for all of these wonderful things that are being done.

Let us bear in mind also that had it not been for the wheat provided Pakistan, that

Government could never have lasted. It is about time Americans were told these things. It isn't tanks or planes that keep Pakistan alive; not at all. In a crucial hour when Pakistan was in dire trouble politically, it was food that saved the day.

CARE'S AID NEEDED IN EGYPT

Our influence in Egypt for a period of time was made possible through CARE. CARE made it possible for Egyptian children to go to school, and the number of schoolchildren in Egypt today is directly related, my friends, to the number of CARE feedings that take place in schools in Egypt. Now, I am not one of those people who have been deluded by Colonel Nasser. I was suspect of him in the beginning, and I have less faith in him now. Nassers will come and go, but the 30 million Egyptians—and there will be 35 million in another 10 years—will be there just like the Nile River.

The question before you, fellow Americans, is what do you want these millions of Egyptians to think about the United States?

These Egyptian people are a force in the world. One of the most powerful forces in the world, as Chester Bowles said not long ago, is people. People, not H-bombs, because, fellow Americans, we don't dare to use and H-bomb and we know it. We know that the official policy of our Government is not to use these terrible weapons of destruction unless we are forced against the wall as a last effort for survival.

In the meantime, what happens when the forces of political attrition nibble away one country after another? What do we do? Did you ever figure that out?

Let me say there is no political policy we can design today which will appeal to Egypt because of the attitude of her leaders. But there is a social policy that can be designed which will appeal to the people back in the villages. There they will know that the food which comes into the mouths of their children is food from America. A message of goodwill is brought every hour of the day. That cannot be destroyed in Egypt any more than it could be destroyed in Poland, where people at the Posnan Fair said, "Thank God for America." That is our reservoir of goodwill. I submit, the Poles didn't say, "Thank God for America" because we were going to put a stockpile of atom weapons in the North Atlantic Treaty Organization. I may think this is necessary, but I don't go around talking about it.

It is mighty nice to have some of the comforts of living, and people remember us best for the little things we do. It is like politics. Very seldom at home does a constituent get after me because of a vote I made in a major decision; he becomes distressed because his letters were not answered, or he was perhaps ignored at the county fair, or he just was not noticed on some occasion or another. That is what destroys his faith. These seem little things, but they really are not little; they have everything to do with ones' attitude toward people.

I have known many an intellectual who is brilliant in terms of liberal idealism and yet doesn't like people and demonstrates it occasionally. When one doesn't like people and has no faith in them, then our actions usually reveal it, because it can't be covered up. It will come out sometime, and that's the day when a fellow gets into trouble; that's the beginning of difficulties which may well be destructive.

Now we Americans like people and we like them all over the world. We have a vehicle in CARE to demonstrate this neighborly feeling, not by word but by precept. I hope that our Government will reinstitute a feeding program; I say here as I have said before, we should continue to feed the people of Egypt as we do those in other parts of the world.

I hope our Government will recognize what was said before today, about the sale of our surplus commodities under title I. Such sales are still needed, but donations under title III also have a unique role to play, and maybe a better role than title I sales.

I have heard people say, "What are we going to do with all this foreign currency received from food sales?" If you worry about the foreign currency being piled up, don't. It works; I used some of it on a recent trip myself. It bought things; I ate well with it; had no trouble at all. I know some Americans are lazy, and won't look around to see how they can use foreign currency. I say that respectfully. If any of us is really worrying about having too much foreign currency, why don't we divert more food into these great country-feeding programs? We not only deliver the food but receive in return a kindly attitude. We deliver a package with the spirit of America in it; the warm smile, the helpful hand. Maybe a little piece of literature can be added; but, most important of all, it shows we are interested, that we care.

You know, many people are lonesome. Most people want somebody to care for them. This is why a program such as CARE is so symbolic. It not only provides the material thing that is needed; it provides personal interest with it.

MY EXPERIENCE WITH A GREEK FAMILY

I saw this in Greece. There is a picture over on that table showing me taking a package to a family in Greece. I didn't know them; nobody else knew them. It wasn't a preselected family; the name was pulled right out of the file. There was no "fix."

We went down to a neighborhood in the suburbs of Athens. I was told that this was one of the heavy Communist districts. It so happened that a lady in Minneapolis had sent the money for that package, and I was asked to deliver it—a CARE package for a family, four children, husband and wife, and, I believe, the grandmother.

When I came into that house with the CARE representative, I will never forget the look on the faces of that family. First of all, there was the gentleman who had lost a leg in the civil war. He told me his total wage income was 60 cents a day. Their two little rooms were clean, and in them lived some clean-hearted people. I have been in houses—I won't call them homes—that were physically immaculate, but the people involved were slovenly of spirit. Here I found two little rooms clean, reasonably livable, and filled with warmth and human spirit.

When I presented this little package of food to the head of that household, he wept, not in shame but in gratitude. It was tough to take. I asked, "Who is this little lady behind me?" He said, "That's grandma." She came up and I talked with her. I told her about the fine Greek people in Minneapolis, St. Paul, and Duluth. I visited with her so I could gain my composure, really. All she could do was smile; she was so grateful.

This man told me if it wasn't for the American food package they received about once every 7 or 8 weeks, he didn't know how they would be able to live.

LET'S NOT WASTE FOOD

When I think of what I have read in American newspapers about waste of food, I say every American ought to be ashamed that such waste occurs. Any American who is willing to permit even as much as one bushel of our wheat to be wasted is committing a sin. Whenever I hear an official of Government talk about how much it costs to store this grain I say, "Why don't you give it away, then it won't cost so much." It doesn't cost too much to store it right inside the stomachs of hungry people.

It often costs more when we don't act. If we are interested only in saving money, shall we take our children out of school? Of course, it will be costly because they are going to remain ignorant. If we are interested only in saving money, shall we refrain from seeing the doctor? We may not live long, but we will save money.

I repeat, there is not a single thing that will not cost money. The amount that we spend on the total food program is insignificant compared to the total foreign policy and defense expenditures of our Government. It's significant, I think, how much we are given free in service from CARE, for example, and other voluntary organizations, and what an impact this makes upon people. This is the best spent money that we will ever spend.

Have you ever figured out how long we would have gotten along in Yugoslavia without food? Our military assistance for Yugoslavia may cause trouble. I am not sure; I have to rely on the President's judgment. I didn't vote in the Senate to give Tito arms because I think he's a great fellow; I don't. But I have been told by our Government that this is the way we operate our foreign policy, so I reconciled my doubts.

But I talked to a man from Yugoslavia last week. He came here to visit his brother who lives at Harrisburg, Pa. His brother had been in Yugoslavia several years ago. I went with his brother to the Yugoslavian Ambassador; I heard what his brother said to the Ambassador about Yugoslavia—the number of people that were in jail. I asked the man from Yugoslavia, "What is it that Americans have done, that you people in Yugoslavia know the most about and like the most?" I just asked him that without any briefing, he didn't know what I was after at all. And do you know what he said? "CARE. CARE. That's the greatest thing," he said, "that's America."

POWDERED MILK HELPS MORE THAN NEWS OF URANIUM

I found out in Greece, for example, that what they called CARE was America. Little fellows, the little ones that you see in the pictures over there, called CARE America. Was I ever proud when I found our American butter and dried milk in Greece. We have taken a lot of razzing from some people about producing too much milk. Well, I found that a pound of powdered milk will do us more good in some countries than a pound of uranium. People are afraid of uranium, and the fear of people can destroy the world. They love a glass of powdered milk, milk we and our children won't drink anyway because we want whole milk. But other people are eager for a pound of powdered milk. In Spain, where the National Catholic Welfare was administering the food relief program, I watched them mixing this powdered milk in little washing machines.

When I saw these children lined up and their mothers with liter jars, and when I heard what they had to say, I had two feelings: First, I was proud to be an American; second, I was ashamed that we Americans had sold millions of pounds of that powdered milk to feed our hogs. I ask any person in this room: Do you think you have a right to feed pigs wholesome, nutritious, powdered milk when you are unwilling to give it to hungry children in other countries? It might be well to ask the agencies of Government whether we are going to have very much powdered milk for feeding these countries in the days to come.

We have dairy farmers in my State who are having to sell their dairy herds that they worked 25 years to build. There is no market for their goods. Can you imagine that? We are closing down part of America's agricultural plant at the very time that we warn that we are in a life and death struggle; at the very time we insist we have to have more missiles, more this, and more that. I have a suspicion that that man Khrushchev wasn't kidding when he appeared on TV not long ago, when he said that it will be only a short

time before the Soviet Union will produce more products, both dairy products and cereal grains. And then he said, "Watch out"; they know what to do with it.

I saw what happened in Cairo, when we refused to sell wheat to the Egyptians. I saw the Soviet wheat they obtained instead, and I learned that in Port Said little Russian flags went up on refugees' tents. I believe our food ought to be used to help people.

In Israel the Prime Minister told me of the desperate need for food. What are we going to do to feed these people? Fortunately the Government of the United States gave them half of their requisition, but only half. There was a statement made here that a national policy is needed so CARE can plan its program further in advance. You cannot afford to set up missions and utilize your energies unless there is something with which to work. Public Law 480 ought to be extended, not 1 year, but a minimum of 3 years. I have asked every reasonable American with whom I have discussed this, "Do you think the surplus agricultural problem will be over in 1 year?" To a man they agreed it will not. Then I ask our Government why it wants only a 1-year extension of our surplus disposal legislation? How is it the administration can ask for 3 years for a loan fund to loan our money, yet shy away from planning more than a year ahead on use of food? How can our Government insist that food is not a vital part of our foreign policy?

Of course it is—and I hope that you will get behind the proposal for an extension of our present programs to more than 1 year; a part of that year is already gone.

May I add one other thing. I believe the gentlemen of the Congress should insist that our Government handle ocean freight negotiations so that CARE and other voluntary organizations should not be forced to argue like diplomats with the government of a recipient country on the details of the payment of ocean freight. We have experienced people in every one of our Embassies. They have the time to negotiate these matters that relate to ocean freight costs so our voluntary workers will not be involved in such activity.

I want to commend you for your plan to have two American CARE officials in each country. I believe that number is about right. The more of the native population that you can use, with some good American guidance, the better off we will be. This will prevent Formosa incidents.

Where our people have been ministering to health needs, to food and nutritional needs, to educational needs, where we confine ourselves to such services, we are not confronted with rioters who tear down our flag or mobs who tear up our flies, beat up our representatives and attempt to banish us from their country.

FOREIGN COMMENDATIONS OF PUBLIC LAW 480

From my brief examination I can say that wherever CARE has gone or wherever our other great voluntary agencies have been at work, I have found a reservoir of good will that is far beyond and above the mistakes we make in policy. I have had heads of government say to me, "You Americans can clear up an abysmal and abominable situation; if you will just help us with food we will forgive you almost anything."

I found many Prime Ministers and their ministers of commerce and agriculture who knew all about our Public Law 480, the so-called surplus disposal law, officially called the Agricultural Trade Development Act. I found that these public officials of other countries knew more about our Public Law 480 than people living right here in the United States. They knew more about it than people in our Embassies. I went into office after office in Italy, Spain, Greece, Israel, and Lebanon. The officials I talked to had all the hearings and legislative debates laid out before them, and knew more about Public Law 480 than most Members of the Congressional Committees on Agriculture who considered and approved the bill. When I compared the knowledge and information of these officials with the knowledge of our Embassy officers it was apparent that these boys are graduates and ours are just in kindergarten. They knew; to them it was the difference between life and death.

In Spain, for example, I had the minister of commerce tell me that never again as long as there was a Spain would his people ever be on such a low diet as they were before American food came. No government, dictatorial or otherwise could stand long under such conditions.

FOOD AS VITAL AS ARMS TO NATO

I heard the top military commander of our southern NATO forces, Admiral Briscoe, tell me that our food program is as vital to the success of NATO in southern Europe as are military supplies. He told me how little food supplies we had available in southern Europe, and that it might be nothing short of a military debacle if there were any hostilities. Yet we have food stored all over the United States. While Napoleon didn't know about rocket warfare and things of that kind, he did know enough about armies to say an army traveled on its stomach. He apparently didn't know about NATO. Recently, I had the opportunity to present these comments to the President.

THE LARGER SIGNIFICANCE OF CARE

Well, I could go on and on. This is my crusade. I want you to know that. I am more interested in this subject right now than almost anything that has ever touched my life. I believe that in this food program, going beyond what you do in CARE alone, there is an opportunity for the redesigning of a foreign policy with great potentialities. In the sale of our food we provide economic means for other countries. We momentarily ease the tension and the suffering. We develop new markets and habits. We carry with it a message of American generosity, kindliness, and democracy, particularly when you tie in donations through voluntary agencies. We build new contacts. We touch the lives of many people and we reach the man in the street, so-called little people whose minds are still open, those whose spirits have yet to be fully roused.

So it is on that basis that I commend you. I appeal to the advertising council for help. While no one has asked me to do this I appeal to them to put this program at the top of the list. I know there are many important programs; there always are. There is nothing more important, however, than a realization of the great human suffering in the world and a program to alleviate human wants and needs. Toynbee called this "a revolution of rising expectations." He said people today just expect more, and no longer can the oldtimers of the Victorian Age say they are not going to get more because they are. People refuse to die quietly, my friends; they just won't cooperate. They just refuse to lie down and play dead, just because someone says "Don't make any noise. We haven't time to help you."

LET US ACT WITH BOLDNESS

People all over the world today are demanding a place in the sun, are asking for recognition, and, unhappily, some of these people believe the only way they can gain status is through the totalitarian method. Regrettably in a free country governments are timid. Most of the time, unless under duress and emergency, they lack courage. Where is there no timidity? In the people. Most Members of Congress are more timid than the people. There are some of us that aren't timid; I guess I qualify on occasion. But timidity is a characteristic of free government; courage and zeal to meet any emergency is a characteristic of a voluntary agency. We must have that or I am afraid we might lose that one game world series I spoke about.

Congratulations to you all; to CARE, its officers, its contributors, its host of friends.

Thank you very much. It was a privilege to be here.

(Standing ovation.)

Jerome K. Kuykendall

EXTENSION OF REMARKS

OF

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 13, 1957

Mr. DINGELL. Mr. Speaker, the appointment of Chairman Jerome K. Kuykendall to the Federal Power Commission is before the United States Senate for confirmation.

Chairman Kuykendall during his tenure of office as Chairman of the Federal Power Commission did absolutely nothing to protect the consumers' interest and devoted his entire time and effort to serving the vested interest that he was charged with regulating. He is unfit for any office, especially that which he seeks.

A number of very important charges were leveled at him during a hearing before the Senate committee which heard his case. These cases were included among others, and I will only summarize briefly:

First. The fact that he has traveled around the country at the expense of the oil and gas companies which he was charged with regulating.

Second. That he made misleading representations to Congress in 1954 when he declared that the now defunct Dixon-Yates power contract was fair and reasonable to the Government, and suppressed criticism of the contract by the Federal Power Commission's Bureau of Law.

Third. That he is consistently, constantly, and unfailingly giving the gas companies precisely what they want in rate cases. Indeed, unless the claims of the gas companies were vigorously contested by the consuming interests he probably gave the gas companies whatever they wanted. In the recent matter of the Olin Transmission Corp., Mr. Kuykendall said, "Olin was a bit lucky here because I don't think their case was contested like it could have been."

Imagine entrusting the consumers' interest to a man of this sort, who thinks so little of the consumer that he makes an award to a gas company merely because the matter of consumer interest is not pressed vigorously enough.

Fourth. That he has permitted electric and natural-gas companies to use fast tax writeoff certificates as tax-free dividends to enrich supposedly regulated utilities and to gouge consumers.

Fifth. That he admitted in the House Committee on Interstate and Foreign Commerce that he called secret meetings of representatives of the gas industry to draft the present natural-gas bill, and that he actively participated in that

endeavor, plainly aimed not at protection of consumers but rather at enrichment of the large natural-gas producers.

At this time, Mr. Speaker, I insert into the RECORD a copy of a letter sent by me and four of my colleagues, the Honorable THADDEUS M. MACHROWICZ, the Honorable JOHN E. MOSS, the Honorable B. F. SISK, and the Honorable CLEMENT J. ZABLOCKI, detailing a still further reason why his appointment should not be confirmed, the opinion in the Catco case matter.

Mr. Speaker, I hope very sincerely that the Senate of the United States will not permit this tool of the vested interests to pass upon the consumers' problem and that his nomination will be denied confirmation by a resounding vote.

JULY 18, 1957.

Hon. WARREN G. MAGNUSON,
Chairman, Senate Interstate and Foreign Commerce Committee, Senate Office Building, Washington, D. C.

DEAR MR. CHAIRMAN: Since several of the undersigned appeared to testify against the confirmation of Chairman Jerome K. Kuykendall of the Federal Power Commission, certain matters have come to our attention which we feel should be considered in connection with his confirmation. It is our feeling that these matters furnish additional grounds for withholding confirmation of Mr. Kuykendall to the Federal Power Commission for another 5-year term. It is our hope that you will include this letter in the record of the hearings.

Our opposition to Mr. Kuykendall's nomination is based on his disregard of, and lack of sympathy for, the obligations, duties, and responsibilities placed upon the Federal Power Commission by the Congress of the United States in committing to that Commission the preservation of the public interest in the development of the Nation's resources and the protection of consumers of electric energy and natural gas against exploitation at the hands of the electric and gas companies under the Federal Power Commission jurisdiction and control.

Mr. Kuykendall's disregard of, and lack of sympathy for, his obligations, duties, and responsibilities as a member of the Federal Power Commission is self-confessed. Testifying before the House of Representatives Committee on Interstate and Foreign Commerce during hearings on H. R. 6790, a bill to amend the Natural Gas Act to deprive consumers of natural gas of effective protection against exorbitant gas rates, which bill Mr. Kuykendall enthusiastically endorses, Mr. Kuykendall was questioned about the Commission's recent decision in the Olin Gas Transmission Co. rate case. In that case the Commission granted Olin an increase in rates based in substantial part on an allowance of the field value of its own produced gas which exceeded Olin's actual cost of gas production by 100 percent. In excusing the windfall granted Olin and the very favorable disposition of other issues in favor of Olin, Mr. Kuykendall offered the incredible explanation that "Olin was a little bit lucky here because I doubt that their case was conducted like it could have been" by Olin's customers. If it had been contested more vigorously, he testified, "we might not have had substantial evidence to support a finding that this was warranted."

This is shocking testimony from a public official. Candid, to be sure, but nonetheless shocking and revealing. It reveals a callous disregard for his responsibilities which renders him totally unfit for the position to which he aspires and a fundamental failure to understand the Commission's proper function and the reason for its existence. Obviously, the Commission's responsibility to protect the consumers against excessive rates imposed upon the Commission by the Federal Power and Natural Gas Acts does not vary with the degree of opposition that may prevail in a given case from the customers of the pipeline company and cannot be made to depend upon it. The Commission's obligation exists and persists in every proceeding, at every stage, in the same degree, regardless of the degree of participation of the customers. The Commission, which includes its expert staff of technicians and lawyers, owes its existence to the fact that consumers are unable to protect themselves adequately against the utilities that are well able to take care of themselves, having the resources and the wherewithal to retain experts to present the utilities' point of view. How can consumer interests be entrusted to him.

One might conclude from Mr. Kuykendall's testimony with reference to the Olin case that he welcomes and encourages intervention of customers. But this is not the fact, for under his leadership the Commission's attitude toward intervention has been much less liberal and in the courts the Commission has opposed review of its orders at the instance of consumer-intervenors on technical grounds more than it ever did prior to his leadership of the Commission.

There was a time when the Commission rarely objected to review of its orders on technical grounds. Rather, it welcomed review. Today, however, the reverse is the case and the major reversals suffered by the Commission in the courts when consumer interests have managed to overcome the technical obstacles and secured review of Commission orders explains the Commission's greater preoccupation in recent years with efforts to block court review by consumer interests.

There was also a time when review of Commission rate orders in the courts found the Commission and consumer interests defending the Commission's rate orders against attack by the regulated utilities. Today, however, review in the courts finds the Commission and the regulated utility standing shoulder to shoulder against the consumer interests which have had to invoke the aid of the courts to secure fulfillment of the Commission's responsibilities.

The Commission's dereliction of its responsibilities under Mr. Kuykendall's leadership has become so grave that it has produced the remarkable spectacle of a regulated utility protesting the Commission's failure to protect the consumers against exploitation and calling upon the court to "act as a guardian of the public interest." In a brief filed with the United States Court of Appeals for the District of Columbia Circuit, Mississippi River Fuel Corp. declared:

"In sum if the prices paid by a pipeline company to nonaffiliated producers are to be accepted as sufficient in themselves to form the basis for future decisions in determining the fair field, market, or commodity value of pipeline-produced gas for ratemaking purposes, the consuming public—represented here by Mississippi—is being deprived of even the minimum protection to which it is entitled under any criteria of ratemaking. An affirmance of the Commission's order and examiner's decision will put a stamp of approval upon a method affording a pipeline company self-regulation of the price of gas produced by it or an affiliate. The correction of this patent error is of crucial important if an effective system of regulation is to be maintained."

* * * * *

"In this, it need only be pointed out that the Commission has a positive duty in this respect, a duty entrusted to it by the Congress under the Natural Gas Act. That duty is to protect the consumer interests against exploitation at the hands of private natural gas companies, or to protect consumers from excessive rates. That duty is not discharged by inaction of the type which counsel for the Commission endeavors to explain in his brief.

"This is not the first time, even in recent years, that this court has been called upon to act as guardian of the public interest when this and other regulatory commissions have been derelict in their duties in carrying out Congressional mandates."

* * * * *

"Apparently, unless the Commission's functions are to fall into a condition of regulatory desuetude, this vigilance on the part of this court must continue. No better example of such a necessity can be found than in this case."

On July 8, 1957, the court of appeals vacated the Commission's order and remanded the case to the Commission for the performance of its duties. *Mississippi River Fuel Corp. v. Federal Power Commission.*

Mr. Kuykendall's leadership produced the recent unconditional surrender of the consumers to the mercy of the producers in the Catco certificate proceedings involving applications by four producers from which the proceeding derives its short name (Continental Oil Co., the Atlantic Refining Co., Tidewater Oil Co., and the Cities Service Production Co.) to sell a large block of gas from their leases off the coast of Louisiana to Tennessee Gas Transmission Co. at an initial price of 22.4 cents per thousand cubic feet until November 1, 1962, which thereafter would escalate by 2 cents per thousand cubic feet every 4 years until the contracts for sale expired.

First, by order issued April 22, 1957, the Commission said:

"* * * The record shows that the 22.4-cent price is higher than Tennessee Gas is paying under any other contract. It is this price, with the provision for escalation, to which the interveners have made vigorous objections in exceptions to the presiding examiner's decision, which would grant a certificate without a rate condition attached to it. They contend that if the rate were allowed to stand it would establish a higher price plateau in a new area to the detriment of consumers.

"The record contains insufficient evidence or testimony, however, on which to base a finding that the public convenience and necessity requires the sale of these volumes of gas at the particular rate level here proposed. The importance of this issue in certificating this sale cannot easily be overemphasized. This is the largest reserve ever committed to one sale. This is the first sale from the newly developed offshore fields from which large proportions of future gas supplies will be taken. This is the highest price level at which the sale of gas to Tennessee Gas has been proposed.

"These factors make it abundantly evident that, in the public interest, this crucial sale should not be permanently certificated unless the rate level has been shown to be in the public interest. (See Cities Service Gas Co., Signal Oil & Gas Co., opinion No. 288, Nos. G–2569, G–2570 November 28, 1955, affirmed as *Signal Oil and Gas Co.* v. *F. P. C.* 238 F. 2d 771 (C. A. 3), certiorari denied 353 U. S. 923.)"

* * * * *

"The contracts between Catco and Tennessee Gas provide November 1, 1957, as the date for commencing service, and in order to comply with the leases and the Louisiana Shelflands Act, production should commence by 1958. To meet this schedule Tennessee Gas must build its underwater pipelines before the onset of the season of bad weather. In view of this total situation we are disposed at this time to grant temporary certificates to Catco for the sale of gas and to Tennessee Gas as requested by it for its proposed 107 miles of connecting pipelines. At the same time, we shall remand the Catco proceedings to the presiding examiner to determine at what rates the public

convenience and necessity requires these sales to be made if permanent certificates are to be granted to these companies upon final disposition of their applications."

This disposition of the case did not, however, satisfy the appetite of the producers. They threatened to cancel their contract for the sale of the gas unless the Commission issued a permanent certificate for the sale at the initial price of 22.4 cents per thousand cubic feet.

The Commission then yielded to the demand for a permanent certificate in its order issued May 20, 1957, but insisted that protection of the interests of consumers required that the producers agree to an initial price of 18 cents per thousand cubic feet, "the highest price presently being paid by Tennessee Gas for the purchase of any gas produced in the Southwest area." As a further concession to the producers, however, the Commission agreed in advance to permit the producers to file for an increase in that rate, even to the 22.4 cents per thousand cubic foot price, and to suspend the proposal for only 1 day although the Natural Gas Act provides for the suspension of a rate increase proposal for a period of 5 months in order to maintain the status quo while the Commission has some opportunity to investigate the reasonableness of the proposal.

This concession, of course, literally reduced to lip service the Commission's avowal of concern for the protection of the consumer interests. But even this was not enough for the producers. They demanded a permanent certificate with no strings attached. By order issued June 24, 1957 the Commission, therefore, abjectly surrendered its public responsibility and issued a permanent certificate at the initial price of 22.4 cents per thousand cubic feet, although it had previously loudly proclaimed, and the fact remained, that the evidence could not support a finding to support the issuance of a certificate on this basis.

This was too much for Commissioner Connole, who dissented. Protesting the abandonment of public responsibility he said:

"The record is plain that the controlling reason the parties refuse to submit their contracts to regulatory review in the manner found to be necesssary in the public interest is their preference for a proceeding in which the burden would be on the Commission to establish that the rate was more than reasonable. They flatly refuse to submit to one in which the parties would be required to show only that the rate was required by the public convenience and necessity. No citation of authority or reference to regulatory theory is needed to demorstrate that the burden of showing the public convenience and necessity requires a proposed service at a particular price level is on the party seeking to take advantage of the proposed service and not on the tribunal before which the case is to be made. Under the unique conditions found here, the critical importance of that decision is indisputable."

* * * * *

"The decision of the majority is justifiable only by the evil consequences of the loss of these reserves to the particular pipeline which is a party to the contracts. Such evils would, in the opinion of the majority, exceed the gain to follow from the proof that the public convenience and necessity does not require the sale of this gas at proposed rates.

"In my opinion, the consequences of abandoning our position will be more serious than their effect on this particular sale. Whether by design or accident, the issues in this proceeding now transcend the close limits of the original hearing. At stake is the question whether the Commission should hold a position which it has determined is in the long run public interest, or whether it should abandon it when confronted with allegations that short run injury to one segment of the industry and consumers might result. Where the issue is reduced to this simple statement, the answer is clear."

* * * * *

"As concerned as I am for Tennessee's customers, I am more concerned for the whole body of consumers on all transmission pipelines for whose protection we are responsible. And as deserving of preservation as I believe those particular orders to be, I believe the principle that Federal regulatory orders should not be changed by threats of abandoning public responsibility is even more important.

"On balance, and in view of the expansion of the issues beyond those originally contemplated by this docket, I believe it more important to the public interest to preserve the Commission's authority to make lawful and necessary orders than it is to preserve these contracts as written. The right to maintain valid orders against allegations of urgency, the importance to the consumer of the Signal Oil doctrine, and the right of all consumers for protection against unreasonable initial rates outweigh the potential damage to the consumers of Tennessee Gas Transmission which might flow from maintaining the position I urge here.

"While dissenting may appear to serve no useful purpose, the damage to consumer and to the public interest, to the regulatory process, and to the future of the interstate natural gas business as it is given me to discern it, would be such under the majority decision that, inevitable as that decision may appear to be, I am left no choice but to protest it by filing a dissenting vote."

It is true, of course, that Mr. Kuykendall's name does not appear on the final order issued Monday, June 24, 1957, since on that date he was no longer a member of the Commission, his term having expired the evening of June 21, 1957, the preceding Friday. He did, however, participate in the oral argument on June 12, 1957, and was in attendance at each of the series of Commission meetings from then through the meeting which took place on Friday, June 21, 1957, at 3 p. m., with the exception of the 10 a. m. meeting on June 19. The only other meeting at which he was not present during which the Commission could possibly have considered this Catco decision was on June 24, at which time the Commission made the formal vote on this last surrender to the big oil companies. It is interesting to note that on that date, June 24, the Commission met at 9:30 a. m. and at 11:30 a. m. the final form of the very lengthy order was not only completed but was approved and was mimeographed for distribution to the press and public. A long dissenting opinion by Commissioner Connole was also drafted, filed and reproduced. On the basis of these facts it appears reasonable that discussions of the Catco matter must have been held during this interim period in which Chairman Kuykendall was not only present according to the Commission's minutes, but most probably participated actively. It is also fair to infer that he must have played a part not only in the consideration by the Commission of the necessary preliminary drafts but in the acceptance of the Commission of the final form of this last giveaway of his term, which was so much in keeping with the tenor of his leadership in the previous two decisions of the Federal Power Commission on this same Catco matter, and in other similar giveaways such as Hells Canyon, Dixon-Yates, and the Olin case.

One may also fairly wonder, in the circumstances, why no order was forthcoming while he was still a member of the Commission. We respectfully suggest that the pendency of the hearings on his confirmation may have had something to do with it.

At any rate, Mr. Kuykendall should be compelled to justify his actions in these specific cases which have arisen since the date of the formal hearing on his confirmation, and which so flagrantly constitute a complete, abject and dismal surrender of the consumer interest and the Commission's responsibility to the very people who are to be regulated by the Federal Power Commission.

These are but a few of the horrible examples. There are others. The record of Mr. Kuykendall's administration of the affairs of the Federal Power Commission during his term which has recently expired, in our opinion, shows his unfitness for continued service as a member of the Commission and we, therefore, urge that the committee disapprove his nomination.

Very sincerely,

JOHN D. DINGELL,
15th District of Michigan.
THADDEUS M. MACHROWICZ,
1st District of Michigan.
JOHN E. MOSS,
3d District of California.
B. F. SISK,
12th District of California.
CLEMENT J. ZABLOCKI,
4th District of Wisconsin.

Drought Damage in Texas

EXTENSION OF REMARKS
OF
HON. RALPH W. YARBOROUGH
OF TEXAS
IN THE SENATE OF THE UNITED STATES

Tuesday, August 13, 1957

Mr. YARBOROUGH. Mr. President, at the hearing yesterday before the Subcommittee on Agriculture of the Senate Committee on Appropriations, on a supplemental appropriation for rehabilitation of soil damaged by disaster, the chairman of the Committee on Appropriations, the Senator from Arizona [Mr. HAYDEN] pointed out that tree rings in the Southwest showed that the recent drought in the Southwest was the worst in the last 600 years.

I ask unanimous consent that my remarks before the subcommittee on soil damage in Texas caused by drought and floods be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR RALPH YARBOROUGH BEFORE APPROPRIATIONS COMMITTEE SUBCOMMITTEE ON AUGUST 12, 1957

Chairman HAYDEN and members of the committee, Texas, in the last few years, has undergone two such opposite disasters as to be unique in memory.

The Texas farmer's plight might be compared to the man dying of thirst on a desert: The man, who has somehow managed to keep up his courage, has crawled across the hot sands and he finally sights a body of water. At the moment of his jubilation, a gigantic flood wave sweeps him down the channel to destruction.

The first disaster suffered by the Texas farmer was the worst drought in Texas history. This was a slow torture to the farmer. For 7 years, he would search the skies in hope of some cloud, even a small one. He watched his water tanks dry up and he knew he had no water for his cattle. He was forced to sell at any price. He watched his grass dry up. He planted his crops over and over. Each time the crops merely with-

ered in the parched, cracked land or failed to come up at all.

In a report prepared for President Eisenhower during his inspection of the drought areas last January, Dr. Tyrus R. Timm, head of the department of agricultural economics and sociology at Texas A. and M. College, said this was the worst drought in Texas history in terms of financial losses, necessary human adjustments, and deterioration of physical resources.

The United States Department of Agriculture classified 94 percent of the Texas counties (244 of the 254) as disaster counties. Large areas of the State did not have a single year of normal rainfall from 1950 to 1957. Many farmers on the high and rolling plains and Edwards Plateau prepared their land and planted seed 3 consecutive years without harvesting a crop. Many ranchmen in the same areas fed supplemental rations to their breeding herds almost the year round since 1951.

The carrying capacity of most of the rangeland was seriously depleted.

All 20 major rainfall-reporting stations in Texas during this period showed 20 to 77 percent below normal rainfall.

A study conducted on the Edwards Plateau of the files of 45 members of the Texas Production Credit Association showed that between the fall of 1950 and the spring of 1954 ranchmen lost 38 percent of their net worth.

Literally thousands of Texas farms and ranch people were forced to the wall. In Mills County, for example, 1,000 of the 6,000 farm people left agriculture. From 1951 to 1952, the movement from farms of 80,000 persons annually was considered normal. During 1953–54 Texans left their farms at an annual rate of 160,000.

By 1955 wind erosion and the heartbreak of economic collapse that goes with it, was only one of the consequences of the drought. When the crops failed for the second and third consecutive years, all protective stubble disappeared. Nothing was left to hold the loose, dry soil in place on these cultivated fields. The fields were ready to blow and did blow away.

The cattleman, the sheep raiser, the cotton and wheat farmer—in short, every person connected with agriculture—lost tremendous amounts of money.

And since agriculture is the backbone of the Texas economy, every person in Texas suffered.

Perhaps no one can estimate with any accuracy the untold amount of damage done by the drought. Responsible officials have said it was in the billions.

In late spring and early summer rain began to fall in Texas. At first the rain was greeted with prayers of thanks.

Unfortunately, the farmer's problem had just started.

Whereas the drought was slow torture, the floods which inundated great portions of Texas were sudden disaster.

In a period of 70 days, the total flood damage to crops, seeds, and labor was estimated by John C. White, Texas agricultural commissioner, as $34,536,728. Permanent land and property damages from spring floods were approximately $50 million.

We think it is interesting to note the fact that officials say the flood damage in Texas would have been $106.3 million greater had it not been for a number of flood-control projects recently completed. The total cost of these projects was $121 million. In other words, these projects almost paid for themselves in this 1 year.

One of the tragic results of the floods is this fact: despite the fantastic amount of water that fell, the rainfall was of the wrong kind for breaking the drought.

On July 30 of this year, Mr. Timm reports that economic drought scars are not erased by these floods. Furthermore, the lack of rain and near-100 degree temperatures have accelerated the drought problem during the last 2 weeks. The situation could become very serious if rains fail to fall rather generally during August.

However, since the law under which this hearing is being held authorizes appropriations only for permanent damage to land, and does not cover crop loss or cattle loss or loss of buildings, I will now limit my statement to land damage.

Texas has had two separate areas of agricultural land qualifying for assistance under the supplemental appropriations act. One area qualifies under the wind erosion provisions and the other qualifies under the flood provision. It should be pointed out that the wind erosion damage was centered in the areas of the Edwards Plateau and the Rolling Plains of west Texas while the flood damage was sustained in north, central, and south Texas. For this reason there is no overlap in the acreage affected by the two types of disasters.

The Texas Department of Agriculture informs me that there are 1,971,849 acres of Texas land meeting the requirements of the act because of recent disastrous floods. At an anticipated assistance level of $6 an acre this program would require appropriations of $11,831,094.

In addition, the 7-year drought created a wind erosion conservation problem on 3 million acres of crop land and 300,000 acres of pastureland. This would require $19,800,000 in appropriations for this wind erosion damage. This figure includes only the land damaged by erosion. It does not include the many millions of additional acres which have been severely damaged by the drought but which have not started to blow as yet. The State of Texas has 141 million acres of agricultural land and a great percentage of this acreage has sustained drought damage.

The total appropriations urgently needed to cover the types of damages clearly covered by the law to save the erosion and flooded land areas of Texas amounts to $31,631,094.

Tuna Import Regulation

EXTENSION OF REMARKS

OF

HON. CECIL R. KING

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 13, 1957

Mr. KING. Mr. Speaker, I have referred from time to time over the past several years to the increasingly difficult problems arising from the twin desires of increasing trade with Japan and keeping our tuna fishing industry not only alive but in a thriving, prosperous and growing condition.

I find it necessary to report that neither of these desires is being fully met under the present law and its administration. Once again the price of albacore to our fishermen has dropped, this time to a level lower than any time prior to World War II. The distress felt in the albacore fleet is keen and current. This is reflected in the number of vessels engaged in the albacore tuna fishery which this year has reached hardly a third the number which were engaged in that fishery so short a time as 6 years ago.

The purse seine fleet which makes the town of San Pedro and the port of Los Angeles a primary fishing port of the Nation has recently had the price for its bluefin tuna catches reduced by another $20 per ton from an already unprofitably low level. It was notified this past week by one of the major tuna canners that no yellowfin and skipjack tuna would be accepted by it for the indefinite future. The cumulative economic effect of these past 8 difficult years on that fleet is indicated by the fact that no new tuna purse seiner has been built in that length of time and whereas 125 purse seiners were engaged in the tuna fishery as short a time as 6 years ago, only 51 were so engaged this year.

The bait boat fleet which makes San Diego a primary fishing port of the Nation, normally provides 70 percent of the total annual domestic landings of tuna in the Nation, and provides a major part of the raw material for the great tuna canning industry of Terminal Island, has been affected even more seriously by the events of these last several years and even days. The fleet has decreased from 214 vessels to 153 in the past 6 years. Only nine new vessels have been constructed in that length of time, and the fleet now averages 12 years of age. At the present time 40 vessels containing 8,000 tons of frozen tuna in their holds are lying in San Diego Bay. For 2 months the vessels of this fleet have had to wait 20 to 30 days before they could unload their catches, and it is now apparent that these delays will stretch out to 40 to 60 days as the summer progresses. Prices are down a quarter from what they were even 3 years ago and it is evident that the present critical situation in the market will drive these already unprofitably low prices down yet further.

These adverse reactions from the steadily increasing flow of tuna imports, primarily from Japan, have been aggravated substantially by the general inflation which has been taking place in our domestic economy and which has had the effect of steadily increasing the cost per ton of production by our domestic fishermen and boat owners.

While the distress in all branches of our domestic tuna fishing industry has been increasingly painful and sharp it should not be thought that this has resulted in absolute peace and prosperity in the Japanese tuna fishing industry. The contrary has been the case.

Certainly one of the objectives of our country's foreign trade policy as it affects our ally Japan, is to increase her dollar earnings in this country. While the volume of tuna imported from Japan has continued to increase steadily, the actual dollar earnings by Japan from its tuna exports to the United States has trended downward steadily for these past 3 years. Obviously this part of our trade policy is not working well.

This has been reflected by major adverse movements in different branches of the Japanese tuna industry. In 1955, the Japanese canners were forced to dump a considerable amount of canned tuna on the world market at less than their cost of production. In 1956 the Japanese frozen tuna exporters were forced to dump about 14,000 tons of frozen albacore on this market at about $100 per ton less than their cost of production. This action produced such distress in the Japanese industry that the

Japanese Government has been brought to making basic changes in its legislation governing the tuna export trade.

This year the price received by the Japanese albacore fishermen has been a little less than half what it was the year before and the distress which has been felt in turn by the Japanese tuna canner, and then by the Japanese frozen tuna exporter, has now been transmitted to the Japanese fisherman.

It must not be thought that the two governments have avoided cognizance of these problems. The Japanese Government has from time to time over these several years established check prices and voluntary quotas over the various tuna commodities in its export trade in an effort to mitigate or eliminate the gyrations of price and volume which afflict this trade. These steps have been unavailing. The political forces arising from the various branches of the Japanese tuna industry and the economic forces arising from the interaction of the several tuna commodities upon each other's markets in this highly competitive trade have been too great to give these programs of the Japanese Government sufficient permanence or strength to meet the problems.

In 1955 the crisis was so bad in the United States tuna fishing industry that the White House established a task force composed of the Departments of State, Commerce, Interior, Labor, Treasury, and Defense to examine into the problem and make recommendations for its alleviation. The study was completed and a number of recommendations short of import controls were made.

The domestic tuna industry actively followed up each of these recommendations during the remainder of that year and during early 1956. All of the recommendations were found to lead into blind alleys and one of the reasons for this was found to be a lack of authority and direction within the executive to implement the recommendations. As a direct outgrowth of this discovery a number of us who are particularly interested in the welfare of the domestic fisheries introduced legislation designed to establish a policy for the domestic fisheries and to provide an agency in the executive competent to implement the policy. As a result the Fish and Wildlife Act of 1956 was enacted into law and the carrying out of these functions in the executive have been undergoing the reorganization prescribed by that law for the past year.

Beneficial results have already begun to flow from this new legislation to several branches of the domestic fishing industry and it would appear that it will turn out to be a milestone in the Nation's handling of its commercial fishing problems. But that law has not prevented a continued sharp deterioration in the tuna trade for the reason that the troubles of the tuna trade arise from basic anomalies in the treatment of tuna commodities under the tariff act and under the Reciprocal Trade Agreement Act.

Having seen all other recourses exhausted over these past several years to bring our tuna fishing industry to a healthy condition and to regularize our tuna trade with Japan in a manner beneficial to both nations I have drafted and introduced legislation that will strike at the heart of the matter by amending the Tariff Act of 1930 and by directing the President to take certain actions under the authority given to him by the Reciprocal Trade Agreement Act.

What the bill will do may be described as follows:

First. Section 2 (a) provides that the importation of all tuna in whatever form—canned, frozen, discs, loins, or whatever—shall be limited to 200 million pounds per year when converted to a round weight basis, or 35 percent of the average of the apparent annual consumption of tuna in the United States, whichever may be the larger quantity.

The actual situation for the past 2 years, and it appears likely for this year too, has been that the total amount of tuna imported into the United States when converted to a round weight basis, has varied between 200 million and 207 million pounds per year. The apparent annual consumption of tuna in the United States last year, when converted to a round weight basis, was between 620 million to 640 million pounds. Accordingly 200 million pounds of imports would be about 30 percent to 31 percent of the apparent annual consumption of tuna. However, the consumption of canned tuna in the United States has been increasing steadily and when an average is struck over the past 5 years 200 million pounds will be found to be about 35 percent of the apparent annual consumption during that period.

Thus this bill does not intend to reduce the imports of tuna from Japan or from other countries as to actual volume. It accepts the status quo with respect to volume.

Nor does this bill attempt to restrict the share of the domestic tuna market that is now enjoyed by the foreign producers. Since the market for canned tuna has consistently increased over the past 20 years at a rapid rate, and is predicted by competent authorities likely to continue to so increase for the indefinite future, the effect of this bill will be to permit the foreign producers of tuna to continue to send in approximately the same volume of tuna that they now do, and as the market in this country increases the actual volume which the foreign producers can send in will increase so long as it does not exceed 35 percent of the total market.

What this section of the bill does do to aid our domestic fishing industry is to guarantee to it 65 percent of this market and permit it to plan for a stable future. In view of the wide spreading penetration of Japanese tuna fishing vessels under the sponsorship of the Japanese Government into the eastern Pacific, the Caribbean, the Atlantic, as well as throughout the tropical and subtropical Pacific and Indian oceans, this absolute safeguard is required by our industry.

Second. Section 2 (b) defines terms used in the act.

Third. Because of the numerous tuna commodities that enter world trade, and their varied treatment under our trade law and in trade agreements, it is necessary to deal with them in two groups—those commodities that are not cooked or canned and those commodities which are so prepared and preserved.

Section 3 (a) of this bill deals with the former category. Principally affected is frozen tuna in the round but also affected are frozen tuna which have, in the parlance of the trade, been gilled and gutted, and also fish which have been filleted and frozen but not advanced so far in their manufacture as to be cooked. This section provides three levels of treatment for this class of tuna commodities:

a. Up to a limit of 50 million pounds per year, or 5 percent of apparent annual consumption whichever is the larger, these commodities will be in a duty-free status.

The reasons for this provision are various. In the first instance there is a small quantity of tuna produced by several Latin American neighbor countries for the United States market. The quantities are not large either severally or together and the cost of production is such that these imports on a duty-free basis do not create disturbances in this market. The practical effect of this provision will be to provide for the growth of these small fishing industries in our neighboring countries or at least to place no impediment upon that growth.

In the second instance there are small tuna canneries on the east, west and gulf coasts of the United States too far distant from the center of domestic tuna production to be able to rely upon it for their raw material and which rely wholly upon imported frozen tuna. The net effect of their operations do not materially disturb the domestic market. The practical effect of this provision will be to assure them a continuance of their foreign source of supply or at least not interfere with it.

In the third instance the product of the domestic albacore fishery has not been sufficient in the last few years, because of the distressed economic condition of the industry, to provide all of the raw material required by the United States market for this sort of canned tuna. This provision, taken together with the provision instructing the Secretary of the Treasury to provide individual quotas for the different species of tuna on a historic basis within this duty-free quota, will protect our albacore fishermen from sudden surges of cheap albacore into their market, while protecting our small canner's source of raw material and providing an adequate volume of this sort of tuna for the market.

b. Up to a limit of 140 million pounds per year, including the 50 million pounds of duty-free frozen albacore provided for above, or 15 percent of the average apparent annual consumption of tuna in the United States whichever is the larger, frozen tuna shall bear a duty of 3 cents per pound.

This is approximately the amount of frozen tuna which has been imported in each of the past 2 years and is anticipated this year. Since this rate of duty will not be prohibitive the present volume of frozen tuna being imported will not be lessened. However, the provision

of this duty will protect the price received by our domestic tuna fishermen and raise it somewhat above its presently depressed low level. This is the only way in which the domestic tuna fishery can be headed in the direction of becoming the vigorous growing industry it once was.

c. Any frozen tuna above 140 million pounds per year, or 15 percent of apparent annual consumption, whichever is the larger, will bear a duty of 6 cents per pound. This rate of duty is intended to be prohibitive and in the generality of years will be so. Only when there is an abnormal glut of tuna abroad will it be not prohibitive.

The intent of this provision is to throw the other 60 million pounds of tuna provided for under section 2 of the bill into the cooked or canned form of imports. Since this is approximately the level and proportion of these forms that have been imported in recent years the effect of this provision will, like other provisions of the bill, be to stabilize the market, protect the status quo situation and provide for the rational growth of the market, the domestic industry and the import trade alike.

Fourth. At the present time there are four tuna commodities imported in the cooked or canned form. Three of these are products that have arisen not from the natural demand of the market but have been developed to take advantage of loopholes in the tariff law. Three of the four commodities bear different duties and are involved in different trade agreements.

Tuna canned in oil bears a duty of 35 percent ad valorem under the trade agreement with Japan.

Cooked frozen loin tuna and tuna discs bear a duty of 1 cent per pound under the General Agreement on Tariff and Trade by reason of coming within a basket category in the tariff act.

Tuna canned other than in oil bears a duty of 12½ percent ad valorem under the trade agreement with Japan.

The confused situation of the tariff treatments of this class of tuna commodities, and the generation of these three artificial tuna commodities, by the tariff act itself, has been one of the most important factors in keeping the United States tuna market continually disturbed and in inducing a distressed condition in the domestic tuna fisheries.

The function of section 3 (b) of the present bill is to establish a definite uniform tariff base for all cooked and canned tuna commodities at the duty rate now paid on the primary commodity in this category, tuna canned in oil, which is 35-percent ad valorem. While this section will not alter the tariff rate on the principal tuna commodity in the United States market it will contribute in a major manner to stabilizing the canned tuna market in the United States protecting the earning power of tuna imports, and providing for the prosperity of the domestic tuna industry.

Fifth. Section 4 (a) provides for the entry into effect of various provisions of the bill.

Sixth. Section 4 (b) provides that no duty imposed by these amendments shall be collected in violation of any international obligation of the United States and directs the President to renegotiate any international obligations necessary to carry out the purposes of the act.

Mr. Speaker, our domestic tuna fishermen are in a critical stage of distress. This is harmful to the economy of these west coast port cities. The effect of this is to create disturbance in our friendly relations with our good ally, Japan. The earning power of Japanese tuna exports to this country is declining, and the trade in tuna is an important part of Japan's dollar-earning capacity. The tuna industry in Japan is not much less disturbed by these factors than is our own domestic industry. I am hopeful that the bill which I have introduced will go a long way toward mending the basic causes of these difficulties. I am mindful that there can be no positive action on this bill until we reconvene in 1958. In the intervening months, however, the appropriate executive agencies can provide the necessary technical studies upon which appropriate changes in the proposed bill might be based. I am informed that the Bureau of Commercial Fisheries of the Department of the Interior is already well advanced on such studies and that the United States Tariff Commission is about to engage in bringing up to date its studies on this complex subject.

I have also been mindful that there are different views in the different branches of the domestic industry as to how these matters may best be handled. I am hopeful that those several interests may be able to use this bill as a basis for composing any differences that may so exist among themselves during the months of the summer recess.

If these several lines of actions can be advanced by the executive agencies and the industries, Mr. Speaker, I should hope that the Congress would be in a position to enact legislation of this nature next year that would be at once beneficial to our domestic economy, our foreign trade, and improved understanding in our foreign relations.

Dispelling the Economic Fog

EXTENSION OF REMARKS
OF
HON. CHARLES W. VURSELL
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 13, 1957

Mr. VURSELL. Mr. Speaker, it is estimated for the year 1957 that the total value and production of goods and services of the United States will reach an alltime high, of about $450 billion.

Since this great expansion of business, increased wealth and prosperity has made it possible to employ 67 million people at the highest wages on record, it would seem that the millions of men and women throughout the Nation who invest their capital in business enterprises, and the leaders of business as well, ought to be shown greater appreciation by the people generally, and by the Members of Congress, than has been shown in the last few years.

Mr. Speaker, I make this statement because groups and organizations have developed in our country which, through false publicity and propaganda, constantly try to deceive the people and prejudice them against business leaders—both large and small.

Those most active in making such accusations of exorbitant profits made by business are largely followers of the ADA political group, and in addition most of the so-called liberals and the Socialist-fringe crowd. They, and their organized groups, constantly quote the volume of gross profits made by corporations, but they never tell the public about the small net profit remaining with which to pay the stockholders and to continue the business that furnishes the employment—in fact the intent of this repeated propaganda and misstatements is to deceive the great bulk of the American people.

Mr. Speaker, may I illustrate my point by referring to the recent rise in the price of steel? The price of steel went up on August 3, 1956, when the United States Steel Corp., after holding out 34 days against a strike—at the loss of millions of dollars—finally had to agree to a 3-year labor contract, which would give their employees about 21 cents an hour wage increase each year. When August of this year came, steel had to raise its prices because of this 21 cents an hour increase in the cost of labor.

An investigation has recently been conducted in the other body by the Antitrust and Monopoly Subcommittee, which has had the United States Steel officials before it, trying to determine why it was necessary to raise steel prices.

It seems obvious that any corporation, or an individual businessman, who had been forced to sign a contract to raise the wages of his employees 21 cents an hour each year, for 3 years, would most likely be compelled to raise the price of the product sold in order to remain in business.

Now, Mr. Speaker, to give some real facts: The records show that from 1940 through 1956, United States Steel's employment cost per employee-hour went up 250 percent while the materials they had to buy, all their taxes and other costs rose 315 percent. United States Steel's cost per employee-hour rose 284 percent over this period of time.

In contrast, United States Steel held down the price of finished steel mill products, according to the Bureau of Labor Statistics, to an increase of only 138 percent. The difference between the total cost and the increase in price was absorbed by United States Steel over the years through greater efficiency and operation, and at the expense of billions of dollars in modernization and improvement of its facilities, and partly, too, by lower profits.

Mr. Speaker, it might surprise you to learn that United States Steel Corp., emerging from the depression in 1940, made a profit of 9½ cents on each dollar of sales; that last year their profit on dollar sales was 8$^{2}/_{10}$ cents.

In 1956, United States Steel had left for reimbursement in the business 4$^{2}/_{10}$

cents of the sales dollar, and paid out 4 cents of each sales dollar in dividends.

Mr. Speaker, now the same propaganda has been put out about the enormous profits made by the International Harvester Corp., John Deere, and other concerns manufacturing farm implements.

Let me illustrate by quoting from International Harvester's annual report to stockholders in 1956:

Each dollar gross receipts of a total of $1,270,275,000 was distributed as follows:

For cost of materials, supplies, and other expenses, 56⅘ cents.

For wages, salaries, social-security taxes, and employee plans, 35½ cents.

For taxes, Federal, State, local (excludes social security), 3⅘ cents.

Dividends to shareholders, 2⅘ cents.

Retained for use in the business, 1⅗ cents.

Mr. Speaker, you will note that the dividends going to the shareholders who furnish the investment to keep this great production going, with hundreds of thousands of people employed, only received 2⅘ cents out of each dollar of receipts and, in addition to that, stockholders must pay Federal income taxes on dividends received.

You will further note that the company was able to hold out only 1⅗ cents, which they retained for use in the business for the coming year.

Mr. Speaker, about the same ratio applies to Allis-Chalmers, John Deere, and other manufacturers of farm equipment.

Now, the so-called liberals, leftwingers, and Socialist fringe, among the people and in the Congress, make the same charges about the exorbitant profits of General Motors.

Mr. Speaker, they never tell the people that all of the large corporations are taxed about 52 percent of their net earnings. They don't reveal that General Motors on a $10,910,000,000 gross business netted last year only 7¾ cents profit on each gross dollar of sale. They do not tell that 5¼ cents was paid out of these net profits to their over one-half million stockholders in dividends, who finance the corporation and make possible employment for over one-half million people.

Mr. Speaker, they do not tell the public that the General Motors Corp. out of that gross dollar of sales retained for facilities and working capital only 2½ cents of every sales dollar.

Now, Mr. Speaker, I am not speaking for business by reason of the fact that I own stock in these corporations; in fact I must confess I own no stock in any of them. I am making these statements because the private-enterprise system has helped to make this the most powerful Nation in the world, supplying the finest equipment in every line in the world, and furnishing employment for 67 million people who have the highest standard of living and the highest wages of any people in the world.

Mr. Speaker, in my humble way I am trying to shed the light of truth and justice on the businessmen of the Nation in the hope of giving such facts as will penetrate, and maybe partially dispel the fog of misrepresentation and the false statements that are directed against the business interests of our country.

Looking Back and Looking Ahead at Jamestown

EXTENSION OF REMARKS

OF

HON. BURR P. HARRISON

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 13, 1957

Mr. HARRISON of Virginia. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the text of a significant address delivered by our colleague, the Honorable WATKINS M. ABBITT, on the occasion of the Appomattox Area Day, at Jamestown, Va., August 5, 1957.

The address follows:

It s a great privilege and high honor for me to be here today to participate in the celebration of the 350th anniversary of the establishment of the first permanent English settlement in America.

I am sure that many of us fail to realize or to appreciate the significance of that occasion. It is hard for us to visualize what it has meant to the development of the Anglo-Saxon civilization. Here were planted the first seeds of the greatest Republic ever to exist in the world. They could have hardly begun under a greater disadvantage. At that time, there was considerable rivalry for the settlement of the New World. Spain and Portugal had been allotted this New World territory by Pope Alexander VI in 1493, with the western coast of North America going to Spain. Spain subsequently protected her claim by establishing settlements in Florida. She had also attempted to establish colonies in Virginia but it was a complete failure.

It was in this historical context that the British began to establish rival colonies of their own in North America. The British, being mostly Protestants, considered it important that Protestantism, preferably the Protestantism of the church of England, should gain a foothold in America. Historians also agree that economic motives were important in the settling of Jamestown. I think we can agree today that the determination to establish an English colony in the New World sprang from religious and economic motives.

In the early 1600's there were hard times in England. Many people were out of work. There were many young sons of nobility who had no title, had no trade, and were without means of livelihood. There were also many people of substantial means who desired to establish in the New World a colony with which the mother country could trade, where its young people could go to find opportunity as well as to spread the Christian religion.

It was under this atmosphere that private individuals banded together in 1606 and secured from King James a charter authorizing the company known as the Virginia Company of London to establish colonies in North America in the area lying between the present locations of Philadelphia and Wilmington, N. C. Finances of the enterprise were entirely the responsibility of the investors and not the Government.

While the colony was at the outset under strong royal control, the original impetus and the responsibility of its success came from private enterprise. In other words, the establishment of the colony was not being undertaken by the Government but rather it was being carried on by those great individuals in England who had dreams of a great future for the mother country by establishing in the New World Colonies which would permit the expansion of trade and religion on the part of England.

I am sure that they had no idea of the great future in store for civilization as a result of their efforts at colonization. Their motives, however, were inspired by patriotism, piety, and profit.

We are all familiar in a general way with the details of the settlement of Jamestown, the hardships, the perils, and the disappointments encountered by the settlers. We are familiar also with the fact that gradually those settlers who were able to survive overcame and conquered the hardships and slowly expanded the colony, with the help of new arrivals, into a permanent, self-sustaining territory. A new trail was being blazed and there was no past experience to point the way.

Little did these first settlers and their immediate successors realize the trail that they were actually blazing.

Here in this colony was nurtured and born the spark of liberty and freedom. The first trial by jury in America was held at Jamestown soon after the first settlers landed. The accused was Capt. John Smith who had been put under arrest on a charge of attempted mutiny before the colonists had landed. Smith's enemies among the Jamestown authorities had planned to return him to England, at the time of his accusation, for trial but Smith demanded his rights under the Magna Carta and demanded a trial by his peers. On June 20, 1607, the trial was held and the jury acquitted Smith. We see that from its very inception, the colonists were determined to protect the freedoms and privileges of the individuals so far as they could under the existing circumstances.

The settlers of Jamestown naturally brought with them their own British traditional notions of government and law. In addition, they were far removed from the seat of government and it made them yearn for self-government, liberty of action and recognition of the dignity of the individual. We are familiar with the fact that here in this little colony at Jamestown was established in 1619 the first representative legislative body in the Western World and the first General Assembly of Virginia consisting of the governor, the council and the house of burgesses. From then on until the Colonies were freed from England at the close of the Revolutionary War there was a constant struggle between the Colonies on one side and the Crown on the other. The Colonies struggling to secure freedom and the Crown to compel obedience to its will including taxation without representation. We will not attempt to go into the great struggle for freedom and the hardships overcome by the Colonies in establishing this great Nation of ours. Suffice it to say, our forebears came here and carved out of the wilderness a great Nation. They had to fight every step of the way. There was a constant uphill battle against tyranny, oppression and the desire on the part of the mother country to extract part of its livelihood from its Colonies. Our great Nation has come a long way since 1607. Since those brave, courageous and hardy settlers set foot on this sacred spot, much has been done to achieve freedom and liberty for the people of the great Nation.

First, our freedom was obtained from England. It was done at the cost of great sacrifices in life and material wealth. Patriots fought, bled and died that men might be free, that individual liberty could be had in this country. We had the Declaration of Independence given us as the pole star to guide this little country in its fight for freedom.

Following that, great statesmen and scholars of that time produced the Constitution of the United States, the greatest document ever conceived by man. It guaranteed to the people their liberties and freedoms. It guaranteed to the States their sovereignty. All of this flows from that little

seed planted in this hallowed spot by those settlers 350 years ago. Our Nation, from then until now, has grown into the mightiest Nation on earth. We have the greatest civilization ever known to mankind. We live in a land of plenty.

The National Government under the Constitution started out to be the servant of the people. It was so created and it was never intended that the people would be the servant and vassal of the Government.

It is time now that we pause, take stock, and ascertain in which direction we are now headed and try to determine where we will land if we continue our present course.

In the past few years, the Government has grown so fast and become so large that the people are in grave danger of losing control over it. We have created a huge Frankenstein monster whose power, if allowed to continue to grow, will gobble up its creators. Our people have been so busy accumulating material wealth and trying to get advantages from the Government that they have failed to realize how big our Government has become and how dangerously close we are to losing the birthright and heritage that has been ours for generations. We are raising up a generation who is being taught to look to the Government for their needs, desires, and wants rather than to rely upon their own individual ingenuity and self-help.

Our people must realize that there is no such thing as Federal handouts. The Federal Government cannot give us anything until they have first extracted it from the people. The people never give up their liberty but under some delusion. Many of our people have been deluded into believing that the Federal Government can solve all of their problems without cost to the taxpayers and can carry their burdens and obligations on its shoulders without cost. Nothing is further from the truth but so many people believe in this philosophy that our Government has gone a long way toward a centralized, all-powerful dictatorship. This trend must be stopped in the foreseeable future if we are to retain our republican form of government and preserve the rights and freedoms of our people.

We fail to realize this country was founded on private enterprise. It has become great because of individual initiative, determination and hard work on the part of citizens who have not in the past depended upon the Government to look after their wants, needs and desires. We have remained free because the people were willing to do for themselves, to work hard to get ahead, and had a determination to remain free.

There are some in this country today, and their number is not small, who are determined to nationalize, federalize, and socialize this country of ours from one end to the other. They desire to make of this great Nation a socialistic, welfare state. The time is at hand when the people of America must choose up sides. They must make a determination as to which course we shall pursue. This is an opportune occasion for the people to rededicate themselves to the cause of liberty, freedom and the concept of Government held by the Founding Fathers of this great Nation. Many of our people do not begin to comprehend or realize that a great battle is raging throughout the Nation today. Insidious forces are at work endeavoring to weaken, to break down, to change our form of government, and to wreck our way of life as we know it. They desire to concentrate all authority in the National Government. They are making an all-out effort to put the purse strings of the Nation directly under the control of the Federal bureaucracy.

Our people and the Nation as a whole fail to see the significance or importance of this conflict. They do not believe that a conspiracy is afoot against the rights and privileges of our people and the sovereignty of our States. What we are fighting today is not just a recent movement or a small operation. It has been building up for years and years. It has behind it some of the most wicked forces presently inhabiting this earth. The battle has become of such momentous importance, the stakes so high, and the outcome so vital, that I shudder to think what will happen to our people if we lose the conflict. Make no mistake, our very way of life is at stake.

The creeping socialistic invasion of State and local power by the Federal Government must be stopped before it turns this Nation into an all out socialistic welfare state. The hour is already late and unless our people awaken and realize the seriousness of the situation, we will soon see our way of life taken from us and the liberties and freedoms that were wrought out for us by our forebears devoured by the octopus-like Federal Government that we have allowed to be established.

In the very recent past, we have seen the judicial arm of the Federal Government attempt to strike down the customs, habits, mores, and traditions of our people by usurpation of authority that they never had, authority that was specifically retained by our Founding Fathers for the people themselves and the individual sovereign States.

That was just one of many such incidents when the judicial branch of the Federal Government has, by usurpation of power and authority, attempted to amend by judicial decree the Constitution and by judicial fiat write into legislation the personal, political philosophy of the individual members of the Court. This same Court is gradually taking over the legislative and executive functions of the Government.

It is interesting to note that only last week the members of the American Bar Association held their annual meeting in England. While there, the members of the bar association, including members of the Federal judicary, dedicated a memorial to the Magna Carta, that great instrument which 2,000 English patriots wrested from arrogant, truculent King John in the year 1215. This instrument has been hailed by many historians as the first statement and source of many human freedoms in English civilization. It was the first solid achievement in the struggle for liberty in the English speaking countries.

I pray that the judicial branch of the Federal Government will stop digging the grave and erecting a tombstone over the liberties and freedoms of the individuals and the sovereignty of our States. I say to you in all candor that this is being done step by step and will be carried through unless the citizens of this great Nation arise to the occasion, fight off this octopus-like arm of the Federal Government and demand a return to the concepts of constitutional government where the dignity of the individual is recognized, the sovereignty of our States preserved, and the private-enterprise system continued.

It is indeed discouraging to observe that the spirit of self-reliance so dominant among our early leaders is becoming more difficult to find today. It is alarming to note that principle is being sacrificed too often for the sake of political expediency. The lure of a welfare state has caused many to surrender their liberties. Many of our people forget the duties and obligations they owe as citizens of this great country of ours. It is so easy to look for security rather than to stand upon principle.

Apparently, there are those in the Congress and executive branch of the Government who have joined hands with the judicial branch in an effort to take from our people the liberties and freedoms guaranteed them under the Constitution.

I have reference to the so-called civil rights legislation now pending before the United States Senate. This legislation is the most obnoxious, evil, liberty destroying proposal that has been before the Congress in our time. It strikes at the very heart of the liberties and freedoms of our people and the sovereignty of our States. It is an attempt to strike down with one stroke of the legislative pen the theory of our very form of government itself.

This legislation is intended to deprive the people of this great country of many fundamental rights that our forefathers guaranteed to them by the ratification of the Constitution.

The legislation, as passed by the House of Representatives, strikes down the right of trial by jury. It does away with the sovereignty of our States. It takes from our individuals their right to be tried in the local courts. It sets up a small Gestapo under the direction of an Assistant Attorney General who will be the political hatchetman of the administration in power. It allows our people to be dragged from the four corners of our country and brought before an agent of the Federal Government without a formal charge being placed against them and without knowing who instigated the investigation. If enacted into law, it will be the beginning of the end of our very way of life and of democracy itself in this great country of ours.

This legislation is intended to establish law by injunction. It permits the Attorney General to make of the local Federal judge the administrator, the prosecutor and the executor of the functions of the States and localities, particularly the operation of the schools, transportation system and other public recreation activities.

These are but some of the evils of this legislation. The most shocking part of it all, however, was the part played by a large segment of the press and other news media in keeping from the people the true facts about the so-called civil rights legislation. Large segments of the press, radio and television commentators failed and refused to give the public information and news dealing with the civil rights legislation.

Now the iron curtain of the news media has finally been broken down and the northern press is carrying the true facts about this iniquitous legislation. As a result of the long debates, the people at last are becoming aware of the evils that are contained in this legislation. I have hopes that when the people awaken to the dangers confronting them they will rise up and demand that this legislation be killed.

I realize what a dreary picture for the future of our Nation has been painted in what I have had to say but I say to you, in my opinion, it has been a true picture. America is at the crossroads. Our people are on trial today. It is for them to say whether or not we will measure up to the principles and heritage that that little band of settlers and their predecessors wrought out for us. The only hope is for a rededication on the part of the American people to the concepts and precepts of fundamental constitutional government. There must be a determination on the part of our people to keep this country on a solid foundation of private enterprise, and individual freedom.

I have great faith in the American people. I believe that when they become aware of the consequences facing us they will measure up to the high standards set by those who have gone on before and will clean up the temple and steer our ship of state back on its right course.

We must preserve liberty and freedom in this country. We must see that State sovereignty is respected and maintained. We must instill in the younger generation that the least governed are the best governed and that there is no such thing as something for nothing. This we must do and shall do or else we will have lost what this great Republic has gained in the years gone by.

Address of United States Senator Edward Martin, of Pennsylvania, at the Annual Convention of the American Legion, Department of Pennsylvania, at Harrisburg, Pa., August 10, 1957

EXTENSION OF REMARKS
OF

HON. JAMES G. FULTON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 13, 1957

Mr. FULTON. Mr. Speaker, Senator EDWARD MARTIN on Saturday morning, August 10, 1957, delivered an address before the American Legion convention in Harrisburg, Pa., which I believe to be an important statement on the economic health of the United States. Senator MARTIN speaks of the sound policies that are necessary for the healthy, vigorous growth of our country in order that our national prosperity will continue and grow.

Both as a longtime friend as well as a Pennsylvania colleague of Senator MARTIN, it is a pleasure to insert this tribute to the ability and sincerity of our senior Senator from Pennsylvania.

ADDRESS OF UNITED STATES SENATOR EDWARD MARTIN, OF PENNSYLVANIA, AT THE ANNUAL CONVENTION OF THE AMERICAN LEGION, DEPARTMENT OF PENNSYLVANIA, AT HARRISBURG, PA., AUGUST 10, 1957

Your many invitations to speak at your annual conventions help the morale of an old soldier more than these humble words of mine can express.

I sincerely appreciate the honor of addressing you, because the Legion has done so much to advance patriotic Americanism and to build the material, spiritual, and cultural strength of the United States. You have fought bravely and intelligently for all things American. You have battled courageously against all things un-American.

Over the years I have talked to you on many subjects. Today, I would like to bring to your attention the financial situation of our Government and its relation to the welfare of our people. This may not arouse much enthusiasm, but basically it is one of the most important problems confronting our country.

Before taking up what some may consider a dry financial discussion, let us look back with pride at the background of the United States.

The history of America is a glorious story. It tells of toil, sacrifice, and heroism. It tells of victory produced by a people whose hearts and minds were aflame with the spirit of liberty and independence.

It tells of those courageous patriots who met in Philadelphia more than 180 years ago, and pledged their lives, their fortunes, and their sacred honor, to establish a new nation. For the first time in all the world, government recognized the divine origin of man's inalienable right to life, liberty, and the pursuit of happiness.

For the first time a government was based upon the sound principle that governments derive their just powers from the consent of the governed.

Upon that foundation, in less than 200 years, a savage wilderness has been transformed into the most powerful nation of the earth, with the highest spiritual and cultural level ever attained by any similar area in the world.

We surpass every other nation in industrial and agricultural production but regardless of our great national wealth we are confronted by grave problems.

Our most serious internal danger is the depreciation of the purchasing power of the dollar.

Yes, my fellow Americans, I want to impress upon you that inflation is the No. 1 danger to our country. If allowed to continue it can destroy our system of government. Recent world events have demonstrated beyond all doubt that inflation is a direct threat to freedom.

It has the power to crush any economy upon which it fastens its grip. The record of history proves that more great nations have been overthrown by inflation than by invading armies.

I have every respect for the economist who can discuss inflation from the technical standpoint and can support his conclusions with charts and statistics. His expert knowledge has great value but you don't have to be an expert to know that no matter how fat your pay envelope may be, the thing that really counts is how much you can buy with your dollars.

Let me give you the figures on how much the dollar has depreciated in value.

In 1939 the dollar was worth a little more than 100 cents in purchasing power. Inflationary pressure during World War II forced the value of the dollar down to 78 cents. The decline continued during the postwar years and at the beginning of 1953 the dollar represented only 52 cents in purchasing power. For a time it appeared that the value of the dollar had been stabilized at that point and for the next 3 years remained practically unchanged. However, in 1956 the downward trend was resumed and the value of the dollar sank gradually month after month, going down from 51.5 cents in June 1956 to 49.8 in April of this year.

This is an alarming situation. If the downward trend is not checked the healthy, vigorous growth of our country cannot be maintained and our prosperity will become a thing of the past.

When the dollar loses its purchasing power, it damages all with fixed incomes. The person who lives on a pension, social security, or interest on savings cannot escape the evils of inflation. There are now in the United States more than 16½ million on social security, corporations, and Government retirement, veterans pensions, veterans survivors benefits, and military retirement pay.

Values built over a lifetime, or even over generations, are reduced or wiped out by inflation. Those damaged by inflation include the more than 125 million savers in the United States, the shareholders in corporations, owners of life insurance policies and savings accounts. Men and women paying into social security make up another great list of savers whose benefits are reduced by inflation.

I turn now to some of the causes of the inflationary pressures that have been building up over the years.

First, I would point to big government as one of the primary causes. This includes excessive Government spending, deficit financing, a staggering burden of debt, printing press money and unsound fiscal policies. There has been so much expansion of government that more than 7 million are now employed at the three levels, Federal, State, and local. They are not producers and the total payroll puts into circulation nearly $40 billion dollars a year.

Second, increased labor costs with a corresponding rise in the cost of production. When higher wages bring an increase in productivity there is no danger. But this has not been the case here in the United States in recent years. Inflation results when production does not keep pace with rising wages.

Third, too much use of borrowed money in the expansion of business and purchases by government, corporations, and individuals, particularly money borrowed from banks.

An official Department of Commerce report issued on May 27, shows that the American people, at the end of last year, owed a total of more than $800 billion in gross private and public debt. This is an average of about $4,700 for every man, woman, and child in the Nation.

Net State and local government debt has increased from $13½ billion in 1945 to $42.7 billion at the end of 1956.

Net corporate debt went up from $93½ billion in 1946 to $208 billion at the end of 1956.

People have been buying out of tomorrow's pay checks. At the end of 1945 they owed less than $6 billion. In 1956 this figure had increased to $42 billion.

Fourth, experience has shown that there is no limit to human desire for goods and services, but there is a limit to the means by which these desires can be satisfied.

We must remember that even though we are the richest Nation on earth there is a limit to our resources. Therefore, when government attempts to carry out competitive political promises, many of them made by demagogs, and undertakes to supply the wants of groups and individuals, the cost is likely to exceed available revenues. In that event, government resorts to deficit financing. Increased debt and more inflationary pressure are the natural consequence.

How can inflation be curbed?

It can be done by drastic governmental controls over wages and prices. Americans do not want such governmental controls. We want a free economy, because the great strength of our Nation is our system of free competitive enterprise. If it collapses our entire structure will fall.

Living standards here in the United States are the highest in the world because American productivity has been advanced to the highest level in the world. Production is the golden key to prosperity. We cannot have great industrial production if we have restrictive legislation or controls enforced by administrative directives.

It can be done by voluntary restraints on the part of the people, by reducing individual spending and by building up savings accounts and other forms of savings. But that method has never been effective.

It can be done by tough credit restraints and higher interest rates to make borrowing more difficult. This is not very palatable as far as the American people are concerned but it is one of the best ways of curbing inflation.

It can be done by raising taxes so high that it would control a boom. We will not accept that plan. Taxes are too high now. Tax cuts are not inflationary, if accompanied by reductions in Government expenditures.

Many feel that the objective of full employment is inflationary. It has been suggested that wage and price increases, when more than one State is concerned, should be subject to national approval.

Politicians want to avoid brutal methods like high interest rates, curbing appropriations, and increasing taxes. Such actions are always unpopular. Too often the politician takes the easy way, without regard for the dangers that lie ahead.

The curbing of inflation is a job for all of us because in the United States, we the people are the Government.

The Federal Reserve Board by restricting the expansion of credit has done much to check inflation. This restrictive action has been accompanied by rising interest rates and many now contend this is one of the reasons for the high cost of government. However, the curbing of inflation in defense spending alone has saved us an amount greater than the increased cost of interest to

the Federal Government. The stand of the Federal Reserve Board has been criticized but it has rendered a great service to the Nation.

Why has government become so expensive?

One reason is that Federal and State Governments are financing a great variety of activities that formerly were the responsibility of local government and depended upon the self-reliance and initiative of the people in their home communities.

As an example let me cite the big increase in so-called grants-in-aid from Washington to the States. In the early twenties $100 million a year in Federal funds were paid in grants to the States. This has now increased to $4 billion.

Here is another fact. One American out of five—men, women, and children—gets a check at regular intervals from Uncle Sam.

Another illustration of the increase in the cost of government is that the Federal Government proposes to spend $14 billion a year for welfare projects compared with $4 billion 10 years ago.

While we must all work for a sound and solvent America, we must not forget the dangers of Red propaganda. We have found that large quantities of Communist propaganda has been received by embassies and other so-called diplomatic representatives of the Soviet and that this material has been distributed throughout the United States.

Recently there was broadcast into millions of American homes an example of Communist propaganda more flagrant than anything ever before attempted.

It was a brazen attempt to convince American listeners that Soviet Russia has no evil designs against the free nations of the world. We were told that the Russian dictators seek only friendship and peaceful coexistence.

Yes, my fellow Americans, the Communist boss talked peace but real Americans were not fooled. The record denies their words.

Their fundamental objectives have not changed. They have not abandoned their unholy ambition to destroy all human freedom.

Those of you who heard that broadcast will recall the prediction that the grandchildren of Americans living today will live under a socialistic system.

That was a grim warning. It must not be ignored. It calls upon us to be constantly alert to the dangers of Communist influence here at home. We must fight disloyalty with every weapon at our command, and if our laws are not strong enough, they should be made stronger.

We can have a strong and prosperous America if we work for four important objectives:

1. Labor must be gainfully employed at wage scales adequate to maintain the American standard of living.

2. The farmer must have a profitable market for his product.

3. The investor in industry must have a fair return on his investment.

4. The dollar must be stabilized.

In every age in America we have looked forward. We have looked forward with a mixture of courage and doubt. Each one of us has fought his own battle. Many of us have lost. Some have won. The great majority have had both defeats and victories. But, in every generation, courage in the United States has prevailed.

Personally, I feel that America today has the same courage that caused our forefathers to move ahead. They did not have it easy. We will not have it easy. We must always fight for the stability of our currency; for the improvement of living conditions; for our up-building, morally and spiritually.

The early settlers in the New World, facing the hardship of a vast and unknown wilderness, had one thing in common—an ardent faith in God.

Let us emulate their example.

As militant, God-fearing believers in American ideals, let us fill our more than 300,000 churches, cathedrals, synagogues, and temples in the United States, 165 of them built before 1776.

Let us wage a war for complete loyalty by all living in the United States to the principles for which a million Americans died on battlefields within our borders and in foreign lands.

Let us live by the motto "In God We Trust"; and if that trust is deep enough, America will survive every attack.

Let's Save the Old War-State-Navy Building

EXTENSION OF REMARKS
OF
HON. FRANCES P. BOLTON
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 13, 1957

Mrs. BOLTON. Mr. Speaker, under leave to extend my remarks I include herewith a letter of protest I have written to Mr. Robert V. Fleming, Chairman of the Presidential Advisory Commission on Office Space, in the matter of the Commission's recommendation that the War-State-Navy Building be razed. My letter and the material referred to in the letter follows:

AUGUST 9, 1957.

Mr. ROBERT V. FLEMING,
Chairman, President's Advisory Commission on Presidential Office Space, General Services Administration Building, Washington, D. C.

MY DEAR MR. FLEMING: It is with much regret that I read the recommendations of the Presidential Advisory Commission on Office Space to tear down the old War-State-Navy Building and erect upon the site a modern, functional building.

Frankly, I cannot understand the lack of appreciation of traditional value that this exemplifies. There are very few buildings left of this architectural design, which represents a very definite period in the building of America. Some call it the Grant era, others remind us that it really has a French second empire style. Comparable buildings are considered to be the Luxembourg Palace, the Louvre in Paris, and in our own country, Philadelphia's City Hall.

Passing it the other evening I was struck with a sense of its beauty that I had not before appreciated. Why in the world should we want to destroy everything that sings our history, to reduce ourselves to a monotonous modernity, I cannot understand.

The $6 million it would cost to destroy the building might certainly be well used for cleaning it and altering the interior to a more useful arrangement of the rooms.

I protest, as strongly as it is possible for one person to do, what I consider ruthless destruction of one of the most perfect examples of French Renaissance architecture in the United States. Tied in as it is with our history, how can we give consideration to its destruction.

Attached is a collection of quotations from published material regarding the building which, while not organized in article form, do describe the building's beauty, utility, and architectural significance.

Hoping that the Commission may find it possible to reconsider their recommendations on this matter, and with all good wishes, I am,

Sincerely yours,

FRANCES P. BOLTON.

QUOTATIONS FROM PUBLISHED MATERIAL REGARDING THE PRESERVATION OF THE STATE-WAR-NAVY BUILDING

A. B. Mullett's $12 million design was described as "an almost perfect specimen of architecture * * * the interior has been constructed in a very magnificent and yet entirely substantial manner." As the Federal Government grew, the War and Navy Departments moved to buildings of their own, the State Department remained here until after World War II.

American mansard was considered the perfect style to express the dignity of Government at every level. The United States Post Office, the State university, the county courthouse, the city hall, and the township hall—all were crowned with mansard roofs and often had towers with mansards of their own. For some years A. B. Mullett, supervising architect of the United States Treasury Department, held a virtual monopoly on the design of major Federal buildings; he preferred the French Renaissance manner with row upon row of pillars and columns. The mansard roof itself took many shapes, its slope could be straight, or concave, or convex, or both combined in an S-curve. The dormer windows might be rectangular or pointed and gabled or round-like portholes. Some large roofs even featured a double row of dormers, one above the other.

The massive 5-story building, containing 566 rooms leading off 2 miles of corridors, stands at 17th and Pennsylvania Avenue, as a tomb or a monument to an architectural phase—depending on the architect one talks to.

Admirers laud the structure, fathered by Treasury Architect A. B. Mullett, as a worthy remembrance of times past. The opulent structure, French second empire in style, is a reflection of American interest in 17th century French architecture.

The columns, pilasters, pavilions, pediments, and rusticated basement are harmoniously assembled into a careful piece of architectural design. Comparable buildings are the Luxembourg Palace and Louvre in Paris and the Philadelphia City Hall.

The porch block constitutes a central pavilion that is articulated; that is, it gives an indication of what's inside. The porches are emphasized by superimposed orders of columns, with the first three stories being Doric style and the fourth, Ionic. The porches narrow as they ascend.

Each vertical strip of windows, from ground floor to top, reflects the subtlety of design that avoids dullness. Over each window in the strip is a different pediment or eyebrow—curved, segmental, triangular, and so forth.

The paired pilasters or flat strips at the corners give the feeling of strength to the building. They are a variation from free-standing columns.

Each facade has receding and projecting planes to break up the surface and avoid monotony. The high rusticated (in grooves) basement, for example, offers a variation.

Some way must be found to make the present old War-State-Navy Building more useful. It would be a discredit to our foresight to replace this important architectural example with a new building which would be contemporary for another few years.

Many people also question the appropriatness of the classic marble buildings on Constitution Avenue, with their own share of cluttering columns, but none considers demolishing any of these.

Why then tear down one of the really interesting buildings in the city, to replace it with something that will sink into its surroundings better?

Contrast contributes much to the character of Washington, and buildings such as the old

State and the Smithsonian serve to throw the White House and the Mall into sharper relief.

Let us have a sense of tradition, and even of humor. Let us keep Washington from becoming a monotony of modern efficiency. Save this wonderful period piece.

This building is classed by Henry Russell Hitchcock, of the Architectural Historians Society, as one of the two most important 19th century structures standing in the Federal City. The other is the Treasury Building.

Three most interesting and beautiful buildings in Washington stand side by side: State-War-Navy, White House, and Treasury. All the more interesting and beautiful because each is different.

All that the fine old State-War-Navy Building needs is a good scrubbing to restore it to its original classic beauty.

This beautiful building of French Renaissance, which so long housed our State, War, and Navy Departments, would be the pride of any other capital city in the world. The mere mention of its destruction is enough to make our great statesmen, generals, and admirals, who occupied it, cry out from the grave in protest.

At the recent convention here of the American Institute of Architects, many of its most distinguished members, including Ralph T. Walker, of New York, who received the institute's "special centennial medal," strongly opposed the contemplated destruction of what is, perhaps, the finest building of its type in the United States, and a landmark in Washington since it was completed in 1888.

It is a striking commentary upon today's inflationary market that it would cost nearly as much to tear this building down in 1957 as it cost to build it in 1875–88, the price then being $10,038,482.42.

While taste has changed since its erection when it was considered the finest building in Washington, it is still just as impressive in design and scale as it was then, and its granite steps and columns and details are unblemished by 80 years of weather. With its superposed orders and mansard roofs and towers, it is a monumental example of Second French Empire architecture, simplified to suit the hard stone.

Its ample, ornate corridors and curved, cantilevered staircases are impressive. Its offices are spacious with high ceilings and decorative cornices and window embrasures. All appears in perfect repair.

A PLACE FOR PRESIDENTS TO WORK—COST: $32 MILLION

A plan is afoot to change and enlarge the White House.

The goal is to give the President enough office space, for the first time in more than 100 years.

Ike backs this plan. But there's opposition, too. A Washington landmark would have to go.

It is going to cost at least $32.8 million to give future Presidents the space they need to house their staffs.

That simple figure offers an idea of the size to which the job of being President has grown. It is a figure arrived at by a special Commission—including Members of Congress—that just completed a study of the White House.

This amount, the Commission says, would provide offices outside the White House big enough to meet needs for Presidential offices for at least the next 50 years. The new construction, the Commission adds, can be done in a way to preserve and enhance the traditional appearance of the President's home.

Details of the Commission's plan were first reported in the March 8 issue of U. S. News & World Report.

Today, President Eisenhower's staff of about 1,500 people is jammed into cramped offices in the east and west wings of the White House, and in the 70-year-old State, War, and Navy Building, across the street from the west wing.

Arrangements are "outmoded, overcrowded, inefficient," according to the study Commission's report.

STANDING ROOM ONLY

The President's staff secretary shares one room with four other people. The appointments secretary's office is too small to hold enough chairs for visitors; some must stand while they wait. Mr. Eisenhower's press secretary has a news ticker in a washroom. Desks and files and stacks of documents are scattered through corridors, the basement, the attic.

It's a situation that has been getting worse and worse since 1800 when the White House was first occupied. All early improvements, the Commission notes, were made "without any consideration" of the President's office needs.

When original offices on the first floor became too crowded, some activities were moved up to the second floor. Cabinet meetings also were transferred to the second floor, close to the President's study. As years passed, secretaries, officials, and visitors who had to see the President increased—and privacy of the President's living quarters declined.

By 1902, the situation was so bad that President Theodore Roosevelt, unable to get support for a plan to create permanent office space, built a temporary office west of the Executive Mansion.

Now, 55 years later, the temporary office is known as the west wing. It was completely rebuilt in 1934, by President Franklin D. Roosevelt. An east wing also gobbled up for offices, was added in 1942.

In 1946, President Harry S. Truman tried to enlarge the west wing to relieve congestion, but Congress impounded the money after protests mounted.

Mr. Truman then took over the State, War, and Navy Building, renaming it the Executive Office Building. Some thought that that solved the space problem, yet in 10 years it has become more acute than ever.

In the Study Commission's view, for 157 years the problem of giving the President office space has always been dodged, never faced. Only makeshift improvements have been made. Meanwhile, elsewhere in the Government, great office buildings such as the Pentagon were being put up for all the other departments and agencies—which take orders from the President.

A permanent cure? Heart of the Commission's plan is to tear down the old State, War, and Navy Building and replace it with a modern structure three or four stories high and in keeping in size and character with the White House

In the White House itself, the west wing offices would be torn out and replaced with spacious living quarters for visiting dignitaries. The east wing would be made over to include an entrance for large social functions; an art gallery and museum. But outward appearance of the White House would be little changed.

The opposition. Proposed destruction of Old State has created opposition to the Commission's plan. To some, the venerable building is an architectural monstrosity. To others, however, including the powerful Speaker of the House, SAM RAYBURN, Democrat, of Texas, it is a historical edifice worth preserving.

The man who lives with the White House space problem, President Eisenhower, is sentimental about Old State, too—but, for the comfort and efficiency of future Presidents, he is backing any solution that will get more office room and preserve the White House as a home for Presidents and a shrine for all Americans.

SENATE

WEDNESDAY, AUGUST 14, 1957

The Senate met, in executive session, at 11 o'clock a. m.

The Rev. William W. Pendleton, priest in charge of St. John's Episcopal Church, Centreville, Va., and Christ Episcopal Church, Chantilly, Va., offered the following prayer:

Most gracious God, we humbly beseech Thee, as for the people of these United States in general, so especially for their Senate, now assembled: That Thou wouldst be pleased to direct and prosper all their consultations, to the advancement of Thy glory, the good of Thy church, the safety, honor, and welfare of Thy people, that all things may be so ordered and settled by their endeavors, upon the best and surest foundations, that peace and happiness, truth and justice, religion and piety, may be established among us for all generations. These and all other necessaries, for them, for us, and Thy whole church, we humbly beg in the name and mediation of Jesus Christ, our Lord. And now may the grace of God Almighty, the Father, Son, and Holy Ghost, be amongst you and remain with you always. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Journal of the proceedings of Tuesday, August 13, 1957, was approved, and its reading was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. JOHNSON of Texas. Mr. President, on yesterday, by error, I requested that the Armed Services Committee be permitted to sit during the session of the Senate today. I was in error; I thought today would be Thursday. I now renew the request, and ask that the Armed Services Committee be permitted to sit on Thursday, during the session of the Senate.

The PRESIDENT pro tempore. Without objection, it is so ordered.

On request of Mr. JOHNSON of Texas, and by unanimous consent, the following committee and subcommittees were authorized to meet during the session of the Senate today:

The Committee on the Judiciary, until 12 o'clock meridian.

The Subcommittee on Veterans Affairs of the Committee on Labor and Public Welfare.

The Subcommittee on Business and Commerce of the Committee on the District of Columbia.

TRANSACTION OF ROUTINE BUSINESS

The PRESIDENT pro tempore. Under the order entered on yesterday, the Senate will now proceed, as in legislative session, to the transaction of routine morning business, under a 3-minute limitation on statements.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT ON COOPERATION WITH MEXICO IN CONTROL AND ERADICATION OF FOOT-AND-MOUTH DISEASE

A letter from the Acting Secretary of Agriculture, reporting, pursuant to law, on cooperation of the United States with Mexico in the control and eradication of foot-and-mouth disease, for the period January 1, 1957 to June 30, 1957; to the Committee on Agriculture and Forestry.

ESTATE OF OSHIRO SHOKO

A letter from the Secretary of the Army, transmitting a draft of proposed legislation for the relief of the estate of Oshiro Shoko (with an accompanying paper); to the Committee on the Judiciary.

JOINT RESOLUTION OF ALABAMA LEGISLATURE

The PRESIDENT pro tempore laid before the Senate a joint resolution of the Legislature of the State of Alabama, which was referred to the Committee on Finance, as follows:

Senate Joint Resolution 73

Whereas the Congress of the United States levied during World War II certain transportation excise taxes, in the amounts of 10 percent on passenger travel and 3 percent on freight; and

Whereas these taxes were levied as wartime emergency measures, and, as such, have outlived their justification; and

Whereas there is pending in the Congress of the Unitd States a measure which would effect the repeal of these taxes: Now, therefore, be it

Resolved by the Legislature of Alabama (both Houses thereof concurring), That the Legislature of Alabama does hereby memorialize and petition, and does respectfully urge, the Congress of the United States to provide a measure of needed tax relief to the people of our Nation by enacting the pending legislation to repeal these "wartime" excise taxes levied on transportation; be it further

Resolved, That the Secretary of the Senate transmit a duly authenticated copy of this resolution to the President of the United States Senate, to the Speaker of the United States House of Representatives, and to each Member of the Alabama delegation in Congress.

IMMIGRATION—LETTER

Mr. LANGER. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a letter dated August 2, 1957, written to me by Mrs. Emele M. Picken, regent, Daughters of the American Revolution, Dickinson, N. Dak.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DAUGHTERS OF THE AMERICAN REVOLUTION,
Dickinson, N. Dak., August 2, 1957.

The Honorable WILLIAM L. LANGER,
United States Senator of North Dakota, Washington, D. C.

DEAR SIR: As regent of the Badlands Chapter of the National Society of the Daughters of the American Revolution, of Dickinson, N. Dak., I am writing this letter to voice the unanimous opinion of the 23 members of my chapter, upon the subject of the bill S. 2410, introduced in the Senate, together with other amendments, by Senator JOHN F. KENNEDY, cosponsored by HUMPHREY, PASTORE, and LAUSCHE, which will be coming up for action in the near future.

We feel that this bill is not for the good of our country, as it would liberalize and permit the influx of many foreigners and aliens, who could soon change the complexion of our entire population within a few years. This would in turn undermine the security and strength of our national origins quota system.

Therefore, we do most fervently and emphatically urge you to vote against the passage of such a bill and, by so doing, assure us, your constituents, of your affirmative stand against any liberalizing or weakening of the present immigration law.

We, as conscientious Daughters of the American Revolution, wish to hereby express our confidence in and support of the McCarran-Walter Immigration and Nationality Act adopted by the 66th Continental Congress, in 1957, and we urge that this legislation be kept intact.

Yours respectfully,

EMELE M. PICKEN, *Regent.*

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ALLOTT, from the Committee on Interior and Insular Affairs, with amendments:

S. 2363. A bill to authorize the erection of a national monument symbolizing the ideals of democracy (Rept. No. 865).

By Mr. MURRAY, from the Committee on Interior and Insular Affairs, without amendment:

S. 1742. A bill to amend the acts approved April 16 and July 27, 1906 (34 Stat. 116 and 519), so as to authorize the Secretary of the Interior to convey certain lands on the Huntley reclamation project, Yellowstone County, Mont., to school district No. 24, Huntley Project Schools, Yellowstone County, Mont. (Rept. No. 867).

By Mr. MURRAY, from the Committee on Interior and Insular Affairs, with an amendment:

S. 328. A bill to grant minerals, including oil and gas, on certain lands in the Crow Indian Reservation, Mont., to certain Indians, and for other purposes (Rept. No. 962).

By Mr. GOLDWATER, from the Committee on Interior and Insular Affairs, without amendment.

S. 2037. A bill to amend the act of June 28, 1946, authorizing the performance of necessary protection work between the Yuma project and Boulder Dam by the Bureau of Reclamation (Rept. No. 866).

By Mr. MALONE, from the Committee on Interior and Insular Affairs, with amendments:

S. 33. A bill to provide for the allocation of portions of the costs of Davis Dam and Reservoir to servicing the Mexican Water Treaty, and for other purposes (Rept. No. 868).

By Mr. ANDERSON, from the Committee on Interior and Insular Affairs, without amendment:

H. R. 8079. An act to amend the act of June 20, 1910, by deleting therefrom certain provisions relating to the establishment, deposit, and investment of funds derived from land grants to the States of New Mexico and Arizona (Rept. No. 965).

By Mr. BYRD, from the Committee on Finance, without amendment:

H. R. 1944. An act to amend title II of the Social Security Act so as to make inapplicable, in the case of the survivors of certain members of the Armed Forces, the provisions which presently prevent the payment of benefits to aliens who are outside the United States (Rept. No. 869).

By Mr. CURTIS, from the Committee on Government Operations, with an amendment:

H. R. 8005. An act to provide for the conveyance of an interest of the United States in and to fissionable materials in a tract of land in the county of Cook and State of Illinois (Rept. No. 870).

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce, without amendment:

H. R. 1678. An act to provide for the quitclaiming of the title of the United States to the real property known as the Barcelona Lighthouse site, Portland, N. Y. (Rept. No. 964).

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce, with an amendment:

S. 2349. A bill to facilitate the conduct of fishing operations in the Territory of Alaska, to promote the conservation of fishery resources thereof, and for other purposes (Rept. No. 963).

By Mr. JENNER, from the Committee on the Judiciary, without amendment.

H. R. 2354. An act for the relief of the estate of Leatha Horn (Rept. No. 871); and

H. R. 5288. An act for the relief of Orville G. Everett and Mrs. Agnes H. Everett (Rept. No. 872).

By Mr. JOHNSTON of South Carolina, from the Committee on the Judiciary, without amendment;

H. R. 3818. An act to provide for the maintenance of a roster of retired judges available for special judicial duty and for their assignment to such duty by the Chief Justice of the United States (Rept. No. 873); and

H. R. 3819. An act to amend section 331 of title 28, United States Code, to provide representation of district judges on the Judicial Conference of the United States (Rept. No. 874).

By Mr. O'MAHONEY, from the Committee on the Judiciary, without amendment:

H. J. Res. 354. Joint resolution to authorize the designation of October 19, 1957, as National Olympic Day (Rept. No. 876).

By Mr. O'MAHONEY, from the Committee on the Judiciary, with an amendment:

S. 732. A bill granting an extension of patent to the United Daughters of the Confederacy (Rept. No. 875).

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 281. A bill for the relief of Jaffa Kam (Rept. No. 877);

S. 365. A bill for the relief of Yukio Nobuta (Rept. No. 878);

S. 893. A bill for the relief of Giuseppe (Joseph) Chillemi (Rept. No. 879);

S. 1545. A bill for the relief of Fou Yueh Lee (Rept. No. 880);

S. 1655. A bill for the relief of Maria Talioura Boisot (Rept. No. 881);

S. 1835. A bill for the relief of Maria Domencia Ricci (Rept. No. 922);

S. 1921. A bill for the relief of Maria Goldet (Rept. No. 882);

S. 2043. A bill for the relief of Genoveffa Migliozzi (Rept. No. 883);

S. 2062. A bill for the relief of Yasna Trevizan (Rept. No. 884);

S. 2123. A bill for the relief of Frances Monteleone (Rept. No. 885);

S. 2124. A bill for the relief of Tasia J. Somas (Rept. No. 886);

S. 2136. A bill for the relief of Mark Raymond Johnson (Ray Whang) and Lance Holt Johnson (Lance Whang) (Rept. No. 887);

S. 2164. A bill for the relief of Elpis Maria Stephanou Fryback (Rept. No. 888);

S. 2172. A bill for the relief of Walter Harry Hurt (Rept. No. 889);

S. 2199. A bill for the relief of Reinhard Klinefelter (Rept. No. 890);

S. 2204. A bill for the relief of Margaret E. Culloty (Rept. No. 891);

S. 2210. A bill for the relief of Emmanuel Kim Kosmitis (Rept. No. 892);

S. 2248. A bill for the relief of James Richard Scarlett (Richard Kurosawa) (Rept. No. 893);

S. 2302. A bill for the relief of James Charles McCain (Kim Keun Shik) (Rept. No. 894);

S. 2309. A bill for the relief of Elaine Elva Oliver (Lee Myung Sook) (Rept. No. 895);

S. 2314. A bill for the relief of Paul Daniel Schaer (Ba Be Kim) (Rept. No. 896);

S. 2324. A bill for the relief of Elaine Marie Simonton (Yu Keum Ok) (Rept. No. 897);

S. 2328. A bill for the relief of Sieglinde Preiss (Rept. No. 898);

S. 2382. A bill for the relief of John Tompkins (K. M. Soo Man) (Rept. No. 899);

S. 2484. A bill for the relief of Margo Diann Wallace (Demetra) (Rept. No. 900);

H. R. 293. An act to authorize settlement for certain inequitable losses in pay sustained by officers of the commissioned services under the emergency economy legislation, and for other purposes (S. Rept. No. 961);

H. R. 1349. An act for the relief of John J. Fedor (Rept. No. 925);

H. R. 1365. An act for the relief of Elmer L. Henderson (Rept. No. 926);

H. R. 1424. An act for the relief of Sylvia Ottila Tenyi (Rept. No. 927);

H. R. 1595. An act for the relief of Vanja Stipcic (Rept. No. 928);

H. R. 1636. An act for the relief of George D. LaMont (Rept. No. 929);

H. R. 1652. An act for the relief of Rajka Markovic and Krunoslav Markovic (Rept. No. 930);

H. R. 1797. An act for the relief of Maria Sausa and Gregorio Sausa (Rept. No. 931);

H. R. 1851. An act for the relief of Dezrin Boswell (also known as Dezrin Boswell Johnson) (Rept. No. 932);

H. R. 2058. An act for the relief of the Franklin Institute of the State of Pennsylvania (Rept. No. 933);

H. R. 2224. An act providing for payment to the State of Washington by the United States for the cost of replacing and relocating a portion of secondary highway of such State which was condemned and taken by the United States (Rept. No. 934);

H. R. 2979. An act for the relief of Mary Hummel (Rept. No. 935);

H. R. 3184. An act for the relief of Gordon Broderick (Rept. No. 936);

H. R. 3280. An act for the relief of Mrs. Grace C. Hill (Rept. No. 937);

H. R. 3583. An act for the relief of Chandler R. Scott (Rept. No. 938);

H. R. 4230. An act for the relief of W. C. Shepherd, trading as W. C. Shepherd Co. (Rept. No. 939);

H. R. 4344. An act for the relief of Malone Hsia (Rept. No. 940);

H. R. 4447. An act for the relief of W. R. Zanes & Co., of Louisiana, Inc. (Rept. No. 941);

H. R. 6166. An act for the relief of Michael S. Tilimon (Rept. No. 942);

H. R. 8586. An act for the relief of Pasquale Pratola (Rept. No. 943);

H. J. Res. 367. Joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens (Rept. No. 944);

H. J. Res. 393. Joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain persons (Rept. No. 945); and

H. J. Res. 410. Joint resolution to facilitate the admission into the United States of certain aliens (Rept. No. 946).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 684. A bill for the relief of Ilse Striegan Bacon (Rept. No. 901);

S. 882. A bill for the relief of Pauline Ethel Angus (Rept. No. 902);

S. 888. A bill for the relief of Alex P. Collins (Rept. No. 903);

S. 950. A bill for the relief of Milutin Jovanovic (Rept. No. 904);

S. 1047. A bill for the relief of Adelheid Pfeffer (Rept. No. 905);

S. 1322. A bill for the relief of Heinrich Johann Ellebrecht (Rept. No. 906);

S. 1358. A bill for the relief of Johanna Mayne (Rept. No. 907);

S. 1582. A bill for the relief of Helen Demouchikous (Rept. No. 908);

S. 1634. A bill for the relief of Carola Ohlig (Rept. No. 909);

S. 2012. A bill for the relief of Giuliana Donadel Green (Rept. No. 910);

S. 2028. A bill for the relief of Sherwood Lloyd Pierce (Rept. No. 911);

S. 2046. A bill for the relief of Gisela S. Hopkins (Rept. No. 912);

S. 2134. A bill for the relief of Junior Yoo Luhta (Rept. No. 913);

S. 2135. A bill for the relief of a certain Korean war orphan (Rept. No. 914);

S. 2182. A bill for the relief of George E. Kitriniari and Demetroula E. Kitriniari (Rept. No. 915);

S. 2252. A bill for the relief of Mrs. Fumi Ishikawa Clark (Rept. No. 916);

S. 2325. A bill for the relief of Benjamin Paul Klinger (Lee James) (Rept. No. 917);

S. 2566. A bill for the relief of Kimiko Muscarella (Rept. No. 918);

H. R. 1558. An act for the relief of Phillis Guyadeen (Rept. No. 947);

H. R. 1741. An act for the relief of Ikuko Morooka Mahoney (Rept. No. 948);

H. R. 1868. An act for the relief of Daniel Adamson (Rept. No. 949);

H. R. 4854. An act for the relief of Victoria Galea (Rept. No. 950);

H. R. 8284. An act for the relief of Innocenza Guarascio (Rept. No. 951);

H. J. Res. 340. Joint resolution to facilitate the admission into the United States of certain aliens (Rept. No. 952); and

H. J. Res. 368. Joint resolution for the relief of certain aliens (Rept. No. 953).

By Mr. EASTLAND, from the Committee on the Judiciary, with amendments:

S. 262. A bill for the relief of Mrs. James S. Carpenter (Rept. No. 919);

S. 947. A bill for the relief of Bronislawa Chomicz (Rept. No. 920);

S. 1636. A bill for the relief of Delfina C. Lopes (Rept. No. 921);

S. 2041. A bill for the relief of Sala Weisbart (Rept. No. 923);

S. 2323. A bill for the relief of Barbara Marie Waddington (Helen Lee) (Rept. No. 924);

H. J. Res. 338. Joint resolution for the relief of certain aliens (Rept. No. 955);

H. J. Res. 373. Joint resolution to facilitate the admission into the United States of certain aliens (Rept. No. 956);

H. J. Res. 387. Joint resolution for the relief of certain spouses and minor children of citizens of the United States (Rept. No. 957);

H. J. Res. 392. Joint resolution for the relief of certain aliens (Rept. No. 958);

H. J. Res. 409. Joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens (Rept. No. 959);

H. J. Res. 411. Joint resolution for the relief of certain aliens (Rept. No. 960); and

H. Con. Res. 194. Concurrent resolution granting permanent residence to certain aliens (Rept. No. 954).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary:

Edwin R. Hicklin, of Iowa, to be United States district judge for the southern district of Iowa, vice William F. Riley, deceased;

Laughlin E. Waters, of California, to be United States attorney for the southern district of California;

James W. Dorsey, of Georgia, to be United States attorney for the northern district of Georgia;

Frank O. Evans, of Georgia, to be United States attorney for the middle district of Georgia;

William Cozart Calhoun, of Georgia, to be United States attorney for the southern district of Georgia;

Krest Cyr, of Montana, to be United States attorney for the district of Montana;

William B. Bantz, of Washington, to be United States attorney for the eastern district of Washington; and

John Strickler, of Virginia, to be United States attorney for the western district of Virginia.

By Mr. KEFAUVER, from the Committee on the Judiciary:

John C. Crawford, Jr., of Tennessee, to be United States attorney for the eastern district of Tennessee; and

Millsaps Fitzhugh, of Tennessee, to be United States attorney for the western district of Tennessee.

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce:

A. Newton Stewart, and sundry other persons, for appointment in the Coast and Geodetic Survey.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. ELLENDER (by request):

S. 2775. A bill to amend the Packers and Stockyards Act, 1921, as amended, by the grouping of the titles of such act amended into separately named acts; providing for the application of such acts so named; defining a livestock auction market, a stockyard, and packer-buyer; and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. JAVITS (by request):

S. 2776. A bill for the relief of the estate of Elwood Grissinger; to the Committee on the Judiciary.

By Mr. STENNIS:

S. 2777. A bill to amend the Agricultural Adjustment Act of 1938 with respect to cotton acreage history; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. STENNIS when he introduced the above bill, which appear under a separate heading.)

By Mr. YOUNG:

S. 2778. A bill for the relief of Daniel Neal Snow (Chang Yo Seph); to the Committee on the Judiciary.

By Mr. NEUBERGER:

S. 2779. A bill for the relief of Sherri Jo Brownfield (Whang Helga); and

S. 2780. A bill for the relief of Audrey Mae Skelton (Whang Rachel); to the Committee on the Judiciary.

By Mr. MARTIN of Pennsylvania:

S. 2781. A bill to provide for the establishment of a fish hatchery in the northwestern part of the State of Pennsylvania; to the Committee on Interstate and Foreign Commerce.

By Mr. PASTORE:

S. 2782. A bill for the relief of Agostino Parrinello; to the Committee on the Judiciary.

By Mr. BEALL:

S. 2783. A bill for the relief of Esli Ferraro and Giuliana Silvana Ferraro, his wife; to the Committee on the Judiciary.

By Mr. MURRAY (for himself, Mr. MANSFIELD, and Mr. CHURCH):

S. 2784. A bill to amend the Flood Control Act of 1950 as it applies to the Libby Dam on the Kootenai River in the State of Montana; to the Committee on Public Works.

By Mr. KNOWLAND (for Mr. CAPEHART):

S. 2785. A bill for the relief of Mladen Carrara, Tonina Carrara, Ante Carrara, and Zvonko Carrara; and

S. 2786. A bill for the relief of Junko Kitabashi; to the Committee on the Judiciary.

By Mr. LANGER:

S. 2787. A bill to increase the pensions of Spanish-American War veterans, their widows and children; to the Committee on Finance.

(See the remarks of Mr. LANGER when he introduced the above bill, which appear under a separate heading.)

By Mr. CHAVEZ (for himself and Mr. ANDERSON):

S. 2788. A bill to amend the act of October 31, 1949, to extend until June 30, 1960, the authority of the Surgeon General to make certain payments to Bernalillo County, N. Mex., for furnishing hospital care to certain Indians; to the Committee on Labor and Public Welfare.

By Mr. SCOTT:

S. 2789. A bill for the relief of Lydia F. Robinson; to the Committee on the Judiciary.

By Mr. HRUSKA:

S. 2790. A bill for the relief of Mr. Marian Zielinski; to the Committee on the Judiciary.

By Mr. SPARKMAN (by request):

S. 2791. A bill creating the Home Loan Guarantee Corporation; to the Committee on Banking and Currency.

(See the remarks of Mr. SPARKMAN when he introduced the above bill, which appear under a separate heading.)

By Mr. KENNEDY (for himself, Mr. WATKINS, Mr. HUMPHREY, Mr. DIRKSEN, Mr. PASTORE, Mr. LAUSCHE, Mr. CLARK, Mr. NEUBERGER, and Mr. JACKSON):

S. 2792. A bill to amend the Immigration and Nationality Act, and for other purposes; to the Committee on the Judiciary.

(See the remarks of Mr. KENNEDY when he introduced the above bill, which appear under a separate heading.)

ESTATE OF ELWOOD GRISSINGER—REFERENCE OF BILL TO COURT OF CLAIMS

Mr. JAVITS submitted the following resolution (S. Res. 185); which was referred to the Committee on the Judiciary:

Resolved, That the bill (S. 2776) entitled "A bill for the relief of the estate of Elwood Grissinger" now pending in the Senate, together with all accompanying papers, is hereby referred to the Court of Claims; and the court shall proceed with the same in accordance with the provisions of sections 1492 and 2509 of title 28 of the United States Code and report to the Senate, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand as a claim, legal or equitable, against the United States and the amount, if any, legally or equitably due from the United States to the claimant.

PRESERVATION OF COTTON ACREAGE HISTORY

Mr. STENNIS. Mr. President, I have been gravely concerned for years about shifts in cotton acreage because of the operation of the cotton acreage history method for governing allotments of acreage at the State, county, and farm levels.

Prior to last year, operation of the acreage history program brought about large and undesirable shifts in cotton acreage allotted to the individual States.

Congress, with foresight, adopted amendments last year to prevent wide fluctuations of losses to the individual States for 1957 and 1958.

Despite our amendment last year to prevent loss by any State of more than 1 percent of its allotted cotton acreage for these years, the problem of shifts of acreage within the State—at the county and farm level—remains a serious one.

Acreage apportionments, county by county, and farm by farm, are based on statutory formulas involving the average of planted cotton acreage over a period of years. When allowable acreage is underplanted and necessary legal precautions not taken to preserve the acreage history credit, allowable acreage not only on the farm but within the county is proportionately diminished in future years.

Because of the complicated provisions of existing law—designed to protect the individual farmer—many inequitable shifts at the farm and county level are being experienced. Within my own State, for instance, some counties in 1957 suffered a loss of as much as 6.5 percent of their 1956 cotton acreage allotment through operation of this program.

It can be stated generally that acreage lost to the individual farm cannot be regained during controlled years.

As a result, most farmers seek to plant their full allotment, which results in building up the surpluses which have given us so much trouble.

There are no less than five provisions in the present law—all designed to protect the farmer by preserving acreage history credit.

First. There is a release and reapportionment provision which authorizes farmers to file a release of acreage with the county committee and receive credit for the full allotment for farm history purposes.

Second. There is a 90 percent planting proviso which permits full credit for allotment at least 90 percent of the farm allotment is planted.

Third. There is a provision in the Soil Bank Act which gives credit for acreage used in participating in the soil bank.

Four. There is a provision covering the years 1956 through 1959 which permits farmers to give notice to the county committee that they intend to underplant and receive credit for history, provided written notice is given not later than June 1 of each year.

Fifth. And there is also a provision which authorizes full credit if drought or flood conditions prevent planting.

These are not well understood by the farmers who were intended to benefit from the provisions. Because of this lack of understanding of the legal requirements to be followed in protecting acreage history credit, many are losing acreage for their own individual farms as well as for their counties. Administration of the statutory exemptions is a burden on the county committee and other agricultural workers and is also a burden on the individual farmers who are keenly interested in preserving their history and who must at their own expense and on their own time come to the county office and try to execute the required documentation to preserve this history prior to planting time.

Mr. President, I believe that the primary purpose of the five exemptions can be more easily accomplished both for the Government and the farmer if acreage allotment history were to be computed automatically regardless of whether the farm allotment had been fully planted.

I introduce for appropriate reference a bill to accomplish this purpose.

It provides for two exemptions: (1) New farm allotments; and (2) farms on which no cotton was planted for the 3 previous years. It differs from the House bill, H. R. 8030, which passed on August 5, 1957, in that it refers only to cotton, and that the provisions would be permanent instead of temporary law. Earlier this year I introduced a cotton bill, S. 1924, which contained similar language, but since it now appears that a legislative revision of the broad cotton program will not be likely at this session, I believe that our Agriculture and Forestry Committee should give special attention to this particular aspect of the existing program. While the bill relates only to cotton, I believe that its general provisions could apply to other basic allotted crops, and I feel that the committee would consider these.

The latest 5-year average acreage as a basis for acreage history would be retained, but the undesirable shifts resulting from underplanting would be removed as an obstacle to effective operation of the program at the farm and county level.

In addition to the savings to farmers in time and travel, I understand from the Department of Agriculture that the proposed provision would save the Government at least $1 million annually in administrative expenses.

I certainly hope that the Senate Committee on Agriculture and Forestry will give attention to this bill, even during the present session. I believe it will be noncontroversial and that, when reported to the Senate, it will pass.

I ask unanimous consent that the bill be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2777) to amend the Agricultural Adjustment Act of 1938 with

respect to cotton acreage history, introduced by Mr. STENNIS, was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That section 344 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding at the end thereof a new subsection as follows:

(n) Where for 1957 and any succeeding year the acreage planted to cotton on a farm (including the acreage regarding as planted to cotton by reason of participation in the soil-bank program) is less than the final acreage allotment determined for such farm for such year (excluding any released acreage reapportioned to the farm), such acreage allotment shall be considered for purposes of future State, county, and farm acreage allotments to have been planted to cotton on such farm: *Provided*, That (1) the foregoing provisions shall not apply to a new farm cotton acreage allotment and (2) if no cotton is actually planted on a farm during the 3-year base period, any cotton acreage history credited to the farm under the foregoing provisions shall be canceled. Acreage history credits for released or reapportioned acreage shall be governed by the provisions of subsection (m) (2) of this section pertaining to the release and reapportionment of acreage allotments.

SEC. 2. Section 377 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding the following sentence at the end thereof: "The provisions of this section shall not apply to the 1957 and succeeding crops of cotton."

INCREASED PENSIONS FOR SPANISH-AMERICAN WAR WIDOWS

Mr. LANGER. Mr. President, I have been hopefully waiting and watching for a chance to support and vote for a little bill, H. R. 358, which even today is still pending in the Senate Finance Committee. This is in no way intended as any reflection of the Finance Committee, because it is one of the hardest working committees in the Senate.

But, Mr. President, this bill, H. R. 358 and similar bills have three times passed the House by a unanimous vote, so most certainly this bill cannot be controversial. It has but a single objective, namely, to raise the pension of a widow of a veteran of the Spanish-American War from $54.18 a month to $75 a month. I believe if this bill were before the Senate today, there would not be a Member of this body so indifferent or so heartless as to vote against it.

Mr. President, we were engaged in the Spanish-American War 60 years ago, and these widows range in age from 75 to 90 years. Many of them are blind and helpless. I ask, Mr. President, can any human being today be expected to live on $54 a month? Yet in most cases, except for charity, that is all these widows have to live on, as obviously, at this advanced age, they cannot work and earn one cent to help themselves.

A few days ago when the bill providing for an increase in retirement benefits for firemen and policemen of the District of Columbia came up for consideration, I voted for it, as I think such an increase is deserved and earned. I have also voted for all other bills, granting increases to various groups of our citizens.

Soon we will be considering the so-called Mutual Security Act again, although there is no mutuality, nor is there any security in any of its provisions, insofar as this country is concerned. It is in this act that we find, once more, the provisions for giving billions of American dollars to every foreign country on the globe.

But what of these old Spanish-American War widows? Are we going to adjourn yet another year and leave them just as badly off as they were before? I hate to say so, but it certainly looks that way.

So, Mr. President, I am today introducing a bill for the relief of veterans of the Spanish-American War and their dependents. I think $75 a month is entirely too low. My bill would grant them $110 a month and also raise the pensions of veterans of this war by 15 percent in keeping with the higher cost of living.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2787) to increase the pensions of Spanish-American War veterans, their widows and children, introduced by Mr. LANGER, was received, read twice by its title, and referred to the Committee on Finance.

PROPOSED HOME LOAN GUARANTY CORPORATION

Mr. SPARKMAN. Mr. President, by request, I introduce, for appropriate reference, a bill embodying a proposal for insured conventional mortgage loans. This bill is recommended by the United States Savings and Loan League and is introduced in order that Members of the Senate and others may study and discuss the plan.

A plan of insuring the upper portion of mortgage loans has worked successfully in England and the general idea has been discussed by mortgage lenders in this country for a number of years. The language of this proposal was developed and officially approved by the United States Savings and Loan League. While I am not committed to this particular proposal, nor to the details of the plan, I am convinced that the basic idea merits careful consideration by the Congress, particularly at a time when we are all concerned over the falloff in housing starts and the committees of Congress are searching for new means of stimulating housing credit.

Certainly we can all support the objective of the proposal, which is to provide higher percentage long-term mortgage loans, and thereby extend the opportunity of home ownership to additional millions of our younger families and families of moderate income. This bill may be a way of filling the gap that presently exists between FHA and VA loans typically made at 95 percent of appraised value, and conventional loans typically made at 70 percent of appraised value. We must keep in mind that the GI loan program may taper off and terminate and that even now more than half of the loans made each year are outside of the FHA and VA programs. A sound plan for liberalizing the terms of a conventional loan and bringing such a loan within the reach of more families is therefore desirable.

Even as I speak, the housing industry is in a very difficult position and, needless to say, so is the home buyer. The substantial decline in housing starts, which now is characteristic of the total industry, is due to an extreme shortage of mortgage investment funds. This one fact has become evident to me through talking with literally hundreds of builders, bankers, brokers, and home buyers. It was practically the theme of a major portion of the testimony taken this spring by the Banking and Currency Committee. It is continuing to worsen rather than improve.

Even the administration has taken cognizance of this problem and has attempted to provide additional private additional funds by raising the FHA interest rate twice in the last 9 months. As chairman of the Housing Subcommittee I have been attempting to find ways to attract money, particularly from the large pension and trust funds which are now primarily invested in Government securities, into the mortgage field. The staff of the Housing Subcommittee has been assisting me in this matter and has recently held meetings, attended by representatives of the National Savings and Loan League, the United States Savings and Loan League, and the Federal Home Loan Bank Board. Each of these organizations was asked to supply some recommendation for improving the mortgage investment picture.

The United States League's proposal is the one which I am introducing today. The National Savings and Loan League also has made a recommendation, but, as yet, that recommendation has not been reduced to such form that it can be introduced. I am very much interested in the recommendation made by the National League, since it proposes to do what I have felt necessary for a long period of time, namely to develop and issue a form of security which will be attractive to the huge pension and trust funds. If we can establish an organization empowered to issue debentures, bonds, or other securities which the pension and trust funds will purchase, we will be in a position to tap a source that will yield billions of dollars for further investment in home mortgages.

Even now the staff of the Housing Subcommittee is working with representatives of the National Savings and Loan League, and with others interested in the field, in the hope of developing a plan which will accomplish this objective. I hope by next year to be able to introduce further proposed legislation along this line which may be incorporated into a package or an omnibus bill which will really strike at the heart of the mortgage investment problem.

Mr. President, I ask unanimous consent that there be printed in the RECORD at this point a brief summary and explanation of the proposal contained in the bill I am introducing.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the summary will be printed in the RECORD.

The bill (S. 2791) creating the Home Loan Guaranty Corporation, introduced by Mr. SPARKMAN, by request, was received, read twice by its title, and referred to the Committee on Banking and Currency.

The summary presented by Mr. SPARKMAN is as follows:

SUMMARY OF PROPOSAL FOR GUARANTY OF TOP PORTION OF CONVENTIONAL LOANS

INSURANCE COVERAGE

Insurance coverage up to 20 percent of the top portion of conventional loans made by members of the Federal Home Loan Bank System and such other lenders that might participate in the plan on a prescribed basis. Insurance would expire when loan reaches 50 percent of original appraisal. The insurance coverage of the top 20 percent of these loans would be on a 90/10 coinsurance basis. Maximum ratio of loan to value 90 percent; maximum maturity 25 years; maximum loan covered $20,000 with no limitation on interest rate.

Example: On a single-family home appraised at $10,000 a maximum $9,000 loan could be made. The insured portion would be 90 percent of the top 20 percent ($1,800) or $1,620, and the association would have the risk on such a loan of $7,380 ($7,200 plus $180—the 10 percent of the top 20 percent). The association, however, could buy and pay for less insurance if it so desired. Any loss in the insured portion would be shared with the lender assuming 10 percent of it and the Home Loan Guaranty Corporation 90 percent.

PREMIUM

Cost of premium to the borrower or lender would be a single premium of not less than 5 percent or more than 10 percent of the amount insured. If maximum coverage were purchased, this would be equivalent to about 1 percent to 2 percent of the entire loan. This premium could be added to the loan.

OPERATION OF PLAN

The lender would transmit to insuring agency a copy of the note and mortgage, a prescribed form of application for insurance, and a copy of the appraisal made on the prescribed form, appraisal to be made by lenders' appraiser (but Corporation would have the right to require an appraisal by an appraiser approved by it), and the insurance premium. Guaranty Corporation would have no further accounting expense or trouble with the loan unless it were foreclosed. Under this procedure the Guaranty Corporation could operate economically with a nominal staff of officers and employees. Because of the substantial lender participation in the risk and the use of only supervised lenders and the power to disqualify any lender from participating in the program, the Corporation could rely upon the responsibility of the lenders in a manner very similar to the VA program.

CLAIMS

In the event of default, the lender would foreclose and sell the property (or, with the approval of the insuring agency, acquire it by deed in lieu of foreclosure and sell the property). The insuring agency would be liable to pay to lender any loss in cash not in excess of the amount insured. The insurance plan contemplates that possibly additional insurance to cover at least a portion of foreclosure costs could be provided by the payment of a slight additional premium.

INSURING AGENCY

The creation, by an act of Congress, of a new Home Loan Guaranty Corporation to function under the jurisdiction of the Federal Home Loan Bank Board. Initial capital required would be $50 million, to be subscribed for and owned by the 11 Federal home-loan banks in the proportion that each bank's capital bears to all the capital of the system. It is proposed and is entirely probable that the Corporation could pay a dividend to the banks on this capital. The proposed capital would equal, roughly, one-seventh of 1 percent of the amount of home mortgages held by FHLB members.

It should be noted that home-loan bank capital has been increasing at the rate of $80 million to $90 million per year and is now in excess of $600 million. By the end of 1957 it will be in excess of $700 million. The amount of home-loan bank capital thus required would be less than one-tenth the present home-loan bank capital and only about one-half the current yearly increases in capital.

The Home Loan Guarantee Corporation would be a separate Corporation and with the exception of the use of a small portion of home-loan bank capital for capitalization and with the possible use of Federal home-loan bank office facilities it would have no direct relationship with the Federal Home Loan Bank System, and would not involve the use of home-loan bank credit or its obligations.

The premium suggested is deemed to be adequate to cover the risk and to accumulate adequate reserves and surplus so that the capital can within a period of years be returned to the bank system at par.

OTHER LENDERS

If lenders other than FHLB members are permitted to participate, they would be required to buy stock in the Corporation in an amount of one-fifth of 1 percent of the amount of home mortgages they service or own, and in the case of mortgage bankers the additional requirement that the mortgage-banking firm have a net worth of at least 1 percent of the amount of mortgages serviced plus being subject to some nominal supervision by the Corporation.

SAFEGUARDS

The Guarantee Corporation would be protected by an approved appraisal, its power to disapprove lenders engaged in unsound lending, and substantial lender participation in the lending risk.

USE OF PROGRAM

For plan to operate in the higher-loan ratio limits, it would be necessary to change the Federal regulations, as well as many State laws or regulations. This would also be true of other investors such as insurance companies, mutual savings banks, and commercial banks.

It would be expected that between 175,000 and 250,000 families could enjoy the benefits of this plan in the first year of its operation and that this number would rise each year. It would mean a broad expansion of homeownership opportunities through savings and loan financing of hundreds of thousands of young American families who have but moderate downpayments and it would help to take up the slack in the mortgage field when the GI mortgage-loan program expires.

AMENDMENT OF IMMIGRATION AND NATIONALITY ACT

Mr. KENNEDY. Mr. President, on behalf of myself, and Senators WATKINS, HUMPHREY, DIRKSEN, PASTORE, LAUSCHE, CLARK, NEUBERGER, and JACKSON, I introduce, for appropriate reference, a bill to amend the Immigration and Nationality Act, and for other purposes.

I wish to acknowledge the cooperation of the Senator from Illinois [Mr. DIRKSEN] for his assistance in helping to develop a bill which will provide much needed relief in this field.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2792) to amend the Immigration and Nationality Act, and for other purposes, introduced by Mr. KENNEDY (for himself and other Senators) was received, read twice by its title, and referred to the Committee on the Judiciary.

Mr. KENNEDY. Mr. President, I ask unanimous consent to have printed in the RECORD an explanation of the bill.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

ANALYSIS OF BILL TO AMEND THE IMMIGRATION AND NATIONALITY ACT

Section 1: Under section 101 (b) (1) of the Immigration and Nationality Act, much difficulty has been encountered in the interpretation of the term "stepchild." As now written, that designation does not apply to a child born out of wedlock to a woman who subsequently marries a man not the father of the child. As a result, much hardship is caused by separation of families, since a child in this circumstance is not in a position to receive a nonquota or preference status under the law. For example, an American citizen who marries such a woman can bring her to this country as a nonquota immigrant; but he cannot bring her illegitimate child as a nonquota immigrant, resulting often in a long wait by the infant for a quota visa. This proposal would apply the term "stepchild" to a child whether or not born out of wedlock. (Identical provisions can be found in section 22 of S. 1006 which was introduced by Senator WATKINS on January 31, 1957, in furtherance of the President's recommendations for revision of the immigration laws. Substantially the same provisions can be found in section 2 of H. R. 8123 introduced on June 13, 1957, by Congressman FRANCIS E. WALTER, chairman of the House Subcommittee on Immigration.)

Section 2: Section 101 (b) of the Immigration and Nationality Act defines the term "child" as used in titles I and II. This section of the bill would amend the definition by adding two further categories of children. The first would clarify the law so that an illegitimate child would, in relation to his mother, enjoy the same status under immigration laws as a legitimate child. It is believed that the drafters of this provision of the act did not intend to deprive an illegitimate child of the status he enjoyed under earlier law, but it appears that the language contained in section 101 (b) requires the interpretation that an illegitimate child may not be considered the "child" of his mother.

The second change would extend the definition of "child" to adopted children under limited circumstances. An adopted child may not now be given the status of child under the immigration laws. This has led to hardship in many cases, particularly where a child was adopted at a young age, long before his adoptive parents contemplated emigration to the United States. If, in such cases, the child was born in a country with a heavily oversubscribed quota, he cannot accompany his adoptive parents. It is therefore desirable that consideration be given to an amendment whereby a child adopted while under the age of 14 and who has lived with his adoptive parents for at least 2 years prior to the visa application may be considered a child under the immigration laws. A proposal of this type would prevent abuse through ad hoc adoptions made only for the purpose of circumventing the immigration laws. (Substantially the same or similar provisions can be found in sec. 23 of S. 1006 and sec. 2 of H. R. 8123.)

Section 3: Section 203 (a) (1) of the present law accords first preference status to spouses and children accompanying an alien to the United States who has been given first preference status because he has a special skill, ability, education, or experience which is needed in the United States. This section would amend existing law by granting first preference status also to spouses and children of the skilled aliens who are following to join him in the United States. This would prevent separation of families and permit the prompt immigration of such families who were, for one reason or another, possibly illness and the like, unable to accompany their father or husband when he came to the United States. (Substantially the same provision can be found in sec. 25 of S. 1006.)

Section 4: Under existing law there is no available method whereby American citizens who wish to adopt alien children can bring them to this country without encountering the delays which follow if the child was born in a quota area the quota of which is exhausted. It has been established under previous legislation which permitted the admission of orphans that these children were well suited for adjustment to the American form of life and that they made worthy additions to our population. This section would authorize the issuance of not more than 2,500 nonquota immigrant visas annually to certain alien orphans, under the age of 14 years, who are adopted or or are to be adopted by a United States citizen. Special provision is made for the filing of assurances with the Attorney General that the proposed adoption will be completed, that the child shall be actually an orphan, and that the natural parent shall derive no benefit under the immigration laws by virue of the admission of the orphan to the United States. (Substantially the same provisions can be found in sec. 36 of S. 1006. Comparable but not identical provisions are contained in sec. 1 of H. R. 8123.)

Section 5: This section vests the Attorney General with discretionary authority to authorize a visa for, and to admit to the United States spouses, parents, or children of a United States citizen or of an alien lawfully admitted for permanent residence notwithstanding the commission by such relative of crimes involving moral turpitude or the fact that the relative may have at some time in the past been connected with or engaged in certain immoral activities. This measure would leave to the sound determination of the Attorney General consideration of the question whether this extraordin ry relief should be granted in those cases where, for example, extreme hardship would be caused if the alien were to be excluded, and where it appears to the Attorney General that the admission to the United States of the alien would not be contrary to the national welfare. (Similar provisions can be found in sec. 9 of H. R. 8123.)

Section 6: This section would permit the Attorney General to authorize a visa for, and to admit to the United States, under such controls as he deemed necessary, the spouses, parents, and children of United States citizens or of lawfully resident aliens, notwithstanding the fact that such relative is afflicted with tuberculosis. This is another measure primarily designed to alleviate hardships and to prevent the unnecessary separation of families. (Substantially the same provisions will be found in sec. 5 of H. R. 8123.)

Section 7: This section would provide that deportation proceedings may be instituted otherwise than by a warrant of arrest. Under a practice of long standing, deportation proceedings have been instituted by a physical arrest of the respondent. Such action has been regarded on occasions as being unduly harsh, particularly when the alien is a child of tender years, or is of advanced age, or for some other reason is not likely to abscond. Although section 242 (b) of the present law prescribes the deportation hearing procedure, it does not specify the manner in which such proceedings must be initiated. The Department of Justice has recently adopted the practice of commencing a deportation proceeding with an order to show cause, reserving a physical arrest for those cases in which custody and detention of the alien is regarded as necessary in the public interest or safety. While this procedure is regarded as being entirely within the contemplation of the law, enactment of this section would afford an unmistakable statutory sanction for this less drastic procedure. (The identical provisions can be found in sec. 18 of S. 1006.)

Section 8: This section will forgive certain displaced persons and refugees, as well as spouses, parents, and children of United States citizens or residents, misrepresentations made in applying for immigration visas or for entry into the United States. Most of the persons affected by this section are displaced persons, many of whom I understand are in my State, who were forced to make misrepresentations when they were applying for their visas in order to avoid forcible repatriation by the Communists to countries behind the Iron Curtain. Substantially the same provisions are contained in section 4 of H. R. 8123. (This legislation passed the House of Representatives in the bill, S. 247, on May 21, 1957. Similar provisions are contained in section 17 of S. 1006. A similar measure passed the Senate last year when it accepted the amendments to H. R. 6888, 84th Cong.)

Section 9: This section would grant discretionary authority to the Secretary of State and the Attorney General to waive the requirement of fingerprinting on a reciprocal basis, for aliens coming temporarily to the United States as nonimmigrants. This type of proposal has been twice recommended by the President of the United States as being within the interest of relieving the restrictions upon travel to the United States. I would have you observe that there is nothing mandatory about my proposal; should the appropriate officials of the Government believe that fingerprinting is necessary, they have all the power they need to require it. (Provisions having a similar effect are contained in sec. 14 of S. 1006.)

Section 10: This section grants the Attorney General discretionary authority to adjust the status of certain skilled specialists who are in the United States temporarily but whose services have been deemed to be urgently needed in the United States. Spouses and children of those aliens would also be granted nonquota immigrant status. This section applies only to foreign skilled specialists who are in the United States on July 1, 1957. It should be carefully noted that the benefits of this proposal will be available only to those aliens who are not subject to the restrictions imposed upon exchange students and visitors under the act of Congress which became law on June 4, 1956, known as Public Law 555. (Substantially the same provisions as my proposal passed the House of Representatives in the bill, S. 461, on May 21, 1957. Similar provisions are also contained in sec. 3 of H. R. 8123.)

Section 11: This section would cancel the mortgages imposed on the quotas of certain countries as the result of the issuance of visas under the Displaced Persons Acts, as well as under two acts relating to immigration of sheepherders from Spain. (The same result would be accomplished by sec. 8 of H. R. 8123 as well as sec. 1 of S. 1006.)

Section 12: Section 323 of the Immigration and Nationality Act, relating to the naturalization of children adopted by citizens of the United States, would be amended by this section so as to authorize the naturalization of children adopted by United States citizens in those cases in which the parent is stationed abroad in the Armed Forces or in the employment of the United States Government, or of an American firm or international organization when it is intended that the child reside abroad with the parent until the parent's employment is terminated. The new provision would confer benefits upon adopted children similar to those conferred upon spouses of citizens under the provisions of section 319 (b) of the act. Specifically, the present requirements for residence and physical presence in the United States by the child before he may be naturalized would be waived. This amendment is regarded as necessary to avoid separation of families. (The same provision can be found in sec. 33 of S. 1006 and sec. 1 (e) of H. R. 8123.)

Section 13: This section, which is similar to section 6 of H. R. 8123, introduced by Congressman FRANCIS E. WALTER on June 13, 1957, would grant nonquota immigrant status to certain relatives of aliens who are in the United States if the immigrant's petition was approved by the Attorney General prior to July 1, 1957. This is recognition of the fact that a certain number of immigrants entered our country recently, mostly under the Refugee Relief Act of 1953, as amended, and left behind their spouses, parents, and children. As such, it would alleviate much hardship which has resulted from the separation of families who are waiting their turn on quota lists. This section of this bill would, in addition, grant nonquota status to skilled alien specialists for whom a visa petition was approved by the Attorney General prior to July 1, 1957, but who have been unable to obtain their first preference quota number because the quota is exhausted for the particular country involved. This provision actually affects a comparatively small number of persons. It is not prospective. It will aid in bringing to the United States the aliens who are most urgently needed here. This bill would wipe the slate clean, in effect, for these classes of aliens who are waiting their turn on the quota waiting lists.

Section 14: This section is similar to section 13 of S. 129 which I introduced earlier in this session, and also section 14 of S. 2410 introduced by Senator KENNEDY. It would provide for a limited class of aliens, further restricted numerically, a method whereby they may adjust their immigration status and acquire permanent residence in the United States. The persons involved are those high ranking Government officials and their immediate families who have come here as diplomatic representatives, or representatives of their countries to the United Nations. Because of Communist and other uprisings, aggression, or invasion, their governments have in some cases been wiped out. These worthy persons are left homeless and stateless. This bill would permit the Attorney General to adjust their status, subject to Congressional review in accordance with the practice which already exists in other types of proceedings which are now submitted to Congress for review of administrative action. Most important, I would have it clearly understood that this bill does not give any preference or extra benefit to chauffeurs, cooks, or butlers. It does not open the door to a large-scale mass invasion of the United States by unworthy persons. An investigation will have to be made by the Department of Justice, the case of course will be approved by the Attorney General only if it is worthy, and finally the Congress must also give its stamp of approval. Equally important is the fact that not more than 50 persons may receive the benefits of this section in any single fiscal year.

Section 15: This section makes applicable to my bill, where necessary, the existing defi-

nitions contained in section 101 (a) and (b) of the Immigration and Nationality Act.

Section 16: Issuance of certain special nonquota immigrant visas authorized under the Refugee Relief Act of 1953.

Subsection (a) of section 7 provides for issuance to certain refugee-escapees of the special nonquota immigrant vias authorized to be issued under paragraph (1), (9), 10), and (11) of section 4 (a) of the Refugee Relief Act of 1953, but which remained unissued on January 1, 1957.

Subsection (b) of such section defines refugee-escapee, for purposes of subsection (a), as any alien who, because of persecution or fear of persecution on account of race, religion, or political opinion, has fled or shall flee from any Communist, Communist-dominated, or Communist-occupied area, or from any country within the general area of the Middle East, and who cannot return to such area, or to such country, on account of race, religion, or political opinion.

Subsection (c) of such section provides that such section shall not be held to extend the Refugee Relief Act of 1953, or to authorize the issuance of special nonquota immigrant visas in excess of the number provided in section 3 of such act.

EXTENSION OF COVERAGE UNDER SOCIAL SECURITY ACT TO CERTAIN PERSONS—AMENDMENT

Mr. BEALL submitted an amendment, intended to be proposed by him to the bill (H. R. 8755) to amend title II of the Social Security Act to permit any instrumentality of two or more States to obtain social security coverage under its agreement separately for those of its employees who are covered by a retirement system and who desire such coverage, which was referred to the Committee on Finance, and ordered to be printed.

NATIONAL MONUMENT SYMBOLIZING THE IDEALS OF DEMOCRACY—ADDITIONAL COSPONSOR OF BILL

Mr. KNOWLAND. Mr. President, at the request of the senior Senator from Colorado [Mr. ALLOTT], I ask that the junior Senator from Oregon [Mr. NEUBERGER] may be made a cosponsor of Senate bill 2363, the Freedom Foundation bill.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE CONGRESSIONAL RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the CONGRESSIONAL RECORD, as follows:

By Mr. NEUBERGER:

Article entitled "Liberty Statue's Welcome Needs Revision," written by Jalmar Johnson, dealing with revision of immigration laws, published in the Portland Oregonian of August 10, 1957.

The PRESIDENT pro tempore. Is there further morning business?

CALL OF THE ROLL

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE POST OFFICE CONSTRUCTION PROGRAM

Mr. AIKEN. Mr. President, I think it is too generally assumed that the major number of Federal employees work in Washington, D. C., or this vicinity. This is an erroneous assumption, because by far the greater number of Federal employees work outside the District of Columbia in the 48 States of the Union.

Today, Mr. President, many of those Federal employees are working under most unsatisfactory conditions, whether they be employees of the Post Office, the Internal Revenue Service, or some other Federal agency.

In my State many postal employees are working in cellars because there are no other available facilities.

Not since 1938, as I understand, has there been a new Federal courthouse or post office constructed in the 48 States of the Union. In 1955 Congress took note of this condition, authorized the construction of many long-needed buildings throughout the United States, and provided for a lease-purchase program to finance construction of such buildings. The Congress provided money for acquiring sites and for drawing up plans.

The cities and towns in the various States cooperated fully with the Federal Government. Sites have been purchased. Plans have been drawn. A great many of the plans are practically complete today. However, still there are no buildings. The cities where sites have been acquired have lost the taxes which they would otherwise have collected from the property, which was taken by the Federal Government to construct buildings which have not been built.

The same bad condition which prompted the legislation in 1955 still exists, and is steadily growing worse. When people go into towns where Federal agencies are located, in the various States, they cannot even find the agencies they are looking for. They have to go from place to place all over town, and they cannot find the agencies. It is not only inconvenient, but it is costly.

I believe, Mr. President, that Congress has not kept faith with the cities and towns in the 48 States of the Union which were promised Federal buildings 2 years ago last summer—it is almost last summer now, anyway. Instead of that, all we have is talk about spending hundreds and hundreds of millions of dollars more to construct buildings in the District of Columbia. It is nice to have new buildings in the District of Columbia, but I wish the Members of Congress could see the conditions under which many Federal employees have to work outside the District of Columbia. It seems to me that the Congress has certain obligations for the construction of these buildings, and has failed to keep its promises to the people of the 48 States.

There seems to be a difference between the two Houses of Congress at this time. In the meantime, instead of having new buildings erected, many cities in the United States have simply lost some of their taxable assets, because they depended upon the word of the Federal Government.

The fact that there may be a difference between the two Houses of Congress is no excuse whatever for the Federal Government, through its Congress, failing to keep its agreement with the 150 or 200 cities and towns which happen to be located—perhaps that is their misfortune, but I do not think it is a misfortune—outside the District of Columbia. It is high time for Congress to come down to earth and decide to keep the promises which have been made to all these deserving cities and towns and deserving people all over the country.

GARNISHMENT ABUSES IN THE DISTRICT OF COLUMBIA

Mr. JAVITS. Mr. President, the Judiciary Subcommittee of the Senate Committee on the District of Columbia, of which I am a member, has before it S. 1913, a bill introduced by our distinguished colleague from Wyoming [Mr. O'MAHONEY] for himself, and Senators NEELY and BUTLER, which would amend the garnishment statutes of the District of Columbia. Hearings have already been held on this measure, but additional revelations of abuses in garnishment proceedings indicate that more detailed study is necessary before adequate legislation can be reported. Illustrating the problems involved in garnishment in the District of Columbia is an article from the Washington Star of Sunday, July 21, which details some of the abuses which we are seeking to correct. I ask unanimous consent to have the article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DISTRICT CLERK EXPOSES GARNISHMENT ABUSES—STORY OF PERJURED TESTIMONY, FORGED RECORDS, MAY REVIVE CONGRESS PROBE

(By Emerson Beauchamp)

A former employee's shocking account of the practices of a Washington credit store is about to force a reopening of dormant Congressional hearings on garnishment.

He will swear that perjured testimony, forged records and a bagful of questionable legal tricks were everyday tactics of the store in collecting its accounts by garnishment.

The witness, a 26-year-old man who worked for more than 2 years in the store's collection department, took his story to Representative DOWDY, Democrat of Texas, last May after reading the Star's series of articles on garnishment abuses. Mr. DOWDY is the author of a bill that would abolish garnishment of wages in the District.

IMMUNITY OFFERED

After reading a memorandum prepared by the man's attorney, Mr. DOWDY got in touch with Chief Municipal Court Judge Leonard P. Walsh, and the two called on United States Attorney Oliver Gasch.

Mr. DOWDY explained he would like to call the man as a witness but wanted to protect him against possible criminal prosecution. After a week's study of the matter,

Mr. Gasch agreed to grant the man immunity from prosecution for his own participation in the acts he described.

Mr. DOWDY hopes hearings can be reopened soon by the Judiciary Subcommittee of the House District Committee, of which he is a member. The subcommittee held 2 days of hearings last May on the Dowdy bill and a milder measure which would limit garnishment of wages to 10 percent of a debtor's salary.

The hearings were recessed on a negative note as Chairman ABERNETHY, Democrat, of Mississippi, expressed concern that even the 10-percent bill might protect deadbeat debtors at the expense of honest merchants.

But the author of the 10-percent bill, Chairman MCMILLAN, of the District Committee, already is on record in favor of the Dowdy bill in preference to his own measure.

The McMillan measure is similar to a bill introduced in the Senate by Senator O'MAHONEY, Democrat, of Wyoming, which will be taken up when the Senate District Committee considers garnishment legislation during a meeting at 10 a. m. Wednesday.

The Star has obtained a memorandum prepared by the former credit store employee's attorney, summarizing the testimony the witness will give. Here are some of the credit store tactics he will swear to:

Confession of judgment: This is a paper signed by a debtor admitting that the debt is due and payable. If a customer can be induced to sign it when he makes his purchase, the store has an easier time collecting from him later if he misses a payment.

When a quick check of a new customer's record indicates he is a poor credit risk, the store—instead of refusing him credit—agrees to sell to him if he will sign a confession of judgment. The customer signs it, usually without knowing what it is.

Later, if the customer misses a payment, the store simply files a suit, fills in the court case number on the form and presents the debtor's confession that the debt is a just one. The court then grants a judgment against the debtor.

According to the witness, the store's attorney signs these confession forms in blank, a hundred or so at a time, so that they will be ready when needed.

Consent of condemnation: This is another device, designed to get an old customer deeper in debt and guard the store against a plea for exemption. (The law exempts from garnishment $200 of a debtor's salary per month if he is the head of a house, or $60 if he is single. But the exemption is not automatic; it has to be claimed.)

When a customer falls behind in his payments to the store and finds that his salary has been attached, he may visit the store to try to get some of his money released. The store, instead of agreeing to give him a chance to get out of debt, persuades him to buy more merchandise. But to buy more, he must sign a consent of condemnation, which authorizes the debtor's employer to release his money to the creditor. Now the customer is deeper in debt than before, and he has signed away his right to any exemption from garnishment.

Double judgment: Once a court, grants a creditor a judgment against a debtor, the creditor must file a garnishment notice each time he wants to attach the debtor's wages. But often, after one attachment, the debtor will make further payments direct to the store to avoid being garnisheed again.

In such a case, the witness will testify, the store does not notify the court when the debt has been paid in full. Instead, the store leaves the judgment in force. Later, if the debtor buys more goods and falls behind in his payments again, the store files a new garnishment notice based on the old judgment. This relieves the store of going to the trouble of asking the court for a new judgment.

Pigeonholed papers: When a creditor asks the court for a judgment against a debtor, three copies of his motion are prepared—one for the court, one for the creditor, and one for the debtor. According to the witness, the store often fails to mail the debtor his copy of the motion. Thus the debtor does not appear in court, and a judgment against him is granted by default.

Once a judgment is granted, a garnishment notice is served on the debtor's employer, who must reply to it stating how much he owes the debtor. If the employer fails to reply, his own assets may be garnisheed.

In one case, the witness will testify, the credit store's attorney took an employer's answer from the court clerk's office and pocketed it; the answer never got into the court files. Later, the employer wrote the attorney, confirming that he had filed his answer with the court. According to the witness, the attorney commented: "They'll never see this one. This would blow our case."

"Moving" the debtor: The District Code provides that if a debtor lives outside the District, the creditor can attach his salary without obtaining a court judgment in advance.

To make it easier to attach the wages of a debtor who does live in the District, the witness says the store often prepares a false account card with a nonresident address. This is presented to the municipal court clerk to back up an affidavit swearing that the debtor lives outside the District, and the creditor files an attachment-before-judgment form with the court.

The debtor, who finds his salary attached without any notice, usually visits the store to try to get some of his money released, and the store persuades him to sign a confession of judgment. Then the store can get a judgment from the court, and the illegal attachment before judgment is withdrawn.

Doctored records: In cases involving small amounts, debtors usually do not come to court, and judgment is granted to the creditor by default. A debtor's appearance in court is so rare, the witness says, that credit store attorneys usually are caught without their account records and must ask for postponement of the case.

Back in the store, the records are checked. If there is anything in them that might hurt the store's case, the records are doctored. If necessary, a new account card is prepared. Various employees make entries on it, and one of them crumples and smears it to make it look older than it is.

Perjured testimony: When a case is contested and goes to trial, the credit store's attorney gives employees detailed instructions on what to say in court, and the testimony is parroted back to him from the witness stand.

The witness says he committed perjury almost every time he appeared in court, under threat of losing his job if he told the truth.

"Docket and hit": If a debtor claims his exemption, the creditor may find he is unable to collect anything on his municipal court judgment. But he can docket this "dead" judgment in district court and obtain a new judgment there. The debtor still is entitled to his exemption, but he has to claim it again.

According to the witness, the store he worked for uses this technique to bully employers into paying, telling them district court is higher than municipal court and has priority. If this doesn't work, there may still be a chance to collect if the debtor fails to claim his exemption within the time allowed.

Five-payday month: Still another trick to get around the exemption statute is to wait for a month that has five paydays before filing a garnishment. A debtor whose salary normally would be exempt—say a man who makes $50 a week—would earn more than $200 in a 5-payday month, and some of his wages could be attached.

Mr. JAVITS. The distinguished Senator from Pennsylvania [Mr. CLARK], chairman of the Judiciary Subcommittee, is demonstrating fine leadership in the effort to draft a suitable statute to meet the situation. The subcommittee has consulted lawyers of experience in various States; and I can pledge to the people of the District of Columbia, who have suffered under the existing statute, that we shall do everything we can to bring forth a bill which will remedy the manifest abuses which have appeared in connection with this practice.

Mr. President——

The PRESIDING OFFICER. The Senator from New York.

VISITS TO RED CHINA BY AMERICAN CITIZENS

Mr. JAVITS. Mr. President, in connection with the problem which still is with us, of allowing United States newspapermen to visit Red China, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a lead editorial from the New York Times of today, entitled "Problem in Diplomacy."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

PROBLEM IN DIPLOMACY

An interesting problem in diplomacy is presented by the controversy over the proposed visit of forty-odd young Americans to Communist China. These youngsters, and some of them can no longer be called youngsters, attended the Moscow Youth Festival. They were then invited by the Chinese Communist Government to ride an expense-free gravy train to Peiping. Such is the situation.

The difficulty thus created is typical of the confused years through which we are living. On the one hand, we can have little patience with any American who is willing to lend himself to Communist propaganda by traveling at Communist expense through a Communist-dominated country. If the Communist-dominated country happens to be China, whose government intervened against the United Nations in Korea and caused the deaths of thousands of United Nations soldiers, many of them Americans, a sense of disgust at these young adventurers' folly is strong.

But there is another aspect of the situation almost equally compelling and almost opposite in its effect on one's thinking. This is the doubt that rises in one's mind as to whether it is really democratic and righteous for the State Department to tell any law-abiding American citizen where he may not go or whether he can go abroad at all. We deplore the policy of Communist countries in making their frontiers a wall and their lands a jail. A refusal of a passport or a visa to any one of our own citizens, always with the proviso that he is on good terms with legality, accomplishes the same purpose.

There can be no doubt that the law, as interpreted up to now, does give the State Department the authority to withhold passports, to limit visas, or to pick up the passport of any citizen who has violated the passport regulations. An offending traveler could be fined as much as $2,000 or imprisoned as long as 5 years, or both. Therefore, there was force behind the words of

State Department Press Officer Lincoln White when he said on Monday:

"Travel to Red China is not only contrary to passport regulations in force, but would be subversive of the well-known foreign policy on which these passport regulations are based."

On the other hand, no free man can give up his right to protest, in the ballot box or otherwise. He must, however, be prepared to accept the consequences, and these youths from the Moscow Youth Festival should remember that. Theirs is not the way to break the Iron Curtain. Of infinitely greater importance would be the issuance of visas to American newspapermen which would permit them to travel in and report from Communist China. A mature newspaperman is certainly a better interpreter than are these free-riding young people.

Mr. JAVITS. The New York Times recommends that, at long last, the State Department acts to permit American newspapermen to go into Red China, and contends that this would be a very much wiser exercise of the executive discretion than to lift the bars against Americans generally traveling there in the first instance, with specific applicability to the young people who have attended the Youth Festival in Moscow.

It is felt—and I think very properly—that, to begin with, it is one thing to determine, with the help of experienced newspaper eyes, what is going on in Red China. It is another thing to allow young people to make themselves the object of a propaganda campaign—and we all know that that is all the Communist Chinese intended.

I have introduced proposed legislation to provide for an expanded student exchange between the United States and the countries behind the Iron Curtain, but excluding Red China. I hope very much that someday Red China may show itself to be a civilized power, entitled to the reciprocity and consideration of other nations. We certainly have plenty to complain about with respect to the other countries behind the Iron Curtain. There, at least, we are encouraged to try. With respect to Red China, we have not even been encouraged to do that, because she remains an aggressor and a threat against the peace of the world in Vietnam, Taiwan, and other areas.

I commend this editorial as a wise exercise of statesmanlike judgment, in an area where we can do something—however, not what the young people now in Moscow wish us to do.

KLAMATH INDIAN TRIBE—ARTICLES FROM EUGENE REGISTER-GUARD

Mr. NEUBERGER. Mr. President, on Monday, August 12, I inserted in the RECORD the first four articles of a series on termination of Federal supervision over the Klamath Indian Reservation which appeared in the Register-Guard, a daily newspaper published in Eugene, Oreg. These stories, written by Mr. William Dean of the Register-Guard staff, outline the different problems left unsolved by Public Law 587, passed in the 83d Congress. I have now received the two concluding articles in the series from the Register-Guard of August 8 and August 9, 1957, and I request unanimous consent that they appear in the body of the RECORD for the information of the Senate.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Eugene (Oreg.) Register-Guard of August 8, 1957]

KLAMATHS BITTERLY DIVIDED—COUNCIL MEETING ENDS IN WALKOUT, LACK OF QUORUM

(EDITOR'S NOTE.—The Klamath Indian Reservation in southern Oregon is one of the first in the Nation to come under a relatively new Government policy to terminate supervision of the Indians. Termination has been in process for 3 years. This and following articles are a report on the progress of this program.)

(By William Dean)

The tumult died more quickly than it had started. The shouted argument between the chairman and one member of the executive committee ceased when one of the speakers stepped back from his microphone.

The shouts and taunts from members of two factions in the audience slowed and then the room was quiet. A motion to adjourn failed with only the active members of each faction voting. Nearly a third of the eligible members present took no part.

There was a call for a quorum count.

Members representing one faction complained: "I knew they'd do that." "Just like them when they can't have their way."

The woman in the blue suit began counting eligible members along the north side of the hall. Many of those sitting in the other half of the room headed for the doors. Within moments 30 or more men and women left. Outside in a hallway, someone remarked, "We can still be counted if we stay in the building."

The group there moved quickly through the door and into the sunlight outside. The woman in the blue suit entered the hallway, then turned back without counting the retreating backs.

"Mr. Chairman," she said, "I count 83."

The chairman bowed his head a moment. "We lack a quorum of 100 for doing business. The council meeting is adjourned."

Thus the July 13 meeting of the general council of the Klamath Tribe came to an end after a full afternoon of parliamentary maneuvering and accusations. The only accomplishment was to show that the members of the tribe are bitterly divided over an issue which reaches beyond the confines of the council hall at Klamath Agency.

Termination, the day of final settlement, the day of complete emancipation from the stewardship of the Federal Government was to come on August 13, 1958—a year and a month from the date of the special council meeting. But virtually none of the basic issues involving this act of wiping out 93 years of reservation life, of having their money held for them in trust, of having many of their problems solved for them by the Great White Father, had been settled by the time of the July 13 meeting.

The July 13 meeting was not unusual. Virtually every meeting of the tribal council in the last 3 or 4 years has ended in a walkout of one of the two principal factions within the tribe—and thus has been unable to continue because it was not possible to get 100 of the 900 adult members of the tribe to take part.

The points at issue on July 13 are not now particularly important. Nor was the shouting session between Seldon Kirk, tribal chairman, and Boyd Jackson, executive committee member, more than a symptom of the strife which has divided the Klamath people since Congress passed the Termination Act, Public Law 587, in August 1954.

The technique of walking out and bringing council meetings to a halt is not exclusively the property of the group led by Boyd Jackson. The faction led by Wade Crawford has halted council meetings by the same procedure more than once.

The basic contention between the two factions grows out of what might be called an elementary difference in the makeup of the people who are known to outsiders as Klamath Indians. The Klamaths, under Public Law 587, are treated as a group in which the individuals have been making equal progress in the transition from an Indian society to a white society. Most of the Indians say that this is not accurate. They say that some of the tribal members (for example, the two dozen or so who live in the Eugene-Springfield area) have made a complete transition. But, there are many remaining on the reservation who—even though they may drive flashy, modern cars—are still living either in the Indian society or in the far worse state of irresponsible lassitude fostered by the reservation system.

Hi Robbins, the Sprague River man who is one of less than a dozen ranchers on the reservation who have been judged fully capable of operating successfully without the legal and financial benefits of tribal membership, says unqualifiedly:

"No. They can't take care of themselves. The paternalism of the Government has kept them in the condition of children; they have been protected from the need to work or to be responsible for their debts."

RESERVATION A SANCTUARY

Until recently, Robbins said, the reservation was a sanctuary for Indians who got into trouble in Klamath Falls or other towns. A few years ago Congress passed Public Law 280 which makes the Klamaths on reservation subject to both the criminal and civil jurisdiction of the State. But the effect of living for years in a sanctuary from local law officers, Robbins and other Indians say, is still apparent in the actions of some members of the tribe.

On the other side is the view of Wade and Ida Crawford and the group which they lead. These are described by the elderly Seldon Kirk as the "white Indians"—mainly the one-third of the tribe which has moved to other areas. Their interest in the reservation now is much the same as yours would be in a family estate in South Dakota or Kansas—primarily a monetary interest and perhaps an inability to understand why the old folks back home are so disturbed at the prospect of breaking up the property.

These are the people who fully understand Crawford when he says:

"This is a matter of getting our individual equities. We'll settle this, if need be, in the same way you would if someone tried to keep you from using your own property * * * by going to court."

They are the ones who would agree with the statement made by Orme Lewis, Assistant Secretary of Interior, in a letter to Congress in January 1954.

PRIVATE PROPERTY

Acknowledging that accelerated cutting of the reservation timber in order to carry out the termination plan would eventually injure the economy of the Klamath Basin, Lewis says:

"Nevertheless, this asset is private property belonging to the Klamath Indians even though it is held in trust by the United States for the tribe." He adds that Public Law 587 was designed to conform to the concept of tribal and individual holdings as private property.

They are the ones who have had the experience to see and appreciate the opportunity each will have when he gets his $50,000 or greater equity from the reservation.

As individuals, experienced in life away from the reservation, they find it difficult to grasp the concept held by Boyd Jackson

and others who want termination, but only as a slow process extending over many years; the concept held by many of Jackson's followers that the reservation is common property and still a tribal holding.

Or, as an attractive young Crawford supporter—a Klamath woman from off the reservation—said during the quorum count at the July 13 meeting:

"The trouble is, so many of those Indians don't know what's going on."

[From the Eugene (Oreg.) Register-Guard of August 9, 1957]

ANSWERS ARE VITALLY IMPORTANT: WHAT WILL HAPPEN TO THE KLAMATHS AFTER TERMINATION?

(By William Dean)

(EDITOR'S NOTE.—This is the last in a series of articles on the progress of the termination program on the Klamath Indian Reservation.)

What will happen to the Klamath Indians on termination day?

What will happen on the day or days on which their individual equities in the million-acre, $100 million reservation are given to the Klamath people?

No one really knows. But taking the Klamath termination for what it really is—a full-scale test with live people of the Government's policy of getting itself out of the Indian business—the answers are vitally important. The effects of the termination program are being watched carefully by Indians and non-Indians across the country, because their reservations and their communities may be the next to undergo the disruptive social and cultural change that appears slated for the Klamath Basin.

One of the things that is certain is that termination will come. It may come in 1960 as now planned by Congress—or it may be stretched over many years.

WHAT ABOUT THE MONEY?

If termination comes by legislative act within the next 2 or 3 years what will happen to the 2,000 members of the Klamath Tribe and to the money that many of them expect to receive?

"Most of the money will go to the dogs," Seldon Kirk, chairman of the tribal council, says.

"Some people say the Indians will be no good until they have spent their money and have to go to work," says William Ganong, Jr., a Klamath Falls attorney and member of the Klamath Chamber of Commerce's Indian committee. "But there are responsible Indians out there now who will know how to handle that money. The unanswerable question for the ones that don't is how to make the transition without too great a shock."

"There'll be a lot of new cars bought," says an automobile dealer. Looking pointedly at the writer's decrepit vehicle, he adds, "You oughta come back about a week after they get their first payment. We'll have some terrific used cars."

"It'll be like throwing a steak to the dogs," says Elnathan Davis, secretary of the tribal council, who is disturbed over the potential for exploiting the Indians who are expected to come into an inheritance of around $50,000 per person. "Too few of us are prepared to handle these things."

Bert Albert, mayor of Chiloquin which is a mostly non-Indian town inside the reservation, says:

"As far as termination goes they could do it tomorrow. It won't be any different if they wait 10 years or if they had done it 10 years ago."

FINGER OF BLAME

Then Albert, who has lived in Chiloquin for 30 years, points a finger of blame at what may well be both the reason why many Klamaths are not prepared to stand on their own—and the reason why they should be put out on their own at the earliest possible time:

"The trouble here is with the per capitas. That's the worst damn thing there ever was. The Indians don't have any incentive. They know they're gonna eat anyway. They've been brought up that way. The best thing would be to sell the timber to the Government and let the Indians have the money to spend. After they've spent it they'll have to learn to work—or go hungry."

This opinion of the per capitas—the distribution of money to individual Klamaths from the sale of their timber—is held almost universally among the Indians themselves.

Boyd Jackson, vigorous opponent of termination as it is outlined in Public Law 587, says: "We were better prepared for termination 40 years ago (before the per capitas started) than we are today."

Wade and Ida Crawford, equally vigorous opponents of delay, contend: The Indian has been shackled and debilitated by the white man's paternalism and the easy money from timber sales. To continue this system, either in a reservation or a trust setup, won't bring back the independence and vigor of the Klamaths.

EIGHT HUNDRED DOLLARS YEARLY AVERAGE

For 40 years or more the Klamaths have been getting an annual living income from their timber. It's averaged out at about $800 a year for each man, woman and child. It is tax free.

Among those who have stayed on or near the reservation it has been the exceptional individual who has sought outside income from jobs or stockraising or farming. Since World War II when a peak market for beef encouraged many to take a flier at cattle raising the cattle population of the reservation has dwindled from around 10,000 head to less than 3,500. During the same period, there has been an increase in stumpage prices which almost parallels the reduction in cattle grazing.

One estimate places the number of adult Klamaths who are actually self-supporting at no more than one-third. This same estimate, which is generally accepted by those dealing with termination, says that at least 45 percent depend solely on their per capita payments from timber revenue and another 22 percent have some supplemental income.

One Indian recently said:

"Every time I get to wondering what's wrong with us, I come back to the per capitas—the dole as we call it. If I had any guts I'd bank mine and go to work. But what would I do? I've never held a job more than 2 or 3 days in my whole life."

No child or youth, this man is a father in his late thirties.

With an eye toward preventing more of a tragedy than already exists on the Klamath reservation today, there are a number of official and private groups casting about for answers to the Klamath's dilemma.

In most cases, these groups are subject to the same appraisal that was made of the Klamath education program which was set up by Public Law 587. This appraisal was first voiced in an editorial in Christian Century, one of the foremost of the national religious magazines.

That magazine said that either the adult education program on the Klamath is unnecessary because the Indians are already prepared for termination—or the termination program itself is premature.

FOREIGN SERVICE ACADEMY

Mr. YARBOROUGH. Mr. President, the distinguished junior Senator from Montana [Mr. MANSFIELD] who now occupies the chair, last Saturday introduced a bill, cosponsored by several other Senators, including myself, to establish a United States Foreign Service Academy. The academy would train persons for foreign service. They would receive the equivalent of a master's degree upon completion of the studies prescribed by the academy.

In my opinion, Mr. President, our military and naval service academies are the finest military schools the world has ever known. The value of the military service academies has been proved in many wars. In the Mexican War, General Scott expressed his fixed opinion that but for our graduated cadets the war between the United States and Mexico would have lasted 5 years, with, on our part, more defeats than victories in the first half of that war.

In the War Between the States, nearly all the great military and naval leaders and captains on both sides were graduates of either West Point or Annapolis.

However, we lack an institution whose purpose would be to train young officers in the conduct of effective foreign relations, our really first line of defense.

For 155 years we have prepared our young men in the finest institutions of military vigilance, and in all that time the buffer zone between diplomatic relations and actual warfare has been fought by the men of our Foreign Service. It is only natural that we turn our attention to this area and provide for the training of those who will guide our Nation through the troubled waters of future international intercourse.

Winning the peace is as important as winning the war. We have trained our young men to win wars, and they have won them. If we train them to win the peace, why should there not be a profound faith that they can attain victory in that field too?

I urge the Senate Foreign Relations Committee to give their keen attention to this measure, and I hope that the Senate will act upon the bill before the present session closes.

THE INFLUENZA EPIDEMIC

Mr. NEUBERGER. Mr. President, because many Members of the Senate are vitally concerned over the possibility of a spread of Asiatic influenza to our own country, I believe an informative article in the August issue of Harper's magazine by Dr. David D. Rutstein, head of the department of preventive medicine at Harvard University, will be of significant value and worth to the Senate. I share Dr. Rutstein's concern and, indeed, I have already urged the United States Public Health Service to make certain that adequate supplies of preventive vaccine for this virulent strain of influenza are available in the Pacific Northwest States, where such an outbreak might start. I ask unanimous consent that Dr. Rutstein's article from Harper's magazine entitled "The Influenza Epidemic" be printed in the body of the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE INFLUENZA EPIDEMIC: HOW DEADLY WILL IT BE?—WHAT IS CAUSING IT?—WHAT CAN WE DO ABOUT IT?

(By David D. Rutstein, M. D.)

EDITOR'S NOTE.—Dr. Rutstein is Professor and head of the Department of Preventive Medicine at Harvard, a staff member of 6 Boston hospitals, and author of a television series and forthcoming book, both entitled "The Facts of Medicine.")

In April an epidemic of influenza exploded in the Far East. Starting in Hong Kong, it spread thousands of miles in all directions in less than 2 months. As we watch it spread, we ask ourselves: Will this epidemic burn itself out—or is it the forerunner of a worldwide plague which may kill millions of people before it dies away?

An exact answer to this question is not possible at the moment. But a look at the record will tell us what to watch for as the epidemic spreads. It will also guide us in doing everything possible to minimize its effects.

Influenza, a disease of the respiratory tract, is spread from person to person by direct contact, through breathing, coughing, speaking, and sneezing. It is so highly infectious that many thousands of persons in a city may be attacked at the same time, and it spreads rapidly along lines of communication from one center of population to another. The disease varies in severity from being almost asymptomatic to one which may cause death within a few days. All epidemics of influenza have both mild and severe cases, but a large majority in most epidemics are of the milder sort. Occasionally, as in 1918–19, the epidemic may include a large proportion of severe cases.

Influenza is the only disease causing worldwide epidemics in modern times. Indeed, this disease spreads all over the world so rapidly that pandemic—a special word meaning worldwide epidemic—is used to describe it. Pandemics of severe influenza occur about 4 times every 100 years. The last pandemic occurred in 1918–19 and the one before that in the winter of 1889–90. The interval between such outbreaks has varied from about 10 to 50 years and is therefore of little help in forecasting a pandemic of severe influenza. In the intervals between pandemics there are widespread epidemics of mild influenza every 2 to 4 years. The last such epidemic occurred in the United States in the winter of 1952–53 and there were scattered cases in 1954–55.

In order to determine how serious the present epidemic may become, let us look back at the 1918–19 pandemic of severe disease and compare it with the epidemics of milder influenza which have occurred since.

The 1918–19 outbreak began in the early spring of 1918 when a wave of localized epidemic passed over the continent of Europe. These epidemics travel along lines of communication, but did not seem to extend from the cities to the surrounding countryside. This beginning is often referred to as the first wave. The epidemic in each city affected from 10 to 50 percent of the total population in the short period of 4 to 6 weeks and subsided as fast as it had spread.

Because of the neutrality of Spain in World War I, we had most information about the early 1918 epidemic from that country. As a result, in the United States the disease was popularly called Spanish influenza. A similar epidemic wave appeared in the Far East. At almost the same time there were small outbreaks of influenza-like disease in the United States, but these lacked the wavelike characteristics of the European and Asian epidemics.

Influenza in the first wave was incapacitating, but the death rate was low. The symptoms came on suddenly with a chill, followed by an elevation of temperature to 103 or 104 degrees. At times patients would report that they had felt rotten for a day or two before the onset of the acute disease. During the 2- to 3-day course of high fever the patient complained of severe headache and generalized muscle pain, particularly in the back and legs. Respiratory systems were relatively mild with a persistent cough and some nasal discharge. Usually the temperature dropped rapidly and all acute symptoms disappeared, with the exception of the cough which gradually decreased.

After a bout of influenza, patients complained of feeling washed out and it sometimes took days or even weeks before they felt like their old selves again. The disease had a range of severity from very mild cases with slight fever and some discomfort all the way to a severe, prostrating illness complicated by pneumonia which was at times fatal. This complication was not frequent and for the most part the death rates were but slightly increased during the first wave.

THE SECOND WAVE

The relatively mild first wave of influenza in 1918 would have passed unnoticed had it not been followed by the death-dealing second wave. This appeared in France in mid-August of 1918, and by late August and early September it had hit the United States. Boston was the first community attacked, but within a few days the epidemic had spread rapidly down the east coast in a more or less southwesterly direction. Almost simultaneously, severe influenza appeared in epidemic form in Army camps throughout the country. The second wave spread so rapidly through the civilian population that a peak for the entire country was reached by late October. From 25 to 40 percent of the population of the affected communities was made ill almost at the same time; the highest attack rate occurred in children 5 to 14 years of age. The epidemic subsided equally rapidly, so that by late November it had practically disappeared. This pattern was reproduced at about the same time in many parts of the world.

The severe nature of the disease was mirrored in the death totals. In the United States over 300,000 people were dead as a result of this second wave, or approximately one out of every 300 civilians in the country. In certain Army camps where the disease was most fatal, one out of every 35 men died. This was probably a reflection of the tragic fact that the second wave of the 1918 epidemic had its highest death rate among young adults, particularly males. The death rate in this age group was even higher than that among very old people.

What were the characteristics of the disease in this second wave? Patients presented the same symptoms as in the first, but in addition acute inflammation of the lungs was relatively common. This pneumonia, coming on early in the disease, usually became much worse on the third or fourth day—just at the time when the patient was expected to be getting better. This complication was responsible for most of the deaths.

In the winter of 1919, during the usual respiratory disease season, there was a third wave of influenza. It was less well defined than the previous ones. In the United States it varied in extent from place to place, but was clearly less serious than the second wave. In any particular community, the intensity of the third wave seemed to bear no relationship to that of the two previous ones. Like the earlier waves, it lasted from 4 to 6 weeks and then subsided rapidly. In the winter of 1920 there was a widespread epidemic of moderately severe influenza which may have been the aftermath of the 1918–19 epidemic.

Since 1918 there have been repeated epidemics of relatively mild influenza every 2 to 4 years. Only a few of them have been widespread enough to be called pandemics. Most of them, regardless of the area of spread, have consisted of comparatively mild cases. The exceptions were the widespread epidemics of 1920 and 1928–29, the 1941 and 1949 epidemics in the Netherlands, and the 1951 epidemic which had a high fatality rate in Liverpool, England. But even the worst of these interim epidemics was far less serious than the 1918–19 pandemic.[1]

There is one additional difference between the epidemic of 1918–19 and those which followed. Deaths in all since 1920 have, for the most part, occurred in very young children and very old people. Death has come most often to those already suffering from a chronic disease, particularly heart disease or tuberculosis. This is in sharp contrast to the large number of deaths in previously healthy young adults in the 1918–19 outbreak.

THE VIRUS THAT CHANGES

The cause of the 1918–19 pandemic of influenza is still unknown. It is supposed that the pandemic was due to a virus. Viruses are very tiny protein molecules which infect the insides of cells and are too small to be seen with the ordinary microscope. Research techniques available in 1918 were not developed enough to identify the suspected virus. Since that time enormous scientific advances have been made. We have learned to grow viruses in animals and in chick embryos in fertile hens' eggs. Now we are also able to take photographs of most viruses with the electron microscope.

The first successful isolation of an influenza virus took place during an epidemic in 1933. In that year Drs. W. Smith, C. H. Andrewes, and P. P. Laidlaw in England were able to grow the virus in a rodent called a ferret. The virus obtained from throat washings of human influenza patients produced a typical disease in ferrets. Since 1933 it has been possible to isolate a virus from every subsequent epidemic of influenza. The techniques have gradually been simplified and the virus can now be grown in chick embryos.

The influenza viruses fall into three large groups labeled A, B, and C. Of these, only A virus is important as a possible cause of severe pandemics. The important characteristic which would suggest its association with pandemics of severe influenza is its ability to give rise to sudden sharp mutations. Influenza B- and C-viruses are not likely to produce pandemics of severe influenza because the B virus has shown but slight tendency to mutate and the C-virus none at all.

Ordinarily, if we recover from an infection with an influenza virus, we build up an immunity which protects against later attacks of the same disease. But this is true only if the subsequent infection is caused by the same kind of virus. If, in the meantime, the virus has mutated this may not be the case. The amount of protection we would have against the new mutant will depend upon how far the mutant has strayed from its patent virus.

Since 1933, and up to the present epidemic, there have been two major mutations and a large number of minor ones among the influenza A-viruses. The original A-virus

[1] The worldwide total of deaths from influenza during the 1918–19 epidemic is estimated at twenty-one to twenty-five millions.

found in 1933 was soon replaced by the mutant virus found by Dr. Thomas Francis, Jr. in Puerto Rico in 1934. This Puerto Rico mutant—or minor mutants of it—was concerned in subsequent epidemics of influenza until 1947. In that year it was suddenly replaced by another mutant, now called the A-prime-virus.

Thus, if we had had an influenza infection in 1933 we would probably have had good immunity against the original virus. But we would have very little immunity to the Puerto Rican virus, and practically no immunity to the A-prime-virus. Each mutant seems to stray farther and farther away from the original parent virus.

Although we have no specific information about the cause of the 1918–19 pandemic, we do know much about the germs which, as secondary invaders, were at least partly responsible for the pneumonia which was the most severe complication. Germs are much larger than viruses, were easily studied at that time through the ordinary microscope, and could be grown readily on relatively simple culture media. The initial inflammation of the lungs produced by the influenza seemed to open the way to these germs.

The germs most frequently identified during the pandemic were the streptococcus which ordinarily causes scarlet fever; the staphylococcus, the common cause of boils and abscesses; the pneumococcus, the usual cause of lobar pneumonia; and a germ called the influenza bacillus which except in young children only rarely causes pneumonia in the absence of a predisposing influenza epidemic. Information collected about these germs of the 1918–19 epidemic has great practical significance because we now have antibiotics effective against most of them. Penicillin is very effective against the streptococcus and the pneumococcus. Tetracycline and streptomycin work well against the influenza bacillus. Certain of the antibiotics (erythromycin and chloramphenicol) have been effective only against certain strains of the staphylococcus.

The present epidemic struck suddenly and spread fast. In a period of less than 1 week 250,000 people, one-tenth of the population of Hong Kong, were said to have received medical treatment for influenza. By early June the epidemic had been reported in Singapore, Formosa, Indonesia, the Philippines, Australia, Thailand, Japan, and many parts of India as far west as Bombay. It is difficult to get precise information on many features of these epidemics, but the following points seem established:

(1) The disease has spread extremely rapidly and has the early characteristics of a pandemic. Spokesmen for the Medical Research Council in England and the United States Public Health Service have expressed the belief that the epidemic would spread to Europe and America relatively soon. By the time these words appear in print, the 1957 influenza epidemic may have already appeared in much of the United States.

(2) In the epidemic cities a large number of people have been stricken within a very short period of time. Press reports from Taipei, Singapore, Manila, and Bombay indicate that such a large proportion of the population was attacked so quickly that essential community services were seriously impaired.

(3) The death rate, although increased, has been relatively low. It is similar to the death rate in the first wave of the 1918 epidemic, and in the minor epidemics which have appeared since that time.

(4) There has been a high attack rate among children. Schools have been closed by the epidemic in Taipei, Singapore, and Tokyo.

(5) The epidemic has not only exploded rapidly within centers of population but it has spread throughout the surrounding countryside. In the Philippines, for example, health authorities reported that the epidemic appeared to be spreading throughout the entire archipelago.

(6) The virus causing the epidemic has been isolated. It is a new mutant unlike any previous recognized influenza A-virus. Indeed, this virus differs most from all of those isolated since the first virus of 1933.

(7) For the first time since the discovery of the A-virus, a rapidly spreading epidemic is involving a large part of the earth's surface; it is due to a sharply different mutant against which no immunity exists in the general population. The epidemic in 1947, at the time of the last major mutation of A-virus, did not have the wavelike characteristics of the present outbreak.

PROTECTING OURSELVES

One of the current theories of the mechanism of the 1918–19 pandemic provides us with an excellent working basis for an efficient program of protection. That theory assumes that the 1918–19 pandemic was due to the rapid spread of a virulent mutant of the influenza A-virus against which no immunity was present in the population, and that the virulence of this virus was enhanced by secondary infection with pneumonia-producing germs.

We do not yet know how virulent the new mutant will be or whether it will favor invasion by pneumonia-producing germs. Unfortunately, we now have no laboratory test for virulence in human beings of influenza viruses. We may be reassured that during the present summer the epidemic will be relatively mild, because the complicating germs do not flourish at this time of year as they do in the colder months. Even in the severe 1918–19 pandemic, the disease in the first wave during the summer was relatively mild. We may expect the present wave of relatively mild influenza to die away in the late summer. We do not know whether this will be the end of the epidemic or whether it will recur in a second, more serious wave of disease as in 1918–19.

If we are to derive maximum benefit from our knowledge of influenza, we must not delay. The interval between now and early autumn when respiratory disease increases, gives us time for preparation. We must use this time well. With proper planning we may be assured that modern scientific techniques, the new antibiotics, and a cooperative, informed population can minimize the effects of the pandemic whether it be one of mild or severe disease.

Fortunately, much has already been done. The World Health Organization, as long ago as 1947, set up a World Influenza Center at the National Institute of Medical Research in London. This is the focal point of a network of over 50 laboratories in all parts of the world. In Washington, the United States Public Health Service set up in 1948 an Influenza Information Center which acts as liaison with the World Influenza Center and the cooperating laboratories in this country. This program provides for an immediate exchange of information about influenza throughout the world and for the transmission from one laboratory to another of new influenza viruses. The virus causing the current epidemic has already been received in this country. American laboratories have already verified its different nature.

An effective dead vaccine has been developed against influenza. This vaccine, first produced in 1942 from the Puerto Rican mutant of influenza A, protected against infection caused by this same virus. But in 1947, when this virus was replaced by the A prime mutant, the vaccine was no longer effective. Since then the vaccine has been kept up to date as new minor mutants have developed. But, as might be expected, laboratory tests on the blood of those immunized with vaccine produced just prior to the 1957 outbreak show no protection against the new virus. This means that the existing vaccine will probably be ineffective. To meet this emergency, specimens of the 1957 virus have been distributed to commercial vaccine manufacturers throughout the United States, and vaccine production is already under way. It is not yet known how much of the new vaccine will be available before the end of the summer.

The United States Public Health Service, through its Division of Foreign Quarantine, is patrolling all ports of entry to the United States. Influenza is not a quarantinable disease, but all ill travelers from the epidemic areas are examined. It is not likely that this procedure will keep influenza out of the country, but it will probably help us to identify early foci of infection.

Working arrangements are being set up in the United States between the United States Public Health Service and the health departments of each of the States. Through this arrangement, exchange of information, facilities, and services will aid in combating the epidemic as it spreads to various parts of this country.

A number of major steps probably will have been taken by the time that this article appears. Antibiotics effective against the pneumonia-producing germs will have to be stockpiled. This will probably be a responsibility of the Federal Government, with arrangements made for allocation to localities as needed.

It is not likely that enough vaccine for every resident of the United States will be available in time to meet the epidemic; therefore, priorities will have to be established. Priorities will probably be given to members of the military services and citizens who provide essential community services. These would include policemen and firemen, and those concerned with medical and transportation services and the maintenance of food supplies. Vaccine may have to be allotted to older people and also to persons suffering from chronic heart and lung disease.

If a severe epidemic occurs, the maintenance of essential services in each community will be a major problem. The Civil Defense Administration should be able to meet this need. Plans have already been made for protection against bacteriological warfare initiated by enemy attack. An influenza pandemic is nothing more than bacteriological warfare naturally produced. If an epidemic of influenza does occur here it will provide a good test for our civil-defense services.

WHAT WE CAN DO

Over and above these major programs, each of us has his own responsibility. If we learn the essential facts about influenza and work calmly and cooperatively with our community leaders, we can protect ourselves and our families and minimize the effects of an epidemic of mild or severe disease.

First we must know the important symptoms of the disease. If we develop chills or a chilly sensation, followed by high fever and associated with marked prostration, cough, or bloody sputum, we should go to bed immediately and call our physician. Going to bed will prevent spread of influenza to others. It will also protect the patient from catching pneumonia-producing germs from others. We must cooperate with our physician, follow his instructions, and not return to full activity until we are completely recovered.

If an epidemic strikes, those who stay well must do everything possible to help maintain essential community services. In the 1918–19 pandemic there was serious dislocation of food supplies in certain communities. Existing medical personnel were unable to cope with the demands for care. Transportation services were temporarily crippled.

Since 1918 urban living in the United States has, if anything, become more complicated, and requires close cooperation among many specialized services. If any of these services are knocked out, the entire community structure is threatened. Disabling illness in such occupations as operators of water purification equipment, of the steam boiler in a milk pasteurizing plant, or of elevator operators in a city of tall buildings can seriously threaten the health and lives of others. Those not already concerned with essential services will have to pitch in and help out if such an emergency develops.

Even if the 1957 epidemic of influenza should prove to be serious, the outlook is much more hopeful than it was in 1918–19. We now have many medical aids which were not available then. The new antibiotics should prevent many deaths from pneumonia, even in those very seriously ill. Influenza vaccine, even in very limited supply, will prevent cases of influenza among those in essential occupations or in those most susceptible to the disease. Finally, more full-time health departments, better organization of community services and local civil-defense units should make these medical advances available to all who need them. Our job is to use all of these assets effectively.

SIBLEY HOSPITAL

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an editorial which appeared in this morning's Washington Post, in support of the position which the House has taken on the Sibley Hospital issue, and in support of the position which my subcommittee of the Committee on the District of Columbia has taken.

I wish to announce that it is my hope there will be a full meeting of the Committee on the District of Columbia tomorrow to pass on the matter, and that we will have a report available to the Senate before the next call of the calendar, which, I have been advised, may be on Friday.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BETTER SITE FOR SIBLEY

A better site for the proposed new Sibley Hospital would be provided, and at the same time the financing of this needed new facility would be greatly helped, by Congressional approval of a bill now pending before the Senate District Committee and already passed by the House. In brief, the bill would authorize the exchange, at fair market value, of surplus Government property at Loughboro and Little Falls Roads NW., for the Hahnemann Hospital property at 135 New York Avenue, NW. Hahnemann is to be merged with Sibley at the new site in a facility to be constructed with one-quarter District and one-quarter Federal assistance.

This newspaper felt, as did officials of Sibley 3 years ago, that a site for the new hospital on the campus of American University would afford many advantages. Considerable community bitterness over the campus location might have been avoided if availability of the new site had been foreseen. We continue to think that a site adjacent to the University would be useful to both institutions. But the advantages of proximity would be only slightly lessened at the nearby Loughboro Road tract, the former location of the National Training School for Girls. In addition, the latter site is larger, is more isolated from residential development and offers a better opportunity for development of adequate access roads without undue interference with local traffic. From the hospital's viewpoint, the new site will be superior as security for part of the project's financing.

Since there are no definite immediate plans for use of the new tract by the Army engineers as an addition to the nearby Dalecarlia Reservoir and only the vaguest ideas as to any long-range needs for the land in connection with Washington's water supply, the indefinite abandonment of this choice location does not seem to be justified. District officials who voiced fears of pollution of the reservoir did not make a convincing case. The hospital would not lie in the drainage basin, and leakage of polluting materials would be highly unlikely in any case. We think Senator MORSE and his colleagues were correct in balancing the public interests involved and finding in favor of the hospital. It will be gratifying if provision of this new site will permit construction of Sibley, already long delayed, to proceed without further interruption.

ACCEPTANCE OF GIFTS BY THE PRESIDENT OF THE UNITED STATES

Mr. MORSE. Mr. President, I should like to read a quotation from Thomas Jefferson, whose views on democratic rights and sound procedure for conduct of oneself in office have always impressed me. I refer to the matter of the acceptance of gifts by the President of the United States. Thomas Jefferson said:

I had laid down as a law for my conduct while in office, and hitherto scrupulously observed, to accept of no present beyond a book, a pamphlet, or other curiosity of minor value; as well to avoid imputation on my motives of action, as to shut out a practice susceptible of such abuse.

I repeat what I said the other day. I believe that any President, Democratic or Republican, has the duty of keeping the office he occupies, like Caesar's wife, above suspicion. I do not believe the President of the United States can accept expensive gifts and expect that many people will not be suspicious of the motivations behind such gifts. Therefore I again abhor the exceedingly expensive gifts the President has accepted. It is not in good keeping with the ethical obligations of his high office, for example, to be accepting gifts which in effect stock a large part of his farm. The President should be above that sort of conduct. Again I express my disapproval of such conduct on the part of the President. I recommend to him a reading of Thomas Jefferson.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

HELLS CANYON RESOLUTION OF THE RUSSELLVILLE GRANGE, PORTLAND, OREG.

Mr. MORSE. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a resolution adopted by the Russellville Grange, Portland, Oreg., concerning the Hells Canyon Dam issue.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

HELLS CANYON RESOLUTION ADOPTED BY RUSSELLVILLE GRANGE, PORTLAND, OREG.

Russellville Grange wishes to thank you for the wonderful fight you have made to secure passage of legislation to provide for the development of the Columbia and Snake Rivers, so much manifest by your work for the Hells Canyon high dam.

We urge you to continue these efforts, as we do not think that the situation is hopeless and believe that we should all press forward to get the Hells Canyon high dam and the consequent development of the Columbia Basin.

Respectfully yours,

RUSSELLVILLE GRANGE,
ROY W. GILL, *Master.*

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD a letter I received from the Democratic Party of Wisconsin, Milwaukee's Eighth Ward Unit, signed by LeRoy Mucha, in regard to the Hells Canyon Dam issue.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEMOCRATIC PARTY OF WISCONSIN,
MILWAUKEE'S EIGHTH WARD UNIT,
Milwaukee, Wis.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MORSE: Your valiant stand on the Hells Canyon tax deal is to be commended. In behalf of the officers and members of our organization, I extend to you our thanks for your courageous efforts in trying to stop the fast tax writeoff law in the Idaho Power Co. deal.

We are also proud to have a Democratic Senator from Oregon working for the interests of the people of Wisconsin. Hoping that we can send you some help this August 27.

Hoping that your State of Oregon will keep on sending you back to your Senate seat.

With every best wish, I am,

Democratically yours,

LE ROY MUCHA,
Unit Chairman.

The PRESIDING OFFICER. Is there further morning business?

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it so ordered.

ATOMIC ENERGY

Mr. ANDERSON. Mr. President, the American Federation of Labor and Congress of Industrial Organizations have written a letter to the Atomic Energy Commission expressing their interest in the matter of Power Reactor Development Co., docket No. F–16.

The letter indicates that the AFL–CIO strongly support the point of view expressed by other labor organizations at the beginning of the hearings.

Mr. President, I ask unanimous consent that the letter, dated August 8, 1957, from George Meany, president, American Federation of Labor and Congress of Industrial Organizations, to the Atomic Energy Commission be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS,
Washington, D. C., August 8, 1957.

In the matter of Power Reactor Development Co. Docket No. F–16.

Mr. W. B. MCCOOL,
Secretary, Atomic Energy Commission, Washington, D. C.

DEAR MR. MCCOOL: Pursuant to permission granted on January 8, 1957 to the American Federation of Labor-Congress of Industrial Organizations for limited appearance in the above-entitled matter under rule 2.7318, we hereby submit the following as our statement of position for inclusion in the record of the above-entitled matter.

The testimony in the hearing in this case has now been substantially completed. The evidence presented demonstrates that the majority of the experts believe there is not, at the present time, reasonable assurance that this reactor can be operated without risk to the health and safety of the public.

We wish to urge as strongly as we can, on the basis of the facts revealed at this hearing, that the Commission reconsider its action permitting construction of this fast breeder reactor in so densely populated a region which includes the metropolitan areas of Detroit, Mich., and Toledo, Ohio.

We do not object to the development of this type of reactor. We do object, however, to its construction in a populous area in the present state of the art.

Progress in atomic development must be kept consistent with public safety. Indeed, if it is not, the entire program may suffer a serious setback. We are concerned, as we believe the Commission should be, not only that an accident or catastrophe on this project could affect a large number of people and create billions of dollars of property damage, but also that any major disaster in this new industry could lead the public to lose confidence in atomic reactor safety controls and thereby seriously set back development of the peaceful uses of the atom.

We therefore urge the Commission to suspend the permit issued for this reactor of the Power Reactor Development Co. at Lagoona Beach until there is reasonable assurance that its operation would present no hazard to the public.

Sincerely yours,

GEORGE MEANY,
President.

Mr. ANDERSON. Mr. President, the Atomic Energy Commission, through its Technical Information Service Extension, Oak Ridge, Tenn., has released a very substantial report concerning the fast breeder reactor control and safety meeting held November 10 and 11, 1954. This is unclassified, and the Oak Ridge group, on December 26, 1956, issued that information.

Because we shall soon be discussing the Power Reactor Development Co. and the fast breeder reactor, I ask unanimous consent to have printed in the body of the RECORD excerpts, with the page notations on them, showing the comments which were made with reference to the studies undertaken in trying to ascertain if the reactor was in itself safe.

The report points out that even the experts were somewhat worried as to how this might develop, and that Mr. Amorosi, who is the general superintendent, as I understand, for the Power Reactor Development Co., said:

I feel I would have more comfort if there was a proof-test reactor, a full-sized one, that would be run soon.

This is in support of the position taken by many members of the Joint Committee on Atomic Energy that while the development of a fast breeder reactor is extremely desirable, and while the companies involved in the undertaking are to be commended for taking the leadership in its development, there still remains the need for a reactor which may be tested before it is finally constructed.

I ask unanimous consent that these statements may appear at this point in the RECORD.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

EBR EXPERIENCE

(By F. W. Thalgott, Argonne National Laboratory)

Page 13: I will now speak of one of the two phenomena which are of interest here: the so-called prompt temperature coefficient of the reactor. The overall slow temperature coefficient of the reactor has been well measured and found to be –1.4 in hours per degree centigrade. However, during the operation of the reactor it has been found that any sudden throttling of the coolant flow with its attendant rapid increase in fuel slug temperature coefficient acts to decrease the rate of power rise and ultimately causes a decrease in pile power. This indicates the presence of a positive temperature coefficient, but its magnitude is difficult to obtain. * * * It is difficult for me to say why this apparent positive temperature coefficient occurs, and it is difficult to say whether it is of nuclear or mechanical origin. I can, however, give you an indication of the order of magnitude of mechanical change that might be necessary to get period changes of this order. Dave Okrent estimated roughly, by means of a spherical calculation, that a change of about 0.025 centimeter on the radius of the EBR would be sufficient to put the reactor on a 15-second period. This results in about a 0.25 percent change in reactivity and is of about the same magnitude as is necessary to change the period from 32 seconds to 6 seconds. Thus you see the mechanical changes necessary to produce this effect are quite small.

Page 19: I will now talk about an oscillation that has been observed in the EBR on startup. It was first observed after the new loading was installed and occurred when the reactor was brought to power on about a 30-second period and then leveled off. This was at full flow, which is 292 gallons per minute. There were rather violent swings of the galvanometer when the oscillations occurred. Sometimes the oscillations would die out; sometimes they would get so violent that the reactor would scram on a fuel slug temperature alarm. Sometimes it was scrammed manually on "operator" alarm.

Page 28: The chairman, Dr. Hans A. Bethe: "It seems to me the evidence is strong for a positive prompt coefficient and a negative long-time temperature coefficient. It also seems to me that there are indications in the calculations by Harvey Brooks and Henry Hurwitz that such a combination could lead to the oscillations that have been observed. The EBR certainly is a very important instrument, being the only operating fast reactor, and it would be well worthwhile to get out of it as much information and comparison with theoretical calculations as we possibly can."

Mr. BROOKS: "* * * I would like to back Henry Hurwitz' suggestion for an oscillator experiment extremely strongly; I think this is the most important thing that you could do with the EBR." * * *

The CHAIRMAN: "* * * If there is a prompt temperature coefficient that is positive, and a delayed temperature coefficient that is negative, which seems to be one conclusion from the evidence, then there is a theory, due to Harvey Brooks, which tells how the oscillator response should depend on the power level. This would be ideally suited to an exploration of the temperature coefficient."

Page 83: W. H. Zinn, Argonne National Laboratory: "I do not believe I will include as acceptable devices the autocatalytic features, and that is why the discussion today on the Doppler effect has been so terribly important.

"It is quite necessary to know that your reactor plant does not have concealed within it some little autocatalytic gimmick which will override all of the fail-safe mechanical and electrical gadgets that you have provided."

Page 85: "The point at issue would be something like this: If you had an excursion in the reactor which released a certain number of megawatt-seconds of energy, say 100, what is the probability that you get a hole in your container as a result."

Page 86: Mr. HAFSTED: "* * * The insurance problem is something like this. The wording in the present law is that all risk should be carried by the utility company of whoever is going to build the reactor. The wording thereby is to hold the Government harmless. This is the thing which brings up the kind of group thinking that Dr. Zinn was talking about. This really means that you have to make nuclear reactors safer than coal-fired plants. They aren't completely safe either.

"There are two things that I feel have to be done in connection with the insurance business. One, at some appropriate time, have Congressional hearings again and change this part of the law to something more realistic. Two, I believe as part of this we must have an overall system whereby normal insurance companies can carry what I call a million-dollar deductible or $5 million deductible policy, where the utility company pays insurance for the first X million dollars and the Government somehow reinsures the insurance companies for the very remote and improbable occurrence of a major catastrophe involving expenses more than this X million dollars for which we are protected. I think those two steps have to be taken over the next few years before we can build reactors on a commercial basis."

Page 101: Mr. Amorosi: "Slide 7 shows what I have termed credible accidents. If I were dealing with the Safeguards Committee, I probably would insist that even these are not credible accidents."

Page 105: "* * * As an engineer designing a reactor it isn't enough to say, 'Let us see what we can expect on the assumption that the k's are this or that.' The designer wants to know, what kind of troubles can he get into when he designs improperly. What if the experts that are helping me with the theory of the nuclear events tell me that we may not have thought of all of these nuclear events. I still want to know how bad a shape I am in."

Page 106: Mr. Amorosi: "What accident is this that you speak of?"

Mr. Zinn: "I am assuming that you have one in which you vaporize the core, not melt it, and this takes a certain amount of energy. How are you going to dissipate this energy and still maintain the integrity of

your secondary container? That is your problem."

Page 108: Mr. Amorosi: "This should happen quite slowly, and it may melt some other things and not hold its shape."

The Chairman, Hans A. Bethe: "It probably would. That is, if it were still reactive. I suppose it would then melt the tubes, too. But I would really like to know what would happen."

Mr. Amorosi: "My feeling is that we must do some more work on it. I don't feel that it is something that is going to be a serious problem in the long run. I think it is one that we will show that although we can hypothesize it will give us trouble, the melting will make other things melt or do something in a manner that will alleviate the situation."

Page 111: Mr. Brooks: "If you have $5 immediately after shutdown, your power is down only by a factor of five from the running power. In other words, if you are running at 300 megawatts, right after the shutdown you still have 60 megawatts. That 60 megawatts then decays with the delayed neutron periods. That is the critical time. The thing that I worry about is if you have a sudden coolant block and your safety is immediately operative, you still have to take care of that 60 megawatts for 5 or 10 seconds. That is when melting is going to occur."

Page 112: Mr. Brooks: "I am not sure that I agree with the comment that you have to loose coolant to melt the fuel. I don't disagree with it. I think this has to be proved.

"Let me pose the question. Suppose that the coolant remains in the reactor, but you still have energy released. Everything is going to heat very fast, and the uranium is going to heat faster than the coolant."

Page 120: Henry Hurwitz: "* * * Because of the difficulty of predicting in detail the complex warping phenomena that may occur, it will probably be necessary to test out ideas for proving negative coefficients in full-scale reactor experiments. This means that considerable thought should be given to methods for experimentally determining the behavior of fast reactors under transient conditions. Pile oscillator experiments should be particularly useful."

Page 125: R. O. Brittan: "There have been a series of meetings at Argonne National Laboratory with personnel from APDA at which problems arising in analysis of fast reactor safety and hazards have been discussed and information on progress exchanged. This is in the nature of a continued report on kinetics studies at ANL.

"The solution of the kinetics equations describing the behavior of a reactor becomes a necessary part of analyzing possible accidents."

Page 151: Mr. Goertzel-Dr. Daane: "As has been well pointed out up to now, the reason for studying the sort of thing that Mr. Brittan and others talked about stems eventually from the question of what is going to happen to the reactor in actual use. How can it be damaged? We saw in Mr. Amorosi's presentation what sort of accidents he could envision. What we tried to do was to take care of the ultimate question, which is how bad an accident you can withstand."

Page 187: John D. Orndoff, Los Alamos Scientific Laboratory: "As I mentioned before, we experienced one unplanned excursion that terminated our experiments for a little while. This excursion may be of more interest to the present meeting than the previous detailed Godiva experiment. An assembly of about 18 cents above prompt critical was accidentally made. The maximum reactivity is known pretty definitely to have been that although predetonation may have taken place before the reactivity boosting slug became completely seated. The thermal shock caused the assembly to come apart."

Page 190: Mr. Zinn: "Someone asked the question this morning, if thermal expansions could indeed take place rapidly enough. Here is the answer."

Page 195: Mr. Zinn: "I believe in thinking about that kind of experimentation for a fast assembly, you could not set up a general type of experiment. It would have to be a very specific thing to test a particular design, and the design would, I think, in many details, have to be just about the way you were going to have it in the final reactor."

Then I don't believe it is necessary to contemplate carrying the experiments to the point where you would get destruction. However, you must carry them out, remembering that accidents happen. Such destruction might take place. With the technique which is, I think, used in the Godiva experiments, where the observation post is some distance away this could be done. The distance and the technique of separating the observation post from the experiment is not very difficult. We didn't find a half mile very difficult in the borax experiment."

Page 196: "I think I will repeat what I said earlier; you don't do this in the hope of getting some general data. You have the general data here on Godiva. What you are after are the sort of things we have been talking about, such as how does a pin-type thing disassemble itself, or what happens if the things that were not put into the calculations take place, like boiling in sodium and so on? You might also conceivably get a check on some of the changes such as the Doppler effect."

The Chairman: "* * * You want to find out, for instance, the things that you don't understand, and such as why does the EBR have apparently a prompt temperature coefficient. You want to find out such surprises in an experiment of the borax type, I would think. Godiva is beautiful because she can be so well calculated, and we would not expect any surprising effect in Godiva. However, our reactor and the EBR have many little parts which can move in ways that we do not foresee. I think maybe such things could be studied in these simulated accidents. I think you will agree."

Page 197: Mr. Zinn: Yes. Whether or not you do excursion-type experiments on a complete assembly should be judged on the basis of how many points in a complete assembly can you find where there is enough uncertainty to pay the piper, so to speak. This is going to be an expensive operation. One has to identify each thing and try to really come to a point where only experiments could give you an idea of what might happen.

Page 198: Mr. Brittan: "There is one thing you might do with these experiments, and that is look for instabilities that might occur during normal operating procedures."

Mr. Zinn: "I think that is prohibitive or almost impossible because it means putting a full cooling system on the experiment. I think you might better build the final reactor plant and hope you have somebody on your side. It is a pretty expensive experiment. You hope that if a vibration or something shows up, you are able to correct it."

Mr. Loeb: "Isn't there in this decision some kind of an assumption as to where you would like to put your reactor when you do build it? If you are going to put it out in the middle of nowhere, maybe you don't need the test assembly. If you are going to put it in some location where there would be some people and property, you worry one step further along the line as far as liability is concerned."

Page 199: Mr. Loeb: If your reactor plant is out in the middle of nowhere, you will be doing the experiments on the reactor. * * *

The Chairman, Mr. Hans A. Bethe: I think all we can do here today is establish a philosophy. We cannot and should not decide whether we do or don't want such an experiment. I think we are trying to find out which argument would make us do such an experiment.

Page 200: Mr. Amorosi: I would like a proof test before we assemble a reactor, because I think the expansion characteristics of the material are dependent upon the method of the assembly. I don't feel we completely understand the characteristics of the core, the blanket, the reflector, and the interplay of some of the control mechanisms. If we could do this sufficiently in advance of the actual construction of the reactor, we could save considerable time. As all engineers would like, we would like enough of a proof test so we can proceed rather rapidly and with confidence on the final construction.

Page 202: Mr. Hurwitz: It seems to me that one is almost forced to the position of expecting that the first reactor constructed will not necessarily have the inherently safe features which one would like to obtain ultimately. Thus, the first reactor will have to be built in such a location and in such an enclosure that one will not be very happy if one finds something perhaps not as bad as in the EBR, but let's say something which swamps your prompt negative temperature coefficient. Notice I said at either such a location or in such an enclosure.

Page 203: Mr. Hurwitz: I don't think the remote-control business is necessary. After all, one doesn't operate the EBR with remote control. It is only when you worry about the environmental hazard that you have to be especially cautious.

Mr. Fayram: I think it is common practice in the aircraft industry to expect a few mistakes. It is also their practice to build the proof aircraft in the home plants, take them out in the desert or another remote location, and test them. They are then taken home and modified before they are put into production. Couldn't some similar pattern be followed in this case, namely, instead of devoting attention to two reactors, using one as a proof-test reactor, a single reactor be designed and built, transported to a test site, tested, and if errors are made, the unit wouldn't be a total loss? The parts that are in error could be corrected, replaced, and then it can be brought home and put in operation.

Page 204: Mr. Amorosi: I feel I would have more comfort if there was a proof-test reactor, a full-sized one, that would be run soon. I feel that we would eliminate a lot of problems or get greater confidence in proceeding with the real one.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Flanders	Malone
Allott	Fulbright	Mansfield
Anderson	Goldwater	Martin, Iowa
Barrett	Gore	Martin, Pa.
Beall	Green	McClellan
Bennett	Hayden	McNamara
Bible	Hickenlooper	Monroney
Bricker	Hill	Morse
Bush	Holland	Morton
Butler	Hruska	Mundt
Byrd	Humphrey	Murray
Carlson	Ives	Neuberger
Carroll	Jackson	O'Mahoney
Case, N. J.	Javits	Pastore
Case, S. Dak.	Jenner	Potter
Chavez	Johnson, Tex.	Purtell
Clark	Johnston, S. C.	Revercomb
Cooper	Kefauver	Robertson
Cotton	Kennedy	Russell
Curtis	Kerr	Saltonstall
Dirksen	Knowland	Schoeppel
Douglas	Kuchel	Scott
Dworshak	Langer	Smathers
Eastland	Lausche	Smith, Maine
Ellender	Long	Smith, N. J.
Ervin	Magnuson	Sparkman

Stennis	Thye	Yarborough
Symington	Watkins	Young
Talmadge	Wiley	
Thurmond	Williams	

Mr. MANSFIELD. I announce that the Senator from Delaware [Mr. FREAR] and the Senator from West Virginia [Mr. NEELY] are absent on official business.

The Senator from Idaho [Mr. CHURCH] is absent on official business attending the Economic Conference of the Organization of American States at Buenos Aires, Argentina.

The Senator from Missouri [Mr. HENNINGS] is absent by leave of the Senate because of illness.

Mr. DIRKSEN. I announce that the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate in order to represent the Senate at the Latin American Economic Conference in Buenos Aires.

The PRESIDING OFFICER (Mr. CURTIS in the chair). A quorum is present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed a bill (H. R. 5836) to readjust postal rates and to establish a Congressional policy for the determination of postal rates, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H. R. 52. An act to provide increases in service-connected disability compensation and to increase dependency allowance;

H. R. 1058. An act to preserve the key deer and other wildlife resources in the Florida Keys by the establishment of a National Key Deer Refuge in the State of Florida;

H. R. 1460. An act for the relief of Tom R. Rickman and others;

H. R. 1672. An act for the relief of the legal guardian of Frederick Redmond;

H. R. 1682. An act for the relief of Edward J. Moskot;

H. R. 1864. An act for the relief of Mrs. Lidie Kammauf;

H. R. 2045. An act for the relief of Robert D. Miller, of Juneau, Alaska;

H. R. 2049. An act for the relief of Mrs. Blanche Houser;

H. R. 2460. An act to improve the career opportunities of nurses and medical specialists of the Army, Navy, and Air Force;

H. R. 2950. An act for the relief of Lt. Col. Emery A. Cook;

H. R. 3281. An act for the relief of Howard S. Gay;

H. R. 3440. An act for the relief of Mr. and Mrs. Allan Schlossberg;

H. R. 4023. An act for the relief of Oswald N. Smith;

H. R. 4154. An act for the relief of the legal guardian of Thomas Brainard, a minor; and

H. R. 5627. An act for the relief of Mrs. Emma Hankel.

HOUSE BILL REFERRED

The bill (H. R. 5836) to readjust postal rates and to establish a Congressional policy for the determination of postal rates, and for other purposes, was read twice by its title and referred to the Committee on Post Office and Civil Service.

THE LATE SENATOR JOSEPH R. McCARTHY, OF WISCONSIN

The PRESIDING OFFICER (Mr. CURTIS in the chair). The hour of 12 o'clock noon having arrived, the Senate, pursuant to Senate Resolution 178, agreed to on the 8th of this month, will now proceed with the delivery of memorial addresses on the life, character, and public service of the late Senator JOSEPH R. McCARTHY, of Wisconsin.

The Senator from Wisconsin [Mr. WILEY] is recognized.

Mr. WILEY. Mr. President, an American philosopher has said human existence is but a kindergarten course in life.

Another has said the spiritual man is the expression of eternal life. The spiritual man never ceases to live; he is deathless, having been molded by the hand of his Maker.

Mr. President, on Monday last, memorial services were held for one who had served as a Senator for 34 years, Senator Walter F. George, of Georgia. Today we gather in memorial services for another who served among us as a Senator for 10½ years.

One lived to be 78 years, the other, unfortunately, but 48 years. Both had been State court judges before coming to the Senate. Both were men of strong minds.

Both differed from one another, and from other Members of the Senate. Each was an individualist, as I shall describe. One came from the South; the other from the Midwest.

I had personally served closely with the one on the Foreign Relations Committee; with the other as representing the same great State.

Thus, as senior Senator from Wisconsin, it became my duty, following the passing of my former colleague, the junior Senator from Wisconsin to inform the Senate on May 6 of the news of his untimely death.

I first became acquainted with Senator McCARTHY in 1944, when he opposed me in the primary. He was then an officer in the Marines—young, handsome, and vital.

Then, as in the dramatic years that followed, he was a man of energy, of determination, of vigor, who had risen by dint of his own efforts.

In January 1947, he was elected to the Senate. Subsequently, in his famous address in Wheeling, W. Va., on February 9, 1950, he first captured the attention of the Nation.

The shocking Hiss case, at about that time, had aroused the country, just as within the past few weeks, with the arrest of a Soviet colonel in counterintelligence, we have once more been grimly reminded of the Communist menace within our midst.

In 1953 my colleague became chairman of the Senate Permanent Investigations Subcommittee, and with the chairmanship came the hearings which were reported the length and breadth of this Nation, and throughout the world. All his energy and attention were devoted to the mounting demands of the hearings. All over the Nation there was heated and often bitter discussion about those hearings. Now, however, they are history.

In the days and months which have followed since Senator McCARTHY's passing, vast numbers of words have been spoken about him in the public press, over radio, television, and in many public forums. Even now, however, it is still too early to define the place in history which my departed colleague will take.

But there is none to dispute that in the hearts of those of his family whom he left behind—his devoted wife, his infant daughter, members of his immediate family and relatives, and his hard-working staff—his place is forever established.

Throughout the land, large numbers of Americans who identified themselves strongly with him still feel the strength of his convictions, and they remain true in their devotion to him.

Moreover, with the lapse of time, many men no doubt understand in clearer perspective the impact of his unique personality in this unique Chamber, of which we are privileged to be Members. Some people sometimes speak as if all 96 Members of the Senate should be of one mold, one personality, one type of interest. The late junior Senator from Wisconsin was an individualist in a Chamber of individualists.

In a body which devotes itself basically to legislation, he found a particular interest in the field of investigation. And in many other ways, he was unique in his interests and his talents.

There is a vital role to be fulfilled by individualists, and the role of the investigator, as such, is an important role for a Member of the Senate. My late colleague was one of the strong-willed personalities which make the United States Senate the distinctive body that it is.

I, for one, hope that with the passing of time there will be an increased understanding, a lessening of the controversies which for so long swirled around my late colleague. I hope that time will bring a healing of old wounds; that it will bring a remembrance of the good, the constructive, and the enduring.

"Joe," as he was known to one and all, was a man of quick friendships and—yes, it must be admitted—of quick enemies. But he was informal, candid, and direct, a man of ready amiability but deep-seated views.

Through all the years of our association in the Senate, I say very frankly that I really never became familiar in great detail with him. He had his friends; I had mine. In many respects, his philosophy differed from mine. But by and large, we got along very well, applying the American concept that each had the right to his own views.

JOE McCARTHY fought hard for his convictions. He was a battling marine and a battling United States Senator. He gave everything he had to those battles.

Now we of the Senate pause in our activities to pay respect to his memory. We recall not only his battles but his

personality, his friendships and loyalties, and all that complex of factors which made up his brief but crowded, eventful life.

In a little less than 2 weeks the people of Wisconsin will go to the polls to elect the successor to the late junior Senator from Wisconsin.

We of the Badger State will remember then, as we of the Senate remember today, that the late junior Senator from Wisconsin was genuinely, patriotically devoted to this Nation, to its flag, to its interests, as he saw them; to its welfare, as he felt it; to its future, as he interpreted it—with all the strength of his convictions.

Mr. KNOWLAND. Mr. President, it is always a solemn occasion in the activities of the Senate of the United States when Members of this body stand to pay their last respects to one of our departed colleagues. It is a particularly difficult occasion when we commemorate, as we do here today, the remembrance of one who departed from this life and from this Chamber, on May 2, while he was in the prime of life.

Mr. President, the story of Senator JOSEPH RAYMOND MCCARTHY was a typically American one.

He was born in Grand Chute, Wis., November 14, 1909; attended the Underhill country school; worked on a farm, and later started his own chicken farm; at the age of 19, moved to Manawa, and enrolled in Little Wolf High School, while working in a grocery store and ushering at a theater in the evenings, completing a 4-year course in 1 year; in 1930, entered Marquette University, at Milwaukee, Wis., to study engineering, but later transferred to the law department, and graduated in 1935; was admitted to the bar in the same year, and commenced practice in Waupaca; in 1936, moved to Shawano, Wis., and continued the practice of his chosen profession; was elected circuit judge of the 10th judicial circuit of Wisconsin in 1939, and, while serving in this capacity, enlisted, in 1942, as a private in the United States Marine Corps.

I think that JOE MCCARTHY was as proud of his service in the marines and of the Marine Corps as he was of anything in his life.

He was later commissioned lieutenant and served 30 months on active duty, with 19 months in the South Pacific area. He was an unsuccessful candidate for United States Senator in 1944, while in military service. He was reelected circuit judge of Wisconsin in 1945, while still in the Marine Corps. He was elected, as a Republican, to the United States Senate in 1946 and reelected in 1952.

In my judgment, JOE MCCARTHY was a courageous American whose Irish background and religious convictions could not leave him complacent in meeting a challenge which all our people agree represents a continuing and constant threat to our American way of life. He challenged us to pursue an effective course in meeting the menace which faces us still after he has gone, the menace to free men in free societies born of the godless international Communist tyranny. It was against this menace to free men everywhere that my colleague, the junior Senator from Wisconsin, devoted his efforts and, indeed, his life.

He sought to alert what he felt was a large body of uninformed or apathetic people to the deadly danger confronting our country.

Some complain that in debate his tactics were rough. Senator MCCARTHY, if he were here, would not deny this. He would point out, however, that in dealing with international communism we are confronting a system that does not hesitate to liquidate millions of non-Communists by starvation, firing squads, or a bullet in the back of the head in the cellars of the NKVD.

He was shocked when he discovered that those who had the power and bore the responsibility in several instances ignored the facts of espionage and Communist infiltration when they had documentation from the highest and most responsible investigative agency in the executive branch.

Quieter and less spectacular figures had presented facts only to have them treated as "red herrings." They had warned of dangers abroad only to be told to "wait for the dust to settle."

JOE MCCARTHY has gone. He died at 48, in the prime of life. The danger to our Nation and the Free World remains. I cannot help but believe that he will be satisfied if we as a people do not again fall into a state of complacency or let our guards down when dealing with the most godless tyranny the world has ever known.

Senator JOE MCCARTHY was not the first and, I pray, will not be the last to warn of the dangers to our society that are inherent in the philosophy of peaceful coexistence with the followers of Marx, Lenin, Stalin, and Khrushchev. Although JOE MCCARTHY has gone, the danger to our Nation and the Free World remains. He has departed from us to confront One whose judgment is infinitely superior to the judgment of those who in recent years have either praised him or criticized him.

Some of the columnists, cartoonists, and public figures painted JOE MCCARTHY as a tough and unreasonable man. Those of us who saw him in his home and with his family and friends know that he was kindly, genial, and had a forgiving disposition even toward those he felt had been unfair to him.

My heartfelt sympathy goes out again at this time to his wife Jean, his infant daughter Tierney, to the other members of his family, and to the people of the great State of Wisconsin.

Mr. JOHNSON of Texas. Mr. President, it is always sad when a colleague passes away. It is doubly sad when that colleague is a young man of vitality and of force, a man who is capable of moving his fellow man.

JOE MCCARTHY—and he was "Joe" to everyone who knew him—was compounded of many elements. He had strength. He had great courage. He had daring. JOE MCCARTHY had a rare quality which enabled him to touch the hearts and the minds of millions of his fellow men.

JOE MCCARTHY lived in the midst of one of the greatest controversies of our time. He, himself, was the center of controversy, and he had the zest for combat of his Irish ancestors.

Many times JOE MCCARTHY walked a long and lonely road. As he was judged by his fellow men, some regarded him with adulation and some with hatred. But one thing that can never be disputed is that the name of JOE MCCARTHY will never be forgotten. There was a quality about the man which compelled respect, and even liking, from his strongest adversaries.

Some of us frequently disagreed with him, but few of us could ever honestly say that we were not touched by his personality.

There was one great, warm comfort in his final days. It was the presence of a lovely lady, intensely loyal and always intensely devoted—his wife Jean.

JOE MCCARTHY will be judged by history, and by a Higher Power that none of us should or could question.

Today, on behalf of Lady Bird and myself, I wish to express deep sympathy to Jean, to his family, and to the great State which gave him the privilege of serving in this body.

Mr. SALTONSTALL. Mr. President, a resolution unanimously adopted on July 22 by our Republican conference was placed in the CONGRESSIONAL RECORD by me on July 22. It ably portrays our feelings toward our late colleague, JOE MCCARTHY.

His untimely death shocked the people of the United States. It shocked us all because of the significant and telling part he had played in the affairs of the Nation and the world in the struggle against international communism. History in the days to come will record that influence, but we who are here now realize how his untiring efforts sapped his strength.

He was proud of his experience as a fighting marine. That service, too, took much of his vitality in later life; but it was another evidence of his courage.

As a colleague, he was always friendly, an interesting companion and an outspoken champion of the causes he espoused. I miss him and my sympathy goes out to his wife Jean and their daughter. Mrs. Saltonstall and I admire her for the courageous and dignified manner she has carried on without her Joe.

Mr. SMITH of New Jersey. Mr. President, as one of those who voted against JOE MCCARTHY in the sad Senate proceedings of 1954, I rise to pay him this personal tribute of affection.

I sincerely respected Joe for his loyalty to his deepest convictions and the outstanding part he played in calling attention to the dangers of communism in America.

I admired and respected him for his devotion to his church of which he was a sincere and devoted member. The clear-cut and uncomprising position of the Catholic Church in the United States and throughout the world against the insidious spread of atheistic communism is one of the inspiring chapters in the history of Christian civilization.

My difference with Joe was not a difference of faith or purpose. It was a difference in procedures.

Mr. President, I want to remember Joe as a crusader for those Christian principles in which he believed and as a personal friend for whom I had the deepest affection.

My wife joins me in extending the deepest sympathy to his beloved wife and their daughter.

Mr. MUNDT. Mr. President, the biographical facts concerning JOE MCCARTHY are well known, and have been recited many times by Members of the Senate and members of the press.

I rise on this occasion to pay tribute to JOE MCCARTHY primarily because of two basic qualities in his character which, it seems to me, were outstanding.

The first of those I would indicate as being his intense sense of loyalty.

The second is the fact that he was a man of unquestionable courage. I think we can look at any phase of JOE MCCARTHY'S career at any time and be impressed by the qualities of loyalty and courage which he so clearly demonstrated and manifested.

First of all, JOE MCCARTHY was loyal to his country. He demonstrated that, not alone by his service in the Senate, but preceding that service, by his service to the people of the State of Wisconsin, and by his service to the people of America generally as a member of the fighting Marines.

Long before I had come to know JOE MCCARTHY personally, and a Member of the Senate as well as a fellow committee member—I served with him on two committees, the Committee on Appropriations and the Senate Committee on Government Operations and its tempestuous little subcommittee, the Permanent Subcommittee on Investigations—I had heard about JOE MCCARTHY from a great citizen of my State, its present governor, Joe Foss.

Joe Foss was also a marine. He wore the highest decorations the Government can give to one of the outstanding members of the Marine Corps. He was an outstanding ace in World War II.

Joe Foss had told me many times about his services in the Far Pacific alongside a Wisconsin Senator by the name of JOE MCCARTHY. He told me how Joe had gone far beyond the line of duty. He left the ground to fly in fighting planes, in order to acquire the information he thought was necessary to enable him to discharge the functions to which he was assigned by his superior officers in the Marine Corps.

JOE MCCARTHY'S loyalty to the United States has never been questioned by his bitterest enemies. JOE MCCARTHY was loyal to his convictions; and he had firm convictions.

One of his abiding convictions was the conviction which most of us—and I hope all of us—share, that is, that so long as there is abroad in the world the aggressive force of militaristic, atheistic, imperialistic communism, none of the freedoms which we cherish in this country can be considered safe.

Being a man of action, JOE MCCARTHY determined to do something, to the best of his abilities and in accordance with his lights, to weaken communism abroad and at home, and to strengthen the forces of freedom on this continent, in the last great bastion of hope if communism is to be defeated.

JOE MCCARTHY was loyal to his friends, loyal to the members of his staff, and loyal to his associates in the Senate. Many times he placed himself in positions of controversy and difficulty in defense of friends of his, who, in turn, had rendered services which he thought were outstanding to his country or to a common cause.

Indicative of JOE MCCARTHY'S loyalty to his staff is the fact that the members of it still serve at the office formerly occupied by the junior Senator from Wisconsin. I have noticed that this staff, long after Joe has gone, still works far into the night, carrying on the functions of his office, answering the many letters which have come to the office by the tens of thousands, in praise and in tribute of JOE, and in carrying on to the best of its capacity the functions of that senatorial office, as it seeks to continue its service to the people of Wisconsin.

The staff includes such persons as Ray Kiermas, Dick Omelia, and Mary Driscoll, and others, who demonstrate the fact that their loyalty to Joe grew out of the fact that he was always intensely loyal to them in the work they did for such long hours and at such great personal sacrifice during the turbulent days when he was engaged so vigorously in the fight against communism.

Mr. President, JOE MCCARTHY was loyal to the Senate. He felt the Senate was a great institution, an independent branch of Congress, not to become a rubberstamp of the Supreme Court, not to become a rubberstamp of the executive branch of the Government, but a body which was to make its own determinations and its own decisions. He was loyal to the men who served in the Senate, and his loyalty to the Senate never wavered, even at a time when he felt in his heart the Senate had turned its back on him in an hour of trouble. I believe he remained loyal to the Senate to the end of his life.

Finally, Mr. President, JOE MCCARTHY was loyal to the Republican Party. At great personal cost to himself he campaigned the length and breadth of this land on behalf of fellow Republicans who he thought merited election to high office. He entered State and local campaigns on behalf of many candidates, because he believed in the concepts and principles embraced in the history and record of the Republican Party.

Concerning JOE MCCARTHY'S personal courage, his courage, in peace and in war, was characteristic of his fighting Irish personality. JOE MCCARTHY was a tough antagonist in conflict, whether it was military conflict, or forensic conflict, or ideological conflict, or a clash of personalities.

In any conflict, JOE MCCARTHY neither asked nor gave quarter. Many times he took positions in situations when it would have been easier for him to be silent. Motivated as he was by that pervading courage, he sought to strike out against anyone he thought to be wrong and to defend those who he thought were right.

As one of the large senatorial delegation which went to Wisconsin on the occasion of his funeral at Appleton, I could not help be impressed, not only by the vast size of the crowd who came to pay tribute to him on that occasion, but by the genuine affection in which JOE MCCARTHY was held by the people of his own town and of his home State.

As has been said earlier today, JOE MCCARTHY received great encouragement and completely loyal support and devotion from his lovely wife Jean, and, during the closing days of his life, great solace from his infant daughter Tierney.

Mr. President, there are occasions when men get to know each other better than on other occasions. Sometimes it is at a fishing camp, when it rains all day, and the men are closed up within the four walls of the fishing camp. Then one gets to know pretty well his companions on the fishing trip.

Sometimes we get to know people pretty well on a duck pass, or while sitting all day under an overturned boat, trying to keep the rain water from washing down one's neck.

I believe one can also get to know a man pretty well when one serves on a committee which is under the constant drumfire of a large segment of the American press and radio. Anyone who has served on a committee of Congress, whether in the House or in the Senate, which is charged with the responsibility of exposing communism, recognizes that from the very start of the investigation there is bound to be a bitter attack on the investigation by a certain segment of the so-called leftwing press of the country. That attack is bound to be unfair, and it is bound to be constant. It is going to be bitter, and it is going to come from every direction. Therefore, when one serves on a committee with a man like JOE MCCARTHY, or any other Member of the Senate or House, which committee is charged with the responsibility of exposing communism, it is not necessary to serve very long, and it is not necessary to engage in many investigations, before one learns the caliber of those with whom one is associated.

Mr. President, I had, for a number of years, the responsibility of serving with JOE MCCARTHY on the subcommittee of the Senate Committee on Government Operations which was charged in part with the responsibility of exposing Communist activities. He and all of us were subjected to that kind of attack. I know something about how JOE MCCARTHY reacted. I know that he met those attacks head on, and that he elected to fight back with everything he had against those who were fighting him with everything they had.

In doing that he made a great circle of enemies, because he refused to quit, he refused to surrender, he refused to yield, but, instead, elected to strike back at those who had struck at him.

I came to respect his fighting qualities which kept him in the ring. I came to respect the fighting qualities which induced him to make some of the excessive statements of which some of his enemies complained. Mr. President, this was a battle for keeps, and the very efforts and the very methods he used helped to dramatize a situation concerning which

far too many Americans had already been lulled to sleep.

It is only necessary to read the news reports of the last 2 months to recognize that JOE MCCARTHY was dramatizing a situation which badly needed to be emphasized. The startling spy stories relating to the disclosures being made by the FBI during the last 60 days indicate that JOE MCCARTHY was not whipping a dead horse, and that he was not discovering strawmen under beds. He was talking about the Communist espionage apparatus which is working in America today. He was talking about a Communist imperialistic program which is in existence all over the world and which needs the best attention of all free men, and all our best talents, in order to protect us against it.

All of us owe JOE MCCARTHY a great debt of gratitude for the fact that he did help focus, through a considerable period of time, the attention of a great many Americans, and the attention of people in many other countries of the world, on the fact that communism is here and needs to be destroyed and cannot be ignored, and that communism must be fought with different types of rules than can be used in fighting against the ordinary type of conspiracy or the ordinary type of criminal groups which seek to destroy America. As Joe used to like to say, "You have got to fight a snake differently from the way you pet a cat."

Mr. President, I pay my tribute to JOE MCCARTHY for the work he did, and shall leave to history an evaluation of his gallant service where it can find its place in the niches of the archives of our Nation.

On behalf of Mary and myself, I extend to Jeannie, Tierney, and Mrs. Carr, and to all the relatives of JOE MCCARTHY, our deepest sympathy. We were proud to consider JOE MCCARTHY and Jeannie McCarthy as our friends.

Mr. YOUNG. Mr. President, with the passing of Senator JOSEPH R. MCCARTHY, the Senate of the United States and the Nation have sustained a tremendous loss.

Perhaps, as has no other American in our day, he sensed the danger of international communism and its devious ways of infiltrating into organizations of all kinds—yes, even in the topmost level of our Government. Like all of us, Senator MCCARTHY made some mistakes. The good he has accomplished, however, far overshadows any mistakes he may have made.

JOE MCCARTHY was a dynamic, intelligent, colorful, sincere, and honest public official. His youthful years spent on a farm in a rural community in Wisconsin had much to do, I believe, with the shaping of his future life. As is so typical of the rural people with whom he grew up, he was intensely patriotic and had no patience with those who would compromise in the slightest with any element which he thought was detrimental to the best interests of his country. More than anyone else, he brought to our people a consciousness of the real menace that faced our Nation. Largely because of his efforts, the United States averted some of the tragic mistakes made by other nations.

Mr. President, it was my privilege to attend Senator MCCARTHY's funeral in his hometown of Appleton, Wis. There I gained a better understanding of JOE MCCARTHY, after visiting with his closest neighbors and friends and learning something of his childhood experiences and environment. While Senator MCCARTHY fought fiercely and to the bitter end for any cause in which he believed, he was still a kindly and deeply religious person.

Few men in public life in America ever enjoyed the great esteem and admiration in which he was held by the people who knew him best—those of his home community. I shall always consider it an honor and a privilege to have been closely associated with this great American.

Mr. President, I extend my profound sympathy to his good and devoted wife, Jean, and their little daughter, Tierney.

Mr. President, I call the attention of the Senate to the fact that other citizens and other groups have paid their respects to Senator MCCARTHY, and that many of these tributes have appeared in the CONGRESSIONAL RECORD during the past 2 months. The RECORD contains resolutions passed by State legislatures and city councils, resolutions of national organizations, newspaper and magazine articles and editorials from all over the land, all applauding Senator MCCARTHY's work and commending him for his vigorous and self-sacrificing fight against our country's enemies. I consider it particularly significant that so many State legislatures and city councils have expressed themselves on this subject. Members of those bodies are, after all, extremely close to the people.

It seems to me, Mr. President, that we will earn the gratitude of Senator MCCARTHY's friends, of the historians of the future, and of others who may take inspiration from his career if we make all these commentaries readily available. I therefore ask unanimous consent that an index which has been prepared of the commentaries on Senator MCCARTHY's career which have appeared in the RECORD from May 2 to the present be included as a part of today's RECORD.

Also, Mr. President, I ask unanimous consent to have printed at this point in the RECORD many other fine editorials and resolutions relating to Senator MCCARTHY and his life.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EDITORIAL ON WONE NEWSCAST, MAY 3, 1957, 7:45 A. M., 12 NOON, 6 P. M., 10:30 P. M.

(By George Young, WONE news director)

The first paragraph in the history of a great American has been written at Bethesda Naval Hospital in Maryland.

It may seem incongruous that the life and good works of Senator JOSEPH MCCARTHY are not to be properly evaluated until after his death.

But that is the way with history and the great men whose real worth history recounts.

For history is a lengthy process as its strong voice sounds the laws of right and wrong across the centuries.

And when the final paragraph on Senator JOSEPH MCCARTHY is inscribed, it will reveal him for what he was—a valiant fighter for what he believed to be right, an active participant in the battle against communism, a man of great courage and a patriot of the highest order.

But the history of Senator MCCARTHY must also acknowledge his foes. They include frauds, eggheads, cowards, idle tramps, searchers for revenge, the jealous, the political opportunists, and outright traitors.

And the list of MCCARTHY enemies and MCCARTHY detractors will include not only the names of social parasites, but the names of Presidents as well.

History will record that ex-President Truman called MCCARTHY "a pathological character assassin." It will reveal, to the eternal shame of those involved, that President Eisenhower and his advisors left the names of Senator and Mrs. McCarthy off the White House social invitation list.

And history will record how MCCARTHY's critics accused him of playing fast and loose with people's reputations by making what his foes termed unsupported accusations; it will say his enemies charged him with abusing witnesses before his one-man committee; it will repeat the charges of arrogance and demagoguery.

Even this early after his death, the foes of the Senator who sought out Communist snakes within the lush green fields of bureaucracy and the thick jungles of red tape within our Government—even this early after his death, these foes of the Senator are being termed those opposed to his tactics.

MCCARTHY's tactics, we believe, were required by the serious circumstances of the moment. True, he entered the quest for subversives and he was shod with hob-nail boots as he went about his task. History has shown that you can't wipe out a nest of vipers by tickling them to death with your bare toes.

Certainly, MCCARTHY was no perfect man, but in fearlessness and loyalty and conviction he was head and shoulders above most of his defamers and critics.

The number of subversives and fellow-travelers and outright card-carrying Communists who were ultimately rooted out of the very heart of our Government administrative circles as a result of MCCARTHY's vigorous Congressional investigations in the 1950's is a matter of record, and will shine in the history of that great American and to the credit of free men everywhere.

Yes, the history of this farm boy from Appleton, Wis., will place him where he belongs in our memories—among the great zealous patriots who have gone to their deaths in defense of the American way of life.

And the small men in great places who have spoken ill of his endeavors, the vote of condemnation by his own colleagues in the Senate, the social snubbing by ill-advised occupants of the White House—these matters will but enhance the historic value of a man who died at the age of 47 in Bethesda, Md., last night—perhaps the victim of evil report which often is as deadly as an assassin's knife.

At the moment, it is small comfort for the many supporters of Senator MCCARTHY's upright and fearless brand of Americanism that he was able to clean out many of the enemies of our Government despite the hindrance of eggheads, leftwingers, New Dealers, and Communists.

But history will record that Senator MCCARTHY was a relentless fighter for the right as he saw it, and those who were on his side are legion.

At this hour they may glory in the bright memory of Senator JOSEPH MCCARTHY of Wisconsin while the first paragraph in his brilliant life is written in a history which continues to record the crimes, follies, and misfortunes of mankind—and relentlessly inscribes on the tablets of eternity the records of great men like Senator MCCARTHY who stood for that which is right and just in moral law.

CONGRESSIONAL RECORDS

MAY 6, 1957

Page 6348: Eulogy, Senator WILEY, of Wisconsin.

Page 6349: Resolution of respect in the United States Senate, Senate Resolution 132.

Page 6349: Eulogy, Senator KNOWLAND, of California.

Page 6349: Sermon by Msgr. John K. Cartwright, given at funeral services at St. Matthew's Cathedral (inserted in the RECORD by Senator KNOWLAND, of California).

Page 6350: Eulogy, Senator MANSFIELD, of Montana.

Pages 6350–52: Funeral service proceedings in the United States Senate.

Page 6354: Eulogy, Mrs. EDITH NOURSE ROGERS, of Massachusetts.

Page 6366: Eulogy, Congressman HOFFMAN, of Michigan; editorial entitled "A Valiant Fighter," from the Chicago Tribune (inserted in the RECORD by Congressman HOFFMAN, of Michigan).

Page 6403: Eulogy, Congressman WITHROW, of Wisconsin; eulogy, Congressman BYRNE, of Illinois; column by George Sokolsky entitled "JOE," from the Washington Post and Times Herald of May 4, 1957 (inserted in the RECORD by Congressman HIESTAND, of California).

Page 6404: Resolution of sympathy passed by the House of Representatives, House Resolution 247.

MAY 7, 1957

Page 6500: Senator MALONE on censure.

MAY 8, 1957

Page 6404: Eulogy, personal tribute of Congressman VAN PELT, of Wisconsin.

MAY 9, 1957

Pages 6717–6720: Eulogy of Congressman CLARE HOFFMAN, of Michigan; editorial entitled "A Patriot Dies," from the Benton Harbor, Mich., News-Palladium of May 4, 1957; editorial entitled "Senatorial Storm Abates," from the St. Joseph, Mich., Herald-Press of May 4, 1957; series of letters to the Washington Post relative to that paper's editorial; column by David Lawrence entitled "A Legacy From MCCARTHY," from the Washington, D. C., Evening Star of May 6, 1957; column entitled "Political Maneuver" by George Sokolsky (inserted in the RECORD by Congressman CLARE HOFFMAN, of Michigan).

Page 6404: Eulogy, personal tribute of Congresswoman KATHERINE ST. GEORGE of New York.

MAY 15, 1957

Page 6922: Resolution of sympathy, House of Representatives, State of Delaware (inserted in the RECORD by Vice President Nixon).

MAY 22, 1957

Pages 7345–7346: Resolution of Wisconsin State Legislature on life and services of Senator JOSEPH R. MCCARTHY (Senator WILEY, Wisconsin).

Pages 7354–7355: Remarks of Senator STYLES BRIDGES on censure.

MAY 29, 1957

Page 7941: Talk by Roy Cohn, at luncheon honoring Senator KNOWLAND (Senator BRIDGES, of New Hampshire).

MAY 31, 1957

Page 8130: Resolution of sympathy passed by Senate Committee on Government Operations (Senator MUNDT, of South Dakota).

Page 8339: Resolution of sympathy passed by Illinois State Senate (Senator DIRKSEN, of Illinois).

JUNE 11, 1957

Page 8742: Resolution of sympathy passed by Senate Rules Committee (Senator CURTIS, of Nebraska).

Page 8881: Radio broadcast of Senator JENNER, May 19, 1957, in honor of Senator JOE MCCARTHY (inserted in RECORD by Senator JENNER, of Indiana).

JUNE 25, 1957

Pages 10243–10244: Eulogy by Congresswoman EDITH NOURSE ROGERS, of Massachusetts. Letter to Mrs. ROGERS from Mrs. Joseph McCarthy (inserted in the RECORD by Congresswoman ROGERS, of Massachusetts).

JUNE 26, 1957

Page 10271: Resolution of commendation passed by Arizona Federation of Republican Women in annual convention at Phoenix, May 3–5, 1957 (Senator GOLDWATER, of Arizona).

JULY 22, 1957

Pages 12269–12270: Resolution of Republican conference of the United States Senate, May 8, 1957; resolution of Massachusetts Council of Young Republican Clubs, May 11, 1957 (Senator LEVERETT SALTONSTALL, of Massachusetts).

JULY 23, 1957

Page 12511: Article by Senator STYLES BRIDGES, of New Hampshire, appearing in Hearst newspapers, May 4, 1957 (Congressman PERKINS BASS of New Hampshire); resolution of New Hampshire House of Representatives (Congressman PERKINS BASS of New Hampshire).

JULY 29, 1957

Page 12857: Resolution of United Spanish War Veterans, 1957 Encampment, La Crosse, Wis.; Resolution of Common Council of City of South Milwaukee, adopted May 7, 1957 (Senator CARL CURTIS, of Nebraska).

ADD SENATOR JOE TO LIST WHO FOUGHT RED INVASION

Thus they pass—these vanishing Americans—Gen. George Patton, Forrestal, Taft, McCarran and now Senator Joseph McCarthy. We wonder who will be next on the list—Dirksen? Bricker? Jenner? Walter? Bridges? Manion? MacArthur? Or may it be California's own Bill Knowland, Donald Jackson or Jimmie Utt? All have fought for God and country and hated Communists and their slimy apologists with a fervent hatred, therefore all must be marked for destruction by fair means or foul.

They must be afraid at times, as we are all afraid for our loved ones and our very lives when dealing with such implacable foes. Afraid of the lies, the smears, the ridicule, the innuendoes that we know will be our lot when we cross swords with the Communists. But brave men fight on despite fear. It is the coward who compromises, makes excuses and clasps the traitor to his heart while trying to buy his way out of a fight.

We all know the Communists have no sense of honor or fair play and the dupes they get to do their dirty work are of the same ilk. They dance with joy when the words "witch hunt," "peace," "love," "do not judge" and the like are used for they know the lies and inconsistencies that lurk behind these words. Many people will not listen to the truth nor will they read the books that would enlighten them. It is much easier for a group to spend their time pulling a patriotic American's reputation to shreds.

And so from the falling hands of those who die for God and country the torch is thrown to us—the little people. Please God, there will be enough to hold it high, no matter how dark it seems, no matter how afraid we are, until the light of freedom and love of country once more shines forth o'er all our land.

Goodbye, Senator Joe. Go with God, carrying with you our deepest thanks for giving us the courage to carry on the fight.

[From the Omaha (Nebr.) World-Herald of May 8, 1957]

JOE MCCARTHY'S NOTICES

If JOE MCCARTHY could be here to read his obituary notices, he would get quite a kick out of what his enemies are saying about him. Some edge close to saying that he was sincere though misguided. They dare not go quite that far, however, because for 7 years they have been saying he was insincere. And he obviously wasn't misguided because he took no guidance from anybody.

Another theme is that while MCCARTHY was a demagogue, he nevertheless represented a sizable body of public opinion. That looks odd in print, too, because it is a slur on the millions of Americans who believe as JOE MCCARTHY did on the Communist menace.

Another viewpoint of the perspiring editorialists is that JOE MCCARTHY thought anticommunism justified the overriding of human rights basic to the American concepts of individual liberty. But whose rights were overridden? Owen Lattimore's? Those of Army Dentist Peress, or John Carter Vincent of the State Department? If any innocent soul was ruined, who was it?

Senator MCCARTHY bruised a few feelings, but the main thing he did was to establish the fact that his mealymouthed targets wouldn't come clean about communism. There was a coverup in the Army and not nearly enough vigilance in the Defense Establishment and the State Department. JOE MCCARTHY woke 'em up. It's never been quite as easy to be a Communist or a Communist sympathizer in America since he took out after them. Americans are in his debt for that.

[From the Chattanooga (Tenn.) News-Free Press of May 3, 1957]

DEATH OF A PATRIOT

Senator JOE MCCARTHY is dead. America has lost a patriot.

He lived and did his valuable work in a period when, with some, patriotism was not popular. But popularity was not what JOE MCCARTHY sought. A driving, determined fighter for his country, he sounded the alarm of the great danger of Communist subversion in our Nation at a time when Communist coddling was an accepted and protected practice.

While America sent off its young men to die on foreign battlefields against communism, those in high places in this country compromised the safety of the Nation and gave aid and comfort to the enemy in our midst by ignoring Communist subversion.

Senator MCCARTHY'S great value to America was in alerting the people to this perfidy in time to arouse public opinion with sufficient force to curb the internal Red menace.

In doing so, Senator MCCARTHY sometimes used bad judgment. His sense of public relations was atrocious. He did not abide by all the cozy little rules of etiquette in fighting communism. But there was no question that he stood for America and against communism. There was great question as to where many of his critics stood.

When he chose the role of fighter against Communists, Senator MCCARTHY certainly must have realized the personal risk he was taking, for every vigorous fighter against the Reds before him, and since, had been vilified and the object of attack. JOE MCCARTHY, rather than being the exception, became the chief target of the Communists, the fellow travelers, the bleeding hearts, the misguided, the ignorant, and the vicious. The most destructive criticism of all did not come from Communists, but from those who mouthed the Red line.

No man in recent public life has been so slandered and abused as was Senator MCCARTHY. His pious critics used the very tactics they falsely attributed to him. Hypocrisy was rampant, and so far as the goal of dimming JOE MCCARTHY'S rising star was concerned, hypocrisy prevailed.

In one of the most shameful scenes in American history, the United States Senate, under pressure and with simpering, posturing Senators taking the lead, censured JOE MCCARTHY for his devoted Americanism.

That marked the eclipse of Senator McCARTHY's effectiveness. "McCarthyism" had gone down in dictionaries as a bad word.

JOE McCARTHY was beaten, but the cause for which he stood somehow won out. His sacrifice had served to waken America—perhaps just in time—and as a result of his fight the coddling of Communists is no longer the prevailing style.

At his death, we hail this American patriot.

[From the Longview (Tex.) Daily News of Tuesday, May 7, 1957]

FREEDOM'S WATCHMAN

(By Carl L. Estes)

The Honorable JOSEPH R. McCARTHY, United States Senator from Wisconsin—a fearless watchman on the ramparts of freedom—has passed to his reward. In death, as in his busy life, he was the target of attacks and slights from both private and public figures, for there are many who seek to wreck and destroy as well as the few who strive to strengthen and secure the citadel of human freedom.

Methodist clergyman and Senate Chaplain Dr. Frederick Brown Harris spoke literally for the pages of history Monday when in solemn Senate services he declared: "This fallen warrior through death speaketh, calling a nation of freemen to be delivered from the complacency of a false security and from regarding those who loudly sound the trumpets of vigilance and alarm as mere disturbers of the peace."

In similar eulogy at a high pontifical funeral mass, Msgr. John J. Cartwright spoke for the records of time when he said of Senator McCARTHY and his anti-Communist role: "No greater service could have been rendered to our country than was rendered by this watchman of the citadel who insisted upon a clear understanding by our people of the nature of this enemy and of its power not only to attack but to undermine our institutions of freedom."

Senator McCARTHY leaves bright pages in the undying history of freemen. In the critical postwar period after he returned from service in the Pacific, he became America's No. 1 Communist hunter and exposer of spies and pinkos in Government, in the armed services, and in defense plants. The vigor of this vital service to the Nation aroused criticism and opposition that extended into the highest circles of officialdom. One of the sorriest pages ever written into the record was his snub by the White House, for it in effect gave aid and comfort to Joe Stalin and his ilk. We were sorry to see evidence that the old palace guard such as Hoffman and company still holds sway, for the White House had only an aid among the mourners.

While Senator McCARTHY stood on the ramparts of freedom, there stood with him to plug the dikes against communism such stalwart patriots as the Mundts, Malones, Martins, Dirksens, Butlers, Magnusons, and Knowlands. But while these and a few others like them stood guard at the gates, the attack was being waged behind the scenes or openly by such as the Flanders, Tydings, Eleanor Roosevelt, Anna Rosenberg, Marshall, Acheson, Truman crowd and others of their kind. There will be less record in the pages of history for most of them.

One would have only to go into the hills of Wisconsin today to find out what the people there thought of Senator McCARTHY who boldly and fearlessly battled the enemies without as well as the sympathizers within. He had the ability to recognize their strikes for the rattlesnakes they were, regardless of the cloak they sported. We confidently expect Senator WILEY, who thinks it too early to tell what McCARTHY's place in history will be, will get the word from the folks back home on his next visit.

We had the keen personal pleasure to have known and worked with JOE McCARTHY. While this writer is not a Catholic (and right here may we observe that many of his enemies were old "He Ku-Kluxers" who hated him on account of his religion) but a Protestant, we were happy to fight along with him under the same flag, for Senator McCARTHY's flag was the Stars and Stripes and he never grew tired of holding it aloft to encourage free men everywhere. It was no hammer and sickle for him, and no waving of the pink bunting of sympathy for the Reds or their helpers.

As for unexpressed fears of Senator MIKE MANSFIELD of Montana who said he hoped the difficulties which beset McCARTHY on earth "will not be there to face him when he goes to meet his Maker," we can reassure you, Senator MANSFIELD, the forces of communism are the forces of anti-God and they will not be inside the gates when this gallant warrior is received. And as for the Communists, their agents, their sympathizers, and the pinkos, we predict the 400-page Alger Hiss book published Monday—nor even 4,000 pages by such as Hiss, or the Julius Rosenbergs or the Martin Sobels or the David Greenglasses and their kind—will be to no avail in covering up the dirty trails they have spread across the face of America.

As it was with Gen. Robert E. Lee, Senator McCARTHY can "pass over the river and rest under the shade of the trees"—for the battle for free men is now behind him and he can rest among friends. The forces of anti-God will not be around in Heaven to bark and bite. Joe is now comfortably bivouaced with his good marine buddies who earlier fell in defense of their country at Iwo Jima, Peleliu, Saipan, Tinian, Okinawa and elsewhere.

We salute in admiring memory the JOSEPH McCARTHY whom we knew—a true mid-twentieth century embodiment of Patrick Henry and Paul Revere of old and as bold a patriot and stanch a fighter for freedom and country as America has ever produced. Goodbye, Joe; may your spirit rest in peace as your name will be preserved in honor.

[From the Lawrence (Mass.) Sunday Sun of May 19, 1957.]

MY FAVORITE PRAYER—SUBMITTED TO THE LAYMEN'S NATIONAL COMMITTEE

(By Gill Robb Wilson, editor and publisher, Flying Magazine)

Lord, be merciful to me, a sinner.

IN RETROSPECTION

The tumult and the shouting over the death of Senator JOSEPH McCARTHY have subsided but today, as he lies in his final rest, people still speak of him. Perhaps it is significant of his eminence in the thoughts of everyone during his career—and now—that, although the name JOSEPH McCARTHY is by no means an uncommon one, whenever it was spoken everyone knew just which one was meant.

Senator "JOE" McCARTHY was not just a political figure. He was a great American. Not only was he a combat veteran of World War II, but, after the war, he continued to fight with all his gifts and powers for his country.

He loved intensely all that was American. He hated with equal intensity any person or ideology designed to destroy America. Communists, pinks and fellow-travelers who infiltrated our Government and Armed Forces attracted his special wrath:

With the zeal of a crusader, he worked to pry them out from under their rocks. The entire Nation should be grateful to him today in memory for the degree of success he enjoyed in that effort in spite of the cloak-and-dagger atmosphere in high places which sought to, and in many instances did, prevent him from tearing the masks from enemies of this country.

The worth of Senator McCARTHY's service to the United States cannot be adequately appraised even today. Only time and the accumulation of the tomes of history will accomplish that.

He made enemies. Anyone who fights for the right attracts the condemnation of those who are affected by his actions. His enemies were furtive and bitter. Abuses were piled upon him. He was constantly under attack and much of this malediction came not only from the Communists but their friends and protectors in high positions in Government.

Little wonder that, in his nerve-wracking struggle to protect his country and defend himself, his health was affected to the ultimate.

JOE McCARTHY, as surely as any man who died on the battlefield, gave his life for the land he loved. He went down fighting for freedom and justice for every one of us.

It will take a long time to find a person equally as patriotic and militant to replace him. His life has ended, but the work he did so nobly should be perpetuated and the enemies of our country everywhere run down and ferreted out with the same sublime fervor as was applied to that task by this truly great American.

McCARTHY WARNING ON ATOM PACT GAINS SUPPORT

(By Fulton Lewis, Jr.)

WASHINGTON, May 12.—The last formal speech the late Senator JOE McCARTHY made outside the Senate floor was an attempt to focus some public attention on the dangers inherent in the proposed International Atomic Energy Agency Treaty.

The horrifying point is that he was absolutely right, under terms of the treaty, when he said:

"The International Atomic Energy Agency Treaty is a device by which the United States can be trapped into building up the atomic armament potential of our enemies. Of course, the administration does not intend it to be used for that purpose; the point is that it can be used, and most likely will be used, for that purpose under this treaty—our intentions notwithstanding. And I shall vote for no such treaty as that."

As other Senators come to a realization of the full implications of the treaty, and of just what it proposes, many are reaching the same conclusion—that they will vote for no such pact, either; enough, so that chances of it being ratified in its present form are becoming virtually nil.

More and more, they are awakening to the fact that we are promising to turn over to the contemplated international agency sufficient uranium 235 to make enough atomic bombs, in McCARTHY's words, "to destroy every major city in the United States"; and that proclaimed safeguards are totally inadequate to prevent such use.

QUESTIONABLE "SAFEGUARDS"

President Eisenhower has promised to make available to the agency at least 5,000 kilograms of U–235, and up to 20,000 kilograms by matching other contributions. Soviet Russia has pledged 50 kilograms.

Ratification of the treaty is being urged on the thesis that all the nations receiving materials and other aid under this "atoms for peace" program, will use it for peaceful purposes; and that if they do not, their miscreancy will be detected readily.

This is a broader supposition than most Senators will accept, inasmuch as the Soviet Union and nine satellites signed the treaty. History has demonstrated clearly the utter foolishness of trusting any Communist nation to live up to a treaty.

UNITED STATES HAS ONE VOTE IN EIGHTY

The treaty's so-called "safeguard" provisions set forth exact steps to be taken if a country is found to be using agency materials for missile purposes, and refuses to return the fissionable materials.

First, the incident is to be referred to the agency's 23-member board of governors (United States: 1 vote of 23), then to its every-member general conference (United States: 1 vote in 80, or whatever the number of members). The conference then can cite the culprit to the United Nations.

McCARTHY did not believe this was the kind of setup into which the Senate should put the United States. He spoke, 3 months ago, the words which many of his recent colleagues now are echoing.

[From the Orlando (Fla.) Evening Star]

A GREAT AMERICAN PASSES

This Nation, from humble beginnings as far back as the Boston Tea Party, has become great only through the patriotic efforts of men who placed America first.

Our history has consisted of a procession of public sacrifices by individuals in private and public life who refused to permit foreign ideologies to have a part in our American way of life. Their efforts were misunderstood and calumniated by a fickle public that refused to believe stark facts.

The latest patriotic victim—the second in our decade—is the late Senator JOSEPH R. McCARTHY of Wisconsin, whose passing in the prime of his courageous life leaves a vacuum in Americanism.

The other was the late Senator Robert Taft of Ohio, whose championship of America first led him almost to the Presidency. His death, too, removed from the political scene one of the greatest supporters of the administration from a standpoint of stemming the tide of foreign encroachment in our domestic affairs.

America can ill afford to lose such stalwart patriots as Messrs. McCARTHY and Taft.

To our everlasting pride, these newspapers can point to many years of editorial support of the underlying principles that inspired the courageous fight of both Senators against communism and the involvement of our Nation in foreign entanglements, to say nothing of the sensational exposures brought about by the McCarthy investigations.

Suffice it to say that if there had been a JOE McCARTHY in public life after World War I, there would never have been an Alger Hiss.

[From the Dixon (Ill.) Evening Telegraph of May 3, 1957]

AMERICA LOSES A DEFENDER

The death of Senator JOSEPH R. McCARTHY of Wisconsin takes one of America's foremost and fiercest foes of communism and a forthright fighter against all un-American threats against freedom and our way of life.

The battle against the Red menace will proceed unabated, but even those who opposed the controversial Senator McCARTHY and his methods will agree that he pointed the way and led the battle in a courageous and all-out manner.

The Telegraph has always been on record as believing Senator McCARTHY to be sincere, fearless and right, and we subscribe to the McCARTHY policy that the Reds fight rough and must be opposed with glove-off tactics.

We hope there will be others in Washington of similar caliber to follow in the footsteps of the late Wisconsin Senator.

[From the O'Neill (Nebr.) Frontier of Thursday, May 16, 1957]

JOE McCARTHY DARED TO TROD

Now that most of the eulogies have been offered in behalf of the late Senator JOSEPH McCARTHY, Republican, of Wisconsin, the Frontier begs to offer its bit.

This newspaper was steadfast in backing McCARTHY during and after the Senate investigation of subversives in Government. While some agreed with Joe in principle, they undermined his efforts by abhorring his tactics. Others simply hated McCARTHY and said he was barking up a tree.

There were several big libel suits slapped against Joe, but none was made to stick. The liberals in Government, the do-gooding newswriters, television and radio commentators attacked Joe at every turn. They tried to disgrace him on income-tax matters, they assassinated his character, some even attacked his war record. The Communist organ, the Daily Worker, coined the word "McCarthyism" and the do-gooders took up the theme—precisely to Moscow's liking.

The liberals pounced on Joe with considerably more vindictiveness than Joe ever attacked anyone else.

Sure, Joe trimmed Major Peress down to size and Senator Joe was never proved wrong about Peress' subversive connections. Yet Peress was promoted and Senator Joe wondered why and by whom.

The decorated General Zwicker (we won't question his war record) certainly is unfit to wear the uniform if he protected higher authorities during a Senate investigation. The military must always be accountable fully and completely to the highest civilian authority.

Joe's greatest sin was that he dared to brave the trail in pursuit of the Communists and anti-anti-Communists.

The liberal publications, columnists, and tonsil artists on the air, by their relentless attacks during and after the Senate hearings, contributed to Joe's decline in spirit and in health. They rode herd on him to his Appleton, Wis., grave.

The Frontier, however, nominates the late Senator JOSEPH McCARTHY as one of the brave patriots of all time. As far as America is concerned, he almost single-handedly opened the American front in the cold war against communism. Many important personages wanted to jump into the fight as an ally but few had the courage.

Joe will go down in history as the 20th century Paul Revere, for his awakening of the American people to the grip the enemy had on our own who occupied sensitive positions in Government. Joe spurred defense thinking, for which, actually, the Pentagon should now award him a posthumous medal.

Joe's demise poses new problems. Who is there on the same national scene who will wade in and sacrifice himself on the same altar?

Ironically a Nebraska woman, Mrs. Hazel Hempel Abel, was crowned the 1957 American mother in New York while Joe's casket was being lowered into the wooded lawn at Appleton.

At the height of the McCarthy feeling in the land Mrs. Abel was a short-term candidate for the United States Senate from Nebraska.

She allayed any fears she would censure McCARTHY while campaigning in O'Neill. She told the Frontier she, personally, had helped to arrange for Joe's appearance before the Republican Woman's Club of San Diego, Calif. She indicated to us privately—not for publication—that she was in Joe's corner.

Mrs. Abel went to the Senate.

The get McCARTHY crowd needed her vote when the condemnation matter came up. They needed it badly because her name began with "A"—a critical vote on the rollcall.

They got her vote which started Mr. McCARTHY on the decline physically and spiritually.

Zwicker, a war hero, who permitted his person to be tainted by clamming up before a Senate investigation committee.

Mrs. Abel. No doubt a wonderful mother but way off base the moment she stepped into the political waters much too deep for her to fathom. She belatedly wishes the condemnation could be stricken from the records.

JOE McCARTHY. A tombstone for the Appleton farm boy, an Irishman with guts who dared to probe where others feared to trod.

Historians write objectively. When all the extraneous pros and cons on Mr. McCARTHY are torn away, there will stand a martyr * * * a man who single-handedly took on the Kremlin and opened a vital front in America's cold war * * * a 20th century Paul Revere.

[From the Essex Junction (Vt.) Suburban List of May 9, 1957]

SENATOR McCARTHY'S DEATH A SHOCK

The sudden death of Senator JOSEPH R. McCARTHY of Wisconsin was a shock to all the Nation.

He became a national figure in his intensive investigation and attack on communism in this country. Some people may have thought that he went a little too far but the condition was so serious that it required strong-hand methods.

Senator McCARTHY'S investigation was largely leveled at teachers in colleges and schools who had tendencies toward communism. He recognized this was a serious threat to the stability of the Nation and he went after such communistic interests with a strong force. It took courage to do that but the Senator recognized it was necessary in order to clean up instruction in the schools and colleges which would be detrimental to the interest of American ideals.

It was always a source of satisfaction to me the way Senator McCARTHY hammered at those under investigation who hid under the cloak of the fifth amendment and refused to tell of their connection with the Communist blocs.

He was attacked on the ground that his investigation was a threat to free speech. It is true that the Federal Constitution gives the people free speech but it does not give anyone the right to foment policies which might undermine and destroy the Government of the United States.

Senator McCARTHY was a shining symbol of the fight against communism. He was a man of great courage and a patriot of the highest order. He was looked upon by thousands of people throughout the Nation as exemplifying and carrying out the highest type of Americanism. He never yielded an inch in his many and somewhat bitter encounters. No matter from whom criticism came it never deterred him in his fight to root out communism.

It has always been a regret to me that the United States Senate by a vote of 67 to 22 condemned his action. It is also a regret to me that a Vermont Senator let himself be used as a cat's paw to present those charges to the Senate.

Some of the high ranking Republicans made the charge that Senator McCARTHY was doing his best to shatter the Republican Party. Let me ask if the Republican Party is of more importance to this country than the country's security and stability.

Some Communists and fellow-travelers were misled by propaganda. They may have felt that they were doing good for the country but no Communist activity could in any way bring about a better condition in this country. It has been said, "Right or wrong my country comes first." I will stand for that. If there are any influences which might be detrimental to the stability of the United States I am against them. That is about the position that Senator McCARTHY took and I applaud him for it.

Monuments have been built to preserve the memory of patriots. No monument could be built which would adequately represent the patriotism of Senator McCARTHY. His monument will be everlasting and it will be in the hearts of the American people who would destroy an influence that might bring about the destruction of the United States.

I don't believe there is a single man in the entire country who has done more to break down and destroy the influence of communism than Senator McCarthy. He stands at the top in defending American principles. And I never could understand why there was so much influence brought to bear against his strong investigation against communism.

Anyway, a good many professors in colleges were relieved of their positions on account of the McCarthy investigations. Many of them were discharged simply because they took refuge under the fifth amendment. If those professors were clean and above board and real Americans they could have nothing to fear. They were afraid to have their activities in the interest of communism laid bare.

One reason for criticism of McCarthy is that he went after the ones higher up. He tried to get at the foundation of communism in this country. He tried to get at traitors of the Government who sold secrets to the Russian Government.

Some of his investigations did not get to the final conclusion but he did show up that there was rotteness among employees of the Government and there was rottenness in some colleges and schools where the teachers taught the principle of overthrowing the Government.

Senator McCarthy may not have been in the good graces of high Republican leaders, but he would never cringe to their pleadings. He was for America and American principles first and last, and nothing could deter him from his attack on influences that might destroy this country.

As time goes on and history is recorded, Senator McCarthy will go down as one man who has done much to preserve the stability and endurance of the United States.

[From U. S. A. of May 24, 1957]

THE TRUTH ABOUT McCARTHY

Finally the truth, the whole truth and nothing but the truth has been told about Senator Joseph R. McCarthy.

Once told, the truth cannot be untold.

It is sad that often in the course of human events, truth is heard only after the quiet of the grave has silenced the tumult and the shouting of strife. It is entirely fitting that the truth about Senator McCarthy was told between the time of death and burial, by his self-styled "friend and colleague" Senator William F. Knowland, a man of integrity.

In a speech made to the American Jewish League Against Communism, May 5, 1957, Senator Knowland said he knows for a fact that in the struggle to rid the United States Government and America of Communist infiltration, Senator McCarthy "would have preferred to fight quietly."

Senator Knowland revealed what some people know and deliberately ignore—the fact that long before Senator McCarthy made any public speech about such Communist infiltration, he tried his level best in face-to-face talks with White House, State Department, and Congressional leaders, to persuade them to clean house.

The behind-the-scenes efforts of the junior Senator from Wisconsin were unavailing. His soft-spoken pleas fell on the deaf ears of little men in high places who had made and were making grave mistakes.

Spurned and frustrated, Joe McCarthy quit fighting quietly and did it loudly.

His tragic mistake was that he failed to gage properly the force of the greatest secular power on earth, the almost unbreakable monopoly of men's vested interests in their own mistakes.

The reasons for the easy gain of this monopoly power lie in two phrases: It is human to err. Vanity, all is vanity.

On the subject of communism—as McCarthy understood—erring is much too costly. Even the most innocent mistake about communism can cost our Nation its freedom.

All of us can once again learn a lesson from the truth about Senator McCarthy: It is human to err; it is brave to confess; it is divine to forgive. Unhappily, this is a lesson that many men, to whom the junior Senator from Wisconsin talked quietly at first and then loudly, do not seem willing to learn.

Locked away in steel cabinets on Capitol Hill are files and files of credible testimony about the Communist subversion of America. This testimony was given by patriotic citizens to the elected representatives of all the people for the benefit and safety of all the people.

This locked-away testimony—given to Congressional committees in executive session—is evidence of the fact that many Americans, like Joe McCarthy, tried to fight quietly against communism. The quiet suppression of this evidence is also mute testimony to the fact that the fight cannot be fought and won quietly so long as some influential men wish to bury their own mistakes in secret.

The only right way to bury a mistake is to correct it. Uncorrected mistakes live on and on, haunting those who made them.

The tragedy of McCarthyism is that it was both unneeded and needed—unneeded because senior officers of our Government should have heeded the quiet warning and pleas of the junior Senator; needed because only his loud outcry could bestir men deafened by the sound of guilty conscience pounding on the drums of ears soft-stuffed with fatuousness and vanity.

Senator Joseph R. McCarthy would have preferred to fight quietly. That is the truth. Another truth is that many of those who decried his methods forced them upon him.

McCarthyism is a Communist-inspired slogan first coined in the Daily Worker. Resurrected and put to proper use by patriotic Americans, McCarthyism can be a wining weapon against communism. Such a kind of McCarthyism must be of the kind that McCarthy himself would have preferred—the kind of quiet, deadly fight that spells the end of communism through a victorious cold war, not the strident battle that brings communism to its inevitable end in a hot war that is hell.

Whereas Senator Joseph R. McCarthy departed from this world on May 2, 1957; and

Whereas in recognition of his forceful fight against communism and all principles of communism during his years in public office; and

Whereas in recognition of his outstanding record of maintaining and advocating the highest principles of Catholicity at all times during his distinguished career in public office: Be it

Resolved, That Star of the Sea Council No. 371, Knights of Columbus, Bayonne, N. J., at its regular meeting on May 6, 1957, stand in tribute and silent prayer for the happy repose of his soul, thereby honoring the memory and distinguished works of an outstanding American Catholic; and be it further

Resolved, That a copy of this resolution be sent to the bereaved family of the late Senator Joseph R. McCarthy.

Whereas the Honorable Senator Joseph McCarthy has distinguished himself as a great American; disdaining all thoughts of personal gain or glory, he fought his own and others for justice and the American way. He was a scourge to all those who sought to undermine our Nation by force or by will. He was always a steadfast foe of communism and declared his principles forthrightly against any attempt at political hypocrisy: Now, therefore, be it

Resolved, That in grateful memory of his unselfish service to our country and to his gracious friendship to Dover Council 807, Knights of Columbus, a Requiem High Mass shall be said for the repose of his soul; and be it further hereby

Resolved, That a record of this resolution be spread on the records of Dover Council 807, Knights of Columbus, and a copy hereof be sent to his widow, with whom we join in our prayers, deep sympathy, and our everlasting respect.

Whereas the late Senator Joseph McCarthy, while accused of ruthless tactics and of smearing innocent people in his courageous and vigorous fight to expose subversives in Government service, was himself the victim of one of the most ruthless and vicious smear campaigns to destroy a man's character and his effectiveness ever waged in this country; and

Whereas the voice of Senator McCarthy has been forever stilled in death, yet his gallant efforts to prevent the betrayal of his country will live in the memory of the American people long after the names of his critics have been lost in oblivion; and

Whereas the censure of Senator McCarthy by his Senate colleagues, although a heartbreaking experience for him, reflects greater discredit upon the dignity and honor of the Members of that august body than upon the good of the man whom they sought to publicly humiliate; and

Whereas Senator George Malone has announced that he will seek to have expunged from the Congressional Record the whole censure proceedings, including all debate and discussion: Now, therefore, be it

Resolved, That the Dallas County Patriotic Council heartily approves the effort of Senator Malone to have the Senate make partial amends for the grave injustice done to a great American patriot and also commends radio commentator, Fulton Lewis, Jr., for his sponsorship of the Joseph McCarthy Memorial Fund; and be it further

Resolved, That copy of this resolution with a contribution to the McCarthy fund we sent to Fulton Lewis, Jr., and that copies also be sent to Senator George Malone, to our Texas Senators, Lyndon Johnson and Ralph Yarborough, and to Mrs. Joseph McCarthy.

Mr. THURMOND. Mr. President, I join with my colleagues in paying tribute to Senator McCarthy—a man whom I considered to be a great American.

I did not know Joe McCarthy personally until I came to the Senate in 1955. He was friendly and cordial to me at all times, and soon a bond of fellowship grew up between us. I felt a personal loss in his death.

Senator McCarthy was an advocate of Americanism and a foe of everything smacking of un-Americanism. Just as he served in the Armed Forces during World War II with courage and patriotism, so did he serve his country for more than 10 years in the United States Senate with ability and distinction.

He probably did more to call the dangers of communism to the attention of the average American citizen than any other person in an official or unofficial capacity. He made Americans conscious of the fact that communism is not only a foreign ideology but that it is also a real and present threat to our Government and our way of life. He made them realize that subversion had been refined into a science of destruction by the Communists, and that eternal vigilance was the price Americans must continue to pay for the protection of this Nation.

Even while performing such a gigantic service on behalf of his country, Senator McCARTHY was often subjected to attacks as vicious as were ever launched against a public official in this country. But he was faithful to his duty as he visualized it. The attacks did not deter his efforts to arouse America to fight against the evil of communism.

When I think of Senator McCARTHY and the trials he endured to carry on the fight in which he believed, I cannot but recall the words of Christ which were recorded in the 11th and 12th verses of the 5th chapter of St. Matthew. In those verses, Christ said:

> Blessed are ye, when men shall revile you, and persecute you, and shall say all manner of evil against you falsely, for my sake.
>
> Rejoice, and be exceeding glad; for great is your reward in heaven: for so persecuted they the prophets which were before you.

Mr. President, JOE McCARTHY was a young man when death ended his career in public life. But he will be long remembered, and the future will honor him more than he has been honored in the past or the present. History holds a place for dedicated public servants, and JOE McCARTHY was devoted to a cause on behalf of the people of this Nation.

I cannot stop without saying a word of comfort to Senator McCARTHY's lovely and devoted wife, Jean. I am sure that her love and devotion inspired him, and gave him comfort in his darkest moments, thus enabling him to continue to fight for his beliefs when things seemed worst.

Mrs. McCarthy should be comforted in her loss by the realization that her husband placed duty above all else. JOE McCARTHY could have chosen other courses, but he chose the hard course of doing his duty as he saw it.

Mr. CURTIS. Mr. President, it is with sad hearts that we, the colleagues of the late Senator JOSEPH McCARTHY, speak in memory of him.

Millions of Americans followed the career of JOE McCARTHY. They said to themselves: "Here is a man with convictions, here is a man who believes in America and everything it stands for. Here is a man who hates his country's enemies. Here is a man who is a fighter for the things in which he believes."

Volumes have been written about the official acts of our late and beloved friend. His official acts were for the lasting good of our Republic. Today I wish to speak briefly on the personal side of the life of Senator McCARTHY. Prior to my election to the Senate in 1954 I had a speaking acquaintance with Senator McCARTHY, but it was not my privilege to know him. It was after I had the privilege of working with him that I became acquainted with JOE McCARTHY, the man.

As a member of the Senate Committee on Rules and Administration, I worked closely with him. There I found him to be friendly, soft-spoken, kindly, and courteous. He had affection for his friends. He was interested in them, and he was interested in their families and their children. He wanted to be helpful to his colleagues. When the present Congress was organized, Senator McCARTHY insisted that he give up his ranking minority place on the committee and that I take it. There was no reason why he should do this other than that he wanted to. He felt it would be of help to me.

One also learned to know the real JOE McCARTHY by visiting him in his home. It was a thrill to see him take his little daughter, Tierney, in his arms and show her to his friends. Little Tierney was more than his pride and joy. She was a great part of his life. She was the center of his hopes and dreams and his plans for the future.

Our words of sympathy, encouragement, and praise go to Mrs. Jean McCarthy. Her interest, devotion, and loyalty were great factors in the effective work of our departed friend. She shared his joys and his sorrows, his triumphs and his disappointments. She shared his love and dreams for little Tierney. The invitation for little Tierney to come into their home and be a part of the McCarthy family is typical of Senator and Mrs. McCarthy. It speaks a praise far greater than I can put into mere words.

Our thought and our prayers go to Mrs. McCarthy and Tierney for all the days that lie ahead.

Mr. MARTIN of Pennsylvania. Mr. President——

The PRESIDING OFFICER (Mr. PURTELL in the chair). The Chair recognizes the Senator from Pennsylvania.

Mr. MARTIN of Pennsylvania. Mr. President, when the record of these difficult times has gone into history and the ominous shadow of communism no longer darkens the world, the name of Senator JOSEPH R. McCARTHY will be inscribed high on the list of those who fought for human dignity—for the sanctity and freedom of the individual.

JOE McCARTHY will long be remembered as one whose first objective was to protect the American Republic and our free institutions from the poison spread by Communist conspirators within our midst.

More than any other man, in or out of official life, he alerted the American people to the dangers of the alien doctrine which seeks to undermine and destroy all we hold sacred here in the United States.

Of course he made enemies. Everyone who has been aggressive and militant against communism has been the victim of vicious and unrelenting attacks launched by followers of the Communist philosophy. JOE McCARTHY was no exception, and I call it one of his great virtues that he fought on with all his strength, courage, and vigor.

Senator McCARTHY was the youngest of a group of 17 Republicans who came to the United States Senate together in the 80th Congress. In point of years, I was the senior.

In this group were Raymond Baldwin, of Connecticut; Henry Cabot Lodge, of Massachusets; James Kem, of Missouri; Zales Ecton, of Montana; and Harry Cain, of Washington.

Others, who are still serving with distinction in this body, are Senators RALPH FLANDERS, of Vermont; HENRY DWORSHAK, of Idaho; JOHN WILLIAMS, of Delaware; WILLIAM JENNER, of Indiana; EDWARD THYE, of Minnesota; GEORGE MALONE, of Nevada; IRVING IVES, of New York; JOHN BRICKER, of Ohio; ARTHUR WATKINS, of Utah; and JOHN SHERMAN COOPER, of Kentucky.

As a member of this closely associated group, I had my first contacts with Senator McCARTHY. We met once a week, for lunch or dinner. In these meetings we debated proposed legislation and many other matters having to do with the welfare of our country. Some were not far removed from their service in the Armed Forces in World War II. In our discussions the rising menace of communism was the frequent subject of discussion.

In one of our early meetings, some of my colleagues were kind enough to comment favorably on some rather pointed remarks I had made to a meeting of war veterans who had been misled into the Communist Party. These remarks were inserted in the CONGRESSIONAL RECORD by my distinguished friend, the Senator from Kentucky [Mr. COOPER], and I can say in all modesty, that my lesson in Americanism, delivered to these misguided young men, attracted worldwide attention.

I hope you will pardon this personal reference, Mr. President, but I like to think that my words made a deep impression on Senator McCARTHY and had a part—perhaps only a small part—in arousing the militant spirit which he sought to expose the evil workings of communism and to crush its destructive influence.

JOE McCARTHY has been called by divine providence to eternal rest. We mourn his untimely passing. To his lovely and gracious wife, Charity and I extend our deepest sympathy, with our prayer that she may find solace in the honored memory of a patriotic American who served his country and the world with unsurpassed courage.

Mr. BYRD. Mr. President, few men in the history of this Nation have been criticized more harshly than our late colleague, JOSEPH R. McCARTHY, even to the point of censure; but I have never heard his patriotism, his family devotion, or his religious faith questioned or challenged.

These, indeed, are qualities of man to be cherished and remembered as we participate in this memorial to one who was twice elected by the people of a great American State to represent them in the Senate of the United States.

I deeply regret his untimely death, before there was time historically to evaluate his deeds. Meanwhile, it should be our purpose to seek understanding.

In appraising mankind, we do not expect to find perfection. But this can be said: Men of action exercise influence, and history is made by men with fighting spirit. JOE McCARTHY was both.

Who knows the ways of providence? The sequence of events often surprise us. Frequently history is made with a mixture of necessity and liberty. Could it be that the great objectives of his principal work required practices he deplored?

Life itself is full of contradictions. It creates and destroys. It gathers and scatters. It affirms and denies; and it exalts and humbles.

Certainly, no one among us is entitled to crush all others. Each of us has something to learn from them. But it is necessary for us to remain true to our ideals, and to fight for our convictions. In a nation such as ours, there is a place for all.

No one can deny that JOSEPH MCCARTHY made errors of judgment. But, by the same token, no one can deny that he had a sincerity of purpose in undertaking to expose Communists at a time when some of those in power were not so alert to the great dangers of communism as they should have been.

There is no doubt that he transgressed the rules of the United States Senate. But, on the other hand, many Senators had a personal affection, as well as an admiration, for him.

For myself, I shall always remember and treasure our association and friendship.

He was courageous; he was deeply sincere in his ultimate purposes; and he had a great loyalty to his friends.

We must always have dynamic men among us; there will always be a mass of passive men to provide the filter for their excesses. JOE MCCARTHY was such a dynamic man. I am certain that his objective was to prevent our enemy from becoming our master. He has surrendered his soul to the Author of his soul, and I wish to pay my respects to him as an American who fought to preserve in his fashion what he believed to be the true principles of Americanism.

Mr. SCHOEPPEL. Mr. President, today the Senate of the United States Senate has seen fit to lay aside its legislative duties and to pay tribute to the memory of the late Senator JOSEPH R. MCCARTHY, of Wisconsin.

Many things have been said about Joe. Running through all the comments, made in his time, is the inference that Senator MCCARTHY was a controversial man. It has been said that this is perhaps the most ingenious approach which his enemies used in attempting to destroy him.

Mr. President, if honesty is controversial, then in truth, Joe was controversial, because he told the truth as he saw it.

If love of country is controversial, again the Senator from Wisconsin was guilty, because he dearly loved America and he was willing to pay any price in its behalf.

If love of God and implacable, uncompromising opposition to atheistic international communism is controversial, then again the late Senator from Wisconsin erred.

If indomitable courage in the face of overwhelming odds is controversial, the Senator from Wisconsin deserves the title.

If a determination to expose and to remove from public offices of trust, persons disloyal to the United States is controversial, this, too, must be added to the mistakes of JOE MCCARTHY.

Yet, as we meet today in the Senate of the United States, perhaps it is more fitting that we reexamine the things for which JOE MCCARTHY fought and died, and decide whether on these basic issues there is any ground for compromise, appeasement, equivocation, or even tolerance. Perhaps on this occasion, it would be desirable for many Americans to decide to become "controversial" for the sake of our country.

The future will record the struggle against evil which Senator MCCARTHY fought.

Will it be so kind with each of us?

Consider the Scriptures:

A righteous man, though he die before his time, shall be at rest. For honorable old age is not that which standeth in length of time, nor is its measure given by number of years: but understanding is gray hairs unto men, and an unspotted life is ripe old age. Being made perfect in a little while he fulfilled long years: for his soul was pleasing unto the Lord.

Mrs. Schoeppel joins me in conveying our deep sympathy to all the members of his family, and to the friends of JOE MCCARTHY in the great State of Wisconsin and throughout the Republic.

Mr. MCCLELLAN. Mr. President, I wish to associate myself with the observations which have been made with respect to the late Senator MCCARTHY by Senators who have preceded me. I join with them in paying tribute to one with whom it was my pleasure and my privilege to be very closely associated in the work of this body during the entire 10 years or more he served in the United States Senate.

It was not my privilege to know JOE MCCARTHY until he came to the Senate in January 1947, but we were both assigned to the same committee. The committee then was the Committee on Expenditures in the Executive Departments. During the course of those 10 years of service in the Senate, Mr. President, we both remained members of that committee, even though its name has since been changed to that of the Committee on Government Operations. During his 10 years of service on that committee and on the subcommittee known as the Permanent Subcommittee on Investigations we worked and labored together. I may be mistaken, but I believe possibly I worked with Senator MCCARTHY more constantly than did any other Member of the Senate. It was there, Mr. President, that I learned to know him and learned to appreciate some of the fine qualities Joe had, and perhaps also to understand some of his faults, as we all have faults. It is known that during the course of those years there were controversies. The committee had difficult tasks to undertake, both when he served as chairman of the committee and also during the time I have served as chairman of the committee. But, Mr. President, I can say truthfully that while we sometimes disagreed on a method of procedure, there was never a personal difference between JOE MCCARTHY and me during the years we labored together. I do not recall that I ever said one word about Senator MCCARTHY, anywhere or at any time, that was not spoken in friendship and out of respect for him and for the work he did.

It has been said here that he was not the first to call the country's attention to the dangers of the Communist conspiracy. Mr. President, he may not have been the first, but no one warned and alerted the people of this country more effectively than did JOE MCCARTHY during the time he had the opportunity to guide the Committee on Government Operations and the subcommittee thereof, the Permanent Investigating Subcommittee. I admired JOE MCCARTHY because of his courage. He was a man of courage. No enemy can ever say otherwise. I admired him, too, Mr. President, for his independence. He was not a rubber stamp. He would call attention to the evils or to the things which were wrong in his own party, just as quickly as he would point it out if the error was being made by a member of the Democratic Party. I admired him, too, because he had deep convictions. He did not change his mind easily. Once he became convinced, he fought for his convictions.

Mr. President, I felt close to JOE MCCARTHY; and the best evidence of my regard and respect for him, I think, is the action I took when the select committee was created this year to investigate improper practices in the labor-management field. It will be recalled that there was a delay in establishing the select committee. During that period of time, when it was anticipated that I would be a member of the committee—the leadership of this body and other Senators will bear me out—I thought enough of JOE MCCARTHY's work, his capacity, and his ability, and my being able to get along, and work with him, and to get a job done, that I urged he be appointed to serve with me on the select committee.

Mr. President, I had the privilege, too, on that sad day, of attending the funeral of JOE MCCARTHY in Wisconsin. I have never seen a finer tribute paid to anyone than the tribute the people of his State paid to Senator MCCARTHY on that occasion. It made one who had the privilege of working with him in the cause of our country, and trying to serve our people, realize that JOE MCCARTHY was one who had left an abiding influence on his countrymen.

Mrs. McClellan joins me in extending our deepest sympathy to his lovely wife and all the members of his family.

Mr. JENNER. Mr. President, the story of JOE MCCARTHY will be repeated wherever the history of our time is discussed. JOE MCCARTHY lived his political career in the very storm center of the most insidious danger which has ever faced our country and the world.

This is not the time or the place to go into the political controversies which rent our domestic life into warring factions.

Our purpose here is to pay tribute to a friend and fellow Senator.

A little episode will give the quality of the man. A visitor to Washington was busy at a party, denouncing JOE MCCARTHY and all his works. When he finished, the guest he was addressing put out his hand with a friendly smile, and said, "I am JOE MCCARTHY. Let's talk it over."

JOE MCCARTHY was human. He had weaknesses, like all of us. When he was cut with knives, he bled. But he had a fighting heart. He fought the enemies of his country to the best of his powers.

But when men he admired seemed to desert him, his heart broke.

JOE MCCARTHY loved his country. He loved the State he represented. Like so many men who have fought in battle, he felt a sense of love and protectiveness for the younger men sent into new wars. JOE MCCARTHY did not end his service to his country when he took off the uniform, nor end his loyalty to our fighting men when he left the Armed Forces. It was inconceivable to him that mere boys should be sent into battle to fight Communists in Asia, while men in high office were unwilling to fight Communists at home.

JOE MCCARTHY loved the Senate. He respected and admired his colleagues, especially the men who served for years before he began his service with the postwar class of 1946.

When he entered this Chamber, to take the oath to support the Constitution; when he sensed suddenly, in the midst of the daily trifles, that the Senate was molding the law by which our Nation lives; when he looked, at evening, toward the dome of the Capitol against the sky, he felt a kinship with all the men who have served in Congress, with all the men who have tried in their separate ways to make America strong and free.

He was proud that he, a farm boy, had been chosen by his own people in Wisconsin to represent them in the Senate of the United States. At moments he must have thought, as we all do, that, if his father and mother could look down and see him, they would be happy to note what their son had done.

If Senator JOE MCCARTHY had been a petty or a vengeful man, he could have used the vote of censure to tear the Senate of the United States into bitter factions. But he understood the Communist mentality too well. He knew that was what they wanted, and what they expected. He would not injure the Senate of the United States, to get a little personal revenge.

Once the vote was cast, he asked nothing of his supporters. He turned a smiling, friendly face to his traducers. No man in public life has been more shamefully maligned. For the first time in our history, I believe, the meanness of his enemies pursued a man beyond the grave.

We misunderstood his gentleness. We did not know his heart had broken. We did not know the mainspring was gone. Nothing could erase from his memory the fact that friends and colleagues, all patriots and men of good will, had voted to censure his conduct as a Senator. For what reason? Because he believed Communists should be driven from high places of honor and trust in the United States.

JOE MCCARTHY was vindicated again and again. Even the Internal Revenue Service proved the dishonesty of the petty personal charges brought against him, by returning taxes he had overpaid.

But when the months dragged by, with no effort by his colleagues to rescind the cruel misjudgment they had placed against him, his tired heart could bear no more.

There is only one service we can do now for JOE MCCARTHY, one recompense for what he suffered. We can each make a solemn vow to understand the danger that faces our country, and take up the burden that has fallen from his hands.

Senator MCCARTHY believed in what the Communists sarcastically call the conspiracy theory of history. We know well the evidence that the Communists are trying to conquer the world, by conspiracy if possible. Karl Marx turned his own venomous hatred of his own country into the doctrine that the proletariat of the world should make war on patriots of all countries and destroy all nations. Lenin remade Karl Marx's doctrine of open war into a plan for secret conspiratorial assault on the peaceful governments of other countries. Out of the hatred and frustration of the oppressed in Imperial Russia, Lenin fashioned his strategy for turning the discontented into a secret order, dedicated to destroying all peaceful nations by subversion.

Forty years have passed since the Russian Empire collapsed, but the Communists still use methods derived from the conspirators who fought the might of the czars and their secret police. Stalin consistently proclaimed his devotion to the same corrupt and poisoned doctrine, born in the garrets and Siberian prison camps of czarist Russia.

Khrushchev has said only recently that the Communists would adhere to that doctrine of violence and hate, until shrimps learned to whistle.

Why was it wrong for JOE MCCARTHY to believe Lenin and Stalin and Khrushchev? Can anyone offer one single bit of evidence to discredit the statements of these highest Communist authorities that they still intend to remake the world by secret conspiracy? Can any man, of even moderate intelligence, believe they intend to subvert the world, but spare the United States?

The active fight against communism has receded since Senator MCCARTHY was censured for daring to bring the fight to the people. But the danger is still as great as ever. Khrushchev himself has told us so.

The burden of postwar fatigue lies heavy on Americans, as it does on the people of the rest of the world, including Soviet Russia. Wars have become too heavy for mortals to bear. Nearly all nations have suffered a loss of political vitality.

We do not have the fresh confidence that JOE MCCARTHY had, when he came new to the struggle with communism. But battle fatigue does not mean political impotence.

We are not ready today for a new crusade against communism. But we can do something much simpler. We can each of us, as individuals, show utter contempt for the Benedict Arnolds who have betrayed us.

The American people know who are the men who have bowed to Communist pressure. We do not need any legal briefs or court procedures. We need only a healthy political instinct for survival.

Let us—each of us—here resolve that we shall never again have any dealings with any one in public life who has gained office or wealth or influence by catering to Communists or their well-disguised pressure groups.

Let us not smile at them or touch their hands or tell them of our thoughts or listen to theirs. Let us not do business with them. Let us include them in no act of fellowship.

No American is too busy or too tired to choose nonintercourse with all cynical collaborators with communism, as we would refuse our fellowship to Benedict Arnold if he were in our midst today.

I say that JOE MCCARTHY terrified the Communists because their hold was weak, not strong. I say the Communists, as such, have no real power to destroy our country, dangerous and destructive as they are. The alliance of the Communists with the ambitious and the timid is the only danger to America. If we break that alliance, if we end all the political advantages of collaboration, victory will be certain.

JOE MCCARTHY believed that no Communist, no pro-Communist, no person soft on communism, no one who had made a deal with communism has any right to a place in the American Government or in any position of trust or leadership over the American people. He believed there is no place for any pro-Communist anywhere in our Military Establishment, where he can betray our fighting men. He believed there is no place in either of our great political parties for the mean-spirited connivers and makers of deals, who were willing to see America destroyed, if they could gain a little political advantage.

We can best pay our debt to the memory of JOE MCCARTHY, to the other Americans who have suffered in the fight on communism here at home, and to the men who lost their lives in open war against communism in Korea, by cleansing America of every last remnant of unclean Communist thought and vicious Communist power, until our country shall achieve a new birth of freedom out of the fires of that conflict in which JOE MCCARTHY, of Wisconsin, laid down his life.

I know the American people will never give up the fight. There is no decadence in our people, only in our institutions. As the Chaplain of the Senate said, when we met here to hold the final services for Senator JOE MCCARTHY, the Members of Congress are the watchmen on the city walls, whose duty it is to warn the people before the danger strikes. One of the watchmen has fallen. The task falls on us, his colleagues, to stand guard until all danger to our country is ended.

Mr. REVERCOMB. Mr. President, the Senate lost one of its able Members and the Nation lost one of its great patriots in the untimely death of Senator JOSEPH MCCARTHY on May 2, 1957.

His passing removed from the Senate one of the most courageous men ever to sit in the halls of Congress, and from the American scene a man who, in my judgment, was motivated by a deep sense of patriotism and love of country.

It will remain for historians of the future to evaluate objectively the great service he performed. But certainly he, more than any one else, was responsible

for breaking down the doors behind which communism was hiding in our country. Certainly he did more than any one else to awaken the American people to the extensive spread of this insidious danger.

His bold and fierce campaign to expose Communist infiltration of our institutions brought him into controversy with his own countrymen, perhaps sometimes unnecessarily so. No one, however, can doubt the patriotic objective of his aggressive spirit or the effectiveness of his work. He was a patriot; he loved his country, and he constantly sought to protect it against a danger that, with all its subtleness, was far more real than most Americans imagined.

It is a well-established fact that the main controversy that raged around the name of JOSEPH MCCARTHY was the very nature of the international conspiracy he sought to expose. Communists and their sympathizers have missed no opportunity to defame those who seek to expose their subversive activities. Moreover, those who would overthrow our form of government and destroy the American way of life have long resorted to every means known to man to undermine our institutions. This being the nature of the menace with which Senator MCCARTHY came to grips in 1950, it is small wonder that he became the central figure of a controversy that was to stir all America.

Mr. President, is it not a fact that in the history of this world many, if not all, the great men who have achieved so much for mankind have lived in the storm of controversy?

Senator MCCARTHY came upon the scene at a time when communism was making its greatest advances toward world domination. He entered upon the national scene at a time when subversive influences in American institutions and even in the agencies of Government had reached dangerous proportions. It is my conviction that had it not been for JOSEPH MCCARTHY'S unrelenting campaign against this international conspiracy, communism would be in a far stronger position in this country today. This awakening of Americans to the danger within our borders was, in my judgment, as necessary to our security as the system of defenses we have provided to protect our country against enemy attacks from without. Many today recognize and more later, will recognize the treacherous nature of the menace he sought to expose and the difficulty in bringing into the light the activities of subversives. The extent to which Senator MCCARTHY succeeded in doing this is an achievement which will loom larger in the public mind as the nature of this evil force becomes better understood. The danger from international communism is by no means past. Indeed, its menace to the peace and security of free peoples everywhere is the greatest problem of the Free World today. But we are in a better position here in the United States to meet that danger because of the service performed by JOSEPH MCCARTHY.

Today I pray that every comfort and strength may come to his lovely and brave wife and to the members of his family.

I have spoken of the courage, boldness, and strength of JOSEPH MCCARTHY. Like others, I pay tribute to the gentleness of the man himself, which was known to those who have been in his home, as I have been.

My wife joins me as I express upon the floor of the Senate my sympathy to Mrs. McCarthy and to their daughter Tierney.

JOSEPH MCCARTHY now rests from his heroic labors. His patriotic spirit, however, will live in the hearts of his countrymen as long as they, too, shall defend this beloved country.

Mr. EASTLAND. Mr. President, JOSEPH R. MCCARTHY was a man possessed of great courage and deep and abiding convictions. He had for his country a passionate love—and devoted patriotism. This was coupled with stern determination to render service commensurate with these great driving forces.

He entered the scene of our national life at a time when the world became divided into two great camps of conflicting ideology. During World War II, Soviet Russia was engaged in combating some or all of the enemies that were alined against the Allied Powers. The great menace of modern communism was not apparent until after the end of hostilities.

The Free World full well realized the necessity and has met the responsibility of maintaining a Defense Establishment of sufficient strength to defend and protect against possible and potential Soviet military aggression. Did it then realize, and does it now realize, that the Trojan Horse, the secret weapon, in the Communist arsenal of aggression is infiltration within the free state, espionage, and the blinding and subversion of the minds of men? JOE MCCARTHY'S answer to this profound question was a resounding "Yes." He then devoted his life to the high purpose of exposing the internal manifestations of the Communist conspiracy in all of its ramifications.

No man in this decade has been the fulcrum of such controversy as that which swirled around the figure of our deceased colleague. Because his goal and purpose could never be subjected to valid criticism, his enemies and detractors concentrated on decrying his methods.

Mr. President, in my judgment, JOE MCCARTHY has made a real and lasting contribution toward the preservation and perpetuation of the Free World in his fight against the menace of internal subversion. His death was as much that of a soldier fighting in the ranks for human liberty and eternal truth as if it had occurred on the field of battle and been inflicted by bullet, bayonet, or shell.

He passed on in the prime of a vigorous and useful life. We who came into intimate contact with him can testify as to his great and generous heart, his affable nature, and his love and devotion to the principles he cherished.

To millions who mourn his death, JOE MCCARTHY'S life and works need no vindication and no justification before the bar of ultimate justice and the throne of his God. His heart was pure; his purpose was noble.

When the sound and the fury of the present and immediate past have faded into the recesses of time, history will write for him the final verdict, and his name will be blessed in the hearts and minds of free and liberty loving people as long as the light of Western civilization shines on this earth.

Mr. MARTIN of Iowa. Mr. President, throughout most of my adult lifetime I have observed the sinister efforts of some subversive interests to undermine, weaken, and destroy our great Government through infiltration or any other means.

As a Member of the House of Representatives in the 83d Congress, I followed with special interest the work of the Senate Permanent Subcommittee on Investigations, and during that period the dedicated devotion and service of its chairman, Senator JOSEPH MCCARTHY, was most impressive.

Senator MCCARTHY has done more than any other man in my time to arouse America through the exposure of these subversive elements. Long after his associates in the United States Senate have passed from public life, the work of Senator MCCARTHY will live on indelibly in the minds of all Americans. Because of his great service I am reassured of our better ability to stand alert and more firm against such destructive forces.

America will forever pay homage to the memory of Senator JOSEPH MCCARTHY.

Mr. DIRKSEN. Mr. President, as one grows older I think he becomes more acutely aware that the shadow of human, mortal dissolution is always walking with him. Therefore the passing of a friend becomes a rather sobering experience. It becomes an even more sobering experience when the one who passes is at his prime, and is still a young man.

Mr. President, it was a sobering experience for me when I stood on the hillside above the banks of the placid Fox River, with the wind whispering in the trees, the outdoors like a great cathedral, and there, with other Senators, paid the last tribute to our colleague, Senator MCCARTHY.

As I came away I thought, he was only 48 years old. On the plane returning to Washington there first came into my mind a line one frequently reads in Scriptures. It refers to an individual and the length of his days. Then I thought, What is the worth of a person's days? After all, the length of one's days is not so important. What is important is the worth of one's days, when he is here, measured in terms of achievement and what he has done for the enrichment of mankind.

I believe, first of all, that the events in the life of JOE MCCARTHY tell in a large measure the story. He was the youngest circuit judge ever elected in the State of Wisconsin. He left the bench to enter the Marine Corps. How many judges leave the bench to don the uniform and serve their country? He returned, after 3 years of military service, and his neighbors, those who knew him best, reelected him to the circuit bench.

He then engaged in a very spirited contest for the Republican nomination to the United States Senate. It was a spirited contest, because the principal contender against him was the son of a man who had come to Congress in 1885, and who had left his name and his record upon the parchment where is inscribed the history of this Republic.

JOE MCCARTHY was successful, and he was elected to the Senate. Then he was reelected by the people who knew him best, his countrymen in the State of Wisconsin. That speaks eloquently for JOE MCCARTHY, because I think therein is testimony to the qualities that shine and that have enshrined him in the hearts of so many Americans.

Certainly when the icy finger touched him, and all that was mortal came to an end, it was no morbid curiosity which brought those throngs to St. Matthew's Cathedral for high mass the morning of his funeral. It was no curiosity that filled the galleries of the Senate with people on the day when the Senate paid tribute to him. It was no curiosity which made people line the streets and highways as the senatorial contingent motored from the airport to Appleton, particularly as it passed through Grand Chute, the little village where JOE MCCARTHY was born. Certainly it was no curiosity which filled the town of Appleton with people from everywhere to pay honor and tribute to a great American.

There had to be something to explain these outpourings. There had to be something impelling, and there was something impelling. The Senator from South Dakota [Mr. MUNDT] referred to the first of the attributes which characterized JOE MCCARTHY, which was the attribute of loyalty and devotion.

JOE MCCARTHY held up his hand twice, before he became a judge, when he took the oath to defend the Constitution and uphold the laws of the country, and swore allegiance. He had to hold his hand up twice in the Senate to take the oath to uphold and defend the Constitution against all enemies, foreign and domestic. That is the oath we take, Mr. President. It is a solemn oath, indeed, to support and defend the Constitution of the United States against all enemies, foreign and domestic.

Perhaps those are mere words to some people. They were not so to JOE MCCARTHY. To him the oath constituted something more than a mere form. He accepted it as a doctrine. He accepted it as prescribing a duty to be performed. He accepted it as a direction.

Probably no other Senator in the last 50 years more literally, more definitely, and more affirmatively articulated the oath we find in the Senate rules than did the distinguished former Senator from Wisconsin, JOE MCCARTHY.

Why was that so? It was because of his loyalty. When I was a student at college I read the great commencement address by Josiah Royce, professor of philosophy at Harvard. The title was "Loyalty." I have not examined that speech for 20 years, but I know he defined loyalty as a thoroughgoing voluntary enthusiasm for a cause.

JOE MCCARTHY had a cause. The cause was this Republic and its perpetuity. That was what impelled him onward. What he did was voluntary; he did not have to do it. He did not have to accept "The slings and arrows of outrageous fortune," as Shakespeare has put it. He could have coasted; he could have been a conformist; he could have kept his eye always on his constituency and the next election. But he was not impelled to do that. What he did was of his own volition.

Is there anyone who will deny that he was thoroughgoing? Exclusive of everything else, he devoted himself to the business of finding the enemies, foreign and domestic, who were threatening the perpetuity and the life of this Republic. His was an enthusiastic devotion to the cause.

I knew him intimately. I lived with him in those quiet hours and in those days when he referred to me as his advocate and his lawyer. I knew him, and I knew the loyalty which was in his heart.

When we spent 7 weeks under the lights in the Army controversy, almost every evening he would come to my office and would say, "You are my lawyer. What do I do?" Then often I would scold him—kindly, of course—for any mistake which might have been made or for something which had transpired that day.

But over and above everything else, as I knew him so intimately, I discovered in him that shining loyalty which carried him on. He sensed a drift in the world. He sensed conspiratorial influences in our own country. He sensed the relentless drive of the enemies of his country and the skill with which they carry on. So he alerted his country and warned the people of the United States. It was dramatic, in a way; yet the ordinary daily work was so frightfully undramatic. It was hard business amassing evidence and testimony which might be presented to the committee, so that those who were the enemies of the country might be brought into the light.

What was his reward for this loyalty? Oh, the contumely which was heaped upon him, the imprecations which were hurled against him; the vindictive fury which was unleashed against him; the vilification with all its bitterness which was poured upon him. Yet there was a humility about him.

Never, in all the days I knew JOE MCCARTHY, did I hear him scold or point a finger of accusation against a single Member of the Senate after the censure resolution was approved. I remember the night when I tried to defend him in my humble way.

I thought that perhaps even in the humblest person what had happened might excite in him some unkind feelings toward his colleagues. But I never heard JOE MCCARTHY complain or protest against a single Member of the Senate, including those who initiated the action which eventuated in the censure resolution.

So what was the constant force which carried him on? It had to be loyalty, because there has to be some inner drive, some strong voice, to make the most rugged and robust person stand up under such difficulties. Certainly harsh criticism was heaped upon his head in those days. So loyalty was the word of his day.

Then there was that other attribute to which the Senator from South Dakota [Mr. MUNDT] referred—courage. There is the heroism of the battlefield and bravery in the face of danger. Then there is the courage of the commonplace, which is the most important attribute of all. It is the courage in daily life, in the rather neurotic existence through which we pass, when we meet the problems which arise, and meet them courageously.

It takes courage to pursue the enemies of the Republic. It takes courage to probe in dark places. It takes courage for a man to stand up with his chin in the air, when he knows there is an organized effort to destroy what he is trying to do in the interest of the Republic. That is the courage of the commonplace. That is the courage by which we shall be measured.

I have often wondered whether I would have done what JOE MCCARTHY did. I have some doubt about it. I think in moments I would have quailed. I am afraid that in moments when the load became so heavy and the fury so great, I might have faltered. He did not falter under any attack. He did not falter under any assault of character which was made upon him, day after day. He had the courage to withstand the attacks. He excelled in the human attributes of loyalty and devotion to his country, and had the courage to express and articulate his devotion in every day life. That is the courage of the commonplace which marked the public service of JOE MCCARTHY.

Finally, when we say a man is a fighter, we say much. In The Revelation it is written—and it is a great line—

> I know thy works, that thou art neither cold nor hot: I would thou wert cold or hot.
>
> So then because thou art lukewarm, and neither cold nor hot, I will spue thee out of my mouth.

That is what St. John the Divine wrote in The Revelation on the little island of Patmos centuries ago. There it is. Be either hot or cold. JOE MCCARTHY was affirmatively on the side of the Republic. There was no neutrality about him. He was positive, and he was combative.

When he was in the hospital while the censure resolution was before the Senate, and he had his arm in a cast, I visited him several nights. But I remember the night in the hospital, after I had spent hours drafting the text of three different letters addressed to the President of the Senate, letters which I thought would be helpful. That is what a defense counsel does as a part of the defense. So I sat with JOE MCCARTHY in the hospital, and he had his arm propped up.

I said, "Joe, make it a little easier, because this is a rough go, as you know. I will do the best I can. But look. I have a letter. I am going to read it to you. I want you to sign it. I think it will make the job a little easier."

We visited after I read it to him.

"No," he said; "I guess not."

I read the second draft. I read the third draft. Finally he looked at me with that interesting little twinkle and little smile which he had and said, "No, Ev, I can't sign it. They might think I am going to crawl."

That was his language.

So we can see that in the face of impending danger he did not quail. He resisted every persuasive effort I made to get him to sign the letter, so I could use it in his defense and read one of the letters to the Senate. But he would not do it.

He said, "I will never let them think I would ever crawl."

That is the heart of a fighter. That was loyalty to the course he was pursuing. That is the courage to follow through, to ask no quarter, and to give no quarter.

Mr. President, if you wonder why throughout this broad land he is enshrined—and he is enshrined—I think 250,000 letters came to my office when he was sitting under the lights in that controversy. There were 150,000 which my staff could not even answer.

I know of the telegrams and I know of the letters that came from people in every State of the Union. At all hours of the day, from early in the morning until late at night, my telephone was ringing with calls from New Mexico, from Texas, from Connecticut, from Illinois, from Wisconsin, and from California, as long-distance telephone calls on this subject came from people who were interested, people who were evaluating a fighter with a loyal heart, with consummate courage, and with a great and consuming devotion to the public.

Mr. President, what is the monument to him? It is not in the feeble words we utter, which will pass on the afternoon breeze. But, rather, it is in the living, pulsing shrine of hundreds of thousands of hearts in America, as attested to by the letters and other expressions. No such pulsing monument, no such living shrine, will ever be erected in the slightest degree to those who hurled their vindictive shafts at him when he was still alive.

So, Mr. President, today we testify to a great fighter, a man of devotion, a man of courage, who was so untimely taken from the public and from this body—JOE MCCARTHY.

As for Jeanie, with the same militant courage she stood by his side and bled with him. Some of the snide articles which were written would make many persons quail. But she never quailed, and neither did he. So she keeps the vigil to his memory, in the interest of this Republic.

Mr. President, a great servant has gone.

As the wind caresses the trees in the great cathedral over the placid waters of the Fox River, I believe it will waken living memories of a man who served his country well—as a judge, as a marine, and as a public servant—fighting for the perpetuity of this Republic.

Mr. ANDERSON. Mr. President, no Member of the Senate will fail to recognize that in the passing of the junior Senator from Wisconsin, JOSEPH R. MCCARTHY, the Senate has lost one of its strong figures.

JOE MCCARTHY was a man of unalterable convictions, to which he clung tenaciously, and which he expressed in picturesque prose in public and in private discussion, as freely off the floor of the Senate as on it.

Generally, I neither agreed with his manner of expression nor subscribed to his selection of sentiments. But I never failed to understand where he stood; and that steadfast quality of heart and mind is, I believe, of some value in this Chamber and to the American people.

To me, it is a matter of regret that he should pass away early in his career, at an age where he could more completely have devoted his energies to the problems of his State and to his particular interests in the greater welfare of the Nation.

Mr. President, the junior Senator from New Mexico had seen him many times when his relationships with his colleagues were more cordial than they were in his later years; and therefore the Senator from New Mexico can testify to JOE MCCARTHY'S joy in friendly association with his fellow Senators, and can say to his wife, Jean, to his family, and to his friends that his absence from this body will be lamented through the years which lie ahead.

Mr. COTTON. Mr. President, during the 2 short years I served in this body with the late Senator MCCARTHY, of Wisconsin, I conceived a warm regard for him as a man, and a sincere respect for him as a fearless and fighting Senator.

With all the other Members of the Senate, I mourn his loss, and I feel the deepest sympathy for his family.

However, my brief association with Senator MCCARTHY might not have justified my participation in this memorial service, except to be present and to give my respectful and reverent attention, were it not for the fact that it is my privilege to read to the Senate the statement of one of Senator MCCARTHY'S closest and most loyal friends, my colleague, the senior Senator from New Hampshire [Mr. BRIDGES].

Senator BRIDGES is unable to be present, because of illness. However, he was not content simply to have his statement inserted in the CONGRESSIONAL RECORD. Instead, he wanted it to be read at this time.

Therefore, Mr. President, I now have the privilege of reading to the Senate the tribute of Senator STYLES BRIDGES, of New Hampshire, to his friend, JOE MCCARTHY.

STATEMENT BY SENATOR BRIDGES

Millions of Americans from all walks of life bowed their heads in prayer and sorrow when Senator JOSEPH MCCARTHY, of Wisconsin, passed on unexpectedly on May 2, 1957.

In the 10 years that he represented the State of Wisconsin in the United States Senate, he did more than any other person in this country to bring about a public awareness of the dangers of communism and the spread of communism within our borders. He waged a long fight, terminated only by his sudden death, to preserve the freedoms which our Founding Fathers gave us and which are being threatened by the hostile and insidious efforts of an unfriendly nation to undermine them.

JOE MCCARTHY was a fighter and a great American. He fought hard for what he believed in and for what he believed to be right. He placed the welfare of his country above all, and the courage and loyalty that he demonstrated to protect our American way of life and our republican form of government will be greatly missed.

By spearheading the alert to our Nation of the grave menace of the Communist conspiracy, JOE MCCARTHY performed an invaluable service. His stature will grow with the passing of time; and, like other great Americans who preceded him, his patriotic endeavors will become more truly realized and appreciated as the years go by.

During his 10 years here in the Senate, Senator MCCARTHY demonstrated the same ability and determination which marked his entire life. Although his parents provided him with a good home, he refused financial assistance from them while in college and law school, supporting himself every cent of the way. Four years after graduation, the people of Wisconsin elected him to a judicial post. In 1942, he voluntarily enlisted in the United States Marine Corps, where his ability was recognized by elevation to commissioned rank. Such was the forceful ambition and determination of this man.

I had a great deal of contact with JOE MCCARTHY during his service here in Washington, and had ample opportunity to assess him, both as a legislator and public servant and as a man. He measured up on both counts, and I shall always be proud to have known him as a close friend.

Warmhearted and generous to a fault, he was at the same time a relentless fighter, firm in his belief that all Communists within our shores were traitors. Though his enemies—and they were many—sought to pervert and disgrace his motives, he never permitted these attacks to deter him. I doubt that any other man in modern times has been more admired and more vilified at the same time. But neither slander nor scorn, prestige nor influence could make JOE MCCARTHY swerve in the least. His unexpected death has lost to this Nation a great champion of liberty and the American way of life.

As do others, I still find it difficult to accept the fact that JOE MCCARTHY is no longer with us, to come to the realization that he has been called to rest. Many fine articles have been written and many prayers uttered since his death, but the words which touched me perhaps the most were contained in a prayer delivered by the Reverend Donovan Palmquist before a joint assembly of the Wisconsin Legislature. Reverend Palmquist said, in part:

We thank God for the life of Senator MCCARTHY and for his contribution to the American way of life. We thank Thee for him as a fighter of communism, defender of free speech, and as one who was concerned about the needs of people—not only in Wisconsin but throughout the Nation and the world.

No more simple and yet eloquent epitaph could be written about Senator JOSEPH R. MCCARTHY.

Mrs. Bridges joins me in expressing once again our deepest sympathy to his widow, Jean McCarthy; to their daughter, Tierney Elizabeth; and to all the other members of the McCarthy family.

Mr. STENNIS. Mr. President, I came to the Senate in November 1947, less than 1 year after JOE MCCARTHY arrived here as a new Member of this body.

One of the very first things I remember about him was that I recognized him as a man of tremendous energy. In the short period of time he then had been here, he had already well worked his way into the program and the activities of the Senate, and he was tremendously interested in what he was doing. I recognized in him a very fine capacity for work and for understanding and for wrestling with public problems; and I saw in him, too, as I came to know him better, a man who had no sense of fear, a man of great courage and very sincere convictions.

In his later years I was attracted to him through his intense interest in humanity and his consistent and unvarying kindness, not only toward his colleagues, but toward everyone, not merely toward those who could mean something to him, so to speak, but he seemed to me to have a consistent kindness toward everyone—a fine human trait. I was very much interested in seeing an expression of that quality in the decision made by him and his devoted wife to adopt a little girl, Tierney Elizabeth, who meant so much to him and to her. In one of our last conversations—all our conversations were pleasant—I had an opportunity to talk to him in a personal way, it was about that little girl, to whom he was so devoted.

I served on the Appropriations Committee with Joe. As someone has said, everybody liked to call him Joe and to hear his genial and fine response. We sat opposite each other for a good long while across the Appropriations Committee table. However we may have differed on matters there or elsewhere in the Senate, that never made the slightest difference in his cordial and sincere greeting to me. He showed a broad, big nature, and a very fine attitude toward his own public duties and toward what others might consider their public duties. I genuinely appreciated such an attitude, and was always very glad to see him. I think every member of the Appropriations Committee was glad when Joe arrived at a meeting. When he came into the committee room he always had under his arm or in his hand a memorandum, and he always had something to say that was lively and to the point. He was always well prepared on his subject matter. I think he made a very fine contribution to the Senate and to the country.

In his very sincere and very devoted fight on communism, a fight for what he believed in, he was fighting primarily for Americanism. We have all read of the many activities in which he was engaged and of the matters brought out in the investigations which he conducted. I know he was devoted to the cause of Americanism and to his duty, and I know he repulsed those who might come to him, in a friendly way, and suggest side journeys. He would always turn such suggestions aside and keep his eye on his mission. He felt that was his cause, and he represented it well. I commend his memory for that striking and outstanding trait.

Along with what I believe is the sentiment of every Member of this body, certainly of those who served with him, I sincerely mourn the passing of JOE MCCARTHY from our midst and from the active work he was doing. I sincerely appreciate the fine contribution he made. I extend my heartfelt sympathy to his wife and his family.

Mr. BARRETT. Mr. President, I again wish to express to his wife Jeanie and to the family of JOSEPH R. MCCARTHY my deepest sympathy at his untimely passing. No man can question JOE MCCARTHY'S patriotism and his intense loyalty to his beloved country; and when the verdict of history is rendered it will be recorded that JOE MCCARTHY'S burning desire was the welfare of his country.

He fought with vehemence those who would destroy the institutions which we love and cherish. He was a man who acquired and held strong and fast friendships, and who at the same time incurred bitter enmities. He was a fine and loyal friend, a great and devoted patriot, a fearless and courageous fighter, and a great American. His memory will be enshrined in the hearts of all true Americans.

Mr. PASTORE. Mr. President, it was not my privilege to know intimately the late Senator JOSEPH R. MCCARTHY. Our political parties and our Senate duties often traveled in different paths, but surely no one could serve here and not come to recognize the firm convictions which were his and which distinguished him in the minds and the hearts of untold millions in our land.

His church and its hierarchy paid him great tribute on the occasion of his funeral when many high dignitaries of the Roman Catholic Church attended the requiem mass and prayed for the repose of the soul of our late departed colleague.

The courage of his convictions has left its imprint on the American political scene, but, most important of all, is the devotion and the love that he was able to inspire in his own household. I do not know Mrs. McCarthy. I have never had the honor and the privilege of meeting her, but, in my humble opinion, Mrs. McCarthy exemplified in its truest and finest form the devotion of a good wife and good mother.

I extend to her and to all the members of the McCarthy family my deepest sympathy, and, finally, for JOE MCCARTHY, may his soul rest in peace.

Mr. CASE of South Dakota. Mr. President, when one thinks of a man's life, he thinks of its total impact. I recall hearing, some years ago, a minister deliver a sermon in which he used the illustration of a river moving to the sea. He said that as one stood on the banks above the river, he could look down at a piece of driftwood on the surface of the water. At times the driftwood might be tossed about. At times it might be pulled into the swirling eddies of the stream or move in the current drift of the stream. But when one raised his eyes and followed the course of the stream, he noticed then that the inevitable force of the stream was to move toward the sea.

So I believe when one thinks of a man's life, one feels the impact of it by noting the total trend of it. Certainly the life of JOE MCCARTHY was one of devoted loyalty and of rugged fighting for the country which he loved.

As I have sat in the Senate today and heard the many tributes offered by Members of the Senate, some of whom knew him closely, some of whom did not know him so intimately, it has seemed to me that the spirit and the personality of JOE were practically recreated here for us.

As I listened to the eloquent Senator from Illinois speak of the many, many people who walked in the line of the funeral cortege, and the many, many people who came to the church, I was reminded of the evening I visited the funeral parlor downtown, when I was impressed by the many-blocks-long queue of people who came, not out of morbid curiosity, as the Senator from Illinois so well stated, but out of respect for the personality of a man who impressed himself upon our times as few other men have or ever will.

I suppose it is inevitable that today and during his lifetime the commentators on the life of JOE MCCARTHY should seek to interpret everything which happened with reference to him in the light of his dominant passion or the thing which dominated his life—and certainly his fight for his country and his fight against subversive elements dominated his life.

When historians examine the record, however, I hope they will note that when the Senate itself, by circumstances which are certainly not the choice of very many of us, was forced to consider incidents in his life, the resolution which was finally brought to the Senate eliminated every count which was based upon or related to Senator MCCARTHY'S fight against communism. The action of the Senate was not anything which anyone connected with it welcomed but, such as it was, it did not relate to and was not based upon any criticism of JOE MCCARTHY'S rugged and unrelenting war on communism.

As has been previously stated, it was difficult for Joe to retreat. In fact, he never did retreat. For that reason it was difficult for those of us who liked Joe and admired his basic work to help him in some of the trying spots in which he was placed.

I am not surprised, although I had not heard the story, to hear of the three times Joe refused to sign the letter which his so-called counsel had prepared for him. It is not difficult for me to realize that Joe would say that he could not do anything which would make it seem that he was crawling. I can understand why Joe took that position. I know I myself tried in my feeble way to straighten out some things, and I know the difficulty I encountered. I

think I respected Joe for the very fact that, true to his character and true to his methods, he felt he could not say something which would be interpreted as a retreat.

So his life went on. The total impact of it on our generation can never be obliterated. His name and the memory of his work will remain when most of us have been completely forgotten.

In addition to the impact of his life, I like to think of JOE MCCARTHY because of his personality. I doubt if there has been or is any Member of the Senate I have known or now know whom visitors to the Senate possessed such a great desire to see and to meet. No Member of the Senate has ever been more generous, within my knowledge, of his time and strength in meeting people who wanted to meet him. He was particularly tender when a child wanted to meet him or shake his hand. He always had a winning smile, and somehow the warmth and intensity of his personality seemed to be communicated to those who met him.

Personally, I shall always appreciate his generous understanding of the technical position in which Members of the Senate may have found themselves upon various occasions, but I shall not remember him primarily for that. I shall remember him primarily for his great devotion to his country, for his uncompromising fight for his country as he saw the situation. He made a great contribution to the Republic in which he lived. That will be his real monument.

Mr. HICKENLOOPER. Mr. President, I served with JOE MCCARTHY in the Senate for about 10 years. In that time I came to know him rather intimately. During that period I developed a tremendous admiration for his courage, the intensity with which he defended his convictions, and the vigor with which he met the onslaughts of his detractors and those who would destroy him.

I do not know that the matter has been referred to in the statements which have been made this afternoon, Mr. President, but in any event for a moment, because I had some connection with them, I wish to review some facts of history, which, strangely enough, the channels of publicity have never explored fully or developed completely, although the facts have been known.

One might say JOE MCCARTHY first sprang into the limelight of national attention, perhaps, in his fight against subversion and subversives in this country, with a speech I believe he made in West Virginia, in which he made reference to the fact that there were subversive elements in at least one of our great departments of Government. It was a speech which received a great deal of attention and one which caused much apprehension and concern on the part both of those who loved our country and those who felt, on the other hand, that they might be exposed for their subversive activities. It was given sufficient attention to lead to the designation of a special committee of the Senate to examine into the question of investigating that particular department of our Government.

I cannot say it was a pleasure, but I had the duty of serving as one of the two Republican members of that committee. Senator MCCARTHY never mentioned a name in the speech which triggered this operation. About the time the special committee was created to look into the matter, he made a speech on the floor of the Senate, standing about two aisles to my right, and for all of 1 day certain Members of the Senate rose from time to time and demanded that Senator MCCARTHY name the names of the people who might be suspected. All of that particular day and part of the next day he stood on the floor of the Senate and refused to name names. He said, "I will not bring into public discussion the names of the people unless a committee of the Congress after due consideration and after looking over the evidence decides that it is in the public interest to make public their names in public hearings. Otherwise I will refuse to do it." It was demanded of him time and time again on the floor. I know that, because I was present and heard the demands. He refused to name any names.

A special committee was created. I have said this on this floor on previous occasions, so I am saying nothing new. The then Senator from Massachusetts, Senator Henry Lodge, was the other Republican member of that special committee.

At our first meeting a motion was made in the committee that we accede to Senator MCCARTHY's suggestion and ask him to come before our committee in executive session to discuss the names of suspected people, or those against whom he thought accusation should be made. The proposal was that such discussion be in secret, without making the names public unless our committee considered it to be in the public interest to do so.

Senator Lodge and I were voted down. The special committee said, "No; we will hold our first hearings in public. We will compel the Senator to come before the committee. We will subpena him. We will place him under oath, and we will make him name the names in public."

That is exactly was was done. JOE MCCARTHY has been accused of recklessly scattering names about. It was not JOE MCCARTHY who scattered the names about. It was done in public under the compulsion of a committee subpena. During all the first day he was on the witness stand before the committee, he constantly refused to name the names in public, and he kept constantly saying to the chairman of the committee, "Mr. Chairman, I will give you the names in private. I will give you what information I have in private, and it will be your responsibility if the names are published."

Finally the committee, by committee action, demanded the names and ordered him to give them. Bear in mind, he was under subpena, and he was placed under oath. It was under the compulsion and upon the demand of the committee that he made public the names before a committee conducting a hearing.

That is the history of the publicity given to names by JOE MCCARTHY. We never read that history in certain segments of the press. JOE MCCARTHY was castigated throughout the country for the loose use of names, but we never see any emphasis placed upon the fact that he was under subpena, under oath, and under the compulsion of a committee, which compelled him to make public certain names to which he referred.

So much for that part of the history of this situation—that part of the history of the beginning of the great crescendo of destruction which started against JOE MCCARTHY because he dared to touch the sensitive nerves of certain people when he began to expose subversive activities in areas which previously had not been given a great deal of attention.

It became his consuming and controlling interest—because he got into it so deeply—to attempt in his own way, and as best he could, to purge the United States of those elements which would secretly destroy it; and, of course, in doing so he ran into many of those elements.

Senator MCCARTHY was like a dentist who starts drilling on one's tooth. Every once in a while he strikes a sensitive nerve, and the patient jumps. That is exactly what many of the fellow travelers and sympathizers did when Senator MCCARTHY began to get a little too close to their activities.

It has been said on this floor that JOE MCCARTHY was a man of courage. He was a man of courage. He was a man who determined what his objectives would be, and then drove toward those objectives. He would not compromise with what he thought to be the necessities of the situation in carrying out the purposes he wanted to accomplish for the good of his country.

On occasion, I found myself in disagreement with Senator MCCARTHY. On other occasions, I found myself in agreement with him. But either in agreement or disagreement, no one could say that he was not a man of deep convictions, with the courage necessary to carry out his convictions.

I think we might paraphrase an old saying by noting that a man can be measured in many respects by the enemies he makes. I think if we put in the balance the enemies JOE MCCARTHY made in his crusade for his country, we can be proud that most of us believe in the same principles in which JOE MCCARTHY believed. Certainly the most powerful enemies he made were people who, in the judgment of many of us, did not always work for the best interests of the United States.

Mrs. Hickenlooper and I are deeply grieved at JOE MCCARTHY's death. We convey our sympathy to his widow Jean, and to their little girl, as well as to his family.

Whether I always agreed with JOE MCCARTHY in every particular or not makes little difference. However, I believe that the security of this country, and the awareness and fuller understanding of the people of the fact that there are constantly termite-like elements within our own midst which are trying to destroy the American system, have been advanced significantly because

of the work, effort, and contribution of JOE MCCARTHY.

I am glad I knew him. He was a benefactor of the patriotic efforts of people everywhere to preserve America as the land of human dignity, individual responsibility, and freedom that it is, and that we are all determined to keep it.

Mr. PURTELL. Mr. President, the untimely death of Senator JOSEPH R. MCCARTHY removed from the American scene and from this body a man who was a fighter to the last for a cause in which he believed deeply.

The depth and courage of his convictions were such that he would not be, could not be, dissuaded in his efforts to carry them out to their fullest extent, regardless of personal consequences. He pursued them even to the impairment of his own physical well-being.

Senator MCCARTHY's great ability was early recognized by the people of Wisconsin in his selection as the youngest circuit court judge ever to so serve on the bench in that State. He was elected and reelected to the Senate of the United States by the people of Wisconsin.

Today we have properly set aside this memorial period as a tribute to our former colleague as an American and as a friend.

JOSEPH MCCARTHY was a fighter. He sparked differing reactions throughout this country and throughout the world. In a few short years, he became one of the most controversial figures of our time. History's appraisal of him will be far more accurate than the emotional estimates of the many who were in turn affected deeply by what he was trying to do and do the way he felt it should be done.

No one can question his courage or his determination to follow what he accepted as his compelling mission and his duty.

Our prayers and thoughts today are for his wife, Jean, and his daughter, Tierney Elizabeth, whom he cherished and to whom he was devoted.

JOE MCCARTHY will not be forgotten as a man, as a Senator, or as a public figure.

Today, during this period, we collectively express our grief at his passing and our sense of loss that this body will no longer list him as one of its Members.

His final eulogy will be carried in the hearts and minds of those to whom he was a symbol of flaming courage.

Mr. GOLDWATER. Mr. President, this is a very difficult assignment for any man to undertake. It is difficult because one does not know which avenue to follow in trying to appraise for his colleagues the friendship one has for JOE MCCARTHY.

I could well relate the experiences I have had with him in my native State of Arizona, which he visited often because he was troubled with asthma. I could refer to the friendship that existed between us for many years, a friendship of which I was proud then and of which I am prouder now. I could refer to the times we have spent fishing or playing poker. I must say that he was not good at either one. I could refer to the times I have eaten his cooking. I must say as to that the same as I said about his fishing and poker.

I could refer to the times we spent campaigning across the country in the various States, and I could tell the American people and my colleagues of the great affection manifested toward him at every place MCCARTHY went. Whenever the plane stopped or the train stopped or the car stopped, there were always crowds of people who looked on this man as their particular defender. Those men and women stand today in the multitude they did then.

I could add my words about the hospital to those of the distinguished Senator from Illinois, because I, too, was confronted with his stern adherence to what he termed his principle when his lawyer, Mr. Williams, and I visited the hospital late one night and tried to get him to sign certain letters. He relieved himself of our company by declining on the same ground that we heard stated by the Senator from Illinois [Mr. DIRKSEN].

Once before on the floor, Mr. President, at this very spot, it was my occasion, and my proud occasion, to rise to defend this man. I did not defend him that night as a personal friend. I do not think friendship entered into the determination of any of us who voted against censure on that day. I rose as an American to defend another American who, I felt, was doing something good for his country. I said that night, at the conclusion of my speech: "Over the earth today, the strong winds of destiny are blowing." Those winds are still blowing. They may possibly be blowing stronger today because of the passing of JOE MCCARTHY, or they may not be. I think only history can tell as to that.

Mr. President, I will not dwell long this day on the political side of JOE MCCARTHY, for many of our ablest editors and journalists across the country have done that better than I can. I should like, however, to sum up, with the words of a few of these writers, what I believe to be the universally accepted appraisal of JOE MCCARTHY, the Senator. For example, the Cincinnati Enquirer said:

> Senator JOSEPH R. MCCARTHY was a man of many facets, and people saw in him many different things. To some, he was a cynical, ruthless destroyer of reputations, interested only in the furtherance of his own political welfare. To many, many others he was a man of singular courage and determination, willing to sacrifice in a crusade against the machinations of the Communist conspiracy.
>
> History will judge wherein his greatness lay—as a patriot, or as a politician.

I should like to read from a newspaper in another part of the country, from the Fort Lauderdale Daily News of Fort Lauderdale, Fla.

> We don't know how the God who Senator MCCARTHY worshiped will judge him, but we have always been firmly convinced that he did what he honestly felt had to be done, knowing full well that in carrying out the task he had set for himself he might be the major victim. He was no angel, nor did he use the tactics of angels in fighting what he believed to be the great menace of our times. He was one of those who used fire to fight fire.

Now let us go to the great State of Texas, to the Houston Chronicle, which said:

> MCCARTHY's enemies succeeded in making him relatively ineffective after the famous Army-McCarthy hearings and condemnation by his Senate colleagues. But they have not succeeded in erasing from the minds of Americans the stimulation of thoughtfulness which MCCARTHY evoked.

I read from the editorial published in the Illinois State Journal:

> When time's healing balm wipes away all of the ill feelings, all the stark emotionalism, all the fanaticism that swirled around the political career of Senator JOSEPH R. MCCARTHY, he may gain recognition as one of the truly great Senators of the 20th century. But any assessment will have to come from objective historians, not from writers of our day who all seem to be subjective.
>
> At any rate, Senator MCCARTHY was undoubtedly the most controversial political figure of this half century. His foes accused him of witch-hunting and of using guilt-by-association tactics to malign honorable people. His admirers were at the opposite pole in their attitude. They said he was justified in using extreme methods in exposing the machinations of communism and its danger to our country.

Mr. President, these and many more editorials and columns, which I shall make a part of my remarks, show the place this man held and holds in the minds and hearts of Americans. MCCARTHY was controversial, yes, but let me remind Senators that any person who stands on his own feet, who lets the world know what his position is, who speaks his mind and his conscience has always been and always will be controversial.

America has not been made great by the weaklings, but by the strong; and in the current history of our country MCCARTHY's presence came as a welcome breath of strength amidst the abundance of vacillation and weakness which has characterized our times.

In the area of politics he will be judged by history, and that is as it should be, for the impact of a politician will be felt in what happens years ahead of the cause to which he has given himself. I believe that when history has been written, MCCARTHY will occupy a niche above those who so loudly condemned him.

Whence came his strength? I believe it wise to recognize its sources, so that young Americans can associate their own strength with them, and themselves judge how they measure up to them. In my mind, JOE MCCARTHY's strength was built on the firm and tested bases of religion, love of country, love of family, and confidence in his own abilities.

It is interesting to observe that even the most dedicated character assassins, who assigned themselves the task of destroying this man, never doubted that he stood firm on these rocks of character. No, the strange thing that has been revealed thus far is that no sound objections have been offered against the character or the work of this man. Only those who for political reasons opposed him attempted to stain his record and his life and his family with the foul venom of distortion.

History will judge JOE MCCARTHY; and history will, I believe, be kind and generous in its judgment.

In conclusion, although Peggy and I have already expressed our heartfelt sympathy to Jean and her family, I want Jean to know that as this history of her husband is being written, we want to walk arm in arm with her down the path of the future and the path of memories, helping in any way we can to ease her burden.

Mr. President, I ask unanimous consent that there may be printed in the RECORD at this point numerous editorials and columns from newspapers all over the United States.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Methodist Challenge of July 1957]

JOE MCCARTHY

(By the editor)

I have little in common with Senator JOSEPH MCCARTHY and yet I have much. Our bringing up was far apart. Our training was very different. I doubt if we would have been too comfortable together. He was a Roman Catholic and I am a Protestant. And yet we both loved America.

Therefore I must say a word, now that he is dead, a trophy to the hate and venom of the Communist conspiracy in his native land. I read the gloating of the Russian Communists, through their official organ. I read the vicious hate lines, emitted from the red press of France, England, and Italy. I read the more cautious expressions of almost fiendish glee fom the so-called Liberals, the New Dealers, and Modern Republicans of America. They had killed him. JOE MCCARTHY had been as certainly mobbed as a greater Man than he was mobbed on a hilltop outside the city nearly 2,000 years ago.

But JOE MCCARTHY was a soldier. He was a casualty. He died without a word of complaint. And, strange as it may seem, when he was safely dead, the timid, shivering, quaking patriots of our great Nation proclaimed him the hero that he was. From the beginning, men have gone to their tombs and history has been written, not by leftwing journalists but by the facts that would not be crushed to death. Then the heroes of the centuries have become known and their measurements taken.

Alive, JOE MCCARTHY was a lonely man, repudiated by his own comrades. Then he died and overnight, he became a tall giant, flashing his sword in the face of treason and perfidy. For this man had alerted America to the eminent peril she faced as subversive communism began to integrate her Government and her institutions. Be it said of him: He did not know how to retreat.

The fault in JOE MCCARTHY that could not be forgiven was that he never learned to speak softly to the enemy of God and country. He was not even friendly with those who plotted the wreckage and ruin of the free country that he loved. At times he was almost brutal in dealing with traitors. For that, they killed him.

But other days will dawn and time will steadily progress, while history tells its story. It told its story of Mitchell, of Lincoln, of Nathan Hale. It will tell its story of Lindbergh, hated by the so-called Liberals almost as much as MCCARTHY. For our children will no doubt see a mammoth monument on the Capitol grounds at Washington. Men like JOE MCCARTHY do not die.

"They led him as a lamb to the slaughter." And yet it is not fair to quote this immortal passage here. There was nothing lamb-like about this "watchman of the citadel." His coat was not of wool. He had bristles all over him when "good old Joe" of Moscow and the agrarian reformers were fouling the atmosphere.

Old lop-eared Fife, who used to sleep and snap at flies behind the cabin where I was born, did not have a better nose for a red fox than JOE MCCARTHY had for a Russian Communist or an American traitor.

[From the Patchogue (N. Y.) Main Street Press of May 8, 1957]

UNITED STATES SENATOR JOSEPH MCCARTHY

Senator MCCARTHY will be missed from the American scene by those who love this glorious Nation of ours.

As one newspaper described this illustrious nephew of Uncle Sam, he was "loved by millions, and hated by millions."

We were among the millions who loved Senator MCCARTHY. With every smear that was given him, our admiration and respect for him rose higher.

Like a skillful surgeon, he probed to rout out a cancerous growth on the Star-Spangled Banner, an infection that had been fully diagnosed by such specialists as J. Edgar Hoover and many other Americans who love America.

We firmly believe that the MCCARTHY career will serve as an inspiration for many young Americans to follow in his ne'er-to-be-forgotten footsteps. The war on the Commie rats that infested our Government is not yet over.

Senator MCCARTHY can now take a long-deserved rest, because there are no Reds in Heaven. They don't believe in God.

[From the Paterson (N. J.) Morning Call of May 4, 1957]

A GREAT AMERICAN PATRIOT

The man who fought the valiant fight against communism—and at times it almost seemed that he fought alone—is dead. In the afterlight of Senator JOSEPH R. MCCARTHY'S phenomenal career in public life no finer testimonial comes to mind than that he was probably more hated by the Communists than any other American of our time.

The Wisconsin Senator was unparalleled in his drive to rid the Government and our institutions of the putrid, antireligious thing we know as communism; he was without equal in his drive to awaken the American people to the insidious force that threatened from within as well as from the outside.

And yet, in the midst of his bold and courageous fight against the enemies of all those things we hold so sacred, he was sometimes denounced. No greater injustice was ever leveled against a patriotic citizen.

Notwithstanding, MCCARTHY had the courage to stand firm in the face of violent criticism; he refused to compromise or play politics, and in so doing performed a service of incalculable value against the greatest danger of our recent history.

Indeed, it often appeared that the fight he made was a personal war, and he pressed it with such fervor and resourcefulness that his name became a symbol and gave a word—McCarthyism—to the dictionary. McCarthyism came to mean different things to different men, however, but now, after the fog of postwar propaganda has dissipated, we know it represented blazing courage and fearless determination to expose and destroy the menace of communism.

JOE MCCARTHY, his close friends frequently said, would be willing to give his life for a cause in which he truly believed. Surely he gave all within his strength and power for the cause of American freedom; and no finer epitaph than that can be written.

[From the Sarasota (Fla.) Herald-Tribune]

A GREAT AMERICAN

Senator JOSEPH R. MCCARTHY, soldier and statesman, will be buried Tuesday at Appleton, Wis., after services Monday in the Senate Chamber. The Nation's loss will become more apparent as the years pass and his work emerges to take its true place in history.

The Sarasota Herald-Tribune takes pride in the fact that it has never joined the chorus that "didn't argue with MCCARTHY'S objectives, but deplored his methods." JOE MCCARTHY'S methods were the only ones that could have effectively focused America's attention on insidious Communist infiltration in time to save the Nation from even greater disasters than those of China, Korea, and Eastern Europe.

Opponents and enemies have pictured JOE MCCARTHY as a rabid, self-seeking rabble-rouser. Those who heard MCCARTHY speak know the absurdity of this claim. The Senator from Wisconsin was a poor public speaker, stumbling over his words and phrases. The successes he won came from his sincerity and stubborn, hardheaded willingness to battle any odds for the benefit of his country. And let there be no mistake—MCCARTHY did win. His rough-and-tumble onslaught brought the Reds in the United States a greater setback than they had ever before experienced—setbacks which daintier methods could never have achieved. The victory may not have been all that Joe hoped, but in the scales of success the balance was well on his side.

The measure of the man is in the manner in which he stood up to the vilification and slurs heaped upon him by leftists, frightened Reds, and deluded or fastidious national leaders. MCCARTHY died at 47, worn out by the unceasing attack he had brought upon himself by his efforts on behalf of his country. Looking back, President Eisenhower himself may feel ill at ease in remembering his unwarranted slap at a loyal American, ailing even then, when he pointedly omitted Senator MCCARTHY from the White House invitations.

During the rites for Senator JOE MCCARTHY today, someone is certain to use the hackneyed phrase "a great American."

This time it fits.

[From the Savannah Evening Press of May 3, 1957]

SENATOR MCCARTHY

Death has closed the career of United States Senator JOSEPH R. MCCARTHY, of Wisconsin, at an early age, 47, but few men, however long their years, made their presence felt in the national arena as did he.

We regard Senator MCCARTHY as a man who fought the good fight, fought it with the zealousness of a man dedicated to a crusade in which he most deeply believed. It was a tough battle in which he was engaged and he fought it as such. Probably, in retrospect, he himself might have modified some of his actions, but we do believe that at the time when he acted he acted in the full conviction that he was right. The sinister force he was fighting gave no quarter, Senator MCCARTHY asked for none, and the issues once joined were inevitably provocative of relentless defense and attack. Just as inevitably, they bred controversy, but, in our view, they also bred a senatorial figure of great stature.

If Senator MCCARTHY'S case stood alone as to the difficulties that arise to plague those who actively seek to expose and to rout out the subversive forces that would mold this country to the Communist image, we would have to examine the situation to see whether the fault lay with him. But it is demonstrable that fighters who move forward with investigations into the evils to which we refer, become the targets of vile abuse.

We call attention, for two instances, to the attacks that were made upon Congressman MARTIN DIES of Texas when he headed the first House Committee on Un-American Activities, and to the disdain that some liberal sources have to this day for Vice President NIXON because of his actions that exposed Alger Hiss.

Senator MCCARTHY, active and aggressive as he was, was the target for abuse far beyond anything the country had seen. If he fought roughly, the forces that did not want an exposé that might have uncovered the subversive influences with devastating clarity, were such that hard-hitting tactics were called for. Any probe into Communist or other subversive influences by whomsoever conducted, always runs into evasiveness, into abuse, into efforts to frustrate the inquiry. Bear that in mind before criticizing Senator MCCARTHY for what we regard as a bold, unafraid demonstration of courageous Americanism.

Senator MCCARTHY endured the personal abuse and the slings and arrows of ill-advised attempts to ostracize him from high places with a fortitude that was remarkable. From the days when the Senate, under a procedure that was dubious at best, criticized him, through the distressing White House tactics in what were to be the last days of his life, Senator MCCARTHY bore himself in a manner that made him the final victor. He enters his long rest with the thanks of millions of his countrymen for having fought so valiantly as an American who cherished the heritage that is ours and who was resolved to defend it, come what might.

[From the Seattle (Wash.) Northwest Progress]

It was highly fitting that United States marines should carry Senator MCCARTHY'S flag-draped casket before the altar of St. Matthew's Cathedral and into the United States Senate Chamber for his funeral services. The Marine motto, Semper Fidelis, might well be his epitaph. He was uncompromisingly and courageously faithful to God and country.

JOE MCCARTHY was nurtured in faith and patriotism in his Catholic home, and in Catholic schools. These virtues were battle-tempered in his soul in the Marine Corps. His service in World War II included 13 months as combat officer for a Marine dive-bombing squadron. * * *

MCCARTHY was endowed with a fighting heart, and a clear mind; he had a clean record and was an able lawyer. Had he lacked any of this equipment, they would have got him in a libel suit or perhaps on an income tax charge, or some frameup.

Because of his sheer courage and ability, Senator MCCARTHY was able to awaken the American people from a somnolence which permitted officials of our State Department to picture Chinese Communists as harmless "agrarian reformers." He served his country well; and every American is forever in his debt.

May God give him eternal rest.

[From the Seattle Post Intelligencer of May 3, 1957]

GOOD MARINE, SAYS EX-CO OF MCCARTHY

LOS ANGELES, May 3.—A marine who was the late Senator JOSEPH R. MCCARTHY'S commanding officer in the South Pacific recalled him today, not as a politician or a Communist hunter, but as "a jovial Irishman and a good marine."

Lt. Col. Glenn Todd, now special services officer at nearby El Toro Marine Air Station, was Major Todd of Squadron VMSB 235, a scout bomber outfit, when the Senator was Captain MCCARTHY, squadron intelligence officer, in the World War II Solomons campaign.

The squadron, formed at El Centro, Calif., early in 1943, saw service at Guadalcanal, Munda, Bougainville, Midway.

"Joe was good guy to us," Todd said in an interview today. "He did things that he needn't have done and wasn't expected to do, particularly flying on missions. That wasn't part of his duties.

"But he flew missions, anyway, 27 in all, I believe. He used as an excuse an argument that, as intelligence officer, he needed to see the areas firsthand in order properly to correlate reports from pilots which ofttimes conflicted.

"Then, too, he would lug along a movie camera and say he had to go out (on missions) to get reconnaissance pictures.

"I believe the record shows that Joe got a Distinguished Flying Cross and five Air Medals. He deserved every one of them. He volunteered to go on the roughest flights. He got no flight pay for it."

[From the Milwaukee Sentinel of May 7, 1957]

REST, JOE

You're home now.

Your 7 years' war has ended.

But in this which we mortals call death you stand not alone, as all too frequently you did in that which we call life.

As you now have found confirmed, JOE, death is not the end.

It is but the beginning.

For you, it must be particularly comforting to be so suddenly removed from physical pain, from mental anguish.

And as you look back upon us, JOE, remember that the shrill, piercing voice of a siren is never a popular sound.

It is, instead, eerie, ominous, disturbing and uncomfortable.

It is even more so to him whom it awakens from deep slumber, and from the escapement of reality which slumber brings.

Yet, as you know, even he who chooses to resent that siren's cry will praise it, will be grateful for it, upon learning that it warns him of a raging holocaust whose flaming tentacles reach out, bent toward his destruction.

The arsonist who sets the fire, and the pyromaniac who stands by in perverse glee to witness the destruction, of course, will resent the siren and its sound.

They will despise it, and they will struggle to destroy it, however possible, that their efforts may continue while their victims sleep their final sleep.

The Communist arsonists have known all too well the blows which you have dealt them, Joe, in your self-imposed role of the siren which has awakened this Nation to the mighty holocaust which they have set against us.

Their fellow-traveling pyromaniacs have long been severely frustrated by your prevention of the flaming engulfment of our way of life, to which they looked in such eager anticipation.

Naturally, therefore, you have been despised by these, who found such reason to struggle to silence your warning cries.

And this morning others who, so self-destructively, have found the wail of the siren more unwelcome than the silence of the flames against which it has warned, suddenly demonstrate tragically belated admission of how suicidal their thinking has been, and of how important your warning which alerted them.

They vow no more to slumber in the presence of flame.

And the rest of us are determined that the echoes of that siren which you first sounded will keep us alert and save this Nation from Kremlin-planned ruin.

So, rest well, Joe.

And pray for us in your new-found light of Him who pleaded:

"Father, forgive them, for they know not what they do."

[From the Milwaukee Sentinel of May 8, 1957]

THE TORCH

The Reverend A. M. Grill said it, as a mighty challenge, in his eulogy to the late Senator JOSEPH R. MCCARTHY Tuesday:

"If the torch dropped by his dying hand is not picked up and held aloft, then God help our beloved land."

To that he added, as a fearsome warning:

"Woe upon those who do not make our country safer for Tierney McCarthy and the millions of other children like her in our country."

This challenge, this warning, we commend to the conscience of every man whose name is being suggested as a possible successor to the seat which JOE MCCARTHY has vacated only in death.

This challenge, this warning, we commend to the conscience of every Wisconsin citizen, and certainly to every eligible Wisconsin voter.

It is a challenge, it is a warning, which every would-be candidate, every citizen and certainly every eligible voter is conscience-bound to ponder long and well, and then act according to the dictates of his soul.

And, in so doing, each would-be successor, each citizen, each voter, must ask himself this one great, burning, basic question:

Can those who opposed and vilified that now-stilled hand when it held that torch be entrusted with the gigantic task of picking it up?

Yet, as Father Grill properly cautioned, someone must.

If not, as he warned, woe upon those who fail, and God help our beloved land.

[From the Laguna Beach (Calif.) South Coast News of May 7, 1957]

WITHOUT FEAR

The late Senator JOE MCCARTHY did not understand that sacred cows could exist in these United States and that because of rank or position they could only with the greatest difficulty be touched or questioned.

So he questioned them, as was his duty, and it made no whit of difference to him if they were Washington brass or common red clay.

He had no fear for those who thought they could fraternize with Reds without having some of the dye rubbed off.

There are those who declared they approved of MCCARTHY'S cause, but disapproved of his methods. But we have yet to hear of one citizen investigated by the McCarthy committee whose character was injured, if it did not deserve to be.

Pundits and commentators glibly referred to him as "controversial." The unthinking failed to understand that black is black and white is white so far as loyalty to one's nation is concerned. There was no gray in Senator Joe's vocabulary.

There was nothing controversial about MCCARTHY. He was a plain-spoken, fighting American whose methods are the only ones that Communists fear.

The News was for him, first, last, and always.

He is dead, but the spirit and fire America needs if it is to survive was rekindled by Senator JOE.

[From the Syracuse (N. Y.) Spotlight of June 1957]

A PROFILE OF PATRIOTISM

"I shall continue to expose every type of dishonesty or treason that I consider a threat to this Nation." These words were spoken by the most courageous and dedicated American who ever lived—Senator JOSEPH R. MCCARTHY. He said and he thought what he did because to him it seemed the only thing to think, to say, and to do.

For this, JOE MCCARTHY was "tarred and feathered," as Mr. William S. Schlam says,

"by gracious ladies of the women voters clubs, genteel Ivy leaguers and by noble princes of the press."

JOE MCCARTHY became the center of the country's most scandalous fracas. JOE MCCARTHY'S destruction was brought about by his great crime of arousing the conscience of the American people so that they became acutely aware of the dragon of communism that was and still is bent on destroying their way of life.

Here was a man who had vision beyond the times in which he lived. He became a martyr at the early age of 48. In 5 years he did more than most men do in a lifetime.

When did he acquire this great love of God and country? Not overnight. He began as a youth to form habits of right thinking. Other youths of his day, for example the Rosenbergs and Alger Hiss, acquired habits of thinking—habits that were dedicated to the destruction of this great country.

If today's youths follow MCCARTHY'S profile of patriotism we can look forward to great leadership in our country.

I am proud to be a McCarthyite. I dread his fate but hope and pray that if it comes to me I will be able to face it as he did. God bless him.

(EDITOR'S NOTE.—The above was awarded a first prize in an essay contest held at Most Holy Rosary High School, Syracuse, N. Y. The contest was based on quotations from the lives of great men. The author of the above, Terrance Hoffmann, a freshman, was presented an award by the Syracuse Readers Forum.)

[From the New Bedford (Mass.) Standard-Times of July 2, 1957]

HOMAGE TO JOE MCCARTHY

By praiseworthy coincidence, stirring tributes were paid to the late Senator MCCARTHY of Wisconsin, at meetings in New Bedford and New York City within a period of less than 24 hours last Friday and Saturday.

The American Legion, in convention at New Bedford High School auditorium, passed a resolution calling on the United States Senate to "strike from its record the condemnation of the late Senator JOSEPH R. MCCARTHY and replace it with a commendation for his courageous fight against the spread of the Communist subversion within this Nation."

More than 300 friends and admirers of the late Senator assembled at the Waldorf-Astoria Hotel in New York to present to his widow a scroll as evidence of their gratitude for his tireless crusade against communism.

The citation lauded Senator MCCARTHY as "a valiant American, an arden patriot, a learned statesman, brilliant and fearless legislator, a courageous warrior who made the supreme sacrifice in zealous defense of his country, civilization and Christianity against the ever-growing menace of the evil and diabolical forces of communism."

There was no connection between these two events—some 200 miles apart—but both groups were bound together in common spirit and appreciation for the noble work of Senator MCCARTHY in behalf of his country and countrymen.

The resolution adopted by Massachusetts Legionnaires, and the scroll presented to Mrs. McCarthy, voiced the feelings of millions of Americans. The Senate should pay heed to these expressions of public sentiment.

[From the Sunday Visitor]

FATHER CONROY TALKING—MAY HE REST IN PEACE

Some 4 years ago I attended a dinner meeting in Rochester, N. Y., at which a very dynamic personality was the principal speaker. The occasion was the national meeting of the Catholic Press Association.

I remember the talk so very well and for a number of reasons. One was the personal courage of the speaker. He talked about communism and its threat to this country. Now a lot of speakers do that, of course. But this was not the usual "I'm agin' it and we gotta do something * * *" stuff.

It was a straightforward attack on the enemies of our country and it came from a man who, as a former marine flier had already put his life on the line for his country. Names were named in this talk and all of us present could sense that here was an unusual man, a far cry from the doubletalking politician so commonly heard on occasions such as this.

Anyway, this man went on from there to conduct a furious, absolutely uncompromising attack on the Red enemies of our country both in and out of Government.

Many who had assured him of support in the beginning began dropping away into the night. The man apparently meant business and the fight was approaching a stage where as they say in Ireland, "This is where they separate the men from the boys." Soon this man was practically alone. Fair weather friends and other lesser lights grew afraid to support him any longer.

They "agreed with his objectives but not his methods," as the phrase became known. Finally the fight exploded all over the front pages and crackled from every radio and television set. This was war to the death.

And to the death it was. The man died a few days ago in Washington. It was the end of a long trail of bitter persecution, climaxed by a form of crucifixion known in the marbled Halls of the Senate as censure. By now you know that I am talking about Senator JOSEPH MCCARTHY who, as I write this, is being laid to a hero's rest in the typically American small town of Appleton, Wis.

But back to that talk in Rochester. After it was over I made my way (with purpose) to the speaker's rostrum. MCCARTHY was chatting with a few hangers-on.

Soon he turned to me, cool and collected. I shook hands with him and congratulated him on his talk. His handshake was warm and strong. There was courage in his eye and sincerity in every line of his face. The voice was well modulated—not the screaming, hysterical noise the papers wanted us to believe it was.

I like to think back on that meeting now—but there is one particular reason why it sticks in my mind. My parting remark to Senator MCCARTHY was, "I'll pray for you—you'll need it." He did not comment. The slight smile disappeared, the brow thickened, the eyes fixed right into mine. The hand gripped mine even more strongly. All this for a second. Then the smile came back, the face eased expression, and the eyes again lit up. That was all. I saw him no more, except on television just like the rest of you saw him on television.

I recall all this because I think we have a man who is an eternal example to our youth. We look for men who in these times have the courage of their convictions, men who can't be bought, men who will not compromise even when death is the price. Here was one.

Moreover, as Catholics in public life, we look for men who are proud of their faith and its contribution to the history of this country. Senator MCCARTHY—"Senator JOE"—takes his place with the greatest of these. May he rest in peace.

[From the Tablet of May 18, 1957]

DEATH OF PATRIOT IS FLYNN TOPIC—BROADCASTER CITES THE PARTISANSHIP OF NEW YORK TIMES

(By John T. Flynn)

(Address recorded on May 9 and delivered over Mutual network of radio stations last Sunday afternoon.)

Last Tuesday I looked in my New York Times for the account of the funeral of Senator JOSEPH MCCARTHY. The New York Herald Tribune had it where it belonged—on page 1. But I could not find it in the New York Times until I got back to page 35. I was, I must say, surprised at this treatment of the dead Senator. And I was doubly surprised when I found a story about a new book by the convicted Communist Alger Hiss—its purpose being to prove he was not justly dealt with—right on page 1, while on an inside page there was a report of at least 6½ columns of type quoting Hiss' attempts to clear himself. The senatorial funeral service of JOE MCCARTHY, mourned by millions of people who loved him, was on page 35 in the Times in a single column. The convicted Alger Hiss' defense of his dark infamy got page 1 and 6½ columns on an inside page.

I mention this because I have never been able to understand why a man who dedicated himself—at dreadful personal risk—to combatting treason in his Government, should have been made the target for persecution by so many powerful American leaders, politicians, and publishers. Several weeks ago the President of the United States provided a conspicuous insult to the Senator and his wife when their names were omitted from the invitations to the White House reception of all Members of Congress and their wives. Ninety-five Senators and 435 Congressmen and their wives were all cordially invited. One Senator and his wife were pointedly omitted.

WHAT WAS HIS CRIME?

Now in the sad days following Senator MCCARTHY'S death, I cannot help repeating what I have said many times—what was MCCARTHY'S crime? He assigned himself to the task of fighting the most dangerous, the most insidious collection of enemies of his country—the Communist conspiracy. These men were not the enemies of JOE MCCARTHY. They were the enemies of every American citizen from the President down to the humblest child. President Roosevelt never understood and President Truman and President Eisenhower still do not understand the nature of this dark assault on our country. During Roosevelt's regime a whole flock of young Reds had a free entry into the White House.

And for several years—we have only just learned—Earl Browder, the Communist leader in America, was a frequent guest in the White House. President Roosevelt took a great fancy to Stalin—"good old Joe," as he called him. He said Stalin was not a Communist; he was just an old-fashioned Russian patriot. One can understand this only on the theory that the President at the time did not understand the nature of the Communist conspiracy. When President Roosevelt went to the Yalta Conference, the man at his elbow as adviser was this same Alger Hiss who, after serving a term in jail, now gets a two-thirds-page boost for his book in the New York Times while JOE MCCARTHY is dusted off with a one-column funeral notice on page 35. Slight as this is, it is by no means trivial. It is not trivial in its understanding of the values involved.

It was the advice of Hiss and some others that led this Government to turn over to Stalin practically all of Asia and almost all of Europe. One result is that we still have armies all over the world and the American people struggle under the appalling burden of taxes—for what? To defend this country against Russian communism.

NOTHING MYSTERIOUS ABOUT SENATOR M'CARTHY

There was nothing devious or mysterious about JOE MCCARTHY. Everyone knew just where he stood—what he was for and what he was against. And if he is in his grave today, it is because he undertook the most dangerous job any man in political life can accept. JOE MCCARTHY apparently had yet to learn what those in Washington had already

learned—that the most dangerous job in Washington is to take on an attack on the Communist conspiracy. I confess I still do not understand this. There is no point in attacking the known Reds—the Browders and their like. It must be remembered that there are two kinds of Communists—open party Communists and the other underground Communists. It would be very easy to name scores of these underground operators who have now been identified.

Now as to these underground Communists. I think I know something about this type of Red. How does an American, a young teacher or lawyer or writer, become a Red? And why? Well, it is not dangerous, if he operates underground—that is, does not reveal his Red associations. In that case it is difficult to identify him, while he can get all sorts of help—including money and advancement—through the influence of the Communist leaders and their wealthy dupes. And furthermore, if the young Red is in the underground he cannot be identified. He can be recognized and exposed only by investigation and with the necessary powers for summoning and questioning. Yet it is fair to say that the Communist conspiracy in America has done its deadliest work with these masked Red teachers, writers, journalists, artists, diplomats, and even some businessmen who apparently get a kick out of the heady draught of conspiracy. This is no small matter and I suggest that almost all the troubles we are in today—the shocking taxes, the appalling debt, the frightful distortion of our political system, and our entrapment in scores of countries all over the world is due to the Communists—to their underground agents—to that large army of dupes who have carried on the work of Russia and her satellites so successfully in this country.

PLOT TO GET HIS SCALP

I wonder how many persons remember clearly the incident which set the White House on the dead hunt for Senator McCarthy's scalp. The FBI had warned the Army of some 33 cases of Communists or fellow travelers at Fort Monmouth. The FBI reported these cases, but could not act. The cases reported by the FBI were suspended by General Lawton, commanding officer at Fort Monmouth. His action was confirmed by the local loyalty board. When the cases got to the Pentagon every one of them except two were cleared.

It was this outrage which aroused Senator McCarthy. When he questioned a soldier before his committee, the soldier refused to answer on the ground his answer might incriminate him. The lower loyalty board suspended him, but the Pentagon board restored him—and promoted him. It was in the Pentagon that the McCarthy investigation was stopped dead. And it was at this point the Senator himself was subjected to an investigation. It is merely necessary to add that all this was approved by the White House.

Let me remind you that every man who has lifted his sword against the Communist conspiracy—or nearly every man—has been subjected to this same persecution. The first of many to feel its wrath was Congressman Martin Dies, who headed the first full-scale investigation of Reds. He was called a character-assassin.

The tragedy of this whole episode can be seen in the case of a brilliant young former State Department official—Lawrence Duggan—who was named as a Communist and who seemingly took refuge in suicide. There was another poor wretch—Abraham Feller—who was identified as a Communist and fled from the disgrace through the window of a high building. There was Alger Hiss who served a term in the penitentiary and who is now getting a warming hand, in his effort to rejuvenate himself from the same papers that persecuted Joe McCarthy. I could list scores of others who were exposed—some of whom vanished, while others marched boldly out into the open Communist Party. The injury these men inflicted on their country is beyond measure. Take the case of Harry Dexter White, Assistant Secretary of the Treasury of the United States—a subcabinet post—who worked with an underground Red cell in Washington and got for Russia the copper plates with which United States occupation currency was printed, thus enabling the Russians to print United States money to their heart's content. When he was called for investigation, he was stricken with a heart attack.

Well, now Joe McCarthy is in his grave and his lovely young wife survives him. He is beyond the reach of the calumniators. But those of us who knew him, knew of the strong faith and courage which sustained him from these angry assaults—even from the White House.

[From the Dallas (Tex.) Catholic]

It is our guess that Senator Joseph McCarthy has had more prayers offered for the repose of his soul than any other layman in American history.

[From the Norristown (Pa.) Times Herald of May 4, 1957]

DEATH OF A STATESMAN

It is always grimly bemusing to read what the bitter foes of a statesman in life say of him when he is dead.

The once caterwauling chorus, led by President Eisenhower himself, who singled out Senator Joseph McCarthy to bar him from White House social jamborees, now babbles about Mr. McCarthy as sincere and courageous and energetic.

Of course, he was all that and even more.

Sneered at as too radical, he was a brave and devoted knight in the armor of the right, his voice calling in a wilderness of wolves against treason and indifference and incompetence in Government.

He led the way against such creatures as gave the atom bomb to Russia, if he did nothing else. And he did plenty else.

In this mess of sickening adulation now that his passing is this country's real loss, we have the melancholy satisfaction of recalling that this newspaper never faltered in its approval of Joe McCarthy. We were with him all the way.

Everybody but a coward loves, or should love, a fighter. Most Americans admire and respect a statesman who has firm convictions and is not afraid to stand up and be counted for them and refuse compromises—as shown by Senator McCarthy's overwhelming elections in his home State. He was a protagonist who could not oppose subtlety in kind.

The whole story of Communist infiltration has not yet been told. When it is, the memory of Joseph McCarthy will be warmer than ever in the hearts and minds of the American people.

[From the Tulsa Tribune of May 3, 1957]

SENATOR McCARTHY

(By Richard Lloyd Jones)

Flags droop at half mast over the Senate Chamber of our Capitol. A great Senator lies dead. Abused and maligned for his heroic patriotism, Joseph R. McCarthy will loom larger in the perspective of time. He was a crusader in the defense of our Government. He worked himself to death for you and me and for all our common countrymen. He was a victim of subversive persecution and influence.

By the Senate's own committee of appraisal of those who have stood on the United States Senate floor among the five names greatest for courage were Webster, Clay, Calhoun, La Follette and Taft. They were men who stood uncompromisingly for their convictions. And each in turn was persecuted in his time and place, yet they loom as giants today.

La Follette went to the Senate from the same State that sent McCarthy there. Half a century ago the Senators hazed La Follette. They walked out of the Chamber when he rose to speak. The public press gave him the thunder of silence. Today the very men who traduced him recognize his heroism and do him honor.

So it will be with Joseph R. McCarthy. He ferreted out the agencies of treason and sabotage. For these patriotic devotions his own colleagues voted censure on his head. Even the President of the United States, a member of McCarthy's own political party, engaged in a cabal to ruin him.

Joseph R. McCarthy cannot be ruined. When next the United States contemplates those who have stood upon its floor to exhibit matchless courage it will name among them Joseph R. McCarthy of Wisconsin. No soldier ever battled more bravely for our country than did this cruelly maligned Senator who was hurt unto death in his youthful year of 48.

[From the Fort Worth (Tex.) Southern Conservative of May 1957]

McCARTHYISM WILL LIVE FOREVER AS A SHINING SYMBOL OF LOYALTY

The American flag was permanently lowered to half mast in the hearts of patriotic Americans when the angel of death tapped Joe McCarthy and summoned him home.

And among the rank and file forces of subversion, disloyalty and fifth-amendment Americanism, there is widespread rejoicing that this country's No. 1 enemy of communism has been cut down in the heyday of life.

Like pygmies dancing on the grave of a giant, they are making wassail and revelling in the joyous hope for an easier and earlier victory of the Soviet conspiracy against the United States.

Understandably, it is humanly impossible for the stunned and sorrowing millions of Joe McCarthy's friends and followers throughout the Nation to accept the thesis that, in the mysterious ways of providence, all things happen for the best.

But there is the dawning and consoling realization on their part that, in death, he may secure for his beloved country the measure of safety and security its enemies prevented him from achieving in life.

His strong voice has been silenced forever, but the insistent voice of a guilty conscience will disturb his traducers for a long time to come. And if there is any shred of honest concern for the security of the Republic on the part of Lilliputian leaders who professed sympathy with his objectives while denouncing his methods, the time is now here for them to prove their point and thereby reestablish their right to look loyal Americans in the eye once again. If they will develop a better method and take up the relentless fight which cost McCarthy his life, partial atonement will have been made.

Every charge he brought against those he knew to be engaging in un-American activities has been substantiated by the unfolding events of time.

While many involved persons' reputations may have suffered by his disclosures, it was because of their own disloyal acts against the internal security of the United States and not because McCarthy lifted the curtain which exposed their treasonable behavior to public view.

In not one single case was an innocent person accused by him and the written record in Washington, set in cold and impartial type, will—unless mysteriously removed from the public archives—bear eternal and incontrovertible witness to this fact.

Some of his detractors in the Senate have already publicly apologized for their injus-

tice and inhumanity to this great American and have expressed regret for their shameful part in the shabby and despicable frameup against him—a frameup engineered and financed by a shrivelled-souled renegade whose soiled record of collusion with subversive cliques and projects would bring a blush of shame to the cheeks of a Digger Indian.

Some of those he accused of disloyal action have been whitewashed and even promoted to higher station but the black stain of their guilt remains unerased and if there is any validity to the belief that truth will prevail in the end, their part in protecting proved traitors will yet be brought to light.

Regardless of the medical term for the disease which took him away, JOE MCCARTHY was slowly tortured to death by the pimps of the Kremlin who operate unremittingly in every capital of the world, from Moscow to Washington, and whose concentrated hatred and fury were centered on him.

His death was hastened by the human hyenas in the Truman and Eisenhower administrations who incessantly snarled at his heels and who were able to embarrass him but who could never quite humble him, deflect him from his course, or make him afraid.

It was aided and abetted by calculated social snubs administered to him by little men in high posts officially possessed of the power to humiliate him and wound his pride but who were personally devoid of those qualities which would restrain persons of innate culture, good breeding, and exalted stature from converting a social function into a weapon for attacking a political foe.

It was accelerated by the cowardly jackals of that craven portion of the American press which defers to heavy advertising accounts, and who obeyed orders to smear and slander him and to slant every written line involving his magnificent fight to break communism's lethal hold on the institutions of the country he loved and served.

Even in death, they reverted instinctively to the smear pot and spattered their editorials with venomous reference to his "methods," to his "censure" by pro-Reds in the Senate, and to his "rise and fall" in popularity, deliberately flaunting the now obvious fact that in the hearts and minds of unintimidated and worthwhile Americans, he never toppled but held his enduring place in their respect, confidence, and affection until fate rang down the curtain on his glorious but tragically brief career.

In an age when the twin specters of international conspiracy and domestic collaboration stalk the councils of the mighty, when known traitors have been permitted to serve as American Presidential aides in time of war and when a spirit of unswerving national allegiance is brushed off as the maudlin sentiment of weaklings and fools, it was inevitable, perhaps, that JOE MCCARTHY should walk alone and stand as a solitary sentinel against the forces of darkness sworn to destroy American defense.

But when his unslanted record is sent down on the pages of history and stripped of the smear and slander which trailed him to the grave, "McCarthyism" will emerge as the synonym for patriotic service and the radiant symbol of undivided loyalty to country which, in the final analysis, is the supreme test of fitness for citizenship in this Christian Republic and the ultimate factor which determines a man's moral right to the protection of the American flag.

[From the Houston Chronicle of May 5, 1957]

MCCARTHY DESERVED BETTER TREATMENT FROM COUNTRY

(By Bascom N. Timmons)

It was a curious result that in the spin of the wheel of history, Robert M. La Follette was chosen along with Daniel Webster, Henry Clay, John C. Calhoun, and Robert A. Taft as the 5 outstanding Senators in American history just 24 hours before JOSEPH MCCARTHY died. La Follette and MCCARTHY, both Senators from Wisconsin, were the two most controversial Senators in that body in this century.

As a political writer in Wisconsin and in Washington, this writer knew Robert M. La Follette intimately for many years. My acquaintance with MCCARTHY was for a number of years, though fewer than with La Follette. To me the choice of La Follette was astounding, as I think it was to most people who remember back to World War I.

The greatest charge against La Follette was that he was disloyal to his country in an hour of great peril. The great charge against MCCARTHY was that he "smeared" individuals. La Follette voted against declaration of war on the Central Powers. But others did that. It was concurrent actions that brought down the wrath of his countrymen on him. Others of those who voted against war supported it once we were in. La Follette absented himself from the Senate, made speeches such as the one in St. Paul, Minn., denouncing the motives of this Government and continued to question the sincerity of the Government when American troops were dying on the battlefield.

CALLED A TRAITOR

Although La Follette was a Republican, the Wisconsin Republican State Central Committee adopted a resolution censuring him for "treasonable and seditious utterances." The Wisconsin State Council of Defense and 71 county councils called on him to resign and on the Senate to expel him if he did not. Both houses of the Wisconsin Legislature condemned him for speeches tending to incite sedition. He was burned in effigy in a half hundred Wisconsin cities and towns.

In May 1917, the feeling against La Follette was at its height. Forty years later the Senate orders him enshrined.

No one ever accused JOE MCCARTHY of giving aid and comfort to the enemy. His worst crime was that he was an aggressive American. He came to understand Communist infiltration in this country better than any other man and did more than any other man to dredge it out. He was unduly harsh in some of his judgments. He was accused of going off the track quite often. Even Thomas J. Walsh, presiding over the Teapot Dome inquiry, went off the track sometimes before he pushed it to a conclusion. Like Walsh, MCCARTHY was an able, resourceful, and determined battler.

In the miasma of irreconcilable contradictions it is difficult to tell how many Commies imbedded in the woodwork of Government were pried from their hiding places. He did force something of a house cleaning. There is no doubt that but for the steam his investigation generated Congress would never have passed the law which labeled the Communist Party in the United States a criminal conspiracy.

It probably will be difficult for the historian of the future to understand why the Senate and the Eisenhower administration ever bought the idea which had been advanced in the diatribes of FLANDERS, of Vermont, representing the leftwing fringe of Republicanism, and the obtuse and yearsweary Lehman, of New York, the Democratic prototype of FLANDERS, to censure MCCARTHY, which furnished a spectacle more of lynch law than orderly parliamentary proceedings.

SANG BY EAR

The higher echelon of the Eisenhower administration threw aside its sheet music and sang by ear its hymn of hate of MCCARTHY. Perhaps the thing that hurt MCCARTHY most was the fact that the White House announced that it had invited every other Senator and Representative to last winter's White House social affairs except MCCARTHY. But MCCARTHY was already a sick man when that occurred and it seemed to him the White House was making war on his wife because of its dislike for him.

Perhaps the stirring of the venomous hate against him is too recent an event for a kindly reception to words spoken in praise of his efforts. But this can be said: Of course, not everyone who hated MCCARTHY was a Communist, but every Communist hated MCCARTHY. He was the arch enemy of communism.

JOE MCCARTHY may or may not come to be an American Dreyfus. The country may or may not build monuments to him.

But JOE MCCARTHY deserved better of his country than it has lately treated him. "McCarthyism" may come to mean the exact opposite to what his enemies would have it mean.

[From the Colorado Springs Gazette]

JOSEPH R. MCCARTHY

JOSEPH R. MCCARTHY, Senator from Wisconsin, is dead. He passed from the scene as one of the most controversial figures in American history on the evening of May 2, 1957, following a bout with hepatitis. He was 47.

We are too close to the Senator to obtain a totally objective view. In another hundred years or so, historians will have a better opportunity to evaluate his works. Unquestionably, however, he was loved and hated, trusted and feared as few men in their time ever are.

We can be counted among those who loved him. We did not fear him. Nor did we trust him entirely. Those who hold public office come under a cloak of suspicion from the very beginning, so far as we are concerned.

Yet, we can say this: In the area where he was justly famous, namely, in the business of exposing Communists and awakening the American public to the dangers in our very midst, there we trusted him. There he earned his spurs, and were we not so far gone in degeneracy and dependancy on government, he would have won immortality in every quarter of the globe beyond a reasonable doubt.

That so many voices were raised against him, is the proof of the decline of the American Republic. No man, in so short a time, has ever been so viciously and so continuously smeared. Not that he was necessarily above reproach in all that he did.

But, it can be said, and the record will bear us out, that the calumnous and libelous things which caused a wide public reaction against him, were for the most part twistings of truth and outright lies.

For example, it was often claimed that he injured those he sought to question. The claim is false. The persons under his investigation had already harmed themselves irreparably by Red-tinted connections and questionable conduct. And as for his methods in his famous Un-American Activities Committee, no man was ever more gentle and considerate, albeit always determined and persevering. If this is still in doubt, we challenge the doubter to check the record.

A man is not only known by the company he keeps but by the enemies he makes. And while it has often been said that MCCARTHY attacked others on the basis of association, it is also true that his detractors attacked many soundly American patriots, by charging them with McCarthyism and thus performing the act of attributing guilt by association to those who loved their country. And if MCCARTHY was known for his associates, he was also known in every quarter as a man hated by every Communist on either side of either ocean. Here was one man on which the turns and twisting of the Communist line could unite. The year in which the United States Senate censored

McCARTHY was the same year in which the official Communist program had as one of its major objectives the getting of McCARTHY.

In the McCARTHY lexicon there were no neutrals. You were either against communism or in some way you were for communism. There was never a question as to where McCARTHY stood. He opposed communism. He exposed Communists. He ripped into the sanctified halls of Congress, trodding on toes, kicking up a fuss, whenever he felt that someone in a high position was protecting a person whose loyalty could be questioned. The guilty and the confused and fearful joined ranks against him.

McCARTHY didn't fail, although the plotting of the political manipulators saw to it that he didn't get the credit for what he did. Others picked up the battle and carried it forward to such an extent that today there is a widespread movement against communism in this country both within and without the Government. McCARTHY caused that movement to jell.

He also saw to it that the public came to realize that there were many things going on in the Government behind closed doors which should, by all the precepts of representative government, have been made public information. Again, others picked up the pieces and acted on the evidence produced by McCARTHY.

Whatever anyone can say of McCARTHY'S judgment, no one can ever impugn either his loyalty to America, nor his courage.

Now he is gone. America has lost one of her truly great men.

THE SENATOR IS DEAD

By tragic coincidence, only several hours after the editorial on controversy above was written, one of the most controversial figures of this decade, Senator JOSEPH McCARTHY, died.

The Wisconsin Senator's death should be the occasion of thoughtful meditation for the Nation. His health gradually gave way under the frightening burden and almost unbearable pressure of responsibility placed on the shoulders of a United States Senator who fearlessly undertook his duties of office. Few political figures on the national scene today care to be controversial. As a consequence, they contribute little or nothing to the future of this Nation. History shows that all statesmen were controversial in their day. Only politicians are noncontroversial. Many Senators are mere politicians swayed by fads popular at the moment. Their guiding principle is one of political expediency. They will change their course in midstream should an ill wind brush against their political fortunes. They vote with an eye on the next election. Senator McCARTHY can never be accused of such a perversion of high office.

Senator McCARTHY'S death reemphasizes what thinking people in America have known for some time: Any prominent figure who dares to be courageous and fearless in fighting communism will be crucified and crushed. In this respect Senator McCARTHY and Representative MARTIN DIES are classic examples. Few men have been crucified as viciously as was Senator McCARTHY.

There will be multitudes of hypocrites who will come forward after Senator McCARTHY'S death with platitudinous praise. We are concerned here not with the late Senator's voting record, but with his stand on atheistic communism and his approach to this sinister menace in our midst. On this we believe he was dead right. This we have consistently held even when it was unpopular to take such a stand. We have followed his activities at close range and have had many personal conferences with him. We feel qualified to evaluate his program of anticommunism. We do not agree with those who say "his intention was right, but his methods were wrong." We have carefully studied his methods over the past years and have not found them to be wrong; at times he may have erred in judgment but who dares to cast the first stone? The greatest error in our age is silence and in that Senator McCARTHY never erred.

He did make mistakes as all men do, but these were rather tactical errors than mistakes of principle. Senator McCARTHY was always sincere in his objectives. As a former marine he fought tenaciously and bravely for that objective—to weed Communist-inspired-and-led termites out of the framework of American Government.

History may well prove that the silencing of Senator McCARTHY by powerful forces in and out of Government following the Senate-Army hearings in 1954 to be the turning point of victory in the United States for the subversive menace of world communism. It is our conviction that he was throttled because he had reached "pay dirt" at the top. His investigations brought him to the front doorsteps of men of high rank in the United States.

The world, the Nation, and particularly the State of Wisconsin, mourn the death of the courageous Senator. It will be many years before Wisconsin or any other State sends to Washington a statesman with Senator McCARTHY'S courage, conviction, and ability. We cherished him as a friend in life; we grieve at his death. Few have served their country more totally, unselfishly, and effectively. His death is a severe loss to the Nation—a loss greater than most now realize. Long after his worst opponents—who frequently in their criticism didn't even bother to study the record—have passed into oblivion, Senator McCARTHY'S memory and contribution to the Nation and the world will remain. Few are entitled more rightly to the title that is his of being a stanch, loyal Christian American statesman. Perhaps his utter fearless action was sufficient to stop the advance of communism in the land he loved; perhaps his voice was choked out too soon. Perhaps his wife and associate should be a candidate for the seat he leaves vacant.

A man of controversy—yes—but also a man of history—that is Senator McCARTHY. May his soul rest in peace.

]From the Chatham Courier of May 9, 1957]

A GREAT WARRIOR HAS FALLEN

A great American passed away last week when Senator JOSEPH A. McCARTHY died in Washington where he had carried on his battle against communism for so long.

Senator McCARTHY, by his very nature, was a controversial figure. He fought for what he believed was right which, in his judgment, meant the saving of America from infiltration, no matter whether in Government or industry, by those who would destroy our country.

No man can deny that when he commenced his crusade, the ugly and insidious followers of the Kremlin were slowly but surely eating their way into the very heart of America. Into many of the branches of Government, they were to be found. Into important and sensitive industrial plants, they had found their way. Into other fields, they had crept like termites, waiting only for the collapse of the structure. Theirs was to do the bidding of a foreign power whose admitted enemy was the United States of America.

When Senator McCARTHY commenced his exposure, they and their followers struck back by the only means they know, by attempting to destroy by calumny or evil suggestion him who would expose them.

Many good people believed their tales and saw in Senator McCARTHY one who would pull down the very foundations of the Constitution and set himself up as a dictator or who, by his words and acts, would destroy the names and character of those whom he suspected of treasonable actions.

So far did this propaganda reach that the Senator from Wisconsin was condemned for his actions by the Senate of the United States. Yet there were millions of people who stood beside him, and saw the frailties of the man but recognized that his cause was a holy one and that for it, he must suffer.

This has been the lot of all in America who fought communism in the halls of Congress . . . Martin Dies of Texas, Hamilton Fish of New York, Joseph McCarthy of Wisconsin and today, Senator James Eastland of Mississippi. All of these men have felt the whiplash of the Communists and each has had his character and reputation smeared by them and their followers. Such is the way of the Communists and such it will continue to be against those who hold their philosophy and their methods of operation as opposed to Almighty God and the blessings of a free America.

Recently, the President of the United States dispatched the 6th Fleet into waters where Communist infiltration was likely and with apparent successful results.

Here, in this country, JOSEPH McCARTHY carried on a warfare against those who would strike us from within. This form of destruction is much more insidious, much more destructive than outward action. It eats away and destroys the whole framework, and unless the bright light of publicity is cast upon it, it may, in the end, win its ultimate objective.

Time, we predict, will elevate Senator McCARTHY to the great illustrious of the Senate of the United States, and the good works and deeds he did will long remain after many of his traducers have gone to their final rest and their opinions forgotten.

He fought the good fight. He has finished the course and he kept the faith.

[From the New York Catholic News]

Senator McCARTHY is dead, and the Communists and fellow travelers are vehement in their denunciations of him. Their glee over his death is obvious. In the United States there is a widespread realization that communism has lost its most effective foe. Senator STYLES BRIDGES of New Hampshire said: "His courage and sincerity in battling against all subversive elements were great contributions to the protection of our American way of life. History will record him as one of our outstanding American patriots."

Dead at the age of 48, Senator McCARTHY contributed an important chapter to the history of the Nation at a critical time. To say that he made mistakes is to say what we can say of nearly any man in public life except those who do nothing. He made the United States conscious of the Communist infiltration at a time when many in high places were ignoring it and denying it existed. It is unfortunate that Canada and England did not have a JOE McCARTHY to shock them out of their complacency on communism. The prayers of millions will be offered for the eternal repose of this courageous foe of his country's foes.

[From the Camden (N. J.) Star Herald]

Senator McCARTHY is dead. A public figure who skyrocketed to fame and misfortune in less than a decade of arduous labor that made him perhaps the most controverted personality in the leading capitals of the world.

Loved and admired by many; hated by others, Senator McCARTHY relentlessly pursued communism, attacking the Soviet bear in its lair and ruthlessly exposing every form of the greatest sham ever foisted on men from parlor pinks to implacable Stalins, Chou-en-lais and Tito.

Censured by our august senatorial body, who were the frequent targets of his violent denunciations of all things communistic;

branded as a witch hunter, before and after death, by the public press of many countries, and dying at an early age of interminable conflict with the forces of evil assembled to destroy a modern David in his death struggle with Goliath—only the impartial verdict of history will decide the true merits of Senator McCARTHY to the immortal remembrance of our Nation.

One truth is abundantly clear in the passing of Senator McCARTHY from the American scene: That whereas only an insignificant few hundreds grasped the actual meaning of communism as the deadliest foe of all religion and all freedom then, now millions at home and abroad know and accept this Frankenstein monster for what it really is and no one is deceived, except the Communist leaders wherever they are and the unhappy enslaved peoples who are the pawns in the desperately mad bid for one Red world.

In this sense, which is perfectly orthodox, Senator McCARTHY is the watchman of the citadel, who risked his name, his political future, his health, and even his life to save the American Ship of State and the peace and the world from that communism that believes neither in the divinity of God nor in the humanity of man.

[From the Ashland (Ky.) Daily Independent of May 3, 1957]

JOSEPH R. McCARTHY

Death came suddenly yesterday to Senator JOE McCARTHY, of Wisconsin, at the age of 47. For many months he had been in poor health and unable to play the vigorous part in national affairs which had made him both one of the most admired and most intensely hated men in American public life.

Whatever may have been his faults, his loyalty to the United States of America and his determination to fight the Communist conspiracy which would overthrow our form of government were unquestionable.

If ever the Communist apparatus, aided by its host of fellow travelers, pinkos, and anti-anti-Communists, was successful in getting its man, it certainly earned its Stalinist medals destroying Senator McCARTHY. By every trick of the publicist's art, it succeeded well in creating a byword and a term of opprobrium, "McCarthyism." Too many people accepted it as such without thought or analysis. To its victim, it brought ultimate death.

What JOE McCARTHY really stood for was the defense of his country against Communist infiltration and destruction by the method he knew best, direct and fearless action.

We met JOE McCARTHY first in the Marine barracks at Quantico, Va., in the late summer of 1942. He was there to defend his country then. And that was the goal of his life until the end. It is our conviction that the slow judgment of history will fully vindicate this estimate of the man.

[From the Albany (N. Y.) Evangelist]

Only the most callow and unconcerned with the preservation of Christian democracy can fail to be saddened and feel a sense of loss in the death of the late Senator from Wisconsin, the Honorable JOSEPH R. McCARTHY. His passing removed from the national scene a sincere, stalwart warrior who recklessly and relentlessly spent himself in warring against the wiles and intrigues of atheistic communism.

He was no ordinary political crusader. The evil against which he devoted his every talent and effort was not commonplace. It thrived on confusion, compromise, and half measures. It could only be challenged by a clearsighted understanding of its essential immorality and a fearless and forthright exposé of its propagators and the alarming number of sycophants, liberals, and starry-eyed optimists who were willing to temporize with it and to hope for the best from it, content to believe that it was kindred in some way to the basic principles of democracy. Because this was the popular view and because the ruthless forces of atheistic communism were strongly entrenched, extraordinary courage was demanded of him who would stand almost alone among his peers in his insistence that communism is an unmixed evil that could not be tolerated.

Senator McCARTHY well knew the tactics of the enemy and appreciated the hazards that such combat held for him. Prestige, career, even bodily health, he willingly spent to expose the venom that threatened the lifestream of the Nation.

Because of the late Senator from Wisconsin, millions throughout the Nation today have a better appreciation of the viciousness of communism and the titanic battle that must be fought unceasingly to stem its tide. May the palm of victory be his eternal adornment.

[From the Aiken (S. C.) Standard-Review of May 6, 1957]

SENATOR McCARTHY

A rugged individualist has departed from the American scene of statesmanship with the untimely death of Senator JOSEPH R. McCARTHY, of Wisconsin, perhaps the most controversial figure of the era in political circles.

There are those who sided with the fearless Senator, those who opposed him, and a third group who watched his every move with appreciation of expected—and were never disappointed—amusement in his showmanship manner as he strode boldly into conflict with the enemy—especially where suspected communism was to be ferreted out and exposed.

The liberals, the pinks, the admitted Communists feared and hated the gentleman from Wisconsin, who zealously, without partisanship or regard as where the chips fell, wielded the ax which dealt a mortal blow to subversive moves by people in this Nation of the disloyal group.

Say what you will, think how you please, but with Senator McCARTHY's appearance and sojourn in the Senate, the American people had a champion to defend them from all acts of disloyalty; and to others, whose loyalty to this Nation was questionable, a foe was he—dreaded, hated, and feared.

Not too many men of Senator McCARTHY's caliber pass through the Halls of Congress and leave behind a record such as his. Perhaps they are too few.

The people of America will miss Mr. McCARTHY and his rugged, never-ending, deeply conscientious struggle against communism, except those who had a right to fear his attack and those who could not stand unflinchingly under the penetrating light of his questioning.

He served his country well.

[From the Los Angeles Herald Express]

DEATH OF SENATOR McCARTHY

(By William Randolph Hearst)

The passing of Senator JOSEPH McCARTHY, critically ill only a matter of days, comes as a shock to the Nation and his millions of followers.

Veteran of World War II, he went to the forefront and became a bitter, relentless fighter against communism, centering his attack upon the Communists who were infiltrating Government official life.

Because of this he became a controversial figure berated by Communists, leftists, and many liberal groups.

Nevertheless, he continued his unbending struggle to root out home-grown communism and Communist fronts wherever he could find them.

Many will remember him as a beacon of warning at a period in our history when tolerance of Communists and their followers in many high places in public life posed a grave threat to our national security.

Senator McCARTHY has passed from among us, but he will not be forgotten, and there will be others who will follow in his footsteps to continue as leaders in what seems to be a never-ending struggle to preserve our great Nation from dangerous subversive invasion.

[From the Cincinnati Enquirer of May 4, 1957]

JOSEPH R. McCARTHY

Senator JOSEPH R. McCARTHY was a man of many facets, and people saw in him many different things. To some, he was a cynical, ruthless destroyer of reputations, interested only in the furtherance of his own political welfare. To many, many others he was a man of singular courage and determination, willing to sacrifice himself in a crusade against the machinations of the Communist conspiracy.

History will judge wherein his greatness lay—as a patriot, or as a politician.

Let it be recorded now, though, that he was no ordinary man. He was a battler, and one with extraordinary talent. He didn't hesitate even at "taking on the champ," which is what it amounted to when he forced an issue with the Eisenhower administration at the peak of the President's popularity.

As the observers have noted, the Wisconsin Senator's meteoric career swept almost into obscurity after that—after, with the administration's weight thrown against him, he was censured by the Senate. It would be assuming too much, however, to say that his political life was done. McCARTHY was a 2-to-1 choice for reelection to the Senate from Wisconsin next year, and in view of his remarkable political vitality, he may again have become a power to deal with in the Republican Party. His death was a shock to friend and foe alike. That much we can say, and leave the rest to speculation.

The Enquirer was a defender of Senator McCARTHY, and we were wont to remind critics of his "methods" that the man was fighting an artfully entrenched and fiendishly clever opposition. "McCarthyism" was coined as a smear word, and it was taken to mean a wholly vicious and unprincipled attack upon people innocent of all wrongdoing, or a modern version of witch-hunting.

Yet there were no witches in Salem, and there were Communists in Washington. We hope that historians will be mindful of that when they pass judgment on JOE McCARTHY. We hope they will not lose the thread of proof that Communists did infiltrate our Government, did connive to deprive this Nation of allies and did steal vital defense secrets. "McCarthyism" found a spearhead in JOE McCARTHY, but in main essence it was the wrath of a people betrayed. We can only hope that the final curtain for Senator McCARTHY does not usher in another era of undue softness on communism in America.

[From the Fort Lauderdale Daily News of May 4, 1957]

JOSEPH R. McCARTHY

Senator JOSEPH R. McCARTHY, a man admired and respected by many and hated and reviled by as many more, is dead.

We don't know how the God who Senator McCARTHY worshiped will judge him, but we have always been firmly convinced that he did what he honestly felt had to be done, knowing full well that in carrying out the task he had set for himself he might be the major victim.

He was no angel, nor did he use the tactics of angels in fighting what he believed to be the great menace of our times. He was one of those who used fire to fight fire.

He was "a man of strong convictions," in the view of Senator McCLELLAN, of Arkansas, with whom he worked on many investigations. In the opinion of Senator BRIDGES, of New Hampshire, he "literally gave his life to preserve freedom for all Americans."

There is little doubt about Senator McCARTHY's patriotic zeal. For in sharp contrast to many of his enemies who successfully avoided military service, he volunteered when he could have stayed home.

When he returned from war, he realized his country was just beginning its greatest fight, and he set for himself the task of awakening an otherwise sleeping Nation.

In the columns of Pravda, he is reviled as an arrant reactionary who sowed an atmosphere of fear and anti-Communist hysteria throughout the United States.

Senator McCARTHY did succeed in his mission. He awakened the American people to the fearsome peril posed by international communism. He focused a merciless light on the huge Federal bureaucracy which has proved a comfortable hiding place for Communists.

But there never was any hysteria except in the columns of the liberal press or on the lips of the apologists for communism and its helpers. During all the years when Senator McCARTHY reportedly was conducting a "witch hunt"—when liberals were supposed to be silenced by fear—there were tens of millions of words written or uttered by his very victims.

Yes; there was hysteria on their part; for they feared the results of any investigation into the Communists' past infiltration of our Government. Directly or indirectly, Senator McCARTHY was responsible for the jailing of a large number of enemies of our Nation.

Because of his fight, he was subjected to the greatest concentrated campaign of abuse ever directed at anyone on the American political scene.

This abuse, spearheaded by the Communists and their liberal dupes, never was allowed to slacken. Senator McCARTHY knew all along what was in store for him—he knew the nature of the enemy—but he never wavered.

He succeeded in his immediate goal, but he paid the ultimate price.

His death is a loss to the Nation he loved and served. It is a loss which will be felt keenly by many of our citizens who shared Senator JOE McCARTHY's belief that the internationalist Communist conspiracy could not be fought with kid gloves under Marquis of Queensberry rules.

Senator McCARTHY didn't fight like a gentleman because he wasn't fighting gentlemen and none knew this better than he.

[From the Houston Chronicle of May 4, 1957]

HISTORY WILL BE MORE INTERESTED IN McCARTHY'S AIMS THAN METHODS

Few figures in American history have made such an impact as Senator JOSEPH R. McCARTHY, of Wisconsin, during the 10 years he was in the United States Senate. The vital part of his career was concentrated into 4 years, between 1950 and 1954. So strong a character was McCARTHY that he aroused violent feelings, for and against him. Only the objectivity of history can give McCARTHY his proper place in this era. It is probable that historians, remote from the vitriolic smears made on McCARTHY by the liberal propaganda brigade, will credit him with being a catalytic force in alerting Americans to the subversion of their Government.

McCARTHY's enemies succeeded in making him relatively ineffective after the famous Army-McCarthy hearings and condemnation by his Senate colleagues. But they have not succeeded in erasing from the minds of Americans the stimulation of thoughtfulness which McCARTHY evoked.

McCARTHY accused a small clique in the Federal Government, chiefly in the State Department, of causing 600 million Chinese to be subjugated by the Communists. The targets of McCARTHY's attack blamed it all on Chiang Kai-shek, while some of their defenders admitted their blunders but claimed the errors were made through bad judgment. McCARTHY convinced millions of Americans there was more than stupidity involved in the loss of China to the Communists.

When McCARTHY, after the famous speech at Wheeling, W. Va., centered his fire on the State Department and began naming names, the uproar started. It was then that the liberals set out to destroy him, as they have tried to destroy other vigorous anti-Communists, like MARTIN DIES. The liberals have never found anything to like or praise in any anti-Communist.

Senator STYLES BRIDGES, of New Hampshire, said of McCARTHY, "He literally gave his life to preserve freedom for all Americans." Vice President NIXON said, "Years will pass before the results of his work can be evaluated objectively, but his friends and many of his critics will not question his devotion to what he considered to be the best interests of his country. * * *" Senator JOHN McCLELLAN, of Arkansas, who often clashed with McCARTHY on the investigating committee, said, "I found him to be a man of strong convictions and on occasions when I may have disagreed with him I am happy to say there were never any personalities involved."

Taken together, the statements give a good evaluation of McCARTHY. His sincerity was not questioned. McCARTHY's detractors used the clever approach, "We like his objectives, but not his methods." History probably will be more concerned with his objectives and what they accomplished, than with his methods.

[From the Illinois State Journal of May 4, 1957]

SENATOR JOSEPH R. McCARTHY: CONTROVERSIAL AND COURAGEOUS

When time's healing balm wipes away all the ill feelings, all the stark emotionalism, all the fanaticism that swirled around the political career of Senate JOSEPH R. McCARTHY, he may gain recognition as one of the truly great Senators of the 20th century. But any assessment will have to come from objective historians, not from writers of our day who all seem to be subjective.

At any rate, Senator McCARTHY was undoubtedly the most controversial political figure of this half century. His foes accused him of witch-hunting and of using guilt by association tactics to malign honorable people. His admirers were at the opposite pole in their attitude. They said he was justified in using extreme methods in exposing the machinations of communism and its danger to our country.

Whether or not his tactics were ethical or justified, we believe McCARTHY did a great service for his country in dramatizing the evil of communism. The American people went through the twenties, the thirties, and a large part of the forties without being aware of the cancerous growth of communism that was eating at the vitals of American freedoms.

Sir Winston Churchill first called attention to the dangers of the era in an historic speech at Fulton, Mo. He bluntly pointed out that Stalin had doublecrossed his allies. Then came the exposure of the atom spies, the Rosenbergs, and the shocking realization that Russia had the secret of the atom bomb. Next followed the Hiss case.

But not until McCARTHY launched his compaign against communism did the American people wake up. The general attitude prior to that time was that all those headlines from Washington were politics. The Republicans were investigating the Democrats. President Harry Truman's attitude was typical of many: The Hiss case was a "red herring."

McCARTHY, in reality, exposed the laxity of Government officials toward communism, rather than Communists themselves. But in doing this he stirred up a great enmity, for when a high Government official's reputation is at stake he doesn't take it sitting down, especially if he is still in office.

McCARTHY, in final analysis, was a prosecutor of the people's cause. He may have been wrong in some of his charges, but prosecutors for the people rarely prove all they allege. The inductive method of prosecution is common in our courts, but when McCARTHY used it he stirred up the worst political storm of the century.

Was he right or wrong? History will tell.

Mr. BRICKER. Mr. President, it is very difficult for me to express my feelings at this time. JOE McCARTHY was my friend. He sat here by my side for many, many years. Oftentimes of a night, in his loneliness, he would call me; and I felt better, and I hope he did, as a result of our having talked together.

We came to the Senate of the United States at the same time. Whereas I had devoted most of my life to politics, Senator McCARTHY's political career was just beginning. During the first few months of our association I wondered how a man so young and so inexperienced had climbed so high on the political ladder.

Certainly he had none of the shrewdness, cynicism, or guile that are so often ingredients of political success. His chief political asset, I thought, was a disarming innocence and a boundless capacity for friendship. No man seemed less capable of bearing personal malice.

Membership in this body may temper a man's faults and virtues, but it does not transform his character. JOE McCARTHY came to us in 1947 with a burning desire to be a good Senator, with a profound loyalty to his country, and with the most open invitation to friendship a man has ever worn. JOE McCARTHY was the same man at the time of his death in 1957.

It is indeed a pity that the official records of Senate proceedings can never accurately reflect the personality and character of a departed colleague. In Senator McCARTHY's case, for example, the popular portrait has been badly distorted by the exaggerations of his enemies and of some of his admirers.

I know I have not been alone in reflecting upon what might have been done to ward off the unhappy event which climaxed Senator McCARTHY's crusade against communism. Here was a man who was hated and vilified, not for his faults, but for his virtues. Nevertheless, he insisted on standing the savage ordeal alone. He did not want his friends to be tarred and feathered by the brush that was being prepared for him.

If I could characterize Senator McCARTHY in but one single way, it would be that he was a man of exceptional courage. Bravery was indicated by his distinguished war record and was no doubt discerned by the people of Wisconsin in the campaign of 1946. However, it was not until several years after I met JOE that I realized how indomitable and how unlimited his courage really was.

As Senator McCARTHY so often said, we are at war with communism—a war

that will not end except by victory or defeat for Western civilization. This war has many battlefields. The intellectual case against communism is ironclad. America's intellectual leaders in all areas of human activitity have drawn up the most damning indictment in recorded history. However, these intellectual exertions are futile unless the nature of the life and death struggle with communism can be presented to the general public in a simple, clear, and dramatic frame of reference.

JOE MCCARTHY alerted the American people concerning the essential nature of the Communist conspiracy by words and deeds that no one could fail to understand. He dramatized the issue as no one else had done or was capable of doing. He became the prime symbol of vigorous anticommunism. As the passions of the recent past subside, I hope that both the man and the symbol will be universally accorded the respect they deserve.

Senator MCCARTHY's turbulent career in the Senate of the United States had many elements of high tragedy. This was sensed most clearly on the day of his death. One great writer, Mr. William S. Schlamm, expressed this feeling of tragedy when he wrote in National Review:

> Yet there was a weird feeling in the air on that day, a tremor of urgency throughout the Nation, a sudden fearsome shock. This, somehow, was an unnatural death. A man had died in bed, but the country felt that he had been stoned unto death. This, in spite of its slick communicators and ruling hucksters, is an inarticulate nation. Too often it expresses its truest feelings by reflexes rather than in orderly prose. And, last Friday, I felt violent shocks contort the well-fed body of the Nation.

Close to the heart of this tragedy is the paradox of freedom and authority on issues of survival in an atomic age. Senator MCCARTHY was impaled on the horns of a dilemma which he did not create and which has not yet been resolved. He could not accept the proposition that a free people must tolerate unorthodox views likely to destroy freedom. Many who opposed him could not accept the proposition that it is necessary for a free people to agree on certain basic values calculated to insure survival.

Senator MCCARTHY may not have died in vain if from his tragic experience we have learned to approach this paradox of freedom and authority at its most crucial level in a more temperate and humble spirit.

Mr. HRUSKA. Mr. President, as we now can view events in retrospect, the immediately past World War II years brought to the surface and into clear sight the wide hold and activity of Communist conspiracy, subversion, and espionage. As this stark fact was increasingly perceived, it also became obvious that there were many ways in which those dangers could be met and fought.

Many patriotic, clear-thinking, hard-hitting Americans tried their hand at it, with a variety of approaches. It was not an easy task, for at least two reasons. First, there were many Communists, Red sympathizers, and misled so-called liberals and leftwingers, many of whom were located and situated in high places in many fields of endeavor—in the Government, in industry, in the press, in the professions, and in business. Second, there was public indifference and apathy concerning a situation of clear, present, and pressing danger.

These two things resulted in a climate of uncertainty and confusion. There was talk of witch hunts, red herrings, and book burning. A host of obstacles was placed in the way of those who undertook to do something about the situation.

Among those who ventured forth was Senator JOE MCCARTHY. He went ahead in the ways he knew and with the attributes of which he was possessed. These characteristics became well known as he proceeded in his fight: his bulldog courage, persistence, energy, and endurance; his unfaltering loyalty and sincerity; his unquestioned patriotism.

He devoted himself unstintingly to the cause of exposing the things he saw as menaces to his country and its freedoms and liberties. He sought in every way he knew how to awaken the people to the dangers which confronted the Nation.

We are too close to the career of our late departed colleague to evaluate it properly in a dispassionate, objective, and fair way. But we know that great progress has been made in the battle in which he was engaged. We know also that in large measure much of that progress was due to the years and struggles which JOE MCCARTHY devoted so vigorously, dramatically, and effectively, to the cause.

The awareness and consciousness of the American people to the real meaning and evil of communism and its real implications are a part of the heritage which this man of action leaves to those who survive.

As we pause to engage in today's memorial services, we can only hope that America's appreciation of that heritage will continue alive and meaningful into the long years ahead. We are reminded only too often of its great importance and value. Even in recent days we have learned of newly discovered episodes of substantial acts by enemies of our country as they are brought to light by some of the same law-enforcing governmental agencies and persons with whom Senator MCCARTHY worked so hard and so selflessly, and with great dedication.

An instance of one of these recent events, the case of the Russian colonel, Rudolf Abel, was the subject of a recent editorial published in the Omaha World Herald. Its message is so appropriate here that I ask unanimous consent that it be printed in the RECORD at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Omaha-World Herald of August 9, 1957]

IMAGINE THAT, A SPY!

As the whole world knows:

There never were such things as Russian spies.

They existed only in the diseased mind of the late JOE MCCARTHY.

The Russian leaders are confused men of good will, bumbling their way out of the fog of dictatorship into the pure light of democracy.

Our leaders and theirs are now talking about a plan to send American planes over Russia and Russian planes over the United States of America to make sure that neither side is fudging about disarmament.

So what happens?

The FBI arrests on American soil a man named Rudolf Ivanovich Abel. He is said to be a colonel of Russian intelligence. While posing as an obscure Brooklyn photographer, says the FBI, he has been running the Soviet atomic espionage apparatus in the United States.

Just before he was to be deported to Mexico, while he was in fact in Texas on his way there, the FBI caught up with him and clapped him in jail.

Abel is no small fry. The FBI says he reported directly to the head of the American section of the NKVD in Moscow. He is the most important Red spy suspect ever captured in the United States.

The Abel arrest comes as a shock because official Washington, outside of the Department of Justice, has been trying to pretend for years that Soviet espionage doesn't amount to much. The general attitude has been one of complacency.

But it turns out there are such things as spies after all. JOE MCCARTHY wasn't completely wrong. And the Soviets are not to be trusted.

Surprising? Not very.

Mr. HRUSKA. Mr. President, on behalf of Mrs. Hruska and myself, the deepest of sympathy is extended to Jean Kerr McCarthy and to Tierney McCarthy, who have suffered a much too premature grievious loss, as have the people of Wisconsin and the entire Nation.

Mr. POTTER. Mr. President, I served with the late Senator JOSEPH MCCARTHY as a member of the Senate Committee on Government Operations and as a member of the Senate Committee on Appropriations. At times I disagreed with him; and at times I disagreed with him violently.

Senator MCCARTHY was an exceptional man. He had great courage; he was resourceful; he had outstanding ability; and he was a tireless worker.

I admire and respect JOE MCCARTHY as a fighting marine. As has been stated by some of my colleagues, he left the bench in Wisconsin, and volunteered for service in the fighting military unit known as the United States Marines, where he served with great distinction.

Then, Mr. President, I admire and respect the late JOSEPH MCCARTHY as a man. No man had any warmer feeling or was more loyal to his friends and his associates than was the late Senator JOSEPH MCCARTHY.

Those who had the opportunity to be with the late Senator on social occasions or when chatting with him in his office or in committee knew that, regardless of differences which might have existed on political or other issues, Joe was not vindictive. He was a warm, human, and an exceptionally delightful and charming person.

Mr. President, I like to think of Senator MCCARTHY also as a Senator. Certainly no person who has ever served in this body had a greater impact than did he upon the American people. The name JOE MCCARTHY was on the lips

of all Americans. He inspired passionate love and devotion on the part of millions of our people, at the same time that he inflamed the hearts of others to hatred.

In any case, his name became a household word. He became a public personality and one of the most widely known men in the United States.

Even the severest critic of Senator McCARTHY would say that he—more than any other person in this country—did one very valuable thing: He awakened the American people to the dangers of communism. I believe, Mr. President, that if it had not been for the efforts of Senator McCARTHY and the fight he made against communism, the American people would not have awakened in the manner in which they did to its menace. The dramatic efforts made by the late Senator were invaluable. As a result of that awakening on the part of the American people, today the country is much more aware of the sinister aspirations of international communism.

Mr. President, JOSEPH McCARTHY is missed from the United States Senate.

Mrs. Potter would join me in extending to his widow, Jean, and their little daughter, and to the Senator's many, many friends, our condolences on his passing.

Mr. KUCHEL. Mr. President, following the untimely passing of the late JOSEPH R. McCARTHY, the widow, the family, and the friends of the late Senator can derive in very great measure their solace from his patriotism, in the Marine Corps in World War II and in the Congress, his demonstrated revulsion at the slave system of international communism, and his continuing dedication to the cause of its complete extirpation here in the United States.

His years of service in the United States Senate were given over very largely to fighting a menace which, alas, continues to plague free America and the Free World.

Mr. President, these moments in the Senate Chamber have been set aside as a memorial service to our late colleague, who sat on this side of the aisle. They provide a time for the recollection by the Senate, and by its individual Members, of both the political life and the personal life of a Senator with whom most of us served.

His entire political life in the Senate was one of tumultous controversies, regarding which I must observe that many times I found myself on the other side.

He was vigorous, as he saw the light, in pursuing his cause. None will disagree with the goal he set, and none will gainsay that goal—the preservation of free America and the rooting out of Communist infiltration in Government and in other groups.

But his methods, his techniques, and his modes of operation themselves resulted in the strongest kind of turmoil, and in inflamed passions, pro and con, all across the Nation.

Mr. President, at this memorial service for the late Senator McCARTHY, those of us who served with him have an opportunity to recall him as a Senator and as a man. This is not a moment for judgment. He has been judged by many in the days gone by; and others, surely, together with history, will judge him in the future. Let it be said here, Mr. President—simply, and I believe, with unanimity of opinion among the Members of the Senate—that JOE McCARTHY was the most unyielding kind of fighter in the seemingly never-ending struggle against communism.

For myself, Mr. President, I wish to extend to all his family the sympathy of one who served with him and, in four years of that service, saw him in his seat a little farther to the front than my own, and always knew him as one who was unflinching in his advocacy of the cause which motivated his political life as a United States Senator.

Mr. BEALL. Mr. President, as one who had the privilege of knowing Senator McCARTHY as a friend, I take this opportunity to make a few comments about his service in this body and his untimely death.

JOE McCARTHY was a determined man with strong convictions. As such, he gained the deep devotion of thousands of Americans and, as is the case whenever strong men act, a certain amount of opposition.

JOE McCARTHY gained a position of prominence throughout the entire world, but he was never too busy to discuss various issues with his friends. It was my good fortune to be able to enjoy numerous conversations of this type with Joe, and I always found his views to be highly interesting. His untimely death was a shock to all of us, and we again offer our sincere condolences to his wife and baby daughter.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that permission be given to any Senator who is unable to be present today to have inserted in the RECORD hereafter any remarks in tribute to the late Senator McCARTHY that he may care to submit, and that they may be included in the permanent RECORD along with the memorial addresses delivered today.

The PRESIDING OFFICER (Mr. PURTELL in the chair). Without objection, it is so ordered.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. STENNIS in the chair) laid before the Senate messages from the President of the United States submitting several nominations, and withdrawing the nomination of William M. Toland, to be postmaster at Browning, Ill., which nominating messages were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2130) to amend further the Mutual Security Act of 1954, as amended, and for other purposes.

The message also announced that the House had agreed to the amendment of the Senate to each of the following bills of the House:

H. R. 5168. An act for the relief of William Henry Diment, Mrs. Mary Ellen Diment, and Mrs. Gladys Everingham; and

H. R. 5707. An act for the relief of the A. C. Israel Commodity Co., Inc.

The message further announced that the House had agreed to the amendments of the Senate to the bill (H. R. 232) to amend the Internal Revenue Code of 1954 with respect to the readjustment of tax in the case of certain amounts received for breach of contract.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 2130. An act to amend further the Mutual Security Act of 1954, as amended, and for other purposes;

H. R. 1562. An act for the relief of Maj. John P. Ruppert; and

H. R. 8090. An act making appropriations for civil functions administered by the Department of the Army and certain agencies of the Department of the Interior, for the fiscal year ending June 30, 1958, and for other purposes.

NOMINATION OF JEROME K. KUYKENDALL TO BE A MEMBER OF FEDERAL POWER COMMISSION

Mr. KNOWLAND. Mr. President, the memorial services have been concluded. May I propound a parliamentary inquiry?

The PRESIDING OFFICER. The Senator may state it.

Mr. KNOWLAND. Under the parliamentary situation, is the Senate now in executive session?

The PRESIDING OFFICER. Yes; the Senator is correct. The Senate will now, under the agreement heretofore made, resume the consideration of executive business, and the question before the Senate is, Will the Senate advise and consent to the nomination of Jerome K. Kuykendall, of Washington, to be a member of the Federal Power Commission?

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. SCOTT in the chair). Without objection, it is so ordered.

THE LIFE STORY OF LON CHANEY

Mr. KNOWLAND. Mr. President, as in legislative session, at the request of the senior Senator from Colorado [Mr. ALLOTT], I ask that there be printed in the body of the RECORD a statement which the Senator from Colorado pre-

pared relative to the motion picture "Man of a Thousand Faces," which portrays the life story of Lon Chaney.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR ALLOTT

Tomorrow night the motion picture industry and Universal-International Pictures will premier, here in Washington, a motion picture called Man of a Thousand Faces. It is the life story of Lon Chaney.

Although I have not seen the picture as yet, if it follows the life of Lon Chaney closely, it should be a great picture. I believe it is particularly fortunate that Universal chose Jim Cagney to play the role. He should do it justice.

Colorado has a particular interest in this picture, because it has a particular interest in Lon Chaney. He was born in Colorado Springs, Colo., on April Fool's Day, 1883. His early schooling was in the public schools of that city, but he had to give up school at an early age to begin making his own way by conducting tourists along the trails of our famous and beloved Pike's Peak.

Lon Chaney's first contact with the theater came in Colorado. Again, it was Colorado Springs, in its opera house, where he got a job as a property boy. He made his first stage appearance in that city at the age of 17, when he and his brother, then a theater manager, wrote and presented a play entitled "The Little Tycoon." Lon and his brother follow this with a cycle of Gilbert and Sullivan in their home city, but had to give it up when they ran out of funds while taking this first venture on a road tour. By this time Lon was quite an accomplished comedian and dancer and moved on to Chicago to continue what turned out to be a pathway to fame, but one studded with tragedy and pathos.

Chaney was the second of four children born to deaf and dumb parents. His father, an immigrant from Ireland, owned a barber shop in Colorado Springs. When Lon was nine and in the fourth grade in school, his mother became permanently helpless from inflammatory rheumatism. For more than 3 years Lon spent most of his time nursing her. He had to exchange thoughts with his parents by means of his hands in sign language. This use of his hands and facial expression is considered to have been the groundwork of Chaney's ability as an actor and for his unusually expressive gestures. Today his accomplishments are legendary. His pictures, too numerous to mention, are milestones of personal achievement and many of them mark the epochs of technological progress of one of America's great native industries.

It is said that he was exceedingly fond of a quip that sprang up about him during the time that he was making one successful picture after another. It was a sign that someone supposedly posted on the studio wall which read: "Don't step on it, it may be Lon Chaney."

In a few days it will be exactly 27 years since Lon Chaney died. I hope this biographical picture, which is being released as a part of the motion picture industry's 50th year of production in Hollywood, will do two things in particular: (1) Serve as a tribute to a man who persistently developed his skills in the true American way, who rose from the humble home of an immigrant barber in Colorado to world fame and great fortune, but was ever mindful of the opportunities that are available to industrious young people in this country; (2) serve to remind many of the producers of motion pictures today that his pictures were successes because they had good stories that depended on acting skill rather than expensive exploitation and cheap suggestive appeals such as we have witnessed in and around Washington and the Capitol of late.

I particularly wish to point out this contrast to the motion picture industry and take this opportunity to echo the sentiments of my distinguished colleague, the senior Senator from Connecticut [Mr. BUSH] and others as well, regarding the use of the Senate galleries for these promotion stunts.

I have attached to my statement the text of a testimonial resolution from Mr. Eric Johnston, president of the Motion Picture Association of America, commending the "Man of a Thousand Faces" as a due honor to our famous Coloradan, Lon Chaney, so that it may be printed in the body of the RECORD immediately following my remarks.

A TESTIMONIAL

Whereas Universal-International has designated Man of a Thousand Faces, starring James Cagney, Dorothy Malone, and Jane Greer, as its golden jubilee film, commemorating 50 years of motion picture production in Hollywood; and

Whereas the film portrays the life story of Lon Chaney, one of the immortals of the motion-picture industry:

The Motion Picture Association of America hereby commends Universal-International on the production's subject matter and on the naming of this outstanding film as its golden jubilee selection.

ERIC JOHNSTON,
President, Motion Picture Association of America.

CIVIL RIGHTS

Mr. JOHNSON of Texas. Mr. President, the value of the Senate rules on debate was fully illustrated during the course of the discussion on the civil-rights bill. The measure was subjected to searching scrutiny. It was examined from every viewpoint. And in the course of the debate many facts emerged which changed minds and altered opinions.

Unfortunately, one aspect did not emerge until it was too late for action. It was the fact that the bill might, under some interpretations, carry a strong threat to the traditional freedom of the press.

The parliamentary situation is such that nothing can be done as far as the present bill is concerned. Both Houses have acted, and the technical language is not in dispute.

However, the situation can be handled easily by a concurrent resolution. I have asked that one be prepared, and have forwarded it to interested parties in the House and have presented it to interested Members of the Senate.

I intend to sponsor such a resolution in the Senate, when the differences in the civil-rights bill are finally resolved.

The intention of Congress, of course, was simply to protect the integrity of executive hearings from Commission employees who might act through malice. There was no intention to interfere with legitimate news gathering.

It would be a travesty to cast a cloud upon a basic right—freedom of the press—in a bill intended to promote rights. Therefore, I want my colleagues to know that there will be immediate—and I believe successful—action to remedy the situation, once the differences between the two Houses are resolved.

The concurrent resolution to which I refer reads as follows:

Resolved by the Senate (the House of Representatives concurring), that the Clerk of the House of Representatives, in the enrollment of the bill (H. R. 6127), entitled "To provide means of further securing and protecting the civil rights of persons within the jurisdiction of the United States," is authorized and directed to make the following correction:

In section 102, strike out paragraph (g) and insert in lieu thereof the following:

"(g) No evidence or testimony taken in executive session may be released or used in public sessions without the consent of the Commission. Whoever releases in public without the consent of the Commission evidence or testimony taken in executive session shall be fined not more than $1,000, or imprisoned for not more than 1 year."

CERTAIN CONSTRUCTION AT MILITARY INSTALLATIONS

Mr. STENNIS. Mr. President, as in legislative session, I ask that the Chair lay before the Senate a message from the House of Representatives pertaining to H. R. 8240, the military construction bill.

The PRESIDING OFFICER (Mr. SCOTT in the chair) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H. R. 8240) to authorize certain construction at military installations, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. STENNIS. I move that the Senate insist upon its amendment, agree to the request of the House for a conference and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. RUSSELL, Mr. STENNIS, Mr. JACKSON, Mr. SALTONSTALL, and Mr. CASE of South Dakota conferees on the part of the Senate.

CONSTRUCTION OF A STADIUM IN THE DISTRICT OF COLUMBIA

Mr. BIBLE. Mr. President, as in legislative session, I ask that the Chair lay before the Senate a mesage from the House of Representatives pertaining to H. R. 1937, to authorize the construction, maintenance, and operation by the Armory Board of the District of Columbia of a stadium in the District of Columbia, and for other purposes.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H. R. 1937) to authorize the consruction, maintenance, and operation by the Armory Board of the District of Columbia of a stadium in the District of Columbia, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. BIBLE. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. BIBLE, Mr. FREAR, and Mr. BEALL conferees on the part of the Senate.

ATOMIC ENERGY AUTHORIZATION BILL

Mr. POTTER. Mr. President, because the Senate members of the Joint Committee on Atomic Energy have not signed separate views to accompany the report of the committee on S. 2674, the atomic energy authorization bill, and four Members of the House have signed a separate statement of views, on H. R. 8996, the House version, I ask unanimous consent, as in legislative session, that the separate statement of the views of the four House Members be printed in the body of the RECORD, so that the Members of the Senate will have the benefit of these views when they consider the bill.

There being no objection, the separate statement was ordered to be printed in the RECORD, as follows:

SEPARATE STATEMENT

SECTIONS OPPOSED

We are opposed to the following sections of the authorization bill: 101 (b) (8): Project 58 (b) (8); 101 (e) (14): Project 58 (e) (14); 101 (e) (15): Project 58 (e) (15); 110 (a), (b), and (c); 111 (a) (1), (2), and (3).

Although wholly in accord with providing authorization for appropriation of the funds necessary to maintain an energetic atomic energy program both for military and peaceful purposes, we feel compelled to state separate views as to certain changes made by the majority to the authorization bill while it was before the Joint Committee.

In general, we feel that the modifications will result in expensive and unnecessary Government reactor construction, involving the expenditure of $58 million, neither requested by the Atomic Energy Commission nor approved by the Bureau of the Budget. They are designed to promote the growth of public power and to hinder development of atomic power by our traditional resources of private industry.

There are other ways of fostering the atomic industry without having the Government enter into all of the expensive construction and operations envisaged by this bill. There are other ways which appear to foster more reactor technology for the taxpayer's dollar. The alternates should have been thoroughly studied at a time when Congress is most interested in economy. They were not. The result is that under this bill the encouragement which was given to private industry by the Atomic Energy Act of 1954 to begin entering the atomic energy field in cooperation with the Government is now almost completely wiped out.

HISTORY

On March 1, 1957, the Atomic Energy Commission wrote to the Congress requesting authorizations for its construction program in accordance with section 261 of the Atomic Energy Act of 1954. On March 12, Mr. Durham introduced the bill (H. R. 5889) in the House of Representatives. Hearings on the bill which disposed of all of the matters in the authorizing legislation except for the reactor program were held by the Subcommittee on Legislation on April 10 and 16. On April 16, the chairman of the House Appropriations Committee, Mr. CANNON, made a speech on the floor of the House condemning the methods used in authorizing and appropriating moneys for the reactor program of the Atomic Energy Commission. The Subcommittee on Legislation then held special hearings on May 23 and June 10 after which a new bill amending section 261 was introduced (S. 2243 and H. R. 7992). Although there was disagreement with every point of law raised by Mr. CANNON, those who did disagree went along with the amendment to section 261 even though it required Congressional approval of the Commission's participation in cooperative programs in the new atomic energy industry.

Mr. CANNON's main objective, however, was not limited to mere technicalities of authorization or appropriation law. His main position was in opposition to privately owned reactor facilities and in favor of publicly owned reactors. Mr. CANNON's closing remarks were:

"It is my firm conviction that the Federal Government should immediately initiate construction at existing atomic-energy sites of full-scale atomic electric powerplants."

The modifications now made by the majority of the committee to the authorization bill start the Commission down this path.

PROVISIONS OBJECTED TO

Let us look at the provisions:

"SEC. 101 (b).— * * *

"8. Project 58–b–8, production reactor for special nuclear materials; development, design, and engineering only, $3 million. The Commission shall proceed with sufficient design work, together with appropriate engineering and development work, necessary for the Commission to begin construction as soon as practicable after authorization by the Congress, of a large-scale single- or dual-purpose reactor for the production of special nuclear materials. The Commission shall submit to the Joint Committee on Atomic Energy a report on its design for this project, including cost estimates and schedule of construction, not later than April 1, 1958.

"SEC. 101 (e).— * * *

"14. Project 58–e–14, natural uranium, graphite-moderated, gas-cooled, power reactor prototype designed for the production of approximately 40,000 electrical kilowatts, $40 million.

"15. Project 58–e–15, plutonium recycle experimental reactor designed for the production of 15,000 electrical kilowatt equivalent, $15 million.

"SEC. 110. Prototype power reactor facilities: (a) The Commission shall proceed with the design engineering, and construction under contract, as soon as practicable, of the prototype power reactor facilities authorized by section 101 for project 58–e–14 and project 58–e–15 at installations operated by or on behalf of the Commission and the electric energy generated shall be used by the Commission in connection with the operation of such installations.

"(b) In the conduct of the work under this section the Commission is authorized to obtain the participation of private, cooperative, or public power organizations to the fullest extent consistent with Commission direction of the project, ownership of the reactor, and utilization of the electric energy generated.

"(e) Each prototype power reactor facility constructed under this section shall be operated by, or under contract with, the Commission for such period of time as the Commission determines to be advisable for research and development purposes and for such additional periods as the Commission may determine to be necessary for national defense purposes and for the purposes of subsection (a) of this section. Upon the expiration of the prototype reactor operations as determined by the Commission in accordance with this subsection, the Commission shall dismantle the reactor and its appurtenances.

"SEC. 111. Cooperative power reactor demonstration program: (a) There is hereby authorized to be appropriated to the Atomic Energy Commission, in accordance with the provisions of section 261 a. (2) of the Atomic Energy Act of 1954, as amended, the sum of $129,915,000 for use in a program not to exceed $149,915,000, subject to the following conditions:

"(1) Arrangements for projects sponsored by cooperatives and publicly owned agencies shall be carried on by direct contract between the Commission and the equipment manufacturer or engineering organization with respect to the development, design, and construction of the reactor and related facilities, and by direct contract between the Commission and the cooperative or publicly owned organization with respect to the provision of a site and conventional turbogenerating facilities, the operation of the entire plant including training of personnel, the sale by the Commission of steam from the reactor complex to the cooperative or publicly owned organization, and other relevant matters. Sale of steam by the Commission under contract with the cooperative or publicly owned organization shall be at rates based upon the present cost of, or the projected cost of, comparable steam from a plant using conventional fuels at such locations.

"(2) Funds in the amount of $1,500,000 may be expended for additional general research and development in Commission laboratories to advance the technology of the fast breeder reactor concept.

"(3) The date for approving proposals under the third round of the power demonstration reactor program shall be no later than December 31, 1958, and no funds authorized for the third round shall be expended on projects approved under the first or second rounds of such program or on other nuclear power projects already under construction."

PUBLIC POWER FAVORITISM

When all of these amendments are gathered into one place, the main purpose they serve becomes obvious. Separated and scattered throughout the authorization bill they appear to be no more than regular projects in the bill. Together they are, in an even more objectionable form, the substance of the Gore-Holifield bill of last year. While the Gore-Holifield bill provided general lines for the acceleration of the atomic energy reactor program, this bill would set forth specific projects which section 110 (a) would make it mandatory that the Commission build. This does not even leave it to the discretion of the Commission to fit the statutory requirements into the program of the Commission—technically, administratively, or legally. This is public power advocacy run rampant.

Moreover, subsection 111 (a) (1) would call for complete Federal ownership of 5 reactors submitted by public power groups (a large-scale reactor in the first round, and 4 smaller scale reactors in the second round). These would be Federal projects, with all risk to the utility operator removed. In effect, therefore, the Joint Committee has added 3 Federal reactor projects under section 101 and 5 more Federal atomic power projects under section 111.

To try to add these amendments to the program of the Commission is an attempt, in fact, to blackjack the Commission into accepting the public power theories of these portions of the bill merely in order to obtain enactment of the balance of the bill which is essential to the national defense and security. This is the first time that public power advocacy has arisen in any way within the Joint Committee in connection with the funding of the Commission's operations. Of course, there have been differences of opinion in the Joint Committee before, and we expect that there will be such long after this. However, the place to resolve those differences of political opinion is not in connection with the legislation respecting the funding of the Commission's operations, but in connection with substantive legislation.

DISTORTIONS IN MAJORITY REPORT

Paragraph 10 of the section entitled "Committee Observations" and the entire section entitled "Conclusions and Recommendations on Cooperative Program" exhibit a strong bias in favor of public power, Government

ownership, and socialism. In our opinion, the majority of the committee should not have endorsed these sections of the report.

FAVORITISM

One of the main objections to the approach suggested by the projects of the majority is that this is improper favoritism and rank discrimination by legislative fiat.

It is the stated intent of the majority that the gas-cooled reactor be built in order to permit Admiral Rickover and the Westinghouse Co., to have a project on which their staff can work. We want to say at the outset that we have only the highest regard for both Admiral Rickover and Westinghouse. Our objection to the method of handling is directed to the approach and policy of specifying the technical aspects of the projects in the law.

Admiral Rickover has testified before the joint committee that he wears three hats. He is Chief of Naval Reactors Branch of the Atomic Energy Commission. This is his primary duty. He is also Assistant Chief of the Bureau of Ships for Nuclear Propulsion and he also wears the third hat—industry. Admiral Rickover has testified before the committee that he does not consider a gas-cooled reactor to be practicable for a ship and it is impracticable for a warship where space is limited:

"My personal opinion is that it will take a number of years before there is a sufficient degree of reliability to permit us to go ahead with a closed cycle gas-cooled plant in a naval vessel."

Therefore, the proposal to have Admiral Rickover run an experiment on a gas-cooled reactor is not for him wearing his AEC hat or for his naval hat. It can only be for him wearing his industry hat.

It is abolutely improper for this committee to shop around for a project to award to one industrial group merely to keep the group together. We doubt that the same majority members of the joint committee will be as ambitious for the technical staff of the Power Reactor Development Co.

Furthermore, in the light of the need for at least 2 more years' work on the Shippingport reactor, the plea to save Rickover's group is quite premature. There is much experimental and design work to be done on that reactor—including the design of new cores.

Admiral Rickover himself has indicated that he has more than enough work to do in the growing naval-reactor program and the Shippingport project. See hearings on naval-reactor program and Shippingport project, pages 29, 90–91.

In his testimony before the joint committee, Admiral Rickover often stressed his pride in having obtained competitive bidding for most of that portion of the atomic program for which he is responsible. If, as, when, and where, the Commission decides that it should, as part of its program, construct another gas-cooled reactor, it should to the extent possible do it on competitive bidding, if not on negotiation, after giving all others interested an opportunity to present their proposals. We believe Admiral Rickover would be the first to be embarrassed by this form of industrial favoritism as proposed in the committee amendment.

Rather than turning to the Congress, we think the Westinghouse people should draft their own proposals and submit them to the Commission and to others interested in the industry to see whether or not there might be persons interested in sponsoring the further use of their organization.

In the same way there have been many statements made by members of the majority that the natural uranium heavy water project is being proposed by them "in order to help Zinn." It was only last year that Dr. Zinn was a consultant to the joint committee. While engaged in that capacity he rendered great service to the committee. We think he would be the first to object to a form of favoritism such as proposed in the gas-cooled natural uranium reactor. Here, again, we believe that the project should be one for which the Commission, after deciding it wants to go ahead, should seek proposals and, if desirable, competitive bids.

We cannot pass this moment by without observing that the groups in the Congress who are seeking to write into the law projects which would automatically be given to General Electric and Westinghouse are the very groups which have often belabored the fact that there are monopolies in the atomic-energy program because of the entrenched position of the very large companies in the field. If these projects are accepted by the Congress, we prophesy now that within a short period of time these same groups will be pointing to these companies in these projects as further examples of this monopolistic tendency.

ROLE OF JOINT COMMITTEE

By these amendments, the joint committee puts itself in the place of the Commission in the making of arrangements and the letting of contracts and the pricing of proposals. In addition, it would replace the judgment of the Commission—the authority so designated by the Atomic Energy Act of 1954—with its own judgment as to the needs of the types of reactors to be built in the atomic energy program. By this action it would also, on its own motion, and without any substantial supporting testimony, overrule the advice given to the Commission not only by the statutory General Advisory Committee—the scientific committee established by law to give the Commission advice on technical and scientific matters—but also the special committee of scientific advisers convened last summer by the Commission to help it decide whether there were any important omissions or flaws in its reactor program. The joint committee's action overrules the recommendations of both of these advisory groups—and without any record to support the action.

There have been times when the joint committee has moved the Commission's program along—both with respect to the construction of the hydrogen bomb and with respect to the crash program to have materials available for the construction of hydrogen weapons available in greater numbers. However, in both of these instances the joint committee by verbal persuasion helped those responsible for the operation of the program to reach broad policy decisions, and left the implementation of those decisions to the Commission. Now the Joint Committee is specifying the implementation of certain policy decisions, and the broad policy questions are being decided by assumption rather than by impartial study and express conclusion. The actions of the Joint Committee are not based on any study or any conclusions therefrom showing wherein the Commission's present operations are deficient.

PRODUCTION REACTOR DESIGN STUDY

The bill authorizes, in project 58–b–8, $3 million for a design study of a production reactor for special nuclear materials. This is completely unnecessary because of the authority of the Commission under section 103 of this bill to undertake advance planning, construction design, and architectural services. It is thus not only a wasted $3 million authorization, but also provides the initial steps which will involve an eventual expenditure of $100 million.

Moreover, the language requires the Commission to submit a report on its design for this project to the Joint Committee by April 1, 1958. In the light of the history of this project, and the past statements of certain members of the committee, and the language in the majority report, it seems obvious that heavy pressure will be brought to bear upon the Commission to make the design one for a dual-purpose reactor. We believe that, if more plutonium is required, the decision as to the design of the reactor should be left to the Commission, free from Joint Committee pressures.

At this time, however, the Atomic Energy Commission has concluded that there is little technology incentive and no economic incentive to construct this kind of reactor. If it is desired to purchase additional plutonium production capacity, economic studies favor a plutonium production reactor over a Hanford water-graphite dual-purpose reactor for most situations. If it is desired to stimulate power reactor technology development, economic studies favor emphasis on other reactor types than a Hanford water-graphite dual-purpose reactor for most situations.

If more plutonium is required, and such a determination may be made by the responsible authorities, economic studies favor construction of additional plutonium producing capacity at Hanford, or at Savannah River, depending on specific conditions. For instance, testimony before the committee suggests that an investment of $100 million will buy, starting in 3 years from authorization, over 3 times as much additional plutonium capacity via a Hanford plutonium production reactor, as the same investment will buy starting in 4½ years from authorization via a Hanford water-graphite dual-purpose reactor. Although the testimony showed that at 3.5 mills per kilowatt-hour, the unit cost of plutonium from the dual-purpose reactor would be somewhat less than that from the single-purpose reactor, the costs presented rest upon several questionable assumptions. Most questionable are (1) the use of anything higher than a dump-power credit to apply to power from a reactor stated to be built for developmental purposes and thus likely to be operated intermittently, and (2) the use of the amortization periods assumed in the testimony.

GAS-COOLED REACTOR

Project 58–a–14 would require the Commission to construct a gas-cooled reactor for a sum of $40 million. Yet the Commission already has two projects for the construction of gas-cooled reactors before it. Although it is heavy water moderated, the reactor proposed to be built by the Florida Nuclear Power Group is gas-cooled. The Commission also already has a contract with the Aerojet General Co. to build a gas-cooled reactor experiment at Arco designed to power a gas-turbine generator for the Army. In addition, studies are being made by the North American Aviation Co., American Sanitary & Standard Radiator Co., and by the General Electric Co. on gas-cooled reactors.

In view of the fact that the British are presently reevaluating their program in the light of their own experience with gas-cooled reactors, it would seem best not to have the Congress rush through another gas-cooled project which has not been shown to be of any superior value either to this country or apparently to Britain. Indeed, the British seem to be turning from the use of normal uranium to fuel their gas-cooled reactors to the use of enriched fuels, which is the United States principal current concept. This is one case where we might well learn lessons from the British, without having to spend $40 million ourselves. In view of the proposal from the Florida Group, why should the Congress appropriate $40 million at a time when the Congress is in an economy frame of mind and when private industry is proposing the same general reactor concept in which it will pick up a large part of the cost? Some of the members of the committee have stated that one of the purposes of this reactor is "to help Zinn." Again we raise the question of the propriety of this approach, especially when $40 million rides on such favoritism.

PLUTONIUM RECYCLE PILOT REACTOR

Project 58–e–15 requiring the start of a plutonium pilot reactor is the least objectionable of the projects from the technical point of view. There is no denying the necessity of demonstrating the ability to use plutonium generated in reactors as fuel in reactors. However, it is not proper for the committee to substitute its judgment for the judgment of the Commission; it is not equipped to pass competent judgment either by training of its members or experience of its staff. The operating budget of the Commission currently calls for the spending of $1,400,000 in fiscal year 1957 on the design phases of a plutonium recycle reactor. Moreover, the Commission has clearly testified that it will not be ready to construct this reactor in fiscal year 1958. Since there is, in addition, project 58–e–3 for $10 million for construction of a fuels technology laboratory at Argonne to study this problem, there seems to be as much development as the present technology will bear. The Commission's program is as good as it can be in the light of the present scientific knowledge about the use of plutonium in reactors. This reactor is premature, and the $15 million authorization in this bill is completely unnecessary at this time.

SECTION 110

Section 110 has three subsections—each of which merits some attention. Subsection (a) would direct the Commission to construct the reactors added by the committee amendments. This direction was repugnant to the Commission last year when the Commission was merely directed to build certain types of reactors. It is even more repugnant and insulting this year when specific reactors are directed to be built by the Commission for specific costs.

Subsection (b) would authorize (not direct) the Commission to use contractors to the widest extent possible. Subsection (c) would require each prototype reactor authorized to be sold to the highest responsible bidder when it no longer serves research purposes, or when the facilities have operated for 15 years. These two subsections are supposed to be a sop to private power groups, but are meaningless. The sale subsection (c) is limited to "each prototype reactor demonstration facility authorized by this subsection" and the subsection (c) authorizes no prototype reactor demonstration facility. While subsection (b) would authorize private contractors, it would nevertheless require Commission "ownership of the reactor and utilization of the electric energy generated."

COOPERATIVES AND PUBLIC POWER GROUPS

Section 111 a (1) is the most vicious of all of the committee amendments. It would write into the authorization bill a mandate that the Commission shall enter into "Shippingport" type of arrangements with cooperatives and publicly owned agencies. This means that the full burden of the development of powerplants for the cooperatives would fall upon the Atomic Energy Commission and that the arrangements which are presently under negotiation and study with the cooperatives would be abandoned. The arrangement is such that the Commission would pay for the construction and operation of the reactor and sell the steam to the cooperative or publicly owned agency at the conventional cost of steam. This is, indeed, a great preference for the cooperatives and publicly owned agencies. Once this section has been enacted into law the gates would be open to demands for similar treatment from all other cooperatives and publicly owned agencies.

The Shippingport project, which provided for Federal financing and operation, was set up before the Atomic Energy Act was amended in 1954 to permit private ownership of reactors. To revert to a federally controlled atomic power program is a step backward—not forward. It is a big, fateful step, and it may be difficult to turn around and start walking in the right direction again after the mistake has been realized.

While others differed with our views, we tried to see that the Atomic Energy Act of 1954 was so drafted that the Commission, in dealing with private, publicly and cooperatively owned bodies, acted without favor. As originally drafted the act tried meticulously to keep the Commission from getting into the private power-public power battle. It tried to treat all prospective licensees alike—without favor or bias. Some preferences, both on licensing and on sale of excess power, were written into the act. We do not believe that those preferences should now be extended in the way contemplated by this section, even on the excuse of "bailing out" the cooperatives. Section 273 of the act was inserted on the floor to be sure that in its licensing functions the Atomic Energy Commission would treat public agencies the same as any private utility. The public agency should obtain its financing through its own channels. Saying that the money for public agencies which are owned by the United States all comes out of one pocket anyway is a quick statement that immediately puts the Atomic Energy Commission into public-power production. Thus, with all of its responsibilities in weapons and research, the Commission should not also take on the responsibility of constructing and operating reactors in this fashion.

This bill and the committee report, indicate a strong preference for public power, and a bias against private industry.

POWER REACTOR DEVELOPMENT CO.

Subsection 111a (1) authorizes funds in the amount of $1,500,000 which may be expended for additional general research and development in Commission laboratories to advance the technology of fast breeder reactors.

From a legal point of view, it is obvious that this general statement does not affect the legality of the commitment made by the Commission in its valid contract with the Power Reactor Development Co. The Commission is fully authorized to use any of the funds authorized by section 111a of this bill, or any other funds available to it to fulfill its obligations under this contract, and should do so.

The language in section 111a (2) is meaningless, and the Commission should be required to carry out its valid contract obligations with whatever funds it has available.

The approach of the majority report would attempt to alter the agreement already entered into between the Atomic Energy Commission and PRDC. The avowed purpose of this position is to be sure that the PRDC reactor is safe when it is finally built. In other words, the delegation of licensing authority to the Atomic Energy Commission as a quasi-judicial delegation would be subject to review by the joint committee. This is wrong in any concept of the proper establishment of an independent executive agency. However, this issue is now before the administrative agency in a hearing, and in our opinion it is clearly improper for the joint committee to interject itself into this controversy before it has been resolved by the administrative agency, and by the courts, if necessary.

This attitude toward the PRDC project is completely unreasonable and overlooks the unanimous testimony of experts presented to the Atomic Energy Commission in the contested licensing hearing that the fast breeder reactor probably will be completely safe by the time all of the projected research is completed and by the time that the reactor is constructed and ready for operation. Instead, the committee is misreading a cautionary report by the reactor safeguards committee which merely calls for further research to insure the safety of the reactor—research which is being performed. It is listening instead to its own political dictates.

Moreover, it is significant that the sponsors have delayed authorization of funds for the only project sponsored by privately owned utilities and companies which was submitted to the joint committee for authorization. The majority would approve more than $100 million of Government construction of reactor development projects and more than $95 million for assistance to publicly owned power groups, but would jeopardize the modest assistance of less than $4.5 million for which authorization was requested for a project sponsored by privately owned companies. Moreover, this project is clearly a good investment of Government funds, since the $4,450,000 Government contribution will be matched by a contribution of more than 10 times that amount by the private companies participating in the project.

THIRD ROUND

Section 111 a (3) would place restrictions upon the third round. Here the obvious intent is to discourage proposals by private industry in order to call for more Government reactor construction.

The general approach throughout section 111 is this: "We cannot do enough to help the public power groups. On the other hand, we must do everything possible to discourage the private groups."

STATUS OF PRIVATE INDUSTRY

All of the moves which have been combined in this bill show that this bill is designed to encourage public power and to discourage to the greatest extent possible the participation of private firms into the power field. Contrast the $58 million added to the bill by the committee under the proposed amendments with the limitations placed upon the third round and the attempted cut of the PRDC contract. When taken together with the sums submitted by the Commission for authorization the bill would provide a mere $35 million for private assistance as compared to between two hundred and three hundred million dollars for publicly or cooperatively owned reserves.

Add to these facts the new provisions of section 111 (b) by which the new cooperative arrangements are required to come up before the joint committee for 45 days. Add to these the stated desire of some of the committee members to save the negotiations with the cooperatives while slashing the PRDC contract and the third round.

Add to these the requirement in section 111 a. (1) that the equipment manufacturers shall negotiate directly with the Commission when interested in making an arrangement with a cooperatively or publicly owned power body. The total is solely that the privately owned reactor has been as effectively eliminated as if it had been wiped out of the Atomic Energy Act of 1954. This is our estimate of the present status of the atomic energy industry as a result of this bill. The effect of the attempted PRDC cut will be felt long after every other item in the bill is forgotten.

MISSTATEMENT OF COMMITTEE INTENT

There are scores of misstatements and inaccuracies in the committee report, and I shall limit myself to three of the major misstatements of committee intent.

1. PRDC contract

The report states:

"The committee does not approve the requested authorization for preconstruction research and development work and waiver of fuel use charges in connection with the reactor project of the Power Reactor Development Co."

This misstates the committee intent and the understanding of the committee members at the time they voted on the language in section 111 a. (2). In the course of deliberations on the bill, the meaning of this language was discussed on several occasions in committee meetings. A majority of the members felt that the work done in AEC laboratories to assist the PRDC project should be limited to $1,500,000 during fiscal year 1958, as this was the amount originally requested by the Commission in its operating budget for AEC work to assist that project in fiscal year 1958. A minority of the committee members felt that the full amount of $4,206,000 requested by the Commission should be authorized. It was directly represented in any event, that the full amount of $1,500,000 mentioned in section 111 a. (2) could be applied to the PRDC contract, if the Commission deemed it advisable. The report is thus a flat and flagrant misstatement as to the intent of the members of the committee at the time they voted to report out the bill.

2. *Assistance to public power groups under section 111 a (1) contract arrangements*

The report states that, in operating the five public power reactors, the AEC is authorized "to pay for all reactor operation and maintenance costs and other special costs arising out of the nuclear character of the entire project and operation." These special costs could arise because of new and novel designs, unusual maintenance, irregularity of operation due to interruption for modification or repairs, substitution of alternate power during the periods of operation, and the necessity of obtaining research and operational information.

This misstates the committee intent because at no time were such special costs mentioned to the committee in considering section 111 a (1). On the contrary, it was represented that this merely established the Shippingport formula for these projects. In the contract with Duquesne Light Co., the utility operator must pay for his steam from an alternate source of supply if the reactor is shut down. It was the committee intent, at the time it voted on the bill, that the utility operators under section 111 a (1) should have, at best, the same treatment provided under the Shippingport formula.

3. The report implies that the committee disapproves of postconstruction research and development assistance to private utilities. This is not a correct indication of committee intent. So long as such assistance is for research and development, it is consistent with section 169, because of the exception therein as to section 31 research and development funds. It of course makes no difference whether such research and development work is done before or after completion of construction of the reactor.

CRITICISMS OF AEC

There are many statements in the majority report, especially in the section entitled "AEC Reactor Program" which are highly critical of the AEC reactor development program. In our opinion, these vitriolic statements can be looked upon as mere necessary preludes to the cries for more Government construction, for atomic power federalism, and socialism. These statements should be disregarded by the Congress and the public. The employees of the AEC have served their country well, and they deserve tribute from the Joint Committee, not slander. In particular, Mr. Davis, the Director of the Division of Reactor Development, has frequently been singled out for harsh treatment by certain members of the committee. In our opinion, Mr. Davis has done an excellent job during this necessarily difficult period in the design and development of reactor technology.

In summary, we would like to quote from the report of the "Three Wise Men" in their report entitled "A Target for Euratom." They said:

"An impressive amount of research and development done both through the Atomic Energy Commission and by private industry have provided America with the most complete nuclear foundation in the world."

ALTERNATE APPROACHES

While the hearings on the reactor program of the Commission were very extensive and covered 10 days, they are not complete. No consideration during these times was given to the proper and sound method of having the reactor program go forward. In other words, it was assumed during all this time that these reactors would be built by the Federal Government. Some consideration was given to carrying out the first, second, and third rounds of proposals already entered into by the Commission. No consideration was given to whether there were not other ways of speeding the development of atomic energy. Both Mr. VAN ZANDT and Mr. COLE have introduced bills which suggest at least three other approaches. One is the approach of an outright subsidy for domestic and foreign reactors; one is the approach of liberalizing the patent provisions; one is the approach of granting accelerated tax write-offs.

It seems to us that the entire purpose of the approach taken by the committee to speed the construction of atomic reactors should be viewed in the light of finding the proper way and the proper atmosphere for creating an industry to serve privately, cooperatively, and publicly owned bodies alike, if the proper framework for this is for the Congress to consider an outright subsidy for the construction and operation of privately owned reactors. Subsidies have helped build many industries in our Nation, including railroads, airlines, and barge lines.

We should think that a subsidy approach would be especially welcome to the Congress since it means that the Congress would see that there are more reactors built for each dollar of the taxpayer's money.

In view of the committee's stated desire to see the output of plutonium increased, we would again like to recommend that the Commission be given authority to extend the guaranteed fair price period for the production of special nuclear materials from 7 to 15 years, and that the production of other materials and for the separation and reprocessing of fuel elements. This approach has not yet even been considered by the committee. We know of no way which could be used to obtain more plutonium at a cheaper rate than to authorize the Commission to make these kinds of arrangements. Indeed, a longstanding proposal from one contractor to produce plutonium on a unit price basis has not even been brought forward or discussed in these hearings.

CONCLUSION

It is our recommendation that subsection 101 b (8), 101 e (14), 101 e (15), and 110 a, b. and 3, be eliminated from the bill. It is our further recommendation that subsection 111 a (1), (2), and (3) be stricken from the bill and that, as the Commission requested, the following sums be authorized for the first, second, and third rounds:

1st round	$54, 384, 000
2d round	48, 237, 000
3d round	30, 000, 000

STERLING COLE.
JAMES E. VAN ZANDT.
JAMES T. PATTERSON.
THOMAS A. JENKINS.

MIDDLE EAST POLICY INQUIRY

Mr. FULBRIGHT. Mr. President, the Subcommittee of the Committees on Armed Services and Foreign Relations for the Review of Middle East Policy on which I have served as chairman has concluded that no useful purpose will be served by its continuation. The subcommittee has, therefore, recommended its discontinuation with the understanding that the Committee on Foreign Relations, pursuant to its regular procedures will keep United States policies in the Middle East under surveillance.

This subcommittee was a byproduct of the consideration by the Congress of Public Law 7, the so-called Middle East resolution.

It seemed to me at the time the Middle East resolution was under consideration and before Senate action on that resolution that it was pertinent to ascertain the reasons why the United States found itself in such difficulty in the Middle East that an emergency joint resolution of the Congress was felt to be necessary. On January 24, at an early meeting of the joint committee considering the Middle East resolution, I proposed that the Secretary of State furnish the joint committee an official white paper giving a detailed description of the events in the Middle East leading to the crisis.

I ask unanimous consent that my statement of January 24 be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF JANUARY 24, 1957

In view of the apparent failure of our actions in the Middle East to create stable and peaceful conditions in that area and in view of the serious breach of our principal alliances, is it not sensible for us to try to understand how we got in this situation before we endorse the policies and policymakers who have directed these affairs?

It may be that there are sound reasons for every action we have taken, for every policy we have followed, but I do not believe the acceptance of such a conclusion should be a matter of faith. I believe that before we are required to give or to withhold a vote of confidence in the stewardship of Secretary Dulles, we should be given information which would enable a reasonable man to form a sound judgment as to the wisdom of our policies, past as well as future.

I do not believe, Mr. Chairman, that proceeding as we have by 10- or 20-minute question periods, unrelated and uncoordinated, and under an atomisphere of urgency, we can hope to gain sufficient understanding of these affairs to enable us to discharge our duty under the Constitution. The Founding Fathers did not contemplate that the advice and consent of the Senate should be grounded upon faith alone without knowledge and understanding of the subject matter, especially in the absence of long experience justifying such faith.

Mr. Chairman, I wish to suggest that before we dismiss the Secretary as a witness, and before we proceed to a vote upon this resolution we invite the Secretary to prepare and present to us a thorough chronological detailed description of the course of events in the Middle East leading up to the crisis which now confronts us.

In short, Mr. Chairman, what I am suggesting is that the Secretary furnish this committee an official white paper on the Middle East before we are called upon to vote upon this resolution.

As one member of the committee, I regard it as improvident and unwise to make a grant of authority to disburse large sums of public money, without restriction of any kind, for objectives which are vague and

unspecified, and by people who have disproved their foresight, their wisdom, and their effectiveness in the field of foreign affairs.

The seriousness of our present circumstances, according to the Secretary's own statement, necessarily raises a question as to the validity of our foreign policy in the Middle East during these past 3 or 4 years.

Mr. Chairman, I submit that suggestion to the committee in all seriousness, and I hope that the committee members will consider it. As soon as we have an executive session, I expect to ask for formal action on the suggestion.

Mr. FULBRIGHT. Mr. President, I should like to emphasize two points which I made in this statement.

In the first place, before voting on the Middle East resolution, it seemed essential to me that Congress obtain the full background of the crisis. There was opposition to this proposal in the joint committee. It was feared by some that it would be dangerous to take the time necessary to find out how we got into the mess before we voted on the resolution which was supposed to get us out of the mess. The administration put great pressure on the Congress to push the Middle East resolution through. In that atmosphere some thought that every minute counted and that the Middle East resolution had to be hurried along.

It was also my thought that the review of Middle East policies to find out how the Suez crisis arose should go back only for the period necessary to understand the events in the crisis. I felt that a review of policies over the preceding 3 or 4 years would have been sufficient to bring to the surface all the relevant factors which led to that catastrophe. The cry immediately went up, however, that my proposal was a partisan one. It was suggested that I intended to investigate only what the Republicans had done in the Middle East and not what the Democrats may have done there earlier.

It was ultimately decided by the joint committee to vote on the resolution and then to review Middle East policy. It was also decided to review Middle East policies all the way back to 1946. The joint committee decided to request that the Department of State provide a chronological statement, together with classified and unclassified supporting documents, telegrams, and the like, of all the events that have contributed significantly to the present situation in the Middle East, with particular reference to the period beginning January 1946.

Mr. President, I ask unanimous consent that there be printed in the RECORD at this point in my remarks the letter from Chairman GREEN to Secretary Dulles requesting the Department to furnish the facts on Middle East policies.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JANUARY 29, 1957.

The Honorable JOHN FOSTER DULLES,
Secretary of State.

DEAR SECRETARY DULLES: At a joint meeting of the Committee on Foreign Relations and Armed Services on January 29, 1957, it was decided to address the following request to you:

To the SECRETARY OF STATE: The Committee on Foreign Relations and the Committee on Armed Services, sitting jointly to consider Senate Joint Resolution 19, a joint resolution proposed by the President relative to the Middle East situation, request that the Department of State provide a chronological statement, together with classified and unclassified supporting documents, telegrams, and the like, of all the events that have contributed significantly to the present situation in the Middle East, with particular reference to the period beginning January 1946. The committees desire such information as soon as possible, but they will not delay action on Senate Joint Resolution 19 pending receipt of such information. The Committee on Foreign Relations will undertake to provide suitable storage for classified material and access to such material will be restricted to the members and staff of the two committees. Matter furnished to the committees will be returned to the executive branch within a reasonable time.

To facilitate our planning here, I would appreciate being kept informed as you assemble the materials requested.

Sincerely yours,

THEODORE FRANCIS GREEN,
Chairman, Joint Hearings of Committees on Foreign Relations and Armed Services.

Mr. FULBRIGHT. Mr. President, Secretary Dulles replied to Senator GREEN on February 2 that the Department welcomed the opportunity to present the facts about the events which contributed significantly to the situation in the Middle East.

In order to provide a point of contact between the Department of State and the Joint Committee, Senator GREEN appointed the subcommittee on whose activities I now report. The subcommittee consists of 3 Republicans and 3 Democrats. The Republicans were Senators WILEY, KNOWLAND, and SALTONSTALL, and the Democrats were Senators MANSFIELD, BYRD, and myself as chairman. The subcommittee was asked to consult from time to time with the appropriate officials of the Department of State as to how the request of the Joint Committee for information about the Middle East could be met reasonably, both as to the extent of information and as to the timing of the receipt of the information.

The request of the two Senate committees for information about the origin of the Middle East crisis went to the State Department on January 29. At the end of February, when there had been no response from the Department of State, I asked the Department for a progress report. Assistant Secretary of State Hill sent me a letter dated March 7, 1957, to which was attached a progress report on the work of the Department in preparing a statement on Middle East policy.

Mr. President, I ask unanimous consent that there may be printed in the RECORD at this point in my remarks the letter from Assistant Secretary Hill to me dated March 7, 1957, and the memorandum dated February 28, 1957, attached to Assistant Secretary Hill's letter, in the nature of a progress report.

There being no objection, the letter and memorandum were ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
March 7, 1957.

The Honorable J. W. FULBRIGHT,
United States Senate.

DEAR SENATOR FULBRIGHT: In further reference to my letter of February 27, I enclose a progress report on the preparation of the chronological statement on the Middle East which was prepared at my request by our historical division. I believe it outlines the nature of the preparatory work which is being done by our historical division in response to the request of the joint committee.

Mr. Marcy, in his letter to me of February 22, stated that your subcommittee would like to meet with appropriate officials of the Department to discuss this project. I have talked with the people who prepared the attached report, who inform me that by the week of March 11 we shall be in a position to bring with us to such a meeting a sample volume of supporting documents in order to give the subcommittee some idea of what the final product will look like and comprehend. I suggest, therefore, that a meeting with your subcommittee, at its convenience, after March 11 might be more productive than at an earlier date, although, of course, we are at your service at any time.

I would also suggest, subject to your wishes, that I bring with me Assistant Secretary Rountree, my deputy, Mr. O'Connor, Mr. Noble, chief of our historical division, and Mr. Harry Howard, also of that division. I realize this is a somewhat large group, but so many different areas of the Department are affected that I think it would be best if they were all available.

Sincerely yours,

ROBERT C. HILL,
Assistant Secretary.

(Enclosure: Memorandum of February 28, 1957.)

FEBRUARY 28, 1957.

Subject: Progress report on the preparation of the chronological statement, with supporting documents, of the "events that have contributed significantly to the present situation in the Middle East," with emphasis on the period beginning January 1946.

1. Nature of the report: The report will consist of (a) a chronology describing the significant events relating to the Middle East, from January 1946 to January 29, 1957, the date of Senator GREEN's letter of request to Secretary Dulles, (b) supporting documents, classified and unclassified, and (c) an introductory note reviewing significant events in the Middle East from World War I through 1945. The report as a whole will aim primarily at showing the development of American policy in that area.

2. The staff: It includes (a) one specialist in middle-eastern affairs, preparing a chronology, (b) five historical researchers, selecting relevant documents on middle-eastern countries and problems, (c) one additional researcher to work on documents relating to United Nations matters, and (d) one supervisor to organize the documents and to coordinate them with the chronology.

3. Progress of the work: (a) The chronology is largely completed, so far as unclassified materials are concerned, through 1949. Scattered subjects have been covered less systematically, on this basis, down to 1957. (b) The initial selection of documents in the Department's files is very far advanced for 1946, and considerable work has been done for the years 1947–49. Some progress has been made on scattered subjects through 1954. (c) The work of organizing and coordinating the documents is under way. (d) The introduction will be prepared when the post-1946 chronology is completed.

4. The review process: When the documents have been selected and coordinated with the chronology the entire collection, on a year-by-year basis, will be carefully reviewed in the Historical Division and elsewhere in the Department.

5. Target dates: It is expected that it should be possible to begin turning over the chronological statement, with supporting

documents, on a year-by-year basis, early in April. It is hoped that the entire project, as now planned, can be completed by or before the end of May.

Mr. FULBRIGHT. Mr. President, Mr. HILL's letter of March 7 said that he thought that by the week of March 11 the Department would be in a position to show the subcommittee a sample volume of documentation in order to give the subcommittee an idea of what the final product would look like. The Department's letter also stated:

It is expected that it should be possible to begin turning over the chronological statement, with supporting documents, on a year-by-year basis, early in April. It is hoped that the entire project, as now planned, can be completed by or before the end of May.

Mr. President, it was March 18 before the subcommittee met with Deputy Under Secretary Murphy, and other representatives of the Department of State. At this meeting the representatives of the Department showed the subcommittee samples of the work being done in the Department on summarizing Middle East policies, but the group had nothing tangible to present to the subcommittee at that time. It became clear to me that it would require much longer than the Department had forecast to comply with the request of the joint committee of the Senate. At that time nearly 2 months had passed since the request had been made, and not a single piece of paper had been furnished to the joint committee.

In view of the obvious fact that it would be many months before the complete story of Middle East policy since 1946 would be available to the joint committee, I asked Deputy Under Secretary of State Murphy to furnish to the joint committee, ahead of any other material, a chronological statement, with supporting documents, of the history of the Aswan Dam negotiations.

Mr. President, I asked for the Aswan Dam papers because it seemed to me that there were two really crucial events which precipitated the sudden Communist danger in the Middle East and caused the crisis and war over the Suez Canal. The first of these events was the consummation of the arms deal by which the Communist bloc undertook to furnish major weapons of war to the Egyptian Government. This was a major blow to our interests in the Middle East.

The second crucial event was the withdrawal by the United States of the offer which had been made to Egypt to help Egypt build the Aswan Dam. This latter event was crucial because in retaliation for the withdrawal of the United States offer, Colonel Nasser seized the Suez Canal and provoked the start of the shooting war in the Middle East. I chose the Aswan Dam subject because it was the later of these two events, and I thought that the administration should have the benefit of the knowledge gained from the mistakes made in the first event, the supplying of Communist arms to Egypt.

The Aswan Dam documents were delivered to the committee in three installments and they were all received by the second week in May. These documents giving the history of the Aswan Dam negotiations make a pile over a foot high. The documents range in security classification from "unclassified" to "top secret." With some exceptions I shall mention, and with some exceptions which I cannot mention for security reasons, it appears to me that the Department of State has provided an adequate record from which to judge United States policy with respect to the Aswan Dam.

The story of the Aswan Dam negotiations was told for the most part by means of internal Department of State memorandums and telegrams between Washington and our embassies in the Middle East. There were several papers of heads of state. No National Security Council papers were included.

Mr. President, anyone would find these Aswan Dam documents fascinating. I have studied them with great care. I have found them extremely helpful to an understanding of recent events in the Middle East. On the basis of my study of these documents I came to certain conclusions which disturbed me very much. I decided to summarize these conclusions in a classified memorandum for the benefit of the other members of the subcommittee.

On May 14, 1957, I informed the members of the subcommittee that I had reached certain tentative conclusions after studying the Aswan Dam documents, and I invited the subcommittee to study my conclusions. On May 21 I called a meeting of the subcommittee to determine what action, if any, the subcommittee should take on the basis of what it had learned of the Aswan Dam case and its aftermath.

It is fair to say that this meeting of the subcommittee was inconclusive. My conclusions, which reflected what seemed to me to be serious shortcomings in the formulation and implementation of Middle East policies by the Secretary of State, were not fully concurred in by all the members. The questions involved, however, were complex, subtle, and included a great many imponderables. Reasonable men could therefore differ about the conclusions to be drawn from the Aswan Dam documents furnished by the Department of State. It was but natural in this kind of context, where so many points were debatable that it would be difficult to reach unanimous conclusions. It seemed obvious to me that it would be impossible to get agreement in a subcommittee consisting of three Republicans and three Democrats on any conclusions to be made public which would criticize the handling of Middle East affairs by Secretary of State Dulles.

The suggestion was made in the subcommittee meeting on May 21 that before the subcommittee should take any action it should obtain the comment of Secretary Dulles on the tentative conclusions which I had reached. In the course of my memorandum of conclusions, I had stated that, although my conclusions were based on the evidence in the documents furnished by the Department of State, it was necessary to do some reading between the lines. I enumerated several apparent gaps in the information which had been furnished by the Department. There was a feeling in the subcommittee, therefore, that the Department should have an opportunity to supply the missing information.

Accordingly, Mr. President, I addressed a letter to the Secretary of State dated May 22, in which I asked for answers to four questions. I was especially interested in learning more about Secretary Dulles' own thinking about the Aswan Dam. I had pointed out to the subcommittee that there were very few documents among those furnished by the Department which one could say with certainty had been drafted by the Secretary himself. One of my questions to the Secretary in my letter of May 22 therefore was: "What was your own reasoning regarding the withdrawal of the dam aid offer?"

On May 29 the Secretary of State replied stating that he had given careful thought to my questions and was enclosing a memorandum containing the Department's answers to those questions. The answers given by Secretary Dulles to my additional questions, in my opinion, added nothing of any significance to the documents which had earlier been furnished. The Department's memorandum of May 29 merely repeated the substance of official statements which had already been available to the subcommittee. It therefore seems to me that there is no point in calling Secretary Dulles before the subcommittee for the review of Middle East policy, or before the Committees on Armed Services and Foreign Relations.

Mr. President, after considerable searching thought over the past several weeks I have decided that I should make public, as much as our own security laws permit, of my own conclusions about the Aswan Dam history.

On the basis of the secret and top secret documents which the Department of State has provided—which, as I have said, apparently provide a satisfactory basis on which to judge United States policy—I have reached the following conclusions:

First. The Aswan Dam project was a sound project from the point of view of engineering feasibility, and it was a reasonable risk for economic development loans. Sources of capital other than those involved in the offer which was made to Egypt, both private sources and other Government sources, were definitely interested in pursuing the project.

The reason the United States first offered to make a contribution to the project was because it was recognized that the Aswan Dam or some other Nile River development program on a comparable scale was vital to the future of Egypt. The Aswan Dam is a symbol of Egypt's potential development. Without such a development, Egypt, with its increasing population, may be expected to suffer a constantly lowering standard of living. This is likely to cause much social and political unrest in Egypt and may endanger the unstable peace of the Middle East.

Second. After many surveys and long negotiations, which were participated in

by the International Bank for Reconstruction and Development, the United Kingdom, and the United States, a comprehensive plan for financing the Aswan Dam was substantially agreed upon with the Government of Egypt. This plan was based on estimates that the dam would cost $1.2 billion, a sum which would include the cost of irrigation and drainage works, powerlines, and other accessorial costs. The plan contemplated that Egypt, from its own resources, would pay for the full cost of the dam except for $400 million in foreign exchange. The International Bank was willing to lend Egypt $200 million. The United States and the United Kingdom jointly were to grant Egypt the remaining $200 million, of which the United States was to contribute 75 percent and the United Kingdom 25 percent. These payments were to be made over the period of construction of the dam, which was estimated to be between 10 and 15 years.

For the United States this offer would have meant making contributions to the project averaging $15 million a year for 10 years. On December 16, 1955, the United States offered to furnish $54.6 million toward the first stages of construction of the dam and to consider sympathetically additional financial support later. It was this offer which was withdrawn by the administration 7 months later on July 19, 1956.

Third. The administration's decision to withdraw the offer to Egypt was made against the advice of the United States Ambassador to Egypt, and the President of the International Bank for Reconstruction and Development. President Eisenhower appears, according to the State Department documents, to have participated very little in the decision, except to approve Secretary Dulles' recommendation. There was apparently no consideration of the question by the National Security Council.

Fourth. The reasons given to the public for the withdrawal of the offer were not, in my opinion, valid reasons. They were as follows:

First, that other Nile riparian states had not agreed to the project. The fact is, however, that there is no evidence that such agreement was not possible, or even probable. Moreover, the lack of agreement on this score was not a valid reason for withdrawing the American offer because Egypt itself had agreed with us not to go forward with construction until agreement was reached with the Government of the Sudan, the principal other country involved.

The second reason given for withdrawing the offer was that the ability of Egypt to devote adequate resources to the project had become uncertain since the time of the offer 7 months before. The fact is, however, that the major drain on Egypt's resources—namely, the mortgaging of part of her cotton crop in exchange for Communist arms—had occurred prior to the time of the United States' offer on the dam. Contrary to the statement of the Department of State, there was no substantial evidence of a radical worsening in Egypt's economic condition at the time of the withdrawal of the offer. Certainly the International Bank had not urged that the arrangement be called off. Furthermore, there appears to have been no consideration of the imaginative use of United States surplus food supplies to counteract the inflationary effect which the commencement of construction would have had in Egypt.

Fifth. In public statements made subsequent to the announcement of the withdrawal of the offer to help with the Aswan Dam, Secretary Dulles has given as an additional reason the fact of Congressional opposition to the project. There is no evidence, however, that the administration ever made any serious effort to persuade the few Members of Congress, who had expressed opposition, that the Aswan Dam project was sound. On the contrary, the evidence is that the administration itself began to reconsider the offer only a few weeks after the offer was made.

Sixth. The administration's judgment, based on facts known to the administration at the time of the withdrawal of the offer, seems to me to have been faulty for the following reasons:

First, the Russians had made an offer to help finance the Aswan Dam on terms more attractive than those offered by the United States, the United Kingdom, and the International Bank. There was no evidence that the administration believed that the Soviet Union was not prepared to follow through on its offer. The Secretary of State was nevertheless willing, by withdrawing the United States offer, to take the risk of massive Soviet penetration in Africa with no compensating advantage to the United States in taking such a risk. I might say here parenthetically that it is not possible to be sure, on the basis of the documents furnished by the Department of State, whether Secretary Dulles deliberately sought to force a showdown with the Soviet Union on their offer. In this connection, we do have the evidence in Mr. Beal's biography of Secretary Dulles in which Mr. Beal states: "It was necessary to call Russia's hand in the economic competition."

Mr. President, I ask unanimous consent to have printed at this point in my remarks two newspaper items discussing John Robinson Beal's treatment of this question in his biography of Mr. Dulles.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

[From the Washington Post of April 1, 1957]

MATTER OF FACT—THE DULLES WHITE PAPER

(By Stewart Alsop)

It is not the usual function of a political reporter to review books, but occasionally a book comes along which is also important news. Such a book is John Foster Dulles: A Biography, by John Robinson Beal of Time magazine.

The book is news for two reasons. First it contains a fascinating account of what had previously been only rumored or suspected—a calculated decision by Secretary Dulles to force a showdown in the Middle East. The account of this startling episode is undoubtedly based on interviews with Dulles himself. Second, the book will no doubt have important international repercussions, since it not only opens all the old half-healed wounds caused by the Suez crisis, but also pours great dollops of salt in them.

The Beal book is thus likely to cause as much uproar as the account based on an interview with Dulles of the Dulles brink-of-war theory, by another Time man, James Shepley.

In his introduction Beal, while absolving Dulles of responsibility for the book, states that "it benefits from personal interviews with him which provided insight into his official actions, for which I thank him."

Repeatedly, Beal described Dulles' views with an authority which could only have come from such personal interviews. The book will certainly be regarded, therefore, as a kind of personal Dulles white paper on his Middle East policies, unofficial but authentic.

Beal confidently describes the manner of Dulles' withdrawal of American offer of aid to Egypt in building the Aswan Dam as a calculated slap in the face for Egypt's President Nasser, consciously designed to bring on a showdown. The Beal account should be read in full, since it is an authoritative report of one of the most amazing exercises in diplomacy in recent history. But the following excerpts give the gist:

For Dulles, a moment of cold-war climax had come. It was necessary to call Russia's hand in the game of economic competition. It was necessary to make the demonstration on a grand scale. Nasser combined the right timing, the right geography and the right order of magnitude for a truly major gambit in the cold war. Why did (Dulles) turn down Nasser so brutally, without a chance to save face? Since the issue involved more than simply denying Nasser money for a dam, a polite and concealed rebuff would fail to make the really important point. It had to be forthright, carrying its own built-in moral for neutrals in a way that the ormolu of applied propaganda would not cheapen."

In short, Dulles withdrew the American offer as insultingly as possible, not in a moment of temporary aberration, as many thought at the time, but because he planned it that way.

Beal's version of the Dulles decision to force a showdown parallels almost word for word the version of the decision previously offered by still another Time-Life man and Dulles admirer, former presidential adviser C. D. Jackson.

When the Jackson version of the Dulles decision was made public, it was widely assumed that it was in fact the Dulles version. Now there can be no reasonable doubt of it—an experienced reporter like Beal could not conceivably describe the Secretary of State's reasoning and motivation in such authoritative detail simply by guesswork.

Beal makes it clear, moreover, that Dulles was aware of the dangers involved in forcing a showdown: As a calculated risk the decision was on a grand scale, comparable in the sphere of diplomacy to the calculated risks of war in Korea and Formosa. But his experience at sailing in diplomatic waters convinced him that the breeze would be better if he took a new and independent tack."

The chapters which follow, which also clearly benefit from insight into his official actions, are designed to prove that the Dulles decision to force a showdown was a brilliantly successful diplomatic coup. This proves a trifle difficult, even for so able an advocate as Beal, since it is uncomfortably obvious that the Middle Eastern breeze has not been better, but a great deal worse since Dulles forced his showdown.

The difficulty is overcome by the simple device of blaming everything that has gone wrong on our allies—while the Dulles policy was moral, and consistent and purposeful, our allies' policies were both stupid and dishonest. This theory of the crisis, which deserves further examination, will be studied with pained attention abroad, in view of the authority with which the author clearly speaks.

[From the Washington Post of April 2, 1957]

OVER THE BRINK

Just when you begin to think that Mr. Dulles has moderated his brinkmanship, along comes another article or book based on conversations with the Secretary of State to prove you wrong. There are many passages in John Robinson Beal's adoring biography, John Foster Dulles, that will cause heated controversy and indignation through the Free World; but the most provocative is the assertion that Mr. Dulles carefully planned the manner in which last summer he withdrew the offer to help Egypt build the Aswan Dam. As Mr. Beal describes the situation, "It was necessary to call Russia's hand in the game of economic competition. * * * Nasser combined the right timing, the right geography, and the right order of magnitude for a truly major gambit in the cold war."

This is a shocking indictment, although Mr. Beal patently did not intend it as such. Communist arms going to Egypt in large quantities, and an increasing number of anti-Western moves on the part of Colonel Nasser, made the decision to withdraw the aid offer logical enough in itself. Yet up until recently the general assumption had been that Mr. Dulles' insult to Nasser in his conversation with the Egyptian Ambassador was more or less accidental, and that the Egyptian reaction was not anticipated. The British, for example, knew of and supported the decision to cancel the offer; they understood, however, that the dam project would merely be indefinitely postponed.

But no. According to Mr. Beal:

"Since the issue involved more than simply denying Nasser money for a dam, a polite and concealed rebuff would fail to make the really important point. It has to be forthright, carrying its own built-in moral for neutrals in a way that the ormolu of applied propaganda would not cheapen. As a calculated risk the decision was on a grand scale, comparable to the calculated risks of war taken in Korea and Formosa."

It is of course always possible that Mr. Beal overstates the case, if not as to the facts, at least as to motivations (no one would quarrel with the basic judgment that Nasser was intractable). Nevertheless, the account squares with a recent speech by C. D. Jackson, also of Time and Life and a former White House special assistant. It fits into the pattern of Mr. Dulles' three other brinks in Korea, Indochina and Formosa. Mr. Beal adds a significant footnote to Formosa policy by telling of a hitherto secret letter from President Eisenhower to Chiang Kai-shek "satisfying him that the United States would help defend Quemoy and Matsu"—a tacit commitment in which Congress ought to be intensely interested.

All of this serves to paint Mr. Dulles as the most reckless sort of gambler. Always before it has been possible to regard the Aswan-Suez episode as an accident. Now Mr. Dulles is portrayed as the champion of purposeful irresponsibility, the inventor of the calculated blunder. The tale places on Mr. Dulles an additional share of the blame, not only for Nasser's nationalization of the Suez Canal Co., but also for the increasing desperation in Britain and France, the Suez invasion and the drastic erosion of Western interests.

It is hard to believe that Mr. Dulles could be so totally Machiavellian. But he will have a difficult time climbing out of this hole; and there will properly be increasing demands for a white paper on the whole story of relations with Nasser. If the Beal account is correct, is it any wonder that Mr. Dulles is mistrusted abroad?

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. KNOWLAND. I have been listening to the Senator's speech with regard to the Middle East, which is a very important and vital part of the world. I was a member of the committee to which the Senator has referred, and I am sure he will be frank enough to admit that there was a great volume of material presented, as he has already pointed out, and that different people, could of course, draw different conclusions from the facts which were presented, including classified and unclassified documents.

The Senator will also admit, I am sure, that, so far as the water rights are concerned, the agreement between Sudan and Egypt on the use of the water has not even now been reached, and had not been reached at the time the Aswan Dam matter was under consideration or at the time the offer was withdrawn. That is correct, is it not?

Mr. FULBRIGHT. It had not; but one of the conditions of the offer was that that agreement would be reached before we were committed to give the money. Therefore I do not believe it is a valid reason for the withdrawal.

Mr. KNOWLAND. The fact remains that such an agreement has not been up to this date, the 14th of August, entered into between Egypt and Sudan. Even had the funds been provided, the work could not have gone forward, and we would not have had to put up the money under the contingency the Senator has himself pointed out.

Mr. FULBRIGHT. Of course after the cancellation of the dam the negotiations for settling that matter, I presume, were dropped. There was no point in pursuing it with any particular energy, because the project, for all practical purposes, had lapsed.

We have that problem in the western part of our own country. The Senator is aware of it. Every time a project of this kind is attempted in our country, where riparian rights are involved the States concerned must make compacts. The Senator from California has himself participated in the vigorous battles over who is to get the water of the Colorado River. Such problems are not insoluble. The only point is that existence of such a problem was not a valid reason for withdrawing the offer.

Mr. KNOWLAND. My only point is—and I think it becomes pertinent—is that even had the Soviet Union gone ahead on its own in regard to this matter, unless they were completely to ignore the water rights of the new nation of Sudan, they would still have to reach an agreement, which has not up to now been entered into.

Mr. FULBRIGHT. That is quite right. No one is advocating that the rights of the Sudan should have been ignored. I do not believe it was an insoluble problem at all. Both countries are interested in developing the Nile River.

As I said in the beginning, this project had been long under consideration. A consortium of German, French, and British private firms had, long before this, entered into negotiations to spend a large amount of money to survey the possibilities of the development of the river. It was not a new project, just picked out of the air. All of us contemplated an agreement as to the proper distribution of the water. Everyone knows that would have had to be done.

The only point I make is that to say, as an afterthought, that we canceled the offer because no agreement had been reached seems to me to be a false reason. Everyone knew an agreement would have to be reached; but an agreement cannot be reached in a vacuum. It should be reached in contemplation of a great proposal.

Mr. KNOWLAND. That was one point which the Senator mentioned. The other point which was mentioned was that there had been preliminary discussions which had taken place following the Egyptian purchase of arms or the barter arrangement for arms from Czechoslovakia. The arms deal had so encumbered the principal export of Egypt, which was cotton, as to throw some doubt on the financial soundness of any repayment plan which might otherwise have been entered into.

I am not quite clear from the Senator's remarks whether he gives any weight to that or whether he feels it was relatively inconsequential. Nevertheless, again, that would be a matter of judgment. Presumably those in the executive branch of the Government, who are charged with some heavy responsibilities in this regard, felt that the arms deal with the Communist bloc had impaired the fiscal responsibility of the Egyptian Government.

Mr. FULBRIGHT. I treat that subject in more detail in the next few pages of my statement, but I point out that the arms deal had taken place prior to the offer. As a matter of fact, the arms deal was one of the principal reasons which motivated our Government and the British, and was the principal reason for the offer being made.

So to argue that the arms deal was both the reason for making the offer and also the reason for withdrawing the offer is wholly illogical. The arms deal had been arranged before the offer was made. If the arms deal had taken place subsequent to the time the offer was made, the Senator's reasoning would apply. But I think he is wholly in error to apply that as the pertinent reason or the proper reason for the withdrawal of the offer. The arms deal was made in the summer of 1955.

Mr. KNOWLAND. Yes; but all the details regarding the arms deal were made known at the time the first intelligence became available to the Government of the United States relative to a transaction having been entered into between the Egyptian Government of Mr. Nasser and the Communist Government of Czechoslovakia, acting as front for the Soviet Union.

I submit that later details could very well have given additional information, which certainly would throw grave doubt upon the fiscal ability, even if there were no other issues involved, of the Government of Egypt to carry out the original plan by which, presumably, the cost

of the Aswan Dam was to be repaid over a period of years.

Mr. FULBRIGHT. All I can say is that there is no evidence of that in the documents which were placed at the disposal of the committee. On the contrary, all the evidence on that point is in support of the view that there was no substantial change. The documents reveal that the president of the International Bank was of the view that there had been no substantial change in the capacity of Egypt to discharge this obligation—that is, from December 1955, to the time of withdrawal.

I do not wish to commit the president of the bank too far. I will put it this way: I think it is clear from the documents that, having entered into the agreements, and for reasons which are very involved, he thought the matter should be consummated. In other words, he did not approve of the withdrawal. Our Ambassador was also very strong against withdrawal of the offer.

What the Senator from California says is that they may have had some intimation from some sources that Egypt was not as likely to repay as it was before the offer was made or at the time of the offer. I say there is nothing in the documents to that effect. We can speculate about it; anybody can. But there is nothing in the documents to indicate that.

Mr. KNOWLAND. The third point raised by the Senator from Arkansas involves circumstances and conditions then prevalent. It is hard to try to recapture on August 14, 1957, a situation which existed some months or a year ago. But keeping in mind the factors which then existed, the Senator from Arkansas apparently discounts the congressional opposition. Perhaps the Senator's research has not gone far enough, and he might be enlightened by the record of the hearings. I believe the record of at least one of the hearings was kept by the Committee on Appropriations, when the Secretary of State and, I believe, some of his assistants were called before that committee and were questioned rather extensively with regard to the Aswan Dam and the proposals which had been made. If a record was kept of the several meetings which were held—and I have a personal recollection of at least one, and I think there was more than one—the Senator from Arkansas would perhaps find that there was a substantial feeling in the Senator's own party, as well as on the other side of the table, in regard to the Aswan Dam matter, and very grave questions were raised concerning it. Perhaps before completely discounting the Congressional questions which have been raised, the Senator might examine that part of the record, if it is available, to see whether, indeed, the Congressional reaction was not a great deal more than the Senator apparently assumes it was.

Mr. FULBRIGHT. All I can say is that I mentioned that in my statement. That opposition, so far as I know, was confined to the Committee on Appropriations. I know that some of my colleagues from cotton-producing States had said to me that they were disturbed that the United States should finance a project which would apparently, over at least 10 or 15 years, increase the production of cotton, a product which, as we all know, presently is suffering, and at that time was suffering to an even greater extent, from overproduction.

That is a very normal reaction on the part of people representing cotton-producing States. I was aware of their concern and, since I too, represent a cotton-producing State, considered that possibility, but I must say that I do not believe that this would have had any substantial adverse influence upon the prosperity of the cotton industry in my State or in any other State. But I can understand how people would express that belief and feel that it could be an influence. I think, however, that was an unsubstantial objection.

And I may say that if the administration believed this was a good project and was important to the country, and that this proposal would have created such problems, it was the administration's duty to undertake to persuade the opposition, such as arises in a case of this kind, to the administration's point of view and to carry the matter to the whole Senate.

As I pointed out here, if the objection had been to the cost of the project, I would point out that in response to the so-called Eisenhower doctrine, we turned right around and spread $174 million in the Middle East in an effort to repair—at least, partially—the damage which resulted from the cancellation of the dam, the closing of the canal, and the resulting conflict.

So, Mr. President, from a monetary point of view, although I do not think that is the major consideration, certainly the operation there was not an economical one, either.

Mr. KNOWLAND. Of course, the distinguished Senator from Arkansas is a valued member of the Foreign Relations Committee, on which I have been privileged to serve with him for a period of some 5 years; and he has been a member of the committee for a considerable longer period of time. I have a very high regard for him, of course. But the Senator from Arkansas must admit that the person who has the responsibility of directing the foreign policy of the United States, constitutionally, is the President of the United States, who in the day-to-day operations of necessity works through the Department of State. It so happens that the gentleman who has the responsibility of heading the Department of State at the present time is Secretary Dulles, not any Member of the Senate. Senators have their constitutional responsibilities, too, in connection with certain matters, including that of advising and consenting to certain nominations and treaties; and I am as zealous as is the Senator from Arkansas in seeking to protect the full prerogatives of the Senate in that field.

But I should like to ask some questions of the Senator from Arkansas, and I believe it is not unfair to ask them while he is making his speech, which I believe it is well to have made, and while he is presenting to the Senate his point of view. If he had the responsibility of serving as Secretary of State—as Mr. Dulles now has that responsibility—under the President of the United States, what would he have proposed? Am I to conclude from his remarks that he would have said the United States should supply arms to Egypt, so that Czechoslovakia would not supply them? Does the Senator from Arkansas believe that the United States should have financed the Aswan Dam, despite the other factors which have been mentioned, and despite the Congressional opposition?

I think those are pertinent questions.

I am sure the Senator from Arkansas is not seeking to prove that Mr. Dulles is wrong and that Mr. Nasser is right. Mr. Dulles did have the responsibility.

The Senator from Arkansas, under the terms of the resolution which he submitted, obtained access to all the documents, including the secret and other classified documents, which were made available to him and to the other members of the committee. The committee itself, after going over them, was not able to reach a conclusion as a committee; and in the statement which the committee issued at the time, and in which the Senator from Arkansas joined—and I thought the statement was a very fair one—it was frankly admitted that the committee was discontinuing those activities, and was returning the documents to the State Department, and that there had been no agreement in the form of conclusions on the part of the committee; and different people could honestly draw different conclusions from the evidence which had been made available to us.

Mr. FULBRIGHT. Mr. President, before I complete my statement, I can only say that the Senator from California has raised a great many questions which certainly are pertinent, although they are not involved in the Aswan Dam matter. Some of the questions relate to conditions in the early days of the revolutionary period in Egypt, following the time when King Farouk was deposed by Naguib and Nasser. That is a very interesting period. I am very frank to say that I believe the failure of the administration to develop a consistent policy as to what it would do in the Middle East is the root of the trouble. There was vacillation and indecision, beginning in the earliest part of 1953.

The Senator from California suggests, at least, a discussion of the conditions existing in that area during that entire period. I would be perfectly willing, at a proper time, to enter into a debate regarding it. However, in this statement I am not undertaking to deal with all those questions. Of course I have my views about them; and, as a matter of fact, on other occasions I have had something to say about them. I have said that I thought the Secretary of State misjudged the seriousness of the situation in the Middle East. I have reference particularly to the time when he came before our committee—early in 1956—and said that the United States was making great progress in the Middle East; that the Russians were faltering and failing, and that their system was a failure. The Senator from California

will recall that occasion, I am sure. So this is not the first time I have had my doubts about the wisdom of the policies of the Secretary of State regarding the Middle East or, to state the matter in another way, his failure to appreciate and understand the forces which were at work in the Middle East.

I think the Senator from California will agree that at one time the Secretary of State seemed extremely friendly toward Mr. Nasser and Mr. Naguib. Then, a year later, he became very antagonistic and finally he acted to save the political life of Colonel Nasser. I refer to the occasion when the Secretary of State intervened and made the greatest show of energy he has ever demonstrated. In the middle of the night, he went to the United Nations and sponsored a resolution condemning the intervention by Britain and France, and thereby saved Nasser. But I cannot go into all those questions now.

Mr. KNOWLAND. Mr. President, will the Senator from Arkansas yield?

Mr. FULBRIGHT. Mr. President, I should like to finish my statement. Then I shall certainly be glad to yield to the distinguished minority leader. I have the greatest respect for his views and his interest in this matter. As he has already stated with correctness, he and I have different views about these matters, and, of course, honest men can have different views. But I believe it my duty to present my views on this subject. I am not undertaking at this time to deal with all the previous actions which led up to the cancellation of the Aswan Dam offer.

In the course of my remarks, I state that possibly a reasonable man could correctly say that the Secretary of State should never have made the offer. But, having made it, under the impact of the arms deal and for other reasons, I say it was a great mistake to withdraw it in the fashion in which he did. That is about all my statement deals with.

Mr. KNOWLAND. Mr. President——

Mr. FULBRIGHT. I yield once more to the Senator from California, but I desire to conclude my remarks.

Mr. KNOWLAND. Mr. President, I have been sitting here, listening very attentively to the Senator's speech.

Mr. FULBRIGHT. I am glad the Senator from California has been doing so. He is about the only one of my colleagues who has had the endurance to do so.

Mr. KNOWLAND. Again I wish to say, in all fairness, that within the last few minutes the Senator from Arkansas has indicated that all these problems commenced as of 1953, which happens to be the year when Mr. Eisenhower and Mr. Dulles came into office. I think fairness requires us to say that the problems of the Middle East go back a great many years. Historically they go back for hundreds and even thousand of years; and certainly even the modern problems of the Middle East extend all the way back to World War I and the period following that war and to World War II. So they did not begin on January 20, 1953, when President Eisenhower took office; I think the Senator from Arkansas will admit that.

Mr. FULBRIGHT. I certainly agree with the Senator from California about that. The Middle East has been a trouble spot for a long time.

Mr. KNOWLAND. Next, in commenting on the action taken by the President of the United States, through the Secretary of State, at the time of the outbreak of the armed conflict in the Suez, I submit that the statement made by the Senator from Arkansas did not constitute a fair appraisal of what occurred—when he said it was an action to save Colonel Nasser.

As I have stated, it was established United States policy—a policy established and maintained both during the Truman administration and the Eisenhower administration—to support the United Nations in the effort to help maintain a system of international law and order and to preserve the peace of the world.

So I believe that the problem which then confronted the Government of the United States—a problem which would have confronted our Government under either a Democratic President or a Republican President—was as follows: Would the United States take no action, in the case of that armed conflict and aggression in that part of the world, and as a result, perhaps have the United Nations collapse completely, as the League of Nations collapsed after it failed to deal properly with the armed intervention of Japan in Manchuria and with the intervention of Italy under Mussolini in Ethiopia; or would the United States take a stand in consonance with the Charter of the United Nations, which is clearly against any aggression anywhere in the world?

If we ever took the position that our friends could commit aggression and we would close our eyes to it, but we would be concerned only if those we might consider our enemies committed aggression, that would be a double standard of international morality, and I do not think the United Nations could survive or can survive under any double standard of international morality.

I say to the Senator from Arkansas the action which was taken was not to save Mr. Nasser, but to save the United Nations from going the way of the League of Nations. I think the Senator from Arkansas, upon reflection, will admit that is a fair appraisal of the action taken by the Government of the United States.

Mr. FULBRIGHT. I can certainly understand the feeling of concern by the Secretary of State in not wanting to see the events erupt into war, because he must have felt a great responsibility for having precipitated the situation which caused it. I agree with what the Senator says about the general principle with regard to the United Nations, and its maintenance, and the resistance of aggression. It is a very complex matter, and I do not think it can be reduced to a few words or to a formula as simple as the Senator from California would like to have it appear. A succession of events took place during the last 4 years, one leading to another, which, in my opinion, finally ended in one of the greatest debacles of the West in the Middle East.

I would not say Britain was without blame at all. I do not wish to leave any such impression. I do say the fact is that, through vacillation which led to this situation, we found ourselves in the very uncomfortable position of siding with Russia and of condemning our principal allies. That is a fact which the Senator from California does not deny. As to how we got ourselves into that position, the Senator from California will take one view, I suppose, and I another. But the subject is so complicated that I do not wish to enter into it now, because of the conditions which now exist in the Senate. I do not think we could leave a record that would be final, or with which either one of us would be content, on a subject so complex as this. All I am trying to do is to deal with one small segment of the subject, and that is the Aswan Dam.

Mr. KNOWLAND. If the Senator from Arkansas will permit one more interruption, I shall then quietly take my seat, and, so far as I am concerned, let him continue his speech, which I am very interested in hearing.

Mr. FULBRIGHT. I do not have much more, I may say to the Senator.

Mr. KNOWLAND. The Senator from Arkansas must not lose sight of what was one of the saddest coincidences in history; namely, that at the time of the outbreak of hostilities in the Middle East, with Great Britain, France, Israel, and Egypt as the parties involved, at precisely that moment, whether because of it or otherwise, an act of aggression took place in Hungary. I do not know that any of us can be certain of it until the archives of the Kremlin are someday opened for historians to study—and I hope by that time the records will not have been doctored—but the fact is that at that precise moment the Soviet Union was attempting to crush freedom in Hungary.

I am sure that if the Senator from Arkansas had been President of the United States or the Secretary of State, he could not have taken the position that we should close our eyes to aggression by our friends in one area of the world, and then have displayed righteous indignation against aggression by the Soviet Union in Hungary. The United States supported in both cases what it believed to be the charter obligations of the United Nations, on the appeal of the Government of Hungary. I do not think that fact should be lost sight of in any discussion of the Middle Eastern situation.

There is one more question I should like to propound to the Senator from Arkansas. If I understand correctly his thesis, it is that the chain of events to which the Senator has referred stemmed from the action of the Government of the United States—he pins the responsibility, more or less, on the Secretary of State, but he was acting on behalf of the Government of the United States—in canceling the Aswan Dam project. Does the Senator believe and does he seek to maintain in his position that all the developments which have taken place since then have stemmed from that act, and that the responsibility for all subsequent events consequently must

hinge on the decision to cancel the Aswan Dam project?

Mr. FULBRIGHT. I do not know that I would care to go so far as the absolute terms in which the Senator puts it. I think it is quite likely, because of a tendency toward nationalization in other fields, such as in Teheran and other areas, that the Government of Egypt had contemplated nationalization of the canal even before this event. I do not know about that. I do say the cancellation, under the conditions as described by Mr. Beal, was deliberately calculated to be insulting—I do not know whether that is exactly the right word—or at least offensive, because, in the words of Mr. Beal, and also Mr. Jackson, who testified before our committee, it was intended to draw an issue, indeed a dramatic issue. It does seem that the action on the part of the Secretary was the trigger, one might say, which resulted in nationalization, with all the consequences which followed it, namely, the frustrating negotiations between Great Britain and France and Egypt, and then finally, of course, the creation of conditions which resulted in a shooting war. No man can say that in 5 or 10 or 20 years the Egyptians might not have nationalized the canal. On the other hand, if the Aswan project had been entered into in good faith, if it was economically and engineeringly feasible, as the bank experts thought it was, we would have entered into a relationship with Egypt which I think would have created an atmosphere which would have been a great deterrent to Egypt to nationalize the canal—at least by force, in contrast to perhaps a suit or a legal approach to the problem.

I think construction of the dam, as contemplated, would have been of such importance to Egypt, and not only to Egypt, but to the Middle East, as a dramatic example of the West's ability and willingness to undertake major developments for the improvement of the standard of living that it would have been of great importance in the settlement of the differences, political and social, in that area. At least, that was the reasoning behind the offer in the first place. As I said, I am inclined to think there was justification for making the offer, although I would say one could make a reasonable case that the mistake was in making the offer; but having made it, I simply cannot see any of the reasons assigned as constituting real justification for the withdrawal of the offer.

I shall proceed with the remainder of my remarks. The second reason why the administration's judgment was poor, even on the facts known at the time of the withdrawal of the offer, was that it did not appreciate the significance to the United States of the vigor of the nationalist and neutralist drive in Egypt. I believe the Secretary of State confused Egyptian nationalism and neutralism on the one hand with communism on the other. Despite the judgment of able State Department career officials indicating that Nasser had some appreciation of the dangers of dealing too closely with the Soviet Union, Mr. Dulles seemed to believe that Nasser had become a Soviet puppet. He did not recognize that Egyptian nationalism was a powerful force which could, if recognized for what it was and carefully handled, be directed toward political freedom instead of communism.

Thirdly, the Secretary of State failed to appreciate the importance of the Aswan Dam to the economic future of Egypt. He also failed, in my opinion, to appreciate the tremendous emotional importance which all Egyptions attached to the building of the dam. He did not appreciate the effect the building of the dam would have had upon the entire Arab world as an example of our willingness to help them help themselves. The Secretary of State failed to appreciate these facts, although he had adequate reports on these points from the field.

Seventh. The administration's decision to withdraw the offer to help with the Aswan Dam was not, in my opinion, in the best interests of the United States for the following reasons:

First, the withdrawal of the dam offer was the direct cause of the seizure by Nasser of the Suez Canal. This action led, in turn, to the Israeli-United Kingdom-French attack, to the serious deterioration in our relations with our leading allies, to the severe oil shortages in Europe, and to economic dislocations in other parts of the world. So far as cost is concerned, it was recently reported in the press that $174 million has been spent under the authority of the Eisenhower doctrine, more than our contribution to the dam would have been in 10 years.

Second, withdrawal of the offer served to increase the influence of the Soviet Union. The Soviet toe-hold in Egypt has become a hammer lock on a country which otherwise might well have stayed relatively free from influence by the Communist orbit.

Third, settlement of the conflict between the Arab States and Israel, without which no peaceful economic and political progress in the Middle East is possible, has been rendered much more difficult. To have helped Egypt concentrate on internal development instead of foreign adventures would have helped to create stabililty throughout the area.

Fourth, the withdrawal of the Aswan Dam offer has created an impression which is hard to erase that we as a Nation are interested in the economic development of other nations only if that assistance serves to put the recipient nation under the political bondage of the United States. It suggests we are not interested in the economic and political freedom of other peoples unless they are willing to adapt their policies to suit our political needs.

Fifth, withdrawal of the offer has foreclosed what may be the primary salvation of Egypt's economic problems in the long run. The Aswan Dam—an essential element of stability in the Middle East—has been indefinitely postponed. The day when the Egyptian people might seek to build a democratic government on a solid economic base has been delayed.

Sixth, withdrawal of the Aswan Dam offer and the consequent war in the Middle East diverted world attention from the revolution in Hungary. This, of course, is a second guess. Nevertheless, if the world had not been absorbed by the danger in the Middle East and if the Western Powers had not been on opposite sides in that conflict, the Soviet Union might never have intervened in the Hungarian revolution, or the response of the West to the Soviet intervention might have been more effective. We lost a golden opportunity to promote freedom in the world of the Communist orbit and we handed communism a key to the Middle East.

Mr. President, these are my conclusions. I believe that the documents which have been supplied to the committees of the Senate by the Department of State support these conclusions.

Mr. President, I wish it were possible to make the Aswan Dam papers public. Every time the Senate tries to make use of classified documents furnished by the executive branch, however, we encounter a fundamental problem of relationship between the Congress and the executive branch. My situation today illustrates this problem. The conclusions which I have reached cannot be subject to the jury of public opinion as long as the documents supporting those conclusions must remain classified. It is impossible for the press, for members of the public, and for students of foreign policy in the Middle East to determine whether my conclusions are sound and whether our actions which I believe contributed directly to the seizure and closure of the Suez Canal were reasonable or unreasonable in the light of the facts available to the Department of State.

All I can do—or all any member of the subcommittee can do—is to assert that our policy was well founded or was improvident and unwise. Or if I may put it another way, I have been impressed with the difficulty of determining what our policy was in the Middle East during these last 3 or 4 years. I am unable to find any consistent theme or principle involved in our attitude toward Egypt. At one moment we seemed to encourage Nasser and at another to thwart him without any compelling reason for such shifts being evident, at least to me. Such rapid changes of attitudes were, I am sure, confusing to our allies and friends as well as to our enemies.

It is an unsatisfactory state of affairs when the American people have no basis upon which to judge whether the Secretary of State acted responsibly or irresponsibly in withdrawing the offer of the United States to help finance the Aswan Dam. All they know is that the events which followed that act led to a limited war in the Middle East and did great damage to the NATO alliance.

The experience of trying to investigate a policy based on secret information is new to me. I have in the past dealt with situations in which executive branch actions were of a kind that could be made public, and the people could themselves judge any given situation. It is indeed unfortunate that in the field of foreign affairs a similar examination and evaluation is not possible.

Mr. President, to summarize, there is much evidence in the Aswan Dam papers that our policy was influenced too much

by emotion and not enough by hard-headed realities. The realities require that peace be maintained in the area, that the Middle East remain free from Communist control, that the nationalism of the area be encouraged to develop in such a way as to promote economic and political freedom, that transportation through the Suez be uninterrupted, and that great power conflicts bound to develop in such a crucial area be managed in such a way as not to endanger our NATO alliance.

In view of these realities, the national interest of the United States requires that each of our actions in foreign policy be predicated upon the most careful analysis of the factual situation which exists, the impact our action may have, close consultation with our allies, and a thorough canvassing and understanding of the possible consequences of any given course of action.

The papers I have seen indicate that these realities were faced in connection with the original proposal to assist in construction of the Aswan Dam. The papers do not indicate that the decision to cancel the offer was based on a similar careful analysis. The result was that we were caught by surprise by the vigor of Nasser's reaction and that the consequences flowing from this ill-considered decision were costly.

Mr. President, it is possible to argue, although I do not do so, that the decision in 1955 to offer assistance to Egypt was the basic mistake made by our Government rather than the withdrawal of the offer. The offer made in the latter part of 1955 following the conclusion of the arms deal between Egypt and the Kremlin grew out of the apprehension aroused by that arms deal. One of the most inexplicable episodes in our recent history was our failure to protest, or to even complain about that agreement, to Russia at the summit meeting in Switzerland in June of 1955. Apparently we never mentioned this ominous move into the Middle East by the Communists. In spite of this apparent unconcern at the time—that is, in June—I believe the arms deal was one of the principal reasons for the development of the Aswan Dam proposal. However, whatever the reasons for making the offer might have been, having made it, in view of all the circumstances at the time and the subsequent developments, I believe the withdrawal was unwise.

The ill-considered decision to withdraw our offer to Egypt resulted in large economic losses to Europe and to this country, serious injury to our relations with England and France, increased hatred and fear between Israelis and Arabs and, most important of all, the consolidation of Russian influence astride the Suez Canal and the Middle East.

Unless and until our Government can develop reasonably consistent long-term policies based upon clearly understood objectives we cannot effectively protect our own interests nor give effective leadership to the Free World. Vacillation and indecision can lead only to frustration and disillusionment.

What I have said today should not be construed as an endorsement of Mr. Nasser and his leadership in Egypt. I certainly do not approve his acceptance of military assistance from the Soviet Union. I certainly do not feel that he was justified in seizing control of the Suez Canal in retaliation for our abrupt torpedoing of plans for the development of the Nile.

My point is that a more farsighted, a more rational, and a more diplomatic handling of United States interests in the Middle East might well have prevented the relationship of the United States and Western Europe with Egypt from deteriorating to the point that Nasser was prompted to abandon the possibility of friendship with us, and perhaps even to abandon a position of neutralism, and to turn instead to the only large nation still proffering what must have seemed to him to be a hand of friendship.

After King Farouk was deposed and the British had agreed voluntarily to evacuate the Suez Canal zone, the United States was in the preferred position in the Middle East. The change in the attitude of the Egyptian revolutionary junta since the day when Mr. Dulles was so friendly with Naguib and his group of colonels has been so great that we tend to lose our perspective and to forget that the inadequacy of our own policy may have been largely responsible for the dangerous condition of the Middle East today. The events of the past 3 years and present conditions in that area do not lead me to the conclusion that we have used our resources and our influence wisely or providently.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield to the Senator from Montana.

Mr. MANSFIELD. I am sorry that I was called out of the Chamber and did not hear all the Senator's speech, but I wish to compliment the Senator from Arkansas on the portions which I heard.

As a member of the subcommittee which looked into the Middle East situation, of which the Senator was chairman, I know that he had access to a great many documents. Unfortunately many of those documents were highly classified and could not be made public; but on the basis of the study made by the distinguished Senator from Arkansas, I am sure he has presented, for all to see, a review of the situation in the Middle East as he saw it, and as he now sees it as a result of the studies he has made.

I commend the Senator from Arkansas for his clarity and for his courage in making the speech he has made today. I think he has given us all something to think about.

Mr. FULBRIGHT. I thank the Senator from Montana very much.

Mr. KNOWLAND. Mr. President, I do not intend to delay the Senate at this time, but perhaps at a later date I shall go into a more detailed discussion of the remarks made by the distinguished Senator from Arkansas.

At this point I merely wish to say that the study of the same documents to which the Senator has referred, by those who had access to them at the time, apparently caused the responsible officials in the executive branch of the Government, with their sources of information, intelligence, and otherwise, to reach a different decision from that which is suggested by the Senator from Arkansas. Perhaps he is right and they were wrong; but it is also quite possible that their decisions may have been right, and his proposals may not be correct.

As I pointed out in the colloquy I had with the Senator earlier, a study of the same documents by other members of the committee who had access to them did not bring all of them to the same conclusion. They may not differ in all aspects, but at least it was felt that, under the circumstances, it was not advisable or possible to obtain a committee report on the facts, based upon a study of the same documents, upon which all members of the committee could agree, or even a substantial number of the members of the committee could agree.

I must say to the Senator from Arkansas that the only part of his statement that amazes me a little is his apparent criticism that all these documents cannot be made public. The fact of the matter is that not only was the bipartisan leadership of the Senate and the House kept advised during the developments in that area of the world—and I think the documentation on that point can be made very complete, and will be available—but, in addition, when the request was made by the Committee on Foreign Relations for all the documents—cables, messages, and all the other documents—without any delay whatever the Secretary of State said that the documents desired by the Senator from Arkansas and his subcommittee would be made available. He pointed out the magnitude of the task, and suggested that it would require some time to get the material together. However, the Department did make the information available. In fact, it was hardly possible for the Committee on Foreign Relations to provide storage space for all the documents which were made available.

In the light of those circumstances, I point out that the Senator from Arkansas is not a freshman Member of this body. He knows how the present situation contrasts with some of the situations which developed and existed during a prior administration.

The distinguished late Senator from Michigan, Senator Vandenberg, who was the ranking Republican on the Foreign Relations Committee, and who was President pro tempore of this body during the 80th Congress, as well as chairman of the Foreign Relations Committee during the 80th Congress, under a prior administration, personally told me that, though he had requested the document known as the Wedemeyer report, and the documents emanating from the Yalta conference, those documents were not even made available in executive session to Members of the Senate, and were not made available until 10 years after the event, when the present administration, acting on the request of the Congress, not only made them available to the Congress for the

first time, but made them available to the country.

In the case to which I have referred, the chairman of the Foreign Relations Committee, one of the most senior Members of this body, was unable to get, even for his personal inspection, the documents growing out of the Yalta conference, which certainly played an important part in the loss of freedom by hundreds of millions of people in the world. I submit that record, which cannot be successfully disputed, compared with the fact that not only did the executive department in this administration consult with members of both parties and the leadership in both Houses during this period of time, but as soon as the request was made by the Committee on Foreign Relations all the documents, including the most highly classified ones as well as others, were made available to a committee of the Senate.

I submit that that record does not have a parallel in the previous administration.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPOINTMENT OF REPRESENTATIVES IN THE ORGANS OF THE INTERNATIONAL ATOMIC ENERGY AGENCY

The PRESIDING OFFICER, as in legislative session, laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H. R. 8992) to provide for the appointment of representatives of the United States in the organs of the International Atomic Energy Agency, and to make other provisions with respect to the participation of the United Stater in that Agency, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. ANDERSON. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. ANDERSON, Mr. RUSSELL, Mr. PASTORE, Mr. GORE, Mr. JACKSON, Mr. HICKENLOOPER, Mr. KNOWLAND, Mr. BRICKER, and Mr. DWORSHAK conferees on the part of the Senate.

TECHNICAL BASIS OF JOINT COMMITTEE ON ATOMIC ENERGY PROJECTS

Mr. ANDERSON. Mr. President, the question has been raised as to the technical basis for the Joint Committee's recommendations as to the three projects it included in the authorization bill.

All three projects are fully supported by testimony in the hearings, and reports available to the committee. This testimony was provided by the responsible technical people in the various AEC installations which do the work on the projects.

As a matter of fact, the technical testimony supporting the three Joint Committee projects was far more complete and first hand than provided by AEC with respect to its justification for experimental reactors. AEC merely provided one paragraph of written justifications and had no representatives from its laboratory installations to support its requests.

The following is the technical background to support the Joint Committee projects:

First. On the plutonium reactor: The Joint Committee on Atomic Energy held numerous classified hearings in 1956 and 1957 on weapon and plutonium needs. Members and staffs made several field trips to weapons laboratories and production installations. Numerous reports and economic analyses have been prepared. A partially declassified version of hearings in which the G. E. manager, of Hanford, testified, is set forth at page 379 of part I of the authorization hearings and throughout part II. The reasons for Joint Committee recommendations are discussed in full at pages 24 and 25 of House Report 978.

Second. On the recycle reactor: This is based on Hanford testimony in part I at page 380 and in AEC testimony in part II that the project is urgent, but 1 year away. Hanford testimony and expenditures showed they could begin committing construction money in 1958.

Third. On the natural uranium graphite moderated gas-cooled reactor prototype of approximately 40,000 kilowatts for $40 million, the technical basis is as follows:

First. The need for developing natural uranium reactors to fill a major gap in the AEC program is discussed at length in the hearings on the 1956 acceleration bill, and in the 1957 authorization hearings. The committee's conclusions are summarized in the report at pages 22 and 23. The report, at page 26, makes clear that the prototype can be used to test slightly enriched fuel as well.

Second. It was thought desirable to specify a graphite moderator to be consistent with Admiral Rickover's testimony that an advanced Calder Hall type of reactor would be most desirable to construct. This would also distinguish it from the heavy water gas-cooled reactor of different design proposed by Dr. Zinn and the Florida group. This is in line with AEC Chairman's comment in part II, that it eliminates duplication.

Third. Extensive testimony on the need for gas-cooled reactor development was contained in last year's hearings on the reactor acceleration bill. This included testimony by Dr. Daniels, the original proponent of the gas-cooled reactor in 1946. It also included testimony and a report by Dr. Walter H. Zinn, the country's leading reactor designer.

In the hearings at Washington and Bettis by Dr. Simpson and Admiral Rickover, the gas-cooled reactor was discussed. It was also discussed by these two leaders in the 1957 authorization hearings, and by Dr. Zinn as to a gas-cooled reactor of a different type. The committee's report also discussed it at 26. The report makes clear that the committee is interested in an improved version, particularly as to high temperature.

Fourth. The size of 40,000 kilowatts was selected as being within the range recommended by Admiral Rickover, and of a size whereby the power could be absorbed at the Idaho test site. It would also be within the spirit of the 50,000-kilowatt limitation in Mr. VAN ZANDT's acceleration bill.

Fifth. The estimated cost of $40 million was in line with Admiral Rickover's estimate. It was also confirmed by Mr. Davis, AEC Director of Reactor Development, in part II of the hearings. It should be noted that this is a prototype and therefore no attempt is made to get economic power. The estimate, while fairly high, is probably more realistic than other estimates which are later jacked up.

Sixth. The recommendations are, of course, consistent with the many general reports of the brilliant success of the British.

In particular the Joint Committee has reviewed the AEC report prepared by the American Standard Organization which compares PWR and Calder Hall costs as applied in the United States in slightly improved versions. The Calder Hall reactor is shown to produce cheaper power, although neither is economic.

The North American report, which was apparently withheld by AEC, confirms the above figures as to gas-cooled reactors at about 65,000 kilowatts, but shows a considerable cheaper cost at a size of 350,000 kilowatts.

UNFAIR TRADE PRACTICES IN THE MEATPACKING INDUSTRY—PASSAGE OF S. 1356 IS URGENTLY NEEDED

Mr. WATKINS. Mr. President, S. 1356 was favorably reported to the Senate on July 24, 1956. This bill would amend the Packers and Stockyards Act of 1921, and the Federal Trade Commission Act, so as to return to the FTC, where it was before 1921, jurisdiction over unfair trade practices in the meatpacking industry.

Among the reasons which caused the Senator from Wyoming [Mr. O'MAHONEY] and me to introduce this bill to return such authority to the FTC, is a need to prevent food chains and other firms from, first, buying an interest in a meatpacking plant; and/or, second, acquiring facilities to merely process carcass animals for retail sale, and thereby escape the jurisdiction of the FTC as to its trade practices.

On April 4, 1957, I called the Senate's attention to the fact that Food Fair Stores, Inc., had petitioned the FTC to dismiss a complaint filed against it for an alleged unfair trade practice under section 5 of the FTC Act on the grounds that it was a packer within the meaning of that term as defined by the Packers

and Stockyards Act of 1921. On April 18, 1957, I called the Senate's attention to the fact that on that same day a FTC hearing examiner had ruled in favor of upholding this Food Fair petition, since, in his opinion, this firm was a packer and thus subject to the Packers and Stockyards Act.

That act defines a packer as—

Any person engaged in the business (a) of buying livestock in commerce for purposes of slaughter, or (b) of manufacturing or preparing meats or meat food products for sale or shipment in commerce, or (c) of manufacturing or preparing livestock products for sale or shipment in commerce, or (d) of marketing meats, meat food products, livestock products, dairy products, poultry, poultry products, or eggs, in commerce; but no person engaged in such business of manufacturing or preparing livestock products or in such marketing business shall be considered a packer unless—

(1) Such person is also engaged in any business referred to in clause (a) or (b) of this section, or unless:

(2) Such person owns or controls, directly or indirectly, through stock ownership or control or otherwise, by himself or through his agents, servants, or employees, any interest in any business referred to in clause (2) or (b) of this section, or unless:

(3) Any interest in such business of manufacturing or preparing livestock products, or if such marketing business is owned or controlled directly or indirectly, through stock ownership or control or otherwise, by himself or through his agents, servants, or employees, by any person engaged in any business referred to in clause (a) or (b) of this section, or unless:

(4) Any person or persons jointly or severally, directly or indirectly through stock ownership or control or otherwise, by themselves or through their agents, servants, or employees, own or control in the aggregate 20 percent or more of the voting power or control in such business of manufacturing or preparing livestock products, or in such marketing business and also 20 percent or more of such power or control in any business referred to in clause (a) or (b) of this section. (Aug. 15, 1921, ch. 64, sec. 201, 42 Stat., p. 160.) Section 406 (b) excludes a firm so defined from FTC jurisdiction by providing that—

On or after the enactment of this act, and so long as it remains in effect, the Federal Trade Commission shall have no power or jurisdiction so far as relating to any matter which by this act is made subject to the jurisdiction of the Secretary, except in cases in which, before the enactment of this act, complaint has been served under section 5 of the act entitled "An act to create a Federal Trade Commission, to define its powers and duties, * * * (Aug. 15, 1921, ch. 64, sec. 406, 42 Stat. 169; 7 U. S. C. 227)."

The basis of Food Fair's petition was that since it owned a meatpacking plant, its entire operations—retail grocery business, which amounted to $475 million in 1956, and its packing plant which, by comparison, did $25 million worth of business—were exempt from FTC supervision. This was urged in spite of the fact that its alleged violation of section 5 of the FTC Act was in connection with the grocery store operations rather than its meatpacking operations. If the FTC upholds this ruling of the hearing examiner, as I said on that and other occasions, we can expect to see further reliance upon this broad legal definition of a packer by firms who seek to escape prevention of unfair trade practices by the FTC.

In support of this contention I pointed out to the Senate on June 26, 1957, that on June 18, 1957, the Giant Food Shopping Center, Inc., a corporation which operates a chain of 36 supermarkets here in the District of Columbia, Virginia, and Maryland, had petitioned the FTC to dismiss a complaint issued under section 5 of the FTC Act against it by the FTC on November 21, 1955. A supplemental complaint was filed May 14, 1957, alleging that it had engaged in additional unfair trade practices prohibited also by section 5 of the FTC Act.

Mr. President, I went on to point out on that occasion that the Giant Food Shopping Center does not even own a packing plant, as does Food Fair Stores, or even have a 20-percent interest in one. All it owns are facilities to prepare retail cuts of meat from carcasses of steers, calves, lambs, and so forth, purchased from bona fide packers for sale in its 36 stores. This is pointed out by its petition which states in part:

At the time of delivery, these carcasses are not in the form in which they are merchantable to the public at retail in respondent's stores. Hence, the respondent, to make them marketable, must prepare them by trimming, fabricating, cutting, slicing, grinding, mixing, and otherwise manufacturing and/or preparing meat, and/or meat food products from these carcasses or portions thereof. Having done this, respondent, in its stores, prices the meat and meat food products thus manufactured and/or prepared, packages them, places them on sale, and sells them to the consuming public (p. 3).

The background of this action by Giant Food Shopping Center clearly indicates, without doubt, that in taking this action, this food chain was motivated by the hearing examiner's ruling in the Food Fair case. A letter to Mr. Robert R. Rolnick, attorney for the Giant Food Shopping Center, from Mr. Edward L. Thompson, acting district supervisor, Packers and Stockyards Branch, Livestock Division, United States Department of Agriculture, shows this chain of events: On June 17, 1957, the day before this corporation filed its motion with the Federal Trade Commission, Giant Food Shopping Center delivered to the Packers and Stockyards Branch an executed copy of the report form the United States Department of Agriculture requires of all packers. That very day the district Packers and Stockyards Branch office reviewed that report and under that date informed the Giant Food Shopping Center by letter that because it was engaged in the business of manufacturing and/or preparing meat or meat food products for sale or shipment in the District of Columbia, it was a packer subject to the jurisdiction of the Packers and Stockyards Act.

On the next day, June 18, 1957, the motion to dismiss the complaint was filed with the Federal Trade Commission. Referring to the Food Fair case the petition states:

In the most recent of these matters, Food Fair Stores, Inc., supra, the hearing examiner in his initial decision, relying on *Armour & Company*, supra, and *United Corporation* v. *FTC* (110 F. 2d 473 (C. A. 4, 1940)), dismissed the complaint against Food Fair in which the Commission had alleged violations which were virtually identical to those alleged against this respondent. * * * Especially interesting is the hearing commissioner's specific finding with respect to the latter:

"Express findings on this motion then are:

"1. Respondent comes within the definition of 'packer' as set out in 7 United States Code 191, not only as to its Elizabeth, N. J., plant but as an entity."

Well, the rush is on to gain exemption from the jurisdiction of the Federal Trade Commission Act prohibitions. Likewise, it is not unlikely that every restaurant chain in America, as well as corporations in interstate commerce, which buy carcass animals and retail this meat through cafeterias, and so forth, to its own employees or the public could qualify as a meatpacker under the present law.

But more disturbing is the fact that firms which even process meat food products, of which the meat portion is minute, can probably escape the jurisdiction not only of the FTC Act, but also of the Robinson-Patman amendments to the Clayton Act. This simply means that because of USDA nonenforcement of title II of the Packers and Stockyards Act, there would be no effective enforcement to stop unfair trade practices which fall short of a Sherman Act violation, if another recent decision of an FTC hearing examiner is upheld.

I have referred, Mr. President, to the hearing examiner's decision of August 2, 1957, in the matter of Crosse & Blackwell, FTC docket No. 6463. The facts are these: Crosse & Blackwell, on the grounds that they are a packer, as defined by the Packers and Stockyards Act of 1921, have requested the FTC to dismiss a complaint filed against them, which charges that this firm violated section 2 (d) of the Clayton Act, as amended, for giving promotional and advertising allowances to some but not all of its customers competitively engaged in the resale of its products.

The hearing developed the fact that Crosse & Blackwell makes, manufactures, or prepares 14 products which contain "meat or stock extracted from meat." Raw percentages of the meat products varied from a high of 50 percent in its corned beef hash and liver and beef paste, to a low of 10 percent in its vegetable soup with beef stock. Cooked percentages varied from a high of 39 percent in its liver and beef paste to 0.4 of 1 percent in its scotch chicken soup.

Whereas Crosse & Blackwell's total sales of manufactured products amounted to $7,897,162 in 1956, its sales of items containing meat and meat stock amounted to $380,250 during the same year. Its sales in 1956 of the 14 products which contained meat in some form amounted to but 2.7 percent of its total sales.

As the hearing examiner's decision granting the motion to dismiss pointed out:

Its claim for immunity rests solely on clause (b) of section 191 of title 7, United States Code, to wit [that it is a packer, because it is engaged in] "manufacturing or preparing meats or meat food products for sale or shipment in commerce." That respondent ships in commerce all of its products is unquestioned.

* * * * *

It would do violence to plain English as well as to commonsense, in my opinion, to claim that most, if not all, of the 14 products listed above were not meat or meat food products, but, if anything further were needed, section 182 (3) of the Packers and Stockyards Act defines the term "meat food products" to mean "all products and byproducts of the slaughtering and meatpacking industry—if edible," and the regulations promulgated by the Department of Agriculture under the authority of the Meat Inspection Act, United States Code, title 21, section 71–91, contained a definition of "meat food products" as follows:

"Meat food product: Any article of food, or any article intended for or capable of being used as human food which is devised or prepared, in whole or in substantial and definite part, from any portion of any cattle, sheep, swine, or goat, except such articles as organotherapeutic substances, meat juice, meat extract, and the like, which are only for medical purposes and are advertised only to the medical profession."

Thus, by definition now, we have a firm which seeks to escape possible conviction for a violation of the Robinson-Patman amendments to the Clayton Act, and the jurisdiction in the future of the Federal Trade Commission.

Why have Food Fair Stores, Inc., the Giant Food Shopping Center, and now Crosse & Blackwell sought to cloak themselves with immunity from FTC jurisdiction not only under the FTC Act but also the Robinson-Patman Act by such legal maneuvers? The only answer can be that since S. 1356 was introduced on February 25, 1957, as a bipartisan attempt by Senator O'MAHONEY and myself to correct this situation, these firms have learned, as the Senate Judiciary Committee concluded, that the virtual nonenforcement of the packer provision of the Packers and Stockyards Act of 1921 by the USDA is preferable to the more effective regulation of the FTC. What facts are available to support this statement? Namely these:

First. The USDA has never issued a cease and desist order involving preferences, restraints, price fixing, and discriminations against a packer, as defined by the Packers and Stockyards Act, which related to the wholesaling or retailing of nonmeat food products or nonfood products. Is it any wonder then that food chains and other firms which sell hundreds of food and nonfood products in their supermarkets and wholesale outlets prefer USDA to FTC jurisdiction?

Second. The USDA has not issued a cease and desist order involving similar unfair trade practices against a packer which relates to the wholesaling or retailing of a meat product in the last 18 years, and only seven in all since 1921.

Passage of S. 1356 will remedy this situation by giving to the FTC authority to prevent unfair trade practices in the wholesaling and retailing of meat, nonmeat food and nonfood products. This was the situation before passage of the Packers and Stockyards Act of 1921.

However, proposals made to the Subcommittee on Antitrust and Monopoly by, first, the American Meat Institute, lobbyist for the big national packers who oppose S. 1356; and, second, the USDA, would give to the FTC jurisdiction only over the wholesaling and retailing activities of a firm not principally engaged in meatpacking or processing.

On the other hand, the great majority of the groups which testified before the Antitrust and Monopoly Subcommittee or filed statements with the subcommittee, or who have otherwise indicated approval of S. 1356, urged the Senate to give the FTC such authority over the wholesaling and retailing activities of all firms.

The group includes National Federation of Independent Business, Inc.; National Retail Dry Goods Association; National Association of Retail Grocers; National Fisheries Institute; United States Wholesale Grocers' Association, Inc.; National Farmers Union; National Food Brokers Association; Cooperative League of the United States; National Wool Growers Association; National Milk Producers Federation; American National Livestock Auction Association; Idaho Wool Growers Association; Utah Wool Growers Association; Wyoming Wool Growers Association; Utah Cattlemen's Association; Western States Meat Packers Association, Inc.; National Renderers Association; National American Wholesale Grocers Association; National Institutional Wholesale Grocers Association; National Candy Wholesalers Association, Inc.; Wyoming Stock Growers Association; National Preservers Association; Montana Cattlemen's Association; Iowa Swine Producers Association; Georgia Dairy Association; Pure Milk Association; Kansas Ice Cream and Milk Institute.

Why do these groups favor S. 1356? Because the firms these spokesmen represent must compete with the packers in the wholesaling and retailing of meat, of nonmeat food products and of nonfood products. Yet, as they pointed out to the subcommittee while they are subject to the effective enforcement of the Federal Trade Commission Act, as were the big 5 packers before 1921, these packers and others as well are subject to the Packers and Stockyards Act under title II of which they enjoy comparative freedom due to nonenforcement by the USDA.

The AMI and the USDA proposals, as embodied in the proposed Dirksen amendments to S. 1356, thus would continue the present system of two sets of trade practice rules: One for the big packers which is not effectively enforced by the USDA, and one set for their competitors which is effectively enforced by the FTC. As Senator O'MAHONEY remarked during the testimony of the Department of Agriculture officials:

You are proposing to throw the food chains to the wolves in the Federal Trade Commission while shielding the packers behind the Department of Agriculture (hearing, S. 1356, p. 394).

These witnesses and the firms they represent are concerned in the light of this situation, because three of the biggest packers, represented by the AMI, were 1920 consent decree signers who recently have petitioned the courts to set aside those portions of that order which would permit these packers to process and sell 140 food and nonfood products, own and operate retail meat markets, sell fresh milk and cream and operate distribution facilities for handling these products in direct competition with wholesale and retail food stores.

Should this petition be granted, these firms fear, and rightly so, the ramifications continued USDA noninterest in the enforcement of the unfair-trade practices of title II would have upon their businesses, since to all intent and purpose these three of the biggest ten packers would be free, as other packers now are, to expand into every segment of the food industry, and nonfood industries as well.

But whether the consent-decree modification is granted or not, the activities of these packers outside the area prohibited by the consent decree are so extensive that their competitors—food firms, nonfood firms, and small packers—are likely to be hurt unless the big national packers are required to operate under the same set of trade-practice rules under which they must operate. In this respect, it should be noted that in 1950, one or more of the four largest packers shipped 21 classes of food products in interstate commerce and 58 classes of nonfood products. Nonmeat food products comprised 6.6 percent of their total shipments. Nonfood products, exclusive of the byproducts of their meat operations, constituted 6.7 percent of their total shipments in interstate commerce, and nonfood byproducts shipped accounted for an additional 4.9 percent. Thus, 18.2 percent of their total shipments comprised nonmeat food and nonfood products.

Yet, these packer-owned operations now are not subject to the FTC, but their competitors are subject to the jurisdiction of that more effective agency. Nor under the proposed Dirksen amendments to S. 1356 would these big packers be subject to the FTC. The present situation without doubt gives, and these proposals would continue to give in the future, an unfair competitive advantage to packer-owned enterprises. Under these circumstances who, as a competitor of Swift & Co., would not be concerned about this situation when in 1955 that firm, for example, produced 4 percent of the Nation's butter; 8 percent of the cheese; 9 percent of the margarine; 19 percent of the salad and cooking oil; and 15 percent of the shortening?

Why, these witnesses ask, and rightly so in my opinion, should the trade practices of a firm like Wilson Sporting Goods, selling nonfood products, be under USDA while its competitors like Spaulding, as it would under the USDA and AMI proposal, continue to be subject to the FTC? Why they ask, should Swift and Armour in the wholesaling of nonmeat food products such as cheese, canned milk, eggs, soups, and so forth, be under the USDA and their competitors like Campbell Soup Co. and Safeway Stores continue to be under the FTC, as the USDA and the AMI propose?

In closing, Mr. President, I ask unanimous consent that the decision of the hearing examiner in the Crosse & Blackwell case be printed at the end of my remarks. Because of urgency of the present situation, I sincerely hope that

the Senate yet at this session will pass S. 1356.

There being no objection, the decision was ordered to be printed in the RECORD, as follows:

UNITED STATES OF AMERICA BEFORE FEDERAL TRADE COMMISSION, IN THE MATTER OF CROSSE & BLACKWELL CO., A CORPORATION, DOCKET NO. 6463, FILED AUGUST 2, 1957

INITIAL DECISION

Frank Hier, hearing examiner.

Andrew C. Goodhope, Frederic T. Suss, and Alvin D. Edelson, counsel supporting the complaint.

Niles, Barton, Yost & Dankmeyer, by A. Adgate Duer, Baltimore, Md., and James W. Cassedy, Washington, D. C., counsel for the respondent.

This matter comes on for decision on a motion to dismiss the complaint on the ground that respondent is a pack subject exclusively to the Packers and Stockyards Act of 1921 (7 U. S. C. 191 et seq.) and that such act gives exclusive jurisdiction of the respondent, insofar as the acts and practices charged in the complaint to be illegal are concerned, to the Secretary of Agriculture. The complaint charges respondent with violation of section 2 (d) of the Clayton Act (15 U. S. C. 13), in that it gave promotional and advertising allowances to some but not all of its customers competitively engaged in the resale of its products. No proof on the merits has been taken.

Factual allegations contained in the motion being controverted by counsel in support of the complaint, a hearing for that purpose only was held, from which it developed that respondent makes, manufactures or prepares some 14 products containing meat or stock extracted from meat, as follows:

Name	Raw percentage	Cooked percentage
Beef stew	25.5	18.0
Lamb stew	25.0	18.0
Corned beef hash	50.0	35.0
Chili con carne	25.5	17.5
Ham and tongue paste	36.0	24.0
Liver and beef paste	50.0	39.0
Scotch chicken soup	14.0	.4
French onion soup	12.5	----------
Cream of chicken soup	8.7	----------
Chicken noodle soup	13.8	----------
Chicken rice soup	9.3	----------
Beef noodle soup	20.0	----------
Vegetable beef soup	19.0	----------
Vegetable soup with beef stock	10.0	----------

Sales of these items containing meat or meat stock amounted to $339,211 in 1955 and $380,250 in 1956 out of a total sales of manufactured products in 1955 of $7,760,679, and in 1956 of $7,897,162. The sales of said products have continued during the year 1957 at approximately the same rate.

Respondent sells approximately 150 products under one brand name, and some 35 under another, totaling approximately $14 million a year. Its sales in 1955 of the 14 products containing meat constituted 2.3 percent of its 1955 total sales, and in 1956, 2.7 percent.

The definitive section of the Packers and Stockyards Act reads as follows:

"When used in this chapter—

"The term 'packer' means any person engaged in the business (a) of buying livestock in commerce for purposes of slaughter, or (b) of manufacturing or preparing meats or meat food products for sale or shipment in commerce, or (c) of manufacturing or preparing livestock products for sale or shipment in commerce, or (d) of marketing meats, meat food products, livestock products, dairy products, poultry, poultry products, or eggs, in commerce; but no person engaged in such business of manufacturing or preparing livestock products or in such marketing business shall be considered a packer unless—

"(1) Such person is also engaged in any business referred to in clause (a) or (b) of this section or unless;

"(2) Such person owns or controls, directly or indirectly, through stock ownership or control or otherwise, by himself or through his agents, servants, or employees, any interest in any business referred to in clause (a) or (b) of this section, or unless;

"(3) Any interest in such business of manufacturing or preparing livestock products, or in such marketing business is owned or controlled, directly or indirectly, through stock ownership or control or otherwise, by himself or through his agents, servants, or employees, by any person engaged in any business referred to in clause (a) or (b) of this section, or unless;

"(4) Any person or persons jointly or severally, directly or indirectly, through stock ownership or control or otherwise, by themselves or through their agents, servants, or employees, own or control in the aggregate 20 percent or more of the voting power or control in such business of manufacturing or preparing livestock products, or in such marketing business and also 20 percent or more of such power or control in any business referred to in clause (a) or (b) of this section." (August 15, 1921, c. 64, sec. 201, 42 Stat. 160.)

Respondent is not registered under the Packers and Stockyards Act with the Secretary of Agriculture, and does not own or control, directly or indirectly, through stock ownership or otherwise, any slaughterhouse or packing plant or any interest therein, nor does it do any slaughtering or shipment of carcasses in commerce. The meat, which it incorporates in the 14 products enumerated above, is purchased by it from a local slaughterhouse and by it trimmed, boned, cut up, cooked, mixed and otherwise prepared for canning.

Its claim for immunity rests solely on clause (b) of section 191 of 7 United States Code, to wit, "manufacturing or preparing meats or meat food products for sale or shipment in commerce." That respondent ships in commerce all of its products is unquestioned.

Counsel in support of the complaint makes no serious contention that the above-named products are not meat or meat food products, contenting himself with the assertion that the meat contained therein, stressing, of course, cooked weight, is insignificant. The statute makes no such distinction.

It would do violence to plain English as well as to common sense, in my opinion, to claim that most, if not all, of the 14 products listed above were not meat products or meat food products, but, if anything further were needed, section 182 (3) of the Packers and Stockyards Act defines the term "meat food products" to mean "all products and by-products of the slaughtering and meat-packing industry—if edible," and the regulations promulgated by the Department of Agriculture under the authority of the Meat Inspection Act, United States Code, title 21, section 71–91, contained a definition of "meat food products" as follows:

"Meat food product: Any article of food, or any article intended for or capable of being used as human food which is derived or prepared, in whole or in substantial and definite part, from any portion of any cattle, sheep, swine, or goat, except such articles as organotherapeutic substances, meat juice, meat extract, and the like, which are only for medicinal purposes and are advertised only to the medical profession." (Sec. 1.1 (w) Regulations Governing the Meat Inspection of the United States Department of Agriculture.)

To this showing, counsel in support of the complaint argues two points: First, that Congress, in passing the Packers and Stockyards Act, was dealing only with persons, firms, and corporations engaged in the business of buying, slaughtering, and preparing livestock, animals, dairy products, and poultry products for sale in commerce, and intended to convey jurisdiction to the Secretary of Agriculture over only a strictly limited field, and he cites the definition of "commerce" contained in the Packers and Stockyards Act. However, that definition is not confined to livestock, carcasses, or meat per se, but specifically includes meat food products as well.

The entire legislative history of the Packers and Stockyards Act was thoroughly researched by this hearing examiner previously in the matter of Food Fair Stores, Inc., docket 6458, and the conclusion was there reached that it was the intention of Congress, as reflected by that history as well as the plain language of the act, to except from Federal Trade Commission jurisdiction anything connected with the meat industry. Further discussion is deemed unnecessary.

Counsel's second argument is to the effect that the Federal Trade Commission, under section 5 (a) (6) of the Federal Trade Commission Act and under section 406 (b) of the Packers and Stockyards Act, has residual jurisdiction. The latter section reads as follows:

"On and after the enactment of this act, and so long as it remains in effect, the Federal Trade Commission shall have no power or jurisdiction so far as relating to any matter which by this act is made subject to the jurisdiction of the Secretary, except in cases in which, before the enactment of this act, complaint has been served under section 5 of the act entitled 'An act to create a Federal Trade Commission, to define its powers and duties, and for other purposes,' approved September 26, 1914, or under section 11 of the act entitled 'An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes,' approved October 15, 1914, and except when the Secretary of Agriculture in the exercise of his duties hereunder, shall request of the said Federal Trade Commission that it make investigations and report in any case" (7 U. S. C. 227).

Section 5 (a) (6) of the Federal Trade Commission Act is as follows:

"The Commission is hereby empowered and directed to prevent persons, partnerships, or corporations, except banks, common carriers subject to the acts to regulate commerce, air carriers and foreign air carriers subject to the Civil Aeronautics Act of 1938, and persons, partnerships, or corporations subject to the Packers and Stockyards Act, 1921, except as provided in section 406 (b) of said act, from using unfair methods of competition in commerce and unfair or deceptive acts or practices in commerce."

Counsel argues that because the first three exceptions in the latter statute contain no qualifying phrase, but the fourth exception, reading "persons, partnerships, or corporations subject to the Packers and Stockyards Act, 1921," contains what counsel designates as a crucial and heretofore overlooked phrase, "except as provided in section 406 (b) of said act," only a limited (but undefined) jurisdiction is conferred on the Secretary of Agriculture. However, it is clear to this hearing examiner that this pregnant phrase, "except as provided in section 406 (b) of said act," obviously refers to the language in that section reading as follows:

"* * * except in cases in which, before the enactment of this act, complaint has been served under section 5 of the act entitled 'An act to create a Federal Trade Commission, to define its powers and duties, and for other purposes' approved September 26, 1914, or under section 11 of the act entitled 'An act to supplement existing laws against

unlawful restraints and monopolies, and for other purposes,' approved October 15, 1914, and except when the Secretary of Agriculture, in the exercise of his duties hereunder, shall request of the Federal Trade Commission that it make investigations and report in any case."

It is equally obvious that neither of these exceptions apply in the instant case.

Since existing pertinent decisions, as well as the legislative history of the Packers and Stockyards Act, were discussed in the Food Fair Stores, Inc., decision by this hearing examiner, there is no point in repeating such discussion here.

Express findings on this motion, then, are:

1. Respondent comes within the definition of "packer," as set out in 7 United States Code 191, because it manufacturers or prepares meat or meat food products for sale or shipment in commerce.

2. The Secretary of Agriculture has exclusive jurisdiction of the acts and practices charged in the complaint to be illegal.

3. The Federal Trade Commission has no jurisdiction thereof.

It follows that the motion of respondent to dismiss should be, and the same hereby is, granted. Accordingly,

It is ordered that the complaint herein be, and the same hereby is, dismissed.

FRANK HIER,
Hearing Examiner.

AUGUST 1, 1957.

ANALYSIS OF REPORT ON THE CONCENTRATION IN AMERICAN INDUSTRY

Mr. DIRKSEN. Mr. President, the Senate Antitrust and Monopoly Subcommittee, of the Committee on the Judiciary, has recently issued a report on the Concentration in American Industry, prepared by Mr. Jesse J. Friedman, economic consultant to the subcommittee until recently. I had prepared a statement critically analyzing this concentration report. I ask unanimous consent that my statement be inserted at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR DIRKSEN AS PART OF OPENING REMARKS OF ANTITRUST SUBCOMMITTEE HEARINGS, AUGUST 12, 1957

This report of the Subcommittee on Antitrust and Monopoly, dealing with the subject of Concentration in American Industry, consists of some 750 pages of finely printed statistical tables and explanatory remarks. It contains literally hundreds of thousands of concentration ratios and other figures. It had been in preparation for almost 2 years, occupying during this time the full efforts of a large part of the Industrial Division of the Bureau of the Census, and the professional attention of Mr. Jesse J. Friedman, economic consultant to the subcommittee, and other members of the subcommittee staff. Yet, the members of the subcommittee had been given only a few days to review a work of extreme professional and political importance, whose dimensions are only inadequately described by the information cited above.

It is obviously impossible for any conscientious member of the subcommittee to probe and evaluate the qualities of this report even if one could work 24 hours a day during the days that had been available to us for this purpose. Actually, of course, the members of this subcommittee have other pressing duties.

The report was published without full opportunity for comment by members of the subcommittee. Obviously, full justice could not be done in evaluating the report within the time limitation imposed, but I am taking the occasion at this and the forthcoming hearings to deal with this report on its merits and to propose and examine expert witnesses, as the need therefor will arise.

At this time, I limit myself to a short analysis of the meaningfulness of the statistical study on Concentration in American Industry contained in this report, basing my observations entirely upon the introductory text (pp. 1–6) as written by its author, Mr. Jesse J. Friedman, former economic consultant to the subcommittee.

The introduction of this report, which follows the Letter of Transmittal and the Contents pages, contains (on pp. 3 to 5) a remarkable statement of 10 limitations and qualifications. This statement encompasses the most devastating criticism that can be made of the study itself. However, it is often worded in such manner that its import may be fully understandable only to the few statisticians and economists, and other experts, who are specialists in the subject of industrial concentration and its measurement. Those of us who are not in that enviable position and to whom this study is nevertheless, at least at first glance, a document of conceivably great importance, are in need of a restatement of the qualifications and limitations in language that is understandable.

Hence, I have set it as my task at this time to furnish a translation of the technical language contained in this section of the report, so that all of us can understand clearly the deficiencies of this study which its author, by his own admission, could not or did not avoid. I deal here only with those limitations and qualifications which, as the author puts it (p. 3), "are especially worthy of mention."

LIMITATION AND QUALIFICATION NO. 1

The first of the limitations and qualifications of this study reads as follows (p. 4):

"1. The factual information contained in this report is quantitative in nature. Bare statistics necessarily omit many qualitative factors which are essential to a complete understanding of the competitive structure of the entire industrial economy or of an individual industry. By the same token, the data themselves do not reveal the causes of the concentration shown, nor the relative importance of new entries, integration, internal growth, mergers, or business decline or mortality in accounting for the degree or trend of concentration."

Translated into open language, this passage means that it is impossible to ascertain from the factual information contained in this report whether the degree of concentration that the study attributes to any group of companies is the result of socially or economically undesirable actions or behavior on the part of the business concerns (such as conspiracies in restraint of trade), or whether it is the result of conditions over which the concerns have no control (such as the requirement of large capital investments inherent in the nature of a particular manufacturing operation or a particular product).

LIMITATION AND QUALIFICATION NO. 2

The second of the limitations and qualifications of this study reads as follows (p. 4):

"2. As has generally been true for reports on this subject, selection of the concentration measures used in this report was influenced to a large extent by practical considerations relating to availability of data. Three basic considerations were: (a) the necessity of using an already-compiled census; (b) the need for using uniform measures for all industries to facilitate the mechanics of the project; and (c) the desirability of providing a means of comparing current data with information for earlier years, in order to have some indication of trends. Other concepts and measures of industrial concentration than those to which this study is confined might conceivably be of equal or greater validity for individual industrial categories."

Translated into open language, this paragraph means that the reasons why inadequate concentration measures were used were to a large extent considerations of convenience ("practical considerations"), among which the following are cited:

(a) The necessity of using an already compiled census: There was no real necessity of using an already compiled census. The subcommittee has ample powers and its staff could have obtained valid and pertinent data directly from the companies concerned, instead of taking the easy way of using United States census data which admittedly were not designed, and are not usable, for the purpose of concentration analysis.

(b) The need for using uniform measures for all industries to facilitate the mechanics of the project: This is a wholly specious reason. The mechanics of the project would have been facilitated by developing and using adequate statistics; actually, they were hindered and frustrated by the use of unsuitable statistics compiled for purposes other than concentration measurements.

(c) The desirability of * * * comparing current data with information for earlier years * * *: This point is equally without basis. The statement implies that the 1954 data used in this study are comparable with those of earlier years (1947 and 1935), while in truth this is not the case at all.

In view of the foregoing, the concluding sentence of this paragraph, that "other concepts and measures of industrial concentration * * * might conceivably be of equal or greater validity * * *" must be taken at its full measure, for it represents the admission that other statistics on concentration that could have been developed or were available are apt to be more valid than the ones that have been used in this study.

LIMITATION AND QUALIFICATION NO. 3

The third of the limitations and qualifications of this study reads as follows (p. 4):

"3. The significance of the concentration ratio in those instances in which the measure is meaningful is a relative matter. The concentration of a given percent of shipments or of employment in the hands of four companies may denote a more serious situation for one industry, a less serious situation for another. This report presents the facts concerning concentration in the manner measured, including comparisons with earlier data where available; it provides no standard for evaluating these facts."

The key sentence is the last one: "This report * * * provides no standard for evaluating these facts." It means that in this report the numerical system has been divested of its significance. Ordinarily, a given percentage in one place means the same as the same percentage given in the same context and in the same statistical study in any other place. Here, however, we are told specifically that a concentration of, say, 50 percent may denote a more serious situation in one place than a concentration of 50 percent when it is shown in another place in the same study. That also means, for example, a 55 percent concentration ratio in one place may be less serious than a 45 percent ratio in another place; conceivably, a 90 percent ratio in one place could even denote a less serious situation than a 10 percent ration in another place. The question is: What is the validity of a study that seeks to present a numerical evaluation of the degree of concentration, when the author, himself, warns the reader that the figures recorded therein have no meaning whatsoever?

LIMITATION AND QUALIFICATION NO. 4

The fourth of the limitations and qualifications of this study reads as follows (p. 4):

"4. Because of data limitations, all the measurement of concentration in this report relate to the United States as a whole, even though in many cases the industrial markets concerned are regional, or even local, rather than national in character. As a general rule, but not necessarily in every case, the effect of using a broader geographic market than that in which competition actually occurs is to understate the degree of concentration."

Here, the author states that he has made the assumption that there is only one single market in which American industry sells its products, namely, the national market. Of course, everybody knows that there are many other markets in which American industry operates: There are local markets of all sizes and descriptions; and there are markets which exceed the territorial scope of the United States, such as numerous international markets. There is, to be sure, also a national market, but the figures in this study do not tell us whether the uniform use of the national market was justified in any particular case or not. Hence, the reader is told that "as a general rule, but not necessarily in every case" the effect of this consistent assumption is to understate the degree of concentration. Actually, the author says quite properly that he really is not able to say whether in any particular case the concentration ratio is overstated or understated as a result of this deficiency of the basic concentration data. Again, what value are such statistics? What value is a study that is based upon them?

LIMITATION AND QUALIFICATION NO. 5

The fifth of the limitations and qualifications of this study reads as follows (p. 4):

"5. Concentration ratios shown in this report for individual categories are based upon the shipments, value added, or employment of manufacturing plants in the United States and thus make no allowance for imports, although in the case of certain products, a substantial part of the supply available in the United States market is imported from other countries. For some products, domestic production constitutes only a small fraction of imports. The effect of omitting imports is generally to overstate the degree of concentration in the markets affected, although where imports are marketed domestically by the largest companies, the omission of imports from the data may have the effect of understating concentration."

Here, not even the author of this study can escape the necessity of admitting that the mistake of disregarding the competition which imported goods provide in the domestic market is bound to overstate the degree of concentration, except in those cases where the imports of the largest companies provide added competition for their domestic products. The fallacy of disregarding imports has been pointed out repeatedly over many years by expert economists and statisticians. It could have been avoided with relative ease, simply by including the known quantities of imported goods in the calculation of the concentration ratios.

Some years ago, Prof. George J. Stigler, of Columbia University, condemned the entire 1941 TNEC concentration study solely on the grounds that it left out consideration of imports. The same condemnation applies to the present study.

LIMITATION AND QUALIFICATION NO. 6

The sixth of the limitations and qualifications of this study reads as follows (p. 4):

"6. The concept of shipments used in this report as a basis for measuring concentration conforms to that generally used in Census Bureau statistics. Under this concept, interplant transfers, i. e., shipments of products from one manufacturing establishment of a company to another plant of the same company are included in shipments, but intraplant transfers, i. e., products consumed in the same plant in which they are produced, are excluded. Thus, for integrated companies the value of shipments of materials or components which are incorporated in other products of the same companies is included in the shipments of such companies as well as in the total shipments of such materials or components if these materials or components are transferred to other plants of the companies than those in which manufactured, but are excluded if such materials are produced and consumed at the same plant."

What this means is that, as a result of the indiscriminate inclusion of the values of shipments moving between the integrated plants of a single company, there is double-counting every time such a transfer takes place. And every time such double-counting is made in the census statistics, the concentration ratio of the company involved is artificially inflated. Moreover, since integrated multi-plant operations are far more frequent among large producers than among medium-sized and small ones, this statistical practice means, further, that the market shares of the large companies are systematically overstated. Therefore, the very concentration ratios (for the 4 largest, 8 largest, and 20 largest companies), upon which the entire report focuses, are distorted upwards in varying degrees.

The question is, what good are concentration ratios if they contain systematic biases of such type?

LIMITATION AND QUALIFICATION NO. 7

The seventh of the limitations and qualifications of this study reads as follows (p. 5):

"7. Data for industry and product categories relate to aggregate shipments, value added, or employment in those categories by plants located in the United States. No distinction is made between goods marketed domestically and goods exported. In those cases in which exports are substantial, therefore, the share of the domestic market alone accounted for by the largest companies may be higher or lower than the concentration ratio shown."

Here, again, is one of those sources of statistical error whose effects are completely concealed from the eyes of the unwary user of these statistics. The inaccuracies of concentration ratios arising from nonrecognition of export markets cannot be minimized by confining their effects to "the domestic market alone." They affect the concept of the entire market, both domestic and foreign. Thus, the above-quoted statement that "the share of the domestic market alone accounted for by the largest companies may be higher or lower than the concentration ratios shown" is misleading. The truth is, that regardless of whether exports are substantial or less than substantial, there is a statistical bias in all of these figures relating to industries or companies which export some part of their output. This bias results in a consistent overstatement of concentration ratios.

LIMITATION AND QUALIFICATION NO. 8

The eighth of the limitations and qualifications of this study reads as follows (p. 5):

"8. The concept of employment which is used in this report as another basis for measurement of concentration also follows census usage. As indicated earlier, every manufacturing establishment is classified in the 4-digit industry classification to which the products of that plant are primary. The entire employment of each plant is thus assigned to a single industry. No distinction is made between the employment of an integrated plant which devotes labor to producing materials or components for incorporation into its end products and the employment of a nonintegrated plant which purchases such materials or components from other plants classified in other 4-digit industries."

What is said here means that employment is inadequate as a measure of concentration because the fact that integration is completely disregarded in census statistics. However, this affects not merely concentration measurements that are based upon employment, but also those that are based upon product shipments and are subject to the same criticism. For example, a plant that merely assembles—say 1,000 watches per day—is treated the same way as a plant that, not only assembles the same quantity of identical watches, but also fabricates all of their component parts. The value of shipments of each of the two plants is the same, but it is obvious that these two plants are in no sense comparable. Yet, census industry statistics treat them as if there were no difference between them.

LIMITATION AND QUALIFICATION NO. 9

The ninth of the limitations and qualifications of this study reads as follows (p. 5):

"9. The classifications of industries and products for which concentration measures are used in this report are those used in the census of manufactures. These classifications were developed over a period of years to serve the general purposes of the census and other governmental statistics. Although the basic data are extremely useful and widely used for a variety of purposes in marketing analysis, the classifications were not designed to establish categories necessarily denoting coherent or relevant markets in the true competitive sense, or to provide a basis for measuring market power. On the other hand, products classified in one 4-digit or 5-digit category may compete for the same market with products classified in other categories. Frequently products grouped together in a single 4-digit classification, while related in the sense that they may be manufactured in the same plants, or from the same types of raw materials, or by similar production processes, are nevertheless destined for basically noncompetitive uses and markets. This is true, although to a lesser extent, for 5-digit classifications as well. In some cases it would be necessary to select or recombine the basic 7-digit product classifications in order to obtain categories having competitive meaningfulness. No attempt is made in this report to fit the census classifications to the actual competitive structure of industrial markets. The result is in some cases a fairly accurate reflection of the degree of market concentration, in others an overstatement, and in others an understatement of such concentration."

This is undoubtedly the most striking deficiency of this concentration study. The author is to be commended on his candor of stating (in the last two sentences, above) that he has made no attempt to fit the artificial census classifications to the actual competitive structure of industrial markets, and that "the result is in some cases * * * an overstatement" and in other cases "an understatement" of the degree of concentration. In other words, the author of this study points out that one never knows whether a concentration ratio appearing in this report is overstated, whether it is understated, or whether—apparently only by the sheerest of coincidences—it might be fairly accurate.

LIMITATION AND QUALIFICATION NO. 10

The 10th, and last, of the limitations and qualifications of this study reads as follows (p. 5):

"10. In view of the above reservations, the data on concentration in this report are not of equal significance. For some categories, the measure of concentration may be extremely significant in indicating relative

market power; for some it may not be significant at all for this purpose. Nevertheless, except in those special tabulations requiring selection based upon comparability of classification, concentration ratios are shown for all categories, in order to avoid the necessity of subjective interpretation of the data for each industry or product classification covered."

Surely, this paragraph will stand for a long time as an example of frank admission. His quote, "* * * the data on concentration in this report are not of equal significance" is so true. They are not; some are worse than others, but none seem to be good.

"For some categories, the measure of concentration may be extremely significant * * * for some it may not be significant at all." Everything that the author has said so far leads to the inescapable conclusion that in no case can any of these measures of concentration be proven to have any significance, except that in which they may be cloaked by the mantle of misplaced Congressional sponsorship.

In view of this, and all of the foregoing, what is it that would be needed to put a proper evaluation on the statistics contained in this study? The answer, obviously, is an objective interpretation of this staff member's published data which will undoubtedly be supplied by the economic and statistical professions in a manner that may not reflect credit upon this subcommittee or its staff. This brings me, again, to my repeated warnings of the grave dangers of permitting staff reports to be published, which reports are unwittingly being accepted by the public and the press the world over, as the gospel of the United States Senate.

I emphasize, again, that the foregoing review of this statistical study of Concentration in American Industry is based entirely upon the author's own statements of limitations and qualifications, as they appear on pages 3 to 5 of this report.

FEDERAL POWER COMMISSION

The Senate resumed the consideration of the nomination of Jerome K. Kuykendall to be a member of the Federal Power Commission.

Mr. WATKINS. Mr. President, the personal attack being made upon Mr. Kuykendall on the occasion of his renomination to the Federal Power Commission boils down to an attack upon the Federal Power Commission itself.

For many months now the FPC—the Congress' own bipartisan regulatory agency—has been under relentless attack, essentially by Members of Congress from the political party which was in power when the Commission was created in 1920 and when its powers were expanded materially during the 1930's.

And what is the reason for these vicious and continuing attacks upon one of the Government's major conservation and regulatory bodies?

The answer is simple: The Commission failed to approve a controversial Federal power project—the high Federal dam at Hells Canyon.

Now it is also true that the Congress itself has had several opportunities to approve the same project.

Four times, in fact, the project has emerged from committee in either the House or the Senate. And in every Congress, except for a temporary victory in the current Senate, the project has marched back down the hill again.

On two of these occasions when the high Hells Canyon bill suffered reverses in the Congress, it is significant that the party, from which the criticism of Mr. Kuykendall is emanating, was safely in control of the Congress.

Under these circumstances, one would think that if blame were going to be handed out at all, Congress itself would share in the credit or discredit, whichever is preferred. But such is not the case. The coals of fire are being heaped almost exclusively upon the head of Mr. Kuykendall, and upon the Federal Power Commission itself.

In all this sound and fury, I have seen many personal attacks upon Mr. Kuykendall, but nowhere have I seen any valid evidence that he has failed to perform the duties of his office as spelled out in the law.

If the nomination of Mr. Kuykendall is not confirmed, it will be primarily because he did not—and legally could not—compel his Commission to do what his critics could not compel the Congress to do. It will not be because he has violated any law or any directive of Congress, nor because he has been dilatory or incompetent in the performance of his job.

An obvious question suggests itself: If something is lacking in the Federal Power Commission, why does not Congress change the law and make certain that the agency measures up to whatever may be expected of it?

The solution of this problem—if it be a problem—lies clearly within the purview of the Congress. It will not be solved—if it be, in fact, a problem worthy of solution—merely by the blood offering of Mr. Kuykendall's head upon the platter of a lost cause.

In rising to the defense of the embattled Mr. Kuykendall and the besieged Federal Power Commission, I do not grant this agency, or any other Federal agency, carte blanche for its performance. The people who run this agency are human like the rest of us. They make mistakes. And there is no reason to presume that they are above criticism, because they are not.

However, it so happens that the Federal Power Commission was established after a 20-year fight by a couple of Republicans of whom I am extremely proud. They, of course, were President Theodore Roosevelt and Gifford Pinchot, his Forest Service Chief.

These Republican founders of the modern conservation movement made such an outstanding record in this field, that our Democratic colleagues have been trying to take over them and their record ever since.

Teddy Roosevelt recognized that Congress was making such a woeful record of trying to regulate the development of public power sites, that he early recommended creation of a regulatory body which could assemble the engineering and legal staff necessary to do an adequate job in this important area of public resource development. He was the first President to speak out against giving away our public resources, and his speeches, aided by a vigorous veto program, laid the foundation for passage—during the Wilson administration—of the epoch-making Federal Water Power Act of 1920, under which the Federal Power Commission was established.

Later on, during the administration of President Franklin D. Roosevelt, the powers of the Commission were expanded.

Under the Federal Power Act, as my colleagues on the other side of the aisle should be aware, there is no giveaway of public power resources. Only a revocable license to develop power at Federal sites is granted by the FPC, and the license terminates in 50 years, which is just half the period originally recommended by Gifford Pinchot. At the end of the 50-year period, the Government can extend the license, take over the operation of the plant, or grant the license to a new operator. The Government retains title to the site.

Hence, when the Federal Power Commission is attacked, it must be assumed that the detractors are seeking to discredit one of the outstanding Government conservation agencies established by the Congress.

On the 25th anniversary of the creation of the Federal Power Commission, the George Washington Law Review published a special issue, commemorating the establishment of this agency.

Among the writers of laudatory articles were Gifford Pinchot, Senator Burton K. Wheeler, chairman of the Senate Committee on Interstate Commerce in 1945, and Representative Clarence F. Lea, chairman of the House Interstate and Foreign Commerce Committee.

Mr. President, in order that my colleagues may be able to review the 1945 analysis of the FPC as an agency, I ask unanimous consent to have printed at the end of my remarks three articles from the Federal Power Commission special issue of the George Washington Law Review of December 1945.

There being no objection, the excerpts were ordered to be printed in the RECORD.

(See exhibit 1.)

Mr. WATKINS. Mr. President, in addition, I wish to emphasize some excerpts from the Pinchot and Wheeler articles.

Senator Wheeler wrote:

> The doctrine of the separation of powers is fundamental in American constitutional law. The legislative, executive, and judicial powers under the Constitution are separate and distinct. While the legislative branch—the Congress—can legislate on matters affecting the executive and judicial branches within the powers granted it by the Constitution, and can, within constitutional limits, delegate its legislative powers, the legislative branch must lay down the broad standards to govern the administration of the delegated power, leaving to the agency to which the legislative power is delegated, the application of the legislative provisions in particular situations as they arise.
>
> So it is that, in creating the Federal Power Commission, the Congress set up an administrative agency to perform tasks which Congress, except for the practical difficulties, could have done itself. * * *
>
> Pressed with many other duties on myriad subjects, however, the Congress would find it impossible to conduct these tasks itself. If the Congress were to attempt to deal directly with these problems, moreover, it would be unable to maintain that essential continuity and stability of the regulatory process which can only be provided by men of special training and close experience, who can give their full time and attention to such matters.

By the Federal Water Power Act of 1920, as amended in 1935, Congress has delegated to the Federal Power Commission, the issuance of licenses for the development and operation of hydroelectric power projects located on navigable waters of the United States or affecting the interests of interstate or foreign commerce. As the Supreme Court has pointed out in the Appalachian Electric Power Co. case, upholding the delegation by Congress to the Commission of this authority, the Commission's determination in issuing a license "is legislative in character."

The words "is legislative in character" are the words of the Court. Senator Wheeler continued:

Thus, if such a Commission can be said to exercise, under the Federal Power Act, "any executive function—as distinguished from executive power in the constitutional sense—it does so in the discharge and effectuation of its quasi-legislative or quasi-judicial powers."

Senator Wheeler also discussed the steps taken by Congress to keep this agency free of partisan or executive branch domination. He said:

To insure that the Commission would be an effective arm of the Congress in the performance of its delegated powers, the Congress took certain precautions. First, it made the Commission an independent agency, not a part of any executive department. Thus Congress eliminated outside executive control. Second, to make the Commission impartial in every way, Congress provided that it should be nonpartisan in that not more than three of the Commissioners shall be appointed from the same political party. Third, to give the Commission a degree of permanence and stability, Congress provided that the Commissioners should have terms of 5 years, the terms of the Commissioners to expire in successive years.

The Commission's duties are prescribed by act of Congress. It is "charged with the enforcement of no policy except the policy of the law." Its decisions are to be made according to the mandates of the statute and in the "exercise of the trained judgment of a body of experts," informed by their experience and the record made before the Commission. The Commission is given discretion within the ambit of its authority, but must observe with strict fidelity the mandates of Congress set forth in its jurisdictional statutes, as interpreted by the courts.

This great independent expert agency of the Congress is the agency that is under attack by many Democrats and so-called liberals for its decision in the Hells Canyon case. This decision was made by a unanimous vote of this bipartisan Commission, not by Mr. Kuykendall alone, but by all the members, including the Democratic members of the Commission, after the most extensive investigation ever made of a matter coming before the Commission.

No committee of Congress can match the experience, know-how, and informational background that went into the Federal Power Commission's consideration of the two conflicting proposals to develop the Hells Canyon reach of the Snake River in the best public interest. Yet, in spite of this, we were asked to overrule the experts who had heard this case with extreme thoroughness, and to vote to interrupt their licensed action, and start anew on a proposal that was considered and refused by our own expert agency.

Mr. President, I repeat that the Congress has acted on this matter, either through its committees or directly; and only once has the present Senate approved the proposal which is contrary to the one which has been approved by the Commission. Actually, the one contrary to that approved by the Commission has been rejected four times by Congress.

After describing the long struggle for effective Federal water power legislation, Gifford Pinchot made these summarizing remarks relative to national policy under the Federal Water Power Act of 1920, as amended:

Before their fight was won and a Federal Power Commission was finally established, President Wilson took a hand. In 1918, a Committee on Water Power was created at the President's suggestion, and an administration bill, drafted by the Secretaries of War, Interior, and Agriculture, was introduced. Followed 2 more years of backing and filling, and of conflict between the House and Senate, until on June 10, 1920, the bill became law.

With all its faults the Federal Power Act of 1920, marked a great advance. It established firmly the principle of Federal regulation of waterpower projects, limited licenses to not more than 50 years, and provided for Government recapture of the power at the end of the franchise.

For the first time, the act of 1920 established a national policy in the use and development of waterpower on public lands and navigable streams. But it provided, unfortunately, for the administration of the act by a commission of three men, the Secretaries of War, Interior, and Agriculture, whose hands were already too full to give it the necessary attention.

This serious fault was corrected in 1930 by the passage of an act which provided for an independent Commission of five full-time members authorized to employ a staff of its own.

The act of 1930 took a great step forward. But it was not enough. In 1935, Congress passed the Federal Power Act which authorized the Commission to regulate the interstate transmission and sale of electric energy. Under that act, the Federal control of waterpower operates today.

These excerpts from historical reviews and estimates by distinguished Democratic leaders and a highly respected conservationist, illustrate the true nature of the Congressional agency which made the decision that the three-dam, private-enterprise project at Hells Canyon was in the best interests of the public and of the comprehensive development of the water resources of the Columbia River.

That 1945 review represented an analysis of the history-making Federal Water Power Act of 1922, as amended, by three noted critics and legislative authorities.

Has this legislation, so enthusiastically hailed in 1945, been proved defective or inadequate in the past 12 years? If so, I respectfully urge the majority party to come forward with some concrete amendments or some proposed remedial legislation. That certainly would be far more constructive than merely to clamor for the head of a Presidential appointee to one of the five Commission posts. To be consistent, those who oppose confirmation of the nomination of Mr. Kuykendall should, instead, clamor for the discharge of the other 4 members of the Commission, because all 5 of the members concurred in the decision which was reached.

But while the critics of Mr. Kuykendall and the Federal Power Commission are considering draft of proposed legislation, I think the Senate should approve this appointment, and should let the Commission function on a five-member basis, as prescribed by the law.

Mr. Kuykendall has now had 4 years of experience as a member of this Commission.

He came to this job from the chairmanship of the Washington Public Service Commission. He is a member of the executive committee of the National Association of Railroad and Utilities Commissioners.

A graduate of the University of Washington School of Law, he practiced law in Seattle from 1932 to 1941, when he was appointed an assistant attorney general of the State of Washington, a post he held until returning to private practice in 1946. In addition to this record of public service, he saw duty as a lieutenant in the Navy during World War II, and has served as an officer of various civic organizations, including the Olympia Kiwanis Club, chamber of commerce, American Red Cross chapter, and American Legion post.

From my observation, and my study of the record—a record embracing approximately 2,000 pages was made during the extensive hearings which were held on the Hells Canyon project, and I have examined that record and other records of the Federal Power Commission which I have had occasion to look into—I find that during the past 4 years, Mr. Kuykendall's record has continued to be one of excellent, faithful, efficient, and impartial service to the public and to the Congress.

So, Mr. President, it seems to me that in making these attacks upon the head of this organization, his critics are being entirely unfair. In the course of these remarks, I have already pointed out that Congress has also refused to approve the other Hells Canyon project. Mr. Kuykendall and the other members of the Commission refused to approve that proposed program for Hells Canyon. The proposal was before them also, at the hearing. Yet the Commission did approve, under the law, and in strict conformity with it, the application of the Idaho Power Co. for the license.

So, Mr. President, it seems to me that it is completely unfair for the critics to attack one member of the Commission because of the action taken by the whole Commission, and to take such an attitude regarding one of the employees of the Congress itself, in a measure, without even attacking—by proposed legislation or otherwise—the law under which these men act. That law is very exacting; and I submit that a fair examination of the record will show that they have complied with it completely, in every respect. The courts have had an opportunity to review the actions the Commission took under that law; there was a court review of its actions. The court held that the Commission had acted within the law; and the court refused to set aside the order or license which had been issued. An appeal was taken from the circuit court of appeals to the Supreme Court. A writ of certiorari was asked for, but it

was not granted. There had to be some sort of preliminary examination of the activities of the Commission in order to make that denial.

So here we are now considering the confirmation of the nomination of a man who as Chairman has been in charge of the Commission, which acted unanimously, and who is now being charged by his critics, in effect, with malfeasance in office. It is sought now to deny him the opportunity to carry on the work which he has been doing fully and completely in accordance with the law and spirit of the Water Power Act of 1920.

I submit the nomination should be unanimously confirmed and that Mr. Kuykendall should be permitted to continue in his present position, because there is nothing in his record which would indicate contrary action.

EXHIBIT 1

[From the George Washington Law Review of December 1945]

THE FEDERAL POWER COMMISSION AS AN AGENCY OF CONGRESS

(By Hon. Burton K. Wheeler, United States Senator from the State of Montana; chairman, Committee on Interstate Commerce, United States Senate)

The doctrine of the separation of powers is fundamental in American constitutional law. The legislative, executive, and judicial powers under the Constitution are separate and distinct. While the legislative branch—the Congress—can legislate on matters affecting the executive and judicial branches within the powers granted it by the Constitution, and can, within constitutional limits, delegate its legislative powers, the legislative branch must lay down the broad standards to govern the administration of the delegated power, leaving to the agency to which the legislative power is delegated the application of the legislative provisions in particular situations as they arise.[1]

So it is that, in creating the Federal Power Commission, the Congress set up an administrative agency to perform tasks which Congress, except for the practical difficulties, could have done itself. Under the Commerce Clause of the Constitution,[2] Congress has authority to regulate interstate and foreign commerce. This power of Congress is plenary in character and extends, for example, to control of navigable waters of the United States as to navigation, flood control, watershed development, recovery of the cost of improvements through the utilization of electric power incidentally developed, and also to the regulation of the transmission of electric energy between the States and to foreign countries and the sale of electric energy in interstate commerce. It extends as well to the interstate transportation of natural gas and the sale of natural gas in interstate commerce.[3] To what extent, however, the Congress may see fit, in any particular instance, to delegate these plenary powers to an administrative agency of its creation is, of course, a question for the Congress to decide.

Pressed with many other duties on myriad subjects, however, the Congress would find it impossible to conduct these tasks itself. If the Congress were to attempt to deal directly with these problems, moreover, it would be unable to maintain that essential continuity and stability of the regulatory process which can only be provided by men of special training and close experience, who can give their full time and attention to such matters.

By the Federal Water Power Act of 1920, as amended in 1935,[4] Congress has delegated to the Federal Power Commission the issuance of licenses for the development and operation of hydroelectric power projects located on navigable waters of the United States or affecting the interests of interstate or foreign commerce. As the Supreme Court has pointed out in the Appalachian Electric Power Company case,[5] upholding the delegation by Congress to the Commission of this authority, the Commission's determination in issuing a license "is legislatve in character."

By the Federal Power Act of 1935,[6] the Congress delegated to the Commission the regulation of interstate transmission of electric energy and the sale of electric energy in interstate commerce at wholesale, including the regulation of public utilities owning or operating facilities for such transmission or sale. In regulating the rates of such utilities for wholesale sales of electric energy in interstate commerce,[7] in approving the disposition and interconnection of their properties [8] and the issuance of their securities,[9] in regulating their accounts,[10] the Commission is acting in a quasi-legislative capacity, applying to particular situations the legislative policy as prescribed by Congress. As between the public utilities and other parties in interest, the Commission often acts in a quasi-judicial capacity, holding hearings and adjudicating rights of parties. Further, under various sections of the Federal Power Act,[11] the Commission is given to purely investigative duties, in exercising which it is acting solely as an arm of Congress, in certain instances reporting to Congress and making recommendations for legislation.

Thus, if such a Commission can be said to exercise, under the Federal Power Act, "any executive function—as distinguished from executive power in the constitutional sense—it does so in the discharge and effectuation of its quasi-legislative or quasi-judicial powers. * * *" [12]

By the Natural Gas Act of 1938,[13] the Congress delegated similar powers to the Commission over the transportation of natural gas in interstate commerce, its sale at wholesale for resale in interstate commerce, and natural gas companies engaged in such transportation or sale. These powers, to a great extent, parallel those delegated to the Commission by the Federal Power Act of 1935, on which the Natural Gas Act was largely modeled, and are in the same way quasi-legislative and quasi-judicial in character.

To insure that the Commission would be an effective arm of Congress in the performance of its delegated powers, the Congress took certain precautions. First, it made the Commission an independent agency, not a part of any executive department. Thus, Congress eliminated outside executive control. Second, to make the Commission impartial in every way, Congress provided that it should be nonpartisan in that not more than three of the Commissioners shall be appointed from the same political party.[14] Third, to give the Commission a degree of permanence and stability, Congress provided that the Commissioners should have terms of five years, the terms of the Commissioners to expire in successive years.[15]

The Commission's duties are prescribed by act of Congress. It is charged with the enforcement of no policy except the policy of the law.[16] Its decisions are to be made according to the mandates of the statute and in the "exercise of the trained judgment of a body of experts," [17] informed by their experience and the record made before the Commission. The Commission is given discretion within the ambit of its authority, but must observe with strict fidelity the mandates of Congress set forth in its jurisdictional statutes, as interpreted by the courts.

THE FEDERAL POWER COMMISSION AS AN AGENCY OF CONGRESS

(By Hon. Clarence F. Lea, Member of the House of Representatives of the United States for the First Congressional District of California; chairman, Committee on Interstate and Foreign Commerce, U. S. House of Representatives)

How the Federal Power Commission serves as an arm of the legislative branch of the Federal Government may be illustrated by reference to the provisions of the Natural Gas Act, enacted by the Congress in 1938.[1] Particular reference is made to this act because the writer had an active part in the considerations which led to its enactment. He is familiar with the purposes and circumstances which were in view at that time.

Congress found, and in the act of 1938 declared, that "the business of transporting and selling natural gas for ultimate distribution to the public is affected with a public interest." [2] It was decided that "Federal regulation in matters relating to the transportation of natural gas and the sale thereof in interstate and foreign commerce is necessary in the public interest." [3]

Congress could have enacted detailed legislation regarding these matters without providing for the participation of any administrative agency in such regulation, but instead it decided that a continuing program of regulation involving control of a large variety of particular matters could best be done by an independent nonpartisan administrative commission. This task was entrusted, therefore, to the Federal Power Commission, to which Congress had already delegated regulation of the transmission and sale of electric energy in interstate commerce at wholesale, under the Federal Power Act of 1935.[4]

---

[1] See recent opinions of the United States Supreme Court sustaining the constitutionality of the Emergency Price Control Act of 1942 in *Yakus* v. *United States* (321 U. S. 414, 64 Sup. Ct. 660, 88 L. ed. 834 (1944)) and *Bowles* v. *Willingham* (321 U. S. 503, 64 Sup. Ct. 641, 88 L. ed. 892 (1944)), for a full analysis of the principles and a review of prior decisions relating to the constitutional limits of delegation of legislative power.

[2] United States Constitution, article I, section 8.

[3] For a discussion of the delimitation of Federal and State powers, see Benton, Jurisdiction of the Federal Power Commission and of State Agencies in the Regulation of the Electric Power and Natural Gas Industries, infra, pp. 53–80.

[4] 41 Stat. 1063 (1920), 16 U. S. C., sec. 791 et seq.

[5] *United States* v. *Appalachian Elec. Power Co.* (311 U. S. 377, 61 Sup. Ct. 291, 85 L., ed. 243 (1940)).

[6] 49 Stat. 838 (1935), 16 U. S. C., sec. 792 et seq.

[7] 49 Stat. 851 (1935), 16 U. S. C. sec. 824d.

[8] 49 Stat. 848, 848 (1935), 16 U. S. C. secs. 824a, 824b.

[9] 49 Stat. 850 (1935), 16 U. S. C. sec. 824c.

[10] 49 Stat. 854 (1935), 16 U. S. C. sec 825.

[11] 49 Stat. 856 (1935), 16 U. S. C. secs. 825f, 825j.

[12] *Humphrey's Executor* v. *United States*, (295 U. S. 602, 628, 55 Sup. Ct. 869, 79 L., ed. 1611 (1935)).

[13] 52 Stat. 821 (1938), 15 U. S. C. 717 et seq.

[14] 46 Stat. 797 (1930), 16 U. S. C. 792.

[15] Supra, note 14.

[16] Humphrey's Executor v. United States, supra, note 12 at 624.

[17] Ibid.

[1] 52 Stat. 821 (1938), 15 U. S. C. sec. 717 et seq.

[2] 52 Stat. 821 (1938), 15 U. S. C. sec. 717.

[3] Ibid.

[4] 49 Stat. 838 (1935), 16 U. S. C. sec. 792, et seq.

Legislative functions may be divided into two classes, (1) the enactment of a law and (2) investigation preliminary to the enactment of a law.

The enactment of a law may be complete as to all details when the legislation is passed by the legislative body, or the legislative body may merely lay down broad guiding principles in the law as enacted, charging an administrative agency, specially constituted for the purpose, with application of the law to specific situations which are presented.

The function of investigation preliminary to legislation may be performed (1) directly by legislative committees, or (2), delegated by the legislative branch to a qualified administrative agency, which is required to report its findings to the legislature, with or without recommendations for legislation.

Both forms of delegation are utilized by the Congress in the Natural Gas Act.

In the early days of regulation of public utilities, legislative bodies fixed rates by legislative enactment. Later, when the shortcomings of this method of rate regulation, and the advantages of rates regulation by an administrative commission, became apparent, rate regulation directly by statute was abandoned and authority to regulate rates was delegated to a commission. But, whether the regulation of rates is directly by statute or is delegated to a regulatory commission, it is in either case legislative in character.

In the Natural Gas Act, as in the Federal Power Act, regulation of rates is delegated by Congress to the Federal Power Commission,[5] as is also the regulation of the exportation or importation of natural gas,[6] the extension of facilities or service, and abandonment of facilities or service.[7] Congress could have enacted a law regulating each instance or class of transaction, but instead established the principles of regulation by statute and delegated to the Federal Power Commission authority to make the determinations required by the statute for application in particular cases.

Similarly, Congress has delegated to the Commission comprehensive power to prescribe and regulate the accounts of natural gas companies,[8] just as the Federal Power Act provides for similar controls over electric utilities.

The provisions of section 7 of the Natural Gas Act, as amended February 7, 1942,[9] relative to certificates of public convenience and necessity, afford an even clearer instance of delegation of legislative power. Conceivably, the Congress might itself by statute authorize the construction of natural gas pipelines and delimit the operating and service area of every natural gas company. However, by section 7 as amended, it delegated to the Commission authority to issue certificates of public convenience and necessity for the construction of pipelines, extensions and all new operations since February 7, 1942, as well as "grandfather clause" certificates for facilities and operation of natural gas companies as of that date, and authority to determine service areas. Clearly, in these matters, the Commission is acting merely as an arm of the Congress in performing duties of a detailed and specialized character which the Congress, busy with many public affairs, could not hope to cope with directly.

Of the other kind of delegation—of authority to make investigations for Congress—several excellent examples are found in the Natural Gas Act.

By section 14 (a) of the act, the Commission is given general investigatory authority to obtain "information to serve as a basis for recommending further legislation to the Congress." More specifically, by other sections, the Commission is given authority to investigate and ascertain the actual legitimate cost of the property of every natural gas company,[10] the cost of production or transportation of natural gas by a natural gas company,[11] even in cases where the Commission has no authority to establish a rate, and comprehensive investigatory authority incidental to its other delegated powers under the act. By section 11, the Commission is made the investigative agent of Congress to assembly and keep current all pertinent information relative to interstate compacts dealing with natural gas "and to report to the Congress, from time to time, the information so obtained."

This quasi-legislative functions the Commission is to perform, not as a subordinate bureau of an executive department, but as an independent, nonpartisan agency, charged only with carrying out the functions and the policy laid down in the jurisdictional act of Congress.

It should, of course, be recognized that these regulatory agencies of Congress do not have a carte blanche delegation of legislative power. They are limited to carrying out the policies of Congress as specified in the statutes conferring their power. In very recent years there has been a marked tendency in Congress carefully to define and limit the standards of law which control its administrative agencies.

The Long Struggle for Effective Federal Water Power Legislation

(By Hon. Gifford Pinchot; formerly Governor of Pennsylvania)

The first and simplest form of mechanical power to be harnessed by man was water power. Today, with electricity to give it reach and scope, it is one of the most essential sources of the good life among men. It is also, unless and until atomic energy shall move into first place, more dangerously subject to the evils of monopoly than any other. Here, if anywhere, public control is indispensable.

Under the powers granted or implied in the Constitution of the United States, the Federal Government has control over navigable streams and their tributaries. Yet for a 100 years after the Constitution was adopted, Congress left the regulation of water power entirely to the States.

Before the long-distance transmission of electricity had revolutionized the situation, water power was regarded almost altogether as a local question. Fall River, Lowell, Lawrence, Manchester, Niagara Falls, and other manufacturing centers owed their superiority to water power. But in all these developments, power could only be used close to the water which produced it. Steam power, which came to the front because it was not subject to this limitation, after the Civil War became the country's chief source of power and has so continued to this day.

Limited scope and effectiveness of early federal water legislation

Federal stream legislation at its beginning had to do chiefly with preventing or removing obstructions to navigation. That was the purpose of the Rivers and Harbors Act of 1884,[1] which authorized the Secretary of War to remove unauthorized obstructions, including dams, bridges, and causeways.

The act of 1884 was followed by the Rivers and Harbors Act of September 19, 1890,[2] which forbade "the creation of any obstructions, not affirmatively authorized by law, to the navigable capacity of any waters, in respect of which the United States has jurisdiction."

In 1891 Congress granted free rights-of-way through the public lands and reservations for canals, ditches, and reservoirs.[3] In 1896 it extended these rights to "any citizen or association of citizens of the United States, for the purpose of generating, manufacturing, or distributing electric power."[4]

In 1899 Congress assumed fuller control over navigable streams and forbade the building of any bridge, dam, dike, or causeway over any navigable water of the United States "until the consent of Congress to the building of such structures shall have been obtained and until the plans for the same have been submitted to and approved by the Chief of Engineers and by the Secretary of War."[5]

The act of 1901

The effect of these acts, however, was to prevent rather than promote development. And they applied only to navigable streams. The act of 1901,[6] however, empowered the Secretary of the Interior to permit rights-of-way through the public lands and forest reservations "for electrical plants, poles, and lines for the generation and distribution of electric power." It also empowered the Secretary to regulate the use of such rights-of-way and to revoke any permit when he saw fit. That was highly important, for a revocable permit meant that the title to the land remained in the Government.

Under the act of 1901 the Secretary of the Interior issued regulations which related to filing applications for permits. But the Secretary never issued any formal permits. The practice consisted merely in making an endorsement on the map of the project that was submitted.

Congressional gifts of power sites

Licenses issued by Congress under the act of 1901 gave away enormously valuable power sites without a charge and without a time limit—forever and for nothing. The first sign of change came when Theodore Roosevelt in 1903 vetoed a bill to make a present of the now famous Muscle Shoals power site to private interests[7] and thereby kept the door open for TVA, which, thanks to Senator George W. Norris, came in due time.

Until 1905, when the first steps were taken to bring about effective regulation and control by the Government of the right to erect and maintain power dams, the custom of Congress to give away these extremely valuable rights continued unbroken. Unless some other interest happened to be after the same power site, all that was necessary was to get a bill introduced in Congress and sit by and watch it pass as a matter of course.

This time-worn habit of Congress to give away the public property was, of course, wholly unnecessary and wholly without excuse. Its only possible justification, aside from the pressure of the power interests lay in the ancient bureaucratic shibboleth, "We have always done it that way."

Evolution of effective national policy

When responsibility for the national forests was transferred to the Department of Agriculture and the Forest Service, by the Act of February 1, 1905,[8] most of the undeveloped water power of the Nation was still

---

[5] 52 Stat. 822 (1938), 15 U. S. C. 717c, 717d.
[6] 52 Stat. 822 (1938), 15 U. S. C. 717b.
[7] 56 Stat. 83 (1942), 15 U. S. C. Supp. III, sec. 717f (1942).
[8] 52 Stat. 825 (1938), 15 U. S. C. 717g.
[9] 56 Stat. 83 (1942), 15 U. S. C. Supp. III, sec. 717f (1942).
[10] 52 Stat. 824 (1938), 15 U. S. C. 717c,
[11] 52 Stat. 823 (1938), 15 U. S. C. 717d,
[1] 23 Stat. 133 (1884).
[2] 26 Stat. 426, 454 (1890).
[3] 26 Stat. 1101 (1891), 43 U. S. C. 946.
[4] 29 Stat. 120 (1896), 43 U. S. C. 957.
tary of War."[5]
[5] 30 Stat. 1121, 1151 (1899), 33 U. S. C. 401, 403.
[6] 31 Stat. 790 (1901), 16 U. S. C. 79, 43, U. S. C. 959.
[7] 36 Congressional Record 3071 (1903).
[8] 33 Stat. 628 (1905), 16 U. S. C. secs. 472, 551.

in the hands of the Government. Undoubtedly more than half of the grand total was on the Forest Reserves and the Public Domain.

Under the Transfer Act, as mutually interpreted by the Departments of Agriculture and Interior, all grants of rights or privileges within the forest reserves which did not affect the title to the land or cloud the fee were under the jurisdiction of Agriculture. All those which did remained under Interior. But still no charge was provided for and the men who profited by these privileges and rights of way were not required to pay for what they got. But that situation did not long continue.

After the Transfer Act, the Forest Service, in dealing with the vast undeveloped resources in water power which had come under its control, could have followed any one of three paths—

(1) It could continue the indefensible policy of Congress by giving away these immensely valuable powers forever and for nothing.

(2) It could follow the policy of the Interior Department, which had a limited power of control in the public interest, but made little use of it, and did not require the companies to pay for what they got.

(3) Or it could develop a water power policy of its own.

There was no question which course to adopt. We must make our own policy and above all keep the title to the power sites in the public hands. The Use of the National Forest Reserves, a manual of instructions, issued July 1, 1905, contained this definite statement of policy: A reasonable charge may be made for any permit, right, or privilege, so long as such charge is not inconsistent with the purposes for which the Reserves were created.[9]

Underlying principle and basis of reasonable charges for use of waterpower

The Report of the Forester for the fiscal year 1905–06,[10] after noting the collection for the first time of a fee for grazing on the forest reserves, set forth as an underlying principle that a reasonable charge should be made for all permits which involved "the withdrawal of the particular resource or land from use by the people in general."

Furthermore, it definitely determined the basis upon which charges for the use of water for power should be calculated, as follows: [11]

"(1) A charge per mile for the length of the ditches, conduits, pipelines, transmission lines, etc. This applies when no greater width is allowed than that actually necessary at any one point for the enjoyment of the privilege.

"(2) A charge per acre for land actually granted for occupancy, as areas flooded by reservoirs, land for powerhouses, residences, hotels, fenced pastures, etc.

"(3) A charge for the conservation of water supply and the use of advantageous locations and other privileges. The water itself is granted by the State, not by the United States.

"Thus, in a permit for a project to develop electricity the charge would be based upon: First, the length of the conduits, transmission lines, etc.; second, the area occupied by the powerhouses, reservoirs, etc.; third, the conservation of the water supply and the advantageous location which makes it possible to obtain a fall to turn the waterwheel."

Here was the beginning of a Federal waterpower policy. It was deeply resented and bitterly fought by the power interests and their followers in Congress, but in all essentials it is in force today both on lands owned by the Government and on navigable streams.

Administration of charges and duration of permit

The Forest Service held that the quantity of water used was a proper measure of its conservation by the forest reserves and that the horsepower developed at the wheel, since it resulted from the water conserved and the fall furnished, was a poper measure of the entire conservation supplied by the Service to the permittee.

The Service was wise, I think, in deciding to enforce the new charge gradually, and not all at once. In the spring and summer of 1905, a few permits were issued for electric development without compensation but terminable at the discretion of the forester. What we were after was not only a fair return in due time, but also good will and cooperation.

Later in 1905, the charge began. John S. Eastwood, for example, in August of that year renewed his power permit on the Sierra Reserve in California (now the Sequoia National Forest) with a new annual charge of $100. The Shasta Power Co. on the Lassen Forest, Calif., and the Nevada Power Mining and Milling Co. agreed to pay similar sums. Thus, for the first time, the principle of a charge was established in actual operation.

But the question of the duration of the permit was far less simple than the question of the charge. Before the Transfer Act the Secretary of the Interior had asked the Secretary of Agriculture "to suggest the length of time which should properly be fixed for the rights-of-way granted." A permit for a period of 99 years [12] had been issued with the consent and approval of the Service to the Edison Electric Co. of Southern California in the San Bernardino, San Gabriel, and Sierra Forest Reserves.

As head of the Forest Service I had personally approved the 99 years. And I recommended to the Secretary of Agriculture that permits issued by the Service should run for an even century. In that I was thoroughly and completely wrong. The power people had convinced me too easily that they needed so much time to recover their investments. The Secretary's judgment was better than mine. He cut the time suggested in two and he was right. Fifty years was long enough, as much experience has since fully proved. Fifty years is the limit today.

NEWLY FORMULATED POLICY OF CONSERVATION: THE INLAND WATERWAYS COMMISSION

Another forward step was taken when on March 14, 1908, President Theodore Roosevelt appointed the Inland Waterways Commission.[13] In his letter to the members he said:

"Works designed to control our waterways have thus far usually been undertaken for a single purpose, such as the improvement of navigation, the development of power, the irrigation of arid lands, the protection of lowlands from floods, or to supply water for domestic and manufacturing purposes. While the rights of the people to these and similar uses of water must be respected, the time has come for merging local projects and uses of the inland waters in a comprehensive plan designed for the benefit of the entire country. Such a plan should consider and include all the uses to which streams may be put, and should bring together and coordinate the points of view of all users of waters." [14]

And, the President added, the plans of the Commission should be formulated "in the light of the widest knowledge of the country and its people, and from the most diverse points of view." [15]

It is worth noting also that the President's letter contained the first official recognition of the newly formulated policy of conservation:

"It is not possible to properly frame so large a plan as this for the control of our rivers without taking account of the orderly development of other natural resources. Therefore, I ask that the Inland Waterways Commission shall consider the relations of the streams to the use of all the great permanent natural resources and their conservation for the making and maintenance of prosperous homes." [16]

The report of the Inland Waterways Commission [17] was based on two fundamentally important principles for whose formulation Dr. W. J. McGee, the secretary of the Commission, and the scientific brains of the conservation movement in its early days, was directly responsible. These were:

First, that every river system is a unit from its source to its mouth and should be treated as such.

Second, that plans for any use of our inland waterways should "take account of the purification of the waters, the development of power, the control of floods, the reclamation of lands by irrigation and drainage, and all other uses of the waters or benefits to be derived from their control." [18]

The Tennessee Valley Authority is the direct descendant of these two principles.

PRESIDENT THEODORE ROOSEVELT'S VETOES IN SUPPORT OF CONSERVATION POLICY

The principles of government control of power on the national forests, established by the Forest Service, were thoroughly approved by Theodore Roosevelt. On April 13, 1908, he gave public proof of his approval by vetoing a bill to turn over important power sites on the Rainy River, a boundary stream between the United States and Canada, without the safeguards the Service had developed.[19] In that veto he declared that a time limit should be set for the termination of the grant, that a charge should be paid to the Government for the privileges received, that power sites should not be held undeveloped for speculative or other reasons, and that already the evils of monopoly were becoming manifest.

The Rainy River veto created consternation among the waterpower grabbers, but there was nothing they could do about it. Nine months later, on January 15, 1909, just before he went out of office, in his veto of the James River bill,[20] Theodore Roosevelt reaffirmed the principles of the Rainy River veto, and announced that he would sign no power bill which did not contain a charge and a time limit.

The President asserted that "the great corporations are acting with foresight, singleness of purpose, and vigor to control the water powers of the country. They pay no attention to State boundaries, and are not interested in the constitutional law affecting navigable streams, except as it affords what has been aptly called a twilight zone where they may find a convenient refuge from any regulation." And he concluded, "I esteem it my duty to use every endeavor to prevent the growing [power] monopoly, the most threatening which has ever appeared, from

[9] U. S. Department of Agriculture, Forest Service, The Use of the National Forest Reserves (1905) p. 16.

[10] U. S. Department of Agriculture, Report of the Forester, 1906.

[11] Supra, note 10 at 11.

[12] The permit was authorized by Act of May 1, 1906, 34 Stat. 163 (1906), which provided that the duration of time of the permit should be set by the Secretary of the Interior.

[13] S. Doc. No. 325, 60th Cong., 1st sess. (1908), CONGRESSIONAL RECORD 6966 (1908).

[14] 42 CONGRESSIONAL RECORD 6968 (1908).

[15] Supra, note 14.

[16] Supra, note 14.

[17] S. Doc. No. 325, 60th Cong., 1st sess. (1908).

[18] Supra, note 17 at 25.

[19] CONGRESSIONAL RECORD 4968 (1908).

[20] CONGRESSIONAL RECORD 978 (1909).

being fastened upon the people of this Nation." [21]

In 1910 the second general dam bill [22] limited the life of power permits to 50 years, provided for a charge, and for the recovery of the privilege by the United States. But these provisions were vague and indefinite, and made little improvement over those contained in the first general dam bill of 1906.[23]

LONG STRUGGLE IN CONGRESS BETWEEN POWER INTERESTS AND SUPPORTERS OF NATIONAL POLICY

In 1912 the power interests and their friends in Congress staged a daring raid. Without hearings and without warning, the House Committee on Interstate and Foreign Commerce reported an omnibus waterpower bill [24] which would have authorized 17 private power projects, without a charge and without provision for Government regulation. Large waterpower interests would have controlled more than half of the grants proposed. Before, however, this piracy could be put through the House, President Taft's Coosa River veto,[25] based on the ground that no provision was made for a charge, broke it up.

For the next 8 years a bitter fight raged in Congress between the power interests, eager for plunder, and the supporters of the principles laid down by the Forest Service and by Theodore Roosevelt in his epochmaking vetoes. The Adamson bill, the Ferriss bill, the Shields bill, and the Myers bill, some good, some bad, were introduced, fought for, and failed of passage.[26] The most dangerous of these was the Shields bill, behind which all the power of the great special interests was concentrated. After a long and bitter conflict, in the end it also was defeated.

Leadership of the National Conservation Association

In this long, often confused, and always difficult contest between private greed and the public good, the National Conservation Association led the fight against the power magnates and for the people. Charles W. Eliot, President of Harvard University, was its first president and I had the honor to succeed him.

The National Conservation Association had little more than two members for each Senator and Representative in Congress. Yet because it was right and because it knew how, it was able to protect the public interest against one of the most formidable attacks ever made against it.

The men who bore the heat and burden of this crucial fight cannot all be mentioned here. But since their efforts resulted in the definite, if not permanent, defeat of the power grabbers, and in the definite and permanent establishment of the principle of Government control over water power development, both in navigable streams and on the national forests, some of their leaders should be named. All of them were or had been members of the United States Forest Service.

First came George W. Woodruff, Federal Judge, Assistant United States Attorney General, and attorney general of Pennsylvania; then Philip P. Wells, counsel in the Department of the Interior; Overton W. Price, associate forester, and O. C. Merrill, chief engineer, of the Forest Service; Harry Slattery, afterward Administrator of Rural Electrification Authority; and Thomas R. Shipp, secretary of the conservation association. To these men and many others, and to public-spirited Members of the Senate and House, such as Congressman William Kent, of California, the Nation owes a great debt.

NATIONAL POLICY UNDER FEDERAL WATER POWER ACT OF 1920, AS AMENDED

Before their fight was won and a Federal Power Commission was finally established, President Wilson took a hand. In 1918, a Committee on Water Power was created at the President's suggestion, and an administration bill, drafted by the Secretaries of War, Interior, and Agriculture, was introduced. Followed 2 more years of backing and filling, and of conflict between the House and the Senate, until on June 10, 1920, the bill became law.

With all its faults the Federal Water Power Act of 1920,[27] marked a great advance. It established firmly the principle of Federal regulation of waterpower projects, limited licenses to not more than 50 years, and provided for Government recapture of the power at the end of the franchise.

For the first time, the act of 1920 established a national policy in the use and development of waterpower on public lands and navigable streams. But it provided, unfortunately, for the administration of the act by a commission of three men, the Secretaries of War, Interior, and Agriculture, whose hands were already too full to give it the necessary attention.

This serious fault was corrected in 1930 by the passage of an act [28] which provided for an independent Commission of five full-time members authorized to employ a staff of its own.

The act of 1930 took a great step forward. But it was not enough. In 1935 Congress passed the Federal Power Act [29] which authorized the Commission to regulate the interstate transmission and sale of electric energy. Under that act the Federal control of waterpower operates today.

Beginning with the first effective regulation of waterpower by the Forest Service in 1905, the long series of conflicts and changes had at last, 30 years later, brought about the enactment of a law, and the organization of a Federal Power Commission, competent to deal effectively with this vital question on just principles of sound public policy. To deal with it as sound public policy was understood 10 years ago. The Tennessee Valley Authority has made it clear that we have not yet reached the end of the road.

FOREIGN AID

Mr. HUMPHREY. Mr. President, on yesterday the Senate completed consideration of the conference report on the so-called foreign-aid bill. It was my privilege and responsibility to serve as one of the Senate conferees. I merely want the RECORD to note that I was very disappointed with many aspects of the conference report. I felt that the provision in the bill as passed by the Senate, putting our economic activities on a long-term loan basis rather than a grant basis, was meritorious and deserved the complete support of the Congress. I regret to note that the other House disagreed sharply. In the conference the best we could do was to obtain a 2-year authorization for economic aid funds, with very definite limitations as to use.

Furthermore, there were those of us who were of a mind that the military assistance portion of the foreign-aid program should be charged directly to the Department of Defense, and that it should be on a so-called continuing basis, wherein the Department of Defense each year would have to come to the Congress and program its requests for military assistance, just as it now makes requests for military appropriations for the domestic or national-defense structure in the United States.

I mention these matters, Mr. President, because the Senate Committee on Foreign Relations spent more than a year in a very intensive study of the foreign aid program. We employed the services of professional technicians to evaluate the foreign aid program. A series of 13 reports was published. Finally there was published a general report with the conclusions of the Committee on Foreign Relations.

The RECORD should note that it was made quite clear yesterday by the Senator from Arkansas [Mr. FULBRIGHT] that most of the recommendations of the Committee on Foreign Relations were included in the bill as passed by the Senate, but they were dropped or eliminated from the conference report simply because we were unable to obtain the same kind of understanding and support from the Members of the other body.

I say at this point, had the administration used its powers of persuasion on the other body, and particularly on the responsible members of the Appropriations Committee of the other body, we might very well have had a much improved foreign aid program. As we have it now, it is at best a poor substitute for what we ought to have, and it will bring forth criticism, on the ground that it is not properly designed.

I have in my hand an editorial from the Minneapolis Morning Tribune of last Sunday, entitled "Poor Substitute for the Original." I read 1 or 2 paragraphs from the editorial:

> The foreign aid bill that has been approved by conference committee of the House and Senate—an action that practically assures its final passage—is a poor substitute for the administration's original bill. The best that can be said for the bill is that it does continue the foreign-aid program, but the much-advertised "new look" has been pretty much obliterated.

I agree with that paragraph, except I should like to say to the editor of this very fine newspaper, had the administration had as much interest in making sure the New Look was more than a veneer, it would have maintained the New Look in the bill. In fact, the New Look in the foreign-aid bill was maintained by the Senate because some of us were willing to stand here day after day and fight the attacks made on it. I noticed at the time the bill was approved the headlines read, "Ike Wins Foreign Aid Victory."

PRESIDENT'S SUDDENLY CALLED NEWS CONFERENCE—POSSIBILITY OF SPECIAL SESSION

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

---

[21] Supra, note 20 at 979, 980.

[22] 36 Stat. 593 (1910).

[23] 34 Stat. 386 (1906).

[24] H. Rept. 1050, 62d Cong., 2d sess. (1912).

[25] 48 CONGRESSIONAL RECORD 11796 (1912).

[26] Adamson bill, H. R. 16053, 63d Cong., 2d sess. (1914); Ferriss bill, H. R. 16673, 63d Cong., 2d sess., (1914); Shields bill, S. 1419, 65th Cong., 1st sess. (1917); Myers bill, S. 2399, 65th Cong., 1st sess. (1917).

[27] 41 Stat. 1063 (1920), 16 U. S. C., sec. 791 et seq.

[28] The 1930 Reorganization Act, 46 Stat. 797 (1930), 16 U. S. C., secs. 792, 793, 797.

[29] 49 Stat. 838 (1935), 16 U. S. C., sec. 792 et seq.

Mr. JOHNSON of Texas. I ask unanimous consent that the Senator from Minnesota, without his losing the right to the floor, yield to me for a very brief reading of the President's suddenly called news-conference statement, and permit me to make some comments on it.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. JOHNSON of Texas. I do not know whether the distinguished Senator from Minnesota [Mr. HUMPHREY], a member of the Senate Foreign Relations Committee, is aware of the suddenly called news conference of the President, but I should like to inform the Senate that there has just come over the United Press ticker the following dispatch:

President Eisenhower in a suddenly called news conference late today told reporters he is prepared to call Congress into special session late this year if it does not pass a foreign aid bill sufficient to meet national security requirements.

The Chief Executive summoned White House reporters into his office at 4 p. m. to report that he had signed the $3,366,000,000 mutual security authorization and he trusted that the Congress would appropriate the same amount in the actual money bill.

Eisenhower, sitting behind his desk in a tan summer suit, spoke with apparently deep conviction as he told reporters passage of the appropriation bill was so vital that if the Congress took a different course, it might represent desertion of the long-standing American program to stop the spread of world communism.

The President said his remarks should not be interpreted as a threat to Congress.

But he added that if the House and Senate passed what would be in his opinion an insufficient foreign aid bill, he would have no recourse but to call Congress back into special session after adjournment, now expected the weekend of August 24.

This was the first unscheduled spot White House news conference by a President since the late Franklin D. Roosevelt called reporters into his office to report the results of the battle of the Philippine Sea in World War II.

The Chief Executive told the few reporters, 14 correspondents regularly stationed at the White House, plus about 6 photographers, that in fairness to the newsmen who were not present, he wanted to confine the discussion to his mutual security program.

The President, because some television and newsreel cameramen normally assigned to the White House were not present, planned to repeat his remarks later today in a special camera session in the White House rose garden just outside his executive office.

The White House planned to make a transcript of the President's remarks available for direct quotation starting a page at a time about 5 p. m.

The President said passage of the bill was in the "essential interests of the United States," but he saw no necessity for disguising the fact that the total of the authorization was not enough.

The President's news conference pronouncement came just as a House Appropriations Subcommittee convened behind closed doors to draft its version of the aid money bill.

The subcommittee reportedly was in a mood to whack sharply below the aid figure authorized finally earlier in the day with House approval of a compromise foreign aid authorization bill.

That concludes the quotation from the United Press ticker.

Mr. President, if the Senator from Minnesota will permit, I simply want to say that the President, of course, has the constitutional power to call Congress back into session at any time he may desire, or at any time he may think the national interest justifies it.

I do not know what effect, if any, an announcement in advance of this kind will have upon the judgment of Members of Congress. I should not want to think that any man would be influenced in his judgment as to what was best for his country by a suddenly called news conference which indicated he might have to return from his home in November unless Congress appropriated a certain amount during this session.

I think it is the obligation of the Congress to give serious consideration to any Presidential recommendation. I think we must also be conscious of the responsibility of Congress to appropriate, and to appropriate on the basis of its collective judgment, as to the course that best serves our country. I doubt whether any Member would have his judgment altered by a fear as to whether he would have to come back in November or not.

I personally believe we must have an adequate foreign aid program. I think we must frankly face the fact that the program has been handled in such a manner that it has lost a great deal of public support, and that the very heavy mail on this question expresses considerable opposition. To me this is regrettable. To me it does not alter the need for a complete, adequate program.

I want to observe, for whatever it may be worth, to the Members of the Senate and to the country that I am convinced Congress is going to act responsibly, expeditiously, and in accordance with the hearings and the testimony and the collective judgment of the majority of its Members. It may be that the Senator from Texas will not be in the majority on that occasion. He frequently finds he is not. Last year he cast the deciding vote in the Appropriations Committee for the larger amount.

I want to assure the Senator from Minnesota and all other Members of the Senate that whether I vote in July or whether I vote in November, the fact that I may be called from my home is not going to affect my judgment one single bit. I am going to vote for what I think the national interest of this country requires. I am going to vote that way regardless of whether it meets with the approval of my colleagues, of the Chief Executive, or even of the people of my State, because my first responsibility is to my conscience and to my Nation.

Several Senators addressed the Chair.

Mr. JOHNSON of Texas. The Senator from Minnesota has the floor. I thank the Senator for yielding to me.

Mr. HUMPHREY. Mr. President, I yield to the Senator from Oregon [Mr. MORSE].

Mr. MORSE. I want to say that the last statement of the majority leader is exactly the statement we would all expect him to make. I want to associate myself with it.

I think we should vote on the mutual security appropriation bill in the light of what we think the situation merits.

If I understood the majority leader correctly—and I hope he will correct me if I am wrong—the President left the impression that we might have a special session of Congress later this fall if the Congress does not pass an appropriation bill which in his opinion is adequate to meet mutual security needs. Again, I think that is his duty. If, as President, he actually thinks that the Congress has failed to pass appropriations which he believes the national interest requires he should call a special session of Congress, and I think that is all to the good.

In the meantime Members of Congress will have gone back home, and the people will have been heard from. When we come back I think we will be in a position to make clear to the President whether or not we think our vote of August was the correct vote. I think that is a good way to check the President and a good way for the President to check us, subjecting both the executive and the legislature to the final check of the will of the people.

I may be wrong in my judgment with respect to mutual security, but I happen to think the President is asking for entirely too much. I think the President owes it to the people to do a better job than he has done toward eliminating millions of dollars of waste in the whole mutual security program.

I am perfectly willing to go back home and meet with the people, and to come back, representing the people, to express to the President by my vote again in November what I think the people want. I believe the people will surprise the President, if he thinks they want a continuation of the expenditure of the amount of money he is asking for, for mutual security. In my opinion he is asking for a ghastly waste of the taxpayers' dollar, and I am perfectly willing to have him hear from the people, through the Congress, in November, if he wants to call a special session. I urge it upon him.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MAGNUSON. I am a member of the Appropriations Committee, which will discuss mutual security appropriations in a few days. Of course, all of us are going to vote on the basis of the evidence, and on the basis of what we think is in the best interest of all concerned as affected by the whole foreign aid program.

In view of the announcement just made, I suggest, that, as a practical matter, whether it be November or October or December or January, when the Congress meets, there is enough carryover in the foreign aid program to last for many, many, many months, for any amount the Foreign Aid Administration feels is necessary to carry on its program.

In this particular case, if the amount were cut a certain percentage, I think we would find that the carryovers run into billions of dollars. Surely, as the majority leader pointed out, if we take certain action, and then are called upon to consider this question again in November or December or January or February, that will not change the fact that there

is a sufficient amount of available funds to take care of the foreign aid program in accordance with the collective judgment of the Executive and the Congress, as to those matters which we think are important to the welfare of the country.

Mr. JOHNSON of Texas. Mr. President, I thank my friend, the Senator from Minnesota, for being so generous with his time. I understand at this very moment our colleagues in the other body are working into the late evening in an attempt to mark up the bill, which will be considered by the House tomorrow. I have no information as to what the results of that meeting will be.

I want to summarize what I have said by pointing out that in my opinion the President has the constitutional responsibility of calling the Congress to meet whenever he thinks the public interest requires it. Mr. President, we also have the legislative duty of appropriating what we think the national interest requires, not a dime more and not a dime less. Our action ought to be based on the testimony, which we have not yet heard; on the evidence, which we have not yet received; and on the conclusions, which I assume Members have not yet reached. Therefore, it is my hope that the Members of the Senate will retain an open mind on this matter until they receive the recommendations from the appropriate committee, and that when they receive those recommendations they will act without regard to consideration of where they might be in November, or how they might be inconvenienced, and, I trust, act with due care and understanding for the requirements of this Nation's security. I have confidence that my colleagues on both sides of the aisle will do that.

Mr. MANSFIELD and Mr. KNOWLAND addressed the Chair.

Mr. HUMPHREY. Mr. President, I yield first to the Senator from Montana, and then I shall yield to the minority leader.

Mr. MANSFIELD. Mr. President, I take the President at his word, that his press conference this afternoon did not indicate that he was exercising a threat against the Appropriations Committees of either House, or the Congress as a whole, in the statement he made about the possibility of a special session if he does not get the amount of money which has been authorized in the bill signed by him today.

However, I think his statement was inadvisable at this time, on the eve of the marking up of the bill by the House committee, and during the course of hearings on the part of the Senate Appropriations Committee.

I point out that the President announced earlier this year that he had reduced his request by $500 million. As a matter of fact, this year's request was not reduced by that much, because what he was doing, in effect, was carrying over from the previous fiscal year $500 million into the present fiscal year. It is my hope, and my confident belief, that members of the Appropriations Committees will do their duty as they see it, regardless of any statements made from the outside.

I express the further hope that when the bill is reported from the Appropriations Committees it will not contain more than $3 billion at the most, because I think there is too much waste, too much overlapping, and too much duplication.

I say to the President, most respectfully, that if he wishes to do away with the waste, the fat, the overlapping, and the duplication, the best thing he could do would be to bring about a complete amalgamation of the International Cooperation Administration in the State Department, and do away with the duplicate desks, the regional desks, the general counsels, and things of that sort. It should be made a part of the State Department. He should give full control to the Secretary of State, and separate economic aid on the one hand from defense assistance on the other.

It should be pointed out that in the past 2 fiscal years approximately 85 percent of so-called foreign aid was in the military field. We have been told that $1 spent in foreign military assistance was the equivalent of $6 spent in our own defense setup at home. If that is the case, I think the Defense Department ought to have full control of that particular aspect of foreign aid, and the remaining 15 percent ought to be in the State Department, under the control of the Secretary of State.

I express the hope that when Mr. Smith, the new Director, who will succeed Mr. Hollister, comes into office, his main objective will be to work himself out of a job, and by so doing, see that the ICA is incorporated fully within the Department of State.

Mr. HUMPHREY. Mr. President, the observations which have been made by the Senator from Montana are observations with which I concur.

While I signed the conference committee report, because we knew that we must have a bill, one of my complaints with respect to the report is the fact that it did not separate economic aid from military assistance.

Furthermore, so long as the Department of Defense does not have full responsibility, from the budget point of view, for military assistance, there is bound to be what I consider an improvident use of such military assistance.

Very frankly, much of the military assistance has gone to areas of the world where, I am afraid, the guns will not be used for peaceful purposes. They may very well be used on people who are our friends, rather than upon people who are our professed enemies.

Mr. KNOWLAND. I am sorry I was necessarily absent from the Chamber at the time the majority leader made his statement. Therefore I did not have an opportunity to hear the entire statement, but I did hear a part of it. He has clearly outlined the constitutional situation which exists, namely, that, at any time a President of the United States feels it is necessary in the public interest to do so, he has the power to call a special session of Congress. He does have that Executive and constitutional responsibility. It is likewise true, of course, that Congress, having a very special responsibility in the handling of the public purse, has its responsibility in passing both authorization and appropriation legislation.

I am sure that members of both parties, regardless of what view they may entertain on the subject, would do what they felt would be best in the interest of our national defense and in the interest of our people.

I do not have the full text of the press conference, but only a press report. I note in the report the statement:

> Asked if he meant that he was prepared to call Congress back, assuming that the House and Senate adjourned around August 24, he said he wanted to watch the international situation "every single day" before making a decision.
>
> But he added quickly that if the Congress does not appropriate sufficient funds for foreign aid in his opinion and world developments justify, "I would have no recourse but to call a special session."

Obviously, if world developments were such that he felt the national interest were jeopardized and there were not sufficient funds available, or he did not have the necessary legislative authority, the President—as is true of any other President of the United States—if the conditions so warranted it, would recognize that he had the constitutional authority to do it and probably would exercise the responsibility.

I express the hope, along with the majority leader, that the Members of Congress of both Houses will examine the facts, will keep in mind the national interest, and will, in making their final judgment, not make it in any partisan sense, because national defense is not a partisan question. Many of the alliances in existence today were instituted originally under a prior administration, and have been extended and continued under the present administration, and no doubt will be in existence in future administrations.

Therefore it seems to me that this is something which all of us should approach in no narrow partisan spirit, but in the hope that we may serve best the interests of the Nation we all seek to serve.

Mr. JOHNSON of Texas. I concur in everything the Senator from California has said. I hope, after he reads my statement in the morning, he will concur in everything I have said. I particularly applaud the Senator's statement that he hopes the matter will be approached without regard to partisanship. I can testify to the fact that every time a Democratic administration has been in office the foreign relations of our Government have never worn the label of partisanship. I assume that he is not aware of any partisanship existing in connection with the foreign relations of our country today, because I have joined with the Senator time and time again to save the program not only from critics outside but also critics inside the Chamber.

Mr. KNOWLAND. I have commended the Senator from Texas both privately and publicly for the position he has taken in the past. There is certainly nothing in my remarks which directly or indirectly, impliedly or explicitly, indicated any criticism of the Senator

UNIVERSITY OF MICHIGAN LIBRARIES

from Texas or, indeed, of any Senator, in connection with this matter.

Since the question had been opened up, I merely thought I would underscore what I hoped would be—and I am sure what the Senator has pointed out he hoped would be—the approach in a matter concerning our country, which we seek to serve.

Mr. JOHNSON of Texas. I agree with the Senator's observation about the President's constitutional power and our constitutional power. The fact is that we are marking up the bill at 6 o'clock today. The President called his special press conference at 4 o'clock today. I must leave the Chamber in a few minutes, and I wanted to make my observations on what has developed today.

Mr. KNOWLAND subsequently said: Mr. President, I ask unanimous consent that there may be printed in the body of the RECORD, following the colloquy between the majority leader and minority leader and other Senators, dealing with the press conference statement of the President of the United States this afternoon, the full text of President Eisenhower's press and radio conference No. 119, held in the Executive Office of the President, at the White House, this date, at 4 p. m.

There being no objection, the text was ordered to be printed in the RECORD, as follows:

PRESIDENT EISENHOWER'S PRESS AND RADIO CONFERENCE NO. 119, HELD IN THE EXECUTIVE OFFICE OF THE PRESIDENT, THE WHITE HOUSE, AUGUST 14, 1957

The PRESIDENT. I think, ladies and gentlemen, that this is the first time I have asked you into an impromptu press conference. But I have called you in because I have just signed two documents that I believe will be of the utmost importance to the security and the prosperity and peace of the United States.

They are the Mutual Security Authorization Act and then my official request upon the Congress for the appropriations to implement.

Now the authorization is for approximately $3.4 billion. This is a half billion less than that which I requested last May. The amount, therefore, that is on the appropriation request is exactly that, three and fourtenths minus billion, because I am prohibited by law from asking for more.

Now I signed this with really the prayerful hope that we may be able, with that act, to sustain the essential interests of the United States in the Free World, but there is no disguising the fact that the effects will be serious. Nevertheless, we can hope that we will do well enough so that the calling of the Congress in extraordinary session will not be necessary.

Now let's take a brief look at the history of this mutual security.

It started in 1947 and since that time there have been many points in the Free World that have been transformed from positions of weakness and threat into positions of real strength for the Free World.

Greece and Turkey started it. Yugoslavia, breaking away from the overlordship of Moscow. Iran in 1953. Then Vietnam a little later. And finally a stronger and better positon in the Mideast.

Now in that period—1947 to the present—the United States has put into the defense part of our mutual security about $17 billion. Our allies have put $107 billion. This means that for all the money we have put in, there have been hundreds and thousands of soldiers, sailors, and airmen supported that we could otherwise have not supported at all on the side of the Free World.

Incidentally, the cost of a division in almost any other country in the world is just a fraction of what it costs to sustain an American division either here or abroad.

Now certain of these countries that are on the outposts of the Free World and right up against the Eurasian land mass are now absorbing about three-quarters of what we call the total of our defense supports. These are Korea, Formosa, Vietnam, Turkey, and Greece.

Let's consider Korea for a moment. In Korea we have got invested 135,000 American casualties. Now I believe that under the circumstances existing at the time that war began, the war was necessary. Those casualties were required from us in order to support our security in the world and to stand firmly behind the cause of freedom.

But my question is now: Are we going to nullify all those sacrifices by failing to recognize the position of Korean facing a long battlefront of 155 miles and without adequate support from us? Those countries are poor economically and financially, but they are strong in courage, and by helping them we certainly help ourselves.

Now in Korea alone we put $840 million, or something of that nature. We have, of course, been struggling to help them get a position where we can lower these costs. All over the world we have sought places where we can make savings. But as I told you, Korea cannot support the kind of forces necessary, unless we help them with money. And we have as you know, only a very small portion of the soldiers in Korea we once had.

In the authorization bill, also, there is a development fund project which allows us to transform our economic help largely from the grant basis to the loan basis, something which every committee that has studied this problem recommends strongly.

I most earnestly hope that the Congress will support this particular part of the bill to the full.

Now, let us remember, mutual aid has no special pressure group supporting it. There is no particular organization in America that is making a living out of supporting mutual security. This is merely a case where the welfare of all of us is involved—every single one of us, and our children.

So I think it becomes necessary for the President who does, if nothing else, try to represent—and it is his job to represent—all of the people of the United States, to speak up in favor of what we are doing: a program that has been, on the whole, one of the most successful of any in which we have engaged; which confronts the Communist menace with a unity of purpose and strength throughout the world. That is the kind of program that we are now talking about supporting properly, or weakening it.

I feel that America is not going to want to desert something that has been so laboriously and patiently built up over the past 10 years by Americans of all parties, all races, all occupations. And I do not believe America is going to see it crumble through any false economy, or because it just has no local political impact.

Now, of course, this is not a regular press conference, and so in fairness to others, I would say let's don't go afield, but if there are any questions upon this particular subject, I would be glad—either with myself or my staff—to try to answer.

Question (Steele, Time magazine). Mr. President, at one point in your statement you have given us, you referred to the hope that enough money would be appropriated this year to avoid the necessity of a special session of Congress——

The PRESIDENT. Well, I said I hoped——

Question (Steele). Yes, sir.

The PRESIDENT. That we would get through with what we have been allowed, and I am hoping and praying that they give us what is now in the authorization bill; you see?

Question (Steele). Yes, sir.

The PRESIDENT. I want that supported in full. With that money, I believe we have got a good chance to get through the year.

Question (Steele). If such is not the case, if you don't get that money, may we assume you would not hesitate to——

The PRESIDENT. I would have to. You cannot stand aside and see America's interest deteriorate throughout the world just by inaction.

Question (Smith, United Press). Well, can we harden that up a little, sir? Are you going to call a special session if they don't pass the appropriation?

The PRESIDENT. No. This is what I am going to do. I am going to watch every single day what is developing in the world and whenever, for lack of money, the United States interests become placed in real jeopardy, at that moment I would have no recourse except to call a special session.

Now I cannot say that if they take a $10 bill out of this thing, that that's a special session. You can't be that arbitrary, much as you might like to make that as a statement, Merriman.

Question (Lawrence, New York Times). Mr. President, referring to this conference you had the other night with the Democrats and the Republicans, I take it you made to them——

The PRESIDENT. Exactly what I have said to you.

Question (Lawrence). The same sort of thing you have said to us? Now, what kind of response did you get? Was it an encouraging one——

The PRESIDENT. I cannot tell you—I mean, I don't know, really——

Question (Lawrence). No commitments?

The PRESIDENT. No, there were no commitments of any kind. There never are at any of those meetings, Bill. Just a question of I lay out before them what I believe. I lay it out strongly. As a matter of fact, I think I laid it out more strongly than I have here, but it was a longer conference—I suppose an hour and a half, hitting back and forth.

And of course, people can call your attention to places where there has been malfunctioning of administrative offices, where there has been some waste. Of course there is. We are human.

But the fact is: Here is the cheapest money we spend, as long as we are talking about getting security for the United States. If we did not have this working effectively, I just would hate to guess what would be the sums I would have to ask in the defense appropriation next year.

Question (Larry Burd, Chicago Tribune). Mr. President, did you tell the leaders the other night the same thing that you told us, about the possibility of calling them back into session?

The PRESIDENT. Well, I think probably only in a more negative way. I said that of course none of us would like to see the necessity—the need—for a special session of Congress.

Question (Burd). You did raise that possibility——

The PRESIDENT. I mention this every time I talk about this particular problem. However, as you people well know, I don't think that any of you ought to interpret anything I say in terms of a threat of any kind. I never make them. It's a matter of what the necessities of the moment demand.

Any others? Well, thank you for coming in.

Question (Smith, United Press). Thank you, Mr. President.

The PRESIDENT. As I say, this is a bit unusual. Good to see you.

Mr. HUMPHREY. Mr. President, we have had a very interesting discussion

on what are obviously the President's powers and what are obviously the powers of Congress. My point in speaking at all on foreign aid was to indicate that I was very much disappointed in the limitations contained in the bill. The limitations will not be altered one bit, no matter how much money is appropriated or how little is appropriated. The limitations apply to the structure of the foreign aid program.

In that connection, I should like to say we ought not to pass with mere casual comment the proposals made by the Senator from Montana [Mr. MANSFIELD].

I am one of those Senators who are prepared to return in November. I believe that Congress ought to recess in July and come back on October 1 to take care of the business of the Government. It is in the months of July, August, and September, or somewhere during that period of at least 2 months, when Members of Congress could go back to their constituencies and be with them and with their families—which would not be a bad idea—and then return and do a better job in Washington.

Instead of that, we are still in the horse-and-buggy era. We limp along as Congress limped along in the days of Andrew Jackson and Abraham Lincoln, when there were no such things as television, or telephone, or radio or the atom bomb or jet airplanes. We proceed in the same manner and with the same procedures and traditions that prevailed in Congress during its early sessions.

I have always been in favor of the suggestion of the late Senator from Ohio, Mr. Taft, that Congress should operate on a year-around basis, and that, in that connection, it should prescribe for itself a period of vacation, as is done by any responsible institution. It should take its vacation, so as to have the opportunity of going back to its constituency, and then return and do a better job for the Government. Then the President would not have to talk about calling special sessions of Congress.

Mr. President, I ask unanimous consent to have printed in the RECORD the editorial which precipitated this discussion.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

POOR SUBSTITUTE FOR THE ORIGINAL

The foreign aid bill that has been approved by conference committee of the House and Senate—an action that practically assures its final passage—is a poor substitute for the administration's original bill. The best that can be said for the bill is that it does continue the foreign aid program, but the much-advertised New Look has been pretty much obliterated.

In funds, the bill now provides almost half a billion dollars less than the President requested. This is only the authorizing legislation, which means that the Appropriations Committees of the House and Senate no doubt will slash the total again when they make the actual appropriations.

Perhaps an even more serious revision was that involving the proposed economic development fund. The administration had proposed a $500 million appropriation during the first year, and asked authority to borrow $750 million in each of the next 2 years to build up a $2 billion fund. The conferees agreed on appropriations of $500 million for the first year and $625 million for the second. This means that the administration will have to come back to Congress for approval of even the second-year money.

Such a revision will practically rule out the long-range planning that would be one of the greatest benefits of the development fund. A Senate committee had strongly endorsed such a fund after its own study, and the plan was also recommended by practically all of the civilian groups that studied the problem of the economic development of underdeveloped nations.

There are other weaknesses in the bill, but these are the most serious ones. They reflect, unfortunately, the lack of confidence by the public and by Congress in the long-term benefits of foreign aid, especially in the economic field. Yet the experts who have studied the problem feel that economic aid to underdeveloped countries—which helps them to help themselves—is the best way of countering the Soviet Union's influence in such places.

Too many Americans still think that foreign aid is designed to benefit only foreigners. They overlook the fact that the name of the program represents its purpose. It's a mutual security program.

ORDER FOR ADJOURNMENT

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today it stand in adjournment until 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR LIMITATION OF DEBATE DURING MORNING HOUR

Mr. JOHNSON of Texas. Mr. President, there will be the usual morning hour tomorrow for the transaction of routine business. I ask unanimous consent that the morning hour be restricted to routine business only, with a limitation of 3 minutes on statements.

The PRESIDING OFFICER. Is there objection?

Mr. KNOWLAND. Mr. President, reserving the right to object—and I shall not object—I assume that when the Senate adjourns tonight it will adjourn in executive session, and convene tomorrow in executive session.

Mr. JOHNSON of Texas. The Senator is correct.

Mr. KNOWLAND. I thank the Senator.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

NOTICE OF POSSIBILITY OF NIGHT SESSIONS

Mr. JOHNSON of Texas. Mr. President, I have not announced an evening session for this evening. The Senate will remain in session as late as Senators are available to address themselves to the pending business, or any other business they may wish to discuss.

If the minority leader believes that it may not be possible to resolve some of these questions sooner, we can give notice of a possible evening session tomorrow. Would that suit the pleasure of the minority leader?

Mr. KNOWLAND. It will be satisfactory to me if notice is given of a possible evening session tomorrow.

Mr. JOHNSON of Texas. Mr. President, I have no way of determining whether or not the business of the Senate will require an evening session tomorrow. However, I should like to give all Senators notice that such a session may be necessary. I do not like to have evening sessions without adequate notice to Senators. So I hope the attachés of the Senate on both sides of the aisle will notify all Senators, who may not read the RECORD tomorrow, that notice has been given of the possibility of an evening session tomorrow.

FEDERAL POWER COMMISSION

The Senate resumed the consideration of the nomination of Jerome K. Kuykendall to be a member of the Federal Power Commission.

Mr. MAGNUSON. Mr. President, I should like to ask both the majority leader and the minority leader a question.

There will be a few remarks upon the Kuykendall nomination, which is the pending question before the Senate. Many Senators are not present at this time.

First of all, I suggest that there be a yea-and-nay vote on this nomination, whether the discussion continues this evening as long as speakers are available, and a vote is had the first thing tomorrow, or whether the vote is had tonight. I think Senators ought to be put on notice as to that.

Mr. JOHNSON of Texas. It is my recommendation that, when statements which Senators desire to make are concluded, the Senate adjourn until tomorrow, and that after the morning hour there be an orderly discussion, and then a yea-and-nay vote as early as is consistent with the right of each Senator to express himself fully.

Mr. WATKINS rose.

Mr. JOHNSON of Texas. Mr. President, does the Senator from Utah desire to ask a question?

Mr. WATKINS. My question was answered by the reply of the majority leader to the question of the Senator from Washington [Mr. MAGNUSON].

The PRESIDING OFFICER. The question is: Will the Senate advise and consent to the nomination of Jerome K. Kuykendall to be a member of the Federal Power Commission?

Mr. MAGNUSON. Mr. President, I ask for the yeas and nays on this nomination.

The yeas and nays were ordered.

CONSIDERATION OF OTHER EXECUTIVE NOMINATIONS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of other nominations on the executive calendar, beginning with the Department of State, on page 2 of the calendar, with the nomination of William B. Macomber, Jr., to be an Assistant Secretary of State.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEPARTMENT OF STATE

The legislative clerk read the nomination of William B. Macomber, Jr., to be an Assistant Secretary of State.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

DIPLOMATIC AND FOREIGN SERVICE

The legislative clerk proceeded to read sundry nominations in the Diplomatic and Foreign Service.

Mr. JOHNSON of Texas. I ask that the nominations in the Diplomatic and Foreign Service be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

ATOMIC ENERGY COMMISSION—NOMINATIONS PASSED OVER

The legislative clerk proceeded to read sundry nominations in the Atomic Energy Commission.

Mr. JOHNSON of Texas. Mr. President, I ask that the nomination in the Atomic Energy Commission be passed over temporarily.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will state the next nomination on the calendar.

COLLECTOR OF CUSTOMS

The legislative clerk read the nomination of George W. O'Sullivan to be a collector of customs for customs collection district No. 50.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask that the President be immediately notified of all nominations confirmed this day.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

NOTICE OF CONSIDERATION OF UNITED NATIONS NOMINATIONS

Mr. JOHNSON of Texas. Mr. President, I give notice to all Members of the Senate that later in the week—certainly no later than the early part of next week—I expect to ask the Senate to consider the United Nations nomination, under the heading of "New Reports," as well as the Atomic Energy Commission nominations.

I do not expect a yea-and-nay vote on the two nominations next to be considered by the Senate. I expect that there will be further discussion of those nominations tomorrow. I hope that about the middle of the afternoon tomorrow we can reach a vote—or certainly before the Senate concludes its business tomorrow evening.

STATEMENT OF AFL–CIO EXECUTIVE COUNCIL ON CIVIL RIGHTS BILL

Mr. HUMPHREY. Mr. President, yesterday a statement was made by the AFL–CIO executive council in Chicago, Ill., relating to the civil rights bill. That statement, while it was a matter of public notice in the press, apparently has not been fully digested by Members of Congress.

The AFL–CIO, as everyone knows, was strongly on record in the beginning, almost 2 months ago, in favor of the so-called administration civil rights bill. It was on record against any diminution or deletion of section III of the civil rights bill. It was on record against any jury-trial amendment being added to the civil rights bill. All during the debate on the civil rights bill the AFL–CIO executive council maintained that firm position. Since the Senate has acted and since the House has acted on its bill, since the whole matter of civil rights is at a critical stage in terms of the legislative process, since AFL–CIO represents more than 15 million American workers, regardless of race, creed, or national origin, and since that organization wants to have a civil rights program, and wishes to see an effective civil rights law placed on the statute books of the country, it has asked very pointedly that the Senate bill be at least modified to the point that the jury trial be restricted to the civil rights section on voting rights, and that the bill in that form be passed.

I note for the RECORD these paragraphs in the statement issued by the AFL–CIO executive council:

> The record of the AFL–CIO on civil rights speaks for itself. We have fought in this session of Congress, as the labor movement has traditionally fought, for a meaningful civil rights bill.
>
> In keeping with that tradition, we supported H. R. 6127 as it passed the House, and we urged the Senate to adopt it without crippling amendments.
>
> We are disappointed in the Senate amendments which obviously make the measure less effective than the House version. But the trade union movement has never taken an "all or nothing" position in the legislative field. We are always prepared to accept progress even when we expected the progress would be greater.
>
> In this instance, the Senate-approved measure provides for a Civil Rights Commission, operating with subpena powers, which can do much to focus public and Congressional attention on the problems which cry out for justice. The precious right to vote is given Congressional recognition and the Department of Justice is given new powers to protect that right.
>
> We urge the Congress to adopt this year the bill as passed by the Senate. We will not join with those who would delay or defeat the present weakened measure in an effort to obtain political advantage.
>
> We pledge that the AFL–CIO will continue, in the years ahead, to press for continued improvements until we reach the day when full civil rights are guaranteed for all our citizens.

I bring this matter to the attention of the Senate again because I noticed on the United Press news ticker today, as on yesterday and also the day before, a statement by a distinguished Republican leader in the other body, Representative MARTIN, of Massachusetts, as follows:

> House GOP Leader JOSEPH W. MARTIN, JR., said it would be "preferable" to have no civil-rights bill enacted this year than the Senate version backed by House Democratic leaders.

I noted also another United Press release which stated:

> A reporter told MARTIN that the National Association for the Advancement of Colored People had taken the position that it wants legislation—even the Senate's heavily amended bill—this year.
>
> He replied that NAACP officers don't speak for all the Negro people.

Mr. President, that may be true. I suppose there is no organization which speaks for all the members of any one group. I do not suppose that the NAACP can speak for all the Negroes in America. But I will wager that they speak for more of them than does any one Member of Congress, whether that Member of Congress be from Minnesota or Massachusetts, or any other part of the Union.

I hope that good sense and commonsense will prevail, and that we will face up to this historic opportunity to enact civil-rights legislation which will be at least the first step on the long road of progress in the fulfillment of the citizenship rights of the people.

Many Members of Congress have served in the respective Chambers for more than 30 years; in fact, the distinguished Member of the House who was referred to in the press release has served well over 30 years. I suggest that during that period of time not one bit of civil-rights legislation has been passed by Congress.

In fact, I recall that the distinguished Member of the other body said that he was serving in Congress when the junior Senator from Minnesota was pouring sodas in the family drugstore, and that he was voting for a civil-rights measure at the time the Senator from Minnesota was, as he put it, jerking sodas. All I can say is that the civil-rights bill which was voted upon, apparently had just about as much strength and kick in it as the sodas which were mentioned. In other words, at best, it was a little short of anything which was invigorating or healthful.

So I hope that the advice of the great organizations which have fought the good fight for civil-rights legislation will be followed, rather than the advice of those who prefer to have a political issue rather than a bill. In fact, they have gone even further today. I quote from a United Press dispatch which states:

> High administration circles are known to feel they can force through a stronger rights bill if they hold out—whether the final showdown comes this year or next, which happens to be an election year.
>
> This was the position taken yesterday by House GOP leader JOSEPH W. MARTIN, JR., of Massachusetts, who said it would be better to have no bill than the modified Senate version with its controversial jury trial proviso.

I think that is an unfortunate position. I most respectfully suggest that we try to follow the suggestions or the proposals which have been advanced by civil-rights groups themselves. In that connection, I have today quoted from the AFL–CIO council bulletin or statement of August 13, 1957.

Mr. President——

The PRESIDING OFFICER. The Senator from Minnesota.

FREE INTERCHANGE BETWEEN AMERICAN AND SOVIET YOUNG PEOPLE

Mr. HUMPHREY. Mr. President, I wish to comment on the American youth group or young people's group which went to Moscow for the Moscow or Russian Soviet Youth Festival. I have long felt that if there could be a free interchange between American and Soviet young people, our young people would come out of it very well indeed and the Free World itself would benefit.

I am not one of those who fear and distrust American young people simply because they are full of vigor and like to challenge the ideas of their elders.

Questioning young people help to keep a society from solidifying, from crusting over with old habits, from turning into a stifling mass of conformity. That goes for our own society, and it goes for those societies such as in the Soviet Union, where the institutions and forms of social life have solidified under the baking effect of two generations of absolute dictatorship. Today there are signs of youthful ferment and unrest in the Soviet Union.

The United States looks a little ridiculous, it seems to me, when the State Department refuses to encourage the best of our American young people to participate in international meetings, even though these meetings may be under Communist auspices.

We are willing to permit our young athletes to compete with Soviet athletes, but the State Department frowns heavily on the sending of young students out into the intellectual arena where the competition is in ideas.

Distinguished and patriotic Americans who have recently traveled in the Soviet Union and the satellite nations have told me they are convinced that if we would let the Soviets select a thousand of their most indoctrinated Communist young people to visit the United States, and if in exchange we would encourage a thousand representative young Americans to visit the Soviet Union, the exchange of visits could only be of positive benefit to the United States. Probably the Soviet leaders would not agree to any such exchange, but it might be a challenge worth making.

Mr. President, seldom have such prophecies been fulfilled more dramatically. Recently the United Press carried a dispatch from Moscow about a young Minnesota law student at Harvard, who was publicly taking on all comers in Red Square in a public debate with Russian students on control measures in disarmament. Richard Medalie, of St. Louis Park, Minn., is a summa cum laude graduate of the University of Minnesota, a Fulbright scholar, and a student of Slavonic and East European culture. I call to the attention of my colleagues a dispatch which appeared in the August 3 issue of the Minneapolis Star, and which I ask unanimous consent to have printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MINNESOTAN TALKS REDS TO STANDOFF

Moscow.—An American Harvard man held out against more than 100 young Russians today in an impromptu East-West "disarmament conference" that was adjourned after failure to reach agreement.

It was after 1 a. m. when Richard Medalie, of St. Louis Park, Minn., broke away from a sometimes-heated exchange in Red Square with the promise to take up the arms-cuts argument again tonight.

Medalie, 28, a Harvard law student here for the World Youth Festival, took his place at what has become a favorite debating stage for Americans at the meeting—in front of the Lenin-Stalin mausoleum where Russians gather nightly.

More than 100 young Russians eagerly pressed into the "conference," bombarding Medalie with sometimes-indignant questions.

It was an eye-opening session for both sides, with Medalie soon learning that the young Russians were thoroughly familiar with the official Russian line which makes cessation of nuclear tests the end-all of disarmament.

The Russians were somewhat puzzled to hear Medalie emphatically insist that "the problem isn't suspension itself but how to successfully control it."

One tall Muscovite apparently lost control at this.

"Have you ever fought a war? How old are you?" he demanded. "What do you know about all this?"

Medalie replied calmly that he had never fought a war but that he shared the same aspirations for peace as the Russian.

Finally an exhausted Medalie tore himself away from the Red Square stand to catch a bus, promising to continue the debate later today.

REDS WON'T SWAY SON, MOTHER SAYS

Richard J. Medalie, St. Louis Park student attending the Moscow youth festival, is a serious student of international politics, his mother, Mrs. William L. Medalie, 3600 Huntington Avenue, St. Louis Park, said today.

She said her son was neither a Communist nor a kid out for a lark, as some of the Americans as the festival had been described.

Meladie, 28, a senior at Harvard law school, "wouldn't do anything to make a spectacle of himself," Mrs. Medalie said. She is sure he would speak English at a public meeting, although he can converse in Russian.

Asked if she thought he might be influenced by Communist propoganda, Mrs. Medalie said, "That I'm not worried about a bit. He went to see what they are doing. That's the only way to know anything about them, to observe what they're doing."

A graduate summa cum laude of the University of Minnesota, Medalie, whose father is a dentist, won a Fulbright award. He spent the 1952–53 academic year at the school of Slavonic and East European studies at the University of London. He specialized in the Russian area.

Last year he attended the youth festival in Yugoslavia as an observer for the National Student Federation.

Mr. HUMPHREY. Mr. President, this whole episode illustrates, I think, the foolishness and shortsightedness of our current official policy. When the World Youth Festival was announced in Moscow, instead of moving into the situation intelligently, the State Department was content to brand the festival as a propaganda device, and to set its face firmly against any representative young American going to Moscow.

Of course, the festival was a propaganda device, but why should we let the Kremlin score all the points? Instead of encouraging some of our capable young men and women to go to the festival, the State Department threw so much cold water on attendance that all but a handful of sturdy individualists like Mr. Medalie shied away. By default, the bulk of the delegation which finally went to Moscow was recruited by a dubious organization located in the Chicago office of the Soviet-American Friendship Council.

How similar is this head-in-the-sand attitude to that taken by the State Department over the question of admitting American newsmen to China. In each case, the State Department apparently does not trust American citizens to travel unchaperoned in Communist areas.

Mr. President, I say, if we see an opening in the Iron Curtain, let us exploit it. If we cannot trust American students and American newsmen, how will we ever get through to the restive people of the Soviet bloc?

Mr. President, a recent issue of the New Republic carried an article by a young Washington lawyer, Mr. Harris Wofford, Jr., in which the case for participation in the Moscow Youth Festival was forcefully stated. I ask unanimous consent that Mr. Wofford's article be printed in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MOSCOW'S FESTIVAL FOR YOUTH: IS THE STATE DEPARTMENT JUSTIFIED IN DISCOURAGING AMERICAN PARTICIPATION?

THE MORE CONTACTS THE BETTER

What we must do, said President Eisenhower last September, "is to widen every possible chink in the Iron Curtain." He went on boldly:

"If we are going to take advantage of the assumption that all people want peace, then the problem is for people to get together and to leap governments—if necessary to evade governments—to work out not one method but thousands of methods by which people can gradually learn a little bit more of each other."

Yet one wide open chink in the curtain is now being shunned by our government: the World Youth Festival being held in Moscow July 28 to August 11.

The festival is a rather unique proposition. Young people from all over the world—"irrespective of their convictions"—have been invited to the Soviet capital to participate in a vast array of athletic and artistic competitions and "specialist" conferences (for doctors, lawyers, teachers, stamp collectors, etc.). "No political, ideological or other tendencies will prevail at the festival," says the official invitation.

For $2 a day participants are supposed to receive food and lodging and their transportation between Moscow and the border of the Soviet Union. On hand are tens of thousands of Soviet youth, including most of those who speak English to serve as interpreters. For the first time since Stalin's fears and suspicions closed Russia off from the world, the doors are opened wide to young non-Communist visitors from the West.

Having recently returned from a trip to the Soviet Union where students repeatedly asked me whether there would be a big delegation of Americans at the festival, I met

with five officials of our State Department to discuss whether there should be such a delegation. They said that while the Department is not denying a passport to anyone who wants to go, its position is that the festival is "an instrument of Communist propaganda which serves the purposes of the Soviet Union and its orbit." Accordingly, the Department had "strongly urged" Barbara Perry, a 22-year-old would-be ballerina from the University of Chicago, not to try to organize American participation.

Barbara Perry had been excited by the President's speech on people-to-people contact last fall. Soon afterward she saw a Russian ballet film which had a short about the forthcoming festival. This seemed one possible way "for people to get together," so she wrote the Russians asking for information. Having worked for Youth for Eisenhower and cast her first vote as a Republican, she also wrote to Secretary Dulles. The State Department's response disheartened her, but as a modern Republican she went ahead, following her President's advice "to leap governments."

With the support of a few friends, she sent ads to some 125 college and university papers. She says all but six ran them. From the widespread response she hoped to fill the 100 spaces she reserved on two Scandinavian Airline planes—total cost of the trip, $695.97. Most of the papers that returned her ad suggested that she send it to the Daily Worker.

To testify to her loyalty she states in her literature and on the application form, which a would-be participant must sign, that the United States Youth Festival Committee "is in no way connected with, nor will it accept support from any Communist or left-wing group or individual."

"We do not hope to change the world," she writes, "But we do hope to help a little. The State Department officers who met with me did their best to throw cold water on these hopes."

"The reason we are against Americans going," said the first officer who spoke, "is that their pictures would be taken smiling with Russians, and then spread all over the world to show that we approve of what Russia did in Hungary."

Since some Americans such as Miss Perry would be in attendance, the obvious question was whether the Russians wouldn't be able to take their pictures anyway.

"They won't get as many pictures," he countered.

"The reason we are against participation," said another officer, "is that the festival will be stacked against us. If it was democratically set up so that every side would have its say, we would be in favor of going. But this is under Communist auspices."

"From past experience at these festivals," the Department officer continued, "we can expect the Communists to push through resolutions on their various political lines. They might try to have the festival endorse Soviet peace plans or even the intervention in Hungary."

However, another officer felt that at this festival the Communists would be wary of politics for fear of corrupting Soviet youth with the seeds of revisionism. The atmosphere would be one of camaraderie—folk dances in the street, new-found friendships—which might sweep young Americans off their feet.

Why the festival atmosphere would not work both ways, and sweep some young Communists off their dogmas, was not clear. Here would be one occasion when close contacts with westerners are sanctioned. The very numbers involved—a predicted 30,000 foreigners—will make surveillance difficult. I argued that it was hard to imagine a more favorable circumstance at present for talking privately with young, English-speaking Russians. Anyway, why should we fear that in a meeting between American and Soviet youth held on Russian soil Americans would be swept off their feet?

A fourth officer disposed of my arguments more easily: "This show is costing the Soviets a tremendous amount of money, therefore it is obviously important to them that it succeed." Therefore, he held, "it is obviously not to our interest to help them succeed."

"Anyway," one of the officials said, "the Russians probably wouldn't let a big and really representative American delegation in, even if the Department had encouraged it."

This we will probably never know, for the Department has taken its position and presumably will not be swayed.

My impatience with the negative approach illustrated by these State Department arguments stems from recent experiences with Soviet youth and from the recollection of a similar lost opportunity which I witnessed at the first World Youth Festival in Prague in the summer of 1947.

Soviet young people I met at universities in Tashkent, Samarkand, Moscow, and Leningrad this February while traveling with Chester Bowles were clearly in a state of intellectual ferment. They were questioning basic Marxian premises, such as the analysis of the class struggle in the West. Above all they were eager for contact with the West, particularly with Americans.

By going to the festival in large and representative numbers, by putting on a good exhibit with books and films and pictures, we could contribute to the ferment among Soviet youth. Instead, there is likely to be a makeshift American exhibit and a small, motley delegation. A month before her delegation was to leave, Barbara Perry could only count on 40 Americans, including "dancers, photographers, an economist, three teachers, and a nurse."

In Prague in 1947, this is substantially what happened. The State Department then discouraged American attendance and gave no help in arranging an American exhibit. As a result, among the 17,000 young people who came from all over the world there were only about a hundred Americans, and these included a number of Communists and fellow travelers.

The amateurish American exhibit stood in sharp contrast to the elaborate Soviet showrooms towering over it. When the youth from all over the world entered the American exhibit they saw a picture of a black man strung to a tree, with the caption:

Since V–J Day 70 Negroes were lynched in the United States

Let us assume the Moscow festival is stacked in favor of communism. If we wait to go to Russia until things are democratically set up there, we may have to wait until Khrushchev's shrimp learns to whistle. To be sure, the festival is sponsored by the Communist-dominated World Federation of Democratic Youth. But everything in the Soviet Union is run by the Communist Party or by the government.

So what? The important fact is that within this Communist society all is not forever settled. Changes have occurred and will occur—hopefully in the direction of greater freedom both within the Soviet Union and inside other nations allied to the Communist bloc. The demotion this month of such Stalinists as Molotov and Kaganovitch is only one more sign that the future internal developments of the U. S. S. R. are unpredictable and not necessarily bad from our democratic viewpoint. This is the moment for sounding out the Russians, for probing at first hand the extent and significance of changes—and not for a fearful pulling back from such contacts as the Russians allow.

Perhaps we should have done more to help Hungary, but it does not help the Hungarians for us now to discourage the conditions which made the revolt in Eastern Europe possible. As Cardinal Wyszynski has been saying ever since his release from confinement, the condition for the freedom of Poland—and, we may add, of Eastern Europe—is peace.

After the explosions of Hungary and Poland the Kremlin must be well aware of where the thaw in Stalinism and in the cold war can lead. There must still be Soviet officials in high places who will oppose any further relaxation. By now they know that every taste the Russian or satellite people get of a freer life only whets their appetite for more.

We can help to promote this change, and our understanding of it, by going through their curtain whenever they open it. It is quite possible that Khrushchev would not let in a large and representative delegation from the major American universities. But instead of calling his bluff, we are letting him call Eisenhower's.

It seems to me time to take the advice Jan Masaryk gave for Americans in 1947 when he talked to me about his disappointment in our performance at the first World Youth Festival.

"I had hoped this festival would be like a great baseball game, and I could act as umpire", he said. "Instead your State Department discouraged attendance of America's youth leaders, and you only had a sorry little team of fellow travelers which made America look silly.

"America could have taken this festival by storm if it had just sent Rita Hayworth, a jazz band—and the spirit of Abraham Lincoln."

HARRIS WOFFORD, Jr.

(NOTE.—Mr. Wofford is an attorney and lawyer practicing in Washington, D. C. He and his wife are coauthors of the book India Afire.)

Mr. HUMPHREY. Mr. President, significant editorials on this same subject have recently appeared in our leading newspapers. One, entitled "Chink in the Curtain," was published in the Washington Post and Times Herald for July 22. Another, entitled "Soapboxes in Moscow," was published in the New York Times for August 5. I ask unanimous consent that the two editorials be printed at this point in my remarks.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

CHINK IN THE CURTAIN

From July 28 to August 11, the Sixth World Festival of Youth and Students will meet in Moscow. Like the preceding youth festivals held every 2 years since 1947, it is sponsored by international Communist-front organizations and is undoubtedly designed to advance the propaganda interests of the Soviet Union. We think it is all the more likely to succeed in this design because the American Department of State has strongly discouraged, although it has not forbidden, attendance by an American delegation.

Some 30,000 young persons from outside the U. S. S. R. are expected to attend, according to Soviet predictions. They will come in part from Soviet satellite countries; but a considerable number will be drawn from uncommitted or Western-oriented Western European and Asian countries. Many, perhaps, will be handpicked by Communist organizations. Unhappily, in view of the State Department attitude, this will probably be very largely the case with the small group going from the United States.

It would have been a great deal better, we think, if the State Department had given encouragement and assistance to a delegation of typical American students to attend the festival. We have no fear that students educated in American schools, bred

in the American tradition, committed to democratic principles, would have been subverted by contact with foreign Communists; it is much more likely that they might have won some converts to American ideas. At any rate, they could have presented a much more attractive picture of American life than the few Americans who will participate; and at the very least they would have refuted the Communist propaganda that Americans are confined behind an iron curtain.

A recent issue of The New Republic contains an interesting pair of articles debating the issue. Harris Wofford, Jr., who believes that it would have been wise to take advantage of this chink in Russia's iron curtain quotes in support of his position a statement made by President Eisenhower last September: "If we are going to take advantage of the assumption that all people want peace, then the problem is for people to get together and to leap governments—if necessary to evade governments—to work out not one method but thousands of methods by which people can gradually learn a little bit more of each other." This seems to us an impressive argument. We wish the State Department had heard it.

SOAPBOXES IN MOSCOW

Something of the atmosphere of London's Hyde Park has enveloped Moscow as the result of the current so-called World Youth Festival there, this newspaper's correspondent reports. Some American students are telling young Soviet citizens about the United Nations report on Hungary. Soapbox speeches are being made by foreign orators who do not follow the party line. When Moscow police broke up one large discussion of Soviet and foreign youngsters, the latter cried, "Oh, this is festival time. No. No."

All this suggests that the festival may be having some consequences not foreseen when it was first planned. The Kremlin can hardly desire that the already restive Soviet youth be exposed to truth and to uncensored foreign ideas, yet that is what is happening, at least on a small scale. In turn the outside world is getting a glimpse into the ferment among Soviet young people, and one report has it that a Moscow University student told an American youngster that 90 percent of the students at the university oppose the Kremlin line on Hungary.

This newspaper's Moscow correspondent quotes a young American there now as expressing regret that only a few of us whose heads are screwed on right are at present in that city to present the American point of view honestly. It is difficult to argue the point in the face of the reports telling of the impact the handful of sensible American youngsters in the total United States group there is having. Once again we seem to be seeing a major opportunity in the war of ideas wasted because of lack of imagination among those who set policy on such matters.

Mr. HUMPHREY. I should like to repeat, Mr. President, a paragraph from the Times editorial which I have just mentioned:

It is difficult to argue the point in the face of the reports telling of the impact the handful of sensible American youngsters in the total United States group there is having. Once again we seem to be seeing a major opportunity in the war of ideas wasted because of the lack of imagination among those who set policy on such matters.

Mr. President, I suggest that not only are we missing a very great opportunity in not taking a positive attitude toward the sending of representative young Americans to every youth festival in the world, but we are missing an even more tremendous opportunity in not proposing a world youth festival here, in the United States.

I can see no harm—indeed, I can see a very concrete amount of good—which could come out of such a youth festival in our country. And the more youngsters from behind the Iron Curtain who come, the better.

I say once more: If we see an opening in the Iron Curtain, let us exploit it. That means encouraging more young people from the Soviet blocs to come to visit us, to have their eyes opened, to meet us face to face, faults and all. I think we will stand up. I think we will come off all right under the close scrutiny of a young man or woman from Russia, from Poland, from Czechoslovakia, or from China.

We have a pattern which should teach us what might be derived from such an attempt—the highly successful program of cultural exchanges between our country and the other countries of the Free World and the uncommitted world.

The magnificent Fullbright program, which last year permitted the exchange of more than 4,000 American and foreign students, ought to reassure us that an exchange with Soviet bloc students would be helpful and in the interest of the United States.

We should move more vigorously into the international fairs program. We have scored heavily wherever we have even cautiously ventured into such a trade fair.

The program by which American artists and performers travel abroad under the auspices of ANTA and the State Department has been a resounding success. We ought to expand this program. It is fruitful, productive. It is "showing the flag" in a very meaningful way.

We should seek to follow up officially on the breakthrough which our enterprising television people have made in their field. We should press for representation on the Soviet television and radio, and we should very candidly invite Soviet representation on our own networks. Again, let us compete.

Finally, we should expand and intensify every succesful program we now have to send our young people abroad, and to bring other young people in. Our church group exchange programs, our 4–H programs with their wonderful "Effies," the SPAN program in our colleges, the many other relatively small programs of this nature—all should be more strongly encouraged and supported by our Government.

And when we are told that there will be a World Youth Festival, why should we shudder? Why should we permit such an affair to become merely a Soviet propaganda forum, so far as our State Department is concerned? Why should we have to depend on a handful of enterprising young people to walk unaided and unsupported into an area where they must face the best cultural and educational resources of the Soviet world?

There is really no substitute for the genuine article itself. All the efforts of the Voice of America, and of the whole vast information effort of USIA, are valuable only because they reach a broad mass of people who might otherwise never have the opportunity to see the real America. We can get a broad—and shallow—effect from such informational programs, and they are necessary. They are doing a fine job, in my estimation.

But to make an impact—to really break through and create impressions and understanding in depth—we must turn to our people themselves. Here is where we can score. Here is our strong point: our native vigor, unconventionality, freshness, and openmindedness. Let these qualities have full play, and they can break down the most biased and indoctrinated of men. These qualities so common to our own young people cross language barriers, cultural barriers, political barriers, and create, if not friendship, at the very least an improved climate of trust and confidence.

It is important to counteract the long years of indoctrination by which an American has become, in the mind of the Soviet citizen, a warmonger, an imperialist, or a Fascist. A great part of our danger from the Soviet bloc comes from the blind, unreasoning fear of Americans that has been instilled—year after year—in the Soviet mind. It is this fear of us that is half the danger. It is this hatred and distrust, whipped up by the Communist-controlled press and radio, and school systems, which permit the Soviet leaders to marshall the Soviet people into almost superhuman production efforts. In the long tradition of dictatorships, it has been the common and accepted modus operandi to build up a foreign whipping-boy, to conjure up a foreign straw-man menace, and to focus the frustrations and despair of a people on an outside danger. That is what the Russian leaders have been doing. That is why they created their Iron Curtain—so that the truth could not leak in, so that the light would not dawn.

Now, when the curtain begins to crack, let us act firmly, resolutely, affirmatively to break through to the Soviet people—in any way we can, in any form, in every conceivable way. If they put up a propaganda balloon, let us use it. Let us not let them get away with it.

It can be done. And we do not have to spend a billion dollars to do it. A handful of young Americans showed us how to do it in Moscow, this month. Can we not see the way?

Mr. President, I desire to thank the Senator from Washington [Mr. MAGNUSON], who has been so courteous. Let me say that if he had been more persuasive with some of our colleagues, earlier today, I might not have spoken for so long.

FEDERAL POWER COMMISSION

The Senate resumed the consideration of the nomination of Jerome K. Kuykendall to be a member of the Federal Power Commission.

Mr. MAGNUSON. Mr. President, I have been glad to yield to the Senator from Minnesota [Mr. HUMPHREY], because he always has something of great interest to present to the Senate.

However, the Senate is now considering the nomination of Mr. Kuykendall to be a member of the Federal Power Commission; and in the closing days of the session, we try to make our remarks germane to the pending question.

Mr. President, there are several Senators who are vitally interested in this nomination, and who desire to address the Senate about it, in most cases, quite briefly.

Being chairman of the committee which reported the nomination favorably—although I signed the minority views, along with one of the other members of the committee—I have suggested that most of the members present their views to the Senate on tomorrow, when more Senators on both sides of the aisle will be present to hear what they have to say.

At this time, let me say that the hearing on the nomination was a long one, and involved much testimony by various witnesses, including a number of Members of Congress.

Mr. President, at this time I shall address myself briefly to the remarks made today by the Senator from Utah [Mr. WATKINS], who spoke in favor of the nomination. His remarks were made previous to those made by the Senator from Minnesota [Mr. HUMPHREY].

I understand that after my brief remarks this afternoon, my colleague, the junior Senator from Washington [Mr. JACKSON] desires to address the Senate and to state briefly his views on the pending nomination.

On tomorrow, the voting on the nomination will begin.

Mr. President, at this point—and in order that this statement may appear in the CONGRESSIONAL RECORD which will be available tomorrow, before the session of the Senate—let me say that this afternoon the Senator from Utah [Mr. WATKINS], in speaking on the nomination of Mr. Kuykendall, stated that a vicious attack has been made upon Mr. Kuykendall. I am sure the Senator from Utah did not mean to imply that anyone interested in this particular matter had made an attack on Mr. Kuykendall personally. Certainly, neither the Senator from Washington nor any of the other Senators who have testified regarding this matter or who have a keen feeling regarding the whole issue would ever participate in an attack upon Mr. Kuykendall personally. In my own case, I have known Mr. Kuykendall for many, many years. He comes from my home State, and we have a very fine personal relationship.

So I wish to point out, for the information of those who read the RECORD, including the statements made today by the Senator from Utah, that no attack whatever is being made upon Mr. Kuykendall as an individual or upon his integrity or his personal behavior.

The Senator from Utah stated that the reason why many of us are opposed to confirmation of the nomination of Mr. Kuykendall is that he, together with the other members of the Commission, voted to issue to the Idaho Power Co. a license for the construction of certain dams, in lieu of the Federal high dam at Hells Canyon. Mr. President, as the testimony will show, that is only one of the issues involved. Some statements were made regarding Mr. Kuykendall's activities in connection with the granting of that license. But that was only one of the matters on which those of us who oppose the confirmation of his nomination have based our opinion.

The Senator from Utah gave the Senate a very interesting and a very accurate history of the Federal Power Commission, including a statement of why it was formed; and he quoted from the remarks made by former Senator Wheeler, of Montana, who was chairman of the old Senate Committee on Interstate Commerce, in explanation of the law which was passed. The Senator from Utah was careful to point out that the Federal Power Commission was created to be an arm of the Congress, not to be subject to the executive branch of the Government or to the views of the executive branch; but that, on the contrary, the Commission was created to carry out the views of the Congress and to aid Congress by doing things which the Congress itself would not be able to do, including handling the details regarding the very important matter of the development of the Nation's natural resources.

Without going into detail at this time—on tomorrow I shall go into the details—let me say that the real basis of the opposition to confirmation of the nomination of Mr. Kuykendall is the fact that he has not represented Congress in connection with these matters, but, instead, has represented to a greater extent another philosophy, whether it be that of the Executive or of someone else. I think that is shown rather clearly in the testimony. The hearings include many admissions by Mr. Kuykendall that his philosophy regarding the development of the Nation's natural resources and his conduct as Chairman of the Federal Power Commission have not been in accordance with the actions or the views of the Congress, as he has seen them.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD—so that all Senators who read the RECORD on tomorrow may have the benefit of them—some excerpts from the testimony which was taken at the committee hearings. I think these excerpts cover in an objective way the testimony of the Senators and the Members of the House of Representatives who appeared at the hearing and who took their positions in opposition to confirmation of the nomination of Mr. Kuykendall. I have tried to be fair about the matter. I think the excerpts give a brief account of the activities of Mr. Kuykendall as Chairman of the Federal Power Commission during the past 5 years.

There being no objection, the excerpts from the hearing were ordered to be printed in the RECORD, as follows:

EXCERPTS FROM OPPOSITION TESTIMONY REGARDING THE ADMINISTRATION OF MR. KUYKENDALL

SENATOR JAMES E. MURRAY AND SENATOR MIKE MANSFIELD (JOINT LETTER, R. 330–332)

Section 167 of the Internal Revenue Code provides that all taxpayers are entitled to either the straight-line method of depreciation properties, the declining-balance method, or the sum of the years-rights methods. Alternative methods which will yield results not exceeding the declining-balance method also are permitted. The new methods of depreciation permit the taxpayer to claim larger depreciation deductions in the early years of the life of his investment, and lesser depreciation deductions in the later years than would have been permitted under the traditional straight-line method.

In the Amere case, docket No. G–6358, Mr. Kuykendall and fellow members of the Federal Power Commission authorized a tax manipulation under this section obviously never intended by Congress, and potentially far larger than the enormous windfalls under the defense accelerated amortization program for utilities.

Under the Amere decision the Commission allows the utilities to set their rates to consumers on a straight-line depreciation basis. Then, when the company calculates its income tax, it is allowed to take depreciation on the most liberalized basis under 167, greatly reducing the amount of taxes paid and allowing the utility owners to pocket the savings as deferred taxes.

This procedure is contrary to every principle of regulation ever propounded. The utility is entitled to recover from the rate payers only the taxes it pays, not additional "phantom taxes" which it does not pay.

But this is not all. Mr. Kuykendall and the Commission compound the unfairness to the rate payers by permitting the allegedly regulated utility to invest the deferred taxes, add the investment to the rate base and charge their customers 6 percent interest on the money although it owes no bondholder interest and no stockholder dividends on the funds.

Some defense has been offered for treating emergency certificates of defense necessity issued by the Office of Defense Mobilization in this way on the grounds that Congress intended that the stockholders should get windfall profits from charging ratepayers interest on the "deferred taxes" they have paid the utility. We do not believe Congress had such an intention. But no defense can be offered for treating the tax reduction permitted by liberalized depreciation under section 167 in this matter. There is no "deferral of taxes." The regulated companies getting this windfall will never pay any of this money to the Government. It is a permanent subsidy which Kuykendall and the Commission are forcing the ratepayers to give the company, over and above a fair return on its investment. * * * To make this entire affair even worse, we now have evidence that some companies, notably the Washington Water Power Co., of Spokane, Wash., among others, are treating their windfall profits from "liberalized depreciation" and "accelerated amortization" as moneys available for investment which thereby release depreciation accounts for return to stockholders. Thus, as much as 85 percent of the Washington Water Power Co.'s annual return to its stockholders for the past several years has been reported by the company as "returns of capital," not dividends on stock at all, and thus not subject to Federal personal income taxes. * * * In November 1954 Mr. Kuykendall appeared before the Joint Committee on Atomic Energy and testified before that group, representing both Houses of the Congress, that the Federal Power Commission's counsel had not reviewed the notorious Dixon-Yates contract when it was being developed in the executive departments; that it had not been referred to them.

Not until July 1955 was it revealed that in reality, two assistant counsels general in the FPC Bureau of Law had studied the proposed contract and sharply criticized it. Both had prepared written commentaries after review.

On July 28, 1955, when asked by a subcommitte on the Select Committee on Small Business of the House of Representatives about the status of the Idaho Power Co.

license applications, involving the Hells Canyon Dam site, Mr. Kuykendall apparently misrepresented the facts. He told the committee it would be improper for him to comment on a matter "before the Commission for decision."

The fact was that the commission had decided the matter the day before, but Mr. Kuykendall was engaged in concealing that fact until after Congress had adjourned. The decision, dated July 27, 1955, was released August 4, 1955, all too obviously to avoid possible review in Congress of the Commission's action in disregarding the request of a number of Senators to withhold action until Congress could consider the situation.

AMERICAN FEDERATION OF LABOR, CONGRESS OF INDUSTRIAL ORGANIZATIONS, ANDREW J. BIEMILLER, DIRECTOR, DEPARTMENT OF LEGISLATION (LETTER, R. 333–334)

Our organization is firmly opposed to the confirmation of Jerome K. Kuykendall as chairman of the Federal Power Commission. Our position is a result, primarily, of five actions which Mr. Kuykendall has taken or concurred in during his tenure in office. They are:

1. The apparently false statement which he made while appearing as a witness before the Joint Committee on Atomic Energy investigating the Dixon-Yates contract in November 1954. * * *

2. Certain misrepresentations made by Mr. Kuykendall in letters dated March 4 and 6, 1957, addressed to Representative AL ULLMAN, of Oregon, relaing to the inadequacy of the diversion tunnel constructed at the site of the Brownlee Dam on the Snake River.

3. The action of Mr. Kuykendall, revealed in hearings before the House Committee on Interstate and Foreign Commerce, in secretly securing the assistance of representatives of public and consumer interests, in the drafting of natural-gas legislation to be proposed by the administration.

4. The failure of the Federal Power Commission to exert effective regulation of independent producers of natural gas as required by law.

5. The action of the Federal Power Commission in permitting regulated utilities to collect and retain tax money from customers for taxes which may never be paid, through the device of permitting them to calculate taxes on a straight-line basis for ratemaking purposes while actual payment is on an accelerated depreciation basis.

You are familiar with Mr. Kuykendall's record in a number of power cases including Hells Canyon and Dixon-Yates. More recently, newspaper accounts have reported that Chairman Kuykendall has maintained close and secret relations with the natural-gas industry in the development of legislation which would free that industry from effective control. At the same time, many well-documented charges have been brought that existing laws relating to natural gas are being administered in a manner unnecessarily favorable to the industry and adverse to consumers. * * * The interest of the people of Pennsylvania as well as of other States, will be undercut and prejudiced if Mr. Kuykendall's renomination is confirmed. In the case of gas regulation, there is strong reason to believe that his conspicuous role as advocate for the producers has disqualified him from exercising in an impartial manner the quasi-legislative and quasi-judicial powers which are vested in him as a member of the FPC.

CONGRESSMEN JOHN DINGELL, THADDEUS MACHROWICZ, JOHN MOSS, B. F. SISK, AND CLEMENT ZABLOCKI (JOINT LETTER, R. 445–449)

Our opposition to Mr. Kuykendall's nomination is based on his disregard of, and lack of sympathy for, the obligations, duties, and responsibilities placed upon the Federal Power Commission by the Congress of the United States in committing to that Commission the preservation of the public interest in the development of the Nation's resources and the protection of consumers of electric energy and natural gas against exploitation at the hands of the electric and gas companies under the Federal Power Commission's jurisdiction and control.

SENATOR RICHARD L. NEUBERGER (STATEMENT, R. 2–20)

What is on review before this committee in the renomination of Mr. Kuykendall is the whole question of the role and the responsibilities of the Federal Power Commission in planning and safeguarding the comprehensive development of our water resources in the public interest. * * * From the very beginning of his service on the FPC 4 years ago, Mr. Kuykendall has permitted the FPC to be used as the tool of a political decision which has wholly destroyed a painstaking, detailed, integrated, comprehensive plan for the Nation's second largest river basin, prepared by thorough and objective engineering studies by the United States Army Corps of Engineers and the United States Bureau of Reclamation. * * * As Chairman of this Commission, ostensibly responsible for, and specifically charged by law with protecting comprehensive river plans, he has presided over the deliberate destruction of the comprehensive 308 report program for the Columbia River Basin beyond any hope of reconstruction, unless Congress acts, as in this confirmation hearing, to reassert its demand that such comprehensive plans be adhered to * * *. Mr. Kuykendall conveniently overlooked the Idaho Power Co.'s pending applications for accelerated tax amortization on its dams—on the ground that they probably would not be granted. Now we know, from Mr. Kuykendall's own chief accountant that the private utility's 2—not 3, but only 2—smaller dams will cost the taxpayers $83 million.

SENATOR WAYNE MORSE (STATEMENT, R. 20–50)

Mr. Kuykendall failed to deal candidly with Congress on at least one important occasion and possibly others. * * * In summary, Chairman Kuykendall during the Dixon-Yates controversy in Congress, testified in 1954 before the Joint Committee on Atomic Energy that the FPC Bureau of Law had not made any studies, or passed upon, the proposed Dixon-Yates contract when it was being processed by executive agencies. The facts were that two high officials of the FPC Bureau of Law, two assistant counsels, had made studies of the proposed contract and condemned it vigorously for its failure to protect the interest of the Government and the public (R. 21). Before coming to the Federal Power Commission Mr. Kuykendall was a member of the Washington Public Service Commission to which he had been appointed by former Governor Arthur Langlie, an outspoken foe of the high Federal Hells Canyon Dam. This association at least raises a question of bias in connection with the most important and controversial license proceeding in which he was to take part as Chairman. * * * When Mr. Kuykendall was called upon by the House Subcommittee on Regulatory Agencies to discuss on July 28, 1955, the Hells Canyon controversy, he declined to do so on the ground that the case was pending before the FPC. In fact, it had been decided the day before; the opinion and order bear the dates of July 27, 1955. They were released on August 4—only 2 days after Congress adjourned (R. 25). * * * Nonetheless Chairman Kuykendall evaded testifying on the ground that the case was pending. (R. 26.)

* * * * *

In August 1953, the Idaho Power Co. filed its applications for the [tax writeoff certificates] and in December 1953, the president of the company testified about them. Despite knowledge that the writeoff applications were pending, despite full realization of the cost to the Treasury of quick writeoff certificates, the FPC decision awarding licenses to Idaho Power Co. said that the public purposes to be served by the company projects "will be realized without expense to the United States to the extent that the projects are constructed by a non-Federal entity (opinion, p. 17)." The Federal Power Commission's opinion also stated—"development by applicant of the Hells Canyon reach of the Snake River would provide 1 million acre-feet of flood-control storage and the required streamflow regulation in aid of navigation on the lower river at no cost to the United States." These statements were misleading and accurate in the extreme in view of the company's applications for writeoff certificates, known to the Commission (R. 28).

CONGRESSMAN TORBERT H. MACDONALD (STATEMENT, R. 51–87)

I feel strongly that Mr. Kuykendall has not always carried out the main duty of his high office—namely, to protect the public interest.

[After referring to secret meetings with representatives of gas industry, at request of White House, Mr. MacDonald goes on:] Mr. Kuykendall made several denials before he finally admitted that he had indeed, originated a gas bill. The role and sole role, of the Federal Power Commission is to protect the public against the proven depredations of the gas industry. The shocking thing, in my mind, is that Chairman Kuykendall never consulted a single consumer group the entire time this legislation was under consideration. * * * I could never get a satisfactory explanation from him as to why the consumers were left out when his sworn job is to protect the public consumers against the manipulation of the natural-gas industry. * * * The fact that distributors were involved is of very little consequence for, as we all know, the distributors merely pass along any increased cost to the consumer.

CONGRESSMAN JOHN D. DINGELL (STATEMENT, R. 88–89)

I feel that Chairman Kuykendall has apparently never grasped the real nature of his duties as Chairman of the Commision. In stating this, I mean no inference against his character or integrity. I mean he has failed to understand his duty to the consuming public and to the Congress of the United States. I feel he has failed to act with proper independence from the White House, from the Departments, from the representatives of the industry he is to regulate. * * * Mr. Kuykendall further, according to his own admission, got together a group of three representatives of natural-gas producers, pipelines, and other people of the industry to draft a bill which would relieve producers of natural gas from Federal control or which would substantially reduce or eliminate the extent of Federal control over the producers. One thing which stands out in Mr. Kuykendall's testimony is that he expressly cautioned these three representatives of the natural gas industry to maintain strict and complete secrecy. It is my feeling that he would not have done so if he had not felt that such action was highly improper on his part.

CONGRESSMAN CHARLES VANIK (STATEMENT, R. 89–102)

All members of the Federal Power Commission are supposed to be public members, regulating and administering the public interest, and yet in the spring of 1955 we find the Federal Power Commission, under Mr. Kuykendall's leadership, did not want authority to control the prices of natural gas in the fields. Here is a public official, charged by law with the administration of the Natural Gas Act, with a fresh mandate by the Supreme Court in the Phillips decision, directing the Federal Power Commission to

UNIVERSITY OF MICHIGAN LIBRARIES

regulate the production, gathering, processing, or sale of natural gas prior to its entry in interstate transmission and refusing to do the job on which he had a clear legal obligation and mandate.

* * * * * *

The support for this legislation came solely from gas producers and the industry people within that orbit. * * * To date, the Federal Power Commission under Mr. Kuykendall's leadership has established no procedures or rules for considering gas-rate cases. Each case is theoretically heard on its own merits. In the billions of pages of testimony and evidence which have been submitted, no criteria for evaluation or rulemaking has been established.

CLYDE T. ELLIS, GENERAL MANAGER, NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION, (STATEMENT, R. 114–145)

This is the first time, I believe, that anyone representing the National Rural Electric Cooperative Association has ever appeared in opposition to confirmation of a Presidential appointee to such an independent agency as the Federal Power Commission. I need not dwell on the obvious fact that the Rural Electric Cooperatives, which I represent, and their 4 million families, 13 million people, are vitally interested in and affected by the activities of the Federal Power Commission. * * * The rural cooperatives are primarily interested in the administration of part 1 of the Federal Power Act which establishes the Commission's authority over hydroelectric power development. * * * We feel that Mr. Kuykendall in his 4 years as Chairman of the FPC has clearly demonstrated his lack of sympathy with the intent of Congress embodied in this part of the Federal Power Act. Instead, he has interpreted the law in such a way as to favor the very monopoly control of the Nation's power supply against the fathers of the conservation movement, of which part 1 of the Federal Power Act is the child, so vigorously warned.

(In licensing the Idaho Power Co.'s three small dams as a substitute for the proposed Federal high dam, Mr. Ellis charged that Mr. Kuykendall violated the intent of the law in three ways:)

1. He violated the intent of Congress that a project so approved be best adapted to a comprehensive plan for improving or developing a waterway or waterways for the use or benefit of interstate or foreign commerce, for the improvement and utiliziation of water power development, and for other beneficial public uses, including recreational purposes.

2. Mr. Kuykendall violated the intent of the Congress by substituting the criterion of maximum use of resources as a basis for approving the lesser projects.

3. Mr. Kuykendall violated the intent of Congress by substituting the phony Power Trust political argument that the Idaho Power Co. project would be built without cost to the taxpayers for the broad public purposes on the basis of which the Commission had the discretion under section 7 (b) of the act to recommend to Congress that the development which qualified as best adapted to the real comprehensive plan for development of the Columbia River Basin be undertaken by the United States itself.

ANGUS M'DONALD, NATIONAL FARMERS UNION (STATEMENT, R. 145–148)

The record of Mr. Kuykendall may be summarized as follows:

1. He deceived the Joint Atomic Energy Committee in 1954 in an attempt to cover up the Dixon-Yates contract.

2. He deceived Subcommittee No. 1 of the House Small Business Committee in July, 1955 as to the status of the Hells Canyon case.

3. He participated in the Hells Canyon case before the Commission despite his connection with the utility companies and his service to the State of Washington's governor, who had opposed the high Hells Canyon Dam and had intervened before the Commission to favor the Idaho Power Co.

4. He misrepresented the facts about the flood washout of the Idaho Power Co. Brownlee Dam and tried to cover up the failure of the company and the dereliction of the Commission in regard to the diversion tunnel.

5. He favors abandonment of FPC regulation of producers of natural gas contrary to the public interest.

KEN BILLINGTON, WASHINGTON PUBLIC UTILITY DISTRICTS' ASSOCIATION (STATEMENT, R. 149–152)

Our association membership includes 23 public-utility districts in the State of Washington which provide electric and water utility service for more than 230,000 customers. * * * By action of our board of directors, on June 15, 1957, we are opposed to the confirmation of Jerome K. Kuykendall to the important post of Chairman of the Federal Power Commission. * * *

(After referring to Mr. Kuykendall's testimony of a misleading character on the Dixon-Yates contract and the Hells Canyon decision, the decision in the Idaho Power Co. license application which overlooks the pending certificates for tax write-off, the lack of consideration for the proposed study by the Department of the Interior with reference to a Federal dam at Nez Perce, extension of FPC licenses beyond the 50-year limit in the statute, and failure of the FPC to comply with the policy of section 7 (b) of the Federal Power Act, Mr. Billington concluded by stating:)

Although as a Washington State group, we would like to see a home-state man, which Mr. Kuykendall happens to be, in such a nationally important position, we feel that Mr. Kuykendall's lack of objectivity in a position requiring objectivity disqualifies him for the Federal Power Commission chairmanship or membership, and under Mr. Kuykendall's chairmanship the FPC, as a licensing agent of Congress for the Nation's waterpower sites, has ceased to protect the public interest in matters concerning the utilities.

SENATOR HENRY M. JACKSON (STATEMENT, R. 152–154)

Referring to the testimony of Mr. Kuykendall before the House Committee on Interstate and Foreign Commerce, on June 4, 1957, relating to the Olin Gas Transmission Co., which received a 100 percent price increase, in which Mr. Kuykendall noted that if the case had "been contested more vigorously we would have had a lot more trouble in finding evidence to make a finding that this was warranted," Senator JACKSON stated, "Mr. Kuykendall apparently feels that if there is no one present—in this case perhaps a distributing company or a consumers group—to contradict or question the testimony of producers, it is not up to the Commission to protect the public interest by doing so. For the record shows that the Federal Power Commission's own staff opposed the Olin rate increases and the Commission took the private companies' figures over its own staff's position. * * * I am confident that the record shows and the committee will find that Mr. Kuykendall's philosophy is not compatible with the policies and programs laid down by Congress for the Federal Power Commission to administer."

Senator JACKSON also submitted a statement from the Washington State Grange appearing on pages 155 to 157 of the record, opposing the nomination for specific reasons set forth therein.

JAMES T. MARR, PRESIDENT, NATIONAL HELLS CANYON ASSOCIATION, INC. (STATEMENT, R. 159–170)

Mr. Kuykendall has disregarded the public interest, especially the interest of the consumer, contrary to the duties and responsibilities of his high office.

1. Under his chairmanship, the Federal Power Commission, in the Hells Canyon case, has rendered a decision which destroys several decades of comprehensive river-basin development work of other agencies.

2. Mr. Kuykendall's actions in another case, affecting the Nez Perce site, indicate that he is bent on further destruction of the same kind.

3. Under Mr. Kuykendall's chairmanship, the Commission has advocated and promoted legislation adverse to the interests of the public and the consumer. Apart from its role in relaxing public-interest regulation of the natural-gas industry, the Commission under Mr. Kuykendall's leadership, has supported bills to exempt utilities from the Public Utility Holding Company Act; to make private hydro projects more profitable at the expense of the Federal projects; and to remove the preference accorded to States and municipalities in the recapture of hydroelectric projects at the end of their 50-year license.

II. Mr. Kuykendall has practiced deception upon committees and Members of the Congress.

1. He denied to the Joint Committee on Atomic Energy that Federal Power Commission lawyers had ever passed on the Dixon-Yates contract—when two of these lawyers had, in fact, severely criticized the contract.

2. He claimed that he could not discuss the Hells Canyon case with a House Small Business Subcommittee because it was still pending before the Commission, when, in fact, it had been decided on the previous day.

3. Mr. Kuykendall misled a Member of the Congress about the Idaho Power Co.'s construction activities in Hells Canyon, and tried to cover up the company's departure from the designs approved by the Commission and the inadequate supervision exercised by Federal Power Commission engineers.

Mr. MAGNUSON. Mr. President, in concluding at this time—and then I shall desist until tomorrow, when I shall discuss the matter in greater detail—let me say that I believe the Senate should know that, although the hearings lasted for a number of days, and although notice of the hearings was given to everyone who was interested or concerned, no witness appeared in favor of confirmation of the nomination of Mr. Kuykendall to be a member of the Federal Power Commission. Mr. Kuykendall was given the privilege—and rightly so, I believe—of hearing the testimony of all the witnesses who appeared, and then testifying in his own behalf for as long a time as he wished, and then placing in the record whatever documents he wished to place in it, in order to attempt to refute or explain, if he could, the statements made at the hearings by the great number of witnesses who appeared in opposition to confirmation of his nomination.

No Senator who supports confirmation of the nomination appeared in support of it at the hearing except, of course, that the members of the committee, who at the committee meeting voted in favor of the nomination, were present during the taking of much of the

testimony. Some of them were at the hearing a part of the time, but most of them were there during the greater part of the hearing. Of course they did not express their opinions publicly, but they did ask many questions.

But, despite the fact that the hearing was widely heralded and that notice was given to all persons concerned, no one who appeared at the hearing testified in behalf of confirmation of Mr. Kuykendall's nomination. The Senator from Utah [Mr. WATKINS] did not appear at that time. Perhaps there was some good reason why he did not. Perhaps it was felt that no witnesses in behalf of confirmation of the nomination needed to appear at the hearings.

However, I wish the Senate to know that at the hearings we proceeded in a quite unusual way, in the case of hearings on nominations. Usually the appointee appears first and makes his statement, and then answers questions and discusses his experience and his philosophy and his record; and then other witnesses appear. In this particular case, because there were so many witnesses in opposition to confirmation of the nomination, we thought it fair to allow Mr. Kuykendall to hear all the testimony and then, after that, to state what he had to say regarding the entire matter. He did so.

Mr. President, the majority report comprises 2½ pages. There are also minority views. I recommend them to the reading of Senators tonight or tomorrow morning before the Senate meets.

With that, I yield the floor until tomorrow morning.

Mr. JACKSON. Mr. President, it is a painful duty to stand up and say a citizen of one's own State is not fit for continued service on one of the most important regulatory bodies of our Government. It is especially painful when one has had a friendly acquaintanceship with that man, as I have had with Jerome K. Kuykendall.

Mr. President, I have been asked to declare Mr. Kuykendall personally obnoxious to me, and in this way to effectively block his confirmation to another term on the Federal Power Commission. I cannot in good faith do this. I can, in good faith, declare that Mr. Kuykendall is not qualified for the position by virtue of his lack of understanding of what constitutes the public interest, which he is sworn to uphold. I rely, therefore, not on senatorial privilege, but on the good and honest judgment of my colleagues.

Mr. Kuykendall's renomination must be rejected. It must be rejected for the sake of the public that depends upon him and his colleagues on the Commission for representation of their interests, for protection of their pocketbooks, and for preservation of the public domain.

There is no question what the job of the Federal Power Commission is. Its job, and that of the other regulatory agencies, is to protect the broad mass of consumers, that one big group that has no voice or representation in proceedings that affect them, other than what protection is accorded them by Commission members.

Mr. Kuykendall knows what the duty of the Commission is. In his own testimony, on page 197 of the hearings before the Senate Committee on Interstate and Foreign Commerce, on his nomination, he said:

> The Federal Power Commission, or any regulatory agency, is more than a mere group of judges or an arbiter of disputes. We are there to protect the public interest, and those commissions have been found to be necessary because the public isn't capable of protecting itself. It isn't organized, it doesn't have any technical knowledge.

So I say Mr. Kuykendall knows what the duty of the FPC is. He just does not understand how to perform it, or else he is paying lipservice to it.

For the record is studded with proof that Mr. Kuykendall has looked first to the welfare of the private interests the FPC was established to regulate.

How does his stated appreciation of the responsibility of the FPC to protect the consumer stack up against his performance in, for example, the Olin Gas Transmission Corp. rate increase case? Recently, last May 15, Olin was granted a 100 percent rate increase. In hearings before the House Committee on Interstate and Foreign Commerce on June 4, 3 weeks later, Mr. Kuykendall was asked if the company would have gotten a lesser price for its gas if the case had been contested more vigorously. Mr. Kuykendall replied, and I quote from the hearings:

> No, I don't think they would have gotten a lesser price, but I think that it is possible that if it had been contested more vigorously that we would have had a lot more trouble in finding evidence to make a finding that this was warranted. Now, they had a pretty good spokesman for the company there—and we quoted some of his testimony—who was quite persuasive, and he didn't happen to get contradicted very much.

It is thus clear that Mr. Kuykendall feels no compulsion to take the initiative to protect the public. His philosophy is clear: If there is no one adequately to oppose the applicant for a rate increase, it is granted. It is true that in a court of law, questions of this sort are decided on the basis of the preponderance of evidence. But the FPC is not a court of law. It is a quasi-judicial arm of the Congress established, in Mr. Kuykendall's own words, as "more than a group of judges of an arbiter of disputes" and, more important, "to protect the public interest, because the public is not capable of protecting itself."

Permit me to give my colleagues another example of Mr. Kuykendall's conception of protecting the public interest. It has been established that Mr. Kuykendall helped, in a large way, to draft new natural-gas legislation for consideration by Congress. Mr. Kuykendall admits that he sought the assistance of representatives of the gas producers, the pipeline companies, and the distributing companies—but not a single consumer group. Mr. Kuykendall has explained, rather lamely, that the distributing companies stand for the consumer interest. Now, this is news to me, and apparently it was news, also, to Mr. John E. Heyke, Jr., of the Brooklyn Union Gas Co., who is president of a council of local gas companies. Mr. Heyke, testifying in a House hearing, declared that "gas distributing companies are little more than sales agents for producers and pipelines."

Distributors only pass along increases to their customers. If anyone has any doubts on this point, let me cite an example from my own State. I am about to quote from a news story that appeared on page 1 of the Seattle Post-Intelligencer last Wednesday, August 7. It begins:

> Pacific Northwest Pipeline Corp., which supplies natural gas to Washington, Oregon, Idaho, Utah, and Colorado, petitioned the Federal Power Commission Tuesday for a $5½ million a year rate increase.

That is the first paragraph. Now let me read the second paragraph, which is the part pertinent to this discussion. It reads:

> The action was immediately reflected—

Let me repeat that—

> immediately reflected in Olympia where five natural gas companies operating in Washington petitioned the State public service commission for permission to increase their rates to consumers, the Associated Press reported.

This is the manner in which the distributing companies, which Mr. Kuykendall says represent the consumers, react to rate increases by the pipeline companies.

Mr. Kuykendall's record in the Hells Canyon case gives us further insight into his lack of qualification for membership on the Federal Power Commission. I do not propose to dwell at length on an issue that has been settled in the Senate, but rather only to draw some conclusions from the case. Not only did Mr. Kuykendall and the FPC disregard the public interest in this case, but they violated their responsibility to Congress by rendering a political judgment as to what Congress would or would not do, rather than a judgment based on fact. The FPC examiner found, as we all know, that the Federal high dam was clearly superior to the Idaho Power Co.'s low-dam scheme in terms of power, flood control, navigation, irrigation, and other multiple benefits. Yet, the FPC examiner concluded, and the FPC acted on this basis, that Congress was unlikely to authorize the high dam—even though it had been proved best—and therefore the low-dam scheme should be licensed. Yet, as my senior colleague, the Senator from Washington [Mr. MAGNUSON], pointed out on page 361 of the hearings on Mr. Kuykendall's nomination, the Federal Power Act specifies:

> That in case the Commission shall find that any Government dam may be advantageously used by the United States for public purposes in addition to navigation, no license shall be issued until 2 years after it shall have reported to Congress the facts and conditions relating thereto.

I say that we in the Congress are entitled to be presented the facts, to make decisions in accordance with the law. It is a sad day for this body when regulatory agencies make our decisions for us on the basis of a political guess. I am

UNIVERSITY OF MICHIGAN LIBRARIES

happy to say that in the Senate we have proved how bad that guess was. Just the same, I think we should give notice now to all agencies upon which we rely for factfinding that we will make our own decisions and not tolerate political judgments on their part.

It is a dangerous precedent to put the Senate stamp of approval on a man who has used his office to bypass the Congress.

It may be said by others of my colleagues, but it bears repeating, that we in the Congress have not enjoyed the frankness to which we are entitled from Mr. Kuykendall. I refer, particularly, to his withholding of information from Congress in both the Hells Canyon case and the Dixon-Yates case.

In the first instance, Mr. Kuykendall was asked by a House committee on July 28, 1955, about the Hells Canyon case, and replied that he could not comment on a matter before the Commission for decision. This, remember, was July 28, 1955. We know, now, that on the day previous, July 27, 1955, the FPC made its decision to license the low dams. The decision was not announced until August 4, 2 days after Congress adjourned. This timing despite the known desire of a number of Senators, that the FPC not act on the private power company's application until the Congress had had a chance to act on then-pending bills to authorize the high dam.

In the second instance, in testimony before the Joint Committee on Atomic Energy, Mr. Kuykendall suppressed the legal opinion of two of the FPC's top lawyers, that the proposed contract was unfair to the Government. The details of this are stated in the hearings before the Senate Interstate and Foreign Commerce Committee on Mr. Kuykendall's renomination.

In my own testimony before the committee, I made the point that the FPC had not accepted the staff position in the Olin case, where the staff favored the consumer, and had not accepted the examiner's findings in the Hells Canyon case, where the examiner found the high dam superior in nearly every respect. Mr. Kuykendall has replied that "this criticism proves nothing except the fact that the Commission has made its own decisions, as it should do." I submit that it proves something further, namely, that where there is a difference of opinion between the examiner and the staff, the Commission will accept the position favoring the private interests every time.

Mr. President, I think it is significant to take note of who opposed Mr. Kuykendall's renomination and who remained silent. The purpose of the hearings before the Senate Interstate and Foreign Commerce Committee was to take evidence concerning Mr. Kuykendall's fitness for office. Naturally, those who do not think he is fit could be expected to appear to say so. The witnesses against Mr. Kuykendall included representatives of the REA's, the PUD's, the National Hells Canyon Association, unions, the Grange, and other farmers groups—all speaking for consumer groups or, to put it another way, the public. No group testified in his behalf. I am sure the reason for this is that the only ones who would desire to testify in his behalf would be the private utilities he regulates. They apparently felt the best way to help Mr. Kuykendall would be to stay away from the hearings. To have testified in his behalf would have been too obvious.

There are numerous other points to be made against Mr. Kuykendall. The record of the hearings contains most of them. I have tried to summarize only the high points. I think these constitute sufficient ground to reject Mr. Kuykendall's nomination, and I am willing to rest the case in the hands of my colleagues on the basis of this record.

For I believe Senators on both sides of the aisle will see their duty to overlook partisan politics and regional selfishness. I would hate to think, for instance, that supporters of natural gas legislation among us would vote to confirm Mr. Kuykendall because he has failed to protect the public interest with respect to natural gas rates. It is one thing for my colleagues to argue that the small producers of natural gas are not getting a fair price, and that natural gas legislation will not drive prices up. It is quite another to vote to confirm the nomination of a man who has permitted rate increases, as in the Olin case, and who in so many other ways has failed to protect the consumer. To vote for this man because he may be friendly to natural gas producers can be done only at the risk of destroying the whole concept of Federal regulatory agencies and establishing a precedent that will live to haunt us all.

Mr. KENNEDY. Mr. President, I wish to compliment the Senator from Washington [Mr. JACKSON] for his very fine speech. I think he has rendered a service in bringing these matters into the open.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, August 14, 1957, he presented to the President of the United States the enrolled bill (S. 2130) to amend further the Mutual Security Act of 1954, as amended, and for other purposes.

ADJOURNMENT

Mr. MANSFIELD. Mr. President, in accordance with the order previously entered, I move that the Senate now adjourn until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 30 minutes p. m.) the Senate in executive session adjourned, the adjournment being, under the order previously entered, until tomorrow, Thursday, August 15, 1957, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate August 14, 1957:

UNITED STATES ATTORNEY

Peter Mills, of Maine, to be United States attorney for the district of Maine for a term of 4 years. He is now serving in this office under an appointment which expired August 5, 1957.

UNITED STATES MARSHAL

Harry W. Pinkham, of Maine, to be United States marshal for the district of Maine for a term of 4 years. He is now serving in this office under an appointment which expired August 5, 1957.

AIRWAYS MODERNIZATION BOARD

Elwood R. Quesada, of California, to be Chairman of the Airways Modernization Board.

CONFIRMATIONS

Executive nominations confirmed by the Senate August 14, 1957:

DEPARTMENT OF STATE

William B. Macomber, Jr., of New York, to be an Assistant Secretary of State.

DIPLOMATIC AND FOREIGN SERVICE

The following-named persons for promotion or appointment in the diplomatic and Foreign Service to the grades indicated:

Robert F. Cartwright, of the District of Columbia, to be a Foreign Service officer of class 1, consul general, and secretary.

Elias A. McQuaid, of New Hampshire, to be a Foreign Service officer of class 2, consul, and secretary.

Arthur E. Beach, of the District of Columbia, to be a consul general.

Charles S. Stokes, of Maryland, to be a Foreign Service officer of class 3, consul, and secretary.

Wilfred V. Duke, of Oregon, to be a Foreign Service officer of class 4, consul, and secretary.

William S. Peacock, of Florida, to be a Foreign Service officer of class 4, consul, and secretary.

Daniel L. Williamson, Jr., of Virginia, to be a Foreign Service officer of class 5, consul, and secretary.

Hubert H. Buzbe, Jr., of Alabama, to be consul.

To be Foreign Service officers of class 6

Richard D. Forster, of Colorado.
Chris C. Pappas, Jr., of New Hampshire.

To be Foreign Service officers of class 6, vice consuls of career, and secretaries

Michael Buzan, Jr., of Florida.
Mrs. Flora E. Jones, of Louisiana.
Loren E. Lawrence, of California.
Byron P. Manfull, of Utah.

To be Foreign Service officers of class 8, vice consuls of career, and secretaries

Neil P. Anderson, of Minnesota.
David W. Burgoon, Jr., of Illinois.
George A. Furness, Jr., of Massachusetts.
Alan F. Lee, of Illinois.
Alan G. Mencher, of California.

The following-named Foreign Service staff officers to the grade indicated:

To be consuls

David G. Briggs, of the District of Columbia.
Warren M. Robbins, of Massachusetts.

The following-named Foreign Service Reserve officers to the grade indicated:

To be consuls

Mark B. Lewis, of Pennsylvania.
William P. MacLean, of Wisconsin.
Philip F. Snare, of Virginia.
B. Franklin Steiner, of California.
Robert Taylor, of Florida.
Robert L. White, of Colorado.

To be vice consuls

Joseph I. Saltzman, of Montana.
Eugene F. Siliari, of New York.

To be secretaries in the diplomatic service

John G. Anderton, of California.
Stephen W. Baldanza, of New Jersey.
Peter Ferguson, of the District of Columbia.
John P. Kennedy, of Vermont.
Richard S. McCaffery, Jr., of New York.
Burtt F. McKee, Jr., of Alabama.
Robert B. Moore, of Maryland.

William G. Norris, of Maine.
Harold S. Nelson, of Massachusetts.
Ralph L. Powell, of New Jersey.
Joseph P. Redick, of Maryland.
John S. Tilton, of Virginia.

COLLECTOR OF CUSTOMS

George W. O'Sullivan, of New Mexico, to be collector of customs for customs collection district No. 50, with headquarters at Columbus, N. Mex.

WITHDRAWAL

Executive nomination withdrawn from the Senate August 14, 1957:

POSTMASTER

William M. Toland to be postmaster at Browing in the State of Illinois.

HOUSE OF REPRESENTATIVES

WEDNESDAY, AUGUST 14, 1957

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Eternal and ever-blessed God, Thou hast given us the night, which is now past, for rest and refreshing sleep and the new day, upon which we have entered, for work and service.

May the struggles and strains, the hardships and hazards of life never tempt us to yield to doubt and despair and cause us to be careless and cynical, for Thou art here and everywhere and we are never alone.

Emancipate us from all feelings of scorn and self-pity as our finite and fallible minds face so much that is obscure, and so many problems for which we do not seem to have a satisfactory and right solution.

Grant that we may be inspired and sustained by a sense of Thy greatness and goodness whenever we encounter arduous tasks and difficult decisions.

Hear us in Christ's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McBride, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1386. An act to authorize the Interstate Commerce Commission to prescribe rules, standards, and instructions for the installation, inspection, maintenance, and repair of power or train brakes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2130) entitled "An act to amend further the Mutual Security Act of 1954, as amended, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8090) entitled "An act making appropriations for civil functions by the Department of the Army and certain agencies of the Department of the Interior, for the fiscal year ending June 30, 1958, and for other purposes."

The message also announced that the Senate agrees to the amendment of the House to Senate amendment No. 24.

The message further announced that the Senate recedes from its amendment No. 3 to the above-entitled bill.

THE LATE THOMAS L. BLANTON

The SPEAKER. The Chair recognizes the gentleman from Texas [Mr. BURLESON].

Mr. BURLESON. Mr. Speaker, I rise to announce the death of one of my predecessors in the Congress from the 17th District of Texas.

He is the Honorable Thomas L. Blanton, who served in the House of Representatives from 1917 to 1937.

There are several Members of this body who served with Mr. Blanton and remember him as a man of great courage, unbounded energy, and with perhaps as keen an initiative as has ever been possessed and exercised by any Member.

The records indicate that in the early days of his career in this House, Mr. Blanton recognized the menace of communism and spoke out his sentiments. His concern with the evils of communism was expressed in a day and time when little was known about it, and few people had an interest in combating it. He maintained this same attitude to the very end of his life.

During his years in the Congress Mr. Blanton was a battler in support of woman suffrage and vigorously fought waste, extravagance, and graft in public office. An editorial in the Dallas Morning News of August 13, 1957, had this to say:

In Congress, he wanted more efficient government for the District of Columbia than he thought it had. He was against Treasury raids. He did yeoman service in breaking up a racket in guardianships for former servicemen. He stepped on a lot of bureaucratic toes and enjoyed the crunching thereof. Undoubtedly he made himself hard to get along with in Congress. It is not the best recommendation for a Congressional post that you are easy to accommodate. Blanton was not.

Above all, Tom Blanton was a fighter and did not care with whom he tangled. He might not win the battle, but he did not dodge the fight.

Mr. Blanton was born in Houston, Tex., October 25, 1872, and, after completing his public-school education, graduated from the Law School of the University of Texas in 1897. He was admitted to the State bar of Texas in that same year. From Cleburne, Tex., where he first started in the practice of law, he moved to Albany, Tex., where he lived until his death on last Sunday, August 11, 1957.

Judge Blanton was elected judge of the 42d Judicial District in 1908 and served in that capacity until elected to Congress in 1917.

Mrs. Thomas L. Blanton was of the Matthews family, of Albany, Tex. The names Blanton and Matthews are widely known in Texas as having contributed greatly to the development of the wide area where their great influence has been felt through these many years.

The passing of Judge Thomas L. Blanton takes away another of the very few remaining pioneers representing an era which is rapidly fading from the memory of the modern generation, and it behooves us to look back with appreciation to their accomplishments which have made the way easier for those of us who follow.

I know those of us here who knew former Congressman Blanton and friends of the Blanton and Matthews families in west Texas join with me in expressing condolence to Mrs. Blanton, who survives her husband, and other members of the immediate family, composed of three sons and a daughter.

Mr. Speaker, I yield to the gentleman from Texas [Mr. PATMAN].

Mr. PATMAN. Mr. Speaker, I desire to associate myself with the remarks made by the distinguished gentleman from Texas [Mr. BURLESON] concerning the late Honorable Thomas L. Blanton, a former Member of this House. I had the privilege of serving with Judge Blanton for a number of years. He was not only one of the ablest Members of the House but one of the best parliamentarians I have ever known. He was a hard working Member of the House. He knew more about more subjects, I believe, than any other one Member who served with him at the time. He had the courage to tackle the toughest and most unpopular problems that he believed should be dealt with in the public interest. His service was very constructive and his footprints may be seen on practically every law of major importance passed during the time he was a Member of the House of Representatives. He was a great American and a loyal, sincere friend. My deepest sympathy to his loved ones.

Mr. BURLESON. I thank the gentleman from Texas very much.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. BURLESON. I am glad to yield to my colleague from Michigan.

Mr. HOFFMAN. Mr. Speaker, it was my good fortune to serve 1 or 2 years while our distinguished former colleague, Mr. Blanton, was here. While we did not always agree, being on opposite sides of the Chamber, there was no question but that the man had sincere, patriotic convictions and most ably expressed them. He was absolutely fearless. Members of the House who were here at that time were kept on the right track when one or two of the publications then in Washington tried to lead them astray. I am sure the gentleman remembers how our colleague used to come to the well of the House almost every day and in no uncertain terms set us right when some of the tempters downtown were trying to lead us on another and the wrong course. When he left the House we lost a source of inspiration—the Nation a devoted champion.

Mr. BURLESON. I thank the gentleman very much.

Mr. DIES. Mr. Speaker, will the gentleman yield?

UNIVERSITY OF MICHIGAN LIBRARIES

Mr. BURLESON. I yield to my colleague from Texas.

Mr. DIES. Mr. Speaker, I want to associate myself with the gentleman in the tribute which he has paid to our former colleague, Mr. Blanton, one of the ablest and most vigorous Members who ever served in this body.

Mr. BURLESON. Mr. Speaker, I thank my colleague very much. I ask unanimous consent that the gentleman from Georgia [Mr. VINSON] and the gentleman from Texas [Mr. MAHON], as well as all others who may desire to do so, may extend their remarks on the life and services of Judge Thomas L. Blanton at this point in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. VINSON. Mr. Speaker, somewhere in the great beyond a great American, the Honorable Thomas L. Blanton, has joined the heavenly hosts. Judge Blanton served as a Member of the House of Representatives with distinction, energy, and integrity from 1917 to 1937, except for one term in 1929 when he was an unsuccessful candidate for nomination to the United States Senate. Prior to his Congressional service he had served as judge of the 42d judicial district of Texas.

I first met Judge Blanton in his first term in the Congress. I quickly realized that he was a man of great talent, strongly devoted to his country, extremely conscious of his duty to his constituents, firm in his convictions, and ready at all times to fight for what he thought was right. He was undoubtedly one of the best informed and one of the hardest working Members that it has been my privilege to meet. I respected his knowledge and admired his courage.

I always considered Judge Blanton as a personal friend and I shall always cherish the memory of that friendship.

Judge Thomas L. Blanton made his mark on the American scene. There was never any question as to where he stood on national issues so important then to our national welfare.

I am saddened by the news of Judge Blanton's death, and I express my deepest sympathy to Mrs. Blanton and to the many friends of Judge Blanton who, like I, respected him and admired him.

Mr. MAHON. Mr. Speaker, I wish to join my colleagues in paying tribute to the memory of the late Honorable Thomas L. Blanton, of Albany and Abilene, Tex.

During the early days of my service here in the House, Mr. Blanton was a senior member here. He was a member of the Appropriations Committee. I observed his conduct on the floor. By his alertness in opposing unsound and wasteful legislation, he saved the taxpayers millions of dollars. Mr. Blanton was a stalwart supporter of economy and good government.

Mr. Blanton was an indefatigable worker. He worked early and late. He worked tirelessly in behalf of his constituents. The lights often burned late at night in his office where he labored diligently over correspondence and Congressional problems. Everybody did not always agree with Mr. Blanton. I did not always agree with him, but no one could fail to admire his unwavering devotion to duty as he saw it and his tenacity in defending his position on public issues.

I mourn the passing of a good friend and a former colleague. I pay tribute to his memory and I wish to extend my deepest sympathy to his wife and children.

Mr. TABER. Mr. Speaker, I was sorry to hear of the death of the Honorable Thomas L. Blanton, who, for many years, was a Member of this House. During his service in Washington, he was tremendously active, and took a very prominent part in the activities on the floor of the House of Representatives.

I believe he called as many quorums as any Member ever did. He had a great deal of ability, but he was unpopular with the District of Columbia newspapers, because he was always in favor of cutting down the gratuities that were paid by the Federal Government to the District.

I wish to extend to his family and survivors my sincerest and deepest sympathy.

LEADERSHIP IN CIVIL RIGHTS

Mr. McCARTHY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. McCARTHY. Mr. Speaker, I noticed in the Evening Star last night the rather generous offer of the gentleman from Massachusetts [Mr. MARTIN] to provide leadership for the Democrats in the House on the issue of civil rights. I wish that we could accept that offer in the same generous spirit in which, I am sure, it was made, but on looking back at the record——

Mr. MARTIN. Mr. Speaker, will the gentleman yield?

Mr. McCARTHY. I have only 1 minute.

Mr. MARTIN. But I should like to inform the gentleman that the offer was made by Senator HUMPHREY of Minnesota.

Mr. McCARTHY. On looking back at the record of the gentleman's leadership in this field, I find that it is not one of clear and continuous success. The gentleman was Speaker of the House in the 80th Congress. The Republicans made up a majority of the House of Representatives. A report recommending many of the provisions contained in the present civil-rights bill was issued by a special presidential committee on civil rights. The President in his state of the Union message in 1948 and in a special message to the Congress asked for action on civil rights. No significant civil-rights action was taken in the 80th Congress.

Again in the 83d Congress, with a Republican in the White House, and the gentleman from Massachusetts [Mr. MARTIN] as Speaker of the House with a Republican Congress, no civil-rights bill was passed.

Today the gentleman who has failed to lead his own party to any final action on civil-rights bills is asking the Democrats to follow him. The gentleman's leadership in this field has always had a kind of Alice in Wonderland character—offering jam yesterday and jam tomorrow, but never today.

He says that the light is out for Democrats to follow. In my opinion the light of leadership offered by the gentleman from Massachusetts is likely to turn out much like the light of the foolish virgins in the Gospel parable, who, at the critical moment, were forced to cry out "Give us of your oil for our lamps have gone out."

I suggest that the Democrats follow their own leadership, keeping in mind the record of the past and the problem of the present.

THE RECORD ON CIVIL RIGHTS

Mr. MARTIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN. Mr. Speaker, I have requested this time to clarify the statement of the gentleman from Minnesota [Mr. McCARTHY], who is very much in error. The original proposal for a meeting of the Republican and Democratic leadership to solve the problem of civil rights came from the Senator from Minnesota, Mr. HUMPHREY, who I believe is the friend of the gentleman from Minnesota, Mr. McCARTHY. I would not be adverse to such a meeting.

I want to state further to the gentleman from Minnesota that if he will look back over my record he will find that there are no flaws in my civil rights. It is a strong record of civil-rights support and I invite full examination.

AMORTIZATION OF EMERGENCY FACILITIES

Mr. COOPER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 232) to amend the Internal Revenue Code of 1954 with respect to the readjustment of tax in the case of certain amounts received for breach of contract, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 3, line 4, after "by" insert "the first section and section 2 of."

Page 3, after line 7, insert:

"SEC. 4. Section 168 of the Internal Revenue Code of 1954 (relating to amortization of emergency facilities) is amended—

"(a) by striking out 'there' in subsection (e) (1) and inserting in lieu thereof the following: 'Certifications on or before August 22, 1957: In the case of a certificate made on or before August 22, 1957, there';

"(b) by striking out subsection (e) (2) and inserting in lieu thereof the following:

"'(2) Certifications after August 22, 1957: In the case of a certificate made after August 22, 1957, there shall be included only so

much of the amount of the adjusted basis of such facility (computed without regard to this section) as is properly attributable to such construction, reconstruction, erection, installation, or acquisition after December 31, 1949, as the certifying authority designated by the President by Executive order, has certified is to be used—

"'(A) to produce new or specialized defense items or components of new or specialized defense items (as defined in paragraph (4)) during the emergency period, or

"'(B) to provide research, developmental, or experimental services during the emergency period for the Department of Defense (or one of the component departments of such Department), or for the Atomic Energy Commission, as a part of the national defense program,

and only such portion of such amount as such authority has certified is attributable to the national defense program. Such certification shall be under such regulations as may be prescribed from time to time by such certifying authority with the approval of the President. An application for a certificate must be filed at such time and in such manner as may be prescribed by such certifying authority under such regulations but in no event shall such certificate have any effect unless an application therefor is filed before the expiration of 6 months after the beginning of such construction, reconstruction, erection, or installation or the date of such acquisition. For purposes of the preceding sentence, an application which was timely filed under this subsection on or before August 22, 1957, and which was pending on such date, shall be considered to be an application timely filed under this paragraph.

"'(3) Separate facilities; special rule: After the completion or acquisition of any emergency facility with respect to which a certificate under paragraph (1) or (2) has been made, any expenditure (attributable to such facility and to the period after such completion or acquisition) which does not represent construction, reconstruction, erection, installation, or acquisition included in such certificate, but with respect to which a separate certificate is made under paragraph (1) or (2), shall not be applied in adjustment of the basis of such facility, but a separate basis shall be computed therefor pursuant to paragraph (1) or (2), as the case may be, as if it were a new and separate emergency facility.

"'(4) Definitions: For purposes of paragraph (2)—

"'(A) New or specialized defense item: The term "new or specialized defense item" means only an item (excluding services)—

"'(i) which is produced, or will be produced, for sale to the Department of Defense (or one of the component departments of such Department), or to the Atomic Energy Commission, for use in the national defense program, and

"'(ii) for the production of which existing productive facilities are unsuitable because of its newness or of its specialized defense features.

"'(B) Component of new or specialized defense item: The term "component of a new or specialized defense item" means only an item—

"'(i) which is, or will become, a physical part of a new or specialized defense item, and

"'(ii) for the production of which existing productive facilities are unsuitable because of its newness or of its specialized defense features.'; and

"(c) by redesignating subsection (i) as (k), and by inserting after subsection (h) the following new subsection:

"'(i) Termination: No certificate under subsection (e) shall be made with respect to any emergency facility after December 31, 1959.'"

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. COOPER. Mr. Speaker, the Senate has amended H. R. 232 by adding thereto a new section. This section, No. 4, amends section 168 of the Internal Revenue Code of 1954 relating to the rapid amortization of emergency facilities to limit the certifying authority now contained in that section.

In general, the Senate amendment provides that the present broad authority of the Office of Defense Mobilization to certify defense facilities for rapid amortization will be limited to certificates made on or before August 22, 1957, and to two categories, namely, facilities, first, to produce new or specified defense items or components of new or specified defense items; or, second, to provide research development of experimental services for the defense program. By so providing, the amendment eliminates completely the use of emergency certification to encourage the construction of facilities to produce civilian articles or services which might at some future time be useful for defense purposes.

I urge the House to concur in the Senate amendment.

Mr. COOPER. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. REED] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. REED. Mr. Speaker, the Senate amendment to H. R. 232 pertains to the provisions of the Internal Revenue Code providing for the rapid tax writeoff under the program of allowing 5-year amortization for defense facilities. The amendment would restrict existing authority with respect to the granting of tax amortization permission to two categories, namely, facilities to produce new or specialized defense items or components of new or specialized defense items, and, secondly, facilities to provide research, development, or experimental services for the defense program. Under the amendment the amortization program is to be limited in the future to producing facilities for defense items which are sufficiently new or specialized to require construction of different facilities.

INTEREST CHARGES ON THE NATIONAL DEBT

Mr. CHRISTOPHER. Mr. Speaker, I ask unanimous consent to address the House for I minute.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CHRISTOPHER. Mr. Speaker, according to Under Secretary of the Treasury Randolph Burgess, the big refinancing operation of the Treasury Department last month will add $250 million a year to the interest charges on the national debt. Mr. Burgess also conceded before the Senate Finance Committee that the annual interest on Uncle Sam's debt had increased $1,350,000,000 during the first 4½ years of President Eisenhower's businessmen's administration.

This additional $1,350,000,000 must be collected from the taxpayers and paid to the moneylenders. Many more billions of the national debt are slated to be refinanced during the next 2 years which could conceivably raise the interest charges to more than $2 billion per year above what they were in 1952.

The Bureau of Labor Statistics states that the cost of living has been inflated 5 percent in the last 4 years, which means in simple language that it will cost the consuming public in the United States $12 billion more just to live in 1957 than it did in 1952, the last year Harry S. Truman was President of the United States. Now who spends loosely and who is fiscally irresponsible?

CIVIL RIGHTS

Mr. CEDERBERG. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CEDERBERG. Mr. Speaker, I was interested in the remarks of the gentleman from Minnesota regarding civil rights. It is amazing that when the people on behalf of Mr. Walter Reuther, from my home State, were down here talking to various Members regarding this jury-trial amendment, they had a firm position. Now I find they have taken a complete turn and flip-flopped the other way. I just want to say to the Democrats, we have the votes over here. Have you, Democrats, got them over there? I say this too. I think Walter Reuther and the AFL–CIO are more interested in the Democratic Party than they are in civil rights. I am surprised to see the Democrat liberals, whom I seldom go along with, switch their position and run for cover.

QUESTION OF PERSONAL PRIVILEGE

The SPEAKER. For what purpose does the gentleman from Michigan [Mr. HOFFMAN] rise?

Mr. HOFFMAN. Mr. Speaker, I rise to a question of personal privilege and to a question of the privilege of the House.

The SPEAKER. Will the gentleman state the grounds upon which he desires to address the House in reference to the question of privilege?

Mr. HOFFMAN. It has something to do, too, incidentally, with civil rights.

Mr. Speaker, I rise to a question of personal privilege and to a question of the privilege of the House.

On the latter question, I will offer a resolution, which will be sent to the Clerk's desk.

Mr. Speaker, on the 3d day of January 1957, by House Resolution No. 5—CONGRESSIONAL RECORD, page 47—the House adopted, as the rules of the House of Representatives for the 85th Congress, the rules of the 84th Congress, together with all applicable provisions of the Legislative Reorganization Act of 1946, as amended.

Subsection 25 (a) of rule XI of the rules of the House expressly provides:

> The rules of the House are the rules of its committees so far as applicable, except that a motion to recess from day to day is a motion of high privilege in committees. Committees may adopt additional rules not inconsistent therewith.

Subsection 25 (c) of the same rule, XI, provides:

> All committee hearings, records, data, charts, and files shall be kept separate and distinct from the Congressional office records of the Member serving as chairman of the committee; and such records shall be the property of the House and all Members of the House shall have access to such records. Each committee is authorized to have printed and bound testimony and other data presented at hearings held by the committee.

Section 202 (d) of the Legislative Reorganization Act of 1946, as amended, carries the same words.

The Committee on Government Operations, which is a regular standing committee of the House, has some sixty-two employees, as shown by the records in the office of the disbursing clerk; two of whom are, under the Legislative Reorganization Act, assigned to the ranking minority member; one of whom has, by the chairman of the full committee, been assigned to act under the direction of the minority member.

The Committee on Government Operations has seven regular subcommittees. It has two special subcommittees.

All of its subcommittees and the staff assigned to each have been engaged in committee work, both in the continental United States, in its possessions abroad and in other lands.

And the important part, Mr. Speaker, is the part that says all Members of the House shall have access to such records. The whole issue turns on the word "access." Access certainly means something more than a "look at." Even a criminal at the bar of justice is entitled to know the charge. When minority members appear as they do on a committee where an executive agency is charged with misconduct every member of the committee is entitled to know the exact charge and the result of the staff's investigation.

This particular subcommittee receives a complaint, drops a curtain around it, sends out a prejudicial staff, then at a hearing issues a verdict of guilty before a word of testimony is heard at an open hearing.

The SPEAKER. What is the gentleman's point?

Mr. HOFFMAN. I am getting to it. I want the Speaker to be advised of the rule and I want it on the record.

The SPEAKER. In what way does the gentleman think the rules of the House have been violated and in what way have any of the gentleman's rights been denied him?

Mr. HOFFMAN. It is all set forth in this statement and I will ask unanimous consent to revise and extend my remarks and I will include it. The rest of my statement of privilege is:

The Public Works and Resources Subcommittee, among its other activities, is at present charged with conducting public hearings into the care and treatment of mental patients from the Territory of Alaska who have been committed to the Morningside Hospital at Portland, Oreg.

The Member from the Fourth Congressional District of Michigan is the ranking minority member on the Committee on Government Operations and is ex officio a member of the subcommittee to which reference has just been made, and, on that subcommittee, has privileges and duties equal to the duties of all other subcommittee members except the chairman of the subcommittee.

As ranking minority member of the subcommittee, he has been advised that several complaints have been made, charging that mental patients treated at the Morningside Hospital have received inadequate care, been improperly treated.

That the subcommittee staff has made a preliminary investigation as to at least some of the complaints; has collected information and data bearing upon the reliability of such complaints, and that such information is now, and for sometime has been, in the files of the subcommittee, as is required by the rules of the House.

That staff members of the full committee assigned to the ranking minority member have been permitted to look at some of the files, but that, on Tuesday, the 6th day of August 1957, when they attempted to make copies through the use of a Thermo-Fax copying machine, of pertinent parts of those files, they were by the subcommittee staff denied the right and privilege of so doing.

It is further here charged that it is impossible for minority Members or for those working in behalf of the minority to either remember or to manually copy those portions of the voluminous records, data, and files, including complaints, relating to such proposed hearings, which are now in the possession of the staff of the subcommittee.

That it is impossible for minority Members to be advised and informed of the alleged facts set forth in the files, of what result has been obtained by the staff in making examination as such results are contained in the subcommittee's files.

That the members of the subcommittee, of which the Member from the Fourth District of Michigan is a member, cannot properly and efficiently perform their duties as members of said subcommittee unless there is made available to them an opportunity to, by mechanical means, copy the desired papers which are now in the files.

The Member from the Fourth District of Michigan further complains that not only is his right as a Member of the House and as a member of the committee and a member of the subcommittee denied him, but that such denial interferes with his privilege as a Member of the House, and interferes with the comfort and convenience of members of the subcommittee and of the House; and raises a question of personal privilege and of privilege of the House, in that there is a charge of unfair and improper action on the part of a committee and a committee staff, under the precedents cited in the third volume of Hinds Precedents, sections 2605 and 2606, as well as under sections 2630, 2631, 2632, and 2633, in that it is restrictive of the comfort and convenience of members who are directly interested.

Mr. Speaker, as requested, I will answer your question directly. The rule expressly provides that every Member of the House, and certainly minority members of a regular standing committee, shall have access to the records and the files. If the Speaker has followed through on the statement, he will learn that as ranking minority member of the Committee on Government Operations and a Member of the House, I sought access to the records and files of a subcommittee of the Committee on Government Operations, which has notified me that there will be a hearing in Portland, Oreg., on the 16th day of September to investigate the charge that under a Government contract, the private contractor has misused the patients, overcharged the Government and obtained Federal funds that were not justifiably appropriated to it in connection with the operation of a hospital. I am a member of that subcommittee and under the rule and statute have a right of access to those records, specifically to the charges which have been made and to the reports of the committee staff thereon. I am permitted to see the file but denied the right to make copies. That is the position of the subcommittee chairman. He has a little Iron Curtain all his own.

Inasmuch as the statute and the rule expressly states that the Members of the House, and certainly the ranking minority member of a committee, acting for the minority members of the committee, shall have access to the records he should be permitted to make copies. It is stated here that I sent to the committee office where the records and files are kept, and asked permission to take copies of the documents and of the charges which are involved in this proposed hearing by the use of a Thermo-Fax. My contention is that my rights as a Member of the House and committee, my privileges are denied. As a representative of the minority I am denied the right to take copies. Instead of being confined to the right to copy by hand the records of this committee, it is my contention that I have the right to use any method that will not inconvenience the committee or its staff. This photostat machine is only 9 by 15 by 18 inches, and it will be a convenience to

everyone concerned to get the information in that way. If the chairman of the subcommittee makes a ruling and is sustained by the Speaker that the only access that almost 200 members of the minority have is permission to go over there and look at the files, take along a stenographer and copy them, then I say that is a denial of my privilege as a Member of the House. Good sense, commonsense say that for the convenience of everyone the proper thing is to permit us to make these copies.

I call the Speaker's attention to this fact that, when the chairman of another subcommittee, the gentleman from Minnesota [Mr. BLATNIK], was approached for a similar purpose, he said, "Sure, you can go ever there. Make whatever copies you desire." In addition to that, which I did not ask, he said, "I will send them over." He sent over the material. We made our copies and we had his originals back in half an hour. A courteous, generous action—he had nothing to hide. He was not conducting an inquisition. But this other committee chairman said, "No. You can look at them. You can stand there and take notes, but you cannot use modern equipment to make copies." I say that is a violation of my right as a Member of the House. An exact copy is far better than a garbled, inaccurate, partial statement.

Previously a letter had been sent the chairman of the committee, a copy to the subcommittee chairman. It was as follows:

[Majority Members: William L. Dawson, Ill., Chairman; Chet Holifield, California; John W. McCormack, Mass.; Earl Chudoff, Pennsylvania; Jack B. Brooks, Texas; L. H. Fountain, North Carolina; Porter Hardy, Jr., Virginia; John A. Blatnik, Minnesota; Robert E. Jones, Alabama; Edward A. Garmatz, Maryland; John E. Moss, California; Joe M. Kilgore, Texas; Dante B. Fascell, Florida; Martha W. Griffiths, Michigan; Henry S. Reuss, Wisconsin; Overton Brooks, Louisiana; Elizabeth Kee, West Virginia. Minority Members: Clare E. Hoffman, Michigan; R. Walter Riehlman, New York; Cecil M. Harden, Indiana; Charles B. Brownson, Indiana; George Meader, Michigan; Clarence J. Brown, Ohio; Glenard P. Lipscomb, California; Victor A. Knox, Michigan; William E. Minshall, Ohio; Edwin H. May, Jr., Connecticut; Robert H. Michel, Illinois; H. Allen Smith, California; Florence P. Dwyer, New Jersey; Christine Ray Davis, Staff Director, National 8-3120, extensions 422, 1310]

EIGHTY-FIFTH CONGRESS,
CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
COMMITTEE ON GOVERNMENT OPERATIONS.
1501 House Office Building,
Washington, D. C., July 29, 1957.

Hon. WILLIAM L. DAWSON,
Chairman, House Committee on Government Operations, 1510 House Office Building, Washington, D. C.

DEAR MR. DAWSON: While the Government Information Subcommittee is complaining about the administration's alleged refusal to make information available to the public, the press, Members of Congress and Congressional committees, the Public Works and Resources Subcommittee, of which Mr. CHUDOFF is chairman, has questioned the right of minority members to copies of documents and information obtained by members of its staff from executive departments.

It does seem as though the overall policy of the committee and its subcommittees should be consistent.

On several occasions, the staff of the majority—some 60-odd in number while we have but 3—have made investigations, obtained documents from the executive departments, but have consistently failed to advise the minority prior to hearings of the position taken by the executive departments on the matter which is the subject of the contemplated hearings.

In behalf of the minority, what I am asking is this: That a reasonable time in advance of hearings, the committee staff advise the minority members of the committee and of the regular and special subcommittees, of the purpose of contemplated hearings; that there be made available to minority members of the committee and of the subcommittees information which has been obtained from the various departments and from those who make complaints on which investigations and hearings are to be had.

If this course is not followed, it will be impossible for minority members to intelligently participate in hearings, which are supposed to be in the interests of the public.

To be specific, this is a request for a ruling that the committee and its staff, and the subcommittees and subcommitte staffs, permit minority members and minority staff personnel to, through the use of the Thermo-Fax copying machine or otherwise, make copies of documents, reports and similar material which may be in the possession of the majority committee and subcommittee staff members.

The suggestion that minority members have had made available to them the right to inspect the committee files, while appreciated, is as a matter of fact nothing more than a restatement of the law itself, which expressly states that committee files are available, not only to committee members but to any Member of Congress.

It would be helpful if this situation can be clarified and a clear rule established for the guidance of staff members, some of whom sometimes it appears think they are conducting investigations similar to those of a grand jury and that no one outside of themselves or their associates is entitled to know what is going on.

Sincerely and most respectfully, as well as humbly.

CLARE E. HOFFMAN.

(Copy to Honorable EARL CHUDOFF, chairman, Public Works and Resources Subcommittee, George Washington Inn, Washington, D. C.)

No answer was ever made by either—either written or orally.

The SPEAKER. The Chair is ready to rule on this proposition if the gentleman has made his statement.

Mr. HOFFMAN. That is not all of it. There is another Member here who would like to make a statement.

There is no use talking about civil rights when a Member cannot get a hearing which a rule of the House and a statute expressly gives him.

The SPEAKER. Has the gentleman ever been denied access to these papers and files?

Mr. HOFFMAN. Yes.

The SPEAKER. When?

Mr. HOFFMAN. The date is in there, if I had been permitted to read that statement. The date was August 6, 1957. Two Members went over there. We were denied time and again our unquestioned right to information. We have been refused access to the records when we were there, and refused our right to know what was going on, what the committee was investigating—the purpose of a hearing until the committee was called to order for a hearing. That is just one part. We have 9 subcommittees, and only 1 chairman has denied us that right. I say it is an outrage.

The SPEAKER. Perhaps it is. The matter the gentleman read from states that all committee hearings, records, data, charts, and files shall be kept separate and distinct from the Congressional office records of the Member serving as chairman of the committee; and such records shall be the property of the House and all Members of the House shall have access to such records.

I think that is what the gentleman was talking about.

Mr. HOFFMAN. That is just what I was talking about, and I want access. When access is given, with it goes the power to use it to not only look but make notes, take copies, understand what is at hand, what is to be determined. No one can remember accurately all that is in some of these charges without study.

The SPEAKER. The question of copying and the question of photostating is another matter. That is not provided in this section of the rule.

Mr. HOFFMAN. So "access" means I can go and take a look but I cannot use modern means of copying. How do you like that?

How do you like that? Is that orderly, fair procedure?

The SPEAKER. If a question like that came up in the House the Chair would certainly rule that the gentleman could not bring a machine in here and copy things around the desk.

The Chair does not believe the gentleman has stated a question that violates the rules of the House.

Mr. HOFFMAN. No one is asking to take photographs, bring a machine into the House, though we do have a loudspeaker on the Speaker's desk and in the well of the House. That is an up-to-date, practical, and necessary device, so is the Thermo-Fax which many Members use in their offices for exact, quick copies. Well, that is the ruling I expected.

WILLIAM HENRY DIMENT ET AL.

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5168) for the relief of William Henry Diment, Mrs. Mary Ellen Diment, and Mrs. Gladys Everingham, with a Senate amendment thereto and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, strike out all after line 10 down to and including "further," in line 22.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

A. C. ISRAEL COMMODITY CO., INC.

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5707) for the

UNIVERSITY OF MICHIGAN LIBRARIES

relief of the A. C. Israel Commodity Company, Inc., with a Senate amendment thereto and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert "That, subject to the provisions of section 2, the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the A. C. Israel Commodity Company, Inc., New York, New York, the sum of $7,582.57. The payment of such sum shall be in full settlement of all claims of the said company against the United States for reimbursement of the amount paid (under protest) by such company on December 13, 1945, as damages for alleged violation, in connection with the sale by such company of imported chocolate bars, of price regulations established by the Office of Price Administration.

SEC. 2. (a) No payment may be made under this act until the Secretary of the Treasury determines, upon evidence satisfactory to him furnished by the A. C. Israel Commodity Co., that the action filed by the A. C. Israel Commodity Co. against the United States of America in the District Court of the United States for the Southern District of New York, civil action No. 46-622, has been dismissed by the plaintiff therein with prejudice.

(b) Nothing contained in this act shall be construed as any evidence of liability on the part of the United States in such civil action, and no evidence as to the enactment of this act, or any legislative action taken with respect thereto, may be received in evidence in such civil action.

(c) No part of the amount appropriated by section 1 of this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this subsection shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

MUTUAL SECURITY ACT OF 1957

Mr. GORDON. Mr. Speaker, I call up the conference report on the bill (S. 2130) to amend further the Mutual Security Act of 1954, as amended, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

CALL OF THE HOUSE

Mr. SMITH of Wisconsin. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The gentleman from Wisconsin makes the point of order that a quorum is not present. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 193]

Alger	Hays, Ohio	Mason
Anfuso	Hess	Miller, N. Y.
Baker	Hiestand	Morrison
Barden	Hillings	Norblad
Beamer	Holtzman	Powell
Blatnik	Horan	Preston
Brownson	Jensen	Robsion, Ky.
Buckley	Kilburn	Scherer
Collier	Krueger	Shelley
Curtis, Mo.	Long	Siler
Dawson, Ill.	Loser	Taylor
Dies	McConnell	Whitener
Evins	McCormack	Williams, N. Y.
George	McGregor	
Gwinn	Mailliard	

The SPEAKER. On this rollcall 376 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

MUTUAL SECURITY ACT OF 1957

The SPEAKER. Without objection, the statement of the managers on the part of the House on the bill S. 2130 will be read in lieu of the report.

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1042)

[To accompany S. 2130]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2130) to amend further the Mutual Security Act of 1954, as amended, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its amendments numbered 22, 24, 27, and 28.

That the Senate recede from its disagreement to the amendments of the House numbered 2, 4, 5, 6, 7, 8, 9, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 29, 30, and 31, and agree to the same.

Amendment numbered 1: That the Senate recede from its disagreement to the amendment of the House numbered 1, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: "$1,600,000,000"; and the House agree to the same.

Amendment numbered 3: That the Senate recede from its disagreement to the amendment of the House numbered 3, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: "$750,000,000"; and the House agree to the same.

Amendment numbered 10: That the Senate recede from its disagreement to the amendment of the House numbered 10, and agree to the same with an amendment, as follows: Strike out the matter proposed to be stricken out by the House amendment, and in lieu thereof insert the following: "In addition, there is hereby authorized to be appropriated to the President without fiscal year limitation, for advances to the Fund beginning in the fiscal year 1959, not to exceed $625,000,000."

And the House agree to the same.

Amendment numbered 23: That the Senate recede from its disagreement to the amendment of the House numbered 23, and agree to the same with an amendment, as follows: Restore the matter proposed to be stricken out by the House amendment, and on page 16 of the Senate engrossed bill, in line 25, strike out "$100,000,000" and insert the following: "$50,000,000"; and the House agree to the same.

Amendment numbered 25: That the Senate recede from its disagreement to the amendment of the House numbered 25, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: "$175,000,000"; and the House agree to the same.

Amendment numbered 26: That the Senate recede from its disagreement to the amendment of the House numbered 26, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: "$32,750,000"; and the House agree to the same.

THOMAS S. GORDON,
THOMAS E. MORGAN,
A. S. J. CARNAHAN,
JOHN M. VORYS,
WALTER H. JUDD,
Managers on the Part of the House.

THEODORE FRANCIS GREEN,
JOHN J. SPARKMAN,
HUBERT H. HUMPHREY,
MIKE MANSFIELD,
ALEXANDER WILEY,
H. ALEXANDER SMITH,
BOURKE B. HICKENLOOPER,
WILLIAM F. KNOWLAND,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2130) to amend further the Mutual Security Act of 1954, as amended, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The managers on the part of the Senate agreed upon a total authorization of $3,367,083,000, a reduction of $250,250,000 from the Senate figure of $3,617,333,000 and an increase of $250,250,000 above the House authorization of $3,116,833,000.

ADJUSTMENTS IN FISCAL YEAR 1958 APPROPRIATION AUTHORIZATIONS

Amendments Nos. 1, 3, and 26: Amendment No. 1 provides an authorization for military assistance for fiscal year 1958 of $1.6 billion to remain available until expended. This is $300 million below the executive branch request, $200 million below the sum carried in the Senate bill, and $100 million above the House authorization.

Amendment No. 3, dealing with defense support, authorizes $750 million for fiscal year 1958 to remain available until expended. The executive branch request was $900 million, the Senate figure was $800 million, and the House figure $600 million.

In neither case did the managers on the part of the House accept the Senate provision for an authorization for fiscal year 1959.

These authorizations for Title I, Mutual Defense Assistance, represent an equal division between the totals for title I authorizations voted by the Senate and by the House.

The executive request for defense support was $900 million which was $261.7 million below last year's appropriation. Since the need for defense support is vital and immediate to sustain the economies of countries like Korea, Formosa, Vietnam, and Turkey and there is no large backlog of unexpended balances, the conferees agreed upon $750 million, which is still $150 million below the request, but $50 million above the median House-Senate figure. To compensate for this, the Senate accepted an adjustment reducing

military assistance $50 million below the median figure, thus providing a halfway compromise on title I.

Amendment No. 26, dealing with administrative expenses, authorizes $32,750,000 for fiscal year 1958. This is $2,250,000 below the executive branch request, $250,000 below the Senate figure and $250,000 above the House figure. This authorization is for the administrative expenses of the International Cooperation Administration.

DEVELOPMENT LOAN FUND

Amendment No. 10: The Senate bill authorized a Development Loan Fund for which an appropriation of $500,000,000 to provide initial capital was authorized, together with appropriation authority for United States Treasury loans to the fund of $750,000,000 beginning in fiscal 1959, and $750,000,000 beginning in fiscal 1960. The House amendment retained the authorization of an appropriation of $500,000,000 but eliminated the authorizations for fiscal 1959 and 1960.

The committee of conference agreed to authorize an appropriation of $625,000,000 for fiscal 1959 in addition to the authorization for a current appropriation of $500,000,000 which was contained in both the Senate bill and the House amendment. Neither authorization is subject to fiscal year limitation and both will remain available until expended.

The managers on the part of the House recognized the strong sentiment in the House against any appropriation in the form of authorization of borrowing from the United States Treasury in future years. They were confronted, however, with the fact that the Senate had authorized such borrowing to a total amount of $1,500,000,000 over a 2-year period. In accepting authorization of an appropriation for 1 year in the future of the amount of $625,000,000, the Senate conferees made clear that their primary concern was to get a long range program of development loans under way with assurance of adequate initial financing and of an administrative structure sufficiently tight to assure effective control.

The total Senate loan authorization was $2 billion. The total House authorization was $500 million. Splitting the difference of $1.5 billion would have resulted in a figure of $1.250 billion. The conference agreement is for a total of $1.125 billion, which is $125 million below the median figure.

The initial no-year appropriation will give sufficient time and continuity to permit the making of loans on the basis of carefully considered individual projects rather than of country programs. Appropriations to the fund thereafter can be made more on the basis of past performance and a broad appraisal of requirements than on country level illustrative programs for the future.

The basic purpose of the Development Loan Fund, as stated in section 201 in the bill, is to assist, on a basis of self-help and mutual cooperation, the efforts of free peoples to develop their economic resources and to increase their productive capacities. The committee of conference agreed to language added by the House in section 201 which confirms that, as a means of furthering this basic objective, the fund shall endeavor to strengthen friendly countries by encouraging the development of their economies through a competitive free-enterprise system, to minimize or eliminate barriers to the flow of private investment capital and international trade, and to facilitate the creation of a climate favorable to the investment of private capital.

It is intended that the powers and authorities provided to the manager of the fund by section 205 (c), which are to be in addition to other powers and authorities that may be assigned or delegated to the manager in accordance with law, may be delegated or assigned by him, under rules and regulations established by the loan committee, to his subordinates or to other officials of the Executive branch.

The committee of conference agreed that the most effective arrangement for administering a long range development loan program is a Government corporation with substantial capital, and officers and directors with powers and duties defined and limited by law. The corporation should be under the policy direction of the State Department; its operating personnel should concentrate on handling development loans but its direction should be coordinated with other agencies along the lines provided in the conference report.

Managers on the part of the House and on the part of the Senate were of the opinion that action should be taken early in the next session of the Congress to establish such a corporate structure. It is essential that if the development fund is to function effectively in financing long range development projects, the Executive recommendations for mutual security legislation for fiscal 1959 should be submitted to the Congress not later than the middle of next February.

In accepting the provisions for administering the Development Loan Fund contained in the House bill the view was expressed among the conferees that authority and responsibility for the economic aspect of the program should be integrated more closely within the State Department.

Responsibility for the administration of the fund is lodged in the President, but the bill provides that a manager of the fund shall be appointed in the International Cooperation Administration by and with the advice and consent of the Senate. It is anticipated that the International Cooperation Administration will have direct responsibility for the operation of the fund subject to the control of the President, the manager being a deputy of the Director of the International Cooperation Administration. He will be guided by a loan committee, consisting of the Deputy Under Secretary of State for Economic Affairs who shall be chairman, the Director of the International Cooperation Administration, and the President and Chairman of the Board of Directors of the Export-Import Bank, in establishing basic financial terms and conditions for the operations and transactions of the fund.

The loan committee is intended to act in the capacity of managers of the fund. It would have authority to consider any or all loan applications, approve or deny them, and establish the essential conditions and terms of each approved loan. In carrying out its functions, the loan committee would operate under foreign-policy guidance laid down by the Secretary of State, and it would have the manager of the fund as its chief executive officer.

In deciding whether a proposed loan meets the standards laid down by the act, the loan committee will determine whether either private capital, the Export-Import Bank, the International Bank for Reconstruction and Development, or any other free world source is available and whether the proposed loan will have adverse effect on existing outstanding loans and future operations of such other sources in addition to passing on the requirements for the specific project or activity.

The operations of the fund will be subject to the coordination of the National Advisory Council on International Monetary and Financial Problems which consists of the Secretary of the Treasury (Chairman), the Secretary of State, the Secretary of Commerce, the Chairman of the Board of Governors of the Federal Reserve System, and the President and Chairman of the Export-Import Bank of Washington.

PROMOTION OF STABILITY

Amendment No. 22: The Senate bill included among the purposes for which the President could give special assistance from the funds authorized for this purpose the promotion of "political or economic stability." The House substituted the phrase "freedom and stability" for the Senate language.

The managers on the part of the House accepted the Senate language. It was the understanding of the committee of conference that the promotion of political or economic stability reflects the desire of the United States to cooperate with nations to accomplish the mutual objectives of maintaining freedom and peace and does not involve any commitment to maintain the status quo in any part of the world.

The conference also gave consideration to the argument that the phrase "political or economic stability" has been used by the Congress several times in the past in mutual security legislation and has through usage acquired meaning which is generally understood.

PRESIDENT'S SPECIAL AUTHORITY

Amendments Nos. 23 and 24: The House receded from its amendments Nos. 23 and 24; the Senate, however, agreed to a reduction of $50,000,000 in the figure of $100,000,000 contained in the language originally deleted by amendment No. 23.

The bill as it passed both the Senate and the House authorized in section 400 (a) an appropriation of not to exceed $250,000,000 for special assistance. These funds are to be used for requirements not foreseen at the time of the presentation of the program and for other special purposes such as the furnishing of grant developmental assistance to countries where loan assistance is inappropriate and assistance for malaria eradication. The Senate bill provided that $100,000,000 of the funds authorized pursuant to section 400 could be used in accordance with the waiver provisions of section 401 (a). House amendment No. 23 deleted this language.

The bill as it passed the Senate permitted the use of not to exceed $150,000,000 of the funds appropriated pursuant to the Mutual Security Act without regard to the requirements of certain laws. This, for example, would permit the President to furnish military assistance to a nation which is not technically eligible for such assistance because it has not made the agreements required by section 142. House amendment No. 24 deleted the authorization for the use of $150,000,000 appropriated pursuant to the Mutual Security Act and substituted therefor a provision that $150,000,000 could be so used, but that the $150,000,000 must come from the appropriations granted pursuant to section 400.

Under the House amendments there would have been no reduction in authorizations. The effect would have been to reduce by $100,000,000 the amount which could be used pursuant to section 401 and to require that all funds used pursuant to section 401 come specifically from the appropriation made pursuant to section 400.

The compromise agreed upon reduces the amount of section 400 (a) funds which can be used pursuant to section 401 by $50,000,000 from the amount proposed by the original Senate language. It further permits the use of $150,000,000 pursuant to section 401 from any source in the act, rather than from section 400 funds only.

The conferees were of the opinion that to limit the source of funds to be used under the authority of section 401 to those appropriated pursuant to section 400 would unduly limit the President's flexibility and his capacity to meet emergency situations.

The House amendments would either have reduced this flexibility or else have reduced the funds available for contingencies unforeseen at the time of congressional presentation, for special grant assistance and

UNIVERSITY OF MICHIGAN LIBRARIES

for special programs such as that for malaria eradication.

EARMARKING OF FUNDS FOR SALES OF SURPLUS AGRICULTURAL COMMODITIES

Amendment No. 25: The Senate bill provided for an authorization for the fiscal year 1958 for a minimum of not less than $200 million to be made available from funds appropriated for the mutual security program to finance the export and sale for foreign currencies of surplus agricultural commodities. The House amendment contained a figure of $150 million for this purpose. The conferees agreed that a minimum of $175 million should be used for this purpose.

The level which can reasonably be set as the minimum under section 402 is directly dependent upon the amount provided for defense support, since the great majority of section 402 sales in fiscal year 1958 will be financed from the defense support appropriation. The conferees took into account that in fiscal year 1957, when defense support amounted to $1,161,700,000, the law required that a minimum of $250 million be used pursuant to section 402. In view of the fact that the funds for defense support have been reduced by more than a third this year, the committee of conference regards the $175 million as a reasonable minimum for the current year. It is the view of the committee of conference that the executive branch should exert maximum effort to exceed this amount.

INSPECTION REQUIREMENT IN CONNECTION WITH ATOMS FOR PEACE ACTIVITIES

Amendment No. 27: The House receded from its amendment requiring inspection by the United States of any facilities constructed in whole or in part under the provisions of the new section 419. The committee of conference was assured that all agreements for the construction of reactor facilities include provision for inspection. The inspection of other types of facilities, such as gamma sources for use in medical therapy, is not necessary because there is no security problem. Under the circumstances, it was feared that retention of the House language would cause confusion with regard to existing agreements or require unnecessary inspection of nonreactor facilities.

MALARIA ERADICATION

Amendment No. 28: The House receded from its amendment No. 28, which would have removed the limitations on the amount and source of funds to be used in the malaria eradication program. The House amendment had a technical defect which, under the circumstances prevailing, could not be corrected by the conference committee. It seemed to the House managers advisable to recede.

THOMAS S. GORDON,
THOMAS E. MORGAN,
A. S. J. CARNAHAN,
JOHN M. VORYS,
WALTER H. JUDD,
Managers on the Part of the House.

Mr. CARNAHAN. Mr. Speaker, I yield such time as he may desire to the gentleman from Illinois [Mr. GORDON].

Mr. GORDON. Mr. Speaker, the managers on the part of the House have brought back a conference report on the mutual security bill, S. 2130, which merits the full support of the House. The differences in the fund authorizations in the House and Senate versions have been resolved by splitting the difference on the fiscal year 1958 authorizations, and the bill as amended in conference now carries a total fiscal year 1958 authorization of $3,367,083,000. This is a reduction of $250,250,000 from the Senate figure of $3,617,333,000 and an increase of the same amount above the House authorization of $3,116,833,000.

The executive branch appropriation request was $1.9 billion for military assistance. The Senate bill authorized $1.8 billion and the House amendment $1.5 billion. This has been increased by $100 million to $1.6 billion in the conference report. The executive branch requested $900 million for defense support. The Senate bill cut this to $800 million and the House amendment cut it an additional $200 million to $600 million. The conference report increases this by $150 million to $750 million.

The Senate bill originally provided an authorization of $1.5 billion for fiscal year 1959 for military assistance and $710 million in defense support funds for fiscal year 1959. In the conference report no military funds are authorized for fiscal year 1959 although the funds authorized for fiscal year 1958 are to remain available until expended.

The committee of conference also compromised halfway on the House and Senate differences in the funds authorized for administrative expenses. The original executive branch request was for $35 million. This was cut to $33 million in the Senate bill and to $32,500,000 in the House amendment. The conference report authorizes the sum of $32,750,000 for administrative expenses for the International Cooperation Administration.

The administration originally requested an appropriation of $500 million for the development loan fund in title II and in addition requested borrowing authority, through public-debt transactions, in the amount of $750 million in each of fiscal years 1959 and 1960. The Senate bill contained the figures requested by the executive branch. The House amendments carried the $500 million authorization for fiscal year 1958 but deleted the $1.5 billion borrowing authority for fiscal years 1959 and 1960. In addition to the authorization for a current appropriation of $500 million which was contained both in the Senate bill and the House amendment, the committee of conference agreed to authorize an appropriation of $625 million for fiscal year 1959. Nothing is authorized for 1960, but the funds for 1958 and 1959 are to remain available until expended.

The compromise adopted by the committee of conference takes recognition of the strong opposition in the House against any appropriation in the form of loans from the United States Treasury in future years. In accepting the authorization of an appropriation for 1 year in the future of the amount of $625 million, the Senate conferees made it clear that their principal concern was to obtain a long-range program of development loans under way. The House language on administration of the fund was retained to provide assurance of adequate and effective control. As the appropriation will be available until expended, sufficient time and continuity will be provided to make the loans on the basis of carefully considered individual projects. Future appropriations to the development loan fund can be made more on the basis of past performance and a broad appraisal of requirements than on the illustrative program presentations that have been made heretofore.

In the statement of managers, reference is made to the conviction of the conferees that the most effective arrangement for administering a long-range development program would be a Government corporation with substantial capital, and officers and directors with powers and duties defined and limited by law. Such a corporation should be under the policy direction of the State Department, and its operating personnel should concentrate on handling its development loans. That steps should be taken early in the next session to establish such a corporate structure was stressed by managers of both the House and the Senate. If the development fund is to function effectively in financing long-range development projects, the executive recommendations for mutual-security legislation should be submitted to the Congress earlier than has been the practice in the past. The managers on the part of the House urge that draft mutual-security legislation for fiscal year 1959 should be submitted to the Congress not later than the middle of next February.

Altogether, the committee of conference had 31 amendments in disagreement between the 2 Houses. Of these the Senate receded on 21; the House receded on 4, and 6 were compromised. The Senate conferees worked with us in a spirit of give and take; and I am convinced that, as it now stands, amended by the conference agreement, the bill will more closely meet the wishes of the large majority of both the House and the Senate.

Mr. CARNAHAN. Mr. Speaker, I yield myself such time as I may desire.

Mr. Speaker, I feel sure that all who study carefully the conference report which is before us today will recognize that the House has been well served by its managers. We went to conference with 31 items in disagreement between the House and the Senate. The result of the conference is that the House has receded on 4 amendments, and the Senate has receded on 21 amendments; compromises were reached on 6 amendments.

In the matter of authorization of funds the position of the House has been well defended. The total authorization dealing with fiscal 1958 appropriations agreed to by the conference is $3,367,083,000. This figure is $250,250,000 below the total of $3,617,333,000 in the Senate bill and exactly the same amount, $250,250,000, above the figure of $3,116,833,000 which passed the House.

In addition to the authorizations for the current fiscal year the Senate bill included an authorization of $1,500,000,000 for military assistance for fiscal 1959, an authorization of $710 million for defense support for fiscal 1959, and in addition authorized borrowing from the United States Treasury a sum of $750 million beginning in fiscal 1959 plus an additional $750 million beginning in fiscal 1960. This adds up to a total of $3,710,000,000 for use after the current fiscal year.

The House conferees were fully aware of the opposition in the House to the authorization of any borrowing from the United States Treasury to finance operations in future years. I am sure that the

House will be gratified that the bill which is brought back from conference authorizes no military-assistance funds for fiscal 1959, no defense-support funds for fiscal 1959, and no borrowing from the United States Treasury in any year. The conferees did, however, agree to the authorization of an appropriation for fiscal 1959 of $625 million with the provision that the funds authorized should not be subject to any fiscal year limitation but should remain available until expended. The net result is that in this matter of funds for years after the current fiscal year, the bill agreed to by the conference reduces the amount of the Senate bill by $3,085,000,000.

Let me outline the detailed figures which were agreed to. The figure for military assistance for fiscal 1958 accepted by the conference is $1,600,000,000. The figure in the Senate bill was $1,800,000,000 and the House figure was $1,500,000,000. The House went up $100 million, and the Senate went down $200 million on this item.

In the case of defense support the conference agreed to a figure of $750 million. In the Senate bill defense support was $800 million, and in the House bill it was $600 million. The conference accepted an amount that is $50 million less than the Senate figure and $150 million higher than the House figure.

Let me emphasize, however, that when the figures for military assistance and defense support are combined, the totals represent an exact 50–50 split; that is, $250 million less than the authorization in the Senate bill and $250,000,000 more than the authorization in the House bill.

The other difference between the two bills was in the authorization for administrative expenses for the International Cooperation Administration. The Senate authorized $23 million and the House bill $22,500,000 for this purpose. Here again the conference split the difference and approved the figure of $22,750,000.

None of the other authorizations in the bill were in dispute.

Let me say a word about the four amendments on which the House receded. Amendment No. 22 involves a difference in phraseology relating to the use of the President's special assistance funds. The Senate bill provided that among the purposes for which these funds could be used was the promotion of "political or economic stability." The House substituted for this language the phrase "freedom and stability." The House conferees receded and accepted the Senate language. This does not mean that we regarded the Senate language as better than our own. It was necessary for the House to recede on some items in order to reach agreement. The Senate conferees emphasized the fact that the phrase "political or economic stability" had already appeared a number of times in mutual security legislation and through usage has acquired meaning which is generally understood. There was no question but that the conferees on both sides accept the fact that the reference to promotion of "political or economic stability" does not involve any commitment to maintain the status quo in any part of the world and that it is the desire on the part of the United States to cooperate with all nations to accomplish our mutual objectives of maintaining freedom and peace.

The House also receded on amendment No. 24 which related to the President's authority to use funds not to exceed $150 million without regard to the requirements for eligibility contained in the Mutual Security Act and certain other legal requirements. Our action on this amendment was related to the action by the conference on amendment No. 23. Here again we made a 50–50 split. The House had eliminated an authorization to use $100 million of the special fund under the authority of section 401 (a). We were able to get the Senate to agree to a figure of $50 million in this provision on condition that we recede on amendment 24.

Amendment No. 27 on which the House receded related to the requirement for inspection by the United States of any reactor facilities constructed under the atoms-for-peace program. One of the Senate conferees is a member of the Joint Committee on Atomic Energy, and he assured the conference that all agreements for the construction of reactor facilities included provision for inspection. The Senate took the position that the language of the House bill in this respect was unnecessary and that it might cause confusion by requiring inspection of nonreactor facilities, such as those used in medical therapy.

The House receded also on amendment No. 28 dealing with malaria eradication. We found that the language in the bill as it passed the House did not accomplish, from a technical point of view, what it was supposed to accomplish, and it appeared best to accept the Senate language instead. The Senate language imposes a ceiling of $23,300,000 on the use of funds for the malaria eradication program. This is not an authorization for an additional appropriation. It is merely an authorization to use funds already appropriated for other purposes for the malaria eradication program. The bill as it passed the House did not impose a dollar limit.

Amendment No. 25 deals with the earmarking of funds for sales of surplus agricultural commodities. The House bill required that $150 million of the funds authorized in the bill had to be spent to procure surplus agricultural commodities in the United States to be used for carrying out the purposes of the program. The Senate bill set the figure at $200 million for this purpose. Here again the conference split the difference and agreed to a figure of $175 million.

Mr. Speaker, I recognize that in respect to every amendment on which the House conferees receded and every compromise which we reached, there will be some Members of the House who feel that we have made a mistake and that we have surrendered an important position. Nevertheless, I believe that the majority of the House will recognize that we have put first things first. In order to reach agreement it is necessary to recede on some items. At the same time we have succeeded in eliminating entirely the authorization for borrowing from the United States Treasury in future years, and we have split on a 50–50 basis all the fund authorizations in the bill. The managers on the part of the House spent 2 long days in conference on this measure, and I believe that we have brought back the best bill possible under the circumstances.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. CARNAHAN. I yield.

Mr. GROSS. Do I understand that the development loan fund is set up on a 2-year basis instead of 1 year, as the House passed it; is that correct?

Mr. CARNAHAN. That is correct.

Mr. GROSS. And that the second year will call for an appropriation of $625 million; is that correct?

Mr. CARNAHAN. That is correct.

Mr. GROSS. So there is that very substantial change as between the bill passed by the House and the bill passed by the other body.

Mr. CARNAHAN. But there also was quite a difference in the conference report compared to the bill as passed by the other body, which authorized and permitted borrowing for 2 years for capitalization of the loans fund which is not permitted in the conference report.

Mr. GROSS. But, there is a total authorization in this bill of more than a billion dollars for the so-called development fund over a period of 2 fiscal years; is that not correct?

Mr. CARNAHAN. There was an authorization of $500 million for the first year in each of the bills and there is an additional authorization for an appropriation of $625 million for the second year of the loan fund.

Mr. GROSS. But the House limited it to 1 year; did it not, if the gentleman will yield further? The limitation by the House was for 1 year and $500 million.

Mr. CARNAHAN. Yes, and the limitation placed on the fund by the other body was for 3 years.

Mr. BENTLEY. Mr. Speaker, will the gentleman yield?

Mr. CARNAHAN. I yield.

Mr. BENTLEY. Mr. Speaker, I would like to ask the gentleman a question with respect to the two items—direct military assistance and defense support. The conference report provides single year authorizations?

Mr. CARNAHAN. Yes, it provides authorizations only for the fiscal year, 1958.

Mr. BENTLEY. The money to remain available until expended?

Mr. CARNAHAN. That is right—the money to remain available until it is expended.

Mr. BENTLEY. I thank the gentleman. I would like to say, Mr. Speaker, although it is not my intention to vote for the conference report, nevertheless, I do feel that the House conferees did a good job in upholding the position, the final position, of the House on the authorization bill. My position on this matter has been strengthened by reading the Senate report and the debates of the other body last night. I think the House conferees did a good job in upholding the position of the House, and I would like to commend them for it.

UNIVERSITY OF MICHIGAN LIBRARIES

Mr. CARNAHAN. I thank the gentleman for his kind remarks.

Mr. VORYS. Mr. Speaker, will the gentleman yield?

Mr. CARNAHAN. I yield.

Mr. VORYS. As has been stated, the conference report is $250,250,000 below the Senate bill and above the House bill for current authorizations, but the conference report is $3,335,250,000 below the total authorization in the Senate bill, computed as follows:

Reduction—1958 authorization	$250,250,000
Reduction—Title I, military and defense-support for 1958 and 1959	2,210,000,000
Reduction—Title II, for 1959 and 1960	875,000,000
Total	3,335,250,000

Since most of this is for future authorizations, these reductions do not represent estimates of future savings, but represent merely reservations of these vast amounts for future Congressional consideration. In general, we split the difference between the House and Senate bills in time periods and in current authorizations. On total authorizations for the development fund, the conference agreed to an amount which is $125 million below the median or half-way point. The House had $500 million; the Senate $2 billion. Splitting the $1.5 billion difference would have resulted in a $1,250 million total. Instead, the conference agreement was for $1,125 million. The conferees endeavored, in working out a compromise, to defend the position of the House even in cases where the conferees individually had not supported the House position by their votes on the floor of the House.

The result is a conference agreement that may not suit any Member in every particular, but that should satisfy the House as a whole.

Mr. SMITH of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. CARNAHAN. I yield.

Mr. SMITH of Wisconsin. I would like to ask the gentleman from Missouri a question regarding the change that was made in the conference on the $625 million authorization for a second year.

Am I correct in my understanding that this matter does not go to the authorization committee or our committee, but goes next year directly to the Appropriations Committee?

Mr. CARNAHAN. That is correct.

Mr. SMITH of Wisconsin. In that respect it is a change from the original position which we took?

Mr. VORYS. Mr. Speaker, will the gentleman yield?

Mr. CARNAHAN. I yield.

Mr. VORYS. There were loan authorizations in the version of the bill which came from our committee, and those loan authorizations would not have come back again to the legislative committee.

Mr. CARNAHAN. That is correct.

Mr. VORYS. So that there was no change in principle in that regard?

Mr. CARNAHAN. That is right; but only 1 year of authorization had been made. I was answering the gentleman's question in that regard. The 1 year was the point to which he referred.

Mr. SMITH of Wisconsin. I would like to associate myself with the gentleman from Michigan [Mr. BENTLEY] with regard to the conferees on the part of the House. These conferences are rather difficult problems, and I think the committee did a good job in getting what it did, under the circumstances.

Would the gentleman yield me 2 or 3 minutes to make some brief observations?

Mr. CARNAHAN. I yield 3 minutes to the gentleman from Wisconsin.

Mr. SMITH of Wisconsin. Mr. Speaker, I ask unanimous consent to revise and extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SMITH of Wisconsin. Mr. Speaker, I shall not vote for the conference report. I think the Members are aware of my position on this legislation. I am deeply concerned about this development-loan feature of the bill. As I pointed out in the general debate, it seems to me it opens a Pandora's box for indiscriminate programs in the future. Only the Lord knows where they will stop. Already we have organizations in this country which will be organized for the sole purpose of engaging in soft-loan activities abroad with American dollars. Many of them already see an opportunity to make some easy money at the expense of the American taxpayers. We are getting ourselves into an untenable position. The whole concept of the Development Loan Fund is contrary to sound economic principles. The American people do not support the program.

In the general debate, on this bill I called attention to the unlimited general authority provided in it. I believe that this is an extreme grant of authority. It provides that the President is authorized to make loans, credits, or guaranties, or to engage in any other financing operation or transaction, to or with such nations, organizations, persons, or other entities, and on such terms and conditions as he may determine. I do not recall, in the 16 years I have served here, of any such grant of authority being given to the President or any other official of this Government. We are embarking upon a program that is worldwide and without a termination date. We are making a serious mistake, and the Congress will regret it in the years to come. If we had limited this program to 1 year and then taken a look at it again, we could see in the course of the year whether or not the objectives for which we were striving had been attained. I repeat that passage of the bill opens Pandora's box for unlimited schemes and unlimited waste. Future generations will pay the cost.

I intend to vote against this conference report.

Mr. BYRD. Mr. Speaker, will the gentleman from Missouri yield to me?

Mr. CARNAHAN. I yield to the gentleman from West Virginia.

Mr. BYRD. Mr. Speaker, for 5 years I have supported this type of legislation. I have done so believing that it was in the best interests of my own country to do so. I feel that the program has indeed benefited our country. One can easily point to the many accomplishments, the many advantages that have been gained as a result of our efforts in connection with the mutual security program over the many years since it was first inaugurated. There has been a definite need for it, but, although I am in favor of continuing for yet a little while the spending of conservative amounts for foreign aid, I think that the program should be confined to fewer countries and with a gradual tapering off of appropriations.

I cannot help but feel that the time has come when we of the Congress must demand that there be some kind of eventual cutoff, not further expansion. I am confident that the people of this country, while they have given generously to other countries throughout the years, while they have realized that in so giving they have contributed to the welfare and the security of their own Nation, the people of America, nevertheless, believe that this program of foreign spending should be considerably diminished.

After having visited in several other countries which have been recipients of United States dollars under this program, I am constrained to believe that much of the money is wasted, a great deal of ill will rather than good will is often generated, and some of our own people who are in those countries for the purpose of supervising and carrying out the projects are simply not doing the best job that could be done. This is not true in many cases, of course, but much could be done to save money and win the respect of our friends abroad if greater care were to be exercised in planning the right kind of projects and in selecting the right kind of people to supervise and consummate them. If this were done, and if there were a genuine and conscientious effort put forth to limit, rather than accelerate, the conception of more and more grandiose schemes for foreign spending, the Administration would not have to ask continually for more money. It could get along with less.

Mr. Speaker, I voted for S. 2130 when it passed the House a few days ago. I voted for it reluctantly this year because it seems to me that the program is going to be a permanent one, unless we do something about it and do it right away. Like Tennyson's brook, it will go on and on forever. I can see no end in sight. I was conscientiously able to vote for the bill only because of the reductions that were made by the House and the changes that were made with regard to the development loan fund. The Senate bill had authorized a development loan fund for which an appropriation of $500 million to provide initial capital was authorized, together with appropriation authority for United States Treasury loans to the fund, $750 million beginning in fiscal 1959 and $750 million beginning in fiscal 1960. The House amendment eliminated the authorizations for fiscal

1959 and 1960, and because the bill was so amended, I voted for it.

The committee of conference agreed to authorize an appropriation of $625 million for fiscal 1959 in addition to the authorization for a current appropriation of $500 million which was contained in both the Senate bill and the House amendment. Neither authorization is subject to fiscal year limitation and both will remain available until expended.

Mr. Speaker, I congratulate the conferees; I think they have done an excellent job. I do not find any fault with them. I realize that legislation is, to a great extent, a matter of compromise, but I cannot conscientiously vote for this conference report in view of the fact that the conferees have agreed to a total authorization figure which is $250,250,000 above the figure authorized by the House in its previous action, and because the House conferees have yielded on the matter involving the development loan fund.

The proposed development loan fund is not subject to any effective Congressional control. Congress was asked for $1.5 billion for a 3-year period, without any effective restrictions as to fiscal years, and without any requirement for prior planning. The fund is heralded as an innovation in respect of foreign aid. Grant programs will ostensibly become loan programs. The development loan fund is a shining example of legerdemain, and it is calculated to meet the growing criticism of the program. It is a foot-in-the-door approach. It is a grant program in disguise, because it will grant soft loans which will run for a long period of time and which may be repaid in local currency rather than in dollars. A soft loan approach, with its fancy trappings of long terms, low interest rates, and repayment in soft currency, can never conform to the recognized principles which govern a straightforward loan technique. The fallacies of a soft loan program were pointed out during the hearings by the Honorable Samuel C. Waugh, President and Chairman of the Board of the Export-Import Bank. He pointed out that excessive lending on soft terms may make a recipient country an unsuitable subject for hard loans. He spoke of the vexatious problem of maintaining the soundness of hard loans where soft loan programs are in vogue. Gresham's well-known principle that bad money drives out good money is just as applicable to credit. Bad loans make it impossible to effectuate good loans. Mr. Waugh stated that private capital is and must be the primary source of funds for economic development abroad and that an important role in assisting such development for some years to come should be played by hard loans from the Export-Import Bank and the International Bank.

So I urge the House, Mr. Speaker, to vote against this conference report. I have heard it said that some of the Members of this House are willing to have a special session this fall or to stay here throughout the summer and fall in order to get what they consider to be a good civil-rights bill. That bill, of course, has been used as a political football, as everybody knows, but I am wondering if the same gentleman might not be willing to stay here through the rest of the summer and this fall to get what this House wants in connection with an authorization bill for the mutual security program. I, for one, would be willing to stay for such a worthy purpose. Now, Mr. Speaker, I am only one, but I am one. I cannot do everything, but I can do something. What I can do I ought to do; and what I ought to do, by the grace of God, I will do.

I intend to vote against this conference report.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. CARNAHAN. I yield to the gentleman from Iowa.

Mr. GROSS. Will the gentleman say that a free conference was held on this bill?

Mr. CARNAHAN. I can speak very definitely on that point. It was free as far as I was concerned.

Mr. GROSS. Then the gentleman does not agree, I assume, with the amazing statements which appear in this morning's RECORD by a Member of the other body in which he stated the House Appropriations Committee dictated to the Foreign Affairs Committee conferees, that they usurped the functions of the Foreign Affairs Committee conferees and that the other body was dragooned by the House. I assume the gentleman does not agree with those statements?

Mr. CARNAHAN. I do not agree with those statements. The Members of the House of Representatives made their wishes known to the conferees and we tried as near as we could to get what the House wanted.

Mr. GROSS. I thank the gentleman.

Mr. CARNAHAN. Mr. Speaker, I ask unanimous consent that all Members who desire to do so may extend their remarks at this point in the RECORD on the conference report.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. NEAL. Mr. Speaker, I am fully conscious of the importance of our foreign-aid program as a means of maintaining strategic bases abroad and cultivating friendly relations with governments upon whose cooperation we must rely in our attempt to win the struggle with the communistic world. I am also aware of the contribution this program is now and has been making to our full employment and national prosperity at home.

I am not one who feels that foreign aid is all wrong or that it would be unwise to turn away abruptly. Nothing could be more unreasonable or more disastrous to our international objectives.

When we consider, however, that this program has grown more costly with the years, has added tax burdens to our American citizens, has contributed to an increased national debt out of proportion to the economy of the time, and has played a major part in dangerous inflation which reflects itself in the difficulty with which a great number of our citizens find it almost impossible to provide the necessities of life, I think it high time we revised our foreign-aid program in terms of our own national interests.

Our foreign policymakers show no tendency to curtail these activities. Instead they request an increased allocation of funds for 1958 over those spent in 1957. They indicate more funds will be requested to meet the ever growing complexities arising out of our extended world involvement. They likewise ask the Congress to grant them powers, to make grants, and to extend long-term loans to nations whose present or foreseeable economies offer little or no prospect of ability to repay.

Our country is growing and our people must be provided internal improvements essential to national progress. Present expenditures for defense and foreign economic aid preclude progress on the homefront so necessary to keep our people happy and our industrial economy solvent.

I would support any program that would assure gradual withdrawal of expenditures for foreign aid but I am unwilling to approve plans to perpetuate the present program with the implications that it will increase with the years both in point of money and time of involvement. I sincerely hope that people of America will express themselves in no uncertain terms when they see that their Nation is involving itself too extensively in the affairs of other Nations. This is dangerous to our individual welfare and our future as a Nation.

Mr. CARNAHAN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

Mr. BENTLEY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 226, nays 163, not voting 43, as follows:

[Roll No. 194]

YEAS—226

Addonizio	Coudert	Garmatz
Albert	Cramer	Gary
Allen, Calif.	Cretella	Gathings
Anderson, Mont.	Cunningham, Iowa	Gordon
Arends	Curtin	Granahan
Ashley	Curtis, Mass.	Green, Oreg.
Auchincloss	Dague	Green, Pa.
Avery	Davis, Tenn.	Gregory
Ayres	Delaney	Griffin
Baldwin	Dellay	Griffiths
Barrett	Dennison	Gubser
Bass, N. H.	Denton	Hagen
Bates	Devereux	Hale
Baumhart	Diggs	Halleck
Beckworth	Dingell	Harden
Boggs	Dollinger	Hardy
Boland	Donohue	Haskell
Bolling	Dooley	Hays, Ark.
Bolton	Dorn, N. Y.	Healey
Boyle	Doyle	Heselton
Brooks, Tex.	Durham	Hill
Broomfield	Dwyer	Holland
Broyhill	Eberharter	Holmes
Bush	Elliott	Hosmer
Byrne, Pa.	Evins	Huddleston
Canfield	Fallon	Hyde
Cannon	Farbstein	Jackson
Carnahan	Fascell	James
Carrigg	Feighan	Johnson
Celler	Fenton	Jones, Ala.
Chamberlain	Fino	Jones, Mo.
Chenoweth	Flood	Judd
Chiperfield	Fogarty	Karsten
Chudoff	Forand	Kean
Clark	Ford	Kearns
Coffin	Frazier	Keating
Cole	Frelinghuysen	Kee
Cooper	Friedel	Kelley, Pa.
Corbett	Fulton	Kelly, N. Y.
		Keogh

UNIVERSITY OF MICHIGAN LIBRARIES

Kilday	O'Hara, Ill.	Sieminski
King	O'Neill	Simpson, Pa.
Kirwan	Osmers	Sisk
Kluczynski	Ostertag	Smith, Miss.
Knutson	Patterson	Spence
Lane	Pelly	Springer
Lanham	Perkins	Staggers
Lankford	Pfost	Stauffer
Latham	Philbin	Sullivan
LeCompte	Pillion	Taber
Lesinski	Porter	Teague, Calif.
McCarthy	Price	Teller
McFall	Prouty	Tewes
McIntosh	Rabaut	Thompson, N. J.
Macdonald	Radwan	Thornberry
Machrowicz	Rains	Tollefson
Mack, Ill.	Ray	Trimble
Madden	Reuss	Udall
Magnuson	Rhodes, Ariz.	Vanik
Marshall	Rhodes, Pa.	Van Zandt
Martin	Riehlman	Vinson
Matthews	Roberts	Vorys
May	Rodino	Vursell
Meader	Rogers, Mass.	Wainwright
Merrow	Rooney	Walter
Metcalf	Roosevelt	Watts
Miller, Calif.	Sadlak	Westland
Miller, Md.	Santangelo	Widnall
Morano	St. George	Wigglesworth
Morgan	Saund	Wilson, Calif.
Moss	Schenck	Wolverton
Multer	Schwengel	Wright
Mumma	Scott, Pa.	Yates
Natcher	Scudder	Younger
O'Brien, Ill.	Seely-Brown	Zablocki
O'Brien, N. Y.	Selden	Zelenko

NAYS—163

Abbitt	Dowdy	Neal
Abernethy	Edmondson	Nicholson
Adair	Engle	Nimtz
Alexander	Fisher	Norrell
Allen, Ill.	Flynt	O'Hara, Minn.
Andersen, H. Carl	Forrester	O'Konski
	Fountain	Passman
Andresen, August H.	Gavin	Patman
	Grant	Pilcher
Andrews	Gray	Poage
Ashmore	Gross	Poff
Aspinall	Haley	Polk
Bailey	Harris	Reece, Tenn.
Baring	Harrison, Nebr.	Reed
Bass, Tenn.	Harrison, Va.	Rees, Kans.
Becker	Harvey	Riley
Belcher	Hébert	Rivers
Bennett, Fla.	Hemphill	Robeson, Va.
Bennett, Mich.	Henderson	Rogers, Colo.
Bentley	Herlong	Rogers, Fla.
Berry	Hoeven	Rogers, Tex.
Betts	Hoffman	Rutherford
Blitch	Holt	Saylor
Bonner	Hull	Scott, N. C.
Bosch	Ikard	Scrivner
Bow	Jarman	Sheehan
Boykin	Jenkins	Shuford
Bray	Jennings	Sikes
Breeding	Johansen	Simpson, Ill.
Brooks, La.	Jonas	Smith, Calif.
Brown, Ga.	Kearney	Smith, Kans.
Brown, Mo.	Keeney	Smith, Va.
Brown, Ohio	Kilgore	Smith, Wis.
Budge	Kitchin	Steed
Burdick	Knox	Talle
Burleson	Laird	Teague, Tex.
Byrd	Landrum	Thomas
Byrne, Ill.	Lennon	Thompson, La.
Byrnes, Wis.	Lipscomb	Thompson, Tex.
Cederberg	McCulloch	Thomson, Wyo.
Chelf	McDonough	Tuck
Christopher	McGovern	Ullman
Church	McIntire	Utt
Clevenger	McMillan	Van Pelt
Coad	McVey	Weaver
Colmer	Mack, Wash.	Wharton
Cooley	Mahon	Whitten
Cunningham, Nebr.	Michel	Wier
	Miller, Nebr.	Williams, Miss.
Davis, Ga.	Mills	Willis
Dawson, Utah	Minshall	Wilson, Ind.
Dempsey	Montoya	Winstead
Derounian	Moore	Withrow
Dies	Morris	Young
Dixon	Moulder	
Dorn, S. C.	Murray	

NOT VOTING—43

Alger	George	Krueger
Anfuso	Gwinn	Long
Baker	Hays, Ohio	Loser
Barden	Hess	McConnell
Beamer	Hiestand	McCormack
Blatnik	Hillings	McGregor
Brownson	Holifield	Mailliard
Buckley	Holtzman	Mason
Collier	Horan	Miller, N. Y.
Curtis, Mo.	Jensen	Morrison
Dawson, Ill.	Kilburn	Norblad
Powell	Shelley	Whitener
Preston	Sheppard	Williams, N. Y.
Robsion, Ky.	Siler	
Scherer	Taylor	

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. McCormack for, with Mr. Siler against.
Mr. Mailliard for, with Mr. Preston against.
Mr. Anfuso for, with Mr. Scherer against.
Mr. Hess for, with Mr. Long against.
Mr. Buckley for, with Mr. Alger against.
Mr. Hays of Ohio for, with Mr. Hiestand against.
Mr. Holtzman for, with Mr. McGregor against.
Mr. Dawson of Illinois for, with Mr. Krueger against.
Mr. Shelley for, with Mr. Collier against.
Mr. Sheppard for, with Mr. Mason against.
Mr. Baker for, with Mr. Morrison against.
Mr. Taylor for, with Mr. Brownson against.
Mr. Blatnik for, with Mr. Beamer against.
Mr. Powell for, with Mr. Gwinn against.
Mr. Holifield for, with Mr. Barden against.

Until further notice:

Mr. Loser with Mr. Norblad.
Mr. Whitener with Mr. Robsion of Kentucky.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. PASSMAN. Mr. Speaker, I ask unanimous consent that it may be in order to call up the foreign aid appropriation bill at any time after noon tomorrow, providing the authorization bill is signed by the President this afternoon.

The SPEAKER. Is there objection?

There was no objection.

TEXTILE FIBER PRODUCTS IDENTIFICATION ACT

Mr. COLMER. Mr. Speaker, I call up the resolution (H. Res. 388) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 469) to protect producers and consumers against misbranding and false advertising of the fiber content of textile fiber products, and for other purposes. After general debate which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. COLMER. Mr. Speaker, I yield the usual 30 minutes to the gentleman from Ohio [Mr. BROWN]; and pending that, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 388 makes in order the consideration of H. R. 469, the textile fiber products identification act. The resolution provides an open rule and 1 hour of general debate on the bill.

The bill requires the labeling and advertising of the fiber content of textile fiber products, that is, any fiber, yarn or fabric, either in the finished or unfinished state, used, or intended to be used, in wearing apparel, costumes and accessories, draperies, floor coverings, beddings and so forth. In addition to protecting the consumer the bill is intended to protect the producers of quality merchandise and, indirectly, the cotton farmers of the country.

The bill does not change the present requirements of the Wool Labeling Act of 1939. Certain products are exempted from the provisions of H. R. 469, and these are listed in section 12 of the bill.

The Federal Trade Commission is designated as the enforcing agency of this proposed act. The bill directs the Commission to make such rules and regulations as are necessary to carry out the provisions of the act. The Commission is authorized to seek injunctions in Federal courts to enforce the provisions, and penalties for violation are provided.

The bill, if passed, would take effect 18 months after enactment. It is estimated that it would cost the Federal Trade Commission between 150 and 200 thousand dollars a year to administer the act.

I urge the adoption of House Resolution 388.

I reserve the remainder of my time, Mr. Speaker.

Mr. ALLEN of Illinois. Mr. Speaker, I have no requests for time.

Mr. COLMER. Mr. Speaker, I move the previous question on the resolution.

The resolution was agreed to.

Mr. HARRIS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 469) to protect producers and consumers against misbranding and false advertising of the fiber content of textile fiber products, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 469, with Mr. ROONEY in the chair.

The Clerk read the title of the bill.

By unanimous consent the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Arkansas [Mr. HARRIS] is recognized for 30 minutes and the gentleman from New Jersey [Mr. WOLVERTON] for 30 minutes.

The gentleman from Arkansas is recognized.

Mr. HARRIS. Mr. Chairman, I yield myself 8 minutes.

Mr. Chairman, the Committee on Interstate and Foreign Commerce brings to the House today for consideration this bill H. R. 469, referred to as the Textile Fiber Products Identification Act.

Mr. Chairman, I might state at the outset that this legislation has been considered over a period of several years. It is highly desirable legislation.

About 3 years ago the need for this legislation was called to the attention of the committee. Hearings were held by a subcommittee of our committee in the last Congress. As a result of the hearings conferences were held between members of our staff, the sponsor of the bill who has done such a magnificent job on this legislation, the gentleman from Mississippi [Mr. SMITH] and certain representatives of the industry in an effort to resolve certain problems which were brought to the committee's attention during the hearings.

The conferences were held in New York and in Washington last year. As a result of these deliberations over a period of time and the hearings which were conducted this year by the subcommittee of which our colleague the gentleman from Illinois [Mr. MACK] is chairman, the committee reported this bill for your consideration.

This is a very important piece of legislation not only to the consumer, which means everybody in the United States, but also it is very important to producers of textile fiber products.

Mr. Chairman, it has the support of the American Farm Bureau Federation, the National Cotton Council, the National Grange, just to name a few.

Briefly, the purpose of the bill is to provide consumers and producers of textile fiber products with truthful and informative labeling and advertising of the fiber content of textile fiber products. The bill is limited in scope to textile fiber products other than products which are required to be labeled under the Wool Products Labeling Act of 1939. It was reported without objection by the Committee on Interstate and Foreign Commerce.

The committee considered this legislation very carefully, over a period of years. In the 84th Congress six textile labeling bills were introduced and referred to the committee. Lengthy hearings were held on these bills. This year, three bills were introduced on this subject, and again lengthy hearings were held. I am satisfied that this legislation was thoroughly considered by the committee.

SCOPE OF LEGISLATION

As I stated a moment ago, the bill requires the truthful labeling and advertising of the fiber content of textile fiber products, except in the case of certain wool products. The term "textile fiber product" means, first, any fiber, yarn, or fabric, whether in the finished or unfinished state, used or intended for use in household textile articles; and second, any household textile article made in whole or in part of yarn or fabric.

The term "household textile articles," is defined as articles of wearing apparel, costumes and accessories, draperies, floor coverings, furnishings, beddings, and other textile goods of a type customarily used in a household regardless of where used in fact.

All textile fiber products which move in interstate commerce would be covered, as well as products made from fiber, yarn, or fabric which has moved in interstate commerce.

Wool products, with the exceptions of carpets, rugs, mats, and upholsteries, are required to be labeled under the Wool Products Labeling Act of 1939, and the bill would not change the present requirements under that act. However, the legislation proposed by the bill does not exempt carpets, rugs, mats, and certain types of upholstery. These items will, therefore, have to be labeled as to their fiber content.

EXEMPTIONS

The following products are exempted from the provisions of the bill: First, upholstery stuffing; second, outer coverings of furniture; third, linings or interlining—incorporated primarily for structural purposes and not for warmth; fourth, filling or stuffing—incorporated primarily for structural purposes and not for warmth; fifth, stiffenings, trimmings, facings, or interfacings; sixth, backings of floor coverings; seventh, sewing thread; eighth, bandages and surgical dressings; ninth, waste materials not intended for use in a textile-fiber product; tenth, textile-fiber products incorporated in shoes or overshoes or similar outer footwear; and eleventh, textile-fiber products incorporated in headwear, handbags, luggage, or toys.

In addition, the Federal Trade Commission is given authority to exempt other textile-fiber products which have an insignificant or inconsequential textile-fiber content or where the disclosure of the fiber content is not necessary for the protection of the ultimate consumer.

PROHIBITED ACTS

Section 3 of the bill makes it unlawful to use the channels of interstate commerce for any textile-fiber product which is misbranded or falsely or deceptively advertised within the meaning of the proposed Textile Fiber Products Identification Act. The use of the channels of interstate commerce for any textile-fiber product which is misbranded or falsely advertised within the meaning of the proposed Textile Fiber Products Identification Act would also constitute an unfair method of competition and an unfair or deceptive act or practice in commerce within the meaning of the Federal Trade Commission Act.

Section 4 of the bill provides, in part, that a textile fiber product shall be misbranded if it is falsely or deceptively stamped, tagged, labeled, invoiced, advertised, or otherwise identified as to the name or amount of constituent fibers contained therein, and as to the country of origin where it was processed or manufactured, in the case of imported products.

Section 5 of the bill makes it unlawful, with certain exceptions, to remove or mutilate the stamp, tag, label, or other means of identification required by this legislation prior to the time the textile fiber product is sold and delivered to the ultimate consumer. Any person violating this section of the bill shall be guilty of an unfair method of competition and of an unfair or deceptive act or practice under the Federal Trade Commission Act.

LABELING REQUIREMENTS

The fiber content, expressed in percentages, would have to be shown on a stamp, tag, label, or other means of identification for each textile product when made into the form intended for sale or delivery to, or for use by, the ultimate consumer. Ornamentation, not exceeding 5 percent of the total weight, would not have to be labeled. Any fiber which comprised less than 5 percent of the total fibers in the product would not be designated by name, but would be included in "other fiber(s)." Fiber identification of textile fiber products in the unfinished state, such as yarn and fabric, would be accomplished by a certification on the invoice covering the shipment. A stamp, tag, label, or other means of identification showing the fiber content of these products is not required until they are in a form intended for sale or delivery to, or for use by, the ultimate consumer.

ADVERTISING

If any representation as to fiber content of a textile fiber product is made in any written advertisement, the same full disclosure of the fiber content must be made as required on the stamp, tag, label, or other means of identification.

IMPORTED PRODUCTS

The present tariff laws require imported finished products, such as shirts, sheets, towels, and so forth, to be identified as to country of origin. The bill would require the disclosure of the country where the imported textile fiber product was processed or manufactured.

ENFORCEMENT

The Federal Trade Commission is designated as the enforcing agency of the proposed Textile Fiber Products Identification Act. The Commission has extensive experience in the field of labeling legislation through its administration of the Wool Products Labeling Act of 1939, the Fur Products Labeling Act, the Flammable Fabrics Act, and the Federal Trade Commission Act.

EFFECTIVE DATE

The bill provides that the proposed Textile Fiber Products Identification Act shall take effect 18 months after the date of its enactment. However, the Federal Trade Commission would be required to promulgate rules and regulations within 9 months after the date of enactment of this act. In order to take care of inventories, the Commission would also be required to provide for the exception of any textile fiber product acquired prior to the effective date of the act.

OTHER PROVISIONS

Manufacturers of textile fiber products are required to maintain proper records as to the fiber content for at least 3 years. The Commission is authorized to seek injunctions in Federal district courts in its enforcement process. Penalty for willful violation is specified at not more than $5,000 or imprisonment for not more than 1 year, or both. As a protection to converters, processors, and other purchasers of textile fiber products, the bill provides that they may not be charged with violation of the act if they have a guaranty as to fiber content of the products purchased from the supplier.

UNIVERSITY OF MICHIGAN LIBRARIES

COST OF LEGISLATION

A witness for the Federal Trade Commission stated that the administration of the proposed Textile Fiber Products Identification Act would cost the Commission between $150,000 and $200,000 a year in salaries and expenses.

CONCLUSION

The Committee on Interstate and Foreign Commerce believes that the bill will fill a great need for the truthful and informative labeling and advertising of textile fiber products. It would protect the consumers and producers of textile fiber products, and the American cotton farmer against false and deceptive labeling and advertising of textile fiber products. The bill is very much in the public interest and I urge the House to pass it.

Mr. WOLVERTON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this legislation received very careful consideration of the full committee as well as the subcommittee under the chairmanship of the gentleman from Illinois [Mr. MACK]. Hearings were held and considerable discussion was had in the committee to the end that the bill as reported by the committee represents the unanimous viewpoint of the committee; and, so far as I know, there has been no real objection to the purposes of this act.

It has been my privilege as a member of the Interstate and Foreign Commerce Committee to have participated in the formulating and the passage of legislation of similar character, first relating to what was termed the Wool Labeling Act, the Fur Labeling Act, also the act with reference to flammable fabrics. In each instance where labeling has been required, the provisions of the law as provided by the bills reported from the Committee on Interstate and Foreign Commerce have been of a kind that have proved very helpful to the consumer and have had the endorsement of all consumer organizations. The same applies to this particular legislation. The bill is designed to promote the interest of the cottongrower, the cotton manufacturer, and the interest of the consumer, all of which taken together makes it, in my opinion, a very worthwhile piece of legislation.

There is a great need for the truthful and informative labeling and advertising of textile fiber products. The Wool Products Labeling Act of 1939 presently requires the truthful and informative labeling of wool products. As to textile fiber products other than wool products, there is no requirement in the Federal law for affirmative disclosure of the fiber content of such products in labeling and advertising. Also, under the Federal Trade Commission Act, the Federal Trade Commission does not have jurisdiction over deceptive acts and practices that take place at the local retail level.

The bill would require truthful and informative labeling and advertising of textile-fiber products which are not covered by Federal law.

Thus, the basic purpose of this legislation is to provide consumers and producers of textile-fiber products with truthful and informative labeling and advertising of the fiber content of such products. Other objectives are: First, to help the American farmer whose fiber product must compete with deceptively labeled and advertised synthetics which are lower priced and often of inferior quality compared with the natural-fiber product but which frequently duplicate it in appearance; second, to protect the producers of the quality synthetics against those producers of textiles who advertise their products deceptively; and third, to protect the reliable textile manufacturer against the manufacturer who uses deceptive quality-cutting practices.

This bill is limited in scope to textile-fiber products other than products which are required to be labeled under the Wool Products Labeling Act of 1939.

I am in full accord with the purpose of this bill. I trust it will have the support of the Congress.

Mr. HARRIS. Mr. Chairman, I yield 5 minutes to the chairman of the subcommittee who has done such a magnificent job on this legislation, the gentleman from Illinois [Mr. MACK].

Mr. MACK of Illinois. Mr. Chairman, the Subcommittee on Commerce and Finance of the House Committee on Interstate and Foreign Commerce has had this bill under consideration for quite some time. A similar bill was introduced in the last session and considerable study was given to it at that time, and a thorough investigation was made after the Congress adjourned last year. I feel that the reported bill carries out the ideas that all of us had in mind.

Mr. Chairman, there is a great need for this legislation, which would require accurate labeling and advertising of textile fiber products. The Wool Products Labeling Act of 1939 presently requires informative labeling of wool products, but it does not extend to the advertising of such products. As to textile fiber products other than wool products there is no requirement in the Federal law for affirmative disclosure of the fiber content of such products in labeling and advertising. Also under the Federal Trade Commission Act, the Federal Trade Commission does not have jurisdiction over deceptive acts and practices that take place at the local retail level.

The bill we are considering today would require truthful and informative labeling and advertising of textile fiber products which are not now covered by Federal law.

The basic purpose of this legislation is to provide consumers and producers of textile fiber products with truthful and informative labeling and advertising of the fiber content of such products. Other objectives are: First, to help the American farmer whose fiber product must compete with deceptively labeled and advertised synthetics which are lower priced and often of inferior quality compared with the natural fiber product but which frequently duplicate it in appearance; second, to protect the producers of the quality synthetics against those producers of textiles who advertise their products deceptively; and third, to protect the reliable textile manufacturer against the manufacturer who uses deceptive quality-cutting practices.

This bill is limited in scope to textile fiber products other than products which are required to be labeled under the Wool Products Labeling Act of 1939.

HEARINGS

Three bills on the subject of the labeling of textile fiber products were introduced in this Congress. The distinguished gentleman from Mississippi [Mr. SMITH] introduced H. R. 469. The distinguished gentleman from New York [Mr. O'BRIEN] introduced H. R. 6524. I introduced a bill, H. R. 5605, at the request of the National Retail Dry Goods Association. H. R. 5605, and H. R. 6524 are identical. All three bills have the same objective; namely, to require the proper labeling and advertising of the fiber content of textile fiber products.

The Subcommittee on Commerce and Finance of the House Committee on Interstate and Foreign Commerce, of which subcommittee I have the honor to be the chairman, held extensive hearings on all three bills in April of this year, and all witnesses desiring to be heard on this legislation were heard.

For the information of the House, I think I should state the principal differences between these bills.

The essential differences between the Smith bill and the Mack and O'Brien bills are:

First. The Smith bill covers all textile fiber products except those covered by the Wool Products Labeling Act of 1939. The Mack and O'Brien bills would repeal the Wool Products Labeling Act of 1939 and provide a uniform labeling law for all textiles, including wool. In repealing the Wool Products Labeling Act of 1939, the Mack and O'Brien bills would eliminate the present requirement in that act that reprocessed and reused wool should be labeled as such.

Second. The Smith bill requires the labeling of a textile fiber product only when it is in the form intended for use by the ultimate consumer and not in the early or intermediate stages of processing. Manufacturers and processors would be permitted to accomplish identification required by this bill through a statement on their invoices. The Mack and O'Brien bills require the labeling of textile fiber products during all stages of processing prior to and including the time when the product is intended for use by the ultimate consumer.

Third. The Smith bill provides for the disclosure of the constituent fiber content in all blends and mixtures in the order of predominance by weight and percentage of each fiber present by weight, if such fiber constitutes 5 percent or more of the total fiber weight of the product. The Mack and O'Brien bills do not require the disclosure of the percentage of fibers which are present in amounts of more than 20 percent and less than 80 percent. In these cases, identification would be made merely by naming the fiber in the order of its predominance by weight.

Fourth. The Smith bill provides that manufacturers shall not be charged with misbranding which resulted from unavoidable variations in the manufactur-

ing process. The Mack and O'Brien bills provide that manufacturers should be required to prove that minor discrepancies in the fiber content in a textile fiber product from those shown on the label, or in advertising matter, were due to unavoidable variations in the manufacturing processes.

Fifth. The Smith bill requires that imported textile fabric products be labeled as to the country where processed or manufactured. The Mack and O'Brien bills do not contain this provision.

All of these differences could have been compromised except for the first one which has to do with repeal of the Wool Products Labeling Act of 1939.

I personally favored my bill and the bill introduced by the distinguished gentleman from New York [Mr. O'BRIEN] because I believe it would be most helpful to the consumers and producers of textile fiber products to have one uniform law on labeling which is applicable to all textile fiber products instead of having a separate law for wool products and a separate law for other textile fibers. I believe it is wiser to have one code with one set of rules and regulations than to have different codes with different rules and regulations for different textile fibers. However, the majority of the House Committee on Interstate and Foreign Commerce favored the Smith bill and I fully support this bill at this time.

A number of witnesses who favored the Mack and O'Brien bills did so because these bills, by repealing the Wool Products Labeling Act of 1939, would eliminate the provisions of that act which require that the label on wool products show whether the wool content is new wool or whether it is reprocessed or reused wool. These witnesses complained that a woolen product which bears the label reprocessed wool or reused wool automatically places a stigma on that product without any justification. Many textiles made of reprocessed or reused wool are superior to products made of low grade virgin wool. Furthermore, it is extremely difficult, if not impossible, to determine scientifically whether a given wool fiber is a virgin fiber or a fiber which has been reprocessed or reused. I am convinced that many imported woolen articles which bear a label virgin wool are mislabeled and that they are in fact made of reprocessed or reused wool. There just is no sure test for determining these facts. We cannot visit overseas mills to check their records of what actually went into the product.

Therefore, while I believe the bill under consideration could be improved, I still favor the purpose of textile labeling and strongly urge the adoption of H. R. 469 which was introduced by my very able colleague the gentleman from Mississippi [Mr. SMITH].

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. MACK of Illinois. I yield to the gentleman from West Virginia.

Mr. BAILEY. At the top of page 13, in section 7, appear these words:

> Except as otherwise specifically provided herein, this act shall be enforced by the Federal Trade Commission under rules, regulations, and procedure provided for in the Federal Trade Commission Act.

What body would have authority other than the Federal Trade Commission? I am thinking of the regulations affecting foreign imports. Is that going to remain under the Trade Commission, or would that be under the Treasury?

Mr. MACK of Illinois. No, I think that particular provision will remain under the Federal Trade Commission.

Mr. BAILEY. Why do you not clarify the legislation, then?

Mr. MACK of Illinois. The language you read from page 13 of the reported bill has reference to the Attorney General who has certain duties to perform under the provisions of section 11 of the bill.

Mr. WOLVERTON. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. SPRINGER].

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from Michigan.

Mr. FORD. As the gentleman from Illinois knows, my district is a very heavy producer of furniture. The people who do the producing of furniture have an interest in this legislation and are particularly interested in the exemptions. Will the gentleman from Illinois tell me what the exemptions provide as they refer to furniture?

Mr. SPRINGER. If the gentleman will refer to page 18, section 12 (a), he will find this language:

> None of the provisions of this act shall be construed to apply to—
> (1) upholstery stuffing;
> (2) outer coverings of furniture;
> * * * * * *
> (4) filling or padding incorporated primarily for structural purposes and not for warmth.

I believe that would exempt all of the furniture industry from the provisions of this bill insofar as textiles are concerned.

Mr. FORD. I thank the gentleman from Illinois. It does clarify the matter, and I appreciate his help in this regard.

Mr. BUDGE. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from Idaho.

Mr. BUDGE. I note the language on page 3, commencing on line 10—

> Except that such term does not include a product required to be labeled under the Wool Products Labeling Act of 1939.

Would the gentleman comment as to the effect of that exception?

Mr. SPRINGER. That would not affect the Wool Products Labeling Act of 1939. All the exemptions contained in that Act would still apply to wool.

Mr. BUDGE. In other words, something which is covered in the Wool Products Labeling Act of 1939 would not be included in this legislation?

Mr. SPRINGER. That is correct. I will check on that. Is that correct, Mr. Chairman?

Mr. HARRIS. That is correct. Nothing in this legislation in any way changes the Wool Products Labeling Act of 1939.

Mr. BUDGE. I thank the gentleman.

Mr. SPRINGER. Mr. Chairman, a lot of study was put into this bill. I think every detail that could possibly have been considered was given consideration by the full committee when the subcommittee made their report.

There possibly is some confusion as to why this is necessary. I may say that it implements and complements the Wool Products Labeling Act of 1939 in that it covers all other brandings of other textiles than wool. This bill gets the public properly protected in the entire field of textiles—that is together with the Wool Labeling Act.

Mr. WOLVERTON. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Chairman, a committee of the other body has been holding hearings inquiring into the activities of Mr. Beck and Mr. Hoffa. It has been reported the committee would later on inquire into some of the doings and sayings of Mr. Walter Reuther. Certain newspaper writers and magazine writers have informed us that Mr. Hoffa does not smoke, he does not drink, he does not go to the racetracks and bet on the races, and he does not misuse his wife and he is kind to his children—many of the virtues which the average, ordinary American possesses. Mr. Reuther who has similar virtues has been called to the White House from time to time to advise as to the world situation or as to our own economic situation. No doubt they are both wonderful, intellectual individuals active along certain lines, support policies which deprive many of us of our civil rights and opportunities. The chairman of the committee of the other body has expressed the thought that if Mr. Hoffa is elected as president of the teamsters, he will take charge of the transportation workers throughout the country and so be in a position to tie up transportation across and throughout the Nation. That, no doubt, is true. Later today, something will be said about these two gentlemen and the RECORD will be cited to show that Mr. Hoffa is an extortionist. If that sounds rather harsh, that is the record on his own plea of nolo contendere. There will be evidence of other facts and circumstances shown here to indicate that Mr. Reuther has, as one of his purposes, the overthrow of this Government; that he has worked with the Communists ever since almost the last day of December 1936, right down to the present time, and that he has, in certain instances, overthrown local governments by the use of force and violence. That statement is made so that in the RECORD of today and tomorrow, if anyone is interested, he will be able to get something of the real record of these two gentlemen who have been cited so often as model American citizens. Both of whom are so dangerous to our freedom and future welfare.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WOLVERTON. Mr. Chairman, I yield 5 minutes to the gentleman from Kansas [Mr. AVERY].

Mr. AVERY. Mr. Chairman, I will not use all of the 5 minutes, but I just

UNIVERSITY OF MICHIGAN LIBRARIES

want to make two points that I think have not been made by the previous speakers.

Number one is that there will be considerable expense in the administration of this act. I think it was testified to in the hearings that it would amount to something like $250,000. I do not know of any provision that has been made for an increase in the appropriations for the Federal Trade Commission, but I do know that they have quite a time administering with the amount of money and the personnel that they have the laws which it is their responsibility to administer at the present time. I think, perhaps, this should have been considered a little more thoroughly in view of that responsibility that it is putting on the Federal Trade Commission without compensatory increase in their budget.

The other point that I would like to make to the committee is this. Among the exemptions is a blanket exemption on page 19 of the bill so that even though a particular article is not exempt under the language of the bill, the Federal Trade Commission is given the authority in lines 6 to 10 to set out from under the provisions of the act any such articles they feel are not necessary and in the public interest to be labeled.

Mr. HARRIS. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. O'BRIEN], a member of the committee.

Mr. O'BRIEN of New York. Mr. Chairman, I hesitate to object even mildly to a bill which has been described as in the interests of the American farmer, the American producer, and the American consumer. I will concede that leaves me a very, very small margin on which to operate. I had hoped that the committee would bring to the House a bill which would cover both wool and textiles. I had thought of offering an amendment to that effect today, but in view of the rather wide margin by which the Committee on Interstate and Foreign Commerce rejected such an amendment I shall not offer it.

However, I think in all fairness we should pause just a little while to figure where we are going with this labeling and special legislation to protect special products. It is very difficult in our interlocked society to help one segment without tramping on the toes of another. I think we are going to see very shortly legislation which will provide for the labeling of synthetics. That will not protect the cotton grower or the wool producer, but it will protect certain large organizations.

We are talking about protecting the consumer. I am for that. We are all for that. We are talking about giving the consumer, the housewife, full information. I suggest that under this legislation we are not going to protect the housewife. We are going to confuse her. We are going to list a long variety of fibers, many of which I cannot pronounce and probably never will be able to pronounce. I think that as far as informing the housewife is concerned, this information might just as well be written in Sanskrit. I think it will turn the housewife away from getting bargains in favor of something she can fully understand, such as cotton. I say that with all due respect to the gentleman from Mississippi [Mr. SMITH] who has worked so hard for this bill and who deserves high praise from his constituents for his efforts.

I simply want to suggest that there must come a time in this House when we must stop protecting one segment of our population at the expense of another, something that has already happened under the Wool Labeling Act.

Mr. Chairman, I yield back the remainder of my time.

Mr. WOLVERTON. Mr. Chairman, I yield such time as he may desire to the gentleman from South Dakota [Mr. BERRY].

Mr. BERRY. Mr. Chairman, I ask unanimous consent to revise and extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. BERRY. Mr. Chairman, I want to take this opportunity to commend the Committee on Interstate and Foreign Commerce upon the work they have done in perfecting this legislation and in bringing this bill to the House floor. This is an important piece of legislation, it is a milestone in the protection of both the producer and the consumer of textiles.

There is plenty of precedent for this legislation, and I trust it will be passed by the House without amendment and without in any way crippling or affecting similar legislation already on the statute books.

In 1939 this Congress passed the Wool Labeling Act, which has been a protection not only to the wool producer, but likewise a protection to the consumer. In 1945 Congress passed the Fur Labeling Act, which has served the same purpose. Then there was the law providing for the labeling of flammable materials used in textiles, and today we are passing an act which will probably be designated as the Textile Labeling Act of 1957.

It will do the same thing for cotton, synthetics, and so forth, that the Wool Labeling Act has done for protection of the wool industry and for the protection of the public in reuse of processed and reprocessed wool.

These protective acts are as much a protection for the consumer as they are for the industry. The Wool Labeling Act protects the consumer on woolen products. The consumer knows by the label on the garment whether the material is made from virgin wool, from processed wool, or reprocessed and reused wool. This act will do the same thing for all products. In other words, from this time forward, if the consumer wants to buy cotton goods, he will know the kind of cotton material he is purchasing; if he wishes to buy synthetic goods, he will know that it is synthetic or that the material is partly synthetic and partly cotton or wool. In other words, the consumer will get what he wants and he will know what he is getting.

The thing that worries me with regard to the attempt made to change the Wool Products Labeling Act is that an attempt is being made to revise the terms. There is a movement to delete from the Wool Act the terms "reprocessed" and "reused" and insert in lieu thereof a provision that woolen products be labeled as either "virgin or new wool" or "wool."

This move is not made with a view of protecting the woolen industry or the consumer, but rather with a view of giving a branch of the textile industry an opportunity to legally mislead the consumer. Under the law, at the present time, wool obtained from reprocessing of woven material must be clearly branded "reprocessed." If the woolen fiber has been taken from garments which have been worn or used, the label must clearly indicate "reused." Under this proposed labeling process, however, wools reprocessed from manufactured materials which have not been worn could be labeled as "new wool" even though it may have remained in the original manufactured form for many years.

What actually is done is that these outfits buy up blankets and garments from the Army surplus, put them through a garnetting machine, and if the proposed amendment were permitted in the Wool Labeling Act, this reprocessed wool could be sold under a label of new wool.

Mr. Chairman, it is not fair to the consumer, it is not fair to the wool industry that this be permitted, and I trust the important Committee on Interstate and Foreign Commerce will continue to refuse to permit such amendments to be made to the Wool Products Labeling Act.

Mr. WOLVERTON. Mr. Chairman, I have no further requests for time.

Mr. HARRIS. Mr. Chairman, I yield 5 minutes to the author of the bill, the gentleman from Mississippi [Mr. SMITH], who has done such a magnificent job on this legislation.

Mr. SMITH of Mississippi. Mr. Chairman, I do not propose to use all the time made available. The bill has been very well explained by the gentleman from Arkansas [Mr. HARRIS], the able chairman of the committee, and the gentleman from Illinois [Mr. MACK], who did such a fine job as chairman of the subcommittee in exploring all the ramifications of this fairly technical act. All of us interested in this program are greatly indebted to these two gentlemen for their long hours of work on this legislation. I appreciate the fine cooperation that was given by the minority members of this committee in considering this legislation, both in the subcommittee and in the full committee.

The bill is designed to give to the consumer of all other fibers and fabrics the same protection that he now has with respect to wool products. It is by no means a perfect approach to the problem, but I think it is the best legislation that could be worked out to provide the desired protection within reasonable enforcement limits.

The bill does not amend in any form whatever the Wool Products Labeling Act. It is designed, as I say, to provide labeling requirements for all the other fiber products in the same manner as wool products have been brought under labeling.

If there is any confusion about the bill I hope those who are concerned will address questions to the committee so they can be cleared up.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Mississippi. I yield.

Mr. POAGE. May we not properly say that the present law requires adequate labeling of wool fibers and that this bill, when added to that will give us complete labeling of all fibers?

Mr. SMITH of Mississippi. That is the simplest way to say it.

Mr. POAGE. And is it not true that if we require this labeling we are informing the housewife or the final purchaser of fibers as to what they are buying and that there is no effort at all simply to promote the sale of one commodity because if the housewife wants to buy synthetics she will know what she is paying for. We are simply telling her here what she is going to buy.

Mr. SMITH of Mississippi. That is precisely what the bill does.

Mr. ROBERTS. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Mississippi. I yield to the gentleman from Alabama.

Mr. ROBERTS. I think the gentleman from Mississippi has rendered the American farmer, the American manufacturer, and particularly the consumer, a real service in the work he has done in this bill. I would like to compliment the gentleman from Illinois for his effort and work in holding complete hearings on this bill; and I would like to associate myself with the statement the gentleman from Mississippi is making in support of this bill. I think it simply gives to the American cotton farmer the same protection that has been given in former years to woolgrowers and in the field of fur labeling.

I hope the House will support this bill.

Mr. Chairman, I ask unanimous consent to revise and extend my remarks following those of the gentleman from Mississippi.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. SMITH of Mississippi. I appreciate the statement of the gentleman from Alabama. His work, together with that of the gentleman from Mississippi [Mr. WILLIAMS], both members of the committee, has contributed greatly to the success of the bill.

I believe that if we pass this bill we can prevent some of the very serious abuses in regard to misrepresentation of fiber products that have occurred in the past.

When I was in New York last fall, a representative of the Federal Trade Commission showed me some examples of how products had been sold in the department stores of that city that actually endangered the health of the consumer involved because of misrepresentation, without regard to the fact that the consumer had been misled into spending money for something it would have been unwise for her to purchase in the first place.

Mr. WILLIAMS of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Mississippi. I yield.

Mr. WILLIAMS of Mississippi. I wish to join my colleague from Alabama [Mr. ROBERTS] in congratulating the gentleman from Mississippi on the fine work he has done on this legislation.

As a member of the Committee on Interstate and Foreign Commerce, I, of course, have firsthand knowledge of the great amount of work my colleague from Mississippi has done, with the result that we have been able to report legislation which is going to be workable and which, I believe, will be acceptable to all segments of the industry involved.

I hope this legislation will be accepted by both Houses and sent to the President for his signature prior to adjournment.

Mr. SMITH of Mississippi. I thank the gentleman.

Mr. SADLAK. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Mississippi. I yield to the gentleman from Connecticut.

Mr. SADLAK. I note on page 8 there is a committee amendment which states that if it is an imported textile fiber product the name of the country where processed or manufactured shall be shown. As I read the bill, the end product would not only state the content, whether it is rayon or cotton, but it would have a second stamp saying it came from Japan or Czechoslovakia?

Mr. SMITH of Mississippi. If it were manufactured in another country, the requirement would be that that country would have to be shown. In other words, the foreign country of origin would have to be shown.

Mr. SADLAK. There would be a dual purpose to the stamp: It would state the content and the country where manufactured?

Mr. SMITH of Mississippi. Yes; the gentleman is correct. However, it would not be necessary to have two labels to accomplish this dual purpose. Both the fiber content and the name of the country of origin may, under the act, be put on the same label.

Because it seems possible that there may be other questions along these lines, I would like to take a few minutes to explain the background of the legislation, how it was worked out, and what it can be expected to accomplish in behalf of the consumer, the fiber producer, and the textile manufacturer.

H. R. 469, as you know, is a revision of the Textile Fiber Products Identification Act which I introduced in the 84th Congress. In the months since the adjournment of the 84th Congress, I have had the privilege of meeting with many representatives of the textile industry and related groups, as well as with the Federal Trade Commission. With the generous cooperation of the Interstate and Foreign Commerce Committee, we have had the opportunity to discuss the legislation with these groups, and to work out new or revised provisions to insure maximum protection to the consumer with a minimum of burden on manufacturers, retailers, and the Federal Trade Commission.

I do not believe it is possible to overemphasize the importance of mandatory textile labeling in the ever-expanding textile industry. The number of fibers available for the manufacture of textiles has tripled in the past 15 years. Many new fibers are in pilot or test stages of development and even more are in earlier stages of chemical experimentation. Only a few of the textiles now available to consumers can be readily identified, and as the list of synthetic and blended textiles grows longer, identification becomes less and less possible.

No one would suggest that these important textile developments are undesirable, but protection for fiber producers, textile manufacturers, and consumers is essential if quality and markets are to be maintained and confusion, waste, and even fraud, are to be avoided.

We are all familiar with some of the more serious instances of deception and fraud in the sale of textiles. Perhaps one of the most dramatic of these in recent years was the rayon "torch" sweater, sold as cashmere, which actually threatened the lives and safety of purchasers. The dramatic examples, however, are scattered, and when they occur they are usually corrected promptly as a result of the widespread and vehement indignation they create. This is not true of the day-in, day-out lack of adequate information with which the consumer must contend, a lack which costs her in countless ways and in the long run costs the manufacturer and the producer as well.

Only by requiring that all fibers be identified can the farmer who produces the natural fiber and the chemical industrialist who produces the synthetic fiber compete on fair terms. Only in this way can the textile manufacturer who sustains quality be protected against the quick-market raids of the manufacturer who depends primarily on the cheaper, less durable fibers. And only in this way can the consumer be assured of obtaining the product she wants, and believes she is getting.

The purpose of this legislation, then, is fourfold. It seeks to eliminate the threat to the American farmer, whose fiber product must compete with lower priced, often lower quality, synthetics which frequently duplicate the natural product in appearance. It seeks to protect the producers of the quality synthetics against the reputation-damaging producers of textiles advertised as containing those quality fibers when in fact they do not contain them. It seeks to protect the reliable textile manufacturer against the cost-cutting, quality-cutting practices of the less reliable manufacturer. And last in the chain but perhaps foremost in effect, it seeks to protect the consumer by insuring that when she buys a textile product, she will know what fibers are contained in that product and, thus, what can be expected of it and how it should be handled.

I would like to give you a few examples of how H. R. 469 will afford this kind of protection.

Today, rayon is the cheapest textile fiber. In many uses it serves quite satisfactorily. But in many others it

UNIVERSITY OF MICHIGAN LIBRARIES

lacks the basic characteristics essential for satisfactory performance—durability, launderability, strength. In many such uses, cotton is the traditional fiber. Cotton is almost synonymous with long wear, shrink resistance, and easy laundering.

Recently there has been a concerted drive by some rayon producers to persuade textile mills to blend rayon with cotton in traditionally cotton articles. Unfortunately, a percentage of rayon in a cotton fabric does not generally change the appearance or even the feel of the fabric. If that fabric can be sold as an all-cotton fabric—and it usually can because it looks like cotton—the manufacturer can substantially increase his profit because his product is made of a substantially cheaper fiber. The consumer does not know her cotton product is part rayon, and she does not find it out until the product shrinks out of shape, or wears out too soon, or proves unsatisfactory for some other reason. And even then, in most cases, she does not blame the rayon blend, because she does not know it is there. She simply concludes that cotton is not as good as it used to be.

The damage in this chain is obvious—the cotton farmer suffers because cotton's reputation is put at question; the reliable manufacturer, who uses all cotton in the products he sells as all cotton, suffers because his products become suspect along with the others; the retailer suffers because he sold an unreliable item, and the consumer suffers because she was led into paying her money for something she did not get.

The cotton farmer already faces a desperate fight for his markets. I do not believe he should be subjected, in addition, to this kind of competition. And I do not believe that the textile manufacturer, or the retailer, or the consumer, should be subjected to it. Eventually, as the textile competitors, in self-preservation, take the same avenue of cost cutting, the steadily decreasing quality of textile fabrics could very easily destroy public confidence in all textile products.

All blends are not, of course, inferior products. Fiber blending is increasing rapidly in the textile industry and will continue to increase, as it should. New and different properties can be given to fabrics by blending two or more fibers together, properties which are both useful and desirable.

But the qualities that result from blending depend not only on the types of fibers mixed together, but on the amount of each fiber included. This is another reason why the fiber content of textile fabrics should be disclosed.

A good example of this is the blending of nylon with other fibers. Nylon has been called a miracle fiber, the first of an ever-growing collection of synthetic fibers of many important uses. It has proved to be one of the most wear-resistant of the textile fibers, and when blended with other fibers, it can significantly increase the life of the fabric. Nylon, however, is relatively expensive. In staple form it costs about $1.35 a pound, against something like 29 cents a pound for rayon. This has led to some rather astonishing practices in textile blending and advertising.

The du Pont Co., developer and major producer of nylon, states that generally the nylon content of a fabric must be at least 30 percent if the benefits of nylon are to be realized in that fabric. In spite of that known fact, however, many textile articles have been put on the market and promoted as nylon products when the actual nylon content was sometimes as low as 1 percent. That amount of nylon does nothing but deceive the public.

As in the case of the rayon-cotton blend, this practice hurts everyone along the line—the nylon producer, the honest textile manufacturer, the retailer, and the consumer.

Much the same thing is true of many of the other blending fibers like dacron and orlon. These fibers are blended, for the most part, to achieve certain properties—hand, wrinkle resistance, and texture. The producers of these fibers say that a fabric must contain at least 50 percent of these fibers to attain the desired results. Yet the price differential between these quality synthetics and the cheaper fibers is an open invitation to cut the expensive fiber in favor of the cheaper part of the blend.

So long as the fiber content of textile fabrics is not required to be made known to the consumer, the industry cannot protect itself or its customers from cost-inspired, quality-cutting practices. And the consumer is left at the mercy of the manufacturer who elects to produce, to his own profit, a cheaper product that he can advertise on the basis of a promotionally valuable fiber—cotton, nylon, dacron, linen, silk, orlon—even though the product may not contain enough of these fibers to show any real benefit.

Many trade groups representing cotton farmers, fiber producers, fiber processors and textile manufacturers favor this legislation, because they recognize that in it lies their only protection from snowballing cost-cutting practices and from the destruction of the good name of their products.

Still another group, the service industries, which include the laundries and dry cleaners, strongly favor fiber identification, because only by disclosure of fiber content can they be sure how best to launder, to clean, and to press textiles of various types.

Some of you may be familiar with the efforts of the cotton industry to expand the consumption of cotton through research, promotion, and advertising. The industry is to be complimented for the successful work it has been doing along these lines. The cotton farmer, by his voluntary contributions to these promotion campaigns, has played an important role in building the reputation of many brands of apparel and household items and industrial cotton goods. Yet about four-fifths of the cotton articles now on the market are not identified as such, and cotton is losing each year the benefit of some eight to ten million dollars' worth of national advertising. It seems to me that the cotton farmer is entitled to share in the value of cotton's reputation, which he helped to create. We can help the cotton industry help itself if we enact adequate labeling legislation. This protection has been provided for the wool-grower, and it should certainly be extended to the hard-pressed cotton farmer.

In our discussions over the past 2 years with representatives of industry and Government in drafting this legislation, we have sought to work out reasonable solutions to some of the problems presented. I would like to discuss, briefly, some of the questions that have been raised, and why I believe they are not valid in the consideration of mandatory labeling.

It has been argued, for example, that content labeling will not convey really worthwhile information to the consumer, and that so-called performance labeling is the more desirable solution. I'm sure every homemaker in America would be grateful for performance labeling that would tell her exactly how the textile she buys would react to water or an iron at 100°, or 200°, or 500°, and how long it could be expected to last if properly handled, and whether the color would survive soap, or detergent, or sun, or the years. Unfortunately, the industry itself concedes that there is no agreement on a standard of performance characteristics or the method of measuring those characteristics. Any general acceptable standard for performance labeling is therefore a dream of the distant future.

Lacking performance data, fiber content labeling will give the consumer specific information on what she is buying, and this, when related to the wealth of published information on the characteristics of the various fibers, will afford her tremendous protection that she does not now have.

It has also been suggested that mandatory labeling would greatly increase the cost of textile fabrics because of the cost of labeling. Almost every fabric or textile item is now labeled in some manner. Adding fiber content information to an already existing label will not significantly increase cost. The same cry was raised in connection with the Wool Products Labeling Act, and it has long since proved to be without foundation.

I think it should also be mentioned here that mandatory fiber content labeling will not force the disclosure of trade secrets. To determine the fiber content of any manufacturer's fabric today, all his competitors need do is subject the fabric to laboratory analysis. They can in this way determine not only what fibers compose the fabric, but the quantity of each in the blend. The only person who cannot tell, and who can thus be deceived either by a lack of fiber content disclosure or by misleading promotional material, is the consumer.

We recognize that it is desirable to achieve the objectives of the act without imposing unnecessary burdens on the industry. H. R. 469 was written with this clearly in mind, and after extended conferences with many representative groups. I believe it affords maximum protection with a minimum of requirements. I should like to outline some of the principal provisions of the bill.

Section 1, of course, contains the title of the bill, the "Textile Fiber Products Identification Act."

Section 2 defines the scope of the act, which is broad but in no way unreasonable. I think it makes clear, in its definitions of the terms used in the bill, that we seek here the labeling of textile fiber products of apparel and household-use nature, whether they are in fact used personally or in the home, or in a hotel, or in a restaurant or elsewhere.

We do not seek to require fiber content labeling of industrial-use fibers, and in a later section—section 12—certain specific exemptions from coverage are made for items which have an inconsequential textile fiber content, or where the disclosure of fiber content is not necessary for the protection of the consumer. These include such things as stiffenings, trimmings, hats, lamp shades, toys, linings, and so forth. In addition, the Federal Trade Commission may exclude additional products, after public hearing, if it is felt that their labeling would serve no useful purpose.

H. R. 469 does not repeal or sacrifice any of the provisions of the Wool Products Labeling Act, which has served the American woolgrower and the public so well. It does, in fact, bring under labeling coverage some of the wool items, including carpets and rugs, which are exempted from the Wool Act. The carpet industry now considers it desirable to be covered under labeling legislation.

Section 3 declares misbranding unlawful, and defines misbranding as the failure to disclose the fiber composition of textile fiber products. An important provision of this section is that such disclosure will not be required until the textile fiber product is in the form intended for sale or delivery to, or use by, the ultimate consumer. This provision eliminates unnecessary labeling of individual products by processors, but it does require processors to identify the fiber content on the invoice covering the sale or shipment of products which have not yet reached the form in which they will be sold to or used by the consumer. Section 3 also exempts, under carefully specified conditions, related operations such as those of common carriers, exporters and publishers and advertising agencies.

Section 4 defines the information which must be disclosed in order that a textile fiber product not be misbranded. The percentage of each fiber in a textile fiber product must be stated, in the order of predominance by weight of each fiber in the product.

This section has several important provisions designed to protect both manufacturer and consumer. One of these specifies that fibers present in less than 5 percent of the total weight of the product shall not be identified by name, but only as "other fiber." The reason for this is that such small amounts of fiber do not contribute usefully to the quality or performance of a fabric, and their disclosure by name can only be a misleading form of promotion.

Another important provision allows manufacturers a processing tolerance. It is sometimes impossible to control exactly the percentage of fiber in a blended fabric, and H. R. 469 specifically states that a deviation in fiber content from that stated on the label which resulted from unavoidable variations in manufacture, despite due care to make the statements accurate, shall not constitute misbranding.

This makes it clear that manufacturers are required to exercise every care to make the statements on the labels accurate, but that they are not to be called to account under the enforcement provisions of the act for unavoidable manufacturing deviations. It is my understanding that under reasonably careful conditions, deviations would not exceed about 4 to 5 percent. And obviously, no deviation would be permitted in a fabric labeled as 100 percent any fiber.

Section 4 also contains the assurance that the act does not require an additional label. The fiber content of the fabric may be shown on an existing label which contains other information, such as trademarks, or included on the size tag or other identification device normally used, so long as it does not violate the provisions of this act. This makes it clear, I think, that compliance with the act can be achieved by using the forms of labels presently in use by manufacturers and retailers.

Another provision of section 4 relates to imported textile products. It requires that the name of the country of origin be disclosed where the textile product is imported.

Section 5 sets forth reasonable, effective means by which textile fiber products may be relabeled by retailers, for example, who wish to use their own labels. It also makes unlawful the removal of labels without their appropriate replacement.

Section 6 provides for the keeping of the minimum records necessary for proper enforcement of the act and for the protection of all persons required to comply with the act.

Sections 7 and 8 provide for enforcement of the act and give to the Federal Trade Commission the powers of injunction, but they do not contain the onerous condemnation proceedings which are found in certain other Federal acts of this general nature. Condemnation and seizure is not believed to be a necessary procedure for adequate enforcement of this act and what it seeks to accomplish.

Included in the authority granted the Commission, in section 7, to make rules and regulations for enforcement of the act is a specific direction that the Commission establish generic names for manufactured fibers. The language of H. R. 469 does not, in specific terms, spell out the method by which generic names shall be established, but this matter has been discussed at length with the Commission and industry representatives, and there is a clear understanding that it is the intent of H. R. 469 that the Commission shall hold oral, public hearings in connection with the determination of generic names of all manufactured fibers, those presently in existence and those developed in the future.

Section 9 covers identification of textile fiber products imported into the United States and in its coverage places imported textile products on a competitive footing with domestically produced textile products insofar as fiber content labeling is concerned.

Section 10 provides needed protection for those who handle or process a fiber, in that they may rely, in labeling or marking the fiber content of a textile product, on the information furnished to them by the person from whom they obtain it.

Section 11 is the penalty provision relating to willful violations of the act.

Section 12, as I mentioned earlier, contains the exemption of certain items for which fiber identification is considered insignificant. Section 13 is the separability clause, and section 14 relates to existing laws.

The effective date of the act, as provided in section 15, will be 18 months after its enactment, and this section requires that the promulgation of rules and regulations for the administration of the act by the Federal Trade Commission be completed within 9 months after passage of the act, thus providing a full 9 months for all parties coming under its coverage to prepare for compliance.

Section 15 also affords a needed protection to the small retailers over the country who sometimes carry stocks for a long time, in that it gives the Commission authority to except from the requirements of the act any textile fiber product acquired prior to its effective date.

Mr. ROBERTS. Mr. Chairman, I wish to go on record as endorsing H. R. 469, the Textile Fiber Products Identification Act, and to say that I cannot overemphasize the need for this legislation.

This act would simply give cotton the same treatment that has been accorded to wool under the provisions of the Wool Labeling Act. It would enable the consumer to know what he is purchasing and it would help protect the cotton farmer. The problem of misbranding has existed for a long time in the textile industry, and I think we have a duty to the consumer to let him know what he is getting, and not to allow him to be misled or deceived.

One of the reasons the textile industry is in a bad condition is the competition it must contend with from countries—Japan, mainly—which produce cotton goods with cheap labor. In many parts of the country, mills are closing. In my own section, some of the mills are on short time.

The cotton farmer is also hurting seriously. All of us know that with the tremendous cuts in acreage allotments, many cotton farmers actually are leaving their land and seeking industrial employment. You can see this readily in Alabama.

While this act doubtless will not solve all the problems of the textile industry or the cotton farmer, I think it is a strong step in the right direction.

Cotton has many marvelous characteristics and the cotton industry has spent a great deal of time, money, research, and imagination in producing their products. They deserve the right to have their efforts properly labeled.

Many new fibers have been and are being developed. While this is highly desirable, it is essential that there be some manner of protection for fiber producers,

UNIVERSITY OF MICHIGAN LIBRARIES

textile manufacturers, and consumers if quality and markets are to be maintained without confusion, waste, and even fraud.

I want to commend the gentleman from Mississippi [Mr. SMITH] for his untiring efforts in this legislation. Last year I introduced a companion bill. That is how much I believe in the worth of this act and that is the way I feel about the legislation now before this body. I hope it will pass by a resounding vote.

Mr. WOLVERTON. Mr. Chairman, I yield 10 minutes to the gentleman from Connecticut [Mr. MORANO].

Mr. MORANO. Mr. Chairman, I ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. MORANO. Mr. Chairman, in a number of recent statements, both on the floor of the House and in public, the distinguished freshman Representative from Oregon has spoken rather persuasively against the Government of the Dominican Republic.

On August 4, while appearing on the television program Meet the Press, he made the statement that he would favor a revolution and its result chaos in that island stronghold of resistance against communism.

The gentleman's sincerity in all that he advocates, I am sure, is motivated by only the highest principles and his interest in the welfare of a constituent, young Gerald Murphy, whose disappearance in the Dominican Republic has occasioned much speculation. I, and the other Members of the House, hope with him, that an explanation of the Murphy case is obtained eventually and that it is satisfactory to all concerned.

As one who has traveled extensively in Latin America and has made addresses before groups in many of these nations in their national tongue, however, I am left with the impression that the gentleman from Oregon, through a lack of knowledge of the politics, customs, and emotions of the people with whom he is dealing, perhaps is destroying friendships it has taken the United States years to cultivate, and is, at the same time, championing those very forces our Federal Government is attempting with such effort and expense to eradicate.

I believe I can say without offense to the gentleman from Oregon and in all candor that the internal affairs of a particular country may be studied best at firsthand. It is difficult for the Members of this body and the American public to believe that one who has never been to the Dominican Republic could be an authority on its internal affairs.

Before pressing this subject further, I should like to point out that the House of Representatives long has seen fit to handle matters affecting this Nation's foreign affairs through its appointed committees, made up of members from both major political parties. As a member of the Committee on Foreign Affairs, I can say that no matter concerning our vital hemispheric diplomacy has ever been brought to the attention of this committee without receiving careful and diligent study. And although the decisions of this committee may, at times, be contrary to the wishes and views of some of its members, they are never arrived at capriciously or because of immature study and thought. The members of the committee have, through practical, day-to-day dealing with all matters concerning United States relationship with other nations, become thoroughly familiar with the factors which contribute to the security of this hemisphere. Most of these committee members, in addition, have spent considerable time and efforts in Latin America, studying the governments, characteristics and political views of the people involved.

I point this out so that the gentleman from Oregon may understand more clearly that the House is capable of coping with problems of the type he now is attempting to solve. The Subcommittee on Inter-American affairs of the House has heard testimony from the State Department and is satisfied that appropriate measures are being pursued in an attempt to solve the Galindez-Murphy mystery and allegations.

Similarly, an amendment which would deny mutual security funds to the Dominican Republic because of its Government was almost unanimously condemned by a vote of the full House, as the sponsor of this and other similar amendments, the gentleman from Oregon is aware of the apathy with which the House of Representatives looks upon his one-man campaign.

I wish to repeat that the concern of the gentleman from Oregon about the welfare of a constituent is a legitimate one, but which should, nevertheless, have been directed by him to those best fitted to handle the matter. Had the problem concerned the Post Office and Civil Service Committee, on which he serves so knowledgeably, then his procedure would be correct, proper, and unpresumptious.

The result of the crusade being carried on by the gentleman from Oregon has been an endless chain of inconsistencies, all of them despite claims to the contrary, detrimental to the best interests of the United States.

I say this because the principal beneficiaries of the campaign thus far have been Communists and Communist sympathizers here and throughout those nations to the south of us which are struggling so hard to keep Soviet influence from their shores.

That the campaign against the Dominican Republic and its leader has found acceptance in some reputable sections of the press and the public is of insignificant import when one considers that it is heaping high the fuel of anti-Dominican sentiment on fires started by such as the Daily Worker and similar publications throughout Latin America.

It is of passing consequence that the motives of a United States Congressman are altruistic when they serve but to carry out a subversive design of the Kremlin to destroy the most anticommunistic nation in the Caribbean. It is not enough that one should be motivated by sincerity and dedicated to the abolition of what he views as a dictatorship if in the realization of these ambitions he supplants a government friendly to our own with one steeped in the ideologies of Marxism.

I make these statements, Mr. Chairman, with the deep conviction gained through years of an on-the-scene relationship with our neighbors to the south. I cannot conceive of a circumstance where my own firsthand observations, the opinions of my experienced and learned colleagues on the Foreign Affairs Committee and the almost unanimously expressed sentiments of this legislative body could be in error while the charges and demands of a member of the Post Office and Civil Service Committee, who never set foot on the shore of the nation in question, are proper and correct.

I repeat, Mr. Chairman, my belief that the gentleman from Oregon has been prompted and encouraged in his campaign against the Dominican Republic only by a naivete of our foreign policies and not by careful thought.

No degree of rationalization, Mr. Chairman, could justify a reputation as an expert in such matters for one who has taken incongruous positions on so wide a variety of foreign affairs matters as has the gentleman from Oregon.

The legislative record of the gentleman from Oregon, I believe, will establish rather definitely that this campaign against the Dominican Government, through which this Nation has obtained use of strategic military bases on the islands, is, to say the least, unfounded in any known concept of foreign relations.

He would, for instance, continue to grant aid to communistic Yugoslavia and its dictator, Marshall Tito, as a military necessity, but advocated the abolition of aid to the friendly Dominican Republic.

He would cancel our trade with the Dominican Republic, but advocates a resumption of trade with Communist China.

He has urged a severance of diplomatic ties with the Dominican Republic, but during his recent campaign for Congress advocated recognition of Red China.

He has launched his campaign because a young constituent, whom he has branded as an international kidnaper, vanished in the Dominican Republic, but he has remained wondrously silent on the subject of 450 servicemen—many of them Oregon constituents—missing behind the Bamboo Curtain of China and about whom the Communist Chinese refuse us any information at all.

He has carried his anti-Dominican preachings into several Latin American countries where the general public believes his opinions to be the official views of the United States Government.

In all this, he has attempted to martyr a blackmailer and embezzler named Jesus Galindez, who stands accused of ordering, while serving Russia in the Spanish Civil War, the execution of 11 Catholic bishops, countless priests and others whose only sin was an avowed distrust of communism.

Apparently by way of rationalizing his crusade, the gentleman from Oregon has said he is opposed to all dictators and has likened General Rafael Trujillo to Adolf Hitler.

Thousands of Jewish refugees from the Nazi terrorism of the World War II era, however, have found no such similarity. As the gentleman from New York [Mr. MULTER] pointed out on the floor of this house, the Dominican Republic opened its doors widely to these persecutees from Nazi Germany and now, under the administration of this same General Trujillo, they enjoy peace, prosperity, and voice in government they had never known before.

In conclusion, I suggest that the gentleman from Oregon concern himself only with those matters about which he has knowledge and allow the President and the appropriate committees of Congress to handle questions of American foreign policy.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. MORANO. I yield to the gentleman.

Mr. ULLMAN. Mr. Chairman, I want to say to the gentleman that the charges he is making are rather serious and I ask him whether or not he notified the gentleman from Oregon [Mr. PORTER] that he was going to make these statements on the floor of the House?

Mr. MORANO. No; I would have been happy to notify him had I known I was going to be able to get the floor. I did not know whether I was going to be yielded any time, and I did not know whether I was going to be permitted to speak out of order. But I would be perfectly willing to repeat them in his presence.

Mr. ULLMAN. It is my opinion that charges as serious as these——

Mr. MORANO. These are not serious charges. The possible impairment of our foreign policy by the gentleman from Oregon, however, is serious.

Mr. ULLMAN. It is my opinion that charges as serious as these should be made at the time the Member is on the floor because, as the gentleman knows, we always attempt to be fair in our proceedings here. It seems to me that would have been the fair thing to do.

Mr. MORANO. I repeat that had I known that I was going to be able to get the floor to make this talk I would have been happy to notify the gentleman from Oregon.

Mr. WOLVERTON. Mr. Chairman, I have no further requests for time.

Mr. HARRIS. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. BARRETT].

Mr. BARRETT. Mr. Chairman, I ask unanimous consent to speak out of order and to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BARRETT. Mr. Chairman, those of us in the Congress who worked hard on this year's housing legislation believe that, all things considered, we came up with a housing bill which will supply much needed help to prospective home owners and the home building industry. As a member of the Subcommittee on Housing and the Committee on Banking and Currency, I am proud to have played a part in the evolution of this year's housing bill. Naturally the bill does not include everything I would like to see in it. But that is part of our democratic process where we fashion legislation acceptable to the majority and not necessarily completely acceptable to any single Congressman.

In the first place, this year's housing bill authorizes the administration to lower substantially the downpayment requirements under the FHA program. We must permit people to buy with smaller downpayments under the FHA program and help to fill at least a part of the vacuum created by the greatly reduced availability of GI loans.

Fostering home ownership is one of our greatest social objectives and accomplishments and I am proud to say I have always been in the forefront of the fight to make it possible for more and more moderate income families to buy homes of their own. I think the Congress was especially wise and foresighted in providing authority to the FHA to reduce downpayments on FHA-insured loans. And I am glad to see that the administration—although with evident great reluctance—finally decided to carry out the will of Congress and reduced the required downpayments as we intended.

But I was greatly disturbed when I learned that the administration coupled this action with an announcement that the maximum interest rate on FHA loans was being increased from 5 to 5¼ percent. To some extent this will nullify the advantages of lower downpayments and will just raise further the cost of home ownership for the average family. Bear in mind that in addition to the 5¼ percent interest rate, the FHA home buyer must pay an annual mortgage insurance premium of ½ of 1 percent. Just think of it. This means that the FHA home buyer is paying nearly 6 percent to obtain a loan which is made absolutely riskless by Government insurance.

I think that the time has come to restudy the entire FHA program because I am fearful the original intent and purpose of the FHA program is in danger of being completely nullified. In the short space of 7 months we have seen the FHA maximum interest rate raised from 4½ to 5 percent, and now to 5¼ percent. We are obviously getting close to the point where the FHA program will no longer be able to serve the home ownership needs of the average American family. It all seems to be a part of the unending upward spiral in interest rates which this administration seems to regard as the cure-all to any economic problem.

I am fearful that somehow we must put a stop to these constantly climbing interest rates to prevent our country from reaching the point where the average family will just not be able to pay the heavy interest costs. With respect to the FHA program I think the Congress should determine whether some reasonable limit should not be placed upon the interest rate permitted on FHA-insured home loans, so that we can assure that FHA will meet its basic objective which is to permit families of moderate income to buy homes with a small downpayment and at reasonable financing costs.

In framing this years' housing bill we also attempted to come to grips with what I regard as the scandalous discounts which the administration was complacently condoning in the FHA, and particularly in the GI loan program. Discounts of as high as 10 percent have become common, and there is no doubt that ultimately these excessive discounts are passed on to the homeowner either through a higher price or through reduced quality of construction. A 10 point discount on a $12,000 loan in effect means the home buyer is paying $1,200 more for his house.

Under the Housing Act of 1957 the administration is directed to place reasonable ceilings upon discounts. We learned in our studies of mortgage finance that complete prohibition of discounts would not be practicable. But by requiring the administration to place reasonable ceilings on discounts we have acted to keep home financing costs to the home buyer at a minimum.

In order to make more FHA and GI loans available, we provided substantially increased resources for the Federal National Mortgage Association. This agency, known as Fannie May, stands ready to buy FHA and GI loans which cannot find an outlet in the private market.

Taken together these actions should help make home ownership a little easier and should help stimulate the lagging home building industry which is so vital to the health of our overall economy.

Our housing legislation this year had many other worthwhile features.

One provision would encourage cooperative housing under FHA's section 213 program by making additional support money for corporate mortgages available under the special assistance program of the Federal National Mortgage Association.

I am happy to say that we also provided additional funds for FNMA's special assistance program which gives special support to deserving housing programs such as cooperative housing and housing needed for urban renewal. In addition, we wrote in a requirement under which FNMA must pay par for special assistance mortgages, which will make favorable financing terms available to special assistance housing.

We provided substantial additional funds to make certain that the necessary financing will be available for the military housing program which is so vitally needed as an important adjunct to our national defense.

This year's legislation also provides additional money to continue the aid program for college housing. Our institutions of higher learning are facing a terrible problem in the face of ever-mounting enrollments, and the college housing loan program is the only way to assure that adequate housing will be available for students and faculty members. The grave shortage of registered nurses will also be helped by a provision

UNIVERSITY OF MICHIGAN LIBRARIES

in the bill which authorizes loans under the college housing loan program to be made to nonprofit hospitals in building housing for student nurses and interns.

The low rent public housing program which is the only hope for our lowest income groups will benefit by several important amendments contained in the bill. One amendment increases the income exemption for admission to and continued occupancy in public housing. Another would increase the per-room cost limits on public housing so that adequate housing can be built.

This year's legislation continues the fight on slums by providing an additional $350 million for slum clearance grants. This money will be used to pay part of the cost of clearing our worst slum areas. Frankly, I wish we could have provided an even larger slum-clearance program because the problem is so vast that it can only be solved by a broad and ambitious program. I am as ardent an advocate of necessary economy as anyone, but I do not think we should attempt to economize on the misery of our slum dwellers in the lowest income group.

I hope that next year the Congress can put pressure upon the administration to go along with an ambitious slum-clearance program and also a stepped-up low rent public housing program. This latter is absolutely essential to an effective slum clearance program because most of the families uprooted by slum clearance operations cannot afford high priced private housing and can only obtain decent housing through federally aided low rent public housing.

Mr. Chairman, in closing I would like to state my belief that our housing problems are by no means solved. We must find a way to expedite our slum-clearance program. We must find a really workable program to permit the rehabilitation of structurally sound dwellings which are in areas of incipient blight. We must find ways to increase the efficiency of home building construction and to reduce housing costs. We must find ways to provide decent housing at a reasonable cost for families in the lower middle income ranges, whose incomes are just a shade too high to qualify them for low-rent public housing, but too low to afford decent private housing. We must find ways to improve and expand our public-housing program. We must find ways to combat the community facilities problem which is becoming ever more acute in many more areas.

Our housing subcommittee will be conducting studies and holding hearings on a number of these subjects during the remainder of the 85th Congress. I think our subcommittee made some important contributions to our housing programs in the last Congress and I am confident that we can do the same in the present Congress.

Mr. HARRIS. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read the bill for amendment

The Clerk read as follows:

Be it enacted, etc., That this Act may be cited as the "Textile Fiber Products Identification Act."

DEFINITIONS

SEC. 2. As used in this Act—

(a) The term "person" means an individual, partnership, corporation, association, or any other form of business enterprise.

(b) The term "fiber" or "textile fiber" means a unit of matter which has a length of at least one hundred times its width or diameter, which is capable of being spun into a yarn or made into a fabric by bonding or by interlacing in a variety of methods including weaving, knitting, braiding, felting, twisting, or webbing, and which is the basic structural element of textile products.

(c) The term "natural fiber" means any fiber that exists as such in the natural state.

(d) The term "manufactured fiber" means any fiber derived by a process of manufacture from any substance which, at any point in the manufacturing process, is not a fiber.

(e) The term "yarn" means a strand of textile fiber in a form suitable for weaving, knitting, braiding, felting, webbing, or otherwise fabricating into a fabric.

(f) The term "fabric" means any material woven, knitted, felted, or otherwise produced from, or in combination with, any natural or manufactured fiber, yarn, or substitute therefor.

(g) The term "household textile articles" means articles of wearing apparel, costumes and accessories, draperies, floor coverings, outer coverings of furniture, furnishings of a type customarily used in a household regardless of where used in fact, beddings, and household textile goods.

(h) The term "textile fiber product" means—

(1) any fiber, whether in the finished or unfinished state, used or intended for use in household textile articles;

(2) any yarn or fabric, whether in the finished or unfinished state, used or intended for use in household textile articles; and

(3) any household textile article made in whole or in part of yarn or fabric;

except that such term does not include a product required to be labeled under the Wool Products Labeling Act of 1939.

(i) The term "affixed" means attached to the textile fiber product in any manner.

(j) The term "Commission" means the Federal Trade Commission.

(k) The term "commerce" means commerce among the several States or with foreign nations, or in any Territory of the United States or in the District of Columbia, or between any such Territory and another, or between any such Territory and any State or foreign nation or between the District of Columbia and any State or Territory or foreign nation.

(l) The term "Territory" includes the insular possessions of the United States, and also any Territory of the United States.

(m) The term "ultimate consumer" means a person who obtains a textile fiber product by purchase or exchange with no intent to sell or exchange such textile fiber product in any form.

MISBRANDING AND FALSE ADVERTISING DECLARED UNLAWFUL

SEC. 3. (a) The introduction, delivery for introduction, manufacture for introduction, sale, advertising, or offering for sale, in commerce, or the transportation or causing to be transported in commerce, or the importation into the United States, of any textile fiber product which is misbranded or falsely or deceptively advertised within the meaning of this Act or the rules and regulations promulgated thereunder, is unlawful, and shall be an unfair method of competition and an unfair and deceptive act or practice in commerce under the Federal Trade Commission Act.

(b) The sale, offering for sale, advertising, delivery, transportation, or causing to be transported, of any textile fiber product which has been advertised or offered for sale in commerce, and which is misbranded or falsely or deceptively advertised, within the meaning of this Act or the rules and regulations promulgated thereunder, is unlawful, and shall be an unfair method of competition and an unfair and deceptive act or practice in commerce under the Federal Trade Commission Act.

(c) The sale, offering for sale, advertising, delivery, transportation, or causing to be transported, after shipment in commerce, of any textile fiber product, whether in its original state or contained in other textile fiber products, which is misbranded or falsely or deceptively advertised, within the meaning of this Act or the rules and regulations promulgated thereunder, is unlawful, and shall be an unfair method of competition and an unfair and deceptive act or practice in commerce under the Federal Trade Commission Act.

(d) This section shall not apply—

(1) to any common carrier or contract carrier or freight forwarder with respect to a textile fiber product received, shipped, delivered, or handled by it for shipment in the ordinary course of its business;

(2) to any processor or finisher in performing a contract for the account of a person subject to the provisions of this Act if the processor or finisher does not change the textile fiber content of the textile fiber product contrary to the terms of such contract;

(3) with respect to the manufacture, delivery for transportation, transportation, sale, or offering for sale of a textile fiber product for exportation from the United States to any foreign country;

(4) to any publisher or other advertising agency or medium for the dissemination of advertising or promotion material, except the manufacturer, distributor, or seller of the textile fiber product to which the false or deceptive advertisement relates, if such publisher or other advertising agency or medium furnishes to the Commission, upon request, the name and post office address of the manufacturer, distributor, seller, or other person residing in the United States, who caused the dissemination of the advertising material; or

(5) to any textile fiber product until such product has been produced in the form intended for sale or delivery to, or for use by, the ultimate consumer: *Provided*, That this exemption shall apply only if such textile fiber product is covered by an invoice or other paper relating to the marketing or handling of the textile fiber product and such invoice or paper correctly discloses the information with respect to the textile fiber product which would otherwise be required under section 4 of this Act to be on the stamp, tag, label, or other identification and the name and address of the person issuing the invoice or paper.

MISBRANDED AND FALSE ADVERTISING OF TEXTILE FIBER PRODUCTS

SEC. 4. (a) Except as otherwise provided in this Act, a textile fiber product shall be misbranded if it is falsely or deceptively stamped, tagged, labeled, invoiced, advertised, or otherwise identified as to the name or amount of constituent fibers contained therein.

(b) Except as otherwise provided in this Act, a textile fiber product shall be misbranded if a stamp, tag, label, or other means of identification, or substitute therefor authorized by section 5, is not on or affixed to the product showing in words and figures plainly legible, the following:

(1) The constituent fiber or combination of fibers in the textile fiber product, designating with equal prominence each natural or manufactured fiber in the textile fiber product by its generic name in the order of predominance by the weight thereof if the weight of such fiber is 5 per centum or more

of the total fiber weight of the product, but nothing in this section shall be construed as prohibiting the use of a nondeceptive trademark in conjunction with a designated generic name.

(2) The percentage of each fiber present, by weight, in the total fiber content of the textile fiber product, exclusive of ornamentation not exceeding 5 per centum by weight of the total fiber content: *Provided,* That, exclusive of permissible ornamentation, any fiber or group of fibers present in an amount of 5 per centum or less by weight of the total fiber content shall not be designated by the generic name or trademark of such fiber or fibers, but shall be designated only as "other fiber" or "other fibers" as the case may be: *Provided further,* That no deviation in the fiber content of any constituent fiber in the textile fiber product from the percentage stated on the tag, stamp, label, or other identification which resulted from unavoidable variations in manufacture and despite the exercise of due care to make accurate the statements on such tag, stamp, label, or other identification, shall be a misbranding under this section.

(3) The name, or other identification issued and registered by the Commission, of the manufacturer of the product or one or more persons subject to section 3 with respect to such product.

(4) If it is in an imported textile fiber product, whether in its original state or contained in other textile fiber products, the name of the country of origin.

(c) For the purposes of this Act, a textile fiber product shall be considered to be falsely or deceptively advertised if any disclosure or implication of fiber content is made in any written advertisement which is used to aid, promote, or assist directly or indirectly in the sale or offering for sale of such textile fiber product, unless such written advertisement contains the same information with respect to fiber content as that required to be shown on the stamp, tag, label, or other identification under section 4 (b).

(d) In addition to the information required in this section, the stamp, tag, label, or other means of identification, or advertisement may contain other information not violating the provisions of this Act.

(e) This section shall not be construed as requiring the affixing of a stamp, tag, label, or other means of identification to each textile fiber product contained in a package if (1) such textile fiber products are intended for sale to the ultimate consumer in such package, (2) such package has affixed to it a stamp, tag, label, or other means of identification bearing, with respect to the textile fiber products contained therein, the information required by subsection (b), and (3) the information on the stamp, tag, label, or other means of identification affixed to such package is equally applicable with respect to each textile fiber product contained therein.

(f) This section shall not be construed as requiring designation of the fiber content of any portion of fabric, when sold at retail, which is severed from bolts, pieces, or rolls of fabric labeled in accordance with the provisions of this section at the time of such sale: *Provided,* That if any portion of fabric severed from a bolt, piece, or roll of fabric is in any manner represented as containing percentages of natural or manufactured fibers, other than that which is set forth on the labeled bolt, piece, or roll, this section shall be applicable thereto, and the information required shall be separately set forth and segregated as required by this section.

REMOVAL OF STAMP, TAG, LABEL, OR OTHER IDENTIFICATION

SEC. 5. (a) After shipment of a textile fiber product in commerce it shall be unlawful, except as provided in this Act, to remove or mutilate, or cause or participate in the removal or mutilation of, prior to the time any textile fiber product is sold and delivered to the ultimate consumer, any stamp, tag, label, or other identification required by this Act to be affixed to such textile fiber product, and any person violating this section shall be guilty of an unfair method of competition, and an unfair or deceptive act or practice, under the Federal Trade Commission Act.

(b) any person—

(1) introducing, selling, advertising, or offering for sale, in commerce, or importing into the United States, a textile fiber product subject to the provisions of this Act, or

(2) selling, advertising, or offering for sale a textile fiber product whether in its original state or contained in other textile fiber products, which has been shipped, advertised, or offered for sale, in commerce,

may substitute for the stamp, tag, label, or other means of identification required to be affixed to such textile product pursuant to section 4 (b), a stamp, tag, label, or other means of identification conforming to the requirements of section 4 (b), and such substituted stamp, tag, label, or other means of identification shall show the name or other identification issued and registered by the Commission of the person making the substitution.

(c) If any person other than the ultimate consumer breaks a package which bears a stamp, tag, label, or other means of identification conforming to the requirements of section 4, and if such package contains one or more units of a textile fiber product to which a stamp, tag, label, or other identification conforming to the requirements of section 4 is not affixed, such person shall affix a stamp, tag, label, or other identification bearing the information on the stamp, tag, label, or other means of identification attached to such broken package to each unit of textile fiber product taken from such broken package.

RECORDS

SEC. 6. (a) Every manufacturer of textile fiber products subject to this Act shall maintain proper records showing the fiber content as required by this Act of all such products made by him, and shall preserve such records for at least three years.

(b) Any person substituting a stamp, tag, label, or other identification pursuant to section 5 (b) shall keep such records as will show the information set forth on the stamp, tag, label, or other identification that he removed and the name or names of the person or persons from whom such textile fiber product was received, and shall preserve such records for at least three years.

(c) The neglect or refusal to maintain or preserve the records required by this section is unlawful, and any person neglecting or refusing to maintain such records shall be guilty of an unfair method of competition, and an unfair or deceptive act or practice, in commerce, under the Federal Trade Commission Act.

ENFORCEMENT OF THE ACT

SEC. 7. (a) Except as otherwise specifically provided herein, this Act shall be enforced by the Federal Trade Commission under rules, regulations, and procedure provided for in the Federal Trade Commission Act.

(b) The Commission is authorized and directed to prevent any person from violating the provisions of this Act in the same manner, by the same means, and with the same jurisdiction, powers, and duties as though all applicable terms and provisions of the Federal Trade Commission Act were incorporated into and made a part of this Act; and any such person violating the provisions of this Act shall be subject to the penalties and entitled to the privileges and immunities provided in said Federal Trade Commission Act, in the same manner, by the same means, and with the same jurisdiction, powers, and duties as though the applicable terms and provisions of the said Federal Trade Commission Act were incorporated into and made a part of this Act.

(c) The Commission is authorized and directed to make rules and regulations, including the establishment of generic names of manufactured fibers, under and in pursuance of the terms of this Act as may be necessary and proper for administration and enforcement.

(d) The Commission is authorized to cause inspections, analyses, tests, and examinations to be made of any product subject to this act.

INJUNCTION PROCEEDINGS

SEC. 8. Whenever the Commission has reason to believe—

(a) that any person is doing, or is about to do, an act which by section 3, 5, 6, 9, or 10 (b) is declared to be unlawful; and

(b) that it would be to the public interest to enjoin the doing of such act until complaint is issued by the Commission under the Federal Trade Commission Act and such complaint is dismissed by the Commission or set aside by the court on review or until an order to cease and desist made thereon by the Commission has become final within the meaning of the Federal Trade Commission Act.

the Commission may bring suit in the district court of the United States or in the United States court of any Territory, for the district or Territory in which such person resides or transacts business, to enjoin the doing of such act and upon proper showing a temporary injunction or restraining order shall be granted without bond.

EXCLUSION OF MISBRANDED TEXTILE FIBER PRODUCTS

SEC. 9. All textile fiber products imported into the United States shall be stamped, tagged, labeled, or otherwise identified in accordance with the provisions of section 4 of this Act, and all invoices of such products required pursuant to section 484 of the Tariff Act of 1930, shall set forth, in addition to the matter therein specified, the information with respect to said products required under the provisions of section 4 (b) of this Act, which information shall be in the invoices prior to their certification, if such certification is required pursuant to section 484 of the Tariff Act of 1930. The falsification of, or failure to set forth the required information in such invoices, or the falsification or perjury of the consignee's declaration provided for in section 485 of the Tariff Act of 1930, insofar as it relates to such information, is unlawful, and shall be an unfair method of competition, and an unfair and deceptive act or practice, in commerce under the Federal Trade Commission Act; and any person who falsifies, or perjures the consignee's declaration insofar as it relates to such information, may thencefórth be prohibited by the Commission from importing, or participating in the importation of, any textile fiber product into the United States except upon filing bond with the Secretary of the Treasury in a sum double the value of said products and any duty thereon, conditioned upon compliance with the provisions of this act. A verified statement from the manufacturer or producer of such products showing their fiber content as required under the provisions of this act may be required under regulation prescribed by the Secretary of the Treasury.

GUARANTY

SEC. 10. (a) No person shall be guilty of an unlawful act under section 3 if he establishes a guaranty received in good faith, signed by and containing the name and address of the person residing in the United States by whom the textile fiber product guaranteed was manufactured or from whom it was received, that said product is not misbranded or falsely invoiced under the provisions of this act. Said guaranty shall be

UNIVERSITY OF MICHIGAN LIBRARIES

(1) a separate guaranty specifically designating the textile fiber product guaranteed, in which case it may be on the invoice or other paper relating to said product; or (2) a continuing guaranty given by seller to the buyer applicable to all textile fiber products sold to or to be sold to buyer by seller in a form as the Commission, by rules and regulations, may prescribe; or (3) a continuing guaranty filed with the Commission applicable to all textile fiber products handled by a guarantor in such form as the Commission by rules and regulations may prescribe.

(b) The furnishing of a false guaranty, except where the person furnishing such false guaranty relies on a guaranty to the same effect received in good faith signed by and containing the name and address of the person residing in the United States by whom the product guaranteed was manufactured or from whom it was received, is unlawful, and shall be an unfair method of competition, and an unfair and deceptive act or practice, in commerce, within the meaning of the Federal Trade Commission Act.

CRIMINAL PENALTY

SEC. 11. (a) Any person who willfully does an act which by section 3, 5, 6, 9, or 10 (b) is declared to be unlawful shall be guilty of a misdemeanor and upon conviction shall be fined not more than $5,000 or be imprisoned not more than 1 year, or both, in the discretion of the court: *Provided*, That nothing in this section shall limit any other provision of this act.

(b) Whenever the Commission has reason to believe that any person is guilty of a misdemeanor under this section, it may certify all pertinent facts to the Attorney General. If, on the basis of the facts certified, the Attorney General concurs in such belief, it shall be his duty to cause appropriate proceedings to be brought for the enforcement of the provisions of this section against such person.

EXEMPTIONS

SEC. 12. (a) None of the provisions of this act shall be construed to apply to—

(1) upholstery stuffing;

(2) linings or interlings incorporated primarily for structural purposes and not for warmth;

(3) filling or padding incorporated primarily for structural purposes and not for warmth;

(4) stiffenings, trimmings, facings, or interfacings;

(5) backings of floor coverings;

(6) sewing thread;

(7) bandages and surgical dressings;

(8) waste materials not intended for use in a textile fiber product;

(9) textile fiber products incorporated in shoes or overshoes or similar outer footwear;

(10) textile fiber products incorporated in headware, handbags, luggage, brushes, lampshades, or toys.

The exemption provided for any article by paragraph (2), (3), or (6) of this subsection shall not be applicable if any representation as to fiber content of such article is made in any advertisement, label, or other means of identification covered by section 4 of this act.

(b) The Commission may exclude from the provisions of this act other textile fiber products (1) which have an insignificant or inconsequential textile fiber content, or (2) with respect to which the disclosure of textile fiber content is not necessary for the protection of the ultimate consumer.

SEPARABILITY CLAUSE

SEC. 13. If any provision of this act, or the application thereof to any person, as that term is herein defined, is held invalid, the remainder of the act and the application of the remaining provisions to any person shall not be affected thereby.

APPLICATION OF EXISTING LAWS

SEC. 14. The provisions of this act shall be held to be in addition to, and not in substitution for or limitation of, the provisions of any other act of the United States.

EFFECTIVE DATE

SEC. 15. This act shall take effect 18 months after enactment, except for the promulgation of rules and regulations by the Commission, which shall be promulgated within 9 months after the enactment of this act. The Commission shall provide for the exception of any textile fiber product acquired prior to the effective date of this act.

Mr. HARRIS (interrupting the reading of the bill). Mr. Chairman, in view of the fact that this is rather a long bill, I ask unanimous consent that it may be considered as read, printed in full in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read as follows:

Page 2, line 1, strike out beginning with the word "has" down to and including the word "which" in line 2.

Page 2, line 22, strike out "outer coverings of furniture, furnishings" and insert "furnishings, beddings, and other textile goods."

Page 2, line 24, strike out "fact, beddings, and household textile goods" and insert "fact."

Page 6, line 1, strike out "promotion" and insert "promotional."

Page 6, line 21, strike out "misbranded" and insert "misbranding."

Page 8, line 12, strike out beginning with the word "If" down through and including the period in line 14, and insert the following: "If it is an imported textile fiber product the name of the country where processed or manufactured."

Page 10, line 15, strike out "any" and insert "Any."

Page 17, after line 10, insert the following paragraph: "(2) outer coverings of furniture."

Page 17, line 11, strike out "(2)" and insert "(3)."

Page 17, line 13, strike out "(3)" and insert "(4)."

Page 17, line 15, strike out "(4)" and insert "(5)."

Page 17, line 16, strike out "(5)" and insert "(6)."

Page 17, line 17, strike out "(6)" and insert "(7)."

Page 17, line 18, strike out "(7)" and insert "(8)."

Page 17, line 19, strike out "(8)" and insert "(9)."

Page 17, line 21, strike out "(9)" and insert "(10)."

Page 17, line 23, strike out "(10)" and insert "(11)."

Page 18, line 1, strike out "(2)" and insert "(3)."

Page 18, line 2, strike out "(3)" and insert "(4)" and strike out "(6)" and insert "(7)."

The committee amendments were agreed to.

Mr. MACK of Illinois. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MACK of Illinois: Page 8, line 9, strike out beginning with the word "That" down through and including the period in line 15, and insert in lieu thereof the following: "That deviation of the fiber contents of a textile fiber product from percentages stated on the stamp, tag, label, or other means of identification, shall not be misbranding under this section if the person charged with misbranding proves such deviation resulted from unavoidable variations in manufacture and despite the exercise of due care to make accurate the statements on such stamp, tag, label, or other means of identification."

Mr. MACK of Illinois. Mr. Chairman, this is merely a clarifying amendment. It is transferring the burden of proof from the Federal Trade Commission to the manufacturer. It does not involve any substantial change in the legislation. It has been recommended by the Federal Trade Commission. I believe this amendment would make it easier for the Federal Trade Commission to enforce this legislation. Therefore, I ask for its adoption.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. MACK of Illinois. I yield to the gentleman from Arkansas.

Mr. HARRIS. I fully realize the purpose of the amendment offered by the distinguished gentleman, the chairman of the subcommittee. As I understand, it is in accordance with the recommendation of the Federal Trade Commission. Is that true?

Mr. MACK of Illinois. That is correct. It is carrying out the recommendation made by the Federal Trade Commission.

Mr. HARRIS. Is the gentleman familiar with the recommendations of the mills themselves with reference to preserving the tolerance provision, that is, requiring the Federal Trade Commission to make a finding of tolerance before the burden of proof shifts to the manufacturer?

Mr. MACK of Illinois. I think they would recognize a reasonable tolerance.

Mr. HARRIS. The amendment the gentleman has just offered does not provide that, though, does it?

Mr. MACK of Illinois. That is correct.

Mr. HARRIS. Would the gentleman object to an amendment to his amendment that would provide that as a matter of law?

Mr. MACK of Illinois. I would have no objection to it. I do not feel that it is necessary, but I certainly would have no objection to the inclusion of that in the amendment.

Mr. HARRIS. The gentleman sat through the hearings. Of course, everyone appreciates the great work the gentleman has done on this legislation. Is it true that the mills themselves fear what might happen to them if there is not a degree of protection in connection with the tolerance provision?

Mr. MACK of Illinois. I do not think I could question their apprehension on that point.

Mr. HARRIS. It is true they do have that apprehension?

Mr. MACK of Illinois. That is correct.

Mr. HARRIS. If the proviso could be offered to the gentleman's amendment and accepted, that would relieve that apprehension, would it not?

Mr. MACK of Illinois. Yes that would relieve the apprehension. I have no objection to it.

Mr. HARRIS. Yes, I appreciate that; but I want to find out where I am be-

fore I make this move, because I do not want to do anything that will in any way jeopardize the authority of the Federal Trade Commission in carrying out its responsibilities in connection with this important legislation. However, if we can preserve the authority of the Federal Trade Commission in carrying out its functions and responsibilities and at the same time remove any apprehensions on the part of one of the great industrial segments of this country, it seems to me it would make for much better and more satisfactory legislation.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HARRIS. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from Illinois [Mr. MACK].

The Clerk read as follows:

Amendment offered by Mr. HARRIS to the amendment offered by Mr. MACK of Illinois: At the end of the Mack amendment, insert the following: "*Provided*, That reasonable tolerances shall be established by the Commission."

Mr. THOMSON of Wyoming. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I just want to make certain that in the opinion of the Chairman of the Legislative Committee neither the amendment nor the amendment to the amendment would in any way operate to bring those commodities or products that are now subject to the Wool Products Labeling Act of 1939 under the provisions of this bill.

Mr. HARRIS. Mr. Chairman, I want to make it perfectly clear to every Member of the House and to everyone interested in this problem that it in no way affects the Wool Products Labeling Act of 1939. There is no amendment offered, and I understand no amendment will be offered to amend or in any way affect the Wool Products Labeling Act.

Mr. THOMSON of Wyoming. That was my conclusion and understanding. I appreciate the assurance given to us by the gentleman from Arkansas, chairman of the committee that considered and reported this bill.

Mr. HARRIS. I want to give everyone that assurance because we had this question up in the committee over a long period of time, and in order to make it perfectly clear and fair to everybody, and particularly the gentleman from New York [Mr. O'BRIEN] and our distinguished chairman of the subcommittee [Mr. MACK], it was suggested and the committee agreed that there was a problem on the issue, but it was a separate problem from that which this bill deals with. Next year when we have an opportunity, this committee would go into that problem and hold hearings on it with a view to determining what, if anything, should be done in connection with that problem.

Mr. HOLMES. Mr. Chairman, will the gentleman yield?

Mr. THOMSON of Wyoming. I yield.

Mr. HOLMES. I would like to ask the distinguished chairman of the committee, if the words he has added in his amendment to the amendment offered by the gentleman from Illinois [Mr. MACK] are not of vital interest to the gentleman from Mississippi [Mr. SMITH] and the people interested in this problem.

Mr. HARRIS. Of course, it is of vital interest to Mr. SMITH, and I might say that Mr. SMITH's interest is in the public interest here and the cotton mills are vitally interested in this question. This amendment is of vital concern to the mills and, therefore, I think it should be adopted.

Mr. HOLMES. I agree with the chairman and I am happy to support his amendment to the amendment.

Mr. HARRIS. I thank the gentleman very much.

Mr. THOMSON of Wyoming. Mr. Chairman, I would like to express my appreciation to the chairman and the members of the committee for excluding wool and wool products from this legislation because the Wool Products Labeling Act of 1939 has worked very well and has proven itself. I think that is a very wise decision.

Mr. O'HARA of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. THOMSON of Wyoming. I yield.

Mr. O'HARA of Minnesota. Mr. Chairman, I would like to ask the chairman of the committee this question. Does either the amendment or the amendment to the amendment in any way affect the Fur Labeling Act?

Mr. HARRIS. It does not. If the gentleman will yield to me at this time, may I explain to the Members that in 1940 the Congress passed the Wool Products Labeling Act of 1939. In 1951, the committee reported the bill referred to as the Fur Products Labeling Act, sponsored by our distinguished colleague, the gentleman from Minnesota [Mr. O'HARA].

We have wool labeling legislation; we have fur labeling legislation. Now this would provide for textile labeling of all other textiles not now covered by law.

Mr. SPRINGER. Mr. Chairman, I move to strike out the last word.

I would like to ask the distinguished chairman, Where is the burden of proof under the Wool Products Labeling Act?

Mr. HARRIS. The burden of proof in the Wool Products Labeling Act is on the manufacturer, and this amendment would merely provide the same requirement as to the burden of proof with respect to the proposed legislation. The proviso that is offered here only requires that the Federal Trade Commission make a finding of reasonable tolerance, and then the burden of proof moves to the manufacturer, where it should be.

Mr. SPRINGER. A prima facie case is made by the Commission first. Is that right?

Mr. HARRIS. Yes.

Mr. SPRINGER. And then the burden shifts to the manufacturer?

Mr. HARRIS. Then the burden shifts to the manufacturer.

Mr. SPRINGER. To prove himself not guilty of the charge.

Mr. McCULLOCH. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield.

Mr. McCULLOCH. Does the amendment to the amendment grant authority to the Federal Trade Commission that is otherwise prohibited under the bill?

Mr. HARRIS. I was seeking an opportunity to ask unanimous consent to withdraw the amendment to the amendment in order that the gentleman from Illinois [Mr. MACK] could withdraw his amendment and offer an amendment that has been worked out, and which we intended to offer in the first place.

I make such a request, Mr. Chairman.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas: that the two amendments be withdrawn?

There was no objection.

Mr. MACK of Illinois. Mr. Chairman, I offer an amendment. This is the amendment I intended to offer originally.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. MACK of Illinois: Substitute for the present proviso beginning on line 9 the following language: "*Provided further*, That in the case of a textile fiber product which contains more than one kind of fiber, deviation in the fiber content of any fiber in such product from the amount stated on the stamp, tag, label, or other identification shall not be a misbranding under this section unless such deviation is in excess of reasonable tolerances which shall be established by the Commission: *And provided further*, That any such deviation which exceeds said tolerances shall not be a misbranding if the person charged proves that the deviation resulted from unavoidable variations in manufacture and despite due care to make accurate the statements on the tag, stamp, label, or other identification."

The CHAIRMAN. The gentleman is recognized in support of his amendment.

Mr. MACK of Illinois. Mr. Chairman, I think everyone thoroughly understands what we are trying to do. This was the original amendment I intended to offer, but because of objections I offered a substitute amendment.

I understand there is no objection to the amendment at this time.

Mr. SADLAK. Mr. Chairman, will the gentleman yield?

Mr. MACK of Illinois. I yield.

Mr. SADLAK. Originally when the gentleman submitted the amendment, he said it was a qualifying amendment and then he likewise used in that amendment the words "unavoidable variation." The chairman offered the word "tolerance." Now the gentleman submits a new amendment clarifying it, but once more he uses the words "unavoidable variations." Is there somewhere in this report a complete definition as to what is meant by "unavoidable variations"?

Mr. MACK of Illinois. It is only a question of proving unavoidable variations. It is a question as to whether or not the Federal Trade Commission must prove that or whether the manufacturer must prove that this was an unavoidable variation, rather than a willful violation of the act. That is the reason for offering the amendment, to transfer the burden of proof from the FTC to the manufacturer.

Mr. SADLAK. That is sufficiently clarifying for me.

UNIVERSITY OF MICHIGAN LIBRARIES

Mr. McCULLOCH. Mr. Chairman, will the gentleman yield for a question?

Mr. MACK of Illinois. I yield.

Mr. McCULLOCH. Is there a precedent for such a provision of law as has been suggested by this amendment?

Mr. MACK of Illinois. I am sorry; I did not understand the question.

Mr. McCULLOCH. Is there precedent for such provision of law as has been suggested by this amendment?

Mr. MACK of Illinois. Yes. The same provision is included in the Wool Products Labeling Act of 1939.

Mr. McCULLOCH. And the gentleman from Illinois is not fearful of granting this additional authority to the Federal Trade Commission?

Mr. MACK of Illinois. No; I think it just facilitates the enforcement of the law. I think it would have been impossible for the Commission to enforce the act if we had not inserted some such amendment.

Mr. McCULLOCH. Will the gentleman yield further, Mr. Chairman?

Mr. MACK of Illinois. I yield.

Mr. McCULLOCH. Was this amendment submitted to and considered by the committee?

Mr. MACK of Illinois. This amendment was not considered by the committee. It was something that had been called to my attention and at the time the committee met in executive session I failed to call the attention of my colleagues to it.

Mr. McCULLOCH. It was submitted by the Federal Trade Commission?

Mr. MACK of Illinois. Yes, and I have a letter addressed to me yesterday from that body.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. MACK].

The amendment was agreed to.

Mr. MACK of Illinois. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MACK of Illinois: Page 9 line 8 strike out section 4 (b), and insert in lieu thereof the following: "Paragraph 1 of section 4 (b)."

Mr. MACK of Illinois. Mr. Chairman, the purpose of this amendment is to limit the requirements of disclosure in written advertisements to a disclosure of the constituent fibers in the textile product. It merely permits the manufacturer and the retail merchants to advertise in the newspapers without including all the material which is required on the stamp, tag, or label that we believe is not pertinent or relevant in the advertising of the merchandise.

I believe this is an amendment the retailers would like to have. This also has been recommended by the Federal Trade Commission.

One of the requirements in the bill would be to name the country of origin in which the textile fiber product was processed or manufactured. We feel it would be an undue burden to ask the retailers and manufacturers to list this in their written advertisements.

Mr. MAHON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I think this legislation is most desirable and I rise in support of H. R. 469 by the gentleman from Mississippi [Mr. SMITH], the so-called textile labeling bill now pending. I have felt for years that legislation along this line should be enacted by Congress. We are making a step in the right direction today. I realize that the bill is not in perfect form, but I am hopeful that necessary corrections can be made before final enactment.

A person who goes into a store for the purpose of buying a fabric is entitled to know what the fabric is made of. Many of us feel that cotton, generally speaking, is far superior to synthetic fibers. When we buy an article we are entitled to know what we are getting. This ought to be a good thing for the textile manufacturer, for the retail store, for the producer, and for the consumer.

I want to commend the Committee on Interstate and Foreign Commerce for bringing this bill to the floor. I certainly hope the bill may be perfected somewhat and enacted into final law at the earliest possible moment.

It happens that it is my privilege to represent one of the greatest cotton producing Congressional districts in the United States. The cotton producers I represent, through their various farm organizations, have expressed keen interest in the pending measure. They will be most gratified over the favorable action which is being taken today in the passage of the Smith bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. MACK].

The amendment was agreed to.

Mr. MACK of Illinois. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MACK of Illinois: On page 11, line 2, strike out "(i)" and insert in lieu thereof "(1)."

Mr. MACK of Illinois. Mr. Chairman, this is a technical amendment to correct a paragraph number.

The amendment was agreed to.

Mr. LANE. Mr. Chairman, the Textile Fiber Products Identification Act brings much-needed protection to the American cotton farmer; to the American manufacturer of textile products; and to the American consumer, which includes virtually everyone in the United States.

I deliberately exclude the fraudulent producers and manufacturers of textile products who "palm off" inferior goods as first quality, to the detriment of all but themselves. Although few in number, they undermine public confidence in quality fibers and quality products by misleading claims.

The Wool Products Labeling Act of 1939 requires the truthful and informative labeling of wool products, but it does not extend to the advertising of such products.

With the development of quality synthetics and the custom of blending various fibers, slick operators moved in to take advantage of a wide-open loophole not covered by any law.

This new situation requires legislation to eliminate a manifest abuse.

All blends are not, of course, inferior products. New and different properties can be given to fabrics by blending two or more fibers together, properties which are both useful and desirable. But the qualities that result from blending depend not only on the types of fibers mixed together, but on the amount of each fiber included.

Here is where the short-change act takes place.

Trading on the reputation of quality synthetics and cotton, the shoddy manufacturer exploits both. He uses the names of both, but employs such small amounts in his blend that there is no real benefit from each. And when his cheap product fails to satisfy, the customer invariably blames the cotton or the quality synthetic, and not the manipulator who has taken advantage of all.

As the report of the Committee on Interstate and Foreign Commerce commented: "So long as the fiber content of textile fabrics is not required to be made known to the consumer, the industry cannot protect itself or its customers from cost-inspired, quality-cutting practices. And the consumer is left at the mercy of the manufacturer who elects to produce, to his own profit, a cheaper product that he can advertise on the basis of a promotionally valuable fiber—cotton, nylon, dacron, linen, silk, orlon—even though the product may not contain enough of these fibers to show any real benefits."

H. R. 469 covers all textile fiber products except those covered by the Wool Products Labeling Act of 1939.

It requires the labeling of a textile fiber product only when it is in the form intended for use by the ultimate consumer.

It provides for the disclosure of the constituent fiber content in all blends and mixtures in the order of predominance by weight and percentage of each fiber present by weight, if such fiber constitutes 5 percent or more of the total fiber weight of the product.

It requires that imported textile fiber products be labeled as to the country where processed or manufactured.

In order to extend the protection contemplated, the bill will prohibit the marketing of misbranded or falsely or deceptively advertised textile fiber products which have been advertised or offered for sale in commerce, or which are offered for sale, advertised, sold, delivered, or transported after interstate shipment.

This bill will protect the consumers, the textile producers, and the American cotton farmer against those engaged in false and misleading practices.

It is a reinforcement of the consumer's right to know the truthful contents of the textile products that he buys.

The CHAIRMAN. Under the rule the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ROONEY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 469) to protect producers and consumers against misbranding and false advertising of the fiber content of textile fiber products, and for other purposes, pursuant to House Resolution 388, he reported the bill back to the House

with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ATOMIC ENERGY COMMISSION APPROPRIATION BILL

Mr. CANNON. Mr. Speaker, I ask unanimous consent that it may be in order to consider a bill making appropriations for the Atomic Energy Commission for the fiscal year 1958—the last appropriation bill we will offer this session—at any time after Friday noon.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. TABER. Mr. Speaker, reserving the right to object, I assume that this request is that it be considered subsequent to the foreign aid appropriation bill?

Mr. CANNON. That is the program.

Mr. MORANO. Mr. Speaker, reserving the right to object, will the gentleman from Missouri tell us whether or not he expects to finish the consideration of the mutual security aid appropriation bill tomorrow?

Mr. CANNON. That is our hope.

Mr. MORANO. How much general debate, can the gentleman tell me, does he expect to ask for on the mutual security aid bill?

Mr. TABER. I think maybe I can answer that, Mr. Speaker, if the gentleman from Missouri will yield. The gentleman from Louisiana [Mr. PASSMAN] and I have talked about time and the figure that was spoken of was about 3 hours. I think that is definitely settled.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

AMENDING SECTION 410 OF INTERSTATE COMMERCE ACT CHANGING REQUIREMENTS FOR OBTAINING A FREIGHT FORWARDER PERMIT

Mr. O'NEILL. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 387 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 1383) amending section 410 of the Interstate Commerce Act, to change the requirements for obtaining a freight forwarder permit. After general debate which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. O'NEILL. Mr. Speaker, at the conclusion of my remarks I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN], and at this time I yield myself such time as I may consume.

Mr. Speaker, House Resolution 387 makes in order the consideration of S. 1383, a bill to change the requirements for obtaining freight forwarder permits. The resolution provides for an open rule and 1 hour of general debate.

The reported bill, S. 1383, is identical to the bill, S. 3365, which passed the Senate in June, last year, was reported favorably by the Interstate and Foreign Commerce Committee on July 18, but was not brought up prior to the adjournment of the 84th Congress.

The bill amends subsection (d) of section 410 of the Interstate and Foreign Commerce Act. This subsection provides that the Commission cannot deny a permit to a freight forwarder solely on the ground that such service will be in competition with the service performed by other freight forwarders. In effect, this section of the bill precludes the denial of almost all applications for freight forwarder permits. Now, when a permit is denied, it is due to some unusual consideration in the particular application.

The amendment does not eliminate this section entirely, but limits its scope. It will remove the limitations on the Commission's powers insofar as all applications—other than those made by railroad-controlled corporations—are concerned. The amendment is designed to bring the requirements for forwarder permits more nearly in line with the requirements that exist with regard to the granting of operating authority to other types of common carriers subject to regulation under the Interstate Commerce Act, namely contract carriers by motor vehicle and by water. The bill will not affect bona fide shippers' associations as they are already excluded from regulation under provisions of the act.

I urge the adoption of House Resolution 387 so the House may proceed with the consideration of this bill.

Mr. ALLEN of Illinois. Mr. Speaker, I reserve the balance of my time.

Mr. O'NEILL. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AMEND SECTION 406 (B) OF THE CIVIL AERONAUTICS ACT OF 1938

Mr. MADDEN. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 389 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5822) to amend section 406 (b) of the Civil Aeronautics Act of 1938 with respect to the reinvestment by air carriers of the proceeds from the sale or other disposition of certain operating property and equipment. After general debate which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. MADDEN. Mr. Speaker, House Resolution 389 makes in order the consideration of H. R. 5822, to amend section 406 (b) of the Civil Aeronautics Act of 1938. The resolution provides for an open rule, with 1 hour of general debate on the bill.

The bill provides that in determining the need of airplane carriers for subsidies for the transportation of mail, the Civil Aeronautics Board shall not take into account capital gains derived from the sale or other disposition of flight equipment, providing the gains—less applicable expenses and taxes—are reinvested in new equipment, or placed in a special reequipment fund to be used solely for investing in flight equipment. If the funds are not used within a reasonable time, as the board may prescribe, the air carriers will not be eligible to take advantage of this provision.

In determining the amount of the subsidies to be paid, under the provisions of 406 of the act, the capital gains placed in special reequipment funds would not be considered until expended for flight equipment.

Section 2 of the bill making the amendment retroactive to capital gains realized on or after July 1, 1956, was stricken from the bill by the committee.

I urge the adoption of House Resolution 389 so the House may proceed to the consideration of this bill.

Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to proceed out of order and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, we have on the books a Legislative Reorganization Act. There is a section in that act that provides that the records of the committees of the House shall be kept separate and apart from the records of the chairman of the committee. We have a rule similar to that in wording, and the purpose is the same. We also have a statutory provision and a provision in rule 11 that every Member

DIGITIZED BY THE INTERNET ARCHIVE IN COOPERATION WITH UNIVERSITY OF MICHIGAN LIBRARIES

of the House—and, of course, that includes members of the committee—shall have access to the records of the committee.

The purpose is to enable Members, especially members of a committee to obtain quickly accurate information of what action a committee is doing or proposing to do.

Now, earlier today the question was raised as to whether a Member of the House and a member of the committee, the ranking minority member of the committee, representing the minority members on the committee, had the privilege under the provisions that he should have access to the records whether that included the right to make copies through the use of a Thermo-Fax. Well, that is a small instrument. Earlier today I gave the size of it. It is 9 by 15 by 18. I am putting this in the RECORD not because there is any assumpton on my part that the Members are not familiar with the instrument but somebody reading the RECORD, if somebody does, might not know how compact and convenient it is. All one does is to hook it up to the socket in an office with a cord, shove a piece of paper in it, push a button, and out comes a copy. It is very convenient, and it is a very rapid and a very quick, efficient way of making exact copies of what is wanted.

The Committee on Government Operations has had $985,000, a fairly sizable sum, to make investigations and to hold hearings. It has the usual power of committees of the House, that is, to subpena witnesses and all that goes with the holding of hearings. The committee has a staff, as has been said before, of some 62 or 63 employees, while the minority has but 3 assigned to it. The chairman of the committee, the gentleman from Illinois [Mr. DAWSON] was very generous and he gave us an extra stenographer—pardon me; strike out "extra"—a stenographer. We have a counsel and a staff member to look after things for the minority to try to keep track of the hearings of these 7 regular and 2 special subcommittees. That is quite a number to watch. The committees are very active. There are so many committees it is difficult to know what they are up to, to know what is going on. Some of them are doing some wonderfully fine work, but occasionally we have one that slips up, and its purpose seems to be to attack the executive department regardless, as some of us think, of what the department is or is not doing—and that may be an erroneous conclusion—of the merits of the committee's action.

At the present time, one of the subcommittees, the Chudoff subcommittee—has been assigned to make an investigation at Portland, Oreg., of the manner in which a hospital there is being conducted. That hospital provides facilities for patients who come down from Alaska. It has been charged, so rumor has it, that it is mismanaged, that public funds out there are misappropriated. The Interior Committee has held extensive hearings on that subject. But hearings are to be held on the 16th day of September next by the Chudoff subcommittee. As has been customary with that same subcommittee, although there is a committee rule that 24 hours before the hearing is held, statements which are to be made shall be made available to the members, and although it has been the practice and is the rule of the House that the minority must be informed, should know what is going on, the minority members consistently have been denied the opportunity to know what the committee is doing, or proposes to do.

I see before me a chairman of another one of the subcommittees, and this is not true of the committee that is chairmaned by the gentleman from North Carolina [Mr. FOUNTAIN]. He gives us this information. He tells us what is up. The gentleman from California [Mr. Moss], who is on the floor, does the same. Sometimes the staff slips up, but when the gentleman's attention is called to the situation he says, "Give it to them, they are entitled to know," and the staff does that. That has been just an oversight. We have no complaint.

But this other committee, the Chudoff subcommittee, makes a practice of keeping us in ignorance. I see the gentleman who is the chairman of the committee, Mr. CHUDOFF, here. There is a deliberate effort to keep us in ignorance. I understand someone heard him say the other day, "If you let HOFFMAN and those fellows know about it, we will never get a conviction." I do not know, I do not think he said that. What he might have said was, "We might defeat the purpose, if we know what he is up to," which probably is true.

We spent a lot of time, and the other body spends so much time over there on the question of civil rights. Ah, yes, but how about a Member of Congress? Does the gentleman from Pennsylvania [Mr. CHUDOFF], who is a candidate for judge in Philadelphia, ever think about the right of his colleagues on the committee to know what is doing? Is a statutory right given to a Member a civil right? Is it something that he should be permitted to enjoy; not in the opinion of Mr. Chairman CHUDOFF. Is it something that should be denied him by the House or by those who conduct the affairs of the House?

We go into committee; and this has happened time and time again. A witness is sworn. The minority members have no knowledge whatsoever of what is going to happen; or the purpose of the hearing. In this particular case to which I am referring complaints have been made, I have been advised. We have not seen the complaints, nor do we know what the staff has been doing. What it has been investigating. And the acting staff director seems to have a persecution complex. They send the staff out. The staff has been out. There is the same situation we had down in the Virgin Islands. The staff was down there 2 or 3 times. We did not know anything—we do not now in this case know anything about what is on the program until the day the witnesses appear before the committee.

Now I ask you, in all candor, how can a minority member perform his duties to the other members of the minority, to his constituents, if there is a secret investigation or a complaint that is not made known?

I think the Supreme Court jumped the track the other day when they said that the prosecuting officials should turn over to one charged with an offense the files of the FBI. But in this case the statute says we have a right to know. We cannot perform our duties adequately, efficiently, unless we do know. But the ruling was that we should not be permitted to know. A mere reading is not equal to an opportunity to study and consider—the volume of our work—our many duties, make it necessary that we use the most efficient and simple means of informing ourselves. That opportunity has been—is being—denied us.

Why cover up? Does a Congressional committee of the House represent no one but those who file complaints? What has become of the public's right? This committee was down in the Virgin Islands when Interior was there. I was just advised a few moments ago by the gentleman from Nebraska that Interior had held two hearings in connection with the conduct of this same hospital whose operation is being investigated. Is there any reason on earth why, when the statute says we shall have access to the records, we should not be permitted to use up-to-date, commonly used methods of ascertaining what is in the file? Must we go over there and be permitted to use nothing but a pencil or pen and make a copy? Is it to be blue, or black, or a red pencil? What an absurdity, what a denial of the right of a Representative to represent his people adequately, to say to him that he cannot make a copy. When it can and would be made quickly, accurately, and without inconvenience to the committee or its staff?

They say, "You can take a look at the papers." All right, I will ask to look. I will have it in my hand if they will trust me to hold it. I have with me a tape recorder, and instead of writing it down, holding it in my left hand and writing it down with my right hand, I will start the recording machine going and see if they will let me do that. No doubt someone of the staff will be looking over my shoulder listening to what I am saying. That will be all right with me—I have no secrets to hide.

Mr. MADDEN. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. CHUDOFF].

Mr. CHUDOFF. Mr. Speaker, I ask unanimous consent to proceed out of order.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. CHUDOFF. Mr. Speaker, unfortunately I was not on the floor early enough this morning because of committee work to hear my good friend

from Michigan talk about the Subcommittee on Public Works and Resources of the Committee on Government Operations. He did not name it, but I think while he is making this subcommittee so famous he ought to give the House the name of it and also give the name of the chairman.

Ever since I have been chairman of the subcommittee I have tried to run the subcommittee fairly and give every Member of the minority and majority every right that they have under the Rules of the House. The gentleman from Michigan came into the subcommittee office with a Thermo-Fax machine or a type of machine that reproduces letters and records. He said he was there with his staff ready to copy the entire file on the Morningside Hospital investigation.

Just to make sure I was not making a mistake, I picked up the Rules of the House and read that any Member of the House has access to committee files, but those committee files are the property of the committee and not the property of the Members of the House. So I ruled that access does not mean reproduction, and I said to the gentleman from Michigan, "Bring the minority staff in here and I will supply you with the majority staff, any member you want or all of them, and you can sit down and read every single piece of paper we have in those files. You can make longhand excerpts, if you wish. But you cannot reproduce them, because that would mean that would give the right to every Member of Congress to have a file of every subcommittee in the House including the Committee on Rules, and, in my opinion, that is not what the House intended when it passed the rule."

I understand the gentleman from Michigan was down on the floor this morning shortly after we convened and he told you the same story that he told you this afternoon. I understand that the Speaker ruled that access to files under the rules does not mean reproduction. Since that is the ruling of the Speaker, I have been sustained, and that is exactly how the matter stands at this point.

I want to say to the gentleman from Michigan, or any member of the Committee on Government Operations, or of the Subcommittee on Public Works and Resources, or any Member of this House, whether on the majority or minority side, can feel free to come over to the George Washington Inn, room 201, and go through any papers we have there. The files are open. You can look at them, but you cannot reproduce them.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. CHUDOFF. I yield to the gentleman from Michigan.

Mr. HOFFMAN. Does the gentleman mean, then, that we can come over there and look at the complaints on this Morningside investigation, and we can read them and get a recording on the tape recorder?

Mr. CHUDOFF. I did not say that. I said you can get excerpts. I did not say you could use a tape recorder. You had Miss Boyer and you had Mr. Carlson over there for 2 weeks making excerpts. You know more about that investigation than I do, because Mr. Coe who runs the Morningside Hospital has been giving you information that I cannot get from him.

Mr. HOFFMAN. Wait just a moment. Will the gentleman yield for a correction?

Mr. CHUDOFF. I yield.

Mr. HOFFMAN. You are just mistaken about it because I have not a word from the gentleman and never have had.

Mr. CHUDOFF. I also want to say this to you. You said I was afraid to give you information because I cannot get a conviction. I am not out to convict anybody. My subcommittee is a factfinding body. We are going to find the facts and report them back to the House.

Mr. HOFFMAN. That is news. Because in many of the statements the gentleman has made when hearings opened and before testimony was taken, some of those involved were declared to be guilty of improper conduct, violations of law, condemned without a hearing, before a word of testimony was taken. The gentleman said, and I quote: "The files are open, you can copy them." That the gentleman will properly realize when he revises his remarks.

Mr. MADDEN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. HARRIS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5822) to amend section 406 (b) of the Civil Aeronautics Act of 1938 with respect to the reinvestment by air carriers of the proceeds from the sale or other disposition of certain operating property and equipment.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H. R. 5822, with Mr. DEMPSEY in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. HARRIS. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, one of the big problems we have in connection with vital air service in the country is resolving some of the difficulties of the small or local service carriers. This has been a problem that has faced our committee and the Congress for years. We endeavored in the last Congress to do something for that group of people performing a vital and needed service. The legislation we have before us today is principally to reach that situation. It is referred to as the capital-gains bill.

Enactment of H. R. 5822, the so-called capital-gains bill, is needed to help the local service and other subsidized airlines acquire new equipment to reduce their subsidy requirements and to provide the public better service.

The principal beneficiaries will be the local service airlines and territorial airlines, as well as helicopter operators and whatever domestic truck lines and international operations may be in a subsidy status when flight equipment is sold.

The bill provides that in determining the need of air carriers for subsidy mail pay, the Civil Aeronautics Board shall not take into account gains from the sale or other disposition of flight equipment, provided the net gains are reinvested in flight equipment.

The bill would prevent Government confiscation of capital gains from sales of flight equipment which tends to discourage subsidized air carriers from replacing obsolete equipment.

At present, because of certain court decisions and proceedings instituted by the Board, a subsidized airline faces the prospect of having capital gains from flight equipment deducted from the subsidy to which it would otherwise be entitled. For example, suppose a carrier which needed $100,000 in subsidy made a capital gain of $100,000 on the sale of a plane, it would get no subsidy. Still, it would be without the plane which had been sold. To get the money for a downpayment on another plane, it would have to find some other source—such as borrowing or sale of equity securities.

But if the carrier decides to go ahead and buy new equipment to improve service and reduce subsidy needs, borrowing money for the downpayment is not easy, especially when you consider that the new plane will cost $650,000 or more. If the carrier had been permitted to retain the $100,000 capital gain on the sale of the old plane, the problem would be much simpler.

The local-service and territorial air carriers now are costing the Government approximately $30 million a year in subsidy. They must have new and more efficient equipment if they are going to reduce their subsidy needs.

As of last December 31, the 13 local-service airlines operated 188 DC–3's. Approximately 13 DC–3 aircraft were operated by the 6 Alaskan carriers and 15 by the 2 Hawaiian carriers. The DC–3 is still safe and reliable, but it was developed before World War II and is unable to compete with today's fast, pressurized aircraft.

The international carriers likewise must have new and modern equipment to meet the stiff competition, improve public service and efficiency.

That is just how simple this bill is. As a matter of fact, over a period of years we have tried to develop some substitute for the old DC–3 in order that these smaller airlines could have a more efficient and economical plane. Our committee had occasion to look at some of the smaller planes manufactured by various companies within the past few years. One that has met with favor is the F–27 that is now being manufactured by Fairchild. Some of the airlines have a number of these planes on order.

To show you just what this capital-gains legislation means to the local-service carriers, let me quote from a statement made to the subcommittee by Mr. R. E. McKaughan, president of Trans-Texas Airways, to be found at page 145 of the hearings. It is typical of statements made by representatives of other short-haul carriers. He said:

Unless Trans-Texas can be relieved of the threat of losing capital gains it expects to realize on the sale of flight and other equipment, our investment bankers advise that long-term financing to provide funds for the purchase of new aircraft is simply not available.

Mr. Frank W. Hulse, president of Southern Airways, told us:

I believe that in addition to our lack of earnings the single reason most often advanced by the financial community for reluctance to assist us in obtaining capital for reequipment purposes has been the proposal to confiscate gains from the sale of our present fleet.

Subsidized carriers do not, by choice, require Government support. These carriers are certificated to perform a service found by the Government to be required to meet the needs of the foreign and domestic commerce of the United States, of the postal service, and of the national defense. The amount of support which is paid in the form of subsidy to these carriers is paid for performing these services which the national interest requires. To put it another way, subsidy paid is the price set by the CAB, for performing services which have been found to be required in the national interest.

In that connection, let me quote briefly from a recent speech by a former colleague of ours, the Honorable Harmar D. Denny, now a member of the Civil Aeronautics Board, who said:

The present network of 254,989 route miles authorized by the Civil Aeronautics Board to serve the continental United States includes 588 cities and towns in all our 48 States. Internationally, our American air transportation network extends outward 289,236 route miles from our borders and has been authorized by the Board to serve 260 cities in 76 nations on every continent of the world.

Developing our great route network in the early days took more than the resources of private enterprise; it needed direct cash subsidy from the Federal Government. Is there anyone here who will deny that investment in this newest and fastest growing of all transportation mediums did not pay off this investment many times over by being immediately available as a logistic support to our military forces in World War II?

In the CAB's so-called capital gains proceeding, Docket No. 7902, the Board's attorney, called bureau counsel, has recently announced the flat position that the Board has no authority, as the Civil Aeronautics Act is now written, to permit subsidized air carriers to retain their capital gains for purposes of reinvestment in flight equipment. He maintains that Government recapture of subsidized carriers' capital gains from the sale of flight equipment is required as a matter of law. This proceeding has been pending since April 1956 and has only recently reached the stage of the first round of briefs. Not only is a final decision at least many months away, but the entire posture of the proceeding does not offer encouragement toward an adequate ultimate solution of the pressing problem at hand. The Board and the industry sorely need the benefits of Congressional guidance and firm policy determination which in this instance can be attained only through appropriate amendment of the Civil Aeronautics Act.

A pretty good explanation of the situation was given the subcommittee in a statement by Mr. Robert O. Kinsey, controller, Pacific Northern Airlines, which will be found at page 135 of the hearings. He explained the situation as follows:

Since April 6, 1956, the Civil Aeronautics Board has been conducting the so-called capital gains proceeding, docket No. 7902, the purpose of which is to determine whether or not the Board should include in all present and future final mail-rate orders of subsidized carriers a provision whereby the amount of subsidy payable to each such carrier would be automatically reduced by the amount of capital gains realized at any time from the sale of equipment. Heretofore the policy of the Board has been that capital gains realized during an open-rate period, while a carrier was on a temporary mail rate, would be offset against subsidy requirements when the rate was finally fixed. However, capital gains realized by a subsidized carrier during a period when it was on final or permanent mail rates have not heretofore been recaptured by the Board. The Board's order instituting the capital gains proceeding is couched in language which makes it appear that the purpose of the investigation instituted thereby is to determine whether or not the Board should give effect to capital gains and losses realized at any time in making subsidy payments under either temporary or permanent rates. However, hearings in that case have now been completed, and the Board's bureau counsel has taken the position that all capital gains realized by subsidized carriers in both open- and closed-rate periods must under the law as it is now written be recaptured by the Board in cash as soon as they are realized. Therefore, as far as the Board's staff is concerned the only unsolved problem in that case is to devise a method of providing for such recapture. Under these circumstances, it would be most appropriate for the Congress to declare a policy to be followed by the Board, if you agree with us that retention of all capital gains for subsidized air carriers is essential to enable them to finance the purchase of more advanced, more efficient, and more economical fleets of aircraft.

Mr. Chairman, an argument frequently advanced against the bill goes like this: The Board in providing subsidy for a particular carrier has, during the life of its equipment, allowed as one of the necessary costs of operation the depreciation on the equipment. Subsidy has thus contributed to meeting this cost. If the equipment concerned is sold at an amount larger than its book value, and the carrier is permitted to keep this gain, the carrier will be reimbursed for this depreciation cost twice. This argument is no good, and here are the reasons why:

First. Subsidy is not related to depreciation or to any other cost. As a matter of long-established practice, the subsidy to be given to a particular carrier equals the difference between the carrier's commercial revenues and the sum of the carrier's allowable expenses plus a reasonable return on his investment. In some cases, commercial revenues may cover all expenses, subsidy being required only to provide a reasonable profit. In other cases, commercial revenues may fail to cover expenses by varying percentages. Even in those cases where commercial revenues failed to cover expenses, the Board has never assigned subsidy to the payment of any particular item of expense, such as pilots' pay, gasoline, accounting services or depreciation.

Second. Before determining subsidy, the Board, as a matter of practice, carefully analyzes all items of cost of the subsidized carrier, and estimates the level of cost which will be incurred. This examination includes depreciation. The Board has many times asserted its authority in subsidy cases to reduce anticipated depreciation expense by extending the anticipated useful life of the equipment or by increasing residual values. The Board's estimates are, of course, never exactly right. The carrier may spend more for pilots' pay. It may spend less for maintenance. Its sales expenses may be reduced—its gasoline costs increased. The Board has not followed the practice of recapturing the amounts a carrier saves by reducing expenses below the Board's estimates. Such a practice would be patently unconscionable unless the Board should agree also to reimburse the carrier for those items of expense which were underestimated. Nevertheless, a principle which permits the Board to recapture a carrier's savings resulting from overestimates of depreciation is said to justify recapture of capital gains. This is equally unconscionable.

Third. Capital gains on equipment result from inflation in the cost of equipment. The purpose of depreciation is to permit a business enterprise to replace its plant capacity as it becomes obsolete or worn out. In the absence of depreciation, a company would devour itself over the years of its operation. Depreciation expense taken by carriers accumulated over the useful life of the equipment does not aggregate enough at the end of the period to replace the capacity of the airplane being disposed of. Prices of airplanes have gone up as has everything else. The carrier must retain the capital gain on the sale of his old equipment which results from inflation in order to buy the same capacity in more modern equipment, the price of which has been increased by the same inflation which caused the capital gain. If the capital gains are confiscated, the carrier is required by Government order to follow the highly uneconomic practice of using its capital assets to pay operating expenses, and thus devouring itself as it goes along.

Under the American philosophy, all are entitled to equal and nondiscriminatory treatment under the law. In this situation, if the principle embodied in the bill is necessary or good for the small, it is good for all, and all are entitled to equal treatment. As for the compara-

tive benefits which are to be derived by various carriers in the future, we know or are reasonably certain that some of the smaller carriers affected by this bill will have to face and finance complete turnover and reequipment of their entire aircraft fleet within the next few years. As for a larger carrier, while its total fleet investment in equipment presently serving an extensive international route system is relatively greater, much of its fleet of large aircraft is of more recent manufacture and a lesser percentage of fleet turnover is in prospect for it during the same period. Yet, its need to retain capital gains from equipment which is to be retired is as great or greater than is the case of a small local service carrier, whose existing depreciated equipment represents a far less substantial part of the total industry equipment investment.

CAB statistics as at December 31, 1956, value the entire subsidized airline industry fleet at a depreciated book value of $173,824,000. A small carrier, whose outmoded DC–3 equipment is completely depreciated to a small residual value thus represents a very minor portion of the total industry investment. In forecasting the total amount of capital gains which could be expected to be realized by the subsidized group of carriers during the period 1956 to 1960, a total of $67,276,000 in such capital gains has been estimated in documents filed with the CAB. This estimated total was based upon an arbitrarily assumed rate of equipment turnover applied equally across the board to all carriers. Thus, this forecast may in fact be on the high side since less than the assumed number of aircraft may actually be sold.

It is also known that some carriers, particularly the larger and older ones, have already gone through previous reequipment programs, whereas others, including the smaller and those of more recent origin, now for the first time face the necessity for a complete or substantial reequipment program. Thus, it should be obvious to anyone that reference to equipment transactions in past periods provides no index whatsoever of the carriers affected by this bill for the future, or the relative or proportionate benefits which they will receive from this legislation. Certainly, these facts and current conditions make it entirely incorrect and improper for anyone to conjecture merely by reference to past equipment transactions that any particular airline will be a primary beneficiary of this bill or in any astronomical proportions.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. HARRIS. Mr. Chairman, I yield myself 5 additional minutes.

Mr. WIER. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. WIER. You have told us how simple this bill is if the proposal before the committee becomes effective. What has been the past or present processing of these funds that these companies get for the sale of deteriorating equipment? What are they compelled to do with it now?

Mr. HARRIS. This legislation is applicable only to those airlines that are receiving airmail subsidies from the Government. The present procedure which the Board has followed is that the capital gains received from the sale of old equipment while the carrier is on an open mail rate is deducted from their subsidy payments. That naturally results in depleting their capital.

Mr. YOUNGER. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. YOUNGER. Is it not true that this in no way affects the income tax on the profit?

Mr. HARRIS. The gentleman is correct. The hearings and the report show that this does not affect income taxes whatsoever.

I think it might be appropriate to say that we had legislation in the last session of Congress that dealt with this, over which quite a controversy arose. We have attempted to remove the objections that were raised at that time. One of the major objections was that some particular airline under subsidy might have other property which they would dispose of and therefore realize capital gains out of it. This bill is tightened down whereby it applies to the sale of flight equipment.

The pending bill leaves no doubt on that point. It is limited to flight equipment. A study of the bill, I am sure, will show that the objections raised last year have been eliminated.

The pending bill is tightened up further to require that the carrier making the gain must notify the Board in writing that it has been made.

The third, an important amendment, is that the funds must be covered into a so-called reequipment fund and held there for the purchase of airplanes, or retirement of debt incurred for their purchase.

The fourth is that the amount of the capital gain in the fund may not be considered by the Board for ratemaking purposes until the fund has been invested.

The bill as originally introduced would have been retroactive to January 1, 1956. The committee adopted an amendment to strike out this provision.

Citing capital gains prior to January 1, 1956, is only clouding the issue. Even if the committee amendment is rejected, this legislation could not possibly affect any gains realized prior to January 1, 1956.

Similar legislation considered a year ago was opposed by the Department of Commerce and the Bureau of the Budget. Both the Department of Commerce and the Budget Bureau now support the pending bill.

Representatives of various local services, international, territorial, and helicopter carriers, and a representative of the AFL–CIO appeared before the subcommittee in support of the pending legislation. No one appeared in opposition.

The Civil Aeronautics Board was evenly divided on the capital gains bill considered a year ago, 2 members favorable and 2 opposed. Because the manner of handling capital gains is pending before the Board in a proceeding begun April 6, 1956, the Board this year is taking no position on the legislation. The Board's position is explained in a statement included in the committee's report on H. R. 5822.

Another objection last year was the applicability of it to one of the major international airlines. That objection is removed at this time because that company is not on subsidy any longer. It went off of subsidy in October of last year.

The bill when introduced had a retroactive provision, retroactive as of January 1, 1956. By an amendment adopted in the committee that provision was deleted from bill and, therefore, it becomes effective only with the enactment of the legislation.

We feel that this is a vital piece of legislation. Those who appeared before our committee told us that there was an emergency existing today and that they needed this, along with 1 or 2 other bills pending, to enable them to purchase modern, new aircraft and without it they were not going to be able to provide the services needed.

Mr. ROGERS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. ROGERS of Colorado. I want to compliment the chairman of the committee for bringing out this legislation, for there are four feeder lines that come into my district which are affected by it. As pointed out in the statement just made, unless they have legislation of this type, which will permit them to build up their so-called equity capital, they will probably get their hands further into subsidy. For that reason I am in favor of this legislation.

Mr. HARRIS. We think it is right. We think it is equitable legislation; and, second, it does justice to a group of people who are performing a vital service for the public and the country.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Massachusetts.

Mr. NICHOLSON. Does this bill permit the company to plow its profits back into the company?

Mr. HARRIS. Money realized from the sale of old equipment when it is applied on the purchase of new equipment.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Indiana.

Mr. HALLECK. I want to add my voice to the support of this legislation. As a matter of fact in other places in our tax laws we have precedents for permitting the application of what would otherwise be capital gains on the purchase of something in the same line, for instance, as on our homes if we undertake to sell them and within the year purchase a new one.

There operates in my section of the country a small airline known as the Lake Central Airlines. They have sent

me a telegram which I think very well sums up the whole matter. It reads as follows:

INDIANAPOLIS, IND., *August 12, 1957.*
Congressman CHARLES A. HALLECK,
Capitol Building, Washington, D. C.:

H. R. 5322 and H. R. 7993, favorably reported by House Interstate and Commerce Committee require your support for passage this session. Lake Central testimony before committee wholeheartedly indorsed this legislation as vital to our ability to finance acquisition of new aircraft, thus fulfilling our assignment of developing local air transportation for Indiana's and Ohio's traveling public. Will also assist in Lake Central's continued development directed toward reduction and possible elimination of subsidies.

GWIN HICKS,
President, Lake Central Airlines.

Mr. HARRIS. I thank the gentleman from Indiana for his statement. Certainly that is true, not only with respect to all the smaller airlines but to some of the others that are receiving subsidy now.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Minnesota.

Mr. JUDD. The gentleman will recall that last year we had a somewhat similar bill before us and after quite a fight, recommitted the bill.

First of all, I want to congratulate the gentleman and his committee for having greatly improved the bill by removing from last year's bill most of the things that led to my opposition at that time.

I think the general principles of this bill are sound, and I do not see any legitimate objection to them.

But I do want to raise two questions, if I may: Why should this bill come before us now when, so I am advised, this very subject is before the CAB? I read the testimony of the chairman of that Board, Mr. James R. Durfee, before the gentleman's committee. He said he could not express a view on the matter because his own agency was still in the process of examining it. I do not understand why this bill should be brought out of committee now in the last days of the session when within a few weeks, or at the most, months, we shall be able to have the views and the advice of the board of experts this Congress itself set up to study all problems in the field of civil aviation.

Mr. HARRIS. As a matter of fact, hearings revealed the vital concern of the carriers concerned who urged early action because they want to work out their equipment problems as soon as possible.

We are not impressed at all by what has gone before. We know what the attitude of the Board has been throughout the years. They could not tell us what the Board would do, insofar as their decision was concerned, on the problem pending before them. We know what has been the result of their action in the past. They have deducted from subsidy payments any capital gains realized during open-rate periods.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. O'HARA of Minnesota. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. HARRIS. We feel, as a matter of fact, if we are going to judge the future by the past action of the Board the carriers are not going to get any relief the rest of this year, the next year, or in any other year.

Mr. JUDD. My only point is this: If you call in doctors on a case, it seems to me unusual to take action without waiting at least for the diagnosis and the recommendations of the doctors.

Mr. HARRIS. I appreciate the gentleman's statement. He is a noted doctor and so recognized not only in this country but all over the world and I think it certainly is an appropriate analogy that he makes. We did call in the doctors, but not as good doctors on this job as the gentleman is in his own field, but they have not yet been able to give us any relief.

Mr. JUDD. I am honored by the flattering remarks of the gentleman but, in general, I think it is wise at least to see what an agency recommends. That does not mean we would go along with it. Only recently we passed the Alaska carriers bill in which we disregarded the recommendations, or the inaction, of the CAB, the supposed experts in the field, and I strongly favored that.

Now, my second question is about section 2 of the bill. Will the gentleman explain why section 2 was in the original bill and why January 1, 1956, should have been picked as the date when this bill would become operative, even though passed a year and a half later?

Mr. HARRIS. The Board has been applying capital gains from the sale of tangible assets to reducing subsidy payments when realized during an open-rate period. The Board early in 1956 commenced a proceeding for the purpose of determining a method for deducting such capital gains when realized during future closed-rate periods. Then the committee during the last Congress went into it in an effort to try to work out the matter.

Mr. JUDD. Prior to that action by the Board, such capital gains were not figured in as a part of the "other income" of an airline in working out the amount of its subsidy?

Mr. HARRIS. Not when realized during a closed-rate period. We are going into the turbo-prop age for the smaller lines and to the jet age for the larger lines; therefore, it is necessary that arrangements for new flight equipment be made by these companies if they are going to have any chance or opportunity at all for efficient operation and thereby ultimately get themselves off the subsidy list, too.

Mr. JUDD. I am in wholehearted agreement with the argument the gentleman just suggested. But, in general, I am opposed to making legislation retroactive; and I see no justification for it in this case. We are just going into the jet age and the turboprop age, as the gentleman said. Most of the disposal of obsolete and inefficient airline equipment will take place after the passage of this act. Why should we not put it into operation as of the date it becomes law and not get into the difficulty of making the new rules retroactive and giving windfalls to those who are not the ones that need it most? I hope that the gentleman and his committee, having voted in committee to strike out section 2, will adamantly stick to that position in conference, and then there will be no question of either inequity or favoritism anywhere down the line.

Mr. HARRIS. Many of these carriers entered into contracts a year or more ago with reference to the new types and in doing so committed themselves on a capital investment program.

Mr. Chairman, I submit herewith a letter from Hon. Chan Gurney, Vice Chairman of the Civil Aeronautics Board, and certain information furnished the committee by the Board:

CIVIL AERONAUTICS BOARD,
Washington, August 13, 1957.

Hon. OREN HARRIS,
Chairman, Committee on Interstate and Foreign Commerce, House of Representatives, Washington, D. C.

DEAR CONGRESSMAN HARRIS: This is in response to your letters of August 3, and August 7, 1957, requesting certain information concerning H. R. 5822.

The Board does not believe it may properly take a position or offer comments on H. R. 5822 at this time, in view of the pendency before the Board of the Capital Gains Proceeding, docket No. 7902. The Board, however, is pleased to supply the factual information requested in your letters.

The table entitled "Reported Aircraft Retirement Gains or (Losses), Calendar Years Through 1956" (enclosure A) indicates the reported capital gains and losses, before related capital gains taxes, from the retirement of flight equipment by each of the subsidized air carriers involved in the Capital Gains Proceeding, docket No. 7902, for the calendar years 1945–56. The gross amount of such gains for 1956 was $5,333,000.

The effect on the carriers of an amendment making the effective date of legislation April 6, 1956 is best illustrated by the table entitled "Reported Aircraft Retirement Gains or Losses, January 1, 1956, Through April 5, 1956, and April 6, 1956, Through December 31, 1956" (enclosure B). Of the carriers reporting significant capital gains for the year 1956, $3,774,000 is attributable to the period prior to April 6 and $1,594,000 to the period April 6 through December 31, 1956.

In reference to your letter of August 7, the figures given in the table on page 17 of House Report No. 980 are correct, including the figure of $4,937,000 for Pan American. However, these figures represent the total gains or losses both on flight equipment and ground equipment as compared with those in the enclosed tables which set forth the data for flight equipment only. The figures shown in footnote 3 appear to be substantially correct. They do not, of course, total the $4,937,000 shown in the table and the difference is apparently comprised of gains on the retirement of ground property.

Pan American's subsidy status is covered in enclosure C, which is a copy of material recently supplied to Representative JOHN D. DINGELL.

If you have any future questions regarding the enclosed material or any other related questions, please do not hesitate to communicate with us.

Sincerely yours,

CHAN GURNEY,
Vice Chairman.

ENCLOSURE A

Reported aircraft retirement gains (or losses), calendar years through 1956

[In thousands]

Carrier	1945	1946	1947	1948	1949	1950	1951	1952	1953	1954	1955	1956	Total
Alaska				$4	($11)	($16)	($15)	$497	$80	$83	$7	$17	$646
Alaska Coastal					16	2		14	17	4	1	3	57
Allegheny	$1	$1	$2		(5)	(5)	(1)	(2)	5		86	169	254
Bonanza						9		(1)		(7)	(1)	1	1
Braniff [1]	67	60	(6)	4	85	142	2	753	1,888	2,440	250	(15)	5,670
Byers (merged with Wien July 9, 1956)						1	2	(1)		2	1		5
Central						(2)	20		5	8	5	(1)	35
Colonial (merged with Eastern May 31, 1956)		(4)	(136)	1	(25)	1	(37)	(55)	(8)	(1)	(13)		(277)
Continental	99	157	73	(6)	90	18	122	1,287	1,366	166	108	331	3,811
Cordova					(1)		(2)	8	24	8		(2)	35
Ellis					2	14			(1)			4	19
Frontier [1]							1		(1)	(1)			(1)
Hawaiian	12	(7)	(1)	(19)	(4)	(2)			95	33	142		249
Helicopter							(14)	(3)	1		153	3	140
Lake Central							43	27					70
Los Angeles				(1)			1	1			34	2	37
Mohawk						(26)	3		(4)		(3)		(30)
New York										(5)	(1)	(5)	(11)
North Central					1	24				4			29
Northeast	77	54	(21)	(32)	(1)	325	(1)	259	(5)	29	351	(20)	1,015
Northern Consolidated				1	(9)	(1)	1	8	32	14	76	8	130
Ozark							(4)		(19)	(4)	(2)	1	(28)
Pacific Northern				6	(2)	(3)		3	(4)	(2)	43	10	51
Pan American-Grace	53	(4)	(51)	66	(194)	21	5	3	600	2,069	63	145	2,776
Pan American World [1]	36	460	402	136	809	3,495	1,818	4,106	4,093	2,864	4,692	4,652	27,563
Piedmont					(3)			(1)	12	(1)			7
Reeve				1				1				(3)	(1)
Southern						8			1	(1)	2	36	46
Southwest			6	3		2	85	43	65	(2)	223	3	428
Trans-Pacific							(1)				96	(1)	94
Trans-Texas					(2)		2	35	2		(3)		34
West Coast [1]						1		11					12
Wien Alaska				(10)	(15)	(1)	(4)	(2)		3	38	(5)	4
Total	345	717	268	154	730	3,984	2,050	6,991	8,244	7,703	6,348	5,333	42,867

[1] Includes data for acquired and merged airlines prior to date of merger.

Source: Years 1945–46, CAB Forms 2380, schedule 4, and forms 2780, schedule 5, years 1947–56, CAB Forms 41, schedule B–1.

ENCLOSURE B

Reported aircraft retirement gains or losses, Jan. 1, 1956, through Apr. 5, 1956, and Apr. 6, 1956, through Dec. 31, 1956

[In thousands]

Carrier	Jan. 1, 1956, through Apr. 5, 1956	Apr. 6, 1956, through Dec. 31, 1956	Total, 1956
Alaska	$14	$3	$17
Allegheny		169	169
Continental	223	108	331
Northern Consolidated		8	8
Pacific Northern		10	10
Pan American-Grace		145	145
Pan American	3,505	1,147	4,652
Southern	32	4	36
Subtotal	3,774	1,594	5,368
All other			[1] −35
Total			5,333

[1] Breakdown between the 2 periods has not been prepared.

Source: CAB Form 41, schedule A–4.

ENCLOSURE C

Question 1. Is Pan American Airways on subsidy at present? If so, what is amount of subsidy?

Answer. Since October 1, 1956, Pan American has been on a temporary mail rate without any subsidy whatever. This temporary rate is subject to adjustment in the final rate proceeding retroactive to October 1, 1956. The carrier is claiming substantial amounts of annual subsidy for its certificated operations. For CAB subsidy appropriation purposes, however, the Board advised the Appropriations Committee of each House of Congress this spring that it was the Board's best judgment that on the basis of the latest available information it was proper to assume for budget purposes that the Pan American system would receive no subsidy for fiscal year 1958. Pan American is, of course, entitled to notice and hearing before a final decision is reached by the Board on the question of the final subsidy rate determination.

Question 2. What happened in regard to the controversy that arose last year wherein the Government claimed that Pan American had been overpaid by about $6½ million?

Answer: On March 20, 1957, the Board adopted Order No. E–11146, which proposed to reopen a previously established subsidy mail rate for Pan American and which final rate order Pan American had appealed to the Federal courts. The Board's reopening order was subject to approval by the Court of Appeals. Such court approval was obtained by the Board on May 17, 1957, and accordingly, the Board's staff is now engaged in further auditing of the books of the Pan American system in preparation for a hearing to determine whether and to what extent Pan American may have been overpaid any amounts of subsidy. The reopened proceeding is extremely complex and will require a considerable period of time for final completion. Copies of Board Order No. E–11146 are attached.

Question 3. What other airlines are on subsidy? What is amount of subsidy in each case?

Answer: The attached table entitled, "Estimated Subsidy Accrual Fiscal Year 1958" indicates the estimated amount of subsidy payable to each subsidized air carrier in accordance with the latest information submitted to the Appropriations Committees of the Senate and House of Representatives in connection with the Board's 1958 appropriation. It will be noted that Pan American is not included in the list of subsidized air carriers. Panagra is a 50-percent owned subsidiary of Pan American and is included in the list of subsidized carriers.

Since the submission of this material to the Congressional committees this spring, the two Hawaiian carriers have been removed from subsidy.

Question 4. What would be the effect of this bill on each of the airlines on subsidy?

Answer. The attached table entitled, "Reported Aircraft Retirement Gains (or Losses) Calendar Years Through 1956" indicates the reported capital gains and losses from the retirement of flight equipment by each of the subsidized air carriers involved in the Capital Gains Proceeding, Docket No. 7902, for the calendar years 1945–1956. Insofar as historically reported capital gains may be a guide to the future prospects, this table may be helpful to the committee.

There is also attached a table entitled, "Net Capital Gains from Sale of Aircraft for the Period 1956–1960 as Estimated by the Subsidized Airlines." This table has been prepared by the Board's staff as a summary of information submitted by the airlines in Joint Exhibit No. 30, Docket No. 7902. The table indicates an industry estimate of capital gains by the subsidized airlines for the 5-year period 1956–1960 in the amount of $66,276,000, after deduction of estimated capital-gains taxes.

It is impossible to state the precise effect the bill would have on each airline now on subsidy for various technical reasons, including the fact that the carriers receiving subsidy change from year to year and, of course, the proposed legislation would affect only the subsidized air carriers. The Board does not have an independent forecast of its own as to what the capital gains will be in the immediate years ahead, but it is believed that the attached tables will be of considerable assistance to the committee as an indication of the possible magnitude of the capital gains which might be affected by the bill.

Question 5. What would be the effect of the bill both with and without the retroactive clause which was striken out of the bill by the committee? (sec. 2).

Question 6. What specifically would be the effect on Pan American with and without the retroactive clause?

Answer. It is believed that the general effect of the bill is indicated in our comments on question 4.

In connection with the effect of the retroactive clause in section 2 of the draft bill, the attached table on reported aircraft retirement gains indicates the reported capital gains by carrier for the calendar year 1956. Capital gains before related capital gains taxes for the year 1956 have been reported in the amount of $5,333,000. However, a substantial part of this amount would not be affected by the retroactive clause of the bill since part of the capital gains was realized by subsidized air carriers prior to April 6, 1956, when the board instituted the capital gains proceeding and at a time when certain carriers were on final subsidy rates with no provision for deduction of future capital gains. Specifically, the Pan American capital gains amounted to $4,652,000 for the calendar year 1956, consisting of $1,147,000 of capital gains between April 6, 1956 and December 31, 1956, which would be affected by the retroactive clause of the bill, whereas the remainder of $3,505,000 related to the period prior to April 6, 1956 is not affected by the retroactive clause of the bill since Pan American was on a final rate at that time.

But, nevertheless, the committee by its action struck out that provision, and so far as I am concerned at this moment, I am standing by the action of the committee.

Mr. JUDD. Well, I can appreciate the gentleman's position. I recently was in a conference with the other body where I stood by the position of the House, and successfully, even though my own personal views were somewhat different. I hope the gentleman will assure the committee—and I can then vote for the bill without any qualms of conscience—that if it is passed in its present form, he will stick to that position in conference with the other body.

Mr. HARRIS. The gentleman will do the best he can to carry out the action of this House, as always.

Mr. JUDD. I am sure that if the distinguished chairman is adamant, it will be easy to sustain the action of the House.

Mr. O'HARA of Minnesota. Mr. Chairman, I yield 5 minutes to the gentleman from Maine [Mr. HALE].

Mr. HALE. Mr. Chairman, I am happy to have an opportunity to speak in behalf of this legislation which has already been adequately explained by our chairman. I think it is a very sound piece of legislation in theory, and I think it will be a very salutory piece of legislation in practice.

I remember very well the bill which our committee reported last year. I remember the debate in the House. I remember the attitude of the gentleman from Minnesota [Mr. JUDD]. The bill last year applied to other types of property than flight equipment. It was believed a year ago that the bill was unwarrantably and unduly in favor of Pan-American Airways, which was adjudged to be a giant who needed no help. This legislation is confined to flight equipment. It does not benefit any airline which is not on a subsidy. It therefore does not affect Pan-American Airways. It will enable airlines to get new equipment which should improve their financial position and help to get them off subsidy at the earliest possible date.

I cannot see how there can be any objection to the theory of the legislation. In the tax law, we recognize appropriateness of a man who realizes a certain gain from the sale of real estate reinvesting the proceeds in other real estate without incurring a capital-gain liability. However, this bill does not affect the tax law. It affects simply the subsidy legislation, the right of the airline to subsidy.

Let me say with reference to what the gentleman from Minnesota said: It does not worry me that we should go ahead and assert legislatively a policy without waiting for the Civil Aeronautics Board. The Civil Aeronautics Board is the creature of the Congress and the Congress is not the creature of the Civil Aeronautics Board. If the Congress had to pause in all its deliberations in order to get the opinions of the agencies downtown, our legislation would not be as good as it is. Actually, our committee has frequently found it necessary to strike at new policies which were either not accepted by the Civil Aeronautics Board or which were actually repugnant to the Civil Aeronautics Board. For example, we legislated permanent certification to the feeder airlines against the advice of the Civil Aeronautics Board, and I think that everybody today admits that we did a good job. Only in the present session of the Congress, we legislated permanent certification to certain airlines between the United States and Alaska against the recommendation and contrary to the opinion of the Civil Aeronautics Board. I think that any policy other than this will get us into trouble; and I am not lacking in respect for the Civil Aeronautics Board, which is a very necessary and an excellent agency. But this body here is the policymaking body of the United States. This bill embodies an important policy for civil aviation in this country. It has been most carefully considered over the last 2 years and I urge for it, your unanimous support.

Mr. O'HARA of Minnesota. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. SPRINGER].

Mr. SPRINGER. Mr. Chairman, I think it is very clear to the House that this bill can only apply to those that are on airmail compensation subsidy at the present time and cannot apply to any line not on that subsidy. The result of it is that practically the only lines that I know of covered by the bill are the 32 feeder airlines which serve practically every community of any size in the area of any Member of this body. These are the ones who have had difficulties since the end of World War II. Many of them took used equipment then and are still using that same used equipment today. The only opportunity they have to make any improvements in their present position is through the purchase of brandnew equipment. The only way they can do this in my estimation is to take the proceeds from the sale of the equipment presently being used and apply that on equipment which is new.

The gentleman from Minnesota raised the question, Why go ahead now with a decision pending before the CAA? May I say that these lines have waited patiently for some time to get a decision. All Members who are interested in improving their local feeder lines I think are going to have to give some credit to these lines in the purchase of new equipment, regardless of what CAB does. CAB is faced with two problems: First, do they have the power, do they have the legal authority to grant this kind of a capital gain, and the second problem, if they have the legal authority, which may not even be determined for some time and may have to go to the courts. But let us assume that they do have the legal authority, then the question is, Do they want to apply this principle? That is going to be a long time in litigation in my estimation before we get those two questions resolved.

In the meantime these lines are going to be flying the same old equipment. We are a policymaking body. I think we have both the right as a matter of policy to determine what ought to be done for these airlines, and in the second place we have a duty to those who ride upon this equipment.

Mr. MORANO. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from Connecticut.

Mr. MORANO. Is not this measure essentially a safety proposal? In other words, it will increase the degree of safety of people who use the airlines.

Mr. SPRINGER. I do not think there is any question about it. If the gentleman could have seen the pictures of the J–27 and the performance of that new plane which is going to be used on several airlines, the Bonanza being one out in the Far West, for the benefit of those who are here from that area, I think he would certainly see the great contrast between that new, modern airplane and these old DC–3's which have been flying over many of these routes for 10 or 11 years.

Mr. MORANO. I thank the gentleman.

Mr. PATTERSON. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from Connecticut.

Mr. PATTERSON. Also, is not the reinvestment of this capital in our own domestic airlines going to put us in a position where we can better withstand the competition of some of these foreign airlines that are encroaching upon our routes?

Mr. SPRINGER. Actually, I think the only lines that will be affected for any substantial purpose will be the local feeder airlines here. I do not believe in this legislation we will be helping any which will be in competition with any foregn airlines, unless you want to consider Air France as one, which would fly from New York to Mexico City. I do not believe there is any line flying in competition with them that is on subsidy.

Mr. PATTERSON. I certainly would take that into consideration, because, for instance, I think Pan American is flying into Mexico.

Mr. SPRINGER. But Pan American went off subsidy last October.

Mr. PATTERSON. I know, but still Pan American is going into Mexico and frankly was a pioneer of that particular line. I think they should be protected in every possible way.

Mr. SPRINGER. The gentleman understands that this credit can be taken

only by those presently on airmail compensation subsidy.

Mr. MORANO. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from Connecticut.

Mr. MORANO. Is it not true that foreign governments subsidize their airlines and practically own their airlines? The least we can do is give our own domestic airlines a chance to reinvest the money from the sale of their own equipment so we can at least have some good equipment, up to date, and save some lives.

Mr. SPRINGER. I think that is true. The gentleman has said one thing that is quite correct. All the foreign lines are government owned. I know of no private enterprise in foreign lines.

Mr. NEAL. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from West Virginia.

Mr. NEAL. I commend the committee on this bill. I think it is one that has far-reaching effect. It will be of very, very great aid to a number of the smaller lines that are flying into the western portion of my State. I believe generally speaking, advantages given to these small lines to finance themselves will do much toward equipping and maintaining them in such financial status that they can continue to feed to larger lines as well as accommodate local interests.

Mr. PATTERSON. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. PATTERSON. Mr. Chairman, I am in full accord with the recommendations of the Committee on Interstate and Foreign Commerce in regard to H. R. 5822, a proposal designed to offer air carriers an incentive to dispose of obsolete equipment and to purchase new and improved aircraft and equipment. Consequently, the public will benefit from greater air safety.

H. R. 5822 would allow air carriers on a subsidized basis to keep, for reinvestment purposes, revenue to be reinvested in the purchase of new equipment. I wish to emphasize the fact that our domestic airlines operating international routes urgently need this legislation to maintain their competitive position by providing greater air safety and more efficient service than their foreign competitors, who incidentally are heavily subsidized by their respective governments in an attempt to capture the international air transportation business.

Furthermore, from a national defense standpoint, it is highly important that commercial airlines be equipped with the latest and best aircraft available and operate with maximum efficiency because in the event of national emergency or war these large air carriers will be called into the military service to help provide the airlift for our troops deploying on a global battlefront or rushed to strategic and distant points to put out "brush fires" to prevent a major conflagration.

Mr. O'HARA of Minnesota. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. BOW].

Mr. BOW. Mr. Chairman, I rise to support this bill. I think it is excellent legislation and will be helpful to the small airlines in this Nation.

I feel, however, there has perhaps been some misconception, at least as far as I read the bill, on the question of subsidy. This relates, as I see it, to a determination of the compensation for transportation of mail, which is different from the overall subsidies which we grant to the airlines. As a member of the Committee on Appropriations, that grants the subsidy, I am always happy to see lines go off subsidy. We now have 93 or 94 percent of all American airlines off subsidy. It is only the small feeder lines that still require some subsidy, and their carrying of the mail, the transportation of mail, and the compensation for it, is very important.

May I say that in seeing these trunk lines get off subsidy as we have gone along we find that as they buy new, modern, efficient equipment, their overall expense goes down. That is the reason they get off subsidy. So by this type of bill we are beginning to help the small feeder lines also to reduce the amount of subsidy we have to pay them to carry on with the compensation for the transportation of mail.

We cannot consider that completely as subsidy in view of the fact that we have within the last few days heard of the profits that have been made by the Post Office Department in the carrying of mail, as I recall it, about $25 million. So that considering the transportation-of-mail payments made to them the post office still makes a profit on the carrying of mail.

It is important to these lines under this bill for these other reasons, as I see it. It is not only for new airplanes, it is for getting aircraft engines, aircraft propellers, aircraft equipment, and aircraft navigational equipment, and I think that is very important. We have just allowed in the appropriation bill this year a very large amount for the establishment of new Vortac installations throughout the Nation. To have a plane properly fly and to help with safety, it will be necessary for them to install Vortac in the planes, and by being able to use this writeoff to purchase that kind of equipment, you are going to increase the safety of the planes. Many of the planes today are flying with radar to avoid storms and rough weather. It is important for these small lines, particularly, because of the fact that they have smaller trips and smaller hops and they cannot go to the altitudes that some of the others do in long flights. It is necessary for them to have radar in order to chart their course and to avoid storms.

Mr. Chairman, I support this bill wholeheartedly. I think the committee is to be congratulated for bringing it out now. I do not think we should wait for some agency downtown to make up their minds as to what we should do. It seems to me when the Congress sees its responsibility for our own airlines in this country, and those who have traveled abroad have seen small lines in many foreign nations beginning to get pretty good equipment, much better than some of our feeder lines, and a great deal of that has come about because of the aid we have given to those countries, I think it is a splendid thing now to begin taking care of our own and to build up our own feeder lines and get them off the subsidy and get them better equipment and safer equipment and be able to save some money.

Mr. MORANO. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield.

Mr. MORANO. I compliment the gentleman on the statement he has just made. It is a good statement and I wish to associate myself with it. I support this measure. This measure is for the benefit of our own small feeder airlines throughout the country. We should do something to bring about safer conditions for the people who fly these feeder airlines to get to the big airports.

Mr. BOW. I appreciate the gentleman's comments.

Mr. ROBERTS. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield.

Mr. ROBERTS. I would certainly want to compliment the gentleman on his statement. I think it is one of the best statements that has been made on the floor of the House today, in support of this bill. I think this is one of the best pieces of legislation that this committee has brought to the floor of the House and I join in support of the bill. As the gentleman has pointed out, I believe it will go a long way in taking the airlines off subsidy by cutting down the cost of operation and maintenance. I would like to ask the gentleman this question. Is it not true that the airlines are the only industry in the country where there is a penalty or prohibition against them when they try to plow back capital gains into the purchase of new equipment?

Mr. BOW. I think the gentleman's statement is correct.

Mr. ROBERTS. Mr. Chairman, pendency of a proceeding before the Civil Aeronautics Board in docket No. 7902, involving issues concerning the Board's treatment of capital gains, does not alleviate or mitigate the need for prompt remedial legislation by the Congress.

Not only is a final decision in the Board's proceeding many months away, but the posture of the proceeding does not offer encouragement toward an adequate ultimate solution of the pressing problem at hand.

The Board, which has had various and differing policies as to treatment of capital gains, depending upon the status of the carrier's rate cases, now is urged by its staff to confiscate, in one way or another, all capital gains of all subsidized carriers, without regard to whether the rate being established is on a past period review basis or a prospective forecast basis.

The trend in the Board's pending proceeding to date has indicated no hopeful prospect for remedying inequities in the present situation but, quite on the contrary, points toward an enlargement of

the problems for the future. All indications, from the position and presentation of the Board's staff, enshroud the proceeding with a twofold purpose of:

First, devising a system for depriving subsidized carriers of their capital gains from any sources, in whatever fashion may be most orderly; and

Second, terminating that part of the previous policy which had permitted subsidized air carriers to retain capital gains after a final rate had been fixed and closed for a future rate period.

The Board's accomplishing either such purpose would mean that the carriers' financing problems would be both increased and more difficult. This prospect, plus the additional delay in awaiting final outcome of the lengthy formal Board proceeding, jeopardizes the entire reequipment program which is so vital to the public and national interest. Moreover, the Board's staff attorney has taken the flat position that the Board, as a matter of law, has no authority to permit retention of capital gains for reequipment purposes, and this whether such gains are realized in open or closed rate periods.

The present CAB is comprised of two members who testified in favor of similar legislation last year, and three newly appointed members, the latter of whose views on this subject have not been formulated or are not known. When requested by the committee to comment on H. R. 5822, the new Chairman, Mr. Durfee, testified as follows:

The issue before the Board in docket No. 7902 is what treatment the Board should accord to gains on retirement of air carrier property under the provisions of section 406 of the Civil Aeronautics Act. Specifically, the Board will be required to pass upon the question of whether it has the legal power to permit air carriers to retain such gains. The Board will also be called upon to determine from a factual standpoint, on the basis of the evidentiary record, whether the carriers should be permitted to retain retirement gains for reequipment purposes.

With respect to the legal question, if it should develop that the Board does not have the legal authority to permit the carriers to retain capital gains, legislation would, of course, be required in order to accomplish this objective. However, if the facts, as fully developed in the capital gains proceeding, indicate that a need exists for the retention of capital gains, and if the Board has legal authority to permit the retention of such capital gains, the Board could then provide therefor in its final determination in the capital gains proceeding. If the evidence does not support such a need, then there would be no factual basis for singling out equipment retirements for special treatment.

Inasmuch as the Board will be required to pass upon these matters in docket No. 7902, I am sure you will readily understand why the Board should not take a position at this time on the substance of the proposed legislation. Before reaching any decision in this case, the Board must give careful consideration to the evidentiary record. In addition, the Board will be required to study the briefs and also hear oral argument before reaching any conclusions. Under the circumstances, the Board does not wish to prejudge the capital gains proceeding, docket No. 7902, by submitting substantive comments upon H. R. 5822 at this time.

From Chairman Durfee's statement, one thing is certain. Issue has been raised in the proceeding in which final decision is many months away, as to whether the Board even has power under the existing act to carry out the policy embodied in this bill. From the record before the committee, it is quite evident that the need of the carriers is urgent. Enactment of legislation expressing the Congressional will for guidance of the Board in the future cannot await even the delay involved before the Board finally formulates its views as to its existing power. Upon the basis of the existing situation, Congress promptly should clarify this matter and direct that the carriers be allowed to use proceeds available from the sale of existing equipment to assist in their immediate reequipment financing programs.

Mr. O'HARA of Minnesota. Mr. Chairman, I have no further requests for time.

Mr. HARRIS. Mr. Chairman, I suggest that the Clerk read.

The Clerk read as follows:

Be it enacted, etc., That section 406 (b) of the Civil Aeronautics Act of 1938, as amended, is hereby amended by adding at the end thereof the following new paragraph:

"In determining the need of an air carrier for compensation for the transportation of mail, and such carrier's 'other revenue' for the purpose of this section, the Board shall not take into account gains derived from the sale or other disposition of flight equipment if (1) the carrier notifies the Board in writing that it has invested or intends to reinvest the gains (less applicable expenses and taxes) derived from such sale or other disposition in flight equipment and (2) submits evidence in the manner prescribed by the Board that an amount equal to such gains (less applicable expenses and taxes) has been expended for purchase of flight equipment or has been deposited in a special reequipment fund. Any amounts so deposited in a reequipment fund as above provided shall be used solely for investment in flight equipment either through payments on account of the purchase price or construction of flight equipment or in retirement of debt contracted for the purchase or construction of flight equipment, and unless so reinvested within such reasonable time as the Board may prescribe, the carrier shall not have the benefit of this paragraph. Amounts so deposited in the reequipment fund shall not be included as part of the carrier's used and useful investment for purposes of section 406, until expended as provided above."

Mr. HARRIS. Mr. Chairman, I move to strike out the last word.

I do this for the purpose of yielding to the gentleman from Oklahoma, a member of the committee [Mr. JARMAN].

Mr. JARMAN. Mr. Chairman, I am in favor of the bill and urge its adoption by the House.

Mr. Chairman, I would like to address a few remarks particularly to the minority committee report.

It will be recalled that last year's minority report opposing similar, though less restrictive legislation, was premised upon antiquated history which had no relevance to the future purposes to be served by such a bill. I am amazed that this year's minority report again relies in substantial part upon some of the same antiquated history and completely overlooks several very important intervening events. From a reading of the present minority report, one would get the impression by its quoting last year's minority report that "no department or agency of the United States Government supports this bill." The facts now are as the majority report shows, enactment of the present bill is urged by the Department of Commerce, whose views also are in effect subscribed to by the Bureau of the Budget. The Post Office Department defers to the recommendations of the Department of Commerce, which supports the bill, and possibly the CAB. As for the CAB, of course, it is a matter of record that possible interrelation of the merits of this legislation with pending proceedings before the CAB, on which final decision appears many months away, influenced the Board to take what is in effect a neutral position. This, of course, is in sharp contrast to the situation of last year in which a four-member Board found itself evenly divided. However, since one of the dissenters, former Commissioner Adams' testimony, given last year is relied upon so strongly in the present minority report, I would like to bring to the attention of the Members of Congress certain facts which the minority report also overlooks in that regard.

Commissioner Adams is no longer a member of the CAB, but his representation of a group of local service carriers caused him to appear before the committee again this year in connection with legislation designed to aid in some of their reequipment problems. I want to read a small portion of the concluding remarks which Commissioner Adams made before this committee in the hearings on this and other such legislation and I quote:

For more than 6 years past, by reason of my Government service, I have been insulated from any daily personal contact with banking and the condition of the credit market.

This is the same Commissioner Adams upon whose testimony of last year, given while, by his own admission, he was so insulated, the minority report would again have the Congress rely. In the recent hearings, Mr. Adams addressed himself at some length to the reequipment and financial needs of the local service carrier segment of the industry, with which he is now identified, urging that the Government guarantee equipment loans, as proposed in a pending bill, H. R. 7993. The minority report completely overlooks the import of Mr. Adams' recent testimony and instead relies entirely upon statements made by him last year, to the effect that in his then opinion, subsidized airlines did not need even to retain their capital gains to provide part of the purchase money for new equipment. Last year, when Col. Adams was asked from what source the carriers would bet their downpayment money, he testified:

In the same manner * * * that any business handles its financing, either through equity sales or bank loans. That is a management prerogative, to provide the equipment, in my opinion (H. R. 8902, 8903, pp. 565–566).

Mr. Adams' more recent and current analysis is quite different, and I might say, based upon studies and analyses submitted in support of his present position, apparently more informed.

As Colonel Adams now states:

I should like to pass to the current economic conditions in the financial markets and the position in which the members of the Association of Local and Territorial Airlines find themselves. The position, briefly stated, is that these carriers are in a financial condition ranging between poor and desperate, and that, although subsidized, the earnings record for the past 10 years has failed to develop bank credit which will permit the purchase of modern aircraft without the assistance of the Government. * * *

The financial situation that the subsidized small-business, local-service, and Territorial Airlines find themselves in is not unique in the history of mass transportation. This committee, in its consideration of merchant-marine problems, has faced up to and successfully resolved a similar situation involving difficulties of modernizing fleets. * * *

In conclusion, I respectfully state to this committee that, other than the hope of fulfillment for assistance held out in H. R. 7993, the local and Territorial Airlines, which I represent, find themselves in an impossible situation with reference to reequipping and modernizing their aircraft fleet.

Although Commissioner Adams' concern in appearing before this committee was primarily directed to H. R. 7993, having to do with Government-guaranteed loans, he was specifically questioned concerning H. R. 5822, and the following appears in the official transcript of the hearings:

Mr. FLYNT. Colonel Adams, have you directed your remarks to the language in H. R. 5822?

Mr. ADAMS. No, I have not, but I am prepared to.

Mr. FLYNT. All right.

Mr. ADAMS. Each of the members of the association are going to speak for the passage of 5822 and for the record I wish to state that the Association of Local and Territorial Airlines has, by duly adopted resolution, supported the passage of H. R. 5822.

In view of all of these facts which I have mentioned, I suggest that the minority report is misleading and incorrect and not entitled to serious consideration by the Congress.

Mr. HARRIS. Mr. Chairman, I ask unanimous consent that all Members may have permission to extend their remarks at this point on this bill.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HESELTON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am not vigorously opposed to the bill as it is now presented, with the elimination of section 2. I think there are some reasons for believing that the bill, if properly administered, may be of assistance to some of the small lines. But with section 2 in the bill I feel certain that the results would not be those which the membership of the House would like to see.

However, I think there is a very real question of sound judgment involved in this legislation at this time. I attempted to outline that in the minority report I filed. The questions asked by the gentleman from Minnesota [Mr. JUDD] as to the wisdom of bringing this matter up at this time are well taken. It is true that we are entitled to establish a policy and should establish a policy. On the other hand, it is well known by this body that last year, when a predecessor bill was before this body, an adversary proceeding was commenced before the Civil Aeronautics Board. That proceeding was begun on April 6, 1956. The hearings have been completed. Briefs have been filed. The matter is now in the hands of the examiner.

I have a letter today from Mr. Chan Gurney, Vice Chairman of the Civil Aeronautics Board, in which he advised me that it was not possible at this time to state a definite date as to when the initial decision will be served since the examiner who heard the case has been engaged in hearing another proceeding. Barring unforeseen contingencies, it is hoped that an initial decision can be served by early October. If that can be done and if exceptions should be filed to the initial decision, together with briefs in support thereof, as the parties have a right to file under the Board's regulations, it should be possible for the Board to hear oral argument in November or early December.

There is in the minority report a listing of the capital gains realized in 1956, at the request made by a member of the committee. That listing has been broken down to April 5, 1956, the day when the proceeding began. I shall place that listing in the RECORD, but I call attention at this time to the fact that Pan American is listed with capital gains from January 1, 1956, to April 5, 1956, $3,505,000 out of a total of $3,774,000.

That excerpt is as follows:

During consideration of this bill by the full committee, questions were raised as to the effect of making it retroactive to January 1, 1956, as provided in section 2, and specifically as to what that retroactive date would mean in dollars to the several airlines concerned. That information was not available at that time but the following information was submitted later to the committee:

1956 capital gains of subsidized carriers (before taxes) [1]

Local service	$212,000
Allegheny	169,000
Bonanza	2,000
Central	----------
Frontier	—1,000
Lake Central	----------
Mohawk	4,000
North Central	1,000
Ozark	—1,000
Piedmont	1,000
Southern	35,000
Southwest	2,000
Trans Texas	----------
West Coast	----------
Trunklines: Continental	[2] 331,000
Foreign and overseas:	
Alaska Airlines	5,000
Braniff	3,000
Pacific Northern	10,000
Panagra	165,000
Pan American	[3] 4,937,000
Territorial	[4] 15,000

[1] Information obtained by committee staff from records.

[2] Continental sold 3 aircraft for this gain, only 2 of which were while on open rate. Total involved, $218,544.

[3] Pan American sold 6 aircraft and parts for $3,505,000 while on closed rate January-March 1956. Only capital gains realized on open rate was for loss of Boeing in Pacific in October. Gain, due to insurance, $967,000. Miscellaneous sales, $187,000.

[4] For intra-Alaska carriers.

I am not able to analyze this statement at this time in terms of the retroactive date of January 1, 1956, except to note that, by reference to the minority report I filed in 1956, it appears that the so-called capital-gains proceedings before the Civil Aeronautics Board were instituted on April 6, 1956.

My sole reason for bringing that to the attention of the House at this time is because I have no idea as to what the ultimate result will be. I think the passage of this legislation places upon the committee which has recommended this legislation to the House the responsibility to follow closely the developments, even if this whole proceeding is terminated after many weeks of hearings, to see that there is no injustice done to the small feeder lines or to anybody else, and that there is no injustice done to the taxpayers who ultimately will have to pay the bill if there should be windfalls as a result of the passage of this legislation.

Mr. MORANO. Mr. Chairman, will the gentleman yield?

Mr. HESELTON. I yield.

Mr. MORANO. I appreciate the gentleman's statement concerning Pan American's capital gains, but I do not see why we should discriminate against a company because it has grown large and happens to be one of the biggest airlines.

Mr. HESELTON. I understand the gentleman's position. I do not want to discriminate against anybody. I want to make certain that this is fair legislation and that it treats everybody properly, particularly the taxpayers of this country.

We have had a great deal of talk here this year about the tax burden; there has been much concern as to whether we could reduce that tax burden. One of the ways to reduce it would be through seeing there is no unwarranted special interest legislation passed by us in connection with anybody. I do not care whether that interest is big or little.

Mr. MORANO. I agree with the gentleman, but would not the gentleman agree with me that we must be equitable in legislation as far as we can be? We can never pass legislation that would be equitable in every possible sense, of course.

Mr. HESELTON. We should do the best we can. One way would be to be sure that we did not anticipate a decision and try to undo it before it comes down. I think that is very poor judgment, although some of my colleagues I know sincerely disagree with me.

Mr. DAWSON of Utah. Mr. Chairman, will the gentleman yield?

Mr. HESELTON. I yield to the gentleman from Utah.

Mr. DAWSON of Utah. I want to compliment the gentleman for calling the matter to our attention. I think it is something we need to look out for. If the gentleman had not been diligent in getting into matters of this kind, many of us would not have had any knowledge of it. I think he has done a service to the country in calling it to our attention.

Mr. HESELTON. I am sure the committee will follow the matter closely now that they have recommended this legislation. But the committee's action in

striking out section 2 is vitally important, and it must be supported if this bill is to be justified in any sense.

Mr. HARRIS. Mr. Chairman, I yield such time as he may desire to the gentleman from Georgia [Mr. FLYNT].

Mr. FLYNT. Mr. Chairman, the bill pending before us now is in the character of emergency legislation. Its passage is required now to enable the subsidized air carriers to meet an existing situation. For many years, the carriers, notably the local service carriers, have been vainly searching for suitable replacement aircraft with which to modernize their fleets and to make more economical their operations. Many of these carriers are now satisfied that such an aircraft has been found in the F–27, and have placed firm orders for them. Carrier after carrier testified before the committee that many of these orders may be jeopardized by an inability on the part of the carriers to complete necessary financing arrangements, or to meet cash payment requirements imposed upon them by their orders. An airline does not pay for an airplane on a cash-on-delivery basis when the airplane is received, but instead is required to make a downpayment at the time the order is placed, and make what are called progress payments during the course of the construction of the airplane. The availability of funds to meet these obligations is essential.

All we are seeking to do here is to permit these carriers to retain capital gains realized from the sale of their obsolete equipment for the purpose of buying these replacement aircraft, and for this purpose alone. We are not giving them anything, we are merely making it clear as a matter of legislative policy, that they should be permitted to retain their net capital gains after the payment of applicable taxes. Even this is done on a more restrictive basis than the treatment generally accorded other industries, where the limitations surrounding use of these funds are not imposed.

HOW THE BILL WORKS

Let me illustrate how this legislation would work by a specific example:

ABC Airlines, a local service carrier, owns a DC–3 for which it originally paid $100,000. For all the time the carrier has been using this airplane, the CAB has allowed as part of the carrier's investment for ratemaking purposes, that original cost less depreciation. Today that airplane has been fully depreciated and has a residual or book value of $15,000. ABC Airlines sells this airplane for $65,000, thus making a capital gains of $50,000 on the transaction. Under existing policy, the CAB would include this $50,000 profit as part of the carrier's revenues in computing need for subsidy and thus, in effect, exclude it from the investment base for ratemaking purposes. The principle of not permitting a subsidy to be pyramided on top of a subsidy is sound and good. But in this instance, the principle has the inequity of not permitting them to use such profits to obtain new or improved type equipment and thus becoming more efficient.

Three months from now, ABC Airlines decides to buy an improved type airplane, say a Convair, and makes a deposit or advance payment to the vendor of that $50,000 with arrangements to pay the balance over a period of time and to take delivery and title to the airplane in 3 months. Heretofore, CAB would not permit that $50,000 to be included in the investment base of a subsidized carrier for ratemaking purposes until the carrier actually had the new airplane in operation. This bill would exclude such capital gains from these revenues which the CAB counts in computing the carrier's need for subsidy and thus permit subsidized carriers to reinvest profits from the sale of capital assets in new equipment and to include in the investment base immediately any sums turned over to the vendor, whether as a deposit, advance payment, construction or progress payment or whatever, without having to wait until it actually took delivery of and commenced to use the equipment.

This would bring the treatment to be accorded subsidized carriers in line with that accorded the nonsubsidized carriers. And further, it would base the determination of the need of subsidized carriers on normal principles of commercial ratemaking.

Certainly, there can be no question that, once a carrier has turned over funds to a manufacturer or vendor and loses control of such funds, such payments, of whatever nature, should properly be included in the investment base for ratemaking purposes.

STRONG INTERNATIONAL AIRLINES NECESSARY

The need to maintain United States leadership in international air transportation in today's air age is unquestioned. To do this, to serve the best interests of the United States itself, our United States-flag international airlines must operate equipment second to none. Much of the United States-flag international air transport system is already being operated on a subsidy-free basis, which in itself is a remarkable achievement.

Every Member of this House is familiar, I am sure, with the story of the United States merchant marine's rise, fall, and subsequent vicissitudes. Certainly, we should learn something from the sad experience we have had in that field. The Federal Government has had no choice but to make available millions upon millions of dollars in subsidy to regain some position for the American flag on the high seas. This money, in the form of operating differential and construction subsidy, has been well spent.

Now let us look at what is happening in the field of international air transportation. Here we have a picture of almost unbelievable progress toward self-sufficiency, against many of the same odds which confronted us in the maritime field. United States-flag airlines, privately owned, privately operated, are everywhere in competition with foreign-flag carriers, generally government owned or partly government owned and heavily subsidized in one form or another. Our own privately owned carriers compete with them and yet have achieved an ever-decreasing requirement for subsidy assistance from the Federal Government. Where such assistance is still required, is, in the main, on sparsely traveled air routes, which are of national interest in character. The heavily traveled transatlantic and transpacific routes are, I am advised, now operated on a subsidy-free basis. For fiscal 1958, the CAB has estimated that no subsidy will be required for either transatlantic or transpacific operations. A relatively small amount, $1,679,000, has been estimated for Latin American operations, an area of great importance for us to continue serving, and none of this subsidy money is for Pan American, but is for other Latin American operations. The CAB's 1958 estimate includes no subsidy for any of Pan American's routes.

The United States flags international air carriers serve many useful purposes in addition to merely carrying passengers to where they want to go. Other subsidy requirements still exist in intra-Alaska and some Alaska-United States air-transport operations. No one who is familiar with the Territory of Alaska, dependent as it is upon air transportation, can question the fact that assuring the best kind of air transportation in the Territory is parallel with the best interests of the Government.

IMPROVED AIR SERVICE TO SMALL COMMUNITIES

None of us, I am sure, any longer question whether the airplane is here to stay. However, if we do not make clear the policy to be followed by the CAB in its treatment of capital gains realized by subsidized air carriers, when these gains are to be reinvested in replacement equipment, we may find too many airplanes literally are "here to stay" rather than being replaced by newer and better airplanes. It is absolutely necessary that all the airlines of the United States have in service the best kind of airplane they can get. We have been told that this is important to the carriers because it will permit more efficient and economical operations on their part. This, I am sure, is true. However, I would like to talk for a minute about another important reason for passing this bill, affecting the public interest.

The air service to many of the smaller communities of the United States, now being served by the local service or feeder lines, can be tremendously improved with an airplane properly designed for this purpose. In the short time they have been in existence, the local service carriers have gained a tremendous acceptance in the smaller communities of the Nation, many of which are served only by these carriers. They provide the needed transportation between these cities and nearby metropolitan areas important to the commerce and industry of the smaller communities. They also serve as a link to the long-haul trunk carriers operating out of larger cities. The frequency, comfort, dependability, speed, and general utility of this short-haul air transportation all can be—and the carriers tell us will be—greatly improved, when they can put into service a piece of equipment specifically designed

to do this job. This bill will help them get those airplanes.

Mr. HARRIS. Mr. Chairman, I yield 3 minutes to the gentleman from Oklahoma [Mr. JARMAN].

Mr. JARMAN. Mr. Chairman, in line with the statement just made on the floor by the gentleman from Massachusetts specifically mentioning Pan American World Airways, I think the House should be reminded of the fact that since October 1, 1956, Pan American has been on a temporary mail rate without any subsidy whatsoever. This fact was brought out in some detail in earlier statements on the bill, but I think in connection with the statement just made it should be emphasized again.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. JARMAN. I yield to the gentleman from Minnesota.

Mr. JUDD. The fact that Pan American is now off subsidy is one for which Pan American should be congratulated, as well as the taxpayers of the country. Therefore, if the bill should pass in its present form with the committee amendment striking out section 2, there is no possibility either of doing inequity to anybody or of discriminating in favor of anybody. If we make the bill effective as of the date of enactment, Pan American is not involved because it is off subsidy. It cannot be made either a whipping boy or a beneficiary. I am sure, therefore, the gentleman is for the elimination of section 2, is he not?

Mr. JARMAN. Yes; I certainly am supporting the committee.

Mr. JUDD. If you strike out section 2 then you will not get into this Pan American hassle hereafter, because Pan American has been off subsidy since last fall.

Mr. MORANO. Mr. Chairman, will the gentleman yield?

Mr. JARMAN. I yield.

Mr. MORANO. I just must insist that I do not think it is fair to slap or criticize a company because it has grown big. Pan American was a pioneer company. It was started from scratch by a number of World War I pilots who put in $25,000 apiece to start the company. Now they have grown big and you are trying to do injustice to a company by such talk on the floor of this House.

One of the glories of this country is that, unlike some others, we do not have different rules of law for different people. We have the same rule of law for everyone. This has been true of our aviation legislation in the past, and we must keep it true in the future.

Discrimination of any sort is indefensible. Grant that Pan American is now a large company, but it did not start that way. It started in 1927, with a dozen World War I pilots each putting up $25,000, and many long years elapsed before it had revenues of $50 million. It got those revenues by tackling jobs first in South America, then across the Pacific, and finally across the Atlantic, which no one else wanted to tackle at the time, and performing them to the satisfaction of its customers and to the credit of its Government. Pan American is a typical American success story of starting small and growing big, through hard work, under the free-enterprise system.

There is no airline whose ability to finance new equipment is of greater importance to the United States. Pan American conducts essential national interest service to parts of the world in the Middle East, in Africa, and in the Orient, in which the United States has the most vital interest. Unlike our domestic airlines it has to compete against foreign flag airlines, solidly backed by their governments and paying their employees half the American standard of wages or less. It is vital that such a company should always have the very best equipment. Pan American took the lead in ordering jet transports, the first American built, from the Boeing Airplane Co., in Seattle, the Douglas Aircraft Co., in Los Angeles, and the Pratt-Whitney Engine Co., in Hartford, thereby triggering a flood of orders to our American aircraft and engine builders which now considerably exceed $1 billion. These airplanes ordered by Pan American and other American flag lines will keep our air transportation in the forefront in time of peace, and would be of inestimable value to the national defense if emergency should occur. Pan American should be congratulated and not criticized.

Mr. JARMAN. I may say to the gentleman from Connecticut and the Members of the House that I think sometimes we forget the tremendous benefit this country is receiving from Pan American World Airways in its world contacts, carrying the flag of the United States into every part of the world today. We look at the bigness the gentleman mentioned a while ago and tend to forget the service that that great airline is rendering.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. JARMAN. I yield.

Mr. JUDD. I do not know anybody who does not have respect for Pan American and the service it renders. We are congratulating it because it has been so successful in its world-wide operations that it is now off subsidy.

Mr. MORANO. Mr. Chairman, will the gentleman yield further?

Mr. JARMAN. I yield.

Mr. MORANO. I know you are congratulating today, but when this bill was up last year there were not so many congratulations floating around the floor of this House.

Mr. JUDD. Because the situation was quite different last year. As I said privately to the gentleman from Arkansas a while ago, I think Pan American is the greatest airline in the world—in the air; but some of its operations—on the ground, here in Washington—could just as well be eliminated. It would be better for the airline itself.

Mr. O'HARA of Minnesota. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I wish to express my deep support of this legislation. I am not speaking in behalf of what I think is any one airline but for the overall air industry. The problems which they have, particularly their difficulty with financing problems these airlines are having in connection with the replacement of equipment, makes it imperative that the pending legislation be passed and I hope it will be passed by a very healthy majority.

Mr. PATTERSON. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield to the gentleman from Connecticut.

Mr. PATTERSON. Does not this particular piece of legislation apply to all of the airlines?

Mr. O'HARA of Minnesota. It is my understanding it would apply to all of them.

Mr. PATTERSON. It is very helpful to all of them?

Mr. O'HARA of Minnesota. Yes, particularly those that are getting airmail compensation.

Mr. PATTERSON. I would recommend to the House that we pass the legislation today.

The Clerk read as follows:

SEC. 2. The amendment made by this act to such section 406 (b) shall be effective as to all capital gains realized on and after January 1, 1956, with respect to the sale or other disposition of flight equipment whether or not the Board shall have entered a final order taking account thereof in determining all other revenue of the air carrier.

With the following committee amendment:

On page 2, strike out lines 20 through 25.

Mr. MACK of Illinois. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it is not my intention to discuss the merits of any particular airline and, in my opinion, it is rather unfortunate that we got into a discussion today of how much money a certain airline would get under the bill.

In the first place, the Congress has delegated the authority to the Civil Aeronautics Board to make this determination. It is not a responsibility of Congress but a responsibility now of the Civil Aeronautics Board to determine who is getting the subsidy and the amount of the subsidy.

What I am particularly interested in is the principle involved in this legislation. I supported it wholeheartedly last year and I support it again on this occasion. It is extremely unfortunate that we did not approve the legislation during the last session of Congress so that the local airlines would not have been handicapped during the last year. They are direly in need of assistance. They have even proposed a loan bill, which has the support of the Civil Aeronautics Board to solve their problem.

The airlines that I am particularly interested in I shall mention in a few minutes. I am interested in the survival of the local service air carriers because I feel they are rendering a great service to America.

These airlines are Allegheny Airlines, Inc.; Bonanza Air Lines, Inc.; Central Airlines, Inc.; Frontier Airlines, Inc.; Lake Central Airlines, Inc.; Mohawk Airlines, Inc.; North Central Airlines, Inc.; Ozark Airlines, Inc.; Piedmont Aviation, Inc.; Southern Airways, Inc.; Southwest Airways Co.; Trans-Texas Airways; West Coast Airlines, Inc.

These services carry airmail and passengers into the remote communities of this country. They provide air transportation for the citizens of those communities that would not be able to secure air transportation if it were not for this local service. It is necessary at the present time to subsidize these airlines. I believe that the pending legislation will bring closer the day when we can eliminate subsidies to these airlines.

I am strongly in favor of the pending bill and I hope it will be voted into effect by a large majority.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. Under the rule the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. DEMPSEY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 5822) to amend section 406 (b) of the Civil Aeronautics Act of 1938 with respect to the reinvestment by air carriers of the proceeds from the sale or other disposition of certain operating property and equipment, pursuant to House Resolution 389 he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

TEXTILE FIBER PRODUCTS IDENTIFICATION ACT

Mr. HARRIS. Mr. Speaker, I ask unanimous consent that all Members may extend their remarks in the RECORD prior to the vote on H. R. 469.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. McBride, one of its clerks, announced that the Senate insists upon its amendments to the bill (H. R. 1937) entiled "An act to authorize the construction, maintenance, and operation by the Armory Board of the District of Columbia of a stadium in the District of Columbia, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BIBLE, Mr. FREAR, and Mr. BEALL to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H. R. 8240) entiled "An act to authorize certain construction at military installations, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. RUSSELL, Mr. STENNIS, Mr. JACKSON, Mr. SALTONSTALL, and Mr. CASE of South Dakota to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendment to the bill (H. R. 8992) entitled "An act to provide for the appointment of representatives of the United States in the organs of the International Atomic Energy Agency, and to make other provisions with respect to the participation of the United States in that Agency, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ANDERSON, Mr. RUSSELL, Mr. PASTORE, Mr. GORE, Mr. JACKSON, Mr. HICKENLOOPER, Mr. KNOWLAND, Mr. BRICKER, and Mr. DWORSHAK to be the conferees on the part of the Senate.

AMENDING SECTION 410 OF THE INTERSTATE COMMERCE ACT TO CHANGE THE REQUIREMENTS FOR OBTAINING A FREIGHT FORWARDER PERMIT

Mr. HARRIS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 1383) amending section 410 of the Interstate Commerce Act, to change the requirements for obtaining a freight forwarder permit.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill S. 1383, with Mr. WATTS in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. HARRIS. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, this bill, S. 1383, which is brought to you by the Committee on Interstate and Foreign Commerce, changes the requirements for obtaining a freight forwarder permit. This is the same legislation that was before the Congress in the last session on which hearings were held. In 1955 this legislation was part of the overall hearings on amendments to the Interstate Commerce Act. In 1956 we also held hearings on the same subject. The bill was reported unanimously by the committee of the Senate in the last session, and it unanimously passed the Senate on the Consent Calendar. Our committee in the House reported the bill unanimously at the closing days of the last session and therefore the bill did not have an opportunity to be programmed.

The purpose of the bill is to give the Interstate Commerce Commission stronger administrative control over the issuance of permits to engage in the business of freight forwarding than exists under present law, and thereby to bring the requirements for forwarder permits more nearly into line with the requirements that exist with regard to the granting of operating authority to other types of common carriers subject to regulation under the Interstate Commerce Act.

The bill is identical with bill S. 3365, 84th Congress, which passed the Senate on June 19, 1956, and which was reported favorably by this committee on July 18, 1956. This bill could not be brought to a vote in the House prior to the adjournment of the 84th Congress.

EXPLANATION OF THE BILL

Subsection (a) of section 410 of the Interstate Commerce Act provides that no person may engage in service as a freight forwarder unless such person holds a permit, issued by the Interstate Commerce Commission, authorizing such service. Subsection (c) of section 410 specifies the standards by which the Commission is to be guided in issuing permits. It provides, insofar as here pertinent, that:

> The Commission shall issue a permit to any qualified applicant therefor, authorizing the whole or any part of the service covered by the application, if the Commission finds that the applicant is ready, able, and willing properly to perform the service proposed, and that the proposed service, to the extent authorized by the permit, is or will be consistent with the public interest and the national transportation policy declared in this act; otherwise such application shall be denied.

The foregoing standards are substantially the same as those provided in parts II and III of the act to govern the issuance of permits to operate as contract carriers by motor vehicle and by water, respectively—sections 209 (b) and 309 (g). However, section 410 contains an additional provision which has no counterpart in other parts of the Interstate Commerce Act. Subsection (d) of said section 410 provides:

> The Commission shall not deny authority to engage in the whole or any part of the proposed service covered by any application made under this section solely on the ground that such service will be in competition with the service subject to this part performed by any other freight forwarder or freight forwarders.

It is to the foregoing restriction on the Commission's power to deny applications for freight forwarder permits that the bill is directed.

NECESSITY FOR THE BILL

It has long been recognized that in order to maintain sound economic conditions in transportation, and to insure adequate, efficient and economical service for the public, the Interstate Commerce Commission must have some control over the number of entrants and extent of service in any given transport field. For example, it is provided in part I of the Interstate Commerce Act—section 1 (18)—that no carrier by railroad shall undertake any extension of its line or construct a new line of railroad unless and until there shall first have been obtained from the Commission a certificate that the present or

future public convenience and necessity require such construction and operation. Similarly, a certificate of public convenience and necessity is required before common carrier service by motor vehicle or by water may be instituted or extended—sections 206 (a) and 309 (a).

Contract carriers by motor vehicle and by water are required to obtain permits from the Commission to institute or extend operations—sections 209 (a) and (b) and 309 (f) and (g). As I previously stated, section 410 of the act, governing the issuance of permits to freight forwarders, was patterned after these latter provisions of parts II and III of the act, except that it contains the additional limiting provisions of subsection (d), which this bill amends.

Under the above-mentioned permit provisions of parts II and III of the act, the Commission has regularly and frequently denied applications for new additional operating authority upon the grounds that the service of existing carriers was adequate to meet all reasonable requirements of the shipping public, and that the institution of additional service would result in needless and uneconomic duplication of existing facilities.

However, because of the provisions of section 410 (d), the Commission has felt compelled to grant freight forwarder permits without regard to these considerations. The Commission's interpretation of the statute was spelled out in "Lifschultz Fast Freight Extension—West and Midwest" (265 I. C. C. 431). The Commission placed great weight on section 410 (d), being of the view that the purpose of that section "is to assure that freight-forwarder applications shall not be denied, as were motor contract carrier applications, on the ground that the existing service is adequate" (265 I. C. C. 431, 440).

The Commission also held, in that case, that section 410 (d) precludes the denial of an application on the ground that the proposed new service would result in impairment of forwarder service in general within the affected territory in the absence of specific proof that substantial impairment would result or reasonably could be anticipated. Upon appeal, this interpretation was upheld by the Supreme Court—*Acme Fast Freight, Inc., et al.* v. *U. S., et al.* (338 U. S. 855).

The committee has been informed by the Interstate Commerce Commission that the burden of proof imposed under the above-cited case is one which it is practically impossible to meet and that, as a result, entry into the field of freight forwarding has been and is virtually unrestricted under the present law. The Commission apparently has felt that it is compelled to grant nearly all freight forwarder applications which have come before it. It appears that the relatively few applications which have been denied have each been distinguished by some unusual considerations peculiar to the particular case involved. Continued operation of the provisions of section 410 (d) without change could result in overcrowding the freight forwarder field beyond the limits of sound economic balance, a fact which has been called to our attention in the Commission's annual reports to the Congress in each of the last 5 years. It also could result, and perhaps already has resulted, in useless and wasteful duplication of forwarder facilities and services, with prejudice to the interests of shippers using that service.

The bill will not affect bona fide shippers' associations, since they are already excluded from regulation under section 402 (c) of the act. The contention of such associations that they may possibly be subjected to regulation at some future date is not, it seems to the committee, a valid argument against the bill. This argument is speculative and is not directed to the merits of the bill.

CONCLUSIONS

The committee believes that this legislation is required in the interest of maintaining sound and equitable regulation of the freight forwarding industry. Under the present situation, in which virtually all applications for freight forwarder permits are granted without regard for the economic consequences, it is highly probable that improvident and wasteful duplication of transportation services and facilities will result. The bill is designed to avert that possibility, and to afford the same protection to freight forwarders as the act now affords to other regulated carriers. The committee urges the House to pass this bill.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from West Virginia.

Mr. BAILEY. I have had some correspondence with respect to this legislation. Would the gentlemen clarify the question these people are asking. At present people engaged in the freight forwarder business make application for a permit. I notice that this legislation requires that they shall secure a certificate of public convenience and necessity. What will be the status of these old permits? Is there any way to get a certificate substituted for the old permit or must they all apply?

Mr. HARRIS. It does not affect those who are already operating under a permit.

Mr. BAILEY. They are still in existence?

Mr. HARRIS. That is right.

Mr. BAILEY. It would not affect any of those?

Mr. HARRIS. That is true.

Mr. BAILEY. I thank the gentleman.

Mr. TEAGUE of California. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from California.

Mr. TEAGUE of California. I wonder if the gentleman would give us a definition of freight forwarder, what a freight forwarder is considered to be.

Mr. HARRIS. That is a good question. I thought about it a moment ago when I started. Under the Interstate Commerce Act we have parts I, II, III, and IV. Part I refers to the railroads chiefly. Part II is applicable to motor carriers. Part III is applicable to water carriers. In 1942, realizing there was a need for this type of service, the Congress established what we referred to as part IV of the act which is applicable to what we call freight forwarders.

A freight forwarder means any person which holds itself out to the general public as a common carrier—other than carriers subject to parts I, II, or III of the act—to transport or provide transportation for compensation in interstate commerce and which in the ordinary and usual course of its undertaking, first, assembles and consolidates shipments of property and performs or provides for the performance of break-bulk and distributing operations with respect to such consolidated shipments; second, assumes responsibility for the transportation of such property from point of receipt to point of destination; and third, utilizes the services of other carriers subject to parts I, II, and III of the act in the performance of transportation service.

Mr. TEAGUE of California. I thank the gentleman very much.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Florida.

Mr. FASCELL. The chairman of the committee said that a recommendation for this had been made by the Interstate Commerce Commission. Is it not so that when the request was made to the committee the Commission recommended the repeal of subsection (d) of section 410, and not the amendment which is now proposed by the committee?

Mr. HARRIS. No. I think the gentleman is referring to another bill that was recommended by the Interstate Commerce Commission which modifies the exemption provision. This does not at all amend or in any way affect the exemption provision of section 402 (c) of the act with reference to those associations and shippers, and so forth, that are exempt from the regulatory provisions.

Mr. FASCELL. Will the gentleman explain to me the Commission's statement on page 6 of the committee's report in which they say:

> While enactment of the amended bill would result in some tightening up in the issuance of new and extended freight forwarder operating rights, which we deem desirable, it would, at the same time, arbitrarily limit the restriction on denying applications to applicants controlled by rail carriers. Such controlled forwarders would thereby be given preferential treatment.
>
> Accordingly, we are of the view that section 410 (d) should be eliminated in its entirety.

Mr. HARRIS. The amendment referred to with reference to the language the gentleman quoted had to do with the fact that the railroads over a period of years have instituted their own freight forwarder operations. What the language the gentleman refers to does is maintain the authority for that kind of service to continue.

Mr. FASCELL. As I understand it, then, the commission favored the repeal of subsection (d) of section 410 of the Interstate Commerce Act, but this bill makes it such that it does not affect the railroads. Therefore, the railroads have no objection to the present bill. Is that what the gentleman is saying?

Mr. HARRIS. We have had no objection from the railroads to the bill at all. In fact, we have had no objections from anyone on this bill, with the exception of certain shippers associations who fear they might be affected by it, when they are in fact not affected at all because they are exempt under section 402 (c) of the Interstate Commerce Act. Some of them fear, as they have expressed their feeling to many Members about this bill, that section 402 (c) of the Interstate Commerce Act, with reference to the exemption of certain shippers, may in the future be amended by the Congress and, therefore, they would be required to come in and show public convenience and necessity for a permit. We have that bill before our committee. It was recommended by the Interstate Commerce Commission, and they want to modify the exemption section. But our committee does not favor that bill. But what we do feel is that the commission ought to have the authority to issue or deny permits to new applicants that are in the business of freight forwarding on a profit basis.

Mr. FASCELL. I appreciate the gentleman's explanation with respect to another bill which is presently before the gentleman's committee but which is not presently before this committee. I am confining my remarks to this bill. I must repeat, I am trying to be clear in my own mind that the legislation which is before us now, in the words of the Interstate Commerce Commission, would provide preferential treatment to, as they say in other words, applicants controlled by rail carriers.

Is that statement true or not?

Mr. HARRIS. Yes; that statement is true and the amendment which was adopted after consideration of it during the last Congress, was worked out in the other body in order to get this particular problem finally agreed to as to what would be in the best interest of the shipper. In doing so, it was developed that the railroads had instituted forwarder services many years ago and that they had these services developed all over the country and that, therefore, they should not be deprived from furnishing those services or extending those services in the future.

Mr. FASCELL. I thank the gentleman. Will the gentleman yield for one further question?

Mr. HARRIS. I yield.

Mr. FASCELL. The language which is added to subsection (d) of section 410 of this bill reads as follows: "by a corporation controlled by, or under common control with, a common carrier subject to part I of this act."

Is that not correct? That is the only new language added to this subsection?

Mr. HARRIS. And, of course, that refers precisely to what the gentleman just referred to. Part I, of course, of the Interstate Commerce Act refers to the regulation of railroads principally.

Mr. FASCELL. My question is this. What is the objection since the Interstate Commerce Commission admits, as the gentleman does, that this would be preferential treatment to a particular class of applicant; what is the objection to having this bill read by any applicant whoever he might be?

Mr. HARRIS. The objection is that if you do that you would have precisely the situation that we have today where just about anyone can apply for a freight forwarder permit and obtain it.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. HALLECK. I would like to say at the outset that I am supporting this legislation. I think it is desirable and should be enacted. In that connection and having regard to the question that was just asked by the gentleman from Florida, I would like to say first of all that one of my happiest experiences in the House of Representatives was to serve for many years on the great Committee on Interstate and Foreign Commerce, of which the gentleman from Arkansas is now chairman. I was serving on that committee and on the subcommittee when we enacted the first freight-forwarding legislation in 1942. As I remember it, the controversies that arose were about as difficult to handle as any that I have ever been through in that committee, and I have been through some pretty tough ones. One of the controversies arose in respect to the effect of such regulations on the railroads. There were some who said that the forwarders should not be regulated and that, after all, they were not carriers but shippers. We settled that by holding they are carriers and they are regulated as other common carriers are, by the Interstate Commerce Commission. Now, I might say to the gentleman from Florida that at the time this legislation was enacted, that is, regulating the forwarders originally, there were many forwarders in business. The arrangements by which less than carload shipments are consolidated at one point and then moved in railroad cars or truck lots to another point or breakpoint from where they are then distributed, had taken hold in the country.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SPRINGER. Mr. Chairman, I yield the gentleman from Arkansas 2 additional minutes.

Mr. HALLECK. At that time there were some railroads that already were doing what was a forwarder business. There were other railroads that did not.

I think it follows that what might seem to be some discrimination that could not be justified, is really not discrimination but a recognition of the long history of development of this whole legislative process. In addition to that, the railroads furnish much of the equipment that is used in the forwarder operation. There are other reasons why the bill as it is presently drafted, in my opinion, is entirely in line with what ought to be done.

I might say finally, it is recognized that whenever you create a governmental monopoly by a franchise grant, whether at the State level or the National level, you do have some of the characteristics of a monopoly. Necessarily, you cannot have everybody in the business. You cannot have duplication of everything or the whole thing would fall. Some people would argue you should have free and complete competition. You cannot pursue that kind of reasoning in the regulation of public utilities, because it would mean chaos. The regulating that we must do in this utility field contemplates the fixing of the charges. It is the theory of the law and the general practice that the regulation of the rates charged is usually downward, in behalf of the consumer.

The CHAIRMAN. The time of the gentleman from Arkansas [Mr. HARRIS] has again expired.

Mr. HARRIS. Mr. Chairman, I yield myself additional minutes.

There are many Members who want to know just what this would do and the need and necessity for it.

Mr. HALLECK. Mr. Chairman, will the gentleman yield further?

Mr. HARRIS. I yield.

Mr. HALLECK. I think the Commission is right in requesting remedial legislation that will permit them to be a little more restrictive with respect to the people who can go into the forwarder business. It puts it in line with the other carriers who are regulated under the same act. To my mind, it makes for the development of a sound transportation policy. I happen to know that the forwarder is used by small business, by merchants, and our whole country is in a considerable measure geared to the operations of the forwarder. I, for one, think that we should protect that operation, developing it as an integral part of our overall transportation system. I think the bill that has been brought unanimously from the committee is deserving of our support.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. WRIGHT. Is it not true that under section 410 (d) of the Interstate Commerce Act, which section this bill would amend, the Interstate Commerce Commission does not have authority to deny any such application for a freight forwarder permit solely on the ground that such service will be in competition with existing freight forwarder service, and that, therefore, there has been free entry into this freight forwarder field up to this time?

Mr. HARRIS. That is true.

Mr. WRIGHT. And is it not also true that the effect of this proposed legislation which is before us today would be, as the gentleman from Indiana [Mr. HALLECK] conceded, to restrict that free entry into that field, and to make it more difficult for people to get into that business unless he happens to own a railroad?

Mr. HARRIS. It is true that any additional applicant who wants to get into the forwarding business will have to show that there is need for the service that he is going to render. That is the fundamental object behind the whole Interstate Commerce Act.

Mr. WRIGHT. But that he is not in competition with an existing freight forwarder. Is that not the implication?

Mr. HARRIS. The implication is that he must show need for the service. If he shows the additional service is needed, then it is up to the Interstate

Commerce Commission to grant him a permit.

Mr. WRIGHT. Is it not true that out of about 100 freight forwarder permits which are extant throughout the country, the big 4 handles something like 75 percent of all the business?

The CHAIRMAN. The time of the gentleman from Arkansas has again expired.

Mr. SPRINGER. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. WRIGHT. And they hold permits to do business anywhere in the United States. And is it not logical to assume that they could, therefore, establish that any new application to go into this field was in competition with them, and that they were equipped to handle this business?

Mr. HARRIS. Of course, there are something like 100 freight forwarders over the country with operating permits. That does not include many hundreds of bona fide shippers associations, co-ops, and so forth, who are exempted.

Mr. WRIGHT. Therefore it is practically a monopoly.

Mr. HARRIS. This legislation is for the purpose of aiding no particular carrier.

The big problem we have today with our common carrier system is the extent to which so many people of this country are utilizing various exemptions, and so forth, to avoid regulation. If it continues, we are going to have a serious threat to the common carrier system of this country; and when that happens contract carriers, shippers' organizations, private carriers, and all the rest will find themselves without a sound common carrier system and our whole economy is going to be in a very shaky position.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield further?

Mr. HARRIS. I yield for just one question.

Mr. WRIGHT. I wish the gentleman would explain, if he can, in what sense a freight forwarder who is really just a broker, a man who takes orders and fills them——

Mr. HARRIS. If I may interrupt the gentleman, he does not do that. Freight forwarders have their own trucks and go up and gather up the shipments.

Mr. WRIGHT. Those that are connected with railroads do.

Mr. HARRIS. Not only those who are connected with the railroads, but others. They have their own trucks; they go out and gather up the freight. Some get it in big vans, come in and even roll them on freight cars and send them clear across the country by rail. I would like to see more of it in order to take some of these big trucks off the highway.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. SPRINGER. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Indiana.

Mr. HALLECK. Mr. Chairman, I would just like to say in regard to the last suggestion of the gentleman from Texas that, of course, if he thinks those forwarders should not be regulated, that is a bridge we crossed a long time ago. We decided that they were carriers. They issue the bill of lading; they accept the responsibility for the delivery of the shipment; and, so, as I say, that is a part of the act. That is the reason we have title 4 here. Let us not confuse the issue.

I have only one other observation I would like to make and it is on the matter of additional competition. That is not the criterion by which you judge the issue because in aviation and every other form of the transportation business competitive situations are being created all the time. The question is: Are you carrying that so far as to be destructive of the sound transportation that we deem is desirable?

What the Commission wants with this legislation is the right and the authority to keep the competitive situation from getting out of hand, for then the whole business is destroyed.

Mr. BROOKS of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Louisiana.

Mr. BROOKS of Louisiana. I would like to clear up one or two points in my own mind with reference to this bill. Why is the Retail Merchants Association opposing this type of legislation?

Mr. HARRIS. Because even though they are a bona fide shippers organization and are exempt from the provisions of the law, they are fearful that the Congress some time in the future is going to pass another law that will do away with those exemptions.

Mr. BROOKS of Louisiana. The amendment to section 402 (c) they have in mind?

Mr. HARRIS. Yes, that is right.

Mr. BROOKS of Louisiana. Has the gentleman any observations on that?

Mr. HARRIS. The committee has not even thought enough of it to consider it.

Mr. BROOKS of Louisiana. I judge from what the gentleman says that this bill will further tend to create a monopoly of those presently operating.

Mr. HARRIS. Any kind of regulated industry is to a certain degree a monopoly; but this legislation would establish a sound procedure by which these regulated services would be performed.

Mr. SPRINGER. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I would like to say to the gentleman who raised questions about this bill that from the evidence that came before the committee when we were hearing this matter, the freight-forwarders business is threatened with chaos unless we allow the Interstate Commerce Commission to regulate this industry in the future. I do not feel this freight-forwarder business can go on as it exists at the present time. Someone has said something about the possibilities of the railroads having a monopoly. There is not that at all. They have a lot of truckers in the forwarding business, I do not know how many, but I would suspect there are at the present time a dozen in that business, without knowing the exact number. I do not believe it is a question of railroad versus trucks or that versus others. It does seem to me we are going to have to give the Interstate Commerce Commission the right to regulate those who are going to go into this business in the future.

This bill will not do away with any of those presently in existence, but it will regulate those who apply in the future. The reason that the Commission has not been able to do anything about this is because there is language in the statute here which prevents them from effectively regulating the number who may be in the business. If we are going to have a sound transportation business we have to operate on the theory that the Interstate Commerce Commission does have authority to regulate. If they do not have authority to regulate, anybody can get into the business. That is the possibility we are faced with at this time.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. Does this bill have anything to do with contract carriers?

Mr. SPRINGER. No; it does not have anything to do with contract carriers. This does not in any way curtail contract carriers.

Mr. HARRIS. No, it does not affect contract motor carriers in any way.

Mr. DAWSON of Utah. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from Utah.

Mr. DAWSON of Utah. I would like to ask the gentleman if he agrees with the statement made by the gentleman from Arkansas with reference to the words contained on page 6 of the report by the Interstate Commerce Commission that the bill would only amend section 410 (d) so as to limit the application thereof to freight forwarders controlled by or under common control with a common carrier subject to part I of the Interstate Commerce Act. It states further:

> While enactment of the amended bill would result in some tightening up in the issuance of new and extended freight forwarder operating rights, which we deem desirable, it would, at the same time, arbitrarily limit the restriction on denying applications to applicants controlled by rail carriers. Such controlled forwarders would thereby be given preferential treatment.

That is the statement of the Interstate Commerce Commission. Does the gentleman agree with that statement?

Mr. SPRINGER. Will the gentleman point out the line?

Mr. DAWSON of Utah. It is the last paragraph on page 6, about the 7th or 8th line from the bottom.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from Arkansas.

Mr. HARRIS. The gentleman's statement is correct. That is precisely what the language of the bill would do, for the reasons stated a moment ago. The Commission wants to repeal the entire section, as was suggested by the gentleman from Florida, because they want complete authority as to who shall or

who shall not under any given circumstances operate. They are asking for complete authority.

Mr. DAWSON of Utah. What the Interstate Commerce Commission is saying is that you are giving preferential treatment to railroad-controlled forwarders, which they consider to be arbitrary, and the gentleman is saying that we gave that concession to the railroad people so they would not object to this bill.

Mr. HARRIS. The gentleman did not say that at all. There is a different situation.

Mr. DAWSON of Utah. The committee report states that. The committee report states that the railroad carriers objected to this bill a year ago and the committee in order to meet their objections put this provision in.

Mr. HARRIS. On the basis that freight-forwarder service is a part of the railroad serivce they perform.

Mr. DAWSON of Utah. I just want to respond by saying it does not make any difference what excuse the railroads used. They do not want to be excluded, so the concession was given to the railroads. They are happy with it and it now applies to everybody else except the railroads.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from California.

Mr. HOLIFIELD. I happen to be in business with a copartner in California in which I use freight forwarding service. As I understand, freight forwarders pick up small shipments in many instances, combine them into large shipments, and then by contract with the railroads or with trucking lines they put the composite shipment into distant delivery; is that essentially correct?

Mr. SPRINGER. That is correct.

Mr. HOLIFIELD. Now, as I understand it further, these people use their facilities to collect these small shipments, but in the main, for long shipments, they use common carriers; is that true?

Mr. SPRINGER. That is correct.

Mr. HOLIFIELD. Now, this bill, then, as explained by the gentleman from Arkansas [Mr. HARRIS] would tend to restrict the right of people entering into the freight forwarding business other than people connected with the railroads and securing contracts with trucking companies and railroads for the forwarding of distant shipments; is that right?

Mr. SPRINGER. It would not restrict anybody presently in the business.

Mr. HOLIFIELD. That is true. I am glad the gentleman brought that out, because this, then, becomes in effect a bill which will freeze the status quo and give what we call the grandfather status to the companies now engaged in business and will prohibit other competing companies from entering into the same type of business.

Mr. SPRINGER. That is not quite correct.

Mr. HOLIFIELD. Why is it not true?

Mr. SPRINGER. The gentleman stated, I think, inferentially only a half truth; that is, it will not freeze it at all. Any time that they can prove to the satisfaction of the Interstate Commerce Commission that the service is needed, then there will be a hearing and a permit granted.

Mr. HOLIFIELD. And it is not competitive.

Mr. SPRINGER. No.

Mr. HOLIFIELD. Well, as I read the bill, there are two provisions there, that it is needed and that it is not competitive to existing carriers; is that not true? It takes that into consideration.

Mr. SPRINGER. That would be taken into consideration, but I think need would be the primary ground on which it would be granted.

Mr. HOLIFIELD. And if we have a condition of unrestrained competition among freight forwarding companies who utilize common carriers, this would bring chaos to the industry, because the carriers would be helpless on account of the pressure of the freight forwarders?

Mr. SPRINGER. I think what the gentleman says is substantially true.

Mr. HOLIFIELD. I thank the gentleman for the frankness of his response.

Mr. SPRINGER. Mr. Chairman, I yield 5 minutes to the gentleman from Utah [Mr. DAWSON].

Mr. DAWSON of Utah. Mr. Chairman, I dislike very much to find myself in disagreement with my genial friend from Arkansas, and particularly my minority leader, but I think they are both as wrong as wrong can be in this instance. I hope that the Members will take a good, close look at this measure, and I think they can see in it, if they do, some provisions that are going to seriously affect a lot of small-business people of this country. And, I only hope that the committee will take time to really study and look into it.

Incidentally, I requested the chairman of the committee to hold hearings on this matter to give us an opportunity to have our people come in and be heard. I was informed that they had a hearing last year and they were not going to have any further hearings this year, notwithstanding the fact that there are 10 new members on this committee who did not hear this testimony of a year ago.

Now, since that has occurred there have been a good many objections come in from all over the country from some of these small merchants who want to present their viewpoints, and I only hope that the committee will take time to really study their objections and to look into this bill a little further.

Now, very briefly, let us just consider some of the statements that have been made to date. The bill, as it was originally drafted, and as it was introduced in the Senate, entirely eliminated section 410 (d), and then the railroads objected. They said that it might be possible to exclude some of their people getting into the forwarding business.

As a result, they accepted an amendment, which is referred to in the committee report, which would blanket in the railroad people and permit any future applications to be received from people who were in the railroad business without a showing of convenience and necessity, but it would require all others to come in and get a certificate of convenience and necessity.

At the present time there are approximately 5 companies, 5 large companies, that control 65 percent of the forwarding business in the United States. There are approximately 96 forwarders which have the remaining business. But the result would be that these big five forwarders could come in and oppose any applications on the theory that there is no need for further forwarding service in the area, because they have the business. They are already licensed to do business in all parts of the United States, and would claim there was no need for further competition.

The gentleman from Indiana stated that if we permitted this competition to run rampant and let anyone get into the forwarding business, we would find ourselves with undue competition. Now the Members should be reminded that we have had this competition all these years, and as far as I know there has been no particular objection or hardship caused. Yet they come along now and ask to blanket in these railroad forwarders and make it almost impossible for future applicants to get a certificate.

Freight forwarders are in a different position from railroads or electric light companies or other utilities in this respect. They are not required to make a great outlay of capital in order to get in business. The gentleman from Arkansas has stated that they do have truck service. Many of them do. But some of them do not even have truck service. All they need to do is to get themselves a telephone and a desk and they are in business. So they are not in the same category as these people who have to put up a great sum of money in order to get into a competitive business such as public carriers. Of course, public utilities need regulation. But these forwarders are in a different position.

I hope the committee will give some consideration to small business here today. We have shed a lot of tears about protecting small business; yet here we come along with a measure which would have the effect of cutting down the possibility of these small-business people in the future coming in and getting a certificate. I think we are making a mistake. It is true that under the provisions of this bill voluntary associations are exempt. But there is another bill which is pending before this same committee which would redefine voluntary associations and they intend to come along with it later, which would effectively put them out of business.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. DAWSON of Utah. I yield to the gentleman.

Mr. HARRIS. The gentleman just made the statement that the committee had another bill which it intended to bring out. The gentleman is implying that our committee is about to act on that bill or that there is indication that it may act on it. I can give the gentleman assurance that it has not been acted on and the committee has no intention of reporting it.

Mr. DAWSON of Utah. I am glad to get that statement into the RECORD. Mr. Chairman, let me close with this. I think if the committee is going to be consistent it should follow the directions of the Interstate Commerce Commission and completely strike out all of section 410 (d). Then you would find who is really back of this bill. Then you would have these railroad forwarder associations who are being frozen in, coming in and opposing the bill. I say if that is good for the little fellow, to put him out of business, then it should be just as proper to make the act applicable to these railroad forwarder associations who now find themselves in a favorable position.

Mr. Chairman, I hope the committee will consider the points that I have raised and at least give the committee members time to reevaluate their position on this bill and give some of our people a chance to come in and be heard.

Mr. BROOKS of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. DAWSON of Utah. I yield.

Mr. BROOKS of Louisiana. I asked the gentleman's colleague, the distinguished chairman of the committee, with reference to the retail associations. Is it their view that this bill would be prejudicial to their best interests?

Mr. DAWSON of Utah. Of course, they are excluded under the terms of this bill if they operate as a voluntary association, but they are opposed to it because of the fear I expressed a moment ago. I am happy to hear the chairman of the committee express himself in that regard.

Mr. BROOKS of Louisiana. With the assurance of the chairman, that should not happen.

Mr. DAWSON of Utah. The danger is that he may change his mind or someday not be chairman of the committee.

Mr. HARRIS. Mr. Chairman, I yield 5 minutes to the gentleman from Georgia [Mr. FLYNT], a member of the committee.

Mr. FLYNT. Mr. Chairman, with reference to the questions which have been raised by the gentleman from Utah, by the gentleman from Louisiana, the gentleman from Texas, the gentleman from Florida, and others, there is this question about any effect this legislation would have on bona fide shippers or associations. That question has been raised by a good many participating members of the shippers' associations located in the State of Georgia. When those protests began to come in to me, not only during this session but in the previous Congress, I made as thorough a research and study of that particular problem as I possibly could. I raised that point in subcommittee hearings and again raised it in committee hearings. I was satisfied completely with the answers I received there. I wanted to go one step further and inquire of as many members of the Interstate Commerce Commission as I could what their feelings were as to the prospects of any adverse effect this legislation might have on bona fide shippers' associations.

The unanimous response I received from my colleagues on the subcommittee and my colleagues on the full committee and from members of the Interstate Commerce Commission with whom I was able to discuss this problem was such that I am assured that the law, as it now reads, completely excludes bona fide shippers' associations from any of the regulatory provisions of the bill S. 1383. The act so provides and the committee report on this particular legislation so reads.

I certainly want to join in the remarks of my distinguished chairman and say that if and when such legislation ever comes up, one of the strongest opponents of such legislation to restrict the activities of bona fide shippers' associations will be the gentleman from Georgia. I will do everything within my power to see that there is no adverse effect placed upon bona fide shippers' associations who are presently excluded from the provision of this act.

Mr. DIES. Mr. Chairman, will the gentleman yield?

Mr. FLYNT. I yield to the gentleman from Texas.

Mr. DIES. I think the gentleman's statement of his views on that coincides with the views of everyone on the committee. I do not think any member of the committee has given any serious consideration to reporting the bill which eliminates this exemption.

Mr. FLYNT. I thank the gentleman from Texas.

Mr. DAVIS of Georgia. Mr. Chairman, will the gentleman yield?

Mr. FLYNT. I yield.

Mr. DAVIS of Georgia. May I ask the gentleman from Georgia if he apprehends that under this bill there would be any danger of the Interstate Commerce Commission's undertaking to regulate shippers' associations such as the Atlanta Freight Bureau?

Mr. FLYNT. I will respond to that question asked by my distinguished colleague from Georgia by saying that I have no such apprehension whatever. I will go one step further and say that my feeling, as that which has already been expressed, is shared by the chairman of the committee and the gentleman from Texas, about substantially the same thing, and I can say to my colleague from Georgia that the feeling I have is expressed by every member of the subcommittee and the full committee with whom I discussed this problem.

Mr. DAVIS of Georgia. I thank the gentleman.

Mr. SPRINGER. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, I am glad this problem was raised by the gentleman from Utah and also by the gentleman from Georgia [Mr. FLYNT] with reference to voluntary associations. That was discussed at some length in the subcommittee and discussed at length in the full committee. There would not, in my estimation, have been one single vote on this bill if anything like that had ever been considered. I think the voluntary associations have rendered a good service during the time they have been in existence and certainly this Congress would want to continue them in existence. I do want to allay the fears, if there were any, on the part of any Member on the floor as to anything that was intended in the way of such future legislation would have no chance of passage in this House. I feel sure it would not and could not even get out of the committee.

Mr. Chairman, I have no further requests for time.

Mr. HARRIS. Mr. Chairman, I suggest that the Clerk read.

The Clerk read as follows:

Be it enacted, etc., That subsection (d) of section 410 of the Interstate Commerce Act, as amended, is amended to read as follows:

"(d) The Commission shall not deny authority to engage in the whole or any part of the proposed service covered by any application made under this section by a corporation controlled by, or under common control with, a common carrier subject to part I of this act solely on the ground that such service will be in competition with the service subject to this part performed by any other freight forwarder or freight forwarders."

Mr. DAWSON of Utah. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DAWSON of Utah: Strike out all after the enacting clause and insert "That subsection (d) of Section 410 of the Interstate Commerce Act, as amended, is hereby repealed."

Mr. DAWSON of Utah. Mr. Chairman, this amendment will strike all of the section that would give special preference to railroad affiliated forwarders. This would put the bill in the form as it was originally introduced, that is, before the railroads made their objections. The effect of the amendment would be to require all applicants to come in and get a certificate of convenience and necessity including the affiliates of the railroads. This, of course, is in accordance with the recommendation of the Interstate Commerce Commission. Again, I would like to read from page 6 of their report which makes this very recommendation. The letter from the Commission starts on page 5 of the report and they end up with this recommendation. They state:

While enactment of the amended bill would result in some tightening up in the issuance of new and extended freight forwarder operating rights, which we deem desirable, it would, at the same time, arbitrarily limit the restriction on denying applications to applicants controlled by rail carriers. Such controlled forwarders would thereby be given preferential treatment.

Accordingly, we are of the view that section 410 (d) should be eliminated in its entirety.

Respectfully submitted.

OWEN CLARKE,
Chairman.

I say, if we are going to carry out the intent of the Commission, we had better go all of the way and strike out the section.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WEAVER. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. WEAVER. Mr. Chairman, I want to join with the distinguished gentleman from Utah [Mr. DAWSON] and offer my support for the adoption of this amendment. It is apparent from the report accompanying this bill and more specifically a letter from the Interstate Commerce Commission itself, dated July 24, 1957, addressed to the chairman of this committee, that, and I quote: "Section 410 (d) should be eliminated in its entirety." And while it is stated in the Commission letter that some corrective steps can be effected by the enactment of the amended bill, it is also stated very clearly that it would, and I quote: "at the same time, arbitrarily limit the restriction on denying applications to applicants controlled by rail carriers." And unmistakably clear is the convincing evidence to me and I quote further: "Such controlled forwarders would thereby be given preferential treatment."

Mr. Chairman, I hope and urge that the amendment offered by my colleague from Utah is adopted. Nothing can be clearer than the language and recommendations of the Interstate Commerce Commission. The adoption of this amendment conforms with this language and these recommendations.

Mr. HARRIS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I hope this amendment will not prevail. I think we might as well understand again the original issue when part IV of the Interstate Commerce Act, dealing with freight forwarders, was passed in 1942.

The gentleman has said to you that the Commission in offering its first bill would strike out the entire section, 410 (d) of the act.

I hold in my hand a bill, H. R. 4391, which I introduced at the request of the Interstate Commerce Commission on February 5, 1957. This is the bill that the Commission recommended. It consists of three full pages of what the Commission wanted to do in amending the provisions of part IV of the act to give them tighter and more control over the issuance of certificates to freight forwarders.

Mr. DAWSON of Utah. That is exactly what my amendment would do. Does the gentleman disagree with the statement made by the Commission in the committee report?

Mr. HARRIS. No. I do not disagree with what the Commission said in the committee report, but I disagree with what the gentleman said, that the Commission recommended at the outset that section 410 (d) be repealed. The Commission sent us a bill, which I introduced for them, to amend section 410 and other sections of part IV so as to require freight forwarders to obtain certificates of public convenience and necessity.

Mr. DAWSON of Utah. The gentleman said that the amendment I have offered is in accord with the request of the Interstate Commerce Commission as contained in their report.

Mr. HARRIS. It is in accord with the Commission's recommendation on the bill as reported by the committee, but it was not the Commission's original recommendation on the legislation which I introduced at its request in bill H. R. 4391. What we are trying to do is to provide the Commission with authority to determine whether or not new freight forwarder service is needed. In order to do that, the Commission has to say what existing service is provided that the public must have. To do that, the Commission must determine and examine the existing competitive situation.

Mr. DAWSON of Utah. I would say my amendment would do just that. What the gentleman is saying is that he wants to freeze these railroad-controlled forwarders in the business, whereas my amendment would wipe out the whole section and give the Interstate Commerce Commission the right to decide which applicants were entitled to go into the field, whether in the railroad business or not.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. VORYS. The Interstate Commerce Commission in its letter contained in the committee report says that this bill would give the controlled forwarders preferential treatment, and therefore they say we are of the opinion that section 410 (d) should be eliminated in its entirety, just as is proposed by this amendment. Does the committee say that is what we are after—to give these controlled forwarders preferential treatment, and then leave it wide open, as it is under section 410 (d)?

Mr. HARRIS. No. What the Commission meant was that from their viewpoint, if they could not have the bill which they recommended they would prefer to have repealed section 410 (d) of the act.

The CHAIRMAN. The time of the gentleman from Arkansas has again expired.

Mr. SPRINGER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, from all I have heard about this amendment, if you really want to throw the freight forwarder business into chaos, adopt this amendment. Does anyone conceive that these large five that are authorized to serve virtually all points in the United States are not going to be certificated by the Commission? Does anybody believe that these six others that are authorized to serve virtually all points in the United States are not going to be given permits?

Would those 12 be permitted to ship to points in my State? Is there anyone who thinks they are going to receive a certificate if this is struck out? If this amendment is adopted, these various associations which this gentleman has been talking about this afternoon will have to come in and show, even though they are in business at the present time, come before the Interstate Commerce Commission upon the question of whether or not they are needed, and the very thing the gentleman has been talking about here this afternoon would be accomplished if this amendment is adopted.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield.

Mr. FASCELL. I merely wanted to ask the gentleman about the statement he just made. Am I correct that the gentleman did not really mean to say that this amendment would affect the exemption that already exists in the law?

Mr. SPRINGER. Yes, it does; I think it does. But in any event you would have to start all over again, you would have to go before this Commission and get a permit.

Mr. FASCELL. Mr. Chairman, will the gentleman yield further?

Mr. SPRINGER. I yield.

Mr. FASCELL. Is it not true that bona fide shippers' organizations are exempt? They do not have to appear; no permit is required for them.

Mr. SPRINGER. But if you are going to start all over, in my estimate then they will have to go to the Commission.

Mr. FASCELL. Is it not true that the exemption now exists in law?

Mr. SPRINGER. I will have to ask the chairman of the committee.

Mr. HARRIS. Yes, subsection (c).

Mr. DAWSON of Utah. I would like to call the gentleman's attention to the fact that the committee report itself states that shippers' associations are exempt from regulation under part 4 of the act. This does not affect those associations.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield.

Mr. HARRIS. I think the gentleman from Utah misunderstood the gentleman from Illinois. What the gentleman from Illinois meant to say is that there are many of these small freight forwarders in operation, and with the gentleman's amendment you are going to make it impossible for them to compete with the so-called big monopolies which you are talking about in the first place.

The gentleman's amendment in my opinion would go against the very thing he has been talking for all afternoon.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield.

Mr. FASCELL. I would like to have that last statement explained, because I am sure I understood the gentleman to say that if this amendment were adopted the law would then be changed to the effect that all people now in the business and to whom permits have been issued would be required to go before the Commission to get a certificate of convenience and necessity.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield.

Mr. HARRIS. Certainly that would be the case, because the law would then provide that the Commission would have to bring each of them in and determine from the standpoint of service and the competition that exists as to whether or not a certificate of convenience and necessity would be required. Consequently, these who are now operating under permits where they do not have to show convenience and necessity would be required to come before the Commission and show that such necessity existed and, therefore, obtain a new permit. Now, who do you think is going to be able to come in and show that?

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield.

Mr. HALLECK. As I said earlier in the debate, I was on this committee when it considered the first freight forwarder regulatory regulation. There were those at that time who argued that the forwarder had no place in our transportation system. I heard some of those same arguments that were made 15 years ago made again today.

We crossed that bridge way back there, and in the meantime the freight forwarders have become a very important part of the common carrier transportation system of this country. If some of you who apparently would like to destroy their operation had your way you would be in more trouble in a little bit of time back home than you ever dreamed of.

Mr. FASCELL. Mr. Chairman, I rise in support of the pending amendment.

Mr. HARRIS. Mr. Chairman, will the gentleman yield for the purpose of propounding a unanimous-consent request?

Mr. FASCELL. I yield to the gentleman from Arkansas.

Mr. HARRIS. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment close in 10 minutes after the time of the gentleman from Florida [Mr. FASCELL].

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. FASCELL. Mr. Chairman, I am opposed to this legislation as a matter of principle. If you want to take it on the basis of which special interest you want to protect, I say do not protect either one of them. If you want to take it on the basis of enacting legislation that is fair, let us be fair and equitable and do what the Interstate Commerce Commission is asking the Congress to do in the first instance. Therefore, I rise in support of the amendment offered by the gentleman from Utah [Mr. DAWSON].

Mr. Chairman, the Commission has asked us to repeal subsection 410 (d) of the Interstate Commerce Act. That is what this amendment does pure and simple. What are we talking about? We are talking about the freight forwarders. Why is this legislation necessary?

We heard the distinguished Chairman of the Committee on Interstate and Foreign Commerce make the statement that the necessity arises because of sound economic conditions in transportation and because of the desire to provide economic service to the public.

Let us look at the committee report and see what we are discussing when we are talking about those two factors in relation to the people who are going to be regulated. On page 6 of the report we find the following:

> There exist, at present, almost 100 authorized freight forwarders. Of these, 5 are authorized to serve virtually all points in the United States; 6 others are authorized to serve all points in the United States from specified origin points; 12 of the remaining have rights to serve all points in more than 30 States. Others have broad authorities which generally follow existing traffic-flow patterns in the United States.

Over on another page of the report the committee points out that the Commission had for 5 years advised the Congress that the growth in this business has gone beyond sound economic limits, in their opinion, and there ought to be some restrictions.

Assuming these facts to be true, and I certainly do, we see now how we are going to apply the restriction of the bill to the principles of sound economic conditions in transportation and economic service to the public.

First of all, what factor do we have except the factor of overcrowding in the field of freight-forwarding transportation as a common carrier, and I make no argument whatever that Congress has already decided that a freight forwarder is a common carrier. That is behind us and I am not arguing that principle at all.

How do we restrict them? Here is the part of the bill that would restrict them. At the present time under the law the Commission cannot deny solely on the ground of existing competition the right of somebody to come into this business. They say it is too big now and we need to restrict it. The committee says we will restrict it for everybody except those who are already in the business and except those who are controlled or operated by a common carrier. What kind of restriction is that, except to freeze out the person, the individual, the company, or the corporation who might decide it has the money, the ingenuity, the ambition, and the facilities to get into this business and fight it out and make a living. That is who it would exclude.

What does the amendment do? The amendment says, according to the committee chairman, that those now holding permits and future applicants would have to obtain certificates of convenience and necessity. All those in business now would have to apply and get a certificate of convenience and necessity and if they can prove they have the facilities and can provide economic service to the public and are doing it properly within the field of the transportation area which they seek to serve, they will get their certificate. Any new man who comes up there will have to meet the same test. I do not see anything wrong with that.

Mr. THOMSON of Wyoming. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from Wyoming.

Mr. THOMSON of Wyoming. I would just like to ask a question or two. If I understood the chairman of the legislative committee correctly, he said that the effect of this amendment would be to force everyone to come in.

Mr. FASCELL. That is what he said.

Mr. THOMSON of Wyoming. And later have the certificate considered over again.

Mr. FASCELL. That is what I understood him to say.

Mr. THOMSON of Wyoming. The bill as it came out of the committee would adopt the amendment except with regard to companies that are owned by railroad companies or other common carriers; is that correct?

Mr. FASCELL. No, not as I understand. If the gentleman will bear with me, as I understood the answer to that question, it was that the bill would freeze those who are in business and apply only to those who come hereafter, except as to the language which specifically excludes common carriers in Part 1, I believe is the way it reads in the bill.

If we think about what the Commission is talking about in its annual reports for the last 5 years, and if we think about the service to the public, and if we think about the economic conditions in the industry, and we say that a freight forwarder is a common carrier, then let us apply the principle the whole way. Let them come in and get their certificates of convenience and necessity like everybody else.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, I am still troubled by the language on page 6 of the report. The letter from the Commission is dated as late as July 24, 1957, and it carries this language:

> We are of the view that section 410 (d) should be eliminated in its entirety.

Now, I would like to ask the chairman of the committee why does the Interstate Commerce Commission say that this section 410 (d), which is the bill before the House, should be eliminated?

Mr. HARRIS. Mr. Chairman, if the gentleman would read the entire letter, he would understand. I will ask the gentleman to start on page 5, where the Commission, in their statement of justification, repeats what they told us last year when this bill was presented to us. I introduced the bill referred to, H. R. 4391. It will tell you there precisely what they wanted.

Mr. GROSS. Let me ask the gentleman this question: If section 410 (d), or the language in this bill remains then will we be doing what the Interstate Commerce Commission and the signers to this letter say we would be doing, that is, giving preferential treatment to controlled forwarders?

Mr. HARRIS. Yes, that is true, so far as that statement is concerned and is justified in the report, if the gentleman will refer to it, on page 2.

Mr. GROSS. Then the answer is that we will be giving preferential treatment to railroad forwarders?

Mr. HARRIS. Well, in that they will continue.

Mr. GROSS. They will continue?

Mr. HARRIS. Yes. They developed the program themselves and that is the purpose of it.

Mr. GROSS. And they will get the licenses that are granted in the future on a preferential basis over anybody else?

Mr. HARRIS. Of course, there would be no further need for the railroads in the future. They already have theirs.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. ROOSEVELT].

Mr. ROOSEVELT. Mr. Chairman, first may I say that I think that the contribution by the gentleman from Utah [Mr. DAWSON], concerning small business, was a very important contribution

UNIVERSITY OF MICHIGAN LIBRARIES

to this debate. I find it rather difficult to believe that some of the gentlemen on the other side of the aisle would want to restrict free enterprise to the point where they want to actually eliminate competition. On the other hand, I do recognize that there is some validity to the argument that if the condition of chaos is exisent in an industry, perhaps something should be done about it. But, I note on page 4 of the report that the claim is not even made that in this industry today there is chaos. The statement is made that perhaps there is chaos or that there may be chaos in the future. Therefore, I cannot see what is the tremendous hurry to try to put on restrictions in order to protect certain people until you know there is a situation that needs to be legislated about. The committee, by its own admission, says there is no chaos existing in the industry today. The truth is this is another attempt to extend monopoly.

The CHAIRMAN. The Chair recognizes the gentleman from Wyoming [Mr. THOMSON].

Mr. THOMSON of Wyoming. Mr. Chairman, I would like to ask two questions of the committee if my time permits. In the first place, the argument is made here that anyone can get a certificate now, yet as I read the committee report on page 2, all that this section that we are repealing says is that—

> The Commission shall not deny authority to engage in the whole or any part of the proposed service covered by any application made under this section solely on the ground that such service will be in competition with the service subject to this part performed by any other freight forwarder or freight forwarders.

Still section A of the act provides that in order to get a permit at present under existing law you have to show that the proposed service is or will be consistent with the public interest and national transportation policy. Otherwise the application will be denied. It seems to me that you have to show convenience and necessity, that you have to show that it is in the public interest and that the only restriction placed by this section (d) is that the Commission may not arbitrarily say that you cannot have a permit just because somebody else happens to be performing service, even though they are not doing a very good job of it.

Mr. HARRIS. I will say to the gentleman that under the present situation all they have to do is to make an application and get a permit. That is all. Under this bill, if the gentleman will read the report on this bill, he will find that new applicants for a forwarder's permit would have to prove a need for the new service before they could get a permit.

The CHAIRMAN. The time of the gentleman from Wyoming has expired. All time has expired.

The question is on the amendment offered by the gentleman from Utah [Mr. DAWSON].

The question was taken; and on a division (demanded by Mr. WIER) there were—ayes 50, noes 45.

Mr. SPRINGER. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. DAWSON of Utah and Mr. HARRIS.

The Committee again divided, and the tellers reported that there were—ayes 49, noes 59.

So the amendment was rejected.

Mr. WRIGHT. Mr. Chairman, I move to strike out the last word, and ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. WRIGHT. Mr. Chairman, in opposing this bill I may be a living manifestation of those fools who rush in where angels fear to tread. It does not please me to oppose a bill that has sailed through the other body on the Consent Calendar, a bill that has come through our House legislative committee as this one has, without even formal hearings being regarded as necessary. I have great regard and high respect for our Committee on Interstate and Foreign Commerce, for its members, and for its able chairman. Yet I feel constrained to oppose this bill on fundamental principle. I think essentially it is a monopolistic bill.

I hold to the conviction that the freest and fullest competition possible in any industry serves both that industry and the public; yet this bill has the avowed purpose of restricting the gates of opportunity in this particular limited industry of freight forwarding. By the admission of one of the proponents of the bill, it is felt that there are already too many people in this field.

The purpose of the bill, says the committee report, is "to give the Interstate Commerce Commission stronger administrative control over the issuance of permits to engage in the business of freight forwarding." Its effect would be to close the doors of opportunity against those who might wish to enter this business in the future, to freeze the competitive situation as it is today, to remove from the law that one protection which has existed in section 410 (d) of the Interstate Commerce Act. This section of the law presently holds that no one may be prevented from entering this field solely on the ground that he would be in competition with a freight forwarder already in the field.

Let us just briefly examine the nature of this freight-forwarding business. I realize that Congress some 15 years ago named it a common carrier, yet a freight forwarder essentially is not a public utility.

A freight forwarder essentially is a broker, a person who takes orders for goods to be shipped to another party, usually to a retailer or a group of retailers somewhere in the United States. He assembles the desired commodities, arranges passage for them on a common carrier, and ships them to their destination. Why should that particular line of business be severely restricted? It is not essentially a business that has big investments in rolling stock. No investment in rolling stock is necessary, and many freight forwarders have none. Fundamentally, their role is that of a broker. Why would not the general rule hold true that, the freer and more open the competition, the better the result for those who do business with them?

Let us examine the freight-forwarding industry just a minute. It has the potentiality of being a dangerously monopolistic industry. According to the report, there are some 100 freight-forwarders' permits extant today, but the big four out of those 100 control something like 65 percent of all the freight-forwarding business in the country. It very strongly appears that it would further intensify their stranglehold if we were to freeze the situation as it is and to make it more difficult for others to enter this business in the future.

Now, let us examine section 410 (d) which this act would amend. Section 410 (d) of the Interstate Commerce Act directs the ICC not to deny any such new applications "solely on the ground that such service will be in competition with" existing freight-forwarding service. There are five freight forwarders who presently have permits to do business anywhere in the country. Is it not logical to assume that if this provision is done away with, as this bill proposes, they could establish that any future application would be in competition with them and, therefore, rule out its acceptance by the ICC? The bill before us would do away with this guaranty except for the one exception of "a corporation controlled by, or under common control with," a railroad.

Let us just lastly examine the reasons that have been given for this legislation. No need so far as I can tell has been proven for the hand of Government bureaucracy closing the gates of opportunity in this industry. So far as I can tell no reason has been given for intensifying the stranglehold of monopoly in this industry. Here is what the committee report says is the necessity for the bill:

> It has long been recognized that in order to maintain sound economic conditions in transportation—

Now listen to this, if you will—

> and to insure adequate, efficient, and economical service to the public, the Interstate Commerce Commission must have some control over the number of entrants and extent of service in any given transport field.

If you follow that philosophy to its logical conclusion, you must say that competition is the thing that destroys an industry and weakens public service. I am not prepared to say that. If you follow that reasoning to its logical conclusion you have got to say that the only way to protect the industries of America and to insure the best service to the public is to close the doors of opportunity and to keep new people from coming into those industries. That, in my opinion, is contrary to experience and contrary to the basic philosophy of American enterprise, and for that reason I am constrained to oppose the bill.

Mr. HARRIS. Mr. Chairman, I ask unanimous consent that all debate on the bill do now close.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. WATTS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (S. 1383) amending section 410 of the Interstate Commerce Act, to change the requirements for obtaining a freight forwarded permit, pursuant to House Resolution 387, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the third reading of the bill.

The bill was ordered to be read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. ROOSEVELT) there were—ayes 65, noes 52.

Mr. DAWSON of Utah. Mr. Speaker, I object to the vote on the ground there is not a quorum present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present. The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken and there were—yeas 177, nays 176, not voting 80, as follows:

[Roll No. 195]

YEAS—177

Abbitt	Dingell	McIntosh
Adair	Dollinger	McVey
Albert	Dooley	Macdonald
Allen, Calif.	Dorn, S. C.	Mack, Ill.
Allen, Ill.	Dowdy	Mack, Wash.
Arends	Durham	Mahon
Ashmore	Fenton	Martin
Aspinall	Fino	Matthews
Auchincloss	Flood	Merrow
Avery	Flynt	Michel
Bailey	Forrester	Mills
Baring	Frazier	Minshall
Bass, Tenn.	Frelinghuysen	Moore
Becker	Friedel	Moss
Beckworth	Fulton	Moulder
Belcher	Gary	Multer
Bennett, Mich.	Gathings	Mumma
Bentley	Grant	Murray
Berry	Griffin	Neal
Betts	Gwinn	Nicholson
Blitch	Hale	Nimtz
Bolling	Halleck	Norrell
Bonner	Harden	O'Brien, N. Y.
Bosch	Hardy	Osmers
Bow	Harris	Ostertag
Bray	Harrison, Nebr.	Passman
Brooks, La.	Harrison, Va.	Pilcher
Broomfield	Harvey	Poff
Brown, Ga.	Healey	Prouty
Brown, Ohio	Hemphill	Rains
Bush	Henderson	Reece, Tenn.
Byrne, Ill.	Herlong	Rees, Kans.
Byrnes, Wis.	Hill	Rhodes, Ariz.
Cannon	Hoffman	Rhodes, Pa.
Carrigg	Hosmer	Riley
Cederberg	Hull	Rivers
Chelf	Hyde	Roberts
Chenoweth	Jackson	Robeson, Va.
Cole	James	Rogers, Colo.
Colmer	Jarman	Rogers, Mass.
Cooley	Jensen	Rogers, Tex.
Cooper	Johansen	Saylor
Coudert	Kearney	Schenck
Cramer	Kearns	Scott, Pa.
Cunningham, Iowa	Keeney	Scudder
	Keogh	Sheehan
Curtin	Laird	Simpson, Ill.
Curtis, Mass.	Landrum	Simpson, Pa.
Dague	Lankford	Sisk
Dempsey	Latham	Smith, Miss.
Derounian	Lennon	Smith, Va.
Devereux	McCulloch	Springer
Dies	McIntire	Stauffer
Steed	Utt	Wilson, Ind.
Taber	Van Zandt	Winstead
Talle	Vursell	Wolverton
Thompson, La.	Watts	Younger
Thompson, Tex.	Widnall	The Speaker
Thornberry	Wigglesworth	
Tuck	Williams, Miss.	

NAYS—176

Abernethy	Forand	O'Brien, Ill.
Addonizio	Ford	O'Hara, Ill.
Alexander	Fountain	O'Konski
Andersen, H. Carl	Granahan	O'Neill
	Gray	Patman
Anderson, Mont.	Green, Oreg.	Patterson
	Green, Pa.	Pelly
Andresen, August H.	Griffiths	Perkins
	Gross	Pfost
Andrews	Hagen	Philbin
Ashley	Haley	Poage
Ayres	Haskell	Polk
Baldwin	Hays, Ark.	Porter
Bass, N. H.	Heselton	Price
Bates	Hoeven	Rabaut
Baumhart	Holifield	Radwan
Bennett, Fla.	Holmes	Ray
Boggs	Holt	Reuss
Boland	Huddleston	Rodino
Bolton	Ikard	Rogers, Fla.
Boykin	Jennings	Rooney
Boyle	Jonas	Roosevelt
Breeding	Jones, Ala.	Rutherford
Brooks, Tex.	Jones, Mo.	Sadlak
Brown, Mo.	Judd	Santangelo
Broyhill	Karsten	Saund
Burdick	Kean	Schwengel
Burleson	Keating	Scott, N. C.
Byrd	Kee	Seely-Brown
Canfield	Kelley, Pa.	Selden
Carnahan	Kilday	Shuford
Chamberlain	Kilgore	Sieminski
Christopher	King	Sikes
Chudoff	Kitchin	Smith, Calif.
Church	Kluczynski	Smith, Kans.
Clark	Knox	Sullivan
Coad	Knutson	Teague, Calif.
Coffin	Lane	Teague, Tex.
Cretella	Lanham	Teller
Cunningham, Nebr.	LeCompte	Tewes
	Lesinski	Thomas
Davis, Ga.	Lipscomb	Thompson, N. J.
Davis, Tenn.	McCarthy	Thomson, Wyo.
Dawson, Utah	McDonough	Tollefson
Delaney	McFall	Trimble
Dellay	McGovern	Udall
Denton	Machrowicz	Ullman
Dixon	Madden	Vanik
Donohue	Magnuson	Van Pelt
Dorn, N. Y.	Marshall	Vorys
Dwyer	May	Weaver
Edmondson	Meader	Whitten
Elliott	Metcalf	Wier
Engle	Miller, Calif.	Willis
Evins	Miller, Md.	Wilson, Calif.
Farbstein	Miller, Nebr.	Wright
Fascell	Montoya	Yates
Feighan	Morano	Young
Fisher	Morris	Zablocki
Fogarty	Natcher	Zelenko

NOT VOTING—80

Alger	Gregory	Norblad
Anfuso	Gubser	O'Hara, Minn.
Baker	Hays, Ohio	Pillion
Barden	Hébert	Powell
Barrett	Hess	Preston
Beamer	Hiestand	Reed
Blatnik	Hillings	Riehlman
Brownson	Holland	Robsion, Ky.
Buckley	Holtzman	St. George
Budge	Horan	Scherer
Byrne, Pa.	Jenkins	Scrivner
Celler	Johnson	Shelley
Chiperfield	Kelly, N. Y.	Sheppard
Clevenger	Kilburn	Siler
Collier	Kirwan	Smith, Wis.
Corbett	Krueger	Spence
Curtis, Mo.	Long	Staggers
Dawson, Ill.	Loser	Taylor
Dennison	McConnell	Vinson
Diggs	McCormack	Wainwright
Doyle	McGregor	Walter
Eberharter	McMillan	Westland
Fallon	Mailliard	Wharton
Garmatz	Mason	Whitener
Gavin	Miller, N. Y.	Williams, N. Y.
George	Morgan	Withrow
Gordon	Morrison	

The SPEAKER. There is a tie vote. If any Member asks for a recapitulation of the vote, the Chair will order a recapitulation. If there is no request for a recapitulation, the Clerk will call my name.

The Clerk called the name of Mr. RAYBURN and he answered "yea."

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Buckley for, with Mr. Hébert against.
Mr. Morrison for, with Mr. Krueger against.
Mr. Hiestand for, with Mr. Scherer against.
Mr. Garmatz for, with Mr. Hess against.
Mr. Fallon for, with Mr. Gordon against.
Mr. Anfuso for, with Mr. Dawson of Illinois against.
Mr. Taylor for, with Mrs. Kelly, of New York against.
Mr. Collier for, with Mr. Alger against.
Mr. Hillings for, with Mr. Holtzman against.
Mr. Long for, with Mr. Kirwan against.
Mr. Sheppard for, with Mr. Hays of Ohio against.
Mr. Shelley for, with Mr. Barrett against.
Mr. McConnell for, with Mr. Byrne of Pennsylvania against.
Mr. Celler for, with Mr. Staggers against.
Mr. Baker for, with Mr. Blatnik against.
Mr. Powell for, with Mr. Doyle against.

Until further notice:

Mr. Walter with Mr. McGregor.
Mr. Gregory with Mr. Robsion of Kentucky.
Mr. Barden with Mrs. St. George.
Mr. Vinson with Mr. Siler.
Mr. Preston with Mr. Jenkins.
Mr. Morgan with Mr. Dennison.
Mr. McMillan with Mr. Mailliard.
Mr. Loser with Mr. Brownson.
Mr. Whitener with Mr. Norblad.
Mr. Spence with Mr. Gavin.
Mr. Diggs with Mr. O'Hara of Minnesota.
Mr. Holland with Mr. Smith of Wisconsin.

Messrs. ADDONIZIO, ENGLE, EVINS, WILLIS, and DELLAY changed their votes from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

PROGRAM FOR AUGUST 15

Mr. MARTIN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute to get the program for tomorrow.

The SPEAKER. Without objection, the gentleman may proceed.

There was no objection.

Mr. MARTIN. Will the acting majority leader tell us what the schedule is for tomorrow?

Mr. ALBERT. I am glad to advise the distinguished minority leader of the situation. The program previously scheduled has been completed with the passage of the freight forwarders bill.

For tomorrow and the remainder of the week the House will consider the mutual security appropriation bill, and following that the atomic energy appropriation bill.

Mr. MARTIN. I understand that the mutual security bill will be the first business on the program for tomorrow.

Mr. ALBERT. The gentleman is correct. We will proceed with that bill until it is completed.

COMPULSORY INSPECTION OF POULTRY AND POULTRY PRODUCTS

Mr. WATTS, from the Committee on Agriculture, submitted a conference report on the bill (S. 1747) to provide for

the compulsory inspection by the United States Department of Agriculture of poultry and poultry products.

PERMISSION TO FILE CONFERENCE REPORT

Mr. HARRIS. Mr. Speaker, I ask unanimous consent that I may have until midnight tonight to file a conference report on the bill S. 939, to amend section 22 of the Interstate Commerce Act, as amended.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

HOSPITALIZATION PAYMENTS TO BERNALILLO COUNTY, N. MEX.

The SPEAKER. The Chair recognizes the gentleman from Arkansas [Mr. HARRIS].

Mr. HARRIS. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 9023) to amend the act of October 31, 1949, to extend until June 30, 1960, the authority of the Surgeon General to make certain payments to Bernalillo County, N. Mex., for furnishing hospital care to certain Indians.

The Clerk read the title of the bill.

Mr. MARTIN. Mr. Speaker, reserving the right to object, why is this necessary? Is there an emergency?

Mr. HARRIS. Mr. Speaker, this bill is in the nature of an emergency. It has to do with the hospital service to the Indians out in the State of New Mexico. It seems that a bill was passed some 3 or 4 years ago affecting this service out in that particular area. The law expired on June 30. It had to do with contractual arrangements between the Government and the hospital out there to serve the Indians.

Mr. MARTIN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the second, third, fourth, and fifth provisos in subsection (b) of the first section of the act entitled "An act authorizing an appropriation for the construction, extension, and improvement of a county hospital at Albuquerque, New Mexico, to provide facilities for the treatment of Indians", approved October 31, 1949 (63 Stat. 1049), as amended, are amended to read as follows: "*Provided further*, That the Surgeon General of the Public Health Service shall reimburse the county of Bernalillo, or any successor operator of such hospital, for the care and treatment of Indians eligible under the regulations of the Surgeon General of the Public Health Service for hospital and medical services who may be admitted to or treated in said hospital under the provisions of the act of April 16, 1934, as amended (U. S. C., title 25, secs. 452–454), at rates not in excess of the average annual per diem cost of operation and maintenance for the entire hospital, but in no event shall the amount of such payment by the Surgeon General of the Public Health Service be less than the average annual per diem cost of operation and maintenance for 80 per centum of the beds required to be made available. The method of determining average annual per diem cost of operation and maintenance shall be agreed upon between the county of Bernalillo and the Surgeon General of the Public Health Service in the contract between them relating to such hospital. Such payments shall be made by the Surgeon General of the Public Health Service in the manner and at the times agreed upon in said contract: *Provided further*, That the authority of the Surgeon General of the Public Health Service to make such payments shall expire on June 30, 1960: *Provided further*, That on or before December 31, 1959, the Surgeon General of the Public Health Service is authorized and directed to report to the Congress his recommendations with respect to the amounts (together with the formula used in arriving at such amounts) to be paid for such purposes after June 30, 1960: *Provided further*, That the Surgeon General of the Public Health Service may for temporary periods waive the requirements that 100 beds always be available for Indians, if for any temporary period such a number is not needed or required, and if in return the operator agrees that the minimum charge should be proportionately reduced."

SEC. 2. The amendments made by the first section of this act shall take effect as of June 30, 1957.

With the following committee amendments:

Page 2, line 10, strike out "hospital," and all that follows down through the period on line 14 and insert in lieu thereof "hospital."

Page 2, line 21, strike out "*Provided further*," and all that follows down through "June 30, 1960:" on page 3, line 4, and insert in lieu thereof the following: "*Provided further*, That, until June 30, 1960, the amount of such payment shall in no event be less than the average annual per diem cost of operation and maintenance for 80 percent of the beds required to be made available."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REVISION OF DEFINITION OF "CONTRACT CARRIER BY MOTOR VEHICLE"

Mr. HARRIS. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 8825) to revise the definition of "contract carrier by motor vehicle" as set forth in section 203 (a) (15) of the Interstate Commerce Act, and for other purposes.

The Clerk read the title of the bill.

Mr. MARTIN. Mr. Speaker, reserving the right to object, will the gentleman explain the bill to the House?

Mr. HARRIS. This is a bill that has been considered by the committee and all the groups involved in the motor carrier transportation industry. It is a revision of the definition of "contract carrier by motor vehicle."

Mr. MARTIN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection the Clerk read the bill, as follows:

Be it enacted, etc., That part II of the Interstate Commerce Act, as amended, is amended as follows:

(1) By changing paragraph (15) of section 203 (a) thereof (49 U. S. C. 303 (a) (15)), to read as follows:

"(15) The term 'contract carrier by motor vehicle' means any person which engages in transportation by motor vehicle of passengers or property in interstate or foreign commerce, for compensation (other than transportation referred to in paragraph (14) and the exception therein), under continuing contracts with one person or a limited number of persons either (a) for the furnishing of transportation services through the assignment of motor vehicles for a continuing period of time to the exclusive use of each person served or (b) for the furnishing of transportation services designed to meet the distinct need of each individual customer."

(2) By adding to section 203 (49 U. S. C. 303), the following new subsection:

"(c) Except as provided in section 202 (c), section 203 (b), in the exception in section 203 (a) (14), and in the second proviso in section 206 (a) (1), no person shall engage in any for-hire transportation business by motor vehicle, in interstate or foreign commerce, on any public highway or within any reservation under the exclusive jurisdiction of the United States, unless there is in force with respect to such person a certificate or a permit issued by the Commission authorizing such transportation."; and

(3) By adding to section 212 (49 U. S. C. 312), the following new subsection:

"(c) The Commission shall examine each outstanding permit and may within 180 days after the date this subsection takes effect institute a proceeding either upon its own initiative, or upon application of a permit holder actually in operation or upon complaint of an interested party, and after notice and hearing revoke a permit and issue in lieu thereof a certificate of public convenience and necessity, if it finds, first, that any person holding a permit whose operations on the date this subsection takes effect do not conform with the definition of a contract carrier in section 203 (a) (15) as in force on and after the date this subsection takes effect; second, are those of a common carrier; and, third, are otherwise lawful. Such certificate so issued shall authorize the transportation, as a common carrier, of the same commodities between the same points or within the same territory as authorized in the permit."

SEC. 2. Part II of such act is further amended—

(1) by inserting after the second sentence of section 209 (b) (49 U. S. C. 309 (b)), a new sentence to read as follows: "In determining whether issuance of a permit will be consistent with the public interest and the national transportation policy declared in this act, the Commission shall consider the number of shippers to be served by the applicant, the nature of the service proposed, the effect which granting the permit would have upon the services of the protesting carriers and the effect which denying the permit would have upon the applicant and/or its shipper and the changing character of that shipper's requirements"; and

(2) by changing the third sentence of section 209 (b) (49 U. S. C. 309 (b)) to read as follows: "The Commission shall specify in the permit the business of the contract carrier covered thereby and the scope thereof, and it shall attach to it at the time of issuance, and from time to time thereafter, such reasonable terms, conditions, and limitations, consistent with the character of the holder as a contract carrier, including terms, conditions, and limitations respecting the person or persons and the number or class thereof for which the contract carrier may perform transportation service, as may be necessary to assure that the business is that of a contract carrier and within the scope of the permit, and to carry out with respect to the operation of such carrier the requirements established by the Commission under section 204 (a) (2) and (6): *Provided*, That within the scope of the permit and any terms, conditions, or limitations attached thereto, the carrier shall have the right to substitute or add to its equipment

and facilities as the development of its business may require: *Provided further,* That no terms, conditions, or limitations shall be imposed in any permit issued on or before the effective date of this proviso which shall restrict the right of the carrier to substitute similar contracts within the scope of such permit; or to add contracts within the scope of such permit unless upon investigation on its own motion or petition of an interested carrier the Commission shall find that the scope of the additional operations of the carrier is not confined to those of a contract carrier as defined in section 203 (a) (15), as in force on and after the effective date of this proviso."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CASTLE ISLAND TERMINAL FACILITY, SOUTH BOSTON, MASS.

Mr. BROOKS of Louisiana. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 9188) to authorize the Secretary of the Navy to transfer to the Commonwealth of Massachusetts certain lands and improvements comprising the Castle Island Terminal Facility at south Boston in exchange for certain other lands.

Mr. MARTIN. Reserving the right to object, Mr. Speaker, will the gentleman explain the bill?

Mr. BROOKS of Louisiana. I may say to the gentleman that some time ago, 1949, I think it was, there was an exchange of property with the Port of Boston, Massachusetts, in which the United States deeded a portion of the port facilities of the city of Boston to the city, subject to a recapture clause which provided that in an emergency the United States Government could recapture the property.

The purpose of the bill is merely to change the recapture clause so that in event of an emeregncy and the property is recaptured by the United States and used during the emergency, the United States then agrees to pay a reasonable and fair rental for the use of the improvements on the property, if this measure becomes law.

That is what the bill does.

Mr. MARTIN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That 65th Statutes at Large, page 658, be amended by striking out section 2 (b) and inserting in place thereof "that in time of war or national emergency the United States shall have the right of the free and unlimited use of all of said property including any improvements which may be erected by the grantee: *Provided, however,* That the United States shall pay a fair rental for any improvements made subsequent to the passage of this act and shall be responsible during the period of such use for the entire cost of maintaining the said property."

With the following committee amendment:

Page 1, strike out all after the enacting clause and insert the following: "That section 2 of the act of October 27, 1951, ch. 590 (65 Stat. 658) is amended by inserting after the word "grantee" at the end of clause (b) the words "but the United States shall pay a fair rental for any improvements made subsequent to the passage of this act and shall be responsible during the period of such use for the entire cost of maintaining the said property;".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended to read as follows: "To amend the act to authorize the Secretary of the Navy to transfer to the Commonwealth of Massachusetts certain lands and improvements comprising the Castle Island terminal facility at South Boston in exchange for certain other lands."

A motion to reconsider was laid on the table.

REVISION OF DEFINITION OF "CONTRACT CARRIER BY MOTOR VEHICLE"

Mr. HARRIS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1384) to revise the definition of "contract carrier by motor vehicle" as set forth in section 203 (a) (15) of the Interstate Commerce Act, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas [Mr. HARRIS]?

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That part II of the Interstate Commerce Act, as amended, is amended as follows:

(1) By changing paragraph (15) of section 203 (a) thereof (49 U. S. C. 303 (a) (15)), to read as follows:

"(15) The term 'contract carrier by motor vehicle' means any person which engages in transportation by motor vehicle of passengers or property in interstate or foreign commerce, for compensation (other than transportation referred to in paragraph (14) and the exception therein), under continuing contracts with one person or a limited number of persons either (a) for the furnishing of transportation services through the assignment of motor vehicles for a continuing period of time to the exclusive use of each person served or (b) for the furnishing of transportation services designed to meet the distinct need of each individual customer."

(2) By adding to section 203 (49 U. S. C. 303), the following new subsection:

"(c) Except as provided in section 202 (c), section 203 (b), in the exception in section 203 (a) (14), and in the second proviso in section 206 (a) (1), no person shall engage in any for-hire transportation business by motor vehicle, in interstate or foreign commerce, on any public highway or within any reservation under the exclusive jurisdiction of the United States, unless there is in force with respect to such person a certificate or a permit issued by the Commission authorizing such transportation."; and

(3) By adding to section 212 (49 U. S. C. 312), the following new subsection:

"(c) The Commission shall examine each outstanding permit and may within 180 days after the date this subsection takes effect institute a proceeding either upon its own initiative, or upon application of a permit holder actually in operation or upon complaint of an interested party, and after notice and hearing revoke a permit and issue in lieu thereof a certificate of public convenience and necessity, if it finds, first, that any person holding a permit whose operations on the date this subsection takes effect do not conform with the definition of a contract carrier in section 203 (a) (15) as in force on and after the date this subsection takes effect; second, are those of a common carrier; and, third, are otherwise lawful. Such certificate so issued shall authorize the transportation, as a common carrier, of the same commodities between the same points or within the same territory as authorized in the permit."

SEC. 2. Part II of such act is further amended (1) by inserting after the second sentence of section 209 (b) (49 U. S. C. 309 (b)) a new sentence to read as follows: "In determining whether issuance of a permit will be consistent with the public interest and the national transportation policy declared in this act, the Commission shall consider the number of shippers to be served by the applicant, the nature of the service proposed, the effect which granting the permit would have upon the services of the protesting carriers and the effect which denying the permit would have upon the applicant and/or its shipper and the changing character of that shipper's requirements."; and (2) by changing the third sentence of section 209 (b) (49 U. S. C. 309 (b)) to read as follows: "The Commission shall specify in the permit the business of the contract carrier covered thereby and the scope thereof, and it shall attach to it at the time of issuance, and from time to time thereafter, such reasonable terms, conditions, and limitations, consistent with the character of the holder as a contract carrier, including terms, conditions, and limitations respecting the person or persons and the number or class thereof for which the contract carrier may perform transportation service, as may be necessary to assure that the business is that of a contract carrier and within the scope of the permit, and to carry out with respect to the operation of such carrier the requirements established by the Commission under section 204 (a) (2) and (6): *Provided,* That within the scope of the permit and any terms, conditions, or limitations attached thereto, the carrier shall have the right to substitute or add to its equipment and facilities as the development of its business may require: *Provided further,* That no terms, conditions, or limitations shall be imposed in any permit issued on or before the effective date of this proviso which shall restrict the right of the carrier to substitute similar contracts within the scope of such permit; or to add contracts within the scope of such permit unless upon investigation on its own motion or petition of an interested carrier the Commission shall find that the scope of the additional operations of the carrier is not confined to those of a contract carrier as defined in section 203 (a) (15) as in force on and after the effective date of this proviso."

The bill was ordered to be read a third time, was read the third time, and passed.

The proceedings by which H. R. 8825 was passed were vacated and that bill laid on the table.

A motion to reconsider was laid on the table.

REDUCTION IN FORCE, DEPARTMENT OF THE NAVY

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I learned with great regret that the Navy Department is instigating a reduction of approximately 18,000 civilian employees in the navy yards all over the country.

I hope in reconsideration they are not closing the navy yards to these workers that we need so desperately during wartime and allow them to go to new industries that really should not start.

I include as a part of my remarks the following letter which I received from the Assistant Secretary of the Navy:

DEPARTMENT OF THE NAVY,
OFFICE OF THE SECRETARY,
Washington, August 14, 1957.

Hon. EDITH N. ROGERS,
House of Representatives,
Washington, D. C.

DEAR MRS. ROGERS: You are undoubtedly familiar with the press release issued by the Navy on August 14, 1957, and reading as follows:

"The Navy announced today that it is taking action to reduce the number of its civilian employees by approximately 18,000, the majority by October 31, and the balance spread out over the remainder of the current fiscal year.

"These reductions will be effected throughout the shore establishment, principally in naval shipyards, ordnance plants, overhaul and repair shops, and supply activities. This action follows the previously announced withdrawal of 60 ships from active fleet status.

"The high cost of new and complicated weapons systems and the necessity of operating within an expenditure limitation of $10.4 billion for fiscal year 1958 have made these actions necessary."

The Navy is constantly striving to improve its management in order to permit the greatest efficiency and economy possible, bearing in mind at all times that any actions taken in this connection must be related to their effect upon our military responsibility. We are sure that this policy meets the desires of the Congress and has its support.

As a result of the growing cost of men and material, plus the increasing complexity of weapons systems, the Navy must reduce its expenses in every way possible that is not inconsistent with military readiness if it is to provide maximum defense at minimum cost.

The factors outlined herein have caused us to make a very diligent search for means and methods of cutting expenses in order to bring the total within the estimate of expenditures contained in the President's budget for the current fiscal year. As also recently announced, a number of ships are being withdrawn from active fleet status and considerable savings will result from this action. Other reductions will be effected within the shore establishment, which will include disestablishment of some activities and consolidation of others. As a result there will be reductions in the military personnel and civilian employees of the Navy within activities ashore as well as afloat.

In keeping with this program, we know you wish to be informed of any actions which affect activities in which you are personally interested. The enclosures reflect civilian personnel reductions at these activities. Some portion of this reduction will be effected as soon as possible, or as noted, and the balance will be spread over the balance of the fiscal year.

We have given this matter careful and lengthy consideration and are certain it is both timely and necessary.

Sincerely,

F. A. BANTZ,
Assistant Secretary of the Navy (Material).

YEAH, ARMY

Mr. SIEMINSKI. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. SIEMINSKI. Mr. Speaker, I want to congratulate the Army for developing mail by missile.

This feat was reported on the front page of the Washington Evening Star, Tuesday, August 13.

Thirteen is a significant number here, Mr. Speaker. I represent the 13th District of New Jersey and in that capacity discussed mail by missile possibilities on page 83 of the hearings for 1956 appropriations for the Post Office Department.

On February 16, 1955, on page 83 of the hearings for the Post Office appropriation for 1956 I said, in part:

It looks soon as if airplane transport is going to be supplanted one day by guided missiles with receptacle platforms where the mail pouch will be inserted in the missile and shot to a station on the west coast for mail distribution or to any other related missile platform.

Imagine my delight, Mr. Speaker, when the Washington Evening Star featured the success of the Army with the mail by missile project in yesterday's issue.

My delight came not so much from my being on a parallel track with the Army as it did from the answer the Army inadvertently gave to a question I put to the subcommittee on appropriations.

A hassle had developed between the railroads and the airlines on preference in postal rates and service. It was brought to the attention of the committee. Sensing the hassle reflected growing pains in postal operations, I put the question on page 83:

Must we be resigned to the fact that only industry can pace the economy of our Nation; that if you are in Government you mustn't have an idea that can stimulate development of private industry and the welfare of the people?

Sure enough, in last evening's Washington Star, the Army answered my question, quite unwittingly, of course. For that reason, I congratulate the Army. It sets a swift pace, in peace and in war. The other day the papers related progress the Army is making with jeeps that will fly our troops to combat positions in mountains or valleys.

Keep at it, Army. Boxing gloves are selling as fast today as they ever did. Nuclear bombs have not taken away man's desire to know how to defend himself, how to handle his dukes, as it were, in peace or war. The Army inspires. It leads. Go to it, Army.

Mr. Speaker, the article of mail by missile from yesterday's Evening Star follows. Then comes an excerpt or two from page 83 of the 1955 hearings referred to above:

[From the Washington Evening Star of August 13, 1957]

MAIL-BY-MISSILE ERA IS REPORTED WITH US

The Army is reported to have sent and received the first letter ever carried by guided missile. Army officials said they could not confirm or deny the report.

The mail-carrying missile was said to have taken off from Patrick Air Force Base in Florida last Friday. It ascended to an altitude of several hundred miles and landed in the ocean about 1,200 miles from the mainland.

A small cylinder holding the letter was reported to have been ejected toward the end of the rocket flight and to have come to earth near where Army technicians had predicted it would land. The letter was reportedly retrieved from the cylinder and flown back to the mainland.

Asked for details, an Army spokesman said "no comment," adding that a Defense Department order prohibits any service from officially reporting the performance of new missiles.

The purpose of the test was reported to be a demonstration of the accuracy and control of the Jupiter ballistic missile.

The letter was said to have been addressed to Maj. Gen. John B. Medaris, the Army's ballistic missiles chief. General Medaris was reported to have endorsed it after it was retrieved and forwarded the cover to Gen. Maxwell D. Taylor, Army Chief of Staff.

[From hearings for 1956 appropriations for the Post Office Department]

PURPOSE OF THE POST OFFICE DEPARTMENT

Mr. SIEMINSKI. What do you think is the purpose of the Post Office Department, General?

Mr. SUMMERFIELD. Well, it is to provide the people of the United States a method of personal and private communication between each other and between all segments of American business, and the Government, and with their Government, without increasing their taxes.

Mr. SIEMINSKI. Initially, what was the purpose of putting a stamp on an item, which labeled that stamp as something belonging to the Government?

Mr. SUMMERFIELD. I think I will refer the answer to that to our philatelist expert, Mr. Robertson.

Mr. ROBERTSON. Originally, the mail was sent postage collect at the destination. That did not work very well, because a great many people would not pay for their mail once it was delivered. The service was all performed but there was no payment. Then the stamp was devised and put in use in this country in 1847. It was designed for the prepayment of mail, which was much more satisfactory than the original plan of collecting on delivery.

Mr. SIEMINSKI. Am I correct, sir, in saying that mail-carrying evolution in the United States is from that type of collect payment to the Pony Express about 1865, or around the 1860's? Is that right?

Mr. HOOK. I think it was earlier than that.

Mr. ROBERTSON. I think the first trip went across in 1860.

Mr. SIEMINSKI. Well, it was in the 1860's. So, there was delivery dissatisfaction, which might have caused the Pony Express to come into being; the evolution was from collect delivery to the prepaid stamp; then for the mails we had horses, then rails, and now we are in the air; and according to a film which I saw the other day it looks soon as if airplane transport is going to be supplanted one day by guided missiles with receptacle platforms where the mail pouch will be inserted

in the missile and shot to a station on the west coast for mail distribution or to any other related missile platform.

So, again, there arises the question as to whether we and you in Government can research a situation for the best interests of the people; the question is to what extent can Government provide leadership for its people; must we be resigned to the fact that only industry can pace the economy of our Nation; that if you are in Government you mustn't have an idea that can stimulate development of private industry and the welfare of the people?

I realize that the railroads are interested in fighting this seeming preferential treatment you give to the airlines in carrying first-class mail at railroad rates. But would the railroads be in the mail-carrying picture if the Pony Express had prevailed against them as the railroads are trying to prevail against the airlines? Or is the problem deeper than that?

I like your report. It tells a story in good narrative form. It stimulates thought on your problems. You are not afraid to theorize. I hope you continue to develop new ideas even at the risk of being called theoretical.

I shall never forget the remarks on that point of a professor at Harvard Law School, Professor Gardner in contracts. When someone in effect said, "that is not a practical situation, because it does not deal with action," he sat back in his chair and remarked, "Sir, was it practical for a man to first visualize the filaments in the light bulb before they hit the production line?" Where do you draw the distinction between what is practical and what is not?

Without the filament in the man's mind, you do not have the bulb; I hope that you and the Post Office will continue to go into research and development, and continue to give us your ideas, so that we can together keep abreast of postal developments.

In closing, Mr. Speaker, I say, Army keep it up. Feed ideas, feed them fast; and maybe our kids will not have to pass the ammunition; with your ideas, the economy will roll so fast at home and abroad that maybe they will not have to go to war again.

STATE PARTICIPATION IN FEDERAL-AID PROGRAMS

Mr. KELLEY of Pennsylvania. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. KELLEY of Pennsylvania. Mr. Speaker, as one of the Members of Congress who have battled long and hard over the years to build up the school lunch program to its present scope, and to strengthen the vocational education system and many other Federal-State programs—often over bitter opposition from the Republicans—I was hardly amused to read about the casual proposal to turn these programs—and certain Federal taxes—over to the respective States.

The idea grew out of a proposal of the President to the State governors earlier this year to get the Federal Government out of a lot of activities and have the States take them over. Of course, the way Mr. Eisenhower likes to conduct his office, the less responsibilities the Federal Government has, the better he likes it, just on general principles.

But I hate to see programs so hard won and so often subject to bitter attack prepared for the chopping block which would be their fate, I am afraid, if the respective States were to be handed them in toto.

STATE PARTICIPATION VARIES

The degree of participation of the individual States in these and other Federal-State programs varies rather widely from State to State. If the Federal Government were to get out of the picture entirely, it is likely, I think, that many of the States would immediately cut back in their own participation, and perhaps gradually drop out of the programs entirely.

Some States are so acutely intent on cutting expenditures in the social welfare, health, and educational areas—as a means of enticing tax-conscious corporations to come into those States—that we could certainly expect to see the gradual decline of most of the programs in question.

States like Pennsylvania, on the other hand, under enlightened leadership, would continue to do the right thing by their residents, even if it meant higher costs. But other States with less consideration for the needs of their people would then seek to pull our industries away on the grounds ours is a high-tax State while their States, giving fewer services, could get away with fewer taxes. It is a cutthroat approach, but it often works, to the detriment of the whole economy.

I think Pennsylvania's Gov. George Leader was on sound ground at the meeting at Hershey last weekend when a committee of governors and representatives of the Eisenhower administration met to work out tentative agreement on plans for handing Federal programs—and many Federal excise-tax programs—over to the States.

GOVERNOR LEADER SPEAKS UP

Governor Leader, who is not at all convinced the States can handle all programs without exception better than the Federal Government—and has had the courage to say so—pointed out that the real problems of the urban areas in our States are being neglected in these discussions.

But the new Secretary of the Treasury, Robert B. Anderson, countered with the comment that once they get agreement on the little questions, they can then tackle the big ones. It seems to me that the so-called little programs they discussed trading back and forth are now in fairly good shape from the standpoint of effective program operation, and the dislocation of these programs now would be a mistake.

The whole basis of the Hershey discussions seemed to be how the States could take over the tax receipts from such excises as local telephone calls, amusement tickets, cabarets, safe deposit boxes, bowling alleys, and so forth. Is that how our people are to get tax relief—merely by transferring the taxes from the Federal Government to the States? And what assurance would there be that the States would use this revenue for the programs the United States would be expected to drop?

APPROPRIATIONS FOR CAA

Mr. BOW. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BOW. Mr. Speaker, the gentleman from Delaware [Mr. HASKELL] expressed concern recently regarding Congressional appropriations for the Civil Aeronautics Authority.

I can assure the gentleman that throughout the years the House of Representatives has recognized its responsibility in this important field. This year's report of the Subcommittee of Appropriations on Commerce and related agencies had this to say:

> Despite the urgent demand for economy in Federal appropriations, there appears to be no alternative but to provide additional funds for this agency. The assurance of maximum safety in flight for the people of the Nation must be the primary consideration of Congress under this program. New and improved air navigation facilities authorized during the past several years, which will be ready for operation in 1958, must be properly manned if they are to be put into use. Further, adequate personnel must be provided to handle the additional air traffic on the safest possible basis.
>
> This is made increasingly difficult due to the speed and range of the modern aircraft coming into use.

Mr. Speaker, before reviewing the details of the appropriation it would be well to outline the appropriation for the fiscal year 1958:

Budget cuts, Civil Aeronautics Administration, fiscal year 1958

	Budget	Appropriation	Cut
Operation and regulation	$195,000,000	$190,201,000	$4,799,000
Establishment of air-navigation facilities	175,000,000	124,603,525	50,396,475
Grants for airports	35,000,000	25,000,000	10,000,000
Maintenance and operation, Washington National Airport	1,800,000	1,566,000	234,000
Construction, Washington National Airport	500,000	250,000	250,000
Maintenance and operation, Alaska airports	1,250,000	700,000	550,000
Air-navigation development	2,000,000	1,500,000	500,000
Total	410,550,000	343,820,525	66,729,475
Less transfer from Defense			21,500,000
Total			45,229,475

A charge that Congress has not adequately appropriated for the CAA is not borne out by the record. Based on past experience, it would appear that CAA has been getting funds about as fast as they can efficiently use them.

Sizable balances of unobligated and unexpended establishment funds are carried over each year. Unobligated balances for establishment of $17.5 million were carried forward from 1956 into 1957, and unobligated funds totaling $27.5 million will be carried forward from 1957 into 1958.

During the hearing on the 1957 budget I made inquiry of the then Director of CAA, the late Mr. Lowen, as follows:

Mr. Bow. I think this is one of the most important appropriations matters that this committee or Congress will have before it. I believe that a locality or country or nation progresses as its transportation facilities progress. We are right up against it on this one as far as development is concerned. For that reason, I should like to ask this question of whoever might care to answer it. With a budget of this size in Federal airways, if this amount is allowed will you be able to use that money to develop the Federal airways during the next fiscal year?

Mr. LOWEN. Yes, sir; a study shows we will be able to use this money, this next fiscal year.

Mr. Bow. Have you asked for sufficient money to carry this out as rapidly as possible? I for one believe that we must, in the best interests of this Nation, maintain the best possible system. I for one will furnish the money for it.

Mr. LOWEN. Yes, sir.

Mr. Bow. In other words, this is the maximum that you could use in the next fiscal year with efficiency in the development of the Federal airways?

Mr. LOWEN. Feasibly, Congressman; yes, sir. We are, as you may note from the 5-year plan, undertaking an orderly program. This is the year we are getting our feet wet with the first of the 5-year program, $40 million. Then, in subsequent years, the amount of effort increases so that to do the total program economically and efficiently we are starting out with a $40 million level.

One thing, it seems, should be made crystal clear, Mr. Speaker. That is, your Committee on Appropriations does not direct the CAA as to where installations shall be made, or where they shall not be made. That is a decision for CAA and CAA alone. Your committee is, from time to time, requested to designate a particular equipment at a particular location. This has not been done and should not be done.

To say that Congress has denied certain locations equipment they desire is not accurate. The priority of importance of types of equipment and location of installation is a matter which has been determined by the CAA.

In all cases the specific cuts were determined by CAA. The Administrator decided which locations to defer—not the Congress. He undoubtedly took into consideration the traffic volume at these points and relative importance of each. He was fully aware of near misses in each area and the effect of delaying installations proposed.

There is no way to absolutely guarantee safety in the air. No amount of money will completely eliminate near-misses and accidents. Many of these occur even with the most modern equipment and most efficient air navigation system, due to human error and equipment failure. The accident over the Grand Canyon last year, for instance, was over an area which was not controlled by CAA even though controlled airways were available and could have been used by the airlines. Even if we could afford it, it would be virtually impossible to control all of the airspace over the entire country.

Moreover, there is a limit to the rate at which CAA can install new equipment. There are practical limitations on available technicians and equipment. Based on past experience, it would appear that CAA has been getting funds about as fast as they can efficiently use them.

Mr. Speaker, the gentleman from Delaware said: "Budget cuts made by the Congress have hurt our air safety program." This I emphatically and categorically deny.

Congress over a period of many years has cooperated with the executive branch of Government and the aviation industry to establish in this Nation a system of air navigation not equaled in any other nation in the world.

The progress and development of aviation in the United States is a story of which all America may well be proud.

It is unfortunate that charges are now made that our airways are unsafe.

The present Administrator of the CAA, James Pyle, has with energy and foresight launched upon a program to maintain and improve our national airways. Mr. Speaker, I have the utmost confidence in Mr. Pyle. He has in the short time he has occupied his present position demonstrated capacity for this most important task.

I am confident that if an unsafe situation to the flying public should exist that Mr. Pyle would immediately order a cessation of operations and take steps to remedy such a condition forthwith.

The traveling public can, I am sure, rely on Jim Pyle and his associates in CAA for their safety while flying the airways.

Mr. Speaker, the gentleman from Georgia [Mr. PRESTON] is chairman of the subcommittee that handles these appropriations. I know of no man in the Congress, or elsewhere, more concerned with this subject than this most capable legislator. I know, of personal knowledge, of the many hours the chairman, Mr. PRESTON, spends in consultation, inspection, and study of these intricate problems beyond his searching inquiry during the hearings. Under the leadership of Chairman PRESTON the Congress and the Nation need have no fear that the interest of air navigation or air safety will suffer.

The same painstaking devotion to a proper system throughout the Nation has been followed in the past by previous chairmen, the gentleman from New York [Mr. ROONEY] and the gentleman from Ohio [Mr. CLEVENGER].

Mr. Speaker, during the hearings on the CAA budget the gentleman from Delaware [Mr. HASKELL] did not appear to express his views to the subcommittee. He would have been heard. Nor did he offer amendments to increase the appropriations he now discusses.

Many hundreds of millions of dollars of taxpayers' funds have gone to the development of the aviation industry in this Nation, and many hundreds of millions of dollars have been paid from taxpayers' funds for air safety.

We must as a Nation dedicate ourselves to the finest, safest air transportation in the world. This will be accomplished only with the expenditure of large sums of money. The industry, Mr. Speaker, has come of age. It is time that it participates in sharing the expense. A fair and equitable users charge should be established, and soon.

The cooperation of Congress, the executive branch of Government, and the aviation industry is paramount in all future consideration of these matters.

The Congress can, as in the past, be counted on to carry its fair share of responsibility.

TRIAL BY JURY AMENDMENT

Mr. DORN of South Carolina. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. DORN of South Carolina. Mr. Speaker, the so-called trial-by-jury amendment to the civil-rights bill, adopted in the other body, is less of a guaranty than the present statute guaranteeing a trial by jury in criminal contempt cases. The amendment has been largely sold to the country as one guaranteeing trial by jury in charges brought under the civil-rights bill. Nothing could be further from the truth. Here is that section of the United States Code guaranteeing trial by jury in criminal contempt cases. This has been the law of the land for many years.

TITLE 18, SECTION 3691—JURY TRIAL OF CRIMINAL CONTEMPTS

Whenever a contempt charged shall consist in willful disobedience of any lawful writ, process, order, rule, decree, or command of any district court of the United States by doing or omitting any act or thing in violation thereof, and the act or thing done or omitted also constitutes a criminal offense under any act of Congress, or under the laws of any State in which it was done or omitted, the accused, upon demand therefor, shall be entitled to trial by a jury, which shall conform as near as may be to the practice in other criminal cases.

This section shall not apply to contempts committed in the presence of the court, or so near thereto as to obstruct the administration of justice, nor to contempts committed in disobedience of any lawful writ, process, order, rule, decree, or command entered in any suit or action brought or prosecuted in the name of, or on behalf of, the United States.

Now, Mr. Speaker, and ladies and gentlemen of the House, here is the so-called trial-by-jury amendment as adopted by the other body. Bear in mind when reading this amendment that it repeals the above statute guaranteeing a trial by jury in criminal contempt cases.

SEC. 152. Section 3691 of title 18 of the United States Code is hereby amended to read as follows:

"SEC. 3691. Jury trial of criminal contempt: In any proceeding for criminal contempt for willful disobedience of or obstruction to any lawful writ, process, order, rule, decree, or command of any court of the United States or any court of the District of Columbia, the accused, upon demand therefor, shall be entitled to trial by a jury, which shall conform as near as may be to the practice in criminal cases.

"This section shall not apply to contempts committed in the presence of the court, or so near thereto as to obstruct the administration of justice, nor to the misbehavior, misconduct, or disobedience of any officer of the court in respect to writs, orders, or process of the court.

"Nor shall anything herein or in any other provision of law be construed to deprive courts of their power, by civil contempt proceedings, without a jury, to secure compliance with or to prevent obstruction of, as distinguished from punishment for violations of, any lawful writ, process, order, rule, decree, or command of the court in accordance with the prevailing usages of law and equity, including the power of detention."

A careful comparison of the above will reveal to any layman in this House, and certainly to our distinguished attorneys, that the jury trial amendment, adopted in the other body, is completely misleading, vague, and subject to varied interpretations. It in no way guarantees a trial by jury other than what is in the present law. Indeed, it goes further in that it repeals the old statute which guarantees a trial by jury in all criminal contempt cases, except those committed in the presence of the court, and inserts, in lieu thereof, the above amendment which might place an accused in double jeopardy and might subject all lawyers involved not only in civil rights cases but in all litigation before the Federal courts to contempt of court without trial by jury.

Much pressure is being exerted on this House to accept this amendment. Large segments of the press, who do not understand this amendment, are trying to sell it to the country as guaranteeing a trial by jury. I hope no further action will be taken on this bill until our people can be told the truth. In fact, I believe this House will adopt no bill at all at this session. With, or without, this amendment, it is still a dangerous bill and is not needed. It will do more harm than good. Personally, I will do everything possible to prevent the adoption of any civil-rights bill.

A DISSENT FROM THE SOUTH ON PROPOSALS TO IMPORT CANADIAN GAS

Mr. HUDDLESTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. HUDDLESTON. Mr. Speaker, for the past several months I have listened with interest to statements in the House by Representatives from the Northern States, particularly those of coal-producing areas, on the subject of proposals to open United States fuel markets to Canadian natural gas. I think that the time has come for us from other regions of the country to announce our opposition to a program of doubtful value to potential consumers and of great danger to the coal-mining industry and to producers of other domestic fuels. Repercussions also would be felt among a number of dealers and handlers of coal and petroleum products, although this impact would admittedly be primarily confined to a limited area of the Midwest.

After reading the report on the Harris bill to remove producers of natural gas from the jurisdiction of the Federal Power Commission, I am convinced that importation of Canadian natural gas would create problems of considerable proportion in consuming areas. The FPC would be precluded from any authority whatsoever over Canadian gas from the time it comes out of the well to the point at which it crossed the international boundary line. Once a market for this foreign fuel became established and a network of pipes spread into industries and homes in Midwestern States, the supply of coal, lignite, oil, and gas that had been available through the years would disappear for lack of demand. Thus inheritors of a fuel monopoly, stockholders of the Canadian gas companies could have a field day at the expense of United States consumers.

If we who have served through two sessions of discussion and debate on the Harris bill would look ahead to the controversy likely to be generated over boosts in the price of a foreign product on which segments of our populace came to depend, I believe that every Member of Congress would be inclined to hope that the Federal Power Commission refuses to give a green light to the Canadian gas applications now on the docket. The presiding examiner is reported to have opened these hearings with the observation that the issue is the most complicated and complex ever to come before the Commission. The latent confusion that an approval of the applications could cause is even more staggering to comprehend.

Looking at the issue from the standpoint of the domestic fuel producer, there is all the more reason to object to the proposed import program. My feeling is that representatives of all coal- and/or petroleum-producing States should serve notice that we are ready to associate ourselves with those producers—employer and employee alike—directly affected by Canadian gas imports.

The bituminous coal and anthracite industries now have a labor force of perhaps a quarter of a million men. With the modern equipment that has been introduced in recent years, this army of trained technicians is quite capable of extracting whatever tonnages of coal are required at the present time. Whether this number could produce the amount needed to sustain a war economy is debatable. Certainly the United States Government should undertake no program that would cut further into the rolls of mineworkers.

Alabama is generally recognized as a leading producer of cotton, tobacco, sugarcane, livestock, and a diversity of other agricultural products. We have an important seafood industry. We have excellent water outlets that, coupled with Alabama's railroads and modern highways, provide transportation connections with the whole world.

North of the Black Prairie, which occupies about one-fourth of Alabama's total area and is one of the most fertile and most productive agricultural regions in the universe, is a mineral belt extending to the Tennessee River. Here are rich iron ore and coal deposits, plus a good supply of limestone, the third important raw material of the steel industry.

In recent years considerable drilling for petroleum has taken place in Alabama, and while our State is not yet a major oil producer, you can be certain that our people look forward with enthusiasm to the growth of this industry. I would object strenuously to any policy that enabled fuel imports to interfere with this development.

The fact that Alabama is a major producer of coal is sometimes overlooked by the rest of the country. Actually, Alabama's mines have yielded more than 900 million tons in the past century, and today we are the eighth largest coal-producing State in the Union. In recoverable reserves, Alabama ranks sixth among all the States east of the Mississippi River. While most of our coal output, which amounted to some 13 million tons in 1956, is consumed within the State, there is no doubt that our destiny is closely linked with conditions throughout the bituminous coal industry. When a serious decline takes place in coal production in the States to our north, Alabama's mines inevitably suffer. When producers in Tennessee, Virginia, West Virginia, Indiana, and Illinois are deprived of normal outlets, the surplus product will eventually seep through into channels affecting Alabama's markets.

Applications for the importation of Canadian gas are based on the prospect that many consumers now using coal and lignite would convert to this foreign fuel. In addition, domestic oil and gas production would be forced to surrender old customers. American gas interests have pointed out that an invasion of Midwest markets by Canadian gas would retard the development of the Williston Basin. Groups of American oil producers have joined together in an attempt to intervene in the Canadian gas cases, for they recognize that the very survival of their business is at stake. Although a number of the affected industrial centers have actually been built by domestically produced fuels, traditional suppliers would be ignored under the import plan.

Mr. Speaker, I am sure that everyone realizes that the national security is involved in the Canadian gas cases. The United States cannot under any circumstances permit cutbacks in coal industry expansion nor in the exploration, drilling, and production of gas and oil in this country.

There is no oil and gas production in the Congressional District which I represent. However, the district includes 6,500 coal miners, and I can assure you that everyone who is acquainted with the

mineworker and his problems will be entirely unsympathetic to any project that would deprive these hard-working Americans of their means of livelihood. The United Mine Workers of America have unselfishly accepted the introduction of automatic machinery that produces coal with less manpower, but to ask them to sacrifice jobs unnecessarily by bringing to the United States a fuel that is not needed would be cruel and insufferable. I for one cannot tolerate any plan to displace American coal miners, regardless of where they may happen to reside. May I also remind the Congress that the jobs of many American railroaders are in jeopardy due to the losses in coal traffic that would take place if American fuels were forced to surrender their markets to import competition.

Canadian natural gas must not be allowed access to American fuel markets.

DANGERS OF SURRENDERING AMERICAN RIGHTS

The SPEAKER. Under previous order of the House, the gentleman from Indiana [Mr. BRAY] is recognized for 30 minutes.

Mr. BRAY. Mr. Speaker, the freedom and dignity of the individual is the most priceless possession of American citizens. Our Constitution guarantees those "certain inalienable rights" that have distinguished America, that have made possible the greatest economic and industrial expansion, that have given us the highest standard of living on earth.

Except for the rare occasion of enemy invasion, freedom and individual rights are lost because the people of a country become indolent and indifferent to these rights and expect the government to look after their every need, including those rights. The government in turn gradually trades away the rights of the individual to appease the temporary wishes and crying appeal of an organized minority. The price of freedom is eternal vigilance; the cost of complacency is the subjugation of democracy.

Mr. Speaker, I believe that we are confronted with a potential danger. I wish to comment on what I believe would be a protection against that danger. The Armed Services Committee, of which I am a member, has reported a bill introduced by the gentleman from Texas [Mr. KILDAY]. H. R. 8704 attempts to prevent the recurrence of a Girard case. I am aware that many newspapers, commentators, and officials high in our Government try to minimize the importance of the Girard case. They say that we are overemphasizing the importance of Girard; that he is just one soldier who got into trouble; that he does not merit such consideration; that he will probably get off easier in a Japanese court than if he were tried by an Army court-martial. Mr. Speaker, this type of thinking alarms me. It is possible that Girard will not be convicted in a Japanese court, but that is not the issue—in fact it is completely irrelevant. The issue is, Who shall mete out that punishment, if any—American or Japanese courts? The principle involved in the Girard case strikes at the very roots of American freedom. The thing that America has, and much of the rest of the world does not have, is respect for the rights, freedom, and dignity of every individual.

Our Constitution guarantees "certain inalienable rights of life, liberty, and the pursuit of happiness"—rights which cannot be taken away. This certainly should preclude our Government waiving the rights of an American soldier acting in line of duty in Japan or any other foreign country.

No one desires friendship with Japan more than I; but, if to get that friendship we must sacrifice the inalienable rights of an American soldier, then that friendship is too costly. Once the rights of an American are waived, then tomorrow the rights of other Americans will be demanded by other countries, and the leak in the dike of freedom will run faster and faster until our American heritage of liberty and freedom perish.

RECORD IN GIRARD CASE IS CLEAR

Mr. Speaker, now that the Supreme Court has acted in the Girard case, the policy and the action of our Government is quite clear. In order to be absolutely fair in my remarks, I will quote from the decision of the Supreme Court and the statements of the Secretary of Defense, the Secretary of State, and the Secretary of the Army.

First, from the official report of the commanding officer of Girard's company as quoted in the Supreme Court decision:

> I certify that Girard * * * was in the performance of his official duty * * * when he was involved in the following incident. * * * While performing his duties as guard, he fired an expended cartridge case, as a warning, which struck and killed Sakai, Naka.

The Secretary of the Army states that each higher headquarters concurred in this finding.

The Supreme Court quoted paragraph 3 of article XVII as amended by the protocol dealing with criminal offenses in violation of the laws of both nations which provides:

> 3. In cases where the right to exercise jurisdiction is concurrent, the following rules shall apply:
>
> (a) If the military authorities of the United States shall have the primary right to exercise jurisdiction over members of the United States Armed Forces or the civilian component in relation to * * *
>
> (ii) offenses arising out of any act or omission done in the performance of official duty. * * *
>
> (c) If the state having the primary right decides not to exercise jurisdiction, it shall notify the authorities of the other state as soon as practicable. The authorities of the state having the primary right shall give sympathetic consideration to a request from the authorities of the other state for a waiver of its right in cases where that other state considers such waiver to be of particular importance.

In concluding its decision, the Supreme Court said:

> The issue for our decision is therefore narrowed to the question whether, upon the record before us, the Constitution or legislation subsequent to the security treaty prohibited the carrying out of this provision authorized by the treaty for waiver of the qualified jurisdiction granted by Japan. We find no constitutional or statutory barrier to the provision as applied here. In the absence of such encroachments, the wisdom of the arrangement is exclusively for the determination of the executive and legislative branches.

The Court did not question that Girard was in the performance of his official duty—in fact, there was no necessity for the Court to inquire into the matter, for the Government, in its brief, stated for the purposes of the review by the Supreme Court, and I quote from the Government's brief:

> The killing may be deemed to have arisen out of an act done in the performance of official duty.

The issue was simple. Girard was in the performance of his official duty. Regardless of this Japan insisted that this case was was of particular importance so the United States waived Girard's right to an American trial.

The Court merely says that, according to the Status of Forces Agreement we have with Japan, our Government could waive its protection of Girard's right if it so desires. The last sentence of the Supreme Court decision says in effect that if our legislative branch of Government doesn't like it, then they should do something about it. That is just what we propose to do in the Kilday bill.

KILDAY BILL OFFERS PARTIAL PROTECTION AGAINST RIGHTS ABUSE

Stated briefly, the proposed legislation is as follows: When the United States has primary jurisdiction and a foreign nation requests sympathetic consideration be given to a waiver of our primary jurisdiction, only the Secretary of the military department concerned can make the decision to turn over an American serviceman for trial by that foreign nation. It is obvious that a sympathetic consideration to waive primary jurisdiction is not subject to a formal treaty consultation between governments, nor can it be the subject matter of a dispute, otherwise the words "sympathetic consideration" would be meaningless.

This Kilday bill gives only a minimum of protection to the American serviceman. Personally, I sincerely believe that no one, not even an American Secretary of the Army, the Navy, or the Air should have the right to turn over an American serviceman to a foreign country under such conditions. However, by the Status of Forces Treaty such action can be taken. The Senate approves treaties and approved this one. But we can, by the Kilday bill, prevent anyone other than a military secretary from surrendering to a foreign country an American serviceman who was on official duty at the time of the alleged offense. In all fairness, how can anyone object to such a bill?

I regret to say that representatives of the Secretary of State and the Secretary of Defense have strenuously fought every attempt that the Armed Services Committee has made to bring out the Kilday bill. The Department of State through its spokesman told our committee, in effect: "Trust us. There will be no more Girard cases." I will admit that he impressed me that he genuinely regretted the results of the Girard case and would attempt to prevent a similar incident in the future. I wish that I had confidence

in that assurance, but I know that circumstances alter cases and that personnel in Government change rapidly. So I prefer to rely on the theory that we are a Nation of laws, and that we do not trust the rights of the individual to the whims of anyone.

We have changed the bill twice in an attempt to get the cooperation of the Department of State and the Department of Defense without success. The Armed Services Committee reported this bill out by a vote of 31 to 4, but there is doubt that it will come before the House in the closing days of this session. I intend to speak on the Kilday bill if and when it comes before the House. I hope the House will be considering this measure soon. However, I want to bring this matter before you in detail in advance of House consideration.

MUST NOT OVERLOOK PRINCIPLES OF AMERICAN FREEDOM

Now I can appreciate the problems that confront the Department of State and the Department of Defense in trying to get along in a friendly manner with the many nations of the world. They have been able to avoid many serious conflicts and have steered us in peaceful and useful channels, for which I commend them. On the whole they have done a praiseworthy job. In their great zeal to assist and to cooperate with all countries in the world, however, it is easy to overlook or disregard the principles at home which are vital to our way of life. I believe that in the Girard case, they disregarded those principles. The Kilday bill is an initial attempt to see that the rights of each individual serviceman are determined, not by political expediency, but by named Government officials charged with such responsibilities.

We, in America, believe that government is created to serve the best interests of the individual citizen. When our country sacrifices the rights of even one of its own citizens for political expediency, then it loses the respect not only of our people, but also the respect of other nations of the world. There must always be a pride in citizenship and that pride can only exist if a nation protects and serves its own people. Hearken to the words of Paul of Tarsus, saying he was a Roman—and freeborn. At his time all the world knew that the rights of a Roman citizen had to be respected and such right required that Paul be returned to Rome for trial. As long as the rights of a Roman citizen were not bartered to any country for gain or from fear, Rome remained strong and secure. It is our duty to see that the rights of Americans be respected today; they must mean at least as much as being a Roman meant to Paul.

I well realize that countries, as do individuals, at times waive and compromise principles for gain or expediency; but, Mr. Speaker, before an individual or a nation can be truly great and honorable, there must be something within the soul that is not for barter, something that is beyond compromise. The rights of the individual man in these United States should be and must be something which are never bartered, never waived, never compromised.

The young man in service is aware that his job of bearing arms for his country has its natural hazards, and he accepts them. He knows that the life of the soldier can be one of hardship from heat and cold, from hunger and exhaustion, from injury and even death. But every one of our men in uniform must also know a pride in the American flag and what it stands for; and he must also know that the American flag and the Constitution follow him as he serves his country. I shudder to contemplate the effects upon the morale of our American soldiers if they could not be truly proud of our flag and feel secure in their rights as American citizens.

We are trafficking in American rights when we surrender a serviceman who is on official duty to a foreign country for trial just because it is deemed that that surrender is of particular importance to that foreign country.

INTERNATIONAL EXPEDIENCY SHOULD NOT INFRINGE ON CITIZENS' RIGHTS

There are those who argue that our refusal to turn over an American serviceman on official duty "if to do so is of particular importance to the other state" would discredit us with foreign nations and force us to withdraw our troops from abroad. I do not believe that such argument is sound. To the contrary, I believe that they will have more respect for us and for our servicemen in their territory. Sometimes we seem to forget the purpose of having our troops abroad. They are there principally to help and to protect a friendly country until it can, if necessary, resist aggression.

Our troops should be withdrawn as soon as is feasible, for nothing can wreck good will toward America faster than to keep an unwelcome military force in a friendly country. The fact that a country should want to stand alone should be encouraged instead of decried. Such demonstrates a nationalistic pride that is the greatest force against communistic domination. It is apparent that we should have been withdrawing our troops from Japan earlier as many of us had suggested. Our Government is now withdrawing our ground troops from Japan and the Japanese press is praising us for that action. I trust that we will reappraise other commitments abroad. On the other hand, if our relations with a friendly foreign country have reached the point where they do not have confidence in the United States or in our ability and integrity to maintain discipline of our troops while on duty, then the relationship has deteriorated so much that we should withdraw our men before the disrespect toward us grows into a militant hate.

Those who argue against making changes in our present agreements also ignore the fact that the three areas abroad where the greatest number of American troops are stationed have no status of forces agreement. For example, more of our soldiers overseas are stationed in Germany where there is no status of forces treaty than in any other country. According to the testimony of Defense Department officials, we have had no serious trouble with the German Government for lack of such a treaty. Our next largest force abroad is in Korea and the next in Okinawa. We have no such treaties there. American courts take care of all cases involving our soldiers.

We have combat ground troops in only a few other countries. In the great majority of the countries where we have a military force, they are there only for the purpose of assisting in training local troops, and our men have no combat mission. The servicemen sent on such training missions are there at the express invitation of the foreign country. Our training missions are a highly selective volunteer group, doing a wonderful job in helping these countries to help themselves in a military way. They are assisting in the training of the equivalent of some 200 divisions. Court cases in such military training missions are almost negligible.

FREEDOM AND DIGNITY OF INDIVIDUAL OUR GREATEST STRENGTH AT HOME AND ABROAD

The United States today is the strongest country in the world. This is a heavy responsibility to carry. We must never become arrogant or unfair to any country or people. But by the same token we must always command respect. In all countries there are groups which would delight in embarrassing the United States if they could do so with impunity. Each debasement of American rights gives encouragement to make further demands. Since we have yielded to Japan in the Girard case, a country, supposedly very friendly to us, a country whom we have assisted to the extent of many billions of dollars, is now demanding complete jurisdiction over alleged offenses committed by American servicemen, even those committed in our own military posts; yes, even to alleged offenses committed in American military barracks. Then, too, a country whom we have greatly assisted is now demanding the return of two servicemen for a traffic accident which happened 9 months ago although those servicemen have completed their tour of duty and have been discharged. It is apparent that our waiver of Girard's rights to Japan has increased our foreign problems rather than decreased them.

If we allow ambitious groups in any country to pluck a few feathers from our American eagle under whose wings all people would be free and would find hope and aid, then those spreading wings will become useless; and the great American Eagle will become a plucked turkey.

There are always those who are willing to sacrifice the rights of the individual for the temporary good will of the multitude whether that multitude be foreign or domestic. Freedom can only be assured by constant watchfulness of its safeguards. Such vigilance is your job and mine. This Kilday bill is an attempt to insure that there will be no more waivers of rights as has happened in the Girard case. Its enactment would show that Congress has accepted the challenge of the Supreme Court to do something about the conditions which allowed the Girard case to happen. However much we trust the men who say that it will not happen again, let us take this step to write into this law the

minimal protection for the rights of our servicemen who are stationed in foreign countries to help protect the rights of all of us here at home.

HOW DISABLED DO YOU HAVE TO BE UNDER THE NEW SOCIAL SECURITY LAW?

The SPEAKER. Under previous order of the House, the gentleman from Kentucky [Mr. PERKINS] is recognized for 30 minutes.

Mr. PERKINS. Mr. Speaker, this month around 100,000 severely disabled workers received their first checks under the new disability insurance provisions of the Social Security Act established by the 1956 amendments. Ever since I came to Congress in 1949 I have been working toward this goal. However, I am deeply disturbed by the fact that only 100,000 people are receiving these benefits. These relatively few payments seem to justify the growing concern that many Members of Congress, including myself, have felt about the administration of this program.

The ever-shrinking estimates as to the number of people expected to qualify tells its own sad story. In the September 1956 issue of the Social Security Bulletin, Commissioner Schottland of the Social Security Administration wrote that "disability insurance payments could be payable for July 1957 to 400,000 individuals." By the time of the President's budget message of last January, the estimate for the first year had dropped to 380,000 people. And now we are told that the Bureau of Old-Age and Survivors Insurance expects to have about 275,000 on the disability benefit rolls by the end of the first year of the program's operation.

How can we account for these quicksand estimates as to the number of people who would be eligible for disability benefits? In a speech on the floor of the House, on April 18, I gave my own answer. At that time I pointed out that the reasons are rather basic. First, eligible people are not putting in their applications. Secondly, many of those who do apply are being turned down.

One of every two new applicants for disability benefits has been rejected. Many people have written me of their troubles and in my speech I cited examples of what I considered to be the most flagrant misinterpretations of Congressional intent. Subsequently, I am happy to say, the decisions in most of these cases have been reversed so that these people are now eligible for benefits. I do not like to think that it is going to be necessary to read into the RECORD every disability rejection case which offends equity and good conscience, and I sincerely hope that these reversals indicate a basic change in the approach of Bureau of Old-Age and Survivors Insurance to disability determinations.

Without such a change in administrative policy, many of the people that Congress intended to help will be without benefits and the Disability Insurance Trust Fund will become even more heavily overfinanced. We must ask ourselves, if this be the case, whether the Bureau is so concerned with artful arithmetic that it is sacrificing the humane purpose of the act in a calculated attempt to hold down costs.

The further fact that many eligible people are not applying for benefits continues to disturb me greatly. As I stated in my speech of April 18, I believe this is true, in part, because people have been misinformed by the Bureau's 29-page pamphlet, If You Are Disabled, which purports to explain their rights under the disability program. A recent Bureau press release states that "many other eligible disabled workers 50 to 65 years of age have so far failed to make application to their social security offices." This is not at all surprising in view of the existence of this pamphlet. For example, on page 3, under the highly ironical heading of "How Disabled Do You Have To Be?" appears the flat statement that to qualify for benefits—

> You must have a disability which is so severe that it prevents you from doing any kind of work.

Mr. ROOSEVELT. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from California.

Mr. ROOSEVELT. The distinguished gentleman from Kentucky [Mr. PERKINS] is certainly to be commended on bringing to the attention of the House this most important matter. Through the years that I have been privileged to be in the House, this being my second term, I have found the gentleman to be most constructive in all of his approach to the problem of social security. His humane approach to it, I hope, will help those of us who want to see the social-security law amended to make its application more humane bring it about in the near future.

May I say to the gentleman that I think he has brought up a point which is of particular importance, because people who are disabled must not be deprived of the right still to have a decent life, which means that they should be able to do perhaps not substantial work but some kind of work, that their minds may be healthfully occupied, and that they may find some happiness in life. I again congratulate the gentleman on bringing this to our attention.

Mr. PERKINS. I thank the gentleman from California [Mr. ROOSEVELT] for his contribution, especially since he helped his father in the White House in the midthirties set up the original social security program.

Mr. METCALF. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from Montana.

Mr. METCALF. I, too, want to congratulate the gentleman from Kentucky for bringing to the attention of the House this matter of the harsh and discriminatory regulations set up by this administration in administering the social-security law.

For example, in the State of Montana we have a law that provides that miners afflicted with the disease of silicosis and who are totally disabled will receive a certain moderate pension. Those people, many of whom are under the age to receive social security, applied for social security benefits in order to increase their benefits. Their total disability has been fixed by doctors' examinations, and they are receiving under statutory regulation a total disability payment; yet the Social Security Administration will not freeze their rights or their benefits, but apply such rigorous and harsh standards that they cannot freeze their payments as the Congress intended them to do. In fact, the president of the Butte Miners Union the other day wrote to me that the regulations in Montana were so strict that if a man could even reach up and pick up a telephone, if he were not totally paralyzed, he was regarded as employable. As the gentleman has pointed out, that is not what the Congress intended; it was not the legislative intent of this act to make a man be absolutely paralyzed before he would receive the benefits under this law.

A change will result only from an action such as the gentleman is calling to the attention of the Congress and which our colleague on the Committee on Education and Labor, Mr. KELLEY, has urged, that we can change this administrative fiat to comply with what was obviously the legislative intent.

I congratulate the gentleman on his great service in calling this to the attention of the House today.

Mr. PERKINS. I certainly want to thank my colleague from Montana, who is one of the able lawyers of this body. I agree that the words "total disability" as we intended them do not mean total helplessness, but such disability as prevents an individual from going about his usual occupation and earning a livelihood. If the policy of the Department continues it will be necessary to request hearings, and I may say there is an overwhelming demand for hearings at present time. No more than 11 pecent of the special trust fund for this program will be spent this year.

Mr. Speaker, the terminology to which I referred a few moments ago does not appear in the law we passed last session.

Contrast it with the real definition in section 103 (a) of the Social Security Amendments of 1956 which states:

> The term "disability" means inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or to be of long-continued or indefinite duration.

To say that the words of the law "inability to engage in any substantial gainful activity" means "prevents you from doing any kind of work," seems to violate a reasonable man's common understanding of these terms. Furthermore, I submit that this substitutes a misleading and erroneous conclusion of law for the simple words of the law itself. On none of the 29 pages of this pamphlet is there any reference to the basic words of the Congressional enactment—"inability to engage in any substantial gainful activity." It is possible that the administrators of the act do not trust the American people with the definition of disability that the Congress gave them?

A man or woman reading the pamphlet could reasonably conclude that he must be completely and totally helpless to qualify for benefits. As I pointed out in my previous speech, the legislative history clearly shows that this was not the intent of the Congress. When the administration testified on these 1956 amendments, the chairman of the Senate Finance Committee requested specific information on what constituted substantial gainful activity and the standards which would be used in making disability determinations. The reply of the Department of Health, Education and Welfare, reads in part:

> Any work by an individual is some evidence of his ability to perform substantial gainful activity. However, complete helplessness is not necessary to a finding of disability. Sporadic or infrequent activity would not necessarily establish ability to engage in substantial gainful activity.
>
> The results, however, depend upon each factual situation. In determining whether services are substantial, both the nature of the work, and the amount of earnings derived from the work are considered.

The department further stated at this time that:

> The concept of "substantial gainful activity" has been treated by the courts, and the department is developing experience in this area with due regard to precedents.

As far as the definition in the pamphlet is concerned, I have found no judicial precedents which would back up its conclusion that a qualifying disability must be so severe that it prevents an individual "from doing any kind of work."

Anyone who has had any experience with workmen's compensation claims in the various States—and this includes many Members of Congress—is aware of the fact that these compensation statutes do not require total helplessness. I feel that it is safe for me to state that the compensation statutes operate on the theory that a man is totally disabled when he receives an injury which prohibits him from obtaining other gainful employment.

Moreover, there is a significant line of cases in the War Risk Insurance Act where the courts have ruled on what constitutes eligibility for payment for total and permanent disability. The definition under this act is the closest one I could find to the one we put into the Social Security Act.

It reads: "any impairment of mind or body which renders it impossible for the disabled persons to follow continuously any substantial gainful activity." As I mentioned in my earlier speech, the Federal courts have interpreted this definition. For example, the Eighth Circuit Court of Appeals has stated:

> By a "total disability" is meant not necessarily that the man is flat on his back or bedridden, unable to move at all. * * * By "substantially gainful occupation" is meant an occupation that produces and gains a man a fair and decent living, having regard to his station (*U. S.* v. *Rice* (72 Fed. 2d, 676, 677)).

Similarly in *U. S.* v. *Perry* (55 Fed. 2d, 819, 821), the same court held:

> Any kind of work for which an insured may not be fitted or competent, or qualified mentally or physically, cannot always be considered a substantially gainful occupation. A man skilled as a plumber, a carpenter, an engineer, who, in order to keep the wolf from the door, sells apples on the corner from an improvised counter or store boxes, is hardly following a substantially gainful occupation; nor, if he comes from the Army with paralyzed limbs and sits in an invalid's chair and sells shoestrings, is he engaged in what may be termed a substantially gainful occupation.

And finally, the Supreme Court, through Mr. Justice Black, has stated in *Berry* v. *U. S.* (312 U. S. 450, 455–456):

> It was not necessary that petitioner be bedridden, wholly helpless, or that he should abandon every possible effort to work in order for the jury to find that he was totally and permanently disabled. It cannot be doubted that if the petitioner had refrained from trying to do any work at all, and the same evidence of physical impairment which appears in this record had been offered, a jury could have properly found him totally and permanently disabled. And the jury could have found that his efforts to work—all of which sooner or later resulted in failure—were made, not because of his ability to work, but because of his unwillingness to live a life of idleness, even though totally and permanently disabled within the meaning of his policies (citing *U. S.* v. *Rice* and other cases).

In the face of these decisions, it is difficult for me to understand how the officials of the Bureau can, in good conscience, continue to distribute this pamphlet which fails to apprize the people of this country of their rights under the act. In a sense, a glib bureaucratic assertion is acting as judge and jury and convincing many American people of their ineligibility for benefits under the act.

As Ray Henry, the well-known syndicated columnist of social-security affairs wrote recently in his column, Security for You:

> How disabled does a person have to be to draw social-security disability payments? Trying to get a concise answer to this from the Social Security Administration is like chasing butterflies. * * * Probably the best advice a disabled person can follow if he thinks he's eligible for social-security payments is: File your application and wait for a decision.

I am happy to see that, within recent weeks, the Bureau finally issued a press release through its various district offices which gives a fairer description of an individual's rights under this act. In contrast to the Bureau's pamphlet it states:

> To be found "disabled" under the social-security law * * * a worker must have a disability which, in the words of the law, makes him unable to "engage in any substantial gainful activity." * * * In general * * * "substantial gainful activity" means the performance of a substantial amount of work with reasonable regularity in employment or self-employment.

It was further emphasized that:

> A person does not have to be completely helpless to qualify under the social security disability provisions * * *. Consideration is given to all of the facts in the individual's situation both medical and nonmedical.

Finally, the press release gave 9 examples of specific impairments "which would ordinarily be considered severe enough to prevent substantial gainful activity." They were:

1. Loss of use of two limbs.
2. Progressive disease, such as diabetes, multiple sclerosis, or Beurger's disease, which has resulted in the physical loss or atrophy of a limb.
3. Disease of heart, lungs, or blood vessels which has resulted in major loss of heart or lung reserve as evidenced by X-ray, electrocardiogram or other objective findings so that, despite medical treatment, it produces breathlessness, pain, or fatigue on slight exertion, such as walking several blocks, using public transportation, or doing small chores.
4. Cancer which is inoperable and progressive.
5. Damage to the brain or brain abnormality which has resulted in severe loss of judgment, intellect, orientation, or memory.
6. Mental disease (e. g., psychosis or severe psychoneurosis) requiring continued institutionalization or constant supervision of the affected individual.
7. Loss or dimunition of vision to the extent that the affected individual has central visual acuity of no better than 20/200 in the better eye after best correction, or has an equivalent concentric contraction of his visual fields.
8. Permanent and total loss of speech.
9. Total deafness uncorrectible by a hearing aid.

The release further amplified:

> Most individuals with such serious disabilities are unable to work. There are cases, however, where a person with such a severe disability is working, or able to work, because of his special knowledges and skills. He would not be eligible under the social-security disability provisions * * * because he would be able to engage in substantial gainful activity. On the other hand, a person might work occasionally or intermittently but this would not necessarily mean that he was able to engage in substantial gainful activity. Both the nature of the work and the amount of money he earned would have to be considered.

Why, Mr. Speaker, can this basic information not appear in the booklet which the Bureau prepared especially to be placed in the hands of the American people? Why must they rely on a single press release, which many papers may not publish at all and, because of its detail, very few would print in full? I believe the Bureau has an obligation to the people of this country to suspend distribution and revise its pamphlet If You Are Disabled. The misleading phraseology I have noted should be deleted, and more explicit information should be added in order that applicants will know, with some degree of certainty, whether they are qualified under the law.

Despite all these favorable statements, an appeal decision disqualifying a claimant for disability payments arrived in my office this week. A doctor's diagnosis backed up by X-rays and physical findings that the man was totally disabled was considered inadequate medical evidence of disability. The claimant had been receiving disability payments from a private insurance company for more than 18 months at the time this decision was made.

The claimant also submitted affidavits from neighbors stating that through long personal acquaintance they knew him to be totally disabled. The referee stated that an opinion from relatives,

friends, and acquaintances as to his disability has little weight in the evaluation of such individual's residual work capacity. However, he also included a statement that the field representative had made a report that the claimant had good color and appeared to be in good health. This, apparently, was given considerable weight despite the fact that the field representative had no more medical training than the claimant's neighbors.

The referee further stated, and I quote:

> The claimant traveled 50 miles to Ashland, Ky., the place of hearing, by automobile, operated by a friend. He walked with a cane with apparent difficulty. He otherwise appeared to be healthy; however, he complained of severe pain both during the day and at night.

Does this mean that a claimant endangers his claim if he fails to use an ambulance to travel to the referee's hearing?

Is it any wonder that only about 100,000 people received disability benefits when the first payments under the program were made this month? For 9 long years I have been working toward the purpose of adding to our social-security system the same kind of protection for those people who are the victims of a crippling illness or injury as we have for people who have retired. Last year, after mature deliberation, the Congress adopted such a program in what was described as a "new milestone" in our social-security plan. But it appears that our job is not quite done. We must make sure that all those disabled people in the country who are entitled to benefits under the law shall receive them. This vital new plan must not be choked by an overcautious and involved administrative policy so that it becomes a paper program rather than the program for the people which the Congress designed.

IMMINENT DANGER THREATENS THE REPUBLIC—A REMEDY IS AVAILABLE—HOFFA IS BAD—REUTHER IS WORSE

The SPEAKER. Under previous order of the House, the gentleman from Michigan [Mr. HOFFMAN] is recognized for 30 minutes.

Mr. HOFFMAN. Mr. Speaker, Dave Beck, longtime president of the teamsters union, and all-powerful on the west coast, caught with his fingers in the jam by the Senate Select Committee To Investigate Improper Activities in Labor-Management Relations, of which Senator JOHN L. MCCLELLAN is chairman, will be succeeded, the press advises, by James R. Hoffa. Recently acquitted of the charge that he tried to bribe an employee of a Senate committee, Hoffa is a convicted extortioner.

Hoffa has announced that, if elected president of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, he intends to organize and direct transportation workers throughout the country.

Senator MCCLELLAN, a man of patriotism, ability, and sincerity, warned that, if Hoffa succeeds in his efforts, he will be able to seriously threaten and, in fact, actually bring about a nationwide tie-up of transportation which will endanger the public health, safety, and welfare of our people.

Hoffa is daring, unscrupulous, ambitious. Those familiar with his record have no doubt that he will seek and will use the power of a dictator to further his own ambition. Hoffa's record is one which discloses a pattern of greed, selfishness, oppression, extortion, and lawlessness, a successful defiance of local, State, and Federal Government.[1]

HOFFA SEEKS TO SUCCEED BECK AS PRESIDENT OF INTERNATIONAL BROTHERHOOD OF TEAMSTERS, CHAUFFEURS, WAREHOUSEMEN AND HELPERS OF AMERICA

It is the privilege and the right of the teamsters to elect Hoffa as their president, if they so desire. They should, however, be advised of some of Hoffa's characteristics and of his record before they choose him as their representative.

James R. Hoffa has frequently been arrested for misdemeanors, seldom convicted.

The press has carried stories praising Hoffa because he does not drink, use tobacco, supports his family, is kind to his wife and children, has not stolen union funds, and has most of the virtues which are common to all decent men.

Hoffa, however, is a racketeer and extortionist.

Permit a repetition. If transportation workers throughout the United States want a crook as their spokesman and representative, that is their right.

Twice Hoffa has stood before the bar of justice on serious charges.

On December 2, 1948, he and his associates entered a plea of guilty to the charge of, first, a conspiracy to extort money; second, a conspiracy to violate the State labor law; third, a violation of the State labor law.

The facts disclose that Hoffa and his codefendants had by force and threat of force compelled "little people," independent grocery retailers, to pay to a union as a privilege of doing business, $4,240. That is, Hoffa and his codefendants by force and the threat of force so intimidated honest, law-abiding individuals that they were forced to pay to the union in which he was interested various sums which otherwise they might have used to purchase the necessities of life, to spend on a vacation, to educate their children—they were forced to pay tribute in order that they might exercise the civil right to engage in business—earn a livelihood. Where then were the gentlemen from New York [Mr. KEATING and Mr. CELLER], the present day spokesmen for civil rights?

That Hoffa and his friend William E. Buffalino, through control of the Teamsters Union, conspired to, and did, through the use of force, threats of force and economic pressure, extort and collect millions of dollars from organized and unorganized members of the union who were operating in the juke box industry was established by Congressional hearings held in Detroit in June of 1953 by joint special committees of the House Committee on Education and Labor and the House Committee on Government Operations—House Report No. 1324, 83d Congress, 2d session.

Anyone wishing to operate a jukebox or, on occasion, a vending machine, in the territory controlled by Buffalino and Hoffa paid tribute and fees fixed by Buffalino to the racketeers. This was possible because Hoffa was president not only of Teamster Local 299, but of the Teamsters Joint Council 43; 10th vice president of the Teamsters International; secretary-treasurer of the Teamsters Temple Association; president of the Michigan Conference of Teamsters; chairman of the Southern Conference of Teamsters and the Midwest Conference of Teamsters; negotiating chairman for 23 States on highway and city transportation and Central States Drivers Council; chairman, Central States Conference; trustee, Central States welfare fund; and trustee for locals Nos. 247 and 614 of the Teamsters Union.

Hoffa and his associates defied the law, oppressed, extorted money from—union members in good standing—not once or twice, not in secrecy, not in the darkness of nighttime, but openly, publicly, so often, so brazenly, that the practice was a matter of common knowledge, became an established union activity.

Why grow sympathetic about the operation of dictators in South America or other parts of the world, when here at home, in Detroit, Wayne County, Mich., in the United States of America, men grasp, hold, and exercise arbitrary oppressive power over their fellow citizens?

Standing before an apparently kindly, sympathetic judge, who, in part at least, owed his judicial position to the voters who lived in Hoffa's bailiwick, Hoffa and his codefendants were ordered by the court to repay to those who might apply and who had been robbed their share of the $4,240 illegally taken from them.

Naturally, as Hoffa, his attorney, and the judge well knew, it was more than probable that not all of those whose money had been unlawfully taken from them, because they were afraid of Hoffa and what he might do to them, would apply for a restitution of the sums due them. Of the $4,240, application for return was made for but $1,937.

Thereafter, the union, through its attorney, George Fitzgerald, one of the attorneys who appeared recently in the conspiracy trial of Hoffa here in Washington, asked that the balance of $2,303, for the return of which those defrauded had not made application, be returned to the union. Upon the union's agreement that it would thereafter return whatever might be due to those who might apply, the court ordered the probation officer to pay the balance to the union.

HOFFA GUILTY OF ILLEGAL OPPRESSION

In February 1942, Hoffa and others were charged in the District Court of the United States, Eastern District of Michigan, Southern Division, with having "knowingly engaged in a combination and conspiracy unreasonably to pre-

[1] See hearings before a special subcommittee of the Committee on Education and Labor, House of Representatives, 83d Congress, held at Detroit, Mich., November 23, 24, 25, and 27, 1953.

vent persons, partnerships, and corporations located in the city of Detroit, Mich., other than the defendant wholesalers, from selling wastepaper for shipment from the city of Detroit, Mich., to States other than the State of Michigan and to the Dominion of Canada, which combination and conspiracy in fact has been and is now in restraint of trade and commerce in wastepaper among the several States and with foreign nations, and in violation of section 1 of the act of Congress of July 2, 1890, entitled 'An act to protect trade and commerce against unlawful restraints and monopolies'—United States Code Annotated, title 15, section 1—commonly known as the Sherman Act."

Haled before the court, Hoffa and his codefendants did not deny the charge. Hoffa was fined $1,000, as were his friend Bernard Brennan, alias Bert Brennan, and five other defendants.

Permit me again to repeat, if the transportation workers of America want Hoffa, a confessed extortionist, to represent them before the bar of public opinion, that is their right.

Hoffa's record shows that he is brutal, that he will use the goons of his union to threaten and to beat honest, law-abiding citizens in order to enforce his orders, impose his will; that he will use his power to drive union men out of business for financial gain; that he is an extortionist and a racketeer.

The following incident shows that Hoffa and Brennan are moral cowards for they attempted to hide behind the skirts of their wives.

Though Hoffa poses as a kindly man with the welfare of the teamsters at heart, he was not adverse, when a financial profit was in sight, to ruining the business of a union teamster.[2]

Harold Cross and teamster friends, as employers, operated a profitable haul-away business out of Flint. Hoffa and his friend Owen Bert Brennan ruined the business by organizing Test Fleet, Inc. They used the maiden names of Hoffa's wife, Josephine Poszywak, and Brennan's wife, Alice Johnson. The new company took over the business of Cross and his associates through an investment of $4,000.

Whether the $4,000 was actually paid or came from union funds was not established. In any event, though Mrs. Hoffa and Mrs. Brennan performed no work, had no employees, but utilized the services of an employee of Comercial Carriers, whom they paid $2,400 a year, in 4 years the company returned to them $62,000 in dividends.[3]

[2] Hearings, ibid., pp. 122, 125, 129.

[3] "The Hoffa-Bert Brennan venture was known as Test Fleet, Inc. The corporation was organized to lease equipment to Commercial Carriers, a company specializing in over-the-road hauling of automobiles. (Hearings, pp. 131, 147.) Test Fleet was established at a cost of $4,000 to Mrs. Hoffa and Mrs. Brennan. In 4 years, it returned them dividends amounting to $62,000. It was also shown that neither Mrs. Hoffa nor Mrs. Brennan had any part in the functioning of this corporation, which had no employees. (Hearings, p. 144.) One of them merely telephoned periodically, instructing the corporation auditor to pay a dividend. On at least one occasion, no amount was specified in these instructions, and the suggestion was offered that it be 'as much as the corporation could stand' out of its earnings. (Hearings, p. 138.)" Report of a special subcommittee to the House Committee on Education and Labor pursuant to H. Res. 115, 83d Cong., 2d sess.

[4] Hearings before special subcommittees of the House Committee on Education and Labor and of the House Committee on Government Operations, 83d Cong., 1st sess., under H. Res. 115 and H. Res. 5, "Strikes and Racketeering in the Kansas City Area."

[5] Detroit, November, 1953, hearings, pp. 72–74.

[6] Detroit, November, 1953, hearings, pp. 310–326.

[7] Detroit, November, 1953, hearings, pp. 71–85.

[8] Detroit, November, 1953, hearings, p. 439.

[9] Detroit, November, 1953, hearings, p. 440.

[10] Detroit, November, 1953, hearings, pp. 441, 442.

[11] Detroit, November 1953—hearings, p. 446.

OVERRULING PASSION—UNBRIDLED AMBITION

Another instance of Hoffa's callousness.

Hoffa, as the directing force of the teamsters union, had almost unlimited power. His legitimate job was to promote the welfare of union members, especially those of the AFL organizations, but his own greed and ambition has always been the controlling force.

Permit the citation of just one instance—when seeking the acquisition of union dues, he turned on other AFL unions, sought to destroy them.

Hearings held at Kansas City, Mo., June 29, 30 and July 1, 2, 3, 1953,[4] showed that Hoffa's lieutenant Ring, with clubs, pieces of chain, and other weapons, drove AFL members in good standing from their jobs, threw thousands of them out of work, and stopped the construction of defense utilities.

All that ever came from our hearings was the ending of the strike, persecution, conviction, later reversed, of the union man who exposed the lawlessness.

If the members of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen, and Helpers of America and the transportation workers of America want to place their destiny in the hands of that kind of a man—a confessed crook—that is their business, but the people of America should be advised of what will happen.

Senator MCCLELLAN—yes, every law-abiding decent citizen of America—should keep the situation in mind and demand that the Congress act accordingly.

Just a little more of Hoffa's record.

MISUSE OF WELFARE FUNDS

Nor did Hoffa hesitate to profit through the manipulation of union health and welfare funds. He diverted the business of insuring health and welfare funds to, among others, Paul and Allen Dorfman, who, in turn, in a comparatively short period of time, through commissions, profited to the extent of more than $1 million.[5]

When an attempt was made to question the Dorfmans, the father, Paul, invoked the fifth amendment 71 times,[6] while the son, Allen, used the same amendment 64 times,[7] thus protecting not only themselves, but Hoffa.

See, generally, Investigation of Welfare Funds and Racketeering, report of a Special Subcommittee to the Committee on Education and Labor, pursuant to House Resolution 115, 83d Congress, 2d session, pages 5 to 10.

MISUSE OF UNION FUNDS FOR POLITICAL PURPOSES

Hoffa insists that he is honest, has never misused or profited from the misuse of union funds. Such a statement is not only untrue, but brazenly absurd. In Detroit, under oath, on November 27, 1953, Hoffa made certain admissions or statements.

The records of local 299 for the year 1948 showed State political contributions in the amount of $15,487.70. The minutes of a meeting of the regular union carried this notation:

> Motion by Weinberger, seconded by Fontaine, that the local union reaffirm the right of the president.[8]

Which Hoffa said was correct. Hoffa stated the motion was carried by unanimous vote.

Another notation:

> Minutes approved, the expenditure of funds by Hoffa in the Canadian strike. Motion carried by unanimous vote. Also same motion and approved re right of president to spend whatever moneys he thinks necessary in the forthcoming local elections.[9]

The reference was to the forthcoming local election in Detroit.

Hoffa further testified that in every election he made a request and was granted the right to spend the necessary union funds to conduct whatever campaign "we think is to our best interest," and he further testified that, in spending those funds—and there was available at least a million dollars—

> We do not operate as a political committee. We operate as a union.[10]

For 1950, the returns showed that the union made State political contributions to the amount of $13,410.30. Hoffa also stated that the union made political contributions in support of candidates to the campaigns of judicial candidates in Wayne County.[11]

Did Hoffa's misuse of union funds to influence judicial elections in Wayne County and Detroit taint justice's fountains, enhance his ability to go unwhipped of justice?

Why Hoffa should insist that he has not misused union funds is a little difficult to understand, when, in the same breath, he admits that he has used the dues and assessments levied upon Democratic and Republican workers alike to elect local partisan candidates.

DESTRUCTION OF UNION RECORDS

The McClellan committee will find difficulty in obtaining information from the records which Federal law requires all business organizations, as well as individuals, to keep to assist the Internal Revenue Service in collecting income taxes. So far as is known, no one has questioned Hoffa's apparent shrewdness. Under oath, he testified that the financial records of Teamsters Union Local

299, of which he was president, were destroyed each year.

Likewise, through his attorney, he admitted wiretapping of meetings of his own union.

With that brief statement of only a part of Hoffa's record, is it not long past time that the Congress insist that the Department of Justice protect the civil rights of citizens generally—as under present law it has ample authority so to do?

REUTHER—THE NO. 1 THREAT TO THE PEOPLE'S WELFARE, THE NATION'S SECURITY

While Hoffa is able, unscrupulous, greedy, and politically ambitious, a brazen defier of law and order, will trample underfoot the rights of members of the union, his activities are not as destructive to our form of government as are those of Walter P. Reuther.

Reuther does not lack any of Hoffa's ability, his unscrupulousness, his ruthlessness, or disregard for the rights of members of his organization. He is far more adroit and subtle.

His apparent objective does not seem to be solely the advancement of his own power and prestige, but a determined effort to overthrow our form of government, to lead us to accept the Communist philosophy. Of the soundness and the efficacy of Communist policies, he seems to have no doubt. This conclusion is justified by his record.

When Reuther first went to Detroit, working nights at Briggs or Ford, attended high school and then for 3 years studied at Wayne University, he and his brother, Victor, associated with many of the leftwingers and radicals of that day and community. Apparently he then began to accept their conclusions as to the form of government which was best for our country.

In 1933 two of the Reuthers, Walter and Victor, went to Russia, worked and studied in an industrial plant, there wrote a letter addressed to "comrades" in Detroit, praising the workers' lot in Russia and ending with a plea to Detroit associates to carry on the "fight for a Soviet America."

As early as 1924, John L. Lewis, when president of the United Mine Workers of America, in Senate Document 14 of the 68th Congress, 1st session, warned United States workers as well as the public that the Communists were attempting to take over the American labor movement.[12]

[12] "Imported revolution is knocking at the door of the United Mine Workers of America and of the American people. The seizure of this union is being attempted as the first step in the realization of a thoroughly organized program of the agencies and forces behind the Communist International at Moscow for the conquest of the American Continent.

"The overthrow and destruction of this Government, with the establishment of an absolute and arbitrary dictatorship, and the elimination of all forms of popular voice in governmental affairs, is being attempted on a more gigantic scale, with more resolute purpose, and with more crafty design than at any time in the history of this Nation" (CONGRESSIONAL RECORD, vol. 81, pt. 5, p. 5170).

Lewis further described some of the leaders of that movement as "fakers, repudiated leaders, traitors to the Union, opportunists, and purveyors of every falsehood, slander, and deception."

In 1935, Lewis, then in the AFL, composed of craft unions, became dissatisfied with what he claimed was its lack of growth and suggested that AFL charters should be issued to unions in steel, communications, auto and mass production industries.

The AFL leadership would not go along, and in January 1936 warned him against the attempt to unionize unskilled labor, but the executive council did not have authority to suspend him.

Lewis ignored the warning, was suspended by the AFL in convention in 1936, and in 1938 aided in establishing the Congress of Industrial Organizations.

SITDOWN STRIKES

The sitdown strike, a method successfully used by the Communists in France, was introduced in Michigan on the last day of December 1936. The strike continued until June 11, 1937. Lewis was the guiding genius during that strike.

Communist methods and Communist organizers and leaders, some of whom had been bitterly condemned by Lewis in 1924 [13] were employed by Lewis. During that strike, not only industrial plants, but control of cities, were taken over by the CIO.

Force and violence were the prevailing methods. Law-enforcing officers were ignored. Court orders were defied. The gates and the doors of industrial plants were welded shut. Electricity supplying power and light to hospitals, to police and fire departments, was cut off. Public streets were blocked. Anarchy prevailed.

The strikers had the support of the then Governor of Michigan, Frank Murphy. He used the National Guard not to protect the civil rights of the citizens, but to protect the illegal actions of the strikers.

Though at that time Walter Reuther did not direct the activities of the CIO, he was and ever since has been an ardent, active, forceful, and efficient supporter of their methods and procedure.

The sitdown strikes were settled on the 11th day of June 1937, when it became apparent to Lewis and Gov. Frank Murphy that law-abiding citizens of Michigan were about to arm themselves and by force of arms protect their property, their liberty, and their lives from the lawlessness of the CIO, whose activities were then dominated by Communists.

In my hand is the rope which was used in a strike at Ford to hang a Ford worker in a Ford plant.

Before me are other weapons which were used to bar individuals who sought to pass the picket line and work in the Ford plants.

In my hand is a photograph taken on April 3, 1941, at the Ford River Rouge plant in Dearborn, Wayne County, Mich. It is authentic. It was sent me by a Federal judge who earlier presided at a trial in his court when the strike referred to was an issue.

The picture shows 7 CIO members, 4 of whom were actually engaged, 1 with a club, in the brutal beating of Melvin Bartling, timekeeper, at gate 4 on Miller Road. State police standing within 50 feet witnessed the outrage but gave no assistance.

[13] S. Doc. 14, 68th Cong., 1st sess.

The photograph shows Jess Ferrazza standing at the side of Bartling, who was a timekeeper and who was going into the plant to assist in making out the checks to pay the strikers for sums due them.

Two of the assailants were at the time carrying Communist cards.

What is the significance of the statements just made? At that time Walter Reuther was active in the CIO organization. The Jess Ferrazza referred to, and who was then an active participant in this beating, is the same Jess Ferrazza who in 1954, under the direction of Mazey and Reuther, headed a goon squad in the Kohler strike in Sheboygan, Wis.

At that time and for long thereafter the CIO was dominated, its policies fixed, the methods used determined, by Communists, who were working through the CIO toward the overthrow of this Government by force.

WASHINGTON SUPPORT FOR COMMUNISTS AND THE CIO

In their organizing campaign, the CIO had the active support of the Senate Civil Liberties Committee, of which Robert La Follette, Jr., was then chairman. CIO organizers carried upon their cars a banner stating that they had the support of the Senate Civil Liberties Committee.[14]

The La Follette Senate Civil Liberties Committee, through its hearings, gave active and almost unceasing support to the CIO.

After the enactment of the Wagner Act in 1935 and the establishment of a National Labor Relations Board, Communists in Government offices were of inestimable help to the CIO and its Communist officials.

The National Labor Relations Board was charged with the interpretation and the enforcement of the act. It had as its counsel Nathan Witt.

The CIO had as its counsel Lee Pressman. The quality of the justice—if it can be called that—dealt out to either an organized or unorganized worker, to an employer, can be easily evaluated when it is remembered that Witt, a Communist and adviser of the Board, which was the investigator, prosecutor, and judge in labor disputes, was the buddy and associate in a Communist cell here in Washington of Lee Pressman, general counsel for the CIO. Pressman handled cases for the CIO when they came before the National Labor Relations Board for decision. Both at times had the benefit of John Abt, a member of the same Communist cell, who at one time was with the Department of Agriculture.

A pretty picture? For the CIO, Pressman, its counsel, made a complaint to the National Labor Relations Board or defended before the Board when a complaint was made by an employee or a businessman or industrialist. Witt, his Communist buddy and cellmate, advised the Board both as to the facts and the law. The Board listened to the attorney of the employer or the complaining em-

[14] See CONGRESSIONAL RECORD, vol. 81, pt. 5, 75th Cong., 1st sess., June 1, 1937, p. 5170.

ployee, then listened to Pressman, attorney for the CIO, and then was advised by Pressman's Communist buddy, Witt, as to what its decision should be.

Where were the loud, vehement recent supporters who demanded protection for civil rights, when hundreds of thousands, yes, millions of American citizens of all colors, creeds, nationalities, were being denied their civil rights?

When Reuther obtained an almost complete measure of power in CIO, he, through his lieutenant, Emil Mazey, continued to defy the courts, to violate the law.

At Clinton, Mich., in 1947, Reuther's outfit called a strike at the plant of the Clinton Machine Co., which employed approximately 700 workers.

Clinton, at that time, had a population of 1,600. To intimidate the workers of the plant who did not want to go on strike and the people of the town, Reuther sent Mazey with a sound truck and a goon squad to intimidate the workers and the people of the town.

State police were called in. Acting under the direction of Captain Scavarda and the Michigan State police commissioner, they made no effort to protect the workers, rather supported the strikers.

Reuther's lieutenants, Mazey and Mullins, who were directing the picket line, had approximately 1,200 members in the CIO's flying goon squadron. Mazey told the police captain that 2,000 more pickets were on their way from the Detroit local.

Mazey himself testified [15] that he took into Clinton from Detroit, a distance of some 70 miles, an enforcement squad of some 400, none of whom were employed at the Clinton plant.

At that time—and that was in 1947—Mazey, acting under the direct command of and for Reuther, violated the State law, defied police officers, took over the city of Clinton.[16]

Reuther brought about a somewhat similar situation at St. Joseph, Mich.; Dowagiac, Mich.; at Michigan City, Ind.; and at Galion, Ohio.

That this lawlessness directed by Reuther and carried out by Mazey and his lieutenants was a part of the established program of the Communists in the CIO cannot be disputed. The facts are in the record of many a Congressional hearing.

Many a CIO organizer was a Communist.[17]

That the Communists dominated and controlled the CIO—not in all, but in many of the strikes it called—is shown by the fact that eventually the methods employed were so lawless, so violent, so destructive, that the CIO was later, under the direction of James Carey, its secretary-treasurer, to expel some of its unions—a partially successful effort to purge itself of Communist leaders.

ATTEMPT BY FORCE TO OVERTHROW OUR GOVERNMENT

The more recent strike at Kohler and the methods employed demonstrate that Reuther is, by force and other illegal means, determined to overthrow our form of government.

Reuther is but following the program of the Communist, Earl Browder, who said:

> We industrial unionists are going to take over the industries some day for three very good reasons:
> 1. Because we need them.
> 2. Because we want them.
> 3. Because we have the power to get them.

Rexford Guy Tugwell [18] gave expression to the same thought when he said:

> It will be seen that the control of investment is not so complex a matter as it might at first seem. The principles involved would be only two: The forcing of all investment funds into an open market, and the regulating of new capital issues. Neither of these seems impossible if we grant (1) the substitution of Federal for State incorporation, and (2) the correctness of using the taxing power to force surpluses into the market.
>
> • • • • •
>
> If industries were to be controlled, incorporation of business enterprises would need, in effect, to be transferred from the States to the Nation, though some subterfuge might need to be employed; the flow of new capital into different uses would need to be supervised; prices would have to be controlled; and some vital interests now partly or wholly neglected would have to be protected.
>
> Planning will necessarily become a function of this Federal Government; either that or the planning agency will supersede the Government. * * * Business will logically be required to disappear.
>
> This is not an overstatement for the sake of emphasis—it is literally meant.
>
> New industries will not just happen as the automobile industry did. They will have to be foreseen, to be argued for, to seem probably desirable features of the whole economy before they can be entered upon. * * * The future is becoming visible in Russia. * * *
>
> Perhaps our statesmen will give way or be more or less gently removed from duty. Perhaps our Constitution and statutes will be revised. Perhaps our vested interests will submit to control without violent resistance. * * * Yet the new kind of economic machinery we have in prospect cannot function in our present economy.
>
> We have no reason to believe that the disestablishment of our plutocracy would be pleasant. These historical changes never are. We have, however, the duty of avoiding violence as the process goes on.

In the Kohler situation at Sheboygan, Wis., Mazey was Reuther's lieutenant. That strike began on April 5, 1954. The real issue was not wages, fringe benefits, or working conditions.

The real issue was the one of who was to control the plant, who was to manage the business—whether the workers at Kohler were to be forced, regardless of their wishes, to join the UAW–CIO; whether a part of every employee's compensation was to be paid to fatten the treasury of Reuther's UAW–CIO.

Mazey, according to his own sworn testimony given in October 1947, has been an active official of the UAW–CIO since 1936. He boasted:[19]

> I have participated in practically every major strike that our union has had, with the exception of the General Motors strike in 1946, and I happened to be on a little island in the Pacific at that time and I couldn't participate.

He was then asked:

> Question. Did you make an attempt to organize the soldiers?
>
> Answer. I did organize them.

Reuther and Mazey furnished the brains, directed the Kohler strike. They had as their lieutenants William Paul Vinson; John Gunaca, alias John Ballerino, alias John Moreski, alias John Price, a fugitive from justice; Guy Barber, James Fiore, Donald Rand, Jess Ferrazza, and many others.

---

[15] Hearings—Labor-Management Disputes in Michigan, Indiana, and Ohio, 1953—before the special subcommittee of the Committee on Education and Labor, House of Representatives, 80th Cong., 1st sess., pursuant to H. R. 111, p. 326.

[16] Mazey was asked—ibid., p. 327:

"Mr. HOFFMAN. Was it your purpose if, when you got to Clinton you found a picket line down at the plant and that the employees or some of the employees of the company attempted to go through that picket line and if it became necessary in order to get through for them to push or shove your pickets aside, that you were going to call for action from so many of your 400 supporters as might be necessary to prevent that?

"Mr. MAZEY. That was our purpose and our record there speaks for itself. We did not prohibit anybody physically from going into the plant."

Ibid., p. 328:

Mazey had taken 400 union members from Detroit to join others on the picket line at Clinton. He was asked:

"Mr. HOFFMAN. Now, I continue to read from the paper: 'This demonstration by the Detroit and Toledo locals is just a sample of what is going to happen if this strike continues.' What did you mean by that?

"Mr. MAZEY. I meant that if the strike was to continue we would bring additional people, thousands if we had to.

"Mr. HOFFMAN. Thousands, if you had to?

"Mr. MAZEY. That is right."

Ibid., pp. 332, 333:

"Mr. MAZEY. Getting back to the observation I was about to make, I want to state that for a number of years we have been assisting sister local unions when they are in difficulty. What took place in Clinton, Mich., has taken place in a number of other communities for the last 10 years. I have been in Flint, I have been in Pontiac, I have been in every section of the State assisting our local unions to settle their problems with management, and this is the only time that people seem to have gotten excited in this particular hysterical era that we are living in today with the Taft-Hartley Act and so on; this thing has been made quite an event, quite an affair * * * but we have for years, we have been able to build our organization and maintain it on the basis of assisting our local unions when they are in difficulty; we have been doing it for 10 years and we intend to continue doing it.

"Mr. HOFFMAN. Now, let us analyze that just a moment. You intend to continue for example sending in to say Berrien County and Benton Harbor hundreds of thousands of men from other unions in order to assist local unions?

"Mr. MAZEY. If our services are needed; yes.

"Mr. HOFFMAN. And when they come in do you intend to assist them on the picket line?

"Mr. MAZEY. Yes."

[17] See CONGRESSIONAL RECORD, June 1, 1937, vol. 81, pt. 5, 75th Cong., 1st sess., p. 5171.

[18] Assistant Secretary of Agriculture, 1933; Under Secretary of Agriculture, 1934–37.

[19] Hearings—Labor-Management Disputes in Michigan, Indiana, and Ohio—before special subcommittee of the House Committee on Education and Labor, 80th Cong., 1st sess., p. 332.

During that strike, there were 460 incidents of violence and vandalism, occurring either on the picket line or in other sections of the town.[20]

A glance at the record of some of the Reuther-Mazey enforcers discloses that Vinson, a 27-year-old, 6-foot, 200-pound organizing expert, was recently serving a 1- to 2-year term in the Wisconsin State Penitentiary, because, from behind, he hit 50-year-old, 140-pound Willard Van Ouwerk, knocked him unconscious, kicked and trampled him, sent him to the hospital with internal injuries, a crushed chest, a pierced right lung, four fractured ribs.

Reuther may pose morning, noon, and night, 7 days in the week, as a kind, Christian-like man, but the record shows that he has knowledge of and employs brutal, lawless goons.

John Gunaca, another of his Kohler educators, now a fugitive from justice in Michigan, hiding behind the refusal of Governor Williams, Reuther's buddy, to turn him over to Wisconsin authorities, beat up another citizen in Sheboygan so severely that he, not long thereafter, died.

Jess Ferrazza, another of Reuther's and Mazey's educators at Sheboygan, is, as has been stated, the same individual who, in 1941, in Detroit, participated with three others in the cowardly beating of an inoffensive worker who was making an effort to get paychecks to union workers.

When Mazey went to Wisconsin to direct the Kohler strike, he undoubtedly had in mind the same thought as he did at Clinton, Mich.—when he testified:

> We decided to take things into our own hands.

At Kohler, there was only one way to accomplish that: Through the defiance of the peace officers, court orders, violence and destruction of personal property. He was backed up by Graskamp, president of the local, who publicly announced:

> We have tried to discourage people from going into the plant by peaceful means—but from now on, the gloves are off.

Burkart, an international representative, added:

> Let us do everything we can to keep them away from the plant before they get to the picket line.

That declaration was followed by violence and the destruction of property at the homes of the workers—see footnote 20. Then Mazey, on August 15, 1954, referring to employees still endeavoring to work, said:

> They joined the ranks of the enemy. They ought to be treated as such. During the war, when they join the enemy, they are shot when convicted.

The foregoing brief statement with reference to the Kohler strike shows that it has long been the purpose of Reuther and his lieutenants to, by defiance of lawful authority and violence, overthrow our Government. An objective no different from that of the Communist Party. The Kohler strike failed. Hundreds of employees sought jobs elsewhere. The strike cost the union millions of dollars.[21]

Failing in its direct efforts to destroy Kohler—now working toward the same end—Reuther and his CIO have called for a nationwide boycott of Kohler products.

For more than 19 years, Walter P. Reuther has been an active, driving force in the CIO. During all that time, he has known of the objectives of the Communists. He has been familiar with their methods—with their violence and their lawlessness.

He has known, for example, that in Wisconsin the Government was defied, defense production held up during wartime by a strike directed by Harold R. Christoffel, a Communist, at the Allis-Chalmers plant.[22]

He knew that in Detroit the CIO held up production for the Navy which interfered with the carrying on of a war. In one case, for 24 days—and another, for 41.[23]

Walter Reuther has been called to the White House by those who sought his advice on economic problems.

In a letter to President Truman on July 15, 1950, in a program labeled as an effort to stop Communist aggression throughout the world, Reuther proposed that:

> For the next hundred years, the people of the United States, through their Government, pledge themselves to make available through the United Nations, an annual sum of $13 billion.

Is even war a more effective method of destroying us than compliance with a suggestion of that nature?

Would its adoption not make of us economic slaves to the rest of the world?

---

[20] They included mass picketing, preventing employees from going to work.

Preventing men and women from seeking employment by abuse, physically by shoving, elbowing, shouldering, and kicking.

Kidnaping.

Physical assaults on nonstriking workers, including beating and kicking one man almost to death, breaking another's neck and assaulting another and his wife, and wrecking their tavern.

Mass picketing of homes of nonstrikers in residential areas, often with 300 or more pickets shouting, cursing, and menacing the householders.

Dynamiting of automobiles and buildings.

Shotgun blasts through the windows of homes.

Throwing flaming torches and other incendiary devices into automobiles and onto the porches of homes.

Hurling paint bombs, fashioned from electric light bulbs, through the windows of homes and against the sides of homes.

Smashing of automobile windshields.

Shouting vile and obscene language on the picket lines.

Smearing nonstrikers' automobiles with paint or paint remover.

Scratching the finish of nonstrikers' cars as they were driven through the picket lines.

Putting sugar in tractor and automobile gasoline tanks, and sand in the crankcases.

Slashing automobile tires.

Telephone threats to the wives and children of nonstrikers.

Tying bolts and other metal objects to cornstalks, ruining farmers' corncutters. (Directed at those who had relatives working at the Kohler plant.)

Publishing vicious rumors and slanderous untruths about nonstrikers and members of their families.

Tearing up landscaping in the yards of nonstrikers.

Breaking into the summer cottage of a nonstriker and hurling acid over the walls and furnishings, and damaging the boats and outboard motors.

Telephoning nonstrikers throughout the night, threatening them, and preventing them from getting sleep.

Throwing rocks and other missiles through automobile and house windows.

Slinging ball bearings through the windows of homes.

Smearing excrement over the interior of a nonstriker's automobile.

Mutilation of farmers' cows, in one case so severe that the animal had to be destroyed.

[21] Sturgis Daily Journal, July 27, 1957:

"[From the Chicago Tribune]

"Is the Senate Afraid of Reuther?

"The Automobile Workers Union has spent $11,300,000 on its strike against the Kohler Co., of Kohler, Wis., says the union's secretary-treasurer. The strike was lost long ago and the Kohler local of the union wrecked, but the union expenditures continue in an effort to wreck the Kohler Co. by a boycott. On this the UAW has already spent more than $2 million.

"Chesley Manly recently concluded a summary of this bitter, bloody industrial conflict in our news columns. A reign of terror was instituted in Kohler and neighboring cities. Criminals were hired to direct acts of violence against the company and its employees. One of the union's strong-arm men remained in Michigan, protected by Governor Williams from extradition to Wisconsin to stand trial on a charge of beating a Kohler workman. The victim's death has been attributed in part to the injuries he suffered.

"Here certainly is as flagrant abuse of the power and funds of an international union as the Nation has witnessed in many years. The strike was lost, yet the vindictive campaign against the company goes on. The purpose, it is plain, is to show the American people that no employer dares say 'No' to Walter Reuther, boss of the UAW.

"The Kohler case is far more menacing in its implications than any misuse of union funds by Dave Beck and his associates in the Teamsters Union. Senator McClellan and his colleagues, however, seem strangely disinclined to give their attention to Mr. Reuther or any of his works. Mr. Reuther is one of the bosses of the left wing of the Democratic Party, who style themselves Americans for Democratic Action.

"Senator Kennedy, Democrat, of Massachusetts, is a member of the committee. His brother, Robert, is its counsel and director of its investigations. Senator Kennedy is an aspirant for the Democratic presidential nomination. The enmity of Reuther and his radical associates could be fatal to the Senator's hopes.

"So long as Senator McClellan fails to investigate Reuther's power and the ways in which it is abused, he sustains the suspicion that the Democratic majority in the Senate is afraid of the union boss."

[22] Hearings (March 1, 1947), before the House Committee on Education and Labor, 80th Cong., 1st sess., vol. 4, "Amendments to the National Labor Relations Act" pp. 2079–2142.

[23] Reply of the Acting Secretary of the Navy, Charles Edison, dated October 20, 1939, to H. Res. 314, "Requesting certain information from the Secretary of Navy on certain matters in connection with a strike of employees in the plants of the Bohn Aluminum Co. at Detroit, Mich., by Mr. Hoffman". (See Congressional Record, March 19, 1957, pp. 4013–4016; April 30, 1957, pp. 6153–6155.)

It is time that the cloak of hypocrisy which some columnists in national publications seek to throw around Hoffa and Reuther be temporarily at least pushed aside, and a view of the real individuals there hiding be exposed to public view.

Senator JOHN L. MCCLELLAN, who directs the activities of the Select Committee on Improper Activities in the Labor or Management Field, is an honorable man. So, too, are Senators IVES, KENNEDY, ERVIN, MCNAMARA, MUNDT, GOLDWATER, and CURTIS—members of the committee.

It is unthinkable that any one of them would, for one moment, permit political expediency to interfere with putting upon the record and before the American public, the established political philosophy, the long-practiced methods, of a Beck, a Hoffa, or a Reuther.

While Beck and Hoffa have promoted and condoned violence, lawlessness, the misuse of union funds, in my judgment Reuther is far more dangerous to the welfare of our people, to our form of government.

For years, he has regarded industry, management, those who furnish capital and the know-how to create and operate industries which gave employment, as enemies of the rest of us, of those who desire to work.

He seeks for himself and other labor leaders the right of management of a business. But apparently he is neither able nor willing to assume the responsibility which rests upon management, upon those who provide the capital to establish a business or an industry which gives employment.

His political philosophy is that of the Communists.

Union leaders, officials in high places in labor organizations, not only assume, but presume, to speak for the members of their organizations. That is an utterly false claim. Union members, neither as individuals nor as groups, no more accept the political philosophy of Reuther than they condone the acts of Beck, Hoffa, and other union officials who have been called before the committee, and exposed as criminals.

When the Senate committee has completed its job—when the American people are aware of the true character of some of the more powerful union officials who have betrayed their trust—it will be time for the Congress to write remedial legislation.

That legislation need not be complicated. It need not be expressed in technical words or phrases.

If we can have a fair and adequate enforcement of the present laws, all we will need is simple legislation for the protection of union men—of the nonunionized worker—of citizens generally. Legislation which will protect the national health, welfare, and safety.

Much of that task will be accomplished if unions and union officials are deprived of the special privileges heretofore granted them—when they misuse and abuse those special grants of power to the detriment of the people as a whole.

While the right to strike should be religiously preserved—no man be forced to work against his will—employment should be open to any individual who can find an acceptable job.

The Congress should enact legislation which will prevent nationwide or industrywide strikes which injuriously affect either the public health, safety or welfare.

It should enact legislation which will make it impossible to, by a picket line or a secondary boycott, destroy the business of an individual or an organization.

That the final result of the present investigation by the Senate committee will be legislation which will protect workers, organized and unorganized, employers and citizens generally, is my firm conviction.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. GORDON (at the request of Mr. BOYLE) on account of confinement in hospital for 30 days.

Mr. DOYLE for balance of 1st half of 85th Congress on account of official duties in California and elsewhere.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. PERKINS, for 30 minutes, today.

Mr. HOFFMAN (at the request of Mr. MARTIN), for 30 minutes, today.

Mr. PORTER, for 30 minutes on Thursday, August 15.

Mrs. ROGERS of Massachusetts, for 5 minutes on tomorrow.

Mr. MCCONNELL (at the request of Mr. GRIFFIN), for 30 minutes on Friday, August 16.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. DOYLE and to include an article, notwithstanding the fact that it exceeds 2 pages of the RECORD and is estimated by the Public Printer to cost $410.

Mr. WRIGHT.

Mr. BARING and to include a letter.

Mr. FOGARTY and to include extraneous matter.

Mr. HENDERSON and to include extraneous matter.

Mr. HARRIS to revise and extend his remarks made in Committee and to include letters and other extraneous matter.

Mr. O'HARA of Illinois and to include extraneous matter.

Mr. FULTON.

Mr. LAIRD (at the request of Mr. GRIFFIN) in five instances and to include extraneous matter.

Mr. TEAGUE of Texas (at the request of Mr. ALBERT) and to include extraneous matter.

Mr. POWELL (at the request of Mr. ALBERT) and to include extraneous matter.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table, and, under the rule, referred as follows:

S. 1386. An act to authorize the Interstate Commerce Commission to prescribe rules, standards, and instructions for the installation, inspection, maintenance, and repair of power or train brakes; to the Committee on Interstate and Foreign Commerce.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 52. An act to provide increases in service-connected disability compensation and to increase dependency allowance;

H. R. 1058. An act to preserve the key deer and other wildlife resources in the Florida Keys by the establishment of a National Key Deer Refuge in the State of Florida;

H. R. 1460. An act for the relief of Tom R. Hickman and others;

H. R. 1562. An act for the relief of Maj. John P. Ruppert;

H. R. 1672. An act for the relief of the legal guardian of Frederick Redmond;

H. R. 1682. An act for the relief of Edward J. Moskot;

H. R. 1864. An act for the relief of Mrs. Lidie Kammauf;

H. R. 2045. An act for the relief of Robert D. Miller, of Juneau, Alaska;

H. R. 2049. An act for the relief of Mrs. Blanche Houser;

H. R. 2460. An act to improve the career opportunities of nurses and medical specialists of the Army, Navy, and Air Force;

H. R. 2950. An act for the relief of Lt. Col. Emery A. Cook;

H. R. 3281. An act for the relief of Howard S. Gay;

H. R. 3440. An act for the relief of Mr. and Mrs. Allan Schlossberg;

H. R. 4023. An act for the relief of Oswald N. Smith;

H. R. 4154. An act for the relief of the legal guardian of Thomas Brainard, a minor;

H. R. 5627. An act for the relief of Mrs. Emma Hankel; and

H. R. 8090. An act making appropriations for civil functions administered by the Department of the Army and certain agencies of the Department of the Interior, for the fiscal year ending June 30, 1958, and for other purposes.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 2130. An act to amend further the Mutual Security Act of 1954, as amended, and for other purposes.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on the following dates present to the President, for his approval, bills and a joint resolution of the House of the following titles:

On August 13, 1957:

H. J. Res. 426. Joint resolution amending a joint resolution making temporary appropriations for the fiscal year 1958, and for other purposes.

UNIVERSITY OF MICHIGAN LIBRARIES

On August 14, 1957:

H. R. 1473. An act for the relief of Richardson Corp.;

H. R. 1861. An act for the relief of George W. Arnold;

H. R. 2264. An act for the relief of Donald F. Thompson;

H. R. 2674. An act for the relief of Morris B. Wallach;

H. R. 2740. An act for the relief of Mrs. Harriet Sakayo Hamamoto Dewa;

H. R. 2928. An act for the relief of Harry and Sadie Woonteiler;

H. R. 2937. An act for the relief of Clarence L. Harris;

H. R. 2985. An act for the relief of Alton B. York;

H. R. 3473. An act to authorize and direct the Secretary of the Interior to sell certain public lands in the State of California;

H. R. 3723. An act for the relief of Maj. Gen. Julius Klein;

H. R. 4520. An act to amend section 401 (e) of the Civil Aeronautics Act of 1938 in order to authorize permanent certification for certain air carriers operating between the United States and Alaska;

H. R. 4830. An act to authorize revision of the tribal roll of the eastern band of Cherokee Indians, North Carolina, and for other purposes;

H. R. 5492. An act to amend the act of August 31, 1954 (68 Stat. 1044), to extend the time during which the Secretary of the Interior may enter into amendatory repayment contracts under the Federal reclamation laws, and for other purposes;

H. R. 5679. An act to authorize amendment of the irrigation repayment contract of December 28, 1950, between the United States and the Mirage Flats Irrigation District, Nebraska;

H. R. 6527. An act for the relief of Horace Collier; and

H. R. 8643. An act to authorize the construction of certain works of improvement in the Niagara River for power, and for other purposes.

ADJOURNMENT

Mr. WILLIAMS of Mississippi. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 34 minutes p. m.), the House adjourned until tomorrow, Thursday, August 15, 1957, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1131. A letter from the Secretary of the Army, transmitting a draft of proposed legislation entitled "A bill for the relief of the estate of Oshiro Shoko"; to the Committee on the Judiciary.

1132. A letter from the Assistant Secretary of Labor, transmitting a draft of proposed legislation entitled "A bill to amend title XV of the Social Security Act to extend the unemployment insurance system to ex-servicemen, and for other purposes"; to the Committee on Ways and Means.

1133. A communication from the President of the United States, transmitting proposed appropriations for the fiscal year 1958 in the amount of $3,386,860,000 for various foreign assistance programs (H. Doc. No. 225); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H. R. 6080. A bill to provide for the conveyance of certain property of the United States in Gulfport, Miss., to the Gulfport Municipal Separate School District; with an amendment (Rept. No. 1134). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. House Joint Resolution 73. Joint resolution placing certain individuals who served in the Armed Forces of the United States in the Moro Province, including Mindanao, and in the islands of Leyte and Samar, after July 4, 1902, and their survivors, in the same status as those who served in the Armed Forces during the Philippine Insurrection and their survivors; without amendment (Rept. No. 1135). Referred to the Committee of the Whole House on the State of the Union.

Mr. LANE: Committee on the Judiciary. H. R. 7384. A bill for the relief of the town of Medicine Lake, Mont.; with amendment (Rept. No. 1136). Referred to the Committee of the Whole House on the State of the Union.

Mr. LANE: Committee on the Judiciary. S. 364. An act for the relief of the village of Wauneta, Nebr.; with amendment (Rept. No. 1137). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. S. 2080. An act relating to the computation of annual income for the purpose of payment of pension for non-service-connected disability or death in certain cases; with amendment (Rept. No. 1138). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS of Louisiana: Committee on Armed Services. H. R. 9188. A bill to authorize the Secretary of the Navy to transfer to the Commonwealth of Massachusetts certain lands and improvements comprising the Castle Island Terminal Facility at South Boston in exchange for certain other lands; with amendment (Rept. No. 1156). Referred to the Committee of the Whole House on the State of the Union.

Mr. PATMAN: Select Committee on Small Business. Interim report of Subcommittee No. 5 pertaining to distribution practices in the petroleum industry (Rept. No. 1157). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. H. R. 8220. A bill to amend the District of Columbia Business Corporation Act; with amendment (Rept. No. 1158). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOPER: Committee on Ways and Means. H. R. 8794. A bill to provide an exemption from the tax imposed on admissions for admissions to certain musical performances; with amendment (Rept. No. 1159). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. S. 1568. An act to direct the Secretary of the Interior to convey certain public lands in the State of Nevada to the Colorado River Commission of Nevada acting for the State of Nevada; with amendment (Rept. No. 1162). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H. R. 5212. A bill to provide for the computation of annual income for the purpose of payment of pension for non-service-connected disability or death in certain cases; with amendment (Rept. No. 1164). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON of Illinois: Committee on Government Operations. H. R. 7964. A bill to remove the limitation on the use of certain real property heretofore conveyed to the city of Austin, Tex., by the United States; without amendment (Rept. No. 1165). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON of Illinois: Committee on Government Operations. Eleventh report pertaining to State Department Public Opinion Polls (Rept. No. 1166). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON of Illinois: Committee on Government Operations. Twelfth report pertaining to railroad accounting procedures (Rept. No. 1167). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON of Illinois: Committee on Government Operations. Thirteenth report pertaining to military clothing procurement (Rept. No. 1168). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON of Illinois: Committee on Government Operations. Fourteenth report pertaining to letter contracts and contract terminations in military procurement (Rept. No. 1169). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee of conference. S. 1747. An act to provide for the compulsory inspection by the United States Department of Agriculture of poultry and poultry products (Rept. No. 1170). Ordered to be printed.

Mr. HARRIS: Committee of conference. S. 939. An act to amend section 22 of the Interstate Commerce Act, as amended (Rept. No. 1171). Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LANE: Committee on the Judiciary. S. 1007. An act for the relief of Sgt. Donald D. Coleman; with amendment (Rept. No. 1139). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. S. 1805. An act for the relief of persons and firms for the direct expenses incurred by them for fumigation of premises in the control and eradication of the khapra beetle; with amendment (Rept. No. 1140). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. S. 2063. An act for the relief of Guy H. Davant; without amendment (Rept. No. 1141). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. House Resolution 323. Resolution providing for sending the bill H. R. 8758 and accompanying papers to the United States Court of Claims; with amendment (Rept. No. 1142). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. House Resolution 385. Resolution providing for sending the bill H. R. 8500 and accompanying papers to the United States Court of Claims; without amendment (Rept. No. 1143). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 1803. A bill for the relief of Mrs. Boyd

Dinehart and Richard Reams; without amendment (Rept. No. 1144). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 1857. A bill for the relief of John C. Mation; with amendment (Rept. No. 1145). Referred to the Committee of the Whole House.

Mr. MONTOYA: Committee on the Judiciary. H. R. 7177. A bill for the relief of Edward J. Bolger; without amendment (Rept. No. 1146). Referred to the Committee of the Whole House.

Mr. FORRESTER: Committee on the Judiciary. H. R. 2705. A bill for the relief of William F. Kempe; without amendment (Rept. No. 1147). Referred to the Committee of the Whole House.

Mr. MONTOYA: Committee on the Judiciary. H. R. 2901. A bill for the relief of Ralph H. Weeks; without amendment (Rept. No. 1148). Referred to the Committee of the Whole House.

Mr. FORRESTER: Committee on the Judiciary. H. R. 4229. A bill for the relief of Continental Hosiery Mills, Inc., of Henderson, N. C., successor to Continental Hosiery Co., of Henderson, N. C.; without amendment (Rept. No. 1149). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 4469. A bill for the relief of A. W. Young; with amendment (Rept. No. 1150). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 4866. A bill for the relief of Mr. Abraham A. Rubin; with amendment (Rept. No. 1151). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 5851. A bill for the relief of Mrs. Mattie Jane Lawson; with amendment (Rept. No. 1152). Referred to the Committee of the Whole House.

Mr. MONTOYA: Committee on the Judiciary. H. R. 7508. A bill for the relief of Harry J. Madenberg; with amendment (Rept. No. 1153). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 8038. A bill for the relief of Margie C. Stewart; with amendment (Rept. No. 1154). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 9015. A bill for the relief of William V. Dobbins; with amendment (Rept. No. 1155). Referred to the Committee of the Whole House.

Mr. HYDE: Committee on the Judiciary. House Joint Resolution 436. Joint resolution to facilitate the admission into the United States of certain aliens; with amendment (Rept. No. 1160). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 4351. A bill for the relief of G. H. Litts; with amendment (Rept. No. 1161). Referred to the Committee of the Whole House.

Mr. DAWSON of Illinois: Committee on Government Operations. H. R. 7081. A bill to provide for the removal of a cloud on the title to certain real property located in the State of Illinois; with amendment (Rept. No. 1163). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BASS of Tennessee:

H. R. 9274. A bill to amend the District of Columbia Business Corporation Act to require cumulative voting for directors of corporations; to the Committee on the District of Columbia.

By Mr. FOGARTY:

H. R. 9275. A bill to prohibit Government agencies to acquire or use the National Grange headquarters site without specific Congressional approval; to the Committee on Public Works.

By Mr. FORAND:

H. R. 9276. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. LECOMPTE:

H. R. 9277. A bill to amend section 22 of the Agricultural Adjustment Act, as amended; to the Committee on Agriculture.

By Mr. McFALL:

H. R. 9278. A bill to prohibit Government agencies to acquire or use the National Grange headquarters site without specific Congressional approval; to the Committee on Public Works.

By Mr. DAWSON of Illinois (by request):

H. R. 9279. A bill to amend the Federal Property and Administrative Services Act of 1949, as amended, to provide for training of employees; to the Committee on Government Operations.

By Mr. TOLLEFSON:

H. R. 9280. A bill to facilitate the conduct of fishing operations in the Territory of Alaska, to promote the conservation of fishery resources thereof, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. VAN ZANDT:

H. R. 9281. A bill to change the designation of the Bureau of Yards and Docks to the Bureau of Civil Engineering, and for other purposes; to the Committee on Armed Services.

By Mr. ASHMORE:

H. R. 9282. A bill to provide additional office space in home districts of Congressmen, Delegates, and Resident Commissioners; to the Committee on House Administration.

By Mr. AVERY:

H. R. 9283. A bill to provide compensation for certain property losses in the Tuttle Creek Reservoir project, Kansas; to the Committee on Public Works.

By Mr. AYRES:

H. R. 9284. A bill to prohibit Government agencies to acquire or use the National Grange headquarters site without specific Congressional approval; to the Committee on Public Works.

By Mr. FORAND:

H. R. 9285. A bill to amend the charter of St. Thomas' Literary Society; to the Committee on the District of Columbia.

By Mr. MARSHALL:

H. R. 9286. A bill to protect the public health and promote the public interest and to establish standards of identity, sanitation standards, and sanitation practices for the production, processing, transportation, sale, and offering for sale of fluid milk and fluid milk products shipped in interstate commerce or which affects interstate commerce for consumption as fluid milk and fluid milk products in any State, county, or municipality of the United States; to the Committee on Interstate and Foreign Commerce.

By Mrs. ROGERS of Massachusetts:

H. R. 9287. A bill to authorize refunds by the Veterans' Administration of amounts collected from former servicemen by the Government pursuant to guaranty of life insurance premiums under the original Soldiers' and Sailors' Civil Relief Act of 1940; to the Committee on Veterans' Affairs.

By Mr. SAYLOR:

H. R. 9288. A bill to amend the act of August 30, 1954, entitled "An act to authorize and direct the construction of bridges over the Potomac River, and for other purposes"; to the Committee on the District of Columbia.

By Mr. METCALF:

H. R. 9289. A bill to amend the Flood Control Act of 1950 as it applies to the Libby Dam on the Kootenai River in the State of Montana; to the Committee on Public Works.

By Mrs. PFOST:

H. R. 9290. A bill to amend the Flood Control Act of 1950 as it applies to the Libby Dam on the Kootenai River in the State of Montana; to the Committee on Public Works.

By Mr. SADLAK:

H. R. 9291. A bill to define parts of certain types of footwear; to the Committee on Ways and Means.

By Mr. CELLER:

H. Res. 397. Resolution providing for the disposition of the Senate amendments to the bill H. R. 6127; to the Committee on Rules.

By Mr. KEATING:

H. Res. 398. Resolution to take from the Speaker's table the bill H. R. 6127, and to request a conference with the Senate; to the Committee on Rules.

By Mr. BURLESON:

H. Res. 399. Resolution to increase the postage allowances of Members of the House of Representatives, and for other purposes; to the Committee on House Administration.

MEMORIALS

Under clause 4 of the rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Alabama memorializing the President and the Congress of the United States to provide a measure of needed tax relief to the people of our Nation by enacting pending legislation to repeal "wartime" excise taxes levied on transportation; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FOGARTY:

H. R. 9292. A bill for the relief of Eino Johannes Valtonen; to the Committee on the Judiciary.

By Mr. HYDE:

H. R. 9293. A bill for the relief of T. R. Mackie; to the Committee on the Judiciary.

By Mr. KEOGH:

H. R. 9294. A bill for the relief of Equitable Infants Wear, Inc.; to the Committee on the Judiciary.

By Mr. PHILBIN:

H. R. 9295. A bill for the relief of Hannelore Barii (nee Moeller); to the Committee on the Judiciary.

By Mr. POWELL:

H. R. 9296. A bill for the relief of George V. Parker; to the Committee on the Judiciary.

By Mr. TELLER:

H. R. 9297. A bill for the relief of Emanuel Bougdanos; to the Committee on the Judiciary.

By Mr. UTT:

H. R. 9298. A bill for the relief of Serafin Estrada-Serna; to the Committee on the Judiciary.

By Mr. VINSON:

H. R. 9299. A bill to authorize the appointment of Philip Ferdinand Lindeman as permanent colonel of the Regular Army; to the Committee on Armed Services.

H. R. 9300. A bill to authorize the appointment of Robert Wesley Colglazier, Jr., as

permanent brigadier general of the Regular Army; to the Committee on Armed Services.

By Mr. YOUNGER:

H. R. 9301. A bill for the relief of Josefa Maneru Aramburu; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

331. Mr. BUSH presented a petition of 39 citizens of Renovo, Clinton County, Pa., urging early enactment of H. R. 4221, to amend part III of Veterans Regulation No. 1 (a) to liberalize the basis for, and increase the monthly rates of, disability pension awards; which was referred to the Committee on Veterans' Affairs.

EXTENSIONS OF REMARKS

A Bill To Prohibit the General Services Administration From Acquiring the Property of the National Grange at Jackson Place, Washington, D. C.

EXTENSION OF REMARKS

OF

HON. JOHN E. FOGARTY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 14, 1957

Mr. FOGARTY. Mr. Speaker, having been a member of Laurel Grange No. 40, Harmony, R. I., for the past 25 years and being very much interested in the welfare of the National Grange, I am today introducing a bill which would prohibit Government agencies to acquire or use the National Grange headquarters site without specific Congressional approval.

For some time now, hundreds of Grange members in my district in Rhode Island have been writing to me and have enlisted my aid to try to save their headquarters property here in Washington. It appears, from speaking to others of my colleagues here in the House from various sections of the United States, that similar action has been taken in their districts. You may say this is an unusual request. Why are persons from all over the country up in arms calling upon Congress to assist in returning to a national organization a piece of property, 50 by 70, located in the Capital. I understand that back in 1941 land at 744 Jackson Place was purchased by the National Grange and that the building which now stands thereon was itself raised, thanks to the united and concerted efforts and contributions of local Grange units throughout the entire land.

I have looked into the matter and have been convinced that the Federal Government has no need of this property. The reason I have joined with several of my colleagues in presenting this legislation to the Congress is that I felt the more Members who rally behind the drive to save the National Grange Building, the better will be our chances of succeeding.

My bill provides that no portion of lot 816, square 167, in the District of Columbia, the headquarters and property of the National Grange of the Patrons of Husbandry, shall be acquired for or used by any agency of the Federal Government. Too, the Administrator of the General Services Administration is directed to withdraw the declaration of taking of said lot heretofore filed by him in the United States District Court for the District of Columbia and to take such other action as may be necessary to restore title to said lot to the National Grange of the Patrons of Husbandry.

Our course is simple in this matter. The National Grange has a valuable piece of property in a very convenient location, actually not needed by the General Services Administration, which contemplates erecting a new office building adjacent to it. I believe that we should take the necessary steps to prevent the taking of the National Grange property.

Achievements in Agriculture—Cooperative Extension Service

EXTENSION OF REMARKS

OF

HON. MELVIN R. LAIRD

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 14, 1957

Mr. LAIRD. Mr. Speaker, as an integral part of the United States Department of Agriculture land-grant college system, the Cooperative Extension Service is concerned with helping people apply the results of research and experience to the solution of their problems.

To this end, Extension is committed to the philosophy of helping people to help themselves by assisting them to develop educational programs for solving their problems. At the same time, it accepts the responsibility of helping people to identify problems, evaluate situations, plan programs, and develop procedures which will help them to achieve the goals they set forth.

This system of offcampus extension education has helped farm people accomplish the almost unbelievable. Agricultural progress in this country during the past half century has been greater than that which occurred in all previous history of mankind. Today's farmer is over 100 percent more efficient than he was a mere 25 years ago. He now produces food and fiber for himself and 19 others—1 more than it was just a year ago. And in contrast with 25 years ago, there are now 37 percent fewer workers in agriculture producing over 50 percent more products. These workers are doing this in fewer hours, with less drudgery, and with more time for family and community interest than ever before.

Such progress, however, has not come easy. It has been characterized by an agricultural revolution that has had as great an impact upon farming as the industrial revolution had upon industry and labor. Developments in agricultural technology brought about by this revolution have progressively increased in number each year since the end of World War II. To the farmer, this has meant mechanization, greater management efficiency, adjustment to market demand, and farming systems based on the long-time demand outlook. To extension workers, it has meant working intensively with individual farm families in analyzing their resources and opportunities, comparing alternative courses of action, and selecting and implementing those which offer the best solutions in terms of the family's needs, wants, abilities, and resources.

Extension does not limit its work, however, to the tiller of the soil. To rural youth it offers opportunity through its 4-H Club program for the development of their inherent capacities in the fields of agriculture, home economics, and rural living on a par with the opportunities provided youth in other fields. Currently, some 2,156,000 rural youth, the greatest number in the history of extension work, are taking advantage of these opportunities.

To the rural homemaker, Extension provides the opportunity to apply the science of home economics to the creation of improved diets, better time and money management, laborsaving practices, and new skills, all directed at fuller development of each family member and better family living.

Although Extension directs the results of research and experience primarily to the problems of agriculture, marketing, and rural living, its work is of value to all of our citizens. Extension work with consumers of agricultural products, for example, is doing much to bring about a more orderly movement of agricultural products. Such work helps to encourage the development of better diets through greater consumption of health-protecting foods and, in many other ways, contributes greatly to producers, processors, and consumers alike.

Closely related to this is the whole field of Extension educational work with those engaged in the distribution of agricultural products, which has direct benefit to producers, processors, and consumers. As a result of this work, agricultural products are moving to consumers in better condition, with less waste, and at lower per-unit costs.

Another significant facet in Extension progress is that of helping farm people to better understand and to cope with forces operating outside the boundaries of their farms but that have major impact upon their welfare. This work is frequently referred to as public affairs education. Such public affairs vary all the way from matters of only local concern to those of national and international concern. In this endeavor, Exten-

UNIVERSITY OF MICHIGAN LIBRARIES

sion is striving to help farm families understand and to appraise those matters of joint concern so that they may, as informed citizens, do their part in deciding upon the best courses of action to pursue.

Tenth Anniversary of Independence of Pakistan

EXTENSION OF REMARKS
OF
HON. ADAM C. POWELL, JR.
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 14, 1957

Mr. POWELL. Mr. Speaker, when I came back from the Bandung conference, I announced that I would address the United States Congress each time there was an anniversary of independence of one of the 29 participating nations in the Asian-African Conference on friendly terms with the United States. I rise today to congratulate the people of Pakistan, Prime Minister H. S. Suhrawardy, and His Excellency Mohammed Ali, Ambassador of Pakistan, on the occasion of Pakistan's 10th anniversary of Independence, August 14, 1957.

Pakistan is only 10 years old yet the cultural heritage of the land and peoples comprising the nation stretch back to antiquity. Pakistan is a country formed by people of ancient lineage and great traditions. The nation came into existence as the result of a struggle of a people to win a homeland for themselves in which they would be free to live their own way of life, develop their own culture, and safeguard their political and economic interests. Pakistan was founded by the indomitable will of a people determined not to be relegated forever to the unalterable position of a colony. Pakistan thus represents the will of a people to live as a distinct nation because of their independent and distinct culture and outlook.

Pakistan has demonstrated its dedication to the ideals of democracy. Nearly 8½ years after Pakistan came into existence, the constitution of the country was completed. March 23 is and always will be a memorable day in the annals of the history of Pakistan. On this day, the new constitution of this young and virile nation of over 80 million people came into being, and Pakistan became a Republic. March 23, 1956 was, therefore, a milestone in Pakistan's progress along the path of political stability and constitutional government. The constitution lays the utmost emphasis on human rights and envisages a state which is conducted and inspired by fundamental democratic elements.

Pakistan was first firmly launched on this path by the Father of the Nation, Quad-i-Azam Mohammed Ali Jinnah, on August 14, 1947—the day Pakistan came into existence as an independent, sovereign state. Upon the death of Mohammed Ali Jinnah soon after the establishment of the new nation, there fell upon the shoulders of former Prime Minister Liaquat Ali Khan, the tremendous task of giving substance to the blueprint of building the machinery of government in order that Pakistan might effectively express the will of her people to contribute through democratic processes to the welfare of mankind. Today Prime Minister Suhrawardy is continuing in the same fine tradition.

The economic heritage of Pakistan was not so rich. However, the accomplishments of the country since it began its separate political existence evoke sincere admiration. Her achievements since winning independence are myriad. The astonishing progress made during such a short time augurs well for the future. In the opinion of Mr. Zahiruddin Ahmed, economic counselor, at the Embassy of Pakistan in Washington:

> Although Pakistan, starting from scratch, has made tremendous progress, there is still need and room for much greater efforts for the development of the country if the living standard of the common man is to be improved. The Government of Pakistan has set this target and is determined to achieve it. The main effort must of course be Pakistan's own but the help and assistance of friendly countries can materially accelerate the rate of progress, through continuing foreign aid, loans and, most important of all, through the investment of private venture capital in Pakistan.

Though Pakistan and America are far apart in space, though they are very different in their ways of life, each has great responsibilities for the peace and welfare of mankind which it cannot hope to meet fully without the advice and help of the other. From its birth as a new nation Pakistan has drawn inspiration from the United States in its efforts to resolve its problems. Through a positive policy designed to promote better understanding and closer cooperation between other nations and themselves, Pakistan has received substantial aid from the United States and has drawn closer to the American people.

The events of their early years of freedom and the manner in which the people of Pakistan faced them, have rightly filled them with hope and confidence for the future. We rejoice at Pakistan's march toward progress and a better standard of living, benefits which are common to all true democracies.

Again, I salute Pakistan and offer her a tribute of admiration and the most fervent good wishes for a successful and glorious national future.

Face-to-Face Discussion Far Better Than Any Correspondence Sent to Constituents

EXTENSION OF REMARKS
OF
HON. JOHN E. HENDERSON
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 14, 1957

Mr. HENDERSON. Mr. Speaker, I firmly believe that a primary task of each Member of Congress is to maintain the closest possible contact with the people he is privileged to serve in the House of Representatives. This poses a considerable problem when dependence must be placed upon correspondence instead of direct, face-to-face discussion of the issues which confront the Nation. It has been my experience that personal conferences held throughout the 15th District of Ohio have provided my constituents an excellent opportunity to discuss public affairs as well as matters of personal concern in which some action by the Federal Government is involved.

As soon as the present session of Congress is concluded, I shall return to Ohio where constituents may meet me in my district office in the Central National Bank Building at Cambridge. As in past years, I shall visit all of the seven counties of the 15th District often in the coming 4 months before returning to Washington in January. It is also my intention to spend a day in the courthouse of each county-seat town where I will welcome the opportunity to discuss privately any matter of interest. These meetings will be informal and will be held from 9 a. m. to 4 p. m. The following schedule has been arranged for these informal conferences:

> Perry County, September 16, Muskingum County, September 17, Monroe County, September 18, Noble County, September 19, Washington County, September 20, Morgan County, September 21, Guernsey County, September 23.

No appointments are necessary for these conferences and I will be pleased to meet with such individuals as may wish to call at the courthouse.

A Break for the Teachers: Tax Deductions for Further Training

EXTENSION OF REMARKS
OF
HON. JIM WRIGHT
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 14, 1957

Mr. WRIGHT. Mr. Speaker, I have introduced a bill which I believe will do much to further the interests of education in this country. This measure not only will have the effect of raising the standards and increasing the quality of instruction in our schools, but it also will be of considerable financial assistance to our thousands of teachers now struggling along on miserably inadequate salaries.

WHAT THE BILL WILL DO

My proposal, in short, provides for the deduction as business expense of any additional expenditures made necessary because of a teacher's attempt to improve his professional standards through summer school. This deduction would be applicable not only to those who are forced to further their training to hold their present jobs, but also to teachers who feel it desirable for any one of many reasons to increase their academic proficiency.

Under current internal revenue interpretations, businessmen and executives may take advantage of section 162 of the 1954 Revenue Code and deduct a wide variety of expenses. Teachers, however, are prevented from deducting similar expenses unless they can certify that the stipulated summer work is required for them to retain their current jobs.

This seems almost ridiculous. It is no more logical than it would be to require a businessman to establish that an expense were necessary to keep his profit on a par with last year's and to deny him the right of deducting a business expense which had the effect of improving the business position of his firm.

My bill would allow teachers to claim up to $600 in additional deductions for expenses while attending an accredited institution of higher learning. This tax relief, which I think is due as a matter of justice, would furnish a major incentive for more teachers to further their preparation and to work for higher degrees.

NUMBER OF TEACHERS IN NEED OF FURTHER TRAINING

We can obtain a fair estimate of the number of teachers who need to do further study by considering the number of teachers operating on substandard certificates.

According to reports from various State departments of education, there were in 1956 some 89,000 full-time teachers with substandard credentials. This represents an increase of 11,800, or 15.3 percent over the previous year. Full-time teachers holding inadequate certificates constitute fully 7.5 percent of all those now teaching.

In addition to these verifiable figures, there are literally thousands of additional teachers who must be hired each year because of the tremendously increased enrollment in elementary and secondary schools. A really alarming number of these emergency teachers are without proper training or certification.

TEACHERS LEAVING THE PROFESSION

This problem of securing properly trained teachers is further aggravated by the tremendous number of professionals now leaving their teaching careers for more lucrative fields of endeavor.

It is true that some of those leaving the profession do so for family reasons, or for retirement; but by far the greatest single cause is the inadequate compensation coupled with additional expenditures made necessary by desirable summer training. Of the 26 States on which figures are available, nearly 35 percent of those leaving gave as their reason better jobs in industry, or the need for an adequate, stable, year-round income without the continual necessity and attendant expense of further schooling.

Forty-two States reported overall figures for those leaving the teaching profession, and they add up to an annual turnover of a full 9.1 percent. In the 1956–57 school year there were some 97,000 professionals leaving teaching for good.

ADDITIONAL TEACHERS NEEDED ANNUALLY

Anyone at all familiar with the school problem is aware, too, of the fantastic increases in the number of school-age children in this country these past 6 or 7 years. The impact of these increases on the schools and the attendant need for thousands of new teachers will justify a brief review of enrollment statistics.

The following figures are from the United States Office of Education:

In the 1950–51 school year, there were 19,900,000 students enrolled in the elementary schools of our Nation and 5,806,000 in the secondary public schools. By 1956–57, these numbers had skyrocketed to 25,478,000 in the elementary grades and 7,175,000 enrolled at the secondary level.

This gain of some 6 million in the elementary schools coupled with 1.5 million in high schools represents a demand in less than a decade for 250,000 additional teachers in the public schools.

Still further studies show that if we are to take care of only the present new enrollments, without considering projections for the future, we must make up the accumulated deficit of 180,000 teachers as of this year.

Our teacher-training institutions throughout the country produced last year only some 87,000 qualified persons, and of these only about 58,000 entered upon a teaching career. This leaves an obvious gap of 120,000 between the number we are producing and the number that is required. This year's overall deficit will approximate 200,000.

These figures do not take into account the burgeoning growth of enrollments in the colleges and universities of our Nation. These higher institutions are often understaffed today, and the problem will assume truly critical proportions within a very few years unless effective incentives are provided for many thousands of teachers to qualify themselves with higher degrees to take up the growing slack on university and college faculties.

Make no mistake about it: When there are not enough teachers to go around, it is our children who suffer. The teacher suffers, of course, through the necessity of doubling up. But the ever-increasing classroom load inevitably leaves its mark upon the quality of individual instruction, and the real victim is our Nation which is becoming increasingly dependent upon the skills and training of an educated citizenry.

PARTIAL ANSWER

A partial answer to the enigma has been sought by many school administrators when they have been forced to go out into the community and persuade college-trained housewives, clerks, and others to serve on an emergency basis. These individuals are performing a great service, and happily, many of them so enjoy their new work that they are tempted to stay with it.

This expedient cannot completely fill the gap, however, and even on a temporary basis it can suffice only if these emergency instructors are encouraged to go back to school, obtain additional advanced training, secure certificates, and achieve greater professional standing through graduate work.

The present severe interpretation of the statute by the Internal Revenue Service will permit no such encouragement, however, without amendatory legislation. This reform would be accomplished by enactment of my bill.

A PROPER FEDERAL ROLE

I offer here today no panacea for the ills of education. The enormous deficits of classrooms, playgrounds, and other facilities will continue to plague school officials and the States for many years, and there is relatively little we in the Federal Government could do to relieve this situation short of direct Federal aid.

I do believe, however, that this bill offers one important way in which the Federal Government can at least help to ameliorate the problem without any danger of becoming involved in the controversies over segregation, Federal control, or any of the other major issues which have prevented enactment of the various plans for full-scale Federal aid to education.

This plan, Mr. Speaker, attacks the problem in its most sensitive part—instruction. I would remind my colleagues of the dictum "A thousand buildings can never be a school without a teacher, but one teacher revealing the truth to eager young minds is a school regardless of where the instruction takes place."

Achievements in Agriculture—Statement on CCC Inventory

EXTENSION OF REMARKS

OF

HON. MELVIN R. LAIRD

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 14, 1957

Mr. LAIRD. Mr. Speaker, a great sales job, a first-rate demonstration of handling a topheavy inventory, has been accomplished in recent years by the Department of Agriculture.

Once the millions of pounds of butter stored around the country, bought up by the Government to help dairy farmers, was a matter of concern to every citizen of this great land. Today, the 521 million pounds of butter once in the hands of the Commodity Credit Corporation, has been moved, and as of August 7, 1957, the present CCC inventory shows only 78 million pounds. It was not plowed under, but was made available for human consumption.

At one time the Government held 110 million pounds of eggs; today, there are no surplus eggs in warehouses. At the peak, the Government held 1,013,000,000 pounds of cottonseed meal and 878 million pounds of cottonseed oil. All of that has been moved in one of the most remarkable merchandising jobs ever accomplished. There were burdensome holdings of tung oil, honey, and flaxseed, and these too have been reduced to zero in the CCC inventory.

UNIVERSITY OF MICHIGAN LIBRARIES

While the soil bank is coming into stronger use as an instrument to prevent the pileup of future crop surpluses, it should be noted that the Department of Agriculture has, and is, accomplishing a noteworthy job of disposing of old surpluses.

Mr. Speaker, I would like to insert in the RECORD at this time a list of the several commodities in which holdings have been completely liquidated, or reduced to a minimum:

Commodity	Peak inventory		Year
	Unit	Amount	
Butter [1]	Pound	520,847,000	1955
Cottonseed oil	do	877,738,000	1955
Cottonseed meal	do	1,013,428,000	1953
Linseed oil	do	528,208,000	1951
Flaxseed	Bushel	9,494,000	1954
Seeds	Pound	427,963,000	1953
Tung oil	do	38,516,000	1955
Honey	do	6,168,000	1953

[1] Present inventory (as of Aug. 7, 1957) 78,000,000 pounds.

Representative Clyde Doyle of California Asks and Receives From Library of Congress, History of Prayers in Congress

EXTENSION OF REMARKS
OF
HON. CLYDE DOYLE
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 14, 1957

Mr. DOYLE. Mr. Speaker, by reason of unanimous consent heretofore granted me so to do, I present to your attention documentary material which I requested from the Legislative Reference Service, Library of Congress, Washington, D. C. The topic thereof indicates that the material furnished me is not the text of bills, resolutions, petitions, nor unanimous consents; yet it deals with a subject which is daily brought up and participated in during every session of the House of Representatives, in which I have been honored to be a Member in this my sixth term and over which you have presided with exceeding dignity, fairness, and distinction longer than any American—living or deceased. For, Mr. Speaker, every day before we begin our work on bills and resolutions and unanimous consents; before we begin our debates under the 5-minute rule—in fact, Mr. Speaker, before we begin any of these daily duties and responsibilities in the field of legislation, we very appropriately and properly engage in prayer. This is led for us by the distinguished and devoted Chaplain of the House of Representatives, Reverend Braskamp, and the distinguished Chaplain of the United States Senate. Mr. Speaker, this is well. It is well and good and strengthening to our clear thinking and rededication to the highest and best there is in our hearts, souls, and minds and ambitions as we begin our legislative procedures.

Mr. Speaker, several years ago I was invited to speak over a radio hookup over a wide geographical area. When I was asked by the master of ceremonies of the program as to what I felt was the most important step for America to take, and not having had notice previously of the question I was to be asked—I extemporaneously replied that it was that America should get on her knees humbly and reverently and frequently and stay there in an attitude and ambition to every major problem confronting America, both in domestic and foreign relationships. I still feel, Mr. Speaker, that my answer of several years ago still applies. Therefore, Mr. Speaker, you and my other distinguished colleagues, I am sure, will all understand why it is that I appreciate having received unanimous consent to include the following history of prayer in Congress from the Library of Congress.

The last several years, Mr. Speaker, there have been two very significant developments in the field of prayer in Congress. For, as you know, for several years now there has been a breakfast prayer group which meets every Thursday morning during the time Congress is in session for prayer and worship. The group consists entirely of House Members and the attendance each Thursday morning ranges from 25 to 50 Members. I have been pleased and received much inspiration from the fraternity of spirit and comity of reverence which has come to me from participation in the group these 11 years that I have already served in this great legislative body. Within the last 2 years, Mr. Speaker, has come the opening of that beautiful Prayer Room in the Capitol itself. You and other distinguished leaders in this Congress, both in the House and the Senate, recognize the important place of prayer in the life of Congress itself by making this Prayer Room available each day for Members to use with reverent use.

The information furnished me by the Library of Congress follows:

MARCH 25, 1957.

LEGISLATIVE REFERENCE SERVICE,
Library of Congress, Washington, D. C.

GENTLEMEN: What is the history of the opening of the Senate and the House with prayer? When did it begin? Was the first session of Congress at New York opened with prayer? If so, will you give me a copy of it? Who was the chaplain?

Was there any period of time when either House or the Senate was not opened with prayer? Was it opened with prayer all through the Civil War?

Give me a copy of the prayers given in the Senate and the House at the time of Washington's Farewell Address and then at the time Abraham Lincoln sent his message to Congress on the state of the Union.

Also give me the prayers given in the House and the Senate at the time Theodore Roosevelt sent his first message to Congress on the state of the Union. Also Franklin Roosevelt each time he sent his first message on the state of the Union.

Also, when Thomas Jefferson sent his first message on the state of the Union. Also the following on similar occasions: Hoover, Taft, Coolidge, and Cleveland.

Thank you very much.

Sincerely yours,

CLYDE DOYLE,
Member of Congress.

HISTORY OF EARLY PRAYERS IN THE CONTINENTAL CONGRESS

The first prayer officially given in the Congress of the United States was made on September 7, 1774, by the Reverend Jacob Duché. On Tuesday, September 6, Mr. Thomas Cushing, of Massachusetts, had proposed that Congress have a season of prayer every morning. Mr. Samuel Adams moved that the Episcopal clergyman, Rev. Mr. Duché, be requested to offer prayer the following morning.

Reverend Duché, read the psalter for the seventh day of the month, which included the 39th Psalm. He then struck out into an extemporary prayer which noticeably moved the Delegates. No complete text of this prayer was found in any of the bibliographical sources.

On May 10, 1775, the Second Congress invited Reverend Duché to open the following morning's session with a prayer. Silas Deane wrote that Reverend Duché "made a most pathetic and pertinent prayer."

On July 8, 1776, John Hancock wrote to Reverend Duché asking him to accept the appointment of Chaplain of Congress. The appointment was accepted and the duty consisted of opening each session at 9 o'clock with a prayer. The first prayer which Reverend Duché offered in his new official capacity was a plea for protection for the new American States. The prayer, quoted from Sabine's History of the Loyalists, is as follows:

"O Lord our Heavenly Father, high and mighty, King of Kings and Lord of Lords, who dost from Thy throne behold all the dwellers on earth, and reignest with power supreme and uncontrolled over all kingdoms, empires, and governments, look down in mercy, we beseech Thee, on these our American States, who have fled to Thee, from the rod of the oppressor, and turn themselves on Thy gracious protection, desiring to be henceforth dependent only on Thee; to Thee do they now look up for that countenance and support which Thou alone canst give; take them, therefore, Heavenly Father, under Thy nurturing care; give them wisdom in council, and valor in the field; defeat the malicious designs of our cruel adversaries; convince them of the unrighteousness of the cause, and if they still persist in their sanguinary purposes, O let the voice of Thine own unerring justice sounding in their hearts, constrain them to drop the weapons of war from their unnerved hands in the day of battle. Be Thou present, God of wisdom, and direct the counsels of this honorable assembly; enable them to settle things on the best and surest foundations, that the scenes of blood may be speedily closed, that order, honor, and peace may be effectively restored, and pure religion and piety prevail and flourish among Thy people; preserve the health of their bodies and the vigor of their minds; shower down on them, and the millions they represent, such temporal blessings as Thou seest expedient for them in this world, and crown them with everlasting glory in the world to come. All this, we ask, in the name of Jesus Christ Thy Son, and our Saviour. Amen."

Reverend Duché resigned on October 17, 1776, because of ill health and parochial duties. Congress voted him $150 as an acknowledgement for his services. However, on October 30, the Reverend Jacob Duché replied that the money should be applied to the relief of widows and children of Pennsylvanian officers killed in battle.

According to the sources consulted, Reverend Duché was actually not sympathetic to the cause of the new Republic. He went to England and did not return to America until 1792.

(Sources: Edmund C. Burnett, the Continental Congress; New York, Macmillan, 1941. Journals of the Continental Congress, vols.

I, II, V, VI; 1774, 1775, 1776. Rev. Edward D. Neill, Rev. Jacob Duché, the first Chaplain of Congress.)

PRAYERS IN CONGRESS

The custom of opening sessions of Congress with prayer originated in the Continental Congress.[1]

The first sessions of the new Congress under the Constitution on March 4, 1789, were not opened with prayer. The Senate elected its first Chaplain, Rt. Rev. Bishop Samuel Provost, on April 25, 1789; [2] the first Chaplain of the House of Representatives was Rev. William Linn, elected May 1, 1789.[3] Copies of the first prayers offered by these chaplains are not available.[4]

A search of Annals of Congress, Congressional Globe, and CONGRESSIONAL RECORD does not reveal any period when the custom of prayers was abandoned in either the Senate or the House. Prayers were offered as usual at the opening of sessions of Congress during the Civil War period, 1861–65.

Copies of prayers made at the time of Washington's Farewell Address September 17, 1796, were not shown in Annals of Congress or in Richardson's Messages and Papers of Presidents.[5]

In the report of the first annual message delivered by Thomas Jefferson on December 8, 1891, no prayer is mentioned.[6]

The Congressional Globe for March 4, 1861, the date of Abraham Lincoln's inaugural address delivered from the east front of the Capitol, does not mention that a prayer was given.[7]

GROVER CLEVELAND

On Wednesday, March 4, 1885, before President-elect Grover Cleveland delivered his inaugural address,[8] Rev. E. D. Huntley, Chaplain to the Senate, offered the following prayer:

"Thou who art the same yesterday, today, and forever, we are grateful for another opportunity of appearing before Thee in the attitude of humble worship, and though we tarry but a moment in Thy presence, it shall suffice to quicken our consciences and to remind us that for the performance of all public as well as of all private duties we are amenable to Thee.

"We come to thank Thee for the mercies of the past and to implore the continuance of Thine all-favoring providence.

"We come to ask Thy blessing upon the retiring President of these United States and upon him whose Presidency of this Senate has added steadiness and safety to its legislation and maintained impartially the rights and privileges of all its Members. And though these officers transfer their responsibilities to other hands, we ask that they may never cease to be the objects of Thy care and the recipients of Thy godly favor.

"We ask Thy blessing upon him who is about to be inducted into the high office of President of this Republic. May his life and health be precious in Thy sight. May he receive the hearty, honest, and unbegrudged support of all good citizens; and may he, together with those who shall be constituted his advisers, be so under the direction of Thy Holy Spirit, that his administration shall prove a signal blessing to this Nation and so a blessing to the world.

"Be Thou with him who is to preside over the deliberations of this body, the Vice-President of the United States. As the eyes of the servants look unto the hands of their masters, so may his eyes look unto the Lord his God. May he be faithful to his trust, and may he be supplied with wisdom from on high for the discharge of all his duties.

"We ask Thy special blessing upon those who for years have been honorable Members of this Senate, and who this day retire from the public service appertaining to this body. May the years which remain to them be crowned with tokens of Thy love. May goodness and mercy follow them all the days of their life. And may those who come to take their places be men who, fearing the Lord and working righteousness, shall be acceptable to Thee.

"Regard in mercy all who occupy advisory, legislative, or judicial relations to the Government. Dispose their hearts to keep Thy law, and may they so direct in public matters that all nations shall be constrained to recognize us as a happy and prosperous people, and to ascribe our happiness and our prosperity to the readiness with which we yield ourselves to Thy suggestions and the promptness with which we follow Thy commands.

"Our petition is before Thee, Lord, and we humbly pray that Thou wilt answer it according to Thy riches in glory by Christ Jesus. Amen." [9]

THEODORE ROOSEVELT

On December 5, 1905, the date of the reading of Theodore Roosevelt's first annual message, a prayer was offered in the Senate by the Chaplain, Rev. Edward E. Hale,[10] and in the House by the Chaplain, Rev. Henry N. Couden.[11] The texts of the prayers are not given in the CONGRESSIONAL RECORD.

On March 4, 1905, when Theodore Roosevelt delivered his inaugural address, the following prayer was given by Rev. Edward E. Hale, Chaplain of the Senate:

"'I will multiply my people, they shall not be few.
I will glorify them, and they shall not be small.
Their congregation shall be established before me;
And I will punish all that oppress them.
Their nobles shall be from themselves and their governor from the midst of them.
I will cause Him to draw near
And He shall approach unto me.
And ye shall be my people and I will be your God.
The law shall not depart from them.
Be thou strong and of good courage;
Be not afraid, neither be discouraged.
For the Lord thy God is with thee whithersoever thou goest.'

"Let us pray.

"Father of life, Father of love, the work is done—for better, for worse—which Thou hast given this Congress to do. Grant Thy blessing to our endeavors. Thou wilt crown with Thine own success every good effort. Thou wilt forgive every mistake of ours. The past is gone, and we will forget the things behind. Tomorrow is Thine, and we trust it to Thee.

"For the homes and the country we pray again and again and always that they may come into Thy kingdom of love and hope and faith, pure as Thine own light, peaceable as Thine own purpose, and alive with Thy life. Give to Thy servants wherever they may go of Thine own strength that they may be fellow workers together with God.

"Almighty God, this Nation is in Thy care, and this people seeks Thee today. We are in prayer for the country, that it may be more and more the happy Nation which seeks Thee and finds Thee, as they find Thee who seek for Thee with all their hearts.

"Thou hast made this people master of its own destiny. This people has chosen its leaders and its Congress for these years before them. And they ask, and we ask, Thy consecration on these years, for every father and mother, for every son and daughter, for every home, the help and blessing of the living God.

"For the President, for the Vice President, for the Congress, for the judges, and for the people we ask the blessing every hour of the living God.

"For purity in their homes, for peace, for health, for strength, for all that God can give, for all that men can use in the service which is perfect freedom.

"Hear us, answer us, and bless us as Thine own children in Christ Jesus.

"Join me audibly in the Lord's prayer.

"Our Father who art in heaven, hallowed be Thy name; Thy kingdom come, Thy will be done, on earth as it is in heaven. Give us this day our daily bread. Forgive us our trespasses as we forgive those who trespass against us. Lead us not into temptation, but deliver us from evil, for Thine is the kingdom, the power, and the glory, forever. Amen." [12]

WILLIAM HOWARD TAFT

William H. Taft's first annual message was read separately to each House of Congress on December 7, 1909. In the Senate, an opening prayer was offered by the Chaplain, Dr. Ulysses G. B. Pierce.[13] The prayer in the House was given by the Chaplain, Rev. Henry N. Couden.[14] Texts of these prayers are not printed in CONGRESSIONAL RECORD.

On March 4, 1909, when William H. Taft delivered his inaugural address in the Senate chamber, Rev. Edward E. Hale, Chaplain of the Senate, offered the following prayer:

"'I will multiply my people; they shall not be few.
I will glorify them, and they shall not be small.
Their congregation shall be established before me;
And I will punish all that oppress them.
Their nobles shall be from themselves and their governors from the midst of them.
I will cause him to draw near
And he shall approach unto me.

---

[1] U. S. Library of Congress. Legislative Reference Service. History of early prayers in the Continental Congress (appendix A of this report).

[2] Gale, Joseph, composer. The debates and proceedings in the Congress of the United States, comprising the period from March 3, 1789, to March 3, 1791, inclusive. Washington, Gales and Seaton, 1834, p. 24 (annals of Congress).

[3] Ibid., p. 242.

[4] "This seems to be a proper place to notice a fact, which is necessary to account for the meagerness of the report of the Senate proceedings in the earlier days of the Government, viz: that the legislative as well as the executive sittings of the Senate were held with closed doors until the second session of the Third Congress." Ibid., p. 16.

[5] United States President. A compilation of the messages and papers of the Presidents, 1789–1897, by James D. Richardson. Washington, Government Printing Office, 1896–99. 10 volumes.

[6] The debates and proceedings in the Congress of the United States. Seventh Congress, first session. Washington, Gales, and Seaton, 1851, pp. 11–15 (annals of Congress).

[7] Rives, John C. The Congressional Globe, containing the debates and proceedings of the 2d session of the 36th Congress; also of the special session of the Senate, vol. 30, pt. 2.

[8] Cleveland's inaugural address was indexed as his annual message in CONGRESSIONAL RECORD, vol. 16, index, 1885, p. 257.

[9] CONGRESSIONAL RECORD, vol. 17, pt. 1, March 4, 1885, p. 1.

[10] CONGRESSIONAL RECORD, vol. 40, pt. 1, December 5, 1905, p. 90.

[11] Ibid., p. 106.

[12] CONGRESSIONAL RECORD, vol. 40, pt. 1, March 4, 1905, p. 1.

[13] CONGRESSIONAL RECORD, vol. 45, pt 1, December 7, 1909, p. 24.

[14] Ibid., p. 62.

UNIVERSITY OF MICHIGAN LIBRARIES

And ye shall be my people and I will be your God.
The law shall not depart from them.
Be thou strong and of good courage;
Be not afraid, neither be discouraged,
For the Lord thy God is with thee whithersoever thou goest.'

"Let us join in prayer.

"Father Almighty, Thou hast been pleased to make this people Thine own nation. In Thy providence, Thou hast watched over the fathers. Thou hast led them from the beginning, that this should be that happy nation whose God is the Lord.

"This is our prayer: That this Government of the people, for the people, by the people may not cease from the land; that all the people this day would consecrate today to Thee and ask for a father's blessing upon the children; that as Thou wert pleased to lead the fathers in a thousand thousand providences, so wilt Thou be pleased to lead all the magistrates of this Nation; that Thou wouldst bind together the States of this Nation; that each and every man, each and every woman, and each and every child may know that they live to Thy glory and in Thy fear.

"Hear us, Father, answer us, and bless as Thine own children, in Christ Jesus.

"Join me audibly in the Lord's prayer.

"Our Father who art in heaven, hallowed be Thy name. Thy kingdom come. Thy will be done on earth as it is done in heaven. Give us this day our daily bread; and forgive us our trespasses as we forgive those who trespass against us. Lead us not into temptation, but deliver us from evil, for Thine is the kingdom, and the power, and the glory, forever and ever.

"God bless the United States of America." [15]

CALVIN COOLIDGE

On Tuesday, December 8, 1925, Calvin Coolidge's first annual message was read to the Senate. The Chaplain of the Senate, Rev. J. J. Muir, opened with the following prayer:

"Our gracious Heavenly Father, we thank Thee for the sunlight; we thank Thee for every inspiring influence, for the guardianship of the night and for the opportunity of service with the day. We beseech of Thee that there may be given unto us such a consciousness of Thy nearness and to [sic] the great realities that press heavily upon our thoughts, so as to lead us to the largest purposes befitting the individual. We pray for Thy guidance this day, and ask Thee to lead us even when we ourselves think we can be self-sufficient. Hear and help us. For Jesus Christ's sake. Amen." [16]

The same day, when the President's message was read to the House of Representatives, the chaplain, Rev. James Shera Montgomery, offered the following prayer:

"O Thou in whom we have our being, again we turn toward Thee as our blessed Heavenly Father with praise and gratitude. We thank Thee that we are still the objects of Thy love and in the counsels of Thy infinite heart. May this day bring to us duty with wisdom and grace. In our failures rebuke, chasten, and forgive us. If impulsive, restrain us; if we lack knowledge, O do Thou inspire it. Make us strong in faith, clear in vision, and immovable in our allegiance to every vital interest of our country. We pray in the name of Jesus. Amen." [17]

HERBERT HOOVER

Herbert Hoover's first annual message was read to the Senate on Tuesday, April 16, 1929. Rev. Joseph R. Sizoo, D. D., minister of the New York Avenue Presbyterian Church of the city of Washington, opened with the following prayer:

"Ever-living, ever-loving God, source of worlds without end and beings without number, in whom all our longings, hopes and aspirations are centered, we thank Thee that Thou art mindful of Thine own. We are not strangers to Thy care. Give us to know at the opening of another day that nothing, however small, escapes Thy notice and that there is no experience in which we cannot find Thy presence. May it be so with us today. Bless the President of the Senate, endow him with wisdom, patience, and courage born of faith in Thee. Grant that through our fidelity to our tasks a better and braver day may come to mankind. Through Jesus Christ our Lord. Amen." [18]

That same day, the President's message was read in the House,[19] and the chaplain, Rev. James Shera Montgomery, offered this prayer:

"Teach us, O Lord, to keep in our grateful minds Thy prevailing providence. We would praise Thee for that love which is the supreme power and sign and wonder of God in the world. Let us always determine to make Thee the divine Lord of our lives, upon which falls no shadow and rests no blame. Make us serious in thought, helpful in act, and gracious in manner. May these virtues be the constant tempter of our daily conduct. So abide with us that the record of this Congress shall be real, exalted, inspiring, and possessing a captivating influence that shall be felt throughout our land. Amen." [20]

FRANKLIN D. ROOSEVELT—1933

When Franklin D. Roosevelt delivered his first inaugural address, on Saturday, March 4, 1933, the Chaplain of the Senate, Rev. ZeBarney T. Phillips, offered the following prayer:

"Eternal God and Heavenly Father, before whose face the generations rise and pass away, who through all the ages hast led Thy children with the fire and cloud; hearken to our prayer and turn the heart of every citizen of the Republic unto Thee in this fateful hour of our own and the world's great need. Bestow Thy choicest blessings upon these Thy servants, who under Thee have been called to be President and Vice President of the United States. Give unto them the grace of true humility, the heart that knows no guile, the courage born of innocency of life, the gentle patience of the Christ, and, above all, the spirit of love that believes and hopes and endures, that they may be true leaders of Thy people.

"Bless every Member of the Congress and all others in authority, that they may be a glorious company, the flower of men, to serve [as] a model for this mighty world and to be the fair beginning of a time when, with every root of bitterness cast out, the good of all shall be the goal of each. Let Thy blessing rest upon the retiring President, Vice President, and Members of the Congress, to whom we pay our loving tribute. Bring the nations of the world, through an ever-increasing sense of fellowship, into one great family; hasten the time when war shall be no more, and may we never be content with any peace save that of Him who won His peace by making this world's ills His own, Jesus Christ our Lord. Amen." [21]

FRANKLIN D. ROOSEVELT—FIRST ANNUAL MESSAGE, 1934

On Wednesday, January 3, 1934, President Roosevelt delivered his first annual message in person to a joint meeting of the Senate and the House. Prior to the entrance of the Members of the Senate into the House Chamber, Rev. James Shera Montgomery offered the following prayer:

"'O give thanks unto the Lord, for He is good, for His mercy endureth forever.'

"We wait on Thee, of whom we are fragments and from whom all virtue flows. We thank Thee that Thou are heart of our hearts, soul of our souls, and self of ourselves; in us do Thou work out Thy holy will. Our President, do Thou keep him in the circle of divine love and care. With Thy presence, Lord, do Thou bless our Speaker, the Members, the officers, and the employees of this Congress, and may all hearts confess that from Thee cometh all our benefits. O spread the mantle of happiness and good health upon all hearthstones. Almighty God, let these days be a prelude of the triumph that is to come. Merciful Father, come with us, and marvels shall come to our Nation reborn. Let self-sacrifice, heroism, and idealism make their irresistible appeal to our Republic until all citizens shall realize their brotherhood in one common Father. May they listen to the law of love, and then strife and conflict shall be in the melting shadows of the past. O righteous God, frown upon all Mammon worship and hasten the time when the world over shall become just and generous, and by Thy touch man everywhere shall receive the blessing that he needs. In the name of our Elder Brother and the world's Savior. Amen." [22]

FRANKLIN D. ROOSEVELT—ANNUAL MESSAGE, 1937

When President Roosevelt at the beginning of his second term delivered his annual message in person to a Joint Meeting of the House and Senate, a prayer was offered by Reverend Montgomery prior to the entrance of Members of the Senate.

That prayer was as follows:

"Almighty God, unto whom all hearts are open and all desires known, and from whom no secrets are hid, cleanse the thoughts of our hearts by the inspiration of Thy holy spirit, that we may perfectly love Thee and worthily magnify Thy holy name. Through Jesus Christ, our Lord. Amen." [23]

FRANKLIN D. ROOSEVELT—1941

On Monday, January 6, 1941, President Roosevelt at the beginning of his third term delivered his annual message to a joint meeting of the House and Senate. At 12 noon, when the House convened, Reverend Montgomery gave the following prayer:

"Thy mercy, O Lord, is in the heavens and Thy majesty and power reach unto the ends of the earth. We pray Thee that somewhere we may see peace dawning beneath our fancied hopes and fears. Oh, let the Macedonian cry of brotherhood be heard in the dark places of this sad world and make us men of equal temper, of responsive consciences, of sturdy wills, and of courage that even dares to die for duty. In doubt, cloud, and storm let Thy right hand be strengthened and lifted up until the precepts of the Master rest in a golden cloud upon the hilltops of earth. Blessed Lord, for those who are being robbed under skies without blue or stars, let the rich, the talented, and the strong be joined, renewed in all those deep emotions which are the creative urge of true patriotism. We pray that its message may move us over the uncharted seas before us. O Thou who are both loving and righteous, both holy and just, restrain us from all discord and prejudice that we may pass through these days

[15] CONGRESSIONAL RECORD, vol. 44, pt. 1, March 4, 1909, p. 1.
[16] CONGRESSIONAL RECORD, vol. 66, pt. 1, December 8, 1925, p. 457.
[17] CONGRESSIONAL RECORD, vol. 67, pt. 1, December 8, 1925, p. 519.
[18] CONGRESSIONAL RECORD, vol. 71, pt. 1, April 16, 1929, p. 41.
[19] Ibid., p. 46.
[20] U. S. Congress. House. Prayers offered by the Chaplain, Rev. James Shera Montgomery, D. D., at the opening of the daily sessions of the House of Representatives of the United States during the 70th and the 71st Congresses, 1927–31, pp. 93–94.
[21] CONGRESSIONAL RECORD, vol. 77, pt. 1, March 4, 1933, p. 3.
[22] Ibid., vol. 78, pt. 1, January 3, 1934, p. 7.
[23] Ibid., vol. 81, pt. 1, January 6, 1937, p. 81.

with vision and with consecration to serve. Almighty God, hear our prayer beating up through this weary, troubled world to that throne that forever rests in the white light of the Father's love and mercy. In our dear Redeemer's name. Amen." [24]

FRANKLIN D. ROOSEVELT—1945

On Saturday, January 6, 1945, the annual message of the President was read to a joint meeting of the two Houses of Congress. Prior to the Senate's entrance to the Hall of the House of Representatives, the House met at noon, and the Chaplain, Rev. Frederick Brown Harris offered the following prayer:

"O God our Father, who art love and light and truth, we turn unfilled to Thee. In a world where the very foundations seem to be shaken and the mad fury of battle assails our senses and tears our hearts, we cherish this hushed and hallowed moment which so long ago the Founding Fathers set apart as an altar of prayer at the day's beginning. Here, bowing with contrite hearts, we would be sure of Thee and of spiritual resources before we go to meet the high solemnities of waiting tasks.

"Enlarge our sympathies. Deepen our compassion and our pity. Save our sacred cause from the poison of misunderstandings. Forbid that fogs and shadows rising out of the fever and panic of these tense times should dim our unity. When we are tempted by petty annoyances, by despondency, by resentments, and by the angry emotions of the world, may we gaze tenderly at the gaping wounds of our allies and remember with gratitude that in our favored land not one steeple has fallen, not one temple has been demolished, not one home is in ruins. Ennoble our spirits so that through us may be preserved for all mankind the ideals of the Republic, to the glory of the God who hath made and preserved us a Nation. We ask it in the dear Redeemer's name. Amen." [25]

CHAPLAINS OF THE HOUSE OF REPRESENTATIVES OF THE UNITED STATES

Chaplains	Denomination	Date service began [1]
Rev. William Lynn	Presbyterian	Mar. 4, 1789
Rev. Samuel Blair	do	Jan. 4, 1790
Rev. Ashbel Green	do	Nov. 5, 1792
Rev. Thomas Lyell	Methodist	Nov. 17, 1800
Rev. W. Parkinson	Baptist	Dec. 7, 1801
Rev. James Laurie	Presbyterian	Nov. 5, 1804
Rev. P. Elliott	do	Dec. 1, 1806
Rev. O. B. Brown	Baptist	Oct. 26, 1807
Rev. Jesse Lee	Methodist	May 22, 1809
Rev. N. Sneathen	do	Nov. 4, 1811
Rev. Jesse Lee	do	Nov. 2, 1812
Rev. O. B. Brown	Baptist	Sept. 19, 1814
Rev. S. H. Cone	do	Dec. 4, 1815
Rev. B. Allison	do	Dec. 2, 1816
Rev. J. N. Campbell	Presbyterian	Nov. 18, 1820
Rev. Jared Sparks	Unitarian	Dec. 3, 1821
Rev. J. Breckenridge	Presbyterian	Dec. 2, 1822
Rev. H. B. Bascom	Methodist	Dec. 1, 1823
Rev. Reuben Post	Presbyterian	Dec. 6, 1824
Rev. Ralph Gurley	do	Dec. 6, 1830
Rev. Reuben Post	do	Dec. 5, 1831
Rev. William Hammett.	Methodist	Dec. 3, 1832
Rev. Thomas H. Stockton.	do	Dec. 2, 1833
Rev. Edward D. Smith.	Presbyterian	Dec. 1, 1834
Rev. Thomas H. Stockton.	Methodist	Dec. 7, 1835
Rev. Oliver C. Comstock.	Baptist	Dec. 5, 1836
Rev. Septimus Tustan.	Presbyterian	Sept. 4, 1837
Rev. Levi R. Reese	Methodist	Dec. 4, 1837
Rev. Joshua Bates	Congregationalist	Dec. 2, 1839

[1] Date of beginning of session of Congress in which each chaplain first served. Not necessarily the date of his appointment.

---

[24] U. S. Congress. House. Prayers offered by the Chaplain, Rev. James Shera Montgomery, D. D., at the opening of the daily sessions of the House of Representatives of the United States during the 77th and 78th Congresses, 1941–44, pp. 1–2.

CHAPLAINS OF THE HOUSE OF REPRESENTATIVES OF THE UNITED STATES—Continued

Chaplains	Denomination	Date service began [1]
Rev. T. W. Braxton	Baptist	Dec. 7, 1840
Rev. J. W. French	Episcopalian	May 31, 1841
Rev. John N. Maffit	Methodist	Dec. 6, 1841
Rev. J. S. Tiffany	Episcopalian	Dec. 5, 1842
Rev. J. S. Tinsley	Baptist	Dec. 4, 1843
Rev. William M. Daily.	Methodist	Dec. 4, 1844
Rev. William H. Milburn.	do	Dec. 1, 1845
Rev. W. S. S. Sprole	Presbyterian	Dec. 7, 1846
Rev. R. R. Gurley	do	Dec. 6, 1847
Rev. L. F. Morgan	Methodist	Dec. 1, 1851
Rev. James Gallagher.	Presbyterian	Dec. 6, 1852
Rev. W. H. Milburn	Methodist	Dec. 5, 1853

From 1855 until 1861 the House of Representatives did not elect regular Chaplains. Instead, the different members of the District of Columbia clergy took turns in opening each daily session with a prayer and in preaching on Sundays. The 37th Congress, meeting in 1861, returned to former practice of choosing a Chaplain.

Chaplains	Denomination	Date service began
Rev. T. H. Stockton	Methodist	July 4, 1861
Rev. W. H. Channing.	Unitarian	Dec. 7, 1863
Rev. Charles B. Boynton.	Congregationalist.	Dec. 4, 1865
Rev. J. G. Butler	Presbyterian	Mar. 4, 1869
Rev. S. L. Townsend	Episcopalian	Dec. 6, 1875
Rev. John Poise	Methodist	Oct. 15, 1877
Rev. W. P. Harrison	do	Dec. 3, 1877
Rev. Frederick D. Power.	Christian	Dec. 5, 1881
Rev. John S. Lindsay	Episcopalian	Dec. 3, 1883
Rev. W. H. Milburn	Methodist	Dec. 7, 1885
Rev. Samuel W. Haddaway.	do	Aug. 7, 1893
Rev. Edward B. Bagby.	Christian	Dec. 4, 1893
Rev. Henry N. Couden.	Universalist	Dec. 2, 1895
Rev. James Shera Montgomery.	Methodist	April 11, 1921
Rev. Bernard Braskamp.	Presbyterian	Jan. 3, 1950

(Sources: Congressional Directories; United States Library of Congress. Legislative Reference Service. Chaplains of the House of Representatives of the United States.)

CHAPLAINS OF THE SENATE OF THE UNITED STATES

Chaplains	Denomination	Date of appointment
Rt. Rev. Bishop Samuel Provost.	Episcopalian	Apr. 25, 1789
Rt. Rev. Bishop William White.	do	Oct. 24, 1791
Rt. Rev. Bishop John Thomas Claggett.	Episcopalian	Nov. 27, 1800
Rev. Dr. E. Gantt	do	Dec. 9, 1801
Rev. A. T. McCormick.	do	Nov. 11, 1807
Rev. R. Elliott	Presbyterian	Nov. 10, 1808
Rev. M. Wilmer	Episcopalian	May 24, 1809
Rev. Ob. B. Brown	Baptist	Dec. 5, 1809
Rev. Walter D. Addison.	Episcopalian	Dec. 12, 1810
Rev. J. Breckenridge, D. D.	Presbyterian	Dec. 8, 1815
Rev. Jesse Lee	Methodist	Sept. 27, 1814
Rev. J. Glendie	Presbyterian	Dec. 8, 1815
Rev. S. E. Dwight	Congregationalist.	Dec. 16, 1816
Rev. W. Hawley	Episcopalian	Dec. 9, 1817
Rev. John Clark	Presbyterian	Nov. 19, 1818
Rev. Reuben Pest	do	Dec. 9, 1819
Rev. William Ryland.	Methodist	Nov. 17, 182-
Rt. Rev. C. P. McIlvaine, D. D.	Episcopalian	Dec. 9, 1822
Rev. W. Staughton	Baptist	Dec. 10, 1823
Rt. Rev. C. P. McIlvaine, D. D.	Episcopalian	Dec. 14, 1824
Rev. W. Staughton	Baptist	Dec. 12, 1825
Rev. W. Ryland	Methodist	Dec. 8, 1826
Rev. H. V. D. Hohn, D. D.	Episcopalian	Dec. 15, 1829

CHAPLAINS OF THE SENATE OF THE UNITED STATES—Continued

Chaplains	Denomination	Date of appointment
Rev. J. P. Durbin, D. D.	Methodist	Dec. 19, 1831
Rev. C. C. Pise	Roman Catholic	Dec. 11, 1832
Rev. T. W. Hatch	Episcopalian	Dec. 10, 1833
Rev. E. T. Higbee	do	Dec. 23, 1835
Rev. Mr. Goodman	Not known	Dec. 28, 1836
Rev. Henry Slicer	Methodist	Sept. 11, 1837
Rev. G. Cookman	do	Dec. 31, 1839
Rev. S. Tuston, D. D.	Presbyterian	June 12, 1841
Rev. Henry Slicer	Methodist	Dec. 16, 1846
Rev. C. M. Butler, D. D.	Episcopalian	Jan. 9, 1939
Rev. Henry Slicer	Methodist	Dec. 7, 1853
Rev. Henry C. Dean	do	Dec. 4, 1855
Rev. Stephen P. Hill	Baptist	Dec. 8, 1856
Rev. P. G. Gurley, D. D.	Presbyterian	Dec. 15, 1859
Rev. Byron Sunderland, D. D.	do	July 10, 1861
Rev. Dr. Thomas Bowman.	Methodist	May 11, 1864
Rev. Dr. E. H. Gray	Baptist	Mar. 9, 1865
Rev. Dr. J. P. Newman.	Methodist	Mar. 8, 1869
Rev. Byron Sunderland, D. D.	Presbyterian	Dec. 8, 1873
Dr. J. J. Bullock	do	Mar. 24, 1879
Dr. E. DeWitt Huntley.	Methodist	Dec. 18, 1883
Dr. John G. Butler	Lutheran	Mar. 13, 1887
Dr. W. H. Milburn [1]	Methodist	Apr. 6, 1893
Rev. F. J. Prettyman.	do	Nov. 1902
Dr. Edward Everett Hale.	Unitarian	Dec. 14, 1903
Dr. U. G. B. Pierce	do	June 18, 1909
Rev. F. J. Prettyman.	Methodist	Mar. 1913
Rev. J. J. Muir	Baptist	Jan. 21, 1921
Rev. ZeBarney Phillips.	Episcopalian	Dec. 5, 1927
Dr. Frederick Brown Harris.	Methodist	Oct. 10, 1942
Rev. Peter Marshall [2]	Presbyterian	Jan. 4, 1947
Dr. Frederick Brown Harris.	Methodist	Feb. 3, 1949

[1] Blind.

[2] Died Jan. 25, 1949. See biography, National Cyclopedia American Biographies, p. 137.

NOTE.—The 35th Cong., discontinued the usage of electing chaplains and extended an invitation to the clergy of the District of Columbia to alternate in opening the daily sessions by prayer, and in preaching on the Sabbath, which they continued to do until the 36th Cong., but the 37th Cong. returned to the old practice.

Total number to date by denominations

Episcopalian	15
Methodist	16
Presbyterian	11
Baptist	6
Unitarian	2
Lutheran	1
Roman Catholic	1
Congregationalist	1

(Source: CONGRESSIONAL RECORD, Jan. 4, 1947, pp. 107–108, as corrected and brought down to date.)

COLLECTED PRAYERS OFFERED AT OPENINGS OF DAILY SESSIONS OF HOUSE 1923–48 AND SENATE, 1927–31; 1942–46

United States Congress. House. Prayers offered by the Chaplain, James Shera Montgomery, at the opening of the daily sessions of the House of Representatives during 68th and 69th Congresses of the United States, 1923–27. Washington, Government Printing Office, 1927. (69th Cong., 2d sess., H. Doc. No. 780.)

United States Congress. Prayers offered by the Chaplain, Rev. James Shera Montgomery, D. D., at the opening of the daily sessions of the House of Representatives of the United States during the 70th and the 71st Congresses, 1927–31. Washington, Government Printing Office, 1932. (72d Cong., 1st sess., H. Doc. No. 239.)

United States Congress. Prayers offered by the Chaplain, Rev. James Shera Montgomery * * * at the opening of the daily sessions of the House of Representatives of the United States during the 72d the 73d Congresses, 1931–34. Washington, Govern-

UNIVERSITY OF MICHIGAN LIBRARIES

the United States during 72d and the 73d sess., H. Doc. No. 409.)

United States Congress. Prayers offered by the Chaplain, Rev. James Shera Montgomery * * * at the opening of the daily sessions of the House of Representatives of the United States during the 74th and 75th Congresses, 1935–38. Washington, Government Printing Office, 1938. (7th Cong., 3d sess., H. Doc. No. 710.)

United States Congress. Prayers offered by the Chaplain, Rev. James Shera Montgomery * * * at the opening of the daily sessions of the House of Representatives of the United States during the 77th and 78th Congresses, 1941–44. Washington, Government Printing Office, 1945. (78th Cong., 2d sess., H. Doc. No. 806.)

United States Congress. Prayers offered by the Chaplain, Rev. James Shera Montgomery * * * at the opening of the daily sessions of the House of Representatives of the United States during the 79th and 80th Congresses, 1945–48. Washington, Government Printing Office, 1949. (80th Cong., 2d sess., H. Doc. No. 753.)

United States Congress. Senate. Prayers offered by the Chaplain, Rev. ZeBarney Thorne Phillips, at the opening of the daily sessions of the Senate of the United States during the 70th and the 71st Congresses, 1927–31. Washington, Government Printing Office, 1931. (71st Cong., 3d sess. Senate Document No. 306.)

United States Congress. Prayers offered by the Chaplain, Rev. Frederick Brown Harris, at the opening of the daily sessions of the Senate of the United States during the 77th, 78th, and 79th Congresses, 1942–46. Washington, Government Printing Office, 1946. (79th Cong., 2d sess. Senate Document No. 204.)

CHAPLAINS OF THE UNITED STATES SENATE AND HOUSE OF REPRESENTATIVES

SELECTED REFERENCES

Alexander, De Alva Stanwood. History and procedure of the House of Representatives. Boston, Houghton Mifflin, 1946, pages 98–99.

Constitution, Jefferson's Manual and Rules of the House of Representatives of the United States. Washington, United States Government Printing Office, 1953. See Rule II: Election of Officers; Rule I: Duties of the Speaker, section 621; Rule VII: Duties of the Chaplain; and Rule XXIV: Order of Business, section 878.

Hale, Edward Everett. Prayers in the Senate. Boston, Little, Brown, 1904. Prayers offered in winter session of 1904.

Hinds, Asher C. Hinds' precedents of the House of Representatives of the United States. Washington, United States Government Printing Office, 1907. Volume 1, sections 187, 272–282.

Johnson, Lorenzo Dow. Chaplains of the General Government. New York, Sheldon-Blakeman, 1856, 82 pages. An address to the pastors and people of these United States on the chaplaincy of the General Government. Washington, 1857. 31 pages.

Luce, Robert. Legislative assemblies. Boston, Houghton Mifflin, 1924, pages 602–612.

Marshall, Catherine. A Man Called Peter. New York, McGraw-Hill, 1951. 354 pages. Includes account of experiences of Peter Marshall as Senate Chaplain.

Marshall, Peter. Prayers. New York, McGraw-Hill, 1954, 243 pages. Includes prayers in Senate.

The pressure upon Congress. Atlantic monthly, February 1870, volume 25, page 150. Ascribed to James Parton.

Riddick, Floyd M. The United States Congress: organization and procedure. Manassas, Va., National Capitol Publishers, 1949, pages 127, 133.

United States Congress. House. Prayers offered by the Chaplain * * * at the opening of the daily sessions of the House of Representatives of the United States * * * Washington, United States Government Printing Office, 1913. Covers period from 1895.

United States Congress. Senate. Prayers offered by the Chaplain * * * at the opening of the daily sessions of the Senate of the United States. Washington, United States Government Printing Office. 1929. Covers period from 1927.

St. Stephen's Day

EXTENSION OF REMARKS

OF

HON. BARRATT O'HARA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 14, 1957

Mr. O'HARA of Illinois. Mr. Speaker, on August 20 the people of Hungary again will observe St. Stephen's Day, and it is fitting that on that day our thoughts and prayers should be with the valiant men and women of Hungary whose hearts were set on the day when again they shall dwell in a land of freedom.

Over 900 years ago, Stephen I of Hungary fought to preserve Hungary's right to choose, without outside coercion, her own form of government and to follow the dictates of her own conscience in choosing the religious faith she wished. His deeds of courage were successful, for he introduced Christianity into Hungary and established the Hungarian state on a healthy base. And throughout the years Hungarians have considered Stephen I such an outstanding patriot that they set aside one day in the year to celebrate his life, works, and achievements.

Today, however, the Hungarians look more than ever to Stephen as their symbol of liberty and justice, for once again Hungary has been forced into an abyss of despair and darkness by the forces of foreign tyranny and despotism. But, we ask, what possible succor can Hungary hope to find from a past so far removed from the realities of the 20th century? The answer is the past never is far removed from the present, for it is a part of the whole fabric of man's struggle for right, decency, and a better way of life.

Tyranny and genocide are not new phenomena in the world. But as civilization has advanced and become refined so have the methods and techniques for making all the forces of evil more terrifying and capable of destroying civilization completely. But Stephen's stand against tyranny and oppression 900 years ago is the symbol for present-day Hungarian resistance to those same forces. Let us look more closely at the life of Stephen to see what is the real significance of his continuing adulation.

Stephen I knew that if Hungary was to survive as a nation, her ideas and her goals had to be free to develop. He knew initiative and progress suffocated in an atmosphere of oppression and subjugation. Thereupon, he waged many wars against his oppressors, so that the Christian faith would survive and the Hungarian state would be preserved. And this struggle was not without adversity, for his enemies were in the homeland as well as outside Hungary.

Stephen's greatest triumph over the forces of evil was his uprooting of idolatry among his people. Of course, this act did bring down upon him the wrath of many dissident groups. In fact, in 998 Stephen had to attack a rebel group who had resisted this action against paganism. The church also became the disseminating center of information on cultivation of crops and the use of manual arts. The churchmen, by their examples, taught the villagers and farmers Western methods of agriculture and Western methods of arts and handicrafts.

Last October in Hungary the spirit of St. Stephen I reasserted itself, when unarmed workers rose in rebellion against domestic traitors and foreign encroachers to preserve their personal integrity and national existence. It is true these courageous Hungarians were not able to crush the despotic domestic and foreign elements as had Stephen of old, but it showed 900 years of time had not eroded Hungary's innate love of justice and liberty. Nor will that spirit die under the heavy hand of Soviet Communist genocide and deportations.

Today we Americans are bearing witness to the continued courage of the Hungarian refugees who gained entrance into our country; we can be proud of our action which made that immigration possible. Of course, we could hope for more liberal and definite provisions in our immigration laws which would allow them to stay permanently or to have a regular status as immigrants. The fight for freedom by these refugees was for the whole world, not for one country, and should be recognized openly as such a fight. We are indeed proud to have them in our midst, and also wish to join with freedom-loving Hungarians everywhere in saluting the first Hungarian prince of peace, St. Stephen I.

Achievements in Agriculture—Dairy Herd Improvement

EXTENSION OF REMARKS

OF

HON. MELVIN R. LAIRD

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 14, 1957

Mr. LAIRD. Mr. Speaker, we all know that one of the best ways to cut the cost of livestock production is to use more efficient, higher-producing animals—thus reducing feed and labor required to meet demand for livestock products. Research and experience have shown that animals can be bred for high production and economic-feed utilization through the use of superior-breeding stock.

The proved-sire system of dairy breeding—applied in the national dairy herd improvement program—is a fine example of what can be done through breeding for higher production through the

program of the Dairy Herd Improvement Association, developed and sponsored by the United States Department of Agriculture, the average milk production of the 1½ million cows enrolled has risen to 9,500 pounds and has helped to bring our national average to 6,000 pounds.

Dairy farmers in Wisconsin are especially outstanding in their progress in dairy herd improvement work. The State stands first in the Nation in milk production of cows enrolled in the Dairy Herd Improvement Association—exceeding the national Dairy Herd Improvement Association record by more than 600 pounds. The average for all cows in the State is some 1,354 pounds above our national average milk production.

A logical outgrowth of the proved-sire system of breeding is the artificial-breeding movement, which is giving tremendous impetus to our progress. Today, about a fifth of all dairy cattle in the United States are being bred artificially—a fivefold increase in the last 10 years. The net effect is a gradual reconstruction of the genetic makeup of our dairy population to carry the productive ability of the best breeding stock in the country. The result will be more efficient, lower cost milk production—nationwide.

Thus, the cooperative Federal-State research, which showed that high-producing bulls, proved on the basis of their daughters' production, will continue to pile up ever-increasing dividends for American people in the years ahead.

The Story of King Gold and King Silver

EXTENSION OF REMARKS
OF

HON. WALTER S. BARING

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 14, 1957

Mr. BARING. Mr. Speaker, representing the people of Nevada, who are naturally interested in the rightful use of metals, gold and silver, as a medium of exchange and as a basic valuator for all of the items we wish to purchase or to sell, I want to call the attention of my colleagues to a very interesting fable written in 1936 by Mr. Peter Ivanoff, an acknowledged authority on monetary systems and currency. Mr. Ivanoff was with the Franco Bank in Hankow, China, and was an active member of the Rotary Club there. He left China in 1947 when the Communists invaded and took control of the mainland. This book, which tells the story of king gold and king silver, points out the fact that eons ago men were slaves in their respective communities because they had no measure of exchange and no valuator. Then one day a man, noticing a shining, yellow piece of metal, made a medallion from this discovery, and thereafter his wife became the envy of all the ladies on that island. It was not long before the natives of adjoining islands, bringing their various wares to barter and trade, observed the medallions this man had made and offered to trade certain of their products for one of the medallions, that they might present this thing of beauty to their queen. The man quickly recognized that with a very few medallions he could leave his home island to trade his medallions elsewhere for any goods he wished to acquire. This was truly the birth of freedom from slavery.

Down through history nations of the world have traded and bartered with confidence when they had gold and silver as valuators. History has shown us that in times of great stress and emergency men and governments have been prone to depreciate their currency and walk away from the path of freedom by ignoring the awful confusion that would result from printing currency that had no fixed tie with an agreed valuator. In the 1930's, to regain some of the tremendous markets in India, England so set forth to loosen the controls on their pound. This necessitated drastic action by the Japanese, who devaluated their yen to meet this competition. And so we witnessed the depreciation of the pound from its highly respected international position of $4.86 down to $2.80. All nations trading with these countries that abandoned the gold standard have suffered through lack of confidence in the currencies they could offer in the world markets for the purchase of services and goods from other countries. Countless billions of American dollars have been exported in an effort to bolster up the economic positions of so-called friendly nations. I say so-called in a qualified way, because it is apparent that many times we have tried to help with our money, goods, and services, only to find little appreciation for the handouts we have so magnanimously given to foreign nations while at the same time refusing support to some of our own industries.

I might mention here that you are well acquainted with the efforts we western Congressmen made to protect the tungsten industry, which is so vital to many communities in my State and in other States of the West. I would be reluctant to speak on this subject were it not for the fact that I have in my hand some material recently written on how we may stop inflation in this country. All of us know too many retired people, too many white-collar workers, too many people living on fixed incomes to not be aware of the suffering or the embarrassment brought about when every year these people's dollars buy less and less. I am not against helping those friendly nations who are helping themselves and who indicate their desire to join with us in our world fight for freedom, and I am all for our country's having a strong Military Establishment for the defense of our Nation and the protection of our principles.

It is my firm belief that if the financial experts of our Nation will join with qualified Members of both Houses of Congress, they will reach the conclusion that we should and we must stop printing more currency, stop increasing our national debt, stop devaluating the value of the goods owned by the people, and arrive at a basis whereby our currencies and our fiscal policies will be tied to and fixed with a gold and silver standard. This would restore confidence in our own currency and the Government behind it, to lead the way out of chaos and frustration for the scores of countries whose very existence depends upon having a medium of exchange that can be relied upon by all nations with whom they trade.

In closing, Mr. Speaker, I wish to call to the attention of my colleagues the fact that in this story of the two kingdoms there is highlighted the confusion that peoples would be confronted with were we not to agree on the matter of measurements, whereby we know that 12 inches equals 1 foot and 3 feet equals 1 yard. We all also have a great appreciation of the value of our system of weights, where 1 pound contains 16 ounces, or 2,000 pounds 1 ton. To change this would throw our whole national and international economic system out of balance.

Not too many years ago the nations of the world looked to the pound sterling as the valuator. The pound sterling contained 123 grains of gold. It is my opinion, and I know a good many Members of the House concur with me, that unless this Congress takes some definite action to restore a valuator we will surely be confronted with the 10-cent dollar before the next 10 sessions of Congress. I believe every Member of this House would fight to avoid shouldering this burden on our sons and daughters. Certainly those who may look forward to living their twilight years on a fixed income would hate to contemplate what measures would have to be taken in order to buy the barest necessities we all must have.

For the RECORD, Mr. Speaker, I would like to have printed a copy of a letter written to me on March 8 by Mr. William P. Moloney, of Marion, Ohio, who in his closing sentence says, "I know of no situation where corrective measures are so sorely needed."

The letter follows:

MARION, OHIO, *March 8, 1957.*

Hon. WALTER S. BARING,
House Office Building,
Washington, D. C.

DEAR MR. BARING: Approximately 25 years ago I acquired two mines in the State of Nevada, one gold and one gold and silver. The gold mine was operated in a small way until the closing act in 1942. Both of these mines have merit and I have expended approximately $200,000 in the purchase and development of these mines and both could be operated successfully now if it were possible to sell newly mined gold and silver at its real value.

A recent issue of the Battle Mountain Scout carries a rather lengthy interview stating your position in reference to proposed legislation, the purpose of which is to correct the injustice to which the owners of gold and silver mines have been subjected by governmental action.

Every act of Congress since 1934 that affected, directly or indirectly, the gold and silver mining industry has been detrimental to the industry and you are to be commended for your efforts to restore some measure of justice to the industry.

It is difficult to conceive that the United States Government should refuse to purchase the products of any industry at a price that represents its true value and at the same time prevent that industry from selling its products to those who are willing to pur-

UNIVERSITY OF MICHIGAN LIBRARIES

chase these products at their true value. The basic concept of the right to own, to hold, and to sell private property which the Government of the United States is pledged to uphold and to defend at all costs, is denied by the Government itself.

Not only does the Government deny the fundamental right of the private citizen to own, hold, and dispose of private property but it becomes socialistic in its treatment of this industry by supplying the commercial users in this country, the gold and silver needed for commercial use. Of course the Treasury Department very graciously grants permission to sell newly mined gold and silver to the industry, but it stands ready to serve the commercial users at cost so that the owner of the newly mined gold and silver is in the same position as if he sold it to the Government.

It is a well-known fact that this policy of the Government of selling gold and silver to commercial users without profit to the Government has not only been to the tremendous advantage economically of the fabricators and users of gold and silver, but has been largely instrumental in keeping the gold and silver mines in Nevada and elsewhere out of operation.

Obviously, it would be a great step toward restoring justice to the gold and silver industry if the mine owners were permitted to sell newly mined gold and silver in the world market, a privilege and a right enjoyed by every other industry in the United States.

There is no need to say to you that the condition of the gold and silver mining industry in the West is sad nor is it necessary to say to you that if the Government would get out of the market of selling gold and silver to commercial users and permit the industry to sell to commercial users in this country at a price competitive to world prices the gold and silver industry would revive immediately. Is there any way to induce or to compel the Government to cease selling gold and silver to commercial users and to leave this field to the industry? That would restore some measure of justice.

I know of no situation where corrective measures are so sorely needed and your efforts are certainly to be commended.

Very truly yours,

WILLIAM P. MOLONEY.

Orphan-Refugee Legislation

EXTENSION OF REMARKS
OF
HON. RICHARD L. NEUBERGER
OF OREGON
IN THE SENATE OF THE UNITED STATES
Wednesday, August 14, 1957

Mr. NEUBERGER. Mr. President, there is an urgent need for revision of our immigration laws, and of vital concern is the need for legislation to admit orphan children who have been adopted by American families.

At the present time, adopted orphan children from Italy, Greece, the Far East, and other countries with relatively small immigration quotas cannot be admitted to the United States except by private legislation. I am advised that nearly 500 private orphan bills have been introduced, and this represents almost 5 percent of the total number of bills introduced in Congress. Private legislation, with its long delay, and the consumption of vital Congressional time, does not provide a suitable remedy.

Mr. President, I have sponsored legislation since last January to admit orphan children into the United States who have been or will be adopted by American families. The need for such legislation is urgent, since many of the children adopted by American families face death in their homelands because of inadequate food, medical care, and poor sanitation. Children adopted by American families have already died while private legislation has been pending in Congress.

I am, indeed, pleased that the House and Senate Judiciary Committees are now actively considering legislation which would provide for the admittance of these orphan children, and I earnestly hope that the humanitarian and noncontroversial orphan legislation can be kept separate from the controversial changes in our immigration laws.

Mr. President, I was honored to join with the Senator from Massachusetts [Mr. KENNEDY] and other liberal Senators in sponsoring S. 2410 which provides for liberalization of our basic immigration laws. This proposal would permit the reallocation of unused immigration quotas and provides for other humanitarian changes in our immigration laws. I understand that the basic proposals of this bill have the support of Representative FRANCIS E. WALTER, of Pennsylvania, chairman of the House Immigration Subcommittee. Indeed many of the proposals are similar to his H. R. 8123.

It is important to remember that all of us except full-blooded American Indians are either immigrants or the descendants of immigrants. The United States has a tradition of offering sanctuary to the oppressed.

Immigration has helped to build America. Each immigrant is not only a jobholder, but he and his family are consumers who buy goods and services and otherwise contribute to our economic system. While our country has grown by 25 million people in the last 10 years, only about 2,770,000 immigrants have entered the country. Immigration thus plays a very minor role in our continued population growth. Our population growth has had a beneficial rather than a depressing effect on our employment and economy.

Mr. President, I ask unanimous consent to place in the CONGRESSIONAL RECORD an excellent article by Jalmar Johnson, the associate editor of the Oregonian, of Portland, which appeared in his paper on August 10, 1957, on the need for revision of our immigration laws.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LIBERTY STATUE'S WELCOME NEEDS REVISION

(By Jalmar Johnson)

When the United States let down its immigration bars temporarily a few months ago to admit refugees from Hungary, some Americans were incensed. Charity should begin at home, they cried; aliens should not be let in to take the bread from those citizens who for various reasons were not sharing in the general prosperity.

By May, only 32,075 Hungarians had been admitted and since then there has been only a trickle of refugees from that country. The impact could not have been great on a population of approximately 170 million. Few, if any, crusts of bread have been torn from American mouths.

How the United States has lost its preeminence as the refuge and great hope of the poor and oppressed people of the world is shown in the immigration figures for the decade 1946–55. In those tempestuous postwar years roughly 50 million persons migrated from their homelands in search of political and economic stability, according to the August bulletin of the Population Reference Bureau, Inc.

It was a mass movement of people unprecedented in world history. Yet less than 2 million of these uprooted folk came to this country, where, on the base of the Statue of Liberty, are carved these inspired lines of Emma Lazarus:

"Give me your tired, your poor,
Your huddled masses yearning to breathe free,
The wretched refuse of your teeming shore.
Send these, the homeless, the tempest-tost, to me;
I lift my lamp beside the golden door."

The principal reason so few were guided here by the lighted lamp is that they could not come because of the quotas, which in one form or another have controlled immigration quantitatively since 1920. Some, such as the Irish and Scandinavians, who once came to America by the hundreds of thousands, did not care to come. They evidently are happy at home these days. But 400,000 refugees and displaced persons, chiefly from eastern and southern Europe, did come under special legislation which mortgaged the quotas of countries in these areas for periods ranging from 3 to more than 300 years.

Net immigration to the United States, including half a million from quota-free countries of the Western Hemisphere, was 1,704,000 for the decade. This represented approximately 1 percent of our total population and 7 percent of the country's population growth during the decade.

The 1946–55 immigration was almost exactly the same as in the decade 1841–50 when the total population of the United States was 23,191,876. It was about one-fifth as great as in the decade 1906–15 when 9,422,141 aliens came here to put our total population barely over the 100 million mark.

Perhaps we need to be more cautious now than we once were in admitting foreigners to our shores. Maybe in 1841–50 and 1906–15 the United States took too big a chance. But many of our leaders and innumerable good citizens are descendants of those who came then, and in the years between, to escape economic, political or religious oppression.

The Chief Justice of the United States is only one generation removed from Ellis Island and the First Lady only two. The other day the son of a Yugoslav immigrant was appointed Governor of Alaska. Examples almost without end could be given of immigrants and their descendants who have made lasting contributions to America.

If we must be extremely choosy about those we admit, then we should rewrite the verse on the Statue of Liberty. Perhaps it should read like this:

"Give me a few of your not too tired, your not too poor,
Your quota of those double-checked for desire to breathe free.
A not too wretched sampling of your teeming shore.
Send these—with proper credentials, of course—to me:
I leave ajar, ever so slightly, the golden door."

Or we might ship the Statue of Liberty to Canada, where immigrants accounted for more than one-fourth of that country's total

UNIVERSITY OF MICHIGAN LIBRARIES

population increase in the postwar decade. Or to Australia, or New Zealand, where immigration made up 40 percent and 27 percent, respectively, of the total growth.

In any event, we shouldn't pretend the lamp is lit when it isn't.

Life Magazine's Unfair Attack on the Cotton Program

EXTENSION OF REMARKS
OF
HON. OLIN E. TEAGUE
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 14, 1957

Mr. TEAGUE of Texas. Mr. Speaker, Life magazine has published an editorial entitled "King Cotton—the Royal Nonesuch," in which it has attempted to diagnose the ills of the cotton industry and prescribe a cure. Life's remedy is drastic and simple, and is as follows:

> If the (cotton) industry was put on a basis of free competition and our prices left to find their own level * * * the (cotton) business would quickly thin down to efficient operators who could produce all the cotton really needed and at a profit.
>
> * * * * *
>
> (Cotton subsidies for) the distressed small farmers—no longer makes sense. It keeps them at it when, if left to their own devices, they could go to town and work at a useful job.
>
> * * * * *
>
> We have every sympathy for the marginal, high-cost little fellow who is inexorably being crowded out, but is there any depression to justify keeping him on a dole? There is no likelihood of agricultural shortages either. The longer the 92.7 percent of the rest of us taxpayers keep him there by giving him money to stay in a business he can't possibly succeed at, the longer will the whole farm picture stay in a needless and senseless mess.

Life's cure for the ills of the cotton industry is not one which it is willing to adopt for itself, namely, the renunciation of Government subsidy. Life does not propose that its free competition formula extend beyond the cotton industry to business, industry, and labor, which thrive on a variety of Government subsidies and benefit programs.

In prescribing free competition for the cotton industry, Life held up General Motors as its shining example. Life said:

> Instead of letting this very successful industry (cotton) stand on its own feet, the way General Motors does, the Government has so far lost a total of $1.7 billion in trying to keep it artificially regulated.

While Life apparently views General Motors as the essence of free competition, very little has been heard from General Motors along that line. General Motors rests comfortably in back of a 9 percent tariff on foreign car imports and appears to be content to let the United States send tax appropriated dollars to foreign nations for foreign aid, rather than allowing those nations to earn dollars by selling foreign cars in the United States at competitive prices. General Motors and most of American industry was born in the shadow of a protective tariff wall and there it has developed and prospered.

General Motors' brand of free competition has kept the Antitrust Division of the Department of Justice in court for the past 5 years seeking to restrain General Motors and Du Pont from unfair trade practices.

General Motors has taken advantage of the Federal program for rapid amortization of industrial expansion expenditures. The United States Government will lose about $35 million on rapid tax writeoffs for General Motors on certificates already granted, with more pending. General Motors holds about 1 percent of rapid amortization certificates issued to industry. These concessions to industry in the name of defense will cost about $450 million in net revenue loss and will create additional interest costs to the Government estimated at $3 billion by 1976, resulting from postponement of anticipated revenues. Before this program has run its course, losses to the United States Government through rapid amortization for capital expansion to industry will exceed losses through the cotton program by at least three times, yet these concessions are being granted to industry during a period of rising and unprecedented profits.

The public was treated to a glimpse of the way General Motors stands on its own feet when an armed services subcommittee looked into General Motors' handling of a $375 million Air Force contract. The chairman of the subcommittee accused General Motors of manipulation that borders on actual fraud. The investigation disclosed that General Motors had obtained a $375 million Air Force contract and had made $42.2 million profit, or 12.65 percent. According to the General Accounting Office, this was $17,459,000 in excess of the amount anticipated, or the profit rate of 8 percent which was agreed upon.

Life magazine criticized the program currently operating to dispose of surplus stocks of cotton through sale and barter to foreign countries and said:

> This form of economic warfare wipes out a great deal of good will built up by other United States programs such as foreign aid.

Here Life entertains the theory that the American cotton farmer is to be sacrificed to obtain the good will of foreign nations and, to a considerable degree, that is what is happening. About $66.5 billion has been spent in foreign aid throughout the world. Much of these expenditures have gone to increase agricultural production in various countries. In 1956, there was an increase of 48 percent in the world's cotton production over average annual production for the period 1945 to 1949. Cotton production in the United States during the same period increased only 10 percent. Cotton production in Mexico increased 206 percent. India increased its cotton production 80 percent. Turkey increased its cotton production 123 percent. Cotton production in Africa and Oceania increased 33 percent. Cotton production in Egypt has remained at about the same level for 10 years; however, had not negotiations for the Aswan Dam been terminated, United States funds would have been used to construct that project and put hundreds of thousands more acres of land into cotton production.

Historically, the United States cotton farmer has depended on a foreign market for his production. United States foreign-aid dollars are being used to stimulate cotton production throughout the world and the United States foreign cotton market is shrinking. Despite this situation, Life magazine complains that the current program of the Department of Agriculture to dispose of farm surpluses abroad may offend foreign nations.

Life has called for free competition for the cotton industry and has predicted that:

> If enough Americans squawk, something will be done to stop this silly business.

Life apparently is not concerned about Government subsidies and supports to business and industry. These supports come through a variety of ways and are well hidden from the public. The magazine industry, including the Luce publications, which publish Time and Life magazines, enjoy a subsidy through the Post Office Department.

The Post Office Department has estimated that it loses $9,494,000 per year delivering Life magazine. The year-end deficiency for 1956 for handling magazines and periodicals was estimated at $70,539,141. Very probably the taxpayers of the United States have expended more funds subsidizing the American magazine industry and other commercial publications during the years that the cotton program has operated than has been spent operating the cotton program. Life and other magazine publishers see a great issue of national interest involved if subsidies for the magazine industry are discontinued. A spokesman for Macfadden Publications appeared before a Senate committee and opposed a bill designed to require publishers to pay a greater part of the cost of delivery of publications and said:

> Increased postal rate costs, which we would have to bear under H. R. 2983, would have a disastrous effect on our business.

Macfadden Publications publishes such literature as True Story, True Romances, Photoplay, True Detective, True Experience, and Master Detective, magazines which undoubtedly are essential to upgrading the intellectual level of the American people.

A vice president of Time, Inc., publishers of Time, Life, Fortune, Sports Illustrated, House and Home, and Architectural Forum, appearing before a Senate committee considering a postal increase, opposed the rate increase and said that the Nation's welfare would be seriously affected by the absence of magazines and that the support of the magazine industry in the form of low postal rates, involving considerable amounts of public-service costs, should be accepted as a matter of policy. In other words, Life sees the public interest involved in subsidizing the magazine industry, but believes that the cotton industry should be placed on a basis of

free competition and prices left to find their own level.

Federal subsidy and indirect support to American business and industry is so extensive that it defies comprehension. A bulk of American industry enjoys protection from competition through tariffs. The simplest implication of the tariff is that industry, which needed protection during Revolutionary days from industrial giants of Europe, continues to enjoy the protection of a subsidy or premium from the purchasers of industrial products. Importers of small metal items and cutlery pay a 15-percent tariff. The tariff on imported bicycles varies from 11 percent to 30 percent. The tariff on chinaware ranges from 60 percent to 70 percent, while the tariff on clocks and watches is from 32½ percent to 65 percent. The tariff against hemp rope is 4 cents per pound, and the tariff on shoes varies from 10 percent to 35 percent.

One of the Nation's largest industries, the transportation industry, is subsidized by the Federal Government.

Ocean shipping is subsidized through grants for construction of ships and operating subsidies. During the period 1936 through 1952, the United States paid $426,185,833 in subsidies for the construction of ships sold to American ship operators. In 1955 and 1956, about $92 million was obligated in subsidies for construction of ships. Eight hundred and forty-three ships were built for the Maritime Commission during World War II and were sold to United States citizens at prices of from one-fourth to one-fifth of their replacement cost. These ships were placed in operation by private owners, hauling war cargo at a guaranteed profit during World War II and Korea, with risk covered by Government insurance. The subsidized operator sometimes repays the Government part of the subsidy but only from a portion of his profits exceeding 10 percent on the investment. In addition to construction subsidies, operating subsidies are paid. During the period 1947 to 1952, the operating subsidy was estimated at $203 million. The subsidy, payable from January 1953 through June 1955, was estimated at $165 million and, despite these payments, it was estimated that an additional $112 million was still owed to ship operators. It is contended that the principal justification for Government subsidies to American shipping is to enable American ships to compete with foreign shipping and provide adequate shipping for defense purposes.

The extensive airline operation in the United States and American-owned airlines operated throughout the world, were brought into being through Government subsidy programs. From 1954 through fiscal year 1958, subsidy payments to air carriers are estimated at $216,845,250.

The railroad system of the United States was subsidized primarily through land grants from the Federal Government and States, amounting to approximately 183 million acres. It has been estimated that the total amount of public aid given to railroads to promote construction amounts to $1,282,000,000. In addition, since 1932, loans on very favorable terms have been made to railroads, and there is under discussion at the present time a new federally subsidized railroad program for the construction of railroad rolling stock by the Federal Government to be leased to railroad companies under highly favorable conditions.

The oil and gas industry and most mining industries are subsidized through a special depletion allowance for tax purposes. This allowance varies from 27.5 percent on oil and gas to 5 percent on brick and tile clay, gravel, stone, and so forth. It has been estimated that these depletion allowances result in tax revenue loss for all minerals of about $1 billion per year. It is estimated that the total revenue loss for oil and gas depletion allowances over the last 7 years may approximate $5 billion. The necessity for special depletion allowances is argued on the basis of needed incentives for exploration and the needs of national defense for development of oil, gas, and mineral resources.

Mining interests have also benefited from other Federal subsidy programs. Exploration for new strategic and critical minerals and metals has been stimulated by Government payment of one-half to three-fourths of the cost of drilling. The stockpiling program of the Government has, at times, provided a market price for particular minerals higher than the open market price and thus has created a subsidy for certain producers. The silver mining industry has been subsidized through special legislation since 1878.

Various segments of industry have benefited immeasurably from the Federal Government's surplus property disposal program. Following World War II, it is reported that $15.1 billion worth of surplus property was sold by the Federal Government for $4.1 billion. Certain transactions, involving large industrial installations, such as rubber plants and industrial plants, and so forth, received particular attention when they were sold to private buyers at a fraction of their original cost to the Government.

The Nation's housing program operates as a support to the homebuilding, real estate, and lending industries. The Federal Government has guaranteed housing loans through the Federal Housing Administration and Veterans' Administration in excess of $60 billion. Billions of dollars in Federal funds have been invested in mortgage paper through the Federal National Mortgage Association, the Federal Housing Administration, and the Veterans' Administration. The investment of these funds has created a secondary mortgage market and has stimulated the homebuilding, real estate, and lending industries, although it was necessary for funds for these projects to be obtained by the Federal Government through deficit financing.

Since the beginning of World War II, hundreds of billions of dollars have been expended on war materiel produced by industry. Virtually all of these purchases have been on a negotiated basis, under which industry was guaranteed a profit of about 10 percent after all costs were considered. Competitive bidding for defense contracts today is practically nonexistent. When an industrial organization negotiates a contract, its profit level is assured before any work is undertaken.

Minimum wage legislation provides a subsidy for those who, as a result of such legislation, receive a higher wage than they would otherwise. Certain Federal legislation which has been enacted has encouraged the growth of trade unions and has made it easier for organized labor to bargain effectively for higher wages. Labor in several of the larger industries, such as the automobile and steel industries, has obtained wage contracts based on the cost of living and, through this device, has set the pattern for wages in industry, with the result that organized labor is guaranteed an increasing share of the national income in direct relation to the cost-of-living index and national income.

Many of the business and industrial subsidy programs have been devised as defense measures. The cotton program was not established for defense purposes; however, in actual operation it has been of tremendous importance to the Nation's defenses, both in World War II and Korea. Cotton is a commodity which can be stored successfully for long periods of time. The cotton loan program was carrying substantial stocks of stored cotton, at the beginning of World War II and Korea. These reserves were used for defense purposes and had they not been available, our defense efforts would have been seriously hampered.

Against this background of broad government subsidy and support of business, industry, and labor, Life recommends that supports be withdrawn from the cotton program and the cotton industry be left to shift for itself on a free-competition basis. It is obvious that one segment of the economy, agriculture, cannot successfully operate on a free-competition basis when the other major segments of the national economy, labor, business, and industry, are subsidized and supported directly and indirectly by protective legislation and a variety of Government programs. Evidence of agriculture's inability to compete is clearly shown in national income figures. During the period 1951 to 1956, the national farm income went down 20.7 percent, while the national nonfarm income went up by 27.6 percent during the same period. In 1952, farm net income was $15.1 billion. It had declined to $11.7 billion by 1957. Net interest income in 1952 was $7.4 billion and rose to $12.7 billion by 1957. Since 1952, the Administration has been aggressively pursuing a program of flexible price supports under which a determined attempt has been made to lower and withdraw support of agricultural prices. At the same time, the administration has been pursuing its hard-money policy, which has resulted in a 62.9 percent increase in net interest income to lenders.

Probably United States agriculture could operate on a competitive free enterprise basis more successfully than any other segment of the Nation's economy. Only about 20 percent of the national

farm produce is supported. Entire segments of agriculture, such as the poultry and meat industry, operate without price supports. Removal of price supports on the five basic commodities, corn, cotton, wheat, rice, and tobacco, would result in economic chaos throughout the agricultural economy, but these repercussions would be slight compared to the tremendous confusion, loss, unemployment, and disruption which would occur if Life's formula of free competition was applied to business, industry, and labor. Such a program would require the abandonment of tariffs; removal of oil and mineral depletion allowances; discontinuance of subsidies to the transportation industries; all rapid tax write-offs would be withdrawn from industry; magazine publishers would be required to bear expense of distribution; the guaranteed housing loan would be ended; the negotiated cost-plus contract would be abandoned; and the American economy as we know it today would be materially changed and, as Life puts it, "thinned down to efficient operators." Such drastic steps are not justified in the case of business, industry, and labor, and neither are they justified in the case of agriculture.

The Federal Government's programs for the cotton industry are not above criticism and are not entirely successful. Nevertheless, the programs of production control and price supports are the most successful yet devised. Programs to increase cotton consumption at home are of value and more should be done to find new uses for cotton. It is necessary that the cotton industry aggressively pursue the foreign market. A dramatic migration is in progress from the farm to the city. Whether it is in the national interest remains to be seen. It should not be unduly accelerated by abandonment of the Federal Government's agricultural programs. Agriculture cannot survive on a free-competition basis in a subsidized and supported business and industrial economy.

UNIVERSITY OF MICHIGAN LIBRARIES

Achievements in Agriculture—50 Years of Meat Inspection

EXTENSION OF REMARKS
OF
HON. MELVIN R. LAIRD
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 14, 1957

Mr. LAIRD. Mr. Speaker, last year the Federal Meat Inspection Service of the Department of Agriculture celebrated its golden anniversary. The meat industry, retail distributors, newspapers, and radio-TV stations, chambers of commerce, and many other public agencies all joined in commemorating this anniversary.

During the year hundreds of items on the Federal Meat Inspection Service appeared in the Nation's press. Radio and TV stations contributed many hours of public-service time. Paid advertising space totaling many thousands of inches was used in promoting inspected meats and meat products and to tell the story of wholesome meats through inspection. Chambers of commerce and other civic agencies publicly honored the men of the Inspection Service. Here, for example, is a statement from one newspaper editorial:

> What can you buy for a dime? Not much. Offhand, an ice-cream cone, a cup of coffee, or a bottle of pop—all things that give fleeting satisfaction but have little permanent value. But the dime per person the Government spends annually on its meat inspection program buys assurance for you and your family of a wholesome meat supply, probably saves you from illness and doctor bills, even means the saving of lives.

During these last 50 years, the Federal Meat Inspection Service, with the full cooperation of the meat industry and of the consuming public, has guarded this Nation's meat supply. Largely as a result of this Service, Americans take it invariably for granted that meats available at the market are clean and wholesome, as well as nutritious.

This work is also important to our farmers. Livestock and livestock products account for one-half of the total farm income. Inspection contributes immeasurably to the stability of these markets.

Public interest in and acclaim for the work of the Meat Inspection Service has been earned by hard work and devotion to the ideals of public service. It deserves the full support of every Member of the Congress.

Dr. Salk and His Vaccine

EXTENSION OF REMARKS
OF
HON. JAMES G. FULTON
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 14, 1957

Mr. FULTON. Mr. Speaker, this House has already paid tribute to Dr. Jonas E. Salk, who, I think it can be fairly said, has become the most world renowned citizen of Allegheny County and the city of Pittsburgh, Pa. A unanimous resolution of the Congress authorized a gold medal for him. It was presented on January 26, 1956, with the statement:

> Through dedicated and selfless effort • • • you have brought new hope to mankind in the continuing battle against a dread disease, poliomyelitis, infantile paralysis.

It is difficult to pay tribute again to one whom the world has so widely honored and whose name has become a household word in these United States. It is fitting, however, for this House and the citizens of the world to realize what has been further accomplished in the worldwide conquest of polio in the year and a half since Dr. Salk was officially honored by Congress. I cannot give you all the intricate details of this story, but I should like to present some of the highlights and a few examples of both national and international importance.

In July of this year a Fourth International Poliomyelitis Conference was held in Geneva, Switzerland, at which Dr. Salk was one of the principal speakers. It was clear on this occasion that Dr. Salk's work has had international repercussions of the happiest kind. The Salk vaccine has blanketed the world. It is a free gift from America, including Canada, to all the nations of the globe. In freeing children, parents and adults from the threat of surprise attacks of a capricious, terrifying disease, it is a major contribution to the peace of mind of all the peoples of the world.

Vaccines made essentially the same way as the Salk vaccine are now being manufactured in Australia, Belgium, Canada, Denmark, England, Germany, Israel, and South Africa. Wherever these vaccines have been administered to large sections of the most susceptible population, dramatic declines in polio paralysis have been registered. Little Israel, for example, which gave vaccine to all its preschool children, has just reported that only 8 cases of paralytic polio occurred during the summer polio season of 1957 whereas it had 125 cases last year.

While countries that enjoy the protection of the vaccine have all showed immense declines in paralytic polio, World Health Organization reports indicate an increase in epidemics of polio throughout the world. Epidemics are now occurring with frightening frequency in countries where they were never reported up to 10 years ago. Such epidemics have taken place in India, Ceylon, Israel, Mexico, Argentina, and a considerable number of other countries in South America and Africa. By exporting the know-how of making Salk-type vaccine, the United States is bringing a kind of technical assistance to nations of the globe which cannot help but warm the hearts of their people toward this country.

Mothers and fathers in the United States itself will also continue to be grateful to Dr. Salk and his many coworkers for freeing them of that lump-in-the-throat fear of polio that used to darken the otherwise happy and carefree days of summer vacation. I am happy that this fear has now been virtually eradicated from Allegheny County, Pa. In June 1957 the 1-millionth shot of Salk vaccine in my county was administered. Jonas Salk deserves extra credit for this as a citizen as well as a scientist because he used his good offices to spur the organization of a model community-wide vaccination program in Allegheny County. "Your neighbor's vaccination would protect you," he said—and acted accordingly.

Since 1955, when the Salk vaccine came into use, the ravage of paralytic polio in this country has been spectacularly reduced. The total number of cases of polio reported in 1956 was only half the number in 1955 and this year, 1957, the number is again running less than half that of the previous year. Indeed, up to the middle of August, only about 3,000 cases had been reported since the first of the year from the entire country. And the number who suffer the cruel attack of crippling polio has declined even faster.

Three properly spaced shots of Salk vaccine, the first two given 2 to 6 weeks apart and the third shot from 7 to 12 months later, are over 90 percent effective in preventing paralytic polio.

Unfortunately, however, there are still 87 million people under age 40 in the United States who have not yet received the full protection against paralytic polio that three properly spaced doses can supply. Only one person in five under age 40—mostly schoolchildren—have yet received the full recommended dosage of the vaccine. Emphasis on getting "Salked," as the phrase now runs, must now be devoted primarily to teenagers and preschool children.

Before we can really achieve the conquest over paralytic polio which Dr. Salk's vaccine promises, we must vigorously continue to prosecute the nationwide and communitywide vaccination programs of which Allegheny County, Dr. Salk's home county, affords such a splendid example. I wish to express my gratitude, which I am sure Dr. Salk shares, to all the physicians, nurses, public health workers, community leaders, press and radio officials, and volunteer workers in Pittsburgh and its suburbs who have made this communitywide vaccination program such a model for the Nation. The National Foundation for Infantile Paralysis has widely advertised the Allegheny County vaccination plan to its 3,100 local chapters throughout the country.

We can add but little here to the reputation of Jonas Salk. He has already received many gold medals. While the Congressional gold medal—for distinguished civilian service to mankind—was one token of our regard for him, I am sure Dr. Salk himself would consider that this House had paid him much higher tribute when in 1955 and 1956 it appropriated the total sum of $53,600,000 for purchase and administration of the Salk vaccine to protect millions of children and young people under 20 and pregnant woman promptly against the threat of paralytic polio.

Universities have vied to confer honorary degrees on Jonas Salk, a distinguished academician, who now holds the rank of commonwealth professor of preventive medicine and director of the virus research laboratories at the University of Pittsburgh School of Medicine. He has accepted honorary degrees from the University of Pittsburgh; from the City College of New York, his alma mater; from New York University, at whose medical school he received his doctor of medicine degree in 1939; and from Roosevelt University, Chicago, where—the university president said—Dr. Salk's award "was in memory of a man who was a victim of polio, who began the nationwide March of Dimes to finance its conquest, and to whom this university is a living memorial, Franklin D. Roosevelt."

One of Dr. Salk's most treasured memories is the visit that he, his charming wife, and three sons were invited to pay at the White House on April 22, 1956. When President Eisenhower's invitation was phoned to him at his laboratory in Pittsburgh, he thought he was receiving a call for somebody else.

On the occasion of this White House visit, Presidential citations were conferred upon Dr. Salk himself as "a benefactor of mankind" and upon the National Foundation for Infantile Paralysis, represented by Mr. Basil O'Connor, its president and Dr. Salk's close personal friend, "without whose support Dr. Salk's work could not have gone forward so rapidly."

The official Presidential citation called Dr. Salk's achievement "a credit to our entire scientific community, which does honor to all the people of the United States."

Mr. Eisenhower's personal remarks were more prophetic. The President said:

> When I think of the countless thousands of American parents and grandparents who are hereafter to be spared the agonizing fears of the annual epidemic of poliomyelitis—when I think of all the agony that these people will be spared in seeing their loved ones suffering in bed—I must say to you that I have no words in which adequately to express the thanks of myself and all the people I know—all 164,000,000 Americans, to say nothing of the rest of the people in the world who will profit by your discovery.

Dr. Salk's reply to Mr. Eisenhower was characteristic of the man himself. He said:

> My reward, you might say, came to me in the quiet of the laboratory some 2½ years ago when a light glimmered through the darkness with hopeful brilliance. * * * The honor for the discovery of a polio vaccine must be shared by the members of my staff and all the other scientists who helped make it possible. * * * I hope that we may have the opportunity to see, again in our own lifetime, the beginning of the end of other fears that plague mankind.

Jonas Salk, a boy who had to work his way through college and depend heavily on scholarship and fellowship grants for his graduate education, today stands as a symbol of American science. As both his Presidential citation and he himself assert, he could never have put together the jigsaw puzzle of earlier scientific research and develop a practical vaccine without the dedicated efforts, before and after the event, of other men and women of science.

It would be impossible to mention by name here even all the scientists whose work had a direct bearing upon the development of Dr. Salk's successful vaccine against paralytic polio. As token of all the rest I will mention only a few:

Dr. John Enders of Harvard University, who was awarded a Nobel prize for his work on tissue culture which made the Salk vaccine realistically possible.

Dr. Thomas M. Rivers, now medical director of the National Foundation for Infantile Paralysis, who since 1938, when the national foundation was organized, was the architect of the search for a successful vaccine.

Dr. Thomas Francis, Jr., young Dr. Salk's teacher first at New York University and later at the University of Michigan, and author of the famous Francis report, which announced to a waiting world on April 12, 1955, that the Salk vaccine was a safe and effective preventive of paralytic polio.

Dr. William McD. Hammon, of the University of Pittsburgh, who conducted extensive field trials with the best polio preventive that preceded the Salk vaccine, gamma globulin; Dr. David Bodian, of Johns Hopkins, and Dr. Dorothy Horstmann, of Yale, who independently showed polio antibodies do circulate in the bloodstream, thus demonstrating that a vaccine, if developed, would have a good chance to work against polio virus infection.

Yet the roster of those who made possible the Salk vaccine is much larger than even the scientists who contributed to it. Properly viewed, it should include all the thousands of physicians, nurses, schoolteachers, and administrators, public health workers, and volunteers who took part in the historic 1954 field trial of the Salk vaccine. It should include the 650,000 United States schoolchildren—polio pioneers—who received injections of the trial vaccine or a placebo substance during the vaccine field trial, the largest controlled experiment in medical history. And finally, it should include the parents of these children and the 80 millions of other Americans, little people and big, who gratefully contributed their dimes and dollars to the March of Dimes that the fight against polio might be carried on to victory.

No one appreciates better than Dr. Salk how much these willing pioneers, volunteers, and scientists have contributed to the vaccine that bears his name. He has expressed his special gratitude to the physicians and residents of Sewickley, Leetsdale, and other Pittsburgh suburbs, from which the first volunteers for the preliminary tests of his vaccine were drawn. It is a measure of the fortitude, conscience, and scientific confidence of the man that his own sons were among the very first children to be vaccinated with his own still experimental vaccine.

Dr. Salk himself already has, and I think this great House should, pay tribute to the first unsung heroes in this remarkable saga of man against disease. I am referring to the children—some crippled in mind, others in body—in Pennsylvania who helped Dr. Salk cross the bridge of experiment from animals to human beings as he progressed in his research. The children at Polk State School and the D. T. Watson Home—and their parents—deserve special praise. Polk is a State institution for mentally retarded children. The Watson Home volunteers were children who already had suffered polio crippling.

The honors that have been heaped upon Jonas Salk have not destroyed his usefulness as a productive scientist in the broad field of virus research. He continues to work quietly in and ably direct his laboratory to the end that the Salk vaccine itself may be further improved and other virus diseases, such as influenza, conquered. He has consistently turned down offers to profit personally by his fame or make a fortune out of his discoveries.

Many scientists who contributed to the welfare of mankind have been ignored and even persecuted in the process. Ignaz Semmelweiss, the Hungarian obstetrician, and America's own Dr. Oliver Wendell Holmes, for example, were

heartily denounced for their efforts a century ago to save mothers from dying of childbed fever. Jonas Salk has at least had the pleasure and privilege of seeing the fruits of his own scientific work.

His career to date, and it is far from being over, has many lessons to teach. Not the least of them is the fact that genius, when properly nourished, can strike anywhere. In the course of his academic training, Dr. Salk was fortunate enough to have available to him a National Research Council fellowship for the advanced study of virology. The funds for this fellowship were actually supplied by the March of Dimes. Upon this House, and the Nation at large, falls a continuing responsibility to support basic scientific research and keep open the lines of educational opportunity which gives genius a chance to flourish.

UNIVERSITY OF MICHIGAN LIBRARIES

Soil Conservation Service

EXTENSION OF REMARKS
OF

HON. MELVIN R. LAIRD
OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 14, 1957

Mr. LAIRD. Mr. Speaker, the Soil Conservation Service of the United States Department of Agriculture has been doing a tremendous job. I wish to take this opportunity to congratulate the Soil Conservation Service on its splendid work during 1957 and to commend the many county committees and employees of this Service for their contribution to a better agricultural future and to a better America.

CONSERVATION PROGRESS THROUGH SOIL CONSERVATION DISTRICTS

The dramatic spread of soil conservation farming over the United States in the last two decades or so is reflected in the growth and accomplishments of farmer-organized and farmer-managed soil conservation districts.

Established under State laws—the first in 1937—approximately 2,750 of these districts today include 9 out of 10 farms and ranches in the country and more than 87 percent of all the farmland. At the beginning of 1957, nearly 1¾ million farmers and ranchers already were cooperating with their local districts. Through them, these landowners and operators receive Soil Conservation Service help in soil surveys, conservation farm planning and applying soil and water conservation practices. They also draw upon facilities of the United States Department of Agriculture and other Federal, State, or local agencies or private sources.

Soil surveys, on which is based farm and ranch planning for treatment and use of land within its needs and capabilities, have been completed on more than half a billion acres. More than 64 million acres of range site surveys also have been made. The survey information also is widely used in watershed flood prevention, forestry and range, cost-sharing and farm credit, rural development and other programs, and by county, suburban, and other interests.

As of January 1, this year, nearly 1,140,000 soil conservation district landowners and operators had basic conservation plans, on 318¼ million acres. These plans, worked out by the farmers and soil conservation technicians together to meet the physical and economic needs of each farm or ranch, are the blueprints for stable farming and the conservation and best use of the Nation's vital soil and agricultural water resources.

Conservation actually put onto the land is, of course, the real measure of accomplishment through the planned land-use adjustments. Although, individual practices are not of themselves infallible yardsticks of progress, they do show the consistent advancement we are making conservationwise. Thus contour farming has been adopted on about 34 million acres, stripcropping on between 14 and 15 million acres, and range and pasture seeding on some 30 million acres. More than a million acres of terraces have been built in soil conservation districts; irrigated land leveling has been done on approximately 5 million acres and conservation water application on about 8¼ million acres. About 4 million acres of land in the districts have been planted to trees, and more than 803,000 farm and ranch ponds had been built by the first of this year.

It is significant that a substantial part of this work today is being done as part of communitywide watershed protection and flood prevention undertakings, in which soil conservation districts are taking active leadership. The scope of conservation farming undoubtedly will be broadened further through the soil bank conservation reserve, Great Plains and related programs, as it already has been in agricultural conservation programs and other activities.

MODERN CONSERVATION BENEFITS ALL COMMUNITY RESOURCES

Individual farmers and whole communities throughout the United States today are putting to effective use what we might call a matched set of conservation tools for developing the Nation's soil and water and related resources adequately to meet current and future needs.

Federal and State legislative authorizations, local community desires, and technical and other facilities are being translated into cooperative action on a broadened scale through various interrelated programs and incentives. These include local soil conservation district programs, small-watershed projects, agricultural conservation program cost-sharing, the soil-bank program's acreage reserve and conservation reserve, the rural development program, soil and water conservation credit facilities, and Federal income-tax deductions allowed for certain conservation expenditures.

The Federal Government's contributions, at Congressional direction, to the agricultural conservation action, cost-sharing and credit programs, as well as to important conservation research and extension education, are made available through the United States Department of Agriculture. The Soil Conservation Service, in turn, as the agency responsible for technical leadership in the Department's soil and water conservation and flood prevention activities, provides technical and certain other help to 1¾ million cooperators in 2,750 soil conservation districts, to community watershed groups, and to others as directed.

In the agricultural conservation program's cost-sharing program, for example, the Service, in meeting one of its assigned responsibilities, helped approximately 464,000 farmers and ranchers with the installation of various enduring practices during 1956.

The Service has similar responsibility for giving help particularly to farmers in the conservation reserve part of the newer soil-bank program, which also calls for the fullest practicable use of land-use capability data and for completing the basic land inventory of the Nation as rapidly as possible. The Service counseled approximately 42,000 farmers in 2,500 counties on conservation and acreage reserve problems in 1956. In doing so, it drew upon such experience as that reflected in the fact that during the past 5 years more than 1½ million acres were converted each year from cultivated crops to grass and trees on farms and ranches serviced by the Soil Conservation Service.

The Service also makes recommendations and gives technical assistance to farmers in connection with soil and water conservation loans made through the Farmers Home Administration. Such loans, to individual farmers and farmer associations, totaled $11¾ million in 1956.

Another responsibility of the Service is to give technical help to low-income farmers in selected areas as part of the rural development program. Out of an appropriation available for direct technical aid under this program in 50 some pilot counties, the Service is providing, in most counties, the equivalent of one full-time and one part-time technician for soil survey and farm planning.

Especially in light of the broadened resource conservation demands, the Department of Agriculture has undertaken a national inventory of soil and water conservation needs. It is under Soil Conservation Service leadership in cooperation with other departmental agencies, State and local agencies, organizations and groups concerned with soil, water, forest, grass, and wildlife conservation, utilization and management. Substantial progress has been made in gathering economic and soils data, and in perfecting inventory procedures in pretests underway in several counties in five States.

WATERSHED PROTECTION AND FLOOD PREVENTION MOVES AHEAD

Rapidly spreading interest and participation in community watershed protection and flood-prevention projects point to upstream watershed development as one of our most promising devices for resource conservation.

Rural and urban interests all over the country are joining forces in land and water conservation and management on a local-State-Federal partnership basis in creek-size watersheds. Federal technical and cost-sharing assistance is provided under Public Law 566 of the 83d

Congress and the amending Public Law 1018 enacted by the 84th Congress.

In addition to the work getting underway through the Watershed Protection and Flood Prevention Act, conservation land treatment and structural work is well advanced in 58 pilot small-watershed projects for which Congress first appropriated money in 1953. Also, similar flood-prevention work has been in progress since 1947 on subwatersheds of 11 major authorized watersheds as authorized by the 1944 Flood Control Act. These are Buffalo Creek, N. Y.; Middle Colorado, Tex.; Coosa River, Ga. and Tenn.; Little Sioux, Iowa; Little Tallahatchie, Miss.; Los Angeles, Calif.; Potomac, Md.; Pennsylvania, Virginia, and West Virginia; Santa Inez, Calif.; Trinity, Tex.; Washita, Okla.; Yazoo, Miss.

As of the 1st of April 1957, more than 650 applications for watershed planning help under Public Law 566 had been received in Washington from 46 States and Hawaii, after being initiated by soil conservation districts, watershed associations, or other local sponsoring community interests and having received State approval. Approximately 250 of these had been approved for planning assistance, and 36 had been approved for operations, in 24 States. Work plans on many more are in some stage of preparation. Construction work will get underway progressively as the plans are completed and approved for Federal assistance, by the Department of Agriculture through the Soil Conservation Service or by Congress, depending upon the size or cost of structures involved.

Work done in the 58 pilot projects to January 1, 1957, included nearly 200 floodwater-retarding structures, more than 1,400 stabilization and sediment-control structures, 165 silt and debris basins, and about 125 miles of stream channel and stabilization improvement. Work has been contracted and is underway on comparable additional works of improvement. More than 55 percent of the total area in the pilot projects is covered by soil conservation district agreements, with basic conservation plans developed on about 37 percent of the area and 42 percent of the operating units; and soil surveys have been made on more than 63 percent of the pilot-projects area.

Meanwhile, 278 work plans covering 15⅓ million acres had been prepared in the 11 authorized watersheds by January 1, in which more than half the total land area was covered by district agreements, and basic plans had been developed on about 40 percent of the area and 42 percent of the operating units. Sixty-four percent of the authorized projects area was covered by soil surveys. Structural work completed includes some 430 floodwater-retarding structures, nearly 6,000 stabilization and sediment-control structures, and 975 miles of stream-channel improvement and stabilization work.

THE GREAT PLAINS CONSERVATION PROGRAM

A more stabilized agriculture in the 10 periodically drought affected Plains States is the longtime objective of the Great Plains conservation program now being developed through concerted local and Federal efforts.

The program represents renewed efforts by local and State people in that area, the United States Department of Agriculture, and Congress, to minimize future drought effects. This through conservation farm and ranch planning and treatment that helps to stop wind erosion and bring about safe land use in dry years and wet. Implementing legislation for Federal participation, Public Law 1021 of the 84th Congress, supplements but does not replace soil conservation district, watershed, agricultural conservation program or other programs.

Farmers and ranchers who wish to take part present plans acceptable to the Secretary of Agriculture for needed conservation measures and land-use changes. The Department of Agriculture will then offer them long-term contracts providing for sharing the cost of establishing the combination of conservation practices provided for in the plans. Such contracts may run for up to 10 years or whatever shorter time is required, but not later than December 31, 1971. Total Federal expenditures may not exceed $25 million in any 1 year or $150 million all together, in counties designated by the Secretary based on recommendations of program committees made up of State and Federal agencies in the States.

No new agencies are being set up to help local people carry out this program, assigned to be worked out by an interagency group of representatives from 10 Department of Agriculture agencies under administrative leadership of the Soil Conservation Service. The Great Plains council, land-grant colleges, farm organizations, and others are continuing to assist in the program. Soil and water conservation technicians of the Department will help landowners and operators make the plans, as part of the total Great Plains program designed to help bring about all the agricultural and economic adjustments needed to protect, stabilize, and improve the productive capacity of the important Great Plains agricultural region.

Although July 1, 1957, was fixed as the date for formal start of the Great Plains conservation program as money should be made available by Congress, technical, educational, cost-sharing, research and other related activities began to be speeded up after the Department of Agriculture proposed a Great Plains program to the President in 1955. Thus ACP cost sharing for certain water conservation and other practices has been broadened.

The Soil Conservation Service, meanwhile, accelerated soil surveys in 166 designated counties in the critical wind erosion areas of Texas, New Mexico, Oklahoma, Colorado, Kansas, Nebraska, and Wyoming. Soil surveys were made on more than 15 million acres in the 10 States in 1956, compared to 12¾ million acres in 1955 and not quite 11¾ million acres in 1954.

The Service also has provided for a general expansion of surveys and for increased assistance in planning and establishing conservation practices throughout these States, North and South Dakota and Montana as part of its regular operations. As of July 1, 1956, nearly 99 percent of the farms and 91 percent of the land in farms in the 10 Great Plains States were in 871 farmer-organized and farmer-managed soil-conservation districts.

Mr. Speaker, I commend Secretary Benson, the Department of Agriculture, and the Soil Conservation Service for an outstanding job of accomplishment.

SENATE

THURSDAY, AUGUST 15, 1957

The Senate met, in executive session, at 12 o'clock meridian.

Rev. A. Donald Upton, Congregational minister, Arlington, Va., offered the following prayer:

O God, our Heavenly Father, as Thy goodness surpasses our thinking, so let Thy hearing transcend our asking, that, day by day, we may grow rich in grace of mind, in firmness of faith, in purity of character, in sweetness of charity.

Grant us, O God, a more vivid healing sympathy for one another, a finer art of insight for those who are baffled or dismayed by the vicissitudes of life, and a nobler skill in doing good for all.

Give us grace, we beseech Thee, to fill the vacant places in our lives with jewels of truth and wisdom, and a growing understanding of divine purposes. Thou dost make even the odd corners of nature beautiful. "Teach us Thy way, O Lord," that we may plant flowers of goodness and truth in empty places, that the very corners of our lives may be centers of moral and spiritual loveliness.

Deliver us from slothfulness in the business of this great Nation, where the lines have fallen unto us in pleasant places, and make us fervent in spirit to serve the Lord, that we may show forth our love to Thee by our love for our fellow men.

We ask all these blessings through Him who made of human life a sacrament, of thorns a crown, and of a cross a throne, even through Jesus Christ, our Lord and Saviour. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the Journal of the proceedings of Wednesday, August 14, 1957, was approved, and its reading was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Ratchford, one of his secretaries, and he announced that the President had approved and signed the following acts:

On August 13, 1957:

S. 334. An act to amend section 27 of the Mineral Leasing Act of February 25, 1920, as amended (30 U. S. C. 184), in order to promote the development of phosphate on the public domain;

S. 943. An act to amend section 218 (a) of the Interstate Commerce Act, as amended, to require contract carriers by motor vehicle to file with the Interstate Commerce Commission their actual rates or charges for transportation services;

S. 1063. An act vesting in the American Battle Monuments Commission the care and maintenance of the Surrender Tree site in Santiago, Cuba; and

S. 1314. An act to extend the Agricultural Trade Development and Assistance Act of 1954, and for other purposes.

On August 14, 1957:

S. 236. An act to amend section 6 of the act of June 20, 1918, as amended, relating to the retirement pay of certain members of the former Lighthouse Service;

S. 294. An act for the relief of Mrs. Marion Huggins;

S. 469. An act to authorize the United States to defray the cost of assisting the Klamath Tribe of Indians to prepare for termination of Federal supervision, to defer sales of tribal property, and for other purposes;

S. 525. An act for the relief of Rhoda Elizabeth Graubart;

S. 591. An act for the relief of Seol Bong Ryu;

S. 650. An act for the relief of Isabella Abrahams;

S. 651. An act for the relief of Sister Clementine (Ilona Molnar);

S. 669. An act for the relief of Mrs. Antonietta Giorgio and her children, Antonio Giorgio and Menotti Giorgio;

S. 701. An act for the relief of Karl Eigil Engedal Hansen;

S. 811. An act for the relief of Fannie Alexander Gast;

S. 827. An act for the relief of Guillermo B. Rigonan;

S. 833. An act for the relief of Vida Letitia Baker;

S. 874. An act for the relief of Cornelis Vander Hoek;

S. 876. An act for the relief of Katharina Theresia Beuving Keyzer;

S. 988. An act for the relief of Satoe Yamakage Langley;

S. 1053. An act for the relief of Poppy Catherine Hayakawa Merritt;

S. 1071. An act for the relief of David Mark Sterling;

S. 1102. An act for the relief of Adolfo Camillo Scopone;

S. 1112. An act for the relief of Matsue Harada;

S. 1171. An act for the relief of Harry Siegbert Schmidt;

S. 1240. An act for the relief of Panagiotis Tulios;

S. 1251. An act for the relief of Florinda Mellone Garcia;

S. 1309. An act for the relief of Susanne Burka;

S. 1311. An act for the relief of Maria Gradi;

S. 1353. An act for the relief of Ayako Yoshida;

S. 1363. An act for the relief of Vassilios Kostikos;

S. 1397. An act for the relief of Angeline Mastro Mone (Angelina Mastroianni);

S. 1452. An act for the relief of Francesca Maria Arria;

S. 1472. An act for the relief of Triantafilia Antul;

S. 1489. An act to amend title 14, United States Code, entitled "Coast Guard" with respect to warrant officers' rank on retirement, and for other purposes;

S. 1492. An act increasing penalties for violation of certain safety and other statutes administered by the Interstate Commerce Commission;

S. 1502. An act for the relief of Erika Otto;

S. 1508. An act for the relief of Salvatore LaTerra;

S. 1509. An act for the relief of Fumiko Bigelow;

S. 1773. An act to validate a certain conveyance heretofore made by Central Pacific Railway Co., a corporation, and its lessee, Southern Pacific Co., a corporation, to the State of Nevada, involving certain portions of right-of-way in the city of Reno, county of Washoe, State of Nevada, acquired by the Central Pacific Railway Co. under the act of Congress approved July 1, 1862 (12 Stat. L. 489), as amended by the act of Congress approved July 2, 1864 (13 Stat. L. 356);

S. 1774. An act for the relief of Yee Suey Nong;

S. 1856. An act to provide for the development and modernization of the national system of navigation and traffic control facilities to serve present and future needs of civil and military aviation, and for other purposes;

S. 1884. An act to amend section 505 of the Classification Act of 1949, as amended;

S. 1941. An act to authorize the payment by the Bureau of Public Roads of transportation and subsistence costs to temporary employees on direct Federal highway projects;

S. 2027. An act for the relief of Vendelin Kalenda;

S. 2130. An act to amend further the Mutual Security Act of 1954, as amended, and for other purposes; and

S. 2217. An act to authorize the Secretary of the Army to sell certain lands at the McNary lock and dam project, Oregon and Washington, to the port of Walla Walla, Wash.

EXECUTIVE MESSAGE REFERRED

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States submitting the nomination of Richard Jackson, of Massachusetts, to be an Assistant Secretary of the Navy, vice Albert Pratt, resigned, which was referred to the Committee on Armed Services.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 1383. An act amending section 410 of the Interstate Commerce Act, to change the requirements for obtaining a freight forwarder permit; and

S. 1384. An act to revise the definition of contract carrier by motor vehicle as set forth in section 203 (a) (15) of the Interstate Commerce Act, and for other purposes.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 469. An act to protect producers and consumers against misbranding and false advertising of the fiber content of textile fiber products, and for other purposes;

H. R. 5822. An act to amend section 406 (b) of the Civil Aeronautics Act of 1938 with respect to the reinvestment by air carriers of the proceeds from the sale or other disposition of certain operating property and equipment;

H. R. 9023. An act to amend the act of October 31, 1949, to extend until June 30, 1960, the authority of the Surgeon General to make certain payments to Bernalillo County, N. Mex., for furnishing hospital care to certain Indians; and

H. R. 9188. An act to amend the act to authorize the Secretary of the Navy to transfer to the Commonwealth of Massachusetts certain lands and improvements comprising the Castle Island terminal facility at South Boston in exchange for certain other lands.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated:

H. R. 469. An act to protect producers and consumers against misbranding and false advertising of the fiber content of textile fiber products, and for other purposes; and

H. R. 5822. An act to amend section 406 (b) of the Civil Aeronautics Act of 1938 with respect to the reinvestment by air carriers of the proceeds from the sale or other disposition of certain operating property and equipment; to the Committee on Interstate and Foreign Commerce.

H. R. 9023. An act to amend the act of October 31, 1949, to extend until June 30, 1960, the authority of the Surgeon General to make certain payments to Bernalillo County, N. Mex., for furnishing hospital care to certain Indians; to the Committee on Labor and Public Welfare.

H. R. 9188. An act to amend the act to authorize the Secretary of the Navy to transfer to the Commonwealth of Massachusetts certain lands and improvements comprising the Castle Island terminal facility at South Boston in exchange for certain other lands; to the Committee on Armed Services.

NOTICE REGARDING CALL OF THE CALENDAR ON MONDAY OR TUESDAY

Mr. MANSFIELD. Mr. President, first, as in legislative session, let me say that, with the concurrence of the minority leader, I should like to put the Senate on notice that on Monday or Tuesday there may be a call of the calendar of bills and other measures to which there is no objection.

COMMITTEE MEETING DURING SENATE SESSION

Mr. KNOWLAND. Mr. President, I have consulted with the distinguished acting majority leader [Mr. MANSFIELD]; and, as in legislative session, I ask unanimous consent that the Committee on the Judiciary be permitted to meet while the Senate is in session today, up to the hour of 1 p. m.

The PRESIDENT pro tempore. Without objection, it is so ordered.

CONSIDERATION OF CERTAIN NOMINATIONS

Mr. MANSFIELD. Mr. President, the Senate is now in executive session, and I move that it proceed to consider the nominations on the Executive Calendar, beginning with the nominations of members of the Atomic Energy Commission.

The PRESIDENT pro tempore. Without objection, it is so ordered; and the nominations will be stated.

ATOMIC ENERGY COMMISSION

The Chief Clerk read the nomination of John S. Graham, of North Carolina, to be a member of the Atomic Energy Commission for the term expiring June 30, 1959.

UNIVERSITY OF MICHIGAN LIBRARIES

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of John Forrest Floberg, of Illinois, to be a member of the Atomic Energy Commission for a term of 5 years expiring June 30, 1962.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

UNITED STATES DISTRICT JUDGE

The Chief Clerk read the nomination of Edwin R. Hicklin, of Iowa, to be United States district judge for the southern district of Iowa.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

UNITED STATES ATTORNEYS

The Chief Clerk proceeded to read sundry nominations of United States attorneys.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations of United States attorneys be considered en bloc.

The PRESIDENT pro tempore. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

COAST AND GEODETIC SURVEY

The Chief Clerk proceeded to read sundry nominations in the Coast and Geodetic Survey.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that these nominations likewise be considered en bloc.

The PRESIDENT pro tempore. Without objection, the nominations in the Coast and Geodetic Survey will be considered en bloc; and, without objection, they are confirmed.

Without objection, the President will be notified forthwith of the nominations confirmed today.

TRANSACTION OF ROUTINE BUSINESS

Mr. MANSFIELD. Mr. President, under the order entered yesterday there will be, as in legislative session, a morning hour, for the introduction of bills and the transaction of other routine business. In accordance with the unanimous-consent order, statements made in that connection are to be limited to 3 minutes.

The PRESIDENT pro tempore. That is correct.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following communications and letters, which were referred as indicated:

PROPOSED SUPPLEMENTAL APPROPRIATION, PAYMENT OF CLAIMS FOR DAMAGES, AUDITED CLAIMS, AND JUDGMENTS (S. Doc. No. 60)

A communication from the President of the United States, transmitting, for the consideration of the Congress, a proposed supplemental appropriation to pay claims for damages, audited claims, and judgments rendered against the United States, as provided by various laws, in the amount of $753,860, together with such amounts as may be necessary to pay indefinite interest and costs and to cover increases in rates of exchange as may be necessary to pay claims in foreign currency (with accompanying papers); to the Committee on Appropriations and ordered to be printed.

PROPOSED SUPPLEMENTAL APPROPRIATIONS, LEGISLATIVE BRANCH (S. Doc. No. 61)

A communication from the President of the United States, transmitting proposed supplemental appropriations for the fiscal year 1958 in the amount of $1,850,000, for the legislative branch (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

AMENDMENT OF TITLE XV OF SOCIAL SECURITY ACT, RELATING TO UNEMPLOYMENT INSURANCE FOR EX-SERVICEMEN

A letter from the Assistant Secretary of Labor, transmitting a draft of proposed legislation to amend title XV of the Social Security Act to extend the unemployment insurance system to ex-servicemen and for other purposes (with accompanying papers); to the Committee on Finance.

RELIEF OF CERTAIN MEMBERS AND FORMER MEMBERS OF ARMY AND AIR FORCE

A letter from the Secretary of the Army, transmitting a draft of proposed legislation to provide for the relief of certain members and former members of the Army and the Air Force and for other purposes (with an accompanying paper); to the Committee on the Judiciary.

SUSPENSION OF DEPORTATION OF ALIENS—WITHDRAWAL OF NAME

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, withdrawing the name of Nikitas Kouyios from a report relating to aliens whose deportation has been suspended, transmitted to the Senate on January 15, 1957; to the Committee on the Judiciary.

RESOLUTION OF DISABLED AMERICAN VETERANS, DEPARTMENT OF OHIO

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the Disabled American Veterans, Department of Ohio, relating to claims of wartime disabled veterans.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas the Ohio Department of the Disabled American Veterans charges the Administrator of Veterans' Affairs at Washington with failure to follow legislation approved by the Congress of the United States in connection with the payment of compensation to veterans disabled as a direct result of war service, the Administrator admitting he has already terminated or decreased the benefits of more than 40,000 of these veterans, claiming that the original grant was in error; and

Whereas this is the result of a continuing review of compensation claims of the wars' disabled originally granted under the provisions of Public Law No. 144, approved by the Congress of the United States; and

Whereas, if a field office of the Veterans' Administration fails to remove or reduce the compensation of a sufficient number of wartime disabled veterans through error, the efficiency rating of that office is considered unsatisfactory and that office is ordered to conduct a second review; and

Whereas less than 40 percent of these cases of wartime disabled veterans have been checked to date and at the current rate those removed from the rolls will exceed 100,000; and

Whereas printed instructions, explaining this policy change of the Veterans' Administration have not been issued, this new policy being disguised by the use of the term, "medical principles"; and

Whereas survey teams are sent from the Washington office of the Veterans' Administrator to the many field offices to impart verbal instructions; individual claims files are called to Washington and the adverse decision rendered there affects the benefits of many other wartime disabled veterans; and

Whereas the Washington office of the Veterans' Administration has called all regional office adjudication officers to Washington for a period of instruction—and has admitted that the review of claims of wartime disabled veterans is in compliance with Recommendation No. 69 of the Report of the Bradley Commission; and

Whereas the rating boards at the regional offices of the Veterans' Administration are now hesitant to approve the claim of any veteran on war-incurred disabilities, the new theory of medical principles providing a tool for arbitrary denial; and

Whereas, if the Veterans' Administration was sincere in its program of correcting alleged errors, it would also review the claims of wartime disabled veterans previously denied; and

Whereas the Veterans' Administration at Washington proposes a complete revision of the rating table to evaluate disability, 132 pages of material having already been issued with recommended changes; and

Whereas the drastic reductions being proposed are shocking and would materially reduce or discontinue payment of benefits to the wars' combat veterans; and

Whereas the ratings for muscle damage from gunshot wounds and other causes are to be slashed, along with most other disabilities—and to qualify for total disability the service connected condition must be so serious that the veteran be housebound, with similar reductions and eliminations of compensation across the board; and

Whereas the considered changes are said to be based on medical advances, but actually are the result of pressure from medical associations, the Bureau of the Budget, and the report of the Bradley Commission—with military pressure; and

Whereas, if the present recommendations are carried to a conclusion, the number of wartime disabled veterans receiving benefits will be reduced to a mere token, and the beginning of the end of this Nation of ours meeting its obligation to the wars' wounded and disabled among the enlisted personnel; and

Whereas no effort has been launched to interfere with the high rate of retirement to the disabled career officers, it appearing that the laws enacted by the Congress of the United States no longer apply to the Veterans' Administration: Now, therefore, be it

Resolved, That the Disabled American Veterans, Department of Ohio, assembled in the city of Toledo, July 26, 27, 28, 1957, at its 36th annual convention, charge the Administrator of Veterans' Affairs with violating his oath of office in scrapping Public Law No. 144 of the Congress of the United States and replacing the law with recommendations of the Bureau of the Budget, medical groups, and military pressure in the conduct of reviewing claims of wartime disabled veterans; and be it further

Resolved, That we charge the Administrator with a violation of the moral code of decency in his proposal to destroy the present rating schedule and to replace it with evaluations that are grossly inhumane; and be it further

Resolved, That the DAV appeal to the Members of the Congress to cause an investigation to determine the Administrator's fitness for office; and be it further

Resolved, That we request the Members of Congress to enact legislation that will freeze the present or 1945 rating schedule and prohibit any change in the evaluation of disabilities of wartime disabled veterans, without the approval of the Congress.

KENNETH M. ROBEY,
Commander, the DAV, Department of Ohio.

Adopted by the convention, July 26, 1957, by a unanimous vote.

RESOLUTION OF THE VOICE OF GREEK ORTHODOXY IN AMERICA

Mr. LANGER. Mr. President, last week there was laid on the Vice President's desk and submitted to the Senate, a petition by the Voice of Greek Orthodoxy in America asking for appropriate legislative action to guarantee equal recognition and privileges to the Eastern Greek Orthodox faith as a major faith as guaranteed by article I of the Constitution of the United States.

As a member of the Judiciary Committee to which this petition was referred, I was interested in reading said petition and I ask unanimous consent that this petition be inserted in the CONGRESSIONAL RECORD at this point in full for the information of the Members of the United States Congress.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Petition to the United States Senate:

By virtue of article I of the Constitution of the United States, the Voice of Greek Orthodoxy in America petitions the United States Senate as follows:

"Whereas the Constitution of the United States guarantees freedom of religion and the free exercise thereof; and

"Whereas the Eastern (Greek) Orthodox faith is the established religious faith of over 250 million persons throughout the world, approximately 7 million of whom are residents of the United States; and

"Whereas the Eastern Greek Orthodox faith is the religious faith of Americans who have migrated from such countries as Greece, Turkey, Syria, Lebanon, Egypt, Albania, Armenia, Bulgaria, Russia, Esthonia, Rumania, Yugoslavia, Ukraine, and the American-born of said migrants; and

"Whereas during World War II, servicemen of the Eastern Greek Orthodox faith were not permitted to be so designated in their armed services records or in their identification tags; and

"Whereas no member of the Eastern Orthodox clergy, by armed services regulations, were permitted to become chaplains in the Armed Forces of the United States until the year of 1952 when the first Greek Orthodox chaplain was appointed; and

"Whereas although the numerous attempts made to change existing Army regulations were fruitless, it was the introduction of S. 106 in the 84th Congress that precipitated the Defense Department to change its existing regulations and permitted Orthodox Christians to be identified as such; and

"Whereas the major radio and television networks who are licensed through the Federal Communications Commission grant free time to Catholic, Protestant, and Jewish churches, but do not grant the same privileges to Greek Orthodox churches; and

"Whereas all Federal and State officials do not yet include the Eastern Greek Orthodox faith when referering to the major religious faiths in the country; and

"Whereas the failure to do so, coupled with the facts related to Orthodox identification in the armed services and failure to appoint Orthodox chaplains, constitutes a violation of the spirit of article I of the Constitution of the United States pertaining to the freedom of religion; and

"Whereas over 50 percent of States of the United States have enacted laws or resolutions recognizing the Eastern (Greek) Orthodox faith and have required that all official documents and acts should so comply; and

"Whereas the President of the United States at his recent inauguration, has set the example for the first time in history in having a Catholic, a Protestant, a Greek Orthodox, and a Jew, render the prayers at the inaugural ceremonies: Now, therefore

"The Voice of Greek Orthodoxy in America, a laymen's organization, petitions the United States Senate that appropriate legislative action be taken to require all agencies and branches of the Federal Government give due recognition to the Eastern Greek Orthodox faith as a major faith, and that whenever there is the usual reference to the three major faiths of Catholic, Protestant, and Jew, it be amended to refer to the four major faiths, Catholic, Protestant, Jew, and Greek Orthodox."

THE VOICE OF GREEK ORTHODOXY IN AMERICA,
By LAJOY CHUMBRIS.

EXECUTIVE REPORT OF A COMMITTEE

The following favorable report of a nomination was submitted:

By Mr. RUSSELL, from the Committee on Armed Services:

Neil Hosler McElroy, of Ohio, to be Secretary of Defense.

NOMINATION OF ELWOOD R. QUESADA TO BE CHAIRMAN OF THE AIRWAYS MODERNIZATION BOARD

Mr. BRICKER. Mr. President, I ask unanimous consent to report, from the Committee on Interstate and Foreign Commerce, the nomination of Elwood R. Quesada, of California, late a lieutenant general of the United States Armed Forces, to be Chairman of the Airways Modernization Board. The nomination is unanimously recommended by the committee.

I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a statement by me, together with a biographical sketch of General Quesada, who has had a long and distinguished career in Government service.

There being no objection, the statement and biographical sketch were ordered to be printed in the RECORD, as follows:

The Airways Modernization Board is being created pursuant to the Airways Modernization Act of 1957. This legislation, which was sponsored by the chairman of this committee, the Senator from Kansas [Mr. SCHOEPPEL] and me, was signed by the President a day or two ago. Briefly, it provides for the creation of the Board of three members consisting of the Chairman, to be nominated by the President, the Secretary of Defense, and the Secretary of Commerce. The Board's duties will be to develop, modify, test, and evaluate systems, procedures, facilities, and devices, as well as define the performance characteristics thereof, to meet the needs for safe and efficient navigation and traffic control of all civil and military aviation except for those needs of military agencies which are peculiar to air warfare and primarily of military concern, and select such systems, procedures, facilities, and devices as will best serve such needs and will promote maximum coordination of air traffic control and air defense systems.

Ordinarily the Committee on Interstate and Foreign Commerce would hold a public hearing on a major nomination such as this. However, because the adjournment of the Congress seems imminent, and because of the pressing need for development and modernization of our national system of navigation and traffic control facilities, we felt no time should be lost in getting the Board established. General Quesada's nomination has the committee's unanimous approval and there is no known opposition to it.

ELWOOD R. QUESADA

Elwood R. Quesada was born in Washington, D. C., April 13, 1904. He attended Technical High School there, the University of Maryland, and Georgetown University.

Mr. Quesada enlisted in the Army in 1924 and shortly thereafter entered the Air Service Primary Flying School. He was commissioned a second lieutenant in the Regular Army in 1927, and retired as a lieutenant general in the Air Force in 1951.

He served as one of the pilots of the airplane *Question Mark* which, by midair refueling, remained aloft the entire first week of January 1929.

When the Army was assigned the job of flying the mail in 1933–34, he was chief pilot on the New York-Cleveland route, personally flying the round trip every other night.

Prior to World War II, he was loaned to the Argentine Air Force as a technical adviser.

During World War II he served as the commanding general of the 12th Fighter Command and deputy commander of the Northwest African Coastal Air Force. As commanding general of the 9th Fighter Command, he directed the American air effort prior to and during the invasion of Normandy, establishing his headquarters on the beachhead on D–day plus one, and directed a tactical air operation in conjunction with the Army during the Allied sweep across Europe. He participated in more than 90 combat missions.

In 1946 Mr. Quesada served as the first commander of the Tactical Air Command.

From 1949 to 1951 he served as commander, Joint Task Force Three (Army, Navy, Air Force, Atomic Energy Commission) which organized and managed Operation Greenhouse—which conducted a series of nuclear tests including the first hydrogen device ever to be detonated. This task force was responsible for turning an overgrown jungle, strewn with war waste, into a vast outdoor laboratory—the now well-known Eniwetok.

Upon retiring from the Air Force, Mr. Quesada entered private industry, where he served as a director and officer of Olin Industries and the Lockheed Aircraft Corp.

He has been awarded the Distinguished Service Medal with 1 oak-leaf cluster, Distinguished Flying Cross, Legion of Merit, Air Medal with 2 silver oak-leaf clusters, Purple Heart, American Defense Ribbon, European-African-Mediterranean Theater ribbons with 17 battle-participation stars. His foreign decorations include the British Order of the Bath, the Commander of the British Empire, the French Legion of Honor, the French Croix de Guerre with palm, Luxembourg Croix de Guerre, Order of Adolph of Nassau, the Polish Pilot's Badge,

and the Belgium Order of the Couronne in the grade of commander with aviation palm, and Croix de Guerre with aviation palm.

Mr. and Mrs. Quesada, the former Miss Kate Davis Pulitzer, have 2 daughters and 2 sons. Their residence is in Los Angeles, Calif.

Mr. BRICKER. Mr. President, this is an important nomination. It is imperative that it be reported at this time, and acted upon at as early a date as possible.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. BRICKER. I yield.

Mr. MANSFIELD. I assure the Senator that, after proper consultation with the majority leader and minority leader, action will be taken as soon as possible.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. BRICKER. I yield.

Mr. MAGNUSON. I join in what the Senator from Ohio has said. I asked him to report this nomination.

We are now considering nominations on the Executive Calendar. This nomination is unanimously reported from the committee. I ask the acting majority leader whether it would be in order to ask unanimous consent to place the nomination on the Executive Calendar tonight and act upon it.

Mr. MANSFIELD. Mr. President, I would have to object. I must first consult with the majority leader and minority leader.

I see no reason why the nomination should not be placed on the Executive Calendar tonight and be considered tomorrow or Monday, at the first opportunity after I am able to consult with the majority leader and the minority leader. I do not think it would be proper to consider the nomination at this time, especially in view of the fact that the minority leader is absent from the Chamber. However, it will be acted upon at the very first opportunity.

Mr. MAGNUSON. The reason I ask the question is that the general has already been put to work by the Appropriations Committee on the important matter of the Burke Airport, and the problem of air safety. I was desirous of having the nomination confirmed as soon as possible, so that the general might formally take over the job which the Senate Appropriations Committee handed to him only a few hours ago.

Mr. MANSFIELD. I do not think there is anything to worry about in that regard.

The PRESIDENT pro tempore. Without objection, the nomination will be placed on the Executive Calendar.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. NEUBERGER, from the Committee on Interior and Insular Affairs, without amendment:

H. R. 993. An act to provide for the conveyance of certain land by the United States to the Cape Flattery School District in the State of Washington (Rept. No. 966);

H. R. 1259. An act to clear the title to certain Indian land (Rept. No. 967); and

H. R. 6521. An act to modify section 3 of the act of June 30, 1945 (59 Stat. 265) (Rept. No. 968).

By Mr. NEUBERGER, from the Committee on Interior and Insular Affairs, with an amendment:

S. 1091. A bill to stimulate industrial development near Indian reservations (Rept. No. 969).

By Mr. RUSSELL, from the Committee on Armed Services, with amendments:

H. R. 5807. An act to amend further and make permanent the Missing Persons Act, as amended (Rept. No. 970).

By Mr. STENNIS, from the Committee on Armed Services, with an amendment:

H. R. 7697. An act to provide additional facilities for the administration and training of units of the Reserve components of the Armed Forces of the United States (Rept. No. 979).

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 324. A bill to provide for the appointment of an additional district judge for the southern district of Florida (Rept. No. 972);

S. 472. A bill to provide for the appointment of two additional district judges for the district of Connecticut (Rept. No. 973);

S. 1060. A bill to provide for the appointment of a district judge for the district of Colorado (Rept. No. 974);

S. 2714. A bill to provide for the appointment of a district judge for the district of Nevada (Rept. No. 975); and

S. 2747. A bill to provide for the appointment of two additional district judges for the eastern district of Pennsylvania (Rept. No. 976).

By Mr. JOHNSTON of South Carolina, from the Committee on the Judiciary, without amendment:

S. 2773. A bill to provide for the appointment of a district judge for the eastern and western districts of South Carolina (Rept. No. 977).

By Mr. HAYDEN, from the Committee on Appropriations, with amendments:

H. R. 9131. An act making supplemental appropriations for the fiscal year ending June 30, 1958, and for other purposes (Rept. No. 980).

TEMPORARY CIRCUIT JUDGESHIP FOR EIGHTH CIRCUIT AND APPOINTMENT OF DISTRICT JUDGE FOR NORTHERN AND SOUTHERN DISTRICTS OF IOWA

Mr. McCLELLAN, from the Committee on the Judiciary, reported an original bill (S. 2799) to provide for a temporary circuit judgeship for the eighth circuit, and for the appointment of a district judge for the northern and southern districts of Iowa, and submitted a report (No. 978) thereon; which bill was read twice by its title, and placed on the calendar.

REPORT ENTITLED "TIMBER SALES, QUINAIELT INDIAN RESERVATION, WASH." (S. REPT. NO. 971)

Mr. NEUBERGER. Mr. President, I submit a report on Timber Sales, Quinaielt Indian Reservation, adopted by the Subcommittee on Indian Affairs of the Committee on Interior and Insular Affairs, and approved for printing by the full committee on August 13, 1957.

One member of the Indian Affairs Subcommittee, the distinguished Senator from Utah [Mr. WATKINS] has requested that he be afforded an opportunity to submit a minority report by August 24. Therefore, I ask unanimous consent that the report be printed with the understanding that the views of the Senator from Utah will be included, and that the actual printing will not be made until August 24.

The PRESIDENT pro tempore. The report, together with the minority views of the Senator from Utah [Mr. WATKINS], will be received and printed, as requested by the Senator from Oregon.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. ELLENDER (for himself and Mr. LONG):

S. 2793. A bill to provide for the conveyance of a pumping station and related facilities of the Intracoastal Waterway System at Algiers, La., to the Jefferson-Plaquemines Drainage District, Louisiana; to the Committee on Public Works.

By Mr. KENNEDY:

S. 2794. A bill for the relief of Letteria Morganti; to the Committee on the Judiciary.

By Mr. JOHNSTON of South Carolina (by request):

S. 2795. A bill to further amend the first sentence of the act of January 20, 1888 (25 Stat. 1), as amended, by repealing the restrictive provisions relating to the form of publishers' bills, receipts and orders for subscriptions enclosed in publications mailed at second-class rates of postage, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. LAUSCHE (by request):

S. 2796. A bill to amend certain provisions of the Investment Company Act of 1940, as amended; to the Committee on Banking and Currency.

By Mr. MORSE:

S. 2797. A bill for the relief of Clyde Bruce Aitchison, Jr.; to the Committee on the Judiciary.

(See the remarks of Mr. MORSE when he introduced the above bill, which appear under a separate heading.)

By Mr. CASE of New Jersey:

S. 2798. A bill to authorize the National Society of the Sons of the American Revolution to use certain real estate in the District of Columbia as the national headquarters of such society; to the Committee on the District of Columbia.

(See the remarks of Mr. CASE of New Jersey when he introduced the above bill, which appear under a separate heading.)

By Mr. McCLELLAN:

S. 2799. A bill to provide for a temporary circuit judgeship for the eigth circuit, and for the appointment of a district judge for the northern and southern districts of Iowa; placed on the Calendar.

(See statement relating to above bill when reported by Mr. McCLELLAN from the Committee on the Judiciary, which appears under the heading "Reports of Committees.")

By Mr. EASTLAND:

S. 2800. A bill to provide an alternative acreage adjustment and price support program for the 1958 crop of upland cotton, and for other purposes; to the Committee on Agriculture and Forestry.

S. 2801. A bill to provide for the conveyance of certain lands in the State of Mississippi; to the Committee on Interior and Insular Affairs.

By Mr. HILL:

S. 2802. A bill to establish a national committee for the training and development of selective placement personnel; to the Committee on Labor and Public Welfare.

By Mr. JOHNSTON of South Carolina (by request):

S. 2803. A bill to amend the Classification Act of 1949, as amended, to facilitate proper classification of positions in grades GS–16,

GS–17 and GS–18, and for other purposes; to the Committee on Post Office and Civil Service.

CLYDE BRUCE AITCHISON, JR.

Mr. MORSE. Mr. President, I introduce, for appropriate reference, a bill for the relief of Clyde Bruce Aitchison, Jr. I ask unanimous consent that the bill be printed in the RECORD at this point in my remarks.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2797) for the relief of Clyde Bruce Aitchison, Jr., introduced by Mr. MORSE, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the Administrator of General Services shall compensate Clyde Bruce Aitchison, Jr., for all tungsten trioxide concentrates received on or before December 31, 1955, by the General Services Administration from the said Clyde Bruce Aitchison, Jr., under General Services Administration Certificate of Authorization 9–2256. Such compensation shall be at prices and in accordance with standards in effect at the time of receipt of such concentrates, and shall be made out of funds available for such purpose.

Mr. MORSE. Mr. President, the bill I am introducing is designed to afford a committee of the Senate an opportunity to consider an alleged inequitable course of conduct on the part of the Federal Government in its dealings with a citizen. If a committee of the Senate should agree with the facts as they are related by the claimant, I have no doubt that a recommendation of corrective action will come from the committee.

Briefly, the facts which have been called to my attention are these: During 1951 the United States, in order to encourage domestic production of tungsten, initiated a procurement program at a price of $63 per short-ton unit.

In 1953, Mr. Aitchison received a certificate of authorization from General Services Administration to make shipments under the domestic program. He supplied the Government from his own mines, and in addition served as broker for certain tungsten producers who were unable to operate under the delayed payment program commonly followed by the Government in these cases. In December 1955, Mr. Aitchison suspected that one of the persons supplying tungsten to him under a brokerage arrangement might be violating the law by purchasing foreign tungsten at approximately $30 per short-ton unit instead of supplying domestic tungsten.

However, Mr. Aitchison did not have clear proof in that respect. He then did what any responsible citizen should do—he informed the appropriate Government agency, which in this instance was the General Services Administration's regional office.

After being advised of the suspicious circumstances, GSA officials cooperated with Mr. Aitchison in his investigation as to the actual source of the tungsten. Ultimately, he found it to be of improper origin.

Mr. Aitchison subsequently discovered that another supplier from whom he and several other brokers had purchased some tungsten, had smuggled a part of the materials from Mexico. Mr. Aitchison obtained a confession from the supplier, and delivered him and the confession to the United States attorney for prosecution.

When Mr. Aitchinson called GSA to inform that agency of the results of his investigations, he learned to his astonishment that the matter had been turned over to the FBI and that an order had been issued prohibiting him from making further shipments under the tungsten program. At about the same time, tungsten already delivered to the Government by the claimant, worth $39,758.17, was retained in the Government's possession; and to this day the claimant has not been paid. In addition, the government demands that he repay $20,318 in exchange for tungsten previously delivered, now listed as GSA as "ineligible."

In the meantime a criminal prosecution of the suppliers who had violated the law resulted in convictions. Mr. Aitchison was the Government's principal witness.

Mr. Aitchison has paid the United States Customs Service $6,343.60, in lieu of duty upon the materials purchased from the suspected suppliers.

Mr. Aitchison, on March 14, 1957, in attempting compromise, offered to exchange with the GSA for the tungsten of doubtful origin, tungsten lawfully produced from his own mine in the United States during the tungsten program. Although several months have elapsed since this offer was made, GSA has neither accepted nor declined it, and meanwhile continues to retain possession of $39,758.17 of Mr. Aitchison's tungsten, neither paying for it nor offering to return it, and still asserts the claim against Mr. Aitchison for $20,318, embracing materials bought by the Government.

Mr. President, if the facts I have stated can be established to the satisfaction of the Senate committee, it is obvious that they indicate a serious miscarriage of justice which is particularly alarming, in that it involves wrongful action of the Federal Government against one of its own citizens—one who sought to assist the Government against the perpetration of a fraud.

Under the circumstances it seems only fair that a committee of the United States Senate should give thorough consideration to the charge made by Mr. Aitchison. If it finds itself in agreement with him, I know that the committee will take prompt action to correct what is now a glaring prima facie case of a grievous wrong.

USE OF CERTAIN PROPERTY AS NATIONAL HEADQUARTERS BY NATIONAL SOCIETY, SONS OF THE AMERICAN REVOLUTION

Mr. CASE of New Jersey. Mr. President, I introduce, for appropriate reference, a bill to authorize the National Society of the Sons of the American Revolution to use certain real estate in the District of Columbia as the national headquarters of such society. I ask unanimous consent that a statement prepared by me relating to the bill may be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The bill (S. 2798) to authorize the National Society of the Sons of the American Revolution to use certain real estate in the District of Columbia as the national headquarters of such society, introduced by Mr. CASE of New Jersey, was received, read twice by its title, and referred to the Committee on the District of Columbia.

The statement presented by Mr. CASE of New Jersey is as follows:

STATEMENT BY SENATOR CASE OF NEW JERSEY

The purpose of this bill is to authorize the use of premises 2412 Massachusetts Avenue NW., Washington, D. C., as the national headquarters of the National Society of the Sons of the American Revolution.

This society was granted a charter by the 59th Congress on June 9, 1906, which provided for establishment of its national headquarters in the District of Columbia.

Section 2 of the act of incorporation provides:

"That the purposes and objects of said corporation are declared to be patriotic, historical, and educational, and shall include those intended or designed to perpetuate the memory of the men who, by their services or sacrifices during the War of the American Revolution, achieved the independence of the American people; * * * to inspire * * * the community at large with a more profound reverence for the principles of the Government founded by our forefathers; to encourage historical research in relation to the American Revolution; * * * to foster true patriotism; to maintain and extend the institutions of American freedom, and to carry out the purposes expressed in the preamble to the Constitution."

This is a purposeful society which has a distinguished heritage and which has for its principal objective the greater understanding of the values of the American way of life—in particular, the Constitution, the Bill of Rights, and all of the other institutions which are part and parcel of the American system. The Sons of the American Revolution conducts annual celebrations commemorating the anniversary of the birth of Washington, Franklin, Jefferson, and other patriotic events and sponsors essay and oratorical contests on American history and Government. These activities make a substantial contribution to the preservation of this American heritage, as established under our Constitution, for all of the citizens of this country.

For the past year, the National Society of Sons of the American Revolution has made extensive search throughout the city to find a suitable location for its national home. To date, this is the only suitable building which has been found which presents the desired dignified exterior and useful interior. There will be no change made in the exterior appearance of the building. The building will house a small headquarters staff of five people.

This area is dignified in character. Within the block and the adjoining blocks there are many Embassies and office uses of foreign governments. To some extent, these uses are complimentary in character and in keeping with the national headquarters of this organization.

The national home of this organization is presently located in a residential district at 1227 16th Street NW., and has been regarded

as a fine stabilizing influence upon the character of this portion of 16th Street. The headquarters of the National Society of Sons of the American Revolution is conducted in a quiet and dignified manner, free from noise and objectionable conditions, completely in character with the neighborhood.

PERMANENT AUTHORITY FOR POSTMASTER GENERAL TO ESTABLISH POSTAL STATIONS AT CAMPS, ETC., OF THE ARMED FORCES—RECOMMITTAL OF BILLS

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent that Calendar No. 111, S. 913, a bill to provide permanent authority for the Postmaster General to establish postal stations at camps, posts, or stations of the Armed Forces, and at defense or other strategic installations, and for other purposes, be recommitted to the Senate Post Office and Civil Service Committee for further clarification.

I have discussed this subject with the minority leader, and also the ranking member of the Post Office and Civil Service Committee.

I also request that the companion bill, Calendar No. 130, H. R. 4815, a bill to provide permanent authority for the Postmaster General to establish postal stations at camps, posts, or stations of the Armed Forces, and at defense or other strategic installations, and for other purposes, be referred to the Post Office and Civil Service Committee in connection with this study.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. KNOWLAND. I had a discussion with the Senator from South Carolina on this subject. I certainly have no objection to Calendar No. 111, Senate bill 913, being recommitted.

I understood there was an amendment which the Senator from Mississippi and the Senator from New Hampshire discussed on the floor the last time the bill was before the Senate. I have just received some additional information. I have been informed that the House bill does not contain the same amendment, which was controversial. Does the Senator not think it might be just as well to leave the House bill on the calendar, inasmuch as it does not contain the amendment in question, and recommit the Senate bill, which was the one in controversy?

Mr. JOHNSTON of South Carolina. What the Senator says is correct, but I have received letters from many Senators asking that hearings be held on certain features of the bill with respect to which there was considerable correspondence. Those features of the bill do not relate to the amendment in question.

Mr. KNOWLAND. I shall raise no objection.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from South Carolina? The Chair hears none, and it is so ordered.

AUTHORIZATION FOR APPROPRIATIONS FOR ATOMIC ENERGY COMMISSION—AMENDMENTS

Mr. HICKENLOOPER (for himself, Mr. BRICKER, and Mr. KNOWLAND) submitted amendments, intended to be proposed by them, jointly, to the bill (S. 2674) to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes, which were ordered to lie on the table and to be printed.

AUTHORIZATION FOR SELECT COMMITTEE ON SMALL BUSINESS TO SUBMIT A REPORT SUBSEQUENT TO SINE DIE ADJOURNMENT

Mr. MORSE. Mr. President, I ask unanimous consent that I be permitted to submit, following the sine die adjournment, a report from the Select Committee on Small Business on the subject of extended hours of operation for daytime radio stations. I am hopeful that it will be possible to submit the report prior to adjournment; but since the possibility exists that it will not be ready by that time, I believe it wise to provide for that contingency.

I was chairman of the subcommittee which conducted the public hearings on this matter. They were rather lengthy hearings, and very able and thorough work is being done by the staff of the subcommittee. In fairness to the staff of my subcommittee, I think it only proper that I request this permission to file the report after the Senate adjourns, if we do not have it ready prior to the adjournment.

The PRESIDENT pro tempore. Is there objection to the request? The Chair hears none, and it is so ordered.

RETIREMENT OF ADM. ARTHUR W. RADFORD

Mr. MANSFIELD. Mr. President, today marks the retirement of Adm. Arthur W. Radford as Chairman for the past 4 years of the Joint Chiefs of Staff, and a veteran of many years in the Navy. In this branch of the service he served with distinction both on the sea and in the air. He has been an individual of resolute character and well-defined views. He has never been a compromiser, but at the same time he was never unreasonable. The position he has occupied has been an extremely difficult one over the past 4 years; but he has performed his job with honesty, with decency, and at all times with the interests of the United States first and foremost in his mind. Admiral Radford has earned a niche in our history because of the many contributions he has made to the welfare of the Nation.

I have not always been in agreement with the views expressed by Admiral Radford, but I have always honored him for what he is and for what he has done. On the day of his retirement, I wish to commend Admiral Radford and to extend to him my sincere congratulations for a good job well done under extremely difficult circumstances. The United States owes a debt of gratitude to this man, whose characteristics were his deep convictions, his sincere honesty, and his outstanding patriotism in behalf of our country. We shall miss him, but we wish for him in the days ahead some relief from the unceasing problems which have been his lot over the past 4 years.

WAGE INCREASE FOR POSTAL EMPLOYEES

Mr. NEUBERGER. Mr. President, so that my colleagues may be aware of the suport in public opinion which exists in the Pacific Northwest for an immediate increase in pay for postal employees, I ask unanimous consent to have printed in the body of the RECORD a cogent editorial on this subject from the Oregon Daily Journal of August 10, 1957. The title of the editorial is "Wage Increase Justified." It points out clearly that the salaries of postal employees have lagged disastrously behind the cost of living all over the United States.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WAGE INCREASE JUSTIFIED

Congress and the administration will be doing an injustice to a large group of Government employees if a pay adjustment for postal workers is not provided at the current session.

The House passed a pay increase measure by a vote of 379 to 38 and the measure now rests in a Senate committee. This bill provides a $546 across-the-board increase. With this increase a Portland clerk or carrier who has put in 7 years and worked himself to the top civil service grade for his position still would be making less than $5,000 a year gross income.

The postal service is a big operation. In all, some 518,000 workers across the country would be affected by this bill and the total annual cost would be in the neighborhood of $318,000,000.

The administration has opposed these measures on two grounds—first, that such an outlay would be inflationary, and, second, that Congress should consider legislation to provide prevailing pay scales for Government workers in different localities or that an allowance system, such as the one used in the Army and Diplomatic Service, be provided.

The first argument is valid only in the sense that any new expenditure is inflationary. But from an overall standpoint postal workers have been the victims, not the cause of inflation.

Their last wage increase was in 1951. The inflation which has occurred in the interim cannot be blamed on them. In his budget message President Eisenhower said that any wage increases—private or Government—must be reasonably related to improvements in productivity.

On the basis of pieces of mail handled, postal clerks show a 43.6-percent increase in productivity between 1945 and 1957. The second reason is valid only if some reasonable effort is made to implement one or the other of the suggestions.

To date no such effort has been made and postal workers should not be asked to continue at substandard wages while Congress decides whether some alternative might work.

Considerable has been said about wages in relation to the Post Office deficit. It is true that postal rates should more nearly meet costs, but again this problem is not directly related to wages.

The workers are entitled to a living wage and it is up to Congress to decide whether these services should be paid for by the taxpayer or by the user of postal services.

THE CIVIL-RIGHTS BILL

Mr. SMITH of New Jersey. Mr. President, in the continuing controversy which prevails concerning the civil-rights bill, the distinguished columnist, Walter Lippmann, has this morning once again focused attention upon the fundamental issues involved.

In assessing the merits of the bill as it passed the Senate, Mr. Lippmann measures it against the appropriate standard, when he states:

> The true measure of a bill's strength is, not how much it promises, but how much it can be expected to deliver.

Against this standard, the Senate version of the bill by far surpasses the civil rights bill as passed by the House. As Mr. Lippmann concludes:

> It is the first bill for civil rights which contains strong powers of enforcement and is not being resisted irreconcilably by the political leaders of the South.

I commend this article to my colleagues in this body and to the Members of the House of Representatives; and I ask unanimous consent that the full text of the article, from this morning's New York Herald Tribune, be printed at this point in the body of the RECORD, as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LITTLE LEFT TO QUARREL ABOUT

(By Walter Lippmann)

The issue on the Senate civil-rights bill is now very narrow, except for the southern politicians who do not want any bill and for the northern politicians who want to play politics with the bill. Speaker RAYBURN, who will be followed by the Democrats in the House, is offering an amendment to cure what such a champion of civil rights as Senator JAVITS, of New York, calls the primary legal defect in the Senate bill—namely, "its failure to limit the jury-trial amendment to civil-rights cases only."

After this, on what principle can northern Republican politicians argue that it would be better to let the bill die than to pass an amended version of the Senate bill? A civil-rights bill which can command the support of Mr. RAYBURN, of Texas, and of the National Association for the Advancement of Colored People is almost too good to be true and it will be hard to condone a maneuver to make it fail.

As a matter of fact, the Senate bill, even with the provision for jury trials in criminal-contempt cases, is a very big measure. It inaugurates a new national policy that the Federal Government has the duty to take the initiative in securing and protecting the constitutional rights of Negroes to vote. It vests in the Executive legal powers to intervene in southern elections, to go into the Federal courts for civil injunctions which, without jury trial, mean that imprisonment or fines can be imposed on those who violate the injunction. Why this should be called a weak bill is more than I can understand. For the procedure under civil contempt, which does not require a jury trial, is a very great power.

Would it be a stronger bill if it promised more, if in addition to a promise to protect and secure the vote, the bill proposed to integrate the public schools? Supposing that a wide bill, such as the one which came from the House, could be passed, it would be almost impossible to enforce it. For it would unite the resistance of the Southern States, and it would place upon the Department of Justice a more impossible task than did the old and thoroughly discredited prohibition amendment.

The true measure of a bill's strength is not how much it promises but how much it can be expected to deliver. What we ought to be worrying about is how the Eisenhower administration and its successors are to meet the huge responsibility put upon them by the Senate bill, and how they are to exercise the large legal powers with which the bill invests them. I say we ought to be worrying about these questions of policy because not a hint has as yet been given by the administration leaders that they realize what big and difficult decisions will confront them when the bill is passed. They talk and act as if any civil-rights measure that is passed will then automatically be realized in practice.

Yet the crux of the matter is the enforcibility of any bill that is enacted, and the difference between a politician and a statesman is that the politician is interested in the promises and the statesman is interested in enforcibility. Does not the history of the problem of civil inequality in this country prove conclusively that declarations of rights can be nothing but empty sounds if the resistance is strong enough?

That is why the Senate bill is so extraordinary. It is the first bill for civil rights which contains strong powers of enforcement and is not being resisted irreconcilably by the political leaders of the South.

MUTUAL SECURITY APPROPRIATIONS

Mr. SMITH of New Jersey. Mr. President, with the end of this session of the Congress approaching, the mutual security appropriation bill remains the most important piece of proposed legislation which must be passed before we adjourn. After considerable delay, the President was finally presented on yesterday with the authorization bill, and he promptly signed it, although it represented a serious reduction in his original requests.

We who participated in the conference committee on the mutual security authorization bill were compelled to reduce the President's figure of $3.8 billion to $3.3 billion. Now we are faced with the appropriation bill. The House has taken preliminary action in a subcommittee proceeding, and I am profoundly shocked at the incredible reductions which the House subcommittee recommended in the case of the authorized amounts. The House has proceeded to slash an additional $842 million from the program, in its proposed appropriations.

Mr. President, in my opinion, this action is economy gone mad. The mutual security program, which allies us with other free nations of the world in protecting the security of all of us from the Soviet menace, calls for the relatively small amount of $3.3 billion, as compared with the total of approximately $34 billion, which the Congress has felt it necessary to provide for our Nation's separate security. These mutual security expenditures constitute the cheapest investment we make for the safety of freedom in the world. In light of present world conditions, it is difficult to understand how Members of the Congress can be swayed by the threats of persons who demand "meat ax" economy. No one who has any awareness and appreciation of the security of our country and the security of the Free World can justify the making of such additional "meat ax" cuts.

I trust that this grevious error will be corrected in the full Appropriations Committee of the House, and that the full amount of the authorizations will be appropriated by the Congress. We can do no less for the security of our country. The President is absolutely justified in his warning. I wish to make it clear that I am supporting his leadership and the leadership of the National Security Council 100 percent, and I hope my colleagues will do likewise in connection with this vital matter, which affects the lives and future of all of us.

Mr. SMITH of New Jersey subsequently said: Mr. President, there has just been handed to me a press release from the White House which relates to the subject of the remarks I made this morning, the action of the House Committee on Appropriations as to appropriations for mutual security. I ask unanimous consent that this release may be printed in the RECORD and included with my remarks of this morning.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Jersey?

There being no objection, the press release was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE, *August 15, 1957.*

The President said yesterday that the cuts already made in the authorization bill were of such a nature as to hamper programs designed for the best interests of the United States and the Free World.

Here is how the President views the additional cuts made by the subcommittee of the House Appropriations Committee:

1. The cut in military assistance is very deep and seems unjustified in extent. It will seriously delay modernization of the Free World's forces in the face of progressively improved Communist forces.

2. The cut in defense support will compel, almost certainly, dangerous reductions in the size and effectiveness of the forces now being maintained by free nations bordering on Communist lands. Additionally it will lead to serious difficulty in the economies of those nations supporting such forces.

3. The cut in the development loan fund, a 40-percent cut, makes impossible the realization of the important purpose for which this fund was established by the Congress.

4. The cut in technical assistance will make it difficult to assist our friends, particularly those newly independent nations who have turned to the United States for help in helping themselves.

5. The cut in the special assistance fund will not only seriously affect the funds for such programs as the worldwide effort to eradicate malaria, and to aid Hungarian refugees, but it will also seriously reduce the reserve funds hitherto provided to the President to meet emergencies which inevitably develop in the world we live in today.

The President is gravely concerned over these cuts. In the conviction that the national interests of this country are deeply involved, he sincerely hopes that final Congressional action will restore the amounts to those authorized by the Congress yesterday.

SIGNBOARDS ALONG INTERSTATE HIGHWAY SYSTEM

Mr. NEUBERGER. Mr. President, I ask unanimous consent to include in the body of the CONGRESSIONAL RECORD an editorial from the Medford Mail Tribune, of August 5, 1957, entitled "S. O. S.", and an editorial from the Washington Post and Times Herald of August 13, 1957, entitled "Memo to the Senate."

These two effective editorials emphasize the urgent need for haste in protecting our great new 41,000-mile interstate highway system from the blight of ugly and defacing signboards.

I urge the distinguished Chairman of the Senate Commitee on Public Works to do his utmost to call a meeting of our committee before adjournment, to report S. 963 so that the Senate at least can act on this vital question prior to going home for the recess.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Medford (Oreg.) Mail-Tribune of August 5, 1957]

S. O. S.

The "battle of the billboards" is being lost, it grieves us to report.

The Oregon Legislature adjourned without accomplishing anything constructive in the way of protecting existing—or even future—highways from the encroachment of unrestricted billboards, which are the forerunners of blight in case after case.

And now, despite Senator DICK NEUBERGER'S best efforts in behalf of his own billboard bill, it has been watered down in Congressional committee action until it is hardly a shadow of its former self.

Even in its mild form, it is meeting formidable opposition from the billboard lobby, which has been described as one of the most potent and effective in Washington.

No one has much of anything against billboards themselves—provided they are kept in their proper place. They serve as needed stimulants to certain roadside businesses, and provide the traveler with information.

But that is not to say that the long reaches of countryside should be allowed to sprout them indiscriminately, and it is reasonable regulation of this type which is being sought.

The Oregon Roadside Council has appealed to those who value Oregon's scenery more than they do billboards unlimited to write Senator DENNIS CHAVEZ, chairman of the Senate Public Works Committee, to let him know that the great bulk of American people, while unorganized for a fight, do believe that the highways for which they are paying should not be turned into taxpayer-subsidized picture galleries for the peddling of beer, bread, or bubblegum.

The appeal is headed "S. O. S.—Save Oregon's Scenery."

Amen.

E. A.

[From the Washington Post of August 13, 1957]

MEMO TO THE SENATE

It has been 82 long days since a Senate subcommittee reported out a bill which would discourage the pestilent growth of billboards on the new 41,000-mile Federal interstate highway system. The bill, at best, was a watered-down compromise. It now lies buried in the parent Senate Public Works Committee. The leadership of the Senate seems painfully indifferent; opponents of billboards are frankly dismayed; the billboard lobby is quietly gloating. Not coincidentally, the billboard industry is the only major group which favors plastering the new roadway with signboards.

Senator CHAVEZ, chairman of the committee, pledged on the Senate floor last Friday that he would call a meeting of the full committee "as soon as I possibly can." No meeting has been scheduled. Further stalling will invite the conclusion that the Senate—and its leadership—cares more about the welfare of the billboard industry than the millions of motorists who will use Federal highways. The House has been even more sluggish; it has not begun hearings on billboard controls. Does the 85th Congress wish as its monument a scrofulous ribbon—41,000 miles long—on which voters will be continually reminded of an outrageous giveaway to a single vested interest?

COOL, COMFORTABLE MONTANA

Mr. MANSFIELD. Mr. President, the President pro tempore, the distinguished senior Senator from Arizona [Mr. HAYDEN], and my colleague, the senior Senator from Montana [Mr. MURRAY], will be interested in an editorial which was published in the Montana Standard on Sunday, August 4, 1957. I have an idea also that the people of the South, the East, and other parts of the North and West, outside the State of Montana, will likewise be interested.

The editorial is entitled "Greatest Air-Conditioning System in the World"; and it reads as follows:

GREATEST AIR CONDITIONING SYSTEM IN THE WORLD

You may have noticed a day or so ago that Butte's high temperature for the day was 82; in Phoenix, Ariz., the lowest temperature for the day was 86.

So it was 4° cooler in Butte at the warmest part of the day than it was in Phoenix at the coolest part of the day.

This isn't unusual. It goes on all the time in many parts of the country.

The reason? Montana's gigantic air conditioning system. It's working all the time. It's the biggest in the world. It's the best in the world.

Occasionally, it gets a little overly energetic during the summer, and sometimes during the winter. Then it cools things off as far away as New Orleans.

The people down thataway are mighty thankful for the respite, too. You do something in the way of cooling off a customer who has lived for 90 days in better than 90 degree temperatures and you got a friend for life.

That's the way it goes. That's why Montana is having so many visitors this summer, visitors who are pleasant and comfortable.

They come here to participate in the joys of our gigantic outdoor air conditioning system. They also come here to inspect the machinery of this unique system.

The machinery is fairly simple.

It consists largely of mountain peaks and valleys, fields, streams, lakes, patches of snow hidden in high crevices, pine trees and vagrant currents of air ebbing and flowing night and day.

You take one of those air currents and follow it on its course through the air conditioning system and you see what happens.

It brushes up against a snowdrift hidden from the summer sun. Then it scampers down a little valley along side a trout stream. It might take off through some pine trees, or it might gambol across a meadow. Somewhere during its adventures it is sure to cool the fevered brow of a visitor from Kansas, Missouri, or Texas.

It might kick up a little late afternoon shower.

Long about midnight it is also almost certain to gently ripple the curtains of a bedroom, passing on through the window to force a tired human lost in deep slumber to reach for a blanket.

We confidently expect as more and more middle western and southern people flock to the Treasure State for a good night's sleep in the summer they will discover the secret of our gigantic air conditioning system which can cool off all creation.

Mountains. Sure. They'll be coming here from Kansas and Missouri and Iowa and trying to buy our mountains.

And will we sell? Not for a mortgage for all time to come on all the Iowa corn, Kansas wheat, or Texas bigness.

A nice, cool, comfortable night's sleep is worth more than all that.

Mr. President, the editorial was written by George McVey, who is enjoying something of a reputation—and a well-deserved reputation—for writing now and then on the many fine attractions of the State which the senior Senator from Montana [Mr. MURRAY] and I have the honor to represent.

Mr. MORTON. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. MORTON. Will the distinguished acting majority leader give us any idea as to when we may have an adjournment, so we may go to and spend 2 weeks in the great State of Montana?

Mr. MANSFIELD. If I had my way, we would adjourn today for that reason.

SALARIES, BENEFITS, ALLOWANCES, AND PERQUISITES RECEIVED FROM THE GOVERNMENT BY GEN. DOUGLAS MACARTHUR, FOE OF HIGH FEDERAL TAXES

Mr. NEUBERGER. Mr. President, on July 30 General of the Army Douglas MacArthur, chairman of the board of Sperry Rand Corp., delivered a major speech against taxes and Government spending. Of course, this was a speech against the governmental fiscal policies followed by this administration under the leadership of General MacArthur's former subordinate in the Army, Dwight D. Eisenhower.

I have asked the Department of the Army to furnish me with a list of governmental perquisites, pay, benefits, emoluments, and other allowances received by General MacArthur.

The following benefits have been described in a letter received from the Department of the Army, as follows:

General MacArthur holds the grade of General of the Army and is entitled by law to receive pay and allowances in the amount of $15,543.36 per year. His monthly pay is broken down as follows: $1,076.40 is basic pay, $171 is quarters allowances, and $47.88 is subsistence allowance, making a total of $1,295.28. In addition, the general is entitled by law to receive a personal money allowance of $5,000 per annum.

It is customary to provide suitable office space in a Government building to officers in the grade of General of the Army. General MacArthur, therefore, is furnished an office at 90 Church Street in New York City, which building is operated by the General Services Administration.

Two personal assistants are now assigned to General MacArthur. They hold the grade

of chief warrant officer (W-3) and master sergeant (E-7), with yearly pay and allowances in the approximate amounts of $6,298.56 and $5,220, respectively.

I have been advised that the quarters allowance of $171 per month and the subsistence allowance of $47.88 per month and the $5,000 annual personal money allowance are tax exempt.

Let me quote from a few of the things said by General MacArthur in his celebrated speech on governmental fiscal policy and governmental spending:

The present tax structure is even now probably adequate eventually to socialize the United States. Our tax take is already greater than that of the admitted national socialistic countries, whether on this or the other side of the Iron Curtain. The effects may not yet be fully evident to the superficial eye, but the erosion of incentive, ingenuity, and integrity that results will be as deadly as the hidden cancer is to life. It can in time change the basic character of this great Nation as it has every other nation where it has become indelibly affixed.

Mr. President, the New York Times article reported that 40 percent of all sales of the Sperry Rand Corp. which General MacArthur heads went to the Government for military purposes.

I add no further comments of my own. I have nothing further to say about this matter. No further comments are needed.

Mr. President, I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks the letter which I have received from Lt. Col. J. S. Timothy, Chief of Legislative Liaison, Department of the Army.

I also ask unanimous consent to include the New York Times dispatch of July 1, 1957, describing the speech by General MacArthur.

There being no objection, the letter and news article were ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE ARMY,
OFFICE OF THE SECRETARY OF THE ARMY,
Washington, D. C., August 12, 1957.

Hon. RICHARD NEUBERGER,
United States Senate.

DEAR SENATOR NEUBERGER: This letter is in reply to your inquiry concerning the benefits received from the Government by General of the Army Douglas MacArthur.

Officers appointed in the grade of General of the Army are, even when without assignment, technically on the active list of the Army and available to the Government for consultation on matters pertaining to national security. The officers in question necessarily have a continuing responsibility for study, correspondence, and counsel, and require reasonable assistance. Consequently, they are provided such facilities and personal assistants as are deemed proper, but never more than three personal assistants except when on special assignment. I understand such officers are not entitled to a transportation allowance unless they are on official military business.

General MacArthur holds the grade of General of the Army and is entitled by law to receive pay and allowances in the amount of $15,543.36 per year. His monthly pay is broken down as follows: $1,076.40 is basic pay, $171 is quarters allowances, and $47.88 is subsistence allowance, making a total of $1,295.28. In addition, the general is entitled by law to receive a personal money allowance of $5,000 per annum.

It is customary to provide suitable office space in a Government building to officers in the grade of General of the Army. General MacArthur, therefore, is furnished an office at 90 Church Street in New York City, which building is operated by the General Services Administration.

Two personal assistants are now assigned to General MacArthur. They hold the grade of chief warrant officer (W-3) and master sergeant (E-7), with yearly pay and allowances in the approximate amounts of $6,298.56 and $5,220, respectively.

I trust the information furnished will be of assistance to you.

Sincerely yours,

J. S. TIMOTHY,
Lieutenant Colonel, GS, Office, Chief of Legislative Liaison.

[From the New York Times of July 31, 1957]

MACARTHUR HITS UNITED STATES PRODIGALITY AS DIMMING PROMISE OF FUTURE

Gen. Douglas MacArthur yesterday surveyed the economy and came up with a twofold report: a warning against creeping inflation and a prediction of a new age of plenty through the advances of nuclear energy and electronics. The General, who is chairman of the Sperry Rand Corp. spoke for 2 hours at the annual meeting of stockholders in the Statler Hotel here.

General MacArthur's sharpest remarks were directed at excessive spending by the Federal Government, the national debt, and burdensome taxes.

"The tax burden now is so oppressive as to be almost confiscatory of venture capital," he said. "Taxes for 1956 came to a staggering total of more than $100 billion. The Federal Treasury, he explained, received $70 billion, and State and local governments $30 billion.

"This means that the cost of government consumes almost one-third of the national product, which is the sum of [the values of] all goods [produced] and services [rendered] by the entire population of the United States," the General said.

DRIFT TO SOCIALISM ALLEGED

"The present tax structure is even now probably adequate eventually to socialize the United States. Our tax take is already greater than that of the admitted national socialistic countries, whether on this or the other side of the Iron Curtain. The effects may not yet be fully evident to the superficial eye, but the erosion of incentive, ingenuity, and integrity that results will be as deadly as the hidden cancer is to life. It can in time change the basic character of this great Nation as it has every other nation where it has become indelibly affixed."

General MacArthur declared that in the last two decades "our tax system has resulted in a creeping inflation which has devitalized the American dollar to 40 percent of its previous purchasing power." He warned that if the present trend continued the dollar "may well sink to half of its present value within another decade."

He said inflation had already brought hardships to a large segment of the population, especially to those who have to live on pensions and fixed incomes. He said inflation was not a question of partisan politics. "It [inflation] can be controlled only if both political parties really wish to stop it; only if both parties are determined to limit rising costs and higher working capital requirements."

Turning to the brighter side, General MacArthur told the shareholders that the world was entering an age of evolution greater than it had ever known. He referred to the great strides being made in developing automatic machines and devices, defined loosely as automation.

The executive said there would be changes in jobs to which the labor force would have to adapt itself, but nothing to cause severe unemployment.

Actually, the productivity of the national economy can be expected to grow 3 to 4 percent a year while the number of new workers, due to growth of population, will be only about 1.5 percent, the stockholders were told.

"Some of you may well live to see the day when we will be drawing energy not only from the sun but from the tides and the winds; will be creating unheard of synthetic materials; will be purifying sea water; will be mining ocean floors for basic materials; will be celebrating a life span of a hundred and more years; will be launching space ships to reach the moon; will see poverty for the first time faced with possible extinction," the General predicted. "Living standards will be the highest, scientific advances will be the most revolutionary; world affairs will be the most exciting in all history," he continued.

The relative prosperity of Sperry Rand, like other companies, is closely integrated with the prosperity of business as a whole; the rise or fall of the business barometer is not local but universal, General MacArthur declared. Like most businesses today we are faced with the problems of competitive pressures coupled with rising costs and higher working capital requirements.

If defense spending must go up, he declared, other spending, whether for housing, roads, schools, farm aid, or social benefits, must be curtailed accordingly, he asserted. The chairman noted that while tax receipts had doubled during the postwar era, public spending continued to exceed revenues.

Discussing the company's operations, General MacArthur said the largest single contributor to company sales during the past year was the instrumentation and controls division. The largest part of its output went to the military. It accounted for about 40 percent of all sales and its volume rose 33 percent during the year to a new record. Business machines, equipment, and supplies were next largest, accounting for 31 percent. There was a 47-percent increase in sales of Univac electronic computers and tabulating equipments and a 50-percent gain in domestic sales of typewriters.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. MORTON in the chair). Without objection, it is so ordered.

ANNOUNCEMENT RELATING TO SATURDAY SESSION

Mr. MANSFIELD. Mr. President, I should like to announce to the Senate that, barring unforeseen happenings, the Senate will adjourn from Friday to Monday; in other words, there will be no session on Saturday of this week.

NOMINATION OF JEROME K. KUYKENDALL

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

The Senate is in executive session, and the question is, Will the Senate advise and consent to the nomination of Jerome K. Kuykendall to be a member of the Federal Power Commission?

Mr. MURRAY. Mr. President, we are considering today the reappointment of Jerome K. Kuykendall to a full 5-year term as a member of the Federal Power Commission of which he has been acting as chairman. The Commission is intended to serve two main purposes—the protection of consumers from excessive utility rates, and the conservation and full development of our power resources.

WHEN THE WOLVES GUARD THE SHEEP

Mr. President, in all the 23 years since I became a Member of the Senate, I have never seen proposed for reappointment a man whose entire official conduct in office has so consistently proven his incapacity or unwillingness to carry out the purposes of the act he is supposed to administer.

The effectiveness of the Federal Power Act in achieving its purposes depends upon the regulation in the public interest of the great public utility corporations which daily exercise more and more control over the economic life of this country. Yet for 4 years, in every instance where there has been a clear conflict between the utility interests and the requirements of the public welfare, the Federal Power Commission under the leadership of Jerome Kuykendall has placed the wishes of the regulated corporations first. In major decisions running from the Amere Gas case to the equally unsupportable Hells Canyon license, which permits the underdevelopment of a great natural resource, the basic purposes of the act to protect the consumer interest and conserve our natural resources have been subordinated to the designs of the utility interests. This is the old problem of the wolves guarding the sheep, Mr. President, and it is the system which invariably proves hard on the sheep.

The entire record of Jerome Kuykendall in office offers nothing which would give the public any hope of protection if his reappointment were to be approved by this body. As a protector of the public interest, Mr. Kuykendall has been totally ineffective.

In the Amere Gas case, Mr. Kuykendall and his associates have stripped consumers of the assurance that their utility rates will be set on the basis of expenses actually incurred and taxes actually paid.

The Federal Power Commission under Mr. Kuykendall now allows the utilities to set their rates to consumers on a straight-line depreciation basis and pay taxes on a greatly liberalized basis which reduces the taxes actually paid, thus allowing the utility to pocket the savings.

Such a procedure is contrary to any principle of regulation ever propounded. The utility is entitled to recover from the ratepayers only the taxes it pays, not additional phantom taxes which it does not pay, and which, under the normal operation of this decision, it will never actually pay.

Commissioner Connole said in his dissent in the Amere case:

> Nowhere in the language of the section, nor in its legislative history, appears any Congressional intent to authorize, require, or justify utility enterprises setting up permanent customer-contributed reserves. * * * In point of fact I find a directly opposite intention contained in the Federal Power Act, the Natural Gas Act, the Federal Constitution, and recognized common-law principles of regulatory law.

The Amere Gas decision shows Mr. Kuykendall's inability to regulate utilities in the interest of consumers.

THE HELLS CANYON LICENSE

The Hells Canyon decision reveals his failure in the second field of Commission responsibility, assuring the best development of natural resources.

In the Hells Canyon case, Mr. Kuykendall and the Commission admitted that power resources would be wasted, that flood-control potential would be wasted, and that a single, high Federal dam would be best, but they licensed three low dams.

The Senate Interior and Insular Affairs Committee said, in a report commenting on those licenses:

> It is clear to the committee that the Commission has lost sight of the fundmental fact concerning our national water resources—that the total amount of them is limited and that they will some day all be needed. Any loss of a part of the total potential of any river basin is an irreparable loss to the Nation and can never be made up at some other site. The view of the Commission that this basic principle can be ignored at its whim is so unbelievably shortsighted as to constitute a total abdication by that agency of its responsibility to the Nation.

Mr. President, we have a case here of a man who has been entrusted with a tremendous responsibility—the conservation of the hydroelectric resources of the United States. He has completely defaulted in that responsibility. Should the Senate of the United States now give its stamp of approval to this man's performance of duty by approving him for 5 more years in this same position of trust?

There are other actions similar to the Amere and Hells Canyon cases which pile up proof that Mr. Kuykendall is not suited to the post for which he has been nominated. His nomination should be rejected by the Senate.

Mr. NEUBERGER. Mr. President, I should like to express my fundamental agreement with the views expressed on the nomination of Mr. Jerome Kuykendall so recently on the floor of the Senate by the distinguished senior Senator from Montana [Mr. MURRAY].

The Senator from Montana is particularly qualified to discuss this nomination from the standpoint of knowledge and of familiarity with the topic at hand.

The senior Senator from Montana has, in part represented his great Pacific Northwest State in the Senate for approximately 20 years. He is chairman of the Senate Committee on Interior and Insular Affairs, which is charged to a greater degree than any other committee of the Senate with custodianship over the natural resources of our country.

The caliber of the custodianship exercised by Mr. Jerome Kuykendall is directly at issue in the consideration of the nomination now before the Senate.

I am pleased that the Senator from Montana, with his great knowledge and wisdom on this subject, has led off the discussion of the Kuykendall nomination today. In the very brief time I expect to take, I wish to elaborate on some of the points which have been so ably voiced by the senior Senator from Montana.

Furthermore, I think it is well to emphasize that the two Senators from Mr. Kuykendall's own State have spoken in opposition to the confirmation of his nomination.

It is not easy for a Senator to oppose an appointment by the President of a person from his own State. There is always the question of local pride in an honor which has come to a resident of a particular State, especially when the appointment is such high honor as membership on the Federal Power Commission. I believe that other Members of the Senate should take notice of the fact that the senior Senator from Washington [Mr. MAGNUSON] and the junior Senator from Washington [Mr. JACKSON], who are among the most able and outstanding of our colleagues, have taken the lead in opposing confirmation of the nomination of Mr. Kuykendall.

Furthermore, I do not think the Senate can disregard the fact that the senior Senator from Washington is chairman of the Senate Committee on Interstate and Foreign Commerce, which had under consideration the Kuykendall nomination. I commend my two colleagues from the State of Washington for their devotion to the public interest, and for their fundamental belief in the wise use of our water resources, which have impelled them to take the floor in opposition to confirmation of the nomination of a person who comes from their own State.

I am not voting against the confirmation of Mr. Jerome Kuykendall's nomination for personal reasons, because I know nothing against him personally. I am opposing confirmation of his nomination by the Senate because of six basic questions of public policy on which I believe Mr. Kuykendall to be fundamentally wrong.

First is his surrender, for private, piecemeal exploitation, of great hydroelectric power sites which should have been retained for full development in the public interest.

Second is his skillful and successful use of his great influence at the White House to bring about the cancellation of the plans even of Secretary of the Interior Seaton to study the most feasible utilization of remaining sites in the Snake River Basin.

Third is his total disregard of the long-range programs worked out by the Corps of United States Army Engineers for comprehensive use and protection of the Nation's remaining water resources.

Fourth is his unwillingness to repudiate an unfortunate FPC staff report which threatens to bring about the blockading of the most valuable fishery migrations in the United States—the spring Chinook runs of the Salmon River system, which are part of the vast Columbia watershed.

Fifth is his constant tendency to place the special interests of natural-gas producers and transmitters above the welfare of millions of families who consume this product for their household fuel.

Sixth is his devious administrative practices, such as withholding publication of crucial and controversial decisions of vast importance by the FPC until immediately after an adjournment of Congress, so that the people's representatives could not review these rulings in the open forum of the Senate and House.

Mr. President, the great naturalist, John Muir, once said:

> Only God can grow a tree, but only Uncle Sam can save a tree.

This applies to other God-given natural resources, too—resources of water, for example, which rush down from the great mountains through deep gorges to the sea. But what happens to these resources and to the future of America, if Uncle Sam gets into the wrong hands?

I am convinced that when the authority of Uncle Sam over the waterpower heritage of the United States is vested in Jerome Kuykendall, it is very emphatically in the wrong hands. His record on the Federal Power Commission proves this beyond peradventure of a doubt.

As item 2 in justifying my opposition to the confirmation of the nomination of Mr. Kuykendall, I have cited the fact that he went to the White House and used his influence with the President and the President's advisers to bring about a cancellation of the plans of the Secretary of the Interior to study the best method of using the remaining storage sites on the great Snake River where it flows through a mile-deep canyon on the way down to the Columbia.

This charge, Mr. President, does not originate with me. It has been voiced by two competent journalists of national reputation in the field of the preservation of national resources. These journalists are Mr. A. Robert Smith, of the Portland Oregonian, and Mr. Robert Hansen, of the staff of the Denver Post.

I should like to emphasize the fact that both of these newspapers are publications which enthusiastically supported President Eisenhower for election in 1952 and reelection in 1956. Therefore I believe it follows very obviously that they are not newspapers which are biased in any way against the present administration. Indeed, if they have any bias, it is in favor of the present national administration. I should like to read a few excerpts from one of the articles which Mr. A. Robert Smith published in the Portland Oregonian. I now read from one of Mr. Smith's articles:

> A relatively unknown Olympia attorney 4 years ago, Jerome K. Kuykendall, has now emerged as a formidable figure in the Eisenhower administration as chairman of the Federal Power Commission. He has demonstrated his political muscle by successfully mousetrapping a member of the President's Cabinet on what was probably the most significant decision for the Pacific Northwest since the administration backed away from a high Hells Canyon Dam.
>
> In a test of strength with Secretary of the Interior Fred A. Seaton over a proposal for a high Pleasant Valley Dam, Kuykendall has won hands down by getting the White House to take his side. There will be no high Pleasant Valley Dam, it now appears certain.
>
> When Seaton shot off a strong letter to Kuykendall many weeks ago asking for a delay in FPC action on the application of Pacific Northwest Power Co., Kuykendall took his protest straight to Sherman Adams, President Eisenhower's chief of staff.
>
> So when Kuykendall showed up with Seaton's strong letter in behalf of the high dam, the White House heavily blue penciled it, deleting the heart of his proposal. To avoid any public reversal of a Cabinet member, he was permitted to send a letter which could easily be ignored.
>
> And that is just what Kuykendall, with the full support of the Commission and the White House, has now done with the meaningless Seaton letter. As the quiet spoken Dutchman from Olympia tells the visitor, the Commission doesn't like Cabinet members butting into what the FPC regards as its own affair.
>
> It's a rare day in the Washington power struggle that the head of what is supposedly an independent commission takes on a high member of the President's official family. It's rarer when he wins so significantly.

Mr. President, I have quoted these excerpts from the column in the Portland Oregonian written by Mr. A. Robert Smith, for one fundamental purpose. I have read them to demonstrate that Mr. Jerome Kuykendall, whose nomination is now before the Senate, is so biased on the whole question of power development that he is willing to force his views as against those of a member of the Cabinet of the President of the United States, when that Cabinet member shows some slight inkling that he might possibly favor a hydroelectric development in the public interest.

The Secretary of the Interior, Mr. Seaton—and I commend Mr. Seaton for this—was apparently willing to have an objective study made of the best use of the remaining sites on the Snake River, which is the principal tributary of the Columbia River in the United States.

Mr. Seaton was favorable to support of a high dam at the Pleasant Valley site if the engineering study by the United States Bureau of Reclamation would have justified such a project. That is my feeling. Yet Mr. Kuykendall went to the White House and used his influence with the President's advisers to have a member of the President's Cabinet, Mr. Seaton, overruled on this vital and fundamental issue.

Mr. President, one of the tragedies in the Pacific Northwest is the fact that its great resources have to some extent been surrendered for exploitation by residents of the Pacific Northwest. I was born in the Northwest. I was born in the State of Oregon. It is a source of both regret and shame to me that the leadership in the present effort to wreck the program for a comprehensive development of the Columbia River has come from men like Jerome K. Kuykendall, of the State of Washington; like Douglas McKay, of the State of Washington; like Len Jordan, of the State of Idaho.

By contrast, let us consider some of the men who have fought for the full public development of the great resources of the Columbia River system, in which lurks 42 percent of all the potential hydroelectricity remaining in the United States. Full development in the public interest of the Columbia River system has been favored by such men as Franklin Delano Roosevelt, of the State of New York, Harold L. Ickes, of the State of Illinois, George W. Norris, of the State of Nebraska, Gifford Pinchot, of the State of Pennsylvania, Theodore Roosevelt, of the State of New York, Lister Hill and John Sparkman, of the State of Alabama, Hubert Humphrey, of the State of Minnesota, and others too numerous to mention, who have come from afar to try to protect the great natural resources of the Pacific Northwest which belong to all the people of the United States of America.

Mr. President, we of the Northwest certainly take no pride in the fact that some of the men from our own region have been foremost in wanting to relinquish this great water resource of the Columbia River system for private piecemeal underdevelopment. Mr. Jerome Kuykendall is a symbol of the piecemeal waste of the greatest hydroelectric heritage which still ought to be in the possession of all of the people of the country.

Some years ago the Corps of Army Engineers drafted a notable report for the comprehensive use of the Columbia River system. The report is referred to colloquially in the Northwest as the so-called 308 report. It has called for maximum use of the great storage sites on the main stem of the Columbia and its tributaries, such as the Snake, the Clark Fork, the Willamette, and other sources which contribute to the Columbia's massive volume.

The Federal Power Commission under Mr. Kuykendall led in gutting and undermining and in wrecking that report. The decision of the Federal Power Commission with respect to Hells Canyon was a fatal blow to much of the beneficial aspects of the 308 report. The great storage available at Hells Canyon was necessary to firm up power production of all the dams downstream. Some of those dams are Bonneville, the Dalles, McNary, and the great John Day project which is soon to be commenced.

Mr. President, it is necessary to understand something of the nature of the Columbia River to realize why upstream storage is so important to its full development. No river on the North American Continent is so much the creature of glaciers and snowfields as is the Columbia River. For example—and it may be hard for novices to believe—the flow of the Columbia River at floodtime, at the border, where it originates in Canada, is 10 times the minimum flow of the same river. This means that when the sub-Arctic winter has shut down on the melting process of snow and ice, the Columbia slackens off to a comparative trickle. Yet at its maximum flow the Columbia River actually contains five-sixths the volume of Old Man River himself, the unparalleled and unequaled Mississippi River.

This indicates and demonstrates that the best way to obtain the maximum use of the Columbia River is to store in the great canyons at the rivers various origins the year-around flow, so that the unequal flow can be evened out. This would firm up the power production at all the power projects, and make possible an even output of hydroelectricity for 365 days a year. That is why great storage dams are needed on the Canadian

stretch of the river at Mica Creek and Arrow Lakes. That is why a high Hells Canyon Dam is needed on the Snake River. The Snake, as I have said before is the principal tributary of the Columbia. But, alas, it now seems dubious that we shall get the great Hells Canyon storage site, with its 3,800,000-acre feet of storage in the reservoir which would be created behind the high dam.

Mr. Jerome K. Kuykendall, whose nomination is before the Senate today, has made imminent the surrender—for private, piecemeal exploitation—of the great hydroelectric site at Hells Canyon, which may be accurately described as perhaps the greatest such site remaining in the United States.

Before I conclude, I express my warm appreciation to Members of the Senate from other sections of the country who are joining with us of the Pacific Northwest in opposing this unwise and inadvisable nomination. We in the Northwest realize that we cannot bring about sound use of the great water resources in our area unless we have the unselfish, loyal, and devoted collaboration of other Senators. In this struggle we are grateful for the faithful allies we have from many other parts of the United States.

We are grateful, for example, to the distinguished junior Senator from Rhode Island [Mr. PASTORE] who joined with the chairman of the Committee on Interstate and Foreign Commerce in reporting unfavorably, in their minority views, on the nomination. I say to the junior Senator from Rhode Island that we of the Pacific Northwest shall never cease to be grateful to him, and we shall try to show our appreciation by an understanding of the problems which pertain to his own State—problems which concern such matters as maritime commerce, an adequate system of storm signals and hurricane warnings, and an appreciation of the need for continually maintaining and expanding the great harbors of the New England seaboard, in which Rhode Island so greatly shares.

As we sit in the Senate today, our potential foe in any struggle of ideologies—the Soviet Union—is developing to the full the great rivers of Russia. Although Russia lags far behind the United States today in the production of electricity, it is my understanding that there is more potential waterpower within the boundaries of the Soviet Union than there is in the United States and Canada combined.

I have recently talked with the junior Senator from Washington [Mr. JACKSON], who is one of our allies in the struggle to reject the Kuykendall nomination. He has returned only last year from a quite comprehensive tour of the Soviet Union. The junior Senator from Washington told me of three vast hydroelectric projects which are under construction or are planned in the Soviet Union, each of which will be greater in power production than Grand Coulee. Grand Coulee, on the Upper Columbia River, now is the largest single source of hydroelectric power generation anywhere on the face of the earth.

But there is one thing which no one can change, and that is geography. Geography was placed on this planet by the Creator of heaven and earth and of the universe. We cannot change or alter the fact that within the boundaries of Russia are such vast rivers as the Volga, the Yenisei, the Ob, and many others. They are among the greatest rivers of the earth, both as to length and volume of water.

The junior Senator from Washington reported to the members of the Committee on Interior and Insular Affairs that the Soviet Union is developing to the utmost the power sites which are within the borders of that vast nation.

I recently read an article in the New York Times which stated that the industrial race of the future may be decided by energy reserves. The rulers of the Soviet Union are grim, calculating men. They know that a great river, like the Yenisei in Russia or the Columbia in the United States, is an eternal source of energy. Once a barrier of steel and concrete has been thrown across a river, an endless source of energy is made available, without the necessity of using an ounce of oil or a shovelful of coal, or the burning of natural gas, or the using of precious pitchblend or uranium to create atomic fuel.

I have quoted before the famous statement of former Secretary of the Interior, Oscar L. Chapman, when he saw Bonneville Dam. He said:

> You are looking at an oil well that will never run dry; at a coal mine which will never thin out.

Yet while our potential foe—and we certainly know the Soviet Union is our foe so far as ideologies are concerned—develops to the maximum and the utmost the great rivers of Russia, we in the United States are surrendering the comparatively few remaining waterpower sites which are within our own borders. We are surrendering them for less than their full development. This is a shocking waste.

The man whose nomination is before the Senate today, Mr. Jerome K. Kuykendall, is to a substantial degree responsible for this very inimical policy, a policy which is against the public interest of the United States, with respect to both domestic and international affairs.

Mr. President, when the yea-and-nay vote comes in the Senate, I shall oppose the nomination. I urge my colleagues to share with me the opposition to the nomination of Mr. Kuykendall.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. NEUBERGER. I am glad to yield.

Mr. HUMPHREY. I commend the Senator from Oregon for his very fine address and his penetrating analysis of the serious problems which face us in the development of energy, and in particular hydroelectric energy. The Senator's arguments are persuasive and cogent. I shall not take the time of the Senate to state my views at length; I shall simply say that I have studied the record of Mr. Kuykendall and have carefully reviewed his official statements and actions. While undoubtedly he is a fine man in his personal and private life, his philosophy relating to the development of the great power resources of this country and his philosophy relating to the economics of power development are such that I could not concur in his nomination.

I shall join with the Senator from Oregon, the Senator from Montana [Mr. MURRAY], the Senators from Washington [Mr. MAGNUSON and Mr. JACKSON], and I trust many other Senators, who will vote not to confirm the nomination of Mr. Kuykendall.

A vote to confirm the nomination, I regret to say, will be interpreted as a vote of approval of the misguided policies of this administration in the development of the great energy resources of the Nation. Mr. Kuykendall represents a philosophy which has been commonly and rightly called a 50–50 philosophy—one horse to one rabbit. The horse goes to the private utilities, and the rabbit to the people; or, stated in another way, the horse goes to the private interests, and the rabbit to the public interests. I regret to say that that kind of 50–50 philosophy is not equitable; neither does it serve the public interest.

I thank the Senator from Oregon. I associate myself with his remarks, if he will permit me to do so.

Mr. NEUBERGER. I am grateful for the support we are receiving from the junior Senator from Minnesota. Of course, we knew we could rely on the junior Senator from Minnesota. In his career in the Senate, and in his career prior to coming to the Senate, as a teacher and as a public official of his city, the Senator from Minnesota has always been devoted to the careful and vigilant custodianship of our natural resources. He is well known for that. And he would be inconsistent with that longstanding philosophy of his, were he to support confirmation of the nomination of Mr. Kuykendall. Therefore he is opposing confirmation of the nomination, because he realizes that our policy with respect to natural resources may determine the entire future welfare and destiny of the United States.

Mr. President, in concluding my remarks to the Senator from Minnesota, I should like to say that the decision with which the name of Mr. Kuykendall is perhaps most intimately and closely associated is the one to relinquish the great site at Hells Canyon in favor of the construction of two, or perhaps three, pygmy dams which will not make full use of that great natural resource.

Mr. President, I know it is dangerous to predict; I think it has been said somewhere that only the seventh son of a seventh son can prophesy, and certainly I do not fit that description. But I shall venture this prophecy: Ultimately—many decades from now, perhaps long after every present Member of the Senate, even so young a Member as the junior Senator from Idaho [Mr. CHURCH], has departed—the people of the United States, when this country has a population of 300 million or 400 million, will travel to the Snake River, to the deepest gorge in this country; and if they find there pygmy dams which fail to make maximum use of this great resource of falling water, they will destroy the dams; they will either blow them up with explosives or chop them away with jackhammers; and ultimately

they will construct the great high dam recommended in the 308 report of the Corps of Army Engineers. They will make maximum use of this never-ending resource of falling water, this liquid fuel which goes on forever, or, as our Indian friends in the Northwest used to say, "for as long as the grass shall grow on the hills and the sun shall set in the skies."

Mr. President, again I wish to thank the Senator from Minnesota [Mr. HUMPHREY] for associating himself with those of us who come from the Pacific Northwest and who are in opposition to confirmation of the nomination of Jerome K. Kuykendall to be a member of the Federal Power Commission.

I yield the floor.

Mr. CLARK. Mr. President, I should like to state briefly, for the RECORD, the reasons why I shall vote against confirmation of the nomination of Jerome K. Kuykendall for reappointment as a member of the Federal Power Commission.

The Constitution provides that the President "shall nominate and, by and with the advice and consent of the Senate, shall appoint ambassadors, other public ministers and consuls, judges of the Supreme Court, and all other officers of the United States, whose appointments are not herein otherwise provided for, and which shall be established by law." The members of the Federal Power Commission fall in that category. Of course that agency is not expressly named in the Constitution, but its members come within the category of the officers of the United States to whose appointment the advice and consent of the Senate must be given.

Mr. President, it is difficult to determine when a Senator should give his consent and when he should withhold his consent to such an appointment by the President. I think there should be a presumption that within relatively broad areas the President should have the benefit of the doubt, even at a time when the Congress has been organized by the opposing political party, for if the President does not have the right to name persons in whom he has confidence to carry out the executive functions of the Government, there will come a time when his hand will be so tied that he will well be able to charge the Congress with neglect and with failure to make it possible for him to perform his constitutional duties.

Accordingly, I submit that the test in the case of opposing a Presidential nomination to membership in an executive agency must be more rigorous than the test in the case of opposing a Presidential nomination to membership in a body which is primarily legislative in character. Such a body is the Federal Power Commission. It carries out the policies and the aims of the Congress, even though its members are appointed by the Executive. It is not a part of the executive arm of the Government.

Therefore, Mr. President, I submit that the Senate should look with a more jaundiced eye at nominations to fill vacancies on commissions which are, in reality, arms of the Congress, than it should when considering nominations to fill vacancies in agencies which are purely executive in character and which are a part of the executive arm itself.

I raise no question as to the integrity or, indeed, the ability of Mr. Kuykendall. I assume that he is a man of integrity and of considerable ability. But when we determine whether the Senate should give its advice and consent to his renomination, I submit that each Senator has the duty of determining for himself whether, in his opinion, Mr. Kuykendall will carry out and will effectuate, within the framework of the agency to which he seeks renomination, national policies which are in accord with what the particular Senator feels to be the national interest.

It is because I feel deeply that the political philosophy evidenced by Mr. Kuykendall during his previous service as a member of the Federal Power Commission, is not in the national interest, that I shall vote against confirmation of his nomination.

Mr. President, I listened with interest to the vigorous address delivered a few minutes ago by the junior Senator from Oregon [Mr. NEUBERGER]. I find myself in complete agreement with the arguments he made regarding Mr. Kuykendall's views on the subject of the appropriate development of waterpower.

It so happens that the citizens of my State are not so much interested in Federal waterpower development as are the citizens of the State of Oregon. Personally, I regret that lack of interest on the part of the citizens of Pennsylvania, because the result has been that Pennsylvania has some of the highest power rates in the entire Nation; and it also has resulted in the domination of the electric-power industry in Pennsylvania by private utilities, whose philosophy is to charge high rates and to be satisfied with a low volume of sales, rather than to charge low rates in order to stimulate the utilization of electric power by greater and greater numbers of persons.

A few evenings ago I had occasion in the Senate to refer to that point, at the time when the Senate had under consideration the Niagara bill. Needless to say, I regret the failure of a majority of the Members of the Senate to agree with the Senator from Ohio [Mr. LAUSCHE], the Senator from Oregon [Mr. NEUBERGER], and myself that there should be more public power in Pennsylvania and in Oregon, in order to provide a yardstick by means of which the present extremely high rates of the private utility companies might be cut, through competition with the REA's and with the public municipal power companies. So I share the views of the Senator from Oregon in that regard.

Mr. President, my principal reason for opposing confirmation of the nomination of Mr. Kuykendall stems from a matter in which the citizens of my State are deeply interested; namely, the price of natural gas.

Pennsylvania is a consumer State. Natural gas comes to Pennsylvania from the Southwest through pipelines traversing thousands of miles. The gas is picked up at the pipeline head, is transmitted into Pennsylvania, and is distributed by local private utilities. In the case of my own city of Philadelphia, the gas is distributed by a city-owned distributing company, although, to be sure, the company is leased to a private utility. Then the gas is sold to consumers who have committed themselves, by the investment of $1,000 or more, to the use of gas in heating and cooking equipment, and that investment is one which it is difficult for them to discard. So in all respects they are the captives of the pipelines and of the distributing companies.

In my judgment, the present effort to free from the implications of the Phillips Petroleum case the producers of natural gas is definitely against the public interest, and is unnecessary in order to provide an ample incentive for the further exploration of gas sources. The facts establish that beyond the possibility of a doubt. Its sole purpose, as I see it, is to further enrich speculators and large oil companies who are already making sufficient money to give them the greatest possible incentive to carry on explorations and to find, if it can be done, still further natural gas.

Under the Phillips Petroleum case, it is the obligation of the Chairman of the Federal Power Commission to enforce the law and regulate the producers of natural gas. Yet Mr. Kuykendall has told the public time after time that he disapproved of the Phillips Petroleum decision and that he thinks it should be changed. He has even sought, at the request of the administration—and I do not mean to infer any impropriety on his part—to prepare a legislative proposal which would free speculators and oil companies from present restrictions which require them to furnish gas at a fair price to the pipeline.

It is for those reasons that I am convinced the renomination of Mr. Kuykendall to be a member of the Federal Power Commission, and in all likelihood its Chairman, is not in the public interest. His appointment will in a sense, further the inflationary movement which will inevitably result, through his efforts, if they are successful, in increasing the price of gas to every consumer in the United States of America. His appointment will further a public philosophy which is adverse to the interests of consumers and favors the interests of elements in our population whose acquisitive instincts I firmly believe have already been adequately baited and adequately rewarded by returns they are able to make from explorations of sources of natural gas in our country.

So I shall vote against the nomination in the conviction that it is not in the interest of the people of my State, and it is not in the interest of the people of the United States, and will inveitably have its effect, through the personality and philosophy of the nominee, in still further pushing upward the inflationary spiral which the administration tells us in words it is so anxious to curtail, but which it actually curtails in deeds only when the result of so acting does not minimize to any extent the efforts of large corporations, speculators, indeed, the plutocracy of America, to make still more money. In my judgment, the efforts to curb inflation by this administration are all confined to preventing

low-income and moderate-income Americans from obtaining the housing and the shelter to which they are entitled, and to preventing our hard-pressed school districts, municipalities, and State governments from getting on the market the credit they need for the making of public improvements essential to the health, welfare, and safety of the people of their communities.

Mr. NEUBERGER. Mr. President, will the Senator yield?

Mr. CLARK. I am happy to yield to my friend from Oregon.

Mr. NEUBERGER. I express my complete agreement with the statement made by the Senator from Pennsylvania in opposition to the nomination of Mr. Kuykendall.

Is it not true that it is typical of this administration that it wants to control inflation by forcing its letter carriers to continue at a salary which does not maintain a respectable standard of living, but it has no desire to control inflation by holding down the rates which will be paid by the users of natural gas?

Mr. CLARK. I agree.

Mr. NEUBERGER. I further want to say to the Senator from Pennsylvania that it seems to me his attitude on Mr. Kuykendall's nomination, particularly that expressed in the earlier part of the Senator's remarks concerning hydroelectric power, is in line with the attitude of one of the greatest sons from the Commonwealth of Pennsylvania, and one of my heroes, Gifford Pinchot, who I believe was, for several terms, Governor of the Commonwealth of Pennsylvania. I recently have reread Governor Pinchot's great autobiography, Breaking New Ground. To me it is one of the finest tracts and treatises ever written about our country. In that book Governor Pinchot describes the great fight which he waged, under President Theodore Roosevelt, to set aside our national forests. One of the main purposes of Gifford Pinchot and Theodore Roosevelt in setting aside national forests was not only to protect the timber in those forests, but to protect great hydroelectric resources. Most of the great rivers of the West rise in national forests today. There is an entire chapter, if not several chapters, in the book Breaking New Ground, on how Gifford Pinchot and Theodore Roosevelt regarded protection of natural resources as of primary importance to that goal. Where it flows through Hells Canyon, the Snake River is guarded by the Nez Perce and Clearwater National Forests on the Idaho shore of the chasm and by the Wallowa and Whitman National Forests on the Oregon side. It was that stretch of the Snake River—flanked by national forests set aside by Gifford Pinchot—which Mr. Jerome Kuykendall helped surrender to Idaho Power Co. for piecemeal private exploitation. Mr. President, this is a rather long way of saying to the able junior Senator from Pennsylvania that he is certainly trying to protect the heritage which Gifford Pinchot thought should be protected, when he votes today against the confirmation of the nomination of Jerome K. Kuykendall to be a member of the Federal Power Commission.

Mr. CLARK. I thank my friend from Oregon, and share his admiration for the great Pennsylvanian Gifford Pinchot. I sometimes wish our friends on the other side of the aisle would look back into the history of two great Republicans, Theodore Roosevelt and Gifford Pinchot, and profit from the philosophy which they represented in their distinguished careers. I think we would get a little more cooperation from the other side of the aisle on some of these measures which the distinguished Senator from Oregon and I—and I see present on the floor also the distinguished Senator from Rhode Island and the distinguished Senator from Minnesota—have unsuccessfully been urging on our colleagues across the aisle. If they took a good look at what some great Republicans have done, I think they would be more interested.

Mr. NEUBERGER. I am interested in that observation, because very often our friends across the aisle honor great men like Theodore Roosevelt and Gifford Pinchot in words, but not in deeds. I think it was a British statesman who said, "Reactionaries are those who worship dead radicals." Our friends across the aisle can exhalt in name men like Gifford Pinchot, but when it comes to supporting the policies and deeds of Gifford Pinchot, they cannot be found with a Lick telescope. I think most of our friends across the aisle intend to vote to support the nomination. By so doing they will be voting to imperil and eliminate what apparently little this administration has permitted to survive of the natural resource policies of Theodore Roosevelt, of New York, and of Gifford Pinchot, of the Commonwealth of Pennsylvania.

Mr. CLARK. I thank the Senator.

Mr. PASTORE. Mr. President, I shall vote against the confirmation of the nomination of Mr. Jerome K. Kuykendall to become a member of the Federal Power Commission. In the committee report I have expressed individual views on the nomination, which are an explanation of my action in this matter. I ask unanimous consent that my individual views, contained in the committee report, be printed in the RECORD at this point in my remarks.

The PRESIDING OFFICER (Mr. GORE in the chair). Is there objection to the request of the Senator from Rhode Island?

There being no objection, Mr. PASTORE's individual views were ordered to be printed in the RECORD, as follows:

ADDITIONAL VIEWS OF SENATOR JOHN O. PASTORE

While I join with my colleague in the minority views herein expressed, I wish to elaborate briefly on a subject which I think is of great importance to the common welfare of the United States. This is the administration of the Natural Gas Act of 1938 entrusted to the Federal Power Commission.

I think it is clear beyond question that the fundamental purpose of that act is the protection of natural-gas consumers in all areas of the United States. Such is evidenced by section 1 (a) of the Natural Gas Act itself, which states in pertinent part:

"As disclosed in reports of the Federal Trade Commission made pursuant to Senate Resolution 83 (70th Cong., 1st sess.) and other reports made pursuant to the authority of Congress, it is hereby declared that the business of transporting and selling natural gas for ultimate distribution to the public is affected with a public interest, and that Federal regulation in matters relating to the transportation of natural gas and the sale thereof in interstate and foreign commerce is necessary in the public interest" (52 Stat. 821 (1938); 15 U. S. C. 717 (a)).

The Supreme Court of the United States in several important cases has clearly reiterated this primary purpose. In *Phillips Petroleum Co.* v. *Wisconsin* (347 U. S. 672 at p. 685) the Supreme Court stated:

"Protection of consumers against exploitation at the hands of natural-gas companies was the primary aim of the Natural Gas Act" (citing *Federal Power Commission* v. *Hope Natural Gas Co.*, (320 U. S. 591 at p. 610)).

This language of the Supreme Court was forcefully reiterated more recently in the case of the *City of Detroit* v. *The Federal Power Commission et al.*, (230 F. 2d 810), wherein that court stated:

"Although the Commission cannot be compelled to fix rates at the lowest rate of reasonableness, nevertheless it remains true that the primary aim of the act, in the words of the Supreme Court, is 'to protect consumers against exploitation at the hands of the natural gas companies.'"

And again when that Court of Appeals stated the following:

"While as we have indicated the Commission may be empowered to consider some of these factors, it must also and always relate its action to the primary aim of the act to guard the consumer against excessive rates."

I believe that Mr. Kuykendall, in his views and in his official acts, as a member of the Federal Power Commission, has contradicted the policy of the Natural Gas Act. His unequivocal support of the Harris-Fulbright bill of 1955 and his endorsement of the proposed Harris-O'Hara bill, now pending in the House, is definitely detrimental to the consumers of the United States. The vetoed Harris-Fulbright bill which was opposed by representatives of more than 32 million consumers residing in all areas of the United States, in no instance even mentioned concern for the consumer. I believe in lending unqualified support to it and, again, repeating this anticonsumer conduct in connection with the new producer-decontrol bill, he has acted beyond the call of duty of his office. These bills contain no sentence or phrase regarding protection for those millions of Americans who are captive consumers of this industry.

In the administration of the act, since the Phillips decision in 1954, Mr. Kuykendall has apparently been more concerned for the welfare of the regulated companies than for the public, whose interest he is required to zealously guard.

His personal philosophy of natural-gas regulation which was evidenced in his testimony both before this committee and the House Committee on Interstate and Foreign Commerce with reference to the Olin Co.—which is a pipeline producer—leaves me with a substantial doubt as to his full consciousness and awareness of his primary duty to protect natural-gas consumers as required by law. The 100 percent price increase granted to the company in that case was based on the testimony of a corporate vice president without anything else in the record to corroborate it, as admitted by Mr. Kuykendall. His explanation of the matter left the definite impression that the grant or denial of such rate increases depends, in his judgment, on the vigor or strength of consumer opposition. But this ignores the very reason for the creation of the Federal Power Commission which is to act as the consumer's protector.

Natural gas, as we know, is chiefly produced by large, well organized and profitable oil companies and consumers are at a definite disadvantage in coping with them in the absence of strong enthusiastic support by the Federal Power Commission itself. The latter has been absent in the record of Mr. Kuykendall's administration.

I believe, therefore that Mr. Kuykendall lacks the necessary qualifications for a position on this important regulatory agency. This view, I might point out, is shared by many other Members of the Senate and House who testified before our committee or submitted their views in writing for incorporation in the record. A due regard for the public interest compels me to recommend his rejection.

In so expressing my views, I do not wish to reflect upon the personal honesty or integrity of Mr. Kuykendall.

JOHN O. PASTORE.

EXPERIMENTAL USE OF AUTOMOBILE SAFETY BELTS

Mr. HUMPHREY. Mr. President, during the past several years it has become increasingly plain that something very definite must be done to halt the slaughter on our highways. Many studies have been initiated to this end, and one of the results of these studies has been of course the development of a nationwide highway program for the construction of safer highways.

However, it has become evident that there must be changes within the American automobile itself.

One of the most promising developments in this area has been the experimental use of automobile safety belts. The State of Minnesota, for example, and the city of Minneapolis have been experimenting with the use of these belts for the past 2 years, with completely satisfactory results. I understand that Representative KENNETH ROBERTS, from the State of Alabama, as chairman of the Special Subcommittee on Traffic Safety of the Committee on Interstate and Foreign Commerce of the House of Representatives, has under study at the moment this same question.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD an exchange of correspondence between Representative ROBERTS and Dr. Robert N. Barr, the secretary and executive officer of the Minnesota Department of Health, together with two memorandums from the commissioner of administration and the Governor of Minnesota documenting the tremendous value of the use of automobile safety belts.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

STATE OF MINNESOTA,
DEPARTMENT OF HEALTH,
Minneapolis, July 31, 1957.

The Honorable KENNETH A. ROBERTS,
Chairman, Special Subcommittee on Traffic Safety of the Committee on Interstate and Foreign Commerce, House Office Building, Congress of the United States, Washington, D. C.

MY DEAR MR. ROBERTS: In reply to your letter of July 20, 1957, regarding automobile safety belts I am very glad to have the opportunity to make a statement.

Since August 1, 1956, the Minnesota Highway Patrol and the Minnesota Department of Health in cooperation with the Minnesota State Medical Association and the Minnesota Hospital Association have participated in the Cornell automotive crash-injury research. Previously, the Minneapolis Health Department had participated in a citywide study with the Cornell group. Serving as medical coordinator, we have had the opportunity of reviewing the highway patrol's reports of accidents and their photographs of the damaged cars as well as the medical reports of injuries submitted by attending physicians. We have been impressed with severity of the injuries or fatal outcome of the occupants who were thrown out of the automobile in contrast to the less serious injuries of those who remained in the car involved in an accident.

Because of these findings, the Minnesota Department of Health and the Minnesota Highway Department have installed safety belts in their State-owned vehicles. A copy of the memorandum to the State department of administration clearly indicates our attitude as to the desirability of safety belts.

In recent months there have been a number of occasions when officers, unavoidably, were involved in situations where their patrol cars were rolled over. They all report that the proper use of safety belts in their cars saved them from serious injury. As a result, Governor Freeman, who has been very active in the field of accident prevention, has recommended that all State department heads see to it that all units under their control be equipped with approved safety belts and that operators be instructed to use them whenever driving a State unit. A copy of the Governor's memorandum is also enclosed.

Our impressions as to the value of safety belts gained from the Minnesota crash-injury study have been amply confirmed by the analyses of matched accidents of automobiles with and without such belts by the Cornell automotive crash-injury research. We are convinced safety belts should be used in cars as a means of reducing serious injuries and fatalities and that such utilization will demonstrate their value in the field of safety.

Respectfully,

R. N. BARR, M. D.,
Secretary and Executive Officer.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., July 20, 1957.

DIRECTOR,
State Health Department,
St. Paul, Minn.

DEAR SIR: The Special Subcommittee on Traffic Safety of the House Interstate and Foreign Commerce Committee is studying the crashworthiness of automobile safety belts.

It is my understanding that your department has installed seat belts in its State-owned vehicles. I would greatly appreciate it if you wish to cooperate with the subcommittee and send a statement regarding your use of seat belts, setting forth whether or not you have found them satisfactory and if you expect to keep them. Any additional information on seat belts which you may wish to forward will be appreciated.

In its study of seat belts, the subcommittee expects to hold hearings on this matter in August, and with your permission would like to incorporate your report as part of the official record in the subcommittee's report on seat belts. I would like to receive your report by August 5 if possible.

When these hearings are printed, I shall be pleased to send you a copy for your perusal and files.

Appreciating any assistance you may wish to offer the Subcommittee on Traffic Safety in its desire to encourage greater safety for all the citizens using the Nation's highways, I am

Sincerely yours,

KENNETH A. ROBERTS,
Chairman, Special Subcommittee on Traffic.

STATE OF MINNESOTA,
St. Paul, July 23, 1957.

To All Department Heads:

Our State departments had an outstanding reduction in accident frequency rates in 1956, which were 31.6 percent lower than those of 1955. In 1956, we had only 9.3 lost-time accidents per million man-hours, whereas in 1955 our rate was 13.6. This was accomplished through the united efforts of our employees who are becoming more safety conscious and are following safe practices in their work.

However, there is one field in which our State employees should always take the lead, and that is in the field of traffic safety. We have had employees injured and killed on the job in collisions which, unfortunately, do happen. Officers of the Minnesota Highway Patrol form one group which is exposed to possible accident while on duty. In recent months, there have been a number of occasions when officers, unavoidably, were involved in situations where their patrol cars were rolled over. They all report that the one thing that saved them from serious injury was the fact that their cars were equipped with safety belts; and, further, these belts were used properly. Other large fleet operators report the same results—that safety belts are lowering the number of injuries resulting from traffic accidents, lowering the number of lost man-hours, saving the employers money in addition to preventing tragedy from ruining the homes of their employees.

Therefore, based on our experience with some of the State units and following the advice of expert safety researchers, I am recommending that all State units be made as safe as possible for their operators. It will be your responsibility, as the head of your department, to see that all units under your control will be equipped with approved-type safety belts, and that the operators be instructed to use them whenever driving a State unit.

Sincerely,

ORVILLE L. FREEMAN,
Governor.

SAFETY EQUIPMENT ON STATE MOTOR VEHICLES

MINNESOTA DEPARTMENT OF HEALTH,
December 6, 1956.

The State of Minnesota is cooperating with the Cornell automotive crash injury research in determining what are the safety features relative to construction of motor vehicles that will reduce injuries and deaths of the occupants of such vehicles. As you know, the highway department collects information on the accidents and the health department collects information on the injuries to the occupants of such vehicles, combining the two together and forwarding the data to the Cornell automotive crash injury research.

Minneapolis, the first city in the country to enter in this study, has completed its information for the first 18 months. The State will be in such a study for the next 2 years, or longer, and some 11 other States are cooperating in the same manner.

On Monday, December 3, 1956, Dr. John O. Moore, director of the study, along with Mr. Robert M. Tracy, his associate, reported on the material they have collected to date, which included the various safety features now incorporated in a considerable portion of the motor vehicles being produced. These reports indicated a marked reduction in the severity of injuries, deaths, and number of injuries of occupants in cars equipped

with these safety devices which included: Safety locks on the doors; safety belts; recessed steering posts, and protective safety padding on the dash and on the sun visor.

It would appear that the State should take some leadership in providing cars for the use of its personnel with all of these safety devices and it is, therefore, suggested that such devices should be included in the specifications for all cars to be purchased by the State.

The highway department and the health department have incorporated safety belts on all automobiles owned and operated by these departments. It is very possible that other departments have done the same, but it would appear that if not some way of securing their cooperation for the inclusion and use of safety belts should be developed at the State level.

As you know, Governor Freeman is very interested in this study and this safety program and has given it his wholehearted support.

ARTHUR NAFTALIN,
Commissioner of Administration.
Dr. R. N. BARR,
Secretary and Executive Officer.

APPOINTMENT OF AMERICAN AMBASSADORS

Mr. HUMPHREY. Mr. President, I wish to address myself today to the subject of the appointment of American ambassadors. The unfortunate nomination of Mr. Maxwell Gluck as Ambassador to Ceylon has once again highlighted the sorry record of this administration's diplomatic appointments. Probably there has been no single session of Congres where more unqualified nominees have been presented for Senate confirmation to important posts abroad.

As Joseph Alsop said in a column earlier this year, on March 21:

The Eisenhower administration's traffic in diplomatic appointments has now reached a state which calls for public comment. This year most of the diplomatic posts in Europe have been crudely placed on the auction block and sold for cash on the barrelhead. * * * There is no use continuing the sorry tale. Its point is all too simple. We are not living any longer in the 19th century, when the traffic in ambassadorships did no great harm. America now has incalculably great interests abroad, and America's ambassadors are the necessary guardians of those interests. It does not matter whether they are rich or poor, Foreign Service officers or outside recruits. What matters is whether they are well qualified.

The situation had reached such a pass last April that the distinguished chairman of the Foreign Relations Committee wrote to the Secretary of State about his deep concern about ambassadorial appointments. The Senator from Rhode Island [Mr. GREEN] stated in his letter of April 3:

It is generally known that Presidents and Secretaries of State of both political parties have been under pressure from those who feel that an ambassadorship is a reward for past service or help. In my opinion, we can no longer afford to give way to such pressure in appointment-making.

The Secretary of State replied to the letter from the Senator from Rhode Island on April 25, 1957, and admitted that it was now essential that we have "first-rate chiefs of mission in our diplomatic posts abroad."

Secretary Dulles added:

This requirement has been consistently borne in mind in selecting from Government service or from private life persons to serve as chiefs of our diplomatic mission. * * * It is my understanding that at the present time approximately 68 percent of our ambassadors and ministers are career Foreign Service officers. This proportion is higher than at any time in the past.

Unfortunately, Mr. President, it is now clear that the requirement for "first-rate chiefs" has not been borne in mind. The public reaction to the Gluck nomination both at home and abroad has already severely handicapped Mr. Gluck's prospective career in Ceylon.

Since I myself have been deeply concerned about the problem of ambassadorial qualifications for many years, I noted with interest that the Secretary of State claimed that the present proportion of career ambassadors and ministers was higher than at any time in the past. Because it was my initial impression that this statement was not strictly accurate, I asked my office to contact the State Department to check its 1952 statistics to discover what the proportion of career ambassadors and ministers was then.

I ask unanimous consent that a letter from my office to the Department of State requesting this information on May 10, 1957 be printed at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 10, 1957.

The Honorable JOHN FOSTER DULLES,
Secretary of State, Department of State, Washington, D. C.

DEAR MR. SECRETARY: In his absence from Washington, Senator HUMPHREY has asked me to pass on to the Department of State an inquiry we have received from a constituent. Our constituent refers to two sentences contained in your letter to Senator GREEN, dated April 17, 1957, concerning ambassadorial appointments. Your letter is quoted as having said:

"It is my understanding that at the present time approximately 68 percent of our ambassadors and ministers are career Foreign Service officers. This proportion is higher than at any time in the past."

According to Senator HUMPHREY's correspondent, 71 percent of our ambassadorial and ministerial posts abroad in 1952 were filled by career Foreign Service officers (52 of 73 posts). Hence, the accuracy of your statement quoted from the letter was challenged.

I know that Senator HUMPHREY would appreciate your confirmation or correction of the figures supplied to us for 1952. It would be appreciated if we could have this material within the next 10 days.

Sincerely yours,

THOMAS L. HUGHES,
Legislative Counsel to Senator Hubert H. Humphrey.

Mr. HUMPHREY. Mr. President, on May 23, the Deputy Under Secretary of State for the administration replied, and among other things said:

A very careful study has been made of the statistics for the year 1952 and separate calculations have been made so as to reflect the situation as it existed on the first day of each quarter of that year. On none of these dates did the percentage of career chiefs of mission exceed 67 percent of the total number of chief of mission posts. In fact, the figures varied between 64 percent and 67 percent.

I ask unanimous consent that the full text of Mr. Henderson's letter be printed at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPUTY UNDER SECRETARY OF STATE
FOR ADMINISTRATION,
Washington, May 23, 1957.

Mr. THOMAS L. HUGHES,
Legislative Counsel to Senator Hubert H. Humphrey, United States Senate.

DEAR MR. HUGHES: Secretary Dulles has asked me to reply to your letter of May 10, 1957, regarding ambassadorial appointments.

I appreciate very much Senator HUMPHREY's interest in this matter and his desire to check very carefully the questions raised by his constituent. In response to your request, I have had the historical statistics reexamined. You can appreciate that it is a complicated kind of calculation to make, since the situation is constantly changing as a result of new appointments, resignations, and transfers.

In reviewing the current statistics as well as the historical record, we have followed the procedure of stating the proportion of career chiefs of mission as a percentage of the total number of ambassadorial and ministerial posts at any given time. It is believed that this method of calculation yields a sounder and more conservative result than could be obtained by discounting those posts which happen, at a particular time, to be vacant. The 68 percent figure given in Secretary Dulles' letter was based on this kind of a calculation.

A very careful study has been made of the statistics for the year 1952 and separate calculations have been made so as to reflect the situation as it existed on the first day of each quarter of that year. On none of these dates did the percentage of career chiefs of mission exceed 67 percent of the total number of chief of mission posts. In fact, the figures varied between 64 percent and 67 percent.

It is, of course, impossible for us to analyze exactly the 71 percent figure given by Senator HUMPHREY's correspondent, since we have no information regarding the basis upon which it was calculated. In the first place, it would be necessary to know the specific date to which his figures applied. Secondly, his figure appears to be based on the assumption that the United States had, at that time, 73 chief of mission posts, whereas, in fact, there were 75 posts in the early part of 1952 and 76 posts at the end of the year. If Senator HUMPHREY's constituent would care to provide full information regarding his calculations, I should be very happy to have a detailed analysis made.

I hope that this will provide Senator HUMPHREY with the information he desires and at the same time will enable you to respond to the Senator's constituent.

Sincerely yours,

LOY W. HENDERSON.

Mr. HUMPHREY. Mr. President, on June 3, 1957, I wrote again to Mr. Henderson seeking additional information, and I ask unanimous consent that the text of this letter be printed in the RECORD at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JUNE 3, 1957.

Mr. LOY W. HENDERSON,
Deputy Under Secretary of State, Department of State, Washington, D. C.

DEAR MR. HENDERSON: When I returned from the Middle East, my legislative

counsel, Mr. Hughes, showed me your correspondence with him concerning ambassadorial appointments. Referring to your letter of May 23, 1957, addressed to Mr. Hughes, I wonder if you would give me the following additional information:

1. A list of the 75 posts you refer to in the early part of 1952, and the additional 1 which made the 76 you refer to at the end of that year.

2. The names of the appointees holding these posts in the beginning of each quarter in 1952.

As long as we have gone this far in the matter, I would be interested in completing my own files so that they will contain the official listing for 1952. Such a list would probably also disclose where the discrepancy may lie between the two sets of figures involved.

Best wishes.

Sincerely yours,

HUBERT H. HUMPHREY.

Mr. HUMPHREY. Mr. President, on July 9, 1957, Mr. Henderson again replied and accompanying his letter was a detailed tabulation concerning the career and noncareer heads of diplomatic missions beginning at each quarter in 1952. I ask unanimous consent that his letter and the accompanying tabulation be printed in the RECORD at this point in my remarks.

There being no objection, the letter and tabulation were ordered to be printed in the RECORD, as follows:

DEPUTY UNDER SECRETARY OF STATE FOR ADMINISTRATION,
Washington, July 9, 1957.

The Honorable HUBERT H. HUMPHREY,
United States Senate.

DEAR SENATOR HUMPHREY: As you requested in your letter of June 3, 1957, I am sending you a chart which lists our foreign embassies and legations along with their chiefs by name, as of the beginning of each quarter of 1952. You may be interested to note that the post which was added during 1952 was Japan, where the office of the United States political adviser to SCAP was converted on April 28, 1952, to an embassy. The addition of this embassy raised the total from 75 to 76.

I find that in preparing this chart, our Historical Division adopted criteria under which it counted as career chiefs of mission certain ambassadors who had had long previous careers in the Foreign Service, but who had resigned or retired sometime prior to being appointed as ambassador. Consequently, when these men were appointed by the President, they were not technically chosen from the career Foreign Service. Among the chiefs of mission falling into this category were Ambassadors Woodward (Canada) and Scotten (New Zealand) whose names appear on the enclosed chart for 1952. If their names are transferred to the noncareer column, the percentages indicated would have to be revised downward. In applying the same criteria to the current roster of chiefs of mission, similar account must be taken of the cases of Francis White in Sweden and Jefferson Patterson in Uruguay, both of whom were appointed to their present posts some time after having left the career Foreign Service.

The chart presents two separate calculations of the proportion of career chiefs of mission. The higher figure results from excluding vacancies and the lower from including them. Beyond this, I believe that the notes accompanying the chart will be helpful in explaining the way in which it was constructed. I hope this information will make it possible for you to reply to your constituent.

Sincerely yours,

LOY W. HENDERSON.

CAREER AND NONCAREER HEADS OF AMERICAN DIPLOMATIC MISSIONS, 1952

The career and noncareer heads of American diplomatic missions on four dates in 1952 are listed below on the basis of the four 1952 issues of the quarterly Foreign Service list. Last names only are given here for identification. The tabulation also includes various totals and percentages. The bases for the inclusion of countries in the tabulation, and for the designation of individuals as career and noncareer, are set forth at the end.

The tabulation was prepared in the Historical Division, Department of State, at the request of the Office of the Deputy Under Secretary for Administration.

	Embassy or legation	Jan. 1		Apr. 1		July 1		Oct. 1	
		Career	Noncareer	Career	Noncareer	Career	Noncareer	Career	Noncareer
1. Afghanistan	Embassy	Merrell		Merrell		Ward		Ward	
2. Argentina	do		Bunker	Vacancy	Vacancy	Nufer		Nufer	
3. Australia	do		Jarman		Jarman		Jarman		Jarman.
4. Austria	do	Donnelly		Donnelly		Donnelly		Thompson	
5. Belgium	do	Murphy		Murphy			Cowen		Cowen.
6. Bolivia	do	Sparks		Sparks		Sparks		Sparks	
7. Brazil	do	Johnson		Johnson		Johnson		Johnson	
8. Burma	do	Key		Key		Sebald		Sebald	
9. Cambodia	Legation	Heath		Heath		Heath		Heath	
10. Canada	Embassy	Woodward		Woodward		Woodward		Woodward	
11. Ceylon	do	Satterthwaite		Satterthwaite		Satterthwaite		Satterthwaite	
12. Chile	do		Bowers		Bowers		Bowers		Bowers.
13. China	do	Rankin		Rankin		Rankin		Rankin	
14. Colombia	do		Waynick		Waynick		Waynick		Waynick.
15. Costa Rica	do		Fleming		Fleming		Fleming		Fleming.
16. Cuba	do	Beaulac		Beaulac		Beaulac		Beaulac	
17. Czechoslovakia	do	Briggs		Briggs		Briggs		Vacancy	Vacancy.
18. Denmark	do		Anderson		Anderson		Anderson		Anderson.
19. Dominican Republic	do	Ackerman		Ackerman			Phelps		Phelps.
20. Ecuador	do	Daniels		Daniels		Daniels		Daniels	
21. Egypt	do	Caffery		Caffery		Caffery		Caffery	
22. El Salvador	do	Shaw		Shaw			Duke		Duke.
23. Ethiopia	do	Childs		Childs		Childs		Childs	
24. Finland	Legation	Cabot		Cabot		Cabot		McFall	
25. France	Embassy		Bruce	Dunn		Dunn		Dunn	
26. Great Britain	do		Gifford		Gifford		Gifford		Gifford.
27. Greece	do	Peurifoy		Peurifoy		Peurifoy		Peurifoy	
28. Guatemala	do	Schoenfeld		Schoenfeld		Schoenfeld		Schoenfeld	
29. Haiti	do	Travers		Travers		Travers		Travers	
30. Honduras	do		Erwin		Erwin		Erwin		Erwin.
31. Hungary	Legation	Ravndal		Ravndal		Ravndal		Ravndal	
32. Iceland	do	Lawson		Lawson		Lawson		Lawson	
33. India	Embassy		Bowles		Bowles		Bowles		Bowles.
34. Indonesia	do	Cochran		Cochran		Cochran		Cochran	
35. Iran	do	Henderson		Henderson		Henderson		Henderson	
36. Iraq	do	Crocker		Crocker		Berry		Berry	
37. Ireland	do		Matthews		Matthews		Matthews		Matthews.
38. Israel	do	Davis		Davis		Davis		Davis	
39. Italy	do	Dunn			Bunker		Bunker		Bunker.
40. Japan	do					Murphy		Murphy	
41. Jordan	Legation	Drew		Vacancy	Vacancy		Green		Green.
42. Korea	Embassy	Muccio		Muccio		Muccio		Briggs	
43. Laos	Legation	Heath		Heath		Heath		Heath	
44. Lebanon	do	Minor		Minor		Minor		Minor	
45. Liberia	Embassy		Dudley		Dudley		Dudley		Dudley.
46. Libya	Legation	Vacancy	Vacancy	Villard		Villard		Villard	
47. Luxembourg	do		Mesta		Mesta		Mesta		Mesta.
48. Mexico	Embassy		O'Dwyer		O'Dwyer		O'Dwyer		O'Dwyer.
49. Morocco	Legation	Vincent		Vincent		Vincent		Vincent	
50. Nepal	do		Bowles		Bowles		Bowles		Bowles.
51. Netherlands	Embassy	Chapin		Chapin		Chapin		Chapin	
52. New Zealand	do	Scotten		Scotten		Scotten		Scotten	
53. Nicaragua	do		Whelan		Whelan		Whelan		Whelan.
54. Norway	do		Bay		Bay		Bay		Bay.
55. Pakistan	do	Warren		Warren		Warren		Warren	
56. Panama	do	Wiley		Wiley		Wiley		Wiley	
57. Paraguay	do	Tewksbury		Tewksbury		Shaw		Shaw	
58. Peru	do	Tittmann		Tittmann		Tittmann		Tittmann	
59. Philippines	do	Vacancy	Vacancy		Spruance		Spruance		Spruance.

	Embassy or legation	Jan. 1		Apr. 1		July 1		Oct. 1	
		Career	Noncareer	Career	Noncareer	Career	Noncareer	Career	Noncareer
60. Poland	Embassy	Flack		Flack		Flack		Flack	
61. Portugal	do		MacVeagh	Cannon		Cannon		Cannon	
62. Rumania	Legation	Vacancy	Vacancy	Vacancy	Vacancy	Vacancy	Vacancy	Shantz	
63. Saudi Arabia	Embassy	Hare		Hare		Hare		Hare	
64. Spain	do		Griffis		MacVeagh		MacVeagh		MacVeagh.
65. Sweden	do	Butterworth		Butterworth		Butterworth		Butterworth	
66. Switzerland	Legation		Patterson		Patterson		Patterson		Patterson.
67. Syria	do	Cannon		Vacancy	Vacancy	Moose		Moose	
68. Thailand	Embassy	Stanton		Stanton		Stanton		Stanton	
69. Turkey	do		McGhee		McGhee		McGhee		McGhee.
70. Union of South Africa		Gallman		Gallman		Gallman		Gallman	
71. U. S. S. R	Embassy		Kirk	Kennan		Kennan		Kennan	
72. Uruguay	do		Roddan		Roddan		Roddan		Roddan.
73. Venezuela	do	Warren		Warren		Warren		Warren	
74. Vietnam	Legation	Heath		Heath		Heath		Heath	
75. Yemen	do	Hare		Hare		Hare		Hare	
76. Yugoslavia	Embassy	Allen		Allen		Allen		Allen	

RECAPITULATION

	Jan. 1	Apr. 1	July 1	Oct. 1
Number of career heads of mission	49	50	50	50
Number of noncareer heads of mission	23	21	25	25
Total number of heads of mission	72	71	75	75
Number of vacancies	3	4	1	1
Total number of posts	75	75	76	76

	Jan. 1	Apr. 1	July 1	Oct. 1
	Percent	*Percent*	*Percent*	*Percent*
Proportion of career heads of mission compared to the total number of heads of mission	68.1	70.4	66.6	66.6
Proportion of career heads of mission compared to the total number of posts	65.3	66.7	65.8	65.8

NOTES

In general, this tabulation covers those countries in which the United States maintained embassies or legations in 1952, and a career officer is taken to be one who was a Foreign Service officer. Certain refinements or interpretations of these general criteria are set forth in the notes which follow.

Cambodia, Laos, and Vietnam: The same officer was accredited as head of the mission to each of these countries. He is counted separately for each country in the present tabulation.

Canada: Woodward had resigned from the career Foreign Service in 1934; had been appointed to the Department of State as Assistant Chief of the Division of Protocol in 1937; and was serving as chief of protocol when, in 1950, he was appointed as Ambassador to Canada. He is counted here as a career head of mission.

China: Ordinarily when the position of chief of mission is vacant, it is so indicated in the Foreign Service list, on the top line under the name of the country, and the arrangement of names implies that the top career officer at the post is chargé d'affaires. In the case of China, however, although the position of chief of mission was vacant in 1952, the Foreign Service list contained Rankin's name on the top line, under "China," and he was described explicitly as "chargé d'affaires ad interim; minister; consul general." He is therefore counted here as a head of mission.

Estonia, Latvia, and Lithuania: The posts in these countries were closed throughout 1952. The 3 countries are not included in the present tabulation.

Germany: The mission maintained by the United States in Germany in 1952 was shown in the Foreign Service list as neither an embassy nor a legation, but as the Office of the U. S. High Commissioner for Germany (HICOG). John J. McCloy, who was the topman at the post on Jan. 1, Apr. 1, and July 1, was shown in the Foreign Service list as "U. S. commr.; chief of mission"; Walter J. Donnelly, who was the topman on Oct. 1, was shown as "U. S. high commr." (without the words "chief of mission"). Germany is not included in the present tabulation.

India and Nepal: The same officer was accredited as head of the mission to each of these countries. He is counted separately for each country in the present tabulation.

Iraq, Jordan, Korea, Paraguay, Portugal, Rumania, Syria, Turkey, and the U. S. S. R.: On 1 or more of the 4 dates in 1952, the individual shown on the top line under the name of each of these countries in the Foreign Service list was designated as "app. A. E. and P." or "app. E. E. and M. P.", i. e., as being the "appointed" ambassador or minister, who had not yet presented his credentials to the head of the government to which he was accredited. The individuals so indicated are included as heads of mission in the present tabulation.

Japan: The mission maintained by the United States in Japan on Jan. 1 and Mar. 1, 1952, was shown in the Foreign Service list as the "Office of the United States Political Adviser to Supreme Commander for Allied Powers." It was an embassy on July 1 and Oct. 1. The post is therefore shown in the present tabulation with a complete blank, without the word "Vacancy", in the columns for Jan. 1 and Apr. 1.

Jordan, Lebanon, and Syria: The posts in these countries were legations on Jan. 1, 1952, and are so described in a column near the left-hand margin of the present tabulation. They became embassies in August 1952.

Morocco: The post in Morocco was shown in the Foreign Service list in 1952 as a legation, and the individual at the head of the mission was shown as "diplo. agt. with rank of minister; cons." He is included in the present tabulation as a head of mission.

New Zealand: Scotten had retired from the career Foreign Service on July 31, 1947; had been appointed as Minister to New Zealand on Dec. 18, 1947; and had been appointed as Ambassador to New Zealand on Nov. 1, 1948. He is counted here as a career head of mission.

Saudi Arabia and Yemen: The same officer was accredited as head of the mission to each of these countries. He is counted separately for each country in the present tabulation.

Mr. HUMPHREY. Mr. President, I note for the RECORD that in the beginning of at least one quarter in 1952—on April 1, 1952—the proportion of career heads of missions compared to the total number of heads of missions was 70.4 percent This figure seems to cast some doubt on the accuracy of Secretary Dulles' statement in his letter to the Senator from Rhode Island [Mr. GREEN] on April 15, 1957.

Mr. President, I have no intention of engaging in a partisan squabble on this or any other question related to the problem of ambassadorial appointments because I feel that the main point is whether appointments today meet the requirements of the critical international situation. I agree completely with President Eisenhower when he said on April 10 1957:

Now I happen to believe that in this day we cannot limit ourselves to the governmental processes that were applicable in 1890.

My criticism is that, the President in his appointments is not even doing credit to the standards of 1890. He has demonstrated again and again that he has forgotten his campaign pledge of 1952. At that time he was saying "We will call to the high offices of Government the best men and women the ablest and most reliable in the land." Unfortunately, what the President means by the "best of the land" continues to have a significant relevance to campaign contributions.

I ask unanimous consent that an article which appeared in the New York Times of August 7, 1957, entitled "Nineteen Envoys Gave $218,740 to GOP" be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times of August 7, 1957]

NINETEEN ENVOYS GAVE $218,740 TO GOP—CAMPAIGN CONTRIBUTIONS NOT AN IMPORTANT FACTOR IN APPOINTMENTS, DULLES HOLDS

(By E. W. Kenworthy)

WASHINGTON, August 6.—Campaign contributions may not be an important factor in ambassadorial appointments, as Secretary Dulles insisted today, but contributions of ambassadors and ambassadors-to-be are an important factor in party finances.

According to data compiled by the Senate Subcommittee on Privileges and Elections, 19 men who had been or were to be appointed as ambassadors by President Eisenhower donated a total of $218,740 to the 1956 Republican campaign.

Of the 13 noncareer men named as envoys since last January 1, 6 contributed $91,800. They are:

John Hay Whitney, Ambassador to Britain, $37,500.

Maxwell H. Gluck, Ambassador to Ceylon, $21,500.

John C. Folger, Ambassador to Belgium, $11,500.

Joseph S. Farland, Ambassador to the Dominican Republic, $9,000.

Amory Houghton, Ambassador to France, $8,500.

Earl E. T. Smith, Ambassador to Cuba, $3,800.

Seven men who were appointed in the President's first term and still hold ambassadorships contributed a total of $64,400. They are:

Jefferson Patterson, Uruguay, $21,000.

L. Corrin Strong, Norway, $20,500.

James D. Zellerbach, Italy, $8,500.

Robert H. Thayer, Rumania, $6,000.

Robert D. Coe, Denmark, $4,940.

Whitney Willauer, Honduras, $2,500.

Wiley D. Buchanan, Luxembourg, $1,000.

Six former Ambassadors gave a total of $62,500. They are:

C. Douglas Dillon, formerly in France and now Deputy Under Secretary for Economic Affairs, $27,500.

Clare Boothe Luce, formerly in Italy, who with her husband Henry Luce, magazine publisher, gave $25,000.

Arthur Gardner, Cuba, $5,500.

Winthrop Aldrich, Britain, $2,000.

Fred M. Alger, Belgium, $1,500.

Horace D. Hildreth, Pakistan, $1,000.

Mr. Dulles said, "We have appointed more than one ambassador who has made a substantial contribution to the Democratic campaign fund during the last year."

When asked to name them, the Secretary said, "I think I know who they are but I prefer not to name them here."

The records of the Senate subcommittee show only one present envoy who contributed more than $500 to the Democratic campaign. He is David K. Bruce, Ambassador to Germany. He gave $1,000.

Mr. HUMPHREY. I note in passing, Mr. President, that the figures in the article I just mentioned are only figures of their contributions to the 1956 national Republican campaign. Many of the same individuals have contributed to the party for years, and at least some of their contributions have been publicly disclosed in articles in such authoritative magazines as the Congressional Quarterly.

Under Secretary of State Herter's ex post facto appearance to explain the Gluck appointment before the Senate Foreign Relations Committee on August 1, which hearings have now been printed, indicated once more the serious interest of many members of the Foreign Relations Committee in the deteriorating quality of our ambassadorial nominees.

As is often the case, Mr. James Reston of the New York Times has summarized our current predicament in a succinct and forthright manner. In the Times of August 6, 1957, he contributed an article entitled "The Envoy and His Gifts." I ask unanimous consent that the text of his article be printed at this point in the RECORD.

There being no objection the article was ordered to be printed in the RECORD, as follows:

[From the New York Times of August 6, 1957]

THE ENVOY AND HIS GIFTS—A VIEW THAT ADMINISTRATION'S PRACTICE DOESN'T FOLLOW ITS PRINCIPLES OF SELECTION

(By James Reston)

WASHINGTON, August 5.—Secretary of State Dulles rushed to the defense of Maxwell H. Gluck, the new United States Ambassador to Ceylon, today; but the controversy over the administration's ambassadorial appointments continues.

The reason for this is that the question has been allowed to get away from the principle of executive appointment laid down by General Eisenhower himself in the 1952 campaign.

In that campaign, one of General Eisenhower's most effective arguments was that he stood for merit in Government jobs, regardless of partisan considerations.

It is a new world, he asserted, in which old habits of political reward are no longer justified. He seemed then, indeed, to stand above party, and this appealed wherever he went to the independent "plague on both your houses" attitude of the electorate.

"We will call to the high offices of the Government," he said all over the country, "the best men and women, the ablest and most reliable in the land."

This was his principle, and the general feeling here in a period of lively diplomatic activity is that it is the correct principle to apply in the Gluck case.

HAVE THEY OBSERVED PRINCIPLE?

The issue is not whether the Eisenhower administration is being more political in its ambassadorial appointments than the Democrats, or whether these jobs should be given to the top careermen in the Foreign Service, but whether the appointments have met the President's principle of appointing the best man available, regardless of party, wealth, or Foreign Service record.

Mr. Dulles made the points today that Mr. Gluck was a man of integrity, that a man's campaign contributions were "by no means a determining or important factor in our appointments," and that some Democrats had been appointed to important posts.

Nobody has questioned Mr. Gluck's integrity. As a matter of fact, in this whole controversy he has come nearer to the truth, the whole truth, and nothing but the truth, even when the truth hurts, than anybody else. He admitted he didn't know the name of the Prime Minister of Ceylon, or the name of the United States Ambassador to India, or how to pronounce Nehru. Nobody has been that frank in Washington since Harry S. Truman wrote to Paul Hume, the music critic of the Washington Post.

DON'T SPEAK THE LANGUAGE

The question remains, however, whether the appointments, including the Gluck appointment, have met the President's own test. Among the factors in this are the following:

In the non-English-speaking North Atlantic Treaty Organization countries, the Eisenhower appointees do not speak the language of the country in France, Germany, Belgium, the Netherlands, Norway, and Turkey.

In the whole of the Arab-speaking world, where the prestige and interests of the United States are now deeply involved, only three United States ambassadors speak Arabic. They are Raymond Hare in Egypt, George Wadsworth in Saudi Arabia, and James S. Moose in Syria—all Foreign Service officers.

Llewellyn E. Thompsn, Jr., the new Ambassador in the Soviet Union, is the only United States head of mission appointed by the President to a Communist country who speaks the language of the country to which he was assigned.

In Asia, the United States ambassadors do not speak the language of Japan, Nationalist China, Korea, Burma, Thailand, Vietnam, Indonesia, or the Philippines.

This does not mean that these were all bad appointments. Many of them were excellent, regardless of the language difficulty, but it is an indication that the principle of the best man available has not always been followed.

PROBLEM OF ALLOWANCES

The President, for example, has said publicly in response to questions that the Congress should make available representation allowances so that he does not have to choose ambassadors for expensive posts from the limited ranks of those who have sufficient money to meet the social obligations of posts in London, Paris, and elsewhere.

This was not followed, however, by any White House action to carry this principle into effect. In short, as most observers here see it, the administration has pronounced correct principles on the problems of ambassadorial appointments but has not followed them.

What has happened here, most well-informed men believe, is merely that the administration has carried on the pork-barrel system as before, with three exceptions:

1. It has given more posts to Foreign Service officers than to political appointees—53 to 23.

2. It has introduced a new system of changing almost all political appointees at the end of its first term and appointing new ones.

3. And finally, it has differed from the tradition of the past by denying that campaign contributions are an important factor in choosing ambassadors.

If it had not denied this last practice, the Gluck appointment would have been merely an amusing 1-day story about an honest man getting caught in an ancient political game. But because the administration has pronounced such noble principles, and then departed from them while proclaiming its innocence, the argument is prolonged to nobody's advantage.

Mr. HUMPHREY. Mr. Reston concludes his article by saying:

[The administration] has differed from the tradition of the past by denying that campaign contributions are an important factor in choosing ambassadors.

If it had not denied this last practice, the Gluck appointment would have been merely an amusing 1-day story about an honest man getting caught in an ancient political game. But, because the administration has pronounced such noble principles and then departed from them while proclaiming its innocence, the argument is prolonged to nobody's advantage.

It is high time, Mr. President, that this official hypocrisy came to an end, and the best way to end it would be not to make these appointments in the first place. Then no apologies would be needed.

We must stop treating our ambassadorial appointments as though they were casual or relatively unimportant. The whole life of the Nation may at some point depend on the caliber of our Foreign Service reporting and our Foreign Service missions. We have only to study the latest volume of published German diplomatic documents to appreciate the full danger of staffing our embassies with mediocrities. I direct the Senate's attention to an excellent editorial from the London Daily Telegraph of August 1, entitled "Failure of Their Missions." I ask unanimous consent that the text of that editorial be printed in the RECORD at this point as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the London Daily Telegraph of August 1, 1957]

FAILURE OF THEIR MISSIONS

Every aspiring Foreign Service official should be required to read the latest volume of German diplomatic documents as an object lesson in what diplomacy should not be. At least three-quarters of the messages sent back to Ribbentrop by his ambassadors abroad were not only inaccurate but highly misleading. They did not illuminate the world scene for the Nazi leaders, but simply confirmed them in all their illusions. The Nazi ambassadors, in short, were not envoys extraordinary but ordinary deceivers, anxious to please their masters by reporting only what Berlin wanted to hear.

Ribbentrop himself set the fashion for this kind of diplomatic reporting when he was ambassador in London. He consistently misled the Fuhrer about the extent to which Britain could be provoked without fighting. Just how far misinformation had cut off the Wilhelmstrasse from reality by 1940 can be seen in this volume's fantastic series of telegrams about the Duke of Windsor. On the basis of a few hearsay ducal indiscretions, the Nazis swiftly convinced themselves that the former monarch was prepared to lead an

anti-Churchill movement. Equally subjective reporting from Washington also led to an abusurdly unrealistic expectation that anti-British forces would soon push Roosevelt out of the White House.

The lesson is clear. Unless a foreign service is staffed by men of integrity, able and willing to report the truth, however unpalatable, it is more a menace than a help to the country it is meant to serve. Dictators, of course, are notoriously unwilling to be told what they do not wish to believe. All down history bearers of ill tidings have received short shrift. Sycophancy was quite as much a hallmark of Stalin's foreign service as ever it was of Hitler's. Nor are democracies altogether immune. Do all telegrams that reach Mr. Nehru tell the truth and nothing but the truth? After the shabby treatment afforded to those diplomatists who warned Washington against supporting Chiang Kai-shek, there has been a disturbing tendency to pass on to the State Department only information that supports current policies.

The real interest of these German documents, therefore, does not lie so much in the light they throw on the past. Indeed, they cast more shadows than light. It lies in the warning they give of how useless is the most efficient diplomatic machine unless it is worked by men of character and independence. Willing tools, such as Ribbentrop was served by, only helped Germany to bury her head in the sand. They are men to beware of.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MORSE. I have the honor and privilege of serving, with the Senator from Minnesota and the distinguished Senator from Montana [Mr. MANSFIELD] on the Foreign Relations Committee. I wonder if the Senator from Minnesota recalls that early this year I protested, in the Foreign Relations Committee, the procedure in that committee which permitted committee action in executive session on nominations for ambassadorial posts, and suggested then that all such hearings ought to be in public.

After some discussion in the committee, it was agreed to adopt a modification of my proposal; namely, that hearings would be held in public if requested by a single member of the committee. The Senator will recall that I made the first request, under that procedure, in connection with the appointment of Mr. Rubottom to head the Latin American desk in the State Department.

Subsequent to that, the Senator from Montana [Mr. MANSFIELD], as I recall made a proposal to return to the original suggestion which I had made earlier this year, that the hearings be held in public.

There was some discussion of that question in the press. I was not present at the last meeting of the Foreign Relations Committee, because of duties on the floor. I wonder if the Senator from Montana can advise me whether any action was taken on the Mansfield proposal. I happen to believe that such procedure is a part of the solution—only a part—to the problem which the Senator from Minnesota is raising in his very able speech on the floor of the Senate this afternoon.

Mr. HUMPHREY. First, let me say that I recall vividly the position of the Senator from Oregon and his concern over the matter of executive discussions of nominations to ambassadorial posts, and his request that the hearings be made public.

On the latter point, as to whether the Mansfield proposal has been acted upon, I notice that the Senator from Montana is present in the Chamber, and I prefer that he answer the question. I ask unanimous consent that he may do so without my losing the right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, there was one nomination pending at the last meeting of the committee, the nomination of William B. Macomber, Jr., to be Assistant Secretary of State. That nomination was considered at a public session.

The committee agreed, by a majority vote, not to hold open hearings on the United Nations nominations, because several of the nominees had been before us previously, and we knew their history.

However, the committee did agree to hold an open hearing tomorrow on the nomination of Mr. James H. Smith, Jr., who is to succeed Mr. Hollister as Director of ICA.

The motion I made some weeks ago was, in effect, the Morse motion, originally made by the Senator from Oregon earlier in the year.

Mr. HUMPHREY. As I understand, it is a standing rule of the committee, and the rule will be altered only in the case of such nominations as the United Nations nominations, with respect to which the nominees may be Members of Congress or individuals who have been before the committee on previous occasions, and with respect to whom there is a record as to their background.

Mr. MORSE. Mr. President, this is a subject in which the entire Senate has a very important interest. I hope we shall not reach such a position in the Foreign Relations Committee that a majority of the committee can deny to any individual member of the committee an open hearing on a nomination with respect to which some member of the committee thinks there should be an open hearing. I trust that is not the present status.

Mr. HUMPHREY. I, too, trust that it is not.

Mr. MORSE. If it is, if I cannot have it modified in the Foreign Relations Committee, I serve notice now that I shall submit a resolution directing the Foreign Relations Committee to hold public hearings on ambassadorial appointments, because I do not think the determination is one which should be made by the Foreign Relations Committee alone.

I think we have had a demonstration of the public interest involved. I was very disappointed to read in the press a purported statement by Mr. Herter, Under Secretary of State, in opposition to open hearings on ambassadorial appointments. As the Senator from Minnesota knows, that runs counter to a very deep conviction of mine, that is, that in a democracy there is no substitute for public disclosure. Let us never forget it in the Senate.

When we are talking about this question, we are talking about one which, I think, illustrates a trend which has been developing in this country, toward government by secrecy. The people of the United States are entitled to find out, in a public hearing, any facts anyone wishes to bring out with regard to any appointee of any President, Republican or Democrat, for an ambassadorial post.

This is one Senator who, from now on, will object to any executive hearing in the Foreign Relations Committee on any ambassadorial appointment. I think the only way to stop the kind of action the Senator from Minnesota is talking about is to have such nominations placed in the full light of public disclosure. I am against any more secret hearings in the Foreign Relations Committee on presidential nominations to ambassadorial posts, or to any other high positions in the State Department.

Mr. HUMPHREY. Let me say to the Senator from Oregon and my other colleagues that I fully concur as to the necessity of public hearings. I have long felt that there have been far too many executive sessions. It is much more cozy that way, much more comfortable, but it is not always in the best interests of the public.

I wish also to state categorically and plainly that when there are nominations by the President which require confirmation by the Senate, it is my belief—and I shall act on that belief—that there should be public hearings, with the fullest opportunity for members of the committee, or other Members of the Senate, to inquire as to the person's qualifications.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MANSFIELD. Earlier in the course of his speech, the Senator pointed to the fact that, on the basis of absences relative to the status of career and noncareer ambassadors, the absences were greater on the part of the noncareer ambassadors.

Mr. HUMPHREY. That is correct.

Mr. MANSFIELD. That is a true statement of fact. However, I think it should be brought out that among the noncareer ambassadors who had an unblemished record—and perhaps the only one—was our distinguished colleague the Senator from Kentucky [Mr. COOPER].

Mr. HUMPHREY. I was just coming to that point.

Mr. MANSFIELD. While he was Ambassador to India, he was at his post every minute of the time. That was unusual. However, I think a correction or clarification should be made with respect to some of the noncareer ambassadors who, in my opinion, perform able, distinguished, and outstanding service representing this country. I refer to Ambassadors such as Douglas Dillon in Paris, Clare Boothe Luce, in Rome, Ellsworth Bunker, now in India, and David Bruce, now in Germany. Most of them were contributors to their respective parties, but they did perform great service in representing our country in the capitals to which they were accredited.

I point out that, in my opinion, so far as these persons are concerned, particularly in the case of former Ambassador Dillon, now Deputy Under Secretary

of State for economic affairs, and in the case of Mrs. Clare Boothe Luce, who has retired from the diplomatic field, a large part of their absences can be ascribed to the fact that they had to undergo a relatively long period of medical treatment and, furthermore, to the fact that they were called back on assignments to this country, and that the period of time attributed to them as being nonduty status should be changed to duty status.

Therefore I believe we ought to give credit where credit is due. Both of those persons have been contributors to their party. That is all right. There is room for contributors in a diplomatic system such as ours. It is fortunate that many of these people have turned out to be so adept and so capable in the posts to which they were assigned.

Mr. HUMPHREY. I wish to say to the Senator from Montana that I agree thoroughly with him. In fact, I was just coming to the very names he mentioned. I have in my hand a list of the ambassadors to whom the Senator has referred. It is not a bad idea to have noncareer service representatives. It provides an injection of what might be termed new blood, and provides a new spirit and a new outlook in our ambassadorial service and in our diplomatic service. Surely it is not to be interpreted as an ironclad rule that if a person contributes to a political party he cannot be eligible for appointment to the diplomatic service or to any other post of public trust or responsibility.

Conversely, the fact that a person does contribute to a political party, does not necessarily mean that he is qualified for such appointment. It is necessary to judge the individual on his own, and it is necessary to judge him on the basis of his background and experience and education and knowledge of languages. The knowledge of languages is becoming increasingly important in the diplomatic field. It is becoming increasingly important for a person in the diplomatic service to know languages, to know the culture of a country to which he is accredited, and to know its political institutions.

I say most respectfully that one of the great weaknesses of some of those being assigned to diplomatic posts is the fact that they know so little of the political structure of the country in which they are to serve. There is also a dearth of knowledge of the political and economic forces at work in the countries. Too frequently all of us are the victims of what I call caption and headline education, rather than education in depth.

I believe it would be fair to say that far more important than asking a prospective appointee in the Foreign Service to name the prime minister of a country would be to name the political parties of the country, what they stand for, and what the source of their power is. It would be far more important to test a person's knowledge of the political forces at work within a country, who are its leaders, where they come from, and how they obtained their stature and their power; as well as how many followers they have, and the impact they have on the political development of the country involved.

Mr. President, there is too little knowledge along that line. We are constantly being made aware of the importance of an understanding of foreign languages, particularly the languages behind the Iron Curtain. In our foreign services we need men and women who can speak the Slavonic languages, we need those who can speak Russian, and we need representatives who can speak and read and understand Chinese.

I submit that everyone in the world is not going to learn English or American; instead, foreign people will insist that we learn their language. I could not escape reflection on the young man, Richard Medalie, who happens to come from my State, and is a student at Harvard Law School. He is one of the youths who attended the Youth Festival in Moscow. He stood in Red Square in Moscow and took on all comers, talked to Russian students, read the United Nations Report on Hungary, and then proceeded to get into arguments with dozens of Russians. He had crowds of up to 2,000 listening to him. Why did they listen? They listened because he spoke to them in Russian. He is a student of Slavonic languages, and the Russian language and Russian culture. He spoke brilliantly and fluently, and he made an impression in Moscow.

Of course, there is no better way in which we can honor another people or another country than by acquiring an understanding of their culture, and speaking their language, and learning their mores.

I repeat, we have had wonderful examples of noncareer service diplomats. We had in India Chester Bowles, and subsequently JOHN SHERMAN COOPER the distinguished Senator from Kentucky. These two men contributed immeasurably to the growth of understanding between the United States and India. They represented our country with integrity and honor and brillance.

From Minnesota we had a very distinguished and able diplomat, Mrs. Eugenie Anderson, who was literally loved by the people of Denmark and by the officials of that country. On one of her return trips she was heralded almost as a patron saint. She was a noncareer diplomat. But she certainly was a diplomat. She was a brilliant and informed student of the economics and politics of Denmark.

There should be less emphasis on time in the garden with the cocktail glass, and a little more time spent in learning the politics and economics of a country. If that is done, we will have better diplomats representing us in foreign countries. Too many of our diplomats seek ambassadorial posts not only as a reward for campaign contributions, but in a desire for social life, which they can obtain in the United States at less cost, I might say.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MANSFIELD. Did Mrs. Eugenie Anderson speak the Danish language?

Mr. HUMPHREY. She surely did. She learned the language. She learned it in Denmark. It made a tremendous impression upon the Danish people. The famous former Representative from Connecticut Clare Boothe Luce, is another example. I have stood on the floor of the Senate and commended her for her brilliant service to our country in Italy. There is no doubt about the fact that she was an excellent ambassador. She was a noncareer ambassador, but she understood people, and she understood the minute relationships which are so important in human affairs.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HUMPHREY. I join with the Senator from Montana in commending other diplomats, such as David Bruce, Ellsworth Bunker, and others. I had the privilege, incidentally, of serving with Ellsworth Bunker as a delegate to the United Nations. He was a former head of the Red Cross, a wonderful man.

It should be pointed out, first, that it is not necessary to be a Foreign Service officer to be a good ambassador. Secondly, it is not necessary that a person make a contribution to a political party before he can be appointed ambassador. By the same token, the mere fact that a person does contribute to a political party does not qualify him to be appointed an ambassador. It may mean in some cases that the qualifications of such an appointee should be looked into very carefully.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MANSFIELD. The Senator mentioned Mrs. Eugenie Anderson, our former Ambassador to Denmark. Mrs. Clare Boothe Luce, our former Ambassador to Italy, was also mentioned by the Senator. Is it not correct to say that those two outstanding Ambassadors had an added handicap, because they were women? In spite of that, however, they were able to rise above the prejudices which may have existed against women being appointed to the posts to which they were accredited, and today they are ranked among the most brilliant ambassadors we have sent to any country in any part of the world.

Mr. HUMPHREY. I would say that is surely a true statement. I should like to add the name of another grand lady. She is Daisy Borden Harriman. She was a great credit to America. She was loved by the Norwegian people. Anyone who goes to Norway will hear the name of the former American Minister to Norway, who today is one of the grand ladies of Washington, loved by hundreds of people in this city, and justly so. She was a noncareer diplomat and a very good diplomat. What I am trying to say is that we should use some judgment when the nominations are made.

Let us do what was suggested by the Senator from Oregon and the Senator from Montana. Let us have a little more public discussion of nominations when they come to the committee. I think all of us have been slightly derelict. I shall not put the blame for that on someone else; I may have been derelict. As a member of the Committee on Foreign Relations, I possibly should have been a little more careful in my personal

examination of the nominations in the Foreign Service, but like other Senators, I have not always been in attendance, not because of a desire to be absent, but because of conflicting appointments and conflicting responsibilities.

I feel we have now made some progress. If we do not let the matter die, if we pursue and persist, we may have performed a service for our country.

Mr. President——

The PRESIDING OFFICER. The Senator from Minnesota.

TENTH ANNIVERSARY OF INDEPENDENCE OF INDIA

Mr. HUMPHREY. Mr. President, this day, August 15, 1957, marks the 10th anniversary of the independence of India. The occasion will be celebrated in tens of thousands of humble villages scattered over the Indian countryside. It will be celebrated in great cities like New Delhi, Calcutta, Bombay, and Madras. It will be celebrated by 360 million Indians throughout the vast stretches of that great country. The occasion, so significant to the people of India, ought to be heralded elsewhere, wherever people are free, wherever people aspire to be free, for it augers well for the future of liberty in the world.

The decade of Indian freedom has been marked by struggle and travail. It has also been marked by solid achievement and growing confidence.

There were many doubters and scoffers when this great new republic came into existence. How, it was asked, can this huge conglomerate of races, religions, castes, and languages be molded into an independent and stable nation? Many predicted that in a matter of months, or a year or two at most, the Indians would be begging for the return of foreign overlordship.

For a while it appeared that the doubters and scoffers might be right. The tragic riots attendant upon partition claimed millions of lives and uprooted countless millions of families. An assassin's bullet ended the life of one of the great men of this century—the spiritual and political leader of India, Mohandas Gandhi.

Then, somewhere out of the depths of this agony of violence, somewhere out of their deep longing for peace and for a meaningful freedom, the people of India began to find their way. They found a selfless leadership in Jawaharlal Nehru. They found within themselves, as men bent on freedom will always find, the strength to build and develop under his leadership a decent way of life.

The achievements during the first decade of independence in India stand as a remarkable testimony to the power and inspiration of the doctrines of liberty. In the past 10 years, the Indian leaders have overcome centuries of political inertia and established a workable government under a constitution not unlike ours in spirit and purpose. They have molded the heterogeneous peoples of the subcontinent into a single democracy. They have taken firm and bold steps to guarantee human and civil rights to all, just as this Congress is now in the process of trying to do for our own citizens.

Under their first 5-year plan, recently completed, the Indians have moved forward on many fronts. Illiteracy has been reduced. Standards of health and sanitation are rising. Production of food and industrial output is at record levels.

The United States, along with the United Nations and its agencies, has been privileged to play some small part in the remarkable progress of the Indian Republic. I refer in this connection particularly to the technical cooperation program and the loan of $360 million in 1956 under Public Law 480. That loan will enable the Indian Government to obtain food from the United States to feed the hungry without impairing the continued and essential expansion of its own economy.

This country has had its differences with India in dealing with the international problems of the past 10 years. In the heat of those differences, however, it is easy to overlook the times that we have been in agreement and helpful to one another. This is a fitting occasion to recall the contribution of India to ending the bloodshed in Korea and in securing the release of a number of Americans held prisoner by Communist China. India, her leaders and her people, represent a constructive force for peace and freedom.

Mr. President, the Indian people have come a long way in the decade since they achieved their independence. The years ahead are full of hard work and self-sacrifice for them but they are also full of the promise of a better life, a more secure existence and a more stable freedom. The people of this country will watch the unfolding of the second decade of Indian independence with a deep and friendly interest. I believe that the people of this country will continue to cooperate in its progress in every proper way. We shall do so because in this closely knit world the stability and progress of freedom elsewhere is of the greatest relevance to our own freedom. We shall do so out of the ties of a common humanity which bind us to the people of India and to other nations in the search for a decent and durable peace.

Mr. President, a thought-provoking review of India's Great Adventure: 10 Years Later was published in the New York Times magazine on Sunday, August 11, written by A. M. Rosenthal, the Times correspondent in India who is returning to his post in New Delhi after a visit to this country.

Because I think it highly appropriate in connection with the anniversary of India's independence, I ask unanimous consent to have the article referred to printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

INDIA'S GREAT ADVENTURE 10 YEARS LATER

(By A. M. Rosenthal)

During a decade of self-rule, India has striven valiantly to uplift millions by democratic methods. But, in today's Asia, it is a race against time and final results are in doubt.

The great adventure of the Asia of this century is a decade old this week, and it is an adventure just beginning. "Adventure" is the word Jawaharlal Nehru uses when he thinks aloud about the awakenings and struggles, the pains and joys through which India has lived since August 15, 1947, her day of independence.

It is a good word. When the world thinks of political adventure it thinks, most often, of great dramas any man can see quickly, of swift change and power and stunning technique. But as the Prime Minister of India uses the word and as it has entered the lives of so many millions of people on that great stretch of land between the Himalayas and the Indian Ocean, adventure has a special and greatly more impressive meaning. It is the adventure of men trying, as best they can, peacefully, to create order from turmoil, unity from divergence, decency from degradation, progress from stagnation.

Another adventure has been taking place in Asia, the adventure of Communist China. It is an experiment to which the world pays considerably more attention than to the one in India. That's because the world, or a good part of it, has at least two attention-commanding reactions to Peiping that it does not have to New Delhi—awe and fear.

But in many ways the adventure of India is the greater and more meaningful of the two. It represents an idea that not only is being challenged by the Communists, but in which millions of non-Communists in Asia are beginning to lose faith—the idea that a country sunk for centuries in economic misery can find the road upward without the use of force and terror.

A great deal depends on what happens to the Indian adventure. There has been a lot of talk about the competition between India and Communist China. The Indians, looking at the world from the depths of their own wishful attitudes toward the Communist powers, don't like the talk. People in the West seem to have become jaded with it.

But in her own security belt in the Himalayas, India is intensely aware of the danger of Chinese infiltration. "I'm here to watch the Chinese, that's my job," said an Indian official in Nepal. And there are a great many Indian officials who realize that they must prove by results that their techniques can match those of the Communists.

There are not many political guaranties in Asia. There is no guaranty, for instance, that the mere existence of a free India will prevent for all time the expansion of the physical or political power of Peiping. But there is an Asian political equation that can be proved only by final disaster. It is: Communist China plus a Communist India equals a Communist Asia.

So far, the effort and determination and the beliefs of the men who lead the adventure in India, and their people's willingness to follow and wait, have been as important as the results. But at this anniversary, under the pressure of awakened desires and of the pace and promise of communism, the time is coming rather quickly when results will count more, when the free world will have to decide for itself whether its stake in India is more important than its deep dislike of Indian policy.

"Two years," said an Indian diplomat in New York a couple of weeks ago, and he said it with passion. He said many passionate and angry things and the gist of them all was that there is not much more than 2 years of grace, 2 years for the non-Communist world to realize that the great adventure in India is at a time of crisis and that without help, great amounts of help, it will fail.

"Two years." This was just one terribly troubled Indian diplomat, and he spoke in heat. There may be 2 years, there may be 3, or 5, but what this man said in an East Side New York living room was what a good many other Indians, in gardens in New Delhi and

in offices in Washington, believe. They believe that soon democratic methods must match the promise of hard-fist methods, or be replaced.

They believe and say that, not as a matter of pessimism but with the realization of urgency. As a matter of fact, the history of the Indian subcontinent these past 10 years has shown that in looking into the future of an underdeveloped country it is not nearly enough to base judgment only on things like population growth, industrial production, education, agricultural output, and political problems. If these things were all that were involved, Indian democracy would not have reached its 10th birthday. It is the something else, that compound of work, will, and the belief that men can be shown the way to their own dignity, that makes the adventure of India a special one.

There come times, between friends, or people who should be friends, when it is not a bad thing to put aside the critical microscope and the irritations and disappointments and to look for a while at the things that are right and good. It would be a wonderfully pleasant thing if India would do that for us. A birthday is a good time for us to do it for India.

When a man is your friend, you think not only about what he has become but what he went through to get where he is.

When India was born a free nation, two chunks of prairie, mountain, and paddy had been taken away to become the new nation of Pakistan. War followed, although it was not called that. Hundreds of thousands of Moslems, Hindus, and Sikhs died in a flood of hatred that has still not ebbed away. And the Hindu refugees keep coming from Pakistan, and millions of Moslems in India still live amid hostility and fear.

But, on this point of religious bitterness, as on almost everything else that has to do with India's story, the foreigner must set himself a perspective and ask himself a question or two. The perspective is the history of India and her economic and social resources at the time of her independence. The question is whether, against that background, the story lies in what has not yet been done, or in what has been accomplished.

Is the essential point about religious bitterness in India that it still exists as it has existed for centuries? Or is it that for the past decade, and only for a decade, an Indian government has been trying to live down the past and create a nation in which 320 million Hindus and 40 million Moslems live together in peace? There have been troubles—Moslem rioting over a book considered insulting to the prophet, Hindu hooligans throwing a pig's carcass into a mosque—but are they really more significant than the fact that for a decade men have been trying to prevent religious conflict?

When India was born a free nation, she was a country in which there were hundreds of political boundaries, the boundaries of more than 500 prince-ruled states. Without bloodshed, these states were absorbed into the Indian union. This was a good-sized miracle of political maneuvering and impressive testimony to the attractiveness a guaranteed privy purse has for the noble-born.

But there were problems greater even than the princely states. The new India was a country whose people spoke 15 different languages and hundreds of dialects. It was a country where a peasant from Madras had considerably less in common with a peasant from Bengal, in language, custom, and tradition, than a Frenchman has, say, with an Italian. Language divided the country and so did regional jealousies, caste, and history.

Despite all these differences, India has made herself a nation. People who study India sometimes say with an air of great discovery that, "Why, it is not really a nation at all, but a group of nations," and they say it accusingly.

Certainly there are enormous pulls within the Indian nation. And certainly there is the possibility that one day, if there is a collapse of the economy and of political leadership, these pulls may become so strong that the nation may splinter. There is no point in pretending these differences and pulls do not exist. They always have; that is the point. And once there is an appreciation of this difficult heritage, the emphasis changes entirely. In 10 years India has accomplished more in getting peoples of different backgrounds to live together under one national roof than her former rulers, Moslem, Hindu, and European, were able to accomplish in centuries.

When India was born a free nation, the most dismal part of her heritage was caste. This was the Everest of her Himalayan Range of troubles.

To the rest of the world, caste means untouchability. Untouchability, that soul-shattering concept that tens of millions of human beings are born so degraded that their touch or even shadow is defiling, and that these human beings are condemned for life to live beyond the pale and work at trades that disgust the higher born, is the most horribly dramatic aspect of caste. But the most important aspect of caste is that the existence of thousands of castes and subcastes divides the country into just as many thousands of mental, social and professional boxes whose inhabitants cannot leave them.

Millions of Indians think and act as members of a village box, or an occupational box, or a religious box, not as members of the whole community. They live lives closed against the inhabitants of the other boxes. When they do become aware of people in those other boxes, they think of them as superiors or inferiors and this leads to a combination of callousness and servility. For a nation struggling upward, it leads to a disastrous waste of the country's one great asset—the human being.

Caste—including untouchability—still is strong in the life of India. There are hundreds of villages, perhaps thousands, where men must wail warning cries as they walk the streets so that their betters can step aside and avoid defilement. But in the decade since independence the Indian Government has done more to fight the filthier manifestations of caste than all the preceding governments of India taken together.

Local politicians still seek power through caste ties but the Government is dedicated to the destruction of untouchability and the gradual erasing of caste lines. This is a monumental thing because it means that an elected government of a country is dedicated to reforming, through democratic education and the process of law, some of the most dearly held tenets of the religion of the people who elected it to power.

This slow, painful battle against caste is part of the most important work the Indian Government has had on its hands during the first decade, teaching Indians to refuse to accept. These past 10 years, the Government has been trying to make Indians realize that they do not have to accept the ditch into which caste has flung them, and that disease and hunger and mind-blanketing ignorance do not have to be accepted, either. And whatever its faults, this is a government that tells its people that their achievements must be their own and can be reached through the methods of peaceful change.

The inevitable irony is that every success in the process of awakening of desire and ambition puts heavier strains on the Government and the economy. Put most simply, tens of millions of Indians now realize that they are entitled to more—more to eat, more education, more dignity of life—than the Government has in its power to give them.

This is the key to the Indian crisis, the attempt of the Government to match the awakening desires of an enormous population and to convince itself and the people that they should resist the attractions of what seem to be the swifter methods of authoritarianism.

The Indians call the road they have chosen for themselves mixed economy. It adds up to a system in which government enters into a wide range of industrial and commercial fields, has more and more to say about the conduct of private enterprise, but permits it to continue to grow. It is not the road the United States would have liked to see India follow. But it is a road Indians feel is best for themselves and, most important, it is a road marked with the signposts of parliamentary action.

"Isn't Nehru a dictator?" That is a question this reporter has heard a few times in the United States. Nehru may be several not terribly pleasant things—confusing, autocratic, stubborn—but his greatest contribution to India has been that he has not permitted himself to become a dictator, nor permitted India to make him one.

Nehru is the chief everything in India—chief planner, chief policymaker, chief military mind, chief inspector—but he functions under a republican constitution and as majority leader in a parliamentary system founded on the only meaningful base for a parliamentary system—regular national free elections. It was Gandhi who gave direction to the surge for independence. It has been Nehru who has given direction, since independence, to India's parliamentary government.

Most Indians who count politically are determined to keep India functioning under parliamentary controls. Whether they will be able to hold fast depends on their own strength, the weather, and the United States.

Two or three bad crop years could force India to spend so much of her foreign exchange on food that her plans would have to be scrapped. As for the United States, this country is just about the only source for the large-scale help India needs. The Russians will built a steel plant and rush in with some dramatic help now and then, but in the long run it is in communism's interest to have the Indian economy collapse.

At the age of 10, independent India is in deep, deep economy water. The second 5-year plan started in the spring of last year, and already seems to be foundering. The first plan, aimed at increasing agricultural production, was moderately successful, with the blessing of some good monsoons. But its main achievements were to stimulate a sense of purpose, unity, and progress and the belief in the ability to do.

The second plan continues emphasis on agriculture but adds new points of concentration—creating an industrial base, stimulating social services, covering the country with a program designed to awaken the villages to new life. It calls for a public outlay of about $10 billion, about twice the cost of the first plan.

Almost as soon as the plan was announced, it became clear that India did not have enough money to see it through—by at least $1,500,000,000. There was criticism in India and abroad that the plan was too ambitious.

But in drawing up a plan in a country as poor as India, the Government has to do more than satisfy the statisticians. It has to hold out hope. Even if all the goals of the second plan were reached, the life of the Indian peasant and worker would still be miserable, only a tiny beginning would be made in education and health services and, because of the population growth, there would be more unemployed at the end of the plan than there were at its beginning.

What the plan amounted to was a statement of belief by the Nehru government that India, through her own resources and help from abroad, could continue to inch ahead. The people in New Delhi felt that to say less would be to confess failure.

The planners expected a crisis because they knew that their foreign exchange resources were dwindling and because they knew that they had counted, on paper, on more aid from abroad than they stood a good chance of getting. But the crisis has boiled up dangerously in the past 3 or 4 months. Foreign exchange resources are almost at bedrock. Foreign investors, in the United States and Europe, are considerably less than keen about India.

There is sharper anxiety about India's future among Indians and United States officials than this reporter has seen in 3 years. The estimate is that India desperately needs an additional $1,000,000,000 in the form of loans, credits or grants to help her purchase the machinery, equipment, skills, and food she has to have in the next 5 years. Without it, Indian and United States officials feel India's economic plans and hopes will be wrecked.

Suppose India does not get the help she needs, what then?

Unfortunately for the world's understanding of the seriousness of the situation, there probably will be no political crisis in India great enough to make the free world's foreign offices panicky. The first thing likely to happen is that parts of the plan will be scuttled—parts of what really is already a minimum plan. What is left will have to be reorganized on a new system of priorities; yearly plans will be drawn up, and one day the country will realize that it has an 8- or 10-year plan, not a 5-year plan.

There are grayer parts to the outlook than failure of a plan. One of them is that, as India is forced tighter and tighter against the wall, pressures will build up within the country for adopting tighter and tougher economic measures, for speeding up parliamentary processes to the point where all that remains is the name.

The danger is not that all of a sudden India will go Communist. The danger is that, step by step, she will find herself abandoning parliamentary controls. For example, there may be pressures to nationalize without compensation, something India has never done. There will be pressures to tax wealth out of existence, to take over the banks, to set up a mass system of farm cooperatives that will not be far away from government-controlled agriculture, to establish rigid price and distribution controls over crops, even if that means collecting them from the peasant against his will. This will not be a sudden switch to totalitarian economy but a slide down into it.

Since India is a democracy, Nehru and his government do not exist in a vacuum. There is something called the Communist Party of India. In the last election, Nehru's Congress Party was returned to power. But for the first time the party lost a state to the Communists—Kerala. And throughout the country there were political signs of restlessness, impatience with the Congress Party.

Change, of course, is part of democracy. But change brings danger when, as in India, there is no well-organized national democratic opposition. The Communists benefited most from discontent against the Congress in the last election. If something happens to the Indian economy, even assuming the Government can hold back the slide toward totalitarian economics, the benefits from the impatience of the people between now and the next election in 1962 will go to the Communists.

Two serious things—one day, not far away, they could add up to tragedy—are becoming part of the American attitude toward India. One is perpetual irritation.

This reporter believes that the responsibility for this edginess belongs in New Delhi as much as in Washington and comes almost entirely from what India and her leaders say and do not say about international affairs. There is no good reason for us to pretend we do not think India has adopted a double standard of morality toward us and the Soviet world. But there are good and vital reasons for us to remember that New Delhi is a lot more than a factory for producing irritating foreign policy statements, that it is the capital of a country whose future is important to us.

Coupled with irritation is complacency. We figure, somehow, that India will struggle along. After all, they are not used to anything better, and anyway, it gets a little boring to worry about Indian economics. We don't really get excited until a crisis is dramatically headlined and then we get the fire engine out and rush in with sirens screaming. The time of crisis is approaching in India, but it is not as easy to see as a coup d'état or rebellion, and nobody seems to be manning the fire engines.

AMENDMENT OF CERTAIN PROVISIONS OF COLUMBIA BASIN PROJECT ACT

The PRESIDING OFFICER (Mr. GORE in the chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 1482) to amend certain provisions of the Columbia Basin Project Act, and for other purposes, which was, on page 1, to strike out line 3 down through line 24 on page 3, and insert:

That (a) in subdivisions (iii) and (iv) of section 2, subsection (b) of the Columbia Basin Project Act (57 Stat. 14), as amended, the expression "one farm unit", wherever it occurs, is repealed and the expression "two farm units" is substituted therefor.

(b) Section 2 (b) (v) of the Columbia Basin Project Act is hereby amended by adding thereto a new sentence reading as follows: "Lands held in trust for any person shall, for the purpose of this Act, be deemed to be held both by that person and, if the trustee derives any profit or advantage from the trust other than a moderate fixed fee for the management of the same, by the trustee." This amendment shall not be deemed to affect any irrevocable trust for the benefit of a child under 18 created prior to this amendment, which would then have been held to be consistent with the provisions and intent of the Columbia Basin Project Act or to excuse any violation or evasion of that Act, or of the rules and regulations issued pursuant to it or of contracts entered into under it, by the creation or purported creation of a trust prior to this amendment, which would then have been held to be inconsistent with said provisions and intent.

Mr. MANSFIELD. Mr. President, I move that the Senate disagree to the amendment of the House of Representatives to S. 1482, request a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

Mr. JAVITS. Mr. President, may we have the matter explained?

Mr. ANDERSON. Mr. President, the bill relates to a development project on the Columbia River. It has been here for a while. I understood the matter had been cleared with the able minority leader. If it has not been, or if it should develop that it has not been, I would naturally want to have the request rescinded. But I believe the matter has been cleared with the minority leader.

Mr. JAVITS. I thank the Senator from New Mexico.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Presiding Officer appointed Mr. ANDERSON, Mr. JACKSON, and Mr. MALONE the conferees on the part of the Senate.

ATOMIC ENERGY

Mr. JAVITS. Mr. President, I call the attention of the Senate to a situation which has not been the subject of debate on the Senate floor, but as to which I believe the Senate should be informed. It is a matter in which, as one Senator, I have a deep interest. It relates to the atomic energy situation, especially the agency for the peacetime use of atomic energy, which was the subject of a House bill for which a Senate bill was substituted on August 14, entitled "Appointment of United States Representatives in International Atomic Energy Agency and To Provide for United States Participation in that Agency."

Before I embark upon my remarks, which will be very brief, I thank the distinguished senior Senator from Oregon [Mr. MORSE] for allowing me to proceed first, because I understand that his speech will be somewhat longer than mine.

Mr. President, the basic point for my observations today is attributable to the fact that the Senate has not debated this question. The Senate bill, which is now in conference with the other body, contains a provision with which I am in disagreement. This is the only opportunity I shall have to say anything about it. Other than that, the matter has been dealt with in the Joint Committee on Atomic Energy. The provision in the bill with which I am in disagreement reads as follows:

In the case of the International Atomic Energy Agency the Commission may distribute only such amounts of special nuclear materials as are authorized by Congress: *Provided, however,* Notwithstanding this provision, that the Commission is hereby authorized, subject to the provisions of section 123, to distribute to the Agency 5,000 kilograms of contained uranium 235, together with the amounts of special nuclear material which will match in amount the sum of all qualities of special nuclear materials made available by all other members of the Agency to July 1, 1960.

In short, what the provision says is that after the immediate commitments made by the President in respect of the peacetime use of Atomic Energy Agency and the treaty which the Senate approved on June 18, 1957, and as the Agency develops and comes into its very great usefulness, Congress shall pass specifically upon each amount of uranium for the purpose of developing the peacetime uses of this tremendous source of power energy.

I do not pretend to be an expert in this field; I defer with the greatest respect to the members of the Joint Committee on Atomic Energy and to the Atomic Energy Commission. But, as one Senator, it is my duty, in the interest of the millions of people of my State, to vote upon this question. It seems to me that in a matter of such great magnitude and

consequence to the world, I would not be true to my duty, the matter not having been debated, if I did not spread my views upon the RECORD.

My reason for opposing this particular provision and for speaking upon it, although I am not a member of the Joint Committee, and do not pretend to be an expert in the field, is buttressed by the fact that 6 of the 9 members of the Joint Committee in the other body, in dealing with the question before that body, have taken exactly this position and have backed it with very sound, substantial argument, argument which was sufficient to convince the other body, on the floor, to strike out the very same provision of the bill. It seems to me, therefore, that that action buttresses my own feelings with respect to the matter.

Mr. President, I ask unanimous consent that I may have printed in the RECORD at this point in my remarks the additional views of the six members of the Joint Committee in the other body, as contained in House of Representatives Report No. 960.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. LANGER. Will the distinguished Senator from New York briefly tell us what the six Members of the House agreed upon?

Mr. JAVITS. I will. They agreed, or they believed, that the particular provision I have just read should be stricken, and their reasons, briefly summarized, are as follows. As a matter of fact, their report is so short that perhaps I should read it into the RECORD. Therefore, I withdraw my unanimous-consent request. I shall read the views in which I find myself in agreement. They are as follows:

ADDITIONAL VIEWS

We enthusiastically support the principal objective of the bill, H. R. 8251, which is to enable the United States Government to participate in the International Atomic Energy Agency and we endorse all the features of the bill save one.

We refer to a single sentence of section 7 which revises section 54 of the Atomic Energy Act of 1954 in such a way as to substantially undermine the basic purposes of the bill before us.

As written, section 7 of the bill has two broad deleterious effects:

(1) It casts serious doubt on the good faith and good will of the United States in proposing and in joining the International Atomic Energy Agency, and

(2) It offers a positive obstacle to American manufacturers in their efforts to exploit American know-how and American reactor systems abroad.

No proposal made by the United States in international affairs has ever received the spontaneous and unanimous accord given to the dramatic suggestion of the President in a speech before the General Assembly of the United Nations on December 8, 1953, in which he urged that the nations of the world should form an International Atomic Energy Agency to develop the peaceful uses of atomic energy.

The acclaim given this idea was unanimous in this country and abroad. It has fostered a unique spirit of willingness to work together, which was strongly evident last year at the Conference which unanimously approved the statute for the International Agency. This spirit should be encouraged in every way, as indeed it already has been fostered and strengthened by the ratification of the treaty establishing the new Agency.

It is our considered view that the single sentence of the bill to which we direct our vigorous objection will destroy much of the large measure of international good will created by the President's proposal and our ratification of the treaty giving it existence. It does so by creating a cloud of uncertainty for the indefinite future on the availability to the Agency of the necessary special nuclear material to fuel reactors of American type for peacetime purposes.

The sentence to which we object is at the end of section 7, reading as follows:

Then they quote the sentence I have already read. I continue to read from the additional views, as follows:

Let there be no misunderstanding—we fully agree that it is necessary for the Congress at all times to maintain control of our atomic-energy program. This sentence is, however, in no way necessary to accomplish that purpose since other provisions of law adequately preserve Congressional control:

They thereupon list the other provisions of law, as follows:

The Commission is required to keep the joint committee—

A committee of the Congress—

fully and currently informed on all phases of the program;

The President is required annually to allocate the amount of material available for peacetime uses;

Transfer abroad of special nuclear materials must be via an agreement for cooperation which the President must find "will promote and will not constitute unreasonable risk to the common defense and security";

The agreement must be submitted to the joint committee for 30 days while Congress is in session for review, and finally,

The Congress has additional control by way of suitable limitations on appropriation measures for the atomic-energy program.

These are substantial and adequate means for Congressional control of the atomic program and our relationships with the new Agency.

It would, indeed, be deplorable if at this last hour the hopes of mankind everywhere in the world, carried aloft by the dream of an international agency, which would bring to them the goodness of atomic energy, were to be cruelly and rudely dashed on the rocks of Congressional insistence upon needless and harmful legislative restrictions.

CHET HOLIFIELD.
MELVIN PRICE.
STERLING COLE.
JAMES E. VAN ZANDT.
JAMES T. PATTERSON.
THOMAS A. JENKINS.

Mr. LANGER. Mr. President, will the Senator from New York read again the sentence to which objection is made?

Mr. JAVITS. Yes. The sentence to which the members of the group of the other body object reads as follows:

In the case of the International Atomic Energy Agency the Commission may distribute only such amounts of special nuclear materials as are authorized by Congress: *Provided, however,* Notwithstanding this provision, that the Commission is hereby authorized subject to the provisions of section 123, to distribute to the Agency 5,000 kilograms of contained uranium 235, together with the amounts of special nuclear material which will match in amount the sum of all quantities of special nuclear materials made available by all other members of the Agency to July 1, 1960.

Mr. President, in stating my own reasons, again I say I do not pretend to be an expert. I am only explaining my position as one Senator who, in good conscience, must vote either "yea" or "nay" on this question, when the conference report comes before the Senate. So I state my views with great deference, especially to my colleague, the Senator from Ohio [Mr. BRICKER], who is a member of the joint committee, and is a distinguished constitutional lawyer; and I state my respect for his knowledge and my appreciation of his experience in this field.

My reasons for my position are as follows:

First, I believe that in a matter of this character, it is very, very important to make the world feel that the President of the United States has the full backing and confidence of the United States. This is essentially President Eisenhower's big contribution to world peace, in terms of the peaceful uses of this great source of energy. I think historically it will perhaps be the greatest thing he ever did or said, and that is why I should like very much to hold up his hand in the full spirit of the proposal he made.

Second, the United States has with many other nations—more than 40—bilateral agreements by means of which the United States will give them atomic materials for the purpose of peacetime or civilian uses. The provision to which I refer is not contained in any of those agreements. If the President were to go haywire, he certainly could do so as regards that area; and the restraints included in the Senate version of the bill would neither add to nor detract from, very much, if the President were to lose his head in connection with operations in this field.

Third, as is pointed out in the additional views which I have read, there is jeopardy to United States manufacturers who produce reactors, by virtue of the fact that if the limitations which are imposed create uncertainty as to the amount of material the United States will make available, that will make uncertain the use of American-manufactured reactors; and the Members of the other body argue that that would provide an inducement for the purchase of reactors manufactured by our principal competitor—Great Britain—which would not be subject to uncertainty of that kind.

Finally, Mr. President, let me say that I am not finding fault or complaining. I am pointing out the situation for only two reasons:

First. The bill is in conference; and if any Member of the Senate has an opinion—and I do—it seems to me the opinion should be expressed while it may have some influence upon what is taking place at this time.

Second. Let me refer to the very important letter which was addressed by the Senator from New Mexico [Mr. ANDERSON]—and this is very important in connection with the whole matter, as all of us know—to the Washington Post. The letter deals with this particular sub-

ject. In the letter the Senator from New Mexico says:

> Amounts over and above 5,000 kilograms—
>
> Referring to uranium 235—
>
> ($80 million worth) of fissionable material plus matching requirements already authorized by Mr. BRICKER's amendment can be made available by a general authorization act and distributed to the Agency from time to time in accordance with its needs and ours.

In short, there is in contemplation other action upon this matter. As all of us know, the entire sum of the public view and the view of Members of the Senate has an effect upon other action. It is for that additional reason that I felt it proper—and I have great respect, I repeat, for the views of my colleagues who have worked on this matter so long and so hard; and I present my views with great humility—to spread my views upon the RECORD.

Mr. BRICKER. Mr. President, in regard to what the distinguished Senator from New York has been saying, let me state, for the information of the Senate, that this matter is now in conference between the House of Representatives and the Senate. The amendment has nothing at all to do with the President's position. The amendment does not constitute a handicap upon the President. It is not an attempt to interfere with the International Agency in any way, shape, or form. The amendment is merely an expression of the constitutional responsibility of the Congress of the United States. I think the time has come for the Congress to assume its responsibility in this field, as well as in every other field.

The President asked for only what the amendment authorizes. The President has likewise suggested that he will come to the Congress for further authorization, as it is his duty to do as the Chief Executive of the United States; and it is the duty of the Congress to look into the problem when it arises, and to decide then what or how much we shall authorize to be given.

Let it never be forgotten that the United States, through the President—and this is affirmed by the amendment to which the Senator from New York has referred—offered 5,000 kilograms of uranium 235, regardless of the form or enrichment of the material or the amount of uranium which might be contained in the material furnished. Not only that, but he also offered to furnish an amount equal to the amount which would be given by all other nations, parties to the International Agency. Up to the present time, I think 100 kilograms, perhaps, have been offered by Russia, and 40 kilograms by Great Britain, as I remember the figures. So that will not be a great drain upon our resources. But there is now sufficient to take care of this matter for many years to come.

I think it has been estimated that it will be 2 or 3 years before the operation will get underway. The material which we furnish will be allocated by the International Agency. The treaty expressly states that after it has once been committed to this International Agency, our control over it will be completely wiped out; it will then be entirely in the control of the International Agency; and at that time, neither the Congress nor the President, nor anyone else in the United States will have any responsibility or control over it, or any authority to withdraw it or to direct where it shall be used.

That being the situation, it is my opinion that when more is needed, the Congress—which is the only authority under the Constitution of the United States with full power to dispose of the property of the United States, be it money or battleships or land or uranium or plutonium or whatnot—ought to assume its responsibility and ought to look at the problem when the time comes. That is the purpose of the amendment, and that is the only purpose of the amendment.

The amendment is not contrary to what the President requested. The amendment is in conformity with what the President suggested.

Likewise, no one knows exactly what the world's supply of uranium is. We do not know what the needs for it will be 2 or 3 years from now.

As one Member of the Senate, I do not wish to have one man, the President of the United States, charged—and he alone—with the responsibility of divesting the United States of a very valuable asset. The value of the material which has been mentioned runs, not to $80 million which has been suggested as being its value, but to $1,200,000,000 worth of this very valuable property, which has been set aside; and one of these days we may need it much more than we need it at the present time—for many reasons, including peaceful uses, as well as for military purposes.

When the day comes when an additional amount is to be authorized and given by the United States, I think the Congress of the United States should take a look at the matter.

The amendment does not mean—as suggested by the Senator from New York—that the Congress of the United States will have to pass upon every amount suggested by the President to be given to this International Agency. Under the amendment, the Congress can do just as it does in the case of appropriations for foreign aid, under the Marshall plan or whatnot; namely, authorize 1 year's supply or 2 years' supply, and give the President the power which today the Senator from New York has suggested the President should have.

I, for one, as a Member of the Congress, do not intend to vote to give away, in perpetuity, under the judgment of one man, be he even the President of the United States, this very valuable resource which the people of the United States are entitled to have used for their benefit, because they have invested in the productive system to make it more than $12 billion of capital assets. If that is violating the responsibility of our Nation to the world, let it be so; but let the other nations of the world understand the United States Congress is going to assume its responsibilities under the Constitution of the United States—a document we all took an oath to protect and defend when we became Members of this body, which is all the amendment would accomplish.

There is no reflection on the International Agency. There is no attempt to handicap what was referred to by the Senator from New York as a great promise to mankind. I am for it so long as it is used for positive purposes, so long as it is consistent with our national policy; but the Congress ought to determine what the national policy is when the time comes to determine it.

The Senator has referred to the report of the House committee. I have read the record of the debate in the House. I cannot find that the issue was understood, so far as the RECORD is concerned. It will be understood when the conference report comes back to the Senate. I assure the Senate and the Senator from New York that it will be understood. But when the time comes to give more uranium, let us do it in the light of the best interests of the United States, and let the other nations of the world know they, as well as the United States, have some responsibility, that we do not intend to give away the uranium, shovel it out, without regard to our responsibilities to the people back home who sent us to this body. I am firm in my convictions about that.

When the amendment came before the committee the first time, there were only two votes against it. It was reconsidered in the committee, on motion of the Senator from Rhode Island. At that time, there were four votes against it in committee. The bill is in conference. So far as I am concerned, I am going to vote to sustain the position of the Senate and the position which its representatives took in conference.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. BRICKER. I yield.

Mr. JAVITS. First let me thank the Senator for remaining on the floor and giving so much time and attention to my inquiry. I am very grateful to him for that. Second, let me say—and this is my point—that Congress has an equally great obligation to see to it that the agency works, and if it is necessary to vest power in order to see that it works in accordance with the spirit with which it was put before the world, the power should be vested in it. Finally there are other safeguards in the language and in the appropriation. The uranium is sold, not given away. It is a provision of the statute.

Mr. BRICKER. It is a provision of the ratification.

Mr. JAVITS. That is correct. I am very much encouraged, and I thank the Senator. It is very clear that his mind is open, and when this matter comes up again in terms of enabling legislation, the Senator himself may be susceptible to a suggestion for giving a grant of authority, if that proves to be in our best interests.

Mr. BRICKER. That is correct. There is no reason for making provision now for a situation which probably will not happen anyway.

Mr. LANGER. Mr. President, will the Senator tell us what the parliamentary

situation is now? He is not trying to amend the conference report, because that cannot be done.

Mr. BRICKER. The matter is in conference.

Mr. LANGER. Did the Senate adopt the report?

Mr. BRICKER. No; there has been no action on it.

Mr. LANGER. Is it simply pending?

Mr. BRICKER. That is the situation. It is before the House and Senate conference, which, of course, is made up of members of the Joint Committee. It is rather an unusual situation.

Mr. ANDERSON. Mr. President, I may say I appreciated the statement made by the able Senator from Ohio [Mr. BRICKER]. This matter is perhaps not an easy one to analyze, if we are to consider the powers Congress has and the powers the President has. As a matter of fact, the President of the United States went to a meeting of the United Nations and pledged the United States to do certain things. His first pledge was that the United States would furnish 5,000 kilograms. There is not a member of the Joint Committee on Atomic Energy who has at any time ever raised the question of repudiating that pledge.

The President subsequently said he would like to be able to match the amounts supplied by other countries. No member of the Joint Committee on Atomic Energy at any time, either in open or closed meetings, has ever suggested repudiating what the President said. The President himself indicated he would like to return to Congress and request additional amounts.

I agree with the Senator from Ohio that there are two matters about which we should deal carefully. One is the amount of uranium we have for the defense of this country. I do not say the President would not be just as jealous about guarding our defense as would any Member of the Congress; I merely say that as a general rule it is incumbent on Congress to take a look at the overall figures, and make sure we have what we promised to give away.

Second, there is the matter of commitments. I suppose I am one of the few Members of the Congress who were in the cabinet room at the time when the first discussion of the Marshall plan and aid to Greece and Turkey took place. I well remember the position taken by Senator Vandenberg at that time. It was that he was in full sympathy with the making of commitments by the President of the United States to give Greece and Turkey aid, but he was not willing to go one inch further than the original commitments, and whenever it was proposed to expand them he wanted Congress to pass upon the question. Nobody questioned the soundness of what the Senator from Michigan said. Congress went right along with that policy, and tried to keep the programs rolling.

I was in Paris at the time of the first discussion of the Marshall plan there. It was at a meeting of the International Cereals Committee. I was there as United States representative to that meeting. I know how the nations of the world looked upon commitments made. Congress never refused to honor a single pledge to supply food. I can predict, with complete confidence, that Congress will not renege in this matter. That was not the purpose of the amendment offered by the Senator from Ohio.

As to the possibilities of bothering those who are manufacturing the equipment in this country, I have a report dated August 15, 1957, which discusses the Italian situation, wherein the World Bank told the export-minded United States and British reactor builders to "ante up" in the atomic power states. The report states how the Atomic Energy Commission and the British are going to provide opportunity for consultation with Italy. After Italy decides what kind of reactor she will use, will there be any problem because of the amendment offered by the Senator from Ohio? Not the slightest. Only 5,000 kilograms have been committed to the International Agency, but the bilateral arrangement provides for 7,000 kilograms. Atomic materials are going to be available under the bilateral program. There is no restriction upon those who may want to use American-type reactors or American-built reactors, because the International Agency does not have control of all this material. The real way the material will get to other countries will be through the bilateral arrangements which have been made. They have been submitted to the Congress by the able Senator from Rhode Island [Mr. PASTORE].

The Senator from Rhode Island has had printed in the body of the RECORD, round by round, every one of these bilaterals, as each has been announced. The Senator is in the Chamber. I am sure he has done that.

I think it is interesting to note that in not one single instance has there been the faintest objection by the members of the joint committee to these bilaterals. Congress has retained the right to look at them, and Congress has retained the right to see if the amounts pledged are extravagant in view of the situation in the country, but the Congress has not embarrassed the President or his agent in the negotiations.

I will say to the Senator from New York that I welcome the opportunity to put this sort of statement in the RECORD, because I want the world to understand that so far as the Joint Committee on Atomic Energy is concerned the Congress does support the position taken by the President, and the members of the joint committee support the position taken by the President. The members of that committee have never once, so far as I know, questioned in the slightest the commitments the President has made.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. ANDERSON. I am happy to yield.

Mr. JAVITS. I want to thank the Senator from New Mexico and again thank the Senator from Ohio. They make me feel that what I have done is of some use. I am grateful to them.

I approached this subject rather timidly, because it is a field with which I am unacquainted. I felt that I had a duty to speak, and I am glad my words have been constructive.

I also wish to thank the Senator from Oregon [Mr. MORSE] who has yielded to us, to allow us to have the discussion.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. MORSE. Mr. President, I ask unanimous consent that I may yield to the Senator from Kentucky so that he may make a statement, without losing my right to the floor.

The PRESIDING OFFICER (Mr. LAUSCHE in the chair). Is there objection to the request of the Senator from Oregon? The Chair hears none, and it is so ordered.

TENTH ANNIVERSARY OF INDIA AND PAKISTAN

Mr. COOPER. Mr. President, 10 years ago, the partition of the subcontinent of India into two nations was completed, and India and Pakistan became independent, sovereign states. This day, August 15, 1957, marks the anniversary of their independence. I am sure that the good wishes of the people of the United States go out today to the governments and peoples of India and Pakistan.

Without diminishing in any way the accomplishments of the people of Pakistan in these 10 years, I want to direct my remarks to India. This is so, because for a short time—only 15 months—I had the honor to be the representative of the United States in India.

Nevertheless, in that time I came to know something of India's history, its thought and purpose, and the warmth and generosity of its people.

I think it would be impossible to be in India for a time without coming to know that there never was any question that India would be independent again. The strength and continuity of its ancient culture and its history made independence inescapable. The parts that Gandhiji, the President of India, Rajendra Prasad, the Prime Minister, Jawaharlal Nehru, and other great leaders played in hastening independence were in a larger sense, expressions of Indian thought and purpose and determination. And in the transition to independence, I think it is worth while to remember that Great Britain and her statesmen played an enlightened role. I saw the fruit of that enlightened action in the mutual respect which the governments and peoples of India and Great Britain hold for each other.

In the 10 years that have elapsed since independence, India's resurgence has been marked by a renewed spirit and activity which only independence and freedom can give.

I may say parenthetically that, if ever there was any question about any difference between colonialism and paternalism or freedom and independence, the demonstration of that can be seen in the renewed spirit and activity of countries which are free and independent. The establishment of a Constitution, of parliamentary institutions and free courts, and the holding of two free elections, the largest in point of participation in

the history of the world, are evidences of this spirit in India.

During the past 10 years, in the face of monumental difficulties, India has completed its first 5-year plan for economic advancement, and is now engaged in the second 5-year plan, which is designed to raise the living standards of its people and to give them opportunities which, for such a long time, had been denied.

These plans have called for great sacrifices on the part of the Indian people in terms of taxation, deficit financing, and self-denial. Yet steady progress has been made, both agriculturally and industrially. I have no doubt that, with the understanding and assistance of the other democratic countries of the world, including our own, their plans will achieve success.

May I say that our country and the other free countries of the world should never forget the great economic efforts which are being undertaken in India by voluntary and democratic means.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. MANSFIELD. Mr. President, I should like to join with my distinguished colleague, the Senator from Kentucky, a former Ambassador to India, in extending on the 10th anniversary of the independence of India best wishes and congratulations to the Prime Minister, Mr. Nehru, for the fine job he has done under tremendous difficulties; to the Government of India, for functioning so smoothly in spite of obstacles confronting it; and to the people of India, for contributing so much to the stability of this newly independent country and making it possible for India to achieve its proper place in the world.

As a former Ambassador to India, the Senator from Kentucky well knows that that country has a great and noble tradition and an ancient culture, and that it faces many difficulties based on lack of some needed resources but certainly not on a lack of population.

The Senator from Kentucky well knows also that there have been, on occasion, misunderstandings in this country relative to India and its role.

I should like to express the hope—and I know the Senator from Kentucky followed such a policy while Ambassador from this country to India—that the Indian people will take us as we are and develop a feeling of tolerance and reasonableness toward us, exactly as we should take the Indian people as they are and develop a spirit of understanding and reasonableness toward them, because I think that the two peoples and the two countries together can go a long way.

I hope also on this 10th anniversary of both India and Pakistan that ways and means can be found by which these two powerful neighbors may live in peace and amity, and both make a contribution to a prosperous and more secure world.

Mr. COOPER. I concur with the statement made by the distinguished Senator from Montana. I know of his appreciation of the problems of India and also of the relations between India and Pakistan. I know that his own thought and efforts in this field can be of great help.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. COOPER. I yield to the Senator from New York.

Mr. JAVITS. I should like to join both of my colleagues in their expressions of congratulations to India, which is a republic in our own sense, on its 10th anniversary, as well as expressions of congratulations to Pakistan.

I had the privilege of visiting both countries only some 6 short months ago. The memory of the Senator from Kentucky, the former Ambassador, is bright and green in India. He is considered as one of the great Americans to have served in that post. We should all be very proud that that is so.

Mr. President, India represents the answer in Asia, and perhaps the answer for all the uncommitted nations of the earth still in the Free World orbit. If these many millions of people can reform their social and economic systems so as to give themselves some sense of well-being and take advantage of the industrial age without totalitarian rule, which is the case in Communist China, the Free World will be safe. If they fail, the Free World will be in great danger.

We have a great stake in Indian freedom and independence. I hope very much that we will help it in every way possible. That is the best way to memorialize the 10th anniversary of Indian independence.

I am grateful to the Senator from Kentucky for the outstanding leadership he continues to exhibit in respect to the relations between that country and the United States, long after laying down the responsibilities of his office in that country.

Mr. COOPER. I thank the Senator very much.

Mr. President, one of the remarkable facts of India's independence has been its attainment, in a short time, of a position of great influence in world affairs under the leadership of its Prime Minister Nehru. While there are points of difference between the United States and India in some international questions, or more accurately, in our approach to international questions, I believe it is the purpose of India to maintain its sovereignty and independence, its democratic institutions, to seek social justice for its people, and world peace. Certainly these are the basic goals of the foreign policy of the United States. The people of the United States and our Government gave moral support to the people of India in their difficult days, the days of their struggle for independence. I believe that since that time we have demonstrated our good will by our continuing interest and our support of their efforts to achieve economic independence. It is my hope that there will develop between India and the United States a larger association and strong friendship. For, as two great democracies in the world, one in the West and one in the East, we can exert great influence in strengthening the cause of freedom, peace, and justice.

I remember that 2 years ago today I stood on the ramparts of the Red fort in Delhi, the capital of India, and saw hundreds of thousands of people gather to listen to Prime Minister Nehru and to celebrate their independence. And today, I join with my countrymen in the wish and in the faith that their freedom and independence will flourish.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. COOPER. I yield to the Senator from Alabama.

Mr. SPARKMAN. I commend the able Senator from Kentucky for reminding us that this is the 10th anniversary of the independence of India, and for pointing out some of the important things for us to remember about that great country.

Sometimes questions are raised in the minds of many of our people as to what the position of India may be on certain questions which arise. I think the Senator from Kentucky has done an excellent job in pointing out that, even though differences may arise from time to time, there is a great field of common interest between the two countries.

I am glad to say that, at least during the past several years, our Government has recognized the importance of India. I do not wish to exclude our earlier ambassadors, whose names I do not recall at the moment, but I remember the very fine service that was rendered our Government by the distinguished Senator from Kentucky when he served in the post of Ambassador to India. He was a great ambassador, one of good will, one who built good relations between the two countries.

He succeeded a man who did a remarkable job as Ambassador to India, the great underlying area of Asia. I refer to Mr. Chester Bowles, of Connecticut. Our present Ambassador to India, Ellsworth Bunker, is one of the very finest we have in the diplomatic service. There has been much discussion in the newspapers recently with reference to career and noncareer ambassadors. I believe I am correct in saying that all three of the ambassadors whom I have named were noncareer ambassadors, and all three were most excellent ambassadors, and did much to keep pointed up for us the importance of this great area of Asia, and the part it will play in the future peace of the world.

I verily believe that India is one of the key nations in the future, so far as the building and maintenance of world peace is concerned.

I commend the Senator from Kentucky for reminding us of this anniversary, and I join with him and other Senators in extending our congratulations to this Republic and its great leader, and our best wishes for the greatest success throughout future years.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. MORSE. I wish to associate myself with the remarks of the Senator from Kentucky [Mr. COOPER] in extending our congratulations to the great Commonwealth of India on the 10th anniversary of its independence.

It is particularly fitting that our leading spokesman this afternoon in extending these congratulatory greetings to India should be the Senator from Kentucky, who was such a distinguished and able Ambassador of the United States to India, the great new country of freedom.

We have had many great ambassadors to India. It happens to be my judgment that in our generation we have had two exceptionally great ones, namely, Chester Bowles, of Connecticut, and JOHN SHERMAN COOPER, of Kentucky.

They have done much to develop an understanding of American political philosophy among the people of India, and we are greatly indebted to those two great public servants in the field of foreign service.

The Senator from Kentucky mentioned in his remarks that two general elections have been held in India during the 10-year period of its independence. I may be mistaken in the statistics, and, if so, I ask the Senator from Kentucky to correct me for the RECORD, but, as I recall, at the first election in India, with many millions of the population unable to read or write, nevertheless, 82 percent, if I correctly recall the figure, went to the polls and exercised the greatest right free men and free women have, the right of franchise. I recall reading an account of that first election in India. It related the great distances which tens of thousands of men and women traveled by foot, through rough terrain, to reach the voting places, in order to exercise this great right of freedom.

Mr. President, in that expression of faith in democracy in India there is a lesson to be learned in America. I say that because in many of our elections a percentage far short of 82 percent of the voters go to the polls. In fact, one of the statistics I point to with great pride, so far as the exercise of that privilege of Americans is concerned, is the statistic of my own State in November 1956. During my campaign I frequently called attention to the dedication to the right of franchise in India, and pointed out that in that first election I understood some 82 percent of the Indians voted. I said I hoped that on November 6, 1956, we could equal it. The statistics, which are official, as I understand, show that we exceeded it. About 85 percent of our registered voters voted in that election. I have not seen the national figures, but I believe our figures lead the Nation.

I wish to emphasize this dedication to the right of franchise in India in my congratulatory message from the floor of the Senate today to that great independent State.

However, I wish to make another comment with regard to which many may not share my point of view; but I think it needs to be said. I happen to be one United States Senator who does not think it has been a mistake for India during these 10 years of independence to take a position of so-called neutralism. I am not one who feels that a free nation must necessarily bind itself to the United States in the great contest for freedom in the centuries ahead.

I have an understanding of India's position, and I do not believe India has one iota weakened the cause of freedom in the world by taking the position of so-called neutralism. To the contrary, I am inclined to believe that in Asia she has strengthened freedom, because she has served clear notice on Russia and on the United States that she intends to stand on her own feet and exercise a complete independence with regard to the great contest in ideologies now going on in the world, and which will go on, in my judgment, for a century ahead.

I happen to believe that India's influence in the councils of the world will be greater because she is neutral so far as military alliances are concerned and so far as any form of alliances are concerned.

I would judge a nation, not by its alliances, but by the extent to which it practices the principles of a free society within the framework of its government. I have no cause for concern as to where India will stand in the great struggle for freedom. She has already demonstrated it for 10 years. By her acts, let us judge her. By the progress she has made, let us judge her.

Therefore, as a member of the Committee on Foreign Relations of the United States Senate, I have never shared the view expressed by some in this country that what India should obtain in the way of foreign aid, for example, or what she should obtain in loans, for example, ought to be tested and determined by whether she will join, for example, SEATO. I believe we should place her with other countries who prefer to stand on their own independence, free of alliances. I happen to believe it is a precious right of sovereignty. I am not so sure that it is not also one of the highest expressions of dedication to freedom. Therefore, as one Senator, I wish to say that I not only congratulate India and its Government and its leaders, but I hope it will continue to demonstrate to the world as a great neutral nation, so-called—neutral in the sense that it has joined no alliances—that it believes in freedom.

What do we mean when we so glibly talk about freedom? Freedom to me means governmental forms which seek to translate into governmental action the dignity of the individual, and the right of the human being truly to be free to govern himself and in accordance with such great constitutional guaranties as we find in the Constitution of the great state of India.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. HUMPHREY. I first wish to join with the Senator from Oregon and the Senator from Kentucky in their messages of felicitation and greetings to the people of India. Earlier today I made a brief statement relating to India's 10th anniversary. The success of India as a free nation is inextricably tied and bound up with freedom in the whole world. What the people of India are attempting to do in their free institutions is the opposite to the totalitarian way in neighboring countries.

I thoroughly agree with the Senator from Oregon when he says that the test of our friendship and our respect for another country is not whether the country joins in an alliance with us. India is not a neutral. She may be exercising neutrality in the power struggle, but she is not a neutral in terms of democratic ideals. She is not a neutral in terms of the hopes and aspirations of her people for the fulfillment of the ideals of democracy. She is, in fact, in the struggle, and is in it with all her strength and might, to make possible a better life for her people under free institutions. What happens in that subcontinent, in the great Republic of India, may very well determine what will happen not only in Asia, but in Africa as well, and it could be the balance of power, so to speak, in the entire world struggle with which we are concerned.

Therefore, I commend the Senator from Oregon and the Senator from Kentucky and other Senators. I wish every Member of the Senate would make it his business to let the people of India know that we watch with keen interest and with sincere affection and with genuine respect all that they are doing, and that their leaders have earned the respect and confidence of the freedom-loving people of the United States.

I conclude by saying that we wish them the best in their most recent economic development plan. India will need help. She will give much more of herself than anyone can give to her. I hope, as we review our foreign-aid policies, we will remember that whatever we do to help the people of India will be the striking of a mighty blow for freedom and justice throughout the world, not merely in that one country.

I thank the Senator from Oregon for his courtesy in yielding to me.

Mr. MORSE. I appreciate very much the comments of the Senator from Minnesota, and I am honored to have them appear in the RECORD associated with my remarks.

I wish to make this comment on the so-called neutralism of India, because in the months gone by it has pained me to read statements of American political leaders to the effect that, unless India will join in a military alliance, we ought to cut off the aid we may extend to her.

I wish to point out that, in my judgment, to understand the so-called neutralism of India, so far as being a party to any alliance is concerned, we need also understand the religious ideology of India. Sometimes it is very difficult for us of one faith to follow and comprehend the significance of the deep religious convictions of people of another faith.

We need only study a little of the philosophy of Gandhi, however, to have all the understanding we need as to why the so-called neutralism prevails in India today. Can we be so sure that we are right and India is wrong? Can we be so sure that the road to permanent peace is the road of military alliance? Can we be so sure that the dawn of peace will come only after we have frightened the world with threats of massive retaliation and hydrogen warfare? I have a little difficulty reconciling that idea with my religious philosophy. Therefore, I do not propose to

adjudge a people who have, in effect, through their government, said to us, "We are with you in the cause of human dignity, but we will not join with you in what we interpret to be a cause of militarism."

I am not so sure that the example which India is setting in this generation in the history of mankind may not be the ultimate example which civilized men will have to follow if permanent peace is to be attained. So, rather than criticize India for her neutralism, I am inclined to commend her, because I believe her neutralism is based upon a great dedication to a religious principle that peace does not come through war.

I close this observation with the warning that I think we will probably make greater progress in southeast Asia, in attaining greater support for American foreign policy, when we diminish somewhat the emphasis on the military and increase the emphasis on improving the economic lot of the millions of people in that section of the world, whose average longevity is still 37 years, compared with our 65 years, one of the main causes being, of course, the low economic standards under which they have to live.

I say to the American people today, as I comment on the Indian situation, that I happen to think that in those areas of the world where economic conditions are still at a very low standard we need to be on guard that we do not give justification for the Russian propaganda that we are looking for military satellites. The way to meet that Russian propaganda, I think, is to demonstrate that we seek to improve the dignity of the individuals in other sections of the world by improving their economic lot. We need not condition that upon a military commitment in advance of economic aid.

Mr. COOPER. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. COOPER. I am very happy that so large a number of Senators have joined today in this remembrance of the independence of India and of Pakistan, and have discussed some of the problems which face those countries, particularly India, and also some of the problems which affect the relations of this country and India.

I hope that at some time, perhaps at this session, I may have opportunity to state my views about the relations between India and the United States. I have postponed doing so because I wanted to engage again in the work of the Senate, and because I thought it was appropriate to defer such a statement until several months had elapsed following the end of my service in India and my return to the Senate.

I hope the people in India know that there are thousands in this country who are sympathetic with their goals and their aims, and that there are many Members of Congress and officials of the Government who understand their problems and policies.

I believe I can say, as has been said by my colleague, the distinguished Senator from Oregon, and by other Senators, that if at times we question a policy of India, we can reflect that if India can maintain its sovereignty, its independence, and its freedom, as I believe it will, in doing so it will be in harmony with one of the great goals of American foreign policy, namely, the sovereignty, independence, and equality of all nations.

I make one other point. It has been said here today, and has been said truly, that the experiment, if it may be called one, at least, what is occurring today in India, is of tremendous importance in world history. I do not call it an experiment, for I think it has progressed beyond that stage.

First, we ought to think in terms of the people of that country. What is happening is of vital importance to them, because after so many years there has come to them the opportunity to determine their own future and establish their own institutions. There is also to be considered the effort to raise the living standards of the people of India, and to attain true political and economic independence.

But it is important also that we think in terms of world affairs or of world history, because what happens there in their momentous struggle will have commanding influence upon what peoples in other countries in Asia, and I believe later in Africa, will do.

India is attempting to achieve its goal by democratic and voluntary means. Its people will look to their leadership. They will look to the system they have espoused to determine whether, under their system, their goal can be achieved. They face great problems. I believe that in order to attain their goals within a reasonable time, there must be some measure of support and assistance from other countries. It is a fact that our country, perhaps along with other democratic countries, has the capability of giving India some of the necessary friendship and support.

I wish to say today only that while we have reason to commemorate a day of independence for two nations, in reality we have been considering also what may happen to those two nations, and also what influence the events in those two nations may have upon almost a billion people in Asia and Africa. It is not a small matter; it is a great matter. It is a subject of tremendous importance, not merely to the two countries, but to all the countries of the world.

I thank the Senator from Oregon.

FEDERAL POWER COMMISSION

The Senate resumed the consideration of the nomination of Jerome K. Kuykendall to be a member of the Federal Power Commission.

Mr. MORSE. Mr. President——

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). The Senator from Oregon is recognized.

THE CHOICE BEFORE THE SENATE: KUYKENDALL VERSUS CONSUMERS

Mr. MORSE. Mr. President, I turn now to the Kuykendall issue. For the purpose of relaxing the members of the press gallery, let me assure them that—all the rumors to the contrary notwithstanding, including what I understand are some radio announcements this afternoon—this speech will not last 17 hours. Depending upon the interruptions, I think I shall finsh the speech in approximately 1 hour and one-half, or slightly more.

Mr. President, the Senate stands on the threshold of a potentially historic decision posed by the renomination of Jerome Kuykendall to be a member of the Federal Power Commission. Mr. Kuykendall has a record of more than 4 years in office as Chairman of the Federal Power Commission. That record places every Senator on notice that if the pending nomination is reconfirmed, the Federal Power Commission will be given the green light to continue its policies of advancing the interests of monopoly and condemning the public to underdevelopment of natural resources, price gouging, and exploitation.

The history of State regulatory commissions stands as a sad lesson of what can happen—if we let it—at the national level. The theoretical basis of governmental regulation of utilities is that they are monopolies which will not provide full service at reasonable prices unless a public agency, representing consumers, is empowered to oversee utility operations.

It is a historic fact that State regulatory bodies have, by and large, been unsuccessful in discharging their tasks. Lengthy court battles sapped the vitality of early regulatory efforts. Well organized utilities have been able to capture many State commissions, by the appointment of officials favorable to the utilities subject to regulation.

In large measure the lack of success of State regulatory bodies led to the establishment of the Federal Power Commission. In addition, the interstate aspects of water-resource development made it imperative to establish a national agency to superintend the development of navigable streams and the interstate operation of electric utilities.

During the past 4 years we have seen that the Federal Power Commission, established as an arm of Congress, can be captured in the same fashion that earlier State commissions were.

Under the chairmanship of Jerome Kuykendall, the Federal Power Commission has ceased to be a regulator and guardian in the public interest, and has become the ally and shield of the utilities which it was supposed to be regulating.

The Senate Committee on Interstate and Foreign Commerce and the nominee were in agreement with the proposition, which is hardly debatable, that the Federal Power Commission is a Congressional agency—not an executive agency. Congress therefore has a special duty, in passing upon a nomination to the Federal Power Commission, to insure that a member who is renominated has demonstrated faithfulness to the principles and statutes subject to his administration, and further, faithfulness to his duty to deal candidly with Congress.

At the outset, I stress that the Kuykendall case goes beyond any question as to the handling of any individual case or controversy. An attempt has been made to give the false impression that the opponents of confirmation of the nomination of Mr. Kuykendall seek rejection of

the nomination only because of his position on the Hells Canyon case. Mr. President, that is not so. We oppose confirmation of the nomination because the Hells Canyon Dam case is but one of many which show the nominee's bias in favor of the utilities and his failure to protect the consumers of America within the meaning and the intent of the Congressional legislation establishing the Federal Power Commission.

The majority report of the committee seeks to give the impression that the opponents of confirmation of the nomination of Mr. Kuykendall seek rejection of the nomination because of disagreement with him over his views in the Hells Canyon case and over his views regarding proposed amendments to the Natural Gas Act. That is not the basis of my opposition, Mr. President; neither is it the basis of the opposition of the many witnesses who testified at the hearing.

The basis of the opposition is that in case after case, Mr. Kuykendall has demonstrated by word and deed that he has not been candid with Congress, that he has consistently disregarded the interests of consumers, and that he has not represented the public or been faithful to Congressional policy.

The report of the committee majority and the minority views do not present the factual record made by the witnesses appearing in opposition to Mr. Kuykendall. The hearings, which comprise more than 450 pages, are too long and complicated for adequate study by Senators, since they became available on Saturday, August 10. Therefore, it is necessary to state for the record the factual basis for my opposition to the confirmation of the nomination of Mr. Kuykendall, which is shared by many of the organizations and groups opposing him.

The evidence is that Mr. Kuykendall, during his 4 years as Chairman of the FPC, has not fulfilled his obligations to consumers in the impartial manner required by the nature of his office.

If he is confirmed, despite his known conduct, the executive members of all of the regulatory commissions and the industries subject to their jurisdiction will be on notice that anything goes.

MISREPRESENTATION TO CONGRESS

Members of the Federal Power Commission, and especially its Chairman, have the obligation to act with impartiality in the administration of the statutes and policies of Congress designed primarily for the protection of consumers. As representatives of Congress, they owe a special responsibility to deal with candor with Congress.

The evidence seems clear, and so far as I know unrebutted, that Mr. Kuykendall failed to deal candidly with Congress on at least one important occasion, and possibly others.

The documentation for this charge is to be found in the report of Subcommittee No. 1 of the House Select Committee on Small Business, House Report No. 2967, 84th Congress, 2d session, on The Organization and Procedure of the Federal Regulatory Commissions and Agencies, and so forth, pages 40 to 42.

I am glad to see present in the Chamber the Senator from New Mexico [Mr. ANDERSON], and the great leader in the atomic field in the other body, Mr. HOLIFIELD, as I emphasized the clear intellectual dishonesty on the part of Mr. Kuykendall toward them in the particular matter which I now discuss. I want to say, with very great regret, that I charge Mr. Kuykendall as not being a man of veracity in this matter. I believe in using clear language which people understand, so I say I believe he deliberately lied. I do not intend to sit in the Senate and vote for a man in whose veracity I have not the least confidence.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. MORSE. I yield to the Senator from New Mexico.

Mr. ANDERSON. I may say to the Senator from Oregon that someone asked me a while ago how I was going to vote on the confirmation of the nomination. I said I was going to vote against it, and I based my statement on the very fact to which the Senator has now alluded, namely, that the nominee had not stated the complete truth in the Dixon-Yates matter, and that under the circumstances I could not vote for the confirmation of his nomination.

Mr. MORSE. The announcement of the Senator from New Mexiso does not surprise me a bit. In fact, I would have been greatly surprised if he had announced he would vote in any other way than as he has announced, which I know is something that could not have happened if he had had clearly explained to him one basis of my objection, namely what I considered to be falsehood on the part of Mr. Kuykendall.

In summary, Chairman Kuykendall, during the Dixon-Yates controversy in Congress, testified in 1954 before the Joint Committee on Atomic Energy that the FPC Bureau of Law had not made any studies or passed upon the proposed Dixon-Yates contract when it was being processed by executive agencies. The facts were that two high officials of the FPC Bureau of Law, two assistant general counsels, had made studies of the proposed contract and condemned it vigorously for its failure to protect the interests of the Government and the public. I do not think there is any doubt about the fact that Kuykendall knew that when he testified before the committee.

This is a matter of such major importance that I wish to read into the RECORD the summary of testimony issued by the select committee's Subcommittee No. 1, issued on July 31, 1955:

SIGNIFICANT FACTS DEVELOPED IN THE HEARING HELD BEFORE SUBCOMMITTEE NO. 1 OF THE HOUSE SELECT COMMITTEE ON SMALL BUSINESS ON THURSDAY, JULY 28, 1955, IN THE EXAMINATION OF WITNESSES FROM THE FEDERAL POWER COMMISSION

I. Evidence relating to defects in the Dixon-Yates contract which was drafted and proposed prior to August 1954, disclosed that early in 1954 the Bureau of the Budget sought and secured help from the Federal Power Commission in connection with the drafting of the Dixon-Yates contract. The Federal Power Commission at that time was under the chairmanship of the Honorable Jerome Kuykendall, an Eisenhower appointee. In connection with that work on the Dixon-Yates contract, Francis L. Adams, Chief of the Federal Power Commission's Bureau of Power, in company with William F. McCandless, a representative of the Bureau of the Budget, visited the White House when the matter was being considered by the President. He stated that he was asked to accompany the Director of the Bureau of the Budget and Mr. McCandless and to sit in the hall outside of the President's office in case any technical question that Mr. McCandless or others wished to direct to him while the President had this Dixon-Yates matter under consideration and discussion. (Transcript, pp. 829-830.)

Thereafter Mr. Francis L. Adams of the Federal Power Commission and his assistant, Mr. Roberts, spent substantial time giving the Bureau of the Budget assistance on the Dixon-Yates matter. Much of the time that they gave to this matter was spent in the offices of the Bureau of the Budget. By August 23, 1954, the proposed contract for Dixon-Yates had been drafted and had been submitted to the Federal Power Commission for its study and report. In that connection, at the request of the Acting Chairman, Commissioner Digby, the Federal Power Commission's Bureau of Law was asked to review the draft of the contract and to state orally to the Federal Power Commission at a scheduled meeting for August 25, 1954, "what, if any, questions the Bureau of Law had and the nature of the questions" about the contract (transcript, pp. 864-865).

Within that period of time between August 23 and August 25, 1954, by working strenuously and overtime, the Acting General Counsel, Mr. Lambert McAllister, and Assistant General Counsel Howard E. Wahrenbrock made a study of the Dixon-Yates contract and presented memorandums of their comment thereon. In the meantime, the General Counsel of the Federal Power Commission, Mr. Willard W. Gatchell, returned to the city and received a call to appear before the Federal Power Commission in a meeting it held shortly after September 17, 1954, to discuss the Dixon-Yates contract (transcript, pp. 880-881). In that connection, he testified as follows:

"Mr. GATCHELL. This came before the Bureau of Law. This Dixon-Yates contract came before the Bureau of Law through the Bureau of Power. And it happened to come at a time when I was out of the city on some business with the Commission, and so I knew nothing about it until I got back. I then saw both Mr. Wahrenbrock's and Mr. McAllister's memorandums, the ones that have been submitted here and received by the committee.

* * * * * *

"These memorandums which were submitted by Mr. Wahrenbrock and Mr. McAllister were submitted at the request of the Bureau of Power. Ordinarily, when the Commission wants an opinion they ask the General Counsel for an opinion, which is prepared. And invariably the practice has been, as far as I know, without any exceptions, that these opinions then go to all members of the Commission; and I have no reason to think that the two memorandums which were submitted, one by Mr. Wahrenbrock and one by Mr. McAllister, did not likewise go to the members of the Commission. * * *

"Mr. MACINTYRE (General Counsel, Select Committee on Small Business). In the course of those discussions, did you inform them of the views of the Bureau of Law?

"Mr. GATCHELL. No, sir; I informed them of my views. And in my views I, of course, took advantage of the study which had been made by Mr. Wahrenbrock and Mr. McAllister, because they are very fine technicians and

both of them did a thorough job within the very limited time that they had.

"I was fortunate in having a little more time to study it. I raised all of the points that they raised, and quite a number of additional points myself. I raised those to the Commission."

I digress from quoting from the committee report to ask the rhetorical question: Who was Mr. Gatchell? He was the head of the Law Department of the Federal Power Commission. He was Mr. Kuykendall's top legal adviser. I ask Senators to read his testimony before the House committee. There can be not the slightest doubt that Mr. Kuykendall had the opinion of the head of his law department, and the head of his law department was against the Dixon-Yates contract.

I digress further, Mr. President, to say that in my judgment one President Dwight D. Eisenhower had the right to know that before he became so enmeshed in the smelly Dixon-Yates deal. I shall always want to believe that if his palace guard would get the facts to him the President would not make all the "boners" he makes because of an obvious lack of knowledge as to what is involved in some of these issues. I shall always want to believe that if his palace guard had gotten the facts to him about the stinking Dixon-Yates contract the President would not have let it go through.

I think there is some evidence which should be cited again to show how uninformed the President was on the Dixon-Yates deal. In his press conference, which is now well known by Members of the Senate, because we discussed it at some length when the Dixon-Yates contract discussion was held on the floor of the Senate 2 years ago, the President was asked by Doris Fleeson, one of the most able correspondents writing in American journalism today, what he had to say about the fact that a memorandum brief had been filed in opposition to the Dixon-Yates contract by a majority of the members of the Atomic Energy Commission and that a memorandum against the contract by the then two members of the Board of Directors of the TVA was on file in the Bureau of the Budget.

I paraphrase the President correctly when I say his answer was to the effect that he did not know about the briefs.

He should have known about them; but he should not have been expected to know about them except through the advice of competent advisers. They let him down.

As a known critic of the President, one of my chief criticisms of him is that he has not done a better job in seeing to it that he is surrounded by men and women who do not let him down by concealing from him or failing to give him the facts the American people are entitled to have their President know before he makes such decisions as he made in the Dixon-Yates case.

Applicable to this particular issue before the Senate, I think what was brought out in the House committee hearings were facts with regard to the Dixon-Yates contract which Mr. Kuykendall should have seen to it the President knew.

I go back now, Mr. President, to the House committee report. The report goes on to say:

In that connection, the Secretary of the Federal Power Commission, Leon M. Fuquay, also testified as follows (transcript, pp. 874–875):

"Mr. MACINTYRE. And you heard Mr. Wahrenbrock's testimony about having submitted to the Secretary of the Commission copies of his memorandum on the Dixon-Yates contract?

"Mr. FUQUAY. Yes.

"Mr. MACINTYRE. And you heard him say that he passed that to the Secretary for distribution to the Commission?

"Mr. FUQUAY. Yes.

"Mr. MACITYRE. Did you pass that on to the Commissioners, including the Chairman?

"Mr. FUQUAY. I would have no way to know that. I can only assume that I did. We don't keep the record of whether we did or we didn't. I assume the interoffice file would show perhaps a notation "Distributed to the Commission." My girls usually do that. It is also perhaps possible that the agenda, if there was one on that date, would show that it was before them at the time.

"Mr. MACINTYRE. Would the record of the Federal Power Commission, the minutes of the Federal Power Commission, show whether or not the memorandum had been distributed and received by the Chairman?

"Mr. FUQUAY. The minutes would not. The agenda might show. The minutes only show what action took place.

"Mr. EVINS. Mr. Fuquay, would you address a letter to the counsel of the committee, after examining your files, and tell us whether or not this memorandum was distributed to the Commission?

"Mr. FUQUAY. If I can ascertain that fact, I will be glad to do that.

"Mr. KUYKENDALL. I think I can clarify that point.

"Mr. EVINS. Proceed.

"Mr. KUYKENDALL. I saw Mr. Wahrenbrock's memorandum. We had it at the Commission meeting. I am sure all Commissioners had it. And we considered it and discussed it with him and with other members of the staff who were present."

Now, what did the memorandums which had been prepared by Mr. McAllister and Mr. Wahrenbrock contain in the way of comment concerning the Dixon-Yates contract? In that connection, the summary and concluding paragraphs of Mr. McAllister's opinion of those contracts are quoted as follows:

"I have never reviewed a power contract wherein each and every provision is written in such fashion that one party has an absolute veto right wherever any adjustment or change is indicated and no provision is made for the resolving of a dispute. The contract gives the impression that the generating company dictated the terms and conditions of the contract and either AEC was inept or without any right or opportunity to insist on relative provisions which would spell out the representative rights and circumstances under which an adjustment might be justified and provide for a resolution of any difference that might arise through an established form of negotiation or arbitration.

"The time which has been available for review of the contract from the standpoint of its provisions has been entirely inadequate. There are many provisions of the contract which could be specified in support of the statement that the contract is all one sided, but time would not permit the coordination and discussion of all such matters."

Digressing, Mr. President, that is what was prepared by Mr. McAllister and Mr. Wahrenbrock, two assistant general counsels of the Bureau of Law of the Federal Power Commission.

What do you think, Mr. President, the President of the United States might have said about the contract if that legal opinion had been placed in his hands? What different course of action do you surmise, Mr. President, might have been followed if Mr. Kuykendall, who testified that he knew of that legal opinion and had it before him at the meeting of the Federal Power Commission, had told the President about it?

I want to think, Mr. President, that the President would have turned down the Dixon-Yates deal. I want to think that at least the President would have proceeded to make a much more thorough study on his own of the Dixon-Yates deal than was made.

Going back to the House report—

The concluding paragraph of Mr. Wahrenbrock's memorandum is as follows:

Aside from minor questions of draftsmanship, the foregoing questions, arising from the limited and preliminary study which it has been possible to make, appear serious enough and numerous enough to cause grave apprehension that there are other questions and very substantial objections to the August 11 draft. It would seem reasonable to conclude that the immediate advantages from quick completion of the deal in these terms, to facilitate getting forward with certain parts of the construction before spring high water on the Mississippi, will be more than offset by the long-term substantial advantages to the Government of taking additional time to try to arrive at a better contract. And this is in addition to the grave question of legal authority for the contract under the Federal income tax provision of section 165 (b) of the Atomic Energy Act of 1954 (enrolled).

I have already pointed out, by reference to this House document, that Mr. Gatchell testified that he had advised the Commission on the basis of the legal memorandum prepared by Mr. McAllister and Mr. Wahrenbrock. There is no room for doubt that in effect, what Mr. Gatchell said to the House committee was that he shared the opinion. So the head of the Bureau of Law of the Federal Power Commission can be correctly associated with the conclusions drawn by the two assistant general counsels of the Bureau of Law of the Federal Power Commission in regard to Dixon-Yates.

I repeat, someone should have told the President about it. I happen to believe that Kuykendall should have told him. I think the President has the right to expect that kind of service from the head of a commission, when a situation is so pregnant with scandal and corruption as the Dixon-Yates situation was.

Above all, Mr. President, I think Mr. Kuykendall had the duty to disclose these comments by the Bureau of Law to the Joint Committee on Atomic Energy in November 1954; but he did not. Therefore, I cite that fact as irrefutable evidence that he was not candid with the Congressional committee.

He was the head of a Commission which is an arm of the Congress, an agent of the Congress. He had the duty, as chairman of that Commission, of

making full disclosure to the Congress. He concealed the facts.

Intellectual dishonesty takes two forms: First, that of clearly verbally misleading the committee; and, second, in failing to carry out the duty to tell the committee pertinent facts which he had in his possession as an official.

Do Senators want me to vote for such a man to head a commission? So far as I am concerned, we can stop with that act. There are many others.

As a lawyer, let me say that in judging the character of men, I do not adopt the old maxim that a dog has the right to one bite. When I come to judge the character of a man, and I find it lacking, as we find it in this instance, I know that the character is not there to justify my vote to put him in office as head of the Federal Power Commission. If he can be guilty of this kind of sleight-of-hand performance before the Joint Committee on Atomic Energy, I would not trust him anywhere, because when he proves to me once that he is not candid, I am not going to give him a second bite. I am going to send him to the doghouse, where he belongs.

Going back to the House committee report—

It is significant that the advice thus contained and set forth in Mr. McAllister's and Mr. Wahrenbrock's memorandums did not come to light so that could be considered by the Members of Congress and others interested in the Dixon-Yates deal until Thursday, July 28, 1955, months later.

In fact it appears that there was a concerted effort in the past to suppress the information contained in those memorandums. Let us recall the fact that at the time of the election in November 1954 frenzied efforts were being expended to have the Joint Committee on Atomic Energy of the Congress of the United States approve the Dixon-Yates deal prior to January 1, 1955, when the newly elected Democratic Congress would take control. Therefore, hearings were held on the matter by the AEC Joint Committee commencing November 4, 1954, just as the final election returns were being received.

During the course of those hearings on Friday, November 5, 1954, and at page 200 of the Record of the Hearings, Mr. Kuykendall, Chairman of the Federal Power Commission, an Eisenhower appointee, is reported to have testified as follows: (Transcript, p. 878 of the hearings before Subcommittee No. 1 of the House Select Committee on Small Business, on Thursday, July 28, 1955).

"Mr. KUYKENDALL. No; our lawyers were not called into this. Our Bureau of Power worked with the AEC and with the Bureau of the Budget and conferred with our Bureau of Accounts, Finance, and Rates, which Mr. Smith heads. At a later stage, Mr. Smith and Mr. Adams participated in some staff conferences with AEC but our Bureau of Law did not. Then, when we got these requests from this committee and from AEC to give our opinion, we did not ask the Bureau of Law to get into the legal phases of it, because I thought that would simply be plowing the same ground, so to speak, that I know the attorneys for AEC have plowed and the Attorney General. So, they were not asked to give us—wait a minute, I will take that back.

"Representative PRICE. I saw a press report to the effect that the general counsel had not given his approval.

"Mr. KUYKENDALL. We had not asked him for it, but the staff took the contract to him and started drawing him into it".

I digress to say that this is very interesting language which is used by this nominee. Watch his play on words, Watch his semantics. Watch his obvious attempt to weave, hedge, duck, and dodge, rather than be candid and straightforward with the committee.

Mr. PRICE put the question to Mr. Kuykendall, to tell the true story about what Mr. McAllister, Mr. Wahrenbrock, and Mr. Gatchell had done as members of the Law Bureau of his own Commission. He did not do it. Thus, I say this is not the testimony of an honest man. This individual is slippery; and I do not intend to vote for a "slipster" to be the head of the Federal Power Commission.

Listen to his words, recorded in a now historic document:

We had not asked him for it, but the staff took the contract to him and started drawing him into it.

Poor Mr. Gatchell. The staff ganged up on him. The staff was drawing him into it. Whom does Kuykendall think he is kidding?

I felt that it was unnecessary, and we said in our first letter to the AEC that our attorneys had not passed on it.

The House committee raised the question, Why was it that Mr. Kuykendall so acted in keeping from Members of the Congress on that occasion the objections which he knew to exist to the Dixon-Yates contract? Was it something that fits into a pattern of what has been termed "coverup" of important facets of the Dixon-Yates matters such as, for example, the facts concerning the participation of Adolphe H. Wenzell of the First Boston Corp., in negotiating the Dixon-Yates deal?

On the face of the transcript it seems clear that Chairman Kuykendall's misrepresentation and suppression of vital facts when he appeared before the Joint Committee on Atomic Energy in 1954 are sufficient to disqualify him for the position to which he has been renominated.

Mr. Kuykendall's reply to charge of misleading Joint Committee on Atomic Energy in 1954 supplies additional evidence that he misled committee. Moreover, his testimony before Commerce Committee was lacking in candor.

Far from clearing his record, Mr. Kuykendall's attempted explanation of the facts recited in my first charge serves to prove with greater force the duplicity he practiced upon the Joint Committee on Atomic Energy. Indeed, his testimony before the Committee on Interstate and Foreign Commerce was lacking in candor.

It will be recalled that my first challenge to Mr. Kuykendall was that he misrepresented the facts to the Joint Committee on Atomic Energy in 1954 at a crucial phase of its consideration of the Dixon-Yates deal and suppressed the opinions of the FPC Bureau of Law on the unfairness to the Government of the proposed Dixon-Yates contract.

Mr. Kuykendall replies that he merely told the Joint Committee that the Bureau of Law was not called upon for an opinion, or in an alternative fuller explanation, the FPC decided not to get into the legal aspects of the case. In aid of his version he presented this portion of the 1954 Joint Committee transcript:

Mr. KUYKENDALL. Mr. Price, this is rather minor, but to correct the record, you were asking about the lawyers' participation. I recall now that in August before we wrote the first letter, I think our general counsel was away on his vacation, as I recall it, and another lawyer had gotten into the thing, and we discussed it with him. He came into a Commission meeting and he was raising pretty much the same points as Mr. Smith had raised, and also pleading he had not had time to study this, and so forth.

So there was another lawyer in our bureau that had some contact with this, but we decided to rely on our Bureau of Power, and our Bureau of Accounts, Finance, and Rates, and not get into the legal aspect of it. So from then on we did not ask them to write opinions for us or conduct a thorough study for the reason I stated. We felt it was duplicating other people's work. Then our general counsel was back when we wrote the second letter, and he was not familiar with and was not able, in his opinion, to give us advice that he thought the contract was proper. And we did not think we needed such advice.

I repeat that sentence:

And we did not think we needed such advice.

Mr. President, the record shows that Kuykendall already knew that McAllister, Wahrenbrock & Gatchell thought the contract had serious legal limitations and defects in it. At that point Kuykendall owed an obligation to the President of the United States. This is what the situation was: I think it is crystal clear that when Kuykendall realized that his own lawyers, in his own Commission, were trying to point out defects in the Dixon-Yates contract, he then excused his own lawyers from any further consideration on the part of the Commission in its deliberations on the Dixon-Yates contract.

I think that is improper conduct. When Kuykendall understood—and there is no question about it, and his previous testimony shows his admission that he was aware of the fact that his own lawyers, McAllister, Wahrenbrock & Gatchell, had raised serious questions about the contract—when he knew that, he owed it to the President of the United States to exhaust every possible inquiry into that contract before the Federal Power Commission, under his chairmanship, gave any stamp of approval to the Dixon-Yates contract. I repeat, Mr. President, he was not candid with Congress. He also was not fair to the President. Moreover his statements were not in accord with the facts.

He represented that "another lawyer had gotten into the thing."

However, as reported by the House Select Committee, after hearing all the participants, it appears that the acting chairman requested the Bureau of Law for the analysis. But that misrepresentation is minor compared with what followed.

Mr. Kuykendall represented to the Joint Committee that the attorney "was raising pretty much the same points as Mr. Smith—of the Bureau of Power—had raised, and also pleading he had not had time to study this, and so forth.

Is this a fair representation of what the report said:

> The time which has been available for review of the contract from the standpoint of its provisions has been entirely inadequate. There are many provisions of the contract which could be specified in support of the statement that the contract is all one sided, but time would not permit the coordination and discussion of all such matters.

What Kuykendall's lawyers told him was, "We have not exhausted a legal analysis of the contract, but we have gone far enough so that we can advise you it is all one sided." That is what they told him. As Chairman of the Commission, when he got that opinion from his legal counsel, he should have made a thorough investigation of the contract before he put the stamp of approval of the Federal Power Commission upon the Dixon-Yates deal. Mr. President, it is necessary to reach judgments in connection with this matter, particularly when we come to pass upon the conduct of a man within the framework of a body of evidence such as this. My own value judgment is that when Mr. Kuykendall discovered his own lawyers would not go along with him, he decided to consult them no more.

That is a pretty serious defect in administrative approach. I am satisfied that when he discovered that his own lawyers, Wahrenbrock, McAllister, and Gatchell, were trying to tell him that this contract was so legally defective and so one sided that one of them had said in the memorandum that it appeared it was written by the generating company itself, he realized he could not possibly recommend that contract to the President, in the face of what was obviously going to be an adverse report from his own bureau of law.

I believe that when he appeared before the Joint Committee in 1954, he should have so testified as to the facts, instead of concealing them and acting in a manner which was far from candid. His own attorney had said there was not sufficient time to analyze all the defects, but what he had found in the short time available was plenty. That is the meaning of his attorney's advice.

In his appearance before the Committee on Interstate and Foreign Commerce, Mr. Kuykendall gave a different version of the facts. He said:

> The two lawyers had each hastily written a memorandum, both of which were critical of the contract. They also complained strenuously that they needed more time to analyze the contract. Atomic Energy Commission was requesting submission of our advice.
>
> Mr. Francis L. Adams, Chief of our Bureau of Power, pointed out to us that most all of the points being raised by the lawyers had been considered and negotiated by the negotiating parties.
>
> The Commission decided that it should not endeavor to give legal advice and did not do so.

That is a very interesting rationale by way of alibi. He had been told by Mr. Adams, of the Bureau of Power, that the points which were being raised by the Commission's own lawyers were points which had been raised and considered by the negotiating parties. This was supposed to be a review of the contract to determine whether the negotiating parties had acted in the public interest. Mr. Kuykendall heads a Commission which has the primary obligation of protecting the public interest.

So Mr. Kuykendall dismissed the two memorandums of his own legal counsel on the ground that the negotiating parties, whose contract he was being asked to review, had already considered these points. The most kind thing I could say about that conduct is that it was the conduct of an incompetent man, at least, because, I repeat, the moment he knew that his own legal staff was raising serious objections, one of them of such a strong nature as to say, "You would think the generating company had drawn the contract," making it perfectly clear that he did not think the public interest was being protected, that was the time for Mr. Kuykendall to say to the Atomic Energy Commission "We cannot give you our advice until we make a thorough analysis of the objections which have been raised by legal counsel."

What about Kuykendall's representation that his general counsel, Mr. Gatchell, in September 1954, "was not familiar with and was not able, in his opinion, to give us advice that he thought the contract was proper. And we did not think we needed such advice"?

This is Mr. Gatchell's version, in his testimony before the House committee, of what took place:

> Mr. GATCHELL. No, sir; I informed them of my views. And in my views, I, of course, took advantage of the study which had been made by Mr. Wahrenbrock and Mr. McAllister, because they are very fine technicians and both of them did a thorough job within the very limited time that they had.
>
> I was fortunate in having a little more time to study it. I raised all of the points that they raised, and quite a number of additional points myself. I raised those to the Commission.

That was the head of the law department of the Federal Power Commission saying to the House Committee that he not only backed up the findings of McAllister and Wahrenbrock, but he found additional reasons for backing them up, as a result of the additional study he made.

So, I repeat, Kuykendall simply has not been honest in his testimony. He has not come clean in his testimony in regard to what the Commission clearly knew was the position of its three top lawyers in regard to the legal defects of the Dixon-Yates contract.

I would put it to any reasonable men: If experienced attorneys, holding the highest rank of their agency, advised you that a proposed contract was unfair to the government you served, would you not feel duty-bound to explore the matter further and disclose their serious charges to a Congressional committee when asked about it only 6 weeks later?

In his testimony before the Committee on Interstate and Foreign Commerce, Mr. Kuykendall, in changing or at least adding to his story of 1954, said that Adams "pointed out to us that most all of the points being raised by the—FPC—lawyers had been considered and negotiated by the negotiating parties," transcript, page 309.

Yet, one of the very criticisms made by FPC Assistant General Counsel Wahrenbrock was that the contract was so one-sided that "either AEC was inept or without any right or opportunity to insist on" provisions to protect the Government's interest.

In his testimony before this committee, Mr. Kuykendall claims that FPC was never asked for "legal" advice on Dixon-Yates and hence excluded the Bureau of Law even after its three top ranking members raised such serious questions in August and September 1954 about the Dixon-Yates draft contracts.

But he also testified—transcript, page 309—that "the Commission decided—at the August 1954 meeting—that it should not endeavor to give legal advice and did not do so."

Mr. Kuykendall brought to the last hearing only one letter soliciting FPC's advice. On request, he later supplied the other letters. They make fascinating reading on this point.

The AEC letter of August 20, 1954, to Chairman Kuykendall, reads in part—transcript, page 322–B:

> We would now appreciate your review of the proposed contract, attached, indicating whether or not in consideration of the contract as a whole the rates, terms, conditions and cancellation provisions are fair and reasonable to the Government.

I speak as a lawyer. If as a lawyer I got such instructions from a Government agency to give them a report on the criteria set forth in that letter, believe me, Mr. President, I would have a thorough legal analysis made of the legality and fairness of the contract. I would be ashamed of myself, as a lawyer, if I thought I could advise the Atomic Energy Commission in accordance with these instructions, "indicating whether or not in consideration of the contract as a whole the rates, terms, conditions, and cancellation provisions are fair and reasonable to the Government," without covering all the questions dealing with the legality and fairness of the contract.

I again ask, Whom does Kuykendall think he is kidding when he says he was not asked for any legal advice on the contract? If I finished teaching a freshman course in contracts, and a freshman student in the law school did not know better than Mr. Kuykendall testified to on this matter, I would flunk him out of law school, because he could never make a lawyer of whom I would be proud.

There is no question that Kuykendall had the clear duty, as the head of the Federal Power Commission, to advise the Atomic Energy Commission in regard to all phases of the legality or illegality of the contract on the basis of that letter alone.

But that is not my only evidence.

Mr. President, I now refer to the letter of the Atomic Energy Commission of September 20, 1954, to Chairman Kuykendall—transcript, p. 322–F—which reads in part as follows:

> We would again appreciate your view, indicating whether or not in consideration of the contract as a whole the terms, rates, and conditions are fair and reasonable to the Government.

That was the second time the Atomic Energy Commission requested him to give it a review of the contract in its entirety. How in the world could he then advise the Commission that the terms, conditions, and rates of the whole contract were fair and reasonable to the Government? At the very time when he received those letters, his own legal advisers were telling him that the contract was one-sided, so one-sided that one would think it had been written by the generating company itself; and at that very time his own legal advisers told him, as the record makes perfectly clear, that the contract had serious defects. Under those circumstances, Mr. President, what was Mr. Kuykendall's moral duty? According to my code, he then had the duty to see to it that that information reached the President of the United States; and he also had the clear duty to see to it that the Congressional Joint Committee received that information. But Mr. Kuykendall demonstrated that he is a concealer of the truth. Mr. President, one who conceals the truth, when the truth is called for, in my book is not an honest man; and, therefore, in my book, Mr. Kuykendall is not qualified to serve in this post, and his nomination should be rejected.

In his reply of September 30, 1954, to the Atomic Energy Commission, Chairman Kuykendall replied—transcript, p. 322–G, H:

> After consideration of the changes made since our previous review of the contract and viewing the contract as a whole, the Commission is of the opinion, as previously stated in our letter to you on August 26, 1954, that the proposed contract with the Mississippi Valley Generating Co. is fair and reasonable to the Government.

Mr. President, it is too bad, is it not, that, in all honesty, Mr. Kuykendall did not add a little postscript reading as follows: "But Wahrenbrock, McAllister, and Gatchell, our legal advisers, have given us memorandums that cannot be squared with that advice."

Mr. President, suppose Mr. Kuykendall had added such a postscript. Suppose the President had had that little message relayed to him. I happen to believe—at least I want to believe, and I hope I am correct in believing it—that if the President had had that information, he never would have put his stamp of approval on the Dixon-Yates contract.

So, Mr. President, I wish to say that a man who, in my judgment, failed to see to it that the Atomic Energy Commission knew the position which had already been taken by the three top attorneys in the Bureau of Law of the Federal Power Commission, is not qualified to continue in this office of public trust.

Mr. President, after reading those passages, can it be claimed that the opinions of the Bureau of Law of the Federal Power Commission are not pertinent? Who is competent to review the contract as a whole or the fairness of the terms and conditions and cancellation provisions, if not the lawyers of a Federal agency so intimately familiar with electric-power matters?

What Mr. Kuykendall did in 1954 is shown, in my opinion, by the testimony on the 1954 transactions, as given in 1955 before the House Select Committee on Small Business, and by Mr. Kuykendall's differing and dodging explanations before this committee in 1957, as follows:

First. Mr. Kuykendall failed to protect the public interest when the FPC Bureau of Law put the Commission on notice that the Dixon-Yates proposed contract was unfair to the Government;

Second. Mr. Kuykendall was lacking in candor—and, indeed, misled the Joint Committee on Atomic Energy—by his 1954 testimony suppressing the Bureau of Law opinions; and

Third. Mr. Kuykendall, in his testimony before the Interstate and Foreign Commerce Committee, misrepresented the facts as to what took place in 1954.

On these grounds, now stronger and broader, in my opinion, than when I first testified before the Senate Committee on Interstate and Foreign Commerce, Mr. Kuykendall is clearly disqualified from continued membership on the Federal Power Commission.

QUESTIONABLE HANDLING OF HELLS CANYON CASE

There are many aspects of the FPC's handling of the Hells Canyon case, under Mr. Kuykendall's chairmanship, which raise serious questions of propriety. Let me say at this point that disagreement with the Federal Power Commission's decision of the case is not a reason for opposing confirmation of this nomination. However, questionable procedure and misleading statements rationalizing the decision, which are underlined by indications of bias, do indeed raise additional questions of his fitness for continuation in office.

Before coming to the Federal Power Commission, Mr. Kuykendall was a member of the Washington Public Service Commission, to which he had been appointed by former Gov. Arthur Langlie, an outspoken foe of a Federal Hells Canyon high dam. This association at least raises a question of bias in connection with the most important and controversial license proceeding in which he was to take part as Chairman.

In fact, Mr. President, I think this is a good point in my speech at which to read into the RECORD an editorial from the Baker (Oreg.) Record-Courier, of recent date. The editorial bears in part upon the point I am making about Mr. Kuykendall's past associations in the power field; and it also bears upon the President's letter of recent date to Representative WESTLAND, setting forth the President's reasons for opposing the Hells Canyon Dam.

I incorporate this matter into my speech because I believe it constitutes a rather clear example of how uninformed the President is about this matter—as he is about so many other matters. I believe it gives supporting evidence to my point of view that the President's advisers are doing a very poor job of advising him, because, through their ill advice or their lack of advice, they cause him to make so many misstatements of fact and to show grave ignorance of our whole natural-resource development problem.

So I wish to read the editorial; and as I proceed to read it, I shall make a few comments about it.

The editorial published in this Oregon newspaper reads as follows:

> President Eisenhower attempts to explain in a letter why he personally ordered the defeat of the Hells Canyon high dam.
>
> The Eisenhower letter says: "Early in my first term I expressed the intention to follow the historic pattern of permitting private and other non-Federal organizations to develop these resources under fair provisions of law, including restraints for proper conservation; and to treat resource development as a cooperative undertaking, a partnership. * * * Federal Government should build some projects, local government some, and private interests some."
>
> The truth is, the historic pattern for 50 years from Teddy Roosevelt down to Senator McNary, and until Mr. Eisenhower, has been not to permit private organizations to acquire great rivers for nondevelopment. Teddy Roosevelt said—and he was quoted by Gov. Tom Dewey to that effect only in recent years:
>
> "Do not give up your waterpower for a promise of quick developments. We are poor citizens if we allow the things worth most to get into the hands of a few."

Mr. President, at this point let me digress long enough to say that that is not the only reference by Teddy Roosevelt to the giveaway problem. In other statements, Teddy Roosevelt pointed out that the public interest in full river development demands that these resources not be given away to private interests, for private-profit plundering, but be reserved and preserved and developed as a heritage belonging to all the people. It is from those statements by Teddy Roosevelt that there has been developed the trusteeship conception of the responsibility of Government as regards our natural resources.

I read further from the editorial:

> The Eisenhower letter says: "In its Hells Canyon decision, the bipartisan FPC acted unanimously in granting a license to the Idaho Power Co."
>
> The truth is: President Eisenhower knows that it is dishonest to imply that the FPC which made the Hells Canyon decision is bipartisan and impartial. Let him deny these facts: Member Kuykendall was named by Ike as Chairman of the Commission in 1953, a man known to be opposed to Hells Canyon and a man whose appointment caused a utility agent 2 days later to write privately that the low dam license had been assured. Member Digby was an Eisenhower campaigner named in July of 1953. Member Stueck was a Republican named by Ike in June of 1954. Member Connole was an independent named by Ike in April of 1955. Member Draper was named by President Hoover. These are the men who—with Ike and McKay—gave away Hells Canyon in July of 1955. Yet Mr. Eisenhower has the nerve in his letter of July 19 to tell the American people FPC, 100 percent the choice of the electric companies and the product of Republican appointments, is bipartisan and impartial.

I digress from the editorial long enough to point out, that as I said before, the President rigged the Federal Power Commission. In the first place, the President, when he appointed Kuykendall, who was made Chairman of the Commission, appointed a man known for his opposition to a high Federal dam at Hells Canyon. What was the Republi-

can line after the administration had a tribunal that was to render judgments biased against public utilities? Then, with typical piety and sanctimony, the administration said, "Oh, we are going to leave it to the judicial processes of the Federal Power Commission." I ask, What judicial processes?

In most situations, outside the field of administrative law, when one is representing the interests of a client, and he knows the judge sitting on the bench has already committed himself and is a man of preconceived notions on the issue and has prejudged the case, he files an affidavit of prejudice and gets an impartial judge. Those of us who have been fighting over the years for the protection of the people's heritage in the Snake River have never had a chance before the Federal Power Commission under the Eisenhower administration, because the case was being considered by a Commission headed by a man, appointed by Eisenhower, who was not impartial. Now the President wants to reappoint him for another 5 years. Well, I still think that we have the duty of protecting the public interest, and the public interest calls for a truly impartial Federal Power Commission. We would not have a ghost of a chance of having one if the Senate confirmed the nomination of a man with this record of service to the private utilities rather than to the people of the United States.

So I go back to the editorial.

The letter further says: "Construction work on two of the three dams comprising the licensed development is well under way."

The truth is: This newspaper hereby extends a personal invitation to Mr. Eisenhower to visit Snake River Dam sites so we can personally ask him at both Oxbow and low Hells Canyon whether he is not deliberately misleading the American people when he says two projects are well under way.

The letter further says, "Production of electrical energy urgently needed in Idaho and throughout the Northwest power pool, is scheduled to begin in September 1958."

The truth is: This newspaper has twice checked by correspondence with Bonneville Power Administration and that agency has declined to confirm any provision for any low-dam power into its system at all; and we had asked them pointblank how and when the Brownlee power was being programed and at what rates.

Mr. Eisenhower cannot and will not reveal when, how much and at what rates low-dam power will be received into the Columbia River power system operated by Bonneville to augment its shortage of low-cost power.

We challenge Mr. Eisenhower to categorically and honestly produce the cost figure at which IPCO power will be offered on a firm basis at Baker, at Tacoma, at Spokane, at Portland, or in Idaho. Before it is too late Mr. Eisenhower should explain how IPCO power will be made available to the consumers of the Pacific Northwest and the industries crying for power at less than 3 mills which would have been produced by the high dam. If Mr. Eisenhower has any facts to base his low-dam power statement, he should produce them now.

Mr. Eisenhower is guilty of the crudest doubletalk when he says the "production of electric energy is urgently needed" to justify a low-dam scheme in which his Government agency has deliberately written into the license conditions which permit the delay in low-dam construction for as much as 9 years, if not forever.

Mr. Eisenhower knows he has permitted IPCO to build its dams at its own pace and deliberately allowed it to ignore the urgent need for electrical energy in other parts of the region.

The truth is: Mr. Eisenhower deliberately implies that Hells Canyon Dam would cost $600 million. This is deliberately the propaganda taken directly from IPCO. Mr. Eisenhower did not itemize the propaganda figure to show where the Bureau of Reclamation engineers at Denver who use a $350 million cost are wrong.

If the budget is under such pressure and he cannot invest public funds at the greatest dam site in the world (85 percent payable from power revenues) how can Mr. Eisenhower justify the statement in his next paragraph in which he wrote: "The IPCO development will permit the Federal Government to devote more of its financial resources to other developments which are clearly beyond the capabilities of non-Federal interests alone." At poor dam sites? At the dregs that are left? In Canada?

President Eisenhower may not agree, but Teddy Roosevelt had the exact word for this giveaway of the valuable resource assets and retention of the liability jobs which are beyond the capabilities of private electric company coupon-snippers. "We are poor citizens if we allow the things worth most to get into the hands of a few."

Mr. President, I have cited that editorial at length since it has a very direct bearing upon the record of Mr. Kuykendall in connection with the Hells Canyon Dam case, in which, in my opinion, Kuykendall misled the President of the United States. I think as Chairman of the Federal Power Commission Kuykendall had the clear duty of getting the truth to the President and the public about Hells Canyon Dam.

I have yet to listen to a single statement of the President of the United States on the Hells Canyon Dam which shows that he has an understanding and a knowledge of the facts about the Hells Canyon Dam.

So, Mr. President, the issue of the Hells Canyon Dam is involved in the Kuykendall nomination, but the fact that Mr. Kuykendall was not in favor of Hells Canyon Dam is not my reason for being opposed to the confirmation of his nomination. I am opposed to the confirmation of his nomination because of his misleading the President and the public about the Hells Canyon Dam, and I say he is disqualified to be reappointed to the Federal Power Commission.

So I repeat: Before coming to the Federal Power Commission, Mr. Kuykendall was a member of the Washington State Public Service Commission, to which he had been appointed by former Gov. Arthur Langlie, an outspoken foe of a high Federal Hells Canyon Dam. This association at least raises a question of bias in connection with the most important and controversial license proceeding in which he was to take part as chairman.

Prior to that, according to the House subcommittee report already cited, Mr. Kuykendall was a member of a law firm which represented several utility companies in cases before the Washington commission. Whether he sat on cases concerning them as a Washington commissioner is a proper subject of inquiry.

Further, it is a proper subject of inquiry whether he or his firm represented companies allied with Idaho Power Co. or Ebasco Services, Inc., which have managed to maintain the old Electric Bond & Share empire which the SEC ordered dissolved. Ebasco took an active part in counseling Idaho Power and its officials testified in the FPC Hells Canyon license proceeding.

When Mr. Kuykendall was called upon by the House Subcommittee on Regulatory Agencies to discuss on July 28, 1955, the Hells Canyon controversy he declined to do so on the ground that the case was pending before the FPC.

I hope Senators will understand this, Mr. President. I invite them to pay strict attention to these dates. This date was July 28, 1955, and he testified before the House committee that the case was pending. In fact, the record now shows the case had been decided the day before. The Commission had already voted.

The opinion and the order bear the date of July 27, 1955. They were released, interestingly enough, on August 4, only 2 days after Congress adjourned.

The Commission decided the case on July 27. They waited until the Congress had adjourned before they released the decision. Do I have to tell Senators why, Mr. President? They did not want an analysis of that decision on the floor of the Senate in July 1955. This man was not even honest enough to tell the House committee on July 28 that the Commission had decided the case the day before.

I repeat, Mr. President, he is not candid with the Congress. This man, Chairman of a Commission which is an agent of the Congress or an arm of the Congress, was not intellectually honest enough, candid enough, or moral enough to tell the House committee on July 28 that the day before the Commission had decided the case. What did he tell them? He said the case was pending.

It is difficult to justify a week's delay on the ground that time was necessary to process the case. As Chairman Kuykendall mentioned in his testimony on July 28, the case had been formally before the Commission only since July 6, 1955. The case went before them July 6, 1955, after the trial examiner had conducted hearings for about a year and heard arguments and considered the case for about another year, and they decided the case on July 27.

Mr. President, if they had spent 8 hours or 10 hours a day between the time they got the case and the time they decided the case, in that period of time they could not even have completed a reading of the transcript of the record and exhibits before the examiner. Mr. President, before they decided the case they did not take even the time which would be required to read the record and the exhibits which were introduced in the year's hearing.

Let us be frank about this matter. The heat was on. The pressure was on. The private utilities were breathing down the backs of their necks. They wanted the killing to be quick.

Let me tell you a big, dark secret, Mr. President. They have not won the Hells Canyon Dam fight yet. It has not been

lost yet. I do not know what the word "quit" means.

I believe the people will be heard from on this shocking betrayal of a public trust on the part of this administration. Between now and next January across this country millions of people are going to ask this administration the question: "Why did you do it?" The administration had better have a more adequate answer than President Eisenhower supplied in his letter to Representative WESTLAND, because in that letter he simply showed he does not know the facts.

Increasing numbers of people, Mr. President, are developing a deep resentment over the handling of the Hells Canyon Dam case. People do not like it when they learn that the Commission received a transcript of a record, such a large one as this, on July 6, handed down a decision on July 27, and its chairman failed, on July 28, to tell a committee of the House that the case had been decided but, to the contrary, said the case was still pending.

Am I supposed to vote for an individual so lacking in intellectual honesty? Why, Mr. President, I do not understand why this nomination was not withdrawn, after the hearings before the Committee on Interstate and Foreign Commerce were completed.

I have some reason to believe that I know why witnesses did not appear in behalf of this nominee. It is pretty hard to appear in behalf of a nominee who has such a sorry record, Mr. President.

Let us take a look at the record which was made before the examiner for almost a year prior to the decision in this case:

It taxes the imagination that the Commission could digest a 20,000-page record, containing hundreds of exhibits and charts, a lengthy and involved Examiner's report, exceptions and briefs and oral argument in 3 weeks—or even 2 months—but require 7 or 8 days for mimeographing and physical production.

Nonetheless, Chairman Kuykendall evaded testifying on the ground that the case was pending.

Many parts of the decision are open to question. But, at least two are indicative of the manner in which the case was handled.

Throughout the FPC decision granting the Idaho Power Co. licenses in the Hells Canyon reach, the Commission compared the various benefits of the single, high Federal dam and the three Idaho Power dams.

Let me say to my colleagues, as they listen to my discussion of this phase of the matter, that I ask them to keep in mind that the Federal Power Commission always talks about the three dams, but that is a coverup. They really do not mean three dams, but they had to talk about three dams, in order to show any plausibility whatsoever with respect to a comparison of benefits. That is the gimmick. But even the Federal Power Commission did not claim that the three dams together would equal the total benefits of the high dam. But, even to come close for purpose of argument, it was necessary to use three dams in the calculations. That is why the comparison is always between the three company dams and the high dam. The FPC practically ignored the high dam's downstream power benefits in its decision and excluded them from its press release. Even that aside the three-dam dodge is interesting—see, for example, pages 16 and 17 of FPC decision.

The FPC, after resolving all of the doubts in favor of the three-dam plan and licensing the three-dam project, turned around and on page 20 of the decision stated:

> If a sufficient load does not develop to justify construction of low Hells Canyon within the time limits imposed in the license, the Commission may either extend the time for construction or terminate the license for that project whichever is in the public interest at the time the matter is under consideration.

That is the gimmick. What does that technical language mean? It means that it is not necessary to build the three dams. The Commission says to the power company, "Go ahead and build the dams in which you are really interested, Oxbow and Brownlee." Why are they so interested in Oxbow and Brownlee? Because they are the dams which will prevent construction of Hells Canyon.

The Commission said, "Get the Brownlee Dam built. Then go ahead with the next one. But as to the third one, you do not have to build it if you find that you do not have sufficient requests for power."

The Idaho Power Co. will have a difficult time selling power at from 6.7 to 7.6 mills. That is what their own examiner's report finds the Idaho Power Co. power will cost—from 6.7 to 7.6 mills, in contrast with Hells Canyon Dam power at 2.7 mills. I say to the American people, "That is how you are being gypped. That is part of the steal in the Hells Canyon Dam issue. That is the holdup."

But this man, Kuykendall, was in on that kill, too. The administration even wanted to hand out a $83 million bonanza to the Idaho Power Co. in a fast tax writeoff. They got by with it until a few of us on the floor of the Senate started discussing the subject earlier this year. I wish to thank all my colleagues in the Senate who engaged in that discussion, including the great Senator from Tennessee [Mr. KEFAUVER], chairman of the committee which investigated the situation; the Senator from Virginia [Mr. BYRD]; my own colleague [Mr. NEUBERGER]; the Senator from Minnesota [Mr. HUMPHREY]; the Senator from Illinois [Mr. DOUGLAS]; the Senator from Colorado [Mr. CARROLL], and others, including the Senator from South Carolina [Mr. JOHNSTON] the Senator from Michigan [Mr. MCNAMARA]; the Senator from Montana [Mr. MANSFIELD]; and his senior colleague [Mr. MURRAY]; chairman of the Committee on Interior and Insular Affairs. Those Senators fought day in and day out. The entire group of Senators became so incensed over the steal on the part of the Eisenhower administration that at long last we aroused enough sleeping editors who had been alibiing for the Eisenhower administration for so long, to a realization that at last their hero had gone too far.

The people were heard from on the tax writeoff steal; and the Eisenhower administration is going to hear more from the people about it. The situation became very hot. Obviously the impression was given to the Idaho Power Co. that things were not well for it in the Senate. The power company thought it could stop victory in the Senate for the Hells Canyon Dam bill by saying, the day before the vote, that it would give up the fast tax writeoff. I called it deathbed repentance. What a clear show of the political immorality of the administration, working hand in glove with the Idaho Power Co.

Do Senators ask me to vote for confirmation of the nomination of such a man, who is part and parcel of the whole corrupt scheme?

"Oh," it is said, "it was within the letter of the law. There was nothing illegal." I have been heard to say before, and I now repeat, do not try to give me the letter of the law in a situation such as this, as a synonym for political morality, because the interests of the people can be robbed within the letter of the law, as they have been robbed in connection with the fast tax writeoffs. In this instance, the administration and the power company almost got by with it, but, of course, there is nothing to stop the Idaho Power Co. from a change of mind in this connection. If the administration and the power company had got away with the fast tax writeoffs, the American people, because of the tax giveaway to the Idaho Power Co., would have paid a large percentage of the cost of the Idaho Power Co. dams, and the Idaho Power Co. would have owned the dams.

For what am I pleading? I am pleading for a people's dam. I am pleading for a dam that will be owned by the people, that will repay its cost many times into the Treasury of the United States, that will help finance, in the years ahead, the great reclamation projects which will be needed to feed future generations of American boys and girls.

Recently I noted an item in the U. S. News & World Report. I wonder how many of my colleagues read the headline in the U. S. News & World Report of a couple of weeks ago, indicating concern over the question of what we are going to do when our population grows by another 60 million. I thought it was very interesting to read that item on the cover of this reactionary magazine, a magazine which has been one of the chief apologists for the gutting by the administration of the natural resources of the United States, a magazine which is headed by an editor who think a private utility monopoly is a private enterprise. He demonstrates he does not know the definition of private enterprise. Let me say to Mr. Lawrence and his board of editors of U. S. News & World Report: "You have reason to be concerned about what we are going to do in the generations ahead when we have a population of 227 million in 1975. However, instead of opposing us, you should be supporting us in the full river development, because the only hope of supplying food for those 227 million Americans in the generations to come, lies in our not wasting a single

acre of land in the United States, or a single drop of water."

We say to the editors of the U. S. News & World Report: "You should realize before it is too late—you who are so sorely needed in a freshman course in basic economics in the field of natural resources—you ought to start giving support to those of us who believe that civilizations cannot climb when water tables decline."

America's water table is falling. We are fighting to stop the kind of gutting of the natural resources which is characterized by the Idaho Power Co.'s action on the Hells Canyon Dam. We are thinking about American boys and girls and their food supply 100 years from now. I recommend those thoughts to the editors of U. S. News & World Report.

If I have ever read a sheet which was dominated by the propaganda of private utilities, it is U. S. News & World Report; exceeded by none, unless it might be, possibly, Time magazine.

When we are making the fight for the maximum development of the water resources of the Snake and Columbia Rivers, we are fighting to stop the washing out for all time of the greatest remaining multiple-purpose dam site on this continent. Yet some people want me to vote for the confirmation of the nomination of a man who is the architect of that kind of house of political prostitution in which such misuse is sanctioned. I shall not do it, because I do not believe in politcal immorality either. This administration's record and this man's record in the natural resource fight are immoral, and constitute a betrayal of the future generations of American boys and girls, for whom the reactionary U. S. News & World Report expresses such pious concern in its recent issue.

Mr. President, in effect, the FPC removed the third dam from the three-dam project. Poor as the three-dam plan is in comparison with the high dam, can you imagine how poor a showing a two-dam project would make.

The third dam accounts for about one-third of the three-dam plan's power. For example, finding No. 14 of the FPC examiner gives these figures—page 35 of May 6, 1955, decision:

(14) The initial powerplant capacities as proposed by the applicant for the three projects is as follows:

	Installed capacity (kilowatts)	Maximum peaking capacity (kilowatts)
Brownlee	360,400	414,400
Oxbow	151,000	173,600
Hells Canyon	272,000	312,800

Obviously, without Little Hells Canyon Dam, the company plan is laughable. So, the FPC used it for purposes of comparison, found that it was almost as good as the high dam—even with more costly power—and then, without any reasoning to support the conclusion, found the three-dam plan the best adapted project for basin development—finding 48.

This amazing statement follows finding 47 which declares:

The three proposed power developments should be considered as a single project.

I submit that the evidence is clear on the face of the decision that the Commission, under Chairman Kuykendall, used the three-dam plan for comparison only to achieve an appearance of plausibility, but in effect relieved the company of the burden of building the third dam for whose expensive power there is little or no expectation of a market.

KUYKENDALL BRAZENS IT OUT ON HELLS CANYON

Chairman Kuykendall's apology to Congress on Hells Canyon is, in fact, a plea of guilty to my charges.

First, let us scrutinize his alibi for refusal to let the House subcommittee of the Select Committee on Small Business know that the Commission had decided the Hells Canyon issue, when he testified before it. He contemptuously puts the committee in the position of asking that he leak the decision even though the Commission is an agency of Congress and the hearing was public. He then attempts to justify himself by claiming that there was no leak, and so no one had a chance to take advantage of the 10-percent rise in the market value of Idaho Power Co. stock within 24 hours after the decision was announced.

The fact is that advice to the Congressional committee, as contrasted with the week's delay in announcement of the decision would have been no leak because it would have been public information. It would have minimized the chance of anyone profiting by a leak.

In the second place, let us examine Chairman Kuykendall's attempt to reply to the charge that the Commission's Hells Canyon decision in effect removed the third dam from the three-dam project, thus rendering it an even poorer propect in comparison with the high dam Federal project. Here he pleads guilty by reemphasizing the very language of the Commission's decision which served as the basis for the charge, and then seeks justification for the possibility that the Commission "may either extend the time for construction or terminate the license for that project—third dam—on the ground that such action would be within the provisions of section 13 of the Federal Power Act. Section 13, or no section 13, the fact is that recourse to the action which it purportedly authorizes would render the runt dam project even runtier.

Mr. Kuykendall's pleading that the full capacity of the three dams would, in any case, be utilized in the company's system by the year 1975, and that it could be absorbed by other systems in the Northwest about as soon as it could be developed, on the one hand involves the probability that the Commission will let the company squat on a portion of the reserve for over 15 years, and on the other hand flies in the face of the findings of the Commission examiner who heard the case. The examiner found that the transmitted cost of Idaho Power Co.'s Hell Canyon power would be too high to be absorbed by the Northwest power pool.

Section 13 of the Federal Power Act, which Mr. Kuykendall quotes in full, limits the Commission to granting one extension of the periods for commencement of construction and that for "not longer than 2 additional years." It adds: "In case the licensee shall not commence actual construction of the project works, or of any specified part thereof, within the time prescribed in the license or as extended by the Commission, then, after due notice given the license shall, as to the project works or part thereof, be terminated on written order of the Commission."

This means that, under the act, the latest time which the Commission can set for commencement of the low Hells Canyon Dam falls 10 years short of the year 1975 when it thinks the company can use the power. Failure to commence construction at that time would render termination of the license mandatory. And it is certain that, after the two lesser projects, which Idaho Power Co. is developing at the expense of the high Hells Canyon Dam, are constructed, no one else is going to take over the least attractive remnant of the resource.

Clearly, Mr. Kuykendall's answer that the Commission can later withdraw the license for the low Hells Canyon Dam if Idaho Power Co. fails to go forward with it promptly is a glaring admission that the Commission violated the act by licensing a vastly inferior project which will preclude forever development of the high Hells Canyon Dam which is "best adapted to a comprehensive plan" for development of these water resources, as required by the act.

Mr. Kuykendall's attempt to answer the charge that the FPC Hells Canyon decision practically ignores the high dam's downstream power benefits also represents a pleading of guilty to violation of the intent of the Federal Power Act. Furthermore, it proves conclusively that Kuykendall looks at these things from the viewpoint of a private power company lawyer, rather than from the conservation viewpoint which is the very parent of the Federal Power Act.

In his apology he attempts to answer the charge by alleging that the Commission's finding, that "the power features of the 1-dam plan have no clear economic advantage over those of the three-dam plan," was based on estimates of the power output both at site and at downstream plants under the one-dam plan, as well as under the three-dam plan.

In view of the fact, recognized by the Commission itself, that the high-dam project would produce much more power at these downstream projects, his criterion of economic advantage is clearly related to the private-power-company interest in higher margin of profit, rather than maximum use of resources. This has always tended to lead private companies to skim the cream of a given waterpower resource, rather than to develop its full potential. It was this very abuse which the conservationists who wrote the Federal Power Act intended to cure, by including section 10 (a), which the Commission's Hells Canyon decision clearly violates.

We should not leave this point without noting the fundamental conflict between the Commission's Hells Canyon decision and the act of Congress which they are charged with administering. The Federal Power Act (section 10 (a)) requires that the project adopted shall, in the Commission's judgment, "be best adapted to a comprehensive plan for improving or developing a waterway or waterways, for use or benefit of interstate or foreign commerce, for improvement and utilization of waterpower development, and for other beneficial public uses, including recreational purposes." The only such comprehensive plan in existence in the main control plan for the Columbia River Basin, prepared at great expense by Federal agencies charged with this responsibility, and the high Hells Canyon Dam was an essential part of that comprehensive plan.

Mr. President, I digress to stress this point. Oh, the Eisenhower boys would like to have us forget that basic to the Federal Power Act is the clearly stated policy of Congress that these river basins shall be developed according to a comprehensive plan. The most biased advocates of Idaho Power Co.'s program will not even give a whispered statement that they think the company's plan can be reconciled with comprehensive basin development. They know full well that it cannot. With them, it is under development; it is partial development; it is inadequate development.

The only plan in existence, of an official nature, for the preparation of which Congress appropriated thousands and thousands of dollars, is the Army engineers 308 report. Oh, I like to throw this one into their teeth, and I did throughout the campaign, when the smear was that I was for Federal Power or no power at all. That has always been a vicious lie, propagandized by the Eisenhower administration, spoken sometimes by the leaders of the administration itself, and repeated in meaning, if not in some speeches, by the President when he talks about the advocates of the high Hells Canyon Dam as being for Federal power or no power at all.

They ought to read the report of the Army engineers, prepared at great expenditure of money, because my power position has always been the power position of the Army engineers. Mr. Eisenhower, take note: My position on power in relation to Hells Cayon Dam has been the position of your own Army engineers. You ought to read their reports, President Eisenhower, because that is the report which carried out the mandate of Congress in the Federal Power Act. The basic philosophy of that act is comprehensive river developments, not partial development, not underdevelopment.

Where does Hells Canyon stand in that report? Using a figure of speech, it is the keystone project for full development of that river basin. Listen to the testimony of Army engineer after Army engineer over the years as they have come before committees of Congress to testify concerning the essentiality of a high Hells Canyon Dam for flood control and for the protection of lives, property, and topsoil in the great Pacific Northwest.

I repeat, the President simply does not know the facts; but he would have the Senate confirm the nomination of a man who has been an architect for a program of underdevelopment of this river basin, and who had the legal duty, as chairman of the Commission, when he was chairman, to carry out the clear purpose of the Federal Power Act, whch was for comprehensive development, not partial development. But Kuykendall's decision violated that clear Congressional policy.

Yet the Commission under Chairman Kuykendall's leadership reversed the requirements of the act by speculating on whether the comprehensive plan could be modified so as to be best adapted to the inferior Idaho Power Co. project, rather than on whether the company's proposed project was best adapted to the comprehensive plan.

And, as I shall point out in connection with Mr. Kuykendall's citation of a court decision supporting the Commission's mishandling of fast writeoff subsidies to electric and natural gas companies, the fact that the courts upheld this kind of Commission Hells Canyon decision provides the strongest possible ground for not consenting to the continuance of Mr. Kuykendall's leadership. For, as the courts must depend for expertness in such a field largely on the findings of such an agency, it is of the highest importance that appointees to such Commissions have the viewpoint of the public interest. Otherwise, the efforts of Congress to protect consumers will be thwarted and the money which it appropriates for this purpose expended to perpetrate a fraud on the taxpayers.

Mr. Kuykendall did not respond to my challenge to answer the analysis of the strange and tortured reasoning employed in the FPC opinion in the Hells Canyon case. It stands in the record of hearings unanswered.

In fact, I shall never forget the day in the Senate when the late Walter George, of Georgia, one of the greatest Senators of our time, was won over to the Hells Canyon Dam bill. I have mentioned this a couple of times before, but I want to mention it again in connection with the record I am making today.

When the news came over the ticker that the trial examiner of the Federal Power Commission found that the Hells Canyon Dam project from an economic standpoint, a flood-control standpoint, and a power-cost standpoint, was preferable to Idaho Power Co.'s underdevelopment, puny plan, but that, nevertheless, he was recommending the Idaho Power Co. plan on the ground that he did not believe Congress would pass the Federal high Hells Canyon Dam bill, Walter George called me over to his seat in the Senate. I sat down beside him.

He said, "Is this your understanding of the examiner's report?"

I said, "Senator, that is exactly what the examiner said."

He said, "WAYNE, I shall support your bill because the examiner has decided the case for me when he says that on the merits the high Hells Canyon Dam is preferable. It is for us in the Senate to make the decision, not the examiner of the Federal Power Commission, as to whether the bill will or should pass. What we have a right to obtain from the examiner for the Federal Power Commission is a decision on the merits of the proposal; and the report of the examiner for the Federal Power Commission"—the agency headed by Mr. Kuykendall—"gives us that decision, and then adds gratuitously," said the late Senator George, "that he recommends, however, a part of the Idaho Power Co. program, because he does not think the Congress would pass the high Hells Canyon Dam bill."

Mr. President, I have never forgotten that, because from that day forth, the late Senator Walter George, of Georgia, was one of the greatest allies I had in the Senate in support of the high Hells Canyon Dam bill.

Mr. President, I wish to emphasize the fact that the Federal Power Commission gave away its whole case when its trial examiner came forth with the finding that, on the basis of the merits of the project, the program for the high dam at Hells Canyon was preferable, but that they were recommending the Idaho Power Co. program because they did not think the Congress would pass the high Hells Canyon Dam bill.

Now I wish to recapitulate briefly in regard to the Hells Canyon Dam issue: The Commission compared the economic value of the high-dam plan and the company three-dam scheme on the assumption of Federal financing of both. It found that the additional power of the high dam, that is, the amount it would produce in excess of the power which could be generated at the company dams, would have a benefit-to-cost ratio of 1 to 1, which is a favorable ratio. On this artificial basis, it concluded that there was no economic advantage for the high dam.

The FPC examiner had condemned this method as "comparing the incomparable," for the simple reason that one major disadvantage of the company plan was more expensive financing than that for the Federal dam.

Once again, Mr. President, I challenge Mr. Kuykendall to answer my analysis of the FPC opinion as presented in the Senate Interior Committee print of September 1955.

Mr. Kuykendall overruled his own trial examiner, the examiner for the Federal Power Commission, who had pointed out—and rightly so—that the two projects could be compared on the basis of the assumption of Federal financing of both, because only the high Hells Canyon Dam would be federally financed.

Of course, Mr. President, they did their best to get a very large stake of Federal financing into the Idaho Power Co.'s program by obtaining a fast tax writeoff. I now come to that subject. But before doing so, my point is that in making the comparison the Commission overruled the finding of the hearing examiner and, in addition, the comparison was obviously fallacious, because anyone would take notice of the fact that both projects would not be federally financed.

THE FEDERAL POWER COMMISSION AND QUICK TAX WRITEOFFS

Mr. President, as the Senate knows, on April 1, 1957, the Office of Defense Mobilization issued quick tax writeoff certificates to Idaho Power Co. for the Brownlee and Oxbow Dams in the Hells Canyon area. The certificates have a minimum face amount of $65 million.

Within the past 2 weeks the Chief Accountant of the Federal Power Commission, Russell Rainwater, testified before the Senate Antitrust and Monopoly Subcommittee that the tax lag occasioned by these certificates to Idaho Power Co. will result in additional costs to the United States Treasury of $83 million, to say nothing of being worth $339 million to the company during the 50-year period of deferral.

As we know, the Federal Power Commission in December 1953 declared that these certificates are interest-free loans.

In August 1953, the Idaho Power Co. filed its applications for the certificates; and in December 1953, the president of the company testified about them.

Earlier this year there was some discussion regarding my position at that time. The RECORD shows perfectly clearly that at that time I stood on the other side of the aisle and protested the application of the Idaho Power Co. for that tax giveaway, as I protested also attempts on the part of private utilities in my own State to make similar raids on the pockets of the taxpayers of the United States. Mr. President, this is part and parcel of the scheme, in which Mr. Kuykendall is entangled, in regard to the whole Hells Canyon Dam scandal, as handled by this administration.

Despite knowledge that the writeoff applications were pending, despite full realization of the cost to the Treasury of quick tax writeoff certificates, the Federal Power Commission decision awarding licenses to Idaho Power Co. said that the public purposes to be served by the company projects "will be realized without expense to the United States to the extent that the projects are constructed by a non-Federal entity"—opinion, page 17.

Mr. Kuykendall knew that. He knew at the time what the Idaho Power Co. was up to. It was a matter of public record. It had been debated on the floor of the Senate. He had the duty, Mr. President, to point out to the American people, not what he said in his decision, but the contrary, namely, that the dams of the Idaho Power Co. would be built in part at public expense and cost—and, in fact, at a substantial cost and expense to the public.

Mr. President, I cannot favor the appointment of such a person. I do not think his conduct has been honest. I think it has been deceitful. I think it is but another example of this man's weakness of character that he concealed the facts from the American people, while he occupied a position of public trust, and while he was dutybound as a servant of the Congress, heading a Commission which is an arm of the Congress, to carry out the purpose of the Federal Power Act, which is to develop a comprehensive plan for the great river basins, not only those in the Pacific Northwest, but also those in other parts of the country.

Mr. President, Mr. Kuykendall said some other interesting things in his opinion. He also in the opinion stated:

> Development by applicant of the Hells Canyon reach of the Snake River would provide 1 million acre-feet of flood-control storage and the required streamflow regulation in aid of navigation on the lower river at no cost to the United States.

These statements, I say, were misleading and inaccurate in the extreme, in view of the company's applications for writeoff certificates, known to the Commission.

Yet the no-cost-to-the-United States theme was played in the opinion and was stressed in the Federal Power Commission press release announcing the grant of the licenses.

The duty of the Commission was to discuss this frankly and openly in its decision, particularly in view of the success of private utilities in obtaining these certificates and the favor with which the executive branch regarded the Idaho Power Co. plan.

In his recent testimony before the Kefauver subcommittee, Chairman Kuykendall admitted that the Federal Power Commission opinion passages quoted were a mistake, in the light of events. He claimed, however, that only conventional financing by the company was contemplated, and he placed great stress upon the fact that Idaho Power's president testified that the company had only "faint hope" of obtaining the tax writeoff certificates.

Mr. President, I do not know why Mr. Kuykendall would be fooled by that statement. He only had to look at the records. The Office of Defense Mobilization had been granting those giveaways. Some of us in the Senate had been leading the fight against them. The record at that time was one of successes on the part of the private utilities in getting their hands into Uncle Sam's pockets and taking out, by the tens of millions of dollars, these interest-free loans. So again, Mr. President, I wish to say that those of us who are in the very difficult position of having to decide whether to vote for or against confirmation of the nomination of this man must, in forming our judgment and in arriving at our decision, consider the nominee's record in its entirety. When I consider all of his record, again I must reach the conclusion that I cannot trust him. I do not trust him. I think he weasels. I do not think he is frank and candid. I do not think his nomination should be confirmed. It is my conclusion—and it is based upon the sorry record he has already made—that he does not possess the qualities of public-service responsibility which would justify placing this trust in him for another 5 years.

That the company was less than candid in this representation is little excuse for the Commission's taking the representation as a realistic appraisal of the situation. This is all the more the case in view of the Commission's failure to make mention of the tax writeoff possibilities and its affirmative declarations that there would be no expense to the United States in the company projects.

KUYKENDALL MISLEADS COURTS INTO FAST AMORTIZATION TAX WRITEOFF DECISION UNDULY FAVORING COMPANIES AS AGAINST CONSUMERS

It is high time that Congress got rid of a Federal Power Commission Chairman who interprets the action of Congress, in opening the fast writeoff tax procedure to electric and natural gas utilities, as a bribe to private enterprise to induce it to build additional capacity sufficient to safeguard defense needs. It is sufficient that Congress simply intended to provide the additional capital required without burden to either stockholders or consumers. Under the Commission's ruling some companies are already disbursing what I consider to be their bribes as tax-free dividends or return of capital.

This is precisely the position which Mr. Kuykendall advances as the Commission's position in an attempt to justify his glaring failure to require sound uniform accounting for the interest-free capital which electric and gas utilities have secured under this fast writeoff tax procedure. In taking this position under Kuykendall's leadership, the Commission again overruled its able technical staff.

Mr. Kuykendall cites the decision of the United States Court of Appeals for the District of Columbia in City of Detroit against Federal Power Commission as completely and unequivocally approving the action of the Commission in dealing with this problem.

Mr. Kuykendall quotes the court opinion at length. Thus, the court described the plan of the Petitioner City of Detroit, speaking for the consumer interest, as in essence to allow Panhandle Eastern the yearly saving in taxes—interest-free capital—but to "deduct the amount of that saving each year from the rate base." The court continues:

> This plan was rejected by the Commission which concluded, we think correctly, that the intent of Congress reflected in section 124A is not to benefit consumers but the taxpayer, in order to encourage construction of certain emergency types of facilities. Were the tax savings deducted from the rate base, the taxpayer here would not receive the intended benefit. The valuations upon which it is entitled to earn a fair return would be decreased by the amount of the savings. In placing the savings at the disposal of Panhandle under the limitations specified, the Congressional intent is effectuated. The funds go into a reserve account for the payment of deferred taxes to accrue after the 5-year amortization period. Though thus earmarked, the funds are available for income-producing purposes. Unless this is permitted, it is difficult to see how Panhandle could benefit substantially. This statute, unlike the Natural Gas Act itself, is not for consumer benefit. It has a different public policy and should be given effect as intended by Congress. Furthermore, the solution of the Commission does not result in higher rates to the consumer. It simply does not operate to reduce them. It aids Panhandle but neither aids nor harms petitioners. We think this is the result sought by Congress.

I have quoted at this length from Kuykendall's excerpt from the court decision because it contains basic errors which

are damning evidence of the kind of case the FPC under his leadership presented to mislead the court into a decision actually penalizing consumers in order to bribe the companies to do their duty at no expense to themselves.

The Commission's position, as restated by the court, is in error in, first, its conception of the company as the taxpayer; second, its assumption that the company would not benefit if the Government's contribution of capital were deducted from the rate base; third, its assumption that the Commission's solution does not result in higher rates to consumers; and, fourth, its assumption that the Commission's solution reflects the intent of Congress.

The facts are: First, the company is merely the tax collector; the taxes are actually paid by the consumers, and everybody knows it; second, the company would benefit even if the free capital contributed by the Government were deducted from the rate base because it would not have to put up the capital required for the emergency margin of capacity; third, the Commission's solution will result in consumers paying higher rates to the extent necessary to pay a 6 percent return on emergency capacity over and above what would be required to serve them if the Government had not encouraged the company to construct additional defense capacity out of tax moneys which the consumers had actually paid but the Government had not collected; and, fourth, the intent of Congress was that the fast writeoff tax savings should represent a contribution of capital by the Government so that the additional margin of capacity which it was asking should burden neither the stockholders nor consumers. Congress did not intend to offer the companies a bonus at the expense of both taxpayers and consumers—a profit on the capital put up by the Government at the expense of the taxpayer.

But even if this FPC interpretation of the emergency accelerated amortization provision of the tax law were correct, is it not amazing that under Mr. Kuykendall's chairmanship, the FPC has decided to apply section 167 of the Internal Revenue Code in the same way?

That provision, enacted in 1954, permits a corporation to use more favorable amortization methods than the conventional straight line depreciation method. Under it, very substantial tax savings can be made by the corporation and, by the same token, very substantial losses of tax revenue are sustained by the United States Treasury. So, for example, one expert, writing in the Harvard Business School Journal, estimates that the Treasury will lose $19 billion in revenue during the first 17 years of its operation.

The announced rationale of the provision is that it is more realistic than straight line depreciation because it permits larger percentage reductions for depreciation in the early years of equipment, reflecting their rapid loss of value during the early years of use. The argument used for section 168 of the Code—section 124a of the 1950 law—that it is to supply an incentive for investment which otherwise would not be made was not advanced in support of section 167.

Yet, the FPC has interpreted section 167 in the same fashion as section 168 and held that for rate purposes the depreciation need not be the same as for tax purposes. This is a handsome gift, of course, to the utilities.

It is another example of the manner in which the FPC, under Mr. Kuykendall, constantly rules in favor of the companies to be regulated by it no matter how tenuous or tortuous the reasoning.

In this case, Amere Gas Utilities, docket No. G–6358, June 30, 1956, a majority of the Commission said:

> We can find no legal difference between the problem now before us and that which was presented to us by section 124A (now sec. 168) of the Internal Revenue Code, pertaining to 5-year amortization of defense facilities pursuant to a certificate issued by a defense agency of the United States. Admittedly, section 167 of the Internal Revenue Code contains no specific mandate to create a reserve account for the deferred taxes. Nevertheless, we know of no way to effectuate the clear and obvious Congressional intent, except by doing so, just as we did in our two prior opinions above mentioned.

Commissioner Connole, dissenting, had no such difficulties:

> I dissent from the majority opinion because it will have the effect of authorizing a permanent reserve created out of excessive charges to operating revenue deductions for Federal income tax payments contrary to the intent of the Congress, contrary to established regulatory law, and unjustified by the regulated utility concept.

The full text of the majority and minority opinions are in the record of hearings.

The matter is more than a mere difference of opinion. The differing opinions demonstrate what has been taking place at the Commission under Mr. Kuykendall's chairmanship. If he is confirmed it will be the signal that Congress is insensitive to the manner in which its delegated powers are being employed to enrich supposedly regulated utilities and gouge consumers.

There could be no better illustration than these cases of the grave danger of having one of the country's outstanding regulatory Commissions continue under the guidance of Mr. Kuykendall. That is because the higher courts themselves—the last resort for protection of the public interest—must, of necessity, assume that the technical reasoning and interpretation of a Federal agency, equipped with a large staff of engineers, accountants, and lawyers supposedly hired to protect the public interest with money appropriated by Congress for that purpose, can be depended upon for accurate presentation of the facts.

By 1929, regulation of electric, gas, and communications utility corporations had virtually broken down, because of failure of State commissions to secure court decisions that would free them from the interrelated burdens of holding company inflation of capitalization supported by rate cases based on "guesstimates" known as "reproduction cost" valuations.

Following enactment of the Public Utility Act of 1935, the Securities and Exchange Commission and the Federal Power Commission, with their expert staffs dedicated to the public interest, established the basis for court decisions which swept aside these twin burdens. In terms of the Federal Power Commission, the series of the United States Supreme Court decisions which made history in regulation included those involving Natural Gas Pipeline Co. of America, Hope Natural Gas Co., Panhandle Eastern Pipeline Co., Northwestern Electric Co., and so forth. These Court decisions made it possible to regulate rates on a prudent investment basis, without even considering reproduction cost and to require uniform accounting on an original cost basis, with all inflationary items removed from the plant accounts.

Financial houses in New York recognized this as progress, strengthening the utility companies.

But, most important of all, it opened the way to effective regulation in the interest of both consumers and small stockholders at both Federal and State levels.

The Senate of the United States cannot afford to confirm a man to the Federal Power Commission who has demonstrated his readiness to lead regulation in a retreat, back to the old days when State commissioners testified they hesitated to go through the futile gesture of making conscientious decisions in favor of consumers because court precedents all favored the companies. And these precedents favored the companies because the regulatory commissions of that day were generally without adequate technical staffs to meet the multimillion dollar utility combines on anything like equal terms in preparing groundwork for the courts.

We cannot allow the outstanding Federal Commission in the field of electric and gas utilities to continue under the leadership of Mr. Kuykendall, who has demonstrated a complete failure to use the Commission's large staff to carry on its tradition of leadership in protection of the consumer interest.

KUYKENDALL BEGS QUESTION ON CHARGE HE FAILED TO CONSULT CONSUMERS ON NATURAL GAS LEGISLATION—MISLEADS COMMITTEE ON BASIC PRACTICE

Mr. Kuykendall, who had previously endorsed the Harris-Fulbright bill and who claims he was seeking to formulate a middle-ground bill, states that he did consult with a spokesman for the Council of Local Gas Companies "who stood shoulder to shoulder with consumers' representatives who opposed the Harris-Fulbright bill," and continues:

> But there was no point in conferring with such groups (consumers' groups) on this matter for the obvious reason that they had clearly stated their position, which was contrary to the position of Congress in the matter. They were firmly opposed to change in the method of regulating producers.

Thus, Mr. Kuykendall definitely pleads guilty. The mere fact that the Congress had passed a bill, which did not become law because of Presidential veto, would hardly justify refusing to consult consumer groups on a possible

middle-ground substitute simply because their position was contrary to his and that of Congress. This is particularly the case where the veto message had specifically stated that new legislation "should include specific language protecting consumers in their right to fair prices."

Mr. President, it is very interesting that Mr. Kuykendall would say he did not consult consumer groups, although there were many consumer groups available for consultation, because their point of view was contrary to the point of view of Congress. How could it be? Congress had not succeeded in passing a law. The bill could not become a law until the President's veto was overridden, and it was not overridden. Therefore, let me say Mr. Kuykendall had a clear duty, even on the facts he wants to set forth, to consult the consumer groups.

I desire to make this perfectly clear, Mr. President. Let us assume Congress had passed a bill and the President had signed it into law. Mr. Kuykendall still had the clear duty, as the Chairman of a Commission which has the responsibility of protecting consumer interests in this field, to consult with the consumer groups. He might, after such consultation, find himself in disagreement with their representations, but it is a pretty weak reed to lean on to say that he did not consult with them because he thought their point of view was contrary to the intent of Congress.

Mr. Kuykendall ignores the fact that the consumer representatives included the mayors of many great cities, and municipal law officers association, and the spokesmen of organized labor, rural electric cooperatives, and municipal electric plants.

With governors of various States, numerous State attorneys general, members of State public service commissions, mayors of larger cities, city attorneys, and representatives of consumer organizations speaking for tens of millions of members presenting ably prepared statements against this anticonsumer legislation, Mr. Kuykendall has the brass to say in his apologia:

> Consumers are not and cannot be organized and technically trained to represent themselves on all issues affecting them.

That is his explanation for turning only to corporation lawyers representing the several divisions of the gas industry and asking them to come up with something they could all agree on.

Mr. Kuykendall's action on this matter, his inability to recognize the one-sided nature of his activity on this proposed legislation, reflects, in my judgment, his limited outlook. This is the very outlook which should disqualify him from continuing in the vital office of member and chairman of the Federal Power Commission. It is perfectly true, as he suggests, that the Federal Power Commission is an agency supposed to represent consumers. Yet in his secret negotiations, he purposely excluded representatives of consumers—many of them with obvious technical qualification.

He has openly and persistently taken a position in favor of a standard for pricing or evaluating natural gas as a commodity which would not require use of a rate base or traditional ratemaking principles. He has favored the fair field price and opposed inclusion of costs in determining gas prices.

The proved effect of this Kuykendall type of regulation, which he and the Commission actually adopted in the Panhandle Eastern Pipeline Co. case despite the objections of consumer representatives as well as the Commission's technical staff, is to shift the advantages of the entire regulatory process from consumers to producers of natural gas. It actually is shifting hundreds of millions of dollars, ultimately billions of dollars, from consumer pocketbooks to great oil and gas producer bank accounts. Fortunately, in this case the Commission was overruled by the courts.

It is inconceivable that the Senate will allow this man to continue to masquerade as a protector of the consumer interest.

Complete proof that the Federal Power Commission under his chairmanship cannot be depended upon as the protector of consumers and the public interest, to use his own words, is found in a discussion of the Olin Gas Transmission Corp. case during his appearance on June 4, 1957, before the House Committee on Interstate and Foreign Commerce.

The Commission had granted his company a rate increase for the gas which it produced in the Monroe gas field in Louisiana. In doing so it used the fair field price method in spite of the fact that the United States Circuit Court of Appeals for the District of Columbia refused to go along with the Commission's use of this method in granting an increase to the Panhandle Eastern Pipe Line Co. and required it to justify any allowance above cost. The Supreme Court had denied certiorari in the Panhandle case.

In the Olin Gas Transmission case the cost of production was 4.66 cents per thousand cubic feet and the claimed field price 9.87 cents. Thus the field price represented about a 100 percent increase over costs.

In the House hearings Congressman BENNETT, of Michigan, asked Mr. Kuykendall whether the Commission could not do the same thing by the same formula in every other case. The ex-FPC Chairman replied:

> We can do it if the companies present the evidence that will give us the factual background where it appears required.

Then followed an extraordinary revelation of the point of view of this man who claims to have represented consumers in secret negotiations with gas corporation lawyers on proposed amendments to the Natural Gas Act. He added:

> I might add this, Olin was a little bit lucky here because I don't think their case was contested like it could have been.

Thus Mr. Kuykendall reveals how he acts when the consumer representatives, whom he said it would be useless to consult on a new Natural Gas Act amendment bill, are not contesting a producer's claim for a rate increase. But, in response to a further question from Representative BENNETT, he proceeded to strip off the last vestiges of his consumer-protector disguise.

Representative BENNETT asked, "Do you think if it would have been contested more vigorously they would have gotten a lesser price for gas?" Mr. Kuykendall replied:

> No, I don't think they would have gotten a lesser price but I think that it is possible that if it had been contested more vigorously that we would have had a lot more trouble in finding evidence to make a finding that this was warranted. Now they had a pretty good spokesman from the company there and we quoted some of his testimony, who was quite persuasive, and he didn't happen to get contradicted very much.

Here is the thumbnail sketch of a Federal regulatory body completely in the company's corner except when that corner is made untenable by able consumer representatives contesting the company claims.

In other words, Mr. Kuykendall's replies to Representative BENNETT make it very clear that the Federal Power Commission, as constituted under Kuykendall's chairmanship, was not carrying out the intent of the Natural Gas Act which, as the United States Supreme Court said in the Hope and other cases, was to protect consumers from exploitation by natural gas companies.

Mr. Kuykendall has made it plain that his philosophy is to give the companies what they want unless their claims are vigorously contested by consuming interests, and probably to give it to them anyway.

In the Olin case, both pipeline companies which buy the company's gas and resell it to distribution companies have gas production of their own. Consequently, they had no interest in contesting the field price method of regulation and no municipalities, State commissions, or consuming group intervened.

Actually, the Commission in this case brushed aside the objections of its own staff which opposed the increase. Although it tried to excuse itself by saying that the decision was not a precedent, we have Mr. Kuykendall's word in reply to the Michigan Congressman's question, already quoted, "We can do it again if the companies present the evidence that will give us the factual background where it appears required."

Mr. Kuykendall, by his own words, has demonstrated beyond cavil of doubt that he and the Commissioners who went along with him in this case have completely disregarded the interests of consumers. And this in spite of the sheep's clothing which he dons so obtrusively in his statement to the Senate committee. If this kind of regulation is allowed to continue, utility regulation will be ultimately recognized as a fraud on the public, worse than no regulation, with results that might tend to undermine faith in government itself.

ANOTHER KUYKENDALL MISREPRESENTATION DURING CONFIRMATION HEARING

In reviewing the testimony of Mr. Kuykendall at the final hearing on his nomination for a new 5-year term on the Federal Power Commission, I find a statement so at variance with the truth that I feel it should be invited to the attention of Congress. It reflects Mr.

Kuykendall's readiness to mislead Congress, to gloss over his use of the office to favor corporations which the Commission is supposed to regulate.

In commenting on the Commission's grant of a reasonable market price rate to Olin Gas Transmission Co., Kuykendall had told a House committee that Olin had been rather lucky because the case had not been contested. As I stated in my testimony against his confirmation, this admission as to the Commission's action in allowing a rate nearly double the cost of service, provided clear indication that Congress could not depend on the nominee to protect the public interest.

When Mr. Kuykendall resumed the stand, the Senator from Rhode Island [Mr. PASTORE] pursued the matter further to allow the nominee, if possible, to clarify his position. The record reads as follows:

Senator PASTORE. Now, let me ask again the question that Representative BENNETT asked you. Do you think if it (the Olin case) had been contested more vigorously, they could have gotten a lesser price for gas?

Mr. KUYKENDALL. Well, I said there that I did not think they would get a lesser price and the question is whether they could sustain the burden at all. Now, what I meant was that if somebody had insisted upon and cross-examined them and required them to demonstrate mathematically how much revenue they needed to carry on their exploration and development, I do not believe the company could have sustained that.

Senator PASTORE. Do not jump over that too fast. Why wasn't that your duty? What do you mean by "somebody." Whom do you mean by "somebody"?

Mr. KUYKENDALL. Staff, our staff or any party in the case. (Hearings, p. 711.)

Now, passing over the fact that here again the nominee clearly reveals a callous attitude toward failure of the Commission to do its duty, this answer would imply that there was no cross-examination of Olin Gas Transmission's witnesses on this important point.

I have looked over the record of Commission hearings in the matter and I find 105 pages of cross-examination of company witnesses by FPC Staff Counsel Jensch. I find further clear evidence that the staff of the Commission is floundering because of the failure of the Commission itself to abide by any sound regulatory principles.

And, most disheartening of all, I find that the Commission saw fit to change the examiner in the middle of the case, bringing in one who constantly harassed Commission staff counsel in his efforts to cross-examine and undertook to help the main company witness make his case. In fact, it is most significant that the examiner actually rephrased the answers of the company's executive vice president, so that they would better support the "reasonable market price" decision.

When, in response to a question from staff counsel, company vice president, E. F. Blanks admitted that he wanted the Commission to disregard its holding in the Panhandle Eastern opinion, the examiner stepped in—pages 395–396—to help the witness. When staff counsel attempted to proceed with cross-examination, drawing from the witness the statement that the lower rates in east side Monroe field contracts "are not unreasonable, except that by modern day standards they are," the examiner stopped the cross-examination and proceeded to rephrase the witness' testimony "from a market standpoint"—pages 395–396.

In fact, the examiner stopped staff counsel's cross-examination on the very line of testimony concerning which the witness had originally testified; that is, concerning "reasonable market price," on the theoretical ground that he was asking the company vice president to give legal opinions rather than facts. Listen to the examiner's admonition to the Commission's attorney:

PRESIDING EXAMINER. You haven't asked him anything except the application of his concept of what would be reasonable. I think this is a very simple proposition. I wish the witness was just a little more able to explain himself. I feel I understand what he means, but maybe the record doesn't (p. 400).

After a few more helpful questions by the examiner and replies by the company vice president, the interchange concludes as follows:

PRESIDING EXAMINER. In other words, you are talking like most businessmen, it is reasonable to get the proper price, the price the market will pay; is that right?

The WITNESS. I might say, Your Honor, that that is less than some gas that is being delivered in the Monroe field at central points today (pp. 401–402).

Finally, staff counsel brought out that the company's decision to ask approval of a 10-cent-per-thousand-cubic-feet rate "has no relationship to our cost." And to his question as to why it is fair, "in your judgment," the company vice president made the company's position very clear as follows:

Because I think it is a reasonable price for the gas in the Monroe field, and while our contracts that we had were substantially higher than what we were getting, I feel that we should be entitled to it.

And if others were permitted to sell their gas at that price, we see no justification for us being held down to a price that we have been regulated down to (p. 407).

On further cross-examination of the company's vice president, after his return to the stand for redirect testimony, Staff Counsel Jensch brought out that the Olin Gas Transmission Co. has no substantive basis for the judgment that 4¼ cents additional cost per thousand cubic feet is necessary as an incentive to explore. The company witness falls back on the explanation that "it makes it comparable with what others are doing in the field and we presume that they feel that it is all right at the moment"—page 748.

Mr. President, I think it will be agreed, in the light of this record, that Mr. Kuykendall's response to Senator PASTORE'S questions, with its clear implication that nobody insisted upon cross-examination on this vital point, was a blatantly misleading statement—made in the very course of the hearings on his confirmation.

In spite of all the obstacles faced by Commission staff when the Commission itself refuses to accept its consumer-protector responsibility, staff counsel brought out that Olin could not demonstrate mathematically how much revenue they needed to carry on their exploration and development, but that, on the contrary, their case was based essentially on what the market would pay. And, according to Kuykendall's own reply to Senator PASTORE, ability to demonstrate this was directly associated with their ability to sustain the burden of proof.

To me, the record of the Olin case is shocking evidence of the deterioration of regulation by the Federal Power Commission under the chairmanship of Mr. Kuykendall.

KUYKENDALL DECEIVES CONGRESS ON HIS REVERSAL OF CONGRESSIONAL MANDATE CONCERNING DURATION OF HYDRO LICENSES

Mr. Kuykendall's statement justifying his improper policy on duration of licenses for hydroelectric projects is a particularly glaring example of his readiness to deceive Congress and trade on the expectation that Members will not have enough detailed knowledge in this technical field to catch him.

The charge, which he is attempting to meet, is that he and a majority of the Commission under his chairmanship, have permitted private power companies to secure what amounts to extensions of their licenses for hydro beyond the 50-year maximum permitted under the Federal Power Act and thus to evade what has been known as the option of the Government to recapture these projects at the end of the licensed period. The companies have been allowed to get away with this sort of deal by coming in with a proposal for construction of an additional development and then getting what amounts to a new long-term license for old projects illegally operated without a license.

The specific issue is whether, under the pro-power company chairmanship of Mr. Kuykendall, the companies, by proposing a new hydrodevelopment and asking that previously constructed developments be included under the new license, are going to be allowed to secure an extension of the period of use of a hydroelectric resource subject to Congressional jurisdiction beyond the 50-year limit which Congress wrote into the Federal Power Act.

Let me call attention to the way in which the pre-Kuykendall Commission interpreted its duty in this matter. This will involve reference to Commission decisions in the 1940's which Kuykendall's statement fails to cite.

In the first place, to see how the Commission established the principle, I will refer to early Commission action on unlicensed constructed projects, where no reconstruction or new construction was proposed. In 12 such cases decided between 1935 and 1940 the Commission issued licenses extending to June 30, 1970—50 years after the Federal Water Power Act of 1920 became effective—or, in 2 cases, to 50 years after the project was started. Included in that list are project No. 400, Western Colorado Power Co.; project No. 1904, Connecticut River Power Co. and New England Power Co.; project No. 1881, Pennsylvania Water & Power Co.; project No. 1855, Bellows Falls Hyroelectric Corp., Connecticut

River Power Co., and New England Power Co.; project No. 1893, Public Service Co. of New Hampshire; project No. 1856, Electro Metallurgical Co.; project No. 1913, Public Service Co. of New Hampshire; project No. 1744, Utah Light & Traction Co. and Utah Power & Light Co.; project No. 1759, Wisconsin-Michigan Power Co.; project No. 1888, Metropolitan Edison Co.; project No. 1968, Wisconsin Public Service Co.; and project No. 1979 of the same company.

The Commission's principle in these cases was made clear in the Metropolitan Edison case—project No. 1888—after the company had asked a rehearing.

In its opinion of November 17, 1947, issued after rehearing, the Commission called attention to the fact that the project has been in trespass since original construction and a license should have been obtained on passage of the Federal Water Power Act of 1920. After noting further that, since 1938, the Commission "has uniformly fixed January 1, 1938, as the effective date of the commencement of the administrative charges required by section 10 (e) of the act," the syllabus of the opinion continues:

3. Except in cases where an earlier date is appropriate, June 30, 1970, is the termination date prescribed by the Commission since 1938 in all licenses for constructed projects operating without prior Federal authority.

4. The obligation to obtain a license rests upon the owner of each hydroelectric project operating with appropriate Federal authority in streams subject to the jurisdiction of Congress.

5. To grant applicant's request for a license covering a longer period than to 1970 would be to accord a special privilege not accorded to companies which applied for appropriate authority at an earlier date and not contemplated by the Congress in a statute limiting the license period to 50 years.

As the Commission said:

If a company could willfully violate the law and fail to obtain a license for 26 years as this applicant has done, and then receive a 50-year license from the date on which it filed the application, its license would run for 26 years more than if it had obtained the requisite authority in 1920 (FPC reports, vol. 6, p. 189).

In the second place, there were the Commission's decisions in cases where a single old and inadequate development was completely reconstructed and modernized, that is, essentially redeveloped. These include most of the cases cited by ex-Chairman Kuykendall. In the first of these cases, involving Idaho Power Co.'s project No. 457, the Commission followed closely the reasoning in the Metropolitan Edison case. This is not cited by Kuykendall. Thereafter, it treated the reconstruction of a specific project as essentially a new project entitled to a 50-year license. But this is something totally different from the giveaways which the Commission is now offering the companies, in which a single company may get a new 50-year license for as many as 10 old developments in connection with one proposed new development.

The case of project No. 457, Idaho Power Co., the company applied for amendment to its license, terminating June 30, 1970, to permit it to redevelop the site, about doubling the original capacity. The Commission, by order of April 29, 1947, amended the license for this purpose, without extending the date of expiration.

Idaho Power, by letter of May 20, 1947, requested the Commission to consider its application as one for a new 50-year license for the redeveloped project, effective from the date of its issuance. The company urged that otherwise it faced what could amount to acceptance by the company of a 23-year license for a new plant representing a major investment. The Commission, by order of August 6, 1947, denied the company's request, stating in part:

(4) The application for amendment of the license for project No. 457 to cover the redevelopment stated that the project site is to be redeveloped to utilize all of the available head, and it would appear, therefore, that the redevelopment is merely an enlargement of the project presently covered by the license. This being so, it is not in harmony with the intent of the Federal Power Act to issue a new license for further development of a project already under license;

(5) A new 50-year license would provide for amortization to commence 20 years from the effective date of the license, whereas the 20-year period under the present license for the project will by the terms of the license expire in 1948;

The Commission, having considered the request, the project record and its past practice in such matter, finds that:

(6) It would be incompatible with the intent of the Federal Power Act and inconsistent with the public interest to grant the company's request (FPC reports, vol. 6, p. 831).

This leads to brief comment on the cases in this group cited by ex-Chairman Kuykendall:

Project No. 1940, Wisconsin Public Service Corp., was essentially a new project using the site of an old project which applicant had bought at a receivership sale for $8,000 and built a new dam and powerhouse for $606,546. Project No. 1966 similarly represented construction of a new powerhouse.

Project No. 2004, Holyoke Water Power Co. involved construction of a new powerhouse designed to be expanded step by step to four times initial capacity by about 1965 for full development of the resource.

Project No. 2056, St. Anthony Falls Water Power Co., by Kuykendall's own statement is essentially a new project in which the company is licensed to develop power at Government navigation dam in place of its 54-year-old dam which is to be removed. His statement that the license was later amended to include constructed facilities at Upper Falls apparently refers to action in 1953 or later because no such order appears in the 1951 and 1952 volumes of Federal Power Commission Reports.

None of these citations provide justification or precedent for the reversal of Congressional policy limiting license terms to not more than 50 years. In fact, in the long list of precedents, which are based on sound principle, he can depend on only one exception to support the new and vicious principle which he is establishing to give the companies the virtual freedom from possible recapture of waterpower projects by the people as provided by law. That exception is the last which he cites, project 2077, Connecticut River Power Co., in which the Commission in 1952 allowed the company to obtain a full 50-year license for two constructed projects in connection with the proposed construction of a third development.

Under Mr. Kuykendall, the Commission is proceeding rapidly to accomplish the virtual repeal by administrative action of the 50-year limitation on license periods and the opportunity thereby afforded Congress to consider taking over the project on payment of net investment to the licensee. As the Senate Committee on Commerce said in September 1919 in recommending the bill which is now part I of the Federal Power Act:

We should pass legislation which will lead private capital and enterprise to develop these resources under such regulations as will give consumers good service and cheap power, or the Government itself should proceed to make this development. This bill proceeds on the theory of private development with ultimate public ownership possible.

The companies have always been out to destroy this alternative, and Kuykendall has led the Commission in affording a way for them to accomplish this objective. According to Kuykendall's own testimony, this is being offered as a bait to get the companies to bring their present unlicensed projects under license—in other words, to obey the law as it is written.

Two cases have been decided by the Commission under Mr. Kuykendall's chairmanship which clearly show his intention to offer the private power companies this inducement. These are the Montana Power Company case, in which the Commission gave the company a license to 1998 for nine separate power developments of which only one would be new; and the Carolina Aluminum Co. case, in which the Commission gave the company a license to 1997 for three separate constructed developments and to the year 2007 for a new project—one new one out of four.

In other words, these two private companies, which fought the Commission for years to avoid taking licenses, have been rewarded for the resulting postponement into the Kuykendall regime, by getting licenses for a combined total of 11 constructed projects for a period extending practically to the end of the century. And there is no proposal that any of these constructed projects are to be reconstructed to bring them within the list of precedents cited by Mr. Kuykendall.

If the principle which the Commission invoked from 1935 to 1950—which I have amply supported by the cases and precedents I have placed in the RECORD—had been applied, Montana Power would have received licensed terms to June 30, 1970—to 1998—for all but two of its constructed projects, with the termination date for the remaining two constructed projects being 1977 and 1980 respectively. In the case of Carolina

Aluminum, two of the constructed projects would have been licensed to June 30, 1970, and the other to 1977.

The Pacific Gas & Electric Co., in my own State, has been granted a similar favor—which I think is unjustifiable and against the public interest—in connection with its project No. 2105, for which the Commission granted a license covering both constructed and proposed developments for a 50-year period from November 1, 1954. Other cases are coming up, including the California-Oregon Power Co. project No. 2082, on the Klamath River; the Alabama Power Co. Project No. 2146, on the Coosa River; and the Duke Power Co., which Mr. Kuykendall mentions. The Duke case involves ten constructed and one proposed development on the Santee River.

Does anyone have any idea how these power companies would vote on this nomination? Does anyone have the slightest doubt as to what the power companies would say about the nomination, in view of the Kuykendall theory in regard to these extensions, and this reversal of the long-established precedents of the Federal Power Commission? This is one of the giveaways on which public attention has not yet been focused. But this is a giveaway amounting to hundreds and hundreds of millions of dollars. The chief architect of this giveaway ought to be removed from any possibility of further service on the Federal Power Commission in view of this record in extending these licenses.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. ANDERSON. That is certainly an interesting development. Does the Senator from Oregon know whether the members of the committee who voted to report the nomination favorably were familiar with the actual extension of these licenses on constructed projects?

Mr. MORSE. I did my very best to explain it to them in my testimony. Apparently I was not very persuasive. I brought the record out. It is not mentioned in the committee's report or in the minority views. That is why I have spent so much time on it this afternoon, because I know the record I have made will be used. I know the record will be used, because I have made it on the basis of documented facts. I am making the record, because I intend, in the months ahead, to wrap it around the neck of this administration in the whole field of natural resources. It is a sad story and a sad record of the Eisenhower administration in giving away hundreds of millions of dollars of the wealth belonging to the people of this country to the private utilities of this country. It takes time.

The Senator from New Mexico well knows that, in view of the many great historic fights he has made in the Senate, when he has tried to stop predatory interests from taking over the welfare of the people. That is true particularly in view of the great job he did in the Dixon-Yates fight, to which I made reference earlier, and the great work he is now doing in trying to protect the rights of the American people in the atomic energy program. I am trying to protect the people's interest by endeavoring to stop the giveaway program of the Kuykendall Power Commission administration in regard to the extension of these licenses.

Of course we know what they are afraid of. They are afraid of applying the law which was enacted. I take Senators back to the purpose of that law. What Congress said in it was that if we are going to grant licenses for 50 years, then at the end of the 50 years, Congress shall have the say as to whether the licenses will be renewed.

In the Federal Power Act Congress said it was not closing the door to future public ownership of some of the great power projects. The companies are not entitled to an extension of these licenses as a matter of right. The law makes that perfectly clear. To the contrary, I may say to the Senator from New Mexico, at the end of the life of the license, in theory, the project should revert to the taxpayers of America. There may be some legal problems involved, of course. But what I am pointing out is that we have, in my judgment, a Federal Power Commission acting as a congress on this issue. Have we ever seen a report from Mr. Kuykendall of the Federal Power Commission to Congress saying, "Here is a license about to expire. What do you want us to do about it?" Have we ever seen a report from the Federal Power Commission saying, "Do you want the Federal Government to take the project over?"

I have tried to bring out what is clearly contemplated by the law.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. CARROLL. I understand Mr. Kuykendall comes from the State of Washington.

Mr. MORSE. The Senator is correct.

Mr. CARROLL. I invite the attention of the Senator from New Mexico to page 156 of the hearings. I call attention to the fact that the Washington State Grange, which is a body of farmers interested in the conservation of resources, sent to the committee a resolution setting forth seven charges against Mr. Kuykendall. One of the charges is based on the very point the able Senator from Oregon is making so forcibly. It is the sixth point in the resolution, and it reads:

> The Federal Power Commission is extending the license period for private-utility projects beyond the 50-year limit.

They go into great detail on that point. I wish to commend the Senator from Oregon for bringing this out so forcibly to the attention of the Members of the Senate.

Mr. MORSE. I thank the Senator from Colorado.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. ANDERSON. The Senator from Oregon realizes the situation in which all of us find ourselves these days. For nearly 3 hours this morning I was at a committee hearing—and the Senator from Colorado was a very interested participant in it—dealing with water rights, which is an item of great importance to the people of the West. I then went to a meeting of the Joint Committee on Atomic Energy. In other words, we do not get a chance to follow up many of these things. However, I notice on the page to which the Senator from Colorado has referred, charge No. 4, which reads:

> 4. When the Dixon-Yates power contract was being investigated, Mr. Kuykendall not only failed to inform Congress that two Assistant General Counsels of the Federal Power Commission had given him opinions which were critical of the contract but he also subsequently submitted a statement for the record before a Congressional committee that the Dixon-Yates contract was fair and reasonable for the Government and for the private power company. This action on his part would again raise a question of the integrity of a man in such a high position and with such important responsibilities to the public interest.

I merely wish to say to the able Senator from Oregon that I do not know how fair it was to the Government, but it certainly was fair to the private power company. There is no question about that.

Then on another page of the hearings, which I do not have at the moment, the Chairman of the Atomic Energy Commission was testifying about Mr. Kuykendall giving him information on contracts, as they came along. Knowing how Mr. Kuykendall handled the information with reference to Dixon-Yates, I am wondering of what value the information he would supply to the Atomic Energy Commission would be as to the reasonableness of power rates from atomic installations thereafter.

This whole field, as the Senator from Oregon recognizes, is brandnew. The whole question of how to go about evaluating atomic-energy power that may be put into grids, and how to evaluate the eventual cost of it, if we have a breakthrough and get thermonuclear power, is a brand new question.

The letter to which I had reference is on pages 174 and 175. It is signed by Lewis Strauss, Chairman of the Atomic Energy Commission. It is dated July 22, 1954. I read from it a sentence or two:

> DEAR MR. KUYKENDALL: On a number of occasions in past years we have informally requested and received the cooperation of the Federal Power Commission staff in the review of proposed contracts for the purchase of electric power by the AEC. We have benefited from the suggestions, advice, and assistance that has been given on these occasions.

Does the Senator from Oregon have any doubt that the advice and suggestions, and the like, were in full compliance with the suggestions of the power companies which were going to serve the AEC?

Mr. MORSE. As I said earlier in my discussion this afternoon, I think Mr. Kuykendall has demonstrated time and time again that he sits on the Federal Power Commission as a representative of the utilities, and not as a representative of the people of the United States.

In my speech this afternoon I discussed the question which the Senator from New Mexico raised, and my conclusion was that Mr. Kuykendall had

deliberately misled the House committee in regard to what happened before the Federal Power Commission concerning the legal advice he had obtained from his own lawyers concerning the Dixon-Yates contract.

I may say good naturedly to my whip, the Senator from Montana [Mr. MANSFIELD], that I think he should know what transpired in the course of my speech this afternoon. After my conversation with him earlier, before the speech started, and after my announcement that I planned to talk for only an hour and a half—I had planned to make simply a synopsis—the Senator from Montana may have noticed that during the course of my speech certain messages were given to me, and the strongest of representations were made to me in the midst of my speech, by individuals in whose judgment I place great reliance, that it was of great importance that I make the full record of the material which they knew I had at my disposal, because they realized that this record will be of use in the future on this great issue, including, for example, the point I am now discussing. It was only for that reason that the course of the ship of my debate was changed, and I went into the deep waters at a greater distance.

The public interest requires full observance by the Federal Power Commission of the Congressional intent that private developers of the Nation's hydroelectric resources accept licenses for periods terminating not later than 50 years following enactment of the Federal Water Power Act in 1920, if the projects were constructed prior to that date, or 50 years following construction of the projects constructed subsequent to that date. Only by such procedure can the people of the country be protected in their right under the existing law to a periodic opportunity to determine whether the operation and maintenance of such projects should not be taken over by the Government on reasonable reimbursement of the licensee. Only by such procedure can consumers be assured that after the development has been in operation for 20 years, profits in excess of a specified rate of return will be used in part to maintain amortization reserves which will serve to reduce the company's claims for net investment in the project.

Mr. President, I emphasize what I said to the Senator from New Mexico. That decision should be the decision of Congress. It is a legislative problem; it is not a regulatory problem. Whether we should continue a project under private operation or whether we should start public operation of it and reimburse the company for its investment costs is a decision which ought to be made by Congress. But that is not what Kuykendall has been doing.

Mr. Kuykendall has shown by his own statement, with its less than full disclosure of the facts, that he cannot be trusted to protect the public interest or carry out the Congressional intent in this vital field.

A further indication of the private utility bias of the Commission under Kuykendall is its legislative recommendation for private utility preference in the renewal of licenses. The proposal appears on page 336 of the hearings as follows:

Federal Power Act—renewal of hydroelectric licenses: That section 15 of the Federal Power Act be amended in accordance with a proposal made by Chairman H. Lester Hooker, of the State Corporation Commission of Virginia, so as to give a licensee of a hydroelectric development the first option to renew its license pursuant to the then prevailing statute and conditions prescribed by the Commission in the event the United States, upon the expiration of the original license, did not exercise its option to take the project over as provided in section 14 of the act."

This is what it means: The proposal would freeze the option of the United States to take over projects after 50 years to the time when the license expires. Under present law the option can be exercised "upon or after" expiration—section 14. Further, it would eliminate the present provision enabling States and municipalities to take over these licensed projects after the 50-year license period during which the utilities make back their investment plus a profit.

Let me dwell on this subject a moment longer, because what the Senator from New Mexico has pointed out is very vital. Under the present system, after 50 years the Federal Government can take over projects if it wants to. If it does not, then preference is to be given to State and municipal authorities. It is a pretty sound policy.

Now a law is proposed by Kuykendall and the Commission he heads containing an interesting gimmick to do away with that kind of public preference, and to give the first option to the license, to the private utility. So through that kind of backdoor arrangement, what is really being sought is to repeal that provision of the original Federal Power Act. In the end, if they get by with it—and I serve notice on them now that they have bought a fight when this one gets to the floor of the Senate; that is one of the reasons I am making the record this afternoon—they will, of course, to all intents and purposes, have destroyed that part of the Federal Power Act which says, in effect, "We will let you operate the project for 50 years. You can make a profit for 50 years. But in 50 years we will decide whether we want to proceed with a renewal of the license, or whether at that time we will take over the public operation of the project."

EVIDENCE OF KUYKENDALL MISREPRESENTATION SUBMITTED AFTER HEARING

The day after the hearings closed, the chief counsel of the Commerce Committee submitted a memorandum which presents strong evidence that during the hearings on the confirmation of his own nomination, Mr. Kuykendall made yet another misrepresentation of fact. That memorandum appears on pages 444 and 445 of the printed hearings.

Mr. President, I ask unanimous consent that the memorandum be printed in the RECORD at this point in my remarks.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE, COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE—MEMORANDUM

To: Senator WARREN G. MAGNUSON, chairman.
From: Harold I. Baynton, chief counsel.
Date: July 17, 1957.

In the Kuykendall hearing of July 16, 1957, you asked Mr. Kuykendall whether he had attended conferences or talked with the White House staff regarding the Dixon-Yates contract. Mr. Kuykendall stated he did not recall talking to the White House staff, the Bureau of the Budget, or the Atomic Energy Commission. You then read a paragraph from the report of the House Select Committee on Small Business which, in effect, stated that the chairman of the Securities and Exchange Commission, other Government officials, and Mr. Kuykendall met at the White House with the staff and discussed the contract. Mr. Kuykendall immediately replied: "I say that statement is inaccurate. I say it is incorrect completely insofar as reciting the fact that I was in on such a conference. I was not there."

On December 5, 1955, the Judiciary Subcommittee on Antitrust and Monopoly was holding hearings on Senate Resolution 61, a resolution concerning the charges of monopolistic influences in the power industry. The committee was taking the testimony, under oath, of Ralph Demmler, who from the period of June 17, 1953, until May 25, 1955, was Chairman of the Securities and Exchange Commission. Senator KEFAUVER was questioning Mr. Demmler as to meetings at the White House concerning the Dixon-Yates contract. On page 1275 of the printed hearings (power policy, Dixon-Yates contract, pt. II) in discussing the White House conferences, Senator KEFAUVER asked Mr. Demmler "Who was there * * *?"

"Mr. DEMMLER. My recollection is the following: General Persons was there for awhile, not very long, and General Vogel, the Chairman of the TVA, was there, Mr. Kuykendall, the Chairman of the Federal Power Commission, I think, Jack Martin was there, he is an administrative assistant, or used to be, Senator Taft's administrative assistant.

"Senator KEFAUVER. And General Counsel for the President, or Counsel for the President?

"Mr. DEMMLER. That was Mr. Shanley at the time. I don't think he was there. The ones I have named are all the ones I remember.

"Senator KEFAUVER. What was Mr. Kuykendall doing there?

"Mr. DEMMLER. I don't know, because when the question was disposed of as to whether the SEC should be asked to have a representative at these hearings, when that question was disposed of, I left. I wasn't there very long.

"Senator KEFAUVER. The purpose to have a representative, you mean to testify before the hearings?

"Mr. DEMMLER. Whether or not the Securities and Exchange Commission should be one of the agencies of government that should appear before the Joint Committee on Atomic Energy.

"Senator KEFAUVER. When was that, Mr. Demmler?

"Mr. DEMMLER. I guess it was November 3, because I have a memorandum which I took to the conference."

The foregoing testimony as to the presence of Mr. Kuykendall is unclear. Mr. Demmler stated, "Mr. Kuykendall, the chairman of the Federal Power Commission, I think, Jack Martin was there * * *." The words "I think" could apply to Mr. Kuykendall or Mr. Martin. However, a little later, Senator KEFAUVER asked Mr. Demmler, "What was Mr. Kuykendall doing there?" and Mr. Demmler went on to say he didn't know and gave

his reasons. The two parts of the answer together would indicate that Mr. Demmler felt reasonably sure that Mr. Kuykendall was present at the meeting. Senator KEFAUVER agrees with this conclusion.

(NOTE.—The foregoing was on November 3, 1955. On November 5, Mr. Kuykendall testified before the Joint Committee on Atomic Energy in favor of the Dixon-Yates contract.)

Mr. Demmler was under oath. Mr. Kuykendall in our hearings was not under oath.

Mr. MORSE. Mr. President, in closing my argument on Mr. Kuykendall, I want to say the confirmation of Mr. Kuykendall, after his proven lack of candor and misrepresentations to Congress, his failure to protect the public interest in case after case, his secret dealings limited to members of the industry to be regulated in drawing natural gas legislation and his repeated strained interpretations of the law so as to defeat Congressional policy, in my opinion should be rejected. If the Senate confirms the nomination despite this record, consumers and conservation groups will be faced with the greatest threat yet in the long and sad history of monopoly exploitation.

THE QUESTION OF SENATORIAL COURTESY

Mr. President, I want to make it very clear that if Mr. Kuykendall came from my State, I would raise personal objections to the confirmation of his nomination. It will be recalled that after President Eisenhower had nominated Mr. McKay to a position on the International Joint Commission, I served notice on the floor of the Senate that, because of his record in the field of natural resources, if the President appointed him to a position in the field of natural resources that required Senate confirmation, I would personally object to the nomination and exercise my parliamentary rights to block his nomination.

When I make that statement I do not wish to be interpreted as making any criticism of the Senators from Washington. As was stated on the floor of the Senate yesterday, it had been suggested that they raise personal objections to Mr. Kuykendall. I make such a suggestion to the Senators from Washington, as did others, I may say, who feel that his threat to our natural resources is such that we ought to utilize any parliamentary rights that exist to stop his nomination. I hold to that opinion, but I agree it is a matter of personal decision for each Senator to make. I only want to say that the precedents are pretty clear that one does not have to raise the objection by using the phrase "He is personally obnoxious."

In order to substantiate my position on that question, I ask unanimous consent to have printed in the RECORD at this point in my remarks a discussion of this matter in Harris' The Advice and Consent of the Senate, beginning on page 217.

There being no objection, the extracts were ordered to be printed in the RECORD, as follows:

THE GROUNDS FOR PERSONAL OBJECTIONS

The custom of senatorial courtesy is the sanction by which a majority of the Senate may require the President to nominate the candidate proposed by the Senator or Senators from the State in which the office is situated, provided they belong to the same party as that of the President. Under the custom, any Member of the Senate may block the confirmation of a nomination by stating that the nominee is personally obnoxious or offensive to him. In the past it has not been necessary for the Senator to do more than merely indicate his opposition to a nomination, and repeat the customary formula. An objection to a nomination does not mean that the nominee is actually personally obnoxious to the objecting Senator; it frequently involves no animus whatever but merely indicates that the Senator has another candidate. Formerly, it was not necessary or even expected that the objecting Senator give any reasons to support his objections. He needed merely to rise in his seat and announce that the nominee was personally obnoxious to him and, if he notified the chairman of the committee to which the nomination had been referred of his objection, the nomination would not be reported to the Senate.

The application of the unwritten rule of courtesy was the subject of an extended debate in the Senate in 1932 when the nomination of Charles A. Jonas, a former Republican Congressman from North Carolina, to be a Federal district attorney in that State was being considered. Senator Bailey of North Carolina, recently elected to the Senate, entered a personal objection, but asserted paradoxically that there was nothing personal in his objection. Bailey objected to a statement that Jonas had given to the press after his defeat for reelection in 1930, which charged that election frauds were prevalent in the State and stated that they could not be cleaned out by attempts at criminal prosecution of the offenders. Although Bailey had once made much more severe allegations of election frauds in the State, he declared that the appointment was personally obnoxious to him because Jonas had brought the Commonwealth of North Carolina "into obloquy," had impeached its good name, and had asserted that justice could not be had in its courts in election cases.

The principal issue in the debate was whether the Senator from North Carolina had brought himself under the rule of courtesy. Several leading Republican Senators stated that they would honor the objection and vote against the nomination only if Senator Bailey would state unequivocally that the nominee was "personally obnoxious" to him. The Senate voted to reject the nomination, but a few days later Senator Hastings moved to reconsider, stating that he was convinced that the North Carolina Senator had not come within the rule of "personal obnoxiousness," because he had stated that his objection was not personal. Senator Bailey declared again that his objection was not personal, and that he would not take advantage of his worst enemy by reason of any supposed privilege resting in him because of his position. Referring to the code of sportsmanship, he stated that he had been "bred to believe that a man should not shoot a bird on the ground, or a rabbit in the brush, or a duck in the water," and that he did not propose to "take advantages like those." Senator Johnson of California stated that an objection was not tenable "except it be of a personal character," but Senator Reed of Pennsylvania stated that the Senator from North Carolina was making his path very hard. If he would simply state that the nominee was personally objectionable, Senator Reed said, he would vote against confirmation, but if the matter were left to his own judgment, he would have to vote the other way. When Senator Bailey replied that he had stated that the nominee was personally obnoxious to him and had given his reasons, Senator Reed exclaimed:

"Ah, but then why does the Senator use the words 'personally obnoxious' at all? If he has reasons against the confirmation, all well and good; let us weigh the reasons; but the fact of the nominee being personally obnoxious to him or not does not seem to me to enter into the case at all. If he puts it on the ground of a disqualification of this nominee because of what he has done, that is one thing. If he puts it on the ground of his being personally obnoxious to him, that is something totally different, so far as I am concerned.

"In other words, it depends on where the responsibilities lies. If the Senator from North Carolina will assume the responsibility of saying this nominee is personally obnoxious, then I vote with him; but if he puts on me the responsibility of saying whether this man's newspaper interview is a sufficient reason for rejecting him, I should be forced in all honesty to say 'No, I do not think it is a sufficient reason.' "

* * * * *

It has been said on the floor of the Senate that when a Senator enters a personal objection to a nominee it is to be presumed that he has good reasons for taking such action and the objection can be taken as an indication that the nominee is not suitable for the appointment. The evidence, however, is to the contrary. Typically, a personal objection is entered when the objecting Senator concedes that the nominee is fully qualified, which may or may not be openly stated. In opposing the President's nominations to the Illinois judgeships in 1951, for example, Senator Douglas stated that the nominees were "worthy" or "eminent" men, and Senators Glass and Byrd admitted that Judge Roberts of Virginia, whom they had opposed in 1939, was fully qualified. In the Senate debate on the Jonas appointment in 1932, Senator Walsh, who supported the objection of Senator Bailey, stated: "There seems to be no serious question about the ability of Mr. Jonas as a lawyer nor as to his general character." Similarly, Senator Reed said that the nominee was perfectly competent, and that the President was justified in making the appointment.

These cases are typical of many others in which the Senate rejected nominees who were recognized as being fully qualified, for reasons that had nothing whatever to do with their qualifications. In some instances, however, an objecting Senator has attacked the nominee, asserting that he lacked the necessary qualifications or was an unfit person; but such attacks have usually been transparently political in nature, revealing the animus of the Senator rather than verified evidence unfavorable to the nominee. As a general rule, when the President turns down the recommendation of a Senator of his party for an appointment in the Senator's State, he anticipates the opposition of the Senator and therefore is particularly careful to choose a person of outstanding qualifications. This, however, was not true in the contest over the Illinois judgeships in 1951.

Often, personal objections are due to the fact that the nominee is a political opponent of the Senator voicing the objection. Thus Senators BYRD and ROBERTSON, of Virginia, opposed the nomination of Martin A. Hutchinson of that State to be a member of the Federal Trade Commission in 1950. Hutchinson had formerly been a prominent member of the Byrd organization, and BYRD, when Governor, had appointed him to some of the highest and most influential offices in the State. He had since become a leader of the anti-Byrd faction and had run against Senator BYRD in the Democratic primary of 1946. Although the Virginia Senators did not use the words "personally obnoxious," and they alleged that Hutchinson did not have the requisite qualifications for the office, it was quite clear that their objections were political. Prominent

citizens of the State, many associated with the Byrd organization, sent in letters and telegrams speaking of the nominee in the highest terms. Douglas Southall Freeman, editor of the Richmond News Leader, and a celebrated author, wrote that Hutchinson was a distinguished lawyer who "measures up to every requirement, professional and personal, for the important office," and that his rejection because of mere factional Virginia politics would be "intolerable," and "contrary to the best traditions of American democracy. * * * Were the nomination of Mr. Hutchinson to be rejected, another would be added to the unhappy list of men denied opportunities for reasons that will not stand the light of day."

In the Senate debate Senator BYRD discoursed at length on senatorial courtesy and the importance of the functions of the FTC, and advanced the proposition that the Senators from each State should be the ones to decide whether a citizen of their State should be confirmed for a national office. "Quite naturally," he said, "the Senators from Virginia are in the best position of any Senators to advise on the fitness and qualifications of Mr. Hutchinson or any other Virginian who may be proposed for an important public office." The Senate voted 59 to 14 to reject the nomination, sustaining the objection, though the objecting Senators had carefully avoided using the customary formula.

Mr. MORSE. Mr. President, of the various precedents that are cited, I wish to point out the North Carolina case, in which Senator Bailey said, in effect, that the personal relationships between him and the nominee were of the best, and yet he took the position that, on personal grounds, he could not recommend the nominee. He objected, and the Senate sustained his objection. There have been other similar cases in the history of the Senate.

So that no one in my State, at least, will misunderstand my position, I happen to believe that the pending nomination is so contrary to the best interests of the people of the Pacific Northwest, and the Nation as a whole, that any parliamentary right which could be exercised to prevent this man's being foisted upon the American people for another 5-year term should be exercised. However, each Senator has a perfect right to be his own judge of the course of action he should follow. I respect the right of the Senators from Washington not to raise any personal objection for reasons that they have stated.

As I close, I urge the rejection of the confirmation of the nomination because I think, on the record, the nominee has proven himself an enemy of the public interest of the consumers of America.

PRODUCTION OF GOVERNMENT RECORDS IN CRIMINAL CASES IN UNITED STATES COURTS

During the delivery of Mr. MORSE's speech,

Mr. O'MAHONEY. Mr. President, will the Senator from Oregon yield to me?

Mr. MORSE. Yes; if unanimous consent is given that I may do so without losing my right to the floor.

The PRESIDING OFFICER (Mr. MANSFIELD in the chair). Is there objection? Without objection, it is so ordered.

Mr. O'MAHONEY. Mr. President, I desire to file with the Senate the copy for a star print of the report from the Committee on the Judiciary to accompany the bill S. 2377, establishing procedures for the production of Government records in criminal cases in United States courts.

I understand the bill will be called up after the executive session has been concluded, and after a bill having to do with the authorization of appropriations for the Atomic Energy Commission may be considered. The copy of the modification of the report is not yet ready, but it will be filed with the Secretary of the Senate just as soon as it is ready.

Mr. McNAMARA. Mr. President——

Mr. MORSE. I yield, provided that unanimous consent is given that I may yield to the Senator from Michigan without losing my right to the floor.

The PRESIDING OFFICER (Mr. LAUSCHE in the chair). Is there objection? Without objection, it is so ordered.

Mr. McNAMARA. Mr. President, I am not asking the Senator from Oregon to yield to me. I understand that a request had been made for unanimous consent to have a star print substituted for the original print. Is that correct?

Mr. MANSFIELD. Mr. President, I imagine that the Senator from Michigan is directing his inquiry to the Senator from Wyoming [Mr. O'MAHONEY].

Mr. McNAMARA. No, I am not. I am propounding a parliamentary inquiry. Mr. President, my inquiry is this: Was unanimous consent requested to have a star print substituted for a print previously accepted?

Mr. O'MAHONEY. No such request for unanimous consent was made. I presented from the Judiciary Committee a notice that a star print of the report would be sent to the desk.

Mr. McNAMARA. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Michigan will state it.

Mr. McNAMARA. Am I to obtain an answer to the parliamentary inquiry I addressed to the Chair?

Mr. O'MAHONEY. Of course, Mr. President, I know what I stated.

Mr. MANSFIELD. Mr. President, at the time referred to, I was in the Chair, and I know that no such inquiry was addressed to the Chair.

The PRESIDING OFFICER. The Senator from Wyoming has stated that he did not submit a unanimous-consent request; and the Chair assumes that that statement is descriptive of the status which prevailed in respect to that matter.

Mr. McNAMARA. Mr. President, will the Senator from Oregon yield to me?

Mr. MORSE. I yield, provided I may do so without losing my right to the floor.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. McNAMARA. Mr. President, it is my opinion that legislation such as proposed in S. 2377, particularly in view of the fact that the bill is so loosely drawn, is not really necessary.

Attorneys may be able to make a case for some legislation establishing procedure which judges may follow in interpreting the Supreme Court's decision in the Jencks case.

However, many attorneys with whom I have discussed this matter point out that S. 2377, as it was drafted, is not a good bill.

At the very least, full and complete hearings should be conducted before the Senate is asked to act.

I feel that this bill was hastily conceived, following the Supreme Court's decision, during a period when something approaching hysteria, rather than reason, prevailed.

I think it is significant, however, that the Judiciary Committee, which reported this bill in such haste, acknowledged that the Jencks decision was not really so broad as some might have thought initially.

I call attention to two statements appearing in the committee's report. On page 3, the report states:

> The committee believes that it should be emphasized, in view of the wide misinterpretation and popular misunderstanding of the opinion in the Jencks case, that in its decision the Supreme Court quoted language from other cases making clear that the reasoning of the court in reaching the majority opinion was that the rule it was upholding would not propose any broad or blind fishing expedition among documents possessed by the Government.

Also on the same page, the report says:

> Although there is language in the Jencks opinion which, standing alone, might have led a lower court to a misapprehension of the meaning of the decision, the committee does not believe, after studying the decision very carefully, that a defendant would be entitled under the decision in the Jencks case to rove at will through Government files.

Further, there seems to be growing evidence that the initial apprehension over the decision by Federal judges is abating. In the past few weeks in Michigan, on two occasions, Federal judges in Detroit have set limits on the original broad interpretation of the Jencks decision. In refusing to turn over FBI files wholesale to defense attorneys in one case, the Federal judge is quoted as saying:

> I don't believe that the decision is as broad as some attorneys and some courts think it is. It doesn't change the law a great deal in my opinion.
>
> And it certainly doesn't give defense counsel carte blanche to examine all FBI files.

I understand from newspaper accounts that Federal judges elsewhere are adopting similar attitudes. Thus, I do not see the need for hasty action on this proposed legislation.

Establishing legislative procedure in regard to a Supreme Court decision is, in itself, an unusual procedure, attorneys tell me. But the very least we can do is to subject this bill to the close scrutiny of a full hearing. It is too important to do otherwise.

In connection with this subject, I hold in my hand a very worthwhile editorial from the New York Post of Monday, August 12, 1957. I ask unanimous consent that it be printed, in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

JUSTICE, JENCKS, AND JUNK

It has long been a fact of United States life that most newspapers, like most politicians, are unwilling to differ with FBI Director J. Edgar Hoover in a public place.

But there is something especially degrading about the way in which most metropolitan dailies are serving as propaganda organs for the FBI in its campaign to overthrow the Supreme Court decision in the Jencks case.

That decision affirmed nothing more than the sound American principle that a defendant shall have access to any information material to his defense, even if it be contained in that sacrosanct vault known as the FBI files.

It did not require the FBI to divulge any secrets or unveil any underground agents. It simply obliged the Government to decide whether the protection of such hidden bodies was more or less vital to the national security than an individual prosecution.

These distinctions are being hopelessly obscured in the drive to stampede Congress into enactment of legislation repealing the spirit and substance of the Jencks decision. The drive has reached new depths of fraud and fury in the aftermath of the indictment of accused Soviet Intelligence Agent Rudolf Abel.

The news columns of the august Herald Tribune are competing feverishly with those of the know-nothing gazettes in spreading the word that the FBI's war against communism in general and its prosecution of Abel in particular will be fatally crippled unless Congress acts at once to scrap the Jencks decision.

Legislation sponsored by Representative KEATING, Republican, of New York, and noisily seconded by Representatives MARTIN, Republican, of Massachusetts, and WALTER, Democrat, of Pennsylvania, would, in effect, restore to the FBI, in cooperation with friendly and timid judges, the right to withhold relevant data where J. Edgar Hoover deemed such suppression expedient.

The growing tumult is clearly designed to smother free debate and to force frenzied legislative action in an area that deserves calm, thoughtful appraisal. Now, as so often before, it is being suggested that anyone who questions the FBI formula must be a hireling or dupe of the Kremlin, and not even Chief Justice Warren has been spared such attack.

The timing of the tempest is parenthetically puzzling in view of the known facts in the Abel case. The chief witness against Abel, as the Times noted yesterday, will be Abel's former top aid, whose defection is no longer a secret. It is hard to believe under these circumstances that the success or failure of the prosecution truly hinges on the restoration of secrecy to the FBI files.

But in any event the crucial matter is the principle of disclosure; it is bigger than Abel or any other single case. Obviously Abel himself ceased to constitute a threat from the moment when the FBI caught up with his operations; in the past Mr. Hoover himself has noted that there are times when the FBI prefers to keep foreign agents under surveillance rather than initiate prosecutions. If the Jencks decision actually threatens an effective trial, why was the indictment brought at this juncture?

Police agencies naturally prefer rules of operation which afford them maximum convenience and minimum complexity. They prefer to reveal as little as possible about their methods and to intimate that their work would be crippled if it became exposed to serious scrutiny. The FBI lives by that code. Yet that code for many years offered protection to such dubious FBI informants as Harvey Matusow, and subjected many Americans to unjust harassment at the hands of untrustworthy witnesses who flourished behind closed doors.

The Jencks decision was a dramatic reassertion of what used to be basic American doctrine: that the business of our courts is to secure justice, not insure convictions, and that the rights of defendants shall not be subordinated to the comforts of the police. Surely this is the point at which our law clashes most fundamentally with the gospel of Communist and Fascist states. But that issue is being disguised and distorted by the panic of the patrioteers, and by the craven performance of most of the press.

CIVIL RIGHTS

During the delivery of Mr. MORSE'S speech,

Mr. O'MAHONEY. Mr. President, will the Senator from Oregon yield to me?

Mr. MORSE. Yes, if unanimous consent is given that I may do so without losing my right to the floor.

The PRESIDING OFFICER (Mr. MANSFIELD in the chair). Is there objection? Without objection, it is so ordered.

Mr. O'MAHONEY. Mr. President, for the information of Senators and of others who are present, I should like to read a dispatch which I have just taken from the news ticker. This portion of the ticker bears the heading "Civil Rights," and it reads as follows:

WASHINGTON.—Indications of a possible break in the House civil-rights deadlock took form today.

Representative KEATING, Republican, of New York, chief House spokesman for the administration's civil-rights program, told newsmen that as a last resort he would go along with a modified jury-trial bill rather than have no civil-rights bill at all at this session.

As the civil-rights impasse continued, KEATING summoned reporters to his office for a news conference, at which he stated:

"If my back's to the wall, I would rather have a bill with some form of jury trial in it than no bill at all. I want a bill this session."

Asked if that meant he would take the Senate's criminal-contempt jury-trial proviso narrowed down to voting cases, as proposed by House Democrats, in preference to no legislation, KEATING replied "Yes."

Mr. President, of course, I have no information with respect to the accuracy of the report, but I regard the story as an indication that progress is being made on the House side toward acceptance of the bill as passed by the Senate.

Mr. CARROLL. Mr. President, at this point will the Senator from Oregon yield to me?

Mr. MORSE. I yield, provided unanimous consent is given that I may do so and still may protect my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CARROLL. Mr. President, with reference to the ticker item about the very able Member of the House of Representatives [Mr. KEATING], let me say that I had occasion to see him casually the other day, and, in view of the statement which appears on the press ticker, I am confident that his position as set forth in the ticker statement is actually his position. It is a wise position. He is a sound lawyer—one of the best lawyers in the other body. The position he has taken shows real progress. If the leadership in the other body would follow that excellent example, as shown by the ticker statement, I think there would come from this Congress a very fine piece of civil-rights legislation, due in large part to the excellent work done by the distinguished Senator from Wyoming [Mr. O'MAHONEY].

Mr. O'MAHONEY. I thank the Senator from Colorado. I share his view of the capabilities of Representative KEATING, of New York.

Mr. President, there has been a growing expression of public opinion in favor of the civil-rights bill as passed by the Senate.

Last evening, I was delighted to learn that former Senator Frank Graham, of North Carolina, who formerly was president of the University of North Carolina, and who now is associated with the United Nations, and who for several years acted, I believe, as a mediator in connection with several Asiatic conferences, made some observations regarding the situation of the Negroes in the South. In that connection, today I received from Mr. Ralph McCallister, director of the New York Chautauqua Institution, a letter in which he has informed me that last evening Dr. Graham discussed the situation of the Negroes in the South; and in his letter Mr. McCallister has suggested to me that he believes that at least some of the comments made by Dr. Graham should be printed in the CONGRESSIONAL RECORD.

Therefore I am very pleased to read the following brief summary of the speeches made by Dr. Graham at the Chautauqua Institution on August 14, 1957:

In the course of 3 addresses on the United Nations at the 84th Chautauqua Assembly of people from 48 States and 14 foreign countries, Dr. Frank P. Graham, 19 years president of the University of North Carolina, former United States Senator and U. N. mediator in 2 Asian conflicts, made some timely observations on (1) the development among southern people of the sense of obligation to prepare all their children, including Negro children, for full citizenship; and (2) the faithful way in which Negro youth have prepared themselves for full citizenship, including the right to vote as the most fundamental right in a democracy on which other rights so largely depend.

He remarked that despite heavy lags and unfair procedures and pressures in many communities in many States there has yet been a steady increase in the number of Negro voters through the initiative of Negro organizations and the widening of the religious conscience and a sense of democratic responsibility. The opportunity is at hand, he said, for the first time in almost fourscore years to adopt measures without a Senate filibuster, which in a few years will likely more than double the rate of increase in the number of Negro voters in 12 Southern States.

* * * * *

Bearing on the preparation for the right to vote based on literacy are the following developments: (1) In 1875 nine Southern States spent a little over $5 million for the maintenance of the public schools, mainly for white children; (2) in 1952 13 Southern States spent $1.2 billion for the maintenance of the public school in that year for all children; (3) in the last decade North Carolina, for example, has maintained a State-

wide, State-supported, 12-grade, 9-month school system for all children, rural and urban, white or colored; (4) in North Carolina, Tennessee, and Virginia, teachers of Negro children, because of their longer experience and training, receive, on the average, higher salaries than the teachers of white children; (5) the southern people of both races invest a larger proportion of their income in the education of their children than the people of other regions; and (6) although one-tenth of the Negroes in the world are in the United States, more Negro youth are in colleges in the United States, mainly in the Southern States, than in all the rest of the world.

Mr. President, I think those quotations from the speeches made by Dr. Graham, formerly the president of the University of North Carolina and a former Member of this body, indicate that progress is being made among the people who are most closely associated with the Negro population of the United States. Furthermore, progress is being made in the Congress toward the enactment of a sound and practicable civil-rights bill. I think this is excellent news.

I thank the Senator from Oregon for yielding to me in order that I might make this statement.

POSTAL RATE INCREASES

Mr. JOHNSTON of South Carolina. Mr. President, on Tuesday, the House of Representatives approved H. R. 5836, a bill to increase postal rates and to establish a Congressional policy for the determination of postal rates.

This is a very complex bill, with many ramifications.

In effect, it places an additional one-half-billion-dollar tax burden on the citizens of this country.

It raises first-class letter rates from 3 cents to 4 cents.

Post and postal cards and drop letters are increased from 2 cents to 3 cents. Bulk book rates are raised from 10 cents to 12 cents and books permitted to be mailed under fourth class are increased from 8 cents to 10 cents.

Controlled-circulation magazines are raised from 10 to 12 cents and 11 to 12 cents.

Third-class bulk mail as reported from the committee was increased to 2 cents the first year and to 2½ cents thereafter.

However, by an amendment adopted on the floor of the House these rates were increased to 2½ cents effective next October.

This amendment destroys the long-standing ratio between first- and third-class mail. The ratio now is 1½ cents to 3 cents. Under the amendment the ratio would be 2½ cents to 4 cents. The committee studies show that the mail user in this instance performs a service for the Post Office Department at a cost to the user of approximately 1 cent. This would make the total cost to the mailer, who uses third-class mail in bulk, 3½ cents and thus—in effect—render useless the third-class mail category.

The bill as reported from committee would increase the rates on second-class publications by approximately 15 percent for each of the next 4 years or a total of some 60 percent.

But, because of an amendment adopted on the floor of the House Tuesday, it is impossible to say how much the increase on second-class publications will be. It has been estimated that the increase will be as high as 2,000 percent.

I have been informed by experts on the subject that the amendment is unworkable and cannot be administered.

I say all this to show why it is absolutely necessary that the Committee on Post Office and Civil Service study this bill very thoroughly before the Senate is requested to act.

I do not intend to take any action to unduly delay the bill; but the committee has received numerous requests from people affected by this legislation urging hearings and the right to testify. As chairman of the committee, I intend to protect their rights.

I announce at this time that I am appointing a subcommittee consisting of Senators NEUBERGER, of Oregon; YARBOROUGH, of Texas; CARLSON, of Kansas; and MORTON, of Kentucky, with myself as chairman.

I have discussed the subject of minority representation with the Senator from Kansas [Mr. CARLSON].

I intend to start hearings immediately—beginning Friday afternoon at 2 p. m. and to proceed without delay to a speedy conclusion.

It is my firm intention to report a postal-rate bill to the full committee as soon as the hearings are completed.

TENTH ANNIVERSARY OF THE INDEPENDENCE OF PAKISTAN

Mr. HUMPHREY. Mr. President, on August 14, 1947, the new nation of Pakistan was born. Ten years later Pakistan is proudly celebrating a decade of great progress.

Pakistan is a country of 84 million people. It is a Moslem nation divided into two parts by 1,000 miles of Indian territory. This division has caused serious problems of transportation, communication, economic integration, and defense which have aggravated the difficulties faced by any new country. Beyond these problems, Pakistan has had to contend with the staggering task of resettling 7 million refugees.

Pakistan has not been daunted by these enormous obstacles. The Pakistanis immediately rolled up their sleeves and began to develop their economy. The work of economic development has gone slowly, but Pakistanis have reason for pride in what they have accomplished. Since 1950, industrial production in Pakistan has quadrupled.

It is to the credit of Pakistan to say that economic development there might have gone faster were it not for the large military effort which Pakistan is making. The United States has been able to count on Pakistan as a valuable military ally. Pakistan is a member both of the Southeast Asian Treaty Organization and of the Baghdad Pact. It may be that we in the United States have encouraged Pakistan to undertake a military burden which is too great for it to bear.

The United States can take pride in the help which we have given to Pakistan. This country has delivered or programed several hundred million dollars in the form of military assistance, defense support, and technical cooperation programs.

Pakistan has a difficult road ahead if she is to increase economic growth fast enough to keep pace with her increasing population. I am confident, however, that the great spirit and determination of the Pakistan people will carry them through.

I am sure that all members of the Senate join me in congratulating Pakistan on the results which she has achieved in her first 10 years and in wishing the Pakistani people continued success.

PROPOSED LEGISLATION FOR CONTROL OF SIGNBOARDS ON INTERSTATE HIGHWAYS

Mr. NEUBERGER. Mr. President, earlier in the day, during the morning hour, I made a brief statement on the floor of the Senate pointing to the urgent necessity of the Senate Public Works Committee meeting to consider Senate bill 963. This is proposed legislation which deals with the control of signboards on our interstate highways.

In fairness to the distinguished chairman of the Senate Public Works Committee, I think I should say tonight, before the Senate concludes its business for the day, that there has just come to my office an announcement from the Senate Public Works Committee to the effect that it is scheduled to meet next Tuesday, August 20, for the purpose of considering Senate bill 963, our signboard-control measure.

I wish to have this statement appear in the RECORD today, in fairness and equity to the chairman of the committee.

FEDERAL POWER COMMISSION

The Senate resumed the consideration of the nomination of Jerome K. Kuykendall to be a member of the Federal Power Commission.

Mr. ANDERSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. ANDERSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BRICKER. Mr. President, I urge confirmation by the Senate of the nomination of Jerome K. Kuykendall of Washington to be a member of the Federal Power Commission.

President Eisenhower has renominated Mr. Kuykendall for a second term as a member of the Commission. This nomination, which was sent to the Senate on May 1, 1957, has been long delayed. The Federal Power Commission has been seriously hampered in its normal operations since last June 22, when Mr. Kuykendall's original appointment expired.

The Senate Committee on Interstate and Foreign Commerce held extensive

public hearings for 6 days. Not a single scintilla of evidence was presented in the testimony of the witnesses who opposed Mr. Kuykendall which would be cause for rejection of his nomination. Many charges and allegations were made. It was the considered opinion of the majority of the members of the committee, after weighing the testimony received, that none of the charges had been proved. Mr. Kuykendall's nomination was ordered favorably reported.

There was no testimony received by the committee from any witness which reflected upon the nominee's honesty or integrity. The junior Senator from Rhode Island [Mr. PASTORE], although opposed to confirmation, graciously disclaimed in his minority views any desire to reflect the nominee's personal honesty or integrity.

Chairman Kuykendall's personal opinions and views, as reflected in some of the decisions of the Federal Power Commission, were challenged by certain witnesses. I have diligently searched the records and have examined some of the cases in which Mr. Kuykendall participated. I cannot find in any of the materials that I have seen evidence that he has failed to carry out his sworn duty to protect the interests of the consumers. I frankly do not believe that there is any substance to this charge.

Honest men of different backgrounds, education, and ability will often disagree on a broad range of controversial issues. That is to be expected. There is no basis whatever for the charge that Mr. Kuykendall, while serving as a member and as chairman of the Federal Power Commission, neglected his prime duty to protect the interests of consumers or that he performed any of his duties in a biased manner. I believe that he has given the Commission capable, honest, and impartial leadership. I certainly do not agree with the result reached in every case which has come before the Commission and I do not expect any of my colleagues to do so. I do expect that Senators will respect a man's judgment arrived at impartially after thorough consideration of the issues in the many cases which came before him as a member of the Federal Power Commission.

Any doubts concerning Mr. Kuykendall's qualifications ought to be dispelled by the flimsy evidence cited and the dubious arguments advanced in the minority reports. The case against Mr. Kuykendall boils down to the charge that he has "shown a superior allegiance to the policies of the executive rather than to those of the Congress." As I shall demonstrate, every bit of evidence cited to support that charge actually shows Mr. Kuykendall's determination to effectuate the policies of the Congress. It is most unfair to accuse Mr. Kuykendall of being an executive puppet merely because the executive policy he may have advanced was also the policy of a majority of the Congress.

For example, the first so-called convincing evidence cited in the minority views concerns Mr. Kuykendall's honoring a White House request for aid in drafting a natural-gas bill. I am at a loss to understand how this incident comes even close to proving servility to the executive branch.

In the first place, the draft legislation requested by the White House was similar to that passed by the 84th Congress.

And, in the second place, I cannot imagine that the Congress would want to deny to the President of the United States access to an unbiased source of expert advice and assistance. If the President needs technical information about securities regulations, he should be able to get it from the Chairman of the Securities and Exchange Commission. Would the signers of the minority views force him to go to Wall Street for legislative assistance?

Or suppose the President wishes to recommend to the Congress legislation regulating certain radio and television network practices. Surely it is not improper for the Chairman of the Federal Communications Commission to advise the President. Would the signers of the minority views compel the President to get the necessary technical information from NBC and CBS?

Finally, I am somewhat skeptical about the protective attitude which some of Mr. Kuykendall's opponents now show toward the independence of the Federal Power Commission. They voted for Reorganization Plan No. 9 of 1950. I voted against it. That reorganization plan, approved by the Senate on May 22, 1950, transferred certain administrative responsibilities from the Commission to the Chairman, and vested in the President power to designate the Chairman. I felt, although some of Mr. Kuykendall's opponents did not then agree, that President Truman's plan for reorganizing the Federal Power Commission might subject this arm of the Congress to executive domination. I think it is a great tribute to Mr. Kuykendall's independent spirit that the fears which I expressed in 1950 have not yet come to pass.

Also described in the minority views as convincing proof of Mr. Kuykendall's superior allegiance to executive policies is his testimony in favor of the Harris-Fulbright natural gas bill in 1955. That bill was passed by both Houses of Congress. The bill was passed by the Senate on February 6, 1956, by a vote of 53 to 38. Do the signers of the minority views seriously contend that 53 Members of the Senate of the United States automatically disqualified themselves for membership on the Federal Power Commission? If so, this is a new and rather weird form of the hateful bill of attainder.

I would be the first to recognize that reasonable and honest men can, and do, differ on whether or not the Supreme Court decision in *Phillips Petroleum Co. v. Wisconsin* (347 U. S. 672 (1954)), was judicial legislation. However, to disqualify Mr. Kuykendall for service on the Federal Power Commission for not agreeing with the holding in the Phillips Petroleum case would be unforgiveable. By the same line of reasoning, the dissenting Justices in the Phillips Petroleum case—Justices Douglas, Clark, and Burton—would be too illiberal, too callous to the interests of consumers, to serve on the Federal Power Commission.

The minority report also alleges that Mr. Kuykendall on July 28, 1955, promoted the executive policy which opposed Federal construction of a high dam at Hells Canyon. Even if such an act of promotion occurred, it would be impossible to show that it did not equally promote Congressional policy. A year after the occurrence of the incident referred to in the minority report the Senate, by a vote of 51 to 41, rejected the Hells Canyon Dam project.

Mr. Kuykendall's act, allegedly induced by executive opposition to Hells Canyon, was merely to describe as "pending" before the House Select Committee on Small Business the Idaho Power Co. license application which had in fact been approved the day before. But if Mr. Kuykendall had made the official announcement of the Commission's action in an open hearing of the House Select Committee on Small Business, the chairmen of the Senate and House Committees on Interstate and Foreign Commerce would have had justifiable cause to complain. Mr. Kuykendall demonstrated the prudence expected of a good administrator by not making a premature announcement of an important decision in an open hearing before a legislative committee having no supervisory function or legislative power over the Federal Power Commission.

Mr. Kuykendall, contrary to the minority views, did not promote executive policy in regard to the Dixon-Yates contract. He categorically denied that he ever participated in any meeting at the White House, or any place else, at which the Dixon-Yates contract negotiations were discussed by White House staff members. I am satisfied that Mr. Kuykendall testified truthfully on this matter.

I am also convinced that Mr. Kuykendall did not mislead the Joint Committee on Atomic Energy on November 5, 1954, in his testimony on the Dixon-Yates contract. I am a member of that committee, and I do not see how anyone could have been misled by Mr. Kuykendall's testimony. It is also alleged in the minority views that Mr. Kuykendall interpreted the letter of the Atomic Energy Commission requesting an opinion from the Federal Power Commission too narrowly. The correspondence from the Atomic Energy Commission requested advice on whether or not in consideration of the contract as a whole the rates, terms, conditions and cancellation provisions are fair and reasonable to the Government.

The Federal Power Commission was not a party to the Dixon-Yates contract. The commission responded to the request for advice and notified the Atomic Energy Commission that the contract was fair and reasonable to the Government. The Federal Power Commission had examined two drafts of the contract and the same conclusion quoted above was sent to the commission in both instances. In so advising the Atomic Energy Commission the Federal Power Commission had accepted the findings and recommendations of its Bureau of Power. The nominee stated before our committee that he could see no reason why legal advice should be given to the

Atomic Energy Commission. I stress the point that the Federal Power Commission had decided not to give legal advice in their opinion. Thus, it was by Commission action, and not by separate action of Mr. Kuykendall, that the Federal Power Commission approved the draft contracts as being fair and reasonable to the Government.

The minority views also criticize certain internal accounting procedures of the Federal Power Commission which have had the support of Mr. Kuykendall. If the Congress believes that the Commission has supported a questionable interpretation of section 167 of the Internal Revenue Code, and thus contributed to a situation which permits utility companies to reap windfall profits, the obvious solution is for Congress to clarify the law. Criticism of the decision of the Commission in extending the licenses of certain private power companies under the Federal Power Act is not alleged in the minority views to be in furtherance of executive policy. If the Commission's policies in this regard are unsound, the problem must be solved by legislation, not by the Senate rejecting reappointments to the Federal Power Commission.

The Federal Power Commission has been plagued for many years, under both Republican and Democratic administrations, with a problem of how to bring old unlicensed projects under license. Many of these projects were subject to Federal Power Commission jurisdiction. The Federal Power Commission has never been able to get an appropriation containing sufficient funds so that enough manpower could be employed to determine whether these old projects should be licensed. Members of the Federal Power Commission have struggled with this problem for many years. Mr. Kuykendall testified and offered supporting evidence that—

since 1948 the Commission has made numerous licenses effective for 50 years from the date of reapplication for the development, or where a new development is to be built in connection with an existing development or developments in the same stretch of the river.

This subject has many important ramifications. I think that the Federal Power Commission has acted properly in bringing these old power developments within Federal Power Commission jurisdiction and under license. By so doing, it has resolved the licensing requirement. It may have aided the companies in obtaining better financing. It has encouraged development of our natural resources. In that connection there are certain advantages which accrue to the Federal Government. After an application has been filed with the Federal Power Commission, it is in a position to compel comprehensive development and it can require changes in the development, if necessary. The end result is, of course, a comprehensive plan of development for the entire river basin in which the project is located.

I believe the Commission's actions on these matters have been proper. If Congress should desire to change the law or to establish different policies which would govern these situations, then Congress should take the initiative and act.

There is no reason whatsoever for rejection of this nomination. President Eisenhower has confidence in Mr. Kuykendall. I have confidence in Mr. Kuykendall. By majority vote the committee has expressed confidence in him. I am sure that our confidence is not misplaced. Mr. Kuykendall has done a fine job at the Federal Power Commission. He has performed his duties diligently, honestly, and with a full and proper regard for all of his obligations under the laws which relate to the Federal Power Commission. He has not failed in his trust. He has not abdicated his responsibility. He has not failed the consumers. He is entitled to have his nomination confirmed by the Senate.

Mr. President, I yield the floor.

ORDER OF BUSINESS—ANNOUNCEMENT OF EVENING SESSION

Mr. MANSFIELD. Mr. President, after consultation with the distinguished minority leader, I wish to announce that the Senate will remain in session this evening until there has been a vote on the nominations of Mr. Kuykendall and Mr. Paarlberg, and that we hope to be able, at least, to have laid before the Senate the pending business, Calendar No. 815, S. 2674, to authorize appropriation for the Atomic Energy Commission.

As of now it would seem that the Senate will be in session until 11 or 12 o'clock tonight.

I should also like to announce that there will be no session of the Senate on Saturday. Senators, therefore, can make their plans accordingly.

Mr. KNOWLAND. Mr. President, I fully concur in the statements of the acting majority leader relative to disposing of the nominations this evening, which I hope will be done, and that we may be able, at least, to have laid before the Senate the atomic energy-authorization bill, to which the acting majority leader has referred. Perhaps, if the Senator who is in charge of the bill desires to do so, he may wish to make the opening statement on the bill, if that is satisfactory to him.

I hope that the announcement that there will be no Saturday session will not lead Senators to believe that there might not be some votes on Friday, or that the session on Friday might not run for a reasonable time into the evening.

Therefore I believe Senators should be on notice that, until the leadership has decided to adjourn on Friday, or to recess, as the case may be, they should be available for voting all day Friday until such time on Friday evening as the Senate may determine to stay in session.

Mr. ANDERSON. The Senator from California is a member of the Joint Committee on Atomic Energy, and he recognizes the time schedule which makes it necessary for us to take some action on Calendar No. 815, S. 2674, to authorize appropriations for the Atomic Energy Commission. It may be necessary to stay late on Friday, if need be, in order to dispose of that bill.

Mr. KNOWLAND. Yes; I did not want Senators to feel having been given notice that there might be a session on Friday evening, that we might not have votes on that day. The fact is that we may stay in session late on Friday evening and may have several votes, and that we may have to stay to a reasonable hour on Friday evening in order to complete consideration of that authorization bill.

Mr. ANDERSON. The Senator from California recognizes that Senate bill 2674 merely authorizes appropriations. After the bill is passed by the Senate and by the House, it will have to go to conference with the House. It may be possible to go to conference with the House on Saturday on that bill, if we dispose of it on Friday. However, the Committees on Appropriations of the House and of the Senate cannot report the necessary appropriation bill until after the authorization bill has been passed. Therefore we certainly must take some action on it by Friday night.

Mr. KNOWLAND. I hope that will be done, and that we will make substantial progress.

Mr. MANSFIELD. I should also like to point out, if we can dispose of Calendar No. 815, S. 2674, and do not have too much trouble in doing so, that I should like to have the Senate also consider Calendar No. 302, S. 2051, the atomic energy indemnity bill, which is a very important bill; as well as Calendar No. 577, S. 2377, the bill relating to the production of statements and reports of witnesses, which is also a very important bill and which I hope will be considered as soon as possible.

Mr. KNOWLAND. I hope that all the measures mentioned by the Senator from Montana, or most of them, can be disposed of before we adjourn tomorrow night.

FEDERAL POWER COMMISSION

The Senate resumed the consideration of the nomination of Jerome K. Kuykendall to be a member of the Federal Power Commission.

Mr. McNAMARA. Mr. President, I rise in opposition to the nomination of Jerome Kuykendall to be a member of the Federal Power Commission. I hold in my hand the report of the committee and the minority views. I am very much impressed not only by what has been said today in opposition to the nomination, but also by the views of the minority in the statement which they issued after hearing all the witnesses.

Since the hour is late, I shall not take much time. I believe the Federal Power Commission is one of the most important commissions of the Government so far as the consumers of the country are concerned, and that we need on the Commission a man who has demonstrated a higher regard for the public interest than has the nominee, and who has ability to reason with the consumers of the country and to recognize and protect their needs.

I believe that to nominate a man like Mr. Kuykendall for membership on this

Commission, which was created primarily to preserve the interests of the consumers of the country, would be indeed like continuing a lion in the office of a lion tamer. Therefore I shall vote against the nomination.

Mr. SCHOEPPEL. Mr. President, I rise to speak in favor of the nomination of Jerome K. Kuykendall to be a member of the Federal Power Commission. On May 1, 1957, President Eisenhower nominated him for another term. The nominee had been serving in the high office of Chairman of the Federal Power Commission. If confirmed by the United States Senate, his new term will expire on June 22, 1962.

I wish to point out to Members of the Senate that Mr. Kuykendall's service on the Federal Power Commission was terminated as of June 22, 1957. Since that date the Commission has been without a member. We all know that the work of the Commission is very important. I am personally of the opinion that Mr. Kuykendall should be promptly confirmed so that the Federal Power Commission may have full membership to carry out the important tasks with which it is charged. Already more than 3 months have elapsed since the President sent the nomination to the Senate. The nomination has been considered by the Senate Committee on Interstate and Foreign Commerce, which has favorably reported it to the Senate. Extensive public hearings were held and many witnesses were heard by the committee. Most of the testimony received by the committee was adverse to the nominee.

I attended the committee meetings rather diligently. I heard almost all of the testimony. Much of it was, as some lawyers say, repetitious, and much of it uncorroborated. As a result, many charges were made which to this day remain unproven.

On June 28 the nominee testified and answered the charges and complaints which had been leveled at him by previous witnesses. I should like, at this time, to commend to the Senators present here today the full and complete statement made by Chairman Kuykendall.

I have seen few men in public life take the abuse and unfair treatment which has been accorded this nominee. Some of the statements furnished to the committee were so similar in content and means of expression, that one might be led to believe that some of the statements were written by the same author.

Some of the witnesses were either inadequately prepared or they deliberately chose to present only that portion of the facts which tended to favor their own personal position and not that of the nominee. For one example, I shall refer to the failure to present the complete testimony of Mr. Kuykendall when he appeared before the Joint Congressional Committee on Atomic Energy. I regret the tactic of taking a statement out of context or of publishing only part of a man's honest expression of his views, his judgments, and his opinions. To do so is to attempt to be unfair to the committee hearing the testimony. It amounts to an attempt to mislead the public through an inaccurate and incomplete statement. I can only assume that such a course of conduct is motivated by political reasons.

Mr. President, I ask unanimous consent to have printed in the RECORD as a part of my remarks the testimony of Mr. Kuykendall, the nominee, when he appeared before the committee.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

STATEMENT OF JEROME K. KUYKENDALL, NOMINEE FOR MEMBERSHIP ON THE FEDERAL POWER COMMISSION FOR THE TERM EXPIRING ON JUNE 22, 1962

My name is Jerome K. Kuykendall. I was a member and Chairman of the Federal Power Commission from May 16, 1953, to June 22, 1957. On May 1, 1957, President Eisenhower nominated me for membership on FPC for the term which would expire on June 22, 1962.

I have previously submitted copies of a sketch of my biography to this committee. It is appropriate that I answer charges which have been made against me and answer any questions the members of this committee may desire to ask.

If I may, I will proceed immediately to supply you with the facts concerning these accusations. It has not been possible for me to prepare a written statement covering every conjecture and insinuation that has been made, but I repeat that I am ready to answer questions on any subject in which you are interested, which bear on my qualifications for membership on the Federal Power Commission.

THE ACCUSATION THAT I DECEIVED THE JOINT COMMITTEE ON ATOMIC ENERGY

Various Members of Congress have charged that I concealed from the Joint Committee on Atomic Energy the fact that any lawyer in the Commission's Bureau of Law had expressed any adverse opinion concerning the Dixon-Yates contract.

This charge has been made despite the fact that the language quoted from my testimony in an effort to sustain the accusation includes my statement of "* * * wait a minute, I will take that back." But, what is even more important, these accusers deliberately ignore my testimony appearing on page 204 of the printed record of the hearing before the Joint Committee on Atomic Energy, which is as follows:

"Mr. KUYKENDALL. Mr. Price, this is rather minor, but to correct the record, you were asking about the lawyers' participation. I recall now that in August before we wrote the first letter, I think our General Counsel was away on his vacation, as I recall it, and another lawyer had gotten into the thing, and we discussed it with him. He came into a Commission meeting and he was raising pretty much the same points as Mr. Smith had raised, and also pleading he had not had time to study this, and so forth.

"So there was another lawyer in our Bureau that had some contact with this, but we decided to rely on our Bureau of Power, and our Bureau of Accounts, Finance, and Rates and not get into the legal aspect of it. So, from then on, we did not ask them to write opinions for us or conduct a thorough study for the reason I stated. We felt it was duplicating other people's work. Then our General Counsel was back when we wrote the second letter, and he was not familiar with and was not able, in his opinion, to give us advice that he thought the contract was proper. And we did not think we needed such advice."

The other salient facts are as follows:

On July 22, 1954, the Atomic Energy Commission addressed a letter to the Federal Power Commission requesting that the Chief of our Bureau of Power and the Chief of our Bureau of Accounts, Finance, and Rates discuss with Atomic Energy Commission the drafts of the contract as they became available.

In the same letter we were also advised that, before the Atomic Energy Commission entered into a contract, it would ask the Federal Power Commission to indicate whether the estimated costs were realistic, whether the cost allocations between capacity and energy were in accordance with Federal Power Commission practices of approving rates for resale in interstate commerce, and whether the rate terms and conditions were fair to the Government. The Federal Power Commission's subsequent advice on the contract was within this framework. We were never asked to give any legal advice.

Subsequent to the receipt of this letter, some of our technical staff rendered assistance to AEC of the kind which was requested. No members of our Bureau of Law participated in this work, nor were they asked to do so by anyone.

In August 1954, AEC had a draft of what was then thought to be the contract in its final form, which it submitted to the Commission with a request that we advise them "whether or not in consideration of the contract as a whole the rates, terms, conditions, and cancellation provisions are fair and reasonable to the Government."

Copies of this draft were examined by two lawyers on the staff. I was away from the office on vacation at that time, but I understand one of the lawyers on the staff made a request of one of the other Commissioners that he be permitted to examine the contract. Our general counsel was also absent at that time.

I was present at the Commission meeting in August when this matter was discussed. The two lawyers had each hastily written a memorandum, both of which were critical of the contract. They also complained strenuously that they needed more time to analyze the contract. AEC was requesting submission of our advice.

Mr. Francis L. Adams, chief of our Bureau of Power, pointed out to us that most all of the points being raised by the lawyers had been considered and negotiated by the negotiating parties.

The Commission decided that it should not endeavor to give legal advice and did not do so. It accepted the findings and recommendations of its Bureau of Power and approved the draft as being "fair and reasonable to the Government."

It developed that this draft was not the final one. Later, the final draft of the contract was submitted to us for our comments. In September 1954, this draft also was approved. At that time the Commission discussed the matter generally with its general counsel. Apparently the lawyers who had examined the next to the last draft had endeavored to interest him in the final draft. He did not give his approval of the contract, nor did we ask him to.

The Commission gave its approval to the final draft, as to its being fair and reasonable to the Government, but again did not purport to give any legal advice concerning the contract.

On November 5, 1954, I testified concerning the contract before the Joint Committee on Atomic Energy.

It will be noted, and is apparent, that in response to Mr. Price's first question (which appears at the very bottom of p. 199 of the record), I, in answering the question (top of p. 200) was speaking of what had preceded our approval of the final draft—and not the next to the last draft. It is also clear that Mr. Price was inquiring about the last draft only.

As I was answering Mr. Price, I recalled what had happened concerning legal advice from FPC lawyers on the next to the last draft, and said: "* * * wait a minute, I will take that back." Before I could say

more, Mr. Price asked more questions, as did others. Questions came thick and fast. I was the last witness of the day and the committee did not recess until 6:40 p. m. that day.

Nevertheless, I kept in mind that I wanted to answer Mr. Price's questions more fully, and did so, as shown by my testimony on page 204, above quoted.

The letter of July 22, 1954, from the Atomic Energy Commission to FPC, and a photostatic copy of pages 199, 200, and 204 of my testimony before the Joint Committee on Atomic Energy, which includes all my testimony on this subject, are offered for insertion in the record at this point.

NATURAL GAS LEGISLATION

Congressman MACDONALD and others have asserted that I have improperly conferred with representatives of the natural gas industry, and thereby helped evolve H. R. 6790, the Harris-O'Hara bill, and that this is detrimental to consumers.

Mr. MACDONALD quotes some of my testimony before the House Committee on Interstate and Foreign Commerce and assumes it proves what he alleges. Such is not the case.

Mr. MACDONALD concluded his quotation of my testimony with the following question and answer:

"Mr. MACDONALD. Sir, to go back to what we were originally talking about, your connection with the formulation of this bill, I do not know whether you are aware of this or not, but on April 15, 1957, there appeared in the Oil and Gas Journal an article which included the following paragraph, referring to the gas bill:

" 'Early hearing planned. The bill is based upon policies worked out by FPC Chairman Jerome K. Kuykendall in meetings with industry groups which he was asked to hold after the gas bill was vetoed by Eisenhower last year.'

"Do you say that that statement is not an accurate statement?

"Commissioner KUYKENDALL. Yes; I say it is not accurate. And I say that what I told you a little while ago is the truth.

"Mr. MACDONALD. All right, sir."

He did not quote the statement of the chairman of his own committee and author of the bill, which immediately follows on pages 269 and 270, and Mr. MACDONALD's own response, which are:

"The CHAIRMAN. And the Chair would also like to state that that is inaccurate.

"Mr. MACDONALD. I am happy to have the statements from both. I have no further questions, Mr. Chairman."

I did, at the request of the White House, make an effort to prepare a bill for possible introduction in Congress last session as I stated in my testimony before the House Interstate and Foreign Commerce Committee, which Mr. MACDONALD has quoted. Such a bill was never completed, and, as everyone knows, no such bill was ever introduced. In other words, nothing whatsoever resulted from such efforts.

As the record of the House committee hearing shows, Mr. John Heyke, president of Brooklyn Union Gas Co., who had been a leader in the Council of Local Gas Companies which had opposed the Harris-Fulbright bill advised me that he was engaging in conferences among industry members regarding natural gas legislation. There is no connection between what these people did and what I had done, or started to do earlier. Although I had no part in the efforts of those members of the industry, I do not insinuate, by so stating, that they were doing anything improper.

What I did do, from which nothing resulted, was to endeavor to frame a bill which met the requirements of the President's veto message which is in part as follows:

"At the same time, I must make quite clear that legislation conforming to the basic objectives of H. R. 6645 is needed. It is needed because the type of regulation of producers of natural gas which is required under present law will discourage individual initiative and incentive to explore for and develop new sources of supply.

"In the long run this will limit supplies of gas which is contrary not only to the national interest but especially to the interest of consumers.

"I feel that any new legislation, in addition to furthering the long-term interest of consumers in plentiful supplies of gas, should include specific language protecting consumers in their right to fair prices."

Because haste was necessary, I consulted with one of the leading and most effective spokesmen who had testified against the Harris-Fulbright bill. Mr. LeBoeuf had spoken on behalf of the large number of distributing companies who were organized as the Council of Local Gas Companies. Mr. LeBoeuf is attorney for the Consolidated Edison Co., of New York.

He, and the group he represented at the hearings on the Harris-Fulbright bill, felt that that bill did not contain enough protection for the consumers. Mr. LeBoeuf did not favor the existing utility-type method of regulation, but advocated what he called a middle ground between the existing mode of regulation and the Harris-Fulbright bill. He had made specific proposals which he believed would have strengthened the bill and given more protection to consumers.

Mr. LeBoeuf agreed to do what he could, as a public service. The Practicing Law Institute had scheduled a 2-day meeting in New York City in the near future, all of which was devoted to the problems of natural-gas regulation. Mr. LeBoeuf was to be a speaker on this program. Also on the program was Mr. David Searles, a lawyer from Houston who had been a spokesman for the gas producers at the hearings on the Harris-Fulbright bill. I agreed with Mr. LeBoeuf that Mr. Searles' criticism of some of Mr. LeBoeuf's ideas for greater consumer protection would be helpful. Another lawyer, Mr. William Tarver, who was formerly a lawyer on the FPC legal staff some years ago and now an attorney for one of the pipeline companies, was also consulted for the same reason.

Nothing came of this effort, as above stated. It soon became apparent that Congress would have no time to consider such a bill, and the matter was dropped.

No publicity was given to what was being done for the simple reason that there was no certainty that any bill would be offered.

Criticism has been made because no publicity was given to what transpired, because no representatives of consumer groups were asked to participate, and simply because consideration was given to drafting another bill altering the method of regulating gas producers.

I wish to point out the following:

I was not engaged in an effort to prepare a bill exempting producers from regulation, although such has been freely charged. I was endeavoring to frame a bill providing for more stringent regulation than did the Harris-Fulbright bill which was not an exemption bill.

There is no basis for charging or assuming that what I did was detrimental, or might have become detrimental to consumers. I made an effort to prepare a bill containing even more consumer protection than did the Harris-Fulbright bill. If this was against the public interest, then it must follow that the House, the Senate, (and this committee of the Senate), acted adversely to the public interest when they approved the Harris-Fulbright bill. No such presumption can exist, and no such accusation should be made.

I was acting within the framework set both by Congress in approving the Harris-Fulbright bill and by the President in approving its basic objectives and requesting additional consumer protection.

The effort to depict something sinister from the fact that there was no publicity fails in view of the obvious and proper reason for the "secrecy." Congressman MACDONALD approved this secrecy during the recent House committee hearing. Page 253 of the original uncorrected transcript read as follows:

"Mr. MACDONALD. Just one question before I forget it. I would just like to say that I think, under the circumstances, you acted wisely acting in secret. And I agree that you perhaps, in the aspects of what you did do, were correct."

In the printed statement which Mr. MACDONALD read to this committee, this statement reads as follows:

"Mr. MACDONALD. I would just like to say that I think, under the circumstances, you acted wisely by acting in secret for the purposes you had in mind."

Nevertheless, in response to a question from Senator COTTON, in this hearing room, Mr. MACDONALD said that if he had been in my place he would not have acted in secret.

It has been stated that I should have consulted with some of the consumers' groups who appeared in opposition to the Harris-Fulbright bill. I did consult with a most effective and capable spokesman for the council of local gas companies which stood shoulder to shoulder with the consumers' representatives who opposed the Harris-Fulbright bill. But there was no point in conferring with such groups on this matter for the obvious reason that they had clearly stated their position, which was contrary to the position of Congress on the matter. They were firmly opposed to change in the method of regulating producers. A Member of this Senate who wished to prepare a bill on a certain subject, would not, I am sure, seek assistance from another Senator who had clearly expressed his opposition to such legislation.

Although consumers and gas distributing companies may have their differences at the local level, the fact is that at the Federal level, before the Federal Power Commission, the interests of consumers (which is generally represented by the State regulatory commissions) and the local distributing company almost always coincide. They both vie against the pipelines and producers in an effort to assist the Commission in keeping prices as low as possible. Thus the consumers' interest is voiced through distributing companies at the Federal level on matters of legislative policy, as well as rates and matters of public convenience and necessity. Would those who now say that distributing companies are inherently indifferent to consumers, have said so during the time during the 84th Congress, when so many of the distributing companies were alined with certain consumers' representatives in opposition to the Harris-Fulbright bill?

The Federal Power Commission is not merely an arbiter of disputes between industry and consumers. It also is the protector of consumers and the public interest. Consumers are not and cannot be organized and technically trained to represent themselves in all issues affecting them. That is why we have the Federal Power Commission and other State and Federal Commissions. The Federal Power Commission has, and will continue to represent the consumers' interests. The fact that some persons may disagree with both Houses of Congress, the Federal Power Commission, and the President as to where the best interests of consumers lie is no basis for imputation of bad faith.

HELLS CANYON

Senator MORSE has echoed a charge previously made against me that I refused to tell a House subcommittee of the Select

Committee on Small Business that the Commission had arrived at a decision in the Hells Canyon case, although the opinion, findings, and order had not yet been issued. I have already testified fully about this matter befor Senator KEFAUVER's subcommittee on Antitrust and Monopoly.

The essence of Senator MORSE's charge, as I understand it is that I refused to leak to the House subcommittee what the Commission was going to do. There was no leak, however, and consequently no one had an opportunity to take improper advantage of the fact that Idaho Power Co.'s stock rose 10 percent in the market within 24 hours after the decision was issued.

There was, as Senator MORSE states, a week's interval between the time the Commission approved its opinion and the day it was issued. The reason for this interval was not unusual and was explained fully to Senator KEFAUVER's subcommittee. I will repeat the facts.

On July 27, 1955, the Commission arrived at and agreed on the opinions, findings, and order. We had had numerous rough drafts and had made deletions, alterations, and interlineations on the last draft, which was finally approved. We had had one of our lawyers assisting us in this work. When the final draft was approved, he was instructed to supervise the cutting of stencils, and to work with only one stenographer and in a private room, so as to minimize, so far as possible, the chance of a leak.

This was done. There are many figures in the opinion, findings, and order, which had particularly to be checked for correctness. A weekend intervened between the time of adoption and issuance.

The staff lawyer who did this work was present at the recent hearings before Senator KEFAUVER where this matter was discussed. He has been an employee of FPC since 1934. He verified completely, the facts as I have related them, and stated unequivocally that there had been no unnecessary delay.

In his statement to this committee, Senator MORSE said:

"The FPC, after resolving all of the doubts in favor of the three-dam plan and licensing the three-dam project, turned around and on page 20 of the decision stated:

"'* * * If a sufficient load does not develop to justify construction of low Hells Canyon within the time limits imposed in the license, the Commission may either extend the time for construction or terminate the license for that project whichever is in the public interest at the time the matter is under consideration.'

"In effect, the FPC removed the third dam from the three-dam project. Poor as the three-dam plan is in comparison with the high dam, can you imagine how poor a showing a two-dam project would make."

The Senator makes the further statement:

"I submit that the evidence is clear on the face of the decision that the Commission, under Chairman Kuykendall, used the three-dam plan for comparison only to achieve an appearance of plausibility, but in effect relieved the company of the burden of building the third dam for whose expensive power there is little or no expectation of a market."

This claim that the Commission in effect removed the third dam from the three-dam project is not supported by the Commission's decision as claimed by the Senator.

The record completely refutes the statement that there is little or no expectation of a market for the output of the third dam. On the contrary the Commission found:

"(32) The total dependable capacity of 767,000 kilowatts that would be provided at the Brownlee, Oxbow, and low Hells Canyon developments would be fully utilized in the applicant's own system by about the year 1975 and in the Northwest area about as soon as it could be developed if indicated arrangements with other systems can be firmed up."

The evidence in support of this finding is uncontradicted on the record.

In 1952 the annual peak load of the Idaho Power Co. system was 319,000 kilowatts. During the period 1952 through 1975 the average annual peak load growth is estimated to be 30,350 kilowatts, or a total load growth of 698,000 kilowatts during that period. Thus, it is estimated that by 1975 the annual peak load will be 1,017,000 kilowatts.

The dependable capacity of existing power supply which will be available to the company in the future is 360,000 kilowatts. The three-dam project, if constructed as authorized by the Commission, will add a total of 767,000 kilowatts of dependable capacity, thus giving the company a total dependable supply of 1,127,000 kilowatts.

When required system reserve capacity is taken into account it is apparent that the company's system would utilize the output of the three proposed developments in the Hells Canyon reach of the Snake River by the year 1975, unless it can obtain the necessary power from other sources. Applicant has contracted for summer energy from the system of Utah Power & Light Co. for the years 1955 through 1958. This power is available to the applicant for the reason that Utah Power & Light Co. advanced its own steam-electric capacity construction schedule by 2 years in order to supply power to applicant during the interim period required for the construction of one or more of the three developments involved in this proceeding.

With respect to the possibility of selling power developed by the low Hells Canyon development prior to 1975 to other systems in the Pacific Northwest, the record shows that estimated power requirements of the area served by the Pacific Northwest power pool will exceed the supply by about 1962. Applicant's system is interconnected with this pool.

The Commission found (decision, p. 20):

"As a practical matter Brownlee and Oxbow are definitely needed within the near future to supply applicant's own needs, and if a sufficient load does not develop to justify construction of low Hells Canyon within the time limits imposed in the license, the Commission may either extend the time for construction or terminate the license for that project whichever is in the public interest at the time the matter is under consideration."

The Commission is here making no acknowledgment that the low Hells Canyon Dam may not be built although it is referring to the authority set forth in section 13 of the act to extend the time limits for construction of project works. Everything said there is within the provisions of section 13. It may happen that none of these project works will be built within the time limits imposed in the license. If not, then the time may be extended or the license therefor may be terminated as provided by section 13, which reads as follows:

Section 13 provides "that the licensee shall commence the construction of the project works within the time fixed in the license, which shall not be more than 2 years from the date thereof, shall thereafter in good faith and with due diligence prosecute such construction, and shall within the time fixed in the license complete and put into operation such part of the ultimate development as the Commission shall deem necessary to supply the reasonable needs of the then available market, and shall from time to time thereafter construct such portion of the balance of such development as the Commission may direct, so as to supply adequately the reasonable market demands until such development shall have been completed. The periods for the commencement of construction may be extended once but not longer than 2 additional years and the period for the completion of construction carried on in good faith and with reasonable diligence may be extended by the Commission when not incompatible with the public interests. In case the licensee shall not commence actual construction of the project works, or of any specified part thereof, within the time prescribed in the license or as extended by the Commission, then, after due notice given, the license shall, as to such project works or part thereof, be terminated upon written order of the Commission. In case the construction of the project works, or of any specified part thereof, have been begun but not completed within the time prescribed in the license, or as extended by the Commission, then the Attorney General, upon request of the Commission, shall institute proceedings in equity in the district court of the United States for the district in which any part of the project is situated for the revocation of said license, the sale of the works constructed, and such other equitable relief as the case may demand, as provided for in section 26 hereof."

License requires construction, as follows

Development	Commence by—	Complete in—[1]
Brownlee	July 31, 1956	36 months.
Oxbow	July 31, 1959	24 months.
Low Hells Canyon	July 31, 1961	36 months.

[1] Periods specified for completion run from date actual construction is started.

Senator MORSE also stated:

"Even FPC did not claim the latter [three-dams], all together, totaled the benefits of the high dam. But, even to come close for purposes of argument, the three dams were needed. That is why the comparison is always between the three company dams and the high dam. The FPC practically ignored the high dam's downstream power benefits in its decision and excluded them from its press release * * * (see e. g. pp. 16–17 of FPC decision)." It is clear from page 16 of the Commission's decision that downstream power benefits were taken into account as is shown by the use of the language "power costs and power values attributable to each plan." All comparisons were made on the assumption that both plans would be operated as part of the Federal system in the Pacific Northwest.

In addition the facts as presented by interveners, the staff and the applicant related not only to power output at the site of the high dam or the three dams, but also included estimates of the output at downstream plants which would result from the storage to be provided in the Hells Canyon reach of the Snake River. In addition the Commission's finding 18 (FPC order issuing license, p. 6) which concluded with the statement that "Consequently the power features of the one-dam plan have no clear economic advantage over those of the three-dam plan" is based on estimates of the power output both at site and at downstream plants under the one-dam plan as well as the three-dam plan.

That the Commission fully considered downstream benefits is shown by its discussion of the factors taken into consideration in arriving at the output of the two alternative plans where the Commission stated specifically that one of the factors is "the number of downstream plants in operation and the volume of storage available."

Senator NEUBERGER has alleged that the FPC relied on its political judgment, that Congress would not authorize the high dam. This is not so. While it is true that the examiner made such a statement, the Commission did not. The examiner's decision is no part of the Commission's decision. The Commission's decision stands on its own

feet, and in numerous ways, it is different from the examiner's decision.

In my discussion of these matters pertaining to Hells Canyon, I have limited myself to points raised by my critics.

THE ACCUSATION THAT I AM NOT IN SYMPATHY WITH THE NATURAL GAS ACT AS IT NOW IS, AND AM NOT ENFORCING IT

No evidence has been submitted to support this charge. The conclusion simply is drawn that, since the Commission has supported proposed legislation to change the method of regulating producers of natural gas, it is not enforcing the law as it now is. Elsewhere in this statement, I deal with the progress the Commission has made in regulating the natural gas industry.

It is the duty of members of regulatory commissions to make recommendations to Congress concerning pending bills which pertain to their powers and duties. Congress is entitled to such advice. Indeed, in many cases, it would be difficult, if not impossible for Congress to legislate wisely and soundly without such advice.

Should a member of a commission be convicted, or even accused of not enforcing existing law, merely because he performs his duty of telling Congress what he honestly believes would be an improvement in the law?

Evidence that I have conscientiously enforced the Natural Gas Act as it now is, and as it applies to producers of natural gas is available from the record of my testimony before the House Committee on Interstate and Foreign Commerce on H. R. 6790, the Harris-O'Hara bill to amend the Natural Gas Act.

During the course of my testimony before the committee, I quoted from the opinion of Justice Jackson in the case of *Colorado Interstate Company* v. *Federal Power Commission*, which was decided by the Supreme Court in the fall of 1944. I pointed out that Justice Jackson's opinion was only a dissenting opinion, but represented my philosophy concerning the type of regulation to be applied to producers of natural gas.

After I had read the quotation, the following colloquy took place between Congressman MACDONALD and me, and appears on pages 263, 264, and 265 of the typewritten transcript:

"Mr. MACDONALD. Needless to say, since it is hard to hear you when you are testifying, a lot of it was lost on me. I can only say this: I will be delighted to read it in the record, and I am glad you are being guided by a great representative from my home State, of whom the whole State has been proud for a long time. But he has been dead for a little while, and I quote to you a dissenter whose views I share about a case which I think is current enough that you should be interested in, if indeed you are not.

"It is the dissent of Commissioner Connole in the Union Oil of California case, where the Commission dismissed rate increase applications for sale of gas to Transco amounting to about $2,600,000 annually, and I quote. He says:

" 'The act'—and we are talking about the act under which you function, I am sure—'the act requires us'—'us,' I am sure, meaning the Commission—'to determine the justness and reasonableness of rate levels and structures by the use of standards not contained in the rates themselves. The Constitution extends its protection to all the independent producing segment as well as to the pipeline segment of the natural gas industry.

" 'It is impossible to meet the requirements of either the act or the Constitution unless we can determine the revenue requirements of the industry we must regulate and the effect of the rate in question on its earning capacity. The record as it now stands is deficient in terms of both the act and the Constitution.' "

(NOTE.—Reporter's transcript of quotation given by Mr. MACDONALD has been corrected for accuracy.)

"I understand that along with Chief Justice Holmes, it was a dissent, but it was a dissent in which I firmly believe, and I wish you might review, since I think it is a very sound one.

"Commissioner KUYKENDALL. Well, Mr. MACDONALD, let me tell you that decision is not a dissent, and it is not only Commissioner Connole's opinion, but it is my opinion and Commissioner Connole's and Commissioner Kline's.

"Mr. MACDONALD. And, therefore, on the basis of that decision, do you not say straight out that you must take into consideration a cost factor, not just a rate factor?

"Commissioner KUYKENDALL. Why, yes. I have told you a while ago that I am sworn to carry out the law, and I did it in that case as I believe the law now is. I do not think it is right, but I think it is the law.

"Mr. MACDONALD. Well, I may be wrong—and I am sure Mr. Bennett was a little frustrated and gave over as I am about to give up because we do not like to take so much time—but it was my understanding that you, in your testimony to Mr. Bennett, testified just the opposite a half hour ago.

"Commissioner KUYKENDALL. Well, Mr. MACDONALD, a little while ago I was saying what I thought the law ought to be, and in that opinion I said what I thought the law was."

PROGRESS OF COMMISSION IN REGULATING INDEPENDENT PRODUCERS

The accusation has been made that the Commission, under my chairmanship, has not earnestly endeavored to regulate producers of natural gas. It has also been alleged that since the Commission sought and obtained increased appropriations after the Phillips Petroleum Co. decision of June 7, 1954, and since the Commission still has a large backlog that, ipso facto, the Commission has not diligently endeavored to carry on its regulatory work insofar as gas producers are involved. This is not the fact.

It has also been stated that the Commission has the power, by administrative action, to exempt small producers. This is not so, and our Office of General Counsel has so advised us.

Our requests for, and our increased appropriations have been limited by the well-known fact that it is not possible to obtain the number of accountants, engineers, and rate experts we would like to and should have.

Three years have now elapsed since the Supreme Court decided the Phillips Petroleum Co. case. During approximately the first year thereafter, the staff's time had to be devoted to receiving and handling the many filings of rate schedules and applications for certificates of public convenience and necessity, and assisting the Commission in the promulgation of regulations for independent producers and resolving the numerous and novel administrative problems which arose.

During a period comprising approximately the second year, the Commission staff devoted a great part of its time to rate investigations and developing facts for the requisite rate hearings.

Although a number of rate hearings were held before the third year, it was during the third year, which brings us up to date, that a large number of rate hearings were held.

There follows a list of independent producer-rate hearings held between July 1, 1955, and June 19, 1957. Cases involving producers similarly situated have been consolidated. Thus 135 dockets have been consolidated into 43 hearings.

Hearings held on independent producer rate cases, July 1, 1955, to July 19, 1957

Docket No.	Name	Number of dockets
G-4932 et al.	Midstates Oil Corp. et al.	11
G-9411	Hunt Oil Co.	1
G-8550	Davidor & Davidor	1
G-6505	Dorchester Corp.	1
G-6503 et al.	Continental Oil Co. et al.	3
G-8622 et al.	William Negley doing business as Paisano Trading Co., Ltd.	2
G-8534	Phillips Petroleum Co.	1
G-8728	Cities Service Gas Producing Co.	1
G-3940	Wunderlich Development Co.	1
G-6502 et al.	H. F. Sears et al.	2
G-8549 et al.	Stanolind Oil & Gas Co.	3
G-6622 et al.	Crow Drilling Co., Inc., et al.	3
G-8715	Harper-Turner Oil Co., et al.	1
G-8288 et al.	Sun Oil Co. et al.	4
G-2952 et al.	Deep South Oil Company of Texas (request for declaratory order).	4
G-5380 et al.	Skelly Oil Co. et al. (jurisdictional).	2
G-8097 et al.	Stanolind Oil Q Gas Co. et al.	3
G-8695 et al.	Phillips Petroleum Co. et al.	2
G-6358	Amere Gas Utilities Co. et al.	1
G-8519 et al.	Associated Oil & Gas Co.	2
G-9572 et al.	United Carbon Co. et al.	2
G-8688 et al.	La Gloria Oil Q Gas Co. et al.	2
G-3669	Christie, Mitchell & Mitchell.	1
G-6504	Delhi-Taylor Oil & Gas Co. et al.	1
G-5510	Forest Oil Corp.	1
G-6822	Sunray Mid-Continent Oil Co.	1
G-4331 et al.	Union Oil Company of California et al.	4
G-9146 et al.	The Shamrock Oil & Gas Corp. et al.	2
G-10908	Phillips Petroleum Co.	1
G-1148 et al.	do	13
G-8921 et al.	Arkansas Fuel Oil Corp. et al.	15
G-8970 et al.	Blackwell Oil & Gas Co.	2
G-9277 et al.	Champlin Oil & Refining Co.	2
G-9281	Western Natural Gas Co.	1
G-9291 et al.	Sinclair Oil & Gas Co. et al.	10
G-9447	Southern Production Co., Inc.	1
G-9553 et al.	H. L. Hunt	3
G-9932	Tidewater Oil Co.	1
G-11563 et al.	Union Oil & Gas Corporation of Louisiana.	2
G-9611 et al.	Southwest Gas Producing Co., Inc., et al.	4
G-12191	Shell Oil Co.	1
G-10060	Union Producing Co. and United Gas Pipeline Co.	[1] 1
G-8969 et al.	The Texas Co. et al.	[2] 15

[1] Set for hearing but recessed to C. O.
[2] Set for hearing Apr. 8, 1957; recessed to June 24, 1957.

The number of natural gas certificate applications has increased 667 percent since 1953. Gas rate filings climbed 549 percent above 1953; and gas rate cases were 77 percent above 1953. In 1953, we issued 1,324 notices, orders, decisions, and opinions. In 1956, we issued 4,060. In 1953, we distributed 78,000 copies of those documents and in 1956, we distributed 809,000. In 1953, an average of 45 persons visited our public reference room daily. In 1956, the daily average was 75.

The Commission's overall increase in man-years from fiscal year 1954, the last year before the independent producer workload, to fiscal year 1957, which is just ending, has been only 12 percent. The handling of the tremendous increase in workload shown by the above statistics, with so limited an increase in manpower has been made possible only by constant attention to increasing the efficiency of our operations, which we believe we have accomplished without reducing the quality of our work.

Since the Phillips decision, June 7, 1954, the following rate orders have been issued

dealing with independent producer rate filings:

Orders making proposed rate changes effective	290
Suspension orders	408
Orders terminating proceedings, etc	26
Orders affirming or reversing presiding examiner	13
Orders denying applications for rehearing or motions to dismiss	71
Orders permitting changes in rate due to reduction in Texas occupation tax	50
Orders instituting investigation (sec. 5 (a))	29
Orders consolidating proceedings	12
Miscellaneous orders	22
Total	921

The following two schedules show the man-years the Commission has devoted to regulation of independent producers during the fiscal years 1955, 1956, and 1957.

Independent producers—Man-years

	Fiscal year		
	1955	1956	1957 [1]
Certificates	42.4	31.5	34.8
Rate cases	6.0	38.3	90.6
Rate filings	31.8	33.0	37.1
Total	80.2	102.8	162.5

[1] Actual July 1, 1956, to May 31, 1957; estimated June 1–30, 1957.

	Fiscal year		
	1955	1956	1957 [1]
Total commission	641.0	683.4	739.1
Total gas	280.9	291.8	337.0
Total independent producers	80.2	102.8	162.5

[1] Estimated.

The next schedule shows the great increase in litigation which has confronted the Commission since the Phillips Petroleum Co. decision of the Supreme Court. Incidentally the Commission is justly proud of its record in the courts.

Federal Power Commission—Cases in the courts

Fiscal year	Won	Lost
1954	[1] 11	6
1955	12	4
1956	22	6
1957 (to June 20, 1957)	36	[2] 4
Total	81	20

[1] 1 in part only.
[2] Confessed error in 1.

It is most difficult for persons who are not actually engaged in the Commission's work to comprehend the magnitude of the work we have had during the last 3 years. I hope the foregoing will be of assistance to this Committee in understanding what is involved.

The Commission has, this calendar year, told the Appropriations Committees of both Houses that it proposed a 3-year program within which to overcome the backlog it now has in its independent producer regulatory work. The Commission and its able staff will, I know, do all it can to further that objective.

The principal reason I accepted renomination as a member of the Federal Power Commission and am seeking the approval of this committee and confirmation of the Senate is that I hope to play a part in getting the Commission abreast of its work. I did not wish to leave while the present unsatisfactory condition existed.

DOWNSTREAM BENEFITS PAYMENT

Senator Morse states that FPC, during my chairmanship, has recommended that downstream benefits be assessed not only in favor of the Federal Government, but also in favor of private dams which provide downstream benefits. The Senator has overlooked two points:

First, the Commission's recommendation would apply not only to privately owned dams, but to publicly owned, non-Federal dams as well.

Second, this recommendation did not originate with me, or with any of the present members of FPC, but was first made by the Commission on December 20, 1951, to the Interagency Water Policy Review Committee set up in the Bureau of the Budget. The Commission's annual report for 1953 is the first of such reports to contain this proposal. On page 156 of that report, it is stated that the recommendation originated with the Commission's comments on the recommendations of the Interagency Water Policy Review Committee, Committee Paper No. 27.

This Commission recommendation states in part as follows:

"* * * In order to be consistent, it would appear appropriate not only to call for reimbursement by non-Federal power developers for improvements constructed by the United States, but also to require reimbursement by the United States for improvements constructed by non-Federal interest. * * *"

The members of the Commission who made this recommendation on December 20, 1951, were Thomas C. Buchanan, Chairman, Harrington Wimberly, Claude L. Draper, and Nelson Lee Smith, all of whom were appointees of President Truman.

If the fact that I have made this recommendation is proof that I am biased in favor of privately owned utilities, then these four former Commissioners must have been similarly biased. But I am sure that such is not the case. All of us have tried to serve the public interest as we saw it.

An investigation to determine headwater benefit payments in Columbia Basin was initiated in 1950 and it was determined in 1952 that no such benefits were received by non-Federal projects for the years 1931 through 1948. Up to 1948, Grand Coulee was the only Federal storage reservoir in operation and Rock Island is the only completed non-Federal project downstream from Coulee. Prior to installation of additional capacity at Rock Island in 1952, there was not sufficient capacity at Rock Island to utilize additional water from Grand Coulee storage.

The Commission studies and investigations in the Columbia River Basin have continued since 1950 and in December of 1956, the FPC determined the amounts Rock Island should pay for headwater benefits through the year 1953 and such payments have been made.

The Federal Hungry Horse and Albeni Falls projects did not come into operation until 1952 and 1955, respectively, and the Commission has continued its investigation since those dates. FPC expects to make determinations this year as to payments due for headwater benefits derived from those projects as well as from Grand Coulee.

It should be pointed out that headwater benefit payments are fixed only after they are realized in a year or more of operation. Therefore, we have only 1 or 2 years of operation of Albeni Falls and only 4 or 5 years of operation of Hungry Horse upon which to base the determinations. In the Columbia River Basin, particularly, such determinations involve many complex factors and the studies have been carried on continuously.

The Commission has made determinations and required payments to the United States in the following river basins:

River	Federal project	Date
Etowah	Allatoona	1954
Do	do	1956
Columbia	Grand Coulee	1952
Do	Grand Coulee and Hungry Horse.	1956
East Branch of Clarion River.	East Branch	1956

The following chart gives a comparison of what the Commission has spent in making headwater-benefit determinations in fiscal years 1952 through 1957, with the amount requested of Congress for 1958 indicated:

Expenditures for headwater-benefit determinations

1952	$6,632
1953	11,170
1954	22,727
1955	32,685
1956	42,219
1957	[1] 47,439
1958	[2] 47,920

[1] Estimated, but close to actual, as fiscal year is almost over.
[2] Amount requested of Congress.

Pages 17 through 20 of the Commission's justification for appropriations, pertaining to headwater-benefit determinations follow:

FEDERAL POWER COMMISSION JUSTIFICATION FOR APPROPRIATIONS, FISCAL YEAR 1958

(c) Headwater-benefit determinations: Under the provisions of section 10 (f) of the Federal Power Act, the Commission is authorized and directed to determine annual payments to be made by any licensee or owner of an unlicensed project directly benefited by a storage reservoir or other headwater improvement constructed by the United States or by another licensee. The Commission's cost of making such determinations is reimbursed by the non-Federal interests involved.

It is estimated that at present there are 47 river basins in connection with which headwater-benefit investigations and determinations are required. These involve an estimated 109 headwater improvements and 222 projects benefited.

The following tabulation divides these data between Federal reservoirs (existing or under construction) which have regulatory storage and which now or when completed may benefit downstream hydroelectric projects, and non-Federal reservoirs under license (existing or under construction) which now or when completed may benefit other hydroelectric projects:

Ownership of headwater reservoir	Number of headwater reservoirs involved	Number of projects benefited	Number of river basins involved
Federal	81	137	30
Non-Federal	28	114	22
Total	109	251	52
Less duplications		29	5
Net total	109	222	47

Each of the 47 river basins constitutes an investigation unit. The projects benefited include 19 Federal projects. Although Federal plants are not subject to assessment under the act, the benefits received must be computed in determining the assessments to be made to non-Federal beneficiaries.

During fiscal year 1956, headwater-benefit investigations were under way in nine river basins, as follows: Investigation involving the Federal Allatoona project and three downstream projects owned by the Alabama

Power Co., all of which are located in the Coosa River Basin in Georgia and Alabama; one involving the Federal Blakely Mountain project and two projects downstream owned by the Arkansas Power & Light Co., all located on the Ouachita River in Arkansas; investigation involving three Federal storage reservoirs, two non-Federal-licensed storage reservoirs, and four non-Federal-licensed run-of-river projects in the Columbia River Basin; an investigation involving the Federal Clark Hill project and downstream projects owned by the South Carolina Electric & Gas Co. and the city of Augusta, Ga., all located on the Savannah River in Georgia and South Carolina; one involving the Federal Canyon Ferry project and six downstream projects owned by the Montana Power Co., all of which are located on the Missouri River in Montana; one involving the Federal East Branch project and the downstream Piney plant owned by the Pennsylvania Electric Co., both located on the Clarion River in Pennsylvania; investigation involving the Federal Isabella project, the Borel and Kern River No. 1 plants of the Southern California Edison Co., and the Kern Canyon plant of the Pacific Gas & Electric Co., all located on the Kern River in California; investigation involving two private utilities in California (the Southern California Edison Co. and the Pacific Gas & Electric Co.) and one involving the Federal John H. Kerr and Philpott projects and the Roanoke Rapids and four other non-Federal plants in the Roanoke River Basin, Virginia and North Carolina. These 9 investigations involve an aggregate of 16 headwater improvements and 45 projects benefited.

Headwater-benefit determinations are made on an after-the-fact basis—once a headwater-benefit case is set up it continues as long as the projects are in operation and benefits are provided. Accordingly, it is emphasized that headwater-benefit investigations must be conducted on a continuing basis, year by year. In addition to those listed above for 1956, it is expected that 3 new headwater-benefit investigations will be initiated in fiscal year 1957 and 3 in fiscal year 1958, bringing the total to 15. The new investigations are summarized as follows:

Fiscal year	River basin	Number of headwater improvements	Number of projects benefited
1957	White	1	2
1957	Chattahoochee	2	8
1957	Willamette	5	4
1958	Snake	13	18
1958	Platte	8	11
1958	Santee	2	2

The workload and man-years for the fiscal year 1956 and the estimates for 1957 and 1958 are shown in the following tabulation:

Fiscal year	Start of year: Total river-basin investigations	Initiated during year	Number of projects benefited	Man-years	End of year: Total river-basin investigations
1956	8	1	45	6.4	9
1957	9	3	59	7.0	12
1958	12	3	90	7.0	15

APPLICATION TO CONSTRUCT THE MOUNTAIN SHEEP AND PLEASANT VALLEY PROJECTS

Senator NEUBERGER has quoted a column written by a reporter for the Portland Oregonian and seemingly accepts everything stated therein as the truth, and then, from that premise, voices his criticism. This criticism has a reverse twist, in that I am accused not only of being independent of the administration, but of dominating the administration, rather than the administration dominating me.

The column the Senator quotes states that I received a strong letter from Secretary of the Interior Fred A. Seaton which asked the Federal Power Commission to delay action on the Pacific Northwest Power Co.'s application for a license to construct hydroelectric projects at the Mountain Sheep and Pleasant Valley sites on the Snake River. The article further states that, on receipt of the letter, I took it to Sherman Adams at the White House and had it blue-penciled.

I have already testified concerning this matter before Senator KEFAUVER'S Subcommittee on Antitrust and Monopoly of the Judiciary Committee. I have never received, nor have I ever seen any letter from Secretary Seaton, which asked the Commission or me to delay the hearing in the Mountain Sheep-Pleasant Valley case. I have never discussed this case with Sherman Adams. Neither he, nor anyone else in the White House or in the administration, has attempted to influence the Commission in this matter, or any other matter within the Commission's jurisdiction.

On March 20, 1957, the Federal Power Commission responded to an inquiry from Senator ANDERSON in which it was stated in part as follows:

"In specific response to your first question, the Commission does not consider that the letter of February 14, 1957, from the Secretary of the Interior has any legal effect, substantively or procedurally, in the proceeding on the application for license for project No. 2173. In response to the second question, the Commission also respectfully states that it does not intend to alter in any way its normal course of procedure in handling the Mountain Sheep-Pleasant Valley application of the Pacific Northwest Power Co."

This paragraph has been rather widely quoted, but the next paragraph of the letter received scant attention in the press. I think it is important. It is as follows:

"The foregoing does not mean that the Commission would decide the matter on an inadequate record if such should be the case. In any event, the matter is now before the presiding examiner pursuant to the provisions of the Administrative Procedure Act."

ACCELERATED AMORTIZATION FOR IDAHO POWER CO.

Although this question has become moot since this hearing started, it still appears necessary to demonstrate that the effort to discredit the Federal Power Commission and me, concerning this subject, is baseless.

The two Senators from Oregon indicate that the Commission should have determined positively, whether or not Idaho Power Co. would receive a certificate for rapid amortization from ODM before it issued a license.

It seems to be implied, although not definitely stated, that if FPC had discovered that Idaho Power Co. would get the fast write-off, FPC should then have denied the company a license for that reason.

Such a policy would, of course, lead not only to absurd, but to disastrous results. Let us take an example outside the electric power field where the public versus private ownership issue is not present. FPC has issued many certificates of public convenience and necessity to natural gas pipeline companies to construct natural gas pipelines. Some of those companies obtained certificates for rapid amortization of such projects. Should FPC, after finding that the public convenience and necessity required the construction of such facilities, then deny authorization to build them because another agency, in the executive branch of the Government had determined that such facilities were needed for our national defense?

FPC acted wholly independently of ODM and without any knowledge of what ODM would or would not do. I submit that such action was the proper one.

Senator MORSE states that I admitted, before the Kefauver subcommittee, that certain passages in the Commission's opinion regarding Idaho Power Co. were a mistake in the light of events. Senator MORSE has not correctly stated what I said, but I excuse him for that, because several reputable newspapers reported in their news columns that I had so stated.

What I said appears on page 730 of the typewritten record of the hearings and is as follows:

"Mr. KUYKENDALL. Mr. Chairman, I will say this:

"Throughout this opinion we tried to be very careful not to make any statement that was not accurate, could not be demonstrated from the record.

"We made that statement, as I said, without any thought of or any consideration of the possibility of accelerated amortization being granted to Idaho Power Co., and the excerpt of the testimony of these witnesses for the company which we have supplied——

"Senator KEFAUVER. This was based upon the testimony of the president of the company before you, wasn't it?

"Mr. KUYKENDALL. Yes. The president of the company said he had faint hope of ever getting it, and we did not think he would, and we did not consider the feasibility of the project on the basis of the company having accelerated amortization.

"I will concede now in the light of what has happened since, that it can be said that we made a misstatement there, but what we were saying was that there would be no Federal expense through appropriations to build this structure.

"Another agency has done something that we did not know it was going to do and did not expect it to do."

THE ACCUSATION THAT THE FEDERAL POWER COMMISSION IMPROPERLY ALLOWED IDAHO POWER CO. TO CHANGE THE DESIGN OF THE BROWNLEE DAM

Neither the Commission nor its staff has permitted the Idaho Power Co. to vary the terms of its license.

The inspection work is carried on by the Commission's staff. FPC staff has prepared the following statement of the actual facts. Neither I, nor any member of the Commission has personal knowledge about any of the details of the construction of Brownlee, since such matters are handled entirely by the staff until such time as changes requiring Commission approval are proposed. However, I have full confidence in the truthfulness and accuracy of the attached statement and will stand on it.

IDAHO POWER CO. IS CONSTRUCTING THE BROWNLEE DEVELOPMENT IN ACCORDANCE WITH THE PLANS APPROVED BY THE FEDERAL POWER COMMISSION

A question has been raised as to whether the construction of the Brownlee development on Snake River by Idaho Power Co. has been carried out in accordance with the plans for the development approved by the Federal Power Commission.

The plans as approved for all the project works such as the dam, spillway, and powerhouse have been followed as required by the license in that they have been constructed to date without any major change which requires Commission approval. The change which has been discussed by those who opposed the granting of the license involves the facilities provided to divert the flows of the Snake River around the dam site during construction.

The Commission does not usually approve specific plans for such temporary diversion works just as it does not specifically approve

the location of the concrete-mixing plant, the construction camp, or the borrow-pit areas but leaves those matters up to the licensee and the Commission's regional engineer who is the Commission's authorized representative during construction. If the licensee and the regional engineer fail to agree on any matter involving diversion or construction methods, the Commission has authority to order what shall be done in such matters.

The approved plans for the Brownlee development contemplate that the diversion tunnel which is being used for temporary diversion of streamflow during construction, will also be used as a permanent facility as part of a flood-control sluiceway system which is being included in the project upon recommendation of the Army engineers. The Army desires such a sluiceway as a means of quickly releasing stored waters from the reservoir in advance of floods so as to provide up to 1 million acre-feet of vacant reservoir capacity in which to store floodwaters. Such a system is required by the license and will be provided by the company.

Since it was contemplated that the diversion tunnel would be used as a permanent flood-control sluiceway, the Commission rules and regulations required that the tunnel and its associated valves and other control works needed for its operation upon completion of the dam, be shown on the plans and be approved by the Commission. No change in the permanent sluiceway facilities has been approved by the Commission.

The approved plans also show the contemplated use of the diversion tunnel during construction, although the Commission's rules did not require such a showing. At the time the plans were filed it was contemplated that the permanent diversion tunnel would be approximately 44 feet in diameter and that the upstream cofferdam, which was designed to divert water into the tunnel during construction, would be constructed to elevation 1,880 feet, or about 80 feet above river bottom. Such a tunnel and cofferdam system would have a diversion capacity of about 60,000 cubic feet per second.

After the license was issued the company undertook to relocate the Oregon State Highway in the reservoir area. Parts of the highway are located as low as elevation 1,832 feet. Although the State highway commission was agreeable to the relocation, that agency decided that it did not have authority to let the company so relocate the highway without an authorizing act of the Oregon State Legislature, since the original location of the highway had been specified by an act of the legislature. The legislature recently authorized the relocation and it is understood that the act will become effective 90 days after the adjournment of the legislature.

When it developed that the highway could not be relocated without an act of the legislature and still comply with State law, the company, with the agreement of the Commission's regional engineer in San Francisco, proceeded with construction of the cofferdam to elevation 1,830 feet instead of 1,880 feet, since a cofferdam higher than 1,830 feet would result in flooding out the State highway. In addition, the temporary diversion tunnel was constructed with a 42-foot diameter instead of 44 feet. The tunnel with the cofferdam at 1,830 feet has a capacity of 25,000 cubic feet per second instead of 60,000 cubic feet per second, as originally contemplated with cofferdam at elevation 1,880 feet. The principal factor in the reduction of diversion capacity was the decrease of 50 feet in the height of the cofferdam with the resultant reduction of 50 feet in head at the upstream entrance to the tunnel.

With such a change in diversion capacity, it was expected that the cofferdams would have to be breached during the 1957 spring floods since it was known from examination of flood-flow records that the flows substantially exceed 25,000 cubic feet per second every spring. In addition, such records show that a flood of 60,000 cubic feet per second has been equaled or exceeded during 4 spring floods in the past 32 years. The cost estimates of the Brownlee development contained a sum of money to allow for the cost of a breach in the cofferdams during one flood season. As it turned out, the cofferdams would have been breached during the February 1957 flood season had the 60,000 cubic feet per second diversion capacity been provided, as originally contemplated, since the flows substantially exceeded that amount during February 1957, and again in May of 1957.

Prior to the February 1957 flood, the core section of the Brownlee Dam had been completed up to elevation 1,800 feet (stream bed elevation) planned to be reached in advance of the flood. This core section extends downward 100 feet to foundation rock.

The company has proposed locating the flood-control sluiceways or low-level outlets under the spillway section instead of completing the existing diversion tunnel as the permanent flood-control sluiceway. As required by the license, model tests have been made of the spillway section as a basis for its final design and such studies included tests of the flood-control sluiceways under the spillway. This possible relocation of the sluiceways has been under study and consideration by representatives of the company and Commission engineers since late 1955. It appears now that the relocation could save some two or three million dollars in construction costs and could result in more efficient and less costly operation. However, the proposed revision will be studied in detail and the Commission will have to decide whether or not to approve the proposed relocation.

The required model tests upon which the design of the proposed relocated sluiceway and spillway are based, have only recently been completed. The report on the model tests and the revised plans were filed on May 27, 1957, together with a request that they be approved by the Commission. The plans are presently under study by the Commission staff.

Some question has also been raised as to whether the flood damage at the Brownlee site has been extensive. Present estimates indicate that the damage will not exceed $35,000. In any event, the work is protected by insurance against all damage in excess of $25,000. Construction is proceeding on other facilities such as the spillway, power intake works, power tunnels, and rock embankments, and our San Francisco regional office has recently reported that the work is proceeding satisfactorily according to approved construction methods and that construction of the job as a whole is on schedule.

The present construction calls for completion of the Brownlee Dam to an elevation of 2,050 feet by January 1958. However, should the dam be no higher by that time than elevation 2,020 feet which is 140 feet higher than the original height planned for the upstream cofferdam, the diversion tunnel will be capable of passing about 70,000 cubic feet per second, and the spillway section will be able to pass an additional 90,000 cubic feet per second, for a total of 160,000 cubic feet per second. In addition the reservoir will have a storage capacity of about 700,000 acre-feet with the dam at elevation 2,020 feet. Thus, it is apparent that all floods of record can be safely and adequately handled during the remainder of the construction period.

ACCELERATED AMORTIZATION, RATEMAKING, AND ACCOUNTING

Mr. Clyde Ellis, general manager of the National Rural Electric Cooperative Association, has criticized the Commission's treatment of accelerated amortization. He makes no mention whatsoever of the opinion of the United States Court of Appeals for the District of Columbia circuit, entitled *City of Detroit* v. *Federal Power Commission*, decided December 15, 1955, which approved completely and unequivocally the action the Commission had taken in solving this problem. This decision is final and binding. The pertinent part of this decision is hereinafter quoted:

"We do not disturb the Commission's solution of the problem created by Federal income-tax savings resulting from accelerated amortization. Such amortization is permitted under certificates of necessity, applicable to emergency facilities, issued pursuant to section 124A of the Internal Revenue Code (26 U. S. C., sec. 124A (1952)), to encourage construction in the interest of national defense. Panhandle has had an aggregate investment of $10,563,609 certified for accelerated amortization. Under section 124A Panhandle is authorized to charge off this total amount to depreciation in 5 years, regardless of the estimated useful life of the properties, thus accelerating the amortization of these facilities. The Commission points out that the savings in Federal income taxes thus effected for each of the 5 years will be '* * * the difference between what taxes it (Panhandle) would otherwise have been required to pay without accelerated amortization and the taxes actually paid.'

"The Commission continues: '* * * We have computed the tax payments which would have been required without the accelerated amortization which Panhandle is permitted, and for the purposes of the rate schedules under study have considered that Panhandle will be allowed as operating expenses such normalized taxes. This does not allow Panhandle for rate purposes more than a fair return over the long period, but does recognize the grant by Congress of certain temporary tax savings under section 124A.'

"Since, however, Congress intended by section 124A only to defer tax liability, and not to provide a fund which could be diverted by Panhandle to the payment of dividends, the Commission further states, 'the accruals from taxes in excess of those actually paid should logically be treated by Panhandle, not as free and unrestricted income, but earmarked to provide for the future meeting of such liability.' After the facilities have been fully depreciated under the accelerated amortization plan, income taxes will normally be greater, since no further deductions for depreciation will be possible. By setting up a special reserve for the tax savings of the first 5 years, the Commission insures that this amount will go to meet the increased taxes after that period, rather than being paid out in dividends.

"Petitioners object to the Commission's method of 'normalizing' income tax expense, by which all computations are made as if amortization were not accelertated. They contend that in order to hold rates to a just and reasonable level, the savings effected by the accelerated amortization should partly inure to the benefit of consumers. They propose that this be accomplished by treating the saving simply as ordinary depreciation would be treated. That is, in computing recoverable expenses, the income tax expense would be figured at its actual, instead of normalized, amount, but depreciation expense would be set at the accelerated figure. Thus the same saving would accrue to Panhandle, but under the name of depreciation expense rather than income tax expense. The difference, however, would lie in this, that amounts recovered as depreciation expense are deducted from the rate base. Thus in essence petitioners' plan would allow Panhandle its yearly saving for the 5-year period, but would deduct the amount of that saving each year from the rate base.

"This plan was rejected by the Commission, which concluded, we think correctly, that the intent of Congress reflected in section 124A is not to benefit consumers but rather the taxpayer in order to encourage construction of certain emergency types of facilities. Were the tax savings deducted from the rate base, the taxpayer here would not receive the intended benefit. The valuations upon which it is entitled to earn a fair rate of return would be decreased by the amount of the savings. In placing the savings at the disposal of Panhandle under the limitations specified, the Congressional intent is effectuated. The funds go into a reserve account for the payment of the deferred taxes to accrue after the 5-year amortization period. Though thus earmarked, the funds are available for income-producing purposes. Unless this is permitted, it is difficult to see how Panhandle could benefit substantially from section 124A. This statute, unlike the Natural Gas Act itself, is not for consumer benefit. It has a different public policy and should be given effect as intended by Congress. Furthermore, the solution of the Commission does not result in higher rates to the consumer. It simply does not operate to reduce them. It aids Panhandle but neither aids nor harms petitioners. We think this is the result sought by Congress."

As for the accounting aspects of the matter, 32 State commissions have accounting rules concerning the subject. Most of them have accomplished the same result as did FPC, but various accounting methods and account numbers were used to accomplish the deferred tax accounting.

The accounting aspects and ratemaking aspects of the problem are intertwined. The ratemaking problem is of primary concern to the States as the electric rates subject to FPC jurisdiction are extremely small, as only a relatively minor amount of electricity is sold for resale in interstate commerce.

FPC has always cooperated with the National Association of Railroad and Utilities Commissioners in an effort to bring about uniformity of accounting. Not all electric companies are under FPC jurisdiction. There never has been complete uniformity in electric utility accounting. In fact, there exists side by side, the FPC's uniform system of accounts and the NARUC uniform system. They are very similar, but not identical. In some cases, State laws prevent a particular State commission from adhering to the uniform system in some particular respect.

This subject has been continually reviewed by the NARUC committee on accounts and statistics on which FPC is represented by one of its staff members.

On February 8, 1957, the Commission issued a notice of proposed rulemaking (R–159) which would have flexible applicability, depending on whether or not the controlling State commission had authorized deferred tax accounting. Numerous comments have been received, and the Commission staff is analyzing them. In due course, the Commission will take appropriate action. This proposed rulemaking pertains both to accelerated amortization and liberalized depreciation, the latter having been authorized by the previous Congress.

Because of the primary jurisdiction of the States over electric rates plus the fact that the various States have made varying decisions in regard to accounting, in order to implement their rate decisions, absolute uniformity is apparently not obtainable. Nevertheless, full disclosure has and will be compelled.

DURATION OF LICENSES OF HYDROELECTRIC PROJECTS

Again the Commission, under my chairmanship, is charged with following an improper policy, while the fact is the Commission has created no new policy in this instance, and has only followed the policy and precedents set by the Commission when it was composed entirely of members appointed by the preceding Democratic administrations.

Since 1948, the Commission has made numerous licenses effective for 50 years from the date of reconstruction or redevelopment, or where a new development is to be built in connection with an existing development or developments in the same stretch of the river.

Let us see what the Commission had done prior to my becoming a member thereof:

Project No. 1940, Wisconsin Public Service Corp.

Although the corporation had filed a declaration on May 27, 1937, to reconstruct the project and actually reconstructed it in 1938, the Commission order of June 6, 1946, authorized the license for a term effective January 1, 1938, and terminating June 30, 1970—or 50 years after 1920 because the original project had been constructed prior to 1920. The company called the Commission's attention to the fact that in 1937 the old timber dam had been removed and replaced with a concrete dam and that a new powerhouse had been installed, and requested that license terms be for 50 years from the reconstruction date. By order of March 30, 1948 (7 F. P. C. 523) the Commission modified its 1946 order and fixed the term at 50 years from January 1, 1937, the year of reconstruction.

The members of the Commission who took this action were Olds, chairman; Draper, Sachse, Smith, and Wimberly.

Project No. 1980, Wisconsin Michigan Power Co.

By order of April 6, 1948, (7 F. P. C. 544) the Commission authorized issuance of a license for project No. 1980 to Wisconsin Michigan Power Co. for a term of 50 years from March 1, 1948, to authorize reconstruction of an old dam and powerhouse originally built in 1914. The dam was to be replaced and a new powerhouse built which would eventually replace the old powerhouse.

Smith, Chairman; Draper; and Olds voted to issue this license.

Project 2004, Holyoke Water Power Co.

By order effective July 5, 1949, the Commission issued a license to Holyoke Water Power Co. for project works on Connecticut River, some of which were originally constructed prior to 1920 and new facilities, principally a new powerhouse, to be constructed after issuance of license. The license as issued was for a term of 50 years from September 1, 1949.

Commissioners Smith, Chairman Buchanan, Draper, Olds, and Wimberly approved this license.

Project 1966, Wisconsin Public Service Corp.

On February 26, 1951, the Commission issued a license to Wisconsin Public Service Corp. for a dam built as early as 1915 and for a new proposed powerhouse constructed in 1938 to replace the old one. The term was for fifty years from January 1, 1938, the year in which the new powerhouse was built.

Chairman Buchanan, and Commissioners Draper, Smith, and Wimberly voted to issue this license.

Project 2056, St. Anthony Falls Water Power Co.

By order of September 6, 1951, the Commission issued a license to St. Anthony Falls Water Power Co. for 50 years effective as of February 1, 1951, for the lower dam development on Mississippi River in Mineapolis. The powerhouse was being modernized and the Government was constructing a new navigation dam to replace applicant's old dam built in 1895–97 with a resultant 6 foot increase in head. This license was later amended to include constructed facilities at Upper Falls immediately upstream and to authorize modernized power facilities.

In its order amending license the Commission found that the combined facilities at the Upper and Lower Falls constitute a complete development of the power head at St. Anthony Falls and that the operation of the entire development is directed from the Main Street plant with water released from the powerplants at the upper dam being utilized through the powerplant at the lower dam.

Chairman Wallgren, Buchanan, Smith, and Wimberly were the Commission members who voted to issue this license.

Project 2077, Connecticut River Power Co.

Following this same principle of issuing a license for fifty years from date of reconstruction or redevelopment, the Commission on January 22, 1952, issued a license to Connecticut River Power Co. for 50 years from August 1, 1951, for the constructed Comerford and McIndoes developments and the proposed Littleton development, designated as project No. 2077.

The members of the Commission who voted to issue this license were Buchanan, Chairman; Draper, Smith, and Wimberly.

In the cases above mentioned, and in similar ones, the Commission was faced with conflicting considerations. Admittedly, all old, unlicensed projects subject to FPC jurisdiction should be brought under license. But the Commission never has been able to get the sufficient funds and manpower to determine whether many of the old projects should be licensed, and to require the owners to get licenses.

It is not a simple matter, in many cases, to determine whether or not a given project is subject to FPC jurisdiction. This frequently depends on whether the project is in navigable waters, or whether the project affects the navigable capacity of waters downstream. There has been considerable litigation on these questions with the result that a number of projects which at one time were definitely thought not to be under Federal jurisdiction, now are under license.

In the specific cases above cited, the Commission was able to bring old developments under license simultaneously with licensing a new development. Very probably, in some cases, if the Commission had back-dated licenses for the combined construction and proposed project works as far as it could, the licensee would have refused any license until jurisdiction was established and very likely would have refused or been unable to proceed with the new development involved in the absence of a 50-year term. Apparently, it has appeared to the Commission over the years that it was more important to get old developments under license and new ones constructed by allowing a 50-year term than to hinder or impede development by insisting upon a shorter term.

Admittedly there are legitimate arguments for back-dating licenses for old, unlicensed projects, one of them being that it is not wise to fail to penalize for delay in applying for a license. But, once an application is filed for a development or group of developments, the Commission is in a position from then on to compel comprehensive development by requiring changes in the developments, if necessary, to make them best adapted to a comprehensive plan of development for the river basin involved. In addition, no change or additions can be made after licensing without the Commission giving its approval. Is that better than being unable to do anything about the matter?

Possession of licenses with short remaining tenure raises many problems for the licensee. He must set up an amortization reserve at the end of the 20th year of the license period. If licenses were back-dated to date of construction, the licensee would in many cases be years behind in setting up this reserve at the time he received his license.

Another most serious problem is that a licensee whose license is issued with only a few years to run will probably have great difficulty in obtaining capital to finance the new project works because of the imminence of possible takeover by the Government.

The problems of publicly owned electric utilities created by the uncertainty of license tenure were solved by the enactment of Public Law 278, 83d Congress, approved August 15, 1953 (68 Stat. 587). This act provided that section 14 of the Federal Power Act was inapplicable to licensed projects owned by States and municipalities. Section 14 is the section which specifies that the United States must pay only net investment, not to exceed fair value, if it takes over a licensed project at expiration of the license period.

In Senate Report No. 599, 83d Congress, the Senate Committee on Public Works recommended enactment of the bill (S. 2094) stating:

"It [the committee] considers that State and municipal hydroelectric projects are developed for public use and benefit, and that the provisions of section 14 for establishing a formula under which the acquisition price can be determined in event a licensed project is acquired by the United States at the end of the license period should not be applicable. Removal of this feature with respect to State and municipal projects would greatly assist those agencies in the sale of bonds for financing such projects, or for making additions on betterments by removing the uncertainty of license tenure."

The Commission pointed out in its report on the bill that the uncertain tenure in the General Dam Acts of 1906 and 1910 was the primary reason those acts were not successful in encouraging water-power development. The Commission said:

"The absence of a minimum tenure prevented the full and free flow of capital necessary to the optimum development of water-power resources. A search of the legislative history of the Federal Water Power Act of 1920 discloses that the Congress was primarily concerned with these problems of development of water-power resources by private enterprise (including States and municipalities) consistent with protection of the public interest in conservation of such resources. To that end a system of both administrative licensing and certainty of tenure were regarded as indispensable.

"The retention of the acquisition price formula in section 14 is not indispensable to, nor is its surrender necessarily inconsistent with Federal licensing control over State and municipal projects. Moreover, if as a matter of policy the Congress sees fit to thus modify this provision of the act, regional or national power planning and development would not be precluded. Multiple-purpose features, including flood control and navigation benefits, are preserved and Federal interests are believed to be adequately safeguarded by sections 4, 10, 11, 12, and 18 of the act.

"States and municipalities would not be placed in a disadvantageous position nor would the interests of the Federal Government be prejudiced by exemption of States and municipalities from the provisions of section 14 of the act. Under section 15 of the act, such a licensee, upon the expiration of the original license can apply for a new license."

The favorable report to the Congress on this legislation was made by Jerome K. Kuykendall, Chairman, and Commissioners Claude L. Draper and Dale E. Doty on July 10, 1953. However, I do not advocate this same exemption for the privately owned utilities.

Realizing that the administrative problems involving bringing old projects under license were becoming more aggravated with each passing day, the Commission, on July 28, 1954, issued a notice of proposed rule making, pursuant to the Administrative Procedure Act (R–139), and solicited views and comments from interested parties. No solution was found. Most parties who commented recommended that each application for license should be determined on its own particular facts. As a result, the Commission terminated the proceeding on January 25, 1955, without adopting any rule.

Recently the Commission authorized a license for several old developments of Carolina Aluminum Co., on the Yadkin River in North Carolina, together with a new development to be built. The term of the license, so far as the old developments were concerned, would run from 1947. (This was done for reasons stated in the opinion.) The license also provided that so far as the new development is concerned, it shall bear a current date.

The applicant has petitioned for rehearing, and contends it could not afford to finance the new project with such a short term remaining for the older structures. Applicant also says it cannot afford to rebuild its smelting works at Badin unless it has the longer tenure, and will, instead, close down the Badin works and build additional smelting facilities at another plant. This matter has been set for hearing.

The American Public Power Association has protested, contending the old projects should have a license for a shorter tenure. This case indicates some of the problems involved.

We now have a somewhat analogous application on file from Duke Power Company. In both cases, the Commission's jurisdiction has not been admitted, nor has it been determined in a formal proceeding.

The foregoing briefly analyzes the difficult problems facing the Commission regarding this situation. Since there are cases pending before the Commission which present these problems, it would not be wise for me to comment further at this time. I, for one, would be happy to have this Committee review this matter to determine if the problems could be resolved by legislation.

Our general counsel has advised the Commission that the matter of dating a license is discretionary, and that the law does not require that it be dated as of the time it was constructed, or at any other particular time.

For a number of years, the activity of bringing unlicensed projects under license was completely dormant. It has been revived, under my chairmanship. Unfortunately, the problem cannot be simply solved by merely obtaining a larger appropriation. For fiscal 1958, we asked the Bureau of the Budget for 18.5 man-years for this work and requested Congress for 2.5 man-years. The Bureau of the Budget's basis for cutting our request was that the skilled manpower needed could not be obtained in the numbers we requested. I must reluctantly agree that, under existing conditions, we probably could not obtain all the manpower we need.

Our statement to the Bureau of the Budget on this subject was as follows:

"(e) Unlicensed projects investigation: The necessity of concentrating personnel on processing applications for permits and licenses has meant that unlicensed project investigations have in general been instituted only for specific reasons, among which is the need for determining the legal status of an unlicensed project which would affect or be affected by a Federal river development.

"Section 4 (g) of the Federal Power Act, however, authorizes the Commission to investigate the occupancy, for the purpose of developing electric power, of streams and lands subject to Federal jurisdiction and to issue such orders as it may find appropriate and expedient and in the public interest to conserve and utilize the navigation and water-power resources of the region. The actual expenses of this work have been more than repaid by back charges collected from unlicensed projects. The work, therefore, more than pays for itself.

"From a survey made a number of years ago, it is estimated that there are several hundred unlicensed projects of over 500-horsepower capacity each concerning which there is doubt as to whether they are operating under proper authority.

"During fiscal year 1956, 6 cases of long standing were under investigation. One case, involving the Missouri River projects of the Montana Power Co., was completed. It is expected that the remaining 5 cases, carried forward to fiscal year 1957, will be disposed of during the fiscal year. These 5 cases, plus 3 new cases to be commenced during the year, will bring to 8 the total number of unlicensed project investigations in progress during fiscal year 1957. The three new cases will be carried over to fiscal year 1958.

"In the past, the Commission has made findings, in connection with declarations of intention, which required licenses for particular projects, such findings being applicable to other projects in the same rivers. It is planned to initiate proceedings involving projects in three such river basins in 1957 and three in 1958. It is expected that three of these proceedings can be completed in 1958. The back charges payable to the United States from owners of projects which would be licensed in these six river basins would depend on the effective dates fixed if and when licenses are issued. However, if the licenses for these constructed projects were made effective January 1, 1938, as has been done in other cases, the back charges are estimated to amount to over $1 million, and the average annual administrative charges thereafter would be about $56,000. Entirely aside from the regulatory principle involved, this revenue would appear to amply justify the staff increase needed.

"For fiscal year 1958, it is also planned to initiate six new investigations involving projects for which there are no Commission jurisdictional findings that are directly applicable. These investigations involve 38 unlicensed projects in six river basins having an aggregate installed generating capacity of about 840,000 kilowatts with estimated average annual administrative charges of about $100,000. The statement in the previous paragraph concerning back charges is also applicable to the projects included in these six investigations. (If computed back to 1938, the back charges would amount to about $1,800,000.) Since there are no Commission jurisdictional findings directly applicable to these projects, the work involved in these investigations is much greater than in cases where there are applicable Commission findings. This factor accounts for practically all of the increase in man-years in 1958 over 1957 in this activity. These additional 6 cases will make a total of 12 river basin investigations to be conducted during fiscal 1958.

"The following tabulation shows the man-years for this type of work for 1956 and as estimated for 1957 and 1958, with the corresponding number of investigations expected to be carried on and the number completed during each of these years:

"Fiscal year	Number of investigations in progress	Man-years
1956	6	1.2
1957	8	2.5
1958	12	18.5"

SENATOR JACKSON'S STATEMENT

Senator JACKSON'S statement reiterates many of the accusations which have already been answered, but he raises another point or two which deserve attention.

He refers to a case concerning Olin Gas Transmission Corp. where the Commission

found that that corporation had sustained the burden of proof on a difficult point. I pointed out that the testimony of a particular witness had, in the Commission's opinion, stood up. The element of proof referred to was set forth in the case of *City of Detroit* v. *Federal Power Commission*, decided by the United States Court of Appeals for the District of Columbia Circuit on December 15, 1955, where the court said, in discussing the use of "field price" (hereinafter referred to by the court as the "latter method"):

"When the latter method is used, the evidence and findings must show that the increase in rates thus caused is no more than is reasonably necessary for the purposes advanced for any increase."

Each case must be decided on the record of that particular case. The fact that the Commission found that Olin had been fortunate enough to sustain a difficult burden of proof does not mean that an improper result had been reached. On the contrary, the Commission specifically found that the rates had been shown to be just, reasonable, and otherwise lawful.

The Olin case is the first and only case so far in which the Commission has found that the burden of proof above mentioned has been sustained.

In the following cases, the Commission has held that such burden was not sustained, and I joined in all these decisions: G–8518, Associated Oil & Gas Co.; G–8519, Orange Grove Oil & Gas Corp. and H. J. Mosser; G–4505, Bel Oil Corp.; G–6622, Crow Drilling Co., Inc.; G–8516, Gulf Oil Corp.; G–6279, Maracaibo Oil Exploration Corp.; G–4334, Morris Rauch; G–8488, Sohio Petroleum Co.; G–8288, Sun Oil Co.; G–4331, Union Oil of California; G–5510, Forest Oil Corp.

Do such facts indicate that either the Commission or I are partial to gas producers?

Senator JACKSON also stated:

"Mr. Kuykendall testified recently concerning the proposed administration amendment to give the Federal Power Commission permissive authority to consider costs in arriving at reasonable market price. Mr. Kuykendall took the attitude that costs should be considered only where they would give producers a higher price, and not where it would result in lower prices to consumers. For details refer the committee to pages 187–190 of the transcript for May 9 on the natural-gas hearings before the House Committee on Interstate and Foreign Commerce. On pages 211 and 215 there are additional revelations of Mr. Kuykendall's producer-oriented philosophy."

I must unequivocally contradict the Senator. During the course of the hearing, he refers to, before the House Committee on Interstate and Foreign Commerce, I stated precisely the contrary view several times.

On pages 211 and 212 of the typewritten transcript, I said: "I am not so concerned about evidence of the costs of any one particular producer, because it is reasonable to assume, I believe, that a producer who has hight costs may be very willing to disclose those, while one with low costs would not be. The costs that are pertinent or the cost evidence that I deem pertinent is not necessarily pertaining to one producer, but to economic conditions or to the conditions of the industry generally, to show trends, they might be used in economic studies, evidence of that character, and not something to be used for arithmetical computations, but simply supplemental evidence to all the other evidence, to arrive at a reasonable market price."

On page 214, I said: "And in the instance I cited, just because a producer has very high costs is no reason, in my opinion, as a matter of law or in sound economics, to try to reward him unduly, simply because he wasn't as fortunate as some other producer. I think he should still get only a market price."

On page 215, I said: "I don't think the cost of the individual producer should be given very much, too much, weight ordinarily, because the costs of producers are too variable, it is too hazardous an industry, it is not a utility industry where costs have a close relation to the selling price or the service."

On pages 3521–3524 of the same record, there is a letter from the Commission to the chairman of the committee. One paragraph, appearing on pages 3522 and 3523, is as follows:

"We would not, as we understand the proposed measure, be bound or authorized to allow a high price to any producer simply because he had incurred high costs in developing some gas reserves. We understand the bill to mean that no producer should be allowed more than the reasonable market price, regardless of his costs and that, conversely, no producer should be allowed less than the market price because his costs were low."

Senator JACKSON complains of the Commission not accepting the staff's position in the Olin case and not accepting the examiner's position in the Hells Canyon case. He does not mention the fact that the Commission agreed with the result the examiner reached in the Olin case and agreed with the staff's position in the Hells Canyon case. It is clear this criticism proves nothing, except the fact that the Commission has made its own decisions—as it should do.

THE FEDERAL POWER COMMISSION'S RECENT RECOMMENDATIONS FOR POWER INSTALLATIONS IN FEDERAL PROJECTS

Since 1953, the Commission has recommended installation of power facilities in the following projects which have either been proposed or considered by the Department of the Army:

	Capacity (Kilowatts)
Eagle Gorge	35,000
John Day	2,000,000
Dexter	15,000
Hartwell	360,000
Ice Harbor	540,000
The Dalles	1,716,000
New Cumberland	24,000
Markland	100,000
New Richmond	70,000
Greenup	60,000
Hills Creek	45,000
Fort Gaines	130,000
Total	5,095,000

During the past 4 years the Commission has recommended power installations at the following Department of the Interior projects:

	Capacity (Kilowatts)
Browns Creek	90,000
Rogue River	10,000
Colorado rim storage project	1,000,000
Total	1,100,000

I am ready to answer any questions the committee may have.

CHARGES AGAINST MR. KUYKENDALL IN CONNECTION WITH ATOMIC ENERGY COMMISSION

Mr. SCHOEPPEL. Mr. President, I refer any Senator who desires to examine the printed record of these hearings, to the hearings of the Joint Committee on Atomic Energy on the Exercise of Statutory Requirement of section 164, Atomic Energy Act of 1954 and the utility contract between the Atomic Energy Commission and the Mississippi Valley Generating Co. Mr. Kuykendall's testimony will be found on pages 187 through 211.

CERTAIN REPRESENTATIVES IN CONGRESS, AND OTHER WITNESSES, ALLEGED THAT THE NOMINEE CONFERRED WITH OFFICIALS REPRESENTING THE NATURAL GAS INDUSTRY IN AN EFFORT TO DRAFT LEGISLATION WHICH WOULD BE ADVERSE TO THE INTERESTS OF THE CONSUMER

Mr. Kuykendall made a full and complete discussion in testifying before the Senate Committee on Interstate and Foreign Commerce that, at the request of an official at the White House, he did make an effort to prepare a bill for possible introduction in Congress on natural gas. I point out that he testified such a bill was never completed and that no such bill was introduced in either House of Congress.

It is interesting to note that the man with whom he conferred actually testified against the Harris-Fulbright bill. This representative of the gas industry represented the Consolidated Edison Company of New York and he served as an attorney for that firm. In addition, this spokesman had made public statements on behalf of the distributing companies, which were at that time organized as the Council of Local Gas Companies. It is interesting to note that the attorney with whom Mr. Kuykendall conferred was of the opinion that the Harris-Fulbright bill did not contain sufficient protection for consumers. I understand that the spokesman for the Council of Local Gas Companies did not favor the utility type method of regulation. He did, however, advocate a position between the existing type of regulation and the Harris-Fulbright bill. The meeting at which Mr. Kuykendall conferred with Mr. Randall LeBoeuf was held in New York when both Mr. Kuykendall and Mr. LeBoeuf were attending a series of meetings held under the sponsorship of the Practicing Law Institute. By way of explaining, I wish to add that the Practicing Law Institute is an organization devoted to the professional improvement of lawyers. At that time it was conducting a seminar on natural-gas regulation problems.

I wonder how many Members of this body would not have reacted in the same manner as Mr. Kuykendall if they had been requested by an official serving as special counsel to the President to attempt to draft legislation that would overcome the veto objections which the President has stated in his message to the Congress at the time the last gas bill was vetoed. I feel certain that almost all of us would have endeavored to comply had we been serving as Chairman of the Federal Power Commission. While I am sure that we all consider the independent boards and commissions such as the Federal Power Commission to be "arms of Congress" they do have certain responsibilities to the Executive, and under the terms of our Constitution the President can call for a written report from an official of a department or an agency of our Government. I would not characterize Mr. Kuykendall's conduct as wrong in any respect in this particular. He merely attempted to comply with a request that originated in the White House. For that I do not believe that he should be condemned. The

charge that he had made efforts to prepare a bill exempting gas producers from regulation is simply not true. The nominee testified he did endeavor to frame a bill which would provide "more stringent regulation than did the Harris-Fulbright bill which was not an exemption bill."

Much has been made of the fact that the meeting was held in secret. I prefer to consider that the meeting was a private one between the participants and that there was no sinister conduct on the part of any participant. Such an allegation or insinuation is simply not true. The charge that Mr. Kuykendall has acted adversely to the consumer interest in this case has not been proven. I am certain that the Members of this body will recall their action on the Harris-Fulbright bill and on the Kerr bill that preceded it. Strong opinions were held by Members of this body either for or against the legislation. We did not question each others' motives. We all knew where the representatives of the consumer stood on those bills. The simple fact is that their position was known, they wanted no change in the law in any respect. No advantage could be gained by conferring with representatives of that group.

The nominee testified that he had always held himself available to any person or group that has endeavored to contact him in connection with any matter within the jurisdiction of the Federal Power Commission. I commend him for it for I believe that such availability for discussion of common problems is essential and that many advantages can flow from a free exchange of views. As I recall the testimony, the nominee stated that no representative of any consumer group ever conferred with him concerning pending natural-gas legislation.

The nominee has been charged with failing to be candid when he appeared before a Subcommittee of the House Select Committee on Small Business in connection with testimony concerning the Hells Canyon case decision. The Senator from Ohio [Mr. BRICKER] has covered this. I shall not repeat it now. The facts in that case will clearly show that the Hells Canyon matter had been the subject of Federal Power Commission meetings and that, in fact, on the date that Mr. Kuykendall testified before the subcommittee a decision had already been reached with respect to that case. At that time the opinion, findings, and the order of the Commission had not been issued. When asked about the case, the Chairman of the Commission refused to divulge to the committee the fact that the case had been decided. He merely advised that the matter was pending before the Commission. I think his choice of language in describing the situation was good because, in fact, that was the actual status of the case. I know of no reason why a Federal official should disclose or leak information to committees of Congress in cases which are under active consideration. The situation is exactly the same as a pending legal case in which the judge has decided the issues but has not offered his written opinion. I do not feel that it is proper to question either members of boards and commissions or trial judges concerning their action on a legal matter which is pending before them. I consider such attempts to be highly improper and I know that coming from a member of the bar, such questions to a magistrate would be considered an unethical practice not in keeping with the ethics of the legal profession.

Many of us are aware of several recent leaks that have occurred within the not too distant past. We all know that, whenever advance information comes out before the official decision is published, many unscrupulous persons will attempt to take financial or other advantage of such a situation. I believe Mr. Kuykendall acted correctly in not permitting an opportunity for such an occurrence. We all know that it is difficult at times to keep people from talking about such matters which have great political impact. I doubt that such knowledge could have been kept in a confidential status until after the Commission issued its final order in this case.

It has been charged that the Federal Power Commission, under Chairman Kuykendall, used the private three-dam power project on the Snake River for comparison with the high dam only to achieve an appearance of plausibility but that in effect the company would be relieved of the burden of building a third dam since there is little or no expectation of a market for excessive power. The Chairman testified, and I believe quite correctly, that such a claim is not supported by the Commission's decision in the Hells Canyon case. The record before the Federal Power Commission refutes the claim that there is little expectation of a market for the power output of a third dam. The findings as set out by the Commission clearly evidence the fact that the total capacity which could be provided by the three-dam project would be completely utilized by the year 1975 in the system of the applicant company. Efforts were also being made by the applicant to dispose of the power through wheeling arrangements of other systems in the northwest area. Evidence presented to the Federal Power Commission sustains the possibility that the total capacity developed by the three-dam project could be sold to other systems in the Pacific Northwest. That evidence indicates that the power requirements of the area will exceed the supply by 1962.

It has been alleged that the Federal Power Commission in deciding the Hells Canyon case has made a political decision which is not within the scope of its jurisdiction. I am certain that Chairman Kuykendall and his colleagues on the Commission have been fair in considering all cases which come before them in their official capacity. The Federal Power Commission has relied upon facts in each case as it found them and has reached its decisions in accordance with sound principles of applicable, general, and administrative law.

Certain witnesses have voiced opposition to Mr. Kuykendall's participation in the Hells Canyon case before the Federal Power Commission, and they cite his connection with certain utility companies and his service on the Public Service Commission for the State of Washington. I wonder where we can get qualified men to serve on our administrative boards and commissions unless we obtain them from sources which are presently available. If you need a utility lawyer you get a utility lawyer. If you need a communications lawyer, you get a communications lawyer. If you need a board member with the background of aviation, you obtain a person who has a knowledge of the aviation business. Chairman Kuykendall has a background of private practice of law and service on a State commission charged with regulating utilities. By virtue of that background, he had particular knowledge and ability within this highly specialized complex field of law. His service on the State regulatory body has demonstrated his executive ability. These facts make him an asset to our Government. He brought to the Commission well-rounded experience and administrative talents. He has approached the questions coming before him with an open mind and the charge of bias simply has not been proved. I know of no reason why he should have disqualified himself from participation in that case.

NATURAL GAS ACT

It has been charged that the nominee was not in sympathy with and has not enforced the Natural Gas Act. We all know that, when a Senator or a Member of Congress introduces legislation, appropriate agencies and departments of our Government are requested to furnish their views or comments on the proposed legislation. The Federal Power Commission has in the past complied with the requests of the various committees of Congress and has furnished views in support of or in opposition to such legislative proposals. In so doing, the members of the Commission have rendered a service to Congress in expressing their own opinion upon legislation, as they frequently are asked to do. In the past we have frequently found, not only with the Federal Power Commission but also with other agencies, that frequently members charged with the responsibility of administering a statute held a philosophy or opinion somewhat in conflict with it. Our laws do not always keep abreast of changes in our way of life, in our economy, or within a particular industry. While the rule of law which has been set out in the statute is inflexible, in some instances changes within the industry which it regulates dictate a different approach to the problem from that which is contained within the law. I can find no quarrel with Mr. Kuykendall's conduct on this matter. He is entitled to his own personal views on the Natural Gas Act, or on any other matter. Such views as are sent to Congress reflecting the need for changes in our law which are constructive are most helpful to the committees of Congress and individual legislators in determining the need for new legislation.

We have found within the Federal Power Commission, and I am certain in other commissions, that at various times certain commissioners have found them-

selves opposed to the philosophy of law under which they have administrative responsibility. I do not consider that unusual, and certainly it is not the basis for an accusation that a member of a commission or a board is not carrying out and fulfilling his administrative duties under the law. It is apparent to me that the nominee has consistently enforced the Natural Gas Act. He said he would follow the law. I draw that conclusion from the actions he has taken in cases coming before the Federal Power Commission and from his testimony before the committees of Congress.

Mr. President, Chairman Kuykendall is but one member of the Commission and I do not believe that he should be criticized because of the action taken by a majority of the Commission in recommending changes in our law.

THE SO-CALLED SEATON LETTER INCIDENT

A Member of the Senate appeared before the committee and quoted certain newspaper correspondents concerning certain actions taken by Secretary Seaton of the Department of the Interior and Chairman Kuykendall. One of the newspaper columnists reported that Mr. Kuykendall had received a strong letter from Secretary Seaton requesting the Commission to delay its action on an application for a license to construct projects at the Mountain Sheep and Pleasant Valley sites on the Snake River. It was further alleged that Mr. Kuykendall took the letter to Sherman Adams at the White House and had it "blue penciled." Mr. Kuykendall told our committee that he had never received or seen a letter from Secretary Seaton making such a request for a delay in hearing that case. The nominee stated that he never at any time discussed this case with Sherman Adams. Additionally, the nominee told the committee that neither Mr. Adams nor anyone else at the White House had attempted to influence the Commission in that case or any other case coming within the Commission's jurisdiction. I have faith in the members of the Federal Power Commission and in Mr. Kuykendall. I know that the Commission will not decide any case coming before it without a full and complete record. I do not believe that the Commission would take any other course than one which is right and just considering all the facts and that even if such conversations had been held, they would have had no influence upon the ultimate decisions of the Commission. The fact is the record shows the conversations did not take place.

ACCELERATED AMORTIZATION FOR IDAHO POWER CO.

During the hearings, testimony was received concerning the action of the Office of the Defense Mobilizer in granting tax amortization certificates on an accelerated basis for the Idaho Power Co. It was intimated that the Federal Power Commission should have inquired of ODM whether or not the application of the Idaho Power Co. would be granted.

The Federal Power Commission has no authority or jurisdiction in resolving the question of whether or not the Idaho Power Co., or for that matter, any other applicant should receive such a certificate because of national defense considerations in the construction of plant facilities. Chairman Kuykendall testified that the Federal Power Commission acted independently of ODM and had no information whatsoever on the granting of accelerated amortization to the applicant company.

The entire question became moot during the hearing. As Senators will recall, responsible officials of the Idaho Power Co. agreed to surrender their certificate. By that action they would not obtain the right to tax benefits which had been authorized by ODM.

DESIGN CHANGES OF THE BROWNLEE DAM

Certain witnesses testified that the nominee misrepresented facts about the flash-flood washout of the Brownlee Dam which was under construction by the Idaho Power Co. It was alleged that Mr. Kuykendall and the Commission permitted the company to construct inadequate installations at the dam site. The nominee testified that no member of the Commission had personal knowledge of the details of the construction of Brownlee. Construction details are handled by the staff of the Commission. Whenever a change requires Commission approval, the Commission then examines the changes and takes such action as is required. According to testimony received by our committee, the plans for all of the project work have been followed as required by the license and no major change occurred which would require Commission approval. I understand that the Commission has in the past permitted its regional engineer to supervise construction details of the facilities. It has been alleged that the temporary diversion works were defective. The flood-control sluiceway system was included in the project upon recommendation of the Army Corps of Engineers. Such a system is required under the terms of the license and it will be provided by the company. To date, no change in the permanent facilities has been approved by the Commission. The temporary diversion tunnel was constructed with a 42-foot instead of a 44-foot diameter. At the same time the cofferdam was decreased 50 feet in height. These changes were approved by the Federal Power Commission's regional engineer in San Francisco.

As a result of the slight change in diameter, a resultant change took place in diversion capacity. It was fully expected that the cofferdam would have to be breached during spring floods as records indicated past flows exceeded 25,000 cubic feet per second every spring. The diversion tunnel with the cofferdam at 1,830 feet had a capacity of 25,000 cubic feet per second. The nominee testified that the flows during the flood season in February 1957, would have breached the cofferdam even if the diversion tunnel had had a capacity of 60,000 cubic feet per second. During February and May 1957, flows exceeded 60,000 cubic feet per second.

The applicant has proposed relocation of the sluiceway, and that change has been under study by Commission engineers since late 1955. The proposed change would require Commission approval before the company could go ahead with actual construction. According to construction reports from the San Francisco regional office, the work at the dam site is proceeding satisfactorily and construction of the job is on schedule.

I think it is readily apparent to Senators that members of commissions and boards cannot be held responsible for having intimate knowledge of vast construction projects. In this case, the Commissioners had no knowledge of the construction details since that duty had been delegated to the regional engineer. It would be unfair to charge any member of the Commission with negligence or failure to exercise due diligence when such matters are incidental to the Commissioner's normal duties. Whenever a change requires their approval, I am certain that the members of the Federal Power Commission will carry out their duties and that they will act whenever required after consideration of all of the facts incidental to each proposed change. In this situation the exact results which were anticipated took place. The flood and washout resulted in a small monetary loss to the company, a part of which was covered by insurance. I wish to point out that the construction of the dam has not been impeded.

Again I commend to Senators the statement with reference to his answering the charges which were leveled against him.

Mr. President, I ask unanimous consent to have printed in the RECORD as a part of my remarks, Chairman Kuykendall's statement regarding the Olin Gas Transmission Co.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

I pointed out in my oral testimony that Olin Gas Transmission Co. had, in the Commission's opinion, sustained a burden of proof, which numerous other companies which I listed had not been able to do. This is, admittedly, a difficult burden, as the Commission has discovered from other cases. The Commission was satisfied that Olin had sustained its case. The facts of the case were unique, as the Commission pointed out, and resulted in this case, in Olin making the requisite proof in a comparatively simple manner. Producers generally have been unable to relate their financial needs for additional exploration and development to the price at which existing reserves should be sold. The thought I was trying to express in testimony before the House committee was that this issue was not raised, and if it had been a closer question would have been present, but that does not mean that the interest of consumers in their need for continuing supplies of gas as well as low prices has not been protected or that the decision is not legally correct. If the Commission had any reason to believe that the record in this case compelled reaching an unfair result, it would have, I know, reopened the record for further evidence. In this case, the Commission has sought to make future gas supplies available by exploration and development at a price less than would be the cost if the needed gas were to be purchased from others.

The unusual facts of the case are briefly indicated by the following quotations from the commission's opinion:

"Olin is the largest individual producer in the field. It has about 50,000 acres of the

field's some 250,000 productive acres and 358 of its 1,868 producing wells. There is no question but that in a few years' time, Olin will be unable to meet its customers' requirements with gas produced by it from the Monroe Field. Without some incentive to produce additional gas for its resale customers, Olin will be required to purchase the needed gas at higher prices from others which will directly result in increased costs to the consumers of gas. If the needed volumes of gas were bought from United Gas Pipe Line Company, for example, which could well be the case, under United's applicable rates as shown in this proceeding, the cost of the alternative supply of gas from United would be, on the basis of a 72 percent assumed load factor for Olin's main line, 15.50 cents per Mcf; and on a 100 percent load factor, 14.10 cents. On the basis of Olin's actual load factor for the year 1954, the cost would be 23.34 cents per Mcf.

"There was convincing testimony on the part of the executive vice president of the company and Olin's principal policy witness, that the amount of the increase above cost sought by Olin was needed to provide it with an incentive to carry on exploration activities in an effort to develop gas reserves in the northern Louisiana area sufficient to maintain supply to its main-line customers as the Monroe Field becomes depleted. Thus this witness testified * * *:

"'We think we can, by exploration and development, deliver our gas to our customers at a cheaper price under the production system.'

"In addition, there was evidence of Olin's present and projected exploration programs. In this connection, it should be kept in mind that present-day costs for exploration and drilling activities are much higher than in the past. For example, it appears that a Monroe Field deep test well today may cost as much as $220,000, compared with the $12,000 or so cost of a shallow well by which the field has been developed. Additionally, there was evidence of increased operational flexibility to the company resulting from ownership of its own production as contrasted with purchasing its gas from others, which would redound to the benefit of the consumer. On consideration of all the factors, on the basis of the record in this case, we conclude that the increased rates proposed by Olin will, while remaining within the bounds of reasonableness, serve the desirable and proper purpose of affording Olin the incentive and, at least to a degree, the means for undertaking the exploration and development which are required in the interest of Olin's customers, to meet their need for continued supplies of natural gas at reasonable rates."

Mr. SCHOEPPEL. Mr. President, I shall not attempt to discuss in detail any of the decided cases which have been reported during Mr. Kuykendall's tenure at the Federal Power Commission. Those cases stand by themselves, and the decision reached is explained by the opinions and orders filed in those cases. In many instances, in cases of first impression, the action of the Federal Power Commission has been upheld when a litigant dissatisfied with the decision of the Commission has appealed the case to our courts. No purpose would be served in going into the details of such decided cases.

I call upon Members of the Senate to confirm the nomination of Jerome K. Kuykendall. In my remarks I have discussed many of the charges and allegations which have been made against him. In my opinion, there has been no evidence which would reflect upon his qualifications to hold the office of Commissioner on the Federal Power Commission. He has been honest and forthright in his approach and candid in his statements to our committee. Probably that is why some objections have been raised against him.

I feel he is a man of great integrity and a credit to the Federal Power Commission. The administration should be glad to have a man of his qualifications and background rendering a public service in this high office. I hope that the Members of this body will share my high opinion of Mr. Kuykendall, and vote to confirm is nomination.

Mr. CARROLL. Mr. President, I do not personally know Mr. Kuykendall. Therefore, what I may say about him is in no sense personal. I desire to raise again an issue which has been raised before in this discussion, namely, whether the Senate should confirm nomination of Mr. Kuykendall.

I am interested in Mr. Kuykendall's nomination because of several multimillion natural gas-rate cases now pending before the FPC. The cases all involve a company called the Colorado Interstate Gas Co.

It will be of interest to my colleagues to know that the Colorado Interstate Gas Co. is a gas producing and transmission company which transports natural gas interstate operating in six States with the bulk of its product being sold in Colorado.

In regard to these Colorado gas-rate cases and in regard to the Kuykendall appointment I should like to read from an article published in the Denver Post of May 9, 1957. This matter relates not only to the nomination before us tonight, but also the whole ethical procedure followed by the Commission.

In Colorado there are pending three gas-rate increases before the Federal Power Commission. Two of the cases have been decided against the Colorado Interstate Gas Co. by a trial examiner. In these cases the trial examiner, in a preliminary decision, subject to review by the Commission en banc, ruled that Colorado Interstate must refund $33 million to consumers.

The headline of the article published in the Denver Post of Thursday, May 9, 1957, reads:

Thirty-three Million Dollars Refund on Gas Rates Seen if Ruling Is Upheld.

The article reads, in part, as follows:

Natural gas users supplied indirectly by Colorado Interstate Gas Co. are entitled to a rate refund of about $33 million under the recommendation of a Federal Power Commission examiner, Wednesday.

About 30 percent of this refund—or about $10 million—would go to Denver area consumers if the examiner's recommendation is upheld by the Commission itself and by the courts.

Mr. President, I shall not read the remainder of the article; I ask unanimous consent that the entire article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Denver Post of May 9, 1957]

THIRTY-THREE-MILLION-DOLLAR REFUND ON GAS RATES SEEN IF RULING IS UPHELD

Natural-gas users supplied indirectly by Colorado Interstate Gas Co. are entitled to a rate refund of about $33 million under the recommendation of a Federal Power Commission examiner Wednesday.

About 30 percent of this refund—or about $10 million—would go to Denver area consumers if the examiner's recommendation is upheld by the Commission itself and by the courts.

Natural-gas customers additionally would get a reduction of $15 million a year in present prices, in such an event.

Ironically, however, the price of gas will probably go up before it goes down.

Interstate, of Colorado Springs, has filed a new rate-increase request of $3.1 million for its entire system, based on new investment—effective July 1.

The new rates thus could be imposed before the refund issue is settled.

Interstate supplies the Denver area through the Public Service Company of Colorado. It also supplies a number of other natural-g..s wholesalers.

The Colorado Springs firm has been collecting rate increases, subject to refund, since January 1, 1954.

FPC Examiner Samuel Binder said in Washington Wednesday the increased rates were excessive. He suggested the firm be limited to a boost of only $4.5 million.

Binder figured the excess revenues at about $2,871,449 for 1954–55 and $15 million annually for the second rate hike imposed February 1, 1955.

This second boost, which has been in effect more than 2 years, would total more than $30 million in itself.

About 30 percent of Interstate's business is done with the PSC in the Denver area.

SEVERAL OBSTACLES

City Attorney John Banks said Thursday the refunds to actual gas consumers could be expected but he noted that there were several intervening obstacles.

He said he expects Interstate to appeal Binder's findings to the FPC itself.

If the case is appealed and if the Commission sustains Binder, the issue undoubtedly will be taken to court in a drawn-out suit.

Binder's recommendation is subject to review by the Commission either upon appeal by Interstate within 20 days or upon the FPC's own motion within 10 days thereafter.

In addition to the PSC, Interstate's customers include the Greeley Gas Co. (Canon City), Citizens Utility Co. (La Junta), Colorado-Wyoming Gas Co., Iowa Electric Light & Power Co. (northeast Colorado), the Plateau Natural Gas Co. (Fountain-Castle Rock), Pueblo Gas & Fuel Co., Pioneer Natural Gas Co. (Amarillo, Tex.) and the cities of Trinidad and Colorado Springs.

Mr. CARROLL. Mr. President, the point I wish to make is that for 4 years there has been in litigation before the Federal Power Commission a matter of public interest to the people of Colorado involving a sum of $33 million, which since the examiners decision in May has grown to $40 million.

Several prominent lawyers appeared in behalf of the Colorado Interstate Gas Co., including James L. White, of New York; William Dougherty, of New York; L. M. Poe, of Colorado Springs; Peter J. King, of Colorado Springs; and John A. Phillips of Colorado Springs. They are all distinguished lawyers and important members of the bar. This array of attorneys is indicative of the importance of these cases.

After the May 8 decision of the trial examiner in this case—involving an overcharge of $40 million to the people of my region—a refund to the consumers would be ordered if the decision of the

trial examiner were sustained by the Commission en banc.

I now come to the practices I find unconscionable, and unethical conduct of a type which I think must be stopped, not only in the Federal Power Commission, but in all regulatory bodies. Immediately after the FPC trial examiner's May 8 ruling we find that Mr. W. E. Mueller, president of the Colorado Interstate Gas Co. came to Washington to the Federal Power Commission—and acting not through his lawyers, but personally, went to the individual members of the Commission and cried on their shoulders, complaining that the decision of the trial examiner would bankrupt the company.

Mr. President, for 4 years prior to that May 8 decision the Colorado Interstate Gas Co. had been using as working capital money which, according to the decision, belonged to the people. Then Mr. Mueller, the president of the company, had the audacity to come to Washington and importune the FPC Commissioners, by personally going to them individually and asking that they reopen and reconsider the case. Subsequently a hearing was held on a formal motion to reopen the case and that motion is now under consideration. If the case is reopened it will be stalled another 4 years, at which time the company will then owe the consuming public $102 million, all of which would be canceled out if somewhere along the line Congress passed the Harris Gas Act. This is the delaying strategy of the company.

Mr. President, whatever I say here is not designed to attempt to influence the eventual outcome or the decision in that case. But I say that when a Federal regulatory body is sitting in judgment on a case which involves millions of dollars of the people's money, the members of the Commission should not permit themselves personal consort with the litigants. There should be no private conferences. No court in this land, no experienced judge who follows the ethics of his profession, would ever let a private litigant come into his chambers and seek to influence his judgment.

Why do we permit these attempts at influence in the case of the regulatory bodies? It has been stated that these are quasi-judicial and quasi-legislative bodies; and it is said that, therefore, they have a right to talk to those who are interested in legislation.

Mr. President, I say to you that when these bodies are sitting in judgment on a case involving millions of dollars of money belonging to the people, their position is not quasi-legislative. It is judicial. They are functioning in a judicial capacity. And there ought to be some ethics, some morals in the regulatory bodies in Washington, D. C., and throughout the land, so far as the Federal Government is concerned.

The record here is clear. The distinguished chairman of the Senate Committee on Interstate and Foreign Commerce, the distinguished senior Senator from Washington [Mr. MAGNUSON], put a series of questions to Mr. Kuykendall on this Colorado Interstate matter. Let us see whether the statement I have made is true, Mr. President; let us examine the record in that connection.

We find that the chairman of the committee [Mr. MAGNUSON] asked the following question of Mr. Kuykendall:

The CHAIRMAN. During the period May 12 to June 3, did Mr. W. E. Mueller, president of the Colorado Interstate Gas Co. visit with you here in Washington?

Mr. President, it was on May 8 that the decision came from the FPC trial examiner. It was only a short time thereafter that we find the president of the company—not its lawyers, not lawyers in the process of filing motions, not lawyers in the process of going to the Commission, but the president of the gas utility company—coming to Washington and personally soliciting the cooperation of the Commissioners of the Federal Power Commission in connection with the Colorado Interstate Rate case. What did he say to the Commissioners? The head of this great gas transmission company said to them, "If your trial examiner's report is sustained, we will be bankrupt." Imagine that, Mr. President. Imagine having the president of the company say that, after the trial examiner had said, "You have been using $37 million of the people's money, and you must refund it."

I read now the answer Mr. Kuykendall gave in reply to the question asked by the distinguished senior Senator from Washington [Mr. MAGNUSON]; the question being in reference to Mr. Mueller's visit to the FPC sometime during the period May 12 to June 3. Again, I emphasize that that was a few days after the trial examiner rendered his unfavorable opinion. I read now Mr. Kuykendall's answer:

Mr. KUYKENDALL. It was probably in that period. He was in after that examiner's decision and asking that the Commission grant his request for oral argument.

The president of the company was asking the Chairman of the Federal Power Commission to reopen the case because, so the president said, if the company had to refund the people the money it owed them it would bankrupt the company.

Mr. Kuykendall said—and I am reading now from page 281 of the hearings the remainder of that particular answer by Mr. Kuykendall:

and representing in a general way that he was in a bad position—

Who, Mr. President? Mr. Mueller, the president of the Colorado Interstate Gas Co.

Mr. Kuykendall said:

he was in a bad position because the company had more financing to do and they were afraid they couldn't do it with that decision outstanding. I guess he talked to all the Commissioners.

That is what Mr. Kuykendall said in referring to the occasion when the president of the Colorado Interstate Gas Co. talked to all the Commissioners.

Then the chairman of the committee [Mr. MAGNUSON] asked the following question:

I think we can clear it up. He did discuss with you and other Commissioners, probably—you can't speak for them—dockets G-2260 and G-2576?

Mr. Kuykendall replied:

Those must be the dockets.

Then Mr. Kuykendall said:

He said they had financing in the offing they had to do, and were afraid they couldn't do it.

In other words, Mr. President, if it had not been for the decision for the FPC trial examiner, the company could have had the use of $37 million of the people's money, could have acquired financing for new pipelines, and could have had its rates increased, not once or twice, but three times. And here we find the president of this large gas utility pleading personally with the Commissioners.

Then we find that the following testimony was given at the committee's hearing:

The CHAIRMAN. Did he suggest the Commission reopen proceedings?

Mr. KUYKENDALL. I think he filed a written application asking for that.

But Mr. Kuykendall was not sure whether the application had been filed; he did not know. He was unable to inform the Senate committee whether the written application had been filed.

Mr. President, it is the function of the company lawyers to file an application to reopen the case; it was not the function of the president of the company to go personally to see the individual Commissioners, and to cry on their shoulders, and to plead that his utility company would be bankrupt, after the trial examiner had said that the $37 million had to be returned to the people.

I read further from the committee hearing.

The CHAIRMAN. Did Mr. Mueller or any other representative of the Colorado Interstate Gas Co. advise the FPC that the company would go bankrupt if forced to return to consumers the excess rates collected?

Mr. KUYKENDALL. No. I don't think he said that. I hope that isn't true.

Mr. President, at this time I wish to read some articles which were published in the Denver Post. The first one which I shall read was published on May 12, 4 days after the trial examiner made his decision. The headline of the article is "Gas Firm Head Says Proposed Rates Mean Bankruptcy."

Mr. President, I ask unanimous consent to have the entire article printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Denver Post of May 12, 1957]

GAS FIRM HEAD SAYS PROPOSED RATES MEAN BANKRUPTCY

(By Chares Roos)

President W. E. Mueller of Colorado Interstate Gas Co. said Saturday that refunds and reduced rates recommended by a Federal hearing examiner last week would bankrupt the company.

Mueller made the statement in Colorado Springs where the firm is based. He told The Denver Post by telephone he was mailing a special letter to CIG directors, referring to the findings of a Federal Power Commission examiner, stating:

"If his decision is allowed to stand there is no question in my mind that the company will become bankrupt and will be placed in receivership."

Applying the recommended rates on 1956 volume, he said, shows that the natural gas company would have made only half enough money to pay interest on its bonds. None

would have been available to pay dividends on either preferred or common stock, Mueller said.

Mueller said the examiner's recommendations raised serious questions about planned long-rang financing. CIG has proposed a major expansion of pipelines and other gas supply facilities, dependent in part on long-term financing.

Earlier, J. P. Roetzel, CIG financial vice oresident, said the recommended rate structure would amount to "confiscation."

REPORT PRAISED

A different view was expressed in Washington. D. C., by United States Senator CARROLL, Democrat of Colorado, who said the examiner's report represented "a great victory for the people of Colorado."

CIG provides natural gas for the Denver area through Public Service Company of Colorado and serves other Colorado cities, including Colorado Springs and Trinidad.

FPC examiner Samuel Binder said Wednesday gas customers supplied by CIG are entitled to refunds totaling about $33 million dating back to 1954 and to a $15-milion-a-year reduction in current rates.

His recommendation was made to the FPC. CIG will file objections as soon as possible, Roetzel said.

NEW BOOST ASKED

The FPC may adopt, modify, or reject the examiner's recommendations.

The Colorado Springs firm has been collecting rate increases, subject to refund, since January 1, 1954. CIG also has applied for a new rate boost, which would be effective July 1.

Roetzel said if the examiner's ruling is allowed to stand, the company will be in desperate need of $10 million. It has about $7 million on hand to pay the refunds, could realize some $10 million to $11 million more in Federal tax refunds and additional refunds of State taxes but still would not have enough to repay customers.

"I don't know where we could get such a sum," he said. "No one wants to lend money to a company that is not making money and has no prospect of making any. That is the position in which we would find ourselves."

THIRTEEN AND ONE-HALF MILLION DOLLARS

In question was CIG's plan for construction, at a cost of $87 million or more, of the so-called Beatrice project.

The project, which would increase the company's physical valuation by 42 percent to $206 million, would include several large pipelines, the major one being a 345-mile, 30-inch line from Kit Carson, Colo., to Beatrice, Nebr. It would deliver gas there for the Chicago area.

Binder ruled that only $13.5 million of $46.7 million in added rates charged by the company since 1954 is justified.

Mr. CARROLL. Mr. President, the Denver Post article quotes Mr. Mueller as saying about the FPC examiner's decision—"If his decision is allowed to stand, there is no question in my mind that the company will become bankrupt and will be placed in receivership."

Of course, with that sort of reckless remarks before the public and with that sort of nonsense going before the Federal Power Commission, even Kuykendall had the common sense to say that in the entire history of the country, no public utility company had ever gone bankrupt. Of course, what the Colorado Interstate Gas Co. wanted was to have the rate increases allowed, so it could use this money to capitalize a great expansion program which eventually would cost the people of Colorado another $3.7 million annually in increased gas rates.

Mr. President, why do I raise this point in connection with the pending nomination? I do so because it seems to me that somewhere—as I have previously indicated—steps must be taken to protect the public interest. I do not know Mr. Kuykendall personally. I have read some of his statements, as they appear in the committee's hearing. They seem to me to show that he has an understanding of what a Federal Power Commissioner ought to do, namely, protect the public interest. But when I read what he said, I observe that although the voice was the voice of Jacob, the hands were the hands of Esau, because I do not find in the actions of the members of the Federal Power Commission an evidence of a desire to protect the public interest. What do I find? I find the staff of the Commission working to protect the public interest, but I find the Commission itself mostly working in the opposite direction.

Mr. President, the time has come to make the Federal Power Commission aware of the purpose for its existence. I suspect that the nomination of Mr. Kuykendall will be confirmed by the Senate this evening. But I wish to make a record, and I wish to warn the other Commissioners that the time has come to establish a proper code of ethical conduct on the part of these regulatory bodies, so that litigants shall not be permitted to come before the Commissioners—whether at a social engagement, or on a golf course, or on a yacht—to influence their judgment on important decisions affecting the economic welfare of the country and, more important, affecting the pocketbooks of millions of Americans.

Lawyers in Washington have said to me that the conduct of the regulatory agencies in this regard is scandalous—and I am not only referring to Mr. Kuykendall's agency, but all the regulatory bodies.

It would seem to me that somewhere, whether it be the Committee on the Judiciary, whether it be the committee which has responsibility for legislation concerning regulatory bodies, whether it be the bar in Washington, or the American Bar Association, someone should begin pointing to the code of ethics to be observed in regulatory agency matters, especially when the pocketbooks of millions of Americans are affected. This lackadaisical and careless and unethical manner of handling legal questions in a regulatory agency would never be countenanced at home in our Colorado State bodies. Why do we permit it in Washington?

That is one of the reasons why this evening I am going to take a firm stand against the confirmation of Mr. Kuykendall's reappointment. I shall take that stand not only because of his nomination, but as a warning to other regulatory commissioners. As a matter of fact, as surely as I stand on the floor of the Senate this evening, if the unethical practices I described continue, one of these days a great scandal will break because of the economically powerful groups that manipulate Government agencies through resources of oil, gas, and power, and because of the tremendous impact they have upon all the agencies of our Government, being permitted as they are to walk willy-nilly into a commission and discuss and attempt to change its decisions. I say we ought to put an end to it. For that reason, I am not going to put my stamp of approval on that sort of conduct by voting for Mr. Kuykendall. I do not know what the outcome is going to be in the case of the Colorado Interstate Gas Co. All we ask for in Colorado is a decision on the merits, under law, by persons who are interested in protecting the public. At the same time we want the utilities to make the fair and reasonable profit which is now guaranteed them under law.

Mr. President, I conclude with this following observation: I have sat here in the Senate this afternoon. I have listened to the very able comments of the Senator from Oregon and of other Senators. I have read transcripts of the very excellent hearings conducted by the senior Senator from Washington. I have seen the fairness with which he put his penetrating questions to Mr. Kuykendall, who, I may add, impressed me personally. He favorably impressed me when I interrogated him on the Idaho fast tax writeoff.

It is a very hard for me to criticize an individual when both Houses of Congress are also sometimes guilty of passing bills against the public interest, when I find the President of the United States establishing policies which I think are contrary to the public interest. It is hard for me to single out one individual and place the whole load on his shoulders.

And I think of the many times I have heard Members criticize the Supreme Court decisions. In the field of economics we have seen the Supreme Court holding the line for the past 10 years. If it had not been for some Supreme Court decisions, certain special interests would have broken through the barrier, at tremendous cost to the consumers of this Nation, and, in my opinion, contrary to the public interest.

I thank the distinguished chairman of the Committee on Interstate and Foreign Commerce for the time he has given me for my remarks.

Mr. President, I shall vote against Mr. Jerome Kuykendall, knowing that the confirmation of the nomination will be approved this evening. But I am hopeful that our opposition votes will sound a warning to other Commissioners. Furthermore I hope that other Members of this body who can deal with greater force and greater influence and greater emphasis with some of the points I have raised this evening, will initiate action to restore ethical and moral norms to the procedures of the regulatory bodies.

Mr. MAGNUSON. Mr. President, first I wish to thank the Senator from Colorado for his very kind remarks about the hearings on the nomination of Mr. Kuykendall. It is true that the Senate Committee on Interstate and Foreign Commerce took a great deal of time in considering the nomination. The rec-

ord of the hearings on Senators' desks comprises only a part of the conferences, exhibits, court decisions, and other matters in the committee files.

A great deal has been said in the Senate—and it has been very eloquently and very well said—about the record of Mr. Kuykendall as Chairman of the Federal Power Commission. What has been said has been well documented. In no case has any witness or any Member of Congress who appeared in opposition to Mr. Kuykendall surmised or concocted any conclusions or set of facts on his own opinions. The conclusions reached by those of us who oppose his confirmation as a member of the Federal Power Commission are based on documented facts, and not, as I say, on surmises or conclusions.

I placed in the RECORD last night, and discussed at some length, much of the documentation of the nominee's record during his period of service as Chairman of the Federal Power Commission.

Last night the distinguished Senator from Utah [Mr. WATKINS] speaking in favor of the nomination, gave us a very illuminating history of the beginnings of the Federal Power Commission. He went back to the days of Gifford Pinchot and Theodore Roosevelt, and kept reiterating that it was the purpose that the Federal Power Commission should be a sort of barrier, not necessarily an obstacle, but some kind of a referee as between the great consuming public of the United States and the utilities that use the God-given resources of the United States for the purposes of serving the public. It was the hope that the Commission would stand between those two groups to see that the utilities did not take too much of the resources, did not grab too many of them, and did not take undue profits out of the hide of the consumer, whether the resource was gas, electricity, water, or any other kind. That is true, Mr. President. The Commission was set up for that purpose. It was not to be unfair to the utilities, but it was hoped that the consumers, through the Federal Power Commission of the United States, would have someone to speak for them. That was the only reason for creating the Federal Power Commission. Any department could issue licenses and put into effect regulatory measures governing the use of our resources, whether for the Government or not, but the Federal Power Commission was instituted in line with Government policy, to stand between the consumer and those who would take our resources in the way of gas, electricity, and water and develop them. It was hoped that the members of the Federal Power Commission, when they took the oath of office, and when they solemnly appeared before a committee of the Senate and said they would uphold that policy, would live up to the oath they took.

The whole truth of the matter is that Mr. Kuykendall has not done so. The consumer of the United States no longer has any voice in the Federal Power Commission. If Gifford Pinchot, Theodore Roosevelt, George W. Norris, or some of the other great men who evolved the Federal Power Commission for that purpose could be listening tonight, they would turn over in their graves, and if they are listening they are probably turning over in their graves, because of the purposes for which the Commission has been used.

I do not know when the Federal Power Commission, under Mr. Kuykendall's leadership, has ever even heard from a consumer. But I know instance after instance the other way. I know it because it is documented. I know of instance after instance where those who would use the Commission for the other purpose—against the consumer—have had their day in court before the Commission any time they picked up the telephone. That is the whole story.

Congress cannot pay attention to all these details.

The Senator from Utah said last night that we were angry because Mr. Kuykendall opposed the Hells Canyon Dam. Frankly, last night I was speaking impersonally. Some of us were. But that is not the whole case. That is only a part of the case.

The Commission has a right to rule on cases, but it has no right to rule on a case when the law creating the Federal Power Commission says if a project is in dispute and it can be developed as a Government dam in the interest of all the people the Commission shall notify the Congress and wait 2 years.

The Commission could rule, but Hells Canyon Dam is only one part of the controversy, as I see it, involving a question of policy.

Mr. Kuykendall appeared before the House committee just before Congress adjourned last year. He was asked if the Power Commission had made a decision, or what was the status of the Hells Canyon project. I shall not take the time to read the testimony. I put it in the RECORD last night. The question was: What is the status of the application of the Idaho Power Co.? And Mr. Kuykendall said that had not been decided, that it was under consideration by the Federal Power Commission. As a matter of fact, Mr. President, it had been decided, and the Commission waited until the Congress adjourned to make the announcement, knowing full well that had the announcement been made before the Congress adjourned, on the day that the case was decided, we would have kept the Congress here for 2 or 3 more months to consider that issue alone.

These are some of the things which makes some of us oppose Mr. Kuykendall.

There is nothing personal about the opposition. It is difficult for me to stand up and oppose Mr. Kuykendall. He comes from my State. I have known him for years. I knew his father. So far as Jerry Kuykendall is concerned personally, I think he is a man of great ability as a lawyer. Probably personally he has high integrity. But he was appointed to a Commission established by the Congress and not by the executive department, and was supposed to carry out the policies of the Congress of the United States. The Federal Power Commission is supposed to be an arm of Congress.

When Mr. Kuykendall was before the committee which considered his first appointment, I was happy that someone coming from my State was to have the position. We in the West have great interest in the Federal Power Commission. I asked him at that time, as the record will show, about the Federal Power Commission being an arm of the Congress, and asked him whether he would consider himself to be under the executive branch or an independent agency of the Government, and he said over and over again he considered the position was under control of the Congress, to prove that he was going to do the proper job.

I think Mr. Kuykendall has gone out of his way time and time again to carry out the policies of the administration and not the policies of the Congress which are intended to protect the consumer.

Do Senators think for one moment that during his tenure of office, if the word were passed from the administration regarding power policies or the gas bill, that Mr. Kuykendall would step in to say, "The consumers have something to say about this." Of course not. Instead of meeting with the consumers, the testimony shows very clearly, as the Senator from Colorado has pointed out, that he met with the gas producers to write a gas bill.

The gas producers have a right to have a gas bill written, and I would have no objection if they all attended a meeting with the Department of the Interior and asked the Solicitor of the Department of the Interior to write the kind of bill they thought they wanted. That comes under the executive department.

The Federal Power Commission is supposed to be an agency to protect the consumer. What chance did the consumer have in the Colorado case?

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. CARROLL. It is my hope that the Commission will base its decisions upon the evidence. All we ask is a fair hearing. The trial examiners who conduct the rate hearings are not Colorado trial examiners, they are members of the staff of the FPC.

Against them are some of New York's and Colorado's most able attorneys because $40 million is involved in two of the Colorado gas rate cases. A third rate case involving $3 million a year will come up this winter.

What chance will the consumers have under these conditions? That is the question we in Colorado are asking. That is why I place a stamp of disapproval on conduct I described a few moments ago.

I wonder if the Senator can give me the answer to this problem. Do I suffer because I am new in the Senate? Am I so naive, to believe Government officials should follow an ethical code of conduct? Where millions of dollars are involved in litigation, do private litigants have the right to go to the judges and talk to them personally about the case? Am I naive in my belief? Has that become a matter of custom?

That procedure never could happen at home. That could never happen before a Colorado judge. The judge would disqualify himself immediately, even in a case involving $1,000, $2,000, or $3,000. Yet here we are speaking in terms of hundreds of millions of dollars.

The Senator asked the question: What will the consumers get? I do not know. I do not know. But I agree completely with the statement of the distinguished Senator from Washington. I would almost defy anyone standing on the outside, reading about certain FPC decisions that have come up in the last few years, to come to the conclusion that these decisions have been in the public interest. I doubt that that conclusion could be made.

Mr. MAGNUSON. I thank the Senator from Colorado.

I wish to say, without detaining the Senate much longer, that this all boils down to the basic purpose of the establishment of the Federal Power Commission. Under these circumstances, the Commission might as well be abolished, because it serves very little of its purpose, which is to stand between the consumers and the regulated utilities which furnish the consumers the things they need.

The minority views are short. I think they are concise. I received permission to have excerpts from them printed in the RECORD last night.

It is true that a great majority of the membership of the committee voted for the confirmation of Mr. Kuykendall's nomination. However, no witness appeared in favor of confirmation—not one soul but himself. I think the committee was very fair. We let him hear the testimony from all the witnesses against him, and gave him the right, as a matter of rebuttal, to testify later and say what he had to say.

I do not think his answers were satisfactory. I wish to recite only one incident for the benefit of the Senate. In one of the cases where a gas rate increase was allowed, which will again take from the consumers millions of dollars, Mr. Kuykendall was asked why the decision was made as it was made. He said, "Well, the applicants were very vigorous in their cause, but if someone had appeared in opposition the increase might not have been granted."

That is apparently his conception of the function of the Chairman of the Federal Power Commission. He was supposed to appear in person and stand between the consumer and those who would seek rate increases. I think that shows a philosophy which clearly disqualifies him to hold this office. It does not make him unfit as an individual. Surely no one can criticize him if those are his honest views. But surely he can be criticized for taking a job in which he swore to uphold the purposes for which the act was passed, and for doing exactly the opposite.

For that reason I think the Congress ought to be very much concerned about the reappointment of persons to positions which involve carrying out the intent of Congress. I think the nomination should be rejected on that ground alone.

As I previously stated, Mr. Kuykendall is an able lawyer and a very personable individual. We have been personal friends for a long time. But after watching his operations on the Federal Power Commission during the time he has been its Chairman, I think he has set the purposes of the great leaders mentioned last night by the Senator from Utah when the Commission was created, and the cause of the consumer in the United States, back far beyond the time when the Federal Power Commission was even conceived in the mind of Theodore Roosevelt.

If this philosophy, in which Mr. Kuykendall takes the leadership in the Commission continues, we can just about scrap most of the conservation laws which Congress passed in all seriousness to conserve the great natural resources of the country—resources which should be used, when necessary, for the benefit of the consumer, the consumer to pay only what is reasonable for their use.

We can pass all the laws we like, but when the Power Commission is administered with this sort of philosophy, we may as well forget about the purposes of Congress.

I submit that the nomination should be rejected by the Senate.

Mr. MANSFIELD. Mr. President, I understand that the yeas and nays have been ordered on the Kuykendall nomination.

The PRESIDING OFFICER. The Senator is correct.

Mr. MANSFIELD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. COTTON in the chair). Without objection, it is so ordered.

The question is, Will the Senate advise and consent to the nomination of Jerome K. Kuykendall to be a member of the Federal Power Commission? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Delaware [Mr. FREAR], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Texas [Mr. JOHNSON], the Senator from Montana [Mr. MURRAY], the Senator from West Virginia [Mr. NEELY], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Alabama [Mr. SPARKMAN], and the Senator from Texas [Mr. YARBOROUGH] are absent on official business.

The Senator from Idaho [Mr. CHURCH] is absent on official business attending the Economic Conference of the American States in Buenos Aires, Argentina.

The Senator from Missouri [Mr. HENNINGS], is absent by leave of the Senate because of illness.

On this vote, the Senator from Idaho [Mr. CHURCH] is paired with the Senator from Indiana [Mr. CAPEHART]. If present and voting the Senator from Idaho would vote "nay" and the Senator from Indiana would vote "yea."

The Senator from Alabama [Mr. SPARKMAN] is paired with the Senator from Vermont [Mr. FLANDERS]. If present and voting, the Senator from Alabama would vote "nay" and the Senator from Vermont would vote "yea."

I further announce, if present and voting, the Senator from New Mexico [Mr. CHAVEZ], the Senator from Missouri [Mr. HENNINGS], the Senator from Montana [Mr. MURRAY], the Senator from West Virginia [Mr. NEELY], and the Senator from Wyoming [Mr. O'MAHONEY] would each vote "nay."

Mr. DIRKSEN. I announce that the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The Senator from Colorado [Mr. ALLOTT] is absent because of illness in his family.

The Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate in order to represent the Senate at the Latin American Economic Conference in Buenos Aires and is paired with the Senator from Idaho [Mr. CHURCH]. If present and voting, the Senator from Indiana would vote "yea" and the Senator from Idaho would vote "nay."

The Senator from Vermont [Mr. FLANDERS] is necessarily absent and is paired with the Senator from Alabama [Mr. SPARKMAN]. If present and voting, the Senator from Vermont would vote "yea," and the Senator from Alabama would vote "nay."

The Senator from Arizona [Mr. GOLDWATER] is necessarily absent.

The Senator from Nevada [Mr. MALONE] is absent on official business.

The Senator from New York [Mr. IVES], is detained on official business.

If present and voting the Senator from Colorado [Mr. ALLOTT], the Senator from Arizona [Mr. GOLDWATER], the Senator from New York [Mr. IVES], the Senator from Nevada [Mr. MALONE], and the Senator from Maine [Mr. PAYNE] would each vote "yea."

The result was announced—yeas 50, nays 25, as follows:

YEAS—50

Aiken	Ellender	Potter
Barrett	Hickenlooper	Purtell
Beall	Holland	Revercomb
Bennett	Hruska	Robertson
Bible	Javits	Russell
Bricker	Jenner	Saltonstall
Bush	Kerr	Schoeppel
Butler	Knowland	Smathers
Carlson	Kuchel	Smith, Maine
Case, N. J.	Lausche	Smith, N. J.
Case, S. Dak.	Long	Stennis
Cooper	Martin, Iowa	Thurmond
Cotton	Martin, Pa.	Thye
Curtis	McClellan	Watkins
Dirksen	Monroney	Williams
Dworshak	Morton	Young
Eastland	Mundt	

NAYS—25

Anderson	Humphrey	Morse
Carroll	Jackson	Neuberger
Clark	Johnston, S. C.	Pastore
Douglas	Kefauver	Scott
Ervin	Kennedy	Symington
Gore	Langer	Talmadge
Green	Magnuson	Wiley
Hayden	Mansfield	
Hill	McNamara	

NOT VOTING—20

Allott	Frear	Murray
Bridges	Fulbright	Neely
Byrd	Goldwater	O'Mahoney
Capehart	Hennings	Payne
Chavez	Ives	Sparkman
Church	Johnson, Tex.	Yarborough
Flanders	Malone	

So the nomination of Jerome K. Kuykendall was confirmed.

Mr. BRICKER. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. KNOWLAND. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California to lay on the table the motion of the Senator from Ohio to reconsider.

The motion to lay on the table was agreed to.

ADJOURNMENT TO 11 A. M. TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business tonight, it stand in adjournment until 11 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

MEET THE PRESS INTERVIEW OF SENATOR KERR

Mr. MCNAMARA. Mr. President, I ask unanimous consent that the transcript of the Meet the Press television program of last Sunday, August 11, be printed in the body of the RECORD. Our colleague, the distinguished senior Senator from Oklahoma [Mr. KERR] was a guest on this occasion. I have heard considerable comment in the past week on the part of several Senators, expressing interest in the program. Therefore I ask that it be printed in the body of the RECORD at an appropriate point.

There being no objection, the transcript was ordered to be printed in the RECORD, as follows:

MEET THE PRESS—AUGUST 11, 1957

(Moderator: Lawrence E. Spivak; guest: Senator ROBERT S. KERR, Democrat, of Oklahoma; panel: May Craig, Portland (Maine) Press-Herald; Richard Wilson, Cowles Publications; Jack Bell, Associated Press; William H. Lawrence, New York Times.)

The ANNOUNCER. Our guest today is Senator ROBERT KERR, ranking Democrat of the Senate Finance Committee, who charged that the administration's financial policies are responsible for many of our economic difficulties.

Ready for this spontaneous, unrehearsed conference are four of America's top reporters. Please remember their questions do not necessarily reflect their point of view. It is their way of getting a story for you.

While Ned Brooks is on vacation, here is today's moderator of Meet the Press, Mr. Lawrence Spivak.

Mr. SPIVAK. Our guest today is Senator ROBERT KERR, Democrat, of Oklahoma.

Senator KERR has a reputation in and out of the Senate for his wit, his wealth, and his willingness to take on all comers in debate. He is the ranking Democrat of the Senate Finance Committee which is now conducting one of the most far-reaching investigations into the fiscal affairs and financial policy of the Government in the history of our country.

He made headlines by his questioning of former Secretary of the Treasury George Humphrey in one of the longest and most grueling sessions in committee history.

Senator KERR is one of the most outspoken critics of the Eisenhower administration. He believes that the policy of high interest rates, hard money, and tight credit is damaging the Nation's economy and it is particularly harmful to the small farmer, the workingman, and small business.

A short time ago he brought on a storm of political controversy with his remark that President Eisenhower had no fiscal brains. This week, 48 hours before it happened, he predicted that the Federal Reserve Board would raise its discount rate.

Senator KERR is a living example of an American legend. Born in a log cabin, he has risen to wealth and high position. He was the Governor of Oklahoma before becoming a Senator, and was a candidate for the Democratic presidential nomination in 1952.

And now seated around the press table ready to interview Senator KERR are Richard Wilson of the Cowles Publications, May Craig of the Portland (Maine) Press-Herald, Jack Bell of the Associated Press, and William H. Lawrence of the New York Times.

And now, Senator, if you are ready, we will start the questioning with Mr. Lawrence.

Mr. LAWRENCE. Senator KERR, you asserted in the Senate recently that so far as fiscal matters are concerned, the President of the United States, General Eisenhower, has no brains. These are really pretty harsh words about a man who has been twice elected by the people.

Would you back that up with a bill of particulars?

Senator KERR. Well you know they had a biography of Mamie published just recently. In it it was stated "So Mamie's father trained her in the careful management of money that enabled her to live comfortably on Army officer's pay. It was well he did for Ike had no interest in money matters. From the first he handed Mamie the purse strings."

Now he told you gentlemen of the press a few weeks ago that when he went into this office he turned all of his money over to a committee of businessmen to handle for him and that he had no idea how they were investing it or what they were doing with it.

Now it just seems to me like a fellow who never had any experience even in handling his own salary of $125 a month, and has spent as much time as he has since he went into office as far away from the Treasury as he has, he would have mighty little concept of handling a $275 billion debt and a Government with an income of $70 billion a year, and that much or a little more expenses.

Mr. LAWRENCE. Oh, come now, Senator, you have really mixed up two questions, haven't you? You have mixed up first of all whether a man has any right to his paycheck at all if he is married, and then you have mixed up the President's great desire to get out of any possibility of a conflict of interest by turning over the money he has of several hundred thousand dollars, into an irrevocable trust to other people to invest for him during the period that he is in the White House.

Senator KERR. Well, you know I think if he had known what to do with that deal he wouldn't have called in Randolph Burgess of the National City Bank of New York and turned it over to him. I think if he had known how to handle it himself he would have done so. I think if he had known how to handle it himself, he wouldn't have handled it so it would hurt as many people as it has. I think if he had known how to handle it he wouldn't have permitted the bringing on of the Eisenhower inflation that we have had for the last 18 months which has been the direct result of the fiscal policies of the administration.

Now I will tell you this, when I accused him of that on the Senate floor there were 46 Republican Senators either there or in their offices, and there hasn't been a one yet stand up on the Senate floor and defend President Eisenhower. Not a one of them said I wasn't telling the truth.

CAPEHART jumped up and down and hollered that I ought to be ashamed of myself for telling off on Ike there in front of a bunch of schoolchildren, but he didn't say I wasn't telling the truth.

Mr. LAWRENCE. Well, Senator, you still, it seems to me—you have made the charge the man has no brains.

Senator KERR. No fiscal brains. I was talking about his ability to handle the fiscal affairs of this country. I believed it then and I believe it now and I think I was being kind to the man.

Let me say this to you: I think Eisenhower is a great patriot, I think he is an honorable man, I think he is a great American, but he is not even curious about the fiscal affairs of this Government. I think if he knew anything about it then he would be guilty of perpetrating it on the people. I think that when I said he did it ignorantly that I was doing him a favor, because I would a lot rather if I were in his shape, have it proven that I didn't know what was going on than that I did.

Mr. BELL. Senator, what you actually said in the Senate was that Eisenhower has no brains. The "fiscal" qualification came along later.

Do you think he has any brains in any field?

Senator KERR. Yes, I think he is a great military man.

Mr. BELL. Beyond that does he have any brains in running this Government at all?

Senator KERR. Now you make your own statement about that, Mr. Bell.

Mr. BELL. I am asking you, sir.

Senator KERR. I said I didn't think he had any fiscal brains. And while I didn't put the "fiscal" in front of the "brains" every time I used it, I put it in there often enough that an alert man like you are that doesn't lift stuff out of context but goes ahead and reads what a man says, knows what I was talking about.

Mr. BELL. Well, Senator, I won't accept your indictment on that score because actually you said Eisenhower had no brains and then there was an argument in the Senate over whether you had meant fiscal or not.

Senator KERR. No, Mr. Bell, you are mistaken. I said it before finishing the sentence or sitting down. I do not claim the man has no brains at all. I claim that he is ignorant on fiscal affairs.

Mr. BELL. All right, what else is he ignorant on that this Government needs some thinking about in the White House? I know you don't care much for his farm program.

Senator KERR. He hasn't got a farm program. He got up and made a speech when he was running for President in '52 and announced that he would do a certain thing about the farms and then he turned it over to Ezra Benson and he hasn't done a thing that he promised he would.

Mr. BELL. Well, didn't he turn the fiscal matter over, though, to Secretary Humphrey? Is the President supposed to be Secretary of the Treasury, too?

Senator KERR. No, but he ought to have some idea about what the man is going to do that he puts in there.

Mr. BELL. I think he had an idea, didn't he, Senator, about what the man was going to do?

Senator KERR. I don't think he did. I don't think he had any idea what he was going to do. I don't think he had any idea what he was going to do. I don't see how he could.

He was shooting quail in South Carolina last year when this inflation started and you, yourself, know that they don't get reports on the Treasury out at Burning Tree Golf Course when the thing has been getting worse this summer now, Mr. Bell. Just on the level.

Mrs. CRAIG. Well, now Senator, do you think you have fiscal brains?

Senator KERR. I sure do.

Mrs. CRAIG. Well, now, Senator CAPEHART, with whom you had this little fisticuff on the floor, is a big-business man, a millionaire. Do you think he has no fiscal brains?

Senator KERR. I didn't say that he didn't. If you want to know, I am going to tell you, I don't.

Mrs. CRAIG. You sure implied it.

Senator KERR. I meant to imply it and I have the gravest doubt about it now. Yes, I do.

Mrs. CRAIG. Are you not aware that many of your own party disagree with you that the administration's tight money policy is wrong?

Senator KERR. Well now, I haven't found anybody in my party that is bragging on Eisenhower's tight money policy.

Mrs. CRAIG. Well, sir, there is a subcommittee over in the House headed by Democrat MILLS of Arkansas, and they made a unanimous report that this was good.

Senator KERR. No, they didn't, Miss May. As soon as the press reported that they had endorsed Eisenhower's fiscal policies, WILBUR MILLS wrote a letter to each Member of the Congress and he said, "We are not endorsing the tight money policy of this administration." He said that very plainly.

Mrs. CRAIG. He said tight money pinches, but inflation is worse.

Senator KERR. I wouldn't dispute that inflation is worse, but what I am saying is that his tight money policy has been responsible for the present spiral of inflation.

Mrs. CRAIG. You don't agree, then, with the Republican Secretary of the Treasury that it is better to have the cost of interest go up than the cost of living clear up in the sky?

Senator KERR. I certainly think it would be better if we had to choose between the two to have some increase in the cost of interest rather than a great increase in the cost of living. But if you will look at the charts, Miss May, you will find this: The Federal Reserve Board reported in 1952 that we had achieved stability. Mr. Humphrey himself on June 13 of 1953, a little over 4 years ago, in a review in the U. S. News & World Report said that we have a stable dollar. This inflation started last year just when they put the hardest tight-money policy into effect and started to lifting the interest rates. So instead of what they are doing now to make it tighter and higher interest rates during it, that is what started it and that is what is feeding it.

Mrs. CRAIG. Well, Senator, you say that the Federal Reserve is to blame for this. But Democratic Senator LAUSCHE, of Ohio, says that every citizen has a part to play in the fight, and Congressman CANNON, a Democrat and chairman of the Appropriations Committee says that the fight against inflation begins at the grassroots, but you put it all on the Federal Reserve.

Senator KERR. I am saying to you this, that the Federal Reserve monetary policies, the hard money, tight credit, high interest rates, and the shortage of houses which has raised the rents on the average consumer that was brought about by the hard-money policy are the biggest forces and pressures in the present inflationary spiral.

Mr. WILSON. You paint a rather dark picture of our financial future by what you have said here and what you said in the Senate. Is that right?

Senator KERR. No, sir.

Mr. WILSON. You don't think it is dark?

Senator KERR. No, sir. I think that we have a pinch on, now. I think that it is going to get tighter. In fact, the New York Journal of Commerce said the other day that it looked to them like the Eisenhower monetary boys were deliberately bringing on a slight recession as the only cure to the problems of prosperity.

Mr. WILSON. Well, under conditions like that, do you think it would be a mistake for a man to pay $800,000 for a herd of cattle?

Senator KERR. Well, that would depend entirely on what was in that herd of cattle. I have seen some herds of cattle that weren't worth $800 and I have seen some that were cheap at $800,000.

Mr. WILSON. You apparently had some confidence in the situation when you and your partner bought that herd of 800 purebred cattle.

Senator KERR. We sure did, but for your confidential information we didn't pay $800,000 for it. You oughtn't to go off the deep end like that with an inference on a subject you don't know a thing in the world about.

Mr. WILSON. What did you pay? The Tulsa World said you paid $800,000.

Senator KERR. The Tulsa World didn't say I paid $800,000.

Mr. WILSON. It is right here. They say that you and your partner hinted that you had paid $800,000.

Senator KERR. Oh, it said that we hinted that we paid $800,000. You said we paid that.

Mr. WILSON. What did you pay?

Senator KERR. If they ask me did I pay a lot of money I might indicate that I did. I paid $500,000 for it, Mr. Wilson. What did you pay for that suit of clothes you have on?

Mr. WILSON. I only paid $85.

Senator KERR. I will tell you that herd of cattle comes nearer being worth $500,000 than that suit does to being worth $85.

Mr. WILSON. Well, it shows that you have a lot of confidence in the future when you put up $500,000 for 800 head of cattle.

Senator KERR. Yes, sir, it certainly did, and I still have it.

Mr. WILSON. Then you weren't so worried about inflation after all.

Senator KERR. Yes, sir.

Mr. WILSON. Are the cattle worth more today than when you bought them?

Senator KERR. Yes, sir.

Mr. WILSON. Now they are really worth the money, and that is not an inflated value?

Senator KERR. That is correct.

Mr. SPIVAK. Senator, may I ask you this question: If things are so bad, what do you think would cure them? Do you have a cure—not a long one.

Senator KERR. Now, Mr. Spivak, you have asked me a question that if you will give me 15 minutes I will be glad to answer for you. If you want me to do it in 15 seconds I will just say I have a cure for it but the limitation on time won't permit me to give it to you.

Mr. SPIVAK. Can you give us one simple little suggestion?

Senator KERR. Yes, sir, the first thing I would do would be to ease the tightness of money. I would operate this Treasury so that we wouldn't pay such a penalty to the moneylenders in the form of such a high interest rate which moneylenders in the form of such a high interest rate which is going to cost the American taxpayers and interest payers $15 billion a year penalty if they put it into full effect. I would ease the credit situation on housing so that the shortage of houses could be met which would result in a tremendous increase in the consumption of supplies, household goods and increase in labor.

Mr. SPIVAK. Are you going to stop inflation by easing credit?

Senator KERR. Well, if tightness of credit has brought it on, Mr. Spivak—you know there is not the historic inflation. The historic inflation is where too many dollars are chasing too few products. That is not the situation now. The thing that is short today is credit and houses. And in the credit field we have got too many borrowers competing for a supply that is too small which has forced the cost of this credit up.

Mr. SPIVAK. Well, Senator, if you have more credit you are going to have more stuff made, you are going to have higher wages, and you are going to have more competition for the people, you are going to keep this inflation thing going higher and higher.

Senator KERR. Not at all.

Mr. SPIVAK. This tight credit thing that was just put on the other day is just the beginning, isn't it?

Senator KERR. It wasn't put on just the other day, it was put on in the last of 1955 and it has been getting worse.

Mr. LAWRENCE. Senator, you have dealt with the President in very personal terms, and I wonder if I might ask you a personal question now: You brought up yourself this question of the President placing his stocks in an irrevocable trust so as to avoid the conflict of interest. Don't you think that maybe that is a better policy than for a Senator to introduce and advocate a bill that would free his own company from Federal regulation and thereby add to its profits? I am now referring to the Natural Gas Act.

Senator KERR. No, Mr. Lawrence.

Mr. LAWRENCE. Let's just compare the two things.

Senator KERR. All right, let's just compare the two things.

In the first place I didn't introduce a bill to free any company from regulation. I introduced a bill in the United States Senate to clarify a previous action of the Congress which had freed it from regulation and to free it from the cold, dead hand of a Federal regulatory body that was trying to impose upon it a regulation which had not been authorized by the law.

Mr. LAWRENCE. The court said it had been, though, didn't it?

Senator KERR. No, not at that time. That was held since. You ought to study these cases before you go to asking me about the gas bill and things like that because I know that subject and if you want to know it I will educate you and I want to tell you right now I never saw a man who needed educating on a subject any worse than you do on that.

Mr. LAWRENCE. Well, now, I thank you for the compliment, Senator.

Senator KERR. Fine.

Mr. BELL. Senator, you said in the Senate the other day that the monetary policies of Government of the Eisenhower administration were going to provide grave issues in 1958 and 1960. Is that a suggestion that there may be some political advantage in attacking the administration's monetary policies?

Senator KERR. I think anything a man does here that helps the people enables him to meet his responsibility and I think it is a political advantage. I want to say to you that there is no political question in this country more important to more people than the fiscal policies of the Government.

You know old Baron Rothschild nearly 200 years ago said this: "Permit me to issue and control the money of the Nation and I care not who makes the laws."

Nearly 75 years ago or a little more than that, James A. Garfield said, "Whoever controls the volume of money in any country is absolute master of all industry and commerce." And the fiscal policies affect the economic welfare of the wage earner, the farmer, the home owner, the consumer. Every citizen. And don't you think that they don't know it. And don't you think that it is not going to be a hot political question next year, and in 1960.

Mr. BELL. I agree with you, Senator, it is going to be a hot political question, you are becoming the No. 1 Democratic exponent of that particular view of the thing. It suggests to me that about 5 years ago we had a President who was from Missouri. Now we have a President who is—depending on your viewpoint, either from Kansas or from Texas. That sort of leaves Oklahoma in the middle.

Mr. SPIVAK. Your question, Mr. Bell?

Mr. BELL. I just wondered if you were going to do anything about that in 1960.

Senator KERR. Mr. Bell, I don't aim to do a thing in the world. You never saw a man any better satisfied where he is than I am nor one who had any more completely disappointing experience than I did in 1952 when I tried to run for President and I am not going to—I am like the fellow who tied himself to the 3-year-old bull. He said after about the second jump he said he saw where he had made a terrible mistake.

Mr. BELL. You are cured?

Senator KERR. I am cured.

Mrs. CRAIG. I am surprised that you brought up Mrs. Eisenhower handling the money. Are you not aware, with most of the people in the country, among the young marriages, the wife does handle the money?

Senator KERR. And I think that is wonderful and I think it was a good thing for Ike that Mamie did handle it. I only used that to show you that the man hadn't had any experience, even in handling $125 and $200 a month.

Mrs. CRAIG. Yes. Did your wife handle it when you were first married?

Senator KERR. And does now.

Mrs. CRAIG. Well, then I don't know how you can complain about Eisenhower.

Senator KERR. I am not complaining. I am just showing you that that proves that he has had no experience, himself.

Mrs. CRAIG. Senator, are you for a tax cut?

Senator KERR. Yes.

Mrs. CRAIG. What kind?

Senator KERR. To increase the personal exemption for the taxpayer and his dependents.

Mrs. CRAIG. That will take a great deal out of our revenue and you are complaining about the national debt being so high. Where will we get the money?

Senator KERR. What did I say about the national debt? I just remarked that a fellow who was going in to handle a Government that had a $275 billion debt ought to know something about it.

Mrs. CRAIG. You are always complaining, I believe, about the national debt and the interest it costs us.

Senator KERR. I am complaining about the increase in the interest that it will cost us because of what Ike has done.

You see, when they passed the tax code in 1954 I led the fight to give that relief to the great mass of taxpayers instead of a greater amount of relief that was in that bill for about 10 percent of the taxpayers and I still favor that.

Mrs. CRAIG. How can you replace the tax money if you give a tax cut?

Senator KERR. What we tried to do 2 years ago if you will remember was to take the provision out of the 1954 code that cost the Government something over $2 billion a year from the accelerated depreciation privilege that was given in that bill which is used by about 10 percent of the taxpayers, and rather than to put that in there at a cost of $2 billion a year we tried to give the average taxpayer an increase in his exemption rate that wouldn't have cost as much.

Mr. SPIVAK. Mr. Wilson. Now, let's keep our questions short. We have only a few minutes.

Mr. WILSON. Senator, as I understand it, you are concerned about inflation. Yet many fiscal experts say the tax cut is inflationary. Would you agree with that?

Senator KERR. Well, I don't think so. Now, I remember when the Republicans came into the 48th Congress they gave a tax cut and no less an eminent personage than Robert Taft led the fight and the basis of his fight was that the tax cut would be noninflationary rather than inflationary.

Mr. WILSON. How much of a tax cut total in dollars would this amount to that you are talking about?

Senator KERR. About $2 billion.

Mr. WILSON. Senator, you speak of the administration planning a moderate recession. Why would any administration want a recession?

Senator KERR. Because Mr. Humphrey and Mr. Burgess came before the committee and Mr. Humphrey plainly said that this rolling readjustment looked to him like it was the best way to take the sharp edge off of this price inflation. That is what David Lawrence said they are trying to do.

Mr. WILSON. Well, why do they want it, though?

Senator KERR. Why do they want that?

Mr. WILSON. Yes.

Senator KERR. They admit that they have failed by their policies to stop this Eisenhower inflation, and they think that would stop it.

Mr. SPIVAK. Senator, do you blame this inflation entirely on Republican fiscal policy?

Senator KERR. I do.

Mr. SPIVAK. Don't you know there is inflation going on all over the world; do you blame that too on the Republicans?

Senator KERR. No; I don't. I want to remind you of this, that according to Mr. Humphrey and Mr. Burgess, we had stability in our price level and if you will look at the economic indicator in the Consumers Price Index, you will see it was about level in 1952, 1953, 1954, 1955, and that this present spiral, Mr. Spivak, started in late 1955 through 1956 and 1957. They brought it about after 4 years of a level Consumers Price Index.

Mr. SPIVAK. My memory may serve me wrong, but didn't we have a little inflation under Roosevelt and under Truman and under the Democrats?

Senator KERR. During the war we certainly did and in 1947 and 1948 after the war, after price controls were taken off, after the great pent-up demand following the war, we did have. But I will tell you this, we have had more in the last 18 months, outside of 1946, 1947, and 1948, than in any peacetime period in the history of this Nation.

Mr. LAWRENCE. You said a moment ago, and I wanted to be sure I heard you correctly, that one way you would pick up this gap in revenues by increasing exemptions would be to repeal the accelerated depreciation clause, which I think you said applied to only 10 percent of the economy, is that right?

Senator KERR. The ones in the 1954 code, that is right.

Mr. LAWRENCE. What percentage of the economy is covered by this extraordinary depletion allowance for the oil industry?

Senator KERR. You see the depletion allowance for the oil industry, Mr. Lawrence—and I am glad you asked that, because I love educating you boys who don't know anything about it.

Mr. LAWRENCE. What percentage?

Senator KERR. It applies to oil, gas, minerals, lead, zinc, coal, it applies to about 75 minerals. Now, whatever percent of the population in this country is engaged in the production or handling of all of the minerals produced in this country, including coal, are affected by that depletion factor directly and you are affected by it indirectly. Because of that, this country has built the greatest domestic oil industry of any nation in the world, which enabled us to have the fuel we needed to win World War I and World War II, and develop the great economy that we have got.

Mr. SPIVAK. Senator, I am sorry to interrupt, but our time is up.

Thank you, Senator KERR, for being with us; and now, here is our announcer.

ANNOUNCER. Goodby for Senator KERR and Meet the Press.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

H. R. 232. An act to amend the Internal Revenue Code of 1954 with respect to the readjustment of tax in the case of certain amounts received for breach of contract, and to restrict the issuance of certificates for rapid amortization of emergency facilities;

H. R. 5168. An act for the relief of William Henry Diment, Mrs. Mary Ellen Diment, and Mrs. Gladys Everingham; and

H. R. 5707. An act for the relief of the A. C. Israel Commodity Co., Inc.

DEPARTMENT OF AGRICULTURE

The PRESIDING OFFICER. The clerk will state the next nomination on the calendar.

The legislative clerk read the nomination of Don Paarlberg to be Assistant Secretary of Agriculture.

Mr. KNOWLAND. Mr. President, I ask that the yeas and nays be ordered on the Paarlberg nomination.

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a statement prepared by my colleague, the senior Senator from Montana [Mr. MURRAY], relating to the appointment of Mr. Don Paarlberg to be Assistant Secretary of Agriculture, be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MURRAY

I submit the following statement relating to the confirmation of the nomination of Mr. Don Paarlberg as Assistant Secretary of Agriculture.

My objection to Mr. Paarlberg is based upon my concern for the farmers of this Nation and my complete disagreement with Mr. Paarlberg's attitude toward the farmers' place in our economy. I have read many of Mr. Paarlberg's public utterances relating to the problems of our farm families, and I am dismayed at the thought of placing in the powerful position of Assistant Secretary of Agriculture a man who has as little sympathy for or understanding of the actual problems of the American farmer as Mr. Paarlberg seems to have.

Mr. Paarlberg advocates that farmers be left to the mercy of the free market. After a good many decades of experience with what happens to the farmers' income and standard of living in Mr. Paarlberg's so-called free market, we have evolved in this country at least a stopgap system of insurance for the farmers' protection, known as the farm price-support program. It is far from perfect, but it is necessary, and the administration of that program is one of the major functions of the Department of Agriculture.

What is the attitude of Mr. Paarlberg toward this price support program? Well, during his confirmation hearing he studiously avoided passing any judgment on it.

But going back to a speech he made in Chicago in October 1950, we get a pretty good idea of his attitudes. The title of his talk was "The Case Against Price Supports." He commented as follows:

"But let us recognize price supports for what they are—a political solution to an economic problem, adding nothing to the net product of the society, costly in terms of administration and use of resources, and involving a certain reduction in the standard of living of us all."

When Mr. Paarlberg speaks of the "reduction in the standard of living of us all," I can only wonder how high he thinks the national standard of living will be if our farm families are to survive at a mere subsistence level or below, caught permanently in the closing vise of falling farm prices and rising farm costs.

Then, later in that same speech, Mr. Paarlberg said:

"First of all, there is much doubt regarding the role of agriculture in a depression and no clear evidence that endeavoring to stabilize agricultural prices would avert a depression."

Well, stabilizing farm prices may not avert a depression if it comes, but I can tell Mr. Paarlberg one thing from well-remembered experience: A failure to stabilize farm prices will certainly make any depression a real rip-snorter. I simply do not know of anything which can be fed to a depression that will give it as much vim, vigor, and vitality as 27-cent wheat.

Mr. Paarlberg has studied the problems of farmers too much in recent years from college campuses and too little on the practical basis of the farms of America. He might benefit greatly from a few months' vacation when he could go out and pull grass with the men who run our farms and get their viewpoint a bit.

I could quote at length from others of Mr. Paarlberg's statements and point out dozens of additional points at which I disagree with him, but I think this would not be profitable. Mr. Paarlberg was questioned at length about many of his views during his confirmation hearing, and his answers are in the printed record for all to see. I simply disagree too heartily with too many of his views to be able to believe that his confirmation would be either in the interest of the farmers of the country or the Nation at large. For this reason I shall vote against the confirmation of his nomination to be Assistant Secretary of Agriculture, and I urge my colleagues to do likewise.

Mr. HOLLAND. Mr. President, as I understand, the nomination of Don Paarlberg to be Assistant Secretary of Agriculture is now before the Senate.

The PRESIDING OFFICER. The Senator is correct.

The Senator from Florida will suspend until the Senate is in order. The Senate will be in order.

The Senator from Florida may proceed.

Mr. HOLLAND. Mr. President, I desire to report to the Senate the outcome of the hearings before the subcommittee and the action in the full committee upon the nomination of Don Paarlberg to be Assistant Secretary of Agriculture.

A subcommittee of five members was appointed by the Senator from Louisiana, the Chairman of the Senate Committee on Agriculture and Forestry, to conduct the hearings on this nomination.

The PRESIDING OFFICER. The Senator from Florida will please suspend and will not continue until the Senate is in order.

Senators will kindly resume their seats. Senators and other persons upon the floor will please refrain from conversation. The Senator from Florida will please suspend his remarks until there is order in the Chamber.

The Senator from Florida may proceed.

Mr. HOLLAND. Mr. President, I was appointed by the chairman of the full committee to be the chairman of the subcommittee to conduct hearings on the Paarlberg nomination. Hearings were held on July 20 and August 7, 1957. A copy of the printed hearings is, I believe, on the desk of every Senator.

The action of the subcommittee, after the hearing was concluded, resulted in 3 votes for confirmation of the nomination, and 2 votes against.

The action of the full Committee on Agriculture and Forestry was taken on August 8, 1957. The full committee reported, at first, on the basis of 8 votes for confirmation of the nomination, and 4 votes against. Later, the absent members of the committee were polled.

Mr. President, if I may be allowed a courteous hearing, I would appreciate it very much.

The PRESIDING OFFICER. The Senator from Florida will suspend and will not continue until there is complete order in the Chamber. The Senate will be in order.

The Senator from Florida may proceed.

Mr. HOLLAND. Upon the first vote, the result was 8 to 4 for confirmation. Upon recording the votes of Senators who, for one necessary reason or another, could not be present at the time of the first vote, the total vote was 10 for confirmation of the nomination and 5 against.

Dr. Paarlberg was nominated to serve as Assistant Secretary of Agriculture to replace the retiring Assistant Secretary, Dr. Earl Butz. He was nominated also to serve as a member of the Board of Directors of the Commodity Credit Corporation. I take it that while this vote is to be upon the first of the appointments, it might be considered as applicable to both appointments. I do not know of any effort to have two separate proceedings on the nominations and I hope there will not be.

Mr. Paarlberg, as is shown on page 1 of the hearings, was born at Oak Glenn, Ill., June 20, 1911.

He grew up on a farm near Crown Point, Ind. I read the following from his biography as printed on page 1 of the hearings:

Active in college extension programs, farm organizations, and rural youth work.

Teaching and research work in the general field of agricultural prices.

Member of the staff of the department of agricultural economics at Purdue University for 6 years.

Economic consultant for various firms dealing in agricultural products.

I do not recall the names of the firms—there were two, I believe—which are shown by the record to have been served by Dr. Paarlberg in that capacity.

He was secretary-treasurer of the American Farm Economics Association in 1951–52.

He was a delegate to the International Conference of the Agricultural Economists at Stresa, Italy, in 1949, and at Helsinki, Finland, in 1955.

He has been assistant to Secretary of Agriculture Benson since January 1953.

Without laboring the matter at great length, I think what I have said might be stated to be a résumé of his business career.

Dr. Paarlberg did not go to college until he was 25 years old. He worked on a farm until that time. As a result of obtaining a scholarship to start his education, he was enabled to attend college at Purdue, where he was graduated with a bachelor's degree. Later he took his doctorate in agricultural economics at Cornell University.

Dr. Paarlberg has served since 1953 in the position he now occupies; and he has frequently appeared before the Senate Committee on Agriculture and Forestry, and has testified on several different measures.

My own opinion of him—formed from listening to him during 4½ years—is very high. I think he is a gentleman of high honor. I think he is well informed in the field of agricultural economics; and, in general, I think he is a very courageous man who is perfectly willing to take his position, even though it may not be in accord with that of the Senators questioning him or even though it may not be in accord with the Secretary who is looking to him for assistance, or regardless of whether it agrees with the opinion of anyone else. His philosophy is very definitely that of the Secretary of Agriculture; and Dr. Paarlberg made that abundantly clear in the course of the hearings. I think the members of our committee have full knowledge of that, by reason of his appearance through the years.

Mr. President, without attempting to meet points which may be advanced—and I realize that there are Senators who do not think Dr. Paarlberg is properly qualified to serve in this position, and I respect their view, and they have every right to take it if they feel that way about it—it seems to me that the principal objection to Dr. Paarlberg is that his philosophy is that of the Secretary of Agriculture, to whom he would be an assistant, in the event his nominations to these two positions should be confirmed.

Two things in particular were held against him in the hearings, and they are the only things I shall mention at this time.

One was that in a speech delivered in Massachusetts to a group of farmers Dr. Paarlberg had made some reference to the fact that the farmers had been "living in a dream world"—or words to that effect—during the war and the immediate postwar period. I requested Dr. Paarlberg to produce the speech referred to; and the full text in reference to that particular quotation may be found on page 4 of the hearings. I shall read it at this time. This is a quotation of a part of the speech in which that particular reference appeared:

Net farm income is down close to 30 percent since the immediate postwar years, it is true. But let us remember that the war and postwar years were the best ones farmers ever had. These were years when our mar-

kets reflected the food needs of war-ravaged Europe.

These were years when automobiles and housing and television sets did not offer as much competition for the consumer's dollar as at present. It was before farmers' costs, such as freight rates and the price of machinery, reflected the full impact of inflation. They were years of good yields, high prices, and low costs, an unusual combination that never occurred previously, to a like degree, and may never occur again.

There was a time during the war and postwar period when many farms were bought and paid for in a fraction of the time it usually takes. There were years, out in the Great Plains, when the value of a single crop exceeded the sale price of the land on which it was grown. This was a dream world, and no one expected it to last. Congress did not expect it to last; legislation was passed to "cushion the shock of readjustment."

Professional economists did not expect it to last; they warned farmers that the recent past was not the new normal. The trade did not expect it to last; for long periods of time prices on the futures markets were low relative to cash prices. Farmers did not expect it to last; they were conservative about land values. They avoided speculation. They paid off debts and accumulated savings.

The point I am making is that the war and postwar years were not normal years; they were the best years we ever had.

Few things look good when compared with the best you ever had.

Mr. President, I cannot find any fault with that statement, even with the inclusion in it of the words "dream world," which seem to have occasioned resentment in some quarters, because it seems to me that it is entirely true that the conditions obtaining in the immediate postwar years were anything but normal, and that they could not have been regarded by anyone as being anything other than fantastic, when viewed against the normal. I have no fault to find with anyone who uses the words "dream world," as applied to that situation.

The other matter about which there were particular complaints was the fact that in a speech delivered in October 1950, before Dr. Paarlberg came to Washington, he made a particular statement with respect to price supports. The speech was entitled "The Case Against Price Supports." Quotations from the speech will be found in the hearings, particularly at page 98, and briefer quotations will be found on pages 99, 100, and following pages. At any rate, Senators can refer to those quotations if they wish.

When questioned about the occasion for the speech, which was delivered before Dr. Paarlberg held any official position, Dr. Paarlberg stated—and now I quote from page 98, where we find that he was asked, "Don't you think that is a little strong about price support, the ethics of one group having its hand in the pockets of another?"; Dr. Paarlberg replied:

Well, I think it is appropriate to raise the question. As the title of that speech indicates, I was giving the case against price supports. That speech did not purport to be a balanced, considered judgment of all the pros and all the cons. I think it is an appropriate question to raise. The language may be a little blunt.

Later, Mr. President, question arose as to where and under what circumstances the speech was delivered. Dr. Paarlberg said that to the best of his recollection at that time, it was delivered while he was teaching at Purdue University, and he thought it was delivered to a conference which was held at Purdue. Later, when he was asked to supply the details in that connection for the record, and after he had access to his notes, he supplied the following explanation, which is to be found on page 104 of the hearings:

(Mr. Paarlberg later supplied for the record the fact that this speech was made to a group of processors who were drying eggs to sell to the Government under the then-current egg price-support program. The speech dealt primarily with price supports for eggs. The meeting was also addressed by men from the Department of Agriculture who explained and defended the price-support program for eggs.)

Mr. AIKEN. Mr. President, will the Senator from Florida yield to me?

Mr. HOLLAND. I yield.

Mr. AIKEN. The Senator from Florida may recall that it was not brought out at the hearings that Dr. Paarlberg was proven completely correct in the assertions he made at that time, because the price-support program for eggs became so ineffective that Secretary Brannan canceled it in the year 1950. It reached the point where it simply was not workable. Some of the eggs which were powdered became contaminated. It was claimed that some persons became sick from eating them; and the armed services would not use the Commodity Credit Corporation eggs in the field, because the armed services did not dare risk the health of the soldiers. Thus it may be recalled that Secretary Brannan canceled the entire egg-buying program.

So the situation was even worse than Dr. Paarlberg said it was.

Mr. HOLLAND. At any rate, that is the background—at least as it is shown by the hearings—of the occasion for the speech and of the nature of the presentation, which was ex parte, and was issued in planned opposition—as Dr. Paarlberg says in his explanation—to statements made by representatives, at that time, of the Department of Agriculture. The men who explained and defended, as Dr. Paarlberg states, the price-support program for eggs may still be in the Department of Agriculture. I do not know who they were.

Mr. AIKEN. Evidently it was a panel, where one side undertook to make out the strongest possible case for price supports; and the other side, represented by Dr. Paarlberg, undertook to make out as strong a case as possible against them; and I suppose the discussion went on from there.

Mr. HOLLAND. I would judge that was the case. When Dr. Paarlberg stated very clearly, in the beginning, he was making a case against price supports, and it had been assigned to him and it was made 3 years before he came to the Department, I was not particularly concerned with it, and I think the explanation should satisfy practically anyone who wishes to look at it.

Mr. AIKEN. Inasmuch as it was not brought out in the hearings, I believe, there should be placed in the RECORD the fact that the egg-purchase program referred to was canceled by Secretary Brannan as a completely unworkable program.

Mr. HOLLAND. Of course, the Senator is correct about that. The Senator from Florida and the Senator from Louisiana [Mr. ELLENDER] offered an amendment shortly before that to knock out the price-support program for Irish potatoes. We had eggs scheduled for the next treatment. Before we got back to consider it again, the Secretary himself had knocked out egg supports.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from North Dakota.

Mr. YOUNG. My own impression is that Dr. Paarlberg has been opposed to all kinds of price supports. Can the Senator point to any speech in which he said he was in favor of price supports of 75 percent or 85 percent or 90 percent, or any kind of price supports?

Mr. HOLLAND. I have not checked any speeches except those brought out at the hearing. I may say Dr. Paarlberg was very explicit when questioned on this subject, stating he did favor price supports. His idea of price supports is not in accord with that of those who want high, rigid price supports. To the contrary, I suspect Dr. Paarlberg is guilty of the high crime of feeling about as the Senator from Florida feels on the question of price supports for all basic commodities except tobacco. If he be guilty of high crimes and misdemeanors in adopting that attitude—which, by the way, is following his chief—the Senator from Florida would have to plead guilty to that crime also, as would the American Farm Bureau Federation, which has taken that position for a long, long time.

Mr. YOUNG. My understanding is that the Republican Party is on record as favoring flexible price supports from 75 to 90 percent. I do not believe could be found anywhere a statement showing that Dr. Paarlberg ever defended that kind of program. He wanted supports to be lower than that.

Mr. HOLLAND. I would not know about the position of the Republican Party. I may say to my distinguished friend I thought Dr. Paarlberg made it rather clear, in responding to direct questions, that he did favor price support programs and that they were necessary under present conditions; but his idea of price supports levels and methods do not agree with those of my distinguished friend. The Senator from North Dakota and I do not agree on it, but I do not think he is anything less than the best friend of agriculture. In my experience I do not know of anyone who has worked harder for agriculture. We differ on those matters. I do not feel that the mere fact that Dr. Paarlberg in his philosophy agrees with the Secretary whom he is appointed to serve can be urged as a sound reason for opposing him. In the course of my rather brief membership in the Senate I have approved the nominations of men for higher positions than the one under consideration, for instance, as Secretary

of the Interior and as members of the Cabinet, under both President Truman and President Eisenhower, with whose personal views I did not agree. However, I feel that the people decide at the general elections what kind of philosophy they want to prevail. Whether they decide the question rightly or not, the men who are elected to high office are entitled to have in their official families men who agree with their philosophies. I shall never oppose an honorable and a trained man, who I think is qualified otherwise, simply because his philosophy is different from mine, if he is qualified to hold the position and to discharge it as a subordinate of the man whom he is appointed to help. I think my duty in that regard is discharged when I have found out that he is honorable, that he is courageous, that he is experienced, and that he is well trained. I shall not fall out with him about his philosophy.

Mr. President, I had agreed to yield to the Senator from Missouri.

Mr. SYMINGTON. I think the distinguished senior Senator from Florida knows how anxious we both are to have the RECORD clear.

Mr. HOLLAND. That is correct.

Mr. SYMINGTON. With respect to the statement made that Dr. Paarlberg's talk was made in a debate, let me say that we have investigated the matter to the best of our ability. We find no evidence of any debate. The talk in question was made at the Sherman Hotel in Chicago on October 1.

Mr. HOLLAND. Of what year?

Mr. SYMINGTON. 1950. To the best of our knowledge, Dr. Paarlberg was the only speaker. Nor did he, in the talk, confine himself to eggs. The implication might be given that it was a speech about eggs. Let me quote the speech itself:

> Price supports for farm products are based on the assumption that a dollar is worth more in the pocket of a farmer than in the pocket of anyone else.

"Price supports for farm products," he said, not price supports for eggs. He said further:

> I do not intend to inquire into the merits of this assumption, though I have many doubts concerning it. In any case, we are engaged in the process of transferring dollars from pocket to pocket, even though a considerable amount of change is lost in the process.
>
> There are two aspects to this process of transferring dollars. One is the short run effect, which is a net gain to the farmer and a net loss to the consumer. The other is the long run effect, which, I maintain, is a net loss to all groups. The short run effect is understood by all; the long run effect is more subtle, but is perfectly clear to those who are willing to try to understand it. I shall discuss price supports for the commodity eggs as an example; much of what I shall say can be applied to other commodities.

I say to the distinguished Senator from Florida this was not a talk limited in content or application to the subject of eggs.

The Senator mentioned that a reason why he thought it would be a good idea for the Senate to confirm the nomination was that Mr. Paarlberg fully supported the theories of Secretary Benson. In the remarks I shall make later, I shall take issue with my able friend from Florida because, in my opinion, the record proves that Secretary Benson's thoughts were not considered nearly so radical, in connection with the reduction of farm supports, as were those of Dr. Paarlberg. I shall later read into the RECORD some of the things Dr. Paarlberg said in that connection.

Mr. HOLLAND. I thank the Senator from Missouri. My position is simply this, Mr. President and Senators: I think this man is a clean man, an honorable man, a qualified man. I think he has comported himself with great ability in his dozens of appearances before our committee. I could not possibly feel he is disqualified to serve in this important capacity. To the contrary, I think Secretary Benson is thoroughly within his rights in choosing a man who has been loyal to him and loyal to the same ideas he, as Secretary, espouses. I certainly would want a showing different from that produced in this RECORD before I would consider seriously voting against the confirmation of his nomination.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from Minnesota.

Mr. HUMPHREY. I wish to say I would concur in what the Senator from Florida has said about Dr. Paarlberg as an individual. I think he is a clean man. I think he is an intelligent man. I am sure he supports the policies of Mr. Benson, and I gather he supports the policies of the President.

Having said that he is a man of good character, honor, and integrity—which I believe he is—and that he is intelligent, my only comment is that his judgment on agricultural matters is not quite so good as his intelligence.

The only thing I hold against Mr. Paarlberg, in fact—and I want to be quite clear about it—is that he has been the economic architect of the economic policies of the Department of Agriculture. I know that the Senator from Florida believes, as I generally believe, that the President has a right to select his own appointees, unless we find something grossly wrong with them.

Mr. HOLLAND. Within the limitations I mentioned.

Mr. HUMPHREY. I think the limitations mentioned by the Senator were what would generally be considered to be fair and proper limitations.

The issue, however, as to the confirmation of Mr. Paarlberg's nomination—and I say this so that my position may be quite clear about it, though I am sure it is clear to the Senator from Florida—is simply whether we should once again ratify not only the man but ratify one who has been a philosopher in the Department, an economist in the Department, and one of its most articulate spokesmen, with whose philosophy I cannot agree, whose economics I think would lead to grave economic trouble, and whose general attitude on agricultural policies I feel is not sound.

I am not going to debate the issue tonight with any venom or vitriol, because we had a wonderful opportunity to visit with Dr. Paarlberg. He was a good witness. He answered our questions. He came at the request of the committee.

I feel that tonight Senators are going to be called upon not only to pass judgment on a man but to pass judgment again on a policy.

Mr. HOLLAND. Mr. President, the Senator from Minnesota is very fully and courteously stating the position he stated at the time of the hearings. I shall quote the record, because I think it is so completely in accord with what the Senator from Minnesota has stated at this time.

> Senator HUMPHREY. I want to say, Dr. Paarlberg, that I for one would never contest your courage.

Earlier some Senator—I believe it was the senior Senator from Minnesota [Mr. THYE]—asked Mr. Paarlberg if he had the courage to stand up for his convictions. A little bit later the Senator from Minnesota [Mr. HUMPHREY] had this to say:

> Senator HUMPHREY. I want to say, Dr. Paarlberg, that I for one would never contest your courage. You have great courage and you have a sense of personal integrity which I think is most admirable and your views as I have heard them revealed here and as I have read them are in support of administration policies on agriculture.
>
> I must confess that in my mind that doesn't help you as to my reaction to your confirmation but this has no personal reflection upon you, sir, for your sense of personal integrity and your courage and your ability to defend your position. You do a very good job of it.
>
> Mr. PAARLBERG. Thank you.
>
> Senator HUMPHREY. I personally have some disagreement over the point of economics involved.
>
> Mr. PAARLBERG. I understand that and I have thorough respect for your view, Senator, and for your view, Senator SYMINGTON. I do indeed feel that there are honest differences of viewpoints that have been very effectively expressed around this table today.

I may say that the hearing was a most pleasant one for an onlooker, and the Senator from Florida was for the most part an onlooker. The exchanges between both Senators and Dr. Paarlberg were most pleasant and most cordial. I think there were some similar words used, though I shall not attempt to quote them, in which the Senator from Missouri [Mr. SYMINGTON] expressed, though not quite so forcefully or fully, his view that the trouble with Dr. Paarlberg was his philosophy.

I think the Senator from Florida very fully, and I hope fairly, has stated the situation. He does not question the right of the Senator from Minnesota, the Senator from Missouri, or any other Senator to adopt a different position, but the Senator from Florida throughout the years has found that it is not his philosophy which has to be satisfied when important appointments come before him. Questions as to integrity, as to experience, as to character, as to training, as to intelligence, as to aggressiveness and as to courage are involved. When one goes beyond that, speaking about executive department appointments, such as we are now considering, one must yield some freedom to those in authority to choose men of like

points of view. I certainly do accord that freedom.

As I say, I frequently have been called upon to act on appointments about which I had some question. I could mention certain instances, but that might be regarded as simply being disagreeable. I do not think it is necessary. I have been frequently called upon to vote to confirm nominations of persons who, I thought, did measure up to the standards I have mentioned, although their points of view were not in accord with mine but were satisfactory to the appointive power.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from Vermont.

Mr. AIKEN. There seems to be something of a misunderstanding, Mr. President. When the Senator from Missouri and the Senator from Minnesota very openly and pleasingly commended Mr. Paarlberg because he would not yield from his belief and he would not state that he would do things differently if his nomination were confirmed, it appears that the Senator from Missouri and the Senator from Minnesota are indicting the policies which Mr. Paarlberg is undertaking to carry out. It may be that Secretary Benson and Dr. Paarlberg have some belief about those policies and would like to make some changes in them, but I wish respectfully to point out that the policies which they are carrying out were laid down by a majority of both Houses of the Congress, and not by the administration. In fact, the administration did not approve 100 percent all the policies laid down by the Congress.

In practically every case, so far as I know, Dr. Paarlberg is undertaking and will undertake to carry out the policies laid down by the Congress, even though he may think they could be improved in some respects. Possibly they could be improved upon. I, myself, think so.

So the indictment should not be against Dr. Paarlberg. The indictment should be against Congress.

Mr. HOLLAND. Mr. President, I may say that I yield to every Senator the right to make indictments as he sees fit, but I see the matter as does the Senator from Vermont. I am not finding fault with my friends who feel otherwise.

Mr. HUMPHREY. Mr. President, will the Senator yield for a brief observation?

Mr. HOLLAND. I yield.

Mr. HUMPHREY. The point is that in a presidential appointment such as this we are asked to give advice and consent. My advice to the Senate is, "Do not confirm him." And, so far as my consent is concerned, I say, "Never, never."

I do not believe Mr. Paarlberg's nomination should be confirmed. He is not only what one might call a loyal and trusted servant of the administration, but this man is an able man. Make no mistake about that. I respect his ability. Not only does he say that he will administer the policies which are laid down, but he also would like to change them. From what I hear about the changes, they would not help much.

I must say the one vote in my public career I should like to withdraw, if I could, would be the vote I cast to support the philosophy laid down by our good friend, the Senator from Florida, with regard to the Secretary of Agriculture. As I recall, I was one of those misguided souls who voted to confirm his nomination.

The distinguished junior Senator from North Dakota [Mr. YOUNG] did not become involved in that kind of of misinformation and misguided attitude. He took a firm position at the beginning. I want to pay tribute to the Senator. I have learned from him. Tonight as he has again asked some penetrating questions I have felt that he is a great teacher looking over at the students to say, "This time stand firm. Be like those Spartans at the Pass of Thermopylae." I want to say that if Mr. Paarlberg is a Persian, he is going to have a tough time getting through.

Mr. HOLLAND. Mr. President, the tone of this meeting is as pleasant as was the tone of our hearing. In fact, it is going along the same line.

I hope the Senator from Minnesota will not feel too guilty about casting the vote which he mentions, because if he were in my State and counseled with the people of my State, he would find it very popular, because the people there strongly support, in the main, the policies of the present Secretary of Agriculture.

Mr. President, there are two other things I should mention. I apologize to the Senator from Missouri [Mr. SYMINGTON] for taking more time than I had intended.

The first item is that I do not believe I mentioned the fields of service which Dr. Paarlberg would handle as an Assistant Secretary. One of them is the Foreign Agricultural Service. The second, related to that, is Public Law 480.

I believe it appears in the RECORD that both distinguished Senators who have been on their feet in opposition have stated their very strong approval of the attitudes of Dr. Paarlberg with reference to Public Law 480 and his administration of that law in the event it should be entrusted to him.

The other fields which he would handle are the fields of Agricultural Marketing Service and the statistical department of the Department of Agriculture. He would not be directly in the price-support field; and that seemed to me to be yet another reason why we should not be too greatly concerned with his attitude on the price-support question.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. AIKEN. Would the Senator care to insert in his remarks at this point what Dr. Paarlberg said relative to Public Law 480?

Mr. HOLLAND. Where is it to be found?

Mr. AIKEN. On page 130 of the hearings. The Senator from Minnesota was questioning Dr. Paarlberg.

Mr. HOLLAND. I am glad to follow the suggestion of my able friend from Vermont. The Senator from Minnesota asked this question:

> Senator THYE. Dr. Paarlberg, as to Public Law 480. We of course from time to time are faced with the question of whether to extend Public Law 480. What is your attitude toward Public Law 480?
>
> Mr. PAARLBERG. I am in favor of Public Law 480. I think it is a good law. I think that it has accomplished a good deal for agriculture. It has been generally wisely administered. Its achievements have been more favorable than I anticipated.

There is more to the same effect. There was direct questioning on the same subject by the Senator from Missouri and the Senator from Minnesota. As I remember, the junior Senator from Minnesota questioned Dr. Paarlberg more in this particular field than did any other member of the committee, and then expressed his very warm appreciation of Dr. Paarlberg's attitude on the subject.

Mr. President, I believe that is all I care to say. I have simply tried to state the facts as they were brought out before the committee and to state my own feelings about Dr. Paarlberg's record, his showing, and his entitlement, as I see it, to speedy confirmation by the Senate of his nomination.

I hope the nomination will be confirmed.

Mr. President, I yield the floor.

Mr. SYMINGTON. Mr. President, in the discussion between the able Senator from Florida [Mr. HOLLAND], and the able Senator from Vermont [Mr. AIKEN], there was defense of a talk made in 1950 by Dr. Paarlberg, the nominee. Back in 1954, in a talk at Cornell University, before the Cornell Economics Seminar, Dr. Paarlberg made some statements which it would be very difficult, if not impossible, to defend on the same grounds that have been used in an attempt to defend his earlier statement. I shall quote from that speech.

In referring to the role of the economists in the Department of Agriculture in the drafting of the Agricultural Act of 1954, Dr. Paarlberg said:

> Definite limits were imposed on our work from the start.
>
> There was the Republican platform, there were the campaign promises, and there was the Secretary's policy statement.

Mr. President, it is obvious from that remark that Dr. Paarlberg does not agree with Secretary Benson. He believes that the administration should have gone further in lowering price supports than it did. He said, speaking of the limitations which he mentioned:

> These were subject to interpretation, within politically acceptable limits.
>
> But they nevertheless set boundaries within which the recommendations coming from our studies were required to fall.
>
> We had to come up with a program that gave a substantial amount of price support.

He said later in the speech:

> How much economic commonsense is there in this program?
>
> Perhaps as much as the political climate would allow; the extremely narrow margin by which it passed the Congress is evidence of that fact.
>
> Certainly it involves a change in direction toward more reliance on the forces of the market.

It provides a beachhead of price flexibility which may in time be enlarged.

Certainly it is fair for us to conjecture what that means. Inasmuch as the Secretary of Agriculture has now backed a bill which could bring cotton supports down to zero, an enlarged beachhead on cotton might well be no price supports at all.

Dr. Paarlberg continued, on the same subject:

This accomplishment was noteworthy, coming as it did in an election year, with declining farm prices, and in the face of repeated warnings that farmers would punish at the polls those who would vote lower price supports.

So I appraise it as a victory for economic commonsense, though not so decisive a victory as many of us would have liked.

What is it that Dr. Paarlberg is appraising as a victory for economic commonsense? The answer is clear and obvious—lower price supports. Therefore the next phrase of his speech is even more interesting:

So I appraise it as a victory for economic commonsense, though not so decisive a victory as many of us would have liked.

Mr. President, it would be interesting to note what Dr. Paarlberg's program would be today if he had not been restrained "by the Republican platform"; if he had not been restained by "the campaign promises of President Eisenhower"; and if he had not been restrained by the "Secretary's policy statements."

Note well this latter statement. Dr. Paarlberg is on the record that he would go farther than Mr. Benson if he had not been limited.

Most farmers in America can shudder at the thought of what this decisive victory would have meant to their incomes.

Mr. President, this is the record.

I shall continue later with a few further remarks on this subject.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. SYMINGTON. I shall be glad to yield, but before doing so, I congratulate the able junior Senator from North Dakota for his splendid remarks on this subject. As all of us know, he is one of the authorities on the farm programs of the United States, and his actions are always in the best interests of the family-sized farms.

I now yield to my distinguished colleague from Washington.

Mr. JACKSON. I take this opportunity to express to the distinguished junior Senator from Missouri my appreciation for the very able work he did in the Committee on Agriculture and Forestry in bringing out the facts with reference to this important nomination.

I compliment the distinguished and able junior Senator from Missouri for the excellent presentation he is making on the floor of the Senate in connection with the nomination.

It is obvious that the philosophy of this nominee, who apparently is a very fine man personally, is not in the best interests of the American farmer and the family-sized farm. The able Senator from Missouri is rendering a great public service in bringing out these facts on the floor of the Senate this evening.

Mr. SYMINGTON. I thank the distinguished Senator from Washington for his kind remarks. I am deeply grateful for his honoring me by the statement he has just made.

Mr. President, the Senate is being asked to confirm, for high administrative office, the nomination of Dr. Don Paarlberg, Chief Economic Adviser to Secretary of Agriculture Benson, for the position of Assistant Secretary of Agriculture in charge of marketing and foreign agriculture.

After carefully studying the record of this gentleman, I oppose this nominee, not on the basis of his personal character, but because it is clear that his philosophies are against the best interests of most farmers—the people he is supposed to represent.

If administrative experience is important for good government, then I believe a vote for Dr. Paarlberg is a vote against good government—and the record proves it is a vote against the family size farmer, as well as the small town which that type of farm supports.

In passing, there is not a single argument that can be made to justify the continuation of small business which cannot also be made to justify the continuation of the family size farm; and vice versa.

We are all in this farm program together.

Dr. Paarlberg has had no managerial experience whatever; therefore, it appears wrong to me for the Senate to approve his nomination for a high position in a Department already riddled with management problems.

In addition, Dr. Paarlberg is generally considered the leader of the current brain trust in the Department of Agriculture; therefore, he is one of those primarily responsible for the policies of that Department in recent years.

Dr. Paarlberg has publicly stated that his recommendations "have been influential in the position that the Secretary and others have taken."

There are those who say, "If Dr. Paarlberg believes in the philosophies of Secretary Benson, why not let the latter have him?"

But if one believes the policies of Mr. Benson are wrong, I plead with him to give consideration to the fact that the record proves Dr. Paarlberg's aversion to support of the farmer is far greater than that of Mr. Benson.

Dr. Paarlberg has even stated that his recommendations had to be watered down to meet political limitations, and an examination of his speeches proves conclusively that this is true.

Such an analysis of his talks, plus his recent testimony, may not show what he is for. But they do show what he is against—the family-size farmer.

Let us look at the record of what his policies have done to the American farmer.

In 1952, the year prior to that in which the Benson-Paarlberg group, in effect, obtained control of the destiny of the American farmers, parity for those farmers was 100.

Those who know and understand parity know that 100 percent of parity is 100 percent justice—no more, no less.

Last year it was 83—a drop of 17 percent from the 1952 average—the last year with an average parity as high as 100.

Total farm income, after inventory adjustments, has dropped from $15.1 billion in 1952 to $11.6 billion in 1956—a decline of 23 percent.

Average per capita net farm income from all sources—that includes the income from off the farm by those who could not support themselves on the farm—was $953 in 1952. Last year it was down to $902.

In other words, in my State, and in the States of many other Senators, there are men who work all day on the farm and then go into town at night and work at whatever jobs they can obtain. Then they go home and start working on the farm again at great physical strain. Many such cases have come to our attention in Missouri. Despite the small amount of additional money they have made by working off the farm—incidentally following the advice of Secretary Benson to get some work in town—their income has dropped from $953 in 1952 to $902 in 1956.

At the same time the average per capita net income of the nonfarm population increased from $1,833 to $2,018.

Many believe that these are planned policies—planned to reduce the number of American farmers; and in that way give more prosperity to those who remain.

Mr. KERR. Mr. President, will the Senator yield?

Mr. SYMINGTON. I yield.

Mr. KERR. A few days ago I was discussing the farm problem with one of the high officials of the Treasury Department. The discussion came up in connection with the administration's fiscal policies and their effect, and the monetary control policies and their effect, upon the economy, particularly upon the American farmer.

The gentleman looked at me with a very straight face and spoke just as seriously as if he were talking about the business of eating, sleeping, or exercising, or the matter of food and shelter.

He said, "Senator, don't you know that we have far too many farm families in America, and that the uneconomic farm unit has to go?"

I said, "My friend, do you realize you are talking about human beings—American men, women, and children?"

He said, "So what? If they are an uneconomic unit, there is no place for them in this economy."

In view of what the distinguished Senator from Montana has just said about what appears to be the program of this administration, I presume referring, in part, to the Department of Agriculture—namely:

Many believe that these are planned policies, planned to reduce the number of American farmers; and in that way give more prosperity to those who remain.

Would not the Senator consider it to be a fact that such a policy is a well-known and established fact when members of even another department of the executive branch of the Government frankly and boldly make the statement that there are too many farm families

in this country, and that the uneconomic farm unit has to go?

Mr. SYMINGTON. There is no question about the accuracy of the distinguished Senator's statement. I remind him of the remark which was made by the present Under Secretary of Agriculture several years ago, when he said that the marginal farms should be turned over to grass or fallow. That was when the great senior Senator from Georgia [Mr. RUSSELL] said that he felt the difficulty would be they had not yet taught the farmers' children how to digest grass.

Mr. KERR. I thank the Senator.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. SYMINGTON. I yield.

Mr. JOHNSTON of South Carolina. Is it not true, also, that the Department of Agriculture has been successful in putting many small farms out of business?

Mr. SYMINGTON. The answer to that is based on their own record. In the last 4 years, under the program of the present administration of the Department of Agriculture for the elimination of the family-sized farm by their own figures we have lost more than 470,000 farm families. I have been told by the able Senator from Oklahoma [Mr. KERR] that those figures actually are considerably larger than 470,000.

Mr. JOHNSTON of South Carolina. Is it not also true that a limitation has been made, namely, that no loan will be made unless the farmer produces a certain amount of cash crop, and the amount has been fixed at $2,000?

Mr. SYMINGTON. That is correct.

Mr. JOHNSTON of South Carolina. Does not that prevent a great many of the small farmers from obtaining loans from the Department of Agriculture?

Mr. SYMINGTON. There can be no question about that. It is simply another part of the planned elimination of the small farmer.

Mr. JOHNSTON of South Carolina. We know the farmer grows many things which never are turned into cash. Therefore, those things are not included in figuring the cash crop.

Mr. SYMINGTON. Of course.

Mr. KERR. Mr. President, will the Senator from Missouri yield to me?

The PRESIDING OFFICER (Mr. TALMADGE in the chair). Does the Senator from Missouri yield to the Senator from Oklahoma?

Mr. SYMINGTON. I yield to my able colleague from Oklahoma.

Mr. KERR. I should like to ask about two things. First, is it not a fact that today the average income per farm family is very little, if anything, above $2,000 a farm?

Mr. SYMINGTON. The average income per capita, today, in the case of farmers——

Mr. KERR. I am talking about the income per farm unit.

Mr. SYMINGTON. I cannot answer as to that. But the average per capita income of farmers today is just over $600 from the farm.

Mr. KERR. From the farm?

Mr. SYMINGTON. That is correct.

Mr. KERR. The Senator referred to a statement by the Under Secretary of Agriculture who, I believe, is Mr. Morse.

Mr. SYMINGTON. Yes, Under Secretary True D. Morse.

Mr. KERR. As I recall his statement, it was that the marginal farmer must be eliminated.

Mr. SYMINGTON. Let me read Mr. Morse's statement, which a member of my staff has just handed to me.

This was said on April 24, 1953, just as this group began to go to work to eliminate the family-size farm:

> Under Secretary True D. Morse said price-support programs tend to keep the inefficient farmer in business, instead of allowing the normal, healthy adjustment which should take place in agriculture—

Which is just what the distinguished senior Senator from Oklahoma says he was told a few days ago in the Finance Committee.

Under Secretary Morse is further quoted as follows:

> Inefficient producers may either be forced out of business or else "farm the life out of their farms" to pay the bills. He felt it would be better if the marginal farmer got out of farming and into industry—

At that point I should like to ask, where are the jobs for them in industry, in view of the fact that layoffs in industry are now occurring by the tens of thousands?

I read further:

> and then his land should be turned over to grass or trees or other soil-conservation practices.

That caused the remark by the senior Senator from Georgia.

Mr. KERR. I am glad to have the exact words. As I remembered them, he had indicated that his judgment was that marginal farmers should be eliminated.

Is it not a well-known fact that the Department of Agriculture has succeeded in putting that policy into successful operation?

Mr. SYMINGTON. I would answer that partially "Yes" and partially "No," because even though the Department of Agriculture has applied its policies in order to get rid of the small farmers, in order that the remaining farmers would be wealthier, the actual facts are that in 1952, when the present administration came into power, the average per capita net farm income was $953; but after the administration and the Department of Agriculture eliminated 470,000 farm families—in other words, millions of people—in order that the remainder would have more income, nevertheless, under those policies the income dropped to $902 a year.

Mr. KERR. The latter are 1956 dollars, which are approximately 5 percent less in value than the 1952 dollars.

Mr. SYMINGTON. The Senator from Oklahoma, who is a great authority on the entire financial structure of the Government, would know that better than I do. But I am sure the reduction is at least that much.

Mr. KERR. Very well. I believe the Senator's answer to my question is that in the case of the purpose of the present administration and the Department of Agriculture to eliminate the marginal farmers, they have been eminently successful.

Mr. SYMINGTON. That is correct.

Mr. KERR. Is it not a fact that after they have succeeded in a big way in the elimination of the marginal farmers they found when they came into power, their policy has resulted in the creation of many more marginal farmers than the number they have thus far been able to eliminate?

Mr. SYMINGTON. Oh, yes; the able Senator from Oklahoma makes a conclusive point. The proof is that the ones who are left are now worse off than were the ones they eliminated in 1953.

Mr. KERR. I thank the Senator from Missouri.

Mr. AIKEN. Mr. President, will the Senator from Missouri yield to me?

Mr. SYMINGTON. I am glad to yield to my friend, the distinguished senior Senator from Vermont [Mr. AIKEN].

Mr. AIKEN. I am sure the Senator from Missouri wishes to state the correct source of the information in connection with the statements he has been making. I do not recall that any official of the Department of Agriculture recommended the elimination of so-called family-sized farms. I know that the Senator from Missouri will find that the recommendation was made by an organization known as the Committee for Economic Progress, which was sponsored by Mr. James Patton, Mr. M. W. Thatcher, Mr. Walter Reuther, and several other persons, who made the recommendation for the liquidation of 950,000 farms the income of which was less than $2,500 a year. That recommendation was made in a report issued a year ago last spring. It was not generally distributed, but I shall be glad to show the Senator from Missouri the report, if he would like to see it.

Mr. HUMPHREY. I have a copy of the report here, and I should like to have the Senator read the material in it.

Mr. AIKEN. They recommended the elimination of 950,000 small farms, over a 4-year period.

Mr. SYMINGTON. Mr. President, I do not know who were the ones who suggested elimination of the family-size farms. I do know of the actions of this administration in eliminating them. What we are discussing now is the practical application of governmental authority to eliminate the family-size farms—the exercise of such authority by the persons who currently are in control of the Department of Agriculture.

Mr. AIKEN. Let me identify the author of the report to which I have referred. He is Mr. Leon Keyserling. I am sure the Senator from Missouri will agree that Mr. Leon Keyserling is a very able economist, and that he probably made a very worthwhile and able report at the time.

Mr. SYMINGTON. I cannot agree with a proposal to eliminate 950,000 family-size farms.

Mr. AIKEN. I disagree emphatically with Mr. Keyserling, Mr. Patton, Mr. Thatcher, and Mr. Reuther in that recommendation.

Mr. SYMINGTON. I believe we are getting a little off the subject, when we

begin to quote from statements by Mr. Reuther about farms. I never knew he was as much of a farm expert, as he is an expert regarding conditions in the cities.

But regardless of who talked about eliminating the family-size farms, the fact is that when the present administration came into power they did not merely talk about it, they went ahead and did it

Mr. KERR. Mr. President, will the Senator from Missouri yield to me?

Mr. SYMINGTON. I yield.

Mr. KERR. Mr. Reuther is not being considered by the Senate of the United States for appointment to the position of Assistant Secretary of Agriculture; is he?

Mr. SYMINGTON. No. But I am quite sure—based on my knowledge of Walter Reuther—that if he were nominated and confirmed to be Secretary of Agriculture, he would have a great deal more sympathy for the farmer than the present Secretary of Agriculture has shown in his policies.

Mr. HUMPHREY. Mr. President, will the Senator yield to me?

Mr. KERR. Just a moment, please.

I wish to say to the distinguished Senator from Missouri that I thoroughly agree with him in that regard. Let me say that I would prefer to put the fate of the family-size farms of Oklahoma in the hands of Walter Reuther or Jim Patton or Leon Keyserling and trust them, when operating without a law, rather than to have the fate of the family-size farms of Oklahoma placed in the hands of Mr. Paarlberg and Mr. Benson, when operating with a law.

I desire to ask this question: Does not the distinguished Senator from Missouri believe that today it would be impossible to find as many as 1 million farm families in the United States with an average income of $2,500 per farm?

Mr. SYMINGTON. There is no question about that.

Mr. KERR. It would be difficult to find that many, certainly.

Mr. SYMINGTON. Let me reply by stating that in my own State, in many counties the average farm gross income is less than $1,000 a year.

Mr. HUMPHREY. Mr. President, will the Senator from Missouri yield to me?

Mr. SYMINGTON. I am glad to yield to my friend, the distinguished junior Senator from Minnesota [Mr. HUMPHREY], who is a very able expert in all aspects of agriculture.

Mr. HUMPHREY. I thank the Senator from Missouri.

The study to which reference has been made is entitled "Full Prosperity for Agriculture—Conference on Economic Progress." The study was authored by Leon Keyserling, one of the great economists. The study is based upon Government statistics, and it presents a rather comprehensive program. Let me say that if the program were enacted, the agricultural income situation today would be decidedly improved.

For example, this is one of the captions of one of the paragraphs in the study:

The family-type farm should be further strengthened by improved credit facilities, and by encouragement of farm cooperatives.

Another subheading:

Essential public services should be vastly expanded in farm areas, with increasing resort to the principle of equalization.

Another subheading:

Programs to reduce farm poverty, improve farm income distribution, and strengthen the family-type farm. The Government's immediate and long-range 1956–60 objectives for expanding farm income should contain specific targets and programs for the reduction of farm poverty and for strengthening the family-type farm.

Another subheading:

Farm price supports and income payments should help to narrow the gap between poverty and high incomes in agriculture, and to strengthen the family-type farm.

With the policies presently being pursued, it was said there would be a migration of agricultural workers. The report said that if such migration should take place, there should be employment provided, and it should be full-time, rather than part-time employment.

I think what we are concerned with is healthy agriculture, and whether it consists of 15 million farm families or 13 million farm families—whatever the number may be—the families in agriculture ought to be able to make a living in agriculture. That is what we are talking about.

To be sure, some persons are going to leave the farm. There is no law to keep them there. With farm production up, some persons are going to leave the farm because of modern technology. It is one thing for persons to leave farms because they want to, because it is their own free choice; it is another thing for persons to be driven off the farms because of uneconomic policies and policies which cause persons to leave the farm because of attrition, rather than because of free choice.

If persons wish to go to the cities by their own free choice, when the alternatives are good living in the city or poor living in the country, that is their choice; but for the Government of the United States to have policies, which it pursues relentlessly, to work out programs of attrition in driving persons from the land, cannot be condoned. That is what the Senator is talking about.

I recommend this booklet for the reading of Senators who feel that Mr. Paarlberg ought to be Assistant Secretary of Agriculture. After they get through reading it, they will not want to cast only one vote against the confirmation, but two votes, which, of course, they cannot do.

Mr. SYMINGTON. The Senator from Minnesota did not say two votes for Dr. Paarlberg, did he?

Mr. HUMPHREY. No. I will repeat—two votes against confirmation.

Mr. KERR. Mr. President, will the Senator yield so that I may ask a question of the very distinguished Senator from Minnesota?

Mr. SYMINGTON. I yield with the understanding that I do not lose my right to the floor.

Mr. KERR. Would the Senator from Minnesota think it might be a good thing for the distinguished Senator from Vermont [Mr. AIKEN] and the country at large if the Senator from Vermont evidenced an attitude of support of the entire thesis of that book, instead of only a limited part of it, drawn from context?

Mr. HUMPHREY. I would say if the present administration would accept as its economic program for agriculture the proposition, the principles, and the statistical formula laid down in this study, the American farmers would indeed be entitled to a day of rejoicing. They would think it was one of the happiest moments in the history of the Republic.

Mr. KERR. Would such a program as the administration has established have any relationship to the program of which the Senator from Vermont is the principal architect?

Mr. HUMPHREY. If so, it would be strictly by coincidence or accident.

Mr. SYMINGTON. I thank the Senator. Jim Patton is my friend. I admire his efforts to help the farmers of our country, but I did not think it was necessary to comment on any remarks which, even by implication, would tend to give the thought that he was not primarily interested in bettering the family-sized farm.

It is true there are hundreds of thousands less farmers; but those remaining, those who have been fortunate enough to hold out, are nevertheless making less money.

They are making less, despite the fact that other segments of the economy are making a great deal more.

Let us compare the average hourly earnings in agriculture with other segments of the economy.

In 1952, the realized return per hour to all farm labor and management—after allowance for capital investment—was 82.5 cents.

In 1956, it had declined to 70.3 cents—down 17 percent.

During the same period, wages in manufacturing rose from $1.67 to $1.98 per hour—up 20 percent.

From 1952 to 1956, the average of all wages increased 22 percent.

Wage rates normally rise with an increase in productivity. This has not been the case in agriculture; and that in itself should have been a warning to the Department that something was very wrong with their policies and programs.

The red light was ignored, however. The Department initiated policies which have resulted in lower farm prices, lower farm income, and, therefore, lower farm wage rates.

The records of the Department detail what has happened.

In recent years, millions of Americans have left the farm. From 1952 to 1956, the number of farms in the United States has decreased 460,000.

This is according to Mr. Benson's own figures. Some informed people believe the number is actually much higher.

In the past 4 years, the farm mortgage foreclosure rate has increased 40 percent.

The more one looks into his philosophies, as carried out in the current programs of the Department of Agriculture, the more one has the right to believe that this Agriculture administration can be called an administration of paradox.

Compensatory payments, a method of farm support involving the least cost to

the consumer, are wrong—unless they are right.

They are wrong for cotton or wheat or livestock, but right for wool.

They are right for wool, so as to increase production. But last year wool production decreased.

Price supports to nonconformers in grain programs are right in one year, but wrong in another year.

In 1956 soil-bank payments on corn were justified on the ground these payments would reduce production; yet we ended up with 220 million more bushels of corn.

I am not necessarily criticizing these policies in any one case; I am attempting to show the completely paradoxical position in which the Department of Agriculture has placed the American farmer through its policies.

Assistance is wrong for needy farmers in some disaster areas, but right for wealthy farmers in other disaster areas. Based on facts originally uncovered by the distinguished senior Senator from Delaware, everyone now knows that is the present way the management of the Department of Agriculture has been handling the drought program.

Mr. President, at this time I ask unanimous consent to have printed in the RECORD at this point an article from a great Missouri newspaper, the St. Joseph Gazette, of Friday, August 9, 1957, entitled "Drought Help Squandered—Senator Says Some Firings Are in Order."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DROUGHT HELP SQUANDERED—SENATOR SAYS SOME FIRINGS ARE IN ORDER

WASHINGTON, August 8.—Senator JOHN WILLIAMS, Republican of Delaware, called today for immediate dismissal of Federal drought relief administrators who he charged have squandered $3,600,000 through mismanagement.

The Delaware Republican said that under the leadership of Kenneth L. Scott, drought program director, there has been "widespread mismanagement of the drought relief program," established in 1953 to aid farmers in the arid Southwest.

He urged a thorough Senate Agriculture Committee inquiry into the handling of drought funds.

THREE ACCUSATIONS

WILLIAMS charged that—

(1) More than $2 million in Federal funds was misused to buy ineligible feed and pay book accounts.

(2) More than $1 million was thrown away because drought program administrators mismarked shipments of cottonseed meal sent to plants for pelleting, and failed to take advantage of low freight rates.

(3) The Commodity Credit Corporation paid $600,000 to railroads for retroactive freight charges for a period in which the railroads had agreed to reduce rates by 50 percent. The Comptroller General has reprimanded the CCC for this action and has urged it to reclaim the funds.

TEARS INTO PAYMENTS

Referring to the $1 million in unnecessary freight charges, WILLIAMS declared: "This represents one further example of the inexcusable negligence surrounding the administration of this drought relief program, and the official or officials responsible for this action should be fired."

He said the $600,000 payment to the railroads "is just another instance indicating the widespread mismanagement of the drought relief program under Mr. Kenneth L. Scott and further emphasizes the need of a thorough examination of this program by the Senate Agriculture Committee."

Mr. SYMINGTON. Mr. President, that Senator was the distinguished senior Senator from Delaware [Mr. WILLIAMS].

Regimentation of the farmer is wrong in some programs, but right in others.

Many farmers have failed after having been given the freedom of "the right to go broke"; whereas others, through marketing orders that involve almost complete regimentation by the Department of Agriculture, have been given the right to prosper.

In these latter cases, note that the regimentation so often criticized by Dr. Paarlberg nevertheless extends to the point where many thousand American farmers are now criminally liable if they do not obey Secretary Benson when he orders them to sell a certain specified amount of a certain specified product at a certain specified time in certain specified containers to be shipped to certain specified markets.

Even a cursory examination of various recent hearings before the Senate Agriculture Committee shows the Department to be in desperate need of additional administrative experience.

It is true there are small oases in the desert of the farm economy. Let us look at what has happened to the rest of the farmers. As I mentioned before, Dr. Paarlberg has absolutely no managerial experience of any kind whatever, yet if his nomination for this position is confirmed, he will have about 10,000 people working for him and he will supervise programs incident to the distribution of $1,661,000,000 of the taxpayers' money.

Dr. Paarlberg's lack of managerial experience makes this important, because the cost of running the Department of Agriculture is rising so rapidly.

How many people realize that whereas in the fiscal year 1952, the last full year of the previous administration, the Department of Agriculture's net expenditure was just over $1 billion, for the fiscal 1958 the estimated net expenditure for the Department of Agriculture is almost $5 billion—five times as much.

Even more incredible are the following figures:

During the 20-year period prior to the present control, the average farm price-support cost per year was 35 cents per person.

In the fiscal year 1956, this price support cost rose to $3 per person—and for the first 11 months of the fiscal year 1957, it rose further, to $7 per person.

Mr. JOHNSTON of South Carolina. What was the total cost?

Mr. SYMINGTON. In money?

Mr. JOHNSTON of South Carolina. In money.

Mr. SYMINGTON. Let me say to my distinguished colleague, the very able farm expert from South Carolina, that the average cost for all price-support activities during the 20-year period prior to the present control of the Department was 35 cents per citizen a year.

Mr. JOHNSTON of South Carolina. Has the Senator stated how many million dollars it cost?

Mr. SYMINGTON. I did not, but I shall.

Mr. JOHNSTON of South Carolina. Proceed, please.

Mr. SYMINGTON. During the 20 years prior to this management obtaining control of American agriculture, the total losses—all commodities—which resulted from farm price supports were $1,110,137,000.

Let me say to the distinguished senior Senator from South Carolina, that figure includes a loss of nearly a half-billion dollars on potatoes. Actually, the cost of the 6 basics in that period of 20 years was only about $20 million, or about one-third of 1 percent per person a year.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. SYMINGTON. If I may, I should like to finish these figures for the RECORD, and then I shall be happy to yield.

Under this same program, in the 4½ years that this administration has been directing the price support operation, the loss to the American taxpayer on price support operations, up to May 31, 1957, was $3,347,000,000. On the basics during the same period, the total was $1,459,000,000.

In other words, under the current theories, which we all know are the theories of Dr. Paarlberg, the American taxpayer has already lost over three times as much money in 4½ years as he did in the previous 20; and on the basics he has lost more than 70 times as much in 4 years as he did in 20.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. SYMINGTON. I am glad to yield to my friend, the Senator from Minnesota.

Mr. HUMPHREY. The reply to the Senator from Missouri will undoubtedly be that this administration inherited a "mess." I am sure the Senator has heard that expression before.

Mr. SYMINGTON. I have heard much about that.

Mr. HUMPHREY. I think the answer should be given now. The truth is that the cost of the farm program to the taxpayers has gone up each year this administration has been in power.

In other words, the cost in 1953 was greater than the cost in 1952. The cost in 1954 was greater than the cost in 1953. After 1954, the administration had its own law exactly the way it desired, but the cost in 1955 was greater than the cost in 1954, and the cost in 1956 was much greater than the cost in 1955. The cost in 1957 is an Eisenhower record. It really went right on through, just as was done with interest rates. The administration broke the 3-percent barrier, and then broke the 4-percent barrier.

The administration has now broken the $5 billion barrier in the expenses of the Department of Agriculture, though some persons used to talk about Truman being a spendthrift. Harry Truman in 1952 had a Department budget of $1,045 million, but in 1956, 2 years after the administration's own farm law went into

effect, there was a net budget of—let me get the exact figure—$4,956 million.

Only this administration can do that, because it is planned that way. This could not happen by accident. This is one of those well-organized, properly planned, businesslike methods of losing almost $3½ billion in 4 years. One simply cannot do that by accident; one has to work at it.

Mr. SYMINGTON. The Senator is correct. One would think, based on these tremendous losses, losses 70 times as high in the 4 years as occurred in the previous 20 years, there would be something to show for it. Has it resulted in more income for the farmers? It has not. Farm income has dropped 23 percent. I ask Senators: Does this not prove the danger of adding another fox to those already in charge of the hen house?

And these figures are only part of the story.

When Mr. Benson took over the Department of Agriculture in January 1953, it had 67,000 employees. That was when the so-called business administration came into power.

By January 1957 it had 82,000—an increase of 23 percent. And it is still rolling—because today there are 87,000.

In other words, under these first 4 years of Mr. Benson's administration and Dr. Paarlberg's advice, it took 23 percent more employees to reduce farm income 23 percent.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. SYMINGTON. I yield.

Mr. HUMPHREY. May I say that the Senator is now pointing out accomplishments of the administration? These are the positive achievements. I want to add one other achievement, because everything this administration has done in agriculture has not resulted in reductions.

For example, take farm indebtedness. In 1952 it was $14,600,000,000. This administration has been doing something about that. By January 1956, the administration got the figure up to $18,900,000,000. So the administration gets some things up. It got farm prices down, farm income down, and farm parity down, but it got the indebtedness up.

Mr. JOHNSTON of South Carolina. And do not forget about the interest, too.

Mr. HUMPHREY. Yes. It got the interest rate up.

There is one other factor which the administration increased. The total value of Commodity Credit Corporation inventory on hand as of June 1953, was $3,476,330,000. The next year it was $5,005,511,000; in 1955, $7,069,277,000; in 1956—going up—$8,257,308,000. Then we gave them $2 billion under Public Law 480, to sell farm surpluses, and they reduced the inventory to $7,645,075,000 in 1957. In other words, in 4½ years, they were able to add almost $4 billion to Commodity Credit Corporation inventories. They were able to increase the storage price of wheat from 7 cents a bushel to more than 12 cents a bushel. They were able to get interest rates up too, from 4 percent to an average of 5½ percent, and to increase indebtedness from $14 billion to $18,900,000,000.

There is no way to make a record like that without working at it. Dr. Paarlberg has been one of the architects, one of the carpenters in the economic workshop for the destruction of agriculture.

Mr. SYMINGTON. Year after year in this administration the costs have gone up and farm income down. They have planned and carried out the bankruptcy of the Department of Agriculture. In private business, after one has bankrupted a business he is usually relieved from office. Tonight we are being asked to promote one of the authors of the policies that have caused the bankruptcy.

Mr. HUMPHREY. Mr. President, will the Senator further yield?

Mr. SYMINGTON. I yield.

Mr. HUMPHREY. I wish to repeat, so that no one can misunderstand me, that I do not accuse the administration of merely letting these things happen. That would be really unfair. It could not make so great a mistake. It had to be planned. Such planning required an economic philosopher. It required someone with an economic formula. The only trouble with Dr. Paarlberg's economics is that they are wrong. They lead only in one direction. They lead down. They are the same kind of economics that were pursued by the Government in the 1920's and the early 1930's. There is no doubt about it.

Mr. Paarlberg was asked whether his point of view had changed since he came to Washington. He said that it had not been changed, but had been refortified.

What was his point of view before he came to Washington? It was not in favor of price supports. His point of view was that there were too many farmers, too many people on the farm.

His point of view was that price supports were uneconomic, as will be seen from the statements which the Senator from Missouri has quoted. He himself said that the members of the administration could have done something about the situation, but they had made some political commitments.

Mr. SYMINGTON. They were restrained by the Secretary of Agriculture, by the Republican platform, and by the campaign promises of the President.

Mr. HUMPHREY. Those are mighty weak restraints. Anyone who could not get away from those restraints was practically anemic.

Mr. KERR. Mr. President, will the Senator yield to me to make a suggestion to the Senator from Minnesota?

Mr. SYMINGTON. I am glad to yield.

Mr. KERR. The Senator from Minnesota was speaking about the great accomplishments in the realm of failure, and in the growth of the inventory of the Commodity Credit Corporation from $3,476,330,000 in 1953 to $7,645,075,000 in 1957.

Does the Senator take into account the difference in the unit value of what was in that inventory, and what the value really would be in 1957 if that which was in the inventory had the same value as it did in 1953, when the total was $3,476,330,000?

Mr. HUMPHREY. The Senator's point is very well taken. The point that should be stated here is that there was a difference of about eight points in parity.

Mr. KERR. There was a much greater difference than that.

Mr. HUMPHREY. The 1953 parity ratio was about 92. It is down to about 82 at the present time.

Mr. SYMINGTON. It is 84, as of this month.

Mr. HUMPHREY. That is a difference of 8 or 9 points. In percentage it would be equivalent to about a 17-percent decrease in price. So it would be fair to say that that would represent more than $9 billion in Commodity Credit Corporation inventory at 1952 price levels.

Mr. KERR. Does the Senator know any other field of American production in which this administration has succeeded in reducing value to so great a degree as has been accomplished in the field of the value of farm products?

Mr. HUMPHREY. The only other field is that of Government bonds. The administration has succeeded very well in reducing their value.

Mr. KERR. I thank the Senator for that suggestion, which is pertinent and correct.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. SYMINGTON. I yield to the Senator from North Dakota.

Mr. LANGER. For the RECORD, how many members are there on the Committee on Agriculture and Forestry?

Mr. SYMINGTON. I believe there are 15.

Mr. LANGER. And the majority of them are Democrats, are they not?

Mr. SYMINGTON. The majority of them are Democrats.

Mr. LANGER. And they have endorsed this nominee for this position, have they not?

Mr. SYMINGTON. Initially the vote was 4 Democrats against; 3 for approval. Later when the absent members were polled the vote became 4 for and 4 against. I say that with considerable sorrow——

Mr. LANGER. Were they familiar with the facts?

Mr. SYMINGTON. From the standpoint of the future of the American farmer, especially the family sized farm, they were.

Mr. LANGER. The committee knew that this nominee was against the small farmer, did it not?

Mr. SYMINGTON. The final vote record shows the Democrats on the committee split 4 to 4. There were 4 Democratic votes against the nomination and 3 Democratic votes in favor of the nomination at the committee meeting. But when the absent members were polled the vote became 4 to 4.

Mr. KERR. So there was not a majority of the Democrats on the committee in favor of the nomination.

Mr. SYMINGTON. That is correct. If I may respectfully say so, the showing of interest in the family-sized farm on

the part of Democrats on the committee was considerably better than that on the other side of the aisle.

Mr. LANGER. I thank the Senator.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. SYMINGTON. I yield.

Mr. HUMPHREY. I think it would be fair to say that after our friends on the other side of the aisle hear of the fine address the Senator from Missouri is making, and after they have an opportunity to digest it for a few moments, they will join with those of us who wish to see the nomination rejected. There are many good friends of the family-sized farm on the Committee on Agriculture from the other side of the aisle. When they realize that this issue is not merely a question of being courteous to a Presidential appointee, but a question of whether or not we are to entrust a whole section of the Department of Agriculture, with a budget of $1,600,000,000 to Mr. Paarlberg, I cannot believe that any Senator will allow his feeling of loyalty to Mr. Benson—I know they would not let that happen—make him vote for Mr. Paarlberg; or that Senators will allow their feeling of respect for Mr. Eisenhower to compel them to vote for Mr. Paarlberg. A Senator can respect Mr. Eisenhower and still vote against Mr. Paarlberg.

I am confident that President Eisenhower has never examined Dr. Paarlberg's record. I know that he could not have done so and still say that Dr. Paarlberg believes in the farm program which President Eisenhower advocated in campaign speech after campaign speech in 1952, and even in 1956.

Mr. SYMINGTON. Anyone who believes that managerial experience is important to a very high managerial position in the Government cannot approve this nomination, because Dr. Paarlberg has no previous managerial experience.

Senators do not have to take my word for the fact that Dr. Paarlberg is against any real support for the family-sized farm. All I ask Senators to do is to take Dr. Paarlberg's word.

There has been a major effort on the part of some people to explain away his famous remark that the farmer is in "a dream world—and no one expected it to last."

Let us not dwell on that incredible statement.

But I now list some even more definite expressions of the doctor's philosophy during recent years.

On October 1, 1950, before the semiannual meeting of the National Egg Products Association at the Hotel Sherman in Chicago, Dr. Paarlberg, then associate professor in the department of agricultural economics at Purdue University, stated, in a speech entitled "The Case Against Price Supports":

> Price supports for farm products are based on the assumption that a dollar is worth more in the pocket of a farmer than in the pocket of anyone else.
>
> I do not intend to inquire into the merits of this assumption, though I have many doubts concerning it.
>
> In any case, we are engaged in the process of transferring dollars from pocket to pocket, even though a considerable amount of change is lost in the process. * * *
>
> We leave unanswered the question regarding the ethics of one group having its hands in the pockets of another.

In all sincerity, I ask, How can anyone vote to confirm the nomination of a man for a high position in the Department of Agriculture who has that kind of opinion of the American farmer?

And then Dr. Paarlberg let his hair down about what he really thinks of any price supports, when he said in that same speech:

> A wealthy nation like the United States can afford a certain amount of this foolishness.

Mr. President, Congress has expressed its will that farmers should have some form of support just as other segments of our economy have. Do we want to put into high administrative office in the Department of Agriculture a man who believes that the price-support program is foolishness?

He continued:

> But let us recognize price supports for what they are—a political solution to an economic problem, adding nothing to the net product of the society, costly in terms of administration and use of resources, and involving a certain reduction in the standard of living of us all.

Is it not true, that one can say exactly the same thing about a tariff or a minimum-wage law?

Do we want to put into high administrative office, as the farmers' representative, a man who believes that price supports put the farmer in the position of picking the pockets of other citizens? That, in effect, is what he said.

Do we want a man promoted to this high office, who asserts that price supports are "a political solution to an economic problem, adding nothing to the net product of society, costly in terms of use of resources, and involving a reduction in the standard of living of us all"?

Could not these same arguments be used against any tariff; against any minimum-wage law; against any accelerated tax writeoff; against any special depletion allowances; against any cash subsidy to such industries as shipping corporations or airlines; against higher prices than the world price for domestic mines?

A few days ago from the president of the New York Cotton Exchange, I received an article which had been published in the New York Times. He sent it to me to show that the Government had just closed a contract for $500 million worth of ships for a large shipping line. How much of that $500 million do Senators think the taxpayers are going to put up? They will put up $200 million of it.

Mr. KERR. Mr. President, will the Senator yield?

Mr. SYMINGTON. I yield.

Mr. KERR. Is the Senator aware of the amount of the Post Office Department's deficit?

Mr. SYMINGTON. I am not aware of that amount. I would appreciate the Senator telling us what the amount is.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. SYMINGTON. I yield.

Mr. MONRONEY. Last year it was $650 million. The estimate is that it will be close to $1 billion for the coming year.

Mr. KERR. Mr. President, will the Senator from Missouri yield, so that I may ask a question of my distinguished colleague from Oklahoma?

Mr. SYMINGTON. I am glad to yield for that purpose.

Mr. KERR. Is it not a fact that much of that deficit is in the form of a subsidy to certain users of the mail, whose publications and other matter are carried through the mail at a loss to the Government?

Mr. MONRONEY. It has been repeatedly testified before the Committee on Post Office and Civil Service that the first-class mail carries its own freight, so to speak.

Mr. KERR. That is the letter mail.

Mr. MONRONEY. That is the letter mail.

Mr. KERR. That is the mail that everyone uses and pays for.

Mr. MONRONEY. That being true, then the deficit is chargeable to the subsidies which are paid on the magazine mail—the slick-paper magazines, largely—and on the newspapers which go outside county circulation, and the so-called junk mail, which is mail that is sent out en masse; as well as parcel post, to some degree.

Mr. KERR. In other words, that would be a subsidy to the few.

Mr. MONRONEY. The Senator is correct.

Mr. KERR. While we resent and deny the charge that the farm program is a subsidy, even if it were a subsidy it would have the redeeming feature of being something that goes to the many, instead of to the few, which is now the situation with reference to the hundreds of millions of dollars of subsidy paid to a limited percentage of our people, who are getting the benefit of a rate which amounts to a subsidy to them.

Mr. SYMINGTON. The able Senator is eminently correct.

Actually, could not these same arguments be used against unemployment insurance?

At this point, Mr. President, I ask unanimous consent to introduce into the RECORD an editorial in the August issue of a great farm magazine, Capper's Farmer, entitled "Why Not Help Agriculture, Too?"

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WHY NOT HELP AGRICULTURE, TOO?—TELL YOUR CITY FRIENDS THE TRUTH

> Slapping subsidies is fast becoming a popular parlor game. But curiously, and unfortunately, it's a game played with unusual ground rules. The idea, apparently, is to slap only farm giveaways. Other subsidies, direct and indirect, are by inference just, proper, and in the public interest.
>
> It would be deplorable enough if the folks who instituted the game and set up the restrictive rules were merely misinformed. But it's reprehensible when they represent responsible segments of the American economy, including agriculture itself.

Who is slapping farm subsidies? Almost everyone, including some spokesmen for agriculture and some farm organization leaders. And their views make quick headlines in big city newspapers and mass circulation magazines.

No wonder the American consumer, whose knowledge of farming begins and ends at well-stocked supermarket counters, is confused. No wonder he looks upon farmers as public charges with a master key to the United States Treasury.

The farm bloc is split asunder, farm organizations apparently are incapable of presenting a united front for agriculture. So we think it's high time to sort the facts out of clouded half-truths and innuendoes.

Capper's Farmer does not defend the present farm program. We've criticized it loud and clear. But we do defend some safeguards for the industry that produces our food and fiber. For agriculture is an unorganized industry, particularly vulnerable to forces beyond its control.

We do think that farmers—and the Nation—have something to gain in using the ideas inherent in the parity principle until we find a newer and better substitute. And we believe subsidies intelligently used make sense as a means of bolstering segments of the economy for the general welfare of all people.

America's Founding Fathers apparently believed so, too. Historically, the subsidy principle is one of the building blocks of our country. The first Congress of the United States, as its second official act, created a subsidy in the form of a tariff bill.

Subsidies have built our great industries, our transportation systems, our institutions of learning, our science and art. Today nearly all industry is being helped, directly or indirectly, by taxpayers' dollars. For example:

Labor: Government gifts include unemployment insurance, public employment offices, social security.

Maritime industry and airline companies: Subsidies go a long way to help keep our merchant and passenger ships afloat and our airplanes aloft.

(For example: The superliner *United States* cost $76,800,000 to build, $40,000,000 of that was a Federal subsidy.)

Industry: Fast tax writeoff programs give industry, in effect, an interest-free loan in the amount of the deferred taxes. According to the Office of Defense Mobilization, 22,000 companies of various types have received benefits of fast tax writeoffs since the program started during the Korean war in 1950.

Mineral interests: Mineral depletion allowances are another indirect, but nonetheless very real, subsidy. Since mineral production depletes the wealth of the property, the owner is allowed to deduct, for his net profit, a percentage as depreciation costs.

In the case of sulfur mines, it is 23 percent; for oil and gas wells, 27.5 percent; for certain nonmetals, 15 percent, and so forth.

In a 1955 report of the Congressional Joint Economic Committee, a study of 24 large petroleum companies showed that they paid an average of 22.6 percent of their net income for Federal income tax. The average paid by all corporations was 48.1 percent.

This is an incomplete list. But it is enough, we think, to illustrate that if farmers are riding a "gravy train," they share a pretty crowded seat.

However, it is not our intention to "point the finger." Rather, this is a plea for reason, good common sense, for a fair evaluation of agriculture's position.

We must not blindly condemn the parity principle, the basic concept of a healthy agriculture, merely because the current attempt at an action program is admitted to be unworkable. Our plea is for a workable program to carry out the parity concept.

A sound, healthy agriculture is indispensable to our economy—present and future. It is vital to our national defense. Petty squabbling, name calling, and finger pointing only confuse and divide. And we never needed clear thinking and unity more.

You and your neighbors are salesmen for agriculture. It is up to you to defend your business. Tell your city friends the truth. Write your Congressmen and the leaders of your farm organizations.

If you do not do your part, if you do not rise to the defense of your business, then you must share the blame when all farm programs are killed.

THE EDITORS.

Mr. SYMINGTON. Mr. President, I also ask unanimous consent that excerpts from another article in the same issue of this magazine, with a title which just about sums up much of what we are talking about, namely, "They Are Trying To Kill Price Supports," be inserted at this point in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

THEY ARE TRYING TO KILL PRICE SUPPORTS—EFFORTS TO AROUSE PUBLIC RESENTMENT AGAINST GOVERNMENT SUPPORTS ARE ENDANGERING THE WHOLE FARM PROGRAM

Farm price supports you've known since the war are in danger of being eliminated completely. Supports gradually have been discredited to the overwhelming majority of nonfarming Americans. It could be only a matter of time until the program's back is finally broken.

The administration is out to remove Government pricing as an income-supporting device. It wants supports only at disaster-protection levels. Beyond this, the administration has outlined no constructive program for the future.

We think there is much evidence that the drive to kill price supports could succeed.

The rising demand by city lawmakers to do away with all their so-called farm handouts comes at a crucial time—when the farm bloc is completely disorganized. In the words of one antisupport official, "the timing couldn't be better."

These are conclusions drawn from our study of official actions and public statements over the last 5 years. Secretary Benson's request for full 0-to-90-percent-of-parity flexibility is the latest evidence.

There is no question that the battle between high fixed supports and flexibles is dead. That, however, does not mean no price program at all. Congress is more likely to approve same kind of substitute program than to permit full flexibility alone. This may be a two-price system, or production payments, or a combination. In the meantime, Secretary Benson says he wouldn't lower supports below 50 percent.

The hunt is on for a substitute program. Congressmen from farming areas are devoting their time to finding new programs, not defending the present one. The fight is boiling down to a choice between no Government income protection, except possibly under disaster conditions, and an entirely new approach.

Is Secretary Benson out to remove all supports if he can? After most surpluses are gone, yes. But while surpluses last, he wants to dwindle supports.

Here's his record on supports:

He asked for and got power to reduce basic support to 75 percent of parity. He has reduced props under surplus crops to about that level—77 percent of parity for corn and cotton this year, 75 percent for wheat in 1958. He now labels that "Step No. 1" in line with his policy of gradualism.

The next step, Benson says, is to get almost blank-check authority to lower supports to zero.

What the third step will be he hasn't said. But while he says supports wouldn't drop below 50 percent right away, he leaves no doubt that they would be cut that far.

For wheat, 50 percent of parity means about $1.25 a bushel, compared with 1957's $2. For corn, 90 cents a bushel, compared with this year's $1.36. For cotton, 19 cents a pound. It was 28 cents in 1957.

When would supports be dropped? Not on 1957 crops. Nor on 1958 crops—although basics which haven't been cut to the present 75-percent report floor are likely to go to that level. Tipoff is the announced 75-percent level for 1958 wheat.

How is the rug being pulled from under public acceptance of supports? By relentless public education and calculated official action, as the record reveals it.

USDA officials make speeches discrediting present programs without setting up any eventual goal except freedom. Thus, the talks undercut supports, and make the farmer look like the country's conniving poor relation.

This device has been so effective that the giant national magazine, Life, was prompted to say: "If enough Americans squawk, something will be done to stop this silly business."

A talk by Assistant Secretary Earl Butz, popular speaker in business circles, hammering at the dairy program, is an example. It doesn't give farmers enough free enterprise, says he.

Butz told the recent milk marketing conference at East Lansing, Mich., that he opposes the use of Federal milk marketing orders as price-supporting devices. He favors gradual but realistic price adjustment, as production and marketing efficiencies permit.

The shooting opened up as soon as Benson took office in 1953, when he publicly damned USDA as a swollen bureaucracy. (USDA now has 25 percent more employees, 100 percent more assistant secretaries, plus more programs, than when Benson took office.)

Surpluses are put forward as the proof that supports won't work. But many prominent economists, including some at USDA, say this is mostly tilting at windmills. The problem just isn't as bad as it's painted, they say, and could be controlled by effective action under present laws.

A relatively new USDA official, Assistant Secretary Marvin McLain, recently said that, while we do have a substantial surplus problem, we need certain quantities of reserve in case of war or crop failure.

McLain says the wheat surplus is closer to 500 million bushels. This is in contrast to the total carryover of 1 billion bushels much publicized in official speeches. About 500 million is a legally required reserve.

Put on the same basis, the cotton surplus is only 7 million bales, not the 12 million generally advertised. As to corn, there actually is no real surplus. The billion-bushel carryover (4 months' supply) needed as a reserve is usually cited as surplus.

Benson's critics point out that for several years until Congress forced him, he refused to sell surplus cotton competitively on the world market. The cotton-sales program now is hailed officially as a sensational success.

Further, his career economists told the Secretary several years ago that acre allotments—which he only recently condemned—could not alone control production. In 1954, he announced cross-compliance, which his economists said would work, but later canceled this plan.

The presidentially appointed 18-man Agricultural Advisory Commission, composed largely of nonfarmers, looks more like a willing rubberstamp than an advisory body. And when the group doesn't see eye-to-eye with USDA brass, its recommendations for the most part are ignored.

You get an idea of the Commission's role from this interview with one of its members:

"No, the members never take out any homework to do. We just come here (Wash-

ington) for the meeting and find out what it is we are to advise on at that time."

"How do you know, then, what you are advising on?"

"We don't. We just shoot from the hip. Then they do what they want to do anyway."

Accusations that Secretary Benson is "trying to kill price supports" resulted from his no-support-floor plan. However, he denies that it is "our purpose to scrap farm programs or subject farm people to the unrestricted forces of the free market."

A clue to the Secretary's thinking is his early declaration: "No real American wants a subsidy." Later, in 1954, when he got his 75 to 90 percent flexible law—which he now says is inadequate—he said:

"It is my hope that ultimately flexible supports will be able to effect all the production adjustment necessary. * * *" "This," he said, "would restore greater freedom of operation to farmers as well as providing greater opportunities for higher income."

Comments at a recent press conference are revealing. After stating he didn't think he'd put supports below 50 percent, the Secretary was asked why he had requested full 0-to-90 percent flexible discretion.

The reporter asked: "If you don't need it (support below 50 percent), why do you want it—I mean full discretion?"

Benson: "Because we have it on other commodities and it's working."

The Secretary has full discretion on 188 other commodities. Of these only nine are supported this year, including the feed grains, oilseeds, dry edible beans, and pine gum. He is required to set supports for only 12 commodities, the 6 basics plus butterfat, milk, wool, mohair, honey, and tung nuts.

Referring to Government programs in general at a recent press conference, President Eisenhower remarked there are probably only a very few of them that should be dropped. He cited the farm program and water pollution as things of that character that the Government can do without.

A week later, Eisenhower made a remark which had the effect of whipping the farmer in public.

He told reporters: "At present you must remember that about half the income of the farmer is from Federal subsidy. * * *" He said he believes this averages over a thousand dollars a farm family that the United States is paying in some form of subsidy. He added that not all of that "I think * * * gets right into the hands of the farmer."

Before Benson cleared up the statement for the White House later, it touched off a countrywide explosion of indignation against the farmer. By then every newspaper reader and radio-TV listener in the country had been led to believe that each farmer gets a subsidy of $1,000 a year from the Treasury.

Mr. SYMINGTON. Mr. President, I ask unanimous consent to insert in the RECORD a short editorial entitled "It's Time To Speak Up," by the editors of Capper's Farmer, at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

IT'S TIME TO SPEAK UP

Capper's Farmer doesn't want to see the loan program killed before we have some better plan for improving farm income. Such action would be disastrous to agriculture and dangerous to our whole economy.

Now is the time for you, as a farmer, to speak out in your own behalf. If you want a sound workable farm program, it's high time to say so. Silence may be interpreted by Congress as disinterest.

THE EDITORS.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. SYMINGTON. I am glad to yield to the junior Senator from Oklahoma.

Mr. MONRONEY. Did I understand the distinguished and able Senator from Missouri to say that that speech was made in Chicago in 1951 or 1952?

Mr. SYMINGTON. One of the speeches was made in Chicago.

Mr. MONRONEY. The one on the case against price supports, I mean.

Mr. SYMINGTON. The case-against-price-supports speech was made on October 1, 1950, at the Sherman Hotel in Chicago.

Mr. MONRONEY. That was when the charge was made that the farmer had his hand in the taxpayer's pocket.

Mr. SYMINGTON. That is when Dr. Paarlberg implied that the farmer was picking the pocket of the rest of the economy.

Mr. MONRONEY. The distinguished Senator from Missouri has given the total subsidy over a 20-year period on the 6 basics as amounting to $20 million. Is that correct?

Mr. SYMINGTON. About $20 million was the total loss on the 6 basic crops between 1933 and 1953.

Mr. MONRONEY. At the time that Dr. Paarlberg made his speech in Chicago, price supports on potatoes which had caused $500 million loss had been discontinued by Congress. Is that correct?

Mr. SYMINGTON. The able Senator is correct.

Mr. MONRONEY. Many of the other costs of the subsidies and price supports were for tung oil and various substitute commodities, such as vegetable oils and peanuts, and several others, which had to be provided during the war period to give us essential supplies for the war effort. Is that correct?

Mr. SYMINGTON. Again the Senator is correct.

Mr. MONRONEY. Yet here we are considering for promotion a man who was the principal adviser to the Secretary of Agriculture, who did not see fit to give statistics which were readily available in his statement of the case against price supports.

Mr. SYMINGTON. The Senator is correct.

Mr. MONRONEY. He withheld vital and effective information from his audience in that speech, although he had the opportunity to give the information. Is that correct?

Mr. SYMINGTON. I wish to be very fair about this. The record of Dr. Paarlberg, as I said—which he admits—is so appalling, in view of the position we are considering him for tonight, that I will say I am not certain—although I have read the speech—that the Senator is entirely correct on that point. However, I believe he is.

Mr. KERR. Mr. President, will the Senator yield?

Mr. SYMINGTON. I yield.

Mr. KERR. Does the Senator know the occupation of Dr. Paarlberg in 1950, when he made that address?

Mr. SYMINGTON. Dr. Paarlberg at that time, in 1950, was associate professor in the department of agricultural economics at Purdue University.

Mr. KERR. Does the Senator know where he got the title "Doctor"?

Mr. SYMINGTON. Yes; he has a degree of doctor of philosophy.

Mr. KERR. In what field?

Mr. SYMINGTON. I believe it is in the field of agriculture.

Mr. KERR. I wonder if it could possibly have been in the field of agricultural economics.

Mr. SYMINGTON. The able Senator is generally correct, and this is no exception. His degree is that of a doctor of philosophy in agricultural economics.

Mr. KERR. I thank the Senator; because after the recitation of economic accomplishments of this administration, it occurred to me that the impact of what we really felt must have been caused by the inspiration of the man who had to be at least a doctor of philosophy in agricultural economics in order to achieve such a high degree of success in the planning and execution of the slow extermination of American agriculture. No one less than a doctor of philosophy, who had devoted a lifetime to the development of that kind of knowledge, and that quality of economics, could have done what has been so eloquently described by the distinguished Senator from Missouri and outlined by the distinguished Senator from Minnesota.

Mr. SYMINGTON. I thank the Senator from Oklahoma, who places his finger on the nub of the problem.

Mr. KERR. Is it a fact, or not, that there is a doctor of philosophy in the family of the Chief Executive? If the Senator does not know, I would not want him to speculate.

Mr. SYMINGTON. I understand there is a doctor. I do not know in what field.

Mr. KERR. He is not a dentist or a physician.

Mr. SYMINGTON. No. I believe he is the president of a great university.

Mr. KERR. Does the Senator suppose it is possible that he also is a doctor of philosophy?

Mr. SYMINGTON. My able friend from Oklahoma is probably more knowledgeable concerning that particular branch of the official family than I am.

Mr. KERR. As I have thought about the discussion of the Senator from Minnesota and the Senator from Missouri a while, the thought came to me with the impact of an inspiration that Paarlberg must be a doctor of philosophy. As I think about it, I am constrained to believe that no single nondoctor of philosophy, even though he had that high degree of knowledge, could have made such a record of accomplishment.

Mr. SYMINGTON. I thank the Senator for his contribution.

Surely it is wrong to see the loan program killed before we have some better plan for improving farm income; and surely such action would be disastrous to agriculture and dangerous to our whole economy.

But let us see what Dr. Paarlberg thinks about that concept. In the same Chicago talk, he stated:

It may be said that price supports will serve to forestall a farm-led and farm-fed depression.

First of all, there is much doubt regarding the role of agriculture in a depression and

no clear evidence that endeavoring to stabilize agricultural prices would avert a depression.

There are many persons who are saying that, since farmers comprise only 13 percent of the population and receive only 5 percent of the national income, it does not really make much difference what we do or do not do about the farmer. Dr. Paarlberg continues:

Secondly, economists are aware of other methods of averting depression—taxing and borrowing policy and management of the monetary system—which are much more promising of success in the attainment of economic stability than supporting the price of peanuts and turkey gobblers.

Leaving aside this cynical comment about peanuts and turkey gobblers by the gentleman whose nomination for a position of authority over the farmers of the United States we are asked tonight to confirm, it may be that Dr. Paarlberg is right. But do we want as Assistant Secretary of Agriculture a man who is unsympathetic with the current problems of the farmers—those whom he would be supposed to represent?

Mr. KERR. Mr. President, will the Senator yield?

Mr. SYMINGTON. I yield to my friend from Oklahoma.

Mr. KERR. What Paarlberg and Benson have done to the farmers, even though it has brought them to the brink of disaster in terms of dollars, is peanuts compared with what those now managing the monetary system of this country have done to the American people for the benefit of the lenders of this country

It might be that Dr. Paarlberg was talking about the borrowing policy and the management of the monetary system, and realizing the extent of the reward which could be siphoned off from the pockets of the many into the pockets of the few, he had a basis to conclude that, insofar as the amount of dollars was concerned, what he could do to the farmers would be peanuts compared with what was being done to all the people for the benefit of the few by the managers of the monetary policy of this administration.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. SYMINGTON. I yield.

Mr. HUMPHREY. I am delighted that the Senator from Missouri first yielded to the able and very learned Senator from Oklahoma, who again has given to the Senate a dissertation on monetary policy which is needed day after day.

Mr. SYMINGTON. That is correct.

Mr. HUMPHREY. The interesting part of the matter is that Dr. Paarlberg is not against all price supports. He is for price supports. Make no mistake about it, whether it be price supports for peanuts or turkey gobblers, or whether it be price supports for money to increase the interest rates. Indeed, he is for more than that. As the Senator has pointed out, Dr. Paarlberg said:

First of all, there is much doubt regarding the role of agriculture in a depression, and no clear evidence that endeavoring to stabilize agricultural prices would avert a depression.

The converse of that is that economists are also aware of methods whereby the economy can be destroyed, methods which may bring on a depression. One way is through a misguided monetary and borrowing policy.

Dr. Paarlberg may feel that "there is much doubt regarding the role of agriculture in a depression." He may feel that there is "no clear evidence that endeavoring to stabilize agricultural prices would avert a depression."

I say to Dr. Paarlberg and all his followers and supporters that if, first, the administration ignores what happens to farmers, and second, plans and designs policies which wreak their havoc upon farmers and the farm economy, and then leads us, on top of that, to a borrowing policy and a monetary policy which extracts literally billions of dollars from the taxpayers of the country for the benefit of the favored few, there will be a depression.

Mr. SYMINGTON. Mr. President, may we please have order so we may all hear the distinguished Senator?

The PRESIDING OFFICER. The Senate will be in order. Senators will please refrain from audible conversation. Those who must converse will please retire to the cloakrooms.

Mr. HUMPHREY. There will be a depression if the matters which we are discussing tonight go unattended, and if they go in the manner in which they are going under the leadership of this administration.

There are Senators who ought to remember that for more than 10 years, from 1920 to 1930, the Republicans in the Department of Agriculture and in the Treasury Department were saying, "Do not worry about farm prices. Do not worry. There will be no depression. Do not worry, because agriculture cannot drag us down into a depression."

In those 10 years from 1920 to 1930 farmers were losing their shirts, their homes, their barns, their farms, and literally their self-respect.

But add what happened to the farmers during those same years to the monetary and borrowing policies which are now being pursued and which were then pursued in that decade, and see what the result is.

I do not say we are headed for a depression, because before that happens the American people will awaken and will turn the reins of government over to people who will see to it that a depression does not happen. But if the present course continues, with farmers being driven from the land, and those who are left on the land having ever-rising income taxes and ever-rising costs, with ever-lowering income and ever-increasing interest rates, with credit being tightened, and small business squeezed, this country will be in trouble. The administration can go around pretending that it will not be. They can dream and dream, and have even Paarlberg dreams. It will still happen. The business of smoking political opium, hoping it will make people feel better and see better, even if things are not better, may be something in which some people like to indulge, but sometimes it is better to face up to the facts. The facts are that this administration is pursuing a course of monetary policy, borrowing policy, and agricultural policy which is bound to lead to trouble far beyond anything that has been contemplated up to this hour.

Mr. KERR. Mr. President, will the Senator from Missouri yield to me?

Mr. SYMINGTON. I yield.

Mr. KERR. I should like to ask the able Senator from Minnesota—if the Senator from Missouri will yield for that purpose—whether it is not a fact that no other combination of policies of which there is any record has been so highly successful in creating depressions as has the continued and uninterrupted application of the policies now in effect by this administration.

Mr. HUMPHREY. The Senator from Oklahoma is historically accurate. His prophecy should frighten every man, woman, and child in the United States, because if that course is pursued by this administration we are bound to have a recurrence. History does not always repeat itself, but history tells men of judgment that they had better learn something from the lessons of the past. There is nothing wrong with the Republican leadership except they are like the old Bourbons: they never forget anything; but they never learn anything, either.

Mr. KERR. Mr. President, the Senator from Minnesota is getting on dangerous ground, as the Senator from Oklahoma can relate on the basis of experience, when he refers to the lack of knowledge on the part of anyone at the top of this administration. [Laughter.] There are well-known facts which are scandalous in nature, and libelous if generally indulged in repetition. I wish to say that the Senator from Minnesota is getting on dangerous ground when he begins to tell the truth about what the heads of this administration do not know. [Laughter.]

Mr. HUMPHREY. Mr. President, I wish to say to the Senator from Oklahoma that, as one who has been a warrior in the battle to explain the fiscal and agricultural truth to the Members of the Senate, I respect his judgment. If he believes I am getting almost "to the brink," even though this is not a demonstration of "brinkmanship," still I wish to point out that I never said the Bourbons did not know anything; I merely said they never learned anything.

Mr. KERR. Well, Mr. President, if they do not know anything and if they never learn anything, it adds up to zero, in my book. [Laughter.]

Mr. SYMINGTON. Mr. President, I thank both able Senators for their contribution in respect to analyzing the philosophy of the gentleman we are discussing tonight as the possible overlord of the farm program under Secretary Benson. I wish to read again the nominee's statement, as follows:

Economists are aware of other methods of averting depression—taxing and borrowing policy and management of the monetary system—which are much more promising of success in the attainment of economic stability than supporting the price of peanuts and turkey gobblers.

Mr. President, let me present a little more of this gentleman's philosophy.

After he had become Assistant to Secretary Benson, Dr. Paarlberg addressed the 33d annual conference of the American Country Life Association, at East Lansing, Mich., on September 15, 1954. In a speech entitled "Problems of Low Income Farmers and How They May Be Met," Dr. Paarlberg asserted:

The number of farmers needed to supply our food needs is decreasing.

High rates of reproduction, plus the decreasing number of needed farms, means that approximately half our young people must find nonfarm employment. * * *

Human beings are not readily mobile, like the fictitious "economic man."

Hence there is a piling up of excessive human resources in agriculture.

Dr. Paarlberg has not changed. Three years later—it was only a few weeks ago—in a hearing before the Senate Agriculture Committee this July, I asked him, "Do you believe there are too many farm families in America?"

He replied:

If I could impose my own value judgments on large numbers of people in agriculture, my answer would be "yes."

If he is promoted to this office, he will be able to impose his own value judgments. And, of course, that means that he will go to work, with great authority, to throw even more people off the land.

More of Dr Paarlberg's philosophies were expressed in a speech delivered in December 1954, at Cornell University, before the agricultural economics seminar.

At that time, when referring to the role of the economists in the Department of Agriculture in the drafting of the Agricultural Act of 1954, he made the following frank and almost unbelievable statements:

Definite limits were imposed on our work from the start.

There was the Republican platform, there were the campaign promises, and there was the Secretary's policy statement.

So he said there were those limitations and restrictions. Inasmuch as he said that, how can anyone dispute the fact that he goes further than Secretary Benson did in his "Root, hog, or die" policies with respect to the farmer.

Then Dr. Paarlberg said:

These were subject to interpretation, within politically acceptable limits.

But they nevertheless set boundaries within which the recommendations coming from our studies were required to fall.

We had to come up with a program that gave a substantial amount of price support. * * *

How much economic commonsense is there in this program?

Perhaps as much as the political climate would allow; the extremely narrow margin by which it passed the Congress is evidence of that fact.

Certainly it involves a change in direction toward more reliance on the forces of the market.

It provides a beachhead of price flexibility which may in time be enlarged.

This accomplishment was noteworthy, coming as it did in an election year, with declining farm prices, and in the face of repeated warnings that farmers would punish at the polls those who would vote lower price supports.

So I appraise it as a victory for economic commonsense, though not so decisive a victory as many of us would have liked.

Mr. President, it would be interesting to know what Dr. Paarlberg's program would be today if he had not been restrained "by the Republican platform" if he had not been restrained by "the campaign promises of President Eisenhower," and if he had not been restrained by the "Secretary's policy statements."

Mr. HUMPHREY. Mr. President, at this point will the Senator from Missouri yield?

Mr. SYMINGTON. I am happy to yield to the Senator from Minnesota.

Mr. HUMPHREY. I wish to make this final observation, in view of the Senator's splendid and well documented address to the Senate: If, when Dr. Paarlberg was not Assistant Secretary of Agriculture, he believed that he was restrained by the Republican platform and that he was restrained by the campaign promises of President Eisenhower and that he was restrained by the policy statements of the Secretary of Agriculture—if Dr. Paarlberg felt then that they were the reasons why he could not do some of the things he wanted to do—then, in light of the existing situation, and in view of the new strength which Mr. Paarlberg will have as Assistant Secretary of Agriculture, he will be able—Samson-like—if it is required, to overcome those restraints, because anyone who could not overcome those restraints could not fight his way out of a paper bag. Consider the Republican platform a restraint.

Mr. SYMINGTON. Certainly the Senator from Minnesota is correct.

Mr. President, Dr. Paarlberg is on record as having said he would have gone further than Secretary Benson did, if he had not been "limited."

Most farmers in America can shudder at the thought of what this decisive victory would have meant to their incomes.

Mr. President, this evening we have had a debate about this appointee. At times the colloquy has been amusing.

But the facts are that under the policies of this man, more than 470,000 farm families—comprising millions of Americans—have gone bankrupt. I have seen that situation in my own State. It is not pleasant to watch farm families go down the road and have to sell everything they own for whatever they can get for it.

For some time I carried around with me a check for $1.70, which was all that was offered to a farmer in southwest Missouri for his cow.

Mr. President, tonight the Senate will reach a decision. Senators who are satisfied with a continuation of the present tragic conditions in much of rural America can vote for confirmation of the nomination of Dr. Paarlberg, because he is the economic adviser who is primarily responsible for these policies.

But those of us who believe in the family-sized farm, and the small towns of America supported by such farms, have the opportunity tonight to vote against the confirmation of Dr. Paarlberg.

Mr. President, I yield the floor.

Mr. YOUNG. Mr. President, a little more than 4 years ago I voted against confirmation of the nomination of Ezra Taft Benson to be Secretary of Agriculture. I did so at that time because I believed that his views were not in accord with the Republican policy, or the platform on which the President and other Republicans campaigned during that election year. I did so because I believed that his policies were not good for agriculture or for the Nation as a whole.

I shall vote against confirmation of the nomination of Dr. Paarlberg for the reason that I do not believe his views are in accord with the views of the Republican Party in the last campaign.

Dr. Paarlberg has never, to my knowledge, made a speech in support of any price-support program, whether it be 90 percent, or 75 to 90 percent of parity.

Dr. Paarlberg honestly does not believe in any price-support program. I am sure he is an honorable and able person, and I know there are millions of people in America who subscribe to his views. However, the Republican Party did not subscribe to them in the last election, and certainly in my State, the Republican Party does not subscribe to them. His policies, if carried forward, would have a far worse effect on agriculture in America than we have had up to now, with the result that agriculture itself would be in a far worse condition than it is today.

Many adverse farm statements have come out of the Department of Agriculture, and many adverse articles have been written and published in various magazines.

I believe that many such stories have emanated from the Department of Agriculture, perhaps even from people like Dr. Paarlberg. At least I have never heard him defend any farm program which had to do with price supports.

Only this week, in the current issue of Time magazine, there appears one of the most vicious antifarm articles I have ever read. Let me quote from it briefly:

In a year of bountiful crops, the Agriculture Department will spend a record $5 billion, largely in an effort to cope with surpluses.

The article goes on to state that the $5 billion, appropriated to the Department of Agriculture, will be spent largely for price support and surplus farm programs.

Nothing could be further from the truth than that statement. It is true that the programs are becoming more expensive—and the time may soon come when we will have to try other kinds of price support programs. However, the alternative to a no-price-support program—and Dr. Paarlberg apparently believes in a no-price-support program—would definitely mean bankruptcy for farmers and our Nation as a whole.

Let me quote further from the article—and I might say that this article is typical of what Dr. Paarlberg or people like him would write—and this article, as I said, appeared in this week's Life magazine:

In coping with a commodity in oversupply, e. g., wheat, Benson would lower the support price bit by bit. Gradually, farmers would shift wheat fields to more profitable crops.

Mr. President, if the price support on wheat were lowered, and the farmer were to shift to another crop from wheat, to what crop could the farmer shift? What field crop is profitable now? They are all in a surplus situation.

Mr. President, 96 percent of all the wheat produced in the world today is produced under some form of price support program. Let me read a few of the countries which have price support programs on wheat. These are the latest figures available from the Department of Agriculture. I should like to read some of the figures from "Foreign Agricultural Circular," a Department of Agriculture publication:

Algeria, $2.64 a bushel; Argentina, $2.72 a bushel; Australia, $1.41 a bushel; Austria, $2.63 a bushel; Belgium, $2.56 a bushel; Canada, $1.40 a bushel; Chile, $4.50 a bushel.

We then go down to France, where it is $2.64 a bushel. Since the publication of these figures the price support in France has been increased.

Italy, $3.05 a bushel. Presently the price support program in Italy is higher than it was at the time of the publication of these figures. The price support in the United States is $2 and next year will be $1.78 per bushel.

Mr. President, I ask unanimous consent to have the entire list printed in the RECORD at this point in my remarks.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Summary of 1954–55 wheat price supports and wheat production in specified countries

Country	1954–55 support price		General comment	1954–55 wheat crop
	In local units	Equivalent per bushel		
		Dollars		*Bushels*
Albania	(1)	(1)	Information lacking but price secondary to aims of economic plan	(1)
Algeria	3,400 francs per quintal	2.64	Basic fixed price, average quality, at collection points. Premiums and discounts provided for quality.	44,830,000
Argentina	50 pesos per quintal	2.72	Guaranteed minimum, No. 2 semihard in bags, f. o. r. ports	272,000,000
Australia	12 shillings 7 pence per bushel	1.41	Guaranteed minimum, fair average quality, f. o. r. ports	166,610,000
Austria	250 schillings per quintal	2.63	Average fixed price per bushel of 60.6 pounds test weight, delivered at mills. Includes allowance for farm storage.	16,700,000
Belgium	470 francs per quintal	2.56	Basic "directional" price per bushel of 56.7 pounds test, delivered mills. Additional allowance for farm storage.	20,800,000
Brazil	320 cruzeiro per 60 kilogram	(2)	Fixed price, per bushel of 60.6 pounds test, delivered ports	25,000,000
Bulgaria	(1)	(1)	Price secondary to aims of Communist plan	(3)
Canada	$1.40 per bushel	1.40	Guaranteed minimum, No. 1 Northern in store Fort William/Port Arthur or Vancouver.	298,909,000
Chile	1,818 pesos per quintal	4.50	Average fixed price, average quality, delivered at collection points	38,270,000
Czechoslovakia	(1)	(1)	Price secondary to aims of Communist plan	(3)
Egypt	4.30 Egyptian pounds per ardeb	2.18	Government purchase price, average quality. Free market price somewhat lower.	60,000,000
Finland	33.30 markkas per kilogram	3.95	Average fixed price, average quality, delivered collection centers. Includes an allowance for farm storage.	10,000,000
France	3,400 francs per quintal	2.64	Fixed price, average quality, delivered collection points. Additional allowance for farm storage.	386,500,000
West Germany	420 to 436 marks per quintal	2.72–2.83	Average guaranteed price range, average quality, delivered market points. Includes allowance for farm storage.	105,600,000
Greece	3.4 drachmas per oka	2.40	Government purchase price, average quality, delivered collection points. Free market price somewhat lower.	45,000,000
Hungary	(1)	(1)	Price secondary to aims of Communist plan	(3)
India	10 rupees per maund	1.52	Government purchase price, average quality, delivered collection centers. Free market price somewhat higher.	290,900,000
Iran	2,930 rials per ton	0.97	Average Government purchase price, average quality, delivered market centers. Free market price somewhat higher.	77,000,000
Ireland	89 shillings per barrel	2.39	Fixed price, 60-pound test, delivered market centers. Additional allowance provided for farm storage.	15,900,000
Israel	(1)	(1)	There is a fixed price for average quality delivered at collection points, but level unknown.	(3)
Italy	7,050 lire per quintal	3.05	Average Government purchase price, average quality, delivered market centers. Free market prices for domestic wheat somewhat higher.	264,000,000
Japan	(1)	2.61	Fixed price, average quality, delivered collection points	55,700,000
Luxembourg	365 francs per quintal	3.02	Fixed price (including direct payment), 55.9 pounds test, delivered collection centers.	1,500,000
Mexico	91.30 pesos per quintal	1.99	Average Government purchase price, average quality, delivered collection centers.	30,300,000
Morocco	3,400 francs per quintal	2.64	Fixed price, standard quality, delivered state silos	45,560,000
Netherlands	26.00 guilders per quintal	1.86	Average "directional" price, average quality, delivered collection centers. Includes allowance for farm storage.	14,590,000
New Zealand	11 shillings 6 pence per bushel	1.59	Fixed price, average quality, delivered collection centers	4,600,000
Norway	90 øre per kilogram	3.43	Basic fixed price, average quality, delivered collection centers	1,480,000
Peru	1.28 soles per kilogram	1.83	Approximate price resulting from compulsory utilization and Government controls over flour trade and prices.	6,100,000
Poland	(1)	(1)	Price secondary to aims of state plan	(3)
Portugal	300 lire per quintal	2.85	Fixed price, average quality, delivered market centers	27,470,000
Red China	(1)	(1)	Price secondary to aims of Communist plan	(3)
Rumania	(1)	(1)	do	(3)
Spain	390 pesos per quintal	2.73	Basic fixed price, average quality, delivered market centers. Additional allowance for farm storage.	180,000,000
Sweden	44.75 kroners per quintal	2.35	Guaranteed minimum, average quality, delivered collection points, Apr. 1, 1955.	37,870,000
Switzerland	66.00 francs per quintal	4.19	Fixed price, type II, delivered collection centers	9,370,000
Syria	200 Syrian pounds per metric ton	1.54	Average Government purchase price, average quality, delivered designated markets.	31,200,000
Tunisia	3,400 francs per quintal	2.64	Fixed price, average quality, delivered collection centers	22,410,000
Turkey	25.6 kroners per kilogram	2.49	Fixed price, for ordinary white type, average grade, delivered collection points.	180,000,000
Union of South Africa	53 shillings 10 pence per 200-pound bag	2.25	Fixed price, class A, grade II, f. o. r. producer's station	19,760,000
United Kingdom	30 shillings 9 pence per hundredweight	2.30	Guaranteed price, average quality, delivered millers	104,160,000
United States	$2.24 per bushel	2.24	National guaranteed average minimum, average quality, farm basis, Mar. 31, 1955.	969,781,000
U. S. S. R.	(1)	(1)	Price secondary to aims of Communist plan	(3)
Uruguay	16.50 pesos per quintal	2.96	Fixed price, average quality, delivered Montevideo. Additional allowance for farm storage.	26,310,000
Yugoslavia	24 dinars per kilogram	2.16	Government purchases, basis preharvest contracts, average quality, delivered collection centers.	(3)
Other countries				2,916,414,000
World total				6,825,000,000

[1] Not available.

[2] Impossible to convert internal price of wheat to a dollar equivalent because of inflation in Brazil, the country's complicated system of foreign exchange control and the fact that no existing exchange rate can be applied for computing the local price in dollars of a homegrown product that is retained for consumption within the country.

[3] Estimate included in other countries.

Source: Based on information from United States agricultural attachés and from official and trade publications of foreign countries.

Mr. YOUNG. Mr. President, Dr. Paarlberg believes that under price-support programs, as he stated in a speech a few years ago, money is taken from one pocket and put into another. He inferred that the farmers were lifting money from somebody else's pocket.

I have placed in the RECORD a list of the countries which have higher price supports than our own.

Shortly there will come before the Senate a foreign-aid bill appropriating money for many of these countries, and sizable amounts of money will be granted to these countries. The United Kingdom, for example, will get $550,000 under the foreign-aid program. France will get $44,022,000. Italy will get $38,335,000. Turkey, which has a high price-support program, will get $210,666,000. Of that amount $58,346,000 will be in the form of economic aid.

We are supporting countries which have a higher price-support program than we have. In effect we are helping pay for their price-support programs. Yet it is inferred by Dr. Paarlberg that the price-support program permits the farmers to take money out of somebody else's pocket.

Farmers would be delighted to have any other kind of program which would assure them some semblance of fair income, a program which would improve farm income which is far out of line with respect to the income of labor or of industry. I, for one, would be in favor of abolishing all price-support programs if all advantages organized labor enjoys were abolished and if industry were denied its ability of establishing prices at a high level and maintaining for itself the highest profit in all history, and at a time when most industries have a surplus.

I cite, for example, oil. Gasoline prices rose recently when there was a surplus of gasoline and despite the fact that there was no reason for an increase. All of these increased prices are passed on to the farmer and he is helpless to do anything about it.

There are some people who say that we would have a solvent farm economy if we lowered the price supports or did away with them entirely. I do not know of anything that could be further from the truth.

As I said concerning the article in Time magazine, in the preparation of which or for its inspiration, Dr. Paarlberg may well have had a part—at least to my knowledge he has never defended the farmers—it is stated that the Department of Agriculture spent $5 billion to support farm prices. It should be remembered that about $1,300 million of that amount, according to the Department of Agriculture, is represented by the price-support program. That is large enough, of course. It may be time that we should adopt some other kind of program. Personally, I believe the costs would have been far less if we had had in the Department of Agriculture more people who would have been more sympathetic to the price-support program than Dr. Paarlberg.

Some of the officials in the Department of Agriculture are very competent men. I remember James McConnell, Assistant Secretary of Agriculture. He was a very able person. He and I disagreed on many policies, but one could work with him. Dr. Butz, who left recently, is another one with whom I disagreed on many farm problems, but he was an able man, and one could work with him, too. There are others, good, able people in the Department. and they have very a kindly feeling toward farmers.

Other of the appropriations, such as the Sugar Act and Wool Act, are for largely self-financing programs. The operations under Public Law 480 cost $1,257 million. We received, under that program, foreign currency and strategic materials. So we recovered most of those expenditures. However in the Time magazine article these amounts are listed as expenditures of the Department of Agriculture. There is also the $375 million school-lunch program. Then there is the $610 million that was loaned to the REA. They have one of the best repayment records of any people in the entire United States.

All of these and many more are typical of the unfairness of this article. I am against Dr. Paarlberg's nomination too because he missed many opportunities to defend the farmers of this Nation.

I admire Secretary of Labor Mitchell, because he has always defended the laboring people of this Nation. I have always admired Sinclair Weeks, Secretary of Commerce, because he has always defended the businessmen of America. I would like to see someone in the Department of Agriculture who would defend the farmers of this Nation. I shall never vote to confirm any top-level person in the Department of Agriculture who is not wholeheartedly for the farmers of this Nation, who will do as much for the farmer as Sinclair Weeks will do for the businessman or Secretary Mitchell will do for the laboring man.

Again I should like to say Dr. Paarlberg is a very able person. In any other position in the Department of Agriculture he would do an excellent job, but I will not vote to confirm him to the position to which he has been nominated. In the two positions to which he has been nominated he would have even more influence than he now has in determining policy on price-support programs. I would be very happy to vote to confirm him for some other important position in the Department of Agriculture, but not for the ones for which he has been nominated.

Mr. JOHNSTON of South Carolina. Mr. President, we have before us this evening a very serious proposition. Personally, I think that we have gone far off on a tangent with regard to confirming the nominations of certain persons. I think we have looked at it from the wrong direction, and I wish to commend to the reading of Senators an article which appeared in the Washington Post and Times Herald of Tuesday, August 13, 1957, written by George E. Sokolsky. He tells us that we have failed to look into the matter of confirmations as we should. I ask unanimous consent that the article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GLUCK JUST DOESN'T FIT

(By George E. Sokolsky)

The unfortunate Gluck appointment does not lead to the conclusion that all diplomatic assignments should go to careermen. Many ambassadors and ministers taken out of business and the universities have represented the United States admirably. Walter Hines Page, for instance, made one of the most distinguished records as Ambassador to the Court of St. James's. He was a book publisher.

Clare Booth Luce surprised even her friends and admirers by her rare ability while Ambassador to Italy. Paul S. Reinsch and Jacob Gould Schurman, both out of the universities, did remarkably well in China.

One could go on and on detailing excellent representation by businessmen, bankers, lawyers and professors, many of whom made astonishingly notable careers in the diplomatic service. Others, of course, were duds.

The Gluck appointment created a furor because there was no reason for appointing him. He does not possess the background, the manner or the personality for this particular task, although that is no reflection on the man.

I am sure that the thousands who are not able to direct a symphony orchestra would not regard themselves as lesser human beings; on the other hand, if they tried to direct, let us say, Beethoven's Ninth because they had successfully earned enough money to make an excessive contribution, perhaps in violation of the Hatch Act, to a political party, they would produce catcalls and insults and possibly a strike on the part of the musicians. It is the old story of shoemaker stick to your last.

Maxwell Gluck ought not to go to Ceylon. Being an associate of Benjamin Javits will do him no good in the East of Asia. The new Asiatic countries are very proud of their achievements. Those who head their governments are educated men, often men trained in British universities who speak European languages in cultured tones and whose familiarity with world affairs represents years of study. A high school education in Farrell, Pa., is not sufficient educational or cultural background for such an assignment.

The United States cannot afford to be represented in the East of Asia by a man who cannot possibly have the status essential for the task. Some of the career diplomats now in those countries are not of the best, but that is an internal problem in the State Department which John Foster Dulles said he would solve before he became Secretary of State, but he apparently has been too busy for it.

I will cite Chester Bowles as an example of what can happen. Bowles started life as a huckster and made his fortune in partnership with William Benton. But Bowles came of the distinguished Bowles family of Springfield, Mass., newspaper publishers. He studied at Yale. He had a long career as a public official during Warld War II and after. He served a term as Governor of Connecticut and then was appointed Ambassador to India and Nepal, where he served with unusual distinction.

He became a close friend of Nehru and undoubtedly played some role in holding Nehru in neutrality at a time when personal predilection and the pressure of events in China could have driven Nehru into the arms of Mao Tse-tung, if not Stalin.

Gluck's statement that he could not pronounce the word "Nehru" represents sheer

ignorance. Nehru is as well known to literate human beings as Roosevelt, Stalin, Churchill, or even Hoffa. While it is possible for a man to sell goods and not know the word "Nehru," it is impossible for him to represent his country in the east of Asia.

The fact that Gluck came well recommended by Jacob Javits, Benjamin Javits, and, as some say, Sherman Adams, is no warrant for this particular type of appointment. He should quit. He should resign. He should do whatever is necessary to serve his country patriotically by removing himself from the temptation of embarrassing Uncle Sam in Asia.

Mr. JOHNSTON of South Carolina. Mr. President, I am strongly opposed to the nomination of Dr. Don Paarlberg to be Assistant Secretary of Agriculture, because I believe he is a man dedicated to principles that are in direct conflict with the intent and purpose of Congress and the laws of this Nation intended to assist farmers.

Bear in mind that if he takes this position, he will be able to make rules and regulations within the Department to carry out his philosophy and his way of thinking. We must also bear in mind that he is an expert in the field of promoting programs to run small farmers out of business.

Dr. Paarlberg is the creator of the expression that whenever the farmer gets into a favorable era of income he is living in a "dream world." He holds to the theory that farmers should live under handicapped conditions and should receive no help from Government.

While industry may get 300 percent of parity for its products, Dr. Paarlberg thinks the farmers should get sliding parity without regard as to how low it slides. In fact, I think he eventually will be in favor of eliminating all price supports completely, whether or not he would admit it when he was testifying before our committee.

I think that his actions in the past speak louder than any words he might have uttered in our committee.

Dr. Paarlberg is labeled the "brains behind Benson," and most programs and policies in the Agriculture Department are attributed to his genius.

Last spring, for example, there were literally thousands of farmers in South Carolina being turned down for small loans for fertilizer and seed for the first time in recent years. These farmers have no great capital and the local banks cannot possibly take care of their loans, as much as they would like to. In fact, the small bankers of my State were among the first to ask that I get the Agriculture Department to do something to loan these small farmers money so they could plant crops and continue to be taxpaying, self-sufficient citizens. At every turn the Agriculture Department turned them down and declared a policy of refusing to loan money to farmers who made less than $2,000 a year on their cash crops. These small farmers needed loans of only $200 to $500. The farmers had been making these loans year in and year out from the Agriculture Department and had been paying the Department back each year.

That shows how the rules and regulations prescribing how loans shall be made, which rules and regulations penalize the small farmers of the Nation, are set up.

The Agriculture Department was their sole source of loans. But the Agriculture Department, which I presume is run by Mr. Paarlberg, with Mr. Benson's blessing, cut off these loans this year.

Mr. President, the policy of lending procedures in the Department of Agriculture even went this far: The Department said when farmers paid back loans from the year before, they would not be eligible to get a new loan this year. But if they had not paid back their loans from the year before, they would be eligible for loans this year. That was the rule the Department made.

In other words, if one kept faith with his Government and conducted his farm in such a way that he made enough money to pay off his loan, he was penalized for doing so. But if he still owed the Government money, the Department would lend him more to go after that which he still owed. The economic lesson being taught by Dr. Paarlberg in that instance was that one should be negligent in paying back what he owes his Government in order to secure loans for the future. That is what such a policy would lead to.

At any rate, Mr. President, we held conferences on this loan situation, and 2 days before the planting deadline the Department succumbed to the pressure from Capitol Hill, and reversed most of its orders, and made the loans available for some of the same small farmers in my State.

I presume, however, we shall have the same fight on our hands again next year when these small farmers come forth for their annual loans, for if Dr. Paarlberg's nomination goes through, he will be that much more powerful. In fact, when the loans were made this year, the implication was that this would be the last year the loans would be made.

There is an ironic twist to this situation, Mr. President, that should be brought out. I would conservatively say that more than 75 percent of the small loans made in my State went to Negro farmers. Most Negro farmers in my State are small farmers who take great pride in their property ownership, regardless of how small it is. They love the land and want to work the soil for a livelihood.

During the fight to get the small loans from the Department, the fact that most of the loans were being made to Negro farmers was brought to my attention by the Department of Agriculture. I stated then, and I state now, I do not care whether they are Negro or white farmers. If they are farming citizens who are trying to earn an honest living and be taxpaying citizens instead of wards of the State, then the Department of Agriculture should utilize loan programs authorized by Congress and help these farmers to keep going regardless of race or color. They seek loans from the Government not as a handout, but because there is insufficient capital available to meet their needs at the planting time of year.

I did not hear of President Eisenhower issuing orders to help these Negro citizens of my State. I did not see the National Association for the Advancement of Colored People rushing to the Washington scene to help the Negro farmers of South Carolina procure these loans from the Republican-controlled Agriculture Department. The so-called civil-rights Senators did not trounce on the issue and render assistance to the Negro farmers of my State.

I heard no remarks from the great administration spokesmen and alleged champions of Negro rights chastising the administration or declaring that it was a sad day for the history of agriculture.

Neither did the distinguished minority leader in the Senate, to my knowledge, render his great influence within the Agriculture Department to secure economic rights for the Negro citizens of my State.

No, Mr. President, it was the Senators and Congressmen from South Carolina who pushed and struggled with the Republican Department of Agriculture to get loans for the small farmers of South Carolina, white and Negro alike.

Mr. President, if the great liberals of the Senate wish to help secure the economic rights for all of the farmers of this Nation of every status, they should join me in opposing the nomination of Dr. Don Paarlberg who, in my opinion, is more responsible for the tight money policy and sliding parity programs within the Department of Agriculture than any other person outside of Mr. Benson himself, except for Milton Eisenhower, brother of the President, who seems to have an iron grip over the Department of Agriculture, and with whom Dr. Paarlberg undoubtedly will cooperate.

Dr. Paarlberg's record in the Department of Agriculture is clear. I do not question the man's integrity, nor his character. As far as I know and as far as I am concerned, his character is high and his integrity is pure. But I am violently opposed to his philosophy and his policies within the Department of Agriculture.

It has been said that we should not oppose a man because of his philosophy and policies if his character is good. This is an unsound argument, for why else would his nomination be subject to the advice and consent of the United States Senate. I believe if we stamp approval to the nomination of these men who spend their time finding ways and means to circumvent the intent of programs passed by Congress, then we are just as guilty of the policies they lay down upon our farmers as these nominees are.

For that reason, I think we should look into the policies of this nominee, and his philosophy of life. If we want to let the people of this Nation know our stand, we have an opportunity tonight to vote upon this nomination, and to vote for this man if we believe we should do away with all the little farms in this Nation.

If we do not believe in those policies and philosophies which we know he advocates and which we know he possesses, then why should we confirm his

nomination? That is the only way we, as Senators, can let the people know how we feel and how we intend that the Department should be operated. If we follow blindly Mr. Benson and his philosophies in the field of agriculture, we are sure not only to fail to increase the net income of the farmers, but we will help force it down, down, down, year after year.

As Senators already know, the farm income has decreased since Mr. Benson has been in office, in 4 years, from $15.1 billion to $11.6 billion. How much is that? That is $3½ billion. I warn Senators this evening that if we permit those policies to continue, without putting up any fight in the Senate about them, we will have to say that the farmers in America are doomed.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. HUMPHREY. I rise to commend the Senator from South Carolina for his fine address on this important subject of agriculture and, of course, for his comments in opposition to the confirmation of the nomination of Dr. Paarlberg.

Let the RECORD show that the Senator from South Carolina is always a true, sturdy, persevering and courageous friend of the family farmer of America.

Having served on the Committee on Agriculture and Forestry with the Senator, it gives me a sense of strength and a sense of real courage to have a man so dedicated to the interests of the family farmer leading the struggle time after time for what at times almost seems to be the forgotten people of our economic life.

I commend the Senator.

Mr. JOHNSTON of South Carolina. I thank the Senator.

Mr. HUMPHREY. I wish to say the Senator has summarized what the issues are, and what he has had to say are the very words I wish I had said, as well.

Mr. JOHNSTON of South Carolina. I thank the distinguished Senator from Minnesota for his remarks.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield to the Senator from Missouri.

Mr. SYMINGTON. I should like to associate myself with the remarks made by the distinguished Senator from Minnesota. The able Senator from South Carolina has fought the battle for the small farmers and the family-sized farms as hard and as well as any Member of the Senate.

The Senator mentioned a minute ago a reduction of $3½ billion in income of farmers in the last 4½ years.

Mr. JOHNSTON of South Carolina. That is a net reduction, also, as the Senator will remember.

Mr. SYMINGTON. The Senator is correct. It is true, is it not, that at the time this tremendous reduction in farm income has taken place, wages have gone up 22 percent, corporate profits after taxes have gone up 33 percent, and the New York common-stock price index has gone up 77 percent.

Mr. JOHNSTON of South Carolina. I wish I had at my fingertips the figure showing the rise in value of the stock of General Motors and some of the other corporations, as well as the figure for the increase in their net profits.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield to the Senator from North Dakota.

Mr. LANGER. Mr. President, I wish to associate myself with the remarks of the distinguished Senator from Minnesota and the distinguished Senator from Missouri with reference to the able Senator from South Carolina. I am fortunate to serve with the Senator on the Judiciary Committee and on the Post Office and Civil Service Committee. I want to say that the rank-and-file men—whether laboring men, postal employees, or farmers—have no greater friend in the Senate than the distinguished Senator from South Carolina.

Mr. JOHNSTON of South Carolina. I thank the Senator from North Dakota. I can say, with regard to the Senator from North Dakota, that we can always count on him to help the farmers and the laboring people.

Mr. President, I ask unanimous consent to have printed in the RECORD certain letters which I have in my possession, the result of correspondence I have carried on with the Department of Agriculture.

I ask unanimous consent first, Mr. President, to have printed in the RECORD a letter to Mr. K. L. Scott, dated January 4, 1957. Senators will observe from reading the letter that I take up the problem of obtaining some relief for the small farmers of my State.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JANUARY 4, 1957.

Mr. K. L. SCOTT,
Director, Agricultural Credit Services, Department of Agriculture, Washington, D. C.

DEAR MR. SCOTT: I wish to thank you for your letter of December 28 to me in which you outlined the Agriculture Department's policy on special emergency loans (Public Law 728, 83d Cong., as amended). In your letter you state that before the Department can designate an area eligible for these loans that it must be determined, among other things, that there is a widespread need for agricultural credit which cannot be met through the regular programs of the FHA and other lending agencies. You further state that you are in touch with the situation in South Carolina and the information you have available does not indicate a widespread need for loans as contemplated by the law. I would like to call to your attention that nowhere in the law, to my knowledge, does any requirement for widespread need of credit mentioned appear. The law states in simple terms that the Secretary of Agriculture shall make loans wherever a need exists in any area. The intent of Congress was not to qualify this to be applied only where a widespread need may exist nor did Congress indicate how large or how small a farm must be nor how large or small the loan. The intent of the law was to fill a need.

I do not wish to question the information or advice which you have received regarding this situation in South Carolina, but it is imperative that I call to your attention that there is a real emergency existing in my State in which the small farmers are hard-pressed and are unable to find credit needed to fertilize and plant their 1957 crops. I would like to use one county for an example since this county is one of the most hard-pressed in the State. This is Clarendon County. I have very authentic information which has been brought to my attention by Mr. Charles N. Plowden of that county, president of one of the only two existing banks in that county and who is a former chairman of the South Carolina House of Representatives Ways and Means Committee, and a former director of the State development board. Mr. Plowden, who testified at length before the Senate Agriculture hearings in Columbia last year and whose testimony I enclose for your information, advised me yesterday that the economic plight of small farmers in that area, coupled with the almost complete absence of all loan facilities in that area, will mean these small farmers will be unable to plant this year and will probably go out of business. He advises that between 300 and 500 farmers in Clarendon County alone urgently need immediate small emergency loans. Undoubtedly there are thousands in similar condition in other areas of South Carolina. As I stated before, it is urgent they receive these loans now for fertilizer and seed purposes. These farms have exhausted every possible private source of loans. It is my considered opinion that these farmers will end up on the relief rolls of South Carolina if they do not receive emergency loans from the Department of Agriculture.

I realize that South Carolina has had what is generally considered to be a good crop year and that no emergency exists from the standpoint or sense of an emergency created by nature; but there is a manmade emergency existing in my State caused by several things: reduced parity received by farmers for what they are growing; shrinking acreage; increased cost of farm operations, and the higher cost of living. Unless credit is extended to these small farmers to tide them through the adjustment period—income rising to meet costs of production and living—then they are doomed to bankruptcy or relief rolls. It has been said by some spokesman in Washington that these farmers should seek part-time work in industries and even find new means of livelihood in adjacent cities. This is quite impossible for they have no industries to turn to for such employment in the rural lower part of South Carolina, and their very plight is creating a minor depression in some of the areas of South Carolina which depend upon their purchasing power to keep main street business going. I firmly believe the situation existing in Clarendon County and in other areas of South Carolina is exactly what Congress anticipated the law to cover under Public Law 727, 83d Congress, as amended.

I urge that immediate consideration be given this matter because any further delay will seriously affect these small farmers even if they do obtain the loans.

Thanking you for your consideration in this matter and hoping for an early reply, I am

Sincerely,

OLIN D. JOHNSTON.

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent to have printed in the RECORD the reply to my letter, which is from Mr. D'Ewart, and is dated January 15, 1957.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, D. C., January 15, 1957.

Hon. OLIN D. JOHNSTON,
United States Senate.

DEAR SENATOR JOHNSTON: Reference is made to your letter of January 4 concerning

the designation of South Carolina and particularly Clarendon County as an emergency disaster area eligible for emergency loans under Public Law 727.

Under date of January 3, the Director of Agricultural Credit Services, Mr. Kenneth L. Scott, wrote you concerning emergency loans in South Carolina and his letter contains some of the information you requested.

It is the thinking of the Department that credit can be made available under normal procedures. If experience demonstrates such credit cannot meet the needs of South Carolina or funds are exhausted, then the normal credit can and will be supplemented under Public Law 727 or other emergency credit.

Sincerely yours,

WESLEY A. D'EWART,
Assistant to the Director, Agricultural Credit Services.

Mr. JOHNSTON of South Carolina. Also I took up the matter with Mr. L. M. Belk, State director of the Farmers Home Administration, in Columbia, S. C. To bear out the statements which I make, I ask unanimous consent to have printed in the RECORD a telegram which I sent to him, together with his reply, showing what difficulties were being experienced in South Carolina in obtaining funds for the program.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

FEBRUARY 1, 1957.

Mr. L. M. BELK,
State Director, Farmers Home Administration, Columbia, S. C.:

Understand many South Carolina farmers applying for disaster and production loans are being advised no such funds available this year. Many farmers who borrowed in 1955 and in 1956, and who have paid back these loans, need another loan this year. Although South Carolina may not have been an area suffering from widespread disaster this year, some areas are still feeling effects from previous hardship years and need these loans to overcome this past disaster. I shall appreciate your giving immediate consideration of this matter which is extremely critical. Would you kindly advise me (1) is it true no funds for such loans are available to South Carolina farmers; (2) how many South Caroline farmers have either directly applied for loans or have been advised, verbally or in writing, by FHA not to apply, because they cannot get these loans, and (3) what loans, if any, available to these farmers through FHA for disaster or production purposes.

Best regards.

OLIN D. JOHNSTON.

Hon. OLIN D. JOHNSTON,
United States Senator:

First. Production emergency (disaster) funds are available to such indebted borrowers when it appears an additional loan is necessary to protect the Government's interest and borrower cannot get funds to operate from other sources. Production emergency funds are not presently available to upper farmers.

Second. As of February 1, there are 54 written applications on hand. No record of number of oral inquiries; however, local authorities indicate substantial number.

Third. No production emergency (disaster) funds authorized for farmers not indebted on such loans. Operating loan funds are available to eligible full-time family-type farmers. Also limited number part-time farmers.

L. M. BELK, Jr.,
State Director.

Mr. JOHNSTON of South Carolina. Mr. President, I also ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a letter to me from H. C. Smith, Administrator of the Farmers Home Administration, in Washington, D. C., showing what was taking place at the time of that letter, which is dated February 8, 1957.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES DEPARTMENT OF AGRICULTURE,
FARMERS HOME ADMINISTRATION,
Washington, D. C., February 8, 1957.

Hon. OLIN D. JOHNSTON,
United States Senate.

DEAR SENATOR JOHNSTON: Because of your previous interest, we are glad to inform you that we have recently authorized our State Director for South Carolina, Mr. Luther M. Belk, at Columbia, to make additional emergency loans in 1957 to those borrowers who received and repaid such loans in connection with their farming operations last year, but have not recovered sufficiently to obtain their credit from other sources. It is believed that this will enable us to meet the needs of most farmers in whom you are interested.

Sincerely yours,

H. C. SMITH,
Deputy Administrator.

Mr. JOHNSTON of South Carolina. I also ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a letter dated March 5, 1957, which I wrote to Mr. K. H. Hansen, Director of the Farmers Home Administration, in Washington, D. C.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MARCH 5, 1957.

Mr. K. H. HANSEN,
Director, Farmers Home Administration, Department of Agriculture, Washington, D. C.

DEAR MR. HANSEN: For some time I have been trying to straighten out the loan situation for small farmers in my State. On February 8 I was advised by your Deputy Administrator that the policy for emergency loans had been reversed for South Carolina and that all farmers eligible for these loans in 1956 would become automatically eligible for the loans again this year.

At the same time I was advised that there was no change in the policy regarding annual loans being made in my State. However, during the month of February I received many complaints from South Carolina regarding small farmers who said they had received in 1956 and in previous years annual loans and/or emergency loans, but this year were being denied these loans.

On the basis of this, I called for a meeting between one of my staff and your Deputy Administrator on Thursday, February 28, at which time this entire matter was gone over.

My staff member was advised the policy of FHA in South Carolina was to this effect:

If a farmer had received loans either emergency or annual in previous year, that despite what I had been told they would not again be made available this year unless the FHA office in South Carolina, in its opinion, considered the loan would place the farmer in a position of either being self-sustaining in future years or at least in a position to obtain credit from private sources. At the same time it was admitted in Berkeley County alone over 1,500 farmers need credit which is not available from private sources. In two more adjacent counties similar situations exist. For your information, in Berkeley County there are only two banks and the same is true for nearby Clarendon County. Private banking in the area just cannot meet these needs for these farmers.

On Friday, March 1, your Deputy Administrator advised he was requesting the State director of FHA to go into the counties in question and resurvey loan needs and would "do everything possible to serve the credit needs of the people in that area."

Today I received urgent calls from farmers in Berkeley and Clarendon Counties advising your FHA representative was not making these loans and that several hundred farmers would go unserved because they do not qualify for either annual or emergency loans. These farmers are in desperate circumstances and must be served within the next week. Any delay beyond that point will place these farmers on relief rolls of South Carolina.

I urge you to intervene in this situation and help these small farmers obtain credit so they may remain industrious taxpaying citizens and not become wards of our Government.

The Senate Agriculture Committee, of which I am a member, is deeply interested in this situation and if it does not improve it is my intention to call for an investigation to see what has caused a reversal of policy in this field of agricultural financing.

I sincerely hope you can take action in this matter immediately and advise me as quickly as possible—time is of the essence.

With best wishes, I am

Sincerely yours,

OLIN D. JOHNSTON.

Mr. JOHNSTON of South Carolina. Mr. President, I also ask to have printed in the RECORD at this point, as a part of my remarks, Mr. Hansen's reply to me, dated March 7, 1957. Bear in mind that this correspondence started in January, and it was March 7 when the Administration decided to do something for the small farmer. This correspondence shows, in black and white, what was taking place at that time.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES
DEPARTMENT OF AGRICULTURE,
FARMERS HOME ADMINISTRATION,
Washington, D. C., March 7, 1957.

Hon. OLIN D. JOHNSTON,
United States Senate.

DEAR SENATOR JOHNSTON: This will reply to your telegram of March 5 and confirm our telephone call on March 7, 1957, informing you that the Acting Secretary of Agriculture, Mr. True D. Morse, has authorized the making of emergency loans in Berkeley and Clarendon Counties, South Carolina, pursuant to Public Law 727, 83d Congress, as amended, through June 30, 1957.

The designation of these counties was made primarily for the purpose of providing a source of credit for operators of farms smaller than family-type who have previously received other types of loans through this agency but are no longer able to qualify for such loans and are unable to obtain needed operating credit from normal sources serving their area. It is felt that this authority will enable us to meet the credit needs of the farmers in whom you are interested.

A leaflet outlining the purposes, terms, and eligibility requirements for emergency loans under Public Law 727 is enclosed.

Farmers desiring further information about these loans or other types of assistance available through this agency should get in touch with the local office of the Farmers Home Administration serving their county.

We appreciate your interest in this matter and shall be glad to hear from you at any time we can be of service.

Sincerely yours,

K. H. HANSEN, *Administrator.*

Mr. JOHNSTON of South Carolina. Finally, I ask unanimous consent to have printed in the RECORD a letter, dated April 1, 1957, addressed to me by Mr. H. C. Smith, Administrator of the Farmers Home Administration, in Washington, D. C., declaring that certain sections were in distress.

The situation was called to his attention early in January. This letter shows that the time for planting corn in my State had already passed when the administration decided to give the relief which was necessary.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES
DEPARTMENT OF AGRICULTURE,
FARMERS HOME ADMINISTRATION,
Washington, D. C., April 1, 1957.

Hon. OLIN D. JOHNSTON,
United States Senate.

DEAR SENATOR JOHNSTON: This will confirm our telephone call informing you that the Acting Secretary of Agriculture, Mr. True D. Morse, has authorized the making of emergency loans pursuant to Public Law 727, 83d Congress, as amended, through June 30, 1957, to eligible applicants in the following counties of South Carolina:

Chester, Chesterfield, Fairfield, Georgetown, Greenville, Kershaw, Laurens, Pickens, Richland, Spartanburg, Williamsburg.

The designation of these counties was made primarily for the purpose of providing a source of credit for operators of farms smaller than family-type who have previously received other types of loans through this agency but are no longer able to qualify for such loans and are unable to obtain needed operating credit from normal sources serving their area.

A leaflet outlining the purposes, terms, and eligibility requirements for emergency loans under Public Law 727 is enclosed.

Please call on us whenever we can be of service.

Sincerely yours,

H. C. SMITH,
Acting Administrator.

Mr. JOHNSTON of South Carolina. Mr. President, I yield the floor.

Mr. KERR. Mr. President, I wish to express my appreciation and commendation of the distinguished Senator from Missouri [Mr. SYMINGTON], the distinguished Senator from South Carolina [Mr. JOHNSTON], the distinguished Senator from Minnesota [Mr. HUMPHREY], the distinguished Senator from North Dakota [Mr. LANGER], my distinguished colleague from Oklahoma [Mr. MONRONEY], and my distinguished and esteemed colleague from North Dakota [Mr. YOUNG], for their very great contribution in bringing light to the subject under discussion and making a case against confirmation of the nomination of Dr. Paarlberg to the position to which he has been appointed in the Department of Agriculture.

I think this is one of the important votes Senators will cast during this session of the Congress. I do not know of many opportunities which are left to strike a blow for the welfare of agriculture in America, and especially the family-size farm operator. I would feel that I had been derelict in my duty to my constituents in Oklahoma if I did not add my voice of protest to those of other Senators who have voiced their sentiments in far more eloquent words than I can command, in opposition to the confirmation of the pending nomination.

I have not a word to say against the integrity or character of the nominee. In fact, I think his honesty and frankness place an added challenge before every Member of this body. He has told us frankly what he has favored, what he has done, and what he will do; and if we now confirm his nomination we must share the responsibility with him for the unhappy effect which the confirmation of this nomination will have upon the farm people of our State and of the country.

Mr. YARBOROUGH. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. YARBOROUGH. I know that the distinguished senior Senator from Oklahoma is a student of history. He has already stated that he has taken this position on behalf of agriculture, and particularly of the family-type farm.

In the light of the history of Rome, I ask the Senator whether or not it was when the family-type farm fell to pieces that the landless came into Rome; and in the light of the history of England, whether, between 1780 and 1860, the small farmer, the yeoman class of England, disappeared. Are those events not indicative of what can be expected in America if we liquidate the family-type farm? In speaking for the small farmer, therefore, is the Senator not speaking for the safety of the Nation?

Mr. KERR. I thank the Senator for his observation and question. In reply, let me tell the Senator that of all the economic crimes which have been committed or will be committed by the Eisenhower administration, that which will hold it up in infamy for decades to come has been its program of elimination of the marginal farmer, and impoverishment of the family-sized farm operator.

The distinguished Senator from Texas referred to ancient Rome. I can hear the echoing voice of old Cato, ringing down through the ages. He is remembered most for having repeatedly declared "Delenda est Carthago." That had to do with the security and survival of his country.

But I can also hear the echo of his ringing declaration that the safety of Rome was best protected at the hands of her farmer-soldiers.

We have the greatest country on earth, and the contributions of all our citizens have been of a high order. However, none, whether in the tasks and burdens of peacetime responsibility, or in the throes and dangers of war, has risen to a higher degree of consecrated patriotic service, whether on the farms or on the battlefields, than the youth who have come from our farm families.

I can hear the words of inspired poetry coming down from our early days, telling us of the embattled farmers who stood and fired the shot heard around the world.

There a nation was born. There a foundation was laid by the embattled farmers at Concord, who fired the shot heard around the world.

To my mind tonight come early recollections of the story of the father of his country—on his knees at Valley Forge, presiding over the deliberations and sessions of the Constitutional Convention, and at the helm of his country as its first President. The character which carried him through those trials, and which made him the great leader and patriot that he was, was developed on his farm. So far as I know, while he rendered important services as a surveyor in the service of an early Virginia governor, his lifelong profession was that of farmer.

Mr. President, this administration has liquidated the family farm. The administration started to do it, and it has succeeded in doing it. The casualties of that program are displaced persons, who have been deprived of the environment in which they could make a living on the farm, and who are unable to find another place in the economy.

A woman on one of the farms in southern Oklahoma wrote to Mr. Benson early in his administration, complaining about his policies, and what they were doing to the welfare of her family. He wrote back and told her she should adjust.

She wrote back to Mr. Benson and said, "I was born on a farm, and I have lived on a farm all my life. I am 56 years old. I can milk cows and I can take care of poultry, and I can even run a tractor. That is all I know how to do, Mr. Benson. If I am deprived of the opportunity to do that, to make a living, into what can I adjust?"

Mr. President, there is not a group of people in America that has made a greater contribution to the building of America than has the group who live on family-sized farms.

We can go anywhere we like—among the ranks of our greatest soldiers, among the ranks of our fighting men, in the great stream of trade and commerce, in which industry and the agricultural economy of the Nation have gained supremacy in all the world—and we will not find a group that has made a greater contribution to the development and the building up of our country than the generation after generation of youth who have been raised in the rugged environment of the family farm. It was there at the altar, where the father and mother and family gathered around the fireside in the evening, that they learned reverence for their God, and rugged independence and self-reliance, which saw them through their crises and enabled them to make the contribution they have made to the development of this country and its strength and our way of life.

That environment is now all but destroyed.

Yet we are asked tonight to confirm the nomination of a man who is the leading apostle of the program of the destruction of that great institution.

I am not going to vote to confirm his nomination, Mr. President.

An administration which has devoted itself to increasing the price supports under interest rates on money 100 percent, and to destroying every semblance of price supports under the value of farm products, has committed the two unpardonable economic crimes.

The greatest of these, insofar as human suffering is concerned, and

damage to human dignity is concerned, has been the policy: Let the marginal farmer be eliminated.

As I reminded the distinguished Senator from Missouri a little earlier, a few weeks ago I was talking to a high official in the Treasury Department, and I told him that the fiscal policy of the administration was having a bad effect on the economy of the farmer. He said, "Senator, we have too many farmers, and the uneconomic farm unit has got to go."

Paarlberg is the No. 1 architect of that farm program.

Mr. YARBOROUGH. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. YARBOROUGH. With the knowledge the distinguished senior Senator from Oklahoma shows of the subject, particularly of the qualifications of the nominee, Mr. Paarlberg, I should like to ask the senior Senator from Oklahoma whether, from his study of Mr. Paarlberg's statements and his many statements against farm subsidies, the senior Senator from Oklahoma has ever found any speech made by Mr. Paarlberg in which he said he was against a shipping subsidy, an airline subsidy, railroad subsidies, any fast tax write-offs, or any type of business subsidy?

Mr. KERR. No; I have not once, to my knowledge, heard him say anything like that or seen anything written by him along that line. That apostle of ruin to the American farmer has never so much as whispered opposition to the other forms of subsidy to which the Senator from Texas has referred. If he had, the hierarchy of the Eisenhower administration would have run him out of town with a tin cup on his tail and the scourge of repudiation on his back as he loped over the rise of the horizon leaving this vicinity.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. HUMPHREY. I should like to say to my friend from Oklahoma that the description which he has just given of what would happen to Dr. Paarlberg were he to respond in the affirmative to the questions which were posed by the junior Senator from Texas is most illuminating and enlightening and convincing. However, I wish the Senator to know that there are those who have very strongly recommended the confirmation of the nomination of Dr. Paarlberg.

As the Senator knows, Dr. Paarlberg was once a teacher at Purdue University. The distinguished senior Senator from Indiana [Mr. CAPEHART] gave us a very strong recommendation for Dr. Paarlberg, and I gathered that there were other Senators who rather strongly recommended him. In line with what has transpired in the Senate from time to time, in terms of economic philosophies and discussions, is it not very obvious that those who have supported the confirmation of the nomination now before the Senate, and have recommended it to the Senate, are the very people who have endorsed the hard money policy, the tight credit policy, the high interest policy, and subsidies for every other element of the American economy, but have always opposed any form of support for the family farmer or for small business. Will the Senator from Oklahoma give his observations on that point?

Mr. KERR. I should like to say to my good friend from Minnesota that only by favoring a program of economic improvement for the farmer can a man in the present administration become an economic heretic. I should like to give the Senator an alternative. Only if a man favors improving the economic welfare of the farmer or if he opposes special privileges for other groups in the economy can he be blackballed by the Eisenhower administration with equal intensity and ferocity and frequency. That will happen to him either for favoring the American farmer or for failing to be in favor of special privileges for certain other groups.

Mr. HUMPHREY. The Senator from Oklahoma has commented upon the price-support program of this administration. We have had many arguments whether the price-support program ought to be 90 percent of parity, which is 10 percent less than fair, anything but high, though approximately reasonable, or whether it should be a flexible price-support program of from 75 to 90 percent of parity. I think I am correct in saying that that has been the main argument which has been carried on in the Senate year after year.

Is the Senator aware of the fact—and I am sure he is—that the Secretary of Agriculture, Mr. Benson, who has been receiving his economic instruction regularly from his economic adviser——

Mr. KERR. Does the Senator mean the doctor of philosophy?

Mr. HUMPHREY. The doctor of philosophy in agricultural economics. The Senator is aware, I am sure, that Mr. Benson is quoted in that agricultural publication of the New York pavements, the New York Wall Street Journal, as follows: "Benson's strategy: He aims to win voters, then ask lower supports." But there is a little note which says: "Opposition is strong." The Secretary of Agriculture appeared in the State of Minnesota. He made an address there. In fact, he made several of them. One of the comments I have from a local newspaper in my State is to the effect that while he was in Minnesota, Mr. Benson subscribed to the theory that price supports might well run between zero and 90 percent of parity.

Does the Senator from Oklahoma recall the administration advocating in the last election, or does the Senator recall the President of the United States advocating at the time we had the farm price-support bill up in 1955, a zero to 90-percent ratio of parity?

Mr. KERR. I do not recall that such a program was pressed at that time by the apostles of Benson in the Senate. I think they were taking the farmer down by degrees, feeling that if he was about to drown, and had been under only twice, there would be no use to become overly exercised about it; wait until he went down the third time and did not come up, and then give him a decent burial. [Laughter.]

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. SYMINGTON. The record of Dr. Paarlberg is so appalling as to what he has actually said concerning his contempt for the farmer—statements which I have read into the RECORD tonight—that I felt obligated to bring it to the attention of the Senate.

Is it not true that a Senator who votes tonight to confirm the nomination of Dr. Don Paarlberg to be Assistant Secretary of Agriculture is voting against the family-sized farm and the small towns of America which are supported by those farms?

Mr. KERR. I could not be more sincere than I am now when I say to the Senator from Missouri that the answer is, "Yes." A Senator who votes to confirm the nomination of Paarlberg tonight must bear a part of the responsibility for what he will inflict upon the family-sized farm.

Mr. HUMPHREY. Mr. President, will the Senator further yield?

Mr. KERR. I yield.

Mr. HUMPHREY. I think the point needs to be made tonight that we are approaching another juncture in the process of economic attrition of American agriculture. The truth is that the Secretary of Agriculture has been campaigning up and down the United States since January of this year. The truth is that, as chairman of the Subcommittee on Reorganization of the Committee on Government Operations, I have been unable to get the Secretary of Agriculture to come before the subcommittee. I have sought, time after time, not only through my office, but through the staff director of the Committee on Government Operations, to obtain any date when the Secretary of Agriculture would appear to discuss with us some of the alleged revisions in the REA loan program; but to no avail.

The Wall Street Journal published another article which I think should be brought to the attention of the Senate. The headline of the article is:

Farm Chief's Campaign for Lower Price Props Wins Backing in Cities. Letters Spur His Hope for Urban Uprising; He Gets Few Pats From Farmers.

The substance of this article—and it is here for any Senator to read—is that the Secretary has been going to the cities and spreading disillusionment, spreading what I consider to be, at least in my opinion, a misrepresentation of the facts of agriculture, so as to try to induce the urban voters, who are in the vast majority, to be in opposition to what have been sound farm programs.

Only recently the Secretary of Agriculture, before a committee of the other body, testified to the effect that it was his desire to have zero to 90-percent leeway or flexibility clear down the chute; no safety platforms, but all the way down the chute. That is exactly the objective to which the program about which we are speaking tonight is leading. Dr. Paarlberg endorses that kind of economic philosophy.

I say to my colleagues that they can take a position on 75 to 90 percent of

parity. They can say that there is at least a minimum floor at 75 percent—a safety net. The farmer may fall to 75 percent. He may sprain his back. He may break his leg. But we will not be letting him break his neck.

What is the economic philosophy which is directed to zero to 90 percent of parity? I submit that when the Secretary of Agriculture found out, for example, that the Nation's cotton supplies were diminishing under the use of Public Law 480, he started to complain about the fact that because of the formula in the law he had to raise the price supports, since supplies were diminishing.

Is this not the evidence? The evidence merely is that this administration is unwilling to raise the support levels. This administration is refusing even to use the mechanism at its control to support agricultural income.

I say it is not the law—we do not have much difference of opinion about the law—but what is worse it is the maladministration or the misadministration in the Department of Agriculture. I do not believe the situation will be improved by the confirmation of the nomination of a man of the type and character of Dr. Paarlberg, because, as the Senator from Missouri has said, Dr. Paarlberg has had no managerial experience. He has been an economic adviser to the advocates of the Benson-Eisenhower farm policies. If he is placed in a position of greater responsibility and power, we will have lots of what we already have, and we will have more of it.

I commend the Senator from Oklahoma, although I do not need to; his speeches speak for themselves. What he says about agriculture is exceeded only by what he has been pointing out concerning the economic mismanagement of the monetary policies of this administration.

Mr. KERR. I thank the Senator from Minnesota.

Mr. President, I will say this about Benson and his absenteeism from Washington. I remind the Senator from Minnesota that much as Benson has been away from Washington, he has not spent as much as 1 hour on a golf course. I wish the President would teach him golf. If he could teach Benson golf and persuade him to spend his time on the golf course, he would do much less damage to the American farmer than by devoting his full time to trying to destroy the farmer's economic welfare and income.

Mr. Paarlberg has another plank in his platform. During the last campaign, Mr. True D. Morse came to Oklahoma and made two speeches, one of them to the chamber of commerce in our largest city, and the other to the Rotary Club in our second largest city. He made farm speeches to both groups.

He said, "Your farmers do not need to have any economic assistance. There is not one of them who does not live within reach of an industrial job. I do not believe there is a farm family in Oklahoma which cannot survive if they will let only one member of their family work 40 hours a week in some industry, and contribute that income to the requirements of their living."

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. SYMINGTON. Is the Senator saying that Under Secretary of Agriculture Morse made that statement in the Senator's State?

Mr. KERR. Yes; he made it in one city to a great chamber of commerce, and in another city to a Rotary Club. Dr. Paarlberg said the same thing to the Committee on Agriculture and Forestry.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. MORSE. I want to make certain that the Senator understands that the Under Secretary of Agriculture is no relative of mine. I think his first name is a misnomer. [Laughter.]

Mr. KERR. I thank the Senator; I do, indeed.

I remind Senators that Dr. Paarlberg subscribed to the same theory in his statement and answer to questions asked by the Senator from Missouri. He said:

> Now, another qualification I would make of your comment is that many of these farm people are not going into the cities to take employment. Many of them are continuing to live on their farms, and to take part-time employment in an adjoining city, or in a factory out in the country, driving 10, 20, or 30 miles to work, continuing their farming operations.

Now listen to this:

> In many cases they are improving and increasing their farm operations while they add this additional source of income.
>
> It is to a degree another form of diversification, and provides them, I think, with a very good economic position in that they are not completely dependent on employment for their income.

"They are farmers," he said in effect, "and I want to give them the comfort they can have in the knowledge that as farmers they are not completely dependent upon their income, as is a laborer in industry."

Just imagine, Mr. President. Mr. Paarlberg said that their great security lies in this fact: "They have one foot on the land, you might say, and another foot in industry."

Mr. President, the fact that the industry was 30 miles away from the land did not seem to raise any difficulty in the fertile imagination of Mr. Paarlberg as to their capacity to have one foot on the land and another foot in industry.

What he forgot is that the farmer's position was made untenable by the fact that he had one of Mr. Paarlberg's feet in the middle of his back and both of Mr. Benson's feet on the back of his neck. [Laughter.]

Mr. President, today the American farmer is in the midst of an economic depression. Farm people and the communities dependent upon their economic welfare are today in an economic depression. Mr. President, can you imagine the bleakness of the outlook the farmers face when the only word that comes to them from Washington is, "Be of good cheer; fear not. Paarlberg is coming." [Laughter.]

Mr. President, I wish to say to you that the warning that Paul Revere gave out in ringing tones that New England night—"The redcoats are coming"—was an announcement of insignificant effect and materiality, as compared to the stern warning which will be sounding over the airways, the television, the news, and the morning newspapers, if the farmer has to receive the message, "Paarlberg is coming." [Laughter.]

Mr. President, the American farmer has no unemployment compensation, unless he has that "one foot in industry." The farmer has the most hazardous of all American occupations.

This last year in Oklahoma, the farmer has suffered drought, flood, insects, and disease of his livestock. Right now in four northeastern Oklahoma counties the dread scourge of anthrax is stalking abroad on the farms.

Mr. President, you would think that was enough penalty for this wonderful group of people to have to bear. But I wish to say to you that all those inflictions, if wrapped up into one bundle, would be as nothing compared with the fact that for 5 long years they have had Benson inflicted upon them. And now, to add insult to injury, are they going to have to endure Paarlberg, too?

Mr. President, I read in Holy Writ these beautiful words:

> Faith, hope, charity * * *; but the greatest of these is charity.

Mr. President, I shall not indulge in a comparison of those three great virtues. I wish to say that faith in the human heart, the substance of things hoped for, the evidence of things not seen, is a great reinforcement in the age in which we live. Even the great Apostle said that "the greatest of these is charity."

Mr. President, hope stands high amid the blessings that come to the human heart. America has long been the land of hope. Yonder on the magnificant statue in New York Harbor—the Statue of Liberty—are engraved these words:

> Give me your tired, your poor,
> Your huddled masses yearning to be free,
> The wretched refuse of your teeming shore,
> Send these, the homeless, tempest-tossed to me.
> I lift my lamp beside the golden door.

What a message of promise. What an inspiration of hope.

But, Mr. President, if the nomination of Mr. Paarlberg is confirmed by the Senate, where will be the golden door for the American farmer? Where can those homeless, tempest-tossed look? Who will lift to them again the opportunity of hope, and who will say, "Send these to me. I lift my lamp beside the golden door."

Ah, Mr. President, I wish to tell you it is tough when economic losses fasten the chains of depression and poverty around the necks and the welfare of the members of an American family, when drought and the scourge of floods invade and destroy, when economic hardship stalks abroad in the land, and, no matter where the people turn, they find no avenue of improvement. But, Mr. President, in addition to that stern reality of hardship, if the door is closed to hope, I wish to say that then the final and unpardonable sin has been committed.

The American farmers are more than economic figures on an economic chart.

They are human beings; they are men, women, and children. They are entitled to have more consideration from their Government than to be only the basis of more economic charts and economic trends.

Mr. President, I wish to say to you that a government that has no more regard for its people than that, is preparing for them a sepulcher. And I say to you that as I look at the Benson and Paarlberg combination, I say—those whited sepulchers. Those resting places of hope. I am not going to be a party to the crime of voting for the confirmation of this nomination.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. MONRONEY in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. AIKEN. Mr. President, I had intended to speak tonight on behalf of confirmation of the nomination of Dr. Paarlberg. But I shall not do so. The attacks which have been made upon him have recommended him to the office for which he has been nominated far more eloquently than could any speech which I might possibly make in his behalf.

So, Mr. President, I simply wish to call the attention of the Senate to the fact that the question on which the Senate is to vote tonight is, not whether the present farm policies are sound, or not whether those which may be proposed in the future will be better; but the question on which the Senate will vote tonight is this: Whether the President of the United States, who is charged with carrying out the policies and programs laid down by the Congress, shall be permitted to choose as assistants those who will be loyal to him.

That is all I have to say.

Mr. WATKINS. I think the statement made by the distinguished Senator from Vermont should be compelling and conclusive in this matter. All the oratory we have heard here should not change the situation one iota. I had prepared a statement on the nomination. Instead of reading it, I ask unanimous consent that it may be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WATKINS

I urge the Senate to approve the nomination of Don Paarlberg to be Assistant Secretary of Agriculture.

I have had the Senate Agricultural Committee hearings, held July 27 and August 7, reviewed very carefully, since I thought inasmuch as four members of the Senate committee voted against his confirmation, that the hearings would contain allegations that Mr. Paarlberg was not qualified for the position to which he has been nominated by the President of the United States.

Such definitely is not the case. Rather, the hearings reflect an apparent determination on the part of a minority of the committee to vote against Mr. Paarlberg's nomination because they disagree with the Eisenhower-Benson farm program.

The skill with which Mr. Paarlberg handled the questions dealing with the operation of our farm-price support and other programs, indicates that he is indeed qualified to give good services in the position to which he has been nominated.

His answers were factual, concise, and to the point. They were informative, and qualified in nature when the question suggested the need for qualification. This is to his credit, and a sign of good judgment.

Not only does Mr. Paarlberg have a doctor of philosophy degree in agricultural economics but he has had actual farm experience. He grew up on a farm near Crown Point, Ind. As a youth and as a young man he was active in rural youth work, farm-organization activities, and in college-farm programs.

During his academic training he has been able to accumulate 6 years' experience as a staff member of agricultural economics at Purdue University. The esteem with which Mr. Paarlberg is held by his professional colleagues, I believe, is evidenced by the fact that during 1951–52 he was elected to serve as the secretary-treasurer of the American farm Economic Association. In addition, he has contributed numerous articles to professional journals in the field of agricultural economics.

If my memory serves me correctly, there have been few individuals nominated for the position of Assistant Secretary of Agriculture who have come before the Senate for confirmation with as well-rounded and extensive a background as that enjoyed by Mr. Paarlberg. I urge speedy confirmation of his nomination.

Mr. JENNER. Mr. President, I, too, also ask unanimous consent to place in the RECORD a statement I have prepared.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR JENNER

Mr. Don Paarlberg has an excellent background of education and experience and is exceptionally well qualified to be Assistant Secretary of Agriculture.

We hear a lot of talk these days about attracting capable persons into key positions in the Federal Government. Mr. Paarlberg is an outstanding example of a dedicated public servant who has already proven his ability as economist for the Department of Agriculture. There should be no question about the approval of this man who is ideally equipped for the challenges he will encounter as Assistant Secretary.

Mr. Paarlberg grew up on a farm near Crown Point, Ind., where he was active in farm youth organizations and knows from personal experience both the satisfactions and the problems of making a living from the soil.

He earned a bachelor of science degree from Purdue University in 1940 and a doctor of philosophy in agricultural economics from Cornell University in 1946. He served as a member of the staff of the department of agricultural economics at Purdue University for 6 years. He has done considerable research work and teaching in the general field of agricultural prices.

He was elected secretary-treasurer of the American Farm Economic Association in 1951–52. He also served as a delegate to the International Conference of Agricultural Economists at Stresa, Italy, in 1949, and at Helsinki, Finland, in 1955.

He is a member of the American Farm Economic Association, the International Conference of Agricultural Economists, and the American Statistical Association.

Mr. Paarlberg is the joint author with Mr. F. A. Pearson of a book dealing with feed and has also written extensively in the field of agricultural prices.

Mr. Paarlberg is married and has two sons.

An insight into his character is evidenced by the fact he has for many years been active in the Methodist Church, serving in various capacities including Sunday school superintendent.

Mr. Paarlberg is most certainly a capable and outstanding authority in the complex field of agriculture. If some members of this body might differ in their philosophy of agriculture, this should never stand in the way of their voting for the confirmation of Mr. Paarlberg as Assistant Secretary of Agriculture.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Don Paarlberg, of Indiana, to be an Assistant Secretary of Agriculture?

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Delaware [Mr. FREAR], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Texas [Mr. JOHNSON], the Senator from Montana [Mr. MURRAY], the Senator from West Virginia [Mr. NEELY], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Virginia [Mr. ROBERTSON], and the Senator from Alabama [Mr. SPARKMAN] are absent on official business.

The Senator from Idaho [Mr. CHURCH] is absent on official business attending the Economic Conference of the American States in Buenos Aires.

The Senator from Missouri [Mr. HENNINGS] is absent by leave of the Senate because of illness.

On this vote the Senator from Idaho [Mr. CHURCH] is paired with the Senator from Indiana [Mr. CAPEHART]. If present and voting the Senator from Idaho would vote "nay" and the Senator from Indiana would vote "yea."

On this vote the Senator from Alabama [Mr. SPARKMAN] is paired with the Senator from Vermont [Mr. FLANDERS]. If present and voting the Senator from Alabama would vote "nay" and the Senator from Vermont would vote "yea."

I further announce that if present and voting the Senator from New Mexico [Mr. CHAVEZ], the Senator from Missouri [Mr. HENNINGS], the Senator from Montana [Mr. MURRAY], the Senator from West Virginia [Mr. NEELY], and the Senator from Wyoming [Mr. O'MAHONEY] would each vote "nay."

Mr. DIRKSEN. I announce that the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The Senator from Colorado [Mr. ALLOTT] is absent because of illness in his family.

The Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate in order to represent the Senate at the

Latin American Economic Conference in Buenos Aires and is paired with the Senator from Idaho [Mr. CHURCH]. If present and voting, the Senator from Indiana would vote "yea" and the Senator from Idaho would vote "nay."

The Senator from Vermont, [Mr. FLANDERS] is necessarily absent, and is paired with the Senator from Alabama [Mr. SPARKMAN]. If present and voting, the Senator from Vermont would vote "yea" and the Senator from Alabama would vote "nay."

The Senator from Arizona [Mr. GOLDWATER] is necessarily absent.

The Senator from Nevada [Mr. MALONE] is absent on official business.

The Senator from New York [Mr. IVES] and the Senator from Kentucky [Mr. COOPER] are detained on official business.

If present and voting, the Senator from Colorado [Mr. ALLOTT], the Senator from New York [Mr. IVES], the Senator from Kentucky [Mr. COOPER], and the Senator from Maine [Mr. PAYNE] would each vote "yea."

On this vote, the Senator from Arizona [Mr. GOLDWATER] is paired with the Senator from Nevada [Mr. MALONE]. If present and voting, the Senator from Arizona would vote "yea" and the Senator from Nevada would vote "nay."

The result was announced—yeas 42, nays 32, as follows:

YEAS—42

Aiken	Dworshak	Potter
Anderson	Eastland	Purtell
Barrett	Ellender	Revercomb
Beall	Hickenlooper	Saltonstall
Bennett	Holland	Schoeppel
Bricker	Hruska	Smathers
Bush	Javits	Smith, Maine
Butler	Jenner	Smith, N. J.
Carlson	Knowland	Stennis
Case, N. J.	Kuchel	Talmadge
Case, S. Dak.	Martin, Iowa	Thye
Cotton	Martin, Pa.	Watkins
Curtis	Morton	Wiley
Dirksen	Mundt	Williams

NAYS—32

Bible	Johnston, S. C.	Monroney
Carroll	Kefauver	Morse
Clark	Kennedy	Neuberger
Douglas	Kerr	Pastore
Ervin	Langer	Russell
Gore	Lausche	Scott
Green	Long	Symington
Hayden	Magnuson	Thurmond
Hill	Mansfield	Yarborough
Humphrey	McClellan	Young
Jackson	McNamara	

NOT VOTING—21

Allott	Flanders	Malone
Bridges	Frear	Murray
Byrd	Fulbright	Neely
Capehart	Goldwater	O'Mahoney
Chavez	Hennings	Payne
Church	Ives	Robertson
Cooper	Johnson, Tex.	Sparkman

So the nomination of Don Paarlberg to be Assistant Secretary of Agriculture was confirmed.

Mr. DIRKSEN. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. KNOWLAND. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California [Mr. KNOWLAND] to lay on the table the motion of the Senator from Illinois [Mr. DIRKSEN].

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The clerk will state the next nomination on the calendar.

The legislative clerk read the nomination of Don Paarlberg, of Indiana, to be a member of the Board of Directors of the Commodity Credit Corporation.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Don Paarlberg, of Indiana, to be a member of the Board of Directors of the Commodity Credit Corporation? [Putting the question.]

The nomination was confirmed.

Mr. DIRKSEN. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. KNOWLAND. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California [Mr. KNOWLAND] to lay on the table the motion of the Senator from Illinois [Mr. DIRKSEN] to reconsider.

The motion to lay on the table was agreed to.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of all nominations confirmed today.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

PRODUCTION OF STATEMENTS AND REPORTS OF WITNESSES—WITHDRAWAL OF REPORT

Mr. MANSFIELD. Mr. President, on behalf of the Senator from Wyoming [Mr. O'MAHONEY], I ask unanimous consent to withdraw Senate Report No. 569, accompanying the bill (S. 2377) establishing procedures for the production of Government records in criminal cases in United States courts, and submit in lieu thereof an amended report, and ask that it be given a new report number.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

Mr. CLARK. Mr. President, reserving the right to object, I wonder what is the purpose of the motion? This is a most important bill. I wonder why we are going to have a fourth version of it and then vote on it tomorrow.

Mr. MANSFIELD. I am not at all certain we shall vote on the bill tomorrow. We shall discuss the bill tomorrow. What I am doing is carrying out a responsibility which was entrusted to me by the Senator from Wyoming, which I assume is in accordance with the latest version, or the fourth version, of the particular proposal, which may come from the Judiciary Committee.

Mr. CLARK. Mr. President, I shall not object, but I should like to have the record show that in my judgment this ill-considered legislation is being rushed through the Senate without an adequate opportunity for all Senators to understand its real purport. I hope we shall have ample opportunity to discuss the bill tomorrow, before we pass it in a hurry.

Mr. MANSFIELD. I assure the Senator that, so far as I am concerned, he will have ample opportunity to discuss the measure.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

The Chair hears none, and without objection the report (No. 569) will be withdrawn and the amended report (No. 981) will be received, and be printed, as requested by the Senator from Montana.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate convenes tomorrow at 11 a. m. there be the usual morning hour for the transaction of routine business only, with a limitation on statements of 3 minutes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

AUTHORIZATION OF APPROPRIATIONS FOR THE ATOMIC ENERGY COMMISSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 815, S. 2674, a bill to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2674) to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

THE BURKE AIRPORT SITE

Mr. THYE. Mr. President, there appeared in the Washington Evening Star of this date an editorial, which refers to the Burke Airport site, entitled "No More Studies, Please."

Mr. President, I fully concur that there should be no further studies and no further delay, and I believe we should make a decision. There is great need for another airport for Washington, and a decision is long overdue.

Mr. President, I ask unanimous consent that the editorial be printed in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

NO MORE STUDIES, PLEASE

Senator BYRD, in opposing a Burke site for a new Washington airport, suggested a further study by the Civil Aeronautics Administration of possible sites, including the Chantilly region. He told the Senate Appropriations Committee that he thought the Chantilly area should be investigated fully. Apparently the Virginia Senator has not been adequately informed on the CAA search for a suitable airport site. For it is a matter of record that the CAA, over the past several years, has conducted a diligent and comprehensive study of every available airport site in the Washington area, that it has reinvestigated a number of sites previously rejected and that it still is convinced that the best site is at Burke, Va.

President Eisenhower based his request for a supplemental appropriation for the Burke project on the expert advice of the CAA, after its long studies of the whole region. The House accepted this authoritative advice in approving the President's request for $12.5 million to enlarge the Government's holdings at Burke and start construction. To require the CAA to conduct further investigations of sites would be a useless duplication of effort by the Federal Agency—a costly waste of the sort that Senator BYRD has fought so vigorously and well as an economy advocate.

No more studies, no more stalling tactics of any kind, should be permitted by Congress or the administration in this vital airport matter. There have been too many studies and too much stalling already. Meanwhile, air congestion is increasing and the danger of accidents correspondingly is rising. Public safety demands action now to assure an auxiliary airport for Washington. The Senate should face up to this responsibility and end the risky and pointless dillydallying with the Burke project.

THE BUENOS AIRES CONFERENCE

Mr. SMATHERS. Mr. President, today in Buenos Aires delegates from the 21 American Republics gather for the first session of the Inter-American Economic Conference.

The United States and our Latin American neighbors have substantial impact on each other's economies. Last year Latin America spent over $3.8 billion in the United States, purchasing about 22 percent of total United States nonmilitary exports. These purchases encompassed the entire range of our national production. For instance, Latin America bought 28 percent of our exports of industrial machinery; 32 percent of our exports of electrical machinery; 51 percent of our exports of automobiles, parts, accessories, and service equipment; 40 percent of our exports of paper and paper products; and 48 percent of our exports of medical and pharmaceutical preparations. Nor was the industrial sector of our economy the only beneficiary from our trade with Latin America. Of our agricultural exports, the American Republics bought 26 percent of our dairy products, 36 percent of our lard exports, 20 percent of our rice exports, and 23 percent of our exports of vegetable oils and fats.

The immense impact which the United States has upon the prosperity of Latin America by purchasing Latin America's products is well-known. Last year we spent more than $3.5 billion in buying about 43 percent of the total exports from the American Republics. They depend on these dollars earned by sales to the United States to purchase many of the vital necessities of life which they cannot or presently do not produce at home.

When we remember that Latin America's population of more than 187 million already exceeds that of the United States, and promises to be double that of the United States and Canada combined within the next 50 years, it takes little imagination to foresee the increasing importance to all participants of inter-American trade.

Commerce, prosperity, and friendship go hand-in-hand. It is my fervent hope that the Conference now convening in Buenos Aires will result not in mere speeches, but in specific developments leading to a reduction in trade barriers, to increased opportunities for an exchange of goods and ideas, and to strengthening the ties of friendship among the sister republics of the Western Hemisphere.

PROHIBITION OF SERVICE OF ALCOHOLIC BEVERAGES ABOARD CERTAIN AIRCRAFT — AMENDMENTS

Mr. SMATHERS submitted amendments, intended to be proposed by him, to the bill (S. 4) to prevent the service or consumption of alcoholic beverages aboard commercial passenger aircraft and military aircraft, which were referred to the Committee on Interstate and Foreign Commerce and ordered to be printed.

ADJOURNMENT TO 11 A. M. TOMORROW

Mr. MANSFIELD. Mr. President, in accordance with the order previously entered, I move that the Senate now adjourn until 11 o'clock a. m. tomorrow.

The motion was agreed to; and (at 11 o'clock and 27 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until tomorrow, Friday, August 16, 1957, at 11 o'clock a. m.

NOMINATION

Executive nomination received by the Senate August 15, 1957:

NAVY DEPARTMENT

Richard Jackson, of Massachusetts, to be Assistant Secretary of the Navy.

CONFIRMATIONS

Executive nominations confirmed by the Senate, August 15, 1957:

FEDERAL POWER COMMISSION

Jerome K. Kuykendall, of Washington, to be a member of the Federal Power Commission for the term of 5 years expiring June 22, 1962.

DEPARTMENT OF AGRICULTURE

Don Paarlberg, of Indiana, to be an Assistant Secretary of Agriculture.

COMMODITY CREDIT CORPORATION

Don Paarlberg, of Indiana, to be a member of the Board of Directors of the Commodity Credit Corporation.

ATOMIC ENERGY COMMISSION

John S. Graham, of North Carolina, to be a member of the Atomic Energy Commission for the term expiring June 30, 1959.

John Forrest Floberg, of Illinois, to be a member of the Atomic Energy Commission for a term of 5 years expiring June 30, 1962.

UNITED STATES DISTRICT JUDGE

Edwin R. Hicklin, of Iowa, to be United States judge for the southern district of Iowa.

UNITED STATES ATTORNEYS

Laughlin E. Waters, of California, to be United States attorney for the southern district of California for a term of 4 years.

James W. Dorsey, of Georgia, to be United States attorney for the northern district of Georgia for a term of 4 years.

Frank O. Evans, of Georgia, to be United States attorney for the middle district of Georgia for a term of 4 years.

William Cozart Calhoun, of Georgia, to be United States attorney for the southern district of Georgia for a term of 4 years.

Krest Cyr, of Montana, to be United States attorney for the district of Montana for a term of 4 years.

John C. Crawford, Jr., of Tennessee, to be United States attorney for the eastern district of Georgia for a term of 4 years.

Millsaps Fitzhugh, of Tennessee, to be United States attorney for the western district of Tennessee for a term of 4 years.

John Strickler, of Virginia, to be United States attorney for the western district of Virginia for a term of 4 years.

William B. Bantz, of Washington, to be United States attorney for the eastern district of Washington for a term of 4 years.

COAST AND GEODETIC SURVEY

The following nominations for permanent appointment to the grade of captain in the Coast and Geodetic Survey, subject to qualifications provided by law:

A. Newton Stewart	Robert A. Earle
Max G. Ricketts	Harry F. Garber
Clarence A. George	Karl B. Jeffers

HOUSE OF REPRESENTATIVES

THURSDAY, AUGUST 15, 1957

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, who art daily blessing us so abundantly, hear us as we now approach Thy throne of grace with prayers of supplication and intercession.

We thank Thee that we may commend and commit unto Thy gracious providence not only our own personal and individual needs and longings but those of all the members of the human family.

Humbly and penitently we confess that we are doing so little to make the struggle of life less difficult for others. We are eager to get and possess the good things of life but reluctant to give and to share them. We have been severe in our criticizing of our fellow men but so lenient and indulgent with ourselves.

Forgive us for being indifferent to the pitiful appeals of the poor and lowly, the weary and heavy ladened, the worried and anxious, and the less privileged who are the victims of adversity and trying circumstances.

Grant that we may abound in the spirit of charity and benevolence, of sympathy and service, of kindness and good will, and may we always be willing

to bear our due share of the world's burdens.

Hear us in the name of our blessed Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MUTUAL SECURITY APPROPRIATION BILL, 1958

Mr. PASSMAN, from the Committee on Appropriations, reported the bill (H. R. 9302) making appropriations for mutual security for the fiscal year ending June 30, 1958, and for other purposes, which was read a first and second time and, with the accompanying papers, referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

Mr. TABER reserved all points of order.

VETERANS' ADMINISTRATION HOSPITALS

Mr. CHRISTOPHER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CHRISTOPHER. Mr. Speaker, it is reliably reported here in the Nation's Capital that there are 8,000 deactivated beds in the Veterans' Administration hospitals over the United States. Many of these beds cannot be activated because of lack of funds. It is also estimated that on any given day there are 50,000 ill and ailing veterans in need of immediate hospitalization who are unable to secure admission to VA hospitals.

These are the men who honorably wore the uniform of our armed services, who offered their lives and bodies to protect the freedom and integrity of this Nation. We are informed that to hospitalize all these veterans would not be in accord with the program of the President; yet, according to the August 14 issue of the Christian Science Monitor, House Republican Leader JOSEPH W. MARTIN has warned the Congress of a possibility of a special session this fall if the foreign-aid program is curtailed.

The House and Senate has authorized $3,367,000,000 for the foreign-aid program for 1958, and amounts variously estimated at from $55 billion to $60 billion of the taxpayers' money have already been spent on this program.

It would seem to me that the President should be a little more concerned with the welfare of the sick and ailing veterans than with a program designed to continue to dissipate our resources all over the world.

AMENDMENT OF NATURAL GAS ACT

Mr. TOLLEFSON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. TOLLEFSON. Mr. Speaker, natural gas is being piped into the State of Washington, and its people are beginning to be concerned about legislation pending before Congress which would exempt producers of natural gas from effective price regulation.

The daily press has carried news items quoting the Speaker of the House as stating that H. R. 8525, a bill to amend the Natural Gas Act, will not be considered by the House during this session of Congress. I trust that this proves to be a fact. Furthermore, Mr. Speaker, I trust that, should the bill be considered by the House during either this session or the next, the Members will reject it.

The passage of the bill which seeks to exempt producers of natural gas from effective price regulation under the Natural Gas Act could cost consumers as much as $1 billion annually. The natural gas business is a monopoly. The public interest requires regulation of it just as is required for telephone, electric, and water services. All are treated as public utilities, and natural gas should be included. As a matter of fact, it has been so treated and regulated under the Natural Gas Act for a number of years.

If the pending measure is approved, the 29 million families using natural gas would have to pay higher prices because the bill would destroy effective regulation of them. It is self-evident, it seems to me, that the passage of the bill would result in higher prices. Otherwise, why are the producers supporting the measure?

The proponents of the bill take the position that present regulation under the Natural Gas Act will destroy incentive to bring more wells into production. Past experience indicates otherwise. Producers have been under the regulations of the Natural Gas Act for years without injury to the industry. The industry is booming and profits are at an alltime high. Discoveries of new supplies are at an alltime high, as are present reserve supplies.

The industry has a 27½-percent depletion allowance as an incentive. Furthermore, the Federal Power Commission has ample authority to grant such increases as might be warranted in the future and to encourage new exploration and development.

CONVEYANCE TO NEW YORK OF CERTAIN RIGHTS AT FORT SCHUYLER

The SPEAKER. The Chair recognizes the gentleman from Georgia [Mr. VINSON].

Mr. VINSON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 4609) to further amend the act entitled "An act to authorize the conveyance of a portion of the United States military reservation at Fort Schuyler, N. Y., to the State of New York for use as a maritime school, and for other purposes," approved September 5, 1950, as amended.

The Clerk read the title of the bill.

Mr. ARENDS. Reserving the right to object, Mr. Speaker, and I shall not, because this matter came out of our committee, I think the gentleman from Georgia should make a brief statement in explanation of the bill.

Mr. VINSON. Mr. Speaker, the United States conveyed 26 acres to the State of New York in 1950 for use as a maritime school and historical monument. The city of New York proposes to build a bridge between Queens and the Bronx with one portion of the supports to be erected within this 26 acres. Since this is a use other than for a maritime and historic monument, legislation is necessary to insure that title to the property would not revert to the United States by reason of this use. The bill does not convey any property but merely excludes about 5½ acres from the reversionary rights which the United States has. This bill does not involve the expenditure of any funds.

The other 26 acres of Fort Schuyler were transferred in 1956 from the Army to the Navy. The Navy had been using the property since 1942, first for indoctrination school and later for reserve training.

Mr. ARENDS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the first section of the act entitled "An act to authorize the conveyance of a portion of the United States military reservation at Fort Schuyler, N. Y., to the State of New York for use as a maritime school, and for other purposes," approved September 5, 1950 (Public Law 755, 81st Cong.), as amended July 16, 1952 (Public Law 559, 82d Cong.), is hereby amended to read as follows: "That the Secretary of the Army is authorized to convey to the people of the State of New York all that portion of the United States military reservation at Fort Schuyler, in the borough and county of Bronx in the city of New York, State of New York, together with all improvements thereon, bounded and described as follows, to wit: Commencing at a point (latitude 40 degrees 48 minutes 23 seconds north; longitude 73 degrees 47 minutes 52 seconds west) fixed on the south sea wall which is approximately 25.5 feet westerly from an angle in said seawall and running thence in a northeasterly direction 592.5 feet, more or less, to a point on the north seawall which is approximately 196.5 feet westerly from an angle in the north seawall (said line running along the easterly edge of a concrete curb for an 18-foot concrete road running in a northeasterly and southwesterly direction); thence continuing in the same course to the point where said line intersects the northerly exterior line of a grant of lands under water made by the State of New York to the United States of America by letters patent dated May 26, 1880, and recorded in the office of the secretary of state of the State of New York in book 44 of patents at page 604; thence running easterly, southerly, and westerly along the exterior northerly, easterly, and southerly line of said grant to a point in the exterior southerly line thereof which is in range with the course first above described; thence running in a northeasterly direction to the point and place of beginning, intending to include within said bounds a portion of the uplands which were conveyed by William Bayard, Jr., and Charles Henry Hammond to the United States of America by deed dated July 26, 1826, and recorded in the office of the clerk of the county of Westchester, N. Y., on November 30, 1826, in liber 28 of deeds at page 225, and by Charles H. Hammond and Thomas Bolton, one of the masters in chancery of the

State of New York, to the United States of America by deed dated August 25, 1828, and recorded in the office of the clerk of the county of Westchester, N. Y., on December 11, 1828, in liber 33 of deeds at page 296, together with a portion of contiguous lands under water which were granted by the State of New York to the United States of America by letters patent dated May 26, 1880, and recorded in the office of the secretary of state of the State of New York in book 44 of patents at page 604; together with docks, piers, and other appurtenances; together with such easements for highway or other purposes, over that portion of such reservation which is not herein authorized to be conveyed to the people of the State of New York, as may be necessary for the proper use and enjoyment of the portion so conveyed as may be determined by agreement between the Secretary of the Navy and the appropriate officials of the State of New York."

SEC. 2. Section 2 of the act is amended to read as follows:

"SEC. 2. Such conveyance shall contain the express provision that if the State of New York shall fail to maintain so much of the military structures and appurtenances presently erected, which formerly constituted the old fort, as a historical monument reasonably available to the public, and if the State of New York shall at any time cease to use the property so conveyed as a maritime school, devoted exclusively to purposes of nautical education, title thereto shall revert to the United States: *Provided, however,* That the construction, operation, maintenance, and reconstruction of a bridge by the State of New York or pursuant to the laws of said State between the Borough of the Bronx and the Borough of Queens in the city of New York, located on, over, or across said military structures and appurtenances or on, over, or across all or any part of the lands described in section 1 of this act shall not constitute a breach of condition or any ground for reversion to the United States of the title to said lands. Such conveyance shall also provide that in the event that title to said lands shall revert to the United States, the State of New York or any public corporation, authorized pursuant to the laws of said State to construct, operate, maintain, or reconstruct such bridge, shall have and is granted an easement in perpetuity to construct, operate, maintain, and reconstruct such bridge on, over, and across said military structures and appurtenances and on, over, or across said lands."

SEC. 3. Section 3 of the act is amended to read as follows:

"SEC. 3. Such conveyance shall contain the further provision that during any emergency declared by the President or the Congress of the United States in existence at the time of enactment of this act, or whenever the President or the Congress of the United States declares a state of war or other national emergency, and upon the determination by the Secretary of the Army, the Secretary of the Navy, or the Secretary of the Air Force that the property so conveyed is useful for military, air, or naval purposes or in the interest of national defense, the United States shall have the right, without charge, except as indicated below, to the full unrestricted possession, control, and use of the property conveyed, or any part thereof, including any additions or improvements thereto made by the State subsequent to this conveyance: *Provided, however,* That the United States shall be responsible during the period of such use for the entire cost of maintaining all of the property so used, and shall pay a fair rental for the use of any structures or other improvements which have been added thereto without Federal aid: *And provided further,* That such right to possession, control, or use shall not apply to that portion of the property described in section 1 of this act on, over, or across which the bridge referred to in section 2 of this act shall be located or to such bridge or to any structures or improvements used or useful in connection therewith and with respect thereto the United States shall have only such right as it may have with respect to other property not owned by the United States."

SEC. 4. The act is amended by adding thereto a new section, numbered 6, reading as follows:

"SEC. 6. The Secretary of the Army is hereby authorized and directed to incorporate the foregoing provisions of this act in any conveyance made by him or, if a conveyance has been made by him prior to the amendment of this act, he shall make, execute, and deliver an appropriate written instrument amending such conveyance to conform to the provisions of this act."

With the following committee amendments:

On page 4, strike the proviso beginning on line 13 and ending on page 5, line 5, and insert in lieu thereof the following: *"Provided, however,* That it shall not constitute a breach of condition nor any ground for reversion to the United States of the title to said lands if a bridge and viaduct approach with its supports shall be constructed, operated, maintained, and reconstructed by the State of New York or pursuant to the laws of said State between the borough of the Bronx and the borough of Queens in the city of New York, over or across that part of the lands described in section 1 of this act bounded and described as follows, to wit: Beginning at a point distant 975 feet, more or less, easterly from the point of commencement of the portion of the United States military reservation at Fort Schuyler conveyed by the Secretary of the Army to the people of the State of New York described in section 1 of this act, measured along a line at right angles to the first course of the above conveyance (which line is hereinafter called 'line A') and (1) running thence in a northerly direction on a line making an angle of 61 degrees more or less with said 'line A' a distance of 965 feet, more or less, to its intersection with the northerly exterior line of the above-mentioned conveyance; (2) thence running easterly along the said northerly exterior line of said conveyance a distance of 205 feet, more or less; (3) thence running southerly along a line 200 feet distant from and parallel to course (1) hereof, a distance of 1,285 feet, more or less, to its intersection with the southerly exterior line of the above-mentioned conveyance; (4) thence running westerly along the said southerly exterior line of the above-mentioned conveyanee a distance of 105 feet, more or less, to an angle point in the southerly exterior line of the above-mentioned conveyance; (5) thence continuing westerly along the said southerly exterior line of the above-mentioned conveyance a distance of 120 feet, more or less; (6) thence running northerly along a line 200 feet distant from and parallel to course (3) hereof and in southerly prolongation of course (1) hereof a distance of 240 feet, more or less, to the point and place of beginning; intending to include within said bounds an area 200 feet wide extending from the northerly to the southerly exterior lines of the portion of the United States military reservation at Fort Schuyler conveyed by the Secretary of the Army to the people of the State of New York, but excluding therefrom any military buildings and structures and the land upon which the same are presently erected which formerly constituted the old fort. Such conveyance shall also provide that in the event that title to said lands shall revert to the United States, the State of New York or any public corporation authorized pursuant to the laws of said State to construct, operate, maintain, or reconstruct such bridge, shall have and is granted an easement in perpetuity to construct, operate, maintain, and reconstruct such bridge on, over, and across said military structures and appurtenances and on, over, or across said lands."

On page 6, strike the proviso beginning on line 1 and ending on line 9 and insert in lieu thereof the following: *"And provided further,* That such right to possession, control, or use shall not apply to the property described in section 2 of this act or to such bridge or to any structures or improvements used or useful in connection therewith, and with respect thereto the United States shall have only such right as it may have with respect to other property not owned by the United States."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VITAL LEGISLATION NECESSARY

Mr. BECKER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BECKER. Mr. Speaker, I rise at this time to ask a very fair question, and one that I believe is of the utmost importance to the American people and that is, Why have we not legislation on the floor of this House to correct the adverse effect of the Supreme Court decision on disclosure of FBI files to criminal trial defendants?

Why is there not legislation presented to this House to offset the decisions of the Supreme Court in reference to the release of the convicted Communists in California to prevent this happening again?

I want to inject here a part of the testimony of a New York policewoman, testifying before the Senate Internal Security Subcommittee to the effect that—

> The Communist Party has been given a revitalizing shot in the arm by the Supreme Court's decision overturning the convictions of California Communist Party leaders and by other court rulings.

There has been much legislation coming before the House in recent days. Nothing, however, touches the magnitude of the feelings of the American people more than the necessary legislation I have cited above. There is no doubt that we are in the closing days of this session and I, for one, do not like the thought of an adjournment before legislation is enacted making certain that convicted Communists will be jailed and to prevent the disclosure of the files of that greatest of all organizations, the Federal Bureau of Investigation.

If there has been security in our country and this security is to continue, the Federal Bureau of Investigation is the only responsible organization capable of continuing internal security for the American people. I call upon the chairmen and members of the respective committees to present legislation at once, and I feel certain all of the people of the United States would rejoice at such ac-

tion. Certainly, there would be no question as to passage in both Houses and no further time should be lost.

CALL OF THE HOUSE

Mr. WILSON of Indiana. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 196]

Alger	Hess	May
Anfuso	Hiestand	Merrow
Baker	Hillings	Miller, N. Y.
Barden	Holified	Morgan
Baumhart	Holtzman	Morrison
Beamer	Kelley, Pa.	Powell
Bentley	Kelly, N. Y.	Preston
Brownson	Kilburn	Prouty
Buckley	Krueger	Robsion, Ky.
Bush	Lennon	Scherer
Curtis, Mo.	Long	Sieminski
Dawson, Ill.	McConnell	Siler
Engle	McCormack	Smith, Va.
George	McGregor	Taylor
Gordon	Madden	Whitener
Gray	Mailliard	Williams, N. Y.
Hays, Ohio	Mason	

The SPEAKER. On this rollcall 378 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

MUTUAL SECURITY APPROPRIATIONS, 1958

Mr. PASSMAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9302) making appropriations for mutual security for the fiscal year ending June 30, 1958, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate on the bill be limited to 3 hours, one-half of the time to be controlled by the gentleman from New York [Mr. TABER] and one-half by myself.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

Mr. WIGGLESWORTH. Mr. Speaker, reserving the right to object, may I ask the gentleman from Louisiana whether that is in agreement with the ranking minority member, the gentleman from New York [Mr. TABER]?

Mr. PASSMAN. That agreement was approved by the gentleman from New York [Mr. TABER].

Mr. WIGGLESWORTH. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana [Mr. PASSMAN]?

There was no objection.

The SPEAKER. The question is on the motion.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H. R. 9302, with Mr. MILLS in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. PASSMAN. Mr. Chairman, I yield myself such time as I may require.

Fortunately the rules of the House will not permit magicians to come on the floor while we are considering legislation. It may be that before the debate is over some of you will think that the magicians have been in and have left some tricks, because there may be an attempt made to pull certain tricks out of the hat and use certain figures that are positively not in keeping with the record.

May I assure you at the outset that every figure and statement that I use today in defense of what the committee has reported out will be based upon justifications and certified statements submitted to us by many witnesses who appeared before our committee.

I would also like to state—and certainly I would not want to offend anyone, but so that you may have some understanding of the difficult job with which this committee is confronted, this is the most difficult bill to write and report and defend that any Member ever had anything to do with. Never has so much pressure been exerted to indicate a picture different from that which actually exists. Yesterday afternoon, before this subcommittee even marked up the bill to make these recommendations for your consideration, the newspapers hit the streets and said, "The President warns of extra session. Will recall Congress if aid is cut."

That is the caption. That indicates what we are confronted with today.

Mr. Chairman, before getting into a discussion of the mutual security appropriation bill for fiscal 1958, I would like to pay tribute to my able and distinguished colleagues who serve on the Foreign Operations Subcommittee on Appropriations. The members are the gentleman from Missouri [Mr. CANNON], the gentleman from Virginia [Mr. GARY], the gentleman from New York [Mr. ROONEY], the gentleman from Georgia [Mr. LANHAM], the gentleman from Kentucky [Mr. NATCHER], the gentleman from Indiana [Mr. DENTON], the gentleman from North Carolina [Mr. ALEXANDER], the gentleman from New York [Mr. TABER], the gentleman from Massachusetts [Mr. WIGGLESWORTH], the gentleman from Michigan [Mr. FORD], and the gentleman from Maryland [Mr. MILLER].

Particularly do I wish to pay special tribute to the able and distinguished gentleman from Virginia [Mr. GARY], whose understanding of the complex foreign-aid program is second to none. Not only is he able, but the gentleman from Virginia is completely sincere and uncompromising with right regardless of the pressure or flattery emanating from newspapers or other sources. He is neither easily frightened by threats nor persuaded by flattery. I especially refer to the gentleman from Virginia [Mr. GARY] here because he has been my chairman on another subcommittee for 9 years, and he is my predecessor as chairman on this subcommittee.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from New Jersey.

Mr. CANFIELD. I concur in the gentleman's tribute to the chairman of the subcommittee handling the Treasury-Post Office appropriation. The gentleman from Virginia [Mr. GARY] is all that the gentleman says he is.

Mr. PASSMAN. I thank the distinguished gentleman from New Jersey.

So when the gentleman speaks later today, if you are inclined to discount anything that I say, you certainly should not discount anything that the distinguished gentleman from Virginia [Mr. GARY] might have to say.

I should like also to pay special tribute to other members of the subcommittee who supported me, as chairman, wholeheartedly and steadfastly in every point in which they regarded my position as justified by the facts. That is why the bill now before you is one which, in my opinion, is the best bill which could be reported by the subcommittee under the circumstances, and a bill of such nature as is desired by the majority of the Members of Congress.

As chairman of the Foreign Operations Subcommittee on Appropriations, I speak concerning this program of foreign aid upon the basis of facts and figures painfully extracted through toil and sweat from the many witnesses, some of whom were almost belligerent, who appeared before our subcommittee during a period which extended from April 2 through July 12.

Therefore, I shall submit my case to the membership, relying with confidence upon sound conclusions and wise decisions on the basis of facts established and brought to light during the hearings on the bill before you. It would not be amiss for me to note here, however, that there has probably never been devised in our Nation a more actively functioning propaganda machine than the one which is operated by the advocates of a free-spending foreign-aid program. There are powerful pressure groups pushing this program, seeking spending far in excess of the needs justifiable by the facts of record.

Large numbers of our highest paid bureaucrats and their subordinates are working without letup to convince Members of Congress and the American people that the foreign-aid program is indispensable, and that ever more funds are required to support it. Representatives of numerous foreign nations are exerting extreme efforts to influence larger contributions for their particular countries. And, disappointing as it certainly is, many of our own Nation's big business firms, with profitable contracts through the program, are strong advocates of everlasting, bigger spending foreign aid.

There are 87 nations in the world, and so great has been the propaganda and the pressure for a more widespread, complex, and confusing program of foreign aid on the part of the United States, that there are now in the program, past and present, funds for 67 members of the world of nations. Furthermore, before the ink is hardly dry on the bill that you shall pass for this program, three additional nations will be added to the

total, increasing the number of recipients to 70 nations. With the United States as the donor, only 16 nations in all the world will not be receiving some type of aid under the program.

My colleagues, I ask you to study carefully the chart which is shown here, to ascertain for yourselves that we are appropriating money to Communist nations, to dictatorships, and to other nations we cannot actually rely upon as friends. On this chart is listed one nation or more to whom we offered aid and received, in effect, this reply: "Yes, we are ready to be bought or bribed, but your offer is too low. Raise it to this figure, and we shall do business with you."

The time has come when we must deal with this program realistically. Whether we are going to cast aside principle, and meet the bid, only time will tell.

I have learned through 11 years of experience in this body that in many instances Members of Congress are asked to support a program and appropriate money on faith; and when faith fails, then the element of fear is brought into play. That is why I am so very anxious now for your careful consideration of what the committee has reported and recommended on the basis of well substantiated facts and figures. And I will ask you to give no consideration to anything that I might say unless I can substantiate my claim with facts and certified figures.

The Congress, the executive branch, and the American people were somewhat skeptical of the foreign-aid program from its inception. Therefore, the program was started in 1948 with considerable caution. The Congress determined that the authorization for the program should be granted 1 year at a time. None thought that the program would exceed a period of 4 or 5 years, at the most, or that the total costs would go to as much as, perhaps, $15 billion or $16 billion. But, instead, the program has been in effect 9 years, and our appropriations for the single foreign-aid program as carried in the bill handled by the Foreign Operations Subcommittee on Appropriations have already exceeded $45 billion.

If you consider the other expenditures of the Defense Department and put them together, the total exceeds $50 billion.

Mr. Chairman, after the first 2 years of this program it began to get more difficult to sell the American people in the Congress on the idea it was accomplishing its objectives; therefore, the political medicine men in the executive branch decided they could overcome a reluctant Congress by doing two things. First, present the program to the Congress for consideration late in the session, so there would be insufficient time for careful and clear consideration of the request.

If I am accused later of using pressure methods on getting this bill out, let me remind you it is now August 15, we are getting ready to adjourn this Congress, yet we only received the authorizing legislation yesterday afternoon after 4 o'clock. So, who can accuse me of rushing this bill through when you did not give us adequate time to study the bill and bring it to the floor? The pressure is from downtown in withholding facts and in withholding this bill so as to stampede the Congress in the closing days of the session to appropriate money they do not need and that they did not justify.

They just changed the name every time it appeared the taxpayers had grown weary of financing some of these dream schemes.

May I at this point respectfully submit to the Members of the House that it is wise that this appropriation should be left with the Foreign Operations Subcommittee on Appropriations, the members of which have worked tirelessly and ceaselessly and diligently to put some sense into the foreign-aid program.

By consolidating fiscal years 1956 and 1957, for one illustration, we can point to a saving below the budget request in the amount of $1,868,000,000. And the program was not hurt thereby, but was helped.

I am speaking of the fiscal years 1956 and 1957 when we were whipped around, knocked around, talked about, and accused of ruining the program; but notwithstanding that fact we succeeded in reducing the President's budget by $1,868,000,000. And, lo and behold, this year they had to admit that we gave them too much money last year and they returned $538,000,000 in military funds. Those are the facts.

You will recall, of course, that it was decided from downtown that the great Fairless committee, composed of some of the best businessmen in America, because their recommendations did not in some particulars meet with the approval of the executive branch, should not appear before the House Foreign Affairs Committee. If I am wrong in that statement, I wish to be corrected.

I think it would be more in order now for me to proceed to the actual facts and figures of the program, because you shall base your vote today not upon the basis of what I am saying here but entirely upon the basis of the information submitted by those people who appeared before our committee in an attempt to justify these large requests. May I say to you that in the past, and I am sure this year, they have been guilty of overstating their needs and without exception in each year their expenditures have amounted to far less than they said they would require in the beginning of the session of Congress.

May I say to you, Mr. Chairman, that in this bill the committee is recommending an appropriation of new funds in the amount of $2,524,760,000, which is a reduction of $862,100,000 below the authorizing legislation in new funds. What we decided to do in marking up the bill was to reappropriate $1,450,000,000 that would ordinarily lapse, so the bill was reduced by only $80,650,000. I wish you would follow me very carefully so that you may know for a fact just exactly what is in this bill. I assure you if I err one time in reporting these figures I do not ask you to support my position.

Now, I wish that you would follow me carefully for the next 3 or 4 minutes. I shall either make my case or the committee's case in the next 3 or 4 minutes, or it will not be made.

We are recommending for military this year new appropriations in the amount of $1,250,000,000. We are reappropriating $538,800,000, making new funds available for obligation in military alone of $1,788,800,000.

Now, compare these figures to previous years. In 1956 for military we provided in new funds $1,056,100,000. In fiscal 1957 we provided $2,213 million. Some of the most distinguished Members of this great body questioned, unintentionally, of course, the position of the gentleman from Louisiana. They said, "You ruined the program." They said, "Let us get through with this and rush it over to the other body where they can correct our errors." In politics you develop a thick hide. I did not resent that statement. I knew that history would prove my figures to be correct and accurate. What actually happened? They came back this year and said, "Yes, Mr. Chairman, we admit we overstated our needs. You gave us more money than we needed." Even Mr. Hollister, a very able man, said so. The record speaks for itself.

So, what happened? Out of the $2,113 million we gave them last year, when we had ruined the program according to certain individuals, what happened? They confessed humbly and said, "Forgive us. You gave us $538,800,000 more than we could spend."

Let us go into the category of obligations, because they must be considered now. I have mentioned appropriations. Obligations for fiscal 1956 for military were $848,920,000. Now, what happened in fiscal 1957, the year we were accused of ruining the military program? They were able to obligate only $1,674,200,000. Those figures are accurate, my friends.

Now, let us go to another category, and you must consider them all; otherwise your judgment would not be well founded.

Expenditures: 1956, $2,572 million for military. Fiscal 1957, $2,319 million for military. In 1958 they said, "Well, the program now is going down. We admit that we will spend less money. We will need only $2.2 billion for military."

Now, what are the figures? We represent 170 million American taxpayers who are going to finance this program. If you adopt the bill before you at this time, you will have in military for new obligations and expenditures $5,512 million. While this is being repetitious, it is worth it. They say that they can spend only $2.2 billion, but with the new funds they are going to have money available in the amount of $5,512 million. Taking into account their own figures and the fact that in the past they have overstated what they would spend, even so they will have sufficient funds to carry the program on for 2½ years.

Now, how can any person, regardless of his position, take a valid stand that we have crippled the program?

May I respectfully direct this to your attention: The mutual-security program does not have contacts with outside manufacturers. They procure from the Defense Department, and rightfully so,

of course. And, on what basis? I cannot afford to mention for the record for fear of misunderstanding, and you members of the Committee on Foreign Affairs should appreciate my fairness, but let me state it this way: What is the lead time? The time you can get it off the production line and put it on the boat. As to 77 percent of this military, your lead time is about 90 days. These people have been so accustomed to coming down here and bluffing and frightening the Congress into giving them money they do not need that it just burns them up to see some sense put into this program.

Let us go over to another program. That is defense support. Do not be misled by that term, "defense support." It is economic aid, just as any of the other aid programs. We give those countries the military money, we give them the air bases, and then we give them defense support, with which money they can build roads, buy materials, purchase anything they may need. It is a direct aid to their economy. In that particular item they started with $900 million. The other body put the figure at $800 million. The House put it down to $500 million; but after some discussion, the House went to $600 million and the bill went to conference. I do not like to use the word "capitulate"; it has an unpleasant connotation. So let us say that our friends from the Committee on Foreign Affairs decided to recede on $150 million, so they gave them $750 million for this newly singled out item of defense support that is not now attached to any of the other aid programs.

Your committee, in its wisdom, recommends $585 million, a reduction of $165 million. However, we are reappropriating $36 million, which gives them more money for defense support than was available in the original House bill.

Let us move along now to the development loan fund. They asked for $500 million and that figure prevailed all the way down the line. I will have to admit that I gave a little encouragement to the members of the Committee on Foreign Affairs, to the effect that if they would not compromise on the $500 million, we would recommend appropriation of a sizable sum. Now, $300 million is certainly a sizable sum for this purpose. So we have reduced that item by $200 million.

Let me give you our reasons for making that reduction. About 2 years ago they came down and said they wanted $200 million for the President's Asian fund. Oh, what a powerful story they presented in their effort to get that $200 million; but the committee decided that we had better cut the sum to $100 million and then apologize at some subsequent date if we had made a mistake and cut it too much. But what actually happened? The $100 million was unattached for 2 years. They could carry it over for 3 years. Do you know how much they have spent out of that fund to date? They have spent $6,623,000. They have left available in that Asian fund more than $93 million. They have not been able to do anything with the money. Those are the facts. Do not be frightened about any statement that you may read about our hurting this program, or by the awful crying to the same effect you are going to hear before the day is over.

Let us turn to special assistance. They asked for $250 million and that figure prevailed all the way through the two bodies and in the conference. We reduced it to $175 million, some of us believing that we had given them too much money. But we decided to reduce the request by only $75 million.

Let us get into the technical assistance program and see if we can justify the committee's action there. I think we have a very good point. Last year they came before our committee and said that they would like to have $135 million and also permission to carry over $1,620,000 that was not really limited to 1 year. We gave them $136,620,000. They went out and obligated and deobligated and reobligated and deobligated and reobligated—I have said that five times, because that was the number of times that they obligated and deobligated the item in this program. But they obligated only $124,567,000; $12,053,000 lapsed because they could not obligate it. I was about to recommend a higher figure and the committee decided to go along with me when the fact was revealed that they have $165,163,000 in the pipeline. That much is unexpended. You know and I know, I am sure, that if we did not appropriate any money at all for this item, they would not be very badly hurt. But aware of the feeling concerning this item, we allowed $113 million of new money and $12 million of carryover, for a total of $125 million. And I hope we will not have to apologize next year for recommending too much. But I feel sure we will have to make some mention of this as being the fact.

Now here is a puzzler. We looked over the authorization request and we could not find this item; that is, $25 million for Latin America. Personally, I greatly admire our friends down there, but I asked, where is the justification? We have no justification. Where is the authorization? We have no authorization.

Well, what is it? In questioning witnesses about the Senator's amendment—I shall not call his name—for the $25 million for Latin America, this is what they say, quoting from page 668 of the hearings. Mr. Snow, one of the Assistant Secretaries of State, was testifying. He said:

> This year, again, Senator * * * and those who agree with him in the Senate wished to make a special reservation of funds for Latin American development. It is $25 million this year, I understand, and it has been put into the special assistance fund by the Senate.
>
> Our position in the State Department has been that we did not consider this necessary.
>
> Mr. PASSMAN. What is that, sir?
>
> Mr. SNOW. We did not consider this a necessary provision to make because the type of loan contemplated by Senator * * * is also contemplated under the new develpment loan fund, if that is approved.
>
> Mr. PASSMAN. You do not think it is necessary for this committee to include the $25 million? You believe the program could be carried on satisfactorily without this particular increase?
>
> Mr. SNOW. Yes; I believe so.

If that is the proper way to do things, just because some individual says, "Put me in for $25 million," and another says, "Mark me down for $10 million," then I do not believe I will ever understand it.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Michigan.

Mr. FORD. Is it not true that the executive branch of the Government did not request that $25 million? The point I am sure the gentleman is trying to make is that the legislative branch in the other body is at fault in this.

Mr. PASSMAN. I thought I had made it abundantly clear that there was no request for an authorization, and I am quoting one of the secretaries that they did not request it.

Mr. FORD. Our subcommittee was unanimous in rejecting the $25 million?

Mr. PASSMAN. That is correct. I want to pay particular praise to the full committee for being unanimous in rejecting that item.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Florida.

Mr. FASCELL. This authorization was certainly approved on the House side, was it not?

Mr. PASSMAN. I do not know what you approved. I am only giving you the testimony. You make the policy; I talk about the money.

Mr. FASCELL. Maybe I misunderstood the gentleman. I thought he made the statement that there was no authorization for this item.

Mr. PASSMAN. No; I said there was no authorization request. You have authorization requests and later you have an authorization. You have no authorization request but you have an authorization; but it was not based upon testimony from downtown. Am I correct?

Mr. FASCELL. The gentleman is correct.

Mr. PASSMAN. I thank the gentleman very much.

Now, there is another item here that is also a puzzler. This came down in connection with atoms for peace. When they start talking about a gun, a ship, a pistol, a plane, or atoms, we start shaking and usually give them just about what they want.

But what happened? They came down last year and said, "Here is a little program. We want $6 million for atoms for peace." I said, "We had better not run too far away from that one," so we gave them $6 million and thanked them for coming in with the atoms for peace.

Then, they went along for a full 12 months. They could obligate only $1,550,000. They came back this year and they had $4,450,000 on hand unobligated, lapsing. So this fine member of the Atomic Energy Commission, a wonderful personality, a great American, came in, and he said, "Mr. Chairman, we want $7 million this year." So the members of the committee decided we had better have a little talk with the gentleman. I cannot go too much into detail, but it goes something like

this. I quote from page 1091 of the hearings on atoms for peace. Mr. PASSMAN was doing the questioning at the time:

Mr. PASSMAN. Would you approve if this committee and the Congress should appropriate money for all departments, to the amount of about $74 billion a year, on the basis of the type of justification you have made this morning? Would not you feel a bit uncertain that we did not require agencies to justify their programs?

Mr. VANCE. Yes, sir; you are very right.

So we decided not to recommend appropriation of the $7 million. But we wanted to be as congenial and as liberal as we could, so we recommended the $4,450,000 carryover only because of its label, "atoms for peace."

Mr. Chairman, I did not ask for the job of being the chairman of this subcommittee on appropriations. There are many Members who in all probability could do a better job, but I do not think there is any Member who would work any harder or any longer than I have done in trying to know what is in this bill and what is actually needed. As long as I am chairman of this subcommittee, I shall fight and fight just as hard as I can to give these people all the money they need to carry on the programs that our leaders say we should have to protect the security of the United States. But, my friends, are we going to appropriate money based upon justification and upon their needs and upon the facts or are we going to be panicked into giving these departments money that they do not need and that they cannot spend? There are two ways to appropriate money—one is on the basis of justification, using the past record and their own certified facts, and the other is to get stampeded into following some person who may be able and sincere, but who does not know any more about this bill than I know about surgery. I plead with you to stand by the recommendations of your subcommittee. I promise you that if we have denied $1 that they actually need, I will submit my resignation as a member of this subcommittee and I will not conduct the hearings next year. I know I can make that statement and be perfectly safe in coming back here next year, and also knowing that I will have to come in and apologize again for recommending more money than actually needed, unless you approve this bill which is based upon commonsense and based upon what they need, rather than on a lot of headlines that were issued prior to the time we marked the bill. I have consumed a lot of time, but my convictions are deep. As I say, the magicians may slip into the Chamber today and may endeavor to get you to accept a lot of facts and figures that are not in the record and they will try to get you to accept changed figures that have been submitted subsequent to the time of our hearings. If that should happen, I have some letters over the signatures of certain individuals that I would be forced to read to you at a subsequent time.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield.

Mr. JUDD. As the gentleman says, possibly we gave them more money last year than they needed. But the gentleman also reports that they did not spend all we gave them. So, no matter how much we gave them, they did not spend more money than they needed. Is that the gentleman's statement?

Mr. PASSMAN. I want to be sure you understand that I do not intend to convey such an impression. I am accusing them of purposely losing sleep working up figures that cannot be justified and asking for more money than they need, and which they do not need, you understand, so as to obtain more than they can possibly spend. I challenge anyone to disprove that statement.

Mr. JUDD. But my point is that they did not spend it.

Mr. PASSMAN. They did not spend it because they asked for more money than they needed and they overstated their requirements, and I believe my distinguished friend, Mr. JUDD, knows that.

Mr. JUDD. My point is—was our country injured by the money that we gave them that they did not need or use? My own idea is that when we are in a war—and we are—it is always advisable to have a little extra, in case it should prove necessary. It was not needed last year and they did not spend it. They turned back $538 million of funds made available for military assistance and in the special Asian fund, as the gentleman has said, there is still some $94 million that has not been spent. I think they ought to be congratulated for that. That gives me a greater sense of confidence in them.

Mr. PASSMAN. Well, the gentleman from Minnesota can congratulate them, but I am going to condemn them for trying to mislead this subcommittee of which I am the chairman.

The CHAIRMAN. The gentleman from Louisiana has consumed 34 minutes.

Mr. TABER. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, this bill carries a total overall of $3,191,810,000. Why do we have the bill? It is because of our own military situation and the world military situation where we have the Communists knocking at every port of entry in the world, trying to get in and spread their wild doctrines all over the world. They are succeeding in this, beyond the wishes of many of us.

For my part, I think we made a mistake in providing as much money as we did for some of the economic operations of Mutual Security in the early days. Now, however, No. 1 on the picture is military aid. That military aid has to be provided to these people in the poorer countries of the world, on the periphery of the Iron Curtain, so that they will be able to defend their homelands, and so that other persons there, capable of defending their homelands, will keep the Communist program from breaking loose and spreading all over Europe and the rest of Asia and Africa.

Now that is just where we are, but that is just what the military item in the bill is designed to give us.

The next item is defense support. Defense support means the pay for the troops in these border countries. I will name those border countries, so that you may have them in mind to a certain extent.

They are Greece, Turkey, Jordan, Iran, Pakistan, South Vietnam, Korea, the Philippines.

Then we have the situation in NATO where we are obligated to supply certain arms and ammunition to the people there. There is $175 million in the budget request to set up a fund which would enable them to purchase arms and ammunition for sale to Germany on the installment plan. That is necessary for us to provide, because there is no other nation in the world in a position to provide it. Those two items are the heart of this bill that we have before us.

The President asked for an appropriation of $1,900,000,000 and the reappropriation of $538.8 million for military assistance. The budget estimate has been cut down to $1.6 billion, the size of the authorization bill, plus the reappropriation.

There is $1,788,000,000 for military assistance in the bill. There is $621 million for defense support. The two together make a little over $2,400,000,000. The rest of the bill runs about $700 million, and is mostly for other things, some of which cannot be provided for in advance.

The figures that the bill was marked up on show $1,674,200,000 for the military assistance obligations in 1957. But a saving of $539 million in the appropriation was brought about by a careful review which the head of the security agency had made of all of the items that had been reserved between 1950 and 1956 and carried along. That was salvaged out of those earlier appropriations that they had gathered together, the life of which had been extended down through the years. They used that to buy the things that permitted them to save the $539 million that was left.

The actual expenditures, including expenditures from those funds last year, ran to $2,213,200,000. That means that we are giving them a great deal less than they had before, and this for items that are absolutely essential if we are going to take care of our end of maintaining the peace of the world.

Mr. WIGGLESWORTH. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Massachusetts.

Mr. WIGGLESWORTH. May I ask the gentleman if it is not also a fact that there is an item of $175 million in the 1958 obligation picture for the new revolving sales program, which was not in the 1957 picture at all? So that $175 million more should be included to obtain a fair 1957 yardstick?

Mr. TABER. That has to be added to it. I spoke about that a moment ago. That is the fund which is to be used to buy military equipment to maintain the situation in Germany, to sell arms and equipment to Germany on the installment plan.

That is the reason why I feel that we should not go very much below the au-

thorization figure in approaching our writing of this bill.

I have here a letter from the Assistant Secretary of State dated today, indicating that the $500 million worth of spare parts, ammunition, and other items that were involved in this picture was procured in this way. That is why I feel that we need to supply more funds for this program. I do not believe that we ought to cut defense support as much as we have. We have cut it $165 million below the authorization figure. Frankly, I believe the result of that kind of operation will be that we will have to supply a great deal more of our own troops out in other parts of the world than we would have to if we were able to get as many people as possible in those lands to defend their own homeland instead of us having to have our troops there.

Mr. Chairman, I could go on down the line.

Mr. VORYS. Mr. Chairman, will the gentleman yield before he leaves that military figure?

Mr. TABER. I yield to the gentleman from Ohio.

Mr. VORYS. There is this statement in the committee report which looks quite impressive, on page 5, referring to the amount which has been cut $350 million for military assistance. It states:

> The committee recommends an appropriation of $1,250,000,000 for this item plus the reappropriation of $538,800,000 (the latest estimate, amount unobligated as of June 30, 1957). This will provide $1,788,800,000 for obligation during the fiscal year 1958. This amount is $114,600,000 more than was actually obligated and reserved during fiscal year 1957 and is $939,880,000 more than was actually obligated and reserved during fiscal year 1956.

That impressed me very much because it was entirely out of line with what my own recollection of what the figures were. I have seen the copy of this letter from Mr. Mansfield D. Sprague, in which he points out that the actual fiscal year 1957 program was $2,200,000,000 and was not $1,700,000,000 and what was used was $500 million that had been programed someplace else, but which was $500 million of appropriations that were used in 1957. So it would seem to me the statement in the report may be technically accurate when it refers to obligations and reservations, but it is misleading when it is shown what was actually programed. The amount was two billion two and not one billion seven.

Mr. TABER. The gentleman is correct.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Louisiana.

Mr. PASSMAN. The gentleman is just as wrong as he can be. He is looking at the wrong figure. I anticipated this so I have given you appropriations, obligations, and expenditures. The 1958 estimated expenditures were $2,200,000,000. The gentleman should have another look at it.

Mr. TABER. When they obligate funds out of prior years' appropriations, like they did in this case, over $500 million out of the 1956 appropriation which are salvaged, they are charged to the year in which they were appropriated and not to the 1957 figure.

Mr. VORYS. As far as the Congress and the taxpayers are concerned, the operations in fiscal 1957 were two billion two regardless of year they came from. Therefore you cannot plan as if you are going to have the same expenditures, the same program, next year, if you cut it about half a billion dollars. That is what strikes me.

Mr. TABER. That is exactly correct, and that is why we should protect the United States by providing money enough for the President to run the job to keep us out of trouble.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Louisiana.

Mr. PASSMAN. Will the gentleman please get some type of a letter, some type of a statement, establishing any figure that he mentioned? In committee this morning the gentleman said we had erroneous figures. Will the gentleman please, for the benefit of the committee, get some letter disproving one figure that I have here?

Mr. TABER. Sure, I will get it. The gentleman need not worry about that.

Mr. PASSMAN. I sure hope the gentleman does.

Mr. TABER. Mr. Chairman, I yield 15 minutes to the gentleman from Massachusetts [Mr. WIGGLESWORTH].

Mr. WIGGLESWORTH. Mr. Chairman, in appearing before your committee, Mr. Benjamin Fairless, of whom we all know and who, incidentally, served as coordinator of the President's citizens advisory group on the mutual security program, in stating that he had had a complete change of heart about the program since the investigation which he recently made at home and abroad, added these words:

> I think there are millions of Americans today who are still under the wrong impression about our foreign assistance programs. They think most of the expenditures are in so-called economic giveaway programs, and they do not realize that most of them are in the mutual defense of our country in working together with our allies.

Misunderstanding is responsible for many difficulties in life. It would be tragic, however, in my opinion, Mr. Chairman, if misunderstanding by the people, should result in crippling a program which, in my judgment, is vital to our country in terms of national defense and in terms of world peace.

I am sure that if properly understood by the people, there would be no doubt of their support.

Our whole system of national defense is based on the allied forces supported by the military features in this bill.

Seventy-five percent of the total carried by this bill, Mr. Chairman, is for the purpose of that military support.

The total provided for this purpose is only about 8 percent of the funds we make available for our own forces.

It saves us tremendously in terms both of military manpower and of dollars.

Of course, Mr. Chairman, this program has had its shortcomings.

I have lived pretty closely with it from the outset as a member of the subcommittee in charge of its appropriations. I have traveled around the world and watched it in operation in country after country. I have done my best to cure its shortcomings and to bring about economy and efficiency.

But, Mr. Chairman, I have always supported the objectives of the program.

The program has recently been described as "the most difficult and far-flung operation in the history of the world." There are bound to be shortcomings and it is easy to generalize and arrive at a wrong conclusion as to the program as a whole.

ADMINISTRATIVE AND PROGRAM IMPROVEMENTS

I want to mention in passing, however, that in my judgment real progress has been made in the right direction during the last 2 years under the leadership of our former colleague, John Hollister, and our former Secretary of the Army, Gordon Gray.

For those who are interested, I refer to page 430 of the hearings where you will find some 14 pages on administrative and program improvements inserted in the record by Mr. Hollister at my request.

I refer also to the testimony of Assistant Secretary of Defense Sprague who succeeded Gordon Gray, commencing at page 325, where the record indicates that no less than $500 million of savings were effected during the past year by administrative improvements, including the very marked shortening of administrative lead time.

The fact that all appropriations are not obligated is to me a happy change when compared with the practices of the past. I agree with the gentleman from Minnesota [Mr. JUDD], that it is a basis for commendation and not for condemnation.

DROP IN APPROPRIATIONS AND EXPENDITURES

The members will note that appropriations have fallen from a peak of $7.4 billion back in 1951 down to $3.9 billion as of today; and that expenditures show a similar trend, falling from a peak of $5.7 billion in 1953 down to $3.9 billion today.

IMPORTANCE OF PROGRAM

Mr. Chairman, I do not think the importance of this program can be overemphasized.

It reflects a policy which has been bipartisan in character, adopted in the face of the military might of the Kremlin and its insatiable desire for world domination.

It implements a policy of collective security based on the conviction that with 6 percent of the world's population not only a powerful America but powerful allies are vital to our national defense.

It carries forward a military policy which has compelled the Kremlin, for the time being at least, to abondon military aggression, and to concentrate its efforts in other fields.

It carries forward an economic policy of the helping hand where necessary to nations desiring to remain free and outside the Iron Curtain.

To relax these policies, Mr. Chairman, in my judgment, is to play directly into the hands of the Kremlin.

COMMITTEE ACTION

I am very unhappy at the recommendations submitted by your committee.

Military assistance, slashed $300 million in the authorization bill, has been slashed another $350 million, for a total of $650 million or just about 33⅓ percent of the original request.

Defense support, slashed $150 million in the authorization bill, has been slashed another $130 million for a total of $280 million below the budget request.

The new development loan fund for which $500 million for the first year was carried in both versions of the authorization bill, has been slashed 40 percent to a total of $300 million.

The President's special assistance fund, designed primarily for emergency purposes, slashed $50 million on the authorization bill has been slashed another $75 million for a total of $125 million less than the budget request.

The over-all total has been reduced about $800 million below the authorization bill and about $1,300,000,000 below the revised estimates submitted by the President.

It leaves an unexpended military assistance balance as of the end of 1957 of about $3,700,000,000 and as of the end of 1958 of about $3,200,000,000, both of which are far below the 2-year level of pipeline normally required by the military.

Mr. MORANO. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the able gentleman from Connecticut.

Mr. MORANO. The gentleman has made a very fine statement. He talked about the percentage cuts. Some of the percentage cuts are 40 percent, 33 percent, and so on. How do these cuts compare with the average cut we made in other appropriation bills heretofore passed by the House?

Mr. WIGGLESWORTH. I have not made a computation of all the cuts in terms of percentage, but the cut to which I have just referred of 33⅓ percent in military assistance is of course far in excess of the average percentage cuts which have been made.

Mr. MORANO. Much deeper?

Mr. WIGGLESWORTH. Very much deeper.

Mr. HOFFMAN. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and eight Members are present, a quorum.

Mr. MILLER of Maryland. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. MILLER of Maryland. I should like to answer the question the gentleman just asked. The cuts in the other departments run from 2 percent in Treasury to 31 percent in Commerce, but the Defense Department cut was 6.5 percent, and this runs over 25 percent.

MILITARY ASSISTANCE

Mr. WIGGLESWORTH. Mr. Chairman, the purpose of military assistance is primarily to provide military equipment made in American factories by American labor to our allies.

It is to help Korea, Taiwan, and Turkey, maintain more divisions, each of them, than we maintain in the United States.

It is to help maintain some 4,800,000 ground forces, 2,500 combat ships, and 27,000 planes.

It is to maintain them at a cost of something like 3 or 4 percent of what it would cost us if we tried to do the job with American manpower and American dollars.

Surely no one wants our American boys to shoulder the burden that our allies are now carrying for us.

The cut of 33⅓ percent, in my judgment, is far too drastic.

DEFENSE SUPPORT

The purpose of defense support is to help certain allies to maintain forces which it would be impossible for them to maintain without assistance.

Korea has 21 divisions. Taiwan has 20 divisions. Turkey has 20 divisions. None of them could support their armed forces without assistance from this country.

I may add, Mr. Chairman, that cuts in this particular item are especially hard to take, because all defense support money is money contemplated for expenditure in 1958—there are no long-term items in it—and because 80 percent of the total requested under this heading goes to 5 countries—Korea, Taiwan, Vietnam, Pakistan, and Turkey—which are of such great importance to us in terms of our national defense.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. JUDD. What does the gentleman think that the Government of Korea, for example, could do if it had to take, as a result of the cuts in this bill, a 35 percent cut in the defense support which is keeping it going. Would it demobilize 7 of its 21 divisions?

Mr. WIGGLESWORTH. I assume it would have to demobilize a substantial number of its divisions. It would be impossible for Korea to continue to support all its divisions without assistance.

Mr. JUDD. In 6 years we have spent literally billions of dollars equipping those divisions and training them. They are first rate. Now, are we going to demobilize 7 of their 21 divisions because they themselves simply do not have the funds to pay and feed and house and clothe and supply them? That is what defense support is for.

Or is Korea, as an alternative to demobilization, to run the printing presses and crack up with inflation?

And third, what will happen to the morale of that army if its great and powerful ally which has encouraged it to build up those divisions and which has equipped and supplied them now says, "We will not make it possible for you to keep those divisions in the field." And what good will any of the divisions be, if their confidence in us and their morale are shaken?

Mr. WIGGLESWORTH. These forces, in my judgment, are in our front lines. I can think of nothing more shortsighted from a national standpoint than to make it impossible for them to continue to function.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield briefly to the gentleman.

Mr. GROSS. Is not Korea a United Nations operation?

Mr. WIGGLESWORTH. The gentleman knows that Korea has some 21 divisions and that they are playing their part in the Free World front lines.

Mr. GROSS. What is the United Nations doing to support South Korea?

Mr. WIGGLESWORTH. I do not know just what it is doing, but we are not talking about that today. We are talking about our own national defense, and the part that our allies play in the front lines in our defense.

Mr. GROSS. Is not the United Nations sharing in the support of South Korea since it is supposed to be a United Nations operation?

Mr. WIGGLESWORTH. I assume it is to some extent, but I cannot answer that.

Mr. GROSS. Why must we take the whole load then; or are we taking the whole load?

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. FORD. At the time of the armistice in Korea, we had seven divisions—United States Army divisions in Korea. We now have less than two. Our United Nations allies, likewise, had forces there at the time of the armistice. They have made reductions not much greater, if any greater percentagewise. So they do have forces in South Korea just as we do.

Mr. GROSS. Of course, if the gentleman will yield further, they did not have any troops there in the first place—percentagewise or otherwise.

Mr. FORD. I might say this. Some of the countries that are being assisted by defense support and this program had some of the most valiant and valorous forces in South Korea during the fight.

Mr. GROSS. Well, I will get some time later to answer that one.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. GARY. The gentleman from Minnesota is complaining about the fact that this bill would wreck the forces defending Korea and Formosa. Is it not a fact that this bill carries $621 million for defense support whereas the House recommendation in the authorization bill only carried $600 million? Therefore, we have $21 million more in this bill than the House authorized for that purpose.

Mr. JUDD. Of course, that was a great mistake, I believe, on the part of the House. The $621 million is still almost $300 million below the budget request.

Mr. GARY. But this bill provides $21 million more than the House authorized.

Mr. JUDD. But it still is less than the budget request and the authorization bill.

Mr. TABER. If the gentleman will yield, we did not give them any more than they need.

Mr. VORYS. The House authorized yesterday $750 million for defense support. That is the last vote of the House, when they approved the conference report. That is what the House approved.

Mr. GARY. But the House did not approve that amount in the House bill. The House conferees gave way to the Senate conferees in arriving at that amount.

Mr. VORYS. You were asking what the House approved. They approved $750 million only yesterday.

Mr. GARY. Not as a specific item. They approved the conference report with that as one of the items in it.

Mr. WIGGLESWORTH. If I may now say a few words, I would like to say to the gentleman from Virginia [Mr. GARY] that I am reliably informed that the amount recommended in this bill for defense support for 15 nations is $80 million below that which was requested for only five of them—Korea, Taiwan, Vietnam, Pakistan, and Turkey.

I am further advised that the program for those five countries will have to be cut to the extent of 32 percent.

The programs for five other countries, including Iran, Thailand, Cambodia, Laos and Greece, will also be cut to the extent of 32 percent.

Also the programs for four base-supporting countries, Ethiopia, Libya, Morocco, and the Philippine Islands must be cut more than 20 percent.

I hold in my hand a copy of a press release, issued at the White House this morning. It states, among other things, that the President said the proposed cut in defense support will compel almost certainly dangerous reductions in the size and effectiveness of the forces now being maintained by free nations bordering on Communist lands; and, in addition, that it will lead to serious difficulty in the economies of those nations supporting such forces.

Let us return now, Mr. Chairman, to other items in this bill.

ECONOMIC AND TECHNICAL COOPERATION

The purpose of economic and technical cooperation is to help countries desiring to remain free and outside the Iron Curtain who are not strong enough economically to remain free without assistance.

It is in this field that most criticism has centered in the past. There have been too many projects and too many ill-considered projects. Projects have been based on illustrative programs unsatisfactory to the Executive—unsatisfactory to the Congress. There has been too much personnel. There have been waste and extravagance.

This year the bill provides for a new procedure. It results from the recent investigations made for the President, for the Senate, and for the House.

It provides for a development fund limited to making loans. It is designed to bring about economy and efficiency; to put economic aid on a more business-like basis along the lines of the Export-Import Bank; to substitute loans for grants; to provide financing under which repayment is possible in place of the present system where there is no repayment; to eliminate unatisfactory illustrative programs; to substitute specific projects under specified criteria; to base requests for appropriations on known performance in the past rather than on unknown performance in the future.

It offers the possibility, in my judgment, of great improvement.

The original request was for a capital fund of $2 billion to be accumulated over a period of 3 years, $500 million in appropriations in the first year and $750 million through borrowing authority from the Treasury in both the second and third years.

The authorization bill provides for a maximum capital of $1,125,000,000 to be accumulated over a period of 2 years, $500 million in the first year, $625 million in the second year, both in terms of appropriations.

The $500 million carried in both versions of the authorization bill have been slashed by your committee to $300 million, in spite of an expenditure for development assistance in fiscal year 1957 amounting to about $410 million.

The slash is far too drastic.

In his press release this morning the President states that the slash of 40 percent "makes impossible the realization of the important purpose for which the fund was established by the Congress."

SPECIAL ASSISTANCE FUND

The purpose of the special assistance fund is to provide the President with funds which he can use if necessary in cases of emergency.

Similar funds have been provided in the past. They have been used only in the case of emergency. They have proved vitally important in such cases as Iran, Guatemala, and, I think, Hungary and Jordan.

Three hundred million dollars was requested, $100 million for programed items, and $200 million for emergencies.

The total, slashed by $50 million in the authorization bill, is further slashed to the extent of $75 million, or a total of $125 million, in your committee recommendations, leaving a total of $175 million, $100 million of which is already programed.

To quote the President's press release again:

> The cut in the special assistance fund will not only seriously affect the funds for such programs as the worldwide effort to eradicate malaria and to aid Hungarian refugees, but it will also seriously reduce the reserve funds hithertofore provided to the President to meet the emergencies which inevitably develop in the world we live in today.

TECHNICAL ASSISTANCE AND OTHER PROGRAMS

I shall not refer, Mr. Chairman, to the technical assistance program or to the other programs, some 15 in number, carrying relatively small amounts and detailed in the committee report.

I repeat, Mr. Chairman, in conclusion, that our whole national defense plans are based on the allied forces supported by military assistance and defense support; that failure to appropriate sufficient military funds for this purpose plays directly into the hands of the Communists and compels the utilization of far more American manpower and far more American dollars.

I regret that the committee has made such drastic reductions.

I hope that they will largely be restored before the bill becomes law.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. WIGGLESWORTH] has again expired.

Mr. PASSMAN. Mr. Chairman, I yield 10 minutes to the gentleman from Kentucky [Mr. NATCHER.]

Mr. NATCHER. Mr. Chairman, the Subcommittee on Foreign Operations Appropriations of the Committee on Appropriations brings to the floor of the House for your approval the mutual security appropriations bill for 1958.

Our chairman, the distinguished gentleman from Louisiana [Mr. PASSMAN], together with the other members of the subcommittee have spent many long hours in examining witnesses who appeared to justify the amounts requested for the Mutual Security Program for fiscal year 1958. During our hearings we heard 70 witnesses and if you will examine the hearings you will find that 1,159 pages were consumed in recording the action of our subcommittee.

The budget submitted to Congress on January 16 of this year assumes that a surplus will exist in both fiscal year 1957 and 1958. The 1958 budget calls for record peacetime expenditures of $71,800,000,000. The proposed expenditure increases are distributed broadly and consist for the most part of many small increases. Budget receipts of $73,600,000,000 are estimated for fiscal year 1958. The people generally do not believe that this budget is consistent with good government and, in order to stabilize our economy and to encourage its sound growth, there must be a reduction in the budget requests for 1958. A casual examination of the budget clearly shows that it is in precarious balance depending upon postal-rate increases and other anticipations which probably will not take place plus the hope for a steadily rising income. Of course, none of this is assured.

When the 1958 budget was presented to Congress comparisons were immediately made of the amounts approved for prior years. For 1957 we have $60,647,000,000; $53,124,000,000 for 1956; $47,464,000,000 for 1955; $54,539,000,000 for 1954; $75,355,000,000 for 1953; $91,059,000,000 for 1952; $84,982,000,000 for 1951; and $37,825,000,000 for 1950. Presentation of the 1958 budget caused consternation throughout the land.

Current taxes from all sources are taking a full third of the income of all citizens. Taxes at present rates are taking more than 90 percent of a great many individual incomes and more than 60 percent of the net income of most of our corporations. I for one believe that our present tax rates are approaching confiscation, and I do not believe that our present economy can survive under such conditions. Our dollar value is dropping, and inflation is certainly with us today. Our Federal debt is at its statutory limit, and it requires 10 cents of every tax dollar to pay the interest on our debt. The $275 billion Federal debt equals the full assessed value of all of the land, buildings, machinery, and tangible personal property in the United States. Our debt is larger than the debts of all other countries of the world put together. Our

Government has reached tremendous proportions requiring some 2,500,000 employees.

The main difficulty faced by Congress in attempting to reduce the budget stems from the fact that much of the money to be spent in the ensuing fiscal year has already been provided by Congress in authorizations and appropriations permitting the purchase of goods to be paid for on delivery and the expending of borrowed funds. This obligational authority prevents, in many instances, reductions where cuts might be justified. Another factor in reducing the budget is the fact that so many expenditures are fixed by basic law. One of the basic arguments for reducing the 1958 budget is that the Federal Government is simply too big and participates in too many things which should be controlled by private industry. Another argument, of course, is that the upward trend of Federal spending is inflationary and if continued will bring on a depression. The people generally were shocked at the amounts contained in the 1958 budget and, in pointing out places where reductions might be made, much was said about reducing foreign aid. Statements to the effect that the United States should get out of the foreign-aid business and look to the needs of its own taxpayers were heard on every corner. With little understanding existing at the present time concerning the Mutual Security Program, or foreign aid as you might want to call it, it is understandable why so many demands have been made that the foreign-aid program be reduced substantially or eliminated entirely. Complete failure on the part of this administration and its predecessors to properly explain the Mutual Security Program to the people of this country is the reason for the major attack on foreign-aid spending at this time. Foreign aid is a vital investment in the Nation's own security, and some of our money expended in this program has produced results.

This is the situation with which we were confronted at the time the President requested $4,400,000,000 for the mutual-security program for fiscal year 1958. Shortly after hearings were started by our committee, the $4,400,000,000 request was reduced to $3,864,000,000 in new appropriations and request made for reappropriation of $538,800,000 for military assistance. The overall amount requested for reappropriation is $667,050,000. In addition to this figure, we have $93,673,000 in the Special Presidential Fund that carries over and requires no reappropriation.

The Mutual Security Act of 1957 as passed by the other body contains authorizations amounting to $3,637,110,000. The House version recommended appropriations totaling $3,136,610,000. After conference and upon final passage of the Mutual Security Act of 1957 we have requests totaling $3,386,860,000.

At present our mutual-security program is divided into four parts—military assistance, defense support, development assistance, and technical cooperation. Under military assistance we have appropriations for weapons, equipment, training, spare parts, and maintenance. Under defense support necessary appropriations are made for projects such as highways, ports, and communications. Under development assistance we have appropriations for countries where no substantial military assistance program was in force and pertaining to economic assistance other than technical cooperation. Technical cooperation consists of the sharing of our technical knowledge and skills with other free countries, and necessary appropriations are granted to carry out this purpose.

The program as submitted for fiscal year 1958 seeks to place defense assistance appropriations, both military assistance and defense support, in the regular Department of Defense budget and creates the proposed development loan fund which would be earmarked for use to help finance, independently or in partnership with other public lending institutions or private enterprise, soundly conceived economic development in free countries of the less developed areas. Requests were made for $500 million in fiscal year 1958 for the development loan fund and for $750 million in each of the 2 ensuing years to be financed through public-debt authority.

Before taking up the amounts recommended in this bill for the mutual-security program for fiscal year 1958, it might be well to review briefly the purposes for this program and the accomplishments since its inauguration in 1948. From 1945 through June 30, 1956, we have expended $63,940,975,000 for foreign aid. Our contribution to the United Nations Relief and Rehabilitation Agency of the United Nations Organization totaling $2.3 billion marked the beginning of our foreign-aid program. In the year 1947 President Harry S Truman requested Congress to appropriate necessary sums for aid to Turkey and Greece, thereby stopping Communist aggression in this section of the world. In 1948 the Economic Cooperation Act was passed authorizing the European recovery program as proposed by Secretary of State George C. Marshall. Here we have the beginning of the Marshall plan. Next, in order to increase the defensive strength of our allies the Mutual Defense Assistance Pact was passed in 1949. The Act for International Development of 1950 authorized technical cooperation and our Mutual Security Act of 1951 changed the purpose of economic aid. We are presently operating under our Mutual Security Act of 1954.

The Marshall plan prevented a collapse of western and southern Europe and completed postwar reconstruction. Technical and economic assistance prevailed at this time. Here we have substantial incrementation of production, restoration of internal financial stability, the economy of Europe, acquisition of integration of a dollar exchange by dollar savings and increased imports. European imports increased 65 percent, inter-European trade increased 86 percent, and production of agricultural commodities exceeded prewar levels. The Marshall plan was a success.

The Soviet Union with its show of force and threats in Greece, Iran, Turkey, Malaya, Burma, Philippines, Vietnam, and Korea, took us out of the purely technical and economic aid field and compelled us to begin our program of military assistance and defense support.

The mutual-security program is now considered as a vital part of our foreign policy. This is based on the premise that the strength evidenced by the free nations of the world is essential to the preservation of our own freedom. It is an admitted fact that today there is no evidence whatsoever of a change of position or of a weakening on the part of the Soviet Union. Our accomplishments under the Marshall plan are admitted and Turkey, Greece, and so far Jordan are excellent examples of the effectiveness of the mutual-security assistance program.

The plea which we often hear that the mutual-security program is necessary to our national security and must be recognized as a continuing program certainly has not been properly explained to the people in this country. We have expended millions of dollars on several programs since 1948 which have not proved successful. In some instances certain countries receiving our mutual-security assistance have handled their programs in such a loose manner as to bring about charges of graft and bad management. Our people do not approve of this type of management and our mutual-security program has suffered as a result of same.

Our mutual-security program so far has not been operated on a businesslike basis, and this has resulted in confusion and the squandering of millions of dollars.

The attention of our committee has from time to time been called to the statement that collective security is truly a case in which the whole is greater than the sum of the parts, and the instrument which creates the whole out of these parts is our mutual-defense-assistance program. This program consists of two elements—first, the provision of weapons and military equipment to friendly countries; and, second, economic aid which is given to allied countries to compensate their economies for contributions made to the common defense.

People generally in this country do not realize that approximately 85 percent of every dollar expended in the mutual-security program is for materials, supplies, and equipment manufactured and purchased in this country. For a number of years our offshore procurement program was one part of this program which was subject to criticism. This criticism was justified. We have heard charges from time to time of graft and poor management on the part of some of the countries who have been receiving our assistance.

A great many of our people are unable to understand the necessity of the expenditure of millions of dollars for construction of irrigation projects in French West Africa, hydroelectric plants in Iceland, steam-electric stations in Italy, irrigation and power-development projects in Portugal, multipurpose dams in Taiwan, thermal-power-generation plants in Cambodia and Vietnam, hydropower plants in Korea, flood-control projects in the Philippines, land-and water-utilization projects in Egypt, irrigation projects in India, Nepal, and

Ethiopia, together with all the other projects constructed to date, totaling 197. These projects were constructed in 42 countries, and a number of them cannot be justified.

Sixty-seven out of eighty-seven countries in the world have received aid of some form under our mutual security program. In fiscal year 1958 10 countries will receive military assistance, 28 countries will receive military and economic assistance, and 21 countries will receive economic aid.

As the leading Nation of the world today we have assumed obligations which in the past were generally provided for by Great Britain. At the beginning of the 20th century Great Britain was acknowledged as the greatest country in the world. In 1900 the British Empire consisted of more than 60 colonies or one-fourth of the globe. In 1939 the British population totaled 563 million but, according to current estimates, Great Britain's population in 1959 will amount to only some 30 million. During the 19th century Great Britain, as the leading world power, developed a great many undeveloped countries of the world. Great Britain's present financial trouble is the result of the "Workshop of the World" being seriously out of date in many respects and with concentration shifting to other countries with newer methods. The burden of the tremendous defense program over an extended period of time has finally taken its toll. As Great Britain loses her empire, the United States is called upon to assist these new countries of the world economically. Both of our countries are now caught in an inflationary spiral. Our assistance economically and militarily to the new countries is to keep them from going behind the Iron Curtain. A total of 19 nations have received their independence since 1945, and their combined populations amount to 700 million people. A great many of these nations, such as Ghana, are in need of roads, schools, sanitation projects, and many other projects which, if granted, will raise their economic standards. The question is just how far can we go with our mutual security program in aiding the new nations of the world. We must stop and take a new look at our entire program.

Can we depend on foreign aid as an instrument of our foreign policy? We are today making an intensive effort to answer that question. During the past few months a citizens committee was sent around the world to ascertain what, if anything, foreign aid is accomplishing. This committee, under the able leadership of Benjamin Fairless, proposes that foreign aid programs be continued at about their present levels with, however, greater emphasis given upon the making of private investments.

We should keep in mind that the cost of maintaining an American soldier in this country is $3,511 annually. This does not include the weapons, equipment, transportation, and other costs which go into making him an effective fighting man in any part of the world. By contrast, the cost to pay, house, feed, and clothe a French soldier is $1,440, Pakistani $485, National Chinese $142, and a Turk $105. The figure of $3,511 for an American soldier is only about half of what it costs to maintain an American soldier worldwide. The cost of maintaining an American soldier abroad is approximately $7,100 per capita per year.

In Korea our problem is almost entirely military. Korea is still in a state of suspended war and here the sole hope rests upon the presence of American and United Nations troops on her soil. In Formosa, we intended in the beginning to prevent the island from going to the Communists and this has been accomplished. So far our assistance to Japan has paid dividends. If Japan deserts the Free World, our position in the Pacific would become almost untenable.

In considering our foreign-aid program together with our foreign policy, I am just wondering if our 2,000 foreign-aid projects underway throughout the world today, can be properly administered effectively and if our people in charge of these projects know enough about the countries concerned to carry this number at one time.

Our people know very little about the projects or the purposes of the projects which we have underway throughout the world today. There is considerable distortion and misunderstanding of this entire program. Our people are not adequately informed regarding conditions in the countries receiving aid. Some foreign-aid information is available to the public, but military and diplomatic secrecy prevails in many instances. For instance, the Department of Defense disclosed that from January through December of 1956, our allies received $1,100,000,000 worth of planes, $118 million worth of tanks and combat vehicles, $110 million worth of ships, and $189 million worth of electronic and communications equipment. The Department of Defense very carefully omitted naming the countries receiving this equipment or any part of same. We have built up a complicated extensive program and disseminated information abroad regarding the United States, but our agencies, such as the United States Information Agency, are not permitted under present law to disseminate information to the people in this country.

Since World War II, we have clearly demonstrated to the world that we can produce and share great quantities of wealth. We have, through the volume of our foreign aid, made many mistakes and squandered much money. If a smaller amount of aid were given after more careful planning the results received would be considerably more effective than the larger amount which we have attempted to administer mechanically.

In making his annual request for mutual security, our President recommended that foreign-aid activities be placed on a continuing authorization basis and that military assistance and defense support be included in the regular budget of the Defense Department. I do not agree with either proposal. It is obvious that the placing of nearly all of the foreign-aid program on a continuing basis is an attempt to remove this annual problem from the public's attention, as well as that of Congress. Transfer of military aid and defense support to the defense budget is simply a method of attempting to bury the larger portion of each year's foreign outlay. The American taxpayer foots the bill and is entitled to know just what is going on.

The new development loan fund program would start with an initial appropriation of $500 million for 1958. The authorization act provides for the sum of $625 million for fiscal year 1959. In other words, the program is limited to a 2-year period. Loans made under this program would be replaceable in either dollars or local currencies, and they would be soft loans. Development loans under the proposal as submitted this year would be made directly to the country, or as a guaranty to private businessmen who are prepared to invest their own resources. Loans could be made to public or industrial banks which, in turn, would make investment capital available to qualified private businessmen or farmers. This money would be used to buy the obligations of new productive business which would later be sold to private individuals to be used to finance activities which support or supplement opportunities for privately financed ventures.

The Fairless report states that loans by the United States repayable in inconvertible currencies of foreign nations are undesirable, and the practice of granting them should be terminated. This report further states that our relations with other countries will suffer from United States control of large amounts of their currencies, and the soundness of the loan device should not be jeopardized by inviting repayment in foreign currencies which cannot be freely spent by the United States. This is in direct contradiction to the proposal of the State Department today.

In reviewing our foreign-aid program over the years we find that in fiscal year 1953 the budget request amounted to $7,914,000,000 with $6,143,000,000 approved. The reduction amounted to $1,771,000,000 or a 22.4 percent cut; in 1954, $7,689,000,000 requested with $4,725,000,000 granted thereby resulting in a 38.5 percent cut; in 1955, $3,510,000,000 requested with $2,781,000,000 granted thereby resulting in a 20.8 percent cut; in 1956, $3,530,000,000 requested with $2,703,000,000 granted thereby resulting in a 23.4 percent cut; in 1957, $4,860,000,000 requested with $3,767,000,000 granted thereby resulting in a 22.5 percent cut. Each year great noises result from a reduction by our subcommittee of the amounts requested for foreign aid, but no satisfactory evidence has ever been presented to our committee after the reductions were made showing that the cuts adversely affected the foreign-aid program. The truth of the matter is that the annual multi-billion-dollar carryover of unexpended military economic aid funds indicates just the contrary. This proves that our reductions still left adequate funds for the program.

Mr. Chairman, we recommend the following amounts for our mutual-security program for fiscal year 1958:

	Request	Recommended
	Thousands	*Thousands*
1. Military assistance	$1,900,000	$1,250,000
2. Defense support	900,000	585,000
3. Development loan fund	500,000	300,000
4. Special assistance	300,000	175,000
5. Technical cooperation, United States	151,900	113,000
6. Latin American economic development		
7. Atoms for peace	7,000	
8. North Atlantic Treaty Organization	2,700	1,500
9. Technical cooperation, United Nations	15,500	15,500
10. Technical cooperation, Organization of American States	1,500	1,500
11. Joint control areas	11,500	11,500
12. Intergovernmental Committee for European Migration	12,500	12,500
13. United Nations Refugee Fund	2,233	2,233
14. Escapee program	5,500	5,500
15. United Nations Children's Fund	11,000	11,000
16. Ocean freight	2,200	2,200
17. Control Act expenses	1,300	1,000
18. Administrative expenses, ICA	35,000	32,750
19. Administrative expenses, State	4,577	4,577

This bill carries an appropriation of $15,500,000 for the United Nations technical assistance program. This is a successful program and benefits have been derived by nations throughout the world. The prestige of the United Nations is not on the wane and our people believe in the future of this fine organization. The U. N. as an organization cannot prevent war by means of the General Assembly and the Security Council alone. Programs such as the United Nations technical assistance program, which started in 1950, have played a major part in uniting the nations of the world and through economic and social advancement removed disturbing influences and problems which bring about war.

The total cost of our mutual security program each year is only a small portion of the estimated cost of another war, which in all probability would be the last war. As we continue our struggle for peace, we must remember that the gross tabulation of monetary costs for the United States for World War I was $66,592,966,000; World War II, $449,678,266,000; the Korean war cost $150,878,533,000 making a total for the three wars of $677,149,765,000.

Democracy and communism cannot coexist in the same world. Our study of history discloses the fact that tyranny and despotism eventually destroy themselves. We know that the world cannot exist on a half-slave, half-free basis and until we have some show of sincerity and positive action on the part of Russia, it would be foolish to let down our defenses. The day of the huge buildup for war has passed and we can no longer wait until we are pushed into war to begin building our strength.

A powerful America carries with it the best assurance against a global war and the best assurance of security in the event of war. To me, preparedness is simply a matter of degree. Our industrial superiority over the Soviet Union is admitted. The fact that we have strategically located throughout the world some 250 airbases, which can be used to carry the attack quickly, has, according to my opinion, prevented a sudden attack on this country. Our mutual security program has placed us in a position of being able to obtain and maintain strategic airbases completely encircling the Soviet Union.

In developing our foreign policy and in considering our mutual-security program we must realize that the Free World is today threatened by the most dangerous aggregation of aggressive power in our entire history.

In some instances assistance has been granted which works an extreme hardship on segments of our own population. Agriculture is one good example. Assistance to foreign agriculture during fiscal-year 1956 under the mutual-security program totaled $136,882,000. We have technical-assistance programs in sixty-odd countries and in two-thirds of these countries we have agricultural programs. We have expended over a billion dollars of our money in foreign agricultural programs and in addition to this amount some $500 million has been expended for agricultural machinery and equipment. This equipment was given to farmers throughout the world who compete with American agriculture. From time to time we hear complaints from our farmers concerning this matter and to me their complaints are justified. During the fiscal year 1956 several million dollars of our money was expended for agricultural machinery, fertilizer, seeds, and pesticides. Under the present budget proposals for mutual security, between $175 million and $200 million of the total amount requested will be used to acquire surplus farm commodities under the mutual-security program.

With only 6 percent of the world's population the burdens that we carry today are tremendous. Our mutual-security program requires more study, consideration, and more careful planning. Conflicts in the technical-assistance programs of this country and the United Nations organization should be eliminated. The American people should be informed, not only of the mutual-security program and its primary aims, but should also be informed of the Export-Import Bank loans, International Bank loans, World Bank loans, or loans from any other source financed by this country which are directly or indirectly a part of our foreign-aid program. The amounts involved under Public Law 480 sales and their use in the mutual-security program should be clarified and made a part of the record.

The total sales proceeds under Public Law 480 which have been received from the beginning of this program from March 31, 1957, amount to $1,044,000,000 equivalent in foreign currencies. Negotiated agreements will provide additional sales proceeds of $1,053,000,000 making the total $2,097,000,000. This estimate carries through the month of June of this year. Of this amount of $2,097,000,000 there have been loan agreements amounting to $386 million. The sums not as yet covered by signed loan agreements but provided for under the arrangements made in the sales agreement and ultimately to be covered by loan agreements consist of another $759 million which makes a total of $1,145,000,000 which is either already covered by loan agreements or will be covered by loan agreements. Public Law 480 currencies are available under certain restrictions. The restrictions are contained in the law and require us to use the currencies in our development activities in the country where obtained with a loan made back to the country which in turn uses the currencies in the development field. We have the right to approve the project for which the country uses these funds. In some cases these currencies are used for loans to private organizations and in other cases the Government uses them direct.

As of June 30, 1957, there was in the pipeline some $6,195,000,000 in undelivered materials, commodities, and services. We have on the military assistance side alone $4,262,000,000 of undelivered military items and services. We can add to the amount in the pipeline the sum of $1 billion in counterpart funds in other local currencies generated by the mutual-security program.

Our counterpart accounts as of March 31, 1957, for 29 countries totals $1,062,955,201.

In order to ascertain the increase in strength of the other nations of the Free World, we might compare the years 1950 and 1956. In 1950 our allies active ground forces numbered about 3½ million poorly equipped men. Their naval forces contained less than 1,000 combatant vessels. Their air forces contained 11,500 aircraft with less than 500 of this number being jets. By the end of 1956 the situation had changed considerably. At this time we have 4,800,000 in the ground forces of our allies, with over 2,300 combatant vessels in their navies, and over 12,000 conventional aircraft with the number of jet aircraft increasing to nearly 11,000. The men in these forces are now well trained and organized and properly equipped.

We have grant-aid programs in 38 foreign countries with military advisory groups located in each country. In 73 foreign countries and United States possessions we have, in addition to military advisory groups, military personnel. In some of the countries our military personnel is small and in others the number runs into the thousands.

The economy of this country and every country of the world must be strong enough and sufficient to provide necessary defense expenditures. In this country 10.1 percent of our gross national product is used for defense expenditures. By way of comparison, we find that France uses 8 percent, Cambodia 11 percent, Laos 36 percent, Taiwan 16 percent, Vietnam 11 percent, and Italy 4 percent.

We have appropriated the sum of $33,759,850,000 for the operation of the Army, Air Force, Navy, and the Marines for the fiscal year beginning July 1, 1957. The duplications and tensions among the services in this country are real and costly. Complete unification in our services

would bring about a savings of approximately $6 billion each year.

In considering our mutual security program we must realize that the Free World is today threatened by the most dangerous aggregation of aggressive power in our entire history. We have made many mistakes in this program since its inception, and, as a result, millions of dollars have been squandered. This program has not been operated on a businesslike basis and such action has resulted in confusion. The question as to whether or not we can depend on foreign aid as an instrument of our foreign policy has not been fully answered. We should also remember that the strength evidenced by the free nations of the world is essential to the preservation of our freedom. I sincerely believe that a powerful America is our best assurance against a global war and I believe that it is to our best interest to continue to secure and operate strategic air bases under our mutual security program for protection not only to ourselves but to the Free World generally.

Our committee recommends this bill to the Members of the House.

Mr. TABER. Mr. Chairman, I yield 3 minutes to the gentlemen from New Jersey [Mr. CANFIELD].

Mr. CANFIELD. Mr. Chairman, like my good friend the distinguished gentleman from Kentucky [Mr. NATCHER], who has just left the well of the House, I labor here in the House of Representatives and I sleep better at night because of the strength of the military bases the Free World has today encircling the U. S. S. R. I am, however, at this moment concerned about a statement made earlier in the day by the distinguished gentleman from New York, the ranking minority member of the House Committee on Appropriations, and I propose to ask him one question.

Before doing that, however, I wish to read a short statement from the report of the House Committee on Foreign Affairs authorizing this legislation. The statement is this:

> The need for the military assistance program is clear. Our assistance is a vital adjunct to the defense efforts of our allies and to our own defense. * * * If the United States were to endeavor to achieve a comparable defense status from its own funds and manpower, it would be impossible. For example, it costs per year to pay, house, feed, and clothe the average military man of our allies on his own soil, for Turks, $105; for Koreans, $117; for free Chinese, $142; for Italians, $837; while the comparable cost for a United States military man, without arms, is $3,511, to which must be added $3,000 per year for transportation and maintenance, making a total of approximately $6,600.

That is the cost for an American GI to be sustained abroad.

Now, this is the question I wish to address to my friend from New York [Mr. TABER]: What effect will the cuts in this bill have on requirements for and costs of our own American troops abroad? I know the gentleman discoursed on that subject in committee earlier today. Would he say something about it now?

Mr. TABER. It would be impossible to state, but it costs them just about 10 percent of what it costs us to maintain a soldier.

Mr. CANFIELD. Having in mind the Communist threat at this hour, does it not, perchance, mean also that we may have to send and keep perhaps more American boys abroad?

Mr. TABER. It certainly does.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to my good friend, the gentleman from Pennsylvania.

Mr. FULTON. It costs the United States today $6,600 a year to keep an American soldier stationed abroad, so we need the troops of our friends and allies as an economy measure for both American men and American taxpayers' dollars. It means that if we in Congress do not keep these foreign troops standing with us on their own soil, there will have to be possibly an additional draft of American men to fill the gap to man the vital chain of security bases so necessary to the defense of America and the Free World.

Mr. CANFIELD. That is the testimony and the President and Commander in Chief has today emphasized his repeated warnings against these severe cuts he insists are dangerous to our own security. He has also established the cuts to be false economy. No one is more anxious than he to make it unnecessary for more American GI's to be sent abroad.

Mr. PASSMAN. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, to allay any misunderstanding, and if we stay near homeplate and not get out into the outfield we might understand the bill better, we are providing ample funds according to the record. I think it is necessary occasionally to indicate that we are providing ample funds in this bill to do everything that the agency wants to and for a period of about 2½ years.

Mr. CHELF. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Kentucky.

Mr. CHELF. Is it true that there is $6 billion now in the pipeline?

Mr. PASSMAN. $6,195,000,000.

Mr. CHELF. Is it true that there was $550 million unexpended which will have to be reappropriated?

Mr. PASSMAN. There is $538,800,000 unobligated in the military assistance program, and $229 million in the other programs.

Mr. CHELF. And there is an additional $1 billion of counterpart funds available?

Mr. PASSMAN. Those funds are made available by another bill, and that is true, I understand.

Mr. CHELF. And is there not another $1 billion also available that is surplus from the sale of agricultural commodities?

Mr. PASSMAN. That is in another bill.

Mr. CHELF. Public Law 480.

Mr. PASSMAN. That is my understanding.

Mr. CHELF. In other words, there is available for foreign aid, and military support in some form or another about $8.5 billion to these 67 countries that are looking to us for support? This is true if we do not appropriate one dime more today.

Mr. PASSMAN. Yes.

Mr. Chairman, I yield 10 minutes to the gentleman from Indiana [Mr. DENTON].

Mr. DENTON. Mr. Chairman, I want to congratulate the chairman of this subcommittee, the gentleman from Louisiana, the Honorable OTTO PASSMAN, upon the manner in which he has conducted the hearing of this subcommittee dealing with the foreign-aid appropriation. I know it has been a difficult task for OTTO, since he has not been a supporter of the foreign-aid program. However, in the hearings, I think he was eminently fair, and he has worked untiringly to ascertain the facts in connection with this program, and as the result of his efforts I think this Congress will know a great deal more about the financial affairs of the International Cooperation Administration, which administers foreign-aid funds, than do some of the people connected with that agency.

I have always been a supporter of the foreign-aid program. I voted for it this year. However, the testimony during these hearings before our committee has been very disillusioning to me. I have often wondered just what the long-range foreign-aid policy of the United States was. I think the attitude of this administration in regard to our foreign aid is summarized by a statement made by Secretary of State Dulles. When he appeared before our committee, I was questioning him about foreign loans and suggested that while these might have a temporary beneficial effect upon our foreign relations policy, that when the loans became due and the debtor nations were unable to repay the soft loans, this might cause strained relations with the debtor nation and do nothing but defeat our purpose. In reply to that, Secretary Dulles said, "This will be the problem of some other Secretary of State, and not me." Is not that indicative of the present short-range foreign-aid policy of the United States?

Let me give you two examples of what I consider our shortsightedness. After the outbreak of the fighting in the Near East during the Suez Canal crisis, which might have been avoided but for the needless meddling of the Secretary in their affairs, the United States tried hastily to get control of the situation by cultivating the favor of King Saud of Arabia. He was invited to the United States and was entertained by our Government in a style never before shown a visiting monarch. He has an income from oil wells of over a million dollars a day. How much our Government pays him under the foreign-aid program, of course, is classified information. He has a huge fleet of jeweled Cadillacs, two dozen air-conditioned palaces, and more than a thousand slave girls. On the other hand, his subjects live in abject poverty, filth, and disease, and King Saud spends more for palace furniture and chinaware than he does for public improvements and the welfare of his 7 million people. Will such elaborate gestures to such a man gain us any respect among the Arabs over whom he

rules? While this might give us a temporary advantage in our dealings with the Near and Far East countries, are not we perpetuating a condition where the Communists have a fertile field for propaganda?

Then in the countries that formerly made up Indochina, Laos, Vietnam, and Cambodia, we are spending large sums of money to support their currency. In South Vietnam it is reported to be $20 million a month and as I remember the testimony in the hearings on the authorization bill, someone stated we were spending $400 million a year to support the currency in these countries, although this figure seems large to me. However, this money is not going to the people of the country for their benefit, but it inures to the benefit of the money speculators. Now, the American people have always been ready, on Christian and humane principles, to help others less fortunate than themselves. But today, we have a debt that exceeds that of all the other nations. We are one of the most heavily taxed nations and have a continually rising cost of living. We are asking our people to tighten belts in order to aid many nations which are unwilling to tax their own holders of large wealth. This policy we are asked to support might give us a temporary advantage, but what is going to be the long-range effect of it? This cannot be shrugged off with the statement that "someone else will be Secretary of State at that time."

I realize the foreign-aid expenditure program has potentialities of great benefit to this country and I am supporting the program with the hope that some of its defects may be corrected, and because it is one of the principal methods of this administration in dealing with foreign nations.

As usual, I have heard of the dire consequences that will befall this Nation if ICA is not given every penny it has requested. This is nothing new. I went on this committee 3 years ago and at the end of that first year we discovered this agency had $620 million unexpended funds, and later, an additional $268 million was found which they explained they did not know they had. In violation of an agreement with our committee, they reserved $620 million on the last day of the fiscal year. Our committee cut their appropriation $750 million, and there was the usual cry that the security of the United States was being imperiled, but when the agency came before our committee a year later, they had not been able to spend all of the money appropriated and had a surplus of $200 million.

Last year we cut the budget request approximately $1 billion and there was the same outcry about the security of the Nation but when the agency came before our committee this year, they had a surplus, not a deficit, of a little over $760 million. We hear again this same complaint that if a penny is cut from the request of this agency dire consequences will result to the world. I wish someone would read the story to ICA of the boy who cried "wolf." I predict that this agency will be unable to spend the amount of money recommended by this subcommittee this year and that next year again they will demand the moon, and we will find they have not been able to spend all the money that was appropriated this year.

This committee has recommended more money in many categories than this agency will be permitted to spend under the directive issued by the Director of the Budget on June 28, 1957. On June 28, 1957, the Director issued a directive providing that the direct obligations should not rise above the level for the fiscal year 1957. In practically every instance, this committee has recommended an appropriation that goes beyond what the agency can spend. In this connection, let me call attention to a fallacy in the statement which has been reprinted in some of the newspapers over and over again. It is to the effect that Congress authorized this agency to spend only the sum of $3.3 billion. This agency was authorized to spend the sum of $3.3 billion and the unexpended sum it had, which would bring the amount to over $4 billion.

Last year ICA spent only $3.3 billion. If the Director's directive is followed, the appropriation would have to be over $700 million below the authorization.

Last year the principal cuts made by this committee are in four categories:

First. For military assistance. This committee recommended that $1,250,000,000 be spent for that purpose, in addition to a carryover of $538,800,000 making a total of $1,788,800,000 available for that purpose. Last year this agency obligated $1,674,200,000. This means we have authorized or obligated $114,600,000 more than can be obligated under the directive of the Budget Director.

Second. For defense support. Our committee has recommended $585 million for this purpose, and that ICA be permitted to spend the unexpended balance in this fund of $36 million. This makes a total amount available of $621 million. You will remember that the House of Representatives in no uncertain terms limited the authorization for this purpose to $600 million. We are now appropriating $21 million more than that.

Third. The development loan fund. For this purpose, we are recommending $300 million. We are authorizing the use of the unexpended balance in this fund of $52 million for the development assistance. We were presented with a secret document showing the expenditures which were planned under the development loan program. They totaled in round number $300 million. There was an additional $700 million for potential improvements which had not been planned. We are authorizing more than the planned expenditures. Included in this $300 million is $65 million for public power. We deny expenditures for that purpose in this country, and I have a great deal of difficulty in supporting a program which authorizes money for public power in foreign nations when we deny that great program to our own people. This development loan program was thrown together hastily and was ill considered.

I know it will take money and foreign exchange to carry out these projects. I know most of them will require a great deal of local currency and local labor. The host nation should be able to bear part of the expense, and it probably could procure a loan from the Export-Import Bank or the World Bank and from private sources for some of these projects. For instance, if a dam is built on the Ganges River, some of the expenditures will be in local currency, some from foreign exchange. There is a billion dollars in counterpart funds in foreign countries. There is another billion, and the figure might be over $2 billion before the end of the year, in 480 funds in foreign countries. In addition, the Export-Import Bank and the World Bank intend to make a loan of $1 billion to foreign countries.

To properly consider the need for our Government to support these expenditures, we should know first what part of them is to be financed by the host country, what by 480 funds, what part by counterpart funds, and the part by loans. The International Cooperation Administration has given us none of this information. That is, of course, because this program was thrown together too hastily. It is clear to be seen that we are appropriating too large a sum for this purpose, but since this is a program very dear to the President, I have reluctantly gone along with his recommendation.

Fourth. The special assistance fund. This fund has been cut from $250 million to $175 million. This is because there is the sum of approximately $93 million in the President's special fund for Asia which can be spent for this purpose. That fund was authorized approximately 3 years ago. Two hundred million dollars was demanded and again we were told what the disastrous effects would be if this amount was not granted. Our committee granted the sum of $100 million, and in the last 2 years less than $7 million of that sum has been expended.

The General Accounting Office, the Government Operations Committee, the Appropriations Committee, and, I find, many members of the Foreign Affairs Committee have criticized this agency because of the way in which they have presented their budget and because of their lack of planning. It now has an unexpended balance or carryover of approximately $6.2 billion. If the recommendations of this committee are upheld, this agency will have available a grand total of $8,719,000,000. This is more than this agency could possibly spend in over 2 years.

I feel we can get more foreign aid for less money if there is efficient management within the International Cooperation Administration, but it is so much easier for it to come to Congress and cry "Wolf" than it is to practice economy. Make no mistake about it, this agency can operate efficiently within this appropriation, and a year from now I foresee it will come back asking for the moon again, and upon examination of the record you will find they have a large unobligated sum.

Mr. TABER. Mr. Chairman, I yield 15 minutes to the gentleman from Michigan [Mr. FORD].

Mr. FORD. Mr. Chairman, I think it well as we go along in this debate, perhaps, to repeat what the factual situation is here in reference to the subcommittee, full committee recommendations and the proposals made by the President and the authorization bill. Let us take in the first instance the outright military assistance portion of this program. The President requested $1,900,000,000. The conference report or authorization ended up with $1,600,000,000. In the bill before us today, there is a total of $1,250,000,000 for the fiscal year 1958 or a reduction of $350 million. This amounts to a cut of approximately 33⅓ percent below that which the President felt was necessary for our own security.

In the case of defense support, the Presidential recommendation was $900 million. The authorization bill was for $750 million. This bill provides $585 million plus the reappropriation of $36 million or a cut of $165 million—again a reduction of approximately 33⅓ percent. We all know that outright military assistance, defense support, are directly related to the national security of the United States. In this area then, this bill provides a reduction of 33⅓ percent in funds which are related to the security of our country.

If I might compare what the subcommittee recommends in what we call nondefense areas. Let me read off some of the programs that are in this category: Technical cooperation, United Nations, joint control areas, the technical cooperation program for the Oganization of American States, the U. N. refugee program, the escapee program and the like—in this area this bill does not reduce the Presidential request one penny. I would like to repeat, if I might, what this bill does. Where the security of the United States is concerned in the military program, the reductions average about 33⅓ percent. But in the so-called economic program—in the programs where you are helping with technical assistance and the like, this bill does not make one penny of reduction either below the Presidential request or the authorization bill.

It is my honest opinion and judgment that we have made the reductions in the wrong areas. If we were to start anew, in my opinion, we ought to increase the funds related to our own security and reduce the funds in those other nonmilitary areas.

If you will turn to page 194 of the hearings, you will see a very, very desirable trend appropriationwise and expenditurewise that has taken place. In 1951, the appropriation for this program was $7.4 billion. The Presidential request this year for appropriations was $3.9 billion plus the reappropriation of about $500 million. Expenditurewise, if you will turn to the top of page 194, you will find in 1953 the expenditures were $5.7 billion. In 1958, it is anticipated the expenditures will be about $3.8 billion. So we are getting a better program and a more effective program with reduced appropriations and reduced expenditures.

I think it is well to see what our appropriation and expenditures in this program have done; what results we have got for the money made available.

If you will turn to page 311 of the hearings, you will find that the buildup in the military strength of our allies has been phenomenal—with their help to a major degree, and with our assistance, in part.

Let us take the statement made in the hearings:

> However, as a result of this buildup to which we have made a significant contribution, their forces at the end of 1956 calendar year totaled 2,300 competent naval vessels, active ground forces of 4.8 million, and 12,000 conventional aircraft, with almost 11,000 jet aircraft. This is an increase in jet aircraft in the 7-year period of 1,125 percent.

Mr. Chairman, I think we have gotten our dollar's worth out of the assistance we have made available to those who were joined with us in this battle against communism.

It has been stated earlier that it cost the United States about $7,000 per man per year in the Army. Actually, it costs on an average over $7,000, particularly if you isolate the men who serve overseas. The $7,000 figure includes everybody—those serving in the United States and those serving overseas, but if you limit it to the men serving overseas the figure would be substantially higher per man per year.

Let us take as an example some of these countries that we are aiding and assisting through direct military assistance and defense support. First, Pakistan. The cost per man per year here in the fight against communism is $485. Relate that, if you will, to a cost of something like $7,000 per man per year for an American soldier doing the same job. Turkey, the cost is $105 per man per year. Relate that to the cost of an American soldier at $7,000 per man per year.

It seems to me that dollarwise it is helpful and beneficial to us as citizens and taxpayers to aid and assist those who are willing to have their youth serve with us in guarding the periphery of the free world. If you do not do this it will cost the Federal Treasury far more money to have American boys serve in those outposts. If you do not do this it will cost you infinitely more dollars as far as the Federal Treasury is concerned.

The distinguished gentleman from Louisiana [Mr. PASSMAN] has made the point, and he said categorically that most of the items involved in the mutual assistance had a lead time of 90 days. I respectfully disagree with the gentleman's statement. In the budget presentation on military assistance they asked for $900 million, plus $980 million, plus $345 million for administrative costs, facilities and assistants, and $175 million in a new military procurement loan program.

The distinguished gentleman from Louisiana was in error when he said most of those lead time items are 90 days. In actuality in the main they are anywhere from a year to 3 years. Let us take several items that are included in this amount that I just mentioned. There are about 500 new and modern aircraft involved. The aircraft lead time in these items is 18 to 30 months. The cost of these items is something like $270 million.

Let us take medium tanks. The lead time is 8 to 12 months. There are close to 400-odd medium tanks involved in the amount requested in the military assistance program.

Guided missiles, about a year's lead time at a cost of $140 million.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield.

Mr. JUDD. I presume that when the gentleman from Louisiana said it took MSA only 90 days or something like that to get the military items it needs from our Defense Department stocks, he was assuming that the Pentagon would have on hand and could spare the items available for MSA. But if it did not have such items of equipment available for the military assistance program, the longer lead time would be required as the gentleman from Michigan mentioned.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield? My name was mentioned.

Mr. FORD. Let me make one statement. In the case of those articles where there was obsolescence there is no lead time involved. In these days when they in this program are obtaining important new and different equipment the lead time is practically the same as our own.

I now yield to the gentleman from Louisiana.

Mr. PASSMAN. Assuming that this is all for new, modern equipment 2 years' lead time would be required. But I say we find they have 77 percent of this materiel, and they do have it; but let us assume they do not have any of it, let us say the lead time is 2 years, then sanction for it has to be put in the record.

They say they are going to spend $2,200,000,000. We have money in this bill to carry them for 2 years, 6 months, and 8 days. So let us not leave the membership under the impression that we are not providing the money needed, because that is not the fact.

Mr. FORD. Let me point out to the distinguished gentleman from Louisiana that this so-called unexpended money to which he refers is not just free and loose over there in the banks. It is an obligation against a specific contract, a contract with a supplier, or a contract with the Department of Defense that in turn goes out and makes a contract on a supply item.

Mr. PASSMAN. That is correct. Will the gentleman yield now?

Mr. FORD. Just a minute. In this program here we are buying relatively little if any obsolescent equipment and no obsolete equipment; we are buying new equipment; and, as a result, the lead time in this bill is approximately the same as our own lead time in our own program.

Mr. PASSMAN. I do not like to use the time of the gentleman, but let us be sure that we understand this matter. We are granting new funds in the bill of $788,800,000 to permit them to carry over the obligations referred to in the matter

of $7,023,000,000; so the military program will have $5,512,000,000 to spend. That is the amount of money we are recommending, and this is sufficient for 2½ years' supply.

Mr. FORD. Yes, that is true against contracts for the delivery of hardware which is essential for the joint defense of our country and those of our allies.

Mr. PASSMAN. Correct. That will give them 2½ years.

Mr. FORD. I refuse to yield further, Mr. Chairman.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield.

Mr. PASSMAN. We do not propose to take it away.

Mr. FORD. This is my time; I would like to yield it as I wish.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Pennsylvania.

Mr. FULTON. As a practical matter, if we would take away the money from the allied military forces, we would not want to break down what we have already built up. It would be necessary to take the proposed $600 million military reduction from some place. The funds would have to come from the new weapons programs that are now planned, the very modern items we want our allies to have. If Congress takes $600 million out of the $900 million for new and modern equipment, that is a two-thirds cut.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. TABER. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. FORD. Mr. Chairman, may I conclude by repeating something which I said earlier and that I believe is the crux of the whole problem today. The subcommittee recommended reductions of one-third in the budget estimate in the area of military assistance and defense support, which is the area directly related to the defense of America. The subcommittee is submitting to you today a bill with no reduction in about nine programs that have no relationship, not one penny of relationship, to the defense of America. So I say that the committee's approach, policywise, in this matter is wrong and I personally hope and trust that the House will reverse the committee by adopting the several amendments which will be offered to remedy certain defects that now exist.

Mr. O'HARA of Illinois. Mr. Chairman, will the gentleman yield for a clarifying question?

Mr. FORD. I yield to the gentleman from Illinois.

Mr. O'HARA of Illinois. Does the gentleman include, in the nine programs that he refers to, the United Nations Children's Fund?

Mr. FORD. Yes, I do; although in the past I have supported that program. I do now, but if I have to make a choice I will choose the funds for our national security.

Mr. O'HARA of Illinois. Then, of course, I cannot agree with the distinguished gentleman from Michigan.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. PASSMAN. Mr. Chairman, I yield 10 minutes to the distinguished gentleman from North Carolina [Mr. ALEXANDER].

Mr. ALEXANDER. Mr. Chairman, I rise in opposition to the appropriation for foreign aid as embodied in H. R. 9302.

For several months now I have had this appropriation under serious study and consideration as a member of the Subcommittee on Foreign Operations of the House Appropriations Committee.

I want to compliment our distinguished chairman and all the members of the subcommittee for conscientiously working hard on a most difficult bill. I have never had the pleasure of working with a more devoted group of men.

We have had many witnesses appear before our committee and stress in general terms the need for more and more money. Their justification has practically in all cases been illustrative of what the money might be used for and many times indefinite even as to where it might be spent. I feel strongly that the reins should be tightened and that appropriations should be made only where clear justifications are made so that the Appropriations Committee and the Members of Congress may know exactly what they are doing.

I have attempted to keep an open mind on the bill we now have under consideration.

I well realize the serious condition in which the Free World finds itself at the present time and the part the United States must play in holding back the threatening forces of international communism.

I have listened to all the witnesses that have appeared before our subcommittee and I have studied and restudied all of the testimony that has been offered in favor of this appropriation. In addition, I have made independent research on the subject and have examined very carefully our past record in connection with our foreign assistance program.

Mr. Chairman, after considered study of all facets of this question, I must say that I am still opposed to foreign aid in principle and practice.

I have not been convinced that the tremendous sums of money we have been appropriating, year after year, have been effective in achieving the aims we have been led to believe were vital to the defense of this Nation and the Free World.

Mr. Chairman, we are requested in this appropriation to make available to some 66 nations the staggering sum of more than 3 billion dollars. We are asked to appropriate this tremendous sum notwithstanding the fact that our national debt stands today at the inconceivable figure of $276 billion.

Mr. Chairman, our debt is $24 billion more than the combined national debt of the other 84 states recognized on this globe as sovereign nations. Yet, year after year, we are told that we must appropriate more and more money to solve the financial problems of the rest of the world.

Mr. Chairman, I am not unmindful of the magnificent part many of our friends overseas are playing in the common fight for survival in a world living constantly in the shadow of unholy communism.

I commend every nation that stands to the defense of its liberties and I am willing to help maintain their freedom within the bounds of reason and commonsense, but I do not believe the answer to the problem facing the United States and the Free World lies in the continued flow of American dollars to the four corners of the earth.

No one will deny the fact that we are caught up in a vicious inflationary spiral here at home. Our people witness a continuing rise in the cost of living and more and more the hand of the taxing power dips into their pockets.

It is high time that the United States face up to the fact that we are in debt and a victim of runaway inflation. The time has arrived when we must face up to the realities of our financial condition and admit that we cannot, as much as we might like to, continue to play Santa Claus to the rest of the world.

Unless our friends overseas have a will to help themselves, no amount of American aid will ever guarantee their freedom, nor will our dollars buy friends and influence people. In fact, our generosity has contributed in a large measure to the current wave of anti-American feeling that now sweeps the world.

American dollars have become so common that they have lost their magic.

It appears to me that some of our friends feel they should receive economic aid as a matter of right.

Mr. Chairman, the money we have appropriated for foreign aid has been used to accomplish many things overseas. We have spent our money on everything from hydroelectric power to sending a jazz band on an 8-week tour through Africa.

Mr. Chairman, one of the tragic things we have done with our dollars abroad is to create an industrial capacity in direct competition with American industry. We have seen the once vigorous American textile industry fall a victim to this unwise policy. The tax dollars wrung from the American textile manufacturers and the public in general have been sent abroad in the form of economic aid to construct textile plants which have flooded the American market with cheap cotton and woolen goods in direct competition with American products. As a result of new textile mills constructed throughout the world, but primarily in India, Japan, and England, our domestic textile industry has been forced to the wall.

The same vicious cycle has worked to the disadvantage of American agriculture and numerous other industries. A large proportion of which are vital to the national security of the United States.

The time certainly has arrived when we should survey the damage that has been done to American industry by our frantic efforts to remake the world in the image of the United States.

Mr. Chairman, there is another phase to the appropriation we now have under debate that has caused me considerable alarm. I refer to the nearly unlimited grant of authority we are extending to the President of the United States in the spending of foreign-aid dollars. We are saying to the executive arm of this

Government, "Here is a blank check for $3,200,000,000—do as you please with it."

It is hard enough for us to maintain a semblance of economic responsibility here at home among the executive departments, and I submit that it is impossible to engage in vast giveaway programs, year after year, and have a clear understanding of where and for what our dollars were spent.

The Congress must cease its dangerous policy of relinquishing its constitutional powers to the Executive. Such a practice was not contemplated in the Constitution, and its continued use can result only in chaos and misunderstanding.

We are told that we must not expect the recipients of our tax dollars to follow our lead in the field of international relations. In fact, they need not be democratic governments at all. Communist Yugoslavia and Poland can adhere to the collectivist principle of government and yet share in our bounty. Our timid approach to our allies can only cause them to lose respect for the United States and the objectives we are desperately striving to reach.

Mr. Chairman, the foreign policy of the United States has been based too long on the premise that we can buy friendship and international security with our dollars.

We have adhered to this false doctrine for so long that it has come to be considered by many in our Government as the only way we can conduct our foreign affairs. Such a policy is dangerous and ineffective. It submits the United States to international blackmail and the contempt of friend and foe alike.

We need a firm reappraisal of our whole foreign policy, with a view to substituting commonsense and a recognition of the realities of the times for American dollars.

I know there are many people in this Government who wish to make foreign aid a permanent part of our political and economic structure. In their desire to raise the standard of living of the underprivileged peoples of the world their ultimate result can be only the destruction of the economic health of the United States and disaster to our own standard of living.

We must maintain, at all cost, the economic stability of the United States. Only through our Nation can the Free World hope to withstand the constant pressure of international communism. A bankrupt United States cannot long survive, and should we be so unfortunate as to see economic collapse in this country, the specter of communism would soon haunt us.

Mr. TABER. Mr. Chairman, I yield 14 minutes to the gentleman from Maryland [Mr. MILLER].

Mr. MILLER of Maryland. Mr. Chairman, it is not my habit to appear in the well of the House to urge increased Federal spending, but I am seriously disturbed at the cuts that have been made by this very fine committee on three or more vital items. The first one has been discussed somewhat by my leader, the gentleman from New York [Mr. TABER]; and as to that an amendment will be offered. I think we should bear in mind the fact that our President, our Commander in Chief, the man whose integrity and knowledge and experience and character are recognized across party lines—and he is our Commander in Chief—has asked for $650 million more than appears in this bill and $350 million more than was authorized just the other day by this House. That money, in my opinion, is of the most vital importance to our defense and welfare.

Some people oppose this bill because, as they put it, it is a giveaway. They say it is in the interest of other people and not of our own. Of course, if that is the fact—and I respect their convictions although I do not respect their judgment, because I think this is a most important feature of our national defense—if those people regard this as a giveaway, then there should be no money in this bill; there should not be a bill at all. There are other people who recognize the great danger in the world today which we are facing, the cold war which in some ways, perhaps, is more dangerous to our ultimate security, freedom, and welfare than some shooting wars have been. Those people oppose the bill because they think that we should retire behind the seas to Fortress America and not spend money in supporting our allies abroad. If their judgment is right, and I do not question their motives but I do question the soundness of their views, because they are contrary to the thinking of all of our greatest military leaders and most of our political leaders on both sides of the political aisle, they should first insist that we bring back the thousands and thousands of young Americans and older Americans and their families and dependents that are scattered around the four corners of the world on what we are now committed to as the defense line of America in this cold war.

I do not pose, heaven knows, as a military expert, although I have had the privilege or the misfortune, as you choose to call it, to have been shot at in a couple of wars and to have served on various fronts in three continents. Nevertheless, the principle is a simple one and can be understood by anyone. We have two main defenses that are interdependent for our Nation that are equally important, massive retaliation with which we can deter aggression by making war unsafe and undesirable to any foe, and to make that work we also must have the shield, the deployed line through which the enemy cannot nibble away, cannot encroach without starting a war. One of our great dangers is that without this deployed line we lack bases and protection for retaliatory forces. A police force might have all the gas bombs and everything else at headquarters, and all its reserves, but if it does not have policemen on the street it cannot maintain order in a town or prevent a riot and we certainly cannot maintain order in the world if the Communist forces could penetrate or freely infiltrate across the borders of the Free World.

So if we must keep this line, if we must keep our people at the front, it seems to me it is incumbent upon us to see that we are not doing too little and too late. That is a phrase that has not been in the public thought lately but it has a deep significance to many of us that remember the days when we had to drill with broomsticks.

The funds in this bill that have been cut, as the gentleman from Michigan [Mr. FORD] has pointed out, are taken away from some of the most important features of our overall defense program. How else could we reduce our standing forces, how else could we afford to reduce Defense Department expenses, if we are going to take away from our allies in the field the things that make our reductions possible?

The record is clear that the dollars we have spent in this military assistance program are perhaps the most economical dollars which the taxpayers spend. In NATO for every dollar we have spent our NATO allies spend $6.35. Without the dollar that we spend they would not be able to have modern weapons, they would not have what they need and what they must have. As to the dollars in the relatively hard up areas of the Middle East, Turkey, Pakistan, Greece, Iran, and the like, they spend $2.30 for every dollar that we contribute to their defense forces, and they are most vital if we are to hold the line.

As was pointed out by the gentleman from New Jersey [Mr. CANFIELD], we can keep a Turkish soldier at the front guarding the Bosporus and the cost of keeping him there is $105 compared with some $6,000 to put an American there. One can argue that the American is more modernly equipped, better trained, and perhaps a better fighting man, though the Turks are pretty good fighters, but I can assure you there are a lot of places where it is better to have 60 Turks than 1 American, no matter how good a fighter he might be.

So this is a program that we must maintain.

There has been talk in our committee that the money would not be spent even if it were appropriated, and there has been much misunderstanding and confusion about the letter Mr. Brundage wrote on June 28. I should like to read to the committee the statement made by Secretary Dulles only a month ago, on July 17, before the Senate Appropriations Committee. I think that will clear up the point once and for all, or it should, about Mr. Brundage's letter. The Secretary testified as follows:

> As I understand, Mr. Brundage's letter of June 28 was drafted so that it would apply in broad general terms to all departments and agencies. It expressed the President's desire that the executive branch make an effort to keep expenditures in fiscal year 1958 from rising above the fiscal year 1957 level, to the extent that this was feasible. It did not reflect the individual differences which exist among various programs and agencies.
>
> I cannot speak to the budgets of other agencies, but I can say that it is my intention and that of the President to carry out in fiscal year 1958 a mutual-security program substantially along the lines and in the amounts outlined by the President in his message to the Congress of May 21, subject to the appropriations approved by the Congress.
>
> I believed when that message was submitted, as I believe today, that a program

of this nature is necessary to maintain our vital foreign policy interests.

Now, then, the Secretary went on to testify that Mr. Brundage and he agreed with that statement. So how can we dodge this issue by saying it is not necessary to put this money into the program because it will not be used when our Commander in Chief has said he needs more than we have even authorized.

There is another point. It is generally conceded, and certainly the testimony before our subcommittee has indicated that we are winning this cold war. We have made the Kremlin uncertain in its moves. We have demoralized their concept of how they can win. Many a great victory has been a defeat in the end because it was not properly exploited. Why, when this program is working, why at the time it is beginning to make such real strides, should we cut the heart out of it by taking money away from the military assistance and defense support, the programs that are most vital. I respectfully urge it would be false economy and weakened security to cut this fund as it has been cut by our very fine committee in respect to those items that go directly to military defense.

Mr. FULTON. Mr. Chairman, will the gentleman yield? I would like to compliment the gentleman on his good statement. It is forceful and effective.

Mr. MILLER of Maryland. I thank the gentleman.

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. CUNNINGHAM].

Mr. CUNNINGHAM of Iowa. Mr. Chairman, I favor the restoration of the cuts, as requested by the President. I would like to visit with you for just a moment. I believe it was Will Rogers who once was quoted as having said, "The United States never lost a war and never won a peace." That bothered me until I became a Member of this honorable body. I was concerned as to just what he meant. After being sworn into this body in 1941, the first record vote that I was called upon to make was on the original lend-lease bill of $7 billion requested by President Roosevelt. I voted for that bill. I did not have much company from my part of the country. That was in 1941. In December of that same year, however, we had Pearl Harbor. Then, what did I see? Practically everyone who had opposed that bill would walk right up and vote without question and without rollcalls for unlimited amounts and for extension of lend-lease time and again regardless of the amount. Why? Because we were in war. Then I commenced to understand what Will Rogers meant. We are a great country. We will go all out and think nothing of expense when we are threatened or when we are attacked. Then we retrench and go the other way when we should not retrench. I got to checking on what had happened after other wars and again I began to understand what Will Rogers meant. Today, in this body we hear the same kind of arguments and the same philosophy against President Eisenhower's request that we heard in 1941. There is no difference. They argued then about amount. It was not whether or not there should be lend-lease. The question was whether it should be $2 billion or $3 billion or $5 billion or $7 billion. Very few fought against what the President wanted but opposed the amount.

Now we understand why we never lost a war and never won a peace. Here we are today. Who is better qualified to determine what is necessary in this case than the President of the United States, who is the Commander in Chief of the Armed Forces of the United States, who is head of the Executive Department that fixes the foreign policy of the United States, subject to the approval of the Senate? Who am I to put my judgment as to the amount up against the judgment of the President of the United States with the facilities that he has at his command?

I do not believe in measuring lives in dollars. I did not believe that in 1941 and I have not believed it since I came to this body, and I do not believe in it today.

I would like to give you a little example of what mutual security does as an economic measure for the United States. For 5 or 6 years I have been a member of the subcommittee of the Committee on Armed Services, which passes on the acquisition of all sites in foreign countries, such as airfields, installations, housing, and so forth. As a member of that committee, I have seen what the expenditure of mutual security money means to the Defense Department.

A few years ago we were requested to authorize the building of a pipeline across a country in Europe, at a cost of a number of millions of dollars. However, once it was built it made a saving. We had to approve the getting of the right of way. It did not cost us a cent. The country across which this pipeline was to be built was willing to furnish the right-of-way and did furnish it, because that country was a participant in this mutual security program.

I can cite any number of instances where we have saved money to the Defense Department of the United States in acquiring installations and property abroad, simply because we have been aiding those countries in another way.

There are those who oppose this because they find some particular case in connection with mutual security where there has been waste or where the money has not been properly used. That takes me back to the early thirties, when I was in the State legislature. We had the relief administrator for Iowa called before the State general assembly. He was put on the grid for the manner in which he was doling out relief. I remember this one criticism in particular. He was giving relief to the family of a husband, a wife, and nine children. He was criticized because the husband was a drunk and did not work. I remember his reply. He said: "Would you permit a mother and nine children to starve because the husband was no good?"

Are we going to risk the security of America and the lives of our future generations and children and soldiers by objecting to something simply because we do not like some little part of it?

In closing I would like to make this illustration. Stephen Decatur, I think it was, once said: "My country, may it always be in the right; but my country, right or wrong." About the foreign policy of the United States I think the same. "Our foreign policy, may it always be the right foreign policy; but our foreign policy, right or wrong."

Think what would happen to the prestige of America abroad if the request of the President of the United States is turned down in this Chamber today. What will it cost us indirectly that we are overlooking in this debate? What is more detrimental to any country, particularly our own, than to have two foreign policies? Here is the President, with the aid of the Secretary of State and the Senate, having set the foreign policy, including mutual security aid. Are we going to set up a different foreign policy in this body and show the world that we are not in agreement, simply because we are at peace and we can argue among ourselves? We would not be arguing for a minute if there were a threat of war close at hand.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM of Iowa. I yield.

Mr. GROSS. Is the gentleman asking what foreigners would think if these cuts are not restored?

Mr. CUNNINGHAM of Iowa. No. I am not asking the gentleman. I think he knows, because he is well informed on everything.

Mr. GROSS. I just wanted to answer the gentleman by saying that most foreigners would give us credit for some kind of return to financial sanity.

Mr. CUNNINGHAM of Iowa. Probably so.

Mr. MORANO. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM of Iowa. I yield.

Mr. MORANO. I think the distinguished gentleman has made a forceful statement. He has stated in simple terms what the issue here is today, and I compliment him.

Mr. CUNNINGHAM of Iowa. I thank the gentleman.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM of Iowa. I yield to the gentleman from Pennsylvania.

Mr. FULTON. I think in line with what the gentleman has said, it should be brought out that the system of foreign bases we in the United States have, numbering over 250, permit us to hit any possible enemy in half the time, half the distance, and at half the expense that they could hit us. The gentleman from Iowa is to be complimented for his excellent statement.

Mr. SCHWENGEL. Will the gentleman yield?

Mr. CUNNINGHAM of Iowa. I yield.

Mr. SCHWENGEL. Mr. Chairman, I want to rise to compliment my colleague from Iowa and say that I am glad to associate myself with his remark. It is my opinion that the gentleman has given us much food for thought and I hope that all will pause to give serious thought to his observations.

Mr. CUNNINGHAM of Iowa. I thank the gentleman.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. PASSMAN. Mr. Chairman, I yield 10 minutes to the gentleman from Georgia [Mr. LANHAM].

Mr. LANHAM. Mr. Chairman, our subcommittee met last night until 7:30. We went before the full committee this morning, and we adjourned just a few minutes before the House met, so I have not had time to prepare a manuscript, but I am going to talk to you briefly about this appropriation bill.

In the first place, I want to say that I am behind the committee 100 percent.

An attack was made in the full committee this morning and a charge was made against members of the subcommittee, that we did not approve of the philosophy of foreign aid. "Philosophy" is a big word; but I will say that it was not true as far as I am concerned, because I believe in foreign aid and have supported it since the days of the Marshall plan, which was when I first came to Congress. I believe in it; I try to sell it to my people back home, but it is mighty difficult to sell it to the people when it goes on from year to year and they know there is so much waste and extravagance in it.

But I know we must continue the program; I know we must maintain these bases around the world. I know we must help those people where we have our bases, that we must help them support their military establishments and, unlike Mr. Dulles, who recently said we did not need friends and were not trying to get friends, I think we need friends; I think we ought to have friends around the world. That is one reason I am in favor of continuing it.

But we cannot buy friends, of course, and that it is not what we are trying to do. Had Mr. Dulles said that, his statement would not have been so damaging to our friends; and we do have some in spite of the way he has messed up our foreign policy and our foreign affairs throughout the world; we do have some friends left, and we want to keep them. At the same time, however, the people at home are getting fed up with this program. They are demanding that we hold it to the very lowest level consistent with America's security. We are in the beginning of a "rolling readjustment" as Mr. Martin of the Federal Reserve has said. These are merely milder words for a recession. We must hold spending to the very minimum.

Since I have been a member of the subcommittee that works on this appropriation bill it has been my constant effort, and the committee's effort, to hold these appropriations to the very minimum consistent with our security. I know it is necessary as a part of our national security, but we do not have to give them everything they ask for.

We have shown that the people running this program do not need much of the money they ask for. Actually, some of the folks down in the military division sought to mislead this committee 2 years ago, and deliberately did so. We made them admit it. They took an agreement that had been entered into with the committee, took it back and had a smart lawyer redraw it and bring it back and then claim it was a memorandum of what the committee had said and not an agreement between the committee and the people downtown who administer this program. As a matter of fact, they had agreed not to obligate some $400 million They violated the agreement and obligated this money on the last day of the fiscal year.

You have heard some figures today that bear the same stamp. I am not charging the people who brought them here to you as having anything to do with making up the figures they brought to you, but they are not the correct figures. It is the same group downtown that misled this committee before and enabled us to save this country $400 million, because we convinced the other body that they had misled our committee and they went along with our cut of the same amount from the subsequent year's appropriation.

It is said "figures do not lie, but you had better watch the ones who figure." Why, Mr. Chairman, it is the same people trying to confuse you today. I must pay tribute to the gentleman from Louisiana. I have never seen a man who worked as hard or who accomplished as much or who brought to light as many facts as he has dug out from these reluctant witnesses in trying to get at the facts as to the amounts of money that have carried over and in the pipelines and to show what they actually need. He has done a remarkable job. He has been abused for it. He has lost sleep at night, but I pay tribute to him. I understand that after he appeared at the White House with the group the other night many of the Members of the other body who were there called to compliment him on his knowledge of the facts he brought out at that meeting, facts that the President did not know anything about and that the Members of the other body had not heard anything about. I am sure this committee today, this House, is going to follow his leadership.

Mr. BOYLE. Mr. Chairman, will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Illinois.

Mr. BOYLE. As the gentleman knows, I am a new member of the Committee on Appropriations. Will the gentleman tell the House on this occasion that there is in the pipeline sufficient money, enough to accommodate a similar program for 2 years, 6 months, and 5 days?

Mr. LANHAM. That is exactly true. Not only that, but there is more money in this bill for new obligations than they obligated last year.

Mr. Brundage sent a copy of a letter saying that everything had to be cut back to 1957 obligations to the head of the ICA, Mr. Hollister. Now they try to hedge. Now they go to the Senate and say, "Well, we did not mean that."

Mr. Chairman, you cannot tell these days what the President means. He talks out of one side of his mouth one day and out of the other the next. No doubt, that letter was sent by Mr. Brundage to the head of the organization that administers this program with the President's knowledge, and we are just plain stupid if we give these folks more money than he is going to let them obligate. That is the position this House is in today.

Mr. Chairman, he treats us like schoolchildren and says if we do not do exactly like he wants, he is going to keep us in after school. He acts like a spoiled child. I know you are not proud of his conduct. He has vacillated, he has been so wishy-washy that nobody knows where he stands. Tomorrow he may be willing to cut this appropriation in half.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Minnesota.

Mr. JUDD. Has the gentleman not seen pages of criticism of the President claiming that he does not fight for his program? Then when he fights for his program he gets criticized, as just now, for allegedly threatening or treating like children, those who oppose him. What would the gentleman suggest that he should do?

Mr. LANHAM. I would suggest he make up his mind and stick to it, as old Harry Truman did.

Mr. JUDD. Has he ever shown any indecision on this issue?

Mr. LANHAM. Oh, yes. At times he has said we could cut the budget which he sent here, then he said we could not.

Later he ordered his own people to cut it. He has sent out word that the executive departments including ICA cannot obligate any more than they obligated in 1957. Are you going to give him more money and let him make monkeys out of us? I am not.

Mr. BOYLE. Is it the gentleman's opinion that the President of the United States would not have this chore on his hands today if he had defended his budget forthrightly when George Humphrey attacked it so viciously at the time it was originally submitted?

Mr. LANHAM. I agree with the gentleman.

Mr. BOYLE. Probably one of the most important pieces of legislation to be resolved in this first session of the 85th Congress is the Mutual Assistance Act. The security of the United States should not rest on partisan politics.

The Foreign Assistance Act of 1943 was enacted into law on March 31, 1948. Through the years, referred to and styled the Marshall plan, it has demonstrated its effectiveness and vindicated the faith that led to its enactment.

Personally I would like to see the mutual aid program, as it refers to economic education and cultural activities separated from pure military activities.

Economic assistance, increased educational help, and stepped up multilateral cultural activities are no mere gestures of relief. Neither do these activities of themselves serve to perpetuate dictators in unilateral control of subject people in utter disregard of people's aspirations and dreams of freedom and independence.

History demonstrates the futility of evangelizing with the sword. The word "program" signifies some permanence and justifies a longer and more ambitious aim.

It is the essence of such a program that it involves of mutual help and assistance looking to a predetermined mutually helpful and good end.

Mr. LANHAM. Now, Mr. Chairman, let me talk about the development program. I am going along with you on that. I have always supported foreign aid, and as I say, I think it is necessary. So I am going along with you on this development program. But I have my doubts about these soft loans. The head of one of the President's committees that made investigations of this foreign-aid program, Ben Fairless, one of the great men of America, said he did not believe in soft loans. He said that it is better to give it to them as aid and acknowledge that it is aid than to pretend that they are going to repay it.

When it is repaid, it is going to be repaid in these foreign currencies, and they already have $2 billion of foreign currencies and $1 billion of counterpart funds that they can use in addition to all of this money that will be put in this bill. But I am willing to let it be tried.

I hope you will support the committee on this appropriation bill. It is ample for the needs of the foreign-aid program.

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. FLOOD].

Mr. FULTON. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and two Members are present, a quorum.

Mr. FLOOD. Mr. Chairman, Mr. Tunney was not the only fellow that had a problem, I see.

Now, Mr. Chairman, I want to say this: No significance attaches to the fact that I was yielded time by the gentleman from New York [Mr. TABER], because my friend, the gentleman from Louisiana, has a large subcommittee, and they have a right to speak as he calls for them.

But, let me make this clear. All through the full Committee on Appropriations meeting this morning, all through this debate today, I find nothing but a welter and a labyrinth of figures. There is diametric opposition on figures on all sections of this bill from both sides and within the subcommittee itself. I make no comment upon who is right or who is wrong.

But, I remember years ago a famous play on Broadway called Margin For Error, and the philosophy for that play dealt with the kind of problem at which this bill from its inception was meant to strike. So, my friends, when you are dealing today with a confusion of figures, dealing with national and world welfare, I submit that this problem goes far beyond that of mere certified public accountants. It goes beyond the value of chief clerks, actuarial funds, and the General Accounting Office. This is not to be an exercise in semantics or the techniques of mathematics.

Many of you, with me, for years have supported the political philosophy, the purpose, and the intent, of mutual security. This bill is misnamed when it is called foreign aid. This is American aid, not foreign aid, and they who have been the beneficiaries of our aid in the military area have established that. I have listened to these debates for a dozen years. I cast no reflection upon anyone's sincerity and integrity but I submit, Mr. Chairman, for those who are opposed to this bill, for those who want to support the cut as it has been made, I deny to the subcommittee any priority to or any monopoly on honesty or integrity or defense of principle or belief in a law and its purpose.

I do not believe that the President of the United States, regardless of who he is or what party he represents; I do not believe his Cabinet; I do not believe that all of the bureaucrats in or out of uniform, would send to this Congress legislation so fundamental, that would be wrong, in error, misjudged and bad, deliberately or otherwise, if you will, by almost 33⅓ percent. The original request came in of some $4 billion. Reexamination resulted in a figure of $3.8 billion. This Congress cut that request $500 million. That was not casual. You say that the great Committee on Foreign Affairs of the House and the Committee on Foreign Relations of the Senate did not give attention of integrity and examination the equal of my friends on my own committee? I say they did with integrity and with sincerity and with work just as hard.

Mr. Chairman, I love my friend from Louisiana. I admire and respect him. But this is not a popularity contest. I will vote for the gentleman from Louisiana for anything, but you are not voting for my friend from Louisiana. You are voting for great legislation; you are voting for great good. Am I to balance and juggle figures by the half millions when the committee itself has trouble with the figures? The gentleman from New York, [Mr. TABER], an expert in the business, is the proponent for a set of figures upon which he stands. He is a man of experience.

Mr. Chairman, I submit to you that this is a bill for the national security and I shall support amendments to restore the authorizations approved by the House.

Mr. TABER. Mr. Chairman, I yield the remainder of the time on this side to the gentleman from Massachusetts [Mr. MARTIN].

Mr. MARTIN. Mr. Chairman, this is probably one of the most important pieces of legislation that will be before us this year.

This is not a partisan question that we are considering today. This program was initiated in the first instance in the administration of Harry Truman and it has been continued in the administration of Dwight Eisenhower.

What we are going to determine today is not whether to save a few dollars. You can save money and at the same time lose security. The few dollars that you might save might be the cause of war and tremendous appropriations which would follow. We cannot look at this as just an economy measure. We have got to look upon it squarely as legislation for the defense of our country. For that purpose I rise to support the bill and the amendments which will be offered by the gentleman from New York [Mr. TABER] to restore some of these cuts. No one can doubt the enthusiasm of the gentleman from New York [Mr. TABER] for economy. He stands before us as a man who is noted for his "pinching of pennies" as far as the Government expenses are concerned. Yet in the hour of need, when the security of his country and the Free World is at stake, he favors the spending of money which will keep us out of war and with effective allies if war should come.

Do we want to send more American boys abroad, or would we, as the gentleman from Michigan [Mr. FORD] well said, rather spend the $105 for a Turkish soldier so that he can take the place of that American boy as a sentinel?

This is a serious problem before us today. It is one far beyond the saving of money. The people want peace. The American people know if we are to have peace this whole Free World must be strong, not just the people of America.

One more thought. There are two men who are entrusted with the security of this country. One is the President of the United States, the other is the Chairman of the Joint Chiefs of Staff, Admiral Radford. These two men know not only the value of our own forces in the Free World but that the opponent who stands hungrily back of the Iron Curtain ready to march if the opportunity presents itself. These two men whom we rely upon for expert judgment say they cannot maintain America's standing and the strength of the world if we cut below the figures the gentleman from New York will offer.

I say to you, it is not a partisan matter; it is not a matter of criminations between members of committees. It is an American question. I know and you know there are people who might try to gain political advantage because of your vote on this bill. We must not give this thought too much attention. I am proud of America. I believe this great country of ours in the hour of danger, and we are in danger as long as the Communists threaten this world, the American people are not afraid to face it. They are not afraid to spend money if it will bring security for the Free World.

So I say to you, I hope you will put America above party; yes, put America even above your own personal fortunes because I know that in the years that remain for all of us there will be a greater satisfaction if we know that in a tense period, in an hour of great peril, an hour when America called for aid, we had the courage to vote for this money, notwithstanding the fact that it may be unpopular with a few people. And let me say that I am not so sure about the unpopularity of this issue. Some people think it is unpopular to take this stand. They have the right to their own opinion. Local elements in any community may voice that view, but way down deep, let me repeat, the American people want security, they want to keep back the Communists, they want to keep America so strong that we need not fear a war; and that is the price we pay for peace.

Mr. PASSMAN. Mr. Chairman, I yield 15 minutes to the distinguished gentleman from Virginia [Mr. GARY].

Mr. GARY. Mr. Chairman, let me say at the very beginning that I agree with every single argument the distinguished minority floor leader made in this well just a few moments ago. The only thing I disagree with him on is his conclusion. I believe the Members of this House know that I have long been a friend of foreign aid. I have long recognized its necessity. I realize we are fighting a cold war with a ruthless enemy and that we must use every weapon at our command, if we are to win that war. I had the privilege of acting as chairman and sponsor of the first foreign aid bill that came to the floor of the House. That was in 1950. I sponsored the bill for 4 years. I defended it on this floor. For the next 2 years, my good friend, the gentleman from New York [Mr. TABER] was chairman of the committee and I was the ranking minority member. It has been my privilege to serve on the subcommittee that has handled this bill ever since the foreign-aid program began.

I want to say this—that during the entire time I have been a Member of this House I have never seen a more conscientious, a more dedicated, and a harder working chairman than the present chairman of our subcommittee. He has labored day and night. As a matter of fact, one of my self-assumed duties on the subcommittee has been to try to hold him down so that he would not overwork and overtax himself on this measure. Moreover, I have never seen a Member appear on the floor of this House with a better grasp of his subject and a greater knowledge of his bill. He has the figures at his fingertips and knows exactly what he is talking about.

I yield to no one in my belief in this program—but let me read to you an extract from a letter written on June 28 of this year. It was signed by Mr. Percival F. Brundage, Director of the Bureau of the Budget, and was sent to every department of the Government including the Director of the International Cooperation Administration. Here is what Mr. Brundage told the heads of the departments:

JUNE 28, 1957.

DEAR MR. SECRETARY: The President has requested that all agencies in the executive branch keep the rates of commitments, obligations and expenditures for the fiscal year 1958 at or below the level for the fiscal year 1957, to the extent feasible, and that I inform you of the necessary procedures for achieving this purpose.

Then, he outlines the procedures for the head of the department to achieve that purpose. The best way I know to achieve that purpose is not to appropriate the money. Now, we want to help the President achieve his purpose. Let us apply the letter to this particular bill. The President has requested that all agencies in the executive branch keep the rate of commitments, obligations and expenditures at or below the level for fiscal year 1957. Now, what was the total of the commitments and obligations in the foreign aid program for 1957? It was $3,336,526,000.

What did we allow in this bill for the commitments and obligations for 1958? $3,285,483,000. In other words, our recommendations are just slightly below the commitments and obligations for 1957, which the President says he wants to follow.

But let us look a little further. My good friend from Michigan—and he is a good friend of mine; this is one of the ablest subcommittees that I know of. They have all worked hard and I do not know of anyone who knows more about this bill than the gentleman from Michigan [Mr. FORD]. Of course, you all know that the gentleman from New York [Mr. TABER] never comes to the floor unless he is well informed. The gentleman from Michigan [Mr. FORD] says that we made a mistake by not cutting some of the other features of the program, but that we cut the military too much.

What were the commitments and obligations for the military assistance program in 1957? $1,674,200,000. Now, what do we allow in this bill for commitments and obligations for military assistance in 1958? $1,788,800,000. In other words, for military assistance we have allowed more for commitments and obligations in 1958 than they had in 1957.

But there is one other item. The President says he wants to keep the commitments and obligations and expenditures at the 1957 level. Let us look at expenditures. What were the total expenditures under this bill in 1957? $3,910,000,000. What will be available for expenditures under the bill that is before you at the present time? $8,719,760,000. In other words, you have funds available for expenditures not only for 1 year but for 2½ years.

There has been some question about these figures, particularly on the obligations for the military assistance program. All I ask you to do is to look at the table that appears on page 404 of the committee hearings. This table was furnished by the military authorities, showing their obligations for 1957. It shows total obligations reservations of $1,713,000,000.

I have in my hand a letter from Mr. Shaw, Comptroller of the International Security Administration. This was written on July 24, 1957. It was a memorandum for John Murphy, who is Comptroller of the International Cooperation Administration, and it says:

Subject: MAT, June 30, 1957. Unobligated balance.

The estimate of unobligated fiscal year 1957 funds as of June 30, 1957, included in the fiscal year 1958 mutual security document is $500 million. Recent reports from employment agencies indicate that the unobligated balance of military assistance fixed as of June 30, 1957, will be not less than $538,800,000. It is requested that the House Appropriations Subcommittee be advised of this revised estimate.

If you take the figure I have just read to you, $1,713,000,000, which is based upon the $500 million unobligated balance, and subtract from it the $38.8 million additional balance now estimated, you will get the figure of $1,674,200,000 which has been used throughout this debate by the chairman and other members of the committee on our side of the aisle.

Therefore, there can be no question about the fact that they were the obligations for the fiscal year 1957 and that we are allowing a larger amount for obligations for military assistance for the fiscal year 1958.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield.

Mr. FULTON. The gentleman has always had well-considered opinions. I would like to ask him if he has considered some events that have happened between the 1957 fiscal year appropriations and the 1958 fiscal year proposal. There is the Mideast trouble that caused the Eisenhower doctrine to be proposed, that our United States mutual security programs have had to take on and absorb. I, for one, do not want to take a chance of losing the Mideast because of the vital United States interest in oil reserves in this area, the Suez Canal, and the State of Israel, as well as our friends and allies in Turkey, Greece, Pakistan, and other friendly countries.

The United States simply cannot cut the pipeline of aid, because these obligations have been made in advance. You are getting down to the point now where you are going to cut maintenance of proper security forces. What you are really going to do is to cut out $600 million of the $900 million of new weapons programed for our allies, cut out delivery of the Century series of planes, and the series of planes that are for use in antisubmarine warfare; you are going to cut out the minesweepers and the rockets and missiles for our allies and the United States foreign security bases. Why cut the program there?

Mr. GARY. Let me say to the gentleman that history does repeat itself. We have here today an absolute repetition of what took place on the floor of this House 1 year ago. Our committee at that time recommended cuts in the bill. We were told we were gutting the program. My good friend, the gentleman from Ohio—and I have his quotation right here in the RECORD in front of me, where he said we were gutting the bill. At that time we were told by the White House that we would wreck the program.

What happened? Instead of gutting the bill and wrecking the program, they were unable to obligate $667,050,000 of the money we appropriated for them. Can anyone stand here now and say that we wrecked the program when we cut the bill last year?

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. GARY. I shall be glad to yield to the gentleman from Iowa.

Mr. GROSS. Is it not a fact that if not another penny of money were appropriated they would still have enough to keep going at the current rate of expenditure until January 1959?

Mr. GARY. Yes; that is correct.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield.

Mr. FULTON. If the gentleman will recall, I offered the amendment that cut $1 billion out of the appropriation last year. I am not one of the extremists. I felt we should make the cut last year and I was glad we did because I felt that we had cut pretty much of the fat out of the program. So this year I mention the fact at this point that it will come out of the new weapons program if we cut the bill materially; and, as a former veteran myself, I want the new weapons, and at this point I think you are beginning to talk about false economy.

Mr. MILLER of Maryland. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield.

Mr. MILLER of Maryland. I merely wanted to ask the gentleman who said the program could continue until 1959 if not another dime were appropriated, what we would use for money to pay for services in the field, to supply the necessary maintenance for troops? You cannot rely on the pipeline for that. We have $70 billion in our own pipeline for defense but we still pay our troops out of current appropriations.

Mr. GARY. If no funds were appropriated this year there would be $6,195,000,000 left in the fund.

Leave having been granted, I include the following table:

Military assistance program—fiscal years 1956 and 1957 monthly actual and estimated obligations, reservations, and expenditures [1]

[In thousands of dollars]

Month	Obligations		Reservations		Total obligations/reservations		Expenditures	
	1956	1957	1956	1957	1956	1957	1956 [2]	1957
July	85,342	50,680		17,143	85,342	67,822	92,274	299,364
August	(21,092)	30,045			(21,092)	30,045	84,345	157,172
September	15,176	34,111		(16,052)	15,176	18,059	79,176	94,358
October	10,192	14,823			10,192	14,823	251,315	160,088
November	62,100	29,535			62,100	29,535	114,018	98,746
December	35,917	27,935		497,734	35,917	525,669	174,486	102,291
January	32,846	33,064		50,874	32,846	83,938	130,536	178,492
February	(95,202)	44,095	147,169		51,967	44,095	91,086	136,777
March	6,323	32,293		95,593	6,323	127,885	297,682	261,509
April	60,296	217,542	315,281	82,854	375,577	300,395	193,873	155,856
Subtotal [3]	191,898	514,124	462,450	728,147	654,348	1,242,271	1,508,791	1,644,657
May	49,348	174,476		57,353	49,348	231,829	312,089	274,921
June	145,224	188,900		50,000	145,224	238,900	751,126	280,422
Total [3]	386,470	877,500	462,450	835,500	848,920	1,713,000	2,572,006	2,200,000

[1] May and June 1957 totals are estimated.
[2] 1956 expenditures exclude reimbursements.
[3] Totals may not add due to rounding.

The CHAIRMAN. The time of the gentleman from Virginia has expired. All time for general debate has expired.

The Clerk will read.

The Clerk read as follows:

Military assistance: For assistance authorized by section 103 (a) to carry out the purposes of title I, chapter 1 (including administrative expenses as authorized by section 103 (b), which shall not exceed $23,500,000 for the fiscal year 1958), $1,250,000,000; and in addition not to exceed $538,800,000 of unobligated and unreserved balances of funds heretofore made available for purposes of section 103 (a) and section 104 are continued available for the purposes of section 103 (a).

Mr. TABER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TABER: On page 2, line 11, strike out "$1,250,000,000" and insert "$1,600,000,000."

(By unanimous consent (at the request of Mr. TABER) he was allowed to proceed for 5 additional minutes.)

Mr. TABER. Mr. Chairman, the bill before us carries a total of $1,788,000,000 or $450,000,000 below last year's figures for this item. That is in spite of the fact that on top of the figures of disbursements or obligations that were referred to by the gentleman from Virginia and the gentleman from Louisiana, there were in addition $500 million that came out of the programs appropriated for the fiscal years 1950 to 1956 to make up those obligations.

I have before me a letter from Assistant Secretary of Defense, Mansfield D. Sprague, who is in charge of this program, the letter being dated August 15, and reading as follows:

DEPARTMENT OF DEFENSE,
ASSISTANT SECRETARY OF DEFENSE
FOR INTERNATIONAL SECURITY AFFAIRS,
Washington, D. C., August 15, 1957.

The Honorable JOHN TABER,
House of Representatives,
Washington, D. C.

DEAR MR. TABER: I am of the opinion that there has been a misunderstanding as to the dollar level of the military assistance program which was carried out during fiscal year 1957. The amount of obligations/reservations made against fiscal year 1957 funds has been misconstrued as being the entire program in that fiscal year.

It is true that the obligations in fiscal year 1957 were approximately $1.7 billion. However, this is not true with respect to actual performance. The fiscal year 1957 program totaled over $2.2 billion, and this program was put into effect—it was put into effect in part, through the obligation of approximately $1.7 billion in new funds. The remaining $500 million of the program was carried out by redistributing $500 million worth of spare parts, ammunition, and other maintenance items from prior year programs to new recipients under the fiscal year 1957 program.

Several countries did not use their equipment in prior years at the rates which had been anticipated and a careful screening of the programs revealed that the pipeline could be reduced for these countries and the resulting savings applied to fiscal year 1957 requirements. It was the use of this previously programed materiel in the fiscal year 1957 program which created the $500 million saving which was reported to the Congress as unobligated. This $2.2 billion program was included in the presentation made to the Committee on Appropriations.

Sincerely yours,

MANSFIELD D. SPRAGUE.

Frankly, we are now right in the midst of things. We are about to arm Germany so that she can take her part in holding up the defense of Europe. We have in this item $175 million for the purpose of supplying arms to the Germans as well as the sale of arms to them on the installment plan. That is in addition to what would be the normal situation. We have on top of that expenditures which are larger, the materials being more costly, than the 1957 funds produced, and which was charged to previous appropriations.

Now, the reduction in the funds is in the neighborhood of $424 million. That is practically 25 percent of the whole amount that was asked for. If we cut the Army appropriation by 25 percent, where would we be? We would be out the window. Now, that is just about where we will be if we go ahead and cut this item by 25 percent.

As to some of the items that come along later, some of them are cut on a larger scale. The item for defense support is cut on a 40-percent basis. Now, we have got to wake up and appreciate our problem. Some of us who were not real keen for these foreign aid programs, with the economic feature alone, have come to realize that the defense support and military assistance in these items is the key to the whole thing. The only way that we are going to save money is go long that way, because we get along without having so many of our own troops stationed in foreign countries. We get along without wasting such a lot of our own energy and so much of transportation. Ten percent of the cost of maintaining our own troops overseas is all that is necessary to supply arms and

ammunition and to pay and feed the troops over there. Now, that is why we need this money. That is why I am for it. It saves us money and it is needed for the preservation of our national security.

Do you realize the problem involved in sending troops into other countries? It does not make any difference whether they are friendly or not. It results in trouble. Therefore, the only thing we can do in this situation is to see that these people are equipped to take care of themselves in the defense of their own homelands so far as it is possible for us to do it. Now, that is why I have asked to have this amount restored to the amount of the budget estimate, the amount that the House agreed upon yesterday afternoon when it adopted the conference report, $1.6 billion.

Mr. Chairman, I ask that the members of the Committee of the Whole vote for this amendment. It is an economy measure. It is a measure that is necessary for national defense. The people who do not appreciate that cannot be ranged along the line with those who are in favor of economy.

Mr. Chairman, I yield the floor at this time because I think I have said enough to convince the people who really are thinking about this; and that is all I ask. I ask that we meet our responsibilities here and do the right kind of a job for the United States of America.

Mr. PASSMAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. PASSMAN. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes and to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. PASSMAN. Mr. Chairman, I should think it would be much better to stop discussing generalities and raising strawmen to be knocked down, and return to the actual facts. Less than 10 minutes ago I requested the clerk of the committee to call the high officials down at the ICA and verify the figures given to me earlier. They stated that the figures are absolutely correct.

Mr. Chairman, I am very fond of the distinguished gentleman from New York [Mr. TABER]. Certainly he is going to have to carry the ball for the administration. And if you should read the distinguished gentleman's remarks of last year and read the RECORD tomorrow morning, you would have to refer to the date to find out which year's RECORD you read first.

Last year, on July 11, 1956, the gentleman from New York [Mr. TABER] said:

> Here I feel that I must support whatever efforts can be made to increase the bill at least to the authorization level on the item for military assistance.

That is the same item the distinguished gentleman was discussing this time. But notwithstanding the fact that he made that statement last year, what are the actual facts before us? Mr. Hollister and the other witnesses said:

> We will have to admit that we overstated our requirements and we are having to turn back $538,800,000 which we do not need.

I thought it would be well to have a letter from some official of the Department of Defense verifying this figure. So it is stated here:

> Recent reports from the implementing agencies indicate that the unobligated balance of military assistance funds as of June 30, 1957, will be not less than $538,800,000.

Let us deal entirely with the facts. Because of the testimony last year and the urging from Members of the other body, when we went to conference, we receded on part of the savings we had effected. But, Mr. Chairman, I do not think it would be good taste to embarrass the distinguished gentleman from New York. I certainly have no intention of doing so. Nor do I have any intention of embarrassing the distinguished minority leader, the gentleman from Massachusetts [Mr. MARTIN]. I am not going to read his remarks unless I am forced to do so. But he made similar remarks last year which certainly embarrassed me.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. Yes; I will be happy to yield.

Mr. TABER. I was interested to note that the gentleman failed to realize that the saving was made as the result of the use of the funds that were appropriated for the prior years, and that was the result of a little bit of investigation on the part of bureaucrats, to go out and save some money. That is the thing the gentleman has overlooked, and that is the reason the figures he has used are not a good base.

Mr. PASSMAN. In fiscal 1956 the military could obligate only $848,920,000. They could obligate only $1,674,200,000 in fiscal 1957. They admitted that we gave them too much money. But, even so, the majority of the committee decided we should recommend more money for obligation this year than they had for fiscal 1956.

I do want you to give particular attention to this matter. If you adopt this bill, you will have appropriated to the military $5,512,000,000, which is a money supply, according to your own testimony, that would last for 2 years 6 months and 6 days. This represents a full 2½ years' supply of funds.

Remember, every year for 10 years the military has been guilty of overstating its requirements and has been guilty of overstating the amount actually to be expended. I think every Member of the minority in the Committee of the Whole admits that without exception for 10 years the military has overstated the amount of money it would spend. They say that they will spend only $2,200,000,000 in fiscal 1958, but we are recommending a total of $5,512,000,000, including the reservations, which is a 2½ years' supply.

I certainly hope the Members will appreciate the position of the distinguished gentleman from New York, and realize that he must carry the ball for the administration. But do not become too excited about the figures the magicians may send them nor about the generalities you have been hearing. Go back to the figures every time and you will support this bill.

I wish you would refer to page 404 of the hearings. In the last column, the witnesses state they can spend only $2,200,000,000. There have been too many figures brought up here that cannot be substantiated. And did you understand that I mentioned when I walked into the well of the House that only 10 minutes before I walked into the well of the House I called the officials down at the International Cooperation Administration and they said, "The figures you are using are absolutely correct."

Earlier today the distinguished gentleman from New York said he was going to provide a letter showing some different figures for this matter. I am still waiting for those other figures.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. Yes; I will be pleased to yield.

Mr. TABER. I read the letter in full, and it is right in the RECORD now. I have the original letter right here. I have already read it into the RECORD. I am sorry the gentleman did not pay attention when I was reading it. I tried to read loud enough so he could hear it.

Mr. PASSMAN. May I ask the gentleman from New York if it is true that we are recommending new funds of $1,778,800,000 in this bill?

Mr. TABER. No; not new funds.

Mr. PASSMAN. I hope the gentleman is not as mixed up on other points as he is on this.

Mr. TABER. There is $538,800,000 of reappropriations, and $1,250,000,000 of new money.

Mr. PASSMAN. Does not that add up to $1,788,800,000?

Mr. TABER. Yes; but that is only part new money.

Mr. PASSMAN. The gentleman from Michigan told me this morning, and he corrected me—I was a little embarrassed, but I was glad to have his statement—that the money lapsed. He said, "You just forget all about that." This is entirely new money; is that true?

Mr. FORD. That is correct.

Mr. PASSMAN. May I ask the gentleman from New York if it is correct that there is obligated a reserve carryover in the amount of $1,723 million?

Mr. TABER. I am sorry the gentleman from Louisiana is more interested in technicalities than in the merits of the bill and in the needs of the Government. That is the meat of the question.

Mr. PASSMAN. No; these are plain facts. Will the gentleman state whether or not it is true that this phase of the program has $3,723,200,000 carried over from prior years?

Mr. TABER. I do not think it is that much, I do not know, but let me see here in the record for a moment.

Mr. PASSMAN. I am sorry if the gentleman does not know. I do know.

Mr. TABER. We have a statement that the gentleman gave to the committee that we had that amount—yes.

Mr. PASSMAN. Can you say that it is different than this amount.

Mr. TABER. I cannot.

Mr. PASSMAN. I thank the gentleman. I thought sooner or later he would admit I was right.

I yield to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. I have followed the gentleman from New York down the aisle in the interest of economy—I do not know—30 or 40 or 50 times, time and time again for 10 years. Often when there were but 10 or 20 or 50—many times when there were more than 100, I have heard him vote against appropriations. I have gone with him on his drive to save our own people money. I cannot go along now in giving away all this money to other nations when the worthwhile result has been nil. If economy is good for our own folks it is good for others. Pinch a penny that might help some needy individual here at home, throw down the drain billions for false friends, billions to be wasted abroad, as even he will admit—not me.

Mr. HALLECK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I suppose it takes more than an ordinary amount of courage to undertake to follow the gentleman from Louisiana who has spent so much time on this program, a gentleman for whom I have the highest personal respect as a Member of this body. I count him as my friend as I am his friend. I spoke to him earlier about this bill. He said, "Well, now if I give you all you ought to have, will you be satisfied?" And I said, "If you will just let me in on that determination, I will be satisfied."

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. I yield.

Mr. PASSMAN. I am sorry I did not let the gentleman in on it because I am sure the gentleman would have been on my side if I had let him in on the amount.

Mr. HALLECK. I heard what the gentleman had to say since we started this debate. I have read as much of it as I could, and unfortunately for him, possibly, but maybe fortunately for the country, I find myself in disagreement with the gentleman. I want to address what I am about to say to my good friends on the right hand side of the aisle. The gentleman reminisced a bit about some earlier statements about this program and some of the things that have been done and said through the years. Would you permit me to say that not so long ago it was my privilege, at the invitation of President Truman to go to Independence, Mo., his hometown, to participate in the ceremonies there for the dedication of the Truman Library. Senator KNOWLAND went there from the other body and former President Hoover was there. I sat and listened to speaker after speaker tell of the great accomplishments of Mr. Truman and his administration. I felt a little pride in my part in the accomplishment of the things that were stressed there because, as I listened to the speakers, there was a constant repetition of the great accomplishments for the world and for the cause of peace and freedom which were found in the beginning of the Truman doctrine, the interim aid to France and Italy, the Greek-Turkish aid, the Marshall plan, and the adoption of the NATO agreement. May I remind my friends on the right hand side of the aisle that it was the Republican 80th Congress in which I was privileged to serve as majority leader that we responded to a then Democratic President of the United States. To do what? To resist Communist aggression and infiltration. Yes, and to provide for the security of our own country. Now, as I watched some of these votes in recent years, far be it from me to say that anyone is playing politics with this measure or that anyone is resisting it because our President now happens to be a Republican.

I would not think that. I am not charging that. All I am saying is that I trust my friends on the right side of the aisle will respond to this President as we responded then, to carry on this program that is heralded by many as having been a great accomplishment for the cause of freedom and liberty all over the world.

Some people may say that the need for this program has gone; that it is all giveaway.

Now, if you think that the Russian Communist conspiracy is not a real threat to our security, then, of course, you ought to be against this whole program. But how can you come to any such conclusion as that? I do not see how any of us can. I think the threat is real. Let me ask you, when our boys who were being shot in Korea, were the Communists firing real bullets at them? You know they were firing real bullets, and our boys felt it. So I say that the very threat that existed earlier is still with us; and with it all, the development of airplanes that fly faster, and the development of missiles with greater range.

Now, what is this program all about in respect to this military assistance? It is to build the offshore defense of the United States and the free world. It is as simple as that. We are past the time when we can draw back to our own shores and say, "Here we make our stand."

Much of the money here involved would be going to Korea to maintain those divisions. Did we fight in Korea to lose what we have there? Other parts of this money would go to Formosa. We all voted for the Formosa resolution. Did we mean it, or are we going to welch on it? Are we going to say to our friends and allies there that we are going to back out? The money involved in this act will adversely affect the development of our defense in Turkey, in the Baghdad Pact countries that are literally on the periphery of the Russians. The cut of some $600 million that has been made from the original request, I am informed, would have to come principally from the money that was allocated in this program in the first instance to modernizing the weapons of our friends and allies in those important places.

The CHAIRMAN. The time of the gentleman from Indiana [Mr. HALLECK] has expired.

(By unanimous consent, Mr. HALLECK was granted 5 additional minutes.)

Mr. HALLECK. The NATO countries the same way. They are the countries and theirs are the forces that will first act and will first come under the gun in the event of real Communist aggression. They are ready to stand. They want freedom. They want liberty. They want peace. But they will not continue to stand with us if we begin to welch on our obligations.

I have heard our distinguished Speaker say many times, as we have voted money for national defense, and even for this program, that if we are going to err we ought not to err on the side of too little. Rather we should err on the side of having too much. We must strengthen the national defense. Let me say to some of you who are going to support this cut that it will be something like some other votes that have been made in the past. If we do not get into any trouble it is fine. You will save some money. But you let trouble break out and you will look back on this day when you refused to grant the funds to modernize the weapons of our allies while the Russians are modernizing theirs; you will look back and wish you had not so voted. I do not predict that trouble will break out, but who knows whether or not it will break out?

There are some figures that I think are correct. When we started the military assistance program in 1952 and 1953, we appropriated $5.7 billion in 1952, and in 1953 we appropriated $4.2 billion. Now these appropriations have been coming down progressively, except for one period when large unobligated balances were being absorbed, so that we had a sharp drop in the new appropriations needed.

Just compare those figures with the $1.6 billion that this amendment seeks to reestablish in the bill. I say it is a reasonable amount and ought to be agreed to.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield? This is very serious business to me.

Mr. HALLECK. I understand that; it is serious business to me, I may say to the gentleman. I yield.

Mr. PASSMAN. I know that it is, but may I refer the gentleman to the CONGRESSIONAL RECORD of August 17, 1951, where his side of the aisle had offered a motion to recommit the bill to take out $350 million. That was during the administration of President Truman, the President the gentleman praised so highly a moment ago.

On that roll call I observe that the gentleman from Indiana voted to take out the $350 million; and evidently the distinguished gentleman from Massachusetts, Mr. Herter, had not been so completely dedicated either, for he, too, voted to recommit.

Mr. HALLECK. Mr. Chairman, I do not yield further.

Mr. PASSMAN. I wanted to clear up that point for the gentleman.

Mr. HALLECK. Now, Mr. Chairman, the gentleman says this is serious busi-

ness, and it is. Apparently that was the appropriation for the fiscal year 1952. Is that right?

Mr. PASSMAN. That is correct, sir.

Mr. HALLECK. That year for military assistance we still had $5.7 billion.

Mr. PASSMAN. If the gentleman from Indiana will yield——

Mr. HALLECK. I do not yield further. What I have said here about the overall aspects of the various aid programs, and the actions of those of us who originally brought them into being cannot be disputed by anybody. If anybody can dispute it let him stand in his place.

Mr. JUDD. Well, will the gentleman yield?

Mr. HALLECK. I just want to conclude this. Actually, there were times when some reductions were offered, and for some of them I voted, but if you will look at the overall figure of this program, for the same 1952, you had new appropriations of $7.2 billion, and you had a carryover of $9.8 billion.

In 1953 you had $6 billion of new appropriations, and a carryover of $10 billion.

So what I am saying cannot be disputed, and that is that we have been progessively reducing these large carryovers. That is what the people of the country have wanted; that is what I have wanted; but I do not want them reduced to the point where the very security of our own country is endangered.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. I yield.

Mr. JUDD. There is this further factor in connection with the vote of August 17, 1951. It was in July, the month before, that the Communists had asked for a truce in Korea, and our President at that time, Mr. Truman, was in the process of negotiating a truce, exchange of prisoners, and so on. The military threat was greatly reduced, or at least it seemed to be. Does the gentleman see anything in the international picture today similar to that?

The CHAIRMAN. The time of the gentleman from Indiana has again expired.

(By unanimous consent, Mr. HALLECK was allowed to proceed for 1 additional minute.)

Mr. HALLECK. It does seem to me, if I may say so, with all respect to my good friend from Louisiana, that when he goes back to 1951 to find that one vote involving $350 million out of a $5 billion appropriation, for which program a lot of us went down the aisle—and may I say that in the country from which I come, such an attitude was not too easy—but I think it was a poor way to respond to what I had to say.

Let me say just this further to my friends on my side of the aisle: We have a great President of the United States who, if he knows anything—and he knows a lot—but if he knows any particular subject it is the one with which we are here dealing; and he has associated with him some of the ablest people in this whole field.

As far as I am concerned, I think these requests have been pared down in line with other requests that have been made; and, as far as I am concerned, I am going along with that position. I trust that on both sides of the aisle, for the security of our country, Members will not want to be pinching pennies.

I say the amendment ought to be adopted.

Mr. GARY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I was very glad to hear my good friend the gentleman from Indiana refer to the days when this program started under our former President, Mr. Truman. As I stated a few moments ago, I had the privilege of acting as chairman of this committee at that time. I want to say to the gentleman that not a single time did our committee ever bring in a bill that we did not recommend certain reductions in the request of the President of the United States. I voted to cut the President's request at that time and I am voting to cut it now. My very dear friend from New York voted with me on those occasions and I am sorry that we are now on opposite sides. We handled this program together and we usually voted together on those measures.

Let us look at the record. I am going to refer to one or two instances. Let us turn to the year 1947. There was an amendment to cut $150 million from funds for relief of war devastated countries. The bill was requested by President Truman because of imminent closing of UNRRA operations and would have authorized $350 million for food, medical supplies, and so forth. The vote on the amendment to cut the funds was Democrats for, 35, against, 128. The Republicans voted 190 for the cut, 36 against.

Now, let us look at the Korean aid bill back in 1950. We are hearing a lot of talk about Korea. There was a motion offered to kill the Korean aid bill, in the form of a motion to recommit. The bill authorized $60 million in economic aid to Korea. The motion was defeated by a vote of 190 to 194. Fifty-eight Democrats voted to kill the bill and 173 voted against killing it. One hundred and thirty-one Republicans voted to kill the bill and 21 voted against killing it.

Then on passage of the bill 170 Democrats voted for passage, 61 against and 21 Republicans voted for passage, 130 against.

Mr. Chairman, that is the record.

If I thought that the action of our committee or the action of this House today would in any way cripple the program, I would be on the other side. But what I have tried to do as a Member of this House is to vote consistently to maintain adequately those programs which are necessary for the defense of the country but not to appropriate any more than is necessary.

Mr. RIVERS. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from South Carolina.

Mr. RIVERS. How much money do they have in the bank that they have not obligated or have not spent as a balance on this program?

Mr. GARY. Unobligated $667,050,000.

Mr. RIVERS. How much of a balance do they have overall?

Mr. GARY. The unexpended balance in the overall program is $6,195,000,000.

Mr. RIVERS. Six billion dollars on June 30, then $2 billion plus, that makes $8 billion plus. Is there anyway on earth they could spend that in any one year?

Mr. GARY. Oh, no.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Minnesota.

Mr. JUDD. Two points: First, is it not incorrect to give the impression that money in the pipeline is available for spending for other purposes than those for which it is committed?

Mr. GARY. No.

Mr. JUDD. That money is at work supporting contracts already entered into.

Mr. GARY. It is not available for obligation, but it is available for expenditure. That is the money that will be spent this next year.

Mr. JUDD. It is already committed.

Mr. GARY. Yes.

Mr. JUDD. For things in process of procurement.

Mr. GARY. It is either obligated or reserved, but it is unspent. That will be the spending for next year and they estimate the expenditures for next year at $2,200,000,000.

Mr. JUDD. The other point I want to make is this. I myself did not vote against that bill for economic aid for Korea to which the gentleman referred. But those who did vote against it were right. Many of them were against it because it was merely economic aid. They correctly presented the argument that to give insignificant economic aid without military aid to Korea with the Communists right on the 38th parallel would be throwing the money away. That was what it proved to be. So the Members who voted against that bill were the ones who were right. I voted for it for reasons I explained at the time. I was not willing to give that new republic no chance at all. But subsequent events proved that those who opposed it were not opposing sound mutual security. They were just being realistic in opposing a waste of money.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. MILLER of Maryland. Mr. Chairman, I move to strike out the last word.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Maryland. I yield to the gentleman from Louisiana.

Mr. PASSMAN. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 30 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

Mr. HOFFMAN. Mr. Chairman, reserving the right to object, how is that time to be divided? Are the members of the committee going to take it all? It looks like it.

The CHAIRMAN. The Chair will endeavor to divide the time among those Members who were standing.

Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. VORYS. Mr. Chairman, a parliamentary inquiry.

Do Members who have already spoken on this amendment also have the right to speak under this limitation?

The CHAIRMAN. They may.

Mr. HOFFMAN. Just a moment. If a point of order is made against it, may they speak twice?

The CHAIRMAN. They may rise in opposition to the pro forma amendment.

Mr. MILLER of Maryland. Mr. Chairman, I think it is important that the members of the Committee realize just exactly what we are doing at this time. This is really the most important amendment and the most important item in the bill.

There has been reference made to the three or four billion dollars in the pipeline, and statements have been made to the effect that we might not make any appropriation at this time and there would still be vast sums unspent in this program. Well, I think the membership should realize that even though that is true in one sense of the word, it would not provide any funds, for instance, for supplying rations, equipment, the needed arms, and the modern weapons this year to our allied friendly forces that are holding the line in Korea, Taiwan, in NATO, and elsewhere. That pipeline money is obligated for equipment and projects for the future, and if we should use that approach, we might just as well say that we should have appropriated nothing for the Department of Defense this year because we have got something like $70 billion in that pipeline. The principle is exactly the same, and what we will be taking away or reducing is weapons and equipment and the needed facilities which no one but us can supply for the several million friendly troops that are holding the shield line from behind which we are to operate if we are to maintain our security in the world today. Certainly, we are doing a great disservice—to the people I am thinking about, the Americans who are out on that line now—we are doing them a great disservice if we withhold from their allies, their friends, the people on whom they must rely, the warning systems and the modern weapons needed at the earliest possible moment for their own mutual security. We would delay their receipt of such weapons as the Nike, Honest John, Matador, or similar missiles; and retard modernizing of aircraft and the activation of F–100 fighter squadrons that our allies need, and without whom our own men and women who are now in the front lines would be hopelessly outnumbered.

This money is vital, according to our President. The bill as reported is $650 million less than he asked. I do not see how in all conscience we can let it pass with such a radical cut when the people whom it will hurt most will be our devoted soldiers, sailors, and airmen who are out in the far corners of the world, dependent upon the support they get from friendly local troops. If we are going to economize anywhere—and heaven knows I believe in economy—I do not think we should economize at the point where our greatest military leaders say we get the most for our money, the best dollar value. We get that by keeping these forces there, without whose help, if they did not have the modern weapons we must supply them, they would not be able to share with us the responsibility of protecting the free world.

We are all on a ship together. Whether we like it or not, the free world is like a vessel in a storm. And surely we should not quibble about whether we like all the members of the crew. These peoples of the free world are tied in with us and if the ship of freedom sinks, we are all going down together. It is very cheap to worry about handing a needed rope, or a cup of coffee to a member of the crew, because you do not happen to like him when the ship is in peril. I do not think we can afford to economize at this point when the best military brains, including our great President, say that this is a place where money is most needed in our program.

Mr. Chairman, I hope the amendment offered by the distinguished gentleman from New York [Mr. TABER] will be adopted.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. CARNAHAN].

Mr. CARNAHAN. Mr. Chairman, I am not sure that all of us realize how much the United States depends on the mutual security program. It is not something that we can take or leave alone, feed or starve, at will, or abandon whenever the spirit moves us.

The mutual security program has been built into our foreign policy and our defense strategy. Our defense strategy depends on overseas bases and the cooperation of foreign allies. We have entered into military commitments with other nations which they are living up to at great risk and cost to themselves. Our foreign policy is directed toward preventing any more territory any place in the world from falling under Communist domination.

The evidence we have clearly indicates that the majority of the American people favor these objectives. I am sure that nearly everyone knows that the "fortress America" concept would not work. Our people recognize that it is vital to the future of our country that we develop and maintain satisfactory relations with the newer nations of Asia and Africa.

My point is this: We cannot have the foreign policy or the defense strategy which we now have without foreign aid, and we cannot do the job which we have set out to do without providing the funds tc finance it.

We might have chosen a small-scale foreign aid program or none at all. We have not made that choice. The President has submitted to the Congress his recommendations for a diversified and complex program. The Congress has authorized him to go ahead with it. If we do not provide the money to carry it out, we do more damage than if we had drastically curtailed or remodeled the program in the authorization.

It is comparable to telling the President that we want him to have a tractor rather than a horse-drawn operation and then refusing to give him enough gasoline to run the tractor.

What has been accomplished by our mutual security program?

Hon. Mansfield D. Sprague, Assistant Secretary of Defense for International Security Affairs, answered the question in these words:

It is impossible for us to estimate what military strength the other nations of the Free World would now have were it not for our military assistance program. However, we can get some indication of the contribution which the program has made by looking at the progress of our allies since the beginning of the mutual effort. In 1950, our allies' active ground forces numbered about 3½ million men, mostly ill trained and poorly equipped. In their naval forces were fewer than 1,000 combatant vessels. Their air forces were equipped with about 11,500 aircraft, of which fewer than 500 were jets.

By the end of 1956, there were 4.8 million men in the ground forces of our allies—an increase of 37 percent. In their navies were over 2,300 combatant vessels, an increase of 139 percent. Their air forces were equipped with over 12,000 conventional aircraft, and the number of jet aircraft had increased to nearly 11,000—22 times as many as they had in 1950.

Moreover, the men in these forces are much better trained and organized than the troops of 1950 were, and their morale is at a much higher level. They have better equipment and support facilities. Their air forces have many more and better airfields and improved communications and early warning systems. It would have been impossible for our allies to make these vast improvements in the size and effectiveness of their forces had it not been for the military assistance which the United States has provided. The importance to us of the buildup of these allied forces committed to the defense of the Free World is particularly well illustrated by a contrast of its cost to our own defense expenditures during the same period. From 1950 through 1956, the United States spent on its domestic defense program, including the cost of carrying on the Korean action, approximately $254 billion. In these same years, the total of our military assistance program plus the defense expenditures of our grant-aid allies and of Canada, Australia, and New Zealand, amounted to $124 billion, or about half of our aggregate expenditure.

After having made these outlays, the United States today has Army forces of over a million men, an Air Force equipped with almost 27,000 aircraft, and a Navy with almost a thousand combatant vessels. Our grant-aid allies and Canada, Australia, and New Zealand have built up for the defense of the Free World active ground forces of over 5 million men, air forces with over 27,000 planes of which 12,500 are jets, and naval forces with 2,500 combatant vessels.

We cannot know how much the strength represented by these allied forces would have cost the United States if we had to create it entirely with our own resources. If our allies had not received our assistance in developing that strength, however, it seems clear that for its own security, the United States would have had to make much greater defense expenditures. Furthermore, we would be obliged to maintain many more men under arms, with a considerably larger proportion of them overseas. And with all of this we would not have as much defensive strength for our efforts as we have today.

What would be the cost to the United States if we did not have a mutual security program? This question was put

to Admiral Arthur W. Radford, Chairman, Joint Chiefs of Staff.

Here is his reply:

The military capabilities and contributions of each of our allies are carefully considered by the Joint Chiefs of Staff in developing our war plans and in appraising the specific United States force levels required to execute those plans. There is no doubt that these force levels of the United States would have to be expanded at greatly increased costs were it not for the Free World forces supported by the military assistance program. In fact, our entire military program and present strategic concepts would have to be radically revised.

* * * * *

Much of our strategy hinges upon the continued availability of military bases in places where we may have to defend against aggression. In some cases, we establish and operate them with United States forces; in others, we provide military assistance to nations which maintain bases of potential value to the allied defense effort. Where possible, these bases are protected by indigenous military forces. The Joint Chiefs of Staff consider that an adequate overseas base system is essential to the successful prosecution of Free World military strategy. Here, then, is a definite link between our prospects of victory if war is forced upon us and the military assistance program.

* * * * *

If we were to go on a military Fortress America concept (which as I have said is not technically feasible at this time although it may be at some future time), it would cost a tremendous amount of money, much more than we spend now. But the worst disadvantage of the adoption of such a concept is that the rest of the world would gradually swing to the Communist side and we couldn't live in the world that was left.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. VORYS].

Mr. VORYS. Mr. Chairman, I support this amendment. We will get into trouble if we try to follow past votes of various Members for guidance on this bill, because the gentleman from Louisiana, who is championing this bill on the floor, voted against the authorization for it, the fundamental policy of it, only yesterday. If you want to look at a significant past vote, however, as to what happens when the chips are down and we are in a fight and wish we had some allies, look up the vote on July 18, 1950, on this same military defense assistance program. We were in the Korean war then and wished we had some others fighting beside us. The vote on that bill was 366 to 1. The one was Vito-Marcantonio. If the gentleman from Louisiana was in town, I am sure he was one of the 366.

Let us bear in mind that this military aid program is fundamentally an economy program. It costs us $6,600 to maintain an American soldier overseas without a gun in his hands. Our contribution by this program is less than $500 a year per soldier to help arm and maintain 4,800,000 allied troops in places where our joint chiefs think they ought to be for our mutual security. This cut we are trying to restore would mean that those troops who face right across the border the Red Chinese and Russians will be facing them with World War II obsolete weapons while their Russian foes opposite have modern weapons.

We have to use the first $980 million of this amount to maintain the forces in being now. These figures are in the record and cannot be disputed. Even with the restoration we have left only $520 million to take care of shipping, administration, and operations that are estimated to cost $345 million, and that will leave us only $175 million for the new weapons, to equip these faithful allies of our, although we need $900 million for this purpose.

This cut, which will gut our military program, should be restored.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, I share the concern my colleague from Michigan [Mr. HOFFMAN] expressed a few minutes ago as to whether he and I have been walking up the center aisle with the gentleman from New York [Mr. TABER] to no avail. I have joined the gentleman from New York in voting for economy time after time in this House, but if there is any economy in increasing this bill by something like $350 million, I will eat the paper that he wrote his amendment on. He apparently is for economy at home, but ready to dish out the dollars to foreigners.

A previous speaker asked this question, "What will the foreigners think of us if we do not restore the cuts?"—cuts the committee wisely made in this bill. My answer to that is that foreigners will begin to have some regard for the sanity of the Congress of the United States if these cuts are sustained.

Something has been said to the effect that we must vote this money in order to support NATO. Let me ask some of you: What has become of some of the money we have already spent on NATO? We have spent $7 billion on France, and I doubt that France has more than one or two combat divisions in NATO today. French troops are in Algeria fighting a war against the natives and using our equipment to do it. They are not in Europe ready to combat communism. Where are the British? They are threatening to withdraw more of their already meager forces from NATO. All you have in NATO, after spending billions upon billions of dollars on countries that were expected to supply troops, is a skeleton force. This amendment offered by the gentleman from New York is anything but economy. It ought to be defeated and I certainly intend to vote against it and any other amendment to increase spending under this bill.

Mr. Chairman, I want to take this opportunity to commend the gentleman from Louisiana [Mr. PASSMAN] and those members of his subcommittee who have worked long and hard to reduce the spending under this bill to something resembling fiscal sanity.

I think I know something of the pressures under which the gentleman from Louisiana has worked, and he deserves the highest commendation of those Members of the House who have long been convinced that the American people cannot forever support the appropriation each year of billions of dollars to be handed over to foreign countries.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Chairman, one of the most unfair arguments that has been made against this bill, not by any Member of the Congress but by others, is that it is either dollars or your boys. There is nothing fair about that argument—it is not true—it is a false plea—an appeal to emotion—not to reason. The gentleman from Indiana [Mr. HALLECK], asked: Have we sacrificed in vain the lives of those who died in Korea? My answer, "Yes we have." We sacrificed them in World War I, in World War II, in Korea hundreds of thousands because we stuck our national nose into the business and policies of every other nation that got itself in trouble. That is why they died and that is why more of them will die unless we change our policy. We all know that we can destroy ourselves by spending just as we can by becoming involved in war. What have we gotten out of this policy on which we have spent billions—sacrificed our men by the thousands? At one time, well back in Revolutionary days when our country so far as the world picture then existed, was nowhere near as powerful comparatively as it is today, we won our freedom; did we not? What has gone wrong with us? Have we lost courage, determination? Ever since this policy has been established, we have been paying tribute to other nations with the idea that we will get their friendship and their help if need comes. Read the history of the world from the beginning, from the writing of the first word, and you will find every other nation except our own Nation, always when the chips were down has gone on in favor of the policy which would in the opinion of its leaders be most beneficial to their own nation, not to some other nation. Remember the old saying—millions for defense and not a cent for tribute? We have thrown that into the wastebasket. Today we cringe in fear—hide behind the false propaganda that our national existence depends upon the good will of those to whom we pay tribute. The doctrine of fear advocated, encouraged and augmented by the gentleman from Minnesota [Dr. JUDD], the gentleman from Ohio [Mr. VORYS], and the gentleman from Pennsylvania [Mr. FULTON], and others has frightened us year after year until we have come to believe that our only salvation and our only safety is in trying to buy the friendship of someone who in time of trouble will bail us out. We have gone back to the policy of King George, who, was it not, hired the Hessians to come over here in an attempt to deny our ancestors the right to freedom. Let us thank God that Washington and those who fought—many until death—had the courage, the determination to resist—to fight on. Some of us were here when Japan was asking and got scrap. We were then talking against sending scrap to Japan. Some may remember that we said it would come back. And it did. The result to our men. And now we are sending material abroad and if another war comes along because

of our meddling and sticking our national nose into the affairs of other nations the munitions we are sending over now will come back to kill our own men. It is doubtful if we have a single friend anywhere on earth who will be a helpful friend if war comes. We enabled Russia to become a world power—she is today our enemy. We take the same risk when we aid them.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. MCCARTHY].

Mr. MCCARTHY. Mr. Chairman, it is unfortunate that the advocates of the restoration of these funds come to the floor with mixed records of support for foreign aid. There is no need to review the record. I think most of us know how we voted in the past, and we are generally familiar with the records of our colleagues who have spoken here today. I sympathize with the members of the Committee on Appropriations because on examination of the record, it seems clear to me that the administration has not effectively justified what it has been asking for. They, perhaps, remember how easy it was to get through the Middle East resolution in this Congress just a few months ago without any justification. I was opposed to that action. I did not think the emergency was such that the House should have rushed to pass that resolution as it did. In any case, the direction of the policy and intent of the administration, as indicated in their present request for this appropriation, is clear enough to justify the House in restoring the funds which have been taken out. The administration must take some responsibility for the difficulties in which it finds itself today. We know that in the interest of balancing the budget in the past they drew out of the pipeline. The Democrats criticized them and called the reductions misleading. We were right. So today, when the Republicans are asking us to restore strength in the pipelines we should remember what we said a few years ago and vote consistently with the position we have taken in the past.

I suggest to the Appropriations Committee members, especially those who have taken a stand against the so-called performance budget, that what they are really doing today approaches a performance budget procedure. They are refusing the administration the right to project its program. They say there is 2½ years' supply in the pipeline. Is that enough to meet the emergency, or a 5- or 10-year Russian plan? If they are opposed to a performance budget they should be opposed to the action they are advocating today.

When we are dealing with appropriations we are dealing with something different from authorizations. If the House wishes to take a position for bargaining with the Senate on an authorization, that is one thing, but appropriations are something else. These are primarily and fundamentally the responsibility of the House of Representatives. We should pass an appropriation bill which is as accurate as possible—without anticipating compromise. Such action protects and strengthens the integrity of the House.

The CHAIRMAN. The gentleman from Illinois [Mr. VURSELL] is recognized.

Mr. VURSELL. Mr. Chairman, this House has a great responsibility, in my judgment, this afternoon, as it has had on many other occasions. Our responsibility, in my judgment, when you think the matter through cooly and calmly, and look over what we have accomplished in the past, would direct us to support the present amendment; to write sufficient funds back into this appropriation bill, to serve notice to the world that we still have confidence in the President of the United States and the Joint Chiefs of Staff and the men who have the responsibility of coming to this Congress and telling them honestly what they think they should have in funds and for what they will use those funds in the defense of this country and the Free World.

In my judgment, if we do not restore these funds, there may come a day, if we pinch off through appropriations the nations of the Free World, when this will be the most extravagant saving of a few hundred million dollars, because it may cost us many more millions of dollars to undo the wrong of a mistake that we may make here today.

I hesitate to put my judgment against the judgment of the President of the United States, with his lifetime of military service, and the men around him who say this appropriation is absolutely necessary; men who undoubtedly know more about the necessity for it than we can learn here in the Congress.

We have kept the peace of the world, in my judgment, because we have been as liberal as we have been in assisting other free nations of the world on the periphery around Russia. Let us not weaken now at this critical time.

Let us not weaken in this critical time; let us make certain that we continue to draw the noose tighter around Russia, forcing her closer to the orbit of world peace.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Chairman, probably everyone on an important vote like this, to give more rather than less for military assistance to our allies, makes up his mind on the basis of his estimate of the seriousness of the situation our country faces. I am sure those who favor the deep cut in the committee bill are convinced it will not injure our country. They are patriotic; that is the last thing they would want to do. Likewise, we who want to have the cut eliminated and the amount increased, do so because we believe strongly that our country may be injured and our long-term security endangered if we do not restore the full amount authorized. We too are patriotic, and we believe the threats our country faces are of very grave nature.

First, may I say that if the amendment offered by the gentleman from New York is adopted to restore the $1.6 billion which was in the conference report, it is still $300 million below the President's budget estimate or request. So we are not being careless with money if we adopt this amendment. It is the minimum.

Just a few weeks ago we appropriated $34 billion for our own defense establishment. And there were only a few votes against that gigantic sum. What do we get for those $34 billion? We get 125 air squadrons, approximately 1,000 naval vessels, and 21 land divisions.

What would we get under this bill if we were to give the President the $2.8 billion he asked for—$1.9 billion for military aid and $900 million for defense support? We would get another 125 air squadrons, more than 2,000 additional naval vessels, and 200 land divisions.

That is, by appropriating in this bill less than 8 percent of our own defense budget, we would double our air strength, we would triple our naval strength, and we would increase our land strength more than 10 times.

Can anybody suggest any other place where we can spend defense money with as great return for the security of the United States as by this program? For that reason I urge that we support this amendment. It does not provide the full amount requested, but it is the least we ought to provide, if we want to take no chances with our national security.

If, as the gentleman from Louisiana has predicted so many times, the President does not need it all, then it will not be spent—and no damage will have been done. If, on the other hand, we provide less than is needed, we may be placing our country in mortal danger. I am not willing to accept such a responsibility.

The CHAIRMAN. The Chair recognizes the gentleman from Washington [Mr. MACK].

Mr. MACK of Washington. Mr. Chairman, waste in the foreign aid giveaway program is nothing new. It has been going on ever since President Harry Truman and Secretary of State Dean Acheson started this program 10 years ago.

In Truman's time $7 billions a year were spent on this program. The waste then was greater than now when under Eisenhower the program has been reduced to about $3 billion a year.

I remember the Korean aid bill which has been mentioned here earlier today during the debate. The Truman administration had an idea that the South Koreans should not be rice growers and farmers. They wanted to make them into industrial workers. To do that they asked many millions from Congress to industrialize South Korea. I voted against that proposal.

One of the Truman administration schemes for industrializing Korea called for building plywood plants there. Paul Hoffman, then the head of ECA, was to carry out this proposed plywood plant program.

Under the Truman-Acheson plan United States taxpayers' money was to be used to build plywood plants in South Korea and more American taxpayers' money employed to equip these Korean plywood plants, built with American dollars, with modern plywood machinery. Then to top off the giveaway more American taxpayers' money was to be used to

buy plywood peeler logs and to give these logs free to Korea.

This democratic scheme called for giving Korea free, fully equipped, plywood plants and then also the raw material on which these plants would operate.

The Korean war came along and killed this absurd foreign giveaway scheme of the Truman administration.

My vote against using American taxpayers money to build and equip plywood plants in South Korea and then to supply these plants free logs for the operation of these plants was an absurdity. I thought I was right when I voted against this proposal. I still think it was the right vote.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. FULTON].

Mr. FULTON. Mr. Chairman, I rise in support of this amendment to restore these United States defense funds.

There is no doubt that the security of the United States should not depend on partisan positions. As a matter of fact, both President Eisenhower as well as former President Truman have given very strong statements for the full amount of this security program. Likewise Dean Acheson, former Secretary of State; likewise Adlai Stevenson, the former candidate of the Democratic Party for President, much to their credit, have risen above partisan politics and favor the current mutual security program.

May I also add that this bill will have a reducing effect on the operation of local United States defense production facilities engaged in plane and defense production. In this particular amount there are planned new weapons such as over 400 aircraft and some of them F-100's, P2V7, and S2F antisubmarine aircraft; 17 destroyers and minesweepers, all with the latest electronics and weapons; over 350 tanks; and equipment for 16 battalions of guided missiles and rockets.

Why do you not want our own United States forces and those forces who are allied with us modernized and put into condition so that when these forces stand beside our United States young men they are able to take their part?

As has been stated here, this program is solely to protect against a serious threat which is continuing. Let me say to you that I believe the military is not the place to cut this bill. We members of the Committee on Foreign Affairs have worked on this program over a period of months. We cut the program deeply. Then there has been House action on it with some further small cuts. Then a conference which sustained many of the cuts.

When it comes to the Committee on Appropriations of the House setting the foreign policy, instead of staying within the appropriation limits, I think it is time that we members of the policy committees should oppose such a course. Under the Reorganization Act, it is the jurisdiction of the Committee on Foreign Affairs of the House to implement the message of the President when he sets a national foreign policy and mutual security program which have been agreed upon by both the House and Senate, and I might say by both national conventions of 1956.

I ask any of you who come from an aircraft district or a defense production district whether you want unemployment in your district next year when these cuts will be made? I do not believe you will want to contribute to such a result.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana [Mr. DENTON].

(By unanimous consent, Mr. DENTON yielded his time to Mr. PASSMAN.)

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. ARENDS].

Mr. ARENDS. Mr. Chairman, so much has already been said that possibly I can add very little to this discussion. But my mind goes back to the days when a former President of the United States, Mr. Truman, pointed out the necessity of helping our foreign allies if they were to be in a position of strength to carry on this conflict against communism, our common enemy. Many of us then responded. We put our country's best interest first and above all else. We were not acting altruistically, but in our own enlightened self-interest—the safety of our country.

Time and time again the Committee on Armed Services, of which I am a member, of the House of Representatives, comes to the floor of the House with authorization bill after authorization bill, and hardly anyone in this House votes against such defense authorizations. Only a week or so ago we brought before the House a bill authorizing $1,600,000,000, and I do not recall that anyone raised their voice in opposition to it. Included in that bill were provisions for large funds for an overseas preparedness program in the struggle we are now carrying on throughout the world in a defense setup that will best guarantee our own security and promote the cause of freedom.

I have asked myself in all sincerity, Why do Members of this House vote for $34 billion for the national defense of our country, vote for authorizations and appropriations for overseas projects that we have and continue to build and then turn around and say we do not want to implement them. I cannot find the answer unless you have determined that our defense strategy, designed to prevent war and, if war comes, to keep it away from our shores, is all wrong. Perhaps you have determined we do not need allies abroad with military strength to resist communism, but that we should rely solely on ourselves, which would involve a defense program costing many, many billions more and not be near as effective.

I believe we are making a serious error in taking away the military support funds so necessary for our own defense, in cooperation with our allies in their defense in coordination with ours in the battle against communism.

I do not quarrel with any Member who has contrary convictions. But if you are opposed to this whole defense program, then you should so vote. Otherwise I ask you to vote for these defense appropriations embodied in this mutual-security bill.

The CHAIRMAN. The Chair recognizes the gentleman from Kentucky [Mr. NATCHER].

(By unanimous consent, Mr. NATCHER yielded his time to Mr. PASSMAN.)

Mr. HALEY. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida.?

There was no objection.

Mr. HALEY. Mr. Chairman, I rise in opposition to the bill before us. I have carefully studied the issue at hand, the appropriation of funds for the continuation of the mutual security program, and I cannot give my support to it. I do not believe that this program is any more than a giant giveaway program. I do not believe that we have or can be successful in buying the friendships of the people of other nations. Time and time again we have seen those very people whom we tried to help become unfriendly to us because of our aid. On the other hand, we have watched those to whom we have given economic aid become dependent upon our aid rather than strengthening their own economy through our assistance, and becoming economically independent. So, we have been unsuccessful on both counts—that of buying friends, and that of helping these countries become economically strong and independent.

The program of foreign aid began during World War II, and was then strictly a program of lending—not a program of giving. We were not trying to win friends—we were merely fighting a war and trying to save ourselves. This was the beginning of the giveaway—the lend-lease program. Since that time the program has changed from one name to another—namely, the Marshall plan, the Truman point 4 program, the mutual security program, and the Eisenhower doctrine.

Every time the taxpayers of this country have questioned the value of the foreign aid program, the program assumes another name. Every time they begin to question the effectiveness of the program in light of the waste, extravagance, and corruption that has been publicly revealed in the administration of the program, the Congress is asked to reduce the program. However, instead of a reduction, the responsibility of the administration of the program is shifted to another agency, or a new agency is created to administer it.

Even now the taxpayers are not satisfied with the mutual security program. They continue to object to giveaway of billions of their dollars to foreign nations, while our own economy suffers. Recently the American people began such a clamor about this program, its cost and its ineffectiveness, that the President of the United States took to the airways in an effort to regain their support of his so-called mutual security program. From all reports it appears that the President was not successful in his appeal for their continued support of the foreign aid giveaway. The taxpayers are alarmed, and I am alarmed, over the fact

that we continue to build up a national debt that we cannot pay—a debt we must leave to future generations for payment if it ever is to be paid, while at the same time we continue to pour annually billions of dollars into the economies of other nations.

My constituents, as well as people from all over the Nation, are concerned over the rapidity with which the Congress is asked to spend money, and does spend money, while at the same time it continues to cut down on the revenue of our Government. We have reached the time when the taxpayers are demanding to know how long these spending sprees will continue. Ten years ago the Marshall plan was formulated. The American taxpayers were then told the job of rehabilitating war-torn Europe would take only $17 billion and 4 years. At the end of those 4 years and that $17 billion, where were we? We were just getting started in the foreign aid business. Where are we now? After spending over 60 billions of American tax dollars, we do not have the mutual security the proponents of the program said we would, and now we are told there is no end in sight for the program. The American people have been more than generous with the peoples of foreign nations, but they want to know now where this program will take us and how much more it will cost us.

Many Members of Congress share the skepticism of the people insofar as this program is concerned. Various committees of the House have tried to investigate the claims of waste in the foreign-aid program, they have sought to determine its effectiveness and they have sought to evaluate its benefits. But, these committees have received little assistance from those persons who are responsible for the program. At the same time, other persons who have been associated with the program have frequently maintained that the American taxpayers' money is being squandered and thrown wildly away. The horrible truth is that when waste and extravagance in the program are brought to light and are documented we hear no word of explanation or apology from any responsible persons in the administration.

Mr. Chairman, when we have documented proof of waste and extravagance in any program, I cannot condone such waste by voting funds to continue the program. When we reach the place in any program where we derive only doubtful benefits from the expenditures of billions of American tax dollars, then I am compelled to vote against that program. These are only a few of my reasons for voting against this bill.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana [Mr. PASSMAN] to close debate on the pending amendment.

Mr. PASSMAN. Mr. Chairman, certainly I am confused over what is happening here this afternoon. Could it be that I was poorly indoctrinated into how to undertake my work here in the Congress? When the Committee on Ways and Means assigned me to the Appropriations Committee it was my understanding that the committee was to have the witnesses appear, the members were to question those witnesses and consider their justifications, and then allow the amount of money that the majority of the committee and the full committee and the Congress decided should be needed to operate a certain program. If I have been incorrectly indoctrinated I am wrong, but if we are supposed to act according to facts and upon the basis of the justifications presented to us by the department heads, then I am on solid ground.

There has been too much dealing in generalities all day long. It seems to me the Members just will not get back to the actual figures. I am going to support this bill. I am going to vote for this bill, and I am going to recommend that all Members do so, because the policy has already been established and I am not trying to fix policy. I want to provide the President the money to carry out the commitments; make no mistake about that. But there have been efforts to confuse the members of this committee ever since I have been a member of the committee. Particularly have I observed such actions during the 3 years in which I have been chairman of the subcommittee. I was somewhat ashamed of it myself in 1956. I thought I had better pull my flag down and go home; that I was trying to act in a big show; but nevertheless I worked, and I worked hard, and I worked long, and I tried to be just as searching as I could.

Then one evening just before we were ready to report this bill, a letter came down to the subcommittee. The letter said, "You take this, and we take this." I said, "That is a rather fair trade." But, during the next 6 or 7 hours Mr. Stassen conferred with the Director of the Budget. He must have locked the door and put the key in his pocket. The Director of the Budget was prevailed upon to obligate 22 percent of the annual appropriations after 6 o'clock in the evening, because they were to telephone me at 6 o'clock on June 30. That was one of the, shall we say, "cleverest" tricks that they ever tried to come up with. Well, they later admitted it. Then we went to conference, and we were being pushed around by certain individuals about ruining the program, and a messenger came in and said, "Somebody has something to tell you right away." I went out and they said, "The Air Force found out it owes the mutual security program a little over $3 million, and they have a check." So I presented that astonishing fact in conference. The place became just as quiet as at a funeral. We regained our position.

Let us stop dealing with generalities and get down to basic facts. Believe me when I tell you this: We are doing no wrong to the program with this bill. I do not believe there is a Member of this House who will say that he, or she, can prove that these recommendations are not adequate to carry on the program that is planned under the present policy.

I most respectfully direct your attention to the fact shown all through the hearings; it is in the justifications—that show they can spend only $2.2 billion. Now, do not let anyone confuse you. You do not spend money when you obligate it. You merely obligate it and place orders, and you spend it when a check is drawn. But, all of the money that you have for the program, in the amount of $5,512,000,000, is for expenditures. Now, it is true that some $3 billion has already been obligated, but the total to be spent is $5,512,000,000. So, if this Congress were adjourned and we should not come back here for 2½ years, when you arrived back in Washington after that 2½ year vacation, under the present program there would still be a little money left to be spent.

Now, let us face up to it, and stop building these straw men and knocking them down and building others, and dealing in these generalities.

Mr. WIGGLESWORTH. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Massachusetts.

Mr. WIGGLESWORTH. I want to say that there are several of us standing, who have tried to make it crystal clear that we believe the funds recommended are entirely inadequate, particularly in view of the fact that the distinguished gentleman from Louisiana declines to take into consideration some $675 million in his figure for estimated obligations in 1957.

Mr. PASSMAN. I have taken all the factors into consideration. I want the gentleman to understand—and I know you are not going to get me off base on this—that this portion of the program has $5,512,000,000 for which checks are yet to be drawn. And, you can draw it for anything for which you have an order. You can cancel the planes and you can cancel the guns and buy something else. You know and I know that there is $5,512,000,000 under the bill which we have submitted for your consideration.

I hope that you will vote the amendment down.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, on that I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. TABER and Mr. PASSMAN.

The Committee divided, and the tellers reported that there were—ayes 123, noes 172.

So the amendment was rejected.

The Clerk read as follows:

Defense support: For assistance authorized by section 131 (b), $585,000,000; and in addition $36 million of unobligated balances of funds heretofore made available for purposes of section 131 are continued available for the purposes of that section: *Provided*, That not less than $40 million thereof shall be available for Spain, exclusive of technical cooperation.

Mr. FLOOD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FLOOD: On page 2, line 17, strike out "$585,000,000" and insert in lieu thereof "$714,000,000."

Mr. FLOOD. Mr. Chairman, in view of the nature of this amendment, I ask

unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FLOOD. Mr. Chairman, I observe in this House a strange and extraordinary juxtaposition. Although I am pleased to see you are not confused, out of an abundance of caution may I explain what I mean. Now instead of criticizing my friends to the left for their magnificent and courageous vote on the amendment of the gentleman from New York, may I say I welcome them to the fold after their many years of dereliction. But, Mr. Chairman, I look to my colleagues on the right. I saw dozens of you who stood where I stand for 15 years and belabored my friends to the left for their evil. Now, do you fall into that same pitfall at this late date? You did—you did. This is your baby. Dare you say it, nay? This is yours. Do you make this a bastard child? Now, Mr. Chairman, for the purpose of emphasis, I urge you—do not consider me facetious. I had hoped at least 50 more of my friends to the right would have been with us. Now, listen to me on this please. If you will excuse me, you on my left are entirely capable of taking care of yourselves. I have no doubts about my friends on my right. May I say this. All right, forget what you just did on this last amendment. That is over the dam. But this amendment is defense support. Do you know what that is? This is defense support, my friends. Let me read to you what that means in the language of the subcommittee's report. I do not like to read things. I hate to admit it, but I could not say this any better myself. Let me read it to you:

> For fiscal year 1958, there is included under this heading "Defense support" only that aid necessary to enable a country to raise and support military forces for the common defense and to assure the maintenance of United States military bases abroad.

You cannot vote against this amendment. Let me show you why. My beloved friends on this subcommittee—and they are a great crowd—but, listen, they are merely asking you to substitute their opinion on this matter. This is a matter of: How many dollars? Do you want to gamble? This is not Las Vegas, with all respect to my friend the gentleman from New Mexico [Mr. DEMPSEY]. Are you going to stand at the green table here? Are you going to gamble with this? You cannot do this. Let me point this out to you, Mr. Chairman—the money in this bill. My friends will come down here and they will say, "Oh, look, look at the unexpended balances. They lied to us, these military charlatans, they did not tell us the truth." I have served on the subcommittee for Defense Department appropriations and I have been through these witnesses, the ones they are talking about, for 10 years. I know the good ones from the bad ones. It may be possible even in this House. There is a little question about those things sometimes. I would not say that—could be. Now these men will talk about unexpended balances. They will talk about unobligated funds. They will confuse with this financial terminology. This is not to be a debate in fiscal semantics—not at all. The Russians say democracy means this. Americans say democracy—the same word—means something else. You know what you can do with figures and statistics, and how they have been described. You cannot use a margin for error on a bill of such merit and debate figures.

I simply say this: I do not quarrel with this subcommittee. I believe deeply in the purpose of this bill since it was first born. I believe that these figures submitted by the Appropriations Subcommittee will not do what should be done in the pipeline. I do not think I or the subcommittee could ever decide what the necessary figures are. I do not know. I submit not a man in this room knows how many dozen millions of dollars will be necessary in Turkey or in Greece. If war should break out tomorrow you would all be praying that on the Balkan border would be the Greeks; on the Iranian border would be the great fighting Turks. Who do you have in Korea? You want the Taiwanians, you want the Philippines, you want all over that great perimeter of this world, you want those eager, willing little nations. This is the best support. I am asking that you restore these funds that were asked for in your authorization bill. No more. Say to these people: "We will hold up your right hand while you die, while we get ready if necessary to join you." They man the barricades against communism if it attacks. This is the first line, and I want you to give them every dime in the pipeline, unexpended funds, unobligated dollars. Do not be misled by these certified public accountant mumbo jumbos from the General Accounting Office. This rises above that. This is for the world. This is the leading Nation in the world and a leader must lead or quit, Mr. Chairman.

Mr. PASSMAN. Mr. Chairman, I rise in opposition to the amendment, and I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. PASSMAN. Mr. Chairman, first I should like to thank the distinguished gentleman from New York for clearing up the generalities so that I may be afforded an opportunity to get right down to the facts and figures.

In this particular item there is unexpended a total of $1,288,196,000 as of June 30, and it is obligated. You cannot do anything about it. What actually happened with reference to the defense? The Members of the House on the Foreign Affairs Committee stated, in effect: "I would not get too excited about that item. The Appropriations Committee will take care of it. It is getting a little late"; they were kind of flattering me a little. But let me give you the facts on this particular item.

The House passed $500 million, and after a delay of 2 days under some parliamentary maneuver, an amendment was offered, and was adopted, to increase the amount to $600 million. Then the measure went to the other body, and they had originally passed $800 million for this item, and the House $600 million, increasing the sum by $100 million before it went over there. When this item came back to the House it had been raised to $750 million.

Your committee has recommended that you appropriate more for this phase of the program than the House originally had agreed to authorize—$621 million in addition to the $1,288,196,000.

Now, if you please, you are looking at one item of about $585 million; but if you will move down to the bottom of the page you will discover that there is shown $36 million, representing money appropriated last year which they could not use, that lapsed; so we thought we would just take up that $36 million. Thus, this makes the amount $61 million, which is $21 million more than the sum the House agreed to when the authorization bill was passed some 10 days ago.

This information is accurate. No one is going to be able to get any figures other than these, because this is a new item as such. We have had no defense support. You have had a lot of these items, but this time this is defense support only, and that means economic aid; it is a case of merely taking off the calico and putting on the silk.

I ask you to defeat this amendment. We know that with $1,288,000,000 already available and an appropriation now of an additional $621 million, the total is more than $1,800,000,000.

I do not believe seriously my friends on the left are going to oppose this recommendation. Too many of them have agreed prior to this afternoon that $600 million is all that is actually needed. So I certainly hope you will vote down the amendment.

Mr. FORD. Mr. Chairman, I move to strike out the last word and ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN. The gentleman from Michigan is recognized for 10 minutes.

Mr. FORD. Mr. Chairman, I am glad to rise to support the amendment offered by the gentleman from Pennsylvania [Mr. FLOOD]. As a matter of fact I had an amendment at the Clerk's desk requesting that the sum be increased to the full amount of the authorization.

I am also glad to observe that the RECORD will show that on defense and mutual security matters the gentleman from Pennsylvania and myself have voted almost identically.

Let us look at the facts in this case. The President's request for this item was $900 million. The authorization which we passed yesterday calls for the sum of $750 million. The amendment which I intended to offer would have made this item in the appropriation bill $750 million. It would have been in addition to the $36 million which is reappropriated in the bill.

I am convinced beyond any doubt that this item is as important to our defense program as the other item which we just voted on. Let me just take one argument which was made in the previous amendment which is not applicable here in opposition to the amendment. We have heard about the letter from the Director of the Bureau of the Budget limiting expenditures and limiting obligations in fiscal 1958 to the amounts in fiscal 1957. In that particular case this letter is not applicable because the amounts they are requesting for obligation and the amounts they intend to expend are below the figures in each instance than those in fiscal 1957. So we can forget the suggestion, we can forget the argument they made in reference to the letter of the Director of the Bureau of the Budget.

If you will turn to page 435 of the published hearings on this appropriation bill you will find listed all of the countries which are included in the funds for this year and, in addition, some of the countries which have received funds in past years.

Mr. Chairman, in the program for the fiscal year 1958 there are 15 countries included. Some of those, and they are listed, are Spain, Turkey, Taiwan, the Philippines, Korea, and others. But let us for a moment, if we may, take one of the specific cases which I think illustrates the importance of this program beyond all doubt.

In August 1953 a truce was arranged in Korea. We expected those beyond the truce would abide by the terms of that agreement. We ourselves and our United Nations allies have. But as time went by they did not. They built airfields, they moved in modern aircraft. Finally it got so desperate that about a month ago our military leaders said, "We have to do something or our own forces and the forces of our allies are in peril," as they are. As a consequence, we are now moving in new military equipment. But if we do not approve this amendment, it would be foolhardy, in my judgment, to move in new aircraft and move in modern military equipment because by a reduced figure in this instance you will be pulling the rug out from underneath those who are serving there and in effect destroying the effectiveness of the equipment which we decided less than a month ago was essential for the defense of our forces in that area. You can go to some of these other countries which are mentioned here in this list on page 425.

Let us take Spain. It is my recollection that in the defense appropriation bill for military construction over the years we have made available funds for 2 Air Force bases and 1 Navy base in Spain amounting to something over $300 million. Are we by any action on this bill today in effect going to make economic conditions in Spain such that it would be unwise for us to man and use those bases in Spain? The economic condition of Spain today is not what we would like it and any unwise action that we take on this provision in the pending bill may well lead to greater deterioration.

Let us take Taiwan. We have invested millions and millions of dollars. We have supplied equipment for some 500,000 or more allies of ours among the Chinese Nationalists. If we reduce this sum to that which is included in this bill we in effect are pulling the plug on the investments we have made heretofore.

Mr. Chairman, I cannot understand why 1 year, 2 years, 3 years we go boldly forward and take the bit in our teeth and say this is a good program, and we man, equip, and train those who are fighting with us, and then all of a sudden we decide we better pull the plug and back out, losing the benefit of our investment, losing the benefit of our strength and boldness.

Take Turkey, a country on the border of the Communist forces for a good many miles. We have installations in Turkey which are of the most vital importance, not necessarily places for our troops to be, but installations which are just as vital and essential to our security as a barracks on the frontline in some of these other countries. Turkey has been a stanch and steadfast ally of the United States. It is a good investment dollarwise, and if we do not provide sufficient funds to keep their economy strong, to help them man the forces that they are providing along with us, we in effect are destroying the effectiveness of the installations, of which there are none more important to our own security, installations which are relatively close to the enemy whom we detest, whom we hate, and who, we hope, is defeated. And why we, in this instance, cannot go along with the amendment offered by the gentleman from Pennsylvania to help in a small way the protection of those installations and the manning of those stations is beyond my comprehension.

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. Is it not a fact that 80 percent of the funds about which the gentleman speaks goes to the fighting nations, the 6 nations that he just mentioned, to troops on the line?

Mr. FORD. That is correct. It involves land forces, air forces, and sea forces which are of great importance to us in this great struggle.

Mr. Chairman, as I close, let me say this: This recommendation by the subcommittee of $585 million is 34 percent below that proposed by President Eisenhower. It is 34 percent below what he recommended. This recommendation by the subcommittee is 20 percent below what was authorized in the bill that we approved yesterday. The amendment offered by the gentleman from Pennsylvania takes it up within $36 million of what the House of Representatives recommended yesterday.

Mr. Chairman, I hope and trust that the amendment is agreed to.

Mr. GARY. Mr. Chairman, I move to strike out the last word.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Louisiana.

Mr. PASSMAN. Could we reach an agreement on the amount of time necessary to finish this amendment?

Mr. HOFFMAN. Mr. Chairman, reserving the right to object, you are not going to hurry anyone by yelling "Vote." I will tell you that. Could the gentleman from Iowa and the Member from Michigan get at least 3 minutes? Those in support had an additional 5 minutes.

Mr. GROSS. Further reserving the right to object, we have not objected to these extensions of time. I would like to have at least that much or a little more.

Mr. HOFFMAN. I withdraw my reservation of objection, Mr. Chairman.

Mr. PASSMAN. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 20 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

Mr. GARY. Mr. Chairman, I do not think this requires any great argument. I just want to point out one or two salient facts. You probably will remember when we had the authorization bill on the floor, this House voted first to reduce the Defense Support funds to $500 million. Subsequently it voted to raise that amount to $600 million. When the authorization bill left the House it left with a figure of $600 million in it for defense support. It is true that in conference, the amount was raised to $750 million. The distinguished gentleman from Ohio stated a few moments ago that the House approved that amount. The House approved the conference report and that was one of the items in it. I dare say if that particular item had been brought before the House alone the House again would have voted for $600 million.

What does the committee recommend in this bill? It recommends $585 million for Defense Support plus a carryover of $36 million, which makes a total of $621 million, or $21 million more than the House approved in the authorization bill.

Mr. Chairman, I do not believe anything further needs to be said on this subject.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Chairman, it is a little difficult to rise in opposition to so distinguished a colleague as my friend, the gentleman from Michigan [Mr. FORD], who lives in the district adjoining mine. He said something about our duty to defend military installations. I wonder if the gentleman has forgotten that on February 16, 1955, in an official report we were told that we had 950 military installations throughout the world outside continental United States. Just how many of those 950 can we successfully defend? Are they all a source of strength or an outpost which will fall with all its materiel at the first attack?

One other point. A policy may be judged just as we judge an article of merchandise after we have used it and tested it. How long have we had this Marshall plan as it has been enlarged or amplified? How many billions of dollars

have we put into it? What has been the result? We will remember what the top Russian said not long ago, that we could spend ourselves into—what was it? Something like dissolution. That is one way to destroy ourselves, by spending. Do you remember what the President said not long ago? He said practically the same thing. That is one thing they agreed on. A warning against excessive spending. But not understanding we go on and on. But let me go back. What has been the result? I have no personal knowledge about what has happened abroad. I know little, if anything, about our financial ability. So I will take the word in this instance of our great President who warned against wasting our resources. I will not vote to do it as would this bill. In spite of all the praise of Ike by my colleague I still do not think he is any better President than was George Washington, or has he any more knowledge of the fundamental, basic principles of national life or security. What did he say, and what did his Secretary of State say earlier this year? Those who advocate this continued spending and who have gone along all the way, what did Dulles and Ike admit? They told us the first of the year that we were worse off on the national stage in the national sphere than we ever were before. That came after two wars, after the spending of uncounted and uncountable billions, which no one can locate.

If you want more of it, that is your business. I want none of it.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, we might be led to believe by statements of the gentleman from Michigan [Mr. FORD] that these particular funds are strictly for defense, that is, defense in the terms that most Members of the House apparently think of it. I want to read from the hearings on this bill. Mr. FORD is addressing a question to Secretary of State Dulles:

> Mr. FORD. In other words, this proposal will replace in part defense support, and in part outright grants for economic assistance?
>
> Secretary DULLES. It will replace the part of what is now called defense support which is really a misnomer, because it is really for economic development, and has no particular relationship to defense.

Now I want to read from another document, the report on United States foreign-assistance programs, prepared at the request of the Special Committee to Study the Foreign Aid Program, this being a committee of the United States Senate. The report covers southeast Asia, including Vietnam, Thailand, Cambodia, Laos, Burma, and Indonesia.

I read from the report, and listen to this, for this is where your defense support money goes, in part:

> There is one situation requiring prompt action and immediate correction. Conditions which existed at the time may have justified the United States decision to support the currencies of Vietnam, Laos, and Cambodia, at the arbitrary rate of 35 piasters or other local currency to the dollar. Today that figure is utterly unrealistic, as becomes apparent when we examine the need for monetary reform in Vietnam. The added and unnecessary cost to the United States taxpayer is approximately—

Listen to this, for this is defense support money—

> $20 million a month.

This is American taxpayer money going down the drain. Continuing to read from the report:

> This money is not going into public treasuries; it is going into private pockets. Of even more importance, the faith of the newly freed people of the area in the integrity of democratic government is being shaken by the spectacle of the undeserved enrichment of a favored group.

That is defense money we are talking about. That is what you want to increase by the pending amendment, looting the pockets of American taxpayers to the tune of $20 million a month to stick it into the pockets of money speculators and profiteers in Saigon, Hong Kong, or elsewhere in Asia.

You can vote to increase this if you want to. I am opposed to it.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. VORYS].

Mr. VORYS. Mr. Chairman, the gentleman who just spoke is entirely in error if he wanted the House to understand that defense support in this bill, the amount we are talking about, includes any development assistance, long-range economic aid. There is a new definition of defense support this year. I call the attention of the Committee to page 5 of the committee report, which shows that "there is included under this heading only that aid necessary to enable a country to raise and support military forces for the common defense and to assure the maintenance of United States military bases abroad."

Of the 15 countries that obtain defense support we have military bases and installations in 8. Seventy-five percent of this will go to the 5 countries bordering Red China or Russia, Korea, Taiwan, Vietnam, Pakistan, and Turkey. It will go to support 2,100,000 men under arms in those 5 countries. Defense support will go to support the economies of countries that are poor economically, but rich in spirit and in determination, to face and fight, if necessary, the Communists who lie right opposite their borders. Defense support is an essential part of the system that makes us able to secure the economy in our own defense that is represented by this program. You have had pointed out to you the fact that in these poor but brave countries, it costs far less to maintain a soldier than it does for us to maintain one of our men. We do not pay all of the costs of the maintenance of their soldiers. The committee cut this amount to about 33⅓ percent or roughly a third below the amount requested. The amendment now proposed will still leave it $186 million below the $900 million originally requested. So the pending amendment is not an extravagant amount. It merely restores the amount the House approved on yesterday, and I beg the House to approve it again today.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. CARNAHAN].

Mr. CARNAHAN. Mr. Chairman, the new obligational authority requested by the President in his budget message for fiscal year 1958 was $73.3 billion. The authorization for mutual security that has been enacted into law is $3.3 billion, or 4½ percent of the total budget. The amount of $2.5 billion reported by the Appropriations Committee is 3⅖ percent of the total budget.

When foreign aid started in 1949, our gross national product was $257.3 billion. Foreign aid in that year was 2.4 percent of the gross national product. Our gross national product is now estimated at $424 billion. At the same time our foreign aid expenditures have gone down so that they are now slightly less than 1 percent of our gross national product.

Critics of the mutual security program call it a giveaway program. This characterization is apparently based on the unfounded assumption that the United States hands out checks each month to foreign governments much as it pays the Federal employees.

Nothing could be further from the truth. In the period from April 1948 to June 1956, more than $29.7 billion was expended under the mutual security program. Twenty-three billion dollars, or 78 percent, was spent in the United States for our own commodities. More than $2.5 billion of cotton, $1.7 billion of bread grains, about $1.8 billion of machinery, $382 million of coal were bought in this country with mutual security funds. To ship the nonmilitary purchases overseas, ICA and its predecessor agents paid more than $884 million to United States shipowners—74 percent of the total ocean freight expenditures for nonmilitary aid shipments. In addition, hundreds of millions of dollars were paid to American personnel, contractors, and universities for services in connection with the program.

Economic assistance does not build up injurious competition with American industry. In the earliest stages of development, the basic facilities, such as roads, bridges, health programs and education offer no competition to United States industry. In later stages of development the output of goods and services are consumed principally in the country itself. The introduction of American methods and machines provide continuing markets for American products.

Our own industrial growth is dependent upon the industrial development and health of other countries. Production for foreign aid is intertwined with production for normal commercial channels. A dependable estimate is that about 600,000 individuals here at home are dependent upon the mutual security program for their employment.

The CHAIRMAN. The Chair recognizes the gentleman from Maine [Mr. COFFIN].

Mr. COFFIN. Mr. Chairman, I have listened to a great deal that has gone on today and a great deal of what went on yesterday. This Chamber is a source of ever-developing mystery for me. Yesterday I heard Members on both sides of

the aisle join in a sort of unprecedented praise for the conferees on the authorization bill. You will remember that the other body receded some 21 times; we receded 4 times, and came to agreement on 6 other items. The situation had deteriorated to such an extent that Members of the other body were prone to levy some accusation at us. In other words, for a moment we seemed to have the other body on the run.

The gentleman from Virginia, whom I respect and admire very much, has just made the point that this amendment calls for a restoration of defense support back to what the conferees agreed upon and that that was too bad, because that was over what this body originally voted. Has it not occurred to you that with our conferees operating so effectively they would not have come out with that figure unless there had been some very good reason for it?

Could they have been so right yesterday and so wrong today?

I think the answer is that they were right in giving sober reflection to this particular item of defense support. It is something that the gentleman from Michigan has so very well said, that we could not play around with. This is in a sense even more important than military assistance, because this is a defensive dike that is needed even before we can consider using retaliatory forces. This supports Libya, Ethiopia, Morocco, Spain, and the Philippines where we have military bases, and it helps support over 2 million troops in Taiwan, South Korea, and Vietnam.

We follow the proceedings in London and we hope our negotiators are going to do a good job; but I tell you, Mr. Chairman, that at this particular time we may be involved in some unilateral disarmament if we cut this item of defense support.

I urge the support of this amendment in particular.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. FULTON] for 3 minutes.

Mr. FULTON. Mr. Chairman, I rise in support of this amendment, and I do it because of the security of the United States. When this Congress can appropriate money, a little over $700 million and keep in the field over 2 million troops of our allies, to me it would be shortsighted not to do it.

This defense support is not economic aid. You heard the gentleman from Iowa [Mr. GROSS] speak of supporting the currencies of various countries. He was speaking of currencies that were being depreciated because of the fact that the budget of those countries contained so much military expense that it is using up many of the commodities in the country and, therefore, causing inflation. So, in order to keep those troops in the field we must supply them the wherewithal to purchase fuel, uniforms, and provide local installations. We must make up in the economy what has been taken out of it, or the economy and the country will be imperiled by inflation.

Mr. GROSS. Mr. Chairman, will the gentleman yield? We have inflation in this country, too.

Mr. FULTON. Under the good Eisenhower administration policies, of which this is a part, the gentleman is in error, there is a Government budgetary surplus.

We have heard that there has been a move by some of our allies and friends to cut their troops and defense. We cannot start a retreat of the United States forces and security. That will pull down our allies as well. For defense support, the original authorization request was for $30 million for Europe, that is Greece and Spain, and I am sure none of us wants to cut them; the Near East, Southeast Asia, and Africa, $202 million; the Far East and the Pacific, $668 million, in order to keep defense troops in the field. Unless we make available to our allies the necessary equipment, unless we help sustain them, and help our allies keep their troops in the field, we are engaging in unilateral disarmament of the free world, and this will be the signal for our friends and allies to do likewise.

So I ask you to consider for the security of the United States of America what the House Foreign Affairs Committee recommended after we had studied this matter for many months and in many hearings. We are interested in economy, but this is not the place to cut, where it vitally affects the security of the United States and the Free World.

I hope you will support the amendment.

The CHAIRMAN. The gentleman from Louisiana [Mr. PASSMAN] is recognized to close the debate on the amendment.

Mr. PASSMAN. Mr. Chairman, I shall be just as brief as possible. This is, in effect, economic aid. I will read where some of the items for defense support will be spent and you can make up your mind whether or not it is economic aid: Agriculture, natural resources, industry and mining, transportation, labor, health, sanitation, education, public administration, community development, social welfare, housing, general, and miscellaneous items. That is only a part of the list. If that is not economic aid, I will have to get a new Webster's.

Mr. Chairman, I want to state for the benefit of the Committee that your committee is recommending that you appropriate $21 million more than the Committee on Foreign Affairs asked for when the authorization went over to the other body. They agreed to $600 million. We are appropriating $585 million plus, or a total of $621 million.

With what we are recommending there will be $1,909,000,000 for defense support.

Mr. Chairman, I ask the Members to vote down the pending amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. FLOOD].

Mr. FLOOD. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. PASSMAN and Mr. FLOOD.

The Committee divided; and the tellers reported that there were—ayes 113, noes 116.

So the amendment was rejected.

The Clerk read as follows:

Development loan fund: For advances to the development loan fund as authorized by section 203, $300 million, to remain available until expended;

Mr. WIGGLESWORTH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WIGGLESWORTH: On page 3, line 2, strike out "$300,000,000" and insert "$500,000,000."

Mr. WIGGLESWORTH. Mr. Chairman, this is a very simple amendment. All it does is to restore to the new development fund, the figure which was carried in both versions of the authorization bill and in the conference report approved by the House yesterday.

Mr. Chairman, I repeat, as I think we all appreciate, that the chief criticism of the mutual-security program has been in the economic field.

There have been too many projects. There have been too many ill-considered projects. They have been based on illustrative programs that have been unsatisfactory all around. There has been too much personnel and resulting waste and extravagance.

What happened last summer?

As a result of criticism, various committees of investigation were appointed on behalf of the President, on behalf of the Senate, and on behalf of this House.

As a result of the investigations, the administration came up with a brandnew program in the field of development assistance.

It provided for a fund which is limited to making loans.

It was designed to bring about increased economy and efficiency, to put economic aid on a more businesslike basis, following in general terms the principles of the Export-Import Bank.

It was designed to substitute loans for grants, to provide financing under which repayment would be possible as compared with the present system where there is no repayment.

It was designed to eliminate the unsatisfactory illustrative programs, to substitute specific projects under specified critera and to base appropriations in the future on known performance in the past rather than on unknown performance in the future.

In my judgment the plan offers the possibility of very great improvement.

To operate this plan, there must be a capital fund, as in the case of a bank. You cannot operate from day to day. You have got to have a fund in respect to which you can plan long-term loans.

The original request, as you will recall, was for a capital fund of $2 billion to be derived over a period of 3 years. As a result of the authorization bill there is a maximum authorization of $1,125,000,000 to be accumulated in 2 years, $500 million at this time and $625 million a year hence subject, of course, to appropriations.

The $500 million figure, which, as I say, was carried in both versions of the authorization bill and in the conference report approved only yesterday has been slashed by your committee to $300 million, a slash of 40 percent in spite of the fact that there was obligated in fiscal

1957 about $410 million in the field of development assistance.

I think the cut is too drastic.

I merely suggest restoring the $500 million to the fund, the figure all along the line up to this time.

In closing I quote again from the press release from the White House this morning in which it is said that—

> The President states that the cut proposed in the development loan fund, a 40 percent cut, makes impossible the realization of the important purpose for which the fund was established by the Congress.

We had better determine whether we are going to have any development assistance or not. If we are, the development fund, in my judgment, deserves a fair trial as a part of the overall program; and we had better give it sufficient funds to operate with.

The funds will not all be obligated in the next 12 months. But they will allow the fund to make long-range plans, which is the fundamental objective of the fund.

I hope the amendment will be adopted.

Mr. PASSMAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I must not trespass upon the patience of the House any longer. There is $300 million in this special development loan fund. That is more than many of the Members wanted. In addition thereto, there is $96 million in the Asian fund. So there are adequate funds to carry on this program. And, of course, they remain available until expended.

Mr. Chairman, I trust that the committee will vote down this amendment.

Mr. HAYS of Arkansas. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Arkansas.

Mr. HAYS of Arkansas. Mr. Chairman, I appreciate the gentleman's courtesy in yielding to me and in an effort to cooperate with him in closing the debate as early as possible I shall not move to strike out the last word or seek any time. I realize the gentleman has good reasons for asking us to proceed with dispatch.

I am sure the House, with the lengthy debate that we have had on this and other issues that have been presented, is prepared to vote on the amendment. I had prepared an amendment somewhat similar to the one offered by the gentleman from Massachusetts [Mr. WIGGLESWORTH], although mine carried $400 million as representing a more reasonable cut, representing only a 25 percent reduction in the authorized figure. However, it seems to me that the committee cut is too drastic and I hope Members will weigh the arguments advanced by the gentleman from Massachusetts. I will support the amendment.

Mr. Chairman, the loan development fund is an exceedingly important new approach to the problems of strengthening the economies of the new nations now struggling to maintain independence and to make a contribution to the cause of freedom.

The Soviet Government is challenging us in a new economic competition. In the last 2 years that government has aided a selected group of undeveloped nations to the extent of $700 million. The United States must counter these Soviet efforts.

We can succeed, not by outbidding communism in sheer amounts of economic aid, but by making newly independent and newly articulate peoples feel that they can best satisfy their wants by becoming and remaining part of the community of free nations. But they must have help in a way that preserves pride and confidence. Loans, not grants, should be our policy.

We have a proven experience in this field and should welcome the competition. One way to win is to inaugurate the loan fund with an adequate appropriation.

Mr. CARNAHAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, one of the most important elements in the mutual security program is the development loan fund. It is intended to provide the foundation on which we will build our relations with the peoples of the underdeveloped areas of the world. It provides the basis for shifting our economic aid operations from a grant basis to a loan basis.

I am convinced that if the development loan fund operates as it is intended, it will make the world 20 years from now a better and safer place for all of us to live in.

But we have to give the fund a chance to work, and I do not believe that the appropriation in this bill is large enough to permit it to work.

I am fully aware that the development loan fund will be slow in getting into operation. It is desirable that this should be so, and it is intended that the fund will be administered with deliberation and caution. I know that not very much of this appropriation will be spent the first year.

Nevertheless, we need an appropriation of $500 million at the beginning. We need enough so that we can enter into firm commitments with a large number of nations for a large number of projects.

We do not want to say to the people of the underdeveloped areas of the world, "Bring us your small problems and we will help the few of you which we select." We want to be able to say to all of these people, "We are your friends; we are ready and able to help; look to us first."

We need an appropriation large enough to encourage the underdeveloped countries to come to us and to begin to plan and work with us. We intend to go slowly, to be sure that planning is carefully done and that we do not build faster than the necessary social and legal adjustments will permit. We want to disburse the money slowly, but it is vital that when we open up for business we have the resources to do the job. If negotiations proceed slowly the first year, we can make adjustments in the appropriation for next year, but we should have a chance to start on the right basis.

At this point I want to read into the RECORD a letter I recently received:

INDEPENDENCE, MO., *August 8, 1957.*

Hon. A. S. J. CARNAHAN,
United States House of Representatives, Washington, D. C.

DEAR CONGRESSMAN CARNAHAN: I am glad to give you my views on the development loan fund. I think it is an excellent proposal and deserves the strongest support.

If we are to keep the billion people and many new nations in the underdeveloped areas of the world on the side of freedom, we must help them in their efforts to move forward. The development loan fund is the most practical idea to do this which has been advanced. I regard it as a valuable and necessary supplement to the point 4 program of technical assistance.

As you know, the essential ideas involved in the loan fund have been developed on a bipartisan basis in a number of studies by able private citizens, by the Senate Special Committee on Foreign Aid and by the House Foreign Affairs Committee. The fact that the specific proposal has been advanced by the Eisenhower administration should not lessen the support of any Democrat for it. I have always taken the position that the mutual security program—which is absolutely vital to our own security—should be supported on a wholly nonpartisan basis. I believe that in this matter President Eisenhower also supports that bipartisan attitude.

I hope that on this program Democrats in the Congress will also lay aside all partisanship and support it vigorously—especially those Members on whom I could always rely for traditionally strong backing of sound foreign policy measures.

I particularly hope that they will support the 2-year provision agreed upon by the conferees. It seems to me to be a perfectly sound method of financing this sort of a loan fund over a bare minimum period if the fund is to have the assurance of continuity it ought to have.

Sincerely yours,

HARRY TRUMAN.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. CARNAHAN. I yield to the gentleman from Ohio.

Mr. VORYS. Mr. Chairman, sometimes people say that these loan programs are giveaway programs. May I remind the House that out of $15 billion of loans and credits since World War II we have been paid back already in principal and interest $6,170,000,000, "which ain't hay," and which shows that this loan program presents the possibility of putting our foreign aid on a more businesslike basis.

Mr. Chairman, I hope the amendment will be adopted.

Mr. PASSMAN. Mr. Chairman, I move that all debate on this amendment and all amendments thereto close in 8 minutes.

The motion was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin [Mr. SMITH].

Mr. SMITH of Wisconsin. Mr. Chairman, I have asked for this time to ask a question of the chairman of the subcommittee. Will the gentleman advise the Committee whether or not there appeared before his committee any witnesses who testified as to a specific plan of operating this so-called development loan program?

Mr. PASSMAN. I might state that they did not. I might further state that Mr. Fairless, when he appeared before

this committee, recommended strongly against this type of loans, and I think he said in the hearings, you might as well have a box of rocks as the soft currency. Mr. Fairless did not appear before the Committee on Foreign Affairs, but he did appear before our committee and he said he recommended against the soft currency loans and that they should be discontinued immediately. The membership understands that this is not a loan.

Mr. SMITH of Wisconsin. That answers my question. No one appeared before our committee to justify a plan, and that was the purpose of my question to the gentleman from Louisiana. There is no plan, no program, and yet they are asking for $500 million—for what? For soft loans. Soft loans are gifts in disguise. The gentleman from Ohio said a moment ago that a fine record had been made on this loan program. But, I think the gentleman from Ohio would agree with me that that kind of loan is a different kind of loan than what is proposed in this program. I agree with the gentleman that we have had a fine record, but this is not a loan program. It is a giveaway.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. O'HARA].

Mr. O'HARA of Illinois. Mr. Chairman, I am, indeed, grateful that in its great generosity, the committee is according 8 minutes for a discussion of the part of this bill of appropriation that has to do, not with the means of killing men in war if necessary, but in helping them to live in peace by building into healthy economics the lands in which they dwell.

I do not know how much we are getting from buying arms, and scattering them among the nations of the earth. I doubt that nations live alone by arms. What we do we justify by our will to protect the security of our Republic from men of evil hearts.

But, I do know there is hope in economic development of lands less favored than our own and I believe that the redevelopment-loan program is thoroughly sound. But how can you convince anyone in 2 minutes against his own inclinations and I am fearful prejudiced against what is proposed by confusion with a program it is intended to replace?

So I turn back the remainder of my time in order that other Members may have ample time to express themselves. The committee has shown such amazing liberality by voting a total of 8 minutes of debate that there is at least 1 second of time available for each Member to get his argument across, provided all desire to speak.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, of course, as the gentleman from Wisconsin [Mr. SMITH] well said, these soft loans are giveaways in disguise. The gentleman from Ohio [Mr. VORYS] spoke of the repayment record on the $16 billion in loans already made by established international lending agencies. As long as we shovel the dollars out all over the world, they will pay something on the loans, but cut off the dollars and watch what happens. The Export-Import Bank, according to an item in the papers recently, reports that they put out a billion dollars in loans last fiscal year alone. How much of the American taxpayers' money do you want to hand out to nations all over the world? Let us see what the Secretary of State thinks about this soft loan policy. You have read it in the papers, but let me refresh your memories. In questioning Mr. DENTON before the Committee on Appropriations, this is the testimony:

> Mr. DENTON. What I am thinking about you are accomplishing it now, but what will be the effect when the loan comes due and you cannot pay the soft loan. Will we accomplish our purpose then?
>
> Secretary DULLES. I do not know. That will be a problem for some other Secretary of State, not me.

Now, if the Secretary of State has no more confidence in this soft-loan plan than to give that kind of an answer, I want no part of it. That is like saying it makes no difference how much money we spend today as Members of the House of Representatives, we will load it onto the backs of future generations to pay for our folly. We discharge our responsibility simply by voting for the spending. That is the attitude of the Secretary of State, and I am opposed to this amendment to add another $200 million to this bill for the purpose of making uncollectible loans because I have at least some responsibility to the people I represent.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Chairman, the charge that these loans are soft loans is not new. From the beginning, some have made the same charge, namely, that nothing will come back. Yet it is out of some $15 billion worth of just such loans that more than $6 billion has been paid back. If future Secretaries of State will have the problem of collecting these loans, please remember that the present Secretary of State has the problem of collecting on loans made by previous Secretaries of State. That is the normal procedure in our country and the collections have been good.

Now, why is this development loan fund proposed? Not to increase the number of loans, but to improve the methods of making them. It is designed to correct the things which get such criticism here in the Congress.

Our military aid is for the purpose of strengthening the armed forces of threatened countries so that they can hold back the enemy and defend their own independence; defense support is to enable them to maintain and keep in the field those forces which we have spent literally billions of dollars to arm. But at best, all these do is to buy time. For what? Time for the economies of those countries to be developed so that they can get on their own feet and each year provide more and more of their own support, the support we now are furnishing.

Those who object that they are on our backs are the very ones who should vote for this development loan fund. It provides the best hope of getting them off our backs, so that we will not have to appropriate these large sums every single year to keep them going.

Some complain because they are not able to support themselves; yet when we come along with a sound proposal to make it possible for them to support themselves the critics are equally against that. If you do not want to increase defense support, then you ought to vote for this amendment and increase the capital of the development loan fund. If you do not want an adequate loan fund, then you ought to expect to appropriate large amounts for defense support as far ahead as one can see.

Again, if the ICA does not spend all the money it has for loans by June 30, it is accused of having asked for more than it needed; if it does make, by June 30, all the loans it has money for, then it is condemned for having made some that are not adequately considered. That is inherent and inescapable in the procedure we have been following. Do you not want to correct that bad situation?

I was grateful to the chairman of the committee, the gentleman from Louisiana [Mr. PASSMAN], when he assured us last week that he would go along without fiscal year limitation on this development loan fund. The fund, like a bank, has to have initial capital that it can count on. It cannot loan out all its capital in less than a year. It has to know what it has—I hope $500 million, but if the gentleman's bill prevails, at least $300 million that it does not have to loan by June 30 of next year, or have it revert to the Treasury.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield.

Mr. PASSMAN. And the bill was reported on that basis.

Mr. JUDD. That is one step ahead; that is real progress, and I appreciate it. Now I hope the gentleman will take the next step and provide an adequate amount. I have no idea whether it will be able to work out suitable projects on which to loan $300 million by next June 30, or even $250 million. It needs time and continuity so that it can operate more like our Army engineers; they can take time to study each project carefully, analyze it without having to meet a deadline. This fund ought to have enough capital for long enough time so that it can make a loan when the managers are convinced it is sound or necessary; and not make the loan unless they are convinced it is sound. We want them to make loans on the basis of individual projects—not country-level programs, as heretofore. We want to get them in a position where we can judge them by past performance, not by general promises or plans for the future.

I agree that probably between now and next June 30, it may not make many loans, probably not more than $300 million. But they cannot make any loans intelligently unless they have a long-range program with assurance of adequate funds. If we are against waste and want economic aid to be on a businesslike basis, we should vote for this amendment to increase the capital to $500 million.

The CHAIRMAN. The time of the gentleman from Minnesota has expired. All time on this amendment has expired.

The question is on the amendment offered by the gentleman from Massachusetts [Mr. WIGGLESWORTH].

The question was taken; and on a division (demanded by Mr. JUDD) there were—ayes 101, noes 149.

So the amendment was rejected.

The Clerk read as follows:

Technical cooperation, general authorization: For assistance authorized by section 304, $113 million; and in addition not to exceed $12 million of unobligated balances of funds heretofore made available for purposes of section 304 are continued available for the purposes of that section;

Mr. YATES. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. YATES: Page 3, line 5, strike out the figure "$113,000,000" and insert in lieu thereof the figure "$139,900,000."

The CHAIRMAN. The gentleman from Illinois is recognized in support of his amendment.

Mr. YATES. Mr. Chairman, I hear the voices demanding a vote and I know what the fate of my amendment will be. Yet I cannot permit this part of the bill to go by without offering this amendment and without commenting even briefly in support of it.

Throughout the debate today we have heard speaker after speaker express concern about lessening the military power of the United States. The preceding amendments, with the exception of the one pertaining to the development assistance fund—and debate on that amendment was limited unduly—have sought to restore slashes in the military potential of ourselves and our allies. The defense support amendment, even though it offers some economic aid, places emphasis, too, upon supporting the military. No mention at all has been made of the fundamental might of the United States, namely, our spiritual values, the truths which we hold dear.

What is the most effective way to fight communism? Is it on the lines with belligerent troops facing each other? Is it the might of armies and the most advanced weapons? Certainly, this is important, for military power is essential to restrain military aggression. The fact remains that we want peace and the world wants peace. We must never lose sight of the fact that our goal is peace, and we must not permit the impression to be conveyed to the peoples of the world that we are not a peace-loving people. With peace as our standard, we wage the most effective type of war against communism.

And that is the purpose of my amendment—to wage war against communism in men's homes, in their local communities through peaceful efforts designed to eradicate poverty to the greatest extent possible, to eliminate the feeling of discrimination.

Our spiritual values have made our Nation great, not only in the eyes of Americans but in the eyes of the peoples of the world. Our Declaration of Independence is a symbol of freedom for the world. "We hold these truths to be self-evident: that all men are created equal, that they are endowed by their Creator with certain unalienable rights," stir the peoples of other nations as well as all Americans. We make a mistake when we believe that in the battle for men's hearts and men's minds, a favorite phrase for all of us, we permit the eternal truths of America to be forgotten. This is a battlefield where victories are as important as military victories.

I firmly believe that much of the difficulty we encounter in the world today arises through our own overemphasis on military power. We have searched for bigger and better bombs. Now we are looking for a clean bomb. So much emphasis appears to be on weapons. We have not talked enough about helping the underprivileged peoples of the world achieve the freedom which they seek and the elimination of the grinding poverty under which they live.

My amendment protects the point 4 program, the technical assistance projects under which we send soldiers of peace among the peoples of the world to work with them in the fields, to administer to their ills, to improve their communities, and to fight famine. This program has proved to be a major weapon in America's anti-Communist arsenal. Through this program, we send shirtsleeved diplomats abroad to work with the people and to propagandize the good will and help of America where it counts most—on a person-to-person basis. Incidentally, this is exactly where the Communists are working—among the downtrodden people.

This program is being expanded this year to include six new countries—Argentina, Burma, Ghana, Tunisia, Morocco, and Libya. It moves the point 4 program where it should be: among the awakening peoples of Africa, an area in which the United States has a critical interest. If the committee's reduction stands, this program—America's message of peace among the peoples of the world, will have to be curtailed. Let us not jeopardize our best foreign aid operation in the name of economy.

This program is the material embodiment of the truths which America holds to be self-evident. I urge approval of my amendment.

FOREIGN AID PROJECTS AND PERSONNEL

Mr. CARNAHAN. Mr. Chairman, I arise in support of the amendment.

Information supplied the Committee on Foreign Affairs showed that our Government is engaged in more than 2,100 projects around the world. These projects utilize United States technicians, equipment and supplies and include the training of local citizens. More than 3,500 Americans are employed directly by ICA in its overseas posts. Add to this about 1,700 who are employed by United States contractors paid from ICA funds. With few exceptions these Americans and their families are living in a local environment quite different from our own. They are people with professional training who, in their conduct and attitudes, project American ideas at the grassroots level. I have seen some who I think do not measure up to their responsibility. But I have seen far more who reflect the greatest credit on our country and the programs in which we are engaged.

Similarly, the Congress and the country have been told about the shortcomings of some projects. But no committee, and no Member, has made a detailed study of each of the more than 2,000 projects. The criticism leveled against a few projects, much of it magnified disproportionately by those who are against the whole program, should not obscure the solid accomplishments which many of us, in our visits abroad, have witnessed. What is most needed in a proper evaluation is a sense of balanced appraisal that weighs the intangibles as well as the tangibles. It is the more elusive intangible elements that often throw light upon the results.

SUPPORT FOR THE PRESIDENT

The President is to be complimented on his unusual public appeal to the Congress to vote substantially all the money he has requested as essential to the security, peace, and prosperity of the Nation. Unless this sum is forthcoming, the President, out of necessity, may have to call Congress back for a special session to provide more money for the economic and military buildup of the Free World against the continuing Communist threat.

I am pleased that the President recognizes the importance of the mutual-security program to our peace and security. But I regret that he has not maintained a vigorous and persistent educational effort with the American people. Nonetheless, we must not weaken or abandon a program which has already strengthened the world economy, brightened the future for free people and enhanced the security of democratic nations.

International communism is constantly probing to discover and exploit weak points within the free world. We must be prepared to meet this challenge whenever the liberty of free people is jeopardized by our common enemy.

We are all aware of the problem and needs of the friendly nations in the various areas of the free world. The free world looks upon our Nation for leadership and the consequences of what we do or fail to do with respect to the mutual-security program reach far beyond our own national frontiers.

The world today is one in which we and our friends cannot relax our collective efforts for stability and security. There is no basis for any hope that the long-range objectives of international communism for world domination have been abandoned.

It is my conviction that this program is a fundamental and essential aspect of the conduct of our foreign policy today. It was begun 10 years ago by Americans of all parties, all races and all occupations. This is not the time to abandon this program when international communism threatens our national security.

I strongly urge the executive branch to submit their recommendations for next year's mutual security program not later than February so as to avoid further delays in this very important legislation.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. YATES].

The question was taken; and on a division (demanded by Mr. FULTON) there were—ayes 103, noes 130.

So the amendment was rejected.

The Clerk read as follows:

United Nations expanded program of technical assistance: For contributions authorized by section 306 (a), $15,500,000: *Provided*, That the United States contribution to the 1958 calendar year program shall not exceed 33.33 percent of the United Nations program;

Mr. BUDGE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BUDGE: On page 3, line 11, strike out "$15,500,000" and insert "$9,450,000."

Mr. BUDGE. Mr. Chairman, on this page of the bill there are three technical-assistance programs for which funds are appropriated. The first is the United States program, the second is the United Nations program to which this amendment refers, and the third is the technical-cooperation program for the American States.

In the United Nations program the bill now before us has this proviso:

Provided, That the United States contribution to the 1958 calendar year program shall not exceed 33.33 percent of the United Nations program.

The other nations have contributed to this program the total sum of $18,900,000 for the calendar year 1958. Obviously the United States contribution under the very language of the bill is limited to one-half of $18,900,000 which is $9,450,000, the amount contained in my amendment. It is a matter of simple arithmetic and the extra $6 million should not be appropriated.

Mr. Chairman, I hope that the amendment is agreed to.

Mr. PASSMAN. Mr. Chairman, I rise in opposition to the amendment and ask for a vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Idaho [Mr. BUDGE].

The question was taken; and on a division (demanded by Mr. BUDGE) there were—ayes 63, noes 145.

So the amendment was rejected.

Mr. GROSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GROSS: Page 3, line 15, after the word "program" strike out the semicolon, insert a colon, and add the following:

"*Provided further*, That a reasonable amount of the funds provided herein may be used for the underdeveloped areas of the United States of America where women's wearing apparel is made from feedbags, such funds to be made available to and distributed by the University of Pennsylvania."

Mr. PASSMAN. Mr. Chairman, I am constrained to make a point of order against the amendment on the ground that it is legislation on an appropriation bill.

Mr. GROSS. Would the gentleman reserve it, please?

Mr. PASSMAN. I reserve the point of order, Mr. Chairman.

Mr. GROSS. Mr. Chairman, I will not take but one minute. I came across an item the other day that reads as follows:

UNIVERSITY PARK, PA.—Clothing specialists at Pennsylvania State University say women annually convert more than 100,000 cotton bags into dresses. The 100-pound feedbag, which contains 1⅓ yards of reusable fabric, is the most widely used for home sewing.

Mr. Chairman, if a report reached this country that 100,000 women in some foreign country were wearing feedbag dresses, I have no doubt that some bureaucrat in Washington would immediately organize a small army of do-gooders, and arm them with a few million dollars to see that they were equipped with the latest style cotton dresses.

It occurred to me that out of the $15 million here being appropriated to the United Nations that perhaps we might take care of the 100,000 women in those underdeveloped areas of the United States who seem to be wearing feedbag dresses.

I concede the point of order, Mr. Chairman.

The Chair sustains the point of order.

The Clerk read as follows:

Special assistance, general authorization: For assistance authorized by section 400 (a), $175,000,000: *Provided*, That not less than $5,000,000 shall be available for Guatemala;

Mr. MILLER of Maryland. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MILLER of Maryland: Page 3, line 18, strike out "$175,000,000" and insert "$250,000,000."

Mr. MILLER of Maryland. Mr. Chairman, I realize that the hour is late but I would appreciate it if the committee would pay attention because this is, I believe, a serious item, and I would not have brought it up this late in the evening if I did not think it was of national importance.

The amendment I have offered can be briefly explained as follows: The special assistance fund payable to the President to take care of emergencies and contingencies that may arise in the future, as well as some already programed, the request was made for $300 million. The Congress in its wisdom, in the bill passed yesterday, authorized $250 million. The present bill carries only $175 million of which over $100 million has already been programed.

This is a fund provided the President. It is for emergencies and it has special features. It is to take care of things that have to be done on short notice. Probably the most dramatic effect of the similar fund that has existed in the past was that it made it possible for us to save the situation in Iran and in Guatemala, just a few months ago. The President, in this bill, would have less than $75 million to meet contingencies or sudden emergencies. The money will not be spent if the emergencies do not arise. Certainly we can trust the President to use the funds only when they are needed.

The release that has been circulated here from the White House today says that:

A cut in this special assistance fund will seriously reduce the reserve funds hitherto provided to the President to meet emergencies which inevitably develop in the world we live in today.

In the past we have had $250 million in that fund. I think it would be most shortsighted and perhaps foolhardy to limit that important feature of this bill.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Maryland. I yield to the gentleman.

Mr. JUDD. Is it not true that in the $100 million that is already programed is aid for countries like Tunisia, a new republic just getting started; Israel, Afghanistan, Guatemala, Bolivia, and various other Latin American countries, and the Hungarian refugees?

Mr. MILLER of Maryland. Yes; and the very important malaria program. There are many things that might happen in these coming months where the ability to spend considerable sums immediately might be vital to the national safety. So I hope this amendment will be approved.

Mr. JUDD. And the gentleman's amendment restores to the President only what he has had each year for all these years and which has never been misused.

Mr. MILLER of Maryland. Not only that which he has had and which has never all been spent, sometimes very little of it spent. Two hundred and fifty million dollars was authorized only just yesterday by the Congress and I see no excuse for reducing it at this time. It cannot be spent unless the President decides it is in the public interest and I am sure we can trust his judgment.

Mr. PASSMAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. PASSMAN. Mr. Chairman, the President's special fund last year was for only $100 million. It is not clear why they should request such a large amount for the fiscal year 1958. In the fiscal year 1956 the President requested $200 million for the Asian fund. We cut him down to $100 million. He has had it for 2 full years and they have only been able to spend $6,327,000.

Mr. MILLER of Maryland. If the gentleman will yield, does not that show that the fund would not be misused?

Mr. PASSMAN. Does it not also show that they do not need that much money?

Mr. Chairman, I yield back the remainder of my time and ask for a vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland [Mr. MILLER].

The amendment was rejected.

Mr. PASSMAN. Mr. Chairman, I ask unanimous consent that the balance of the bill may be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Clerk concluded the reading of the bill.

Mr. FOGARTY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FOGARTY: On page 3, line 19, strike out "$5,000,000" and insert "$10,000,000."

Mr. FOGARTY. Mr. Chairman, I want to make it clear right from the start that my amendment will not increase the appropriation by even $1. It merely earmarks $10 million of special assistance funds for Guatemala, the only country in the history of mankind that was able to throw off the Communist yoke.

In this connection, I can well remember the conversation I had with our Ambassador to Guatemala at that time, Jack Peurifoy, loved by all of us on Capitol Hill. Well do I remember his saying to me: "John, we must never, never permit Guatemala to fall in Communist hands again. If we do, it will be disastrous."

Let us think about the critical chain of events in Latin America within the past year and a half. The Presidents of Panama and Nicaragua, violently anti-Communist and strongly pro the United States, were the first to be assassinated. Then came the tragic assassination of Carlos Castillo Armas, the President of Guatemala, by a fanatic Communist. His assassination has been deplored by the entire Free World. In the United States, particularly, we have felt that in the assassination of the President of Guatemala we lost a great friend, a vigorous anti-Communist, and a champion of the free way of life. It is essential that the United States demonstrate not by words, not by eulogies, but by deeds that we still believe in Guatemala although her great hero has fallen. The ideals and principles of what he liked to call "the new life" must be perpetuated. Last year the Congress in its wisdom specifically earmarked $15 million in grant-aid funds to Guatemala and the same amount was appropriated the year before. The adoption of my amendment will make it clear to the courageous and freedom-loving people of Guatemala, that the United States is determined to help them successfully complete the Guatemala experiment initiated by President Carlos Castillo Armas. The entire world is watching this experiment, this attempt to prove that only through the free way of life, and not through communism can people achieve their happiness.

While my amendment is $5 million less than the amount made available last year, I want to make clear the legislative intent in offering this amendment that should more aid be requested and should it be essential to carrying out the democratic programs of Castillo Armas, then an additional sum will be made available by use of the emergency fund of the President or by some means of transferability.

The destiny and future of Latin America and the United States are one and the same. This is the fundamental basis of the inter-American system. In that system Guatemala stands out as a beacon light of hope not only for the entire Free World but for all those people behind the Iron Curtain who yearn for freedom. If we can assist in making the Guatemala experiment work, we will be dealing the forces of communism a severe blow. Latin America constitutes a great prize to the Communists which they would like to win. Having won it they would dominate it ruthlessly and crush it. But they will not succeed if we demonstrate to the peoples of Latin America that we are their true friends and if we demonstrate particularly to the people and to the democratic Government of Guatemala that in this hour of their bereavement we stand with them in the battle against communism.

Because of the psychological impact the unanimous adoption of my amendment would have in Guatemala, I urge my colleagues to give it their full support.

Mr. MILLER of Maryland. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield.

Mr. MILLER of Maryland. I am not going to oppose the gentleman's amendment. I think it is good and sound. However, I should like to call the attention of the Committee to the fact that we will immobilize still more of that emergency fund which my amendment sought to increase and which the House just voted down. We are putting the emergency fund in a straitjacket. I wish the gentleman's amendment had provided for additional funds to take care of it.

Mr. FOGARTY. I can say to my friend from Maryland that I think that can be straightened out in conference. The main point here is to increase this appropriation from $5 million to $10 million, because of the outstanding example they have set for all freedom-loving countries all over the world in the past 2 years since this money has been made available.

Mr. MORANO. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield to the gentleman from Connecticut.

Mr. MORANO. I want to compliment the gentleman on offering this amendment. He has made a fine statement. I associate myself with his statement and support the amendment. It ought to be accepted by the Committee.

Mr. PASSMAN. The committee is agreeable and accepts the amendment offered by the gentleman.

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

Mr. MEADER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MEADER: On page 5, after line 22, insert:

"SEC. 102. No part of any appropriation contained in this act shall be used for publicity or propaganda purposes not heretofore authorized by the Congress."

Mr. MEADER. Mr. Chairman, I call the attention of the Committee to the fact that five of the appropriation measures, which we have passed this year, contained language similar to this amendment. I do not know why it was not included in the bill, as reported from the committee.

Years ago, either the gentleman from Wisconsin [Mr. SMITH] or I or someone else had to offer amendments on the floor, but in recent years the Committee on Appropriations has been in the habit of putting that language in the appropriation bills as reported from the committee.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. MEADER. I yield.

Mr. PASSMAN. I have polled the committee by whisper and nod and I do not find any objection to the amendment. The committee accepts the gentleman's amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. MEADER].

The amendment was agreed to.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to ask a question of someone on the committee. On page 5, we find administrative expenses for the Department of State $4,577,000. Will the gentleman tell me what that appropriation is for?

Mr. PASSMAN. Let us discuss the two of them together, administrative expenses, the ICA as well as this. Generally, it is for the top echelon, and if we are going to spend billions of dollars, do you not think we ought to give them sufficient money in the administrative end of it to do a good job and employ the proper type of personnel?

Mr. GROSS. It seems to me the State Department has requested an appropriation in every supplemental and deficiency appropriation bill that has come before the House. I wonder if there is any liquor in this $4,577,000?

Mr. PASSMAN. I will say to the gentleman that the State Department has requested no funds for that item in the bill.

Mr. GROSS. As I recall, there was an appropriation of $800,000 for representation allowances or liquor, in the regular State Department appropriation for the last fiscal year and yet we find officials of the Department raided their emergency funds to buy liquor here in Washington. I was just wondering if that was the purpose of some of these funds.

Mr. PASSMAN. I wish to assure the gentleman that this item is for administrative expenses.

The pro forma amendments were withdrawn.

Mr. NEAL. Mr. Speaker, the habit of irresponsible spending of other people's money is more contagious than Asiatic flu and its incidence among Federal bureaucrats is far more general than this much dreaded epidemic is apt to become. Regardless of the economy-mindedness of agency heads, it is very difficult for them to understand and control the details of administrative allocation of appropriated funds.

I was pleased to see the House approve the bill appropriating funds for mutual security in its reduced form. To me it represents adequate provision for our national defense and recognizes the lawmaker's final responsibility to his citizens.

With military outposts around the world facing the constant threat of Communist challenge and our position of Free World leadership, any other course at this time might mean loss of

face, of prestige, and of influence in the cause of world peace.

Unfortunate as our world position has grown to be, there is no alternative but to accept it, however, this does not mean we should continue to involve ourselves promiscuously in new areas, the cost of which endangers our own security and national solvency. As final appropriation measures clear the Congress, there is definite evidence that dangerous overspending and inflation, our greatest enemies, are being recognized and dealt with.

I do not believe the limitations we have placed on foreign aid will adversely affect our standing among our allies. Surely they must by this time realize that the United States Treasury is not bottomless. Commonsense should teach them that unlimited aid must sometime cease.

The action of the Congress in revising downward appropriations for foreign aid will, in my opinion, have a far-reaching beneficial effect. First, it will renew the hopes of American citizens that their heavy tax burden may soon be lightened. Second, it will serve notice to Government agencies and defense leaders, that closer scrutiny of all phases of Federal spending must follow if they would stay within the limits of their appropriations. Third, it will serve to awaken free governments everywhere that the major part of their ability and preparedness to resist aggression rests with their own determination to fully utilize their own resources and national products, and their will to remain independent of outside assistance. Fourth, it will tend to assure the free nations of the world that America is determined to preserve her own economic strength and solvency in order that she may continue to maintain the balance of world power without which the destiny of recently freed nations throughout the world would become totally insecure.

Mr. PASSMAN. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments with the recommendation that the amendments be agreed to, and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MILLS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 9302) making appropriations for mutual security for the fiscal year ending June 30, 1958, and for other purposes, had directed him to report the bill back to the House with sundry amendments with the recommendation that the amendments be agreed to and that the bill, as amended do pass.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The question is on the amendments.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. JUDD. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. JUDD. I am opposed to this bill, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. JUDD moves to recommit the bill to the Committee on Appropriations with instructions to report it back forthwith with the following amendments:

On page 2, line 11, strike out "$1,250,000,000" and insert "$1,600,000,000."

On page 2, line 17, strike out "$585,000,000" and insert "$750,000,000."

On page 3, line 2, strike out "$300,000,000" and insert "$500,000,000."

Mr. PASSMAN. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

Mr. JUDD. On that, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 129, nays 254, not voting 49, as follows:

[Roll No. 197]

YEAS—129

Addonizio	Flood	O'Hara, Ill.
Allen, Calif.	Fogarty	O'Neill
Anderson, Mont.	Ford	Osmers
Arends	Frelinghuysen	Ostertag
Ashley	Fulton	Patterson
Auchincloss	Granahan	Pelly
Avery	Green, Pa.	Price
Ayres	Griffin	Prouty
Baldwin	Gubser	Radwan
Barrett	Hale	Ray
Bass, N. H.	Halleck	Reuss
Bates	Harden	Rhodes, Pa.
Boland	Haskell	Riehlman
Bolling	Hays, Ark.	Rodino
Bolton	Heselton	Rogers, Mass.
Broomfield	Hill	Rooney
Byrne, Pa.	Holmes	Sadlak
Canfield	Hosmer	St. George
Carnahan	Hyde	Schwengel
Carrigg	Jackson	Scott, Pa.
Chamberlain	James	Scudder
Chiperfield	Judd	Seely-Brown
Chudoff	Karsten	Sheppard
Coffin	Kean	Simpson, Pa.
Cole	Keating	Sisk
Corbett	Kelley, Pa.	Springer
Coudert	King	Staggers
Cretella	LeCompte	Stauffer
Cunningham, Iowa	McCarthy	Taber
	McConnell	Teague, Calif.
	McIntosh	Tewes
Curtin	Macdonald	Thompson, N. J.
Curtis, Mass.	Machrowicz	Tollefson
Dague	Marshall	Udall
Dellay	Martin	Van Zandt
Dennison	May	Vorys
Devereux	Merrow	Vursell
Diggs	Metcalf	Widnall
Dooley	Miller, Calif.	Wigglesworth
Dorn, N. Y.	Miller, Md.	Wilson, Calif.
Doyle	Morano	Wolverton
Dwyer	Moss	Yates
Farbstein	Mumma	Younger
Fascell	O'Brien, N. Y.	

NAYS—254

Abbitt	Andrews	Bennett, Mich.
Abernethy	Ashmore	Berry
Adair	Aspinall	Betts
Albert	Bailey	Blatnik
Alexander	Baring	Blitch
Allen, Ill.	Bass, Tenn.	Boggs
Andersen, H. Carl	Becker	Bonner
	Beckworth	Bosch
Andresen, August H.	Belcher	Bow
	Bennett, Fla.	Boykin
Boyle	Harrison, Va.	Patman
Bray	Harvey	Perkins
Breeding	Healey	Pfost
Brooks, La.	Hébert	Philbin
Brooks, Tex.	Hemphill	Pilcher
Brown, Ga.	Herlong	Pillion
Brown, Mo.	Hoeven	Poage
Brown, Ohio	Hoffman	Poff
Broyhill	Holifield	Polk
Budge	Holland	Porter
Burdick	Holt	Rabaut
Burleson	Horan	Reece, Tenn.
Byrd	Huddleston	Reed
Byrne, Ill.	Hull	Rees, Kans.
Byrnes, Wis.	Ikard	Rhodes, Ariz.
Cannon	Jarman	Riley
Cederberg	Jenkins	Rivers
Celler	Jennings	Roberts
Chelf	Jensen	Robeson, Va.
Chenoweth	Johansen	Rogers, Colo.
Christopher	Johnson	Rogers, Fla.
Church	Jonas	Rogers, Tex.
Clark	Jones, Ala.	Roosevelt
Clevenger	Jones, Mo.	Rutherford
Coad	Kearns	Santangelo
Collier	Kee	Saund
Colmer	Keeney	Saylor
Cooley	Keogh	Schenck
Cooper	Kilday	Scott, N. C.
Cramer	Kilgore	Scrivner
Cunningham, Nebr.	Kirwan	Selden
	Kitchin	Sheehan
Davis, Ga.	Kluczynski	Shuford
Davis, Tenn.	Knox	Sieminski
Dawson, Utah	Knutson	Sikes
Delaney	Laird	Simpson, Ill.
Dempsey	Landrum	Smith, Calif.
Denton	Lane	Smith, Kans.
Derounian	Lanham	Smith, Miss.
Dies	Lankford	Smith, Va.
Dingell	Latham	Smith, Wis.
Dixon	Lennon	Spence
Dollinger	Lesinski	Steed
Donohue	Lipscomb	Sullivan
Dorn, S. C.	Loser	Talle
Dowdy	McDonough	Teague, Tex.
Durham	McFall	Teller
Edmondson	McGovern	Thomas
Elliott	McIntire	Thompson, La.
Engle	McMillan	Thompson, Tex.
Evins	McVey	Thomson, Wyo.
Fallon	Mack, Ill.	Thornberry
Feighan	Mack, Wash.	Trimble
Fino	Madden	Tuck
Fisher	Magnuson	Ullman
Flynt	Mahon	Utt
Forand	Matthews	Vanik
Forrester	Meader	Van Pelt
Fountain	Michel	Vinson
Frazier	Miller, Nebr.	Walter
Friedel	Mills	Watts
Garmatz	Minshall	Weaver
Gary	Montoya	Westland
Gathings	Moore	Wharton
Gavin	Morris	Whitten
Grant	Moulder	Wier
Gray	Multer	Williams, Miss.
Green, Oreg.	Murray	Willis
Gregory	Natcher	Wilson, Ind.
Griffiths	Neal	Winstead
Gross	Nicholson	Withrow
Gwinn	Nimtz	Wright
Hagen	Norrell	Young
Haley	O'Brien, Ill.	Zablocki
Hardy	O'Konski	Zelenko
Harris	Passman	

NOT VOTING—49

Alger	Hays, Ohio	Morgan
Anfuso	Henderson	Morrison
Baker	Hess	Norblad
Barden	Hiestand	O'Hara, Minn.
Baumhart	Hillings	Powell
Beamer	Holtzman	Preston
Bentley	Kearney	Rains
Brownson	Kelly, N. Y.	Robsion, Ky.
Buckley	Kilburn	Scherer
Bush	Krueger	Shelley
Curtis, Mo.	Long	Siler
Dawson, Ill.	McCormack	Taylor
Eberharter	McCulloch	Wainwright
Fenton	McGregor	Whitener
George	Mailliard	Williams, N. Y.
Gordon	Mason	
Harrison, Nebr.	Miller, N. Y.	

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Gordon for, with Mr. Anfuso against.

Mr. Morgan for, with Mr. Buckley against.

Mr. Morrison for, with Mr. Dawson of Illinois against.
Mr. Hillings for, with Mr. Beamer against.
Mr. Kilburn for, with Mr. Holtzman against.
Mr. Baumhart for, with Mr. Hays of Ohio against.
Mr. Taylor for, with Mr. Long against.
Mr. Hess for, with Mr. Powell against.
Mr. Mailliard for, with Mr. Brownson against.

Until further notice:

Mr. Barden with Mr. Kearney.
Mrs. Kelly of New York with Mr. Baker.
Mr. Preston with Mr. Bush.
Mr. Rains with Mr. Miller of New York.
Mr. Shelley with Mr. Norblad.
Mr. Whitener with Mr. Bentley.

Mrs. GRANAHAN and Mr. BYRNE of Pennsylvania changed their vote from "nay" to "yea."

Mr. CLARK and Mr. CEDERBERG changed their vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

Mr. GARY. On that, Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 252, nays 130, answered "present" 1, not voting 49, as follows:

[Roll No. 198]

YEAS—252

Addonizio	Dennison	Jackson
Albert	Denton	James
Allen, Calif.	Derounian	Jenkins
Allen, Ill.	Devereux	Johnson
Anderson, Mont.	Diggs	Jonas
	Dingell	Jones, Ala.
Arends	Dixon	Jones, Mo.
Ashley	Dollinger	Karsten
Aspinall	Donohue	Kean
Auchincloss	Dooley	Kearns
Avery	Dorn, N. Y.	Keating
Ayres	Doyle	Kee
Baldwin	Durham	Kelley, Pa.
Barrett	Dwyer	Keogh
Bass, N. H.	Elliott	Kilday
Bates	Engle	King
Becker	Evins	Kirwan
Beckworth	Fallon	Kluczynski
Blatnik	Farbstein	Knutson
Boggs	Fascell	Laird
Boland	Feighan	Lane
Bolling	Fino	Lanham
Bolton	Flood	Lankford
Boykin	Fogarty	Latham
Boyle	Forand	LeCompte
Breeding	Ford	Lesinski
Brooks, Tex.	Fountain	Loser
Broomfield	Frazier	McCarthy
Broyhill	Frelinghuysen	McConnell
Byrd	Friedel	McFall
Byrne, Pa.	Fulton	McGovern
Byrnes, Wis.	Garmatz	McIntosh
Canfield	Gary	Macdonald
Cannon	Gathings	Machrowicz
Carnahan	Granahan	Mack, Ill.
Carrigg	Green, Oreg.	Madden
Celler	Green, Pa.	Magnuson
Chamberlain	Gregory	Mahon
Chelf	Griffin	Marshall
Chenoweth	Griffiths	Martin
Chiperfield	Gubser	Matthews
Christopher	Hagen	May
Chudoff	Hale	Meader
Clark	Halleck	Merrow
Coad	Harden	Metcalf
Coffin	Hardy	Miller, Calif.
Cole	Harris	Miller, Md.
Cooper	Haskell	Montoya
Corbett	Hays, Ark.	Morano
Coudert	Healey	Moss
Cramer	Hébert	Multer
Cretella	Heselton	Mumma
Cunningham, Iowa	Hill	Natcher
	Holifield	Neal
Curtin	Holland	Nimtz
Curtis, Mass.	Holmes	O'Brien, Ill.
Dague	Horan	O'Brien, N. Y.
Davis, Tenn.	Hosmer	O'Hara, Ill.
Dawson, Utah	Huddleston	O'Neill
Delaney	Hyde	Osmers
Dellay	Ikard	Ostertag
Passman	Santangelo	Thornberry
Patterson	St. George	Tollefson
Pelly	Saund	Trimble
Perkins	Schenck	Udall
Pfost	Schwengel	Ullman
Philbin	Scott, Pa.	Vanik
Pillion	Scudder	Van Zandt
Poff	Seely-Brown	Vinson
Porter	Selden	Vorys
Price	Sheppard	Vursell
Prouty	Sieminski	Walter
Rabaut	Simpson, Pa.	Watts
Radwan	Sisk	Westland
Reuss	Smith, Miss.	Widnall
Rhodes, Ariz.	Spence	Wier
Rhodes, Pa.	Springer	Wigglesworth
Riehlman	Staggers	Wilson, Calif.
Roberts	Stauffer	Wolverton
Rodino	Sullivan	Wright
Rogers, Colo.	Taber	Yates
Rogers, Mass.	Teague, Calif.	Younger
Rooney	Teller	Zablocki
Roosevelt	Tewes	Zelenko
Sadlak	Thompson, N. J.	

NAYS—130

Abbitt	Flynt	Pilcher
Abernethy	Forrester	Poage
Adair	Gavin	Polk
Alexander	Grant	Ray
Andersen, H. Carl	Gray	Reece, Tenn.
	Gross	Reed
Andresen, August H.	Gwinn	Rees, Kans.
	Haley	Riley
Andrews	Harrison, Va.	Rivers
Ashmore	Harvey	Robeson, Va.
Bailey	Hemphill	Rogers, Fla.
Baring	Herlong	Rogers, Tex.
Bass, Tenn.	Hoeven	Rutherford
Belcher	Hoffman	Saylor
Bennett, Fla.	Holt	Scott, N. C.
Bennett, Mich.	Hull	Scrivner
Berry	Jarman	Sheehan
Betts	Jennings	Shuford
Blitch	Jensen	Sikes
Bonner	Johansen	Simpson, Ill.
Bosch	Judd	Smith, Calif.
Bow	Keeney	Smith, Kans.
Bray	Kilgore	Smith, Va.
Brooks, La.	Kitchin	Smith, Wis.
Brown, Ga.	Knox	Steed
Brown, Mo.	Landrum	Talle
Brown, Ohio	Lennon	Teague, Tex.
Budge	Lipscomb	Thomas
Burdick	McDonough	Thompson, La.
Burleson	McIntire	Thompson, Tex.
Byrne, Ill.	McMillan	Thomson, Wyo.
Church	McVey	Tuck
Clevenger	Mack, Wash.	Utt
Collier	Michel	Van Pelt
Colmer	Miller, Nebr.	Weaver
Cooley	Mills	Wharton
Cunningham, Nebr.	Minshall	Whitten
	Moore	Williams, Miss.
Davis, Ga.	Morris	Willis
Dempsey	Moulder	Wilson, Ind.
Dies	Murray	Winstead
Dorn, S. C.	Nicholson	Withrow
Dowdy	Norrell	Young
Edmondson	O'Konski	
Fisher	Patman	

ANSWERED "PRESENT"—1

Cederberg

NOT VOTING—49

Alger	Hays, Ohio	Morgan
Anfuso	Henderson	Morrison
Baker	Hess	Norblad
Barden	Hiestand	O'Hara, Minn.
Baumhart	Hillings	Powell
Beamer	Holtzman	Preston
Bentley	Kearney	Rains
Brownson	Kelly, N. Y.	Robsion, Ky.
Buckley	Kilburn	Scherer
Bush	Krueger	Shelley
Curtis, Mo.	Long	Siler
Dawson, Ill.	McCormack	Taylor
Eberharter	McCulloch	Wainwright
Fenton	McGregor	Whitener
George	Mailliard	Williams, N. Y.
Gordon	Mason	
Harrison, Nebr.	Miller, N. Y.	

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Fenton for, with Mr. Long against.
Mr. Shelley for, with Mr. Preston against.
Mr. Baumhart for, with Mr. Morrison against.
Mr. Hess for, with Mr. Alger against.
Mr. Taylor for, with Mr. Brownson against.
Mr. Hillings for, with Mr. Beamer against.
Mr. Kilburn for, with Mr. Bentley against.
Mr. Robsion of Kentucky for, with Mr. Krueger against.
Mr. McCormack for, with Mr. Harrison of Nebraska against.
Mr. Anfuso for, with Mr. McCulloch against.
Mrs. Kelly of New York for, with Mr. O'Hara of Minnesota against.
Mr. Buckley for, with Mr. Henderson against.
Mr. Dawson of Illinois for, with Mr. Siler against.
Mr. Holtzman for, with Mr. Scherer against.
Mr. Hays of Ohio for, with Mr. Mason against.
Mr. Morgan for, with Mr. McGregor against.
Mr. Gordon for, with Mr. Hiestand against.
Mr. Wainwright for, with Mr. Cederberg against.
Mr. Mailliard for, with Mr. Kearney against.

Until further notice:

Mr. Barden with Mr. Bush.
Mr. Whitener with Mr. Baker.
Mr. Powell with Mr. Norblad.
Mr. Rains with Mr. Miller of New York.

Mr. CEDERBERG. Mr. Speaker, I have a live pair with the gentleman from New York [Mr. WAINWRIGHT] who, if he were present, would have voted "aye." I voted "nay." I withdraw my vote and vote "present."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. PASSMAN. Mr. Speaker, I ask unanimous consent that the Clerk be authorized to correct section numbers.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

GENERAL LEAVE TO EXTEND

Mr. PASSMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the mutual security appropriation bill.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate disagrees to the amendments of the House to the bill (S. 1482) entitled "An act to amend certain provisions of the Columbia Basin Project Act, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ANDERSON, Mr. JACKSON, and Mr. MALONE to be the conferees on the part of the Senate.

PROGRAM FOR TOMORROW

Mr. MARTIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN. Mr. Speaker, I take this time to secure the program for tomorrow from the acting majority leader.

Mr. ALBERT. Mr. Speaker, in response to the gentleman, the conference report on S. 1747, the poultry inspection bill, will be taken up tomorrow.

Mr. MARTIN. And that is the only legislation except by unanimous consent?

Mr. ALBERT. The gentleman is correct.

CALL OF THE PRIVATE CALENDAR

Mr. ALBERT. Mr. Speaker, I ask unanimous consent to dispense with the regular call of the Private Calendar on Tuesday next and that it may be in order for the Private Calendar to be called on Thursday next.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

POSTAL AND CLASSIFIED SALARY INCREASES

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PHILBIN. Mr. Speaker, I do not believe that the American people can understand the delay and temporizing, which blocks the final enactment and approval of raises that the House has voted to provide needed pay increases for postal and classified and other workers of the Federal Government.

Every type of tactic and argument has been used to obstruct and delay these measures. First, they are mousetrapped in the preliminary legislative machinery. Then, it is asserted that they are unjustifiable because they will produce inflation, and, finally, they are shuffled in the melee of confusion and voluminous, routine procedure that always attends the preadjournment sessions of Congress.

Beyond this, there are constant threats that these vital measures will be vetoed by the Executive, or merged with other legislation, which will bring about their defeat or let them perish in the maelstrom of last-minute legislative potpourri.

I cannot understand the arguments, let alone the methods, that are being used to sidetrack these worthy measures. Practically every other group of workers in the Nation have currently enjoyed wage and salary increases, and no one has asserted that these increases should not have been granted because they would be inflationary.

Huge appropriations have been passed by Congress for innumerable purposes, which will pour billions of dollars into the economy, and lavish upon foreign nations, and this is not asserted to be inflationary.

Alone, above practically all American workers, the postal and classified groups have not been privileged to enjoy what present economic demands clearly require—fair and appropriate increases in their pay. Measured by any scale of justice, if increases are justified for all other workers, it is grossly unfair to penalize Government workers by holding up necessary legislation and fabricating specious arguments designed to deprive them of well-deserved pay increases.

It would be a pity and a great injustice if these measures should be buried in the legislative graveyard, or nullified by Executive veto. It would be deplorable to subject these measures to political jockeying and political manipulation to win favor and votes, to be used as a football in a cynical game of political aggrandizement.

The fact is, Mr. Speaker, that these bills, with their proposed fair pay increases, are no more inflationary than any other pay raises that take place in our economy. How can any one logically argue that Government workers should be denied pay increases while all other workers are receiving them? This contention implies gross discrimination against faithful, postal workers, faithful classified and other employees of the Federal Government.

I have vigorously worked for, spoken for and supported these bills. They have real merit. They seek in this period of rising prices to give fair compensation to our valued Government workers.

Mr. Speaker, I urge every effort by this and the other body to act most vigorously and swiftly to insure the final approval and passage of these measures, and I also respectfully urge our great, beloved President to sign them. Congress must not adjourn until that is done.

THE DROUGHT SITUATION IN NEW JERSEY

Mr. THOMPSON of New Jersey. I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. THOMPSON of New Jersey. Mr. Speaker, on July 28 the Republican candidate for Governor of New Jersey sent to each Member of New Jersey's Congressional delegation a copy of a telegram addressed to our distinguished Governor, Robert B. Meyner. The obvious purpose of the Forbes wire was to make some sort of political capital out of the miseries of our State's drought-stricken farmers.

In his usual, unsubtle way, Mr. Forbes requested that the Governor ask President Eisenhower to declare New Jersey a disaster area. The wire was replete with suggestions that since the Governor had not acted the farmers' plight was worsening by the hour, since the President would obviously declare the State a disaster area. Forbes said "any further delay by you in seeking to assist the State's farmers in this crisis will cause greater hardship and loss." From firsthand observation, Forbes could attest to the need for the disaster declaration.

The ambitious Mr. Forbes thought his gambit would be perfect—if the Governor would act. In his own time, following a study by the head of the State's department of agriculture and on that responsible official's recommendation, Governor Meyner did request the President to take action.

Poor Mr. Forbes. His name can be added to a long list of those who think President Eisenhower will do anything for a Republican candidate. He joined the farmers on the hard floor when the President pulled the rug from under them by refusing to declare New Jersey a disaster area.

Now that Forbes has lost interest in the farmers, even though they are suffering now more than ever, and has turned to more profitable pursuits, the President will have an unobstructed view of New Jersey's devastated farmlands. I am confident that he will review the facts set forth in my letter of yesterday to him and the facts which the Governor has sent him and will soon help our farmers by declaring the State a disaster area.

Mr. Speaker, I am including as part of my statement the telegram of July 28 from Malcomb Forbes to Gov. Robert B. Meyner and the text of my letter to the President.

I urge that you promptly ask the President to designate New Jersey agricultural counties disaster areas in view of swiftly mounting loss of most crops from worst drought to hit State in more than 25 years.

In the past few days I have visited with farmers and New Jersey farm agents in most counties and can assure you from firsthand information and observation throughout the State, that our farmers from Sussex to Cape May, face crippling financial losses. Federal aid will be essential for many to stay afloat.

Am sending copies of this wire to our New Jersey Congressional delegation asking that they back up with the Federal Government your request.

The Governors of other nearby States facing the same situation already have acted on behalf of their people. Any further delay by you in seeking to assist the States farmers in this crisis will cause greater hardship and loss. My consultations with county and a number of State agricultural experts indicate unequivocally they would like you to act.

Sincerely,

Senator MALCOLM S. FORBES.

AUGUST 14, 1957.

The PRESIDENT,
The White House,
Washington, D. C.

DEAR MR. PRESIDENT: Because of urgent appeals which I have received from farmers in New Jersey, particularly those in the Fourth Congressional District which I represent in the House, I am writing to you asking that you reconsider your recent decision denying the application submitted to you to declare New Jersey a disaster area because of drought conditions.

In view of the very tragic conditions in my State, it is difficult to understand why New Jersey is not eligible for immediate help to alleviate a situation which is becoming more desperate each day. New Jersey farm losses due to the drought have been estimated as high as $40 million, which represents approximately 13 percent of the expected $300 million value of 1957 crops. If the situation is allowed to continue and no help is granted to the State, it is expected that losses will be double that amount. While I realize that emergency loans are now available to farmers through the Farmers Home Administration, this is not the answer to the problem and is only a partial solution, particularly in view of the fact that immediate aid is needed.

I know that you have on hand all of the facts relating to the effects of the drought in New Jersey as a result of the original application submitted to you so that it is not necessary to review them for you. However, I feel it incumbent upon me to emphasize again the growing danger that practically all of New Jersey's agricultural crop will be destroyed and farmers ruined unless some assistance is granted at once. I cannot urge too strongly that you review this whole problem again and take steps immediately to declare New Jersey a disaster area. The conditions in the State are such that partial and delayed assistance is out of the question and a policy of "too little and too late" would only add to a situation which is already approaching the point of ruin and bankruptcy for our farmers.

Thank you for your attention to this matter.

Respectfully yours,

FRANK THOMPSON, JR.

THE PRICE OF EGGS AT THE FARM

Mrs. KNUTSON. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Minnesota?

There was no objection.

Mrs. KNUTSON. Mr. Speaker, a few days ago, I made a speech on the floor of the House about the shameful price the farm woman of America is getting for eggs.

That speech struck fire. It has appeared—in part or in entirety—in dozens of newspapers. It has swamped my office under a deluge of mail. I take no credit for the effect of that speech. Far from it. I felt that speech profoundly. I felt it as deeply as I do my love for the United States of America. I felt it as deeply as I do my respect for the deliberations of the House of Representatives. Through me, with my voice, the righteous indignation of millions of American women spoke. That is why my recent speech on the shameful price of eggs at the farm level struck fire.

The theme of that speech was: The price of eggs at the farm is an economic weathervane. It points the way to poverty or progress—to prosperity or depression. The price of eggs at the farm can either be raised to a standard whereby farm women can buy or—and this is a big "or"—you can go back to the days of the thirties. The only difference is that, in 1957, you have a choice.

What I intend to bring before you today is the political effect of the price of eggs paid the farm woman.

Let me tell you a story—one which may well prove to some within hearing a political bedtime story.

Once there was a Vice President. His name was Charles Curtis. He was a Republican Vice President. He had a speech. Perhaps, he had others. Perhaps, this was his only speech. It was about the price of eggs. He made that speech whenever he faced a farm audience. He made that speech near Esterville, Iowa. At the end of the speech, Vice President Curtis always called for questions. He did not expect anyone to ask questions; but he called for them anyway. That is what he did in northwestern Iowa. Only, this time, somebody asked him a question. Did he answer? Did he come up with any kind of an explanation? Not Vice President Curtis. He refused to answer. He said, "I'm not going to answer. You're too d—— dumb to understand."

Yes. That is what he said.

What happened? Farm women voted their anger. Farmers—husbands, sons, sweethearts—voted their anger. The result? The Midwest—including traditionally Republican Iowa—went Democratic.

That political bedtime story, Mr. Speaker, is over a quarter of a century old. Yet, people within the range of my voice this very minute remember it as vividly as if it were on this morning's news program. They have a good reason to remember it. Vice President Curtis and all those who rode his coattail went down to defeat. The embattled farmer—this time, including the farm woman—cut the ground from under them as effectively as the embattled farmers at Concord cut the ground from under the invading British.

Do you know what some of the letters said after my speech on the price of eggs at the farm of a few days ago?

One letter said that this farm woman, after a year of indefensible low prices for her eggs, could not afford to buy chicks for this year's production.

Another letter said that it cost more to feed, build, and operate her small flock than it returned in cash.

Still another letter said that this woman was ashamed to send her children to school in their old patched suits and dresses. She would have had good clothing for them if she had been paid even a decent price for eggs.

Still another letter said that the writer needed her egg money to make up for the losses her grain-farming husband was incurring.

These people are not going to forget their elected representatives who sat on their hands when the time came for them to raise these hands to be counted in the battle for a fair price for eggs at the farm.

With radio, TV, and daily and weekly newspapers—the 1957 farmer and his wife are immeasurably better informed than their spiritual and physical fathers and mothers of some 25 years ago.

You can bet your bottom dollar that they are not—and I quote—"Too d—— dumb to understand."

Why am I bringing out these political facts of life to a mixed audience of Republicans and Democrats? Because I believe, with all my heart, that the need for a living price for eggs at the farm is an American issue which surmounts partisan approach. It is far, far better for the American farm woman—and through her, the American farm—to win through to the calm harbor of economic stability than it is for any one of us to survive in office.

In conclusion, Mr. Speaker, allow me to paraphrase the words of that early patriot-liberal, Patrick Henry, in the Virginia House of Burgesses: "President Harding had his Albert Fall; President Hoover had his Curtis; and President Eisenhower—may profit by their example."

And, if there be any cries of treason in the wake of what I have just said, I reply—with Patrick Henry—"If this be treason, make the most of it."

PERSONAL EXPLANATION

Mr. WHITENER. Mr. Speaker, I was unavoidably detained and got here at the close of the rollcall. I should like to state for the RECORD that had I been here I would have voted "nay" on this last vote.

OUR FOREIGN POLICY IN LATIN AMERICA

The SPEAKER. Under previous order of the House, the gentleman from Oregon [Mr. PORTER] is recognized for 30 minutes.

Mr. PORTER. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. PORTER. Mr. Speaker, this is a deliberative body, the greatest in the world. From our exchanges of facts and views, in committee and on the floor, come the policies of our Nation. Yesterday on the floor the gentleman from Connecticut [Mr. MORANO] made a speech defending the Dominican Republic and attacking my activities in connection with certain changes I propose in our foreign policy for Latin America. He did not see fit to give me notice in advance, so it happened that I was not present to make corrections and comments. I shall do so now. I notified him this morning and this evening at which time he told me. I shall specify the 12 errors of fact and the nine unsupported opinions in his 25-paragraph talk.

First. I want to say this about those who are opposing my stand. They do not fight out in the open. They defend a man who is a murderer a thousand times over, a man whose country is the slaughterhouse of the Caribbean, but they do it unilaterally by avoiding open debate where the accuracy of their facts and the evidence supporting their opinions would be open to immediate challenge.

The gentleman from California [Mr. JACKSON], also a member of the Foreign Affairs Committee, did have the courtesy to notify me in advance of his recent speech. This gentleman did yield to me briefly in the course of his remarks for certain corrections. To my disappointment he did not choose to stay in the chamber to hear my remarks and, as he might have thought necessary, enter into any colloquies to attempt to correct me on the facts or opinions offered in my speech.

It is my hope that the gentleman from Louisiana [Mr. LONG], the gentleman from Tennessee [Mr. REECE], the gentleman from California [Mr. JACKSON], and the gentleman from Connecticut [Mr. MORANO] will agree to meet me in open, simultaneous debate on this important subject about which they have unrestrainedly registered their violent

dissent from my position. Such debate, it seems to me, would be in the best traditions of this House as a deliberative body. Insertions of speeches in the RECORD or unannounced speeches, like the one under discussion, or a failure to allow colloquy seem to me unfortunate and a gage of the faith the gentlemen have in the soundness of their position.

Before I take up in detail the 12 notable factual misstatements and the nine unsupported opinions in the speech of the gentleman from Connecticut, let me set forth again what the shooting is all about. My distinguished colleague from Connecticut, like the other gentleman who takes issue with me, failed to set out and discuss the policies I recommend. Instead, like the others, he sets up various strawmen and collateral matters and attempts to strike them down in order to score points against me.

My recommendations briefly are:

Publicly declare which nations are dictatorships;

Cut off all aid to Latin American dictatorships;

Instruct our Ambassadors in all countries under dictators to be courteous but cool;

Help the democracies and the countries emerging into democracy.

Now, Mr. Speaker, I want to call the attention of the House to 12 notable misstatements of fact and to nine unsupported opinions offered in the speech of the gentleman from Connecticut, the very gentleman who advised me in his speech of yesterday to concern myself only with those matters about which I had knowledge.

He states that I said on Meet the Press that I favored the resultant chaos following a revolution in the Dominican Republic. I did not. Factual error No. 1.

He calls the Dominican Republic "that island stronghold of resistance against communism." This is nonsense. Unsupported opinion No. 1. Trujillo would be of no help if the Soviet Union attacked us. By consolidating all industry and commerce under himself and by holding back social and political improvements, he has set the stage for communism. Trujillo imported exiled Dominican Communists in 1946 from Mexico to make it appear that he was truly popular and that the only real opponents of his regime were the Communists.

Here is what Prof. Robert J. Alexander, of Rutgers and Columbia Universities, writes in his recently published book, Communism in Latin America: "Potentially one of the most powerful and dangerous Communist parties of Latin America is that of the Dominican Republic. Although by the end of 1956 the Dominican Partido Socialista Popular—as the local Communists are called—had only a handful of supporters, and was forced to operate very much underground, Generalissimo Trujillo had prepared the soil for a sudden development of the Communist seed."

Alexander explains that the police state atmosphere "is certainly preparing the way for communism in the Dominican Republic. It is preventing the growth of healthy democratic parties which might challenge the appeal of the Communists to the masses of the peasants, workers and intellectuals. It is equating all opposition to Trujillo with communism, thus clouding people's minds concerning the real nature of the Communist internal movement, its aims, objectives, and methods of operation."

He accuses me of irresponsibly "destroying friendships it has taken the United States years to cultivate" and "championing those very forces our Federal Government is attempting with such effort and expense to eradicate." I recognize that the gentleman is entitled to his opinions. He offers no evidence to support it. Unsupported opinion No. 2. I take strong exception to these opinions. I challenge him to produce any evidence to support this fantastic charge. The making of such unsupported charges is, I believe, unfair and irresponsible.

The gentleman states, in the copy of his speech released to the press, "It is difficult for the Members of this body and the American public to believe that one who has never been to the Dominican Republic could be an authority on its internal affairs." Unsupported opinion No. 3. I have never said I was such an authority. The State Department's highest Latin American official, who I do not believe has been there either, stated in Congressional hearings that it was a dictatorship. The State Department in official notes has rejected the Dominican explanation of Gerry Murphy's death and has twice and without result asked that a high Dominican official cooperate in the investigation.

The gentleman believes that the Foreign Affairs Committee should handle this matter. He implies that I disagree. Factual error No. 2. I do not disagree. I seek and will welcome such consideration. I have presented a memorandum to members of this committee and have repeatedly made requests to be allowed to appear before the Latin American Subcommittee, of which the gentleman from Connecticut is a member.

The gentleman is again in error, this time involving simple arithmetic, when he says that my amendment to deny mutual security funds to Latin American dictators was "almost unanimously condemned by a vote of the full House."

The House has 435 Members with two current vacancies. I estimate that more than 400 were on the floor when this amendment came up for a vote. The tally on the division was 171 to 4, 175 votes in all, less than half the full House. Factual error No. 3. Many colleagues told me they voted against the amendment or refrained from voting because they thought the issue too important to pass on so summarily, and at that late hour of the day, and that it should first be the subject of committee hearings. I do not agree with the gentleman that the House looks upon this issue with "apathy." Certainly the gentleman from Connecticut does not. Factual error No. 4.

The gentleman alleges that "the principal beneficiaries of the campaign thus far have been Communists and Communist sympathizers" here and in Latin American countries. Again, the grossly irresponsible unsupported assertion. The gentleman's opinion is as good as his evidence and his evidence is in default. Unsupported opinion No. 4. I thank him for admitting that my campaign has "found acceptance in some reputable sections of the press." Does he then believe that the New York Times and the Washington Post are also dupes of slaves to the Kremlin? Or in my district the Eugene Register-Guard, Coos Bay Times, Medford Mail-Tribune, and others?

The gentleman grants, in his next breath, that my motives are "altruistic," but he says that is "of passing consequence," because "they serve but to carry out a subversive design of the Kremlin to destroy the most anticommunistic nation in the Caribbean." Again, a serious and unsupported charge, and what a charge. Unsupported opinion No. 5. I tell the gentleman from Connecticut that if he has any evidence that my motives are serving to carry out any such subversive design, please make it known and without further delay. If the gentleman speaks from knowledge, he owes it to me and to our Nation to disclose this knowledge.

The gentleman refers, with regard to me, to "what he views as a dictatorship" implying that my characterization of the so-called Dominican Republic is a unique and prejudiced personal opinion. Factual error No. 5. Again, I refer him to Assistant Secretary Rubottom's testimony before the gentleman's own subcommittee. Does the gentleman deny that Dominican Government is a bloody dictatorship held together by bribery and terror? Does the gentleman hold that the President and the legislature govern in the so-called Dominican Republic?

The gentleman believes the present Dominican Government to be friendly to us, which I doubt, but let us assume so. Are there not other more pertinent standards we use in assessing governments? Such as decency and fairness? But passing this, let me say that the gentleman's assumption that the overthrow of the Trujillo regime would inevitably mean replacement by one "steeped in Marxism" is another example of his preference for argument by unsupported assertion. Unsupported opinion No. 6. Trujillo, as mentioned above, has certainly set the stage for the Communists, but it is by no means certain they would prevail. At least, the gentleman fails to back up his opinion.

He says he makes these statements "with the deep conviction gained through years of on-the-scene relationship with our nations to the south." Is it too much to ask that the gentleman provide at least a little evidence for some of these opinions, or does membership on the appropriate committee qualify a member to speak as an authority who need not offer factual support for his assertions, however drastic and fantastic?

The gentleman opines that my campaign against the Dominican Republic has been "prompted and encouraged only by naivete of our foreign policies and not by careful thought." If the gentleman showed any indication that he had read even one of my many speeches on this subject, I would be inclined to take his observation more seriously. Unsupported opinion No. 7. I certainly have

more careful thinking to do and I have a lot more to learn. But no one yet, least of all the gentleman from Connecticut, has undertaken to demonstrate to me in open debate or otherwise, why the policies I advocate are not necessary if we are to regain our moral leadership in Latin America and if we are to fight communism effectively in the Western Hemisphere.

The gentleman concludes his remarks by listing what he calls my "incongruous positions" and asserts that my legislative record establishes "rather definitely" that my campaign against the Dominican Government "is, to say the least, unfounded in any known concept of foreign relations." Since the gentleman never bothered to set forth my suggested policies or any "concepts of foreign relations," I fail to see how he could relate them. Unsupported opinion No. 8.

Let us consider one by one these alleged "incongruous positions" which he lists:

A. He complains because I advocate aid to Communistic Yugoslavia but not to the friendly Dominican Republic. My position is that the taxpayer's money should only be used for aid when the United States thereby enhances its security. Aid to Yugoslavia, properly qualified, as this House decided, does make us more secure; aid to Trujillo does not. This is an opinion I have supported with much evidence in several speeches here.

B. The gentleman is in error when he says I would cancel our trade with the Dominican Republic. Factual error No. 6. I do favor trade in nonstrategic materials with Red China.

C. The gentleman again is in error when he says I have urged severance of diplomatic ties with the so-called Dominican Republic. Factual error No. 7. I do advocate recognition of Red China on the same basis we recognize Soviet Russia—certainly not as a sign of softness but as an arm's-length relationship designed to keep communications open.

D. The gentleman is in error again when he states I have branded Gerry Murphy as "an international kidnaper." Factual error No. 8. He says I had a duty to speak up for the 450 servicemen missing behind the Bamboo Curtain of China. Unsupported opinion No. 9. He says many of them are my constituents. He is absolutely wrong. None of the men on that list is from the fourth district of Oregon.

The Department of Defense informed my office yesterday that I was the first Congressman to ask for the names and addresses of his constituents among these 450 men. There are good reasons for not publicizing the addresses of these men, but the information is available on demand.

The gentleman from Connecticut says many of my constituents are on the list. The Chief of the Office of Legislative Affairs at the Department of Defense, Capt. Carleton A. Adams, checked into this at my request. A few hours ago he informed my office that none of the men on the list was from any of the seven counties of southwestern Oregon which comprise my Congressional district.

I can also note here that no one in the State of Oregon has ever written to me on this subject. That the gentleman from Connecticut should have any information about Oregonians among these 450 men is interesting in that apparently he himself has never requested similar information about his own constituents. For his information, I know, having checked, that there are four men on the list who at one time lived in the State of Oregon, but none of them lived in my district.

If the gentleman has contradictory information, I hope he will be kind enough to let me know about it immediately. Of course I want to do what I can to have all these men released, if any are still alive and being held against their will, and I believe trade in nonstrategic materials and recognition would be great strides in that direction. I might add, for the benefit of Mr. Dulles, that I do not believe it is blackmail to do what is in our own best interest.

Moreover, an important difference in the two cases is that the Foreign Affairs Committee, under the forceful and able leadership of my friend, the gentleman from Wisconsin [Mr. ZABLOCKI], has a firm grip on the problem of the 450 missing men.

E. The gentleman says I have misled the general public in several Latin American countries where I have carried my anti-Dominican preachings in that these peoples thought my opinions were the official view of our Government. Factual error No. 9.

F. The gentleman's ready acceptance of unsupported Dominican assertions that Dr. Galindez was a blackmailer, embezzler, anti-Catholic, and servant of Russia is astonishing. I have met many persons who knew Galindez well. They deny such charges indignantly and say he was a good and brave man. Factual error No. 10. I have abundant evidence in favor of Dr. Galindez and will be glad to make it available to the gentleman, preferably in a floor debate.

G. I have never likened Trujillo to Hitler, contrary to the gentleman's assertion. Factual error No. 11. In some respects they are comparable, such as the enormity of their murder records, but I have never linked the two. It is true, and an occasion for gratitude, that many Jewish refugees were saved through visas from Trujillo. It is not true that these "thousands of Jewish refugees" mentioned by the gentleman are still—as the gentleman mistakenly asserts—enjoying "peace, prosperity, and voice in government they had never known before" in the so-called Dominican Republic. There are about 600 Jews now living in Sosua. Factual error No. 12.

Mr. Speaker, as I said at the beginning of my remarks, this is a deliberative body. On one point the gentleman from Connecticut and I agree: Members should speak on the basis of knowledge. I submit that the gentleman from Connecticut spoke yesterday about my Latin American views without knowledge of those views, without knowledge of my activities and remarks and without knowledge of the elementary circumstances.

My analysis here has demonstrated that the gentleman, in his 12-minute, 25-paragraph speech, which occupies only a page of space in the RECORD, managed to crowd in 12 factual errors and 9 unsupported opinions. It was a welter of insufficient preparation, misdirected logic, and flat assertions. Here, in summary, are the factual errors, presented unblushingly by the gentleman from Connecticut:

First. He incorrectly stated that I said on Meet the Press that I favored the resultant chaos of a revolution in the Dominican Republic.

Second. He incorrectly implies that I disagree that the Foreign Affairs Committee should assume jurisdiction and take action in the Murphy-Galindez case and with respect to the governmental policies involved.

Third. He incorrectly states that my amendment to deny mutual security funds to Latin American dictators was almost unanimously condemned by a vote of the full House.

Fourth. He incorrectly declares that the House looks upon this issue with apathy and then belies his own assertion by taking to the floor himself to deliver an unwarranted, unfair, ill-prepared attack on the subject.

Fifth. He incorrectly indicates I am the only one who views the so-called Dominican Republic as a dictatorship, failing to note that this is the view of the highest Latin American specialist in the Department of State as stated this year before the appropriate committees of this House and the other body.

Sixth. He incorrectly states that I favor canceling our trade with the Dominican Republic.

Seventh. He incorrectly asserts that I have urged breaking off of diplomatic relations with the Trujillo government.

Eighth. He incorrectly states that I have called Gerry Murphy an international kidnaper.

Ninth. He incorrectly says I have misled the people of the Latin American countries I have visited into believing that I was setting forth an official view of this country, but he cannot and does not show that this is so by any facts or evidence.

Tenth. He incorrectly charges that Dr. Jesus de Galindez was a blackmailer, an embezzler, an anti-Catholic, and a fellow traveler.

Eleventh. He incorrectly says that I have likened Trujillo to Hitler.

Twelfth. He incorrectly cites the number of Jewish refugees from Europe now living in the Dominican Republic.

And here is a summary of the unsupported, and I will add, mostly unsupportable, opinions offered by the gentleman from Connecticut during his brief oration in this House yesterday:

First. He calls the Dominican Republic an island stronghold of resistance against communism, but fails to offer any substantiating evidence for such a statement.

Second. He submits that I am destroying friendships for the United States and defending forces the United States is attempting to eradicate, an absolutely indefensible statement on his part; and, of course, he makes no attempt to defend

it. He contents himself with the wild, unsupported accusation.

Third. He accuses me of presuming to be an authority on the internal affairs of the Dominican Republic, a stand I have never taken.

Fourth. He alleges that my views on Latin American policy have mainly benefited Communists and Communist sympathizers, but he offers not one shred of evidence that this is so.

Fifth. He sets out a completely irresponsible charge that I am serving to carry out a subversive communistic plot to destroy the Dominican Republic, but he does not attempt to substantiate his charge in any way.

Sixth. He predicts that if Trujillo were overthrown, his successor would inevitably be a Communist, but he does not bother to back up his prediction with one good reason why this must be so.

Seventh. He offers as his opinion that my efforts in the Murphy-Galindez case and in the field of Latin American policy are based on ignorance of foreign policies and are characterized by a lack of careful thought, but I am compelled to point out that the speech given yesterday by the distinguished member of the Committee on Foreign Affairs failed to provide much of an example in that direction.

Eighth. He lists a number of what he calls my incongruous positions, but fails to relate them to the changes in foreign policy which I have suggested to his committee.

Ninth. He believes I should direct my efforts toward the 450 men who are still unaccounted for by Red China following the Korean war, but he fails to show that any of my constituents are on the list and my investigation also fails to show any.

As for the gentleman's suggestion that I leave these matters to the President and the appropriate committees, I express my hope that the President and the appropriate committees, including particularly the gentleman's own subcommittee, will ultimately take an interest. I pledge myself to cooperate with them in presenting facts in my possession and my views as to the necessity for our regaining moral leadership in Latin America.

So much for the 17 factual errors and the 9 unsupported opinions in the gentleman's speech yesterday. Nothing is left when they are subtracted, nothing but praise for a terroristic dictator who, in 1937, ordered the slaughter of thousands of helpless Haitians and who since then has spread his network of terror to our own country. Friend of ours? Ally against communism? What nonsense. Murderer, thief, tyrant—those are more accurate.

While I wait for the President and the appropriate committees to reverse our present be-kind-to-Latin-American-dictators policy, I intend to continue my campaign. I believe that the change is urgent if we are to fight international communism effectively on our very doorstep. The men and women in the Fourth Congressional District of Oregon are strongly supporting my actions in this respect. Included among them are Mr. and Mrs. Lester G. Murphy, of Eugene, Oreg., the parents of Gerry Murphy, the boy whose death in my firm opinion resulted from our present Latin American policies.

I want our foreign policies to be effective against international communism, not cause distress to our real friends and contempt by our purported friends in Latin America. I want no more American boys to fall victim to the foul schemes of arch criminals like Dictator Trujillo who murder and corrupt in order to preserve their tyrannies.

The United States, as a Nation under God and as a Nation that trusts in God, will, I am confident, soon revise its foreign policies to conform with the deepest moral and religious principles of its citizens. This revision can come on the floor of this House or in the appropriate committees of Congress or in the State Department or in the White House or in some or all of those places. However it comes and whenever it comes, it must spring from deliberations based on facts which are accurate and opinions which are supported by reliable evidence.

I include an editorial by Tom Wallace, editor-emeritus of the Louisville Times and one of the Founding Fathers of the Inter-American Press Association:

[From the Louisville Times of July 31, 1957]

SOME AFTERTHOUGHTS ON THE ASSASSINATION OF ARMAS—SLAYING OF GUATEMALAN PRESIDENT MAY BE LOOKED AT FROM MORE THAN ONE VIEWPOINT, WALLACE OBSERVES

(By Tom Wallace)

Assassination of Castillo Armas, President of Guatemala by virtue of a revolution of which he was the head, or nominal head, may be looked at from more than one point of view.

It was, on the face of reports, an atrocious murder done by a palace guard, declaredly a Communist. The murderer reportedly settled his account with justice by shooting himself almost immediately after his crime. Perhaps he imagined himself a hero, as a champion of a cause. The cause possibly of Guatemaltecos who had been exiled since Castillo Armas took up the reins of government. Or possibly the killer was a champion of an ideology or a political party. But he was a Communist, now how did he become a palace guard?

He administered justice to himself if he killed himself, and nobody will argue that his self-directed bullet did not do justice to him or that it did more than justice.

Looked at from another angle, the murder may be rated a tragic incident in the course of unwitting promotion of communism in Latin America by the Colossus of the North. The Colossus' government is bent upon nothing more strongly than upon crushing communism in this hemisphere, unless it is preventing its getting to our doors by taking over Europe.

Widely in Latin America, and widely in the world, the United States was credited, or, according to the sentiment of the observer, charged with having upset the Arbenz government in Guatemala and with having seated, in the position of chief of state, an adventurer who could not have managed a revolution with financial means he could have commanded.

Latin Americans did not relish as an achievement of the United States what our Secretary of State, Mr. Dulles, called "our victory." Latin Americans who thought it was not Castillo Armas' victory believes he could not have it by means of the small forces with which he set out from Honduras in a movement not protested by the Colossus. They knew that the Arbenz regime was tained with communism, although not only and avowedly Red. But they held that inasmuch as Guatemala was a sovereign Latin American state, managing its domestic affairs was not the business of the United States.

Latin Americans and North Americans must have known that the handful of leaders and unknown Latinos who take an interest in politics in Guatemala, where the population is chiefly made up of primitive Indians who wear tribal costumes, did not and would not and could not menace the Panama Canal. Anti-Communists in the United States who said they did menace it were proceeding under a pretext or under the influence of hysteria.

Latin Americans held, moreover, that if it were a fact that the ideology of a government in Guatemala were a potential danger to the United States, the colossus, a partner-in-business with the most prominent Fascist in Europe, was obliged under international law and custom to refrain from action with arms, even loaned or donated arms, to rectify the condition complained of.

Arming, or even encouraging Fascist adventures in Latin America, the colossus feeds the fires of communism in the southern half of the hemisphere as nothing else could feed them. If there is danger—I don't believe there is—that communism will actually take over and hold even one Latin American country that danger is due partly to the inclination of the United States Government to show partiality toward dictators who follow the Fascist line although they do not use the label, at the same time keping a watchful eye upon any Latin American government which may reveal a tendency toward communism.

That the United States so aids Latin American Communists is asserted in a recently published book by a thorough student of the Communist problem in Latin America (Communism in Latin America, by Robert J. Alexander).

When the not Red, but somewhat pink, constitutionally chosen Government of Guatemala was overthrown by powerful backers of Castillo Armas, I had no means of knowing that Latinos who said the United States produced the revolution told the truth.

That it was indeed our victory was accepted as a fact by newspaper correspondents and by one great newspaper in the United States, where conservatism governs news and editorial utterance.

Herbert L. Matthews, veteran correspondent of the New York Times, is a member of that newspaper's editorial conference. He mentions the Guatemala incident in a recently published book. The Yoke and the Arrows, subtitled, A Report On Spain.

Mr. Matthews, old in experience in the field in Latin America, prominent in the Inter-American Press Association, anti-Communist of course, laments that the Pentagon felt it necessary for us to make an ally of Franco to get bases in Spain, and that one result is our cordiality to Franco.

I quote Mr. Matthews:

"In aiding Tito our attitude toward communism was clear. * * * The arrangement was purely practical. We have not contaminated each other, so to speak. That is the way naturally with communism.

"But what about fascism? Obviously we take a different attitude. We not only have a number of allies in Latin America who are Fascists or the equivalent, but we would never lift a finger to prevent a Latin American country going Fascist. When weak little Guatemala threatened to go Communist, we moved in and staged a revolution against the government. * * * We have made a bargain with one of the most tenacious and outstanding enemies of democracy in the world (Franco) to defend democracy."

If our victory in Guatemala—the overthrow of Arbenz—reflected our planning—I don't pretend to know the facts—our Castillo Armas' net effect on communism in Latin America was strengthening. If he was murdered by a Communist, and if the murderer killed himself, both victims of gunfire rode for the fall they suffered.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. HOFFMAN (at the request of Mr. MARTIN) August 19, for an indefinite period, on account of official business.

Mr. FENTON until August 21, 1957, on account of death in immediate family.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. MACHROWICZ.

Mr. ABERNETHY.

Mr. SHEEHAN and to include extraneous matter.

Mr. BRAY in two instances, in each to include related matter.

Mr. WILSON of Indiana and to include related matter.

Mrs. BOLTON in two instances, in each to include related matter.

Mr. HOEVEN.

Mr. LANE.

Mr. BROOMFIELD.

Mr. LONG (at the request of Mr. PASSMAN) and to include extraneous matter.

Mr. GARY to revise and extend his remarks made in committee and to include a table.

Mr. LAIRD in three instances.

Mr. HASKELL.

Mr. SAYLOR.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 232. An act to amend the Internal Revenue Code of 1954 with respect to the readjustment of tax in the case of certain amounts received for breach of contract, and to restrict the issuance of certificates for rapid amortization of emergency facilities;

H. R. 5168. An act for the relief of William Henry Diment, Mrs. Mary Ellen Diment, and Mrs. Gladys Everingham; and

H. R. 5707. An act for the relief of the A. C. Israel Commodity Co., Inc.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 52. An act to provide increases in service-connected disability compensation and to increase dependency allowances;

H. R. 1056. An act to preserve the Key deer and other wildlife resources in the Florida Keys by the establishment of a National Key Deer Refuge in the State of Florida;

H. R. 1460. An act for the relief of Tom R. Hickman and others;

H. R. 1562. An act for the relief of Maj. John P. Ruppert;

H. R. 1672. An act for the relief of the legal guardian of Frederick Redmond;

H. R. 1682. An act for the relief of Edward J. Moskot;

H. R. 1864. An act for the relief of Mrs. Lidie Kammauf;

H. R. 2045. An act for the relief of Robert D. Miller, of Juneau, Alaska;

H. R. 2049. An act for the relief of Mrs. Blanche Houser;

H. R. 2460. An act to improve the career opportunities of nurses and medical specialists of the Army, Navy, and Air Force;

H. R. 2950. An act for the relief of Lt. Col. Emery A. Cook;

H. R. 3281. An act for the relief of Howard S. Gay;

H. R. 3440. An act for the relief of Mr. and Mrs. Allan Schlossberg;

H. R. 4023. An act for the relief of Oswald N. Smith;

H. R. 4154. An act for the relief of the legal guardian of Thomas Brainard, a minor;

H. R. 5627. An act for the relief of Mrs. Emma Hankel; and

H. R. 8090. An act making appropriations for civil functions administered by the Department of the Army and certain agencies of the Department of the Interior, for the fiscal year ending June 30, 1958, and for other purposes.

ADJOURNMENT

Mr. FLYNT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 59 minutes p. m.) the House adjourned until tomorrow, Friday, August 16, 1957, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1134. A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation entitled "A bill to permit illustrations and films of United States and foreign obligations and securities under certain circumstances, and for other purposes"; to the Committee on the Judiciary.

1135. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, relative to the case of Nikitas Kouyios, A-1239918, involving suspension of deportation under the provisions of section 19 (c) of the Immigration Act of February 5, 1917, as amended (8 U. S. C. 155 (c)) and requesting that it be withdrawn from those before the Congress and returned to the jurisdiction of this Service; to the Committee on the Judiciary.

1136. A letter from the Secretary of the Army, transmitting a draft of proposed legislation entitled "A bill to provide for the relief of certain members and former members of the Army and the Air Force, and for other purposes"; to the Committee on the Judiciary.

1137. A letter from the Administrator, Veterans' Administration, transmitting a draft of proposed legislation entitled "A bill to authorize refunds by the Veterans' Administration of amounts collected from former servicemen by the Government pursuant to guaranty of life insurance premiums under the original Soldiers' and Sailors' Civil Relief Act of 1940"; to the Committee on Veterans' Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PASSMAN: Committee on Appropriations. H. R. 9302. A bill making appropriations for mutual security for the fiscal year ending June 30, 1958, and for other purposes; without amendment (Rept. No. 1172). Referred to the Committee of the Whole House on the State of the Union.

Mr. SCOTT of North Carolina: Committee on Post Office and Civil Service. H. R. 9240. A bill to revise certain provisions of law relating to the advertisements of mail routes, and for other purposes; without amendment (Rept. No. 1173). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAVIS of Georgia: Committee on Post Office and Civil Service. S. 1740. An act to authorize the payment from the employees' life-insurance fund of expenses incurred by the Civil Service Commission in assuming and maintaining the assets and liabilities of certain beneficial associations; with amendment (Rept. No. 1174). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON of Illinois: Committee on Government Operations. Fifteenth report pertaining to activities of the Department of Health, Education, and Welfare relating to polio vaccine (Rept. No. 1175). Referred to the Committee of the Whole House on the State of the Union.

Mr. BONNER: Committee on Merchant Marine and Fisheries. H. R. 662. A bill to provide for the establishment of a fish hatchery in the northwestern part of the State of Pennsylvania; without amendment (Rept. No. 1176). Referred to the Committee of the Whole House on the State of the Union.

Mr. BONNER: Committee on Merchant Marine and Fisheries. H. R. 5526. A bill to amend the act of August 27, 1954 (68 Stat. 883), relating to the rights of vessels of the United States on the high seas and in the territorial waters of foreign countries; with amendment (Rept. No. 1177). Referred to the Committee of the Whole House on the State of the Union.

Mr. BONNER: Committee on Merchant Marine and Fisheries. H. R. 6959. A bill to authorize the Secretary of the Interior to cooperate with Federal and non-Federal agencies in the augmentation of natural food supplies for migratory waterfowl; with amendment (Rept. No. 1178). Referred to the Committee of the Whole House on the State of the Union.

Mr. BONNER: Committee on Merchant Marine and Fisheries. Report on safety of life at sea, pursuant to section 136 of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress; without amendment (Rept. No. 1179). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. PASSMAN:

H. R. 9302. A bill making appropriations for mutual security for the fiscal year ending June 30, 1958, and for other purposes; to the Committee on Appropriations.

By Mr. BROOMFIELD:

H. R. 9303. A bill to require the use of humane methods of trapping animals and birds on lands and waterways under the

jurisdiction of the United States; to the Committee on the Judiciary.

By Mr. DAVIS of Georgia:

H. R. 9304. A bill to amend section 12 of the act approved September 1, 1916, as amended; to the Committee on the District of Columbia.

By Mr. HOEVEN:

H. R. 9305. A bill to amend section 22 of the Agricultural Adjustment Act, as amended; to the Committee on Agriculture.

By Mr. LAIRD:

H. R. 9306. A bill to regulate the foreign commerce of the United States by establishing quantitative restrictions on the importation of mink pelts; to the Committee on Ways and Means.

By Mr. SMITH of Wisconsin:

H. R. 9307. A bill to amend the Labor Management Relations Act, 1947, as amended and for other purposes; to the Committee on Education and Labor.

By Mr. TOLLEFSON (by request):

H. R. 9308. A bill to amend the act entitled "An act to promote the conservation of wildlife, fish, and game, and for other purposes," approved March 10, 1934, as amended, known as the Coordination Act; to the Committee on Merchant Marine and Fisheries.

By Mr. AYRES:

H. R. 9309. A bill to amend the Tariff Act of 1930 to bar absolutely the importation of contraceptive articles; to the Committee on Ways and Means.

By Mr. BROYHILL (by request):

H. R. 9310. A bill to amend the District of Columbia Business Corporation Act to permit corporations to act as trustees under deeds of trust; to the Committee on the District of Columbia.

By Mr. LANKFORD:

H. R. 9311. A bill to credit certain teachers in the District of Columbia for services performed by them between September 1944 and July 1, 1955; to the Committee on the District of Columbia.

By Mr. ZABLOCKI:

H. R. 9312. A bill to amend section 218 (f) of the Social Security Act with respect to the effective date of certain State agreements or modifications thereof; to the Committee on Ways and Means.

By Mr. THOMPSON of New Jersey:

H. R. 9313. A bill to prohibit Government agencies from acquiring or using the National Grange headquarters site without specific Congressional approval, to provide for renovation of the old State Department Building, and for other purposes; to the Committee on Public Works.

By Mr. WIDNALL:

H. J. Res. 441. Joint resolution to amend the joint resolution of June 22, 1942, with respect to the days on which the flag of the United States should be displayed; to the Committee on the Judiciary.

By Mr. FRELINGHUYSEN:

H. Res. 400. Resolution recommending the creation of a permanent United Nations Emergency Force; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOLLING:

H. R. 9314. A bill for the relief of Antonio Escobedo-Romo; to the Committee on the Judiciary.

By Mr. BROWN of Ohio:

H. R. 9315. A bill for the relief of John B. H. Waring; to the Committee on Armed Services.

By Mr. HAGEN:

H. R. 9316. A bill for the relief of Pierino Renzo Picchione; to the Committee on the Judiciary.

By Mr. LANE:

H. R. 9317. A bill for the relief of Oshiro Shoko; to the Committee on the Judiciary.

By Mr. NORBLAD:

H. R. 9318. A bill for the relief of Elaine Marie Simonton (Yu Keum Ok); to the Committee on the Judiciary.

By Mr. THOMSON of Wyoming:

H. J. Res. 442. Joint resolution authorizing the President to issue posthumously to the late Colonel William Mitchell a commission as a major general, United States Army, and for other purposes; to the Committee on Armed Services.

EXTENSIONS OF REMARKS

Achievements in Agriculture—The Meat-Type Hog

EXTENSION OF REMARKS
OF
HON. MELVIN R. LAIRD
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 15, 1957

Mr. LAIRD. Mr. Speaker, agricultural research has shown hog producers how to meet consumer demand for lean pork and to cut the fat surplus at the same time. Scientists in the United States Department of Agriculture in cooperation with State experiment stations have shown that meat-type hogs can be produced within any breed by selecting the right breeding stock.

These streamlined, meaty hogs dress out 50 percent or more of the preferred lean cuts, compared with 44 percent in the lard-type hogs that have been grown in this country for many years. This means an extra 13 or 14 pounds of good lean meat with a corresponding decrease in the amount of fat. Furthermore, these hogs produce just as big litters, which grow just as fast and just as economically as the old-fashioned lardy hogs do. Farmers can collect an extra dividend of as much as $5 a head for the extra pounds of lean cuts.

Between 15 and 20 percent of the hogs going to market these days are meat-type hogs, and the number is increasing as the advantages show up all along the line. Some packers are paying a differential for leaner hogs and others are discounting the price for fat hogs. Market grades have been established to help buyers identify hogs with the most desirable weight and degree of fatness.

Every man, woman, and child in this country is benefiting from the research that has made it possible for farmers to give us the kind of pork we want and need for best nutrition. It looks now as if our scientists will be able to do the same thing for beef. They are working hard to develop beef animals that will produce steaks and roasts that are tender and juicy without the large amount of fat consumers no longer want or need. They are making progress and deserve our full support.

Farmers Hold the Key to Future Hog Prices

EXTENSION OF REMARKS
OF
HON. CHARLES B. HOEVEN
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 15, 1957

Mr. HOEVEN. Mr. Speaker, farmers hold the key to future hog prices. If the favorable prices and feeding ratio now enjoyed by producers prompt overexpansion of hog production, heavy supplies could easily bring about lower prices as past experience clearly demonstrates.

Too many hogs leads to inefficient use of resources with accompanying low prices and incomes as producers well remember from their experiences in 1949 and 1955. In 1949, hog producers increased the pig crop by 10 million head and hog prices dropped $5 to $6 per hundred. Again in 1954, producers increased total production by 9 million hogs followed by another 9-million-head increase in 1955. Hog market prices dropped sharply.

On the other hand as production is reduced, prices go up. Hog producers made a cut of 7½ million hogs in production in 1956. Hog prices have been running from $18 to $21 per hundred at Midwestern markets during recent weeks. A year ago prices, while markets were recovering from heavy 1955-crop marketings, were as much as $5 per hundred less.

There have been periods when prices have held when hog numbers expanded but usually this was during a period when demand was high due to emergencies such as World War II and the Korean war. In 1941, the United States Department of Agriculture asked for an increase in production and prices held in the war period. With stable production in years following the war, prices stayed high in 1946, 1947, and 1948.

Hog production was increased in 1950 and 1951 but prices held due to the Korean war. Sizable reductions in 1952 and 1953 production increased the price of hogs in 1953 and 1954.

The past shows that when production is balanced with demand, hog producers receive satisfactory prices. If production remains on an even keel during the coming months, price prospects for hogs should be favorable.

The Department of Agriculture has expressed the hope that producers will continue to avoid excessive increases at the time of breeding for the 1958 spring pig crop. It should also be pointed out that the trend toward production of meat-

type hogs is continuing which indicates that producers are becoming increasingly aware of the need for producing quality pork for effective marketing.

Agriculture Conservation Program

EXTENSION OF REMARKS
OF
HON. EARL WILSON
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES

Thursday, August 15, 1957

Mr. WILSON of Indiana. Mr. Speaker, the agricultural conservation program has been saved for the farmers of America, and I am proud to have had a part in saving it. On July 9, I made remarks on this floor which exposed a brazen effort by Assistant Agriculture Secretary E. L. Peterson to literally wreck ACP in direct contradiction of the expressed will and intent of Congress.

Mr. Peterson's proposals would have been a killing blow to many farmers, particularly the small, family-sized farms. Having been born and raised on a farm myself and having spent my lifetime in the farming regions of southern Indiana, I know—only too well—of the many heartbreaking problems with which they have been faced for so many years. Our farmers are caught in a squeeze between higher costs of operation and lower income for the food and fiber they produce. It is a vicious thing.

My speech of July 9 caused a considerable furor, Mr. Speaker. One result was a public announcement by the Secretary of Agriculture that the ACP would be left intact and administered exactly as Congress intended. Another result—that of public reaction—is one to which I would call your attention at this time. It bears out my own contention, which I have expressed frequently over the years, that the ACP is of vital importance to the Nation's agriculture and is widely appreciated by farmers everywhere.

Daily for the past several weeks I have received letters from farmers all over the country expressing their appreciation of my efforts to keep ACP as an integral part of the agriculture program. They have pointed out the vast good ACP is doing in conserving the soil of America. I will quote from a few of these letters at this time, and my colleagues are welcome to inspect the many others I have in my office.

Richard S. Winder, Route 2, Bethel, Ohio, wrote:

I wish to thank you for helping to prevent elimination of the most important practices in the ACP. The proposals of Assistant Secretary Peterson would have made the program worthless to dirt farmers.

William H. Reichling, LaPuente, Calif.:

As a citrus grower in Los Angeles County, I wish to congratulate you and express my appreciation of your efforts in behalf of the conservation-minded farmers of this county in preventing deletion from the 1958 ACP many of the practices so necessary to conservation in various areas of the country.

Marlon King, Princeton, Ky.:

Having lived in a farming area all my life, I have had opportunity to observe at first hand the tremendous value of ACP to the farmers of our Nation. I express my personal thanks for all you did to save this program.

Everett Gould, West Pawlet, Vt.:

As an eastern dairy farmer I wish to thank you for helping to save the 1958 ACP. Conservation is an investment from which everyone can benefit. It does not cost—it pays.

Martin B. Thorson, Iola, Wis.:

Farmers of Wisconsin will thank you for your work in saving the practices of ACP. Any effort to weaken it would seriously threaten their security.

Raymond A. Klopp, Route 2, Fremont, Wis.:

In my opinion, ACP has done much to preserve our irreplaceable topsoil, and in many other ways. It is gratifying to know that we have Congressmen like you who do care for the farmer.

M. E. Conley, chairman, ASC Committee of Montgomery County, Tex.:

This committee wishes to express appreciation for your help in sustaining provisions of the ACP. We feel the proposed changes would have been most detrimental to the farmers and ranchers of this and all other Texas counties.

John M. Deely, Lee, Mass.:

Thank goodness there are people like you in Congress who have the foresight and fortitude to protect the farmers. My hat is off to you.

William Reckelhoff, Route 3, Huntingburg, Ind.:

I feel that if it had not been for you and a few other good men, the ACP would have been a poor program for many a farmer. Of all farm programs, ACP stands out as the most important. We cannot afford to let the ACP be broken down.

Louis A. Burges, Jasper, Ind.:

In behalf of the farmers of Dubois County, I want to thank you for taking a stand in trying to keep our ACP effective. I have worked in the office of the Dubois County ASC committee for 18 years. The ACP has consistently helped our farmers. Considering the small cost, the results have been amazing.

Our Ambassadors

EXTENSION OF REMARKS
OF
HON. FRANCES P. BOLTON
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Thursday, August 15, 1957

Mrs. BOLTON. Mr. Speaker, before the Congress closes, I would like to bring to the attention of all who are interested one of the paramount requirements which our United States must meet if she is to protect her people and give leadership to the Free World.

It is of the greatest importance, Mr. Speaker, that we build a Foreign Service second to none, consecrated to the protection of our citizens wherever they may go and to all the implications of such protection.

To this end we must be certain that those who enter our Foreign Service as a career have every opportunity to be made aware of the far-reaching responsibilities they assume and be given the training and the knowledge and the pay that will keep them alert and eager to do their best.

We now have an increasingly good Foreign Service Institute which not only prepares new men and women, but gives refresher courses all along the way that prepare them for top posts. This institute deserves to have Members of Congress make themselves thoroughly aware of the courses available and the work done.

Considered as an outstanding, satisfying career as such, it is interesting to note that the career ambassador has been on the increase, as he should be. The records show that under the Roosevelt administration 51 percent of the American ambassadors were career officers. Under Secretary of State Herter recently testified before the Senate Foreign Relations Committee that today 68 percent of our ambassadors serving abroad are career men. This reportedly is as high as the percentage has ever been since the establishment of the career service.

Of the 16 noncareer ambassadors nominated this year, only 3 were without previous Government experience. These 3 had broad executive experience in business; while of the other 13, 3 had previously served as ambassadors and 10 had held other high Government positions.

It seems to me, Mr. Speaker, that we have really begun to build.

Republican Support of Civil Rights

EXTENSION OF REMARKS
OF
HON. TIMOTHY P. SHEEHAN
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Thursday, August 15, 1957

Mr. SHEEHAN. Mr. Speaker, I noticed last night that one of the syndicated columnists, Doris Fleeson, said:

There are Republicans, too, who can take credit, but any veteran of the Congressional galleries will certify that there have consistently been more Democrats favoring civil-rights legislation through the years than Republicans by a fairly wide margin. The number in Congress who have a passionate conviction about the issue is another story entirely.

It has been brought to my attention that other columnists are using this same line to the effect that Democrats favor civil-rights legislation more than the Republicans.

In order to set the facts straight and to inform the public of the erroneousness of the statements of Miss Fleeson and others, the record proves that it is the Republican Party that actually supports civil rights.

In this year's civil-rights legislation in the Senate, all 18 votes cast against the

measure were Democrat votes. In the House of Representatives, 168 Republicans voted for the civil-rights bill and only 19 against. The Democrats voted 118 in favor and 107 against. In other words, the Democrats were practically evenly split down the middle on the civil-rights issue whereas the Republicans in the House were about 9 to 1 in favor of civil rights. A review of the previous civil-rights legislation several years ago proves the same story.

On July 23, 1956, last year's civil-rights legislation on H. R. 627 in the House of Representatives, there were 279 votes cast in favor and 126 votes against final passage on this measure. The Republicans voted 168 in favor and 24 against, whereas the Democrat vote was 111 in favor and 102 against this issue. Therefore, the great Republican support of civil rights is most readily discernable.

In spite of all of the ballyhoo of the Democrats and the liberal columnists who support Democrat causes, the truth is that it is the Republican Party that has consistently supported civil rights through the years. In the period from 1935 through 1952 when the Democrats controlled the Nation, of the 19 important Senate votes on civil rights, the Democrat majority voted against civil rights in every single case with the exception of two. On two of these 19 occasions, not a single Democrat voted favorably, and on two occasions, only one Democrat joined the Republican majority in sponsoring and being for civil rights.

In this same period from 1933 to 1952 in the House of Representatives, the Democrats failed in seven out of 14 votes to cast a majority in favor of civil-rights legislation.

The Republican record in the Senate during this same period shows that the majority of Republicans voted in favor of civil rights in every single case with the exception of one. In three of these votes, the Republicans were 100 percent in favor of civil rights. In 14 major votes in the House during this period, the Republicans supported civil rights on every single vote with the percentages varying from 68 to 100 percent.

The following table during this period from 1933 to 1952 should be noted:

Percent-favorable votes of each party's Members present and voting on civil-rights issues, 1933–52

ANTIDISCRIMINATION (INCLUDING FEPC)

Date of vote	Republican	Democrat
SENATE	*Percent*	*Percent*
Jan. 17, 1946	93	61
Feb. 9, 1946	76	44
Apr. 21, 1949	78	7
Do	83	7
May 3, 1949	48	0
May 31, 1949	90	47
May 19, 1950	85	42
June 21, 1950	87	39
July 12, 1950	85	45
HOUSE		
Feb. 21, 1946	94	51
Apr. 4, 1949	68	47
Feb. 22, 1950	68	48
Feb. 23, 1950	75	46
June 6, 1951	80	51

Percent-favorable votes of each party's Members present and voting on civil-rights issues, 1933–52—Continued

ANTIPOLL TAX

Date of vote	Republican	Democrat
SENATE	*Percent*	*Percent*
Aug. 25, 1942	100	47
Nov. 23, 1942	57	42
May 15, 1944	58	35
July 31, 1946	68	47
Jan. 18, 1950	53	0
HOUSE		
Oct. 13, 1942	97	61
May 25, 1943	91	49
June 12, 1945	87	57
July 21, 1947	100	47
Do	94	43
July 26, 1949	82	60
Do	83	62

ANTILYNCHING

Date of vote	Republican	Democrat
SENATE	*Percent*	*Percent*
July 26, 1937	83	39
July 31, 1937	100	34
Jan. 6, 1938	100	69
Feb. 21, 1938	71	18
Jan. 18, 1950	56	2
HOUSE		
Apr. 15, 1937	99	61
Jan. 10, 1940	95	47

Apparently, the Democrat Party and certain segments of the press use the "big lie" technique assuming that if you tell a lie often enough, the public will begin to believe it. The review of the facts should disprove the false claims of Democrat support of civil rights.

Achievements in Agriculture—Progress in Brucellosis Eradication

EXTENSION OF REMARKS
OF
HON. MELVIN R. LAIRD
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 15, 1957

Mr. LAIRD. Mr. Speaker, officials of the Department of Agriculture say that they are within touching distance of eradicating brucellosis—one of our most costly diseases of cattle.

Excellent progress against this disease has been made since the end of World War II, and particularly since 1954, when the Congress provided additional funds for this current campaign. My own State of Wisconsin has been the leader in this important program.

Sometimes called Bang's disease or contagious abortion, brucellosis costs our farmers at least $50 million a year.

The progress of the eradication campaign can be measured in the rapid increase of counties that have been rated modified-certified brucellosis-free—in other words, containing less than 1 percent infected cattle and less than 5 percent infected herds. In September 1954, at the beginning of the accelerated campaign, 341 counties including 3 States—North Carolina, New Hampshire, and Maine—were modified-certified free. Now as of March 31, 657 counties, including 3 more States—Washington, Wisconsin, and Delaware—have this status. By June 30, the Department of Agriculture estimates that the total number of modified-free counties will have grown to nearly a thousand. Although in New York State only two counties are modified-certified brucellosis free, good progress is reported and many other counties are expected to gain this status in the near future. We in Wisconsin are proud of the fact that we were the first State to be certified under this program.

Much of the success of the campaign is due to the close working relationships that exist between the research and the regulatory people in the Department's Agricultural Research Service. Many years of scientific study and especially the development of an effective vaccine and of accurate, rapid methods of testing for the disease, form the foundation for this eradication effort. It is to the credit of Department organization that regulatory officials have been able to apply research findings with such practical and beneficial results.

The Wilderness Bill

EXTENSION OF REMARKS
OF
HON. JOHN P. SAYLOR
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 15, 1957

Mr. SAYLOR. Mr. Speaker, on July 25, 1957, the gentleman from Oregon [Mr. ULLMAN] received unanimous consent to insert in the RECORD, an article from the Christian Science Monitor of July 22, 1957, entitled "Forest Service Opposes Sealed Wilds." At this time, I would like to point out for the benefit of my colleagues several misunderstandings of the purposes of the Wilderness bill and one outright misstatement of fact which are included in this article.

In the eighth paragraph, the author of the article, Mr. Roscoe Fleming, writes:

> Under the conservationists' bill as it is framed, the Wilderness Council it would set up could lessen, add to, create, or abolish any wilderness area, and the order would become effective unless either House of Congress vetoed it within 120 days.

This statement would seem to have no basis in fact. Quoting from Dr. Richard McArdle, Chief of the Forest Service, in his statement on S. 1176, the Wilderness bill, before the Subcommittee on Public Lands of the Senate Committee on Interior and Insular Affairs, June 19, 1957, we find the following:

> The Wilderness Council would have no administrative responsibilities but would act as a repository for information, sponsor and coordinate surveys of wilderness needs, advise with governmental officials, report annually to Congress, and transmit to the Congress proposed changes in wilderness boundaries.

Quoting directly from section 3 (a) of the bill itself, we find:

The council shall have no administrative jurisdiction over any unit in the system nor over any agency that does have such jurisdiction.

I feel this is an obvious misunderstanding on the part of Mr. Fleming and hope it may be corrected in future coverage of this bill.

As far as "freezing" all present wilderness areas into law is concerned, as referred to by Mr. Fleming in paragraph two, this is an expressed viewpoint of the Department of Agriculture. It is, of course, the purpose of this bill to ensure the preservation as wilderness of the present areas so designated. As such this is the preservation of status quo. The bill, however, provides a procedure for making changes—additions, modifications, or eliminations. These changes would be made in the same way as at present. The only difference under this legislation is that before such changes become effective, Congress would have a 120 day period during which a majority vote of either house could reject the decision. The only situation when such a vote could be secured on such short notice would be a case of clear violation of sound policy. Thus, this safeguard against an unwise decision of a future Secretary of the Agriculture should not be interpreted as a freezing of the status quo.

Regarding Mr. Fleming's reference to the Wilderness Council as being composed of a "minority of Federal officials and a majority of conservationists," it should be pointed out that amendments have already been proposed to the wilderness bill which would add the Director of the Bureau of Land Management to the Council and reduce the number of citizen members from 6 to 3—thus giving the Council a composition of 5 Federal land administrators and 3 citizen members. So constituted, the Council could effectively carry on the functions for which it was designated, yet not threaten either to outvote or override the land administrators.

In an attempt to clarify the intent of the bill with respect to what the Forest Service has termed an interposition of another layer of authority between the Executive and the Congress, an amendment has been proposed which will provide that reports of proposed changes in wilderness areas shall be submitted directly to Congress by the Secretary of Agriculture. Copies only of such reports will go to the secretary of the Council, as a matter of information.

Regarding the Department of Agriculture's substitute bill, which would apply only to national forests, the Bureau of the Budget has advised: "Congress may not wish to deal with the problems of preservation of national wilderness assets except in a general and uniform statute applicable to all affected agencies." Therefore, our opportunity would seem to be one of integrating the suggested provisions of the substitute bill into the general statute. If this can be acceptably done, the objective we are aiming for will have been achieved—the preservation of a portion of America always wild.

I certainly hope this may clarify some of the misunderstanding of the wilderness bill set forth in Mr. Fleming's article. Thank you, Mr. Speaker.

Liquor Drinking on Planes a Threat to Air Safety

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 15, 1957

Mr. LANE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include my statement before the Senate Interstate and Foreign Commerce Committee in support of the basic principles of S. 4 and S. 593, which ban the consumption or the serving of alcoholic beverages aboard commercial and service airliners as a safety measure for commercial air safety.

The statement follows:

LIQUOR DRINKING ON PLANES A THREAT TO AIR SAFETY

(Statement of Congressman THOMAS J. LANE before the Senate Interstate and Foreign Commerce Committee, supporting basic principles of S. 4. and S. 593 August 15, 1957)

Mr. Chairman, by serving or permitting the consumption of alcoholic beverages on aircraft while they are airborne, the commercial airlines and the Department of Defense are asking for trouble. By giving in to the demands of a few, they are jeopardizing the safety of all.

We have the testimony of passengers who have been annoyed and frightened by the offensive and irresponsible actions of those who insist on having their own way as a result of drinking liquor on a plane while it is in flight.

The people best qualified to give an objective opinion because theirs is the responsibility of coping with the problem, are opposed to the servicing and consumption of intoxicating beverages aboard aircraft.

The pilots, stewards, and stewardesses are not theorizing about this. They have had the harrowing experience of trying to control and even subdue passengers who are not in full possession of their faculties. The human discipline that is essential to safety in air travel is seriously weakened when any individual is encouraged or permitted to drink any kind of intoxicating beverages that make his actions unpredictable.

Due to military secrecy, we have no way of knowing how many accidents or fatal crashes can be traced to this cause. No matter how few they may be, we feel that the ban proposed in the legislation under discussion, should be applied to military as well as commercial aircraft, as a further precaution.

The present policy on many commercial airlines, of serving liquor to passengers, is difficult to understand in view of their otherwise excellent record in living up to the highest standards of mechanical and operational efficiency and safety. The serving of liquor adds an unnecessary and worrisome burden to the responsibilities of the crew. It hardly inspires confidence in the majority of the passengers when they observe that the airlines, in effect, offer this special service to those who want cocktails in the sky.

This easygoing policy could precipitate a major disaster. It is our duty to anticipate and prevent such dangers by proper legislation. This is not a question of a person's right to drink or not, as he may desire. Safety is the most important factor in air travel and it must be paramount over the minor wishes or inclinations of the few.

We had hoped that the airlines in particular, and of their own volition, would realize the chances they are taking, and would abandon this custom.

Two years ago, on August 21, 1955, I served notice that; "unless the airlines cooperate by discontinuing the practice at once" or the CAB takes action, I would introduce a bill making it a Federal offense to serve alcohol in the air.

That warning has been disregarded.

Since then, the pilots, stewards, and stewardesses, have had to put up with a number of distressing incidents that have accentuated the need for legislation to prevent the service or consumption of firewater on commercial aircraft, and military planes.

Even many people who take a drink themselves, acknowledge that a line must be drawn here, in the interest of public safety.

Where air travel is concerned, there is no such thing as being too careful. An unruly passenger in a plane is a far greater menace to the safety of others than he would be on a bus, a train, or a ship. Is sobriety too much of a sacrifice to ask of a person aboard a plane, as his contribution to the safety of all?

My correspondence indicates overwhelming support for legislation to outlaw the serving or consumption of alcoholic beverages aboard commercial passenger aircraft and military aircraft.

Public opinion insists on this reasonable regulation to protect the planes and their passengers.

Civil-Rights Legislation

EXTENSION OF REMARKS
OF
HON. WILLIAM S. BROOMFIELD
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 15, 1957

Mr. BROOMFIELD. Mr. Speaker, under leave to extend my remarks, I would like to point out that Governor Williams and the AFL–CIO have sold the Negro down the river on the civil-rights issue.

The executive council of the AFL–CIO in reversing its stand, made a deliberate attempt to play for southern votes in the Democratic convention in 1960. Governor Williams has White House fever. He is willing to sacrifice whatever principles he may have once possessed in this regard in a desperate effort to become a candidate for President.

The Governor dragged the AFL–CIO right along with him in the sellout of one of our most basic constitutional guaranties—the right to vote.

Governor Williams has charged that President Eisenhower killed the civil-rights bill. This is ridiculous, and he knows it. It is a desperate effort to wiggle off the hook. The record will show that it was the Democrats—not the Republicans—who voted against an adequate civil-rights bill in the Senate. Only 9 out of 49 Democrats supported the President in this measure compared to 33 Republicans.

What happened to the rest of the Democrats? Apparently, they still want to

use the civil-rights issue for campaign purposes rather than to show concern for equal rights for all of our people.

Seventh District Tour Schedule, 1957

EXTENSION OF REMARKS
OF
HON. WILLIAM G. BRAY
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 15, 1957

Mr. BRAY. Mr. Speaker, to discuss the problems, interests, and wishes of the people of the Seventh Congressional District, I will meet people at the various post offices in accordance with the following schedules:

WEDNESDAY, OCTOBER 30

8:30: Trafalgar.
9:30: Nineveh.
10:30: Edinburg.
11:30: Franklin.
1:45: Needham.
2:30: Whiteland.
3:30: Greenwood.
4:30: Bargersville.

THURSDAY, OCTOBER 31

9:30: Indian Springs.
10:30: Shoals.
11:30: Loogootee.
1:30: Alfordsville.
2:30: Burns City.
3:30: Crane.

MONDAY, NOVEMBER 4

9:00: Oakland City.
10:15: Somerville.
11:00: Mackey.
12:00: Ft. Branch.
1:30: Owensville.
2:45: Haubstadt.
3:45: Buckskin.
5:00: Princeton.

TUESDAY, NOVEMBER 5

8:00: Francisco.
9:00: Patoka.
10:00: Hazleton.
10:30: Decker.
11:30: Vincinnes.
2:00: Monroe City.
3:00: Wheatland.
4:00: Bruceville.

WEDNESDAY, NOVEMBER 6

8:30: Emison.
9:30: Oaktown.
10:30: Freelandville.
11:30: Ragsdale.
12:15: Bicknell.
2:00: Edwardsport.
2:45: Westphalia.
3:30: Sandborn.

FRIDAY, NOVEMBER 8

9:00: Odon.
10:00: Elnora.
11:00: Plainville.
12:00: Washington.
2:00: Montgomery.
3:00: Cannelburg.

TUESDAY, NOVEMBER 12

9:00: Solsberry.
10:00: Owensburg.
11:00: Koleen.
12:00: Bloomfield.
1:30: Doans.
2:15: Scotland.
3:15: Newberry.
4:00: Switz City.

WEDNESDAY, NOVEMBER 13

8:30: Worthington.
9:30: Jasonville.
10:30: Coalmont.
11:30: Midland.
12:30: Linton.
2:00: Marco.
3:00: Lyons.

THURSDAY, NOVEMBER 14

9:00: Farmersburg.
10:00: Shelburn.
11:00: Hymera.
12:00: Sullivan.
2:00: Fairbanks.
3:00: Graysville.

FRIDAY, NOVEMBER 15

9:30: Merom.
10:00: New Lebanon.
11:00: Paxton.
12:00: Carlisle.
2:00: Pleasantville.
3:00: Dugger.

MONDAY, NOVEMBER 18

8:30: Harmony.
9:00: Knightsville.
10:30: Carbon.
11:00: Brazil.
1:30: Staunton.
2:30: Cory.
3:30: Poland.

TUESDAY, NOVEMBER 19

9:30: Bowling Green.
10:30: Center Point.
11:30: Clay City.
1:30: Coal City.
2:30: Patricksburg.
3:30: Spencer.

THURSDAY, NOVEMBER 21

9:00: Freedom.
10:00: Gosport.
11:00: Quincy.
1:30: Eminence.
2:30: Hall.
3:30: Monrovia.

FRIDAY, NOVEMBER 22

8:30: Harrodsburg.
9:30: Smithville.
10:15: Clear Creek.
11:15: Stanford.
12:15: Bloomington.
2:30: Unionville.
3:30: Ellettsville.
4:30: Stinesville.

MONDAY, NOVEMBER 25

9:00: Morgantown.
10:00: Centerton.
11:00: Brooklyn.
12:00: Mooresville.
2:30: Paragon.
3:30: Martinsville.

Ohio and Foreign Trade

EXTENSION OF REMARKS
OF
HON. FRANCES P. BOLTON
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 15, 1957

Mrs. BOLTON. Mr. Speaker, having long been an advocate of an enlightened world-trade policy and representing a district in the State of Ohio that is keenly aware of the importance of foreign trade, I was pleased to submit an article for the October 1957 issue of the GOP Trunklines publication.

Under leave to extend my remarks in the RECORD, I wish to include the article, as follows:

SOME OF THE BENEFITS OF FOREIGN TRADE

On the very day I received an invitation to contribute a brief article to Trunkline on the role of Ohio in foreign trade, I was writing our Ambassador in Tunisia about the recent shipment of roadbuilding equipment which left Cleveland a few weeks ago destined for north Africa. You may have read in the local papers about these trucks and other machinery which were manufactured by the Euclid division of General Motors.

We Ohioans should be very proud of our expanding export industry. One sees the products of Ohio's mills and factories no matter where one travels.

How delighted I was during my trip to Africa in 1955 to see Euclid trucks, manufactured by this very company, at work in the Bomi Hills mine in Liberia. This mine, in turn ships 20,000 tons of the highest grade iron ore to Cleveland mills each month for turning into countless steel products.

In my own 22d Congressional District it is difficult to gather figures which indicate the great extent to which we are dependent upon export business. We produce paint, enamels, automobile and airplane parts, and many other items which go into making a complete machine. Moreover, there is concentrated in the State of Ohio, almost one-third of the entire machine-tool industry of the United States, the backbone of any peacetime industrial or wartime armament program. All of this points up the growing importance of reciprocal trade to hundreds of business and industrial firms in Ohio.

A good indication of our dependence upon foreign trade is shown in a recent Ohio industrial study by the United States Department of Commerce. It showed that about 30 percent of Ohio workers are in industries whose export sales on a national basis are more than 20 times as large as the corresponding United States imports; and another 40 percent of Ohio's workers hold jobs in industries which sell to foreign markets from 4 to 20 times as much as is imported to this country in comparable goods.

But the maximum effects on Ohio will be in years to come when the great St. Lawrence Seaway will be bringing new markets to our doors and new products to our people. The seaway may transform the whole Great Lakes area into another coastline and those of us who look toward the future see that our best interests lie in an enlightened world-trade policy.

As Republicans we can feel great pride in the accomplishments of the Eisenhower administration in the field of foreign trade. The administration has effected measures and programs that have resulted in the greatest expansion of peacetime world trade in history. United States commercial exports increased from $12.3 billion in 1953 to $17.3 billion in 1956, and imports rose from $10.9 billion to $12.6 billion during the same period.

The Secretary of Commerce reports that among the Department's activities which have contributed to this increase are the organization of the Bureau of Foreign Commerce in the Department, programs designed to stimulate tourism and United States investment overseas, and the initiation of American participation in international trade fairs abroad. In the past 3 years, the Department estimates that some 30 million people visited United States exhibits at fairs

in 27 countries, including one in Poland which attracted an estimated 1.25 million persons.

Not only does all of this help in maintaining our own prosperity, but it contributes much to carrying abroad to people everywhere the message of what is accomplished under our free way of life.

Freight-Rate Increase

EXTENSION OF REMARKS

OF

HON. THOMAS G. ABERNETHY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 15, 1957

Mr. ABERNETHY. Mr. Speaker, I feel sure that I will be joined by all my colleagues from areas served by the Southern Railway in applauding the position taken by Southern's able and distinguished president, Harry A. DeButts, in reference to the latest freight-rate increase granted by the Interstate Commerce Commission.

Southern's policy in regard to this increase is not to apply it in any situation which, according to Mr. DeButts, "will price us out of the market and reduce our income."

I wish here to quote briefly from Mr. DeButts' statement.

All railroads—

He declared—

need more money, for the rate of return on investment has been discouragingly low in the railroad industry for years. But it is our opinion that higher freight rates simply mean a merry-go-round ride to nowhere for us in today's bitterly competitive transportation business.

Mr. DeButts has put his finger squarely on an important point. It is important to railroads and business in general. Higher and higher prices, whether for transportation, services, commodities, or goods, will lead to an economics of scarcity. Higher and higher freight rates—and they have mounted enormously since World War II—will not produce new business for the railroads. They will not, as Mr. DeButts fears, produce in the end a greater overall income for the railroads for the simple reason that shippers will be forced to use other means of transportation. To raise rates continually and consistently as has been done will result in driving business from the railroads, and placing an ever-increasing burden on the products of our farms, mines, and factories.

There is no doubt whatsoever that rising transportation costs have had a large share in advancing inflation. No increased costs are passed on to the ultimate consumer more quickly than transportation costs.

According to the classic ideas of the economists, competition tends to reduce costs. Yet, as Mr. DeButts points out, competition in the field of transportation is bitter in its intensity. It is a remarkable reversal of economic practices and traditions that the reaction of the railroads is always to seek higher rates in such situations. Everyone knows that railroads do not have command of their costs as may exist in other industries. But there is a question of simple prudence. Is it prudent to follow a course which inevitably, through increases in charges, will mean less and less business? Less and less business through the imposition of higher and higher charges has never been the American way. American industry has grown great and has become the envy of the world by following precisely the opposite theory.

I hope Mr. DeButts' voice is not one crying in the wilderness. I hope that his voice will be heard and his conclusions and judgment studied not only in the railroad business but in all industry.

We are treading on dangerous ground. Through inflation we may lose many of the gains we have made in the past. The security of millions of families is put in doubt. A continuation of the present trend will lead us all to an economic bust.

Achievements in Agriculture—The Broiler Industry

EXTENSION OF REMARKS

OF

HON. MELVIN R. LAIRD

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 15, 1957

Mr. LAIRD. Mr. Speaker, 20 years ago, the broiler business was a farm fringe operation. Today, it is a booming industry, supplying the market with more than a billion birds a year and representing a gross income to farmers of more than three-quarters of a billion dollars.

To a large degree, this near-revolution is the result of widespread and rapid application by farmers and the feed industry of poultry research findings from the United States Department of Agriculture, the State agricultural experiment stations, and industry.

Many scientific factors have contributed to the modern broiler farm. Scientists have bred hardy, fast-growing birds. They developed better feeds containing vitamins, minerals, and antibiotics; found ways of controlling many of the worst poultry diseases, and developed better buildings and equipment. They have improved marketing methods so that high-quality birds move rapidly from farm to consumer.

For example, today's broiler producer can turn out a 3-pound bird in 10 weeks with a little more than 8 pounds of feed. Twenty years ago it took him 12 weeks and more than 12 pounds of feed. In other words, scientists have trimmed off 2 weeks and nearly 4 pounds of feed.

Now, Federal and State poultry scientists are saying that broiler efficiency is sure to improve even more in the years immediately ahead. They are predicting that 3-pound broilers will be produced in less than 8 weeks and with less than 6 pounds of feed.

Creation of a Commission To Study the Utilization of Those Areas of the Radiofrequency Spectrum

EXTENSION OF REMARKS

OF

HON. WILLIAM G. BRAY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 15, 1957

Mr. BRAY. Mr. Speaker, on June 20 of this year I introduced House Joint Resolution 381 proposing the creation of a Commission To Study the Utilization of Those Areas of the Radiofrequency Spectrum which are assigned to the Federal Government. An identical proposal had been introduced previously by Senator POTTER.

The three Commission members would be experts in the communications field, but they would not be officers or employees of the Federal Government. The obvious purpose of this study would be to allow persons outside of the Federal Government, but competent in the field, to see how well the frequencies reserved for Government use are being utilized. It is not uncommon in matters of great public interest to establish a study group composed of private individuals; our Government has not been and should not become a closed-door operation.

The Commission, in addition, would make some assessments about the future requirements for Government use of radio frequencies. The rapid changes in armament have brought about startling innovations in the fields of communications and electronics. New uses for the airwaves have been found, and many of these uses are important to our Defense Establishment. We have heard of the ever-increasing crowding of the airlanes, but the increasing demands of airwaves are perhaps even more of a problem. It is not a matter to be considered lightly, and this resolution was put forth with very serious purposes.

The resolution was referred to the Commitee on Interstate and Foreign Commerce which requested reports from several agencies of the executive branch. The Bureau of the Budget, in replying to this request for comment, reported adversely on the bill and endorsed the views set forth in a letter from the Office of Defense Mobilization to the chairman of the Senate Committee on Interstate and Foreign Commerce on Senate Joint Resolution 106, Senator POTTER's resolution.

The Director of Defense Mobilization states that such an undertaking would require the work of many experts over an extended period of time, pointing out that a recent study of only a portion of the spectrum required the efforts of more than 50 experts for an estimated equivalent of 2½ man-years. He did not say that because this report was classified the public was merely informed that the Government could not release any of the spectrum space it is currently in possession of. Furthermore, the Commission would be expected to make use of the

results of any such investigations completed by Government agencies. The resolution states specifically that—

> The Commission is authorized to secure from any department, agency, or independent instrumentality of the Federal Government any information (including information which has been classified for security purposes) it deems necessary or desirable to enable it to carry out its functions.

It would use such information as base for its further investigations.

The Director of the Office of Defense Mobilization, in the letter referred to above, states—

> The classified report which resulted from the study pointed out that in addition to national security requirements, the programs for guided missiles, radar networks, earth satellites, and other defense necessities will continue to cause an ever-increasing demand for radio frequencies.

It is in this field that we are trying to provide some light.

I became interested in this inquiry partly because of recurring reports that the Military Establishment is going to request the use of frequencies in the area between 50 and 90 megacycles. Such use might infringe on the frequencies of five VHF television channels. Channel 2 is 54 to 60 megacycles; channel 3 is 60 to 66 megacycles; channel 4 is 66 to 72 megacycles; channel 5 is 76 to 82 megacycles; channel 6 is 82 to 88 megacycles. It is apparently the contention of at least some military engineers that defense requirements may bump television out of these frequencies.

This is a matter of great public concern. Should the hundreds of stations on these channels be forced to move, where would they go? If space were found for them in the UHF frequencies, it would greatly alter and impair their service, and cause further bumping and jostling of other stations. What about the millions of Americans who have television sets designed to receive these frequencies, and in some cases receive service only on these frequencies? Television is here to stay as much as the cold war; adequate service is a public demand which must be considered and met.

In addition to the VHF television frequencies, the public has a great interest in many of the uses of other radio frequencies, and the future problems and use of them are of significant and national interest. I do not suggest that the Government officials charged with responsibilities in this field are unaware or unmindful of this national interest. I do suggest that an independent study of the field is called for, whether it be by the Commission I have proposed or by some other means.

If the Congress passes this resolution, it would not of course be with any intention of hindering defense efforts or hampering nondefense communications use of radio frequencies. The members of the Commission, appointed by the President, could surely be expected to be men dedicated to our national interest. The purpose of the study would be merely to let someone from the outside peer in, for it is easy to become so engrossed in our own labors that we lose perspective and fail to comprehend the broader view.

The Federal Communications Commission is empowered to assign radio frequencies to non-Government users, and the President is empowered to assign frequencies to Federal Government users. There is no designated arbiter. Should the President decide that the national interest required him to appropriate other portions of the radio frequency spectrum for the use of the Government, public acceptance would surely be gained more quickly if a study of all available material by competent private persons had been made.

The need for some independent study is apparent to me, and if the Congress decides against the Commission proposed, then some other body or a special committee of the Congress itself should be given the responsibility for it.

Foreign Aid

EXTENSION OF REMARKS
OF
HON. GEORGE S. LONG
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 15, 1957

Mr. LONG. Mr. Speaker, once again we are faced with the proposition of spending the American taxpayers' money on a program about which the average American is all too familiar. The continuation of our foreign-aid program, which has squandered billions upon billions of dollars with doubtful and haphazard results, is completely without sound justification.

The theme of the foreign-aid program is to fight communism, win friends, and establish world security through foreign aid. The foreign-aid portion of this theme, that is the reckless spending of billions of dollars, certainly stands true, but the remaining portions, that is fighting communism, winning of friends, and establishing security, falls completely short of even the most liberal interpretation. We have only to look at the countries of the world, who are receiving this aid, to see how far we have fallen short in purchasing their friendship and buying freedom from communism. One of the brightest features of the foreign-aid program is the ever-increasing awareness of the American public to the foolhardiness of the idea and the increasing resentment and opposition toward its continuation. I am convinced that by in large the American public understands fully the shortcomings of the program and the complete lack of progress in the attainment of its so-called objective.

The fantastic spending program, which we know as the foreign-aid program, had its beginning prior to World War II in the lend-lease program of 1940. The billion dollar year really began to pick up momentum with lend-lease. The money expended under that program was neither lend nor lease. There had long been extravagance in Federal spending, although it had been restricted to domestic fields. With lend-lease, our spending branched out into the foreign field and, before the program had run its course, the taxpayers were soaked to the tune of $48,674,000,000.

Lend-lease set the trend of American thinking toward extravagant foreign-aid spending, and we have been suffering from that malady ever since. With the expiration of lend-lease in 1946, the United Nations Relief and Rehabilitation Administration was left as the vehicle to funnel American dollars abroad. The United Nations Relief and Rehabilitation Administration was supposed to be a joint project, financed by allied powers, but Uncle Sam paid the tab to the tune of over $2½ billion. The United Nations Relief and Rehabilitation Administration money was indiscriminately spent all over the world, including Communist-ruled countries, and did much to strengthen the communistic concept. Larger than the United Nations Relief and Rehabilitation Administration was the real successor to the lend-lease program, namely, the Marshall plan.

This program as it is now known was established in 1948 to administer the gifts and loans that were appropriated to assist the countries of Western Europe in rehabilitating their economies. This was the mission of the European recovery or Marshall plan.

This goal was soon accomplished but then came the Korean war and the signals were changed. Emphasis then was placed upon military assistance and the economic cooperation was transformed into the Mutual Security Agency. Then came the Foreign Operations Administration and the International Cooperation Administration. Present International Cooperation Administration programs incorporate all aid, other than that given for direct military assistance, which comes under the Department of Defense. They included so-called defense support—economic aid to countries to which we are giving substantial military assistance—aid for economic development, and technical cooperation.

Although the programs have had different targets, they have one thing in common. They are based upon the belief that the continued giveaway of taxpayers' dollars can solve the Free World's problems. Indeed, in some quarters the belief is prevalent that, by giving away dollars, we can buy the friendship of foreign peoples. Too often we resort to this easy way out of difficulties which, in fact, can be solved only by a realistic, and clearly stated, consistent, and properly implemented foreign policy.

One cannot buy trustworthy friends with money, regardless of the price. To attempt to do so amounts to plain bribery, which is hardly the way to win friends. Even in those cases where aid may not be looked upon as bribery, it is looked upon as something for nothing, and what is obtained without effort is never valued as much as what has been acquired at some cost.

Certain interests are now working and trying to move heaven and earth to retain the foreign-aid programs for their own benefit. On both sides of the aisle, Republicans and Democrats, are using high pressure methods to keep Congress in line to forward foreign aid. We hear of meetings at high levels in

which the leaders of both parties are called in, but we do not hear of any mass meetings of the constituents whom we represent. If the voters of the United States could be sounded out, we would find, I am sure, that 2 out of every 3 are against foreign aid, especially the business interests upon whom taxes fall so hard. Ninety out of every one hundred letters I received mention the fact that we could do away with foreign aid as a means of relieving the tax burden.

Foreign aid started out as wartime cooperation, when we and our allies were fighting the common Nazi enemy. We pooled our resources, recognizing that cooperative effort in wartime is quite different from peacetime lending.

We even went a step further. After hostilities were over, we recognized that economic rehabilitation of the countries that were devastated by the war was part of the phenomenon of war itself. We had been fortunate in that our own fields and factories had not suffered damage, whereas much of Europe had been laid flat. So, we extended our hands to them in humanitarian assistance to help them rebuild their economies. Under the Marshall plan we gave them vast quantities of food, fuel, fertilizer, and industrial equipment for this purpose. The goal was accomplished and, by 1952, notwithstanding the Korean outbreak in 1950, Western Europe was well on the road to recovery.

But, termination of the Marshall plan did not extinguish the concept that the way to solve knotty foreign problems is to make large grants of money. Those advocating direct foreign assistance have become quick to substitute direct military assistance to take the place of economic rehabilitation. Paralleling this was the idea, first incorporated in the so-called point 4 program, that the United States should make substantial grants in order to assist the development of economically backward countries.

I am afraid that we have long since reached the point where the advocates of direct foreign aid are more anxious to give aid, as such, than they are to achieve the ostensible objectives of the aid programs. Vested interests have been created, in the form of a vast bureaucracy, both in Washington and abroad, that have a direct interest in the continuation of aid programs. It is something like a snowball rolling down hill. It picks up larger and larger amounts of snow until it becomes dangerous. The philosophy of foreign aid has been picking up more and more advocates until a powerful pressure-group has been created.

I am afraid that we are disposed to increase our foreign aid appropriation whenever the world situation becomes more tense. If we were to think through the problems first and define our objectives clearly with regard to each country, taking into account the personnel that we have available to accomplish our objectives, we would accomplish more than we do now, by first deciding to appropriate more funds and then, later on, wondering how to spend them advantageously. The real question, in each case should be, not how much but, what why, and how. All too often, I am afraid, we have placed the cart before the horse.

Take the case of Iran, which is one of the greatest examples of waste and extravagance in foreign aid spending.

For a long time the program there was headed by William E. Warne. The story is clear and known to many, since it has been the subject of investigation and publicity. The Administrator of the program went to Iran in 1951, to help build prosperity in that country of 20 million inhabitants. The Iranian economy was at a low ebb due to the expropriation of the British-controlled oil wells there. With the Administrator's arrival there began a furious spending program which has cost American taxpayers some $300 million to date, and which is the equivalent of income taxes paid by more than 700,000 average American families in a year.

One glaring example of wasteful spending was the construction of a beet-sugar refinery before sugar beets were being grown in Iran. To make matters worse, a second refinery was built and much of the machinery bought and stored. A novel twist was added when United States Treasury checks were distributed directly to Iranian ministers. Money was provided the Iranian Government to meet payrolls and, in fact, salaries were raised at about the same time. A staff of more than 400 assistants in 10 regional offices were built up and apparently these staffs lived in the lap of luxury.

One office, with 55 employees, including clerks and office boys, required 53 automobiles and 41 chauffeurs.

Vast sums were spent on farm equipment which could not be used, owing to the nature of the terrain. Millions upon millions of dollars in physical assets were scattered about without rhyme or reason and have since been entirely lost.

Teheran, the capital of Iran, badly needed electric power and sought $500,000 to be used in constructing steam generators. This was logical because Iranian oil could easily provide the necessary fuel. Because of his background the Administrator decided that a public-power-type hydroelectric dam would be more suitable. Accordingly, a terrific spending program was launched to support the construction of a dam on the Karadj River. The population of Teheran, something over 1 million plus, was thus to have an electric supply sufficient to handle a population of an American city of some 15,000. Over 40,000 applications were pending and about the same number of customers were being served. The available electric supply was totally inadequate to take care of the requirements. Beyond home use for electricity many industrial plants required electric power which, in turn, would improve the economy of the area.

Under the foreign-aid program Teheran received $2¼ million for the construction of a model cotton mill but, unfortunately, the mill had no power to turn its wheels.

In an effort to solve this pressing problem Iran had planned to build steam-driven oil-powered generators which could be constructed with the $500,000 sought from the foreign-aid program, combined with their own funds. The dam which the Administrator proposed had first come up for consideration in the 1920's and would span a narrow mountain stream which practically dried up in the summer and became a torrent during the spring flood season. The original idea was abandoned as impractical, and inadequate to supply the country's needs for electricity.

A French company began some work on the dam which was halted in 1951. The initial pledge toward construction of the dam was $1,400,000. One estimate toward the total cost amounted to $17,300,000 while another estimated the cost amounted to $28 million.

Work began immediately on the dam and continued until June 1955. Considerable controversy was raised about the merits of the dam and one estimate reached the figure of $90 million. It was finally agreed that the dam was too expensive and work on the dam has ceased. About all that exists is an uncompleted stretch of road through the mountains, a construction camp, complete with swimming pool, which cost $3,500,000, but no dam.

The Iranians got around the problem, however, because they decided that the money was not forthcoming from the foreign-aid program so they built the necessary steam generators themselves.

In the period immediately following World War II, few argued against the principle involved, which was to extend a helping hand to destitute and war-ravaged peoples, even though some of the methods for distributing the aid were questionable. The theme, in the beginning, was to combat communism by combating poverty. The logical approach to this objective was to strengthen those nations by building prosperous economies. If their economies eventually got on their feet and could do for themselves, that would be fine, but unfortunately that has not been the case.

Today our national debt is around $270 billion, a sum which is almost twice the combined debts of all the other principal nations of the world. Some $64 billion can be attributed to grants and loans to foreign governments in the postwar period. If to this are added the amounts granted during the war period 1940–45, in the form of lend-lease raised to cover $113 billion. Statistics, and other grants-in-aid, the total is inconclusive as they may be, show that about $3 billion of our taxpayers' dollars have been used by foreign governments to reduce their own national debts. This same $3 billion has been added to our national debt.

Some of the proponents of foreign aid giveaway programs like to point out that our economy is bolstered by foreign aid in that our own products and services are bought with the money. Since we give away the money that is used to purchase our products and services, is not this a rather absurd way to promote trade? Our Nation has grown and prospered through the self-interest of private enterprise and industry. Let us keep it that way. Now, let us take a look at a few of the recipient nations to see how the program has failed to work.

Consider France. Since 1947, we have given more than nine billion dollars in aid to France, which is second only to England as far as benefits under the foreign-aid program are concerned. Today everyone is aware of France's resentment of the United States and of France's response to a communism which can be noted most clearly in the results of her national elections. The average citizen of France is indifferent toward our giveaway program, because they feel that they do not personally receive any of the money. They feel that aid has been funneled through the hands of a favored few.

In Greece, the United States has spent over $1.3 billion, plus military assistance. Yet, the feeling there toward the United States is certainly not a friendly one. Fairly recently, Greek voters gave strong support to a Communist-backed ticket.

In Italy, even the strongest proponents of foreign aid are conceding the obvious fact that communism remains an important factor. Reports from southern Italy, where vast sums of our taxpayers' dollars have been squandered, indicate that if anything, more persons are becoming Communist than anti-Communist.

In Yugoslavia, where more than $700 million of our taxpayers' dollars have been spent, plus military aid, the Nation has its own brand of communism. By no stretch of the imagination can anyone concede that we have made progress in that nation.

In Egypt, over $45 million has been spent for economic and technical aid, yet few Egyptians appear to be aware of the fact. Developments there clearly show that the United States does not rank very high in the Egyptians' estimation.

There is continuing argument that American generosity is merely building a host of ingrates all around the globe. For example, India, which has received millions of dollars in American aid for its village improvement program, seems more friendly to the Soviet Union than to the United States. Krishna Menon, its delegate to the United Nations, and now to become its defense minister, is a glaring example. In votes and statements during the past 5 years, at least 23 times he supported the Communist Party line against the United States and the majority of the Free World; 4 times he abstained—including the vote on our request for an important investigation of Communist charges of bacteriological warfare in Korea; twice only he opposed the Soviet. Within the last few months he called the Soviet terror in Hungary "just a civil conflict" and refused either to condemn the Soviet or—presumably until instructed otherwise—to call for removal of military pressure.

Turkey continues to demand all sorts of industrial equipment and nonwar supplies. This would be fine for Turkey, which is burdened by a large Army, but why should our taxpayers be called upon to finance Turkey's whole modernization program?

Finally, let us take a look at Great Britain, to whom our taxpayers have contributed vast sums. It is no secret that the average Britisher looks with unfriendly eyes upon us. He seems to feel that we owe Britain the aid it has received and that Britain should not be required to make any effort to repay.

There is an expression to the effect that some people cannot see a tree because of the forest, and this certainly applies to the manner in which our foreign aid program is being handled. What more fertile place could the Communist forces seek to plant their seeds of discontent than in the politically and economically unstable Latin American Republics? These nations, our neighbors in the Western Hemisphere, have suffered historically from political strife and the hand of dictatorship. Would it not be wise, since we have foreign aid hanging over us, at least to try to make the most of its intentions and apply more than we have so far applied toward the improvement of our neighbors who are literally in our own front yard, in preference to helping those on the other side of the world?

The $673 million that we have made available to the Latin American Republics since the close of World War II is small in comparison with the $49,095,000,000 that we have given to other areas. To be precise, it accounts for only 1.4 percent of the total.

Yet, we and the Latin American Republics have common interests which make that part of the world especially important to us. Latin America tends to be politically unstable and provides enticing targets for dictatorship and communism. It certainly would be in our self-interest to enhance our prestige throughout the Western Hemisphere. If ever we should be called upon to enforce the Monroe Doctrine it would be essential that the ties which bind together all the Republics of the Western Hemisphere be as strong as possible. We have not done as much as we could to keep the good neighbor policy alive and vigorous.

There is danger that we overlook the composition of our existing foreign aid programs. Although, prior to 1951, the bulk of all aid was economic, the bulk of it today is military. Of the almost $5 billion included in the aid program submitted to Congress last year for fiscal 1957, approximately $3 billion was for direct military assistance. Another $1.1 billion was for defense support, or economic assistance to countries receiving substantial military assistance. Inasmuch as the purpose of defense support is military, it is logical to consider that portion of economic assistance as military also.

Thus, more than four-fifths of all aid recommended for fiscal 1957 was either directly, or indirectly, military.

Much as I believe in military preparedness, I cannot help but doubt whether this policy is wise, even though it might cost more if we were to provide for military defense exclusively with our own defense establishment. With the world as unstable as it is, there is the ever-present danger that some day we, ourselves, may have to face the very guns, and other military equipment that we are giving so liberally throughout the world.

I am not a military expert and I do not intend to pose as one. But, I am of the firm opinion that we need to reexamine our military assistance programs in the light of the new weapons that are being developed so rapidly. We need to rethink this matter through, particularly since the United Kingdom only recently decided to rely almost exclusively upon new weapons systems. I hope that the Military Affairs Committees, of this House and of the Senate, are giving this problem the careful and mature consideration that it deserves. Since it is more economical to support Korean and Nationalist Chinese troops than it is to support American troops in the field, it may be that we are jumping to the conclusion that we should rely too exclusively upon traditional military thinking.

I have never noticed that our military leaders are disposed to change their traditional manner of thinking between wars. Neither have I noticed any disposition on their part to think in terms of true economy.

The people of the United States have a right to expect that the dollars they are spending for military purposes are being spent just as efficiently as the dollars they are spending for other functions of government, including economic foreign aid. Let us stop military foreign aid, at least for the time being, at least until we know what kind of weapons will really be useful.

The question uppermost in the minds of our taxpayers today is why continue this burdensome program. I for one, am opposed to its continuation in anything like its present scale. There are ample funds appropriated, but as yet unspent, to carry the aid program on through an adjustment period. We would gain immeasurably from an economic standpoint, as well as from a moral standpoint if for the time being at least we stopped with the billions already appropriated but not yet spent. Each of us could then feel a measure of relief in reduced taxes. Each of us could see a better chance of a balanced budget and there would be more money for development and improvement within the United States. I cannot see where there would be dire and earth-shaking confusion if we should discontinue much of our foreign-aid program. Let us cease thinking in terms of buying friends.

Airways Must Be Made Safer

EXTENSION OF REMARKS

OF

HON. HARRY G. HASKELL, JR.

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 15, 1957

Mr. HASKELL. Mr. Speaker, the gentleman from Ohio [Mr. Bow] yesterday inserted a speech in the RECORD which attempted to justify the serious cuts in our air-safety program recommended by the Appropriations Committee, of which he is a member, and approved by the Congress this year. The

gentleman's speech attacked remarks which I made on this subject on August 1, 2 weeks ago.

The speech made by the gentleman from Ohio [Mr. Bow] contains several factual errors and his conclusions that our air-safety program has not been hurt by Congressional reductions in radar and other essential control equipment requested by the Civil Aeronautics Administration are so out of line with the facts that it is necessary for me to comment further today.

One of the main points of the gentleman's speech is that I have charged that our airways are unsafe. I have never said that because it is a generalization that I am not competent to make.

I do say that our airways are not nearly safe enough; that we must make them safer at once or we run the risk of a series of air tragedies as our air traffic increases in both volume and speed; and that we are avoiding disastrous tragedies right now only through the skills of extremely competent, dedicated traffic-control personnel in the CAA, and experienced, quick-thinking pilots who are working under unbelievably difficult conditions.

These convictions of mine are based on the following facts, many of which have been unknown by the general public and by Congress until this year. I believe these facts show clearly the seriousness of the air safety problem we face.

First. It is a fact that almost 10,000 people were aboard just half of the aircraft involved in these 783 near-collisions reported by pilots between all types of aircraft in the 7 months from September 1956 through March 1957.

Second. It is a fact that there were three hair-raising near-collisions during July involving 163 persons aboard three commercial airliners. In each incident passengers were seriously injured by the violence of the evasive action taken to avoid a crash.

Third. It is a fact that every Government official in a responsible position recognizes the seriousness of this situation and believes that our air traffic problems must be solved with all possible speed.

Fourth. It is a fact that the Civil Aeronautics Administration has presented to Congress a well-designed Federal Airway Plan specifying the minimum equipment that they must have to handle the Nation's mushrooming air traffic. In each of the past 2 years there have been Congressional cuts in this program which can only be classified as serious and damaging to our air safety program.

Therefore, I feel that it is necessary to take up point by point the speech made by the gentleman from Ohio yesterday.

First, the gentleman from Ohio has made a mistake in how much money has been cut from the CAA's budget. He states that the CAA budget was cut by $45,229,475, when actually the budget was finally cut by $53,730,475, a difference of $8,501,000.

Actually his own committee voted to cut the budget by $82,224,340, and if action on the part of the House and the Senate as a whole had not taken place afterward, the budget would not have survived as it did.

Second, the gentleman from Ohio said the Appropriations Subcommittee believes "the assurance of maximum safety in flight must be the primary consideration of Congress under this program"—the CAA's program.

These commendable words have not been followed when the actual appropriations were decided. The Appropriations Committee this year cut the CAA's long-range radar program by 52 percent. These radar units, which number 11, were designed to help provide safety for planes flying between two airports, were denied by Congress. In the areas which would have been covered by these units, there were 105 near-collisions reported by pilots in a 7-month period.

The Congress refused to provide money for airport surveillance radar units at 8 cities out of 23 requested. It is interesting to note that all 23 units were denied in the 1957 appropriations, requested last year. This 35-percent reduction in air-safety equipment means that eight American cities—Detroit, Mich.; Greenville, S. C.; Harrisburg, Pa.; Mobile, Ala.; Providence, R. I.; Richmond, Va.; Roanoke, Va.; and Tulsa, Okla.—will have to wait another year to improve their air-traffic situation.

These deep cuts can hardly be used to support a claim that the Congress has provided for maximum air safety.

Third, the gentleman from Ohio inferred that because the CAA has "sizable balances of unobligated and unexpended" funds, that the CAA can't use any more money.

The gentleman knows full well as a member of the Appropriations Committee that these unobligated funds are earmarked for installation of radar and other air-safety equipment which cannot be used until previously ordered equipment is delivered. And to any businessman it would seem poor budgeting not to set aside funds, called in Government, unobligated funds to be able to install equipment to be delivered.

To repeat, the radar units which were purchased last year for delivery this year have to be installed before they can be used. That is what probably 90 percent of these unobligated funds are for.

Fourth, the gentleman from Ohio used a statement out of context from the 1957 budget hearings to indicate that the CAA could not use any more money.

Not only does this statement refer to last year's budget but it also completely ignores the fact that, when the late Mr. Lowen, Administrator of the CAA last year, said he had requested all the money he needed, the fact is Mr. Lowen, whose diligent efforts brought about the present Federal airways plan, was new in his job and he soon came back to the Congress for additional funds of $54 million in order to speed up this badly needed airways program. Incidentally, that request was cut by 35 percent.

Fifth, the gentleman from Ohio cannot shift the blame, in the minds of the public, from the Congress to the CAA for denying 11 long-range radar units at certain specific locations in the country.

Of course, the locations of this radar equipment are determined by the CAA, but the gentleman from Ohio knows that Congress and Congress alone denied these 11 radar units. If it had not been these 11 locations determined on a priority basis, previously identified in my speech of August 1, it would have been 11 other cities.

Sixth, the gentleman from Ohio said that increased appropriations will not permit the CAA to control additional airspace all over the country, and cites the Grand Canyon crash as an example of an incident that could not have been prevented.

The fact is that the CAA has been provided appropriations which will enable them to control all airspace in the country over 15,000 feet.

We, of course, will never prevent all near collisions and accidents. However, what I have been urging is more and better equipment right now so that we can materially reduce these near collisions.

Seventh, the gentleman from Ohio said he emphatically and categorically denies that budget cuts made by the Congress have hurt our air-safety program. I say emphatically and categorically that our air-safety program has been hurt by these reductions.

The Nation's air-safety program is and must be planned by the CAA, the experts in this field. When the long-range radar budget is cut 52 percent, the airport-radar program cut 35 percent, and the overall budget cut 12 percent, it means clearly that our air-safety program has been hurt, and hurt seriously.

Eighth, the gentleman said he has the utmost confidence in James Pyle, the Administrator of CAA. I share this view completely. I believe that Jimmy Pyle and his associates are doing everything they can to provide safer and more efficient air-traffic control. But they can only work with the tools Congress gives them.

Ninth, the gentleman from Ohio said that I did not express my views before his committee, and that I did not offer amendments to increase the appropriations for the CAA.

That is correct. When this budget was discussed and acted upon, I had been in Congress only a few months. I, and I am sure many other Members of this body, must lean heavily on the recommendations of the Appropriations Committee. As our study began to reveal additional facts in respect to the cuts administered by the Appropriations Committee we became increasingly alarmed at the possible damage to our air-safety program.

As soon as these were collated, I presented them to the Members of the House. Apparently, a number of other Members and the public at large were equally in the dark, judging from the many dozens of telephone calls requesting information which came to me after my speech of August 1.

Tenth, the gentleman from Ohio said, "charges are now made that our airways are unsafe." As I said before, this

charge was never made. The point was made that our airways need to be much safer than they are, and that is what I think must be accomplished.

The objectives of the gentleman from Ohio and mine are identical, and as a matter of fact the Appropriations Committee has seen fit to give the CAA a substantial budget increase. However, in my belief, they simply have not gone far enough to get the very necessary job done.

I have confidence in the future that the Appropriations Committee and the Congress as a whole working toward these same objectives will be successful in providing safe air travel for the people of this country. A great step toward these objectives has been taken by the signing into law yesterday of the new Airways Modernization Board.

On Polish Provinces East of the Oder-Neisse Line and Economic, Historical, Legal, and Political Aspects Involved

EXTENSION OF REMARKS
OF

HON. THADDEUS M. MACHROWICZ

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 15, 1957

Mr. MACHROWICZ. Mr. Speaker, on the 16th of May of this year, Mr. REECE of Tennessee submitted to the House a lengthy statement concerning the situation in east-central Europe. He stated that he had given a great deal of attention and time to studying this situation in its economic, historical, legal, and political aspects. In his quest for truth, however, it seems that the learned gentleman from Tennessee has been led into error by false allegations, openly proclaimed or surreptitiously whispered by the stanch militants of German revisionist propaganda. As a result the picture presented was a distorted one, strongly biased in its general tendency, far removed from reality and dangerously misleading in its conclusions.

In view of the paramount importance of the present Polish-German frontier which awaits the final confirmation on the part of the Western Powers, it would seem appropriate to call your attention to a number of outstanding facts and figures. Factual evidence, corroborated by the lessons of history, may help us to grasp the true nature of this intricate problem and to set it in proper perspective.

GENERAL REVIEW

In his opening remarks the gentleman from Tennessee said that "12 years ago one of the greatest tragedies in history took place in central-eastern Europe." Here he should have reached back in his memory to the source of the tragedy which started 6 years earlier. On September 1, 1939, Nazi Germany invaded Poland in violation of fundamental principles of international law. In the Judgment of the International Military Tribunal for the Trial of the German Major War Criminals "the war initiated by Germany against Poland on the 1st of September 1939, was most plainly an aggressive war, which was due to develop in due course into a war which embraced almost the whole world, and resulted in the commission of countless crimes, both against the laws and customs of war, and against humanity."

The Polish nation, undeterred by the overwhelming superiority of the invading armies, accepted the open challenge and fought with courage and determination to defend its sacred right to independent existence. Poles proved true to their tradition as a freedom-loving people; they confirmed by their example the profound maxim of the great German jurist Rudolph von Jhering, quoted by Mr. REECE:

> The surest test of character is a man's or a people's reaction when facing the violation of right.

The 1939 autumn campaign in Poland was not yet finished, and the German armies had not yet been able to overcome the heroic defense of Warsaw, the capital of Poland, when, on September 28, a pact of friendship was concluded between Germany and Soviet Russia. While the shattered Polish divisions were still fighting fiercely, the two exclusively interested powers—as the German-Soviet declaration ran—divided between them the territory of Poland, as they had done 150 years before at the time of the partitions of Poland. After dividing the country the two powers, acting in collusion, set to work methodically to break the spirit of the Polish nation, to weaken its strength, and to destroy the foundations of its centuries-old culture.

Hundreds of thousands of Poles were exiled from the Soviet-occupied eastern provinces to Siberia and central Asia. At the same time the Germans proceeded with ruthless brutality to expel the Polish population from the western parts of Poland and to settle German colonists in their place.

The Germans carried out their devilish work of destruction with a cruelty unmitigated by any considerations of humanity. The process of mass extermination assumed the character of premeditated genocide. Over 6 million Poles and Jews perished as victims of German mass executions, gas chambers, and concentration camps. Over 2 million Poles were deported as slave labor for German industry and agriculture. Warsaw, the ancient capital of Poland, was obliterated in a wanton excess of German fury. Art treasures and historical monuments went down in flames to satisfy the German lust for revenge. For 5 long years terror ruled supreme in that part of Europe.

All these crimes belong to recorded history of our time, but history is easily forgotten. The gentleman from Tennessee [Mr. REECE] remembers reading in his schooldays "of wars in the ancient age of barbarism, when cities were sacked, people were slaughtered or driven into slavery." He does not seem to remember the untold horrors of the Nazi New Order in Europe. For him the tragedy of Central-Eastern Europe started at the end of the war which was launched by Hitler and fought to the bitter end by the German people.

DIVIDED GERMANY

Lack of proper perspective is bound to obscure political issues. The learned gentleman from Tennessee claims that "the problem of a divided Europe is almost entirely the problem of a divided Germany." This is a misleading oversimplification. The problem of a divided Europe goes much deeper and much further. Europe presents a delicate pattern, closely interwoven, varied and colorful; its organic unity was formed by centuries of common history. Beyond the present eastern frontiers of Germany there stretch wide areas, still underdeveloped but rich in natural resources and full of promise. These regions are inhabited by millions of people who have grown under the dominating influence of western civilization. Pressed against their will into the Soviet orbit, they are longing to be free and to be able to develop their resources in friendly cooperation with the Western Powers, and in particular with the United States. They belong to Europe and form an integral part of it. To ignore their fate is to ignore the true nature of the problem of Europe.

Divided Germany is undoubtedly one of the big problems of our day. But it is only part of a still bigger dilemma which is awaiting a bold and constructive solution. The whole future of Europe, and—maybe—the future of our Western World depends on it. The two problems: the reunification of Germany and the liberation of Central-Eastern Europe are closely interrelated. Such is the compelling logic of the situation, confirmed and amply demonstrated by recent developments. Were Germany reunited and Central-Eastern Europe left under Soviet domination, the European problem would remain unsolved. It is, therefore, neither politically wise nor morally just to separate the Germany problem from the whole problem of Eastern Europe, still less to give it a definite priority over the needs and sufferings of our true friends to whom we owe considerably more.

FROM TEHERAN TO POTSDAM

In his further remarks the gentleman from Tennessee attempted to sap the legal foundations of the present Polish-German frontier. He contended that "Poland's right to administer the area of Germany which it now occupies arises from a unilateral act of the Soviet Union, the conquering occupant, permitting it to occupy this area until a peace treaty eventually determines the status thereof." I beg to disagree with this statement which is not borne out by the evidence of historic facts.

It appears that the first agreement regarding the extension of the Polish territory to the west was reached during the Teheran Conference of the Big Three, November 1943.

The British Prime Minister, Mr. Winston Churchill, referred to this agreement in a memorable speech in the House of Commons on February 22, 1944. He revealed that he had agreed with Stalin upon the need for Poland to obtain compensation at the expense of

Germany both in the north and in the west. He added that there would be no question of the Atlantic Charter applying to Germany as a matter of right and barring territorial transferences or adjustments in enemy countries.

It is clear in the light of successive developments that at Teheran President Roosevelt, Mr. Churchill, and Marshal Stalin went beyond a general recognition of Poland's right to territorial accessions. On October 13, 1944, during a conference in the Kremlin, attended by Mr. Churchill, Mr. Eden, Marshal Stalin, Mr. Molotov, the then Polish Prime Minister Mr. Mikolajczyk, and the Ambassador of United States of America, Mr. Harriman as American observer, the British Foreign Secretary declared:

It had been said at Tehran that the new Poland's frontier in the west would go as far to the Oder as the Poles would wish it.

Mr. Churchill and Mr. Molotov firmly assented.

Three weeks later this declaration was formally confirmed by Sir Alexander Cadogan, at that time Permanent Under Secretary of State for Foreign Affairs. In his letter of November 2, 1944, addressed to Mr. T. Romer, Polish Minister of Foreign Affairs, Sir Alexander wrote:

The Prime Minister, after consultation with the Cabinet, has now directed me to give you the following replies:

You asked in the first place whether, even in the event of the United States Government finding themselves unable to agree to the changes in the western frontier of Poland foreshadowed in the recent conversations in Moscow, His Majesty's Government would still advocate these changes at the peace settlement. The answer of His Majesty's Government to this question is in the affirmative.

Secondly, you inquired whether His Majesty's Government were definitely in favor of advancing the Polish frontier up to the line of the Oder to include the port of Stettin. The answer is that His Majesty's Government do consider that Poland should have the right to extend her territory to this extent.

President Roosevelt returned to the subject after his reelection in November 1944. In his letter, addressed to the Polish Prime Minister, Mr. Mikolajczyk, on November 17, the President wrote:

In regard to the future frontiers of Poland, if mutual agreement on this subject, including the proposed compensation for Poland from Germany, is reached between the Polish, Soviet, and British Governments, this Government would offer no objections.

On the transfer of population President Roosevelt told the Polish Prime Minister:

If the Polish Government and people desire, in connection with the new frontiers of the Polish state, to bring about the transfer to and from the territory of Poland of national minorities, the United States Government will raise no objections and as far as practicable will facilitate such transfer.

Mr. Churchill reiterated his former statements in his review of the general situation he made in the House of Commons on December 15, 1944. The British Prime Minister was very outspoken on the subject of the transfers of populations. He said:

The transference of several millions of people would have to be effected from the east to the west or north, as well as the expulsion of the Germans—because that is what is proposed: the total expulsion of the Germans from the area to be acquired by Poland in the west and the north. For expulsion is the method which, so far as we have been able to see, will be the most satisfactory.

At the issue of the Yalta Conference, February 1945, the chief representatives of the United States, Great Britain and the Soviet Union recognized, once again, in a joint declaration that "Poland must receive substantial accessions of territory in the north and west."

At the Conference at Potsdam, July 1945, the three heads of Government—President Truman, who succeeded Roosevelt; Mr. Attlee, who succeeded Churchill; and Marshal Stalin—agreed that—we quote the text of the official protocol:

Pending the final determination of Poland's western frontier, the former German territories east of the line running from the Baltic Sea immediately west of Swinemunde and thence along the Oder River to the confluence of the Western Neisse River and along the Western Neisse to the Czechoslovak frontier, including that portion of East Prussia not placed under the administration of the Union of Soviet Socialist Republics in accordance with the understanding reached at this conference and including the area of the former free city of Danzig, shall be under the administration of the Polish State and for such purpose should not be considered as part of the Soviet Zone of occupation in Germany.

The protocol of the Potsdam Conference contained two important provisions. The first said that "the final delimitation of the western frontier of Poland should await the peace settlement." The second dealt with the transfer of the German population. It said:

The conference reached the following agreement on the removal of Germans from Poland, Czechoslovakia and Hungary:

"The three Governments having considered the question in all its aspects, recognize that the transfer to Germany of German populations or elements thereof, remaining in Poland, Czechoslovakia and Hungary will have to be undertaken. They agree that any transfers that take place should be effected in an orderly and human manner."

There is nothing in the protocol to substantiate the opinion, advanced by Mr. REECE as to the unilateral character of the Potsdam decisions. The text of the protocol, clear and precise, does not lend support to the allegation that the Oder-Neisse line was only meant as a temporary arrangement. Were it so, the Great Powers would not have recognized that "the transfer to Germany of German populations will have to be undertaken." Military authorities may—in some exceptional cases—remove the inhabitants of a strip of territory, engulfed in military operations. But no responsible head of Government would dream of removing the whole German population from a province, which it was intended to maintain within the limits of Germany.

FOOD BASKET OF GERMANY

The gentleman from Tennessee claims that "the part east of the Oder-Neisse line was known as a food basket of the German people." This clever definition which has found wide currency in the West does not correspond to the hard economic facts. It is true that the territories in question covered nearly 25 percent or one-fourth of "the effective agricultural land of Germany"—as Mr. REECE puts it. But the surpluses in basic agricultural produce, which they exported to the western Provinces of Germany, were relatively small:

A study of interregional trade in prewar Germany reveals Western Germany as more self-sufficient than is popularly supposed and the "separated areas" as rather more dependent upon Western Germany than Western Germany upon them." (Germany's Eastern Neighbours by Elisabeth Wiskemann. Issued under the auspices of the Royal Institute of International Affairs, London 1956, p. 171.)

In the period between the two wars, the "German East" was in a state of permanent economic crisis. Successive German governments mobilized huge sums of money in order to forestall the steady decline of agriculture and to arrest the flight of the population to the West. Large subsidies, lavishly distributed among east-German landowners poured from Berlin in a steady flow. During the period of 15 years, 1922–37, they reached RM2,600,000,000—over $1 billion prewar value.

German economists of the prewar period investigated the whole situation with German thoroughness. One of the most prominent among them, Prof. Wilhelm Volz of the University of Leipzig, whose opinions the gentleman from Tennessee now tries to disparage, got to the roots of the trouble. As a German patriot, Professor Volz was deeply alarmed by the decline of the eastern Provinces of the Reich. As a man of great scientific integrity, he did not shirk from presenting his conclusions, however unpopular these might have seemed at the time.

If one still hears that the German East is the food base (Nahrungsgrundlage) of the German Reich—said Professor Volz—then the contention is a fallacy (Trugschluss). The East might be this, if the rest of the Reich did not satisfy its food demand partly by its own production, partly by overseas imports. The Reich does not need the East. This is a bitter truth, but unfortunately it is a truth. It should at last be said in plain words. (Wilhelm Volz, Die Ostdeutsche Wirtschaft. Eine Witschaftspolitische Untersuchung uber die natürlichen Grundlagen des Deutschen Ostens und seine Stellung in der gesamtdeutschen Wirtschaft. Berlin-Leipzig, 1930, p. 85.).

It is true that in the last years before the Second World War Germany made great efforts in order to achieve the highest possible measure of self-sufficiency. German agriculture was stimulated and forcefully developed by diverse means in order to be able to meet the pressing requirements of war economy. Economic self-sufficiency was inscribed on the Nazi banner. On the eve of the war Germany's self-sufficiency in food, computed on the basis of its caloric value, rose to 83 percent—as against 65 percent in 1928. After having secured such a high measure of independence Germany could now risk the supreme effort: the well filled food basket increased her chance of winning a war of aggression.

This self-supporting economy, tuned to the pressing needs of a powerful war machine, belongs now to the past. In 1945 Western Germany, so happy to live in a free world, set to work with sustained energy which earned her deserved admiration. German economy, rising from the ruins and quickly recovering its strength, seems to have found a new balance of productive forces.

In August 1946 the prominent English economist and social reformer, Lord Beveridge, expressed the view that 70 million Germans could perfectly well live in the territory west of the Oder-Neisse line if the country were more intensely industrialized and if it expanded its foreign trade in order to be able to buy its requirements in foodstuffs.

The economic development of Western Germany has vindicated this opinion. German economy expanded under the powerful stimulus of American aid and of the mass influx of Germans transferred from the east. American dollars, so generously given, and the skilled labor of the industrious newcomers from the east contributed mightily to the process which was so justly called the miracle of German recovery.

Western Germany has to import from abroad a part of her food supplies. She has no difficulty, however, in paying for these imports by exporting her manufactured goods. At the present degree of self-sufficiency in food, estimated at 60 percent, Federal Germany is more secure than is Great Britain, whose own production covers only about 48 percent of its food supply.

The food situation will still improve after the reunification of Germany, which is bound to shift the balance of the German population in relation to its agricultural basis. It is worth recalling that only some 28 percent of the total German population live in the Soviet zone which contains nearly 40 percent of Germany's arable land.

WHAT IS GENOCIDE?

The gentleman from Tennessee has given much attention to the mass transfer of the German population from the eastern territories. He maintains that 10½ million were summarily expelled and, in 1945 and 1946, were forced to leave the land which had been theirs and their ancestors. Of these 10½ million human beings more than 7 million reached west and middle Germany; about 1 million people were able to remain on the soil of their fathers. Mr. REECE forgot to mention that the majority of the last category are people of Polish origin. But, to quote again Mr. REECE:

> Two and two-tenths million human beings is the heavy toll of those who did not survive the process.

The gentleman from Tennessee concluded by saying that—

> Factual evidence that has since been submitted shows that they (viz, the 2.2 million human beings) and the other 7 million were victims of the crime of genocide.

If one wishes to pass a judgment on a crime he must first define the nature of the crime and then indict the guilty criminal. If he fails to do this, his judgment may turn out to be an act of wild injustice.

What is genocide? The matter was debated by the General Assembly of the United Nations which on December 9, 1948, unanimously adopted a convention on the prevention and punishment of the crime of genocide. The text of the convention contains a number of clear definitions. It would seem proper to quote here from the official publication of the United Nations.

> Genocide is a new name for an old crime—

We read in the background paper.

> It derives from the Latin words: "genus," a group, and "caedere," to kill. It means the destruction of whole groups of people just because they belong to particular groups. The group may be racial, national, or religious; it may be a particular ethnical or racial group. Its destruction may take the form of massacres, of executions, of subjecting the group to such conditions * * * that it cannot continue to live.
>
> These were all techniques used by the Nazi Government of Germany as part of its deliberate policy. They were used particularly against a racial and religious group—the Jews—and against a national and linguistic group—the Poles." (United Nations, Department of Public Information, Research Section Genocide, Background Paper No. 68.12, November 1951.)

In the light of these definitions it would seem just and fair to examine the whole process of the mass evacuation of the Germans.

On the eve of the final collapse of Nazi Germany the population of the eastern territories, swollen by large numbers of new German settlers—Umsiedler—and Luftkriegevakuirten who had taken refuge from the British and American air bombardments, amounted to nearly 10 million. This huge mass of human beings, kept in complete ignorance of the desperate situation, was taken by surprise. The German military authorities, obeying strict orders from Hitler who refused to accept defeat, entirely neglected an orderly evacuation of civilians. In face of the imminent Soviet advance, millions of people, driven by despair and stricken with fear of a savage Russian retribution, rushed westward and got entangled with the retreating German troops. There followed wild scenes which stagger imagination. The advancing Soviet troops machine-gunned the unending convoys of refugees.

> One ship alone, the *Wilhelm Gustloff*—

I quote the gentleman from Tennessee—

> took more than 6,000 refugees, mostly elderly people, women and children, from East Prussia to their grave.

Mr. REECE was justly indignant about that disaster which he compared to the sinking of the *Titanic*—though he should have been more explicit with regard to the Russians who actually sank the *Wilhelm Gustloff*.

Thousands of innocent people found an untimely death amid the chaos of a disorderly evacuation. Hundreds of thousands were deported to Russia. The fate of many remains unknown. But their disappearance has no connection whatsoever with the removal of the German population, authorized by the Potsdam agreement. It would be utterly unjust to hold the Polish people responsible for the heavy German losses, sustained in the course of military operations or caused by savage Soviet retribution.

TRANSFER OF THE POPULATION

When Germany capitulated on May 7, 1945, about 4.4 million Germans remained east of the Oder-Neisse line. The mass exodus of the German population continued and at the date of the Polish Census—February 14, 1946—there were 2,288,000 Germans within the present limits of Poland. By the end of 1947 a further 2,171,000 had been transferred to Germany.

The mass transfer of the German population was carried out in most difficult conditions. The country, utterly disorganized, devastated by the retreating Germans and then stripped bare by the advancing Russians, had to face tremendous difficulties. Food, fuel and medicaments were in short supply; rolling stock—utterly deficient. In the first stage the technical difficulties involved in the mass transfer might have overwhelmed the erratic administration set up by the new Communist regime which had been enforced upon Poland. In some cases there might have occurred individual acts of cruelty or harsh treatment, regrettable but comprehensible amid the fresh ruins and smouldering ashes of the Nazi gas chambers. All these incidents and transient difficulties may have cost some lives: they do not justify, in the least, wild accusations leveled against the Polish people.

ECONOMIC FACTS

Poland, extending to the west in accordance with the Potsdam Three Powers decisions, entered a desert. In 1945 the territories to the east of the Oder-Neisse line presented a picture of ruin and desolation. Once prosperous towns suffered heavily during the last months of war, many towns, which had served as German strong-points, were practically obliterated. In Gogów—Glogau—and Kostrzyn—Küstrin—95 percent of all buildings were destroyed or damaged; in Koobrzeg—Kolberg—Gubin and Nysa the degree of destruction reached 80 percent; in Brzeg—Brieg—70 percent; in Elblag and Legnica 60 percent; in Wrocaw—Breslau—and Szczecin—Stettin—over 50 percent. It was generally the center of the town, with its historic churches and buildings that suffered most. On the nights of August 16–17 and August 20–21, 1944, Szczecin was the target of two heavy air raids by RAF Lancaster bombers. On March 12, 1945, Swinouiscie—Swinemünde—was bombed by USAF Flying Fortresses. In addition all the towns in these areas suffered badly from ruthless Soviet dismantling of industrial plants, from pillage by Soviet soldiers and sometimes from a senseless destruction by hand grenades and fire after all fighting had ceased. The old town of Gdansk—Danzig—was thus transformed into a heap of charred ruins.

The situation of the agriculture was no better. In the countryside, out of the total number of 434,000 houses, barns, stables, and other buildings, 123,000—28 percent—were destroyed or heavily dam-

aged. At the end of 1945 the total number of horses in these areas shrank to 10 percent of the prewar figures; the number of cattle fell to 7 percent and the pig population to 4 percent. As the chemical industry was destroyed by war or dismantled by the Soviet authorities, there was a general lack of nitrogenous and phosphatic fertilizers. The loss of Polish Kalusz potash salts, annexed by Soviet Russia, seriously hampered a rapid restoration of agricultural production.

Capital was deficient, agricultural machines and tractors in short supply. After 6 long years of a devastating war Poles had to rebuild the appalling ruins out of their meagre resources. On specific orders from Moscow the Warsaw Communist Government was forced to refuse the benefits of American aid, which had been generously offered to Europe within the framework of the Marshall plan.

Skilled labor and managerial experience were lacking. During the whole period of their most ruthless occupation the Germans were busy exterminating the best among the Poles of all classes of the population. In the Katyn Forest and in other, still unknown localities of Russia, the henchmen of Stalin murdered another 10,000 or so.

To complete the picture we should add the impact of a wrong policy, stubbornly followed by the Communist regime. The new settlers, coming from other Provinces of Poland, had to work in most precarious conditions. Many Polish farmers were forced, against their will, to join the collective farms. Early in 1955 the Polish Communist press published a number of articles which condemned harsh treatment of peasants and complained of the exorbitant taxation to which they were subjected. Trybuna Ludu, a Warsaw newspaper, on February 26, 1955, carried an article which attributed peasant desertion of the land in the county of Olsztyn precisely to these things.

And, in spite of all these difficulties which might have seemed unsuperable, Poles rushed in large masses to the western Provinces. They filled the empty desert, cultivated wasteland, rebuilt destroyed buildings, and repopulated deserted towns.

On January 1, 1957, the recovered territories had a population of 7.3 million. The dynamic race which settled in these areas expanded rapidly: Its natural increase which reached the level of 27.5 per thousand stands far above the high average in Poland—19.1 per thousand in 1952–56. Towns are throbbing with life. Out of a total of 63 towns with 10,000 inhabitants or over, 28 towns had a population higher than in 1939.

In spite of heavy errors of Communist policy, the hard work of the newly settled Poles is beginning to pay handsome dividends. Agriculture is recovering from the acute crisis of the most difficult afterwar period. In the years 1953–55 production of the 4 principal grains in the western Provinces reached 71 percent of the prewar level—3,500,000 metric tons against 4,861,000 in 1934–38; production of sugar beet attained 68 percent of the prewar figure—2,300,000 metric tons against 3,422,000 in 1934–38.

However, the greatest efforts went into the reconstruction and further development of industry. Coal is the basic raw material on which the growing industrialization of Poland is being built up. In Polish Silesia in 1938 coal production amounted to 38.1 million tons, in the prewar German part of Silesia it reached 32.5 million tons, making an aggregate of 70.6 million tons. In 1955 the figure for the now united Silesian coalfield was 94.5 million tons—a rise of 34 percent.

THE COAL PROBLEM

In his further remarks the gentleman from Tennessee recalled the fact that before the war "the hard-coal production of the industrial part of the region, that is, Silesia, went to meet the requirements which Western European countries had in addition to their own production." He assumed that "today the coal from German Upper Silesia would suffice to offset West Europe's present deficiency of hard coal."

I entirely agree on that important point with the learned gentleman. The rich coal basin of Polish Silesia forms an integral part of the European economy. In conditions of political freedom it could make a most valuable contribution to European recovery. But Mr. REECE seems to have forgotten that after the war Poland lost her freedom of choice. Pressed against her will into the Soviet orbit, she had to export very large quantities of coal to meet the exacting demands of her Soviet overlords.

On August 16, 1945, an agreement was signed in Moscow by Mr. V. M. Molotov, then the Soviet People's Commissar for Foreign Affairs, and E. Osóbka-Morawski, the so-called Polish Premier. This agreement forced Poland to deliver to the Soviet Union, at the ridiculous price of $1.25 per ton, 8 million metric tons of coal in 1946, 13 million tons in each of the years 1947–50, and 12 million metric tons per annum thereafter until the signature of a German peace treaty. True, in March 1947 the quantities of the coal tribute were reduced by 50 percent; but even so, the "liberator" still extorted from the "liberated" an exorbitantly low price. From 1946 to November 1953, when this tribute ceased, Poland delivered to the Soviet Union about 54 million tons of coal for which it received the ridiculous sum of $67.5 million. If we assume that the average world market price of coal was $16 per ton, we shall have no difficulty in calculating that in this typically colonial transaction Poland was robbed of nearly $800 million.

In the light of my foregoing remarks it is hardly surprising that a delegation from Warsaw wished "to get from this Government a fat loan with which to purchase grains, fats, oils, farm machinery and other equipment." I quote here again the gentleman from Tennessee. I feel I must say that on this matter of vital importance all Poles were unanimous. They all agreed that a broad-minded American aid was urgently needed in order to redress the balance of the Polish national economy which had been badly shaken by 12 years of Communist misrule.

True, the Communists are still at the helm in Warsaw. But millions of Poles, living under Communist control, are trying hard to take full advantage of the new opportunities which they have gained in slightly relaxed conditions. The irresistible pressure of the peasant masses swept away the abhorred collective farms. Life is returning to the countryside. Agricultural production, relieved of the exacting burden of compulsory deliveries of grain, is beginning a process of organic regeneration.

I am glad to add that millions of Poles in their hardly tried country greeted with satisfaction the first installment of the American loan to Poland. They saw in it a most welcome proof that their cause is not forgotten in the West and that their efforts to achieve genuine independence are duly appreciated.

HISTORICAL SURVEY

The historical arguments which the Congressman from Tennessee developed at such length betray false sources of information based on clear political bias. For what is the impression left by his account of the thousand years of German-Polish relations? It is that the Poles and not the Germans were the imperialists through the ages, that it was the Poles who subjugated German lands and not the other way around, that history tells of a Polish expansion to the west in search of living space and not of the German Drang nach Osten—which formula Mr. REECE describes as an "absurdity," "hazy," and "malicious."

To a doctrine which would stand historical truth on its head history itself provides the answer.

Hitler's Germany which began the conquest of Eastern Europe in 1939, occupying first "ancient German" Cracow and then "ancient German" Lwow, was in fact faithfully carrying out an imperialist design whose foundation had been laid 1,000 years earlier by Emperor Henry I. In the years 927 and 928 it was this German ruler who, forcing the Elbe which divided the Slav tribes from the west, established two German marches with the object of subjugating by force and intrigue the territories of the western Slavs who were then entering the European scene. With a break under Otto III, this task has been taken up by Holy Roman Emperors, Margraves of Brandenburg, Teutonic knights, electors and kings of Prussia and rulers of the German Reich.

Two unchanging features of German policy throughout a millenium—territorial acquisitiveness and ready recourse to force—are absent from Polish political history. Polish policy was always defensive. If any idea is strange to Poles it is imperialism. This does not of course mean that other nations were not associated with Poland in the Polish Commonwealth. But this came about through voluntary federal relationships, which are historically of the greatest interest. It was a specifically Polish method, thank to which unions of nations emerged which, according to the German historian Jacob Caro, cannot be matched in European

history. It was the way of charity which, in the words of the rector of Cracow University, Paul Wodkowic, to the Council of Constance—1414—acknowledges the right even of pagans to freedom and land. We read in the Polish-Lithuanian Act of Union of 1413 that this charity which "creates laws, governs countries and establishes towns, will lead the estates of the Republic toward a better end, and he who despises it will lose all." Poland concluded a number of these voluntary relationships based on moral principles of respect for the freedom of the nation and of the individual. In 1466 there was a union between Prussia and Poland, and in 1561 another voluntary union with Courland, while in 1569 the original dynastic union with Lithuania was crowned by a solemn covenant.

These differences in the political background of Germans and Poles, as evidenced by the history of a thousand years, are highly relevant to any consideration of German-Polish relations. Mr. REECE forgets these differences when he discusses the present Polish-German frontier with the result that his historical arguments lack not only substance but plausibility.

These arguments deal with the alleged ancient German character of Pomerania and Silesia, the successes of the Teutonic knights and the role of Prussia in the 18th century partitions of Poland. Let us consider each in turn.

POMERANIA

Mr. REECE does not deny that Slav peoples lived in Pomerania in the 10th century. And in 962 Pomerania is in fact found in the hands of the first historic Polish ruler, Mieszko I. A document of the greatest significance for the proper understanding of Polish history in the 10th century, is the so-called Dagome judex, dating from 990 to 992. It contains the donation of Poland to the Papacy, with detailed descriptions of the country's boundaries, from which it appears that the whole of Pomerania, between the lower Oder and the lower Vistula, belonged at that time to the Polish State. The description in the document begins as follows:

A primo latere longum mare fine Bruzze usque in locum qui dicitur Russe.

That is, "from the first side along the seacoast of Prussia to the place which is called Ruthenia," and ends with the statement that from Olomuniec the border runs to the land of Militz, that is, between the Oder and the lands of the Milchanians and the Lusatians—which is the present line of the western border of Silesia—and along the line of the Oder to "Schinesghe," identified by both German and Polish scholars with Szczecin—Stettin.

Mr. REECE, however, believes that the Pomeranians fought the Poles who "wanted to subjugate them," but that "all this ended in 1181 at the time of the German Emperor Frederick Barbarossa, when the dukes of Pomerania became princes of the empire." What did happen in 1181? It was indeed the year of the final defeat of the northwestern Slavs, of western Pomerania, by the Germans under Saxon Duke Henry the Lion and Margrave Albrecht. Albrecht established on Slav territory, between the lower Elbe and the lower Oder, the new German duchy called Brandenburg from the Slav town of Branibor which its ruler Przybyslaw was tricked into surrendering.

While Mr. REECE describes as "aggression" the process of integration which went on between Slav and Christian Poland and Slav but pagan Pomerania in the century and a half between 967 and 1130, the forcible German conquest of Slav lands from the Pomeranians is not to be so described. Yet their motives were none other than those which Archbishop Adelgot of Magdeburg was already urging in 1107:

These pagans (that is, the Pomeranians) are the worst people in the world, but their land is the best, so overflowing with meat, honey, flour, birds that none can be compared with it. Therefore go east, o Saxons, there you can save your souls and win the best land to live in.

Then, as the historian says, the Slavs beyond the Elbe laid down in their graves, and were replaced by German villagers, whose settlers' documents included a routine phrase "ejectis Slavis"—"after the Slavs had been thrown out."

The Congressman from Tennessee would like to give the impression that Pomeranians and Poles, although Slavs, were distinct nations. But apart from the fact that it is impossible to use the term nation in the modern sense in discussing the 10th century, the words of the 12th century chronicler Nestor may also be borne in mind:

Of the Lachs (i. e., the Poles) some called themselves Lusatians, others Mazovians, others Pomeranians.

This chronicle, an authoritative source on all counts, thus plainly asserts that the Pomeranians were one of the Polish tribes.

It should also be understood that until the 13th century, internal conditions in Pomerania differed in no way from those in other Polish territories. The ducal court, the entire town and country population and the clergy in large proportion were Polish. Afterward, when the dukes in particular succumbed to Germanization, the picture began to change. German elements were reinforced when the victory of the Reformation brought the German Bible to Pomerania. But the native dynasty of Pomeranian dukes, descended from a branch of the Piasts, preserved until its extinction with the death of the last duke, Boguslaw XIV, in the middle of the 17th century, a strong sense of difference from Germans. They perpetuated male family names like Warcislaw, Boguslaw, Barnim, Racibor, and female names like Miroslawa, Dobroslawa, Przybyslawa, and always called themselves dukes of the Slavs, Pomeranians, or Cassubians (dux Slavorum, Pomeranum, Cassubie).

SILESIA

Mr. REECE is of the opinion that Silesia, in particular the region east of the Oder and Neisse—so-called Lower Silesia—was never the homeland of Poles or of any other Slavs but is ancient German land. The name Silesia, on this theory, is derived from the German Syling tribe.

The German chronicler Thietmar, writing in the 10th century, remarked of an area now in Silesia that Sleza Hill—Zobtenberg in German—on the Sleza River—Lohe in German—was the center of a secret Slav pagan cult. After a contemptuous reference to this cult, he added:

There are as many temples and gods there as there are lands.

Let us pass at once to the 19th century and quote two views expressed by Bismarck on Silesia. When Wilhelm I expressed doubt about his right to take Schlesvig and Holstein from Denmark, Bismarck reassured him with the words:

Did the Great Elector or Frederick have more right to Prussia and Silesia? All the Hohenzollerns have been aggrandizers of the state.

And to Prince Buelow, who had expressed similar scruples, he said:

Frederick the Great stole Silesia and nevertheless he is one of the greatest statesmen of all time (v. Buelow Bernhard, Denkwürdigkeiten, vol. 4, p. 10).

Thietmar and Bismarck supply the answer to Mr. REECE. Let us add the evidence provided by excavations near the castle church in Wroclaw begun in 1946 by Prof. Rudolf Jamek, of Wroclaw University. Initial investigations showed the existence of ancient settlements which were Polish beyond doubt. No trace of Scandinavian influence was found, which disposes of yet another German theory that Wroclaw fortress was organized by Vikings.

Mr. REECE emphasized the service performed by German settlers in founding towns in Silesia. But the most recent researches into the history of Polish law make plain that not all founders of towns were German and that such foundations were usually made at places where local markets and craftworkers' settlements had already grown up round a castle or fortress. These investigations have shown that for example 81 out of 95 market centers which existed before the Germans arrived later became towns under German law.

The fact that the Polish King Casimir the Great recognized the Czechs' right to the Silesian duchies in 1335 was not the final historic decision in favor of Germany that Mr. REECE implies, but a politically imposed renunciation. He does not mention that the Polish King simultaneously arranged for ecclesiastical jurisdiction over Wroclaw to be exercised from Gniezno, an arrangement which lasted until 1821.

Finally, Mr. REECE passes over in silence the most important fact of all, which is that the Silesian population, despite 600 years of rule by foreign states and the unparalleled Germanization methods of Prussian governments during 200 years, have preserved not only their religion, language, and customs but their national consciousness.

THE TEUTONIC KNIGHTS AND EAST PRUSSIA

According to Mr. REECE the Teutonic Order took up the conquest and Christianizing of the Baltic Prussians by the direction and with the consent of the

German Emperor and the Pope, proceeding in due course to organize the most modern state of the Middle Ages. Poles, in alliance with Lithuanians, invaded Prussia and inflicted a heavy defeat on the knights at Grünwald. But the knights held on to East Prussia, although the Polish King gained sovereignty over it. Western Prussia, however, was illegally incorporated into Poland by a coup d'etat performed at the Lublin diet of 1569. The links between Poland and East Prussia were finally broken in 1660, when the elector of Brandenburg, heir of the knights, won Prussia's complete independence from Poland.

The facts of history are different. In the first place, there is no mention in Mr. REECE's account of Poland's part in introducing the knights, although they could not have begun their action against the Prussians except by passing through Polish territory with the consent of the Polish ruler. In fact it was the Duke Conrad of Mazovia—of the Piast dynasty—who in 1226 suggested that the knights come to Poland. He did so because at the time Poland was divided into duchies and was struggling to acquire the Cracow throne, and so authority over the whole country, for himself. To this end he wanted relief from the threat of incursions by the pagan Prussians among whom, ever since the murder of St. Adalbert in 997, the Piasts had fostered Christian missionary activity. Conrad's invitation to the knights was an ill-considered move: he had ignored the warning implicit in the King of Hungary's expulsion of the order from Transylvania, whither it had been invited to convert the pagan Kumans, for aggression, exclusiveness and disloyalty in the previous year. When he ejected them the Hungarian King complained that to him they had been "like fire in the chest, a mouse in the wallet, and a snake in the bosom."

The hiring of the knights to repel pagan attacks was not unusual in the Christian world at the time and certainly did not affect Poland s sovereignty. When he granted the order property in the district of Chelm, Conrad could not foresee that the knights, contrary to all law and their own undertakings, would transform their endowment into a separate state, not only independent of Poland but actively hostile toward her. The well-known German historian Roepel remarked that Conrad would improbably have divested himself of his sovereign rights over the Chelm lands or over the Prussian lands which were to be occupied by the knights. Subsequent historians maintain that the document from Conrad produced by the knights in self-justification was in fact forged.

Towns and the modern methods of which the gentleman from Tennessee [Mr. REECE] speaks approvingly were introduced into the Baltic countries by the knights at the cost of the physical and national extermination of the indigeneous inhabitants, Prussians, Latvians, and Samogitians. Baptism at the hands of the order involved in practice extinction of the national individuality of the converted. Toward the end of the 14th century, the Lithuanians, taught by historic evidence of these missionary methods, sought refuge in union with Poland. The great scholar A. Brueckner has contrasted German methods with those employed by Poland in the work of Christianization:

> The Poles were pioneers of Christianity and culture among the Prussians; and if this natural course had not suddenly ceased with the introduction of the knights, the Prussians would have become Christian as the Lithuanians did, that is, without losing their national character in the process (Brueckner A. Archiv fuer Slavische Philologie, XX, 1898, p. 481).

Laudatory terms, so lavishly used by the gentleman from Tennessee with regard to the Teutonic knights, do not stand the test of history.

The truth of history is that wherever they were active, the knight's name was synonymous with violence, robbery, murder, and Germanization, an object of universal hatred.

When in 1410, Ladislas Jagiello, King of Poland and Grand Duke of Lithuania, defeated the knights at Grunwald he was acting in defense of two countries which had united a quarter of a century earlier in face of the aggression of the order, whose presence on the Baltic ceased to have any justification after the conversion of Lithuania. In 1409, the archbishop of Gniezno, Michael Kurowski, warned the grand master of the order that aggression by the knights against Lithuania must provoke a Polish reaction, and was told in reply:

> I consequently prefer to strike at the head rather than at the members, and I will move against Poland, a country populous and cultivated, rather than against the Lithuanian forest wildernesses.

Mr. REECE admits that the gentry and the Prussian townsmen—the so-called League of Lizards—were already in revolt against the oppression of the order in 1454, when they sent a mission to the Polish king to ask for the return to Poland of the lands seized by the knights. But it is not true that West Prussia, which was joined to Poland by a personal union in 1466, was somehow illegally incorporated into Poland in 1569. In that year the Sejm in Lublin extended Polish law to West Prussia—leaving the area its separate treasury and courts—and Prussian deputies and senators present endorsed the reform.

Mr. REECE, who regards East Prussia as German land, and Poland's historic and legal claims to it as absurd, who mocks the Poles' use of the expression "regained territories," says that in the partition of Poland in 1772, Prussia "merely regained the lands conquered by Poland in the 15th and 16th centuries."

GERMANY'S PART IN THE PARTITIONS OF POLAND

Discussing the first partition—which took place at the instigation of Frederick II—Mr. REECE claims that in "regaining" these lands from Poland, Prussia was only "repairing the partitioning of Prussia in 1466." And yet the fact, not concealed by Mr. REECE, is that the knights began to conquer the land of the Prussians, who were Balts and not Germans, in 1230. At the Peace of Torun—1466—Poland received back Pomerania, which had never been German, but had been taken from King Ladislas the Short in 1308 by the knights, who by then controlled Danzig and other Pomeranian towns, having put their populations to the sword. At the same time East Prussia became a fief of Poland—the Polish king was henceforth known as "lord and heir of Prussia"—also in accordance with historic tradition, for the Prussians had owed allegiance and paid tribute to Poland since the 10th century. So it becomes understandable that in the 16th century a Polish envoy, Dantyszek, was able to convince Charles V that Prussia semper subfuisse regno Poloniae—Prussia was always subject to Poland.

The subsequent partitions, in 1793 and 1795, which gave Prussia Polish territory as far as Warsaw, are justified by Mr. REECE on the grounds that "it was largely a question of preventing Russia from grabbing all of it." The well-known American Historian, Prof. R. H. Lord, puts forward quite different Prussian motives. He suggests that Frederick William was not afraid of Russia's growing preponderance in Poland; on the contrary, he regarded it as advantageous to Prussia.

He determined—

Says Professor Lord—

> without any real necessity or compulsion whatever, to exploit the situation in order to satisfy his long-repressed covetousness for Polish territory. (R. H. Lord, The Second Partition of Poland, Cambridge, 1915, p. 496.)

Against Mr. REECE's comments on the Poles, "political gluttony" and "dreams of aggrandizement" may be set the considered views of Professor Lord on Prussian policy in Poland:

This policy—

He says—

> was essentially one of territorial and selfish aggrandizement. The great * * * was the acquisition of new territories in any quarter—Lusatia, Swedish Pomerania, Dantzic, Great Poland, or the whole left bank of the Vistula; acquisitions by any means. * * * This aggressive policy was not dictated, of course, by any ideas about Prussia's German Mission or the duty of recovering lands of German nationality. Its basis was simply the conviction that this Prussian Monarchy must take on flesh and bulk, and acquire a defensible frontier. (R. H. Lord, The Second Partition of Poland, Cambridge, 1915, pp. 492–3.)

It would be difficult to find a more telling answer.

PLEBISCITES AND VOTES

After a survey of history, reaching back into the Middle Ages, the gentleman from Tennessee discussed at some length the results of the plebiscites which took place after the First World War. He stated that the Treaty of Versailles "imposed these plebiscites upon several regions of East Germany." It would seem more appropriate to say that these plebiscites were imposed upon Poland. Carried out in most unfavorable conditions, they vitiated in many cases the genuine feelings of the Polish population of the territories concerned.

It is worth recalling that in the peace proposals, submitted to the German delegation on May 7, 1919, it was intended

to transfer the whole of Upper Silesia to Poland. The German delegation in its counterproposals presented on the 29th of May, very strongly objected to this paragraph of the draft treaty.

Only with Upper Silesia—

Stated the German memorandum—

can Germany fulfill the obligations arising from the war, but without it never.

When the German counterproposals had been examined, the British Prime Minister Mr. Lloyd George advised that a plebiscite should be held in Upper Silesia. President Wilson, rather reluctantly and after some hesitation gave his assent. He stated, however, that "the people in Upper Silesia were entirely dominated by a small number of magnates and capitalists," and that his experts "did not believe that a free plebiscite was possible in these conditions"—The Paris Peace Conference, volume VI, pages 147 and the following.

The cautious judgment of the President and of his American advisers was fully vindicated by the event. German big landowners and industrial magnates exerted a very strong pressure on the working people of Upper Silesia. Coertion and intimidation reinforced the dominant influence of the German Catholic hierarchy, headed by the Archbishop of Breslau—Wroclaw—Cardinal Bertram. At the plebiscite, held on March 20, 1921, many Poles cast their vote under duress. For many of those 479,000 who voted for Poland the vote was an act of self-abnegation and great moral courage.

The plebiscite in East Prussia was carried out at a very critical moment—July 1920—when the Red army stood at the gates of Warsaw. The population stricken with terror voted under the threat of imminent danger. Fear is sometimes the worst adviser. Before Poland, engaged in deadly struggle, won the decisive battle on the Vistula, the vote was cast. That part of East Prussia was safe for Germany, as a springboard for a future invasion of Poland.

SOUND POLISH VOICES

Contradicted by history and by factual evidence, the gentleman from Tennessee patiently pursued his search for acts or declarations which might help to invalidate the present frontier on the Oder-Neisse line. In this laborious pursuit, he was however ill-advised to quote the historic protest of the Polish Government in exile against the decisions of the Yalta Conference. That government, headed by the veteran Socialist leader Tomasz Arciszewski, in 1944 lodged a solemn protest against the seizure by Russia of the eastern Provinces of Poland and against the subjection of the whole country to an ill-disguised Soviet domination. In this protest, which was intended as an appeal to the conscience of the Free World, there is not a single word about the present Western frontiers of Poland. In no circumstances could this declaration of the Polish Government be made to serve the purposes of those who are trying to impugn these frontiers.

The gentleman from Tennessee was no better advised in quoting an opinion, falsely attributed to General Anders, the gallant Polish military leader. It appears that the general most emphatically denies having expressed such views. In a letter to Congressman REECE, which has since been made public, General Anders stated:

To enforce your point of view you quoted an opinion which was falsely described as the text of an interview which I allegedly gave on December 14, 1946. This opinion ascribed to me was, it is true, published at that date in Die Tat. It was completely untrue and the editors of Die Tat were immediately informed of the fact, while the Polish Press in the free world at once published my official denial. For instance the Polish dailies in London: Dziennik Polski, Dziennik Zolnierza, and Slowo Polskie on January 1, 1947, gave the statement on the utter falsity of this alleged interview. The same was printed by the weekly Orzel Bialy at that time.

Moreover, the editor of Die Tat in a letter dated as recently as July 6, 1955, has expressed his regret for the incident.

General Anders is very outspoken on the subject of the present Polish-German frontier. He says in his letter:

For my part, during all these years, in public appearances, radio speeches, and press publications I have repeatedly emphasized my conviction of the intrinsic justice and inviolability of the present Polish western frontiers.

LOOKING FORWARD

There is not much, indeed, I would wish to add. To my mind the position is clear. Poles in Poland, and Poles living in the Free World speak with one voice. They do not admit the possibility of a peaceful revision of the present western frontiers. And after all their ordeals and tribulations they will not be deluded by the alluring words we have heard here from the honorable gentleman.

Mr. REECE said:

The argument is sometimes advanced that the newly settled Poles * * * have struck roots in the German provinces and can no longer just be turned out. Of course, there has never been any suggestion of that kind by any group of German expellees.

I believe that the Poles understand the meaning of these words. Since the overwhelming majority of German refugees have settled for good within the limits of the Federal German Republic, there are relatively few Germans who would like to return to the former eastern Provinces of the Reich. The hard labor of the millions of Poles who are living and toiling there would be badly needed if German revisionists had their way. Thus, the new cloak of noble humanitarianism—"stay, where you are"—covers the old German expansion, eager to conquer both land and people.

I agree with the gentleman from Tennessee that the present situation is fraught with dangers. The very fact that the Soviet Union, alone among the big powers, did recognize the present western frontiers of Poland is bound to increase Poland's dependence on Russia. If the Western Powers would join in an explicit recognition of that frontier, they would greatly assist the Polish nation, anxious to secure genuine independence and would earn the deep gratitude of many peoples behind the Iron Curtain.

I would wish to strike a note of warning. It is true that words cannot shift frontiers. But careless talk here might only nourish dangerous illusions in Germany. It could embolden the extremists among the Germans and distil the heady spirit of German nationalism which has cost the world so much.

Let us not try to undermine a territorial settlement which has come to stay. Let us not discourage millions of people who are deeply attached to it. They are our friends, as they still believe in freedom and democracy. Driven to despair by a lack of understanding on our part, they could fall victims of bitter disillusionment and that vital part of the old Continent of Europe would be lost forever.

Let us face the future with courage and imagination. One day the waves of the Soviet flood will recede to the East. A new pattern of things will emerge in central-eastern Europe. Let us hope it may bring a better and happier world, based on the foundation of four freedoms: freedom of expression, freedom of belief, freedom from want, and freedom from fear.

SENATE

FRIDAY, AUGUST 16, 1957

The Senate met at 11 o'clock a. m.

Rev. W. Louis Quinn, assistant pastor, St. Matthew's Cathedral, Washington, D. C., offered the following prayer:

We ask Thee, Almighty God, so to enlighten and move the minds and hearts of those who deliberate here today that the good of all our fellow citizens will be the result.

May all speak justly, yet charitably; with courage of conviction, yet with a readiness to be informed; always mindful of the tremendous responsibility that is theirs, and always worthy of the trust that has been given them.

During these troublesome and difficult times, let this country of ours shine forth to all nations not only as a beacon of hope but as an example of the peace and harmony that exist when the rights Thou hast given to every individual are acknowledged and respected.

May Thy blessing be with us always. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the Journal of the proceedings of Thursday, August 15, 1957, was approved, and its reading was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Ratchford, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the following bills in which it requested the concurrence of the Senate:

H. R. 4609. An act to further amend the act entitled "An act to authorize the conveyance of a portion of the United States military reservation at Fort Schuyler, N. Y., to the State of New York for use as a maritime school, and for other purposes," approved September 5, 1950, as amended; and

H. R. 9302. An act making appropriations for mutual security for the fiscal year ending June 30, 1958, and for other purposes.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated:

H. R. 4609. An act to further amend the act entitled "An act to authorize the conveyance of a portion of the United States military reservation at Fort Schuyler, N. Y., to the State of New York for use as a maritime school, and for other purposes," approved September 5, 1950, as amended; to the Committee on Armed Services.

H. R. 9302. An act making appropriations for mutual security for the fiscal year ending June 30, 1958, and for other purposes; to the Committee on Appropriations.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. JOHNSTON of South Carolina, and by unanimous consent, the subcommittee of the Committee on Post Office and Civil Service dealing with the postal rate bill was authorized to meet this afternoon during the session of the Senate.

TRANSACTION OF ROUTINE BUSINESS

Mr. MANSFIELD. Mr. President, under the rule, there will be the usual morning hour for the introduction of bills and the transaction of other routine business. I ask unanimous consent that statements made in that connection be limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT ON BEAR RIVER COMPACT

A letter from the representative of the United States Bear River compact negotiations, Salt Lake City, Utah, transmitting, pursuant to law, his report and recommendations relating to the Bear River compact, Idaho, Utah, and Wyoming (with accompanying papers); to the Committee on Interior and Insular Affairs.

PERMISSION FOR ILLUSTRATIONS AND FILMS OF UNITED STATES AND FOREIGN OBLIGATIONS AND SECURITIES UNDER CERTAIN CIRCUMSTANCES

A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to permit illustrations and films of United States and foreign obligations and securities under certain circumstances, and for other purposes (with an accompanying paper); to the Committee on the Judiciary.

REFUNDS BY VETERANS' ADMINISTRATION OF CERTAIN AMOUNTS COLLECTED FROM FORMER SERVICEMEN

A letter from the Administrator, Veterans' Administration, Washington, D. C., transmitting a draft of proposed legislation to authorize refunds by the Veterans' Administration of amounts collected from former servicemen by the Government pursuant to guaranty of life insurance premiums under the original Soldiers' and Sailors' Civil Relief Act of 1940 (with an accompanying paper); to the Committee on the Judiciary.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. JOHNSTON of South Carolina and Mr. CARLSON members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A resolution adopted by the State Council of North Carolina, Junior Order United American Mechanics, at Rocky Mount, N. C., favoring the enactment of the joint resolution (H. J. Res. 107) to exempt clubs and organizations from filing form 990; to the Committee on Finance.

A resolution adopted by Local Union 35, United Brotherhood of Carpenters and Joiners of America, San Rafael, Calif., relating to a ban on nuclear testing throughout the world; to the Committee on Foreign Relations.

A resolution adopted by the State Council of North Carolina, Junior Order United American Mechanics, at Rocky Mount, N. C., relating to the admission into the United States of Hungarian refugees; to the Committee on the Judiciary.

RESOLUTION OF CITY COUNCIL OF SOUTH ST. PAUL, MINN.

Mr. HUMPHREY. Mr. President, I have just received a resolution adopted by the City Council of South St. Paul, Minn., expressing their opposition to the Harris-O'Hara natural gas bill.

I present the resolution, for appropriate reference, and ask unanimous consent that it be printed in the RECORD.

There being no objection, the resolution was referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

Moved, That the council go on record as opposed to the passage of the Harris-O'Hara bill regarding the proposed increase in gas rates, and Senators THYE and HUMPHREY and Representative O'HARA be so notified.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce, without amendment:

S. 2722. A bill to amend the laws relating to the endorsement of masters on vessel documents and to provide certain additional penalties for failure to exhibit vessel documents or other papers when required by enforcement officers (Rept. No. 990); and

H. J. Res. 370. Joint resolution to extend the time limit for the Secretary of Commerce to sell certain war-built vessels for utilization on essential trade routes 3 and 4 (Rept. No. 991).

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce, with an amendment:

S. 2720. A bill to amend the Fish and Wildlife Act of 1956 in order to increase the authorization for the fisheries loan fund established under such act (Rept. No. 983).

By Mr. BIBLE, from the Committee on the District of Columbia, without amendment:

H. R. 7825. An act to exempt from taxation certain property of the B'nai B'rith Henry Monsky Foundation, in the District of Columbia (Rept. No. 984).

By Mr. BIBLE, from the Committee on the District of Columbia, with amendments:

H. R. 8256. An act to amend the District of Columbia Income and Franchise Tax Act of 1947, as amended, to exclude social-security benefits and to provide additional exemptions for age and blindness, and to exempt from personal property taxation in the District of Columbia boats used solely for pleasure purposes, and for other purposes (Rept. No. 985); and

H. Con. Res. 172. Concurrent resolution to establish a joint Congressional committee to investigate matters pertaining to the growth and expansion of the District of Columbia and its metropolitan area (Rept. No. 983); to the Committee on Rules and Administration.

By Mr. CLARK, from the Committee on the District of Columbia, with amendments:

S. 2438. A bill to amend the District of Columbia Business Corporation Act (Rept. No. 986).

By Mr. BEALL, from the Committee on the District of Columbia, without amendment:

H. R. 7467. An act to amend the Act of March 3, 1901, with respect to the citizenship and residence qualifications of the directors or trustees of certain companies in the District of Columbia (Rept. No. 988).

By Mr. HILL, from the Committee on Labor and Public Welfare, without amendment:

H. R. 6456. An act to amend section 304 (d) of the Federal Food, Drug, and Cosmetic Act, with respect to the disposition of certain imported articles which have been seized and condemned (Rept. No. 993); and

H. R. 9023. An act to amend the Act of October 31, 1949, to extend until June 30, 1960, the authority of the Surgeon General to make certain payments to Bernalillo County, N. Mex., for furnishing hospital care to certain Indians (Rept. No. 992).

By Mr. HILL, from the Committee on Labor and Public Welfare, with an amendment:

S. 395. A bill to encourage expansion of teaching and research in the education of mentally retarded children through grants to institutions of higher learning and to State educational agencies (Rept. No. 995); and

S. 2254. A bill to eliminate the time limitation on certain grants under section 4 (a) of the Vocational Rehabilitation Act (Rept. No. 994).

By Mr. KENNEDY, from the Committee on Labor and Public Welfare, with amendments:

H. R. 7458. An act to amend the Fair Labor Standards Act of 1938, as amended, to restrict its application in certain overseas areas, and for other purposes (Rept. No. 987).

By Mr. THURMOND, from the Committee on Labor and Public Welfare, without amendment:

H. R. 8076. An act to provide for the termination of the Veterans' Education Appeals Board established to review certain determinations and actions of the Administrator of Veterans' Affairs in connection with education and training for World War II veterans (Rept. No. 996).

By Mr. THURMOND, from the Committee on Labor and Public Welfare, with an amendment:

S. 166. A bill to amend the laws granting education and training benefits to certain veterans so as to extend, with respect to certain individuals, the period during which such benefits may be offered (Rept. No. 1009); and

S. 1698. A bill to amend the Veterans' Readjustment Assistance Act of 1952, to extend the time for filing claims for mustering-out payments (Rept. No. 1010).

By Mr. THURMOND, from the Committee on Labor and Public Welfare, with amendments:

S. 2467. A bill to authorize the Administrator of Veterans' Affairs to negotiate a new contract with the city of Sturgis, S. Dak., with respect to the use of the sewage facilities of such city by the Fort Meade Veterans' Hospital, Sturgis, S. Dak. (Rept. No. 1012); and

H. R. 2741. An act to authorize and direct the Administrator of Veterans' Affairs to convey certain lands of the United States to the Hermann Hospital Estate, Houston, Tex. (Rept. No. 1011).

By Mr. KERR, from the Committee on Finance, with amendments:

H. R. 8892. An act to amend the Internal Revenue Code of 1954 to extend the time within which a minister may elect coverage as a self-employed individual for social-security purposes, and for other purposes (Rept. No. 989).

By Mr. RUSSELL, from the Committee on Armed Services, without amendment:

S. 655. A bill for the relief of Brig. Gen. Chester W. Goble (Rept. No. 997).

By Mr. RUSSELL, from the Committee on Armed Services, with an amendment:

S. 1732. A bill to readjust equitably the retirement benefits of certain individuals on the emergency officers' retired list, and for other purposes (Rept. No. 1005); and

H. R. 6952. An act to authorize the transfer of naval vessels to friendly foreign countries (Rept. No. 1008).

By Mr. RUSSELL, from the Committee on Armed Services, with amendments:

S. 2305. A bill to define service as a member of the Women's Army Auxiliary Corps as active service under certain conditions (Rept. No. 1006); and

S. J. Res. 96. Joint resolution to establish the U. S. S. *Enterprise* (CV–6) in the Nation's Capital as a national shrine (Rept. No. 1007).

By Mr. SALTONSTALL, from the Committee on Armed Services, without amendment:

H. R. 8531. An act to provide an interim system for appointment of cadets to the United States Air Force Academy for an additional period of 4 years (Rept. No. 1003); and

H. R. 9188. An act to amend the act to authorize the Secretary of the Navy to transfer to the Commonwealth of Massachusetts certain lands and improvements comprising the Castle Island Terminal Facility at South Boston in exchange for certain other lands (Rept. No. 1004).

By Mr. STENNIS, from the Committee on Armed Services, without amendment:

H. R. 2816. An act to provide for the conveyance of Esler Field, La., to the parish of Rapides in the State of Louisiana, and for other purposes (Rept. No. 999); and

H. R. 3246. An act to authorize the exchange of lands at the United States Naval Station, San Juan, Puerto Rico, between the Commonwealth of Puerto Rico and the United States of America (Rept. No. 1001).

By Mr. JACKSON, from the Committee on Armed Services, without amendment:

H. R. 3025. An act to authorize the Secretary of the Navy to surrender and convey to the city of New York certain rights of access in and to Marshall, John, and Little Streets adjacent to the New York Naval Shipyard, Brooklyn, N. Y., and for other purposes (Rept. No. 1000); and

H. R. 7914. An act to amend the Career Compensation Act of 1949 to provide incentive pay for human test subjects (Rept. No. 1002).

By Mr. CASE of South Dakota, from the Committee on Armed Services, without amendment:

H. R. 787. An act to authorize the exchange of certain lands between the United States of America and the State of California (Rept. No. 998).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. POTTER:

S. 2804. A bill for the relief of John Frederick Johnson; to the Committee on the Judiciary.

By Mr. MAGNUSON:

S. 2805. A bill to facilitate the conduct of fishing operations in the Territory of Alaska, to promote the conservation of fishery resources thereof, and for other purposes; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. MAGNUSON when he introduced the above bill, which appear under a separate heading.)

By Mr. ERVIN:

S. 2806. A bill for the relief of Maria Temel Cooper; and

S. 2807. A bill for the relief of Johanna Dippold; to the Committee on the Judiciary.

By Mr. LANGER:

S. 2808. A bill for the relief of Anna Maria Revaro and Mirella Favaron; to the Committee on the Judiciary.

By Mr. CARLSON:

S. 2809. A bill to establish the salary and require Senate confirmation of the Administrative Assistant Secretary of the Interior; to the Committee on Post Office and Civil Service.

CONSERVATION OF ALASKAN FISHERY RESOURCES

Mr. MAGNUSON. Mr. President, I introduce, for appropriate reference, a bill to facilitate the conduct of fishing operations in the Territory of Alaska, to promote the conservation of fishery resources thereof, and for other purposes. I ask unanimous consent that an explanatory statement of the bill may be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the explanatory statement will be printed in the RECORD.

The bill (S. 2805) to facilitate the conduct of fishing operations in the Territory of Alaska, to promote the conservation of fishery resources thereof, and for other purposes, introduced by Mr. MAGNUSON, was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The explanatory statement presented by Mr. MAGNUSON is as follows:

STATEMENT ON ALASKA FISHERIES BILL

On June 20, 1957, I introduced, at the request of the Department of the Interior, S. 2349, to facilitate the conduct of fishing operations in the Territory of Alaska and to promote the conservation of fishery resources thereof. As the session developed, it appeared that there would not be time for the necessary consideration of the various points involved before the Congress recessed.

Section (a) of that bill was of special urgency, in that it dealt with the matter of determining how much of the Alaska salmon runs should be permitted to escape to the spawning grounds each year, a question which will be the subject of discussion at the next meeting of the North Pacific Fishery Commission, scheduled for November. Accordingly that section of the bill was approved separately by the Committee on Interstate and Foreign Commerce, and was reported to the Senate on August 14, and is now on the Senate Calendar.

So that there may be no interruption to the normal progress and consideration of the remaining sections of the bill, I am introducing a new bill that includes those sections. They are all-important to the future of Alaskan fisheries, and to the economy of that Territory, which is so dependent upon a prosperous fishing industry.

In brief, this bill would revise slightly existing law to authorize the Secretary of the Interior to determine a particular period or periods of time each week, totaling not less than 36 hours, as closed periods for the taking of salmon except by certain prescribed methods; would prohibit the taking of salmon for commercial purposes by certain methods presently in use; would prohibit the possession or disposal of illegally taken fish, and would establish certain penalties for violations.

A final section of the bill would make it unlawful to fish for, take, or kill any salmon, for sale or other commercial purposes, in any of the creeks, streams, or rivers of Alaska, or within 500 yards of the mouth of such creeks, etc., except the Karluk, Yukon, Ugashik, and Kuskokwim Rivers.

PRODUCTION OF STATEMENTS AND REPORTS OF WITNESSES—AMENDMENTS

Mr. CLARK submitted amendments, in the nature of a substitute, intended to be proposed by him to the bill (S. 2377) to amend chapter 223, title 18, United States Code, to provide for the production of statements and reports of witnesses, which were ordered to lie on the table and to be printed.

Mr. JAVITS submitted an amendment, in the nature of a substitute, intended to be proposed by Mr. O'MAHONEY to Senate bill 2377, supra, which was ordered to lie on the table and to be printed.

AMENDMENT OF TITLE II OF SOCIAL SECURITY ACT, RELATING TO SURVIVORS OF CERTAIN MEMBERS OF ARMED FORCES—AMENDMENT

Mr. WILLIAMS submitted an amendment, intended to be proposed by him, to the bill (H. R. 1944) to amend title II

of the Social Security Act so as to make inapplicable, in the case of the survivors of certain members of the Armed Forces, the provisions which presently prevent the payment of benefits to aliens who are outside the United States, which was ordered to lie on the table and to be printed.

AMENDMENT OF TITLE II OF SOCIAL SECURITY ACT—AMENDMENT

Mr. POTTER submitted an amendment, intended to be proposed by him, to the bill (H. R. 8755) to amend title II of the Social Security Act to permit any instrumentality of two or more States to obtain social security coverage under its agreement separately for those of its employees who are covered by a retirement system and who desire such coverage, which was ordered to lie on the table and to be printed.

NOTICE OF MOTION TO SUSPEND THE RULE—AMENDMENTS TO SUPPLEMENTAL APPROPRIATION BILL

Mr. HAYDEN submitted the following notice in writing:

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9131) making supplemental appropriations for the fiscal year ending June 30, 1958, and for other purposes, the following amendments, namely:

On page 2, after line 7, insert:

"AGRICULTURAL CONSERVATION PROGRAM SERVICE

"Emergency conservation measures

"For an additional amount for 'Emergency conservation measures,' to be used for the same purposes and subject to the same conditions as the funds appropriated under this head in the Third Supplemental Appropriation Act, 1957, $25,000,000."

On page 4, after line 18, insert:

"INDEPENDENT AGENCIES

"Advisory Committee on Weather Control

"To complete its final report to the President and the Congress as provided by law, $175,000: *Provided, however,* That the committee shall complete its report and terminate its activities by December 31, 1957, and turn its records over to the National Science Foundation, together with any unexpended balances."

On page 12, after line 12, insert:

"SEC. 312. The Secretary of Defense is hereby authorized to transfer to the 'Air Force industrial fund' not to exceed $100,000,000 from appropriations to the Department of Defense available for obligation during the fiscal year 1958.

On page 12, after line 13, insert:

"SEC. 313. Section 612 of the Department of Defense Appropriation Act of 1958, Public Law 117, approved August 2, 1957, is amended by deleting the figures '$41,000,000' in the first line and inserting in lieu thereof '$45,000,000.'"

On page 12, after line 13, insert:

"SEC. 314. The General Counsel of the Department of Defense shall be paid at the rate prescribed by Reorganization Plan No. 6 approved June 30, 1953 (67 Stat. 638)."

On page 15, after line 18, insert:

"CONSTRUCTION OF POWER SYSTEMS, RYUKYU ISLANDS

"For necessary expenses of construction, installation, and equipment of electric power systems in the Ryukyu Islands, which shall be operated by the Ryukyu Electric Power Corporation, an instrumentality of the United States Civil Administration of the Ryukyu Islands; services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), at rates not in excess of $50 a day for individuals; hire of passenger motor vehicles and hire of aircraft; $1,513,000 to remain available until expended, without regard to sections 355 and 3734 of the Revised Statutes, as amended, and title 10, United States Code, section 4774."

On page 18, after line 21, insert:

"BUREAU OF LAND MANAGEMENT

"Construction

"Not to exceed $1,423 of the funds available to the Bureau of Land Management from definite annual appropriations shall be available for reimbursing the city of Monticello, Utah, for the cost of improvements to streets and appurtenant facilities adjoining property under the jurisdiction of the Bureau of Land Management."

On page 20, after line 14, insert:

"DEPARTMENT OF AGRICULTURE

"Forest Service

"Forest land management: During the current fiscal year not to exceed $50,000 of the funds appropriated under this heading shall be available for the acquisition of sites authorized by the act of March 3, 1925, as amended (16 U. S. C. 555), without regard to any other limitation on the amount available for this purpose."

On page 21, after line 4, insert:

"COMMUNICABLE DISEASES

"Communicable diseases: For an additional amount for 'Communicable diseases,' for emergency measures necessary for the further prevention and control of a threatened or actual epidemic of influenza, $800,000: *Provided,* That $2 million may be transferred from funds appropriated for disaster relief pursuant to the act of September 30, 1950, chapter 1125, section 8 (64 Stat. 1109), for the purposes specified in this paragraph, including the purchase, without regard to section 3709 of the Revised Statutes, and distribution of supplies and materials for prevention and control and grants to States of money and medical supplies and materials, upon a finding by the Secretary of Health, Education, and Welfare, upon the recommendation of the Surgeon General and the National Advisory Health Council, that a threatened or actual epidemic of influenza constitutes an actual or potential health emergency of national significance."

On page 21, after line 4, insert:

"HOSPITALS AND MEDICAL CARE

"The limitation under this head contained in the Third Supplemental Appropriation Act, 1957, for payments for medical care of dependents and retired personnel under the Dependents' Medical Care Act is increased by such sum or sums as may be necessary for the purposes."

On page 22, after line 7, insert:

"GENERAL PROVISIONS

"Section 210 of the Department of Health, Education, and Welfare Appropriation Act, 1958 (71 Stat. 224), is amended by striking out the period at the end of such section and inserting in lieu thereof a colon and the following: '*Provided,* That this section shall not be applicable to assistance and consultation rendered by that Department in connection with the planning of a building for the use of the Food and Drug Administration at Washington, District of Columbia.'"

On page 23, after line 16, insert:

"CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

"Notwithstanding the provisions of section 2 of Public Law 689, 84th Congress, an additional contribution of $5,696 to the North Atlantic Treaty Organization Parliamentary Conference is authorized out of founds previously appropriated for 'Contributions to international organizations'."

On page 24, line 9, after "$3,525,000" insert: ": *Provided,* That this amount shall be used for purchase of foreign currencies from the special account for the informational media guaranty program, at rates of exchange determined by the Treasury Department, but in no event at a higher rate per unit than the Free World market value of the currency purchased, and the amounts of any such purchases shall be covered into miscellaneous receipts of the Treasury."

Page 26, after line 19, insert:

"DEPARTMENT OF PUBLIC HEALTH

"Department of Public Health, amounts equal to the cost of medical services rendered recipients of public assistance, without charge, may from time to time be transferred to the Department of Public Welfare for deposit into a fund, hereby established, for the purpose of matching Federal grants under the Social Security Act for payment for medical services as provided under that act, payment of related administrative expense, and return of any surplus to the general fund of the District of Columbia."

Mr. HAYDEN also submitted amendments, intended to be proposed by him to House bill 9131, making supplemental appropriations for the fiscal year ending June 30, 1958, and for other purposes, which were ordered to lie on the table and to be printed.

(For text of amendments referred to, see the foregoing notice.)

NOTICE CONCERNING CERTAIN NOMINATIONS BEFORE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary.

Peter Mills, of Maine, to be United States attorney, for the district of Maine, 4-year term—reappointment.

Harry W. Pinkham, of Maine, to be United States marshal, for the district of Maine, 4-year term—reappointment.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Friday, August 23, 1957, any representations or objections they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearings which may be scheduled.

PARTISAN ATTACKS ON FOREIGN POLICY

Mr. MORTON. Mr. President, last January, during the Middle East crisis, our colleague from Arkansas [Mr. FULBRIGHT] and some of his fellow Democrats were sure that the President and Secretary Dulles had bungled our foreign policy.

Abuse and doubts were heaped on the shoulders of those charged with making

our foreign policy. In the middle of an international crisis, Secretary Dulles was called unfit for his job. Administration critics even went so far as to demand his resignation.

They did not spare the President, even though his prestige was essential in handling the crisis.

Democratic politics had a field day, and bipartisan cooperation as thrown out of the window. The opposition got big headlines in the daily press, as they roared like lions.

I have in my hand a copy of the front page of the Washington Post and Times Herald of January 28. It says in 2-inch, 4 column headlines:

THREE SENATORS DEMAND DULLES POLICY QUIZ

Day after day there were anguished cries demanding an investigation. In demanding this investigation, these Democrats insisted that the President's urgent request for Senate action be held up until the probe was completed. Over this thinly disguised political haymaking, cooler minds prevailed. While an investigation was forced upon the Senate, fortunately, the historic Middle Eastern doctrine was enacted in the nick of time.

Now we are in the month of August. More than 6 months have elapsed. The much publicized investigation has been going on during these months.

What has been the result?

I have in my hand a clipping from the Washington Post and Times Herald of July 31. In very modest sized print, it announces the quiet death of the Fulbright subcommittee to investigate our Middle East policy.

The relative sizes of these January and July newspaper items tell quite a story. One is the roar of the lion—the other, the squeak of the mouse.

In January, the Senator from Arkansas [Mr. FULBRIGHT] charged that our foreign policy was in the hands of incompetents, that America had alienated its two closest allies, that Israel was being sacrificed, that the Russians were gaining great victories, that doom and disaster were about to descend upon us.

Six months later we ask: Where is the doom? Where is the disaster? They are both back in January, because the Senator from Arkansas now says that his investigation will serve no useful purpose.

On both sides of the center aisle there are sincere men who deplore making our foreign policy a battlefield for partisan politics. They believe that hit-and-run attacks on our foreign policy serve only America's enemies. They are motivated by the high ideal that party politics should end at the water's edge—not begin there. Of course, no Senator would oppose a valid inquiry into the state of our foreign policy.

Mr. President, I have always supported the idea of legitimate Congressional investigations. Without them, the Congress cannot legislate.

Back in January, when the Senator from Arkansas said he had good reason to believe that our Middle East policy was in a sad state, I was somewhat astounded; but I had to credit him with the purest of motives. More than that, if something had been wrong with our foreign policy, I was as anxious as he that we should find the trouble spots.

The Washington Post and Times Herald of July 31 quoted the distinguished Senator from Arkansas as having said that his group "has concluded that no useful purpose would be served at this time by continuation of its examination of massive classified documentation."

What was the basis for this statement? What is considered as useful purpose?

Six months ago, the opposition thought that many useful purposes would be served by an investigation of our Middle East policy. Six months later, we find a distinct shortage of useful purposes.

Those of us who make no pretense of expertness in the field of foreign policy welcomed the proposed investigation at its face value. Democrats and Republicans alike were anxious that we should have no more tragedies like Pearl Harbor, Yalta, and Alger Hiss.

Now we are told the subcommittee will stop its work. It has been given too many secret documents by the administration.

How many times have we heard from Members on the other side of the aisle criticism about the administration's policy on Government documents?

How many times have we been told that this Republican administration was seeking to hide its mistakes under the cloak of secrecy?

In this case, the complaint is just the opposite. The new reason for Democratic failure is that they have too much cooperation from the Executive.

I find it hard to believe that this subcommittee, unlike others, is incapable of basing its work on secret documents. Other committees of the Senate and House work under similar restrictions. This does not prevent them from doing their assigned jobs.

For instance, the Appropriations Committee often bases its mutual-security reports on secret testimony and documents. That committee is not prevented, because of the nature of some of its information, from keeping the Senate generally informed.

An investigation which was started into an unknown situation, on unknown motives, is now being stopped for unknown reasons. I had hoped the Senator from Arkansas would shed light on some of these unknowns.

We are entitled to know whether there were any American policy errors that contributed to the crisis. Was not this the purpose for which the committee was created? Mr. President, where is the committee's report?

The Senator from Arkansas says in his unassuming way that although the investigation has proved useless, nevertheless he will tell us what he believes is wrong.

Mr. President, are we reduced to the cult of the individual, as opposed to sound committee work?

Mr. AIKEN. Mr. President, will the Senator from Kentucky yield?

Mr. MORTON. I yield.

Mr. AIKEN. I may say to the Senator from Kentucky that the lionlike investigation referred to died the day it was born, when the majority of the Foreign Relations Committee decided that the investigation should not be from 1953 on, but should go back to 1946, into the previous administration. Then the lion whimpered, rolled over on its back, gave a few gasps, and perished on the spot. However, it was not thought fitting to publish his obituary until 6 months had elapsed.

Mr. MORTON. I thank the Senator from Vermont.

NEGRO PUBLISHER EXPOSES CIVIL-RIGHTS FRAUD

Mr. TALMADGE. Mr. President, in the August 25, 1957, issue of the Telegram, an independent newspaper published at Newark, N. J., and circulated nationwide among Negro citizens, its owner and publisher, Davis Lee, devotes his lead article to an exposé of the political fraud which is inherent in the so-called civil-rights issue.

Mr. Lee, who is a courageous newsman, and is one of the Nation's most outstanding Negro journalists, cites facts and figures to prove his assertion that "this civil-rights issue is a smokescreen and that the Negro is being used." He ably points out that, for political advantage, the Eisenhower administration has given the Negro "civil rights in exchange for jobs, bread, and shelter."

The article further gives specific examples of what I told the Senate on July 12, in my speech in opposition to H. R. 6127, when I asserted:

> Georgia is giving her people the real and important civil rights—not table pounding, empty words, and false, unresulting hopes.

The Telegram's presentation serves to place this false issue in its proper perspective. In order that the Senate may have the benefit of reading its conclusions, I ask unanimous consent, Mr. President, that the article be printed in the body of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Newark (N. J.) Telegram of August 25, 1957]

THE PUBLIC AND THE NEGRO HAVE BEEN MISLED OVER CIVIL RIGHTS

(By Davis Lee, publisher)

For weeks now the attention of the entire world has been focused on our Nation's Capitol and the debate over voting and civil rights. One not familiar with the facts would naturally conclude that Negroes in the South are not permitted to vote. Of course, this is not true.

The Eisenhower administration has gone all out to recapture the Negro vote for the Republican Party. Negro leaders have placed civil rights and integration ahead of job opportunities, and the masses have been sold down the river by false and misleading propaganda.

Truth of the matter is, while the Eisenhower administration, through the Supreme Court and other Federal agencies, has broken down many racial barriers, it has given the Negro civil rights in exchange for jobs, bread and shelter.

First, the administration has attacked the South on the Negro being denied the right to vote. This charge is false, but no one has produced proof of its falsity, and the whole world believes the charges.

Following are a few figures on voting in the key States:

	Negro population	Negro voters
Alabama	979,615	148,000
California	462,172	153,000
Connecticut	53,472	9,500
Delaware	43,598	10,000
Florida	603,101	156,000
Georgia	1,062,762	196,000
Illinois	645,980	180,000
Louisiana	882,428	189,000
Maryland	385,972	130,000
Mississippi	986,494	37,000
Massachusetts	73,171	10,350
Michigan	442,296	140,000
Ohio	513,072	162,000
North Carolina	1,047,353	230,000
New Jersey	318,565	62,000
Pennsylvania	638,485	190,000
Indiana	174,168	50,000
Virginia	734,211	178,000
Wisconsin	28,182	8,500
New York	918,191	226,000

We have selected the key States in which the Negro vote is regarded as important. Assembling these figures was a gigantic undertaking in that many States do not register by race, and this includes the State of Georgia. But these figures support our contention that this civil-rights issue is a smokescreen and that the Negro is being used.

Because of this civil rights-integration issue, thousands of Negroes have lost jobs, homes, farms, and an opportunity to make a living.

The Eisenhower administration produced a crop program in agriculture that has just ruined the Negro farmer in the South. In 1956 tobacco acreage was reduced by 12 percent, and 1957 by 20 percent. The Negro was the hardest hit. This also applies to peanuts and cotton.

What can a Negro farmer in the South do with civil rights when he has been stripped of food, clothing, and shelter by his Government? This same administration came forward with a soil-bank program that threw thousands of Negroes out of jobs and homes.

It is not mean southern white people or race prejudice that the Negro suffers under, it is an administration in Washington that is more interested in opening up markets for foreign imports than by protecting the markets for our own products.

The southern Negro has paid and is paying a tremendous price for world peace. Our Government is trying to win friends abroad by lowering tariff and import restrictions; and to create a market for the goods of these nations, restrictions have been forced upon us, plus unfair competition.

The public has been grossly misled by agitators and politicians on this race issue. From the figures here it is easy to see how it has been misled on the voting issue. The Negro just has not been educated to the value of the ballot.

This administration enacted a dollar an hour minimum. In these days of high prices, a dollar an hour is hardly adequate, but it was too much of an increase at once. Hundreds of businesses could not absorb a 25 percent increase in a slumping market, and they went out of business.

Fifty sawmills in Georgia, 25 in South Carolina, etc. Who lost? Thousands of Negroes lost; they were thrown out of jobs. The South operates a lot of veneer mills. This Government has permitted the Japanese to compete in our markets, as the result our mills are forced to close. Negroes are the greatest losers in this situation. This also applies to the textile industry; Japanese textile products are flooding our markets.

There are 10 million Negroes in the South and they have made more progress than the Negroes in other sections of the Nation or the world. This progress has been made possible by the aid of white friends. There is not a white business of any consequence in the South that does not employ Negroes. This is not true in other sections.

Northern plants are springing up all over the South because of ideal weather, plenty of workers and no union trouble, but these northerners don't employ Negroes. At Thomasville, N. C., a Mr. English built an underwear factory in which he employs hundreds of Negro women, in an effort to show that Negroes can do the job as well as other workers.

These northerners who are fighting for civil rights will not give the Negro a job, or make it possible for him to buy a home with payments that he can afford.

At Macon, Ga., a Mr. Fickling built a Negro housing development and is selling the houses for $100 down. At Mebane, N. C., another white man built Negro homes and permitted them to move in with $25 down. No northern white man would give a Negro such consideration. Yes, they will give him civil rights, but not what it takes to enjoy it.

This whole race issue in this Nations needs a thorough going into by an impartial commission of competent public-spirited men and women whose findings and recommendations will end once and for all this agitation by both Negro and white extremists.

Everyone needs to respect the dignity and worth of each individual and his right as a citizen, and his appraisal should not take into account the race, color, or nationality of the individual.

The Republicans can improve the Negro's lot in the South, and in the Nation, by giving him job opportunities which will guarantee economic security. Once he gets this, he will have no difficulty in obtaining educational and political advantages. Don't promise him civil rights and full access to the ballot, and flood the Nation with Hungarian refugees to take his jobs.

PROMOTION OF SENATOR MARTIN OF PENNSYLVANIA TO LIEUTENANT GENERAL IN THE PENNSYLVANIA NATIONAL GUARD

Mr. KNOWLAND. Mr. President, on Saturday, last, August 10, at Indiantown Gap, Pa., the 28th National Guard Division, in summer training, marched in review at the annual Pennsylvania Governors' Day celebration. As this famed division of World War II marched by the reviewing stand, the Governor of Pennsylvania, Mr. Leader, pinned the three starts of a lieutenant general on the shoulders of our distinguished colleague, the senior Senator from Pennsylvania [Mr. MARTIN]. The senior Senator from Pennsylvania is probably one of the few men in the Congress, if not the only one, who has served in four wars. His great military career began when he enlisted in 1898 as a private in Company K, 10th Infantry, Pennsylvania Volunteers, which saw service in the Philippine Insurrection.

Lieutenant General MARTIN also saw service in the Mexican expeditionary campaign; and by the time World War I occurred, he had risen to the rank of colonel, in command of an infantry regiment. In World War II, he trained the 28th Division—the division which marched in review when he became a three-star general in the Pennsylvania National Guard.

Pennsylvania's senior Senator holds many high decorations—among them, the Distinguished Service Cross with oak-leaf cluster, and the Purple Heart with oak-leaf cluster.

Mr. President, I salute the great senior Senator from Pennsylvania for his distinguished public and military service to this country.

Mr. SMITH of New Jersey. Mr. President, I am happy to identify myself with the remarks made by the minority leader with regard to the distinguished senior Senator from Pennsylvania. The Senator from Pennsylvania has deserved the great honor which has been bestowed upon him, and I am glad to join in the remarks of the minority leader. Mrs. Smith and I join in extending our warmest congratulations to our valued and beloved friends, Senator and Mrs. MARTIN.

Mr. MARTIN of Pennsylvania. Mr. President, I desire to express my very great appreciation of the very generous remarks the Senator from California has made relative to my service. I should like to say to my colleagues that I have enjoyed marvelous associations in different ways during my lifetime, but the finest association I have ever had in my life is the association with the Members of the United States Senate on both sides of the aisle. We differ on many public questions, yet personally we sit around the committee tables and iron out many matters of vital importance to our Nation.

Mr. President, I thank my distinguished friend from California and my distinguished friend from New Jersey for their very kind remarks.

Mr. POTTER. Mr. President, I should like to associate myself with the comments made by the minority leader and by the Senator from New Jersey concerning our distinguished colleague from the State of Pennsylvania. It happens there is no man in the Senate who I am sure enjoys the respect of all of his colleagues to a greater degree than does the senior Senator from Pennsylvania. His military record is such that I know all Pennsylvanians, as well as all the people of the country, are proud of his service. He is known as a soldier's soldier. Whenever enlisted men have kind words to say about a commanding officer, they use that expression, and that is the type of commanding officer General MARTIN has been.

It happened to have been my good fortune to serve in a division that was really ED MARTIN'S division, the old 28th Division. I feel it was a great honor to have served in that division. I know that the traditions of that famous organization are based upon the fine services our distinguished colleague from Pennsylvania has rendered to a great fighting outfit.

Mr. JAVITS. Mr. President, I, too, should like to associate myself with my colleagues in their statements about a fine man and a distinguished soldier. I wish to say that in the time I have served here, and even before I came to the Senate, I have been aware of the great personal affection which Senator MARTIN evokes from those who are in close touch with him. It is a characteristic which I think will leave its mark in the Senate.

Mr. HOLLAND. Mr. President, it is characteristic of the modesty of the distinguished senior Senator from Pennsylvania that, though I have seen him daily since his new honors came to him, I had no inkling of his new and high honor—his promotion to the rank of lieutenant general in the Pennsylvania National Guard until it was disclosed this morning by the statement of the distinguished minority leader.

The Senator and Mrs. MARTIN reside at the same apartment house where my wife and I live. We have frequently been coming back and forth from the Capitol together. Any other than a very modest person would certainly have shared with me the information as to the new honors conferred. I congratulate the Senator most warmly, and desire to comment that, in addition to other qualities which possibly have been mentioned, he is probably the most modest man in the Senate. I have never heard him mention the fact he received the Distinguished Service Cross on two occasions in the First World War. Many other distinctions have come to him which are very hard to learn about, unless one talks with someone other than General MARTIN himself.

Beginning with the days when, as a great Governor of the State of Pennsylvania, he entertained the National Governors' Conference at an unforgettable annual meeting in Hershey, Harrisburg, and Gettysburg until now, I have counted it a very great pleasure, honor, and privilege to be numbered among the group of his close friends. He put on a grand series of occasions for our governors' conference. The meeting was held in May 1944 at the very height of World War II, and I am sure there was no meeting of any kind held during the war that contributed more by way of inspiration to our fighting men around the world than did that Memorial Day observance at Gettysburg. Governors from the North and the South spoke—Governor Saltonstall, of Massachusetts, and Governor Broughton, of North Carolina, representing States which had many troops in that terrible conflict so many years ago, and their voices were carried over the air, by radio facilities, to our fighting men all over the world. They spoke comforting words about the unity that prevailed in our Nation, which was then engaged in the most difficult struggle in its existence to continue our way of life and the security of free peoples everywhere in the world.

From that occasion to this, my affection for Senator MARTIN has been deep, my respect has been wholehearted. I think that as a great Governor, as a great Senator, and as a very great and courageous soldier, ED MARTIN has made outstanding contributions to the welfare and to the security of his country.

Mr. President, I desire to add to what has been said by other Senators these few words of esteem, friendship, and complete confidence in ED MARTIN.

Mr. AIKEN. Mr. President, I wish to join in the remarks of Senators who have congratulated our colleague upon the honors bestowed upon him. ED MARTIN not only has been a great soldier; he was a great Governor; he has been a great legislator. Most of all, he is a loyal friend. I think he well deserves the honors which he has received; he has merited them in every respect.

Mr. MANSFIELD. Mr. President, I wish to join my colleagues in extending congratulations to General Martin on his latest promotion. He has had a glorious record as a soldier. As the distinguished minority leader has brought out, he is the only Member of either body of Congress who has served in four wars, and one of the few citizens of this country who has served in that number of wars. I wish to extend my congratulations to him for an honor well deserved.

Mr. KENNEDY. Mr. President, I should like to associate myself with the remarks of other Senators in congratulating the senior Senator from Pennsylvania for the distinguished record he has made in war and peace. It is a source of great joy to Members of the Senate who take pride in their association with him. We offer him our congratulations, and also congratulate ourselves for having the benefit of his services in this body.

Mr. HICKENLOOPER. Mr. President, I also wish to associate myself with what other colleagues have said on the floor of the Senate in congratulation to our beloved colleague, Senator MARTIN, upon whom has been bestowed the honor of a third star in the Pennsylvania National Guard.

He has had a distinguished and outstanding record. I know many of our troops who served in action overseas in World War II. I have heard his praises sung by many of our young men who served with him. He has had, indeed, a long and a distinguished career. He has had an outstanding career as a military man, as a businessman, and as a great public servant, who has risen step by step in the respect of his State and of his Nation.

Mrs. Hickenlooper and I wish to congratulate General and Mrs. Martin for this honor, and join with the thousands of his friends all over the country who will rejoice in this recognition.

Mr. THURMOND. Mr. President, I should like to take this opportunity to extend my congratulations to the senior Senator from Pennsylvania upon receiving his third star in the Pennsylvania National Guard.

I have known the able and distinguished Senator from Pennsylvania for a number of years. He made a great Governor of his State. He has made an outstanding and distinguished record in the Senate of the United States. He is a man of lofty character and high ideals, and exemplifies the highest principles of American manhood. He has served his State and his Nation on the battlefield and as Governor, as well as in the Halls of the United States Senate—in all places with distinction and honor.

It is a great pleasure for me to extend my heartiest congratulations to him upon this well-deserved promotion.

Mr. CLARK. Mr. President, I should like to add my congratulations and commendations to those of my colleagues in recognition of the great honor which has been conferred on my senior colleague from Pennsylvania. His promotion to the rank of lieutenant general marks the culmination of a distinguished career in public and in military life. It is justly deserved. I am happy he has received it.

I wish to add one personal note. Despite the fact that our political philosophies are about as far apart as it is possible for them to be as elected officials from the same State, the senior Senator from Pennsylvania has afforded me, since I arrived in this Chamber, every courtesy and every consideration, and has cooperated to the fullest extent in obtaining needed privileges and help for our Commonwealth. Without his guidance and assistance, I am sure I would have fallen even further behind in fulfilling my duties as the junior Senator from the Commonwealth of Pennsylvania.

I wish to congratulate the Senator as a friend, as well as a colleague.

Mr. NEUBERGER. Mr. President, I join with my colleagues in congratulating Governor Martin, as I have always called him, upon the deserved honor which he has received.

I should like to add that I have the privilege of serving on the Senate Committee on Public Works, on which committee the Senator from Pennsylvania is the ranking Republican member. I am sure I speak for every Senator who is a member of the Committee on Public Works when I say that all of us appreciate the characteristic courtesy and kindness which we always receive from the Senator from Pennsylvania.

I am not one of those Senators who always agree with the Senator from Pennsylvania in everything he advocates in the committee, but he is the kind of man who can disagree with others and can do so in a friendly manner, yet at the same time upholding his views.

I should also like to join in congratulating his lovely wife, Mrs. Martin, because I know she shares this great honor with him.

MUTUAL SECURITY PROGRAM

Mr. SMITH of New Jersey. Mr. President, those of us who have been studying our foreign policy closely for a number of years have come to believe that a mutual security program is the best possible investment for the safety of America and the peace of the world. We cannot help being shocked by what appears to be the thoughtless cut in the House appropriation for the program this year.

The President of the United States is probably one of the greatest military leaders of all time. He is more familiar with the situation in the world than any one of us is, or that of all of us collectively are. His views are supported by the Joint Chiefs of Staff who have the military responsibility for the safety of our country. His views are supported by the National Security Council, representing different angles of Government responsibility, all of whom are agreed on the seriousness of the situation.

The President, in a personal plea to the Members of the House, asked that the minimum figures reached by the joint conference of the House and Senate on the authorization bill be appro-

priated to meet the emergency that faces us.

It is my sincere hope that the Senate Appropriations Committee will be able to deal with this matter in a realistic way, realizing the responsibility we all have for the safety of our country.

In this connection, I ask unanimous consent to have printed in the body of the RECORD, at the conclusion of my remarks, the editorial which appeared in the New York Times this morning entitled "Investment in Freedom." In commenting on that editorial I emphasize the word "investment," because that is exactly what we are considering today.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

INVESTMENT IN FREEDOM

President Eisenhower used dramatic language when he cited the case of Korea in justification for the insistence that in our mutual-security program there be no further cut. He said that we had invested 135,000 casualties in Korea. "This investment," he said, "was required from us in order to support our security in the world and to stand firmly behind the cause of freedom." He went on to ask: "Are we going to nullify all those casualties by failing to recognize the position of Korea, facing a long battlefield of 155 miles, and without adequate support from us?"

We don't always think of it just that way. Obviously the House Appropriations Committee was not thinking in those terms when only a few hours later, it voted a still further and drastic cut in mutual-aid appropriation, nor were other House Members when the full body affirmed the committee's cut. The President had said that such further cuts would imperil the whole program and with it our own security. Economy-minded legislators apparently felt that they could take the risk that the President had so clearly set forth. We doubt their wisdom.

Perhaps one difficulty is that there has not been enough realization of the real significance of that word "invest." We have always talked about aid, help, assist, and in some quarters there has always been stress upon give or giveaway, often in an unfriendly context. Of course, there is nothing wrong about giving, helping, or assisting. We could well be proud and happy that it is in our means to carry out this role. But what is implied is that we are giving to no good purpose and possibly giving beyond our means.

The investment idea is the best answer to this form of disbelief in ourselves and in our friends and allies. We invest, in any field, something that we have in the expectation that we will eventually receive a compensatory return for what has been expended. We don't give out of mere goodness of heart. We want a return and a profit.

That return and profit, in the case that President Eisenhower cited, is support for our own security. It involves also our standing firmly in the cause of freedom. The assurance of our security and the advancement of human freedom—our own and that of others—is a substantial return on the investment. To quote the President again, mutual aid is not supported by any "special pressure group"; this is "a case where the welfare of all of us is involved—every single one of us, and our children."

It should be noted that in each of the frontline cases that the President noted—Korea, Greece, Turkey, Formosa, and Vietnam—we are not the only investors. Our casualties are small, for example, compared to those of the Koreans who have died for freedom, theirs and ours. This is not giveaway. It is joint effort with its joint sacrifice. The term "mutual" security is correct.

This certainly is too important to us, and to those who are our allies, to become a mere political football. Attention has been focused upon whether a special session of Congress would have to be called. There has been a curious mathematical focus upon what percentage of the program could be lopped. Such approaches are basically wrong. We are working in the field of investment, not aid. The focal point should be what we hope to gain, and, indeed, what we must gain, by what we do at this time. There is still time to reconsider in the House and Senate the rash action taken yesterday. We are coinvestors in freedom with our allies. We cannot afford to fail them and to fail ourselves.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business, for the consideration of the nomination to the Airways Modernization Board.

The motion was agreed to; and the Senate proceeded to consider executive business.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. BIBLE, from the Committee on the District of Columbia:

John Lewis Smith, Jr., of the District of Columbia, to be associate judge of the municipal court for the District of Columbia.

By Mr. HILL, from the Committee on Labor and Public Welfare:

John J. Gilhooley, of New York, to be an Assistant Secretary of Labor, vice Harrison C. Hobart, resigned; and

Cecilia C. Conrath, and sundry other persons for personnel action in the Regular Corps of the Public Health Service.

By Mr. GREEN, from the Committee on Foreign Relations:

James H. Smith, Jr., of Colorado, to be Director of the International Cooperation Administration, in the Department of State, vice John B. Hollister, resigned.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). If there be no further reports of committees, the clerk will state the nomination to the Airways Modernization Board.

The legislative clerk read the nomination of Elwood R. Quesada, of California, to be Chairman of the Airways Modernization Board.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of this nomination.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

DREAM TRIP TO DISNEYLAND

Mr. MANSFIELD. Mr. President, it is heartwarming and reassuring to find that there are people in this day and age who direct their resources toward the benefit and enjoyment of others.

In Montana there are some 200 happy children whose dreams came true in the form of a trip to Disneyland in California. The journey to Disneyland for the children, 5 to 17 years old, of the Montana State Orphans Home at Twin Bridges and the Paul Clark Home in Butte, started on August 1, to last for 10 days. Six boys from the Yellowstone Boys Ranch near Billings also were in the party.

The benefactors who made this dream possible are Col. Benjamin H. Brinton, a former officer in the Army and Air Force, and his niece, 24-year-old Miss Nellie Avery. Colonel Brinton was on the New York Stock Exchange for 30 years and today owns a ranch in Madison County.

The children were accompanied on the trip by the colonel, Miss Avery, a nurse, physician, and the home employees. It is a trip that will long be remembered by each and every one.

Colonel Brinton and all those who contributed and assisted are to be commended for the inspiration they have given these children. A philosophy accredited to the colonel by his niece, "money isn't any good unless he can do good with it," is a wonderful guidepost for everyone's life.

Mr. President, I want to point out that Colonel Brinton was selected last week as "Montana's outstanding citizen" by the Montana Junior Chamber of Commerce. This special award was made in recognition of his work in financing this trip for the Montana orphans.

The full Montana delegation in Congress joins with me in commending Nellie Avery, Colonel Brinton, and all of the other citizens of Montana who made this memorable experience for these youngsters possible. We are proud that we have such folks in our State, and we deeply appreciate the kindness, thoughtfulness, and understanding they have displayed.

Mr. President, I ask that a series of articles appearing in Montana and Washington, D. C., newspapers outlining the children's trip be printed at this point in the CONGRESSIONAL RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Montana Standard of July 30, 1957]

ONE HUNDRED AND SIX HAPPY CHILDREN OF ORPHANS HOME READY FOR DREAM TRIP

(By Frank Quinn)

Who doubts that good fairy queens and kings (if good fairies have kings) roam the

world today? Not the children at the Montana State Orphans Home at Twin Bridges—that's for sure.

Any visitor to the home, where there's now an air of eager anticipation rivaling that of Christmas week, will be informed by happy boys and girls that a good fairy waved a wand over the home and a trip for them to Disneyland in California is the result.

The fairy queen in this story is 24-year-old Miss Nellie Avery. The king is her uncle, a former Army and Air Force officer, an often decorated veteran of two wars, Col. Benjamin H. Brinton. For 30 years Mr. Brinton was on the New York Stock Exchange. He is a former governor and treasurer of that exchange. Today he describes himself as a rancher. His ranch is located north of Ennis in Madison County.

The journey to Disneyland in California for the 106 children, 5 to 17 years old, of the home, a 10-day trip in all, starts Thursday morning. Six boys from the Yellowstone Boys Ranch near Billings, a "Father Flanagan" type of operation also will be in the party.

Richard Little, superintendent of the home, who is "father" to the children; Mrs. Don Kalstad, the kindly head matron, and 16 other home employees, will be in the party. Colonel Brinton and Miss Avery will travel a day in advance of the five buses. They'll see to it that carefully planned accommodations arrangements for the children are made at stopover points.

Colonel Brinton is underwriting the dream trip for the boys and girls. He gives credit for the idea to his niece.

"It was Nellie who waved the fairy wand," he says.

It all started one evening in the Finlen Hotel here. Colonel Brinton, his daughter, Mrs. Ann Brinton Miller, 2 of his 6 grandchildren, Kenneth and Robin Miller, 9 and 7, and Miss Avery were visiting here from the colonel's Beaverdam Ranch. During dinner the subject of Disneyland came up. The children said they'd like to visit the famed world of fantasy and fact.

"Sure, we'll go there," the colonel said in the quick decisive manner he cultivated both on the New York Stock Exchange and in the Army and Air Force during World War I and II.

Then the fairy queen, Nellie, his favorite niece, waved her wand. Miss Avery, daughter of Mr. and Mrs. T. C. Avery, of Anaconda, has been interested in children of the Twin Bridges home since she was a high-school girl and a member of the Order of Rainbow. At that time she had an "adopted" Rainbow sister in the home with whom she corresponded and sent Christmas, birthday, and Easter gifts.

"Wouldn't it be wonderful," she remarked during the dinner, "if the children of the orphans' home at Twin Bridges could see Disneyland?"

"Let's take them with us," said the colonel.

"All of them?" asked Nellie.

"Sure, why not?" her uncle replied. "I'll underwrite it."

Then, with the speed and efficiency which has marked his successful financial and military careers, the colonel, along with an elated Nellie, swung into action.

The next day people of the Madison Valley were contacted. The idea caught fire with them, and some volunteered substantial contributions toward the project. A similar response was met with in Bozeman, Great Falls, Helena, and Butte. The colonel wasn't looking for contributions, but he got them. Monday, he said, "We don't need more money, but realize that if contributions are made it'll interest people in the home and in the children there who are deserving of a better break. So if someone wants to finance a child's cost on the trip it's all right by us. We're not selfish in our desire to give these boys and girls a trip they'll never forget."

Financing, to the colonel, was the least of his troubles in setting up the trip. Moving an orphanage from Montana to California and back is no small assignment, and requires official approval.

The colonel and his niece contacted Gov. J. Hugo Aronson and members of the Montana State Board of Education, which supervises the Twin Bridges home. They also discussed the plan with Attorney General Forrest H. Anderson and Miss Harriet E. Miller, superintendent of public instruction, all board members: with Superintendent Little, and with State Representative Summer Gerard of Ennis. The official approval was given for the trip to extend from August 1 to 10. Governor Aronson, in announcing the approval called the trip, "a dream of a lifetime for these deserving children."

What's the result? About 106 of the most elated, thrilled, and starry-eyed boys and girls in the world.

The colonel and Miss Avery were visitors at the home Sunday. No matter where they went, or where children encountered Superintendent Little or Mrs. Kalstad, the questions were the same:

"When do we leave? Will I have a suitcase? Will we get to see Mickey Mouse? Can't we leave tomorow?"

Willard, 15, said, "I've never been out of Montana. Never been anywhere much. It's sure great."

Pete, just past 16, said, "I think I'm looking forward to seeing Goofy more than any other Disney character." "Aw, who wants to see Goofy?" chimed in Robert, 12, who was lying on the lawn after lunch. "It's Donald Duck I'm looking forward to meeting."

June, 14, a beautiful, brown-eyed, black-haired charmer, expressed hope that she'd meet Bing Crosby, "maybe even Elvis Presley." Linda, 13, her cottage chum, had similar aspirations.

Smaller children in the home—Jimmie, 6; Marie, 8; Rose Marie, a pretty little blond who'll be 7 on Thursday, the day they leave; and Anna, a stolid little girl with bewitching curls, aren't concerned about whom they'll meet; they just know they're going on a trip, and it's wonderful.

The trip schedule, subject to change is as follows:

Leave Twin Bridges at 7 a. m. Thursday morning and travel to Butte, where the children will be greeted by Mayor W. P. Donnelly at the Webster-Garfield School at 9 a. m. daylight-saving time.

Leave Butte at 9:15 o'clock and travel to Missoula where the party will be given a State sendoff by Governor Aronson.

Thursday night will be spent in Boise, Idaho, where the children will be greeted by Idaho Gov. Robert Smylie and former United States Senator Herman Welker, who is acting as one of the Idaho hosts.

Friday night will be spent in Carson City, Nev., where the party will be met by Nevada Gov. Charles Russell.

Saturday morning the busses will move into Los Angeles, and then for 3 days, August 4, 5, and 6, the children will visit Disneyland and other points of interest in the area. While in Los Angeles the group will meet California Gov. Goodwin Knight.

En route home the children will visit Yosemite National Park and Pendleton, Oreg., where they'll meet Oregon Governor Holmes.

The children will be accompanied by a nurse and a physician.

The suitcase problem was solved with contribution of suitcases for the children by residents of the Madison Valley and Dillon.

The colonel solved a possible shortage of luggage by saying, "Let's buy some. The children can always use it."

And now a word about the man who is making the trip possible.

Colonel Brinton, although born in Salt Lake City, claims he's a native of Montana.

"I came to this State with my parents when I was just 6 months old," he said. "I think that makes me a native Montanan."

His parents were the late Mr. and Mrs. Charles P. Brinton. The family first located in Great Falls, where the colonel's father went to work for the late James J. Hill during construction of the Great Northern Railroad, then the Montana Central, organized by Mr. Hill, who was known as the Empire Builder. Mr. Brinton's father made the original surveys for the railroad.

Later the family moved to Butte where Colonel Brinton attended grade schools and was graduated from Butte High School in 1914. He attended the Montana School of Mines for 2 years, then the University of Pennsylvania, and later Columbia Law School in New York, where he received his law degree. During his college days in Butte, Pennsylvania, and New York, he worked in the summer months on Butte Hill as a miner and surface worker.

For a time after receiving his law degree he practiced law in Washington and New York City. Later he was assistant to the president of the Standard Oil Co., a position he held for 5 years. Then he formed his own organization and went into the New York Stock Exchange. His firm, in which he retains an interest, is known as Brinton & Co.

In World War I he served in France as an artillery captain in charge of a horse-drawn battery. During World War II he was an Air Force colonel in England and North Africa. He was decorated three times. Between wars he found time to conduct the affairs of his firm, as senior partner of Brinton & Co., and to serve as both governor and treasurer of the New York Stock Exchange.

It was his boyhood ambition to have a Montana ranch and 4 years ago he realized that goal. He has quite a spread, and it's a working ranch. He spends his summer at the ranch near Ennis, his winters in Virginia.

In addition to his daughter, Mrs. Ann Miller Brinton, the colonel has a son, William Brinton, who is practicing law in San Francisco, and who has four children, and a son, Benjamin H., Jr., who resides in Michigan.

"I've always liked children," the colonel says, "and especially children who need a break in life. That's the story of this trip to Disneyland."

His niece, Nellie, who is helping her uncle prepare a book about the New York Stock Exchange, attended Anaconda High School and was graduated from Beaverhead County High School, Dillon. She has an ambition to operate a ranch for boys, and with her uncle is looking forward to setting up just such a ranch at the Beaver Dam property.

"The colonel," she says, "is just about the kindest man I ever knew. He has helped many young men through college, and has a theory that money isn't any good unless he can do good with it."

Superintendent Little of the home, like Colonel Brinton, is hopeful that some adoptions will come about as a result of the Disneyland trip. There have been 38 adoptions at the home in the last 2 years.

"These children," says Mr. Little, who has done a wonderful job at the home, "are hurt children. With few exceptions, very few, they are children of broken homes. They are emotionally upset on arrival at the home because they feel they are not wanted. Ninety-six percent of them never hear from, nor see their parents. If we can do anything to prevent their becoming institutional cripples, boys and girls who grow up depending on someone else to make all of their decisions for them, we will have accomplished much.

"Perhaps this trip will inspire many others to give the home help such as has been given by people of the valley, of Butte, Anaconda, and other communities. These chil-

dren are most important. They are future citizens of Montana."

[From the Daily Missoulian of July 28, 1957]

ORPHANS' TRIP FUND DRIVE STARTED HERE

A fund-raising campaign is under way in Missoula to help send the 200 orphans in the Montana Orphans Home at Twin Bridges on a 10-day bus trip to California to see Disneyland, actors, and other attractions.

The local drive began Saturday under the direction of Lou Torok. Mayor James A. Hart has given his full support. Contributions may be sent to "Orphans Trip," the Southside National Bank, Torok announced.

The idea, conceived by Miss Nellie Avery, of Ennis, was given official approval Friday by Gov. J. Hugo Aronson and the Montana Board of Education. An uncle of Miss Avery, Benjamin H. Brinton, a former president of the New York Stock Exchange, has promised to underwrite any deficit.

The trip, scheduled August 1 to 10, is estimated to cost $20,000. The trip will include meetings with movie stars, visits to Disneyland, and several stops en route to visit State governors and other officials.

Members of the local citizens committee, in addition to Mayor Hart and Torok, are Donald G. Bradley, Robert J. Gillis, Randolph Jacobs, Robert L. Jordan, Kenneth E. Killion, Mr. and Mrs. Arthur J. Mosby, Richard M. Peek, Robert V. Sias, and Mr. and Mrs. William J. Strothman. The junior chamber of commerce is also assisting.

[From the Miles City (Mont.) Star of August 1, 1957]

ORPHANS ARE ON WAY TO CALIFORNIA

TWIN BRIDGES.—About 200 orphans from the Montana Orphans Home in Twin Bridges left Thursday on a free 10-day bus trip to California. They will visit the governors of several States along the way and plan to meet Bing Crosby, Roy Rogers, and other movie stars in California.

Gov. J. Hugo Aronson said the trip was developed by Miss Nellie Avery, who is getting help from her uncle, retired Air Force Col. Benjamin H. Brinton, former treasurer of the New York Stock Exchange. They live on a ranch north of Ennis. The Butte-born colonel spends winters in Virginia. The trip was financed by voluntary contributions, with Brinton making up the difference.

The governor, who termed the trip "a dream of a lifetime for these deserving youngsters," had planned to see them off, but because of pending conferences following the riot at the Montana prison, he designated Chief Justice James T. Harrison to take his place.

The bus will stop at Boise to meet Idaho Gov. Robert Smylie and former United States Senator Herman Welker, in Reno or Carson City to meet Nevada Gov. Charles Russell and somewhere in California to meet Gov. Goodwin Knight.

[From the Butte (Mont.) Standard of August 1, 1957]

PAUL CLARK HOME TOTS TO MAKE DISNEYLAND TRIP

There was little sleep, if any, Wednesday night for 106 children of the Montana State Orphans Home at Twin Bridges, and for 25 children of the Paul Clark Home in Butte as they awaited departure time for a 10-day trip to California and a visit to the famed, fantastic Disneyland.

Perhaps the children of the Paul Clark Home here were the most restless for the trip comes as a surprise to them—a last-minute surprise. The children at Twin Bridges have known for the last week that they were going to be guests of Col. Benjamin H. Brinton, Madison County rancher and former New York Stock Exchange officer, on the "dream trip." But, the Paul Clark Home children did not know until Wednesday morning that the colonel, and his niece, Miss Nellie Avery, who inspired the colonel with the idea of taking the children on the trip, would take them too.

The party of 106 children from Twin Bridges with Superintendent Richard Little and other home employees, and the 25 from the Paul Clark Home with Mr. and Mrs. J. S. Foster accompanying them will leave Butte at 9 o'clock for Missoula where they will be greeted and given a farewell sendoff by Chief Justice John C. Harrison of the Montana Supreme Court, who will stand in for Gov. J. Hugo Aronson who will meet with Prison Warden F. O. Burrell in Helena Thursday morning to discuss the situation at the prison in the wake of Tuesday's riot.

Mayor W. P. Donnelly will give the children a sendoff here, and also a letter to the mayor of Los Angeles. A large number of Butte residents are expected to assemble at the Webster-Garfield School here, the first stop for the Twin Bridges children who'll leave the State Orphans Home at 8 o'clock. The party will travel in seven buses.

Ray Gallant, former Butte handball star, made arrangements for the Paul Clark children to make the trip.

[From the Butte (Mont.) Standard of August 2, 1957]

MONTANA ORPHANS ARRIVE IN BOISE

BOISE, IDAHO—Six busloads of children from the Montana State Orphans Home at Twin Bridges, Mont., rolled into Boise Thursday on their way to California.

B. H. Brinton of McAllister, Mont., former Air Force colonel who accompanied the caravan, said the 200 children are headed for Disneyland in California and visits with several State governors along the way.

The children were put up at two hotels here. The $20,000 trip is being underwritten by Montana contributors, with Brinton promising to make up the deficit.

Friday they were to leave for Carson City, Nev., to meet Gov. Charles Bennett. An aid in the office of Gov. Robert E. Smylie, who is on a fishing trip with his family, said Smylie may be able to meet the youngsters on their return trip.

Brinton, now a Montana rancher, said the children had been promised the "red carpet" treatment at Disneyland near Anaheim, Calif. He said Walt Disney and movie stars Bob Hope, Gary Cooper and Bing Crosby were to meet them. Cooper is a native of Montana.

Thursday night the orphans were given tickets for the Boise Braves baseball game here with the Twin Falls team. Among their Boise hosts was former United States Senator Herman Welker.

One hundred thirty-one children of the Montana State Orphans Home at Twin Bridges and the Paul Clark Home in Butte, left Thursday on a free, 10-day bus trip to Los Angeles.

They were starry-eyed and also a little sleepy-eyed as they left after being greeted here by Mayor W. P. Donnell and the Rt. Rev. Msgr. Emmet J. Riley, member of the State Board of Education.

Supervisors of both homes reported the children got little sleep Wednesday night.

"They were up at 4:30 although we aren't scheduled to leave Twin Bridges until 7," said one of the Twin Bridges matrons.

"Ours were sitting on the steps of the home as early as 6 o'clock," one of the matrons of the Paul Clark Home said.

One of the children from Twin Bridges said, "I slept a little, but I kept dreaming of seeing Mickey Mouse, Goofy, and other Disney characters in person."

The trip is underwritten by Benjamin H. Brinton, retired Air Force colonel and former governor and treasurer of the New York Stock Exchange. He now operates a ranch north of Ennis, spending his summers in Montana and his winters in Virginia. The trip was inspired by his niece, Miss Nellie Avery. Several voluntary contributions were received, the colonel said here Thursday morning, and he expressed appreciation to those showing their interest in the underprivileged children.

Richard Little, superintendent of the Twin Bridges home, and Mrs. Don Kalstad, head matron, were in charge of the children from that home. Mr. and Mrs. J. S. Foster accompanied the 25 children from the Paul Clark Home. The trip for the Paul Clark children came as a surprise to them. It was not until Wednesday morning that they were informed the colonel included them in the trip plans.

The five buses, conveying the Twin Bridges Home children, and the one from Butte with the Paul Clark Home children aboard left here by way of Dillon for Boise where an overnight stop was scheduled. The party was to be greeted in Boise by Idaho Gov. Robert Smylie, and former United States Senator Herman Welker, a friend of Colonel Brinton. In Carson City, Nev., they'll be met by Nevada Gov. Charles Russell and in Los Angeles by Gov. Goodwin Knight.

Mayor Donnelly presented Superintendent Little with a letter of introduction to the mayor of Los Angeles. The Butte mayor wrote:

"Through Superintendent Little of the Montana Orphans Home, Twin Bridges, and Col. B. H. Brinton, the citizens of Butte and residents of all Montana present to you one of the Treasure State's greatest assets—its boys and girls. The boys and girls of the Montana Orphans Home hold a special spot in the hearts of our people and we recommend these children to you without reservations as being some of the finest boys and girls in the world. Anything you may do to make their stay in Los Angeles enjoyable will be deeply appreciated."

Several hundred Butte residents assembled at the Webster-Garfield School to wish the young wayfarers a happy trip to Disneyland. Candy and gum treats were given the boys and girls by the Louis S. Cohn Co. and Roy Murray, Jr.

[From the Great Falls (Mont.) Tribune of August 2, 1957]

ONE HUNDRED AND THIRTY-ONE ORPHANS START TRIP TO CALIFORNIA

BUTTE.—One hundred and six children of the Montana Orphans Home at Twin Bridges and 25 from the Paul Clark Home in Butte left Thursday in 6 chartered buses on the start of a free 10-day trip to California.

The youngsters will visit the governors of several States along the way and plan to meet Bing Crosby, Roy Rogers and other movie stars.

They are due to arrive in Los Angeles Saturday and also visit Disneyland Sunday.

The trip was arranged after Benjamin H. Brinton, a retired Air Force colonel and former treasurer of the New York Stock Exchange said he would underwrite it. Brinton now owns a ranch near Ennis.

Thursday he said a number of contributions had been received to help with the expenses.

Supervisors and matrons of the homes and a nurse are accompanying the children.

They were given a sendoff at Butte by Mayor W. P. Donnelly and the Rt. Rev. Msgr. E. J. Riley, a member of the Montana Board of Education.

On the return trip the youngsters will stop at Yosemite Park and Pendleton, Oreg.

ARRIVE IN BOISE

BOISE, IDAHO.—Six busloads of children from the Montana Orphans Home at Twin

Bridges, Mont. and a Butte home rolled into Boise Thursday on their way to California.

The children were put up at two hotels here.

Friday they will leave for Carson City, Nev., to meet Gov. Charles Bennett. An aid in the office of Idaho Gov. Robert E. Smylie, who is on a fishing trip with his family, said Smylie may be able to meet the youngsters on their return trip.

Thursday night the orphans were given tickets for the Boise Braves-Twin Falls baseball game here. Among their Boise hosts was former United States Senator Herman Welker.

[From the Great Falls (Mont.) Tribune of August 3, 1957]

STATE ORPHANS POSE PROBLEM IN LOGISTICS

CARSON CITY, NEV.—Officials of two cities and the State government Friday tackled and solved a logistics problem posed by a sudden visit of 265 Montana orphans.

The boys and girls, ranging in age from 6 to 16, entered Nevada in 6 chartered buses, en route to Disneyland where a reception will be held with actors Bing Crosby, Bob Hope, and Roy Rogers.

Gov. Charles Russell instructed highway patrolmen to meet the buses, and escort 3 to Reno and 3 to Carson City. Chamber of commerce officials scrambled to find quarters, finally retaining six motels. A catering service was hired to provide box lunches.

The trip is financed by Benjamin H. Brinton, retired treasurer of the New York Stock Exchange, now a rancher at Ennis, Mont.

Brinton said the children were all either orphans or products of broken homes living in the Montana Orphans Home. He said he hoped the trip would stimulate interest in adoption of older children.

The youngsters were scheduled to resume the pilgrimage Saturday.

[From the Great Falls (Mont.) Tribune of August 5, 1957]

ORPHANS ENTER MAGIC WORLD OF DISNEYLAND

ANAHEIM, CALIF.—More than 200 orphans from State institutions in Montana entered the magical world of Disneyland Sunday as guests of a New York stockbroker.

Benjamin Harrison Brinton, who owns a ranch at McAllister, Mont., brought the youngsters here in six chartered buses. They'll spend 2 more days visiting Walt Disney's amusement park before heading home via Yosemite and Yellowstone National Parks.

Brinton, a retired Army colonel, said the idea for the trip originated with his niece, Nellie Avery, who is accompanying him and the children. In addition to providing the orphans with fun and excitement, he said, he hopes the trip will arouse public interest in adoption.

The children, boys and girls of all ages, left Butte August 1.

[From the Washington Post of August 13, 1957]

GARY LIKE A KID AT ORPHAN PARTY

(By Louella Parsons)

HOLLYWOOD, August 12.—Gary Cooper was like a great big kid when he played host to 300 orphan youngsters from his native State of Montana. The group was touring the southern part of California in seven Greyhound buses, and Gary gave them a big breakfast. He had a ball with these children of all ages, colors, and creeds. Seven Indian children made him an honorary chief of the Blackfoot tribe, and named him Henry North Wind.

Why the "Henry" I don't know. But I do know that things of this sort are so little publicized, and are so typical of many of the fine things done by our top stars in this town.

[From the Daily Missoulian of August 7, 1957]

STATE ORPHANS HAVING FUN

HELENA.—Montana orphans enjoying a trip to Disneyland in California this week through the generosity of a Dillon area rancher and his niece are "simply carried away," according to a telegram received by Gov. J. Hugo Aronson Tuesday.

Richard Little, superintendent of the Montana Orphans Home at Twin Bridges, wired the Governor:

"Disneyland is fabulous and the children are simply carried away with it all. Many compliments are being paid to our kids on their splendid behavior. We plan on taking off for beautiful Montana Wednesday morning."

[From the Butte (Mont.) Standard of August 11, 1957]

BRINTON CHOSEN AS TOP CITIZEN

BIG TIMBER.—Benjamin Harrison Brinton, Ennis area rancher, Saturday was selected by the Montana Junior Chamber of Commerce as Montana's outstanding citizen.

The special award was made in recognition of Brinton's work in financing the trip of more than 200 orphans from Montana to California.

Brinton is a former New York stockbroker and a retired Army colonel.

Included in the trip were visits with governors of some Western States and fun in Disneyland.

The children, boys and girls of all ages, left Butte August 1 and are expected to arrive in Montana Sunday.

The action was taken by the Jaycee board of directors, whose 3-day meeting ends Sunday noon.

More than 100 Jaycees are attending the meeting to plan projects for the year.

Among programs approved were continuation of junior golf and tennis, the youth-fitness program, and teen-age road-e-o.

Ted Anderson, national Jaycee vice president, Salt Lake City, spoke at a banquet Saturday night.

Forrest Henderson, past president of the North Dakota Jaycees and now a member of the Helena club, will speak at a Sunday breakfast meeting.

Orvin B. Fjare, former Montana Congressman and Montana Jaycee president, conducted a forum Saturday on duties of a local president.

[From the Butte (Mont.) Standard of August 12, 1957]

MONTANA ORPHANS END ADVENTURE—VISIT MINING CITY

Tired but happy, their suntanned faces reflecting the elation they were not able to put into words, 136 boys and girls from the State Orphans Home at Twin Bridges, the Paul Clark Home in Butte and the Yellowstone Boy's Ranch near Billings, arrived in the mining city, Sunday night, after an adventure to Disneyland.

One little girl from the orphans home had to bypass the Butte stopover. Dick Little, superintendent of the Twin Bridges home, said she contracted measles and had to be isolated from the group and returned in a State car. Fortunately, she didn't become ill until the homeward journey had started, so she didn't miss out on all the fun.

Five busloads of the children, ranging in age from 6 to 17, came here shortly after 7 p. m. The sponsor of the trip, Col. Benjamin Brinton, McAllister rancher, and niece, Miss Nellie Avery, who suggested the trip are returning separately.

The fabulous tour for the orphans—106 from Twin Bridges, 25 from Butte, 6 from Billings—started August 1 and included stopovers en route to California. The visit to Disneyland was the climax.

They were given a highway patrol escort to Butte by Patrol Sgt. William Thornby and Trooper William Madlena. Many Butte cars joined the parade while others honked greetings.

Except for the girl with the measles, Mr. Little said everyone was happy and healthy—except for occasional cases of carsickness.

The excited children were able to find only one word about the trip that fit their emotions: "Wonderful."

The children returned to their homes Sunday night.

LEGISLATIVE PROGRAM

Mr. MANSFIELD. Mr. President, I wish to announce to the Senate that the supplemental appropriation bill will be brought up on Monday. There will be further hearings on the mutual aid bill on Monday morning, but as soon as the bill is cleared and marked up it is the intention of the leadership to bring that bill before the Senate for consideration.

EMPLOYMENT IN NEVADA'S TUNGSTEN MINES

Mr. BIBLE. Mr. President, from time to time those of us from the mining States have pointed out to our colleagues in the United States Senate the dire straits of the mining industry. A short time ago we made plain that the tungsten industry was in critical shape. We later showed the deplorable condition of the lead and zinc industry, and then the copper industry, as well as other industries.

Mr. President, I should like to read the latest report of the State mining inspector of the State of Nevada, which is contained in a very short article under date of August 8, entitled "One Thousand Former Tungsten Miners Have Lost Jobs Since January 1956."

The article reads:

Employment in Nevada's tungsten mines has dropped from about 1,100 in January 1956, to about 100 today, State Mine Inspector Mervin J. Gallagher said yesterday.

Mr. Gallagher said the failure of Congress to provide funds to carry on the tungsten program which was authorized by Congress last year will probably wipe out the remaining segment of the State's tungsten industry unless something happens soon to reverse the trend.

Mr. President, I ask unanimous consent that the entire article be printed in the RECORD at the conclusion of my remarks. I point out that in this particular field the administration has failed dismally to give us any long-range mining program whatever.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ONE THOUSAND FORMER TUNGSTEN MINERS HAVE LOST JOBS SINCE JANUARY 1956

Employment in Nevada's tungsten mines has dropped from about 1,100 in January 1956, to about 100 today, State Mine Inspector Mervin J. Gallagher said yesterday.

Mr. Gallagher said the failure of Congress to provide funds to carry on the tungsten program which was authorized by Congress last year will probably wipe out the remaining segment of the State's tungsten industry unless something happens soon to reverse the trend.

The State mine inspector noted that there were 953 men employed in tungsten opera-

tions in June of 1956. On June 30, 1957, there were 453 tungsten workers in the State, and today, there are only 100. Nearly all are at the Nevada-Massachusetts operation at Tungsten, in northern Pershing County.

In June 1956, the mills of the State were producing about 3,185 tons of tungsten per day. In June of this year, this had dropped to 1,800 tons per day. The present level of production is under 100 tons per day.

Mr. Gallagher noted the hard-hit areas include Pershing and Humboldt Counties, Mineral and Nye Counties, and Lincoln County.

Among the major tungsten producers which have ceased producing the mineral in the last year are the Getchell mine at Golconda, Wah Chang Corp. mine at Tempiute, Nevada Scheelite in the Regent district north of Hawthorne, and Gabbs Exploration Co. in Nye County.

WHY THE PRESENT CIVIL-RIGHTS BILL SHOULD BE ENACTED INTO LAW

Mr. NEUBERGER. Mr. President, it is my fervent hope that Republican leaders in the House will recede from their all-or-nothing attitude of recent days and permit the passage of even a modest civil-rights bill at this session of Congress.

We have recently been witnessing an extraordinary spectacle. Men who never before in their careers have been enthusiastic for civil-rights legislation are suddenly demanding a stronger, more stringent bill than the groups which have been pioneering for civil rights through all the lonely decades of the past.

During the reign of Louis XVI a famous phrase swept France. People spoke of those fawning creatures of the French court who tried to be "more royalist than the king." Such persons were despised and ridiculed.

This historic aphorism applies today on Capitol Hill. Despite their genuine disappointment over certain crippling phases of the civil-rights bill passed by the Senate, such organizations as Americans for Democratic Action, the AFL–CIO, the National Association for the Advancement of Colored People, the American Jewish Congress, the Friends Committee on National Legislation, the American Council on Human Rights, and their allies all have agreed that the present inadequate bill is better than no bill whatsoever.

Of course, these groups and their associates are sorely disturbed over the jury-trial amendment and over elimination of part III. I share their disappointment. But they also realize that the present bill, in their own words, "will be the beginning, not the end of our struggle." They will fight another day, and to strengthen this bill.

Yet, Mr. President, is it not passing strange that the groups which have blazed the trail for civil rights are willing to accept the modified bill this year, while men long lukewarm to civil rights have suddenly been hinting at a stronger bill or nothing? Politicians without a single original civil-rights corpuscle in their veins have abruptly become "more royalist than the king."

On August 14 a letter reached my desk from Mr. Roy Wilkins, executive secretary of the National Association for the Advancement of Colored People. Now that the illustrious Walter White is unfortunately gone from among us, if any American of today can be regarded as "Mr. Civil Rights" he is Roy Wilkins. Mr. Wilkins' letter said in part:

> We remain convinced here that, despite the fact that the Senate has passed a weaker version of the bill than the House, the debate has served a purpose and that, if this bill, weak though it is, should be approved (with certain modifications) by both Houses, we will have an instrument that will be of some service in approaching a solution to the problem.

That is the considered verdict of Roy Wilkins, who has fought and bled in the civil-rights wars virtually all of his adult life. By contrast, we have Johnny-come-latelys to the civil-rights struggle attempting to supersede the judgment of Roy Wilkins and others like him, by demanding a more stringent bill or nothing at all. Perhaps such people, who do not basically understand the civil-rights issue, would prefer nothing at all so they could have a political issue.

Mr. President, I doubt if the colored voters of America will be fooled by such a ruse. They are not as gullible as some of these very-late newcomers to the civil-rights battlefront might assume. They know who their real friends are, and who their false friends are. Some of them may even recall the city editor in that journalistic drama who said to the meek little reporter at his desk, "Our paper is going to get that story if it breaks every bone in your body." Some of these eleventh-hour converts to the cause of civil rights are determined to create for themselves a political issue in 1958 and 1960, even at the expense of sacrificing the first real breakthrough in civil-rights legislation in nearly a century of effort.

Despite our very genuine alarm over some phases of the present bill, let us enact it into law—with certain perfecting improvements—and then work again to improve it at a later day. Let us repudiate those who would be "more royalist than the king," who would set themselves up as higher judges for what is best for the minorities of our country than the minority groups themselves.

An able columnist of Republican sympathies, Mr. Roscoe Drummond, has written:

> President Eisenhower and the Republican leadership, it seems to me, will be making a grievous mistake if they try to kill the right-to-vote bill.

Another outstanding columnist, Miss Doris Fleeson, whose sympathies might be said to be Democratic, has declared:

> A great portion, perhaps most, of the Nation's press is relieved that a messy filibuster has been avoided, not unhappy about a jury trial in some form, and praising the joint Senate effort that brought about the legislation.

And Marquis W. Childs, columnist for the liberal St. Louis Post-Dispatch and Washington Post and Times Herald, has written:

> The forces behind acceptance of a compromise are powerful. Walter Reuther has succeeded in bringing the CIO–AFL around to that view. Roy Wilkins, of the National Association for the Advancement of Colored People joined with other civil-rights advocates in urging the half-a-loaf theory.

Mr. President, I would rather trust the disinterested attitude of these three distinguished American commentators—each of them with a somewhat different perspective—than to abide by the selfish and self-serving judgment of politicians who look upon civil rights as some new contrivance for their own personal advancement.

I ask unanimous consent that the column by Roscoe Drummond from the Portland (Oreg.) Journal; that by Doris Fleeson from the Washington Evening Star, and that by Marquis Childs from the Washington Post and Times Herald, may appear with these remarks.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Portland (Oreg.) Journal]

RIGHT-TO-VOTE LAW DESERVES THOROUGH TRIAL

(By Roscoe Drummond)

WASHINGTON.—President Eisenhower and the Republican leadership, it seems to me, will be making a grievous mistake if they try to kill the right-to-vote bill.

The polite theory of some of the more politically minded Republicans is that to smother this bill to death now on the ground that it doesn't go far enough and then to return to the fight to get one that goes further next year would be better.

Better for whom?

Better for the Negroes who are not being allowed to vote? Or better for the Republican politicians who want to win elections with the support of Negroes already allowed to vote?

If the White House and the Republican leaders want to make possible a genuine advance in protecting the right of all citizens to vote on equal terms, they will accept the amended legislation as a good beginning.

If the White House and the Republican leaders just want to shoot off political roman candles and make a great show of indignation that the Democrats watered down the bill, they will maneuver to suffocate it.

To some it must look like smart politics for the Republicans to stamp this bill to bits in conference over the House and Senate versions in order to show how much better the bill would have been if there had been more Republicans in the Senate.

But when you are dealing with the precious right of Americans to vote, smart politics isn't good politics, isn't good government, isn't responsible government.

This is the first right-to-vote legislation which has won a majority vote in the Senate in more than 80 years.

It was debated honestly and constructively. It was argued without filibuster and was brought to a vote without filibuster. It was amended on conviction and in light of the debate.

Of course, the bill could be stronger. But what help to Negroes wanting to vote would there be in a stronger bill which wasn't passed?

What valid reason is there to believe that Senators who voted for the amendment providing jury trials in cases of criminal contempt would vote against such trials next year?

This legislation gives the Federal Government new and untried powers to protect the right to vote. Should these new powers be thrown away on the speculation that sometime, somehow, a bill could be passed that would give the Federal Government still further powers?

These new powers may not be all many would like in behalf of the right to vote, but they will do a lot more than no new powers plus a speculation that a better bill might just happen to come into being in 1958.

What I am saying is that all this Republican-inspired talk about the merit of getting the bill killed in order to try again next year is just too cute, too politically scheming, to be allowed to happen.

This bill doesn't do as much political damage to the Democrats as the Republicans hoped. So what?

This bill does not put as much authority in the hands of the Justice Department as many Republicans and some Democrats would like. Their views in the end may prove well founded. Conceivably, the bill will not work well; conceivably the powers will prove unequal to the need.

But shouldn't we find out instead of throwing up our hands in feigned political horror that everything hasn't been done at once?

Many people dedicated to civil rights, including leaders of some of the Negro organizations, consider this a useful, workable bill.

If it needs to be improved, experience will show it. To talk about improving it without trying it, to talk about killing it in order to start all over again, that is shoddy politics.

[From the Washington Evening Star]

CROSSROADS ON THE RIGHTS BILL: OUTLOOK FOR MEASURE VIEWED AS BEING A LITTLE LEGISLATION OR NONE AT ALL

(By Doris Fleeson)

President Eisenhower canceled his press conference this week without explanation. An informed guess is that he has not yet found his way through the civil-rights wood where the tall presidential timber is sticking up a mile.

Every informed person here now knows that if Republicans would accept a civil-rights bill with a modified form of jury trial in it, that bill would be approved by Congress and on its way to the President for signature within a short time.

The battle for the civil-rights groups outside Congress has been won. The National Association for the Advancement of Colored People is actively seeking approval of the Senate bill as the best available. The AFL–CIO is urging its adoption as a practical matter.

A great portion, perhaps most of the Nation's press is relieved that a messy filibuster has been avoided, not unhappy about a jury trial in some form and praising the joint Senate effort that brought about the legislation.

In a really remarkable show of comity, the Senate leaders, Democrat LYNDON JOHNSON and Republican WILLIAM F. KNOWLAND, have joined in a warning to the national chairmen of both parties to keep hands off the situation.

The President, on the record, does not care to buck trends of this type. He has an innate distaste for purely political maneuvering, which is where the civil-rights bill currently stands. It must be as clear to him as it is to everyone else that the burden of proof has shifted from the framers of the Senate bill to those who would now so act that no bill at all would be the inevitable result.

The front man for the latter group is House Republican Leader JOE MARTIN. To what extent he has in his corner the strategists who framed the first salvos against the jury-trial amendment—Vice President NIXON and Acting Attorney General William P. Rogers—is not clear.

MARTIN certainly has on his side the die-hard southern Democrats of the House. This is an old coalition, and its capacity to be difficult, starting with its entrenched position on the Rules Committee, is very, very great.

It can stick to its hardnose attitude that the Senate version must go to conference with the House only if the President and Vice President allow it. The President has JOE MARTIN'S ear, and so does NIXON.

As matters now stand by a kind of weird justice, the Democrats are beginning to look like the civil-rights party. Their southern Senators sacrificed the sacred filibuster to allow the passage of the first Federal civil-rights statute since reconstruction. It may be better or worse than it looks, but it's there.

There are Republicans, too, who can take credit, but any veteran of the Congressional galleries will certify that there have consistently been more Democrats favoring civil-rights legislation through the years than Republicans by a fairly wide margin. The number in Congress who have a passionate conviction about the issue is another story entirely.

The counsels now reaching the President's ear are carefully guarded from the public view and there will be no gathering of reporters to smoke them out this week.

What he has to gain, where his intense anxieties focus, is, however, clear. In an extraordinary White House meeting, he has begged 20 Congressional leaders—half from each party—to support the full amount of foreign aid in the compromise bill. It is only realistic to suggest that his control of that situation is in part dependent on how carefully he treads the civil-rights path with a Democratic majority in the Congress.

[From the Washington Post and Times Herald]

POLITICS SPICING CIVIL RIGHTS STEW

(By Marquis Childs)

The peculiar drama of the civil-rights struggle goes on and on, with the lines of conflict so blurred that it has long since become impossible to tell where political expediency ends and the merits of the issue begin.

The comfortable solution is for passage of the Senate bill with the jury trial amendment modified so that it would apply only in cases involving voting rights. This would avoid the very real damage that would be done if the injunctive process were modified in the 36 areas where it now applies.

With this solution, Congress can adjourn in a week or 10 days and, for a time at any rate, the civil-rights issue would be safely in the deep-freeze. The ugly spectacle of a filibuster would have been avoided, and that in itself would be a distinct gain, since such a spectacle can do great harm both at home and abroad.

What is more, the compromise measure would make some contribution toward the essential objective—essential for those who believe in civil rights—of insuring the vote to the Negro in the South. How much of a contribution is a matter for argument. There is room for honest difference as to whether it would be a beginning, a base for further gains, or whether it would be a convenient pretext for resisting any further change.

Both sides are now shouting "politics" so loudly that the facts are almost wholly obscured. It is too easy to dismiss the administration's stand for an effort to get a stronger bill, by way of a conference between the Senate and the House, as merely political.

In such a conference it should not be impossible to add some strengthening provisions, thereby compromising the all-out House version with the greatly weakened Senate version. It should not be impossible, for example, to agree on a provision whereby local authorities may call on the Department of Justice for help in sustaining civil rights where clearly the majority desires the enforcement of such rights.

Some provisions in the bill are definitely harmful. The Civil Rights Commission it creates would hold public sessions unless the Commission determines that evidence or testimony at any hearing may tend to defame, degrade, or incriminate any persons. Then the testimony will be in executive session. The bill makes it a crime to disclose such testimony and a newspaperman who prints it could be sent to jail for 1 year and fined $1,000.

Because both Houses agreed to this language, it is said that it could not in any event be stricken out in a Senate-House conference. And moreover, so the argument goes, it would not in any event be enforced. But the mere fact of its enactment would be a dangerous precedent.

The forces behind acceptance of a compromise are powerful. Walter Reuther has succeeded in bringing the CIO–AFL around to that view. Roy Wilkins of the National Association for the Advancement of Colored People joined with other civil-rights leaders in urging the half-a-loaf theory.

Most of the signers of the manifesto urging the compromise Senate bill are in the liberal wing of the Democratic Party. The politics of this is obvious enough. Failure to get any bill at all would be blamed by the Republicans on the jury-trial amendment, and the Democrats in the Senate voted for that amendment in the ratio of 4 to 1. If a compromise bill is passed, the Democrats can, with some justification, claim the credit for it.

There is a certain wry humor in the outraged cries coming from both sides. The Democrats demand to know how long the Republican leaders in the House have been for civil rights. Since when did JOE MARTIN become an advocate? The Republicans, in turn, ask when Speaker SAM RAYBURN and those southern and border State Democrats pushing the compromise became converts to the cause.

This is the chaff of politics. It cannot obscure the very real gains in recent years for civil rights. Perhaps the bill, as compromised down to its narrow limits, would be another step in this direction. But there should be no illusions about the size of this step nor of the motives of those who are most anxious to see it adopted.

FEDERAL AID TO EDUCATION

Mr. CLARK. Mr. President, under date of July 22, 1957, the President's Committee on Education Beyond the High School presented its second report to the President. I regret that, for reasons which have not been made very clear, the President did not choose to release the report to the press until the day after the House of Representatives voted down the Federal-aid-to-education bill. Nevertheless, we now have available copies of this highly significant report.

The membership of the President's Committee includes some of our most eminent and most conservative leaders of business and allied groups. The Chairman is Mr. Devereux C. Josephs, chairman of the board of the New York Life Insurance Co., and a director of J. P. Morgan & Co. He is a fine, outstanding citizen.

Other members of the committee are Crawford H. Greenewalt, president of E. I. du Pont de Nemours & Co., Inc.; and Roy E. Larsen, president of Time, Inc.

I cite those three names to prove that this is no "crackpot" committee of what are sometimes referred to as leftwing

longhairs. This is a committee of conservative men who have the future of our educational system deeply at heart.

The report states, in part, that the gap between this Nation's educational needs and its educational effort is widening ominously.

It states further that America would be heedless if she closed her eyes to the dramatic strides being taken by the Soviet Union in post-high-school education, particularly in the development of scientists, engineers, and technicians.

The report further states that America would be inexcusably blind if she failed to see that the challenge of the next 20 years will require leaders not only in science and engineering, as well as in business and industry, but in government and politics, in foreign affairs and diplomacy, and in education and civil affairs.

The report further points out that our colleges and universities are expected by the American public to perform something close to a miracle in the next 10 to 15 years; also that our institutions of higher learning are in no shape today to meet the challenge. Their resources are already strained; their quality standards are even now in jeopardy; and their projected plans fall far short of the indicated need.

I have had prepared from the report a memorandum outlining the most striking conclusions and comments of the President's Committee. I ask unanimous consent that the memorandum be printed at this point as a part of my remarks.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

THE PRESIDENT'S COMMITTEE ON EDUCATION BEYOND THE HIGH SCHOOL—SECOND REPORT TO THE PRESIDENT

Revolutionary changes are occurring in American education of which even yet we are only dimly aware.

The gap between this Nation's educational needs and its educational effort is widening ominously.

America would be heedless if she closed her eyes to the dramatic strides being taken by the Soviet Union in post-high-school education, particularly in the development of scientists, engineers, and technicians. She would be inexcusably blind if she failed to see that the challenge of the next 20 years will require leaders, not only in science and engineering and in business and industry but in government and politics, in foreign affairs and diplomacy, in education and civic affairs. A responsible exercise of our Nation's role in world leadership also requires a broadened citizen interest in and understanding of foreign relations and world affairs.

World peace and the survival of mankind may well depend on the way in which we educate the citizens and leaders of tomorrow.

We have become a society of students. More than 40 million of us are enrolled in formal education programs.

The committee is acutely aware that the strength of education beyond the high school depends heavily upon the strength of our elementary and secondary schools. Much of what is said in this report, therefore, concerning the needs of higher education applies with equal force to the lower echelons of education.

Our colleges and universities are expected by the American public to perform something close to a miracle in the next 10 to 15 years to provide education of a continually improving quality to a far larger number of students—at least 6 million by 1970 compared to 3 million now. The sharp rise in births which began in the 1940's and which has already overcrowded the schools will shortly begin to strike the colleges. Meantime, with the college-age group in our population at its lowest point in 25 years, enrollments in higher education are at the highest level in history because a steadily increasing proportion of young people are going to college.

Our institutions of higher learning are in no shape today to meet the challenge. Their resources are already strained; their quality standards are even now in jeopardy, and their projected plans fall far short of the indicated need.

But these difficulties are not so great that they cannot be overcome by the American people if they set themselves to the task.

However, our colleges and universities must operate within the limits of the economic and educational resources available to them.

Colleges and universities are presently spending a little over $3 billion a year on educating students and on physical facilities—about three-quarters of 1 percent of the gross national product.

To pay adequate faculty salaries and accommodate twice as many students—would require something like a trebling of the current level of expenditures. With greater efficiency this requirement can undoubtedly be reduced, but even then it will call by 1970 for half again the present percentage of the gross national product devoted to higher education.

Even if this many dollars were available, it is doubtful that enough top-quality teachers could be obtained to maintain present student-teacher ratios.

Thus, if the United States is to become increasingly a society of students it must also become increasingly a society of teachers. Ways must be found to harness into the service of education a far larger number and variety of people, organized around a highly skilled group of professional teaching and administrative personnel.

The quantity of students and the quality of education cannot rise together unless basic educational resources also rise with sufficient speed. The American people must be willing to devote a significantly greater proportion of the Nation's rising income to higher education. The public's decision must be expressed in terms of greatly increased financial support for colleges and universities.

The coming years will require greater public understanding and support, a strong and sustained effort to enlarge and improve higher education, a burst of imaginative experimentation and many changes in our conventional educational practices—changes comparable to the technological revolutions in industry and agriculture.

TEACHERS, THE TOP PRIORITY

The most critical bottleneck to the expansion and improvement of education in the United States is the mounting shortage of excellent teachers. Demand for high quality manpower have everywhere been mounting, but colleges and universities have found themselves at a growing competitive disadvantage in the professional manpower market.

Our Nation, like the prodigal farmer, is consuming the seed corn needed for future harvests. The ultimate result could be disaster.

Salaries must be raised to restore teaching to a competitive position in the professional labor market comparable to that which it occupied before World War II would require an average increase in faculty salaries of something like 75 to 80 percent. And to maintain this position, once restored, would probably require by 1970 an average rise of 100 to 125 percent above present faculty salary levels.

The plain fact is that the college teachers of the United States, through their inadequate salaries, are subsidizing the education of students, and in some cases the luxuries of their families, by an amount which is more than double the grand total of alumni gifts, corporate gifts, and endowment income of all colleges and universities combined. This is tantamount to the largest scholarship program in world history, but certainly not one calculated to advance education. Unless this condition is corrected forthwith the quality of American higher education will decline. No student and no institution can hope to escape the consequences.

EXPANDING EDUCATIONAL OPPORTUNITY

Each year some 200,000 of the ablest young people fail to carry their education beyond high school due to lack of motivation, proper guidance or financial resources or to discriminatory barriers.

Closing the door of educational opportunity to any young person because of race, creed, origin, or sex is manifestly intolerable under the democratic principles upon which the United States is founded, and the committee urges every American, as a matter of high moral obligation, to work toward the abolition of such barriers wherever they exist.

The committee estimates that at least 50 percent of all high-school graduates could benefit from some type of formal education beyond the high school. The proper policy for the Nation in the coming decade is to balance increased support of colleges with a steady strengthening of student-aid programs, giving priority to students of highest ability. Such student aid should take a variety of forms: loans, jobs, and direct scholarship grants.

The committee [also] recommends that the Federal revenue laws be revised, with appropriate safeguards, in ways which will permit deductions or credits on income tax returns by students, their parents or others who contribute to meeting the expenditures necessarily incurred in obtaining formal education beyond high school; and, further, that provisions be included which will grant proportionately greater tax benefits to those least able to afford those expenditures.

Help through scholarships is presently grossly inadequate. The total available—roughly $60 million per year—is about one-tenth of what would be required to provide, say, a $750 scholarship for 4 years to some 200,000 of the ablest and neediest high-school graduates annually.

The committee is encouraged by the marked recent expansion of scholarships supported by private foundations, corporations, labor unions, service clubs, individuals, and by State and local governments. There is need for much further expansion, both at the graduate and undergraduate level. If these programs should later prove to be inadequate, the committee believes a Federal scholarship program to fill the gap is inevitable. Right now, however, it seems likely that the Federal Government can help most in other directions.

PROBLEMS OF FINANCING HIGHER EDUCATION

The committee believes that State governments, and in many cases local governments, can and should increase substantially their financial support of higher education. The committee also recognizes, however, that some of the present forms of Federal support must also be continued and certain new forms provided. In the competition for State dollars, education is presently at a severe disadvantage in relation to such other claimants as hospitals and highways for which the Federal Government matches State appropriations at attractive ratios.

The committee recommends that a new program be developed of Federal grants-in-aid on a matching basis, through procedures similar to those in the Hill-Burton hospital program, to assist both public and private nonprofit institutions of higher education to construct needed non-income-producing facilities.

The Federal revenue laws [should] be revised in ways which will even more strongly encourage larger contributions from more individuals to private and public nonprofit higher education institutions.

TOOLING UP THE FEDERAL GOVERNMENT

Over the last 100 years many Federal programs have evolved ranging from the land-grant college program in Lincoln's day to the more recent GI bill of rights, National Science Foundation programs, international education programs, public-health fellowships, and a host of others.

There is little evidence that any of these has led to undue Federal interference.

Post-high-school education is local in fact and national in its consequences. In this respect it does not differ from agriculture or commerce or industry. The farmers and the businessmen are much better served by their Government, nor would they tolerate the deficiencies in informational and planning assistance that are experienced by the educational community—which includes all citizens: Educators, students, parents, and employers.

The United States Office of Education is underfinanced, understaffed and inadequately organized to carry out all of its important responsibilities. [There is] an astounding lack of accurate, consistent, and up-to-date facts, and this Nation knows [little] about its enormously vital and expensive educational enterprise in contrast to how much it knows, in great detail, about agriculture, industry, labor, banking, and other areas. We speak not of those difficult facts about education which can only be dug out by painstaking research but of those which are as susceptible to prompt and regularized reporting as steel output in Pittsburgh, potato prices in Maine, bricklayers' wages in Houston, hogs slaughtered in Chicago, and bank loans in San Francisco, all of which are reliably reported every month or every week by various Federal agencies. Until the gross deficiencies in educational reporting are remedied, all advisory work, all research, all educational planning throughout the country and all efforts by individual States, communities, and institutions to devise effective actions will be severely handicapped.

The committee therefore recommends that the Office of Education give its priority attention to developing plans for an efficient factfinding and reporting service, using the most advanced technique already in common use in other fields of national interest, with the aim of supplying the Nation with a continuing flow of reliable and up-to-date information about conditions and trends in education; and we urge that such plans, including the estimated cost of carrying them out, be completed in time for presentation to Congress in 1958.

The committee [also] urgently recommends that the President authorize and direct the Secretary of Health, Education, and Welfare to develop for his consideration specific proposals on the best means for assuring (1) that such planning, evaluating, and coordinating responsibilities will be carried out; (2) that there will be a continuous and orderly review and development of the national and intragovernmental aspects of education, by means which involve laymen and educators from outside the Government; and (3) that the American people will be regularly informed of important trends, prospects and the overall state of education in this country.

In the light of the serious national and international problems that require the United States to be educated to its full capacity, the occasional appointment of temporary committees is inadequate to deal with the needs for national leadership and coordinated Federal activity in the field of post-high-school education. The committee believes that permanent machinery should be created, with provision for broadly representative lay and professional advisers, to keep under continuous scrutiny all Federal programs affecting education beyond the high school and to advise the President and the heads of appropriate Federal agencies with respect thereto.

Mr. CLARK. Naturally, the part of the report which will be of greatest interest to Members of the Senate is that dealing with the field of Federal aid to education. The report states—as appears at greater length in the memorandum just made a part of the RECORD—that some forms of Federal support must be continued, and certain new forms provided.

The report points out that over the past 100 years many Federal programs have evolved, ranging from the land-grant college program in Lincoln's day to the more recent GI bill of rights.

It states that the United States Office of Education is underfinanced, understaffed, and inadequately organized to carry out all of its important responsibilities.

The report further points out our great need of adequately trained and properly paid teachers. In my judgment, State and local governments are going to be unable to provide the practically doubling of salaries which will be necessary in the next 10 years in order to insure the obtaining of properly trained and qualified teachers.

We have had before the Senate during the entire session important bills dealing with the problem of Federal aid to education. I regret very much that it has not been possible even to have hearings on those bills before the Committee on Labor and Public Welfare. I hope some of my colleagues will take note of the situation, and that when we return in January an earnest effort will be made to bring out of committee and put through the Senate an adequate Federal-aid-to-education bill which will show our awareness of the importance of this subject.

SALES OF SURPLUS PROPERTY

Mr. WILLIAMS. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a report compiled by the General Services Administration showing the net proceeds received from the sale of surplus property in the United States which amount was deposited in the United States Treasury.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

GENERAL SERVICES ADMINISTRATION,
Washington, D. C., July 11, 1957.

Hon. JOHN J. WILLIAMS,
United States Senate,
Washington, D. C.

DEAR SENATOR WILLIAMS: There is enclosed, as requested in your letter of June 21, 1957, statement reflecting net proceeds from the sale of surplus property in the United States which were deposited in the United States Treasury for the periods indicated.

Sincerely yours,

FRANKLIN G. FLOETE,
Administrator.

Schedule of net proceeds, sale of surplus property in the United States deposited with United States Treasury

July 1, 1945, to June 30, 1946	$524,125,583.39
July 1, 1946, to June 30, 1947	1,097,557,715.79
July 1, 1947, to June 30, 1948	624,694,503.91
July 1, 1948, to June 30, 1949	284,263,769.89
July 1, 1949, to June 30, 1950	142,115,287.03
July 1, 1950, to June 30, 1951	135,062,641.32
July 1, 1951, to June 30, 1952	68,440,291.68
July 1, 1952, to June 30, 1953	37,385,224.39
July 1, 1953, to June 30, 1954	51,456,357.62
July 1, 1954, to June 30, 1955	67,472,309.92
July 1, 1955, to June 30, 1956	140,411,451.56
Total	3,172,985,436.70

CONSTRUCTION OF STADIUM IN THE DISTRICT OF COLUMBIA—CONFERENCE REPORT

Mr. BIBLE. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1937) to authorize the construction, maintenance, and operation by the Armory Board of the District of Columbia of a stadium in the District of Columbia, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). The report will be read for the information of the Senate.

The legislative clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1937) to authorize the construction, maintenance, and operation by the Armory Board of the District of Columbia of a stadium in the District of Columbia, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, and 3; and agree to the same.

ALAN BIBLE,
J. ALLEN FREAR, JR.,
J. GLENN BEALL,
Managers on the Part of the Senate.

JOHN L. MCMILLAN,
OREN HARRIS,
OLIN E. TEAGUE,
SID SIMPSON,
JOSEPH P. O'HARA,
Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. BIBLE. Mr. President, the House has receded from its disagreement to the amendments of the Senate, and agreed to them. Therefore the report is the same as the bill which the Senate passed on August 9, 1957.

Mr. President, I move that the Senate agree to the conference report.

The motion was agreed to.

Mr. MANSFIELD. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, is morning business concluded?

AUTHORIZATION FOR APPROPRIATIONS FOR THE ATOMIC ENERGY COMMISSION

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed, and the Chair lays before the Senate the unfinished business, which will be stated.

The LEGISLATIVE CLERK. A bill (S. 2674) to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes.

THE CIVIL-RIGHTS BILL

Mr. JAVITS. Mr. President, I had in mind making a few remarks on the civil-rights bill before the Senate proceeded to the consideration of the unfinished business. Through the kindness of the acting majority leader, even though the unfinished business has been laid before the Senate, I am able to make these remarks.

The civil-rights bill is now before the House of Representatives and normally there would be no occasion for addressing myself to it here, at this time, but there are two points of major difference which compel me to speak now; first, the session is drawing to a close and there is the question as to whether to press for a bill now or to wait until we return; in this question of timing the Senate, too, has a part; and second, when the bill left here it was widely recognized by the majority of those who supported it that it had to be and would be amended in the other body, therefore those who voted "aye" have a direct interest in the bill's progress in the House of Representatives.

Mr. President, we have a rather important and historic question to consider. After 80 years we have progressed to the point where a civil-rights bill may be enacted. It is my deep conviction that the time to do that is now, and that we should stay in session and not adjourn until that is done, and that the amendments which are essential should be accomplished either by House-Senate conference or by direct amendment action in each body, but it definitely should be done at this session and before Congress adjourns.

Mr. President, I have taken great pride in the fact that the passage of a civil-rights bill in the Senate and in the House of Representatives is a triumph of bipartisanship.

I likewise express great concern with respect to any implication that bipartisanship is not being indicated by what the other body is frank enough to do, and that is to stand up for its version of the bill. The other House has a perfect right to express its conviction upon the subject, as it has done, just as this body has a right to do it. I hope that, in the process, we will not obscure and perhaps damage the effort to reach a dearly fought-for objective.

In addition to the opportunity now presented for a bill, our national and international situation demands one. Explosive pressures demanding an end to segregation and discrimination on grounds of color, race, or creed, especially in the South are high. This morning's newspaper reports tell of beatings in a southern State, which recall Ku Klux Klan activities and the kind of violations which we had hoped were certainly out of date in our country.

These pressures have been brought on by the general attitude of the country favoring equality of opportunity for all; by antidiscrimination laws in many States, including my own State, which are compared with practices of segregation in the South; by the Supreme Court's decisions in the public school education, bus, golf course, recreation park, and other cases declaring separate but equal facilities to be an evasion of constitutional guarantees of equal protection of the laws; by the coming of industrialization to large areas of the South, bringing new relationships and changing the social order; and by the opening up of higher education facilities there to Negroes by force of law and otherwise in the last decade. Unless Federal law recognizes and affords legal means for safeguarding civil rights these pressures to obtain them can cause difficulties. The Montgomery bus boycott and the Florida church bombings are both evidences of the dangers.

Internationally, our position of enforced segregation against Negroes in the South is becoming completely untenable. The so-called uncommitted nations still in the Free World with a population of over 1 billion who are yellow or black will simply not abide go-slow processes which maintain segregation and discrimination on grounds of color in our own country. The international stakes in peace and success in the fight against communism are just too high to jeopardize by condoning practices which lag decades behind the onward march of our country.

I deeply believe that the parliamentary and political situations are so exactly balanced that there is a real inducement for all concerned to have a civil-rights bill now and that it can be obtained. The determination expressed both in the Senate and House of Representatives on key votes like those to make the civil-rights bill the pending business in the Senate and against the jury-trial amendment in the House demonstrate that some achievement can be recorded now. There has been a most extended and great debate on the civil-rights issue. People are thinking about it now and have an opinion. The time to act is now rather than later, when the issue may have been diverted into some other channel or when public interest has either slackened off or become the subject of really violent controversy. I see a better chance for completing action on a bill now than in 1958.

This brings us to the final question of the need for amendment of the Senate passed bill. There is no question about the fact that the bill has a practically fatal legal defect. It makes the jury trial in criminal contempt cases applicable to a minimum of 28 and a maximum estimated as high as 40 Federal statutes in cases resulting from equity decrees where the United States is the party complainant, thereby drastically changing existing law. It also limits punishment in such cases for individuals to a maximum of $1,000 fine or 6 months in prison. Application of these provisions to the Federal antitrust laws, security laws, Fair Labor Standards Act, National Labor Relations Act, Clayton Act, and other Federal statutes. The large economic interests involved in such cases compared to the maximum limits of punishment contained in the jury-trial amendment and the complexities of the situation which would have to be presented to juries could well bring about a breakdown in law enforcement. Indeed, the Department of Justice is strongly opposed to these provisions for those reasons.

It has been argued, for example, in respect to the antitrust laws that if we do not like the jury-trial amendment and there is a criminal contempt committed, a new antitrust suit could always be started. That is hardly the answer. It is hard and costly to obtain an antitrust decree in the first place, and finally to accomplish nothing seems to me to be a complete frustration for the Federal Government in such cases.

The argument that there have been relatively few such criminal contempt cases in enforcement of these statutes is invalid. First, there is the deterrent power of effective law enforcement. But even more because there is no reason for stretching a civil-rights bill to deal with situations it was never designed to meet just because we are too inflexible to turn out a measure which does not wreak havoc with other laws we have not really considered or desire to affect. For example, consider the limitation of $1,000 on the fine imposed by this amendment for criminal contempt proceedings resulting from the violation of an antitrust decree. The Department of Justice has given three instances where fines in such cases were many times the $1,000 limitation proposed within the last few years:

First. *United States* v. *J. Myer Schine et al.* (WDNY, Crim. No. 6279–C, decided Dec. 27, 1956).

Second. *United States* v. *Gamewell* (95 F. Supp. 9).

Third, *United States* v. *Western Pennsylvania Sand and Gravel Association et al.* (Crim. No. 13855, WD Pa.).

Also there is a glaring inconsistency between the maximum fine for violation of the antitrust law, the Sherman Act, which Congress made 50 times this $1,000 figure when in 1955 it increased

the maximum fine under the Sherman Act from $5,000 to $50,000.

That is 50 times the $1,000 fine contained in the jury-trial amendment; yet we are saying that for violating an antitrust decree the punishment shall be one-fiftieth of what it is for violating an antitrust law. I think that is ridiculous. It makes no sense to me.

It is certainly no answer to say that where an antitrust decree has been violated, instead of a criminal contempt the Government has the option of bringing a new antitrust case. This would mean that antitrust decrees so hard and so costly to come by for the Government accomplish nothing. Also often the violation of an antitrust decree which provides for permanent acts to undo a wrong which has been done in stifling competition would not of itself constitute violation of the antitrust law. In such a case, a defendant guilty of criminal contempt would be subjected to a slap on wrist if this joint amendment went through with only a $1,000 fine in sight.

There is no question about the need for an effective bill to safeguard voting rights, and to attain an effective bill would mark a real step forward.

There is and has been major denial of both voting rights to Negroes in Southern States, and particularly in the Deep South, and it is going on right now. The controversy regarding the systematic denial of voting opportunities to Negroes residing around Tuskegee Institute, coupled with the gerrymandering of the whole area, when at long last the white light of publicity threatened to get them the vote in Tuskegee, itself is current and strong proof of these assertions. There, by gerrymandering a whole area around the city of Tuskegee, the right to vote has been denied to the most educated kind of Negroes, those who work or attend Tuskegee Institute.

Indeed, the Governor of a neighboring State, Mississippi, makes no bones about it. His statements have been widely referred to in the debate here. On June 21, 1957, he is reported in the State Times, of Jackson, Miss., to have said:

> I do not think Negroes are ready to vote in Mississippi at this time.

The record is replete with other examples. They range from the systematic striking from the voting registry of some thousands of Negroes in Louisiana parishes in the 1956 election, and resultant refusal of the grand jury there to indict under Federal statutes, to a whole catalog of subterfuges and strategems to deprive Negroes of the right to vote in Alabama, Mississippi, Georgia, South Carolina, Florida, and other Southern States. Indeed, we have seen the development of the antibarratry statutes in the States of Georgia, South Carolina, Mississippi, Virginia, and Tennessee, and still spreading, with a design to cut off a person whose civil rights are endangered from suing on his own behalf, through denying him the help of other persons or organizations in the litigation. For the facts in regard to that development, we are deeply indebted to the Senator from Illinois [Mr. DOUGLAS]. Those facts show how an ironlike vise was being clamped upon many of the people, by the denial of the opportunity to enforce civil rights, including voting rights, in the States which have passed those laws.

All of us have spoken far less in anger than in sadness about these matters. I entirely approve of the tone of the debate which took place, and I agree that it was constructive. But the facts necessarily remain; and what is sought is the enactment of legislation in answer to the facts.

So, Mr. President, although the tone throughout the debate has been properly objective and dispassionate, nevertheless we should not be blinded by that to the intensity of the need for the enactment of the legislation proposed.

However, the bill as passed by the Senate does not even safeguard voting rights; that is the case by virtue of the jury-trial amendment. I believe that the other body, which voted down the jury-trial amendment, has a perfect right to endeavor to work out some compromise in that situation. The other body does not simply have to take it or leave it. I do not consider that the standard of taking it or leaving it is the proper measure of whether one is devoted to civil rights or whether one is not devoted to civil rights. I think a valid position can be taken on either side.

But, Mr. President, self-respect and the fact that the other body acted in a way very different from the way the Senate acted, should allow for some compromise in this situation.

I myself believe that the area of compromise in respect to the jury-trial amendment, even when it relates only to voting rights, extends as far as the following: I believe the jury-trial amendment should be made applicable only and exclusively to third parties, who are not parties to a suit, but who have interfered with the court's decree; and it should not be made applicable to local election officials who have a wide discretion under their State laws. I maintain that the injunction decrees issued by the Federal courts will have to go along with the State laws, if they are to be valid; and that the avoidances and stratagems already practiced to deny Negroes their voting rights show what we may expect in this field, especially with officials acting under the color of State authority, and with the full backing of their home communities, in denying the voting right, which has been so successfully denied for generations in so many places.

Therefore, Mr. President, I believe that a proper agreement would have to confine the jury-trial amendment to third parties who are not parties to the decree, but who conspire to defeat the carrying out of the decree, rather than to have the jury trial applied to election officials themselves.

Second, assuming that some area of agreement can be found in order to limit the application of the jury-trial provision, assuming it applies in the case of this act alone, in the way I have just described in respect to the parties, there should also be an amendment to part III, which has been completely stricken from the Senate version of the bill, notwithstanding its inclusion in full in the version of the bill passed by the other body. The Senate version makes no provision for the whole body of civil rights, other than voting rights, beyond what is the law today, except that they will be investigated by the Commission to be established under the bill. This is so under the version of the bill passed by the Senate, even where there is a request from the duly constituted governmental body which may seek the intercession of the Attorney General—that is the famous Hoxie case—or when the Commission authorized by the bill may itself request the Attorney General to enter into a particular situation. That is not covered by the bill.

When we consider the very elemental rights—such as the right to serve upon a jury, the right to have a fair trial, and, generally, the right not to be intimidated or coerced in pursuing one's civil rights as an American citizen—rights which were sought to be protected by what was part III—I believe that at the very least we should look with favor upon some compromise to allow a demand that the Attorney General intercede, when a constituted governmental body or when the Civil Rights Commission to be established under the bill is involved, or where there is a conspiracy by individuals who seek to defeat the action of a local governmental body, which is in line with the amendment proposed by my friend and colleague, the Senator from Kentucky [Mr. COOPER].

Mr. President, the bill as passed by the House of Representatives did not establish any new civil rights. It only provided a means for the enforcement of existing civil rights, because the existing methods—prosecution for crimes, suit for damages by the individual aggrieved, and suit for injunction by the same individuals—had been found inadequate. As a matter of self-respect on the part of the Congress itself, and in response to the case built up before the Congressional committees and in the Congressional debates for the safeguarding of these other rights, in addition to voting rights, the House of Representatives cannot be asked to forgo them, to forgo the action it took, merely because all of us want to go home by August 24.

If it is at all possible, we also need, in this connection, to find a way to deal with the provisions of section 102 (g) of the bill, which some news media believe may subject them to criminal penalties for the disclosure of information about any executive-session testimony before the Civil Rights Commission which is created by the bill. This may prove difficult, inasmuch as both bodies voted for the inclusion of the same language; but it should be tried, if it is at all possible, so that the bill may be as nearly complete as possible.

Mr. President, I should like to commend the distinguished majority leader, who, I notice, yesterday made a statement that an effort would be made, by means of a joint resolution, as soon as the bill became law—in whatever form the bill became law—to deal with that question, which is disquieting to the news media.

Finally, Mr. President, for the reasons I have stated, I believe a Senate-House conference on the civil-rights bill or the adoption of the needed amendments by other procedures which are available to the friends of civil rights in the other

body, to be essential; second, that we should remain here until this work is completed and until the bill is finally passed and is signed into law; and, third, I express the hope and the expectation that all who are devoted to civil rights will not divert their time and energies to calling others who are equally devoted to civil rights, names, regardless of their party, or to impugning their good faith.

I have a deep conviction that the coalition which passed the bill in this body and which passed the bill in the other body will bring about the enactment of a civil-rights law, if it is permitted to remain intact.

I shall use my best efforts in that respect, in all deference, in the spirit of cooperation and the willingness to distribute the credit and commendation which have characterized the debate in this body, in endeavoring to see to it that we stand together at this time, before the session ends, in producing a civil-rights bill.

Mr. BUSH. Mr. President, will the Senator from New York yield?

Mr. JAVITS. Mr. President, I yield first to my colleague, the Senator from Illinois [Mr. DOUGLAS], if the Senator from Connecticut will permit me to do so. The Senator has been a great leader in this fight.

Mr. DOUGLAS. Mr. President, I wish to commend the Senator from New York for a very excellent suggestion which I think constitutes a minimum basis upon which an acceptable civil-rights bill can be passed by both Houses.

As the Members of this body know, both the Senator from New York and I—as well as most other longtime supporters of civil rights—greatly prefer the version of the bill which came to the Senate from the House of Representatives, as compared to the obviously weakened version of the bill which was passed by the Senate.

The House bill provided for preventive relief against the denial of other important constitutional rights besides voting rights. It supported the historic decisions of the Supreme Court with a moderate new legal remedy. It avoided the obstruction of a jury trial in contempt proceedings where such trials have never had a proper place.

Now efforts are being made to compel the House of Representatives to accept the watered-down Senate version of the bill; and it is said that if the House does not do so, that will be an indication that the House is lacking in the spirit of cooperation and is lacking in the desire to have an effective civil-rights bill passed. In other words, it is being held out to the Congress and to the country that those who oppose the Senate version of the civil-rights bill are obstructionists.

Mr. President, I do not think that is true. I believe that the Senate should not compel, or try to compel, the House of Representatives to accept the Senate version of the bill as it now stands. The House of Representatives registered its feelings on this matter by very large votes. It beat down, by large majorities, the jury-trial amendments which were offered. It passed the bill with a meaningful part III to protect many constitutional rights by a better than 2 to 1 vote.

The two Houses are coordinate in importance. It seems to me that if there is to be a meeting of the minds, if there is to be an attempt by reasonable men—men with equal legislative responsibilities—to make an adjustment, it must be reached by a process of mutual give and take.

Thus far in the debate and the votes the process of give and take has been one in which, essentially, the friends of civil rights have given and the opponents of civil rights have taken. But in my judgment, in any fair exchange there should be concessions from the Senate, in addition to the concessions which are being demanded of the House of Representatives.

The Senator from New York [Mr. JAVITS] has made a very interesting proposal, which I believe is a minimum. He is proposing, first, that the jury-trial amendment provisions be confined to voting-rights cases under this bill, instead of applying across the board to approximately 38 statutes, as is now the case under the Senate version of the bill.

In the second place, the Senator from New York is proposing that instead of completely eliminating the substance of part III of the bill—as is done by the Senate version of the bill—it be partially restored, namely, that the Attorney General be permitted to file suits for preventive relief in cases where his help is requested by a local governmental authority or by a State which is being obstructed in granting equal protection of the laws. This is the Hoxie, Ark., case.

Those suggestions are fully in line with, although they do not go nearly so far as, the provisions of the bill as passed by the House of Representatives, because the House version of the bill gave the Attorney General the power to intervene, not merely when he was requested to do so by local authorities, but also when requested by private citizens, and, third, upon the initiative of the Attorney General himself.

The Senator from New York is proposing to strip this down to its bare minimum, namely, to permit the Attorney General to intervene by filing a suit for an injunction when he is requested by a local authority—for example, when a school board wishes to abide by the law, as declared by the Supreme Court, and to integrate, but when either mob violence is preventing it or when an action on the part of the State itself is contrary to the action contemplated by the local group.

It seems to me that this is the minimum basis upon which a settlement should be made. It represents a very substantial concession from the House bill, which bill we consider essential and far to be preferred. I think that with this very statesmanlike offer on the part of the Senator from New York, a great responsibility is thrown upon the leaders of both parties in the House of Representatives and in the Senate to deal with this matter on the basis of what is clearly needed to maintain constitutional rights and human dignity, and not merely on the basis of negotiations dominated by repeated threats of a Senate filibuster.

Groups which turn down this proposal, I think, can very properly be regarded as not cooperating in the attempt to secure the passage of a meaningful civil-rights bill.

To justify a weak and ineffective compromise, some recite the old adage that "politics is the art of the possible."

In this situation I believe it is more accurate to state that the politics of obstruction to civil rights is the art of making the good seem impossible.

The Senator from New York throughout the debate has shown great statesmanship and admirable public spirit. I wish to commend him and pledge my support, for whatever it is worth, in the effort he is making.

Mr. JAVITS. I desire to add one other specification to those named by the Senator from Illinois, namely that I am proposing that the jury-trial amendment be applicable only to third parties interfering with the decree, and not be applicable to election officials who are the direct parties to the decree.

I thank the Senator from Illinois. Again may I say if the same spirit which has been shown by him—and I am glad to hear him say it has been shown by me—prevails, and party recriminations are avoided, which we have avoided up to now, but of which I begin to hear whisperings, we will succeed in resisting the pressures, as we have been successful in doing up to now.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. JAVITS. I yield to the Senator from Connecticut, and may I say to him he has been a stalwart fighter in this struggle. I think the fight he has put up will long be remembered in our country.

Mr. BUSH. I thank the Senator for his overly generous and I think somewhat undeserved comments about me. I have listened to what the Senator has said, and I should like to observe that in recent days we have seen extraordinary pressures being exerted upon the House of Representatives to accept the crippled civil-rights bill which a strange coalition among Democrats forced upon the Senate.

These pressures demonstrate that the radical wing of the Democratic Party may be more interested in political prestige and power, and in patching up the split within their party, than in giving effective protection to the voting rights and other civil rights of millions of Americans.

This campaign for a watered down civil-rights bill apparently resulted from a secret meeting in Room F-41 of the Capitol, which was reported in this week's Time magazine. Among those attending the meeting were Vice Chairman Joseph Rauh, Jr., of Americans for Democratic Action, and spokesman for Walter Reuther and James Carey of the CIO.

At this meeting, representatives of organizations long interested in civil rights were persuaded to retreat from their former positions and endorse the

weak Senate bill. Time comments, appropriately, that such a retreat "would have been called betrayal short months ago."

It is a matter of regret to many of us who have fought for a strong civil-rights bill that Roy Wilkins, executive secretary of the National Association for the Advancement of Colored People, and others genuinely interested in effective legislation have been misled by this calculated political maneuver.

I hope that the House of Representatives will continue to resist these political pressures and send the bill to conference.

I thank the Senator from New York for yielding to me.

Once again I want to say how much I have admired the tenacity and sagacity with which he has dealt with this serious and important problem over the period of the past few weeks.

Mr. President, I ask unanimous consent that an editorial from the Hartford Courant of August 15, 1957, be printed in the RECORD at the conclusion of the remarks I have just made.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE POLITICAL QUESTION OF HALF A LOAF

Is half a loaf better than none? This is the question of civil rights. The legislation that now lies in the hands of the House, awaiting conference and agreement, perhaps compromise, is not satisfactory. It does not guarantee the right to vote with the full force of the Government. It opens ways for continued evasion of the Constitution by the South, so that Negroes may be denied full civil rights.

At this point, it looks as if the President will veto the bill if it should reach him in its present form. Some Republicans, including Minority Leader JOSEPH MARTIN, prefer no measure to the one the Senate passed. It has widespread ramifications. If the jury trial is interposed between a judge and the execution of his orders in criminal cases, it may have a serious effect on antitrust cases, and the handling of matters by quasi-judicial agencies.

Because the bill is the first step forward in 80 years on the matter of civil rights, others are more willing to accept what it has to offer. A Commission on Civil Rights, such as the bill establishes, could bring out a more solid basis for future action, they argue. A new Assistant Attorney General would have more power to act. And the bill recognizes the constitutional rights of a Negro to vote, while providing some tools to help them do so, in the words of organizations that have basically accepted the measure.

No one prefers a campaign issue to progress on civil rights, and the American public will generally agree with President Eisenhower that a person's constitutional rights should not be bartered against the national security, as some have suggested in proposing a deal on foreign aid. For the time being, the southern bloc has succeeded in hindering the march of progress, with the aid of such northern Democratic Senators as JOHN O. PASTORE, of Rhode Island, and JOHN F. KENNEDY, of Massachusetts. But the House, which passed a strong measure originally, will more truly represent the temper of the American people if it insists upon the strongest practicable measure in the search for a compromise that lies ahead.

Mr. CASE of New Jersey. Mr. President, will the Senator from New York yield?

Mr. JAVITS. I yield to the Senator from New Jersey.

Mr. CASE of New Jersey. I want to express my appreciation to the Senator from New York and to the Senators who have joined with him in this colloquy. It was very necessary to have said at the present time what he has said.

I should like to make this point. Perhaps it has not seemed this way to anybody else, but to me it has seemed exceedingly strange that throughout the whole effort to secure civil-rights legislation, so many persons connected with the Congress and so many observers of the Congress have had a tendency to regard the effort either as politically motivated or as a kind of game of wits.

Mr. President, I should like to point out that neither one of those attitudes, in my judgment, in any way represents the issues or the basic situation here involved.

Those of us who have been pressing this fight feel more deeply than we can say that we are dealing with the greatest moral issue of our times. The effort is not something to be represented as a sporting event, where maneuvering and jockeying are applauded, where cynical deals are regarded as smart, and all kinds of trades can be made to gain a point.

What is at stake is the question of whether the United States of America lives up to its basic ideals, to the ideals that are ours because of our history, including the tradition of equality, which is the basis of American society, the reason, and the only reason, why we have been able to prove that a democracy can exist in this complex modern world. We are dealing with the most conspicuous instance where we have failed, and in a crucial way, to live up to our ideals.

We should cease looking at this struggle either as having a base political motivation or as a kind of game. Not only is the moral issue paramount, Mr. President, but the whole question of the position of our country in the world today, its leadership in the present fight against communism, its leadership even if communism were not an issue, the issue of eventual survival of decency and the kind of civilized life for which we stand, are also at stake. This is not a laughing matter. This is not to be treated as a kind of performance for the amusement of the people of the country.

Mr. President, there has been too much of that kind of attitude. I, for one, and I know those who have supported this effort on the floor will join me completely, want to protest against that kind of attitude, and, if we can, attempt to change to the right one, the reflection that is given of this effort to the people of the United States.

We who have been supporting the fight do not think we are holier than anyone else. We believe that, fortunately for us, we are in a position where we are not hampered by the kind of restrictions which are hampering others, through no fault of their own, but, nevertheless, they are very hampering restrictions indeed. So it is up to us to do our best to bring about an improvement in this situation, not in any "holier than thou" sense at all, but in an attempt to be really helpful, which attitude I think has marked our course throughout the whole civil-rights debate.

There was no partisanship on the part of those who favored the legislation—none whatsoever. I venture to say, and I think he will agree, that the Senator from Illinois [Mr. DOUGLAS], for example, never at any time has been uncomfortable about the association we have had in this effort.

Any attempt to bring about partisanship has not come from either party, but from those who have attempted to debase our effort because they are opposed to any attempt to bring about a solution of the problem.

We do not take an adamant position, for any reason. In the present situation I firmly believe there should be a reasonable compromise between the bill as passed by the House and the bill as passed by the Senate. We do not believe such a compromise involves a surrender by one body of Congress to the other, whether it be the Senate to the House, or the House to the Senate. We do not believe any of us should be obliged to act under a threat, which is always just below the surface, of tying up the Senate and the House for an indefinite period on a civil-rights bill. The effort to force action under such a threat is not based upon a moral position. Such an effort is unjustified, and should have no effect whatever on our efforts to reach a reasonable compromise.

It is the duty of the Senate and of the House to attempt to compromise on some measure which is half way between the positions already taken by the two bodies. It is our duty under the Constitution to do this, because it is our duty to legislate, and particularly to legislate with reference to this field under the 15th amendment to the Constitution of the United States, which involves the protection of voting rights of American citizens.

The suggestions made by the Senator from New York for such a compromise certainly deserve the utmost consideration. They are intelligent, reasonable suggestions.

So far as the positions of the Senate and of the House are concerned, his suggestions certainly come nearer to meeting the position of the Senate than the position taken by the House. This fact should demonstrate there is no spirit on the part of proponents of civil rights of all or nothing. The all-or-nothing position is taken by the other side.

Mr. President, I suggest that it is about time the American people be given the picture in its correct light and be told that we are dealing with a great moral issue. We are dealing with an issue deeply affecting the welfare of the Nation at the present time in relation to world affairs, its security, its position in history, and its survival.

I thank the Senator from New York for giving us the opportunity to express what we all deeply feel on this issue. I am sure he has made it more possible to bring about a resolution of the sort we ought to reach.

Mr. JAVITS. I thank my colleague, the Senator from New Jersey.

Mr. President, I should like to identify myself with the expression of moral

indignation which has been voiced. There has been too little moral indignation evinced in the entire civil rights debate. Somehow or other we have not made plain to the American people that a great moral issue is involved, and that those of us who are contending for civil rights are fighting for the conscience of our own country and the conscience of our own people.

Several Senators addressed the Chair.

The PRESIDING OFFICER. Does the Senator from New York yield; and if so, to whom?

Mr. JAVITS. Mr. President, I yield to the Senator from Kentucky [Mr. COOPER].

Mr. COOPER. Mr. President, I commend the Senator from New York [Mr. JAVITS] for his statement, and I also commend the statements made by the Senator from Illinois [Mr. DOUGLAS], the Senator from Connecticut [Mr. BUSH], and the Senator from New Jersey [Mr. CASE].

As I have said before, I believe all of us will agree that the debate on the civil-rights bill and the deliberations in the Senate were on a very high level. It was also a thorough debate.

For, at the time the bill came before the Senate for action there was a demand, I think a very rightful demand, from those who opposed the bill, and also those who supported the bill, that the House bill should be very thoroughly considered. And, out of its full consideration there developed in the country a larger appreciation of the purposes of the bill, and its scope. I respected the role of the Senator from Georgia [Mr. RUSSELL] in this matter.

There was no disagreement on the part of those who favored a civil-rights bill that there should be such full consideration and debate.

The bill, as amended by the Senate, has now gone to the House of Representatives. It seems to me unusual that it is now urged that the House should not have its opportunity to examine thoroughly, discuss, and consider the bill which was passed by the Senate. It seems to me that this is the least consideration which can be accorded the House; indeed, it is the right of the House.

I may say it is rather ironical that some of those who urged a thorough debate in the Senate do not now believe opportunity for consideration should be accorded to the House on the bill which was passed by the Senate.

It is also ironical that those who fought for an effective civil-rights bill should now be charged as obstructionists. And, if Representatives who supported a more effective bill now join a political chorus, that indeed is surprising and disappointing. I believe that the millions of our fellow citizens who have suffered a deprivation of rights do not feel the same way.

It is ironical that those who did not want a civil-rights bill of any kind should now be characterized as the producers of a bill. I say it is those who insisted on a bill affirmatively who made it, possible.

I do not desire to resort to partisanship in this matter, because I think the question is above partisanship. I simply urge that a reasonable opportunity be given to the House—indeed, to both Chambers—to consider the bill, to see if it is possible to develop a measure which might be more effective and acceptable to both Houses.

The suggestions made by the Senator from New York are reasonable, and deserve the thought and consideration of both the House and the Senate.

It may be, indeed I recognize, that after such consideration there may be no change. If there should be no change, and if the bill should return to the Senate in the form of a conference report, or should be accepted by the House in the form in which it passed the Senate, I am one who believes that the President should sign the bill and it should become the law. I think it does mark an advance in the whole field of civil rights.

I join with the Senator from New York, the Senator from Illinois, the Senator from New Jersey, the Senator from Connecticut, and other Senators who have spoken, in asserting that it seems to me this matter should be brought into proper focus, and that there should be an opportunity to determine whether the Senate bill is the bill which both the House and the Senate really desire as the expression of their views on civil rights.

Mr. JAVITS. Mr. President, I thank my colleague, the Senator from Kentucky, for his excellent contribution.

Mr. President, what has been said boils down to one point: Do we have a unity of effort which will carry through to the time when the bill has been signed, or have we each fractionalized our efforts in the respective Houses, and will we now, by impugning the motives of those who are fighting for what one of the Houses has passed, make an effort to destroy the whole which has now been created?

I deeply appreciate the conviction and moral indignation which have been expressed by my colleagues, and the fact that there is a concerted body of opinion here which is eminently reasonable but which will nevertheless continue the fight until an effective result is achieved.

Mr. HUMPHREY. Mr. President, I understand the Senator from New Mexico has the floor. Will the Senator from New Mexico yield to me?

Mr. ANDERSON. Mr. President, it is my understanding that the Senator from Minnesota desires to make a somewhat more extended statement than other Senators have made, and I ask unanimous consent that I may yield to the Senator from Minnesota for that purpose without losing my right to the floor.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Mexico? The Chair hears none, and it is so ordered.

Mr. HUMPHREY. Mr. President, first of all I wish to commend the Senator from New York [Mr. JAVITS] for his fine presentation today, as well as for his genuine sincerity in the forwarding of effective civil-rights legislation.

I wish to commend the other Senators who have joined with the Senator from New York—the Senator from New Jersey, the Senator from Kentucky, the Senator from Illinois, and the Senator from Connecticut—for the words they have spoken on behalf of an effective civil-rights program.

I should like to offer one or two observations, Mr. President, relating to this very important matter. Civil rights for all the American people, and the protection of those rights, is indeed a great moral issue. It is indeed a great international issue, in that our civil rights should be protected so that the American people and their Government can participate in the area of international politics with clean hands. All of this is a matter of fact.

I feel, however, that in discussing the civil-rights question at this rather late hour we must keep in mind what it is possible for us to attain. I firmly advocate that part III of the bill, which was deleted by the Senate, be restored in some part—a very limited type of restoration, to be sure—as described by the Senator from New York. This suggestion has been already proposed to the leadership in both Houses.

I personally went to the leadership during the past week with the proposal that a compromise involving a modification of part III of the bill, and a limitation of the jury-trial amendment to voting cases be entered into between the two Houses. I regret to say that I did not receive too much encouragement, but that does not mean that one should not take a stand in behalf of what is a legitimate and fair offer toward obtaining a compromise on civil-rights legislation.

The point I wish to emphasize is we must admit that, after all the struggle over the civil-rights bill in the Senate, knowing full well that those of us who were for the bill as it came over from the House lost much of what we sought to hold, there is still a good deal left in the bill.

I was impressed by an editorial in the Washington Post of Tuesday, August 13, entitled "Accentuate the Positive." I suggest to my friends on behalf of civil rights that we start accentuating the positive. Certainly it would be wonderful if we could have enacted the civil-rights bill as it came from the House. As I have previously stated, that bill was a very moderate bill in the beginning. Several years ago, when Mr. Truman was President of the United States, we considered that degree of civil rights to be the irreducible minimum. I must say most respectfully that we had little or no cooperation from the majority on either side of the aisle to pass such a bill. I put both sides of the aisle on the spot. There was no majority on either side of the aisle, even for that minimum legislation.

But even with that minimum of proposed legislation reduced, there is something to it that needs to be accentuated. As I have said before, this is the first civil-rights bill in some 80 years that has passed both Houses of the Congress. It has not been too difficult to pass anti-poll-tax bills or antilynching bills in the House. That has been done in other Congresses, but they always died in the Senate.

At long last we were able to pass a bill in the Senate which included within

it a Civil Rights Commission with subpena power. It included a Civil Rights Commission not only with the power of subpena, but the power to go into court to seek enforcement of its orders.

We were also able to obtain a provision for the creation of an Assistant Attorney General to enforce the civil-rights statutes. There are many civil-rights statutes in the public laws of the country which have not been enforced.

I have heard the Attorney General say, for example, that one of the reasons he did not prosecute voting cases, or cases involving the abridgement of voting rights, was that he felt he could not obtain convictions. That is his feeling; but the only way to find out whether it is possible to obtain convictions is to try to obtain them. With an Assistant Attorney General authorized and directed by the Congress of the United States to protect civil rights and to enforce the civil-rights statutes, I submit that at least the spotlight of public attention will be upon civil-rights statutes and civil-rights protections.

Finally, there are the voting-rights provisions in the bill. We should not underestimate the importance of having more than 70 Members of the United States Senate going on record for the protection of voting rights, as guaranteed by the 15th amendment to the Constitution. For the first time the Congress of the United States, in both bodies, has said unequivocally, with overwhelming majorities, that the voting rights of citizens are to be protected; that no interference is to be tolerated; no coercion, no violence, and no intimidation whatsoever are to be tolerated.

I repeat what has been said by learned lawyers. A Federal judge who has the will to protect voting rights can do it under the civil prosecutions procedures provided for in the voting-rights section of the bill. The use of the injunctive power in a civil suit can be effective.

Some have said, "Well, what happens when the time runs out, under a civil-contempt procedure?" I will tell the Senate what can happen. If the judge feels that there has been a violation of voting rights, he can impound the ballot boxes. There are many things judges can do and will do.

Furthermore, I think it is wrong to assume that a jury trial in a civil-contempt proceeding will necessarily result in the exoneration of those who are guilty. It may result in the exoneration of some, but I do not think it will result in the exoneration of very many.

So the United States Senate should accentuate the positive. I have waited for years for civil-rights legislation; but I am not going to kill the baby because it does not happen to be the cutest one in the nursery. This child may not be perfection. It may have its imperfections, but it is our child; and some of us have waited a long time for the breath of life to come to what we call civil-rights legislation.

So I plead with the leaders in both Houses to do what I suggested a week ago. If there seems to be a peculiar reason why there cannot be a regular conference committee, let us have an informal conference committee. I plead with the leadership in the other body and the leadership in this body to seek ways and means of coming to an agreement informally. If they can come to an agreement informally, it can be formalized through the Rules Committee of the other body, by an agreement to recede and concur with amendments, and the amendments can be drafted in advance. Thus we shall get a civil-rights bill.

I thank the Senator from Kentucky [Mr. COOPER] for what he said in reference to the President signing the civil-rights bill. He said very appropriately that even if the bill was only what the Senate passed, with some modifications, he wanted the President to sign it. I am sure that is the view of all of those who have worked in behalf of civil rights.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

The PRESIDING OFFICER. The Senator from New Mexico [Mr. ANDERSON] has the floor.

Mr. HUMPHREY. May we complete the continuity of this colloquy?

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from New York?

Mr. ANDERSON. I had yielded to the Senator from Minnesota. I have no objection to yielding to the Senator from New York.

Mr. JAVITS. Mr. President, I think the Senator from Minnesota has been one of the great leaders in this fight. He was a leader long before I came to this body. I think he came to the Senate before I became a Member of the other body.

We should not confuse the issue and lose sight of the great leadership and the accomplishments. I think we are agreed on certain points. Let me say to the Senator from Minnesota that if the bill passes both Houses with the jury trial amendment trimmed down so as to confine it to voting rights cases, and if the other House will accept that version, and that is the very best that can be done, I, too, will be in favor of the President signing it.

However, the point which the Senator from Minnesota is precipitating, and the point I wish to precipitate, is that the fight is not over. The other body has acted decisively. There is no question that in the Senate we lost very materially, but that is no reason why we should discourage Members of the other body, where the fight was won, by calling them retreatists or obstructionists, in an effort to discourage them from fighting for what they want in the House.

Mr. HUMPHREY. Mr. President, the Senator's speech was in the best of taste, and constructive. I again commend him.

Mr. President, I ask unanimous consent that the editorial to which I have referred may be printed in the RECORD at this point as a part of my remarks. It relates to what I consider to be the accomplishments thus far in the fight for civil-rights legislation.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Post of August 13, 1957]

ACCENTUATE THE POSITIVE

Members of the House who are sincerely concerned about inadequacies in the Senate version of the civil-rights bill need to consider the alternative. From every indication it would be impossible to obtain a stronger bill in this session of Congress. If the House were to insist on restoration of the curtailed section III or were to eliminate, rather than narrow, the jury-trial amendment, the great probability would be utter disagreement in conference. Realistically the alternative to acceptance of the Senate bill in substantially its present form would be to have no bill at all. This would hardly be a victory for principle, and any fancied political advantage in blocking the bill would evaporate quickly.

To their credit a number of civil-liberties champions on Capitol Hill and elsewhere—including labor groups as well as the National Association for the Advancement of Colored People—have recognized as much. They are arguing for House acceptance of the Senate amendments. This newspaper believes that is the proper course if a way can be found to narrow the jury-trial amendment so as to apply it only to voting-right cases. Also important is some reference in the legislative history or final report making it clear that the penalties for unauthorized use of testimony before the proposed civil-rights commission apply to leakage of information rather than publication by the press.

House Republicans and liberal Democrats who have doubts about the bill may find it helpful to review the positive aspects of the Senate version. Under the Senate bill the Civil Rights Commission would have broad authority, with subpena powers, to hold hearings, and publicize its findings. A new Assistant Attorney General would be appointed to specialize in civil rights and work for enforcement of existing laws. The Department of Justice could itself initiate suits on behalf of persons denied the right to vote. Federal judges would have substantial power to enforce compliance with court orders through civil-contempt proceedings, although criminal punishment—as distinct from mere enforcement—would require jury trials. The bill also would remove an artificial barrier against service by Negroes on Federal juries.

Admittedly, the emphasis in the Senate bill is on compliance rather than on punishment for disobedience. This is not to say, however, that the bill does not carry with it real compulsions. Among these are a very considerable moral pressure as well as the prestige of the United States Government. The fact that the enforcement provisions of the bill are concerned primarily with the right to vote can be an advantage, inasmuch as the school-segregation issue is being handled separately by the courts. Few responsible southerners will attempt to justify interference with voting rights. Thus the bill starts with the acquiescence, if not actual support, of all but the most extreme southern legislators. The fact that this acquiescence has been obtained without a bitter division can be, in itself, an important factor in encouraging compliance. And there is sound reason to think that respect for other civil rights will stem from the exercise of voting rights.

What is necessary at the moment, is for House Members to look at what the bill does, rather than what it does not do. When the positive features are measured against the alternative of no civil-rights legislation, they represent a material advance worthy of the support of conscientious men.

Mr. COOPER. Mr. President, I address my remarks to the statement made

by the Senator from Minnesota, referring to a statement which I had previously made today, that whatever may be the final action of the House and Senate, I hope the President will sign the bill.

I do not withdraw from what I said previously. There is an obligation to support sufficient consideration by the House. But upon the point of whether the bill passed represents an advance, I take the position that it is an advance. At the time the jury-trial amendment was being considered, I made it clear that my opposition to it was not based upon the argument used by some other Senators who opposed it.

Some of those opposed the jury-trial amendment on the ground that juries would not convict. I said in the debate that even if some juries did not convict, I was confident that, on the whole, juries would do their duty and, on the whole, would find verdicts on the law and the facts in any area of the country. My opposition was based on the principle that in equitable cases there was no constitutional or statutory right to jury trial where the United States is a party and there never has been such a right, but there were sound reasons for such a rule.

I wish to make another point upon which I believe I can speak with some personal knowledge. It may be that those who live in sections of the country outside the Southern States or the border State in which I live will not understand this point. There is a great respect in those States, as I know from my experience in my own State, for the authority and dignity of a United States court; and if the United States enters a case as the plaintiff, as would be true under part V of the bill, to enforce voting rights, its intervention would carry great weight upon public opinion, much greater, in my view, than if the plaintiff were an individual, and, in addition, the United States, as plaintiff, would have much wider scope for action and greater resources than any individual or group of individuals. The very fact that the United States is a party in issues which involve voting rights is alone of great influence and importance. I believe it will have its effect in leading opinion among people of those areas. I know something of the feelings of the people of those areas and their response to situations in which the United States is the plaintiff in an action.

Mr. HUMPHREY. I thank the Senator from Kentucky. I merely wish to conclude on this note. I was somewhat dismayed by comments relating to the organizations which have been supporting civil-rights legislation. The Senator from Connecticut felt that these organizations had retreated. I know of no organizations which have been more effective in promoting civil rights than has the National Association for the Advancement of Colored People. There is a no more stalwart champion of civil rights than Roy Wilkins, the head of the NAACP. The members of the great labor organizations of our country who have been steadfast in behalf of civil-rights legislation are not sunshine patriots.

If these organizations feel that some adjustment or some compromise can be worked out, and at the same time make a worthy advance in the field of civil rights, we should herald them rather than criticize them. These organizations are demonstrating what I would call political maturity. It is one thing for a handful of us to want more than we can get, but it is another thing for those who have grave responsibility to their people to be willing to find out what they can get, and then get it.

I have fought for many a lost cause in the Senate—I say lost only in terms of votes—and I will continue to fight for my own convictions, and not worry too much about whether I will get a majority on an issue. I submit on an issue such as civil rights, if the great organizations which have carried the banner of civil rights and civil liberties for decades are willing to make adjustments and compromises in order to secure some progress, the least we can do, those of us who are in the political arena, is to give them support and give them comfort and give them the kind of assistance they seek at this particular hour.

I now turn to another subject.

The PRESIDING OFFICER (Mr. CASE of New Jersey in the chair). The Senator from Minnesota has the floor.

THE SCHOOL-CONSTRUCTION BILL

Mr. HUMPHREY. Mr. President, I share a feeling of distress with many millions of American parents that the school-construction bill failed to pass the House of Representatives this session, despite the high hopes which we had that the President would lend the great prestige and weight of his office to the passage of the bill.

Instead, we saw only lukewarm and belated support by the President for his own bill, after all the magnificent promises of the much advertised White House Conference on Education. Again, the mountain has labored and brought forth a mouse.

Lest American parents be misled as to just what happened to their school bill this year, I wish to call their attention to a brief and direct letter on the subject addressed to the editor of the Minneapolis Morning Tribune by the able Congressman from the Fourth District of Minnesota, EUGENE J. MCCARTHY.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a letter from Representative MCCARTHY dated August 14, 1957.

There being no objection, the letter to the editor was ordered to be printed in the RECORD, as follows:

AUGUST 14, 1957.

EDITOR,
Minneapolis Morning Tribune,
Minneapolis, Minn.

DEAR SIR: I have just finished reading your editorial in the Minneapolis Morning Tribune of Friday, August 2, entitled "Why Blame Eisenhower?"

If you wish to excuse the President for his lack of enthusiastic leadership for the bill which was reported by the Education and Labor Committee, I suggest that you read carefully the CONGRESSIONAL RECORD on this debate.

At the time that the motion was made to strike the enacting clause, and thus defeat the bill, the House was considering a substitute offered by Congressman AYRES of Ohio. This substitute, according to Mr. AYRES' statement, was the Eisenhower program. Spokesmen for the Democrats in the debate announced that the Democrats were willing to accept this bill as a substitute. At this point the motion to strike the enacting clause was made and was, as you know, supported by a strong majority of the Republicans.

It is correct, as you say, that it was the Congress, not the President which killed the school-aid bill and within the Congress itself, it was a coalition of Republicans and southern Democrats. The President stood almost passively by while Republicans voted against the bill which he had vaguely endorsed and while they voted against further consideration of the Ayres bill which the President was for, and which contained the formula which the Republicans said, and the President said, in the last campaign was a necessary condition for the approval of a school-construction bill.

Sincerely yours,

EUGENE J. MCCARTHY,
Member of Congress.

THE WEST'S ACHILLES' HEEL

Mr. HUMPHREY. Mr. President, ever since the start of this year I have been endeavoring to focus public attention upon the urgency of developing sounder public policies for the utilization of one of our great national assets—our ability to produce food and fiber in abundance.

Because I was convinced that our abundance of food and fiber was a tremendous asset, rather than the liability it has often been made to appear, I have carefully studied how this abundance can best be used to serve our national interests.

That study has included personal observations on a trip abroad, plus detailed hearings over which I presided for the Senate Committee on Agriculture for an inquiry into operations of Public Law 480, the Agricultural Trade Development and Assistance Act.

The study is continuing, as I believe it is performing a useful service. It is my hope to have a comprehensive review and report ready for the Congress early in the new year, containing quite a few recommendations.

Meanwhile, I have been endeavoring to call attention, from time to time, to situations developing out of the hearings that I feel require more immediate attention.

That is my purpose today.

Previously in remarks to the Senate I have called attention to some of the testimony before our hearings concerning how food and fiber have bolstered our foreign policy, and how it can be constructively used to further our objectives abroad.

I am convinced these hearings have shown what a tremendous asset our abundance can be in supporting our foreign-aid policy, and in supplementing our foreign economic policy. Now I am also convinced that the food abundance some have criticized so much as an unwanted surplus may be necessary to plug a dangerous gap in our defense structure.

Despite all of our own abundance, lack of food reserves where they will be needed most, at the time they will be needed, may be a seriously weak link in the chain of defenses being forged by the free world.

Military capabilities of our allies depend upon their resources, and an important and fundamental resource is food. In studies made by our own Defense Department, it was found, for example, that in Western Europe the degree of self-sufficiency of food is less than two-thirds.

Yet whether our allies know it or not, the Department of Defense does not currently plan for the maintenance of food pipelines through submarine hazards for the support of allies abroad who are food deficit countries.

In other words, under present defense planning, the allies upon whom we are depending to man critical lines of defense in event of all-out war—and to whom we are sending millions upon millions of dollars' worth of guns, tanks, and planes, to help them carry out that mission—have no assurance of being able to get enough to eat to survive, let alone keep fighting.

Unless adequate stockpiles of food reserves are created and maintained in strategic defense areas of the world, our entire vast investment in the defense structure for the Western World will be left with a vulnerable flaw, a weak link that could prove disastrous.

From the security point of view, the Department of Defense has favored the use of United States agricultural surpluses for the establishment of food stockpiles in the United Kingdom and the NATO countries of Europe.

I mentioned this situation once before after I had talked with Admiral Briscoe, the commander of the southern flank of NATO. He told me that he was distressed and concerned that we had not made adequate preparations for the stockpiling of food supplies at the underbelly or southern flank of NATO. While I cannot reveal the number of days of food reserves he said were available in that area, including Turkey, Greece, and Italy, three of our firm allies, I can say that the number of days of food supply was so limited that it was nothing sort of shocking, when we consider the amount of money we put into national security and military alliances.

The Department of Defense wrote classified letters to this effect to the National Security Resources Board in 1950, to the Office of Defense Mobilization in 1953, with copies to the Secretaries of State and Agriculture, and to the Department of State in 1955.

Yet we still do not have any stockpiles abroad.

And the Department of Defense, in response to direct questions confirms that it does not plan on being able to keep food pipelines open to Europe in event of all-out war, to the extent needed for support of our allies. All of its present planning is simply on the basis of getting food to our own troops—an objective which, of course, must come first.

But if we are planning on troops of other countries doing much of the fighting, we must be as concerned about their having adequate food as we are about them having adequate munitions.

How are our allied forces expected to eat? How are they expected to fight if they have not enough to eat?

I am glad to know that our Defense Department is concerned about this; I am sorry our Department of State and Department of Agriculture have not seemed to be enough concerned about it.

The Defense Department informs me that the United States supported establishing such stockpiles at a NATO meeting in January. It is my understanding that the United States representative at that time offered to discuss the possibility of making surpluses available to any NATO country undertaking a food stockpiling program, but added that our country could not pay such costs as transport, processing, and warehousing.

It has been apparently on that point that efforts to establish NATO defense stockpiles of food and fiber have bogged down.

I regret to say we seem to be using rather limited thinking in this respect, and to be invoking some kind of a double standard.

We manage to find ways to transport guns and munitions to our allies. If we try, we can find ways to transport food.

It is not merely a case of saddling new costs upon the United States.

At about the same time the NATO food stockpile plan was stalemated over how to finance construction of storage facilities abroad, our country presented a proposal to the U. N. General Assembly in New York calling for international cooperation toward establishment and maintenance of national food reserves against emergencies, and won approval of a resolution favoring further steps toward that objective. It was my privilege to present that proposal to the U. N. In presenting it, I was authorized to offer, on behalf of the United States, contributions of food both to stock such reserves and to help finance building storage facilities.

It appears to me a simple solution is available to this question of NATO stockpiles. Our Defense Department wants such stockpiles, and says they are urgently needed.

In response to direct questions, the Defense Department says:

> If emergency food stockpiles were established abroad in food deficit areas, such as the United Kingdom and Western European countries, it would ease the shipping problem of the allies. This, in turn, would ease the shipping problems of the Department of Defense. * * * The Department of Defense feels that the United States should assist foreign countries in stockpiling by making some of its agricultural surpluses available to them.

What our negotiators seem to have overlooked, however, is that our food abundance cannot only stock such emergency depots, but can also finance the building of them.

If we make grants of food for this purpose under Public Law 480 or other legislation, quantities beyond the actual amount needed for the reserves can be sold for the currency of the country concerned to finance building of storage facilities.

That is what we offered to do in the U. N. for general emergency reserves; we should certainly be able to do it for specific defense reserves.

This is not a surplus disposal program; it is a defense program. Providing food for defense purposes is needed just as much as providing guns. We pay the bill for guns; we as a Nation can pay whatever it costs to provide the food, and not expect it to be charged to the farmer alone. In other words, the charge for food used should be a charge against our defense support program, and not a charge against the Department of Agriculture.

But the bookkeeping complications are minor difficulties that can be worked out if there is a will to do so. The important thing is to back up our allies with defense stockpiles of food.

We need action in that direction without further delay.

On my own, as part of my continuing studies, I have asked a recognized authority in food storage to investigate some of the problems that may be involved. He is doing this as a public service now on a tour of Europe—at non-Government expense.

The least our own Government can do is to undertake immediately its own comprehensive study of this situation by the Defense, State, and Agriculture Departments, looking to earliest negotiations with other countries regarding means of establishing such stockpiles.

The Defense Department has indicated it would welcome such a study. They should have the utmost cooperation from the Department of Agriculture. In fact, the Department of Agriculture should be putting the pressure on the rest of our Government to get this done.

Here is not only an opportunity to put our food abundance to good use—it is an urgent need that should be met even if we had to produce more food to do it.

I sincerely regret that our Department of Agriculture has had so little vision toward exploring these and other ways where the products from our farms can serve our Nation usefully, instead of devoting so much time to complaining about the abundance our farmers produce.

Mr. President, because I believe this is a subject we must pursue in greater detail, I am sure my colleagues will want to know what the Defense Department has had to say on this subject.

For that reason, I ask unanimous consent, Mr. President, to have printed in the RECORD at the conclusion of my remarks the answers provided by the Department of Defense to a number of specific questions posed by me in connection with our hearings. I commend them to the attention of all Senators.

There being no objection, the questions and answers were ordered to be printed in the RECORD, as follows:

1. Question: What attention is given by the Department of Defense to making sure they have enough food, as well as guns, to support a major military effort?

Mobilization reserves of food supplies for the use of military forces are established under guidelines given by the Joint Chiefs of Staff which pertain to the strategic plans in the event of war. These plans are definitive

with respect to the phasing of forces under arms, of deployment of forces, and to specific geographical areas. By use of such guidelines, subsistence reserves have been established in such quantities and at such worldwide locations, with backup in continental United States depots, to provide an uninterrupted supply of food to our Armed Forces in overseas locations for that period until normal resupply can be resumed.

The Department of Defense does not plan for the establishment of reserve rations for use by military forces after the resumption of normal supply. Instead, the Department of Agriculture has advised Defense that the production potential of the United States is such that it can meet any reasonable demand for food for the military services, including food for civilians working for the military in occupied areas; such provision has not considered all the assumptions of nuclear attack upon the United States.

2. Question: (a) Have you established minimum levels of food and fiber reserves necessary for the Nation's security? (b) Have you separate levels for cold war conditions and full mobilization? (c) Have you informed the Department of Agriculture of these requirements? (During World War II and the Korein conflict, the Department of Defense had to call on Agriculture to increase production to meet needs. What steps have been taken to make sure you have enough, if a new crisis develops?)

(a) The Department of Defense has established reserves of packaged operational rations, as mentioned already. With respect to fibers, military mobilization reserves have been established within the Department of Defense for woolen textiles and for duck and webbing. However, the national stockpile, which is maintained by the Office of Defense Mobilization, contains reserves of fibers considered essential for total civilian and military mobilization. These fibers are manila, sisal, extra long staple cotton, and cartridge silk. The Department of Defense, in addition, maintains mobilization reserves of clothing and equipage items for the military forces. These items are manufactured from textiles.

(b) The Department of Defense maintains reserve levels for the military forces for full mobilization only. It is planned, as in the past, that the garrison-type ration will be served during a cold war period. That portion of the mobilization reserves which must be rotated because of age will be availabel to meet that requirement for packaged operational rations for training maneuvers during a cold war, such as at present.

(c) The Defense Department has submitted its full mobilizataion requirements for food for the military forces to the Department of Agriculture. With respect to fibers, full mobilization requirements have been submitteed to the Office of Defense Mobilization covering manila, sisal, extra long staple cotton, cartridge silk, and wool.

3. Question: (a) Has the Department of Defense made a similar study of food needs of our allies upon whom it depends and is helping? (b) Have you analyzed food availability, for example, of countries to which you are extending military support? (c) How do you expect those countries to fight without adequate food?

(a) The Department of Defense, along with other agencies, has analyzed the food needs of our allies.

(b) The military capabilities of our allies depend upon their resources. An important and fundamental resource is food. In the studies that have been made it was found, for example, that in Western Europe the degree of self-sufficiency in food is less than two-thirds. The food needs of our allies is a first and basic consideration in determining the kind and extent of support which the United States supplies. This may be illustrated in the United States support of Greece, where in addition to supplying substantial quantities of food, the United States supplied agricultural prerequisites, such as farm machinery, in order that the country might derive a balanced and viable economy in order to support military components. Food availability has a high priority in the support of our allies.

(c) Concern for an adequate supply for our allies accounts for the Department's advocacy of stockpiling by NATO countries since 1950. As indicated elsewhere, this has also been the United States position as expressed in several NATO meetings. The most recent suggestion of this nature was in January 1957, when the United States representative to a NATO meeting stated that if any NATO country, in undertaking a food stockpiling program, believed that United States surplus foodstuffs could be used in its program, the United States would be willing to discuss the possibility of making surpluses available, but that his country could not pay such costs as transport, processing, and warehousing. However, foreign countries have generally indicated that they would expect the United States to pay for most of the cost of establishing and maintaining any strategic food reserves of this nature.

4. Question: (a) If our allies abroad are already food deficit countries, have Defense logistics experts considered the problem of maintaining food pipelines to them through submarine hazards? (b) How would food shipments rate in priority with other defense shipping in an emergency?

(a) The Department of Defense does not currently plan for the maintenance of food pipelines through submarine hazards for the support of allies abroad who are food-deficit countries. The Department of Defense estimates the gross amount of shipping required to support the United States Armed Forces and United States civilians in foreign countries under full mobilization conditions, and includes a factor in this gross amount as its best estimate of losses from submarine action.

(b) Food shipments in support of American forces rate a high priority in comparison with other defense shipping in an emergency.

5. Question: (a) Would it ease the shipping problem confronting Defense, in the event of war, if we had emergency food reserve depots established in key areas of the world—either our own, or in the hands of our allies? (b) Do you think we should provide such food stockpiles as part of our defense picture?

(a) If emergency food stockpiles were established abroad in food deficit areas, such as the United Kingdom and Western European countries, it would ease the shipping problem of the allies. This, in turn, would ease the shipping problem of the Department of Defense.

(b) The Department of Defense feels that the United States should assist foreign countries in stockpiling food by making some of its agricultural surpluses available to them. As stated previously, the United States has informed the NATO countries that it would be willing to discuss the possibility of making its surpluses available for stockpiling, but that it could not pay such costs as transport, processing, and warehousing.

6. Question: (a) At the United Nations, our State Department went on record supporting a proposal for international cooperation toward establishing national food reserves in food deficit areas of the world, offering to provide United States commodities to help finance storage facilities and provide the basic reserve supply. Would Defense be interested in having this done? (b) Has anyone in Defense ever said to the Department of Agriculture, Department of State, or the President of the United States, his attitudes toward this problem? (c) Has Defense actually given any serious study to this entire problem? (d) Do you feel it should?

(a) The Department of Defense would be interested in the proposal to establish national food reserves in food deficit areas of the free world, using United States surplus commodities to help provide the basic reserve supply and help finance storage facilities. Defense would be interested in having this done as soon as feasible, where the security of the United States would be strengthened.

(b) From the security point of view, the Department of Defense has favored the use of United States agricultural surpluses for the establishment of food stockpiles in the United Kingdom and the NATO countries of Europe since 1950. The Department of Defense wrote classified letters to this effect to the National Security Resources Board in 1950, to the Office of Defense Mobilization in 1953 (with copies to the Secretaries of State and Agriculture), and to the Department of State in 1955. It is felt that the position of the Department of Defense on this subject is fairly well known to the cognizant Government agencies.

(c) As members of interagency committees Defense representatives consider that they have given substantial study to the stockpiling of United States agricultural surpluses abroad.

(d) Defense believes that study should be given to this problem and has encouraged such study and is ready to aid in any way feasible.

7. Question. Don't you think Public Law 480 offers an opportunity to create such stockpiles for our security program? Such as NATO, for example?

The Department of Defense considers that Public Law 480 offers, at least, an opportunity to create food stockpiles for our security program with individual NATO countries. All Public Law 480 agreements are sugject to negotiation, but in spite of several invitations to do so, feasible stockpile programs have not been proposed by any country. It might be noted that even without the complications of stockpiling, it has not been feasible to negotiate any substantial Public Law 480 program with some of our strong allies of Western Europe, which is a substantial area of deficit food production. The problem of storage, rotation, processing, and guarding has consistently been a major factor in negotiating agreements for stockpiling.

8. Question. Would it require more dollars to be budgeted for Department of Defense purposes if Public Law 480 currencies were not available for many of the common defense projects now carried on?

To answer this question it is necessary to separate the budget for the Department of Defense military functions from the budget for the Department of Defense military assistance programs.

The military functions budget would not necessarily have to be increased if 104 (c) funds were not available to the Department of Defense. Since all other Public Law 480 currencies are paid for with appropriated funds, the question does not apply. The programs for which 104 (c) funds have been used to date have been those that can be accelerated from the completion date previously planned. The acceleration has been justified on the basis of the importance of the program for common defense and has been determined to meet the spirit of the provisions of Public Law 480. An example of such a program is the acceleration of competition date of the Army mapping program in Peru.

The military-assistance program was complemented by Public Law 480, 104 (c) funds used in the form of defense support. The largest recipients of this type program to date have been Pakistan and Korea. Dollars

for other programs would have to be diverted or separately budgeted if surplus commodity funds were not available. In other words, funds from the Public Law 480 operations give flexibility to the mutual-security program.

9. Question: Why does not the Department of Defense make greater use of the funds available to it under Public Law 480?

The Department of Defense feels that it does make maximum use of Public Law 480 funds and as expeditiously as possible. All Public Law 480 currencies except those available under 104 (c) for common defense, are purchased from the Treasury Department with appropriated dollars. By Treasury regulation, the Department of Defense purchases its local currency needs from Treasury when Treasury has the needed currencies available. Through this procedure, the Department of Defense makes maximum and timely use of Treasury-held local currencies inclusive of Public Law 480 currencies.

Programs funded under 104 (c) are presented to the Bureau of the Budget with complete justification for the funding request, and funds are allocated by the Bureau of the Budget if the program is considered justified. This procedure applies to both Department of Defense military functions and military-assistance programs.

10. Question: What are some of the Department of Defense's planned uses of Public Law 480 funds in the next fiscal year? Two years? Five years?

The Department of Defense of necessity must formulate and justify its total budget requirements without regard to source of funds. As the programs are reviewed and evaluated by the Congress the ultimate magnitude of the programs are approved by the Congress. Appropriations to implement these programs cannot be based upon currencies anticipated from Public Law 480 sales that may be negotiated in areas where defense may or may not have requirements. Therefore, the Department of Defense does not program the use of Public Law 480 funds in advance. However, the Department of Defense will continue to make maximum use of Public Law 480 currencies to meet its requirements.

IMPORT TAX ON LEAD AND ZINC

Mr. MURRAY. Mr. President, the Senate Finance Committee this morning favorably reported a bill providing for an import tax on lead and zinc. I congratulate the committee on the forward step to rescue the lead-zinc industry from complete disaster. Not only will the enactment of this proposed legislation be of benefit to our domestic producers, but it will also be of great help to friendly foreign nations that produce these metals.

Consider Canada, for instance. Her exports to the United States of lead and zinc in 1956 netted her $89 million in American dollars. However, with the disastrous decline in prices whicl has occurred in 1957, Canada would net only $67 million. But if she had exported 85 percent of the 1956 amount and if unneeded imports had not broken the United States market below the proposed peril points of 17 cents for lead and 14½ cents for zinc—and thus Canada would not have paid any duty whatsoever—Canada would have received $86 million. The same is true for Mexico, Peru, and Australia. By exporting United States needs and by not breaking the price in the best market these countries have, based on 85 percent of 1956 imports, these four countries would receive $57 million more, for their lead and zinc, than they would receive at today's prices. Thus, the proposed legislation provides a method for a stable flow of dollars for needed imports to enter free of any duty, but at the same time provides an adequate safeguard in the form of an import tax, should unneeded imports break the United States market price.

It seems inconceivable that these friendly nations would permit United States brokers and sales agents having little or no stake in United States industry to ruin the United States market, and thus severely impair these nations' position for a better foreign exchange.

Those who are throwing up a smoke screen to cloud the real intent of the proposed legislation are doing a real injustice not only to the United States industry and workers, but, particularly, also to countries such as Canada, Mexico, Peru, and Australia who—if the bill is enacted—will be in a far better position for foreign exchange than they are today.

Also the proposed legislation for lead and zinc would not establish a new precedent, for it follows the pattern of the import tax tied to a peril-point price, for copper, which has been in effect since 1951. It is worthy of note that United States copper prices have not been broken by imports below the peril point; and, as a result, friendly foreign nations of the Western Hemisphere have been able to maintain their flow of foreign exchange for imported copper free of payment of the import tax. The same would be true for lead and zinc, under the proposed legislation.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD, a table setting forth the advantages which foreign producers of lead and zinc would receive under this proposed legislation.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

The following calculation on lead-zinc foreign exchange indicates that a 15-percent reduction in imports from Canada, Mexico, Peru, and Australia, when sold at peril-point prices, will provide a stable flow of dollars as compared with the $57 million reduction already in effect in 1957.

	1956			1956 imports at 1957 prices			85 percent of 1956 imports at peril point prices		
	Short tons	1956 price (less duty)	United States market value	Short tons	July 1957 prices (less duty)	United States market value	Short tons	Peril point prices (no duty)	United States market value
		Cents			*Cents*			*Cents*	
Canada:									
Lead	47,000	14.95	$14,100,000	47,000	12.94	$12,200,000	40,000	17.0	$13,500,000
Zinc	294,000	12.79	75,200,000	294,000	9.30	54,700,000	249,900	14.5	72,500,000
Total			89,300,000			66,900,000			86,000,000
Mexico:									
Lead	81,000	14.95	24,000,000	81,000	12.94	21,000,000	68,800	17.0	23,400,000
Zinc	210,000	12.79	53,700,000	210,000	9.30	39,100,000	178,500	14.5	51,800,000
Total			77,900,000			60,100,000			75,200,000
Peru:									
Lead	88,000	14.95	26,300,000	88,000	12.94	22,800,000	74,800	17.0	25,400,000
Zinc	105,000	12.79	26,900,000	105,000	9.30	19,500,000	89,300	14.5	25,900,000
Total			53,200,000			42,300,000			51,300,000
Australia:									
Lead	112,000	14.95	33,500,000	112,000	12.94	29,000,000	95,200	17.0	32,400,000
Zinc	26,000	12.79	6,700,000	26,000	9.30	4,800,000	22,100	14.5	6,400,000
Total			40,200,000			33,800,000			38,800,000
Grand total			260,600,000			203,100,000			251,300,000

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1747) to provide for the compulsory inspection by the United States Department of Agriculture of poultry and poultry products.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 1383. An act amending section 410 of the Interstate Commerce Act, to change the requirements for obtaining a freight forwarder permit; and

S. 1384. An act to revise the definition of contract carrier by motor vehicle as set forth in section 203 (a) (15) of the Interstate Commerce Act, and for other purposes.

AUTHORIZATION OF APPROPRIATIONS FOR THE ATOMIC ENERGY COMMISSION

The Senate resumed the consideration of the bill (S. 2674) to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes.

Mr. ANDERSON obtained the floor.

Mr. MANSFIELD. Mr. President, will the Senator from New Mexico yield to me, so that I may suggest the absence of a quorum?

Mr. ANDERSON. I yield.

Mr. MANSFIELD. Mr. President, I now suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ANDERSON. Mr. President, today the Senate is taking up S. 2674, the Atomic Energy Commission authorization bill.

On two occasions in the last 2 weeks, my colleagues and I on the Joint Atomic Energy Committee have discussed the scope and issues of the bill now before the Senate.

At the outset, we recognize that the issues are somewhat complicated. So are the bill and the accompanying report. But looking more broadly, we can distinguish what the issues are and what they are not.

Thus, we can say categorically that the issues are not economy or public power. But later we can deal more fully with that point.

The real issues are what should be our rate of progress in the development of atomic power and who should provide the leadership at this stage of development.

The pending bill provides for the authorization of AEC capital facilities for the fiscal year 1958. It, therefore, includes funds for weapons facilities, improvements to production plants, reactor facilities, research facilities, and community facilities.

In total, it provides for $259 million for these facilities. This compares to $319 million authorized last year. So we can see that economy is not a factor.

The bill also authorizes a total of $129,915,000 for the Atomic Energy Commission power-demonstration program which is carried on in cooperation with private industry and private, cooperative, and publicly owned utilities. The bill further authorizes a total program of $149,915,000—or $20 million more—which covers Atomic Energy Commission waiver-of-use charges which it would otherwise require of participants in its program.

Included in this $129 million is $98,415,000 to cover projects initiated and sponsored by AEC, which are to be carried on by rural electric cooperatives and by State and local publicly owned utilities. Since these are AEC projects, launched by, and now being negotiated by AEC, in which the reactors would be owned by AEC and the costs would be subsidized by AEC, how can anyone accuse the Joint Committee of favoring public power by means of what is provided in this bill?

Mr. President, the CONGRESSIONAL RECORD for August 10, 1957, at page 13062, carries a detailed description of these projects. I wish to call attention to the fact that the very first one—and I am happy to see the Senator from Nebraska in the Chamber—is a consumers' public-power district in the State of Nebraska. The negotiations on that contract commenced on April 1, 1955, and they are not yet completed. I think there is a good reason why they are not completed. It is extremely difficult for that very finely managed public-power district, which I think covers the entire State of Nebraska, to proceed with that contract, which requires the investment of $50 million for a reactor alone.

In order to indicate the problem which arises in this industry, let me point out that the originally proposed reactor would have cost in the neighborhood of $25 million. But by the time the Nebraska public-power district was ready to build it and was ready to complete its negotiations with the Atomic Energy Commission, the district found that the cost had increased to $44 million. That figure is shown at one place in the hearings held by the Joint Committee. When the hearings were ended, we got an additional supplemental estimate of $6 million for the reactor for this public-power district in Nebraska, making the total cost of the reactor $50 million.

Mr. President, let us suppose that someone had said, "We will insist upon the strict letter of private initiative. We will demand that this company make its own contract for the reactor and obligate itself to build the reactor at a cost of $25 million." In that event, suppose the district had the $25 million to spend, and suppose it did enter into such a contract. What would the district do when the total bill reached $50 million? In that event, where would the district find the extra capital?

We do not require that of well-financed private utilities. In the case of the Shippingport reactor, which is one of the large-scale reactors, the original estimate was in the neighborhood of $35 million for the reactor. The Government was going to spend another $30 million in research and development. Of the $35 million, the Duquesne Power & Light Co., a private utility, largely owned by the Mellon interests, of Pittsburgh, was to put up $5 million. If the Government had said, "We will give you $30 million and you put up your $5 million; that will be private enterprise," think what that contract would have run into before it was finished. The present estimated cost of that reactor is $55 million. Who would have to pay the extra $20 million? Is there someone who would like to throw that burden upon that private utility and have said, "Private enterprise requires that you lose $20 million pioneering in this field?" No one required that at all. That is why we say it is not unusual.

The Consumers Public Power District in Nebraska, which might be called public power, but which the Senator from Nebraska will agree is well recognized by the people of Nebraska as a great organization which well serves that State, also came to the Atomic Energy Commission. They, too, talked about a reactor which was going to cost $25 million. They found out it was going to cost $50 million. We have not tried to stop the construction of that reactor. There is a difference in treatment, which I shall deal with later. The same stipulation which the Government made with the Duquesne Power & Light Co. as to the cost of the fuel produced by the atomic reactor will be applicable to the Consumers Public Power District of Nebraska, and all the rural electric cooperatives in the United States.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. AIKEN. In the disposal of the power generated at both Shippingport and in Nebraska, is it to be sold at cost? Probably it could not be disposed of at cost at this stage of the game. How is the rate determined?

Mr. ANDERSON. To answer the question of the Senator from Vermont, in the Shippingport instance the contract provides that the steam generated by the nuclear powerplant shall be sold to the Duquesne Power & Light Co. at the normal cost of fuel, and the Government will absorb the difference between 6 or 7 mills and the actual cost. I think power in the Duquesne area costs about 7 or 8 mills.

Mr. AIKEN. Is that contract already entered into?

Mr. ANDERSON. Yes; it is.

Mr. AIKEN. The steam will be sold at cost rather than at prevailing rates?

Mr. ANDERSON. I may say that, as stated in the power costs, the cost of generating the steam will probably be 90 mills when it starts, and the cost will eventually drop to 14 mills; but it will be sold to Duquesne at the comparable cost for other steam generated by coal, natural gas, or oil.

Mr. AIKEN. Do I understand Consumers Public Power District in Nebraska will pay the same rate?

Mr. ANDERSON. It would under the provision which is in the Senate bill. It would not under the House bill as it was finally amended.

In the case of Consumers Public Power District of Nebraska, the transaction is clearly set forth at page 13062 of the RECORD. The Government would pay Consumers Public Power District an amount for preconstruction research and development of $18,165,000. If the Consumers Public Power District has guessed correctly, that cost will have been met. If it has guessed incorrectly, it will have to take the loss, which may run to $10 million or $15 million.

Mr. AIKEN. I was wondering if the Consumers Public Power District of Nebraska could afford to pay the same rates which prevail in the Pennsylvania district.

Mr. ANDERSON. Under the provisions of the Senate bill, not under the House bill, it would have to pay no more for this nuclear-generated power than it pays for other power generated by other systems.

Mr. AIKEN. Both of the plants referred to would be Government owned, would they?

Mr. ANDERSON. The reactor in the Nebraska case, all but $5 million will be paid for by the Government. The reactor at Shippingport is being paid for by the Government. The Government is not paying $5 million of the cost of the reactor at Shippingport, but it will pay the cost at Consumers Public Power District of Nebraska, except for the $5 million.

Mr. AIKEN. Who will own the rest of the facilities in Nebraska?

Mr. ANDERSON. The Nebraska Consumers Public Power District.

Mr. AIKEN. Who will own the rest of the facilities at Shippingport?

Mr. ANDERSON. The Duquesne Power & Light Co. will own the rest of the Shippingport plant.

Mr. AIKEN. But Duquesne Power & Light Co. and Consumers Public Power District of Nebraska will be treated equally?

Mr. ANDERSON. That is correct. The Duquesne Power & Light Co. will then, having paid for the steam at the average cost of all other operations, will have to ask for a rate increase or a decrease in the cost of power which will repay their average cost. That we propose to do for the Consumers Public Power District of Nebraska.

Mr. AIKEN. The average cost, not the sale price?

Mr. ANDERSON. The cost of the fuel moved into their system.

Mr. AIKEN. Does the Government have a yardstick to determine accurately the cost?

Mr. ANDERSON. The Government is going to provide a yardstick at Shippingport. As a matter of fact, when Shippingport was first contemplated, we estimated a cost of $35 million for the nuclear plant. It looked like the power cost would be about 40 or 50 mills. The other day in our hearings—I cannot quote it exactly—we had a new cost estimate of $55 million. If we depreciated it over the short term, as contemplated, it jumped the fuel cost up to 90 mills. That cost will not remain there. As additional units are installed, the cost will go down.

Mr. AIKEN. What is the anticipated life of the Government reactor?

Mr. ANDERSON. I cannot estimate it except to say if there are no new improvements in the nuclear field the Government will probably have all it wants in about 5 years.

Mr. AIKEN. If improvements were not anticipated, we would not be starting these plants, would we?

Mr. ANDERSON. Exactly. I therefore feel as the Shippingport plant operates, we shall find better ways to use new types of rods, which will result in decreased costs. I hope the cost in that type of plant will come down to less than 10 mills.

Mr. AIKEN. How long will it be before the reactor will become obsolete?

Mr. ANDERSON. I think it is safe to say most plants will be obsolete—barring new equipment—the day they are completed.

Mr. AIKEN. How is it the private utilities can afford large investments, even with Government subsidies, to construct plants which may begin to be obsolete the day they are completed?

Mr. ANDERSON. The new plants being built by Commonwealth Edison in Chicago and Consolidated Edison in New York are of a more modern type. They are substantially larger in size. They will, therefore, have economies other plants will lack. For instance, at one of the cooperatives there will be a 22,000 kilowatt plant. There is no possibility that current from it will be very economical; but the Consolidated Edison in New York is going to have one with a capacity of 180,000 kilowatts, which may result in a rate within 7 or 8 mills or, at most, 9 or 10 mills, of that for normal power the day it is completed. They are also gambling on the fact that improvements will be made. By the time the plants are completed and brought into operation, the improvements may further reduce the costs.

Mr. AIKEN. Are the reactors so constructed that improved equipment can probably be placed in the same location?

Mr. ANDERSON. I think so.

Mr. AIKEN. So completely new plants would not have to be built?

Mr. ANDERSON. I think so. For example, there is in the bill a proposal for the construction of a gas-cooled natural uranium reactor. It was discussed by Admiral Rickover, who built the power-plant for the *Nautilus* and the kind being used at Shippingport. If a gas-cooled natural uranium reactor were being used, it might turn out that it was not the finest type in the world, and that costs did not go down as far as they should, and it might be desired to use some degree of enrichment in the rods in the equipment. If that were done, it might bring the costs down. So I hope we are continuing to learn. We are "playing by ear" as we go along. We are improvising a little bit. We all hope, that from the experiments and tests, we shall learn something.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. CURTIS. The Consumers Public Power District project is in what is termed "round 1."

Mr. ANDERSON. It is.

Mr. KUCHEL. Mr. President, may we have order in the Chamber? I cannot hear what the Senator is saying. Will he please speak louder?

The PRESIDING OFFICER. The Senate will be in order.

Mr. CURTIS. A contribution of $5,220,000 by Consumers Public Power District is called for by the committee bill, is it not?

Mr. ANDERSON. The wording of the report is that we would expect to get the same contribution.

Mr. CURTIS. I should like to call the attention of the Senator to page 10 of the Senate committee's report. Then I shall not take any more time. Just prior to the third line from the bottom there appears to be an error in printing. A line is left out. I am aware of it both by reason of the odd wording in the report and the fact that the House committee report has another line in it.

I wonder if the distinguished chairman of the committee, in order to clarify the matter, would care to have item 3 at the bottom of page 10, which runs over to the middle of page 11, printed in the RECORD at this point, because of the error in printing.

Mr. ANDERSON. I ask unanimous consent, Mr. President, that that be done, because of the error in printing. It does leave out the fact that the AEC would also pay for the cost of construction of the reactor, except for the contribution by Consumers Public Power District of $5,220,000. The estimated cost to the AEC is $24,013,000.

There being no objection, the excerpt from the report was ordered to be printed in the RECORD, as follows:

3. Consumers Public Power District, of Columbus, Nebr., to construct and operate a 75,000 electrical kilowatt sodium graphite power reactor. This proposal is still under negotiation, and as late as July 5, 1957, the Joint Committee was advised by the Commission of a possible $6 million increase in the amount of assistance to be contemplated if a contract should be signed under this proposal. Under the proposal made by Consumers, the AEC would pay all preconstruction research and development costs on a cost-plus-a-fixed-fee basis, with an estimated cost to the AEC of $18,165,000. The AEC would also pay for the cost of construction of the reactor, except for a contribution by Consumers of $5,220,000; estimated cost of construction to the AEC is $24,013,000. The AEC would also contribute up to a ceiling of $8 million toward costs of "unusual maintenance" and expense during the post-construction operating period. The AEC would also waive charges for the use of nuclear material for the first 5 years of operation, such waiver having an estimated value of $1,325,000. Although title to the reactor would be in the United States, Consumers would be given a credit for plutonium recovered during fuel reprocessing. It is estimated that approximately 50 kilograms of plutonium should be recovered during fiscal year 1963, involving an estimated credit of $1,500,000.

In summary, total assistance to be provided by the AEC under this proposal can be shown as follows:

Preconstruction research and development (estimated)	$18,165,000
Reactor construction (estimated)	24,013,000
Postconstruction (maximum)	8,000,000
Waiver of fuel-use charges	1,325,000
Total value of AEC assistance (estimated)	51,503,000

Such estimate of funds could run considerably higher under this particular proposal, since there are no ceilings on the costs to be paid by the AEC during the preconstruction and construction phase of the project.

Further details on the first round proposals are set out in the record of the hearings on authorizing legislation.

Mr. CURTIS. I thank the Senator from New Mexico.

Mr. ANDERSON. I appreciate the fact that the Senator noted the error in printing.

Mr. THYE. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield to the Senator from Minnesota.

Mr. THYE. For the past year and a half a cooperative organization to which we normally refer in Minnesota as the Elk River REA Cooperative has been negotiating with the Atomic Energy Commission for a contract. They had practically developed the plan to the stage where there was only a question of the signing of the contract. The REA at Elk River, Minn., had signed the contract.

If the bill now before the Senate shall be enacted, would the contract which has been prepared and worked on for many, many months be in any manner jeopardized? The Atomic Energy Commission was in agreement on the questions involved in the contract. Had it

not been for the consideration of the pending bill, I believe the contract would have been signed and the construction plans would now be underway. Will passage of this bill in any manner jeopardize the Elk River REA contract, which is now in existence and is only awaiting the final signing by the Atomic Energy Commission?

Mr. ANDERSON. I can only say to the Senator from Minnesota that I hope action on the bill by the Senate will expedite the signing of the contract. I think it ought to expedite the signing. It certainly should not delay it.

I base that statement upon the fact that we received a report of the AEC on reactors, relative to the civilian atomic power acceleration program, and we were supplied a chart with that information. As to the second round reactors it is stated:

Proposals approved by the AEC as the basis for negotiations.

The date of that approval was April 19, 1956. There is no contract up to this date. Every time the negotiations get a little further along something else develops, such as an endeavor to calculate how much the loss in operation is going to be.

If we could easily calculate how much the loss of operation was going to be it would simplify the problem. There is involved a difference between the normal fuel cost and the average cost of atomic fuel. If we could make the computation then a great deal of the misunderstanding would disappear.

I see nothing wrong with the Atomic Energy Commission's proceeding immediately to purchase the machinery which the Elk River Cooperative has decided it needs. As the Senator from Minnesota well knows, the Elk River Cooperative has been blessed with some fine cooperation from the University of Minnesota. They have set up an extremely good project, which I think is as sound as it can be.

Mr. THYE. Mr. President, will the Senator yield further?

Mr. ANDERSON. I yield.

Mr. THYE. The REA cooperative in Minnesota has one of the best boards with which any REA could be blessed. They have an excellent and well-qualified manager. When I say excellent I mean exactly that. He is an excellent manager, and is well qualified. He has done a tremendous amount of studying on this project. Because of the good board and good management, they have been endeavoring to aid the Atomic Energy Commission and to aid us in Congress.

Congress appropriated $25 million to be used for research in atomic energy and to explore the uses of atomic energy in the commercial field. The Elk River Co-op immediately came forward and offered its facilities and cooperation. The board of directors realized that if a benefit were to result, it would not accrue only to an individual or a group, but to a great number of people affiliated with the association and that it would be an educational accomplishment for future commercial use. They immediately proceeded to negotiate for a contract.

I will agree with the Senator from New Mexico that every time they got to homeplate, so to speak, and thought "Tomorrow the contract will be signed," another question would arise as to whether the action would be in complete compliance with the law, and therefore there would be further delay. Last winter we thought, "This month will see the contract completely negotiated and signed." Then this bill was introduced. That caused the Comptroller General to raise another question and to take another look at the entire matter, and today the REA is still without a signed contract.

It is the hope and the aspiration of the people of the Northwest area that we can clear this matter up so the contract can be signed. The only remaining deterrent to starting construction of the project is the fact that the Atomic Energy Commission has not affixed its signature to the contract.

I think I have stated the situation correctly.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a resolution adopted by the Elk River Rural Cooperative Power Association under date of July 29.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas after more than 2 years of negotiation a completed prime contract and a completed subcontract have been signed by Rural Cooperative Power Association, American Machine & Foundry and assurance received of approval by the administrator of Rural Electrification Administration; and

Whereas substantial time and expenditure have been made in these negotiations and Rural Cooperative Power Association is satisfied, it is not only amply protected, but that the procedure agreement open will give valuable information in the design and construction of the plant to the association as well as provide a satisfactory and flexible operating agreement; and

Whereas any change of procedure at this date will cause prejudicial delay as well as a strong likelihood of increased costs: Now, therefore, be it

Resolved, That it is the unanimous desire of the board of directors of Rural Cooperative Power Association that the authorization by Congress for appropriation covering the second round proposals be in such form as will allow the Atomic Energy Commission to approve both the completed prime and subcontract without change of format of procedure; be it further

Resolved, That if the wishes and desire of the board are not recognized in the final authorization bill passed by the joint committee, that an effort be made to amend it on the floor of each House before passage so that any change of format of procedure would not be applicable to the Elk River project; and be it further

Resolved, That if such procedure to amend the bill fails, that a further effort be made to amend the bill so that the sale of steam from a Government-owned reactor shall be at rates comparable to what would be paid for interruptible or dump steam from a conventional source and so as to also provide in the operating contract that expenses, in addition to those which would arise from the operation of a conventional plant be paid to the lessee.

Mr. ANDERSON. I hope the problem is as simple as the Senator from Minnesota outlines it, but I am afraid it is not. The introduction of the bill delayed the contract not in the slightest. The original bill carried no language whatever which would have caused the slightest difficulty in proceeding with the contract. However, we had some testimony as to the bill, and that testimony is available in the hearings. The REA was represented. The representative of the REA was asked some questions.

First, I may say to the Senator Mr. Keen testified. He said:

The rest is coming from money that Wolverine is borrowing or has borrowed from the REA.

The question was asked of Mr. Foreman of the REA as to whether he was going to supply money to wipe out the losses these companies would sustain. Mr. DURHAM said:

It does not take much of a loss to wipe out the capital structure.

That is true, because the REA co-ops have no capital structure.

Mr. THYE. They have none.

Mr. ANDERSON. Chairman DURHAM said:

That, of course, would not be endangered, because you expect this loss to come from some other Government funds.

And Mr. Foreman, from the REA, said:

We will answer the question this way: When the contract comes to the Administrator for final approval, that is what we attempt to approve, a contract which will do exactly the thing that you mention.

What was mentioned was:

In other words, would it be correct to paraphrase your policy and say that you are willing to make the loans to the association if they can make arrangements that the cost to them will be no more than the cost of operating a conventional plant?

When we found that the parent organization of the REA was tying up this whole transaction and had to, until there was a guaranty that the cost would be no more than the cost of conventional fuel, because there is no capital structure in the REA to take up a loss if there is one, then we had to try to remedy that defect and say that what the AEC had done for the Duquesne Power & Light Co., a private utility, and what the AEC had done as to the sale of power with the West Milton public utility group in New York, and what the AEC had done in the Santa Suzanna project in California it could do for a co-op in Elk River, Minn. That is all there is involved, as I see it, in this whole thing.

We believe if the Duquesne Power & Light Co. can be given a guaranty as to the cost of its fuel, there is no reason why the REA groups, which do not have the capital structure the Duquesne Power & Light Co. has, should not also be given a guaranty as to the cost of fuel.

Mr. THYE. Mr. President, will the Senator yield further?

Mr. ANDERSON. I yield further.

Mr. THYE. There is nothing in the bill, is there, which would prevent the Atomic Energy Commission from completing the contract with the Elk River Cooperative?

Mr. ANDERSON. I say this: The contract as now drawn contemplates that the Atomic Energy Commission will give the Elk River Co-op the money for the powerplant, $7,995,000, and that the Elk River Co-op will proceed to buy it. Under this bill the Atomic Energy Commission would have to take the options and contracts itself and complete them itself. We think the Government is a better shopper than the cooperative might be. While it might be true that the Elk River Cooperative Power Association could do this, it is also true that the Chugach Electric Association, the Wolverine Electric Cooperative, and others have not had the same experience.

Balancing the question of whether the Government or the cooperative should do what is proposed, there is no difference under that provision, and nothing to delay it.

We are trying to make a legislative history. So far as I am concerned, I am willing to state, and I believe others are, that in the case of the contract with the Elk River Cooperative Power Association, which is, we hope, close to completion—and they have thought so and we have thought so for the last year—there is nothing in this bill to delay that contract in the slightest.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield to the Senator from Rhode Island, who is very well informed on this subject.

Mr. PASTORE. I think there should be a meeting of minds. I raise this question because some doubt has been expressed due to several amendments which were adopted by the House and amendments which I understand will be pursued here in connection with the Elk River project. I understand that an amendment was made in the House—and that there is such a printed amendment on the desk here—to the effect that the waiver of fuel use charges should be deleted from the bill. I notice on page 12 of the report that there is an item of $125,000 for waiver of fuel use charges.

The language inserted by the committee would allow the Atomic Energy Commission to do business directly with the manufacturer, because this was to be a Government-owned reactor, maintained by the Government, rather than a situation in which the Government would deal with the manufacturer as a subcontractor of the cooperative.

I understand that that feature was removed in the House. Therefore we are presented with the serious question that if these amendments are to be pursued, we may run into some difficulty, involving the question as to whether the Commission can waive the fuel use charges, even with reference to the Elk River project.

Mr. THYE. Is there any provision in section 111 of the bill which would in any sense jeopardize the Elk River contract, as now drafted?

Mr. PASTORE. Together with the further amendment that if the language is changed with reference to doing business directly with the manufacturer, the AEC will have to do business with the cooperative; and in doing business with the cooperative, the serious question arises as to whether or not section 261, which compels the Commission to come before the Congress and obtain an authorization for reactors and for waivers of fuel use charges, might jeopardize to a certain extent the Elk River contract—to the extent of $125,000 for waivers of fuel use charges.

That is a serious question, and I call it to the attention of the distinguished Senator from Minnesota at a time when the distinguished Senator from Iowa [Mr. HICKENLOOPER] is in the Chamber. I understand that the Senator from Iowa intends to pursue that amendment. I bring up the question only so that the Senator from Minnesota may pursue the question further at the time the amendment is offered.

Mr. THYE. I have been led to believe that section 111 would, in a sense, destroy the contract with the Elk River Cooperative and would foreclose the opportunity of negotiating that contract further. If that be the case, construction of the plant would be delayed for another period of time, involving a further shortage of electricity in the area. That is why I am seeking the information for which I have asked.

Mr. ANDERSON. Let me say to the Senator from Minnesota that this situation is almost exactly comparable with the situation which would exist if I operated an automobile finance agency and the Senator from Minnesota came to me and said, "I want to borrow the money to buy a new car," and I said, "I will make a contract with you. I will give you the $2,000 you need, and you can sign a note for it. Take the $2,000 and buy the car." That represents a contract between us.

Subsequently I might decide to go directly to the car salesman himself and pay the $2,000, and the Senator might take delivery of the car and pay in the same fashion. If that is a complete change in the contract, then the situation before us represents a complete change in the contract. But if there is a desire on the part of anyone to carry out the clear intent of the committee, then I say there should be no difficulty in proceeding, the only difference being that instead of Elk River purchasing the equipment, the Atomic Energy Commission would purchase it. All that would be necessary to add to the contract—which is not yet complete—would be a simple 3- or 4-line declaration that, instead of furnishing the money to buy the plant, the Government itself would buy the plant.

Mr. THYE. If the Government buys the plant, and the plant is installed, does that mean that the Government will have complete control of the plant until the time of the opening of the master valve controlling the steam which flows to the turbines to generate the electricity? If so, then the Government is in business, is it not? Is the Government not in business if it buys the machinery or other mechanism which goes into an atomic energy plant, places it upon its foundations, and then proceeds to generate steam? The only control the REA would have would be of the master valve which lets the steam out of the boilers into the turbine unit. That would put the Federal Government in business.

Mr. ANDERSON. That does not happen to be the case.

Mr. THYE. I am seeking information. I have received a number of telegrams from various persons in Minnesota on this subject.

Mr. ANDERSON. I merely say that that does not happen to be the situation. If someone has represented that to be the situation, let me say that the Government will not operate the plant. The Elk River Cooperative will operate the plant. The only difference is—to use the illustration which I have given—that someone goes to the automobile dealer directly and buys the car.

Mr. THYE. But the Government will own the power unit which is creating the heat which generates the steam.

Mr. ANDERSON. That is correct.

Mr. THYE. Then the Government is in business.

Mr. ANDERSON. It is in business at Shippingport. The Government owns a reactor there. The Government is in business at Santa Suzanna. The Government is in business in various other places.

Mr. THYE. Is that to be the policy throughout the Nation?

Mr. ANDERSON. Of course not. Can the Senator tell me the difference between the Government saying to the Elk River Co-op, "Here is $7,000. You pay for the plant," and the Government, because of its long experience in purchasing such equipment, going directly to the manufacturer and buying directly?

It so happens that Elk River is not the only cooperative in the United States. There is one in Alaska. There is one in Michigan. We are trying to lay down a principle to safeguard the money put into these projects.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. PASTORE. I think the important thing we must bear in mind is this: Everything the Senator from Minnesota has said in expressing his apprehension is absolutely correct, but he must keep in mind—and this is the crux of the whole situation; it is really the substance of the entire bill—that we are starting on the basis that this activity is research and development. This is not competitive. If this operation were competitive, in other words, if the steam to be produced by the reactor cost the same as steam produced by a boiler fired by coal or oil, the Senator would be perfectly correct. The Government would then be in the business of manufacturing electric power, and that would be wrong. The first one who would be opposed to it would be the Senator from Rhode Island.

But we must realize that we have a long way to go. We are in a field which is brand new. We are trying to compete with Russia, Great Britain, and other countries of the world in the development of the atom for peaceful uses.

It has already been said that at Shippingport the cost might be 90 mills, although the conventional charge for electricity on a competitive basis may be 9 mills a kilowatt-hour. A cost of 90 cents a kilowatt-hour is fantastic.

The situation is the same here. The Elk River operation could never enter this field if it had to do so with its own money. We are in the research and development stage.

Mr. THYE. Mr. President, both the Senator and I serve on the Appropriations Committee. A year ago, when we were preparing the appropriation bills, we conceived the idea of placing $25 million in the atomic energy fund, to be used for research in the use of atomic energy in the commercial field. We recognized at that time that we were in a new field. We had no charted course. We had no history to refer to in determining what the anticipated problems and costs might be for a small commercial plant.

Mr. PASTORE. Of course, this is all speculative, but the best expert testimony before our committee was to the effect that it might be 15, 20, or 30 years before such an operation as this can actually become competitive with the use of fossil fuels. Therefore the question arises, Where are we going to experiment? There is one school of thought which says that experimentation and research should be left entirely to private industry. When we leave it entirely to private industry, the cooperatives do not have the money. So the AEC, in its right judgment and good wisdom, decided that it might be well if the reactors were built at Government expense, at the sites where cooperatives were located. They would enter into an agreement with the Government to buy steam at conventional costs, and we would have the opportunity to experiment in that field.

It is true that if this operation were competitive, we should not be in it. The minute it becomes competitive, it is no longer research; and the minute it becomes no longer research, the Government ought to get out of the operation, because that would be socialism; and the Senator from Rhode Island does not believe in socialism.

Mr. THYE. Neither does the Senator from Minnesota.

Mr. PASTORE. I realize that. The answer to the gentlemen who have written the distinguished Senator from Minnesota is this: This program is only research. Unless we do it this way, it will not be done at all. The AEC, in its wisdom and good judgment, has made certain decisions. Mind you, this is not the Joint Committee's proposal. The proposal involving the $98 million on behalf of the cooperatives is the program which has been initiated and suggested by the Atomic Energy Commission. This is the program of the Commission. This is the second round.

What the Commission is doing—and the Senator from Rhode Island agrees with the Commission—is building the reactor at the site where people who are interested in the distribution of the current will grow up with the research and development in this art, in the hope that, one day, when it becomes competitive with their own plants, the Government will get out of the business.

Mr. THYE. Let me ask one further question. The Senator from Rhode Island is legally trained. Judging from the information which I have about the distinguished Senator's ability, he is a very excellent attorney. As a lawyer, does he tell me that there is absolutely nothing in the bill which would jeopardize the Elk River REA contract, as now drafted and lying on the desk of the Atomic Energy Commission for signature?

Mr. PASTORE. Unless we settle the amendment which will be suggested by the Senator from Iowa, as I understand. The bill, as it came from the Joint Committee, before it was amended in the House, would do nothing to jeopardize the proposed contract to which the Senator refers.

Mr. HICKENLOOPER. Mr. President, I certainly do not agree with those statements.

Mr. PASTORE. I did not dispute any statement at all. I merely said that the question must be cleared up.

Mr. HICKENLOOPER. I should like to attempt, in my own feeble way, to state what I believe to be the facts, if the Senator will yield.

Mr. ANDERSON. I am glad to yield.

Mr. HICKENLOOPER. In the first place, in my view, the Senator from Minnesota is absolutely correct. As the bill stands, it would put the Atomic Energy Commission in the commercial business of producing reactors and selling for revenue power in a commercial way.

There is some research involved. There is some dispute as to how much research is involved, but the bill itself, on page 15, contains this language:

> Sale of steam by the Commission under contract with the cooperative or publicly owned organization shall be at rates based upon the present cost of, or the projected cost of—comparable steam from a plant using conventional fuels at such locations.

So the Government would be put into business. I disagree with my friend from Rhode Island when he says that the amendment which I and other Senators have sponsored would prejudice the Elk River contract.

It will not prejudice the Elk River contract in the slightest degree, in my opinion. As the bill comes from the committee, it is not as the AEC wanted it. The AEC wanted to deal with the cooperatives, and to make contracts. The bill compels it to deal with manufacturers, not cooperatives. That is what the AEC does not want to be compelled to do.

Mr. THYE. Mr. President, will the Senator yield once more on the legal aspect?

Mr. ANDERSON. May I say a word?

Mr. THYE. Did the House amendments improve or weaken the status of the cooperatives which are now negotiating or attempting to negotiate contracts? Did the amendments on the House floor improve the status of the bill insofar as they related to the cooperatives?

Mr. ANDERSON. I would not say they improved it. I would say they hurt the bill very badly. Of course, everyone has a right to his opinion. The Senator from Minnesota asked a short time ago if paying for the plant puts the Government in business. Am I to understand that the Senator from Minnesota does not want the Government to own the plant at Elk River?

Mr. THYE. I want research and experimental money to be used at the disposal of the AEC, to facilitate research, to cooperate with the Elk River cooperative in the field of research by negotiating a contract with the Elk River project. I do not want the Atomic Energy Commission to proceed to make contracts and own units they will build anywhere in the United States, and control the entire operation, except for the master valve which lets the steam into the turbine.

Mr. ANDERSON. Then the Senator from Minnesota does not want the Government to own the Elk River plant so far as the nuclear feature is concerned. That is correct, is it not?

Mr. THYE. I want——

Mr. ANDERSON. The Senator has just gotten through saying that.

Mr. THYE. The Senator from Minnesota does not want to get into a box out of which he may not be able to stick his head.

Mr. ANDERSON. The Senator has just gotten himself into that position. I assure him that the present Elk River contract, lying on the desk of the Atomic Energy Commission, containing all the hooks which the Atomic Energy Commission has been able to put into it, provides that the Government will own that nuclear plant.

Mr. THYE. The Senator from New Mexico has been interpreting the Elk River contract. He knows about the contract lying on the desk of the AEC, and he knows about it better than I do. That is why I was asking him to answer some questions for me, because this is really his business in Congress, by way of committee assignment, he having lived with this matter for 6 months.

Mr. ANDERSON. Precisely.

Mr. THYE. Therefore, he can understand that there may be phases and aspects of the question about which I am not informed, and that is why I am taking the time of the Senator from New Mexico to ask my questions.

Mr. ANDERSON. Precisely. I have accepted the Senator's questions in good faith.

Mr. THYE. I thank the Senator.

Mr. ANDERSON. The Senator does not want the contract slowed down.

Mr. THYE. No.

Mr. ANDERSON. Nor do I. I say to him that when I gave him the example of the automobile, it was to illustrate the precise situation now existing. If he wishes to take the time to read what was in the second round of the proposals, he can read about it at page 514 of the hearings. That information relates to financing and the retaining the title to all or part of the reactor system. Does the Senator from Minnesota mean to say that the Government will pay $7,995,000 for the plant at Elk River—every dollar of its cost—and then deed it to the Elk River Cooperative?

Mr. THYE. That is not in the contract.

Mr. ANDERSON. Of course it is not. The Government retains title.

Mr. THYE. The Elk River Cooperative is very ably served by some very good

legal minds. Edward Wolter, the manager of Elk River, is a very able man, and certainly able to understand the language of a contract. He interpreted the language in the proposed contract——

Mr. ANDERSON. Does he say the Government will retain title or will not retain title?

Mr. THYE. The Elk River Cooperative and Mr. Wolter, the manager, are deeply concerned about the fact that the bill as introduced and as reported by the committee would absolutely jeopardize the Elk River contract and destroy their ability to negotiate the contract as it had been worked out for the past 18 months.

Mr. ANDERSON. What ability have they to negotiate it? The Senator says it is lying on the desk of the AEC. It has not made a move for 8 months.

Mr. THYE. Oh, yes; it has.

Mr. ANDERSON. What has it done?

Mr. THYE. It has moved up against the barrier of the language of the pending bill, because the language of the bill is there, and the Atomic Energy Commission in its good judgment, in my opinion, is awaiting action of the committee and of the Comptroller General. Likewise it is realized that there might be additional language in the bill which would raise some questions, and therefore they are awaiting the final decision of Congress on the bill which is before us.

Mr. ANDERSON. I ask the distinguished Senator from Minnesota to produce one line from the Comptroller General of the United States which bears out what he has said. If he can do it in the course of the afternoon, I shall be glad to have him do it. I suggest that he try to do it.

Mr. GORE. Mr. President, will the Senator yield?

Mr. THYE. The fact is that I am referring to conversations and communications I have had with the Elk River REA and the men who represent the Elk River REA—and they must know, because they have been negotiating a contract—and their opinion is——

Mr. ANDERSON. Did they tell the Senator that they would get title to it or that the Government would retain title to it?

Mr. THYE. Under the contract they were negotiating prior to this?

Mr. ANDERSON. Yes.

Mr. THYE. As to that contract, they said they would have supreme jurisdiction over the plant, and, while the Atomic Energy Commission would have some experimental or research money in the plant, they would be the masters of it.

Mr. ANDERSON. The Senator from Minnesota understood my question I am sure. My question was whether he believed that under the contract, which is lying on the desk of the Atomic Energy Commission, Elk River would get title to the nuclear end of the plant.

Mr. THYE. Except insofar as the Atomic Energy Commission would have an interest in other aspects of it as a research project; yes.

Mr. ANDERSON. The Government has a 100-percent interest. It owns it outright. That is the situation, and that is what makes it a little difficult for the Senator from Minnesota to take exception to the fact that the Government will buy the plant. The only difference, as I see it, is that Government would buy it directly in one instance, and, in the other, it would give the Elk River Cooperative over $7 million to buy it, and then have the Government retain title to it. What is the difference? The only difference is that the purchasing experience of the United States Government would be used. I agree that Mr. Wolter is a competent man, and it might not be necessary to do that with respect to Elk River.

Mr. THYE. I think there is a difference of philosophy involved.

Mr. ANDERSON. What is the difference in philosophy?

Mr. THYE. When a person obtains title to a property, it is his property.

Mr. ANDERSON. I ask the Senator whether he believes——

Mr. THYE. If I may finish my thought, I say that if a man goes to a bank and borrows money, let us say, $2,000, and with it he buys an article, he obtains title to it, subject, it may be, to a chattel mortgage under the security given to obtain the loan in the first place.

Mr. ANDERSON. I hope the Senator will not forget the fact that Elk River does not get any title.

Mr. GORE. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. GORE. If the able Senator from Minnesota will turn to page 514 of the hearings, he will find there language of the Atomic Energy Commission. I now refer particularly to subsection (d). Does the Senator have the volume before him?

Mr. THYE. I do, but the Senator from Tennessee reads so well that it will be an inspiration for me to listen to him.

Mr. GORE. I thank the Senator. I read:

> (d) Financing and retaining title to all or part of the reactor system. The nature and extent of this type of assistance will determine whether the energy generated in the reactor will be subject to disposition in accordance with section 44 of the Atomic Energy Act of 1954 and its provisions regarding disposal of energy from utilization facilities of the Commission.

I think that settles it.

Mr. ANDERSON. I hope it will settle it. I have tried to explain to the Senator from Minnesota that Elk River did not get any title to the program. The Senator would like to know what is holding up the contract. There is, for instance, the problem of alternate power. We cannot trust completely the atomic powerplant. The cooperatives need to have a source of alternate power. The question is who is to pay for it. Under the bill as amended by the House there is no disposition of that question. Under the Senate bill there is a clear provision that the AEC would pay for it.

Then the question arises, would Elk River get along better under the Senate bill or under the House bill? I will let the decision stand on that question. We know what happened with regard to the Seawolf. After we built the prototype utility in Iowa and worked on it for months, we found, after we put it in the Seawolf, that it did not work, and we had to change it completely.

The second point I wish to make is that the plant will be Government owned, I assure the Senator from Minnesota. When the Government owns a property the Government—in this case the AEC—raises the question whether Elk River should not carry insurance on the property. I mean all the hazard insurance that is provided for in the indemnity bill we will be talking about later. That will run into thousands and thousands of dollars a year. Elk River says, "Oh, no, this is owned by the Government. The Government will have to pay for the insurance."

The Government says, "We are letting you operate it. We are not giving you merely the steam valve to operate. Therefore, you will have to pay for the insurance—$50 million worth. You must pay for that insurance." That is causing a part of the trouble.

The Senator from Minnesota wants to know how we can get those roadblocks out of the way. Perhaps the contract will move forward, but we will not be able to get all those things out of the road because the parent organization of the REA's—the national organization—will not lend the money, under the uncertainties which now exist. We have tried to take those stumbling blocks off the road. I know all about the propaganda that has gone out—the propaganda to the effect that we were not attempting to do so. But I assure the Senator that in connection with the bill, we tried for long, long hours to get them out, so the cooperatives could go ahead, and so there could be a development by the cooperatives of their own nuclear-power resources.

Mr. GORE. Mr. President——

Mr. PASTORE. Mr. President, will the Senator from New Mexico yield to me?

The PRESIDING OFFICER (Mr. MURRAY in the chair). Does the Senator from New Mexico yield; and if so, to whom?

Mr. ANDERSON. I ask the Senator from Rhode Island to permit me to yield first to the Senator from Tennessee.

Mr. GORE. Mr. President, to clinch in the mind of the able Senator from Minnesota [Mr. THYE], if I may do so—and I realize that his interest in this matter is very deep—the point the committee was seeking to facilitate the development of this project, if he will turn to page 18 of the report, in the middle of the page, he will find a paragraph that is very explicit. I shall read the last sentence of it:

> It is contemplated that AEC under its direct contract with the equipment manufacturer could incorporate the terms and conditions concurrently being negotiated by the cooperative or public organization with the manufacturer, providing they are consistent with the above-stated principles.

In other words, the committee has made it possible for the Commission to cooperate in order to take advantage of all the contract negotiations, and, in addition, has provided a way which will facilitate the actual development of the project at Elk River.

Mr. ANDERSON. I think so.

Now I yield to the Senator from Rhode Island.

Mr. PASTORE. Mr. President, if I may say so, I am somewhat amused at the position the distinguished Senator from New Mexico is being placed in this afternoon, well knowing how he feels about the entire section 111. The charge has been leveled, "Of course this means that the Government is selling the commercial power."

Mr. President, whose program is it, and whose second round is it? Is it the second round of the Senator from New Mexico, or is it the second round of the Atomic Energy Commission? Is the Senator from Iowa prepared today to strike out all of section 111?

All we are talking about is the program which was suggested by the Eisenhower administration, and by the Atomic Energy Commission in round two. This is their program; these are their projects. If this is socialism, they—not we—are guilty of socialism, because we have insisted on taking the position right along that there was a serious question as to whether the cooperatives could get into this field economically at all.

Finally we decided that if the Atomic Energy Commission had confidence as to building this atomic reactor and running it and selling the steam at conventional prices, by contract with the cooperatives, in order to accelerate this research program, then, on that score, and on that score alone, we would go along with it. And on that score alone we went along with it.

If this means selling commercial power—as the Senator from Iowa [Mr. HICKENLOOPER] said—then this is a program which was initiated and suggested by the Atomic Energy Commission; and if it is no good, then I suggest that the Senator move to strike it out; and I will go along with him.

Mr. HICKENLOOPER. Mr. President, will the Senator from New Mexico yield to me, inasmuch as I have been referred to in the debate?

Mr. ANDERSON. I yield.

Mr. HICKENLOOPER. This is not necessarily the program as recommended by the Atomic Energy Commission. The projects are projects suggested by the Atomic Energy Commission. However, the Atomic Energy Commission has definitely opposed the provision—which was injected into the bill by the committee—which requires the Atomic Energy Commission to contract with the suppliers. The Atomic Energy Commission would prefer in every case—as it has in round 1—or, I should say, in most cases, to contract with the company or the cooperative or the public body.

The fault of this particular provision is that the committee is forcing the Atomic Energy Commission to contract with the supplier, and then it will turn on the spigot and will furnish the steam.

Mr. PASTORE. Mr. President, will the Senator from New Mexico yield further to me?

Mr. ANDERSON. I yield.

Mr. PASTORE. If the Atomic Energy Commission does business with the cooperative, is it not selling commercial power just the same? Is not that the point the Senator made? What difference does it make whether the Atomic Energy Commission does business with the cooperative or with the company? In any event it will be selling power to a public-utility company.

Mr. HICKENLOOPER. It will be furnishing power——

Mr. PASTORE. I do not care by what name one may call the rose; it still smells the same to me.

Mr. HICKENLOOPER. It is still furnishing power for money. But the committee has put the Atomic Energy Commission and the cooperative out of the partnership theory.

Mr. PASTORE. Not at all.

Mr. HICKENLOOPER. Which was the theory of the 1954 act; and that is what happens under the provisions of this bill, as a result of the action taken by the committee.

Mr. ANDERSON. No, Mr. President; and I think I shall read a little from the able authority quoted a few moments ago by the Senator from Minnesota [Mr. THYE]. He quoted Mr. Wolter; and I assume the Senator from Minnesota is willing to stand by what Mr. Wolter said—as I would be, because I think Mr. Wolter is a very able man.

Mr. THYE. Well, he and his board members——

Mr. ANDERSON. Mr. President, the Senator from Minnesota should not desert Mr. Wolter. The Senator quoted him a minute ago. So the Senator should stay with him.

Mr. THYE. I respect the ability and intelligence and vision of Mr. Wolter and of the board members. That is why I referred to him.

Mr. ANDERSON. Exactly and that is why I want to present him now as a witness.

In the course of the colloquy in the committee—as appears in the second column of page 14353 of the CONGRESSIONAL RECORD for August 10, 1957, we find the following:

Representative HOLIFIELD. In other words, you expect, for the first 5 years of operation, not to have to pay any more than 9.5 mills; is that right?

Mr. WOLTER. That is what we are trying to shoot for in our design of these facilities.

Representative HOLIFIELD. Do you have a guaranty that you will get it at that cost?

Mr. WOLTER. We do not have a guaranty on the element of fuel consumption; no, sir.

Representative HOLIFIELD. Do you have any guaranty as to the cost of fuel fabrication?

Mr. WOLTER. Yes. We have a fixed price for the fabrication of the fuel.

Mr. TOLL. What happens if the reactor plant produces heat so that the cost is 20 mills per kilowatt-hour? Who pays for it?

Mr. WOLTER. The difference would be taken out of the $3 million research and development fund.

Representative HOLIFIELD. For the first 5 years?

Mr. WOLTER. Yes, sir.

Mr. TOLL. And that is provided by the Commission?

Mr. WOLTER. Yes, sir.

Representative HOLIFIELD. What happens after the end of the 5 years?

Mr. WOLTER. At the end of the 5 years, we have an option to purchase the powerplant.

If the plant was already theirs, what in heaven would they be doing in purchasing it?

Mr. THYE. Mr. President, if the Senator from New Mexico will yield, let me say that there is the research money which was made available to the Atomic Energy Commission.

Mr. ANDERSON. That is correct. But it has nothing whatever to do with the title to this property.

Mr. THYE. And the Atomic Energy Commission has advanced some funds, and is using the Elk River plant as one of the units in which it will explore the commercial uses of atomic power. That is the point we have reached.

All I can say is that I hold in my hand at this time a statement or digest concerning the Elk River, Minn., reactor project. The statement is in the nature of an opinion. It has long been in the process of preparation, and has been prepared from the provisions of the bill now before us. If the Senator from New Mexico will yield for that purpose, I should like to present the statement or digest, which is one and one-half pages in length. The digest refers to the conviction of the REA in regard to the bill.

Mr. ANDERSON. From whom does it come?

Mr. THYE. It comes from Mr. Edward Wolter's opinion relative to what the bill would do to the contract which they have been more than a year and a half in developing.

Mr. ANDERSON. To which bill does it refer? Does it refer to the Senate bill or to the House bill?

Mr. THYE. If the Senator from New Mexico will bear with me and let me read this statement of one and one-half pages——

Mr. ANDERSON. Only for my own enlightenment, I wish to know to which bill he refers, so I can follow it, as the Senator from Minnesota reads.

Mr. THYE. It is the bill which came from the committee.

Mr. ANDERSON. If it came from the committee—and is not what was done on the floor—that is what I wish to know.

Mr. THYE. Yes—for, of course, the distinguished Senator from New Mexico is a member of the Joint Committee.

Mr. LAUSCHE. Mr. President, may I interrupt? The Senator from Minnesota suggested that they referred to a matter which was a year and a half in preparation. Are those the negotiations before the Commission?

Mr. THYE. Yes.

Mr. LAUSCHE. Then the Senator was referring to the negotiations before the Commission, and not the negotiations on the bill; is that correct?

Mr. THYE. I am referring to a contract which had been in process of development ever since the Congress placed $25 million at the disposal of the Atomic Energy Commission, for it to use in research in the commercial field in the case of atomic power. The moment that fund was made available, the Elk River group, being aggressive and having vision, proceeded to try to avail itself of the work in which the Atomic Energy Commission would be engaged. The statement I have sets forth what they think may happen in this case.

I now read the statement.

STATEMENT CONCERNING ELK RIVER, MINN., REACTOR PROJECT

In the State of Minnesota, we have a rural electric cooperative association which is interested in atomic energy, and which is affected by section 111 of this bill, S. 2674.

The Rural Cooperative Power Association of Elk River, Minn., has made a proposal to the Atomic Energy Commission for the construction of an atomic power reactor. These negotiations have been underway for many months, and the Elk River people inform me that they are now ready to sign a contract with the Atomic Energy Commission for construction of the reactor.

Mr. ANDERSON. Is the Senator reading a statement by Mr. Wolter, of the Elk River concern?

Mr. THYE. No; I am reading my own statement.

Mr. ANDERSON. I asked the Senator who was the author of the statement, and he said Mr. Wolter was.

Mr. THYE. If the Senator from New Mexico will permit me to proceed with reading the statement, I think I shall be able to get this thought over to the Senator from New Mexico.

I read further:

I have naturally followed with great interest this first atomic power project proposed within my State, and on July 29, 1957, Mr. Edward E. Wolter, manager of the Elk River Rural Cooperative Power Association, sent me a letter. Mr. Wolter expressed concern over the feature in this bill, in present section 111a (1), which would make it mandatory for the AEC to execute a contract for construction of the reactor with the reactor manufacturer rather than with the Elk River Co-op. Mr. Wolter indicated that this change in contract arrangements might cause a delay in the project, and I quote as follows from his letter to me dated July 29, 1957:

"The first deals with the requirement that all second round proposals must be built by the Federal Government. This means our contracting will be delayed another 5 or 6 months, the manufacturer's costs may again cause him an increase and he is ready today to place firm orders for major pieces of equipment. A delay of 6 months will see those prices rise and he will have to have an increased amount of money as before and that in itself will bring more delays."

The Elk River, Minn., rural cooperative submitted a proposal to the Atomic Energy Commission because it was a forward-looking rural cooperative that wished to participate in the development of atomic power. I do not believe, however, that it wishes to be shoved aside and have the Federal Government build the reactor for it.

Similarly, when this matter was discussed on the floor of the House of Representatives, Representative JUDD, of Minnesota, indicated that the Elk River Co-op did not want to have the Federal Government run the complete show in constructing this reactor.

I therefore support the version of section 111 as it passed the House of Representatives, which would leave discretion with the Atomic Energy Commission as to the type of contract for construction of these reactors. This is in accord with the amendment offered by the Senator from Iowa [Mr. HICKENLOOPER].

I do not believe that the rural co-op proposals should be used as an excuse for the Federal Government to build power reactors itself.

It is on that point that I have a very strong feeling, and I urge Senators to support an amendment which would keep the Federal Government out of the business of generating steam, which would compel every community across the Nation to beg the Atomic Energy Commission to give it a reactor in order that it would be eligible to turn a valve to send the steam through a turbine and generate electricity to make possible the obtaining of a unit of power in a community. It is at that point that I come into the argument. I think we are taking a step to put the Government into the power business.

Mr. ANDERSON. It is very simple. All the Senator from Minnesota has to do is to persuade the Elk River co-op to withdraw its application, and it will be out of the business of generating steam. Every present contract does exactly what we have indicated. The only difference is that the Elk River people are worried because it has taken so long to get action. They are afraid if they go into another round it will take 5 or 6 months more. The Atomic Energy Commission has been dragging its feet for a year.

Mr. THYE. If the Senator will yield to me, I wish to say I shall not advise the Elk River people to withdraw their application. In room F-37, as a member of the Appropriations Committee, I said, "You will never get commercial use of atomic energy until you relieve the Atomic Energy Commission of the responsibility for the use of funds, other than for research purposes. Otherwise the Atomic Energy Commission will be projected into the field of the development of commercial use of atomic energy."

The Elk River people said they had a cooperative organization, and that, if they could make their plant available to the Atomic Energy Commission for research purposes, that was their desire. They began to negotiate a contract. I would be the last one to ask them to withdraw their application.

Mr. ANDERSON. The Senator just got through saying he did not want the Government to do it.

Mr. THYE. I do not want the Government to get into the business of generating steam.

Mr. ANDERSON. No. The bill merely involves the building of the plant, that is all. Under all the programs, as soon as the plant is built, the cooperative takes over.

Mr. THYE. I understood the Government would keep the plant in its hands just as the Senator would keep a quarter in his hands.

Mr. ANDERSON. Not at all.

Mr. THYE. The Government could do as it pleased. All the Elk River people could do would be to buy the steam after the steam was generated.

Mr. ANDERSON. I am sorry, after all this explanation, the Senator from Minnesota does not understand. I only say to him that the manager from his State has testified that the Government will not own the plant. Under both plans, the cooperative would own the plant. Under the proposal we have made, the Atomic Energy Commission would buy directly. Under the plan of the Atomic Energy Commission, the co-op would be given the money to buy it.

Mr. PASTORE. Mr. President, will the Senator from New Mexico yield so that I may ask the Senator from Minnesota a question?

Mr. ANDERSON. I yield.

Mr. THYE. Mr. President, I wish to say I was never more interested in any question before us than I am in the pending question, because it is a new venture, not only in legislation, but in the commercial power field. If we, by any manner of mistake, or by compounding a mistake, ever put the Government in the business of generating steam to be sold at the valve, to be used to generate power, we will never be able to stop the Government's being asked, "Give us a power unit to firm up electric power in the Missouri River Valley; give us a power unit to firm up electricity generated on the Columbia; give us a plant to generate electricity elsewhere in the United States." Then we shall have gotten the Government into the power business on a scale from which it will never be able to retreat. That is my only concern here today.

Mr. PASTORE. May I ask a question?

The PRESIDING OFFICER. To whom does the Senator from New Mexico desire to yield?

Mr. PASTORE. Mr. President, the Senator from New Mexico yielded to me in order that I might ask a question of the Senator from Minnesota.

Does the Senator feel it would be fair to the taxpayers for the United States to put the taxpayers' money, and not one thin dime of the Elk River Cooperative, into the building of a reactor, and then not to be permitted to have anything to say as to who the engineer would be, what sort of reactor would be constructed, or who would be the contractor to build the plant? Is that what the Senator is driving at? After all, if the Elk River Co-op does not want the Government to build a plant, there will be no steam which can be sold to the distributors. I say in that case they ought not to be in the arrangement at all; but if they are going to be in the arrangement, and if the taxpayers of the United States are going to pay the entire cost, does the Senator not think it is the responsibility of this Congress to charge the members of the Atomic Energy Commission with the responsibility of determining who would be the architect, how much his fee would be, whether a good reactor or a bad reactor would be built, what kind of reactor is going to be built, and who would be the contractor who would build the reactor?

If it is exclusively taxpayers' money, then it becomes exclusively the responsibility of the United States Government, which is spending the taxpayers' money, to decide what kind of reactor it is going to build, if any. Once it is built, then it strikes me an arrangement can be made as to how to dispose of the steam.

In my section of the country the Yankee Atomic Corp. has put up $35 million

of its own money against $5 million of the Government's money for basic research. That company will own the reactor because it is its money that is building it. If the Senator wants the Government to be out of the business, all the co-op in his State has to do is ask the Government to put up $10 million, but also take $10 million out of their own pockets, build a reactor, and get a license from the Atomic Energy Commission. Then there would be no problem at all.

Mr. THYE. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. THYE. In the building of highways, the Government requires that only certain specifications it has prescribed be recognized by the States and abided by, if they are to receive Federal assistance. There are many other fields in which the Federal Government takes similar action. Even in the matter of hospital construction, there is Federal participation, but the Federal Government does not say, "Now, we are going to buy all of this equipment for your surgical unit in the hospital, and if you do not let us put that equipment in the surgical unit, you are not going to have a dime of the money."

Mr. PASTORE. The roads, police departments, and fire departments involve the police power of the Government. In that field there is a public interest involved. The Government of the United States has no business to engage in the development of peaceful uses of the atom unless it is for research for the benefit of the people of the United States, and to promote the peace of the world. That is the only reason why we can afford to spend one nickel in that field. If we are talking about generating current cheaply for private industry, then it becomes, apparently, the exclusive business of private industry. The only feature that brings the Government into the field is research. That is the only reason why we can spend the taxpayers' money in that field.

The Government builds roads because the roads are for all the people.

It maintains the FBI because its activities are for all the American people.

It builds hospitals so that indigent people can be cared for.

But the current to be generated by the reactor referred to will benefit only the people who are using the current on the lines of the Elk River Cooperative Power Association. Those people will be the only beneficiaries of any good that comes about.

Why should the people of Iowa, why should the people of Rhode Island, why should the people of Massachusetts—build that plant for peope who will use it in the State of Minnesota?

Mr. THYE. Mr. President, will the Senator yield?

Mr. PASTORE. If we are going to talk about socialism and private industry, I am willing to debate that on the floor. The only reason why we are going into this activity is for research purposes, not to sell commercial power or to put the Government into the power business. When we do that we approach socialism, and I am against socialism.

Mr. THYE. Mr. President, will the Senator yield?

Mr. PASTORE. The only justification for the Government's activities in this field is basic research and development. So long as it is that we can afford to spend the taxpayers' money. So long as we spend the taxpayers' money, the United States Government has a responsibility to see to it that every single penny is spent wisely, and that somebody else does not become the agent and broker to spend the money which belongs to all Americans and which they pay in the form of taxes.

Mr. THYE. Mr. President, will the Senator yield further?

The PRESIDING OFFICER (Mr. CLARK in the chair). Does the Senator from New Mexico yield to the Senator from Minnesota?

Mr. ANDERSON. I yield.

Mr. THYE. Mr. President, all I wish to say at the present time is that the Senator from Rhode Island was carrying his thought a little afield, beyond anything I had implied or suggested. All I had stated was that the Elk River Cooperative had an operative plant which was serving a community of cooperative associated members, and that the fact that they offered their facilities to the Atomic Energy Commission to be used for a research project would not be of benefit to any individual or corporation.

That organization has gone all the way up to the desk of the Atomic Energy Commission with its contract. They are ready to negotiate the contract. If the contract had been executed they would have proceeded to use the reactor which the Federal Government assisted them with, and then the funds would have been appropriated by the Congress for research purposes, to be used for research, and the Federal Government would not be projected into the making of steam, which would be used for the generation of electricity.

Mr. KUCHEL. Mr. President, will the Senator yield?

Mr. ANDERSON. I will yield to the Senator from California in a moment.

I should like to say, in conclusion with reference to the Elk River Cooperative Power Association, that in the first instance the Senator from Minnesota was worried because the Government was going to obtain title to the plant, when he thought the cooperative was going to obtain title, and I hope he is persuaded that the cooperatives will not obtain title under either proposal. Now the Senator is worried about the fact that they may lose it.

We consulted Mr. Wolter. We were not unconscious of his worries and problems. We tried to do something about them. We did not let his proposals lie on the desk, as the AEC has been doing for months. We put this statement in the report:

> It should be understood that the above principles are not intended to require AEC to resolicit proposals or to change the participants in the various projects. They merely require AEC to contract directly with the equipment manufacturer, rather than to deal with the manufacturer as a subcontractor through the cooperative or public agency. It is contemplated that AEC under its direct contract with the equipment manufacturer could incorporate the terms and conditions concurrently being negotiated by the cooperative or public organization with the manufacturer, providing they are consistent with the above-stated principles.

Finally, in the bill it is stated that "the operation of the entire plant including training and personnel", shall be carried on by direct contract between the Commission and the cooperative. I do not know how we can depart from that.

I now yield to the Senator from California.

Mr. KUCHEL. I thank the Senator from New Mexico.

This debate is helpful to a Senator like myself, who is not at all acquainted with this subject. I am sure the Senator from New Mexico realizes that I have nothing but the highest of respect for him. I must also say that the men who make up the Joint Committee on Atomic Energy are all of the highest stature.

In the past several days I have read the hearings. I have observed the words like round 1, round 2, round 3, the use of breeder reactors, heavy water, and all the rest. Every few paragraphs, I might add, I observed the words "off the record."

It is extremely difficult for Senators who are not familiar with the subject to find what is in the public interest and vote accordingly. With that brief statement of background, if I may, I should like to ask the Senator a couple of questions with particular reference to section 111. Perhaps, at least, I can resolve to some extent my own perplexity—and I am not alone in perplexity, as I look around the Chamber today and see the confusion written on the faces of some of my fellow Senators.

I should like to invite the Senator's attention to section 111 and ask him, first: Is it not a fact that the Atomic Energy Commission has today the statutory right to enter into a contract with a public agency, REA or otherwise, on exactly the same basis it has the statutory right to enter into a similar contract with a privately owned utility? Is my understanding correct?

Mr. ANDERSON. The Senator is correct.

Mr. KUCHEL. Is it not a fact, further, that in the discharge of that authority the Atomic Energy Commission has stated that it has been negotiating with a public agency toward a final contractual commitment?

Mr. ANDERSON. Yes.

Mr. KUCHEL. So that from the standpoint of the legal authority of the Atomic Energy Commission to enter into a contract with a public agency, section 111 adds nothing to the authority of the Commission; is that correct?

Mr. ANDERSON. It would not add anything to the authority, but it might make the Commission do something it does not want to do.

Mr. KUCHEL. That is what I desire to come to. Am I correct in stating that it is the intention of the Joint Committee on Atomic Energy to channel the

contract between a public agency and the Atomic Energy Commission along a certain line, as outlined in section 111?

Mr. ANDERSON. To follow one line of contracting; yes. The Atomic Energy Commission shall do the purchasing for these plants.

Mr. KUCHEL. In a certain fashion?

Mr. ANDERSON. Yes. After all, as the Senator will realize, if he knows anything about the Chugach Electric Association, in Anchorage, Alaska——

Mr. KUCHEL. Which I do not.

Mr. ANDERSON. The Senator probably recognizes that the Chugach Electric Association has no opportunity to become fully acquainted with all the developments in the field of atomic energy, whereas the Atomic Energy Commission, with its corps of experts and constant contact with every large manufacturer of electrical equipment, is probably in the best position to know what the Chugach Electric Association ought to buy and what would be a fair price to pay for it.

Therefore, we felt that instead of turning the cooperative, which has no experience, loose in the field, we ought to tie it down so that the action would come through the Commission.

I may say that is not the only reason. In the State of Ohio, the city of Piqua applied for a plant. I invite Senators' attention to page 14355 of the CONGRESSIONAL RECORD, where the proposal of the city of Piqua, Ohio, is printed. It states:

> The city of Piqua, Ohio, and the writer representing the Piqua power system are vitally interested in the passage of the captioned bill as presently written.
>
> The writer has carefully reviewed section 111 (cooperative power reactor demonstration program) and I wish to urge that the mandatory requirement as evidenced by the word "shall" in line 12, page 15, of the captioned bill be retained to the end that AEC must complete arrangements for development, design, and construction of the reactor and related facilities by direct contract with the equipment manufacturer or engineering organization.

This is one of the groups with whom the Atomic Energy Commission has been negotiating. The city of Piqua, after long negotiation and after long delay, has come forward to say, "We want this language retained; we want it done as the bill provides."

Mr. KUCHEL. What the Senator is urging, then, in regard to this subject——

The PRESIDING OFFICER. The Senate will be in order. Visitors in the gallery will kindly refrain from audible conversation, in order that Senators may be heard. Members and staff who desire to converse will please retire to the cloakrooms.

The Senator from California may proceed.

Mr. KUCHEL. What the distinguished Senator from New Mexico is urging for the committee, in section 111, is that the procedures and the techniques of entering into a contract with a public agency shall be channeled down one line, to wit, a direct contract with those who produce the reactor equipment.

Mr. ANDERSON. Yes. Under this particular section that is true, because under the section the AEC will buy the entire powerplant.

Mr. KUCHEL. Is my understanding correct that, in the preliminary negotiations with the Elk River Cooperative Power Association, the AEC is not working on the basis of direct contact with the manufacturers of the nuclear equipment?

Mr. ANDERSON. Yes. The Elk River people have been negotiating directly with the manufacturers of the equipment.

Mr. KUCHEL. What is difficult for the Senator from California is to accept the argument of the Senator from New Mexico completely, because it seems to me that if I had the responsibility of the Atomic Energy Commission, perhaps in dealing with the Senator from New Mexico, representing one public agency, I would negotiate one type of contract, and perhaps in another part of the country, dealing with other people, under different economic and other conditions, I might want the freedom to change the terms of the contract. Why should I be restricted in the type of contract I can negotiate? That is what makes it difficult for the Senator from California.

Mr. ANDERSON. The first question is, With whose money? Is the Senator speaking of a situation in which he would be spending his own money?

Mr. KUCHEL. It is the Government's money we are talking about.

Mr. ANDERSON. Every dime the Elk River cooperative will spend on a reactor will be Government money. Not a nickel of its own money will go into it.

Mr. KUCHEL. If that is the pattern laid down, I would not quarrel with it. We are dealing here with "research and development."

Mr. ANDERSON. Not every cooperative is so fortunate as the one at Elk River. I said earlier that I thought the Elk River cooperative was in pretty good shape. It happens that in the State of Michigan there is the Wolverine cooperative. The Wolverine cooperative has started negotiations and has done some bargaining. I do not know as much about business as I should——

Mr. KUCHEL. The Senator is an able businessman.

Mr. ANDERSON. But I do know that one should not obligate himself to pay out more than he takes in, unless somewhere along the line he can borrow money. The Wolverine cooperative has an income of about $18,000 a year, and it proposes to contract to pay $50,000 a year in interest. It cannot be done, except by borrowing.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. HICKENLOOPER. I may say to the Senator from California, if the Senator from New Mexico will permit me, that three times in the deliberations of the committee those who believe as I do on this question stated that all we wanted to do was to change the word "shall" to "may"—in other words, to provide in the bill that the Commission may deal directly with the manufacturer or the supplier of the equipment, instead of making it mandatory and saying that the Commission shall do it that way. The Commission should be given some leeway.

We were defeated three times. For some reason which I must say I fail to understand, the word "shall" had to go into the bill. If the word "may" had been used there would have been no hassle over it at all. No amendment would have been proposed in the House, and there would have been agreement all the way down. No one wishes to block the opportunity for research and development.

Mr. ANDERSON. I agree with the last statement of the Senator.

If we used the word "may" instead of the word "shall" the Atomic Energy Commission would wipe it away. It would not pay the slightest attention to the language if we used the word "may." The Atomic Energy Commission told us, "We are going to operate this program to suit ourselves." Congress has some responsibility. Members of the Appropriations Committee do not abdicate because some agency says, "We want to do it our way." Therefore we rejected the word "shall"; and the city of Piqua, Ohio, is thankful that we did.

Let me say also to the able Senator from California that every once in a while we must lay down rules which do not work perfectly in every case. The Government of the United States requires competitive bidding on certain items. One might say, "I know a firm with which you can do business, a firm that is as honest as the day is long. You could buy millions of dollars worth of goods from it and never lose a nickel." But if we do not include the requirement for competitive bidding, we run into trouble in a short time. Therefore we tried to prescribe a sound rule which would not hurt anyone who wanted to play right, but would protect the Government in case some organization did not have the highest type of business management. We tried to bar such organizations.

Mr. KUCHEL. Mr. President, will the Senator further yield?

Mr. ANDERSON. I yield.

Mr. KUCHEL. At the conclusion of the last hearing a directive was issued to Admiral Strauss to provide certain information which I did not see. I got in contact with the staff of the committee, and was finally referred to the CONGRESSIONAL RECORD for August 5. I was told by the staff that this was an informal letter from the head of the Atomic Energy Commission to Representative COLE. Let me read one paragraph of the letter from the Atomic Energy Commission on this particular point. I quote from the letter:

> 2. Section 111 (a) (1) of the bill would prescribe the method of contracting between the Commission and publicly and cooperatively-owned utility organizations under the Commission's power-demonstration program. The Commission's negotiations with several of the publicly and cooperatively-owned utilities are in an advanced stage and in at least one case, the Elk River cooperative, are close to contract execution. To require the Commission to reopen negotiations on a new basis would delay contract execution and hence delay completion of the project. In addition, the Commission be-

lieves that there are cases in which it will be advantageous to the Government to give to the utility contractual responsibility for the overall project, subject to controls necessary to protect the Government's interest, and that there are also cases in which it may be practicable to provide for limited assumption of operating costs and risks by the utility. Both of these possibilities would be foreclosed by the mandatory requirements of section 111 (a) (1). The basic contractual framework proposed by section 111 (a) (1) may in some cases provide the only feasible way of successfully concluding negotiations, and in such cases the Commission would follow that framework. But the Commission believes that it, as an executive agency, should be free to develop and adopt such contractual patterns, consistent with general legal requirements, as appear appropriate and in the best interest of the Government. Accordingly, the Commission cannot endorse enactment of section 111 (a) (1) in its present mandatory form.

Accordingly, the Commission said it could not approve that part of the contract. Let me say very frankly to the Senator——

Mr. THYE. Mr. President, will the Senator correct his language? He referred to Minnesota.

Mr. KUCHEL. I do not yield.

I do, indeed, wonder why the Atomic Energy Commission has taken this long to negotiate the contract in Minnesota. There may be an honest and reasonable answer to that question. I do not know; but I shall indulge the presumption that it has been tending reasonably toward the conclusion of a proper contract. In any event, I raise the serious question, Why should any agency of the Government charged with procurement be confined or restricted or tied down to only one means of writing a contract? Why should it not have the flexibility to determine which type of contract to enter into? Is that not good business procedure?

Mr. ANDERSON. Why should an agency of Government be confined to one type of contract for procurement? Why should it not have 50 types?

The reason this provision is in the bill is that, in the opinion of the committee, after long study, the Atomic Energy Commission had no intention of completing these contracts. Every time a contract is about to be finished, it thinks of something else; and when it has successfully solved that question, it thinks of something more. The Nebraska situation is that for 2 solid years the Commission has been sitting there thinking of something else. Every time the Elk River contract is ready to be closed, the Commission thinks of something else.

We say that the Commission shall buy the equipment itself, and sell the steam at cost. Often the folderol of negotiations holds up these operations. If we leave the language the way the Atomic Energy Commission wants it, and give the Commission unlimited funds with which to make back-door deals, a year from now someone will say, "Why can we not do something for the poor Elk River cooperative? It is now in the third year of suspense."

Mr. KUCHEL. Does the Senator believe that would be the case?

Mr. ANDERSON. I believe that would be the case.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. LAUSCHE. I invite the Senator's attention specifically to section 111. I do so because it is brief, and covers completely the subject of discussion.

I divide subparagraph (1) into three parts.

The first has to do with arrangements for projects sponsored by cooperatives and publicly owned agencies. The bill provides that such arrangements "shall be carried on by direct contract between the Commission and the equipment manufacturer or engineering organization with respect to the development, design, and construction of the reactor and related facilities."

That is part 1. It is my understanding that the committee's recommendation differs from the wishes of the Atomic Energy Commission, to the point where the committee recommends that the contract shall be made directly between the Commission and the equipment manufacturer. Is that correct?

Mr. ANDERSON. That is correct.

Mr. LAUSCHE. Why has the committee recommended that departure from the Atomic Energy Commission's recommendation?

Mr. ANDERSON. Because 2 years ago we tried to get this program moving. We gave the Commission authority to go ahead. At the end of the period it was exactly where it was in the beginning, still grinding its gears. We say that the time must come when, if those who are in the field enter into negotiations with a responsible engineering organization, the Commission shall, by purchasing arrangements, put through the project.

We have heard about various things, such as the Elk River Cooperative. On page 203 of the hearings it is pointed out that, under the authorizing legislation, the original estimated cost for the Elk River Cooperative was $4,460,000. The currently estimated cost is $8,136,000. If we had said to the Elk River Cooperative, "We will back you to the extent of $4 million," and the Elk River Cooperative had proceeded to contract, with its limited knowledge of how costs increase, it would have gotten about a third of the way through, and found itself caught with an $8 million cost. It could not do what the Commonwealth Edison Co. of Chicago could do. It could not take a loss.

We understand that the contract which was given for the first Army reactor constructed in Virginia was for about $1,500,000, and the company lost about $1 million on the deal.

Mr. LAUSCHE. The first part provides how the equipment for the generating plant shall be contracted for. The second part goes into a new field. It reads:

And by direct contract between the Commission and the cooperative or publicly owned organization with respect to the provision of a site—

That is clear.

Mr. ANDERSON. Yes.

Mr. LAUSCHE. I read further:

and conventional turbogenerating facilities—

That is clear—

the operation of the entire plant including training of personnel.

Will the Senator from New Mexico explain the third part? I refer to the operation.

Mr. ANDERSON. They can pick out the particular site. Its value may be $400,000 in one case, or $700,000 in another case. The AEC would want to pick out the conventional type of turbogenerating facilities, because they would probably want to match them with what they have, and they have had experience in the purchase of such facilities.

Then, when it comes to training personnel, we do not want to say to them, "You will take this man and move him over to the plant that is now operating, but leave this other man at home." We feel the manager of the plant at Elk River should pick out the people he desires to send away to learn how the atomic installations operate.

Mr. LAUSCHE. I am not worried about the personnel. I am thinking about the operation of the entire plant. That can be done by contract between the Atomic Energy Commission and Elk River.

Mr. ANDERSON. Yes. The operation of the entire plant will be the responsibility of the Elk River Cooperative. The Government is not going to tell them when to start it up and when to shut it off. The Government will not tell them how much pressure to maintain or how deep to drop the rods. The Government recognizes that that must be done in the field.

Mr. LAUSCHE. The fourth part then provides for the sale by the Commission of steam from the reactor complex to the cooperative or publicly owned organization. Why are we selling steam?

Mr. ANDERSON. I will answer the Senator by saying that that is what the plant makes. There may come a time when the plant may make direct current, but steam is what the plant would make at present. We do not want to waste it. There were some proposals made about a year ago that we should build some small reactors and merely waste the steam.

Mr. LAUSCHE. I am clear about that.

Mr. ANDERSON. So we want to sell the steam.

Mr. LAUSCHE. If we are not in the business, why are we selling the steam?

Mr. ANDERSON. We are trying to find out how to get the steam. We are trying to find out what processes produce it. When we start out with a reactor, we can have something on paper that looks very good and sounds very nice. As I said before, we found out certain things about the *Seawolf*. After the *Seawolf* was designed and was under construction, under the supervision of the man who had been successful in designing and operating the *Nautilus*, it was found that some tubes in the *Seawolf* had to be moved in a certain direction. A great deal of this is still classified matter. However, when the tubes

were moved, it was found that the change did not work as it had in the preliminary plan. We have been trying to find out how it will work, and we will have to sell the steam. We will have to find out how the steam is produced, and how much it is worth. Perhaps some day we may be able to say to a plant, "If you change the alinement of certain tubes and set them up in a different fashion, the power coefficient will go up."

Mr. LAUSCHE. How are we going to tell the cooperatives that they should change something when the language of the bill leaves the ownership and operation in the Federal Government?

Mr. ANDERSON. The operation is in the cooperatives.

Mr. LAUSCHE. The operation is fixed by the contract provided in the second part, as I read the bill.

Mr. ANDERSON. It goes directly to the cooperatives. The Government will not operate at all.

Mr. LAUSCHE. Now I come to my last question. Where in the bill is there a provision that the Government will divest itself of the ownership at any specific time?

Mr. ANDERSON. It is not in the bill. I will say to the Senator that, with his long experience in government, we would have been glad to have him sit with us to try to find a formula under which we could say to the Government, "You must turn the plants loose at a specific time."

Mr. LAUSCHE. I heard someone mention the figure 5 years; that at the end of 5 years the Government would have to do it.

Mr. ANDERSON. Yes.

Mr. LAUSCHE. Where is that language in the bill? I should like to see that language.

Mr. ANDERSON. The language is not in the bill. We first started to talk about a period of 15 years. Then we started to talk about 10 years. Then some said, "Let us do it at the end of 5 years." The difficulty is that we believe that 5 years from now the technique in connection with the development of atomic power will have progressed as rapidly as it has progressed during the past few years. A very brilliant scientist has predicted that we may be able to convert atomic energy directly into electric current in less than 5 years.

If we were to say that we would turn them loose in 5 years but not in 10 years, or say we would do it in 15 years, or that we would do it within a certain fixed period of time, we would be dealing with an unknown factor.

I will say to the Senator from Ohio that I was one of those who advocated that we provide that after a certain period of time these plants had to be sold. We tried to put such a provision in a section that relates to the development of a plutonium facility. We cannot specify the time. When one sits down and thinks about it he comes to the point where he finds it cannot be done. All one can do is what the Government does when it issues paper money; we can pledge the good faith of the Commission that it will dispose of the plants at the earliest possible date.

Mr. LAUSCHE. Is it fair to assume that the Government will continue in the ownership so long as it feels research should be carried on?

Mr. ANDERSON. That is correct. Things are being learned by the operation. In the committee report, with respect to the provision of the site, the committee states:

> It is not contemplated that the AEC would pay any post-construction research and development assistance allowance, as such, or buy back plutonium, but would enter into a demonstration contract under section 31 for the operation of the entire plant, and the sale of the steam for such period of time the AEC determines to be in the Government's interest.

We leave it fully in the hands of AEC to determine how long that will be.

> This would cover the period of the Government's research and development interest in the project and such additional time as may be necessary to dispose of or dismantle the reactor facility in the Government's interest.

Mr. LAUSCHE. I believe that fairly justifies the inference which I made that the Government would stay in control so long as it considered the research and development justified it.

Mr. ANDERSON. That is correct.

Mr. LAUSCHE. My final question is this. What assurance is there that those who will be in control of AEC when the period of research has come to an end will sell the plants to private industry?

Mr. ANDERSON. I can only say that the Congress of the United States through the Joint Committee on Atomic Energy will have some control over the AEC in the first place.

Mr. GORE. Mr. President, will the Senator yield?

Mr. ANDERSON. I would like to complete this point. I believe firmly that no reactor which is now under construction or which will be started in the next year will be economically desirable for operation after 5 years. I may be wrong, of course, but I believe we will learn so much in the next 5 years that we will completely break through the present concepts of generation. I do not know what the AEC will do then, but by virtue of legislation which has been recently enacted, the AEC will have to come to Congress for its authority to go further. I hope the Senator from Ohio will still be here then so that he will help make sure that the Government will not maintain the plants longer than for a reasonable time.

Mr. GORE. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. GORE. The able junior Senator from Ohio inquired about a certainty in an entirely uncertain field. Not only are we without power over or knowledge of certain actions by the Atomic Energy Commission, but we have no assurance that 5 years from now or 2 years from now or 10 years from now we will be able to find a purchaser in the United States for 1 of these reactors. Suppose it should develop that they are unsafe. Suppose they should prove to be uneconomical. It is almost a certainty we could not find a purchaser. We cannot provide positive directions as to divestment unless we know that there is someone who would be willing to buy the plants. We may find in 2 years it may be necessary to dismantle them. I say we are going along in an uncharted sea, seeking to maintain America's leadership in the vital field of nuclear energy. There are no certainties in the field except that it is of tremendous importance.

Mr. LAUSCHE. It would be better to say, then, that the Government ought to continue in this research work without any worry about socialistic change. My questions were propounded on the basis of the argument which developed as to whether or not the Government is going to be in business. Will Congress each year have to appropriate funds for operating these plants?

Mr. ANDERSON. Congress will have to appropriate money each year. The greatest power we have is the power of the purse.

Mr. LAUSCHE. Yes.

Mr. ANDERSON. The Atomic Energy Commission has no authority in itself to launch these undertakings. It must come back year after year for authority. Congress has enacted section 261 of the Atomic Energy Act, which requires the AEC to come to Congress and ask for these items. I think that is a wholesome procedure to follow.

I will say to the Senator from Ohio that it may have been one of the reasons why thereafter the AEC had so many questions to ask about our projects. But we went ahead to do what we thought was proper, in including a requirement that it come to Congress, year after year, for this authorization.

Mr. LAUSCHE. Based on what the Senator from Tennessee said, I would assume that there is no immediate contemplation of divesting the Federal Government of ownership and of turning the ownership over to the local cooperative. The purpose will be to continue operating it on the basis of a research center; is that correct?

Mr. ANDERSON. That is correct, and that is why the cooperative will own the generating facility, because if 3 years from now we find a new way to do this, and if a new plant is then installed there, the Government then will own the actual generating facility, and there will be no recourse, because the Government will have found out something very, very valuable.

Mr. HRUSKA. Mr. President, will the Senator from New Mexico yield to me?

Mr. ANDERSON. I yield.

Mr. HRUSKA. Is it not true that there is a provision for the contracting parties to purchase at the end of 5 years?

Mr. ANDERSON. That is correct.

Mr. HRUSKA. Could not the matter be handled on that basis? We do not have to solve today all the problems for all time to come. Cannot there be placed in section 111 a provision whereby an option to purchase will be included—a provision similar to the one just mentioned?

Mr. ANDERSON. Yes, that could be done. But let me say that we have seen delays occur already. We do not know whether this will be finished by 1960 or 1965. So why should we require that it be done in that way?

Mr. HRUSKA. It does not have to be. The option is already in existence. It seems to me that section 111 provides for inflexibility, which is contrary to the dictates of the dynamic nature of the problem with which we are dealing.

Mr. ANDERSON. For my part, I am willing to include a provision for a 5-year option. But in the best judgment of the committee, that was not desirable.

Mr. HRUSKA. Yet that is one of the differences about which the Senator from Ohio inquired, and it is one of the points of distinction between the provisions of section 111 and the situation which has obtained heretofore, in the case of the contracts which presently are under consideration. And that point of distinction has not been mentioned until just now.

Mr. ANDERSON. But the contracts are going on, and there is an option to purchase.

Mr. HRUSKA. But that will not be the case under section 111 of the pending bill.

Mr. ANDERSON. Section 111 provides only for those in the second round, the ones now before us. It does not deal with the third round.

Mr. HRUSKA. In the second-round contracts there are provisions for an option on the part of the cooperatives and the public bodies to purchase the plants.

Mr. ANDERSON. They still will have that option.

Mr. HRUSKA. Yes, but not insofar as future contracts by the Atomic Energy Commission are concerned.

Mr. ANDERSON. But the second round is over.

Mr. HRUSKA. Are there to be no rounds in the future? If so, why is section 111 included?

Mr. ANDERSON. I think those are the only projects which are being contemplated under the second round. That is all that has been requested, in the way of money. If we had felt it necessary to include a provision for an option to purchase at the end of 5 years, I would not have objected to the inclusion of such a provision, and I would not object to it now.

Mr. HRUSKA. It would still seem to me the point of difference, which has just now been mentioned, but has not heretofore been mentioned is basic; and it was the point about which the Senator from Ohio [Mr. LAUSCHE] made inquiry.

Mr. HUMPHREY. Mr. President, will the Senator from New Mexico yield to me?

Mr. ANDERSON. I yield.

Mr. HUMPHREY. I regret that I was not in the Chamber at the time when the details of the rural cooperative situation were first debated. Those details have been elaborately discussed today, as they have on other occasions.

I should like to ask a question about the difference between existing law and the pending bill, as outlined in section 111 (a), as it has been discussed by the Senator from Ohio and other Senators.

First of all, is it not true that in the testimony, when Mr. Ralph J. Foreman, the Acting Administrator of the REA, and Mr. Mynatt, the Assistant General Counsel of the Department of Agriculture, were before this committee, one of the problems which was brought out—one of the problems which faces any cooperative at the present time—was that which involves the cost item of the electric power to be generated. Is not that true?

Mr. ANDERSON. That is correct. It was explained by the representative of the Rural Electric Administration—the REA. Mr. Foreman discussed it, and raised the question of cost, and said the REA was not going to make any money available until that was settled.

Mr. HUMPHREY. That is correct.

The Elk River plant was given a firm loan—upon conventional facilities—of $6,702,000, as the record reveals. That was for a number of items which were described in the testimony. But when it came to a reactor to be used as the fuel to create or generate steam, it was at that point that the Elk River REA would have to go to the Atomic Energy Commission, to make its separate contract. Is that correct?

Mr. ANDERSON. That is correct.

Mr. HUMPHREY. And at that point the REA Administrator again would have to evaluate the loan which he was initially making; is that correct?

Mr. ANDERSON. That is correct, as I understand.

Mr. HUMPHREY. Let me read from some of the testimony taken at the time when Mr. Foreman was present:

Representative PRICE. Mr. Foreman, we understand then, while this is a firm loan to Elk River—

Referring to the loan of $6,702,000—the final approval is still contingent, if it goes into the atomic-energy project, upon the approval of the Administrator?

Mr. FOREMAN. Yes, sir. I might point out the loan is a firm loan, and if Elk River decided to construct the boiler and the normal equipment that goes along with it, those contracts too would be subject to the approval of the Administrator.

Representative PRICE. Would you proceed?

Mr. FOREMAN. A superheater will be needed to increase the reactor steam temperature to a value which will match the steam conditions—

And so forth. That testimony appears on page 577 of the hearings on the pending bill, the authorizing legislation.

Mr. ANDERSON. Yes.

Mr. HUMPHREY. Does not this point out that one of the problems of the Elk River project arose from the fact that the cost of the steam was always an undecided factor?

Mr. ANDERSON. Yes, an uncertain amount.

Mr. HUMPHREY. Yes, an uncertain amount or figure.

Second, there was the question of what would happen in the case of alternate power during any shutdown of the reactor. Is not that correct?

Mr. ANDERSON. Exactly.

Mr. HUMPHREY. And that was a part of the reason for the delay, was it not?

Mr. ANDERSON. That is correct.

Mr. HUMPHREY. There has been more than 18 months of delay, has there not?

Mr. ANDERSON. Yes, from April 1956, when the negotiations supposedly were all over.

Mr. HUMPHREY. Exactly.

Mr. ANDERSON. All they were going to do was sit down and sign their names to the contract.

Mr. HUMPHREY. But there have been reasons for not signing it—among others, because of the word "may", which the Senator from Iowa mentioned a while ago, in connection with the basis on which the Atomic Energy Commission is operating; and also because there has been no directive and no firm Government policy on this matter. So the delay has been occurring, and there has been more and more and more delay.

As I understand, under the provisions of section 111 (a) the Government would build the plant. Is that correct?

Mr. ANDERSON. The Government would build the nuclear-energy plant.

Mr. HUMPHREY. Yes, would build the nuclear-energy plant. Is that correct?

Mr. ANDERSON. Yes.

Mr. HUMPHREY. Then the Government would sell the steam, would it?

Mr. ANDERSON. What would actually happen would be that the Elk River group would operate the plant and would charge itself for the steam, the fair market value of the steam.

Mr. HUMPHREY. That is correct. And that is provided for in the committee's work; is it not?

Mr. ANDERSON. That is correct.

Mr. HUMPHREY. The cost of the steam under present law is one of the factors which has caused the delay in the Elk River project; is it not?

Mr. ANDERSON. Exactly.

Mr. HUMPHREY. So under the provisions of the pending bill, Elk River would, first, be sure that it had a plant which was built under Atomic Energy Commission specifications, and title to the equipment would be in the Federal Government. Is that correct?

Mr. ANDERSON. That is correct.

Mr. HUMPHREY. Second, the Rural Electric cooperative will operate the plant just as if it owned it; is that correct?

Mr. ANDERSON. That is right—under a contract with the Atomic Energy Commission.

Mr. HUMPHREY. Yes; under an Atomic Energy Commission contract.

Mr. ANDERSON. Yes.

Mr. HUMPHREY. Third, it would pay the fair market value for the steam used to generate the electricity, would it not?

Mr. ANDERSON. Yes; it would charge itself for the steam, and would charge itself at a certain, fixed price.

Mr. HUMPHREY. Fourth, do not the insurance costs constitute another factor in this situation?

Mr. ANDERSON. Yes. Not only insurance costs, but also the question of whether it will be required to place insurance on Government property.

Mr. HUMPHREY. That is correct.

Mr. ANDERSON. The Senator from Minnesota knows that the Capitol Building and the other Federal buildings in Washington, D. C., are not insured; the Government does not carry insurance.

But when the Government invests $7 million or more in a reactor at Elk River, Minn., although the normal procedure would be not to insure it, yet I am sure the Atomic Energy Commission will take the position that the minimum amount of insurance must be carried on it—including indemnity insurance, and not only the insurance in the stock-company insurance pools, but also available Government insurance. The insurance would amount to approximately $60,000 or $70,000 or $75,000 a year—including workmen's compensation insurance and various other kinds of insurance. And the question is, Who would pay for it?

Mr. HUMPHREY. If the pending bill is not enacted, the Atomic Energy Commission has been insisting upon a kind of private insurance; has it not?

Mr. ANDERSON. Either that or insurance under the policies available to them.

Mr. HUMPHREY. Does the Senator mean that the Atomic Energy Commission would insist upon some type of private insurance?

Mr. ANDERSON. Yes. The bill provides definitely that such costs can be charged to their experimentation and development costs.

Mr. HUMPHREY. As a part of the experimentation and development costs, under Federal construction, under a contract with the Atomic Energy Commission; is that correct?

Mr. ANDERSON. Exactly.

Mr. HUMPHREY. So we find that the first delay factor—namely, that in the case of a reactor breakdown, there would be the necessity for interim power—is met by the pending bill; is that correct?

Mr. ANDERSON. That is correct.

Mr. HUMPHREY. And the insurance problem is also met by this bill; is it not?

Mr. ANDERSON. Yes.

Mr. HUMPHREY. And the bill also covers the charge, at the fair market value, for the steam in connection with its generation; is that correct?

Mr. ANDERSON. That is correct.

Mr. HUMPHREY. Fourthly, the Federal Government will take the full responsibility under this bill, as it would in the other, for the financing.

Mr. ANDERSON. That is true.

Mr. HUMPHREY. Both situations require Federal financing. Is that not correct?

Mr. ANDERSON. Of the whole plant.

Mr. HUMPHREY. So what we have is a situation that the Rural Cooperative Association—and I may say I have conversed with its representatives on the telephone this morning—are of a mind that the pending bill, S. 2674, would delay them, when, in fact, it is a measure which would remove the roadblocks which have been delaying it for the past 18 months.

Mr. ANDERSON. The bill assures them of an opportunity to go ahead.

Mr. HUMPHREY. If the bill is passed it will not mean any further delay.

Mr. ANDERSON. It depends upon how the Atomic Energy Commission administers the law. If it wants to drag its feet, it can. That is what worried the Elk River Co-op. They were delayed 15 months after they had completed their negotiations, they thought. They sit, and nothing happens. I can understand how they are going to worry in the future. If they will read the report, they will see that if they go ahead with the contracts, there will be no delay whatsoever. They could move rapidly.

Mr. HUMPHREY. Is it not true that the proposal before the Senate provides the same kind of consideration for the cooperative which the Atomic Energy Commission is presently giving to Westinghouse, Duquesne, North American, Southern California, and Edison Co.?

Mr. ANDERSON. That is correct. That is why I cannot understand why it is contended it is so wrong. When it comes to making a contract with Duquesne Power & Light, which is a large and well-financed private utility, with a very large American fortune behind it, we hear it said, "That is fine. That is good, sound American business," but if it is proposed to help a cooperative like Wolverine, which has only $18,000 worth of profits on $1 million worth of business, and try to protect it, it is called socialism run rampant.

I do not believe that is a very sincere argument.

Mr. HUMPHREY. I wish to thank the Senator from New Mexico and to say it appears to me, in light of the obstructions which we have faced so far, and the delay under existing law and under the existing attitude of the Atomic Energy Commission, the proposal such as is in section 111 of the bill, which says the Atomic Energy Commission shall construct and maintain, offers at least a hope that we may proceed with the peaceful development of atomic energy. I am sure we ought to underscore that the Commission will ultimately decide the matter by the kind of administration it has.

Mr. ANDERSON. That is correct.

Mr. HUMPHREY. I thank the Senator.

Mr. ANDERSON. Mr. President, I shall try to run through some of the statement I had prepared on the matter.

It is true that the Joint Committee made some changes in Atomic Energy Commission requests. Thus it added a design study on a plutonium reactor, and provided for the development and construction of a gas-cooled natural uranium reactor, and a plutonium recycle reactor.

Mr. GORE. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. GORE. One of our colleagues just inquired of me on the floor, privately, about the need for a natural-uranium reactor. Will the Senator explain the need?

Mr. ANDERSON. The AEC is not now going ahead to fill what many of us feel is one of the most important gaps in the program, namely, the development of a gas-cooled natural-uranium reactor. The British have had what we think is a success in that regard. Whether it is as successful as the British say it is, or as the various papers have said it is, nobody knows, but certainly this has happened: When Japan got ready to buy a reactor, the word went out, very recently—and I put it in the CONGRESSIONAL RECORD a day or two ago—that Japan intended to buy a large natural-uranium reactor from Britain and a small experimental plant from the United States. Word went out the other day with reference to operations in Italy, where there seemed to be a tendency toward the British-type reactor. Not only that, but the AEC seemed to think it desirable. As appeared in the hearings which were put in the RECORD, the Atomic Energy Commission, after it had lobbied against such a reactor, went before the Bureau of the Budget and asked for $150 million to build reactors. That fact appears on pages 57 and 58 of the hearings. At the top of page 58 it will be seen that one of the types was:

> Natural-uranium-fueled heavy-water moderated and cooled reactor: 100 to 150 EMW and 400 to 600 MWH. Estimated cost, $50 million.

It was sound, constructive, progressive policy for the Atomic Energy Commission to go to the Bureau of the Budget and ask for $50 million for a 50,000-watt natural-uranium reactor. The Budget Bureau turned it down. Then when the Joint Committee on Atomic Energy tried to back up that effort, after its full understanding of the problems around the world, and asked for a 40,000-watt natural-uranium reactor that would cost $40 million and suggested that it might be built in the western part of the country by a team trained to handle it, it was said that was socialism run rampant. I begin to wonder a little bit what goes on.

Mr. GORE. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. GORE. I should like to ask a few brief questions of the Senator from New Mexico, if he will permit me. Is it not true that the British, in the first place, obtained from the United States the basic technology of the natural uranium gas-cooled reactor.

Mr. ANDERSON. I do not know exactly. I have understood that was so. I understand a good deal of the work on it was done in this country. I am sure much work on it was also done in Great Britain.

Mr. GORE. Is it not a fact that our own technicians have been ready, since the 1940's, to build a gas-cooled natural uranium reactor?

Mr. ANDERSON. Yes. I think 1944 was the year in which General Electric made a proposal that a gas-cooled natural uranium reactor be constructed. There was, as I now remember, a contract with Monsanto Chemical of St. Louis, which was given that responsibility, and the contract work was started on it. The contract was subsequently canceled. There was some talk that private utilities felt it was too early to develop nuclear power. I do not know whether that was the reason, or what the reason was, but, anyway, the contract for this type of reactor was stopped in about 1945 or 1946.

Mr. GORE. The Senator has referred to the success the British have had in the development of this particular kind of reactor. Is it not true that the United States and Great Britain have a bilat-

eral agreement by which, under such conditions, the United States is entitled to the benefit of the technology which the British have developed at Calder Hall?

Mr. ANDERSON. Yes. It is one of those reciprocal arrangements: We supply them with all the information on the *Nautilus*; they are going to send us their information on the gas-cooled natural uranium reactor. But the British do not have to do it unless we have one. So now we will get nothing from the agreement unless we start to build one.

Mr. GORE. Is it not a fact that the bilateral agreement is such that the United States can benefit and can use the technology which the British have developed in the actual construction of a reactor by the Government itself?

Mr. ANDERSON. Yes. I will say to the Senator I am not able to recall whether we would get most of the information, which is secret, from our Atomic Energy Commission; but certainly it is proper to say that the business interests and the industrial areas of this country cannot get information on the British reactor unless we are willing to give it to them.

Mr. GORE. Then when the United States has built such a reactor, utilizing to the fullest extent possible the technological development gained in Great Britain, our own private concerns will be able to take advantage of the technology developed in that country and in this country?

Mr. ANDERSON. I think I had better correct the statement I made a while ago. My attention has been called to the hearings on the authorization bill, when the Chairman of the Atomic Energy Commission was testifying, and the able Senator from Tennessee talked about this situation with reference to Calder Hall, as appears on page 677 of the hearings. The Senator from Tennessee asked this question:

> Which means that you could only utilize the technology from the Calder Hall experience in the construction of a Government-owned reactor?
>
> Admiral Strauss said:
>
> At the present time.

That is the situation at the present time. Unless the Government goes ahead with the building of a reactor to use natural uranium, we cannot avail ourselves of the experience the British have had.

Mr. HICKENLOOPER. Mr. President, will the Senator yield to clear up that point?

Mr. ANDERSON. Very well.

Mr. HICKENLOOPER. On the question of the utilization of British information on the natural uranium reactor, I think the Senator will agree with me that one of the elements in connection with that agreement is that the British charge a royalty for discoveries which they make in this field, and they say in the agreement they will not give that information to our Government for use free in our industry because what we have in the uranium field is in the public domain.

Mr. ANDERSON. Yes.

Mr. HICKENLOOPER. The British say, "We are not going to sell it to our people and give it to your people free. It is bad business."

Mr. ANDERSON. I only say that is the reason which is assigned. It successfully prevents this country from obtaining information, so long as the Government is not building a natural uranium reactor.

I point out that we made our exchange very nicely. We gave the British the information on the submarine which the British wanted. When in turn we want some information the answer is, "You cannot get it unless you build a natural uranium reactor." Then the Atomic Energy Commission says, "We will fight to the last ditch to prevent the building of a natural uranium reactor."

Mr. GORE. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield to the Senator from Tennessee.

Mr. GORE. I disagree with that provision in the bilateral agreement. I thought it was something less than a good bargain on the part of the United States. Nevertheless, it is in the bilateral agreement.

The Senator has referred to the success of the Calder Hall type of reactor. Would the Senator mind telling the Senate how the present kilowatt cost of power generated in this type of reactor, at Calder Hall, England, compares with the cost of power generated by the only large scale reactor in this country, which is at Shippingport?

Mr. ANDERSON. I do not know that my figures would be accurate, but my guess is from one-fifth to one-seventh of the cost.

The original cost at Shippingport is going to be very high. The cost at Calder Hall, because it is an operating pile, is away down. I think that is not a fair comparison, however. It is 14 or so mills as against 60 or 70 mills, but the figure will be away down after a while, I will say to the Senator. I think the Calder Hall type of reactor suffers from progress. I do not believe it has been demonstrated to be the last word in the construction of reactors. I would like to find out. I think the business interests of this country are not being properly served unless we do find out. We may find that the cost is 30 mills, using American standards and American dollars. If so, we have learned that much at not too great a cost, because we put $40 million into a great many things.

A comparison between the Calder Hall type and the pressurized water reactor type was made by the atomic-energy division of the American Radiator and Standard Sanitary Corp. a short time ago. It shows, taking into account construction costs in the United States, and using United States accounting practices, the cost at Calder Hall to be about 17.9 mills. We hope the PWR, after being in operation for a while, will get down to 19 mills. I do not believe anybody thinks it is near 19 mills now.

With construction in Britain, and using the British factors, brings the cost to 17.7 mills, and PWR to about 12.9 mills. Operating for a similar length of time, it might be half that much.

I say that is one of the difficulties of trying to make a comparison, because if one compares the British dollars and the British costs, one gets a rather low per kilowatt cost of 7.7 mills. One could build the same thing in the United States and have it cost much more than 7.7 mills. It would not be that; it would be double that, or more.

Mr. HUMPHREY. Mr. President, will the Senator yield to me at that point?

Mr. ANDERSON. I am anxious to carry on my colloquy with the Senator from Iowa [Mr. HICKENLOOPER].

Mr. HICKENLOOPER. I had some other matters I desired to discuss with the Senator from New Mexico, and I thank him.

We have heard a great deal about the natural uranium reactor. It is true that a contingent request was made by the Commission for $50 million in the natural uranium field, but in reading the request Senators will notice, as is to be found on page 58 of the hearings before the Subcommittee on Legislation of the Joint Committee, April 10 through April 27, 1957, that they made it contingent, on the basis of words like these:

> In the event of a negative response from industry, it was planned to proceed with these projects using AEC funds as necessary.

They put it in on a contingent basis only if they did not get a bid from industry. They did get a bid from industry, from the Zinn Corp. They want private industry to proceed with this experiment.

There is one more thing to which I should like to refer. I think it has been pretty well established, and I am going to cover it more extensively in the remarks I shall make after a while. I do not believe there is any question that the evidence points to the fact that the Calder Hall type of natural uranium reactor is not proving to be so successful as it was thought it would be, and there is every reason to believe the British are going to go toward the enriched uranium program.

We have heard much about the natural uranium reactor. I think I agree with what the Senator from New Mexico said in principle, but we do not have to build a reactor to get the information. We are entitled to the information from the British, and get a good deal of it without building reactors.

This is a question of whether we should put the reactor into the public domain. That is the difficulty, and that comes about because of the British restrictions on their own program.

Mr. ANDERSON. I say again that the only way it can be put in the public domain is to build a reactor of the Government type, because we are not going to get the information about one which is built by private industry.

I am just as anxious as is the Senator from Iowa—and I know he is very anxious—to have one built by private industry. We are not too far apart on these things.

The main question is, If the Atomic Energy Commission is to go ahead with the program, are we wise in suggesting that they proceed even if they do not

know all the answers at the present time?

We never would have built the atom bomb if we had found it necessary to have an appraisal of the bomb in order to know exactly what the first bomb was going to cost. Can Senators imagine someone walking into the Congress of the United States in 1940 or 1941 and saying, "I want to build a new bomb. I do not know whether it will explode, but I want $2 billion to build it."

The program started with a smaller figure, and certain things were tried out. It was a program which paid off in the long run. We can develop something in this line also.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. HUMPHREY. There are a few points that I should like to clarify for the RECORD.

As the Senator from New Mexico knows, we have had very heated controversies over the rural electric cooperative project. Since it is in the State of Minnesota, I feel that I should attempt to have certain points made very clear.

First let me ask, is it not true that if the cooperative could now enter into an agreement with the AEC under existing legislation it is entirely possible that the cooperative would literally "lose its shirt" if certain operating losses occurred?

Mr. ANDERSON. I do not say that I can guarantee that, but I want to say to the Senator from Minnesota that I have a very deep and abiding respect for the electric cooperatives.

Mr. HUMPHREY. Yes, indeed.

Mr. ANDERSON. As the Senator knows, I once held a position which touched the cooperatives of the country very closely.

Mr. HUMPHREY. Yes; I understand.

Mr. ANDERSON. I have been extremely interested in their programs. A true cooperative has no capital at all, really, because it pays its money out in dividends. It has seemed to me, from whatever public experience I have had, if a cooperative which has an extremely limited amount of capital contracts to take equipment and run it for 5 years, or any other period of time, and the equipment is built and starts working, it is possible to lose a large amount on the difference in cost. If the machine should break down frequently——

Mr. HUMPHREY. That is the point.

Mr. ANDERSON. A large amount could be lost. It could be gone for a long period of time. It would build up again, and there would be a risk involved of losing a tremendous amount of money, with no capital structure to absorb it. That to me is the great danger in this picture. There is absolutely no way to provide for the loss.

Mr. HUMPHREY. However, under the provisions of the bill which the Senator is sponsoring and discussing in this debate, the cost of construction, and operation losses which would occur through a reactor breakdown, for example, would be borne by the Atomic Energy Commission, would it not?

Mr. ANDERSON. Yes. Under the bill we have written, that would be so. It is so written as to make sure that the rural electric cooperatives would not be wiped out overnight.

I am trying to say that if a cooperative, as is the case with the small cooperative in Michigan, has only $18,000 of profit in a year, even though the cooperative could sustain a $40,000 or $50,000 loss in a single year, it would not have to close its doors. I do not say that this deal, which is in the existing provisions, was cooked up to destroy the cooperatives, but it could have been done that way.

We all know that it was not so very long ago when somebody tried to stop the TVA, and brought in some folks and made a Dixon-Yates deal, through the Atomic Energy Commission, to try to kill the TVA. It seems to me logical to assume that the same interests who tried to kill the TVA could set up an REA program which could kill the REA's. I, among others, have merely tried to make sure that that could not happen. We made the bill bombproof in that respect. It cannot happen if Senators accept the language of the Senate bill.

Mr. HUMPHREY. Is it not true that already the estimates of reactor costs for the Elk River plant have gone up substantially, since the original planning?

Mr. ANDERSON. Very substantially, from $4 million to $8 million.

Mr. HUMPHREY. Is it not probable or possible that those estimates may be even further increased?

Mr. ANDERSON. Yes. They have not yet started to build the plant.

Mr. HUMPHREY. So, unless this particular bill is passed——

Mr. ANDERSON. I want to say that it is possible to contract for a good deal of the equipment. I am not trying to say it is not possible.

Mr. HUMPHREY. I understand.

Mr. ANDERSON. We found that out in connection with the Shippingport project. Even though the greatest skill was used and even though we went to somebody with long, long experience in the building of that sort of thing, the Shippingport cost went up tremendously.

Mr. HUMPHREY. Under the pending bill, to which the Senator is directing his support, the increased costs would become a part of the general research and development under the Atomic Energy Commission in the construction of reactors, would they not?

Mr. ANDERSON. Surely. That is correct.

Mr. HUMPHREY. I should like to ask one final question. I notice from the statement of the minority views with respect to section 111 (a)——

Mr. ANDERSON. The minority views on the House side.

Mr. HUMPHREY. Yes. The minority in the other body took sharp exception to section 111 (a). It is stated that the arrangement is such that the Commission will pay for the construction and operation of the reactor and sell the steam under contract with the cooperative or publicly owned organization, at rates based upon present cost or projected cost of comparable steam from a plant using conventional fuels at such locations.

That is true, of course, is it not?

Mr. ANDERSON. That is true.

Mr. HUMPHREY. The statement is further made that this is, indeed, a great preference for the cooperatives and publicly owned agencies. Is that true?

Mr. ANDERSON. No; it is not. There is no preference at all, because the same sort of contract is being made with Duquesne Power & Light Co.

Mr. HUMPHREY. Exactly.

Mr. ANDERSON. I assure the Senator that the Government will lose more money on the Duquesne Power & Light contract, in my opinion, than it will on all four contracts with the cooperatives.

Mr. HUMPHREY. So, what section 111 (a) does, in the light of existing experience and contracts, is to give the cooperatives the same kind of treatment, under research and development, which is at present being extended to industry. Is that correct?

Mr. ANDERSON. That is correct.

Mr. HICKENLOOPER. Mr. President, will the Senator yield on that point?

Mr. ANDERSON. I yield.

Mr. HICKENLOOPER. From my point of view, I cannot let the record stand there. The Duquesne Power and Light contract was entered into before the act of 1954; and prior to that act there was no power or authority to allow public bodies, private bodies, private industry, or anyone else, into the reactor field. The Government had to do it all. There was no authority. The Duquesne Power and Light contract was made under that kind of situation. That was the only way it could be made.

Then the act of 1954 was passed, for the purpose of bringing industry, whether it was privately owned industry, whether it was cooperative industry, or whether it was a public body industry, into partnership with the Government. That was progress toward getting away from the sole responsibility of the Government. In my view there can be no comparison whatsoever between the new approach, which is the partnership approach or practice, and the old approach of the Duquesne Power and Light contract, when there was no other way in the world to obtain any industrial participation except under that kind of contract.

Mr. ANDERSON. I point out that it does not matter under what law it was done. If it was done for Duquesne Power & Light Co., owned by the Mellon family and other Pittsburgh interests, there is no real reason why it cannot be done for an REA cooperative.

Mr. HICKENLOOPER. Except that we are taking a step backward.

Mr. ANDERSON. Finally, I point out that in the bill the Joint Committee on Atomic Energy eliminated the reactor which was to be built in Puerto Rico by the Government, in connection with which the very same thing was to be done by the Government. In other words, it was to take the steam and sell it at a certain price, as is proposed here. Somehow it is all right if it is done in Puerto Rico, but for heaven's sake, do not do it for an REA in the United States.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. HUMPHREY. It seems to me that if the example of the Senator from Iowa were to be followed, the REA cooperatives would not be permitted to participate. The Senator from Iowa referred to the Duquesne Power & Light contract, which was entered into prior to the act of 1954. That was the only way to proceed to absorb the costs, namely, for the Government to construct the plant and take all the losses that might be entailed. If we were to follow the philosophy of the 1954 act, as the Senator from Iowa interprets it, it would mean that the REA's could never get into this business, because they do not have the necessary capital reserves to take this kind of loss, which occurs in an uncharted field such as atomic energy development.

Mr. ANDERSON. That is true.

Mr. HICKENLOOPER. The REA cooperatives are in the business now.

Mr. HUMPHREY. Of course; but they are not in the atomic energy business very deeply. They have very little experience.

Mr. ANDERSON. I certainly would acknowledge that members of the Joint Committee did a very good job in writing the Atomic Energy Act of 1954. I spent very little time working on that act. The Senator from Iowa did a fine job. The Senator from Iowa and I do not often find ourselves in opposition with respect to many questions before that committee. We differ on certain questions of procedure. However, it is true, of course, that before the act of 1954 there was no other way to handle the problem.

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. DWORSHAK. Some of the questions which I had in mind have been answered by the colloquy between the Senator from Iowa and the Senator from New Mexico.

I should like to point out that during the weeks while this proposed legislation was being discussed and debated by members of the Joint Committee on Atomic Energy there were frequent articles in the press injecting the public versus private power issue into the development of atomic energy.

The Senator from Idaho recalls with a great deal of regret that in the development of hydroelectric power in the Columbia River Basin we have been retarded materially because of this divisive issue. It should not obstruct the development of our natural resources in the great Northwest.

So far as the issue of public power is concerned in the development of atomic energy, we must recognize that the Government currently has about $14 billion invested in research, technological development, and facilities, and that it is not essentially a question of who is going to do what when, but rather a question of the legitimate right of the taxpayers of the United States to some definite returns and benefits from the investment of the $14 billion by the AEC in this entire program.

Reference has been made this afternoon to the Duquesne Power & Light plant at Shippingport. It is supposed to be a partnership plant. Can the Senator from New Mexico tell us what the total cost of that plant is, and how much of the total cost is invested by a private utility, and how much by the AEC for the Government?

Mr. ANDERSON. I will say to the Senator from Idaho that I shall try to do so, but when the costs are moving up all the time it is difficult. I will give the latest current estimate.

It started with an estimate of about $35 million. Refiguring brought it to $37 million, of which Duquesne Power & Light Co. was to put up $5 million.

In addition, Duquesne Power & Light Co. was to provide the site and build the turbo-generating facilities. Subsequently the United States Government spent a great deal of money in research.

The last estimates I saw as to the total amount of research were somewhere in the neighborhood of $30 million.

The latest estimate which I have seen as to the total cost of the plant is something like $55 million. So we have a total of $85 million for research and plant. One of the men intimately connected with the operation said to me, "When it is all done, the tab will come to about $100 million."

One reason I say that is that this is an extremely difficult field. Some of the most competent people I know of were engaged in estimating the cost of the Shippingport plant. I said to Admiral Rickover one day, "Please tell me why you miss so many things so far." I have the greatest respect for him. I think he is an authentic genius, who has done a marvelous piece of work.

He said, "When you start to handle a tube 24 inches around, and you figure on the basis of the cost of handling a tube 6 inches around, you find that the cost of handling the larger tube is not 4 times the cost of handling the smaller tube, but more nearly 8 or 10 times. It requires entirely different techniques, devices, and equipment."

So the estimate is somewhere between $85 and $100 million.

Mr. DWORSHAK. How much of that has been put up by the Federal Government?

Mr. ANDERSON. All but $5 million.

Mr. DWORSHAK. Does the Senator believe that the rather preponderant investment by the Federal Government in the Duquesne Power & Light plant, which will be operated by a private utility, in any way involves the element of public power?

Mr. ANDERSON. Not in the slightest. Further, even though a great deal of money is involved, it is justified. The Yankee project comes along and builds a plant in the image and likeness of what is being built at Shippingport. We shall probably sell a reactor to Italy on the basis of what is being done at Shippingport. Our whole atomic energy industry might well depend upon what is being done at Shippingport. So whatever the cost is, it is justified.

Mr. DWORSHAK. Does the Senator from New Mexico believe that the pattern established in the development in the plant at Shippingport should be applied generally to make available participation in the program by cooperatives which are now interested in the program? Should the same pattern be followed, not only in the case of private utilities, but in the case of other non-Federal groups?

Mr. ANDERSON. To a degree. The situation in Nebraska is a case in point. That project will cost about $50 million, as against $80 million at Shippingport. If the Nebraska public-power group were asked to put up $50 million, I doubt if they could do it. If we should ask the Elk River cooperative to put up 10 percent of the $8 million for its plant, it could not do it. It has no capital structure, and no borrowing capacity for that type of investment. But, in general, I believe it is desirable for the Government to build the nuclear end of these plants, until they are more economical than they are now, coupling it to the turbogenerating facilities paid for by the plants, and try to get on with a decent program of atomic-energy development.

Mr. DWORSHAK. If it is necessary, to take advantage of the vast research and technical knowledge which the Government has available for atomic development, to make participation available for other groups; if the AEC finds it difficult, if not impossible, to get cooperation from private utilities or other non-Federal groups, and the AEC decides to build a plant such as has been described, using natural uranium, does that involve the element of public power, if such power is to be used exclusively by the AEC, and not sold to public consumers?

Mr. ANDERSON. No; it would not involve the issue of public power in the slightest degree. Let me say to the able Senator from Idaho that when we discussed a possible location for a plant of this nature, those most familiar with the construction, and who might undertake it, suggested that it be built in the area near Arco, Idaho. If that were done, current would undoubtedly be available at the installation there, through the operations of the Idaho Power Co. I do not believe the Idaho Power Co. is a cooperative. It is a private company. To me it would seem eminently fitting and proper to make the same sort of arrangement with the Idaho Power Co. that was made with the Duquesne Power & Light Co. They distribute energy from the Government installation which they are now serving.

Mr. DWORSHAK. The Senator from New Mexico apparently believes that after the AEC and the Federal Government have invested about $14 billion in this developmental program, it is not so much a question of whether private utilities, cooperatives, or other groups take advantage of the valuable research and engage in the generation of nuclear power. The important thing is that, as in the case of the *Nautilus*, the American people should be afforded an opportunity to utilize all the research which has been developed in this country, primarily to keep abreast of, if not ahead of, other countries in the world, as a very vital part of our national security.

Mr. ANDERSON. I could not agree more with the Senator from Idaho. One of the proudest possessions I have is a little card which makes me a member of the nuclear Navy. That is reminiscent of an early trip I made on the *Nautilus* while it was on a test trip.

One of the most glorious things that American ingenuity has done is the building of the *Nautilus*. On the first trial, it seemed to work perfectly. It has cruised for thousands of miles under the most remarkable conditions. I want the American Nation to keep abreast of such developments.

Mr. DWORSHAK. If we fail to do it, either through Commission responsibility or our committee responsibility, then those in authority will be rendering a distinct disservice to the American people.

Mr. ANDERSON. I quite agree with the Senator from Idaho. I wish to say to him that I have heard some things recently about how the Joint Committee on Atomic Energy is trying to take over the operation of these projects and shove the Atomic Energy Commission into things it does not want to do. Let me cite two examples.

The Joint Committee urged the development of the hydrogen bomb when the Atomic Energy Commission did not want to do it. I can say that openly in public, because I was not a member of the Joint Committee at that time. The members of the Joint Committee never gave up, even though the President of the United States had some doubts, even though the advisory committee of the Atomic Energy Commission was almost unanimously against it, and even though a majority of the Atomic Energy Commission opposed the project. The Joint Committee on Atomic Energy demanded that we start the development of the hydrogen bomb. A great part of our defense now rests upon the striking power developed by our Armed Forces through that bomb.

Secondly, Mr. President, I again refer to the *Nautilus*. Early in my experience with the Joint Committee on Atomic Energy, I went to a meeting in which they said they would have Admiral Rickover come before them. The name Admiral Rickover did not mean anything to me. I did not know whether he was the Chief of Naval Operations or newly commissioned. I found that he was having great difficulty with his project to build a nuclear-powered submarine. It had been turned down and kicked around, and he was given very little support. The Joint Committee on Atomic Energy came to his support.

Again I say that without appearing immodest, because I had nothing to do with it. The other, older and seasoned members of the committee took on the fight and insisted on giving Admiral Rickover authority to build the submarine.

Today it is a great source of pride to everyone in America. But nobody thinks of it today when they think the Joint Committee may be stepping out of its field in suggesting the construction of a gas-cooled natural uranium reactor to be built somewhere in the United States. I am not going to apologize for the history of the Joint Committee on Atomic Energy, nor for any of the things it has done. It has done them well.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. COOPER. Perhaps the Senator has already touched on the question I wish to raise. However, as I look at the amendments which have been suggested, there are certain sections on which there may be conflict between the Joint Committee on Atomic Energy and the AEC. On page 2, line 19, I note project 58–b–8. Does the Senator care to discuss that project, and whether there is a difference between the judgment of the Joint Committee and the AEC, and what the significance of the project is?

Mr. ANDERSON. I should like to say to my good friend from Kentucky—and I know he will not misunderstand me—that I have been on the floor about 3 hours now. I imagine the Senators who are still on the floor are as tired of hearing me as I am of being here. The Senator from Washington [Mr. JACKSON] is going to discuss these items in a moment, if I can conclude my statement on the bill. I would prefer to have him do it. I am ready to do it and I am willing to do it, but he is also ready and willing to do it. If the Senator from Kentucky does not mind, I would like to have the Senator from Washington do it.

Mr. COOPER. I do not wish to impose on the Senator.

Mr. ANDERSON. I do not regard it as an imposition. I know the Senator from Washington will do it in a moment.

Mr. COOPER. May I ask a question?

Mr. ANDERSON. I yield for a question.

Mr. COOPER. Am I correct in saying that the project which I have just mentioned, which is described, in part, on page 2 of the bill, and the project which is described, in part, on page 5, as project 15, are——

Mr. ANDERSON. Those are the principal items. There are three, I may say to the Senator.

Mr. COOPER. Those are the projects about which there is controversy?

Mr. ANDERSON. If the Senator from Iowa [Mr. HICKENLOOPER] were here, I am sure he would not dispute this statement. There are three main points of difference. One is the question of $58 million for these new projects. Another is the question of how to treat REA. I think those cover the projects. The item on page 2, of $3 million, is for a study of a method of developing plutonium. We think we know about that item. At long hearings participated in by all the members of the Joint Committee, or at least a great many members of the Joint Committee, we had witnesses from the armed services telling us about the need for plutonium. We do not say that the AEC must construct a single-type reactor. The bill provides that the Commission shall study the advantages of a single-purpose reactor and of a dual-purpose reactor.

It has been said that we are attempting to build a dual-purpose reactor so that we can sell the power produced by it. That is not true. The Joint Committee took a vote on the question. It was decided that it could be either a single-purpose reactor or a dual-purpose reactor. It would depend on what was wanted.

The able Senator from Washington [Mr. JACKSON] will point out that the superintendent of the plant says they are ready to go ahead. The whole plant may cost $100 million. However, it must be remembered that the reactors are getting older. We do not want to find ourselves unable to produce plutonium.

The other items have to do with a natural uranium reactor, which the Senator from Idaho and I have been discussing. That is the item on page 5.

The third item is the plutonium recycle experimental reactor. We believe this country needs to know how to burn plutonium. We will take a great deal of plutonium from the reactors in projects under construction or about to be built. The question is, when we take it from them, will we know what to do with it, or will we have to use it for weapons? Is the only use for plutonium to be in the production of weapons? Can we not have atoms for peace? We believe that we should have atoms for peace. Therefore we believe that we should spend a small amount of our money for a plutonium recycle plant. The sole purpose is not to provide power, but only to try to learn how to burn plutonium.

Mr. COOPER. I thank the able Senator. I hope that later, when he has rested for a time, he will again speak on this subject, because as I understand, what I have mentioned are the points in dispute.

Mr. ANDERSON. I will finish in about 2 or 3 minutes, and then the Senator from Washington will deal with it very carefully, I am sure.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. WILEY. The three points the Senator has enumerated are the differences between the House bill and the bill before us. Is that correct?

Mr. ANDERSON. The Senator is correct.

Mr. WILEY. Those are the three differences?

Mr. ANDERSON. They are. The Senator from Washington reminds me, however, that the $3 million is in the House bill. That was stricken at one time on a teller vote, and then reinstated on a yea and nay vote in the House. I believe there will be a motion made this afternoon to strike it out. However, it is still in the bill.

Mr. WILEY. On page 15 in the House bill, is the provision "may" or "shall"?

Mr. ANDERSON. The House bill provides neither. That section was knocked out, and some wholly different language was inserted.

Mr. President, these reactors will be explained at greater length later. Their total cost is estimated at $58 million. This compares to $150 million requested by AEC for this fiscal year covering two large reactors and several small ones, which was turned down by the Bureau of the Budget.

Now the Members of the Senate have heard members of the Joint Committee on Atomic Energy discuss atomic power

enough to know that when we speak of a reactor we mean the same thing as an oil- or coal-fired boiler in a conventional electrical power plant. In this case uranium is the fuel, and a nuclear chain reaction takes place in a pressure vessel which generates heat. The energy of this heat is taken off by various coolants—water, liquid metals, or gas—which in turn go through heat exchangers to make steam which generates electrical power.

It should be emphasized that the electrical power produced by the gas cooled and recycle reactors, since they are experimental, will only be intermittent with frequent shutdowns. Moreover section 110 provides that the power such as it is will be absorbed at the AEC installations, probably Arco, Idaho, and Hanford, Wash. Not a kilowatt of power will be sold commercially. When the AEC is through experimenting with them, the reactors will be dismantled and the bill so requires.

The question arises: Can this truly be a public power versus private power argument?

But there is an issue here. It is the issue of whether we want to move ahead. The Joint Committee thought the above program represented the very minimum necessary to maintain American leadership in atomic power.

Similarly the Joint Committee has established some requirements with respect to the role of cooperatives and publicly owned groups. Since this is essentially still a research and development program, we have required that AEC supervise the development and construction of these reactors directly with the equipment manufacturer. This is ordinary prudence and was indeed requested by one organization.

The committee has also required that the AEC contract with the co-op for operations in such a manner that the co-op will not lose its shirt through fixed ceiling or closed-end allowances by AEC to cover operating losses. The members know, rural electric co-ops by law have no reserves to cover contingencies in research and development operations. As a matter of fact, and it is no reflection on the co-ops, they have little or no experience or capacity to carry on large-scale supervision of atomic development work.

I should like to emphasize that with respect to the reactors authorized by the Joint Committee and those in the co-op program, the actual development and construction of these reactors will be carried on by private industry. All of AEC development plants and test sites are operated by private industry. Hence when a particular laboratory, by reason of its experience, is suggested, it automatically follows that the contract goes to the industrial operator.

This, of course, is not favoritism. Indeed AEC has well established policies which prevent their industrial contractors from favoritism for their own commercial products. I ask unanimous consent to insert a letter of AEC on this subject for the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

HON. CARL T. DURHAM,
Chairman, Joint Committee on Atomic Energy, Congress of the United States.

DEAR MR. DURHAM: This will confirm my conversation of August 5, 1957, with Mr. Ramey concerning the procurement practices of the General Electric Co. at Hanford and the Westinghouse Electric Corp. at Pittsburgh and NRTS in Idaho.

With respect to procurement by the General Electric Co. under contract W-31-109 ENG 52 to operate the Hanford project, standard practice is to award contracts after solicitation, receipt, and evaluation of competitive bids. Any proposed procurement in excess of $10,000 is subject to prior review and approval by the Hanford Operations Office AEC staff. GE does not purchase directly from sources of supply which they own or control. When items of a type produced by GE or a GE subsidiary are needed for the project, the procurement is undertaken by the AEC. In such cases, standard Government procurement practice is followed.

With respect to procurement by the Westinghouse Electric Corp., under contract AT-11-1-GEN-14, to perform work at Bettis plant, Pittsburgh, and at NRTS in Idaho, the standard practice is to award contracts after solicitation, receipt, and evaluation of competitive bids. Any proposed procurement in excess of $10,000 is subject to prior review and approval by the AEC staff. When items or services of a type sold by Westinghouse are needed on the projects, purchases thereof are subject to the following additional controls:

1. Orders under $500 may be placed on Westinghouse without competitive bids. Such orders must carry a certification that the sales price is not higher than those currently charged to any nonaffiliated user customer for equivalent articles furnished in substantially the same quantities.

2. AEC approval is required for Westinghouse orders involving amounts from $500 to $10,000 unless competitive bids are solicited and award made to lowest responsible bidder. AEC approval is also required when competitive bids are solicited and an award is recommended to Westinghouse as other than low bidder. Invitations to bid on such procurements must be submitted to AEC in advance of distribution to prospective bidders for review and approval of the specifications and the prospective bidders list.

The AEC basic procurement policy with respect to procurement from contractor controlled sources provide, "The contracting officer shall be notified sufficiently in advance of the proposed procurement of supplies or services from sources owned or controlled by a cost-type contractor to permit the AEC, at its option or by agreement with the cost-type contractor, to effect the procurement directly by competitive or other authorized methods."

We shall be pleased to furnish any additional information you may desire on this subject.

Sincerely yours,

K. E. FIELDS,
General Manager.

Mr. ANDERSON. Mr. President, in conclusion, I should like to review how the Joint Committee selected the projects we have included in the bill. The Joint Committee as you know has always prided itself on being in the forefront of atomic energy development. In 1953, for example, we sponsored the so-called 5-year reactor program, for the development of experimental reactors of around 5,000 kilowatts each. These reactors, such as the Argonne experimental boiling water reactor and the North American sodium graphite reactor, which began operation this year, are AEC-financed and Government owned.

Although the AEC has made progress in its experimental reactor program—and indeed may have spread itself thin—AEC has shied away from developing larger scale prototype reactors, except the Shippingport reactor which Congress sponsored in 1953. The Shippingport reactor will go into operation this winter and is Government financed and owned, except for the turbogenerating facilities provided by Duquesne Power & Light.

AEC, instead of vigorously moving ahead, has followed a somewhat involved path of providing subsidies to private utilities to build atomic plants. Unfortunately because of the development problems and unanticipated costs, the program is lagging badly. The AEC has become bogged down in negotiations of from 16 to 27 months with participants and still there are no firm contracts, except with Yankee, a private utility.

It is true that two privately financed projects are in the early construction phase, those of Commonwealth Edison and Consolidated Edison. But no new wholly privately financed projects have been even announced in the last year, let alone seriously proposed.

Meanwhile all projects—Government, private, and co-op—are troubled by increased costs and slippages in schedules.

It can be predicted that unless more leadership and funds—private and public—are provided, the program will further lag.

It was with these emerging problems and international stakes that the Joint Committee reviewed the program last year. We obtained the outstanding reactor expert, Dr. W. H. Zinn, who outlined the types of reactors which might be selected if the Congress and AEC decided to fill the gaps and accelerate the program.

This year the Joint Committee also reviewed the program and received testimony from reactor equipment companies, AEC installation directors, and outside experts. The types of reactors recommended by the Joint Committee were recommended by such qualified experts as Dr. Henry DeWolf Smyth, Admiral Rickover, and Dr. Zinn.

The program we are recommending is indeed a very modest one. It will help keep our heads above water in international competition. I have a feeling we shall need all the power we can develop in this country sooner than we think.

On this basis, I commend this bill to the Senate.

Mr. President, I yield the floor.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HICKENLOOPER. Mr. President, I call up my amendment designated as "8–15–57–B," and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 5, it is proposed to strike out from line 9 through line 15, as follows:

14. Project 58–e–14, natural uranium, graphite moderated, gas cooled, power reactor prototype designed for the production of approximately 40,000 electrical kilowatts, $40 million.

15. Project 58–e–15, plutonium recycle experimental reactor designed for the production of 15,000 electrical kilowatt equivalent, $15 million.

Mr. DWORSHAK. Mr. President, will the Senator from Iowa consider dividing the amendment, so the two projects will not be covered by the one amendment?

Mr. HICKENLOOPER. I should like to discuss that a little later with the Senator from Idaho. First, I should like to say a few words about the amendment; then we can discuss that possibility.

Mr. President, this amendment, which is designated as "8–15–57–B," proposes that there be stricken from the bill, on page 5, the text of lines 9 through 15, which in the bill are designated as paragraphs 14 and 15, and relate to projects 58–e–14 and 58–e–15, respectively.

These projects provide for two reactors. These two paragraphs were stricken out by the House of Representatives in the action it took on the House bill.

Paragraph 14, which relates to project 58–e–14, proposes the appropriation of $40 million for the construction of a natural uranium, graphite moderated, gas cooled, power reactor prototype designed for the production of approximately 40,000 electrical kilowatts of power. That reactor is one which the Atomic Energy Commission does not want to build, and has not requested authority to build, except in the event that no offer to build such a reactor is received from private sources. However, such a proposal has, in fact, been received. The Commission is against building it. It requires the expenditure of $40 million, which I think would be a needless expenditure, and should not be made.

The project covered in paragraph 15, namely, project 58–e–15, is a plutonium recycle experimental reactor designed for the production of 15,000 electrical kilowatts of power, or the equivalent thereof, at a cost of $15 million. This is a reactor which the Commission does not desire to build at this time.

The Commission is doing some work in regard to plutonium recycling and the production of power, and is doing some testing and some research and development in that field. But the Commission is not ready to build this reactor, and has not asked for it. These are 2 items, totaling $55 million, which the committee is attempting to force on the Commission, against the better judgment of the Commission and against the wishes of the Commission.

In the case of the $40 million research reactor, which is the natural uranium reactor, the best evidence we have received, I believe, in total, is that this is not necessarily a promising type of reactor. I think the evidence in the British experiment and the British experience should cause us to halt before we spend a great deal of money on a type of reactor which the British seem to be discarding.

As I said a moment ago, the British have been developing this type of reactor; and there are, indeed, indications that the British are abandoning this design. Instead of using natural uranium, the British have asked the United States for substantial quantities of enriched uranium, to use on their future models. If there could be a clear indication that the natural uranium reactor is not doing quite as well as they had hoped, it would be that request. Therefore, Mr. President, it would seem folly for us to consider a natural uranium reactor, which the British now consider obsolete.

As has been pointed out heretofore in the debate, in addition we have with the British a bilateral agreement for cooperation, which agreement allows our Government to receive and evaluate all information concerning the British developments on this type of reactor. Inasmuch as the United States has access to that type of information, I believe it safe to say that if the information we have on the natural uranium type of reactor were encouraging, our Commission would want to build one, and would want to be in on that experiment. That is because the Commission, contrary to some of the insinuations we hear from time to time, has not been dilatory in the reactor field. We have today under active experiment and development at least ten types and kinds of reactors. We have altogether under consideration and under certain degrees of experimentation more than 100 types and kinds of reactors. We are far in the lead in the reactor field over any other country in the world.

I for one—and in this the Commission agrees with me, or I agree with the Commission, whichever it may be—think it would be a waste of $40 million of the taxpayers' money, at this time at least, to build the reactor provided for in the first amendment. We are continuing experiments in the natural fuel reactor field, and if the information in the future develops anything of promise, very well; but today, no. The committee is undertaking to dictate to the Commission, which is a responsible body, and which has the benefit of the field of scientific advice as to the types and kinds of reactor which it should build.

It is interesting to note that leading reactor experts, such as Dr. Smyth, Dr. Zinn, and Dr. Weinberg, have indicated very clearly they think it is unwise for the Congress to specify particular types of reactors for the AEC to build, except as scientific research and determination of the Atomic Energy Commission indicate, based on evidence, the desire to build them.

Mr. President, I wish to read a telegram sent by Dr. Henry D. Smyth, who, incidentally, was the author of the Smyth report on atomic energy following World War II, a telegram which he sent to Representative STERLING COLE, who is a member of the Joint Committee from the House, and was the former chairman of the Joint Committee. The telegram reads:

PRINCETON UNIVERSITY,
Princeton, N. J., August 2, 1957.

Representative STERLING COLE,
House of Representatives,
Washington, D. C.:

As stated in letter of June 27, to Mr. HOLIFIELD, believe Federal Government should give vigorous leadership to nuclear power program. Nevertheless believe it mistake in principle for Congress to insist on construction of a specific reactor. Such technical judgments are responsibility of the Commission and its staff. Furthermore would oppose choice of gas-cooled natural uranium graphite moderated reactors unless clearly a technical advance over British type as to temperature and other specifications.

HENRY D. SMYTH.

Dr. Smyth was also a former member of the Commission itself. There are two significant statements in the telegram. First, he clearly points out that Congress is on dangerous ground when it begins to specify technical construction to a Commission whose duty it is to make those determinations from an administrative and a research standpoint. Secondly, with regard to the British reactor, which we hear so much about, he says this, which is significant:

Furthermore would oppose choice of gas-cooled natural uranium graphite moderated reactors—

And this is the interesting part—

Unless clearly a technical advance over British type as to temperature and other specifications.

There is a pretty authoritative statement, Mr. President, that the British type of natural uranium reactor is not the success they had hoped it would be. Yet the Congress is undertaking to order the construction of a technical instrument which the Commission does not want to build, and does not think it is vital to build.

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. DWORSHAK. There have been recent reports that the Japanese are contracting with British firms for the purchase of Calder Hall type of plants. Does the Senator from Iowa know whether that is true or not?

Mr. HICKENLOOPER. Yes. From all the information I can get, I think the information is sufficient to affirm it is true that the Japanese have been discussing the purchase of or the building of a Calder Hall type of natural uranium reactor; but I have in mind that the situation is similar to that of a person who is thinking about buying a new automobile. He talks first to one dealer, and then is very careful to let that dealer see him go to another dealer. Then he lets the latter dealer see that he is inquiring of another dealer. Pretty soon he thinks perhaps he can get a better deal from the one he really wants to buy from, which, in the case of Japan, is the United States Government. Japan wants an enriched uranium reactor. If I were one to make predictions, I would predict the Japanese will never buy the natural uranium reactor of the Calder

Hall type. I think it is sales talk. I think the Japanese are in need of an atomic reactor, but I venture to say—I think the chances are good, at least—that they will never consummate a contract for the purchase of a Calder Hall type reactor. There has been much said about it in the papers, but I have not seen any evidence of any names on the dotted line or yen flowing from Japan to Great Britain for a Calder Hall type reactor.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. PASTORE. Is it not a fact that the Atomic Energy Commission, on round 3, is considering, for a Florida group, a gas-cooled, water-moderated reactor of 140,000 kilowatts, using natural uranium?

Mr. HICKENLOOPER. Yes. I mentioned that a little while ago.

Mr. PASTORE. If it is no good, why are we going to license the group interested in it? Are we not talking out of both sides of our mouth?

Mr. HICKENLOOPER. Not at all. I pointed out about an hour ago that the AEC made a tentative request for $50 million for a natural uranium reactor in the event it did not get an offer from private industry to build one. It now has that proposal from Dr. Zinn's group.

Mr. PASTORE. Mr. President, will the Senator yield further?

Mr. HICKENLOOPER. I yield.

Mr. PASTORE. Is the Senator in his own mind convinced that if we try one type in one field, in one area, that will be enough in the matter of research for the peaceful use of the atom?

Mr. HICKENLOOPER. No. The Senator from Rhode Island was not present on the floor a moment ago when I said we are not now building and conducting research in at least 10 substantial types of reactors, and that we are conducting research in various States into more than 100 types of reactors. So we are not standing still. We are not sitting on a dime.

Mr. PASTORE. Is it not true that as yet not one has been put into operation? The only one, on a rather large scale, that is about to be put into operation, it will be next winter—is at Shippingport. Apart from that one, are there any others?

Mr. HICKENLOOPER. We have had one at Arco for several years. It has been producing light for a certain part of that plant. We have a plant in operation that has driven the *Nautilus* I do not know how many thousand miles.

Mr. PASTORE. The reactor in the *Nautilus* is not for the purpose of producing nuclear power.

Mr. HICKENLOOPER. It is a power reactor.

Mr. PASTORE. It is exactly like the one at Shippingport. It uses pressurized water. We are experimenting in the atomic-energy field in New England. Again all that is on paper, none of the reactors is in physical construction. The Senator knows that.

Mr. HICKENLOOPER. My heavens.

Mr. PASTORE. What does the Senator mean when he says "My heavens"? Where are we constructing them?

Mr. HICKENLOOPER. We are constructing them at a dozen places in the country.

Mr. PASTORE. I ask the Senator to name them.

Mr. HICKENLOOPER. Let us take a look at them.

Mr. PASTORE. Let us take two looks.

Mr. HICKENLOOPER. At Shippingport there is physical construction.

Mr. PASTORE. That has been mentioned. Where else?

Mr. HICKENLOOPER. At Santa Susana, the West Milton reactor.

Mr. PASTORE. How big is that?

Mr. HICKENLOOPER. It is a small one.

Mr. PASTORE. Has that not been dismantled?

Mr. HICKENLOOPER. It has been discontinued. We have learned our lessons from it, but it was a reactor. It was a reactor that was built.

Mr. PASTORE. Is the Senator going to place that one in the same category as Calder Hall?

Mr. HICKENLOOPER. Not necessarily. There is nothing magic about the Calder Hall reactor, except I believe it is a failure as an experiment. Why should we spend $40 million on a failure?

Mr. PASTORE. That is a point of view. I am looking at Nuclear Power, the Journal of British Nuclear Engineering. I observe what they have to say about it. Perhaps the Senator does not quite agree with the British point of view, but they are pretty much satisfied. They think they have outdistanced the entire world. As a matter of fact, they have attracted other people to consider their type of reactor.

It may be said that the Japanese will never buy the reactor, but the fact of the matter is that the Japanese are interested.

Mr. HICKENLOOPER. They are shopping.

Mr. PASTORE. Is it a fact that the Three Wise Men who came to America are interested in the Calder Hall type of reactor?

Mr. HICKENLOOPER. Yes.

Mr. PASTORE. Let us not play it down too much. This is what the British had to say, as stated on the editorial page of the publication called Nuclear Power:

> Yet the question of enriched or natural uranium is by no means settled, as Dr. Lewis points out in this issue. The Euratom report and other estimates have proved quite conclusively that power can be produced in the British type of gas-cooled graphite-moderated reactor cheaper than in any other current design of comparable size, in practically any country—even the United States itself, according to one American estimate.

That is what the British think about their reactor.

Mr. HICKENLOOPER. Yes.

Mr. PASTORE. That does not sound as though they think it is no good.

Mr. HICKENLOOPER. I presume that the British will assert in any field of activity they go into that they are superior, that they are more successful, and all those things, but after a while I am going to point out what I think is some significant evidence that the British are backing away from that idea.

As I pointed out a while ago, the British are now coming to us, hoping to get some enriched material for their reactors.

Mr. PASTORE. Has the Senator finished naming the list of the locations of these reactors which are already being used in America, and stating how large they are?

Mr. HICKENLOOPER. The size is not necessarily the controlling thing. We have reactors. Hanford has a number of them. Of course, those are plutonium reactors.

Mr. PASTORE. Will the Senator yield further?

Mr. HICKENLOOPER. We have the Army package power reactor, which we dedicated just the other day.

Mr. PASTORE. How big is that?

Mr. HICKENLOOPER. I do not know.

Mr. PASTORE. Two thousand kilowatts. We can even talk about flashlights, if we want to, this afternoon. The fact of the matter is that I am referring to a large, full-scale reactor.

Mr. HICKENLOOPER. We are talking about $40 million worth of wasted money of the Government.

Mr. PASTORE. We are not talking about wasting any money. We are talking about a $40 million investment for a 40,000-kilowatt production. That is a pretty fair-sized project.

Mr. HICKENLOOPER. That is correct. We could learn just as much from a smaller one.

Mr. PASTORE. That is not what Dr. Zinn says. Dr. Zinn says it is necessary to have a full-scale reactor in order to see how these projects work.

Mr. HICKENLOOPER. We can get testimony from the experts that anything less than a 100,000-kilowatt reactor is not sufficient. We can get expert opinions as to the size, but we can learn lessons from the smaller ones.

Mr. PASTORE. Is it not true that Dr. Zinn is the man who is at the head of the Florida corporation, the man who is talking about the gas-cooled natural-uranium reactor, and who is now negotiating a contract with the AEC?

Mr. HICKENLOOPER. He is using heavy water. When it comes to the question of a heavy-water moderated natural-uranium reactor, that may be one of the reasons—though I do not know—why the British are not having any success. They do not have heavy water in Britain. We have it here. They are using another type of moderator.

Mr. PASTORE. Will the Senator yield further?

Mr. HICKENLOOPER. I yield.

Mr. PASTORE. Does the Senator not feel that natural uranium, accessible and available as it is, would be valuable, and that it would be worthwhile for American industry and for the Atomic Energy Commission to experiment further on the use of natural uranium? Is that not the testimony that came before our committee?

Mr. HICKENLOOPER. There was some testimony to that effect. I have read Dr. Smyth's telegram, in which I think he made some significant statements.

Mr. PASTORE. Would the Senator mind hearing a quotation from Admiral Rickover, and one from Dr. Zinn?

Mr. HICKENLOOPER. I do not mind.

Mr. PASTORE. Let me read this quotation from Dr. Zinn, taken from the hearings:

If the only reactors which the United States has to offer in the foreign market are fueled with enriched uranium, we are missing out on a rather important point. I believe there are many countries which cannot afford to base all of their nuclear power on enriched uranium imported from just a few places.

They will want to have access to the possible worldwide market for natural uranium. So as long as a natural-uranium reactor is not in our portfolio, so to speak, of reactors, we are cutting out from our possible foreign market a considerable slice of opportunity. I think this is abundantly clear.

Would the Senator say that the natural uranium reactor such as is suggested in this bill is no good?

Mr. HICKENLOOPER. Let us bring back the witness which the Senator has called before the Senate. Let us bring him in again for either direct examination or cross-examination.

Mr. PASTORE. Very well.

Mr. HICKENLOOPER. I wish to read a telegram from Dr. Zinn, under date of August 4, addressed to Representative COLE, which is included in the RECORD of August 9, at page 14253.

Here is the significant thing: I hope Senators will bear in mind that the AEC is experimenting and conducting research on natural uranium at the present time.

Mr. PASTORE. Where?

Mr. HICKENLOOPER. In their laboratories.

Mr. PASTORE. Not with a full-scale reactor?

Mr. HICKENLOOPER. No, not with a full-scale reactor, but they are trying to develop the methods which will warrant their eventually building a full-scale reactor.

Let me read what Dr. Zinn said. He is a great scientist. This is under date of August 4, 1957:

Hon. STERLING COLE,
House Office Building,
Capitol, Washington, D. C.:

In reply to your telegram and question of August 2. I believe the United States of America program must include natural uranium power reactors.

There is no dispute on that point.

Mr. PASTORE. Would the Senator mind reading that quotation again?

Mr. HICKENLOOPER. Did the Senator not hear it?

Mr. PASTORE. I was distracted; I am sorry.

Mr. HICKENLOOPER. I shall read it again, for emphasis:

In reply to your telegram and question of August 2. I believe the United States of America program must include natural uranium power reactors.

Mr. PASTORE. I thought that was what I heard the Senator read.

Mr. HICKENLOOPER. I shall be happy to read it again for the Senator, if he did not hear it, or if he feels there are those who did not hear that statement.

Mr. PASTORE. I thought it was my own echo.

Mr. HICKENLOOPER. Nobody disagrees with that statement. The Commission does not disagree, that the natural uranium field is one which has to be explored. That is not the issue. The issue is whether we should spend $40 million on a type of natural uranium reactor which the evidence seems to prove has not been reasonably successful.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. Let me finish quoting from Dr. Zinn's telegram.

Mr. PASTORE. Certainly.

Mr. HICKENLOOPER. I continue:

Because of high temperature potential gas cooling should be added to our development program. I have made similar statements to the joint committee several times and in my view these items involve policy decisions for our atomic program. I have no special competence to comment on Government administration procedures. In my view, specification details such as combination of fuel and coolant, moderator choice, size, and cost estimates should be left to AEC and responsible contractors.

I am sure the Senator did not hear that, so I am going to read that particular statement again.

Mr. PASTORE. I am listening.

Mr. HICKENLOOPER (reading):

I have no special competence to comment on Government administration procedures. In my view, specification details such as combination of fuel and coolant, moderator choice, size, and cost estimates should be left to AEC and responsible contractors.

That is Dr. Zinn speaking.

Now the Congress is attempting to dictate to the AEC the type and kind to work on, exactly contrary to his statement.

Mr. PASTORE. Mr. President, will the Senator yield at that point?

Mr. HICKENLOOPER. I yield.

Mr. PASTORE. I do not think Dr. Zinn's statement means any such thing. As a matter of fact, this appropriation is being authorized for the AEC to make the determinations, just as Dr. Zinn said they should make them. We are not telling them which to make. We are simply telling them along what fields they should pursue the research, and we are making money available in order that they can do it. The type of reactor, the engineer to do the work, and such decisions naturally are to be left to the AEC.

Mr. HICKENLOOPER. Let me read what Congress is telling the AEC to do, and then again read Dr. Zinn's statement.

Mr. HUMPHREY. Mr. President, will the Senator yield in order that a layman can ask a question?

Mr. HICKENLOOPER. I yield.

Mr. HUMPHREY. I realize I am treading in the field of experts. I respect both distinguished Senators, the Senator from Iowa and the Senator from Rhode Island, for their expert knowledge. However, when we are talking about the natural uranium reactor, is that the British type?

Mr. HICKENLOOPER. That is the Calder Hall type, the British type.

Mr. HUMPHREY. Is that the type to which the Senator has been referring, for which the $40 million is supposedly to be dedicated?

Mr. HICKENLOOPER. That is it.

Mr. HUMPHREY. Is that the type which the Senator feels has many limitations?

Mr. HICKENLOOPER. That is it.

Mr. HUMPHREY. In other words, the Senator feels that the $40 million may be wasted, according to his view?

Mr. HICKENLOOPER. On an outmoded reactor which I think the evidence shows has not been anywhere nearly so successful as the original hope had indicated it would be.

Mr. HUMPHREY. The reason I asked that question is that I had brought to my attention a publication known as Forum Memo, of the Atomic Industrial Forum, Inc., of New York. One article is entitled, "Britain's Trebled Program." I thought the Senator might be interested in it. Let me read a couple of paragraphs:

For more than a year the issue of accelerating the atomic power program has held the center of the atomic policy stage in the United States. An important factor in the acceleration issue, in the minds of many Congressmen and others concerned with the formulation of United States atomic policy, has clearly been the effect on United States prestige of conducting a smaller scale atomic power program than that of other nations—including the British, who announced in February 1955 that they were establishing a target of some 1.5–2 million kilowatts of nuclear power capacity to be in operation by the end of 1965.

I understand that the natural uranium type of reactor which the British have built is within that figure of 1½ to 2 million kilowatts.

I think this paragraph is important:

Last month the British officially announced that they had now decided to expand their goals to "a range of 5–6 million kilowatts of nuclear capacity in operation by the end of 1965." This is approximately triple the target established in 1955 in the initial so-called white paper plan.

In other words, the natural uranium type reactor, which the Senator from Iowa speaks of as being a failure, is in use by the British. The British have now determined that, on the basis of their experience, they should treble the program.

In the meantime, I understand that representatives of the Atomic Energy Commission, testifying on April 1, 1955, made the prediction before the American Power Conference that there would be about 2 million kilowatts of nuclear power capability in service in the United States by 1960, and about 5 million by the end of 1965. However, in July of the same year the speaker, who was in charge of the reactor development of our Atomic Energy Commission, said that we are now losing ground. He now predicts that by 1960, instead of 2 million kilowatts of nuclear power by 1960, there will be only one million kilowatts of nuclear power in operation 5 years from now, or by 1962.

So here we are, going downhill, with half of the program which was predicted as a possibility by 1962, and the British, with their so-called mistakes, and with their natural uranium program, are trebling their predictions since 1955. I

cannot understand the logic of the argument. If the British are moving ahead and we are moving down, who is making the mistake?

Mr. HICKENLOOPER. I think perhaps Dr. Zinn is shuddering because of the interposition of this colloquy in the middle of his statement. However, I shall return to that subject in a moment.

The Senator from Minnesota has talked about 2 million kilowatts, 1 million kilowatts, and 6 million kilowatts. It might be a good thing not to have 1 million kilowatts of nuclear power in operation in this country by 1960, because every kilowatt of nuclear power produced will cost an unconscionable sum of money, and a Government subsidy will be required.

We have fossil fuels. We do not necessarily need atomic energy power in this country to any great extent, because it cannot compete at this time, and probably will not be able to do so——

Mr. HUMPHREY. Mr. President, will the Senator yield at that point?

Mr. HICKENLOOPER. Let me finish. Power produced from nuclear energy probably will not be able to compete for a great many years with conventionally produced power. Competent testimony has estimated that it will be 20 or 25 year before we shall reach the point where we shall be producing kilowatts that will compete with available fossil fuels. That is something we should understand.

Britain has no fuel, or says it has none. I should like to read something from the Manchester Guardian.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. This is right on the point the Senator was discussing, as to what the British intend to do.

Referring to the Manchester Guardian, a well informed British newspaper, the Manchester Guardian, reported on July 17, in an article entitled "Nuclear Power Program May Be Rephased," referring to earlier British plans to install 6,000 megawatts of nuclear generating capacity by 1966, that there might be a reduction of the nuclear power program in Britain.

This is an interesting point. It is a question of fuel. It is not a question of advancement in the science.

The article refers to earlier British plans to install 6,000 megawatts of nuclear generating capacity by 1966.

Now, however, according to the Manchester Guardian, Britain's coal board believes that it will be able to provide about 9.5 million more tons of power station coal than was originally estimated.

Referring to the coal board's new estimate, and to the earlier plans to build nuclear power plants aggregating 6,000 megawatts, the Manchester Guardian says:

> If the coal board's offer is taken seriously and accepted, some of these plans will have to go by the board. * * *
>
> On the nuclear power program, it is inevitable that the Chancellor (of the Exchequer) will be glad of the timing of the coal board's offer. For, in effect, the board has offered to supply enough coal to enable the CEA (Central Electric Authority) to dispense with atomic power stations almost entirely. The Chancellor will now realize that he could reduce the country's capital commitments over the next 10 years by persuading the CEA to buy the small coal now being offered to it, and to "rephase" the nuclear power program.

I interpolate that it is a question of economics with the British. They thought they did not have the coal, but with the coal coming in, they may dispense with power development from atomic energy almost entirely, according the Manchester Guardian.

Continuing the quotation from the Manchester Guardian:

> The Chancellor will now realize that he could reduce the country's capital commitments over the next 10 years by persuading the CEA to buy the small coal now being offered to it, and to "rephase" the nuclear power program. Some evidence that this has already started is provided by the fact that the CEA has not yet said what sites it will need for the next atomic power stations to be built.

In conclusion, the article has this to say:

> It is also clear that the nuclear power program is not now regarded as urgently as it used to be.

With the British, it is not so much a question of attempting to obtain nuclear superiority as it is to obtain desperately needed power. The minute the availability of power seems to be evident, the Manchester Guardian feels that in the same degree that increasing amounts of coal are available, just in that degree will the nuclear power program be going down in Britain.

With respect to the natural uranium proposed by Dr. Zinn's group, as I stated a moment ago to the Senator from Rhode Island, they proposed to use heavy water as a moderator, and other techniques. I am for helping them, but I see no reason why the Government should spend an extra $40 million when private groups are willing to spend their own money; and we would get the full benefit of anything they learned in the way of advanced techniques in the natural uranium reactor.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. HUMPHREY. I find the article from the Manchester Guardian very interesting. It represents an editorial point of view. It also represents, and clearly states to us, the grave economic problems which Great Britain faces. The British seem always to be in difficulties during these recent days, because of their problems since the war, in terms of economic development. They have a shortage of capital. It is understandable that if they could find coal resources they would prefer to use those for a period of time, to alleviate their economic problem.

But it so happens that the United States of America is not in the same financial straits. It so happens that the President of the United States feels that the development of the peacetime use of the atom is so important that he went to the United Nations and enlisted the support of practically every nation in the world for a great international unit.

The President also believes that we ought even to share some of our atomic energy knowledge.

On that basis, why should the United States, merely because it has other types of fuel available, ignore or retreat from the possibility of getting out in front in terms of nuclear power development?

Mr. HICKENLOOPER. We are far ahead of any other country.

Mr. HUMPHREY. It seems to me that the United States of America is being held back by the kind of philosophy being expressed here today. The Senator says we do not need to do this because we have other kinds of fuel. That is exactly what the Atomic Energy Commission has been saying. The Commission has been acting on that philosophy. The Senator says that we are far ahead of everyone else. I have heard arguments today to the effect that in some areas of peacetime uses of atomic energy we are not out in front.

Mr. HICKENLOOPER. The Senator is utterly and completely misinformed and mistaken. We are out in front on reactor developments in many more types than any other country in the world.

Mr. HUMPHREY. In certain types, yes.

Mr. HICKENLOOPER. In the whole field, with the exception of the natural-uranium reactor, which we have not gone into because we have access to the information the British are developing in that field—we are far ahead of any other nation.

So far as saying that we do not need to go into the reactors because we do not need the fuel, that is not what I said at all. It is not a part of the connotation of what I said.

I said that so far as the British were concerned, their great urgency in developing atomic power arises from their lack of natural-fossil fuels. They were spurred by that lack. I said that we did not have such a stimulus to spur reactor development, but we are developing them with billions of dollars—far more than any other country in the world is spending. It is a matter of enlarging and exploring a great field in which atomic energy is the key.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. COOPER. The Senator made the point that Great Britain had developed its particular type of reactor because of its lack of conventional fuels—coal, waterpower, and so forth—with which to develop power. Is this type of reactor one which would be more appropriate and useful in countries which do not have the capacity to develop power either through great hydroelectric projects or by steam plants? Is this type of reactor more appropriate for their use than the type of reactors which the United States is developing? I speak as an amateur.

Mr. HICKENLOOPER. Strictly speaking, it is not correct to say that it is more appropriate. Countries and areas which have very high fuel costs will probably be the first countries and areas to begin the full-scale use of atomic fuels for the creation of electrical energy when it becomes competitive.

Manifestly, a country where the fuel costs are such that it costs 15 or 18 or 20 mills per kilowatt for electricity produced with conventional fuels—oil, coal, and so forth—will begin to use, if we get them developed, 20-mill-cost atomic-powered fuels or 18-mill-cost atomic-powered fuels. They will begin to use them quicker than our country would, where fuel costs are perhaps 3 or 4 mills. It becomes a matter of economics.

The Calder Hall reactor is a type into which, at least theoretically, natural uranium is loaded, and which, under proper scientific combinations and conditions, the fissionable part of U–235 and the natural uranium work, through the action of the neutrons and atoms, and so forth, to produce heat.

That type of reactor, if it can be successfully and efficiently developed, would be much better for use in a country which did not have access to what we call enriched uranium.

We have the facilities and a plant in the Senator's own areas where we can do it. Of course, a diffusion plant for the separation process is very costly. Most countries cannot afford it.

Therefore, if a country is dependent upon some other country as a source of enriched materials, to salt or load the natural uranium, in order to make its production more efficient, it is somewhat at the mercy of a foreign supplier.

The uranium itself is getting not too difficult to acquire. It is getting to be quite plentiful. Natural uranium is not difficult to get, but enriched uranium is difficult for most countries to acquire.

Therefore, if a proper type and an efficient type of natural uranium reactor could be developed, it would be very helpful in a country which otherwise would have to depend on foreign countries.

Mr. COOPER. The Senator from Iowa has spoken to the issue I wished to raise. The Senator knows that there are many countries in the world which are beginning their development. Of course if such a country is to develop industry, it may have power. Many of them do not have sources of hydroelectric power, and they do not have the money with which to build tremendous steam plants. It may also be that their resources may not be located in a place where they can be efficiently and effectively used.

As the Senator knows, their wealth is based upon facts we cannot determine, and there is a great hope among many peoples and the governments of many of those countries that atomic reactors may provide a means and a method for their industrial development.

I wish to say further that I am an amateur in this subject. I know very little about the technique so far as the problem we are discussing is concerned. However, the Senator has just said that reactors which use, I think he said natural uranium——

Mr. HICKENLOOPER. That is the British type reactor.

Mr. COOPER. That is a type of reactor which would have a wider use, perhaps, throughout the world, in the underdeveloped countries, because many of them have natural uranium, and many of them cannot secure what the Senator calls enriched uranium. My question is this: Does not the United States face a grave danger if another country—Great Britain or some other country—has developed his type of reactor, which can have wider use throughout the world, and do we not risk losing leadership in this field and leadership in our association and influence and position with many of the countries which are moving ahead along the line of industrial development?

Mr. HICKENLOOPER. The Senator's question is based upon 1 or 2 premises which I am not prepared to accept.

Mr. COOPER. My premises may be wrong, but I raise the question.

Mr. HICKENLOOPER. In the first place, if Great Britain or any other country developed a successful and efficient type of reactor using natural uranium, not requiring the expensive processes of securing enriched uranium, that would be very helpful and advantageous. I do not believe—and, as I said a moment ago, I have evidence to that effect—that the British type of natural uranium reactor is anywhere near so successful as they had hoped it would be. There is evidence of their turning away from natural uranium because of the increased efficiency which comes from using enriched uranium.

We are experimenting in the natural uranium reactor field. We are not sitting idly by. We are spending money every day in research in that field. A group headed by Dr. Zinn, formerly of the University of Chicago's Argonne National Laboratories, and one of the leading reactor experts in the world, is negotiating with AEC for a cooperative effort to build such a reactor, using different and, what they hope are, advanced methods over the British technology. They propose to build a natural uranium reactor.

My point is not that we should not build natural uranium reactors, but that we should let private enterprise, which is willing and able to do it, build them in cooperation with Government research. That is what the Atomic Energy Act of 1954 contemplates. My complaint is that we are attempting here to tell the Atomic Energy Commission to do something which it does not think it ought to do at this time.

Mr. COOPER. Does the Atomic Energy Commission itself favor the idea of experimentation and even of building a natural uranium-type reactor, which the Senator himself has said is the one which would be most applicable to the needs of many countries throughout the world?

Mr. HICKENLOOPER. Indeed; if it can be built successfully and can produce economically.

Mr. COOPER. What I say about the other countries does not relate only to what we would like to see them do from the standpoint of advancement, but is suggested also by a selfish interest, and that is that the United States has been considered as the industrial leader of the world—and we pride ourselves in being that—and if this new field in the future becomes a great opportunity for the expansion of industrial development, the United States may fall behind in its position of industrial leadership.

Mr. HICKENLOOPER. I do not believe there is the slightest chance that we will fall behind. I believe there is every evidence that we are continuing to forge far ahead in the field.

With respect to the natural uranium reactor, the Commission is negotiating at this moment. They are asking for money to aid the Zinn group in its construction of a natural uranium reactor. From our aid to them we get all the benefit of their experience. They put millions of dollars of their own money into the reactor. We put up a comparatively small amount and get the benefit of what they learn. They get the benefit of past research. We will have the experience, in that way, in the field of natural uranium reactors. We will have gained the same experience as if we would have put up $40 million of taxpayers' money.

That is why the Atomic Energy Commission says, "We do not want to build a natural uranium reactor with Government money at this time. We are going to help build one with private money. We will contribute a little know-how and some research and some cash. The private company will put up the bulk of the money. Why should we build a Chinese copy just to have another reactor when we can get our experience from the other one?"

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. DWORSHAK. Does the Senator from Iowa know how much the AEC will invest in the natural uranium reactor which is proposed to be built by the private utility in Florida?

Mr. HICKENLOOPER. The Government contribution to the natural uranium reactor to be built by the Zinn group is about $8 million. That is the contribution by the Government. The private group proposes to put up roughly $40 million. Those are the approximate figures.

The argument is that for $8 million we will learn every last thing we can possibly learn out of a $40 million program somewhere else.

That is the reason that the Commission—and I think it is a sound reason—says, "We are not going into the natural uranium reactor field ourselves." It is like going into a store where a sale on men's suits is being held. I need a suit of clothes, and I get one for $10 off the regular price. In that way I have saved $10 on that one suit. I need that suit. If I buy 5 more suits that I do not need, I do not save $50 by buying those 5 suits. That is just about the situation we are confronted with in connection with the natural uranium reactor program.

Mr. DWORSHAK. Mr. President, will the Senator from Iowa yield?

Mr. HICKENLOOPER. I yield.

Mr. DWORSHAK. Does the Senator know whether plans have been completed and contracts negotiated between the private interests and the AEC for this particular plant, or whether it is still in the promotional stage?

Mr. HICKENLOOPER. The contracts have not been signed, but they

are in process. In my judgment, they unquestionably will be signed. It is a question of a little more experimentation.

When we speak of foot dragging in the case of contracts such as the one at Elk River, which affects the State of the Senator from Minnesota, let me say that one of the reasons why there has been slowness in securing the contracts is that in the case of most of the reactors the Government is building, there has been trouble, and they do not dare sign a contract until they get the bugs out of the thing and until they can depend on it. The delays have mainly come as a result of waiting to get the bugs out, and waiting until they can sign the contracts.

Mr. DWORSHAK. Does the Senator from Iowa know whether it is planned to use Admiral Rickover and his staff—who have been largely responsible for the development at Shippingport—in the development in Florida?

Mr. HICKENLOOPER. I do not know about that. I suppose many of them will be available. But the group building it will get its own staff together. I am sorry I cannot answer further.

Mr. PASTORE. Mr. President, at this point, will the Senator from Iowa yield to me, so that, in answer to the question asked by the Senator from Kentucky, I may read into the RECORD a short statement by Admiral Rickover?

Mr. HICKENLOOPER. I yield.

Mr. PASTORE. At the hearing Admiral Rickover said, page 388:

> If I were looking around for a source of electrical energy in an underdeveloped country, I would strongly consider a natural uranium reactor, because, if I used one that either has heavy water for a coolant, or enriched uranium, or both, then I am tying myself—I am tying myself down either to getting the heavy water and the enriched uranium from some other country or to building a heavy water plant and a separations plant myself. Well, if I can build a separations plant, if I have enough electricity to operate such plants, then I really am not in dire straits for atomic power.

Mr. HICKENLOOPER. I tried to point out that some countries would become dependent upon other countries for enriched material or for other things they would need.

Mr. PASTORE. In such a case the electricity or power costs and the other costs would be higher, because those countries would not have access to enriched uranium.

Mr. HICKENLOOPER. Yes.

Mr. President, for the third time I shall try to finish reading the telegram from Dr. Zinn. About the middle of the telegram he says:

> I have no special competence to comment on Government administration procedures. In my view, specification details such as combination of fuel and coolant, moderator choice, size, and cost estimates should be left to AEC and responsible contractors.

Mr. President, the following is very significant:

> I believe that instructions from Congressional committee will be most effective if limited to policy matters and if technical specifications are left to agency which is to execute instruction. If committee does not approve manner in which policy is executed projects should be vetoed by denying funds.
>
> W. H. ZINN.

Since we have been quoting Dr. Zinn, I thought I should state his views on that point.

I call attention to the fact that, in connection with that statement by Dr. Zinn, namely, that "specification details such as combination of fuel and coolant, moderator choice, size, and cost estimates should be left to AEC and responsible contractors," let us consider what the bill provides? The bill provides, on page 5:

> Project 58-e-14, natural uranium, graphite moderated, gas cooled, power reactor prototype designed for the production of approximately 40,000 electrical kilowatts, $40 million.

If that is not a statement of the type and kind of specifications, I do not know what it is. Of course that is in direct conflict with what Dr. Zinn says the bill should do.

Furthermore, and with this I desire to close this part of my remarks, the other part of my amendment calls for the elimination of project 58-e-15. Again the committee, without the request of the Commission, has designated the details; it is to be:

> Plutonium recycle experimental reactor designed for the production of 15,000 electrical kilowatt equivalent, $15 million.

Eventually, as I said earlier in my remarks, probably the Commission will wish to build one of these. But the Commission is not ready to build it now. The knowledge of the art is not sufficient. The Commission did not request it. It happens to be something the Commission can live with very well. But the Commission already has funds with which it is experimenting in this field; and when the Commission believes it can be done with profit to the art and to the whole atomic program, the Commission will request authority to do it.

So this provision of the bill is another gratuity, placed in the bill by the committee, but which was not requested by the Commission.

Mr. JACKSON. Mr. President, at this point will the Senator from Iowa yield to me?

Mr. HICKENLOOPER. I yield.

Mr. JACKSON. In connection with the recycle reactor, is it not fair to state that the controversy is over the question of whether it shall be constructed under this year's budget or next year's? There is no doubt about the importance of this project.

Mr. HICKENLOOPER. The Senator from Washington is correct. It is an important project. A moment ago I tried to say it is going to be done. But I think this is a policy decision of the Commission as to when the appropriate time is, and I do not think this provision has any place in the pending bill.

Mr. JACKSON. In all fairness, what is the purpose of the Joint Committee? Is it to be a rubberstamp organization? We had the vice president of the General Electric Co. before the committee—Mr. Wilfrid Johnson, from the Hanford facility. He said they are ready to go. That is in the record. I will take the word of the vice president of the General Electric Co. The question is how long we are to wait. This is an important program.

Mr. HICKENLOOPER. Of course, the Senator from Washington may take the word of General Electric. They are honorable people. But I assume that the Senator from Washington would not be controlled by the position of General Motors, over and above the position of the Attorney General, in regard to an antitrust matter or some other matter.

Mr. JACKSON. Mr. President, will the Senator from Iowa yield?

Mr. HICKENLOOPER. I yield.

Mr. JACKSON. The reason why I referred to the position taken by the vice president of the General Electric Co. is that he happens to be the one who is in charge of the program. The General Electric Co. is acting as the contractor, as the Senator from Iowa knows, for the Atomic Energy Commission. And the General Electric Co. now is carrying on the research work. And the General Electric Co. says it is ready to go ahead.

Certainly the Joint Committee on Atomic Energy has enough discretion left to hear the testimony from the Commission and then hear the testimony from the persons who are doing the work for the Commission and then come to a conclusion.

Mr. HICKENLOOPER. On that theory, if the Joint Committee is going to begin to write details, we had better abolish the Atomic Energy Commission and substitute the Joint Committee as the policymaking and the detail-ordering body, and just replace the Commission with the Joint Committee, because the Commission is the administrative body created by law to canvass the whole situation. It has its advisory groups. And then the Commission makes up its mind regarding how it will carry out the policy laid down by the Congress.

Mr. JACKSON. Mr. President, at this point will the Senator from Iowa yield?

Mr. HICKENLOOPER. I yield.

Mr. JACKSON. The Senator from Iowa has served for a long time on the Joint Committee, and he knows that sometimes the Commission can be behind the times. Some of us recall that it was the effort of the Joint Committee—without initiative from the executive branch—that gave the great acceleration to the atomic energy program back in 1949 and 1950. Certainly we do not have simply to pass on recommendations from the Commission, and adopt or reject what it proposes, and not come up with anything of our own. If that were the case, the hydrogen bomb race would have been defaulted to the Russians, because the impetus for our development of the bomb came from the committee.

Mr. HICKENLOOPER. The Senator from Washington is talking about an entirely different thing.

Mr. JACKSON. No, I am talking about the question of policy. The principle is the same.

Mr. HICKENLOOPER. But this is detail direction, and there is a difference between policy and detail direction.

Mr. JACKSON. Let me say that there is no question about the policy in connection with the matter of the recycle reactor. I can quote directly from Admiral Strauss. This is what he said, as is shown on page 676 of the hearings, in regard to the recycle project:

Project 16, the plutonium recycle pilot reactor is an extremely important project, but we had not intended to include that, and did not include it, in our request for funds for 1958 because we thought that 1959 would be as soon as we would have sufficient progress in hand to begin to develop it.

Mr. HICKENLOOPER. Exactly.

Mr. JACKSON. All right. The answer we subsequently got to that testimony came from the vice president of General Electric, Mr. Wilfred Johnson. He said, "We are ready to go, and it is urgent that we do."

Mr. HICKENLOOPER. So the Senator from Washington takes the judgment of an individual against that of the Commission which is set up to pass on those matters.

Mr. JACKSON. No; I am taking the word of the man in charge of the project for the Commission. Is that not all right? What is wrong with that?

Mr. HICKENLOOPER. I am not so sure, but I suppose every brakeman on a railroad knows better how to run the railroad than does the president of the railroad company.

Mr. JACKSON. Usually we are accused of taking the word of a bureaucrat in one of the departments downtown, and there are complaints that we are not listening to what business has to say. In this case, the vice president of the General Electric Co. says the project is ready to go and is urgent. He is the contract manager to whom the AEC has entrusted this project. I think that is sufficient.

Mr. HICKENLOOPER. The Senator is talking about two different things. One is policy; the other is detail.

Mr. JACKSON. There is no dispute on the policy, is there?

Mr. HICKENLOOPER. There is no dispute on the policy that it is a worthy project to go into, but why should we provide $15 million this year when the Commission is not ready to go into it, and when the money was never requested? The Commission never asked for the money. It may be ready next year or the year after.

Mr. JACKSON. I do not care to labor the point, but the individual in charge of the project for the Commission said they were ready to go. Do we have any judgment left at all?

Mr. HICKENLOOPER. It is a very nice contract for them.

Mr. JACKSON. Is the Senator saying General Electric is trying to promote this project?

Mr. HICKENLOOPER. I did not say that. I merely said a $15 million contract is a nice contract; but I am saying the body charged with the responsibility of carrying out the reactor program, the Atomic Energy Commission, says it does not want the money. It never asked for it. We are trying to shove something down its throat for which it never asked.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. LAUSCHE. I have been trying to learn from the committee documents exactly what the position of the Atomic Energy Commission is. I should like some confirmation of the conclusions to which I have come. I should like to have the Senator look at the hearings before the Subcommittee on Legislation of the Joint Committee on Atomic Energy, specifically to the testimony of Mr. Strauss on page 659. I now quote from Representative HOLIFIELD at the bottom half of the page:

It seems to me that the argument that you have made and the statements that you have made in regard to retaining our knowledge and techniques in the gaseous diffusion field is a very cogent argument for us filling the gap in our technology which apparently the British are planning to fill in theirs by showing an interest in enriched fuel that we should also show an interest in the natural uranium process.

Does the Senator have that part of the hearings?

Mr. HICKENLOOPER. Yes; I have.

Mr. LAUSCHE. By that statement I assume that Representative HOLIFIELD implied, indeed, practically stated, that we are far in advance of England in the development of enriched uranium, and that we ought to show some interest in the development of the natural uranium process to cope with the competition England is giving us. Is that correct?

Mr. HICKENLOOPER. In the first place——

Mr. LAUSCHE. I think that is correct. It is obvious.

Mr. HICKENLOOPER. I do not agree with the Senator. I do not think it is correct. I was trying to say what I think it means. I do not agree with the Senator's interpretation.

Mr. LAUSCHE. The Senator from Iowa does not agree with my interpretation?

Mr. HICKENLOOPER. I do not agree that there is any authority in that statement that the British are giving us competition in the natural uranium field. I think they have experimented in it, but I think they have failed to develop it to the point of the efficiency they had hoped it would reach.

Mr. LAUSCHE. May I read what Mr. Strauss said and see whether we come together or go apart:

Mr. STRAUSS. That is right, the Florida power group.

I presume by that he meant our Government is dealing with the Florida power group for the purpose of developing a natural uranium reactor plant.

Mr. HICKENLOOPER. We are indeed interested in a natural uranium plant. We have been conducting experiments. The Florida power group is a group of private utilities who have, I believe, employed Dr. Zinn. He heads the reactor group. The group proposes to develop with its own money the best type of natural uranium reactor they know how to build, and we are going to help them.

Mr. LAUSCHE. Let me continue. On page 660, toward the bottom of the page, Mr. Strauss again testified:

What I have tried to say about the natural uranium gas-cooled reactor, which is a power reactor solely with plutonium as a minor byproduct, is this: The Florida power group is studying that reactor to make us a proposal under the third round, and we should not spend Federal funds unless we find that we cannot get that reactor built by private funds.

Mr. HICKENLOOPER. Exactly, and the Florida group is proposing to build the reactor with private funds. It is proposing to put into it about $40 million of private funds. The Government's contribution will be about $8 million. My objection to project E–14 is that, in addition to cooperating with them, we propose to build another one with $40 million of the public's funds.

Mr. LAUSCHE. I invite the Senator's attention to page 663, toward the bottom half of the page:

Chairman DURHAM. Might I ask a question? This year when you asked the Budget Bureau for $150 million, what type of reactors did you have in mind?

Mr. STRAUSS. You mean last December?

Chairman DURHAM. Yes.

Mr. STRAUSS. We had two types in mind. One was an aqueous homogenous reactor, and the other was a natural uranium heavy-water reactor. There, you recall, Mr. DURHAM, we had an understanding with the Bureau of the Budget and with the President that if we did not succeed in getting private industry to build them, that they would support the Commission in a request to the Congress for appropriations to do it ourselves.

Mr. HICKENLOOPER. Exactly.

Mr. LAUSCHE. Is that the position taken by the Atomic Energy Commission on this subject?

Mr. HICKENLOOPER. It is. Let me say to the Senator that is exactly the situation in which we find ourselves. Had the negotiations not begun with the private power group, which would put its own money into the building of a natural uranium reactor, then the Commission was prepared to spend the taxpayers' money to build one on its own account; but the argument we make is that we are getting, or we shall get, because I am sure the contract will be consummated, since it has gone a long way, a natural uranium reactor built with private funds. That is why I am, and why the Commission is, against spending $40 million of the taxpayers' money to build another one somewhere else.

Mr. GORE. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. GORE. I hope the assumption of the Senator will prove accurate. I cannot, however, be so optimistic about the contract as he is; but even though the contract is consummated—and I hope it will be—is it not true that one reactor would be a heavy water moderated reactor and the other a graphite moderated reactor, there being a distinct difference between the two?

Mr. HICKENLOOPER. Yes, that could be true. I understand the Zinn group is discussing a heavy water moderated reactor. The direction contained in this

paragraph meets the objection of even Dr. Zinn himself. When he was asked about it, he said the committee should not direct the type and kind, that that should be left to the Commission; that the committee and Congress should establish only policy.

Mr. President, I have occupied the floor much longer than I had intended when I rose to speak. Unless there are questions, I yield the floor at this time.

Mr. JACKSON. Mr. President, in the interest of saving time, in view of the substantial discussion that has already occurred in connection with these two items, I ask unanimous consent to have printed in the RECORD at this point a statement I had prepared with reference to the plutonium recycle reactor.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR JACKSON

To understand the current need for the plutonium recycle reactor project, it is necessary to first understand the purpose of the project. The purpose of the project would be to develop a means by which plutonium can be used as a fuel in addition to its use in weapons. Every uranium type reactor, both natural and enriched concepts in addition to producing power also produces a by-product, plutonium. As of now, the only use for this plutonium is in weapons. In order for a genuine peacetime atomic energy program ultimately to flourish there must be some way devised to utilize the byproduct plutonium as a fuel for atomic powerplants.

The experimental plutonium recycle reactor contemplated in the pending bill is for the purpose of developing the means by which the plutonium will be recycled back into the reactor and used for making more power. If this experiment proves successful, and on the basis of expert testimony we believe it will be, then the plutonium produced in a specific reactor can be used by that reactor for generating power rather than being a waste material for that reactor. What this means is then that plutonium can be utilized in making power and thus we save on the amount of additional fuel needed by reactors.

Now this if of further great importance to us. If and when the day arrives when this country no longer must maintain large amounts of plutonium for weapons purposes, that plutonium can be transferred over and used for peaceful purposes.

In the last 2 years the Atomic Energy Commission has sponsored a modest program at Argonne, Los Alamos, and Hanford on various approaches to the problem of peacetime uses of plutonium. During the hearings held by the Joint Committee in consideration of this authorization bill, Mr. Wilfrid E. Johnson, general manager of the Hanford atomic products operation, General Electric Co., testified to the work being done and the advances his organization has made in this field.

His organization, on request of the Atomic Energy Commission, on September 1, 1956, undertook a research and development program at Hanford relative to the plutonium recycle concept. He stated that good progress has ben made during the past year in these various areas of research and development. He added that a number of plutonium fuel element designs have been conceived and are under experimental investigation. He also stated that the reactor design studies of his group have been accelerated "because the use of an experimental reactor is vital to timely progress in the program."

During fiscal year 1957 about $1,400,000 will have been spent on research and development and reactor-design phases of the program. On the basis of the technical advances his group has made, his group contemplates an acceleration of the research and development effort during the year.

By letter dated June 27, 1957, Mr. Johnson advised Congressman CHET HOLIFIELD, chairman of the Subcommittee on Legislation, as follows:

"At the request of Senator H. M. JACKSON, I would like to supplement the statement of our views concerning the plutonium recycle program which I made on June 24, before the Legislation Subcommittee of the Joint Committee on Atomic Energy.

"In my testimony, I failed to call the attention of the subcommittee to the desirability of an early authorization, with appropriate funding, for the construction of the experimental reactor which is required for the program. The reactor will be used, and is essential, for the accomplishment of the tests upon which developments under the program will depend. Its early availability is therefore desirable to permit orderly progress of the development work."

The Chairman of the Atomic Energy Commission, Mr. Lewis Strauss, in testifying before the Subcommittee on Legislation of the Joint Committee on Atomic Energy July 9, 1957, stated, "The plutonium recycling is absolutely essential because plutonium is going to be produced in every reactor." The Chairman of the AEC, nevertheless, prefers to wait until next year before requesting this project.

The majority of the Joint Committee is sincerely concerned with the slippages that are occurring in the atomic enegry program of the United States. While the British Government is tripling its original forecast and plans for atomic development, the Atomic Energy Commission, which in 1955 was forecasting 2 million electrical kilowats of nuclear energy by 1960, is now talking of only 1 million by 1962. Construction of plants in this country now under way will not be completed as early as originally hoped.

Part of this slippage, we believe, may be caused by not moving ahead fast enough when the technical means are available to do so. In the case of the plutonium recycle experiment, from a technical point of view it appears we are ready to move forward on an experimental model. If we wait until next year to request authorization for this project, we will lose valuable time. If we approve authorization now, and if, for one of more technical reasons, we are not ready until the following year to begin construction of the experimental reactor, there is no requirement that the Commission cannot wait until then. It is not mandatory that the appropriation being authorized be used during fiscal year 1958. It can be carried over until fiscal year 1959—should there be technical reasons for waiting.

The only difference that I can see between the committee and the Atomic Energy Commission on this point is whether we authorize the money in fiscal year 1958 or wait until fiscal year 1959.

The knowledge gained from this project will be available to all private industry. From the knowledge thus obtained, nuclear powerplants being built by private industry will be able to operate without dependence upon uranium isotope separation facilities. Now this is of extreme importance to our Government and to private industry which are interested in selling reactors abroad.

As you know, there is strong evidence that many foreign nations and foreign groups planning to build nuclear reactors are favoring the British natural-uranium concept. They voice fear that if they buy the American reactors, which are an enriched-uranium concept, they will be continuously dependent upon the United States for their sources of this material. The success of a plutonium-recycle concept, however, will relieve this problem in that these foreign reactors purchased from the United States will be able to utilize the plutonium they produce, and hence they will not have to continuously come back and ask for additional enriched uranium.

Another important point along this line is that in our agreements for cooperation whereby this country makes available enriched uranium to foreign countries for peaceful uses we stipulate that the plutonium produced in these foreign countries from this material must not be utilized in making weapons. We require that foreign governments return the plutonium to the United States. Notwithstanding our current urgent need for additional plutonium for weapons, we agree not to use the plutonium, so returned to us from these foreign countries, for weapons. We therefore are in a position where we will be receiving large amounts of plutonium from foreign countries which we legally cannot use for weapons and for which there is no other use at present.

The success of the plutonium-recycle project will increase severalfold the amount of power recovered from the given amount of raw uranium. As the peaceful applications of atomic energy develop in the future, the success of this project will provide a useful and peaceful way in which to make use of the plutonium which will be generated by nuclear-power industry.

Mr. THYE. Mr. President, I had intended to place in the RECORD some telegrams which I have received. There are only four of them. They are very brief. I had intended to place them in the RECORD earlier this afternoon when I was discussing the question, because they indicate the concern business people have relative to the bill now before the Senate.

For that reason, I ask unanimous consent that there be printed in the RECORD a telegram I have received from Mr. Dale Mark, of Fairmont, Minn.; another telegram from W. H. Norman, cashier of the Fairmont National Bank, Fairmont, Minn.; a telegram from Albert E. Fillmore, of Fairmont, Minn.; and another from J. A. Adams, of Red Wing, Minn. Red Wing and Fairmont are some distance apart in Minnesota, geographically speaking. For that reason I think the telegrams indicate that there is widespread interest in the State relative to the proposed legislation.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

FAIRMONT, MINN., *August 15, 1957.*

Hon. EDWARD J. THYE,
United States Senator,
Senate Office Building,
Washington, D. C.:

Considering Atomic Energy Commission bill: Please vote against Government entering atomic-power business, as builder and operator.

DALE MARK.

FAIRMONT, MINN., *August 15, 1957.*

Hon. EDWARD THYE,
United States Senator,
Senate Office Building,
Washington, D. C.:

Opposed to Government entering atomic-power business as builder and operator. Please cast your vote accordingly.

W. H. NORMAN,
Cashier, Fairmont National Bank.

FAIRMONT, MINN., *August 15, 1957.*
Hon. EDWARD J. THYE,
United States Senator,
Senate Office Building,
Washington, D. C.:

Believe Government should leave business to private enterprise and am definitely opposed to Government entering atomic-power business as builder and operator.

ALBERT E. FILLMORE.

RED WING, MINN., *August 15, 1957.*
Hon. EDWARD THYE,
United States Senate,
Washington, D. C.:

Keep the Government out of atomic-power business. Support House bill.

J. M. ADAMS.

TRIBUTE TO LATE JAMES IZLAR SIMS

Mr. THURMOND. Mr. President, I rise to pay tribute to the character and accomplishments of Mr. James Izlar Sims, a beloved and distinguished citizen of South Carolina who died on August 13 at his home in Orangeburg, S. C.

Mr. Sims was president of the Sims Publishing Co., which published the Times and Democrat in Orangeburg, S. C. He was also the head of a number of other organizations and businesses and was a prominent figure in community and business affairs in South Carolina for more than half a century. In addition to heading the newspaper, he also was president of a radio station, a bank, an apartment project, and a theater.

Mr. Sims began his career as a newspaperman and businessman in 1905 at the age of 14 when his father became seriously ill. At that youthful age he assumed his father's responsibilities at the newspaper, and steadily through the years advanced as a leader in business and civic affairs in Orangeburg and in the State.

Mr. Sims was a Christian gentleman with a quiet unassuming manner and a good sense of humor. He was a loyal American, a loyal southerner, and a loyal South Carolinian.

I shall not attempt to recount his many accomplishments, but I am proud to have been his friend. His able father and my father, J. William Thurmond, also were friends and I served in the South Carolina State Senate with his brother, Dr. Henry R. Sims, who is the distinguished president of Winthrop College, the South Carolina State College for Women. His passing is a great loss to the State and Nation and a personal loss to me. My heartfelt sympathy goes out to Mrs. Sims and to the rest of the family.

AIR FORCE AMMUNITION FACILITIES AT VANPORT, OREG.

Mr. NEUBERGER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a letter written by me to Maj. Gen. Joe W. Kelly, Department of the Air Force, dated August 15, 1957, as well as a press release which describes my position regarding ammunition storage facilities at Vanport near Portland, Oreg.

I am including this material in the RECORD so that my attitude will be made clear with respect to this crucial issue. When the defense of our country is involved, I believe that military officials should receive as wide a degree of latitude as is consistent with the national welfare and our democratic traditions.

I also believe that no community should ask for special considerations apart from those received from any other American community, when national defense matters are involved.

There being no objection, the letter and press release were ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON PUBLIC WORKS,
August 15, 1957.

Maj. Gen. JOE W. KELLY,
Director, Legislative Liaison,
Department of the Air Force,
Washington, D. C.

DEAR GENERAL KELLY: I have had a conference today, August 15, with various military and civilian officials of the Department of the Air Force. They have disclosed to me a list of Air Force facilities located in or near approximately 45 major communities in the United States. This information, which is of a classified nature, has demonstrated to me that the Department of the Air Force operates near these cities ammunition storage facilities of a comparable nature to that operated at the Vanport tract near Portland International Airbase.

It is my opinion that any ammunition storage facilities in the vicinity of Portland should be no closer to the metropolitan area than at air bases elsewhere in the United States, but that we are willing to be on the same footing and distance in this respect with other comparable cities in our country.

Accordingly, I am withdrawing my objection to the contemplated use of the Vanport tract as planned by the Air Force. I neither support nor oppose your proposal, but I am willing to abide by what is best and most feasible for the defense of our country and according to such arrangements as the Air Force can work out with the governmental officials of the city of Portland and the State of Oregon.

It is my opinion that Portland and Oregon should be treated no differently than any other city and State in the Nation. Ammunition storage facilities should be no closer to our population centers, but the Air Force should not be required to have them more distant. Our State should share as equally as possible in the location of defense installations, and we should be willing to put up with inconveniences in providing the area for such installations.

I appreciate the courtesy and cooperation of your staff in making available to me the data concerning Air Force facilities and their proximity to other metropolitan centers of the United States.

Of course, if it were found feasible still to use the French Prairie site near Woodburn for military air-base purposes, I think this might be the best ultimate solution.

Very sincerely yours,

RICHARD L. NEUBERGER,
United States Senator.

STATEMENT BY SENATOR RICHARD L. NEUBERGER, OF OREGON, REGARDING AMMUNITION STORAGE FACILITIES AT VANPORT

After a conference with officials of the Air Force, I have decided to withdraw my objections to the proposed ammunition storage facility at Vanport to serve Portland International air base. My original stand may have been premised on insufficient information.

I have learned that no fewer than 35 similar storage projects are located from 1 to 8 miles from the center of metropolitan centers in the United States, some of them larger and more crowded than the Portland area.

Air Force officials, who have served with the Department as long as 15 years, told me the protest against the proposed facilities in the Vanport area is the loudest they ever have experienced. It could be that this attitude, prevailing over a long period of years, is one reason why Oregon has trailed behind other Pacific Coast States in the number of military installations, posts, bases and other defense undertakings.

Within recent weeks I have received several letters from chambers of commerce inquiring as to why our State has lagged in this respect. I fear that there is almost an automatic reflex action in Oregon against any of the inconveniences, discomforts and perils attendant on military projects and defense industries. I believe a more reasonable approach would be to insist simply that our State and communities be treated equally with those elsewhere in the Nation.

Accordingly, I have advised Maj. Gen. Joe W. Kelly, Air Force legislative liaison officer, that I believe "any ammunition storage facilities in the vicinity of Portland should be no closer to the metropolitan area than at air bases elsewhere in the United States, but that we are willing to be on the same footing and distance in this respect with other comparable cities of our country. Of course, if it were found feasible still to use the French Prairie site near Woodburn for military air-base purposes, I think this might be the best ultimate solution."

I wish to emphasize that, in the stand I have taken, I am speaking for myself alone and not for my distinguished colleagues in the Oregon delegation.

BANNING OF LIQUOR ON COMMERCIAL, MILITARY, AND PRIVATE AIRPLANES

Mr. NEUBERGER. Mr. President, on August 13 I testified before the Aviation Subcommittee of the Senate Committee on Interstate and Foreign Commerce in behalf of my bill, S. 593, to prevent the consumption of alcoholic beverages aboard aircraft used in air commerce and military aircraft. I believe that such legislation is vitally needed to remove an existing hazard to the safety of air travel in the United States.

The distinguished Senator from South Carolina [Mr. THURMOND] who has introduced a similar bill, S. 4, preceded me at Tuesday's hearing and presented an extremely able discussion of the problem caused by the use of liquor aboard airplanes. I had the privilege of hearing most of his testimony and his answers to the subcommittee's questions, and wish to say that I believe he made a very convincing case for enactment of Federal legislation to prohibit alcohol on the airlanes.

Mr. President, I have no undue pride of authorship in my bill, S. 593. I realize that the Senator from South Carolina is a member of the Senate Committee on Interstate and Foreign Commerce and that, as a normal courtesy, the committee will be inclined to report out his bill. I take this opportunity to publicly assure the Senator, and those who back this legislation, that I will be happy to support any bill presented to the Senate which effectively deals with this problem.

Mr. President, I ask unanimous consent that excerpts from my testimony

submitted at Tuesday's hearings be printed in the RECORD at this point.

There being no objection, the excerpts from testimony were ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR RICHARD L. NEUBERGER, OF OREGON, BEFORE SUBCOMMITTEE ON AVIATION OF SENATE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE, AUGUST 13, 1957, ON S. 593

Mr. Chairman, I am happy to appear today before the Subcommittee on Aviation of the Senate Committee on Interstate and Foreign Commerce to testify in behalf of my bill S. 593 to prevent the consumption of alcoholic beverages aboard aircraft used in air commerce and military aircraft. I believe that enactment of this bill, or similar legislation, would remove an existing hazard to the safety of air travel in the United States, and wish to acknowledge my appreciation of the subcommittee's action in scheduling these hearings.

The primary purpose of my bill is simple. It is to assure the safety of aerial traffic against the risk that any occupant of an airplane, whether crew or passenger, may endanger the lives and property of others by the effects of intoxication.

My proposal is not new. Similar legislation was passed by the House of Representatives last year following hearings at which spokesmen for the airline stewards and stewardesses and airline pilots—persons whose very lives are constantly at stake in air safety—appeared in support of this legislation. Unfortunately, the bill approved by the House was allowed to die in the Senate, as were Senate bills, S. 2845, introduced by Senator THURMOND; S. 2879, introduced by Senator LANGER; and my bill, S. 3039.

On January 14, 1957, I again submitted my bill forbidding use of alcoholic drinks aboard aircraft. The problem at which my original proposal was aimed still remains, and I presented S. 593 in the hope that the 85th Congress will take action to eliminate it. Mr. Chairman, I request that the text of my bill be printed at this point in my remarks. (See exhibit No. 1.)

I wish to point out that S. 593 is considerably more comprehensive than a number of other bills introduced to deal with this problem.

My bill would ban drinking on private aircraft as well as commercial or military planes. I think that this is only logical. A commercial aircraft, on which everybody, including the crew, is sober, can be dashed to earth in flames if a private plane with a drunken crew or cargo of passengers bumps into it on the airlanes. We would regard it as ludicrous if we banned alcohol on trucks and busses using our highways but permitted intoxicating liquors to be drunk in private cars. It seems to me only fair to the passengers on commercial and military planes that the ban on liquor in the air should be extended to all airplanes which use the airlanes above the United States. These travelers could be terribly endangered through the uncontrolled or reckless flight of a private plane whose crew or riders were indiscriminately consuming alcoholic beverages.

Mr. Chairman, I would like to quote briefly from House Report No. 2399 of the 84th Congress, the report submitted by the House Committee on Interstate and Foreign Commerce on H. R. 8000. The report outlines three major problems resulting from the serving of alcoholic beverages aboard aircraft.

"1. The unregulated consumption of liquor by airline passengers is a compromise with safety. There is always the danger that a passenger who has overindulged can interfere with the crew.

"2. The serving of liquor to airline passengers places an unnecessary burden on flight crews. The operation of large modern transport aircraft requires the constant and diligent attention of flight crews. Crew members have more important tasks than policing unruly passengers. The pilot in command must assume the responsibility for the orderly conduct of passengers. Instances were cited where the pilot was forced to subdue unruly passengers. Had serious injury to the pilot or any crew member resulted, the flight would have been deprived of that person's service, thus creating a potential emergency situation.

"3. Drinking on passenger aircraft creates a social problem, in that even though no safety hazard develops, the passenger who overindulges may offend or annoy other passengers. Drinking cannot be confined to club cars, as on trains."

Mr. Chairman, I understand that spokesmen for both the pilots' and stewardesses' organizations are scheduled to testify before this subcommittee. I know that they will describe for your members the enormous risks to public safety inherent in the practice of serving alcoholic beverages aboard aircraft—a knowledge of which they have gained from personal experience or from the statements of other members of their professions who have had an opportunity to view firsthand incidents which demonstrate the dangers involved. I shall not anticipate this testimony by relating the many occurances on airplanes brought to my attention which emphasize the vital need for prevention of consumption of alcohol aboard aircraft.

However, I would like to bring to the subcommittee's attention an article by Mr. Harry C. Kenney which appeared in the February 1956, issue of the Christian Herald under the title "Shall We Tolerate Those Flying Saloons?" Mr. Kenney, who has traveled over 100,000 miles by air, coordinated and studied a mass of evidence supplied by both passengers and crew members, indicating the threat to air safety caused by the serving of liquor aboard planes. I would like to read the lead paragraph of Mr. Kenney's article which embody his conclusions on this subject:

"Sky-high drunks not only make airplane trips less enjoyable, but potentially present a serious threat to the chances of your landing safely at your destination. This is no mere conflict of morality between drinker and nondrinker. The peril is impartial. Airborne alcohol endangers not only the lives of nondrinkers, but the lives of the drinkers themselves."

Several months ago I received a letter from a resident of Portland, Oreg., urging that I support legislation to outlaw the serving of alcohol on commercial airlines. I would like to read a portion of that letter.

"My husband recently had an experience when he flew from Portland to Los Angeles. The only available seat was in the lounge (the stewardess had to use two of the seats in the main part of the plane to prepare cocktails and dinners). She served the champagne cocktails to those who wished them—my husband did not take one—and then set the bottle on a table in front of my husband and another man. This individual was sitting directly next to my husband, was not interested in the dinner that was served afterward, and continued drinking from the bottle left on the table until its contents were emptied, having nearly a dozen drinks altogether. My husband had to hold and steady the bottle so the champagne would not spill on his own clothes, and then had to endure the unpleasantness of an intoxicated sleeper the remainder of the trip."

Mr. Chairman, reports by users of our airlines of such incidents are not infrequent. The House committee last year felt compelled to point out that Congress has an obligation to protect passengers in interstate commerce from annoyances and inconveniences such as cited by witnesses. However, the effects of this situation could be far graver than mere personal irritation.

On October 16, 1956, a Pan American Airways stratocruiser was forced to ditch in the Pacific Ocean when it developed engine trouble on a flight between Hawaii and San Francisco. Thirty-one people safely left the sinking aircraft after the heroic pilot, Richard Ogg, landed his ship in midocean, 1,150 miles from land. Not a single life was lost. Later Pilot Ogg praised the calmness and courage of his passengers in following his instructions. Without such clearheaded thinking on the part of these men, women, and children, many might have lost their lives.

What would the presence of the intoxicated passenger described in the letter which I have just cited have meant to the safety of those riding with Captain Ogg? Would this man have been able to care for himself? Or would others have had to assist him in the few brief minutes after the crash landing before the plane slipped beneath the sea, thus exposing themselves to greater danger and possible death. Could he have assisted in the preparations for the ditching? Or would he have been a hindrance? Might he have become panicky and directly interfered with the work of the crew?

This is mere conjecture, I realize. It is difficult to determine what any person—drunk or sober—will do in moments of extreme stress. I recall this incident because it is an internationally memorable instance in which a near air tragedy was averted due to the clear heads of passenger and crew. Yet I believe that the raising of these questions is valid. If one life is lost in air travel in the United States due to the use of alcohol aboard aircraft, any justification for this service is surely canceled.

The engineer of a train is isolated from his passengers and, intoxicated or sober, they cannot physically influence his actions. The driver of a bus can halt his vehicle to eject a drunken fare. But the pilot of an airplane has no such protection. Regulations on some airlines specify that the door to the cockpit be left open during landings or takeoffs so that it will not jam in the case of a crash landing. The pilot cannot pull over to the side of the road if he is suddenly accosted by an overly aggressive passenger. During a landing or a takeoff he is committed to a course of action. Deviation can mean disaster.

Monday, I talked with Miss Iris Peterson, Washington, D. C., representative of the Air Line Stewards and Stewardesses Association, International, and Mr. Larry Cates, who fills a similar position for the Air Line Pilots Association. Their observations confirmed my already strong belief that Federal legislation is the only effective solution to this problem.

Mr. Chairman, self-regulation by the airline industry has proved inadequate to handle the problem. Although many domestic airlines do not serve alcoholic beverages, competition may force them to do so. The number of passengers who bring their own liquor aboard aircraft and the number of those who have had too much to drink before the plane is increasing. The House committee reported last year that "* * * before the airlines began serving liquor, passengers under the influence of alcohol were not permitted to board a plane but that now, as might be expected, enforcement has been relaxed on those flights where liquor is served. A pilot in command would naturally find it difficult to ask a passenger who has been drinking not to board a plane on which drinks are to be served.

"Testimony was that since the airline started serving drinks, the number of passengers bringing their own liquor aboard has increased sharply. Here, again, the problem of control has been complicated by the serving of liquor by the airlines."

Prevention of consumption of liquor in aircraft would not only result in removal of a hazard to safety, but would provide an even more direct economic benefit for the Nation's airlines. In his Christian Herald article, Mr. Kenney reported:

"Numerous executives of airlines have told this reporter, off record, of course, that they would be very happy if liquor were not served on airplanes. Most of them lose money on the service; it is a messy business; it takes the time of flight personnel; it takes up payload space; it has caused trouble; and now it is creating a national issue."

The sanction of drinking, per se, is not an issue here. It is fundamentally a question of public safety. Nor does the danger involve only crew and passengers. The lives and property of those on the ground are also at stake. A crippled plane, plunging uncontrolled to earth, is no respector of persons or places.

Congress has a definite responsibility to protect our citizens from this menace to public safety. I hope that this subcommittee will see fit to favorably report legislation providing for the prevention of service or consumption of alcoholic beverages on military, commercial, and private airplanes in order that the 85th Congress may fulfill this responsibility.

Mr. Chairman, in conclusion I wish to thank the subcommittee for allowing me time to present my views on this subject, and I ask that a resolution of the Oregon Council of Churches in support of S. 593 be printed in the record. (See exhibit No. 2.)

EXHIBIT No. 1

S. 593

A bill to prevent the consumption of alcoholic beverages aboard aircraft used in air commerce and military aircraft

Be it enacted, etc., That section 601 (a) of the Civil Aeronautics Act of 1938 is amended by striking out the word "and" following the semicolon at the end of clause (6), by striking out the period at the end of clause (7) and inserting in lieu thereof a semicolon and the word "and", and by inserting after clause (7) the following new clause:

"(8) such reasonable rules and regulations as may be necessary to prevent the consumption at any time of alcoholic beverages aboard any aircraft used in air commerce."

SEC. 2. The Secretary of Defense shall establish such regulations as may be necessary to prevent the consumption at any time of alcoholic beverages aboard military aircraft.

EXHIBIT No. 2

RESOLUTION PASSED BY OREGON COUNCIL OF CHURCHES

The Oregon Council of Churches, in its annual meeting at Salem, Oreg., joins with other church groups, the International Federation of Airline Pilots, and the American Airlines Association of Hostesses, in calling upon Congress to pass laws prohibiting the sale and serving of alcoholic beverages in any form on airplanes, as this constitutes a menace to both the passengers and those responsible for the safe operation of the plane. We call upon churches in the State to offer their support to the bill being proposed by Senator RICHARD L. NEUBERGER to prohibit sale of alcoholic beverages on both commercial and military planes.

AUTHORIZATION OF APPROPRIATIONS FOR THE ATOMIC ENERGY COMMISSION

The Senate resumed the consideration of the bill (S. 2674) to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes.

Mr. BRICKER. Mr. President, I support the amendments submitted by the distinguished Senator from Iowa [Mr. HICKENLOOPER], the former Chairman of the Joint Committee on Atomic Energy. Every issue has been covered, I think, and properly presented, but I have a short statement which I have prepared in support of the position taken.

There are certain sections in this bill which I oppose. After debate in the House of Representatives last Friday, the House removed these sections, and I hope that the Senate will take similar action.

The sections which should be removed call for increased Federal construction of atomic power reactors and discrimination against private industrial participation and development of atomic power.

This bill, S. 2674, at the present time, provides for $58 million for reactor projects which were not requested by the Atomic Energy Commission, and which, in fact, are opposed by the Atomic Energy Commission. There are many good and sound reasons why the Congress should not direct the Commission to build particular types of reactor projects. I believe that these technical decisions should be left to the Commission, and not specified by the Congress, as this bill does in projects 58-b-8, 58-e-14, and 58-e-15.

I repeat; these projects were added by the committee and are opposed by the Atomic Energy Commission for many reasons. I have available the letter from the Commission dated August 3, 1957, concerning their opposition to these projects, and I would be glad to read from it if any Senators desire further clarification on these points.

This bill also, in section 111, contains certain provisions which cut funds and place restrictions upon participation by private industry in this program. At the same time, section 111 provides that the Federal Government should push aside certain rural electric cooperatives which have submitted proposals, and that the Federal Government should build the reactor itself by making a direct contract with the reactor manufacturer rather than with the rural co-op.

In my State, the city of Piqua, Ohio, has submitted a proposal which would be affected by section 111a (1) of this bill. However, rather than having the Congress provide a mandatory type of contract arrangement, I believe that discretion should be left to the Atomic Energy Commission. This is a proper type of administrative decision. If the Commission decides that the city of Piqua, Ohio, project should go ahead, the Commission would have discretion to proceed with the type of contract it believes best.

In summary, I believe that the amendments adopted by the House were good amendments. They will cut down Federal construction in this field, at great savings to the taxpayers, and will eliminate certain discriminations against private industries participating in this program. I, therefore, urge all Senators to support similar amendments when they will be offered to this bill.

Mr. AIKEN. Mr. President, I wonder if I might have the attention of the Senator from New Mexico, so that I may ask three or four questions to help me get the amendments clear in my mind.

I noticed it was said that the $3 million authorization should be stricken because it would lead to a $100 million expenditure for construction of a reactor next year. What would be the particular purpose of constructing the $100 million reactor, if that is the proper figure of cost?

Mr. ANDERSON. It would be for the plutonium needed for the weapons program, plutonium is much more necessary for the small weapons. Much more plutonium per weapon—per "bang"—has to be used in a small weapon than in a large one. If we switch to the smaller weapon field, we will need more plutonium.

I only say to the Senator from Vermont that it is somewhat like saying that when one gets married, it usually leads to a whole lot of other things down the road. This program will have to come before the Congress. Congress will have to authorize the money. If Congress feels the program is not wise, it will not authorize the money.

Mr. AIKEN. The program will have to come before the Congress?

Mr. ANDERSON. That is correct.

Mr. AIKEN. I should say that a better description would be that this is like getting a marriage license and then making up one's mind as to whether one wants to go through with it.

Mr. ANDERSON. That is a much better expression. That is absolutely true.

We hope that the Atomic Energy Commission will study this question. We do not confine them to a single type of reactor. They could use a single-purpose or a dual-purpose reactor. They could use one of any size. The main thing we ask is that they find out how to make plutonium at a low cost, and if they can do so and they decide to build the reactor, whether it will be built in time to bring relief to some of the old reactors, which are pretty well worn out, before they go further.

Mr. AIKEN. Referring to the next proposed amendment, it has been charged that such a plant would produce Federal atomic power. I assume that it would.

Mr. ANDERSON. No; it would not. The plutonium recycling plant, to cost $15 million, will not produce any Federal power as such. We are trying to learn how to burn plutonium.

Mr. AIKEN. Steam will be produced.

Mr. ANDERSON. As a fuel. If it is the desire to attach the plant to some other plant, that is fine, but the design is not for power purposes at all.

Mr. AIKEN. How long is it anticipated that these plants will be in operation? They will produce steam, I understand.

Mr. ANDERSON. They produce a small amount of current, but they will waste most of it, probably. The essential point is that in the reactor for Detroit Edison, for example, it is planned

to produce plutonium. The Calder Hall type of reactors produce plutonium.

As it is now, all we know how to do with plutonium is to put it into weapons. We are interested in the atoms-for-peace program. We are trying to learn what to do with plutonium in a peaceful economy.

Mr. AIKEN. Am I correct in assuming that after these plants have served their purpose they will be dismantled, under the law?

Mr. ANDERSON. They will be dismantled.

Mr. AIKEN. Does the Senator from New Mexico have any estimate as to how long the plants might be in use for experimental purposes before they are dismantled?

Mr. ANDERSON. We thought 10 years would be an absolute maximum.

Mr. AIKEN. Ten years?

Mr. ANDERSON. I think they will be out of date long before that time.

Mr. AIKEN. I think it was also said that we could get the necessary information, which we would derive from these reactors, from the British. Has the Senator anything to say about that?

Mr. ANDERSON. We cannot get the information that way. We have to learn by doing. We can get some value from the British experience, but we will have to learn the process by building ourselves.

Mr. AIKEN. As to the recommendation which was made that the action proposed would interfere with the production of power from coal, is it anticipated that the time will come when atomic power can be produced cheaper than power from coal?

Mr. ANDERSON. I will say to the Senator from Vermont that we could discuss that subject for hours. I believe the correct answer would be that it is a matter of 40 or 50 years. I think by that time the energy requirements of the United States will have expanded so rapidly that hydroelectric power, power from coal, power from oil, and power from gas, will not be nearly sufficient to take care of the needs, and we will not be able to develop nuclear power as fast as the demand will be created. We cannot expand hydroelectric power much further. The capacity of the Niagara project, which we considered the other day, is about as far as we can go. There simply are not any more good locations.

Mr. AIKEN. The question of location also comes into the picture. For instance, there might be some areas where coal would not be readily available.

Mr. ANDERSON. That is true. The idea of generating power at the mouth of the mine is important. For example, there are now several areas where plants are located because of the natural advantage of coal being readily available. I think that situation will exist long after the Congress finishes consideration of this bill.

Mr. WILEY. Will the Senator permit me to interrupt to ask a question?

Mr. AIKEN. Yes. I have only one more question.

Mr. WILEY. This question relates to the particular subject under discussion. I might say to the Senator that I have been very attentive during the debate on this bill.

One of the projects, which I think is described on page 5, I understand is to be stricken. I understood from the discussion that there were private means available for the undertaking of this project. I think the figure used was $40 million as against $8 million contributed.

Mr. ANDERSON. Yes.

Mr. WILEY. My question is this: If that be true, why is it not advisable to have private interests attempt to do it?

Mr. ANDERSON. I will say to the Senator that no private company has said, "We are ready to build a natural-uranium gas-cooled reactor." Not one has done so. If there is a project which is being proposed, it is by the Florida Power & Light Co. group and that may come many years in the future. That will be $40 million plus $20 million from the Government, and not $8 million, because there is research and development going into the project. Even then, it is a somewhat different type of reactor, that is, it is heavy-water moderated.

This is a very likely looking type of work, and no private company is ready to undertake it.

Let me say, while I am on that subject, because I wrote these dates down, that we tried in the pending bill to provide a cutoff date at which the Commission could get in the third-round invitations. We asked them and ourselves what a good cutoff date would be, so that they could offer their bids and if the bids were not ready the time would run out. If private business were ready to do the work, private industry would be permitted to do it, and, if it were not, the Government would step in. We wanted to provide a cutoff date and say, "If you cannot get the invitations in by this time, then the Government will go ahead. You understand that?" And they said, "Yes; that is right."

We wrote into the bill the date September 15, 1957. Then, after some discussion, we decided to write into the bill the date November 15, 1957. Then, after pointing out some difficulties, they wanted to extend that to June 30, 1958. We did that. Then they came back and said that that was a little too early, and they wanted to make it December 31, 1958.

Does the Senator know what was the date which was finally fixed? It was requested as of December 31, 1959, because there is not any private industry ready to do this work. I believe the bill as finally reported out provided for the December 31, 1958, date, although the date of a year later was proposed by the minority as a realistic date for a certain private project—which was not the Florida project.

Mr. AIKEN. One further question. I notice that section 111 is alleged to discriminate against the only privately sponsored project, and constitute paternalism for the rural cooperatives. Presumably that means subsidy. Would the bill have the effect of subsidizing rural cooperatives?

Mr. ANDERSON. I think it is financial assistance to rural cooperatives. The Chairman of the Atomic Energy Commission, when he met with us, said, "These co-ops do not have private capital. We must handle it in the only way we can." I think he was absolutely correct. We must give the cooperatives a bill of this nature, if we are to get them into the movement at all. The amounts involved are very modest. The entire amount is only $89 million, and we are going to spend that much on the Shippingport reactor.

Mr. AIKEN. Would this be more of a subsidy for cooperatives than lending money at 2 percent interest?

Mr. ANDERSON. I do not know how to measure one against the other, but I do not think it would be. It is a similar type of thing.

Mr. AIKEN. Does the Federal Government at the present time produce from atomic plants any power whatsoever which it resells?

Mr. ANDERSON. The plant at West Milton produced a small amount of intermittent power which the Atomic Energy Commission offered for sale. It was bought by a private power company at a rather low rate, but it was rather poor power. It was intermittent. A small amount of it was sold, but I think that has now been stopped. It was sold only for a very short time, and in a very small amount. I know of no other power which is being sold at the present time. I do not believe there is any.

Mr. AIKEN. Are the federally owned plants now used for experimental purposes, exclusively, or do they produce any power for sale?

Mr. ANDERSON. The best answer, I think, is that they are used for experimental purposes.

At Arco, Idaho, for example, they turned a switch and lighted an electric bulb on Dr. Zinn's EBRI. They later lighted the town of Arco for a few minutes from his Borax reactor. In New York, when the SIR plant was first started, a giant light was turned on, and current flowed for a short time. The purpose is purely experimental. It is not for the purpose of selling power.

Mr. AIKEN. Is it the general purpose of the bill to provide the means whereby the Federal Government will try out the various types of reactors, so that when the best types have been ascertained, then private industry, as well as municipalities, may construct such reactors?

Mr. ANDERSON. That is the real purpose. I appreciate the questions from the Senator from Vermont. Let me show how the process works genealogically. The Government wanted to build a certain type of reactor for ultimate submarine propulsion. It was built first at Arco, because it was feared that it might not be safe. It was tested there, and then the Government used that prototype as a model for the *Nautilus* submarine. It went into the *Nautilus* and worked perfectly. This type of reactor was then used as the basis for the Shippingport plant, and now an advanced design of it is being used for the Yankee plant. So there are several generations before we reach the final plant. Even that plant will be refined later, and will be used in other projects here and abroad. This is a very expensive type

of business which no private capital can handle. No private capital in the world could sustain the loss of $30 million which was experienced at the Shippingport project.

Mr. AIKEN. Then it is not the purpose to put the Federal Government into the business of producing power from the atom, in competition with private power companies?

Mr. ANDERSON. It is not.

Let me say at this point that the junior Senator from Idaho [Mr. CHURCH] has written me a letter with reference to his plans. He was called away to do some work for the Congress and the country, and he asked me to have the letter inserted in the RECORD at this point.

I ask unanimous consent that it be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON INTERIOR
AND INSULAR AFFAIRS,
August 13, 1957.

Senator CLINTON P. ANDERSON,
Vice Chairman, Joint Committee on Atomic Energy, Washington, D. C.

DEAR SENATOR ANDERSON: Before leaving for Buenos Aires, where I have been asked to serve as Congressional observer at the Economic Conference of the Organization of American States, I am anxious to let you know of my views in regard to S. 2674, the pending bill to authorize Atomic Energy Commission construction projects.

As you are aware, the House, in acting upon its version of the bill struck, among other things, project 58-e-14, a proposed natural uranium gas cooled reactor. In reading the committee's report on this bill and your comments, I have been impressed with the virtues of the experimental project rich in its potential value for the growth of peacetime nuclear technology.

I hope that the Senate will support you and retain this project in the bill.

Sincerely,

FRANK CHURCH,
United States Senator.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. WILEY. I understood the Senator's answer was very firm to the effect that no private capital would be forthcoming under the bill, if enacted, but that the closing date ran to December of this year, or December of next year. What did the Senator mean by that?

Mr. ANDERSON. The Government has had three rounds of invitations. Under the first round certain large projects were being approved for construction. Then the Government came out with the second round of experimental projects, through the Atomic Energy Commission—and I think very wisely. When it did, it included four small projects for small cooperatives.

It then announced the third round. The Yankee came under the first round, the co-ops and public organizations under the second and Florida Northern States came under the third category.

The Commission said, however, that if the cooperatives did not come in, and private industry did not enter the program, the Government would go ahead.

Then we said, "Let us set a date up to which these invitations will be received from private industry." At first the final date was set at September 1957, and then it was moved to June 1958. When we established the date of September 1957, we were asked to move it a little further along so that private industry could come in later.

Mr. WILEY. Has that been done?

Mr. ANDERSON. Oh, yes. We moved it in successive stages from September 1957, to November 15, 1957, June 30, 1958, December 31, 1958, and finally we considered December 31, 1959.

Mr. WILEY. So that if private industry wishes to come in, it will have the opportunity to do so.

Mr. ANDERSON. Absolutely.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Iowa [Mr. HICKENLOOPER].

Mr. ANDERSON. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hayden	Mundt
Anderson	Hickenlooper	Murray
Barrett	Hill	Neuberger
Beall	Holland	O'Mahoney
Bennett	Hruska	Pastore
Bible	Humphrey	Potter
Bricker	Ives	Purtell
Bush	Jackson	Revercomb
Butler	Javits	Robertson
Byrd	Johnston, S. C.	Russell
Carlson	Kennedy	Saltonstall
Carroll	Kerr	Schoeppel
Case, N. J.	Knowland	Scott
Case, S. Dak.	Kuchel	Smathers
Clark	Langer	Smith, Maine
Cooper	Lausche	Smith, N. J.
Curtis	Long	Sparkman
Dirksen	Magnuson	Stennis
Douglas	Mansfield	Symington
Dworshak	Martin, Iowa	Talmadge
Eastland	Martin, Pa.	Thurmond
Ellender	McClellan	Thye
Ervin	McNamara	Watkins
Fulbright	Monroney	Wiley
Gore	Morse	Williams
Green	Morton	Yarborough

Mr. MANSFIELD. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Delaware [Mr. FREAR], the Senator from Texas [Mr. JOHNSON], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from West Virginia [Mr. NEELY] are absent on official business.

The Senator from Idaho [Mr. CHURCH] is absent by leave of the Senate attending the Economic Conference of the Organization of American States at Buenos Aires.

The Senator from Missouri [Mr. HENNINGS] is absent by leave of the Senate because of illness.

Mr. DIRKSEN. I announce that the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The Senator from Colorado [Mr. ALLOTT] is absent because of illness in his family.

The Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate in order to represent the Senate at the Latin American Economic Conference in Buenos Aires.

The Senator from Vermont [Mr. FLANDERS] is necessarily absent.

The Senator from New Hampshire [Mr. COTTON] and the Senator from Arizona [Mr. GOLDWATER] are necessarily absent.

The Senator from Nevada [Mr. MALONE] is absent on official business.

The Senator from Indiana [Mr. JENNER] is detained on official business.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). A quorum is present.

Mr. ANDERSON. Mr. President, I ask for the yeas and nays on the pending question.

The yeas and nays were ordered.

Mr. DWORSHAK. Mr. President, I offer an amendment, in the nature of a substitute, for a part of the amendment offered by the Senator from Iowa.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 5, line 9 through line 12, it is proposed to strike all of lines 9 to 12 and insert in lieu thereof the following:

14. Project 58-e-14 Natural Uranium Gas-Cooled Power Reactor; development, design and engineering only, $500,000. The Commission shall proceed with sufficient design work, together with the appropriate engineering and development work, necessary for the Commission to begin construction as soon as practicable after authorization by the Congress, of a large-scale natural uranium gas-cooled power reactor. The Commission shall submit to the Joint Committee on Atomic Energy a report on its design for this project, including cost estimates and schedule of construction, not later than April 1, 1958.

Mr. DWORSHAK. Mr. President, the amendment I offer would accord the same procedure for project 58-e-14 as is provided in the bill for project 58-b-8 at the bottom of page 2 of the bill.

Mr. President, I have been somewhat hesitant about offering the substitute for the first half of the amendment offered by the Senator from Iowa [Mr. HICKENLOOPER], because the discussion within the Joint Committee on Atomic Energy and the deliberations in the Senate today indicate the possibility that the project for a natural uranium, graphite moderated, gas cooled, power reactor prototype designed for the production of approximately 40,000 electrical kilowatts, at a cost of $40 million, would be located in some area contiguous to an AEC installation, because the bill stipulates that the power generated must be used exclusively for the operation of an installation, and must not be sold for public consumption.

On that basis it would appear that I am proposing something which might deprive my State of the possibility or the likelihood of having located within its borders a 40,000 electrical kilowatt plant using natural uranium. But, Mr. President, after the several weeks of hearings before the Joint Committee—first before the Joint Committee's subcommittee on legislation—and after the debate in the Senate today, there still remains in my mind some doubt, because of the conflicting and divergent views expressed by members of the Joint Committee, all of whom I concede are very sincere and

conscientious in the viewpoints they hold regarding this specific issue. With that difference of opinion existing between the Atomic Energy Commission and the majority of the Joint Committee, I am not sure that we would be justified in giving to the Atomic Energy Commission a Congressional mandate immediately to proceed with the construction of this plant. In other words, there still remains in my mind a reasonable doubt.

Notwithstanding the fact that in Idaho we would be very happy, I am sure, to have this $40 million installation, it is difficult for me to go along with a proposal which may reflect an element of political expediency at a time when it is not definitely known whether the Atomic Energy Commission is justified in expending $40 million for a natural uranium nuclear powerplant.

I do not know what will be the reaction of my colleagues on the Joint Committee. But, Mr. President, as I pointed out at the beginning of my remarks, this proposal is precisely the same as that in paragraph 8, on page 2 of the bill, in the case of project 58-b-8, which would authorize the appropriation of $3 million to enable the Commission to make a comparable study of large-scale single or dual-purpose reactor and to report to the Joint Committee not later than April 1, 1958.

Mr. President, I offer the amendment on the basis that it resolves the doubt which I still have in my mind concerning this proposal.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). The question is on agreeing to the amendment of the Senator from Idaho [Mr. DWORSHAK].

Mr. ANDERSON. Mr. President, I appreciate the interest the Senator from Idaho has in this matter. But I think his amendment should be rejected.

A similar proposal was made in the committee, and it was rejected by the committee. I admit that it was rejected by a divided vote; it was not unanimously rejected.

But either we are going to find out how to build a natural uranium reactor in time to stay in the international field, or we are not. To appropriate $500,000 for use by the Chairman of the Commission, who is determined not to go into this field, will be throwing money away.

If we are going to go into it, we might just as well build the reactor. The scientists and engineers have told us how to do it. Mr. President, without laboring the point, I desire to say that I hope we will do it.

So, Mr. President, I hope the amendment will be rejected.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Idaho.

Mr. KNOWLAND. Mr. President, on this question, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Idaho. On this question, the yeas and nays have been ordered; and the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. SPARKMAN (when his name was called). On this vote, I have a pair with the junior Senator from Vermont [Mr. FLANDERS]. If the Senator from Vermont were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." I withhold my vote.

The rollcall was concluded.

Mr. MANSFIELD. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Delaware [Mr. FREAR], the Senator from Texas [Mr. JOHNSON], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from West Virginia [Mr. NEELY] are absent on official business.

The Senator from Idaho [Mr. CHURCH] is absent by leave of the Senate attending the Economic Conference of the Organization of American States at Buenos Aires.

The Senator from Missouri [Mr. HENNINGS] is absent by leave of the Senate because of illness.

On this vote, the Senator from Idaho [Mr. CHURCH] is paired with the Senator from Indiana [Mr. CAPEHART]. If present and voting, the Senator from Idaho would vote "nay" and the Senator from Indiana would vote "yea."

I further announce that if present and voting, the Senator from New Mexico [Mr. CHAVEZ], the Senator from Delaware [Mr. FREAR], the Senator from Missouri [Mr. HENNINGS], the Senator from Texas [Mr. JOHNSON], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from West Virginia [Mr. NEELY] would each vote "nay."

Mr. DIRKSEN. I announce that the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The Senator from Colorado [Mr. ALLOTT] is absent because of illness in his family.

The Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate, in order to represent the Senate at the Latin American Economic Conference in Beunos Aires. He is paired with the Senator from Idaho [Mr. CHURCH]. If present and voting, the Senator from Indiana would vote "yea," and the Senator from Idaho would vote "nay."

The Senator from Vermont [Mr. FLANDERS] is necessarily absent. His pair with the Senator from Alabama [Mr. SPARKMAN] has previously been announced.

The Senator from New Hampshire [Mr. COTTON] and the Senator from Arizona [Mr. GOLDWATER] are necessarily absent.

The Senator from Nevada [Mr. MALONE] is absent on official business.

The Senator from Indiana [Mr. JENNER] and the Senator from North Dakota [Mr. YOUNG] are detained on official business.

If present and voting, the Senator from Colorado [Mr. ALLOTT], the Senator from New Hampshire [Mr. COTTON], the Senator from Arizona [Mr. GOLDWATER], and the Senator from Maine [Mr. PAYNE] would each vote "yea."

The result was announced—yeas 37, nays 40, as follows:

YEAS—37

Barrett	Hickenlooper	Revercomb
Beall	Hruska	Robertson
Bennett	Ives	Saltonstall
Bricker	Javits	Schoeppel
Bush	Knowland	Smith, Maine
Butler	Kuchel	Smith, N. J.
Byrd	Lausche	Thurmond
Carlson	Martin, Iowa	Thye
Case, N. J.	Martin, Pa.	Watkins
Case, S. Dak.	Morton	Wiley
Curtis	Mundt	Williams
Dirksen	Potter	
Dworshak	Purtell	

NAYS—40

Aiken	Hill	Morse
Anderson	Holland	Murray
Bible	Humphrey	Neuberger
Carroll	Jackson	O'Mahoney
Clark	Johnston, S. C.	Pastore
Cooper	Kennedy	Russell
Douglas	Kerr	Scott
Eastland	Langer	Smathers
Ellender	Long	Stennis
Ervin	Magnuson	Symington
Fulbright	Mansfield	Talmadge
Gore	McClellan	Yarborough
Green	McNamara	
Hayden	Monroney	

NOT VOTING—18

Allott	Flanders	Kefauver
Bridges	Frear	Malone
Capehart	Goldwater	Neely
Chavez	Hennings	Payne
Church	Jenner	Sparkman
Cotton	Johnson, Tex.	Young

So Mr. DWORSHAK's amendment was rejected.

Mr. GORE. Mr. President, I move that the vote by which the amendment was rejected be reconsidered.

Mr. ANDERSON. Mr. President, I move that the motion to reconsider be laid on the table.

The VICE PRESIDENT. The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

Mr. HICKENLOOPER. Mr. President first may I inquire what the parliamentary situation is?

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Iowa. The yeas and nays have been ordered.

Mr. HICKENLOOPER. There is just one issue in the amendment which I have offered. It is to strike two projects on page 5 of the bill, project 58-e-14 and project 58-e-15, the first calling for an expenditure of $40 million for a reactor which the Atomic Energy Commission has not requested, does not want, and does not want to build, because private industry is proposing, and is in the process of negotiating to build the same kind of reactor, where the same kind of information could be obtained.

The second project, 58-e-15 calls for an expenditure of $15 million for a reactor for which the Atomic Energy Commission made no request. Both of those projects, amounting to $55 million, have been injected into the authorization bill by the action of the committee without the request of the Atomic Energy Commission, and, in fact, over its objection.

Both reactors involve areas of interest. The first one, involving $40 million, would be requested eventually by

the Atomic Energy Commission if private enterprise, the Florida group, under Dr. Zinn, were not proposing, to put up their own money and build it.

The plutonium recycle experimental reactor eventually will be built, but the Commission says the state of the art is not sufficiently advanced to precipitately build it, as ordered by the committee.

Mr. President, my amendment proposes to strike those two items from the bill. If we are interested in economy, here is one instance where we can follow recommendations of an agency of the Government that does not reqeust the money this time.

That is what is involved in my amendment. That is all I have to say, in addition to what I said a while ago.

Mr. ANDERSON. Mr. President, I promise the Senate I will not take more than a minute or a minute and a half. This matter was carefully considered over and over again. We are going to build a recycle plan this year or next year. What is wrong with building it now? Does anyone think costs are going down next year? The Chairman of the Atomic Energy Commission testified he thought the Commission would be building it in the following year. We believe it should be done now. We believe we should employ plutonium in peaceful uses.

The Senate a moment ago voted on another proposal. I only say there is a necessity to build the type of plant called for. We believe it ought to be done now. We believe it would be in the interest of economy to do it now. We know there is a Florida group proposing to build one, but it is not this exact type. The fact that the use of natural uranium is involved does not mean all the reactors are alike. This type is one the has done so well for the British at Calder Hall that the Japanese, after looking at it have decided they would like to have the British-built one for them. I thing it is bad economy not to get into that field.

I hope the amendment of the Senator from Iowa will be rejected.

Mr. HOLLAND. Mr. President, I should like to address an inquiry, if I may, to the distinguished Senator from New Mexico relative to project 58–e–14. I have had several letters from Florida, all stating that the so-called Florida group is prepared to put up $40 million of its own money in the building of a project, which would be, they say, duplicated by this particular project.

Mr. ANDERSON. I am sure Dr. Zinn does not say that.

Mr. HOLLAND. Furthermore, and I read from one of the letters:

> We are concerned that S. 2674—

Which is the bill we are now debating—

> reported by the Joint Committee on Atomic Energy has apparently eliminated authorization funds to enable AEC to carry out its contract with Power Reactor Development Co.—

Is that the Florida company?

Mr. ANDERSON. No, that is not; that is the Michigan company.

Mr. HOLLAND (reading):

> As reported on page 19, Committee Report 971—

Mr. ANDERSON. The Senator is not talking about the Florida group; that is the Michigan group.

Mr. HOLLAND. That is the point of my inquiry. Which is the Florida group?

Mr. ANDERSON. I say to the Senator from Florida he is entirely correct when he says the Florida group has offered to put up $40 million of its own money, along with $20 million of Government money; but that is a different type.

I call attention to the bottom of page 26 of the report, which states:

> Since the moderator would not be heavy water, the reactor and its development would differ considerably from the gas-cooled heavy water reactor sponsored by the Florida power group and Dr. Zinn.

I only say to the Senator from Florida the Florida group could not render a better service to all the world than to have this natural uranium reactor built, so that we might learn the mistakes the Government would make in the first reactor of that kind.

Mr. GORE. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. GORE. Is it not true that the bilateral agreement between the United States and Great Britain contains a provision by which the Atomic Energy Commission may obtain for its use technological information developed by Great Britain in its Calder Hall reactor; and is it not also true that if, through the use of that technology by the Commission, the concept is developed, then it becomes available to the Florida group and to the industry of America generally?

Mr. ANDERSON. Precisely. It was stated a moment ago that under the bilateral agreement we do not get any benefit from the British experience unless it is through building a Government-owned reactor. The AEC Chairman testified over and over again it could not be done except through a Government plant. Once it is built, the experience of this Government will be available to the Florida group and will save them millions and millions of dollars, as it should.

Mr. GORE. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. GORE. Is it not true that under present arrangement, with the adoption of this amendment, the technology developed at Calder Hall will not be available to the Florida group?

Mr. ANDERSON. The Senator is correct. If this amendment is approved, it will not be available to the Florida group.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. HOLLAND. I note that Florida companies are interested both in what is called the Florida group and what the Senator has referred to as the Michigan group.

Mr. ANDERSON. The Senator is correct.

I may say to the Senator from Florida that if we could I should like to finish with this amendment. I think there is going to be an amendment offered as to the Detroit reactor at a later time. We will discuss it then. I do not mind discussing it now, of course.

I say that we have provided for the Detroit group all the money the Atomic Energy Commission has asked for this year, and all the money the Bureau of the Budget has approved for this fiscal year. I do not know how we can do otherwise. I know there is an argument about it, but the matter is in court at the present time, and we do not think we should commit ourselves years into the future.

We have given them the $1½ million, which was all the Atomic Energy Commission asked for this fiscal year, and all the Bureau of the Budget recommended for this fiscal year. Next year will be another story. I will come to that later on.

Mr. HOLLAND. Is the letter I hold in my hand correct in the statement that the private companies in the Detroit group, of which this company is one, proposed to put in approximately $44 million of their own money?

Mr. ANDERSON. It would take me a long time to answer that question. It is true that the total amount of money to be raised will be $44 million. It will all come out of the 52 percent tax money. The Government starts out by making a contribution of half. The Government gives the group many millions of dollars for research and development.

The group in the power reactor development situation in Detroit is putting up approximately $44 million; yes, that is correct. All of that is to be charged to current expenses, which are to be taken out of current profits, even though it is for the long-time development. That is completely proper, in order to encourage the reactor development in this country.

Mr. HOLLAND. Is it correct, as stated to me by the so-called Florida group, that they are prepared to put $40 million into the project?

Mr. ANDERSON. That is correct, plus $20 million of Government money. That is fine.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. HICKENLOOPER. I have done some checking on that. My best information is that it is $9 million in cash, plus $7 million in a waiver of fuel charges. I may be in error about that.

Mr. ANDERSON. Yes, but there is a question mark there, let me say to the Senator from Iowa. When they went below on the list of costs they found, "postconstruction research and development," which in the case of one of the small REA's was $8 million. They put a question mark there. We understand the figure finally will be about $20 million. I do not think that is improper. I think it is tremendously important that the Florida reactor be built. We have tried to help it along.

I will say to the two Senators from Florida that if we had depended upon the sort of operation which the Atomic Energy Commission is suggesting here, we would never have built the Yankee

plant in New England, which is now under construction. It was only because we built the Shippingport project, as a result of building the *Nautilus*, as a result of building a project in Idaho, that we finally got to the place where a plant could be built which would be economical.

If the Florida Senators will stay with this program, the day will come when they will have exactly what the people of Florida want, namely, a natural uranium reactor designed by the man who I think is the greatest expert in that field in the country. I would be happy to see that done.

Mr. HOLLAND. Mr. President, I should like to ask one more question.

In another letter I find this recital:

> The proposals in this committee measure place the Federal Government into the atomic power development field. The cost of one of the reactors alone would be $40 million. The $40 million reactor has already been built and is in operation at Calder Hall in Great Britain. Through treaties with Great Britain, the United States has complete access to all information, research and technical, developed by that reactor.

Are those statements correct?

Mr. ANDERSON. I have answered that. We do not have that information. That is the trouble. They get information which they think is authentic, but it is not.

As to the bilateral agreement, the Senator from Iowa explained that very clearly a while ago. There are patents on this device in Great Britain. The British operate under royalties. If the reactors are to be built in the United States, there has to be a royalty basis. Therefore, this information will be made available to the United States on the basis that it can be used for a Government-owned reactor, but it cannot be used for a privately owned reactor.

We are trying, by the construction of this reactor, to give American industry a chance to get into the work in this field and all the surroundings, to find out what is going on. It is of interest to the whole world.

Mr. GORE. Mr. President, will the Senator yield?

Mr. ANDERSON. I am happy to yield to the Senator from Tennessee.

Mr. GORE. Is it not true that the bilateral agreement is one government vis-a-vis another government?

Mr. ANDERSON. The Senator is correct.

Mr. GORE. By that agreement certain information regarding the *Nautilus* submarine is made available to the Government of Great Britain by the United States and, we hope that in exchange, the technology of Calder Hall is made available to the Government of the United States.

Mr. ANDERSON. The Senator is correct.

Mr. GORE. Then when the information is utilized by the United States in a Government plant, it becomes information in the public domain and the Florida group or any other industrial group can benefit by it.

Mr. ANDERSON. The Senator is completely correct.

Mr. LONG. Mr. President, will the Senator yield to me?

Mr. ANDERSON. I yield to the Senator from Louisiana.

Mr. LONG. The Senator made reference to the position of the Florida group and Dr. Zinn. I do not happen to know either the Florida group or Dr. Zinn, but, as I understand it, they propose to produce a somewhat similar type of facility.

I want to ask the Senator if I understand correctly from his answer that the group referred to is either in favor of the proposal that the Government build the reactor or has no objection to it.

Mr. ANDERSON. That group has no objection to it.

I want to say further that Dr. Zinn, after he left the Argonne Laboratory, became the consultant to the Joint Committee on Atomic Energy and laid out for us a program of development along a line which I think is sound. He subsequently was engaged by the Florida group. I think he is one of America's great experts. I believe the Florida group will come up with something which will be extremely significant. At least they will have something in competition with the pressurized water reactor type that is going to be built so generously around the United States by other groups of companies.

This situation is something like that of the old days, when one person thought the steam type automobile was the thing to build, and somebody else thought the gasoline type of automobile was the thing to build. We are going to test them all, in order to find out.

Mr. SALTONSTALL. Mr. President, I suggest the absence of a quorum.

Mr. MUNDT. Mr. President——

Mr. SALTONSTALL. Mr. President, I withdraw that request, if the Senator desires to speak.

Mr. MUNDT. I should like to address a question or two to the Senator from Iowa.

Are the projects involved in this bill and on which we are about to vote the same projects which were taken out of the proposed legislation by an overwhelming yea and nay vote of the House of Representatives?

Mr. HICKENLOOPER. Yes. The House struck the money for these two reactors from the bill in its vote on the House bill.

Mr. MUNDT. How much money is involved?

Mr. HICKENLOOPER. Fifty-five million dollars.

Mr. MUNDT. Does the Senator recall what the vote was in the House?

Mr. HICKENLOOPER. I do not have it before me. I can look it up in the RECORD.

Mr. ANDERSON. The vote was 213 to 185.

Mr. MUNDT. I thank the Senator.

Does the Senator from Iowa know any reason why in this period of economy, or at least in this era when we talk about economy and do not always practice it, we should appropriate $55 million to do something which, as I understand, private power or private scientific groups are willing to do with their own money?

Mr. HICKENLOOPER. The $40 million applies to the natural uranium reactor, the type of reactor in which the Florida group is interested. Frankly, if we force the Atomic Energy Commission to spend $40 million of the taxpayers' money to experiment on the natural uranium reactor, when they do not want to do it, then I see no reason whatsoever for putting more of the taxpayers' money into the Florida group's operation.

I do not know what the Atomic Energy Commission will think about that, but I should like to see private enterprise come forward and cooperate with the Government, as the law of 1954 contemplated would be done. That is why I support the operation of the Florida group. I want to support their experiments and their willingness to spend their own money. I see no reason why the Government should be forced, against its will, to spend $40 million on such a reactor, and to spend $15 million at this time on the so-called plutonium recycle reactor which eventually will be built. That should be built in good time and in good season, when, in the minds of the Commission members, the technology is proper and the time is ripe for successful production of a plant.

This is a question of the Congress attempting to write the details of administrative decisions. I think we found out in one of the wars some time ago that a war cannot be conducted by Congress. We have to trust the administrative officials.

What is being attempted here is to dictate to the Commission what it shall do, to the tune of $55 million, in a matter which should be within the administrative province of the Commission. We should stay within the field of policy.

Mr. MUNDT. Mr. President, will the Senator yield further?

Mr. HICKENLOOPER. I yield.

Mr. MUNDT. Do I understand correctly that the Atomic Energy Commission is opposed to spending the $55 million at this time for this purpose?

Mr. HICKENLOOPER. The Senator is correct.

Mr. MUNDT. So that the Congress of the United States would be in the position of forcing upon the administration, or forcing upon a branch of the Government, $55 million it does not want, in contravention of our talk about economy, if we insist on spending it at this time.

Mr. HICKENLOOPER. I think that is one way of stating it.

Mr. CASE of New Jersey. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. CASE of New Jersey. Mr. President, I rise only to emphasize one point, following the questions put to the Senator from Iowa by the Senator from South Dakota.

It seems to me that the problem we face results directly from the amendment of section 261 of the Atomic Energy Act adopted earlier this year under which the Congress assumed the power to decide administrative questions and to make decisions as to particular projects. I believe this was utterly wrong, and that the demonstration we have had here today of our difficulty in doing the

right thing stems directly from that action.

I should like to emphasize that it is not only a question of spending more money than the administration, through the Atomic Energy Commission, asks us to spend, but it is a question of spending it for particular projects which the Commission says it does not believe should be engaged in at this time.

I think that even more important than the spending of the money is the matter of usurping the executive prerogative and responsibility, which the legislative branch of the Government ought not to do. We ought not to turn the Atomic Energy Act and its administration into a public works program. That is the course we seem to be following.

Mr. SALTONSTALL. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

The question is on agreeing to the amendment offered by the Senator from Iowa [Mr. HICKENLOOPER]. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. FULBRIGHT (when his name was called). On this vote I have a pair with the senior Senator from Tennessee [Mr. KEFAUVER]. If the Senator from Tennessee were present he would vote "nay." If I were at liberty to vote, I would vote "yea." I therefore withhold my vote.

Mr. ROBERTSON (when his name was called). On this vote I have a pair with the junior Senator from Missouri [Mr. HENNINGS]. If he were present and voting he would vote "nay." If I were at liberty to vote I would vote "yea." I therefore withhold my vote.

Mr. SPARKMAN (when his name was called). On this vote I have a pair with the junior Senator from Vermont [Mr. FLANDERS]. If he were present and voting he would vote "yea." If I were at liberty to vote I would vote "nay." I therefore withhold my vote.

The rollcall was concluded.

Mr. MANSFIELD. I announce that the Senator from Delaware [Mr. FREAR], the Senator from Texas [Mr. JOHNSON], the Senator from Tennessee [Mr. KEFAUVER], the Senator from West Virginia [Mr. NEELY] are absent on official business.

The Senator from Idaho [Mr. CHURCH] is absent by leave of the Senate attending the Economic Conference of the Organization of American States at Buenos Aires.

The Senator from Missouri [Mr. HENNINGS] is absent by leave of the Senate because of illness.

On the vote the Senator from Idaho [Mr. CHURCH] is paired with the Senator from Indiana [Mr. CAPEHART]. If present and voting, the Senator from Idaho would vote "nay" and the Senator from Indiana would vote "yea."

I further announce that if present and voting, the Senator from Delaware [Mr. FREAR], the Senator from Texas [Mr. JOHNSON], and the Senator from West Virginia [Mr. NEELY] would each vote "nay."

Mr. DIRKSEN. I announce that the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The Senator from Colorado [Mr. ALLOTT] is absent because of illness in his family.

The Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate in order to represent the Senate at the Latin American Economic Conference in Buenos Aires and is paired with the Senator from Idaho [Mr. CHURCH]. If present and voting, the Senator from Indiana would vote "yea" and the Senator from Idaho would vote "nay."

The Senator from Vermont [Mr. FLANDERS] is necessarily absent, and his pair with the Senator from Alabama [Mr. SPARKMAN] has been previously announced.

The Senator from New Hampshire [Mr. COTTON] and the Senator from Arizona [Mr. GOLDWATER] are necessarily absent.

The Senator from Nevada [Mr. MALONE] is absent on official business.

The Senator from Indiana [Mr. JENNER] and the Senator from North Dakota [Mr. YOUNG] are detained on official business.

If present and voting, the Senator from Colorado [Mr. ALLOTT], the Senator from New Hampshire [Mr. COTTON], the Senator from Arizona [Mr. GOLDWATER], and the Senator from Maine [Mr. PAYNE] would each vote "yea."

The result was announced—yeas 34, nays 42, as follows:

YEAS—34

Barrett	Hickenlooper	Purtell
Beall	Hruska	Revercomb
Bennett	Ives	Saltonstall
Bricker	Javits	Schoeppel
Bush	Knowland	Smith, Maine
Butler	Kuchel	Smith, N. J.
Byrd	Lausche	Thye
Carlson	Martin, Iowa	Watkins
Case, N. J.	Martin, Pa.	Wiley
Case, S. Dak.	Morton	Williams
Curtis	Mundt	
Dirksen	Potter	

NAYS—42

Aiken	Hayden	Monroney
Anderson	Hill	Morse
Bible	Holland	Murray
Carroll	Humphrey	Neuberger
Chavez	Jackson	O'Mahoney
Clark	Johnston, S. C.	Pastore
Cooper	Kennedy	Russell
Douglas	Kerr	Scott
Dworshak	Langer	Smathers
Eastland	Long	Stennis
Ellender	Magnuson	Symington
Ervin	Mansfield	Talmadge
Gore	McClellan	Thurmond
Green	McNamara	Yarborough

NOT VOTING—19

Allott	Fulbright	Neely
Bridges	Goldwater	Payne
Capehart	Hennings	Robertson
Church	Jenner	Sparkman
Cotton	Johnson, Tex.	Young
Flanders	Kefauver	
Frear	Malone	

So Mr. HICKENLOOPER'S amendment was rejected.

Mr. GORE. Mr. President, I move that the vote by which the Hickenlooper amendment was rejected be reconsidered.

Mr. ANDERSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr. PURTELL in the chair). The bill is open to further amendment.

Mr. HICKENLOOPER. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Iowa will be stated.

The CHIEF CLERK. On page 5, line 4, it is proposed to strike out all of section 111 (a) and substitute the following:

SEC. 111. Cooperative power reactor demonstration program:

"a. There is hereby authorized to be appropriated to the Atomic Energy Commission in accordance with the provisions of section 261 a. (2) of the Atomic Energy Act of 1954, as amended, the sum of $132,621,000: *Provided, however,* That not more than $1,500,000 is authorized for the Power Reactor Development Company project during fiscal year 1958.

Mr. HICKENLOOPER. Mr. President, I do not wish to take any substantial amount of time on this amendment. I hope to be able to explain it very briefly. I think I am aware of the mood of the Senate in this matter. Action on the last amendment was certainly indicative.

As the bill came from the committee it authorized the expenditure of between $90 million and $99 million for the construction of reactors for cooperatives and public bodies.

I am not objecting to that. That provision was stricken from the House bill. I am not objecting to the cooperative association between the Commission and cooperative power companies or public bodies. What happened in the committee was this. It is a situation the Commission did not want at all. Therefore the Joint Committee wrote into the bill over the objection of a substantial number of the members of the committee, a mandatory provision that the Commission must deal and contract directly with the suppliers, rather than make its contracts with cooperatives or with public bodies in a partnership arrangement, as they did in round 1, and propose to do in round 3 with private industry.

In other words, what will happen, if the language prevails and goes into law, is that the Commission will make its contracts directly with the supplier or the manufacturer. The Commission will build the atomic reactor at a proper site near the cooperative operation of the public body, and the Commission will operate the plant, and then the Commission will sell the steam, as the Senator from Minnesota [Mr. THYE] pointed out so ably this morning, at the end of a spigot to the cooperative. The cooperative will say, "We are in the atomic power business."

The Commission will sell the steam to them at the current and projected cost of such steam from conventional fuels,

and the Government will make up the difference.

It is stated in the report that while it is supposed to be an experimental plant, nevertheless, if power is interrupted for one reason or another, for scientific purposes or otherwise, and the particular cooperative or public body must buy electricity from a high-priced source to fill in the interrupted power, then the Government will make up the difference between the contracted price of the cooperative and what the high-price-source power costs during the period of interrupted power.

That is what we would be up against. Although it is supposed to be experimental, for the first time it is actually putting the Atomic Energy Commission directly into the commercial business of building powerplants and selling power commercially. That is what it is.

The Atomic Energy Commission, in my opinion, has just about as much business in the commercial production and commercial sale of power as the Federal Communications Commission has in operating a telephone company. It has just about that much right.

That is what is in the amendment, with the one exception that it would strike out the $1,500,000 on page 16, in section 111 (a) (2), which is intended by the committee to aid in research for the Power Research Development enterprise in Michigan, which is building its own reactor under its own steam power, and which Mr. Walter Reuther is fighting so hard. It would cut out $1,500,000 for research on that particular type of reactor.

My amendment, in addition to striking that sentence, restores the $1,500,000 by providing that "Not more than $1,500,000 is authorized for the Power Reactor Development Co. project during fiscal year 1958."

I do not intend to enter into an argument about it, but that is a very important project being developed in Michigan. There must be some more research on that particular type of reactor before the reactor safeguard committee can certify it as being safe. That development should go on. I did not want to strike out the $1,500,000.

What is provided by my amendment, in effect, is that the Atomic Energy Commission can contract either with the cooperative or with the supplier. That is exactly what it says. It gives the Commission discretion as to whether in certain cases it wants to contract directly with the cooperative for the assumption of responsibility or, in other cases, it wants to contract with the supplier.

That is the issue. In the bill as reported, the committee issues a mandate that the Commission, when it is dealing with cooperatives and public bodies, has no other choice but to contract in every case with the supplier, and bypass the cooperative, and in that way bypass the philosophy of the act of 1954, which was to create a partnership of responsibility.

It is said that the amendment would eliminate the waiver of fuel use charges. I say that is nothing more than a smoke screen, because the waiver of fuel use charges is already authorized by the basic act. Merely because it is mentioned in the part of the act which would be eliminated by my amendment does mean that the Commission could not waive the fuel charges.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. ANDERSON. The Senator may be correct with respect to the basic act, but the basic act was changed by the amendment of section 261 specifically in so many words.

Mr. HICKENLOOPER. I do not believe section 53 (c) was changed.

Mr. ANDERSON. The change in section 261 specifically required authorization of the waiver of fuel use charges.

Mr. HICKENLOOPER. I do not think that affects it at all. I believe the Commission believes it has the authority to waive fuel use charges. Therefore the amendment would have no effect there.

That is all I have to say on the amendment. The bill is going to put the Atomic Energy Commission into the commercial production and sale of power, and it is the first time, in my judgment, that we are putting a Federal agency into the private commercial competitive field. Certainly there will be a certain amount of research in the field, but I believe that a real partnership between the Government and the cooperative should be established. I believe the Commission in its operations ought to have the alternative right of dealing directly with the manufacturer or dealing directly by contracts with the cooperative or the public body involved.

Mr. POTTER. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. POTTER. Is it not true that the other part of the amendment also clarifies the language of the bill as it deals with the relationship with the Atomic Energy Commission in the Power Reactor Development Co. situation?

Mr. HICKENLOOPER. I think so. The Senator from New Mexico [Mr. ANDERSON] said—and very properly, I think—in answer to a question a short time ago, that that took care of the $1,500,000 for the Public Reactor Development Corp., but if we read the report, that is not what is said in the report. What it says is diametrically opposed to that. It was my contention in committee that the report did not reflect what the committee almost unanimously, so far as I can recall, agreed should be done. I cannot imagine how that language crept into the report, but it is in there.

Mr. POTTER. The committee report states:

> The committee does not approve the requested authorization for preconstruction research and development work and waiver of fuel-use charges in connection with the reactor project of the Power Reactor Development Co.

Mr. HICKENLOOPER. Yes; that is the language to which I was referring. I say that it was the general—and I think universal—understanding of the committee that the million and a half dollars could be used for the Power Reactor Development Co., but for some reason or other the committee report contains the language the Senator has read.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. ANDERSON. The matter is in litigation. The million and a half dollars will be useful on projects specifically required to complete this reactor so far as research is concerned. Thirty million dollars, in addition, is contained in the bill for the general field including FBR II which is essential to the PRDC. We thought that we did very well for the general field. We thought that we did very well in providing the exact amount approved by the Bureau of the Budget and requested by the Atomic Energy Commission for this year, but it seemed desirable to make it available to be spent by the Commission in its own laboratories. That is what it asked for.

Mr. POTTER. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I merely wish to say that I agree with the Senator from New Mexico, but I cannot square the understanding of the committee, where we discussed it definitely, with this peculiar language in the report.

Mr. President, I have before me a statement dealing with the question of waiver of charges for the use of special nuclear materials. I shall not take the time of the Senate to read the statement; but I ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HICKENLOOPER CONCERNING EFFECT OF HIS PROPOSED AMENDMENT TO SECTION 111 ON COMMISSION'S AUTHORITY TO WAIVE CHARGES FOR THE USE OF SPECIAL NUCLEAR MATERIALS

This amendment to section 111 also deletes the language in the bill concerning a program total not to exceed $149,915,000. As indicated by the language itself and by the committee report (Senate Report No. 791) at page 33, this language "not to exceed a program total" was included in the bill only as a limitation on the authority of the Commission to waive charges for the use of special nuclear materials. My amendment removes this limitation, as well as the three limitations added in subsections (1), (2), and (3), and returns the Commission to its basic authority under section 53c of the Atomic Energy Act of 1954 to waive such charges. I attach a memorandum which further clarifies the intent of this proposed amendment.

This language concerning a limitation on the waiver of use charges would operate, if included in this bill, as still another discrimination against private industry, since waiver of use charges would not be applicable to the proposed public power reactor where title would be in the Federal Government, and waiver would not be requested. Thus this provision affecting waiver of use charges would only operate as a restriction upon the assistance to be provided to privately sponsored projects which have requested it, such as the Power Reactor Development Co. in Michigan, the Yankee Atomic Electric Co. in New England, the Northern States Power Group in the Midwest, and the Florida Nuclear Power Group in the Deep South. These are the only groups which would be affected at the present time by restriction upon the Commission's authority in section 53c to waive charges for the use of special nuclear materials.

This discrimination against privately sponsored projects, as well as the discriminations now contained in the attempted cut for the Power Reactor Development Co. in this section, and the discriminations in subsections (1), (2), and (3), should be removed from the bill. That is the intent of my proposed amendment.

AUTHORITY OF AEC TO WAIVE CHARGES FOR USE OF SPECIAL NUCLEAR MATERIALS IN SECTION 110 OF H. R. 8996, AEC AUTHORIZATION BILL, AS IT PASSED THE HOUSE OF REPRESENTATIVES

Section 110 of H. R. 8996, as it passed the House of Representatives, authorizes appropriations, "in accordance with the provisions of section 261a (2)," of $132,621,000. The legislative history of the authorization bill shows that this amount is for the purpose of covering AEC anticipated expenditures, with respect to the projects in the cooperative program for which appropriation authorization has been sought under section 261. This amount does not include an amount covering the use charges to be waived in those projects; the waiver reflects a decrease in revenue to the Government from loan of material, not an expenditure of appropriated funds.

The earlier version of section 110 (then section 111) of the authorization bill authorized "to be appropriated * * * the sum of $129,915,000 for use in a program not to exceed $149,915,000." The difference between these two sums covered the value of the AEC waiver of use charges for AEC-furnished materials that is involved in these projects.

This memorandum explains the effect of omitting the "program not to exceed" language in present section 110.

In the first place, it is clear from the plain language of former section 111 that was stricken by the House ("There is hereby authorized to be appropriated * * * the sum of $129,915,000 for use in a program not to exceed $149,915,000") that the upper $149 million figure was a "total program" figure, and that the only sum actually authorized was the lower $129 million figure. As pointed out above, this did not cover the amount of use charges that would be waived.

However, no authorization for waiver of use charges was required. The AEC needs no special authority in the authorization bill in order to waive use charges in the cooperative program. The Atomic Energy Act itself provides all the authority needed. Thus, section 53c gives the Commission clear discretion to determine whether any charge should be made for the use of special nuclear material distributed to licensees for the conduct of research and development activities of the "types specified in section 31 of the act." These types specifically include activities relating to utilization of special nuclear material for "demonstration of the practical value of utilities or production facilities for industrial or commercial purposes." Nor is exercise of the authority to waive use charges dependent upon an authorization for appropriations, or upon the appropriation of funds. As indicated above, the waiver of a use charge is not an obligation to extend appropriated funds; it merely results in a decrease in revenue to the Government from the loan of Government-owned material.

The recent amendment to section 261 of the act did not affect the Commission's basic authority to waive use charges. With respect to Senator ANDERSON's statement that the legislative history of section 261a (2) indicates that these waivers must be authorized, the indications in the legislative history are in fact to the contrary:

1. The Joint Committee Report (S. Rept. No. 437) on the bill that amended section 261 (and added a new section 58 requiring AEC to submit proposed price schedules and criteria for use charge waiver to JCAE in advance) states (p. 7) that the Joint Committee had decided not to attempt to rewrite substantive provisions of the act, such as those relating to no subsidy (section 169), waiver of use charges (sec. 53), and establishment of prices (sec. 56), but proposed instead to provide for appropriate review and authorization by the Joint Committee and Congress of atomic power projects and review of schedules and prices of criteria of waiver of use charges before they become effective. In this manner, the Joint Committee said it was intended to provide the AEC the needed amount of flexibility and yet provide substantial review authorization by the Congress. In other words, the Joint Committee clearly intended to leave the basic authority to waive use charges intact, relying instead on the requirement that schedules of prices and criteria of waiver of use charges be submitted to the Joint Committee in advance, as the more appropriate control.

2. Further, with respect to the Joint Committee's intent as to then section 111 of the authorization bill, the Senate report states that "it is contemplated that the Commission will request each year authorization of a certain amount of funds as a lump sum for use in a program not to exceed another lump sum, larger in amount. The first amount would cover appropriations to be authorized while the second amount would provide a total limitation on the payments and other consideration which could be made available under the program. The difference would cover, for example, amounts involved by the waiving of use charges for special nuclear materials during the early years of reactor operation."

In other words the lower amount ($129,915,000) specified in the authorization bill as reported out was intended to be the appropriation to be authorized while the larger amount ($149,915,000) provided a total limitation on payments and other consideration that could be made available under the program. The difference between the two covered the amount of use charges to be waived; and the establishment of the higher amount was intended to set a ceiling on the amount of use charges that could be waived. It was clearly not the intent to require a special legislative authorization for the waiver.

With respect to a possible statement that the AEC has requested authorization to waive use charges, the Commission, as required by section 261a (2), has specified the amount of use charge to be waived in each cooperative project for which funds have been sought, and the Commission has not objected to the imposition of the $149 million limitation which also had the effect of limiting the total amount of the waiver. The Commission has never claimed, however, that it needs authority to waive.

In conclusion:

1. The AEC has all the authority necessary, under its basic statute, to waive use charges as contemplated in the cooperative program presented to Congress.

2. AEC needs no authorization for appropriations for the purpose of waiving such charges, since the waiver does not obligate the expenditure of funds, but merely results in a decrease in revenue to the Government.

3. AEC's authority would not be repealed or modified by the authorization bill as it passed the House. The only effect of deletion of the upper figure from section 111 (now 110) of the bill was to remove the total limitation on AEC assistance in the cooperative program. This in turn has the effect of removing the ceiling on the total amount of use charge that can be waived. The particular result removes the ceiling which the bill, before amendment, had included.

Neither the plain language of the authorization bill as passed by the House, nor the legislative history of the bill or of the recent section 261 amendment, supports a conclusion that the bill would deprive the Commission of authority to waive use charges in the cooperative program.

Mr. ANDERSON. Mr. President, in order that there may be in the RECORD a presentation of both sides of the matter, I ask unanimous consent that a statement of mine on the same subject be printed at this point in the RECORD, following the printing of the statement of the Senator from Iowa, so that a somewhat complete presentation of the matter will appear in the RECORD.

I do not say that I am right and that the Senator from Iowa is wrong; but I say that my statement deals with the majority of the committee's understanding of the matter.

So I ask unanimous consent that my statement be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR ANDERSON ON AUTHORIZATION REQUIREMENT FOR WAIVER OF USE CHARGES IN SECTION 111 (a) OF S. 2674

Last Saturday I called attention to a problem concerning the AEC authorization bill which was amended and passed by the House on Friday, August 9.

The last amendment to the bill, H. R. 8996, provided as follows:

"SEC. 111. Cooperative power reactor demonstration program: (a) There is hereby authorized to be appropriated to the Atomic Energy Commission, in accordance with the provisions of section 261 a. (2) of the Atomic Energy Act of 1954, as amended, the sum of $132,621,000: *Provided, however,* That not more than $1,500,000 is authorized for the power reactor development company project during fiscal year 1958."

This amendment superseded all of section 111 (a), and in particular the underlined portion which authorized a program of $149,915,000 in addition to authorizing funds of $129,915,000, as follows:

"SEC. 111. Cooperative power reactor demonstration program: (a) There is hereby authorized to be appropriated to the Atomic Energy Commission, in accordance with the provisions of section 261 a. (2) of the Atomic Energy Act of 1954, as amended, the sum of $129,915,000 for use in a program not to exceed $149,915,000, subject to the following conditions."

The Joint Committee report (S. Rept. 791) made clear that the difference between the total authorized program of $149 million and the total funds authorized was $20 million for waiver of use charges on uranium fuel. Thus page 6 of Senate Report 791 states as follows:

"This bill provides for authorization for the AEC cooperative programs for civilian atomic power development in the amount of a total of $129,915,000 in funds, and an estimated $149,915,000 for the total program, including waiver of use charges for private projects."

Now there is no discussion by the proponents of this amendment in the debate as to its meaning in regard to the deletion of this program total. The amendment was literally "sprung" on the majority of the Joint Committee during the debate, since it had never been offered in committee.

I wish to repeat that the effect of any amendment in this respect is to delete the authorization of the waiver of use charges in the program.

I participated in the Subcommittee on Legislation's consideration of the amendment to section 261, and particularly 261a (2). I believe the subcommittee and the

Joint Committee intended that 261a (2) would require authorization of waiver of use charges as well as funds.

This intent is borne out by the committee reports and hearings on the amendment to section 261, and the authorization hearings and reports themselves. The floor debates did not shed any light on the matter.

In Senate Report No. 791 on the AEC authorization bill, S. 2674, in addition to the language quoted above, the following statement is made at page 33:

"Section 111 is a new section to this year's authorization bill and is in accordance with increased scope of review which the Joint Committee on Atomic Energy is required to make of the AEC civilian-power-reactor program, in accordance with provisions of section 261 (a) (2), as amended by Public Law 8579, 84th Congress, 2d session, approved by the President on July 3, 1957.

"The background of this increased scope of Joint Committee review, and the subsequent inclusion of section 111 in this bill, is explained in the recently published Joint Committee hearings entitled "Congressional Review of Atomic Power Program," and in Senate Report No. 437 and House Report No. 571, identical bills which were enacted as Public Law 8679.

"The difference between the funds authorized, $129,915,000, and the program total not to exceed $149,915,000, represents types of assistance other than funds which may be provided by the Commission under this program, including waiver of charges for the use of materials furnished by the Commission.

"A breakdown of the sums of $129,915,000 and $149,915,000 is set forth in appendix I."

It will be noted that the scope of this provision is referred back to the amendment to section 261 as contained in House Report No. 571 which accompanied H. R. 7992. This bill, H. R. 7992, became Public Law 8579 as approved by the President on July 3, 1957.

Section 261 (a) (2) provides as follows:

"SEC. 261 (a). There are hereby authorized to be appropriated such sums as may be necessary and appropriate to carry out the provisions and purposes of this act, except

"(2) Such as may be necessary to carry out cooperative programs with persons for the development and construction of reactors for the demonstration of their use, in whole or in part, in the production of electric power or process heat, or for propulsion, or solely or principally for the commercial provision of byproduct material, irradiation, or other special services, for civilian use, by arrangements (including contracts, agreements, and loans) or amendments thereto, providing for the payment of funds, the rendering of services and the undertaking of research and development without full reimbursement, the waiver of charges accompanying such arrangement, or the provision by the Commission of any other financial assistance pursuant to such arrangement, or which involve the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction or expansion undertakings by the Commission as a part of such arrangements."

At page 8 of House Report No. 871 the requirement of 261 (a) (2) was considered for implementation as follows:

"Proposed new section to authorization bill: In order to implement the provisions of section 261 (a) (2) as amended by this bill, the Joint Committee also considered the language of a proposed new section to be added to the current fiscal year 1958 authorization bills now pending before the Joint Committee (H. R. 5889 and S. 1572, 85th Cong., 1st sess.). Therefore in the meetings and hearings described earlier in this report, consideration was also given to the necessary implementing language, and the following new section was formulated and approved in substance by the members of the Joint Committee, and will be part of the authorization bill:

"SEC. 111. (a) There is hereby authorized to be appropriated to the Atomic Energy Commission, in accordance with the provisions of section 261 (a) (2) of the Atomic Energy Act of 1954, as amended, the sum of $——— for use in a program not to exceed $———."

It will be noted that this language is identical to H. R. 8996 as reported out by the Joint Committee, and that it is referred to "as necessary implementing language."

This interpretation is amply supported by the hearings on H. R. 7992 entitled "Congressional Review of Atomic Power Program" dated May 23 and June 10, 1957. It will be noted on page 5 of the hearings that this language was submitted by the Commission to reflect what they understood to be the committee's intent. The language was repeated by the committee at page 34. The amounts for authorization are set forth at page 68.

Similarly the hearings on the AEC authorization bill itself support the interpretation that authorization of waiver of use charges was intended. Thus on page 133 the funds and program amounts are discussed in the same context of authorization. The amounts are summarized at page 154. The figures are revised in a letter from AEC dated July 5, 1957 at page 653 of the hearings on authorizing legislation.

It should be noted that throughout the hearings the use of the words "authorization", "amounts", and "limitation" are used somewhat interchangeably. Thus it is not correct to say that the bill provides for an authorization of funds, and a limitation on total program. It authorizes both, but for convenience the program total in some contexts was referred to as a limitation.

Examples of the interchangeability of the terms may be found in both hearings. Thus, at pages 70 and 71 of the hearings on the amendment to section 261, the following is stated:

"Mr. FIELDS. As I look at section 111a of the proposed authorization bill I see that there is authorized to be appropriated a specified number of dollars for use in a program not to exceed a specified higher amount. It is my understanding that the first figure covers appropriations to be authorized, while the second amount would provide a total limitation on the payments and other consideration which can be made available under the program. The difference, as I understand it, between the appropriations authorized and the program total is represented, for example, by the estimated amounts involved by virtue of the waiving of use charges for special nuclear materials during the early years of reactor operation. The waiving of such charges represents a forgoing of the revenue which might otherwise accrue to the Government if the usual charge for the loan of such materials were made, but since these materials will have been previously produced, no new appropriations for such production will be needed at the time of furnishing the materials to these companies.

"Another case in point is where we might loan equipment as part of the cooperative arrangement. In such a case a use charge would be applied to the total program limitation, but this would not be considered as a charge to the appropriations authorized. There may be many variations of these arrangements, but, as we understand the operation of the two amounts proposed to be authorized in section 111 (a), only the direct costs of all arrangements will be charged to the appropriations authorized while those costs, plus all other costs, will be charged to the program limitation."

Similarly in the Commission's final letter of submittal of July 5, 1957, on the authorization bill, the following statement is made:

"The language in the proposed authorization bill includes an amount for the total program including waiver of use charges. In lieu of the total program amount, we believe that language should be used that will authorize waiver of use charges without a specific limitation, since the value of these charges to be waived could vary considerably from the estimates due to changes in core design. One method of accomplishing this would be to include the following language after the amount of appropriations authorized: 'for use in a program which, in addition to the appropriations authorized herein, includes waiver of use charges currently estimated at $23 million.' If this proposal is adopted, it would appear that the following words should be added to section 111: 'or that the estimated value of waiver of use charges deviates from the estimated amount previously submitted to the Joint Committee.' "

It will be noted that AEC requested an authorization for its waiver of use charges in the above letter, and wanted the terms of the authorization relaxed somewhat.

SUPPLEMENTAL STATEMENT ON WHETHER SECTION 261 (A) (2) WAS INTENDED TO REQUIRE AUTHORIZATION OF WAIVER OF USE CHARGES

It may be argued that it was not intended to require authorization of waiver of use charges because the requirements for continuing waiver of use charges are solely a part of the Commission's regulatory powers under section 53 of the Atomic Energy Act of 1954.

If the AEC's right to waive fuel use charges derives independently from section 53 as a part of its regulatory powers, why did AEC go to such lengths to grant specifically this waiver by contract with private utilities.

Thus in the PRDC contract the Commission purports to waive its use charges in the following contractual language:

"Article II. Undertakings of the parties

"SUBSEC. 2. C. The Commission will and hereby does waive its use charge for special nuclear material used in connection with the project for the period commencing with the effective date of this contract and ending 5 years after the issuance of a facility license to operate the reactor plant.

"ARTICLE V. TERMINATION

"SUBSECTION 1. A. The Commission may at any time terminate this contract for its convenience by written notice to the company. Any such termination shall be effective in the manner and upon the date specified in said notice, except that no such termination shall be applicable to the undertaking of the Commission set forth in article II, subsection 2. C., which undertaking is deemed to be an independent covenant of the Commission and shall survive any such termination of this contract by the Commission."

It will be noted from the above contractual language that AEC not only purports to grant the waiver by contract but makes the contractual obligation an independent covenant which will survive the AEC's termination rights. (A contractual waiver of use charges is also contained in the Yankee contract in article I, subsection 2. C. But it apparently does not survive termination of the contract.)

In the two GAO reports on the PRDC and Yankee contracts the GAO pointed out that the Commission did not follow its established criteria and rules in providing for the waiver of use charges in the PRDC and Yankee contracts. The only way therefore that such provisions could be considered to be legal is that they were, as the contracts purport to do, established by contract rather than regulation.

From the above discussion it should be clear that if the establishment or continuation of waiver of use charges is a matter of contractual authority of the AEC, then it is clearly intended to be a proper subject matter for authorization under section 261 (a) (2). (This does not mean that certain aspects of regulatory activities having financial implications would not also be subject to authorization.)

The legislative history of section 261 (a) (2) clearly shows that it was intended that all types of financial assistance in connection with cooperative arrangements, including "the waiver of charges accompanying such arrangements" as set forth in section 261 (a) (2) was intended to be authorized.

It was made clear in the legislative history that certain overhead charges would not be specifically included in the authorization but waiver of use charges was specifically intended to be covered.

The reference in the committee's report at page 7 to section 53 c related to across-the-board of waiver of use charges, such as would apply to privately financed reactor projects like Commonwealth Edison and not to projects involving Government financial assistance which under section 261 (a) (2) would have waiver of use charges accompanying such arrangements.

I should like to make one more comment about this question of eliminating the authorization of the program total.

I am not a lawyer, but I am a businessman. I have used legal counsel, and recognize that reasonable persons and lawyers can differ.

The field of Government contracting is a specialized one.

In view of the doubts raised as to the legality of waiver of fuel charges, I know I would hesitate to enter into a demonstration contract involving a waiver of fuel use charge unless that amount was included in a program authorization by the Congress.

Otherwise the contract would be subject to question by the GAO and possible litigation.

Mr. HICKENLOOPER. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a statement I have prepared in connection with the bill and the amendments.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HICKENLOOPER

This bill, S. 2674, is a very important bill because it shapes the pattern of our entire future atomic-power industry.

That industry, which will some day be a great one, is just now beginning to develop. Private ownership of reactors has only been possible for 3 years, since Congress amended the Atomic Energy Act in 1954. Prior to that time the Federal Government necessarily had to build and own all atomic-power reactors itself.

Most of the provisions in this bill are noncontroversial. They provide the necessary authorization of funds for our entire atomic-energy program, both for military and peaceful uses.

However, there are certain provisions in this bill which I believe should be eliminated, and others which should be modified. At the appropriate time I shall offer four amendments to this bill. These amendments will be the same or similar to those which were considered by the House of Representatives when it debated this bill on Friday, August 9, 1957.

The House adopted 3 of these 4 amendments, and, as a result, enacted a much better authorization law, in my opinion, than that reported out by the Joint Committee.

What is wrong with this bill, as reported out by the Joint Committee, at the present time?

In my opinion, the entire approach to the problem of developing commercial atomic power was wrong. It was also wrong last year.

For 2 years now the committee has approached the problem only on the basis of finding ways to get the Federal Government into the atomic-power business and not on the basis of providing Government research and development assistance to help private industry to get started.

Atomic-power development is admittedly an expensive business, and the Government should continue to supply research and development assistance to industry. Until 3 years ago the atom was a Government monopoly, and private industry could not participate, and a large-scale atomic-power program can not be expected to blossom immediately. Nor does it need to, because we have ample coal supplies in comparison with other countries, such as Great Britain. However, we should keep a good research program going. As I shall explain later, we are doing so.

Our country will make much more progress in developing atomic power, and the taxpayer will get more for his money, if the Government is kept out of the atomic-power business.

It is not correct to say that this is the Commission's program. Three Federal reactor projects were added by the committee in section 101. Also, in section 111, the committee version and this bill, S. 2674, would convert the public-power group proposals from partnership arrangements to a Federal paternalism basis. Section 111 would put the Federal Government 100 percent in the atomic-power business. The committee bill, in section 111, would also hamstring private participation. This bill is not the program of the AEC. The AEC opposes the sections added by the committee, and the AEC supports the amendments which I shall introduce.

If the Senate approves these amendments, as the House did for the most part, we shall then have a much better authorization bill.

I oppose the provisions in the bill which I have referred to above because they extend Federal construction and influence in the field, and because they are designed to discourage private industry from vigorous development of atomic power.

I do not desire to enter into an argument with any of my good friends and distinguished colleagues on the joint committee. I desire to work with them to achieve a flourishing atomic energy industry. However, I believe that the bill favors public power groups by making things easier for such groups and discourages private groups by making things tougher for them.

I refer specifically to the analysis prepared by Congressman STERLING COLE, as printed in the CONGRESSIONAL RECORD of Wednesday, August 7, pages 13959–13960. This analysis by Mr. COLE states six specific ways in which H. R. 8996, the original House bill which is identical to S. 2674, favored public power and Federal ownership and hurt private ownership and industrial participation.

Some of my distinguished colleagues object to discussing this issue on the basis of private versus public power. However, the issue was written into the authorization bill while it was in the committee. I can understand that they would prefer to talk atomic energy rather than public power. However, I do not believe that it is possible to talk about apples while voting on lemons.

The issue, specifically, is this: Shall we revert to the days before the 1954 act when this was necessarily a Federal program? Shall we discourage private ownership of reactors which was permitted by the 1954 act and call for more Federal construction?

Those favoring more Federal construction of reactors claim that our Government must build more reactors in order to keep ahead of the Russians and the British.

Last year, when we were considering the Gore bill, similar arguments were made on this floor. It is now apparent that the Russian program has slipped badly. I refer all Members to an article printed in the July 1957 issue of the Atomic Industrial Forum. This article was inserted in the CONGRESSIONAL RECORD by the joint committee member Congressman VAN ZANDT, and indicates that the Russian program is slipping badly and that the Russian boasts of last year have been proven boasts and not facts. This article may be found in the CONGRESSIONAL RECORD of July 23, 1957.

The Russians recently, along with the United States and the United Kingdom and other nations, submitted a report on their atomic power program to the United Nations. This report clearly indicates that their progress is much less than promised a year ago.

Moreover, the British program is not going well either. The British have specialized in natural uranium, gas-cooled reactors, and there are indications that they are in trouble. They have now asked this country for substantial quantities of enriched uranium and have indicated that they are abandoning their natural uranium reactors in the future. They admittedly do not have the broad development program which we do.

Meanwhile, the United States program is going ahead well.

The Atomic Energy Commission is doing development work on 10 different concepts, as summarized in the Commission's statement printed as an appendix to the hearings on authorizing legislation, pages 641 to 654. In many instances, it can be shown that private industry is going ahead. Thus, the Shippingport project, which was financed by the Federal Government prior to the 1954 act, is being followed up by the Yankee atomic project, involving $40 million private participation, and by the Consolidated Edison project, costing over $50 million and completely privately financed. These will be followed by similar pressurized water-type reactors to be constructed by our industry for installation in Italy and in Belgium and possibly Japan if the Westinghouse Corp. completes negotiations with representatives of those countries.

Similarly, the initial research by the Government in the boiling-water reactor type is being followed up by industry. The Government built a pilot plant, the experimental boiling-water reactor (EDWR). Industry is responding splendidly. The General Electric Co. is building a reactor plant which advances the boiling-water design at Vallecitos, Calif., and the Commonwealth Edison Co., together with GE, is constructing a large-scale 180,000-kilowatt plant near Dresden, Ill.

Both of these projects are being carried out by private industry without Government funds.

Also the Northern States power group plans to build a boiling-water reactor under the third round of the Commission's program. I am pleased to say that several Iowa utility companies are participating in this project.

We are also making progress and receiving increasing industrial participation and private money in more advanced types: The fast-breeder type, where the Power Reactor Development Co. and associates are contributing over $50 million of their own funds; the homogeneous reactor, where the Pennsylvania Power & Light Co. is spending its own funds; the sodium-graphite type; the gas-cooled type; the organic-moderated type; the liquid-metal fuel type, and others. The complete program is described at pages 641 to 654 of the hearings.

I see no point in attempting to describe our progress on all reactor types, nor would I be able to do so, but the basic point is this.

No one reactor type—especially the British Calder Hall type (which is in trouble)—has been shown to be the best.

It would be a mistake to push large-scale power reactor construction by the Federal Government when we do not yet know which reactor type is best. When such a type or types are found, I feel sure that our private industry will move vigorously ahead.

We should continue our broad Government-sponsored research and development program on a number of different reactor concepts.

We should leave the building of power reactors to private industry and keep the Government out of the construction phase of it, at great savings to our taxpayers.

As a matter of sound national policy, industry should be encouraged to build reactors, and should be given certain types of assistance.

Also, as a matter of national policy, we should try to keep the Government out of commercial production of atomic power.

Therefore, at the appropriate time, I shall offer certain amendments to remove and to modify certain sections of this bill.

This authorization bill, if enacted into law, would, in effect, nullify the will and the mandate of the Congress as expressed in section 1 of the Atomic Energy Act of 1954 that the development of atomic energy shall be directed to strengthen free competition in private enterprise.

Let us not cripple a successful program and a rapidly expanding industry, which holds the promise of great good for all our people, by imposing politically motivated restraints upon its growth.

There is no reason to vote according to political party membership on this bill. The issue is not Democrats versus Republicans, but Federal ownership and construction versus private ownership and industry participation.

Also, it is possible to have voted for last year's Gore bill and yet oppose the reactor projects in this bill.

Last year's Gore bill provided for Federal construction of a number of reactors.

This bill contains many more objectionable features, since it attempts to specify particular types of reactors and, in the committee report, particular contractors, particular individuals, and particular contract arrangements.

Leading reactor experts, including Dr. Smyth, Dr. Zinn, and Dr. Weinberg, have all indicated that it would be a mistake—and a serious mistake—for the Congress to specify particular types of reactors for the AEC to build.

Let us not permit the spectre of public power to fasten itself upon this infant art and thereby frighten away the large volume of private capital which is flowing into it.

There are provisions in this authorization bill which, in my opinion, are clearly designed to discourage private initiative and to open the door to Federal control over nuclear power development.

Therefore, I urge that, during the course of the debate on this bill, you never for a moment lose sight of the key questions which are involved. Those questions are these:

Are we prepared to start turning the clock back—back to the Government monopoly over the atom that existed 3 years ago?

Are we to discourage private industry on the one hand and call for increased Federal construction and Federal Government ownership on the other hand?

These are the basic issues.

The development of atomic power hangs in the balance. I urge you to support the amendments which I shall offer to this bill at the appropriate time.

Mr. POTTER. Mr. President, I shall not take much of the time of the Senate, but I think it proper to point out what is involved in this instance. Our concern relates to the situation of the Power Reactor Development Co., a nonprofit Michigan corporation, which has been organized, and which has spent millions of dollars from its own funds, to construct facilities for the fast neutron breeder reactor. The members of the Joint Committee of course are much more familiar with the aspects of this type of reactor than I am. But the information I have is that the fast-breeder reactor is the type of reactor which, if perfected, has the best chance at the present time of being economically feasible for use for the generation of power.

This is a perfect example of the so-called partnership arrangement that is provided for in the basic Atomic Energy Act.

During the past year there have been controversy and litigation based upon the safety features of this type of reactor. Mr. President, the safety feature has nothing to do with the question before the Senate, because I can assure the Senate that at the present time the Power Reactor Development Co. is operating under a temporary construction permit. Before a license is granted, the Atomic Energy Commission will make sure that all safety features are covered; and the Senate can be certain that the company involved, which operates in the community in which the reactor will be located, will never construct the reactor unless the safety factors are guaranteed. However, the company would like to construct a reactor and at the same time carry on the research and development, so that once the time comes when the safety question has been resolved, then it will not have to wait to construct the reactor facilities. In that way, up to 7 years could be saved.

Mr. GORE. Mr. President, will the Senator from Michigan yield?

Mr. POTTER. I yield.

Mr. GORE. I hope the Senator from Michigan will permit me to agree with a portion of his statement, and then to express some disagreement with the latter part of his statement.

I agree with his statement that the fast-breeder reactor concept is one of the more promising.

The Senator from Michigan has said that the company has been issued a construction permit. I agree with that statement. Construction is under way now, I believe; is it not?

Mr. POTTER. That is correct.

Mr. GORE. What the company does not have is a license to operate.

Mr. POTTER. That is true.

Mr. GORE. I share fully the interest of the distinguished Senator from Michigan—with whom it was my pleasure to serve in another body—in the development of this concept and in the prosecution of research and development.

The position in which the Commission was placed, arose out of the refusal of the Advisory Committee on Reactor Safeguards to approve this concept from the standpoint of health and safety.

Mr. KNOWLAND. Mr. President, at this point will the Senator from Michigan yield to me?

Mr. POTTER. I yield.

Mr. KNOWLAND. Mr. President, a number of Senators have asked whether the yeas and nays would be ordered on the question of agreeing to the amendment. On the question of agreeing to the amendment of the Senator from Iowa, I should like to have the yeas and nays ordered; and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

The yeas and nays were ordered.

Mr. KNOWLAND. Mr. President, I thank the Senator from Michigan for permitting the interruption.

Mr. POTTER. I have been glad to yield.

Mr. GORE. Mr. President, at this point will the Senator from Michigan yield further to me?

Mr. POTTER. I yield.

Mr. GORE. I shall be as brief as I can.

The difficulty in which the committee found itself arose from the refusal of the Committee on Reactor Safeguards to approve the fast-breeder reactor from the standpoint of health and safety on the basis of information now available.

Mr. POTTER. Of course, Mr. President, no one contends that the fast-breeder reactor would be safe at the present time; and I am sure that the Power Reactor Development Co. would not want to operate a reactor of this kind unless it was approved by the Safety Committee.

I have before me some statements from members of the Safety Committee who testified before the Joint Committee. They have cited the fact that the safety factor has not yet been proven. But they also cite the fact that before a license is granted, it will have to be approved by them, and the safety question will be resolved.

The point I am making is this: What is involved is the question of whether we shall allow a company to spend its own money on a gamble or a risk that something will be proven safe. If it is not proven safe, the only gamble will have been that of the Power Reactor Development Co., which then will lose its money. It will be the gamble of that company, rather than the gamble of the people of the United States, through the use of their own tax funds. That is the question which is involved in this case.

Mr. PASTORE. Mr. President, will the Senator from Michigan yield to me?

Mr. POTTER. I yield.

Mr. PASTORE. I agree with the sentiments expressed by the Senator from Michigan. But it is a fact that although the $1,500,000 could not be assigned directly to this contract, the law is written in such a way—and the question which arose at the hearings and the report itself indicate rather clearly—that this $1,500,000 can be spent for research in Government laboratories—which is all that the contract ever called for—and the research could be for the benefit of the contract of the Power Reactor

Development Co., even though it could not be assigned to the contract.

The reason for that, as I understand, is that the committee did not want to assume the responsibility of doing anything which might be construed as authorizing a contract in connection with which the reactor itself would be suspect because of some safety factor.

I think that position was prudent and was an exercise of good judgment. I do not think it harms in the least the Power Reactor Development Co.'s program, because that company is the only one which has submitted a proposal for a fast-breeder type of reactor. It is the only one which has the benefit of this type of research. For all practical purposes, I think the purpose is being carried out, because the amount allowed by the Bureau of the Budget was $1,500,000, and the amount asked for by the Commission was $4,206,000.

So I say to the distinguished Senator from Michigan that although the pending bill does not satisfy him and cannot satisfy him up to the last letter, yet, insofar as intent and practicality are concerned, all the money can be used in laboratories for research for the benefit of the Power Reactor Development Co., if it happens to be the only company engaged in that kind of research.

Mr. POTTER. I appreciate the comment of the distinguished Senator from Rhode Island, who is a very able member of the committee.

But what causes me concern is the language in the report, reading as follows:

> The committee does not approve the requested authorization for preconstruction research and development work and waiver of fuel use charges in connection with the reactor project of the Power Reactor Development Co.

All afternoon we have heard debate about how we, as a Nation, are lagging behind; how private industry has been dragging its heels, and will not work and cooperate with the Government.

Here we have an example of a perfect partnership arrangement with a private company. I hold in my hand a list of the supporting companies which make up the Power Reactor Development Co. I should like to read the list. It is as follows:

> Supporting utility companies: Central Hudson Gas & Electric Corp.; Cincinnati Gas & Electric Co.; the Columbus and Southern Ohio Electric Co.; Consumers Power Co.; Delaware Power & Light Co.; the Detroit Edison Co.; Iowa-Illinois Gas & Electric Co.; Long Island Lighting Co.; Philadelphia Electric Co.; Potomac Electric Power Co.; Rochester Gas & Electric Corp.; Southern Services, Inc.; Alabama Power Co.; Georgia Power Co.; Gulf Power Co.; Mississippi Power Co.; the Toledo Edison Co.; Wisconsin Electric Power Co.
>
> Supporting industrial companies: Allis-Chalmers Manufacturing Co.; the Babcock & Wilcox Co.; Burroughs Corp.; Combustion Engineering, Inc.; Fruehauf Trailer Co.; Holley Carburetor Co.; Westinghouse Electric Corp.

These are private utilities and private manufacturing and industrial companies which have put their company funds into a nonprofit organization to act according to what they thought was the intent of Congress in carrying out a partnership arrangement between industry and Government to develop a better use and a new use of atomic fuels for the generation of power.

At this time, neither the joint committee nor the Congress nor anyone else is involved with the question of safety, for the company is operating under a construction permit.

Of course, before they receive their license, the issue of safety has to be resolved. Assume that the issue of safety is not resolved, or that the question of safety is determined to the effect that this type of reactor is unsafe. Who is the loser? The private companies who are willing to gamble and risk their companies' money?

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. POTTER. I yield.

Mr. PASTORE. If the amount of $4,206,000 is authorized and it is found that the reactor is not safe, do we not lose $4,206,000?

Mr. POTTER. Yes, but in comparison to what a private company spends, the Government would lose a small ratio. What makes the Senator believe that the safety question can be resolved much faster if the Government does it rather than private industry?

Mr. PASTORE. That is not the question at all. The question is, Shall we authorize $4,206,000, in line with the provisions of the contract, which would be an authorization of the contract itself when the safety element is in dispute?

I go along with the Senator. I hope the safety feature is no more than a bogey. I hope PRDC will move on its way. The only reason the committee could not authorize the $4,206,000 was that it would be a confirmation of a contract which is under dispute in a very important particular. As prudent legislators we could not place ourselves in that very embarrassing and awkward position.

Mr. POTTER. We are discussing the amendment of the Senator from Iowa, which does not provide $4,206,000. It provides $1,500,000.

Mr. PASTORE. That is already in the agreement. I have already explained to the distinguished Senator from Michigan that all the money can be used for the benefit PRDC, and I challenge anyone to dispute that statement.

Mr. POTTER. As a result of the wording in the report, I wanted to make sure, in case the amendment of the Senator from Iowa failed, there would be sufficient legislative history so that the language of the report would not be prevailing, rather than the general language of the bill.

Rather than take more time of the Senate, I ask unanimous consent to have printed in the RECORD at this point, as a part of my remarks, a statement I had prepared on the subject, some correspondence, and a news article.

There being no objection, the statement, correspondence, and news article were ordered to be printed in the RECORD, as follows:

THE IMPORTANCE OF FAST BREEDER REACTORS

Unlike any other reactor type presently proposed under the power demonstration reactor program, the fast breeder reactor which PRDC is building will produce more nuclear fuel than it consumes. This explains the unanimous agreement of the nuclear physicists who have testified on this subject at the PRDC hearings that this type of reactor is one of the most promising for the development of economic electric power. Moreover, the fact that the nuclear fuel produced is high-grade plutonium indicates the probable importance of the fast reactor to national security.

Dr. Hans A. Bethe, professor of physics at Cornell University and one of our most distinguished nuclear physicists, testified in the PRDC hearing before the Atomic Energy Commission (testimony, p. 9):

"It is clear that a breeder will be of the utmost importance for a large-scale atomic power economy. It is likely that in 30 to 50 years, a large fraction of our power will be derived from atomic energy. This will only be possible if the supply of atomic fuel is very great. Breeders seem to me indispensable for this purpose. Since power demands increase constantly and at a rapid rate, a very large supply of atomic fuel will be required.

"Indeed, one of the most compelling reasons for developing atomic power is to extend our fuel reserves."

The long-range advantages of the fast reactor have been recognized by the British, who are presently working hard to put into operation a large fast breeder reactor by 1958, and by the Russians, who are reported also to be building a fast reactor.

The PRDC reactor is the culminating step in the United States development of fast reactor technology which has been underway for over 10 years, much of the time under the leadership of one of our most outstanding nuclear physicists, Dr. Walter H. Zinn. Except for an experimental reactor to be built by the Commission in Idaho, it is the only fast breeder power reactor which has been proposed for construction in this country, and the only power reactor of any type which is actually under construction under the Commission's cooperative power demonstration reactor program. To deny funds to complete the final stages of this development may well give both the Russians and the British a substantial lead in the fast reactor field. As Dr. Norman Hilberry, an eminent physicist who is director of the Argonne National Laboratory, testified at the PRDC hearings (testimony, p. 50):

"It is my opinion that in the national interest it is important that a full-scale industrial fast breeder be built and tested at the earliest possible time."

THE PRDC REACTOR

Power Reactor Development Co. (PRDC) is a Michigan nonprofit membership corporation organized to study and demonstrate the economic and technical feasibility of generating electric power by a fast breeder reactor. It is now engaged in the design, development and construction of such a reactor at Lagoona Beach in Monroe County, Mich. This reactor will provide steam which will be used for the production of electricity in facilities owned by the Detroit Edison Co., the entire plant to be known as the Enrico Fermi Atomic Powerplant. Its rated capacity is to be 100,000 kilowatts of electricity.

The companies which have organized and are financing PRDC include some 17 operating public utility companies stretching from New York to Georgia and from Mississippi to Michigan, in addition to seven strong industrial companies.[1] These member companies have already unconditionally committed over $40 million of their own funds to this project.

In addition to PRDC, another nonprofit membership company called Atomic Power

[1] See details in enclosed excerpts from testimony of E. R. Acker in AEC hearing.

Development Associates, Inc., (APDA) has performed and is performing extensive research, design and development work on this reactor.

PRDC and APDA together have actually spent to date more than $10 million on research, development, design and construction of the proposed reactor plant. It is anticipated that they, together with the Detroit Edison Co., will expend more than $60 million of private funds on the Enrico Fermi Plant.[2] The only appropriation authorization requested for this project by the Atomic Energy Commission is for $4,206,000, to be expended entirely for research and development work in Commission facilities, of which only $1,500,000 is requested for fiscal 1958.

This important reactor is not merely on the drawing board. It has actually been under construction for just over a year, and work is progressing satisfactorily toward a scheduled completion date some time in 1960.

THE SAFETY ISSUE

The only reason given in the Committee Report for eliminating the authorization for the PRDC reactor was that the question of whether or not an adequate demonstration has been made that it can be safely operated is in litigation in the license proceeding now pending before the Commission. What the Committee Report apparently recommends is that the Congress should review questions pending for decision in a formal administrative proceeding, or should at least withhold appropriation authorizations for research and development until all such pending questions have been settled. What adoption of this principle would really mean is that any cooperative project under the Commission's power demonstration reactor program could be effectively destroyed by the mere filing by someone of an intervention in the formal licensing proceedings which must be held with respect to every project. The issues pending in these proceedings have no bearing upon the research and development authorization requested, and should not be used as an excuse for denying such authorizations.

Quite apart from this fundamental principle, however, consideration of the evidence produced in the pending PRDC license proceeding provides no conceivable reason for denying an appropriation authorization. A brief review of this proceeding will make this clear.

On June 6, 1956, the Advisory Committee on Reactor Safeguards issued a report and recommendation in connection with the PRDC project in which the Committee stated that although there was nothing to indicate that the reactor would be unsafe, there was not then sufficient information available to demonstrate that it could be safely operated at its proposed location. The report also recommended an extensive research program both in and outside of Commission facilities.[3] This program is now in the process of being carried out.

On August 4, 1956, the AEC granted PRDC a provisional construction permit, authorizing construction of the reactor but conditioning its operation on PRDC's ability to complete the necessary research and to make the requisite showing that the reactor could be safely operated before it was to be started up.

On August 30, 1956, Walter Reuther, the UAW and two other labor unions intervened and objected to the issuance of the construction permit. The Commission then set the matter down for formal hearing. These hearings have now been actively going on for the better part of a year. Because the continuance of the permit is thus in litigation before the Commission, PRDC is required to deal with all questions affecting safety only through the formal hearing procedure. Until these proceedings have been terminated and the Commission itself has rendered a formal decision on the evidence presented, PRDC is not permitted to request that the matter be reviewed further with the Reactor Safeguards Committee, nor is it permitted to deal directly with this Committee in any way. In other words, the pendency of the formal proceedings has completely cut PRDC off from the Reactor Safeguards Committee, and it is not legally possible to ask this Committee to review the PRDC project until these formal proceedings have been completed.

Several members of the Safeguards Committee were called in May and June 1957 to testify as individual witnesses in the present proceedings. Although each of these Committee members indicated that in his opinion there is not now sufficient information at hand to permit the PRDC reactor to be operated at power if it were ready today, each also indicated that he thought the research program was proceeding in the right direction and that the necessary information would be obtained by the time the construction is scheduled to be completed. No one has ever claimed that the continuation of the construction itself presents any question of public safety.[4]

The Chairman of the Safeguards Committee, C. Rogers McCullough, who is a chemical engineer rather than a nuclear physicist, stated that on technical nuclear questions he relied primarily on the nuclear physicist members of the Committee, and especially on Dr. Harvey Brooks and Dr. Mark Mills. Dr. McCullough himself said, however, that the PRDC experimental program "is going in the right direction to establish the necessary information * * * if this experimental program is carried out in sufficient detail I think it is very probable that the necessary information will be obtained" (transcript, p. 3007).

Dr. Harvey Brooks, a nuclear physicist who is dean of the Harvard School of Engineering and Applied Physics and a member of the ACRS,[5] was quite explicit:

"I believe that in all probability a fast breeder reactor of the PRDC design can be operated in a populous location such as the proposed Lagoona Beach site without undue hazard to the health and safety of the public" (testimony, p. 38).

He also said that he thought it probable that the research program would produce the necessary information to prove safety on the present PRDC construction schedule (transcript, pp. 3082, 3189).

Dr. Mark Mills, also a distinguished nuclear physicist who is a member of the Safeguards Committee and is associate director, Radiation Laboratories, University of California, similarly testified that although he believed that further work remained to be done, "in my opinion it will show, one, that we understand [fast reactors] and two, that the machine [PRDC reactor] is safe" (transcript, p. 3245).

Dr. Manson Benedict, another experienced nuclear physicist serving on the Reactor Safeguards Committee and professor of nuclear engineering at MIT, said with respect to the PRDC project:

"I think that there is a strong probability that it will be found that all stages can be carried out successfully without public hazard and that the end result will be a safe and successful reactor" (testimony, pp. 16–17).

A fourth member of the Reactor Safeguards Committee, Mr. D. A. Rogers, chief engineer of Allied Chemical Dye Co., testified that the project "is a safe commercial venture [and] the work and development necessary to carry it on [can] be satisfactorily carried out" (transcript, p. 2983).

The only other member of the Safeguards Committee who testified in May and June of 1957, Dr. Abel Wolman, a sanitary engineer and professor at Johns Hopkins University, similarly concluded that, although the extensive site information necessary to be had before the reactor is actually started up is not yet available, he thought that such information would not present problems which could not be engineered against. He also testified that if the nuclear physicists were satisfied that the reactor was sufficiently stable and safe "the proposed site would be satisfactory from the point of view of its accident potentiality" (testimony, p. 14).

In addition to members of the Safeguards Committee, other witnesses in the PRDC proceedings were explicit that the PRDC reactor will present no safety hazard when it is ready to start up. Thus Dr. Norman Hilberry, who is Director of Argonne National Laboratory and who has no relationship in any way to the PRDC project, stated:

"Finally, I am of the opinion that, on the basis of present knowledge and theoretical physics, a fast breeder reactor of the general type proposed by PRDC can be constructed in such a way that it will be safe for operation in a populated area. I am further of the opinion that, prior to the time the PRDC reactor is to be started up, additional information and operating experience with other reactors of the general type will provide adequate confirmation of this opinion" (testimony, p. 51).

Dr. Hans Bethe, professor of physics at Cornell University and one of this country's most distinguished nuclear experts, a consultant who had been advising PRDC for some time, also said:

"By the application of theoretical physics to what we now know, it is my opinion that a fast breeder reactor of the general type proposed by PRDC can be constructed and operated in a populated community without undue risk to the public, and that it can be demonstrated, when such reactor has been built, that its operation is safe" (testimony, p. 60).

THE REAL ISSUE

The question of whether or not the PRDC reactor can be safely operated is really premature at this stage. All that is involved is the actual construction of the reactor simultaneously with the continuation of an extensive experimental and research program designed to verify that it can be operated without risk to the public. Construction will not be completed for at least another 2½ years, and by this time a vast amount of additional experimental information will be in hand. All that is being risked by proceeding with the construction of this project is money, and it is not Government money but PRDC money. That even this risk is a good one is indicated by the unanimous opinion of the nuclear experts who have testified in the safety hearings that they believe the necessary verification of safety will be in hand before the reactor is scheduled to be completed.

Furthermore, the risk we are talking about—a risk of money, not lives—is the kind of risk that private industry should be encouraged to take, and commended, not vilified, for taking. By venturing its investment in the construction of this plant

[2] See details in schedules attached to statement of E. R. Acker, given to Subcommittee on Legislation of Joint Committee on Atomic Energy, June 25, 1957.

[3] Copy of Safeguards Committee report is contained in record of hearings before Subcommittee on Legislation of Joint Committee on Atomic Energy, April 10–June 27, 1957, p. 606.

[4] For a more detailed discussion of the evidence on the safety and other issues, see statement of Robert W. Hartwell, assistant general manager of PRDC, included in hearings before the Subcommittee on Legislation of the Joint Committee on Atomic Energy, April 10–June 27, 1957, pp. 633–639.

[5] Advisory Committee on Reactor Safeguards.

simultaneously with the conduct of an extensive research and experimental program designed to verify its safety, several years may be saved in placing this important type of reactor on the line for the generation of electric power. The opponents of this project complain that we are not moving fast enough in the application of nuclear energy to the generation of electric power, yet they seek to destroy the leading private enterprise project that is willing to risk its own money to further this very objective.

The appropriation authorization which the Atomic Energy Commission has requested is only for research and development work in connection with this project to be done in Commission facilities. This research work has not only general importance in the fast reactor field but will provide specific and definitive information with respect to the safety of this reactor. The opponents of this project apparently are complaining that the safety has not been demonstrated, but at the same time they are endeavoring to eliminate an authorization for Commission work which would provide important additional information on this very subject. This makes utterly no sense.

The sincerity and determination of PRDC to prove the safety of this reactor before it goes into operation has been demonstrated without question. The caliber and responsibility of the scientists such as Dr. Hans Bethe who are working on this question and are advising Power Reactor Development Co. are also of the highest order. Not only these scientists but the independent nuclear experts of the Reactor Safeguards Committee have testified without exception that they believe it probable that the safety of this reactor will be demonstrated before it is ready to operate. And finally, as General Fields himself made clear in the hearings,[6] the Commission itself and the full Reactor Safeguards Committee must pass on this question definitively before this or any other reactor is put into operation. Unless they determine at that time—more than 2 years from now—that its safety has been adequately demonstrated, it will never be permitted to operate. That alone should be enough to dispose of the question at this time.[7]

ANTICIPATED PLUTONIUM CREDITS

The proposed PRDC reactor, like every other power reactor, will produce plutonium in the course of its ordinary operation. This plutonium is valuable both for military and peaceful purposes. It is required by law to be sold only to the Government.

Until May 31, 1957 the Commission's schedule of guaranteed fair prices which it would pay to anyone for plutonium were contained in a classified schedule. In projecting its estimated operating expenses for a 10-year period from 1961 through 1970, PRDC relied upon this schedule for the period it had been promulgated—through June 30, 1962—and, in the absence of any better information, projected its financial operating statements for subsequent years on the assumption that such schedule would remain in effect for the rest of the operating period. At no time did PRDC have any contract, agreement or understanding with the Commission as to what such plutonium prices would be; it is and has always been just as much in the dark as all other prospective reactor operators about what credits will be given for plutonium beyond the period for which the Commission has published guaranteed prices, available to all. In the absence of any other information, PRDC merely assumed the continuation of the last known schedule of prices in order to show in a general way what its anticipated financial picture would be on the basis of such an assumption.

There was never any doubt about the nature of PRDC's projected operating financial schedules nor about the fact that its assumption of a continuation of the same plutonium prices was just that, and was not based on any contract, agreement or understanding with the Commission. Nevertheless, this resulted in a charge being made that PRDC had arranged with the Commission for a hidden subsidy of some $48 million, this being the figure for the total plutonium credits PRDC would receive over a 10-year operating period if the AEC's initial classified plutonium price schedule were kept in effect over that period.

On May 31, the AEC declassified its schedule of guaranteed fair prices for plutonium in effect through June 30, 1962, and promulgated an additional unclassified flat price of $30 per gram for plutonium for the period July 1, 1962 through June 30, 1963. On the basis of this new information PRDC revised its projected operating financial schedules to take into consideration this new plutonium price for the year 1962–63. Again, in the absence of any information as to what the plutonium price would in fact be after June 30, 1963, PRDC has projected its operating finances on the basis that the $30 price would continue. Such a projection is included as schedule 3 to Mr. Acker's testimony before the Subcommittee on Legislation. Mr. Acker made completely clear in his testimony before the Subcommittee (p. 448–49) that PRDC has no contract, agreement or understanding whatever with the AEC about these plutonium prices, and is "just as much at sea as anyone else" as to what these prices in fact will be after June 30, 1963.

PRDC, like every other reactor operator, does expect to receive credits for the plutonium which it produces and turns over to the Commission in accordance with the Commission's then effective published price schedules for such plutonium. It expects to be paid for its plutonium exactly what everyone else is paid for this material, and not one cent more. The argument which has been advanced that there is any conceivable "hidden subsidy" in what PRDC is to be paid for its plutonium is, to put it mildly, incorrect and misleading. Nevertheless, such charge was again made as recently as August 7 in a telegram sent by Walter Reuther to a number of members of the House of Representatives, in an effort to discredit the PRDC project which Mr. Reuther is opposing with every means at his command.[8]

PRDC CONTRACT

On March 26, 1957 PRDC and the Commission executed a formal contract under the Commission's power demonstration reactor program. This contract provides that PRDC will construct completely at its own expense and operate a fast-breeder reactor and will make available to the Commission all information obtained in connection with this project. The Commission in turn agrees to waive use charges on special nuclear material in accordance with its announced policy under the power demonstration reactor program for a period ending 5 years after issuance of an operating license, such waiver being estimated to be $3,702,600 (hearings, p. 658). The Commission also agrees, subject only to the availability of funds, to perform specified research and development work for PRDC in Commission facilities at a cost of not more than $4,450,000. The appropriation authorization requested is for the portion of this research and development work not heretofore performed, in a total amount of $4,206,000. Of this amount only $1,500,000 is requested for expenditure in fiscal 1958.

In the committee report and in the debates in the House a number of references were made to the desire of the majority of the Joint Committee not to validate this contract. No such issue is presented by the pending authorization bill. Although Walter Reuther and others have charged that the PRDC and other contracts under the power demonstration reactor program are illegal, such charges are patently without substance, and have been completely refuted by representatives of the Commission. Such charges should be given no weight in the consideration of an appropriation authorization bill. Except for the condition that the performance of the AEC's research work is subject to the availability of funds, the Commission's obligation to do this research work in its laboratories is firm and unconditional. PRDC has gone forward with the spending and commitment of millions of dollars in reliance upon this clear undertaking. No possible justification has been shown for repudiating this commitment.

CONCLUSION

The PRDC project is the only one under the Commission's cooperative program which is actually under construction. It is the only one for a fast-breeder reactor—a reactor that creates more fissionable fuel than it consumes. The continuation of the simultaneous construction and research and development program can present no conceivable question of public hazard. A repudiation of this project by Congress is inevitably a repudiation of the Commission's whole program of developing nuclear power by cooperation between Government and industry.

In conclusion, I should like to warn that the bill as it stands presents a serious danger. It is an open attempt to freeze private enterprise out of the peaceful development of the atom. Therefore, it violates the concept embodied in the law.

The Atomic Energy Act formulates the ground rules for peaceful development of a miraculous new source of energy. It states that the Federal Government and private industry are to share and share alike. If we pass a bill here which casts one of the partners in the role of a complete outsider, we are striking at the very heart of the law and violating its most basic premise.

In Michigan we now have underway two magnificent showpieces for the concept of Federal-private teamwork on the atom:

At Big Rapids, the Wolverine Electric Cooperative hopes to build a nuclear powerplant with financial aid from AEC.

At Monroe, Power Reactor Development Co. already has $40 million, put up by 21 companies, but looks to the Federal Government for research funds to help develop a new type of reactor, the "fast breeder."

Mr. President, this bill has deliberately altered in committee to give AEC full ownership and control of reactors built at cooperatives such as the one at Big Rapids. It has been deliberately altered to cut the heart from the Monroe project by withholding vital research funds.

The danger is obvious: Private industry will be frozen out of peaceful development of the atom. I oppose such a move as un-American.

Mr. President, this bill has all the earmarks of a well-planned scheme by public

---

[6] Hearings before Subcommittee on Legislation of Joint Committee on Atomic Energy on authorizing legislation, 1957, p. 240. See also statement of R. W. Hartwell, assistant general manager of PRDC, hearings, p. 633.

[7] See especially testimony of Ernest R. Acker, vice president of PRDC, before Subcommittee on Legislation of Joint Committee on Atomic Energy on authorizing legislation, June 26, 1957, pp. 450–451, and exchange between Mr. Acker and Representative HOLIFIELD.

[8] See enclosed letter of August 8, 1957, which PRDC forwarded to Members of the House of Representatives with respect to this telegram.

power disciples to place the Government in a monopoly position. They know that if they can keep private interests out of the research and development phases, they will eventually have utter, final, and total control of all sources of power in the United States.

Then, of course, it will be too late.

Before many years have passed, we shall reach a point when the basic ingredient for producing vast quantities of energy is a single handful of precious material. When we reach that point, the source of all power will belong to the Government alone—unless we make sure here and now that private industry shares in the research necessary to bring us to that point.

I hope the Government will not see fit to hog the peaceful atom, for if it does, that will be a sad day for this Nation. I hope that by the time this measure comes to a vote, my distinguished colleagues will have united to reinstate the partnership concept in the legislation.

Michigan's stake in atomic energy is greater than that of most States. Although she is water-circled, Michigan does not possess the type of hydro resources necessary to develop cheap waterpower.

Therefore, Michigan may very well find herself in the same position as New England, a region which has seen her vital industries sapped by the lure of cheap power elsewhere. It is vital to Michigan's economic life—I say vital—that every means of developing new sources of power—especially cheap atomic power—be pursued.

Michigan's giant industries drink great gulps of power. Her population is accustomed to a high standard of living built mainly on electric and electronic devices. Both of these important segments of Michigan's life look to the development of cheap nuclear energy to preserve and enhance their well-being. Indeed, atomic energy is needed for Michigan's economic protection.

While we are on the subject of public power, I should like to report that certain irresponsible individuals have charged that the PRDC development at Monroe is unsafe. I trust that in these remarks I have proven beyond a doubt that public safety is paramount and is receiving every human, scientific and conscientious attention by qualified personnel. The charge of unsafe is another weapon of those dedicated to complete Government control at Monroe. I should like to introduce in the RECORD the telegrams which have come to my office today from people in the vicinity of the proposed Monroe project. These should clear up the question of safety once and for all.

ANN ARBOR, MICH., *August 16, 1957.*
Hon. CHARLES POTTER,
Senate Office Building,
Washington, D. C.:

Urgently request you support Michigan atomic power legislation. Future of free enterprise system is at stake.

P. D. FRENCH.

LANSING, MICH., *August 16, 1957.*
Senator CHARLES POTTER,
Senate Office Building
Washington, D. C.:

No indication of concern for safety of atomic powerplant at Monroe, Mich., is indicated. Hope you see fit to support its completion.

ROLLO G. CONLIN,
State Representative, Lenawee Co.

ADRIAN, MICH., *August 16, 1957.*
Senator CHARLES S. POTTER,
Washington, D. C.

Proposed atomic plant near Monroe, Mich., should be completed.

ROY MCPHAIL.

DETROIT, MICH., *August 16, 1957.*
Senator CHARLES E. POTTER,
Senate Office Building,
Washington, D. C.:

We again urge your support for the Enrico Fermi atomic powerplant being built by the Power Reactor Development Co. at Lagoona Beach, Mich.

DEARBORN CHAMBER OF COMMERCE.

DETROIT, MICH., *August 16, 1957.*
Senator CHARLES POTTER,
Senate Office Building,
Washington, D. C.:

The engineers and scientists who are designing and building the Enrico Fermi atomic powerplant are very much concerned about information that many of your associates in our Senate are not planning to support the cooperative program with both Government and industry participating in atomic energy development. Since we are a part of the largest private enterprise organization in the world today trying to develop the power of atomic energy we ask for a voice in the Senate. We believe that your voice would be the most impartial from the State of Michigan. We all live here near our plant and we do not create a monster that will destroy our wives and children. Ask your Senate friends if they would endanger their families for any amount of money. They would not and it is the same with us. We represent both Democratic and Republican in our political views. We ask for a vote of confidence.

WORKING STAFF,
Enrico Fermi Project.

DETROIT, MICH., *August 16, 1957.*
Senator CHARLES POTTER,
Senate Office Building,
Washington, D. C.:

Will you please support and urge your colleagues to uphold the private power appropriations bill for a progressive face atomic energy program.

FRED SPEIER,
Past President, Detroit Union Board of Commerce, Dearborn, Mich.

NEWPORT, MICH., *August 16, 1957.*
Senator CHARLES POTTER,
Washington, D. C.:

We do want the atomic plant here in Newport, Mich. Please do all you can for this project. Our association numbers 153 members.

GEORGE STOLTZ,
President, North Dixie Businessmen's Association.

TRENTON, MICH., *August 16, 1957.*
Senator CHARLES POTTER,
Senate Office Building,
Washington, D. C.:

I favor support of the bill appropriating fund to continue research and support of the PRDC project at Lagoona Beach, Mich., by private enterprise.

Mayor ROBERT E. TEIFER,
City of Trenton.

WAYNE, MICH., *August 16, 1957.*
Senator CHARLES POTTER,
Senate Office Building,
Washington, D. C.:

Request your support of appropriation bill providing funds to continue research supporting PRDC project, Lagoona Beach, Mich., and to permit the completion of that plant by private enterprise.

E. L. MILLIS.

WAYNE, MICH., *August 16, 1957.*
Senator CHARLES POTTER,
Senate Office Building,
Washington, D. C.:

Wayne, Mich., Chamber of Commerce favors the development of the Lagoona Beach, Mich., project by private enterprise and request your favorable consideration of the appropriation bill providing funds for continued research in support of the PRDC project.

T. KUCKELMAN,
Executive Secretary.

TOLEDO, OHIO, *August 16, 1957.*
Senator CHARLES POTTER,
Senate Office Building,
Washington, D. C.:

The International Brotherhood of Electrical Workers, Local No. 8, affiliated with the Monroe County Building and Construction Trades Council, supports the continued construction of the Enrico Fermi atomic powerplant at Lagoona Beach, Monroe County, Mich.

BERT N. WILCOX,
Business Representative, Monroe Unit, Local No. 8.

TOLEDO, OHIO, *August 16, 1957.*
Senator CHARLES POTTER,
Senate Office Building,
Washington, D. C.:

I have been authorized by the Monroe County Building Trades Council and the Toledo Building Trades Council, consisting of 19 affiliated building craft unions, to ask you to support the continued construction of the Enrico Fermi atomic powerplant at Lagoona Beach, Monroe County, Mich.

BERT N. WILCOX,
President, Monroe County Building Trades Council.

TOLEDO, OHIO, *August 16, 1957.*
Senator CHARLES E. POTTER,
Senate Office Building,
Washington, D. C.:

I note that an important Senate vote will soon be taken; one that affects the economic future of the citizens of this city and county. The Monroe City Commission and Monroe County Board of Supervisors have indicated their position on the continued building of the atomic reactor plant near Monroe, Mich. Both the above local governmental groups have confidence in the ability of the PRDC and the AEC in assuring complete safety to our citizens before the plant would be put in operation.

From the information I have learned, there is no reason to change our mind. I urge a favorable vote on the matter. The vast majority of our citizens are also in favor.

MILTON J. H. KNABUSCH,
Mayor, City of Monroe; Chairman, Monroe County Board of Supervisors.

MONROE, MICH., *August 16, 1957.*
Hon. CHARLES POTTER,
Senate Office Building,
Washington, D. C.:

The 100 members of Monroe Junior Chamber of Commerce urgently request you support the PRDC appropriation.

MONROE JUNIOR CHAMBER OF COMMERCE.

MONROE, MICH., *August 15, 1957.*
Hon. CHARLES E. POTTER,
Senate Office Building,
Washington, D. C.:

Sincerely hope you will vote in favor of the AEC proposal for the research fund for PRDC.

RALPH H. GRAESSLEY,

TOLEDO, OHIO, *August 16, 1957.*
Senator CHARLES E. POTTER,
Senate Office Building,
Washington, D. C.:

The site for the Enrico Fermi Atomic Powerplant is in Frenchtown Township, Monroe County, Mich. The residents of this area have followed the proceedings in Washington relating to this project with considerable

interest, due to the fact that their opinions do not coincide in any way with those expressed by the opposition.

The Frenchtown Township board has previously expressed its complete confidence in the Power Reactor Development Co. as to its ability to insure absolue safety to the citizens of Frenchtown.

My opinion has not changed and it is my hope that nothing will happen in the Senate to delay further construction and ultimate operation.

CLAYTON E. MARSHALL,
Supervisor, Frenchtown Township, Monroe County, Mich.

TOLEDO, OHIO, *August 16, 1957.*
Senator CHARLES E. POTTER,
Senate Office Building,
Washington, D. C.:

We are aware that tomorrow you vote on reestablishing research funds for PRDC when the Atomic Energy authorization bill comes before the Senate. We members of the board of education of the Jefferson consolidated school district have followed the proceedings in Washington, relating to this project, with considerable interest. We firmly believe that the opinions expressed by those who are in opposition to this project definitely do not represent the majority. This board has previously expressed to Admiral Strauss and Representative HOLIFIELD its complete confidence in the PRDC as to its ability to insure absolute safety to the citizens of the school district. Our opinion has in no way changed and it is our hope that nothing will happen in the Senate to delay further construction of this plant and its ultimate operation. We urge a favorable vote on your part.

LELAND J. STYLES,
Secretary Jefferson Consolidated School Board, Frenchtown Township, Monroe County, Mich.

MONROE, MICH., *August 16, 1957.*
Hon. CHARLES E. POTTER,
Senate Office Building,
Washington, D. C.:

The officers and directors of the First National Bank of Monroe, Mich., urgently request that you do all in your power to secure Senate passage of $4,200,000 research fund for PRDC.

FIRST NATIONAL BANK OF MONROE.

ADRIAN, MICH., *August 16, 1957.*
Senator CHARLES POTTER,
Senate Office Building,
Washington, D. C.:

Adrian Chamber of Commerce vitally interested in atomic Lagoona plant in Monroe. We feel it is safe and beneficial to this area. We urge your cooperation on this matter.

JOHN A. O'BRIEN,
Executive Secretary, Adrian Chamber of Commerce.

MONROE, MICH., *August 16, 1957.*
Hon. CHARLES E. POTTER,
United States Senator,
Senate Office Building,
Washington, D. C.:

Respectfully urge your support of appropriation for atomic plant here. As an electrical contractor, I recognize unlimited possibilities of this area resulting from plant.

PIEDMONT ELECTRIC CO.,
JOHN A. PIEDMONT.

MONROE, MICH., *August 16, 1957.*
Senator CHARLES POTTER,
Senate Office Building,
Washington, D. C.:

The Gratton Construction Co. wants to go on record as being in favor of the Enrico Fermi atomic powerplant in Monroe, Mich.

JACK GRATTON.

WAYNE, MICH., *August 16, 1957.*
Senator CHARLES E. POTTER,
Senate Office Building,
Washington, D. C.:

I am heartily in favor of the appropriation bill continuing financial support to the Power Reactor Development Co. at Lagoona Beach, Mich., under free enterprise.

GEORGE W. MATTHEWS.
DETROIT, MICH.

MONROE, MICH., *August 16, 1957.*
Senator CHARLES E. POTTER,
Senate Office Building,
Washington, D. C.:

We want the atomic plant to continue at Monroe, Mich.

NIEDERMEIER OIL CO.,
JOE NIEDERMEIER.
NEWPORT, MICH.

DETROIT, MICH., *August 16, 1957.*
Senator CHARLES E POTTER,
Senate Office Building,
Washington, D. C.:

DEAR SENATOR: We urge you to vote in favor of the construction of the Enrico Fermi atomic powerplant at Monroe, Mich.

CHARLES J. ROGERS, INC.

ERIE, MICH., *August 16, 1957.*
Senator CHARLES E. POTTER,
Senate Office Building,
Washington, D. C.:

Feel that Lagoona Beach would be entirely safe and a great asset to the community.

HAROLD S. MCCLAIN,
Erie Township Supervisor.

NEWPORT, MICH., *August 16, 1957.*
Senator CHARLES E. POTTER,
Senate Office Building,
Washington, D. C.:

We, the Newport Telephone Co., Inc., a privately owned corporation, would like to have the atomic energy power plant at Lagoona Beach on Lake Erie in the vicinity of Newport stay here. We have too much time, labor, and money invested in this concern to have it moved elsewhere.

THE NEWPORT TELEPHONE CO., INC.,
NORMAN R. SMITH, *President.*
MARGARET COUSINO, *Vice President.*
KATIE M. SMITH,
Secretary and Treasurer.

DETROIT, MICH., *August 16, 1957.*
Senator CHARLES E. POTTER,
Washington, D. C.:

It is my understanding that a vote on the Monroe atomic energy project may come before the Senate today. This administration has as you know long favored this project. Our position remains unchanged. It is based on a firm conviction that the use of atomic power as provided for in the plans for this plant will be of great importance to the development of industry in southeastern Michigan and northern Ohio communities. I know how you stand on this project and trust that you may be able to convince your colleagues of the importance of this development in this area.

ALBERT E. COBO,
Mayor.

MONROE, MICH., *July 30, 1957.*
The Honorable CHARLES E. POTTER,
Capitol Building, Washington, D. C.

DEAR SENATOR POTTER: A week or so ago, in the Monroe Evening News, I read with a great deal of interest your comments and ideas in connection with the Enrico Fermi Atomic Power Plant, now under construction. I am pretty much of a bystander in this matter; however, I thought I would send along to you a résumé of the results of radio-broadcast interviews in connection with this subject, thinking that you as a representative in the Congress of the United States should know first-hand how the people of our area feel about this subject.

My associate, Roy Hines, and myself, members of the staff of radio station WMIC in Monroe, conducted a tape-recorded man-in-the-street radio program. The program ran for 15 minutes and was entitled "A Penny for Your Thoughts."

This program was conducted beginning last fall, 5 days a week, Monday through Friday. Since the Enrico Fermi atomic powerplant project was just getting under way, we thought the building of the plant would be of particular interest to the people of this locality. Hence, we decided to ask the people—ordinary, typical people, business and professional men and women, workers and homemakers—how they felt about the project. And those we interviewed, with only two exceptions out of a total of some 500 interviewed, were pleased and happy that the Fermi plant, by decision of the AEC, Detroit Edison and the other project associates, was to locate here.

As I have said, about 500 people were consulted. Sample answers which follow later are typical of the respondents' virtually unanimous approval. Here is how we proceeded:

After my opening of the program, and our station identification, I would explain that the program was being done on tape. Approaching the person to be interviewed, I would say "Welcome to the Penny for Your Thoughts program conducted by WMIC, 5 days a week, Monday through Friday." Then I would ask, "May I have your name, please? Where do you live? What is your line of work?" etc.

Then, the question was put to the person being interviewed. It went something like this: "Since the Enrico Fermi atomic powerplant is under construction and there seems to be some question in regards to its safety in our community, we would like to get your reaction for our radio audience on what you think." I repeat again that, with the exception of two individuals, all those interviewed over the more than 90 days—and we usually interviewed 4 or 5 on each program—all were in favor of the construction of the Fermi plant here in our community.

Here are the typical answers:

"Yes; we think it is a good thing for Monroe."

"It will put our town on the map."

"It will give employment to some of our people."

"We don't think the Government would permit the construction of this plant if it was a hazard."

"A great institution, such as the Detroit Edison Co., could not afford to be involved in anything of this kind if it did not prove safe."

"Our Government knows what it's doing."

"Yes; we do think it is a wonderful thing for Monroe County."

"Monroe County could surely use more things of this nature."

One woman said over the air in the interview that she lived right on top of the plant and she wasn't apprehensive as to its safety.

These were some of the answers we got in our interviews. As I said before in this letter, we selected the Enrico Fermi atomic powerplant subject because at the time of our interviews it was a hot issue. We conducted the interviews in more than 80 business establishments in the city of Monroe, interviewing the proprietors of the business establishments and other people who were in the business places at the time.

Sincerely yours,

DONALD J. WOLFE,
Account Executive and Radio Commentator, Radio Station WMIC.

[From the Wall Street Journal of January 8, 1957]

REACTOR RUCKUS: PUBLIC VERSUS PRIVATE POWER ROW UNDERLIES HEARINGS ON SAFETY OF AN ATOMIC PLANT

(By John A. Grimes)

WASHINGTON.—As the Atomic Energy Commission opens hearings today on a controversial type of atomic powerplant now under construction near Detroit, the participants will be talking about that plant's safety, or lack of it. But the real issue is whether the Federal Government or private business should have prime responsibility for developing electricity from the atom.

The advertised opponents of the Michigan plant are three labor unions led by Walter Reuther's United Automobile Workers. Mr. Reuther is among the more vocal advocates of a greater Government role in developing nuclear electricity. He also has the private sympathy of other individuals and groups who, although they have taken no sides in the public controversy, want to see Uncle Sam take over the top role in any industry-Government partnership for developing atomic power.

Just as Mr. Reuther has the moral support of these groups, the sympathy of those who favor private development of the atom will be behind the defenders in this case—a collection of private concerns called Power Reactor Development Co.

Partisans of both points of view agree that while private versus Government development of the atom is not the open issue, it's the end issue. "If the Government had been building this plant," says one administration official, "you wouldn't have heard a voice raised in protest."

And a top labor union official admits that, should the Michigan reactor be proved unsafe, other private companies might be hesitant about undertaking advanced types of reactors such as this one. That would leave a vacuum that the Government would be called on to fill. Indeed, voices in Congress and elsewhere already are clamoring for more rapid development of atomic electricity, by Government if private industry can't do the job.

TARGET FOR TODAY

It's not likely that the argument will be posed in such direct terms during the hearings. Rather, the unions regard the inquiry has a chance to show, as they believe, that AEC Chairman Lewis Strauss has followed a calculated plan of favoring private industry. Mr. Strauss' motive, as they see it, is to prove that private industry can carry on the job of developing economically competitive atomic power and to use this argument—as he has in the past—to help block any attempt by Congress to fasten on the AEC a Government program of atomic plant construction.

Mr. Strauss is the unions' immediate target because they see the Commission, under his direction, as a bar to the rapid development of atomic power. In their view, rapid development means more Government spending to push the quest for cheaper nuclear power at a faster pace. So long as Mr. Strauss is the head of the Commission, they think, development of the peaceful atom will not proceed at the proper speed.

One of the basic arguments used to bolster the view that Uncle Sam must lead the way in exploiting the atom is that private industry has neither the financial resources nor the daring to tackle the immensely expensive job. To this has been added a note of increased urgency: The Government must take over the job in view of the British program of atom powerplant building lest the United States, as the Government-must-do-it advocates believe, permanently lose the world lead in developing atomic energy.

Mr. Reuther and his colleagues disclaim any intent to run private industry out of the atom plant building business. They say it should be a Government-industry partnership. But they make no secret of their belief that the Government should be the senior partner.

In furtherance of that aim, the unions have made several moves to drag the AEC more directly into the controversy over the Michigan reactor. They have charged that the Commission acted illegally in granting PRDC a permit to build the plant before making a finding that there was reasonable assurance the plant would be a safe one to operate at the site.

They also have charged that Commission activities before the granting of the permit tended to influence the Commission to agree to the permit. And they are trying to make an issue of the secrecy stamp on documents relating to the PRDC reactor. There's no doubt they'll raise more questions about Mr. Strauss' conduct in the AEC-PRDC relationship and attempt to have the hearings broadened to cover them.

Even if all the issues raised by the unions are not allowed to enter the hearings, Congressional critics of the AEC and of Mr. Strauss can be counted on to elaborate on them later in hearings on Capitol Hill.

INHERENTLY UNSAFE?

For the record, the unions claim that the proposed reactor, a fast breeder, is inherently unsafe for building in the populated Detroit area. The fast breeder produces more atomic fuel than it consumes. It is a relatively untried type of reactor, but holds the possibility of a short cut to economically competitive nuclear electricity.

The unions charge that the building of the reactor will endanger the lives of their members through a possible explosion or other accident. They are asking, and have been refused once, that the construction permit be lifted and all building stopped until the company can show the reactor is safe enough to build at that spot.

Questions arose as to the safety of the proposed plant following a report to the AEC from an advisory group of scientists. This group claimed there was not enough information available at this time to show that the reactor would be safe to operate at the proposed site. Further, the advisory group said it didn't know whether the safety questions could be cleared up in time to meet PRDC's schedule of completed construction in 1960.

The unions contend that the AEC suppressed this report. However, word of its content leaked out after it had been described or shown to members of at least two Congressional committees. Later, in August, the AEC issued PRDC a conditional construction permit. This described certain areas of uncertainty as to the ultimate safety of the plant and told PRDC it must have them cleared up before it could get a license to load and run the plant. However, the Commission said it thought the company could clear up the safety questions.

FUEL FOR A FIGHT

The permit kicked off the squabble which brought the demand from the unions for a hearing. The Commission agreed, but limited the hearing mainly to the issues of safety and the financial qualifications of PRDC to build the plant. At that time, the Commission made public the advisory report, saying it thought the move would serve the public interest in this instance. But it denied the unions' demand that construction of the plant be halted, saying that since no atomic fuel was involved in construction there was no nuclear danger.

Thus begins an inquiry that will have repercussions extending beyond the fate of one plant and into the broader controversy between public and private power.

Mr. McNAMARA. Mr. President, for more than a year and a half, I have been keenly interested in the efforts of the Power Reactor Development Corp., to build a fast breeder reactor near Monroe, Mich.

As a Senator from the State of Michigan, it is my job to be interested in what happens in the State of Michigan—particularly when it involves the Federal Government.

Shortly after PRDC made its initial moves to build the reactor, I began to get suspicious of the motives of PRDC and the methods it was using.

As time went on, it became apparent that PRDC was receiving not only aid and comfort from the Atomic Energy Commission, but something approaching outright collusion—to steamroller through this project.

First and foremost in my mind was the vastly important question of the safety of the proposed reactor. Safety, of course, is important when one deals with atomic energy in any capacity. We cannot forget that the first uses of atomic energy on a large scale were to destroy, and it did destroy at Nagasaki and Hiroshima. Thus, the element of destruction is always with us as we seek to turn the mighty forces of atomic energy toward peaceful uses.

But why is safety of such paramount importance at the PRDC reactor? One has only to look at the map of Michigan, Mr. President. Lagoona Beach, the site of this reactor, is just outside Monroe, a city of well over 20,000 inhabitants. And Monroe, Mr. President, is only about 30 miles from Detroit, a city with over 2 million inhabitants, and surrounded by populous suburbs.

In other words, within a 40-mile radius of Lagoona Beach live nearly 3 million persons.

That is why safety is so important.

Up to now, the AEC has appeared to run roughshod over the safety question. And there were many questions to be answered. Were these questions raised solely by laymen, who know little or nothing about the complexities and technicalities of atomic reactors? No. They were raised by the AEC's own advisory Committee on Reactor Safeguards. And its questions to date have never been answered.

Let me sketch briefly the history of the PRDC reactor. On January 7, 1956, PRDC applied to the AEC for a permit to build its fast-breeder reactor. Only one such reactor had been operated heretofore. That was the experimental breeder reactor built in Idaho.

It was shut down in November 1955 as the result of an accident—the cause of which has never been determined.

The Idaho reactor was a 1,000-kilowatt reactor. The proposed PRDC reactor would be a 100,000-kilowatt reactor. The Advisory Committee on Reactor Safeguards carefully studied the PRDC reactor. On June 6, 1956, it unanimously came to the following conclusions:

1. Even though there are no facts or calculations available to the committee that clearly indicate that the proposed reactor

is not safe for this size, the committee believes there is insufficient information available at this time to give assurance that the PRDC reactor can be operated at this site without public hazard.

2. It appears doubtful that sufficient experimental information will be available in time to give assurance of safe operation of this reactor unless the fast reactor program of the AEC is amplified and accelerated as detailed below.

3. It is impossible to say whether or not an accelerated program would give sufficient information to permit safe operation of this reactor at the Lagoona Beach site on the time schedule presently proposed.

These conclusions were not publicized at the time—although they presumably were leaked to the Detroit Edison Co.—prime mover of PRDC.

The report, so far as the public was concerned, was hidden under an "administratively confidential" label hung on it by AEC Chairman Strauss.

Not until October 9, 1956, thanks to the efforts of the Senator from New Mexico [Mr. ANDERSON] was this phony label removed, and Strauss admitted the label was a "mistake."

Meanwhile, in June 1956, Chairman Strauss accepted a PRDC invitation to attend the ground-breaking ceremonies at Lagoona Beach on August 8.

At the time of the acceptance, however, the AEC had not yet even issued a construction permit to PRDC.

This was remedied on August 4—only 4 days before the ground breaking—when the AEC issued a conditional construction permit.

That same August, the officials of PRDC apparently took note of the coming general election.

They sought to raise a political issue in what appeared to me to be a deliberate effort to hide the many questions about the project.

I ask unanimous consent to have printed in the RECORD at this point in my remarks a copy of a letter I wrote to Mr. Walker Cisler, president of the Detroit Edison Co., on September 12, 1956.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SEPTEMBER 12, 1956.

Mr. WALKER L. CISLER,
President, Detroit Edison Co.,
Detroit, Mich.

DEAR MR. CISLER: I have your letter of August 31 concerning, in your words, the "growing political involvement" of your atomic reactor in Monroe, Mich.

Frankly, I was amazed at your letter. Your final paragraph states:

"We feel sure you will agree with us that the Nation's vital atomic-energy-development programs should not become involved in politics, but should proceed on a sound and orderly basis."

Yet, with your letter, you included copies of numerous press clippings from Michigan newspapers detailing how you, yourself, had deliberately raised the specter of politics. These articles stress heavily your forecast that atomic energy will be a major campaign issue this fall. You are quoted as saying this is solely an issue of public versus private power, going so far as to accuse questioners of your scheme of "subterfuge." I would ask that, if you are so interested in keeping the subject out of politics, why you made such a deliberate effort to inject politics into the matter?

I think I know the answer. I can only conclude that your strategy is to block off any legitimate questions about the Power Reactor Development Company's reactor at Monroe with a smokescreen of fictional partisan politics. You are attempting to condition the public's mind against these legitimate questions.

Let me make my own position clear at the outset. I reject the myth you have concocted that this is solely a fight between public and private power interests.

I would be more than happy if this work in the peacetime uses of atomic energy could be carried out by private enterprise. I also, under normal conditions, would be extremely happy that this work was to be done in Michigan, with Michigan companies playing a leading role.

What I object to, however, is the sanctimonious approach you are making to the public. You attempt to put across the notion that this work can be done by private enterprise without a dollar of the taxpayers' money being involved; you underplay the safety question, and you charge that any interference or questioning of your scheme is "politics."

And there are many such legitimate questions, Mr. Cisler. First and foremost, as far as the public is concerned, is the question of safety of the proposed reactor.

Under date of June 6, 1956, the Advisory Committee on Reactor Safeguards, an advisory group to the Atomic Energy Commission, made these statements in regard to the PRDC reactor:

"1. Even though there are no facts or calculations available to the committee that clearly indicate that the proposed reactor is not safe for this site, the committee believes there is insufficient information available at this time to give assurance that the PRDC reactor can be operated at this site without public hazard.

"2. It appears doubtful that sufficient information will be available in time to give assurance of safe operation of this reactor unless the present fast reactor program of the AEC is amplified and accelerated as detailed below.

"3. It is impossible to say whether or not an accelerated program would give sufficient information to permit safe operation of this reactor at the Lagoona Beach site on the time schedule presently proposed."

The report goes on to give technical reasons for these conclusions.

One of its main points is that a test reactor be built as a "genuine prototype of the PRDC reactor."

Incidentally, those whom you accuse of "subterfuge" and "politics" are actually only interested in the Government's speedily building such prototypes in remote areas prior to the application of such ideas in a PRDC-type reactor.

As far as I know, this report has never been made public officially. Nor has it been recanted. Yet, the Atomic Energy Committee has granted PRDC a "conditional" construction permit at Lagoona Beach. This reactor, once it became operative, would be in use in an area where nearly 3 million persons reside within a 40-mile radius of the site.

Much emphasis has been placed by the PRDC and the Detroit Edison Co. on a report issued July 19, 1956, by a Michigan Atomic Energy Study Committee set up to "investigate" the conclusions of the Advisory Committee on Reactor Safeguards. The study committee's report would seem to dispel any questions of safety.

While I have the utmost respect for the integrity of those who served on this study committee, I am inclined at this time to accept the judgment of the scientists and other trained atomic experts on the Advisory Committee on Atomic Safeguards. Also, a close reading of the study committee's report suggests to me that the study committee received its information from PRDC and the Detroit Edison Co. If so, this can hardly be construed as an objective report.

It is entirely possible that the Advisory Committee, in the near future, may revise its safety report and modify its objections in the light of further information. I would be delighted if this should happen.

There is now pending before the Atomic Energy Commission a petition for a public hearing on the construction permit granted PRDC. The permit was issued by the AEC without such a hearing and was a result of star chamber proceedings, in the words of Senator CLINTON ANDERSON, chairman of the Joint Committee on Atomic Energy. I would like to associate myself with the request for a full and public hearing.

The Atomic Energy Act of 1954 very specifically states that questions of safety must be fully answered before even a construction permit can be issued. In view of the fact that the report of the Advisory Committee on Reactor Safeguards has not been answered, I believe that the matter should be opened to a full public hearing.

The Lagoona Beach reactor, as designed by PRDC, may very well be completely safe. I certainly hope so. Following the safety report of the Advisory Committee on Reactor Safeguards, you have made many statements on the subject of the reactor's safety. (At the same time, however, one of the conditions stipulated by PRDC is that the Government furnish indemnity insurance as high as $500 million.)

As I said, I certainly hope the proposed reactor will be completely safe in every respect. But certain items cannot be overlooked. For example, a smaller version of the fast breeder reactor the PRDC intends to construct, was built by the United States Government at Arco, Idaho. This site was deliberately chosen because of its remoteness from urban concentrations. This reactor ran away and was contaminated for 6 months by dangerous radioactivity. This reactor is known as Experimental Breeder Reactor-I. The Government is now in the process of designing "EBR–II" also in Arco, Idaho. It is estimated that EBR–II will not be in operation until 1960.

The proposed PRDC reactor near Monroe is actually EBR–III. According to your own timetable, it cannot possibly be completed in time to gain any advantage from information obtained from EBR–II. Thus, in effect, you are experimenting in this greatly unknown field of atomic energy with EBR–III in a densely populated area.

The discussion of safety is no idle talk, and life and death certainly is not politics as you would have the people of Michigan believe. Here is what the Government's Panel on the Impact of the Peaceful Uses of Atomic Energy said in a report just last January:

"A nuclear reactor's getting out of control may, under special conditions, cause widespread injury to people and loss of use of property because of radioactive contamination. These events should not occur if designed and operating standards are properly established and effectively enforced. Yet, men make mistakes and accidents happen."

Later on, this same report states:

"No 100-percent safe power reactor has as yet been conceived; 99.99 percent safe may not be enough. While every precaution has been taken in reactor and component design, to assure saftey, manmade controls and devices are involved. Unforeseen malfunctions may occur, leading to reactor or plant destruction."

Now, let me turn to other aspects of the Power Reactor Development Co. proposal. In the slick brochures published by the Detroit Edison Co. and the Power Reactor Development Co., and in public statements, you and your associates speak extensively of the altruistic motives of the Power Reactor De-

velopment Co. member companies. These statements emphasize the nonprofit character of Power Reactor Development Co.; that member companies will be risking $50 million or so to further the peacetime use of atomic energy, the glories of private enterprise, etc.

I suspect, however, that you have not been fully as free in acquainting the public with the extensive list of conditions laid down by Power Reactor Development Co., before it intends to operate the reactor. According to your own testimony before various Congressional committees, these are the conditions that must be met:

1. "That neither the licensee corporation nor any member thereof or contributor thereto will become subject to the Public Utility Holding Company Act by reason of participation in this project."

An amendment to the Public Utility Holding Company Act to free Power Reactor Development Co. member companies from the act was introduced in the 84th Congress by Senators POTTER and PASTORE. You stated, during the hearings on this bill:

"The member companies will not participate in this research and development work if they will become subject to the jurisdiction of the Securities and Exchange Commission as a result of such participation."

The effect of freeing yourselves from the Public Utility Holding Company Act by law, should you be successful, is incalculable. This act was written in 1935 to protect the American consumer from the financial manipulations and monopoly of utility holding companies. Your proposal could seriously weaken, if not destroy, the intent of the act.

Instead of making application for exemption directly to the Securities and Exchange Commission, Power Reactor Development Co. went directly to Congress through the Potter-Pastore bill.

In testimony last June before a Congressional committee, Ray Garrett, director of the SEC's Division of Corporate Regulation, made this statement in regard to the company's motives for seeking Congressional exemption:

"They are afraid of the possibility, which is certainly a legal possibility, that the (SEC) might exercise its powers * * * to find controlling influence and declare them to be a holding company despite their ownership of less than 10 percent of the voting securities.

"There are elements in the arrangements which would provide a foundation for such a proceeding if in our judgment it were ever necessary or appropriate to bring it. They are fairly obvious.

"The reactor is immediately adjacent to the turbines and the generator. Detroit Edison will buy all of the output of the reactor, all of the heat that it produces. Detroit Edison's president will also be president of the Power Reactor Development Co. Although all of the sponsors will have their employees working on the project it may well be that Detroit Edison will have more of its key employees on the project than will the other sponsors."

Let us take a look at a second important condition laid down in your proposal to the Atomic Energy Commission:

2. "That the contributions of the members to the licensee corporation will qualify as deductible for Federal income-tax purposes."

Let me say right here that I see nothing wrong with legitimate business expense of a company being deductible for Federal income-tax purposes. However, this condition refutes the impression you and the PRDC have been trying to impart to the general public as to the financial risk of the member companies.

What the public has not been told is that a favorable Internal Revenue ruling on this point would mean that of every dollar "contributed" by the member companies, the Federal Government would actually be paying roughly 52 cents. In other words, "contributions" of $50 million would shrink to only about $24 million, with the remainder being made up of what ordinarily would have been tax dollars.

There are other financial gimmicks hidden in your conditions.

3. "A fixed and adequate price to be paid by the Atomic Energy Commission for special nuclear material produced by the proposed breeder reactor."

This, of course, is in reference to valuable plutonium, which would be a byproduct of the reactor once it began operation. The Atomic Energy Commission has an established price for plutonium, which the AEC declines to make public. In your negotiations with the AEC on this point, it is my understanding that you are disappointed at the relatively low price of the AEC. Whatever the final price, however, I am informed that it is not a negligible factor as far as future PRDC income is concerned.

You are also quoted frequently as saying that any information resulting from experimentation at the proposed reactor would be available without cost, and free to the Atomic Energy Commission and others.

Yet, is it not true that you are negotiating with the Atomic Energy Commission for materials and use of AEC facilities which would provide PRDC with an indirect subsidy of several million dollars? And that one of the conditions of this subsidy is the turning over to the AEC of this free information?

The articles of incorporation of PRDC also provide for the distributing of the property upon PRDC's dissolution. None of the property will be returned to the original incorporators or other contributors, according to your statements.

Is it part of this plan that the Detroit Edison Co. will similarly dispose of the proposed steam-turbine generator it will build on the same site at a cost of $14 million?

Another important condition laid down by PRDC is the matter of Government indemnity insurance. This harks back to the matter of safety.

In a statement presented to the Michigan delegation in Congress last June, you and your associates said there was practically no likelihood of accidents at the Monroe reactor. The statement also said:

"Recently both stock and mutual-insurance groups have announced arrangements which would make insurance up to $65 million available for each atomic-power facility. This should be more than adequate for all foreseeable conditions.

"It is the catastrophic type of accident that gives us concern, and this concern applies to any atomic-power installation regardless of ownership. A law to provide Government indemnity, over and above the normal commercial insurance, seems to be the only appropriate solution at this time."

In Congresional hearings on this subject, you testified there should be no upper limit on such insurance, or, if there was a limit, it should be "very high." Asked for your definition of a "very high limit," you stated:

"I would believe that the figure of $500 million to $1 billion would be a very high limit."

I am not for a moment underestimating the need for adequate insurance to cover atomic plant accidents. However, insurance, no matter how high the limit, would be a very inferior repayment for loss of life.

Another feature of the insurance matter, should indemnity be provided by the Government in this instance, would be to encourage more such atomic experimentation in densely populated areas of our country.

Before leaving the financial matters, there is another "condition" which, while not coming before Congress or Federal Government agencies, has already been met by the Michigan Public Service Commission.

In an order issued in March 1955, the Michigan Public Service Commission agreed to permit Detroit Edison Co. to include its contribution to PRDC—$5 million—in its rate base. Thus, the consumers of Detroit Edison actually will be paying the company's contribution through their electricity rates.

To get back to the safety matter for a moment, are the customers of Detroit Edison to pay for endangering their lives with their own money?

In relation to Edison, it is proper to turn to another aspect of the situation—the purchase of steam from the proposed reactor by the Detroit Edison Co.

You have testified that the Detroit Edison Co. intends to build a conventional turbine-generator plant on the site at a cost of $14 million. You state further:

"Payment for that steam would be made by the Detroit Edison Co. at a comparable cost to what the Detroit Edison Co. could produce the equivalent amount of steam in a conventional fuel-burning plant."

At first glance, this appears to be a very fair statement. However, there are other factors which are not evident at first glance.

In the first place, the price for this steam would be negotiated by the Detroit Edison Co. with the Power Reactor Development Co., of which Detroit Edison is a member and the guiding light.

Now, it can be presumed that, initially, the actual cost of this steam would be much higher than the cost of steam from a conventional fuel-burning plant, even though Detroit Edison payments to PRDC may be the same.

This raises the question: Who will pay the difference between the amount paid for the steam by Detroit Edison and actual cost of producing it? Whose account will that be charged to?

In conclusion, let me say that I do not question the legality of the direct and indirect subsidies sought by PRDC. Such concessions would necessarily have to be a part of private participation in these early stages of atomic energy advancement. Even the Securities and Exchange Commission indicates its willingness to give an administrative exemption to PRDC on the utility holding company matter.

But, as I noted earlier, your attempts to becloud the public's mind with this politics nonsense and the hiding of the Government's true part in your operations is what leaves you open to serious criticism.

What you should be doing, instead, is urging the Government to speed up its own atomic-reactor program so that the necessary research and information can be made available more rapidly for use by private enterprise.

You know this research and development work cannot be carried out without Government assistance, otherwise you would not have laid down the long list of conditions. Your testimony before various Congressional committees makes this knowledge on your part evident, even though it is not so evident in your press conferences and other public statements.

You should know that the matter of more-than-adequately protecting the public from the fantastically-harmful effects of atomic accidents is even more important than actual progress in the peacetime use of the atom. The primary matter is safety, and that must be satisfied beyond a shadow of a doubt.

There is also the question of whether PRDC participants may not, as a result of their efforts here, wind up with virtually a monopolistic control over such peacetime uses. I suspect they will get much more from the proposed reactor than what you testified to, almost deprecatingly:

"They will, of course, benefit by the know-how each will acquire by actually having

some participation in the construction and operation of the reactor."

The field of atomic energy is a gigantic one. The unknowns are equally gigantic. What you propose to do is to use information already gathered by the Government through the expenditure of approximately $15 billion, pay for your reactor through hidden subsidies and tax concessions, and wind up with invaluable knowledge of atomic processes to use for future private gain.

Your tactics in pretending that the safety factor is nonexistent and your efforts to block questions about the proposed reactor with a political smokescreen and a public versus private power strawman can lead only to questions as to your true motives.

Sincerely,

PAT MCNAMARA,
United States Senator.

Mr. MCNAMARA. Mr. President, I shall not read the entire letter now, but I wish to read a portion of what I told Mr. Cisler. The following is an excerpt from the letter:

Let me make my own position clear at the outset, I reject the myth you have concocted that this is solely a fight between public and private power interests.

I would be more than happy if this work in the peacetime uses of atomic energy could be carried out by private enterprise.

I also, under normal conditions, would be extremely happy that this work was to be done in Michigan, with Michigan companies playing a leading role.

What I object to, however, is the sanctimonious approach you are making to the public.

You attempt to put across the notion that this work can be done by private enterprise without a dollar of the taxpayers' money being involved—you underplay the safety question—and you charge that any interference or questioning of our scheme is "politics."

Meanwhile, Mr. President, a group of interested parties—primarily the United Automobile Workers, the AFL–CIO, and others—asked the AEC for permission to intervene in the license proceedings.

They requested a hearing with respect to the legality of the Commission's conduct, the hazards of the reactor, and the financial qualifications of PRDC. They also requested that the permit be suspended, pending the hearing.

The AEC granted the hearing, but refused to permit them to go into the question of whether the AEC has violated the law, and it also refused to suspend the construction permit.

Although the interveners were granted a hearing of sorts, they immediately ran into a new and unusual problem. Because of the highly technical and complex nature of the issues, they had to call on the services of nuclear experts.

Now, there are few, if any such experts in the United States who do not have some relationship to AEC programs.

It is understandable that such experts would be reluctant in any event to take a public position contrary to that of the AEC.

But the AEC made it very plain that it not only understood this reluctance, but it desired it.

On December 14, 1956, Mr. H. L. Price, Director of the Division of Civilian Application of the AEC, stated that the AEC "has advised its consultants that voluntary appearances might involve a conflict of interest with their activities as consultants to the Commission—and that they may wish to consult private counsel in this respect."

That, Mr. President, is clearly intimidation to my mind.

The testimony on safety at the hearing simply reaffirmed the June 1956 findings of the Advisory Committee on Reactor Safeguards.

In other words, as of this date, there still is "insufficient information available to give assurance that the PRDC reactor can be operated at this site without public hazard."

The testimony on the financial qualifications of PRDC also was very interesting.

PRDC offered evidence that it had obtained commitment letters from its 21 companies covering contributions of $23,540,000.

It had a loan agreement with banks for $15 million, and purportedly $7 million from the Atomic Power Development Associates for research, development, and the like.

All these commitments reportedly were just about enough to cover the cost of constructing the reactor—if PRDC would receive favorable rulings concerning the taxability of its income.

The Internal Revenue Service, on July 19, 1957, finally ruled that none of PRDC's income during the construction period was subject to taxation. This is an assist worth about $7 million.

Assuming that PRDC had the construction cost covered, which is by no means certain, let us look at its financial problems during operation.

PRDC estimated that its total revenue from operating its reactor during a 10-year period—1961 to 1970—would be slightly over $92 million.

The sources of estimated revenue were twofold:

First. It would receive $43,500,000 from the sale of steam to the Detroit Edison Co.

Second. It would receive about $48,600,000 from the sale of the byproduce plutonium to the AEC—based on the assumption that the AEC would pay PRDC about $44 a gram for the plutonium produced.

That last source of revenue is very interesting. In the first place, of course, the Government would supply PRDC with nuclear fuel free of charge, and then buy back the plutonium produced.

This appears to me to be a strange way for the Government to do business, but that is the way things go nowadays, so I will not argue about it.

But let us look at that $44 per gram for plutonium that PRDC wanted the AEC to commit itself to. PRDC must have received a rude shock last November when the AEC announced that it was setting a guaranteed price of only $12 per gram for plutonium purchased during the period of July 1, 1962, through June 30, 1963.

On the basis of $12 per gram, PRDC's revenue would be more than $30 million less than it had estimated. But in May 1957, the AEC reversed itself—as only the AEC can do. It said that the price for plutonium during this period would be $30 per gram instead of $12—but still $14 per gram less than PRDC was counting on.

It should be noted that while the domestic price for plutonium will be $30 per gram, the price for plutonium produced in foreign reactors still remains at $12 per gram.

There has been no explanation to justify this difference in price.

Last March, while the hearings were in progress, the AEC entered into a contract with PRDC, in which it undertook to do certain research work in its own facilities to aid the construction of the PRDC reactor.

For this research work, the AEC would spend not more than $4,450,000.

The contract also provided for free nuclear fuel to be supplied by the AEC for the first 5 years of the reactor's operation. This provision is estimated to be worth $3,700,000.

The timing of the contract was very peculiar.

The AEC committed itself, on the one hand, to aid the PRDC reactor financially, while at the same time it was conducting a hearing to determine whether or not the reactor should even be built.

Also, the AEC was committing itself to use funds which Congress had not yet appropriated.

In a recent letter to Representative COLE, Chairman Strauss said in part:

The PRDC arrangement was entered into in good faith pursuant to the first round of the Commission's power demonstration reactor program—the aims, content, and procedures of which were, we had every reason to believe, fully acceptable to all concerned including Congress.

We believe that under the circumstances PRDC in justice is entitled to assurance that the appropriations necessary for the Commission's undertakings are authorized.

In other words, what Mr. Strauss is saying is that, while the contract was specifically made contingent on the availability of funds appropriated by Congress, Congress is now obligated to appropriate these funds because the contract was negotiated.

This reasoning, while foreign to us, seems entirely in keeping with many of the activities of Mr. Strauss and his AEC.

Mr. President, I have made these remarks not because I do not wish to see PRDC construct a safe and successful reactor. Nor do I make them because I fail to see the great importance of peacetime use of atomic energy. I make them because the odor of this entire transaction, from start to finish, is a bad one.

I think the people of Michigan and of the United States are entitled to have the wool pulled away from their eyes for a change in the exercise of our domestic atomic policy.

For too long they have been hoodwinked and treated to practices that do not bear close scrutiny in the light of day.

I think it is time for a change.

Mr. GORE. Mr. President, will the Senator yield?

Mr. MCNAMARA. I yield to the Senator from Tennessee, who is an authority on this subject.

Mr. GORE. I thank the Senator. I am a layman, although I am a member of the committee.

The chairman of the Advisory Committee on Reactor Safeguards testified that on the basis of information now available he could give no assurance that this reactor can be safely operated. It is the position of the committee that we should neither approve nor disapprove at this time, that we should not prejudice the ultimate decision as to the safety of the reactor, because no member of the committee is a scientist. It is a question that must ultimately be determined by proper authority.

Mr. McNAMARA. I appreciate the Senator's remarks, but does he not agree that a proper committee on the question of safety had not passed on the question as of today?

Mr. GORE. It has not been approved as to safety.

Mr. McNAMARA. Therefore we are concerned with the safety question.

Mr. GORE. Furthermore, when the decision of the Commission is finally made, it is appealable to the courts. It is through that process that a decision will probably be reached.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Iowa [Mr. HICKENLOOPER].

Mr. PASTORE. Mr. President, I desire to make a very brief statement in opposition to the amendment of the distinguished Senator from Iowa. I merely say that, with the amendment or without the amendment, the Government will not be in the business of selling commercial power. If this is a contract between the Government and the cooperative, it is because of round two under the program initiated and suggested by the Atomic Energy Commission itself.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. HICKENLOOPER. This is not a contract between the Government and the cooperative, as the language now reads, and that is what I am trying to change. The Commission must contract with the supplier, and not with the cooperative.

Mr. PASTORE. That may be true before the construction of a reactor. But one of the interested, important parties whose name will be affixed to the document will be the cooperative, which assumes full responsibility for maintaining and operating the reactor once it is built. All we are saying in the committee report is that under the proposal reported by the joint committee, inasmuch as every single penny of the money to be spent is Government money and belongs to all the taxpayers, and inasmuch as the cooperative will not put up one penny for the construction of the reactor, it behooves the Commission, and it is the responsibility of the Commission, to see to it that the proper architect is engaged, the proper engineer is engaged, the proper construction contractor is engaged; that the reactor is built according to specifications, and is the right kind of reactor for that section of the country. That is all the provision says. It says to the Atomic Energy Commission, "If you are paying for the full expense of building the reactor, then you are responsible to see to it that the taxpayers are protected by dealing directly with the manufacturer who will put it together." Once it is put together, the cooperative will operate it. Whether we do business directly or not, the situation is not changed.

I think it is a very simple provision, and a very wise one. I believe it is consonant and consistent with the responsibility of the AEC to the taxpayers of the United States.

Mr. GORE. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. GORE. The Senator has referred to responsibility. The Congress of the United States has created the Joint Committee on Atomic Energy with legislative jurisdiction over this subject matter. I ask the able Senator how the Joint Committee on Atomic Energy could best discharge its responsibility for the expenditure of billions of dollars, whether by direction or indirection, whether by holding the Atomic Energy Commission itself directly responsible, or whether by indirection, seeking to hold the Commission responsible through some other entity?

Mr. PASTORE. That is the crux of the question. In my mind I have no doubt. It has nothing at all to do with the Government being in the business of selling commercial power. The power will be sold whether the amendment is agreed to or not. This reactor will be built, whether the amendment is agreed to or not. The cooperative is going to operate the reactor, whether the amendment is agreed to or not. We are going to sell the steam, whether the amendment is agreed to or not.

We are in the enterprise anyway. If there is any fault with the Government being in the commercial business of selling power, then the fault is with the program suggested by the AEC; it is not with the action the committee took.

Mr. GORE. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. GORE. Under the Commission plan, a small cooperative with an income of only $18,000 a year could contract for the construction of a multimillion dollar reactor. Such a cooperative might be without funds to justify such an undertaking, without experience in reactor construction, without sufficient technical personnel, without experience in making contracts of such magnitude, yet the Government of the United States would be obligated to foot the bill.

Under the plan proposed by the Joint Committee, the Commission itself would deal, not through a third party, but would deal directly with those who would design and construct the reactors. I think that is the most economical approach. We know it is the most direct way to proceed. We think it is the most business-like way and that it will bring about the most rapid research and development, for less money.

Mr. LAUSCHE. Mr. President, I shall not urge any of my colleagues as to the manner in which they shall cast their votes.

I have listened to the debate this afternoon. I have studied the section under consideration. I want to say to Senators that, regardless of what we say as to this amendment, in my opinion, the Government will forever be operating the plant in question or any other plant established and constructed under the bill.

If Senators will look at page 15 of the bill, I should like to read from the section, which is divided into two parts. The first part reads:

Arrangements for projects sponsored by cooperatives and publicly owned agencies shall be carried on by direct contract between the Commission and the equipment manufacturer or engineering organization with respect to the development, design, and construction of the reactor and related facilities—

This part now provides that the contract shall be made directly with the equipment manufacturer instead of the cooperative.

Mr. PASTORE. That is correct.

Mr. LAUSCHE. Part No. 2, I think, is the significant aspect of the section—

and by direct contract between the Commission and the cooperative or publicly owned organization with respect to the provision of a site—

That is simple. They will contract to determine where the site will be—

and conventional turbogenerating facilities—

That is simple. They will determine what type of conventional turbogenerating facilities will be installed—

the operation of the entire plant including training of personnel.

On that score there may eventually be trouble. Who is going to operate the plant? The Government has now said it is not to be in it.

Mr. PASTORE. If the distinguished Senator will permit, I did not say the Government was not to be in it. We are not drawing the proper line of demarcation here. The first part of the subsection which the Senator has read deals with construction. Once the reactor is built, the situation is different.

Mr. LAUSCHE. I understand that clearly, without the aid of the distinguished Senator.

I am saying to Senators that the third portion of the section provides that there shall be a contract made directly dealing with the operation of the entire plant. I respectfully say that none of us are going to be in the administration, and that the section determining who shall operate the plant is left suspended.

The sale by the Commission of steam—

Let me repeat that:

The sale by the Commission of steam from the reactor complex to the cooperative or publicly owned organization—

There is a query I desire to put to the Senator——

Mr. PASTORE. Is the Senator addressing the query to the Senator from Rhode Island?

Mr. LAUSCHE. No.

Mr. PASTORE. The Senator from Rhode Island has the floor, I believe. I yielded for a question.

Mr. LAUSCHE. I asked the Chair for the floor.

Mr. PASTORE. Mr. President, who has the floor?

The PRESIDING OFFICER. The Senator from Ohio has the floor.

Mr. PASTORE. I beg the Senator's pardon.

Mr. LAUSCHE. There is nothing in this bill which provides that the Government shall ever sell the plant. I ask if it is reasonable to suppose that it ever will sell it. The Government will make a contract with the cooperative, and from that time on, forever and forever, the Government will own these plants.

The argument which I am now making applies with equal force to the amendment which was just voted down.

In my opinion, in spite of all the arguments which are made to the contrary, to the effect that this does not mean the Government is in the business, we cannot read this language and come to any conclusion other than that the Congress is telling these people when and where to sell. A public-minded owner of utilities, if in the administration, will never sell them. I doubt whether even the private-minded owner will be able to sell them if and when built.

Mr. PASTORE. Mr. President, will the Senator yield for a question?

Mr. LAUSCHE. I concur with what the Senator from Rhode Island said a while ago. The amendment means nothing, but the bill means we are forever in the power business.

Mr. PASTORE. If the Senator will yield, that is precisely the point. If there is anything wrong with this whole program, the wrong is with section 111. That is the program, round two, initiated and suggested by the Commission itself. Everything the Senator has said is correct. Every question the Senator has raised here was raised in the committee and fully discussed.

Mr. LAUSCHE. Certainly, in the committee.

Mr. PASTORE. The impression is given here that if we amend the bill we will take the Government out of the power business, but if we leave the bill the way it is the Government will be in the power business. All I say is that the Government is in the power business whether we adopt the amendment or not. The only justification for putting the Government in the business, of course, is that this program is still in the stage of research and development.

I repeat that the argument of the distinguished Senator from Ohio goes to the whole section and not to the amendment.

Mr. LAUSCHE. I agree that the amendment does not alter the situation.

I may say to my colleagues that in the committee there was a discussion about imposing a 5-year limitation or a 10-year limitation after which the Government would have to divest itself of ownership. The Senator from Minnesota is aware that the Elk River project group has an option to buy in 5 years. That option will be dead when the bill is passed.

Mr. THYE. Mr. President, will the Senator yield?

Mr. LAUSCHE. I yield to the Senator from Minnesota.

Mr. THYE. There is a provision regarding that matter in the contract which at present lies on the desk of the Atomic Energy Commission for approval. That is my great concern and has been my concern all afternoon with regard to this bill. It seems to me we are moving in the direction of total public power, and that we may foreclose the possibility of negotiating to a completion the contract which now lies awaiting signature, a contract between a willing cooperative and the Atomic Energy Commission.

If I am mistaken in my understanding of the situation, then it is simply because of my inability to get to the bottom of it or to obtain the facts.

I see in the pending proposal public power, and also a question of destroying the existing, prepared, and much-negotiated contract between the Elk River group, the Atomic Energy Commission, and the manufacturing company.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. LAUSCHE. I yield to the Senator from Iowa.

Mr. HICKENLOOPER. I think the Senator from Ohio has put his finger on several things which are implicit in the bill as it came from the committee. However, I should like to invite his attention to something which the Senator from Minnesota has mentioned.

The Elk River Cooperative wants to deal with the Commission and wants a part of the responsibility. It does not want the Commission to be compelled to bypass the Elk River Cooperative in the purchase and building of the reactor. In fact, the Elk River Cooperative has done many of these things on its own.

I am quite reliably informed that Consumers Public Power District of Nebraska wants to contract with the Commission under a partnership arrangement. They have taken many steps toward the acquisition of their own reactor operation. This bill would prevent that.

Mr. LAUSCHE. I might say to the Senator from Iowa that if I had to pass upon this measure I would say that the probability of the Government getting out of the business is greater if we adopt the Senator's seemingly innocuous amendment than if we do not.

Mr. HICKENLOOPER. I believe that is true, but I do not believe I could go along with the Senator in saying that my amendment is quite innocuous. I think it is important and goes pretty deeply into the whole philosophy of putting the Government into the commercial power business. I think that is what is involved in the amendment.

Mr. CASE of South Dakota. Mr. President, will the Senator yield ?

Mr. LAUSCHE. I yield to the Senator from South Dakota.

Mr. CASE of South Dakota. Mr. President, I ask the able Senator from Ohio to interpret the language in line 9, page 15, of the bill, which has a limitation on the size of the program.

Mr. LAUSCHE. I saw those figures, and I cannot see the relationship. There is authorized to be appropriated $129 million, and following that is a statement that it shall not exceed $149 million. I do not know whether there are $20 million of unexpended funds available somewhere.

Mr. ANDERSON. There are $20 million of waiver-of-use charges which are authorized in the program total.

Mr. CASE of South Dakota. What was the answer?

Mr. ANDERSON. The Atomic Energy Commission has asked for authorization for waiver-of-use charges on these various projects, including the Nebraska project, the Minnesota project, the Wolverine project, the city of Piqua, Ohio, project, and the Chugach project. These were not considered necessary, as such, under the committee's bill. The $20 million has been put in to take care of those obligations for the third round which the Commission desires to assume.

Mr. CASE of South Dakota. Then that is not a limitation on the obligations which may be incurred in the program.

Mr. ANDERSON. The $129 million is a limitation on authorization, and the $20 million additional is a further authorization on how much excess there can be over the $129 million.

Mr. CASE of South Dakota. The able Senator from Ohio has raised the question as to whether or not there are any terminal facilities in this program. I was wondering whether this language meant that in the beginning there would be an authorization of $129 million, but that in any event the program was not to exceed $140 million.

Mr. ANDERSON. No.

Mr. LAUSCHE. This is the amount of money allowed for construction purposes, but each year it will be necessary to appropriate money for operation. So if we decide to quit appropriating money at some time, that will be the termination date of the project.

Mr. ANDERSON. The waiver-of-use charges is a portion of the operating expense. The Senator was quite right when he said that if additional money were desired for building new plants the Congress would have to provide the money; but theoretically $20 million would take care of waiver-of-use charges for about the time the reactors are supposed not to be economical.

Mr. CASE of South Dakota. Mr. President, if the Senator from Ohio will indulge me further, and if I may have the attention of the Senator from New Mexico, the Senator from New Mexico answered the question raised by the Senator from Ohio with respect to the length of time for which the Government would incur operating obligations.

Mr. ANDERSON. If anyone can tell me how long it will be before we shall have thermonuclear power, I can tell him how long we shall want to operate these reactors.

In the long discussion we had with the Senator from Ohio, I think we arrived at the answer that so long as the reactors are valuable in development and research, so long as they are bringing in the experience which the Atomic Energy Commission wants, and so long as the costs remain reasonable, they will probably be operated. My personal guess is that after they are constructed, there will not be more than 5 years in which they will be economically desirable, or in which they will contribute to research in the art. We are making rapid progress. Someone else may think

the period should be 15 years. We have not tried to pin it down. One could not submit that question to the Commssion and get an answer, because the Commission is not foolish enough to guess.

Mr. CASE of South Dakota. What kind of contract is being made in that connection?

Mr. ANDERSON. The Commission is making a contract with the Elk River Cooperative which provides that after 5 years the Elk River Cooperative may purchase the facility. That provision will be in every one of the contracts. After 5 years, if the cooperative wishes to purchase it, it may do so.

Mr. LAUSCHE. Where is the language in the bill authorizing sale after 5 years?

Mr. CASE of South Dakota. Why should the Elk River Cooperative, or any other cooperative, wish to purchase the plant, if it is guaranteed the right to purchase steam at a rate based upon the present cost of comparable steam from a plant using conventional fuels?

Mr. ANDERSON. The project will continue for 5 years, if the differential referred to is allowed. The project will terminate after a while. These projects will not continue for hundreds of years. The Atomic Energy Commission has tried to be careful, and so has the Joint Committee. After a time the experimental period will come to an end, and the projects will then be terminated.

Mr. LAUSCHE. Is there a limitation in section 111 (a) (2)?

Mr. ANDERSON. No. There is no special limitation on how long they may continue. But the report provides some guidance.

Mr. LAUSCHE. In my judment the bill contemplates that the only way it will be possible to sell the property will be through action by Congress. Perhaps that is the way it should be, but to look at it objectively and coldly, any time it is desired to make a sale, the approval of Congress is required.

Mr. GORE. Mr. President, will the Senator yield?

Mr. LAUSCHE. I do not know whether the Senator from South Dakota has concluded.

Mr. CASE of South Dakota. The Senator from Ohio has raised a question which troubles me, and that is whether or not this is an open-end, unending contract.

Mr. ANDERSON. Certainly not. It is limited. A limitation of funds is the best limitation Congress has. When the money runs out, the project is at an end. That is the most effective limitation. The committee has spent many hours on this very point, as has the Atomic Energy Commission.

Mr. CASE of South Dakota. I like the idea of a cooperative program between the Government and cooperatives, or between the Government and private interests. I am disturbed by the suggestion that we might be committing ourselves unendingly to operating expenses.

Mr. ANDERSON. Oh, no.

Mr. LAUSCHE. Mr. President, I have listened to the Senator's analysis of legal problems, but all we have to do is to look at the language on page 15. The language is—

(1) Arrangements for projects sponsored by cooperatives and publicly owned agencies shall be carried on by direct contract between the Commission and the equipment manufacturer or engineering organization with respect to the development, design, and construction of the reactor and related facilities, and by direct contract between the Commission and the cooperative or publicly owned organization with respect to the provision of a site and conventional turbogenerating facilities, the operation of the entire plant including training of personnel, the sale by the Commission of steam from the reactor complex to the cooperative or publicly owned organization, and other relevant matters.

There is nothing in that language about the sale of the property.

Mr. GORE. Mr. President, will the Senator yield?

Mr. LAUSCHE. I yield.

Mr. GORE. Nor is there any prohibition against sale. There is no change in the authority of the Atomic Energy Commission to contract for the sale, or to sell. The bill makes no change in that respect.

Mr. LAUSCHE. I think that is correct.

Mr. GORE. Under the present law, it can sell property; and if this bill is passed, the law will remain unchanged.

Mr. ANDERSON. Absolutely.

Mr. CASE of South Dakota. Mr. President, I should like to ask one further question. Is in accord with the Senator's analysis of section 111 of the bill, and of the amendment offered by the Senator from Iowa, that a program of approximately $130 million would be authorized in either event?

Mr. LAUSCHE. I think so.

Mr. CASE of South Dakota. I thank the Senator.

Mr. LAUSCHE. I will vote for the amendment, because I think the situation so far as the Federal Government eventually getting out of the business would be better under the amendent proposed by the Senator from Iowa.

Mr. ANDERSON. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ANDERSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ANDERSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ANDERSON. What is the question now before the Senate?

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Iowa [Mr. HICKENLOOPER], designated as amendment "D." On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FULBRIGHT (when his name was called). On this vote I have a pair with the senior Senator from Tennessee [Mr. KEFAUVER]. If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." I withhold my vote.

Mr. SPARKMAN (when his name was called). On this vote I have a pair with the senior Senator from Vermont [Mr. FLANDERS]. If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I withhold my vote.

The rollcall was concluded.

Mr. MANSFIELD. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Delaware [Mr. FREAR], the Senator from Texas [Mr. JOHNSON], the Senator from Tennessee [Mr. KEFAUVER], the Senator from West Virginia [Mr. NEELY], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

The Senator from Idaho [Mr. CHURCH] is absent by leave of the Senate attending the Economic Conference of the Organization of American States at Buenos Aires.

The Senator from Missouri [Mr. HENNINGS] is absent by leave of the Senate because of illness.

I further announce that if present and voting, the Senator from Delaware [Mr. FREAR], the Senator from Missouri [Mr. HENNINGS], the Senator from Texas [Mr. JOHNSON], the Senator from West Virginia [Mr. NEELY], and the Senator from Florida [Mr. SMATHERS] would each vote "nay."

On this vote, the Senator from Idaho [Mr. CHURCH] is paired with the Senator from Indiana [Mr. CAPEHART].

If present and voting, the Senator from Idaho would vote "nay" and the Senator from Indiana would vote "yea."

Mr. DIRKSEN. I announce that the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The Senator from Colorado [Mr. ALLOTT] is absent because of illness in his family.

The Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate in order to represent the Senate at the Latin American Economic Conference in Buenos Aires and is paired with the Senator from Idaho [Mr. CHURCH]. If present and voting, the Senator from Indiana would vote "yea" and the Senator from Idaho would vote "nay."

The Senator from Vermont [Mr. FLANDERS] is necessarily absent, and his pair with the Senator from Alabama [Mr. SPARKMAN] has been previously announced.

The Senator from New Hampshire [Mr. COTTON] and the Senator from Arizona [Mr. GOLDWATER] are necessarily absent.

The Senator from Nevada [Mr. MALONE] is absent on official business.

The Senator from North Dakota [Mr. YOUNG] is detained on official business.

If present and voting, the Senator from Colorado [Mr. ALLOTT], the Senator from New Hampshire [Mr. COTTON], the Senator from Arizona [Mr. GOLDWATER], and the Senator from Maine [Mr. PAYNE] would each yote "yea."

The result was announced—yeas 34, nays 42, as follows:

YEAS—34

Barrett	Hruska	Purtell
Beall	Ives	Revercomb
Bennett	Javits	Robertson
Bricker	Jenner	Saltonstall
Bush	Knowland	Schoeppel
Butler	Kuchel	Smith, Maine
Carlson	Lausche	Smith, N. J.
Case, N. J.	Martin, Iowa	Thye
Curtis	Martin, Pa.	Watkins
Dirksen	Morton	Williams
Dworshak	Mundt	
Hickenlooper	Potter	

NAYS—42

Aiken	Hayden	Monroney
Anderson	Hill	Morse
Bible	Holland	Murray
Carroll	Humphrey	Neuberger
Case, S. Dak.	Jackson	O'Mahoney
Chavez	Johnston, S. C.	Pastore
Clark	Kennedy	Russell
Cooper	Kerr	Scott
Douglas	Langer	Stennis
Eastland	Long	Symington
Ellender	Magnuson	Talmadge
Ervin	Mansfield	Thurmond
Gore	McClellan	Wiley
Green	McNamara	Yarborough

NOT VOTING—19

Allott	Frear	Neely
Bridges	Fulbright	Payne
Byrd	Goldwater	Smathers
Capehart	Hennings	Sparkman
Church	Johnson, Tex.	Young
Cotton	Kefauver	
Flanders	Malone	

So Mr. HICKENLOOPER's amendment was rejected.

Mr. GORE. Mr. President, I offer an amendment, which has been discussed with members of the Joint Committee and to which the Senator from Iowa [Mr. HICKENLOOPER] has agreed.

The PRESIDING OFFICER. The amendment will be stated.

Mr. GORE. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with and that the text of the amendment be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GORE's amendment is as follows:

On page 17, line 24, add the following new sections:

"SEC. 201. Section 161e of the Atomic Energy Act of 1954, as amended, is amended by adding after the words 'adjusted terms which' in the proviso thereof, the following: '(at the time of the initial grant of any privilege grant, lease, or permit, or renewal thereof, or in order to avoid inequities or undue hardship prior to the sale by the United States of property affected by such grant)'.

"SEC. 202. Section 35 of the Atomic Energy Community Act of 1955, as amended, is amended by adding thereto:

"'c. The appraised value of the Government's interest in commercial property shall, in the cases where renegotiation of the lease is requested by the lessee under the provisions of section 161e, of the Atomic Energy Act of 1954, as amended, be based upon the renegotiated lease if any is agreed on. Where such renegotiations are requested, the sales proceedings shall not be initiated until the completion of the renegotiation.'

"SEC. 203. The Atomic Energy Commission, the Federal Housing Administration, and the Housing and Home Finance Agency shall report to the Joint Committee by January 31, 1958, with respect to the renegotiations, reappraisals, and sales proceedings authorized under sections 201 and 202 of this act.

"SEC. 204. Section 161 of the Atomic Energy Act of 1954, as amended, is amended by adding the following new subsection:

"'s. Under such regulations and for such periods and at such prices the Commission may prescribe, the Commission may sell or contract to sell to purchasers within Commission-owned communities or in the immediate vicinity of the Commission community, as the case may be, any of the following utilities and related services, if it is determined that they are not available from another local source and that the sale is in the interest of the national defense or in the public interest:

"'(1) Electric power.

"'(2) Steam.

"'(3) Compressed air.

"'(4) Water.

"'(5) Sewage and garbage disposal.

"'(6) Natural, manufactured, or mixed gas.

"'(7) Ice.

"'(8) Mechanical refrigeration.

"'(9) Telephone service.

"'Proceeds of sales under this subsection shall be credited to the appropriation currently available for the supply of that utility or service. To meet local needs the Commission may make minor expansions and extensions of any distributing system or facility within or in the immediate vicinity of a Commission-owned community through which a utility or service is furnished under this subsection.'"

Mr. HICKENLOOPER. As I understand, the amendment refers to the settlement of some community property problems we had under discussion. I personally believe they should be settled, and the amendment provides the only vehicle whereby that can be done.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment of the Senator from Tennessee [Mr. GORE] was agreed to.

Mr. BIBLE. Mr. President, I ask unanimous consent that a statement I have prepared concerning the atomic reactor problem in the State of Nevada be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BIBLE

Since the inception of nuclear tests authorized by our Government at the Nevada test site in southern Nevada, the residents of my State of Nevada have been more than cooperative.

The first atomic blast at the Nevada test site was conducted on January 27, 1951. This followed a single test in New Mexico on July 16, 1945. The entire Nation has focused its eyes on Nevada, as test after test, and blast after blast have occurred. In the 5 series of tests since the original shot in 1951, 45 atomic blasts in all have been the total result of nuclear tests in Nevada. Starting with the current series of tests early this spring, some 15 tests have been made, 4 of which were not nuclear.

The series has not yet ended. More are to come.

As I stated before, the residents of Nevada have been cooperative with the United States Government in keeping their objections to a minimum. This has not come about by the mere fact that they have felt they are secure from all danger; but has been more from the fact that they realize the importance of the testing program; the importance to our entire Nation and to the world. They fully realize that if the United States is to keep pace in the atomic weapons field and if the United States is to use the scientific knowledge at its disposal in this field that the tests are necessary. The residents of Nevada are peaceful people. They want our Government to have the means with which it can keep the peace of the world. However, I am certain that Nevada residents do not want Nevada to become the dumping grounds for the Atomic Energy Commission's experimental weapons program.

They would much prefer that the Atomic Energy Commission displayed some interest in establishing peaceful nuclear reactors of some type, which would insure a normal and peaceful growth for the State and thereby assist us in establishing industry for which our State is in such dire need.

In other words, Nevadans and myself, speaking as their elected representative, feel that the time is long overdue for recognition to our State by the Atomic Energy Commission, in establishing an atomic reactor for power purposes or for the establishment of experimental laboratories in our State university at some other site which would give our Nation and State a part in the important peaceful adaptation of nuclear energy.

The State of Nevada is one of the fastest growing States in the Union.

We need power.

Our water resources are limited.

We are ideally situated for the establishment of a nuclear reactor, from which we could obtain needed requirements in electrical energy. We have great wealth in the manner of minerals. We have ample transportation facilities. We are situated near heavily populated areas. We have enterprising residents, who want to see their State grow and prosper and attract industry. We cannot do this without ample power.

I am sure the majority of this body is well aware of the tremendous cost of establishing nuclear power facilities. This is one reason why private enterprise has been slow in developing nuclear reactors and power plants. Conventional plants are less costly.

Small power firms in Nevada do not have at their disposal men who are qualified to outline and draw plans for negotiating contracts with the Atomic Energy Commission or with industry to the point where they can give the necessary information for acquiring assistance needed to establish and construct nuclear power facilities. They are qualified in their particular field of generating power by other means. They are interested in the nuclear field and they need the assistance that is offered in this bill now before the Senate.

They realize nuclear power plants in Nevada will hurdle the obstacles of a shortage of water and high-cost fuel. They are also cognizant of the high costs involved in nuclear power.

There are two points which I want to convey to this body and I feel that both can be stated in simple words.

First, if the State of Nevada can bear the brunt of atomic blasts and a necessary testing program for nuclear weapons in carrying out the policy of our Government under the terms of laws and provisions at the command of the Atomic Energy Commission and its purview by the President, then the Atomic Energy Commission should also awaken to the needs of State and direct some effort toward establishing a portion of its experimental work along peaceful lines, such as a nuclear reactor in a section of Nevada to be chosen at the Commission's direction.

Second, I sincerely hope that this body will adopt measures to implement the present Atomic Energy Act, whereby a simplification of procedure will result, thereby allowing small privately owned or publicly owned power companies to compete in the construction of nuclear power reactors with material assistance from the United States Government.

Mr. BIBLE. Mr. President, I ask unanimous consent that an editorial from the Mineral County Independent, of Hawthorne, Nev., under date of August 7, 1957, dealing with the same general problem, be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Mineral County Independent, Hawthorne, Nev., of August 7, 1957]

Causing almost as much rumble as the atomic-bomb blast itself is the growing demand for at least a temporary halt of all nuclear-bomb tests.

While the World Council of Churches was recommending this at a central council committee meeting in New Haven, Conn., another organized group, with temporary headquarters in Las Vegas, was carrying on an active program of protest against further tests at the atom test site in southern Nevada.

In fact, 11 demonstrators from this group were arrested Tuesday as they attempted to enter the test site as a protest action.

For several weeks there has been much written about such planned demonstrations, and also about the AEC's intention to make arrests for trespass and also about the stringing of barbed-wire barriers and posting of armed guards.

And all of this is going on within the boundaries of the sovereign State of Nevada, not in Washington, D. C., or some isolated Pacific island.

Which causes us to assert that it is high time our United States Senators and Congressmen, and even our Governor, speak up—in audible and firm voice—to the AEC.

Again we say that if Nevada is to be used as dumping ground for the Atomic Energy Commission's experimental program, this State should also receive first consideration as the location for some of the more permanent types of atomic research—such as nuclear powerplants now being tested in several other States.

Based upon what little information the AEC is willing to release (about the developments at these various test plants) there is more reason than ever to insist that one such plant be established in the vicinity of Schurz. The Government owns a vast amount of land in that area; there is the "river of water" that is so frequently referred to as a necessity.

And there is a great potential outlet for power—Mason Valley (with Anaconda and other mines) to the west; Nevada Scheelite (mine and carbide plant) and Gabbs (with its large mining and milling operations) to the east; Fallon (with the big expansion program at the naval air station) to the north; and Mineral county (with the huge naval installation at Hawthorne, and mining and industrial potential) to the south.

Franchise right of the privately and municipally owned power systems in these areas could be guaranteed through initial agreements and contracts, just as is done where large dams are built by the Government as a part of reclamation projects.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. ANDERSON. There is on the calendar, Calendar No. 870, H. R. 8996, and I ask unanimous consent that the Senate proceed to the consideration of that bill; that all after the enacting clause be stricken; that the text of the Senate bill, as amended, be inserted in lieu thereof; and that the Senate bill be indefinitely postponed.

The PRESIDING OFFICER. The House bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 8996) to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes.

The PRESIDING OFFICER. Without objection, the bill is amended by striking out all after the enacting clause and substituting in lieu therefor the text of S. 2674, as amended.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

The PRESIDING OFFICER. Without objection, S. 2674 is indefinitely postponed.

Mr. ANDERSON. Mr. President, I move that the Senate insist upon its amendment, request a conference thereon with the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. ANDERSON, Mr. RUSSELL, Mr. PASTORE, Mr. GORE, Mr. JACKSON, Mr. HICKENLOOPER, Mr. KNOWLAND, Mr. BRICKER, and Mr. DWORSHAK conferees on the part of the Senate.

AMENDMENT OF ATOMIC ENERGY ACT OF 1954, AS AMENDED

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar 302, S. 2051.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2051) to amend the Atomic Energy Act of 1954, as amended, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to, and the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I understand there is no controversy about the pending bill. It has the unanimous approval of the full Joint Committee on Atomic Energy.

Mr. ANDERSON. Mr. President, I have one short amendment to offer to the House bill, concerning a matter which came to us from the advisory committee.

I ask unanimous consent that the Senate proceed to the consideration of the House bill, Calendar No. 579, H. R. 7383.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 7383) to amend the Atomic Energy Act of 1954, as amended, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Mexico?

There being no objection, the Senate proceeded to consider the bill.

Mr. ANDERSON. The House added a number of minor amendments, which, I am sure, the Senator from Iowa will agree, are satisfactory to the joint committee. Therefore, it is better to work with the House bill.

Mr. President, I offer the amendment which I send to the desk and ask to have stated. The amendment is offered to the House bill.

The PRESIDING OFFICER (Mr. BUSH in the chair). The amendment will be stated.

The LEGISLATIVE CLERK. On page 10, in line 20, after the word "conferences", is is proposed to insert "or other work of the committee."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Mexico.

The amendment was agreed to.

Mr. ANDERSON. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a speech which I intended to deliver. I imagine the Senate will not object if I do not deliver it at this time.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR ANDERSON

As I speak in support of S. 2051, I do so with the conviction that this bill is as soundly drafted as it is possible to get. The probability of there ever being any necessity for using the provisions of this act is very, very slight.

First I want to go over the history of how this bill came to its present state. During the hearings which are required to be held by the Joint Committee under section 202 of the Atomic Energy Act of 1954, this indemnity problem was brought to the attention of the committee as a possible roadblock. In April of 1956, the Joint Committee held a seminar with over 40 persons attending, at my invitation as Chairman of the Joint Commitee. These persons represented the Atomic Energy Commission, insurance companies, possible reactor owners, possible reactor contractcors, and persons who may sell specialized services or parts. Again on May 15, 16, 17, 18, and 21, 1956, the Joint Committee held public hearings on the problem, at which time it heard 38 persons, which also included representatives of cooperatives and unions. These hearings were held by the full committee in view of the importance of the problem. Further hearings were held in June of 1956. Hearings were held again in March of 1957, at which time 26 witnesses were heard. Everybody who desired to appear was given an opportunity to testify or to file a statement. No statement has yet been submitted to the Joint Committee opposing this legislation except on behalf of one association.

I want to assure you that the main purpose of this proposed legislation is to see that the public is protected in the unlikely event of a runaway reactor. This aim, more than anything else, distinguishes the present bill from those methods of protection suggested by other persons.

Let me give you a brief explanation of how the bill operates.

First, as a condition for a license for a reactor, the Commission will require the licensee to take out and maintain financial protection. The face amount of this protection is to be the amount of insurance which is privately available, unless the Commission finds that a lesser amount is fair, considering the hazard involved in the reactor and

the terms and cost of the insurance, among other things.

The Commission is given authority to require this financial protection as a condition of the license when any other hazardous activity in the atomic energy program might be carried on.

Second, each licensee required to furnish financial protection is also required to maintain a contract of indemnification with the Federal Government by which the Government will indemnify the licensee up to $500 million, including damages and the costs of investigating and settling claims. This $500 million is the maximum amount the Government will be called upon to pay in connection with any nuclear incident under this bill.

Third, both the financial protection and the Government's indemnification are to be made for the benefit of any person who might be found liable for a reactor incident. This will cover a large number of contractors and subcontractors and it will cover them whether they supply the materials, knowing they are going into a reactor, or whether they supply them through the open market. In view of the Committee's desire to protect the public, regardless of the particular cause of any reactor incident, the private insurance and the Government indemnification will both cover any person who might be liable for the nuclear incident at the reactor.

Fourth, the Commission is given the authority to use this indemnification procedure with its own contractors and subcontractors. There have been occasional questions as to the Commission's authority to give indemnification agreements under the Atomic Energy Act of 1954 where the President has not exercised his special authority to waive the statutory requirements of contracts. In addition, the Commission has not always extended its indemnities down through the lower tiers of subcontractors so that they are left without any protection in the event one of their contributions to a reactor should be found to be the cause of a nuclear incident.

Fifth, in the more remote contingency that the possible damages might exceed the amount of the financial protection, together with the $500 million sum, the Commission, or any person interested, can apply to the district court having jurisdiction in bankruptcy over the site of the nuclear incident and have the funds available prorated among all those to whom liability is owed. Congress could appropriate more moneys after further authorization hearings before the Joint Committee, if this seemed desirable at the time. The Commission is required to make full reports to the Joint Committee whenever there is a nuclear incident which might require the exercise of the powers given by this bill, and the final findings of the Commission are to be made public.

Sixth, the Joint Committee recommends that the Commission charge $30 a year per thousand kilowatts of thermal energy for commercial facilities. This would cover the administrative costs of the protection but would not provide an actuarially sound reserve.

To round out the picture, I should tell you that Commonwealth Edison Co. would pay $18,900 a year for the governmental indemnity; Yankee would pay $14,400; Elk River would pay $1,640; General Electric Co. would pay $360, and Armour and Battelle would pay $100 each.

Seventh, to complete the statutory provisions for the reasonable safety of reactors, as I have mentioned before, the bill would make the Reactor Safeguards Committee a statutory committee and would make its reports public. It would require the Reactor Safeguards Committee to pass on applications for those licenses for reactors which, by their nature, are the less safe. In addition, the Commission is required to hold hearings on each facility which would be licensed, either as a commercial facility or as a facility looking toward the demonstration of its practical value, or a testing facility. These are the facilities most likely to have the hazards against which this bill seeks to provide additional protection.

There is one particular feature of the bill that I would like to discuss. This is that portion of the definition of "public liability" which includes the so-called off-site property. This portion would provide statutory protection for the property of those persons indemnified which may be damaged because of the runaway reactor—the property which is located away from the reactor. As of now, this property is not covered by the liability insurance policies. The statutory coverage for this property is so worded that at any time when the underlying insurance policy does cover the off-site property then the governmental protection covers it.

The problem the Joint Committee faced is this: A reactor located on the campus of a university might cause damage to the university property. There is no insurance that the university can buy on its own property outside the reactor, except for one special instance. Since the insurance companies will take the risk of insuring any other person anywhere in the United States, Canada, or Mexico against the damage from a runaway reactor, the Joint Committee could not see where there was any change in what they are insuring, if it also covered the property of the persons indemnified. However, this is a variance on the concept of public liability. Therefore, the statutory coverage is not extended to this property unless it is extended in the insurance itself. With this extension, those companies that we want to encourage to enter the atomic energy field would, with respect to the properties located away from the reactors, be in a worse position than their neighboring properties. The Joint Committee thought that this solution gave them the same treatment as the surrounding properties.

Of course, the same result can be achieved by having the reactor built and operated by a separate corporation. I am raising this point at this time because I believe, as an insurance man, that this facet of the program should be thoroughly discussed.

I believe that this bill is most important to the future of the atomic energy industry. The Joint Committee has carefully examined all the angles with respect to the bill and we believe it as sound as possible and very necessary.

The Joint Committee on Atomic Energy has followed the operation of reactors ever accidents—one was the Chalk River reactor incident causing any lost time of personnel. There have been only three reactor accidents—one was the Chalk River reactor in Canada; one was the accidental meltdown of the EBR–2 at Idaho; one was the deliberate pushing of the Borax experiment to rupture. In no case was any person hurt. None of those had any containment features now used around reactors.

In addition, the Joint Committee requested the Atomic Energy Commission to have some of its experts make a study of the possibility that a reactor incident could occur. These scientists have made a report which contains several important features. First of all, they agree that a reactor would not explode like an atomic weapon. Second, they believe that the possibility of a meltdown of the reactor, which would cause damage outside of the containment structure, is relatively remote.

Before the Joint Committee, the Atomic Energy Commission testified:

"Nuclear reactors have been operated in the United States since December 2, 1942, with a safety record better than that of other industry. More than 100 reactor-years of regular operating experience have been accumulated, including inventories of fission products, without a single personal injury and no significant deposition of radioactivity outside of the plant area. There have been a few accidents with research reactor installations as contrasted with the perfect record of safety of the regularly operating reactors. But even these accidents with research and experimental reactors did not affect the public."

There have been some criticisms leveled at the indemnity program. I will try to answer them as best I can.

In the first place, before there would be any call on the Government there would have to be some incident which would affect all of the safety controls which are built into the reactor and which would result in damage outside of the reactor, exceeding the amount of financial protection required. In order to do this, damage within the reactor would have to be so great that it would break through the containment structure usually required around reactors. In all the years of its operating experience, the Commission has never had an accident in any of its reactors which has even approached this magnitude. Indeed, there hasn't been a single incident in a reactor which has caused personal injury great enough to cost lost time. Those reactor incidents which have occurred have merely affected the reactor itself, and even then the damage has not been extensive.

However, if you take all of the remote incidents, it is possible to imagine a radioactive cloud could escape which could effect considerable damage. It is against this remote possibility that the Joint Committee is concerned. In the first place, the Joint Committee desires to afford financial protection to the public against this kind of a situation, as well as to see that everything reasonable is put in the statute to assure that the situation does not arise.

The best estimate of all who are concerned with the field is that the Government will probably never have to make any payments under this statute. The small possibility of these very large damages has concerned those who would participate in the field to the point where this kind of protection is necessary for them, in order to have the field go forward.

In addition to the scientific safeguards, which are known, this bill also provides some legal safeguards. One of the basic assumptions of the insurance industry, in putting together their large pools for the insuring of reactors, has been that there will be a Reactor Safeguards Committee within the Commission. By this bill, the Joint Committee seeks to make that Committee a statutory committee and to have it pass on safety of reactors as they are proposed and constructed. By making it a statutory committee, the Joint Committee hopes to give this Reactor Safeguards Committee permanent standing and prestige. The legislation, at the same time, would make the reports of the Reactor Safeguards Committee public and would require that there be hearings on the reactor applications, which would either be commercial, or those looking toward the demonstration and practical value, or testing reactor. Thus, the Joint Committee has tried to see that there are all the reasonable statutory provisions necessary to insure the safety of reactors.

Some have claimed that this indemnity is an additional subsidy to the private industry. I do not see it that way at all. I have favored having the Government build reactors. I have also favored having the Government assist private industry in the reactor development program. This indemnity insurance will help industry, whether it is participating in the Government program either as a contractor, or in the private program as a licensee. For the purposes of this statute, it does not matter whether the atomic energy program is carried forward by

private licensees or by Government operations. In either event the private contractors have to supply the necessary materials and parts and the public does stand a chance of being injured. This bill would establish an indemnity procedure applicable either way, save for the very few indemnities on the very large and relatively more dangerous production reactors which are now granted indemnity by the President, acting under the powers under the Atomic Energy Act.

The others who participate under Government contracts, and this includes those who construct, design, and furnish parts for, testing reactors and the research reactors and the prototypes, do not receive this indemnity but have received an indemnity under the Government contracts which is primarily based on the availability of funds. If this bill should not pass, not only will the entire atomic energy program, the entire demonstration program, be immediately halted, but another Government program of complete Government ownership, complete Government construction, and complete Government operation, would have to take its place with the only inherent powers in the Commission to grant indemnities which are presently subject to the availability of future funds. This is not a sound way to reach the problem, either from the point of view of citizens who might be injured, but from the point of view of those who will be asked to participate, whether the program is public or private.

In summary, this legislation which is before you today was suggested after thorough study by the Joint Committee, extending over two separate sessions of Congress. By providing indemnity instead of reinsurance, it keeps the Government out of the insurance business and, at the same time, provides adequate protection for those persons who might unfortunately be hurt in the development of this industry.

I should tell you that the Atomic Energy Commission favors this legislation. On June 5, they wrote to Mr. Durham, stating, and I read the most pertinent sentence:

"Although we would prefer to continue the Advisory Committee on Reactor Safeguards in its present status, as indicated by our letter of January 4, 1957, to Senator ANDERSON, we feel that in view of the urgent need for indemnity legislation, the enactment of S. 2051 or H. R. 7383 is of paramount importance."

I should also state that the President, in his budget message, said:

"As a further and necessary step to facilitate industry's investment in atomic powerplants, legislation will again be proposed to authorize the Government to supplement commercially available insurance against liability arising from possible nuclear accidents."

This legislation has been approved both last year and this year by the Joint Committee. Last year there was one vote against this legislation. This year, with one member abstaining from voting, there was no vote against the legislation. It is believed that this legislation is in the best interests of all concerned, both for the protection of the public and to assure that those who will participate in the program will not suffer any undue risks from nuclear incidents. I believe that the bill is sound and should be passed.

The premiums which the private companies will be obtaining for their third party insurance appear to be rather expensive. The Commonwealth Edison Co. has been quoted $250,000 annual premium on a 630,000 thermal kilowatt reactor. The Yankee Atomic Electric Co. has been quoted an annual premium of $130,000 on an atomic reactor of a capacity of 480,000 thermal kilowatts. The Elk River Cooperative has been quoted a premium of $69,430 an as annual premium on a reactor which will generate 58,000 thermal kilowatts. The General Electric Co., for its pilot plant at Vallecitos, Calif., has been quoted a premium of $67,000 on its 12,000 thermal kilowatt reactor. The Armour Research Foundation has been quoted a figure of $59,000 annual premium on a research reactor of only 50 thermal kilowatts capacity, and the Battelle Memorial Institute has been quoted an annual premium of $50,500 on a reactor capable of generating only 1,000 thermal kilowatts. All these figures have been quoted for $50 million of insurance each. We have been informed that these rates are subject to redetermination at the end of a 10-year period. If, by 10 years, there should not have been any loss for which the insurance companies would have to pay there would be rebates to these people up to two-thirds or three-fourths of the annual premiums. The balance would go for administrative expenses, such as underwriters' inspections.

I want to give you these figures primarily for your background information.

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill (H. R. 7383) was read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 2051 is indefinitely postponed.

SUPPLEMENTAL APPROPRIATIONS, 1958

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1006, House bill 9131. Mr. President, let me say that the purpose in having the Senate take up the bill at this time is to have it made the unfinished business.

The PRESIDING OFFICER. The bill will be stated by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 9131) making supplemental appropriations for the fiscal year ending June 30, 1958, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill (H. R. 9131) making supplemental appropriations for the fiscal year ending June 30, 1958, and for other purposes, which had been reported from the Committee on Appropriations, with amendments.

ORDER FOR ADJOURNMENT TO MONDAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate concludes its session this evening, it adjourn until Monday, at 12 o'clock noon.

The PRESIDING OFFICER. Without objection, it is so ordered.

LIMITATION ON STATEMENTS DURING MORNING HOUR ON MONDAY

Mr. MANSFIELD. Mr. President, when the Senate meets on Monday there will be, under the rule, the customary morning hour for the introduction of bills and the transaction of other routine business. In that connection, I ask unanimous consent that statements be limited to 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE PROGRAM

Mr. MANSFIELD. Mr. President, for the benefit of the information of the Senate, let me state that, in addition to the supplemental appropriation bill, the following measures will be considered on Monday.

Calendar No. 389, Senate bill 25, relating to effective dates of increases in compensation granted to wage board employees.

Calendar No. 872, Senate bill 1746, relating to the conveyance of property in Gulfport, Miss.

Calendar No. 874, House bill 1953, relating to checks from the Veterans' Administration.

Calendar No. 875, House bill 2237, relating to the transfer of property in Johnson City, Tenn.

Calendar No. 876, House bill 3658, relating to eligibility of widows for benefits.

Calendar No. 877, House bill 4098, relating to the conveyance of land in Los Angeles.

Calendar No. 878, House bill 5757, relating to charges for shipping veterans' property.

Calendar No. 879, House bill 5924, relating to the importation of commercial samples.

Calendar No. 880, House bill 8705, relating to the importation of articles for exhibition at the St. Lawrence seaway celebration.

Calendar No. 881, House bill 2842, relating to the free importation of certain tanning extracts.

Calendar No. 888, Senate bill 2757, relating to the construction of works at Burns Creek, in Idaho.

Mr. President, notice has previously been given that a call of the calendar will be had on Tuesday. But if the respective calendar committees are ready, we shall consider some of the items on the calendar on Monday.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, August 16, 1957, he presented to the President of the United States the following enrolled bills:

S. 1383. An act amending section 410 of the Interstate Commerce Act, to change the requirements for obtaining a freight forwarder permit; and

S. 1384. An act to revise the definition of contract carrier by motor vehicle as set forth in section 203 (a) (15) of the Interstate Commerce Act, and for other purposes.

ADJOURNMENT TO MONDAY

Mr. DIRKSEN. Mr. President, I move that the Senate adjourn.

The motion was agreed to; and (at 8 o'clock and 5 minutes p. m.) the Senate adjourned, the adjournment being,

under the order previously entered, until Monday, August 19, 1957, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate August 16, 1957:

DEPARTMENT OF DEFENSE

Dr. Paul Darwin Foote, of the District of Columbia, to be an Assistant Secretary of Defense.

UNITED STATES DISTRICT JUDGE

Roby C. Thompson, of Virginia, to be United States district judge for the western district of Virginia, vice Alfred D. Barksdale, retired.

DEPARTMENT OF COMMERCE

The following-named persons to be Examiners in Chief in the Patent Office of the Department of Commerce:

Peter T. Dracopoulos, of Maryland, vice Mark Taylor, resigned.

Harry Surle, of Maryland, vice Eugene W. Geniesse, resigned.

COLLECTORS OF CUSTOMS

The following-named persons to the positions indicated:

Robert W. Dill, of New York, to be collector of customs for customs collection district No. 10, with headquarters at New York, N. Y. (Reappointed.)

W. Rae Dempsey, Jr., of Maryland, to be collector of customs in customs collection district No. 13, with headquarters at Baltimore, Md. (Reappointment.)

John E. Paterson, of Alabama, to be collector of customs for customs collection district No. 19, with headquarters at Mobile, Ala. (Reappointment.)

James P. Winne, of Hawaii, to be collector of customs in customs collection district No. 32, with headquarters at Honolulu, T. H. (Reappointment.)

Olivia C. Erpenbach, of Minnesota, to be collector of customs in customs collection district No. 35, with headquarters at Minneapolis, Minn. (Reappointment.)

Harry Edwards, of New York, to be surveyor of customs in customs collection district No. 10, with headquarters at New York, N. Y. (Reappointment.)

PUBLIC HEALTH SERVICE

The following candidate for personnel action in the regular corps of the Public Health Service subject to qualifications therefor as provided by law and regulations:

I. FOR APPOINTMENT

To be senior surgeon

William F. Mayes

COAST AND GEODETIC SURVEY

Subject to qualifications provided by law, the following for permanent appointment to the grade indicated in the Coast and Geodetic Survey:

To be ensign

Ronald M. Buffington
Jerome P. Guy
Mart Kask

IN THE ARMY

Col. John R. Jannarone, O21053, for appointment as professor of physics and chemistry, United States Military Academy, under the provisions of title 10, United States Code, section 4333.

The following-named persons for appointment in the Regular Army of the United States, in the grades and corps specified, under the provisions of title 10, United States Code, section 3294, as amended by Public Law 497, 84th Congress; title 10, United States Code, section 3291, as amended by Public Law 294, 84th Congress; title 10, United States Code, section 3311; title 10, United States Code, section 3292 and Public Law 737, 84th Congress:

To be lieutenant colonels

Jessel, James R., DC, O1934404.
Rush, Jack T., MC, O1941860.
Watkins, Dale V., MC, O443573.

To be majors

Burke, Allyn D., DC, O1785064.
Keeton, Melvin, DC, O1745124.
Otto, Wayne R., MC, O4022577.
Wild, John J., MC, O981825.

To be captains

Alexander, Joseph L., MC, O5500068.
Alling, Emery E., Jr., DC, O4040548.
Bittlingmaier, Walter H., DC, O2267387.
Clifford, Arthur G., DC, O4043412.
Crowe, Patrick D., DC, O4023055.
Davis, Quince B., DC, O2267605.
Fulton, Nolen W., Jr., MC, O2276549.
Garcia-Torrado, Millan, Jr., MC, O1685420.
Groshong, David L., MC, O2273767.
Howe, Michael J., DC, O1941752.
Keller, Edward S., MC, O703751.
Kohen, Joseph B., Jr., MC, O2202412.
Kono, Tom M., DC, O981007.
Kopack, Francis M., MC, O4045184.
Mitchell, George L., MC, O4073758.
Morgan, Samuel C., DC.
Nealey, Everett T., DC.
Norton, Wayne L., MC.
Sawyer, William D., MC, O4055740.
Spillman, James B., II, MC, O4034694.
Stephens, John D., DC, O1052195.
St. Louis, Joseph A., Jr., MC, O2275402.
Tynes, Dwight L., DC, O1942282.
Valkavich, Eugene S., DC, O4039537.
Waldman, Sheldon, MC, O4068051.
Wells, Benjamin T., MC, O1940136.

To be first lieutenants

Anderson, Linnette M., ANC, N901548.
Blundell, Mary L., AMSC, R2594.
Brennan, Terrance R., MC.
Dewar, Betty J., ANC, N797013.
Eisenberg, Myron M., MC.
Hagarty, Catherine R., ANC, N805328.
Hair, Walter W., MC, O2282657.
Hankins, Cecile J., ANC, N797164.
Hughes, Charles L., DC, O2284656.
Humphries, David S., MC.
Hutchins, Dale W., DC, O2287063.
Hutchison, Byron F., DC, O2284576.
Mast, David, DC.
McCoy, Robert E., DC, O1930229.
McGeown, John R., DC.
Nakamoto, Annie C., ANC, N805410.
Newman, Richard A., MC, O5500079.
Nouchi, Mitsue M., ANC, N805136.
Reister, Raymond A., JAGC, O2284023.
Rushford, Charles B., Jr., DC.
Spaulding, Leland C., MC.
Stiny, Constantine P., MC.
Tsagaris, George J., DC.
Turner, Daniel R., MC.
Van Harn, Mary A., AMSC, M2966.
White, Lera A., ANC, N900244.
Wilson, James R., MC.
Wouterasz, Theodore B., MC, O4071093.
Young, William K., DC.

To be second lieutenants

Halbert, Mary J., WAC, L1010892.
Hess, Anne M., WAC, L1010903.
Kirk, Frances J., WAC, L1020250.
Mullen, Sally A., ANC, N902831.
Olson, Marilyn C., AMSC, R2728.
Rodgers, Elizabeth I., ANC, N902000.
Still, Louise J., ANC, N902478.

The following-named persons for appointment as chaplains in the Regular Army of the United States, in the grades specified, under the provisions of Public Law 737, 84th Congress:

To be captains

Carothers, Merlin R., O2269240.
Kildall, Wayne F., O2267126.
Wallace, Francis X., O992128.
Wessman, Willis W., O994490.

To be first lieutenants

Anderson, Robert T., O2273914.
Keys, Clifford E., Jr., O2272284.
Paul, Harold J., O2273991.
Schweitzer, Gordon M., O2271706.
Sodawasser, Ardell A., O2274607.

The following-named officers for appointment, by transfer, in the Regular Army of the United States, without specification of branch, arm, or service, in the grades specified:

To be captain

Watt, William A., O63742.

To be first lieutenant

Stearns, Clarence L., O73081.

The following-named persons for appointment in the Regular Army of the United States, in the grade of second lieutenant, under the provisions of Public Law 737, 84th Congress:

Davis, John R., O4031453.
Loeffke, Bernardo, O2289182.
Murphy, George E., O4010809.
Summers, Harry G., Jr.

The following-named distinguished military students for appointment in the Medical Service Corps, Regular Army of the United States, in the grade of second lieutenant, under the provisions of Public Law 737, 84th Congress:

Burns, Wendell G.
Dorrough, Earnest L.
Wallace, Norman G.

The following-named distinguished military students for appointment in the Regular Army of the United States, in the grade of second lieutenant, under the provisions of Public Law 737, 84th Congress:

Acosta-Rosario, Rafael B.
Adams, Don T.
Archer, Caleb J.
Atkeson, Thomas L.
Bagdanov, James L.
Barber, Leroy F., Jr.
Burkhardt, Arthur W.
Cooper, Jerry L.
Crandall, Robert L.
Cummins, William, Jr.
Danno, Ronald M.
Davenport, David C.
Deaton, Alva W.
Dickinson, Roy B.
Dickson, David J.
Dillon, Donald D.
Dorchester, John D., Jr.
Emerson, Richard D.
Ensley, George H., Jr.
Ford, James F.
Hazel, Wiley S., Jr.
Heatzig, William G.
Herbert, Curtis B., III
Hughes, Francis A.
Johansen, John M.
Johnson, Ransom, Jr.
Langley, James C.
Larson, Ronald D.
Lehmann, Freddie E.
Leins, David V., Jr.
Lowe, James L., Jr.
Lowe, John M.
Marciniak, John J.
Martin, Boyce F., Jr.
Mason, Thomas R.
Matthews, Allan L., Jr.
McCulloch, David V.
McDonald, William E.
McFee, William W.
McIntosh, Bernard W.
McNew, James C., Jr.
Montgomery, John C.
Murray, Owen P.
Neilson, Russell W.
Oates, David T.
Paris, William
Potter, Willard L.
Quinn, James M.
Rehusch, Kenneth S.
Riebel, David L.
Rives, William T., Jr.
Scarborough, Edward
Sera, George N.
Sibley, Robert A.
Stone, Frank N.
Thomas, Charles D.
Thompson, James E., Jr.
Travis, Charles E., Jr.
Valverde-Lara, Fernando E.
Van Cleave, Henry D., Jr.
Vite, Gerald C.
Wade, Merle L.
Walker, Jack A.
Wallace, Wayne G.
Webb, Robert H., Jr.
Williams, Lavester L.
Wilson, Patrick J.
Winger, Norman
Witsell, Edward L.

IN THE NAVY

The following-named Reserve officers to the grades indicated in the Medical Corps of the Navy, subject to qualifications therefor as provided by law:

To be captain

James S. Webb, Jr.

To be commander

Roderick F. C. McPherson

To be lieutenants

Charles F. Aquadro
Robert D. Beiser
Robert A. Burke
William E. Carson
Domenic F. Coletta
Eugene C. Crisler
Harold N. Dean
Donald R. Dicus
Raymond D. Dyer, Jr.
Abel R. Ellingson
Leonard H. Ensign
Richard A. Field
Pierro J. Fisher, Jr.
Louis A. Herrmann
Charles H. Lahr, Jr.
Thomas F. Miller, Jr.
Hugh S. Pratt, Jr.
Richard B. Simpson
Charles G. Spradley
John M. Tarle
Robert J. VanHouten

The following named (civilian college graduate) to the grades indicated in the Medical Corps of the Navy, subject to qualification therefor as provided by law:

To be lieutenant commander

Fred W. Richardson

To be lieutenant

Clarence E. Gossett

Robert E. Shirley (civilian college graduate) to be a lieutenant in the Dental Corps of the Navy, subject to qualifications therefor as provided by law.

Kenton T. Bradley (civilian college graduate) to be a lieutenant in the Dental Corps of the Navy, and to be promoted to the grade of lieutenant commander when his line running mate is so promoted, subject to qualifications therefor as provided by law.

John R. Laverine (civilian college graduate) to be a lieutenant (junior grade) in the Dental Corps of the Navy, and to be promoted to the grade of lieutenant when his line running mate is so promoted, subject to qualifications therefor as provided by law.

The following-named Reserve officers to be lieutenants in the Dental Corps of the Navy, subject to qualifications therefor as provided by law:

John "T" Anderson
Robert D. Cullom
Arthur L. Davy
Eugene S. Dvorovy
Sidney Raybin
Ralph E. Sand
James E. Shuffield
Maurice E. Westcott
Jesse L. Yarbrough

Charles H. Cornelison, chief petty officer to be a chief warrant officer, W-2, in the United States Navy, for temporary service, subject to qualifications therefor as provided by law.

The following-named officers for temporary or permanent appointment to the grade indicated in the line of the Navy, subject to qualifications therefor as provided by law:

The following named for temporary appointment:

To be lieutenants

William B. Abbott III
Joseph A. Adams
Douglas A. Allen
David W. Anderson
Daniel F. Anglim, Jr.
Robert J. Atkinson
John L. Bacon
Kenneth R. Bailey, Jr.
Clifford L. Bekkedahl
Willoughby C. Blocker
Lawrence F. Bowman
Fred J. Breaux, Jr.
Cloyde I. Brown
William P. Bunnell
Roland G. Busch, Jr.
Archie P. Butler, Jr.
Charles A. Butler
Anton M. Campanella
Edward L. Campbell
James B. Campbell
Joseph J. Carosia
Perry Carvellas
Michael Cashman II
Thomas H. Cave
John R. Clarke
David M. Cooney
Thomas S. Councell
James D. Crain
Charles W. Dalton
David W. DeCook
Roland H. Dubois
Joseph A. Duffy, Jr.
Crawford A. Easterling
Robert S. Eberhart
William H. Fleischmann, Jr.
Charles A. George, Jr.
Bruce G. Goodwin
Clarence H. Greff, Jr.
Andrew U. Hassman, Jr.
Lloyd B. Havird
Waldo L. Heasley
Raymond A. Helgemoe
James M. Hoye II
Samuel W. Hubbard, Jr.
Herbert P. Hunter
Robert N. Jenkins
Thomas A. Jewell
Oren D. Johnson
Robert C. Kelpe
Richard E. Kemble
William R. King
Richard T. Klabo
Jack T. Kneeland
Joseph L. Kniely
Glenn E. Kollmann
Robert P. Kramer
Ronald M. Lauber
Richard D. Longman
Robert E. Lynn
Donald L. McConnell
William E. McCormack
Raymond T. McDonald
Lawrence H. McGlone
Preston McLaird, Jr.
Robert E. Malaney
Donald J. Mattson
James A. Meacham
Richard J. Miller
William L. Miller
Houston M. Morgan
Richard Nielsen
Donald E. Pauly
Roger E. Perry, Jr.
Richard N. Peterson
Anthony P. Pirrone
Robert R. Raynes
Robert D. Reymond
Frederick A. Rodgers
William H. Saunders, III
Clinton S. Seibert
Olin J. Shuler
Paul J. Smith, Jr.
Robert E. Spaulding
Gerry L. Stark
William B. Stocking
Joseph E. Sullivan, Jr.
Patrick G. Sullivan
Walter F. Sullivan
Richard F. Taylor
Robert J. Thomas
Donald Warthen
Wyatt P. Watson
Alan L. Weeks
Robert A. Wheeler
Don J. Whittaker
John T. Williams
Robert E. Woodbury
Carl E. Wynn, Jr.

To be lieutenants (junior grade)

Allan L. Atkins
Fredrik S. Blackmar III
Peter P. Bowler
Dale E. Buxton
Charles N. Caricofe
Gary M. Cleveland
Paul O. Cutchen
Robert G. Davis
Peter J. Doerr
William R. Dorow
Gregory P. Dowd
James C. Edwards
William P. Egan
Forrest H. Goodman
Andrew J. Goodwin, Jr.
Richard L. Grant
Elwood N. Harper
John A. Johnson
John R. Knight, Jr.
Ronald S. Knowlton
Donald A. Kohloff
Donald C. Lipster
Louis A. Loynes
William P. Lyons
Charles E. McKenna
Gale A. McKinney
Kerry W. Mirise
Ronald J. Molloy
Thomas J. Moran
James F. Murphy
William J. Overman, Jr.
Jimmie D. Oyler
John M. Peoples, Jr.
Willis F. Potter
Robert W. Ritchie
William A. Rockwell
James F. Roth
Philip M. Shannon
Arthur R. Skelly
Harry J. Smith, Jr.
Adrian D. Spees
Donald M. Sumner
John C. Tibbs
William E. Vanoy
Harry D. Veland
Grant J. Villemaire, Jr.
Wayne H. Wallis
William R. Wilson

The following-named for permanent appointment:

To be lieutenants

Donald H. Campbell
Fred J. Fleiner
James M. Ford, Jr.
Harold F. Griffith
Donald B. Leach
Charles G. McGuigan, Jr.
Thomas O. Nutt, Jr.
Russell A. Rowan, Jr.
John S. Storm

To be lieutenants (junior grade)

William B. Abbott III
Joseph A. Adams
George A. Aitcheson, Jr.
Norman Albertson
Douglas A. Allen
David W. Anderson
Daniel F. Anglim, Jr.
Robert J. Atkinson
Harvey Aubuchon
John L. Bacon
Kenneth R. Bailey, Jr.
George L. Baxter, Jr.
David A. Bayer
Marshall V. Bittick, Jr.
Willoughby C. Blocker
Edward E. Borter
David H. Bowling
Lawrence F. Bowman
William K. G. Braun
Fred J. Breaux, Jr.
Dennis L. Brooks
James R. Buckley
Howard L. Bullman
William P. Bunnell
Roland G. Busch, Jr.
Archie P. Butler, Jr.
Charles A. Butler
Harold E. Butler
Anton M. Campanella
Edward L. Campbell
James B. Campbell
John W. Cane
Cornelius J. Carmody
Joseph J. Carosia
Michael Cashman II
Thomas H. Cave
John R. Clarke
John J. Connelly
David M. Cooney
Thomas S. Councell
Frederick P. Crosby
Charles W. Dalton
David W. DeCook
Roland H. Dubois
Joseph A. Duffy, Jr.
Thomas E. Dunlop
Crawford A. Easterling
William H. Fleischmann, Jr.
Ruel E. Gardner
Charles A. George, Jr.
Joseph P. Gleason
Jerry D. Godwin
Bruce G. Goodwin
Clarence H. Greff, Jr.
Andrew U. Hassman, Jr.
Stanley L. Havens
Benjamin F. Haverfield
Lloyd B. Havird
Waldo L. Heasley
Raymond A. Helgemoe
Peter J. Hernan
Charles D. Hill
Luther C. Holder
James M. Hoye II
Herbert P. Hunter
Robert K. Jellison
Robert N. Jenkins
Thomas A. Jewell
Robert C. Kelpe
Richard E. Kemble
William R. King
Richard T. Klabo
Jack T. Kneeland
Joseph L. Kniely
Glenn E. Kollmann
Robert P. Kramer
Robert J. Landers
Ronald M. Lauber
Raymond P. LeClerc
Richard D. Longman
Robert E. Lynn
William C. McAdoo
Donald L. McConnell
William E. McCormack
Lawrence H. McGlone
Preston McLaird, Jr.
Robert E. Malaney
John V. Markoskie
Jack L. Marshall
Wilbur W. Marshburn
Richard A. Martini
Ralph A. Mason, Jr.
Donald J. Mattson
James A. Meacham
Hal Y. Miller, Jr.
Richard J. Miller
William L. Miller
Harrison M. Moore
Charles W. Nelson, Jr.
Lawrence R. Nelson
Paul F. O'Dea
Donald E. Pauly
Henry F. Peacock
Roger E. Perry, Jr.
Richard N. Peterson
Anthony P. Pirrone
Ronald E. Pitkin
Robert L. Pritscher
Robert R. Raynes
Franklin W. Reese III
Roland J. Rhoades
Donald W. Richards
James M. Rickly
Frederick A. Rodgers
Hardy N. Rose
Edward Sanford
William H. Saunders III
Vincent J. Schuppert
Clinton S. Seibert
James W. Shoemyer
Myron A. Skubinna
Richard Simia
Paul J. Smith, Jr.
George M. Snow
Sherman R. Snyder
Richard A. Spargo
Robert E. Spaulding
Gerry L. Stark
William B. Stocking
Patrick G. Sullivan
Walter F. Sullivan
Robert J. Switzer
Jeremy R. Tappan
Robert J. Thomas
Clifford O. Thompson
Howard J. Walter
Conrad J. Ward
Donald Warthen
Wyatt P. Watson
Robert A. Wheeler
Don J. Whittaker
John M. Will, Jr.
John T. Williams
Robert E. Woodbury
Carl E. Wynn, Jr.
William A. Yoder
Newton C. Youngblood

To be ensigns

Allan L. Atkins
Fredrik S. Blackmar III
Peter P. Bowler
Dale E. Buxton
Charles N. Caricofe
Gary M. Cleveland
George E. A. Cullinane
Paul O. Cutchen
Robert G. Davis
Peter J. Doerr
William R. Dorow
Gregory P. Dowd
Gerald C. Eckermann
James C. Edwards
William P. Egan
Forrest H. Goodman
Andrew J. Goodwin, Jr.
Richard L. Grant
Elwood N. Harper
John A. Johnson
Robert E. Karas
John R. Knight, Jr.
Ronald S. Knowlton
Donald A. Kohloff
Donald C. Lipster
Louis A. Loynes
William P. Lyons
Charles E. McKenna
Gale A. McKinney
Kerry W. Mirise
Ronald J. Molloy
Thomas J. Moran
James F. Murphy
William J. Overman, Jr.
Jimmie D. Oyler
John M. Peeples, Jr.
Willis F. Potter
Joseph R. Pritchard
Robert W. Ritchie
William A. Rockwell
James F. Roth
Kay Russell
Philip M. Shannon
Arthur R. Skelly
Harry J. Smith, Jr.
Adrian D. Spees
Donald M. Sumner
John C. Tibbs
William E. Vanoy
Harry D. Veland
Grant J. Villemaire, Jr.
Wayne H. Wallis
William R. Wilson

The following-named officers for temporary or permanent appointment to the grade indicated in the line of the Navy (special-duty law), subject to qualifications therefore as provided by law:

The following-named for temporary appointment:

To be lieutenants

Charles A. Cahill.
Owen L. Cedarburg.
Floyd E. Kellam, Jr.

The following-named for permanent appointment:

To be lieutenants

Nicholas R. Bach
John P. Dunbar

To be lieutenants (junior grade)

Owen L. Cedarburg
Floyd E. Kellam, Jr.

To be ensign

Charles A. Cahill

The following-named women officers to the grade indicated in the line of the Navy, subject to qualifications therefor as provided by law:

The following-named for temporary appointment:

To be lieutenants (junior grade)

Carol Y. Allen	Geraldine M. Osada
Marjorie L. Bennett	Anna L. Steenburgen
Beverly W. Frost	Lucy E. Zierdt

The following-named for permanent appointment:

To be lieutenants (junior grade)

Frances P. Forsey
Mary A. Gerhart
Helen E. Weaver

To be ensigns

Carol Y. Allen	Geraldine M. Osada
Marjorie L. Bennett	Anna L. Steenburgen
Beverly W. Frost	Lucy E. Zierdt
Susanna Murray	

The following-named officers for temporary or permanent appointment to the grade indicated in the Medical Service Corps of the Navy, subject to qualifications therefor as provided by law:

The following-named for temporary appointment:

To be lieutenants

Lloyd M. Ash	Philip E. Jones
Richard V. Diener	Robert B. Voas

The following-named for permanent appointment:

To be lieutenant

Joseph G. McWilliams

To be lieutenants (junior grade)

Lloyd M. Ash	William F. O'Connor
Richard V. Diener	Robert B. Voas
Philip E. Jones	

The following-named officers for temporary or permanent appointment to the grade indicated in the Supply Corps of the Navy, subject to qualifications therefor as provided by law:

The following-named for temporary appointment:

To be lieutenants

Donald J. Bunker	Theodore Mija
Oliver W. Hamilton, Jr.	William R. Moyer
	John F. Newman
Roy E. Hopgood	Robert L. Normand
Donald R. Kreutzinger	Carl S. Quinn
Charles Lang, Jr.	Thomas L. Schanz
Gary C. Leighty	Sidney J. Teaford
John C. Lewis	Donald A. Tesch
William E. Lindsay	

To be lieutenants (junior grade)

Regis G. Dugue
John F. Hamilton
Lester D. Hayes, Jr.

The following-named for permanent appointment:

To be lieutenants

Calvin R. Anweiler	Joseph A. Puleo
Stanley J. Conrad.	Allan L. Segal

To be lieutenants (junior grade)

Cletus W. Bodart	Arthur P. Jones, Jr.
Boyd F. Brown, Jr.	Darrell G. Kemper
Donald J. Bunker	Donald R. Kreutzinger
Rollin J. Cocking	Charles Lang, Jr.
Edward W. Colbourn	Merrill M. LeBlanc
Earl E. Goodwin	Gary C. Leighty
Oliver W. Hamilton, Jr.	John C. Lewis
Roy E. Hopgood	William E. Lindsay
Frank S. Jacobs	Roderick D. McDaniel
Theodore Mija	Carl S. Quinn
Lawrence W. Minuth	Sidney J. Teaford
William R. Moyer	Donald A. Tesch
Robert L. Normand	

To be ensigns

Regis G. Dugue	Lester D. Hayes, Jr.
John F. Hamilton	Gerald D. Langer

Janice R. McMorrow, Reserve officer for appointment in the Supply Corps in the Navy in the permanent grade of ensign and in the temporary grade of lieutenant (junior grade), subject to qualifications therefor as provided by law.

The following-named officers for temporary or permanent appointment to the grade indicated in the Chaplain Corps of the Navy, subject to qualifications therefor as provided by law:

The following-named for temporary appointment:

To be lieutenants

Ervin D. Ingebretson
Norman E. Winterhoff

The following-named for permanent appointment:

To be lieutenants

Wayne N. Detrick	Peter P. Romantum
Thomas A. Kenny	Valery E. Sundt

To be lieutenants (junior grade)

Ervin D. Ingebretson
Norman E. Winterhoff

The following-named officers for temporary or permanent appointment to the grade indicated in the Civil Engineer Corps of the Navy, subject to qualifications therefor as provided by law:

The following named for temporary appointment:

To be lieutenants

Edward H. Belton	LeRoy D. Lawson
Robert T. Field	Austin H. Montgomery, Jr.
Charles Geoly	

To be lieutenants (junior grade)

James E. Ford
Henry E. Keppel, Jr.
Gene S. Taglienti

The following named for permanent appointment:

To be lieutenant

William C. Carroll

To be lieutenants (junior grade)

Edward H. Belton	Thomas J. O'Brien
Robert T. Field	George E. Plante
Charles Geoly	Ralph S. Stedman, Jr.
Fred O. Leavitt	James L. Uhe
Eugene G. Lindley	
Austin H. Montgomery, Jr.	

To be ensigns

James E. Ford
Henry E. Keppel, Jr.
Gene S. Taglienti

The following-named officers for temporary or permanent appointment to the grade indicated in the Nurse Corps of the Navy, subject to qualifications therefor as provided by law:

The following named for temporary appointment:

To be lieutenants

Mary L. Bove	Bette A. Rebick
Louisa F. Brooks	Janet M. Redgate
Kathryn M. Copic	Natalie T. Sampson
Elizabeth M. Donnelly	Gloria M. Steffens
Mary A. LaFemina	Charlotte R. Stone
Norine L. Muhle	Ellen J. Stowell
Pauline F. Prest	

To be lieutenant (junior grade)

Marilyn H. vonFreuden

The following-named for permanent appointment:

To be lieutenants

Geraldine M. Carey	Sara C. Jolley
Leona L. Erdt	Katherine M. Murphy
Ursula M. Fox	Adeline Nicora
Evelyn I. Hegarty	Ruth E. Robertson

To be lieutenants (junior grade)

Mary L. Bove	Beatrice A. Rancourt
Louisa F. Brooks	Bette A. Rebick
Kathryn M. Copic	Janet M. Redgate
Elizabeth M. Donnelly	Natalie T. Sampson
Vivian P. Guay	Gloria M. Steffens
Mary A. LeFemina	Charlotte R. Stone
Norine L. Muhle	Ellen J. Stowell
Pauline F. Prest	

To be ensign

Marilyn H. vonFreuden

The following-named women officers to be permanent lieutenants in the line of the Navy, in lieu of permanent lieutenants (junior grade) as previously nominated and confirmed to correct grade subject to qualifications therefor as provided by law:

Betty J. Dew	Betty J. Hill
Nancy J. Ellifrit	Margaret J. Merritt

The following-named officer of the Navy for permanent promotion to the grade indicated:

To be commander, Dental Corps

Joseph J. Hoyt

The following-named officer for permanent promotion to the grade of lieutenant (junior grade) in the Medical Service Corps of the Navy, subject to qualification therefor as provided by law:

Douglas E. Haggin

The following-named line officer for temporary promotion to the grade of lieutenant in the Navy, subject to qualification therefor as provided by law:

Robert E. Kirksey

The following-named officer for permanent promotion to the grade of lieutenant (junior grade) in the line of the Navy, subject to qualification therefor as provided by law:

Patrick P. Marsha, Jr.

IN THE MARINE CORPS

The following-named Reserve officers for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

Fred H. Berry, Jr.	John D. Ingraham
Stephen Bosbonis	Edward P. Janz
Kenneth P. Crandall	John R. Koch
Louis A. Driggers	Robert H. Moore
James S. Gahagan	

The following-named Reserve officers for temporary appointment to the grade of first lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

Fred H. Berry, Jr.	John D. Ingraham
Stephen Bosbonis	Edward P. Janz
Kenneth P. Crandall	John R. Koch
Louis A. Driggers	Robert H. Moore
James S. Gahagan	

The following-named Reserve officers for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

George N. Bailey, Jr.	Richard C. Conway
Lloyd W. Barry	Thomas D. Cooney
Karlton L. Batt	Kenneth D. Curry, Jr.
Robert C. Baughman	
Howard E. Boddy	Neal L. Derickson
George F. Boemerman	Donald E. Dilley
Augustus E. Brewer	Philip L. Elliott
Ralph E. Brubaker	Gordon P. Emery
Gerald W. Cassidy	Raymond K. Ferwerda

Russell W. French	Stephen Ondrako, Jr.
William J. Gash	Billy E. Pafford
Walter E. Grayum	William Piper
Charles E. Griggs	Robert Plant
Joseph W. Hazen	George E. Pratt
William E. Helfrich	Leonard T. Preston, Jr.
Lyell H. Holmes	Thomas S. Reap
Phillip M. Jacobs	Charles D. Robinson
Homer P. Jones	Albert L. Sanders
Jack V. Kaup	Kenneth L. Scarborough
William H. Kimes III	Wilbur E. Skinner
Ronald W. Klinglesmith	William R. Smith
Paul P. Lapinski	James R. Throgmorton
Robert Marrero	Donald C. Treece
Paul F. Melcher	Donald E. Webb
Henry G. Miller, Jr.	Peter R. Worden
Thomas A. Nalle, Jr.	
Arthur A. Nelbach	

The following-named Reserve officers for temporary appointment to the grade of first lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

George N. Bailey, Jr.	William H. Kimes III
Lloyd W. Barry	Ronald W. Klinglesmith
Karlton L. Batt	Paul P. Lapinski
Robert C. Baughman	Robert Marrero
Howard E. Boddy	Paul F. Melcher
George F. Boemerman	Henry G. Miller, Jr.
Augustus E. Brewer	Thomas A. Nalle, Jr.
Ralph E. Brubaker	Arthur A. Nelbach
Gerald W. Cassidy	Stephen Ondrako, Jr.
Richard C. Conway	Billy E. Pafford
Thomas D. Cooney	William Piper
Kenneth D. Curry, Jr.	Robert Plant
Neal L. Derickson	George E. Pratt
Donald E. Dilley	Leonard T. Preston, Jr.
Philip L. Elliott	Thomas S. Reap
Gordon P. Emery	Charles D. Robinson
Raymond K. Ferwerda	Albert L. Sanders
Russell W. French	Kenneth L. Scarborough
William J. Gash	Wilbur E. Skinner
Walter E. Grayum	William R. Smith
Charles E. Griggs	James R. Throgmorton
Joseph W. Hazen	Donald C. Treece
William E. Helfrich	Donald E. Webb
Lyell H. Holmes	Peter R. Worden
Phillip M. Jacobs	
Homer P. Jones	
Jack V. Kaup	

The following-named personnel for permanent appointment to the grade of second lieutenant for limited duty in the Marine Corps, subject to the qualifications therefor as provided by law:

John M. Bloodworth	Leroy D. McDorman, Jr.
Larry W. Bridges	David O. McGee
John W. Butler	Frederick J. Robinson
James U. Davidson	Kenneth F. Seymour
Wayne R. Dearth	William W. Smith
Robert W. Hart, Jr.	Leonard C. Waibel
Hubert Kohnen	
James N. McCraner	

The following-named (Naval Reserve Officers Training Corps) for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to qualifications therefor as provided by law:

Frederic H. Gerber

The following-named officers for temporary appointment to the grade of first lieutenant in the Marine Corps, subject to qualifications therefor as provided by law:

Louis R. Abraham	Robert S. Moore
Denny N. Bearce	Harvey J. Morgan
Jerry T. Bowlin	Carl W. Newton
Brian T. Duffy	Richard A. Noll
Ronald E. Dunn	James B. Peters III
Dean E. Edwards	William L. Schneider
Thomas W. Hancock, Jr.	James M. Schmidt
	Robert F. Sheridan
Robert H. Jewell, Jr.	Robert P. Spaete
Frank P. Knight	Orlo K. Steele
William H. Long	Walter L. Strain
James E. McDavid III	Richard C. Yezzi
Richard C. Meserve	

CONFIRMATION

Executive nomination confirmed by the Senate August 16, 1957:

THE AIRWAYS MODERNIZATION BOARD

Elwood R. Quesada, of California, Chairman of the Airways Modernization Board.

HOUSE OF REPRESENTATIVES

FRIDAY, AUGUST 16, 1957

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

God of all grace, in whom our fathers trusted and were not put to confusion, may we greet this new day with renewed energy and vigor and with minds and hearts inspired by the spirit of love and service.

Bless our President, our Speaker, and our chosen representatives who are laboring so earnestly and conscientiously for the peace and security of our beloved country and the good of all mankind.

Deliver us from all paralyzing fears and anxieties as we face the unknown tomorrows, for Thou art the companion of the lonely, the support of the weary, and the consolation of the sorrowing.

May we renounce all feelings of self-dependence and self-sufficiency and put our trust in the Lord God Omnipotent, whose wisdom is infallible and whose strength is invincible.

Give us a generous and gentle heart toward the needy, who have so little of joy, remembering that what we do unto the least of Thy children we are doing unto Jesus Christ, our Lord, who gave His all for us.

To Thy name we ascribe the praise and the glory. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McBride, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1937) entitled "An act to authorize the construction, maintenance, and operation by the Armory Board of the District of Columbia of a stadium in the District of Columbia, and for other purposes."

PERSONAL EXPLANATION

Mr. HENDERSON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HENDERSON. Mr. Speaker, on rollcall No. 197, the motion to recommit the foreign aid appropriations bill with instructions to amend, I was recorded as not voting. It was necessary for me to catch a plane to fulfill a longstanding engagement to speak at Belpre, Ohio, last night and due to the lateness of the hour on which the rollcall was taken I was unavoidably absent. Had I been present I would have voted "no." On rollcall 198 which immediately followed I would have voted "no" and was properly paired against the bill.

AMENDMENT OF SECTION 812 (e) (1) (F) OF THE INTERNAL REVENUE CODE OF 1939

Mr. COOPER. Mr. Speaker, I have several bills that have been unanimously reported by the Committee on Ways and Means. I ask unanimous consent that following each bill I may extend my remarks on the bill; and that immediately following my remarks, the gentleman from New York [Mr. REED] may extend his remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. COOPER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill H. R. 8881, to amend section 812 of the Internal Revenue Code of 1939, introduced by the gentleman from New York [Mr. REED], which was unanimously reported favorably by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That (a) section 812 (e) (1) (F) of the Internal Revenue Code of 1939 is hereby amended to read as follows:

"(F) Life estate with power of appointment in surviving spouse: In the case of an interest in property passing from the decedent, if his surviving spouse is entitled for life to all the income from the entire interest, or all the income from a specific portion thereof, payable annually or at more frequent intervals, with power in the surviving spouse to appoint the entire interest, or such specific portion (exercisable in favor of such surviving spouse, or of the estate of such surviving spouse, or in favor of either, whether or not in each case the power is exercisable in favor of others), and with no power in any other person to appoint any part of the interest, or such specific portion, to any person other than the surviving spouse—

"(i) the interest or such portion thereof so passing shall, for purposes of subparagraph (A), be considered as passing to the surviving spouse, and

"(ii) no part of the interest so passing shall, for purposes of subparagraph (B) (i), be considered as passing to any person other than the surviving spouse.

This subparagraph shall apply only if such power in the surviving spouse to appoint the entire interest, or such specific portion thereof, whether exercisable by will or during life, is exercisable by such spouse alone and in all events. For purposes of the preceding sentence, a power is exercisable in all events if the surviving spouse has the unrestricted power exercisable at any time during the life of such spouse to use all or any part of the property subject to the power, and to dispose of it in any manner, including the power to dispose of it by gift (whether or not such spouse has power to dispose of it by will)."

(b) The amendment made by subsection (a) shall apply with respect to estates of decedents dying after April 1, 1948, and before August 17, 1954. If refund or credit of any overpayment resulting from the application of such amendment is prevented on the date of the enactment of this act, or at any time within 1 year from such date by the operation of any law or rule of law (other than sec. 3760 of the Internal Revenue Code of 1939 or sec. 7121 of the Internal Revenue Code of 1954, relating to closing agreements; and other than sec. 3761 of the Internal Revenue Code of 1939 or section 7122 of the Internal Revenue Code of 1954, relating to compromises), refund or credit of such overpayment may, nevertheless, be made or allowed if claim therefor is filed within one year after the date of the enactment of this Act.

(c) No interest shall be allowed or paid on any overpayment resulting from the enactment of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, sections 812 (e) and 2056 of the Internal Revenue Codes of 1939 and 1954, respectively, provide a marital deduction in computing the gross estate of a decedent if the decedent's surviving spouse has a right to the income of the property forming the basis of the gift for life, with a general power of appointment. Unlike the 1954 Code, the 1939 Code required that in such cases the property be placed in trust. Because of doubt as to what constituted a trust under the law of the various States, it was not clear that a legal life estate qualifies as a trust in all jurisdictions. Similarly, it was not clear when, where property was placed in trust and the surviving spouse given an interest in and power of appointment over part of the property, the interest given constituted a transfer in trust qualifying for the marital deduction. For these reasons the 1954 Code provides that property in a legal life estate, as well as property in trust, qualifies for the marital deduction, and further, that a right to income coupled with a general power of appointment over a part of the property forming the basis of the gift, qualifies for the marital deduction.

H. R. 8881 which was introduced by my dear friend and esteemed colleague, the gentleman from New York [Mr. REED], amends the marital deduction provisions of the 1939 Code to conform them to the rules provided in the 1954 Code. H. R. 8881 was approved unanimously by the Committee on Ways and Means.

Mr. REED. This bill amends the estate tax provisions of the Internal Revenue Code of 1939 relating to the marital deduction. It will allow the marital deduction where a man left property to his wife for life and gave her the unlimited power to use and consume the property. Such a broad power, as for example where the wife has the power to use, consume or invade the property for her comfort, happiness, and well-being is an interest equivalent to a general power of appointment, which makes the property includible in the wife's gross estate at her death. It follows that the marital deduction is allowable with respect to such a property interest. A recent decision of the Tax Court—*Estate of Pipe* (23 T. C. 99)—raises a question as to whether this is the result under the 1939 Code. This bill makes it clear that such a result is to be obtained under the 1939 Code.

The bill also extends the provisions of section 2056 (b) (5) of the 1954 Code to estates of persons dying after April 1, 1948, and before August 17, 1954, where the life interest of the wife is not coextensive with her general power of appointment. For example, a man leaves all of his property to his wife for life, with unlimited power in her to appoint by her will one-half the principal as she may choose. Thus she has the right to all the income for life but has a general power of appointment over only one-half of the principal. In such a case, the 1954 Code clearly allows a marital deduction as to one-half of the property, since the wife's interest in that one-half is such that it would be included in her gross estate on her death. Recent cases—*Hoffenberg* (22 T. C. 1185); *Shedd* (23 T. C. 41); *Sweet* (24 T. C. 488)—have reached a different result under the 1939 Code. This bill makes it clear that in such cases the marital deduction is also allowable under the 1939 Code.

ADMINISTRATION OF CERTAIN COLLECTED TAXES

Mr. COOPER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill H. R. 8865, relating to the administration of certain collected taxes, which was unanimously reported favorably by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That chapter 77 of the Internal Revenue Code of 1954 (relating to miscellaneous administrative provisions) is amended by adding at the end thereof the following new section:

"SEC. 7512. Separate accounting for certain collected taxes, etc.

"(a) General rule: Whenever any person who is required to collect, account for, and pay over any tax imposed by subtitle C or by chapter 33—

"(1) at the time and in the manner prescribed by law or regulations (A) fails to collect, truthfully account for, or pay over such tax, or (B) fails to make deposits, payments, or returns of such tax, and

"(2) is notified, by notice delivered in hand to such person, of any such failure,

then all the requirements of subsection (b) shall be complied with. In the case of a corporation, partnership, or trust, notice delivered in hand to an officer, partner, or trustee, shall, for purposes of this section, be deemed to be notice delivered in hand to such corporation, partnership, or trust and to all officers, partners, trustees, and employees thereof.

"(b) Requirements: Any person who is required to collect, account for, and pay over any tax imposed by subtitle C or by chapter 33, if notice has been delivered to such person in accordance with subsection (a), shall collect the taxes imposed by subtitle C or chapter 33 which become collectible after delivery of such notice, shall (not later than the end of the second banking day after any amount of such taxes is collected) deposit such amount in a separate account in a bank (as defined in sec. 581), and shall keep the amount of such taxes in such account until payment over to the United States. Any such account shall be designated as a special fund in trust for the United States, payable to the United States by such person as trustee.

"(c) Relief from further compliance with subsection (b): Whenever the Secretary or his delegate is satisfied, with respect to any notification made under subsection (a), that all requirements of law and regulations with respect to the taxes imposed by subtitle C or chapter 33, as the case may be, will henceforth be complied with, he may cancel such notification. Such cancellation shall take effect at such time as is specified in the notice of such cancellation."

SEC. 2. Part I of subchapter A of chapter 75 of such Code (relating to general provisions concerning crimes, other offenses, and forfeitures) is amended by adding at the end thereof the following new section:

"SEC. 7215. OFFENSES WITH RESPECT TO COLLECTED TAXES.

"(a) Penalty: Any person who fails to comply with any provision of section 7512 (b) shall, in addition to any other penalties provided by law, be guilty of a misdemeanor, and, upon conviction thereof, shall be fined not more than $5,000, or imprisoned not more than one year, or both, together with the costs of prosecution.

"(b) Exceptions: This section shall not apply—

"(1) to any person, if such person shows that there was reasonable doubt as to (A) whether the law required collection of tax, or (B) who was required by law to collect tax, and

"(2) to any person, if such person shows that the failure to comply with the provisions of section 7512 (b) was due to circumstances beyond his control.

"For purposes of paragraph (2), a lack of funds existing immediately after the payment of wages (whether or not created by the payment of such wages) shall not be considered to be circumstances beyond the control of a person."

SEC. 3. (a) The table of sections for chapter 77 of such Code is amended by adding at the end thereof the following:

"SEC. 7512. Separate accounting for certain collected taxes, etc."

(b) The table of sections for part I of subchapter A of chapter 75 of such Code is amended by adding at the end thereof the following:

"SEC. 715. Offenses with respect to collected taxes."

SEC. 4. Notification may be made under section 7512 (a) of the Internal Revenue Code of 1954 (as added by the first section of this Act)—

(1) in the case of taxes imposed by subtitle C of such Code, only with respect to pay periods beginning after the date of the enactment of this Act; and

(2) in the case of taxes imposed by chapter 33 of such Code, only with respect to taxes so imposed after the date of the enactment of this Act.

With the following committee amendment:

Page 4, line 9, strike out "person," and insert "person.'"

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, the overwhelming majority of employers and persons subject to the so-called collected excise taxes comply with the withholding and collection requirements of the internal-revenue laws fully. A small minority of employers and collection agents have failed to collect and pay over trust fund moneys representing withheld income, social security and excise taxes. The amount of delinquent withheld income and social security taxes alone amounted to over $279 million, as of December 31, 1956. This amount represented an accumulation of delinquent accounts over a 6-year period and approximates one-fifth of 1 percent of the total of these taxes collected for the period. These delinquencies confer upon the delinquent taxpayers involved an economic and competitive advantage represented by the amount of tax that they do not pay, and such delinquencies place an unfair burden on those who comply fully with withholding requirements.

H. R. 8865 is designed to secure greater compliance on the part of employers and others who are charged with the duty of paying over to the Government trust fund moneys withheld from their employers or collected from their customers. Generally, it provides that an employer required to collect and pay over income, social security or collected excise taxes on facilities or services and who fails to do so will be specifically notified that he is required to withhold or collect these taxes, deposit them in a special trust account for the United States and pay over the taxes. If after notification the person again fails to comply he will be guilty of a misdemeanor which upon conviction will subject him to a fine or not more than $5,000, imprisonment of not more than 1 year, or both. Exceptions are provided to cover the cases where, first, reasonable doubt as to withholding or collection requirements exists under the law; second, where lack of compliance is due to factors beyond the notified person's control.

This bill was unanimously ordered reported by the Committee on Ways and Means.

Mr. REED. Mr. Speaker, this legislation will improve compliance with existing provisions of law on the part of employers and other individuals in paying over to the Government trust fund moneys withheld from employees or collected from customs. The legislation is prospective in character and provides that a person who is required to collect and pay over taxes and he fails to do so can by a notification from the Internal Revenue Service be instructed to collect such taxes and deposit them in a special trust account for the United States Government. Persons who fail to comply with this provision after the notification required by the bill would be subject after conviction for a misdemeanor to a fine of not more than $5,000 or imprisonment for not more than 1 year, or both.

This provision will keep faith with the great majority of American taxpayers who pay their taxes on time as required by law. It will provide a deterrent to those taxpayers who would be delinquent or negligent in the payment of their tax obligations. The Committee on Ways and Means was unanimous in ordering this legislation favorably reported.

CREDIT AGAINST ESTATE TAX FOR TAX ON CERTAIN PRIOR TRANSFERS

Mr. COOPER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill H. R. 8887, to amend the Internal Revenue Code of 1939 to provide a credit against the estate tax for Federal estate taxes paid on certain prior transfers in the case of decedents dying after December 31, 1947, introduced by the gentleman from Rhode Island [Mr. FORAND], which was unanimously reported favorably by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 814 of the Internal Revenue Code of 1939 is hereby amended—

(1) by striking out in subsection (a) of such section "December 31, 1951" and inserting in lieu thereof "December 31, 1949";

(2) by striking out "within two years" wherever appearing in subsections (a) and (b) of such section and inserting in lieu thereof "after December 31, 1947, and within three years"; and

(3) by adding at the end of subsection (c) of such section the following new paragraph:

"(3) Reduction of credit in certain cases: If the transferor predeceased the decedent by more than two years, the credit shall be 80 percent of the amount determined under subsections (b) and (c) (1) and (2)."

SEC. 2. A timely claim based upon a deduction for property previously taxed under section 812 (c) of the Internal Revenue Code of 1939 may be deemed to be a claim based upon a credit for prior taxed property under section 814 of such Act as amended by the first section of this Act.

SEC. 3. No interest shall be allowed or paid on any overpayment resulting from the enactment of this Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, section 812 (c) of the Internal Revenue Code of 1939 provided a deduction in computing estate tax, as distinguished from a credit, for the value of property left to a decedent within 5 years of his death if such property had been taxed as a part of the estate of the donor-decedent or had been subject to gift tax. However, because of difficulties presented by the interrelationship of section 812 (c) and the marital deduction provided by section 812 (e), no deduction for prior-taxed property was allowed to the extent that property in question exceeded 50 percent of the decedent's estate and had been acquired from the decedent's spouse. As a result, double taxation resulted where more than 50 percent of the decedent's estate was acquired from his spouse, because no marital deduction had been allowed to the extent of the excess over 50 percent. To eliminate this double taxation, the 1954 Code in section 2013 provided a credit, which was in turn extended to estates of decedents dying after December 31, 1951, and before August 16, 1954, by Public Law 417, 84th Congress.

H. R. 8887 will extend the treatment provided by Public Law 417 to the estates of decedents dying after December 31, 1949, in cases where the death of the husband or wife of the decedent occurred within 3 years of the decedent's death but after December 31, 1947. By so doing, H. R. 8887 will eliminate cases of hardship which have come to the attention of the Committee on Ways and Means since the enactment of Public Law 417.

H. R. 8887 was ordered favorably reported unanimously by the Committee on Ways and Means.

Mr. REED. Mr. Speaker, H. R. 8887 would amend section 814 of the Internal Revenue Code of 1939 with respect to a credit against the estate tax for Federal estate taxes paid in certain prior transfers.

Existing law under section 814 of the 1939 Code provides a credit against the Federal estate tax for Federal estate taxes paid on prior transfers. Existing law has eliminated the double taxation that would otherwise occur under successive deaths of spouses where a husband and wife died within 2 years of each other by allowing a credit against the decedent's tax for all or a portion of any estate tax previously paid. For this provision to apply the current decedent must have died after December 31, 1951.

H. R. 8887 would amend the existing 1939 law so as to make the date December 31, 1949, after which death of the current decedent must have occurred. In addition, it is provided that there would be a 3-year period instead of the 2-year period in which the successive deaths must have occurred. However, where the deaths occur in this period between 2 and 3 years apart, the credit is limited to 80 percent of the amount otherwise available. The bill would also make appropriate technical amendments with respect to the computation of the available credit.

Mr. Speaker, this legislation was unanimously reported to the House by the Committee on Ways and Means.

FOREIGN TAX CREDIT FOR INCOME TAX PAID WITH RESPECT TO ROYALTIES

Mr. COOPER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill H. R. 4952, to amend the Internal Revenue Code of 1939 and the Internal Revenue Code of 1954 with respect to foreign tax credit for United Kingdom income tax paid with respect to royalties and other like amounts, introduced by the gentleman from Pennsylvania [Mr. SIMPSON], which was unanimously reported favorably by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 131 (e) of the Internal Revenue Code of 1939 (relating to the foreign tax credit) is hereby amended by adding at the end thereof the following new sentence: "For the purposes of this section, the recipient of a royalty or other amount paid or accrued as consideration for the use of, or for the privilege of using, copyrights, patents, designs, secret processes and formulas, trademarks, and other like property, and derived from sources within the United Kingdom of Great Britain and Northern Ireland, shall be deemed to have paid or accrued any income, war-profits, and excess-profits taxes paid or accrued to the United Kingdom with respect of such royalty or other amount (including the amount by which the payor's United Kingdom tax was increased by inability to deduct such royalty or other amount) if such recipient elects to include in its gross income the amount of such United Kingdom tax."

SEC. 2. Section 905 (b) of the Internal Revenue Code of 1954 is hereby amended by adding at the end thereof the following new sentence: "For the purposes of this subpart, the recipient of a royalty or other amount paid or accrued as consideration for the use of, or for the privilege of using, copyrights, patents, designs, secret processes and formulas, trademarks, and other like property, and derived from sources within the United Kingdom of Great Britain and Northern Ireland, shall be deemed to have paid or accrued any income, war-profits and excess-profits taxes paid or accrued to the United Kingdom with respect to such royalty or other amount (including the amount by which the payor's United Kingdom tax was increased by inability to deduct such royalty or other amount) if such recipient elects to include in its taxable income the amount of such United Kingdom tax."

SEC. 3. The amendment made by the first section of this Act shall apply for all taxable years beginning on and after January 1, 1945, as to which section 131 of the Internal Revenue Code of 1939 is the applicable provision. The amendment made by the second section of this Act shall apply with respect to taxable years beginning after December 31, 1953, and ending after August 16, 1954, the date of enactment of the Internal Revenue Code of 1954.

With the following committee amendments:

Page 2, strike out lines 12 and 13 and insert "following new sentence: 'For the purposes of this subpart, the recipient of a royalty or other amount paid or'."

Page 3, line 3, strike out "1945," and insert in lieu thereof "1950."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, the provisions of H. R. 4952 will extend to royalty income from United Kingdom sources the tax treatment accorded dividend income from such sources as a consequence of the income-tax convention with Great Britain.

Under the tax laws of Great Britain the standard rate income tax imposed upon corporate profits is treated as if it were a tax on the corporation's shareholders. Thus, when dividends are distributed the corporate distributee recovers the tax previously paid by it by withholding, and the shareholder includes the amount of taxes withheld in his taxable income for purposes of computing his personal tax liability.

While the British regard their basic corporate tax as a tax on the shareholder, the Supreme Court in the case of Biddle against Commissioner has held that a United States stockholder receiving dividends from a British corporation is not considered to have paid the corporate taxes by which the dividends were reduced and is, therefore, not entitled to a foreign tax credit for such taxes. The effect of the Biddle decision was overcome as to dividends by our tax convention with the United Kingdom under which British corporate taxes on dividends paid to United States shareholders are considered to have been paid by the shareholder. In effect, this allows a foreign tax credit for the taxes paid and prevents double taxation.

The tax convention also provides that royalties paid by a British corporation to a United States taxpayer are not subject to the British corporate tax unless the taxpayer has a permanent business establishment in the United Kingdom. This was also provided to prevent double taxation. But in cases where the United States royalty recipient has a permanent business establishment in the United Kingdom no relief from double taxation is available under the tax convention because of the holding in the Biddle case, mentioned above, which operates to deny a foreign tax credit.

H. R. 4952 overcomes the Biddle decision as to royalty income and will give United States royalty recipients who have permanent business establishments in the United Kingdom the same tax relief accorded to dividend recipients under the income-tax convention, thus avoiding double taxation on such income.

The bill was reported unanimously by the Committee on Ways and Means.

Mr. REED. Mr. Speaker, the purpose of this meritorious legislation is to prevent the double taxation of income under the tax laws of the United States and of the United Kingdom. It would clarify the applicability of the foreign tax credit allowed under United States law for United Kingdom tax paid with respect to royalties and other like amounts. The bill amends the foreign tax credit provisions of the Internal Revenue Codes of 1939 and 1954. Under the amendment a United States recipient of a royalty for the use of copyrights, patents, and other similar properties derived from sources within the United Kingdom is to be deemed for the purposes of the United States law foreign tax credit to have paid applicable foreign taxes to the United Kingdom with respect to such income.

This meritorious legislation was unanimously reported by the Committee on Ways and Means and should, in my judgment, receive the favorable consideration of the Congress and the Executive.

TREATMENT OF COPYRIGHT ROYALTIES FOR PURPOSES OF THE PERSONAL HOLDING COMPANY TAX

Mr. COOPER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill H. R. 8960, to amend the Internal Revenue Code of 1954 with respect to the treatment of copyright royalties for purposes of the personal holding company tax, introduced by the gentleman from New York [Mr. KEOGH], which was unanimously reported favorably by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That (a) section 543 (a) of the Internal Revenue Code of 1954 (relating to personal holding company income) is amended by adding at the end thereof the following new paragraph:

"(9) Copyright royalties: Copyright royalties, unless—

"(A) such royalties constitute 50 percent or more of the gross income,

"(B) the personal holding company income for the taxable year (not taking into account copyright royalties, and not taking into account dividends from corporations which are affiliated with the taxpayer and which meet the requirements of this subparagraph and subparagraphs (A) and (C)) is 5 percent or less of the gross income, and

"(C) the deductions allowable under section 162 (other than deductions for compensation for personal services rendered by the shareholders and other than deductions for royalties to shareholders) constitute 50 percent or more of the gross income.

For purposes of this subsection, the term 'copyright royalties' means compensation however designed for the use of or right to use copyrights secured by section 1 of title 17 of the United States Code, or interests in any such copyrights, and includes payments from any person for performing rights in any such copyright. For purposes of this paragraph, a corporation is affiliated with the taxpayer only if such corporation and the taxpayer are both members of the same affiliated group (as defined in section 1504)."

(b) Such section 543 (a) is amended—

(1) by striking out "(other than mineral, oil, or gas royalties)" in paragraph (1) and inserting in lieu thereof "(other than mineral, oil, or gas royalties or copyright royalties)"; and

(2) by adding at the end of paragraph (6) the following new sentence: "For purposes of the preceding sentence, copyright royalties constitute personal holding company income."

SEC. 2. The amendments made by the first section of this Act shall apply only with respect to taxable years beginning after December 31, 1956.

With the following committee amendment:

Page 2, lines 15 and 16, strike out "by section 1 of" and insert in lieu thereof "under."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, the personal holding company tax was devel-

oped as a device to prevent the avoidance of the individual income tax by the formation of incorporated pocketbooks for the receipt of certain investment income by a single or relatively small group of individuals. Generally speaking, personal holding companies are closely held corporations, the bulk of whose income is passive in nature and derived from certain specified types of investment sources. Such companies are subject to a tax of 75 percent to 85 percent of their undistributed personal holding company income, in addition to the regular corporate income tax.

From time to time in the past, Congress has found it necessary to exempt from the personal holding company tax, legitimate types of operating income. H. R. 8960 is directed to a new instance wherein operating income is being subjected to the threat of the personal income holding company tax through changes in business circumstances. The music publishing industry once found its principal market in the sale of sheet music, even though they received some royalty income from music. Recent developments, however, have tended to shift the major source of music publishing income from the sale of sheet music to royalty income, largely as a result of the fact that radio, television, motion pictures, and the expansion of the use of phonograph records have increased royalty income at the same time when sales of sheet music are correspondingly declining.

H. R. 8960 meets this situation by excluding copyright royalties from the definition of personal holding company if the following conditions are met: One, copyright royalties represent 50 percent or more of the gross income of the company; two, other personal holding company income is not in excess of 5 percent of the gross income of the company; and three, business expense deductions of the company, other than salaries or royalties paid to shareholders, equal at least 50 percent of the gross income of the company.

Mr. Speaker, H. R. 8960 has been unanimously reported by the Committee on Ways and Means.

Mr. REED. Mr. Speaker, H. R. 8960 would amend the Internal Revenue Code of 1954 to provide that personal holding company income is not to include income from copyright royalties if the taxpayer satisfies certain safeguarding conditions prescribed in the legislation.

It will be recalled that the personal holding company tax has been developed as a means of preventing the avoidance of the application of the individual income tax in the case of investment income by the formation of a corporation by a relatively small group of individuals. It has been called to the attention of the membership of the Committee on Ways and Means that the personal holding company tax either has become applicable or may in the future become applicable to a type of operating business as distinguished from an investment business. This legislation is necessary to avoid the unintended application of the personal holding company tax to such operating businesses.

The legislation was unanimously reported favorably by the Committee on Ways and Means.

CERTAIN RESTRICTED STOCK OPTIONS

Mr. COOPER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill H. R. 9035, to amend the Internal Revenue Code of 1954 with respect to the basis of stock acquired by the exercise of restricted stock options after the death of the employee, introduced by the gentleman from Pennsylvania [Mr. SIMPSON]. This bill was unanimously reported favorably by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 421 (d) (6) of the Internal Revenue Code of 1954 (relating to restricted stock options exercised by estate) is amended by adding at the end thereof the following new subparagraph:

"(C) Basis of shares acquired: In the case of a share of stock acquired by the exercise of an option to which subparagraph (A) applies—

"(i) the basis of such share shall include so much of the basis of the option as is attributable to such share; except that the basis of such share shall be reduced by the excess (if any) of the amount, which would have been includible in gross income under subsection (b) if the employee had exercised the option and held such share at the time of his death, over the amount which is includible in gross income under subsection (b); and

"(ii) the last sentence of subsection (b) shall apply only to the extent that the amount includible in gross income under such subsection exceeds so much of the basis of the option as is attributable to such share."

SEC. 2. Subsection (d) of section 1014 of the Internal Revenue Code of 1954 (relating to basis of restricted stock options) is hereby repealed.

SEC. 3. The amendments made by this Act shall apply with respect to taxable years ending after December 31, 1956, but only in the case of employees dying after such date.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, H. R. 9035 amends the Internal Revenue Code of 1954 to provide substantially the same treatment for stock options held by an employee at the time of his death as is provided presently in the case of stock options exercised by the employee prior to his death. Generally, the bill provides that where an option is held by an employee at the time of his death, it will receive a stepped-up basis for determining gain or loss for purposes of the income tax. The new basis of the option will reflect the spread between the option price and the value of the stock at the date of the death of the employee or the optional valuation date as the case may be.

The committee report accompanying H. R. 9035 states that existing law fails to provide a stepped-up basis for option held and unexercised at the date of the employee's death and is thus discriminatory in the case of such option. H. R. 9035 is designed to remove this inequity by providing a new basis for restricted stock option at the date of the employee's death.

H. R. 9035 was unanimously reported by the Committee on Ways and Means.

Mr. REED. Mr. Speaker, the Internal Revenue Code of 1954 provides in section 421 specific rules relating to employee stock options. One of these rules pertains to the exercise by an estate or a beneficiary of a restricted stock option of a deceased employee. However, section 1014 of the code relating to basis does not provide a new or stepped-up basis with respect to option at the time of the death of the optionee.

The general rule provided in the code with respect to property acquired from a decedent is to allow either a new basis or an income-tax deduction for the estate tax paid. Neither of these results occurs in the case of an employee stock option exercised after death of the optionee. H. R. 9035 would correct this unintended hardship by allowing a new income tax basis in the case of a restricted stock option not exercised prior to death.

CERTAIN LOANS MADE BY EMPLOYEE TRUSTS

Mr. COOPER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill H. R. 9049, to amend section 503 of the Internal Revenue Code of 1954 with respect to certain loans made by employee trusts, introduced by the gentleman from Louisiana [Mr. BOGGS]. The bill was unanimously reported favorably by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection? to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 503 of the Internal Revenue Code of 1954 (relating to requirements for exemption in the case of exempt organizations) is amended by adding at the end thereof the following new subsection:

"(h) Loans with respect to which employers are prohibited from pledging certain assets: Notwithstanding subsection (g), subsection (c) (1) shall not apply to a loan made by a trust described in section 401 (a) to the employer (or to a renewal of such a loan or, if the loan is repayable upon demand, to a continuation of such a loan) if the loan bears a reasonable rate of interest, and if (in the case of a making or renewal)—

"(1) the employer is prohibited by any law of the United States or regulation thereunder from directly or indirectly pledging, as security for such a loan, a particular class or classes of his assets the value of which (at the time of such making or renewal) represents more than one-half of the value of all his assets;

"(2) the making or renewal, as the case may be, is approved in writing as an investment which is consistent with the exempt purposes of the trust by a trustee who is independent of the employer, and no other trustee had previously refused to give such written approval; and

"(3) Immediately following the making or renewal, as the case may be, the aggregate

amount loaned by the trust to the employer, without the receipt of adequate security, does not exceed 25 percent of the value of all the assets of the trust."

SEC. 2. The amendment made by the first section of this Act shall apply with respect to taxable years ending after the date of the enactment of this act, but only with respect to periods after such date.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, section 503 (a) of the Internal Revenue Code of 1954 provides that an employee pension, profit sharing, or stock bonus trust is not to be exempt from income tax if it is engaged in a so-called prohibited transaction.

The term "prohibited transaction" is defined as a transaction in which any part of the income or corpus of an organization is loaned without receipt of adequate security and a reasonable rate of interest to the creator of the organization and certain other related parties. Generally speaking, this prohibited transaction rule has precluded employee pension or profit sharing and stock bonus trusts from investing in the debt obligations of their employer-creators. The rule has been the subject of consideration by the Committee on Ways and Means recently, both in H. R. 8183, which is pending for the consideration of the House, and this bill, H. R. 9049.

Because under the provisions of the Securities Exchange Act of 1934 and Federal Reserve Board Regulation T brokerage firms are prohibited from pledging any of their registered securities as collateral for employee trust loans, or for any loans except bank loans or loans from other brokers, these firms have particular difficulty in meeting the adequate security exception to the prohibited transaction rule. H. R. 9049 will make it possible for the employees of brokerage firms to receive the favorable rates of return usually forthcoming from loans of the type under discussion by providing a new exception to the prohibited transaction rule in the case of loans bearing a reasonable rate of interest and which meet the following three conditions: First, the employer is prohibited by Federal law or regulation from pledging as security particular classes of assets which represent more than one-half of the value of all of the assets held; second, the loan is approved in writing as an investment by an independent trustee; and, third, the total amount loaned by the trust to the employer without adequate security is not in excess of 25 percent of the value of all of the assets of the trust.

The bill H. R. 9049 was unanimously reported by the Committee on Ways and Means.

Mr. REED. Mr. Speaker, existing law provides that employee pension, profit-sharing, and stock-bonus trusts are to be denied income-tax exemption unless any loans made by such funds to the employers are adequately secured. H. R. 9049 would make this provision of law inapplicable in the case of loans to an employer from a trust fund under certain qualifying conditions. This specific legislation relates to the applicability of the prohibited transactions rule to unincorporated stock-brokerage firms. This legislation was unanimously reported by the Committee on Ways and Means.

PERCENTAGE DEPLETION IN THE CASE OF CERTAIN SAND AND GRAVEL

Mr. COOPER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 2391) to clarify the Internal Revenue Codes of 1939 and 1954 with respect to the allowance of percentage depletion in the case of sand and gravel extracted from navigable waters, introduced by the gentleman from Tennessee [Mr. BAKER]. This bill was unanimously reported favorably by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc., That section 614 of the Internal Revenue Code of 1954 (relating to definition of property for purposes of depletion) is amended by adding at the end thereof the following:

"(d) Extraction of sand and gravel from navigable waters: For purposes of this part, a taxpayer who, under a permit from or with the permission of the United States, extracts sand or gravel from navigable waters of the United States shall be treated as the owner of an economic interest in the deposits from which such sand or gravel is extracted, and such deposits shall be deemed to be depleted by such extraction."

SEC. 2. Section 114 of the Internal Revenue Code of 1939 is amended by adding at the end thereof the following:

"(c) Extraction of sand and gravel from navigable waters: For purposes of the deduction for depletion allowed by section 23 (m), a taxpayer who, under permit from or with the permission of the United States, extracts sand or gravel from navigable waters of the United States shall be treated as the owner of an economic interest in the deposits from which such sand or gravel is extracted, and such deposits shall be deemed to be depleted by such extraction."

SEC. 3. (a) The amendment made by the first section of this act shall apply to all taxable years to which the Internal Revenue Code of 1954 applies.

(b) The amendment made by section 2 of this act shall be effective on and after January 1, 1951.

With the following committee amendment:

Page 2, strike out lines 4 through 19, and insert in lieu thereof the following:

"SEC. 2. The amendment made by the first section of this act shall apply only with respect to taxable years beginning after December 31, 1956.

The committee amendment was agreed to.

Mr. REED. Mr. Speaker, I ask unanimous consent that the gentleman from Tennessee [Mr. BAKER] may extent his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BAKER. Mr. Speaker, I respectfully urge the passage of H. R. 2391 which the Committee on Ways and Means unanimously reported favorably with amendments, and with recommendation that the bill as amended do pass.

The purpose of the bill is to clarify the Internal Revenue Code of 1954 so as to allow the 5-percent depletion on sand and gravel extracted from navigable waters.

Since the enactment of the Revenue Act of 1951 an allowance of 5 percent for the depletion of sand and gravel deposits has been allowed. There is no restriction or limitation either in the Revenue Act of 1951 or in the Internal Revenue Code of 1954 with respect to the allowance of this depletion of sand and gravel. It is presently allowed to operators who pay even a small sum as royalty to a land owner for extracting sand and/or gravel. However, the Internal Revenue Service has held—and I do not agree with their holding—that this deduction is not available to taxpayers who dredge sand and gravel from the bed of a navigable stream under a permit from the United States Army Corps of Engineers, upon the theory that these taxpayers do not have an economic interest in the deposit.

Dredging of the sand and gravel is necessary to keep the channel of the stream navigable and if the dredging was not done by the sand and gravel operators, it would have to be done at the expense of the Federal Government through the United States Corps of Engineers. Thus, as pointed out on page 2 of the committee report, the payment by way of royalty paid by a competing sand and gravel operator to a private landowner for the privilege of extracting the sand or gravel may be less than the cost of dredging in the case of the extraction from beds in navigable streams.

In streams such as the Tennessee River and the Cumberland River where many multiple-purpose dams have been built in recent years, the sand and gravel does not replenish itself and operators are required in many instances to go 50 or 60, or even up to 90 miles away from their operation to find the sand and gravel to dredge and remove from the bed of the stream.

It is to remove this discrimination, which I do not believe was ever intended by the Congress, that this bill grants to those who dredge sand and gravel from beds of navigable rivers the same percentage depletion as is presently available to those who extract sand and gravel from privately owned deposits.

This bill, except for the amendments which merely remove all retroactive application, is the same as H. R. 10923, 84th Congress, which was reported favorably by the Ways and Means Committee on July 24, 1956. Under the committee amendments the effective date of the present bill is in respect to taxable years beginning after December 31, 1956.

The bill was ordered to be engrossed and read a third time, and was read the third time and passed.

The title was amended so as to read: "A bill to clarify the Internal Revenue Code of 1954 with respect to the allowance of percentage depletion in the case of sand and gravel extracted from navigable waters."

A motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, the Internal Revenue Code of 1954 now provides a 5-percent depletion allowance for sand and gravel deposits. However, the Internal Revenue Service has held that this allowance is not available to taxpayers who dredge sand and gravel from navigable rivers under a permit from the Federal Government. The basis of the Internal Revenue's position is that such taxpayers do not have an economic interest in the deposits from which they are dredging.

Effective for taxable years beginning after December 31, 1956, H. R. 2391 will permit a deduction to taxpayers for percentage depletion on income from sand and gravel extracted from navigable waters where the taxpayer extracts the sand and gravel under a permit from, or with the permission of, the United States Government.

H. R. 2391 was reported unanimously by the Committee on Ways and Means.

Mr. REED. Mr. Speaker, H. R. 2391 would allow a deduction to taxpayers for percentage depletion on income from sand and gravel extracted from navigable waters if the taxpayer extracts the sand and gravel under a permit from or with the permission of the United States. This legislation is necessary as the result of the position taken by the Internal Revenue Service that such a deduction is not available to a taxpayer who dredges sand and gravel from the bed of a navigable river under a permit from the Federal Government. Under the bill the deduction is to be available for taxable years after December 31, 1956. The Committee on Ways and Means has been informed that the enactment of this legislation is expected to result in a negligible loss of revenue.

ADMISSIONS TO CERTAIN MUSICAL PERFORMANCES

Mr. COOPER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill H. R. 8794; to provide an exemption from the tax imposed on admissions for admissions to certain musical performances, introduced by the gentleman from Missouri [Mr. CURTIS]. This bill was unanimously reported favorably by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 4233 (a) (3) of the Internal Revenue Code of 1954 be amended (1) by striking out the word "concerts" and inserting in lieu thereof "musical performances" and (2) by striking out the heading of such paragraph and inserting in lieu thereof "Certain musical performances.—".

SEC. 2. The amendment made by the first section of this act shall apply only with respect to amounts paid for admissions on or after the first day of the first month which begins more than 10 days after the date of the enactment of this act.

With the following committee amendment:

Page 1, line 6, after the word "out" insert the following: " 'Certain concerts.—' in."

The committee amendment was agreed to.

Mr. KARSTEN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. KARSTEN. Mr. Speaker, under the existing law, an exemption is provided from the excise tax on admissions for concerts conducted by nonprofit civic or community membership associations. In the past, the interpretation of the word "concert" extended to musical productions sponsored by civic organizations such as the St. Louis Municipal Opera Association. The St. Louis Municipal Opera Association, like many other civic organizations over the country, every summer sponsors musical productions of various kinds, such as operas, operettas, symphonies, orchestras, bands, and vocal groups. Many of the productions have the characteristics of operas, operettas, and musical comedies. That portion of the performances which the Bureau of Internal Revenue decides are musical comedies would be subject to admissions tax if this legislation is not passed.

To illustrate, the operetta Naughty Marietta would be completely exempt from the excise tax if it were performed by a nonprofit civic organization. However, if the same civic organization should sponsor a production, such as South Pacific it would be almost impossible to determine what part of the production should be taxed. Such a production, of course, contains the elements of an operatic performance, some of the elements of a musical comedy, and also drama.

The gentleman from Missouri [Mr. CURTIS] and I have sponsored legislation to provide for the exemption for these performances which has always been granted in the past. It will not result in any revenue loss and the legislation has the favorable report of the Department of the Treasury.

It is my hope the bill can be promptly acted upon in order to remove the tax crisis faced by the St. Louis Municipal Opera, as well as other similar civic organizations in many cities in the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, an exemption is presently provided from the Federal excise tax on admissions for "concerts" conducted by nonprofit civic or community membership organizations if no part of the net earnings derived from the concerts inure to the benefit of stockholders or members of the association. It has been assumed that this exemption applied to all of the musical performances conducted by community membership associations, with the result that tickets have been sold without collection of the admissions tax.

In administering the admissions taxes, the Internal Revenue Service has recently held that the term "concerts" does not include musical comedies or reviews, with the result that such performances, when conducted by otherwise exempt organizations, are subject to the admissions tax. The Internal Revenue Service's interpretation has resulted in the anomalous situation wherein light operas are treated as "concerts," and musical comedy performances as dramatic presentations subject to the tax. By substituting the term "musical performances" for the word "concerts," H. R. 8794 will provide a more certain basis for administration.

H. R. 8794 was reported unanimously by the Committee on Ways and Means.

Mr. REED. Mr. Speaker, this legislation would amend the existing law exemption from the excise tax on admissions as is presently available with respect to concerts conducted by nonprofit, civic, or community membership associations so that the exemption would be available with respect to musical performances conducted by such associations. There presently exists confusion as to what constitutes an exempt performance and this legislation would remove that uncertainty. The legislation was unanimously reported favorably by the Committee on Ways and Means.

EXTENSION OF UNEMPLOYMENT COMPENSATION PROGRAM

Mr. COOPER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill H. R. 8888, to extend the unemployment compensation program, introduced by the gentleman from New Jersey [Mr. KEAN]. This bill was unanimously reported favorably by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

Mr. EDMONDSON. Reserving the right to object, Mr. Speaker, and I shall not object, I take this time to ask the gentleman from Tennessee, chairman of the Committee on Ways and Means, if he can give those of us who have appeared before his committee recently in hearings which have been concluded on the subject of vitally needed legislation on lead and zinc some assurance of when we might expect some action from the Committee on Ways and Means on that legislation.

Mr. COOPER. I am sorry, I am not in a position to give the gentleman any definite statement at this time. The matter is under consideration in the committee.

Mr. EDMONDSON. May I ask the chairman if he has any plans to call the committee into session on the bill which is before the committee?

Mr. COOPER. I am sorry, I cannot give the gentleman any further statement just at this time.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc.—

SHORT TITLE

SECTION 1. This act may be cited as the "Unemployment Compensation Amendments of 1957."

FEDERAL INSTRUMENTALITIES

SEC. 2. (a) Section 3305 (b) of the Internal Revenue Code of 1954 is amended to read as follows:

"(b) Federal instrumentalities in general. The legislature of any State may require any instrumentality of the United States (other than an instrumentality to which section 3306 (c) (6) applies, and the individuals in its employ, to make contributions to an unemployment fund under a State unemployment compensation law approved by the Secretary of Labor under section 3304 and (except as provided in section 5240 of the Revised Statutes, as amended (12 U. S. C. 484), and as modified by subsection (c)), to comply otherwise with such law. The permission granted in this subsection shall apply (A) only to the extent that no discrimination is made against such instrumentality, so that if the rate of contribution is uniform upon all other persons subject to such law on account of having individuals in their employ, and upon all employees of such persons, respectively, the contributions required of such instrumentality or the individuals in its employ shall not be at a greater rate than is required of such other persons and such employees, and if the rates are determined separately for different persons or classes of persons having individuals in their employ or for different classes of employees, the determination shall be based solely upon unemployment experience and other factors bearing a direct relation to unemployment risk; (B) only if such State law makes provision for the refund of any contributions required under such law from an instrumentality of the United States or its employees for any year in the event said State is not certified by the Secretary of Labor under section 3304 with respect to such year; and (C) only if such State law makes provision for the payment of unemployment compensation to any employee of any such instrumentality of the United States in the same amount, on the same terms, and subject to the same conditions as unemployment compensation is payable to employees of other employers under the States unemployment compensation law."

(b) The third sentence of section 3305 (g) of such code is amended by striking out "not wholly" and inserting in lieu thereof "neither wholly nor partially."

(c) Paragraph (6) of section 3306 (c) of such code is amended to read as follows:

"(6) service performed in the employ of the United States Government or of an instrumentality of the United States which is—

"(A) wholly or partially owned by the United States, or

"(B) exempt by virtue of a provision of law which grants a specific exemption by reference to section 3301 (or the corresponding section of prior law) from the tax imposed by such section;".

(d) (1) Chapter 23 of such code is amended by renumbering section 3308 as section 3309 and by inserting after section 3308 the following new section:

"SEC. 3308. Instrumentalities of the United States.

"Notwithstanding any other provision of law (whether enacted before or after the enactment of this section) which grants to any instrumentality of the United States an exemption from taxation, such instrumentality shall not be exempt from the tax imposed by section 3301 unless such other provision of law grants a specific exemption, by reference to section 3301 (or the corresponding section of prior law), from the tax imposed by such section."

(2) The table of sections for such chapter is amended by striking out the last line and inserting in lieu thereof the following:

"Sec. 3308. Instrumentalities of the United States.
"Sec. 3309. Short title."

(e) The first sentence of section 1501 (a) of the Social Security Act is amended by striking out "wholly" and inserting in lieu thereof "wholly or partially."

(f) The first sentence of section 1507 (a) of the Social Security Act is amended by striking out "wholly" and inserting in lieu thereof "wholly or partially."

AMERICAN AIRCRAFT

SEC. 3. (a) So much of section 3306 (c) of the Internal Revenue Code of 1954 as precedes paragraph (1) thereof is amended by striking out "or (B) on or in connection with an American vessel" and all that follows down through the phrase "outside the United States," and by inserting in lieu thereof the following: "or (B) on or in connection with an American vessel or American aircraft under a contract of service which is entered into within the United States or during the performance of which and while the employee is employed on the vessel or aircraft it touches at a port in the United States, if the employee is employed on and in connection with such vessel or aircraft when outside the United States."

(b) Paragraph (4) of section 3306 (c) of such code is amended to read as follows:

"(4) service performed on or in connection with a vessel or aircraft not an American vessel or American aircraft by an employee, if the employee is employed on and in connection with such vessel or aircraft when outside the United States;".

(c) Section 3306 (m) of such code is amended—

(1) by striking out the heading and inserting in lieu thereof the following:

"(m) American vessel and aircraft.—"; and

(2) by striking out the period at the end thereof and inserting in lieu thereof a semicolon and the following: "and the term 'American aircraft' means an aircraft registered under the laws of the United States."

FEEDER ORGANIZATIONS, ETC.

SEC. 4. Paragraph (8) of section 3306 (c) of the Internal Revenue Code of 1954 is amended to read as follows:

"(8) service performed in the employ of a religious, charitable, educational, or other organization described in section 501 (c) (3) which is exempt from income tax under section 501 (a)."

EFFECTIVE DATE

SEC. 5. The amendments made by this act (other than the amendments made by subsecs. (e) and (f) of sec. 2) shall apply only to service performed after December 31, 1958. The amendments made by subsections (e) and (f) of section 2 shall apply with respect to unemployment after December 31, 1958.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, H. R. 8888 extends the protection of the unemployment insurance system to certain groups of workers to whom this protection is not now available.

The bill broadens the coverage of the system by extending the Federal Unemployment Tax Act to the following groups of employees: (a) Approximately 30,000 workers who are employed by non-wholly owned Federal instrumentalities of the United States which are exempt from the Federal Unemployment Tax Act by reason of broad tax provisions in their charter or enabling legislation; (b) approximately 5,000 airline employees employed in overseas operations of established airlines which have extensive employment in the United States; and (c) employees of organizations operated primarily for carrying on a trade or business for profit even though all the profits are payable to certain nonprofit organizations.

Your committee's bill also broadens the coverage of the system by extending the program of unemployment compensation for Federal employees to employees of partially owned Federal instrumentalities.

The Committee on Ways and Means unanimously favorably reported this bill.

Mr. REED. Mr. Speaker, this legislation relates to the unemployment compensation program and generally provides an extension of coverage under the system.

H. R. 8888 would broaden unemployment insurance coverage by extending the Federal Unemployment Tax Act to employees of certain Federal instrumentalities which are now exempted by reason of a general tax exemption. Under existing law the only Federal instrumentalities still excluded from unemployment insurance are those which are not wholly owned by the United States and are exempt from taxes by reason of some provision in their charter or some other provision of law. An example of the type of activity that would be covered under the bill are certain activities of the Farm Credit Administration and certain Federal banking institutions.

In addition, H. R. 8888 would extend coverage to employees on American aircraft engaged in overseas operations and to employees of so-called feeder organizations.

The Committee on Ways and Means was unanimous in reporting this legislation favorably to the House.

Mr. COOPER. Mr. Speaker, I ask unanimous consent that the Clerk, in engrossing the bill H. R. 8888, be instructed to insert a closing parenthesis on page 2, line 1, after the word "applies" and before the comma.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

POULTRY PRODUCTS INSPECTION BILL

Mr. WATTS. Mr. Speaker, I call up the conference report on the bill S. 1747, to provide for the compulsory inspection by the United States Department of Agriculture of poultry and poultry products, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 1170)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1747) to provide for the compulsory inspection by the United States Department of Agriculture

of poultry and poultry products having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: "That this Act may be cited as the 'Poultry Products Inspection Act'.

"LEGISLATIVE FINDING

"SEC. 2. Wholesome poultry products are an important source of the Nation's total supply of food. Such products are consumed throughout the Nation and substantial quantities thereof move in interstate and foreign commerce. Unwholesome and adulterated poultry products in the channels of interstate or foreign commerce, are injurious to the public welfare, adversely affect the marketing of wholesome poultry products, result in sundry losses to producers, and destroy markets for wholesome poultry products. The marketing of wholesome poultry products is affected with the public interest and directly affects the welfare of the people. All poultry and poultry products which have or are required to have inspection under this Act are either in the current of interstate or foreign commerce or directly affect such commerce. That part that enters directly into the current of interstate or foreign commerce cannot be effectively inspected and regulated without also inspecting and regulating all poultry and poultry products processed or handled in the same establishment.

"The great volume of poultry products required as an article of food for the inhabitants of large centers of population may directly affect the movement of poultry and poultry products in interstate commerce. To protect interstate commerce in poultry and poultry products inspected for wholesomeness, from being adversely burdened, obstructed, or affected by uninspected poultry or poultry products, major consuming areas where poultry or poultry products are handled or consumed in such volume as to affect the movement of inspected poultry or poultry products in interstate commerce should be designated by the Secretary pursuant to the provisions of this Act.

"DECLARATION OF POLICY

"SEC. 3. It is hereby declared to be the policy of Congress to provide for the inspection of poultry and poultry products by the inspection service as herein provided to prevent the movement in interstate or foreign commerce or in a designated major consuming area of poultry products which are unwholesome, adulterated, or otherwise unfit for human food.

"DEFINITIONS

"SEC. 4. For purposes of this Act—

"(a) The term 'commerce' means commerce between any State, Territory, or possession, or the District of Columbia, and any place outside thereof; or between points within the same State or the District of Columbia, but through any place outside thereof; or within the District of Columbia.

"(b) The term 'Secretary' means the Secretary of Agriculture.

"(c) The term 'person' means any individual, partnership, corporation, association, or any other business unit.

"(d) The term 'poultry' means any live or slaughtered domesticated bird.

"(e) The term 'poultry product' means any poultry which has been slaughtered for human food from which the blood, feathers, feet, head, and viscera have been removed in accordance with rules and regulations promulgated by the Secretary, any edible part of poultry, or, unless exempted by the Secretary, any human food product consisting of any edible part of poultry separately or in combination with other ingredients.

"(f) The term 'wholesome' means sound, healthful, clean, and otherwise fit for human food.

"(g) The term 'unwholesome' means:

"(1) Unsound, injurious to health, or otherwise rendered unfit for human food.

"(2) Consisting in whole or in part of any filthy, putrid, or decomposed substance.

"(3) Processed, prepared, packed, or held under unsanitary conditions whereby a poultry carcass or parts thereof or any poultry product may have become contaminated with filth or whereby a poultry product may have been rendered injurious to health.

"(4) Produced in whole or in part from poultry which has died otherwise than by slaughter.

"(5) Packaged in a container composed of any poisonous or deleterious substance which may render the contents injurious to health.

"(h) The term 'adulterated' shall apply to poultry and poultry products under one or more of the following circumstances:

"(1) If they bear or contain any poisonous or deleterious substance which may render them injurious to health; but, in case the substance is not an added substance, such poultry and poultry products shall not be considered adulterated under this clause if the quantity of such substance in such poultry and poultry products does not ordinarily render them injurious to health.

"(2) If they bear or contain any added poisonous or added deleterious substance, unless such substance is permitted in their production or unavoidable under good manufacturing practices as may be determined by rules and regulations hereunder prescribed by the Secretary or other provisions of Federal law limiting or tolerating the quantity of such added substance on or in such poultry and poultry products: *Provided*, That any quantity of such added substance exceeding the limits so fixed shall also be deemed to constitute adulteration.

"(3) If any substance has been substituted, wholly or in part, therefor.

"(4) If damage or inferiority has been concealed in any manner.

"(5) If any valuable constituent has been in whole or in part omitted or abstracted therefrom.

"(6) If any substance has been added thereto or mixed or packed therewith so as to increase its bulk or weight, or reduce its quality or strength, or make it appear better or of greater value than it is.

"(i) The term 'inspector' means: (1) an employee or official of the United States Government authorized by the Secretary to inspect poultry and poultry products under the authority of this Act, or (2) any employee or official of any State government authorized by the Secretary to inspect poultry and poultry products under authority of this Act, under an agreement entered into between the Secretary and the appropriate State agency.

"(j) The term 'official inspection mark' means the symbol, formulated pursuant to rules and regulations prescribed by the Secretary, stating that the product was inspected.

"(k) The term 'inspection service' means the official Government service within the Department of Agriculture designated by the Secretary as having the responsibility for carrying out the provisions of this Act.

"(l) The terms 'container' or 'package' include any box, can, tin, cloth, plastic, or any other receptacle, wrapper, or cover.

"(m) The term 'official establishment' means any establishment as determined by the Secretary at which inspection of the slaughter of poultry, or the processing of poultry products, is maintained under the authority of this Act.

"(n) The term 'label' means any written, printed, or graphic material upon the shipping container, if any, or upon the immediate container, including but not limited to an individual consumer package, of the poultry product, or accompanying such product.

"(o) The term 'shipping container' means any container used or intended for use in packaging the product packed in an immediate container.

"(p) The term 'immediate container' includes any consumer package; or any other container in which poultry carcasses or poultry products, not consumer packaged, are packed.

"DESIGNATION

"SEC. 5. Upon application by any appropriate State or local official or agency of a substantial portion of any major consuming area or upon application by an appropriate local poultry industry group in such an area, where the Secretary has reason to believe that poultry or poultry products are handled or consumed in such volume as to affect, burden, or obstruct the movement of inspected poultry products in interstate commerce, the Secretary shall conduct a public hearing to ascertain whether or not it will tend to effectuate the purposes of this Act for such area to be subject to the provisions of this Act. If after public hearing the Secretary finds that poultry or poultry products are handled or consumed in such volume as to affect, burden, or obstruct the movement of inspected poultry products in commerce and that the designation of such area will tend to effectuate the purposes of this Act, he shall by order designate such area and prescribe the provisions of this Act which shall be applicable thereto and grant such exemptions therefrom as he determines practicable. Such designation shall not become effective until six months after the notice thereof is published in the Federal Register. On and after the effective date of such designation, all poultry and poultry products processed, sold, received, or delivered in any such area shall be subject to the provisions of this Act.

"ANTE MORTEM AND POST MORTEM INSPECTION, REINSPECTION, AND QUARANTINE

"SEC. 6. (a) For the purpose of preventing the entry into or flow or movement in commerce or a designated major consuming area of any poultry product which is unwholesome or adulterated, the Secretary shall, where and to the extent considered by him necessary, cause to be made by inspectors ante mortem inspection of poultry in any official establishment processing poultry or poultry products for commerce or in, or for marketing in a designated city or area.

"(b) The Secretary, whenever processing operations are being conducted, shall cause to be made by inspectors post mortem inspection of the carcass of each bird processed, and at any time such quarantine, segregation, reinspection as he deems necessary of poultry and poultry products in each official establishment processing such poultry or poultry products for commerce or in, or for marketing in a designated city or area.

"(c) All poultry carcasses and parts thereof and poultry products found to be unwholesome or adulterated shall be condemned and shall, if no appeal be taken from such determination of condemnation, be destroyed for human food purposes under the supervision of an inspector: *Provided*, That carcasses, parts, and products, which may by reprocessing be made not unwholesome and not adulterated, need not be so condemned and destroyed if so reprocessed under the supervision of an inspector and thereafter found to be not unwholesome and not adulterated. If an appeal be taken from such determination, the carcasses, parts, or products shall be appropriately marked and segregated pending completion of an appeal inspection, which appeal shall be at the cost of the appellant if the Secretary determines that the appeal is frivolous. If the determination of condemnation is sustained the carcasses, parts, and products shall be destroyed for human food

purposes under the supervision of an inspector.

"SANITATION, FACILITIES, AND PRACTICES

"SEC. 7. (a) Each official establishment slaughtering poultry or processing poultry products for commerce or in or for marketing in a designated major consuming area shall have such premises, facilities, and equipment, and be operated in accordance with such sanitary practices, as are required by regulations promulgated by the Secretary for the purpose of preventing the entry into or flow or movement in commerce or in a designated major consuming area, of poultry products which are unwholesome or adulterated.

"(b) The Secretary shall refuse to render inspection to any establishment whose premises, facilities, or equipment, or the operation thereof, fail to meet the requirements of this section.

"LABELING

"SEC. 8. (a) Each shipping container of any poultry product inspected under the authority of this Act and found to be wholesome and not adulterated, shall at the time such product leaves the official establishment bear, in distinctly legible form, the official inspection mark and the approved plant number of the official establishment in which the contents were processed. Each immediate container of any poultry product inspected under the authority of this Act and found to be wholesome and not adulterated shall at the time such product leaves the official establishment bear, in addition to the official inspection mark, in distinctly legible form, the name of the product, a statement of ingredients if fabricated from two or more ingredients including a declaration as to artificial flavors, colors, or preservatives, if any, the net weight or other appropriate measure of the contents, the name and address of the processor and the approved plant number of the official establishment in which the contents were processed. The name and address of the distributor may be used in lieu of the name and address of the processor if the approved plant number is used to identify the official establishment in which the poultry product was prepared and packed. The Secretary may permit reasonable variations and grant exemptions from the foregoing labeling requirements in any manner not in conflict with the purposes of this Act.

"(b) The use of any written, printed or graphic matter upon or accompanying any poultry product inspected or required to be inspected pursuant to the provisions of this Act or the container thereof which is false or misleading in any particular is prohibited. No poultry products inspected or required to be inspected pursuant to the provisions of this Act shall be sold or offered for sale by any person, firm, or corporation under any false or deceptive name; but established trade name or names which are usual to such products and which are not false and deceptive and which shall be approved by the Secretary are permitted. If the Secretary has reason to believe that any label in use or prepared for use is false or misleading in any particular, he may direct that the use of the label be withheld unless it is modified in such manner as the Secretary may prescribe so that it will not be false or misleading. If the person using or proposing to use the label does not accept the determination of the Secretary, he may request a hearing, but the use of the label shall, if the Secretary so directs, be withheld pending hearing and final determination by the Secretary. Any such determination by the Secretary shall be conclusive unless within thirty days after the receipt of notice of such final determination the person adversely affected thereby appeals to the United States court of appeals for the circuit in which he has his principal place of business or to the United States Court of Appeals for the District of Columbia Circuit. The provisions of section 204 of the Packers and Stockyards Act of 1921, as amended, shall be applicable to appeals taken under this section.

"PROHIBITED ACTS

"SEC. 9. The following acts or the causing thereof are hereby prohibited:

"(a) The processing, sale or offering for sale, transportation, or delivery or receiving for transportation, in commerce or in a designated major consuming area of any poultry product, unless such poultry product has been inspected for wholesomeness and unless the shipping container, if any, and the immediate container are marked in accordance with the provisions of this Act.

"(b) The sale or other disposition for human food of any poultry or poultry product which has been inspected and declared to be unwholesome or adulterated under this Act.

"(c) Falsely making or issuing, altering, forging, simulating, or counterfeiting any official inspection certificate, memorandum, mark, or other identification, or device for making such mark or identification, used in connection with the inspection of poultry or poultry products under this Act, or causing, procuring, aiding, assisting in, or being a party to, such false making, issuing, altering, forging, simulating, or counterfeiting, or knowingly possessing, without promptly notifying the Secretary of Agriculture or his representative, uttering, publishing, or using as true, or causing to be uttered, published, or used as true, any such falsely made or issued, altered, forged, simulated, or counterfeited official inspection certificate, memorandum, mark, or other identification, or device for making such mark or identification, or representing that any poultry or poultry product has been officially inspected under the authority of this Act when such poultry or poultry product has in fact not been so inspected.

"(d) Using in commerce, or in a designated major consuming area, a false or misleading label on any poultry product.

"(e) The use of any container bearing an official inspection mark except for the poultry product in the original form in which it was inspected and covered by said mark unless the mark is removed, obliterated, or otherwise destroyed.

"(f) The refusal to permit access by any duly authorized representative of the Secretary, at all reasonable times, to the premises of an establishment engaged in processing poultry or poultry products for commerce, or in or for marketing in a designated major consuming area, upon presentation of appropriate credentials.

"(g) The refusal to permit access to and the copying of any record as authorized by section 11 of this Act.

"(h) The using by any person to his own advantage, or revealing, other than to the authorized representatives of the Government in their official capacity, or to the courts when relevant in any judicial proceeding under this Act, any information acquired under the authority of this Act, concerning any matter which as a trade secret is entitled to protection.

"(i) Delivering, receiving, transporting, selling, or offering for sale or transport for human consumption any slaughtered poultry or any part thereof, separately or in combination with other ingredients (other than poultry products as defined in this Act), in commerce or from an official establishment or in a designated major consuming area, except as may be authorized by, and pursuant to rules and regulations prescribed by the Secretary.

"COMPLETE COVERAGE OF OFFICIAL ESTABLISHMENTS

"SEC. 10. No establishment processing poultry or poultry products for commerce or in or for marketing in a designated major consuming area shall process any poultry or poultry product except in compliance with the requirements of this Act.

"RECORDS OF INTERSTATE SHIPMENT

"SEC. 11. For the purpose of enforcing the provisions of this Act, persons engaged in the business of processing, transporting, shipping, or receiving poultry slaughtered for human consumption or poultry products in commerce or in a designated major consuming area, or holding such products so received shall maintain records showing, to the extent that they are concerned therewith, the receipt, delivery, sale, movement, or disposition of poultry and poultry products and shall, upon the request of a duly authorized representative of the Secretary, permit him at reasonable times to have access to and to copy all such records. Any record required to be maintained by this section shall be maintained for a period of two years after the transaction, which is the subject of such record, has taken place.

"PENALTIES

"SEC. 12. (a) Any person who violates the provisions of sections 9, 10, 11, or 17, shall be guilty of a misdemeanor and shall on conviction thereof be subject to imprisonment for not more than six months, or a fine of not more than $3,000, or both such imprisonment and fine; but if such violation is committed after one conviction of such person under this section has become final such person shall be subject to imprisonment for not more than one year, or a fine of not more than $5,000, or both such imprisonment and fine; but if such violation is committed after two or more convictions of such person under this section have become final such person shall be subject to imprisonment for not more than two years, or a fine of not more than $10,000, or both such imprisonment and fine. When construing or enforcing the provisions of said sections the act, omission, or failure of any person acting for or employed by any individual, partnership, corporation, or association within the scope of his employment or office shall in every case be deemed the act, omission, or failure of such individual, partnership, corporation, or association, as well as of such person.

"(b) No carrier shall be subject to the penalties of this Act, other than the penalties for violation of section 11, by reason of his receipt, carriage, holding, or delivery, in the usual course of business, as a carrier, of slaughtered poultry or poultry products, owned by another person unless the carrier has knowledge, or is in possession of facts which would cause a reasonable person to believe that such slaughtered poultry or poultry products were not inspected or marked in accordance with the provisions of this Act or were not otherwise eligible for transportation under this Act.

"REPORTING OF VIOLATIONS

"SEC. 13. Before any violation of this Act is reported by the Secretary to any United States attorney for institution of a criminal proceeding, the person against whom such proceeding is contemplated shall be given reasonable notice of the alleged violation and opportunity to present his views orally or in writing with regard to such contemplated proceeding. Nothing in this Act shall be construed as requiring the Secretary to report for criminal prosecution violations of this Act whenever he believes that the public interest will be adequately served and compliance with the Act obtained by a suitable written notice or warning.

"REGULATIONS

"SEC. 14. The Secretary shall promulgate such rules and regulations as are necessary to carry out the provisions of this Act.

"EXEMPTIONS

"SEC. 15. (a) The Secretary shall, by regulation and under such conditions as to sanitary standards, practices, and procedures

as he may prescribe, except from specific provisions of this Act—

"(1) poultry producers with respect to poultry of their own raising on their own farms which they sell directly to household consumers or restaurants, hotels, and boarding houses for use in their own dining rooms or in the preparation of meals for sales direct to consumers only: *Provided*, That such poultry producers do not engage in buying or selling poultry products other than those produced from poultry raised on their own farms;

"(2) retail dealers with respect to poultry products sold directly to consumers in individual retail stores, if the only processing operation performed by such retail dealers is the cutting up of poultry products on the premises where such sales to consumers are made;

"(3) for such period of time as the Secretary determines that it would be impracticable to provide inspection and the exemption will aid in the effective administration of this Act, any person engaged in the processing of poultry or poultry products for commerce and the poultry or poultry products processed by such person: *Provided, however*, That no such exemption shall continue in effect on and after July 1, 1960; and

"(4) persons slaughtering, processing, or otherwise handling poultry or poultry products which have been or are to be processed as required by recognized religious dietary laws, to the extent that the Secretary determines necessary to avoid conflict with such requirements while still effectuating the purposes of this Act.

"(b) The Secretary may by order suspend or terminate any exemption under this section with respect to any person whenever he finds that such action will aid in effectuating the purposes of this Act.

"VIOLATIONS BY EXEMPTED PERSONS

"SEC. 16. Any person who sells, delivers, transports or offers for sale or transportation in commerce or in a designated major consuming area any poultry or poultry products which are exempt under section 15, and which are unwholesome or adulterated and are intended for human consumption, shall be guilty of a misdemeanor and shall on conviction thereof be subject to the penalties set forth in section 12.

"IMPORTS

"SEC. 17 (a) No slaughtered poultry, or parts or products thereof, of any kind shall be imported into the United States unless they are healthful, wholesome, fit for human food, not adulterated, and contain no dye, chemical, preservative, or ingredient which renders them unhealthful, unwholesome, adulterated, or unfit for human food and unless they also comply with the rules and regulations made by the Secretary of Agriculture to assure that imported poultry or poultry products comply with the standards provided for in this Act. All imported, slaughtered poultry, or parts or products thereof, shall after entry into the United States in compliance with such rules and regulations be deemed and treated as domestic slaughtered poultry, or parts or products thereof, within the meaning and subject to the provisions of this Act and the Federal Food, Drug, and Cosmetic Act, and Acts amendatory of, supplemental to, or in substitution for such Acts.

"(b) The Secretary of Agriculture is authorized to make rules and regulations to carry out the purposes of this section and in such rules and regulations the Secretary of Agriculture may prescribe the terms and conditions for the destruction of all slaughtered poultry, or parts or products thereof, offered for entry and refused admission into the United States unless such slaughtered poultry, or parts or products thereof, be exported by the consignee within the time fixed therefor in such rules and regulations.

"(c) All charges for storage, cartage, and labor with respect to any product which is refused admission pursuant to this section shall be paid by the owner or consignee, and in default of such payment shall constitute a lien against any other products imported thereafter by or for such owner or consignee.

"GENERAL PROVISIONS

"SEC. 18. (a) For the purpose of preventing and eliminating burdens on commerce in poultry and poultry products, the jurisdiction of the Secretary within the scope of this Act shall be exclusive and poultry and poultry products shall be exempt from the provisions of the Federal Food, Drug, and Cosmetic Act, as amended, to the extent of the application or the extension thereto of the provisions of this Act.

"(b) In carrying out the provisions of this Act, the Secretary may cooperate with other branches of government and with State agencies and may conduct such examinations, investigations, and inspections as he determines practicable through any officer or employee of a State commissioned by the Secretary for such purpose.

"COST OF INSPECTION

"SEC. 19. The cost of inspection rendered under the requirements of this Act, shall be borne by the United States, except that the cost of overtime and holiday work performed in establishments subject to the provisions of this Act at such rates as the Secretary may determine shall be borne by such establishments. Sums received by the Secretary in reimbursement for sums paid out by him for such premium pay work shall be available without fiscal year limitation to carry out the purposes of this section.

"APPROPRIATIONS

"SEC. 20. There is hereby authorized to be appropriated such sums as are necessary to carry out the provisions of this Act.

"SEPARABILITY OF PROVISIONS

"SEC. 21. If any provision of this Act or the application thereof to any person or circumstances is held invalid, the validity of the remainder of the Act and of the application of such provision to other persons and circumstances shall not be affected thereby.

"EFFECTIVE DATE

"SEC. 22. This Act shall take effect upon enactment, except that no person shall be subject to the provisions of this Act prior to January 1, 1959, unless such person after January 1, 1958, applies for and receives inspection for poultry or poultry products in accordance with the provisions of this Act and pursuant to regulations promulgated by the Secretary hereunder, in any establishment processing poultry or poultry products in commerce or in a designated major consuming area. Any person who voluntarily applies for and receives such inspection after January 1, 1958, shall be subject, on and after the date he commences to receive such inspection, to all of the provisions and penalties provided for in this Act with respect to all poultry or poultry products handled in the establishment for which such said application for inspection is made."

And the House agree to the same.

HAROLD D. COOLEY,
GEORGE M. GRANT,
JOHN C. WATTS,
CLARK W. THOMPSON,
WILLIAM S. HILL,
CHARLES B. HOEVEN,
CLIFFORD G. MCINTIRE,
Managers on the Part of the House.

ALLEN J. ELLENDER,
HUBERT H. HUMPHREY,
HERMAN E. TALMADGE,
GEORGE D. AIKEN,
JOHN J. WILLIAMS,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1747) to provide for the compulsory inspection by the United States Department of Agriculture of poultry and poultry products submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House amendment struck out all after the enacting clause of the Senate bill and substituted the language of H. R. 6814 as passed by the House on July 9, 1957. The bill reported herewith is a substitute for the House amendment which has been agreed upon by the conferees. Except for changes of a clarifying or technical nature, following are the differences between the House amendment and the committee substitute.

SECTION 5

This section follows substantially the House language but has been modified to include a provision of the Senate bill which provides that application for a hearing by the Secretary may be made by an appropriate State official, as well as by those persons designated in the House amendment. As recommended by the conferees, the section now provides that three classes of persons may make application to the Secretary for designation of an area as a "major consuming area." These are: (1) Any appropriate State official representing a substantial portion of such area; (2) Any appropriate local official or agency of a substantial portion of such area; or (3) An appropriate local poultry industry group in such area.

The committee of conference reemphasizes the fact that this provision as reported by the conferees provides that the public hearing contemplated is a quasi-legislative hearing and the facts or opinions submitted thereat may be supplemented by investigations by the Secretary to aid in his determination as to whether a designation of an area should be made. Such hearing and investigation are to develop not only information as to the volume of poultry marketed in a major consuming area, but all other facts which would bear upon the question as to whether the designation of such an area will tend to effectuate the purposes of the Act.

SECTION 6

Section 6 is substantially the House language. Subsection (b) was amended to make it clear that reinspection, quarantine, and segregation of poultry may take place at any time and need not be done when the plant is in operation.

In connection with post mortem inspection, the committee of conference in adopting the House language reiterates the interpretation of the language as contained in the House report that "the Secretary * * * shall at all times provide sufficient inspectors and employ such procedures as will not slow down processing operations in the plants being inspected."

SECTION 7

The committee of conference has followed the House language in section 7 and in doing so points out that there is no authority in this bill for the Secretary to withdraw inspection from all of the plants operated by a company if he finds that only one or more of such plants are not complying with regulations. Inspection is on a plant-by-plant basis and may be withdrawn only from the particular establishment "whose premises, facilities, or equipment, or the operation thereof, fail to meet the requirements of this section."

SECTION 8

Subsection (a) was identical in both the House and Senate versions except that the Senate bill contained authority for the Secretary to permit reasonable variations and

grant exemptions from the labeling requirements in any manner not in conflict with the Federal Food, Drug, and Cosmetic Act. The conference substitute permits exemptions but requires only that they shall not be in conflict with the purposes of this Act.

Subsection (b) was identical in both bills except that the Senate bill used the words "in any particular" in connection with labeling which is "false or misleading." The conferees have adopted the Senate language in this case as being more nearly in conformity with other similar statutes.

SECTION 9

Section 9 is identical with the language of the House amendment except that a modification has been made in subsection (i) to permit the Secretary to grant some extension of time to processors of "New York dressed" poultry to comply with the provisions of the Act. The effective date of the Act with respect to its compulsory features is January 1, 1959. In view of the time which has elapsed since introduction and committee consideration of the bills the conference committee felt that some extension of this time might be needed by some processors of "New York dressed" poultry to permit the changeover of their plant and operations to the processing of eviscerated poultry. The amendment to the House language will permit the Secretary to grant such extension "pursuant to rules and regulations prescribed" by him. It is, however, the intent of the bill that the prohibition against "New York dressed" poultry be made fully effective as soon as practicable.

SECTION 13

The committee of conference has adopted the House language in Section 13 and in doing so points out that it is the intention of the committee that subsection (b) of this section should apply to public warehousemen who handle poultry products in the course of their movement from processor to consumer on the same terms as it will apply to a carrier. A public warehouseman is in precisely the same position as a carrier except that instead of transporting he stores goods for the general public for hire. It is the opinion of the committee of conference, therefore, that public warehousemen should be treated by the Secretary in exactly the same manner as carriers in enforcing the provisions of this Act.

SECTION 17

The House language required knowledge as an element of guilt under this section with respect to a person who sells unwholesome or adulterated poultry under one of the exemptions of the Act. The Senate bill did not require knowledge in this respect and the conference bill follows the Senate language.

SECTION 20

The conference bill follows substantially the wording of the House amendment with the addition of language to make it clear that the rates of overtime and holiday pay to be charged processing establishments may be established at a reasonable uniform rate instead of being figured on an individual basis. The holidays to be counted with respect to Federal employees are those which apply to Federal civil-service employees, either by law or by Executive or administrative order. Holidays to be counted with respect to State employees will be those legally observed by employees of that State.

SECTION 24

The Senate bill contained no provision similar to section 24 of the House amendment. In view of adoption by the conference committee of the House language in section 19, providing that "the jurisdiction of the Secretary within the scope of this Act shall be exclusive," the committee felt that section 24 would neither add to nor detract from the legal effect of the rest of the bill but might be confusing. It therefore did not include this section in the conference bill.

HAROLD D. COOLEY,
GEORGE M. GRANT,
JOHN C. WATTS,
CLARK W. THOMPSON,
WILLIAM S. HILL,
CHARLES B. HOEVEN,
CLIFFORD G. MCINTIRE,
Managers on the Part of the House.

Mr. WATTS (during the reading of the statement). Mr. Speaker, I ask unanimous consent that the further reading of the statement be dispensed with.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. WATTS. Mr. Speaker, the conferees met and reached a unanimous agreement on the differences between the Senate version of this measure and the House version. As a matter of fact, the differences were mostly in the language rather than in the text of the bill. There are one or two things that I want to call attention to that are not in the report or are reflected incorrectly in the report. On page 18, section 17 should be section 16 in the statement on the part of the managers and section 20 should be section 19. The bill is substantially the House bill. In almost every instance, the Senate conceded.

The House conferees probably should have included in their statement a reference to what the committee of conference agreed should be an "appropriate" State agency to request a hearing by the Secretary of Agriculture on the designation of a city as a "major consuming area". The conference was agreed that where there is an agency charged by State law with responsibility for the inspection of poultry products that such agency should be the "appropriate" agency within the meaning of this act.

There was no substantive difference between the House and Senate language in this part of the bill, so the matter is not alluded to in the statement of managers. In the Senate report on the bill, however, it is indicated that the definition of "United States" in this act is to be the same as that in the Imported Meat Act, which is found in title 19, United States Code, section 1401 (k).

Under this definition the term "United States" includes all Territories and possessions of the United States except the Virgin Islands, American Samoa, Wake Island, Midway Island, Kingman Reef, Johnston Island, and the Island of Guam.

Mr. Speaker, I have no requests for time on this side and yield to the gentleman from Colorado [Mr. HILL].

Mr. HILL. Mr. Speaker, as has been said by our colleague from Kentucky [Mr. WATTS], this is a unanimous report and we hope that it will be accepted unanimously by the House. This is important legislation to the people of America. Wholesome poultry products are an important source of the Nation's total supply of food. The marketing of wholesome poultry products is affected with the public interest and directly affects the welfare of the people.

Mr. Speaker, I have no requests for time and yield back the balance of my time.

Mr. WATTS. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

AMENDING STATUTES ADMINISTERED BY SECURITIES AND EXCHANGE COMMISSION

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a letter.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HARRIS. Mr. Speaker, at the request of the Securities and Exchange Commission, I have today introduced five bills, which amend the Securities Act of 1933, the Securities Exchange Act of 1934, the Trust Indenture Act of 1939, the Investment Company Act of 1934, and the Investment Advisers Act of 1940. In transmitting these bills to me for introduction, the Commission states that the overall purpose of the proposed amendments is to strengthen the safeguards and protections afforded to the public by the statutes which the Commission administers and to assist the Commission in making its enforcement activities more effective.

The Securities Act of 1933, relating to the truthful disclosure of information about new security offerings, the Securities Exchange Act of 1934, relating to disclosure of information about listed securities and regulating practices in exchange and over-the-counter operations, and succeeding legislation which is administered by the Securities and Exchange Commission, represent legislation of which the House Committee on Interstate and Foreign Commerce and the Congress are justly proud. These statutes have gone a long way in the mitigation and elimination of undesirable practices in the securities field, in the restoration of confidence in the securities markets, and in the protection of the investing public.

Experience in the administration of these acts, however, naturally has given rise over the years to various suggestions as to their improvement and their workability, which obviously could not all be anticipated at the time of their original enactment. A program for revision in the light of such experience was interrupted by the war. At the instance of the House Committee on Interstate and Foreign Commerce, the Commission renewed discussions with industry relating to a revision program, and has presented the result of such discussions to the committee for its consideration.

In 1954, a bill was introduced and enacted into law—Public Law 577, 83d Congress—which amended these same statutes to enable more practical and effective mechanics in the supply of

capital to industry through securities distribution.

At that time, the House Committee on Interstate and Foreign Commerce stated that, although it was fully appreciative of the suggestions which time and experience appropriately might bring as to relief in the securities-distribution process from onerous provisions not necessary for the protection of investors, the committee could not but be fully mindful of its responsibilities in the public interest and in the preservation of the investor safeguards contemplated by these statutes. The committee accordingly urged the Commission promptly to come forward with those further amendments which the Commission's experience might dictate appropriate for the strengthening of the statutes in the investor interest.

The Commission has proceeded on such program and has submitted this proposed legislation for consideration. I have been able to give their proposals only cursory examination, and am unable to determine at this time the full scope of the amendments proposed. I trust, however, that they cover those matters wherein the Commission believes, and over the years has so reported to us, strengthening of the statutes is needed to provide and preserve for the investing public the protection envisaged in the statutes when they were passed.

SECURITIES AND
EXCHANGE COMMISSION,
Washington, D. C., August 13, 1957.

Hon. OREN HARRIS,
Chairman, Committee on Interstate and Foreign Commerce, House of Representatives, Washington, D. C.

DEAR MR. HARRIS: In accordance with my letter of July 2, 1957, transmitting proposed amendments to certain of the statutes administered by the Commission, I am enclosing 40 copies of a draft bill setting forth amendments which the Commission proposes to the Investment Company Act of 1940. The bill is accompanied by a proposal explaining the proposed amendments and a comparative print of the statutory sections involved reflecting the existing provisions and the proposed changes.

The Commission on January 24, 1957, circulated a draft of proposed amendments and a public conference was held on February 26, 1957, at which interested persons were heard. Thereafter further conferences were held with representatives of interested industry groups, and the comments made at the public hearing were further explored. The Commission reexamined these proposed amendments in the light of all the comments it had received, and prepared a revised draft of amendments which was circulated on June 17, 1957. Thereafter additional comments were received on the revised proposals.

The overall purpose of the proposed amendments is to strengthen the safeguards and protections afforded to the public by the statutes which the Commission administers.

The Commission believes that enactment of these proposed amendments will substantially assist it in administering the Investment Company Act of 1940. The Commission also believes that it will be in the public interest for these proposed amendments to be introduced as a bill and for the Congress to hold hearings on them at its earliest convenience.

I will be pleased to confer with you on these proposed amendments any time at your convenience.

The Bureau of the Budget advises that it has no objection to the submission of these proposed amendments.

Sincerely yours,
ANDREW DOWNEY ORRICK,
Acting Chairman.

THE LATE RALPH W. HARDY

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HARRIS. Mr. Speaker, like so many of our colleagues and others in industry, I regretted very much to learn of the passing of Ralph W. Hardy, vice president of the Columbia Broadcasting System. To all of us who have known him, his sudden and untimely death at the early age of 41 years came as a great shock.

On the following day that I learned of his death resulting from a heart attack, the Washington Post carried an appropriate and very fine tribute in an editorial which I requested to be included in the RECORD. However, it had already been submitted by the Honorable LYNDON B. JOHNSON, distinguished majority leader in the Senate, on that day. I did want, Mr. Speaker, to take an opportunity to pay a personal tribute to Ralph in expressing my deep regret for the loss of a so fine, valiant, able and patriotic citizen.

We, on the Committee on Interstate and Foreign Commerce, had frequent occasion to hear Ralph Hardy testify on behalf of the radio and television industry in his capacity as vice president in charge of Government affairs of the National Association of Radio and Television Broadcasters.

Most Members of Congress probably had some contact with him in their Congressional offices, as he visited from time to time in connection with legislative matters concerning this great industry. I can testify, Mr. Speaker, that I know all Members who have had association with him were deeply impressed by his honesty and sincerity, his great ability, his sense of fairness and his friendliness. True, he was an advocate for the radio and television industry and an eminently able advocate. However, at all times he was frank and extremely helpful in every possible way to the Committee, as well as individual Members of the Congress.

More recently, he became a vice president of the Columbia Broadcasting System in charge of its Washington office. No doubt, CBS knew of and appreciated the esteem in which Ralph was held, not only by Members of Congress, but elsewhere in Washington.

It is most unfortunate that his life would be snapped out at such an early age. All of us who have known him will miss him greatly and our deepest sympathy is extended to his family and business associates.

RETIREMENT BILL, H. R. 607

Mrs. PFOST. Mr. Speaker, I ask unanimous consent that the subcommittee of the Committee on Post Office and Civil Service be given until midnight tonight to file their report on the retirement bill, H. R. 607.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PROGRAM FOR WEEK OF AUGUST 19

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute to ask the acting majority leader if he can tell us what the program will be for next week.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ALBERT. I shall be glad to give the gentleman the program for next week.

Monday: The Consent Calendar will be called and the Speaker will recognize suspensions on six bills:

H. R. 5384, to amend the Interstate Commerce Act to provide for the preservation of competitive through rates for rail carriers.

H. R. 7993, to provide Government guaranty of private loans to certain air carriers for purchase of aircraft and equipment.

H. R. 7494, to provide adequate time for the formulation and consideration of rules and regulations regarding passenger-carrying vessels.

H. R. 5497, to amend the Watershed Protection and Flood Control Act.

H. R. 8679, to extend for 1 year the impacted area school bill.

H. R. 9020, to amend the Packers and Stockyards Act to assure fair trade.

The following conference reports will also be considered on Monday:

S. 939, to amend section 22 of the Interstate Commerce Act.

H. R. 1937, the District of Columbia stadium bill.

Tuesday: The Atomic Energy Commission appropriation bill.

Wednesday: House Resolution 397, a House resolution on H. R. 6127, the Civil Rights Act of 1957, if it is reported by the Committee on Rules.

Thursday: The Private Calendar will be called.

For Friday and the remainder of the week the program is undetermined. Any further program will be announced later.

Conference reports may be brought up at any time.

ADJOURNMENT TO AUGUST 19

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

INTERIM AUTHORITY TO SPEAKER AND CLERK

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House until Monday next the clerk be authorized to

receive messages from the Senate and that the Speaker be authorized to sign any enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

CALENDAR WEDNESDAY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that business in order under the Calendar Wednesday rule next week may be dispensed with on Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. BURLESON. Mr. Speaker, will the gentleman yield?

Mr. ARENDS. I yield.

Mr. BURLESON. May I say that the Committee on House Administration hopes to have its final meeting on Tuesday. I hope the leadership will make it possible for the committee to present a number of bills some time next week.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. ARENDS. I yield.

Mr. HARRIS. What would be the time regarding conference reports that are to be considered on Monday?

Mr. ALBERT. It would be after the Consent Calendar and after the suspensions.

RAILROAD RETIREMENT BENEFITS

The SPEAKER. Under the previous order of the House, the gentleman from Kentucky [Mr. PERKINS] is recognized for 5 minutes.

Mr. PERKINS. Mr. Speaker, I deeply regret to see this session of the Congress come to a close without acting on the railroad retirement legislation now pending in the Congress. This, to my way of thinking, is one of the most urgent matters awaiting the action of Congress.

During the closing days of the last session problems of jurisdiction developed in regard to the carefully considered proposal of the railroad brotherhoods which would have increased retirement benefits by 15 percent and have removed the tax on a tax which railroad workers are required to pay. Until these matters could be resolved, we reluctantly accepted a benefit boost of only 10 percent and took no action on the matter of how these liberalizations were financed. The solution of these problems was, at the same time, named as a first order of business for this session of Congress.

During the hearings in early March of this year on the resulting Harris-Wolverton bills, I appeared in support of my identical bill, H. R. 4317. At that time I said:

> We know that the steady increases in the cost of living which have occurred in the last 6 months, cause perhaps the greatest hardship to men and women who are living on retirement income. We know, too, that these people usually have more need for medical care, because of advancing years, and that medical costs have been increasing at a more rapid rate than almost any other item in the family budget.

Since that time, as every Member of Congress is aware, we have seen 4 more months during which living costs have continued to mount to record highs. The 10-percent increase was not adequate for retired railroad workers last year, and each month their situation has become more desperate. It is inconceivable to me that we will let this session of Congress pass without taking some action in regard to this distressing situation. I well realize, Mr. Speaker, that the session of Congress, for all intents and purposes, is now over, but this should be the first order of business next year.

The Harris-Wolverton bills recognize the advance in the cost of living by granting an increase of 10 percent in the annuities of virtually all the people on the railroad-retirement rolls. Unlike legislation last year, the bills will increase the payments of those 169,000 individuals who are drawing the so-called social-security minimum benefit. These include almost 100,000 aged widows whose particularly unhappy condition is brought to my attention by each incoming mail. Moreover, one of the bill's important provisions makes substantial improvements in the unemployment insurance system of the railroad industry.

So that railroad employees are not made tax poor in order to maintain a truly protective retirement system, and for the sake of fair tax treatment for all workers, I, likewise, have introduced a bill, which will eliminate the tax on tax of workers' retirement contributions. My bill, H. R. 5768, which is identical to Representative McCARTHY'S bill, H. R. 5551, will exempt, for income-tax purposes, the amount of an employee's contribution to the railroad retirement fund. To insure equitable treatment for other workers, the bill provides a similar exemption for employee contributions to the social security and civil service retirement trust funds.

Mr. Speaker, for over a year now, the people who are dependent on their railroad benefits have been waiting for us to act in their behalf. I certainly hope that we will be able to get this legislation before the House of Representatives early next year, and it will be my purpose to make every contribution possible in that respect.

THE INTERNATIONAL LABOR ORGANIZATION (ILO)

The SPEAKER. Under previous order of the House, the gentleman from Pennsylvania [Mr. McCONNELL] is recognized for 30 minutes.

Mr. McCONNELL. Mr. Speaker, the International Labor Organization—ILO—has been in recent years a controversial subject of discussion. Because of that fact I agreed to serve for the past 2 years as one or two Congressional advisers on the United States delegation to the conferences in June of 1956 and 1957, at Geneva, Switzerland. It was my purpose to observe at firsthand the operations of that organization; to talk with different groups and individuals attending the conferences; and to attempt to formulate my own opinions. It is my intention now before leaving Congress to report my observations and impressions.

WHAT IS ILO?

Very few people know much about the ILO. It is a specialized agency of the United Nations. It came into existence back in 1919, at the conclusion of World War I. Samuel Gompers, well-known labor leader, was chairman of the committee which drafted the ILO's constitution to be incorporated in the Treaty of Versailles. When the League of Nations was established, the ILO became a part of that organization. The United States joined the ILO in 1934. Later, when the United Nations was set up, the ILO in 1945, became a member of that organization.

PURPOSE OF THE ILO

The purpose of the ILO can best be described by quoting in part from the preamble of its constitution:

> Universal and lasting peace can be established only if it is based upon social justice.
>
> Conditions of labor exist involving such injustice, hardship, and privation to large numbers of people as to produce unrest so great that the peace and harmony of the world are imperiled; and an improvement of those conditions is urgently required."

In summary, it can be stated briefly that the ILO is an association working for lasting peace based upon social justice.

ORGANIZATION OF THE ILO

The members of the ILO are the States or countries which were members on November 1, 1945, and such other members subsequently admitted. Any original member of the U. N. and any States admitted to membership by a decision of the General Assembly may become a member by communicating to the Director General of the ILO its formal acceptance of the obligations of the constitution of the ILO. The general conference of the ILO may also admit members by a two-thirds vote of the delegates attending a session of the conference, including two-thirds of the Government delegates present and voting.

There are 77 member nations in the ILO today.

The permanent organization consists of (a) a general conference of representatives of the members, (b) a governing body composed of 40 persons, and (c) an international labor office controlled by the governing body.

Meetings of the general conference shall be held at least once in every year. The conference is composed of 4 representatives for each of the members: two delegates representing governments; one representing employers; and one representing workers. Thus the setup is tripartite, which is unique among international organizations.

Each delegate may be accompanied by advisers. The credentials of the delegates and advisers are subject to scrutiny by the conference which may, by a two-thirds majority of the votes cast, refuse to admit any delegate or adviser

deemed not to have been nominated under the required provisions.

The governing body consists of 40 persons: 20 representing governments; 10 representing employers; and 10 representing workers.

Of the 20 persons representing governments, 10 shall be appointed by the members of chief industrial importance.

The persons representing employers and workers respectively are selected by the employer and worker delegates to the Conference.

The period of office of the governing body is 3 years.

The Director General of the ILO is in charge of the International Labor Office. He is appointed by the governing body and subject to instructions of the governing body.

David A. Morse, former Assistant Secretary of Labor of the United States, is the Director General, a position he has held since 1948.

The staff of the International Labor Office is appointed by the Director General under regulations approved by the governing body. So far as possible he shall appoint persons on the staff of different nationalities, and a certain number shall be women.

The functions of the International Labor Office include the collection and distribution of information and research relating to labor and working conditions; the conduct of special investigations as may be ordered by the Conference or the governing body; the preparation of documents on the various items of the agenda for the meetings of the Conference; the giving of appropriate assistance to governments in the framing of laws and regulations on the basis of decisions of the Conference; and the performance of the other duties connected with the operations of the International Labor Office.

The staff consists of approximately 700 persons from more than 50 countries.

PROCEDURE OF THE CONFERENCE

The procedure of the Conference is regulated by the constitution of the ILO and the standing orders.

It might be helpful to outline the procedure of the 1957 Conference.

The Conference met on the first day in plenary sitting. It was formally opened by the Chairman of the governing body, and then proceeded to the election of its President. After this plenary sitting the government, employer, and worker groups met separately, elected their own officers, and decided on nominations for the three Vice Presidents, for the Selection and the Credentials Committees. The Conference met in plenary sitting, elected three Vice Presidents and appointed the Selection Committee. The Selection Committee then made proposals for the members of various committees and their composition. The government, employer, and worker groups then nominated the memberships of the various committees, which submitted them to the Selection Committee which in turn referred them to the Conference in plenary sitting. After these preliminary arrangements had been completed the Conference proceeded with the discussion of the agenda.

The committees began their work immediately after their appointment. After about 3 weeks of discussions and votes in the committees, the reports were prepared by the reporter and submitted in draft for final action by the committees. With the approval of the reports the work of committees came to an end. The reports were then published in the Provisional Record—the daily journal of the Conference—and considered by the Conference in plenary sitting. Amendments to the proposals of the committees must be given in writing to the clerk of the Conference. After the proposals and the amendments thereto had been discussed and voted on by the Conference, the texts were referred to the Drafting Committee of the Conference to be put in final form. Final votes were taken on the prepared texts in the Conference in plenary sitting.

The agenda for all meetings of the Conference is settled by the governing body. Any of the governments of the members may formally object to the inclusion of any item. Decision by a two-thirds majority of the votes cast by delegates present is required to exclude an item or items.

ITEMS ON THE AGENDA (1957)

First. Report of the Director General.

Second. Financial and budgetary questions.

Third. Information and reports on the application of conventions and recommendations.

Fourth. Forced labor—second discussion—first discussion in 1956.

Fifth. Weekly rest in commerce and offices—second discussion.

Sixth. Protection and integration of indigenous and other tribal and semi-tribal populations in independent countries—second discussion.

Seventh. Discrimination in the field of employment and occupation—first discussion.

Eighth. Conditions of employment of plantation workers—first discussion.

CONVENTIONS AND RECOMMENDATIONS

When the Conference has decided on the adoption of proposals with regard to an item on the agenda, it is the decision of the Conference whether the proposals should take the form of (a) an international convention—similar in effect to a treaty—or (b) a recommendation.

Conventions and recommendations are adopted by a majority of two-thirds of the votes cast by the delegates present. Member countries are not obligated to ratify any convention. They must submit reports in regard to the matters dealt with in conventions when requested to do so by the governing body.

Considerable discussion and controversy has occurred in the United States over the convention form. Although we have been a member of the ILO since 1934, and during that period of time 104 conventions have been passed, only seven conventions have been ratified by the United States—mainly dealing with maritime matters—which is an indication of the general opposition by the United States to such form of proposals before the ILO.

SHOULD THE UNITED STATES PARTICIPATE IN THE ILO?

The decision of Russia in 1954 to reenter the ILO after an absence of 15 years started the active debate over the question of United States participation in the ILO—particularly on the part of the United States employer groups. One of the principal complaints is over the seating of employer and worker delegations from the Iron Curtain countries on the grounds that they are not free agents but rather are subject to and reflect the views of their governments, thus making a mockery of the tripartite nature of the ILO.

Other complaints are:

First. The activities of the ILO have gone far beyond the original concept of achieving social justice by improving working conditions of the peoples of the world.

Second. Undue interference with the internal affairs of countries.

Third. The ILO is used as a propaganda forum for Socialist ideas, and its staff and technical assistance programs are used in advancing the spread of Socialist doctrines.

Fourth. Various functions of the ILO could be performed by other agencies.

Personally, I recognize the validity of many of the complaints or criticisms. I do not agree that the complaints warrant our withdrawal from the ILO. I do believe, however, that changes should be made to correct certain criticisms.

Because of the criticisms, the Departments of State, Labor, and Commerce, in May 1956, appointed a special committee, headed by Mr. Joseph Johnson, president of the Carnegie Endowment for International Peace, to inquire into the effect of the activities and functions of the ILO in terms of United States national interest to study the value of continued United States membership; and to report recommendations.

It is pertinent to note the conclusions of the committee.

First. The world is in a state of rapid change. New nations are emerging, and others are moving toward independence. There is a noticeable developing demand for betterment by people who have suffered from starvation, disease, and despair. These changes are of concern to the ILO.

Second. The challenge of communism seeking to capture the minds and hearts of people everywhere, particularly in Asia and Africa, is a reality.

Third. The growth of international organizatons. Approval or disapproval is irrelevant. The organizations exist; the fact of their existence should be recognized.

Fourth. The United States played a leading role in the creation of the United Nations and the specialized agencies, and has taken a prominent part in the work of all of them since World War II.

Fifth. The ILO has an important part in the program of technical assistance of the U. N. and the specialized agencies.

Sixth. In the international field the ILO has been assigned specific tasks to perform, and no other organization could assume them without major and troublesome changes to work out.

Seventh. The variety of attitudes toward the ILO organized labor movements of most free countries and the governments of many nations regard highly the ILO. Many employer groups in various countries hold it in some regard.

Eighth. The concepts of the role of government in the economic life of a country cover a broad field.

Ninth. The world has changed greatly since 1946 which has changed the role of the ILO—from emphasis on the improvement of working conditions to assistance to the peoples of underdeveloped countries to attain the basic needs of better living.

Tenth. The struggle between Communist effort to seduce and capture the emerging peoples and the Free World's drive to help them to freedom have caused the ILO to become an important battleground. For the United States to withdraw from the ILO would leave the field to Russia. The return of the Kremlin is one of the principal reasons why the United States should not withdraw.

The United States policy toward the ILO and our participation in that organization must be considered primarily in terms of the goals of United States foreign policy. This is a basic premise in the mind of the committee.

Also, the committee believes strongly that the purposes stated in the preamble of the constitution of the ILO—to improve working conditions—are expressive of the American ideals and the promotion of these aims is in the national interest. To the extent that the ILO contributes to narrowing the vast differential in labor standards existing in the world today, it improves the competitive position of American industry and serves the interests of American labor.

The committee, after consideration of all the conclusions mentioned, recommends that the United States not withdraw from the ILO—a decision which I endorse.

SPECIFIC RECOMMENDATIONS

After stating the committee's recommendations, I will make additional recommendations based on personal observations and opinions.

The committee recommends that:

First. The Department of State, as the principal agency under the President responsible for United States foreign policy, take the leadership in collaboration with the Departments of Labor and Commerce, in a clarification of the place of United States participation in the ILO in furthering our broad foreign policy objectives.

Second. That the appropriate agencies of the Government set up formal machinery for periodic discussion and development of policy objectives by Government officers, employees and labor for United States participation in ILO. There has been a serious lack of coordination and communication between the interested Government agencies as well as employer and worker delegates, in the formulation of positions to be taken in ILO meetings.

Third. That the United States Government take specific measures to improve the organization and staff responsible for United States participation in the ILO. There should be (a) provision for continuous high-level United States Government representation at Geneva, with year-round liaison with the International Labor Office; (b) careful consideration of the quality of the delegates and advisers, continuity in representation, adequate staffing and thorough preparation. There should be frequent meetings, prior to ILO meetings, with representatives of the State, Commerce, and Labor Departments. Knowledge and teamwork are essentials of effective performance at the ILO meetings; and (c) adequate and efficient organization and staffing in Washington.

Fourth. That the United States work for decreased emphasis on the use of conventions and recommendations; but when they are under consideration, the merit of the proposals should determine the United States vote for or against them, not the form of the proposals. For example, the United States is opposed to forced labor, but if we voted against it only because it was in convention form, it would be a difficult position to explain and would certainly be misleading to the rest of the world. The opinion of the committee is that the United States is completely protected by the ILO process and our own Constitution. Actually, no action taken by the ILO in the form of a convention or a recommendation is binding on a member State without its assent thereto in accord with its own constitutional processes. The Constitution of the ILO provides that a Federal state such as the United States may treat conventions that are not properly within the Federal jurisdiction as recommendations only.

Fifth. That the United States focus more attention on the technical assistance programs, the field services and the research and information operations of the ILO, and take leadership in proposing practical suggestions for improvement, integration and expansion of those activities.

Sixth. That the United States support the continuation of the tripartite structure of the ILO and use it to demonstrate to other nations the advantages derived from the activities of free employers and free workers.

Seventh. That the United States seek to change the present emphasis of the ILO industrial committees from that of a final vote on a matter, to one of discussion and exchange of expert information; that industrial committees be set up to meet specific problems rather than the present practice of perpetuating committees.

Eighth. That the United States work to improve the international labor office staff, emphasizing greater objectivity and competence of staff work.

Ninth. That the United States Government enlist the cooperation of American employer and employee organizations, and strive for the adoption of proposals to improve the work of the general conference and its committees.

Tenth. Finally, that the United States Government make a continuous effort to inform the people of America of the purposes, objectives, and activities of the ILO, with particular emphasis on the fact that it is the one specialized agency of the United Nations devoted to the improvement of management and labor standards throughout the world.

I believe that the committee has analyzed the entire subject matter carefully and well. Their recommendations would go far toward correcting many of the criticisms now leveled at the ILO.

There are some additional recommendations which I would like to make based on personal observations.

For a small amount of money—less than $3 million per year—the United States has available in the ILO a worldwide medium or forum for selling our ideas. We should be much more aggressive and effective in using that opportunity. The United States has a reputation for her ability to sell goods and services. Here is a chance to put that ability to work in selling American ideas and ideals to the rest of the world.

Meetings of the conference should be less frequent; one every 2 or 3 years should be sufficient.

There should be better screening of the conference programs. Daily lengthy speeches on the Director General's report tend to become tiresome and boresome. Reports on technical services rendered, and discussions of future programs in the field would be more interesting and helpful. A discussion of some of the problems arising in various areas, and suggestions of experts for their solution would be informative and valuable to many delegates.

The name "International Labor Organization" is quite misleading to many people. There is a prevalent belief that it is an organization composed exclusively of labor representatives. "International Labor-Management Organization" or some such designation would be more descriptive.

Prior to important votes there should be closer and more effective liaison work with delegates of other member states. Frequent contacts socially and at the conference would produce more opportunities to win support for various proposals.

Some delegates and advisers have too many committee assignments. They are kept busy trying to attend too many meetings on different subjects. In Congress an effort has been made to cut down the number of committee assignments in order that a member can give more effective and concentrated attention to fewer legislative matters. The same plan should be adopted in ILO.

I cannot end this report nor sever my membership in Congress without saying how much I have valued the opportunity to attend the 1956 and 1957 conferences of the ILO. It has been an experience which will be remembered for the rest of my life. To associate with representatives from 77 countries gives one an understanding and leaves an impression that no amount of reading could ever provide.

My travels abroad have been very limited—two in number—in the 13½ years of my membership in Congress. I realize it has been a mistake. I am

strongly of the opinion that every Member of Congress should visit other nations during his tenure of office. It will provide invaluable background information in his consideration of many problems before us today. The publicized unfavorable actions of a very few Members of Congress should not obscure the value of such trips.

I close this report with the earnest hope that it will provide information and be helpful in judging the value of continued United States participation in the International Labor Organization.

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. McCONNELL. I yield.

Mr. BAILEY. I would like at this time to commend the distinguished gentleman from Pennsylvania for his very excellent report on the recent conference of the International Labor Organization held at Geneva in June. It was my pleasure to serve as an adviser from the Congress with the distinguished gentleman from Pennsylvania. I want in particular to commend him for the part he played in checkmating the efforts of the Soviet bloc to control the conference and to block the attempts of the conference to control and bring to the attention of the world the dangers in forced labor.

I think it was largely the work of the distinguished gentleman from Pennsylvania that led to the conference barring the Hungarian workers' representatives and industrial representatives due to the fact that they were mere puppets of the Russian regime and not representatives of the Hungarian people.

I want to join the distinguished gentleman in suggesting that we continue our membership in this organization. I was observant of the shortcomings; but the opportunities for great good are such that we should continue to remain in this organization with the idea of improving its technique to the point where we can use it, as the gentleman from Pennsylvania said, as a medium of selling American ideas to the rest of the world.

I again want to commend the gentleman from Pennsylvania.

Mr. McCONNELL. I thank the gentleman from West Virginia very much. The gentleman has always been interested in labor problems and better working conditions for the laboring man. He was with me on the trip this past June, and I think both of us received quite a bit of information. It was an experience we will not soon forget.

Mrs. BOLTON. Mr. Speaker, will the gentleman yield?

Mr. McCONNELL. I yield.

Mrs. BOLTON. It is a very happy moment for me to have the opportunity of saying to the distinguished gentleman from Pennsylvania that he certainly has made a contribution to us all in his service on the committee and especially through his service in going over to the general conference in Geneva.

I was glad to hear the gentleman speak of the difficulties that arise from having the supposedly three representatives from the Soviet and satellite countries present, all of them under the domination of the Government. How can there possibly be anything but confused difficulty in any voting?

Mr. McCONNELL. As the gentlewomen knows, that has been a controversial issue. What the conference has done during the past few years is to seat employer groups from the Iron Curtain countries but with a special type of deputy membership which does not permit them to vote.

Mrs. BOLTON. I did not know that.

Mr. McCONNELL. It is a continuing argument, however, and some day will have to be dealt with directly.

Mrs. BOLTON. Our employer groups were not happy about it.

Mr. McCONNELL. Not at all. That has been the reason for their opposition.

Mrs. BOLTON. I thank the gentleman for his very wonderful contribution.

Mr. SCOTT of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. McCONNELL. I yield to the gentleman from Pennsylvania.

Mr. SCOTT of Pennsylvania. May I say to the gentleman from Pennsylvania that I also wish to commend him for the complete and discerning and informative report he has given of the operations of one of the international organizations. Those of us who have served at the international organizations as delegates come back, I think, peculiarly aware of the fact that the Russians have been quick to use these as a window on the world and as a forum for their opinions. They have consistently been rebuffed in each and every organization where American delegates have been present, and they have failed to accomplish their major propaganda objective. In most of these organizations they seek to secure the admission of Red China and they have lost every round on that. They have continually sought to exploit their opposition to the Free World and to the methods, measures, and programs of the West.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

Mr. SCOTT of Pennsylvania. Mr. Speaker, I ask unanimous consent that the gentleman may proceed for 3 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SCOTT of Pennsylvania. Mr. Speaker, I am for this reason anxious that we continue our representation, having in mind the splendid work which the gentleman himself did in advancing American points of view and the American program and standing as a bulwark against the Soviet approaches which certainly were not in the interest of the Free World. I am also glad that the gentleman mentioned the subject of Congressional travel. He has never at any time exercised this privilege, as I know, except upon official and important business. There are many of us here who feel that Congressional travel is not to the benefit of the people we represent. But, in my opinion, we ought to have more of it rather than less. Even if we only learn that the world is round, we make a discovery which is of benefit to us as Members. Certainly we learn much more about what happens to the money which we are called upon to spend in the world and about the wisdom of spending it; or, perhaps the wisdom of ceasing to spend it, because we have had an opportunity to view the situation on the spot.

I conclude by saying to the gentleman that I am sure there is not a Member of this House who will not regard it as a great personal loss that the gentleman has decided to resign on September 1. He is leaving us, of course, in the finest way in which a Member can leave; that is, by his own choice. We regret he has made that decision. Our best wishes go with him. He knows every one of us is extremely fond of him and whatever he does or wherever he goes he does so with the Godspeed and good will of all of us.

Mr. McCONNELL. I thank the gentleman very sincerely for the remarks he has just made.

Mr. SPRINGER. Mr. Speaker, will the gentleman yield?

Mr. McCONNELL. I yield to the gentleman from Illinois.

Mr. SPRINGER. I know of the work the gentleman has done in representing not only this body but the United States at these international labor organization meetings. During the past, at least 12 or 15 years, no one has made a stronger fight against communism than has American labor because they have so much at stake if communism should triumph. The gentleman in all of his work has truly represented not only America and this Congress but also the point of view of labor which is in this country generally anti-Communist.

Mr. Speaker, may I just add a personal remark here. I have enjoyed serving with the gentleman these years that I have been a Member of the Congress. He has been so kind and thoughtful in answering the many questions I brought to him, helping me to come to some result on the problems with which we were faced on the important committee on which he served. I know the gentleman will be greatly missed not only by me but by every Member of this body when he departs on September 1.

Mr. McCONNELL. I thank the gentleman.

Mr. WIER. Mr. Speaker, will the gentleman yield?

Mr. McCONNELL. I yield to the gentleman from Minnesota.

Mr. WIER. Mr. Speaker, I feel privileged at this time and on this occasion, with this subject of ILO on the floor here, to make a few remarks particularly since I come from the ranks of labor. I do not know of any Member of this House who could have served the objectives of this particular mission any more capably and efficiently than the gentleman from Pennsylvania [Mr. McCONNELL]. I have had 9 years of association with the gentleman from Pennsylvania on the Committee on Education and Labor. I, like many others here, feel the loss of a great association. SAM McCONNELL, to me, has been most tolerant, most understanding, a most friendly leader in the perspective of the problems that our committee becomes confronted

with from time to time. And, in this particular field, SAM, I think you are ideally fitted for carrying on the job that lies before us here in this country in selling to the workers of other nations and the employers of other nations the real objective of unification and of working together in search of goals to make tomorrow a better day for all than yesterday was. Before you leave I hope to be able to say a few more words in behalf of a great associate.

Mr. McCONNELL. I thank the gentleman.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. McCONNELL. I yield to the gentleman from Oklahoma.

Mr. ALBERT. Mr. Speaker, I desire to associate myself with the remarks just made by my colleague, the gentleman from Minnesota [Mr. WIER]. I know that I speak the sentiments of every Member of this House when I say that the decision of the distinguished gentleman from Pennsylvania, Mr. McCONNELL, to retire from this body grieves us all deeply. As all Members well know, SAM McCONNELL is one of the outstanding Members of this House. His service and leadership here have been of extraordinary quality. He is at one time one of the best loved and most respected Members of the Congress. We shall miss him. We wish him Godspeed in his new undertakings. We all know he will continue to distinguish himself in the service of his fellow man.

Mr. McCONNELL. I thank the gentleman very much.

Mr. MADDEN. Mr. Speaker, will the gentleman yield?

Mr. McCONNELL. I yield to the gentleman from Indiana.

Mr. MADDEN. Mr. Speaker, I wish to associate myself with the remarks that the gentleman made regarding the International Labor Organization. Three years ago I visited Geneva when I was in Europe attending Congressional committee hearings. I visited several session of the ILO convention which was convening at that time. I observed the great work of the ILO, and I endorse everything that the gentleman has outlined in his remarks today. The delegates from the United States and other free nations contributed greatly to exposing facts about Communist slave labor. The Soviet sphere of delegates would have taken over this great organization if it had not been for the participation of the United States in these conventions. I served on the Committee on Education and Labor with the gentleman from Pennsylvania in the 80th Congress, and have always admired his work as a legislator. I regret very much to learn that the gentleman is retiring from this body, because during his service here in the Congress he has indeed made a great contribution to legislation in different categories, including his service on the Committee on Education and Labor. I have disagreed with the gentleman on a few occasions, but nevertheless I always admired his consideration for the views of others and his great fairness and judgment on legislative matters. I wish to commend him for the outstanding work and contribution he made in this session to secure enactment of the school construction bill. We failed by only 6 votes on this necessary school construction bill, but that should not detract from the great work which the gentleman from Pennsylvania did in committee and on the floor of the House. It is indeed unfortunate that he is leaving this body. I hope that his future in his new civilian assignment will be as highly successful as his legislative career in the Congress of the United States.

Mr. McCONNELL. I thank the gentleman sincerely.

H. R. 376

Mr. ALBERT. Mr. Speaker, I should like to announce to the House that the bill, H. R. 376, to amend the Commodity Exchange Act and prohibit trading on onion futures in commodity exchanges, will not be called up under suspension of the rules on Monday next.

COMMITTEE ON DISTRICT OF COLUMBIA

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Committee on the District of Columbia have until midnight tonight to file a conference report on the bill H. R. 1937.

The SPEAKER. Without objection, it is so ordered.

COMMITTEE ON PUBLIC WORKS

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Committee on Public Works may have until midnight tonight to file a conference report on the bill S. 1520.

The SPEAKER. Without objection, it is so ordered.

COMMITTEE ON AGRICULTURE

Mr. ALBERT. Mr. Speaker, on behalf of the Committee on Agriculture I ask unanimous consent that that committee may have until midnight tonight to file reports on the bills H. R. 7900 and S. 1962.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

TO AMEND THE AGRICULTURAL ADJUSTMENT ACT OF 1938

Mr. ALBERT (on behalf of the Committee on Agriculture) submitted a conference report and statement on the bill (S. 959) to amend the Agricultural Adjustment Act of 1938, and for other purposes.

DECLINING RURAL MAIL SERVICE

The SPEAKER. Under previous order of the House, the gentleman from West Virginia [Mr. STAGGERS], is recognized for 5 minutes.

Mr. STAGGERS. Mr. Speaker, I, too, agree with those who have spoken on the services of the gentleman from Pennsylvania [Mr. McCONNELL]. He has contributed much to our American way of life and when he leaves the Congress, I am sure he leaves with the good wishes of all Members.

For the past 5 years we have been deluged with press releases and press statements from the Post Office Department describing improvements in the postal service. We have had it dinned into our ears by Madison Avenue propagandists that the postal service has been improved in many ways.

From where I stand, the only improvements that I have noted are that the trucks and mail boxes are now painted red, white and blue. The trucks are pretty now; pretty slow, pretty late, and pretty infrequent. The improved postal service is a mirage; as you approach it, it ebbs and fades—this is particularly true when you come to the rural service. Mark it well—I am not blaming the postal employees, who are underpaid and overworked. I am blaming management that follows penny-wise and pound-foolish policies. The administration that has set up a triple set of administrative officials from one end of the country to the other. Country post offices have become parade grounds for a host of regional officials, district officials, management engineers and others. It takes several people to supervise the work of one. Perhaps that is why the Post Office Department has found it necessary to cut the star route service, the number of fourth-class post offices, and the number of rural routes. These highly paid engineers and managers have to do something to justify their existence, so instead of letting well enough alone, they parade the country crippling postal operations.

In all the time I have served in this body, I have never received as many complaints on postal service as I have recently. Every day brings a complaint—a star route is eliminated; the mail arrives at a later hour; a rural route is eliminated; more delays. A fourth-class post office is discontinued, striking a death knell to the center of a good wholesome rural American community. The savings are infinitesimal, the confusion tremendous.

I suggest that we put some of these confusion experts to work and restore a few rural and star routes. I suggest that we discontinue cutting down and eliminating fourth-class post offices. There were 75 fourth-class post offices closed in 1956. What are we trying to do—eliminate rural America? Are we going to adopt the Russian collectivist system, where people are herded in cities and go out to the farms? Or are we going to protect and preserve the wholesome, individually owned American farm? I deplore this hard-booted attitude of the Post Office Department that is crushing out essential elements in rural America.

Testifying on mounted routes before the Appropriations Committee of the House, Mr. Hahn of the Post Office Department told the committee that they were cutting out 50 star routes in 1958. He also made the following comment:

The reduction in the number of routes is brought about not by the reduction of service but by consolidation of routes. Each time the contract on a route expires, we make a careful investigation in the area with a

view of consolidating where we can do so, so as a general rule such consolidations permit reductions in our overall costs.

I have news for Mr. Hahn—the reduction in the number of routes has brought a reduction in service. I have it on the word of the people in my district who complain with righteous indignation of the service they are receiving.

For the past 5 years Postmaster General Summerfield has vainly sought an increase in postage rates. I have some suggestions that he might follow if he is to secure such an increase. First, give the American people better postal service and fewer press releases. Second, give the American people more men to deliver the mail and fewer people to foul up the operations with layer on top of layer of duplicated management. The American people would be willing to pay higher postage rates for better postal service; but they will certainly object to paying higher rates for the present fading postal service.

I want to again emphasize, so that there will be no misunderstanding, that it is the fault of this administration that we are living in the age of "mail confusion" and Mr. Postmaster General Summerfield is doing little to correct the situation. Again and again I have urged that the mail service be retained as the patrons want it, not changed at the whim of the top echelon so that another news release can be sent out.

THE RIGHT TO KNOW

The SPEAKER pro tempore (Mr. BOLLING). Under previous order of the House, the gentleman from Michigan [Mr. HOFFMAN] is recognized for 15 minutes.

Mr. HOFFMAN. Mr. Speaker, since June 9, 1955, a special subcommittee of the Committee on Government Operations has been making investigations, holding hearings in connection with the alleged refusal of the executive departments to give to the public, to individuals, to Members of Congress, and Congressional committees, information in the custody of the departments.

The committee has an active, competent, industrious staff and has had the assistance of those who engaged in collecting, publishing, and distributing news as a commercial venture. Beyond question, the investigations and the hearings which have been held, as well as others which will be held, have been conducive to a better understanding of the desirability of a wider dissemination of information, as well as of the necessity of protecting information through suppression, where indiscriminate rules or any rules at all might endanger the national welfare.

The testimony taken has been and undoubtedly will continue to be of almost inestimable value, not only to the public at large, but to the departments and those who control and direct their operation.

The investigations and the hearings apparently started with the query as to what legal authority the departments relied upon when a refusal was made to divulge particular information. Counsel and committee members have frequently, in substance, asked "Upon what authority do you or the department refuse to divulge the information requested?"

The reply almost invariably has been a reference to statutory provisions,[1] and to the letter of the President of May 17, 1954, to Secretary of Defense Wilson.[2] The letter was accompanied by a memorandum from the Attorney General, which referred to the previous practice and incidents.[3]

The issue involved is one which confronted our first President. It will undoubtedly continue to be an area of disagreement between the executive and legislative departments so long as our Government exists.

More recently, in fact, on August 14 last—CONGRESSIONAL RECORD, pages 14737–14738—the right of a Member of the Congress to know what was in the files of a Congressional committee arose when the Member from the Fourth Congressional District of Michigan arose to a question of personal privilege and privilege of the House.

The Reorganization Act provides that Members of the House and of committees shall have the right[4] of access to all material in committee files.

The Member from the Fourth Congressional District of Michigan was the ranking minority member of the Committee on Government Operations, and ex officio with all the rights and privileges of other members was a member of the Chudoff Subcommittee. He made application to the subcommittee's staff in their office to be permitted to take, through the use of a Thermo Fax copying machine, pertinent parts of the files which were relevant to a subcommittee hearing scheduled for September 16 at Portland, Oreg.

The right was denied him. The denial was followed by the presentation on the floor of the House of the question of personal privilege and of privilege of the House.

The Speaker ruled in substance that neither the statute nor the rule which provided that the Member should have access to the records was broad enough to permit the taking of a copy through the use of the Thermo Fax machine—CONGRESSIONAL RECORD, page 14739. No authority was cited for that ruling, but the Speaker remarked:

> The SPEAKER. If a question like that came up in the House the Chair would certainly rule that the gentleman could not bring a machine in here and copy things around the desk.
>
> The Chair does not believe the gentleman has stated a question that violates the rules of the House.

The reply was made:

> Mr. HOFFMAN. No one is asking to take photographs, bring a machine into the House, though we do have a loudspeaker on the Speaker's desk and in the well of the House. That is an up-to-date, practical, and necessary device, so is the Thermo-Fax which many Members use in their offices for exact, quick copies. Well, that is the ruling I expected.

It was conceded that the Member had the right of access to the files, and no contention was made that the opportunity which he sought, to make copies through the use of the Thermo Fax machine, which is an instrument 9 inches by 15 inches by 18 inches, would cause any inconvenience or discomfort to members of the committee staff who had charge of the records.

---

[1] United States Code, title 5, sec. 22:

"Departmental regulations: The head of each department is authorized to prescribe regulations, not inconsistent with law, for the government of his department, the conduct of its officers and clerks, the distribution and performance of its business, and the custody, use, and preservation of the records, papers, and property appertaining to it. (R. S., sec. 161.)

"SEC. 1002. Publication of information, rules, opinions, orders, and public records:

"Except to the extent that there is involved (1) any function of the United States requiring secrecy in the public interest or (2) any matter relating solely to the internal management of an agency—

"(a) Every agency shall separately state and currently publish in the Federal Register (1) descriptions of its central and field organization including delegations by the agency of final authority and the established places at which, and methods whereby, the public may secure information or make submittals or requests; (2) statements of the general course and method by which its functions are channeled and determined, including the nature and requirements of all formal or informal procedures available as well as forms and instructions as to the scope and contents of all papers, reports, or examinations; and (3) substantive rules adopted as authorized by law and statements of general policy or interpretations formulated and adopted by the agency for the guidance of the public, but not rules addressed to and served upon named persons in accordance with law. No person shall in any manner be required to resort to organization or procedure not so published.

"(b) Every agency shall publish, or, in accordance with published rule, make available to public inspection all final opinions or orders in the adjudication of cases (except those required for good cause to be held confidential and not cited as precedents) and all rules.

"(c) Save as otherwise required by statute, matters of official record shall in accordance with published rule be made available to persons properly and directly concerned except information held confidential for good cause found." (June 11, 1946, ch. 324, sec. 3, 60 Stat. 238.) (See H. Rept. No. 2497, 84th Cong., 2d sess., p. 64.)

[2] Committee print, 84th Cong., 1st sess., House Committee on Government Operations—Replies From Federal Agencies to Questionnaire Submitted by the Special Subcommittee on Government Information, p. 546.

[3] Supra, pp. 546–552.

[4] Subsec. 25 (a) of rule XI of the Rules of the House expressly provides:

"The rules of the House are the rules of its committees so far as applicable, except that a motion to recess from day to day is a motion of high privilege in committees. Committees may adopt additional rules not inconsistent therewith."

Subsec. 25 (c) of the same rule, XI, provides:

"All committee hearings, records, data, charts, and files shall be kept separate and distinct from the Congressional office records of the Member serving as chairman of the committee; and such records shall be the property of the House and all Members of the House shall have access to such records. Each committee is authorized to have printed and bound testimony and other data presented at hearings held by the committee."

Later, and when on August 14, the matter was discussed, the chairman of the subcommittee, the gentleman from Pennsylvania [Mr. CHUDOFF], stated "The files are open. You can copy them and look at them, but you cannot reproduce them."

In the revision of the gentleman's remarks the words "You can copy them and" were stricken.[5]

The basic issue of the right of the public to know what is in the records of executive departments is discussed in "The People's Right To Know" by Harold L. Cross, page 197 et seq. The author states:

> The dismaying, bewildering fact is that in the absence of a general or specific act of Congress creating a clear right to inspect—and such acts are not numerous—there is no enforceable legal right in public or press to inspect any Federal nonjudicial record.

When the inquiry is by Congress or a Congressional committee, there is, of course, the legal remedy of a citation for contempt and the Federal courts have almost universally held that if the information is sought by a legislative committee and will aid in the writing of legislation the departments must respond to the request.

On the issue as to whether, where the Federal statute gave the right to access, it carried with it a necessary implication of authority to make copies, there seems to be no direct judicial decision.

But, where State statutes have been involved, it has been almost universally held that the right to inspect carries with it the right to make copies:

> SEC. 2241. Right to make copies and extracts.
>
> The right of a stockholder to make copies, abstracts and memorandums of documents, books and papers is an incident to the right of inspection, being recognized as the common law. And a statute giving a stockholder the right to inspect and examine books and papers of the corporation gives him the right to make abstracts, memorandums or copies thereof, and the right to the assistance of counsel and copyists for the purpose. Some statutes expressly specify the right to make copies and minutes or extracts. The right rests, as does the similar right to examination, upon the broad ground that the business of the corporation is not the business of the officers exclusively but is the business of the stockholders. The right to make copies and extracts is limited in some States, and under some statutes the right to take copies is limited to such part as concerns the stockholders' interests. (Fletcher's Cyclopedia Corporations, permanent edition, vol. 5, ch. 18, pp. 844–846.)

The Reorganization Act provides that—

> (c) All committee hearings, records, data, charts, and files shall be kept separate and distinct from the Congressional office records of the Member serving as chairman of the committee; and such records shall be the property of the House and all Members of the House shall have access to such records. Each committee is authorized to have printed and bound testimony and other data presented at hearings held by the committee (U. S. C., title 2, 72a (d)).

Where the State statute provided that the books of the corporation shall "be open to the inspection of every stockholder," it was held "as incident to such right is the right to have such inspection by a proper agent and to take copies from such books and records."

Bundy v. *Robbins and Myers* (Ohio Court 75 Northeastern Reporter, 2d series, 719).

In *Cincinnati Volksblatt Company* v. *Hoffmeister* (48 Lawyers Report, L. R. A. 734) the court said:

> The right to take copies from the records follows as an incident to the right to inspect.

Permit a repetition.

Inasmuch as the Speaker held that even though the statute expressly gave the right of access that right did not carry with it the right to make copies other than by pencil or pen, excluded the right to make copies other than by pencil or pen, excluded the right to make copies by modern equipment which would save time, insure accuracy, and cause no inconvenience, it is rather inconsistent for at least Members of the House, for committees of the House, to insist that the executive departments must not only give access to but furnish copies of their records to Congressional committees as has been the repeated demands of such committees.

It may be that when hereafter members of the Moss subcommittee or of its staff inquire as to by what authority executive departments refuse to make available their records not only to Members of Congress, Congressional committees, to the press or its representatives, or to individuals, to the previous reasons given for such refusal will be added the decision of Speaker RAYBURN made on the 14th day of August 1957.

Mr. Speaker, on page 14958 of the CONGRESSIONAL RECORD of August 16, 1957, I find a statement which says:

> Now, Mr. Speaker, I want to call the attention of the House to 12 notable misstatements of fact and to 9 unsupported opinions offered in the speech of the gentleman from Connecticut.

I notice he is before me. I should like to know what he has to say about that.

Mr. MORANO. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman from Connecticut.

Mr. MORANO. I read the speech made by the gentleman from Oregon last night. Of course, when you reduce that long speech to the essentials and remove from it the distortions and the inaccuracies and even the gibberish, you will find that the four basic charges made were not only not denied, they were admitted.

For example, I said the gentleman from Oregon favored trading with Red China, and he said and I quote, "I do advocate—I do favor the trade in nonstrategic materials with Red China." I said and charged that he advocated in his campaign for Congress, that he advocated the admission of Red China to the United Nations. And he said, "I do advocate recognition of Red China on the same basis that we recognize Soviet Russia," and so on.

Mr. HOFFMAN. Mr. Speaker, will the gentleman cite the page of the RECORD. There seems to be some difference of opinion between the gentleman from Connecticut and the gentleman from Oregon. You are reading there, I notice.

Mr. MORANO. The page is 14959.

Mr. HOFFMAN. Thank you. Thank you.

Mr. MORANO. Now I also made the charge that he advocated the overthrow of the Government of the Dominican Republic by revolution and on reading the transcript of the Meet the Press program on August 4, he was asked by Mr. Spivak, in effect this is the question: Do you advocate the overthrow by force and violence of the Dominican Republic by revolution? And he said, "I do" or "I would." Now those are the four basic charges that I made.

Mr. HOFFMAN. Mr. Speaker, to which gentleman from Oregon are you referring? There are several gentlemen from Oregon.

Mr. MORANO. I am referring to the gentleman you referred to who made the speech.

Mr. HOFFMAN. I did not mention any name. I was just reading from the RECORD.

Mr. MORANO. Neither did I. I have not mentioned any name, but you can see from the RECORD on the page you cited, 14958, when he was recognized by the Speaker, you will find his name. Now, does the gentleman yield further?

Mr. HOFFMAN. I yield. Yes; because this is rather important, I would think. Were you quoting this from Meet the Press a moment ago when you said he said, "I do" or "I would"? Which was it?

Mr. MORANO. "I would." His reply was "I would," meaning he would advocate the overthrow of the Government by revolution.

Mr. HOFFMAN. Of course, in fairness to the gentleman, there is a little difference between I do and I would.

Mr. MORANO. I will stand on the "I would." I do not have the transcript before me because I did not know—I did not know the gentleman was going to refer to this matter.

Mr. HOFFMAN. I did not either.

Mr. MORANO. But, I want to say to the gentleman—can you tell me what is the difference between Mao Tse Tung, the Chinese leader? Would you consider him a dictator?

Mr. HOFFMAN. To whom are you referring?

Mr. MORANO. To the head of the Red Chinese government. You pronounce his name, I cannot.

Mr. HOFFMAN. I must confess I am ignorant on that. I would suggest that the gentleman consult with Dr. Judd, our colleague from Minnesota. He knows a great deal about China.

Mr. MORANO. I do not see him on the floor so I cannot ask him, but let us call him Mao.

Mr. HOFFMAN. I have never been close to any of these Communists, even the ones here in Washington.

Mr. MORANO. What is his name—Mao Tse Tung? Well, anyway, will the gentleman answer my question?

Mr. HOFFMAN. Repeat it, please.

Mr. MORANO. Well, the question is. Do you consider the head of the Red Chinese government a dictator?

---

[5] CONGRESSIONAL RECORD, p. 14763.

Mr. HOFFMAN. Well, without knowing anything about it, I would say most assuredly, he is somewhat, I would assume, his position in China is somewhat like that of Jimmy Hoffa of the teamsters. What he says is it. I know what Jimmy does. He has them beaten up with a piece of chain or choked around the neck with a yoke.

Mr. MORANO. The reason I ask that question is to make this point. The gentleman from Oregon advocates the overthrow of the President of the Dominican Republic by revolution, but yet I have never heard him ask or advocate the overthrow of the Red Chinese government by revolution. That is the point I am trying to make.

Mr. HOFFMAN. Maybe he had not gotten around to it. I want to say I want no part of this difference of opinion, but it seemed to me here when we admired and respected the gentleman from Connecticut and it was in the RECORD—called to my attention only a moment ago—that the gentleman from Connecticut had made so many misstatements, I wondered how that could be and I just could not believe this was so.

Mr. MORANO. Let us take another of these misstatements. He said—I am quoting the gentleman from Oregon——

Mr. HOFFMAN. What is his name?

Mr. MORANO. You will find that.

Mr. HOFFMAN. The gentleman has it before him, if he will be so kind. I have been so kind to him as to yield. It is not fair to the other gentlemen from Oregon.

Mr. MORANO. Well, the name is Mr. PORTER.

Mr. HOFFMAN. Thank you.

Mr. MORANO. All right. He said as follows:

> The gentleman is again in error, this time involving simple arithmetic, when he says that my amendment to deny mutual security funds to Latin American dictators was—

Now he quotes me—

> "almost unanimously condemned by a vote of the full House."

That is what I said.

Mr. HOFFMAN. He meant those who were voting, I think.

Mr. MORANO. No, it is what he said; I don't know what he meant. I continue quoting:

> The House has 435 Members with two current vacancies. I estimate that more than 400 were on the floor when this amendment came up for a vote. The tally on the division was 171 to 4.

That was 171 against the gentleman from Oregon, and 4 for him.

Mr. HOFFMAN. Well, I sympathize with him; I have been in that situation several times.

Mr. MORANO. In other words, there were 175 votes in all, less than half of the full House. We were sitting in the Committee of the Whole.

Mr. HOFFMAN. And by "full House" he means the number present.

Mr. MORANO. I guess so. He says it was a factual error. Now, let us do some arithmetic of our own. Let us say that 400 Members voted and the same percentage obtained as did obtain with the 175 who voted. My calculation shows he would have had 9 votes out of the 400; so it would have been 391 to 9.

Would the gentleman agree with me that that is almost unanimously rejecting an amendment?

Mr. HOFFMAN. Perhaps the gentleman from Oregon has the same fault I have. Sometimes I am in the minority, and I just think that the folks who did not vote or were not here would have been with me if they had been here. That is a comforting thought, at least.

Mr. MORANO. In other words, you believe the gentleman from Oregon figured that if the other 200 Members had voted they would have voted with him?

Mr. HOFFMAN. No, I am not expressing any opinion in the matter at all. I have not any opinion about what the gentleman from Oregon was trying to say or what he said, not at all; I just wanted to know of the gentleman from Connecticut what his views were, because I know the gentleman from Connecticut somewhat better than I know the gentleman from Oregon. I do not know the gentleman from Oregon so well.

Mr. MORANO. Let us get down to the basic issues.

Mr. HOFFMAN. All right.

Mr. MORANO. He advocates the admission of Red China into the United Nations. I do not. How does the gentleman feel?

Mr. HOFFMAN. Me?

Mr. MORANO. Yes.

Mr. HOFFMAN. Oh, I would not have any truck with any of these foreigners. You notice my vote all the way through on this program. I remember our late distinguished Senator from Michigan, Senator Vandenberg, when he turned over from isolationist to internationalist, he said it was taking the country into a situation where there was a calculated risk. You remember those words very well. He went along and supported those international boys almost to the day he died; but finally he saw the error of his ways.

Now, all I know about it is that we have been trying, but we have had at least two wars; we have spent billions upon billions of dollars, and only last spring the President himself and Secretary Dulles said that our situation before the rest of the world was worse than it ever had been before. So I want no more of it.

Do not ask me so many questions.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. I would rather yield to the gentleman from Wisconsin [Mr. O'KONSKI], because he has some very definite views on this subject. But if he does not want me to yield to him, I will be glad to yield to the gentleman from Iowa.

Mr. GROSS. No.

Mr. MORANO. The gentleman from Oregon [Mr. PORTER] advocates trading with Red China. How does the gentleman from Michigan feel about that?

Mr. HOFFMAN. As long as the gentleman does not vote in my district, I do not believe he should be so specific about some of these things. My record is here. I told you a moment ago. You probably do not understand my colloquial language. I do not want any truck with any of them. Is that clear?

Mr. MORANO. That is clear.

Mr. HOFFMAN. Then do not ask me that one again. I just want to know whether you are as mistaken as the gentleman from Oregon seems to think by what he said and from what I read in the RECORD.

Mr. MORANO. Of course not.

Mr. HOFFMAN. You are right about that?

Mr. MORANO. I am right about the charges I make, which are, first, he advocates the admission of Red China into the United Nations. He has not denied that. Second, he advocates trading with Red China. I do not, he does. He has not denied that. Third, he said on the program that he would favor a revolution to overthrow the Dominican Government down there.

Mr. HOFFMAN. He probably will read this in the RECORD tomorrow, and Monday he will answer it.

Mr. PORTER. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. This is getting interesting.

Mr. PORTER. I was not here when this started. I wonder if he corrected the mistakes he made in his address, the 13 major factual errors.

I want to say that I do not advocate the admission of Red China into the United Nations. The gentleman is again mistaken. There were 14 major errors in his statement. I do favor trading with Red China on the same basis, of course, in nonstrategic materials, that the President approved in trading with Great Britain and Japan, because we have a bad situation in some parts of our country, including my State, and we should trade in nonstrategic materials, thereby we could get some economic benefits from it. There is a great deal of support for this out on the west coast.

As to what the gentleman said before with regard to my favoring revolution in the Dominican Republic and elsewhere, let me say that I think all of us are not in favor of overthrowing any government. I would hope it could be done by evolution and peacefully, but it is not usually done that way.

I thank the gentleman from Michigan for yielding to me at this time.

The SPEAKER pro tempore (Mr. BOLLING). The time of the gentleman from Michigan has expired.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the gentleman may proceed for 5 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. MORANO. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. Very briefly.

Mr. MORANO. Will the gentleman from Oregon answer yes or no as to whether or not when Mr. Spivak asked him on "Meet the Press," on August 4, "Do you advocate the overthrow by force and violence of the Dominican Republic?" did he not say, "I would"?

Mr. PORTER. Will the gentleman yield for the answer?

Mr. HOFFMAN. I think the gentleman should address the Speaker.

Mr. PORTER. Mr. Speaker, will the gentleman yield for an answer to the question?

Mr. HOFFMAN. I will. While it may not be of interest to other Members, I can see how it is very vital to the gentleman from Oregon and the gentleman from Connecticut, and I am happy to yield.

Mr. PORTER. As I said on "Meet the Press," yes.

Mr. MORANO. That is not a factual misstatement. He said that was wrong. He said that was one of the 12 or 13 misstatements I made, or whatever it was. If he is as right in the other 11 as he is in that one, then you can see, Mr. Speaker, that what he has been trying to do is evade the issue.

Mr. PORTER. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. I yield.

Mr. PORTER. If the gentleman will turn to my remarks, he will see that I did not deny that I said I favored revolution. I said I denied that I favored the internal chaos which follows when a dictator is overthrown. The gentleman is as incorrect as he is in 12 other instances in his remarks. Why does he not talk about those? What about the 450 missing Americans behind the Iron Curtain? The gentleman said many of them were my Oregon constituents. That is what the gentleman said in his speech. The gentleman was incorrect.

Mr. MORANO. Constituents.

Mr. PORTER. There is not one who is a constituent in my district.

Mr. MORANO. I did not say your district. I said Oregon constituents.

Mr. Speaker, will the gentleman yield further?

Mr. HOFFMAN. I yield to the distinguished gentleman from Connecticut.

Mr. MORANO. Now, I just want to ask another question.

Mr. HOFFMAN. And then because of the lateness of the hour and the expiration of the 5 minutes, I do not believe I can yield but only just once more.

Mr. MORANO. I will not ask a question; I will make a statement, and it is to this effect: He has advocated in his campaign—and he can deny it if he wants to—he has advocated in his campaign for Congress the admission of Red China to the United Nations despite his denial on the floor here today. Maybe now he does not advocate it, but when he was campaigning for Congress he did advocate it, and that is what I said in my statement on the floor. Another thing, I would like to know whether the gentleman from Oregon favors the overthrow of the Red Chinese premier by revolution.

Mr. PORTER. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. I will be delighted to yield.

Mr. PORTER. Answering the last question first, of course I do. Of course, everyone who believes in democracy or freedom wants to see dictators overthrown in favor of governments which are by consent of the governed. Now, in 1954, when I ran for Congress the first time, I did favor the admission of Red China to the United Nations. In 1956 I did not. And that was not one of the items which I said the gentleman made an error in connection with. In fact, he does not even mention that question in his speech.

Mr. MORANO. Well, then, you have not read the speech very carefully.

Mr. JOHANSEN. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. I yield to my very distinguished and able colleague from the Third Congressional District of Michigan [Mr. JOHANSEN].

Mr. JOHANSEN. I thank the gentleman. I would like to ask the gentleman from Oregon if his opposition to dictatorships includes opposition to Tito, the dictator of Yugoslavia, in whose behalf, if memory serves me correctly, considerable American aid is being voted in this Congress.

Mr. PORTER. Mr. Speaker, does the gentleman yield?

Mr. HOFFMAN. I do, Mr. Speaker.

Mr. PORTER. I am glad to tell the gentleman from Michigan that of course my opposition extends to every dictator, including Tito.

The SPEAKER pro tempore. The time of the gentleman from Michigan has again expired.

Mr. MORANO. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. HOFFMAN] may proceed for 5 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, I hope they will be able to conclude—temporarily, at least.

Mr. MORANO. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. Yes; I yield.

Mr. MORANO. On page 14754 of the RECORD I said, Mr. Speaker, that the gentleman from Oregon in his 1954 campaign advocated the admission of Red China to the United Nations. And he calls it a factual misstatement. He said just previously on this floor that he did not advocate it. He did, in 1954, Mr. Speaker, but he has changed his mind in 1956, and what some of us Members of Congress are trying to do is to get the gentleman from Oregon to change his views about a lot of other things; namely, stirring up a lot of trouble in Latin America. If he would only desist from doing that, he would be performing a service to the foreign policy of the United States. That is what we are trying to do.

Mr. HOFFMAN. Mr. Speaker, as the gentleman concludes what he desires to say, I should like to make only one further observation. The gentleman is a young man. He has not had as much time as I have to repent. He is making progress, probably.

Mr. PORTER. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman.

Mr. PORTER. Let me say this: That the gentleman from Connecticut [Mr. MORANO] had the opportunity to be here last night. I asked him twice in the morning; I told his administrative assistant, and then before he left the floor, to be here to debate these matters. He did not do so.

If the gentleman will yield further so that I may answer the question he put to me about my position on the United Nations—just briefly.

Mr. HOFFMAN. I yield.

Mr. PORTER. In 1954 we were withdrawing our troops in Korea. So were the Chinese. In 1956 they had their troops. They had a pistol point at our heads. They were aggressors. Therefore, I changed my position, as many did, including Mrs. Eleanor Roosevelt and others, because they were aggressors. So they should not have been allowed to enter the United Nations. But they are a nation, and, as a nation that is not an aggressor, as they were not in 1954, they belonged in the United Nations.

Mr. MORANO. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. I yield.

Mr. MORANO. It is to the gentleman's benefit that he changed his position.

Mr. HOFFMAN. That is all to the good.

Mr. MORANO. That is all to the good. We are making progress. If we continue to make progress then this colloquy has served some good purpose; would the gentleman from Michigan not agree with me?

Mr. HOFFMAN. The gentleman continues to ask me questions. I never have expressed and I do not intend to express an opinion about the views of other Members of the House. That is their business. I have trouble enough of my own.

COMMITTEE ON THE JUDICIARY

Mr. LANE. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may have until midnight tomorrow night to file a report on the bill S. 807.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

PAY RAISE IMPERATIVE TO RETAIN QUALIFIED DOCTORS, DENTISTS, NURSES, ETC., IN THE SERVICE OF VA HOSPITALS

Mr. LANE. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, H. R. 6719 will provide salary increases for 6,024 doctors, dentists, nurses, and other professional people now serving the 173 hospitals and 17 domiciliaries maintained by the Veterans' Administration.

These highly skilled employees are essential to provide a high standard of medical and dental care for our veterans, under the largest Government-operated medical program in the world.

Without them, the whole program would collapse.

Yet, while extolling the virtues of competition and private enterprise, we expect these professional people to remain in Government service at salaries but little more than half the average income earned by their colleagues in private practice.

The result of this short-sighted and dangerous policy is that the VA is finding it increasingly difficult to attract and hold the qualified personnel it requires to maintain its services to the veteran.

A few days ago I had occasion to call the manager of a VA hospital to inquire as to why the scheduled surgery for a veteran had been postponed for one week. He told me that they run into this problem at the turn of each fiscal year. Doctors, dentists, nurses, and other key personnel leave to get better paying jobs on the outside, or to start up in private practice where the rewards are greater. The thinned-out staffs do their best, but are unable to catch up with the case-load until reinforcements arrive.

The VA gets good men and women but cannot keep them on undernourished salaries.

This bill is not intended to create more jobs, but to make it possible for the VA to attract and retain the key workers who are absolutely essential to its proper functioning.

For pay purposes, section 4 of this bill places all managers, whether lay or professional, of VA hospitals, homes, or centers, on a level with doctors of medicine in the chief grade. At the present time the bill would particularly affect 46 lay managers employed by the Veterans' Administration among the 173 hospitals and 17 domiciliaries. This provision of the bill is in recognition of the principle of equal pay for equal work.

I cannot understand why the Government expects its employees to work for salaries less than those paid for equivalent work in private industry. Or how it expects to keep qualified personnel in the face of this obviously unfair discrimination.

With this in mind, I want to emphasize the concluding lines of the following quote from the report of the Committee on Veterans' Affairs:

> While the committee recognizes that Government service in any field cannot compete equitably with the salaries paid private industry, or the income received by private practitioners in the medical and dental field, it is absolutely essential that a readjustment be provided to the employees of the Department of Medicine and Surgery if this medical care for our veterans is to be maintained.

There is an inclination in some quarters to gradually forget the meaning of our pledges to the veterans when, as members of the Armed Forces, they were fighting in defense of our freedoms.

The very first of these pledges was our obligation to provide adequate medical care for those who were wounded or injured, or whose health was undermined by their military service.

Adequate medical care means the very best we can afford to provide for them. Not the substandard care that they will get from undermanned staffs, or from poorly qualified or inexperienced professionals that the VA will have to employ if it is not authorized to pay salaries that will attract and hold enough competent doctors, dentists, nurses, and managers.

The case for pay increases is further strengthened by these two quotes from a letter written by the Administrator of Veterans' Affairs to the Committee on Veterans' Affairs:

> As initially established, the salary rates authorized by Public Law 293 played an effective part as one of the recruitment incentives. However, notwithstanding certain subsequent increases authorized for Federal personnel generally, they have not kept pace with the comparable net income of medical personnel in the Armed Forces and the Public Health Service and there is an ever-widening disparity in comparison to the net income of private practitioners. Surveys have disclosed that more than two-thirds of the physicians resigning from the Department of Medicine and Surgery listed economic causes as the reason for leaving. There is a continuing shortage of physicians in the Department. And: The recruitment and retention of physicians, dentists, and certain nurses is a major problem in our continuing effort to maintain the highest quality of medical care and treatment of eligible veterans. The moderate increases in salaries proposed by H. R. 6719 would, of course, not serve to cure all of our difficulties but I believe would materially improve the situation.

It is estimated that the cost of H. R. 6719 would be approximately $5,997,000 the first year. By the fifth year, it would only increase by an extra $854,000.

In relation to the scope and quality of care, and our firm obligation to veterans hospitalized in VA facilities, this is a small appropriation to accomplish so much that is good—and necessary—to prevent a breakdown in the high standard of VA medical care.

FBI FILES BILL

Mr. CRAMER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. CRAMER. Mr. Speaker, as Congress prepares to adjourn it is lamentable and, in my opinion, totally inexcusable and indefensible that no rule has been granted on one of the most urgently needed bills before the 85th Congress, H. R. 7915, the FBI files bill.

As a sponsor of H. R. 8388, one of the FBI files bills, and as one who fought for this legislation in the Judiciary Committee and as ranking minority member of the special Subcommittee to Study Certain Supreme Court Decisions, I am very concerned that it now appears that Congress will recess without clarifying the broad and very misleading Jencks decision.

The administration, the Attorney General, and J. Edgar Hoover have advised Congress of the seriousness of the situation where, in some cases, new trials have been granted, complete FBI files have been opened and, thus, the established law-enforcement procedure of the FBI is placed in jeopardy. This information, being made known to Congress, makes it incumbent upon the House to act and to act with expedition after due deliberation. The recent arrest and exposure of the Communist underground leader, Abel, whose cunning and skill at intrigue could only have been discovered by at least equally skillful FBI methods, not only demonstrates the need for retaining established FBI practices and preventing the uncovering of secret informants and heretofore unpublished techniques, but further demonstrates the need for immediate action to prevent Abel and other law violators from opening FBI files in their defense.

I am the first to insist that any person accused should have every protection guaranteed under the Constitution, but I am also the first to resist any effort to stretch these protections so far out of proportion that the accused can take advantage of these heretofore nonexistent rights in defending himself against a charge that he has willfully sought the overthrow of our Government, including the Constitution under which he is seeking his rights, as an accused.

The FBI files bill fully protects all of the defendant's rights, but it prevents the Jencks case from being construed as holding that the defendant has a right to rummage through the raw material, unverified and practically disproven background information not related to the defendant's case, contained in the FBI files and to which, prior to the Jencks case, no one conceived any accused had any right.

The bill is reasonable and was fully considered by the proper subcommittee and the full Committee on the Judiciary in both the House and the Senate and should have immediate action.

I urge that a rule be granted and the bill be passed before the recess. In my opinion, this matter is one of the most important before Congress and deserves immediate action.

In support of this position, I add some excerpts from the committee report, which incidentally was dated July 5, 6 weeks ago, that states the purpose of and need for this legislation:

> PURPOSE
>
> The purpose of this legislation is to establish a statutory procedure for the production, from Government files, of certain reports and statements of Government witnesses for the use of defendants in Federal criminal proceedings who seek to attack the credibility of such witnesses. In so providing, the bill sets standards of interpretation (1) for safeguarding the needless disclosure of confidential information in Government files and at the same time (2) assuring defendants access to the material in those files which is pertinent to the testimony of Government witnesses.
>
> STATEMENT
>
> On June 3, 1957, in the case of *Jencks* v. *United States* (353 U. S. 657), the Supreme Court held, among other things, that, for purposes of discrediting Government's witnesses, defendants in Federal criminal prosecutions are entitled to inspect "all reports [of Government witnesses] in its possession * * * touching the events and activities to which [the witnesses] testified at the trial." Conflicting interpretations by lower Federal courts as to the meaning of this statement and the necessity for a procedure which will be uniform throughout the Federal court system resulted in the introduction of legislation by Members of Congress seeking to clarify the effect of this decision. Representative FRANCIS E. WALTER introduced the instant bill H. R. 7915. Other bills were

introduced by Representative KENNETH B. KEATING, H. R. 8341; by Representative WILLIAM E. MILLER of New York, H. R. 8225; by Representative ALBERT H. BOSCH, H. R. 8243; by Representative HILLINGS, H. R. 8335; by Representative CRAMER, H. R. 8388; by Representative JACKSON, H. R. 8393; by Representative HOSMER, H. R. 8414; by Representative LOSER, H. R. 8416; by Representative POFF, H. R. 8423; and by Representative ALEXANDER, H. R. 8438.

The problem which arises from the above holding of the Supreme Court is the insistence of some—although not all—lower Federal courts (referred to in the statement of the Attorney General which follows at the end of this report) that entire reports of FBI and other Federal investigative agencies, such as the Narcotics Bureau and the Alcohol and Tobacco Tax Division of the Treasury Department, the Bureau of Immigration, the Defense Department, etc., be handed over to defendants even though only a small part of the reports relates to the pertinent testimony of Government witnesses. Under such circumstances, it is possible for confidential Government files containing information relating to the public interest, welfare, safety, and otherwise, to be disclosed even though such confidential and vital information has no material bearing on the case. Such insistence could lead to broad and harmful expeditions among documents possessed by the Government for purposes which have no direct bearing on the criminal prosecution for which they have been ordered produced.

To understand the seriousness of the situation, it is important to know what Government reports may contain. For example, reports of the FBI cover the full investigation of every phase of a case. They include not only interviews with possible witnesses but information received from confidential sources, volunteered statements, and all other information that has been obtained from the start of the investigation through the preparation of the case for trial. The reports necessarily include raw material of unverified complaints, allegations, and information. In some investigations it is necessary for the FBI to secure the most intimate details of the personal life of a victim of a crime to aid in the identification of the wrongdoer. Much of this information may subsequently prove to be wholly immaterial to the ultimate outcome of the investigation. Nevertheless, it is in FBI reports, and properly so, since FBI investigations record all information received, whether relevant or not and whether verified or not. The interpretation of some courts ordering the production of these reports in their entirety could seriously handicap the law enforcement of our Government agencies, in that, in addition to the disclosure of vital confidential information, the reports would also reveal law-enforcement techniques, intelligence sources, and the names of confidential informants, and could injure the reputations of innocent persons who have no real connection with the inquiry but whose names found their way into Government files because investigators who, in the interest of doing a thorough job, included them.

The Department of Justice, while accepting the main holding of the Jencks case, has expressed the view that by reason of what it considers loose interpretation by lower Federal courts of the Supreme Court decision, it is placed in a position where, if legislation is not introduced, it will have to abandon the prosecution of worthy cases in order to safeguard confidential information in the files of the Government.

Under the instant legislation, which the Department of Justice supports and the language of which it in fact suggested, a defendant in a Federal criminal prosecution, while he will be entitled to see pertinent reports and statements of Government witnessets which the Government has in its possession, he will obtain, instead of the entire reports or statements, only those portions which relate to the testimony of the Government witnesses at the trial. It should be emphasized that this legislation in no way seeks to restrict or limit the decision of the Supreme Court insofar as constitutional due process of a defendant's rights is concerned. While defendant will be entitled to pertinent portions of the reports and statements of Government witnesses which the Government has in its files, he will not be entitled to rummage through confidential information containing matters of public interest, safety, welfare, and national security. He will be entitled to so much of the reports and statements as is relevant to a witness' testimony for the purpose of attacking the witness' credibility. The instant legislation, in securing this entitlement to defendant, authorizes the trial court to inspect the reports and statements and determine what portions thereof relate to the subject matter as to which the witness has testified and to direct delivery of those portions to defendant for his use in the cross-examination of the witness.

There is nothing novel or unfair about such procedure, as Mr. Justice Burton notes in his concurring opinion in the Jencks case. According to Wigmore, and as quoted by Justice Burton, such a procedure is customary:

"It is obviously not for the witness to withhold the documents upon his mere assertion that they are not relevant or that they are privileged. The question of relevancy is never one for the witness to concern himself with; nor is the applicability of a privilege to be left to his decision. It is his duty to bring what the court requires; and the court can then to its own satisfaction determine by inspection whether the documents produced are irrelevant or privileged. This does not deprive the witness of any rights of privacy, since the court's determination is made by his own inspection, without submitting the documents to the opponent's view." (VIII Wigmore, Evidence (3d edition, 1940), 117–118.)

Such provisions as this legislation contemplates effect a two-fold beneficial purpose. It protects the legitimate public interest in safeguarding confidential governmental documents and at the same time it respects the interests of justice by permitting defendants to receive all information necessary to their defense.

JOB DIFFICULTIES OF PEOPLE OVER 45 YEARS OF AGE

Mr. BECKWORTH. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BECKWORTH. Mr. Speaker, on July 10, 1957, I placed in the CONGRESSIONAL RECORD an article which appeared in the Reader's Digest in the July issue of 1957, and an article that appeared in the Dallas Morning News, June 29, 1957. In the Washington Post, July 25, 1957, there was an article by Jeff O'Neill entitled, "Older Worker Gets Job Break." The article refers to the policy of the Lofstrand Company of Rockville, Md., concerning older workers. In the Evening Star, August 14, 1957, is an article entitled "Hire Older Workers, Employers Are Urged." I include each of the articles in my remarks today.

On April 4, 1957, I voted not to reduce an appropriation item in the Health, Education, and Welfare appropriations bill when this appropriations bill first came to the House floor this year so that as constructive and complete a study as possible in connection with the difficulties of older people getting work might be made by the proper officials of the United States Government. I voted in the minority, but I am told most of the money for this study has now been restored which I think is good.

For many years I believe I have recognized the seriousness of the problems that face older people who seek employment. In the early 1930's I knew a very experienced man in oilfield work who about the time he became 45 years of age and lost his job could not find anything like steady, gainful employment thereafter. He had 3 children, the oldest of whom was about 14. He was capable in his work, and his wife and children needed the income from his ability to earn as much as they had ever needed or would ever need that which he might earn.

For months, even though he was A-1 in his ability to do oilfield work, much of which required considerable skill, he sought work, but was told he was too old. From worry, disappointment, and humiliation because he could not provide for his family, he became ill and not too long thereafter passed away. My observation of the plight of this family has remained vividly with me. Incidentally, to be sure this was the "depression period," but I recall many younger men in the very active East Texas Oil Field worked quite regularly, for drilling in this field was at its height in those years.

During World War II it was clearly shown that older people as well as crippled and handicapped people could do good jobs of work in many phases of our economy. Their services were sought after and utilized. The Government as well as countless private companies utilized their services. To me this is ample proof that an unfortunate policy long had been followed pertaining to the group I have referred to. There is nothing worse than a useful person because he cannot get work feeling useless. His spirit is killed by such a feeling. He loses hope.

It is so much better for a person to sustain himself than to be compelled to draw social security, old-age assistance, or other benefits. There is nothing dishonorable about drawing these benefits, but how much more constructive it is for the person himself, his family and dependents, his church, his community or city, his county, his State, and the Nation if he is earning wages which amount, or a salary which amounts, in almost all instances to much more than the various types of benefits to which he might be entitled.

In recent months a lot has been said about the shortcomings of our schools and the shortage of good teachers. I am constrained to believe that the field of education has lost many years of worthwhile and valuable service of able teachers by virtue of a policy that frequently has decreed releasing a man or lady from his or her teaching job while the man or lady yet is physically strong and quite mentally alert. If a man ever

had good judgment, when he is 45 years of age or older, provided he has had an active and constructive career, whether his work has been that of manual labor or professional pursuits, he is more competent, capable, and experienced than ever before. He is more careful, cautious, and in many instances because of the need of those who look to him for support, more steady and more anxious to retain his employment or to merit promotion.

A person may be young in years, but old in hours. Certainly it is not my purpose to indicate that people under 45 are not highly capable and constructive in their employment. On the other hand as I have pointed out and as the articles I have included so clearly indicate, many older people—perhaps not as strong physically—have the keenest of minds and unbent spirits.

President Eisenhower is to be commended for having taken a great interest in this very real and constant problem. I trust the Congress and the divisions of our Government that are in a position to know about this problem and that industry in general will devote much time and attention to the finding in the not too distant future a solution to this problem.

The articles referred to follow:

[From the Reader's Digest for July 1957]

HELP WANTED: FOR THE FORTY-PLUS

(Condensed from Your Life)

(By Ronald Schiller)

Forty-seven-year-old Harry Davis boarded his usual commuter train in a pleasant suburb. There was nothing in his appearance that set him apart. But the appearance was a mask, for Harry Davis was a man in desperate trouble. After 23 years with the same firm, he had lost his $11,000 job as office manager when his company merged with a larger concern. And despite a year of heroic effort, he had been unable to find another position—because of his age.

When the train reached the city, Harry strode purposefully down the platform. But instead of boarding a bus or taxi to his office, as did the other passengers, he went into the waiting room. This was the moment when that feeling of despair and panic invariably assailed him. He waited for it to subside, then telephoned the three employment agencies where he had applications on file. He got the usual answers: "Nothing interesting for you today, Mr. Davis." Next he opened his newspaper to the employment section (he didn't like to read it on the train where friends might see him) and scanned the long columns, skipping those ads which specified "under 40" or "under 45," circling others which required personal letters. Most of the rest of the day he spent sitting in offices waiting to be interviewed by personnel managers, most of them younger than he, who had answered his letters regarding previous ads.

Harry's interviews usually went well. He is capable, intelligent, and well qualified for the positions he has sought. But he cannot hide the damning "Age: 47" on his application blank. He is on the wrong side of that mysterious, senseless 40-year age barrier which, in the American labor market, separates the employables from those considered "too old" to hire.

Among Harry's worst enemies are the pension and retirement plans that many firms have instituted to protect their employees. To hire a man Harry's age a company may have to pay twice as much in premiums as for a man in this thirties. When Harry has offered to waive his pension rights or pay the additional premiums himself, he has usually been told that it is against company policy or that it would mess up the bookkeeping.

A big problem to a man in Harry's position is to maintain his morale. A dozen times a day he has to remind himself, "You're in fine health, you're in the prime of life, you've had valuable business experience. You may land the very next job you apply for. Just keep plugging."

But these self-administered pep talks cannot stay Harry's rapidly deteriorating financial condition. Like many white-collar workers, he has never been able to save much money. There has been a family to raise—two sons—and his position has required that he maintain a good standard of living. He received 2 months' severance pay when he was discharged, and the State unemployment compensation helped while it lasted. But, outside of a little money in the bank, his only assets are a 3-year-old car, some life insurance, and a $16,000 house on which there remains a $10,000 mortgage.

I do not know what is going to happen to Harry and his family. When I last saw him he was on his way to another interview, for a job as supervisor of a shipping department for a small firm that would pay him $4,000 a year. "It's a young company," said Harry hopefully. "With my experience there should be plenty of room for advancement * * *."

Everything related here about Harry Davis is true except his name. But whatever we call him, he is important to us. He is representative of a growing reservoir of unemployed American men over 40, and women over 35. I have interviewed many such men and women, ranging from factory and office workers to professionals and executives. Their stories differ in detail from Harry's, but they all share three things: frustrated lives, shattered hopes, and fear of the future.

Age bias in employment is an increasingly serious matter in the United States because the proportion of middle aged in our population is rocketing upward. Fifty years ago the average life expectancy of American men was 47 years; today it is 67. Moreover, people today stay young longer. Their normal useful working life has stretched considerably. Yet employers continue to set age limitations in their hiring policies that might have applied in the 1890's.

The Department of Labor recently made an extensive survey of employers to find out why they don't hire older workers. The reasons were difficult to pin down. But the general feeling was that older people were too slow to meet production requirements, "too set in their ways," less creative than younger workers, harder to train, more prone to absenteeism, and that their physical condition was not as good.

The latter charge is undeniably true; if a job involves heavy physical work, a young man is apt to be better. But the other reasons have turned out to be myths. A survey of 3,313,000 employees made by the National Association of Manufacturers showed that in work performance 93 percent of the older workers were equal or superior and only 7 percent were not equal to younger workers. A more detailed study by the University of Illinois revealed that rates of absenteeism and lateness are actually lower among older employees, and that their loyalty, sense of responsibility, and morale are higher. They are also less prone to accidents.

On the white-collar and executive level a common myth is that serious morale problems develop if older men are put to work under executives younger than themselves. In cases where circumstances have forced the issue, this theory has failed to hold up. Two years ago, for example, a New Jersey electronic concern, needing executive help, violated its own employment age policy by hiring 2 men in their fifties. They turned out so well that last year 5 more were hired. "From now on older men get preference here," the young president of the firm told me. "They've upgraded the whole level of work."

"Actually," states the NAM report, "older workers are the cream of the crop."

As a result of such findings, a few large concerns have begun to reexamine their employment practices, with good results. One department store now makes it a policy to hire older workers. "Hiring employees over 40 is good business for us," reports a Chicago manufacturer, adding that any slowing of speed among older workers is more than made up by higher quality work. An insurance company, disturbed by the fact that many girl office workers quit work after a short time, now makes it a policy to hire older women.

The 40-plus clubs, composed of older unemployed executives who have banded together in several cities to help each other find jobs, were among the first agencies to dramatize the situation, and over a period of years report some remarkable successes.

The New York club has placed so many of its members in the past 2 years that it has had to advertise for new job seekers. The Boston club reports it returns to employment "83 out of every 100 men" within 8 to 28 days. The San Francisco club's roster has dropped by two-thirds.

Meanwhile, to help women over 40 find employment, San Francisco businessmen last year established an organization called Careers Unlimited. It has placed more than 50 women in jobs each month. Similar organizations have been springing up in other cities.

But hopeful as these activities are, they have not yet succeeded in skimming off more than a fraction of the middle-aged job seekers who report to Government employment agencies each month. The tragic fact revealed by the Department of Labor survey is that half of all employers still have age restrictions, and that between 50 and 60 percent of the job openings are still not available to men over 40 or 45, or to women over 35.

Federal and State Governments have not been idle. Two years ago the Federal Government took the initiative by abolishing age restrictions on Federal jobs. Five States—Colorado, Louisiana, Massachusetts, Pennsylvania, and Rhode Island—have passed laws forbidding age discrimination against workers, by either Government or private employers.

But employment experts now place their greatest hope in a new concept: Special job counseling for workers over 40. The Department of Labor plans to help install trained counselors in all 1,700 of its employment offices this year. The program is based on the highly successful experiences in Canada and New York State, where special advisers have succeeded in raising job placement of older workers by as much as 400 percent.

The job counselor's task ranges from helping an applicant to recast his whole plan for the future down to such simple advice as telling a woman to use less lipstick. Sometimes the counselor's most obvious advice requires the most persuasion, such as convincing a job seeker to be more realistic about pay demands, or to look for a job on the fringes of a city where younger people are often reluctant to work, or to retrain himself in a skill that is in greater demand.

In analyzing an applicant's qualifications the counselor also searches for hidden employable talents the job seeker may not himself know he possesses. Examples: A 55-year-old textile salesman, unemployed for 16 months, found satisfying work as a proofreader; a 59-year-old former Army paymaster won a position as head of the research department of an advertising agency.

Persuading employers to drop their age bars is the toughest part of the counselor's job. It takes missionary zeal, diplomacy, "and sometimes a touch of honest guile,"

says Joe Nawn, special counselor to the 40-plus job seekers at the Newburgh, N. Y., State employment office. Once an employer phoned Joe asking if he had a receptionist—"under 30, of course." Joe knew a widow who qualified in everything but age and badly needed the work. He talked so fast and enthusiastically about the lady's experience, ability, and charm that the question of age never arose again. A month later the employer called to say how pleased he was with his new receptionist. "Did you know she was over 50?" asked Joe. "Gosh," exclaimed the shocked employer, "I forgot to ask her age."

"No community today can afford to be without the services of a special job counselor for the 40-plus," says Senator Thomas C. Desmond, chairman of New York State's Legislative Committee on Problems of the Aging. "But the counselor cannot do the whole job. He needs the community's help."

Desmond's plan for community action consists of four steps: (1) Organize a steering committee of members from the local chamber of commerce, service clubs, and other civic groups; (2) make sure a special job counselor is appointed to the local employment agency; (3) utilize the local schools' vocational and adult-education services to retrain the unemployed when necessary; (4) enlist the community's biggest guns to help break down local employers' prejudices against older workers.

Any suggestion that older workers should be hired as a charitable gesture, or as a civic duty, infuriates Senator Desmond. "It should be no such thing," he explodes. "Employers should hire them because it's to their own economic self-interest to do so. Older workers earn every dollar paid them."

The crisis that confronts the 40-plus right now, in an era of almost full employment, will seem minor compared with what we may expect in the 1960's, when the World War II "baby crop" enters the labor market. Unless business changes its attitude soon, warns Secretary of Labor James Mitchell, the growing number of middle-aged unemployed could become "the most potent group this country has ever known and force some kind of public program for its own survival."

The fact is, as President Eisenhower has stated, "We cannot afford to squander our manpower through a prejudice which obscures the values of maturity, responsibility, and constancy found in older workers."

[From the Dallas (Tex.) Morning News of June 29, 1957]

THE CASE FOR FOLKS OVER 45

(Reprinted from the St. Petersburg (Fla.) Times)

A myth, says Webster, is an imaginary or fictitious thing or person. The Times recently referred to the "vicious myth" concerning working ability of those over 65. Now, these unreal dragons again have been attacked by the New York State Labor Department. The department listed eight reasons given by employers for not hiring workers over 45 years old. The reasons and the truth:

1. They are less productive. The truth: Three surveys say that work by older workers is equal to or superior to that of younger employees.

2. They are often absent. The truth: Older workers have a 20-percent better attendance record than younger workers, said a 1956 United States Labor Department survey.

3. They are involved in more accidents. The truth: The same survey showed workers 45 and over had 2.5 percent fewer disabling injuries, 25 percent fewer nondisabling injuries than those under 45.

4. They do not stay on the payroll long enough to justify hiring expenses. The truth: Studies show separation rates for older workers much lower than for younger employees.

5. It is too costly to provide them with adequate pensions. The truth: "This is an easy generalization."

6. They will cause major increases in employee group insurance costs. The truth: Here again it all depends on the nature of the plan.

7. They don't have needed job skills. The truth: "On the contrary," the article says, "the older worker is likely to possess more skills, training, and know-how than younger job hunters."

8. They are inflexible and unimaginative, have trouble getting along with younger workers. The truth: An unjust, sweeping generalization which is seriously overrated.

The Bulletin points up again our national inconsistency in clinging to age limitations long since overcome, in deliberately wasting a large and necessary portion of our manpower potential. In the common interest, it is every man's business to challenge and correct any and all of these myths whenever faced with them. Equally, we should support and encourage such practical efforts as Industrial Experience, Inc., now being organized in St. Petersburg, to employed skilled workers over 65. In this aging Nation the bell of time is tolling. Either we will overcome these mythical figures or they will overcome us.

[From the Washington Post and Times Herald of July 25, 1957]

OLDER WORKER GETS JOB BREAK

(By Jeff O'Neill)

A Montgomery County manufacturing firm is tapping a pool of qualified technical manpower that other United States businesses appear reluctant to use.

Reversing a nationwide emphasis on hiring young men because of company pension plans, the Lofstrand Co. of Rockville recently hired 3 workers over 60 and is seeking others over 40.

The company, which fabricates precision equipment for the Government and commercial firms, placed an advertisement headed "Over 60—three men wanted now." Company officials called the response amazing.

Replies were received from 30 applicants, as well as congratulations from others who deplored the practice of retiring workers for age alone.

The company originally intended to hire experienced men for estimating work on contract bids. Its advertisement turned up applicants with such impressive backgrounds that 3 were hired for other jobs—1 as a liaison man and 2 for assembly work. The estimator positions are still open.

CONSULTANT OF 65

Lofstrand also has hired other men, under 60 but over 40, for engineering positions. These youngsters answered the ad for men over 60.

Among new employees is James M. Smith, 65, former engineering consultant for the Navy Ordnance Bureau. Smith, who also held topflight position in private industry, now is employed to promote liaison between the company and the Government.

Smith told of spending over a year and a half seeking suitable work after the liquidation of an electronic firm with which he was connected. He said typical of replies was: "If you're over 45, there's no use your coming in." Despite his wide engineering background, Smith said, only so-called drawing-board jobs were open.

In his letter of application, Smith said he hoped the company's policy "may help to stop a trend that could well become a national calamity and disgrace."

KILLING INACTIVITY

Smith said yesterday of those forced to retire: "What's killing them is inactivity and a feeling you're unwanted. You may as well take them out and hang them."

Smith explained that savings of the elderly can be wiped out by a single illness, then "their standard of living goes out the window." Many are forced to depend on their children for support, he said.

J. Slater McHugh, company vice president, says older men "have the rare ability to do exacting work and be satisfied," a trait company officials call uncommon among younger men.

Wesley I. Grant, Lofstrand sales manager, said: "We believe that manpower in upper ages has a definite contribution to our company. We have no prejudice against age or physical condition—as long as an individual can produce a reasonable day's work, we're willing to give him a chance."

[From the Washington Evening Star of August 11, 1957]

HIRE OLDER WORKERS, EMPLOYERS ARE URGED

NEW YORK, August 14.—Employers had better change their hiring habits and take on older men and women if they hope to keep on producing their share of the Nation's goods and services.

This word has been passed on to all employers in New York State—where 10 percent of the Nation's labor force works and lives—by the State labor department.

Hiring of older workers is "sound business," says Isador Lubin, New York's industrial commissioner, and it's "fast becoming a business necessity."

For, by 1965, the "most desirable employees—those in the 25-to-44-year-old group—just won't be as numerous, since to have reached that age in 9 years means to have been born during the depression—when not many people were having babies.

WORKERS' WORTH CITED

Moreover, backing its advice with solid statistics the labor department gives a resounding "Yes" to the question: Is the older worker worth hiring?

In its Industrial Bulletin, a standard fixture in personnel offices and union research departments throughout the State, the department explodes a variety of myths about the oldster at work.

These legends hold that after 30 or more years of work, a man or woman is less productive, less skilled, stays home too often, is accident prone and will not remain on the job long enough to justify the expense of hiring and adjusting him to the plant. Other obstacles to employing older people, employers believe, are increased pension and group insurance costs and the older fellow's alleged inability to get along with the youngster—both his supervisor and the man at the next bench.

BETTER PRODUCERS

Not so, says the Industrial Bulletin. Productivity studies by the National Association of Manufacturers, the United States Labor Department and the University of Illinois find the 60-plus employee as good or better than his younger colleague 80 to 93 percent of the time. The NAM, after polling 3,000 employers whose payrolls included 2.5 million people, reported that only 7 percent of the respondents thought the older worker produced less.

The mature worker is no job hopper, has a 20 percent better atendance record and a better safety score than his younger shopmate. However, an unpublished study by New York State indicates that an accident does keep the older man off the job longer.

Commissioner Lubin, who insists that "hiring older workers is a matter neither of charity nor morality," points out that when you tote up the score for an employer he will hire on the basis of individual competency rather than on prejudice. When 39 special employment service counselors were put to work in the State's busiest employment offices last year, they helped place almost 250,000 persons over 45, he says.

UNLIMITED OPPORTUNITIES IN THE GREEN RIVER VALLEY

Mr. NATCHER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. NATCHER. Mr. Speaker, the Green River Valley in Kentucky is noted for its scenic beauty, fertile soil, natural resources, temperate climate, abundant resources of native people and vast coal seams. This watershed contains 9,273 square miles, covering approximately one-fourth of Kentucky's entire boundary. The Second Congressional District is located in the Green River Valley.

Kentucky is a part of the Ohio River watershed and contains more miles of navigable streams than any other State in our country. Bordered by the Ohio and Mississippi Rivers, water resources development in Kentucky is directly related to the problems of the drainage patterns for both the Ohio River watershed and the Mississippi River watershed. We have 120 counties in Kentucky and all of the State, with the exception of eight counties in the extreme southwestern section, is, according to a recent study made by the Corps of Engineers, in the flood danger zone.

Green River is the principal stream in the Green River watershed. This stream rises in Lincoln County and flows 370 miles westerly to the Ohio River, a point some 8 miles northeast of Evansville, Ind. Green River tributaries having navigable reaches are Barren, Nolin, Rough, Pond, Mud, and Bear Creek. Barren River, the largest of the Green River tributaries, rises in Monroe County and flows 149.5 miles northwesterly to its junction with the Green River. Green and Barren Rivers are improved for navigation by a system of fixed locks and dams. Prior to 1954 most of these locks were obsolete, and when you consider the fact that they were constructed by the Commonwealth of Kentucky in the year 1835 you can easily understand why they were considered obsolete on January 1, 1954.

We have suffered many damaging floods in the Green River Valley in the past 20 years, and every year well over 5 million tons of topsoil is lost through erosion. Many farms were abandoned, and from 1940 to 1950, according to census figures, 104,000 people moved out of the valley. This rich fertile valley had suffered a depressed economy.

In this beautiful valley, blessed with everything essential for prosperity, we were suffering from loss of population, flood damage, and several sections of the valley were designated as areas of chronic labor surplus. In addition to labor surplus, 4 of the 15 counties in the Second Congressional District were placed in the low-income county category. Opportunities to develop this fertile valley industrially were ignored. Such development would stop migration and soon present opportunities to our young people comparable with those being offered in other States in our Nation. As pointed out, the Green River Valley and the Second Congressional District have the necessary natural resources and means of transportation to make this section prosperous industrially and agriculturally.

The resources of coal alone along the Green River, a navigable stream, are estimated at 13,970,000,000 tons. This supply is ample to support an annual production of 25 million tons per year for well over 100 years. The location of industrial plants in the Green River Valley and especially along our streams would be only a short distance away from this vast coal deposit. Above all, our national security is promoted because this coal is utilized in the production of atomic energy by the large steam powerplants at Madison, Ind.; Paducah, Ky.; Johnsonville, Tenn.; and Colbert, Ala. For instance, the Atomic Energy Commission plant at Portsmouth, Ohio, which is operated with power produced at Madison, Ind., consumes over 4 million tons of coal annually.

It was essential that we immediately proceed to develop our water resources in the Green River Valley in order to bring in new industry, utilize our great abundance of natural resources, and decrease the chronic labor surplus. Such development would entail navigation and flood-control projects, together with new locks and dams along our navigable streams.

The people in the Green River Valley realized full well that water is something that cannot be taken for granted. They had experienced widespread destruction caused by drought in farming, floods resulting in property damage and loss of lives, and the critical shortage of water confronting our cities and towns. Pollution problems were also present. The time had arrived to take action.

In January of 1954 I requested the Bureau of the Budget to furnish me an itemized list of all projects and total appropriations charged to the Green River Valley for a 20-year period. Shortly after making this request, I received a letter from Harold Pearson, Assistant Director of the Bureau of the Budget, informing me that from January 1, 1934, to January 1, 1954, the sum of $644,315.59 had been expended for navigation, flood control, and water resources development in the Green River Valley. A comparison of the total appropriation for our section of Kentucky with appropriations for other sections throughout the United States, comparable in size and containing the approximate number of streams, shows just how little we had received during this 20-year period.

From January 1, 1954, to August 10, 1957, we have either under construction, in the process of planning, or completed, navigation projects, flood control reservoirs, and water resources development projects totaling the sum of $59,972,300. The projects referred to are as follows:

NEW LOCK AT SPOTTSVILLE, KY., AND NEW LOCK AND DAM AT RUMSEY, KY.

These two locks and dam were started in 1954 and completed in 1956 at a cost of $9,370,000. They replace obsolete locks and dam constructed in the year 1835. The old locks and dam were too small to accommodate modern river transportation because the largest piece of equipment that could be locked through was only 35 feet by 107 feet. The new locks constructed are 84 by 600 feet, thereby accommodating at a single lockage 6 barges 26 feet wide and the towboat or 4 barges 35 feet wide, 2 abreast in tandem, and the towboat. Today coal is moving through the new locks in large barges pushed by powerful towboats equipped to navigate all inland waterways in the United States. Millions of tons of coal are now moving down Green River to points on the Mississippi, Ohio, Tennessee, Cumberland, the Illinois Waterway, and to the Great Lakes. The coal mines are rapidly becoming mechanized, using modern cutting, drilling, roof bolting, and loading equipment. One company alone in this section is producing slightly over 34,000 tons a day. This development has brought several new industries into our section of Kentucky, and the construction of these two new locks and dam will continue to offer in the future opportunities to large and small industries desiring to locate in a section which possesses an abundant supply of coal and labor. Sites are now available along our streams with navigation stages more economically maintained, and with the temperature of the water controlled, which is essential to industrial use.

CANALIZATION OF GREEN RIVER

The canalization of Green River, started in 1954, was completed in 1956 at a cost of $2,550,300. This project extends from the mouth of Green River on the Ohio River to a point near Rochester, Ky., in Butler County, a distance of 103 miles. The two new locks and dam are within the canalized section of the river. The channel of Green River along this 103-mile section is now 9 feet deep and 200 feet wide, thereby permitting the largest boats which traverse the inland waterways together with large inland waterway barges to operate with ease. Prior to the canalization project along Green River, the rapid and frequent fluctuation in low and high flood periods resulted in many slides of the banks which created serious navigation hazards and, in fact, absolutely ruled out the river traffic which is now in operation. This canalization project not only permits the moving of our coal and other products by water but also promotes the national security.

PRELIMINARY EXAMINATION OF POND AND ROUGH RIVERS

In 1956 the sum of $8,000 was appropriated to make the necessary survey of Pond and Rough Rivers to determine the

feasibility of providing navigation improvements on these two rivers which are tributaries of the Green River. This survey is to be completed in fiscal year 1958 with funds now available to the Corps of Engineers.

ROUGH RIVER RESERVOIR AND CHANNEL IMPROVEMENT

Construction of the Rough River Reservoir was initiated in October of 1955 and is scheduled for completion in fiscal year 1960. This is a $10,322,000 flood-control project located in Breckinridge, Hardin, and Grayson Counties. To date $4,909,000 has been appropriated for this project. The reservoir portion of the project consists of a rolled earth dam 124 feet high and 1,530 feet long, located on Rough River 89.3 miles above its confluence with Green River. The storage capacity for flood control is 303,650 acre-feet and, in addition, the reservoir has 19,050 acre-feet for conservation. This is the first flood-control reservoir construction in our section of Kentucky and was provided for under the Flood Control Act of 1938. The act further provided for the construction of the Nolin River Reservoir, No. 2 Barren River Reservoir, and No. 2 Green River Reservoir. We are now proceeding to build projects authorized 20 years ago.

NO. 2 BARREN RIVER RESERVOIR

This $21,600,000 flood-control project is to be located in Allen and Barren Counties, 79.2 miles above the mouth of Barren River and 10 miles northeast of Scottsville, Ky. Fifty thousand dollars was appropriated this year to begin advance engineering and design for this project. This is the only new designated project approved by Congress this year for Kentucky. This project will consist of an earth and concrete dam 142 feet high and 3,860 feet long. The total storage capacity of this reservoir is 502,000 acre-feet, of which 479,000 acre-feet is for flood-control storage and the remaining 23,000 acre-feet is for conservation. This project will reduce flood stages along the Barren River below the dam and, in conjunction with the three other authorized reservoirs in the Green River Valley, will aid in the reduction of flood stages along the Green River and contribute to the reduction of major flood flows along the Ohio and Mississippi Rivers. The benefit-cost ratio of this particular project is excellent and, in fact, is one of the best in the United States.

NOLIN RIVER RESERVOIR

The 1957 budget contained a request for $50,000 for advance engineering and design on the Nolin River Reservoir project and, as a member of the Committee on Appropriations in the House, I requested my committee to increase this amount to $100,000. The $100,000 figure was approved by the House and the Senate and advance engineering and design was started on this project. This year $138,000 has been approved to complete advance engineering and design, thereby placing this project in line for construction start in the next fiscal year. This project will consist of an earth fill dam about 154 feet high and 960 feet long, located on Nolin River about 9 miles above its mouth and about 25 miles northeast of Bowling Green. The dam will be in Edmonson County, and the reservoir will extend upstream into Grayson, Hart, and Hardin Counties. The total storage capacity is 474,000 acre-feet, of which 464,000 acre-feet will be for flood control and the remaining 10,000 acre-feet will be for conservation. The estimated cost of this project is $16,100,000.

SURVEY OF CYPRESS CREEK

The total estimated cost of this study is $22,000 and all of this money has been appropriated. In 1956 we appropriated $17,000 for fiscal year 1957 to make the necessary examination and survey to determine the feasibility of providing flood control and drainage improvements in the Cypress Creek Basin. This year we appropriated $5,000 to complete the examination and survey for this project during the fiscal year 1958. This project is located in McLean and Muhlenberg Counties.

PANTHER CREEK SURVEY

In 1956 I took this project up with the Bureau of the Budget and the Corps of Engineers hoping that at least $10,000 would be appropriated to begin the preliminary examination and survey of this particular project. The cost of the authorized flood-control survey of Panther Creek is presently estimated at $43,000. I was assured that in 1956 every consideration would be given this project but the Corps of Engineers and the Bureau of the Budget made no recommendations for funds due to the fact that the benefits to be derived by the Federal Government had not been established. It is admitted by the Corps of Engineers and those who have investigated this matter from time to time that great benefits will be received by the residents of Daviess County, but so far this project has not been established by the Bureau of the Budget as a Federal project which would justify the appropriation of necessary funds for survey and study. This year I was informed by Brig. Gen. J. L. Person, Assistant Chief of Engineers for Civil Works, that, since the Bureau of the Budget did not include funds for the examination and survey of this project, no funds could be utilized at this time. Since no funds could be utilized by the Corps of Engineers, our efforts to incorporate any amount in the public-works bill pending before Congress would have served no purpose. A meeting will be held in September of this year in Daviess County for the purpose of gathering information concerning this project which would place the Bureau of the Budget and the Corps of Engineers in the position of recommending same for fiscal year 1959. If the benefit-cost ratio can be established and the project justified as a Federal project for expenditure of Federal funds, same should be incorporated in the bill for 1959.

FUTURE PROJECTS FOR THE GREEN RIVER VALLEY

In the comprehensive plan for water resources development in the Green River Valley, certain other projects should be started as soon as possible. To facilitate navigation further, the canalization of Green River should be completed, and Barren River and the other navigable reaches of the Green River should be canalized. New locks and dams should be constructed at Rochester, Ky., and Woodbury, Ky., thereby permitting the shipping of additional coal and other natural resources in this section of Kentucky. Immediate attention should be given to Number 2 Green River Reservoir. This Reservoir estimated to cost $7,700,000 and authorized in 1938, will be situated in Green, Taylor, and Adair Counties. This project is an integral part of the overall flood-control program for the Green River Valley as well as the Ohio, Mississippi, and Missouri River Valleys.

Another development, which is essential for our section of Kentucky, is legislation providing for low-flow regulation. In January of this year I introduced in the House two bills, H. R. 350 and H. R. 847, which provide for low-flow regulation. The provision contained in these bills has been incorporated in the Rivers and Harbors and Beach Erosion Omnibus Bill now pending before Congress. Four basic benefits are derived from the regulation of low stream flows: Navigation stages are more economically maintained; recreational values of our streams are expanded; pollution is abated; and the temperature of water is controlled, thereby enhancing its industrial use. This is important legislation and benefits will be received not only by Kentucky but by many other States throughout our country.

Our future plans for the Green River Valley should include all necessary navigation, flood control, and water resources development projects recommended after completion of examinations and surveys now under way in our section of Kentucky.

From time to time it may be necessary to have additional projects authorized which become necessary in the development of the Green River Valley and projects heretofore authorized and not mentioned herein which play an important part in this program should be constructed.

Our work in obtaining these projects for the Green River Valley has been continuously aided and encouraged by the Nolin River Flood Control Association, the Barren River Development League, the Green River Valley Citizens League, Inc., and the newspapers and radio stations throughout the Green River Valley and over the entire State. These organizations, composed of fine, civic-minded men and women, are to be commended for their untiring efforts to develop water resources in our section of Kentucky.

Mr. Speaker, with the execution of the comprehensive plan for developing water resources, the Green River Valley will emerge as one of the most prosperous sections in the United States. The usual indicators of a depressed economy, such as low income counties, areas of labor surplus, and migration of our people, will cease to exist. In their place will be found an ever-expanding agriculture and industry which will insure a thriving, healthy economy. Better days are ahead for the Green River Valley.

COMMITTEE ON THE JUDICIARY

Mr. NIMTZ. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary have until midnight tomorrow to file a report on the joint resolution, House Joint Resolution 351.

The SPEAKER pro tempore. Without objection, it is so ordered. There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BRAY, for 2 weeks on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. PERKINS, for 5 minutes, today.

Mr. STAGGERS, for 5 minutes, today.

Mr. HOFFMAN, for 15 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mrs. KEE.

Mr. DIES and to include extraneous matter.

Mr. OSTERTAG.

Mr. PELLY in two instances.

Mr. MACK of Washington and to include extraneous matter.

Mr. HALE and to include extraneous matter.

Mr. RIVERS and to include extraneous matter.

Mr. JENSEN and to include a statement.

Mr. BOW in two instances and to include extraneous matter.

Mr. BREEDING and to include extraneous matter.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 1383. An act amending section 410 of the Interstate Commerce Act, to change the requirements for obtaining a freight forwarder permit; and

S. 1384. An act to revise the definition of contract carrier by motor vehicle as set forth in section 203 (a) (15) of the Interstate Commerce Act, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 232. An act to amend the Internal Revenue Code of 1954 with respect to the readjustment of tax in the case of certain amounts received for breach of contract, and to restrict the issuance of certificates for rapid amortization of emergency facilities;

H. R. 5168. An act for the relief of William Diment, Mrs. Mary Ellen Diment, and Mrs. Gladys Everingham; and

H. R. 5707. An act for the relief of the A. C. Israel Commodity Co., Inc.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 41 minutes p. m.), under its previous order, the House adjourned until Monday, August 19, 1957, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1138. A letter from the Archivist of the United States, transmitting a report on lists or schedules covering records proposed for disposal by certain Government agencies, pursuant to the act approved July 6, 1945 (59 Stat. 434); to the Committee on House Administration.

1139. A letter from the representative, Bear River Compact Commission, transmitting a report relative to negotiations between the States of Idaho, Utah, and Wyoming, with respect to the waters of the Bear River and its tributaries, pursuant to Public Law 537, 79th Congress; to the Committee on Interior and Insular Affairs.

1140. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated June 25, 1957, submitting an interim report, together with accompanying papers and illustrations, on a hurricane survey of New Bedford, Fairhaven, and Acushnet, Mass., requested by a resolution of the Committee on Public Works, United States Senate, adopted November 9, 1954, and authorized by Public Law 71, 84th Congress, approved June 15, 1955 (see S. Doc. No. 59, 85th Cong., 1st sess., August 13, 1957); to the Committee on Public Works and ordered to be printed with 2 illustrations and 9 photographs.

1141. A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of proposed legislation entitled "A bill to amend the act entitled 'An act to authorize the Commissioners of the District of Columbia to remove dangerous and unsafe buildings and parts thereof, and for other purposes,' approved March 1, 1899, as amended"; to the Committee on the District of Columbia.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. COOLEY: Committee of conference. S. 959. An act to amend the Agricultural Adjustment Act of 1938, as amended, to exempt certain wheat producers from liability under the act where all the wheat crop is fed or used for seed or food on the farm, and for other purposes (Rept. No. 1180). Ordered to be printed.

Mr. BLATNIK: Committee of conference. S. 1520. An act to amend an act entitled "An act to provide for the disposal of federally owned property at obsolescent canalized waterways and for other purposes" (Rept. No. 1181). Ordered to be printed.

Mr. WALTER: Committee on Un-American Activities. Report pertaining to Communist political subversion pursuant to House Resolution 5, 85th Congress, 1st session (Rept. No. 1182). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee of conference. H. R. 1937. A bill to authorize the construction, maintenance, and operation by the Armory Board of the District of Columbia of a stadium in the District of Columbia, and for other purposes (Rept. No. 1183). Ordered to be printed.

Mrs. PFOST: Committee on Post Office and Civil Service. H. R. 8424. A bill to include certain service performed for Members of Congress as annuitable service under the Civil Service Retirement Act; without amendment (Rept. No. 1184). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON of Illinois: Committee on Government Operations. Sixteenth report pertaining to Army-Interior reservoir land acquisition policy (Rept. No. 1185). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H. R. 7900. A bill to permit the Secretary of Agriculture to sell to individuals land in Ottawa County, Mich., which was acquired pursuant to the provisions of title III of the Bankhead-Jones Farm Tenant Act; with amendment (Rept. No. 1187). Referred to to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. COOLEY: Committee on Agriculture. S. 1962. An act to authorize the Secretary of Agriculture to convey a certain tract of land owned by the United States to the Perkins Chapel Methodist Church, Bowie, Md.; without amendment (Rept. No. 1186). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BREEDING:

H. R. 9319. A bill to prohibit Government agencies from acquiring or using the National Grange headquarters site without specific Congressional approval, to provide for renovation of the old State Department Building; to the Committee on Public Works.

By Mr. CLARK:

H. R. 9320. A bill to prohibit Government agencies from acquiring or using the National Grange headquarters site without specific Congressional approval, to provide for renovation of the old State Department Building, and for other purposes; to the Committee on Public Works.

By Mr. COFFIN:

H. R. 9321. A bill to prohibit Government agencies from acquiring or using the National Grange headquarters site without specific Congressional approval, to provide for renovation of the old State Department Building, and for other purposes; to the Committee on Public Works.

By Mr. MAGNUSON:

H. R. 9322. A bill to prohibit Government agencies from acquiring or using the National Grange headquarters site without specific Congressional approval, to provide for renovation of the old State Department Building, and for other purposes; to the Committee on Public Works.

By Mrs. PFOST:

H. R. 9323. A bill to prohibit Government agencies from acquiring or using the National Grange headquarters site without specific Congressional approval, to provide for renovation of the old State Department Building, and for other purposes; to the Committee on Public Works.

By Mr. PRICE:

H. R. 9324. A bill to prohibit Government agencies from acquiring or using the National Grange headquarters site without specific Congressional approval, to provide for renovation of the old State Department Building, and for other purposes; to the Committee on Public Works.

By Mr. RHODES of Pennsylvania:

H. R. 9325. A bill to prohibit Government agencies from acquiring or using the National Grange headquarters site without specific Congressional approval, to provide for renovation of the old State Department Building, and for other purposes; to the Committee on Public Works.

By Mr. HARRIS:

H. R. 9326. A bill to amend certain provisions of the Securities Act of 1933, as amended; to the Committee on Interstate and Foreign Commerce.

H. R. 9327. A bill to amend certain provisions of the Securities Exchange Act of 1934, as amended; to the Committee on Interstate and Foreign Commerce.

H. R. 9328. A bill to amend certain provisions of the Trust Indenture Act of 1939, as amended; to the Committee on Interstate and Foreign Commerce.

H. R. 9329. A bill to amend certain provisions of the Investment Company Act of 1940, as amended; to the Committee on Interstate and Foreign Commerce.

H. R. 9330. A bill to amend certain provisions of the Investment Advisers Act of 1940, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. EDMONDSON:

H. R. 9331. A bill to amend title III of the Career Compensation Act of 1949 to provide special pay for members of the uniformed services who winter over in Antarctica; to the Committee on Armed Services.

By Mr. METCALF:

H. R. 9332. A bill to amend title III of the Career Compensation Act of 1949 to provide special pay for members of the uniformed services who winter over in Antarctica; to the Committee on Armed Services.

By Mr. BOYLE:

H. R. 9333. A bill to amend section 2501 of title 28, United States Code, and for other purposes; to the Committee on the Judiciary.

H. R. 9334. A bill to prohibit Government agencies from acquiring or using the National Grange headquarters site without specific Congressional approval, to provide for renovation of the old State Department Building, and for other purposes; to the Committee on Public Works.

By Mr. FRIEDEL:

H. R. 9335. A bill to amend the Veterans' Readjustment Assistance Act of 1952, to extend the time for filing claims for mustering-out payments; to the Committee on Veterans' Affairs.

By Mr. MARSHALL:

H. R. 9336. A bill to amend the act of July 1, 1948 (62 Stat. 1215) to authorize the furnishing of headstones or markers in memory of members of the Armed Forces dying in the service, whose remains have not been recovered or identified or were buried at sea; to the Committee on Armed Services.

By Mr. SAYLOR:

H. R. 9337. A bill to amend title III of the Career Compensation Act of 1949 to provide special pay for members of the uniformed services who winter over in Antarctica; to the Committee on Armed Services.

By Mr. HARRIS:

H. Res. 401. Resolution authorizing the printing as a House document of the historical data regarding the creation and jurisdiction of the Committee on Interstate and Foreign Commerce and providing for additional copies; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mrs. CHURCH:

H. R. 9338. A bill for the relief of Karla Krug; to the Committee on the Judiciary.

By Mr. CLEVENGER:

H. R. 9339. A bill for the relief of Junko Hokimoto Pennington; to the Committee on the Judiciary.

By Mr. CRETELLA:

H. R. 9340. A bill for the relief of Natale Papallo; to the Committee on the Judiciary.

By Mr. FLOOD:

H. R. 9341. A bill for the relief of Olga Maria Zacharkiw (Vario); to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

332. By Mr. BUSH: Petition of members of Covington Borough Grange No. 1016 of Covington, Pa., in opposition to the acquisition by the Federal Government of the National Grange Building at 744 Jackson Place, Washington, D. C.; to the Committee on Public Works.

333. Also, petition of members of Tioga County Grange School, Tioga County Pamona Grange, Pennsylvania, in opposition to the demolition of National Grange headquarters at 744 Jackson Place, Washington, D. C.; to the Committee on Public Works.

EXTENSIONS OF REMARKS

Performance Record Speaks for Itself

EXTENSION OF REMARKS

OF

HON. THOMAS M. PELLY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Friday, August 16, 1957

Mr. PELLY. Mr. Speaker, by Wednesday it should be clear as to whether or not we will have an opportunity to act on a civil-rights bill at this session—and perhaps likewise we will know if the bill is to be a gesture or if it will actually protect the voting right of southern Negroes.

As for me, I shall continue to the last trying to strengthen as much as possible any bill before the House; but let me make it clear that when the chips are down on final passage I shall vote in favor of any measure we have before us, if I believe such legislation is better than no legislation, because any step in the right direction is better than standing still as we have for 82 years.

As to all this hue and cry about a delay for political advantage, let me say that nothing said or done by the Democrat propagandists can whitewash their party record or brainwash the public.

President Eisenhower and the Republican Party have a performance record that speaks for itself.

Not a Republican voted against this year's civil-rights bill in the Senate. In the House, 168 Republicans voted for the civil-rights bill and only 19 against, while 107 Democrat Members voted "no" and only 118 "aye." In other words, the record shows the membership in this House is: Republican about 9 to 1 in support of civil rights; Democrats not quite half and half.

In 1956, in connection with last year's civil-rights bill, the Republicans voted 168 in favor and 24 against, whereas the Democrat vote was 111 in favor and 102 against.

So it has been in the period 1933 through 1952. During those many years that the Democrats controlled the Government, of the 19 important Senate votes on civil rights, the Democrat majority voted against civil rights in every case except 2. Twice not one single Democrat voted favorably; twice only one Democrat joined the Republican majority supporting civil rights.

During those same years, 1933 to 1952, here in the House of Representatives in 7 out of 14 votes the majority of Democrat Members failed to give civil rights their vote in favor. On these same 14 recorded votes a majority of from 68 percent to 100 percent of Republican Members supported civil rights.

The Senate record shows in 3 cases Republicans were 100 percent in voting for civil-rights legislation. Only once in 19 important votes did Republican Senators fail to give a majority of their votes in support of a civil-rights issue so vital to minority groups.

So, Mr. Speaker, if anyone fails to credit the Republican Party, and the party of Lincoln, from a continuing effort to establish the freedom of voting franchise, I say let the record speak for itself.

As for me, I have been a part of the bipartisan effort to get a bill passed. Let no one say that my efforts and interest in that direction in any way have diminished.

I am for a strong civil-rights bill, yes; but I am for a civil-rights bill, and I am for a civil-rights bill this year. And as for the false and misleading statements about the Republican Party, as I said, look at the record—the record of the past and the record of the future.

Departmental Hypocrisy

EXTENSION OF REMARKS
OF
HON. FRANK T. BOW
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Friday, August 16, 1957

Mr. BOW. Mr. Speaker, less than 3 months ago certain individuals in the executive department were carrying on a campaign of innuendo against Sp3c. William S. Girard, in order to divert public attention from the decision to surrender him to Japanese justice. Even though Girard's commanding officer had certified that the incident which has subjected him to criminal charges by the Japanese occurred while Girard was on duty, and 4 superior officers in successive reviews all confirmed this certificate, and the Government in 2 courts conceded he was on duty yet the General Counsel of the Defense Department by public announcement and by affidavit sought to negate all these certificates and admissions. General Counsel Dechert's affidavit, which the Solicitor General offered in a sealed envelope to the Supreme Court in a last-ditch effort to influence its decision, contained a recitation of hearsay testimony as to the occurrence involving Girard and practically tried and convicted him without a hearing.

With this record of public condemnation behind it, the Defense Department now sends the Assistant Judge Advocate General of the Army, Brig. Gen. Charles Decker, to Japan to advise Girard, according to news reports. It is to be hoped that his advice to Girard will be better and more to the interest of the constitutional rights of American servicemen, than the advice given to our representative on the joint committee to turn Girard over to a foreign court and deprive him of his constitutional protection.

I note that two staff members from Senate offices are also in Japan attending this trial. If these gentlemen stay through the scheduled sessions to the end, they will have a nice long vacation in Japan, for after the opening session on Monday, the court recessed the trial to September 6, when it will inspect the scene of the accident. Originally four sessions were announced for September and another in October, but it is now intimated that final decision may not be announced until late October or November. If these men do not observe every session, what will they have learned?

The protocol amending article XVII of the administrative agreement with Japan provides that a United States serviceman, prosecuted by Japan, shall be entitled to a prompt and speedy trial. The record shows that no American has ever had the benefit of this provision and that our authorities apparently have never objected to the breaking of this agreement. In keeping with the policy of lauding foreign justice as against our system of law, this and other violations of the agreement have been condoned. In fact, in eagerness to excuse the failure of the Japanese in one case to advise an accused of the charges against him before the opening of his trial, a zealous JAG officer said that this violation was excused by another violation. The trial was so long drawn out that the accused still had time to prepare his defense after opening day.

Ambassador Walter Christian Ploeser

EXTENSION OF REMARKS
OF
HON. L. MENDEL RIVERS
OF SOUTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Friday, August 16, 1957

Mr. RIVERS. Mr. Speaker, it is most gratifying when we learn that a former distinguished Member of the greatest parliamentary body on earth, has been selected to represent this Nation in one of our most important diplomatic posts. Recently, the President appointed and the Senate confirmed Walter C. Ploeser Ambassador to one of our great South American neighboring countries, Paraguay. Mr. Speaker, in that vast embrace of neighborly and friendly country to the south of us known as South America, we have many friends whose loyalty, cordial and deep-seated friendship with this Nation extend over a long period of a great number of years. Since the inception of the Monroe Doctrine and the implementation of that great policy enunciated by the late and distinguished Secretary of State, Cordell Hull, known as the good neighbor policy, we have found the value of the friendship of our southern neighbors. One of the greatest amongst the peoples of South America are those of Paraguay. Mr. Ploeser is a peculiarly well fitted and a natural selection to represent this Nation in Paraguay.

His qualifications are many and varied. He served with distinction in our branch of the Congress where he was one of the most influential and well-informed members of that great Committee on Appropriations. Having had a rich background in business, extending over a period of well over 30 years, Mr. Ploeser, at the age of 50, has lived a life replete with civic, political, and business activity. A distinguished Mason, a distinguished leader in the field of insurance and a man who has risen to the very pinnacle in his chosen profession, Walter Ploeser now enters the diplomatic field knowing the vicissitudes of almost every walk of civic, political, and economic life.

While it is unusual for a Democrat to praise a Republican, Mr. Speaker, we are all Americans; Mr. Ploeser is as ardently devoted to the philosophy of the Republican Party as I am to the constitutional Democratic Party; being a southerner and from that conservative and great city of Charleston, S. C., I have much in common with the conservative outlook of Mr. Ploeser. This has made him and me, and many of us in Congress, unconscious and natural believers in much and the same basic philosophies. Mr. Ploeser goes to South America eager and virile and at the peak of his physical and mental development. As a distinguished public speaker, he is qualified to defend and enunciate the policy laid down by our great Nation.

Mr. Speaker, I look for a magnificent performance in the diplomatic field by Walter Ploeser. He will, in the finest traditions of this Nation, speak for us in the councils of that great Republic to which he is sent. We will earn friends by his cordial and genial approach to the problems which will confront him; he will endear himself to all South Americans whose traditional background is that of friendliness. He will implement and strengthen the philosophy of the good neighbor policy, and when his job will have been completed, he will return to this Nation leaving behind him in South America legions of friends and compiling a record in the State Department which, I confidently predict, will be equal to that of any who have gone before him to any council any place on earth.

Mr. Speaker, as a Democrat and as an American, I congratulate President Eisenhower on the selection of this distinguished young American. Mr. Speaker, I congratulate America for producing a man of his caliber and of his character. Mr. Speaker I pride myself in having served in the Congress with Walter Ploeser and I wish him, along with many of my other colleagues, well in this assignment. I know that he will fulfill any expectation we have of him in this important and critical position during this difficult period in our Nation's fight for survival when we are called upon to lead the world and defend democracy everywhere on earth. Mr. Speaker, South America is one of the most important places in the universe to defend democracy. Walter Ploeser will fulfill his responsibility.

Hog Prices

EXTENSION OF REMARKS
OF
HON. BEN F. JENSEN
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Friday, August 16, 1957

Mr. JENSEN. Mr. Speaker, farmers hold the key to future hog prices. If the favorable prices and feeding ratio now enjoyed by producers prompt overexpansion of hog production, heavy supplies could easily bring about lower prices as past experience clearly demonstrates.

Too many hogs leads to inefficient use of resources with accompanying low prices and incomes as producers well remember from their experiences in 1949 and 1955. In 1949, hog producers increased the pig crop by 10 million head and hog prices dropped $5 to $6 per hundred. Again in 1954, producers increased total production by 9 million hogs, followed by another 9 million head increase in 1955. Hog market prices dropped sharply.

On the other hand as production is reduced, prices go up. Hog producers made a cut of 7.5 million hogs in production in 1956. Hog prices have been running from $18 to $21 per hundred at Midwestern markets during recent weeks. A year ago prices, while markets were recovering from heavy 1955-crop marketings, were as much as $5 per hundred less.

There have been periods when prices have held when hog numbers expanded but usually this was during a period when demand was high due to emergencies such as World War II and the Korean war. In 1941, the United States Department of Agriculture asked for an increase in production and prices held in the war period. With stable production in years following the war, prices stayed high in 1946, 1947, and 1948.

Hog production was increased in 1950 and 1951, but prices held due to the Korean war. Sizable reductions in 1952 and 1953 production increased the price of hogs in 1953 and 1954.

The past shows that when production is balanced with demand, hog producers receive satisfactory prices. If production remains on an even keel during the coming months, price prospects for hogs should be favorable.

It is hoped that producers will continue to avoid excessive increases at the time of breeding for the 1958 spring pig crop. Production of meat-type hogs marketed at 225 pounds or less, will also insure better hog prices as well as more pork exports, which all help to stabilize hog prices at a proper level.

Year	Pig crop	Slaughtered	Average farm price point of 1st sale per 100 pounds	
1940	79,900,000	77,610,000	$5.40	
1941	85,000,000	71,397,000	9.10	Increase production World War II; prices up; slaughter decrease.
1942	104,900,000	78,547,000	13.00	Increase production World War II; prices up; slaughter increase.
1943	121,800,000	95,226,000	13.70	Do.
1944	86,700,000	98,068,000	13.10	Do.
1945	86,800,000	71,891,000	14.00	Increase production World War II; prices up; slaughter decrease.
1946	82,700,000	76,115,000	17.50	Lower production; prices up; slaughter increase.
1947	83,300,000	74,001,000	24.10	Normal production; prices up; slaughter decrease.
1948	83,800,000	70,869,000	23.10	Do.
1949	93,200,000	74,997,000	18.10	Increase production; prices drop; slaughter increase.
1950	97,400,000	79,263,000	18.00	Korean war; price held; slaughter increase.
1951	100,600,000	85,540,000	20.00	Do.
1952	88,800,000	86,572,000	17.80	Lower production; price held; slaughter increase.
1953	77,900,000	74,368,000	21.40	Lower production; price up; slaughter decrease.
1954	86,800,000	71,495,000	21.60	Increase production; price held until September; slaughter decrease.
1955	95,700,000	81,058,000	15.00	Increase production; price drop; slaughter increase.
1956	88,700,000	85,216,000	14.40	Lower production; price started up May; slaughter increase.
1957	90,200,000	80,700,000	[1] 17.50	Normal production; price up; slaughter decrease.

[1] Estimated.

Concern Over the Inflationary Spiral

EXTENSION OF REMARKS

OF

HON. ELIZABETH KEE

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 16, 1957

Mrs. KEE. Mr. Speaker, the chairman of the International Latex Corp., Mr. A. N. Spanel, commented recently that "we are no longer threatened by inflation but that over 90 percent of America's families bitterly wrestle with it on a daily basis." Both the administration and the Congress have also frequently voiced concern over the inflationary spiral which is rapidly taking the cost of living out of sight and reach of the average citizen.

This makes all the more illogical the administration's attitude toward two bills passed by the House last week. One bill, overwhelmingly approved by a vote of 329 to 59, provides an 11-percent pay increase—an average raise of about $518 a year—for nearly a million of the Federal Government's classified employees. It was passed over threats of a Presidential veto, as was its earlier-passed counterpart providing similar increases for postal employees.

Mr. Speaker, the administration opposes this pay raise legislation on the grounds that, by some mysterious means, it would contribute to inflation. On the face of it, this claim is patently absurd. Since July 1951, Federal employees have had only one salary adjustment—a woefully inadequate 7½ percent which Congress managed to wangle for them in March of 1955 after two previous attempts, in 1953 and 1954, were vetoed by the President. That pay raise did not bring Federal employees' earnings into line with the cost of living which, since then, has continued to rise by 5.2 percent as of June 1957.

With no signs that the steady rise over the past 17 months in the cost of living will be halted in the foreseeable future, Federal employees have been finding it more and more difficult to stay out of debt and at the same time maintain for themselves and their families a decent and reasonable standard of living. Granting them salary increases which will barely help them to keep up with higher prices will scarcely send them on buying splurges that would give appreciable impetus to the inflationary spiral.

On the other hand, Mr. Speaker, the second bill passed by the House last week does, in my opinion, do just that. The postal rate increase bill had the full support of the administration behind it and is legislation for which the Postmaster General has belabored the Congress almost from the first days of his taking office. Only recently, let me point out, the President directed an urgent plea to industry and labor to hold prices and wages down. Yet, what is an increase in postal rates, especially on first-class mail, if it is not a price increase?

As passed by the House, this bill raises the cost of mailing first-class letters from 3 to 4 cents; increases the cost of cards from 2 to 3 cents; boosts airmail rates from 6 to 7 cents, and airmail cards from 4 to 5 cents. At first glance, an increase of 1 cent in the price of sending a letter through the mails first class may not seem anything to become very excited about. The total of these increases on first-class postal rates alone will, however, raise by about $340 million the burden which the American taxpayers are already carrying in support of the services rendered by the Post Office Department.

Nor does the full cost to the public stop there, Mr. Speaker. The bill also proposes to raise rates on second-class mail—newspapers and magazines—by 15 percent in each of the next 4 years to a total of 60 percent. Similar rate increases on third-class mail—advertising and like matter—would go into effect in their entirety as of October 1. You may be quite certain that these rate rises would not be absorbed by the senders, but would quickly be passed along to the consuming public in price increases.

Yet this is not the only nudge which the administration has given to inflation and the spiraling cost of living. Just before he retired, former Secretary of the Treasury Humphrey raised the interest rate on Government bonds. Big business, the principal purchaser of large blocks of these bonds, is the gainer. The taxpayers will foot the bill with higher interest payments on the national debt.

Moreover, the raising of interest rates on Government bonds has set off a whole series of rate and price increases across the country. The Federal Housing Agency has raised interest and discount rates. The home buyer is the loser. The mortgage broker gains.

Mr. Speaker, the Interstate Commerce Commission has approved freight-rate increases for the railroads—increases which are expected to add nearly $900 million a year to shippers' transportation costs and which Mr. and Mrs. Consumer are sure to find tacked on to their food, fuel, and other essential commodity bills before very long.

And while the purchasing power of the dollar steadily declines, the cost of money—the interest rate paid by borrowers—as steadily rises, as bank rates climb, propelled upward by the administration's tight-money policies.

These policies, the administration declares, represent the best possible way to hold the line against inflation. By some strange alchemy, however, they seem consistently to line the pockets of big business, big corporations, and big banks while the average wage earner, with the biggest pay envelope he has ever received, and the average white collar worker with the largest salary

check he has ever had, struggle vainly to make ends meet.

The administration opposes pay increases for hard-pressed Federal employees as inflationary. The administration warns that tax cuts for the average individual would also prove inflationary. Meanwhile, in the midst of the greatest prosperity the Nation has ever known "90 percent of America's families bitterly wrestle with inflation on a daily basis."

Mr. Speaker, is it not time that the man in the street spoke loudly enough for Congress, at least, to hear him—before the disastrous boom-and-bust of the 1920's overtakes us once again?

The So-Called Civil-Rights Bill With Senate Amendment

EXTENSION OF REMARKS
OF
HON. MARTIN DIES
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Friday, August 16, 1957

Mr. DIES. Mr. Speaker, the so-called civil-rights bill, which passed the House of Representatives over my strenuous objections and vote, has been amended by the Senate and returned to the House. After its passage by the Senate, however, some very serious flaws in the Senate version have been discovered. It is now conceded by the proponents of the bill in both bodies that the bill as passed by the Senate must be changed materially.

The following are some of the fatal defects in the bill which the Senate enacted and which they now want to correct. Under the terms of the bill, a newspaper reporter can be fined or imprisoned if he publicizes evidence or testimony taken in executive session before the Civil Rights Commission. In other words, if a witness who testified before the Commission tells a newspaper reporter what he testified to, and the reporter uses or releases this testimony to the public, the reporter may be fined not more than $1,000 or imprisoned for not more than 1 year. The proponents of this bill admit that this provision violates freedom of the press guaranteed by our Constitution and they promise to pass a resolution eliminating this provision.

The Senate's provision with respect to a jury trial is fatally defective, and the proponents of the bill now admit that it must be changed. According to this amendment defendants under this act can be held in civil contempt without a jury trial. But in the case of criminal contempt they are entitled to a jury trial under certain circumstances. As stated by the majority leader in the Senate, the vast majority of cases would be handled under the civil contempt, which means that the judge would order the defendant to jail and keep him there until he agreed to comply with the court's order or decree. The court would not need to resort to criminal contempt because he could accomplish what he wants to through civil contempt. In practical effect, therefore, defendants under this act are not given a jury trial. However, the provision which extends jury trial to all cases of criminal contempt will apply to 38 acts of Congress, wherein the administrative agencies of the Government are compelled to enforce their orders and decrees through injunction. It is now conceded that this will produce chaos and hopeless confusion in the administrative agencies of our Government, and the proponents of the bill now want to eliminate this provision and to limit jury trials in criminal contempt to this act.

In order to illustrate the harmful effect which would result from the Senate amendment, let us take a typical case: When someone puts on the market a poisonous or deleterious food or drug, the Food and Drug Administration can get a Federal judge to issue an injunction restraining the shipment, sale or marketing of such food or drug. Under the Senate amendment the defendant could demand and obtain a jury trial. Let us take the case of a "quack" who is peddling some harmful drug. He is enjoined but ignores the injunction. When he is held in criminal contempt he demands a jury trial and weeks may be consumed in the trial. He can introduce scores of deceived patients to testify regarding the efficacy of his treatment or drug. This situation applies to practically every administrative agency of the Government.

The effect, therefore, of the Senate amendment would be to do far more harm than good. It would afford very little protection for defendants accused of denying voting rights, but it would practically paralyze the administration of many laws of Congress.

Thus we have another example of a politically motivated bill which has been carelessly and loosely written for the purpose of capturing minority votes.

It is probable that many other flaws in this so-called civil-rights bill will be discovered in the course of time. For instance, under the present law, if any act is made a crime by State or Federal law every defendant is entitled to a jury trial in contempt proceedings. It appears that the Senate amendment repeals this law so that hereafter the criminal contempt will be defined by general jurisprudence. What will be the effect of this? Some very responsible authorities hold that this provision will actually curtail the present right of defendants to a jury trial in contempt proceedings.

Furthermore, the bill as amended by the Senate permits the Federal Government to prescribe the qualifications of jurors in violation of our Constitution, which reserves this right to the States. It is now conceded that the Senate amendment is unworkable, and the proponents now want to limit it to voting rights. This illustrates the political nature of this bill from its very inception.

When this bill came before us in 1955, I offered an amendment providing for fair rules of procedure, which was adopted by the House. I also offered several other important amendments which were adopted. In fact, the bill was materially changed on the floor of the House because it was so loosely and carelessly drawn that even its proponents could not defend it. The bill failed to become a law. It was hoped that this experience would persuade the proponents of civil rights to write a bill which could be understood. While this bill is an improvement over its predecessor in some respects, it is still subject to many serious objections.

Of course, the fatal defect in the bill is the basic provision, which authorizes the Attorney General at the taxpayers' expense to foment litigation. This is absolutely indefensible. There are ample civil and criminal laws on our statute books to protect the constitutional rights of every citizen. Under our present Federal laws, if any qualified citizen is denied the right to vote on account of race, color, or creed, all that he has to do is to complain to the Federal district attorney and the guilty person or persons can be prosecuted and convicted for a crime. As I said, the real purpose of this bill is political. It is designed to capture the Negro vote. In doing so, little or no consideration has been given to the mischief and ill will which will be stirred up.

I recognize of course, Mr. Speaker, that those of us who are opposed to this kind of legislation are in a hopeless minority. Any bill labeled civil rights which comes on the floor will be adopted by a majority of 3 to 1. Under the rigid rules of the House, there is no opportunity for a filibuster after the bill once reaches the floor. Our only hope has been that the other body would exercise its privilege of prolonged debate to keep such a bill from becoming a law. This was not done, and we are now confronted with a politically inspired measure which will be passed when it reaches the floor.

I am hoping that the bill can be kept in the Rules Committee until next year at least, so that the Congress and the country will have an opportunity to understand the unwise provisions of the bill. Many bugs in the bill have been discovered since it passed the House and the Senate, and many more will be discovered before next January.

I want to compliment those of my southern colleagues who have courageously and steadfastly fought this iniquitous bill with all the resources at their command. It has been my privilege and honor to collaborate with them. It is my understanding that the bill was originally slated to be brought to the House on February 15th, but it was not until July that it came to us for a vote. The delay in the consideration of the bill, which has been brought about by the strenuous opposition of a minority of Members, has been responsible for the discovery of some of the glaring defects of the bill.

I want to compliment my colleagues, Hon. HOWARD SMITH and Hon. WILLIAM COLMER, for their great leadership in our fight against this bill. They have shown rare courage and resourcefulness and our country owes them a great debt of gratitude. Anyone can go downstream and move with the tide, but it takes the very rare quality of moral courage to stand up and be counted when the

going is rough. Both of these great statesmen are true sons of the South. They have typified that devotion to principle which has characterized so many of our southern leaders. They have refused to bend their knees so that thrift may follow fawning. They have chosen the stony paths of self-respect to the alluring and comfortable road of political advancement. In their leadership of the opposition, they have been supported by a group of the finest men I have even known in Congress. All of them are a credit to their people. They have kept the faith and fought the good fight, uncaring consequences. They have taken seriously Shakespeare's immortal words:

This above all: To thine own self be true, and it must follow, as the night the day, thou canst not then be false to any man.

Mr. Speaker, I am opposed to this bill with or without the Senate amendment. This legislation strikes at the very heart of constitutional government in America. It is another step in the direction of stripping our States of their reserved rights. Those who vainly imagine that this bill will satisfy the advocates of so-called civil-rights legislation are doomed to a rude awakening. Their success in this measure would only serve to whet their appetite for more drastic legislation. You cannot compromise with principle and satisfy those who demand such compromise, or safeguard those who yield such compromise. Time will prove, Mr. Speaker, that this is one of the worst bills that Congress ever passed.

A Bill To Prohibit Government Agencies From Acquiring or Using the National Grange Headquarters Site Without Specific Congressional Approval, To Provide for Renovation of the Old State Department Building

EXTENSION OF REMARKS
OF
HON. J. FLOYD BREEDING
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES
Friday, August 16, 1957

Mr. BREEDING. Mr. Speaker, and my distinguished colleagues, I would like to rise and say a few words in behalf of a bill I introduced today to retain the National Grange Building and historical old State Department Building.

The National Grange Building, located on Jackson Place in the Nation's Capital, just one block from the White House, is in imminent danger of being demolished to make room for a Government office building. The Grange Building is the symbolic national home of many of America's farm families, and I feel, along with some 21,000 grangers from the State of Kansas, that this property should remain intact. This bill is to prohibit Government agencies from acquiring or using the National Grange headquarters site without specific Congressional approval. Since we are all concerned with economy, I would also like to point out that it will undoubtedly cost the Federal Government $500,000 if this property is acquired by condemnation, and that the taxpayer will be put to the expense of wrecking the building, clearing its site and then sowing the 3,500 square feet of land to lawn. I must concur with Representative MACK that this will indeed be "some lawn."

This bill also provides authority for the Administrator of the General Services Administration to make such improvements and repairs to the old State Department Building as shall be necessary to make this building suitable for use as an office building by the President of the United States, except that any action taken shall not materially alter the exterior appearance of this building.

Orlando Passannante

EXTENSION OF REMARKS
OF
HON. HAROLD C. OSTERTAG
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, August 16, 1957

Mr. OSTERTAG. Mr. Speaker, a kind and beloved gentleman, for many years my constituent and friend, recently was called to his last rest. Over a long period of years he gave generously of his time to his neighbors and friends, and his continuing charitable endeavors and efforts to be helpful to others greatly benefited the good people of his community.

I speak of Dr. Orlando Passannante, late of Rochester, N. Y.

Born in Vietri Di Potenza, Italy, Dr. Passannante received his early education in Naples and Salerno. He came to the United States in 1908 and 6 years later was graduated from Columbia University's School of Pharmacy. In 1916 he arrived in Rochester and soon thereafter opened the pharmacy which he owned and operated until his retirement in 1954.

Dr. Passannante was a pioneer in Italian language radio broadcasting in Rochester. In 1935 he began the Italian Hour, a program of Italian news, music, and religious events, which now is conducted by his son. He was known and applauded for his efforts to advise and assist those in his community. He had a way of making their problems his own and with rare patience and understanding he strove to lighten or resolve them. It so happened that he encountered and counseled with many newly arrived Italians, and in the interest of all concerned he never failed to explain and emphasize the privileges and advantages of American citizenship. Representing, as I do, the 39th Congressional District of New York in which Dr. Passannante lived, I am fully aware of his great contribution in assisting those in need of help and guidance, particularly in regard to immigration matters.

Dr. Passannante's life was a rich and full one, and the community in which he spent it is a better one for his having lived there. His countless friends will cherish his memory.

Imports of Foreign Plywood Are Robbing Thousands of American Workers of Their Jobs

EXTENSION OF REMARKS
OF
HON. RUSSELL V. MACK
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Friday, August 16, 1957

Mr. MACK of Washington. Mr. Speaker, several large plywood plants in the Pacific Northwest have announced that they are closing their plants "indefinitely." Many other plywood plants in Oregon and Washington are operating on a curtailed basis. Many plywood workers and also the loggers who supply these plywood mills with logs are idle.

Why this slump in business and this unemployment in the plywood industry when most of the other industries of the Nation are enjoying boom or near-boom times?

The answer is to be found in reading the Department of Commerce's figures on plywood imports. A few years ago practically no foreign plywood was being imported into the United States. Now, however, 75 million square feet of foreign hardwood plywood valued at almost $6 million is coming into the United States each month, and worse still, this volume of foreign plywood imports is flooding the United States in increasing quantities month after month.

In May of this year, the last month for which plywood-import figures are available to me, plywood imports into the United States totaled 77,424,000 square feet and had a dutiable value of $5,698,411.

Based upon these figures, it is a fair estimate that about 900 million square feet of plywood with an import value of about $60 million will come into the United States this year, most of it from Japan where the wage rate in the forest products industries is about 11½ cents an hour.

Arnold Koutonen, of Olympia, Wash., general manager of the St. Paul and Tacoma Lumber Co. plywood operations, says that the amount of plywood now coming into the United States from Japan alone is equivalent to the production of 12 large American plywood mills employing a total of 5,000 workers.

Of the imports of foreign plywood, Mr. Koutonen, who is a past president of the Douglas Fir Plywood Association, said in a recent press interview:

No question about it, these foreign imports are taking a deep dig into the domestic industry. The Japanese are producing a high quality product that is not only competing with our American hardwood plywood but in certain instances is replacing fir plywood in some areas.

Right now—

Says Mr. Koutonen—

the Japanese are exporting 75 million square feet of hardwood plywood a month to the

United States. This is equal to the production of 12 of our own plants employing 5,000 workers.

Plywood imports into the United States from Japan are 50 to 60 percent greater this year than last year and, worse still, are increasing. Imports of Japanese plywood in May 1956 were 43,823,000 square feet according to the United States Department of Commerce and in the same period of this year were 63,203,000 square feet or a 50 percent increase over the same month of a year ago.

The Japanese plywood worker receives a wage of 11½ cents an hour and is paid no overtime rate for overtime work. American workers cannot and should not be expected to compete with such starvation wages.

While practically all of the plywood coming into our country is hardwood plywood, still this hardwood plywood due to the low price paid the labor that makes it is selling at prices below those at which softwood plywood can be manufactured in this country. As a result, imported hardwood plywoods are being used as substitutes in fields which heretofore were exclusively served by our western softwood plywoods. The result is much unemployment in the plywood industry of the Pacific Northwest.

Multitudes of Americans suffer financial losses and often financial hardship when plywood mills are closed due to loss of their American markets to foreign competitors.

Workers in the plywood plants lose their jobs or find their workweeks curtailed. Their income shrinks.

Operators, when their plants are down, make no profits. They lose money.

The workers and operators in industries that supply American plywood mills with materials such as logs, also have to close down with loss of wages and profits.

Merchants and others whose businesses rises when labor prospers also suffer from job and profit curtailments.

The biggest loser when too much foreign goods come into our country is the Government of the United States itself.

When a plywood manufacturer makes money he pays 52 percent of his corporation profits into the Federal Treasury as income taxes.

All workers when earnings are high and employment steady, pay large sums in Federal income taxes but they pay little or no such taxes when forced into idleness.

All the suppliers of industries crippled by too much imports also suffer loss in profits, wages, and salaries and also pay less income taxes.

Foreign workers and foreign industries which make plywood in foreign plants in foreign countries pay no income tax into the United States Treasury.

I have a bill that has been pending consideration by the Ways and Means Committee for many months.

My bill (H. R. 5942), if enacted into law, would limit the imports of foreign hardwood plywood to 15 percent of the domestic consumption of the United States for the previous years.

This year plywood imports are totaling almost 50 percent of the hardwood plywood consumption of the Nation. These imports this year will total, it is expected, about 900 million square feet valued at $60 million. Under my bill these plywood imports would be cut to about 300 million square feet valued at some $20 million.

My bill (H. R. 5942), if adopted, would allow Japan and other nations a large market in the United States but still a much smaller market than they now have. The result of enactment of my bill would be that while our American plywood workers still would be injured to some extent they would not be hurt nearly as badly as they now are being injured by the deluge of foreign plywood that is pouring into the United States in ever-increasing quantities.

Every effort that I and other Congressmen have made this year to get legislation reported by the Ways and Means Committee that would slow down the foreign plywood imports which are wrecking large segments of our Nation's economy, closing plants and depriving workers of jobs, has, so far, failed.

I hope when the Congress reconvenes on January 7, 1958, that one of the first orders of business will be to clear for Congressional action bills, such as my bill (H. R. 5942), which if enacted into law, would create anew the jobs of 5,000 or more workers who have been deprived of employment due to too heavy imports of foreign plywood.

I pray that the Ways and Means Committee will act to give relief to the plywood industry and the cities where it exists by speedily enacting legislation that will place quota limits on the quantities of plywood low-wage, low-living-standard nations now are shipping in ever-increasing quantities into the United States.

Elton Layton

EXTENSION OF REMARKS
OF
HON. ROBERT HALE
OF MAINE
IN THE HOUSE OF REPRESENTATIVES
Friday, August 16, 1957

Mr. HALE. Mr. Speaker, I regret that the time was not available on July 31 when some of my colleagues addressed the House for me also to be recognized to speak about the service of Elton Layton to the Committee on Interstate and Foreign Commerce of which he has been clerk since the year 1921. All of us on the committee lament, though we cannot question, his decision to resign this summer.

There are very few records to equal his in length of service and none that surpasses his in diligence, fidelity, and efficiency as clerk of a great standing committee. The very word "clerk," as applied to an official of a committee like that of Interstate and Foreign Commerce, is misleading. The duties of the clerk are only incidentally clerical. He has formidable administrative tasks and formidable administrative responsibilities in working with the chairman of the committee to schedule all its hearings, maintaining relations with the thousands who follow the committee's legislative schedule, and overseeing the work of a staff of subordinates. Added to this there are a multiplicity of details which may not be overlooked.

Elton Layton is a paragon of efficiency. I have never known him to forget anything or to make a slip or mistake of any kind. On trips of the committee, I have seen Elton attending to his duties on at least three continents in tropic heat and Arctic cold. I am certain he would have been equally good on the other two. I have never known him to get confused or flustered. Public service of this character deserves all the recognition that it can get. The Nation owes far more than it realizes to the experience, competence, and devotion of Elton Layton and the very few people like him who run the machinery which as all Members know is indispensable to the work of a great Congressional committee.

Having served on the committee for 11 years now, I have come to number Elton among my most valued friends. It is a privilege to pay him this tribute and to wish him long life and great happiness.

We shall miss him.

Lake Washington Illustrates Federal Policy of Water Pollution Control Is Ineffective

EXTENSION OF REMARKS
OF
HON. THOMAS M. PELLY
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Friday, August 16, 1957

Mr. PELLY. Mr. Speaker, under unanimous consent to extend my remarks I should like to say it was most heartening to read a press dispatch of August 10, 1957, from Hershey, Pa., to the effect that jointly a group of State governors and Federal officials had tentatively agreed to recommend that the several States take over five programs, all or parts of which are presently financed by the Federal Government. This was, of course, a sequel to President Eisenhower's suggestion of a study looking toward return of functions to the States and relinquishment of areas of income in order that any such projects could be adequately financed.

According to the newspaper article the group of distinguished leaders meeting in Hershey tentatively agreed to urge as a trial that certain excise taxes be relinquished on the national level, and as a starter consideration be given to transferring full responsibility back to the States for five programs. In particular I was pleased to see that control of water pollution was 1 of the 5 programs suggested. This was because I firmly believe the need of water pollution control is urgent, and the only way to adequately and properly solve that problem is by the States themselves accepting full responsibility for a solution. My interest and information in this one particular subject stems from the situation in my own

State of Washington and a critical example which unfortunately exists in my own Congressional District in Seattle. I want to refer to this particular example because it demonstrates convincingly that in this field our Federal program is inadequate and can be wasteful and ineffective—that it cannot solve overall pollution problems.

Briefly, the problem I cite has to do with Seattle's backyard and concerns Lake Washington and its drainage area. Right now a comprehensive sewer survey of this metropolitan area is in progress, and competent engineers on the basis of previous studies already point up that the solution is impossible unless all cities in an enitre drainage basin consolidate into one united plan and program. Our State has authorized such a consolidated plan.

Anyone who watched television last Sunday and saw the Seafair festival and the gold cup hydroplane races held on Lake Washington will have obtained an idea of a great city of more than 500,000 people expanding across and encircling a beautiful, deep fresh lake 12 miles long and a few miles across. What was not visible was the effect of sewage disposal in the drainage basin of this lake which up to now has been an unsurpassed water and boating recreatfon area. How tragic pollution is to this beautiful spot cannot be put into words. The drainage area of the lake is rapidly being urbanized, it should be emphasized, and any plan for sewerage treatment or any other public service must contempiate the continued population growth. In 1954 there were about three quarters of a million people living in the area, and sewer problems today must be studied on the basis of the future with an estimated 2 million population during the expected life of any comprehensive sewer disposal program.

Today in the lake's drainage basin, an area of about 480 square miles, the people entrust 19 city councils in that many cities and commissioners of 21 sewer districts to protect their health and solve the problem of sanitation. Thus there are 40 separate authorities to cope with the respective community problems, and in this connection 18 different municipal treatment plants are presently operated, plus 8 private sewer systems and plants. But these 26 separate systems or others when added will not prevent pollution of the lake.

After the gold cup races were over, if one watched television one saw the maintenance crew of the winning boat and its driver jubilantly jump into the water, and swimmers were in evidence earlier. But actually Lake Washington is contaminated and unsafe for swimming. This great deep beautiful lake, lined with lovely homes, as I previously mentioned is about 12 miles long and a few miles wide. Engineers say the only way to save the water from becoming unsafe to swim in, or as has been said, from being turned into a cesspool, is by diverting all sewerage affluent into Puget Sound to the west of the city, where the waste would be processed before it was discharged into the salt water and was dispersed by tidal action. In other words there is no scientific longrange means of discharging treated sewage waste into the lake that will provide uncontaminated water.

Yet each one of the 40 different communities on Lake Washington with sewer systems can qualify for Federal funds, and much money would be spent; yet the net result would not save the lake's beauty and freshness from excessive algae growth due to over-abundance of nitrogen and phosphorus.

Mr. Speaker, in the area I have described are thousands of homes where the occupants depend upon septic tanks. It is said 6,000 new private septic tanks are installed each year. Thousands of these tanks do not work properly, and much untreated sewage, in spite of increasing legal restrictions, flows into the waters around Seattle. Besides Lake Washington there is a bad pollution situation to the south of Seattle, in the drainage basin of the Duwamish River which flows into Seattle harbor. Industrial waste here is such that the river's oxygen content will barely support fish life.

Now the point I desire to bring out is that with both the drainage areas mentioned, as industry develops and population increases the only solution is diversion of all sewage direct to salt water and into Puget Sound. Seattle's cost in such a program will run into millions and millions of dollars. The Federal aid program to assist in financing sewer disposal is too limited to help Seattle, but it might encourage smaller neighboring cities to install the very individual plants which do not contribute to a solution of the overall situation.

I want to point up this fact—the real road to control of pollution lies in area collaboration, in interstate compacts, and vast sewer districts both interstate and intrastate in nature.

Central consolidated treatment plants represent an economy, too. I have seen it stated that with a 100-million-gallon capacity, primary treatment, the costs run $8 per million gallons per year; whereas with a 10-million-gallon capacity, primary treatment, the per million gallons cost per year is almost 3 times higher—or $23 per million. For 1-million-gallon capaciy the annual cost would be $58 per million.

So in the case I have given as an example, it would be more economical for all cities in the drainage area to join in financing the construction of 1 or 2 large plants rather than for each city, even with the present 30 percent Federal assistance or $250,000, whichever is smaller, to go it alone. The yearly users' cost, not the first construction cost, is what represents the important factor. Still more important is the overall result, and to achieve area pollution control it may well be desirable to completely abandon existing installations.

The solution of other problems such as transit and parks may likewise be resolved in a similar way. The State of Washington passed recently what is called the metropolitan council law. It authorizes a form of government to handle metropolitan services.

Of course, Federal aid could conform to such area programs and planning, but my feeling is that large cities, in all fairness, should be entitled to benefit on the basis of their proportionate tax contribution. Actually, by a sewer use tax, any community can finance its own system. The incentive Federal pollution-control law meanwhile is obviously inadequate, unfair, and worst of all, encouraging individual rather than area treatment which can be unnecessary, ineffective, and wasteful.

So, Mr. Speaker, as I said earlier, the suggestion of returning the function and financing of water-pollution control to the local level is sound, and deserves the fullest support.

United States International Air Transport Policy

EXTENSION OF REMARKS
OF
HON. FRANK T. BOW
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Friday, August 16, 1957

Mr. BOW. Mr. Speaker, I have on several occasions in the past joined with other of my colleagues in calling upon the Department of State to take a firm stand in the protection and promotion of American interest in international aviation.

One of the items which we have discussed has been the failure to secure the extension of the route of an American carrier from Frankfurt to Zurich. This flight is but 178 miles. However, it is a very important link in a route that makes economically feasible an international flight. I have had further correspondence with the Department of State on this matter and I, therefore, include in these remarks a letter which I received from the Department of State, dated July 18, 1957, from John S. Hoghland II, Acting Assistant Secretary for Congressional Relations, together with my reply to Secretary Hoghland on August 9, 1957:

DEPARTMENT OF STATE,
Washington, D. C., July 18, 1957.

The Honorable FRANK T. BOW,
House of Representatives,
Washington, D. C.

DEAR MR. BOW: Reference is made to your letter of June 14, 1957, in which you expressed interest in the extension to Zurich and beyond of Trans World Airlines' present route to Frankfurt via London. Your speech and extension of remarks on this matter, and on United States international air transport policy in general, have received thorough consideration. Your courtesy in forwarding the texts of your remarks on these subjects is appreciated. In view of your expressed interest, the following detailed comments have been prepared for your further consideration of the issues in question.

Your views as to the importance of TWA's Frankfurt-Zurich extension are fully shared by the Department. Since the carrier's amended certificate was approved by the President in 1952, the acquisition of additional traffic rights from foreign governments, where required, has been a primary objective of United States foreign relations in the air transport field. In some countries the additional traffic rights in question could be obtained only by the grant of additional traffic rights in the United States. For

example, the fact, mentioned in your speech, that the German Government does not object to the service, is due to the fact that the traffic rights desired by the United States have been obtained from the German Government in exchange for the grant of traffic rights of equal value for the German airline. Incidentally, the grant to Germany of traffic rights necessary for this purpose was strenuously opposed by certain United States airlines which either had no interest in the extension of TWA's route beyond Frankfurt or which activity opposed such extension for competitive reasons.

It is true that the British Government thus far has refused to grant additional traffic rights in the United Kingdom for TWA operations over the proposed route beyond Frankfurt. Within the last 16 months, this Government has pressed its request during each of 3 formal meetings with representatives of the British Government and has actively pursued the matter through diplomatic channels. It should be emphasized that TWA already is exercising unrestricted rights to carry traffic between New York and London and between London and Frankfurt. These rights would not be affected by the extension of the airline's route beyond Frankfurt. Moreover, the British are interposing no objections to the extension as such. They have not agreed however, to permit TWA to carry traffic between London and points in countries beyond Frankfurt. The British Government takes the position that airlines of Great Britain and the foreign countries involved have primary claim to traffic between their countries; that competitive United States-flag carrier services between such points would have a serious adverse effect on British carriers; and that Great Britain has at present no reciprocal route desires of the United States which would equal in value the additional rights desired by this Government for TWA. The Department remains determined to pursue this matter to a satisfactory conclusion. However, in view of the adamant position of the British Government and the opposition of most United States airlines to the grant of additional traffic rights to British airlines, it is not possible to estimate when this issue may be resolved. In the meantime, of course, the decision to delay the establishment of service beyond Frankfurt in the exercise of the traffic rights already negotiated by this Government rests solely with TWA.

With respect to the portion of your speech which expressed concern lest the Government was abandoning the basic principles upon which its international air transport policy has been based since 1946, the Department takes this opportunity to assure you without qualification that the Government's actions have been guided by the desire and the determination to give effect to those principles and to encourage adherence to them on the part of foreign governments. All of the bilateral air transport agreements which this Government has concluded since 1946, with the possible exception of that with India, reflect these principles. The bilateral agreement with India differs in some respects from the other air transport agreements which the United States has negotiated since 1946. This was necessitated by the differing philosophy between the two governments as to the methods through which the orderly development of air transportation might best be achieved and by the unique nature of air transport between the two countries.

With regard to the application of United States international air transport policy to specific route exchanges, the agreement with the Netherlands, which was mentioned in your letter, is one of the most controversial. The Department's position in this matter, and the practical problems which it must face in discharging its responsibilities in the interest of the Nation as a whole, were explained by Mr. Thorsten V. Kalijarvi, Assistant Secretary of State for Economic Affairs, in a recent address before the International Management Association. A copy of Mr. Kalijarvi's remarks is enclosed.

The Department appreciates your interest in these matters, and hopes that you will find the foregoing comments and the enclosure useful in your continued consideration of the important issues relating to United States international air transport policy.

Sincerely yours,

JOHN S. HOGHLAND II,
Acting Assistant Secretary for Congressional Relations.

WASHINGTON, D. C., *August 9, 1957.*

Mr. JOHN S. HOGHLAND II,
Acting Secretary for Congressional Relations, Department of State, Washington, D. C.

DEAR MR. HOGHLAND: Thank you for your letter of July 18, 1957, commenting on the Department's inability to secure operating rights for Trans World Airlines' route beyond London via Frankfurt.

Your position seems to be that international routes result from trades between governments and that the United States has nothing to offer the British in return for TWA's Frankfurt-Zurich rights. The idea seems to be that we have nothing to trade because we have already given them everything they want.

I understand, moreover, that the United States recently accepted without protest a notice under the United Kingdom bilateral that had the effect of giving the British traffic rights between Tokyo and the United States and that we received nothing in return for this grant. I do not understand why the same procedure cannot be used with respect to TWA's Frankfurt-Zurich rights.

I also understand that there is now in effect an extremely generous interpretation of British rights under the bilateral agreement that extends BOAC's transatlantic route from New York to California. Under that interpretation, BOAC is carrying between California and New York traffic destined for London that is to be carried beyond New York on the lines of another carrier, as well as traffic originating at New York that is destined for points in the Orient on the routes of Qantas. I also understand that BOAC intends to carry across the United States traffic originated in Canada and destined to Honolulu. These appear to be valuable rights arrived at by interpretation in return for which our American carriers again received nothing.

I have been told that BOAC does approximately $25 million worth of business a year on its transatlantic route to and from the United States, and that just the annual rate of increase in this business for the last 6 years far exceeds the revenues that TWA could expect to receive as a result of extending its operations beyond Frankfurt.

The true interest of our Government must be in the practical effect of the route situation on our carriers and on foreign carriers, and I for one am not impressed by the argument that the British are not asking for anything just now.

Second, your letter explains that TWA could start operating the Frankfurt-Zurich traffic today if it did not carry traffic between London and points east of Frankfurt. Surely you must agree that the right to operate in an uneconomic manner and one not contemplated by the CAB award, cannot be regarded as any right at all.

I would appreciate it if you could from time to time keep me advised of progress made by the Department on this route.

Yours sincerely,

FRANK T. BOW,
Member of Congress.

SENATE

MONDAY, AUGUST 19, 1957

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

God, our Father, beset by the pressures and problems of a changing social order, we would pause at the beginning of a week freighted with thorny questions of public affairs, to remind our inmost, burdened selves that the Lord is our light and our salvation; the Lord is the strength of our lives; of whom shall we be afraid?

Daily we pray, "Thy kingdom come." Always after that petition we would add, in our hearts, "Thy kingdom come to earth through us." Without a steadfast conviction in that ultimate good, all we have held sacred becomes meaningless. In this day of fear and fatigue and frustration, without this ringing faith we are lost. In the global struggle now raging for the hearts and minds of men, may our creed be a living flame which will fire our political doctrines and our spiritual ideals with a consuming passion for the faith in which we will gallantly live and readily die. We ask it in the name of the One whose life and death mean life for all mankind. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the Journal of the proceedings of Friday, August 16, 1957, was approved, and its reading was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on August 16, 1957, the President had approved and signed the following acts:

S. 42. An act to provide for the construction by the Secretary of the Interior of the San Angelo Federal reclamation project, Texas, and for other purposes; and

S. 1446. An act to amend title 14, United States Code, so as to provide for retirement of certain former members of the Coast Guard Reserve.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 2391. An act to clarify the Internal Revenue Code of 1954 with respect to the allowance of percentage depletion in the case of sand and gravel extracted from navigable waters;

H. R. 4952. An act to amend the Internal Revenue Code of 1939 and the Internal Revenue Code of 1954 with respect to foreign

tax credit for United Kingdom income tax paid with respect to royalties and other like amounts;

H. R. 8794. An act to provide an exemption from the tax imposed on admissions for admissions to certain musical performances;

H. R. 8865. An act relating to the administration of certain collected taxes;

H. R. 8881. An act to amend section 812 of the Internal Revenue Code of 1939;

H. R. 8887. An act to amend the Internal Revenue Code of 1939 to provide a credit against the estate tax for Federal estate taxes paid on certain prior transfers in the case of decedents dying after December 31, 1947;

H. R. 8888. An act to extend the unemployment compensation program;

H. R. 8960. An act to amend the Internal Revenue Code of 1954 with respect to the treatment of copyright royalties for purposes of the personal holding company tax;

H. R. 9035. An act to amend the Internal Revenue Code of 1954 with respect to the basis of stock acquired by the exercise of restricted stock options after the death of the employee; and

H. R. 9049. An act to amend section 503 of the Internal Revenue Code of 1954 with respect to certain loans made by employee trusts.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred to the Committee on Finance:

H. R. 2391. An act to clarify the Internal Revenue Code of 1954 with respect to the allowance of percentage depletion in the case of sand and gravel extracted from navigable waters;

H. R. 4952. An act to amend the Internal Revenue Code of 1939 and the Internal Revenue Code of 1954 with respect to foreign tax credit for United Kingdom income tax paid with respect to royalties and other like amounts;

H. R. 8794. An act to provide an exemption from the tax imposed on admissions for admissions to certain musical performances;

H. R. 8865. An act relating to the administration of certain collected taxes;

H. R. 8881. An act to amend section 812 of the Internal Revenue Code of 1939;

H. R. 8887. An act to amend the Internal Revenue Code of 1939 to provide a credit against the estate tax for Federal estate taxes paid on certain prior transfers in the case of decedents dying after December 31, 1947;

H. R. 8888. An act to extend the unemployment compensation program;

H. R. 8960. An act to amend the Internal Revenue Code of 1954 with respect to the treatment of copyright royalties for purposes of the personal holding company tax;

H. R. 9035. An act to amend the Internal Revenue Code of 1954 with respect to the basis of stock acquired by the exercise of restricted stock options after the death of the employee; and

H. R. 9049. An act to amend section 503 of the Internal Revenue Code of 1954 with respect to certain loans made by employee trusts.

TRANSACTION OF ROUTINE BUSINESS

Mr. MANSFIELD. Mr. President, under the rule, since the Senate meets today, following an adjournment, there is the usual morning hour. Under the order entered on Friday, statements during the morning hour today will be limited to 3 minutes.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT ON CLAIMS SETTLED UNDER MILITARY PERSONNEL CLAIMS ACT

A letter from the Acting Secretary of the Army, transmitting, pursuant to law, a report on claims settled by that Department under provisions of the Military Personnel Claims Act, for the fiscal year 1957 (with an accompanying report); to the Committee on the Judiciary.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

Three letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders suspending deportation of certain aliens, together with a statement of the facts and pertinent provisions of law pertaining to each alien, and the reasons for ordering such suspension (with accompanying papers); to the Committee on the Judiciary.

GRANTING TEMPORARY ADMISSION INTO THE UNITED STATES OF CERTAIN ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders entered, granting temporary admission into the United States of certain aliens (with accompanying papers); to the Committee on the Judiciary.

GRANTING ADMISSION INTO THE UNITED STATES OF CERTAIN DEFECTOR ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders entered granting admission into the United States of certain defector aliens (with accompanying papers); to the Committee on the Judiciary.

SALARIES OF CERTAIN OFFICIALS OF ST. ELIZABETHS HOSPITAL

A letter from the Acting Secretary, Department of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend the laws relating to St. Elizabeths Hospital so as to fix the salaries of the Superintendent, Assistant Superintendent, and First Assistant Physician of the Hospital, and for other purposes (with an accompanying paper); to the Committee on Labor and Public Welfare.

JOINT RESOLUTION OF ALABAMA LEGISLATURE

Mr. SPARKMAN. Mr. President, the State Legislature of Alabama has passed a joint resolution calling upon the Congress of the United States to give relief from certain excise taxes. I ask unanimous consent that the resolution be printed in the RECORD, and appropriately referred.

There being no objection, the joint resolution was referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Senate Joint Resolution 73

Whereas the Congress of the United States levied during World War II certain transportation excise taxes, in the amounts of 10 percent on passenger travel and 3 percent on freight; and

Whereas these taxes were levied as wartime emergency measures, and, as such, have outlived their justification; and

Whereas there is pending in the Congress of the United States a measure which would effect the repeal of these taxes: Now, therefore, be it

Resolved by the Legislature of Alabama (both houses thereof concurring), That the Legislature of Alabama does hereby memorialize and petition, and does respectfully urge, the Congress of the United States to provide a measure of needed tax relief to the people of our Nation by enacting the pending legislation to repeal these "wartime" excise taxes levied on transportation.

Be it further resolved that the secretary of the senate transmit a duly authenticated copy of this resolution to the President of the United States Senate, to the Speaker of the United States House of Representatives, and to each Member of the Alabama delegation in Congress.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. COTTON (for Mr. PAYNE), from the Committee on Interstate and Foreign Commerce, with amendments:

S. 1728. A bill to provide certain assistance to State and Territorial maritime academies or colleges (Rept. No. 1013).

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 1294. A bill for the relief of Maria del Carmen Viquera Pinar (Rept. No. 1022);

S. 2352. A bill for the relief of Deanna Marie Greene (Okhe Kim) (Rept. No. 1023);

S. 2353. A bill for the relief of Charles Fredrick Canfield (Kim Yo Sep) (Rept. No. 1024);

S. 2486. A bill for the relief of Kim, Hyun Suck (Rept. No. 1025);

S. 2635. A bill for the relief of Stefani Daniela and Casabianca Ambra (Rept. No. 1026);

H. R. 1324. An act for the relief of Westfeldt Bros. (Rept. No. 1017);

H. R. 4336. An act for the relief of the First National Bank of Birmingham, Alabama (Rept. No. 1018);

H. R. 5920. An act for the relief of Pedro Gonzales (Rept. No. 1027);

H. R. 6172. An act for the relief of Thomas F. Milton (Rept. No. 1019);

H. J. Res. 374. Joint resolution for the relief of certain aliens (Rept. No. 1020); and

H. J. Res. 430. Joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens (Rept. No. 1021).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

H. R. 2075. An act for the relief of Albert A. Heinze (Rept. No. 1033).

By Mr. EASTLAND, from the Committee on the Judiciary, with amendments:

S. 1704. A bill for the relief of Mrs. Mattie Jane Lawson (Rept. No. 1034); and

S. 2110. A bill for the relief of Shirley Leeke Kilpatrick (Rept. No. 1028).

By Mr. O'MAHONEY, from the Committee on the Judiciary, without amendment:

H. R. 277. An act to amend title 17 of the United States Code entitled "Copyrights" to provide for a statute of limitations with respect to civil actions (Rept. No. 1014); and

H. R. 4191. An act to amend section 633 of title 28, United States Code, prescribing fees of United States commissioners (Rept. No. 1016).

By Mr. BUTLER, from the Committee on the Judiciary, with amendments:

S. 2205. A bill to amend section 116 (4) of chapter 10 of the Federal Bankruptcy Act (Rept. No. 1032).

By Mr. CASE of South Dakota, from the Committee on Armed Services, with amendments:

H. R. 3377. An act to promote the national defense by authorizing the construction of aeronautical research facilities and the ac-

quisition of land by the National Advisory Committee for Aeronautics necessary to the effective prosecution of aeronautical research (Rept. No. 1029).

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, without amendment:

S. 2042. A bill to authorize the conveyance of a fee simple title to certain lands in the Territory of Alaska underlying war-housing project Alaska–50083, and for other purposes (Rept. No. 1035);

H. R. 3877. An act to validate a patent issued to Carl E. Robinson, of Anchor Point, Alaska, for certain land in Alaska, and for other purposes (Rept. No. 1036); and

H. R. 7864. An act to amend the act of May 4, 1956 (70 Stat. 130), relating to the establishment of public recreational facilities in Alaska (Rept. No. 1037).

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, with an amendment:

H. R. 3940. An act to grant certain lands to the Territory of Alaska (Rept. No. 1038).

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, with amendments:

H. R. 6562. An act to clarify the law relating to leasing of lands within Indian reservations in Alaska, and for other purposes (Rept. No. 1031).

By Mr. JOHNSTON of South Carolina, from the Committee on Agriculture and Forestry, without amendment:

H. R. 8508. An act to provide that there shall be two county committees elected under the Soil Conservation and Domestic Allotment Act for certain counties (Rept. No. 1040).

By Mr. JOHNSTON of South Carolina, from the Committee on Agriculture and Forestry, with amendments:

H. R. 8030. An act to amend the Agricultural Adjustment Act of 1938 with respect to acreage history (Rept. No. 1039).

By Mr. JOHNSTON of South Carolina, from the Committee on Agriculture and Forestry, with an amendment:

H. R. 2486. An act to authorize Commodity Credit Corporation to grant relief with respect to claims arising out of deliveries of eligible surplus feed grains on ineligible dates in connection with purchase orders under its emergency feed program (Rept. No. 1041).

By Mr. SPARKMAN, from the Committee on Banking and Currency, with an amendment:

S. 2460. A bill to authorize the transfer of certain housing projects to the city of Decatur, Ill., or to the Decatur Housing Authority (Rept. No. 1043).

By Mr. KENNEDY, from the Committee on Labor and Public Welfare, without amendment:

S. J. Res. 94. Joint resolution directing that the financial reports and other information filed with the Secretary of Labor pursuant to subsections (f) and (g) of section 9 of the National Labor Relations Act, as amended, be made available to the public (Rept. No. 1042).

INCREASED EXPENDITURES BY COMMITTEE ON AGRICULTURE AND FORESTRY

Mr. ELLENDER, from the Committee on Agriculture and Forestry, reported an original resolution (S. Res. 188) increasing the limit of expenditures for the Committee on Agriculture and Forestry, and submitted a report (No. 1030) thereon; which resolution was referred to the Committee on Rules and Administration, as follows:

Resolved, That the Committee on Agriculture and Forestry is authorized to expend from the contingent fund of the Senate, during the 85th Congress, $15,000 in addition to the amount, and for the same purposes, specified in section 134 of the Legislative Reorganization Act of 1946.

REPORT ENTITLED "GOVERNMENT COMPETITION WITH PRIVATE BUSINESS" (S. REPT. NO. 1015)

Mr. THYE. Mr. President, from the Select Committee on Small Business, I submit a report entitled "Government Competition With Private Business," which I ask may be printed.

The VICE PRESIDENT. The report will be received and printed, as requested by the Senator from Minnesota.

BILLS INTRODUCED

Bills were introduced, read the first time and, by unanimous consent, the second time, and referred as follows:

By Mr. CASE of New Jersey:

S. 2810. A bill providing a program of financial assistance to the States for the construction of public community colleges; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. CASE of New Jersey when he introduced the above bill, which appear under a separate heading.)

By Mr. LAUSCHE (by request):

S. 2811. A bill for the relief of Djordje Djelic; to the Committee on the Judiciary.

By Mr. MAGNUSON (by request):

S. 2812. A bill to improve the administration of the public airports in the Territory of Alaska; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. MAGNUSON when he introduced the above bill, which appear under a separate heading.)

ADDITIONAL FUNDS FOR SELECT COMMITTEE ON IMPROPER ACTIVITIES IN LABOR OR MANAGEMENT FIELD

Mr. McCLELLAN. Mr. President, I submit a resolution for appropriate reference, and ask unanimous consent that I may proceed for 10 minutes.

The VICE PRESIDENT. The resolution will be received and appropriately referred, and the Senator may proceed for 10 minutes.

The resolution (S. Res. 186) was referred to the Committee on Rules and Administration, as follows:

Resolved, That the amount authorized in Senate Resolution 74, agreed to January 30, 1957, and Senate Resolution 88, agreed to February 7, 1957, 85th Congress, authorizing and directing the committee (to conduct an investigation and study of the extent to which criminal or other improper practices or activities are, or have been, engaged in in the field of labor-management relations or in groups or organizations of employees or employers to the detriment of the interests of the public, employers, or employees, and to determine whether any changes are required in the laws of the United States in order to protect such interests against the occurrence of such practices or activities) is hereby increased by the additional amount of $150,000.

Mr. McCLELLAN. Mr. President, this resolution would grant additional funds for the operation of the Senate Select Committee on Improper Activities in the Labor or Management Field for the period from August 1, 1957, through January 31, 1958.

The resolution, I may say, was reported favorably by unanimous vote of the select committee and is submitted by me, as chairman, at the direction of the committee.

A letter of this date giving facts and information together with an estimated budget substantiating the need of the committee for these additional funds is being sent to the Honorable THOMAS C. HENNINGS, JR., chairman, Committee on Rules and Administration.

I ask unanimous consent that the letter be printed in the RECORD at the conclusion of my remarks.

The VICE PRESIDENT. Without objection, it is so ordered.

(See exhibit 1.)

Mr. McCLELLAN. However, I deem it appropriate that, as chairman, I should at this time make a brief general report to the Senate of the committee's activities to date, and advise the Senate of the work contemplated and planned for the future.

This bipartisan select committee was created by Senate Resolution 74, which passed the Senate on January 30, 1957, and authorized the committee to expend $350,000. As of July 31, at the end of the first 6 months of its operation, it had expended in round numbers $194,000, leaving a balance of its original appropriation of $156,000.

The estimated budget for the period from August 1 to January 31 is $306,000. Therefore, the additional amount required and requested by this resolution is $150,000.

We presently have a staff of some 23 professional attorneys and investigators, and 18 clerical personnel. In addition thereto, we have a firm of certified public accountants under contract, and from time to time there are made available to us certain personnel from the Senate Permanent Subcommittee on Investigations and from departments and agencies in the executive branch of the Government.

It must be borne in mind that a large part of the expense incurred by the committee results from the holding of public hearings. For example, in its first 5 months of operation, witness fees and travel expenses of witnesses amounted to $22,933; the reporters fees, $1,245; the travel and per diem expenses of investigators, $12,290; the contract services of investigative accountants, $26,711; or a total of $68,239.

All public hearings have been held in Washington, D. C., and it is contemplated that all future public hearings, with rare exceptions, will be held here in the Capital. We believe this will undoubtedly prove to be more economical in the long run—the bringing of witnesses to Washington—than it would be to transport and pay the expenses of committee members and the staff for the holding of public hearings in other cities.

I should like also to call attention to the role of accountants. Their services cannot be overemphasized. They are a high-cost item, but they are essential, and an integral necessity to enable the

committee to conduct a successful investigation. It is not easy to uncover the rascality of unscrupulous officials who are uncooperative, who conceal and destroy financial records, and who seek to hamper and hinder the investigation in every way possible.

I may say that the magnitude of the task assigned to this committee greatly exceeds, I think, anything that was contemplated at the time the committee was created. The scope of the committee's work is tremendous. We have only started on what needs to be done.

There are more than 17 million working people in the United States who are members of labor unions. There are approximately 71,600 union locals spread all over the United States. The AFL–CIO alone comprises 57,000 locals in 135 national or international unions. In addition, there are 52 independent national and international unions outside the AFL–CIO, such as United Mine Workers, International Longshoremen's Association, and also certain Communist influenced unions such as the Longshoremen Warehouse Union, under the control of Harry Bridges on the west coast, as well as the Mine, Mill and Smelter Union.

The committee has thus far determined that there are at least 11 fields of major investigations that should be covered. They are:

First. Labor and management collusion.

Second. Undemocratic processes.

Third. Misuse of union funds, including welfare and pension funds of any source.

Fourth. Racketeer control.

Fifth. Secondary boycotts.

Sixth. Extortion and robbery.

Seventh. Organizational picketing.

Eighth. Violence.

Ninth. Paper locals.

Tenth. Political activities.

Eleventh. Improper activities by management to prevent organization.

The need to include others as the committee's work progresses may well be anticipated. Since the committee was created, over 50,000 letters or complaints or similar information, have been received. Some of these contain extremely valuable leads. They must be read, analyzed, answered, filed, and, where warranted, processed for further information.

By way of illustration of the detail involved in a preliminary investigation of just one international union, the committee has found it necessary to send letters to some 2,800 locals. This is only the beginning of our inquiry into the affairs of that union.

We have so far conducted public hearings on seven major subjects and areas, as follow:

First. Portland, Oreg., teamsters racketeer case.

Second. Frank Brewster misuse of union funds.

Third. The Dave Beck misuse and peculation of teamster funds.

Fourth. Violence arising out of activities of certain labor leaders in Scranton, Pa.

Fifth. Improper activities and misuse of union funds by the ranking officers of the bakers' union.

Sixth. The misuse and misappropriation of union funds by the president and treasurer of the United Textile Workers.

Seventh. The current hearings into racketeer invasion into the field of labor in the New York City area, and utilization of gangsters and hoodlums to take control of the Joint Council 16 in the New York area.

The committee has heard in public session more than 200 witnesses in over 65 days of hearings. In addition, there have been some executive sessions and a number of committee conferences. For each witness heard by the committee, the staff in pursuing leads has probably interviewed 20 to 25 other persons and has examined hundreds of files, audited hundreds of accounts, bank records, and other books and journals.

We think the hearings thus far have proved most fruitful in revealing conditions which require remedial legislation. We have found that there is a dearth of protection of the working men and women by the diversion and misuse of union dues and welfare funds by unscrupulous union officials and trustees. We have found improper practices in the nature of collusion between some management and some labor officials to the economic advantage of both, and to the detriment of the working people and the economic welfare of the community. We have found improper practices in organizational picketing, in the issuance of union charters, in the conducting of union elections, in the use of violence, extortion, and shakedowns, and in the appointment of racketeers, gangsters, and criminals to official positions in some unions. We have also found indications of improper practices in the use of secondary boycotts.

We have also found a deficiency in the Taft-Hartley Act, particularly in those sections dealing with the filing of financial reports by labor organizations. There are indications that there are flagrant abuses of tax exemptions granted by the Treasury Department to bona fide labor unions. We have encountered the destruction of union books and records—particularly in crucial years and periods when there is strong reason to believe the finances of the unions were being juggled. We have found basic weaknesses in the constitution of certain labor unions—weaknesses which render certain labor union members helpless and at the mercy of unscrupulous leaders.

We have found highly improper relationships—conflict of interest—between the management of certain large industrial firms and labor leaders—situations where management granted favors to labor officials in exchange for expected assistance in the solving of their labor difficulties. We have found convincing evidence of racketeer control of certain unions which could only have been accomplished with the aid and assistance of high-level officials. This racketeer control has resulted in so-called "sweetheart" contracts, which contain little or no benefits to employees. We have found collusion between management and labor leaders to organize the employees of management on the basis of a sweetheart contract, from which the employees receive little or no benefits, but from which management and the dishonest labor leaders considerably profit.

It is strongly indicated that some of these sweetheart contracts are entered into by collusion between management and labor bosses for the purpose of preventing organization of the employees by a legitimate and honest union.

The foregoing are just some of the things which are receiving the committee's attention and which it proposes to investigate thoroughly and to report its findings to the Senate. The additional funds requested are necessary and required for this committee to carry out its assignment effectively.

The economic savings to the citizens, to the consuming public, and to the Government of the United States resulting from the elimination of racketeering cost in construction work, in foodstuffs, and other everyday necessities will far outweigh any moneys expended by this committee.

Let me give one illustration of the way racketeering in unions costs the Government large sums of money. In the Scranton, Pa., hearings held last April, it was disclosed that a manufacturer had a contract to supply pallets to the United States naval depot in Pennsylvania. Some union officials extorted cash payments of $175 a week to permit the manufacturer's trucks to be unloaded at a Government depot. The manufacturer wrote the Government about his increased cost of delivery of the pallets by reason of this demand by union officials, and the United States Navy Purchasing Office authorized an increase in the cost price to the manufacturer on his contract in the amount of $18,581.30 so that the union could be paid. The committee is continuing its inquiry into that situation.

Additional savings can be expected in the Government's recovery of funds in tax cases. Union members and their families will also benefit by the restitution of union funds by various officials who have been brought before the committee and whose defalcations have been exposed.

The committee is not yet prepared to submit legislative recommendations. We expect to continue to work, however, throughout the recess period of Congress. We plan to be and we are hopeful that by the time Congress reconvenes next January, or within a few days thereafter, the committee will be prepared to submit its initial recommendations for remedial legislation.

Let no one underestimate the arduousness of this committee's task, the difficulties it encounters in carrying out its assignment, and the compelling necessity for and the importance of the work it is doing. In many instances, we are not dealing with high-type citizens. Too often it is apparent that we have encountered racketeers, thugs, crooks, bribers, and extortionists. Quite frequently, those who have the information the committee desires—and I am speaking of witnesses of both high and low

estate, men who occupy positions of honor and trust, along with goons and scoundrels—resort to the fifth amendment alike in an effort to shield and to keep from revealing their defalcations and reprehensible conduct. This fifth amendment tactic being used by so many and so capriciously adds greatly to the committee's problems and burdens, but I believe I can assure Senators that each member of the committee is determined, and will not be deterred, but we will pursue our duties without faltering.

And for whatever good we accomplish, a large measure of the credit must go to the loyal, industrious, and competent staff that we have so fortunately been able to assemble. They work with purpose and zeal, and efficiently, long hours each day, and 6 and 7 days each week, in doing the preliminary work which is vital in discovering, screening, organizing, and assembling the evidence, and in making the preparation that is necessary for the presentation of the facts in a successful public hearing.

In conclusion, I should like to report further to the Senate that the committee is working diligently and harmoniously, and I express to each member thereof my deep appreciation and gratitude for the excellent cooperation each has given to me as chairman and for the valuable contribution each has made to the progress and success of the work of the committee thus far. Mr. President, I trust this resolution will be promptly and favorably reported by the Committee on Rules and Administration and that it will be unanimously adopted by the Senate.

EXHIBIT 1

UNITED STATES SENATE,
SELECT COMMITTEE ON IMPROPER
ACTIVITIES IN THE LABOR
OR MANAGEMENT FIELD,
August 19, 1957.

Hon. THOMAS C. HENNINGS, Jr.,
Chairman, Committee on Rules and Administration, United States Senate, Washington, D. C.

MY DEAR SENATOR: Reference is made to Senate Resolution of the 85th Congress, introduced in the Senate on the day of August 1957, requesting funds for the operation of the Senate Select Committee on Improper Activities in the Labor or Management Field for the period August 1, 1957 through January 31, 1958.

Prior to the submission of this resolution to the Senate, it was reported out favorably by the unanimous vote of the Senate Select Committee on Improper Activities in the Labor or Management Field.

Attached is the estimated budget for the balance of the year August 1, 1957 through January 31, 1958.

Senate Resolution 74, passed January 30, 1957, authorized the Senate select committee to expend $350,000.

Expenditures as of July 31, 1957, amounted to $194,114.33, leaving a balance of $155,885.77.

The estimated budget for the period August 1, 1957 through January 31, 1958, is $305,887.77.

The additional amount required and requested under this resolution is $150,000, in addition to the unexpended balance of $155,885.77 left over under Senate Resolution 74 as of August 1, 1957.

The increase in expenditures for the second 6 months' period over the first 6 months' period is due to the time lag required to organize a competent staff, and to do considerable preliminary work preparatory to public hearings. For example, in the first month of its operation, February 1957, only $6,297.55 was expended; in March, only $30,217.70; and in April, $41,256. Each month since then, the staff has been gradually increased to its present point of 41 persons, which is comprised of 23 investigators and counsel, and 18 clerical. The average monthly expense has gradually increased as additional competent personnel has been found and as more public hearings are held on major investigations. It is estimated that the next 6 months' expense will average $51,000 a month.

It is contemplated that all hearings will be held in Washington, D. C., with rare exceptions. It will undoubtedly prove to be more economical in the long run to bring witnesses to Washington than to transport the committee members and staff to other areas. A large part of the expense incurred by the committee results from the holding of hearings. For example, in its first 5 months of operation, witness fees and travel expenses of witnesses amounted to $22,993; the reporters' fees, $1,245; the travel and per diem expenses of investigators in the field in all areas of the country, $17,290; contract services of investigative accountants, $26,711; for a total of $68,239.

The role of the accountants in this investigation cannot be overemphasized. It is a high-cost item, but it is essential and an integral necessity for a successful investigation. It is not easy to uncover the rascality of unscrupulous officials who are uncooperative, who conceal and destroy financial records and seek to hamper the investigation with every means at their disposal.

The committee also has obtained the assistance of staff members of the Senate Investigations Subcommittee on Government Operations and of the General Accounting Office in various areas in the United States, as they are needed.

Every effort has been made to keep the staff in full operative capacity. I know from personal knowledge that many staff members have been working 7 days a week and as late as 10 or 12 o'clock at night.

The scope of the work of this committee is tremendous. The investigations thus far reveal woeful inadequacies in existing laws to cope with the invasion by gangsters and racketeers into the field of labor. There is a dearth of protection to the working man and woman from the peculations and misuse of union dues and welfare funds at the hands of unscrupulous officials and trustees. The need for remedial legislation is obvious, but in order to properly legislate, the facts must be obtained so that a basis for sound legislation can be established.

It is reported that there are 17,385,000 working people in the United States who are members of the unions.

It must be remembered that there are approximately 71,600 union locals spread all over the United States; that the AFL–CIO alone comprises 57,000 locals in 135 national or international unions. In addition, there are 52 independent national or international unions outside of the AFL–CIO, such as the United Mine Workers, the International Longshoremen's Association, and included are certain Communist-influenced unions such as the Longshoremen Warehouse Union under the control of Harry Bridges on the west coast, as well as the Mine, Mill, and Smelter Union.

The committee has thus far received sufficient information to determine that there are some 11 fields of major investigation that must be covered. These fields are:

1. Labor and management collusion.
2. Undemocratic processes.
3. Misuse of union funds, including welfare and pension funds of any source.
4. Racketeer control.
5. Secondary boycotts.
6. Extortion and robbery.
7. Organizational picketing.
8. Violence.
9. Paper locals.
10. Political activities.
11. Improper activities by management to prevent organization.

The magnitude of the task is enormous. It is nationwide and the investigations will cover almost every area in the country.

It is estimated that for the first 6 months, over 50,000 letters or complaints of improper labor practices or similar information have been received by the committee. Some of these letters contain extremely valuable leads or information. They must be read, analyzed, answered, filed and, where warranted, processed for further information. Another illustration of the detail involved in an investigation of just one union is the necessity for the circularization of letters to 2,800 locals of the steel-workers union, and this is just the start of an investigation into a single union.

Thus far, the committee has conducted hearings on seven major subjects:

1. Portland, Oreg., teamsters' racketeer case.
2. Frank Brewster misuse of union funds.
3. The Dave Beck misuse and peculation of teamster funds
4. Violence arising out of activities of certain labor leaders in Scranton, Pa.
5. Improper activities and misuse of union funds by the ranking officers of the bakers union.
6. The misuse and misappropriation of union funds by the president and treasurer of the United Textile Workers.
7. The current hearings into racketeer invasion into the field of labor in the New York City area, and utilization of gangsters and hoodlums to take control of the joint council in the New York area.

Thus far, the committee has heard almost 200 witnesses and has held over 55 days of hearings, with approximately an additional 50 or 60 witnesses to be heard in the current hearings on racketeering in the New York area. In addition, the committee has held a number of executive hearings. It must be borne in mind that for each witness heard by the committee, the staff has probably interviewed and investigated perhaps 25 persons, and to conduct the hearings, the staff has audited hundreds of accounts, bank records, and other books of account.

The hearings thus far have proved most fruitful in revealing conditions which require remedial legislation. The additional funds are essential and necessary to carry out the function of the committee.

The economic savings to the citizens and consuming public of the United States resulting from the elimination of racketeering costs in construction work, in foodstuffs, and other everyday necessities, will far outweigh the money expended by this committee.

Additional savings can be expected in the Government's recovery of funds in tax cases of Dave Beck, Frank Brewster, and others. Union members will also benefit by the restitution of union funds by various officials who have been brought before the committee and whose defalcations have been exposed.

If there is any further information you desire concerning the proposed operation of this Senate select committee during the coming year, I will be glad to confer with you or members of your committee.

Sincerely,

JOHN L. MCCLELLAN,
Chairman.

Mr. KNOWLAND. Mr. President, if the Senator will yield on my time, because I know the time of the Senator has been exhausted, I may say to him that I have listened attentatively to his remarks. I think he and his committee are to be commended for the work they have done to date in the very important field to which the Senator has referred.

I am not prepared, of course, to pass upon the details of the additional authorization the Senator is requesting, but that question will be considered by the Committee on Rules and Administration, to which the resolution will be referred. I know the Senator would not ask for funds unless he felt the request was justified, and that he will be prepared to justify the request for funds before the committee.

If the Senator and his committee have done nothing else, they have underscored once again the fact that with power must go responsibility. That is true whether it refers to a labor organization, a business organization, or the Government itself.

I am sure the Senator is going to demonstrate to the membership of labor unions and to the American public that they are entitled to have honestly spent and fully accounted for the funds which are gathered, many times involuntarily, from the members of the great labor organizations. I am sure the Senator will insist upon the maintenance of the highest standards of law and order in this field, as well as in any other field. The Senator is to be commended for this work.

I am sure he will find on both sides of the aisle bipartisan support for the necessary job which has to be done.

Mr. McCLELLAN. I thank the distinguished minority leader. I may say that I am sure every Senator would like to have a nice, long vacation after this arduous session of Congress. However, our committee has a large staff which has been quite busy, and it is the plan of the committee to hold several series of public hearings during the period of adjournment of the Congress, so that we will not be wasting money, and will be getting the full benefit of the cost of operation of the committee. We are going to work. Our hope is to return the first of January with some concrete recommendations for legislation. Of course, any proposals for legislation will go to the Committee on Labor and Public Welfare, and the committee will probably hold further hearings in regard to them. I believe that from our hearings and from the revelations which have been made—and which the committee will continue to make—we will find the basis for sound legislation, which will certainly have a strong tendency to curb a recurrence in the future of the practices which have led to the investigations.

Mr. BUSH. Mr. President, will the Senator yield to me on my own time?

Mr. McCLELLAN. I am happy to do so.

Mr. BUSH. I should like to express a personal word of appreciation to the Senator from Arkansas for his splendid report this morning. Of course, I am only one of many in this body, but every Member of the Senate has followed the work of the Senator and his committee with great interest and tremendous admiration.

I recall very well the words of the majority leader some time ago—perhaps it was even last year—when he said, speaking of the senior Senator from Arkansas, "He is one upon whom we have been accustomed to place very heavy burdens of responsibility."

I think most of us feel that the distinguished Senator is carrying more than his share of the heavy burdens of a United States Senator, but he is doing so with magnificent spirit, determination, courage, wisdom, and patience, which has won the admiration of people all over the United States. I certainly wish to express my appreciation to him, and also say that we shall await with the very keenest interest, and with sympathetic interest, his recommendations, and the recommendations of the committee, for legislation to help us deal with the frightening situation about which the Senator's committee has developed information.

Mr. McCLELLAN. I thank the distinguished Senator.

Mr. SMITH of New Jersey. Mr. President, I wish to add my words of praise to the thought expressed by the minority leader and the Senator from Connecticut. As the ranking Republican member of the Committee on Labor and Public Welfare, I have watched with keen interest the operation of this important committee of which the Senator from Arkansas is chairman. I can say that we are all inspired by the work the Senator is doing, and the fact that he is getting at the heart of some of the most serious problems in the entire labor situation. In common with other Senators, I thank the Senator for what he has done. We look forward with interest to the continued work of his committee. I know the Senator from Alabama [Mr. HILL] joins with me in saying we look forward to receiving recommendations for proposed legislation to deal with some of the terrible problems which have been uncovered, when the Senator and his committee report next year.

Mr. McCLELLAN. I thank the distinguished Senator from New Jersey.

INCREASED EXPENDITURES BY COMMITTEE ON APPROPRIATIONS

Mr. HAYDEN submitted the following resolution (S. Res. 187), which was referred to the Committee on Rules and Administration:

Resolved, That the Committee on Appropriations hereby is authorized to expend from the contingent fund of the Senate, during the 85th Congress, $10,000, in addition to the amounts, and for the same purposes, specified in section 134 (a) of the Legislative Reorganization Act, approved August 2, 1946, and Senate Resolution 154, agreed to August 6, 1957.

Mr. ELLENDER, from the Committee on Agriculture, reported the following original resolution, which was referred to the Committee on Rules and Administration:

S. Res. 188. Resolution increasing the limit of expenditures for the Committee on Agriculture and Forestry.

(See resolution printed in full, which appears under the heading "Reports of Committees.")

FINANCIAL ASSISTANCE TO STATES FOR CONSTRUCTION OF PUBLIC COMMUNITY COLLEGES

Mr. CASE of New Jersey. Mr. President, I introduce, for appropriate reference, a bill to provide a program of financial assistance to the States for the construction of public community colleges. I ask unanimous consent that the bill, together with a statement regarding the bill, and a table showing how the bill would apply in the case of the several States, be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill, statement, and table will be printed in the RECORD.

The bill (S. 2810) providing a program of financial assistance to the States for the construction of public-community colleges, introduced by Mr. CASE of New Jersey, was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That this act may be cited as the "Emergency Public Community College Construction Act of 1957."

STATEMENT OF FINDINGS AND PURPOSE

SEC. 2. The Congress recognizes that the Nation faces a severe shortage of college facilities for training of qualified young men and women. It also acknowledges the steady growth in need for semiprofessional and technical workers who require more preparation than high school, but less than 4 years of college.

It is therefore the purpose of this act to assist in—

(1) supplying the greatly increasing need for college training facilities, and

(2) solving the problem of increasing costs for such training,

by providing a 5-year emergency program of financial assistance to the States in constructing public community college facilities in such locations as will make such facilities accessible to the homes of as many individuals as may be possible.

DEFINITIONS

SEC. 3. For the purpose of this act—

(1) the term "public community college" means an educational institution under public supervision and control and limited to first and second year college grade courses;

(2) the term "State" means a State, Alaska, Guam, Hawaii, Puerto Rico, the Virgin Islands, or the District of Columbia;

(3) the term "Commissioner" means the Commissioner of Education, Department of Health, Education, and Welfare;

(4) the terms "construct," "constructing," and "construction" include the preparation of drawings and specifications for public community college facilities, erecting, building, acquiring, and expanding public community college facilities, and the inspection and supervision of the construction of such facilities;

(5) the term "public community college facilities" means classrooms and related facilities, initial equipment, machinery, utilities, and land (including interests in land and land improvements) necessary or appropriate for the purposes of public community college, but shall not include athletic stadiums or structures or facilities intended primarily for the purpose of athletic exhibitions, contests or games or other events for which admission is to be charged to the general public;

(6) the term "high school graduate" means a person who has received formal recognition (by diploma, certificate, or simi-

lar means) from an approved school for successful completion of 4 years of education beyond the first 8 years of school work, or for demonstration of equivalent achievement. For the purposes of this act, the number of high school graduates shall be limited to the number who graduated in the most recent school year for which satisfactory data are available from the Department of Health, Education, and Welfare. The interpretation of the definition of "high school graduate" shall fall within the authority of the Commissioner of Education.

(7) the term "per capita income" means the average of the per capita income for the 3 most recent years for which satisfactory data are available from the Department of Commerce;

(8) the term "national base" means, with respect to any fiscal year, an amount equal to three times the quotient of (A) the amount appropriated for such year under the authorization in section 4, divided by (B) the number of high school graduates; and

(9) the term "State agency" means the agency designated by a State in its State plan in accordance with section 7 (1).

AUTHORIZATION OF FUNDS

SEC. 4. For the purpose of this act there is authorized to be appropriated $50 million for each of the 5 successive fiscal years beginning with the fiscal year beginning on July 1, 1958.

ALLOTMENTS TO STATES AND FEDERAL SHARE

SEC. 5 (a) The sums appropriated pursuant to section 4 shall be allotted among the States on the basis of the income per person and the number of high school graduates of the respective States. Such allotments shall be made as follows: The Commissioner shall allot to each State for each fiscal year an amount which bears the same ratio to the sums appropriated pursuant to section 4 for such year as the product of—

(A) the number of high school graduates of the State, and

(B) the State's allotment ratio (as determined under subsection (c))

bears to the sum of the corresponding products for all the States.

(b) The allotment to any State under this section for any fiscal year shall be available until the end of the succeeding fiscal year for payment to it of the amounts certified, not later than the end of the fiscal year for which the allotment was made, by the State agency as the Federal share of the cost of the junior college facilities constructed by it under the State plan approved pursuant to section 7.

(c) For purposes of this act—

(1) The "allotment ratio" for any State shall be 1.00 less the product of (A) .50 and (B) the quotient obtained by dividing the income per person for the State by the income per person for the Continental United States, except that (A) the allotment ratio shall in no case be less than .25 or more than .75 and except further that the allotment ratio for Hawaii shall be .50, and for Alaska, Puerto Rico, Virgin Islands, and Guam shall be .75.

(2) The allotment ratios shall be promulgated by the Commissioner as soon as possible after enactment of this act on the basis of the average of the incomes per person of the continental United States for the three most recent consecutive calendar years for which satisfactory data are available from the Department of Commerce, and on the basis of the number of high school graduates as determined by the Commissioner for the most recent school year for which satisfactory data are available from the Office of Education.

(3) The term "Continental United States" does not include Alaska.

MATCHING REQUIREMENT

SEC. 6. Payment of the full Federal allotment to a State shall be contingent upon the matching of Federal funds by State funds, as follows: Each State shall add to the Federal allotment an amount equal to the product of (A) the number of high school graduates in the State and (B) the difference between the national base and the Federal allotment to the State per high school graduate of the State: *Provided*, That in no case is the State matching payment required to be more than twice the Federal allotment. To the extent that a State's matching payment falls short of the matching requirement, its Federal allotment shall be proportionately reduced.

STATE PLANS

SEC. 7. (a) Any State desiring to accept the benefits of this act shall submit a State plan for carrying out the purpose of this act. Such plan shall—

(1) designate the State agency responsible for administering the plan throughout the State;

(2) contain satisfactory evidence that such State agency will have authority to carry out such plan in conformity with this act;

(3) provide fiscal control and fund accounting procedures as may be necessary to assure proper disbursement and accounting for Federal funds under this act and to assure proper application of non-Federal funds used in connection therewith;

(4) provide for the establishment of standards, in accordance with the purpose of this act, for locating, planning, and constructing public community college facilities;

(5) provide for affording to every applicant, whose application for funds for a construction project under the State plan is denied, an opportunity for a hearing before the State agency; and

(6) provide that the State agency will make such reports to the Commissioner, in such form and containing such information as are reasonably necessary to enable the Commissioner to carry out the provisions of this act.

(b) The Commissioner shall approve any State plan and any modification thereof which complies with the provisions of subsection (a), but shall not fully disapprove any State plan or modification thereof without first affording to the State agency reasonable notice and opportunity for a hearing.

(c) Whenever the Commissioner, after reasonable notice and opportunity for hearing to the State agency, finds that—

(1) the State plan submitted by such agency and approved under this section has been so changed that it no longer complies with the provisions of subsection (a); or

(2) in the administration of such plan there is a failure to comply substantially with any such provision;

the Commissioner shall withhold further payments under section 8 to the State or withhold further payments for any project designated by the Commissioner as being directly affected by such failure, as the Commissioner may determine to be appropriate under the circumstances, until he is satisfied that there is no longer any such failure to comply, or, if compliance is impossible, until the State repays or arranges for the repayment of Federal moneys which have been diverted or improperly expended; except that the foregoing provisions of this subsection shall not apply to payment of any amount already reserved under section 8 (a) with respect to any public community college facilities project not directly affected by such failure. After notice as provided in this subsection to any State, the Commissioner may suspend the making of further reservations of funds under section 8 (a) for projects in such State pending the making of the findings under this subsection.

PAYMENTS TO STATES

SEC. 8. (a) Upon a certification by a State agency—

(1) listing a public community college facilities project (or projects) approved by it during a fiscal year under a State plan approved under section 6; and

(2) setting forth the estimated cost of each such project, the amount of the Federal share of such cost, and such further description of such project as may be required by the Commissioner in order to carry out the provisions of this act,

the Commissioner shall reserve an amount equal to such Federal share of such cost out of the State's allotment for such fiscal year. Payment of such amount shall be made by the Commissioner to the State, upon request of the State agency, through the disbursing facilities of the Department of the Treasury and prior to audit or settlement by the General Accounting Office, at such time or times and in such installments (in advance of the incurring of cost or otherwise) as the Commissioner may determine. Such payments shall be used exclusively to meet the cost of construction of the project (or projects) for which such amount has been reserved. The Commissioner shall change any amount so reserved upon request of the State agency and receipt of an amended certification from such agency, but only to the extent such change is not inconsistent with the other provisions of this act.

(b) If any project with respect to which payments have been made under this section is terminated or abandoned or not completed within such reasonable period as may be determined in accordance with the regulations of the Commissioner, the States which certified such project shall be liable to repay to the United States, for deposit in the Treasury of the United States as miscellaneous receipts, the amount of such payments or such lesser amounts as the Commissioner deems reasonable under the circumstances.

JUDICIAL REVIEW

SEC. 9. (a) If any State is dissatisfied with the Commissioner's final action under section 7 (c), such State may appeal to the United States court of appeals for the circuit in which such State is located. The summons and notice of appeal may be served at any place in the United States. The Commissioner shall forthwith certify and file in the court the transcript of the proceedings and the record on which he based his action.

(b) The findings of fact by the Commissioner, unless substantially contrary to the weight of the evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall certify to the court the transcript and record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive unless substantially contrary to the weight of the evidence.

(c) The court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in title 28, United States Code, section 1254.

ADMINISTRATION

SEC. 10. (a) The Commissioner is authorized to delegate to any officer or employee of the Office of Education any of his functions under this act except the making of regulations.

(b) There are hereby authorized to be appropriated for Federal administrative expenses such sums as may be necessary to carry out the provisions of this act.

PROHIBITION AGAINST FEDERAL CONTROL

SEC. 11. Except as specifically provided by this act, no department, agency, officer, or

employee of the United States shall exercise any direction, supervision, or control over, or prescribe any requirement with respect to, any State agency or educational agency or institution to which any funds have been or may be paid under this act.

The statement presented by Mr. CASE of New Jersey is as follows:

Senator CASE of New Jersey announced that he will introduce in the Senate today (Monday) a second bill to help meet the growing shortage in college facilities.

Last week the Senator sponsored legislation providing aid for States in planning expansion of college capacity.

The Senator's new bill would help the States establish and expand public community colleges. The 2-year institutions, which have had a phenomenal growth, were recommended highly by President Eisenhower's Committee on Education Beyond the High School last week.

In renewing his support for the near-home nonboarding colleges, Senator CASE said:

"Parents of college-age youngsters today are faced with four problems:

"1. A tremendous demand for admission to college has developed as a result of the sharp rise in the birth rate.

"2. A steadily increasing proportion of young people is going to college.

"3. The cost of a college education is steadily rising, now averaging $2,000 a year.

"4. The need for training beyond the high school, but less than 4 years of college, has grown. In many fields of work there are now five jobs requiring 2 years of college for each one requiring a 4-year college education.

"The youngster from a home of modest means runs a real risk in these circumstances of losing out on a college education. This may mean inadequate preparation for living as well as for earning a living.

"The 2-year community college, it seems to me, could go far to overcome these objections. The President's Committee report included these comments:

" 'Communities or groups of neighboring communities faced with an impending shortage of higher educational capacity will do well to consider new 2-year community colleges as part of the solution. Experience in a number of areas has demonstrated that with carefully planned facilities and programs community colleges can be highly effective in affording readily available opportunities for excellent education beyond the high school.

" 'The program of the comprehensive community college includes: (a) The first 2 years of a full collegiate program; (b) many kinds of programs, varying in time-requirements, needed by vast numbers of students for general education integrated with vocational-technical training for the subprofessional occupations; (c) many kinds of short courses required for upgrading employed persons and for retraining employees because of technological developments or displacements; and (d) adult or continuing education programs and courses desired by the community.

" 'These institutions extend further educational opportunities to youth and adults near their homes, thereby reducing the cost to students and frequently to the taxpayers. The cost of constructing a community college where boarding facilities are not required is less than the cost of constructing a residential college. In many cases, at least part of the facilities are available in the local high school on a temporary basis. The program offerings may cover a wide diversity of courses of study and training especially geared to the needs of local occupations in agriculture, business, and industry.

" 'In addition, the community college provides a favorable opportunity for students who have not decided on a career to explore more fully their interests and plans.

" 'Studies in California, where the community college has developed most widely, have shown that students transferring to the junior year of senior institutions have done at least as well as students who had originally entered the senior institution as freshmen. This kind of arrangement has given the senior colleges and universities the opportunity to increase their concentration on upper division and graduate work for which they are particularly well equipped.' "

"My bill," Senator CASE said, "would provide a 5-year emergency program of Federal assistance to the States to help 2-year colleges get started or help existing ones to grow. The aid would be made available on a formula reflecting the number of high-school graduates in a State in a particular year and the per capita income of the State. The funds would be granted for physical plant and equipment on a matching basis with the State government putting up from half to two-thirds and the Federal Government the remainder.

"The legislation would authorize expenditure by the Federal Government of up to 50 million a year to stimulate construction of needed college capacity by the States. This sum, plus the amount expended by the State, would be expected to provide for about 250,000 students who might otherwise go without college training."

The table presented by Mr. CASE of New Jersey is as follows:

Allotment of $50,000,000 to States under proposed bill by Senator Case (New Jersey) for junior colleges (allotment ratios restricted to limits of 0.25 and 0.75)

[National base=(authorized appropriation÷high-school graduate)×3=$38.69×3=$116.07 per high-school graduate]

Region and State	High-school graduates [1]	Personal income per capita [2]	Allotment ratio	Allotment		State matching requirement	
				Total amount (thousands)	Amount for high-school graduate	Total amount (thousands)	Amount per high-school graduate
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Aggregate United States	1,292,447			$50,000	$38.69	$86,698	$67.08
Continental United States		$1,801	0.5000				
NORTHEAST							
Connecticut	14,992	2,428	.3259	374	24.95	748	49.90
Maine	7,117	1,498	.5841	318	44.68	508	71.39
Massachusetts	40,171	2,006	.4431	1,364	33.95	2,728	67.90
New Hampshire	4,452	1,643	.5439	186	41.78	331	74.29
New Jersey	37,315	2,254	.3742	1,070	28.67	2,140	57.34
New York	110,147	2,191	.3917	3,305	30.01	6,610	60.02
Pennsylvania	94,724	1,868	.4814	3,493	36.88	6,986	73.76
Rhode Island	5,091	1,912	.4692	183	35.95	366	71.90
Vermont	3,116	1,470	.5919	141	45.25	221	70.82
NORTH CENTRAL							
Illinois	72,279	2,201	.3890	2,154	29.80	4,308	59.60
Indiana	37,555	1,870	.4808	1,383	36.83	2,766	73.66
Iowa	28,273	1,597	.5566	1,206	42.66	2,076	73.41
Kansas	19,727	1,658	.5397	816	41.36	1,474	74.71
Michigan	57,334	2,086	.4209	1,849	32.25	3,698	64.50
Minnesota	31,755	1,663	.5383	1,310	41.25	2,376	74.82
Missouri	31,239	1,745	.5155	1,234	39.50	2,392	76.57
Nebraska	14,079	1,588	.5591	603	42.83	1,031	73.24
North Dakota	6,586	1,265	.6488	327	49.65	437	66.42
Ohio	69,197	2,014	.4409	2,337	33.77	4,674	67.54
South Dakota	6,960	1,305	.6377	340	48.85	468	67.22
Wisconsin	36,100	1,752	.5136	1,421	39.36	2,769	76.71
SOUTH							
Alabama	26,760	1,105	.6932	1,421	53.10	1,685	62.97
Arkansas	15,630	1,012	.7190	861	55.09	953	60.98
Delaware	2,498	2,470	.3143	60	24.02	120	48.04
Florida	22,151	1,595	.5572	946	42.71	1,625	73.36
SOUTH—cont.							
Georgia	23,977	$1,265	.6488	$1,192	$49.71	$1,591	$66.36
Kentucky	20,311	1,221	.6610	1,029	50.66	1,329	65.41
Louisiana	20,693	1,308	.6369	1,010	48.81	1,392	67.26
Maryland	16,149	1,975	.4517	559	34.62	1,118	69.24
Mississippi	15,129	890	.7500	869	57.44	887	58.63
North Carolina	37,103	1,191	.6694	1,903	51.29	2,404	64.78
Oklahoma	22,858	1,470	.5919	1,037	45.37	1,616	70.70
South Carolina	15,492	1,098	.6952	825	53.25	973	62.82
Tennessee	24,232	1,225	.6599	1,225	50.55	1,588	65.52
Texas	60,450	1,579	.5616	2,601	43.03	4,415	73.04
Virginia	22,333	1,500	.5836	999	44.73	1,593	71.34
West Virginia	18,619	1,200	.6502	928	49.84	1,233	66.23
District of Columbia	4,216	2,253	.3745	121	28.70	242	57.40
WEST							
Arizona	6,494	1,505	.5572	277	42.65	477	73.42
California	92,389	2,212	.3859	2,731	29.56	5,462	59.12
Colorado	12,468	1,729	.5200	497	39.86	950	76.21
Idaho	6,817	1,463	.5938	310	45.47	481	70.60
Montana	6,058	1,788	.5036	234	38.63	468	77.26
Nevada	1,512	2,393	.3356	39	25.79	78	51.58
New Mexico	5,611	1,408	.6091	262	46.69	389	69.38
Oregon	14,405	1,802	.4907	552	38.29	1,103	76.58
Utah	8,773	1,528	.5758	387	44.11	631	71.96
Washington	21,681	1,974	.4520	751	34.64	1,502	69.28
Wyoming	3,082	1,804	.4992	118	38.29	236	76.58
OUTLYING PARTS OF THE UNITED STATES							
Alaska	577		.7500	33	57.44	34	58.63
Guam	254		.7500	15	57.44	15	58.63
Puerto Rico	10,291		.7500	591	57.44	603	58.63
Territory of Hawaii	5,075		.5000	194	38.31	389	76.62
Virgin Islands	150		.7500	9	57.44	9	58.63

[1] School year 1953-54, based principally on reports from State departments of education.

[2] Average for calendar years 1953, 1954, and 1955. Source: Survey of Current Business, August 1956.

Mr. CASE of New Jersey. Mr. President, I also ask unanimous consent to have printed in the RECORD several articles and reports pertaining to the subject matter dealt with by the bill I have just introduced.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

STATEMENT PERTAINING TO PROJECTED DEFICIT OF INSTRUCTIONAL SPACE FOR COLLEGE STUDENTS BY 1962, PREPARED BY MR. W. ROBERT BOKELMAN, SPECIALIST FOR COLLEGE BUSINESS MANAGEMENT, OFFICE OF EDUCATION, DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

By 1962, 5 years from now, conservative projections indicate that we must be prepared to accommodate 1,057,000 students in addition to the 1956 fall enrollment of 2,947,000.

Preliminary returns from 1,450 colleges and universities participating in a study of physical facilities made by the Office of Education show that we are constructing facilities, exclusive of residential housing, at a rate that will accommodate 635,000 additional students within the next 5 years. This rate of construction will provide instructional space for 127,000 more students each year. A deficit of 422,000 students unprepared for by 1962 (1,057,000 minus 635,000) will then exist.

[From the U. S. News & World Report of June 14, 1957]

CRISIS IN THE COLLEGES

A crisis of major proportions is fast approaching for the colleges of this country. The crisis is one of too little money, too few teachers, and a shortage of classrooms to handle the flood of young men and women who soon will be beating at the doors of all institutions of higher learning.

College officials recognize that this crisis already exists today for many—and that it will come for many, many others in the years just ahead.

At hand is the time when a college education is going to have to be denied to many thousands of qualified and ambitious students unless drastic steps are taken to meet this crisis.

To find what college authorities are now planning to do to meet this problem, and what they see as its solution, U. S. News & World Report queried presidents of colleges and universities in all parts of the country. Replies were received from 138 institutions. From those replies is drawn this broad picture:

A period of vast expansion lies ahead for American colleges. This expansion, if carried out, is going to cost a lot of money—perhaps a billion dollars a year. This would mean higher taxes.

Biggest expansion will be in the State universities, which are going to have to handle the bulk of the huge enrollment growth ahead. Big State universities are preparing to double in size. University of California, with 40,000 students now, foresees 96,000 by 1970. University of Michigan, now educating 22,000, expects a minimum of 40,000 within 10 years.

Junior colleges, already growing up in the West and Middle West, are likely to spread throughout the country in great numbers. These 2-year institutions are suggested by many college heads as an answer to the problem of the future.

Despite all this expansion, the prospect is that colleges still are not going to have enough room for all the youngsters who will want to enter.

Higher standards, as a result, are going to be set as a means of holding enrollments down to capacity. Entrance requirements, already going up, will be raised even higher. Colleges will be far more selective in choosing students. Many students of the type who have been admitted in the past will be denied entrance in the future. This is especially true of the private schools, concentrated in the East, which do not plan much expansion.

What created this crisis in the colleges is the great change that has taken place in the educational pattern of this country. It used to be that only a comparatively few youngsters went to college—only 1 out of 25 in 1900 and only 1 out of 12 as late as 1930.

Today, more than one third of all Americans of college age are going to college, and the percentage is going up every year. In 10 years the prospect is that nearly half of all youngsters will seek a college education.

Result is, college enrollment has grown from about 250,000 in 1900 to a total of 3.2 million today—and this enrollment is expected to double by 1967. It may triple by 1975.

This means that colleges are going to have to become highly selective in the students they admit—or ways are going to have to be found to handle millions of new students.

Some methods that would help colleges take care of more students are suggested by the college leaders questioned by U. S. News & World Report.

Sweeping changes are proposed. One idea is to keep colleges open the year around instead of only 9 months, with the present system of 2 semesters per year being replaced by 1 of 4 quarters or 3 semesters, and with students spending part of each year in study off the campus.

Night and Saturday classes are proposed as another way to make better use of the available classrooms.

Instruction by television is suggested as a means of enabling teachers to handle larger classes. This already has been tried in some schools.

Such suggestions as this point up one of the most difficult problems facing the colleges: the shortage of teachers.

Money alone, college presidents point out, cannot solve this problem. With money, you can build classrooms in a hurry—but it takes years to educate and train a teacher.

Where will the money come from which colleges need for expansion? It is clear from the survey: Most of it is going to have to come from taxes. Outlook now is that private donations will fall far short of the need.

Where is the squeeze going to be tightest for the youngster who hopes to go to college? The survey indicates: in the East. It is in the West and Middle West where plans for college expansion appear greatest.

[From Time magazine of February 4, 1957]

HERE COME THE WAR BABIES—UNITED STATES COLLEGES ARE ILL PREPARED FOR THEIR INVASION

As he gives informal talks to alumni across the United States, the dean of admissions of a famous ivy league university likes to give the old grads a jolt. "If you were to apply for your alma mater today," he is quoted as saying, "only 20 percent of you would get it." In that particular play the dean is not alone. Says Acting President Archibald MacIntosh of Haverford College: "I have occasionally talked to alumni about getting into Haverford today and have told them, 'I sometimes doubt if I would have admitted myself.'"

Though both men are intentionally exaggerating, their words illustrate a point. Never before have so many Americans wanted to get into college—and never before has the competition been so keen. Last week the United States Office of Education estimated that before the school year is out enrollment in United States colleges and universities will hit a record high of 3,250,000. This record comes at a time when the college-age population, which in 1955 sank to its lowest point in 25 years, is still made up mostly of depression babies. The crisis that the United States campus is now bracing for is the coming invasion of war babies.

THE PATTERN

So far only the big-name colleges, mostly in the East, have really felt the first impact of the great tidal wave. Though the number of high-school students who go on to college has jumped from 15 percent in 1940 to 40 percent, the Nation's 1,800 institutions of higher learning can still keep up with the demand. But what of the years immediately ahead? By the time the present crop of first-graders is ready for college, says Dean of Admissions Arthur Howe, Jr., of Yale, enrollments may soar to between 5 million and 8 million. What the favored campuses are going through now will soon become the standard pattern for all.

Last fall Oberlin College was able to accept only 1 out of 2 of those who applied. Since the 1940's Yale's applicants have jumped from 1,500 to 4,000; Harvard's have more than trebled. For the 6,000 boys who say they want to get into Dartmouth next fall there are only 725 openings. Says Dean Emery Walker, Jr., of Brown (present freshman class, 635): "Ten years from now we might have 10,000 applicants. That will be the real problem."

PANIC AND DEALS

Actually, the problem is all too real right now for thousands of high-school students. In their panic to get into college—and in their wild search for the best scholarship deals—today's youngsters have acquired the habit of applying to as many schools as possible. One Connecticut boy, for instance, was able to choose between Amherst, which offered him no scholarship, Bates, which offered $600, Wesleyan with a $500 offer, Holy Cross with $700, and Yale with $1,250. Another boy sent Princeton an irate letter after he was rejected, pointed out that of the 23 colleges he applied for, 22 had accepted him. What, the boy wanted to know, was wrong with Princeton?

Because of these multiple applications, the favored schools are haunted by "ghosts." These are the students who are accepted but go elsewhere—the boys and girls say the admission officers, "who won't take "Yes" for an answer." To make sure of an entering class of 1,200, the University of Pennsylvania accepts 2,100 students. Princeton accepts 1,200 to get a class of 750. Stanford estimates that 35 percent of those accepted will probably never show.

BRIGHTER AND BRIGHTER

By piling up the total number of applications, the ghosts tend to distort the demand for higher education. But the demand is nevertheless there—and it has already begun to change the whole sociology of United States higher education. With more and more students to choose from, the big-name campuses are becoming more and more selective. At Harvard the number of students on the dean's list has gone up from 27 percent before World War II to nearly 40 percent. Indeed, says Amherst Dean of Freshmen Eugene Wilson, "in 5 or 10 years we may have 80 to 90 percent of our students capable of honors work."

Not only is the gentleman's C beginning to disappear, but to some extent so is the gentleman. "A college education," says Headmaster Edward Hall of the Hill School, "is no longer a hereditary right like a membership in a club. It is a prize to be won against increasingly rigorous competition." Though the child of the old grad may still have a slight advantage, even top private eastern prep schools can no longer guarantee him a place in the college of his choice. Says Headmaster Hall: "It's kind of hard on the Yale alumnus who develops a kid as bright as his father but no brighter."

The emphasis on college board aptitude tests has hastened the change. Since no one can prepare for them, the extra cramming that a prep school offers can no longer get the dullard through. Furthermore, the top private colleges have become increasingly less parochial in their search for students. Though swamped by applications, they still send out recruiters to schools all over the United States. They want not only a bright student body, but a broad one; and wealth and background are less and less a factor. In 1910 only 10 percent of the men who applied for Harvard asked for scholarship aid; now 50 percent do. In 1947 the ratio of private- to public-school graduates at Yale was 3 to 2; today it is the reverse.

OPEN DOOR?

The approach of the tidal wave has also had an effect on publicly supported institutions. Those that are required by law or tradition to take in every taxpayer's child with a high-school diploma within their States have begun to wonder whether they can expand rapidly enough to maintain their open-door policy. Some have already answered "No."

Since California has the most elaborate junior-college system in the country, the university is able to require that applicants have a B average in high school. But in such States as Oregon, where junior colleges are rare, many educators have begun to worry about what the tidal wave of students will do to their schools unless admissions standards go up. "It seems to me," says Chancellor John Richards of the State higher education system, "that if the weight of numbers of students threatens college instructional quality, then it is our clear obligation to control the numbers." Adds President Jean Paul Mather of the University of Massachusetts, which is studying a plan to consider only the top 20 percent of State high-school students: "In the future, we are going to have to place a tremendous faith in tests. We are the first to admit that there are faults in this, but for us it is not a matter of expediency. It is a matter of necessity. We have to get the horde off our necks."

RETENTION VERSUS ADMISSION

As the standards go up at both private and public institutions, some educators have begun to worry about whether the emphasis on brains and tests might go too far. Many State-supported schools still feel they have a moral obligation to give every taxpayer's child his chance, even though he may flunk out. "We believe," says President Fred Hovde of Purdue University, "in the doctrine of opportunity. If students fail, they at least know they've had their chance." To Headmaster Seymour St. John of Choate, mere quickness of mind may become far too important. "Is there not a hazard," he asks, "of neglecting by default other vital factors in a student's makeup?" Adds Admissions Director Robert Jackson of Oberlin: "You have to leave the door open for the Winston Churchills. It is said of him that on the basis of his school record, he wouldn't be admitted to any college today."

Unfortunately, there is no sure scientific way to identify late-blooming Churchills. But most campuses try their best to look for more than brains. Today, says director of admissions Charles William Edwards, of Princeton, "we talk in terms of the ideal entering class, not the ideal individual candidate. We want a well-rounded class. We wouldn't want everybody to be geniuses in physics, or editors of their school newspapers." "We want," says Dean Walker, of Brown, "the brightest boys, but we want them balanced, too." A typical well-balanced group is this year's freshman class at Yale. Of 1,031 boys, 506 were captains of varsity teams or won varsity letters, 228 were editors of their school papers, 114 were editors of their yearbook, 178 were either presidents of their student councils or of their senior classes.

BRIBES AND PHONE CALLS

With all this emphasis on brains and balance, the competition to get into college sometimes becomes a desperate affair. Dean Robert Pitt, of the University of Pennsylvania, says that in 1 year he received phone calls or letters from 10 governors, as many Congressmen, and a host of board chairmen, all interested in pushing candidates. He has also been offered bribes. ("O. K., how much do you want?" demanded one father as he whipped out his checkbook), has seen another father offer the university $3,000 if only it would take his son in. In Washington, D. C., the wife of a State Department official is even planning to move to France so that her two sons can learn French and German and thus have an advantage when the time for college comes. One Princeton alumnus hounded his alma mater to take in his boy, even though he knew the boy would probably flunk. The father's argument: unless his son got in, he would not be eligible for the Princeton Club of New York.

To cut down on the number of student casualties and parental disappointments, city after city has organized elaborate counseling programs to try to identify the college material early and to steer students to the schools best suited to them. At the same time, private prep schools are trying to persuade ambitious fathers not to think only in terms of big-name colleges. But, says Headmaster W. Gray Mattern, Jr., of Wilbraham (Mass.) Academy, "It's difficult to convince the third generation Harvard man that his obviously unqualified son just won't be admitted. After a while, you get tired of talking and say, 'All right, go ahead and apply,' even though you know it's hopeless."

GOODBY, LOAFER

No matter how much United States higher education expands or how many junior colleges the Nation builds, there will still be casualties, because the admissions standards of most colleges are bound to keep rising. But to Headmaster Lloyd M. Clark, of Pennsylvania's Kiskiminetas Springs School, the big competition for education is not a crisis but a cause for rejoicing. "This change at the admissions office," says he, "has altered the atmosphere all over the campus. In the classrooms the professors can insist on high achievement levels and dismiss the loafer. * * * The time has come when the college student must really produce. * * * How the educators love this."

In Marin County, Calif., last week, young Mike Zeller, a senior at the Sir Francis Drake High School, added an observation of his own that is as good a summary as any of the plight of the American student: "We all have the feeling," says he, "that we're not going to get into the college we want to. When I was a sophomore, older kids told me that it was tough to get into college. But I didn't believe it. When you're a sophomore, you want to have fun. I wish somebody had made me believe it. I'm really sweating it now."

[From Better Homes and Gardens of June 1957]

HOW TO BREAK THROUGH THE COLLEGE JAM-UP

(By Mort Weisinger)

Within the next 5 years, thousands of parents ambitious for the future of their children will meet with crushing disappointment. The bumper crop of babies they raised during the postwar years will face a no-room shingle on every college in the land. For countless teen-agers, graduation day in June will no longer mean commencement, but a day symbolizing a dead end for their scholastic careers.

Here are some of the storm signals which are giving deans and dads nightmares:

This year, Cornell University, swamped with more than 10,000 applications, was able to accept less than 25 percent of them. Last semester, Oberlin College was able to admit only one out of every two students who applied. Since the 1940's Yale's applicants have soared from 1,500 to 4,000, Harvard's have more than trebled. For the estimated 6,000 boys who will apply at Dartmouth this fall, there will be only 725 vacancies. Marietta College in Ohio reports that 66 percent more students have applied this year than last.

The outlook for the future is even grimmer. The New Jersey State Board of Education, for example, reports that, by 1963, one out of every three young people in New Jersey wanting to go to college will find no place. Says Dean Emery Walker, Jr., of Brown: "Our present freshman class is 635. Ten years from now we might have 10,000 applicants. That will be the real problem." And at Rutgers University officials predict they will have to reject several thousand qualified students during the next 8 years because of limited facilities.

It would be folly to discount these figures as scare statistics which apply only to our big-name colleges. A study completed recently by President Eisenhower's Committee on Education Beyond the High School predicts that by 1970, at least 6 million youngsters will be college bound—roughly double the present total. By that time, according to present indications, the Association of American Colleges expects our Nation's 1,800 institutions of higher learning will have space only for little more than 4 million.

This means that more than 1½ million qualified boys and girls now in high school will have their dreams of a college education shattered. They will miss education necessary to equip them for a profession. For each youth, the loss will be catastrophic. Authorities estimate that a college education increases an individual's earning power by at least $100,000 during his productive life. To the country, the loss will be incalculable. The Nation will lose the benefits of our younger generation's talents, often referred to as "discoveries unmade and services unrendered." Military experts shudder at the thought of how this waste of brain power will increase Russia's technological advantages over ours.

Another solid barrier on the road to higher education is the high finance problem. It now costs the average college about $600 more to educate a student than the college charges him for tuition. With 2½ million students in college today, the tuition deficit runs to at least a billion and a half a year. By 1975, even if faculty salaries remain exactly where they are, our institutions will really be in trouble; they will have to cope with an annual $5 billion tuition deficit. In the face of this fiscal Frankenstein, how can colleges hope to expand?

But it is not only these costs that are worrying educators. They are also concerned about the financial burden that parents who want to send their children to college must carry. A father desirous of putting his 2 or 3 children through college will have to ante up a whopping $25,000 for the privilege, a terrific drain on any family budget. If inflation continues, millions will find the price of a diploma a prohibitive luxury.

How can we cope with the coming college crisis before it reaches epidemic proportions? To investigate the problem, Better Homes and Gardens assigned this reporter to explore the views of educators, college presidents, legislators, industrialists, and others who have made a serious study of this dilemma. Their realistic recommendations offer a blueprint for the educational survival of our children.

Perhaps the most practical solution to the challenge of crowded campuses is the 2-year public community college. Sponsored by New Jersey's Senator CLIFFORD P. CASE, this plan has the enthusiastic endorsement of President Eisenhower and James B. Conant, formerly president of Harvard.

Educators look favorably upon the community college because it can serve as a screening device for the 4-year college, a badly needed service since fully half the freshman-sophomore classes in 4-year institutions drop out at the end of the second year. Inasmuch as it is in the first 2 years of college that the greatest shortage exists, the community colleges will complement, rather than compete with the 4-year college. By absorbing much of the freshman-sophomore load, the community colleges make it possible for the 4-year colleges to do a more effective job on the remaining 2 years and in the professional schools.

Clearly, the community college plan produces the most for the tax dollar. It avoids the expensive costs of building dormitories and of long-distance transportation. It gives the student a chance to remain at home, to find part-time work among his friends and neighbors, and perhaps to combine education and work. From the viewpoint of business and industry, it permits planning of curriculum to meet local needs for technical and skilled manpower. It permits cooperative arrangements for industrial help where faculty specialists and equipment are not available. In many areas, it will be possible for community colleges to use certain high-school buildings, laboratories, and training equipment.

The community college plan is well past the pie-in-the-sky stage. Presently, 26 States have laws permitting the establishment of community or junior colleges and 16 States have a program of State aid for them. Says Dr. Robert Gordon Sproul, president of the University of California: "I would today urge high-school students to attend junior colleges unless there is a compelling reason for them to go to a 4-year college away from home. Junior college graduates who could have met the admission requirements of our university, when they were graduated from high school, do as well when they transfer to the university for their junior and senior years as do our so-called native students."

It is Senator CASE'S hope that his proposed program, should it catch on, will serve as a stimulus to encourage every State in the country to sponsor community colleges. "Obviously, this program would require a large sum," Senator CASE said when interviewed, "but our Government is already spending millions and millions to assist our farmers, our airlines, and our shipping firms. Surely, our youth and their future are equally important."

[From Good Housekeeping of February 1957]

WHY NOT CONSIDER A JUNIOR COLLEGE?

(By Michael Drury)

If your high-school days are almost over and what comes next seems like one big question mark, there may be an answer you haven't considered: the 2-year junior college. There are more than 500 such junior colleges accredited in the United States today, and this fall they are the final choice of approximately one-fifth of all young people entering all institutions of higher learning.

Many people are aware that junior colleges exist, but they think of them either as "just trade schools" or as places where young ladies are taught the niceties of proper living. Actually, they are no such thing. Nor are they second-rate substitutes for college. First started some 50 years ago, the junior college has become an educational form in itself, in some ways different from colleges and particularly adapted to our modern high-speed, highly specialized society. It is our fastest growing educational method, it is peculiarly American, and it's made to order for young people going places in a hurry.

How is it different from college? For one thing, junior colleges grant degrees in 2 years (typical ones are A. A. and A. C., for associate in art and associate in commerce) instead of 4. Their entrance requirements generally are less arbitrary than those of the colleges, and almost anyone who graduates from an accredited high school can qualify for junior college, though not necessarily every junior college. More basically, however, the difference might be summed up this way: A college or university seeks to fit students to the needs of certain professions such as law, medicine, engineering, business administration, and so on. A junior college goes at it the other way around. It seeks to fit its courses to the students' needs. You may be fascinated by law, for instance, but not care for the idea of becoming a lawyer. Is there a place for you in the legal world? And can you train for that place? There is, and you can—at a junior college. You will see how in a minute.

This doesn't mean you can float dreamily through 2 years taking any subjects you wish and emerge educated. All accredited junior colleges require attention to such basic items of learning as English, math, science, or history—sometimes all four. But it does mean you can begin at once to study some field that excites and interests you—aviation or child care, food or nursing, art, agriculture, electronics, drafting, theater. You name it and you can have it, for that is another feature of the junior colleges—they have tremendous variety and scope. There is almost certainly one to fit your aims, you talents, your budget.

Suppose you have a brother who is captivated by electronics. He's been building radio sets and fooling around with television since he was 10. He likes working with his hands, but he likes figuring things out, too. An engineering degree is 4 or 5 years away, and anyway, he's not sure he'd like it. That's good; the country needs him. It has been estimated that for every engineering job, there are four to five openings for skilled technicians—men who supervise workers, assistants to engineers, specialists in the TV industry, people with a working knowledge of theory and practice in many areas. A junior college can help equip him for such a job.

Or let's get back to that person who likes law, a girl, perhaps, who doesn't really fancy herself as a lady lawyer. She can become a legal secretary or a court reporter, working in a field she loves and being well paid and much in demand. The right junior college will help her get there. The market for secretaries with a knowledge of medicine, law, electronics, aviation, oil, and dozens of other specialized fields is already great and steadily growing. Or medical interests might lead her to being a therapist, a laboratory technician, a hospital administrator.

Public junior colleges, and to some degree private ones, usually adapt themselves to the community or area in which they're located so that what you can get in the way of special courses in a junior college near your home will depend somewhat on your community. If you live in a farm area, the nearest junior college will undoubtedly include courses in animal husbandry, farm machinery, and crop rotation. In the Far West, junior colleges feature the study of mining, forestry, or wildlife conservation.

If your talents lie in the arts, there are junior colleges custom built for you. You can learn theatrical makeup and scenic design, custom design, advertising layout, printing techniques. For you there are jobs in the worlds of music, publishing, theater, art galleries, museums. Perhaps food attracts you. There are junior colleges that specialize in food courses whose graduates go to work in test kitchens, hotel or restaurant management, cafeteria management, or packaged food industries.

Because of this flexibility, there is no such thing as a typical junior college or a typical course. But let's say you're an art major. You like to paint. You may eventually put this talent to work as an illustrator, advertising artist, occupational therapist, teacher, interior decorator, or any of many other jobs. How would a junior college train you?

The first year you would take such courses as English, psychology, and sociology (since art is man's response to forces within and without, and you had better have an understanding of those forces), probably some mathematics, and then, of course, an introduction to painting techniques and a course in the history of art. You would make field trips to art galleries and museums and see art films. You might visit the studios of artists living nearby. You might take other courses required by your particular college, such as physical education or hygiene.

Your second year would probably be comprised of English literature (which is again related to art), some history and current events, possibly sculpture or music, which would increase your feeling for spatial relationships and mood, and more history of art. And of course many more hours would be spent in actual painting, life classes, sketching trips, techniques.

One important advantage of the junior college is its size—or rather lack of it. Compared with senior colleges most of the 2-year schools are small. Student populations range from less than 50 to 14,000, but the majority are in a 200-to-800 band. This permits not only small classes, where students are encouraged to ask questions, but greater participation by everybody in student activities: councils and governing bodies, planning committees, choral groups, orchestras, dramatic shows, student newspapers, and yearbooks. If campus activities are to be maintained in a junior college, almost everybody has to pitch in. In 4-year colleges, campus activities are often confined to a handful of privileged upperclassmen. To put it bluntly, in a junior college, you can start to be a wheel right away.

More than half of the junior colleges are community supported, and hence they either are free or charge very nominal fees. Tuition at a public junior college may come to $150 a year, plus books, clothing, and small fees for laboratory courses. Private junior colleges can be as expensive as senior colleges ($1,500 to $2,500 a year, including room, board, and necessary personal expenses).

The junior college offers still another benefit if you're a high-school graduate whose future plans are still undetermined. Perhaps you'd like eventually to go on to a 4-year college, but you're not ready yet—you can't afford it, or you feel that you need more academic training in smaller classes, or you recognize honestly that you need another year of growing up before college. Junior college will help you to keep learning while your plans are formulating. If you do transfer to a senior college, you will usually receive full credit for your junior-college courses. Meanwhile the junior college will give you a taste of advanced study and, at the same time, offer a practical alternative if you decide against further schooling. For when you are graduated from junior college, you will receive a degree, evidence of a completed course in a given specialty, on which you can start building a career at once if you wish. Many educators consider that it's better thus to complete a 2-year course than to drop out of a senior college at the end of sophomore year.

It was this concept of a liaison period between high school and college that led originally to the whole concept of junior colleges. The idea was first discussed by university presidents about a hundred years ago, and the earliest actual schools were founded about 1900 in the Middle West. Their original purpose was to provide the first 2 years of university instruction close to home where students could take 2 more years to grow up—something the university thought they needed. This is still a major function of the junior college, and a majority of all its graduates do continue their education at senior colleges.

But other factors soon added to the scope of the junior college's aims, notably the industrial demand for skilled and semiprofessional workers, the growing acceptance of higher education for women, the need in a democracy for a better and better informed citizenry, and increased leisure with a knowledge of how to use it. Today with young people ambitious to make something of themselves and yet wishing to marry young, the junior college is a normal outcome of the democratic way of life. Because of it, educators feel that the time will come when the 2 years of higher education will be routine for everyone.

[From the Atlantic Monthly of July 1957]

THE COMMUNITY COLLEGE

(By Sigurd Rislov)

I

Since the turn of the century, a new educational institution has appeared in America. During the past 20 years, it has grown at an accelerated pace and there are reasons for believing that it will become standard equipment in the Nation's public school program.

This institution is the public 2-year college, sometimes called a junior college, a community college, or just plain college. The typical community college is a local organization, either district or county. Nine-tenths of its students live within a 35-mile radius. There are no fraternities or sororities and usually no dormitories. It boasts small classes, emphasis on teaching, a comprehensive advisory and counseling program for its students, and a personal student-teacher relationship. It undertakes three major functions.

First and paramount is its program of lower division, freshman-sophomore courses paralleling the State university and other senior institutions. Students planning to specialize in any of the regular or academic professional areas, such as law, medicine, dentistry, engineering, teaching, business, psychology, physics, chemistry, botany, can begin college in their own community and transfer with comparable advanced standing to senior institutions for completion of their training without loss of time or credits. About 35 percent of the full-time students in community colleges complete advanced work at a senior institution.

Second, it provides terminal training for students who are not going to be baccalaureate candidates but who want and need more education than high school provides. For these there are such alternatives as trade courses in airframe and aircraft engine mechanics, auto mechanics, radio and television servicing, metal shop, machine shop, or courses for the semiprofessional technician in the various branches of engineering or in laboratories. Some terminal students take business courses, secretarial training, or agriculture. Others take regular lower-division college courses in order to be more knowledgeable persons with broader intellectual and emotional horizons, whatever their occupations.

Besides these two services for the college-age population, the community college attempts to be an educational and cultural reservoir for the adult population of the area. This is its third function and it does this in several ways. One is by providing evening courses for people already employed or in business. The content of such courses is determined by the nature of the group for which they are operated and by interests and wants of the population. There may be classes in modern world problems, history, psychology, philosophy, economics, or whatever interest and facilities warrant. Many of the adults in these classes are college graduates who either want to take those courses which their degree requirements excluded, or want to retake some they once had in order to renew acquaintance with an area of worth to them. Others are without academic degrees, but wish to drink deeper at the Pierian spring.

Another primarily adult service of the community college is to act as a focal point for cultural activities. Do those with musical ability wish to cultivate their talents? The college organizes a chorus, an orchestra, or produces an opera with a local cast. Are there people willing to put forth a concerted effort to make better sense out of current affairs? A college-community forum is organized and leading figures in contemporary problems are brought in to present their views and discuss possible solutions. Comparable assistance can be given to amateur thespians, writers, artists, both in performance and appreciation.

This triadic obligation—to the university-bound student, to the terminal student, and to the adult—is, of course, not assumed by every 2-year college. Some have a highly specialized objective to which all else is legitimately subordinate. What has been described is what appears to be the emerging pattern for the typical public 2-year college.

II

How have communities responded to these functions? If the willingness of the public to tax itself in support of these colleges and to enroll in their courses is an index to public response, then the increase during the past 50 years in both the numbers of colleges and their enrollments is indeed an impressive reply. According to the Junior College Directory for 1957 there were no public 2-year colleges in the United States in 1900. By 1930 there were 178 with 45,021 students enrolled. By 1956 there were 357 and enrollment had reached 680,000. During the latter 26-year period, the increase was about 5 times that of higher education institutions. The trend continues.

Financial support is provided by a combination of student tuition and local and State taxes. S. V. Martorana of the Office of Education, United States Department of Health, Education, and Welfare, lists 26 States in which general legislation pertaining to junior colleges exists. Junior colleges are located in 12 other States, some by virtue of special legislation, others without benefit of either special or general legislation. Extensive community college growth has occurred in the Rocky Mountain States, California, Mississippi, Texas, and Washington. The movement is also active in Florida, Georgia, Illinois, Iowa, Kansas, Michigan, New York, Pennsylvania, and Wisconsin.

Granted that this institution has had a spectacular reception, what can be said about its future? Is it a temporary aberration from the educational pattern, or will it become standard equipment?

That further adjustments in the educational organization will occur seems reasonably certain. Of the many circumstances causing this, three are of particular importance. One is the continuing high birthrate of the past dozen years. Most communities are well acquainted with the desperate attempts to provide facilities and teachers for the consequent vast increase in elementary enrollments. This will, obviously, move on through the secondary school and be reflected on the college level. How much this will affect college enrollments will vary in the different States. For the Nation as a whole, predictions for 1970 indicate an expected increase in all colleges ranging from 70 to 150 percent. Where college facilities are economically and physically available, enrollment increases can be expected to be greater than college-age population increases. For example, enrollment increased 100 percent at Lower Columbia Junior College during the past 6 years, while the college-age population in the area increased only 20 percent. This is representative of trends elsewhere.

Other factors, such as the costs to the student, variety of offerings, military duty, and confidence in the worth of higher education, will influence enrollments. This accounts for some of the differences in predictions. All agree that vast increases will occur.

Another important circumstance is the change in the kinds of work in which our population is employed. Because of the increased use of capital goods in the manufacture of consumer goods, a rapidly increasing proportion of employees are in skilled, technical, and semiprofessional occupations. This increase is occurring not only in industry but in agricultural, governmental, and social-service areas. These positions require more training than is provided in high school, including knowledge and practical operation of relevant basic principles. But they do not require the theoretical background of the professional.

Since the trend toward an increased proportion of employees working in this middle zone promises to continue, it is important that related training be provided not only for students fresh from high school but for those already employed who need to keep pace with developments where they work. Much of this training can best be provided in the classroom.

The third circumstance is the continual need in a democratic society to stimulate the interest of adults in problems of common concern and to add to their knowledge and insight so that they can shape their future wisely. The importance of a well-informed public is taken for granted in our country. Yet we are startled periodically by surveys showing the enormous ignorance of much of the adult population. It is a mistake to believe that after graduation from high school or college the average adult will continue to develop social intelligence. Unless he constantly renews his contact with disciplined thought and replenishes his store of knowledge, he will surely vegetate.

How do these three circumstances—the population surge, occupational trends, and social responsibilities of adults—relate to the future of the community college? The coincidence of the three major functions of the community college with these three circumstances is apparent. In regard to the first, the larger the proportion of high-school graduates who attend community colleges, the less will be the burden on the lower division areas of senior institutions. Without such assistance the senior institutions in some States may well founder.

In regard to the second circumstance, the terminal orientation of part of the community college program makes it especially serviceable. Another local example may best illustrate this. In the spring and summer of 1956, representatives from Weyerhaeuser, Crown Zellerbach, Longview Fibre, and Reynolds Metals worked with our college to plan a 2-year course in maintenance and operation of automatic instruments, and to provide the training equipment needed. This program, now in operation, includes considerable theoretical training beyond high school, such as college physics and chemis-

try; but it also includes extensive shopwork relating theory to operations. Personnel men from relevant industries state that the demand for trained workers in this field will be many times the supply for years to come.

The possibilities for community colleges respecting the third circumstance—social responsibilities of adults—are indicated by the fact that the typical community college enrolls more adults than college-age students. In some instances this ratio is as high as 5 to 1.

Discontinuance of lower division work by the universities may well be a consequence of these developments. Senior institutions are devised for pursuing 4 or more years of academic disciplines. A major purpose of their lower division courses is to prepare for more advanced ones. Yet only about 40 percent of the students entering college complete their baccalaureate. The question has been raised repeatedly whether or not there is considerable lost motion in such situations. As long ago as 1915 Dean Alexis F. Lange of the University of California stated that the university should begin "in the middle of the inherited 4-year scheme."

If it is the case that professors could do better both by their fields and by their students if relieved of much of this lower division work, then there would be grounds for requesting the community college to assume more of that burden. If this is not done, the coming flood of lower division students may necessitate considerable sacrifice of attention to upper division and graduate students and to research.

Community college teachers are consumers of research rather than producers of it. Their task is to keep abreast in their field and to be expert in acquainting beginners with it. They rely on the universities for research. The universities must rely largely on themselves.

Looked at from the student's point of view, a freshman in a senior institution who discovers that a college degree is either not what he wants or not what he is able to acquire has only one recourse—to drop out. In a community college he can shift to a terminal program. His teacher is his adviser whose job includes helping the student enter the field where he belongs.

III

The fact that the pattern described above is well established in California, where student population pressure has been the heaviest, may be a forerunner of developments elsewhere as such pressure becomes comparable. In both numbers and enrollment, California holds undisputed lead with 65 public community colleges enrolling 381,000 students. Spokesmen for some of the senior institutions there urge students to take their lower division work in community colleges, transferring for their upper division work.

Comparative costs of community colleges and senior institutions are another important consideration. These costs are of two types: The cost to the student and the cost to the taxpayer. Unfortunately, the concern of the taxpayer over the costs of education is far out of proportion to the part of his income spent on schools. Americans will spend on all their schools, elementary through university, only about 4½ percent of their income this year. They will spend twice as much on amusements.

However, since costs are of such concern, it is important that they be included in evaluating a public school program. This does not mean that the cheapest is the best, but it does mean that returns on the dollar should be weighed at least as carefully in education as elsewhere.

One way to judge costs would be on the basis of costs per student per year. This method would assume that a student attending a community college for a year would receive equivalent returns to those which he would have received had he attended a senior institution that year. It also assumes that returns to society would be equivalent in either case. Such studies as have been made indicate that community college students do as well—and in some areas better—in senior institutions to which they transfer as do comparable students entering those institutions directly from high school.

When a community college enables a student to live at home for his first 2 years, his costs are cut in half. This obviously improves his economic opportunity to continue his education elsewhere later.

But what of the costs in the form of taxes? Establishment of community colleges in some States has enabled them to shift some of their higher education costs to the local community, and in some cases also the control. Proponents of the community college are confident that the costs per student per year are much less for the taxpayer, pointing out that they average about one-third those of senior institutions. Such calculations do not include the fact that costs of upper division and graduate courses, plus research, are necessarily far above those of the lower division.

When all allowances have been included, a strong case can be made for the position that a tax dollar will buy more lower division education in the community college than elsewhere.

Although the community college may provide more lower-division education per dollar to the taxpayer as well as to the student, any savings in total tax costs of higher education will be more than offset by the increased number of students who will attend college when one is available near home. Justifying the community college to the taxpayer will consist in the worth of the returns—the lower cost to the student, the increased opportunity to the youth of the community, the returns to society represented by raising the educational level and productiveness of those affected, and the additional services that a local college can provide its community—not in lower total taxes.

IV

It would be a mistake to assume that all community colleges bask in sunshine and light. There are hazards here as elsewhere. For example, the urge to show an impressive record of growth and adult service invites expansion beyond the offerings that are warranted. Instances of this have occurred in the recreational field and in providing related training for employment in business or industry when that type of training is best suited for learning on the job. Part of this latter difficulty is due to the fact that not enough is known to make certain just where the line can best be drawn between classroom training and on-the-job training.

Another hazard is the temptation to lower academic standards in university parallel courses. Other colleges, particularly teacher-training institutions, have felt this too, owing to the excessive demand for their graduates. But the community college is peculiarly susceptible because of its commitment to a wider clientele. Usually the only requirements for admission are age 18 or a high-school diploma. Some 75 percent of those entering for the first time as full-time students declare themselves as baccalaureate candidates, while only about 35 percent continue as such. The administrator who wants to serve something to everyone who comes to college has a real problem with those who simply cannot or will not perform at college level.

Under such circumstances there is pressure, in the name of general education, to simplify the subject matter of the courses and to avoid failing grades. Take the student where he is and start from there. Unfortunately this is often not even within sight of college-level work, and to give degree credit for such performance is obviously a disservice to both the student and higher education. Since the university parallel program is the heart and core of the typical community college, it is essential that it be carried out exceptionally well.

Those students unable to do college work should be directed into terminal programs that are consonant with their ability and interests. If none such are available, the students should be dropped. Holding power is not the sole criterion for a good school. The assumption that the community college can serve the needs of every student who enrolls is absurd.

Hazards are normal conditions confronting every going concern, and those mentioned are obviously not critical. There is no reason to doubt that community colleges will continue to surmount them. Surveys of community college graduates and transfers reveal pronounced enthusiasm on their part for the quality of instruction received in their lower division work.

Will the American public make the community college standard equipment? It is, of course, possible to meet the increased college population with higher admission barriers, economic and scholastic, and thus, by wholesale exclusion, keep the size of enrollments under control. For some colleges with highly specialized objectives this is necessary and desirable. However, a great portion of the American public seems to have accepted the doctrine that a good society is one that provides equal opportunity for all. Where wealth is inherited by succeeding generations, there is some tendency for stable societies to become stratified. One of the consequences of this is that opportunity to share in the fruits of human history, to cultivate one's own capacities, and to use those capacities to do the world's work becomes highly restricted for all but the elect.

In order to encourage equal opportunity it is necessary to develop mechanisms to circumvent or counteract this tendency to rigidity. America has several such mechanisms and values them highly. One of these is tax-supported public education. The ideal persists that through the education route the son or daughter of the poorest illiterate may become a member of the managerial or professional class. Or if his capacities do not permit him to rise to the top, the doctrine requires that enough variety in educational offerings be provided so that, if he will, he can develop his worthwhile talents, whatever they may be.

Besides the concern for equality of opportunity, there is an increased recognition that our society's agencies are too complex to be run by ignoramuses. Extended education is becoming crucial to group welfare. Statements stressing our reliance on educated people are a commonplace.

How seriously this is believed is reflected in the increasing interest in education during the 20th century. For example, although our total population has doubled since 1900, there were 12 times as many high-school graduates in 1950 as in 1900, and 17 times as many college graduates.

This confidence in education as a mechanism for equal opportunity and as a necessity for group welfare, and the fact that the portion of our national income being spent on education is almost trivial, are reasons for believing that educational provisions will be made more available rather than less available to both the Nation's youth and its adults. Since community colleges seem to be the natural point of expansion, it is reasonably certain that their rapid growth will continue in the foreseeable future and that they will become a standard component of the Nation's public-school pattern.

THE DEVELOPMENT OF COMMUNITY COLLEGES

(By Jesse P. Bogue, executive secretary, American Association of Junior Colleges)

INTRODUCTION

Many inquiries are being made concerning junior and community colleges. Editors of newspapers and magazines, State and school district officials, and interested citizens are asking for information on basic issues and problems involved in establishing and operating them. During 1957, a considerable number of articles have appeared in national publications on this subject. Far more newspaper editorials have been published during this year than in any half dozen years previously. In view of this widespread interest it seems wise, therefore, to record certain facts and principles of general concern. We trust that our observations may be answers, at least in part, to those who are making inquiries. Special questions will receive individual attention. We are also including a list of references for background information and general understanding of the 2-year college movement.

PRESENT STATUS

There are in the United States and its Territories 625 junior and community [1] colleges. Of these, 361 are controlled by public authority and 264 are independent or church-related. For the academic year 1955–56 they enrolled a grand total of 765,000 students. Approximately 89 percent of the students were attending public institutions.

The rate of gain in enrollments in public community colleges between 1939 and 1954 was greater than in any other part of higher education. During this time, independent and church-related senior colleges and universities made a gain of 76.3 percent; public senior colleges and universities gained 80.9 percent; independent and church-related junior colleges gained 25.7 percent; public community colleges gained 144.4 percent. Gains have been great in some previous periods. For example, from 1921 to 1931 enrollments in all 2-year colleges increased by 9 times; from 1931 to 1941 by 3 times; and from 1941 to 1951 by 2½ times.

Junior and community colleges are classified by the United States Office of Education as higher education. A total of 331 of these institutions are regionally accredited in the category of higher education, of which 221 are under public control and 110 are either independent or church related.

BRIEF HISTORY

There were 6 or 8 two-year colleges organized before 1900. These were all independent or church-related schools. The first public junior college which is still in existence was organized in 1902 at Joliet, Ill. The name "junior college" was coined by William Rainey Harper, first president of the University of Chicago, to designate the first 2 years of the college of arts and sciences. The term was used sometime before 1900. In the 1899 catalog of Vincennes University, Vincennes, Ind., the late Elwood Cubberly, who was president at that time, made the following statement:

"The Vincennes University occupies a unique position in the educational field. It is halfway between the commissioned high school and the full-fledged college; it is in fact a junior college. Its graduates are admitted to junior standing in all the best universities. During the past year Leland Stanford, University of California, Cornell, University of Illinois, and the University of Indiana have accepted our graduates with junior rank."

The catalogs of this 2-year institution show that collegiate instruction was being given as early as 1883. Research has shown that Lasell Junior College, Auburndale, Mass., offered 2 years of standard collegiate instruction as early as 1852. There is some evidence to indicate that a few institutions, organized now as junior colleges, provided 2 years of college work even before 1850. In any event, the roots of the 2-year college movement run deeply into the 19th century. Presidents Folwell, at the University of Minnesota, Tappan at the University of Michigan, and Harper at Chicago were among strong advocates of what has now become the 2-year college movement, although their concepts were not as clearly defined as the current concept of the movement. The general idea of the 2-year colleges was more sharply defined by educators such as Dean Lange, of the College of Education, University of California, and President James, of the University of Illinois.

The great impetus for the 2-year colleges began in the early 20th century in conjunction with the growing interest in all education. That was the time high-school enrollments started to increase in a spectacular manner; colleges and universities were attracting constantly greater numbers of students. The 2-year college movement is, in many respects, all of a piece with the general upsurge of public interest for more and for different kinds of education.

From about 8 colleges in 1900 the increase was to 207 in the first 30 years; to 493 in the next 10 years; and to 635 in 1956. The greatest expansions during the past 10 years have been in average enrollments rather than in the number of new colleges. While many junior colleges are still comparatively small, the average size for the private colleges is about 325 students, and the public is nearly 1,900. There are 13 public institutions each with an enrollment in excess of 10,000.

Expansions in the number of colleges and in enrollments have been the result of the increasing public awareness of their unique functions. Originally, these institutions were regarded as means to provide 2 years of liberal arts and sciences. As time went on it became clear that there were many community needs that could be met by the organization of curricula designed for requirements in business, industry, agriculture, education, health, and other types of services. It was observed that half of all students who entered colleges and universities did not survive beyond the sophomore year. Therefore, well-organized 2-year curricula in general and vocational-technical education seemed to be a better solution for the further education of many students. Moreover, adult education became a growing function in these colleges about the mid-1930's. Since that time, enrollments of special, part-time students in the adult-age brackets have been very great.

Through the years, by experimental programs of various kinds, by ever-increasing awareness to the needs of people in their home communities, and by the proven result of satisfactory educational work, persons in public community colleges now see clearly their functions as (a) university parallel and preprofessional studies for 2 years, (b) general and vocational-technical education of from 1 to 3 years, (c) short courses and specialized programs to upgrade and retrain employed persons, (d) courses for adults either for credit or noncredit in almost any field of education for which enough people show an interest to warrant the formation of classes.

At this point the community college emerges. It is generally located within commuting distance of its students. Ordinarily, it is controlled by the people of the community through their elected officials. As a rule, it is partially or wholly supported by the community. It is especially sensitive to community needs. Here we may observe some difference between a junior college with its main emphasis on the liberal arts and preprofessional programs and a community college with its broader offerings primarily oriented to the needs of a particular community. And while the main emphasis of most junior colleges, either public or private, may be in liberal arts and preprofessional studies, many of them provide organized occupational curriculums to prepare graduates for immediate employment, or for homelife.

The multiple-purpose, or comprehensive, community college has appeared as a result of changing economic, technological, and social conditions of the present century. These changes are too well known to be stated here. Our whole economy and the manner in which our national security must be maintained are requiring an ever-increasing number of people who are far better educated and trained than in any previous time in our history. It is believed by many people that nearly one-half of all high-school graduates can profit by at least 2 years of instruction beyond high school, and that the times we are living in make it mandatory that they secure this education. One dominant characteristic of our present society is its insatiable demand for constantly increasing percentages of well educated and trained people. Our greatest and most critical short supply now is personnel of this kind, not alone in the highest ranks of ability, but also in the middle-level ranks of those who assist professional workers.

The United States Office of Education became actively interested in the 2-year colleges sometime before 1919. In that year, it published the Junior College, by F. M. McDowell. The following year it took the lead in calling a meeting which resulted in the organization of the American Association of Junior Colleges. Since 1948, a specialist in junior community college education has carried out his functions through the Division of Higher Education. The position is now held by Dr. S. V. Martorana and plans have been made to add another specialist to the staff. By 1957, there were 16 States in which either a full-time or part-time State director of junior-college education had been appointed.

THE PLACE OF 2-YEAR COLLEGES

In the brief history we have indicated that certain basic forces have been operating to bring the 2-year college movement to its present place in American education. The constant upward thrust of educational offerings in response to the demands of the people has been an important factor. Free, universal, public education through the 12th year has been firmly established in every State. In California the 14th year has been established as free education in public junior colleges. In Mississippi and a few other States tuition is free or very low. Will public junior-college education in time become as free and available as high-school education today? There are indications that it will as a result of the requirements of our complex, technological society and the demands of the public that every individual shall have an opportunity to continue appropriate education.

Two-year community colleges are being established to help students overcome certain well-recognized barriers standing between them and education beyond high school. One barrier is lack of finances. When young people can live at home and attend tuition free, or for the payment of modest fees, the economic barrier is lowered. Another barrier closely related to finances is geography. It is being lowered by bringing the colleges

[1] The term "community" refers almost entirely to public institutions, although many 2-year public colleges carry the name "junior." Our main emphasis throughout these observations will be on the public colleges in view of the inquiries we are receiving and which we wish to answer.

to the people. Lack of desire to continue education is a barrier, and it, too, is frequently related to financial conditions and geographical locations. A fourth barrier is lack of sufficiently diversified course offerings in higher education to meet the varieties of needs of students and their occupational outlets. It is being overcome by means of the multiple purpose, comprehensive community college. Naturally, scholarships, opportunities to earn some part of college expenses, and the geographical locations of senior colleges and universities as well as the 2-year colleges play a very important role in college attendance.

It might be asked, Why 2-year colleges? Why not establish 4-year colleges within commuting distance of most students? This plan would be beyond the financial ability of the public and, moreover, 2 years of education beyond high school is initially sufficient for a considerable percentage of high-school graduates. For example, President Glennan of Case Institute of Technology is quoted as having stated in a recent address that "from 50 to 75 percent of the work being done in engineering departments of manufacturing plants can be done as well, if not better, by engineering technicians who graduate from 2-year technical colleges, rather than from 4-year universities." What is true with respect to technicians is equally applicable to a host of semiprofessional occupations in nearly every kind of business, the health services, and various other kinds of employment. The 2-year colleges, therefore, have a definite place in the preparation of personnel for these types of services.

A great deal of public attention is being given to community colleges now because of increasing numbers of students who are seeking to enter higher education. Two-year colleges can and no doubt will provide for a larger percentage of these students in future years than is the case now. They would, however, have continued to expand in numbers of institutions and in enrollments even if there had been no crisis in the colleges. They are not emergency institutions. They have a definite place in the comprehensive plans for higher education in States where adequate consideration has been given to the adoption of educational policies. The President's Committee on Education Beyond the High School states that they are "filling in and rounding out our educational system." The Educational Policies Commission of the National Education Association views their place in these words: "Not bound to the 4-year tradition, ordinarily sensitive to local needs and conditions and aspirations, these institutions have an increasingly important role in higher education."

The Higher Education Commission of Illinois in 1957 found that 2-year public colleges can do the following for that State:

1. Provide additional educational opportunities for all high school graduates.
2. Relieve freshman and sophomore congestion in 4-year colleges and universities.
3. Reduce costs for the first and second years of higher education.
4. Reduce the costs for the individual and his family for higher education.
5. Provide the student a means of finding himself and his vocational or professional objective while living at home.
6. Encourage the enrollment of more of the top half of high school graduates who are not now going to college.
7. Meet the local needs of agriculture, business and industry for better educated and trained manpower in the community.

At the dedication of Bakersfield (California) College's $10 million plant in October 1956, President Sproul of the University of California said: "The institution we honor tonight is a shining example of the part that a junior college can play in a State's educational system—not only by lightening the burden of swollen enrollments in State colleges and the State university, but also and primarily by making education beyond high school graduation available to boys and girls who might otherwise be denied this priceless opportunity."

This great educator further stated in his address: "I would today urge high school graduates to attend junior colleges unless there is a compelling reason for them to go to a 4-year college away from home such as, for example, absence in the local course offerings of prerequisites for a career that the student has chosen as his educational objective."

The place of the 2-year college is further confirmed by the statement and recommendations of the New York State Board of Regents of December 21, 1956: "2-year comprehensive community colleges, characterized by low cost to the student, geographical availability and direct responsiveness to community needs, offering both transfer and technical-terminal programs, are considered to be the best single means of (a) accommodating future demands for higher education, (b) embracing the increasing heterogeneity of abilities represented in the students graduating from secondary schools and (c) providing the education necessary for an emerging group of semiprofessional occupations. Community colleges have a meaning and a competence in their our right. They can provide as well as technical-terminal education, competent preprofessional and general education instruction."

Greater attention is being focused on the place of 2-year colleges now because increasing numbers of students are seeking higher education. Doors of opportunity are being closed from lack of space. Some institutions are unable or unwilling to make extensive expansions of facilities. Costs to attend college away from home are mounting year by year. There are trends in a good many independent senior colleges and universities toward stricter policies for admissions of students. In some States pressures are being applied on State colleges and universities by taxpayers because their sons and daughters are being denied admission from lack of space to accommodate them. These factors are present and real. They will inevitably become more impressive during the next few years.

Now, while the conditions listed in the foregoing paragraph are focusing greater attention on the place of 2-year colleges, their place in higher education is being more fully confirmed by other reasons. The requirements of our complex society and our technological economy can be met successfully only as the level of education and training is raised for larger numbers and greater percentages of the population. The belief that every individual shall have an opportunity for appropriate education is being felt more and more throughout the Nation. There are demands for greater diversification in education beyond high school to match the different kinds of abilities of our youth and to prepare them for more effective employment, citizenship, and home life. There are trends toward the adoption of comprehensive State plans and policies in higher education in the several States, providing for a reasonable division of functions among various kinds of institutions. In this division of functions, community colleges have a definite place as an integral parf of higher education that can be provided at a price the people can afford to pay.

PLANNING FOR COMMUNITY COLLEGES

If we may assume that 2-year colleges have "a competence in their own right," that they are an integral part of American higher education, that they "fill in and round out the system of higher education," what steps should be taken to plan for and establish them? Based on experiences of States and communities where they are successful, we would suggest the following guidelines:

1. Each State as a whole should be concerned about a comprehensive plan for a statewide system. Attention should be given to those areas where opportunities are not provided for higher education. Duplication of facilities and effort should be avoided. The kind of college already established must be considered. If it is for one sex only, if it has stiff requirements for admission, if its tuition is high, if its offerings are restricted to the liberal arts only or to some other type of education, then the question can be legitimately raised as to how well this college is meeting the diversity of needs in the community. The mere fact that a college is there, may not be the final determining factor. For example, if there is a college preparatory school for boys in a community, does it necessarily follow that a high school should not be established? Certainly not, because this type of school does not pretend to meet the needs of all secondary students in the community.

2. There should be well-defined authority lodged by legal enactment in a central agency of the State whose duties are to carry out State surveys and work with local communities to determine (a) resources for supporting a college at reasonable tax rates, (b) probable number of students who would be best served by a college, (c) needs in the community for various kinds of educational programs, (d) willingness of the people to support a college and, (e) geographical conditions of the proposed territory for commuting purposes for the great majority of students.

3. Legislation should be enacted to authorize (a) the establishment of community colleges, (b) legal tax rates which may be levied for capital and current expenditures, (c) designation of control, (d) the amount of support which will be supplied by the State, (e) amount of tuition which may be charged, (f) authority to issue bonds for construction, (g) methods by which junior-college districts may be created, and (h) the authority of school districts without junior colleges to pay for students to attend in districts that have them. If a vote of the people is required to establish the college, the method should be determined by the State.

4. We recommend that (a) a community college be locally controlled, (b) have its own campus and facilities, (c) have its own faculty of well-qualified college teachers who understand the place of the community college and are dedicated to this type of education, (d) have its own budget and financial structure, and its formula for determination of costs, (e) have clearly defined and well-understood programs of basic services, and (f) have the advantages of occupational advisory committees from local employer and employee groups.

In respect to the foregoing principles, it may not be possible in the initial stages to make provision for all of these recommendations. Some facilities may need to be shared, such as, for example, athletic fields, gymnasium, auditorium, and cafeteria. The college, however, should have its own library, classrooms, laboratories, student center, administrative, and faculty offices if it is expected that a good job is to be done in an atmosphere of college teaching. The community college should not be an appendage of the school system, or of a university. We do not send high-school students to an elementary-school building in the late afternoon and at night. We cannot send college students to a high-school plant as a permanent policy in the late afternoon and at night and expect to achieve the best results. Even the sharing of facilities for daytime classes should be reduced to a minimum and eliminated as soon as possible.

We do not claim that good work has not been done by junior colleges in association

with secondary schools. Records are to the contrary. Our claim is that this association is a handicap and should not, therefore, be adopted as a long-term policy. Junior colleges should be established in those communities where resources and the number of students will in time be sufficient to provide for an independent operation. The atmosphere of the institution, methods of instruction, policies for discipline, student government, and extracurricular activities for the college-age group are far more favorable when the junior college is established and operated in its own right. It has been widely observed that the willingness of high-school graduates to attend a junior college locally is greatly improved when the college has its own campus, facilities, and faculty.

5. We strongly recommend that (a) expert consulting services be secured when a community proposes to establish a college, (b) ample time be taken for thorough planning, organization, providing for faculty and administration, library, and other necessary facilities so that good work may be accomplished from the beginning, and (c) provision be made for student personnel services in testing, counseling and guidance, placement, and followup. The first 2 years of college are highly important and frequently critical. This is the time when choices are often made for vocational or professional objectives, habits of study, and conduct confirmed, and life companionships determined.

6. We recommend that communities proposing to establish a college should examine the criteria and standards for regional accreditation. We do not imply that a college can expect to qualify for accreditation when it is founded. It takes time to reach this goal. However, authorities should look to the future to achieve this goal as rapidly as possible. Standards for junior colleges have been defined by each of the six regional accrediting associations—New England, North Central, Middle Atlantic States, Southern, Northwest, and the Western Associations of Colleges and Secondary Schools.

FINANCING COMMUNITY COLLEGES

The problems of financing junior colleges cannot be solved easily nor by categorical recommendations. Costs for this type of education vary from one institution to another, even within the same State where they are being operated under State supervision. However, some general bench marks may be indicated as guides for States and communities. Much depends on the kind of facilities proposed and the quality of education to be provided.

The Needs of Higher Education in Maryland, 1955, indicates that, "The cost of building classroom facilities for college students is estimated to be approximately $3,000 per student." The site, size, and location of the college plant are very important. It has been recommended in California that, "there be provided a minimum site of 30 acres plus an additional acre for each 100 pupils of ultimate enrollment." Experience has shown that this formula, recommended a few years ago, is probably insufficient for satisfactory space. One item for a community college must be carefully considered, namely, space for parking automobiles. Serious consideration is being given in California now to provide parking space for one automobile for each full-time student.

Dr. C. C. Colvert, of the University of Texas, an authority on junior college administration and finance, estimates that the minimum space per student for classrooms and other educational facilities is 125 square feet, the average about 130, and the optimum 148, or above. By determining the amount of space needed in a community college per full-time student, and by estimating the cost locally per square foot for constructing the kind of facilities required in that community, committees can arrive at a fairly accurate figure. The kind of buildings required in North Dakota, for example, will differ from those needed in Florida. There are some variations in costs per square foot for the same kind of facilities in different sections of the country.

Dr. Colvert, in planning with authorities in one Southern State, projected this formula: "At $15 per square foot it comes out that it costs about $1 per square foot per student to build buildings and pay for them with bonds over a period of 20 years. In other words, if it is decided to provide 135 square feet per student, then that amounts to $135 per student per year for 20 years." He states if there are 500 students provided for, $67,500 must be placed in the budget each year for 20 years to retire the bonds. One of the advantages of the community college is the continuing use of its buildings from 8 o'clock in the morning until 10 at night, 5 days a week, and for 12 months in the year. Evening classes are designed largely for adults who are employed during the daytime.

The costs for current operations, as we have previously mentioned, vary from State to State and for colleges within the same State. The Maryland studies indicate that at least $600 per full-time student per academic year should be provided. California, which has more junior colleges than any other State and which has had a long experience with them, finds that per student operating costs vary from $318.05 to $665.06 (as of the year 1952–53). The cost per student in average daily attendance per academic year in Los Angeles for 7 junior colleges in 1952–53 was $426.19.

Much depends on the size of the college because there are some overhead constant expenditures necessary for a college of almost any size. Estimates of minimum size vary with authorities. We believe that a community college should plan to have 400 full-time students to operate at a reasonable cost and provide for the variety of offerings required. It is practically impossible to estimate what optimum numbers should be. However, one county in one of our States has adopted a policy of limiting enrollments in any one community college to approximately 1,000 full-time day students. If and when larger numbers must be educated more colleges will be established.

HOW COMMUNITY COLLEGES ARE FINANCED

The manner in which community colleges are financed differs considerably from State to State. We shall not outline in detail the ways finances are provided in all States. The following examples, however, may provide guidelines for a general understanding. A thorough study of this subject is being made by Dr. S. V. Martorana and Dr. Clayton Hutchins of the United States Office of Education. The report should be available within the year 1957. It will deal in considerable detail with the problems of financing junior colleges and give special attention to sources of income. In view of the fact that this report is not available now, we are listing a few of the States and indicating how their community colleges are financed.

Arizona provides from the State $150,000 per year for each of its junior colleges. Additional support is derived from local taxes and tuitions.

California appropriates a minimum of $120 per year per student in average daily attendance. There is an equalizing formula which guarantees a minimum of $385 per year per student from State and local finances. If a local levy of 35 cents on the $100 of assessed valuation plus $120 from the State does not equal $385, the State makes up the difference. There are no tuitions. Hence, major support is derived from local taxes. As yet the State does not appropriate funds for capital outlay.

Colorado provides from State funds $1,050 per year per teaching unit of 7 students. The remainder of current expenses is supplied by local taxes and tuition. Capital funds are provided by local taxes.

Florida is providing all funds for capital developments from the State and about $400 per year per student for current operations. The remainder of current funds come from tuition and local taxes. The 1957 legislature appropriated $12 million for capital and current funds.

Illinois pays $200 per year per student for current expenses; no funds for capital outlay. Districts without junior colleges may by vote of the people pay tuition for students attending junior colleges in districts which have them. Local taxes and tuitions are the major sources of support.

Iowa provides $180 per year per student, but no capital funds. Tuitions and local taxes provide for the major part of the expenses.

Maryland has a general understanding that one-third of the funds for current expenses will come from the State, one-third from the county, and one-third from tuition. The State appropriation, however, has seldom been equal to one-third of the current costs. No funds are provided for capital developments.

Michigan pays from State funds $190 per year per student. In 1957 the State appropriated $1,200,000 for capital funds. Local taxes and tuitions make up the difference.

Minnesota passed its first State appropriation in 1957 for $200 per year per student. Funds for capital outlay and for the major support for current operations are provided by local taxes and tuitions.

Mississippi's appropriations for current support amount to approximately $200 per year per student. Some funds have been provided from the State for capital improvements and for the purchase of technical equipment. The total biennium appropriation for 1956–58 was $4,330,000 for 15 colleges.

New York pays from State funds one-half of capital expenses and one-third for current operations. The other two-thirds for current expenditures is divided equally between the sponsoring district and tuitions for the present 12 community colleges. There are six 2-year agricultural and technical institutes entirely supported from State funds. This State proposes to spend $56 million for capital developments, matched by local funds. Several more community colleges are to be established.

North Carolina made its first State appropriations in 1957. For current support $3 per quarter credit hour will be paid for students who are residents of the State taking regular college courses, or technical-terminal programs; $1,500,000 was appropriated for capital outlay to be matched by local funds.

Texas has appropriated $240 per student per year for the first 350 and $185 per year per student for all in excess of this number. The average is approximately $206 from State funds. The total 1957–59 biennium appropriation is $9,440,000 for current operations. The remainder is provided by local taxes and low tuitions. All capital funds are provided locally. There are two State 2-year colleges which derive all of their funds from the State with the exception of income from tuitions.

Washington State appropriates more than $300 per year per student for current operations; the remainder is provided locally by taxes and low tuitions. The State also provides finances for capital construction. The percentage varies somewhat from district to district for capital funds. Sometimes the amount from the State may be as high as 75 percent of the total cost. The size of the junior college district is one of the determining factors.

There are other States which are giving support to the junior colleges such as, for example, in Utah where all capital finances

are appropriated by the State, and the State's share for current operations is by direct legislative action. There are no local taxes. Low tuitions are charged. Five 2-year colleges in Georgia and 8 in Oklahoma are supported on the same basis as those in Utah.

There is a definite trend toward greater support from the States both for current operations and capital outlay. If community colleges are to assume a larger share of responsibility for higher education, they must be more liberally supported from State funds. Quality education, whether in a 4-year or a 2-year college, requires adequate financing. Youth who attend 2-year colleges deserve as good education as those who attend 4-year institutions.

WHAT DO COMMUNITY COLLEGES TEACH?

The vast majority of community colleges teach the regular first 2 years in arts and sciences, including engineering and other technical curricula. A considerable number of them provide the first 2 years in teacher education, music and the other fine arts, and various curricula in the fields of business. These are called university parallel programs because they match in most respects the programs given during the first 2 years in senior colleges and universities. Included in these studies are prerequisites for the first 2 years of the professions such as, for example, medicine, dentistry, and law.

Community colleges also offer organized occupational curricula, primarily designed for the completion of formal education for employment, or for home living. What a particular college offers in these programs is largely determined by local surveys of business, agriculture, industry, the healing arts, and by consulting services of occupational advisory committees. These programs are flexible and adaptable in terms of the needs of the community. An example of 2-year programs now offered by some community colleges is nursing. Experimental programs during the past few years have demonstrated that an efficient bedside nurse can be educated in 2 years and fully qualified to pass State examinations.

Community colleges provide for short courses of study and training in many fields to retrain and upgrade employed persons. Some of them teach almost any worthy subject anytime to anyone when there are enough qualified people interested to justify the offering and when a good teacher may be secured.

Community colleges are doing an extensive job in adult education. Each college should make careful and continuing studies of its own community and determine for itself what it can and should do. It should be sensitive and oriented to the needs of its students and those of its community.

HOW GOOD ARE COMMUNITY COLLEGES?

Community colleges vary in terms of the extent and the quality of work they are doing as is the case with 4-year colleges. It is practically impossible to make any sweeping statement that will cover all institutions. Some are excellent, others are mediocre, and still others poor. However, as of 1957 over two-thirds of the public community colleges are regionally accredited. Certainly, this is a good record in achievement for a group of relatively new collegiate institutions.

Studies have been made regarding the records of community college graduates who have continued in senior colleges, professional, and graduate schools. Let us look at 2 or 3 of them that cover enough time and sufficient numbers of students to give reliable data. Minnesota's Stake in the Future, 1956, contains the following observation:

"Minnesota junior colleges have made an enviable record in many respects. During the 1914–56 period the public junior colleges have educated 55,343 regular day students as well as additional thousands of adults. Many of these students have gone on to senior college and graduate school and have succeeded very well. Studies of transfers to the University dating back to 1929 and up to the present show that the transfers from junior college on the average do as well or better than students taking all their work at the university.

"This conclusion was well documented by a recent doctoral study which showed that the preengineering programs in private, teachers', and junior colleges were fully as effective as programs completed entirely within the institute of technology at the university. Of the transfer institutions, junior colleges had the highest percentage of their students complete a 2-year program before transfer, transfer students from these institutions remained in engineering programs the longest period of time, and attained the best academic records."

Let us look at a recent sampling from California. Dr. Roy Simpson, superintendent of public instruction for that State, reported a study in October 1956. Here are his words:

"Over the 5-year period, 1951–55, the junior colleges graduated more than 50,000 students of whom almost a quarter (24.51 per cent) transferred to the University of California at Berkeley, Davis, Los Angeles, Riverside, or Santa Barbara. A study of the performance of junior college transfers entering the junior year at Berkeley in the fall of 1951 has been prepared by the office of relations with schools. Comparison was made between the persistence and achievement of junior college transfers and native students likewise entering the junior year in 1951. Junior college transfers who at the time they enrolled in junior college would have been eligible for admission to the University of California completed their fourth or senior year at Berkeley in the same proportion (77.9 percent) as students who had in 1951 entered the university as freshmen. They even had a slightly higher grade-point average overall (1.80 as compared with 1.73 for native students). Clearly the junior colleges as a whole provide satisfactory preparation for upper division studies and do as good a job as the university in the instance of students whose high school preparation met university requirements for admission."

The group of students referred to by Dr. Simpson represented about 40 percent of the transfers, namely, those who could have entered the university directly from high school. Another group, representing about 60 percent of the transfers, did not qualify for admission to the university before entering junior colleges. Their persistence was even greater than either the native students or of the better qualified transfers. They graduated in the regular time schedule, although their achievement was not as high as either of the other groups. The grade point average was 1.59. In the University of California a grade point of 1=C, 2=B, 3=A.

Many other examples of achievement of junior college graduates could be given. A rather thorough study of this matter is being made by Dr. Leland L. Medsker at the University of California under a grant from the Carnegie Corporation of New York. It is expected that results will be published sometime in 1958. Persons who have a further interest in the junior-college movement will find valuable information in the references we are listing.

BIBLIOGRAPHY

Junior College Journal, James W. Reynolds, editor. Published by the American Association of Junior Colleges, 1785 Massachusetts Avenue NW., Washington, D. C. nine times the year September through May, $3.50, 64 pages and cover. Twenty-eighth volume begins September 1957.

Junior College Newsletter, Jesse P. Bogue, editor. Published 12 times the year by the American Association of Junior Colleges, $2.

Junior College Directory, Jesse P. Bogue, editor. Published annually by the association, $1. Contains important information about all junior colleges.

American Junior Colleges, fourth edition, 1956, Jesse P. Bogue, editor. Published by The American Council on Education, 1785 Massachusetts Avenue, NW., Washington, D. C., 569 pages, $8.

Founding of Public Junior Colleges, Elbert K. Fretwell, Jr., Bureau of Publications, Teachers College, Columbia University, New York, 1954. One hundred and thirty-six pages and references. Shows how local interest and intiative resulted in establishment of 6 community colleges.

The Community College, Jesse P. Bogue, McGraw-Hill Book Co., New York, 1950. Three hundred and seventy-seven pages, $6.50. An overview of the rise and development of junior and community colleges in the United States.

History of Mississippi Junior Colleges, a State System of Public Junior Colleges, Knox M. Broom, 90 pages, $1. State Department of Education, Jackson, Miss.

The Public Junior College, B. Lamar Johnson, editor. National Society for the Study of Education, University of Chicago Press, 1956. Three hundred and thirty-eight pages including excellent selected references.

Industry-College Relations, Edward Hodnutt. World Publishing Co., Cleveland and New York, 1955. One hundred and fifty-eight pages. Section 21 on junior colleges.

A Study of the Need for Additional Centers of Public Higher Education in California, Liaison Committee of the California State Board of Education and the Regents of the University of California, 1957. California State Department of Education, Sacramento.

Statement and Recommendations by the Board of Regents for Meeting the Needs of Higher Education in New York State, December 21, 1956. Twenty-two pages, State Department of Education, Albany, N. Y.

Minnesota's Stake in the Future, Higher Education 1956–70, Report of the Governor's Committee on Higher Education, 1956. Ninety-eight pages, State Department of Education, 301 State Office Building, St. Paul, Minn.

Meeting Ohio's Needs in Higher Education, John Dale Russell, director. The Ohio College Association, J. Garber Drushal, executive secretary, College of Wooster, Wooster, Ohio, 1956. One hundred and twenty pages, $1.

Higher Education in a Decade of Decision, Educational Policies Commission, National Education Association of the United States, 1201 16th Street NW., Washington, D. C., 1957. Cloth $2, paper bound, $1.50.

The Needs of Higher Education in Maryland, report of the commission appointed by Governor McKeldin, 1955. State Department of Education, Baltimore. One hundred and twenty-seven pages.

Higher Education and Florida's Future, Recommendations and General Staff Report, volume 1, 1956. Seventy-six pages. University of Florida Press, Gainesville, Fla., $1.50.

Florida's New Community Junior Colleges, fifth annual Junior College Conference, 1957. Forty pages. Florida State University, Tallahassee, Fla.

High School Seniors and Their Plans, A Study of the Educational Plans of High School Seniors in Florida, 1956. Bulletin No. 7. Community College Council, Tallahassee, Fla. Fifty pages and appendix.

Illinois Looks to the Future in Higher Education, A Summary of the Report of the Higher Education Commission to the Governor and Legislature of the State of Illinois, 1957. Two hundred and eighteen pages. Daniel McMaster, director, Museum of Science and Industry, Chicago, Ill.

First Interim Report to the President, President's Committee on Education Beyond High School, 1956. Twelve pages. The President's Committee on Education Beyond High

School, United States Office of Education, Washington 25, D. C.

The Citadel of Learning, James Bryant Conant, Yale University Press, New Haven, Conn., 1956. Seventy-nine pages.

The Technical Institute, Smith and Lipsett. McGraw-Hill Book Co., New York, 1956. Three hundred and seven pages, $5.

An Agenda and Source Materials for the Junior College Study Commission, the State Board of Education for Texas, Texas Education Agency, Austin, 1956. Mimeographed.

The Public Junior Colleges of Texas, a general report for the academic year, 1954–55. Texas Education Agency, Austin. Fifty-nine pages. Mimeographed.

Texas Public Junior College Laws, Texas Council of Public Junior Colleges, Texas Education Agency, Austin, 1956. One hundred and seventy pages. Mimeographed.

Pamphlets available through the American Association of Junior Colleges

A Major Policy Pronouncement Regarding Junior College Education, Robert Gordon Sproul, University of California. Thirteen pages, $3 per 100.

The Future of Junior Colleges in California, Roy E. Simpson, superintendent of Public Instruction, State of California. Eight pages, $3 per 100.

The Place of Junior College Education in the Future of Our Country, Arthur S. Adams, president, American Council on Education. Ten pages, $3 per 100.

Shall I Attend a Junior College? Edward F. Mason. Sixteen pages, $2.50 per 100.

I Will Never Regret Junior College, Raymond A. Crippen. Four pages, $1.50 per 100.

Brochure on 2-Year Colleges, fully illustrated, 16 pages. Two colors, 25 cents each.

IMPROVEMENT OF ADMINISTRATION OF PUBLIC AIRPORTS IN ALASKA

Mr. MAGNUSON. Mr. President, by request, I introduce, for appropriate reference, a bill to improve the administration of the public airports in the Territory of Alaska. I ask unanimous consent that the letter from the Secretary of Commerce requesting the proposed legislation be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 2812) to improve the administration of the public airports in the Territory of Alaska, introduced by Mr. MAGNUSON, by request, was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The letter presented by Mr. MAGNUSON is as follows:

THE SECRETARY OF COMMERCE,
Washington, August 6, 1957.

Hon. RICHARD M. NIXON,
President of the Senate,
United States Senate,
Washington, D. C.

Hon. SAM RAYBURN,
The Speaker of the House
of Representatives,
Washington, D. C.

DEAR MR. PRESIDENT:
DEAR MR. SPEAKER:

The Department recommends to the Congress for its consideration the attached draft of legislation to improve the administration of the public airports in the Territory of Alaska.

This proposed legislation undertakes to accomplish the same objective as S. 742 introduced in the 84th Congress and passed in the Senate on May 9, 1955. The proposed bill would improve the administration of the airports operated by the Department of Commerce at Fairbanks and Anchorage, Alaska, in these respects:

1. It would authorize the establishment of an effective local police force on these two Government reservations; and

2. It would place the operations of the airports on a more businesslike basis by establishing an Alaskan airports fund through which airport income would be applied to costs of maintaining, operating, and improving the airport.

The two airports include substantial tracts of land—1,815 acres at Anchorage, and 1,631 acres at Fairbanks—roads, installations, buildings, and equipment, with a value of about $15,600,000. During the past 4 years, activity at these airports has grown rapidly. There has been a 130-percent increase in originating passengers and a 30-percent increase in aircraft operations. There is a substantial amount of private flying activity, irregular operations, and bush pilot flying at both airports. These facts indicate that the airports are busy communities with substantial need for police protection. Both of the airports are outside the city limits of the municipalities from which they derive their names and are thus outside the jurisdiction of the local police. Under section 4 of the Organic Act of the Airports (act of May 28, 1948), control over, responsibility for, and the care and protection of the Anchorage and Fairbanks International Airports are functions of the Department of Commerce. The discharge of this responsibility requires the exercise of correlative authority to engage in normal police activities. At present the Secretary of Commerce has no such authority. The proposed new selection 10 for the Organic Act of the Airports, in the enclosed draft, would provide the Secretary of Commerce with authority:

1. To appoint uniformed, armed police officers to serve at the airports;

2. To permit such police officers to make arrests on the airports; and

3. To permit the commanding police officers to require violators of the rules and regulations of the airports to deposit collateral for appearance in court.

This authority is identical with that presently exercised by the Secretary of Commerce at Washington National Airport, and that normally granted to other officials responsible for furnishing police protection of Federal reservations.

Section 11 of the Organic Act of the Airports, as proposed in the enclosed draft, would establish an Alaskan airports fund for the deposit of income derived from the operation of the airports. All airport activities including maintenance, operation, police protection and capital improvements would be financed from the fund. Under the present financing arrangements, airport expenses are financed out of appropriated funds and revenues derived from the operation of the airport are deposited in miscellaneous receipts. Under the proposed financing arrangements appropriations would be required to supplement revenues only when out-of-pocket costs exceed the amount available in the fund. Estimated revenues will permit funding of maintenance and operating costs and interest payments on invested capital. In the future it is expected that revenues will permit funding of depreciation as appropriations are not required for this purpose. Therefore, normally no appropriations will be needed except for major capital improvements.

Establishment of the fund would appear to be generally consistent with the objectives now sought by the General Accounting Office, the Bureau of the Budget, and the Treasury Department, under their joint program for improving financial management in the Federal Government, especially in business-type enterprises such as these airports, and in addition, would provide the flexibility needed to meet and adjust quickly to changing requirements that operations of this type demand. For instance, increased costs of providing services to the public and to airport tenants and concessionaires, such as increased use of or higher rates for utilities, which the airport management cannot anticipate and over which it has no control, must be financed under the present system from the airport appropriation. Even though these costs are passed on to users the money thus derived cannot be used to reimburse the appropriation but must be turned over to the Treasury as miscellaneous receipts. Obviously, the end result is that other airport services must be curtailed.

Similarly, provision of added space or facilities for concessionaires, to permit them to accommodate the needs of air carriers and the traveling public, must be delayed until additional appropriations can be secured. These delays and curtailments not only result in inadequate service to the traveling public and other airport users, but also may prevent the airport from undertaking new profit-making activities.

The Bureau of the Budget, in its report on the Government's Alaskan business activities submitted to the House Committee on Appropriations at its request on January 14, 1953 (H. Rept. No. 2316, 82d Cong., 2d sess.), stated in part:

"An airport is a complex business enterprise. A wide variety of services must be furnished to airlines, concessionaires, and the traveling public.

"The operation of the landing area is only one apsect of airport management. It is generally acknowledged that if an airport is to be self-sustaining, all sources of potential revenue must be fully exploited, including sale of power, water, and other utilities, concessions for restaurants, stores, fuel handling, and other services. To function with maximum effectiveness, an airport requires much the same flexibility as any other business activity. The Alaska international airports do not have this flexibility and are treated with respect to financing, budget, accounts and audit in exactly the same way as a governmental program with none of the characteristics of a business.

"Present laws and regulations applicable to the airports are not conducive to sound business management. For example, the Government may be placed in a position where it has to lose money for the sake of economy. All funds for the airports are provided from appropriations. Revenues are paid into miscellaneous receipts of the Treasury. * * * Management has little or no incentive vigorously to seek increased revenue, when the net effect is to deplete the amount of appropriations available for other purposes."

The report recommended the establishment of an Alaskan airport revolving fund to provide necessary flexibility.

The proposed section 11 in the draft would implement the recommendations of the Bureau of the Budget. The Department of Commerce concurs in the recommendation and urges early and favorable consideration by the Congress of the enclosed proposed legislation.

The Bureau of the Budget has advised us that it has no objection to the submittal of this proposal to Congress.

Sincerely yours,

SINCLAIR WEEKS,
Secretary of Commerce.

CIVIL USES OF ATOMIC ENERGY—AGREEMENT FOR COOPERATION WITH GOVERNMENT OF SPAIN

Mr. PASTORE. Mr. President, I ask unanimous consent to have printed in the RECORD, an agreement for cooperation with the Government of Spain, together

with accompanying correspondence. This is the unclassified power agreement for cooperation, signed on August 16, 1957, and received at the Joint Committee on August 16, 1957. It provides for the transfer of 500 kilograms of contained uranium 235.

There being no objection, the agreement was ordered to be printed in the RECORD, as follows:

UNITED STATES
ATOMIC ENERGY COMMISSION,
Washington, D. C., August 16, 1957.

Hon. CARL T. DURHAM,
Chairman, Joint Committee on Atomic Energy, Congress of the United States.

DEAR MR. DURHAM: Pursuant to section 123c of the Atomic Energy Act of 1954, as amended, there is submitted with this letter:

1. Three copies of an agreement for cooperation with the Government of Spain;

2. Three copies of a letter from the Commission to the President recommending approval of the proposed agreement;

3. Three copies of a letter from the President to the Commission approving the agreement, containing his determination that it will promote and will not constitute an unreasonable risk to the common defense and security; and his authorization to execute the proposed agreement.

The agreement for cooperation submitted with this letter will incorporate and supersede the agreement for cooperation concerning civil uses of atomic energy which was signed on July 19, 1955, between the two Governments, and will remain in force for a period of 10 years. It will broaden the scope of cooperation on matters relating to the development, design, construction, operation and use of research, experimental power, demonstration power, and power reactors; by providing for cooperation on health and safety problems related to the operation and use of such reactors; and by providing for cooperation on the use of radioactive isotopes and radiation in physical and biological research, medical therapy, agriculture, and industry. No restricted data will be exchanged under the agreement.

Article VI would permit the transfer of limited amounts of special nuclear materials, including U–235, U–233, and plutonium, for defined research projects related to the peaceful uses of atomic energy.

Article VIII of the agreement will permit the Commission to sell or lease, as may be agreed, to the Government of Spain uranium, enriched up to a maximum of 20 percent in the isotope U–235, except as noted below, in such quantities as may be agreed, for fueling defined reactor projects in Spain; provided, however, that the net amount of any uranium sold or leased during the period with a fuel load not to exceed 6 kilograms of contained U–235. The Commission at its discretion may make a portion of the foregoing 500 kilograms available as material enriched up to 90 percent for use in a materials testing reactor capable of operating with a fuel load not to exceed 6 kilograms of contained U–235 in uranium. The Spanish contemplate the purchase of a power reactor in 1958 or 1959, and a research reactor purchased from a United States firm will probably be delivered by the end of this year. As in the case of sale transactions, the agreement, in the event of lease, would permit the retention by the Government of Spain of special nuclear materials produced in fuel elements obtained from the United States. The quantity of uranium enriched in the isotope U–235 transferred to the Government of Spain for use as fuel in reactors will not at any time be in excess of the amount of material necessary to permit the efficient and continuous operation of the reactor or reactors while replaced fuel elements are radioactively cooling in Spain or while fuel elements are in transit.

The agreement provides that when any source or special nuclear material received from the United States requires reprocessing, such reprocessing will be performed by the Atomic Energy Commission in either Commission facilities, or in facilities acceptable to the Commission. In addition, article X of the agreement incorporates provisions designed to minimize the possibility that material or equipment transferred under the agreement would be diverted to nonpeaceful purposes. In article XII the parties affirm their interest in the International Atomic Energy Agency, and to this end express their willingness to reappraise the agreement in the light of the establishment of the Agency, upon the request of either party

The agreement will enter into force when the two governments have exchanged written notification that their respective statutory and constitutional requirements have been fulfilled.

Sincerely yours,

LEWIS L. STRAUSS,
Chairman.

Enclosures: (1) Three copies of agreement for cooperation with Spain; (2) three copies of AEC letter to President; (3) three copies of President's letter to Commission.

AUGUST 2, 1957.

The PRESIDENT,
The White House.

DEAR MR. PRESIDENT: The Atomic Energy Commission recommends that you approve the enclosed proposed agreement entitled: "Agreement for Cooperation Between the Government of the United States of America and the Government of Spain Concerning the Civil Uses of Atomic Energy," and authorize its execution.

The agreement has been negotiated by the Atomic Energy Commission and the Department of State pursuant to the Atomic Energy Act of 1954, as amended, and is, in the opinion of the Commission, an important and desirable step in advancing the development of the peaceful uses of atomic energy in Spain in accordance with the policy you have established. The agreement, which will extend for a period of 10 years, will broaden the scope of cooperation between Spain and the United States in fields related to the peaceful utilization of atomic energy by providing for cooperation on matters relating to the development, design, construction, operation and use of research, demonstration power, experimental power, and power reactors. It is expected that the parties will exchange information in other unclassified areas including health and safety problems related to the operation and use of such reactors.

Spain, if it desires to do so, may engage United States companies to construct research, demonstration power, experimental power, and power reactors, and private industry of the United States will be able, under this agreement, to render other assistance to Spain. The agreement contains all the guaranties prescribed by the Atomic Energy Act of 1954, as amended. No restricted data would be communicated under the agreement.

The agreement will permit the Commission to sell or lease, as may be agreed, to the Government of Spain, uranium enriched up to a maximum of 20 percent in the isotope U–235, except as noted below, in such quantities as may be agreed, for fueling defined reactor projects in Spain; provided, however, that the net amount of any uranium sold or leased, during the period of the agreement does not exceed 500 kilograms of contained U–235. The Commission, at its descretion, may make a portion of the foregoing 500 kilograms available as material enriched up to 90 percent for use in a materials testing reactor capable of operating with a fuel load not to exceed 6 kilograms of contained U–235 in uranium. At the present time it is expected that the U–235 to be transferred to Spain will be employed in a power demonstration reactor and in a research reactor. As in the case of sale transactions, in the event of lease, the agreement would permit the retention by the Government of Spain of special nuclear material produced in fuel elements obtained from the United States.

The quantity of uranium enriched in the isotope U–235 transferred to the Government of Spain for use as fuel in reactors will not at any time be in excess of the amount of material necessary for the full loading of each defined reactor project plus such additional quantity as, in the opinion of the Commission, is necessary to permit the efficient and continuous operation of the reactor or reactors while replaced fuel elements are radioactively cooling or, subject to Commission approval, are being reprocessed in Spain.

Article VI of the agreement would permit the transfer of limited amounts of special nuclear material, including U–235, U–233, and plutonium for defined research projects related to the peaceful uses of atomic energy.

Article VIII of the agreement provides that when any source or special nuclear material received from the United States requires reprocessing, such reprocessing will be performed either in Commission facilities or in facilities acceptable to the Commission. In addition, article X of the agreement incorporates provisions which are designed to minimize the possibility that material or equipment transferred under the agreement will be diverted to nonpeaceful purposes. In article XII the parties affirm their common interest in the International Atomic Energy Agency, and to this end express their willingness to reappraise the agreement in the light of the establishment of the Agency, upon the request of either party.

Following your approval and subject to the authorization requested, the agreement will be formally executed by the appropriate authorities of the Government of the United States of America and the Government of Spain and placed before the Joint Committee on Atomic Energy in compliance with section 123c of the Atomic Energy Act of 1954, as amended.

Respectfully,

———,
Chairman.

Enclosure: Agreement for cooperation with Spain.

Certified to be a true copy of the original:
A. L. GAMSON,
United States Atomic Energy Commission.
AUGUST 16, 1957.

THE WHITE HOUSE,
Washington, August 7, 1957.

The Honorable LEWIS L. STRAUSS,
Chairman, Atomic Energy Commission, Washington, D. C.

DEAR MR. STRAUSS: Under date of August 2, 1957, the Atomic Energy Commission recommended that I approve the proposed agreement entitled "Agreement for Cooperation Between the Government of the United States of America and the Government of Spain Concerning the Civil Uses of Atomic Energy."

The recommended agreement has been reviewed. The agreement will extend for a period of 10 years and no restricted data will be communicated under the proposed agreement.

The new agreement will broaden the scope of cooperation between Spain and the United States in fields related to the peaceful utilization of atomic energy by providing for cooperation on matters relating to the development, design, construction, operation and use of research, demonstration power, experimental power, and power reactors. The agreement also provides for the exchange of information in other unclassified areas

including health and safety problems related to the operation and use of such reactors.

Spain, if it desires to do so, may engage United States companies to construct research, demonstration power, experimental power, and power reactors, and private industry in the United States will be able, under the agreement, to render other assistance to Spain.

The agreement will permit the Commission to sell or lease, as may be agreed, to the Government of Spain uranium enriched up to a maximum of 20 percent in the isotope U–235, except as noted below, in such quantities as may be agreed, for fueling defined reactor projects in Spain; provided, however, that the net amount of any uranium sold or leased during the period of the agreement does not exceed 500 kilograms of contained U–235. It is expected that the U–235 to be transferred to Spain will be employed in a power demonstration and a research reactor and that the Commission at its discretion, may make a portion of the foregoing 500 kilograms available as material enriched up to 90 percent for use in a materials testing reactor capable of operating with a fuel load not to exceed 6 kilograms of contained U–235 in uranium. As in the case of sale transactions, in the event of lease, the agreement would permit the retention by the Government of Spain of special nuclear materials produced in fuel elements obtained from the United States.

The quantity of uranium enriched in the isotope U–235 transferred to the Government of Spain for use as fuel in reactors will not at any time be in excess of the amount of material necessary for the full loading of each defined reactor project plus such additional quantity as, in the opinion of the Commission, is necessary to permit the efficient and continuous operation of the reactor or reactors while replaced fuel elements are radioactively cooling or, subject to Commission approval, are being reprocessed in Spain.

Article VI of the agreement would permit the transfer of limited amounts of special nuclear material including U–235, U–233 and plutonium, for defined research projects related to the peaceful uses of atomic energy.

Article VIII provides that when any source or special nuclear material received from the United States requires reprocessing, such reprocessing will be performed either in Commission facilities, or in facilities acceptable to the Commission. In addition, article X of the agreement incorporates provisions which are designed to minimize the possibility that material or equipment transferred under the agreement will be diverted to nonpeaceful purposes.

In article XII the parties affirm their common interest in the International Atomic Energy Agency, and to this end express their willingness to reappraise the agreement in the light of the establishment of the Agency, upon the request of either party.

The Commission has expressed its opinion that the proposed agreement will be an important and desirable step in advancing the development of the peaceful uses of atomic energy in Spain and the agreement contains all of the guaranties prescribed by the Atomic Energy Act of 1954, as amended.

Pursuant to the provisions of section 123 of the Atomic Energy Act of 1954, as amended, and upon the recommendation of the Atomic Energy Commission, I hereby:

(1) Determine that the performance of the proposed agreement will promote and will not constitute an unreasonable risk to the common defense and security of the United States;

(2) Approve the proposed agreement for cooperation between the Government of the United States of America and the Government of Spain enclosed with your letter of August 2, 1957; and

(3) Authorize the execution of the proposed agreement for the Government of the United States of America by appropriate authorities of the United States Atomic Energy Commission and the Department of State.

Sincerely,

DWIGHT D. EISENHOWER.

Certified to be a true copy of originals.

A. L. GAMSON,

United States Atomic Energy Commission.

AUGUST 16, 1957.

AGREEMENT FOR COOPERATION BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF SPAIN CONCERNING CIVIL USES OF ATOMIC ENERGY

Whereas the Government of the United States of America and the Government of Spain, on July 19, 1955, signed an Agreement for Cooperation concerning the civil uses of atomic energy; and

Whereas such agreement provides that it is the hope and expectation of the parties that the initial Agreement for Cooperation will lead to consideration of further cooperation extending to the design, construction, and operation of power-producing reactors; and

Whereas the Government of Spain has advised the Government of the United States of America of its desire to pursue a research and development program looking toward the realization of peaceful and humanitarian uses of atomic energy including the design, construction, and operation of power-producing reactors; and

Whereas the Government of the United States of America desires to cooperate with the Government of Spain in such a program as hereinafter provided; and

Whereas the parties desire to supersede the Agreement for Cooperation signed on July 19, 1955, with this agreement which includes the new areas of cooperation;

The parties agree as follows:

ARTICLE I

For purposes of this agreement:

(a) "United States Commission" means the United States Atomic Energy Commission.

(b) "Spanish Junta" means the Junta de Energia Nuclear of the Government of Spain.

(c) "Equipment and devices" and "equipment or device" mean any instrument, apparatus, or facility and includes any facility, except an atomic weapon, capable of making use of or producing special nuclear material, and component parts thereof.

(d) "Person" means any individual, corporation, partnership, firm, association, trust, estate, public or private institution, group, government agency, or government corporation but does not include the parties to this agreement.

(e) "Reactor" means an apparatus, other than an atomic weapon, in which a self-supporting fission chain reaction is maintained by utilizing uranium, plutonium, or thorium, or any combination of uranium, plutonium, or thorium.

(f) "Restricted data" means all data concerning (1) design, manufacture, or utilization of atomic weapons; (2) the production of special nuclear materials; or (3) the use of special nuclear materials in the production of energy, but shall not include data declassified or removed from the category of restricted data by the appropriate authority.

(g) "Atomic weapon" means any device utilizing atomic energy, exclusive of the means for transporting or propelling the device (where such means is a separable and divisible part of the device), the principal purpose of which is for use as, or for development of, a weapon, a weapon prototype, or a weapon test device.

(h) "Special nuclear material" means (1) plutonium, uranium enriched in the isotope 233 or in the isotope 235, and any other material which the United States Commission determines to be special nuclear material; or (2) any material artificially enriched by any of the foregoing.

(i) "Source material" means (1) uranium, thorium, or any other material which is determined by either party to be source material; or (2) ores containing one or more of the foregoing materials, in such concentration as either party may determine from time to time.

(j) "Parties" means the Government of the United States of America and the Government of Spain, including the United States Commission on behalf of the Government of the United States of America and the Spanish Junta on behalf of the Government of Spain. "Party" means one of the above parties.

ARTICLE II

A. The Agreement for Cooperation signed on July 19, 1955, is superseded in its entirety on the day this agreement enters into force.

B. This agreement shall enter into force on the day on which each Government shall receive from the other Government written notification that it has complied with all statutory and constitutional requirements for the entry into force of such agreement and shall remain in force for a period of 10 years.

ARTICLE III

A. Restricted data shall not be communicated under this agreement, and no materials or equipment and devices shall be transferred and no services shall be furnished under this agreement if the transfer of any such materials or equipment and devices or the furnishing of any such service involves the communication of restricted data.

B. Subject to the provisions of this agreement, the availability of personnel and material, and the applicable laws, regulations, and license requirements in force in their respective countries, the parties shall assist each other in the achievement of the use of atomic energy for peaceful purposes.

C. This agreement shall not require the exchange of any information which the parties are not permitted to communicate because the information is privately owned or has been received from another government.

ARTICLE IV

Subject to the provisions of article III, unclassified information, including information in the specific fields set out below, shall be exchanged between the parties with respect to the application of atomic energy to peaceful uses, including research and development relating to such uses, and problems of health and safety connected therewith:

(a) The development, design, construction, operation, and use of research, demonstration power, experimental power, and power reactors;

(b) Health and safety problems related to the operation and use of research, demonstration power, experimental power, and power reactors;

(c) The use of radioactive isotopes and radiation in physical and biological research, medical therapy, agriculture, and industry.

ARTICLE V

The application or use of any information (including design drawings and specifications) and any material, equipment, and devices, exchanged or transferred between the parties under this agreement, shall be the responsibility of the party receiving it, and the other party does not warrant the accuracy or completeness of such information and does not warrant the suitability of such information, materials, equipment, and devices for any particular use or application.

ARTICLE VI

A. Research materials

Materials of interest in connection with defined research projects related to the peaceful uses of atomic energy as provided by article IV and under the limitations set forth in article III, including source materials, special nuclear materials, byproduct material, other radioisotopes, and stable isotopes, will be exchanged for research purposes in such quantities and under such terms and conditions as may be agreed when such materials are not available commercially. In no case, however, shall the quantity of special nuclear materials under the jurisdiction of either party, by reason of transfer under this article, be, at any one time, in excess of 100 grams of contained U–235, 10 grams of plutonium, and 10 grams of U–233.

B. Research facilities

Subject to the provisions of article III, and under such terms and conditions as may be agreed, and to the extent as may be agreed, specialized research facilities and reactor materials testing facilities of the parties shall be made available for mutual use consistent with the limits of space, facilities, and personnel conveniently available, when such facilities are not commercially available.

ARTICLE VII

It is contemplated that, as provided in this article, private individuals and private organizations in either the United States of America or Spain may deal directly with private individuals and private organizations in the other country. Accordingly, with respect to the subjects of agreed exchange of information as provided in article IV, persons under the jurisdiction of either the Government of the United States of America or the Government of Spain will be permitted to make arrangements to transfer and export materials, including equipment and devices, to, and perform services for, the other government and such persons under its jurisdiction as are authorized by the other government to receive and possess such materials and utilize such services, subject to:

(a) The limitations in article III;

(b) Applicable laws, regulations, and license requirements of the Government of the United States of America and the Government of Spain.

ARTICLE VIII

A. The Commission will sell or lease, as may be agreed, to the Government of Spain uranium enriched up to 20 percent in the isotope U–235, except as otherwise provided in paragraph C of this article, in such quantities as may be agreed in accordance with the terms, conditions, and delivery schedules set forth in contracts for fueling defined research, experimental power, demonstration power, and power reactors which the Government of Spain, in consultation with the Commission, decides to construct or authorize private organizations to construct in Spain and as required in experiments related thereto: *Provided, however,* That the net amount of any uranium sold or leased hereunder during the period of this agreement shall not exceed 500 kilograms of contained U–235. This net amount shall be the gross quantity of contained U–235 in uranium sold or leased to the Government of Spain during the period of this agreement less the quantity of contained U–235 in recoverable uranium which has been resold or otherwise returned to the Government of the United States of America during the period of this agreement or transferred to any other nation or international organization with the approval of the Government of the United States of America.

B. Within the limitations contained in paragraph A of this article, the quantity of uranium enriched in the isotope U–235 transferred by the Commission under this article and in the custody of the Government of Spain shall not at any time be in excess of the amount of material necessary for the full loading of each defined reactor project which the Government of Spain or persons under its jurisdiction decide to construct and fuel with fuel obtained from the United States of America, as provided herein, plus such additional quantity as, in the opinion of the Commission, is necessary to permit the efficient and continuous operation of such reactor or reactors while replaced fuel elements are radioactively cooling or, subject to the provisions of paragraph E, are being reprocessed in Spain, it being the intent of the Commission to make possible the maximum usefulness of the material so transferred.

C. The Commission may, upon request and in its discretion, make a portion of the foregoing special nuclear material available as material enriched up to 90 percent for use in a materials testing reactor, capable of operating with a fuel load not to exceed 6 kilograms of contained U–235 in uranium.

D. It is understood and agreed that although the Government of Spain may distribute uranium enriched in the isotope U–235 to authorized users in Spain, the Government of Spain will retain title to any uranium enriched in the isotope U–235 which is purchased from the Commission at least until such time as private users in the United States of America are permitted to acquire title in the United States of America to uranium enriched in the isotope U–235.

E. It is agreed that when any source or special nuclear material received from the United States of America requires reprocessing, such reprocessing shall be performed at the discretion of the Commission in either Commission facilities or facilities acceptable to the Commission, on terms and conditions to be later agreed; and it is understood, except as may be otherwise agreed, that the form and content of any irradiated fuel elements shall not be altered after their removal from the reactor and prior to delivery to the Commission or the facilities acceptable to the Commission for reprocessing.

F. With respect to any special nuclear material not owned by the Government of the United States of America produced in reactors fueled with materials obtained from the United States of America which is in excess of Spain's need for such materials in its program for the peaceful uses of atomic energy, the Government of the United States of America shall have and is hereby granted (a) a first option to purchase such material at prices then prevailing in the United States of America for special nuclear material produced in reactors which are fueled pursuant to the terms of an agreement for cooperation with the Government of the United States of America, and (b) the right to approve the transfer of such material to any other nation or international organization in the event the option to purchase is not exercised.

G. Special nuclear material produced in any part of fuel leased hereunder as a result of irradiation processes shall be for the account of the Government of Spain and after reprocessing as provided in paragraph E hereof shall be returned to the Government of Spain, at which time title to such material shall be transferred to that Government unless the Government of the United States of America shall exercise the option, which is hereby accorded, to retain with appropriate credit to the Government of Spain any such special nuclear material which is in excess of the needs of the Government of Spain for such material in its program for the peaceful uses of atomic energy.

H. Some atomic energy materials which the Government of Spain may request the Commission to provide in accordance with this agreement are harmful to persons and property unless handled and used carefully. After delivery of such materials to the Government of Spain, the Government of Spain shall bear all responsibility, insofar as the Government of the United States of America is concerned, for the safe handling and use of such materials. With respect to any special nuclear materials or fuel elements which the Commission may, pursuant to this agreement, lease to the Government of Spain or to any private individual or private organization under its jurisdiction, the Government of Spain shall indemnify and save harmless the Government of the United States of America against any and all liability (including third party liability) for any cause whatsoever arising out of the production or fabrication, the ownership, the lease, and the possession and use of such special nuclear materials or fuel elements after delivery by the Commission to the Government of Spain or to any authorized private individual or private organization under its jurisdiction.

ARTICLE IX

As may be necessary and as may be mutually agreed in connection with the subjects of agreed exchange of information as provided in article IV, and under the limitations set forth in article III, and under such terms and conditions as may be mutually agreed, specific arrangements may be made from time to time between the parties for lease, or sale and purchase, of quantities of materials, other than special nuclear material, greater than those required for research, when such materials are not available commercially.

ARTICLE X

A. The Government of the United States of America and the Government of Spain emphasize their common interest in assuring that any material, equipment, or device made available to the Government of Spain pursuant to this agreement shall be used solely for civil purposes.

B. Except to the extent that the safeguards provided for in this agreement are supplanted, by agreement of the parties as provided in article XII, by safeguards of the International Atomic Energy Agency, the Government of the United States of America, notwithstanding any other provisions of this agreement, shall have the following rights:

1. With the objective of assuring design and operation for civil purposes and permitting effective application of safeguards, to review the design of any—

(i) reactor, and

(ii) other equipment and devices the design of which the United States Commission determines to be relevant to the effective application of safeguards,

which are to be made available to the Government of Spain or any person under its jurisdiction by the Government of the United States of America or any person under its jurisdiction, of which are to use, fabricate, or process any of the following materials so made available: Source material, special nuclear material, moderator material, or other material designated by the United States Commission.

2. With respect to any source or special nuclear material made available to the Government of Spain or any person under its jurisdiction by the Government of the United States of America or any person under its jurisdiction and any source or special nuclear material utilized in, recovered from, or produced as a result of the use of any of the following materials, equipment, or devices so made available—

(i) source material, special nuclear material, moderator material, or other material designated by the United States Commission,

(ii) reactors,

(iii) any other equipment or devices designated by the United States Commission as an item to be made available on the condition that the provisions of this subparagraph B2 will apply,

(a) to require the maintenance and production of operating records and to request

and receive reports for the purpose of assisting in insuring accountability for such materials; and

(b) to require that any such material in the custody of the Government of Spain or any person under its jurisdiction be subject to all of the safeguards provides for in this article and the guaranties set forth in article XI.

3. To require the deposit in storage facilities designated by the United States Commission of any of the special nuclear material referred to in subparagraph B2 of this article which is not currently utilized for civil purposes in Spain and which is not purchased or retained by the Government of the United States of America pursuant to article VIII of this agreement, transferred pursuant to article VIII, paragraph F (b) of this agreement, or otherwise disposed of pursuant to an arrangement mutually acceptable to the parties.

4. To designate, after consultation with the Government of Spain, personnel who, accompanied, if either party so requests, by personnel designated by the Government of Spain, shall have access in Spain to all places and data necessary to account for the source and special nuclear materials which are subject to subparagraph B2 of this article to determine whether there is compliance with this agreement and to make such independent measurements as may be deemed necessary.

5. In the event of noncompliance with the provisions of this article or the guaranties set forth in article XI, and the failure of the Government of Spain to carry out the provisions of this article within a reasonable time, to suspend or terminate this agreement and to require the return of any materials, equipment, and devices referred to in subpapagraph B 2 of this article.

6. To consult with the Government of Spain in the matter of health and safety.

C. The Government of Spain undertakes to facilitate the application of the safeguards provided for in this article.

ARTICLE XI

The Government of Spain guarantees that:

(a) Safeguards provided in article X shall be maintained.

(b) No material, including equipment and devices, transferred to the Government of Spain or authorized persons under its jurisdiction pursuant to this agreement, by lease, sale, or otherwise, will be used for atomic weapons or for research on or development of atomic weapons or for any other military purposes, and that no such material, including equipment and devices, will be transferred to unauthorized persons or beyond the jurisdiction of the Government of Spain except as the United States Commission may agree to such transfer to another nation or an international organization, and then only if in the opinion of the United States Commission such transfer falls within the scope of an agreement for cooperation between the United States of America and the other nation or international organization.

ARTICLE XII

The Government of the United States of America and the Government of Spain affirm their common interest in the International Atomic Energy Agency, and to this end:

(a) The parties will consult with each other, upon the request of either party, to determine in what respects, if any, they desire to modify the provisions of this Agreement for Cooperation. In particular, the parties will consult with each other to determine in what respects and to what extent they desire to arrange for the administration by the International Atomic Energy Agency of those conditions, controls, and safeguards including those relating to health and safety standards required by the Agency in connection with similar assistance rendered to a cooperating nation under the aegis of the Agency.

(b) In the event the parties do not reach a mutually satisfactory agreement following the consultation provided in paragraph (a) of this article, either party may by notification terminate this agreement. In the event this agreement is so terminated, the Government of Spain shall return to the United States Commission all source and special nuclear materials received pursuant to this agreement and in its possession or in the possession of persons under its jurisdiction.

In witness whereof, the parties hereto have caused this agreement to be executed pursuant to duly constituted authority.

Done at Washington, in duplicate, in the English and Spanish languages, both texts being equally authentic, this 16th day of August 1957.

For the Government of the United States of America:

JOHN WESLEY JONES,
(Acting Assistant Secretary of State for European Affairs),
LEWIS L. STRAUSS,
United States Atomic Energy Commission.

For the Government of Spain:

JOSE M. AREILZA,
Ambassador of Spain.

Certified to be a true copy.

A. L. GAMSON,
United States Atomic Energy Commission.

AUGUST 16, 1957.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. SMATHERS:

Address entitled "A Time for Decision in Foreign Policy," delivered by Senator MANSFIELD to the convention on the Montana State Press Association, at Great Falls, Mont., on August 17, 1957.

RELIEF LEGISLATION FOR THE LEAD AND ZINC INDUSTY

Mr. MANSFIELD. Mr. President, the Senate and House are entering the final days of this first session of the 85th Congress and, as we all know, there will be a rush to put through many bills of both limited and extensive importance. Before Congress adjourns it is imperative that action be taken on relief legislation for the domestic lead and zinc industry. It would be disastrous to this mining industry if such legislation were lost in the last minute rush. We cannot wait until the next session of Congress.

The distinguished chairman, the senior Senator from Virginia [Mr. BYRD], and the other members of the Senate Committee on Finance, are to be commended for taking the initiative and amending H. R. 6894, a bill dealing with the tariff on mica, to include a provision which would impose a 3-cents-per-pound import duty on lead and zinc.

I sincerely hope that the Senate will act expeditiously on this bill so that it can go to conference. It is of the utmost importance to the economy of mining areas in this country that relief legislation be enacted at this session of Congress.

Mr. President, I ask unanimous consent that a number of telegrams and a letter be printed at this point in the RECORD. These communications come from many of those interested in the welfare of this industry, and commend the recent action taken by the Senate Finance Committee.

There being no objection, the communications were ordered to be printed in the RECORD, as follows:

BUTTE, MONT., *August 17, 1957.*

Senator MIKE MANSFIELD,
Senate Office Building,
Washington, D. C.:

Butte Chamber of Commerce endorses the action of the Senate Finance Committee in reference to establishing a flat 3-cent lead and zinc tax on imports of lead and zinc. Thousands of Montana miners have lost their jobs as a result of the unfair competition resulting from foreign imports of these metals. The administration bill as submitted to House Ways and Means Committee totally inadequate for lead and zinc industry. Will appreciate any help you can give the industry.

LARRY SMITH,
President.

PHILIPSBURG, *Mont., August 18, 1957.*

Senator MIKE MANSFIELD,
Senate Office Building,
Washington, D. C.:

We of Philipsburg Local No. 24, Mine, Mill, and Smelter Workers, wish to commend you for your efforts on mineral bill and also 3 percent for higher tariff to elevate the serious condition of unemployment in Montana, which is growing day by day. Our sincere congratulations to all of your colleagues in this matter.

FRED SUPERNEAU,
Recording Secretary,
Philipsburg Local No. 24.

HELENA, MONT., *August 17, 1957.*

Senator MIKE MANSFIELD,
Washington, D. C.:

Proposal of Senate Finance Committee for a 3-cent tariff on lead and zinc should receive your full support. Policy of Government in letting in foreign lead and zinc practically duty free has driven the lead and zinc industries to the wall and unless something is done we will have no production of these metals and no new sources of supply will be opened up.

C. E. PEW.

HELENA, MONT., *August 17, 1957.*

Senator MIKE MANSFIELD,
Washington, D. C.:

Montana Chamber of Commerce endorses action Senate Finance Committee in connection with 3-cent lead-zinc tax bill. Administration bill as submitted House Ways and Means Committee inadequate. Statewide loss of mine employment estimated at 2,000 with no relief in sight. Strongly urge your consideration for inventive program.

BILL BROWNING,
Montana Chamber of Commerce.

ANACONDA, MONT., *August 17, 1957.*

Senator MIKE MANSFIELD,
Senate Building,
Washington, D. C.:

We of the Anaconda Mill and Smeltermen's Union want to commend you in your efforts on the lead-zinc tariff bill. It is our feeling there should be at the very least a 3-cent tariff to help alleviate the serious situation here and in other sections of Montana

where the unemployment has begun and is mounting day by day. Keep up the good work.

ANACONDA MILL AND SMELTERMEN'S UNION, LOCAL 117, INTERNATIONAL UNION OF MINE MILL AND SMELTERWORKERS.

MISSOULA, MONT., *August 17, 1957.*

Senator MIKE MANSFIELD,
Senate Office Building,
Washington, D. C.:

Our association endorses the action of Senate Finance Committee in connection with 3-cent lead and zinc tax bill which is very necessary to sustain industry in this area. Administration bill as submitted to House Ways and Means Committee will not suffice. Will appreciate any help you can give the industry.

WESTERN MONTANA MINING ASSOCIATION,
A. J. MOSBY, *Secretary.*

BUTTE, MONT., *August 17, 1957.*

Senator MIKE MANSFIELD,
Senate Office Building,
Washington, D. C.:

Heartily endorse action of Senate Finance Committee in connection with 3-cent lead and zinc tax bill which is very necessary to sustain industry. Administration bill as submitted to House Ways and Means Committee completely inadequate for lead and zinc industry will appreciate any help you can give the industry.

W. G. MALONEY,
Mining Association of Montana.

GREAT FALLS, MONT., *August 18, 1957.*

Senator MIKE MANSFIELD,
Senate Office Building,
Washington, D. C.:

Members here quite in your support in sponsorship of lead and zinc bill. Imperative that no less than 3-cent tax be imposed. Unemployment conditions here in lead and zinc mining has bleak outlook unless some remedy is passed. Business people and workers in these communities are deeply concerned. With the whole support of officers and members of Local 16, International Union of Mine Mill and Smelter Workers.

PERRY SEATON, *President.*

HELENA, MONT., *August 17, 1957.*

Senator MIKE MANSFIELD,
Senate Office Building,
Washington, D. C.:

We urge your support on the tariff lead zinc bill. This tariff bill should not be less than 3 cents. This is needed to keep employment up in metals mining industry of the State of Montana. The unemployment has risen 40 percent in metals and mining industry in the State of Montana.

JOHN J. FONK,
President, East Helena Mine Mill Smelter Workers.

PHILIPSBURG, MONT., *August 17, 1957.*

Senator MIKE MANSFIELD,
Senate Office Building,
Washington, D. C.:

Action taken by Senate Finance Committee on lead zinc tax yesterday greatly needed to save domestic industry. Any help by you will be greatly appreciated.

ROY MCLEOD,
Manager, Trout Mining Division of American Machine & Metals, Inc.

BUTTE, MONT., *August 18, 1957.*

Senator MIKE MANSFIELD,
Senate Office Building,
Washington, D. C.:

Montana lead zinc producers are forced to close down their operations due to unfair competition resulting from the importation of immense quantities of these metals from low-wage foreign countries. Therefore the 3-cent lead zinc tax bill passed by the Senate Finance Committee will afford us at least partial relief. Please do all in your power to get this legislation passed at this session. The administration bill as submitted to the House Ways and Means Committee is totally inadequate for the lead and zinc industry.

JAMES A. ALLEN,
President, Lexington Silver Lead, Inc., Neihart, Mont.

BUTTE LODGE NO 88,
INTERNATIONAL ASSOCIATION OF MACHINISTS,
BUTTE, MONT., *August 12, 1957.*

Senator MIKE MANSFIELD,
United States Senate,
Washington, D. C.

DEAR SENATOR MANSFIELD: The membership of Butte City Lodge No. 88, International Association of Machinists, urge you to advocate and vote for a tariff on copper, zinc, and lead which is being imported to the United States from foreign countries.

Yours truly,

ALAN S. LYLE,
Recording Secretary.

THE MUTUAL SECURITY PROGRAM—EDITORIAL COMMENT

Mr. SMITH of New Jersey. Mr. President, in line with the apprehensions some of us expressed last week with regard to the appropriations for our mutual security program, I ask unanimous consent to have printed in the body of the RECORD some editorials which appeared over the weekend, and which certainly are relevant to the pending discussions. I hope sincerely that the Senate Appropriations Committee, which is meeting today and tomorrow, will be able to offset some of the great harm that has been done throughout the world by the House action. Any letdown by the Free World now will threaten the security of all of us.

These editorials appeared in the Washington Star of Friday, August 16; the Washington Post of Saturday, August 17; the New York Herald Tribune of August 17; and the New York Times of Sunday, August 18.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Washington Star of August 16, 1957]

DAMNED IF HE DOES

The President now has an opportunity to reflect on the unhappy plight of the man who was damned if he did—and damned if he didn't. For Mr. Eisenhower, sometimes denounced by his critics for failing to exercise strong leadership, is now under fire for attempting to dictate to Congress.

The fire has not been especially heavy or especially damaging. But there is no mistaking its intent and its target.

Mr. Eisenhower called his first special news conference Wednesday afternoon to announce that he would have to call Congress back into special session this fall if foreign aid funds should be cut appreciably below the $3.3 billion authorized figure. He insisted that this should not be interpreted as a threat, so perhaps it can be called a serving of notice.

Whatever it may be called, it did not fall on receptive ears on Capitol Hill. Speaker RAYBURN said the President's warning was unwise. Senator MANSFIELD said it was inadvisable. Minority Leader JOHNSON said he would not like to think that any man (in the Senate) would be influenced in his judgment by a suddenly called news conference. And so on.

But what is a President to do? Should he wait until after Congress has cut the appropriation, and then come forward with a futile criticism of the cut or a too-late appeal for restoration of the funds? It may be that the timing of the President's statement will hurt his case in a resentful Congress. Certainly the irresponsible slash which the House has made in the funds suggests as much. Nevertheless, we think Mr. Eisenhower did the right thing at the right time. His bid to save the appropriation should have been made before, not after, it had been dangerously reduced. If he had kept quiet, had he not spoken out in behalf of a program in which he deeply believes, then he would have been justly subject to criticism for letting the battle go by default.

We happen to believe that the President is correct in his belief that the security of the United States and of the Free World will be endangered if the foreign aid fund, the great bulk of which is for military aid, should be substantially reduced. Obviously, the House does not agree. Nor do a number of Senators, whose sincerity is not open to question. There should be no ruffled feelings among these gentlemen, however, merely because the President has served notice that he will call Congress back in special session if the funds are insufficient. Unquestionably, Congress has the right and the duty to make whatever appropriation it deems proper. But the President also has a right and a duty—to speak out in timely fashion against what Senator SMITH of New Jersey has called economy gone mad.

[From the Washington Post of August 17, 1957]

UNFUNNY COMEDY

If the House vote to gut foreign aid funds was a comedy of errors, it was a comedy at the expense of the national interest. Perhaps in the confusion nothing could have been done to stop the disemboweling that seemed to have the fervor of a lynching bee. But it surely was a strange reversal of position for large numbers of House Democrats to be hellbent on tearing apart a program which they had long supported stanchly, while the noted Republican economizer, Representative TABER, was commendably leading a fight to restore lopped funds. Paradoxically the drive to slash more than $800 million out of the $3.3 billion authorized by the House only hours earlier did not prevent members from voting $5 million more for Guatemala on little more justification than the call for a gesture of friendship.

Why did it happen? For one thing, there apparently was resentment over what some Members considered a threat by President Eisenhower to call a special session of Congress this fall if the program were seriously cut. Perhaps Mr. Eisenhower's tactics were ill-advised in the circumstances. But Members cannot have matters both ways. They cannot consistently demand that the President speak out and use the prestige of his office in support of programs in the national interest, and then lambaste him when he does so. What Mr. Eisenhower said about the vital need for an adequate mutual security program was the simple truth.

For another thing, Members of Congress undoubtedly have been receiving heavy mail complaining about foreign aid. Some of this mail probably was inspired by the administration's earlier equivocal performance on the budget. In any event, lack of popular understanding of the importance of the program scarcely can salve the consciences of Congressmen who do or should understand

it. Perhaps what is needed is more stress on the concept of mutual security rather than of foreign aid which is too easily portrayed as a giveaway. The United States gets value received for its money in terms of defense and economic stability abroad; and indeed much of the money actually is spent in this country.

Then there probably was pique among some Democrats over the administration's past tactics. It is true that in previous years the administration made a big show of economy by relying on unexpended balances and letting the pipeline become depleted. When it became necessary to replenish the pipeline there was a temptation to throw the predicament back in the administration's face. But as Democratic Representative EUGENE MCCARTHY noted, the real call was for the Democrats to remember what they had said in the past and vote consistently with it.

Not all the blame belongs on one side. Representative FLOOD and some other Democrats fought hard alongside Republican leaders to restore perspective; and a number of Republicans voted against the President on the cuts. Some of the trouble arose from misunderstanding over amounts in the pipeline. Representative PASSMAN, who led the ax-wielders, did not approach the matter blindly, but he exhibited no imagination or sympathy for objectives. Perhaps friends of the program might have fought harder in the Appropriations Committee where the real work is done; it is unusual for the House to override a committee recommendation. In any event, the net result is a whipping slash of one-third off what the President originally requested.

Assuredly the world will not come to an end because the House has acted irresponsibly. The mutual security program will continue on the new funds and on previous appropriations. But the cuts will certainly make it more difficult to administer the program intelligently and may indeed invite waste and lack of confidence abroad. Whether or not a special session is called, a deficiency appropriation may well be necessary, and that will mean no real saving. Let us hope that the Senate will take heed at the House performance. Thursday was not a day of which the House can be proud.

[From the New York Herald Tribune of August 17, 1957]

FALSE ECONOMY

The House, in one of those aberrations that seem to seize legislative bodies when adjournment draws near, has slashed the mutual security program of the United States to ribbons. After authorizing a program totaling $3,367,083,000 on Wednesday, on Thursday it refused to appropriate more than $2,524,760,000 in new money and confined the whole program to $3,191,800,000, including unspent funds.

The authorization measure, a compromise between House and Senate versions of the bill, was already half a billion dollars short of what President Eisenhower had requested. Signing it, the President took the unusual step of calling a special press conference to underline his fears that this cut would have "serious" effects and his "prayerful hope" that the act would enable his Government "to sustain the essential interests of the United States in the Free World." That the House could, the very next day, make a bad matter much worse shows a lack of responsibility on the part of that body.

There is no use, at this time, in assessing all the elements that went into the debacle. The administration undoubtedly contributed to it, in part through open dissensions among Cabinet members over the size of the budget, in part through the failure of the President, in person or by deputy, to fight for the mutual security program early enough, in part through the changes of front on military spending in the Defense Department budget. But this does not relieve the House of the onus of slashing the mutual security funds in the teeth of warnings from almost everyone who knows what these funds mean to the United States and the Free World.

There are two ways in which the program can be salvaged. One is by firm Senate action, concurred in by the House. The other is by a special session. The President has said quite plainly that he will watch the overseas situation carefully and "whenever for lack of money the United States interests become placed in real jeopardy, at that moment I would have no recourse except to call a special session."

The House made its cuts in the name of economy. It is attempting to practice false economy, since for every dollar saved in this manner, much blood and treasure might have to be spent. As the President said: "Here is the cheapest money we can spend, as long as we are talking about getting security for the United States." The House majority—the Republicans put up a good fight for the President's plan—may prefer to get security the hard way, in isolation, but that is not what the American people have voted for in any election since World War II. The mutual security program must go forward, with all the money needed to do the job.

[From the New York Times of August 18, 1957]

GAMBLING WITH SECURITY

In the face of President Eisenhower's repeated warnings, the House of Representatives has now slashed the mutual security program, or so-called foreign aid, to the point of making it a mere pawn in a reckless gamble with our own national security and world peace. It did so when a strange majority of diverse elements in it succeeded in cutting the actual appropriation of new funds for the program to $2,524,760,000 for the new fiscal year. This is $1,340,000,000 below what President Eisenhower had requested as a rock-bottom figure and even $809,650,000 below the compromise sum authorized by both House and Senate only a few days ago. A carryover of previously authorized funds brings the available total to $3,191,810,000. But that does not reduce the cuts, and unless the House cuts are removed or reduced by the Senate, the whole program will be put in jeopardy.

The consequences of such a folly are not hard to visualize. The mutual security program is an integral part of both our foreign and defense policies designed to aid them in stemming Communist expansion and preserving the Free World as essential conditions for our own freedom and welfare. For this purpose we have undertaken to give economic aid to free nations, in particular the underdeveloped areas of the world, in order to enable them to grow strong economically and thereby erect psychological bulwarks against Communist penetration. For the same purpose we have extended military aid to such nations in order to enable them to build up their own defenses against Communist aggression, especially along the world's danger lines in Asia and in Europe.

In thus aiding other nations, as the responsible elements in them gratefully acknowledge, we have acted in keeping with our own highest ideals beyond anything the world has ever known, and no temporary frictions or resentments can obliterate this fact. But we have also been fortunate in that, in serving our ideals, we have also been able to serve our own best interests.

The economic foreign aid, contrary to general impression, has not been so much in dollars as in export of our goods, which helps both to expand our markets abroad and to support our own prosperity. And our military aid has helped to develop local defense forces which help defend not only their own nations but also the United States at far less cost than we could possibly provide a like defensive strength at home. As President Eisenhower has pointed out, an investment of $17 billion in military aid during the past 8 years has bought us $107 billion worth of additional Free World defense by the efforts of other nations, which is a bargain indeed.

These local forces assume added importance in view of the new strategy which no longer relies on massive retaliation alone to avert or win a world war but seeks to cope with the possibility of little local wars. In such local wars, the local forces could be decisive, and any reduction in them would have to be compensated by increased American forces not only at far greater cost in money but perchance also in American blood. For lack of adequate local forces the Korean war cost us more than $18 billion and 135,000 casualties, and the Congressmen voting for the mutual security cuts take the risk of making their savings at a similar cost in the future.

What is perhaps most reprehensible in the House action is that the cuts were made not on the basis of careful analysis of actual requirements but on the basis of log-rolling and meat-ax tactics. The rising neo-isolationism, especially in the South; the drive for economy, albeit a false economy in this instance; the budget muddle and just plain politics undoubtedly contributed to the result. But that all these factors could combine to produce this result is a warning both to our allies and to ourselves.

It is warning to our allies that the American public is beginning to weary of carrying so large a share of the Free World defense burden and now expects them to assume a bigger share of it. That goes especially for Germany and Japan. But it is also a warning to all free nations, including ourselves, that if we all weary of the burden or seek to shift it to shoulders unable to bear it we stand in danger of facilitating a Soviet victory in the cold war and unleashing a new Soviet aggressiveness which could burst into the flames of a hot war. That is why the mutual security cuts must be eliminated to avert a psychological snowballing effect that could lead to the disaster the program is designed to avert.

TENTH ANNIVERSARY OF INDEPENDENCE OF INDIA AND PAKISTAN

Mr. SMITH of New Jersey. Mr. President, on the 10th anniversary of the emergence of India and Pakistan as independent nations, I am glad to join with other Senate colleagues in extending my very best wishes to these new, courageous countries. All of us are gratified beyond measure that the people of these two countries have now attained their freedom, independence, and self-determination, and that in spite of the difficulties which have beset them, they are maintaining their goal of freedom with determination and an inspiring faith.

The importance of India and Pakistan in the world picture cannot be overestimated. With Communist China behind the Iron Curtain, any wavering by these two great friends of the United States might well mean an all-Communist Asia. This would be a definite threat, not only to the security and peace of the world, but also to the survival of human freedom.

If these two countries are to succeed on the road to which their democratic institutions are now pointing, their own

efforts must be supported by the encouragement and assistance of all free countries.

Mr. President, it seems to me that the course of the United States must be clear in accepting responsibility for leadership at this critical period in the great worldwide struggle between slavery and freedom.

In this connection, Mr. President, I ask unanimous consent that an editorial entitled "A 10th Anniversary," from the New York Times of August 15; and one entitled "Ten Years of Independence," from the Washington Post of the same date, be printed in the body of the RECORD at the conclusion of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Times of August 15, 1957]

A 10TH ANNIVERSARY

India and Pakistan are celebrating today the 10th anniversary of their emergence as independent states. It is a day for congratulation and good wishes to both. It is also a day upon which to commend the wise and flexible policy on the part of Great Britain that made such a development possible.

These 10 years have been stormy. The first throes of partition brought about a horrible blood bath on the Indian subcontinent. Each of these new nations was born in terrible human tragedy. It will take a long time to erase, finally, the scars of that conflict.

But if the beginnings were inauspicious, the progress that has been made in both countries has been remarkable. The frequently predicted collapse, in one country or both, did not take place. Instead each has assumed a responsible and highly useful place in the family of nations. Each has had to come to grips with formidable economic problems and in each there has been a resolute will to effect their solution. Political progress, on the other hand, has been conspicuous. Really free governments have been set up. The right of opposition has been maintained and fostered. Democracy in the Free World has gained.

Considering the depth of the original cleavage, the degree of accommodation that has been reached is better than could have been expected. The situation today is vastly different from what it was 10 years ago. Responsible persons in both countries are determined to exert their utmost efforts to find peaceful and reasonable solutions for the vexing problems that are still outstanding.

These are large. The issue of the disposition of Kashmir is still the sorest point at contest between the two countries, and recent progress in that field has not been satisfactory, despite the good offices of the United Nations. The vital question of water rights and a division of water supply is still hanging fire, but some progress has been made. On smaller points, transfer of property, opening of frontiers and general frendly adjustments, the gains are great.

What we look forward to now, hopefully, therefore, is a second decade of independence for each of these countries in which many of these problems can be solved to the satisfaction of both. The Pakistanis, of their own free will, have become our allies in several important fields of defense. The Indians have chosen to take a somewhat more aloof course, but they have this Nation's continued and renewed friendship. We wish to put pressure to bear upon neither. We hope to be the stanch friend of both.

This is a day upon which well done can be said. It is also a day to hope that even more can be accomplished.

[From the Washington Post of August 15, 1957]

TEN YEARS OF INDEPENDENCE

When we look back at our own history in the fitful decade after independence, it is easier to appreciate the uncertainties that have affected India and Pakistan in their first 10 years as free and sovereign nations. That India and Pakistan have survived and flourished, and that they have managed to improve their living standards even slightly, is a tribute to hardiness and perseverance of which they can be proud.

Partition solved, or partially solved, one problem—that of religious differences—at the expense of creating or continuing others. Refugees have been a major concern. Normal trade patterns have been altered and the artificial division has encouraged economic nationalism. The cankerous Kashmir dispute and the Indus River waters controversy—which lamentably divert attention and resources from more productive use—stem directly from partition. Nevertheless, partition is an irreversible fact.

Pakistan's policy since independence has been perhaps easier for Americans to understand than has India's. In part this derives from the fact that Pakistani leaders have sought to westernize and modernize their Moslem culture, in part from the fact that Pakistan has allied herself with the United States in military pacts. The effusive attention paid this alliance has tended to obscure some of Pakistan's political and economic deficiencies. The separation of east and west Pakistan by 1,200 miles of Indian territory has in itself created great economic and psychological handicaps. Pakistan's programs of agricultural and industrial improvement, though impressive, are far from sufficient, and the country subsists in considerable measure through American aid. And although the republic to its credit has adopted a constitution, it has yet to hold the promised general election or to develop real political stability.

India, by contrast, has shunned alliances, and Prime Minister Nehru has often been criticized for neutralism. This in turn has obscured some of India's substantial progress in creating a secular state, holding two free elections, abolishing the caste system, and launching a village improvement program. India's foreign policy is explicable in terms of her geographical and economic position. She is engaged in an enormous rivalry with Communist China to provide a better life for her people, and the success or failure of free methods in this rivalry with totalitarianism will have a vast impact on the future of Asia. In Mr. Nehru's view, India cannot afford to take sides against her northern neighbor.

This rivalry, and the fact that India's nearly 400 million people make her the world's second most populous nation, give crucial importance to her efforts to lift herself by her bootstraps. India's second 5-year plan, which already has produced useful industrial dividends, may have been overly ambitious in concept, particularly in the amount of reliance on foreign capital. Yet, especially because of India's pride and real efforts at self-help, extraordinary attention is warranted in this country to see that she gets the public and private assistance she needs. Because of the precarious margin of existence, shortfallings in either India or Pakistan can be extremely serious; the monumental struggle is to increase food and industry faster than the expansion of population.

In both countries there is a premium on intelligent leadership. Prime Minister Suhrawardy in Pakistan has political skill, but the political system does not yet have roots and the dangers of disintegration remain. Mr. Nehru has a great personal hold in India and the Congress Party contains many able men, but what will happen when this dominant personality relinquishes his active role is not at all clear. India needs a vigorous loyal opposition that can by no means be furnished by the Communists who are ever ready to turn to quicker authoritarian means.

Apart from congratulations to both countries on this 10th anniversary of independence, what is required from the United States perhaps even more than continued help is a hard look at the long-range realities. This means consideration of more than what we merely want to see and hear. It means appreciation of the importance of the people of these two nations to the Free World, and a willingness to keep this importance foremost when misunderstandings arise. For their part, India and Pakistan could give extra meaning to their anniversary by rededicating themselves to solutions of their enervating differences over Kashmir and the Indus waters—solutions that recognize the necessity for face-saving on both sides.

RETIREMENT OF ADM. ARTHUR W. RADFORD

Mr. SMITH of New Jersey. Mr. President, Adm. Arthur William Radford, Chief of Staff of the Navy, and Chairman of the Joint Chiefs of Staff, one of the brilliant personalities in the history of our Navy, and one of the outstanding naval strategists of World War II, has just retired from active service. All of us are eager to applaud his great achievement for his country and for the world; and while his retirement comes as a well-deserved relaxation at this time in his career, he goes with the great regrets of many of us who have come to know him personally.

I have had the extreme privilege of knowing him well and on occasions, of working with him on matters affecting our national defense.

In 1949, accompanied by Mrs. Smith, I visited the Far East on a special mission of investigation for the Foreign Relations Committee. On our way to Japan, we stopped, going and coming, in Honolulu. Pearl Harbor was Admiral Radford's headquarters as Commander in Chief of the United States Fleet in the Pacific. We first came to know him there; but we also met him on subsequent trips, and especially a year or two later when he was in command of the Philippine and Formosa area, with his headquarters still in Honolulu. He became Chairman of the Joint Chiefs of Staff in 1953, after General Eisenhower became President.

On our first visit in 1949, I had the great privilege of gaining some of my first impressions of the then-existing problems of the Far East from conferences with Admiral Radford and members of his staff in Honolulu. Almost immediately at the beginning of our acquaintanceship, I realized his breadth of vision and his able grasp of the responsibilities growing out of our Far Eastern policies. He and General MacArthur, whose headquarters were in Tokyo, had close personal relationships with the naval problems of the Pacific area; and I realized Admiral Radford's understanding of the menace of Moscow in the China problem. He sized up the Russian infiltration into China as a conquest of that great country by subversive methods, and he was one of the first to

make it clear that there could be no compromise or coalition with the Red influences in China.

I have always felt the highest degree of confidence in his judgment as Chairman of our Joint Chiefs of Staff, and have relied on his convictions as to our needs in our year-by-year mutual security programs.

Entirely aside from what might be called our professional relations, Mrs. Smith and I have enjoyed the personal friendship of Admiral and Mrs. Radford; and both of us express to them not only our deep appreciation of their wonderful service to our country and to the world, but also our appreciation of the personal interest they have always shown in their friends. We value deeply their friendship, and we wish for them the maximum of happiness and worthwhile accomplishments in the days that lie ahead.

CONFIRMATION OF CERTAIN NOMINATIONS

Mr. MANSFIELD. Mr. President, as in executive session I move that the Senate proceed to the consideration of the nominations on the Executive Calendar, beginning with the new reports.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEE ON ARMED SERVICES

Mr. CASE of South Dakota. Mr. President, from the Committee on Armed Services, I report favorably the nominations of 21 major generals for permanent appointment in the Regular Army, 2 major generals and 2 brigadier generals for temporary appointment in the Army, and 1 major general and 1 brigadier general for promotion as Reserve commissioned officers in the Army. I also report favorably the name of Rear Admiral Thomas G. W. Settle, United States Navy, to be placed on the retired list with the rank of vice admiral and the names of 25 captains for temporary promotion to the grade of rear admiral in the Navy. I ask that these names be placed on the Executive Calendar.

The VICE PRESIDENT. Without objection, the nominations will be placed on the Executive Calendar.

Maj. Gen. Ira Kenneth Evans, and sundry other officers, for appointment in the Regular Army of the United States;

Brig. Gen. Lloyd Roosevelt Moses, and sundry other officers, for temporary appointment in the Army of the United States;

Brig. Gen. Robert Ernest Frankland, National Guard of the United States, and Col. Clarence Birnie Johnson, Jr., National Guard of the United States, for promotion as Reserve commissioned officers of the Army;

Rear Adm. Thomas G. W. Settle, United States Navy, when retired, to be placed on the retired list with the rank of vice admiral; and

James M. Farrin, Jr., and sundry other officers, for temporary promotion in the Navy.

Mr. CASE of South Dakota. In addition to the above, I report favorably a group of 787 appointments and promotions in the Regular Air Force, all in the grade of captain and below. In order to save the expense of printing on the executive calendar, I ask unanimous consent that they be ordered to lie on the Vice President's desk for the information of any Senator.

The VICE PRESIDENT. Without objection, the nominations will lie on the desk, as requested by the Senator from South Dakota.

The nominations ordered to lie on the desk are as follows:

Richard T. Durkee, and sundry other officers, for appointment in the Regular Air Force; and

John P. Darby, Jr., and sundry other officers, for promotion in the Regular Air Force.

The VICE PRESIDENT. Without objection, the nominations on the calendar, beginning with the new reports, will be stated.

DEPARTMENT OF DEFENSE

The Chief Clerk read the nomination of Neil Hosler McElroy, of Ohio, to be Secretary of Defense.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

DEPARTMENT OF STATE

The Chief Clerk read the nomination of James H. Smith, Jr., of Colorado, to be Director of the International Cooperation Administration, Department of State.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

DEPARTMENT OF LABOR

The Chief Clerk read the nomination of John J. Gilhooley, of New York, to be Assistant Secretary of Labor.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

MUNICIPAL COURT FOR THE DISTRICT OF COLUMBIA

The Chief Clerk read the nomination of John Lewis Smith, Jr., of the District of Columbia, to be associate judge, municipal court for the District of Columbia, for a term of 10 years.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

THE PUBLIC HEALTH SERVICE

The Chief Clerk proceeded to read sundry nominations in the Public Health Service.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations in the Public Health Service be considered en bloc.

The VICE PRESIDENT. Without objection, these nominations will be considered en bloc; and, without objection, they are confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified forthwith of all nominations confirmed today.

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

ANNOUNCEMENT OF CALL OF THE CALENDAR ON TUESDAY

Mr. KNOWLAND. Mr. President, let me say to the distinguished acting majority leader that I understand that on tomorrow, Tuesday, according to the plan, the calendar of measures to which there is no objection will be called.

Mr. MANSFIELD. That is correct.

Mr. KNOWLAND. In that connection, of course the two calendar committees are to be notified.

Mr. MANSFIELD. That is correct.

NOTICE OF CONSIDERATION OF LEAD AND ZINC LEGISLATION

Mr. MANSFIELD. Mr. President, after a conference with the distinguished minority leader, and with his full concurrence, I wish to anounce to the Senate that after the call of the calendar is concluded tomorrow, the proposed legislation dealing with the imposition of an excise tax on lead and zinc, reported by the Committee on Finance, will be taken up for consideration. I think Senators ought to know that. The bill is important to different sections of the country. In this way, notice is being served that at the conclusion of the call of the calendar tomorrow, the lead and zinc bill will be brought to the attention of the Senate for consideration.

THE RAID ON DIEPPE

Mr. COOPER. Mr. President, I rise to pay tribute to the brave men who took part in the raid on Dieppe 15 years ago today.

Of the 6,000 men who landed at Dieppe, France, at 5 o'clock that morning, only 2,000 were taken off the beaches 8 hours later.

The force which landed was comprised mainly of Canadians, and the Canadians sustained a loss of 3,373 men.

In 1942, the Allied Forces were being pressed to open a second front in Europe. It was decided after long and careful planning to carry out a raid on the French seaport of Dieppe in order that the Allies might test the permanent defense emplacements manned by well-trained German troops with strong firepower.

Without Dieppe, no accurate appraisal could have been made of the factors which would be involved in a full-scale invasion. The information gained from the Dieppe raid was of great value to Allied victory on the Normandy beachheads.

Costly though this operation was, as Lieutenant General Crerar—GOC 1st Canadian Corps—stated:

The casualties sustained in the raid were part of the price paid for knowledge that enabled the great operation of 1944 to be carried out at a cost in blood smaller than even the most optimistic had ventured to hope for.

To all those who dared the venture, and especially to our neighbors, the Canadians who displayed at Dieppe their traditional valor, I pay a thankful tribute, joined, I am sure, by the people of this Nation.

INCREASING COMPETITION IN UNDERWRITING OF PUBLIC REVENUE BONDS

Mr. WILEY. Mr. President, on July 8, I arranged for the publication in the CONGRESSIONAL RECORD of a printed debate, as published in the magazine of the National Association of County Officials, on the issue of a significant bill offered by the junior Senator of Pennsylvania [Mr. CLARK]. This bill would permit commercial banks to participate in underwriting of public revenue bonds.

I stated at that time that I was looking forward to receiving the reactions of interested folks in my own and other States on this issue.

A good many reactions have now come in.

Illustrating such reactions on the part of municipal officials was a letter which I received from Virgil H. Hurless, comptroller of the city of Milwaukee.

He pointed out that recently that great city sold $10 million in waterworks-mortgage revenue bonds, of the type which would be affected by the Clark bill. And he added:

> It has always been my opinion that additional competition for the purchase of this type of bond could conceivably result in lower interest rates to the municipality issuing them.

Therefore, the office of the comptroller favors the enactment of this legislation; and so does the American Municipal Association and the League of Wisconsin Municipalities.

We are all aware, I believe, that cities across the Nation are exceedingly hard pressed financially to catch up with the enormous demands of their expanding populations for additional services.

Under these circumstances, I believe that the views expressed by the Common Council of the City of Milwaukee, as adopted in a resolution in June of this year, will be of interest. I now send the resolution to the desk.

I ask unanimous consent that the resolution be printed in the body of the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Resolution favoring participation by commercial banks in the underwriting and sale of revenue bonds

Whereas the Congress of the United States has before it a proposal to permit commercial banks to deal and trade in municipal revenue bonds; and

Whereas the Banking Act of 1933 presently forbids the dealing in such bond issues by commercial banks; and

Whereas this type of legislation, if passed, would serve to broaden competition for revenue-bond financing and would probably have the further result of decreasing interest rates on such bonds; and

Whereas the city of Milwaukee is contemplating the issuance of $10 million in waterworks mortgage revenue bonds during 1957, an equal amount in 1958, and subsequent issuances for such purposes over the next 15 years which may amount to more than $36 million additional; and

Whereas the American Municipal Association has repeatedly requested the Congress to amend section 51.36 of the Revised Statutes of the United States to authorize commercial banks to participate in such financing in competition with other financial institutions: Now, therefore, be it

Resolved by the Common Council of the City of Milwaukee, That it inform the Congressmen and Senator from Wisconsin that it favors the passage of such legislation to permit commercial banks to deal and trade in public revenue bonds.

I hereby certify that the foregoing is a copy of a resolution adopted by the common council of the city of Milwaukee on June 25, 1957.

STANLEY J. WITKOWSKI,
City Clerk.

LETTER WRITTEN ON JANUARY 19, 1956, TO CLATSOP COUNTY, OREG., COMMITTEE FOR PROTECTION OF FOREIGN-BORN

Mr. NEUBERGER. Mr. President, on August 16, 1957, the House Committee on Un-American Activities released a report which reproduced, at page 45, a letter written by me on January 19, 1956, to Mrs. Kathleen Ruuttila, secretary of the Clatsop County Committee for Protection of the Foreign-Born. Clatsop County is located in northwestern Oregon.

The letter which I addressed to Mrs. Ruuttila was in answer to a communication that she had sent to me under date of January 4, 1956, regarding revision of the McCarran-Walter Immigration Act and reduction of the age at which women become eligible for social security.

Mr. President, let me state this emphatically for the RECORD. My office receives approximately 150 letters a day when Congress is in session. We try our best to answer each letter from the State of Oregon, in full recognition of the constitutional right of the people to petition their elected representatives. Writers of some letters which I receive are members of organizations that hold views which are diametrically opposed to my own. Yet I believe that they are entitled to an answer. Nor do I feel that, by replying, I am endorsing the positions taken by the organization—or individual—involved. I write to persons in Oregon who favor the administration's partnership power policy. Although this fact is common knowledge, critics of my stand on comprehensive river development do not take this as an indication that I have suddenly accepted the administration's waterpower program. In addition, I have engaged in extended correspondence on matters of importance to Oregon with people who stumped the State making extremely critical speeches against me during the 1954 election campaign. I do not apply any test of agreement or conformity when I answer mail.

However, Mr. President, I willingly accept responsibility for the substantive contents of what I have written in the letter of January 19, 1956, which was reproduced in the report of the House Un-American Activities Committee.

Let us analyze that letter briefly. In the letter I told why I was cosponsoring and supporting Senate bill 1206 of the 84th Congress. This was a bill to revise the McCarran-Walter Act. There were 12 other Senator sponsors besides myself. These included Senators Lehman, Green, Humphrey, Kefauver, Kennedy, Langer, Magnuson, McNamara, Morse, Murray, Pastore, and Chavez. Of course, any person would be proud to be enumerated in that list of Members of the Senate, and I share such pride.

Mr. President, I hope it has not become un-American to suggest that the McCarran-Walter Act requires revision in the name of justice, fairness, humanity and the longstanding heritage of our country. In the event that any such notion prevails, I should like to cite the fact that the President of the United States—as well as a great many Members of both the Senate and House—believe our immigration code needs a complete and thorough overhaul. In addition, I have long been active in urging that our gates be opened to unfortunate refugee orphans in quest of sanctuary.

In the second portion of my letter of January 19, 1956, I told why I believe the social-security retirement age for women annuitants should be lowered from 65 to 62 and perhaps down to the age of 60.

Mr. President, I am proud of my leadership in the Senate in this vital realm of human welfare. If I am not mistaken, I introduced the first Senate measure which sought as its goal to enable women to retire at a younger age than 65. On January 18, 1955, I introduced S. 521 of the 84th Congress, which reduced the social-security qualifying age for women from 65 to 60. Many other Senators of both the Democratic and Republican Parties later introduced similar bills, patterned after mine.

I am happy to report that the 84th Congress took some beneficial action in this respect, although not all that we might have liked. It lowered the social-security retirement age for women to 62, although on a sliding scale of benefits rather than with full benefits. In this Congress I have introduced S. 498 for Senator MORSE and myself, to achieve a retirement age at 60 with full benefits for female annuitants.

I have thus gone into some detail, Mr. President, so that I may analyze fully the political views which I expressed in the letter of January 19, 1956, which was reproduced by the House Un-American Activities Committee. I stand behind what I said in that letter about the need for revising the McCarran-Walter Immigration Act and about lowering the social-security age for women.

Mr. President, I ask unanimous consent to include with these brief remarks in the RECORD a message dated January 31, 1957, in which the President of the United States, Dwight D. Eisenhower, urged upon us extensive and thorough revisions of the McCarran-Walter Act. This should serve to demonstrate that it is not unpatriotic to take the position which I have held on this issue.

I also ask unanimous consent to include in the RECORD my article in the November 1955 issue of Eagle magazine entitled "Begin Women's Benefits at the

Age of 60," which amplifies my views and attitude on this important topic covered in my letter, plus the text of Mrs. Ruuttila's letter of January 4, 1956, from Astoria, Oreg., and my answer, dated January 19, 1956.

There being no objection, the matters referred to were ordered to be printed in the RECORD, as follows:

ASTORIA, OREG., *January 4, 1955.*

Hon. RICHARD NEUBERGER,
United States Senate,
Senate Office Building,
Washington, D. C.

DEAR SENATOR NEUBERGER: I appreciated your sending me some time ago a copy of the bill to revise the Nationality Act of 1952 (Walter-McCarran law), and would like very much to have another copy at this time. The first copy is now in use by one of the Astoria unions.

I would also appreciate any information your office can send me as to the present status of this bill and how it may have been affected by the hearings before the Senate Judiciary Committee which began on November 21. A great many people here are grateful to you for your support of this measure, and it is our sincere hope that the unjust Walter-McCarran law will be erased from the statute books in 1956.

I was very much interested in the report, in a special story by Washington Correspondent A. Robert Smith in today's Oregonian that you plan to seek a reduction in the age requirement for women applying for social security. This would be of considerable importance locally, where so many women of past middle age are forced to work in the fish canneries in order to live. Since the main industries here are deep-sea fishing and logging, it could be demonstrated, I believe, that these being such hazardous occupations there are more widows per capitawise in Clatsop County than in any other section of the State. These women have to work, and do so even when their doctors have advised them not to. In the past year several women died of heart attacks in the canneries or shortly after returning home from work. I regret that there is not more publicity in the local paper, the Astorian Budget about your position on social-security liberalization.

Sincerely,

KATHLEEN RUUTTILA,
Secretary, Clatsop County Committee for Protection of Foreign Born (Unaffiliated).

JANUARY 19, 1956.

Mrs. KATHLEEN RUUTTILA,
Secretary, Clatsop County Committee for Protection of Foreign Born, Astoria, Oreg.

DEAR MRS. RUUTTILA: I am glad that you support S. 1206, the bill to revise the Walter-McCarran Act, of which I am co-sponsor. Under separate cover, I are sending you the additional copy as you requested, along with the copy of the Walter-McCarran Act.

The Subcommittee on Immigration of the Senate Judiciary Committee expects to hold additional hearings on this bill later this month. I shall be pleased to send you a copy of the transcript of these hearings as soon as they become available, which will be sometime after March 1. It is impossible to predict at this time the recommendations that this committee may report to the Senate, but you may be assured that I shall support such legislation which is designed to liberalize this unfair and inequitable law.

I enclose a copy of my bill (S. 521) which proposes to lower the eligibility age for women under social security from 65 to 60. This bill is now before the Senate Committee on Finance, along with the legislation passed by the House of Representatives during the last session of Congress which would lower the retirement age for women from 65 to 62. I plan to testify before this committee concerning my bill, and, at that time, I shall be pleased to inform the committee of your views on this matter. If the bill recommended by the committee lowers the age for women to only 62, it will be a step forward and you may be assured that I shall continue my efforts to have the eligibility age for women under social security lowered to 60.

You may enjoy reading the enclosed copy of my article which appeared in the Eagles magazine about social security for women.

With best wishes, I am,

Sincerely,

RICHARD L. NEUBERGER,
United States Senator.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES RELATIVE TO IMMIGRATION MATTERS

(DOC. NO. 85, 85TH CONG., 1ST SESS.)

To the Congress of the United States:

The eyes of the Free World have been fixed on Hungary over the past 2½ months. Thousands of men, women, and children have fled their homes to escape Communist oppression. They seek asylum in countries that are free. Their opposition to Communist tyranny is evidence of a growing resistance throughout the world. Our position of world leadership demands that, in partnership with the other nations of the Free World, we be in a position to grant that asylum.

Moreover, in the 4½ years that have elapsed since the enactment of the Immigration and Nationality Act, the practical application of that law has demonstrated certain provisions which operate inequitably and others which are outmoded in the world of today.

Prompt action by the Congress is needed looking toward the revision and improvement of that law.

EMERGENCY LEGISLATION

Last October the people of Hungary, spontaneously and against tremendous odds, rose in revolt against Communist domination. When it became apparent that they would be faced with ruthless deportation or extinction, a mass exodus into Austria began. Fleeing for their lives, tens of thousands crossed the border into Austria seeking asylum. Austria, despite its own substantial economic problems, unselfishly and without hesitation received these destitute refugees. More than 20 nations have expressed their willingness to accept large numbers of them.

On November 8, I directed that extraordinary measures be taken to expedite the processing of 5,000 Hungarian visa applications under the provisions of the Refugee Relief Act. On November 19, the first of this group departed from Vienna for the United States. By November 29, it had become clear that the flight of Hungarian men, women, and children to gain freedom was assuming major proportions.

On December 1, I directed that above and beyond the available visas under the Refugee Relief Act—approximately 6,500 in all—emergency admission should be granted to 15,000 additional Hungarians through the exercise by the Attorney General of his discretionary authority under section 212 (d) (5) of the Immigration and Nationality Act; and that, when these numbers had been exhausted, the situation be reexamined.

On December 12, I requested the Vice President to go to Austria so that he might inspect, firsthand, the tragic situation which faced the refugees. I also appointed a President's Committee for Hungarian Refugee Relief to assure full coordination of the work of the voluntary agencies with each other and with the various Government agencies involved.

On January 1, 1957, following his return to the United States, the Vice President made a personal inspection of our reception center at Camp Kilmer and then reported to me his findings and recommendations. He reported that the people who had fled from Hungary were largely those who had been in the forefront of the fight for freedom. He concluded that "the countries which accept these refugees will find that, rather than having assumed a liability, they have acquired a valuable national asset."

Most of the refugees who have come to the United States have been admitted only temporarily on an emergency basis. Some may ultimately decide that they should settle abroad. But many will wish to remain in the United States permanently. Their admission to the United States as parolees, however, does not permit permanent residence or the acquisition of citizenship. I believe they should be given that opportunity under a law which deals both with the current escapee problem and with any other like emergency which may hereafter face the Free World.

First, I recommend that the Congress enact legislation giving the President power to authorize the Attorney General to parole into the United States temporarily under such conditions as he may prescribe escapees, selected by the Secretary of State, who have fled or in the future flee from Communist persecution and tyranny. The number to whom such parole may be granted should not exceed in any 1 year the average number of aliens who, over the past 8 years, have been permitted to enter the United States by special acts of Congress outside the basic immigration system.

Second, I urge the Congress promptly to enact legislation giving the necessary discretionary power to the Attorney General to permit aliens paroled into the United States, who intend to stay here, to remain as permanent residents. Consistent with existing procedures, provision should be made for submission of the cases to Congress so that no alien will become a permanent resident if it appears to the Congress that permanent residence in his case is inappropriate. Legislation of this type would effectively solve the problem of the Hungarian escapees who have already arrived and, furthermore, would provide a means for coping with the cases of certain Korean orphans, adopted children, and other aliens who have been granted emergency admission to this country and now remain here in an indefinite status. This should be permanent legislation so that administrative authorities are in a position to act promptly and with assurance in facing emergencies which may arise in the future.

QUOTA SYSTEM

The Immigration and Nationality Act of 1952, essentially a codification of the existing law, retained the national origins quota system established in 1924. In the more than a quarter of a century since that time experience has demonstrated a need to reexamine the method laid down in the law for the admission of aliens. I know that Congress will continue to make its own study of the problems presented, taking into consideration the needs and responsibilities of the United States. There are, however, certain interim measures which should be immediately taken to remove obvious defects in the present quota system.

First, the quota should be based on the 1950 census of population in place of the 1920 census. An annual maximum of 154,857 quota immigrants is now provided, using the 1920 census. I believe that the economic growth over the past 30 years and present economic conditions justify an increase of approximately 65,000 in quota numbers.

Second, an equitable distribution of the additional quota numbers should be made.

Under the present system a number of countries have large unused quota numbers while other countries have quotas regularly oversubscribed. I recommend that the additional quota numbers be distributed among the various countries in proportion to the actual immigration into the United States since the establishment of the quota system in 1924 and up to July 1, 1955.

Third, quota numbers unused in 1 year should be available for use in the following year. Under existing law if a quota number is not used during the year it becomes void. In my view Congress should pool the unused quota numbers for Europe, Africa, Asia, and the Pacific oceanic area. Those numbers should be distributed during a 12-month period on a first-come, first-serve basis without regard to country of birth within the area. However, I recommend that these unused quota numbers be available only to aliens who qualify for preference status under existing law—persons having needed skills or close relatives in the United States.

Fourth, the so-called mortgage on quotas resulting from the issuance of visas under the Displaced Persons Act and other special acts should be eliminated. Visas issued under these acts were required to be charged against the regular immigation quota with the result that quotas in some instances are mortgaged far into the future. I recommend that the mortgages so created be eliminated, consistent with the action of Congress when it enacted the Refugee Relief Act of 1953, which provided for special nonquota visas.

Fifth, the Congress should make provisions in our basic immigration laws for the annual admission of orphans adopted or to be adopted by American citizens. Experience has demonstrated that orphans admitted under earlier special legislation have successfuly adjusted to American family life. It also has revealed that there are many Americans eager to adopt children from abroad.

ADMINISTRATIVE RELIEF FOR HARDSHIP CASES

The large and ever-increasing mass of immigration bills for the relief of aliens continues to place an unnecessary burden upon the Congress and the President. Private immigration laws in recent years have accounted for more than one-third of all enactments, both public and private. Like any other enactment, each case must be separately examined and studied as to its merits by the Congress and the President. The problem presented is usually a determination whether hardships and other factors in the particular case justify an exception from the ordinary provisions of the immigration laws. These determinations could be effected without resort to legislation if the necessary administrative authority is provided. I recommend that the Attorney General be granted authority, subject to such safeguards as Congress may prescribe, to grant relief from exclusion and expulsion to aliens having close relatives in this country, to veterans, and to functionaries of religious organizations. Generally these are the classes of cases which have been favorably regarded by Congress because of the hardship involved.

TECHNICAL AMENDMENTS

In addition to the quota revisions, experience under existing immigration law has made it clear that a number of changes should be made in the Immigration and Nationality Act of 1952. Some provisions create unnecessary restrictions and limitations upon travel to the United States while others inflict hardships upon aliens affected. I have made a number of proposals for amendments; with some minor modifications, I renew those recommendations and call attention here to certain of them.

One of the obstacles to travel, and a hindrance to the free exchange of ideas and commerce, is the requirement in the present law that every alien who applies for a visa or whom comes to the United States without a visa but remains for as much as 30 days be fingerprinted. In some foreign countries fingerprinting is regarded with disfavor. Lacking any significant contribution to our national safety and security, the law should be amended to eliminate the requirement of fingerprinting for aliens coming to the United States for temporary periods.

I further recommend an amendment to the law to permit aliens traveling from one foreign country to another, passing merely in transit through the United States, to go through this country without undergoing inspection and examination, and without complying with all the standards for admission. This would eliminate hardships to the traveler, loss of good will, and much expense to the transportation companies.

The laws should be amended to eliminate the necessity for immigration officers to inspect and apply all grounds of exclusion to aliens seeking admission to the mainland of the United States from Alaska and Hawaii. These Territories are part of the United States and aliens who have entered or are present in them are subject to all the provisions of the law. If any were deportable before arriving on the mainland their deportable status continues.

I recommend the repeal of that provision in the law which requires aliens to specify their race and ethnic classification in visa applications.

A large number of refugees, possibly thousands, misrepresented their identities when obtaining visas some years ago in order to avoid forcible repatriation behind the Iron Curtain. Such falsification is a mandatory ground for deportation and in respect to these unfortunate people some relief should be granted by the Congress.

Inequitable provisions relating to the status under the immigration laws of Asian spouses, and of adopted and other children, should be rectified.

Alien members and veterans of our Armed Forces who have completed at least 3 years of service are unable to apply for naturalization without proof of admission for permanent residence. I recommend that this requirement be eliminated in such cases, and that the naturalization law applicable to such persons be completely overhauled.

While the present law permits adjustment of status to permanent residence in the cases of certain aliens, it is unnecessarily restrictive as to aliens married to United States citizens. Adjustment is forbidden if the alien has been in the United States less than 1 year prior to his marriage. This results in the disruption of the family and causes unnecessary expense to the alien who is forced to go abroad to obtain a nonquota visa. It is my recommendation that the requirement of 1 year's presence in the United States before marriage be repealed.

JUDICIAL REVIEW

I have previously called the attention of the Congress to the necessity for a strengthening of our laws in respect to the aliens who resort to repeated judicial reviews and appeals for the sole purpose of delaying their justified expulsion from this country. Whatever the ground for deportation, any alien has the right to challenge the Government's findings of deportability through judicial process. This is as it should be. But the growing frequency of such cases brought for purposes of delay, particularly those involving aliens found to be criminals and traffickers in narcotics and subversion, makes imperative the need for legislation limiting and carefully defining the judicial process.

I have asked the Attorney General to submit to the Congress legislative proposals which will carry into effect these recommendations.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *January 31, 1957.*

[From the Eagle of November 1955]

BEGIN WOMEN'S BENEFITS AT THE AGE OF 60

(By Hon. RICHARD L. NEUBERGER, United States Senator from Oregon)

If a married couple is to retire adequately under our social-security system, both husband and wife should be drawing benefits to assure an American standard of living. Furthermore, many single women find it increasingly difficult to continue in good jobs past the age of 60.

These facts lurk in the background of an impending fundmental change in our social-security structure, which may occur during the next 12 months. It would be a change affecting millions of people—and undoubtedly for the better. Its basic purpose is simple and direct—to reduce the social security qualifying age for women from 65, where it is at present, to 60.

Already a bill has passed the House of Representatives lowering the age for women to 62. It probably will be enacted into law when the United States Senate convenes again in January of 1956. This is only the first setup. Many lawmakers believe the age of 62 still would be too high. Such influential Members of Congress as LYNDON B. JOHNSON, of Texas, the Senate majority leader, and JERE COOPER of Tennessee, chairman of the House Ways and Means Committee, are on record in favor of retirement at 60 for women.

In my opinion, the reasons for this reform are so compelling that the first major bill which I introduced as a Member of the Senate was one to change the social-security age for women from 65 to 60. A number of other Senators soon introduced identical measures, with the assurance that they shared my views on the subject.

What are those views?

Under existing social-security rules, no wife of a retired worker can qualify for benefits until she reaches 65. Yet, in most family situations, the husband's retirement benefits cannot properly keep the couple in food, clothing, shelter, and medical care. In the great majority of these families, the wife is from 4 to 7 years younger than her husband. This is revealed by the fact that, although less than one-fifth of the married men who attain 65 have a wife of the same age or older, more than half of these men have a wife who has reached the age of 60.

I am informed that many male workers do not retire until several years after their 65th birthday. This means that a reduction to 60 of the age requirement for wife's benefits will permit the wives of approximately 75 percent of the married men who claim retirement status to receive wife's benefits, too, when their husbands retire.

Some of this may appear to be technical, but what does it all add up to? One social-security check is generally not enough for husband and wife. If the woman could qualify at the same time as her spouse, this economic hardship might be eliminated. Because most wives are younger than their mates, this can only be accomplished by allowing the wife to qualify for benefits at a lower age than her husband.

Of course, single women have a direct stake in this change also. Many women aged 60 or over find it virtually impossible to get a job unless they have been recently employed. Single women, aged widows, and aged dependent mothers of deceased workers therefore should likewise be able to qualify for benefits at 60. If the age requirement for women were lowered to 60, about two-fifths of the workers' widows without minor

children in their care would be eligible for these benefits immediately.

Because the Eagles were the first great national group to undertake a crusade for social security and old-age assistance, this reform should interest most Eagles throughout the Nation. It is a change which would help to ease life's strains and perils in elderly years not only for many women, but also for their families and husbands.

Since I introduced my bill (S. 521) to lower the social-security age for women from 65 to 60, enough letters and other information have cascaded across my desk to convince me that innumerable members of the distaff sex in the United States do not fare well economically when they are past the age of three score years.

For example, the noted economic analyst, Sylvia F. Porter, wrote recently: "If you're a man over 45 or a woman over 35 looking for a job even in this cycle of rising employment, you're facing an uphill struggle. No matter what your skills or experience, the odds are you'll go through some agonizing interviews before you get settled."

The help-wanted ads in the newspapers make abundantly clear what Miss Porter is writing about. When clerks or stenographers or typists are wanted, the stipulation often closes with "must not be over 35." It is not only the artists' models and stage dancers who must be young. Many business and industrial firms seem reluctant to hire women who are even remotely approaching middle age.

Gertrude Houk Fariss, the national chairman of the status of women committee of the American Association of University Women, has announced that the problem is one of growing gravity. Mrs. Fariss, herself a school principal, believes the discrimination against older women has intruded into the realm of education.

"Although there is no rule against accepting women who are older than the ages of 40 or 45," explains Mrs. Fariss, "we find, for example, that women past those years are not encouraged to earn higher degrees. I know of one, now a very successful physician, who had real trouble when—at 45—she decided to enter the field of medicine. She had great difficulty gaining admittance both to a medical school and to internship."

Actuarial statistics of insurance companies disclose that the average American women can expect to live to an older age than her husband. Female longevity is now greater. This means that the Nation is populated by a considerable number of widows. Suppose a working man has died at 65. His widow, who likely will be some years younger than her husband, has to wait 5 or 10 years before she can draw one penny of all the money which her husband had contributed through the years to the social-security system.

This patently is not fair. What is the widow to do until she attains the qualifying age? She herself may not have worked for many years. What sort of position can she obtain? How many women in later years are physically or psychologically capable of performing the drudgery of chambermaid work or toiling in a laundry? A man's widow may be forced to prove her poverty and to ask for public assistance, in order to carry her through a waiting period of 5 or 10 years. Meanwhile her late husband's substantial contributions lie idle in the social security fund.

The average social-security benefits per person may possibly reach $60 a month in 1956, or about $720 a year. Yet the Government estimates of the entirely modest living costs for an elderly couple made in 1950, when prices were lower than they are now, ranged from $1,602 in New Orleans to $1,908 in Milwaukee. The average was about $1,750.

How can we ask any elderly couple to subsist on the husband's social security retirement alone? It simply cannot be done. Even with the benefits of the husband and wife combined, the total will be in the neighborhood of only $1,440—a fine start toward security in old age but definitely not sufficient for a comfortable way of life.

Informal estimates which I have sought from the Social Security System indicate that the cost of benefits for the retirement of wives, widows, and working women at 60 instead of 65 would amount to 1 percent of the total national payroll. This would require one-half of 1 percent more from workers, and one-half of 1 percent more from employers. I understand that both of our large trade-union groups, the American Federation of Labor and the Congress of Industrial Organizations, have announced the willingness of their members to shoulder this extra burden.

More than 5 years ago the Advisory Council on Social Security endorsed a reduction to 60 of the retirement age for women. Dr. Arthur J. Altmeyer, first director of the social security system, holds a similar belief. Indeed, no other single basic change in social security commands such widespread support.

The year 1955 has marked the 20th anniversary of the signing into law of the Social Security Act itself. On August 14, 1933, Franklin D. Roosevelt put his pen to one of the most beneficial and far-reaching statutes ever enacted in America, announcing as he did so, "It represents a cornerstone in a structure that is being built but is by no means complete—a structure intended to lessen the force of possible future depressions."

F. D. R. knew well the lessons of history. That is why he implied social security would undergo many fundamental changes. He recalled that even our Federal Constitution had to be revised, soon after its adoption, by the addition of the first 10 amendments which we know as the Bill of Rights. President Roosevelt was aware that social security, for all its bright hopes, would require revision to keep it apace of changing needs in an everchanging world.

As the poet Lowell once wrote:

"New occasions teach new duties,
Time makes ancient good uncouth."

Logic and science dictate that the social security qualifying age for members of the female sex should be lowered to 60. I believe this change would be a fitting way in which to commemorate the second full decade of the existence in the United States of our social security program.

(EDITOR'S NOTE.—Eagle Senator NEUBERGER's bill for lowering from 65 to 60 the age at which women may qualify for old age and survivors insurance benefits was introduced into the Senate on January 18. Those who cosponsored the bill, many of whom are Eagles, were Senators MORSE, HILL, HUMPHREY, MAGNUSON, MANSFIELD, MCNAMARA, SPARKMAN, KEFAUVER, JACKSON, and MURRAY. Two others later introduced identical bills—POTTER and WILEY.)

EMERGENCY FUNDS FOR DISASTER AREAS

Mr. COOPER. Mr. President, I hope the Senate will approve, and the conferees will sustain, the committee amendment to H. R. 9131 providing $25 million to meet the emergency conservation needs of rural areas recently struck by floods and other natural disasters.

Kentucky is one of the States which has suffered serious farm damage this year from excessive rainfall and floods. Unless the destruction of established conservation measures on thousands of farms is promptly repaired, this damage will be multiplied and compounded. For this reason, I was glad to join with my colleagues from the southwestern States similarly affected, several of them even more seriously than Kentucky, in presenting to the Appropriations Committee the nature and extent of this damage and the urgent need for rehabilitation measures to return the damaged land to productive agricultural use.

In late January, eastern Kentucky was struck with the most devastating flood in the history of that area. More recently, western Kentucky has been subjected to widespread and extensive, if less dramatic, farm damage. I have already described to the committee the nature of the problems which many Kentucky farmers face today as a result of these natural disasters.

I do not believe these emergency conservation needs can be met out of regular funds without seriously impairing the regular ACP, or without destroying the continuity of the work in other counties, and the established practices on individual farms fortunately unaffected by this emergency. Furthermore, this emergency assistance is needed at once; farmers ought not be asked to wait until next June to receive their share of payments for emergency work done this fall and next spring at a time when their losses are heavy and their income sharply reduced.

At the request of the committee, I understand the Department of Agriculture last week obtained the best available figures from each State as to the amount of emergency conservation funds needed for this work. The figures submitted by the Kentucky State Disaster Committee include $871,000 for western Kentucky and $691,000 for eastern Kentucky—a total of $1,562,000 for the State. The total for all States was approximately $25 million.

If Congress approves this amount, as recommended by the Committee, it is my understanding that the Department of Agriculture will be able to meet these requests for emergency assistance by the several States which have suffered these natural disasters. I trust that the Congress will do so, and that the Department will promptly initiate this emergency program at a level and in accord with these requests submitted by the affected States.

PRODUCTION OF STATEMENTS AND REPORTS BY WITNESSES

Mr. CLARK. Mr. President, it is my understanding that someday this week the leadership intends to move that the Senate proceed to the consideration of Senate bill 2377, a bill to amend the United States Code to provide for production of statements and reports by witnesses.

This bill was prepared by the Department of Justice, which stated that its purpose was to clarify the ruling of the Supreme Court in the notorious Jencks case, and for no other purpose.

A number of other Senators, including myself, have been concerned with the fact that the bill as drawn, redrawn, and again redrawn by the Department of Justice would do a good deal more than merely clarify some of the ambiguities in the Jencks case.

I have had printed an amendment to S. 2377, in the nature of a substitute. In order that my colleagues may have an opportunity to consider the substitute before making up their minds on how to vote on the bill, I ask unanimous consent that the amendment may be printed in the RECORD at this point in my remarks.

There being no objection, the amendment intended to be proposed by Mr. CLARK was ordered to be printed in the RECORD, as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That chapter 223 of title 18, United States Code, is amended by adding a new section 3500 which shall read as follows:

"'§ 3500. Demands for production of statements and reports of witnesses

"'(a) In any criminal prosecution brought by the United States, no statement or report of a prospective witness which is in the possession of the United States shall be the subject of subpena, discovery, or inspection, except as provided in the Federal Rules of Criminal Procedure or as provided in paragraph (b) of this section.

"'(b) Before a witness called by the United States has testified on direct examination, the court shall, on motion of the defendant, order the United States to produce for delivery directly to the defendant, for use in cross-examination, any relevant portions of such reports or statements of the witness in the possession of the United States as include a recitation or the substance of any oral or written statement previously made by the witness which relate directly to the substance of the testimony of that witness. In the event that the United States claims that the reports or statements ordered to be delivered to the defendant contain matter which does not relate to the subject matter of the testimony, the court shall order the United States to produce such reports or statements for the inspection of the court in camera. Upon such production the court shall excise the portions, if any, of said reports or statements which contain information not relating to the subject matter as to which the witness has testified. With such information excised, the court shall then direct delivery of such reports and statements to the defendant for use in cross-examination. If, pursuant to such procedure, any portion of such reports or statements is withheld from the defendant, and the trial is continued to an adjudication of the guilt of the defendant, the entire reports or statements shall be preserved by the United States and, in the event the defendant shall appeal, shall be made available to the appellate court at its request for the purpose of determining the correctness of the ruling of the trial judge.

"'(c) In the event that the United States elects not to comply with an order of the court under paragraph (b) hereof to deliver to the defendant any report or statement or such portion thereof as the court may direct, the court shall take such action, including but not limited to striking from the record the testimony of the witness, declaring a mistrial, or ordering the dismissal of the indictment, as the interests of justice require.

"'(d) The analysis of such chapter is amended by adding at the end thereof the following:

"'"3500. Demands for production of statements and reports of witnesses".'"

Mr. CLARK. Mr. President, the amendment does four things which the bill does not do. First, it makes it abundantly clear that we are not attempting to amend or appeal or change in any way the Federal rules of Criminal Procedure. I am fearful that the Justice Department bill would do that by implication. We should not do that without very grave and careful thought. In my judgment, those rules need no amendment in order to clarify the meaning of the Jencks opinion.

In the second place, my substitute would require the production of statements of prospective witnesses to the defendant after the witness has been called by the Government but before he testifies; whereas the original bill does not call for the production of such statements until after the witness has testified on direct examination. That provision of the original bill, in my judgment, is quite unfair to the conduct of a proper defense of an accused in a Federal court charged with crime.

In the third place, my substitute amendment would make it clear that any oral or written statement made by a prospective witness to the Government must be produced for examination and for use on cross examination; whereas the provision of the bill is so restrictive that, in my judgment, it would be easy indeed for the Federal Government and the Department of Justice so to change their procedures that no such statement need ever be produced.

Finally, in the fourth place, my substitute amendment makes it abundantly clear that whatever action may be taken in the event the Government fails to produce its statements lies in the discretion of the trial court. I am sure that most of us who have had some experience in the trial of cases realize that that is the wise and just and proper place to leave such evidenciary questions for decision, rather than giving the trial judge what in the bill comes close to being a direction to strike the testimony of a witness and proceed with the trial if the Government fails to produce the statement if ordered to do so by the court.

Mr. President, I have been persuaded that it is wise to enact some legislation in view of the Jencks case opinion, but I feel we should pass a bill which merely clarifies the Jencks case opinion, and does not do a great many other things which, in my judgment, would tend to load the dice in a criminal trial in favor of the Government and against the defendant. I am confident none of my colleagues wants to do that if the matter is explained to him.

EXCISE TAXES ON DOMESTIC LEAD AND ZINC

Mr. DOUGLAS. Mr. President, there will shortly be discussed on the floor of the Senate an amendment to the mica bill, which would provide a great increase in the tariff on lead and zinc. In order that Members of the Senate may have a better knowledge of some of the issues involved, I ask unanimous consent that an article published in the New York Herald Tribune of Thursday, August 8, be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

METALS IMPORT BILL PROVES HOT POTATO

(By Joseph R. Slevin)

WASHINGTON, August 7.—The Eisenhower administration espouses the principle of freer trade, but it now is in the awkward position of leading the protectionist forces in the hottest foreign-trade fight of the current congressional session.

It maneuvered itself into this predicament by asking Congress to approve a bill that would place special excise taxes on imported lead and zinc. The measure, which now is awaiting an uncertain fate in the House Ways and Means Committee, is designed to bolster the sagging American lead and zinc industries.

The administration request has sparked bitter protests from each of the major lead- and zinc-producing countries within Congress it has aroused the specter of a fundamental shift in the long-established reciprocal-trade-agreements program.

Influential Democratic members of the Ways and Means Committee are deeply disturbed for they are convinced that the administration has bypassed the traditional relief provisions of the reciprocal-trade program and has opened the door to a flood of individual industry pleas for special Congressional assistance.

LOGROLLING SEEN

They reason that if Congress yields to entreaties to help the lead and zinc producers it will have no alternative but to help the fluorspar producers (who have already descended upon the lawmakers), the plywood manufacturers, the tuna fishermen, the cotton-textile manufacturers and all the innumerable industries that believe they are entitled to greater protection against foreign goods.

"The logrolling possibilities are tremendous," one Congressman said. "They'll not only try to trade votes to broaden the bill to include a large number of industries while it's before but it will be wide open if it ever reaches the floor."

For many Congressmen it conjures up nightmarish visions of the oldtime tariff-making days before reciprocal trade when Congress itself used to set the exact rates for the thousands of items that are imported into the United States.

They see no difference in principle, and little in legislative effect, between setting rates initially and setting rates for special industries that come in and beg for relief.

COURSE OF ACTION

The orthodox course for the lead and zinc industry would have been to appeal to the United States Tariff Commission for increased protection against imported metal.

The reciprocal trade act says the United States Tariff Commission then must determine whether an industry is being seriously injured and, if the answer is yes, the United States Tariff Commission must recommend corrective action to the President. The Chief Executive in turn has 60 days within which he can adopt, modify or reject the United States Tariff Commission's proposals.

As an alternative, the producers could have resorted to a relatively new section of the reciprocal trade law that directs the President to protect industries that are essential to national security.

Instead, they did neither, and the administration took the ball for the industry by submitting the lead and zinc tax bill.

The measure provides for sliding scale taxes. Foreign lead is to be taxed at 3 cents a pound when the domestic price is under 15 cents a pound, at 2 cents when the domestic price is between 15 cents and 16 cents at 1 cent when the domestic price is over 16 cents and is not to be taxed at all when

the domestic price reaches 17 cents. Foreign slab zinc is to be taxed at 2 cents a pound, 1¼ cents, one-half or not at all, depending on whether the domestic price is under 12½ cents, between 12½ and 13½ cents, between 13½ and 14½ cents, or over 14½ cents.

Supporters of freer trade both within and outside Congress are genuinely mystified by the administration's decision to put forward the sliding scale relief bill in preference to having the producers follow the established reciprocal trade act procedures.

The explanation appears to lie in one of those compromises that seems practicable when they are made but which often lead to embarrassing consequencies later.

Mr. DOUGLAS. I call attention to an editorial published in the Journal of Commerce entitled "A Deceptive End Run." I also invite the attention of Senators to an editorial published in the Washington Post of Tuesday, August 13, entitled "Worse Than It Sounds," to which our very well-liked colleague, the Senator from Utah [Mr. WATKINS], replied in a letter to the editor entitled "Worse Than It Sounds." In this morning's Washington Post there appears a rebuttal to the reply of the Senator from Utah, entitled "Other Ways To Help."

I ask unanimous consent that all these matters be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Journal of Commerce of August 12, 1957]

A DECEPTIVE END RUN

Congressional representatives of the western metal producing States are pushing hard for last-minute relief legislation to ease the current price woes of domestic zinc and lead producers.

They want a sliding scale of excise taxes—in effect, tariffs—to be levied on imported lead and zinc when prices for these metals produced from United States mines fall below 17 cents and 14½ cents per pound, respectively.

Congress should let this legislation die in committee, thereby lightening its calendar and speeding its summer adjournment.

Without attempting to prejudge the question of whether domestic lead and zinc producers are entitled to some Government relief, this newspaper believes strongly that this should not be given through the proposed kind of legislation.

Instead, the industry once more should turn to the Tariff Commission and try for relief through the procedures established for such purposes in the Trade Agreements Act. The Tariff Commission, once before in 1954, accepted the industry's plea for a higher tariff.

We are strongly opposed to the proposed special relief legislation because it would run counter to our trade policy and antagonize friendly nations essential to our defense, especially our neighbors to the north and south who supply a large proportion of needed lead and zinc imports.

Canada and Mexico not only are actually considered as part of our mobilization base but their purchases from us are running close to $5 billion annually and exceed our imports from them considerably.

To legislate relief instead of resorting to the relief machinery available under the escape clauses of the Trade Agreements Act would come close to a repudiation of the 23-year-old law.

Moreover, the proposed internal tax would be a discriminatory excise tax and violate our commitments under the General Agreement on Tariff and Trade (GATT).

Such piece of legislation would open the floodgates for a deluge of similar claims of protection through special legislation. The result would be a throwback to the days before 1930—something this newspaper would hate to see happen.

It is, of course, true that a liberal trade policy such as ours frequently leads to conflicts between interests of specific industry groups and the national interest. It is easy enough to proclaim the soundness of a liberal trade policy in general terms, particularly under the watchful eye of those economic groups that are vitally interested in our own farm and industrial exports. The difficulties do not start until one gets down to a discussion of specific industry problems.

National policy is faced with the continuing task of reconciling special interest with the goals of our national trade policy.

It is obvious that this will require some unpopular decisions. There is no such thing as a perfect formula for solving such problems. A considerable degree of administrative discretion enters into any decision, after the facts have been fully presented.

Since price declines frequently are the bone of contention in the case of tariff arguments brought up by raw materials producing industries, a special word of warning is indicated for such cases.

The temptation usually is great to bring about price stability through artificial interferences with supply and demand factors. Government stockpiling—for strictly military purposes and beyond—has been given more than one ride in the postwar period. It is overlooked all too often that such interferences can at best bring temporary relief. Usually, they lead to bigger headaches later on.

The domestic nonferrous metals producers who are now pushing for price relief should do a lot more soul-searching in this respect before they try to get Government support in alleviating foreign competition.

Should they succeed too well in keeping their prices up, they most certainly will further encourage substitution of aluminum, plastics, and other materials. Zinc, for instance, is not nearly as important a war material today as it was in World War II.

Actually, the decline in nonferrous metals prices is not just hitting the producers in this country; it is worldwide.

Moreover, the fact remains that, in many cases, substantial proportions of our own metals needs must be supplied by foreign sources. Thus, artificial price-raising efforts on our part take on a deliberate inflationary flavor. In this respect, the sliding scale feature is particularly unsound as it would encourage price instability and thereby encourage the search for substitute materials promising greater price stability.

Under these circumstances, we believe strongly that Congress should bury H. R. 8265 and tell the domestic lead and zinc producers to submit their case to the Tariff Commission—but to do so only after another session of careful soul searching.

[From the Washington Post of August 13, 1957]

WORSE THAN IT SOUNDS

It is difficult to work up much lay interest in the protection maneuvers of the lead and zinc industry, not the least of the problem being the semantic dullness of the topic. But there is nothing pedestrian about the movement now well afoot to make a virtual shambles of American trade policy in the process of affording a peculiar, not to say irregular form of Government subsidy for this industry. If this effort succeeds, it could well mark the beginning of the end of the progress of the last quarter century toward freer trade.

A little group of mining-State Congressmen and Senators with the skillful assistance of a former Assistant Secretary of the Interior, Felix Wormser, may well deliver this blow to fundamental American policy in the next few days—unless Congress awakens to the situation. Hearings have been held in both the House and Senate on bills to put a sliding excise tax on imported lead and zinc—in other words, a tariff, to be effective whenever the prices of American lead and zinc fall below 17 and 14½ cents, respectively. Such relief, whether or not it can be justified in terms of the current domestic market slump, would circumvent the procedures of the Reciprocal Trade Agreements Act, and, as a discriminatory tax, constitute a flagrant violation of the United States obligations under the General Agreement on Tariffs and Trade.

Mr. Wormser, who has returned to the vice presidency of the St. Joseph Lead Co., succeeded in arranging this end-run during his official tour of duty here. Unaccountably, he somehow managed to obtain official State Department support. Since the State Department only 3 years ago was able to cite not 1 but 15 cogent reasons why this kind of protection for lead and zinc should not be adopted, some unusual influence apparently has been at work.

The objection is not merely that Canada, Mexico, and other friends of the United States which export lead and zinc to this country, and are already running heavy trade deficits, would be badly hurt. American industry might not really be helped. For there is a worldwide slump in some mineral prices, and rapidly changing technologies involving new and different demands for metals are partly to blame. Price supports for lead and zinc could well intensify the shift to other metals rather than stabilize the market. Most serious of all, if lead and zinc producers were permitted to blaze this new trail of protectionism through the reciprocal trade agreements machinery and policy, other domestic businesses which compete with imports might widen the breach until the free-trade movement was destroyed.

The House may get the lead-zinc bill this week. Senators from the mining States are standing by to seek concurrence if the House approves the measure, or to initiate it, if need be, by amending other revenue legislation. Congressional supporters of free trade ought to block this dangerous end-run without fail.

"WORSE THAN IT SOUNDS"

The 30,000 families throughout the country directly dependent upon the domestic lead-zinc industry, and additional thousands employed in related service industries, undoubtedly will not be amused at the efforts of the Washington Post to reduce the emergency facing this industry to semantic dullness. (Editorial, Worse Than It Sounds, August 13.)

They appropriately will conclude that it is your newspaper's position that the surviving domestic lead-zinc mines and mills should be permanently closed down and that their jobs and the other economic contributions of this basic industry should be exported to presumably more deserving mining areas overseas, all in the name of free trade.

By the same token, the lead-zinc miners and smelter workers in New Jersey, Missouri, Oklahoma, Montana, Utah, and other States could reasonably argue that it would contribute to the goals of free trade if we closed down the agricultural industry of Maryland and Virginia and depended for all our food needs in those States on lower-priced farm crops from our foreign neighbors. Is this good economics?

It may come as a surprise to you that prominent members of both of our labor political parties, labor unions, and many in-

dividuals and groups throughout the country are supporting the bipartisan move to save the domestic lead-zinc industry from utter ruin. Both major political parties favor a minerals program.

In 1956, the Democratic platform stated: "We recognize that a healthy mining industry is essential to the economy of the Nation, and therefore pledge immediate efforts toward the establishment of a realistic, long-range minerals policy. The Nation's minerals and fuels are essential to the safety, security, and development of our country." Another plank pledged support for depressed areas.

The 1956 Republican platform stated:

"Minerals. Recognizing that a vigorous and efficient mineral industry is essential to the long-term development of the United States, and to its defense, we believe the Federal Government should foster a long term policy for the development and prudent use of domestic mineral resources, and to assure access to necessary sources abroad, without dangerously weakening the market for domestic production of defense-essential materials * * *."

The Tariff Commission unanimously affirmed in 1954 the need for protection for the lead-zinc industry under the escape clause of the Trade Agreements Act. The action proposed by the Tariff Commission actually went further than the program recommended by the administration. The industry has been in serious straits since 1953, an emergency condition alleviated only by stopgap Federal purchasing under the stockpiling and barter programs.

Prior to World War II, the Nation consumed only 542,000 tons of zinc and 612,000 tons of lead. By 1956, this consumption had doubled—to 988,000 tons of zinc and 1,182,000 tons of lead—in face of the competition of other minerals, emphasized in your editorial.

In spite of this vast increase in consumption, however, domestic production has been losing ground. The expanded market has been filled largely by foreign imports. Zinc imports increased 23-fold from 33,000 tons prior to 1940, to 771,000 tons in 1956, and lead imports increased from 48,000 tons prior to World War II to 513,000 tons last year.

Domestic producers do not want to eliminate the foreign supply; they merely want to share adequately in the expanding domestic market.

This subject is important to my State, because mining is one of our major industries. And our major industries are limited because our population is small and the Federal Government owns or controls 70 percent of the land surface and 80 percent of the State's mineral wealth. In the Federal District of Columbia, by contrast, Uncle Sam owns only 29 percent of the real estate.

[EDITOR'S NOTE.—The District Commissioners recently reported that the Federal Government owns 42.8 percent of land area of the District.]

If your boredom with this subject will permit, this is a brief summary of how foreign imports have largely choked out, in my State, an important industry which is marginal only because American mines pay American level wages and meet other costs of operation that foreign producers are spared. In 1948, 56 Utah lead-zinc operations produced ore. Today, only one major mine continues to operate at a level near normal operations. Three others operate on a greatly reduced basis. All the rest have closed down and the jobs, service industries, and taxes they provided have been exported to foreign lands, which also have been provided considerable mineral exploration and production assistance through our foreign aid program.

Are we contributing to a dangerous end run by advocating that we modify our import regulations to stabilize an essential defense industry? We of the growing bipartisan movement supporting this administration-recommended program don't think so. We believe that the country, at long last, is waking up to the realization that we can provide a large market for foreign trade, without jettisoning vital domestic industries. No other nation ignores its vital self-interest in drafting trade policies. Why should we?

ARTHUR V. WATKINS,
United States Senator, Utah.

WASHINGTON.

(See editorial Other Ways to Help.)

[From the Washington Post of August 19, 1957]

OTHER WAYS TO HELP

Senator WATKINS, in a letter published today, incorrectly accuses us of suggesting that the hard-pressed lead and zinc industry in this country "should be permanently closed down" and its business "exported" to foreign mines. The point of the Post's editorial, "Worse Than It Sounds," was, rather, that any relief that may be in order for the domestic lead-zinc industry ought not to be provided by making a shambles of American trade policy. And a shambles is precisely what would be made of it if the sliding-scale import tax on lead and zinc proposed in a bill before the Senate should become law.

This method of relief would circumvent the escape clause provisions and procedures of the Reciprocal Trade Agreements Act. It would violate the United States obligation, under the General Agreement on Tariffs and Trade, not to impose what amounts to an excise tax on imported goods without similarly taxing the same goods from domestic sources. It would invite unregulated and perhaps disastrous retaliation against American exports. It would work great hardship on Canada, Mexico, Peru, and Australia, which supply some 40 percent of our lead and 65 percent of our zinc requirements. In time of war, Mexican and Canadian production would be as vital to this country as its own supply of these minerals.

There is considerable unemployment and some hardship in the lead, zinc, and copper-mining States. It has not been established that imports are altogether to blame. A year ago prices were high and there was even fear of shortages. American mines and mills seem to have overproduced, and so there is naturally a need now for retrenchment. Imports, as well as domestic production, have fallen off. Nevada's Governor, Charles Russell, may even be right in suggesting that his State must solve the problem by seeking other industries.

But certainly, if protection against imports is to be a part of the answer, the remedy lies in a renewed escape clause hearing by the Tariff Commission and in follow-up action consistent with established American trade policy. Perhaps even emergency production bonuses, as proposed by Representative BARING of Nevada, could be justified. In these and other ways less destructive of the carefully constructed system under which the free world is moving toward freer, nondiscriminatory trade relationships, ample remedy may be found for the plight of the lead and zinc producers.

Mr. DOUGLAS. I may say that the Senator from Tennessee [Mr. GORE] and I have prepared minority views, pointing out why the proposed increase in the tariff is prejudicial to the best interests of the United States. When those views are available, I shall also ask that they be included in the RECORD.

THE CIVIL-RIGHTS BILL

Mr. CASE of South Dakota. Mr. President, there has been some reference in the press, and also some concern expressed, as to whether paragraph (g) of section 102 of the so-called civil-rights bill would imperil newspaper reporters who on their own initiative and by their own ability obtained information concerning evidence or testimony given at an executive session of the Civil Rights Commission. The difficulty arises under the rules of both the Senate and the House which provide that language in a bill which has not been changed by either House may not be altered by conferees.

I believe an answer can be found by an addition to the amendment which was adopted to section 105, relating to the powers of the Commission. That amendment of the Senate, which is numbered 7, struck out certain language and inserted the following:

(b) The Commission shall not accept or utilize services of voluntary or uncompensated personnel.

The problem which arises with respect to paragraph (g), and the $1,000 fine provided therein, to which fear is expressed that reporters may become liable, could be corrected by adding to the amendment No. 7 which I have read, these words:

And the term "whoever" as used in paragraph (g) of section 102 hereof shall be construed to mean a person whose services are compensated by the United States.

Mr. President, the reason I believe that language would reach the problem is that paragraph (g) states:

No evidence or testimony taken in executive session may be released or used in public sessions without the consent of the Commission. Whoever releases or uses in public without the consent of the Commission evidence or testimony taken in executive session shall be fined not more than $1,000, or imprisoned for not more than 1 year.

Since it is proposed by the amendment already adopted by the Senate to provide that "the Commission shall not accept or utilize services of voluntary or uncompensated personnel," the only persons who would be present at an executive session would be employees compensated by the United States.

Secondly, if we add to paragraph (b), which reads "The Commission shall not accept or utilize services of voluntary or uncompensated personnel," the words "and the term 'whoever' as used in paragraph (g) of section 102 hereof shall be construed to mean a person whose services are compensated by the United States," it would automatically exclude reporters of newspapers or radio or other media of public information.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. CASE of South Dakota. I yield.

Mr. ANDERSON. I merely wish to say that I am very anxious to have this difficulty resolved. I am glad the Senator from South Dakota has devoted his time in trying to resolve it. I hope it may be resolved so that the section in the bill will clearly make it possible for a newspaper reporter to develop a story without being in danger because he does so.

Mr. CASE of South Dakota. Under a rule which the House sometimes adopts, the House takes a bill from the desk of the Speaker to the end—and the term

"to the end" is used—that amendments of the Senate be concurred in, or that amendments of the Senate be agreed to with certain amendments.

The adoption of that rule takes the place of a conference. If it is a concurrence with an amendment, then the additional amendment would have to come to the Senate for concurrence in the modification.

That is why I am suggesting this procedure, since it has been suggested that the House is considering the possibility of a rule which would concur with certain amendments, presumably limiting the jury-trial provision to criminal contempt cases arising under the act itself.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. CASE of South Dakota. I yield.

Mr. JAVITS. I am very glad to hear the suggestion made by the Senator from South Dakota. The Senator will remember that I called to the attention of the Senate this very grave problem. I hope it will be worked out in a way which will be permissible under the rules of the House. All of us should be very grateful to the Senator from South Dakota for making the suggestion, which is so obviously based on careful and considered judgment.

Mr. CASE of South Dakota. I thank the Senator from New York. He is familiar with the rules of the House and knows the parliamentary problem which exists.

ORDER FOR CALL OF THE CALENDAR TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a call of the calendar of measures to which there is no objection from the beginning of the calendar, tomorrow, immediately after the morning hour.

The PRESIDING OFFICER (Mr. SPARKMAN in the chair). Without objection, it is so ordered.

UNITED STATES FOREIGN POLICY IN THE MIDDLE EAST

Mr. JAVITS. Mr. President, I wish to say a few words regarding our foreign policy situation, especially as it is affected by the fact that, as I understand, the Senate Committee on Appropriations is today in the process of marking up the mutual security appropriation bill for next year.

Mr. President, in the other body the mutual security appropriation bill was both raided and gutted. Let us hope that does not happen in this body. We are convinced that it should not, based upon the tradition of this body, and especially in view of the fact that this morning the Nation faces some very serious foreign problems.

For example, in the lead editorial in today's issue of the New York Times we are told that the "little war" in Oman, in a part of the world which produces vast quantities of oil, which is of such great importance "was instigated and organized on the soil of some of the complaining Arab States in order to overthrow another Arab ruler."

Mr. President, let me say parenthetically that I have heard the Senator from Arkansas [Mr. FULBRIGHT] attribute our troubles in the Middle East to our refusal to go along with the Aswan Dam proposal. I disagree, and on another occasion I hope to spell out my disagreement in great detail.

But it seems to me that this is a small indication of why we are in trouble in the Middle East, namely, the fact that a spear point for the Communists, in the shape of President Nasser, of Egypt, is fomenting difficulties such as that in Oman.

Second, Mr. President, I refer to an article entitled "Devil Takes the Hindmost," written by Joseph Alsop, and published this morning in the New York Herald Tribune. In the article Mr. Alsop points out that we are in grave trouble with respect to the Western Alliance, and that our trouble exists because "we have got to make it clear that the Western Alliance really is an alliance, a true partnership."

Mr. President, what we do in the case of the mutual security appropriations will determine whether we can convince our allies that, backed by the hard fact of the appropriation of our funds, we are really participating in that partnership, and that we are not pulling out.

Certainly the difficulties with respect to mutual security are very great. It would be easy to say, "That is said every year"; but it is a fact that peace is threatened every year, and right now everyone recognizes the danger of the creation of a conflagration in the Middle East, by means of such little wars as the one to which I have referred—that in Oman—as well as by means of the difficulty in Algeria and other difficulties in that area of the world, such as the disturbances to the Arab-Israel peace, and so forth.

So, Mr. President, I hope the Senate Appropriations Committee, with its customary sense of responsibility, will, today as it marks up the mutual security appropriation bill, bear in mind that right here, where we can control it, lies a most serious danger to our foreign policy; and I hope our Appropriations Committee will respond in that spirit.

I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, the lead editorial, entitled "The U. N. and the Mideast," from today's issue of the New York Times; and also the article to which I have referred, written by Joseph Alsop, and published today in the New York Herald Tribune.

There being no objection, the editorial and article were ordered to be printed in the RECORD, as follows:

[From the New York Times of August 19, 1957]

THE U. N. AND THE MIDEAST

The "little war" in Oman, precipitated by a revolt against the ruling sultan by a shadowy Imam backed by a few hundred primitive tribesmen, has virtually come to an end. The British and the Trucial Oman troops, which helped the sultan to squelch the revolt, are preparing to leave. A few rebels who have fled to the mountains may still cause minor trouble. But for the present at least the authority of the sultan has been reestablished more firmly than before, and the dangerous potentialities of the conflict have been abated.

However, this "brush fire" war was only part of a wider struggle over the Middle East involving not only this vital region but also the big powers. This struggle, which affects the economic stability of oil-thirsty Europe as well as the strategic security of the western alliances, and could affect victory in the whole cold war, continues. The next round in it is scheduled for tomorrow before the Security Council of the United Nations.

It will be staged there because 10 Arab States persist in an appeal to the Security Council to take action in the dying Oman conflict on the ground that the British intervention in it endangers international security and peace. They accuse Britain of waging a "full-scale war of aggression" in Oman and warn that its continuance could lead to "serious consequences." In so doing they also indict the Sultan of Muscat and Oman, whose sovereignty over an autonomous Oman has long been recognized and who called his British treaty partners to his aid. Indeed, by asserting the "independence, sovereignty, and territorial integrity of the Imamate of Oman" they give open support to the rebels against the sultan whose rule may be medieval but is still far in advance of anything the primitive rebels could offer.

The British rightly oppose any United Nations intervention on the ground that it would mean interference in affairs falling under the sultan's sovereignty. But, if the Security Council should insist on dealing with the matter, it would be duty bound to deal, first of all, with the causes of the conflict. These causes are evident.

The revolt was instigated and organized on the soil of some of the complaining Arab States in order to overthrow another Arab ruler. It was armed with weapons smuggled from these Arab States and was backed by propaganda radiated from Cairo, the rebel headquarters. How far Saudi Arabia is involved is still unclear. But there is no doubt that the real power behind the revolt has been President Nasser, of Egypt, and behind Nasser stands Soviet Russia. Both Nasser and the Soviets have sought to utilize this vest-pocket revolt to strike at Britain and the West, to sow seeds of potential dissension between Britain and the United States, and to reduce the other Arab States to puppets serving Nasser's ambition of creating, by grace of the Soviets, a pan-Arabic and ultimately a pan-Islamic empire.

The appeal to the United Nations is obviously designed to carry this effort from the miniature stage of Oman to a world forum. It has been organized by the Arab League, dominated by Nasser and is signed not only by Egypt but also by Soviet-armed Yemen and pro-Soviet Syria, now controlled by a pro-Communist clique that is waging diplomatic war against the United States. Curiously enough, it is also signed by Iraq, Saudi Arabia, and Jordan, who only recently joined forces to squelch an Egyptian-Syrian-Communist plot to overthrow Jordan's ruler, and even by Morocco, no member of the Arab League.

But whatever the motives behind these signatures, it would be a self-stultifying farce for the United Nations to back up the Nasser-Soviet plot. It would sanction every subversive force in the Middle East and would not only further reduce the authority of this world organization but would also create new possibilities for new explosions. That is not the function of the United Nations, and the Security Council must act accordingly.

[From the New York Tribune of August 1, 1957]

DEVIL TAKE THE HINDMOST

(By Joseph Alsop)

PARIS.—Unnoticed, undebated, an extremely grave question is beginning to confront the American policymakers. Is it really safe to let the Western Alliance, the sole defense of freedom in the world, decay into a mere loose confederation or, worse still, into a transparent false front?

The signs of decay are plain to be seen by anyone who spends much time, as this reporter has lately been doing, in England and France. There are plenty of these signs, such as the prevalence of a vague but captious anti-Americanism, the specific and widespread distrust of the present American leadership, including President Eisenhower himself, and the almost universal, personal detestation of Secretary of State John Foster Dulles (who is now the most disliked man in Europe since Josef Stalin).

The desire to be liked is the worst of all follies in foreign relations. Hence these surface signs of Western disunity might safely be ignored if it were not for one practical point of high importance. The increasing distrust of the American leadership is increasingly causing serious policy divergencies among the Western Allies.

Great efforts have been made, notably by Secretary Dulles, to plaster over the underlying disunity with an appearance of concord. But the policy divergencies are there, none the less. They are getting worse. And it is time to ask the reason for this distrust of the American leadership that is so weakening the West.

In the opinion of this reporter, there is one main reason. The American leadership is now distrusted because the Eisenhower administration has seemed so totally uninterested in the central problem confronting our British and French allies. This is the problem of their changing power status. These two great nations once led the civilized world. Today, they are more and more reduced to powers of the second rank. They, and we too, have to decide what to do about this decline in their power.

The problem comes in two parts. The first and most obvious part is the progressive loss of the British and French imperial and colonial position. Despite the glib slogans so often quoted, empires are still possible to maintain intact—witness Hungary. But the British, who very carefully made a Hungary in India just a hundreds years ago, when mutiny was drowned in a bath of blood, have now lost the stomach for this sort of thing. And so have the French.

All the same, neither the British nor the French like to face these unpleasant facts—though they are always complaining of American pressure, or in the case of the French in north Africa, American plots. We tend to be blamed, in fact, for results that were unavoidable in any case, given modern, civilized westerners' distaste for making Hungarys.

As for the second part of this problem of our allies' changing power status, it goes even deeper. It stems from the simple fact that only a giant national economy can afford the gigantic expenditures needed to maintain a complete panoply of fully modern weapons.

As a case in point, consider the British defense program as elaborated by the new Minister of Defense, Duncan Sandys, since the end of the Suez crisis. This program is squarely based on distrust of the United States. America, Sandys argued, cannot be trusted to stand by her trans-Atlantic allies when American cities are directly threatened by Soviet ballistic missiles with H-bomb warheads. Hence Britain, to defend herself and Europe, must sacrifice everything to possess her own thermo-nuclear deterrent.

Starting with this premise, the Sandys program will leave Britain almost fully naked of the conventional armed forces Britain still needs to protect her still-considerable overseas interests. In this way, too, the program will seriously weaken NATO. All this will be done in order to make funds available for the British grand deterrent.

But in fact, even after these sacrifices, Britain almost certainly cannot afford to keep the grand deterrent up to date without a far larger outlay than Sandys contemplates. But the time Britain has long-range aircraft with H-bombs, Britain will actually need long-range aircraft plus H-bombs plus air-to-ground missiles to carry the H-bomb from the aircraft to their distant targets. The ballistic missile state will come after that. And at every stage, the strain of keeping really abreast of these fantastically costly weapons developments will be too great for the British Treasury.

In sum, the new British defense program is an instinctive rather than a rational reaction to one part of the problem of Britain's changing power status. By the same token, another part of this same problem provoked an almost wholly instinctive reaction at Suez.

"Well, whose fault is that?" would most probably be the Eisenhower administration's comment. But this is a wholly insufficient comment from the leading power of the West. Britain and France cannot make wise adjustments to their new roles in the world without American wisdom to help them. The United States, above all, has got to make two things clear.

We have got to make it clear that we really are determined to safeguard all our allies' interests which it is humanly possible to safeguard (although not to the extent of trying to maintain unpractical colonial situations). More important still, we have got to make it clear that the Western Alliance really is an alliance, a true partnership. And for this such measures are needed as an amendment of the MacMahon Act, to permit a sensible distribution of the tasks of common defense.

If we do not do these things, then, "Save yourselves and the devil take the hindmost," will soon be the watchword inside Western Alliance. And the United States will then suffer quite as much as all the other allies.

EIGHTY-SEVENTH BIRTHDAY OF BERNARD M. BARUCH

Mr. JAVITS. Mr. President, I wish to take some of the time of the Senate to congratulate a very great man, Bernard Baruch, whose birthday is today and of whom we in New York are very proud. Today he is 87 years of age.

I should like to quote only one sentence from his traditional birthday interview, which is now almost historic in our country. He said:

If I had one wish to be granted me, I should like to see a start made toward permanent peace in the world.

Mr. President, considering Mr. Baruch's considerable contributions to the Baruch plan, which remains the fundamental basis for American policy with respect to disarmament as it affects the atom bomb and other weapons of major destruction, I think Mr. Baruch is one man who has a right to make that statement. I hazard the guess that all of us would hope to live so many honored years and to have at his age the brightness of mind, the sprightliness and spirit, and the idealism reflected in that statement alone.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, the editorial entitled "Congratulations to a Great Man," which was published this morning in the New York Herald Tribune, in extending congratulations to Mr. Baruch; and I also ask unanimous consent to have printed at this point in the RECORD the news story from the New York Times of today.

There being no objection, the editorial and article were ordered to be printed in the RECORD, as follows:

[From the New York Herald Tribune of August 19, 1957]

CONGRATULATIONS TO A GREAT MAN

Bernard M. Baruch is 87 years old today. A little rapid calculation will show that he was born in 1870, only 5 years after the end of the American Civil War, when the world was far different from the world we know today. Generations have come and gone, nations have fallen and risen, the United States has undergone an unparalleled transformation. Yet through it all Bernard Baruch has remained a fixed point of sagacity, generosity, and kindliness. Particularly in recent years have his birthdays been an occasion for rejoicing and felicitations in which the leaders of men and the masses of men join.

One can sense Mr. Baruch's unique place on the American scene from the affectionate titles which have been bestowed upon him. "Adviser to Presidents," "elder statesman," "park-bench philosopher"—these friendly appellations are applied in a quite literal way to Mr. Baruch, and they are quite as accurate in the nuclear age as they were in bygone eras.

Bernard Baruch remains today what he was years ago—the genius of common sense. It is a quality that has stood him—and through him, his country—in good stead through years of strife and struggle and of wrestling with momentous problems. If his counsel has been sought—and accepted—by one President of the United States after another, surely it is because of this pervading quality of horsesense and reasonableness. Changing fads, fashions and fancies have in no wise diminished Mr. Baruch's enviable ability to cut through the heart of the matter to essentials, to propose courses and offer counsel that make sense.

Mr. Baruch's faith in America's future is as unshakable as his belief in the principles that have made this country great. He has never succumbed to despair or to pessimism. And the personification he himself offers of the thinking, sensitive man strengthens the confidence of others in humanity's capacity to win through to brighter days. It is an honor to be a contemporary of Bernard Baruch, and to salute him as he reaches another milestone in a great career.

[From the New York Times of August 19, 1957]

BARUCH, 87, LONGS FOR WORLD PEACE—HIS ONE WISH IS TO SEE A START WITH HIS ATOMIC PLAN OR SOMETHING LIKE IT—URGES UNITED GERMANY—ALSO WARNS THAT INFLATION MUST BE HALTED THROUGH THE HELP OF EVERYONE

(By Ira Henry Freeman)

OLD WESTBURY, LONG ISLAND, August 18.—At the age of 87, Bernard Baruch's dearest wish is to see the dawn of world peace.

On the eve of his birthday, the financier and adviser to presidents discussed here today war and peace, control of atomic energy, the future of Germany, inflation, the stock market, and superfluous birthdays.

"If I had one wish to be granted me, I should like to see a start made toward permanent peace in the world," he said at the home of a friend, Mrs. Robert Low Bacon, where he is visiting. "Agreements between nations will not guarantee it.

"There must be an international authority which owns all the natural resources and fissionable materials required to wage atomic war. The authority must also have control of the necessary scientific and metallurgical processes."

WANTS BOMBS MADE HARMLESS

"Then all the world's atom bombs must be handed over to the authority for debombing. The danger of contamination by fallout is thus eliminated because there would be no testing of atomic weapons. All atomic energy will be utilized for peaceful purposes."

That was the essence of the Baruch plan for atomic control, which the Soviet Union rejected.

"They will come to it, or something like it, in the end," Mr. Baruch continued confidently. "I believe that public opinion, the Russian people, will eventually force their leaders to approve it."

The reunification of a peaceful, neutral Germany also is essential to peace between the Soviet and the North Atlantic Treaty powers, Mr. Baruch said, adding:

"The Russians are afraid of Germany, because a strong, united Germany can knock the stuffing out of them. But it is as important to us to keep Germany out of Russia's hands as it is to them to keep Germany out of our hands. Don't ask me how without war."

THE DANGER OF INFLATION

On the domestic scene, inflation remains the greatest danger, in Mr. Baruch's opinion.

"Inflation means spending money for something unproductive or nonessential," he said, wagging a long finger. "Spending money for development of resources, or adding real wealth, promoting the health, education, or security of the people is not inflationary. We are all guilty of not controlling inflation—you, me, everybody. Not just the politicians. Although they all say we should—too late. Why don't they do it when they have the power?

"I warned against removing price controls too soon after World War II. Your paper—the New York Times—was as active in beating down that proposal as anybody.

"More recently George Humphrey warned that the Government was spending too much money. He was Secretary of the Treasury for 4 years; why didn't he do something about it then? But none of us are willing to discipline ourselves. Control the other fellow, we say.

"Now don't make me sound like Old Citizen Fix It, telling everybody what's wrong with everything and how to improve it."

AS ENERGETIC AS EVER

The famous stock market trader and Government fiscal expert is still as keen, outspoken, and energetic as ever. He still thinks fast, talking to the point and in a rush, while his hands make vigorous gestures that recall his youth as an amateur boxer. His bony, 6-foot-3 frame may bend slightly now, but he walks like a young man, rides gaily about the grounds on a golf cart, and swims in a pool every day.

Telegrams of congratulation from the great and nongreat who are his friends have begun to arrive from all over the world. But he prefers not to discuss them.

The first volume of his autobiography, carrying his life story up to World War I, will be issued tomorrow.

"I tried to write of the past with no bull as I lived it, because of the lessons it may teach young people today," he said. "The past is only of value as it guides us tomorrow."

Mr. Baruch will spend tomorrow quietly, working on the second volume and handling his own correspondence. He will be visited by his children—Mrs. Belle Wilcox, Mrs. Rene M. Samstag, and Bernard M. Baruch Jr. But there will be no party.

"Who the hell wants to celebrate an 87th birthday," he demanded. "That's all right for youngsters of 60 or 70."

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

SUSPENSION OF CALL OF THE CALENDAR TODAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the call of the calendar of bills to which there is no objection, under rule VIII, be suspended.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUPPLEMENTAL APPROPRIATIONS, 1958

Mr. MANSFIELD. Mr. President, what is the unfinished business?

The PRESIDING OFFICER. The unfinished business is House bill 9131, making supplemental appropriations for the fiscal year ending June 30, 1958, and for other purposes.

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of that bill.

The motion was agreed to; and the Senate resumed the consideration of the bill (H. R. 9131) making supplemental appropriations for the fiscal year ending June 30, 1958, and for other purposes, which had been reported from the Committee on Appropriations, with amendments.

CALL OF THE ROLL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Gore	Morse
Allott	Green	Morton
Anderson	Hayden	Mundt
Barrett	Hickenlooper	Murray
Beall	Hill	Neuberger
Bennett	Holland	O'Mahoney
Bible	Hruska	Pastore
Bricker	Humphrey	Potter
Bush	Ives	Purtell
Butler	Jackson	Robertson
Byrd	Javits	Russell
Carlson	Jenner	Saltonstall
Carroll	Johnston, S. C.	Schoeppel
Case, N. J.	Kefauver	Scott
Case, S. Dak.	Kennedy	Smathers
Chavez	Kerr	Smith, Maine
Clark	Knowland	Smith, N. J.
Cooper	Kuchel	Sparkman
Cotton	Langer	Stennis
Curtis	Lausche	Symington
Dirksen	Long	Talmadge
Douglas	Magnuson	Thurmond
Dworshak	Malone	Thye
Eastland	Mansfield	Watkins
Ellender	Martin, Iowa	Wiley
Ervin	Martin, Pa.	Williams
Frear	McClellan	Yarborough
Fulbright	McNamara	Young
Goldwater	Monroney	

Mr. MANSFIELD. I announce that the Senator from Texas [Mr. JOHNSON] and the Senator from West Virginia [Mr. NEELY] are absent on official business.

The Senator from Idaho [Mr. CHURCH] is absent on official business attending the Economic Conference of the Organization of American States at Buenos Aires.

The Senator from Missouri [Mr. HENNINGS] is absent by leave of the Senate because of illness.

Mr. DIRKSEN. I announce that the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate to represent the Senate at the Latin American Economic Conference in Buenos Aires.

The Senator from Vermont [Mr. FLANDERS] is necessarily absent.

The Senator from West Virginia [Mr. REVERCOMB] is absent on official business.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). A quorum is present.

FACILITATION OF PAYMENT OF GOVERNMENT CHECKS

Mr. McCLELLAN. Mr. President, I ask that the Chair lay before the Senate the amendment of the House of Representatives to S. 1799.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1799) to facilitate the payment of Government checks, and for other purposes, which was to strike out all after the enacting clause and insert:

That section 1 of the act of July 11, 1947 (61 State. 308; 31 U. S. C. 132), is hereby amended to read as follows:

"That (a) all checks heretofore or hereafter drawn on the Treasurer of the United States, including those drawn by wholly owned and mixed-ownership Government corporations, shall be payable without limitation of time: *Provided*, That where on presentation of any check for payment the Treasurer of the United States is on notice of a doubtful question of law or fact the payment of such checks shall be deferred pending settlement by the General Accounting Office.

"(b) The amount of all checks drawn by authorized officers of the United States on designated depositaries which have not been paid prior to the close of the fiscal year next following the fiscal year in which the checks were issued shall be withdrawn from the accounts with such depositaries and deposited with the Treasurer of the United States for credit to a consolidated account or accounts on the books of the Treasury. Claims for the proceeds of such unpaid checks shall be payable from such consolidated accounts by checks drawn on the Treasurer of the United States pursuant to settlement by the General Accounting Office.

"(c) The limitation imposed in respect to certain claims or demands against the United States by the act of October 9, 1940 (54 Stat. 1061; 31 U. S. C. 71a, 237), shall not be deemed to apply to original or substitute checks heretofore or hereafter drawn on the Treasurer of the United States, including those drawn by wholly owned and mixed-ownership Government corporations, or drawn by authorized officers of the United States on designated depositaries."

SEC. 2. Section 3 of the act of July 11, 1947 (61 Stat. 309; 31 U. S. C. 134), is hereby amended to read as follows:

"SEC. 3. The Secretary of the Treasury is authorized to transfer, at appropriate intervals, amounts of unpaid checks from the accounts on which drawn to a consolidated account or accounts on the books of the Treasury and to transfer to such consolidated account or accounts the balance of the special deposit account established pursuant to section 1 of the act of July 11, 1947 (61 Stat. 308), which consolidated account or accounts shall be available for the payment of such checks and any unpaid checks heretofore payable from the special deposit account. The Secretary of the Treasury is further authorized to transfer, at appropriate intervals, from the accounts available for the payment of unpaid checks to the appropriate receipt account on the books of the Treasury any amounts not required for the payment of such checks and with the concurrence of the Comptroller General to make such rules and regulations as he may deem necessary or proper for the administration of the provisions of this act: *Provided*, That in the case of checks issued by the disbursing officers of the District of Columbia and the disbursing officer of the Corps of Engineers in reference to the disbursement of District funds, the Secretary of the Treasury is authorized to transfer, at appropriate intervals, from the accounts available for the payment of such unpaid checks, to the general revenues of the District of Columbia, any amounts not required for the payment of such checks: *Provided further*, That as to such checks issued on or before June 30, 1955, transfers to the general revenues of the District of Columbia shall be limited to the amount of undelivered checks."

SEC. 3. (a) Section 2 of the act of June 22, 1926 (44 Stat. 761; 31 U. S. C. 122), is hereby amended to read as follows:

"SEC. 2. Hereafter all claims on account of any check, checks, warrant, or warrants appearing from the records of the General Accounting Office or the Treasury Department to have been paid, shall be barred if not presented to the General Accounting Office or the Treasurer of the United States within 6 years after the date of issuance of the check, checks, warrant, or warrants involved. However, any claims for the proceeds of checks payable in Philippine pesos heretofore issued in payment of claims certified by the Philippine War Damage Commission, shall not be barred if received by the representative of the Chief Disbursing Officer, United States Treasury Department, at Manila, Republic of the Philippines, within 6 years after the date of issuance of such checks."

(b) Section 1 of the act of March 6, 1946 (60 Stat. 31; 31 U. S. C. 129), is hereby amended by inserting immediately after the words "General Accounting Office" the words "or the Treasurer of the United States."

SEC. 4. Subsection (a) of section 3646 of the Revised Statutes of the United States, as amended (31 U. S. C. 528 (a)), is hereby amended to read as follows:

"(a) Except as provided in this section, whenever it is clearly proved to the satisfaction of the Secretary of the Treasury that any original check of the United States is lost, stolen, or wholly or partly destroyed, or is so mutilated or defaced as to impair its value to its owner or holder, the Secretary of the Treasury is authorized to issue to the owner or holder thereof against funds available for the payment of the original check a substitute showing such information as may be necessary to identify the original check, upon receipt and approval by the Secretary of the Treasury of an undertaking to indemnify the United States, in such form and amount and with such surety, sureties or security, if any, as the Secretary of the Treasury may require; but no such substitute shall be payable if the original check shall first have been paid: *Provided*, That nothing contained in this section shall be deemed to relieve any certifying officer or his sureties or any disbursing officer or his sureties of any liability to the United States on account of any payment resulting from the erroneous issuance of the original check."

SEC. 5. (a) Subsection (c) of section 3646 of the Revised Statutes of the United States, as amended (31 U. S. C. 528 (c)), is further amended by deleting the phrase "prior to the expiration of 10 years from the date on which the original check was issued" and inserting in lieu thereof "prior to the close of the fiscal year next following the fiscal year in which the check was issued."

(b) Subsection (e) of section 3646 of the Revised Statutes of the United States, as amended (31 U. S. C. 528 (e)), is further amended by deleting the phrase "prior to the expiration of 10 years from the date on which the original check was issued."

(c) Subsection (f) of section 3646 of the Revised Statutes of the United States, as amended (61 Stat. 310; 31 U. S. C. 528 (f)), is further amended to read as follows:

"(f) Substitutes issued under this section drawn on the Treasurer of the United States shall be deemed to be original checks and payable under the same conditions as original checks."

SEC. 6. Section 2 of the act of July 11, 1947 (61 Stat. 309; 31 U. S. C. 133), and section 5 of the act of July 1, 1916, as amended (61 Stat. 309; 31 U. S. C. 154), are hereby repealed.

Mr. McCLELLAN. Mr. President, I move that the Senate concur in the amendment of the House.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Arkansas.

The motion was agreed to.

Mr. McCLELLAN. Mr. President, I ask that the Chair lay before the Senate the amendment of the House of Representatives to S. 1791.

AMENDMENT OF REORGANIZATION ACT OF 1949, AS AMENDED

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1791) to further amend the Reorganization Act of 1949, as amended, so that such act will apply to reorganization plans transmitted to the Congress at any time before June 1, 1959, which was, to strike out all after the enacting clause and insert:

That subsection (b) of section 5 of the Reorganization Act of 1949 (63 Stat. 205; 5 U. S. C. 133 z–3), as last amended by the act of March 25, 1955 (69 Stat. 14), is hereby further amended by striking out "June 1, 1957" and inserting in lieu thereof "June 1, 1959."

SEC. 2. Subsection (a) of section 6 of the Reorganization Act of 1949 (63 Stat. 205; 5 U. S. C. 133 z–4) is amended by striking out ", by the affirmative vote of a majority of the authorized membership of that House."

Mr. McCLELLAN. Mr. President, I move that the Senate disagree with the House amendment, request a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Arkansas.

The motion was agreed to; and the Presiding Officer appointed Mr. HUMPHREY, Mr. SYMINGTON, Mr. THURMOND, Mr. YARBOROUGH, Mrs. SMITH of Maine, Mr. MARTIN of Iowa, and Mr. CAPEHART conferees on the part of the Senate.

SUPPLEMENTAL APPROPRIATIONS, 1958

The Senate resumed the consideration of the bill (H. R. 9131) making supplemental appropriations for the fiscal year ending June 30, 1958, and for other purposes.

Mr. HAYDEN. Mr. President, the committee considered budget estimates totaling $1,973,767,827, which includes $113,018,860 that was not considered by the House of Representatives.

The bill as reported by the Committee on Appropriations recommends appropriations totaling $1,820,351,547 which is an increase of $238,760,960 over the House bill, and a decrease of $153,416,280 under the budget estimates.

Two items account for more than $200 million of the increase over the House bill. They are, first, Small Business Administration, $100 million. This estimate was not considered by the House; and second, military construction, $104 million.

The action of the committee with respect to each appropriation is set forth in the report accompanying the bill.

Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc; that the bill, as thus amended, be regarded for purposes of amendment as the original text; and that no point of order shall be considered to have been waived by agreement to this request.

Mr. MONRONEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Oklahoma?

Mr. HAYDEN. I yield.

Mr. MONRONEY. Would the Senator agree to a separate vote on the matter involving $12,500,000?

Mr. HAYDEN. That may be done under the request I am making. I have no objection to that.

Mr. MONRONEY. Could we have a separate vote on the Burke Airport item?

Mr. HAYDEN. There can be no question about that. There would be no objection to that procedure.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Arizona? The Chair hears none, and it is so ordered.

The amendments agreed to en bloc are as follows:

At the top of page 2, to insert:

"CHAPTER I

"DEPARTMENT OF AGRICULTURE

"*Agricultural Research Service*

"Salaries and Expenses

"Plant and animal disease and pest control

"For an additional amount for 'Salaries and Expenses', for 'plant and animal disease and pest control', $5 million."

On page 2, after line 7, to insert:

"*Agricultural conservation program service*

"Emergency Conservation Measures

"For an additional amount for 'Emergency conservation measures', to be used for the

same purposes and subject to the same conditions as the funds appropriated under this head in the Third Supplemental Appropriation Act, 1957, $25 million."

On page 2, line 15, to change the chapter number from "I" to "II."

On page 3, after line 3, to insert:

"Coast and Geodetic Survey

"Construction of a Surveying Ship

"For an additional amount for 'Construction of a surveying ship', $3,456,000, to remain available until expended."

On page 3, after line 7, to insert:

"Bureau of Public Roads

"Public Lands Highways

"Liquidation of contract authorization

"For payment of obligations incurred pursuant to the contract authorization granted by section 6 of the Federal-aid Highway Act of 1954 (68 Stat. 73) and section 106 of the Federal-Aid Highway Act of 1956 (70 Stat. 376), to remain available until expended, $1,533,000, which sum is composed of $225,000, the balance of the amount authorized to be appropriated for the fiscal year 1957, and $1,308,000, a part of the amount authorized to be appropriated for the fiscal year 1958."

On page 3, after line 19, to insert:

"Weather Bureau

"Salaries and Expenses

"For an additional amount for 'Salaries and expenses', $372,100."

At the top of page 4, to insert:

"THE PANAMA CANAL

"Panama Canal Company

"Panama Canal Bridge

"For expenses necessary for work preliminary to the construction of a high-level bridge across the Panama Canal at Balboa, Canal Zone, as authorized by the act of July 23, 1956 (70 Stat. 596), $1,000,000, to remain available until expended."

On page 4, after line 8, to insert:

"INDEPENDENT AGENCIES

"Advisory Committee on Weather Control

"To complete its final report to the President and the Congress as provided by law, $175,000: *Provided, however,* That the Committee shall complete its report and terminate its activities by December 31, 1957, and turn its records over to the National Science Foundation, together with any unexpended balances."

On page 4, after line 16, to insert:

"Small Business Administration

"Salaries and Expenses

"For necessary expenses, not otherwise provided for, of the Small Business Administration, including expenses of attendance at meetings concerned with the purposes of this appropriation and hire of passenger motor vehicles, $2,570,000; and in addition there may be transferred to this appropriation not to exceed $8,590,000 from the revolving fund, Small Business Administration, and not to exceed $490,000 from the fund for liquidation of Reconstruction Finance Corporation disaster loans, Small Business Administration, for administrative expenses in connection with activities financed under said funds: *Provided,* That the amount authorized for transfer from the revolving fund, Small Business Administration, may be increased, with the approval of the Bureau of the Budget, by such amount as may be required to finance administrative expenses incurred in the making of disaster loans: *Provided further,* That 10 percent of the amount authorized to be transferred from the revolving fund, Small Business Administration, shall be placed in reserve to be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended, only in such amounts and at such times as may become necessary to carry out the business loan program."

On page 5, after line 18, to insert:

"Revolving Fund

"For additional capital for the revolving fund authorized by the Small Business Act of 1953, as amended, to be available without fiscal year limitations, $100,000,000."

On page 6, line 1, to change the chapter number from "II" to "III."

Under the heading "Department of Defense—Military Functions—Department of the Army—Military Construction, Army" on page 7, line 11, after the word "expended", to strike out "$305,060,000" and insert "$315,000,000."

Under the subhead "Military Construction—Army Reserve Forces", on page 7, line 23, after the word "vehicles" to strike out "$46,000,000" and insert "$55,000,000."

Under the subhead "Department of the Navy—Military Construction, Navy", on page 8, line 17, to strike out "$265,000,000" and insert "$300,000,000."

Under the subhead "Department of the Air Force—Military Construction, Air Force", on page 9, line 10, after the word "expended", to strike out "$900,000,000" and insert "$950,000,000."

Under the subhead "General Provisions", on page 9, line 12, to change the section number from "201" to "301."

On page 9, line 17, to change the section number from "202" to "302."

On page 9, line 23, to change the section number from "203" to "303."

On page 10, line 8, to change the section number from "204" to "304."

On page 10, line 16, to change the section number from "205" to "305."

On page 10, line 22, to change the section number from "206" to "306."

On page 11, line 5, to change the section number from "207" to "307."

On page 11, line 13, to change the section number from "208" to "308."

On page 11, line 21, to change the section number from "209" to "309."

On page 12, line 3, to change the section number from "210" to "310."

On page 12, line 11, to change the section number from "211" to "311."

On page 12, after line 13, to insert a new section, as follows:

"SEC. 312. The Secretary of Defense is hereby authorized to transfer to the 'Air Force industrial fund' not to exceed $100 million from appropriations to the Department of Defense available for obligation during the fiscal year 1958."

On page 12, after line 18, to insert a new section, as follows:

"SEC. 313. Section 612 of the Department of Defense Appropriation Act of 1958, Public Law 117, approved August 2, 1957, is amended by deleting the figures '$41,000,000' in the first line and inserting in lieu thereof '$45,000,000'."

On page 12, after line 23, to insert a new section, as follows:

"SEC. 314. The General Counsel of the Department of Defense shall be paid at the rate prescribed by Reorganization Plan No. 6 approved June 30, 1953 (67 Stat. 638)."

On page 13, line 3, to change the chapter number from "III" to "IV."

Under the heading "Department of Defense—Civil Functions—Department of the Army-Administration, Ryukyu Islands", on page 13, line 25, after the word "appropriation", to strike out "$2,410,000" and insert "$2,475,000", and on page 14, line 1, after the word "exceed", to strike out "$1,340,000" and insert "$1,405,000."

On page 15, after line 18, to insert:

"Construction of Power Systems, Ryukyu Islands

"For necessary expenses of construction, installation, and equipment of electric power systems in the Ryukyu Islands, which shall be operated by the Ryukyu Electric Power Corporation, an instrumentality of the United States Civil Administration of the Ryukyu Islands; services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), at rates not in excess of $50 a day for individuals; hire of passenger motor vehicles and hire of aircraft; $1,513,000 to remain available until expended, without regard to sections 355 and 3734 of the Revised Statutes, as amended, and title 10, United States Code, section 4774."

On page 17, line 13, to change the chapter number from "IV" to "V."

Under the heading "Independent Offices—General Services Administration", on page 17, after line 21, to insert:

"Hospital Facilities in the District of Columbia

"For an additional amount for expenses necessary in carrying out the provisions of the act of August 7, 1946 (60 Stat. 896), as amended, authorizing the establishment of a hospital center in the District of Columbia, including grants to private agencies for hospital facilities in said District, $290,000, to remain available until expended: *Provided,* That the limitation under this head in the act of July 15, 1952 (66 Stat. 644), as amended, on the total amount to be provided for completion of grant projects, is increased from $13,010,000 to $13,300,000."

On page 18, line 20, to change the chapter number from "V" to "VI."

Under the heading "Department of the Interior", on page 18, after line 21, to insert:

"Bureau of Land Management

"Construction

"Not to exceed $1,423 of the funds available to the Bureau of Land Management from definite annual appropriations shall be available for reimbursing the city of Monticello, Utah, for the cost of improvements to streets and appurtenant facilities adjoining property under the jurisdiction of the Bureau of Land Management."

Under the subhead "Bureau of Indian Affairs—Resources Management", on page 19, line 10, after the word "exceed" to strike out "$118,000" and insert $169,000", and in line 12, after the word "basis", to insert a colon and the following proviso:

"*Provided,* That the Secretary of the Interior is authorized to expend income received from leases on lands on the Colorado River Indian Reservation (southern and northern reserves) for the benefit of the Colorado River Indian Tribes and their members during the current fiscal year, or until beneficial ownership of the lands has been determined if such determination is made during the current fiscal year."

Under the subhead "Commission for a National Cultural Center—Salaries and Expenses", on page 20, at the beginning of line 6, to strike out "The" and insert "Not to exceed 12,000 of the."

On page 20, after line 14, to insert:

"DEPARTMENT OF AGRICULTURE

"Forest Service

"Forest Land Management: During the current fiscal year not to exceed $50,000 of the funds appropriated under this heading shall be available for the acquisition of sites authorized by the act of March 3, 1925, as amended (16 U. S. C. 555), without regard to any other limitation on the amount available for this purpose."

At the top of page 21, to insert:

"CHAPTER VII

"DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

"Public Health Service

"Communicable Diseases

"Communicable diseases: For an additional amount for 'Communicable diseases', for emergency measures necessary for the further prevention and control of a threatened or actual epidemic of influenza, $800,000: *Provided,* That $2 million may be

transferred from funds appropriated for disaster relief pursuant to the act of September 30, 1950, chapter 1125, section 8 (64 Stat. 1109), for the purposes specified in this paragraph, including the purchase, without regard to section 3709 of the revised statutes, and distribution of supplies and materials for prevention and control and grants to States of money and medical supplies and materials, upon a finding by the Secretary of Health, Education, and Welfare, upon the recommendation of the Surgeon General and the National Advisory Health Council, that a threatened or actual epidemic of influenza constitutes an actual or potential health emergency of national significance."

On page 21, after line 21, to insert:

"Hospitals and Medical Care

"The limitation under this head contained in the Third Supplemental Appropriation Act, 1957, for payments for medical care of dependents and retired personnel under the Dependents' Medical Care Act is increased by such sum or sums as may be necessary for the purpose."

On page 22, after line 8, to insert:

"Construction of Indian Health Facilities

"For an additional amount for 'Construction of Indian health facilities', $34,000, for the construction of sewer and water facilities for the Elko Indian colony, Nevada."

On page 22, after line 7, to insert:

"General Provisions

"Section 210 of the Department of Health, Education, and Welfare Appropriation Act, 1958 (71 Stat. 224), is amended by striking out the period at the end of such section and inserting in lieu thereof a colon and the following: '*Provided*, That this section shall not be applicable to assistance and consultation rendered by that Department in connection with the planning of a building for the use of the Food and Drug Administration at Washington, District of Columbia'."

On page 22, line 17, to change the chapter number "VI" to "VIII."

On page 22, after line 18, to insert:

"DEPARTMENT OF DEFENSE—CIVIL FUNCTIONS

"Department of the Army

"Rivers and Harbors and Flood Control

"Construction, general

"For an additional amount for 'Construction, general', $475,000, to remain available until expended."

On page 23, line 8, change the chapter number from "VII" to "IX."

Under the heading "Department of State—International Organizations and Conferences—Eleventh World Health Assembly of the World Health Organization", on page 23, line 16, after the numerals "832", to strike out $290,000" and insert "375,000."

On page 23, after line 16, to insert:

"Contributions to International Organizations

"Notwithstanding the provisions of section 2 of Public Law 689, 84th Congress, an additional contribution of $5,696 to the North Atlantic Treaty Organization Parliamentary Conference is authorized out of funds previously appropriated for 'Contributions to international organizations'."

Under the subhead "Educational, Scientific, and Cultural Activities", on page 24, line 9, after the figures "$3,525,000", to insert a colon and "*Provided*, That this amount shall be used for purchase of foreign currencies from the special account for the informational media guaranty program, at rates of exchange determined by the Treasury Department, but in no event at a higher rate per unit than the Free World market value of the currency purchased, and the amounts of any such purchases shall be covered into miscellaneous receipts of the Treasury."

Under the heading "The Judiciary—Courts of Appeals, District Courts, and Other Judicial Services," on page 24, after line 19, to insert:

"Salaries of referees

"For an additional amount for 'Salaries of referees,' $10,000, to be derived from the referees' salary fund established in pursuance of the act of June 28, 1946, as amended (11 U. S. C. 68)."

Under the subhead "Expenses of Referees," on page 25, at the beginning of line 3, to strike out "$75,000" and insert "$150,000."

Under the heading "Funds Appropriated to the President—President's Special International Program," on page 25, after line 7, to strike out:

"For an additional amount for 'President's special international program,' $2,200,000, to remain available until expended."

And insert:

"For an additional amount for the 'President's special international program,' including uniforms or allowances therefor, as authorized by law (5 U. S. C. 2131), $5,089,000, to remain available until expended: *Provided*, That the amount made available under this head in the Departments of State and Justice, the Judiciary, and Related Agencies Appropriation Act, 1958, for United States participation in the Universal and International Exhibition of Brussels, 1958, is increased from '$6,500,000' to '$9,389,000'."

On page 25, line 21, to change the chapter number from "VIII" to "X."

On page 26, line 3, to change the chapter number from "IX" to "XI."

On page 26, after line 19, to insert:

"DEPARTMENT OF PUBLIC HEALTH

"Department of Public Health, amounts equal to the cost of medical services rendered recipients of public assistance, without charge, may from time to time be transferred to the Department of Public Welfare for deposit into a fund, hereby established, for the purpose of matching Federal grants under the Social Security Act for payment for medical services as provided under that act, payment of related administrative expense, and return of any surplus to the general fund of the District of Columbia."

Under the subhead "Judgments," on page 28, line 9, after the word "in" to insert "Senate Document No. 57 and," and, in line 11, after the word "Congress" to strike out "$15,038" and insert "$44,128."

On page 29, line 10, to change the chapter number from "X" to "XII."

On page 29, after line 18, to insert:

"Architect of the Capitol

"Capitol Buildings and Grounds

"Furniture and furnishings, additional Senate Office Building: To enable the Architect of the Capitol, under the direction of the Senate Office Building Commission, to carry out the provisions of the act of July 10, 1957 (Public Law 85-93, 85th Cong.), authorizing furniture and furnishings for the additional office building for the United States Senate, authorized to be constructed and equipped by the Second Deficiency Appropriations Act, 1948 (62 Stat. 1029), $1 million, to remain available until expended."

On page 30, after line 5, to insert:

"Remodeling, Senate Office Building: Toward carrying out the provisions of the act of July 10, 1957 (Public Law 85-95, 85th Cong.), authorizing the enlargement and remodeling of Senators' suites and structural, mechanical, and other changes and improvements in the existing Senate Office Building to provide improved accommodations for the United States Senate, $250,000, to be expended by the Architect of the Capitol under the direction of the Senate Office Building Commission and to remain available until expended: *Provided*, That the funds herein appropriated may be expended only for such work as can be done by the force of the Architect of the Capitol and that no part of such funds may be expended for planning by architects or engineers not on the staff of the Architect of the Capitol."

On page 30, line 21, to change the chapter number from "XI" to "XIII."

Under the heading "Claims for Damages, Audited Claims, and Judgments", on page 31, after line 18, to insert:

"For payment of claims for damages as settled and determined by departments and agencies in accord with law, audited claims, certified to be due by the General Accounting Office, and judgments rendered against the United States by United States district courts and the United States Court of Claims, as set forth in Senate Document No. 60, 85th Congress, $753,860 together with such amounts as may be necessary to pay interest (as and when specified in such judgments or in certain of the settlements of the General Accounting Office or provided by law) and such additional sums due to increases in rates of exchange as may be necessary to pay claims in foreign currency: *Provided*, That no judgment herein appropriated for shall be paid until it shall have become final and conclusive against the United States by failure of the parties to appeal or otherwise: *Provided further*, That, unless otherwise specifically required by law or by the judgment, payment of interest wherever appropriated for herein shall not continue for more than 30 days after the date of approval of this act."

On page 32, line 13, to change the chapter number from "XII" to "XIV."

Under the heading "General Provision," on page 32, at the beginning of line 15, to change the section number from "1201" to "1401."

Mr. HAYDEN. Mr. President, on behalf of the Committee on Appropriations, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. It is proposed, on page 33, after line 9, to insert:

SEC. 1402. The appropriations, authorizations, and authority with respect thereto in this act shall be available from July 1, 1957, for the purposes provided in such appropriations, authorizations, and authority. All obligations incurred during the period between June 30, 1957, and the date of enactment of this act in anticipation of such appropriations, authorizations, and authority are hereby ratified and confirmed if in accordance with the terms hereof, and the terms of Public Law 85-78, 85th Congress, as amended.

Mr. HAYDEN. Mr. President, several of the appropriation bills were not passed until after July 1, the beginning of the current fiscal year. In order that the various agencies of the Government for which appropriations had not been approved could operate, the usual continuing resolution was passed.

The purpose of the amendment is to ratify and confirm all obligations incurred pursuant to that resolution. It is the usual provision which always follows a continuing resolution.

I ask that the amendment be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Arizona [Mr. HAYDEN].

The amendment was agreed to.

THE RIGHT TO KNOW

Mr. HUMPHREY. Mr. President, a group of young Americans are en route

behind the Bamboo Curtain in Red China.

Regardless of whether we approve or disapprove of the action taken by these young students in wanting to find out what it is like in China today, the fact remains that they are going. What we should now be concerned about is whether or not the American people are to be given an unbiased account of what they do, what they say, and how they are treated.

Must we rely only upon Communist news agencies for the story of these American students in Red China?

I think the American people have a right to have their own press, radio, and television correspondents on the scene to record this story objectively—to tell us what happens, and what the reactions of our young Americans are.

In Moscow recently, a few young Americans were able to embarrass the entire Soviet Union by doing a more effective job of publicly criticising Kremlin policy than anyone else has been able to get away with. Yet if it had not been for the American press representatives, we probably would not have known about it.

We have no correspondents in China—because of our own policies, not because of Red China's. The American press would welcome a chance to go and cover this story of American students. It may be vitally important to have such unofficial observers available to give us an objective report, in view of the fact we have no diplomatic representatives there.

Mr. President, the State Department has shown some wavering from its earlier ban on American correspondents in Red China. I respectfully suggest it would be advisable to immediately grant at least temporary emergency authorization for our own correspondents to fly to Red China at once, to keep us informed over what is happening to our American youth being escorted through Red China.

This statement is not to be interpreted as condoning the action of these young students in defiance of State Department policy. It is merely recognizing that the interests of the United States can best be served now by seeing that we get full reports from competent American journalists, rather than the distorted propaganda reports which will undoubtedly emanate from the Communist press services in China.

Mr. President——

The PRESIDING OFFICER. The Senator from Minnesota.

MONETARY AND FISCAL POLICIES—HIGH BORROWING COSTS

Mr. HUMPHREY. Mr. President, I also desire to invite the attention of the Senate to a letter I have received from a very responsible organization in my State, the Minnesota School Board Association, along with a press story. The letter indicates that there is no subject of more vital concern to the economic welfare of the American people than the monetary and fiscal policy of the Federal Government. Ever since March 1953, we have been witnessing ever-rising interest rates and a tightening of credit, both of which have exacted a heavy price from borrowers and placed an ever-increasing burden upon the taxpayers.

The administration's high interest rate and tight credit policy is a matter of such public importance that the Congress of the United States is being repeatedly called upon to exercise its power over the value of money by calling a halt to the policies being pursued by the Eisenhower administration. The appeals for help are no longer coming only from farmers and small-business men, who were the first to feel the pinch of high interest and tight money policies. The appeals are now coming from local governmental institutions, particularly school boards who see much-needed public facilities jeopardized by the fiscal and monetary policies of this administration.

The Congress can no longer ignore these pleas and appeals. The borrowing policy, the tax policy, the interest rate policies, and the credit policies of the Federal Government require Congressional supervision. Money and credit are not the special privileges of the Treasury Department, the Federal Reserve Board, and the private banking institutions. Each of these institutions has its role to play, but under the Constitution they should not have and do not have exclusive jurisdiction over monetary and fiscal policy.

I invite to the attention of the Senate an article which appeared in the Minneapolis Star some week ago. This article states that the Minnesota School Board Association adopted a resolution urging President Eisenhower to investigate the high interest rates on school construction bonds. The Minnesota School Board Association also asked the President to take necessary steps to make money available to school districts at lower interest rates.

I take this means of informing the Minnesota School Board Association that it is the fiscal and monetary policies of the Eisenhower administration that are responsible for the high interest rate on school construction bonds. Furthermore, the President has not given leadership to make money available to school districts at lower interest rates. Every act and attitude of the Eisenhower administration is conducive to and in fact leads to higher interest rates on both public and private financing. Not only did the administration fail to give leadership in support of the Federal aid to school contruction program, which is direly needed, but even worse, its policies retard and impede school construction due to the heavy financing costs of a school bond issue.

I also invite to the Senate's attention a letter which I have received from the Minnesota School Board Association under the date of August 8. This letter carries with it a resolution unanimously adopted by the Board of Directors of the Minnesota School Board Association. The resolution calls for the passage of Federal aid for school construction. It asks the Congress to enact legislation that will alleviate the high interest rates on school bond issues.

This resolution and letter are but further evidence of the growing anxiety and concern on the part of responsible local—and, may I add, conservative—public officials over the policies being pursued by the present administration.

I can assure, and have reassured, my constituents that I wholeheartedely support Federal aid for school construction—that I vigorously oppose the present high interest rate and tight credit policy of this administration—and that I shall do all I possibly can to make available to school districts financing at a rate of interest that is reasonable and fair and that takes into consideration the fact that local government bonds are tax exempt and, therefore, are a much more desirable investment to bond holders. Surely tax-exempt bonds should bear a much lower rate of interest than other securities.

Mr. President, I ask unanimous consent that the letter and the newspaper article to which I have alluded in my comments be printed at this point in my remarks.

There being no objection, the letter and article were ordered to be printed in the RECORD, as follows:

MINNESOTA SCHOOL BOARD ASSOCIATION,
St. Peter, Minn., August 8, 1957.

Hon. HUBERT HUMPHREY,
United States Senator,
Senate Chamber, Washington, D. C.

DEAR SENATOR: I wish to call to your attention action taken by the board of directors of the Minnesota School Board Association on Monday, August 5, 1957, during their regular monthly meeting. This action was taken by a unanimous vote, and I shall list the names and addresses of the board members at the conclusion of this letter.

"Whereas the recent Federal aid to school construction bill was killed by the United States House of Representatives; and

"Whereas the board of directors of the Minnesota School Board Association were not concerned with enactment of this legislation; and

"Whereas the board of directors did not believe that this bill was the answer to partial financing of public school construction; and

"Whereas the board of directors want to impress upon you, in spite of propaganda to the contrary, that there is a real need for assistance in school construction; and

"Whereas the board of directors believe that the property taxload is lending itself to the taxing many small communities out of existence; and

"Whereas the board of directors know from basis of fact that more and more school buildings will have to be built within the next 10 to 15 years; and

"Whereas the board of directors believe that the single major factor in the high school cost of school building, and the biggest factor in the rise of local property tax, is the high rate of interest that school districts are forced to pay on their bond issues; and

"Whereas some of the recent school bond sales have nearly reached 5 percent on the sale (Bloomington 4.897) be it

"*Resolved*, That the board of directors of the Minnesota School Board Association respectfully request the Honorable Dwight D. Eisenhower, the Honorable Edward Thye, the Honorable Hubert Humphrey, the Honorable August Andresen, the Honorable Joseph O'Hara, the Honorable Roy Weir, the Honorable Eugene McCarthy, the Honorable Walter Judd, the Honorable Fred Marshall, the Honorable H. Carl Andersen, the Honorable John Blatnik, and the Honorable

Coya Knutson, to investigate the situation as it exists in Minnesota and other States, and to enact legislation that will alleviate the high interest rates on school bond issues. The board of directors believe that one of the main reasons for the high rate of taxation is the inability of school districts to borrow money at a low rate of interest. They believe that an emergency exists in the field of public school education, and that taxpayers and supporters of the public school system, should not be penalized in their efforts to provide an education for the young people of Minnesota, or any other State. We believe that this problem of high interest is one that must be dealt with on a national level. We respectfully request your assistance in correcting this problem."

W. A. WETTERGREN,
Executive Secretary.

(Directors: Emery Lindesmith, Owatonna; Charles McCarthy, Madelia; R. A. Horton, Lindstrom; Mrs. Fred L. Paul, St. Paul; Miss Florence Lehmann, Minneapolis; Gordon Blume, Verndale; A. G. Sifert, Redwood Falls; Herbert Latvala, Nashwauk; Paul Olstad, Bemidji.)

IKE PROBE ASKED OF SCHOOL BOND CHARGES

(By Herm Sittard)

The Minnesota School Board Association (MSBA) board of directors today passed a resolution urging President Eisenhower to investigate the high interest rates on school construction bonds.

They also asked the President to take necessary steps to make money available to school districts at lower interest rates.

The MSBA resolution will go to the President, the Cabinet Secretary for Health, Education, and Welfare, and the Minnesota Congressional delegation.

MSBA directors discussed the interest rate of 4.98 percent on bonds voted recently by the Bloomington School Board for a $500,000 construction loan.

William Wettergren, MSBA executive secretary, read a letter from State Treasurer Van Bjornson concerning the June 1 shutoff of State investment fund loans to school districts.

In previous years, the State investment board has approved loans of two to three million dollars annually for construction bonds. Current State interest rates are an attractive 3.25 percent.

MSBA had asked Bjornson for an explanation of the shutoff. In his letter, Bjornson pointed out loans made from the State investment fund have been relatively small in the past.

He cited an old statute declaring preference be given applicants seeking $2,500 or less.

"Now for the first time in Minnesota history," Bjornson wrote, "the State will be carrying its own building certificates of indebtedness on to the open money market.

"We have been able to finance ourselves in the past * * * because building programs have been slow and gradual. Now we have a tremendous stepping up in tempo.

"The point has been reached * * * where the State cannot much longer finance itself."

Bjornson explained 85 percent or about $54 million of the next school term's aids must be distributed just before Labor Day.

Wettergren reviewed the recent defeat, 208 to 203, of the Federal aid to education bill in Congress. The National Education Association, he noted, points to a conservative coalition of 111 Republicans and 96 Democrats opposing the bill as the reason for its failure, rather than the antisegregation amendment.

Lower interest rates on bond issues, commented Wettergren, would ease property taxes more than anything else.

Michael Ousdigian, executive director of the Public Employees Retirement Association, explained to the board the background of the PERA Retirement Act passed by the 1957 legislature.

The new law permits a referendum October 15 in which some 33,000 public employees will decide whether they wish to continue under the PERA system or combine this with social security.

School boards of New Brighton District 38 and Tracy, Minn., have asked the MSBA to check the legality of retroactive features in this law and to challenge its constitutionality.

Thomas Quayle, executive director of the interim commission on recodification of school laws, has informed the MSBA he believes that the MSBA did not have the standing through which to challenge the law; but that an individual MSBA member might have such standing.

MSBA directors voted to ask their legal counsel how an individual member may challenge the PERA law.

BORROWING BY NORTHERN STATES POWER COMPANY OF MINNESOTA

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the report on the record high borrowing costs of the Northern States Power Company of Minnesota, from the Wall Street Journal of August 14, be printed as a part of the RECORD.

Mr. President, I am usually most pleased to announce to the Senate unusual achievements which take place within the great State of Minnesota. But in this particular case I am far from happy, for what I have to announce is that the Northern States Power Company of Minnesota recently had to pay 5.05 percent interest on $18 million of first mortgage bonds. This is reported as probably being the highest rate since the early 1930's on long-term electric utility obligations of comparable quality.

Only 11 months ago, this same company sold a $15 million block of bonds at 4.22 percent. In less than a year the rate has jumped from 4.22 percent to 5.05 percent—an increase of almost 20 percent.

This is a perfect illustration of the fact that the cost of borrowing money is rising faster than is the price of any other commodity on the market today. Here is real honest-to-goodness inflation, but the administration which preaches so piously on the danger of inflation for some strange reason does not seem concerned.

I suggest that the administration take a look at the real inflation which is taking place in the interest rate market. This is an Eisenhower inflation which cannot be denied, a price increase in the last 1 year of 20 percent. It is my opinion that no other commodity can show such an increase.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NORTHERN STATES POWER $18 MILLION BONDS SOLD AT 5.05 PERCENT INTEREST COST—BORROWING CALLED COSTLIEST OF ITS KIND SINCE EARLY 1930'S; OFFERED PUBLICLY AT PAR

CHICAGO.—Northern States Power Co. of Minnesota accepted a 5.05-percent net interest cost to sell its $18 million of first mortgage bonds, due August 1, 1987.

That rate marked the borrowings as probably the costliest since the early 1930's on long-term electric utility obligations of comparable quality, investment bankers said.

Underwriters led by Blyth & Co., Inc., and First Boston Corp. took the 30-year securities from the block with a bid of 99.26 for a 5-percent coupon.

Following compliance with Securities and Exchange Commission requirements, the group is putting the bonds out for general distribution today at par. Indications were that the issue would be a quick success at retail.

Investment bankers compared yesterday's 5.05-percent borrowing cost for Northern States Power with the 4.70 percent Texas Electric Service Co. is paying for the $16 million it raised July 15 on similarly rated 30-year obligations.

A borrowing cost of about 5 percent accepted by Pacific Gas & Electric Co. on AA-rated securities July 23 was closer to yesterday's. But that $60 million offering was more than 3 times as large and it came from a utility with much more debt paper outstanding in the hands of investors.

Other bids received by Northern States Power for its 30-year bonds as 5's came from: Merrill Lynch, Pierce, Fenner & Beane, Kidder, Peabody & Co. and White, Weld & Co., jointly, 99.239; Lehman Brothers and Riter & Co., jointly, 99.231, and Equitable Securities Corp. and Eastman Dillon, Union Securities & Co., jointly, 99.15.

Halsey, Stuart & Co., Inc., bid 99.90 for a 5⅛-percent coupon.

The new bonds will be callable at the utility's option at 105 until July 31, 1958, and thereafter at prices ranging down to par.

On Northern States Power's last bond market trip, September 12, 1956, it sold a $15 million block of 30-year 4¼'s at 4.22 percent. The Minnesota utility will use the proceeds from yesterday's 5's to pay short-term construction loans and for more expansion.

Mr. KERR. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Oklahoma?

Mr. HUMPHREY. I yield to the Senator from Oklahoma.

Mr. KERR. The Senator is aware of the fact, is he not, that the Treasury this year and in the last few weeks has sold securities on which the interest rate is 100 percent higher than the interest rate it had to pay and did pay on similar securities only 2 years ago?

Mr. HUMPHREY. I am aware of that.

Mr. KERR. As I have understood the President of the United States, when he has talked about an increase in the wages for Government employees, I believe that there are one or more bills before the Senate now designed to do that, has said he is opposed to any increases in the wages of Federal employees, because such increase would be inflationary.

Mr. HUMPHREY. The Senator's interpretation of the President's position is accurate, according to my understanding.

Mr. KERR. I should like to ask the Senator if he can figure out how it could possibly be so objectionable on the basis that it is inflationary, to raise the wages of Government employees from 7 to 10 or 11 percent, while at the same time favoring, implementing, and putting into effect a policy which thus increases the wages of money 100 percent, and saying that that is not inflationary.

Mr. HUMPHREY. I respectfully reply to the Senator from Oklahoma that the only ones who could possibly make that kind of a deduction from the facts

as presented would be the President and the administration, because if inflation means rising costs, and that apparently is what contributes to inflation, at least, then the rising cost of money is every bit as significant as the rising cost of materials and wages of employment. As the Senator so properly noted, interest is nothing more than rent on money, or wages of money. When we talk about the rise in interest rates as being noninflationary and complain about the price of employment going up as being inflationary, it seems to me we are talking through our hats, or, should I say, out of both sides of the mouth.

Mr. KERR. Would it occur to the Senator that an administration which deliberately implements and puts into effect policies which increase the wages of money 100 percent in 2 years and which opposes any legislation to increase the wages of Government employees is following a policy which would indicate a very much higher respect and more tender feeling for money than for human beings?

Mr. HUMPHREY. The Senator's description is direct and to the point. What is happening indicates the kind of high regard for money which, I must say, most sincerely, has been characteristic of Republican policies throughout the history of our country.

Mr. KERR. The Senator is a very able authority on these matters and has given much time and thought to them. Is the Senator at this moment in a position to refer to any other period in the history of our country in which, during a brief time of 2 years, the administration has handled its fiscal affairs and monetary-control policies in such a way as deliberately to bring about an increase of 100 percent within a 2-year period in the wages of money, or specifically in the rate of interest paid on Government securities which are sold?

Mr. HUMPHREY. The Senator from Minnesota cannot recall any other comparable period in which such a development occurred. We, of course, know that interest rates were higher in the 1920's and early 1930's, but in no period of 2 years has there been the sharp increase and tremendous inflation in interest rates we have witnessed in the past 2 years.

I add, with deep regret, that, just as the rates on money have gone up by official action of the Government—a kind of price support for money—the prices of farm commodities and levels of farm commodity price supports have gone down. It is a kind of paradox, but it is one which is characteristic of the developments we witnessed in the 1920's, as well as in recent days.

Mr. KERR. I am glad the Senator referred to that subject. I remind him that Mr. Humphrey, the Secretary of the Treasury during these years, and the Secretary of Agriculture, Mr. Benson, have been equally devoted to the principle of flexibility.

Mr. HUMPHREY. Yes, indeed. One is flexed up, and the other is flexed down.

Mr. KERR. The Senator is correct. The Secretary of the Treasury has operated in such a way as to flex the interest rates up. The Secretary of Agriculture, who is just as fully devoted to the principle of flexibility, has been just as determinedly, and successfully, engaged in flexing prices of agricultural products down.

Mr. HUMPHREY. Both Secretaries have exacted from the American people a great toll. The Secretary of Agriculture, by pursuing policies which are the epitome of economic trouble—and, if pursued long, they mean disaster for the American people—has exacted a toll of billions of dollars from American farmers, to the extent of a reduction in net income of almost $4 billion a year, over a period of a little more than 4½ years. There has been an increase of more than $4 billion in mortgage indebtedness, and a tremendous liquidation of farm assets. The American public has no idea of the great losses which were encountered and had to be endured by the American farmers under these disastrous policies.

On the money management side, the administration, through its Treasury policies, has exacted a toll of billions of dollars of losses to bondholders. Bonds which are supposed to be selling at 100 cents on the dollar are selling at 85, 86, and 87.

At the same time there has been placed on the backs of American taxpayers a great increase in taxation for managing and financing the public debt, as well as that of private users of money. Increased rates of interest are responsible for losses running into the billions of dollars.

I know the Senator from Oklahoma, who is a member of the Finance Committee, is better versed on this subject than I am. I believe I am correct in saying that the Treasury has exacted from the American taxpayer considerably more than $1 billion a year in increased interest charges.

Mr. KERR. As of this time, with respect to the $75 billion or $80 billion of public debt which has been refinanced, we are now paying more than $1,250 million a year in excess interest, compared with what was paid on that part of the public debt 5 years ago; and the Secretary of the Treasury, Mr. Humphrey, admitted that if the Treasury refinances the entire public debt—and, as of this time, the average maturity of the entire debt is less than 4 years—by the time the public debt of $275 billion has been completely refunded the excess in interest charges on the Federal public debt only, over what it was 5 years ago, will be represented by $5 billion a year of extra cost, which will have to be met by taxes paid by the public.

Mr. HUMPHREY. I wish the American people could get that message. I wish it were drilled home to them. When we talk about an additional burden of Government expense, there is no burden of Government expense which is much larger than this, save our defense program. This is a burden which has a way of compounding itself. Once the Government establishes a higher rate on Government bonds, there is a chain reaction throughout the entire economy.

Mr. KERR. In that connection, Mr. Humphrey admitted——

Mr. HUMPHREY. The Senator means Mr. George Humphrey?

Mr. KERR. Yes. Mr. George Humphrey further admitted that, with respect to the total private debt, corporate and individual, when it is refunded—and it refunds more quickly than the public debt—the increased interest private borrowers will have to pay, over what they were paying 5 years ago, will constitute a penalty on them of $10 billion a year.

Mr. HUMPHREY. So we have an aggregate penalty, pursuant to the policies being pursued, of approximately $15 billion.

Mr. KERR. When our public and private debts have been refunded, the American people will be in the posture of bearing the burden of additional interest cost and tax cost for interest on the public and private debt, of $15 billion a year. That will constitute the Eisenhower-Humphrey heritage to the American people.

Mr. HUMPHREY. I respectfully ask that when that heritage is bequeathed or announced to the American people, it be denominated as the Eisenhower-George Humphrey heritage. Somewhere along the line someone is likely to misunderstand.

I regret that the Senate Finance Committee hearings, in which the Senator from Oklahoma played such an honorable and important role, were not given the same degree of publicity among the American people as that accorded the labor rackets committee hearings. When the total costs are added up, it will be found that the American people will pay more because of the mismanagement of the money and credit policies of our Government than they are paying by reason of hoodlumism or racketeering in some labor or management groups. If we make a real evaluation of the cost to the American people, the mismanagement of money and credit policies, and the interest rate policies of the administration, will exact a much heavier toll from the American people than the 2-bit racketeer who was brought here from New York City. He was a crook in his own right, to be sure; but he would have to work pretty hard to get $15 billion.

Mr. KERR. The $15 billion is not the total load, because those fiscal policies, together with the policies in connection with housing and the accelerated depreciation administrative policies, constitute the seed from which has sprung the Eisenhower inflation, by which we now find ourselves surrounded and penalized.

Mr. HUMPHREY. I wish publicly to pay tribute and render thanks to the Senator from Oklahoma for the great job he has performed as a member of the Senate Committee on Finance, not only in connection with the regular duties of that committee, but in connection with the all-important hearing and investigation into the monetary and fiscal policies of the administration. I say, with all the sincerity at my command, that it is most unfortunate that much of the material which the Senator from Oklahoma and his colleagues have brought into the official transcript of

the record has not been made available to and has not been headlined before the American people. The American people are still being kept in the dark about the fiscal and monetary policies. That field is supposed to be an exclusive domain, a special hunting lodge, the private estate of a small handful of people. Everyone else is supposed to stay out.

Yet I remind my colleagues today that the people are beginning to look to Congress for some action. I received a letter from the Minnesota School Board Association. There is no more honorable group in my State. I think the same thing can be said of every other State. The school board associations represent the finest of our local government officials. They are not radicals. Most of them are moderates, and conservatives. The members of local school boards are the finest people in the community.

What are they asking for? In my State it is not usual for the people to make appeals for Federal assistance. They are appealing to the Federal Government, the Congress, and the President, to do something about the interest rates, which are placing such an unbearable burden upon our local government institutions. The school-building program in many areas is being crippled, or at least retarded, by the very interest rate and credit policies pursued by the administration.

We are losing one schoolroom after another to the coupon clippers, the bondholders, who do not need the schoolrooms. It is the children of America who need the schoolrooms. We are losing them simply because of the rising cost of money, which must be compensated for, when a school is built, by clipping off an auditorium, cutting off a classroom, eliminating a cafeteria, or doing away with a gymnasium. For what reason? To please an administration which is dedicated to a misguided economic policy.

Mr. KERR. The Senator is aware, is he not, of the fact that the President sent a request to the governors' conference at Williamsburg, Va., a few weeks ago, calling upon them to devise ways and means so that the State and local governments could take over a larger share of the burden of the overall operation of government, and thereby relieve the Federal Government of a portion of the burden it now carries?

Mr. HUMPHREY. Yes; I am aware of that.

Mr. KERR. Is the Senator not aware of the message which the governors sent back?

Mr. HUMPHREY. The governors sent back a message dealing with fiscal and interest rate policies.

Mr. KERR. Is the Senator aware that the 45 governors, including 18 Republicans and 17 Democrats, unanimously adopted a resolution calling on the President to take action to alleviate the increasing burden which has been placed upon State and local governments, in the form of higher interest rates, caused by the fiscal policies of this administration?

Mr. HUMPHREY. The Senator from Minnesota is aware of that, and he commends the governors for speaking up in behalf of fiscal sanity in the several States, in terms of the public services which are in need of better financing.

Mr. KERR. I should like to ask the Senator from Minnesota one more question. In doing so I wish to warn him that he should be very careful and take a lesson from what happened to the Senator from Oklahoma when he attempted to speak on that subject on the floor of the Senate. Does it occur to the Senator that it is entirely possible that the President did not know that his own fiscal policies would be responsible for the fact that it would be impossible for the governors to comply with his request because his own fiscal policies had already made the burden of State and local governments so much greater than it had been in recent years that they were then in the process of considering a resolution to call on the President to amend his fiscal policies so that he could improve the environment so that State and local governments could carry on the obligations they already have and might be in a position to assume a considerable part of those now being carried by the Federal Government?

Mr. HUMPHREY. I say to the Senator from Oklahoma that time after time we have excused the President on the basis that undoubtedly, as the statement goes, he does not know about this or that, or was not informed of it.

I say most respectfully it is the duty of the President to know about these things. It is the duty of the President to be in charge of the Department of the Treasury through his agent.

When Secretary George Humphrey was in office he said he was carrying out the policies of the Eisenhower administration. I noticed also when Mr. Burgess testified he testified that all he was doing was carrying out the policies of the Eisenhower administration. I believe Mr. Burgess was much more convincing in making the policy than in carrying it out.

I should like to think that I am charitable. I have very seldom been personally unkind to the Chief Executive. I must say that the time has arrived when we can no longer go around excusing President Eisenhower for not knowing about something that is going on. Everytime something goes wrong someone says, "Don't blame the President. He undoubtedly was not informed." I suggest that he can be informed. I suggest that he is required to be informed.

I suggest that he show one-half as much dynamic leadership in some of the other matters confronting the administration, such as the policy on school construction, as he has in asking for another $500 million in foreign aid funds. That leadership is a bit belated, but it is now being shown. We would be a great deal better off if he showed such leadership. That is not to say that I am in any way resentful of the President's leadership in this matter, because I am not. I commend him for standing up for his foreign aid bill. I commend him for at long last joining the rest of us who have been fighting for it.

However, I submit also that it is getting a bit shopworn to say, "Well, the President, perhaps, did not know about it." If he did not know about it, my most respectful suggestion is that he get on the ball and learn about it. That is something no one else can do except the President.

Mr. KERR. Does the Senator not contemplate the possibility that there has been much more of Mr. Burgess' thinking in what the President has said than there has been of the President's thinking in what Mr. Burgess has said?

Mr. HUMPHREY. I would say to the Senator from Oklahoma that Mr. Burgess was one of the most persuasive forces in the administration. As someone has said, he is a banker's banker. That is almost as good as being a lawyer's lawyer.

Mr. President, I turn to another subject.

The PRESIDING OFFICER. The Senator from Minnesota has the floor.

FULL PROSPERITY FOR AGRICULTURE

Mr. HUMPHREY. Mr. President, in the CONGRESSIONAL RECORD for August 15, there appears a colloquy between the Senator from Oklahoma, the Senator from Vermont, and the Senator from Minnesota, in which we discussed a statement or a pamphlet entitled "Full Prosperity for Agriculture." The pamphlet was published by the Conference on Economic Progress. Mr. Leon H. Keyserling, one of the Nation's foremost economists, and former Chairman of the President's Council on Economic Advisers, had a leading role in the preparation of that pamphlet.

Mr. Keyserling read the RECORD, and this morning I received a letter from him dealing with the colloquy. Attached to Mr. Keyserling's letter is a statement which had been published by the Conference on Economic Progress on February 9, 1956. The statement is an answer to the misrepresentations about the brochure entitled "Full Prosperity for Agriculture."

The Senator from Oklahoma may remember that the charge was made that this pamphlet advocated a substantial reduction in the number of family farms, farmily-farm workers, and family-farm units. Mr. Keyserling has sent me this letter, dated August 19, along with the statement to which I have referred, commenting upon the debate. I ask unanimous consent that the letter and statement be printed at this point in my remarks.

There being no objection, the letter and statement were ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *August 19, 1957.*

Hon. HUBERT H. HUMPHREY,
United States Senate,
Washington, D. C.

DEAR HUBERT: I noticed and very much appreciated your comment in the CONGRESSIONAL RECORD of last Thursday, August 15, in response to a statement by Senator AIKEN that I had advocated the reduction in the number of family-type farm or other policies inimical to such farms. This statement by Senator AIKEN made reference to a study entitled "Full Prosperity for Agriculture," in

the preparation of which I had a leading role, and which was published on November 27, 1955.

I have always had and still have the highest regard for the integrity and high purposes of Senator AIKEN, and I appreciate the fact that the remarks that he made about me personally were kind. It therefore appears to me that Senator AIKEN has not had the opportunity to examine carefully either my views or the study to which he referred, with reference to the family-type farm. This study, as you know, has as one of its major themes the protection and advancement of the family-type farm, the enlargement of the number of family-type farms, and proposes many practical programs toward this end, although the study of course deals with the general advancement of agriculture to its rightful place in our economy. There are many Senators, I am sure, who have heard me make talks on the farm subject, who know very well that for several years I have been engaged in what might almost be called a crusade for the benefit of agriculture as I see it, including especially the family-type farm.

It may interest you further to know that the origin of the complete misreading of the study Full Prosperity for Agriculture was the Department of Agriculture, as might have been suspected, and the Department should have known better. On January 26, 1956, Secretary Benson, in a nationwide television program, originated (so far as I know) this complete misreading of my views and those contained in the study.

I am enclosing for your further information a statement prepared on February 9, 1956, designed to analyze and answer this entirely unjustified criticism by Secretary Benson, which was repeated in many quarters.

If you deem it desirable, I should be glad to have this letter to you, or the enclosed statement, or both, inserted in the CONGRESSIONAL RECORD, as I think that a number of Senators may be interested in the subject matter.

With kindest regards and best wishes,

Very sincerely yours,

LEON H. KEYSERLING,
Consulting Economist and Attorney at Law.

STATEMENT IN ANSWER TO MISREPRESENTATIONS ABOUT FULL PROSPERITY FOR AGRICULTURE

(Study published by Conference on Economic Progress on November 27, 1955)

In Edward R. Murrow's nationwide television program on January 26, Secretary of Agriculture Benson indulged in a completely distorted misreading of a few phrases drawn out of context from Full Prosperity for Agriculture, a 118-page study published on November 27, 1955, by the Conference on Economic Progress. Specifically, the Secretary said that this study urged that about 2 million farmers be forced off the land; and he made rather derisive reference to some members of the national committee of the conference, including some distinguished farm leaders and two of the most distinguished leaders of American labor who vigorously favor an improved farm program not only as a matter of simple economic justice but also because industrial workers cannot remain permanently secure if farmers remain in deep trouble. The Secretary's distortions of this study have been widely repeated or paralleled in various parts of the country.

Full Prosperity for Agriculture raises for intelligent public consideration how farm income may be improved, farm production best adjusted to maximum needs for domestic consumption and exports, and the structure of the farm plant reconciled with these other two objectives with due recognition for the value of farm life as a good in itself. This study points out that, under the 1955 structure of farming, there were about 100,000 very large or giant commercial farms, including some "factories in the field," comprising about 3 percent of the total number of commercial farms, but contributing about 26 percent to total farm sales and receiving at least that percentage of total farm income. The average family income of the owners of these farms may have been as high as $12,000, with many very much higher. At the other extreme, there were about 1.3 million commercial farms, coming to about 38 percent of the total, but contributing only about 8 percent to total farm sales and receiving perhaps a smaller percentage than this of total farm income. The average family incomes of these farms was about $1,400, and only $1,000 of this miserably inadequate average was derived from farming. These terribly depressed farm units are largely in the South, and many of their inhabitants eke out even a substandard livelihood only by part-time nonfarm work. In between these two extremes, there were about 2 million more or less adequate family-type farms, less than 60 percent of the total, and contributing about 64 percent to total farm sales and receiving somewhere in that neighborhood of total farm income. (The final 2 percent of farm sales comes from about 1⅔ million noncommercial farms.) The incomes of these family-type farm families, along with that of agriculture as a whole, have declined drastically in recent years, so that perhaps more than half of them have annual incomes below $3,000. But these more or less adequate family-type farms would be the proper model for American agriculture, if their incomes and opportunities could be sufficiently raised.

To bring better balance into this farm structure, the conference study proposes for consideration a series of policies to prevent further dominance by the very large and giant farms; and that by 1960 the number of more or less adequate family-type farms—small, middle-sized, and moderately large—be increased by about half a million, and that their share of total farm sales and income be increased from about 64 percent to at least 70 percent. To enlarge so substantially the number of these family-type farms, the study contemplates that a large number of the miserably poverty-stricken farms, horribly inadequate both as to size and income, be helped to become adequate family-type farms. But it also recognizes that there can be no hopeful solution for many of the people who now derive some income from these poverty-stricken farms (some as owners and some as tenants or workers) unless there are some improved opportunities for movement into industrial work, either full-time or to supplement their farm-derived incomes. Counting both some of those who "own" these terribly substandard units, and some of those who do hired part-time or full-time work on farms but who are not farm owners at all, it is estimated that some movement by some of these people into industrial work by 1960 might result in an overall decrease of about three-fourths million to the number of people engaged in full-time or part-time farm work, and that these with the nonworking members of their families might number approximately 2 million. Many of these people are so utterly depressed that no farm program alone can assure them an American standard of living.

Any long-range adjustment in the farm population along these lines would be much slower than that projected by most other competent studies. Comparing 1955 with 1929, the farm population has declined from more than 30 million to about 22 million, or from about one-fourth to about 13½ percent of the total population. Secretary Benson knows prefectly well that anybody who said there were not going to be any further adjustments in the farm population between now and 1960 would not know what he was talking about; and the Secretary knows further that President Eisenhower on various occasions has identified improved industrialization and employment opportunity as one significant aspect of bringing a better life and better incomes to the farm population. If Secretary Benson has any proposals whereby all of the 700,000 farm operator families with incomes of less than $1,000 a year, and all of the 2 million with incomes of less than $2,000 a year, can be transformed into farm operators of sufficient size and earn enough farm income to enjoy an American standard of living, without overproduction or excessive income-subsidy, he ought to reveal these proposals.

The conference farm pamphlet does not propose to "force" any farmers off the land. But it does state that "masses of underemployed people on the farm, eking out a substandard living, nullify any assertion that the economy as a whole enjoys full employment, production and purchasing power." And it does state that "The process of putting people through the wringer as a means of redistributing our productive resources between farm and nonfarm work is neither efficient from the economic viewpoint nor justifiable from the human viewpoint * * * neither farm nor industrial workers should be rationed and reassigned by the brutal process of unemployment and deflated income. Instead, private and public economic policy * * * should not only be protective to individuals during the transition process, but also should be used to prompt them toward the transition by income inducements rather than income deflation." In short, the study urges an expanding full employment environment in which all who work for a living, everywhere, shall have opportunity to make a genuine election of their work, and to join in parity enjoyment of the American standard of living.

The attitude of the conference farm pamphlet is further illustrated by this language: "Asking industry to absorb the 'surplus labor supply' of agriculture is just as bad as asking the farm economy to absorb the 'surplus labor supply' of industry. The experience of 1954, when some industries advertised to recruit workers from the farm areas at one time of year, and then told them to go back to the farm at another time of year, is no sound guide to future action. * * * This problem should not be approached in the spirit of shifting a farm burden to industry or an industrial burden to agriculture, thus fomenting artificial conflicts between the two groups. * * * A general full employment program for the whole economy is essential equally to the well-being of agriculture and to the well-being of all the people * * * the maintenance of full employment and the full utilization of our productive potential in the overall economy are goals which should unite farmers, workers, and business interests in a mutual and vigorously sustained effort."

Secretary Benson, and others misrepresenting the conference farm study, ignore the high goals and vigorous programs which it sets forth to help lift farm income toward income parity with other groups. The study proposes that total farm income from all sources be lifted in 1956 to about $3½ billion above the current level. This would mean an increase of more than $150 in the per capita income of the farm population. The study proposes that the total income of the farm population from all sources be lifted from about $19 billion in 1955 to about $29 billion in 1960, which would lift the average per capita income of the farm population from all sources from about $865 in mid-1953 to about $1,450 by 1960. Even the higher figure would be only about two-thirds that of the nonfarm population as a whole by 1960 in a full employment environment. The study proposes that the number of farm

operator families with incomes under $1,000 a year be reduced from 12.5 percent of all farm operator families in 1953 to only 2 percent by 1960; that the number with incomes between $1,000 and $2,000 a year be reduced from 24.5 percent to 5 percent; that the number with incomes between $2,000 and $3,000 be reduced from 20 percent to 11 percent; and that the number with incomes above $4,000 be increased from 28.4 percent to 66 percent. The study proposes that the general average income of all farm operator families be brought up to an average of about $5,400 by 1960, compared with $3,460 in 1953. The study proposes specific measures to redirect farm income protection, so that most of it would go to the family type farm rather than to the giant farm. What goals has Secretary Benson ever set to move American farm families in this upward direction, and what programs has he ever offered to accomplish this objective?

The conference farm study is unique in the high goals which it sets forth for the improvement of farm income and living standards, in its concentration upon the protection and advancement of the family-type farm, in its insistence that the farmer should receive income parity and not just price parity, and in the range and boldness of the practical programs which it recommends to accomplish these objectives. No contrast could be more vivid than that between this farm pamphlet, and the contrived deflation of farm income and living standards which has been taking place at an accelerating rate during the most recent years.

Secretary Benson's improper and indefensible attack upon the conference farm study has been reiterated widely in various publications; there is some appearance of a unified effort further to confuse the public and to bamboozle the farmer.

The Secretary might well consider abandoning the habit of (a) endorsing unjust attacks upon the American farmer, which he has not read (the Harper's article), or (b) attacking reasonable proposals to help the American farmer, which evidently he has not read. Above all, he might abandon the idea that unjustified slurs upon individuals and groups, designed to inflame prejudice rather than to evoke reason, and to play one group against another when all should work together, can help to get agriculture out of its serious plight.

FEBRUARY 9, 1956.

COMPACT FOR APPORTIONMENT OF WATERS OF LITTLE MISSOURI RIVER

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1556) granting the consent of Congress to the States of Montana, North Dakota, South Dakota, and Wyoming to negotiate and enter into a compact relating to their interest in, and the apportionment of, the waters of the Little Missouri River and its tributaries as they affect such States, and for related purposes, which was, on page 4, strike out lines 4 and 5, inclusive, and insert:

SEC. 3. The authority granted in this act shall expire 4 years from the date of enactment.

Mr. ANDERSON. Mr. President, S. 1556 relates to a compact among the States of Montana, North and South Dakota, and Wyoming regarding the waters of the Little Missouri River.

I move the Senate concur in the House amendments.

The first amendment strikes section 3 of the bill as unnecessary since the right of Congress to alter, amend or repeal an act is recognized by the Constitution.

The second amendment inserts a new section 3 that says the authority granted in this act to negotiate the compact shall expire in 4 years.

I have cleared the matter with the minority leader.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Mexico.

The motion was agreed to.

LENDING AUTHORITY OF REA

Mr. CARROLL. Mr. President, I present a resolution passed by the Morgan County Rural Electric Association on August 9, 1957, in Fort Morgan, Colo.

This resolution is an expression of confidence in David Hamil, the REA Administrator, and asks that his administration "be continued without interruption or change." Mr. Hamil is a native of Colorado.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION PASSED BY THE BOARD OF DIRECTORS, MORGAN COUNTY RURAL ELECTRIC ASSOCIATION, FRIDAY, AUGUST 9, 1957

It was moved by W. F. Tormohlen, seconded by H. W. Bigler that the following resolution be adopted:

"That certain publicity has recently been given to the fact that the Administrator of REA, the Honorable David Hamil, may, in the near future, be replaced; and

"Whereas, it is the opinion of the Morgan County REA and the board of directors thereof that the said David Hamil has performed outstanding service to REA during his administration and that he has faithfully, honestly, fearlessly, and impartially carried out his duties in accordance with the purposes and objectives of rural electrifications: Now, therefore, be it

"*Resolved*, That this association make public records of the commendation of David Hamil for his fine and selfless service to our cause and that his administration be continued without interruption or change; and be it further

"*Resolved*, That a copy of this resolution be sent to the President, the Secretary of Agriculture, the Senators and Congressmen from Colorado, so that they may be aware of the esteem of this association for the Honorable David Hamil."

Adopted and approved this 9th day of August 1957. Motion carried.

C. C. DAILY,
President.

Attest:

GEORGE T. WHITE,
Secretary.

Several days ago the distinguished junior Senator from Minnesota expressed himself on the subject of the administration of the Rural Electric Administration. He said he had asked the Secretary of Agriculture, Mr. Benson, to come before his subcommittee. I should like to ask the Senator from Minnesota whether Secretary Benson has come before his subcommittee with reference to the case of REA Administrator Mr. David Hamil, and his authority to approve certain REA loans.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that I may reply to the Senator from Colorado without his losing the floor.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). Without objection, it is so ordered.

Mr. HUMPHREY. The Senator from Colorado has asked whether we have obtained an agreement from the Secretary of Agriculture to testify before the subcommittee on reorganization relating to the reorganization program of the Rural Electrification Administration of the Department of Agriculture. This issue goes to the lending authority of REA.

Mr. ALLOTT. Mr. President, will the Senator from Minnesota speak louder?

Mr. HUMPHREY. Yes.

The PRESIDING OFFICER. The Senate will be in order. Members will refrain from audible conversation.

Mr. HUMPHREY. I say to the Senator from Colorado that it had been brought to my attention that the Rural Electrification Administration and the administrator, Mr. Hamil, were being supervised by the Secretary of Agriculture on large loans, over $500,000, for generating facilities, to such a point that before any such loan was granted it had to have the approval of the Secretary of Agriculture.

That is the allegation. I do not know whether it is true. I want the RECORD to be quite clear on that.

It has been alleged in the official publication of the National Rural Electrification Association magazine. I therefore asked the staff of the Senate Committee on Government Operations, which committee is handling all the reorganization reports relating to the departments of government, to inquire of the Department of Agriculture when we could have Mr. Benson appear before the subcommittee on reorganization.

The request was made of Mr. Benson because at that time the reorganization plan for the Department of Agriculture was considered in Congress and reviewed by the subcommittee on reorganization of the Senate Committee on Government Operations.

Mr. Benson assured the subcommittee members, not once, not twice, but three times, that the reorganization plan of the Department of Agriculture would in no way whatever, in any detail, form, or manner, touch the Rural Electrification Administration. He went further. He said that the lending authority would in no way be jeopardized with or altered or even touched in any way.

I do not know whether it has been touched or altered. I do know that charges have been made. I asked the committee staff of the Committee on Government Operations—of which committee the distinguished Senator from Arkansas [Mr. MCCLELLAN] is the chairman—to pursue with the Department of Agriculture the possibility of getting Mr. Benson to testify.

I must report again most regretfully that for days we were unable to get in touch with the Secretary. As everyone knows, the Secretary was absent from the capital for 50 days. It took Jules Verne 80 days to go around the world, and it has taken Mr. Benson 50 days to get out of the woods. He came back after 50 days. During that time I was unable to get any word whatever from the

Department except that they were unable to get in touch with the Secretary.

The Secretary returned to Washington on Thursday of last week, I believe. The staff director of the reorganization subcommittee of the Senate Committee on Government Operations consulted with officials of the Department of Agriculture and with Mr. Merriam, the Secretary to the Secretary of Agriculture; but all to no avail. Finally the chief counsel of the Department of Agriculture, Mr. Farrington, informed the Subcommitttee on Reorganization that Mr. Benson would not be available to testify before any Congressional committee during the remainder of this session of Congress.

Mr. CARROLL. I thank the Senator from Minnesota.

Mr. HUMPHREY. So I think the Members of the Senate should know that for all practical purposes a Cabinet officer has told a responsible Congressional committee that he will not appear to testify, even though allegations which have been made require his personal appearance. His staff have told me they would come. I am not going to be bullheaded about the matter; but since the Secretary of Agriculture is responsible, I think he should appear. He will be treated respectfully. We were not looking for a fight. We were looking for information.

The Senator from Minnesota—because he has frequently opposed the Secretary of Agriculture—did not initiate the calls directly. The Senator from Minnesota had a staff member—one who has been on the staff since 1946, under both political parties—handle the entire matter. That staff member came to me on Friday and told me that the legal counsel for the Department of Agriculture, Mr. Farrington—a very respectable and fine gentleman—notified the committee that not only would Mr. Benson not agree to a date, but that he would not appear to testify before a Congressional committee.

I do not know whether a Cabinet officer can be subpenaed; but if he can, this man surely deserves to be subpenaed; and I am going to look into the matter.

Mr. CARROLL. Mr. President, let me say to the distinguished junior Senator from Minnesota that there is every justification for having his subcommittee make an investigation of this sort. That is why I am submitting certain material for the RECORD today. One of the articles I now hold has originated since our last colloquy on the floor of the Senate regarding this matter, which arose—as the distinguished junor Senator from Minnesota knows—without any previous plan, design, or preparation. When the distinguished junior Senator from Minnesota spoke at that time, I did not know that he was really speaking about David Hamil, who comes from Colorado.

Since our colloquy, I have read several articles published in Colorado newspapers. For instance, I hold in my hand an article entitled "Hamil's Authority Over REA Now Subjected to Review." The article was written by Gene Wortsman, Rocky Mountain News Washington correspondent. I desire to point out that the Rocky Mountain News is a Scripps-Howard publication, not a Democratic publication. Mr. Wortsman telephoned the REA, and as a result of his phone call, he wrote the article I am holding.

The article indicates the very situation to which the distinguished junior Senator from Minnesota has referred, namely, that, in violation of Mr. Benson's agreement, there has been a limitation on the loan authority of the REA Administrator.

Of equal significance is an article from the Denver Post, an independent Republican newspaper, which supported the Eisenhower administration. The Denver Post headlines an editorial of August 14, 1957—following our colloquy, and following the request by the distinguished junior Senator from Minnesota to the Secretary of Agriculture to come before his subcommittee—"Why Make Dave Hamil the Goat?"

The Denver Post editorial, after a preface of 5 or 6 paragraphs, outlining the background of the REA and the importance of REA loans, states:

> Now, all of this bears upon the reported difficulties of Colorado's David Hamil—

Mr. President, let me say for the RECORD that David Hamil is a Republican; he has been known for a generation to be a Republican. So we are not talking about partisan politics. David Hamil was a former Republican speaker of the Colorado House of Representatives.

I shall read the whole sentence in the editorial:

> Now, all of this bears upon the reported difficulties of Colorado's David Hamil, who for the last year has been Administrator for the REA in Washington. The Administrator is now expected to submit all applications for loans of more than $500,000 to higher authority in the Department of Agriculture for review. We can only guess why.

Mr. President, the next statement in the editorial indicates why the investigation is important; and the paragraph of the editorial which I am about to read is one of the most important paragraphs to be found in it:

> The conflicts that are multiplying between private power companies and rural electric cooperatives have been carried into the upper strata of politics. The Administrator who adheres to the guidelines of the REA Act, who processes loan applications by long-accepted standards of economic feasibility, and who ignores the protests of private power companies whose service areas are beginning to commingle or overlap with those of the REA, invites political repercussions. That, we suggest, happened to Mr. Hamil.

I say it is a curious coincidence that at the very time when the editorial was written in Denver, David Hamil was in Colorado.

I commend the distinguished junior Senator from Minnesota for wishing to find out about this matter. I ask these questions: Is it true that the lending authority of David Hamil has been curbed since June? If it is true, why was it not subject to review prior to June? What occurred to bring about this new limitation of Mr. Hamil's authority? The article in the REA Association magazine about the REA, to which the distinguished Senator from Minnesota referred, leaves a clear implication, I think, that there is something rotten in Denmark. There may not be; but here we find two Colorado newspapers probing into the matter; and the indication in the Denver Post editorial "That, we suggest, happened to Mr. Hamil."

Mr. President, I ask unanimous consent to have the Rocky Mountain News article and the Denver Post editorial be printed at this point in the RECORD.

There being no objection, the article and editorial were ordered to be printed in the RECORD, as follows:

[From the Rocky Mountain News of August 13, 1957]

HAMIL'S AUTHORITY OVER REA NOW SUBJECTED TO REVIEW

(By Gene Wortsman)

WASHINGTON, August 12.—REA Administrator David A. Hamil refers all loan applications over $500,000 to higher authority for policy suggestions, the News was told Monday.

Hamil's superior, Director K. L. Scott, of the Agricultural Credit Service, admitted this procedure has been in effect since the first week in June.

However, he denied that authority to approve or disapprove the applications has been taken from Hamil.

EXTRA STEP

He called it an additional step rather than an added restriction.

The question obviously is a touchy one in the Department.

Hamil, of Atwood, Colo., is out of town for the rest of August. The Acting REA Administrator, J. K. O'Shaughnessy, was skittish. He shied from a direct answer when asked how he handles applications over $500,000.

"Just a minute," he said.

In a moment, he replied, "We've had a number of loans to come up. This thing is now in the Senate. The hearing is to be scheduled with the Secretary (of Agriculture) to appear. I don't think any comment now would be appropriate."

HEARING SOUGHT

O'Shaughnessy had reference to a hearing which Senator HUBERT HUMPHREY (Democrat, of Minnesota), has been trying to set before his Agriculture Subcommittee.

HUMPHREY said he has attempted to get Secretary EZRA TAFT BENSON to testify but the Secretary won't set a date for his appearance.

HUMPHREY said he wants to find out if it's true that Hamil no longer can handle applications for loans over $500,000.

The report was that these loans go to former Congressman Wesley D'Ewart, an assistant to Scott.

I called D'Ewart, Monday, and asked for his comment on the matter.

D'Ewart said: "Just a minute, please."

SUBSTITUTE SPEAKER

In a moment, he was back on the telephone.

"I've asked Mr. Scott, the head of this department, to speak to you," he said.

Scott said the report that Hamil's authority had been taken away is quite an exaggeration of what's actually happened.

"Under delegation of authority," he said, "the Secretary asked me to work with the REA and the other agencies. Dave Hamil and I talked a number of times about the situation that he finds himself in."

Scott explained the situation is that REA is growing as are applications for loans and amounts.

Also, there is an economy drive on and money loaned from the United States Treasury is being held to absolute needs.

"I told Hamil if he wanted to send over to me applications for loans over $500,000 I'd be glad to look at them," Scott declared.

NO CHANGE

This would be another means of keeping himself advised, Scott added.

"Dave well understands there's been no change in his authority to approve loans," he said.

Nor has there been a delegation of Hamil's authority, said Scott.

The Director said he looks at the applications if he has time. Otherwise, D'Ewart or Harry Thomas, a staff member, looks at them and talks to him about them.

If a policy matter is involved, Scott discusses it with Hamil on a suggestion basis.

"Hamil takes them and does with them as he thinks he should," the director said.

Scott was asked if Hamil, if he desired, could stop sending the applications to Scott.

HELPFUL DESIGN

"He could," Scott agreed "I have supervision over him. I'm acting for the Secretary. Dave's not going to do that * * * if he said he's just going to drop it, I'd be surprised. It's designed to be 100 percent helpful."

After Scott's explanation, I told him it still looked as though Hamil couldn't act independently.

"Oh, no," Scott replied. "I just review them. After the review, this is the important thing, if I see a point I think is important policywise, all I do is suggest it to Dave. I tell him if it was me I would inquire into that."

In addition to this splitting of Hamil's authority, there have been reports that he would be fired after Congress leaves.

The reason attributed is that Hamil has been too friendly to cooperatives and this has distressed private power companies.

Scott said he knew nothing about any plans to fire Hamil.

[From the Denver Post of August 14, 1957]

WHY MAKE DAVE HAMIL THE GOAT?

The Rural Electrification Act, which has spread the benefits of electricity to farms and very small towns all over the United States, was not written in anticipation of the physical and technological changes that have taken place in the last two decades.

The REA was created to energize rural America. It was conceived to do something the private power companies felt they could not do—extend electric-light and power service deeply into low-load-factor areas with low-interest, long-repayment, and nonprofit cooperative loans.

The REA has succeeded to the extent of electrifying almost 95 percent of the country's farms and rural homes. And in recent years the demands upon the REA's have changed, giving rise to awkward policy problems.

Today the rural electric cooperatives are interested more in loans to strengthen their power-carrying capacity or expand their power supplies than in loans for original construction. Why? Because residential, agricultural, and industrial customers served by the REA's want more and more power. And this is where, under the REA Act as it stands, the trouble starts.

The private power companies in many instances now feel warranted in going after and serving heavier and profitable power loads than either (1) have been served by REA's hitherto or (2) are in territory that in the past would be considered the REA's to claim.

Thus, when REA's now apply for loans to "heavy up" their lines or to build generation and transmission systems, those applications are exposed to more frequent challenge by private power companies which insist the loans are unnecessary.

The REA's reply that the law exists for their use; that participating co-op members would benefit (both in repayment of old loans and in lower future rates) from a greater volume of kilowatt sales; that the private power companies are thwarting the intent of Congress which passed the law when they stifle the grant of loans by political interference.

Now, all of this bears upon the reported difficulties of Colorado's David Hamil, who for the last year has been Administrator for the REA in Washington. The Administrator is now expected to submit all applications for loans of more than $500,000 to higher authority in the Department of Agriculture for review. We can only guess why.

The conflicts that are multiplying between private power companies and rural electric cooperatives have been carried into the upper strata of politics. The Administrator, who adheres to the guidelines of the REA Act, who processes loan applications by long-accepted standards of economic feasibility, and who ignores the protests of private power companies whose service areas are beginning to commingle or overlap with those of the REA, invites political repercussions. That, we suggest, happened to Mr. Hamil.

Perhaps the REA Act needs amendment to reflect the changing physical and economic circumstances in widespread areas of public versus private power competition. On the other hand there is no good reason why any electric cooperative should be handicapped or crippled as a result of competitive invasion by a private utility determined to cash in on a market originally developed with the public's money.

The point is, such foregoing questions can be answered by Congress in the kind of REA law it makes, and not by administrative policy which exposes the REA Act to the whim or the whip of politicians and the lobbies of special interests that may or may not be effective at any given time. Mr. Hamil and indeed no Administrator of the REA should be expected to distort the law by executive decision simply because the law is inadequate to the stresses modern problems impose on it.

Mr. HUMPHREY and Mr. ALLOTT addressed the Chair.

Mr. CARROLL. Mr. President, I yield to the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I merely wish to state that the Rural Electrification Administration is an autonomous agency for administrative purposes within the Department of Agriculture. The REA Administrator is appointed for a 10-year term, therefore, so that his term will overlap the presidential term. The REA Administrator is supposed to be removed from the overall policy supervision of the Secretary of Agriculture. The REA is set up as an independent, autonomous agency.

I repeat that the record is absolutely clear that the Secretary of Agriculture said, when he was before the Subcommittee on Reorganization, that in no way whatsoever—not in any form, manner, shape, or token—would there be any interference with the loan policy or the administration of Rural Electrification Administration.

I hold in my hand the article published on August 13 in the Rocky Mountain News, of Denver, Colo.—or, rather, a clipping from that article, which was sent to me from Colorado because of the interest which had been exhibited in Mr. Hamil and in the REA. Toward the end of the article, I notice the following:

In addition to this splitting of Hamil's authority, there have been reports that he would be fired after Congress leaves.

The reason attributed is that Hamil has been too friendly to cooperatives and this has distressed private power companies.

Mr. President, I believe I was the only Senator who examined Mr. Hamil over a considerable period of time, when he was appointed to succeed Mr. Ancher Nelson as the REA Administrator. I recall asking Mr. Hamil to come before the Senate Committee on Agriculture and Forestry. I shall not say I was the only Senator who questioned him; but I spent a great deal of time examining Mr. Hamil, questioning him about his record, and going into his background, and receiving from him policy statements regarding how he believed the REA should be administered.

I wish to commend Mr. Hamil for his integrity and for sticking to what he said he was going to do. I commend him for his diligence. I commend him for his nonpartisanship in handling that office.

I say this is the first time since REA has been established that it has been the subject of political controversy, insofar as management in the Department of Agriculture has been concerned. The only way this matter can be settled is by having the Secretary of Agriculture come before the committee.

Mr. ALLOTT and Mr. KEFAUVER addressed the Chair.

The PRESIDING OFFICER (Mr. SCOTT in the chair). Does the Senator from Colorado yield; and if so, to whom?

Mr. CARROLL. First, Mr. President, I should like to commend the junior Senator from Minnesota [Mr. HUMPHREY] for his remarks.

Let me say that I have heard no concrete evidence that Mr. Hamil is going to be discharged from his position, although I think there is some hearsay to that effect.

But I think evidence exists that his lending authority has been interfered with. The article I have inserted in the RECORD—the one published in the Rocky Mountain News—indicates that the authority to approve loans over $500,000 now has been transferred to the Agricultural Credit Service Director, Kenneth Scott; and that if Mr. Scott is not there to exercise it, it will be exercised by a former Member of the House of Representatives, Mr. Wesley D'Ewart.

I have no further information about this matter than that which I have read in several newspaper articles and editorials. They have been written by reputable reporters and journalists of distinction.

Mr. President, at this time I wish to yield to my senior colleague from Colorado [Mr. ALLOTT] for a question.

Mr. ALLOTT. Mr. President, I wish to obtain the floor in my own right.

Mr. CARROLL. Then, Mr. President, at this time I yield to the senior Senator from Tennessee [Mr. KEFAUVER].

Mr. KEFAUVER. Mr. President, I should like to ask a question of the Senator from Minnesota, if the Senator from Colorado will yield to me for that purpose.

Mr. CARROLL. I yield for that purpose.

Mr. KEFAUVER. The position taken by Mr. Benson is surprising, alarming, and arrogant, it seems to me—namely,

that he will not testify about this important matter or any other matter which may come up, during the remainder of the present session of Congress. There may develop several important agricultural problems regarding which the House of Representatives or the Senate may need testimony from Mr. Benson before the end of this session.

Does Mr. Benson state any reason or excuse for acting in such an arrogant, unthoughtful, and uncooperative way?

Mr. HUMPHREY. I can only reply to the Senator from Tennessee that every effort which has been made to get in touch with Mr. Benson has failed; that the Under Secretary of Agriculture, Mr. True D. Morse, speaks for Mr. Benson; and that the Department of Agriculture has said that Mr. Morse would be happy to testify. But Mr. Morse is not the one who testified when we had the reorganization plan under consideration in the committee. Mr. Farrington is the legal counsel for the Department of Agriculture, and Mr. Farrington has said to the staff director of the Committee on Government Operations that Mr. Benson was not going to appear and would not appear on any matter relating to agriculture or to his Department during the remainder of this session of Congress.

Mr. KEFAUVER. I was trying to recall, but I cannot, any time in our contemporary history when a Cabinet member has defied Congress in such a way. I wonder whether the Senator from Minnesota can recall such an instance.

Mr. HUMPHREY. I cannot recall one, and I cannot recall when a Cabinet member has been away from his Department for such a long period of time when there were vital matters relating to the Department's business before Congress. Of course, it can always be said that the Secretary can rely on his Under Secretary and Assistant Secretary. Those men have been available. They are available now. I felt, in view of the fact that the Secretary had personally appeared and assured the full Committee on Government Operations that in the reorganization of the Department of Agriculture nothing would be done to REA, the least he would do would be to come back and permit us to inquire as to the charges. I repeat, I do not know whether the charges are true at all. I think the only one who can set us straight is the Secretary of Agriculture.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. CARROLL. I yield to the Senator from New Mexico.

Mr. CHAVEZ. If Senators are interested in getting the Secretary of Agriculture to appear, while I am pretty sure he means it when he says he will not appear, there is one committee before which he will appear, and that is the Appropriations Subcommittee on Agriculture. He always appears before that subcommittee.

Mr. CARROLL. I wish to make perfectly clear the reason why, in my opinion, this matter becomes important. The important question is whether lending authority has been taken away, not only from David Hamil, who is the person immediately concerned, but from any REA Administrator because of a conflict between REA and the private power companies. If there has been a breach of an agreement, as mentioned by the junior Senator from Minnesota, of what was agreed to some time ago when the Secretary of Agriculture was before the committee, even that is not of the greatest importance. The important question is, as I see it, "Why are they curbing the REA Administrator's lending authority?" It is alleged that it began in June. Did it exist before then? If not, what brought on the new policy? We ought to quickly get to the bottom of this matter and find out first of all whether the charges being made are true, and if they are true, that is, if Mr. Scott and Mr. D'Ewart are limiting the authority of the REA Administrator, we ought to find out why.

Mr. President, I yield the floor.

Mr. ALLOTT. Mr. President, I have listened to the colloquy on the floor for the last 10 minutes on this matter. I am happy to see the junior Senator from Minnesota present, as well as the junior Senator from Colorado, because I want them both to hear what I have to say. I suppose we can resort to Government by newspaper, but newspapermen report what they hear, and they are entitled to place upon it the interpretations to which they think it is susceptible. I know Mr. Wortsman to be an honest and capable man, but I do not know what the background of either of these gentlemen is with respect to the investigation of this matter. I can say that I have personally gone to great effort to investigate what the facts are, and I am not depending upon any newspaper or any column. I believe Senators will find that the authority of Dave Hamil to make loans in the REA is unimpaired and that, as Administrator of the REA, his authority to make loans has never been tampered with and, although the loan files have been reviewed by the Department of Agriculture, he has had it made clear to him, again and again, that he is the sole judge and has the sole power placed in him by the Congress to pass upon loans made to the individual REA's.

I am personally very proud of the record Dave Hamil has made, and I am glad to see my friends on the other side of the aisle paying tribute in this instance to a great Republican. Dave Hamil was speaker of the House of Representatives in the State of Colorado for, I believe, five terms, which would be 10 years, and resigned that position only to accept his present position. His background for it, as I am sure the junior Senator from Minnesota well remembers from his examination of him, lies in his early years as a farm boy, later as a graduate of Hastings College, then as a successful farmer and cattle raiser, and as one of the original organizers and directors of one of the first REA's in Colorado. His interest in this field has never lagged.

I do not know what the reasons are, and I would listen to the Secretary of Agriculture as to why he is not available to the committee. That is not the point to which I wish to speak. I do want to say that, regardless of what the newspapers have to say about it or what any columnist may have to say about it, regardless of what extraneous issue may be interjected, regardless of the fact that the public power interests do want to make this issue a battleground and are not worried about whether the good administration of the REA suffers in doing so, regardless of all this, Dave Hamil will stay as REA Administrator if he so desires. The only time he will leave is if he himself, of his own volition, without any extraneous and outside pressure, and because of his own personal desires, decides to leave, and only then. Moreover, so long as he remains Administrator, I am assured that he will retain the full authority that the office has always had.

While I have the floor and am on the subject, I wish to add one comment. We in Colorado have had some very, very hard problems to solve. That is true not only in Colorado; it is true in many other States. There are many issues to be resolved. From what I have seen, I am personally happy with the progress REA has made under the directorship of Dave Hamil.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. ALLOTT. I yield.

Mr. HUMPHREY. First I may say to the Senator from Colorado I appreciate his comments, and I assure him that nothing I have said since the first day I met Mr. Hamil, and had an opportunity to visit with him for 2 or 3 hours in the committee room, has been in any way uncomplimentary to him. I am not viewing him as a Democrat or a Republican, because I assume that when he assumed his duties as Administrator he left his politics outside the job. That is the way it is supposed to be.

Mr. ALLOTT. If the Senator from Minnesota knew him as I know him, he would know that when Dave Hamil took his oath of office he would live up to it in the finest sense of the word.

Mr. HUMPHREY. I am sure that is so. I have said I do not know whether these charges are true or not. I would hope that they are not. I have yet to receive any information from official channels to the contrary. All that was asked was that in light of the assurances given to us by the Secretary, he would come back and answer the charges that had been made in public and in official or semiofficial publications. No one was going to give him a hard time. Frankly, I do not want to have any long committee sessions. What I want to do more than anything else is to finish the business of Congress and go home. I have no desire to have another subcommittee on reorganization meeting. However, I must say it comes a little bit hard to have a Cabinet officer literally refuse to cooperate, and he has refused to cooperate.

Mr. ALLOTT. I do not know what that situation is. I can imagine good and valid reasons which even the Senator from Minnesota would recognize why the Secretary would not appear at a given time.

Mr. HUMPHREY. Not at a given time. I said, "Pick your time," even to the point of staying here.

Mr. ALLOTT. I am not going to be diverted to that subject. I want to stay on the topic and say that there is no attempt by the administration to get Dave Hamil out of the position he now occupies. This can be ascertained by talking to the Department of Agriculture officials and to others in the administration.

Mr. LANGER rose.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. ALLOTT. I had promised to yield to the Senator from North Dakota.

Mr. LANGER. I should like to say that REA organizations all over the State of North Dakota have written to me and asked me to intercede with the President to have Dave Hamil kept on his job. He is very popular with REA's all over my State. I wrote to the President some time ago, asking that Mr. Hamil be retained. I have heard these rumors and stories. I wish to say to my distinguished friend from Colorado that in all the history of the REA I do not know of any Administrator who has had better backing from the REA's in North Dakota than has David Hamil, and we have had some very good men.

Mr. ALLOTT. I thank the Senator from North Dakota. I have a great deal of confidence in Mr. Hamil myself.

I yield further to the Senator from Minnesota, to finish our colloquy.

Mr. HUMPHREY. I simply want to make the record clear. We are not discussing Mr. Hamil. Mr. Hamil's record will stand on its own. What we are discussing is whether under the reorganization plan, under the authority of the Department of Agriculture, and under the authorization for the REA, any loan should be referred to a Department of Agriculture Assistant Secretary or official above the REA Administrator. I think the Senator will be hard put to it to find in the REA Act any authority whatsoever for anyone outside of the REA reviewing an REA loan.

Why do they do it? It may be because they are friendly. It may be because they are "kissin' cousins," or something like that. I do not know. There is no reason at all for the review to be made.

The answer which has been given is the answer not only in the newspaper story, but also in a letter which I have received. It is that the whole matter of reviewing loans comes about because of inflation and because of credit policies, and so forth.

The Congress of the United States determines what the REA loan policy shall be—not Mr. D'Ewart or Mr. Scott. Mr. Scott's position in the Department of Agriculture is Director of the Agricultural Credit Service. He admitted that the procedure of reviewing loans over $500,000 had been in effect since June.

I say categorically that there is no authorization for that procedure in law. I say at best this is nothing more nor less than an accommodation in the Department. Perhaps there is nothing dangerous about it.

Mr. ALLOTT. I may say to the Senator that I am not sure the statement can be made categorically.

Mr. HUMPHREY. It can.

Mr. ALLOTT. I repeat that there has never been any impairment in any degree of Mr. Hamil's right and authority to make these decisions, with the full power which is given to him in law as the director of the REA. I think when the Senator goes into the matter, if he investigates it, he will find that is a true statement.

Mr. CARROLL. Mr. President, will the Senator yield at this point?

Mr. ALLOTT. Let me finish my colloquy with the Senator from Minnesota.

Mr. HUMPHREY. I want to say that there will be much less danger of impairment after a debate such as this on the floor of the Senate.

Mr. ALLOTT. That statement, perhaps, is true.

Mr. HUMPHREY. We may have solved the problem by alerting the people.

Mr. ALLOTT. I know this is not any attack in any sense upon Mr. Hamil.

Mr. HUMPHREY. No. It is an effort to support him.

Mr. ALLOTT. I know we all have the same interest in achieving a strong REA. I can assure the Senator that Mr. Hamil's power and duties have not been impaired in the least.

I now yield to the junior Senator from Colorado.

Mr. CARROLL. I wonder if the Senator from Colorado has found in his investigation what is the basis for the stories being circulated? The essence of the stories we are reading is that in June the lending authority of the REA administrator, David Hamil, was limited to loans of less than $500,000. That would mean that prior to June he had full lending power and now his power has been limited. This is the question posed by these articles. I believe that is the important question before us.

We have listened to the distinguished Senator from North Dakota, who has heard rumors to this effect. Those rumors have been circulating in the newspapers in my home State of Colorado.

We have discussed the two fine Colorado newspaper reports. One written by a distinguished Washington reporter, who has no personal interest in the matter. Certainly this reporter is not trying to fan the flames of a contest between public and private power advocates to interfere with the present administration of the act. Then we also have for consideration the views of the very competent editorial staff of the Denver Post, which staff certainly writes its articles only after a careful investigation is conducted.

Does the Senator from Colorado have any specific evidence as to what has started these stories?

Mr. ALLOTT. I think if the Senator would call the Department of Agriculture or would talk with either of these two officials he would find that there is no basis for these articles and that his question can be answered categorically, "No; Mr. Hamil's powers have not been limited."

Mr. CARROLL. I am happy to have that information. I shall not dispute the Senator's word. However, my information is to the contrary.

Mr. ALLOTT. May I inquire from where the Senator got his information, aside from the newspaper articles?

Mr. CARROLL. We have information from officials of the Department of Agriculture, who indulged in a lot of doubletalk.

Mr. ALLOTT. Let us get the names in the open on the floor, so that we can stop this doubletalk and stop the damage to the REA.

Mr. CARROLL. There is one way to do it and that is for the Secretary of Agriculture to appear, to respond, and to state what the situation is.

Mr. ALLOTT. I may say that I have talked with numerous people about this subject.

Mr. CARROLL. The way to settle the matter is by a proper investigation. It should not be a newspaper investigation. It should be a Senate committee investigation and the men involved should be brought before the committee so that they can answer the questions.

Mr. ALLOTT. Mr. President, I wish to conclude my own side of this matter by saying that I am sure most of us on the floor have a very keen and sincere desire to see the REA continue and to see it develop as it was meant to develop and has a right to develop.

I say again that I am proud of the record Mr. Hamil has made. More than that, I wish to repeat that—newspaper articles to the contrary—his authority has not been impaired as to the making of loans, and he has the full power of the directorship of the REA.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had insisted upon its amendment to the bill (S. 1482) to amend certain provisions of the Columbia Basin Project Act, and for other purposes, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. ENGLE, Mr. ASPINALL, Mr. SISK, Mr. MILLER of Nebraska, and Mr. SAYLOR were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 8996) to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. DURHAM, Mr. PRICE, Mr. HOLIFIELD, Mr. COLE, and Mr. VAN ZANDT were appointed managers on the part of the House at the conference.

The message further announced that the House had agreed to the amendment of the Senate to the following bill and joint resolution of the House:

H. R. 7383. An act to amend the Atomic Energy Act of 1954, as amended, and for other purposes; and

H. J. Res. 323. Joint resolution to facilitate the admission into the United States of certain aliens.

The message also announced that the House had agreed to the amendments of

the Senate to the following joint resolution and concurrent resolution of the House:

H. J. Res. 339. Joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens; and

H. Con. Res. 171. Concurrent resolution favoring the granting of the status of permanent residence of certain aliens.

The message further announced that the House had passed a bill (H. R. 6080) to provide for the conveyance of certain property of the United States in Gulfport, Miss., to the Gulfport Municipal Separate School District, in which it requested the concurrence of the Senate.

SUPPLEMENTAL APPROPRIATIONS, 1958

The Senate resumed the consideration of the bill (H. R. 9131) making supplemental appropriations for the fiscal year ending June 30, 1958, and for other purposes.

Mr. HAYDEN obtained the floor.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. HAYDEN. Mr. President, I yield to the Senator from South Dakota.

Mr. MAGNUSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MAGNUSON. What is the pending order of business?

The PRESIDING OFFICER. The pending order of business is the appropriation bill. The committee amendments have been agreed to en bloc, and one amendment offered on behalf of the committee by the Senator from Arizona has been agreed to.

Mr. MAGNUSON. Mr. President, I hope we can discuss the pending business.

Mr. CASE of South Dakota. I will say to the Senator from Washington that I desire to discuss the bill presently before the Senate.

Mr. President, I commend the Senate Committee on Appropriations for placing funds in the bill to permit the Advisory Committee on Weather Control to complete its report to the President.

IRVING LANGMUIR

In that connection, I wish to invite the attention of Senators to the comment made by the press services in their report on the death of Irving Langmuir last Friday.

I hold in my hand, Mr. President, a clipping from the Washington Post and Times Herald for Saturday, in which, in a comment upon the death of this famed research scientist, the writer says:

Mr. Langmuir and another GE scientist, Vincent Schaefer, worked at the close of the war to produce the first manmade rain and snow.

With Schaefer, Mr. Langmuir developed a new technique for producing huge quantities of extremely dense screen smoke which proved highly effective in concealing tactical movements of troops in combat in World War II.

After the war, Mr. Langmuir, with Schaefer and Bernard Vonnegut, produced the first manmade snow and rain.

The importance of the discovery was recognized by the Armed Forces, which established Project Cirrus and hired Mr. Langmuir as a consultant.

FULL TIME TO RAIN

By the simple process of seeding clouds with dry ice particles, Langmuir was able to make it rain, provided weather conditions were favorable.

He resigned from the board of trustees of New York's State University to devote full time to Project Cirrus. At the time, he said the project had grown to such great importance that "the best service I can render to the national welfare is to increase, rather than decrease, my activities in this field."

Mr. President, I feel that the Senate Committee on Appropriations, in recognizing the importance of this work, is carrying on in keeping with what Dr. Langmuir himself said:

The best service I can render to the national welfare is to increase, rather than decrease, my activities in this field.

Mr. President, I should also like to state that the Senator from Washington [Mr. MAGNUSON] has made a valuable contribution, because his committee recently reported, by a unanimous vote, and I think the cosponsorship of all members, S. 86, a bill which would provide for a continuation of selected experimental work by the National Science Foundation, when the advisory committee has completed its report.

Mr. President, I ask unanimous consent that the entire article on the life of Dr. Langmuir may be printed in the RECORD at the conclusion of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NOBEL WINNER LANGMUIR DIES

SCHENECTADY, NEW YORK, August 16.—Irving Langmuir, famed research scientist and 1932 Noble prizewinner, died of a heart attack at Falmouth, Mass., the General Electric Co., announced here today.

Mr. Langmuir was 76. He retired from General Electric Co. in 1950 after an association that spread over 40 years. During his work he earned more than 100 patents and was noted chiefly for his postwar research into artificial rainmaking.

Mr. Langmuir and another GE scientist, Vincent Schaefer, worked at the close of the war to produce the first manmade rain and snow.

His research in developing the gas-filled incandescent lamp was credited with cutting $1 billion from the yearly electric light bills of Americans.

PRODUCED POWER TUBE

His high-vacuum power tube, which permitted use of high voltage in radio sending and receiving, gave modern broadcasting its heart and was regarded as probably the greatest single factor in bringing radios into most American homes.

With Schaefer, Mr. Langmuir developed a new technique for producing huge quantities of extremely dense screen smoke which proved highly effective in concealing tactical movements of troops in combat in World War II.

After the war, Mr. Langmuir, with Schaefer and Bernard Vonnegut, produced the first manmade snow and rain.

The importance of the discovery was recognized by the Armed Forces, which established Project Cirrus and hired Mr. Langmuir as a consultant.

FULL TIME TO RAIN

By the simple process of seeding clouds with dry ice particles, Langmuir was able to make it rain, provided weather conditions were favorable.

He resigned from the board of trustees of New York's State University to devote full time to Project Cirrus. At the time, he said the project had grown to such great importance that "the best service I can render to the national welfare is to increase, rather than decrease, my activities in this field."

Mr. Langmuir was born in Brooklyn, N. Y., January 31, 1881. He attended Chestnut Hill Academy, Philadelphia; Pratt Institute, Brooklyn, and received a metallurgical engineering degree from Columbia University in 1903.

He received his master's and doctor's degree from the University of Gottingen in Germany in 1906. He spent 3 years as a chemistry instructor, at Stevens Institute of Technology before joining the General Electric research staff in 1909.

His 40 years with GE brought him worldwide fame and fortune. He was honored by Great Britain, Italy, Sweden, and France and received many medals and awards from American organizations for his genius in research. He held honorary degrees from 10 American and Canadian universities and from Oxford and Edinburgh in Great Britain.

King Gustav V of Sweden presented the 1932 Nobel prize for his researches in the new-found surface chemistry. He was the first American industrial chemist so honored.

Mr. Langmuir married the former Marian Mersereau of South Orange, N. J., in 1912. They had two children, Kenneth and Mrs. H. R. Summerhayes, Jr.

Mr. MONRONEY. Mr. President, I rise regretfully in opposition to the Senate committee amendment to strike from the bill the funds voted by the House of Representatives, amounting to $12.5 million, for the beginning of construction of a second airport for Washington, D. C. In accordance with the recommendation of the President of the United States, the Bureau of the Budget, and the House of Representatives, it is vital that construction work start at the earliest possible time on a second Washington airport.

The rapid increase in "near misses" at the National Airport, the overcongestion and the jamming of the airways into and out of Washington National Airport, have created a critical situation which is overtaxing and overloading the personnel and electronics gear of the airways into and out of Washington National Airport.

It seems to me we have paid too much attention to the political side of a Washington second airport, and too little to the need from an aeronautical standpoint. We have been told for the past 7 years, that the question must be investigated, and the subject studied further.

I well remember when the Congress authorized the second construction of a second Washington airport, in September 1950. In 1951, we appropriated the first money. That money, about $1 million, was spent to acquire some land at the Burke Airport site.

When the bill was reported from the Interstate and Foreign Commerce Committee, of which the able senior Senator from Washington [Mr. MAGNUSON] was chairman, it did not provide for a political selection of an airport site. It directed the Secretary of Commerce, whose Department supervises the Civil Aeronautics Administration, to investigate, study, and locate the best possible site from an engineering and aviation standpoint, to give Washington a much-needed second air terminal. It was badly needed in 1950. Think how it is needed today.

We have seen the growth year by year, exceed anything we dreamed could possibly have occurred.

Mr. BUTLER. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. BUTLER. If the need is so urgent as the Senator says it is, does he not think the CAB or some other governmental agency having authority, should direct flights into nearby Friendship Airport, as of this time?

Mr. MONRONEY. The Senator from Oklahoma has repeatedly urged the use of Friendship Airport, as the distinguished senior Senator from Maryland well knows. Immediately after the postponement of action last summer on the Burke Airport, or any other airport for Washington, I went to the CAB, I issued press releases, and urged in every way possible that the CAB authorize additional schedules to Friendship Airport, for the duration of the time of construction of a second Washington airport. I feel that by the time an airport can be built, with all possible speed, if additional schedules are placed into Friendship Airport at Baltimore, by 1960 or 1961, we shall have reached complete and total saturation of the airspace above Friendship, and of the runways which are available there.

Mr. BUTLER. The Senator from Maryland would like very much to agree with the statement just made by the Senator from Oklahoma, but I do not think the facts will bear him out. If the Senator will look at the air traffic curve, he will find that Friendship is not anywhere near the point of saturation, and we are now within 2½ years of 1960. There does not seem to be any desire on the part of the airlines now using the very congested airport in Washington to make use of the fine facility which lies nearby in Maryland waiting to be used.

Mr. MONRONEY. There is a facility at Friendship, but there are no schedules. The people of Baltimore would be as eager to fly, I am sure, as the people of other metropolitan areas, if schedules were available. I believe that a vast amount of traffic could be generated. People are eager to fly when air schedules are available.

Mr. BUTLER. Let me point out to the Senator why air schedules are not available now at Friendship Airport. If anyone in Baltimore wishes to fly and he calls the airport, he cannot even find out when there is a connecting plane between Baltimore and Washington. The airlines have done everything they could to keep the traffic at Friendship International Airport at a minimum. They have not cooperated in any way. Even though the Senator from Oklahoma has requested the CAB to bring pressure on the airlines to use Friendship Airport, and although I have done so—and I know that the Senators from Virginia would be more than willing that that should be done—year after year we find the airlines doing everything they can to run Friendship International Airport down, and not put a single flight into it.

When the main airstrip at National Airport in Washington was out of commission and had to be repaired, the CAB, of necessity, was forced to put the flights into Friendship International Airport. As the testimony before the committee will show, during that period of time service there was excellent. The ground time from Friendship International Airport to the Statler Hotel in Washington was an average of from 40 to 45 minutes; and the best time from Friendship International Airport to the Statler Hotel was 36 minutes. That is all official information gathered by the CAB and given to the Senator from Maryland.

If that be true, how can the Senator from Oklahoma possibly ask the Congress to appropriate $12,500,000, which we all know would be only the beginning of an expenditure of from $75 million to $100 million, to give the city of Washington what it already has in Maryland? I should like to have the Senator address himself to that point. How can he possibly justify the erection of another airport, at Burke, Va., or at any other place in Virginia, against the opposition of the two fine Senators from that State, who say that the people of Virginia do not want that airport there; that it would blight the whole county in which it might be put? The blast from the jet planes would become more noisome and objectionable all the time.

When there is a facility available within from 36 to 45 minutes from the Statler Hotel in Washington, what justification is there for putting this appropriation back in the bill?

SCHEDULE INCREASE TRAFFIC

Mr. MONRONEY. I am glad the Senator asked that question.

In the first place, I remember distinctly that no one consulted the city of Washington or the needs of the city of Washington when the airport at Friendship was built. We were not asked whether Washington would find it acceptable to use jointly the Baltimore airport. Baltimore put up the money and built the airport. It is the airport of Baltimore.

I have repeatedly said that if there is sufficient capacity there—and I believe there is—for the 3 or 3½ years involved in construction of a second airport for Washington the schedules should be placed into the Baltimore airport. I believe that if such schedules were placed into Friendship Airport, the people of Baltimore, who would use the schedules, would use the full capacity before the opening of the second Washington airport.

CAPITAL NOT COUNTY SEAT

I envision an airport for Washington, whether it be the first or the second, as an airport for the Nation's Capital, the Capital of the largest and most important Nation in the world, and having the greatest volume of air traffic. We should not deal with the question of the location of an airport for the Nation's Capital in the same manner that we would deal with the question of a post office in a county seat town.

I feel certain that all of us would support a Senator in the location of a post office in any Senator's State. But when we are considering the location of an airport, I am certain that we must take into consideration our national obligation, our obligation to the four and one-half million people who are arriving and departing each year by air, not because they are coming to Virginia, to Burke, Chantilly, or some other place, but because they are coming to Washington, D. C., the Nation's Capital, on business. Those travelers include the Senator's constituents, my constituents, and the constituents of all other Senators from the remaining States. We have a national obligation to provide an airport capable of handling modern jet aircraft safely. We have an obligation to relieve what we now know to be a hazardous condition at the Washington airport. It is the most crowded airspace at any airport in the United States.

Yet the Senator from Maryland, in order to please the Baltimore Chamber of Commerce, and to have a busy airport, has helped to block a second airport for Washington. Last year he helped to lead the fight to block the construction of a second airport for Washington at Burke. He is now doing the same thing. Next year it will be the same story again and again and again, while the traffic pattern becomes worse.

FLYING IS ON BORROWED TIME

It is time to stop flying on borrowed time. It is time to move along and do the thing which any number of study commissions have recommended since 1950. Six or seven Administrators of the Civil Aeronautics Administration, each new on the job, have studied the program. They all arrived at the same answer, namely, the Burke site.

I do not care whether the second Washington airport is built at Burke, Chantilly, Annandale, or elsewhere. I want a second airport for the Washington, D. C. area before there is a catastrophe which might make widows of the wives of 15 or 20 Senators.

A great many Senators, Representatives, constituents, and Government officials are flying in this congested airspace while we play politics for the city of Baltimore. Land speculation, in order to hold property for residential development instead of selling it at farmland prices, bars the selection of a site anywhere within reasonable distance of the main part of Washington.

Mr. BUTLER. Mr. President, will the Senator yield?

Mr. MONRONEY. I will yield to the distinguished Senator. I hope he will not take up all of my time.

Mr. BUTLER. I shall be very brief. I resent the implication of the Senator from Oklahoma that we are playing politics. I am not playing politics. When the International Airport at Friendship was established, $4 million of Federal funds went into that airport. My predecessor in office succeeded in having the airport placed there. He made statements on the floor of the Senate which were concurred in at the time the money was appropriated, to the effect that it would be used as a Baltimore-Washington airport. It was established for that purpose. The Senator would build another airport when there is a fine facility within 45 minutes of the heart of Washington, a facility which is not being

used. We cannot do that with the people's money.

Mr. MONRONEY. The passengers do not wish to use it, but I say they should be forced to use it during the construction of the second Washington airport.

Mr. BUTLER. How does the Senator propose to go about forcing them?

Mr. MONRONEY. I am satisfied that at that time, the statistics regarding schedules will show that the schedules will saturate the Friendship Airport to the point where the Senator from Maryland will be trying to get rid of Washington traffic.

We do not desire to be an unwanted tenant of the Baltimore airport, when the more frequent air schedules available at Friendship Airport saturate the facilities there.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. CHAVEZ. I believe that unintentionally the Senator from Oklahoma is blaming the Senators from Maryland a little too much, when the ones who should be blamed for the condition of the appropriation bill are the members of the Committee on Appropriations. The report would not deprive Washington of another airport. The only thing it does is to recommend something. It does not deprive the area around metropolitan Washington of another airport.

I will tell the Senator why we are against Burke as the site for the second airport. At places it will be necessary to fill in 70 feet of earth, and at other places it will be necessary to dig out 70 feet of earth. Not only that, but I see on the floor the Senator from Maryland [Mr. BEALL], who is opposed to it. The senior Senator from Virginia [Mr. BYRD] and the junior Senator from Virginia [Mr. ROBERTSON] who were elected to represent Virginia. Representative BROYHILL was elected to represent his district in Virginia. They are the ones who are opposed to the Burke site. We are only trying to carry out the idea that they would know more about where the site of the second airport should be than the Senator from New Mexico and the other members of the Appropriations Committee. Is that not the situation, more or less?

AIRPORT NATIONAL PROBLEM

Mr. MONRONEY. I regretfully find myself in opposition to the position taken by the Senators from Maryland, both of whom I respect as being two of our greatest and finest Senators. I also regret to be in disagreement with the Senators from Virginia.

I maintain that the location of the second airport for Washington is not a matter for local determination on the basis of civic or State or county pride, or for determination by any city or county in Maryland or Virginia. It is a national problem because of the necessity for giving the Nation's Capital, with traffic from the 48 States coming into it, the best possible air facilities.

If we were dealing solely with a local condition in Virginia, there would be no question about the fact that the location of an airport site, for example, would be the concern exclusively of the people living in those areas. If the citizens of the counties surrounding Washington in the State of Virginia or the citizens of surrounding counties in Maryland are adamant against allowing Washington to have a second airport, then we become the prisoner of those areas adjacent to Washington, for whom we have done so much in building up their economy and making them prosperous sections of their States, by serving as the home communities for many public employees of the United States Government.

HOW MANY TIMES?

Mr. SMATHERS. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. SMATHERS. I wonder whether the Senator would tell us how many occasions he knows when the Committee on Interstate and Foreign Commerce of the Senate has studied the problem and made the recommendation that the second airport should be built at Burke.

Mr. MONRONEY. No less than four times, to my understanding. The first was when the bill was passed in the 81st Congress, in September 1950. Money was appropriated for a study. It was again studied 3 years ago when I was chairman of the subcommittee, at which time the committee again directed the Civil Aeronautics Authority, through the Department of Commerce, to come back to Congress on January 1 with a recommendation and request for money for the construction of the Burke airport; or, if Burke was not suitable, to recommend a site which was suitable. That was the unanimous decision of the committee.

UNITED STATES AIR FORCE TOUGHER THAN RUSSIANS

The Civil Aeronautics Authority looked into three different sites, as the distinguished Senator will remember. At first the CAA recommended Andrews Air Force Base, then Friendship, and then Burke, in that order. On investigation and restudy by our committee, they reversed this. It was realized that there was more chance of getting a field away from the Russians than there was a chance of getting the Air Force to permit Andrews to be used as a civilian airport. The CAA then did not like Friendship Airport. They then came back again to the Burke site as the best choice.

Again the following year, cooperating with the President's request, we studied the problem. We again approved what had been selected by all the aviation authorities; namely, the Burke site.

Mr. SMATHERS. I wonder whether the Senator is familiar with the statement on page 664 of the hearings on the pending appropriation bill, as follows:

> We consider it highly significant that all organizations heard from who are in a position to utilize this expert knowledge are united in their choice of the Burke site. They include:
>
> The United States Department of Commerce.
>
> The Civil Aeronautics Administration.
>
> The executive branch of the United States Government.
>
> The Air Transport Association.
>
> Civil Air Patrol of Virginia.
>
> Air Line Pilots Association.
>
> The Washington Board of Trade.
>
> Francis Dodd McHugh, consultant, in 1955 Fairfax County master plan.

Does the Senator have any knowledge of any organizations, other than possibly local organizations in Virginia, that are opposed to the Burke site, and aside from the very praiseworthy—we shall say—opposition of the Senators from Maryland? Does he have any knowledge of other opposition to this particular location at Burke?

Mr. MONRONEY. I have never known of any aviation organization or any authority on aviation, either commercial or private, giving endorsement to any site other than Burke. The opposition seems to come entirely from the people who own property in the area, and from local residents who do not want to have an airport built in that area.

Mr. SMATHERS. Is it not a fact that if this matter were referred to the Air Modernization Board, the Board would be considering a proposal which would be contrary to the real purpose for which the Air Modernization Board was established? Therefore the Board would have to spend a considerable amount of time in determining the location of the second airport, rather than spending the time for which it was created.

Mr. MONRONEY. I quite agree with the Senator. The Air Modernization Board was established because of plane crashes. It was established because we could not wait any longer in view of the fact that the situation aloft—I repeat, the situation aloft—was reaching a point of saturation and grave danger. It was necessary to develop new communications systems and new radar procedures, and new radio beams, new electronics, and so on.

SHOULD SCIENTISTS BAKE BREAD?

This highly scientific organization has no more to do with the selection of an airport than a scientist has to do with baking a loaf of bread. The Civil Aeronautics Administration is trusted with the spending of all the money appropriated by Congress for the planning of airports in all the 48 States. They are apparently competent to do that in all the 48 States; but now it is said they must not do it in the District of Columbia. Why?

It is because the property owners in the nearby areas feel that they do not want the airport built there. The matter has been investigated a great many times, and each time the Civil Aeronautics Authority decided that Burke is the best site.

Now it is said that someone else should make the inquiry all over again. It is said that the Air Modernization Board should do it. That Board was created for a completely different reason than to make this sort of study.

Why not appropriate now? I would look with more enthusiasm on the suggestion for having the Air Modernization Board study the matter if the Committee on Appropriations had appropriated $12,500,000 and said, "We will build it wherever the Air Modernization Board determines it should be built." At least we would be getting something done. As it is, we are merely

going to have more delay. It will be the same delay that was brought about a year ago in this Chamber. It is like seeing a movie over again. Every time the appropriation comes before the Senate, the Senators from Maryland dust off their speeches, and we get a dusting off of all the same testimony of all the same witnesses, year after year.

Mr. SMATHERS. Does the Senator know of an agency any more qualified to consider the location of the second airport than the CAA?

CAA HAS EXPERTS

Mr. MONRONEY. It is the one agency of the Government that has all the experts and all the necessary information on devices, landing aids, radio range patterns, length of runways, air conditions, wind patterns, and modern layouts of airports. It has been doing that work for the 48 States. It has been authorized to expend not only $70 million of Government funds, but $70 million of matching funds from the States, including the State represented by the Senator from Florida, and my own State. Why is that Authority incompetent to select a second Washington airport site? It is because a few people living in the nearby area object. However, even at Burke, the people who want the airport located there are in the majority, according to polls taken in that area.

Mr. SMATHERS. As I understand, the Air Modernization Board was established to develop and select such systems and devices and procedures as will best serve the civil and military needs for safe and efficient air traffic control. It seems to me that is a different matter than the selection of airport sites.

Mr. MONRONEY. It is as different as day is different from night. That Board is concerned principally with communications matters and with radar, and so forth.

Mr. SMATHERS. If the Board were to undertake the selection of an airport site, we would be extending the authority of the Board in asking them to undertake an activity in which it was not empowered to engage by the legislation which created it.

Mr. MONRONEY. Certainly. I should like to read a fine editorial published in Saturday's Washington Evening Star, entitled "Still Stacked Up." The editorial reads as follows:

STILL STACKED UP

The latest Congressional action on the politics-ridden airport front leaves the Washington airport problem still up in the air and circling around with no place to land—stacked up, as the pilots say. There has been some fancy and fantastic stalling on the airport issue from some years, but nothing more frustrating than the baffling move just made by the Senate Appropriations Committee. The committee not only has recommended another study of airport sites—of which there has been too many already—but has proposed that it be made by a board created for an entirely different purpose.

Plainly stated, the committee found the airport problem too hot, politically, to handle. Aligned solidly against the President and his aviation advisers, who urged resumption of work at the Burke (Va.) site, were legislators from Virginia and Maryland. So the committee killed the Burke appropriation and suggested that the new Airways Modernization Board study, investigate and recommend a site, either entirely new, or the remodeling of a present airport that is, in its opinion, suitable for a modern airport adequate to serve the needs of metropolitan Washington."

The trouble with this recommendation is that the Board's purpose, as described by Edward P. Curtis, former presidential air adviser and author of the proposal, is not to encroach on functions of the Civil Aeronautics Administration, which has the duty of picking an airport site here, but to develop and consolidate overall, nationwide systems of air traffic control. That is a big job by itself. To saddle the board, in addition, with Washington's controversial airport site problem would be unfair—and highly irregular besides. The stragety of the opponents of an airport at Burke is to study the matter to death. It is regrettable that the Senate Appropriations Committee, brushing aside considerations of public safety, convenience and necessity, has allowed itself to become a party to such risky strategy.

Mr. President, there is no hope that by January 1, 1958, we shall be any further along than we were on January 1, of this year, when we yielded to the pleas that the matter needed more study—at that time, by a Subcommittee of the Senate Appropriations Committee. I do not know what additional developments which will be helpful could occur or what additional information will be available by January 1, 1958.

Mr. BEALL. Mr. President, will the Senator from Oklahoma yield to me?

Mr. MONRONEY. I yield.

Mr. BEALL. I know the Senator from Oklahoma has made a very careful study of this entire situation. I think he will agree with me that the most important consideration is safety—particularly safety in connection with the taking off and landing of airplanes. I wish to read an item and recommendation as follows—and it is a recommendation by the White House:

White House advisers differ with CAA. The Curtis report on "Modernizing the National System of Aviation Facilities" (the White House, May 1957)——

Mr. MONRONEY. Will the Senator from Maryland read that again? I assume he is reading the item verbatim, and I wish him to read all of it verbatim to the Senate.

Mr. BEALL. Yes. It reads as follows:

White House advisers differ with CAA. The Curtis report on "Modernizing the National System of Aviation Facilities" (the White House, May 1957), recommends spacing airports from 16 to 40 miles apart depending upon the centerline of the airport's instrument-approach path. The Burke site is only 12.8 miles from National Airport. The Army's very important Davison Field at Fort Belvoir is only 5.3 miles from the Burke site. The danger area of Quantico Marine Base, over which flying is prohibited, is less than 12 miles south of the Burke site. In addition, the privately owned airports in Fairfax County (e. g., the Washington-Virginia Airport at Bailey's Crossroads) are much less distant from Burke than the minimum recommended in the Curtis report.

Mr. MONRONEY. The reference to the danger zone of the Quantico Marine Base is, I believe, a reference to the flight pattern north of the landing field.

Mr. BEALL. Does the Senator from Oklahoma agree that Friendship Airport is out of the danger zone, and is in a different channel, and that transatlantic planes landing there would be an entirely different channel?

I know the Senator from Oklahoma has accused some of us of perhaps being a little politically minded. We do not object to that statement, because if we were not politically minded, we would not be here.

But certainly safety is the most important matter for consideration.

Mr. MONRONEY. Mr. President, I appreciate the concern of the Senator from Maryland for safety. Certainly I do not believe that the Burke site would have been recommended again and again and again, after study and restudy, if it were unsafe.

FRIENDSHIP NOT PERFECT

So far as Friendship Airport is concerned, it lacks a great deal from being a completely safe airport, because it is directly on the New York-Philadelphia-Washington run; and in case of stacking, planes landing at the Friendship Airport would be directly in that flight pattern.

So Friendship Airport is not the perfect airport. But still it is safer to use it as an auxiliary airport, in connection with the Washington Airport, rather than not to have an auxiliary airport at all. Therefore, I think that during the 3 or 4 years required for construction of the second Washington airport, we should gratefully accept the invitation to use the Baltimore airport, and to disembark passengers for Washington there, approximately 1 hour's travel time from Washington, rather than overcrowd the traffic pattern at the Washington airport.

But certainly the recommendation in the Curtis report is that airports be spaced approximately 16 miles apart. I submit that the statement by the Curtis report was that the spacing be "on the order of 16 miles", which is the general median; and it is 14½ miles from the center of the Washington airport to the center of the Burke site. That is about as good a separation as can be found in an area which is so highly congested and has few airport sites to choose from.

Mr. BEALL. Mr. President——

Mr. MONRONEY. I yield.

Mr. BEALL. I know how hard the Senator from Oklahoma has worked on this matter during the past several years. But does not he think the invitation to use Friendship Airport should be accepted?

Mr. MONRONEY. I remember that it has become an issue in only about the last year and one-half, when we were getting ready to build the second airport at Washington. Then, suddenly, the very capable, competent, and industrious Senator from Maryland thought it would be good business to get some more schedules lured into the Baltimore Airport.

And then the fight began. I am in favor of having the Senator succeed in getting more schedules for Baltimore, but not at the expense of the safety of the situation existing at Washington, the Nation's Capital.

Mr. BEALL. The airport is not in Baltimore; it is at Friendship.

IS THIS MORE RABBIT HASH?

Mr. MONRONEY. That is something like the story about rabbit hash, when

it was said that the hash was composed of 1 rabbit and 1 horse.

Friendship is much closer to Baltimore than it is to Washington. If Friendship were as close to Washington as it is to Baltimore, I think we should use the Friendship Airport and should accept the very courteous invitation to use the Baltimore site—and to use it part time, in connection with the offer to use it, as an adjunct to the Washington Airport.

But certainly the Nation's Capital is entitled to have its own second airport; and passengers coming to Washington should not be required to spend on the highway the hour that is required to travel between Baltimore and Washington.

Mr. POTTER. Mr. President, will the Senator from Oklahoma yield to me?

Mr. MONRONEY. I yield.

Mr. POTTER. Is it not true that the Civil Aeronautics Board could not arbitrarily require the airlines to use the Baltimore site, in the case of passengers scheduled for Washington? Whether the Civil Aeronautics Board has been dragging its feet in the matter of holding hearings about switching passengers to Friendship is a debatable point. But I am sure the constituents of the Senator from Oklahoma and the residents of Michigan who buy tickets to travel to the Nation's Capital want to come to Washington, D. C., and do not want to be landed near Baltimore, and then have to pay additional fare for transportation from that airport to downtown Washington, to say nothing of the additional time required.

I should also like to comment on the suggestion that Friendship Airport be used as the second Washington airport. It happened to be my pleasure, during the past week end, to be visited by one of the oldest pilots of the Capital Air Lines. We discussed this very problem. He said, "If you think we are nervous now about coming to the National Airport, can you imagine what it would be like if we were going to use Friendship Airport and if we had to be stacked up in the most heavily trafficked airlanes in the world—those between Washington and New York City."

Mr. MONRONEY. The airlanes between Washington and New York City go right off the end of the runway at Friendship.

Mr. POTTER. Yes; a plane right off the end of the Friendship runway is in the Washington to New York pattern. That pilot said it is one of the most dangerous pieces of air in the world, insofar as air traffic is concerned.

So the question which I think we must decide here is whether we, as a Congress, are going to select the definite site for a second Washington airport—whether that is our responsibility, or whether it is the responsibility of the governmental agencies concerned. Certainly the decision which has been made was not just made "off the cuff." Instead, it was made after repeated and repeated study. All the agencies concerned have agreed on the Burke site. Whether that is the correct decision, I do not know, and I do not believe any other Member of the Senate knows. But time and time again this agency of the Government has made that decision.

DIFFERENT ADMINISTRATIONS AGREE

Mr. MONRONEY. And the decision has been made under different administrations.

Mr. POTTER. Yes, it has been made under different administrations.

If we depend upon having the Congress select the site for a second Washington airport, there may never be a second Washington airport. I say that because, regardless of the site which is selected, there will always be people who will say—as is now being said—that they do not want a certain site chosen because it is too close to property in which they are interested. I am convinced that if there is ever to be a second Washington airport, the decision must be made by the authorized agency, the one which has been delegated to make the recommendation.

I commend the distinguished Senator from Oklahoma, who probably knows more about our air problems than does any other Member of the Senate, for his diligent work as a member of the Air Subcommittee of the Committee on Commerce. He has worked diligently, not only on this problem, but on all other problems connected with our growing air age; and he has been particularly concerned about safety.

I share his concern about the near misses which are happening at the Washington Airport. Do we have to wait until there is a major crash? I do not want the finger pointed at me as one who has been dragging his heels about the second Washington airport.

So I commend the Senator from Oklahoma for his activity in this connection.

Mr. MONRONEY. I thank my colleague for his kind remarks.

By way of reference to the existing facts, I should like to refresh the memory of the Senator from Michigan about the difficulty we had in getting the first Washington airport constructed. At the old airport, a dog-leg turn used to be required, and the planes had to come over the high-tension wires of the Pennsylvania Railroad. At the time when all the agencies concerned had recommended the site at Gravelly Point, property owners in that area were constantly protesting; and, as a result, the Congress never did take action.

F. D. R. HAD A DREAM

Finally, President Franklin D. Roosevelt said he had a dream, one night, that 21 passengers on a DC-3—the type of plane then being used—were killed when the plane crashed when coming into the airfield at Washington. So he decided that WPA funds would be used to build the new Washington Airport; and so decided that the new airport was built at Gravelly Point, under his order But that is the only reason why the Gravelly Point airport was built. If the matter had been left to Congress, that airport never would have been built. Today, it is one of the largest and one of the best in the country, and it handles a tremendous volume of air traffic.

PROPERTY PRICES INVOLVED

Of course many property owners wish to have their property sold after it has been subdivided into 50-foot lots for residential purposes, instead of having their property condemned for airport use while the property still is in timber or is being used for agricultural purposes—which is the situation in the case of most of the land in the area of the Burke site.

Mr. THYE. Mr. President, I wish to commend the distinguished Senator from Oklahoma for discussing the question so decisively and clearly. As a member of the subcommittee I was disappointed in the committee's action. I tried to have another airport established. I have felt for a number of years that we should have a new airport for the National Capital. There is too much air traffic coming from every section of the world to the National Capital to warrant any longer delay in remedying the inadequate airport facilities which exist at the National Capital. An accident could occur because of the overstacking. To use Friendship Airport and continue to have the air stacked with airplanes flying in the airways of the eastern seaboard, I would not approve.

I have served on the Appropriations Committee for a number of years. Year after year we have come practically to home base, and just before we were about to put our toe on the plate we had to back up for another period of 6 months or a year's time for another study. We got so close this year that the House included a $12.5 million appropriation in its appropriation bill. Many studies have previously been made. Again we got to the stage where the committee was about to act, but action will be delayed until January 15, until there can be another study made by the Airways Modernization Board, although that group has no more authority to make the study than Mr. Smith in New Hampshire has. We borrowed that group, so to speak, to take a look at the problem. If we have hearings, every interested person will demand to be heard, and it will be a year from now before we can determine the matter. That is the history we have had of the new airport for 5 years. In the last weeks of the session, we are again trying to determine what we should do about a new airport.

Burke may not be the proper place, but we have come very close to a decision, and the Civil Aeronautics Board has said the land area at Burke is as good as any other area in the vicinity of Washington, and would be as good a place as any other area for building the airport. I am not the master in the dispute, but I am at least one citizen, I am serving in the Congress, and I am serving on the Appropriations Committee. We are coming to the last step, and now it is being proposed that we back up, with no excuse as to why we should back up.

Mr. MONRONEY. I thank the Senator from Minnesota, who was the only member in the Appropriations Committee who voted for the Burke Airport.

Mr. THYE. No.

Mr. MAGNUSON. That is not correct.

Mr. MONRONEY. I understand I am wrong. Other Senators also voted for it. I am sorry. I did not want to mislead the Senate that anywhere near a ma-

jority of the Appropriations Committee voted for it.

Mr. THYE. We were in executive session. That is why I cannot disclose who the others were, but I was not alone.

Mr. MONRONEY. I am very sorry I gave that incorrect information. I think I read it in the newspapers.

I should like to say, supplementing what the Senator from Minnesota has stated, that we do not need the Air Modernization Board to make the study. What we need to do is put Mr. Paul Butler, chairman of the Democratic National Committee, and Mr. Alcorn, chairman of the Republican National Committee, and Mr. Gallup, of the Gallup poll, on such a Board, because the Burke proposal is not being turned down on the basis of aeronautical engineering recommendations, but on the basis of a popularity contest for airport facilities adjacent to Washington.

We cannot permit that, because air safety in the Washington area is a national problem, and not a matter for a county facility to consider.

Mr. MAGNUSON. Mr. President, I think the debate on this subject has become a little heated, and some things have been said that probably were not meant to be said. We are trying to arrive at a solution. No one has been more seriously concerned about the problem than has the Senator from Washington, because I had in my committee the bill that authorized the settlement of this matter 7 years ago. The bill provided that there should be a second airport. We were all in agreement 7 years ago that there should be a second airport for Washington.

The Senator from Oklahoma [Mr. MONRONEY], who has been working on this matter in committee, and I have been continuously urging that a second airport should be built. In the meantime, the Friendship Airport near Baltimore was established. In the meantime, also, the CAA, which has great responsibilities in this matter, looked into the problem, and even it at one time did not know where the airport should go. So if there has been some delay, it cannot be laid at the doorstep of the Congress or the Appropriations Committee. Months and months were spent on the matter, as the Senator from Oklahoma and all other members of the committee know. We sent letter after letter to the Commerce Department asking it to please make a decision on a second airport.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. MAGNUSON. Yes.

Mr. MONRONEY. Is it not a fact that after 1952, when the appropriation for Burke was denied by Congress, the Democratic administration did not ask for funds, and the Republican administration did not ask for funds, and that the distinguished senior Senator from Washington, chairman of the Senate Committee on Interstate and Foreign Commerce, called hearings, and the committee directed that funds be asked for not later than January of the following year? The movement for a second airport started with the chairman of the Interstate and Foreign Commerce Committee, the Senator from Washington. If he had had his way, we would have had the airport operating now.

Mr. MAGNUSON. I think we are talking a little too much about whether the airport should be at Burke, Friendship, or Chantilly, because no Senator knows a great deal about where the airport should be located.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. MAGNUSON. Let me complete my statement.

I do not think anyone in this body thinks that the airport should be involved in Republican or Democratic politics. Everybody wants a second airport. I think we shall someday look with some amusement on the debate taking place, because by the time the question is settled—which will be in January, if I have my way, whether the committee amendment is agreed to or not—I believe we will realize that in the next 3 or 4 years all three airports will be necessary. One can hardly board an airplane in Washington. Perhaps the Baltimore airport is less crowded, but there are not as many planes leaving from there. Anyway, we are all trying to get a second airport, because National Airport has become overcrowded.

There has been local opposition, that is true. Some of it has been quite valid. It is not only a question of real estate. There is a problem of cost involved. I think the record will show that an airport at Chantilly, which is another alternative, would cost much less. I do not know why we cannot measure distances, but my best information is that, with a new road which would be built, Chantilly would be only 2 miles farther away than Burke. Actually, now it is 8 miles farther.

The White House set up a board, and rightly so, to consider the whole problem of air safety and airspace. The Chairman of the Board is General Curtis. It was a must, and there was a hurry for it. General Quesada was recommended. The committee did not even meet, but it was polled, and there was no opposition. The Board was established because of overcrowding, and to look into questions of air safety and airspace The first job of the Board was to consider the conflict over navigation equipment, which cost about $800 million more than it should have—obsolete equipment.

In the meantime, there are available Chantilly, Burke, and Friendship. Seven years have passed. I think the Appropriations Committee, whether it acted wisely or not, has tried to move closer and closer toward authorization of a second airport. That was the main objective. We have tried to iron out some of the difficulties. While all of that was going on, during the past 12 months, the Senator from Oklahoma and all of us on the committee worked on the question.

All of a sudden the Commerce Department has stated what it wants, after all these years. If the Department is entitled to make such a study month after month after month, I think the Congress is entitled to a couple months' study of the subject.

Mr. SMATHERS. Mr. President, will the Senator yield?

Mr. MAGNUSON. Let me complete my statement.

I think the two Senators from Virginia, who can correct me if I am wrong, are reconciled to the fact that we are going to have to have a second airport in Virginia, near the National Capital. I think there is a problem as to whether or not it should be in Burke or in Chantilly. The Senator from Oklahoma, I know, would be tickled if tomorrow a steam shovel started a second airport at Chantilly, so that its completion would be in sight. We have that problem. The Senate committee did not work against Burke. They voted not to appropriate $12 million for a second airport at this time. The CAA had finally said, "We will recommend Burke."

I do not know whether the Department of Commerce will change its mind. It has done so 3 times that I know of in the past 4 years.

It was not the purpose of the vote of the Senate committee to prevent a second airport. The Senator from Oklahoma [Mr. MONRONEY] knows my position on this matter. We are all trying to find ways and means to do the job. Nobody was voting against one site or for another site. We are pretty well pledged in the committee that come January we are going to appropriate this amount of money to start a second airport.

The Civil Aeronautics Board did come up with a recommendation. I do not know whether it was right or wrong. I am no technician. I am not a safety engineer. It was thought airports ought to be at least 16 miles apart. I believe that is desirable. In taking care of airspace and air safety throughout the United States, the question of spacing of airports becomes important. The CAA, in recommending the location of airports, does take that question into consideration. The air patterns are all crowded.

Apparently Chantilly is a little bit less crowded on the air pattern on a direct line east and west; but I do not know. However, I want the RECORD to be clear that we are all trying to accomplish the same thing. The end result will be the same. I will pledge myself to that.

I think every member of the Committee on Appropriations will agree that whether the airport is built at Burke, at Chantilly, or whether Friendship will be used, or the day a new airport is dedicated will not be delayed one iota.

We turned to the so-called experts. As a matter of fact, I was not present when most of the discussion took place, for I was attending a meeting of my own committee on some of these matters.

I think the experts might be able to resolve the problem. They are experts, and they want to solve it. They are in charge of air safety and airspace, and they make recommendations.

The President of the United States has authority in this matter, through the Department of Commerce. The bill provides that the Department of Commerce and the Department of Defense shall be represented on the Board, with one man as the President's adviser. He is General

Quesada. The Senator from Florida [Mr. SMATHERS], and I know him well, when he takes action, he takes action, and he takes it fast.

I hope we will not get into finger pointing on this very important, serious matter, over a delay of 60 days or something of that kind, in view of the fact that everybody involved in this matter has backed and filled on several occasions.

This is not political at all. I do not blame the Senators from Maryland for trying to get some consideration for Friendship, but I will tell them that if air travel keeps increasing, as it has been increasing, we will be using Friendship and all the other airports around this vicinity.

Let us all get together and settle this problem as it should be settled, because we need to have the question resolved. The very fact that an appropriation will be made is important. Construction will go forward just as readily if it is decided to use Burke tomorrow, because of the condemnation features involved at the Burke site. I am informed that nobody wants the land at Chantilly, particularly, and the Government could go right ahead at that location.

I hope we will accept this bill as it is. I do not think the Appropriations Committee has made a mistake in its recommendation, because, as I have said, the net result is going to be the same in the end. No one in the Appropriations Committee has fought more for a second airport than has the Senator from Washington.

So far as I am concerned, we can provide the appropriation now and have the decision in January. That is all right with me. I will vote for that. Then the appropriation will be available, and we can get started on something.

Mr. BIBLE. Mr. President, will the Senator yield?

Mr. MAGNUSON. I will yield the floor. I have said enough.

Mr. BIBLE. I should like to address a question or two to the Senator from Washington.

Mr. MAGNUSON. I yield.

Mr. BIBLE. I should like to clear up one point. I know of the Senator's interest, and I am aware of the dynamic leadership the Senator has furnished toward attempting to solve the problew of the second airport. I understood the Senator to say that there was nothing in this particular bill which would in any way preclude Burke from consideration as the second site. Is that a correct statement?

Mr. MAGNUSON. That is correct, yes.

Mr. BIBLE. The thing which bothered me was a statement I observed on page 5 of the report, which is:

> that the Airways Modernization Board study terms of Public Law 762 of the 81st Congress and in furtherance of that study—

I am reading from the third paragraph of page 5, I will say to the Senator from Washington.

Mr. MAGNUSON. Yes.

Mr. BIBLE. I continue to read:

> in furtherance of that study investigate and recommend to the Congress by January 15, 1958, a site (either entirely new or the remodeling of a present airport)—

My question is directed to the significance of the language which was placed in the parentheses. It seemed to me, in reading the report, that it was indicated the Appropriations Committee had directed the Airways Modernization Board to make this study, but to bring back a recommendation of a site provided it was entirely new or involved the remodeling of a present airport. If that interpretation were the correct one, it would seem to eliminate consideration of Burke. I think the RECORD should be clear on that point.

Mr. MAGNUSON. I also think the RECORD should be clear. The report reflects the general discussion. The language means an entirely new site or the remodeling of an airport. By "new" we mean a new airport.

Mr. BIBLE. The use of that language does not in any way attempt to restrict the study to be made by the Airways Modernization Board?

Mr. MAGNUSON. No. If I thought the language were to be interpreted in any other way than as I have stated, I would ask permission now of the chairman of the committee to have the language in parentheses stricken from the report.

Mr. BIBLE. There is no question in the mind of the distinguished chairman of the Committee on Interstate and Foreign Commerce that the Burke site, as well as Chantilly and Friendship, will be considered in the study between now and the first of January?

Mr. MAGNUSON. The Senator is correct. I do not know what the Board will do. They may come back and say, "Burke." That will be the end of it, if they do. They may say, "We have looked them all over. The CAA has looked them all over. Everybody has looked them all over." It might be Burke. I do not want that site precluded by any language.

Mr. BIBLE. I wanted to clarify the point by questioning the distinguished chairman of the committee.

Mr. ROBERTSON. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield the floor.

Mr. ROBERTSON. I simply wish to point out in connection with the question that there is nothing in chapter 1 about Burke. There was nothing directly in the committee report which said that the CAA had selected Burke. The act of 1950 gave them that authority, and there was appropriated $12½ million to start. The words may not have been very accurately used.

The words "entirely new" were to be the opposite of perhaps the utilization of Andrews, which would be a remodeling. The words "entirely new" meant to go into the wilderness and start grading, to build the airport, as opposed to taking Andrews or some other military base and remodeling it. Those words had nothing to do with the site, for or against Burke.

Mr. BIBLE. I appreciate that comment by the Senator from Virginia.

Mr. HOLLAND. Mr. President, first I should like to make a brief comment on the suggestion made by the distinguished Senator from Nevada. There is no question at all that the words "entirely new" embrace Burke, Chantilly, or any other new site. There was substantial sentiment in the committee for the elimination of Burke, but after long discussion it was decided that the words in the committee report should be broad enough to cover any new site anywhere, so that the previous leigaslation would remain unimpaired. The legislation of 1950 simply authorized—not Burke, not Chantilly, not Friendship, not Andrews—it authorized the selection by the Secretary of Commerce of a site in the area around the Capital of the Nation. The legislation did not confine it to Virginia or Maryland or any particular locality.

It is the intention of the committee, after long discussion, to leave the matter completely open as to what site will be selected.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from Washington.

Mr. MAGNUSON. Unless I am mistaken, the committee will make the decision in January, regardless of what it may be. That is my understanding. I am going to hold all Members to account at that time to furnish the money. It might be Burke, as well as any place else.

I say that the net result will be the same. I think that is the feeling of the entire committee. I am sure I express their feeling. It was my understanding, that "come January we are going to appropriate this money," and then something will happen. I do not know exactly where the airport will be placed.

Mr. SMATHERS. Mr. President, will my colleague yield to me, so that I may ask a question of the Senator from Washington?

Mr. HOLLAND. I yield.

Mr. SMATHERS. In the light of the Senator's statement, why would it not be a good idea to appropriate the $12.5 million? If we do not appropriate the money now, as the Senator well appreciates, when we return in January we will have to go through the hearings all over again, and it will be very difficult to get the appropriation bill for the Department of Commerce passed early in the year. We are now in the month of August. We know that frequently we have good intentions but not enough time to carry them out.

Why could we not amend the bill so as to appropriate the $12.5 million, and then, on line 24, say "to remain unexpended until January 15, 1958"? Then we would accomplish exactly what the able Senator from Washington says he wants to bring about. We would provide the money, and we would merely wait until January 15 to have the Airways Modernization Board recommend where the airport ought to be located. The minute the Board makes the recommendation, we will not have to wait any longer.

Mr. MAGNUSON. I will say to the Senator from Florida that I would be perfectly willing to vote for what he has suggested. I made that suggestion in the committee, informally. I should be happy to see that done.

Mr. SMATHERS. I wonder if we could ask the able chairman of the Appropriations Committee how he feels about the suggestion.

Mr. MAGNUSON. I am willing to do what the Senator suggests. I think it would clear up what are not necessarily fears, but perhaps could be called doubts, which the Senator from Oklahoma and I have had all this time.

Mr. SMATHERS. I believe it would be a happy compromise. We could have one more agency look into the matter, but if a determination were made by January 15, 1958, then we would not have to wait for the next 2 or 3 months while the Appropriations Committee was holding its normal hearings.

Mr. HOLLAND. Mr. President, the committee discussed that suggestion and decided against it, for reasons which I think were eminently sound. The request was for a $35 million appropriation to do 1 year's work at the level which was intended. The authorization originally had been for $14 million, and the House cut down the budget request of $35 million to $12,500,000, to keep within the amount of the authorization still outstanding.

A study will be made by the Airways Modernization Board, and the Board will report its findings and conclusions to the Congress. Both the Senator from Washington and the Senator from Florida have stated that they are prepared to go along with the Board's recommendation, whatever it may be. We think we can start with a fresh slate. In the meantime, time will not be wasted, because if Burke, Chantilly, or some other location is decided upon, there must be plans and specifications prepared prior to the beginning of construction work. The mere moving of earth will require long planning and extensive specifications. In the case of Burke, the estimate is that 16 million yards will have to be moved. Incidentally, that will call for some fills of 70 feet, and some cuts of 70 feet. I do not think I need to tell Senators who are experienced in roadbuilding or construction work of any kind that, immediately following a 70-foot fill, it is not advisable to place a heavy structure on top of it. The question of delay enters into the picture.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. HOLLAND. Will the Senator allow me to complete my statement? I have put in a great deal of study on this subject.

I should like to make it perfectly clear that there are no politics involved. I do not know of anyone living in Fairfax, Va., or in nearby Maryland, who is a Florida citizen, voting in Florida, who has expressed any interest in this matter.

Furthermore, if we are talking about Republican politics, I note that while our two distinguished colleagues from Maryland [Mr. BUTLER and Mr. BEALL], who happen to be of that party, are pulling in one direction, a long article in the morning newspaper relates that the Republican Party of Virginia is pulling in the other direction. So there is just about as little politics involved as possible.

The Senator from Florida did not ask to get into this controversy. He is chairman of the subcommittee of the Appropriations Committee which handles appropriations for the Department of Commerce and related agencies. That includes not only the Department of Commerce generally, but also CAA and CAB. So when the question arose last year the Senator from Florida conducted hearings in the full committee on the supplemental request which came in about 14 months ago, as I recall.

We have not been idle on this question. In the second supplemental for 1957 we took 124 pages of testimony on this matter. They will be found in the hearings on the second supplemental bill for the previous fiscal year.

The special committee, of which I was appointed chairman—I presume because I am chairman of the subcommittee which handles these appropriations—and I see our distinguished chairman nodding—held hearings in January and February of this year. Those hearings are contained in a record of 341 printed pages.

In August of this year, when the supplemental request for $35 million was submitted, we held further hearings. Those hearings ran to 135 pages on this matter.

The other day a suggestion was made which I think was an excellent one. It came to the full committee from the Senator from Massachusetts [Mr. SALTONSTALL], but at the original suggestion of the Senator from Washington, [Mr. MAGNUSON], who is chairman of the Committee on Interstate and Foreign Commerce.

The recommendation was that we make use of the new Airways Modernization Board. We were all glad to receive such a suggestion, after looking at the 600 pages of testimony, and realizing some of the complications involved. We were glad to turn to expert advisers, whose specific duty it is to deal with the problem of security of flying, and with the proper division of airspace, particularly the proper division of airspace as between commercial and civilian flying on the one hand, and military flying on the other.

This problem would be relatively simple if it were not for the fact that the airspace around the Capital is so congested with military flying.

First, there is the great base at Andrews Field. That was the original selection of the CAA, and all others concerned. They all preferred it to Burke, Chantilly, or any other location. But the Air Force seems to have a permanent option on that site, and no one has seen fit seriously to challenge it. It is the preferred spot from every point of view that I have heard about.

In addition to Andrews Field, there are two bases directly across the Potomac from the National Airport, which are instrument controlled by the same tower. They use a part of the airspace used by National. I refer to Bolling Field, which is an Air Force field, and Anacostia Field, which is a Navy field.

There is a small field at Fort Belvoir. I have forgotten the name of it. My distinguished friend from Virginia [Mr. ROBERTSON] reminded me of it the other day. I believe it is called Davidson Field.

At Quantico there is an airfield. In addition, the Armed Forces have set up 2 large inviolable areas, 1 back of Quantico, and the other around the Dahlgren Naval Proving Station, where airplanes are not permitted to fly. So one of the grave problems is the accommodation of Armed Forces needs to the problems of commercial flying.

After we were appointed on this special subcommittee I think we were pretty diligent. We held 5 days of hearings. I do not know of any Senators who have spent more time in trying to iron out a problem of this magnitude which was not directly of importance to them.

Of course, all of us travel by air. I have been to Florida on 15 weekends this year; I have been to Atlanta twice; to Asheville once, only yesterday; I have been to San Francisco once; and, of course, a group of us went to Vienna, Ga., on a sad mission a few days ago. So I have made use of these facilities a total of about 20 times over a limited period of time. However, in the matter of providing the safest and most reasonable arrangement that can be made for serving this area, I would place my own personal security far down on the list of important items.

When we went into the question, we found a great many points which had been given scant attention or no attention at all. Except for those on the committee, I dare say that there is no Senator listening to me who knows that there is a conflict of airspace between National and Burke, and a lesser conflict of airspace between National and Chantilly, which will result in a sizable loss of stacking facilities at National if the airport is built at either Burke or Chantilly.

The CAA has made no mention of that factor in its recent frenzied recommendation of Burke. I have before me the original study by the CAA. I shall read a portion of it into the RECORD. I think it is a very important part of the entire picture.

I read from page 9 of Technical Development Report No. 187 of the Civil Aeronautical Administration, dated November 1952:

> Activation of Burke Airport will interfere with the west holding stack presently adopted for Washington National Airport and will probably require that the Washington National Airport approach system revert to a one-stack operation with a primary stack at the outer marker. Simulation tests indicate that this change would reduce the acceptance rate of the Washington National Airport somewhat and would greatly increase the communications workload of the approach control position.

I do not believe that many Senators knew that that question was involved in the discussion. Certainly the Senator from Florida did not know it until we began to hold detailed hearings.

Only the other day when this question arose we explored it again with David D. Thomas, Director of Air Traffic Control of the Civil Aeronautics Administration, who has charge of this field of operations. I quote from the hearing record, beginning on page 555.

Senator HOLLAND. What do you mean by this significant paragraph because, really, this is the one that has caused me the most trouble in trying to understand your recommendations.

EXCERPT FROM ENGINEER'S REPORT

What we have before us is the technical recommendations of your own agency discussing Burke and National as related to each other, and I quote from it. This is the third paragraph on page 9:

"Activation of Burke Airport will interfere with the west holding stack presently adapted for Washington National Airport and will probably require that the Washington National Airport approach revert to a one-stack operation with the primary stack at the outer marker. Simulation tests indicated that this change would reduce the acceptance rate of the Washington National Airport somewhat and would greatly increase the communications workload of the approach control position."

To me, that sounds like anything but a successful verdict. I would like for you to interpret it for the RECORD.

Mr. THOMAS. Mr. Chairman, this deals with precisely the same point. The activation of the Burke Airport will interfere with the west holding stack. This is the Springfield stack. It will require us to eliminate it and it will require us to revert to a one-stack operation essentially. Since that time, with the major difference in studying Chantilly, Washington still reverts to that——

Senator HOLLAND. May we complete our consideration of the paragraph itself. The latter part of it says that it would reduce the acceptance of National. It would reduce the number of planes that could come in there; is that correct?

Mr. THOMAS. Yes, sir.

Senator HOLLAND. And that is still your statement?

Mr. THOMAS. Yes, sir.

May I add that it would also be reduced at Chantilly.

Senator HOLLAND. Pardon me for interrupting, but I wanted you to complete that point.

It seemed to me you were telling Congress that, in that report, if both airports function at the same time, Burke and National, that the National's capacity would be necessarily lower and would have to operate as a one-stack holding operation; and that there would be, therefore, material interference.

As I understand it now, you are saying that that is exactly what you meant; is that correct?

Mr. THOMAS. Yes, sir. Our estimate is a reduction of about five operations per hour.

Senator HOLLAND. All right, you may proceed.

In the latter part of the same report to which I have heretofore referred, there is the statement that the location of the airport at Burke would mean that one airport or the other would have to be the primary airport, and the other one a secondary airport. As the reporting engineers see it, Burke would be the principal one, and National would be reduced to a secondary status.

To my mind that is a rather ridiculous thing, when we have the closest-in airport that I know anything about, near any large population center in the Nation, and when it seems to me that always it will be of very great importance to have National operating just as fully as it can, consistent with safety.

Mr. MONRONEY. Mr. President, will the Senator yield for a question?

Mr. HOLLAND. Let me complete the reading of the last paragraph, to which I have already referred, but have not yet read. I quote from page 2 of the report:

The proximity of the Burke site to the Washington National Airport will tend to restrict the flow of traffic into the latter field by obviating the use of a west sector holding fix for feeding traffic into the Washington National Airport. This restriction may not be too serious if Burke becomes the principal airport in the Washington terminal area, since it is likely that W shington National Airport would then lose much of its present commercial traffic.

Mr. MONRONEY. I should like to ask the Senator from Florida, who has studied the matter over a great many years, whether it is not a fact that the reference deals with Washington Airport being a single-runway airport. In other words, unless we build across the Potomac River, it is impossible to create parallel runways at Washington National Airport. The plan is at Burke or Chantilly—or whatever site is selected—to build new modern parallel runways, so that planes can land and take off at the same time. Certainly we do not want to build an obsolete airport, such as we have at Washington National Airport now. We want to build parallel runways, to handle the traffic.

Mr. HOLLAND. I believe my distinguished friend from Oklahoma and I are trying to reach the same objective.

The point I make is that in locating the second airport, further consideration should be given to the fact that an airport located at Burke would diminish to a secondary position the National Airport and would cut down its stacking capacity to one-half its present stacking area.

Mr. MONRONEY. I believe the testimony was that it would cut down by 5 percent the landing capacity.

Mr. HOLLAND. I believe the Senator is incorrect on that point. The statement was that it would reduce from 40 to 35 the capacity per hour, and therefore would reduce it by 5 planes per hour.

Mr. MONRONEY. On page 553 of the testimony, Mr. Thomas stated specifically that the complex of Burke and National would make it possible to have about 115 operations per hour. The complex at Chantilly and Washington National would make possible about 120 operations per hour. So there would be something less than 5 percent involved.

Mr. HOLLAND. I am sure the Senator means as between the use of Burke and Chantilly as a second airport. The statement is clear that it would cut down by 5 planes per hour, during instrument weather, the capacity of National Airport. The distinguished Senator will find that statement clearly made in the record. If he is interested in reading it, I shall have it pointed out to him.

The next point I found there was no general understanding about—although other Senators may have understood it, but apparently no one on our subcommittee fully understood it; and of course one of our ablest members had to be absent because of conditions existing at home, which were fully understood—but the four of us knew nothing about this point; namely, that the location at Burke would interfere with the long-range development program of Fairfax County. There is no doubt about that at all.

The testimony of the membership of the planning board and the mute testimony of the map show that point very clearly, and there is no argument about it.

To state it as briefly as I may, the development of Fairfax County must be such that the drainage—both from the standpoint of storm sewers and sanitary sewers—must go forward so as to provide drainage in a southerly direction into the Potomac below the city of Washington, and must not go over a considerable mileage to the north in Fairfax County so as to drain into the Potomac River above Washington. Senators are fully familiar with the polluted condition of the Potomac River.

From that point of view, the watershed of Pohick Creek is the only one closely available to go southward, and that is cut almost in two by the Burke location, and that is the only other available close-by area for continued residential development of Fairfax County.

Whether the people there want it to be so or whether we want it to be so, that is a suburban residential county, and always will be. Such towns are sometimes referred to as bedroom towns. Fairfax County has grown from a population of 87,000 in the census of 1950 to 194,000 a few months ago, and the statement has been made that it is now well above 200,000. The growth has been great, so great as to use up rapidly the areas which are served by the sewerage system under the present plan, and to make it imperative that in the future there will be a chance to begin to develop the Pohick Creek area.

We had the testimony of two members of the board. I shall read briefly from the statement of Mrs. Anne Wilkins, a member of the Fairfax County Board of Supervisors and of the Fairfax County Planning Commission. Her statement begins at page 614 of the hearings.

She is a very intelligent person and was very well able to handle herself at the hearing. I ask that the two paragraphs at the end of the section entitled "Effects on Development of Watershed," which appear on page 616 of the hearings, be printed in the RECORD at this point.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

There are two other watersheds in Fairfax County which presently serve as sources of water supply. Occoquan supplies Alexandria and a large part of Fairfax County. Accotink supplies Fort Belvoir. This leaves Cameron (Holmes Run, Tripps Run, and Back Lick Run), Pimmit, and Pohick watersheds open and available for intensive residential development. Cameron, Pimmit, and part of Accotink are sewered, or being sewered, under the current $20 million sewer program. Development in these areas is expected to reach the saturation point before 1980. This will leave only the Pohick watershed open for future intensive development. Actually it is the only remaining watershed in which satisfactory sanitary sewer facilities can be provided economically for high-density residential development even without regard to protection of area

water supply. Trunk and collector sewers can be installed at reasonable cost to serve the entire watershed with a disposal plant on the Potomac where it will not interfere with anybody's water supply.

A large subdivision of 900 houses is in the planning stage just over the ridge in the Accotink watershed. One area of 1,100 acres in the upper Pohick watershed has been purchased for subdivision recently and is awaiting only sewer facilities before it gets underway. There are many other smaller-scale projects on various stages of completion within the general area.

Mr. HOLLAND. Mrs. Wilkins points out that there are two other watersheds which presently serve as sources of water supply. She points out that Cameron and Pimmit and a part of Accotink are sewered, or being sewered, under the current $20 million sewer program. She states that this will leave only the Pohick watershed open for future intensive residential development. She states that development in the Cameron and Pimmit areas is expected to reach the saturation point before 1980. Therefore, Pohick is the only one left for future development.

Then she states that there is a large subdivision of 900 houses in the planning stage just over the ridge in the Accotink watershed. She states that 1 area of 1,100 acres in the upper Pohick watershed has been purchased for subdivision recently and is awaiting only sewer facilities before it gets under way.

She states also that there are many other smaller scale projects in various stages of completion within the general area.

We looked at the map, and went over it very carefully. I do not believe any member of the subcommittee was prejudiced in the matter.

In the same paragraph which I have placed in the RECORD, Mrs. Wilkins spoke about the $20 million sewer program which is underway. They have done good long-range planning. They are very fine people and intelligent people, and they want to utilize to the best advantage the area within their county.

The areas across the main highway, on the other side of Fairfax County, around Chantilly, and going toward Loudoun County and in Loudoun County, are now zoned for agricultural development, because any general sewerage program would have to go to the upper area of the Potomac, and they ban any such plan, as a matter of decency, I am sure, whether required by law or not. They do not want to be parties to the further pollution of the sources of the water supply of this whole area.

Why has this matter been allowed to reach this deplorable stage, with a lack of recognition of those two points which I have made? There is no doubt about those two points. They show up in the RECORD time and time again. The CAA admits them freely. Why has it gotten to that stage?

The reason is because CAA did not carry out the injunction of Congress when, in 1950, we authorized them to choose a site somewhere around the National Capital, not specifying which State or which county, but requiring them to have a full consultation with the public officials and residents of the area to be affected. They did not do that. It has been clearly demonstrated that not only did they not have any consultation, but we have had complete demonstration of the fact that the whole group or local public officials are completely out of humor—and justifiably so, I believe—because, while they cannot have the final say, they ought to be heard. They are handling the affairs of a rapidly growing county, which now contains 200,000 people in a limited area, and they had not been heard up to the time that we heard them. We gave them a chance to be heard at our hearings.

What are the facts with respect to those public officials? There were six members of the county Board of Supervisors, one from each magisterial district, up to 1953. All six were against the Burke site.

There have been 7 since then, and all 7 have been against the Burke site, until the election of the present incumbent from the Mount Vernon area, General Ovenshine, and he was in favor of going ahead at Burke or anywhere else where a location can be agreed upon. His is the only vote—out of the votes of 14 different members who have served on the board since the time of the first site selection by the CAA—in favor of the Burke site, because the other members know how critically necessary it is for the county to retain the site, and they also know that other locations are available, not only because they involve agricultural land, and thus are cheaper, but also because the land there is level and does not require the immense amount of grading that would be required at Burke.

At Burke, the difference between the highest and the lowest levels is 140 feet, which means that some fills 70 feet in depth would have to be made and some cuts of 70 feet would have to be made. Everyone knows that when filling of so great an amount is required, it is impossible to erect heavy structures on the filled land a month after the fills are made. In this case, very heavy structures would be required for the jet commercial planes which are to operate at the new field.

Mr. President, what has especially demonstrated a lack of consideration on the part of the attitude of the CAA has been the fact that shortly after the authority was given, in 1950, rumors of the use of commercial jet planes had begun to be heard; and for the past 2 or 3 years everyone has known, and the CAA has been frank to recognize, that the new airport is to be built to serve commercial jet planes from all over the Nation and elsewhere. That not only involves difficulties because of heavier structures, but it also involves threats of much greater noise. In view of the present state of knowledge, to locate an airport using jet planes in the vicinity of the residences of citizens who object to it—and who in the early years, at least, were not even allowed to appear at a hearing in that connection—to my mind would be the very height of lack of consideration, and even positive discourtesy. That is exactly what happened in the case of the Fairfax officials. The members of the school board feel that way; the members of the planning board feel that way.

We would not be so concerned if they merely felt that way; but when they feel that way for good reasons, I wish to say we were concerned; and all the members of our special subcommittee, and later all the members of the full committee who heard the case, felt that a study by a completely new authority was required.

I see my friend, the distinguished senior Senator from Washington [Mr. MAGNUSON], now on the floor. I wish to pay him credit for having recommended the solution which now is submitted in connection with the proposed handling of this matter. He knew about the creation of the new board, because the matter had been handled by him in his committee. He suggested that as a brand new voice and a highly-trained voice in connection with two problems which are of primary concern in this case—namely, safety, and also the question of adjustment of flying patterns, the latter being closely connected to safety—this board, which was set up for the exact purpose of doing jobs of that sort, be used. I wish to have printed at this point in the RECORD the comment the distinguished Senator from Washington made about this matter, as his remarks appear in the hearings before the full Appropriations Committee; I refer to the portion of the additional hearings beginning at the bottom of page 2, and ending at the top of page 3. I ask unanimous consent that that excerpt from the hearings be printed at this point in the RECORD.

The PRESIDING OFFICER (Mr. MAGNUSON in the chair). Is there objection?

There being no objection, the excerpt from the hearing was ordered to be printed in the RECORD, as follows:

Senator MAGNUSON. They are set up to explore and to assist the executive departments on all phases of the problem of airspace, air-navigational aids, and all matters pertaining to our rapidly crowding air condition in the United States.

* * * * *

There is pretty broad authority with respect to all of these problems, and, as you probably know by now, their first job would be—and the President is using his own funds until we appropriate money next January—as of now, to busily engage themselves in air-navigation matters; but you make recommendations as to airports, as to the whole problem of airspace and the crowded conditions and the safety in the air.

* * * * *

Mr. HOLLAND. In that statement the distinguished Senator from Washington, who is the chairman of the legislative committee concerned with this matter, made it very clear that he felt this was the proper way to handle this problem, and also that there was, under the measure establishing the new Board, specific authority for doing this kind of job. I shall not read the statement at this time, but, as a result of the request I have just made, Senators will find the statement in the RECORD.

Next, Mr. President, we have the effort to bring the State of Virginia into this matter—an effort not initiated here, but initiated by the State of Virginia itself. Virginia set up, some time ago, a study

commission in this field. The chairman is, I believe, the distinguished State Senator Fenwick, from the adjoining county of Arlington. He appeared before our committee, and testified. He said his group was holding hearings at that time; and he said he felt sure they would recommend that the State establish at its next session, next January, a State airport authority to help carry out the necessary objectives, just as groups of citizens elsewhere in the Nation have to do.

As a matter of fact, the number of people living outside the District of Columbia, in this great metropolitan area, now largely exceed in total the number who live within the District of Columbia. My recollection is that slightly less than 500,000 persons live in the adjoining counties of Virginia, and slightly more than 500,000 persons live in Montgomery County and Prince Georges County, Md. So far as Virginia is concerned—and, of course, it is natural for the residents of this part of Virginia to be interested—their interest in the matter has been manifested.

Mr. SALTONSTALL. Mr. President, will the Senator from Florida yield to me?

Mr. HOLLAND. I shall yield with pleasure to the distinguished senior Senator from Massachusetts. First, let me say that the Senator from Masachusetts is the one who took the bull by the horns and asked that General Quesada testify before our committee. I understand that the Senator from Massachusetts discussed the matter with the Senator from Washington [Mr. MAGNUSON], who likewise had discussed it with me. I desire to commend the Senator from Massachusetts for searching for a reasonable solution, one which would give everyone concerned a chance to be heard, and would give the Senate and the House of Representatives some assurance, when they acted, as I believe they will, in January, that they were following the correct course.

At this time I am glad to yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I thank the Senator from Florida for the statement he has made.

I wish to say that in the full committees—I was not a member of the subcommittee—what impressed me involved three factors:

First, the question in connection with the use of the airfield by jet planes of greater speed, and the question, in that connection, whether the site at Burke was too close to the National Airport.

Second, the fact that several Senators who are directly interested in this problem stated very flatly and clearly that they will be willing to act next January, when the Board's report will be made, and that they do not intend to request that there be a further postponement. They said they were willing to act at that time. I thought that was very impressive.

Third, inasmuch as there has been such a great difference of opinion, it would be well to have the judgment of General Quesada, who heads the new board, who is a man of great military and aviation experience, and a noted flier. He was one of the early fliers in the Air Force. With him, there is to serve a representative of the military and a representative of the Department of Commerce. General Quesada is to preside. Thus, there will be an opportunity to correlate the military airfields in the vicinity—Bolling Field, Andrews Field, and the others—with the commercial airfields in the vicinity, such as the National Airport, Friendship Airport, and others. So the new group will make the decision, and it seems to me that the decision the group will make will be extremely helpful to the Congress.

Furthermore, at least one of the Senators directly involved has stated unequivocally that when the new Board's report is made, he will be prepared to act and to have a forward step taken. The committee has stated in its report—and this is the present sense of the committee, and the report was adopted unanimously by the committee—that it will act when the supplemental budget comes to Congress in January.

For those reasons, it seems to me that the report of the Appropriations Committee and its action in temporarily putting aside these funds and providing for the report constitute a wise forward step in the direction of the commencement, in January, of construction of the airport.

Mr. HOLLAND. Mr. President, not only do I agree with the distinguished Senator from Massachusetts, but again I wish to express to him my appreciation for making the suggestion which received the uniform approval of the Appropriations Committee. Incidentally, at that time the number of members of the Appropriations Committee who were sitting in the hearing and were trying to work out a solution to the problem was greater than the number of Members of the Senate on the floor of the Senate at this time.

The problem has been a difficult one, and we have tried to move toward a solution.

At this time I ask unanimous consent to have printed in the RECORD an excerpt from pages 4 and 5 of the report, constituting the portion bearing on this question.

There being no objection, the excerpt from the report (No. 980) was ordered to be printed in the RECORD, as follows:

CHAPTER II. COMMERCE AND RELATED AGENCIES

CIVIL AERONAUTICS ADMINISTRATION

Construction and development, additional Washington airport

The evidence presented to the committee in the course of hearings on this matter clearly indicates that Washington National Airport airspace-congestion problems are in large part due to the proximity of military flying activities. In addition to the congestion created by fight activities at Andrews Air Force Base, Bolling Air Force Base, Anacostia Naval Air Station, and smaller installations at Quantico and Fort Belvoir, restrictions on airspace utilization are created by the Quantico gunnery and rocket range and the Dahlgren danger area.

Testimony discloses that the Burke site is 14½ miles from Washington National Airport. The Systems Engineering Team of the Office of Aviation Facilities Planning, the White House, in their plan for Modernization of the National System of Aviation Facilities dated May 6, 1957, recommend "spacing between airports * * * on the order of 16 miles." The effect of the proximity of the Burke site to the Washington National Airport would, as stated in the CAA Technical Developent Report No. 187 of November 1952, "interfere with the west holding stack presently adopted for Washington National Airport and will probably require that the Washington National Airport approach system revert back to a one-stack operation * * * this change would reduce the acceptance rate of the Washington National Airport somewhat * * *."

This would mean that under instrument flight rule operations that Washington National Airport operations would be reduced because operations would work through one, instead of the present two, stacking areas.

Opposition to the Burke site was strongly presented by members of the Fairfax County Board, school board officials, members of the county planning commission, the two Senators from the State of Virginia, and the Member of Congress representing the district. It is apparent that such opposition may stem in large part from the lack of consultation with the local authorities which was prescribed by section 2 of Public Law 762 of September 7, 1950. Such opposition stemmed also from the apparent effect of the selection of the site at Burke upon the developmental program of the county planning commission and other impact upon the community, particularly with respect to the jet noise factor. At the time of the authorization (1950) and subsequent site selection, propeller aircraft were contemplated using the facility; the present situation is one where the facility would be serving commercial jets, expected to be operating in the near future.

With respect to other nearby areas, such as Chantilly and adjacent areas of Loudon County, there was little evidence of local opposition.

Just yesterday the President approved Public Law 133, the Airways Modernization Act of 1957, creating the Airways Modernization Board.

Therefore, the committee recommends that the amount of $12,500,000 allowed by the House be eliminated from the bill and directs that the Airways Modernization Board study the terms of Public Law 762 of the 81st Congress and in furtherance of that study investigate and recommend to the Congress by January 15, 1958, a site (either entirely new or the remodeling of a present airport) that is in its opinion suitable for a new modern airport adequate of serving the metropolitan area of Washington.

It is the present sense of the committee that it will take appropriate steps to approve and commence the construction at a site for such an airport in the early months of 1958 as it recognizes the need for such an airport in the metropolitan area of Washington.

The committee urges the Civil Aeronautics Board and the Civil Aeronautics Administration in considering how best to route air traffic safely and expeditiously in the metropolitan area of Washington to make the fullest possible use of the Friendship Airport, temporarily, and, if advisable after experience, permanently.

This action is without prejudice with respect to submission of a request in the second session of this Congress.

Mr. HOLLAND. Mr. President, I should also like to state that the distinguished chairman of the Appropriations Committee, the senior Senator from Arizona [Mr. HAYDEN], has endeavored in every way within his power to get the governmental agencies involved to be cooperative and to move in connection with this matter. I believe it was last July that the Senator from Arizona addressed a letter to the CAB

and the Department of Commerce. Incidentally, the Department of Commerce had, before that time, already made a formal request of the CAB. In the letter, the Senator from Arizona stated that the Senate Appropriations Committee believed it was entitled to have a trial made of Friendship Airport, because Friendship Airport has been built for the jet age, and is closer to the Nation's Capital than some other airfields are to the metropolitan centers they serve.

A strong demand for the use of Friendship Airport was made by the distinguished senior Senator from Maryland [Mr. BUTLER] and the distinguished junior Senator from Maryland [Mr. BEALL]. Incidentally, both of them have been very helpful, but particularly the senior Senator from Maryland [Mr. BUTLER], because of his membership on the Committee on Interstate and Foreign Commerce. He has been exceedingly active in trying to bring this matter to a correct solution.

The two Senators from Virginia [Mr. BYRD and Mr. ROBERTSON] have also been very active and helpful, particularly the junior Senator from Virginia, by reason of his membership on the Appropriations Committee. There has been no lack of cooperation there. There has been no lack of desire to find an answer. We have felt we were within our rights in seeking information as to what would happen when heavy movements of aircraft were diverted to Friendship, and we felt that the failure of both CAA and CAB, and the airlines, too, to make any movement in that direction has been recalcitrance and everything else but cooperation.

More than a year ago the CAB started hearings on this matter. I am now informed by the Chairman of the CAB that they have had their pre-prehearings and their prehearings. I have used the words to describe what they seemed to mean, from my standpoint, although they do not use those words. They expect to have a verdict by next June if they have good luck.

That is the kind of cooperation we have had from that source, and personally, I do not appreciate it. I think when the Chairman of the Appropriations Committee, passing on an important matter to the Senate and to the Nation, makes a request of that kind, he is entitled to better cooperation than he has received. We are not talking about a few nickels. We are talking about construction which CAA has estimated will cost $50 million. If it is as wrong on this estimate as it has been on other matters before the subcommittee, the cost will be nearer $75 million, which is the estimate stated by a distinguished Virginia contractor, who has been brought into the picture by the two Virginia Senators.

Mr. President, we have been fighting in the Senate on a two or three million dollar item, represented by the difference between the commitment of the United States to the District of Columbia and the amount the Senate finally approved. That is chicken feed compared to what we are talking about now—an expenditure of somewhere between $50 million and $75 million. We are talking about doing something wholly at Federal expense, for the benefit of a community in which live between four and five hundred thousand people, and for the benefit of a metropolitan area in which more persons live outside the District of Columbia than live in it. I feel on that ground we are entitled to insist, as we do in this report, that there be a trial made so we will have a chance to see what will happen.

Mr. President, there has been a very brief trial, because a few weeks ago when there was repair needed on a runway at the National Airport, a few flights had to be moved to Friendship. They brought those flights back just as quickly as they could. I do not know why, but I "suspicioned," if I may use that word, that the experiment pleased the flying public and the flying personnel too well. A week later I flew back from Florida and talked to two pilots on the plane. They told me they would much prefer to use Friendship, because of the simplicity of its approach procedures. They hoped we could work out an arrangement to make greater use of that airport.

Mr. President, we went further, and requested that the airlines make an analysis of their ticket. sales. We found 5 of them in a 1-month period had sold 3,500 tickets to Baltimore residents, who came all the way from Baltimore to the National Airport to catch planes here. It is reasonable to assume that there was a similar number going back the other way. When one flies into the New York area he is always asked which area he would like to go to, and has a choice between various fields. There has been no such practice in this area. There has been no effort at all to refine the service here, at the only place in the Nation where the Federal Government has built, at its sole expense, the only airport, and which is now studying building another one.

The airlines are my friends. I trust them with my life about every weekend. But they have been less than frank. I would be less than candid if I did not say so. I think they can be cooperative, not to their hurt, but to aid the solution of this problem.

This year, when we are trying to be economical, are we to assume an additional Federal expense of from $50 million to $75 million, to provide the entire cost of constructing a second airport for this metropolitan area? It is a disturbing question, at least to me.

The Airways Modernization Board has been brought into the debate. I am one of the Senators who stated I thought we ought to bring this dispute to an end; that if the Board made a real study of it and made a recommendation, so far as I was concerned I was through fighting. I do not object to fighting, but I like to have a more definite stake involved than one of this kind.

The Senator from Washington [Mr. MAGNUSON], who is now presiding so graciously, as he always does, is one who made the same statement. If the action proposed by the Committee is taken, we have the assurance of early action next January. I do not know what the recommendation of the Board will be. I hope it will not come back with another recommendation for Burke, because the facts are against it.

Mr. SMATHERS. Mr. President, will my colleague yield?

Mr. HOLLAND. I yield.

Mr. SMATHERS. Is the Senator of the opinion that if the Airways Modernization Board makes a recommendation and recommends Burke, it will end the controversy, and that the CAA can go forward with building the airport at Burke, or will it lead to further delay?

Mr. HOLLAND. I believe it will end the matter. It will so far as the Senator from Florida is concerned. As my colleague well knows, we have enough matters to look after in Florida, growing as it is, to require all the attention we can afford apart from general national and international matters. This has been a real burden, which the Senator from Florida did not ask for, but one of which he has had to bear a good part. So far as I am concerned, I am ready to go along with any recommendation that may be made.

Mr. SMATHERS. I am, of course, very well satisfied with any statement my colleague makes to that effect. I wondered if in discussions in the Appropriations Committee, where the junior Senator from Virginia and other Senators were present, it was their judgment that when the Airways Modernization Board made its recommendations that would finally end the matter, and there would then thereafter not have to be another committee created to study the matter.

Mr. HOLLAND. I thought this was the committee to end all committees, but I would prefer my distinguished friend from Virginia to answer that question, if he cares to do so, and I yield to him for that purpose.

Mr. ROBERTSON. Mr. President, the committee was almost unanimous in wanting a board that was not dominated by travel time to take a look at this situation, because we had 300 pages showing that Burke was not the best site. We did not think the CAA had given a fair and impartial study to what was involved. We considered that we started out with a $14 million project. We did not have the additional language contained in a previous bill which provided that from year to year Congress could appropriate for improvements and developments and that the building of a $75 million airport could be started. That is point No. 1.

Point No. 2 is that in the second paragraph of the act of 1950, as the Senator from Florida has pointed out, it was provided that the CAA, which had the power to select the site, should consult with the local authorities. The CAA did not do it. It met at 8 o'clock one night, and between that time and 9 o'clock it decided the site was going to be Burke.

The committee was of the unanimous opinion that it wanted an independent agency to study the matter before Congress committed itself to an expenditure of $75 million.

The local authorities have made it plain that Burke would be the worst possible site. However, the fact remains that the law of 1950 provided that the CAA has the authority to select the site.

Mr. SMATHERS. That is correct.

Mr. ROBERTSON. The report of the committee is not law. The report is an indication that Congress wants an independent agency to look into this matter. We believe if the CAA agrees with the recommendation of the independent agency, it will not delay the matter; but if the CAA is obstinate and says, "We do not care what you say about it. We are the ones to make the decision. We decided back in 1950 that it should be Burke, and we are still in favor of Burke. That is what we want—where we want the new airport." An amendment offered to that effect would be legislation, and I will make a point of order when the Senator offers such an amendment.

Mr. SMATHERS. Mr. President, will my colleague yield so that I may respond to the Senator from Virginia?

Mr. HOLLAND. I yield for that purpose.

Mr. SMATHERS. I was not offering an amendment, but the question had arisen whether, if the Airways Modernization Board made a recommendation and made one other than Burke, but the CAA, having final authority, which the Senator from Virginia agrees it has, did not go along with the Airways Modernization Board, would we not be right back to the point where we are at this moment?

Mr. ROBERTSON. No. Congress is still supreme. Congress can still legislate. If Congress wants a site other than Burke, Congress can say, "On all the facts and circumstances, we now legislate for some other site," and that would settle it.

Mr. SMATHERS. The Senator would have Congress exercise its judgment over that of the CAA with respect to where the airport should be?

Mr. ROBERTSON. No. As a matter of fact, the CAA will have one of its officials as 1 of the 3 members of the Board, because the Secretary of Commerce would appoint 1 member of the Board. The Secretary of Defense would appoint one member of the Board, and, of course, he would say we cannot take Andrews Field or Bolling Field. The CAA would say Chantilly is too far away. The other members of the Board would beat on General Quesada's neck. Does the Senator appreciate that?

Mr. DOUGLAS. Mr. President, will the Senator yield to me?

Mr. HOLLAND. I yield to my friend, the Senator from Illinois.

Mr. DOUGLAS. I am somewhat confused as to what the response of the distinguished junior Senator from Virginia was to the question asked by the Senator from Florida. I should like to rephrase it with relation to one possible development. Suppose the Airways Modernization Board recommends Burke, and suppose the CAA recommendation coincides with the decision on Burke. Will that end the struggle, or will the Senator from Virginia and his group continue to oppose it? That is what I should like to know.

Mr. ROBERTSON. Mr. President, the Senator from Virginia would have to say that no matter how many Quesadas and boards should favor Burke, he thinks they would be wrong, but he does not say he would keep on fighting, because he knows when he is licked.

Several Senators addressed the Chair.

Mr. HOLLAND. Before I yield to the Senator from Massachusetts [Mr. SALTONSTALL] may I say that my answer to my colleague, the junior Senator from Florida, was for myself only. I also stated that I knew how various other Senators felt, including the distinguished senior Senator from Virginia. I believe the Senator from Michigan was in that category. The Senator will speak for himself, since he is present in the Chamber.

The Senator from Mississippi and various other Senators made it clear that they thought this matter should be brought to an end. As a matter of fact, though I do not mean to quote any other Senator, I think the Senator from Mississippi was probably among the first in our special subcommittee to come to the opinion that the Burke site was not a wise site, and submitted in place thereof the name of Chantilly. I believe the Senator was the first to approach me on that subject.

I now yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I thank the Senator from Florida.

If I may address the junior Senator from Virginia, what appealed to me very much with reference to the decision of the committee was a very important paragraph which we find in the report. The Senator from Virginia was present. I should like to have his comment on the matter, because I think one of the things which as I say, convinced me that the action of the committee was appropriate, was the statement in these lines:

> It is the present sense of the committee that it will take appropriate steps to approve and commence the construction at a site for such an airport in the early months of 1958 as it recognizes the need for such an airport in the metropolitan area of Washington.

Mr. ROBERTSON. The Senator from Virginia was present. His distinguished friend, the Senator from Mississippi, said, "I am satisfied we need another airport." And the Senator from Virginia said, "I agree." The Senator from Mississippi said, "I am satisfied it is going to have to be somewhere in Virginia, but not necessarily at Burke." And the Senator from Mississippi further said, "Would the Senator from Virginia object to our putting in the report a statement that next year, early in January, we are going to act?" And the Senator from Virginia said, "No. That is the proper thing to do."

Mr. SALTONSTALL. And the Senator from Virginia went one step further, did he not?

Mr. ROBERTSON. Yes; he did. He said that the Senators from Virginia were not opposing the location of an airport in their home State, but that they did not think Burke was the best site, and they wanted an independent judgment on that one point.

Mr. SALTONSTALL. And when the decision is made with reference to a site, though the Senator from Virginia did not commit himself finally to the site, he certainly said he would be very much influenced by the decision, did he not?

Mr. ROBERTSON. He would have to admit that that is correct.

Mr. SALTONSTALL. I thank the Senator very much.

Mr. HOLLAND. Mr. President, I should like to make one further comment for the RECORD.

Soon after the distinguished Senator from Mississippi made the suggestion to me that he thought Chantilly should be carefully studied, I got in touch with the Administrator of the Civil Aeronautics Administration and asked that he do exactly that. I will say, in justice to the Administrator, that at that time he had to leave on a long vacation, which was the first he had had a chance to take in a long while.

The point I make now, Mr. President, is that despite my keen anticipation and long waiting and urgent request, I received no reply about the advantages of Chantilly and its qualifications as a site until after the supplemental budget item had come to the Senate and after the hearings had been set by the distinguished Senator from Arizona, the chairman of the committee.

I should like to read the four "findings" sentences. Any Senator who wishes to may see the entire letter, which includes many references to charts and data. I do not want to include the whole letter in the RECORD.

There are a few paragraphs of interest:

> Actually, it seems to us that any comparison of the two sites—

This is a quotation from the letter of the Administrator of the CAA, with reference to the two sites of Burke and Chantilly:

> Actually, it seems to us that any comparison of the two sites should emphasize four things that we do know something about: (a) accessibility; (b) soil conditions; (c) air traffic control; and (d) relative cost. Our discussion of those four factors follows. Briefly summarized, our findings are these:
>
> (a) Burke is more accessible to Washington National and to the District of Columbia than is Chantilly.
>
> (b) Although more material would have to be moved in the process of grading the Burke site, it is softer, easier and cheaper than would be the excavation and grading work in connection with the Chantilly site.

The reference there means cheaper per unit, Mr. President, but by no means cheaper in totality, because at Burke 16 million yards would have to be moved and at Chantilly only 5½ million yards, and that on a rock base. Chantilly has a much more level site, and does not have present some very soft and unwanted types of earth found at Burke.

Mr. SMATHERS. The letter comes from whom?

Mr. HOLLAND. From the Administrator of the CAA. The Senator may see it if he wishes. As a matter of fact, I would put the letter in the RECORD were it not for the fact that so much is keyed to the maps and charts which accompany it that it would be impossible of understanding.

I hope Senators will listen to the next item particularly:

(c) Air traffic controlwise, satisfactory patterns and procedures can be worked out for either Burke or Chantilly, with Chantilly offering somewhat better possibilities than Burke.

(d) Ultimate costs would be approximately equal for constructing an airport at Burke or at Chantilly.

As to the last item, item (d), that is the only statement of that kind we have been able to find from any source. To the contrary, the contractor and the earth mover and others who were before the committee all said that the construction cost at Burke would be a great deal larger because of the immense earth-moving figures which were involved.

Mr. President, that is the gist of the proposal. Burke has a little advantage distancewise. Chantilly has an advantage——

Mr. CHAVEZ. Moneywise.

Mr. HOLLAND. The Senator from New Mexico is ahead of me. I was going to say, first, it had an advantage air-pattern-wise. That is shown in the first report, away back in 1950. Chantilly was shown to be preferable to Burke from the standpoint of air pattern, because it is farther away from Washington National Airport.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from New Mexico.

Mr. CHAVEZ. Is it not true that if Burke is selected, in order to make the airport possible at that site there are places where the engineers will have to dig 70 feet and places where they will have to fill 70 feet?

Mr. HOLLAND. The Senator is correct.

Mr. CHAVEZ. At Chantilly, while it would take 7 minutes longer to get to the city of Washington, the Government would save millions of dollars by reason of the terrain, would it not?

Mr. HOLLAND. The Senator is correct?

Mr. President, I should like to close on this matter. I hope this will be the last time I shall ever have to debate on the Senate floor the airport situation of Washington, because it has been an onerous duty.

I regret that the subcommittee was not able to file a full and firm report. The situation was this: Two of us felt one way about it; two of us felt another way about it; and one felt still a third way.

Mr. President, the situation was clearly disclosed to the full committee and clearly discussed by all of us at that time, and the full committee knew what the situation was. I do not think it would be profitable to discuss that matter now.

Mr. President, there is no question at all that this problem can be solved through the means we have suggested. Nor is there any question at all that the situation is being eased in a small degree by the doing of things which our subcommittee got started, or which our able chairman for the full committee got started, such as the moving of MATS from the Washington National Airport. MATS has entirely moved now, except for 156 operations per year, which they are in the process of moving. I believe that move will be completed by November of this year, according to reports from the Department of Commerce.

In the case of Bolling, there is a move underway. As to the use of space by MATS, they have been able to turn back to the airport, for parking and for other uses, 2 or 3 acres of land which they had earlier occupied.

There are many different kinds of partial solutions which are underway. None of them is adequate, but they all seek to give a more convenient operation and seek to carry out an objective which I think my distinguished friend, the Senator from Oklahoma, will agree with me is one of the principal objectives, and that is to make National Airport, which should always be regarded as the most convenient and the most accessible, serve the maximum safe traffic load that it can serve from time to time.

With reference to Friendship, there has been complete recalcitrance up to now. We hope some data will be made available this fall. Perhaps this approach will not work. If it does not work at least we will know that, if a real trial is made in the months to come.

Mr. President, I should dislike to think that we would not differentiate between a community which has done its full bit for itself, with relation to its airport, under national legislation, and the other adjoining areas to Washington, where up to now there has been no evidence of willingness to rise to community responsibility.

Mr. President, that about concludes my remarks. I am sorry they were as lengthy as they were, but it seemed necessary to discuss the question in some detail. I think the two Senators from Virginia, and the Representative in Congress from that district of Virginia, all of whom I see in the Chamber, are thoroughly within their rights, as are the members of the board of supervisors of Fairfax County, their planning board, and other school board officials, in taking the position they take.

One thing I have not mentioned is that a new school is directly on the line of the proposed Burke Airport, and would have to be eliminated at Federal expense if that proposal went through.

The other main line of flight goes directly over Fairfax High School and courthouse, and the business and residential sections, at a distance of some 3½ miles from the end of the protected area just beyond the runway.

I do not believe that that sort of thing should be visited upon a community of many thousands of people, with thousands of schoolchildren being adversely affected. It seems to me that we should move to allow the Board to consider all the factors affecting those good people, and submit to us a recommendation based upon proper consideration of all the factors involved.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. STENNIS. First, I think we all owe a debt of gratitude to the Senator from Florida for the very fine hearings he conducted on this subject, and the very thorough way he went into it.

As a member of the specially appointed subcommittee of the Committee on Appropriations which considered this question, let me add one word, for whatever it may contribute to some progress on this matter.

This was more or less a new subject to me when we held the hearings, but I was quickly convinced that Washington must have an additional major airport, especially to take care of jet commercial planes, and that the additional airport is necessary notwithstanding the fact that Friendship Airport may be used to a considerably great extent than at present.

At all events, I think the logical location would be in northern Virginia. After riding over the Burke territory, however, and studying the area, I was convinced that further consideration should be given to the Chantilly area. So, notwithstanding the fact that I thought we were "burning daylight" and should proceed to meet the situation, I withheld my vote in favor of the Burke site until something further can be learned about Chantilly.

The other day one of the witnesses before the committee said that Chantilly was a suitable location, but that he thought Burke was a better location. That certainly shows that both of them are at least suitable. I am glad to see the study started, and I urged the full committee to put positive language in the report indicating progress. I think there will be action by the committee in the early part of 1958.

I trust that we shall have a clear-cut recommendation on our table when we return in January. I am confident that the committee will speedily act thereon. Like the chairman, I am inclined to favor the Chantilly site. I certainly would like to see further consideration given the subject. I believe, following the submission of the report of the commission, that the airport can be started.

Mr. HOLLAND. I thank my distinguished friend from Mississippi.

The senior Senator from Maine [Mrs. SMITH], who is the ranking minority member on our subcommittee, missed no sessions of the hearings, and evinced a very active interest in the problem. I believe she has just left the Chamber. I believe that her preferences in the matter, if anything, were stronger than those of the senior Senator from Florida. Inasmuch as she is not present, I shall say only this much: She felt that we were not being treated fairly, either by Government agencies or the airlines, and that a much more reasonable handling of this problem was required before the go ahead signal was given and the commitment to spend this huge sum was made.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment to strike from the bill the item for an additional Washington

airport, beginning with line 13 on page 2.

Mr. MONRONEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MONRONEY. If a Senator desires to vote for the Burke site, he should vote "nay." Is that correct?

The PRESIDING OFFICER. The Senator is correct. A vote of "yea" would be a vote to strike the item for the additional airport.

The question is on agreeing to the committee amendment to strike from the bill the item for an additional Washington airport, beginning on page 2, line 13.

The amendment was agreed to.

The bill is open to further amendment.

Mr. DOUGLAS. Mr. President, I think there is one item which we should scrutinize very carefully. I refer to the item beginning in line 21 on page 29, and extending to line 5 on page 30, appropriating $1 million for new furniture for the new Senate Office Building.

I spoke briefly on this subject some weeks ago. I think it should be gone into very carefully. I appreciate the fine character of the members of the Senate Commission charged with this duty, and the fine work of the Senate Appropriations Committee. But there are grave possibilities that we shall subject ourselves to criticism if we appropriate $1 million for furniture in the new building.

I want to point out, in the first place, that every Senator already has a desk and equipment. Every clerk has a desk and equipment. There is an ample supply of typewriters. What the new building provides is space; but we do not need new furniture to fill that space. If additional furniture is needed, it seems to me that probably there is used furniture in the possession of the General Services Administration lying around Washington that could be used. To provide another $1 million would mean that we would be giving each of the 40 or 50 Senators who will move into the new building $20,000 to $25,000 to equip his office, and also to provide for the new hearing rooms when, as a matter of fact, Senators already have equipment and furniture which could be moved in. So personally I shall vote against this committee amendment, and I hope that it may be voted down. If it is voted down, I think perhaps we can propose an amendment to make the amount $500,000, or such smaller sum as the committee may desire. But I warn Members of this body most solemnly we shall be exposing ourselves to grave criticism if we appropriate an additional $1 million for new furniture, when the furniture we already have in our offices is, for all practical purposes, adequate.

Mr. CHAVEZ. Mr. President, no one respects the Senator from Illinois more than I do. I like his sincerity of purpose. But Congress has taken action. It passed a bill to finish construction of the new Senate Office Building. It passed a bill to refurbish the old Senate Office Building. I, as chairman of the commission for the Senate, am trying only to carry out my duties under those two measures.

It is true that we could move furniture from the old Senate Office Building to the New Senate Office Building; but every time we take old furniture from the old Senate Office Building, it will have to be replaced.

No one wishes to waste a single penny. It is true that there is furniture in the old Senate Office Building which could be moved to the new Senate Office Building. I hope my good friend the Senator from Illinois will go to the new Senate Office Building, and if he wishes to take his furniture with him, we shall try to make it available to him at any time.

Mr. DOUGLAS. Mr. President, will the Senator yield to me for a moment?

Mr. CHAVEZ. Not at this time.

Mr. DOUGLAS. The Senator mentioned my name.

Mr. CHAVEZ. I mentioned the name of the Senator, but he mentioned my name before that. Let the Senator be patient.

If we take the furniture from the old Senate Office Building—and I hope my good friend from Illinois—no names mentioned—will go to the new Senate Office Building and take his furniture with him—it will be in accordance with the wishes of Senators. As chairman of the Building Commission of the Senate, I have written a letter to every Senator concerned asking whether or not he wished to take his present furniture with him. If so, well and good.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. CHAVEZ. I am sorry, but I did not yield to the Senator from Illinois——

Mr. SALTONSTALL. I was going to try to help the Senator a little.

Mr. CHAVEZ. No; I do not need any help. Inasmuch as I did not yield to the Senator from Illinois, I must decline to yield to the Senator from Massachusets.

We are going to help Senators take their furniture when they move to the new Senate Office Building. I wrote a letter to every Senator—94 besides myself—asking if they wanted to keep their own furniture. If they want it, they can keep it. But, after all, we do have a responsibility. Why should I take a beating on furnishing the new Senate Office Building? In the Old Office Building possibly 45 Senators will remain, and the others will go to the new building. What are we going to do? Are we going to leave unfurnished rooms? Is it the responsibility of those who have been authorized to do something about it, to take care of the matter? Are we going to do it, or not?

I am sending to the desk an amendment with reference to what we have been authorized to do. We have authorized by law that at least five rooms shall be provided for each and every Senator in the Old Senate Office Building. We are trying to comply with that authorization of the law.

Accordingly, the Architect of the Capitol, who is the authorized agent of the Senate in matters of this nature, has been directed to provide five rooms for each Senator who remains in the old Senate Office Building.

I send the amendment to the desk and ask that it be stated.

The PRESIDING OFFICER (Mr. MORTON in the chair). The amendment will be stated.

The CHIEF CLERK. On page 30, line 15, after the colon, it is proposed to strike out the proviso beginning with the word *"Provided"* and ending on line 20 with the word "Capitol" and insert in lieu thereof the following:

Provided, That the funds herein appropriated may be expended only for such work as can be done by the force of the Architect of the Capitol, except that not to exceed $20,000 of such funds may be expended on a personal service contract basis for consulting architectural and engineering services for preparation of preliminary plans and estimates of cost heretofore completed.

Mr. CHAVEZ. On August 16 the Architect of the Capitol addressed a letter to the chairman of the Committee on Appropriations, the Senator from Arizona [Mr. HAYDEN]. It reads, in part, as follows:

AUGUST 16, 1957.

Hon. CARL HAYDEN,
Chairman, Committee on Appropriations, United States Senate.

MY DEAR MR. CHAIRMAN: The supplemental appropriation bill, 1958, H. R. 9131, as reported by the Senate Committee on Appropriations on August 15, 1957, contains the following item:

"Remodeling, Senate Office Building: Toward carrying out the provisions of the act of July 10, 1957 (Public Law 85–95, 85th Cong.), authorizing the enlargement and remodeling of Senators' suites and structural, mechanical, and other changes and improvements in the existing Senate Office Building to provide improved accommodations for the United States Senate, $250,000, to be expended by the Architect of the Capitol under the direction of the Senate Office Building Commission and to remain available until expended: *Provided*, That the funds herein appropriated may be expended only for such work as can be done by the force of the Architect of the Capitol and that no part of such funds may be expended for planning by architects or engineers not on the staff of the Architect of the Capitol."

The Senator from Arizona may wish to make a statement.

Mr. HAYDEN. Some consulting architects must be engaged. That is why the amendment of the Senator from New Mexcio proposes to take $20,000 of the $250,000 for consulting architects. It is a proper amendment, and I accept it.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Illinois will state it.

Mr. DOUGLAS. Do I understand correctly that what the Senator from New Mexico is proposing is to the committee amendment on page 30, lines 15 to 20?

Mr. CHAVEZ. It is to strike out the proviso on page 30, line 15, reading:

Provided, That the funds herein appropriated may be expended only for such work as can be done by the force of the Architect of the Capitol and that no part of such funds may be expended for planning by architects or engineers not on the staff of the Architect of the Capitol.

And insert language in lieu thereof.

Mr. DOUGLAS. If that amendment is adopted, does it mean that the whole amendment, beginning on line 21, page 29, to line 20, page 30, will be adopted?

Mr. HAYDEN. No; it is an amendment to a committee amendment.

The PRESIDING OFFICER. All the committee amendments have been agreed to en bloc, including the amendment beginning at line 21, page 29, with the right given to any Senator to offer amendments to the ones adopted en bloc.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry. Am I to understand that we have already approved an appropriation of $1 million?

Mr. HAYDEN. It is subject to the right of any Senator to amend it.

Mr. DOUGLAS. I move to strike out the figure of $1 million on line 4 of page 30 and to insert in lieu thereof "$500,000."

The PRESIDING OFFICER. The pending amendment is the amendment offered by the Senator from New Mexico [Mr. CHAVEZ].

Mr. DOUGLAS. I move that the Senate reconsider the vote whereby the committee amendment was agreed to.

Mr. HAYDEN. As I see it, there is no objection to adopting the $20,000 amendment offered by the Senator from New Mexico. I would suggest that the Senate take action on that amendment.

Mr. LAUSCHE. Mr. President, will the Senator yield for a question?

Mr. CHAVEZ. I am delighted to yield.

Mr. LAUSCHE. I note that the Senator is limiting the use of that money with respect to the payment of architects who are——

Mr. CHAVEZ. Employees of the Senate.

Mr. LAUSCHE. He is limiting the money to payment of architects who are now employees of the Senate. Did the Senator come to that conclusion because of what he believes to be the inordinate charges made by outside architects?

Mr. CHAVEZ. With regard to inordinate charges, I should like to tell the Senator that the Commission, of which I am a member, has in its membership also the Senator from Alabama [Mr. SPARKMAN], the Senator from Oklahoma [Mr. KERR], the Senator from Rhode Island [Mr. GREEN], the Senator from Texas [Mr. JOHNSON], the Senator from New Hampshire [Mr. BRIDGES], the Senator from South Dakota [Mr. MUNDT], and the Senator from Nevada [Mr. MALONE]. They passed on this subject matter, and they are not scared by any newspaper stories. We are not buying an $800 stepladder for the Senator from Ohio; nothing at all like that. We are not going to buy him an $800 desk.

Mr. LAUSCHE. The purpose of putting the question is gathered from page 382 of the hearings, where it is shown that in the building of structures for the Air Force Academy architects will be paid $8,900,000 on an anticipated expenditure of $118 million, and that that $8,900,000 in architects' fees is predicated upon a 6-percent fee for plans and specifications and a 3-percent fee for inspection.

My inquiry is whether the limitation on the use of the fund for architects engaged is the consequence of the belief that in the hiring of outside architects the fees charged are greater than justified.

Mr. CHAVEZ. I should like to say to my good friend from Ohio that that was not the reason, but it could be a good reason. By the grace of the United States Senate, I happen to be a member of the Board of Visitors from the Senate to the Air Force Academy. Some of the fees the Senator talks about now——

Mr. LAUSCHE. I wish to pay tribute to the Senator from New Mexico.

Mr. CHAVEZ. Let me tell the Senator this: It was American business at its best, and they put it over.

Mr. LAUSCHE. The Senator from New Mexico developed this thought in his questions during the hearings. He put certain questions about architects' fees, and from those questions I gathered that he was dissatisfied with what was being done.

Mr. CHAVEZ. We were dissatisfied with what the architects were getting. The junior Senator from Colorado [Mr. ALLOTT] is a member of the Board of Visitors to the Air Force Academy. We did not like the fees. However, there were Philadelphia architects involved. [Laughter.]

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. SALTONSTALL. I would say, as one member of the Committee on Appropriations who heard the testimony, that the $20,000 was decided on for this reason:

The original amendment called for approximately $500,000 for the architect's plans and specifications, to remodel the old Senate Office Building—the one now in use—at an expense of approximately $7,250,000.

The committee felt that it did not want to begin with any such expensive plans at this time. So the committee said it would stop that planning, and would appropriate $250,000 for the Architect of the Capitol, Mr. Stewart, and his assistants, so they could arrange to have the doors cut and to have the plumbing adjusted properly, and so forth, as may be necessary. But there will be no plans to put the wiring underground, install new lighting, and so forth.

The situation is that the Architect of the Capitol, Mr. Stewart, had spent $20,000 in drawing up the plans and specifications. Ultimately, when we decide to remodel the old Senate Office Building, those plans and specifications, which by then will have been paid for, will be of value. But if the item of $500,000 for plans is eliminated, the Architect will have no means with which to pay for the work which already has been done.

Mr. CHAVEZ. That is correct.

Mr. SALTONSTALL. That is the reason for the $20,000. In that way, we shall purchase the plans which will be used when we decide to remodel the old Senate Office Building.

Mr. CHAVEZ. That is correct.

Furthermore, let me say to my good friend, the Senator from Ohio [Mr. LAUSCHE], that although it is perfectly proper for him to object, yet he must realize that when the Senate and the House of Representatives pass a bill placing on the Senate Office Building Commission the responsibility of refurbishing the old Senate Office Building, that responsibility is not easy to meet.

Furthermore, it is more expensive to remodel an old building than it is to construct a new one.

I do not know on what floor or on what side of the old Senate Office Building the office of the Senator from Ohio is located. But I point out to him that the original building had only three sides: those on Constitution Avenue—then called B Street—and on C Street and on Delaware Avenue. The side on First Street was built only a few years ago. The original part of the Senate Office Building is approximately 45 years old; and the plumbing, the electrical equipment, the wiring, and so forth, have deteriorated greatly. That situation is what causes the work to be so costly. Certainly no one wishes to waste $7 million or $8 million.

Furthermore, I wish the Senate to realize that although the Congress has been perfectly willing to appropriate approximately $28 million for the Department of Justice, on Pennsylvania Avenue, but when there is a question of providing for the necessary offices for Senators, there seems to be objection. Yet many Senators constantly complain about the lack of room. They need sufficient room in which to be able to interview their constituents, and so forth.

Mr. LAUSCHE. Mr. President, I am not objecting to this proposal. I think a reading of the questions put by the distinguished Senator will clearly indicate that it is his impression that in the case of some of the proposals and some of the costs—especially in the case of the Air Force Academy—he is not in agreement.

Mr. CHAVEZ. Yes. For instance, I do not like the chapel.

Mr. LAUSCHE. I shall discuss that subject later.

Mr. CHAVEZ. I handled the last bill for the Department of Defense; it involved approximately $34,500,000,000. By the time the items for military construction are included, the total will be approximately $38 billion. It is not easy to deal with such items, and the Senator will be surprised at the amount of waste involved. We are trying to do something about that, because the total is too large.

Mr. STENNIS. Mr. President, I desire to address myself briefly to the amendment of the Senator from Illinois [Mr. DOUGLAS] to make a reduction in the amendment voted by the Appropriations Committee, which calls for an appropriation of $1 million.

Mr. President, $1,350,000 was requested for furniture for the new Senate Office Building. The Appropriations Committee voted to reduce that to $1 million. That amount will not necessarily have to be spent; it is appropriated for the Senate Office Building Commission to use as it sees fit in purchasing whatever furniture may be needed.

In this connection the report provides as follows, with reference to competitive bidding:

In this connection the committee requests the Senate Office Building Commission to get competitive bids for the furniture and furnishings insofar as competitive bidding is

practicable. When it is not practical, then the committee urges the Commission to follow the purchases with utmost care. It also believes that careful thought must be given to the extent it is possible to use furniture from the present Senate Office Building in order to have the best possible equipment for both buildings when they are fully equipped and in use.

That spells out the matter in considerable detail—in fact, in more detail than the authorization act itself did.

When the building is completed, there will be 315 empty rooms—without Venetian blinds, shades, draperies, floor coverings, or furniture. All of us realize that to purchase the furnishings for a room in a residence will cost at least several hundred dollars, and perhaps $1,000. In this case there will be 315 rooms, 10 of which will be large committee rooms, large enough to accommodate witnesses, committee staffs, and Senators. Of course, all that will involve considerable expenditures. Some of the pieces of furniture will have to be made especially for that purpose. So we do not know what the actual cost will be. But we know the new building is needed, and we know it will have 315 rooms, which will have to be equipped with furniture. We have proposed this appropriation for the discretionary use of the Commission, which is composed of Senators, who will use the appropriation under the provisions of the authorization act. Furthermore, we have called for competitive bidding.

Of course, I hope that nowhere near $1 million will be required. But I may say that the subcommittee dealing with this matter voted to eliminate all funds except those which it thought were probably essential, for items which should be appropriated for now, so the work can be done with dispatch.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. MORTON in the chair). The Senator from Illinois will state it.

Mr. DOUGLAS. What is the pending question?

The PRESIDING OFFICER. The pending question is on the amendment submitted by the Senator from New Mexico [Mr. CHAVEZ].

Mr. DOUGLAS. That amendment calls for striking out the proviso now appearing on page 30, between lines 15 and 20, and inserting a new proviso; is that correct?

The PRESIDING OFFICER. That is correct.

Mr. DOUGLAS. I have no objection to that amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, the amendment of the Senator from New Mexico is agreed to.

Mr. DOUGLAS. Mr. President, a further parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Illinois will state it.

Mr. DOUGLAS. Is it possible to combine two motions—namely, a motion to reconsider the vote by which one of the committee amendments was agreed to and a motion to strike out the figure "$1,000,000", on page 30, in line 4, and to substitute for it "$500,000"?

Mr. HAYDEN. Mr. President, it is not necessary to move to reconsider.

Mr. DOUGLAS. I should like to have a ruling from the Chair.

The PRESIDING OFFICER. The Chair will state that it is not necessary to move to reconsider.

Mr. HAYDEN. When we requested that the committee amendments be considered en bloc, it was clearly understood that it would not be necessary for a Senator to move to reconsider, if he wished to offer an amendment to one of the committee amendments.

Mr. DOUGLAS. I am glad to be assured to that effect. I had understood that the ruling of the Chair was to the contrary; namely, that, after the committee amendments were agreed to en bloc, a motion to reconsider would be necessary.

The PRESIDING OFFICER. The Chair did not intend to give that impression to the Senator from Illinois. The committee amendments were adopted en bloc with the understanding that they were open to amendment by any Senator.

Mr. DOUGLAS. I am very glad of that.

Then, Mr. President, I move that on page 30, in line 4, the figure "$1,000,000" be stricken out, and that there be inserted, in lieu thereof, the figure "$500,000."

I should like to speak briefly to that amendment.

Mr. President, I know it seems very ungracious—after the hard and good work done by the committee which has dealt with the new office building and after the fine work done by the Appropriations Committee—to propose that this item be cut in half. I hope my good friends will not regard my motion as in any respect an indication of a lack of confidence in them. Again and again, both on the floor of the Senate and off it, I have paid tribute to the junior Senator from Mississippi [Mr. STENNIS], whom I believe to be one of the finest men who has ever served in this body. I stand by everything I have said about him; and my opinion of the other Senators is equally as high.

However, I desire to point out that, although it is true that there are to be 315 new rooms, there will not be any new Senators. There will still be 96 Senators; and each Senator and the members of his staff already have desks, tables, and so forth. What we lack is space.

I have been in the offices of a number of other Senators. At this time I refer particularly to the offices of Senators who represent large States, and some of whom do not have great seniority. I have seen the way in which their office forces are crowded into three-room suites. For instance, I have been in the offices of the two Senators from New York. As I recall, Senator Lehman, of New York, used to have only four rooms. I realize that the New York Senators receive more correspondence than do any other Senators. Yet, in the rooms of the Senators from New York, the desks were placed back to back; and, as I recall, one Senator from New York used to receive approximately 2,000 letters a day. So what we need is more space.

I have been very dubious about having a new Senate Office Building. I do not think I voted for it. On one occasion I voted against it. When it went through, I did not vote for it. But that is water over the dam. The new building will permit a broadening out and the giving of more space to Senators, particularly those from the heavily populated States. However, the point I am trying to make is that Senators do not need proportionately more furniture. The furniture is already here. If more is needed, I think it can be found in the warehouses around Washington, in the possession of the General Services Administration.

I am not going to pose in any holier-than-thou attitude, but since the Senator from New Mexico made certain references to me, I may say I do not wish to move into the new office building. I do not wish any new furniture. We will make the existing furniture do. If necessary, we will pitch in and do any painting job that is required. I do not want even a new wastepaper basket from the Senator from New Mexico.

Mr. CHAVEZ. May I ask——

Mr. DOUGLAS. I should like to continue. The Senator from New Mexico did not yield to me. May I continue?

Mr. CHAVEZ. The Senator may.

Mr. DOUGLAS. I should like to call to the attention of the Senate the fact that we operate in a goldfish bowl, and in a sense it is very good that we should. Our expenditures are subject to very close scrutiny, and it is necessary that we not only be above reproach, but that, like Caesar's wife, we should seem to be above reproach. Mistakes which can be made in good faith will rebound and hurt the reputation of the entire Senate. I do not say mistakes will necessarily be made, but there is the opportunity for them.

Personally, I do not think it should be at the option of the individual Senator as to whether he wants completely new furniture. That apparently, at present, is the situation. I personally do not want any new furniture. There have been other Senators, I am sure, who have taken the same position. Now, however, if a Senator demands furniture, it is proposed to provide him with it. No one knows quite what the cost will be. I do not think this should be a matter for individual option. I think we should wear out what we have. I am not a great admirer of Calvin Coolidge, but his maxim of "make things do and wear them out" is much better than scrapping good furniture and getting new furniture.

Mr. President, I am not going to labor this matter, because to seem to be in favor of economy places one in a grudging position. To be an economizer puts one at the bottom of the totem pole, and he is actually regarded as questioning the good faith of his colleagues when he wants to cut down on the funds devoted to the running of the Senate. I do not want to overemphasize the importance

of this item, but at least I think we should be extremely careful about expenditures we make on ourselves, and I say that without reflecting on the committees of the Senate who have had this job.

Now I shall be glad to yield to the Senator from New Mexico.

Mr. CHAVEZ. As I told the Senator from Illinois, there is no one who respects his judgment more than I do, and I heartily agree with him on the general matter of economy.

A few years ago there used to be a different ceiling in this Chamber. The ceiling was coming down. It had been in place for 96 years. In order to save a few thousand dollars, we had permitted the ceiling to deteriorate to the point where it could have come down on the head of the Senator from Minnesota or Illinois or New Mexico——

Mr. DOUGLAS. I am sure we would have gotten a subscription if it had fallen on the Senator from Illinois.

Mr. CHAVEZ. We could have saved a few thousand dollars by not doing anything about it, but it was economy to use a little money in order to fix the ceiling, and thereby possibly save millions of dollars in damage.

My friend from Illinois says he does not want to go into the new building. He does not have to. He can stay in the old building, and we can provide good space for him. Whether we like it or not, we enacted a law, and that law is still the law of the land. I refer to Public Law 85–95, 85th Congress, which was Senate bill 1429, and which provides for the remodeling of the Old Senate Office Building.

Mr. DOUGLAS. May I say I am not raising a question about the remodeling of the old Senate Office Building? I congratulate the committee on eliminating an appropriation for $7¼ million. I have not questioned the amendment the committee has proposed on that feature. What I am questioning is the appropriation of a million dollars for furniture for the new Senate Office Building.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. HUMPHREY. Before the Senator eliminates appropriations for the old Senate Office Building, would he mind providing for air conditioning in my office? I have been there 8 years, and the air conditioning system has not worked. I believe in economy, but I do not believe in it at the expense of seven persons who work in the back room of my office.

Mr. CHAVEZ. I say to the Senator from Minnesota that is why I am fighting for this appropriation. The plumbing in his building is 45 years old. The wiring in his building is old. It is a wonder there has not been a fire there.

Mr. HUMPHREY. We have had one.

Mr. CHAVEZ. I am glad I have never had a complaint——

Mr. HUMPHREY. Any employer in town who kept his employees in working conditions like those in some of these offices would be dragged before a judge and put in jail under some kind of contempt proceedings. Inasmuch as the Senator says the building is going to be repaired, I wish he would see that some new wiring is put in my office. I have already blown out some fuses.

Mr. DOUGLAS. Mr. President, who has the floor?

The PRESIDING OFFICER. The Senator from Illinois has the floor.

Mr. CHAVEZ. May I interrupt him—

Mr. DOUGLAS. I will yield for a brief period.

Mr. CHAVEZ. I will take it on my own time.

Mr. LAUSCHE. Mr. President, will the Senator yield so that I may address a question to the Senator from Mississippi?

Mr. DOUGLAS. Certainly.

Mr. LAUSCHE. I listened to the general figures given by the Senator from Mississippi about the new rooms. Mr. Stewart testified that the cost of the furniture would be $1,350,000. I am referring to page 873 of the hearings.

Mr. STENNIS. That is correct.

Mr. LAUSCHE. On page 874 the Senator from Louisiana [Mr. ELLENDER], asked whether that sum would cover all the furniture needed.

Mr. Stewart answered that it would.

Now, my question is, Does that contemplate buying new furniture for all Senators?

Mr. STENNIS. No, it does not. The general discussion was that every Senator who wanted to could have his old furniture transferred to the new building. There was further discussion and it was shown that there would not be enough of it. It was brought out that, with expansion and more rooms, there are more clerks, and more secretaries, and new furniture is required.

Mr. LAUSCHE. On page 873, the Senator from Louisiana asked the question:

> What is the full amount?
> Mr. STEWART. $1,350,000.
> Senator ELLENDER. Will that cover the entire cost of the furniture?
> Mr. STEWART. Yes, sir, everything, provided we buy all new furniture.

I judge from that answer that the provision of $1,350,000 contemplated the buying of all new furniture for every Senator.

Mr. STENNIS. Of course, we reduced that amount from $1,350,000 to $1,000,000; but it does not cover only furniture. That amount covers equipment, including equipment for a cafeteria. As we understood, all such equipment is included in that amount. Everything that will go into the new building, except the walls and windows, will be included in the general appropriation for furniture and fixtures.

Mr. CHAVEZ. Not only that, but I have——

Mr. DOUGLAS. Mr. President, who has the floor?

The PRESIDING OFFICER. The Senator from Illinois has the floor.

Mr. DOUGLAS. May I recapture the floor for a moment? May I say if it requires $1,350,000 to buy new furniture for 96 Senators, and if we then appropriate $1 million, it is obvious that we are expecting to have furniture bought for approximately three-quarters of the Senate. I submit it simply is not needed. The new office building will provide more space, but it is not necessary that we junk three-quarters of the furniture we have and put in elaborate new equipment. There are still 96 Senators.

Even if Hawaii and Alaska should be admitted as States—as I hope they will be—that would merely add 4 percent to the number of Senators.

So far as I know, there is no added appropriation for staff. We shall have the same staffs, only they will not be packed close together as they are now.

There are no new committee staff appointees. We simply will get more breathing space, but we will not get more personnel.

It is not necessary to go through the elaborate process of buying new furniture when we already have decent furniture. I have been in the offices, probably, of half the Senators. I would not say that the furniture is rundown and excessively shabby. If it were shabby, that would be a mark of distinction rather than reproach.

I think the idea that public officials must have elaborate quarters and highly expensive furniture and expensive carpets is an abuse of the principle of democratic simplicity, which we should follow. The fact that we have allowed the departments downtown to go wild—and I have opposed those building appropriations—is no reason why we should go wild ourselves.

Mr. President, I do not wish to elaborate upon this point, because, as I say, it seems almost ungracious to stand up in this chamber and propose cheeseparing economies. It looks niggardly. It looks as though one is a bad sport. It looks as though one is self-righteous. One could make all kinds of reproaches against a person trying to save some money. I am aware of that.

Nevertheless, Mr. President, if we do not set an example ourselves, how can we control others? People will point the finger at us. I think there is a lot of military waste. When we go after military waste, if we have not eliminated our own waste, the people in the Pentagon can say, "Clean up your own house." I think there is a lot of waste downtown. Unless we manage to eliminate our own waste, the people downtown can say, "Reform yourselves first." That is a pretty good rule—reform yourself first.

I do not wish to elaborate upon this point. I merely make the motion and I ask to have it voted upon.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield to the Senator from Minnesota.

Mr. HUMPHREY. The Senator from Illinois makes a very worthy point with reference to furniture. I would not wish to stand in opposition to that point. However, if this item includes the cafeteria, I want to say something about that.

I do not think United States Senators are entitled to luxury at all. I do not think very many people are entitled to luxury, unless they can afford it and earn it. But almost any form of life is entitled to a meal, and one is entitled to

eat in a reasonably wholesome surrounding.

I submit that the greatest waste of the public time and funds is represented by the hours spent on the part of high-priced officials of Government—United States Senators and Representatives in Congress—who are trying to find a place to eat. Hundreds of hours every day in this Capitol are wasted by officials who are paid $22,500 a year, standing in line to get something to eat, as if they were in Moscow, queued up to get a yo-yo.

I want to take my time on this subject. This is a long-time gripe.

Even canines are entitled to the right to eat, but in this Capitol—mark my words—Members of the Senate stand with their families and stand with their constituents looking around, literally almost getting ready to bribe somebody, to get a place to eat, and when one does eat one is packed closer than Norwegian sardines in a Bolivian tin can.

I resent this as a human being. My resentment has nothing to do with being a public official. A taxpayer is entitled to more than that. If Senators do not have any more regard for themselves than that, and want to eat like that, that is fine, but they ought not make their constituents do so.

Furthermore, when one has to pay 75 cents for a hamburger, the restaurant ought to make some money from that sale. I do not like to hear about the cafeteria losing money. Anyone who cannot make money from a 75-cent hamburger has his hand in the register. It is utterly impossible not to make money from a 75-cent hamburger, particularly when the hamburger gets thinner and thinner every time the price goes up.

I am about to conclude this brief statement. I hope in this million dollars there is provision for some place for their constituents to get a wholesome meal, even if not for Senators. I hope it will be provided so that the waiters will not have to make a marathon run to deliver the dishes from the kitchen, which is off a block from the restaurant.

I am sure this is all provided for in the planning. If the $1 million provides for a cafeteria, may I say that there will be rejoicing in heaven, for the privilege of citizens of the United States who come to the Capitol to have a place to eat, just a simple little place to eat.

This is not the most profound subject, but it does cause one to wonder after a while, when one takes his mother to have lunch and waits until Tuesday for the lunch ordered on Monday to be delivered.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry?

The PRESIDING OFFICER. The Senator will state it.

Mr. DOUGLAS. Mr. President, who has the floor?

The PRESIDING OFFICER. The Senator from Illinois has the floor.

Mr. DOUGLAS. Mr. President, my colleague, the Senator from Minnesota, is one of my dearest friends.

Mr. HUMPHREY. I am with the Senator on the furniture side of the argument.

Mr. DOUGLAS. I like the Senator very much, and I do not wish to interfere with the insatiable pursuit of proteins by the Senator from Minnesota.

I am sure the new building will be equipped with a cafeteria, but I am talking about furniture. It is extraordinary that every time I start talking about furniture we drift into something else. We talk about the roof falling in, or we talk about standing in line to get into a restaurant, or we talk about ventilation.

What I am trying to say is that it is not necessary to spend a million dollars primarily for furniture.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. HUMPHREY. I understood the Senator from Mississippi to say that in the million dollars was the amount necessary for the cafeteria.

Mr. STENNIS. The Senator is correct. It includes the equipment for the cafeteria.

Mr. HUMPHREY. I said to the Senator that I was perfectly willing to use the desk that Methuselah used—the older the desk the better—and that I do not mind old tablecloths and I do not mind old chairs. All I am saying is that I should like to have a little space and a little equipment for the cafeteria.

Mr. DOUGLAS. The Senator will get space.

Mr. HUMPHREY. I think the item can be substantially cut. I am not arguing with the Senator from Illinois. I think the Senator from Illinois makes a valid point. However, I do not think the United States Senate makes greater its standing in grandeur or honor by seeing if it can deny itself the rudiments of essential living.

I do not expect that we should have anything glorious and good. Perhaps we could have paper spoons, but at least have them clean. I submit that plenty of the spoons we are using are not clean.

Mr. CHAVEZ. And Senators should have a place to sit.

The PRESIDING OFFICER. The Senator from Illinois has the floor.

Mr. DOUGLAS. Mr. President, I am ready to yield the floor. I hope that this amendment, which will save $500,000, will be adopted.

SEVERAL SENATORS. Vote! Vote! Vote!

Mr. CHAVEZ. Mr. President, I have one more point to make. I am going to take the floor in my own right.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. CHAVEZ. I have stated heretofore that I have the greatest respect for the Senator from Illinois. However, I have seen him here in the Chamber over and over again make more speeches and get less votes——

Mr. DOUGLAS. The Senator is correct.

Mr. CHAVEZ. That is correct. He does that more than anyone I know.

Mr. DOUGLAS. The Senator from New Mexico is eminently correct.

Mr. CHAVEZ. That is all right. I know Illinois, and I know New Mexico.

Let us talk about this bill. Who passed the bill to refurbish the old Senate Office Building? Congress did that. The Senate did its part. Is there any responsibility under that law to carry it out?

We wanted to do this properly. The Senator from Minnesota [Mr. THYE] propounded a question to Mr. Stewart.

I will frankly state what I did. I took a poll of my office staff in order to get a general idea what their opinions were, and they were predominantly in favor of new furniture if they would be of the group that would go into the new office.

No one has to take new furniture. As a result of that, every Senator received a questionnaire, to determine whether he wanted new furniture. If my good friend, the Senator from Illinois, wants to take his old furniture with him, we will even refurbish it for him. We will fix it up nicely, so that he can take it to the new building.

Accommodations are being provided in the new buildings for committee and staff rooms for 12 of the 15 standing committees of the Senate.

Why did the Senate pass the bill? Why did we spend $22.6 million for the building if we wanted to have empty rooms, including committee rooms?

The 315 office rooms include forty 5-room suites for the use of the Senators and their senatorial staffs. That might be wrong, but it is still the law. We provided the money.

The Senator will realize, of course, that an authorization for a building, or for work on the Mississippi River is of no value, unless we provide the money with which to carry on the project. That is what we did.

In answer to the questionnaire sent to each Senator, 46 expressed a desire to have a five-room suite in the new building. Thirteen desired to remain in the old building, and 16 were undecided.

Mr. ELLENDER stated, "I am one of those 16."

Mr. CHAVEZ. I know that is the way the Senator from Louisiana feels. Any Senator who wants to stay in the old building can stay there. No one is trying to force him to move.

What are we going to do with the old building? We are talking about $22.6 million. Are we going to use the building, or will we have it there with empty rooms? All we are asking to do is to have the Congress or the Senate tell us what to do. We think the money included in this bill is proper for this session.

I will say this to my good friend, the Senator from Illinois: I hope we do not spend more than $250,000. If we do not need the money, it will not be spent. I assure the Senator of that fact.

Mr. LAUSCHE. Mr. President——

The PRESIDING OFFICER. The Senator from Ohio.

Mr. LAUSCHE. Will the Senator from Mississippi, who is on the committee, answer some questions for me, please?

On page 875 of the record, at the bottom of the page, I find a statement by Mr. Stewart as follows:

Mr. STEWART. Now, percentagewise on the new furniture, 72 percent of the 75 Senators were in favor of it, and on the moving into the new building there were 61 percent of the Senators replying to the questionnaire, or 46, that wanted to move over there.

Did the fact that 72 percent of the 75 Senators indicated they wanted new furniture move the committee to recommend the $1 million appropriation?

Mr. STENNIS. As a whole, we considered, first, general services to Senators, the public, and everyone else. For example, the building includes an auditorium, which will serve somewhat the same purpose as the present caucus room. It will serve everyone.

The cafeteria has already been mentioned. There are large rooms, including the Appropriations Committee rooms, and rooms for 13 other standing or subcommittees. All those rooms must be furnished, and that is where some of the higher figures come in. The building will not accommodate more than from 40 to 44 Senators, so all Senators are not going to move into it. A great number of committee staffs will go into the committee rooms. Many of the larger sums would be taken up by those items. But I have no exact picture in mind of any particular number. I was thinking in terms of giving some discretion to the Senate Office Building Planning Commission, with reference to buying furniture.

Mr. LAUSCHE. For how many Senators would the $1 million provide completely new furniture?

Mr. STENNIS. The estimate for completely new furniture for whatever number of Senators would be permitted to move, plus all the committee rooms and the other facilities I have mentioned, was $1,350,000. A reduction was made to $1 million, as I have explained.

Mr. KERR. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The Senator from Ohio has the floor.

Mr. KERR. Mr. President, will the Senator yield in order that I may address a question to the Senator from Mississippi?

Mr. LAUSCHE. I shall yield the floor in a moment.

Mr. President, I wish to subscribe to the words uttered by the Senator from Illinois. We cannot expect to obtain economical administration from the various departments of Government and from our employees, unless the chief shows a determination to be prudent. In my opinion nothing worse could be done by the Senate than to set a bad example in the matter of husbanding the moneys entrusted to our care by the taxpayers of the United States.

This is only a small item, but my experience has definitely pointed out to me that if we want our clerks, our secretaries, and our janitors to be prudent, we ourselves should be prudent. It makes no difference what Senators say on this floor. The fact is that the people of the United States, who are bearing the cost of Government, will not subscribe to the idea that merely because we have a new building, each one of us must have new furniture. If we are to speak of economy, and then, by deed and example, proclaim for all to see that the words are mere utterances, and never intended to be translated into reality, we render a disservice.

I think these items are significant items.

In this connection, there was a discussion of the buying of furniture for the Army Air Force, especially custom-made furniture. How can we tell them to come down to earth if we are flying up in the skies?

I subscribe fully to the position taken by the Senator from Illinois.

Mr. KERR. Mr. President, I should like to address 2 or 3 questions to the Senator from Mississippi [Mr. STENNIS], who had a great deal to do with reporting the bill.

Mr. STENNIS. I shall be glad to try to answer them.

Mr. KERR. The intimation has been made on the floor that we seek to appropriate money to buy new furniture for all 96 Members of the Senate. I ask the Senator if it is not a fact that the program provided for in the bill is to purchase new furnishings only for the new offices in the new building?

Mr. STENNIS. Of course, the Senator is correct. All the new furniture covered by the bill pertains to the new building.

Mr. KERR. And all Senators who remain in the old building—and that will be at least half the total number of the membership of this body—will continue to use the furnishings in the old building, will they not?

Mr. STENNIS. The Senator is correct. Nothing is contemplated in the way of new furniture for Senators remaining in the old building. Incidentally, my election so far is to remain in the old building.

Mr. KERR. Is it not a fact that, so far as furniture for Senators in the new building is concerned, we provide only one chair for each Senator who is to move there?

Mr. STENNIS. The Senator is correct.

Mr. KERR. The other furnishings which will be there will be for the office help, the public, and constituents.

Mr. STENNIS. The Senator is correct.

Mr. KERR. Is it the idea of the committee to provide facilities which will expedite the handling of the business of Senators—facilities for constituents who come here, and for the staffs which take care of the services requested by the constituents?

Mr. STENNIS. That is the sole purpose of the plan. The Senator has correctly stated the situation.

Mr. KERR. Is it not a fact that the $1 million is not for Senators' furniture alone, but, as the Senator has said, to provide facilities in the building?

Mr. STENNIS. The Senator is correct.

Mr. KERR. Will there not be a school there for the pages of the Senate?

Mr. STENNIS. The Senator is correct. The new building will include a pages' school, which will require schoolroom equipment, chairs, desks, and items of that kind.

Mr. KERR. There will also be an auditorium, where committee meetings and hearings on questions of wide public interest can be held, and where substantial room can be made available for constituents who have an interest, and wish to attend the hearings.

Mr. STENNIS. The Senator from Mississippi believes that a major part of the money actually spent will be for furnishing committee rooms, subcommittee rooms, and conference rooms, together with the offices which go with them. That was one of the main original purposes of the building, to serve the Senate.

Mr. KERR. Is it not a fact that actually a good deal less than 5 percent of the amount will be spent for furniture to be sat in or handled by Senators themselves?

Mr. STENNIS. A very small percentage of it will actually come in contact with Senators, or be in the rooms of Senators. This is an estimate which provides money which the Commission can spend, but is not required to spend.

Mr. HUMPHREY. Mr. President, inasmuch as I was engaged in this colloquy, I wish to state my position clearly.

The junior Senator from Minnesota is not asking for even as much as a new pencil sharpener, much less than any new furniture. But I say again that I do not think it is becoming of this body to equip itself in such a manner that it cannot do its work.

I am perfectly willing to go on record as saying that there are literally hundreds of lost hours of work because of the inadequacy of facilities of the United States Senate to accommodate employees and constituents.

My office has a space less than 9 feet long and 4 feet wide to take care of constituents who come to visit me. While they are not coming in great numbers—we average about 35 a day from my State—many others come in. It is impossible to find places for them to sit or to be received. There are three chairs in the waiting room. One of them belongs to me. The other two belong to the Government. I would be glad to buy two chairs, and require the Government to buy only one.

All I am asking for is adequate facilities. The Senator from Illinois has said that the space problem is not involved.

I understood that the $1 million was not to buy a new desk for a Senator, as such; not to buy new typewriters; not to buy new carpeting, except insofar as new carpeting is necesary for the new offices. I understood that most of the proposed sum was to go for general facilities to equip the building, and not for the individual comfort of an individual Senator, even though that would not be such a bad idea, because when a Senator becomes ill, often he must go to the hospital, and sometimes he goes to a Government hospital. So it would not be wrong to make it possible for a Senator to be comfortable, although I do not think that is a perquisite of public service.

However, I resent the fact that my employees are made uncomfortable. I wish to make a point of it, so long as I have the floor. I have had to put 7 or 8 employees in a room equipped for 3 or 4. A number of them have become ill. They have had to go to the doctor, because the room is not adequately ventilated. I have complained for months and years, and have tried to get air into the rooms.

The air-conditioning system does not work.

If this is not sensible, I should like to know what does make sense.

Finally, the cafeteria and restaurant facilities of the Capitol are an abomination. Every country in the world to which we give foreign aid has better restaurant facilities for its people than does the Government of the United States. If a person wishes to get something good to eat, he must go to the Methodist Building or somewhere else. He need not look for it around the Capitol.

I am not complaining about the people who operate the restaurant. They have nothing with which to work. They have a restaurant equipped to serve 45, but they must try to put 400 into it. It requires quite a man to do that. So in this appropriation, if there is any way to accommodate constituents and taxpayers, that is fine. I think it would be all right even to put up a sign, "Senators not allowed."

I submit that when someone comes down to Washington to see us, we ought not to have to fight our way into the Senate restaurant, like a Rocky Marciano. If there is any way by which we can do the job frugally and prudently, I suggest we do it. We had an opportunity to build the Senate Office Building 2 or 3 years ago. If we had done that, we would have saved the taxpayers millions of dollars. The longer we delay the more it will cost. Costs are going up, whether we like it or not.

I remember when we voted on the new Senate Office Building. We held back building it for 4 or 5 years. In the meantime costs have gone up 35 or 40 percent, and we are taking that out of the backs of our taxpayers. The time to do something is when it needs to be done.

I am perfectly willing to have the amendment adopted, and hold back buying any new desks or other office equipment for Senators. However, I am sick and tired of the United States Senate denying itself clean forks and knives. I am sick and tired of listening to people say that the Senate restaurant is a sacred cow. It is about time that we provide proper facilities for our employees. Senators can be foolish if they want to. That is their privilege. Perhaps that is why they get into politics. However, our employees take literally hours and hours and waste their time, at taxpayers' expense, waiting to get a sandwich. The cost of the sandwich gets to be $10 by the time an employee is able to get it. That is all because we do not have proper facilities to take care of our own people. We are trying to operate the Capitol as if we were back in the days of William Howard Taft. We may still have some attitudes like that around here, but we cannot operate the mechanics of the Capitol in that way.

The operations of the Capitol need to be modernized in every possible way. If anything can be done to modernize them, I am in favor of it. We need more modern equipment and modern offices. In the long run, if we do that, we will get better government. We will do a better job. It has all been long overdue.

That has been my view for a long time, although I have never expressed it quite so vigorously before. However, I have come to the conclusion that apparently we do not know how to bring the session to an end, and perhaps we spend more time on these little things than we do with other affairs of the Government. What we ought to do is speak plainly. Perhaps we get a little more insight on the problems connected with little things than with big things. We get a better insight into the little things with which we have to deal. I cannot understand the delay we have had in all these things year after year. Why? It is because the Senate and the House are reluctant to take care of their own affairs. They will appropriate for the Army and Navy and the Atomic Energy Commission. CIA is building a great new office building in Langley, Va. It is to cost millions of dollars. That is for the cloak-and-dagger boys of the CIA. That is fine. Then we are going to put up a new atomic energy building in Maryland. However, the minute we start to talk about facilities for Congress, we become reluctant to do anything about it, or even to provide the facilities which are required, commensurate with the responsibilities of the job. If we do not do it for ourselves, we should at least do it for our secretaries and for all our other employees. I, for one, resent the fact that there are not adequate facilities provided in the Capitol for the public employees and for the constituents who come to visit us.

Mr. KERR. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. KERR. Is it not a fact that the tourists and visitors who come to the offices of Senators in the Capitol are increasing year by year?

Mr. HUMPHREY. Yes. It has reached the point where it is hard for a Senator to get on the trolley to come from the office building to the Capitol to do his Senate work.

Mr. KERR. Is it not wholesome for the people to come to see the Government and the men who run it, and in that way give us the benefit of their views?

Mr. HUMPHREY. I think it is the most wonderful thing in the world. I am always glad to encourage our young people to come to the city to see the Capital and to have an opportunity to visit the great monuments and museums and historical sights of the city.

Mr. KERR. Has the Senator from Minnesota tried to get a lunchroom so that he could have a group of high-school seniors from his State, for example, at lunch in the Capitol?

Mr. HUMPHREY. I wish to say that although hope springs eternal in the human breast, what the Senator has mentioned is beyond hope.

Mr. KERR. I appreciate what the Senator has said. I think it goes right straight down the line. There is not the slightest question that there will be more people coming to Washington next year than this year, and a great deal more the succeeding year than there will be next year. Restaurants and other facilities ought to be provided so as to give them at least the ordinary courtesies Senators would like to afford their constituents. Unless we get on with the job, we will still be next year where we are now.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. DOUGLAS. I had hoped that we would wind up the discussion earlier than this. However the Senator from Minnesota, as he usually does, has opened up a number of questions which I believe need some comment. The question is not space or restaurants. The question is furniture for the new office building, where five-room suites will be provided, as they will be in the old office building. There will be provided, as I understand, a reception room, where we can greet our constituents. There will also be provided more space for the clerical staff. That situation is going to be met. There will also be a cafeteria. I hope my friend from Minnesota and his associates and constituents will enjoy meals there, and that they will suffer neither from malnutrition nor from food poisoning. The question is whether the new suites are to be equipped with completely new furniture. The Senator from Ohio [Mr. LAUSCHE] points out that in the testimony of the Architect, at the bottom of page 875 of the hearing, it is shown that the new suites in the new office building are to be equipped with new furniture.

The Senator from Ohio asked a question of the Senator from Mississippi, to which the Senator from Mississippi did not quite respond. The Senator from Ohio wanted to know if the total cost of $1 million could be broken down so that we could get the specific amounts to be devoted to the purchase of new furniture in the new office building, and new furniture in the old office building as may be provided. I wonder whether the Senator from Mississippi has those figures, because that is the question at issue.

Mr. STENNIS. I do not have any figures specifically along the line the Senator mentions. The general idea was that most of the old furniture would be required to be used in the old building, because it will continue to be used there, unless Senators now in the old building move into the new building and want to take their old furniture with them, in which case they could do so. I am sorry that I do not have the exact figures. The Senator is referring to the private office of a Senator?

Mr. DOUGLAS. Not merely the private office. It is a suite of offices. I call attention to the fact that Mr. Stewart stated that as a result of a questionnaire, 54 Senators expressed the view that the building should be furnished with new furniture. That meant the building, not the private office of a Senator.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. SPARKMAN. I believe there is some confusion on this question. Here is what happened. The Architect of the Capitol sent a questionnaire to every Senator, in which this question was asked: "Do you believe that the offices in the new building should be equipped with new furniture?"

That is a question which 75 percent of the Senators answered in the affimative. There is no provision in the bill for new furniture in any part of the old building; none whatever.

Mr. DOUGLAS. How much is provided for new furniture in the new building? That is what I want to find out.

Mr. SPARKMAN. For new furniture in the new building, including committee rooms and the cafeteria and rooms for secretaries and administrative assistants, and for the committee staffs, and all that, the estimate was $1,350,000. The committee cut that amount to $1 million.

I should like to say to the Senator from Illinois—and this is confirmed by the testimony before the committee during the course of the hearings—that while there has been no formal resolution adopted by the Senate Office Building Commission to the effect that the furniture would be procured through competitive bidding, at a meeting of that Commission I believe every member stated that he was in favor of competitive bidding. I believe it appears in the testimony in the hearings that the furniture would be procured by competitive bidding.

Mr. HAYDEN. Mr. President, I should like to ask the Senator from Alabama whether he knows of any way of furnishing a five-room suite with furniture from a three-room suite.

Mr. SPARKMAN. If the Senator from Illinois will yield to me to answer that question, I will say that it is not contemplated that the furniture be moved from the old building to the new building. After all, the offices in the old building will remain.

Mr. HAYDEN. I was assuming that the furniture would be moved.

Mr. SPARKMAN. To answer the Senator's question directly of course it could not be done.

Mr. HAYDEN. It is not possible to furnish five rooms with the furniture from three rooms. That is my point.

Mr. SPARKMAN. If a Senator picked up all the furniture in the present three-room suite and moved it over to his five-room suite, it would be necessary to buy furniture to replace what he had moved.

Incidentally, we made a survey as to what furniture was on hand that could be used as a replacement or to supplement furniture in the old building. It just was not there. I believe it was the consensus of the Commission that the new building ought to be furnished with new furniture.

It was felt that there should be some leeway—in other words, that if a Senator was particularly anxious to retain a desk which he had been using or some other item of furniture he had been using, he could do so—although I believe the poll indicated that at least 75 percent of the Members of the Senate felt that only new furniture should be used in the new building.

Mr. DOUGLAS. Mr. President, the Senator from Alabama has now cleared up one point; he has stated directly, several times, that old furniture is not to be transported from the old building to the new one, and that the new building is to be completely equipped with new furniture. This is exactly the point the Senator from Ohio and I have not only been trying to find out about, but which we have questioned. It seems to be extraordinarily difficult to make this point clear to our colleagues. Perhaps I may state it as follows: Let us consider a room 16 by 20 feet, thus having a total of 320 square feet. Let us assume that there are six desks in the room. In that event, each desk will have approximately 50 square feet of space available to it. Obviously, such an arrangement results in overcrowding. When the new office building is put into use, it will not be necessary to move all those six desks to the new building. Instead, perhaps 3 of them can remain in the old building, and 3 can be moved into the new building.

The Senator from Ohio and I are saying that some of the old furniture should be transported to the new building and should be used there. In that way, there will be more space per desk and per clerk. That is our point.

I should like to suggest to my good friend, the Senator from Mississippi, whom I admire very much, that the Architect certainly was somewhat at fault in not stating a breakdown of his item of $1,350,000. Certainly the Architect should have shown how much was for the auditorium, how much was for the cafeteria, and how much was for equipping the new offices. I take it that no such estimates were given.

Mr. STENNIS. I have none of the estimates here. Those are matters for the Commission which is handling all such items.

Mr. DOUGLAS. Did it have such estimates?

Mr. STENNIS. The Architect was representing the Commission, when he submitted the estimate, as I understand.

Mr. DOUGLAS. He did not have a breakdown, did he?

Mr. STENNIS. Yes, there was some breakdown.

Mr. DOUGLAS. What was the estimate for the nonfurniture items?

Mr. STENNIS. I have tried to inform the Senator from Illinois as best I could, to the best of my knowledge. Roughly speaking, I think at least half, or more than half, of the money was for the auditorium and for the committee rooms, aside from the expense for the five-room suites for Senators. I would estimate that 60 percent was for the auditorium and the committee rooms.

Mr. DOUGLAS. Mr. President, I do not wish to labor the point.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois. [Putting the question.]

The amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

COMPULSORY INSPECTION OF POULTRY AND POULTRY PRODUCTS—CONFERENCE REPORT

Mr. HAYDEN. Mr. President, I ask unanimous consent that the Senator from Minnesota [Mr. HUMPHREY] may present a conference report at this time.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1747) to provide for the compulsory inspection by the United States Department of Agriculture of poultry and poultry products. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read, for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of August 16, 1957, pp. 15070–15074, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. HUMPHREY. Mr. President, there were very minor differences between the two versions of the bill, as passed by the two Houses. The points of difference were readily reconciled. The bill was passed unanimously by each House.

Rather than make a detailed explanation of the adjustments made in the conference committee, as between the two verisons of the bill, as passed by the two Houses, I ask unanimous consent that an explanation of the report be printed at this point in the RECORD, together with brief explanations of the key amendments which were agreed to in the conference.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

SHORT EXPLANATION OF CONFERENCE REPORT ON S. 1747

The conference substitute differs from the Senate bill in that under the substitute—

(1) The State poultry inspection agency (in any State having such an agency) would not be the sole agency entitled to initiate proceedings for the designation of a major consuming area.

(2) Exemption from labeling requirements would not be required to be consistent with the Federal Food, Drug, and Cosmetic Act.

(3) Knowledge would be an element of the offense of possessing false inspection certificates, memorandums, and devices.

(4) The Secretary would be permitted to make exemptions from the prohibitions relating to New York dressed poultry. (The purpose of this is to afford the necessary time for conversion of plants to eviscerating operations.)

(5) Injunction proceedings would not be authorized.

(6) Somewhat tighter penalties are provided for first and second offenses.

(7) The authority to refrain from reporting violations for criminal prosecution would not be limited to "minor" violations.

(8) Exemption of certain groups would be mandatory rather than permissive and producers selling to restaurants, hotels, and boarding houses would be exempt.

(9) The jurisdiction of the Secretary provided by the bill would expressly be made exclusive.

(10) Overtime inspection costs would be charged to processors on an average instead of absolute basis.

EXPLANATION OF CONFERENCE REPORT ON S. 1747

There were a great many differences between the bill as passed by the Senate and the House amendment to S. 1747. The great majority of these differences were of a technical nature involving no difference in intent between the House and the Senate. The conferees agreed on a substitute for the House amendment, which differs from the Senate bill in the following material respects:

First, the Senate bill provided that hearings for the designation of a major consuming area for regulation could be initiated only upon application by the State poultry inspection agency if there was such an agency. In the absence of such an agency, the application might be made by any appropriate State or local official, or any appropriate poultry industry group. The House amendment provided for the application being made by the appropriate governing official or body of a substantial portion of the area to be designated, or upon application by an appropriate local poultry industry group. The conference substitute provides for application by any appropriate State or local official or agency of a substantial portion of the area, or application by an appropriate local poultry industry group. In any State having a State poultry inspection agency, that agency would be the appropriate State agency to make application, but this would not preclude application being made by an appropriate local official or poultry industry group.

Second, the Senate bill authorized the Secretary to grant exemptions from labeling requirements not in conflict with the Federal Food, Drug, and Cosmetic Act. The House amendment did not permit any exemption. The conference substitute provides for the exemption, but provides that the exemption shall not be in conflict with the purposes of the act; since determination that an exemption is not inconsistent with the Federal Food, Drug, and Cosmetic Act might require interagency consultation, delay issuance of the exemption, and cause difficulties in administration.

Third, the House amendment made knowledge an element of the offense of possessing false inspection certificates, identifications, or devices without notifying the Secretary of Agriculture. Since a purchaser or other person might innocently come into possession of a product bearing a false certificate and have no means of knowing that it was false; the Senate provision might have imposed a penalty upon the very person whom it was designated to protect. The conference substitute therefore makes knowledge an element of the crime of possessing such false identifications or devices. Knowledge would not, of course, be an element in cases of uttering, publishing, or using a false identification or device.

Fourth. The Senate bill prohibited transportation of New York dressed poultry except between official establishments and to foreign countries. In view of the fact that considerable time has elapsed since the bill was first considered by the Senate and that there might not be sufficient time for plants to convert to production of an eviscerated product prior to the effective date of the act, this exception was changed to permit the Secretary to make such limited exemption from this prohibition as might be necessary.

Fifth. The Senate bill provided for the use of injunctions in enforcing the act. The House amendment did not contain this provision, and it appeared that the other methods of enforcement provided for by the act were sufficient. The conference substitute does not contain provision for injunction proceedings.

Sixth. The Senate bill provided for imprisonment for up to 1 year and a fine of up to $5,000 for a first offense and imprisonment for up to 2 years and a fine of up to $10,000 for all subsequent offenses. Under the House amendment, the latter penalty would not be imposed until the third offense and the former would not be imposed until the second offense. The House amendment placed the maximum penalty for the first offense at imprisonment for up to 6 months and a fine of up to $3,000. The conference substitute adopted the somewhat lighter penalties provided by the House amendment.

Seventh. Under the Senate bill, the Secretary was not required to report minor violations for criminal prosecution if he believed that the public interest would be adequately served and compliance obtained by a written warning notice. The House amendment made this provision applicable to all violations and the House conferees contended that the use of the word "minor" would always result in the Secretary's action being subject to question. It also appeared to the conferees that in many cases the administrative penalties, such as the withdrawal of service, would be sufficient so that criminal prosecution would not be required. The further fact that knowledge is not an element of many of the offenses under the act, including those committed by producers and other exempted persons, made adoption of the broader House provision appear advisable. The conference substitute, therefore, would not require the Secretary to report any case for criminal prosecution where the public interest would be adequately served and compliance obtained with a written warning notice.

Eighth. The Senate bill authorized the Secretary to make exemptions in certain cases, while the House amendment required such exemptions to be made. It was always the intention of the Department to make these exemptions and of the sponsors of the Senate bills and the Senate that these exemptions should be made. The conference substitute, therefore, adopts the mandatory language of the House amendment. The House amendment enlarged the exemption provided by this section for poultry producers to extend it to those selling to restaurants, hotels, and boarding houses for use in their own dining rooms, or in the preparation of meals for sales direct to consumers. The conference substitute adopts this enlargement of the exemption.

Some question has arisen in connection with the religious exemption which was contained in both bills. Both the Senate bill and the House amendment provided that poultry processed in accordance with religious dietary laws is exempt from the act, so that such dietary laws may be observed. This will permit kosher poultry to be slaughtered by a shochet, dressed with cold water, and sold to the housewife uneviscerated, as required by the laws of Kashruth.

Ninth, the House amendment provided that the jurisdiction of the Secretary of Agriculture within the scope of the act would be exclusive. While it is difficult to see how regulation by the Secretary under the act could do otherwise than occupy the field and thereby preclude State regulation of the same subject, this amendment would make it clear that Federal regulation under the bill would preclude State regulation of the same subject.

Tenth, the Senate bill required the processor to bear the cost of overtime performed in his plant. The conference substitute makes it clear that the Secretary may require reimbursement upon the basis of average costs rather than upon the basis of the salary of the particular individual performing the overtime work at a particular plant.

Other material points in dispute were determined in accordance with the Senate position as follows: (1) Reinspection may be conducted whether processing operations are then being conducted or not; (2) labeling may not be false or misleading "in any particular"; (3) knowledge is not an element of offenses by exempted persons; and (4) the House provision providing a rule of construction against invalidation of State law was rejected.

Since the bill was passed by the Senate, a question has been raised as to whether squabs are covered by it. Poultry is defined in the bill as live or slaughtered domesticated birds. Commercially produced game birds, which would include squabs, are, therefore, not covered.

Mr. WILLIAMS subsequetly said: Mr. President, immediately preceding the vote on the conference report, I ask unanimous consent to have printed in the RECORD a statement on the poultry inspection bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

In adopting the conference report the committee recognized that while the sale of New York dressed poultry is diminishing there are nevertheless some responsible and efficient processors of this style of poultry who still sell in interstate commerce for the purpose of fulfilling a bona fide consumer demand.

The New York dresser would face problems under conpulsory poultry inspection which are special and apart as compared to those which the eviscerator may face. Some of these problems are:

(1) The additional expense and investment which would be required to convert a New York dressing operation into an approved eviscerating plant under compulsory inspection.

(2) The additional time which would be over and beyond the expense mentioned in (1) above.

(3) The development of a new marketing program—hitherto the New York dresser has been selling customers, many of whom do not use eviscerated poultry, and hence would have to build a new customer list under compulsory inspection. This also would take time and money.

(4) An employee training program would be required to indoctrinate the employees in the methods and procedures used in producing ready-to-cook poultry as compared to New York dressed.

(5) Also some poultry producers could suffer hardship in finding outlets for live chickens in the event they had been selling their chickens to a New York dressing plant which suddenly found itself out of business.

Taking this into consideration the conference committee adopted language which extended to the Secretary of Agriculture authority to grant such extensions pursuant to rules and regulations prescribed by him as he deemed necessary and practical.

The provisions of section 9, subsection (i), as approved by the committee of conference will authorize the Secretary to permit under regulations, the continued marketing of dressed poultry—commonly referred to as New York dressed—to consumers for such periods of time as he deems practicable to avoid hardship because of the problems involved in shifting from New York dressed to an eviscerated type of product. It was not the intent of the committee, by this provision, to prohibit at any time the movement of New York dressed product between official establishment for further processing, or for export, as was clearly contemplated by the House and Senate bills.

Mr. HUMPHREY. Mr. President, I move that the report be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Minnesota.

The motion was agreed to.

Mr. HUMPHREY subsequently said: Mr. President, I have been discussing with the Senator from Florida [Mr. HOLLAND], a matter in connection with the poultry-inspection bill. It is covered by the statement on the part of the managers on the part of the House, which appears in the report. I ask that the statement be printed at this point in the RECORD, so that all points of discussion may be covered by the proceedings which will be printed in the RECORD.

There being no objection, the excerpt from the report (No. 1170) was ordered to be printed in the RECORD, as follows:

STATEMENT OF MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1747) to provide for the compulsory inspection by the United States Department of Agriculture of poultry and poultry products, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House amendment struck out all after the enacting clause of the Senate bill and substituted the language of H. R. 6814 as passed by the House on July 9, 1957. The bill reported herewith is a substitute for the House amendment which has been agreed upon by the conferees. Except for changes of a clarifying or technical nature, following are the differences between the House amendment and the committee substitute.

SECTION 5

This section follows substantially the House language but has been modified to include a provision of the Senate bill which provides that application for a hearing by the Secretary may be made by an appropriate State official, as well as by those persons designated in the House amendment. As recommended by the conferees, the section now provides that three classes of persons may make application to the Secretary for designation of an area as a "major consuming area." These are: (1) Any appropriate State official representing a substantial portion of such area; (2) any appropriate local official or agency of a substantial portion of such area; or (3) an appropriate local poultry industry group in such area.

The committee of conference reemphasizes the fact that this provision as reported by the conferees provides that the public hearing contemplated is a quasi-legislative hearing and the facts or opinions submitted thereat may be supplemented by investigations by the Secretary to aid in his determination as to whether a designation of an area should be made. Such hearing and investigation are to develop not only information as to the volume of poultry marketed in a major consuming area, but all other facts which would bear upon the question as to whether the designation of such an area will tend to effectuate the purposes of the act.

SECTION 6

Section 6 is substantially the House language. Subsection (b) was amended to make it clear that reinspection, quarantine, and segregation of poultry may take place at any time and need not be done when the plant is in operation.

In connection with post mortem inspection, the committee of conference in adopting the House language reiterates the interpretation of the language as contained in the House report that "the Secretary * * * shall at all times provide sufficient inspectors and employ such procedures as will not slow down processing operations in the plants being inspected."

SECTION 7

The committee of conference has followed the House language in section 7 and, in doing so, points out that there is no authority in this bill for the Secretary to withdraw inspection from all of the plants operated by a company if he finds that only one or more of such plants are not complying with regulations. Inspection is on a plant-by-plant basis and may be withdrawn only from the particular establishment "whose premises, facilities, or equipment, or the operation thereof, fail to meet the requirements of this section."

SECTION 8

Subsection (a) was identical in both the House and Senate versions except that the Senate bill contained authority for the Secretary to permit reasonable variations and grant exemptions from the labeling requirements in any manner not in conflict with the Federal Food, Drug, and Cosmetic Act. The conference substitute permits exemptions but requires only that they shall not be in conflict with the purposes of this act.

Subsection (b) was identical in both bills except that the Senate bill used the words "in any particular" in connection with labeling which is "false or misleading." The conferees have adopted the Senate language in this case as being more nearly in conformity with other similar statutes.

SECTION 9

Section 9 is identical with the language of the House amendment except that a modification has been made in subsection (i) to permit the Secretary to grant some extension of time to processors of "New York dressed" poultry to comply with the provisions of the act. The effective date of the act with respect to its compulsory features is January 1, 1959. In view of the time which has elapsed since introduction and committee consideration of the bills the conference committee felt that some extension of this time might be needed by some processors of "New York dressed" poultry to permit the changeover of their plant and operations to the processing of eviscerated poultry. The amendment to the House language will permit the Secretary to grant such extension "pursuant to rules and regulations prescribed" by him. It is, however, the intent of the bill that the prohibition against "New York dressed" poultry be made fully effective as soon as practicable.

SECTION 13

The committee of conference has adopted the House language in section 13 and, in doing so, points out that it is the intention of the committee that subsection (b) of this section should apply to public warehousemen who handle poultry products in the course of their movement from processor to consumer on the same terms as it will apply to a carrier. A public warehouseman is in precisely the same position as a carrier except that, instead of transporting, he stores goods for the general public for hire. It is the opinion of the committee of conference, therefore, that public warehousemen should be treated by the Secretary in exactly the same manner as carriers in enforcing the provisions of this act.

SECTION 17

The House language required knowledge as an element of guilt under this section with respect to a person who sells unwholesome or adulterated poultry under one of the exemptions of the act. The Senate bill did not require knowledge in this respect and the conference bill follows the Senate language.

SECTION 20

The conference bill follows substantially the wording of the House amendment with the addition of language to make it clear that the rates of overtime and holiday pay to be charged processing establishments may be established at a reasonable uniform rate instead of being figured on an individual basis. The holidays to be counted with respect to Federal employees are those which apply to Federal civil-service employees either by law or by Executive or administrative order. Holidays to be counted with respect to State employees will be those legally observed by employees of that State.

SECTION 24

The Senate bill contained no provision similar to section 24 of the House amendment. In view of adoption by the conference committee of the House language in section 19, providing that "the jurisdiction of the Secretary within the scope of this act shall be exclusive," the committee felt that section 24 would neither add to nor detract from the legal effect of the rest of the bill but might be confusing. It therefore did not include this section in the conference bill.

HAROLD D. COOLEY,
GEORGE M. GRANT,
JOHN C. WATTS,
CLARK W. THOMPSON,
WILLIAM S. HILL,
CHARLES B. HOEVEN,
CLIFFORD G. MCINTIRE,
Managers on the Part of the House.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 319. An act to provide for the conveyance to the State of Maine of certain lands located in such State;

S. 364. An act for the relief of the village of Wauneta, Nebr.;

S. 534. An act to amend section 702 of the Merchant Marine Act, 1936, in order to authorize the construction, reconditioning, or remodeling of vessels under the provisions of such section in shipyards in the continental United States;

S. 538. An act to amend Public Law 298, 84th Congress, relating to the Corregidor-Bataan Memorial Commission, and for other purposes;

S. 556. An act to provide for the conveyance of certain real property of the United States situated in Clark County, Nev., to the State of Nevada for the use of the Nevada State Board of Fish and Game Commissioners;

S. 620. An act to transfer ownership to Allegany County, Md., of a bridge loaned to such county by the Bureau of Public Roads;

S. 919. An act to provide that certain employees in the Postal Field Service assigned to road duty, and rural carriers, shall receive the benefit of holidays created by Executive order, memorandum, or other administrative action by the President;

S. 1113. An act to provide for the conveyance of certain lands of the United States to the city of Gloucester, Mass.;

S. 1417. An act relating to the affairs of the Osage Tribe of Indians in Oklahoma;

S. 1631. An act to amend certain sections of title 13 of the United States Code, entitled "Census";

S. 1823. An act to authorize the conveyance of Bunker Hill Island in Lake Cumberland near Burnside, Ky., to the Commonwealth of Kentucky for public park purposes; and

S. 1971. An act to amend sections 4 (a) and 7 (a) of the Vocational Rehabilitation Act.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 939) to amend section 22 of the Interstate Commerce Act, as amended.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 959) to amend the Agricultural Adjustment Act of 1938, as amended, to exempt certain wheat producers from liability under the act where all the wheat crop is fed or used for seed or food on the farm, and for other purposes.

SUPPLEMENTAL APPROPRIATIONS, 1958

The Senate resumed the consideration of the bill (H. R. 9131) making supplemental appropriations for the fiscal year ending June 30, 1958, and for other purposes.

Mr. HAYDEN. Mr. President, I suggest to the Senator from Delaware that he offer his amendment.

Mr. WILLIAMS. I send to the desk an amendment which is submitted on behalf of myself and the Senator from Minnesota [Mr. HUMPHREY]. I ask that the amendment be stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 2, after line 7, it is proposed to insert:

AGRICULTURAL MARKETING SERVICE

For an additional amount for "Marketing research and service," for marketing services, $3,500,000: *Provided*, That this paragraph shall be effective only upon enactment into law of S. 1747 of the 85th Congress.

Mr. WILLIAMS. Mr. President, the Senate has just adopted the conference report on the mandatory poultry inspection bill. The purpose of this amendment is to implement that legisaltion by providing the necessary funds with which to pay the inspectors.

I understand that the Senator from Arizona [Mr. HAYDEN] is favorable to the amendment.

Mr. HAYDEN. Mr. President, I am glad to accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Delaware.

The amendment was agreed to.

Mr. SALTONSTALL. Mr. President, let me ask the Senator from Minnesota or the Senator from Delaware what evidence there is to indicate that this is the correct amount? Why cannot it be less? We have had no evidence about it in the Appropriations Committee.

As the senior member of the committee on this side of the aisle, I should like to know about that. I am glad the chairman of the committee has agreed to take the amendment to conference.

Mr. HAYDEN. The Department of Agriculture gave us that figure.

Mr. WILLIAMS. I called the Department of Agriculture; and it is my understanding that the Department budget office indicated, in response to a request from the committee staff, that consideration has been given to that figure. I told the chairman of the committee that we were perfectly willing to have the figure taken to conference, with that understanding. The bill the Senate passed a moment ago makes it mandatory for the Government to provide these inspectors.

Mr. HAYDEN. We had telephoned information that the Department of Agriculture had given preliminary consideration to this amount of money.

Mr. SALTONSTALL. I thank the Senator from Arizona.

Mr. SPARKMAN. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 18, after line 19, it is proposed to insert:

FARM HOUSING RESEARCH

To carry out the provisions of section 603 of the Housing Act of 1957 for farm housing research to be conducted by land-grant colleges through grants for research study and analysis, $300,000.

Mr. SPARKMAN. Mr. President, this amendment relates to a provision of the Housing Act which was signed into law about 1 month ago. I think it is highly important that this work be begun.

Mr. HAYDEN. I understand it is a 2-year proposal.

Mr. SPARKMAN. Yes; it is a 2-year proposal, for $300,000 for the 2 fiscal years 1958 and 1959.

Mr. HAYDEN. Inasmuch as a part of the present fiscal year has passed, will the Senator from Alabama be willing to reduce the item by one-half? Then we can take the amendment to conference and can see what will happen there.

Mr. SPARKMAN. Let me say that I have discussed this matter with the chairman of the committee and also with the distinguished senior Senator from Massachusetts [Mr. SALTONSTALL]. I would be willing to cut the item in half, with the understanding that the provision of some money in this case will enable those responsible for the work to begin their plans; and in January or February, in the next session, when another supplemental bill is before the Senate, perhaps by then those who are in charge of the work will be able to give the Senate an understanding of what will be necessary in order to carry the work forward. It may be that $150,000 will be sufficient for the first year.

Mr. HAYDEN. And of course, a new program takes some time to get under way.

Mr. SALTONSTALL. Mr. President, will the Senator from Alabama yield to me?

Mr. SPARKMAN. I yield.

Mr. SALTONSTALL. The Senator from Alabama has discussed the matter with me. It is another case in which there has been no estimate in connection with the new law, which was signed on June 30, and, as the Senator from Alabama has said, authorizes $300,000 for the 2 years.

Mr. SPARKMAN. That is correct.

Mr. SALTONSTALL. I am glad to have the chairman of the committee accept the amendment and take it to conference, to see what figure may be agreed to.

Mr. HAYDEN. Will the Senator from Alabama modify the amendment in the way indicated?

Mr. SPARKMAN. Yes. Mr. President, I modify the amendment by striking out "$300,000", and inserting "$150,000."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Alabama.

The amendment was agreed to.

CONSTRUCTION AT CERTAIN MILITARY INSTALLATIONS—CONFERENCE REPORT

Mr. STENNIS. Mr. President, will the Senator from Arizona yield to me, so I can submit the conference report on House bill 8240, which authorizes certain construction at military installations? The report contains items affecting the appropriation bill the Senate has been considering today, and the report has already been agreed to by the House of Representatives.

Mr. HAYDEN. Yes; I think it would be appropriate to have the report considered at this time.

Mr. STENNIS. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 8240) to authorize certain construction at military installations, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read, for the information of the Senate.

The legislative clerk read as follows:

(For conference report, see House proceedings of August 20.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. STENNIS. Mr. President, I have before me certain statements which are explanatory of the conference report. I ask unanimous consent that they be printed at this point in the RECORD.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR STENNIS

As the bill passed the House, the authorities granted in the Army, Navy, and Air Force titles totaled $1,416,573,000. The corresponding authority granted in the Senate version totaled $1,203,413,000 or $213,165,000 less than the House version. The total agreed to by the conferees for title I, II, and III is $1,232,495,000. This later sum is $184,078,000 less than the House version and $29,082,000 more than the Senate version.

I wish to direct the Members' attention to section 406 as it was agreed to by the conferees, which in substance is identical to that contained in the Senate version except that it eliminates the applicability of the section to Wherry Housing and is designed to make certain that Wherry Housing would be acquired at any installation where title VIII Capehart Housing is planned for construction.

It is the intent of this legislation that the current housing programs of the various services continue as now contemplated through June 30, 1958. This section does not repeal any existing law. It simply requires that effective July 1, 1958, the number of military family housing units to be contracted for at or in support of any military installation must be first authorized by an annual military construction authorization act before it can be contracted for.

CHANGES TO H. R. 8240 (SENATE) IN CONFERENCE

Army—title I

Added Fort Sam Houston, Tex., land acquisition, $675,000 (was in House version).

Replaced Fort Jackson hospital authorization in deficiency authorization section; conferees increased original amount of $5 million to $7,500,000 (South Carolina).

Navy—title II

Inside United States: (increased by $14,181,000).

Added to NAS, Pensacola, Fla., $3,512,000 for pier; final authorization, $6,225,000.

Deleted entire item for NAAS, Edenton, N. C., $199,000.

El Toro, Calif., Marine Corps Air Station, added $209,000; final authorization, $3,620,000.

Replaced John H. Towers Field (for Naval Academy) with some language change, and to be located at Andrews AFB, $3,200,000.

Marine Corps Base, Camp Lejuene, N. C., added $1,500,000 for headquarters building, final authorization, $2,372,000.

Marine Corps Recruit Depot, Parris Island, S. C., added $1,501,000 for barracks; final authorization, $2,643,000.

Marine Corps School, Quantico, Va., added $48,000 for utilities; final authorization, $1,923,000.

Marine Corps Training Center, Twentynine Palms, Calif., added $207,000 for ground improvements, final authorization, $2,331,000.

Replaced Ordnance Aerophysics Laboratory, Daingerfield, Tex., final authorization, $2,649,000.

Replaced Applied Physics Laboratory, Howard County, Md., final authorization, $1,752,000.

Outside United States (increased by $504,000):

Replaced Naval Air Facility, Naha, Okinawa, final authorization, $504,000.

Air Force—title III (increased by $13,722,000)

Niagara Falls Municipal Airport, Niagara Falls, N. Y., added $393,000; final authorization, $674,000.

Youngstown Municipal Airport, Youngstown, Ohio, added $141,000; final authorization, $358,000.

Replaced Marietta Air Force Station, Marietta, Pa., $2,438,000.

Robins Air Force Base, Ga., added primary runway and apron taxiway, $10,750,000; final authorization, $13,104,000.

New totals

	Army	Navy	Air Force
Inside United States	$115,624,000	$230,356,000	$394,076,000
Outside United States	34,477,000	48,199,000	160,705,000
Classified	143,002,000	59,056,000	47,000,000
Total	293,103,000	337,611,000	601,781,000
Grand total		1,232,495,000	

DEFENSE OFFICIALS' COMMENTS ON APPROPRIATED FUNDS VERSUS CAPEHART

Reference to statements by military officials concerning appropriated fund housing versus payment (Capehart family housing construction programs). You will remember Secretary Wilson said when asked his opinion as a businessman:

"I think the answer to that is 'Yes,' that it is cheapest to do it with Government funds, unless you do it in such a way that it is more or less off your military post or something like that in a separate housing business.

"But if we have to be responsible for the rent for 20 years or something like that, or repurchase it like we have to do with warehouses, I would say it really would be cheaper to put the money up in the first place, because, basically, our Government has the best credit in the United States; it can borrow money cheaper.

"This was an effort, I suppose, to avoid taxing the people now with a big budget and trying to get the budget down."

Secretary Wilson further said in responding to a question concerning the possibility of overbuilding of family housing units:

"As I said awhile ago, I believe in evolution, not revolution, and I am very frank to say that if we could suddenly build within 1 year all the stated requirements of the services for housing, we would overbuild and we would have a particular reaction from the public, because these people are living someplace now; they are not quite living where they would like to, but millions of other Americans are not quite living where they would like to either.

"I think it [referring to family housing] needs to be improved and it is one of the morale factors in keeping the good men in the service. And I want to make some progress with it but I do not want to try to do it overnight and make some big mistakes."

* * * * *

Secretary Quarles when asked a similar question responded in part:

"I certainly agree that appropriated funds would show a lower cumulative cost over amortization."

* * * * *

Assistant Secretary of the Army Dewey Short when he appeared before the committee said in response to your question:

"Senator STENNIS. Would you mind a brief interruption right there? We have been concerned with you, about which is the best program. Are you free to give us an opinion—I will put it this way: Don't you think the Government gets more for its dollar just to go on and appropriate the money and build these houses?

"Mr. SHORT. There is no doubt about it. I have felt for years and think most of the members of the House Armed Services Committee have felt strongly for a long time that you get more for your dollar by having appropriated funds for houses. The only trouble is that the need is so great and the volume of money needed is so enormous we can't do it."

Mr. STENNIS. Mr. President, I move the adoption of the report.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Mississippi.

The motion was agreed to.

SUPPLEMENTAL APPROPRIATIONS, 1958

The Senate resumed the consideration of the bill (H. R. 9131) making supplemental appropriations for the fiscal year ending June 30, 1958, and for other purposes.

NATIONAL INSTITUTES OF HEALTH

Mr. HILL. Mr. President, there was provided by the Congress for the fiscal year 1958 a total of $211,183,000 for the medical-research programs, representing an increase of $21 million over the amount approved by the Bureau of the Budget for submission in the President's budget.

The National Institutes of Health submitted apportionment requests for the first quarter of the fiscal year, in accordance with provisions of the antideficiency statute, for a total of $138,522,850. The Bureau of the Budget approved apportionment allowances of $120,805,000 for the first quarter, a reduction of $17,717,850.

The Senate should have no sympathy with the arbitrary and capricious administrative action of the Bureau of the Budget withholding a substantial portion of the funds appropriated by Congress for medical research. The appropriations subcommittees and the full Appropriations Committees of both Houses of Congress reviewed in great detail the research programs proposed by the National Institutes of Health for fiscal year 1958. Scientists and doctors from both the National Institutes of Health and from private institutions presented factual testimony showing that there are urgent problems to be attacked by medical research, and that a successful attack requires additional funds. A committee of conference carefully reviewed the actions taken by both Houses, and reached decisions reflecting weeks of hearings and study.

Officials in the Bureau of the Budget then perverted a law—the antideficiency statute—to override the considered will of Congress by making available to the National Institutes of Health for the first quarter of fiscal year 1958, $17.7 million less than was available and needed.

If the refusal of the Bureau of the Budget to make available to the National Institutes of Health the full amount appropriated by Congress is not reversed, the medical research of the entire National Institutes will be seriously set back. Carefully planned research will be cut off—for example, studies in infectious diseases, including research aimed at dealing more effectively with the influenza epidemic which now threatens the Nation. The continuing research for oral drugs for diabetes will be impaired. The research for drugs effective in dealing with cancer, which has developed so auspiciously over the past year, will be definitely handicapped, and many other urgent and vital programs will suffer. The full effects appear in detailed material submitted for inclusion in the hearings on the pending bill.

In addition to these specific harassing and very injurious impediments, the action of the Bureau of the Budget seriously interferes with the orderly and efficient execution of the Government's business by establishing fiscal uncertainty as a principle of administration. Finally, the action directly and irresponsibly thwarts the will of Congress.

In short, the Bureau of the Budget, under the guise of technical provisions of a law designed to prevent overspending by executive agencies, has imposed upon the American people their judgments as to the proper levels of research support contrary to the will and judgment of the

Congress. This is a most serious and disturbing development in our system of Government, and one which Congress cannot allow to pass unrecognized.

Mr. LAUSCHE. Mr. President, I desire to ask a few questions of the chairman of the Subcommittee on the Air Force Academy. I refer to the 47 housing facilities which are to be built at that Academy. They are to house the Superintendent and the deans. The Superintendent's house was to cost $75,000. There were to be 2 houses at $50,000 each, and 44 houses at $30,000 each.

The first question concerns what is supposed to be custom-made furniture which has been requested. Has the committee approved of the type of furniture which has been requested?

Mr. CHAVEZ. I may say to the Senator from Ohio that, in the first place, it was considered not proper to have a $95,000 house for the head of the Academy. It was not considered proper to have a $75,000 house for the dean, as the Senator will see from the committee report. The committee has not approved those figures. It was not considered proper to have the other items to which the Senator has referred. The board of estimates and those who have to do with the Air Academy at Colorado Springs have nothing to do with those figures.

Mr. LAUSCHE. What I should like to learn particularly is actually what the deans are paid. Do I undestand correctly that each one has a house provided?

Mr. CHAVEZ. Each dean is supposed to have a house provided for him.

Mr. LAUSCHE. How many houses will be provided for how many teachers? The figure is 47, as I have read it from the record.

Mr. CHAVEZ. I would not be surprised if the Senator were correct.

Mr. LAUSCHE. I refer to page 375 of the hearings.

Mr. CHAVEZ. That is correct.

Mr. LAUSCHE. I also see, by referring to page 376, that 25 percent of the houses are to be furnished, at a cost of $5,000 for each house.

Mr. CHAVEZ. The Senator refers to page 376 of the hearings.

Mr. LAUSCHE. Yes; in the middle of the page.

Mr. CHAVEZ. That is correct.

I read from page 376 of the hearings:

Senator SMITH. You say you are not going to have custom-made furniture for the houses. Could you give us an estimate of how much it is going to cost for the furnishings in the houses?

Colonel Witters.—

I had a letter from Colonel Witters today. He is leaving. He is through with that place.

Colonel WITTERS. Senator, we are planning on 44 colonels' houses and 25 percent of them will be furnished with Government furniture at $5,000 a house.

Mr. LAUSCHE. That is as I understand it.

Mr. CHAVEZ. That is correct.

Mr. LAUSCHE. Then, am I correct in my understanding that one-quarter of those houses will be furnished at a cost of about $5,000 each?

Mr. CHAVEZ. That is correct, $5,000.

Mr. LAUSCHE. What is the teachers' annual salary?

Mr. CHAVEZ. They will have salaries, they will have houses, and they will get furniture benefits.

Mr. LAUSCHE. Can the Senator from New Mexico tell me what their yearly salary is?

Mr. CHAVEZ. I cannot tell the Senator that. It depends on what category a teacher is in. As I understand from a member of the staff, it is roughly $10,000 a year.

Mr. LAUSCHE. Then, their salaries would be approximately $10,000 a year, and they would be furnished with houses to live in?

Mr. CHAVEZ. A salary, a house, $5,000 worth of furniture, and the Senator would be surprised what else.

Mr. LAUSCHE. It is my understanding that the total sum for architect's fees for the Air Force Academy will be about $8½ million, covering the entire project?

Mr. CHAVEZ. The Senator is low in his figure.

Mr. LAUSCHE. Perhaps the figure is $9½ million.

Mr. CHAVEZ. It will be more than that. The total amount now appropriated, if the Senator from Mississippi will bear me out, is about $116 million; but we shall be lucky, when we get through, if it is not $150 million.

Mr. LAUSCHE. I find, from looking at page 383 of the hearings, that we shall pay the architects 6 percent for plans and 3 percent for supervision.

Mr. CHAVEZ. That is correct. Some Georgia boys got in there. [Laughter.]

Mr. LAUSCHE. Will the Senator from New Mexico give me his views on the chapel, which is supposed to be built at a cost of $3 million?

Mr. CHAVEZ. I believe in prayer——

Mr. LAUSCHE. So do I.

Mr. CHAVEZ. But not to that extent. Yes, I believe in prayer, but I think that the chapel sought to be provided for the Air Force Academy is un-Christian.

Mr. LAUSCHE. Un-Christian?

Mr. CHAVEZ. Yes.

Mr. SALTONSTALL. Mr. President, will the Senator yield at that point?

Mr. CHAVEZ. Yes.

Mr. SALTONSTALL. I will say to the Senator from Ohio the Senator from New Mexico and I feel the same way, and I know the distinguished Representative from Texas, GEORGE MAHON, emphasized that, while we in the Congress cannot design the chapel, we can be critical. We were very critical a year ago. There was a great deal of criticism at that time. I have personally discussed the question with the Secretary of the Air Force and urged that he give just as much attention to that matter as he possibly can, to see if there cannot be built a chapel—and we want a chapel there—that is reasonable in cost, and is satisfactory and pleasing in design, without being extreme in design.

Mr. LAUSCHE. I would say, over and above that, let us have a chapel that has humility, that is fit to be the House of the Lord. Let us not have an extravaganza.

Mr. CHAVEZ. Let us have a chapel that will reflect Christianity.

An attempt is being made to construct a chapel at Colorado Springs which does not represent Christianity.

Mr. LAUSCHE. Mr. President, I wish to commend the Senator from New Mexico, on the basis of the questions which he put in the committee hearings. Every one of them indicates a purpose of practicing economy and using decent and good judgment.

Mr. CHAVEZ. I truly believe that the Air Academy at Colorado Springs, the Academy at West Point, and the Naval Academy should all have religious services. But I do not believe that in order to carry out religious purposes it is desirable to have a type of chapel which indicates material wealth. I do not believe that is necessary.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and third reading of the bill

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 9131) was read the third time and passed.

Mr. HAYDEN. Mr. President, I move that the Senate insist upon its amendments, request a conference thereon with the House of Representatives, and that the Chair appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. HAYDEN, Mr. RUSSELL, Mr. CHAVEZ, Mr. ELLENDER, Mr. HILL, Mr. HOLLAND, Mr. STENNIS, Mr. SALTONSTALL, Mr. YOUNG, Mr. KNOWLAND, Mr. THYE, Mr. MUNDT, and Mrs. SMITH of Maine conferees on the part of the Senate.

Mr. STENNIS. Mr. President, I ask that there be printed in the RECORD at this point a tabulation of the project program for military construction approved by the Senate Committee on Appropriations for execution by the Services for the fiscal year 1958, and concurred in by the Senate, in the passage of the appropriation bill.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

Project program for military construction approved by the Senate Appropriations Committee for execution by the services, fiscal year 1958

Department of the Army

CONTINENTAL UNITED STATES

Ordnance Corps:	
Aberdeen Proving Ground, Md	$2,288,000
Anniston Ordnance Depot, Ala	2,015,000
Jet Propulsion Laboratory, California	130,000
Savanna Ordnance Depot, Ill	758,000
Seneca Ordnance Depot, Oreg	136,000
Sioux Ordnance Depot, Nebr	249,000
Umatilla Ordnance Depot, Oreg	258,000
White Sands Proving Ground, N. Mex	16,530,000
Total, Ordnance Corps	22,364,000
Quartermaster Corps:	
Atlanta General Depot, Ga	1,579,000
New Cumberland General Depot, Pa	1,095,000
Fort Lee, Va	5,417,000
Seattle Quartermaster Depot, Wash	40,000
Sharpe General Depot, Calif	765,000
Fort Worth General Depot, Tex	1,789,000
Total, Quartermaster Corps	10,685,000

Project program for military construction approved by the Senate Appropriations Committee for execution by the services, fiscal year 1958—Continued

Department of the Army

CONTINENTAL UNITED STATES

Chemical Corps:	
Fort Detrick, Md	$627,000
Dugway Proving Ground, Utah	54,000
Total, Chemical Corps	681,000
Signal Corps: Fort Huachuca, Ariz	2,703,000
Army Security Agency: Vint Hill Farms, Va	328,000
Corps of Engineers:	
Cold Regions Laboratory, New Hampshire	2,496,000
Fort Belvoir, Va	2,120,000
Granite City Engineer Depot, Ill	765,000
Total, Corps of Engineers	5,381,000
Transportation Corps:	
Brooklyn Army Terminal, N. Y	1,169,000
Charleston Transportation Corps Depot, S. C	306,000
Fort Eustis, Va	1,197,000
Total, Transportation Corps	2,672,000
Medical Corps:	
Fitzsimons Army Medical Center, Colo	937,000
Walter Reed Medical Center, District of Columbia	1,920,000
Total, Medical Corps	2,857,000
Total, technical services	47,671,000
First Army:	
Fort Devens, Mass	4,712,000
Fort Dix, N. J	54,000
Fort Niagara, N. Y	209,000
Fort Totten, N. Y	242,000
Total, First Army	5,217,000
Second Army:	
A. P. Hill Military Reservation, Va	153,000
Fort Knox, Ky	4,404,000
Fort George Meade, Md	5,955,000
Fort Ritchie, Md	820,000
Total, Second Army	11,332,000
Third Army:	
Fort Benning, Ga	1,583,000
Fort Bragg, N. C	1,051,000
Fort Campbell, Ky	5,117,000
Fort McClellan, Ala	326,000
Fort Rucker, Ala	5,778,000
Fort Stewart, Ga	3,691,000
Total, Third Army	17,546,000
Fourth Army:	
Fort Bliss, Tex	7,704,000
Fort Hood, Tex	4,130,000
Fort Polk, La	7,734,000
Total, Fourth Army	19,568,000
Fifth Army:	
Fort Carson, Colo	1,049,000
Fort Leavenworth, Kans	459,000
Fort Riley, Kans	3,353,000
Fort Leonard Wood, Mo	4,663,000
Total, Fifth Army	9,524,000
Sixth Army:	
Fort Lewis, Wash	2,748,000
Fort Ord, Calif	3,449,000
Total, Sixth Army	6,197,000
Total, continental armies	69,384,000
United States Military Academy, N. Y	3,466,000
Armed Forces special weapons project:	
Bossier Base, La	164,000
Clarksville Base, Tex	200,000
Killeen Base, Tex	379,000
Lake Mead Base, Nev	138,000
Manzano Base, N. Mex	50,000
Medina Base, Tex	125,000
Total, Armed Forces special weapons project	1,056,000
Tactical sites, continental United States	1,736,900

Project program for military construction approved by the Senate Appropriations Committee for execution by the services, fiscal year 1958—Continued

Department of the Army

CONTINENTAL UNITED STATES

Tactical support facilities:	
First Army:	
Bellemore, N. Y	$1,201,000
Boston defense area, Massachusetts	58,000
Camp Kilmer, N. J	2,381,000
Fort Totten, N. Y	200,000
Second Army: Cleveland defense area, Ohio	350,000
Third Army: Oak Ridge defense area, Tennessee (Fort Campbell)	749,000
Fourth Army: Fort Sheridan, Ill	359,000
Sixth Army:	
Camp Hanford, Wash	1,045,000
Fort Lewis, Wash	811,000
Fort MacArthur, Calif	1,192,000
Presidio of San Francisco, Calif	120,000
Total, tactical support facilities	8,466,000
Total, continental United States	131,779,000

OVERSEAS

Alaska:	
Alaska general	658,000
Eielson Air Force Base	248,000
Fort Greely	1,891,000
Ladd Air Force Base	1,878,000
Fort Richardson	6,447,000
Tactical sites	4,910,000
Total, Alaska	16,032,000
Pacific: Tripler Army Hospital, Territory of Hawaii	154,000
Caribbean:	
Fort Buchanan, P. R	137,000
Fort Gulick, C. Z	289,000
Total, Caribbean	426,000
France	20,754,000
Korea	9,000,000
Okinawa	8,000,000
Total, overseas	54,366,000

CLASSIFIED

Various locations—including tactical	159,405,000

GENERAL AUTHORIZATION

Advance design	8,222,000
Capehart utilities	4,000,000
Emergency construction	1,000,000
Minor new construction	6,400,000
Total, general authorization	19,622,000
Grand total, Army	365,172,000

Department of the Navy

Class

Shipyard facilities, continental:	
Naval engineering experiment station, Annapolis, Md	618,000
Naval Shipyard, Bremerton, Wash	25,438,000
Naval Shipyard, Brooklyn, N. Y	1,452,000
Naval Shipyard, Long Beach, Calif	1,500,000
Naval Submarine Base, New London, Conn	2,966,000
Headquarters, Commander in Chief, Atlantic and Atlantic Fleet, Norfolk, Va	11,779,000
Subtotal, shipyard facilities, continental	43,753,000
Shipyard facilities, overseas:	
Naval Shipyard, Pearl Harbor, T. H	1,297,000
Naval base, Subic Bay, Philippine Islands	1,750,000
Naval station, Subic Bay, Philippine Islands	7,576,000
Headquarters, Commander in Chief, Pacific and Pacific Fleet, Makalapa, Oahu, T. H	10,502,000
Locations classified: Oceanographic research facilities	2,751,500
Subtotal, shipyard facilities, overseas	23,876,500
Total, shipyard facilities	67,629,500

Project program for military construction approved by the Senate Appropriations Committee for execution by the services, fiscal year 1958—Continued

Department of the Navy

Class

Fleet base facilities, continental:	
Naval station, Key West, Fla	$1,326,000
Naval station, Long Beach, Calif	544,000
Naval station, Newport, R. I	2,729,000
Subtotal, fleet base facilities, continental	4,599,000
Fleet base facilities, overseas:	
Naval station, Adak, Alaska	246,000
Camp H. M. Smith, Oahu, T. H	332,000
Naval station, San Juan, P. R	190,000
Subtotal, fleet base facilities, overseas	768,000
Total, fleet base facilities	5,367,000
Aviation facilities, training:	
Naval auxiliary air station, Chase Field, Tex	566,000
Naval air station, Corpus Christi, Tex	140,000
Naval air station, Glynco, Ga	293,000
Naval auxiliary air station, Kingsville, Tex	160,000
Naval auxiliary air station, Meridian, Miss	13,387,000
Naval auxiliary air station, New Iberia, La	4,152,000
Naval air station, Pensacola, Fla	2,713,000
Subtotal, aviation facilities, training	21,411,000
Aviation facilities, fleet support:	
Naval air station, Alameda, Calif	537,000
Naval air station, Brunswick, Maine	340,000
Naval air station, Cecil Field, Fla	5,249,000
Auxiliary landing field, Crows Landing, Calif	39,000
Naval auxiliary air station, El Centro, Calif	4,849,000
Naval auxiliary air station, Fallon, Nev	9,175,000
Naval seaplane facility, Hertford, N. C	8,548,000
Naval air station, Jacksonville, Fla	152,000
Naval air station, Key West, Fla	130,000
Naval air station, Lemoore, Calif	27,535,000
Naval auxiliary air station, Mayport, Fla	384,000
Naval air station, Miramar, Calif	3,601,000
Naval air station, Norfolk, Va	1,739,000
Naval air station, North Island, Calif	9,384,000
Naval air station, Oceana, Va	7,527,000
Naval air station, Quonset Point, R. I	2,697,000
Naval auxiliary landing field, San Clemente Island, Calif	9,448,000
Naval auxiliary air station, Sanford, Fla	2,953,000
Naval air station, Whidbey Island, Wash	9,365,000
Outlying field, Whitehouse Field, Fla	1,537,000
Classified locations	800,000
Subtotal, aviation facilities, fleet support	105,995,000
Aviation facilities, marine aviation:	
Marine Corps auxiliary air station, Beaufort, S. C	5,638,000
Marine Corps air station, Cherry Point, N. C	6,503,000
Marine Corps air station, El Toro, Calif	7,511,000
Marine Corps auxiliary air station, Mojave, Calif	3,782,000
Marine Corps air facility, New River, Jacksonville, N. C	39,000
Subtotal, aviation facilities, marine aviation	23,473,000
Aviation facilities, special:	
Naval air development center, Johnsville, Pa	39,000
Naval air station, Patuxent River, Md	2,209,000
Naval air missile test center, Point Mugu, Calif	3,808,000
Subtotal, aviation facilities, special	6,056,000
Aviation facilities, overseas:	
Naval air station, Agana, Marianas Islands	428,000
Naval station, Argentia, Canada	1,793,000
Naval air station, Barbers Point, T. H	2,088,000
Naval air station, Cubi Point, Luzon, Philippine Islands	149,000
Naval air station, Guantanamo Bay, Cuba	6,423,000

***Project program for military construction approved by the Senate Appropriations Committee for execution by the services, fiscal year 1958*—Continued**

Department of the Navy

Class	
Aviation facilities, overseas—Con.	
Marine Corps air station, Kaneohe Bay, T. H.	$249,000
Naval station, Kwajalein, Marshall Islands	69,000
Naval station, Midway Island, T. H.	69,000
Naval air station, Roosevelt Roads, P. R.	15,517,000
Location classified	2,643,000
Subtotal, aviation, overseas	29,428,000
Total, aviation facilities	186,363,000
Supply facilities, continental:	
Electronics Supply Office, Great Lakes, Ill.	92,000
Naval Ordnance Supply Office, Mechanicsburg, Pa.	155,000
Aviation Supply Office, Philadelphia, Pa.	550,000
Subtotal, supply facilities, continental	797,000
Supply facilities, overseas:	
Naval station, Adak, Alaska	1,550,000
Naval station, Guam, Mariana Islands	884,000
Naval Supply Depot, Subic Bay, Philippine Islands	397,000
Subtotal, supply facilities, overseas	2,831,000
Total, supply facilities	3,628,000
Marine Corps facilities, continental:	
Marine Corps supply center Albany, Ga.	814,000
Marine Corps supply center, Barstow, Calif.	7,616,000
Marine Corps Base, Camp Lejeune, N. C.	428,000
Marine Corps Recruit Depot, Parris Island, S. C.	1,766,000
Marine Corps Base, Camp Pendleton, Calif.	1,469,000
Marine Corps Schools, Quantico, Va.	1,875,000
Marine Corps Recruit Depot, San Diego, Calif.	116,000
Marine Corps Training Center, Twentynine Palms, Calif.	2,108,000
Total, Marine Corps facilities	16,192,300
Ordnance facilities, continental:	
Naval Ammunition Depot, Bangor, Wash.	316,000
Naval magazine, Port Chicago, Calif.	564,000
Location classified (AC–1)	5,004,000
Location classified (WC–1)	178,000
Location classified (WC–2)	416,000
Locations classified (Polaris facilities)	17,775,000
Subtotal, Ordnance facilities, continental	24,247,000
Ordnance facilities, overseas:	
Naval Ammunition Depot, Oahu, T. H.	326,000
Location classified (8–1)	59,000
Location classified (8–2)	2,468,000
Location classified (WP–1)	3,345,000
Subtotal, ordnance facilities, overseas	6,198,000
Total, ordnance facilities	30,445,000
Service school facilities, continental:	
Naval Academy, Annapolis, Md.	1,602,000
Naval Amphibious Base, Coronado, Calif.	2,052,000
Naval Training Center, Great Lakes, Ill.	5,598,000
Naval Training Center, San Diego, Calif.	1,613,000
Total, service school facilities	10,865,000
Communication facilities, continental:	
Naval communication station, Norfolk, Va.	443,000
Naval communication station, San Diego, Calif.	100,000
Naval Communication Center, Stockton (San Francisco), Calif.	889,000
Naval radio station, Washington County, Maine	16,192,000
Subtotal, communication facilities, continental	17,624,000
Communication facilities, overseas:	
Naval radio station, Adak, Alaska	1,053,000
Naval communication station, Finegayan, Guam	594,000

***Project program for military construction approved by the Senate Appropriations Committee for execution by the services, fiscal year 1958*—Continued**

Department of the Navy

Class	
Communication facilities, overseas—Con.	
Naval security group activity, Istanbul, Turkey	$130,000
Naval communication facility, Philippine Islands	1,467,000
Naval security group activity, Sakata, Japan	69,000
Naval radio station, Wahiawa, T. H.	4,392,000
Subtotal, communication facilities, overseas	7,705,000
Total, communication facilities	25,329,000
Office of naval research facilities: Location classified	3,100,000
Total, Office of naval research facilities	3,100,000
Yards and docks facilities, continental:	
Naval Shipyard, Brooklyn, N. Y.	332,000
Public works center, Norfolk, Va.	3,244,000
Naval Construction Battalion Center, Port Hueneme, Calif.	1,984,000
Advance planning	6,000,000
Replacement of damaged facilities	4,000,000
Special minor facilities	3,000,000
Capehart housing	4,000,000
Commodity Credit housing	3,000,000
Subtotal, yards and docks facilities, continental	25,560,000
Yards and docks facilities, overseas:	
Public Works Center, Subic Bay, Philippine Islands	393,000
Replacement of temporary family quarters	2,040,000
Subtotal, yards and docks facilities, overseas	2,433,000
Total, yards and docks facilities	27,993,000
Grand total, military construction, Navy	376,911,800

Department of the Air Force

CONTINENTAL UNITED STATES

Air Defense Command:	
Duluth MAP, Duluth, Minn.	5,115,000
Ethan Allen AFB, Burlington, Vt.	594,000
Geiger Field, Spokane, Wash.	2,721,000
Glasgow AFB, Glasgow, Mont.	3,737,000
Grand Forks, AFB, Grand Forks, N. Dak.	9,481,000
Hamilton AFB, Ignacio, Calif.	1,641,000
K. I. Sawyer Airport, Marquette, Mich.	2,365,000
Kinross AFB, Kinross, Mich.	1,660,000
Klamath Falls MAP, Klamath Falls, Oreg.	1,743,000
McChord AFB, Tacoma, Wash.	632,000
McGhee-Tyson Airport, Maryville, Tenn.	491,000
Minneapolis-St. Paul, Minneapolis, Minn.	23,000
Minot AFB, Minot, N. Dak.	10,927,000
Niagara Falls MAP, Niagara Falls, N. Y.	2,149,000
Otis AFB, Falmouth, Mass.	9,454,000
Oxnard AFB, Camarillo, Calif.	2,525,000
Pescadero Consolan, Calif.	584,000
Portland IAP, Portland, Oreg.	3,828,000
Presque Isle AFB, Presque Isle, Maine	4,522,000
Richard Bong AFB, Kansasville, Wis.	23,821,000
Richards-Gebaur AFB, Belton, Mo.	1,213,000
Selfridge AFB, Mount Clemens, Mich.	8,275,000
Sioux City MAP, Sioux City, Iowa	1,061,000
Stewart AFB, Newburgh, N. Y.	735,000
Suffolk County AFB, Westhampton Beach, N. Y.	956,000
Truax Field, Madison, Wis.	7,226,000
Tyndall AFB, Springfield, Fla.	3,186,000
Wurtsmith AFB, Oscoda, Mich.	3,788,000
Youngstown MAP, Vienna, Ohio	1,862,000
Various locations (ADC storage)	14,717,000
Various locations (BOMARC)	42,963,000
Various locations (land)	1,465,000
Total, Air Defense Command	175,460,000
Air Force Academy: USAF Academy, Colorado Springs, Colo.	8,921,000
Air Materiel Command:	
Brookley AFB, Mobile, Ala.	2,583,000
Griffiss AFB, Rome, N. Y.	13,351,000
Griffiss AVA and Stock, N. Y.	922,000
Hill AFB, Ogden, Utah	3,040,000
Kelly AFB, San Antonio, Tex.	1,044,000

***Project program for military construction approved by the Senate Appropriations Committee for execution by the services, fiscal year 1958*—Continued**

Department of the Air Force

CONTINENTAL UNITED STATES

Air Materiel Command—Continued	
McClellan AFB, Sacramento, Calif.	$6,544,000
Norton AFB, San Bernardino, Calif.	851,000
Olmsted AFB, Middletown, Pa.	5,753,000
Robins AFB, Macon, Ga.	7,568,000
Rushmore AFS, Rapid City, S. Dak.	56,000
Searsport AFSS, Searsport, Maine	745,000
Stony Brook, AFS, Holyoke, Mass.	88,000
Tacoma FSS, Tacoma, Wash.	251,000
Tinker AFB, Oklahoma City, Okla.	8,737,000
Wright-Patterson AFB, Dayton Ohio	10,950,000
Total, Air Materiel Command	62,483,000
Air proving ground:	
Eglin AFB, Valparaiso, Fla.	7,677,000
Eglin Auxiliary No. 9, Fort Walton, Fla.	600,000
Total, air proving ground	8,277,000
Air Research and Development Command:	
Arnold Engineering Development Center, Tullahoma, Tenn.	7,000,000
Edwards AFB, Rosamond, Calif.	5,116,000
Holloman AFB, Alamogordo, N. Mex.	12,513,000
Indian Springs AFB, Indian Springs, Nev.	711,000
Kirtland AFB, Albuquerque, N. Mex.	2,386,000
Laurence G. Hanscom Field, Bedford, Mass.	8,508,000
Patrick AFB, Cocoa Beach, Fla.	1,000,000
Patrick Auxiliary No. 1, Cape Canaveral, Fla.	271,000
Patrick Auxiliary No. 3, Grand Bahama, British West Indies	1,011,000
Patrick Auxiliary No. 5, San Salvador, British West Indies	423,000
Patrick Auxiliary No. 6, Mayaguana, British West Indies	23,000
Patrick Auxiliary No. 7, Grand Turk, British West Indies	104,000
Total, Air Research and Development Command	39,066,000
Air Training Command:	
Amarillo AFB, Amarillo, Tex.	9,595,000
Chanute AFB, Rantoul, Ill.	299,000
Craig AFB, Selma, Ala.	2,211,000
Harlingen AFB, Harlingen, Tex.	743,000
J. Connally AFB, Waco, Tex.	2,693,000
Keesler AFB, Biloxi, Miss.	2,243,000
Lackland AFB, San Antonio, Tex.	3,440,000
Laredo AFB, Laredo, Tex.	76,000
Luke, Litchfield Park, Ariz.	3,752,000
Mather AFB, Sacramento, Calif.	4,582,000
McConnell AFB, Wichita, Kans.	763,000
Moody AFB, Valdosta, Ga.	3,465,000
Nellis AFB, Las Vegas, Nev.	509,000
Perrin AFB, Sherman, Tex.	2,667,000
Randolph AFB, San Antonio, Tex.	2,941,000
Reese AFB, Lubbock, Tex.	7,693,000
Scott AFB, Shiloh, Ill.	2,722,000
Sheppard AFB, Wichita Falls, Tex.	8,012,000
Stead AFB, Reno, Nev.	2,753,000
Vance AFB, Enid, Okla.	2,633,000
Vincent AFB, Yuma, Ariz.	3,001,000
Webb AFB, Big Spring, Tex.	4,208,000
Williams AFB, Chandler, Ariz.	2,626,000
Total, Air Training Command	78,537,000
Air University:	
Gunter AFB, Montgomery, Ala.	340,000
Maxwell AFB, Montgomery, Ala.	350,000
Total, Air University	690,000
Continental Air Command:	
Brooks AFB, San Antonio, Tex.	952,000
Dobbins AFB, Marietta, Ga.	791,000
Mitchel AFB, Hempstead, N. Y.	337,000
Total, Continental Air Command	2,080,000
Headquarters Command: Bolling AFB, Washington, D. C.	550,000
Military Air Transport Service:	
Aero Chart Information Center, St. Louis, Mo.	1,162,000
Andrews AFB, Camp Springs, Md.	5,802,000
Charleston AFB, Charles, S. C.	3,320,000
Dover AFB, Dover, Del.	2,368,000
McGuire AFB, Wrightstown, N. J.	1,281,000
Total, Military Air Transport Service	13,933,000
Strategic Air Command:	
Altus AFB, Altus, Okla.	1,054,000
Barksdale AFB, Bossier City, La.	3,884,000

Project program for military construction approved by the Senate Appropriations Committee for execution by the services, fiscal year 1958—Continued

Department of the Air Force

CONTINENTAL UNITED STATES

Strategic Air Command:—Continued	
Beale AFB, Marysville, Calif.	$9,568,000
Bergstrom AFB, Austin, Tex.	1,524,000
Biggs AFB, El Paso, Tex.	5,876,000
Blytheville AFB, Blytheville, Ark.	11,810,000
Bunker Hill AFB, Peru, Ind.	10,041,000
Carswell AFB, Fort Worth, Tex.	3,414,000
Castle AFB, Atwater, Calif.	3,027,000
Clinton-Sherman AFB, Burns Flat, Okla.	3,614,000
Columbus AFB, Columbus, Ohio	2,670,000
Davis-Monthan AFB, Tucson, Ariz.	6,179,000
Dow AFB, Bangor, Maine	17,444,000
Dyess AFB, Abilene, Tex.	971,000
Ellsworth AFB, Rapid City, S. Dak.	2,217,000
Fairchild AFB, Spokane, Wash.	2,028,000
Forbes AFB, Topeka, Kans.	2,001,000
Gray AFB, Killeen, Tex.	34,000
Greenville AFB, Greenville, Miss.	20,802,000
Homestead AFB, Homestead, Fla.	2,370,000
Hunter AFB, Savannah, Ga.	2,456,000
Lake Charles AFB, Lake Charles, La.	721,000
Larson AFB, Moses Lake, Wash.	13,381,000
Laughlin AFB, Del Rio, Tex.	346,000
Lincoln AFB, Lincoln, Nebr.	848,000
Little Rock AFB, Jacksonville, Ark.	501,000
Lockbourne AFB, Columbus, Ohio	11,440,000
Loring AFB, Limestone, Maine	9,790,000
MacDill AFB, Tampa, Fla.	3,501,000
Malmstrom AFB, Great Falls, Mont.	5,570,000
March AFB, Riverside, Calif.	4,924,000
Mountain Home AFB, Mountain Home, Idaho	4,380,000
Offutt AFB, Omaha, Nebr.	10,700,000
Pinecastle AFB, Orlando, Fla.	449,000
Plattsburgh AFB, Plattsburgh, N. Y.	2,561,000
Portsmouth AFB, Portsmouth, N. H.	2,394,000
Schilling AFB, Salina, Kans.	3,445,000
Travis AFB, Fairfield, Calif.	3,138,000
Turner AFB, Albany, Ga.	9,357,000
Walker AFB, Roswell, N. Mex.	13,942,000
Westover AFB, Chicopee Falls, Mass.	2,033,000
Whiteman AFB, Knob Noster, Mo.	471,000
Total, Strategic Air Command	216,876,000
Tactical Air Command:	
Clovis AFB, Clovis, N. Mex.	3,248,000
Donaldson AFB, Greenville, S. C.	5,367,000
England AFB, Alexandria, La.	3,154,000
Foster AFB, Victoria, Tex.	1,416,000
George AFB, Adelanto, Calif.	4,295,000
Langley AFB, Hampton, Va.	292,000
Myrtle Beach, Myrtle Beach, S. C.	1,560,000
Sewart AFB, Smyrna, Tenn.	1,422,000
Seymour Johnson AFB, Goldsboro, N. C.	10,716,000
Shaw AFB, Sumter, S. C.	2,799,000
Total, Tactical Air Command	34,269,000
AFOAT, Zone of Interior	1,236,000
Aircraft control and warning system	81,461,000
Various locations	107,000,000

RESERVE FORCES CONSTRUCTION

Bakalar AFB, Columbus, Ind.	319,000
Bradley Field, Windsor Locks, Conn.	423,000
Clinton County AFB, Wilmington, Ohio	2,855,000
Davis Field, Muskogee, Okla.	40,000
General Billy Mitchell Field, Milwaukee, Wis.	16,000
Greater Cincinnati Airport, Covington, Ky.	3,963,000
Hill AFB, Ogden, Utah	3,091,000
McClellan AFB, Sacramento, Calif.	3,065,000
Paine AFB, Mukilteo, Wash.	425,000
Pinellas Airport, St. Petersburg, Fla.	2,657,000
Portland Airport, Portland, Oreg.	610,000
Scott AFB, Shiloh, Ill.	864,000
Tinker AFB, Midwest City, Okla.	2,172,000
Wilkes-Barre ARC, Wilkes-Barre, Pa.	412,000
Total, Reserve Forces construction	20,912,000
Total, Continental United States	851,751,000

OUTSIDE CONTINENTAL UNITED STATES

Alaskan Air Command: Alaska	22,871,000
Air Materiel Command: France	247,000
Far East Air Force:	
Hawaii	2,711,000
Okinawa	4,908,000
Philippines	3,400,000
Total, Far East Air Force	11,019,000
Military Air Transport Command:	
Azores	9,708,000
Bermuda	7,263,000
Total, Military Air Transport Command	16,971,000

Project program for military construction approved by the Senate Appropriations Committee for execution by the services, fiscal year 1958—Continued

Department of the Air Force

OUTSIDE CONTINENTAL UNITED STATES

Strategic Air Command:	
Canada	$67,566,000
Greenland	15,782,000
Guam	9,260,000
Morocco	1,123,000
Puerto Rico	6,317,000
Spain	11,214,000
United Kingdom	2,011,000
Total, Strategic Air Command	113,273,000
United States Air Forces, Europe:	
AFE, France	2,941,000
AFE, Germany	1,965,000
AFE, Middle East	17,844,000
Greece	2,747,000
Libya	619,000
Saudi Arabia	575,000
Various	13,903,000
AFE, United Kingdom	4,987,000
Total United States Air Forces, Europe	27,737,000
AFOAT overseas	403,000
Aircraft control and warning, overseas:	
Greenland	20,000,000
Canada	568,000
Total, aircraft control and warning overseas	20,568,000
Various locations overseas	2,480,000
Total, outside continental United States	215,569,000
Planning	25,000,000

MINOR CONSTRUCTION

Minor construction	18,000,000

SUPPORT ACTIVITIES

Support activities	31,200,000
Total	1,141,520,000
Less application of Spanish pesetas	19,000,000
Less anticipated reimbursements	4,408,000
Total, new program, Air Force, fiscal year 1958	1,118,112,000

Mr. MANSFIELD obtained the floor.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield to the Senator from Mississippi.

Mr. STENNIS. I thank the Senator from Montana for yielding to me.

Mr. President, for the information of Senators who have asked questions about the matter, I believe the record should reflect that there was authorized for the Air Force Academy, in the original bill, the sum of $126 million. This bill authorizes an additional $8,921,000. The subcommittee held the authorization up for a time, thinking there had been a great abuse of discretion in the construction of the institution.

I believe the cost of construction before it is over, will be $150 million. Computed at a 4-percent interest rate, the annual interest would be $6 million. With the expected rate of graduations, if we should charge the interest to the graduating class, it would amount to more than $10,000 per graduate cadet, for the graduation year, to pay the interest on the debt which that institution will cost the taxpayers. This demonstrates the enormous sum involved and how the cost runs away when the Congress tries to vest an agency with discretion in building an institution which is supposed to serve for a long time.

I make that statement for the information of Senators.

Mr. HUMPHREY. Mr. President, will the Senator yield so that I may ask a question?

Mr. STENNIS. I yield to the Senator from Minnesota for a question.

Mr. HUMPHREY. As a point of information on the appropriation bill we have passed, the item of $375,000 for the World Health Assembly was included, as I recall. Is my understanding correct?

Mr. STENNIS. I do not remember the exact figure, but there is an item in the bill for that purpose. I recall the item.

Mr. HUMPHREY. That is for the World Health Organization.

I understand the item for the emergency ACP program, $25 million, was likewise included. Is my understanding correct?

Mr. STENNIS. That is correct, as I recall. I do not have those figures in my mind, but I believe that is correct.

Mr. HUMPHREY. That is for the drought and flood-relief areas?

Mr. STENNIS. That is correct.

Mr. HUMPHREY. Minnesota, Oklahoma, and other States were included?

Mr. STENNIS. The Senator is correct.

Mr. HUMPHREY. I thank the Senator.

PERMANENT MISSING PERSONS ACT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 997, H. R. 5807, to amend further and make permanent the Missing Persons Act, as amended.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 5807) to amend further and make permanent the Missing Persons Act, as amended.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana [Mr. MANSFIELD]?

There being no objection, the Senate proceeded to consider the bill (H. R. 5807) to amend further and make permanent the Missing Persons Act, as amended, which had been reported from the Committee on Armed Services with amendments on page 1, at the beginning of line 7, to insert "exclusive of part time or intermittent employees or native labor casually hired on an hourly or per diem basis"; on page 4, line 17, after the word "if", to strike out "after an investigation a finding is made that"; in line 20, after the word "of", to strike out "an active" and insert "a"; on page 5, line 11, after the word "and", to strike out "imprisonment." " and insert "imprisonment.", and, after line 11, to insert:

"(c) No part of any amount paid on any claim filed pursuant to subsection (b) of this section in excess of 10 percent of the first $1,000 so paid on such claim, and 7 percent of the amount so paid over $1,000, shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with any such claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any

person violating the provisions of this subsection shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $10,000 or imprisoned not more than 1 year, or both."

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

ORDER FOR ADJOURNMENT TO TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate concludes its business tonight it stand in adjournment until 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, when the Senate convenes tomorrow I ask that there be the usual morning hour for the introduction of bills and the transaction of routine business. I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

CALL OF THE CALENDAR TOMORROW

Mr. MANSFIELD. For the benefit of the Senate, Mr. President, I believe I should reiterate that at the conclusion of the morning hour tomorrow the call of the calendar will be in order, and we shall start the call from the beginning of the calendar.

APPOINTMENT OF REPRESENTATIVES IN ORGANS OF INTERNATIONAL ATOMIC ENERGY AGENCY—CONFERENCE REPORT

Mr. ANDERSON. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8992) to provide for the appointment of representatives of the United States in the organs of the International Atomic Energy Agency, and to make other provisions with respect to the participation of the United States in that Agency, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report, as follows:

CONFERENCE REPORT (H. REPT. No. 1200)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8992) to provide for the appointment of representatives of the United States in the organs of the International Atomic Energy Agency, and to make other provisions with respect to the participation of the United States in that Agency, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment: In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

"Be it enacted, etc. That this Act may be cited as the 'International Atomic Energy Agency Participation Act of 1957'.

"SEC. 2. (a) The President, by and with the advice and consent of the Senate, shall appoint a representative and a deputy representative of the United States to the International Atomic Energy Agency (hereinafter referred to as the 'Agency'), who shall hold office at the pleasure of the President. Such representative and deputy representative shall represent the United States on the Board of Governors of the Agency, may represent the United States at the General Conference, and may serve ex officio as United States representative on any organ of that Agency, and shall perform such other functions in connection with the participation of the United States in the Agency as the President may from time to time direct.

"(b) The President, by and with the advice and consent of the Senate, may appoint or designate from time to time to attend a specified session or specified sessions of the General Conference of the Agency a representative of the United States and such number of alternates as he may determine consistent with the rules of procedure of the General Conference.

"(c) The President may also appoint or designate from time to time such other persons as he may deem necessary to represent the United States in the organs of the Agency. The President may designate any officer of the United States Government, whose appointment is subject to confirmation by the Senate, to act, without additional compensation, for temporary periods as the representative of the United States on the Board of Governors or to the General Conference of the Agency in the absence or disability of the representative and deputy representative appointed under section 2 (a) or in lieu of such representatives in connection with a specified subject matter.

"(d) All persons appointed or designated in pursuance of authority contained in this section shall receive compensation at rates determined by the President upon the basis of duties to be performed but not in excess of rates authorized by sections 411 and 412 of the Foreign Service Act of 1946, as amended (22 U. S. C. 866, 867), for Chiefs of Mission and Foreign Service officers occupying positions of equivalent importance, except that no Member of the Senate or House of Representatives or officer of the United States who is designated under subsection (b) or subsection (c) of this section as a delegate or representative of the United States or as an alternate to attend any specified session or specified sessions of the General Conference shall be entitled to receive such compensation. Any person who receives compensation pursuant to the provisions of this subsection may be granted allowances and benefits not to exceed those received by Chiefs of Mission and Foreign Service officers occupying positions of equivalent importance.

"SEC. 3. The participation of the United States in the International Atomic Energy Agency shall be consistent with and in furtherance of the purposes of the Agency set forth in its Statute and the policy concerning the development, use, and control of atomic energy set forth in the Atomic Energy Act of 1954, as amended. The President shall, from time to time as occasion may require, but not less than once each year, make reports to the Congress on the activities of the International Atomic Energy Agency and on the participation of the United States therein. In addition to any other requirements of law, the Department of State and the Atomic Energy Commission shall keep the Joint Committee on Atomic Energy, the House Committee on Foreign Affairs, and the Senate Committee on Foreign Relations, as appropriate, currently informed with respect to the activities of the Agency and the participation of the United States therein.

"SEC. 4. The representatives provided for in section 2 hereof, when representing the United States in the organs of the Agency, shall, at all times, act in accordance with the instructions of the President, and such representatives shall, in accordance with such instructions, cast any and all votes under the Statute of the International Atomic Energy Agency.

"SEC. 5. There is hereby authorized to be appropriated annually to the Department of State, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary for the payment by the United States of its share of the expenses of the International Atomic Energy Agency as apportioned by the Agency in accordance with paragraph (D) of article XIV of the Statute of the Agency, and for all necessary salaries and expenses of the representatives provided for in section 2 hereof and of their appropriate staffs, including personal services without regard to the civil service laws and the Classification Act of 1949, as amended; travel expenses without regard to the Standardized Government Travel Regulations, as amended, the Travel Expense Act of 1949, as amended, and section 10 of the Act of March 3, 1933, as amended; salaries as authorized by the Foreign Service Act of 1946, as amended, or as authorized by the Atomic Energy Act of 1954, as amended, and expenses and allowances of personnel and dependents as authorized by the Foreign Service Act of 1946, as amended; services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); translating and other services, by contract; hire of passenger motor vehicles and other local transportation; printing and binding without regard to section II of the Act of March 1, 1919 (44 U. S. C. 111); official functions and courtesies; such sums as may be necessary to defray the expenses of United States participation in the Preparatory Commission for the Agency, established pursuant to annex I of the Statute of the Agency; and such other expenses as may be authorized by the Secretary of State.

"SEC. 6. (a) Notwithstanding any other provision of law, Executive order or regulation, a Federal employee who, with the approval of the Federal agency or the head of the department by which he is employed, leaves his position to enter the employ of the Agency shall not be considered for the purposes of the Civil Service Retirement Act, as amended, and the Federal Employees' Group Life Insurance Act of 1954, as amended, as separated from his Federal position during such employment with the Agency but not to extend beyond the first three consecutive years of his entering the employ of the Agency: *Provided,* (1) That he shall pay to the Civil Service Commission within ninety days from the date he is separated without prejudice from the Agency all necessary deductions and agency contributions for coverage under the Civil Service Retirement Act for the period of his employment by the Agency, and (2) That all deductions and agency contributions necessary for continued coverage under the Federal Employees' Group Life Insurance Act of 1954, as amended, shall be made during the term of his employment with the International Atomic Energy Agency. If such employee,

within three years from the date of his employment with the Agency, and within ninety days from the date he is separated without prejudice from the Agency, applies to be restored to his Federal position, he shall within thirty days of such application be restored to such position or to a position of like seniority, status and pay.

"(b) Notwithstanding any other provision of law, Executive order or regulation, any Presidential appointee or elected officer who leaves his position to enter, or who within ninety days after the termination of his position enters, the employ of the Agency, shall be entitled to the coverage and benefits of the Civil Service Retirement Act, as amended, and the Federal Employees' Group Life Insurance Act of 1954, as amended, but not beyond the earlier of either the termination of his employment with the Agency or the expiration of three years from the date he entered employment with the Agency: *Provided*, (1) That he shall pay to the Civil Service Commission within ninety days from the date he is separated without prejudice from the Agency all necessary deductions and agency contributions for coverage under the Civil Service Retirement Act for the period of his employment by the Agency, and (2) That all deductions and agency contributions necessary for continued coverage under the Federal Employees' Group Life Insurance Act of 1954, as amended, shall be made during the term of his employment with the Agency.

"(c) The President is authorized to prescribe such regulations as may be necessary to carry out the provisions of this section and to protect the retirement, insurance and such other civil service rights and privileges as the President may find appropriate.

"SEC. 7. Section 54 of the Atomic Energy Act of 1954, as amended, is amended by adding the following new sentences: 'Unless hereafter otherwise authorized by law the Commission shall be compensated for special nuclear material so distributed at not less than the Commission's published charges applicable to the domestic distribution of such material, except that the Commission to assist and encourage research on peaceful uses or for medical therapy may so distribute without charge during any calendar year only a quantity of such material which at the time of transfer does not exceed in value $10,000 in the case of one nation or $50,000 in the case of any group of nations. The Commission may distribute to the International Atomic Energy Agency, or to any group of nations, only such amounts of special nuclear materials and for such periods of time as are authorized by Congress: *Provided, however*, That, notwithstanding this provision, the Commission is hereby authorized subject to the provisions of section 123, to distribute to the Agency five thousand kilograms of contained uranium-235, together with the amounts of special nuclear material which will match in amount the sum of all quantities of special nuclear materials made available by all other members of the Agency to July 1, 1960.'

"SEC. 8. In the event of an amendment to the Statute of the Agency being adopted in accordance with article XVIII–C of the Statute to which the Senate by formal vote shall refuse its advice and consent, upon notification by the Senate to the President of such refusal to advise and consent, all further authority under sections 2, 3, 4, and 5 of this Act, as amended, shall terminate: *Provided, however*, That the Secretary of State, under such regulations as the President shall promulgate, shall have the necessary authority to complete the prompt and orderly settlement of obligations and commitments to the Agency already incurred and pay salaries, allowances, travel expenses, and other expenses required for a prompt and orderly termination of United States participation in the Agency: *And provided further*, That the representative and the deputy representative of the United States to the Agency, and such other officers or employees representing the United States in the Agency, under such regulations as the President shall promulgate, shall retain their authority under this Act after such time as may be necessary to complete the settlement of matters arising out of the United States participation in the Agency" and the Senate agree to the same.

CLINTON P. ANDERSON,
JOHN O. PASTORE,
ALBERT GORE,
HENRY M. JACKSON,
BOURKE B. HICKENLOOPER,
WILLIAM F. KNOWLAND,
JOHN W. BRICKER,
HENRY DWORSHAK,
Managers on the Part of the Senate.

CARL T. DURHAM,
MELVIN PRICE,
PAUL J. KILDAY,
STERLING COLE,
JAMES E. VAN ZANDT,
Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. ANDERSON. Mr. President, the matter in controversy between the two Houses was the amendment inserted on motion of the Senator from Ohio [Mr. BRICKER], relating to how the materials were to be supplied to the agency. The conference report strikes out the discrimination against the International Atomic Energy Agency and makes the same rule applicable to all groups of nations. It also provides that the allotments may be made for any specified periods of time. Upon that basis the conferees on the part of the Senate and the House were able to reach complete agreement. The report is signed by all conferees. It is brought up by agreement with the able minority leader. I hope the conference report will be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

HOUSE BILL PLACED ON CALENDAR

The bill (H. R. 6080) to provide for the conveyance of certain property of the United States in Gulfport, Miss., to the Gulfport Municipal Separate School District, was read twice by its title and placed on the calendar.

TERMINATION OF VETERANS' EDUCATION APPEALS BOARD

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1020, H. R. 8076.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 8076) to provide for the termination of the Veterans' Education Appeals Board, established to review certain determinations and actions of the Administrator of Veterans' Affairs in connection with education and training for World War II veterans.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

ADJOURNMENT

Mr. MANSFIELD. Mr. President, pursuant to the order previously entered, I move that the Senate adjourn until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 33 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until tomorrow, Tuesday, August 20, 1957, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate August 19, 1957:

IN THE AIR FORCE

The following-named officers under the provisions of section 8066, title 10, of the United States Code, to be assigned to positions of importance and responsibility designated by the President in rank as follows:

Lt. Gen. Leon William Johnson, 88A (major general, Regular Air Force), in the rank of general, United States Air Force.

Maj. Gen. Francis Hopkins Griswold, 94A, Regular Air Force, in the rank of lieutenant general, United States Air Force.

Maj. Gen. William Fulton McKee, 467A, Regular Air Force, in the rank of lieutenant general, United States Air Force.

Maj. Gen. William Dole Eckert, 560A, Regular Air Force, in the rank of lieutenant general, United States Air Force.

COLLECTOR OF CUSTOMS

Frank A. Thornton, of California, to be collector of customs in customs collection district No. 25, with headquarters at San Diego, Calif. (Reappointment.)

INTERNATIONAL MONETARY FUND

Robert B. Anderson, of New York, to be United States Governor of the International Monetary Fund and the International Bank for Reconstruction and Development for the term of 5 years.

POSTMASTERS

ALABAMA

Grant C. Barham, Bridgeport, Ala., in place of V. P. Mickam, retired.

ARKANSAS

Vernoy V. Godwin, Warren, Ark., in place of M. O. McClendon, retired.

CALIFORNIA

Glenn L. Thomas, Baker, Calif., in place of W. M. Anderson, resigned.

John P. Anderson, Lakewood, Calif. Office established December 31, 1956.

COLORADO

Robert W. Martin, Fort Morgan, Colo., in place of W. E. Bales, removed.

FLORIDA

William C. Davis, Leesburg, Fla., in place of A. W. Newett, Sr., deceased.

Walker A. Stanley, Ponce de Leon, Fla., in place of E. D. Padgett, transferred.

Victor Wray Irby, Zolfo Springs, Fla., in place of E. O. Sawyers, retired.

ILLINOIS

Viola Kinman, Hamburg, Ill., in place of E. F. Day, retired.

INDIANA

Charles W. Hudson, Solsberry, Ind., in place of E. J. Myers, retired.

IOWA

Bryce L. Bremser, Dow City, Iowa, in place of W. F. Hulburd, retired.

Ernest K. Woods, Woodburn, Iowa, in place of C. G. Marquis, retired.

LOUISIANA

Eck H. Bozeman, Winnfield, La., in place of S. E. Jenkins, retired.

MARYLAND

Richard R. Sinnisen, Keedysville, Md., in place of T. D. Knode, retired.

MICHIGAN

Lyle G. Kaechele, Caledonia, Mich., in place of S. G. Beckman, resigned.

MINNESOTA

R. Dean Fischer, Brook Park, Minn., in place of S. M. Rasmussen, resigned.

MISSISSIPPI

Burl J. Faulkner, Vicksburg, Miss., in place of C. E. Crook, deceased.

NEW JERSEY

Alice M. Dwyer, Hopatcong, N. J., in place of E. B. Helmrich, retired.

George C. Koeppel, Pennington, N. J., in place of T. H. Reed, retired.

M. Elizabeth Mathis, Rancocas, N. J., in place of M. E. Stevens, retired.

George W. Stader, South Amboy, N. J., in place of T. E. Downs, Jr., resigned.

Gerard G. Bisson, Whippany, N. J., in place of E. M. Fables, retired.

NEW MEXICO

Solomon G. Alvarez, Las Cruces, N. Mex., in place of L. B. Sexton, retired.

OKLAHOMA

Martin M. Cassity, Ardmore, Okla., in place of E. A. Brown, removed.

Charles B. Smith, Barnsdall, Okla., in place of O. E. Cox, deceased.

W. Galen Dunn, Shawnee, Okla., in place of C. W. Craig, resigned .

PENNSYLVANIA

Fay M. Lash, Bobtown, Pa., in place of F. J. Bierer, retired.

John Blackwood, Jr., Center Valley, Pa., in place of O. W. Gehris, retired.

Claude R. Coons, Covington, Pa., in place of F. W. Haverley, retired.

Bernard N. Murphy, Dushore, Pa., in place of B. B. Deegan, retired.

Helen Z. Swanson, Irvine, Pa., in place of C. J. Zuerl, Jr., resigned.

Robert F. Acker, Lake City, Pa., in place of L. A. Gossman, resigned.

Elmer E. Mower, Marcus Hook, Pa., in place of W. H. Heacock, retired.

C. Blaine Strickler, Washington Boro, Pa., in place of B. F. Sherick, deceased.

SOUTH CAROLINA

Marvin F. Carpenter, Graniteville, S. C., in place of F. L. Zimmerman, retired.

TEXAS

W. Marion Higdon, Canyon, Tex., in place of G. J. Harp, retired.

Lenard R. Miller, Talco, Tex., in place of G. L. Barber, retired.

WISCONSIN

Arthur G. Mehring, Port Washington, Wis., in place of J. H. Biever, removed.

CONFIRMATIONS

Executive nominations confirmed by the Senate August 19, 1957:

DEPARTMENT OF DEFENSE

Neil Hosler McElroy, of Ohio, to be Secretary of Defense.

DEPARTMENT OF STATE

James H. Smith, Jr., of Colorado, to be Director of the International Cooperation Administration, Department of State.

DEPARTMENT OF LABOR

John J. Gilhooley, of New York, to be Assistant Secretary of Labor.

MUNICIPAL COURT FOR THE DISTRICT OF COLUMBIA

John Lewis Smith, Jr., of the District of Columbia, to be an associate judge, of the municipal court for the District of Columbia, for the term of 10 years.

THE PUBLIC HEALTH SERVICE

The following candidates for appointment in the Regular Corps of the Public Health Service subject to qualifications therefor as provided by law and regulations:

APPOINTMENT

To be senior assistant sanitarians

Cecilia C. Conrath
Mary L. Skinner
Daniel Sullivan
Robert E. Tumelty
Joseph A. Staton
John E. Baker, Jr.
Demond O'Hara

To be assistant sanitarians

Don M. Huffines.
Richard E. Gallagher.
Charles P. Froom.

To be assistant scientist

Alfred L. Brophy, Jr.

PERMANENT PROMOTION

To be senior assistant surgeons

Stephen R. Dunphy.
Emery A. Johnson.

To be assistant pharmacist

Paul O. Fehnel, Jr.

HOUSE OF REPRESENTATIVES

MONDAY, AUGUST 19, 1957

The House met at 12 o'clock noon.

Rabbi Morris D. Rosenblatt of the Congregation Knesseth Israel, Annapolis, Md., offered the following prayer:

Our Father who art in heaven, we stand before Thee confessing Thy sovereignty and reaffirming our belief that Thou art the Father of all men, the ruler of all lands. In Thy wisdom Thou hast granted us the faculty of appreciating the value of representative government.

We seek Thy guidance and inspiration for those who are charged with the great responsibility of directing the affairs of our Nation. May Thy spirit dwell richly within them as they manifest abiding courage and sincere faith, in the cherished tradition of our Founding Fathers, to work for the safeguarding of freedom, justice, and peace. Grant them loving kindness and patience, understanding and foresight, so that they will ever be warmed by Thy love and nutured by Thy teachings.

Bless also, O Heavenly Father, all the people of our country. In our relations with one another may we ever remember that we are all Thy children, equally dependent upon Thee. Above divisive differences of race, creed, and social station, may we ever feel our common humanity and our common duties of justice and truth. Bring us together into an indissoluble bond of friendship and brotherhood that unitedly we may promote the welfare of our country and increase the happiness of our fellow men. Hear Thou our prayer and bless us with strength and peace. Amen.

The Journal of the proceedings of Friday, August 16, 1957, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Ratchford, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On August 13, 1957:

H. R. 1501. An act for the relief of Beulah I. Reich;

H. R. 2259, an act to provide for the conveyance of all right, title, and interest of the United States to certain real property in Prairie County, Ark.;

H. R. 3071. An act to authorize the Secretary of the Interior to enter into and to execute amendatory contract with the Northport Irrigation District, Nebr.;

H. R. 3276. An act for the relief of Edwin K. Fernandez;

H. R. 3572. An act for the relief of Mrs. Mary Jane Russell;

H. R. 4511. An act to declare a certain portion of Back Cove at Portland, Maine, to be nonnavigable water of the United States;

H. R. 6570. An act to amend the peanut marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended, and for other purposes;

H. R. 7213. An act for the relief of Louis S. Thomas and D. Grace Thomas; and

H. R. 7522. An act to authorize the extension of certain rights to remove timber from lands acquired by the United States.

On August 14, 1957:

H. R. 1348. An act for the relief of Frank E. Gallagher, Jr.;

H. R. 1472. An act for the relief of Anna L. De Angelis;

H. R. 1520. An act for the relief of Mrs. Fusako Takai and Thomas Takai;

H. R. 1536. An act for the relief of Allison B. Clemens;

H. R. 1537. An act for the relief of Jacob Baronian;

H. R. 1552. An act for the relief of William H. Barney;

H. R. 1701. An act for the relief of Abram van Heyningen Hartendorp;

H. R. 1942. An act for the relief of the Sergeant Bluff Consolidated School District.

H. R. 2347. An act for the relief of Robert M. Deckard;

H. R. 2678. An act for the relief of Leona C. Nash;

H. R. 3077. An act that the lake created by the Jim Woodruff Dam on the Apalachicola River located at the confluence of the Flint and Chattahoochee Rivers be known as Lake Seminole;

H. R. 3996. An act to authorize the utilization of a limited amount of storage space in Lake Texoma for the purpose of water supply for the city of Sherman, Tex.;

H. R. 4730. An act for the relief of Mrs. Jennie B. Prescott;

H. R. 4851. An act for the relief of Mrs. M. E. Shelton Pruitt;

H. R. 4932. An act to amend the act of July 11, 1947, to increase the maximum rate of compensation which the director of the Metropolitan Police Force Band may be paid;

H. R. 5081. An act for the relief of Capt. Thomas C. Curtis and Capt. George L. Lane;

H. R. 5220. An act for the relief of the estate of Higa Kensai;

H. R. 5341. An act for the relief of John J. Farrelly;

H. R. 5365. An act for the relief of Robert B. Peterman;

H. R. 5718. An act for the relief of Juanita Gibson Lewis;

H. R. 5953. An act to provide for the construction of sewer and water facilities for the Elko Indian Colony, Nevada;

H. R. 6621. An act for the relief of Mrs. Jane Barnes;

H. J. Res. 322. Joint resolution for the relief of certain aliens;

H. J. Res. 342. Joint resolution granting the consent of Congress to an agreement or compact between the State of New York and the Government of Canada providing for the continued existence of the Buffalo and Fort Erie Public Bridge Authority, and for other purposes;

H. J. Res. 345. Joint resolution authorizing the erection on public grounds in the city of Washington, D. C., of a memorial to the dead of the 2d Infantry Division, United States Forces, World War II, and the Korean conflict; and

H. J. Res. 426. Joint resolution amending a joint resolution making temporary appropriations for the fiscal year 1958, and for other purposes.

On August 16, 1957:

H. R. 988. An act to amend the act of March 4, 1933, to extend by 10 years the period prescribed for determining the rates of toll to be charged for use of the bridge across the Missouri River near Rulo, Mo.;

H. R. 1288. An act for the relief of Ralph Landolfi;

H. R. 1325. An act for the relief of Mrs. Bertha K. Martensen;

H. R. 1446. An act for the relief of Philip J. Denton;

H. R. 1667. An act for the relief of Fred G. Nagle Co.;

H. R. 2346. An act for the relief of Irmgard S. King;

H. R. 3344. An act for the relief of Kenneth F. Ailes;

H. R. 3588. An act for the relief of John R. Hill;

H. R. 3775. An act to amend section 20b of the Interstate Commerce Act in order to require the Interstate Commerce Commission to consider, in stock modification plans, the assents of controlled or controlling stockholders, and for other purposes;

H. R. 4986. An act for the relief of the widow and children of John E. Donahue;

H. R. 5721. An act for the relief of Marian Diane Delphine Sachs;

H. R. 7813. An act to organize and microfilm the papers of Presidents of the United States in the collections of the Library of Congress; and

H. R. 8053. An act to authorize funds available for construction of Indian health facilities to be used to assist in the construction of community hospitals which will serve Indians and non-Indians.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 7383. An act to amend the Atomic Energy Act of 1954, as amended, and for other purposes.

The message also announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 8996. An act to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoint Mr. ANDERSON, Mr. RUSSELL, Mr. PASTORE, Mr. GORE, Mr. JACKSON, Mr. HICKENLOOPER, Mr. KNOWLAND, Mr. BRICKER, and Mr. DWORSHAK to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 1791) entitled "An act to further amend the Reorganization Act of 1949, as amended, so that such act will apply to reorganization plans transmitted to the Congess at any time before June 1, 1959," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. HUMPHREY, Mr. SYMINGTON, Mr. THURMOND, Mr. YARBOROUGH, Mrs. SMITH of Maine, Mr. MARTIN of Iowa, and Mr. CAPEHART to be the conferees on the part of the Senate.

The message also announced that the Vice President has appointed Mr. JOHNSTON of South Carolina and Mr. CARLSON members of the Joint Select Committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers referred to in the report of the Archivist of the United States No. 58–4.

REDUCING PRICES TO INCREASE SALES

Mr. MUMMA. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. MUMMA. Mr. Speaker, I noticed in the papers over the weekend that a suggestion has been made to General Motors and the two other big-three automobile manufacturers that if they would reduce their prices, perhaps they would encourage the automobile business and gain certain unstated benefits in their labor contracts. That brings to my mind a situation that happened in May 1920. Then, without previous notice, John Wanamaker of Philadelphia and New York put a full page ad in the papers that everything in the store was reduced 20 percent, effective immediately; and with no ifs or ands. I think that was the turning point in our economic problem at that time, or at least one of them. There were no ifs or ands about Mr. Wanamaker's proposition, as I happen to know personally, having bought some furniture about a week before the notice was published. I had a nice letter from them saying that I would also get the 20 percent, which made me feel pretty good. I hope there are not too many ifs and ands in the proposition made over the week end. It might start a trend against these ever-rising prices.

THE GRANGE PROPERTY

Mr. MACK of Washington. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. MACK of Washington. Mr. Speaker, less than 3 weeks ago, on August 2, I introduced a bill (H. R. 9066) that would prohibit the General Services Administration from acquiring by condemnation the property of the National Grange in Jackson Square of Washington, D. C., without specific authorization by Congress. No such authorization has been voted.

Since I introduced my bill to save the National Grange property for the Grange, 56 other Members of the House, representing 22 States, have introduced identical bills to mine. Also 12 United States Senators, representing 11 different States, have introduced similar bills in the United States Senate.

The fact that 12 Senators and 56 House Members have introduced identical bills to mine directing the General Services Administration take no arbitrary action in seizing the National Grange property is good proof that the GSA action in starting condemnation of the Grange property does not meet with the approval of Congress.

THE NATIONAL SECURITY ACT

Mr. WALTER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include two statements by myself.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALTER. Mr. Speaker, I have today introduced for appropriate reference an omnibus security bill, designed to deal with each of the several current problems confronting the Nation in the field of internal security. This legislation, entitled the National Security Act, is a result of extensive investigation and study by the staff of the Committee on Un-American Activities, pursuant to committee direction, of numerous proposals made for empowering the Government to combat various aspects of the Communist conspiracy which are not dealt with adequately in our present laws.

I realize, of course, that this legislation cannot be acted upon during the remainder of this session of Congress; nevertheless, I believe its presentation will serve to stimulate additional thought by Members of Congress in the coming months, so that it can be enacted during the next session. There has been much public discussion concerning the effects of recent decisions by the Supreme Court in the field of security; many Members of both Houses have expressed their views on that subject. Those decisions went off—and I use that term advisedly—on alleged infirmities, or deficiencies in existing statutes. Other recent events indicate the need for new legislation.

The bill which I have introduced will serve as a vehicle for a study and reexamination of all aspects of the security program of the United States. There is

no other aspect of our national legislative scene that is more deserving of continuous and careful scrutiny. I welcome the suggestions and comments of all interested persons, in and out of Government. It is my sincere belief that enactment of this bill, in whatever refined form it may achieve after study by Congress, will add another bulwark in the defense of the United States against the insidious poison of Communist conspiracy and subversion.

In brief, this National Security Act amends the Internal Security Act of 1950 by adding 4 new titles, which may in general be summarized as follows:

TITLE III—GENERAL

Precludes abatement of a proceeding before the Subversive Activities Control Board when the organization in question has allegedly reorganized, dissolved, or changed its name.

Amends the Foreign Agents Registration Act with respect to Communist and other subversive propaganda.

Provides for punishment of contemptuous or recalcitrant witnesses before Congressional committees.

Punishes the procurement of a social security card in a false or fictitious name.

Permits enforcement of State anti-seditious statutes to overcome the effect of the Supreme Court decision in the Nelson case.

Precludes Communist lawyers from appearance before Congressional committees or executive departments.

Protects integrity of FBI and other Government files to overcome decision of the Supreme Court in the Jencks case.

Enlarges the statute of limitations in respect to treason, espionage, and so forth, to 15 years.

Punishes certain unauthorized disclosure of national defense information.

Creates an office of the Comptroller of Communist Propaganda in the Bureau of the Customs.

Permits interception of certain communications in the interest of national defense and safety.

Makes membership in the Communist Party a criminal offense.

Redefines "organize" within the purview of the Smith Act to overcome the effect of the decision in the Yates case.

Provides for expatriation of citizens who accept employment by Communist governments.

TITLE IV—FEDERAL EMPLOYEES' SECURITY

Substantially similar to the recommendations of the Wright Commission, this title sets up an all-inclusive method for fairly and effectively dealing with the security problems of Federal civilian employees of the Government.

TITLE V—ARMED FORCES PERSONNEL SECURITY

Substantially similar to the Wright Commission recommendations, title V sets up a complete system for dealing, fairly and effectively, with security problems of Armed Forces personnel.

TITLE VI—IMMIGRATION AND PASSPORT SECURITY

With some modifications, this title adopts the recommendations of the Wright Commission. It contains the following additional salient features.

Provides for revocation of citizenship on the ground of illegality as well as misrepresentation; revises existing law with respect to contents of affidavit of good cause, to overcome effect of the decision in the Zucca case.

Forbids departure of carriers illegally taking a person out of the United States without a passport.

Sets up a procedure for review of applications for United States passports which not only protects the security of the country but also provides an equitable hearing for the applicant.

BORIS MORROS

Mr. WALTER. Mr. Speaker, I would like to express the deep admiration which I am sure that we all feel for the magnificent patriotic efforts of Mr. Boris Morros, who has served this country so well as a counterspy against the Soviet espionage apparatus. Mr. Morros deserves the commendation of every American citizen. The sacrifices and the contributions he has made to the preservation of our freedom exceed even some of the greatest battlefield heroics.

It is significant to note that Mr. Morros came to the United States as an immigrant and that the Soviet agents against whom he worked, on the other hand, included some native-born Americans.

A staff of representatives from the Committee on Un-American Activities interviewed Mr. Morros in New York last Friday. His testimony and the record of his exploits prove that he has earned our lasting thanks and regard.

ATOMIC ENERGY COMMISSION APPROPRIATIONS, 1958

Mr. DURHAM. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 8996, to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes, with a Senate amendment thereto, disagree to the amendment of the Senate, and ask for a conference with the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. DURHAM, PRICE, HOLIFIELD, COLE, and VAN ZANDT.

LATIN AMERICAN POLICY

Mr. PORTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. PORTER. Mr. Speaker, when a member of the Foreign Affairs Committee does not know the difference between recognition of Red China and admission of Red China to the United Nations, his opinions on our Latin American policy cannot be taken seriously. I refer to the gentleman from Connecticut [Mr. MORANO] who made a 25-paragraph speech on this subject last Wednesday and managed to include 13 major factual errors and 9 assertions unsupported by any evidence whatsoever.

Of equal gravity is this gentleman's apparent unwillingness to debate Latin American policy with me. Twice now on the floor he has made prearranged attacks on my views in my absence and without previous notice to me. Does the gentleman believe such tactics fair and courteous within the great traditions of this House? I do not, and I hope the gentleman will see fit to conform with traditions which go to the heart of the efficacy of this House as a deliberative body.

How best to fight communism in Latin America and how to save other American boys from Gerry Murphy's fate are important problems for our Government, including this branch. Misrepresentations and unsupported assertions will only impede the discovery of correct policies.

My remarks on this subject in more detail have been inserted at the close of today's legislative proceedings. I would have presented them orally had the gentleman accepted my invitation this morning to debate these issues on the floor.

THE DROUGHT IN MARYLAND AND VIRGINIA

Mr. CHRISTOPHER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CHRISTOPHER. Mr. Speaker, the States of Virginia and Maryland have just been devastated by one of the worst droughts in the past quarter of a century. Their pastures are just exercise grounds for livestock more or less encircled by a fence.

In Saturday's Evening Star I find this: "A proposal to increase milk prices must be advertised for 3 weeks, and the Commission must hold public hearings before any increase can go into effect."

Mr. Speaker, the question I would like somebody to answer is what commission had to hold hearings for 3 weeks, open hearings, and advertise before the price of steel could be increased? I would like to know what commission had to advertise and hold hearings for 3 weeks before gasoline could be raised 1 cent per gallon at the pump?

It is time that we have a civil-rights bill for American dairy farmers.

AMENDING THE ATOMIC ENERGY ACT OF 1954, AS AMENDED

Mr. DURHAM. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 7383) to amend the Atomic Energy Act of 1954, as amended, and for other purposes, with Senate amendment thereto and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Page 10, line 20, after "conferences," insert: "or other work of the Committee."

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. MARTIN. Mr. Speaker, reserving the right to object, is this agreeable to the leadership on our side of the House?

Mr. DURHAM. It is.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

THE LATE THOMAS LINDSAY BLANTON

Mr. CANNON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON. Mr. Speaker, I regret that I was not on the floor when the gentleman from Texas [Mr. BURLESON] announced the death of our former colleague, Thomas L. Blanton.

No one who served with him could forget the dynamic energy and exceptional ability of this remarkable man.

With uncanny foresight he was one of the first in public life to appreciate the malevolent significance of communism and a local paper in reporting his death states that "Tom Blanton, legendary west Texas champion of Americanism and foe of communism, will be buried today."

Mr. Blanton's career was colorful. Here in the House his bitter denunciation of communism, his criticism of extravagance in Government, and his ringing championship of the cause of woman suffrage were features of the sessions in which he served.

His intense study of the rules of the House and his daily exercise of every possible point of order brought disaster to many carelessly drafted measures and made parliamentary history.

I avail myself of the privilege of extending remarks by including excerpts from a timely editorial carried by the press of his home city:

TOM BLANTON'S CAREER ONE OF UNTIRING ENERGY

To Thomas Lindsay Blanton friendship wasn't a seldom or sometime thing. It was a permanent arrangement under which friends might fight and claw over issues or incidents, but the friendship went right on.

He was pugnacious, relentless, and completely dedicated in pursuing his objectives, but as a Congressman for 20 years from the Abilene district, his services were available to anyone who applied—friend or foe.

In the House he was an iconoclast, assailing with might and main old customs and petty grafts that irked his economical soul. They never came too high for Tom Blanton, and a traditional prerogative never grew too hoary to soften his wrath. He thought the Congressional privilege of sending out garden and flower seeds to constituents who seldom or never used them had served its usefulness, if it ever had any, and he went after it hammer and tongs.

As chairman of the Committee on the District of Columbia he was the unofficial but almost literal mayor of Washington. He thought District firemen and policemen deserved some time off every week with better pay and working conditions, so he unlimbered his heavy siege guns and fired away until they got it.

He trampled on toes in Congress and out, and accumulated many enemies. As a lawmaker, lawyer, judge, and Congressman he hit with everything he had, but in private life, among family and friends, his generosity and hospitality was overwhelming. His energy was appalling.

He was one of the first to point out the inherent danger and viciousness of communism and in Congress more than 20 years ago he tried to have it outlawed.

His love and tenderness for his family was an outstanding trait. He lived to be almost 85, and when he died at Albany Sunday his friends outnumbered his enemies a thousand to one.

May he rest in peace.

U. N. DELEGATE A. S. J. CARNAHAN

Mr. CANNON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON. Mr. Speaker, the appointment by the President of Hon. A. S. J. CARNAHAN, of Missouri, as United States Delegate to the 12th General Assembly of the United Nations has just been announced and the appointment has been messaged to the Senate for confirmation.

The prompt confirmation by the Senate of Mr. CARNAHAN'S appointment is assured as Mr. CARNAHAN has served many years on the House Committee on Foreign Affairs and is chairman of the Subcommittee on International Organization and Movements and is an authority on international relations.

The General Assembly of the United Nations will convene on September 17 and his service there will not in any way interfere with his duties in the House. As a matter of fact it will enhance his usefulness as a Member of the Congress because of the wide contacts and the exceptional opportunities for association and observation, especially in the fields of international control of atomic energy and disarmament.

The St. Louis Post-Dispatch in commenting on the President's appointment said editorially:

MISSOURI'S CARNAHAN TO THE U. N.

President Eisenhower has designated Representative A. S. J. CARNAHAN, of Ellsinore, as a delegate to the U. N. General Assembly. In making this choice the Chief Executive recognizes the quiet, serious, and constructive work of one of the senior Members of the Missouri delegation to Congress.

Representative CARNAHAN was first elected in 1944 and now has six terms of service to his credit. His district is the large eastern Ozarks area marked at its four corners by Jefferson, Osage, Howell, and Wayne Counties. A former rural-school teacher and school administrator in Carter, Reynolds, and Shannon Counties, he has been interested in Congress particularly in education and international relations. In the present session only the chairman and one other House Democrat outrank Mr. CARNAHAN in service on the House Foreign Affairs Committee.

For the Republican delegate to the U. N. General Assembly the President has named Representative WALTER H. JUDD, of Minnesota. He also is a member of the House Foreign Affairs Committee and has demonstrated his intense interest in international relations and peace. The Congressional team of CARNAHAN and JUDD at the U. N. ought to be a good one.

COLUMBIA BASIN PROJECT ACT

Mr. ENGLE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (S. 1482) to amend certain provisions of the Columbia Basin Project Act, and for other purposes, with House amendment thereto, insist on the House amendment and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California. [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. ENGLE, ASPINALL, SISK, MILLER of Nebraska, and SAYLOR.

ADMISSION INTO THE UNITED STATES OF CERTAIN ALIENS

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk (H. J. Res. 323) to facilitate the admission into the United States of certain aliens, with Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Page 2, lines 3, 4, and 5, strike out "For the purposes of the Immigration and Nationality Act, Sofia Kavadias shall be deemed to be a nonquota immigrant" and insert "For the purposes of sections 203 (a) (3) and 205 of the Immigration and Nationality Act, Sofia Kavadias shall be held and considered to be the natural-born alien child of Mr. and Mrs. Georgios Kavadias, lawful permanent residents of the United States."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

WAIVING CERTAIN PROVISIONS OF SECTION 212 (A) OF THE IMMIGRATION AND NATIONALITY ACT IN BEHALF OF CERTAIN ALIENS

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk (H. J. Res. 339) to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens, with Senate amendments thereto and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 4, after line 14, insert:

"SEC. 12. Notwithstanding the provisions of section 212 (a) (6) of the Immigration and Nationality Act, Brigitte Kendziorra may be issued a visa and be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act, under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*, That if the said Brigitte Kendziorra is not entitled to medical care under the Dependents' Medical Care Act (70 Stat. 250), a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act."

Page 4, line 15, strike out "12" and insert "13."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. KEATING. Mr. Speaker, reserving the right to object, may we have an explanation of what this is about?

Mr. WALTER. Mr. Speaker, the Senate added to the resolution recently adopted one more name. The usual investigation was made and we find this is in order.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

GRANTING OF THE STATUS OF PERMANENT RESIDENCE TO CERTAIN ALIENS

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the resolution (H. Con. Res. 171) favoring the granting of the status of permanent residence to certain aliens, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 4, line 24, strike out "Petroff" and insert "Petkoff."

Page 5, after line 11, insert:

"A-7863025, Dzirkalis, Nadina.
"A-6460780, Gralewska, Alicja Iwanska.
"A-7983406, Jong, Siaw Kia.
"A-8091312, Kwong, Wong.
"A-8039679, Yen, Her Dah.
"A-10290659, Wah, Lok."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

H. R. 6452 AND H. R. 9119

Mr. SADLAK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. SADLAK. Mr. Speaker, on March 28 of this year, I introduced H. R. 6452 a bill to reform the income tax rate structure and provide substantial reductions to all income-tax payers over a 5-year period.

I can tell you that the response to this bill has been most heartening. Taxpayers and their groups from all sections of the country have expressed their support for the legislation and hope for enactment. The bill is based on the premise that the central tax problem of our times is the excessive rates of income tax, both the individual rates which rise so rapidly through the middle brackets and the high combined corporate rate. This, especially, is the problem of the new, the small, the growing business, and of the ability of the economy as a whole to provide adequate savings out of current income to insure the capital for steady economic expansion and steady improvement in the standard of living for our citizens. The responses to my bill establish the correctness of this diagnosis, and have fortified my confidence that the only answer to the problem is in this kind of legislation.

At the time I introduced H. R. 6452, the prevailing notion was that tax reduction was dependent on the building up of huge surpluses in 1 year. My theory is that the way to plan for the full amount and right kind of tax reduction to think of more moderate, but repetitive surpluses year after year which can be applied to reducing the senseless rates. I do believe that this approach has received increasing understanding and support in the intervening months.

Mr. Speaker, the present situation has been built up over more than 2 decades, as we have ricocheted from crisis to crisis. I do not believe that any particular group or person in Government is responsible for this situation, but I do deeply believe that all of us in Government have a heavy responsibility to get going on a plan which provides a satisfactory solution within a reasonable time. We cannot get out of the situation by the tax reduction applicable to only 1 year, but in 1 year, we can plan and lay down a legislative program for its resolution over a period of time. That is the purpose of H. R. 6452.

Moreover, it certainly is better to plan for repetitive annual reductions in tax rates, out of increased revenue which comes from economic growth, than to make a tax reduction so large in 1 year that even temporary unbalance in the budget is caused or threatened.

We must recognize that we are dealing with a problem here for which there are no panaceas, but, in my opinion, there is a good solid answer. By forward-scheduling of tax reduction, as provided in H. R. 6452, we do put ourselves, as the Government, in the position of having to justify—should it be necessary—bigger spending and continuation of existing tax rates through any year. This, I believe, will exert a very healthy restraining influence on both the administration and the Congress in foregoing the type of spending commitments which tend to usurp revenue growth dollars instead of making them available for tax reduction. At the same time, the legislation provides adequate safeguards in the form of postponement procedures which, if necessary, could be applied to avoid a renewal of deficit financing because of increased spending resulting from emergency conditions. In short, the legislation preempts a large part of expected revenue growth for return to the taxpayer, but at the same time, offers no threat to continual budget balance.

Mr. Speaker, I introduced H. R. 6452 in no spirit of partisanship; to the contrary, it was my hope that the existence and resulting discussion of this program would contribute or actually lead to the development of a sustained bipartisan movement to reform the income-tax rate structure and establish moderation in all rates as the core of Federal tax policy. Hence, I have been deeply honored and gratified that my good friend and esteemed colleague on the Ways and Means Committee, the gentleman from Florida's Fifth District [Mr. HERLONG], has introduced H. R. 9119, which is identical to H. R. 6452, thus making them companion bills. I hope that this action by the gentleman from Florida [Mr. HERLONG] will become the cementing force necessary for the Ways and Means Committee and this Congress to move forward toward full consideration and enactment of this legislation.

As is well known, Mr. Speaker, when I introduced H. R. 6452, I had high hopes that open hearings on tax reduction would be held by the Ways and Means Committee during this session of Congress and that such hearings might even lead to enactment of this legislation this year. While this was not to be, I am happy that our revered and distinguished chairman, the Honorable JERE COOPER, has scheduled hearings on general tax revision to begin next January 7, 1958.

These hearings will offer the opportunity which I know that taxpayers and their groups have been anticipating. It is inconceivable to me that they will not take full advantage of these hearings to document the cause of the harmful and blighting effect of the present income-tax system on the vitality and steady progress of our economy.

I sincerely hope that these hearings will lead to enactment of the program laid down in H. R. 6452 and H. R. 9119 with the first scheduled reductions effective January 1, 1958.

WALTER H. BERRY—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 228)

The SPEAKER laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I am returning herewith, without my approval, H. R. 6961, for the relief of Walter H. Berry.

The bill proposes payment of $1,097.30 to Mr. Berry for salary lost during his erroneous separation from the Federal

service from May 10, 1947, to September 2, 1947.

Mr. Berry's separation occurred before the act of June 10, 1948 (Public Law 623, 80th Cong.), which makes general provision for the payment of lost compensation to Federal personnel restored to duty following periods of unwarranted separation. Although no valid claim can thus be made under existing law, for reasons of equity, I would be willing to approve a bill granting proper redress. The payment proposed by this bill, however, is inappropriate.

Mr. Berry, at the time of his erroneous separation, received a lump-sum cash payment for 477 hours of unused annual leave. Under existing law, other employees in such circumstances are required either to refund the lump-sum leave payment and have the leave recredited to them or, have the amount of the lump-sum payment deducted from the compensation paid for the period of separation. This employee should be accorded similar treatment.

I have, for this reason, felt obliged to withhold my approval from the bill in its present form.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *August 19, 1957.*

The SPEAKER. The objections of the President will be spread at large upon the Journal, and without objection the bill and message will be referred to the Committee on the Judiciary and ordered to be printed.

There was no objection.

COMMITTEE ON THE JUDICIARY

Mr. CELLER. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may have until midnight tonight to file certain reports.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar Day. The Clerk will call the first bill on the Consent Calendar.

COMMEMORATING THE 100TH ANNIVERSARY OF THE CIVIL WAR

The Clerk called the resolution (H. J. Res. 253) to establish a commission to commemorate the 100th anniversary of the Civil War, and for other purposes.

There being no objection, the Clerk read the resolution, as follows:

Whereas the years 1961–65 will mark the centennial of the American Civil War, the supreme experience in our history as a nation; and

Whereas the sacrifice of our people in that great ordeal was severe in all sections of the land; and

Whereas the far-reaching events of the Civil War established that the United States would remain permanently one nation; and

Whereas the Civil War, the greatest internal crisis through which this Nation passed, forged the unity of this country and the sons of both North and South have subsequently fought side by side for human freedom, justice, and the dignity of the individual among people everywhere; and

Whereas the development and preservation of the national military and battlefield parks contemplates acquisition of the necessary lands to assure perpetual preservation of these great battlefields and the furnishing of improvements to assure proper and adequate visitor understanding and use of these American fields of valor and sacrifice; and

Whereas it is incumbent upon us as a nation to provide for the proper observances of the centennial years of this great and continuing force in our history: Therefore be it

Resolved, etc., That (a) in order to provide for appropriate and nationwide observances and the coordination of ceremonies, there is hereby established a commission to be known as the Civil War Centennial Commission, hereafter in this act referred to as the Commission, which shall be composed of 20 members, as follows:

(1) The President of the United States, President of the Senate, and Speaker of the House of Representatives, who shall be ex officio members of the Commission;

(2) Four Members of the Senate to be appointed by the President of the Senate;

(3) Four Members of the House of Representatives to be appointed by the Speaker of the House of Representatives;

(4) Eight members to be appointed by the President of the United States, and

(5) One member from the Department of the Interior who shall be the Director of the National Park Service or his representative.

(b) The Director of the National Park Service shall call the first meeting for the purpose of electing a Chairman. The Commission, at its discretion, may appoint honorary members, and may establish an advisory council to assist it in its work.

(c) Appointments provided for in this section, with the exception of honorary members, shall be made within 90 days from the date of enactment of this resolution. Vacancies shall be filled in the same manner as the original appointments were made.

SEC. 2. It shall be the duty of the Commission to prepare an overall program to include specific plans for commemorating the 100th anniversary of the Civil War. In preparing its plans and programs, the Commission shall give due consideration to any similar and related plans advanced by State, civic, patriotic, hereditary, and historical bodies, and may designate special committees with representation from the above-mentioned bodies to plan and conduct specific ceremonies. The Commission may give suitable recognition such as the award of medals and certificates or by other appropriate means to persons and organizations for outstanding accomplishments in preserving and writing the history of the Civil War.

SEC. 3. In order to conduct effectively centennial observances on the Civil War battlefields and related historic sites included within the national park system, the Secretary of the Interior, acting through the National Park Service, is authorized to undertake as a part of the mission 66 program, the further preservation and development of such battlefields and sites, at such time and in such manner as will insure that a fitting observance may be held at each such battlefield or site as its centennial occurs during the period 1961–65.

SEC. 4. The President of the United States is authorized and requested to issue proclamations inviting the people of the United States to participate in and observe the centennial anniversaries of the nationally significant historic events, the commemorations of which are provided for herein.

SEC. 5 (a) The Commission is authorized to accept donations of money, property, or personal services; to cooperate with State, civic, patriotic, hereditary, and historical groups and with institutions of learning; and to call upon other Federal departments or agencies for their advice and assistance in carrying out the purposes of this resolution.

(b) The Commission, to such extent as it finds to be necessary, may, without regard to the laws and procedures applicable to Federal agencies, procure supplies, services, and property, and make contracts, expend in furtherance of this resolution funds donated or funds received in pursuance of contracts hereunder, and may exercise those powers that are necessary to enable it to carry out efficiently and in the public interest the purposes of this resolution.

(c) The National Park Service is designated to provide all general administrative services.

SEC. 6. (a) The Commission may employ, without regard to civil service laws or the Classification Act of 1949, an executive director and such employees as may be necessary to carry out its functions.

(b) Expenditures of the Commission shall be paid by the National Park Service as general administrative agent, which shall keep complete records of such expenditures and shall account also for all funds received by the Commission.

(c) A report shall be submitted to the Congress, presenting the preliminary plans of the Commission not later than March 1, 1958. Thereafter, an annual report of the activities of the Commission, including an accounting of funds received and expended, shall be furnished by the Commission to the Congress. A final report shall be made to the Congress no later than May 1, 1966, upon which date the Commission shall terminate.

(d) Any property acquired by the Commission remaining upon its termination may be used by the Secretary of the Interior for purposes of the national park system or may be disposed of as surplus property. The net revenues, after payment of Commission expenses, derived from Commission activities, shall be deposited in the Treasury of the United States.

SEC. 7. (a) The members of the Commission shall serve without compensation, but shall be furnished transportation and be reimbursed at not to exceed $20 per diem, in lieu of subsistence, while engaged in the discharge of their duties provided for in this resolution.

(b) Service of an individual as a member of the Commission shall not be considered as service or employment bringing such individual within the provisions of sections 216, 281, 283, 284, 434, or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes (5 U. S. C. 99); nor shall any member of the Commission by reason of his status as such be deemed to be an officer of the Government within the meaning of the act of April 27, 1916 (5 U. S. C. 101).

SEC. 8. Notwithstanding section 2, of the act of July 31, 1894 (28 Stat. 205), as amended (5 U. S. C. 62), or section 6 of the act of May 10, 1916 (39 Stat. 120), as amended (5 U. S. C. 58, 59), the Chairman of the Commission may appoint to, and employ in, any civilian office or position in the Commission, and pay, any retired commissioned officer, or retired warrant officer, of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, or Public Health Service. The retired status, office, rank, and grade of retired commissioned officers or retired warrant officers, so appointed or employed and, except as provided in section 212 of the act of June 30, 1932 (47 Stat. 406), as amended (5 U. S. C. 59a), any emolument, perquisite, right, privilege, or benefit incident to or arising out of any such status, office, rank, or grade, shall be in no way affected by reason of such appointment to or employment in, or by reason of service in, or acceptance or holding of, any civilian office or position in the Commission or the receipt of the pay thereof.

SEC. 9. There are hereby authorized to be appropriated such funds as may be necessary to carry out the provisions of this resolution,

including an appropriation of not to exceed $100,000 to prepare the preliminary report and plans of the Commission described in section 6 (c).

With the following committee amendments:

Page 2, line 7, strike out the word "twenty" and substitute "eighteen."

Page 2, line 16, strike out "Eight" and substitute "Six."

Page 2, line 17, strike out "United States;" and substitute "United States, two of whom shall be from the Department of Defense;".

Page 7, line 18, strike out the words "including an appropriation of."

Page 7, line 19, after the figure "$100,000," insert a period and strike everything thereafter.

Mr. SCHWENGEL. Mr. Speaker, I have several amendments that I would like to offer.

The SPEAKER. Are the gentleman's amendments to the committee amendments?

Mr. SCHWENGEL. In part, yes. I think they ought to be considered at this point. I would like to say at this time that I have been in contact with the members of the committee, and all the amendments we have proposed have been worked out and agreed to. The author of the bill is on the floor, and I ask him whether or not that is correct.

Mr. FRAZIER. The amendments proposed by the gentleman from Iowa are satisfactory to the committee.

The SPEAKER. The Clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mr. SCHWENGEL:

Page 2, line 12, change the word "four" to "six."

Page 3, line 1, change the word "six" to "twelve."

Page 3, line 6, insert "5 (a) One member from the Library of Congress who shall be the librarian or his representative."

Page 5, line 2, insert after the word resolution the following paragraph:

"All books, manuscripts, miscellaneous printed matter, memorabilia, relics and other materials relating to the Civil War and donated to the Commission may be deposited for permanent preservation in a national, State, or local library or museum or be otherwise disposed of by the Commission in consultation with the Librarian of Congress or the Secretary of the Smithsonian Institution."

Page 5, line 20, insert after the word Commission, "(b) (1) The Commission shall call, at a place of meeting generally convenient, and not later than January 15, 1958, a national assembly of representatives of civic, patriotic, and historical groups whose duty it shall be to consider and make recommendations to the Commission for the most fitting and appropriate way to commemorate the observances of the centennial of the Civil War. The Governors of each of the several States and noncontiguous Territories of the United States shall be invited to appoint representatives to the assembly. When this assembly shall have made its recommendations, it shall be adjourned subject to the call of the Commission."

The amendments were agreed to.

The committee amendments as amended were agreed to.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REIMBURSING OWNERS OF LAND FOR MOVING EXPENSES

The Clerk called the bill (H. R. 6940) to authorize the Secretary of the Interior to reimburse owners of lands acquired under the Federal reclamation laws for their moving expenses, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized, to the extent administratively determined by him to be fair and reasonable, to reimburse the owners and tenants of lands acquired for the construction, operation, or maintenance of a project under the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto), for expenses and other losses and damages incurred by them in the process and as a direct result of such moving of themselves, their families, and their possessions from said lands as is occasioned by said acquisition, which reimbursement shall be in addition to, but not in duplication of, any payments that may otherwise be authorized by law: *Provided*, That the total of such reimbursement to the owners and tenants of any parcel of land shall in no event exceed 25 percent of its fair value, as determined by the Secretary. No payment under this act shall be made unless application therefor, supported by an itemized statement of the expenses, losses, and damages incurred, is submitted to the Secretary within 1 year from the date upon which the premises involved are vacated or, in the case of lands acquired and vacated prior to the date of this act but after July 14, 1952, within 1 year from the date of this act.

SEC. 2. The Secretary may perform any and all acts and make such rules and regulations as he finds necessary and proper for the purpose of carrying out the provisions of this act. All functions performed under this act shall be exempt from the operation of the act of June 11, 1946 (60 Stat. 237), as amended (5 U. S. C. 1001–1011), except as to the requirements of section 3 of said act.

SEC. 3. As used in this act, the term "lands" shall include interests in land; the term "acquisition" and its cognates shall include the exercise of a right-of-way upon lands subject thereto under the act of August 30, 1890 (26 Stat. 371, 391, 43 U. S. C. 945); and the term "fair value" shall, in the case of interests in land and of rights-of way under the act of August 30, 1890, mean a fair value of the interest acquired or of the right-of-way occupied.

SEC. 4. Funds appropriated for the construction, operation, or maintenance of Federal reclamation projects shall also be available for carrying out the provisions of this act.

With the following committee amendments:

Page 1, line 7, strike out the words "a project under the Federal reclamation laws (act of June 17, 1952, 32 Stat. 358, and acts amendatory thereof or supplementary thereto)," and insert "developments under his jurisdiction."

Page 2, line 2, strike out the words "from said lands."

Page 3, line 8, strike out the words "Federal reclamation projects" and insert "developments under the jurisdiction of the Secretary."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended to read: "A bill to authorize the Secretary of the Interior to reimburse owners of lands acquired for developments under his jurisdiction for their moving expenses, and for other purposes."

A motion to reconsider was laid on the table.

ESTABLISHING THE OFFICE OF THE DEPUTY JUDGE ADVOCATE GENERAL OF THE NAVY

The Clerk called the bill (H. R. 8121) to establish the Office of the Deputy Judge Advocate General of the Navy, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 5149 of title 10, United States Code, is amended by—

(1) amending the catchline to read as follows: "Office of the Judge Advocate General: Deputy Judge Advocate General; detail, emoluments, succession to duties."

(2) amending subsection (a) to read as follows: "To assist the Judge Advocate General of the Navy in performing the duties of his office, there shall be a Deputy Judge Advocate General of the Navy detailed as such for a term of 3 years by the Secretary of the Navy, upon the recommendation of the Judge Advocate General, from among officers of the Navy designated for special duty in law, or officers of the Marine Corps who are members of the bar of a Federal court or the highest court of a State or Territory, who have had at least 8 years of experience in legal duties as commissioned officers. An officer may not be detailed to more than one 3-year term as Deputy Judge Advocate General, nor may his term be extended unless he was originally detailed to serve a term of less than 3 years in which case he may be detailed to a further term or terms but not exceeding total service in this office of 3 years."

(3) redesignating subsections "(b)" and "(c)" as "(c)" and "(d)" respectively and adding a new subsection "(b)" reading as follows:

"(b) An officer of the Navy, while serving as the Deputy Judge Advocate General of the Navy, has the rank of rear admiral and is entitled to the basic pay and allowances of a rear admiral in the lower half of that grade, unless under other provisions of law he is entitled to higher pay and allowances. An officer of the Marine Corps, while serving as the Deputy Judge Advocate General of the Navy, has the rank of brigadier general and is entitled to the basic pay and allowances of a brigadier general, unless under other provisions of law he is entitled to a higher grade and the pay and allowances of that grade.

(4) amending the subsection redesignated as "(c)" by deleting the word "Assistant" and substituting therefor the word "Deputy"; and

(5) amending the subsection redesignated as "(d)" by deleting therefrom "(b)" and substituting therefor "(c)", and by deleting the words "Assistant" and substituting therefor the word "Deputy".

SEC. 2. The analysis of chapter 513, title 10, United States Code, is amended by striking out

"5149. Office of the Judge Advocate General: Assistant Judge Advocate General; pay, succession to duties."

and inserting in place thereof the following item:

"5149. Office of the Judge Advocate General: Deputy Judge Advocate General; detail, emoluments, succession to duties."

With the following committee amendment:

On page 3, line 4, after the word "grade." insert the following: "An officer who is retired after having served as Deputy Judge Advocate General for at least 2½ years or who is retired for disability while so serving is entitled to the rank held while so serving with retired pay based on the pay of that grade: *Provided*, That service performed as the Assistant Judge Advocate General after November 1956 shall be counted in computing 2½ years service as Deputy Judge Advocate General."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TRANSFERRING SHELBY COUNTY FROM BEAUMONT DIVISION

The Clerk called the bill (H. R. 2136) to amend section 124 (c) of title 28 of the United States Code so as to transfer Shelby County from the Beaumont to the Tyler division of the eastern district of Texas.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 124 (c) (2) is amended to read as follows:

"(2) The Beaumont division comprises the counties of Hardin, Jasper, Jefferson, Liberty, Newton, Orange, Sabine, San Augustine, and Tyler. Court for the Beaumont division is to be held at Beaumont."

SEC. 2. Section 124 (c) (1) is amended to read as follows:

"(1) The Tyler division comprises the counties of Anderson, Angelina, Cherokee, Gregg, Henderson, Houston, Nacogdoches, Panola, Rains, Rusk, Shelby, Smith, Van Zandt, and Wood. Court for Tyler division will be held at Tyler."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INCREASING AMOUNT OF BENEFITS TO WIDOWS OF FORMER EMPLOYEES OF LIGHTHOUSE SERVICE

The Clerk called the bill (S. 235) to increase from $50 to $75 per month the amount of benefits payable to widows of certain former employees of the Lighthouse Service.

Mr. FORD. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

USE OF CERTAIN LANDS FOR CEMETERY PURPOSES IN NORTH CAROLINA

The Clerk called the bill (H. R. 1262) to authorize and direct the Administrator of Veterans' Affairs to accept certain land in Buncombe County, N. C., for cemetery purposes.

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

REDEFINING TERM "STATE" UNDER PUBLIC LAW 550, 82D CONGRESS, AND PUBLIC LAW 634, 84TH CONGRESS

The Clerk called the bill (H. R. 7251) to amend the definition of the term "State" in the Veterans' Readjustment Assistance Act and the War Orphans' Educational Assistance Act to clarify the question of whether the benefits of those acts may be afforded to persons pursuing a program of education or training in the Panama Canal Zone.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 201 (9) of the Veterans' Readjustment Assistance Act of 1952 and section 102 (a) (11) of the War Orphans' Educational Assistance Act of 1956 are each amended by striking all words after the word "State" and inserting the following in lieu thereof: "means each of the several States, the Territories, and possessions of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and the Panama Canal Zone."

SEC. 2. The amendment made by this act to section 201 (9) of the Veterans' Readjustment Assistance Act of 1952 shall be deemed to have been in effect since July 16, 1952.

With the following committee amendment:

On page 2, immediately after line 7, insert the following:

"SEC. 3. (a) Section 304 (c) of the War Orphans' Educational Assistance Act of 1956 is amended by inserting immediately after 'State' the following: 'or in the Republic of the Philippines.'

"(b) Section 308 (b) (2) of such act is amended by inserting immediately after 'State law' the following: '(or in the case of of the Republic of the Philippines, Philippine law).'

"(c) Section 501 of such act is amended by adding at the end thereof the following:

"'(f) Where any provision of this act authorizes or requires any function, power, or duty to be exercised by a State, or by any officer or agency thereof, such function, power, or duty shall, with respect to the Republic of the Philippines, be exercised by the Administrator.'"

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RECREATION AND WELFARE OF COAST GUARD PERSONNEL AND SCHOOLING OF THEIR DEPENDENTS

The Clerk called the bill (H. R. 3018) to amend title 14, United States Code, entitled "Coast Guard," to authorize expenditures for recreation and welfare of Coast Guard personnel and the schooling of their dependent children.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. FORD. Mr. Speaker, reserving the right to object, I should like to ask the chairman of the Committee on Merchant Marine and Fisheries whether the enactment of this bill would coincide with the dollar amount limitation which is imposed upon Army, Navy, and Air Force for the schooling of dependent children. It is my recollection that in the Department of Defense appropriation bill for the fiscal year 1958, the dollar amount average of school cost for dependent children was $245. I see nothing in this bill which would impose the same limitation on the Coast Guard as is imposed on the other three branches of the armed services.

Mr. BONNER. Mr. Speaker, there is no limitation. The Appropriations Committee could impose a limitation. I have an amendment to offer to the bill to bring them in line with the existing law for the other services. The reason the amendment is offered now is because there was a mistake in the printing when the bill was brought to the House.

Mr. FORD. Would the chairman of the committee read the amendment so that we may be fully informed as to whether it coincides with the limitation placed on the other services?

Mr. BONNER. That is not what we are talking about now. This amendment provides that section 3648 of the Revised Statutes shall not apply to payments made under this section.

That would give the Coast Guard the opportunity to pay for the schooling of these children in advance; that is all.

Mr. FORD. Under existing law the Army, for example, may pay up to an average of $245 per child for dependent children's schooling on a worldwide basis. That limitation is imposed in the appropriation bill for the Department of Defense. We have increased it gradually from year to year. But I see no reason why the Coast Guard should have the right to pay more than the Army, Navy, and Air Force are permitted to pay. What I want to know is, is there any limitation in this bill that is applicable to the Coast Guard?

Mr. BONNER. The parallel the gentleman draws is fixed in the appropriation. There is no limitation in either, but the Committee on Appropriations fixes a limitation. This permanently authorizes the Coast Guard to have the identical privilege that the other services have.

Mr. FORD. But if there is no limitation dollarwise, then the Coast Guard is getting an open-end right and the other services have no such right.

Mr. BONNER. As I said before, the Committee on Appropriations fixes a limitation in the appropriation, and continues to do so. The other legislation is not fixed as to the limit. This merely permanently authorizes the Coast Guard to have the same privilege.

Mr. FORD. It is not the intention of the gentleman's committee to give them an open-end right?

Mr. BONNER. No; it is not the intention that they should have any advantage over the other services, with respect to this.

Mr. FORD. What the gentleman wants is basic authority to make the payment?

Mr. BONNER. That is correct.

Mr. FORD. And the gentleman will depend on the Committee on Appropriations to make an overall limitation which is uniform as to the Army, Navy, Air Force, and Coast Guard?

Mr. BONNER. The gentleman is absolutely correct. That is what is expected.

Mr. FORD. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That chapter 13 of title 14, United States Code, is amended by adding at the end thereof the following new sections:

"§ 512. Payments for schooling for dependent children.

"Except as otherwise authorized by the act of September 30, 1950, as amended (64 Stat. 1100; U. S. C., title 20, secs. 236–244), the Coast Guard may, under regulations prescribed by the Secretary, make necessary expenditures by reimbursement or otherwise, for the elementary and secondary education of minor dependents of, and residing with, Coast Guard military personnel stationed outside the continental limits of the United States, including the cost of tuition, board, and room, correspondence courses, usual expenses, and, whenever adequate elementary and secondary educational facilities are not available in the locality, transportation of such minor dependents to and from the nearest locality where such facilities are available.

"§ 513. Recreation and welfare of personnel.

"Under regulations prescribed by the Secretary, the Coast Guard may make expenditures for the recreation and welfare of personnel."

SEC. 2. The analysis of chapter 13 of title 14, United States Code, is amended by adding at the end thereof the following new items:

"§ 512. Payments for schooling for dependent children.

"§ 513. Recreation and welfare of personnel."

Mr. BONNER. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BONNER: Add the following sentence at the end of section 512 of the bill: "Section 3648 of the Revised Statutes shall not apply to payments made under this section."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CITY OF GLOUCESTER, MASS.

The Clerk called the bill (H. R. 3748) to provide for the conveyance of certain lands of the United States to the city of Gloucester, Mass.

The SPEAKER pro tempore (Mr. WILLIS). Is there objection to the present consideration of the bill?

There was no objection.

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent that a similar Senate bill, S. 1113, be considered in lieu of the House bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Administrator, General Services Administration is authorized and directed to convey by quitclaim deed to the city of Gloucester, Mass., the following described property:

All that tract of land known as Ten Pound Island, with improvements thereon, lying in Gloucester Harbor, county of Essex, Commonwealth of Massachusetts, ceded to the United States by the Commonwealth of Massachusetts on June 14, 1820, and also conveyed by the town of Gloucester, Mass., by quitclaim deed dated July 14, 1820, and recorded in book C, page 189, records of Essex County, excepting a parcel to be retained by the United States for aids-to-navigation purposes, described as follows:

Beginning at a drill hole in ledge located 18 feet north 80 degrees 00 minutes west from center of the existing light tower, thence (1) north 62 degrees 00 minutes west 30.0 feet to a point, thence (2) south 28 degrees 00 minutes west 30.0 feet to a point, thence (3) south 62 degrees 00 minutes east 30.0 feet to a point, thence (4) north 28 degrees 00 minutes east 30.0 feet to the point of beginning.

Together with an easement from the shore to the retained plot of land above described for power and control cables and the right of ingress and egress by the most convenient route from the beach or pier to the retained plot and the right to use the pier.

The lands to be conveyed herein comprise 3.5 acres more or less.

No structure shall be built on the island within an area lying between a line with true azimuth of 50 degrees 00 minutes from the new location of light and fog signal (old bell tower) through an arc counterclockwise around to a line with true azimuth of 146 degrees 00 minutes from the new location of light and fog signal, the height of which structure will obstruct the light and/or fog signal in any way as observed or heard from any boats in Gloucester Harbor, which may be located in the area lying within the 264 degrees arc bounded by lines having the true azimuths noted above.

SEC. 2. The conveyance authorized by this act shall be subject to the condition that the city of Gloucester pay to the Administrator of General Services, as consideration for the improvements conveyed, an amount equal to 50 percent of the fair market value of such improvements as determined by the Administrator after appraisal of such improvements.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 3748) was laid on the table.

DISPOSAL OF PROPERTY IN COULEE DAM AREA

The Clerk called the bill (S. 1574) to provide for the disposal of certain Federal property in the Coulee Dam and Grand Coulee areas, to provide assistance in the establishment of a municipality incorporated under the laws of Washington, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That it is the purpose of this act, in connection with the Columbia Basin project, to authorize the disposal of certain Federal property in the unincorporated area in the State of Washington commonly known as the town of Coulee Dam in order that the United States may withdraw from the ownership and operation of the town and that the people of that area may enjoy self-government, to facilitate the establishment by them of a municipal corporation under the laws of the State of Washington, and to authorize the disposal of certain Federal property in and in the immediate vicinity of the city of Grand Coulee, Wash., in order to reduce restrictions on the growth thereof. The area herein referred to as the town area is situated in Douglas, Grant, and Okanogan counties and comprises the following lands:

Douglas County: Township 29 north, range 30 east, Willamette meridian, section 36, lots 2, 3, 4, east half southwest quarter and southwest quarter southwest quarter.

Grant County: Township 28 north, range 30 east, Willamette meridian, section 1, lots 1 and 2.

Okanogan County: Township 28 north, range 31 east, Willamette meridian, section 6, lot 3.

Township 29 north, range 30 east, Willamette meridian, section 36, lots 5, 6, and 7.

Township 29 north, range 31 east, Willamette meridian, section 30, all those portions of the south 300 feet of lot 4 included within the area conveyed to the United States of America by warranty deed executed by Charles E. Hopkins, and others on September 11, 1946, and recorded in book 107 of deeds at pages 175 and 176 under Okanogan County auditor's file numbered 346972 and by warranty deed executed by Charles E. Hopkins, and others on November 7, 1945, recorded in book 102 of deeds at pages 441 and 442 under Okanogan County auditor's file No. 339487.

Section 31, west half northeast quarter, southeast quarter northwest quarter, east half southwest quarter, northwest quarter northwest quarter southeast quarter, and lots 1, 2, 3, and 4.

The area herein referred to as the Grand Coulee area is situated in Grant County and comprises the following lands:

Township 28 north, range 30 east, Willamette meridian, section 11, south one-half north one-half, north one-half southwest one-quarter, northeast one-quarter southeast one-quarter.

The term "the municipality", as used in this act, refers to any municipal corporation organized hereafter embracing any part of the town area described.

SEC. 2. Except for property, disposal of which is authorized under section 6 of this act, the Secretary of the Interior, hereinafter referred to as the Secretary, is authorized to sell all lands and improvements situated in the town and Grand Coulee areas which was acquired or built by the United States for the construction, operation, and maintenance of Grand Coulee Dam and its appurtenant works and which is not needed for Federal purposes. Such disposals shall be made in accordance with the terms and conditions set forth in section 3 of this act, but lands to be sold in the Grand Coulee area shall be sold at public sale to the highest responsible bidder.

SEC. 3. (a) All land authorized to be sold under section 2 of this act which, when offered for sale, is occupied by improvements owned by the United States shall be sold with the improvements in place.

(b) Of the property authorized to be sold under section 2 of this act, lands in the town area occupied by dwelling units shall be sold in accordance with the following terms and conditions:

(1) First priority to purchase shall be given to the tenant of the United States in the town area who occupies the land and dwelling unit to be sold. Such dwelling unit shall be offered at the appraised value as established under section 5 less any applicable discounts under this act. This right of priority shall expire unless a deposit of earnest money in an amount to be fixed by the Secretary is received by him before the expiration of sixty days after the date on which the property has been offered for sale, and the right of priority shall be deemed abandoned unless within an additional one hundred and eighty days the prospective

purchaser shall have signed a contract to purchase the property.

Any tenant having a priority under (1) who desires to continue to rent the property occupied by him rather than to purchase it may assign his priority to a person who has entered into a valid contract to lease the property back to him. The Secretary may permit such other assignments of priorities under (1) as he finds to be fair and equitable. Assignments under this paragraph shall be subject to such general rules and regulations as the Secretary may prescribe, including denial, in any instance where the Secretary in his judgment finds it proper, to the assignee concerned, or his successors, assigns, or legal representatives, of any discount in or rebate of the purchase price to which such person or persons would otherwise be entitled under this act.

(2) Second priority to purchase shall apply to property in the town area not purchased under (1) and shall be given to persons who are tenants of the United States in Federal housing in the town area or who would meet the requirements for eligibility to become such tenants under the most recent regulations of the Bureau of Reclamation for the assignment of persons to Federal housing in the town area. Applicants to purchase shall be placed in order of opportunity to choose pursuant to a public drawing, but spouses of such applicants shall not be entitled to apply. Sales shall be at the appraised value as established under section 5, less applicable discounts under this act. Selection of dwelling units by successful applicants, to be accompanied by a deposit of earnest money fixed as under (1), shall be concluded within limits of time established by the Secretary, and thereafter the purchase shall be concluded in the same manner as provided under (1). A purchase under (1) or (2) shall render the purchaser and any spouse of such purchaser ineligible thereafter to purchase under either (1) or (2).

(3) Property not sold under (1) or (2) shall be opened to bids from the general public and shall be sold to the highest responsible bidder.

(c) (1) Of the property authorized to be sold under section 2 of this act, land in the town area occupied by privately owned improvements shall be offered for sale to the owner of such improvements at the appraised value as established under section 5 less applicable discounts under this act. This preference right shall expire unless a deposit of earnest money in an amount to be fixed by the Secretary is received by the Secretary before the expiration of 60 days after the date on which the property has been offered for sale, and thereafter the purchase shall be concluded in the same manner as provided under subsection (d) (1) of this section.

(2) Land not purchased by the owner of the improvements (except church or hospital improvements) thereon under (1) shall be made available for sale for a period of 30 days to those eligible for purchase under subsection (f) of this section, and thereafter shall be opened to bids from the general public and sold to the highest responsible bidder.

(3) Land with church or hospital improvements thereon which has not been purchased by the owners of the improvements under (1) may be disposed of by advertising and competitive bids, or by negotiated sale or other transfer at such prices and on such other terms and conditions as the Secretary shall determine to be fair and equitable.

(d) (1) Of the property authorized to be sold under section 2 of this act, land in the town area occupied by improvements owned by the United States other than dwelling units shall be offered to the lessee of the United States in such improvements at the appraised value as established under section 5 less applicable discounts under this act: *Provided*, That where there is more than one lessee in a given improvement and the Secretary finds it impractical to offer each lessee an interest in the property, the Secretary, pursuant to such standards as he deems appropriate, shall designate an order of priority among such lessees for acceptance of the offer of sale of such property, which shall be sold at the appraised value as established under section 5 less applicable discounts under this act and pursuant to such other terms and conditions as the Secretary deems proper. Any preference or priority right under this paragraph shall expire unless a deposit of earnest money in an amount to be fixed by the Secretary is received by the Secretary before the expiration of 60 days after the date on which the property has been offered for sale, and thereafter the purchase shall be concluded in the same manner as provided under subsection (b) (1) of this section.

(2) Property referred to in (1) which is not under lease granted by the United States or which has not been purchased under (1) shall be made available for sale for a period of 30 days to those eligible for purchase under subsection (f) of this section and thereafter may be opened to bids from the general public and sold to the highest responsible bidder.

(e) Of the property authorized to be sold under section 2 of this act, land in the town area which has not been improved or land from which the improvements have been removed shall be sold in accordance with the following terms and conditions.

(1) Residential property in the town area shall be offered for sale to persons who are tenants of the United States in Federal housing in the town area or who would meet the requirements for eligibility to become such tenants under the most recent regulations of the Bureau of Reclamation for the assignment of persons to Federal housing in the town area. Applicants to purchase shall be placed in order of opportunity to choose pursuant to a public drawing. No application shall be accepted from the spouse of any applicant or from a person, or the spouse of such person, who owns, has owned, or has contracted to buy other residential property in the town area. Sales shall be at the appraised value as established under section 5 less applicable discounts under this act, and selection and purchase under this priority by successful applicants shall be concluded within limits of time to be established by the Secretary. Residential property which is not sold under the preceding provisions of this subsection shall be open to bids from the general public and shall be sold to the highest responsible bidder.

(2) Property which at the time of sale is zoned for other than residential use, except such as is disposed of under subsection (f) of this section and land with church or hospital improvements thereon, shall be open to bids from the general public and shall be sold to the highest responsible bidder.

(f) Of the property in the town area authorized to be sold under section 2 of this act, except that which is covered by subsections (b), (c) (3), and (e) (1) of this section, land not purchased by the holders of a priority or preference under this section shall, for 30 days following the period during which holders of a priority or preference could purchase the same, be offered for sale at the appraised value as established under section 5 less applicable discounts under this act to persons leasing property in the town area from the United States for business or commercial uses. The Secretary may, in his discretion, permit more than one lot to be included in a single purchase, but only if the property to be purchased is compact contiguous areas. If two or more applicants to purchase under this subsection desire the same property, their order of opportunity to purchase shall be determined pursuant to a public drawing. A purchase under this subsection shall render the purchaser and any spouse of such purchaser ineligible either to make an additional purchase under this subsection or to purchase the business or commercial property he is renting from the United States.

(g) Any improvement owned by the United States located on lands in the town area subject to being purchased by the holder of a priority or preference right hereunder and not purchased, after being offered for sale, within 1 year following the expiration of the period within which the priority or preference right can be exercised, may be opened to bids from the general public and may be sold to the highest responsible bidder.

(h) In all public sales of property under this act to the highest responsible bidder, which shall include all sales of property to be sold in the Grand Coulee area, the Secretary shall reserve the right to reject all bids; and, in the event all bids are less than the appraised value of the property as established under section 5 or in the event no bids are received, the property shall be available for sale to the first taker from the general public at not less than aforesaid appraised value until all such property has been sold.

(i) (1) Whenever the Secretary, on presentation of adequate evidence by a prospective purchaser or purchasers under subsections (b) (1) or (b) (2) of this section, shall determine that financing of purchases on reasonable terms cannot be arranged from other sources, he is authorized to enter into contracts with such purchasers under which the purchaser would not be required to make a downpayment of more than 10 percent of the appraised value of the property as established under section 5 less applicable discounts under this act and the remainder of the repayment obligation shall be paid on terms as to amount, repayment period, installments, and interest rate not more favorable to the purchasers than those which would be available were the purchases to be financed under mortgages eligible for insurance under subsection 223 (a) of the National Housing Act, as herein amended: *Provided*, That the Secretary may increase the interest rate by additional components equal to the premium being charged (and any periodic service charge being authorized by the Federal Housing Commissioner for property of a similar character) under subsection 223 (a) of the National Housing Act, as herein amended, at the effective date of the aforesaid contracts.

(2) Whenever the Secretary, on presentation of adequate evidence by a prospective purchaser or purchasers under subsections (c) (1), (d) (1), or (f) of this section, shall determine that financing of purchases on reasonable terms cannot be arranged from other sources, he is authorized to enter into contracts with such purchasers under which the purchaser would not be required to make a downpayment of more than 10 percent of the appraised value of the property as established under section 5, less applicable discounts under this act. The remainder of the repayment obligation shall be paid with such terms as to amount, repayment period, installments, and interest rate as the Secretary shall determine to be fair and equitable.

(3) The Secretary may assign any installment contract under this section at such times and on such terms and conditions as he deems appropriate. Any such assignment made at a discount shall be defeasible if within 60 days after receipt of notification of such assignment the original obligor of the

assigned contract, or his successors, assigns, or legal representative, shall cause to be received by the Secretary a tender of the amount for which such assignment was made, in which event such tender shall be accepted as full payment of the contract.

(j) Except in the case of property sold to the highest responsible bidder under this section persons purchasing property under this section or property sold to the first taker from the general public under subsection (h) of this section or by negotiated sale under subsection (c) (3) of this section, or their successors, assigns, or legal representatives, shall be entitled to a discount in the purchase price at the time they enter into a purchase contract equal to 5 percent of its appraised value as established under section 5 and, in the event of incorporation of the municipality within 4 years from the date of this act, they shall be entitled to an additional discount in the purchase price (or rebate as appropriate) equal to 10 percent of the aforesaid appraised value.

(k) In establishing rules and regulations governing sales of property in the town area under this section, and in determining the terms and conditions of such sales other than those prescribed in this act, the Secretary shall consult with the representatives of the Coulee Dam community as determined by him.

SEC. 4. Paragraph (3) of subsection 223 (a) of the National Housing Act, as amended, is hereby amended by inserting after the words "Tennessee Valley Authority" the words ", or of any housing under the jurisdiction of the Department of the Interior located within the town area of Coulee Dam, Washington, acquired by the United States for the construction, operation, and maintenance of Grand Coulee Dam and its appurtenant works: *Provided*, That for the purpose of the application of this title to sales by the Secretary of the Interior pursuant to subsections 3 (b) (1) and 3 (b) (2) of the Coulee Dam Community Act of 1957, the selling price of the property involved shall be deemed to be the appraised value."

SEC. 5. The appraised values referred to in section 3 of this act shall be determined from time to time for a period of 5 years after the date of this act by the Administrator of Housing and Home Finance Agency or his designee at the request of the Secretary. Thereafter, the Secretary may make such reappraisals as he deems necessary. Appraisals or reappraisals in the town area shall be made only after representatives of the Coulee Dam community, as determined by the Secretary, and of the Columbia Basin Commission, or such corresponding organization as may succeed it, have been granted an opportunity to offer advice. All appraisals and reappraisals shall be made on the basis of the properties' fair market value in the locality. In the sale of property to a tenant under subsections 3 (b) (1) and 3 (d) (1) of this act, the value of structural improvements made at such tenant's own expense shall, to the extent the appraiser or appraisers hereunder determine that such improvements actually enhance the value of the property, be deducted from what would otherwise be the appraised value of the property to be sold; and the difference shall be deemed the appraised value for the purposes of this act.

SEC. 6. The Secretary is authorized to transfer without cost out of the properties in his custody within the town and Grand Coulee areas ownership of—

(a) any Federally owned municipal-type property and facilities together with rights-of-way therefor, equipment, materials, and supplies, in or serving said areas, including but not limited to the sewer, water, fire-alarm, street-lighting, electric feeder lines, and power-distribution systems, and the highways, streets, alleys, sidewalks, parks, and parking areas to the municipality or Grand Coulee if their respective areas are substantially served by such properties. Any such transfer to the municipality, however, will not be made unless the town area or a part thereof is incorporated within 4 years from the date of this act;

(b) the school buildings and grounds, athletic fields, tennis courts, and other properties currently used for educational purposes to the appropriate school district; and

(c) highway improvements in and connecting the town and Grand Coulee areas and the bridge across the Columbia River, together with the necessary rights-of-way therefor to the State of Washington.

SEC. 7. (a) There is hereby made available out of the proceeds of sales made pursuant to section 3 of this act an amount not to exceed $130,000 for expenditure, directly or through the local units of government involved, for work in connection with the disposal of sewage in the immediate vicinity of the town of Coulee Dam and the city of Grand Coulee, including betterment work on the existing open drain along the north side of the highway through the city of Grand Coulee. Of this amount the Secretary shall pay not more than $100,000 to Grand Coulee and not more than $30,000 to the municipality. Except to the extent that any expenditures have been made directly as provided in the preceding sentence, the Secretary shall, upon application, pay to Grand Coulee the amount of $10,000 and to the municipality the amount of $3,000 for engineering surveys and drafting of specifications for proposed construction and/or improvement of sewage disposal and drainage facilities. After final drawings and specifications have been approved by the Secretary and the construction contracts have been entered into, the Secretary shall pay monthly to Grand Coulee and to the municipality additional amounts equivalent to earnings under their contracts as evidenced by construction progress reports certified by their contractors and by Grand Coulee and the municipality, but not to exceed a total of $90,000 for the former and $27,000 for the latter.

(b) Subject to the provisions of subsection 9 (a) of this act, the following amounts shall be made available, out of the proceeds of sales made pursuant to section 3 of this act, to the municipality if incorporated within 4 years from the date of this act: (1) On incorporation, $44,000; (2) at the end of 1 year after incorporation, $21,000; and (3) at the end of 2 years after incorporation, $15,000.

(c) The Secretary is hereby authorized to make available as herein provided, as power and energy reserved for the operation and maintenance of the Columbia Basin project, for users in the town area and, to other communities within 3½ miles of Grand Coulee Dam which are served by municipally owned distribution systems such amount of power and energy as, in his judgment, is needed to meet load requirements for space-heating purposes existing at the time of incorporation of the municipality. Such power and energy may be made available directly to the users or indirectly through distributing agencies, for a period of 10 years from the date of this act, and may be at such special rates as the Secretary finds to be proper but at not less than cost.

SEC. 8. Property sold under any contract deferring transfer of title pending payment of the purchase price upon recordation of such contract in the county records shall be subject to the provisions of the laws of the State of Washington relating to the assessment and collection of property taxes, and to liens for such taxes and to all proceedings for the enforcement thereof, in the same manner and to the same extent as privately owned property. The United States does not assume any obligation for the amounts so assessed or taxed; and any proceedings to enforce them shall be subject to any title then remaining in the United States and to any prior lien reserved to the United States for unpaid installments under sale contracts made hereunder.

SEC. 9 (a) All proceedings from sales of property (including the assignment of contracts) authorized under section 2 of this act are hereby appropriated for expenditure by the Secretary for (1) expenses of disposal of Federal property under this act, including rebates, where appropriate, to vendees of the United States entitled to the discount provided under section 3 of this act for attainment of early incorporation of the municipality, and (2) for purposes authorized in subsection 7 (a) and (1) of subsection 7 (b) of this act: *Provided*, That amounts referred to in (2) and (3) of subsection 7 (b) of this act shall be expended only after specific appropriation has been made by Congress therefor. So much of the aforesaid proceeds as is in excess of amounts which may be necessary for expenditures referred to in this subsection shall be covered into the reclamation fund.

(b) Transfers under this act of Federal property to non-Federal ownership shall not result in any diminution of the reimbursable costs of the Columbia Basin project except to the extent that any net proceeds from sales of property under this act are credited to said project.

SEC. 10. Transfers of Federal property under this act shall not impair rights under leases granted by the United States.

SEC. 11. (a) The Secretary is authorized to perform such acts, to make such rules and regulations, and to include in any contracts and conveyances such provisions as he deems proper for the purpose of carrying out the provisions of this act, including provisions for payment for furnishing of municipal facilities and services while such facilities and services are provided by the United States and for the establishment of liens in connection therewith. There are hereby authorized to be appropriated such sums, not otherwise appropriated, as may be required to carry out the purposes of this act. Wherever in this act functions, powers, and other duties are conferred upon the Secretary, such functions, powers, and duties may be performed, exercised, or discharged by his duly authorized representatives.

(b) The Secretary is authorized to enter into contracts with the municipality whereby either party might undertake to render to the other such services in aid of the performance of activities and functions of the municipality and of the Department of the Interior within or near Coulee Dam as will, in the Secretary's judgment, contribute substantially to the efficiency or economy of the operations of the Department of the Interior.

(c) The authority conferred by this act is in addition to any authority conferred by any other law and shall not be subject to the provisions of any law inconsistent herewith.

SEC. 12. This act may be cited as the "Coulee Dam Community Act of 1957."

With the following committee amendments:

Page 4, line 15, strike out the word "Such" and insert the words "The land and."

Page 10, lines 7 and 8, strike out the words "compact contiguous areas." and insert "compact and contiguous."

Page 13, strike out all of lines 5, 6, 7, and 8, and insert in lieu thereof "responsible bidder under this section or property sold to the first taker from the general public under subsection (h) of this section or by negotiated sale under subsection (c) (3) of this section, persons purchasing property under this section."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DISPOSAL OF CERTAIN UNCOMPLETED VESSELS

The Clerk called the bill (H. R. 8547) to authorize the disposal of certain uncompleted vessels.

Mr. NATCHER. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

PRESERVATION OF COMPETITIVE THROUGH ROUTES FOR RAIL CARRIERS

The Clerk called the bill (H. R. 5384) to amend the Interstate Commerce Act to provide for the preservation of competitive through routes for rail carriers.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

RECONDITIONING OR REMODELING OF VESSELS

The Clerk called the bill (H. R. 2397) to amend section 702 of the Merchant Marine Act, 1936, in order to authorize the construction, reconditioning, or remodeling of vessels under the provisions of such section in shipyards in the continental United States.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. BONNER. Mr. Speaker, I ask unanimous consent that a similar Senate bill, S. 534, be considered in lieu of the House bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That section 702 of the Merchant Marine Act, of 1936, is amended by striking out "in domestic yards, on the Atlantic and Gulf and Pacific coasts," and inserting in lieu thereof "in shipyards in the continental United States."

The bill was ordered to be read a third time, was read the third time, and passed, and on a motion to reconsider was laid on the table.

A similar House bill (H. R. 2397) was laid on the table.

INSPECTION AND CERTIFICATION OF CERTAIN VESSELS CARRYING PASSENGERS

The Clerk called the bill (H. R. 7494) to amend the act entitled "An Act to require the inspection and certification of certain vessels carrying passengers," approved May 10, 1956, in order to provide adequate time for the formulation and consideration of rules and regulations to be prescribed under such act.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. BONNER. Mr. Speaker, I ask unanimous consent that a similar Senate bill, S. 1866, be considered in lieu of the House bill.

There being no objection, the Clerk read the Senate bill as follows:

Be it enacted, etc., That section 8 of the act entitled "An act to require the inspection and certification of certain vessels carrying passengers," approved May 10, 1956, is amended by striking out "January 1, 1957" and inserting in lieu thereof "January 1, 1959."

Mr. BONNER. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BONNER: Strike out all after the enacting clause and insert in lieu thereof the following: "That section 8 of the act entitled 'An act to require the inspection and certification of certain vessels carrying passengers,' approved May 10, 1956, is amended by striking out 'January 1, 1957,' and inserting in lieu thereof 'June 1, 1958.'"

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 7494) was laid on the table.

CORREGIDOR-BATAAN MEMORIAL COMMISSION

The Clerk called the bill (H. R. 7535) to amend Public Law 298, 84th Congress, relating to the Corregidor-Bataan Memorial Commission, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that the Senate bill (S. 538) to amend Public Law 298, 84th Congress, relating to the Corregidor-Bataan Memorial Commission, and for other purposes, an identical bill, be considered in lieu of the House bill.

The SPEAKER. Is there objection to the present consideration of the Senate bill?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the act entitled "An act to create a Commission to be known as the Corregidor-Bataan Memorial Commission," approved August 5, 1953 (67 Stat. 366), as amended, is amended as follows: By inserting immediately after the subparagraph "(f)" of the new third paragraph in Public Law 298 the following additional subparagraphs:

"(g) Notwithstanding section 2 of the act of July 31, 1894, as amended (5 U. S. C. 62), section 212 of the act of June 30, 1932, as amended (5 U. S. C. 59a), or any other Federal law, one retired officer of the services mentioned in the Career Compensation Act of 1949 may be appointed to any civilian office or position in the Corregidor-Bataan Memorial Commission created by the act of August 5, 1953, as amended (36 U. S. C. 426), for a period of not to exceed 5 years, and receive retired pay as a retired officer and civilian compensation concurrently. The retired status, office, rank, or grade such retired officer may occupy or hold, or any emolument, prerequisite, right, privilege, or benefit, incident to or arising out of such status, office, rank or grade, shall be in no way affected by reason of such appointment to or employment in such Commission.

"(h) The Commission may employ, for a period of not to exceed 5 years, without regard to the civil service laws or the Classification Act of 1949, such employees as may be necessary in carrying out its functions."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill, H. R. 7535, was laid on the table.

TRANSFERRING OWNERSHIP OF BRIDGE THROUGH ALLEGANY COUNTY, MD.

The Clerk called the bill (H. R. 5264) to transfer ownership to Allegany County, Md., of a bridge loaned to such county by the Bureau of Public Roads.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent that the Senate bill (S. 620) to transfer ownership to Allegany County, Md., of a bridge loaned to such county by the Bureau of Public Roads, be considered in lieu of the House bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the Senate bill?

Mr. GROSS. Mr. Speaker, reserving the right to object, I just wonder if someone could explain how this bridge was loaned in the first place. What constitutes a loan of a bridge?

Mr. HYDE. Mr. Speaker, I will be glad to explain to the gentleman. A bridge up here was washed out in Allegany County Md., as the result of a flood. The Public Roads Commission loaned an old Army Bailey bridge to take the place of the one that was washed out.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the Senate bill?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That all right, title, and interest of the United States to the Bailey bridge at Corriganville, Md., which was loaned to Allegany County, Md., in 1948 by the Bureau of Public Roads of the Department of Commerce, is hereby transferred to such county.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 5264) was laid on the table.

AMENDING THE BANKRUPTCY ACT

The Clerk called the bill (H. R. 7671) to amend section 116 (4) of chapter 10 of the Federal Bankruptcy Act, to make certain equipment trust provisions applicable to aircraft and aircraft equipment of air carriers.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 116 (4) of the act of July 1, 1898, chapter 541, as amended (11 U. S. C. 516 (4); 52 Stat. 885), be amended by adding the following:

"(5) Notwithstanding any other provisions of this Act, the title of any owner, whether as trustee or otherwise, to aircraft, aircraft engines, propellers, appliances, and spare parts as any of such are defined in the Civil Aeronautics Act of 1938, as now in effect or hereafter amended, leased, subleased, or conditionally sold to any air carrier which is operating pursuant to a certificate of convenience and necessity issued by the Civil Aeronautics Board, and any right of such owner or of any other lessor to such air carrier to take possession of such property in compliance with the provisions of any such lease or conditional sale contract shall not be affected by the provisions of this act if the terms of such lease or conditional sale so provide."

With the following committee amendments:

Page 1, line 3, delete "(4)."

Page 1, line 4, delete "(4)."

Page 1, line 5, after the word "adding" insert "at the end thereof."

Page 1, line 5, after the word "the" delete "following:" and insert "following new subsection."

Page 1, line 6, delete the words "this Act" and substitute in lieu thereof the words "chapter X."

Page 1, line 9, after the word "parts" delete "as" and insert "(as."

Page 1, line 10, after the word "hereafter" delete "amended," and substitute therefor "amended)."

Page 2, line 7, delete the words "this Act" and substitute in lieu thereof the words "chapter X."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed.

The title was amended so as to read: "A bill to amend section 116 of chapter X of the Federal Bankruptcy Act, to make certain equipment trust provisions applicable to aircraft and aircraft equipment of air carriers."

A motion to reconsider was laid on the table.

AMENDING SECTIONS 22 AND 24 OF THE ORGANIC ACT OF GUAM

The Clerk called the bill (H. R. 4215) amending sections 22 and 24 of the Organic Act of Guam.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

ADMINISTRATIVE HOLIDAYS FOR CERTAIN POSTAL EMPLOYEES

The Clerk called the bill (H. R. 5558) to provide that certain employees in the postal field service assigned to road duty, and rural carriers, shall receive the benefit of holidays created by Executive order, memorandum, or other administrative action by the President.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that the Senate bill (S. 919) to provide that certain employees in the postal field service assigned to road duty, and rural carriers, shall receive the benefit of holidays created by Executive order, memorandum, or other administrative action by the President, an identical bill, be considered in lieu of the House bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the Senate bill?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That hereafter when the President of the United States by Executive order, memorandum, or other administrative action authorizes Federal employees generally to be excused from duty on a workday—

(1) employees in the Postal Transportation Service or in the Motor Vehicle Service who are assigned to road duty and are required to work on such day shall be granted a day off, with pay and without charge thereof to their earned annual leave, within 1 year thereafter; and

(2) rural carriers who are required to work on such day shall be granted a day off, with pay and without charge thereof to their earned annual leave, within 1 year thereafter.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill, H. R. 5558, was laid on the table.

OSAGE TRIBE, OKLAHOMA

The Clerk called the bill (S. 1417) relating to the affairs of the Osage Tribe of Indians in Oklahoma.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 9 of the act of Congress approved June 28, 1906 (34 Stat. 539), as amended by section 7 of the act of March 2, 1929 (45 Stat. 1478), is hereby amended by striking therefrom the words "January 1, 1959" and substituting therefor the words "January 1, 1984."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONSTRUCTION OF BRIDGE AT OR NEAR LOVEL POINT, BALTIMORE COUNTY, MD.

The Clerk called the bill (H. R. 6363) to amend the act of May 24, 1928, providing for a bridge across Bear Creek at or near Lovel Point, Baltimore County, Md., to provide for the construction of another bridge, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, reserving the right to object, I wonder if this bill is going to cost the taxpayers of the country any money?

Mr. DEVEREUX. Mr. Speaker, I can assure the gentleman from Iowa that this bill will not cost the taxpayers any money whatsoever.

Mr. GROSS. This is purely an authorization?

Mr. DEVEREUX. This is purely an authorization to erect a bridge in Baltimore County.

Mr. GROSS. Mr. Speaker, I want to commend the gentleman from Maryland [Mr. DEVEREUX] for bringing in a bill from one of the neighboring States that is not going to cost the taxpayers several millions of dollars.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act authorizing Elmer J. Cook, his heirs, legal representatives, and assigns to construct, maintain, and operate a bridge across Bear Creek at or near Lovel Point, Baltimore County, Md.," approved May 24, 1928 (45 Stat. 727–728), is amended by redesignating section 6 as section 7 and by inserting immediately after section 5 the following new section:

"SEC. 6. Notwithstanding the provisions of section 3, the Baltimore County Revenue Authority (hereinafter in this act referred to as the 'authority') of Baltimore County, Md., or its successors or assigns, after an additional bridge is completely constructed by the authority at a point near but inland from the bridge authorized by the first section of this act, may fix, charge, and collect tolls for the use of each such two bridges, at rates so adjusted as to provide, within a period of 30 years from the date on which such additional bridge is completely constructed by the authority, a fund which in the aggregate does not exceed an amount sufficient (1) to pay the reasonable costs of maintaining, repairing, and operating such two bridges and their approaches under economical management, and (2) to provide a sinking fund to pay the cost to the authority of such two bridges including reasonable interest and financing costs. Such bridges shall thereafter be maintained and operated free of tolls or the rate of tolls on such bridges shall thereafter be so adjusted as to provide a fund of not to exceed the amount necessary for the proper care, repair, maintenance, and operation of such bridges and their approaches. An accurate record of all amounts paid for such bridges and their approaches; of the expenditures for operating, repairing, and maintaining such bridges and their approaches; and of daily tolls collected on such bridges shall be kept by the authority, or its successors or assigns, and shall be available for the information of all interested persons."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

STRAWN DAM AND RESERVOIR

The Clerk called the bill (H. R. 3770) to rename the Strawn Dam and Reservoir project in the State of Kansas as the John Redmond Dam and Reservoir.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Strawn Dam and Reservoir project on the Neosho River near Burlington, Kans., shall be known and

designated as the John Redmond Dam and Reservoir. Any law, regulation, document, or record of the United States in which such dam and reservoir is referred to under any other name or designation shall be held to refer to such dam and reservoir as John Redmond Dam and Reservoir.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ENDORSEMENT OF MASTERS ON VESSEL DOCUMENTS

The Clerk called the bill (H. R. 5894) to amend the laws relating to the endorsement of masters on vessel documents.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That paragraph (a) of section 4335 of the Revised Statutes of the United States as amended (U. S. C., 1952 edition, title 46, sec. 276 (a)), is amended by substituting a semicolon for the final period thereof and adding the following: "*And provided further*, That in the case of any vessel engaged in towing from any port or place embraced within the coastwise laws of the United States to any other such port or place plying in whole or in part on inland rivers, canals, waterways, sounds, gulfs, lakes, and harbors, not carrying passengers nor proceeding directly or indirectly to any foreign port or place or to any port or place in noncontiguous territory of the United States, the name of the owner or some responsible person acting for the owner who otherwise meets all requirements of the laws of the United States with regard to master, may be endorsed on the license of such vessel, although not actually employed thereon, in accordance with rules and regulations prescribed by the Secretary of the Treasury."

Mr. ASPINALL. Mr. Speaker, I would like to ask the chairman of the committee handling this bill if the bill carries the amended language that the Department of the Treasury requested.

Mr. BONNER. Yes.

The SPEAKER. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: On page 2, line 10, insert:

"SEC. 2. Section 4336 of the Revised Statutes of the United States, as amended (46 U. S. C. 277), is further amended to read as follows:

"'Any officer concerned in the collection of the revenue may at all times inspect the register or enrollment or license of any vessel or any document in lieu thereof; and if the master or other person in charge or command of any such vessel shall not exhibit the same, when required by such officer, unless the vessel is one which by regulation of the Secretary of the Treasury is not required to have its register or enrollment or license or document in lieu thereof on board, such master or person in charge or command shall be liable to a penalty of $100, unless the failure to do so is willful, in which case he shall be liable to a penalty of $1,000 and to a fine of not more than $1,000 or imprisonment for not more than 1 year, or both.'"

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The title was amended to read: "A bill to amend the laws relating to the endorsement of masters on vessel documents and to provide certain additional penalties for failure to exhibit vessel documents or other papers when required by enforcement officers."

A motion to reconsider was laid on the table.

TUSCALOOSA LOCK AND DAM

The Clerk called the bill (H. R. 6660) to provide that the lock and dam referred to as the Tuscaloosa lock and dam on the Black Warrior River, Ala., shall hereafter be known and designated as the William Bacon Oliver lock and dam.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in honor of the late William Bacon Oliver, and in recognition of his long and outstanding service as a Member of Congress from Alabama's Sixth Congressional District, the Tuscaloosa lock and dam on the Black Warrior River, Ala., shall hereafter be known and designated as the William Bacon Oliver lock and dam, and shall be dedicated as a monument to his distinguished public service. Any law, regulation, map, document, or record of the United States in which such lock and dam is referred to shall be held and considered to refer to such lock and dam by the name of the "William Bacon Oliver lock and dam."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL CONSERVATION ANNIVERSARY COMMISSION

The Clerk called the resolution (S. J. Res. 35) to provide for the observance and commemoration of the 50th anniversary of the first conference of State governors for the protection, in the public interest, of natural resources of the United States.

The SPEAKER pro tempore. Is there objection?

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent that this resolution be passed over without prejudice.

The SPEAKER pro tempore. Is there objection?

There was no objection.

MISSOURI LAND EXCHANGE

The Clerk called the bill (H. R. 580) to authorize the exchange of certain land in the State of Missouri.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding the provisions of the act entitled "An act donating public lands to the several States and Territories which may provide colleges for the benefit of agriculture and the mechanic arts," approved July 2, 1862 (7 U. S. C. 301–308), the State of Missouri is authorized to convey to the Secretary of Agriculture all right, title, and interest of such State in and to any land granted to such State under authority of such act of July 2, 1862, which is located within the exterior boundaries of the national forests situated within such State, and, in exchange therefor, the Secretary of Agriculture is authorized to convey to the State of Missouri all right, title, and interest of the United States in and to not to exceed an equal value of national forest lands (as determined by the Secretary) situated within such State.

SEC. 2. Any exchange authorized by the first section of this act shall be made in accordance with the applicable provisions of section 7 of the act of March 1, 1911, commonly referred to as the Weeks Law (16 U. S. C. 516), and the applicable provisions of the act entitled "An act to consolidate national forest lands," approved March 20, 1922 (16 U. S. C. 485, 486).

SEC. 3. Any land conveyed to the State of Missouri under authority of this act shall, upon acceptance of such conveyance by such State, be held and considered to be granted to such State subject to the provisions of the act of July 2, 1862, referred to in the first section of this act.

With the following committee amendment:

Page 1, line 8, strike out "Secretary of Agriculture" and insert "United States."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RECREATIONAL ASPECTS OF WATERSHED PROTECTION PROJECTS

The Clerk called the bill (H. R. 5497) to amend the Watershed Protection and Flood Prevention Act.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection?

There was no objection.

REPORTS ON COTTON ACREAGE PLANTED

The Clerk called the bill (H. R. 6765) to provide for reports on the acreage planted to cotton, to repeal the prohibitions against cotton acreage reports based on farmers' planting intentions, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 1 of the act of May 27, 1912, as amended (37 Stat. 118, 44 Stat. 1374; 7 U. S. C. 476), is amended to read as follows:

"The Secretary of Agriculture shall cause to be issued a report on or before the 10th day of July of each year showing by States and in toto the estimated acreage of cotton planted, to be followed on August 1 with an estimate of the acreage for harvest and on December 1 with an estimate of the harvested acreage."

SEC. 2. The first sentence of section 1 of the Act of May 3, 1924, as amended (43 Stat. 115, 44 Stat. 1373, 60 Stat. 940; 7 U. S. C. 475), is amended to read as follows: "The Secretary of Agriculture shall cause to be issued as of the first of each month during the cotton-growing and harvesting season from August to December, inclusive, reports describing the condition and progress of the crop and stating the probable number of bales which will be ginned, these reports to be issued simultaneously with the cotton-ginning reports of the Bureau of the Census relating to the same dates, the two reports to be issued from the same place at 11 o'clock ante meridian of the eighth day following that to which the respective reports relate."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

STORAGE CAPACITY OF WHITNEY DAM

The Clerk called the bill (H. R. 2580) to increase the storage capacity of the Whitney Dam and Reservoir and to make available 50,000 acre-feet of water from the reservoir for domestic and industrial use.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to make such additions and alterations to the Whitney Dam and Reservoir, at Whitney, Tex., as may be necessary to provide for the storage of an additional 50,000 acre-feet of water.

SEC. 2. The Secretary of Army, acting through the Chief of Engineers is authorized to enter into agreements with local interests for participation in the cost of such alterations and for reimbursement to the Federal Government for water supply service rendered.

With the following committee amendment:

Page 1, line 3, strike out all after the enacting clause and insert "That the Whitney Reservoir project approved by the Flood Control Act approved August 18, 1941, is hereby modified to authorize the Secretary of the Army, acting through the Chief of Engineers, to allocate 50,000 acre-feet of water supply storage in Whitney Reservoir, Tex., in such manner as to provide the best overall use of the project.

"SEC. 2. The Secretary of the Army, acting through the Chief of Engineers, is authorized to enter into agreements with local interests for payment of the costs of the water supply storage, including annual operation and maintenance costs, based on an equitable cost allocation to be made by the Chief of Engineers: *Provided*, That the term of the contract shall not exceed the economic life of the project or 50 years, whichever is less."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CIVIL GOVERNMENT FOR ALASKA

The Clerk called the bill (H. R. 6785) to amend section 26, title I, chapter 1, of the act entitled "An act making further provision for a civil government for Alaska, and for other purposes," approved June 6, 1900 (48 U. S. C. 381).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 26, title I, chapter 1, of the act entitled "An act making further provision for a civil government for Alaska, and for other purposes," approved June 6, 1900 (48 U. S. C. 381), is amended by striking out the word "fisheries" wherever it appears and substituting in lieu thereof the words "fish and game", and by adding after the words "precious metals" in the first proviso the words ", and in the Chilkat River, and its tributaries, within 2.3 miles of United States survey No. 991 for all metals."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING THE ALASKA PUBLIC WORKS ACT

The Clerk called the bill (H. R. 8646) to amend the Alaska Public Works Act (63 Stat. 627; 48 U. S. C. 486 and the following) to clarify the authority of the Secretary of the Interior to convey federally owned land utilized in the furnishing of public works.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 5 of the Alaska Public Works Act (63 Stat. 627, 628, 48 U. S. C. 486c), is hereby amended by revising the next to the last sentence thereof to read as follows: "Upon completion of the public works, the Secretary of the Interior shall transfer to the applicant, in conformity with the provisions of said agreement, possession of and all rights, title, and interest of the United States in and to said public works; and the Secretary is also authorized to convey title in fee simple or such lesser interest as he may determine in and to any federally owned land under his jurisdiction which may have been utilized in the furnishing of said public works: *Provided*, That the Secretary shall include in instruments of conveyance (1) a reservation to the United States of all mineral deposits in the lands conveyed together with the right to mine and remove the same under applicable laws and regulations to be established by the Secretary; (2) a provision for the reversion to the United States, during a period of no longer than 25 years from the date of such instrument, of title to the conveyed land upon a finding by the Secretary that the land has not been used by the grantee or its successor for the purpose for which it was conveyed for a period of 5 years or such lesser period as the Secretary may specify in the conveyance; and (3) such other terms and conditions as he may determine to be appropriate."

SEC. 2. All instruments executed by the Secretary of the Interior, or his delegatee, purporting to convey, under the Alaska Public Works Act, title to federally owned land utilized in the furnishing of public works are hereby validated and confirmed.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BUNKER HILL ISLAND IN LAKE CUMBERLAND, KY.

The Clerk called the bill (S. 1823) to authorize the conveyance of Bunker Hill Island in Lake Cumberland near Burnside, Ky., to the Commonwealth of Kentucky for public park purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, subject to section 2, the Secretary of the Army is authorized and directed to convey to the Commonwealth of Kentucky all the right, title, and interest of the United States in and to the following portion of Bunker Hill Island in Lake Cumberland, near Burnside, Ky.:

A tract of land situate in the 8th Magisterial District of Pulaski County, Ky., at Burnside, Ky., and more particularly described as follows:

Being all of that part of an island lying entirely above the 765-foot contour line (m. s. l.), said island being known as Bunker Hill Island in the south fork of the Cumberland River embayment of Lake Cumberland, the downstream end of said island being located approximately 2,000 feet, more or less, upstream from the mouth of said river and extends upstream approximately 5,800 feet, more or less, said island contains 390 acres, more or less, and being a part of the same lands, the fee title to which was vested in the United States by reason of the following deeds of record in the office of the county court clerk for Pulaski County, Ky., and/or the filing of declaration of takings in civil actions pending in the United States District Court for the Eastern District of Kentucky at London, viz:

Tract No.	Vendor	Date of deed and/or D/T	Deed book	Page	D/T No.	Civil Action No.
M-1327	Ella G. Sloan	1-18-49	163	459		
M-1344	Elmer R. Walden et ux	1- 5-49	163	192		
M-1355	Ethel E. Rossler et vir	6- 1-49	167	203		
M-1368	Mitt Boland et ux	5- 2-49	166	295		
M-1369	Lillie Hollars et vir	2-10-49	164	156		
M-1372	W. T. Turpin et ux	3-17-49	165	147		
M-1373	Charles R. Cox et ux	3-21-49			1	471
M-1374	John Hollars et ux	3- 1-49	164	499		
M-1375	Cleveland Davis et ux	3-29-49	165	227		
M-1376	Zelmer Fitzgerald et ux	1-18-49	163	374		
M-1377	Luther Hutchinson et ux	12- 1-48	162	261		
M-1379	Earl Love et ux	1-12-49	163	267		
M-1380	Oscar L. Dyer et ux	1- 4-49	163	141		
M-1385	Nancy Massey et vir	2-16-49	164	388		
M-1387	Mary Truxell et vir	1-24-49			1	464
M-1388	Cora Thompson et al	4- 8-49			1	477
M-1391	Marguerite Sloan	8- 3-49			2	462

SEC. 2. Title to the property authorized to be conveyed by this act shall revert to the United States, which shall have the right of immediate entry theron, if the Commonwealth of Kentucky—

(1) has not commenced the development of such property for public park purposes within the 3-year period beginning on the date of enactment of this act; or

(2) shall ever cease to use such property for public park purposes.

SEC. 3. The Secretary of the Army is authorized to grant to the Commonwealth of Kentucky such rights-of-way for public access and utility lines across any property of the United States as may be necessary to facilitate the development and use of the property conveyed under authority of this act for public park purposes.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VOLUNTARY CONTRIBUTIONS ACCOUNTS UNDER CIVIL SERVICE RETIREMENT ACT

The Clerk called the bill (H. R. 4640) to amend the Civil Service Retirement Act with respect to payments for voluntary contributions accounts.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 12 (d) of the Civil Service Retirement Act (5 U. S. C. 2262 (d)) is amended to read as follows:

"(d) Any present or former employee or member shall be paid the voluntary contribution account, provided he (1) is not eligible for immediate or deferred annuity under this act or (2) elects such payment prior to receipt of and in lieu of additional annuity, but such account shall not in any case include interest beyond date of payment. Such individual shall thereafter be eligible to deposit additional sums under this section only if he again becomes subject to this act after a separation from the service of more than three calendar days."

SEC. 2. The amendment made by the first section of this act shall take effect as of October 1, 1956.

With the following committee amendment:

Page 1, line 5, strike out "member" and insert "Member."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RENTALS AT THE LAKE GREESON RESERVOIR, NARROWS DAM

The Clerk called the bill (H. R. 4683) to authorize adjustment, in the public interest, of rentals under leases entered into for the provision of commercial recreation facilities at the Lake Greeson Reservoir, Narrows Dam.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Chief of Engineers, under the supervision of the Secretary of the Army, is authorized to amend any lease providing for the construction, maintenance, and operation of commercial recreational facilities at the Lake Greeson Reservoir, Narrows Dam, entered into prior to the date of the enactment of this act under section 4 of the Act of December 22, 1944, as amended (16 U. S. C. 460d), so as to provide for adjustment, either by increase or decrease, from time to time during the term of such lease of the amount of rental or other consideration payable to the United States under such lease, when and as he determines such adjustment to be necessary or advisable in the public interest. No adjustment shall be made under the authority of this act so as to increase or decrease the amount of rental or other consideration payable under such lease for any period prior to the date of such adjustment.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INDUSTRIAL DEVELOPMENT NEAR INDIAN RESERVATIONS

The Clerk called the bill (H. R. 7051) to stimulate industrial development near Indian reservations.

There being no objection, the Clerk read the bill, as follows:

Be it enacted etc., That, upon request of any Indian tribe, group, or corporate entity, and approval of the request by the Secretary of the Interior as provided in this act, the Administrator of the General Services Administration is authorized to transfer, without cost to such Indian tribe, group, or corporate entity, title to any property of the United States at the McNary Dam townsite, Umatilla, Oreg., or at Pickstown, S. Dak., that is declared surplus pursuant to the Federal Property and Administrative Services Act of 1949 (act of June 30, 1949; 63 Stat. 378), as amended. Such property shall not be exempt from taxation because of the fact that title is held by the Indian tribe, group, or corporate entity.

SEC. 2. The Secretary of the Interior shall approve a request for surplus property pursuant to this act only if—

(a) the Indian tribe, group, or corporate entity is organized under State or Federal law in a form satisfactory to the Secretary for the purpose of holding title to the property;

(b) the surplus property is to be used to stimulate industrial development near the Indian tribe, band, group, or reservations;

(c) the Indian tribe, group, or corporate entity has executed a contract with an industrial enterprise that is acceptable to the Secretary;

(d) the contract between the Indian tribe, group, or corporate entity and the industrial enterprise contains such provisions as the Secretary deems desirable, including in substance the following:

(1) Title to the property will remain in the Indian tribe, group, or corporate entity, and the property will be made available to the industrial enterprise at a rental fee commensurate with the purposes of this act, which rental shall be paid to the United States Treasury.

(2) The industrial enterprise will employ Indians in large enough numbers to justify, in the judgment of the Secretary, the purposes of this act.

(3) The industrial enterprise will agree to pay its employees fair and equitable wages commensurate with the general wage scale in the area.

(4) The industrial enterprise will maintain the property in good repair, pay all taxes properly assessed against the property, and be responsible for the payment of all charges for utility services to the property.

(5) At the end of the contract period the industry will have an option to purchase the property at its appraised price, as determined by the Secretary, the proceeds of such sale will revert to the United States Treasury.

SEC. 3. Any transfer of title to surplus property pursuant to this act shall provide for a reversion of title to the United States if the Secretary of the Interior finds that the property is not being used in accordance with the provisions of the act.

SEC. 4. The United States shall not be responsible for providing to the Indians who are employed in an industrial development pursuant to this act community services that are normally furnished by State and local governments, such as school, health, welfare, and law-enforcement services.

Mr. ULLMAN. Mr. Speaker, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. ULLMAN: At the end of the bill add the following:

"SEC. 5. The transfer of McNary Dam townsite shall be upon the express condition that persons or families occupying residential property on the date of the enactment of this act shall be entitled to at least 180 days' notice of termination of their occupancy."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING SECTION 69 OF HAWAIIAN ORGANIC ACT

The Clerk called the bill (H. R. 8673) to amend section 69 of the Hawaiian Organic Act.

There being no objection the Clerk read the bill, as follows:

Be it enacted, etc., That the fourth sentence of section 69 of the Hawaiian Organic Act (31 Stat. 141, 154; 48 U. S. C. 534) is amended to read as follows: "He shall perform such other duties as are prescribed in this act or as may be required of him by the Legislature of Hawaii."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SALE OF CERTAIN KEYS IN FLORIDA

The Clerk called the bill (H. R. 1394) to authorize the sale of certain keys in the State of Florida by the Secretary of the Interior.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized and directed to sell, at a fair and reasonable price to be determined by the Secretary of the Interior, to the named individual or individuals, the following-described tracts of land:

Lot 3, section 2, township 67 south, range 28 east, Tallahassee meridian, comprising 5.11 acres more of less, to Henry C. Hudgins;

Lot 2, section 29, township 66 south, range 32 east, Tallahassee meridian, comprising 0.28 acre more or less, to Frank J. Roberts and Claude A. Gandolfo;

Lot 4, section 25, township 66 south, range 30 east, Tallahassee meridian, comprising 0.97 acre more or less, to Lee Shields and Louise Shields, his wife;

Lot 1, section 22, township 66 south, range 31 east, Tallahassee meridian, comprising 2.54 acres more or less, and lot 2, section 21, township 66 south, range 31 east, Tallahassee meridian, comprising 0.10 acre more or less, and lot 1, section 21, township 66 south, range 31 east, Tallahassee meridian, comprising 2.00 acres more or less, to Leslie Biffle and Bernie Papy;

Lot 2, section 23, township 66 south, range 32 east, Tallahassee meridian, comprising 0.87 acre more or less, to Chester F. Tingler;

Lot 6, section 10, township 66 south, range 32 east, Tallahassee meridian, comprising 0.06 acre more or less, to Harold D. Cramer;

Lot 6, section 20, township 65 south, range 34 east, Tallahassee meridian, comprising 1.35 acres more or less, to Joseph Giovannielli; and lot 8, section 10, township 66 south, range 32 east, Tallahassee meridian, comprising 0.10 acre more or less, to Charles Pierce: *Provided*, That the authority to sell such lands shall expire 1 year after registered mail notice of the purchase price has been given to the individual or individuals named herein, unless payment in full for such lands has been received by the Secretary of the Interior.

With the following committee amendments:

Page 1, line 4, strike out "a fair and reasonable price to be determined by the Secretary of the Interior," and insert "their fair market value, as determined by the Secretary, as of the dates of conveyance by the State of Florida."

Page 1, line 9, strike out "Henry C. Hudgins" and insert "Hudgins and Alfonso, Inc., a Florida corporation."

Page 1, line 10, strike out the figure "32" and insert "30."

Page 2, line 2, strike out "Frank J. Roberts" and insert "J. Frank Roberts"; strike out "Claude A. Gandolfo" and insert "the Estate of Claude A. Gandolfo, deceased."

Page 2, line 18, strike out "Harold D. Cramer" and insert "Harold D. Cramer and Viola B. Cramer, his wife."

Page 2, following line 18, insert—

"Lot 4, section 26, township 65 south, range 33 east, comprising 0.44 acre more or less, to Richard Switlak;".

Page 3, line 1, following the word "lands" insert "under this act."

Page 3, line 3, following the word "herein," insert "at their address of record with the Secretary of Interior at the time that notice is sent."

Page 3, following line 5, add a new paragraph reading as follows:

"In the event of a conflicting claim by a third person contesting the alleged title of any individual named in this act, the Federal Government will not be required to deliver patent to the individual named in this act; but the United States shall, after a determination, pursuant to the laws of the State of Florida, of that conflicting claim and upon the final determination of such conflicting claim by a court of competent jurisdiction, deliver a patent to the party held by that court to be the rightful owner."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELINQUISH RIGHTS IN LAND IN LOS ANGELES COUNTY, CALIF.

The Clerk called the bill (H. R. 230) to require the Secretary of the Army to convey to the county of Los Angeles, Calif., all right, title, and interest of the United States in and to certain portions of a tract of land heretofore conditionally conveyed to such county.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Army shall convey to the county of Los Angeles, Calif., all right, title, and interest of the United States in and to the land described in section 2 of this act.

SEC. 2. The land referred to in the first section of this act constitutes portions of the tract of land heretofore conditionally conveyed to the county of Los Angeles, Calif., under the provisions of the act entitled "An act to convey certain land in the county of Los Angeles, State of California," approved March 24, 1933 (48 Stat. 1297; Private Law 5, 73d Cong.), as amended by Private Law 89, 74th Congress, approved June 17, 1935 (49 Stat. 2082), and is more particularly described as follows:

Parcel A: The southerly 20 feet of lots 5 and 6, tract No. 2409, as shown on map recorded in book 23, page 23 of maps, in the office of the recorder of the county of Los Angeles.

Parcel B: That portion of lot 3, abovementioned tract, which lies southerly of a line parallel with and 20 feet northerly, measured at right angles, from the southerly line of such lot.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, an a motion to reconsider was laid on the table.

CONVEYANCE TO STATE OF MAINE OF CERTAIN LANDS

The Clerk called the bill (H. R. 674) to provide for the conveyance to the State of Maine of certain lands located in such State.

Mr. ASPINALL. Mr. Speaker, I understand there is an identical Senate bill on the Speaker's desk, S. 319, identical with the House bill as amended.

I ask unanimous consent that the Senate bill may be considered in lieu of the House bill.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of the Navy is authorized to convey, by quitclaim deed and without consideration, to the State of Maine, for vocational or other school purposes, all right, title, and interest of the United States, except as provided in this act, in and to the lands comprising the Fort Preble Military Reservation, South Portland, Maine, together with all buildings and other improvements located thereon, except that the part of Fort Preble Military Reservation over which the Department of the Air Force exercises jurisdiction, together with all buildings and other improvements located thereon shall not be conveyed by the aforesaid deed.

SEC. 2. The deed effecting the conveyance authorized by the first section of this act shall provide—

(a) that the State of Maine agrees to use the property only for vocational or other school purposes and in the event that such lands cease to be used for such purposes, all right, title, and interest therein shall immediately revert to and revest in the United States;

(b) that during any state of war or national emergency and for 6 months thereafter, if the Secretary of Defense determines that such lands are useful or necessary for national defense purposes the United States may, without payment therefor, reenter such lands and use all or any part thereof (including improvements thereon), but upon the termination of such use such lands shall revert to the State of Maine; and

(c) that the conveyance shall be conditioned upon an agreement by the State of Maine—

(1) to maintain the entire property in a condition suitable for immediate use by the Department of Defense in the event of mobilization;

(2) to retain all structures and improvements except for removal which may be requested by the State of Maine and approved by the Commandant, First Naval District.

SEC. 3. In addition to conditions provided for in section 2 of this act, the Secretary of the Navy shall impose such other conditions and such exceptions and reservations as he determines to be necessary, or desirable to safeguard the interests of the United States and to insure that such lands will be used for the purpose for which they are conveyed.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider and a similar House bill (H. R. 674) were laid on the table.

CONTROL OF PROPERTY OF MENOMINEE TRIBE

The Clerk called the bill (H. R. 6322) to provide that the dates for submission of plan for future control of property and transfer of the property of the Menominee Tribe shall be delayed.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That sections 7 and 8 of the act entitled "An act to provide for a per capita distribution of Menominee tribal funds and authorize the withdrawal of the Menominee Tribe from Federal jurisdiction," approved June 17, 1954, as amended by the act approved July 14, 1956 (70 Stat. 549–550), are further amended by striking out "December 31, 1957" wherever it appears therein and inserting in lieu thereof "December 31, 1959," and by striking out "December 31, 1958" wherever it appears therein and inserting in lieu thereof "December 31, 1960."

With the following committee amendment:

Page 2, line 3, strike out "December 31, 1960" and insert in lieu thereof "June 30, 1961."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SUBJECTING SHIP CONSTRUCTION TO ACT OF JUNE 30, 1936

The Clerk called the bill (H. R. 6382) to subject naval ship construction to the act of June 30, 1936 (49 Stat. 2036), as amended.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 7299 of title 10, United States Code, is amended to read as follows:

"§ 7299. Contracts: Application of Public Contracts Act

"Each contract for the construction, alteration, furnishing, or equipping of a naval vessel is subject to the act of June 30, 1936, chapter 881 (49 Stat. 2036), as amended, unless the President determines that this requirement is not in the interest of national defense."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

The Clerk called the bill (H. R. 8392) to promote the national defense by including two representatives of the Department of the Army as members of the National Advisory Committee for Aeronautics and by authorizing specifically certain functions necessary to the effective prosecution of aeronautical research.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That: a. Public Law 271, 63d Congress., approved March 3, 1915 (38 Stat. 930; 50 U. S. C. 151 (a) and (b)), as amended, is amended to read as follows:

"There is established a National Advisory Committee for Aeronautics (hereinafter referred to as the "Committee") to be composed of not more than nineteen members appointed by the President. Members shall serve as such without compensation, and shall include two military representatives each of the Departments of the Air Force,

Navy, and Army; two representatives of the Civil Aeronautics Authority; one representative of the Smithsonian Institution; one representative of the United States Weather Bureau; one representative of the National Bureau of Standards; one Department of Defense representative who is acquainted with the needs of aeronautical research and development; and not more than seven other members selected from persons acquainted with the needs of aeronautical science, either civil or military, or skilled in aeronautical engineering or its allied sciences. Unless otherwise provided by law, each member not representing a Government department or agency shall be appointed for a term of 5 years from the date of expiration of the term of the member whom he succeeds, except that any member appointed to fill a vacancy occurring prior to the expiration of a term shall be appointed for the unexpired term of the member whom he succeeds.

"(b) Under such rules and regulations as shall be formulated by the committee, with the approval of the President, for the conduct of its work, it shall be the duty of the Committee (1) to supervise and direct the scientific study of the problems of flight with a view to their practical solution, (2) to determine the problems which should be experimentally attacked, and to discuss their solution and their application to practical questions, (3) to direct and conduct research and experiment in aeronautics in the Langley Aeronautical Laboratory, the Ames Aeronautical Laboratory, the Lewis Flight Propulsion Laboratory, the High Speed Flight Station, and in such other laboratory or laboratories as may, in whole or in part, be placed under the direction of the Committee."

b. Section 1 of Public Law 672, 81st Congress, approved August 8, 1950 (64 Stat. 418, 50 U. S. C. 151b), is amended by striking the word "and" after the word "direction" in subparagraph (b) and by adding the word "and" and the following subparagraph (d) after the word "equipment" in subparagraph (c):

"(d) To contract for the making of special investigations and reports and for engineering, drafting, and computing services."

c. Public Law 672, 81st Congress, approved August 8, 1950 (64 Stat. 418), is amended by adding section 8 to read as follows:

"SEC. 8. Any funds appropriated for the construction of facilities pursuant to section 1 (b) of this act may, with the approval of the Bureau of the Budget, be used for emergency repairs of existing facilities when (1) such existing facilities are made inoperative by major breakdown accident, or other circumstance; and (2) such repairs are deemed by the Chairman of the National Advisory Committee for Aeronautics to be of greater urgency than the construction of new facilities: *Provided, however,* That not more than $5,000,000 may be used for this purpose in any fiscal year."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LANDS GRANTED TO A STATE FOR PUBLIC BUILDINGS

The Clerk called the bill (H. R. 5149) to provide that whenever public lands have been heretofore granted to a State for the purpose of erecting certain public buildings at the capital of such State, such purpose shall be deemed to include construction, reconstruction, repair, renovation, and other permanent improvements of such public buildings.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in any case in which public lands of the United States have been granted to a State, before the date of enactment of this act, for the purpose of erecting public buildings at the capital of such State for legislative, executive, and judicial purposes, the purpose of such grant shall be deemed to include construction, reconstruction, repair, renovation, and other permanent improvements of such public buildings, the acquisition of necessary land for such buildings, and the payment of principal and interest on bonds issued for any such purpose.

With the following committee amendment:

Page 2, line 3, after the word "buildings," insert "furnishings and equipment for such buildings."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, and was read the third time, and passed.

The title of the bill was amended to read: "A bill to provide that whenever public lands have been heretofore granted to a State for the purpose of erecting certain public buildings at the capital of such State, such purpose shall be deemed to include construction, reconstruction, repair, renovation, and other permanent improvements of such public buildings, and for other purposes."

A motion to reconsider was laid on the table.

RETURN OF CERTAIN MINERAL INTERESTS

The Clerk called the bill (S. 263) to provide that the Secretary of the Army shall return certain mineral interests in land acquired by him for flood-control purposes to the former owners of such land.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Army is authorized and directed when he determines that the exploration for or exploitation of any mineral interests underlying lands within and for the purpose of reservoir projects of the Yazoo Basin headwater project in the State of Mississippi will not be incompatible with the development, maintenance, and operation of the reservoir projects and that the reconveyance of any such aforementioned interests to the former owners thereof will be in the public interest, to convey such interests to the former owners thereof, or in the case of any such owner who is deceased, to his legal heirs, if any, upon (1) application made within 3 years from the date of enactment of this act, and (2) payment to the United States of an amount which shall be determined to be the equivalent of the fair market value thereof.

SEC. 2. Each conveyance of mineral interests under this act shall contain such reservations, restrictions, terms and conditions as the Secretary determines are necessary for the development, maintenance, and operation of the reservoir projects.

With the following committee amendment:

Strike out all after the enacting clause and insert the following: "That whenever the Secretary of the Army determines that the exploration for or exploitation of any mineral interests underlying any lands within, or acquired for the purpose of, the Arkabutla, Sardis, Enid, and Grenada Reservoirs of the Yazoo Basin headwater project in the State of Mississippi will not be incompatible with the development, maintenance, and operation of the reservoir projects, he shall make such interests available for reconveyance to the former owners thereof or, in the case of any such owner who is deceased, to the legal heirs or devisees, if any.

"SEC. 2. Upon application filed with the Secretary of the Interior within 3 years after the date of enactment of this act and upon approval of that application by the Secretary of the Army, whose determination shall be final, the Secretary of the Interior shall, upon payment of the fair market value thereof as determined by him, reconvey the mineral interests made available in accordance with this act, subject to the limitations contained in section 3 of this act.

"SEC. 3. Each proposed reconveyance of mineral interests under this act shall be subject to the following limitations:

"(a) In the event all of the mineral interests of the United States in and to all of the mineral deposits that are subject to any one lease, permit, license, or contract issued under the Mineral Leasing Act for Acquired Lands, approved August 7, 1947 (61 Stat. 913; 30 U. S. C. 1952 edition, secs. 351–359) as amended, are otherwise eligible for conveyance under section 1 of this act to a single grantee, or to several grantees as tenants in common, then such conveyance shall contain an assignment of all right, title, and interest of the United States in and to such lease, permit, license, or contract, including the right to all rentals, royalties, and other payments accruing under such lease, permit license, or contract after the effective date of such conveyance. Except as provided in the preceding sentence, mineral deposits that are subject to any such lease, permit, license, or contract shall not be eligible during its continuance for conveyance under this act. Nothing contained in this act shall affect the continued validity of any such lease, permit, license, or contract or any rights arising thereunder.

"(b) Where mineral interests in the same lands were acquired from more than one owner, no conveyance shall be made unless it is established to the satisfaction of the Secretary of the Interior that the proposed conveyance will operate in a manner which will be fair and just to each person from whom any mineral interest in such lands was acquired by the United States, and will not prejudice the proper conservation and development of the mineral deposits affected by the conveyance. For the purposes of this act former mineral interests, whether or not in the same lands, may be combined or divided in such manner as may be requested by the applicants and approved by the Secretary of the Interior.

"(c) No reconveyance shall be made of mineral interests in any lands if it is determined by the Secretary of the Interior that such reconveyance would adversely affect facilities required for the protection and management of migratory birds and fishing resources as provided in the act of August 14, 1946 (60 Stat. 1080), or if the lands are designated by the Secretary of the Army, after consultation with the Secretary of the Interior as needed for public park or recreation purposes.

"(d) The Secretary of the Army may include such reservations and restrictions as he determines to be necessary for the development, maintenance, and operation of the reservoir projects involved and as may otherwise be in the public interest.

"SEC. 4. All proceeds from the reconveyance of mineral interests under this act shall be deposited in the Treasury as miscellaneous receipts.

"SEC. 5. There are hereby authorized to be appropriated such sums as are necessary to carry out the purpose of this act."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

The title was amended to read: "An act to provide that the United States shall return to the former owners certain mineral interests in lands acquired for the Arkabutla, Sardis, Enid, and Grenada Reservoirs, Mississippi."

A motion to reconsider was laid on the table.

AMEND AGREEMENT BETWEEN VERMONT AND NEW YORK

The Clerk called the resolution (H. J. Res. 382) granting the consent and approval of Congress to an amendment of the agreement between the States of Vermont and New York relating to the creation of the Lake Champlain Bridge Commission.

There being no objection, the Clerk read the resolution as follows:

Resolved, etc., That the consent and approval of Congress is given to the amendment by the States of Vermont and New York of the agreement between such States relating to the creation of the Lake Champlain Bridge Commission, as amended, as consented to and approved by the Congress in the joint resolutions of February 16, 1928 (45 Stat. 120), August 23, 1935 (49 Stat. 736), June 4, 1936 (49 Stat. 1472), and May 31, 1945 (59 Stat. 227). The amendment consented to and approved by this act adds to such agreement the following articles:

"ARTICLE XLIV

"1. Article 21 and section 3 of article 30 of this compact or agreement as heretofore entered into between the States of Vermont and New York having stated the declared purpose of each of the contracting parties with respect to the future operation of the two highway bridges heretofore constructed by the Lake Champlain Bridge Commission at the time said provisions became effective, and the obligations of said commission heretofore issued having been paid and the State of Vermont and the State of New York having been fully repaid for all the moneys advanced by them, this article shall supersede such article 21 and section 3 of article 30 and shall hereafter be controlling in accordance with its provisions.

"2. It continues to be the declared purpose of each of the contracting parties that both of said bridges will eventually be free bridges: *Provided, however*, that until such time as said States by concurrent legislation shall provide a different method and procedure for the operation, maintenance, and control of said bridges; they shall continue to be operated and maintained under the control of the Lake Champlain Bridge Commission, and said commission may continue to charge and collect reasonable tolls for the use of both said bridges in such amount as may be necessary in the judgment of the commission, (a) to meet all requirements for the proper operation and maintenance of the said bridges, (b) to establish a reserve fund to provide for future requirements for the proper operation and maintenance of the said bridges, and (c) to defray the expense of preliminary studies and surveys as to the feasibility of constructing a new highway bridge, and approaches, across Lake Champlain from a point in the vicinity of Plattsburgh in the State of New York to a point in Grand Isle County in the State of Vermont.

"ARTICLE XLV

"Such commission shall have the power to apply to the Congress of the United States, or to any department of the United States, for consent or approval of this agreement or compact, as amended, but in the absence of such consent by Congress and until the same shall have been secured, this agreement or compact, as amended, shall be binding upon the State of Vermont when ratified by it and the State of New York when ratified by it without the consent of Congress to cooperate for the purposes enumerated in this agreement or compact, and in the manner herein provided and for all purposes that it legally may be."

SEC. 2. The right to alter, amend, or repeal this joint resolution is expressly reserved.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMPENSATION TO OWNERS OF WELLS FOR LOSSES

The Clerk called the bill (H. R. 2548) to authorize payment for losses sustained by owners of wells in the vicinity of the construction area of the New Cumberland Dam project by reason of the lowering of the level of water in such wells as a result of the construction of New Cumberland Dam project.

The being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Army, through the Chief of Engineers, is authorized and directed to compensate the owners of water wells in the vicinity of the New Cumberland Dam project, Ohio River, Ohio, for losses determined by him to have been sustained by reason of the lowering of the level of water in such wells as a result, wholly or partially, of the construction and operation of the New Cumberland Dam project. Losses compensable under this act shall include, but not be limited to, (1) the expense of improving or replacing the affected wells so that an amount of water equal to the amount previously obtainable from the affected wells will be available to the owners; (2) the expense of maintaining an adequate supply of water pending the completion of the improvement or replacement of the affected wells; and (3) injuries to property resulting from the lack of an adequate supply of water pending the completion of the improvement or replacement of the affected wells.

SEC. 2. Claims for losses compensable under this act shall be submitted to the Secretary of the Army, through the Chief of Engineers, in such form and in such manner as the Secretary may prescribe. Any such claim shall be submitted not later than 2 years after the date of enactment of this act, or not later than 2 years after the lowering of the level of water which is the basis for the claim, whichever is the later.

SEC. 3. Payment of claims for losses compensable under this act shall be made by the Secretary of the Army out of any funds available for flood control.

With the following committee amendments:

Page 1, line 6, strike "loses" and insert the word "losses."

Page 1, line 9, strike "and" and insert the word "or."

Page 2, line 21, strike "flood control" and insert the word "navigation."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REFUNDING OF BONDS IN TERRITORY OF ALASKA

The Clerk called the bill (H. R. 4183) to amend an act entitled "An act to provide for the refunding of the bonds of municipal corporations and public-utility districts in the Territory of Alaska, to validate bonds which have heretofore been issued by a municipal corporation or any public-utility district in the Territory of Alaska, and for other purposes" (54 Stat. 14), approved January 17, 1940.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That sections 1, 2, and 3 of an act entitled "An act to provide for the refunding of the bonds of municipal corporations and public-utility districts in the Territory of Alaska, to validate bonds which have heretofore been issued by a municipal corporation or any public-utility district in the Territory of Alaska, and for other purposes" (54 Stat. 14), approved January 17, 1940, are amended to read as follows:

"SECTION 1. Whenever any municipal corporation or any public-utility district in the Territory of Alaska shall have outstanding any general obligation bonded indebtedness or bonds payable from the revenues from any municipal or public utility, it shall be lawful for said municipal corporation or public-utility district through its common council or board of directors, or other governing body, as the case may be, to issue its bonds and to sell such bonds and apply the proceeds of the sale in payment of the bonds for the payment of which such refunding bonds are issued, or to exchange same for such outstanding general obligation bonds constituting said indebtedness, or, as the case may be, for such outstanding bonds payable from the revenues of a municipal or public utility. Said refunding bonds may be exchanged privately for and in payment and discharge of any outstanding bonds of a municipal or public-utility district. Refunding bonds payable from the revenues of a municipal or public utility may be exchanged for a like or greater amount of outstnding bonds payable from the revenues of such municipal or public utility, and the principal amount of such refunding bonds may exceed the principal amount of such outstanding bonds to the extent necessary or advisable to fund interest in arrears or about to become due on such outstanding bonds. The holder or holders of any outstanding bonds need not pay accrued interest on the refunding bonds to be delivered in exchange therefor if, and to the extent that interest is due or accrued and unpaid on the outstanding bonds to be surrendered. Refunding bonds payable from the revenues of a municipal or public utility may be issued at any time to retire the bonds to be refunded when such bonds are payable or redeemable, in an amount sufficient to pay not only the principal of and interest on the bonds to be refunded but also any redemption premiums required to be paid in connection with the redemption of the outstanding bonds, and may also be issued in an amount sufficient to provide for the payment of the principal of and interest on and any redemption premiums with respect to the redemption of general obligation bonds issued for the acquisition of the municipal or public utility. No election shall be required to authorize the issuance and sale of such refunding bonds and the issuance and sale thereof may be authorized, and all proceedings with reference thereto prescribed by ordinance or resolution of the common council, or the board of directors, or other governing body, of the municipal corporation or public-utility district, as the case may be, at any

legally called meeting thereof. Such refunding bonds shall not be subject to the limitations of bonded indebtedness prescribed by any debt limitations law applicable to municipal corporations or public-utility districts in the Territory of Alaska.

"SEC. 2. Bonds issued pursuant to this act shall bear such date or dates, may be in such denominations, may mature in such amounts at such time or times, not exceeding 30 years from the date thereof, may be payable at such place or places, may be sold at either public or private sale, or exchanged as above provided, may be redeemable (either with or without premium) or nonredeemable, may carry such registration privileges as to either principal and interest, or principal only, and may be executed by such officers and in such manner, as shall be prescribed by the common council or board of directors or other governing body of the municipality or public-utility district issuing the bonds. In case any of the officers whose signatures appear on the bonds or coupons shall cease to be such officers before delivery of such bonds, such signatures, whether manual or facsimile, shall, nevertheless, be valid and sufficient for all purposes the same as if such officers had remained in office until such delivery. The bonds so issued shall bear interest at a rate to be fixed by the governing body of the municipality issuing the same, not to exceed, however, 6 percent per annum payable semiannually. Such bonds shall at all times be, and shall be, treated as negotiable instruments for all purposes. In case such bonds are sold rather than exchanged, the purchase price thereof shall be not less than par plus accrued interest, and said refunding bonds may be delivered to the purchasers thereof not more than 90 days prior to the date upon which the bonds to be refunded mature or are to be redeemed.

"SEC. 3. It shall be the duty of the governing body of every muhicipal corporation or public-utility district which issues such bonds under the authority of this act to levy or cause to be levied each year during the life of such bonds taxes in amounts sufficient seasonably to provide for payment of and to pay all interest on and the principal of such obligations as they respectively acrue and mature: *Provided, however,* That the provisions of this section shall not apply to bonds which by their terms are to be paid from the revenues of a public utility owned or operated by such municipal corporation or public-utility district and are not general obligations of the municipal corporation or public-utility district. Such refunding bonds which are to be paid from the revenues of a municipal or public utility shall be secured by the same lien on or pledge of the revenues of said utility as the outstanding bonds to be refunded. Nothing herein contained shall prevent the issuance of refunding bonds payable solely from the revenues of a municipal or public utility which bonds are issued for the purpose of refunding general obligation bonds issued for the acquisition of such municipal or public utility."

SEC. 2. All bonds which have heretofore been issued by any municipal corporation or any public-utility district in the Territory of Alaska and all proceedings for the authorization and issuance of such bonds and the sale, execution, and delivery thereof hereby are validated, ratified, approved, and confirmed, notwithstanding any defects or irregularities in such proceedings. Said bonds heretofore issued and sold are declared to be and shall be in the actual form in which such bonds have been issued and shall be the binding and legal obligations of the municipal corporation or public-utility district issuing the same.

With the following committee amendments:

Page 2, line 5, after the word "district", insert "or any school district."

Page 2, line 9, after the word "district", insert "or any school district."

Page 2, lines 19 and 20, after the word "district", insert "or school district."

Page 3, line 24, after the word "district", insert "or school district."

Page 3, line 25, strike out the sentence:

"Such refunding bonds shall not be subject to the limitations of bonded indebtedness prescribed by any debt-limitations law applicable to municipal corporations or public-utility districts in the Territory of Alaska."

And insert in lieu thereof:

"Refunding bonds issued under authority of this section which are payable solely from the revenues of a municipal or public utility shall not be subject to the limitations on bonded indebtedness prescribed by any debt limitation law applicable to municipal corporations or public-utility districts in the Territory of Alaska; but refunding bonds issued under authority of this section which constitute general obligations of a municipal corporation or a public-utility district or school district shall be subject to the limitations of bonded indebtedness prescribed by any debt-limitation law applicable to municipal corporations or public-utility districts or school districts in the Territory of Alaska, except as provided in section 6 of the Alaska Public Works Act, as amended (48 U. S. C., sec. 486d)."

Page 4, line 15, after the word "district", insert "or school district."

Page 4, line 23, after the word "municipality", insert "or public-utility district or school district."

Page 5, line 9, after the word "district", insert "or school district."

Page 5, line 20, strike out the sentence:

"Such refunding bonds which are to be paid from the revenues of a municipal or public utility shall be secured by the same lien on or pledge of the revenues of said utility as the outstanding bonds to be refunded."

And insert in lieu thereof:

"Such refunding bonds which are to be paid from the revenues of a municipality or public utility shall be secured by a lien on or a pledge of the revenues of said utility which shall be equal to or greater than the lien pledge of said revenues which secures the outstanding bonds to be refunded."

Page 6, line 6, after the word "district", insert "or any school district."

Page 6, lines 14 and 15, after the word "district", insert "or school district."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title of the bill was amended to read: "A bill to amend an act entitled 'An act to provide for the refunding of the bonds of municipal corporations and public-utility districts in the Territory of Alaska, to validate bonds which have heretofore been issued by a municipal corporation or any public-utility district in the Territory of Alaska, and for other purposes' (54 Stat. 14), approved June 17, 1940; to validate bonds which have heretofore been issued by any municipal corporation, any public-utility district or any school district in the Territory of Alaska; and for other purposes."

A motion to reconsider was laid on the table.

AMENDING SECTION 16 (C) OF THE REVISED ORGANIC ACT OF THE VIRGIN ISLANDS

The Clerk called the bill (H. R. 8126) to amend section 16 (c) of the Revised Organic Act of the Virgin Islands.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subsection (c) of section 16 of the Revised Organic Act of the Virgin Islands (68 Stat. 497, 504; 48 U. S. C. 1952 edition, supp. IV, sec. 1597 (c)) is amended by adding thereto the following additional sentence: "The chairman and members of any board, authority, or commission, established by the laws of the Virgin Islands, shall also be appointed by the Governor, with the advice and consent of the legislature, if such board, authority, or commission (i) has quasi-judicial functions, or (ii) is authorized by law to issue rules and regulations which have the effect of law and which materially affect the rights of the people of the Virgin Islands, or (iii) has quasi-judicial functions and is authorized to issue rules and regulations which have the effect of law and which materially affect the rights of the people of the Virgin Island."

With the following committee amendment:

Page 1, line 6, after "sentence:" strike out the balance of the line and all of line 7 to 10 on page 1 and lines 1 to 7 on page 2 and insert the following: "The chairman and members of any board, authority, or commission established by the laws of the Virgin Islands shall, if the laws of the Virgin Islands hereafter provide, also be appointed by the Governor with the advice and consent of the legislature, if such board, authority, or commission has quasi-judicial functions: *Provided,* That no law of the Virgin Islands dealing with the chairmanship, membership, or chairmanship and membership of any such board, authority, or commission, and requiring an appointment or appointments to be made with the advice and consent of the legislature, shall relate to more than one such board, authority, or commission, nor shall it relate to any other legislative matter."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING CHIEF OF ENGINEERS TO PUBLISH INFORMATION PAMPHLETS, AND SO FORTH

The Clerk called the bill (H. R. 4260) to authorize the Chief of Engineers to publish information pamphlets, maps, brochures, and other material.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Chief of Engineers is hereby authorized to publish information pamphlets, maps, brochures, and other material on river and harbor, flood control, and other civil works activities, including related public park and recreation facilities, under his jurisdiction, as he may deem to be of value to the general public.

SEC. 2. The Chief of Engineers is further authorized to provide for the sale of any of the material prepared under authority of section 1 of this act; and of publications,

charts, or material prepared under his direction pursuant to other legislative authorization or appropriation, and to charge therefor a sum not less than the cost of reproduction. The money received from sales authorized by this act shall be deposited into the Treasury to the credit of miscellaneous receipts, except that in any case in which the cost of reproduction has been paid from the revolving fund established pursuant to the Civil Functions Appropriation Act, 1954, the proceeds shall be deposited to the credit of such fund.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ACCELERATING THE TRADE-IN OF OLD VESSELS WITH REPLACEMENT BY MODERN VESSELS

The Clerk called the bill (H. R. 3210) to amend section 510 (a) (1) of the Merchant Marine Act, 1936, as amended, to accelerate the trade-in of old vessels with replacement by modern vessels.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the proviso in section 510 (a) (1) of the Merchant Marine Act, 1936, as amended (46 U. S. C. 1160), is amended to read as follows: "*Provided*, That until June 30, 1962, the term 'obsolete vessel' shall mean a vessel or vessels each of which (A) is of not less than 1,350 gross tons, (B) is not less than 12 years old, and (C) is owned by a citizen or citizens of the United States and has been owned by such citizen or citizens for at least 3 years immediately prior to the date of acquisition hereunder."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

APPOINTMENT OF CADETS FROM DISTRICT OF COLUMBIA, GUAM, AMERICAN SAMOA, VIRGIN ISLANDS, AND THE CANAL ZONE

The Clerk called the bill (H. R. 7052) to amend section 216 (b) of the Merchant Marine Act, 1936, as amended, to provide for appointment of cadets from the District of Columbia, Guam, American Samoa, Virgin Islands, and the Canal Zone.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 216 (b) of the Merchant Marine Act, 1936, as amended (70 Stat. 25; U. S. C., title 46, sec. 1126 (b)), is amended as follows:

(1) Paragraph (1) is amended (a) by inserting before the period at the end of the second sentence thereof a comma and the words: "and by the Governors of the Canal Zone, Guam, American Samoa, and the Virgin Islands, and the Commissioners of the District of Columbia," and (b) by inserting before the period at the end of the third sentence thereof a semicolon and the following: "but two vacancies shall be allocated each year to the Canal Zone, to be filled by qualified candidates nominated by the Governor of the Canal Zone from among the sons of residents of the Canal Zone and the sons of personnel of the United States Government and the Panama Canal Company residing in the Republic of Panama, one vacancy each shall be allocated each year to Guam, American Samoa, and the Virgin Islands, to be filled by qualified candidates nominated by the Governors of Guam, American Samoa, and the Virgin Islands, and four vacancies shall be allocated each year to the District of Columbia, to be filled by qualified candidates nominated by the Commissioners thereof."

(2) Paragraph 5 (b) is amended to read as follows:

"(b) 'State' as used in this act shall include the Territories of Alaska and Hawaii, the District of Columbia, the Commonwealth of Puerto Rico, the Canal Zone, Guam, American Samoa, and the Virgin Islands."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REVISION OF CENSUS LAW

The Clerk called the bill (H. R. 7911) to amend certain sections of title 13 of the United States Code, entitled "Census."

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1631) to amend certain sections of title 13 of the United States Code, entitled "Census," an identical bill to H. R. 7911.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the analysis of chapter 1 of title 13, United States Code, immediately preceding section 1 of such title, is amended—

(a) by striking out all of item 6 in such analysis and in lieu thereof inserting:

"6. Requests to other departments and offices for information, acquisition of reports from governmental and other sources."

(b) by adding immediately after and underneath item 11 in such analysis the following two items:

"12. Mechanical and electronic development.
"13. Procurement of professional services."

(c) by adding immediately after and underneath item 25 of such analysis the following new item:

"26. Transportation by contract."

SEC. 2. Section 3 of title 13, United States Code, is amended by adding at the end thereof the following new sentence: "Judicial notice shall be taken of the seal."

SEC. 3. Section 6 of title 13, United States Code, is amended to read as follows:

"§ 6. Requests to other departments and offices for information, acquisition of reports from governmental and other sources

"(a) The Secretary, whenever he deems it advisable, may call upon any other department or office of the Government for information pertinent to the work provided for in this title.

"(b) The Secretary may acquire by purchase or otherwise from States, counties, cities, or other units of government, or their instrumentalities, or from private persons and agencies such copies of records, reports, and other material as may be required for the efficient and economical conduct of the censuses and surveys provided for in this title."

SEC. 4. (a) Subsection (b) of section 8 of title 13, United States Code, is amended by adding at the end thereof the following:

"In the case of nonprofit organizations or agencies the Secretary may engage in joint statistical projects, the cost of which shall be shared equitably as determined by the Secretary and provided that the purposes are otherwise authorized by law."

(b) Subsection (d) of section 8 of title 13, United States Code, is amended to read as follows:

"(d) All moneys received in payment for work or services enumerated under this section shall be deposited in a separate account which may be used to pay directly the costs of such work or services, to repay appropriations which initially bore all or part of such costs, or to refund excess sums when necessary."

SEC. 5. Title 13, United States Code, is further amended by inserting in chapter 1 of such title immediately following section 11 the following two new sections:

"§ 12. Mechanical and electronic development

"The Secretary is authorized to have conducted mechanical and electronic development work as he determines is needed to further the functions and duties of carrying out the purposes of this title and may enter into such developmental contracts as he may determine to be in the best interest of the Government.

"§ 13. Procurement of professional services

"The Secretary shall have authority to contract with educational and other research organizations for the preparation of monographs and other reports and materials of a similar nature."

SEC. 6. Title 13, United States Code, is further amended by inserting in chapter 1 of such title immediately following section 25 the following new section:

"§ 26. Transportation by contract

"The Secretary may contract with field employees for the rental and use within the continental limits of the United States of means of transportation, other than motorcycle, automobile, or airplane, and for the rental and use outside of the continental United States of any means of transportation, which means may be owned by the field employee. Such rental contracts shall be made without regard to section 4 of the Travel Expense Act of 1949, as amended (5 U. S. C. 837). The rentals shall be at rates equivalent to the prevailing rental rates of the locality. The rental contracts within the continental United States may be entered into only when the use by the field employee of such other means of transportation is safer, more economical, or more advantageous to the Government than use of his motorcycle, automobile, or airplane in conducting the census."

SEC. 7. The analysis of chapter 5 of title 13, United States Code, immediately preceding section 131 of such title, is amended to read as follows:

"CHAPTER 5—CENSUSES

"Subchapter I—Manufactures, Mineral Industries, and Other Businesses

Sec.
"131. Collection and publication; 5-year periods.
"132. Controlling law; effect on other agencies.

"Subchapter II—Population, Housing, Agriculture, Irrigation, Drainage, and Unemployment

"141. Population, unemployment, and housing.
"142. Agriculture, irrigation, and drainage.

"Subchapter III—Governments

"161. Quinquennial censuses; inclusion of certain data.

"Subchapter IV—Interim Current Data

"181. Surveys.

"*Subchapter V—Geographic Scope, Preliminary and Supplemental Statistics, and Use of Sampling*

"191. Geographic scope of censuses.
"193. Preliminary and supplemental statistics.
"195. Use of sampling."

SEC. 8. Section 131 of title 13, United States Code, is amended to read as follows:

"§ 131. Collection and publication; 5-year periods

"The Secretary shall take, compile, and publish censuses of manufactures, of mineral industries, and of other businesses, including the distributive trades, service establishments, and transportation (exclusive of means of transportation for which statistics are required by law to be filed with, and are compiled and published by, a designated regulatory body), in the year 1954, and every fifth year thereafter, and each such census shall relate to the year immediately preceding the taking thereof: *Provided*, That the censuses of manufactures, of mineral industries, and of other businesses, including the distributive trades and service establishments, directed to be taken in the year 1954 relating to the year 1953, shall be taken instead in the year 1955 relating to year 1954."

SEC. 9. Section 141 of title 13, United States Code, is amended to read as follows:

"§ 141. Population, unemployment, and housing

"(a) The Secretary shall, in the year 1960 and every 10 years thereafter, take a census of population, unemployment, and housing (including utilities and equipment) as of the first day of April, which shall be known as the census date.

"(b) The tabulation of total population by States as required for the apportionment of Representatives shall be completed within 8 months of the census date and reported by the Secretary to the President of the United States."

SEC. 10. Section 142 of title 13, United States Code, is amended to read as follows:

"§ 142. Agriculture, irrigation, and drainage

"(a) The Secretary shall, beginning in the month of October 1959, and in the same month of every 5th year thereafter, take a census of agriculture, provided that the censuses directed to be taken in October 1959 and each 10th year thereafter, may, when and where deemed advisable by the Secretary, be taken instead in conjunction with the censuses provided in section 141 of this title.

"(b) The Secretary shall, in conjunction with the census of agriculture directed to be taken in October 1959 and each 10th year thereafter, take a census of irrigation and drainage."

SEC. 11. Sections 143, 144, 145, and 146 of title 13, United States Code, are hereby repealed.

SEC. 12. The last sentence of section 161 of title 13, United States Code, is amended to read as follows: "Each such census shall include, but shall not be limited to, data on taxes and tax valuations, governmental receipts, expenditures, indebtedness, and employees of States, counties, cities, and other governmental units."

SEC. 13. Section 162 of title 13, United States Code, is hereby repealed.

SEC. 14. Chapter 5 of title 13 of the United States Code is further amended by inserting immediately after section 181 the following new subchapter:

"SUBCHAPTER V—GEOGRAPHIC SCOPE, PRELIMINARY AND SUPPLEMENTAL STATISTICS, AND USE OF SAMPLING

"§ 191. Geographic scope of censuses

"(a) Each of the censuses authorized by this chapter (other than censuses of population) shall include each State, the District of Columbia, Alaska, Hawaii, the Virgin Islands, Guam, and the Commonwealth of Puerto Rico, and as may be determined by the Secretary, such other possessions and areas over which the United States exercises jurisdiction, control, or sovereignty. Censuses of population shall include all geographic areas referred to in the preceding sentence. Inclusion of other areas over which the United States exercises jurisdiction or control shall be subject to the concurrence of the Secretary of State.

"(b) For censuses taken in the Virgin Islands, Guam, or any possession or area not specifically designated in (a) above, the Secretary may utilize or adopt census data collected by the governor or highest ranking Federal official, when such data are obtained in accordance with plans prescribed or approved by the Secretary.

"(c) When, under determination by the Secretary as provided in paragraph (a) above, any census is not taken in a possession or area over which the United States exercises jurisdiction, control, or sovereignty, the Secretary may include in the census report data obtained from other Federal agencies or Government sources. Any data obtained from foreign governments shall be obtained through the Secretary of State."

"§ 193. Preliminary and supplemental statistics

"In advance of, in conjunction with, or after the taking of each census provided for by this chapter, the Secretary may make surveys and collect such preliminary and supplementary statistics related to the main topic of the census as are necessary to the initiation, taking, or completion thereof."

"§ 195. Use of sampling

"Except for the determination of population for apportionment purposes, the Secretary may, where he deems it appropriate, authorize the use of the statistical method known as 'sampling' in carrying out the provisions of this title."

SEC. 15. Section 221 (a) of chapter 7 of title 13, United States Code, is amended by striking "I, II, and IV" and inserting in lieu thereof "I, II, IV, and V."

SEC. 16. Section 222 of title 13, United States Code, is amended by striking "II or IV" and inserting in lieu thereof "II, IV, or V."

SEC. 17. Section 223 of title 13, United States Code, is amended by the insertion of "or V" immediately following the numeral "IV."

SEC. 18. Section 224 of title 13, United States Code, is amended by inserting the words "by certified mail," immediately following the words "by registered mail."

SEC. 19. Section 241, of title 13, United States Code, is amended by inserting the words "or certified" after the word "registered."

The bill was ordered to be read a third time, was read the third time, and passed.

A similar House bill (H. R. 7911) was laid on the table.

A motion to reconsider was laid on the table.

TENNESSEE RIVER BASIN WATER POLLUTION CONTROL COMPACT

The Clerk called the bill (H. R. 6701) granting the consent and approval of Congress to the Tennessee River Basin Water Pollution Control Compact.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BYRNES of Wisconsin. Mr. Speaker, reserving the right to object, I wonder if there is someone from the committee who can advise me why it is necessary in a compact of this kind to have a Federal representative appointed to serve on the Commission at $100 a day? Is there a Federal interest involved in this compact?

Mr. SMITH of Mississippi. Mr. Speaker, the Federal representative was inserted in this legislation at the suggestion of the Department of Health, Education, and Welfare.

Mr. BYRNES of Wisconsin. Did they advise the gentleman why it was necessary? If they are going to appoint some Federal representative at $100 a day to serve on this Commission, why could not the salary or per diem involved be paid pro rata by the States involved in the compact? These States want to get togther and make agreements on certain matter. If a Federal representative is desirable I would think they should pay the cost involved in the per diem.

Mr. SMITH of Mississippi. It is the feeling of the committee that the meetings will not be held more than once or twice a year and that the amount involved will not be too much. If the per diem were paid by the States the question might come up whether the Federal representative is working for the State or protecting the interests of the Federal Government. It was the feeling of the committee that payment of this per diem should be made by the Federal Government.

Mr. BYRNES of Wisconsin. The only thing I cannot get straight in my mind is as to what the Federal interest is in the arrangement to be made between these six States. As I understand the purpose of the agreement, it is to prevent or to attempt to clear up certain pollution in the Tennessee River Basin.

Mr. SMITH of Mississippi. This is the first interstate compact to be negotiated and worked out as authorized under the Water Pollution Act. There will be similar compacts throughout the country. Because they are interstate waters, the Federal Government has an interest in the program.

Mr. BYRNES of Wisconsin. I can understand the desirability of these compacts and these agreements, and I can understand that this is the first one to be authorized, but I seriously question the necessity for a Federal representative on this Commission to be paid at $100 per diem.

Mr. SMITH of Mississippi. The suggestion about the pay was made in the preparation of the legislation by the Department of Health, Education, and Welfare. The committee was assured by that Department that it was necessary in order to properly pay the representative, and by the Bureau of the Budget, also.

Mr. ABERNETHY. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Mississippi.

Mr. ABERNETHY. I think my colleague from Mississippi has given the gentleman the answer. The Department of Health, Education, and Welfare suggested this be included. I think probably there is a good reason for it. These are interstate waters, in which six or seven, maybe eight States are particularly interested. It was the feeling of

the Department that the Federal Government should have a representative sitting within the councils of this Commission to particularly protect, and voice the interest of the Federal Government in the activities of the Commission relative to an interstate waterway. Now, I am going to agree with the gentleman that the $100 per diem ceiling seems to be high, more particularly if the Commission was meeting with any degree of regularity. But, the indications are that the Commission meetings would be very few and very wide apart. In order to retain a man qualified to serve in this field, I presume it was the judgment of the Commission that such a per diem would be necessary. Furthermore, the bill only fixes a ceiling on the allowance and leaves it to the judgment of the President as to what it should be. As far as I am personally concerned, I would just as soon have the bill without it, but the administration wanted this amendment in the bill. So, we have endeavored to oblige.

Mr. BYRNES of Wisconsin. I note further that the bill provides that this Federal representative is to be furnished "with necessary office space, consulting, engineering, and stenographic service, and other administrative services by such agency of the Government as may be designated by the President." So, there is more involved here than just attending a couple of meetings.

Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

Mr. ABERNETHY. I hope the gentleman will not insist on the bill being passed over without prejudice. This is a very important measure. It is one in which numerous States and the country are interested. The committee was attempting to comply with the wishes of the administration by including the amendment. I think the gentleman would agree with me that had it not done so, passage would have been jeopardized. If the gentleman feels that the per diem ceiling is too high, it would suit me fine if he would offer an amendment to cut it down. It will have my support.

Mr. BYRNES of Wisconsin. Frankly, I seriously question whether there is any need for a Federal representative as far as these compacts are concerned. This is the start of a number of compacts, I suspect, that will be approved to operate in various river basins, and I think we had better be sure that in the first one we do what we think is best because all the rest will follow the same pattern or precedent that we establish in connection with this legislation.

For that reason, Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

VOCATIONAL REHABILITATION PROGRAMS IN THE STATES

The Clerk called the bill (H. R. 8429) to amend the Vocational Rehabilitation Act.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That clause (2) of section 4 (a) of the Vocational Rehabilitation Act, as amended (68 Stat. 655), is hereby amended, effective June 30, 1957, to read as follows:

"(2) for planning, preparing for, and initiating, during the fiscal year ending June 30, 1955, and the fiscal years ending June 30, 1956, June 30, 1957, and June 30, 1958, a substantial nationwide expansion of vocational rehabilitation programs in the States."

With the following committee amendments:

Page 1, lines 8 and 9, strike out "June 30, 1957, and June 30, 1958" and insert "and June 30, 1957."

Page 1, line 10, strike out "program" and insert "programs."

Page 1, line 10, after "States" insert "and for continuing during the fiscal year ending June 30, 1958, projects which are being carried on under this clause on June 30, 1957."

The committee amendments were agreed to.

Mr. ELLIOTT. Mr. Speaker, H. R. 8429, a bill by the gentleman from Texas [Mr. WRIGHT] was given thorough study by the Subcommittee on Special Education, of which I am chairman. Complete hearings were held.

Miss Mary Switzer, Director of the Office of Vocational Rehabilitation, presented the views of the Department of Health, Education, and Welfare on this legislation, and although the Department did not favor enactment of this bill, she stated, in response to questions that the special projects that would benefit by the bill were doing a fine job in rehabilitating physically handicapped persons.

The Committee on Education and Labor amended the bill so as to provide only that those projects which had been allotted funds for the fiscal year ending June 30, 1957, could continue the projects and spend the money during the year ending June 30, 1958. This amendment, which provides only for the use of the money already allotted, is not opposed by the Department.

Enactment of this legislation will make it possible for those projects to do a better job with the money which has already been allotted to them but not spent by the end of the fiscal year.

These projects have gone a long way in demonstrating to various communities what can be done to give special types of training to physically handicapped people and enable them to find employment, earn income, and thereby be independent and self-supporting, rather than to remain unemployed, and often recipients of public assistance.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TRAINING PERIOD FOR PHYSICIANS

The Clerk called the bill (H. R. 7155) to amend sections 4 (a) and 7 (a) of the Vocational Rehabilitation Act.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that a similar Senate bill, S. 1971, be considered in lieu of the House bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the second sentence of section 4 (a) of the Vocational Rehabilitation Act (29 U. S. C. 34 (a)) is amended by adding the following immediately before the period: "except that, in the case of a course of study in physical medicine and rehabilitation, such period may not be in excess of 3 years."

SEC. 2. Clause (3) of section 7 (a) of such act (29 U. S. C. 37 (a)) is amended by striking out "for any 1 course of study for a period in excess of 2 years" and inserting in lieu thereof "for any 1 course of study, other than a course of study in physical medicine and rehabilitation, for a period in excess of 2 years, or for a course of study in physical medicine and rehabilitation for a period in excess of 3 years."

SEC. 3. The amendments made by this act shall become effective July 1, 1957.

Mr. ELLIOTT. Mr. Speaker, the Subcommittee on Special Education, of which I have the honor of being chairman, gave a great deal of thought and consideration to H. R. 7155, by the gentleman from Delaware [Mr. HASKELL] which was requested by the Department of Health, Education, and Welfare.

This bill merely extends the period of training from 2 to 3 years for physicians who are studying physical medicine and rehabilitation under the program of the Office of Vocational Rehabilitation.

According to the best available estimates, there are 500 vacant positions requiring a qualified specialist in physical medicine and rehabilitation at the present moment.

The key to adequate medical service and rehabilitation centers and hospitals is adequately trained personnel. As a new specialty, physical medicine and rehabilitation must compete for physicians with older medical specialties, such as internal medicine, orthopedics, and neurology. In order to obtain doctors in this field, it is necessary to support their training during the full 3-year period required by the American Board of Physical Medicine and Rehabilitation.

The specialist in physical medicine and rehabilitation is the key member of the personnel team providing rehabilitation service to disabled persons. The extension of this legislation in providing more of these specialists will result in greater numbers of physically handicapped persons returning to an active life and in many instances taking them from relief rolls.

Miss Mary Switzer, Director of the Office of Vocational Rehabilitation, has been of great assistance to the Committee on Education and Labor in its consideration of proposed legislation in this field. She was especially helpful in explaining the problems faced in the rehabilitation process and the need to have

more specialists in physical medicine and rehabilitation.

Enactment of this bill will assist in completing the training of these crucially needed trained specialists and will make an invaluable contribution to the field of rehabilitation of the physically handicapped.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 7155) was laid on the table.

CONVEYANCE OF TRACT OF LAND TO FLORIDA

The Clerk called the bill (H. R. 7636) to provide for the conveyance to the State of Florida of a certain tract of land in such State owned by the United States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That (a) the Attorney General is authorized and directed to convey by quitclaim deed to the State of Florida, for use as a site for a State road department short-wave radio tower, all right, title, and interest of the United States, except as provided in this act, in and to that part of the southeast quarter of the southwest quarter of section 34, township 1 north, range 1 east, situated in Leon County, Fla., and more particularly described as follows:

Commence at the southwest corner of said section 34 and run north 0 degrees 14 minutes 30 seconds east 172.70 feet; thence north 89 degrees 07 minutes 30 seconds east 183.25 feet; thence south 5 degrees 05 minutes 30 seconds east 162.50 feet; thence north 89 degrees 42 minutes 30 seconds east 1999.20 feet to a point 14 feet north of the south line of said section 34, the point of beginning; thence run north 0 degrees 11 minutes 30 seconds west 286.0 feet; thence south 89 degrees 42 minutes 30 seconds west 300 feet; thence south 0 degrees 11 minutes 30 seconds east 300.0 feet to the south line of section 34; thence north 89 degrees 42 minutes 30 seconds east 300 feet, thence north 0 degree 11 minutes 30 seconds west 14.0 feet to point of beginning; containing 2.07 acres, more or less.

(b) The Attorney General shall provide such easements over adjoining lands of the Federal Government as may be necessary to provide access to the land authorized to be conveyed by subsection (a).

SEC. 2. The conveyance authorized by this act shall be subject to the condition that the State of Florida pay to the Attorney General as consideration for the land conveyed the fair market value of such land as determined by the Attorney General after independent appraisal of such land, such fair market value to reflect any reservation, exception, restriction, or condition to which such conveyance is subject.

SEC. 3. The deed effecting the conveyance authorized by the first section of this act shall reserve to the United States all minerals, including gas and oil, in the land conveyed, and shall provide that, in the event such land ceases to be used as a site for a State road department short-wave radio tower and is used for other purposes which, in the opinion of the Attorney General, interfere with the use by the United States of the adjoining lands owned by it as a Federal correctional institution, all right, title, and interest of the State of Florida in and to such land shall revert to and revest in the United States.

With the following committee amendments:

Page 1, line 7: Delete the words "that part of" and insert in lieu thereof "a tract of land about 300 feet square located in."

Page 1, line 10: Delete the words "and more particularly described as follows" and insert in lieu thereof "approximately 2,150 feet east from the southwest corner of said section 34, containing two acres, more or less."

Page 2, lines 1 through 14: Delete the language contained in lines 1 through 14 on page 2 of the bill.

Page 3, line 13: Change the period to a comma and insert at the end of section 3 the clause "which shall have the immediate right of entry thereon."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING PUBLIC LAW 314, 78TH CONGRESS

The Clerk called the bill (H. R. 1140) to amend Public Law 314, 78th Congress, to provide that retired reservists may waive receipt of a portion of their retired pay.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. FORD. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

U. S. S. "ARIZONA" MEMORIAL AT PEARL HARBOR, T. H.

The Clerk called the bill (H. R. 5809) to provide for a United States ship *Arizona* Memorial at Pearl Harbor, T. H.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Navy is authorized to cooperate with the Pacific War Memorial Commission of Hawaii in developing a design for a memorial and museum to be built at or near the site of the hulk of the U. S. S. *Arizona* in Pearl Harbor, T. H.

SEC. 2. The Secretary may furnish to the Pacific War Memorial Commission publicity material for use in a public subscription campaign to raise funds for the memorial and museum.

SEC. 3. When sufficient funds have been subscribed for construction of the memorial and museum, the Secretary is authorized to accept the funds and to undertake the construction.

SEC. 4. On completion of the memorial and museum, the Secretary shall provide for maintenance of the memorial and museum and for public visiting.

With the following committee amendment:

Strike all after the enacting clause and insert the following: "That the Secretary of the Navy may—

"(1) accept contributions for the construction of a memorial and museum to be located on the hulk of the U. S. S. *Arizona* or adjacent United States property in Pearl Harbor, T. H.;

(2) authorize Navy activities to furnish material to the Pacific War Memorial Commission for use in national promotion of a public subscription campaign to raise funds for a U. S. S. *Arizona* memorial;

(3) authorize Navy activities to assist in conceiving a design and in determining the construction cost for the memorial;

"(4) undertake construction of the memorial and museum when sufficient funds have been subscribed for completion of the structure; and

"(5) provide for maintenance of the memorial and museum when completed."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed.

The title was amended to read: "A bill to authorize construction of a U. S. S. *Arizona* memorial at Pearl Harbor."

A motion to reconsider was laid on the table.

Mr. BROOKS of Louisiana. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. DOWDY. Mr. Speaker, this bill authorizes the construction of a U. S. S. *Arizona* memorial at Pearl Harbor, T. H. One of our heavier losses on that disastrous December Sunday morning was the sinking of this valiant ship with over 1,100 of her men aboard. Five of these men were from my District. They were: Samuel Adolphus Abercrombie, of Leggett, Polk County, Tex.; Robert Reaves Tiner, of my hometown, Athens, Henderson County; Brosig Kolajajck, of Anderson, Grimes County; Waymon Boney Blount, of Iola, Grimes County; and Thomas Augusta Free, of Navasota, Grimes County.

I find it fitting that their tomb and that of their shipmates should be marked by such a shrine as is authorized today, a constant reminder of that infamous day in our history and a permanent memorial to those who died on December 7, 1941.

Mr. THOMPSON of Texas. Mr. Speaker, I am very much gratified over the passage by the House of bill, H. R. 5809 to authorize the construction of a U. S. S. *Arizona* memorial at Pearl Harbor. As one who has stood on the battered decks of that noble ship, I am impelled to say that no memorial to our heroic dead is more fitting.

Several residents of my district are entombed on the Arizona. I know that their survivors will find comfort in the knowledge of what we have done today.

Names of my people follow: Jesse Silvey, Alvin, Brazoria County; Reese Olin Griffin, Dickinson, Galveston County; Warren Guy Heckendorn, Dickinson, Galveston County; Lenald Long Collier, Jr., Galveston, Galveston County; Adolph Kruppa, Placedo, Victoria County; and Elwood Henry Haris, Rosharon, Brazoria County.

Mr. FISHER. Mr. Speaker, I wish to associate myself with those who are sponsoring the bill to provide an appropriate memorial for the brave men who lost their lives on board the U. S. S. *Arizona* at Pearl Harbor on April 7, 1941—that day that will live in infamy.

Three of those brave young men lived in my district. They were James R. Lynch, of Blanket, in Brown County, Tex.; Walton Aluard Erwin, son of George Rushing Erwin, 108 Orient Street, San Angelo, Tex.; and Joseph Martin, son of Mrs. J. E. Martin, also of San Angelo.

Let us, the living, rededicate ourselves to the cause for which they died. And let us strive to be worthy of the great heritage which they left us—the sacrifice for which they gave their last full measure of devotion.

Mr. BURNS of Hawaii. Mr. Speaker, H. R. 5809, a bill to authorize a U. S. S. *Arizona* memorial at Pearl Harbor, Hawaii, meets a need long unmet. Since the close of World War II repeated suggestions have been made that December 7, 1941—and the terrible shocking events of that day—should be adequately remembered in Hawaii—the first American Territory to be attacked since 1812.

These suggestions always included the firm thought that the U. S. S. *Arizona* should be constructed into a memorial to the thousand who are entombed therein, as well as to the thousands who lost their lives on that day of surprise and infamy, and in the war that followed.

In 1946, a Pacific Memorial Foundation was chartered by the Territory of Hawaii "to build a suitable memorial to commemorate the illustrious services of our glorious sons who served in World War II." In 1949 the Legislature of Hawaii, by Act 288, Session Laws of Hawaii, created the Pacific War Memorial Commission. The members of this Commission are appointed by the Governor and confirmed by the Senate of the Legislature. The Commission was given powers to receive public lands and deal with Federal agencies. It was authorized to cooperate with the American Battle Monuments Commission, Pacific War Memorial, Inc., and similar organizations.

At first the Commission was a meeting place for ideas. Nearly 100 plans for a memorial had been suggested and the Commission undertook the task of studying all proposals accumulated since 1946.

A refined master plan was evolved. A committee of 21 island architects chosen by the Hawaii AIA Chapter in 1951 designed a Pacific Memorial System. In 1953 the people of Hawaii, by an unanimous vote through their Territorial Legislation, ratified and confirmed those plans.

The Pacific Memorial System is to "express the Nation's gratitude toward those fallen war heroes and serve to inspire the living to build for a world without war—a world wherein there is peace with honor, respect for both the dignity of the individual and the rights of minorities—and where all people place their faith in God."

The system binds together several historical sites in a majestic setting. It extends from Pearl Harbor—the U. S. S. *Arizona*—birthplace of World War II, to the National Cemetery of the Pacific in Punchbowl Crater (Puowaina), last resting place of 14,000 war dead—heroes all—and beyond that to Honolulu's best known landmark, Diamond Head.

For several years now efforts have been made to have legislation authorizing the participation of the United States Navy in the U. S. S. *Arizona* memorial phase of this system. The Department of Navy, which is cooperating with the Pacific War Memorial Commission, wholeheartedly supported the plan and attempted to have the authorization cleared through the administration so that legislation might be presented to the Congress.

In the 85th Congress, H. R. 5809 was introduced early in the session. The departmental report finally approving the project was received after a great amount of consultation and the active assistance of many people greatly interested.

On December 7, 1941, the United States was unprepared for an enemy attack. All Americans resolved then that this should never happen again. We successfully prosecuted to conclusion the war which began that day. Since that time we have kept high our purpose that the thousands who sacrificed their lives on December 7 and in the war that followed should not have died in vain.

Unless we constantly keep high our purpose and carefully review and evaluate our progress toward attainment of a just and lasting peace, while at the same time being ever prepared for any eventuality, we shall not bear full faith with our honored dead.

America needs this memorial so that all Americans can be reminded of the great sacrifice thousands made that we who come after may carry forward the hope and aspirations of mankind.

Mr. BURLESON. Mr. Speaker, it pleases me very much to support H. R. 5809, which is a bill to authorize the construction of a U. S. S. *Arizona* memorial at Pearl Harbor, Hawaii. This bill will permit the construction of a memorial of lasting historical significance, which will be an inspiration for Americans for generations to come.

The U. S. S. *Arizona* is the tomb of 1,102 of the Navy's finest fighting men.

This memorial, which costs the Federal Government nothing, is the least which the American people can possibly do for those men whose lives were sacrificed by the sneak Japanese attack on December 7, 1941.

Having been in the Navy during World War II, I had occasion to be at Pearl Harbor a short time after the devastating attack on this goodly part of our Navy fighting arm then at Pearl Harbor. Not only was it an astounding sight to see from the standpoint of damage inflicted, but it was sad to remember that these men who perished had little or no chance to defend themselves, but who acted heroically in doing everything possible under the circumstances.

Three of these fine and courageous young men were from the district which I have the honor to represent in Congress. As I did at the time when in Pearl Harbor, and as I have done since, I pay honor to Dayton Monroe Masters (GM3c), of Avoca, Jones County, Texas; Lenand Howard Bryan (S1c), of Gorman, Eastland County, Texas; and Marvin Ray Smith (S1c), of Cross Plains, Callahan County, Texas.

Mr. Speaker, I trust that no voice will be raised in opposition to this measure, and I feel sure that none will be.

Mr. JOHANSEN. Mr. Speaker, I share in the gratification over the action of the House in passage of H. R. 5809, to authorize construction of a U. S. S. *Arizona* memorial at Pearl Harbor.

I am sure that the survivors of those who made the supreme sacrifice appreciate this added evidence that devotion to country has not been forgotten.

Residents of the Third Congressional District of Michigan who are entombed in the *Arizona* are Edward Charles Morse, of Battle Creek; Laddie James Willette, of Battle Creek; Paul Daniel Keller, of Coldwater; Cecil Eugene Whitcomb, of Homer; and Frank Hendricksen, of Kalamazoo.

Mr. TALLE. Mr. Speaker, I would like to add my vigorous support to H. R. 5809, a bill to authorize the construction of a U. S. S. *Arizona* memorial at Pearl Harbor, T. H. Such a shrine will serve as a lasting tribute to the 1,102 valiant men of the *Arizona* who lost their lives on that disastrous Sunday morning, December 7, 1941, and who are still entombed in that sunken ship.

Included in this group are five men from the Second Congressional District of Iowa which I have the honor to represent in the Congress and I would like to pay tribute to them at this time. They are Lawrence Donald Anderson, Waukon, Allamakee County; Karl Anthony Giesen, Decorah, Winneshiek County; Richard Henry Eulberg, Garnavillo, Clayton County; John William Lincoln, Norway, Benton County; and Robert Denzie Taylor, Sabula, Jackson County.

Having served in the Navy myself during World War I, I feel a special kinship for these brave Iowans who died so that America might live. This memorial will serve as a constant reminder to us all that liberty and freedom cannot be retained cheaply, but must be constantly guarded and, if necessary fought and even died for.

As approved by the House without opposition, H. R. 5809 provides:

That the Secretary of the Navy be authorized to cooperate with the Pacific War Memorial Commission of Hawaii in developing a design for a memorial and museum to be built at or near the site of the hulk of the U. S. S. *Arizona* in Pearl Harbor, T. H.

That the Secretary of the Navy may—

(1) Accept contributions for the construction of a memorial and museum to be located on the hulk of the U. S. S. *Arizona* or adjacent United States property in Pearl Harbor, T. H.;

(2) Authorize Navy activities to furnish material to the Pacific War Memorial Commission for use in national promotion of a public subscription campaign to raise funds for a U. S. S. *Arizona* memorial;

(3) Authorize Navy activities to assist in conceiving a design and in determining the construction cost for the memorial;

(4) Undertake construction of the memorial and museum when sufficient funds have been subscribed for completion of the structure; and

(5) Provide for maintenance of the memorial and museum when completed.

Mr. Speaker, as you are aware, this memorial will be paid for from contribu-

tions of private citizens and at no cost to the Federal Government. Despite the last-minute rush of business before adjournment, I hope the Senate will take time to act favorably on this memorial honoring the valiant men of the U. S. S. *Arizona*.

Mr. UDALL. Mr. Speaker, every morning the American flag is raised over a rusting bit of metal in Pearl Harbor—the only visible remains of the U. S. S. *Arizona*, the famed battleship named for my State, sunk in the surprise attack which plunged our country into World War II.

The story of the Navy's daily tribute to the battleship and its brave crew which died that day nearly 16 years ago is well known. To the Navy, the *Arizona* remains a commissioned ship of the fleet, with most of its crew—1,102 officers and men—still aboard.

Now the House has acted to authorize construction of a more permanent memorial to honor these men and the others who died in the Pacific war by passage of H. R. 5809, introduced by the Delegate from Hawaii [Mr. BURNS]. I believe he is to be commended for his efforts on this matter, and I was pleased to join him as a cosponsor.

Among the approximately 1,200 who perished aboard the *Arizona* were 7 from my own State. They were George Allan Bertie, Jr., and George Sanford Hollowell, of Phoenix; Louis Edward Cremeens, of Yuma; James William Horrocks, of Nogales; James Joseph Murphy, of Bisbee; Harvey Leroy Skeen, of Miami; and James Randolph Van Horn, of Tucson.

The words of Admiral Radford, spoken when the daily flag-raising ceremony was instituted, apply equally well, I think, to efforts to establish this memorial:

> I am sure the *Arizona's* crew will know and appreciate what we are doing. May God make His face shine upon them and grant them peace.

Mr. PORTER. Mr. Speaker, 21 Oregon men lost their lives when the famed battleship U. S. S. *Arizona* was sunk in a surprise aerial attack at Pearl Harbor, Honolulu, T. H., December 7, 1941.

The work of many men and women to honor the 1,102 Navy men who were entombed on the *Arizona* culminated in the House last week when H. R. 5809 was approved. I understand this legislation offered by Delegate JOHN BURNS, our able colleague from Hawaii, may come before the Senate today.

This December 7 a campaign is to open to raise funds for the erection and maintenance of a shrine at the site of the battleship itself. It is befitting, I believe, to note that the Navy pays daily tribute to the brave men of the *Arizona*.

The Oregonians who will be honored are: Myrle Clarence Davis, Albany; Frank George Brown, Baker; Glendale Rex Young, Coburg; Joel Bemen Cowden and Victor Lawrence Jeans, both of Eugene; William Howard Brown, Forest Grove; Harley Wade Craft, Hoskins; James Pickens Anderson, Jr., Jordan Valley; Filomeno Santos, Medford; Ralph LeRoy Wallace, Monroe; William Robert Anderberg, Donald William Anderson, William Joseph Curry, Arland Earl Price, John James Robinson, Donald Vern Westin and Everett Norris Wick, all of Portland; Robert Lee Allen of Roseburg; Verrel Roy Heater, Sherwood; Carroll Glae Greenfield, Silverton; and Darrell Robert Howe, Sweet Home.

Seven of these young men came from my district.

A college friend of mine also went down with the ship.

It is my hope that this memorial may fulfill the longing of so many, throughout so much of the Free World, for a permanent, living shrine that will dignify man's sacrifice for his fellow men of the future. The proposed U. S. S. *Arizona* Memorial would be a part of the Pacific Memorial System, whose theme is, Out of an Honored Past—Toward a Better Tomorrow.

And, to further that goal I was proud to join my colleague from Hawaii and Congressmen J. CARLTON LOSER, Tennessee; STEWART UDALL, Arizona; and JOHN J. RHODES, Arizona, in cosponsoring legislation which would provide for the memorial.

ERECTION OF NATIONAL MONUMENT SYMBOLIZING IDEALS OF DEMOCRACY

The Clerk called the bill (H. R. 8290) to authorize the erection of a national monument symbolizing the ideals of democracy in the fulfillment of the act of August 31, 1954 (68 Stat. 1029), to create a National Monument Commission, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BROYHILL. Mr. Speaker, reserving the right to object, I would like to inquire of the gentleman from Colorado, the author of the bill, whether he is aware that several of our colleagues, including myself, have received a number of communications and visits from residents of Arlington County, which is the community in which this monument is to be constructed, objecting to this bill being passed today. I am very much in favor of the erection of this monument. I think it would be one of the most beautiful and effective memorials that has ever been constructed in this country. I would not want my community to be held responsible for blocking such a wonderful project. However, they have not been consulted in this matter. Too often such projects as this are proposed and authorized without proper consultation with the local governing bodies concerned. I believe that the citizens living near this site should have an opportunity to be heard and their objections given proper consideration.

I am wondering if the gentleman from Colorado will agree to an amendment to require consultation with the local governing body as has been required for four other agencies mentioned in this bill, in which case perhaps the objection that has been expressed would be overcome.

Mr. ASPINALL. Mr. Speaker, if the gentleman will yield to me, in response, the gentleman from Colorado wishes to state that he is aware of some opposition close to the area in which the monument is to be placed. The gentleman understands also that representatives of Arlington County have suggested that they had no notice. As to that, the gentleman from Colorado wishes to make the statement that this matter has been widely publicized since 1952, when President Eisenhower made the first donation to this program.

The gentleman from Colorado is not so much concerned with the lack of notice, but is concerned with the fact that the people of the county which the gentleman from Virginia represents, would like to know more about it and would like to have something to say about the final disposition of the matter. With the understanding that such an amendment as the gentleman from Virginia wishes to offer might be thrashed out in the conference committee, if there is some question as to how much authority he wishes to give to this official body of the State of Virginia, the gentleman from Colorado would have no objection to such an amendment.

Mr. BROYHILL. Mr. Speaker, I would like to point out to the gentleman from Colorado that I have consulted with the president of this foundation and was informed by him that he would be willing to appoint an advisory committee to consult with the Arlington County Board. I can assure the gentleman that our community would not want to block such a wonderful project as this, yet I do think our people should be considered and consulted.

Mr. ASPINALL. May the gentleman from Colorado say in reply to the statement of the gentleman from Virginia that he appreciates very much the concern the gentleman has in this particular matter and that he considers this one of the greatest monuments symbolizing the ideals of democracy that has ever been presented to the Congress of the United States for authorization and construction, the building of which will make possible the further effective teaching of the great principles of democracy.

Mr. BROYHILL. I would agree with the gentleman. We certainly should go forward.

I have amendments to the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. SHEPPARD objected.

DISTRIBUTION OF ASSETS OF CERTAIN INDIAN RESERVATIONS

The Clerk called the bill (H. R. 2824) to provide for the distribution of the land and assets of certain Indian rancherias and reservations in California, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the lands, including minerals, water rights, and improvements located on the lands, and other assets of the following rancherias and reservations in the State of California shall be distributed in accordance with the provisions of this act:

Strawberry Valley.

Wilton.

SEC. 2. (a) The Indians who hold formal or informal assignments on each reservation

or rancheria, or the Indians of such reservation or rancheria, or the Secretary after consultation with such Indians, shall prepare a plan for distributing to individual Indians the assets of the reservation or rancheria, including the assigned and the unassigned lands, or for selling such assets and distributing the proceeds of sale, or for conveying such assets to a corporation or other legal entity organized or designated by the group, or for conveying such assets to the group as tenants in common. The Secretary shall provide such assistance to the Indians as is necessary to organize a corporation or other legal entity for the purposes of this act.

(b) General notice shall be given of the contents of a plan prepared pursuant to subsection (a) of this section and approved by the Secretary, and any Indian who feels that he is unfairly treated in the proposed distribution of the property shall be given an opportunity to present his views and arguments for the consideration of the Secretary. After such consideration, the plan or a revision thereof shall be submitted for the approval of the Indians who will participate in the distribution of the property, and if the plan is approved by a majority of such Indians who vote in a referendum called for that purpose by the Secretary, the plan shall be carried out.

(c) Any grantee under the provisions of this section shall receive an unrestricted title to the property conveyed, and the conveyance shall be recorded in the appropriate county office.

(d) No property distributed under the provisions of this act shall at the time of distribution be subject to any Federal or State income tax. Following any distribution of property made under the provisions of this act, such property and any income derived therefrom by the distributee shall be subject to the same taxes, State and Federal, as in the case of non-Indians: *Provided*, That for the purpose of capital gains or losses the base value of the property shall be the value of the property when distributed to the individual, corporation, or other legal entity.

SEC. 3. Before making the conveyances authorized by this act on any rancheria or reservation, the Secretary of the Interior is directed:

(a) To cause surveys to be made of the exterior or interior boundaries of the lands to the extent that such surveys are necessary or appropriate for the conveyance of marketable and recordable titles to the lands.

(b) To complete the construction or improvement of roads within the reservation or rancheria or that provide access to such reservation or rancheria in accordance with plans that will permit the transfer of the roads that are scheduled or to be scheduled for transfer to the State or local government. The Secretary is authorized to contract with the State of California or political subdivisions thereof for the construction or improvement of such roads and to expend under such contracts moneys appropriated by Congress for the Indian road system. When such roads are transferred to the State or local government the Secretary is authorized to convey rights-of-way for such roads, including any improvements thereon.

(c) To install or rehabilitate such irrigation or domestic water systems as he and the Indians affected agree, within a reasonable time, should be completed by the United States.

(d) To cancel all reimbursable indebtedness owing to the United States on account of unpaid construction, operation, and maintenance charges for water facilities on the reservation or rancheria.

(e) To exchange any lands within the rancheria or reservation that are held by the United States for the use of Indians which the Secretary and the Indians affected agree should be exchanged before the termination of the Federal trust for non-Indian lands and improvements of approximately equal value.

SEC. 4. Nothing in this act shall abrogate any Indian water right. The laws of the State of California with respect to the loss of water rights by nonuse shall not apply until 15 years after the conveyance pursuant to this act of an unrestricted title to the water right and the land to which it is appurtenant, or until the title is conveyed to a non-Indian, whichever is the shorter period, and thereafter such State law shall be applicable. During the time such State law is not applicable the Attorney General shall represent the Indian owner in all legal proceedings, including proceedings before administrative bodies, involving such water right, and in any necessary affirmative action to prevent adverse appropriation of water which would encroach upon the Indian water right.

SEC. 5. The Secretary of the Interior is authorized to convey without consideration to Indians who receive conveyances of land pursuant to this act, or to a corporation or other legal entity organized by such Indians, or to a public or nonprofit body, any federally owned property on the reservations or rancherias subject to this act that is not needed for the administration of Indian affairs in California.

SEC. 6. The Secretary of the Interior shall disburse to the Indians of the rancherias and reservations that are subject to this act all funds of such Indians that are in the custody of the United States.

SEC. 7. Nothing in this Act shall affect any claim filed before the Indian Claims Commission, or the right, if any, of the Indians subject to this act to share in any judgment recovered against the United States on behalf of the Indians of California.

SEC. 8. Before conveying or distributing property pursuant to this act, the Secretary of the Interior shall protect the rights of individual Indians who are minors, non compos mentis, or in the opinion of the Secretary in need of assistance in conducting their affairs, by causing the appointment of guardians for such Indians in courts of competent jurisdiction, or by such other means as he may deem adequate.

SEC. 9. The constitution adopted by the Me Wuk Indian Community of the Wilton Rancheria pursuant to the act of June 18, 1934 (48 Stat. 984), as amended, is hereby revoked.

SEC. 10. Prior to the termination of the Federal trust relationship in accordance with the provisions of this act, the Secretary of the Interior is authorized to undertake, within the limits of available appropriations, a special program of education and training designed to help the Indians earn a livelihood, to conduct their own affairs, and to assume their responsibilities as citizens without special services because of their status as Indians. Such program may include language training, orientation in non-Indian community customs and living standards, vocational training and related subjects, transportation to the place of training or instruction, and subsistence during the course of training or instruction. For the purposes of such program, the Secretary is authorized to enter into contracts or agreements with any Federal, State, or local governmental agency, corporation, association, or person. Nothing in this section shall preclude any Federal agency from undertaking any other program for the education and training of Indians with funds appropriated to it.

SEC. 11. The Secretary of the Interior is authorized to issue such rules and regulations and to execute or approve such conveyancing instruments as he deems necessary to carry out the provisions of this act.

SEC. 12. There are authorized to be appropriated such sums of money as are necessary to carry out the provisions of this act.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That the lands, including minerals, water rights, and improvements located on the lands, and other assets of the following rancherias and reservations in the State of California shall be distributed in accordance with the provisions of this act: Blue Lake, Graton, Guidiville, Mark West, Pinoleville Potter Valley, Redwood Valley, Robinson, Rohnerville, Strawberry Valley, Table Bluff, Table Mountain, Upper Lake, Wilton.

"SEC. 2. (a) The Indians who hold formal or informal assignments on each reservation or rancheria, or the Indians of such reservation or rancheria, or the Secretary of the Interior after consultation with such Indians, shall prepare a plan for distributing to individual Indians the assets of the reservation or rancheria, including the assigned and the unassigned lands, or for selling such assets, and distributing the proceeds of sale, or for conveying such assets to a corporation or other legal entity organized or designated by the group, or for conveying such assets to the group as tenants in common. The Secretary shall provide such assistance to the Indians as is necessary to organize a corporation or other legal entity for the purposes of this act.

"(b) General notice shall be given of the contents of a plan prepared pursuant to subsection (a) of the section and approved by the Secretary, and any Indian who feels that he is unfairly treated in the proposed distribution of the property shall be given an opportunity to present his views and arguments for the consideration of the Secretary. After such consideration, the plan or a revision thereof shall be submitted for the approval of the adult Indians who will participate in the distribution of the property, and if the plan is approved by a majority of such Indians who vote in a referendum called for that purpose by the Secretary the plan shall be carried out.

"(c) Any grantee under the provisions of this section shall receive an unrestricted title to the property conveyed, and the conveyance shall be rceorded in the appropriate county office.

"(d) No property distributed under the provisions of this act shall at the time of distribution be subject to any Federal or State income tax. Following any distribution of property made under the provisions of this act, such property and any income derived therefrom by the distributee shall be subject to the same taxes, State and Federal, as in the case of non-Indians: *Provided*, That for the purpose of capital gains or losses the base value of the property shall be the value of the property when distributed to the individual, corporation, or other legal entity.

"SEC. 3. Before making the conveyances authorized by this act on any rancheria or reservation, the Secretary of the Interior is directed:

"(a) To cause surveys to be made of the exterior or interior boundaries of the lands to the extent that such surveys are necessary or appropriate for the conveyance of marketable and recordable titles to the lands.

"(b) To complete any construction or improvement required to bring Indian Bureau roads serving the rancherias or reservations up to adequate standards comparable to standards for similar roads of the State or subdivision thereof. The Secretary is authorized to contract with the State of California or political subdivisions thereof for the construction or improvement of such roads and to expend under such contracts moneys appropriated by Congress for the Indian road system. When such roads are transferred to the State or local government the Secretary is authorized to convey rights-

of-way for such roads, including any improvements thereon.

"(c) To install or rehabilitate such irrigation or domestic water systems as he and the Indians affected agree, within a reasonable time, should be completed by the United States.

"(d) To cancel all reimbursable indebtedness owing to the United States on account of unpaid construction, operation, and maintenance charges for water facilities on the reservation or rancheria.

"(e) To exchange any lands within the rancheria or reservation that are held by the United States for the use of Indians which the Secretary and the Indians affected agree should be exchanged before the termination of the Federal trust for non-Indian lands and improvements of approximately equal value.

"SEC. 4. Nothing in this act shall abrogate any water right that exists by virtue of the laws of the United States. To the extent that the laws of the State of California are not now applicable to any water right appurtenant to any lands involved herein they shall continue to be inapplicable while the water right is in Indian ownership for a period not to exceed 15 years after the conveyance pursuant to this act of an unrestricted title thereto, and thereafter the applicability of such laws shall be without prejudice to the priority of any such right not theretofore based upon State law. During the time such State law is not applicable the Attorney General shall represent the Indian owner in all legal proceedings, including proceedings before administrative bodies, involving such water right, and in any necessary affirmative action to prevent adverse appropriation of water which would encroach upon the Indian water right.

"SEC. 5. (a) The Secretary of the Interior is authorized to convey without consideration to Indians who receive conveyances of land pursuant to this act, or to a corporation or other legal entity organized by such Indians, or to a public or nonprofit body, any federally owned property on the reservations or rancherias subject to this act that is not needed for the administration of Indian affairs in California.

"(b) For the purposes of this act, the assets of the Upper Lake Rancheria shall include the 160-acre tract set aside as a wood reserve for the Upper Lake Indians by secretarial order dated February 15, 1907.

"SEC. 6. The Secretary of the Interior shall disburse to the Indians of the rancherias and reservations that are subject to this act all funds of such Indians that are in the custody of the United States.

"SEC. 7. Nothing in this act shall affect any claim filed before the Indian Claims Commission, or the right, if any, of the Indians subject to this act to share in any judgment recovered against the United States on behalf of the Indians of California.

"SEC. 8. Before conveying or distributing property pursuant to this act, the Secretary of the Interior shall protect the rights of individual Indians who are minors, non compos mentis, or in the opinion of the Secretary in need of assistance in conducting their affairs, by causing the appointment of guardians for such Indians in courts of competent jurisdiction, or by such other means as he may deem adequate, without application from such Indians, including but not limited to the creation of a trust for such Indians' property with a trustee selected by the Secretary, or the purchase by the Secretary of annuities for such Indians.

"SEC. 9. Prior to the termination of the Federal trust relationship in accordance with the provisions of this act, the Secretary of the Interior is authorized to undertake, within the limits of available appropriations, a special program of education and training designed to help the Indians to earn a livelihood, to conduct their own affairs, and to assume their responsibilities as citizens without special services because of their status as Indians. Such program may include language training, orientation in non-Indian community customs and living standards, vocational training and related subjects, transportation to the place of training or instruction, and subsistence during the course of training or instruction. For the purposes of such program, the Secretary is authorized to enter into contracts or agreements with any Federal, State, or local governmental agency, corporation, association, or person. Nothing in this section shall preclude any Federal agency from undertaking any other program for the education and training of Indians with funds appropriated to it.

"SEC. 10. (a) The plan for the distribution of the assets of a rancheria or reservation, when approved by the Secretary and by the Indians in a referendum vote as provided in subsection 2 (b) of this act, shall be final, and the distribution of assets pursuant to such plan shall not be the basis for any claim against the United States by an Indian who receives or is denied a part of the assets distributed.

"(b) After the assets of a rancheria or reservation have been distributed pursuant to this act, the Indians who receive any part of such assets, and the members of their immediate families, shall not be entitled to any of the services performed by the United States for Indians because of their status as Indians, all statutes of the United States which affect Indians because of their status as Indians shall be inapplicable to them, and the laws of the several States shall apply to them in the same manner as they apply to other citizens or persons within their jurisdiction. Nothing in this act, however, shall affect the status of such persons as citizens of the United States.

"SEC. 11. The constitution and corporate charter adopted pursuant to the act of June 18, 1934 (48 Stat. 984), as amended, by any rancheria or reservation subject to this act shall be revoked by the Secretary of the Interior when a plan is approved by a majority of the adult Indians thereof pursuant to subsection 2 (b) of this act.

"SEC. 12. The Secretary of the Interior is authorized to issue such rules and regulations and to execute or approve such conveyancing instruments as he deems necessary to carry out the provisions of this act.

"SEC. 13. There is authorized to be appropriated not to exceed $110,100 to carry out the provisions of this act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KLAMATH RIVER BASIN COMPACT

The Clerk called the bill (H. R. 8465) granting the consent of Congress to the Klamath River Basin Compact between the States of California and Oregon, and for related purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GROSS. Reserving the right to object, Mr. Speaker, does this bill not also provide for a Federal representative at $100 per diem?

Mr. ENGLE. I will have to check the bill to see how much the Federal representative is paid.

Mr. WEAVER. If the gentleman will yield, I may say to the gentleman that the bill does call for a total of $100 per diem or not more than $15,000 per year.

Mr. GROSS. The same objection was made to the compact in the Tennessee Valley Basin, was it not?

Mr. ENGLE. That was not before our committee. Let me say to the gentleman that the Federal Government has a very vital interest in this area. There is a huge reclamation project up in that area. It is important for us that a Federal representative be on the Commission with reference to the distribution of these waters. That is why this provision is put in the bill. We have the Klamath reclamation project there. It would certainly be bad judgment for the Federal Government to have a commission without any Federal representation on it. That is what this is for.

Mr. GROSS. The Tennessee Valley Basin Compact does not involve any reclamation project as such?

Mr. ENGLE. I am not familiar with the Tennessee Valley Compact matters. I think in that case they were talking about setting up a compact. In this instance the compact has already been agreed to and approved by both legislatures, the Legislature of California and the Legislature of Oregon, and by both Governors. This is the commission that will administer the compact. Because of our financial investment there, we certainly ought to have some representation on the commission, and that is what this is.

Mr. FORD. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Michigan.

Mr. FORD. May I point out that the Department of Defense paid only $50 per diem to the top grade, best-known scientists, for research and development. It is hard to visualize why they would want to pay $100 per diem here to someone certainly no more vital to our national security. It does not make sense. If you pay $50 per diem for a top research development scientist, I see no reason why it should not be $50 here.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the bill be passed over without objection.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

CONVEYANCE OF CERTAIN REAL PROPERTY TO THE STATE OF NEVADA

The Clerk called the bill (S. 556) to provide for the conveyance of certain real property of the United States situated in Clark County, Nev., to the State of Nevada for the use of the Nevada State Board of Fish and Game Commissioners.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior shall convey, to the State of Nevada for the use of the Nevada State Board of Fish and Game Commissioners, all right, title, and interest of the United States in and to the real property situated in Clark County, Nev., which is more particularly described as follows:

Township 20 south, range 61 east, Mount Diablo meridian: In section 30, that part of lot 1 bounded as described as follows:

Beginning at corner 1, a point in the centerline of Vegas Drive, from which point the

northwest corner of said section 30 bears south 89 degrees 23 minutes 45 seconds west 675.93 feet distant; thence south 00 degrees 47 minutes 30 seconds east, 507.00 feet to corner 2; thence north 89 degrees 23 minutes 45 seconds east, 100.35 feet to corner 3; thence north 13 degrees 41 minutes 00 seconds east, 523.15 feet to corner 4, a point in the centerline of Vegas Drive; thence with said centerline south 89 degrees 23 minutes 45 seconds west, 231.12 feet to the place of beginning;

Bounded on the north by the centerline of Vegas Drive; on the east and south by land of the city of Las Vegas; and on the west by land of the United States; containing 1.93 acres, be the same more or less.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PENSIONS FOR SERVICE IN MORO PROVINCE

The Clerk called the joint resolution (H. J. Res. 73) placing certain individuals who served in the Armed Forces of the United States in the Moro Province, including Mindanao, and in the islands of Leyte and Samar after July 4, 1902, and their survivors, in the same status as those who served in the Armed Forces during the Philippine Insurrection and their survivors.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

Mr. CUNNINGHAM of Iowa. Reserving the right to object, Mr. Speaker, this is a joint resolution that has a very laudable purpose and is one, in my opinion, that a great majority of the Members of the House would vote for if it came up in the regular order. I am advised it has passed the House in previous years and also passed the Senate in previous years, but never both bodies at the same time, except once. Then it went to the President and was vetoed. I think I can give the reasons.

The Veterans' Administration is strongly opposed to this measure. First, it constitutes an exception to the general policy. Second, the service in question was not performed during a period of war. Third, it is discriminatory. Fourth, it could be a precedent for costly legislation.

The Bureau of the Budget has no objection to the report of the Veterans' Administration.

Our information is that about $800,000 would be the cost for the first year. I have no information what the cost for subsequent years would be. Unquestionably, it would be much in excess of $1 million. The membership is aware that we have a rule where a bill would cost the Government and the taxpayers more than a million dollars; it should not be passed by unanimous consent on the Consent Calendar. In fact, it should not have been placed on the Consent Calendar by the Committee on Veterans' Affairs.

Mr. O'HARA of Illinois. Mr. Speaker, will the gentleman yield?

Mr. CUNNINGHAM of Iowa. I yield.

Mr. O'HARA of Illinois. I appreciate the remarks of the distinguished gentleman from Iowa bearing upon the laudatory merits of the bill itself. Might I inquire of him if the bill were brought up under suspension of the rules, would the gentleman vote for it?

Mr. CUNNINGHAM of Iowa. I do not think that is a fair question, but I would say I certainly would.

Mr. O'HARA of Illinois. I thank the gentleman very much. This, as I am sure the gentleman from Iowa feels, is a most meritorious measure and its enactment should not be delayed.

Mr. CUNNINGHAM of Iowa. The only question is that it should not have been placed on the Consent Calendar. I will say to the gentleman from Illinois, if in the future he is interested in a bill of this nature, kindly see that such a bill does not go on the Consent Calendar, and that can be done by conferring with the committee that reports the bill.

Mr. O'HARA of Illinois. I appreciate the statement of the gentleman. I am happy that his objection is directed only at its being called on the Consent Calendar and that the gentleman will vote for the bill itself if called up under suspension of the rules. As the Committee on Veterans' Affairs points out in its report, it is significant that 15 or more Congressional Medals of Honor were awarded for service in the Moro Province and the islands of Samoa and Leyte. The plain truth is that some of the hardest fighting of the war with Spain, with heaviest casualties, occurred there after July 4, 1902.

Mr. CUNNINGHAM of Iowa. Mr. Speaker, therefore, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

RELIEF OF TOWN OF MEDICINE LAKE, MONT.

The Clerk called the bill (H. R. 7384) for the relief of the town of Medicine Lake, Mont.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the town of Medicine Lake, Mont., the sum of $12,000. The payment of such sum shall be in full settlement of all claims of the said town of Medicine Lake, Mont., for reimbursement for damages to their municipal water supply system resulting from the developments of the Fish and Wildlife Service in the area: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to any agent or attorney on account of service rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 11, strike the words "in excess of 10."

Page 2, line 1, strike the words "per centum thereof."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEF OF VILLAGE OF WAUNETA, NEBR.

The Clerk called the bill (S. 364) for the relief of the village of Wauneta, Nebr.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the trustees of the village of Wauneta, Nebr., the sum of $76,750 or so much thereof as a board of three competent engineers (one of whom shall be named by the Secretary of the Interior, one by said trustees, and one by the other two jointly or, if they fail to agree, by the chief judge of the United States Court of Appeals for the Eighth Circuit) shall determine is necessary to rectify the adverse effects of the demolition by the United States of the Wauneta Light & Power Co. dam on Frenchman Creek on the serviceability of the water supply and storm and sanitary sewer facilities of the village, to compensate said village for any abnormal costs which were occasioned by said demolition and reasonably incurred to maintain such facilities in service from the time of said demolition to the present, and to compensate said village for such like costs as the board finds it may reasonably be expected to incur hereafter during the useful life of the facilities as they existed prior to said demolition or 50 years, whichever is shorter. Said payment shall be made only upon execution by the trustees of a release of the United States from any claim for damages arising from said demolition or from the construction, operation, and maintenance of Enders Dam and Reservoir, which release shall be satisfactory in form and content to the Secretary of the Interior. Each party shall pay the salary and expenses of its member of the board of engineers and one-half the salary and expenses of the third member of said board. Appropriations made to the Bureau of Reclamation, Department of the Interior, shall be available for the Government's portion of these salaries and expenses. Nothing contained in this act shall be construed as an admission by the United States of any liability on its part to the village of Wauneta or to any inhabitants or landowner therein.

SEC. 2. No amount in excess of 10 percent of the amount paid to the village of Wauneta pursuant to this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with its claim, and any such excess payment shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 3, line 3, strike out lines 2 and 3, and insert "*Provided*, That no part of the amount appropriated in this act."

Mr. LANE. Mr. Speaker, I ask that the amendment offered by the committee be rejected and that the bill be passed without amendment, as it came from the other body.

The amendment was rejected.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXCLUSION OF STATE BONUSES FROM ANNUAL INCOME IN DETERMINING ELIGIBILITY FOR NON-SERVICE-CONNECTED PENSION

The Clerk called the bill (S. 2080) relating to the computation of annual income for the purpose of payment of pension for non-service-connected disability or death in certain cases.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BYRNES of Wisconsin. Mr. Speaker, reserving the right to object, I do so only to inquire of some member of the committee concerning this bill and the bill, H. R. 5212, which is Calendar No. 256 on today's calendar. My understanding is that both of these bills are identical. Which bill is it recommended that the House pass?

Mr. DORN of South Carolina. The committee is hoping that the House will adopt the bill presently under consideration and if that happens, we will withdraw the other bill.

Mr. BYRNES of Wisconsin. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in determining "annual income" under the provisions of paragraph II (a) of part III, Veterans Regulation No. 1 (a), as amended (38 U. S. C., ch. 12A), and section 1 (c) of the act of June 28, 1934, as added by section 1 of the act of July 19, 1939 (53 Stat. 1068), and as amended (38 U. S. C. 503 (c)), payment of a bonus or similar cash gratuity to a veteran or his survivors by any State based on service in the Armed Forces of the United States shall not be considered. The term "State" means each of the several States, Territories, and possessions of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

SEC. 2. Section 1 of this act shall take effect on the date of its enactment and shall cease to be in effect on January 1, 1958.

SEC. 3. Section 403 of the Veterans' Benefits Act of 1957, Public Law 85–56, is amended by deleting the word "and" and immediately preceding item (5); by substituting a semicolon followed by the word "and" at the end of section (5); and by adding the following new section:

"(6) payments of bonus or similar cash gratuity by any State, Territory, possession, or Commonwealth of the United States, or the District of Columbia, based on military, naval, or air service."

With the following committee amendments:

Page 1, line 3, insert "(1)" after the word "That."

Page 1, line 8, insert before the word "payment" the following: "and (2) in determining the dependency of a parent for the purpose of payment of death compensation by the Veterans' Administration."

On page 2, line 11, after the word "and", insert "for the period."

On page 2, line 11, strike out the word "section" and insert "item."

On page 2, line 12, strike out the word "section" and insert "item."

At the end of the bill insert:

"SEC. 4. Section 102 (c) of the Veterans' Benefits Act of 1957, Public Law 85–56, is amended by adding after the word 'Administration' the following: 'or payments of bonus or similar cash gratuity by any State, Territory, possession, or Commonwealth of the United States, or the District of Columbia, based on military, naval, or air service.'

"SEC. 5. Section 205 (g) (1) of the Servicemen's and Veterans' Survivor Benefits Act (38 U. S. C. 1115) is amended (1) by substituting a semicolon for the period at the end of item '(E)', and (2) by adding the following new item:

"'(F) payments of bonus or similar cash gratuity by any State, Territory, possession, or Commonwealth of the United States, or the District of Columbia, based on service in the Armed Forces of the United States.'"

The committee amendments were agreed to.

Mr. BROOKS of Louisiana. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BROOKS of Louisiana. Mr. Speaker, this bill, S. 2080, is extremely important to the veterans throughout the entire United States. In any State in the future where a State bonus or State compenstion is paid a veteran for the services which he may have rendered to his Nation during hours of emergency and great distress, he will receive benefits from this legislation.

In every instance throughout the United States the veteran profiting most from such legislation will be the poor veteran who is having trouble making a living and who is being assisted by the Veterans' Administration. This veteran will feel the beneficent effect of this legislation. He will have an opportunity to receive those payments made by the several States from time to time without the constant fear that any payment made by a State or subdivision of a State would result in cutting him off from the receipt of compensation from the Veterans' Administration.

More than that, the survivors of our veterans will receive benefits from this legislation. The widow who has made the sacrifice at home as well as the veteran himself will be penalized unless this legislation passes. Likewise, the widow and children of even service-connected veterans will be hurt unless this legislation is enacted.

It so happens that my own State of Louisiana is one of the States which has recently passed legislation paying a bonus to veterans. Checks for these payments have already been mailed out to Louisiana veterans wherever they may be at this time. Checks from the Louisiana Department of Veterans Affairs ranging from $50 to $1,000 have been mailed out.

Under the Louisiana law, the minimum amount received is the sum of $50. Under this bill a veteran with as little as 30 days' service will receive the minimum amount; with 60 days' service, the veteran will receive a minimum of $75. Any overseas veteran will receive $250 from the State of Louisiana for a bonus and reward for the service he rendered his Nation during the time of crisis. The widow of a service-connected veteran will receive the sum of $1,000. These are the people who would benefit by this measure.

To those who are wealthy and who have huge incomes, throughout the length and breadth of this country, the amount of assistance which our veterans will receive from this legislation may appear to be very small. From the standpoint of the Federal Government that receives from income tax payments sums exceeding $75 billion a year, the dislocation in tax resulting from this legislation will be negligible. On the other hand, to the individual veteran, his surviving widow and his minor children to whom a very small amount of money is of vital importance, even to maintain their survival and a reasonable standard of living, this help, small though it is, will be of great importance to them.

This is not a large bill, as bills go, Mr. Speaker. It is a most important bill to our veterans struggling to get ahead in life. A grateful government should not hesitate to support this type of legislation. This bill should pass. It should pass unanimously. It should pass unanimously and go to the President at once for his signature.

Mr. Speaker, I introduced a bill identical to this one and, subsequently, the gentleman from Louisiana, Congressman THOMPSON, whom I do not see around here at this time, introduced a similar bill. I want the people at home to know how important this measure is. In Louisiana it affects 25,000 veterans and their families.

No more should we, as representatives of our people, say that a veteran shall not receive a State bonus within the above $1,400 and $2,700 without forfeiting his non-service-connected benefit paid him by the Veterans' Administration.

The bill was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read: "An act relating to the computation of income for the purpose of payment of death benefits to parents or pension for non-service-connected disability or death in certain cases."

A motion to reconsider was laid on the table.

A similar House bill (H. R. 5212) was laid on the table.

TRANSFER OF LAND IN MISSISSIPPI

The Clerk called the bill (H. R. 6080) to provide for the conveyance of certain property of the United States in Gulfport, Miss., to the Gulfport Municipal Separate School District.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, subject to section 2 of this act, the Administrator of Veterans' Affairs shall convey to the Gulfport Municipal Separate School District, Gulfport, Miss., all right, title, and interest of the United States in and to a tract of land (together with improvements thereon) containing 10 acres, more or less, situated within the Veterans' Administration Center, Gulfport Division, Gulfport, Miss., upon the payment by such school district to the United States

of the sum of $1,000. The exact legal description of the property authorized to be conveyed by this section shall be determined by the Administrator, except that the cost of any survey necessary to carry out the conveyance authorized by this section shall be paid by such school district.

SEC. 2. (a) The property conveyed under the first section of this act shall be subject to the condition that the property shall be used solely for school purposes, and if it shall ever cease to be used for such purposes title thereto shall revert to the United States, which shall have the right of immediate entry thereon.

(b) All mineral rights, including gas and oil, in such property are reserved to the United States.

(c) Such property shall be subject to such additional terms, conditions, reservations, and restrictions as the Administrator may deem necessary to protect the interests of the United States.

With the following committee amendment:

On page 1, line 4, strike out "Veterans' Affairs" and insert "General Services."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DIRECTING SECRETARY OF THE INTERIOR TO CONVEY CERTAIN PUBLIC LANDS IN THE STATE OF NEVADA TO THE COLORADO RIVER COMMISSION OF NEVADA

The Clerk called the bill (S. 1568) to direct the Secretary of the Interior to convey certain public lands in the State of Nevada to the Colorado River Commission of Nevada acting for the State of Nevada.

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

KLAMATH RIVER BASIN COMPACT

Mr. ENGLE. Mr. Speaker, I ask unanimous consent to return to Consent Calendar No. 247, the bill, H. R. 8465, granting the consent of Congress to the Klamath River Basin compact between the States of California and Oregon, and for related purposes.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. GROSS. Reserving the right to object, it is my understanding that the gentleman proposes to offer an amendment.

Mr. ENGLE. That is correct, reducing the amount to $50.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection?

There was no objection.

Mr. ENGLE. Mr. Speaker, I ask unanimous consent to substitute an identical Senate bill, S. 2431.

The SPEAKER. Is there objection?

There was no objection.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the consent of Congress is hereby given to the Klamath River Basin compact between the States of California and Oregon, which compact is as follows:

"Klamath River Basin Compact

"Index

"Article I..... Purposes
Article II..... Definition of Terms
Article III..... Distribution and Use of Water
Article IV..... Hydroelectric Power
Article V..... Interstate Diversion and Storage Rights; Measuring Devices
Article VI..... Acquisition of Property for Storage and Diversion; in Lieu of Taxes
Article VII..... Pollution Control
Article VIII..... Miscellaneous
Article IX..... Administration
Article X..... Status of Indian Rights
Article XI..... Federal Rights
Article XII..... General Provisions
Article XIII..... Ratification
Article XIV..... Termination

"ARTICLE I. PURPOSES

"The major purposes of this compact are, with respect to the water resources of the Klamath River Basin:

"A. To facilitate and promote the orderly integrated, and comprehensive development, use, conservation, and control thereof for various purposes, including, among others: the use of water for domestic purposes; the development of lands by irrigation and other means; the protection and enhancement of fish, wildlife, and recreational resources; the use of water for industrial purposes and hydroelectric power production; and the use and control of water for navigation and flood prevention.

"B. To further intergovernmental cooperation and comity with respect to these resources and programs for their use and development and to remove causes of present and future controversies by providing (1) for equitable distribution and use of water among thte two States and the Federal Government, (2) for preferential rights to the use of water after the effective date of this compact for the anticipated ultimate requirements for domestic and irrigation purposes in the upper Klamath River Basin in Oregon and California, and (3) for prescribed relationships between beneficial uses of water as a practicable means of accomplishing such distribution and use.

"ARTICLE II. DEFINITION OF TERMS

"As used in this compact:

"A. 'Klamath River Basin' shall mean the drainage area of the Klamath River and all its tributaries within the States of California and Oregon and all closed basins included in the upper Klamath River Basin.

"B. 'Upper Klamath River Basin' shall mean the drainage area of the Klamath River and all its tributaries upstream from the boundary between the States of California and Oregon and the closed basins of Butte Valley, Red Rock Valley, Lost River Valley, Swan Lake Valley, and Crater Lake, as delineated on the official map of the upper Klamath River Basin approved on September 6, 1956, by the commissions negotiating this compact and filed with the secretaries of state of the two States and the General Services Administration of the United States, which map is incorporated by reference and made a part hereof.

"C. 'Commission' shall mean the Klamath River Compact Commission as created by article IX of this compact.

"D. 'Klamath Project' of the Bureau of Reclamation of the Department of the Interior of the United States shall mean that area as delineated by appropriate legend on the official map incorporated by reference under subdivision B of this article.

"E. 'Person' shall mean any individual or any other entity, public or private, including either State, but excluding the United States.

"F. 'Keno' shall mean a point on the Klamath River at the present needle dam, or any substitute control dam constructed in sec. 36, township 39 south, range 7 east, Willamette base and meridian.

"G. 'Water' or 'waters' shall mean waters appearing on the surface of the ground in streams, lakes, or otherwise, regardless of whether such waters at any time were or will become ground water, but shall not include water extracted from underground sources until after such water is used and becomes surface return flow or waste water.

"H. 'Domestic use' shall mean the use of water for human sustenance, sanitation, and comfort; for municipal purposes; for livestock watering; for irrigation of family gardens; and for other like purposes.

"I. 'Industrial use' shall mean the use of water in manufacturing operations.

"J. 'Irrigation use' shall mean the use of water for production of agricultural crops, including grain grown for feeding wildfowl.

"ARTICLE III. DISTRIBUTION AND USE OF WATER

"A. There are hereby recognized vested rights to the use of water originating in the upper Klamath River Basin validly established and subsisting as of the effective date of this compact under the laws of the State in which the use or diversion is made, including rights to the use of waters for domestic and irrigation uses within the Klamath project. There are also hereby recognized rights to the use of all waters reasonably required for domestic and irrigation uses which may hereafter be made within the Klamath project.

"B. Subject to the rights described in subdivision A of this article and excepting the uses of water set forth in subdivision E of Article XI, rights to the use of unappropriated waters originating within the upper Klamath River Basin for any beneficial use in the upper Klamath River Basin, by direct diversion or by storage for later use, may be acquired by any person after the effective date of this compact by appropriation under the laws of the State where the use is to be made, as modified by the following provisions of this subdivision B and subdivision C of this article, and may not be acquired in any other way:

"1. In granting permits to appropriate waters under this subdivision B, as among conflicting applications to appropriate when there is insufficient water to satisfy all such applications, each State shall give preference to applications for a higher use over applications for a lower use in accordance with the following order of uses:

"(a) Domestic use,

"(b) Irrigation use,

"(c) Recreational use, including use for fish and wildlife,

"(d) Industrial use,

"(e) Generation of hydroelectric power,

"(f) Such other uses as are recognized under the laws of the State involved.

These uses are referred to in this compact as uses (a), (b), (c), (d), (e) and (f), respectively. Except as to the superiority of rights to the use of water for use (a) or (b) over the rights to the use of water for use (c), (d), (e) or (f), as governed by subdivision C of this article, upon a permit being granted and a right becoming vested and perfected by use, priority in right to the use of water shall be governed by priority in time within the entire upper Klamath River Basin regardless of State boundaries. The date of priority of any right to the use of water appropriated for the purposes above enumerated shall be the date of the filing of the application therefor, but such priority shall be dependent on commencement and completion of construction of the necessary

works and application of the water to beneficial use with due diligence and within the times specified under the laws of the State where the use is to be made. Each State shall promptly provide the commission and the appropriate official of the other State with complete information as to such applications and as to all actions taken thereon.

"2. Conditions on the use of water under this subdivision B in Oregon shall be:

"(a) That there shall be no diversion of waters from the upper Klamath River Basin, but this limitation shall not apply to out-of-basin diversions of waters originating within the drainage area of Fourmile Lake.

"(b) That water diverted from upper Klamath Lake and the Klamath River and its tributaries upstream from Keno, Oreg., for use in Oregon and not consumed therein and appearing as surface return flow and waste water within the upper Klamath River Basin shall be returned to the Klamath River or its tributaries above Keno, Oreg.

"3. Conditions on the use of water under this subdivision B in California shall be:

"(a) That the waters diverted from the Klamath River within the upper Klamath River Basin for use in California shall not be taken outside the upper Klamath River Basin.

"(b) That substantially all of the return flows and waste water finally resulting from such diversions and use appearing as surface waters in the upper Klamath River Basin shall be made to drain so as to be eventually returned to the Klamath River upstream from Keno, Oreg.

"C. 1. All rights, acquired by appropriation after the effective date of this compact, to use waters originating within the upper Klamath River Basin for use (a) or (b) in the upper Klamath River Basin in either State shall be superior to any rights, acquired after the effective date of this compact, to use such waters (i) for any purpose outside the Klamath River Basin by diversion in California or (ii) for use (c), (d), (e) or (f) anywhere in the Klamath River Basin. Such superior rights shall exist regardless of their priority in time and may be exercised with respect to inferior rights without the payment of compensation. But such superior rights to use water for use (b) in California shall be limited to the quantity of water necessary to irrigate 100,000 acres of land, and in Oregon shall be limited to the quantity of water necessary to irrigate 200,000 acres of land.

"2. The provisions of paragraph 1 of this subdivision C shall not prohibit the acquisition and exercise after the effective date of this compact of rights to store waters originating within the Upper Klamath River Basin and to make later use of such stored water for any purpose, as long as the storing of waters for such later use, while being effected, does not interfere with the direct diversion or storage of such waters for use (a) or (b) in the Upper Klamath River Basin.

"ARTICLE IV. HYDROELECTRIC POWER

"It shall be the objective of each State, in the formulation and execution and the granting of authority for the formulation and execution of plans for the distribution and use of the waters of the Klamath River Basin, to provide for the most efficient use of available power head and its economic integration with the distribution of water for other beneficial uses in order to secure the most economical distribution and use of water and lowest power rates which may be reasonable for irrigation and drainage pumping, including pumping from wells.

"ARTICLE V. INTERSTATE DIVERSION AND STORAGE RIGHTS; MEASURING DEVICES

"A. Each State hereby grants for the benefit of the other and its designees the right to construct and operate facilities for the measurement, diversion, storage, and conveyance of water from the Upper Klamath River Basin in one State for use in the other insofar as the exercise of such right may be necessary to effectuate and comply with the terms of this compact. The location of such facilities shall be subject to approval by the Commission.

"(B) Each State or its designee, exercising within the jurisdiction of the other a right granted under subdivision A of this article, shall make provision for the establishment, operation, and maintenance of permanent gaging stations at such points on streams or reservoir or conveyance facilities as may be required by the Commission for the purpose of ascertaining and recording the volume of diversions by the streams or facilities involved. Said stations shall be equipped with suitable devices for determining the flow of water at all times. All information obtained from such stations shall be compiled in accordance with the standards of the United States Geological Survey, shall be filed with the Commission, and shall be available to the public.

"ARTICLE VI. ACQUISITION OF PROPERTY FOR STORAGE AND DIVERSION; IN LIEU TAXES

"A. Subject to approval of the Commission, either State shall have the right (1) to acquire such property rights in the other State as are necessary for the diversion, storage, conveyance, measurement, and use of water in conformity with this compact, by donation or purchase, or (2) to elect to have the other State acquire such property rights for it by purchase or through the exercise of the power of eminent domain. A State making the latter election shall make a written request therefor and the other State shall expeditiously acquire said property rights either by purchase at a price satisfactory to the requesting State, or, if such purchase cannot be made, then through the exercise of its power of eminent domain, and shall convey said property rights to the requesting State or its designee. All costs of such acquisition shall be paid by the requesting State. Neither State shall have any greater power to acquire property rights for the other State through the exercise of the power of eminent domain than it would have under its laws to acquire the same property rights for itself.

"B. Should any diversion, storage, or conveyance facilities be constructed or acquired in either State for the benefit of the other State, as herein provided, the construction, repair, replacement, maintenance, and operation of such facilities shall be subject to the laws of the State in which the facilities are located, except that the proper officials of that State shall permit the storage, release, and conveyance of any water to which the other State is entitled under this compact.

"C. Either State, having property rights other than water rights in the other State acquired as provided in this article shall pay to each political subdivision of the State in which such property rights are located, each and every year during which such rights are held, a sum of money equivalent to the average annual amount of taxes assessed against those rights during the 10 years preceding the acquisition of such rights in reimbursement for the loss of taxes to such political subdivisions of the State. Payments so made to a political subdivision shall be in lieu of any and all taxes by that subdivision on the property rights for which the payments are made.

"ARTICLE VII. POLLUTION CONTROL

"A. The States recognize that the growth of population and the economy of the Upper Klamath River Basin can result in pollution of the waters of the Upper Klamath River Basin constituting a menace to the health and welfare of, and occasioning economic loss to, people living or having interests in the Klamath River Basin. The States recognize further that protection of the beneficial uses of the waters of the Klamath River Basin requires cooperative action of the two States in pollution abatement and control.

"B. To aid in such pollution abatement and control, the Commission shall have the duty and power:

"1. To cooperate with the States or agencies thereof or other entities and with the United States for the purpose of promoting effective laws and the adoption of effective regulations for abatement and control of pollution of the waters of the Klamath River Basin, and from time to time to recommend to the governments reasonable minimum standards for the quality of such waters.

"2. To disseminate to the public by any and all appropriate means information respecting pollution abatement and control in the waters of the Klamath River Basin and on the harmful and uneconomic results of such pollution.

"C. Each State shall have the primary obligation to take appropriate action under its own laws to abate and control interstate pollution, which is defined as the deterioration of the quality of the waters of the upper Klamath River Basin within the boundaries of such State which materially and adversely affects beneficial uses of waters of the Klamath River Basin in the other State. Upon complaint to the Commission by the State water pollution control agency of one State that interstate pollution originating in the other State is not being prevented or abated, the procedure shall be as follows:

"1. The Commission shall make an investigation and hold a conference on the alleged interstate pollution with the water pollution control agencies of the two States, after which the Commission shall recommend appropriate corrective action.

"2. If appropriate corrective action is not taken within a reasonable time, the Commission shall call a hearing, giving reasonable notice in writing thereof to the water pollution control agencies of the two States and to the person or persons which it is believed are causing the alleged interstate pollution. Such hearing shall be held in accordance with rules and regulations of the Commission, which shall conform as nearly as practicable with the laws of the two States governing administrative hearings. At the conclusion of such hearing, the Commission shall make a finding as to whether interstate pollution exists, and if so, shall issue to any person or persons which the Commission finds are causing such interstate pollution an order or orders for correction thereof.

"3. It shall be the duty of the person against whom any such order is issued to comply therewith. Any court of general jurisdiction of the State where such discharge is occurring or the United States district court for the district where the discharge is occurring shall have jurisdiction, on petition of the Commission for enforcement of such order, to compel action by mandamus, injunction, specific performance, or any other appropriate remedy, or on petition of the person against whom the order is issued to review any order. At the conclusion of such enforcement or review proceedings, the court may enter such decree or judgment affirming, reversing, modifying, or remanding such order as in its judgment is proper in the circumstances on the basis of the rules customarily applicable in proceedings for court enforcement or review of administrative actions.

"D. The water pollution control agencies of the two States shall, from time to time, make available to the Commission all data relating to the quality of the waters of the upper Klamath River Basin which they possess as the result of studies, surveys, and investigations thereof which they may have made.

"ARTICLE VIII. MISCELLANEOUS

"A. Subject to vested rights as of the effective date of this compact, there shall be

no diversion of waters from the basin of Jenny Creek to the extent that such waters are required, as determined by the Commission, for use on land within the basin of Jenny Creek.

"B. Each State shall exercise whatever administrative, judicial, legislative or police powers it has that are required to provide any necessary re-regulation or other control over the flow of the Klamath River downstream from any hydroelectric powerplant for protection of fish, human life or property from damages caused by fluctuations resulting from the operation of such plant.

"ARTICLE IX. ADMINISTRATION

"A. 1. There is hereby created a Commission to administer this compact. The Commission shall consist of three members. The representative of the State of California shall be the department of water resources. The representative of the State of Oregon shall be the State engineer of Oregon who shall serve as ex officio representative of the State water resources board of Oregon. The President is requested to appoint a Federal representative who shall be designated and shall serve as provided by the laws of the United States.

"2. The representative of each State shall be entitled to one vote in the Commission. The representative of the United States shall serve as Chairman of the Commission without vote. The compensation and expenses of each representative shall be fixed and paid by the government which he represents. Any action by the Commision shall be effective only if it be agreed to by both voting members.

"3. The Commission shall meet to establish its formal organization within 60 days after the effective date of this compact, such meeting to be at the call of the governors of the two States. The Commission shall then adopt its initial set of rules and regulations governing the management of its internal affairs providing for, among other things, the calling and holding of meetings, the adoption of a seal, and the authority and duties of the chairman and executive director. The Commission shall establish its office within the upper Klamath River Basin.

"4. The commission shall appoint an executive director, who shall also act as secretary, to serve at the pleasure of the commission and at such compensation, under such terms and conditions and performing such duties as it may fix. The executive director shall be the custodian of the records of the commission with authority to affix the commission's official seal, and to attest to and certify such records or copies thereof. The commission, without regard to the provisions of the civil service laws of either state, may appoint and discharge such consulting, clerical and other personnel as may be necessary for the performance of the commission's functions, may define their duties, and may fix and pay their compensation. The commission may require the executive director and any of its employes to post official bonds, and the cost thereof shall be paid by the commission.

"5. All records, files, and documents of the commission shall be open for public inspection at its office during established office hours.

"6. No member, officer or employe of the commission shall be liable for injury or damage resulting from (a) action taken by such member, officer or employe in good faith and without malice under the apparent authority of this compact, even though such action is later judicially determined to be unauthorized, or (b) the negligent or wrongful act or omission of any other person, employed by the commission and serving under such officer, member or employe, unless such member, officer or employe either failed to exercise due care in the selection, appointment, or supervision of such other person, or failed to take all available action to suspend or discharge such other person after knowledge or notice that such other person was inefficient or incompetent to perform the work for which he was employed. No suit may be instituted against a member, officer or employe of the commission for damages alleged to have resulted from the negligent or wrongful act or omission of such member, officer, or employe or a subordinate thereof occurring during the performance of his official duties unless, within 90 days after the occurrence of the incident, a verified claim for damages is presented in writing and filed with such member, officer or employe and with the commission. In the event of a suit for damages against any member, officer or employe of the commission on account of any act or omission in the performance of his or his subordinates' official duties, the commission shall arrange for the defense of such suit and may pay all expenses therefor on behalf of such member, officer or employe. The commission may at its expense insure its members, officers, and employees against liability resulting from thier acts or omissions in the performance of their official duties. Nothing in this paragraph shall be construed as imposing any liability upon any member, officer or employe of the commission that he would otherwise not have.

"7. The commission may incur obligations and pay expenses which are necessary for the performance of its functions. But it shall not pledge the credit of any government except by and with the authority of the legislative body thereof given pursuant to and in keeping with the constitution of such government, nor shall the commission incur any obligations prior to the availability of funds adequate to meet them.

"8. The commission may:

"(a) Borrow, accept or contract for the services of personnel from any government or agency thereof, from any intergovernmental agency, or from any other entity.

"(b) Accept for any of its purposes and functions under this compact any and all donations, gifts, grants of money, equipment, supplies, materials and services from any government or agency thereof or intergovernmental agency or from any other entity.

"(c) Acquire, hold and dispose of real and personal property as may be necessary in the performance of its functions.

"(d) Make such studies, surveys and investigations as are necessary in carrying out the provisions of this compact.

"9. All meetings of the commission for the consideration of and action on any matters coming before the commission, except matters involving the management of internal affairs of the commission and its staff, shall be open to the public. Matters coming within the exception of this paragraph may be considered and acted upon by the commission in the executive sessions under such rules and regulations as may be established therefor.

"10. In the case of the failure of the two voting members of the commission to agree on any matter relating to the administration of this compact as provided in paragraph 2 of this subdivision A, the representative from each State shall appoint one person and the two appointed persons shall appoint a third person. The three appointees shall sit as an artbitration forum. The terms of appointment and the compensation of the members of the arbitration forum shall be fixed by the commission. Matters on which the two voting members of the commission have failed to agree shall be decided by a majority vote of the members of the arbitration forum. Each State obligates itself to abide by the decision of the arbitration forum, subject, however, to the right of each State to have the decision reviewed by a court of competent jurisdiction.

"11. The commission shall have the right of access, through its authorized representatives, to all properties in the Klamath River Basin whenever necessary for the purpose of administration of this compact. The commission may obtain a court order to enforce its right of access.

"B. 1. The commission shall submit to the governor or designated officer of each State, a budget of its estimated expenditures for such period and at such times as may be required by the laws of that State for presentation to the legislature thereof. Each State pledges itself to appropriate and pay over to the commission one-half of the amount required to finance the commission's estimated expenditures as set forth in each of its budgets, and pledges further that concurrently with approval of this compact by its legislature the sum of not less than $12,000 will be appropriated by it to be paid over to the commission at its first meeting for use in financing the commission's functions until the commission can prepare its first budget and receive its first appropriation thereunder from the States.

"2. The commission shall keep accurate accounts of all receipts and disbursements, which shall be audited yearly by a certified public accountant, and the report of the audit shall be made a part of its annual report. The accounts of the commission shall be open for public inspection during established office hours.

"3. The commission shall make and transmit to the legislature and governor of each State and to the President of the United States, an annual report covering the finances and activities of the commission and embodying such plans, recommendations, and findings as may have been adopted by the commission.

"C. 1. The commission shall have the power to adopt, and to amend or repeal, such rules and regulations to effectuate the purposes of this compact as in its judgment may be appropriate.

"2. Except as to matters involving exclusively the management of the internal affairs of the commission and its staff or involving emergency matters, prior to the adoption amendment or repeal of any rule or regulation, the commission shall hold a hearing at which any interested person shall have the opportunity to present his views on the proposed action in writing, with or without the opportunity to present the same orally. The commission shall give adequate advance notice in a reasonable manner of time, place, and subject of such hearings.

"3. Emergency rules and regulations may be adopted without a prior hearing, but in such case they may be effective for not longer than 90 days.

"3. Emergency rules and regulations may be adopted without a prior hearing, but in such case they may be effective for not longer than 90 days.

"4. The commission shall publish its rules and regulations in convenient form.

"ARTICLE X. STATUS OF INDIAN RIGHTS

"A. Nothing in this compact shall be deemed:

"1. To affect adversely the present rights of any individual Indian, tribe, band, or community of Indians to the use of the waters of the Klamath River Basin for irrigation.

"2. To deprive any individual Indian, tribe, band, or community of Indians of any rights, privileges, or immunities afforded under Federal treaty, agreement, or statute.

"3. To affect the obligations of the United States of America to the Indians, tribes, bands, or communities of Indians, and their reservations.

"4. To alter, amend, or repeal any of the provisions of the act of August 13, 1954 (68 Stat. 718) as it may be amended.

"B. Lands within the Klamath Indian Reservation which are brought under irrigation

after the effective date of this compact, whether before or after section 14 of said act of August 13, 1954, becomes fully operative, shall be taken into account in determining whether the 200,000-acre limitation provided in paragraph 1 of subdivision C of article III has been reached.

"ARTICLE XI. FEDERAL RIGHTS

"Nothing in this compact shall be deemed:

"A. To impair or affect any rights, powers, or jurisdiction in the United States, its agencies or those acting by or under its authority, in, over, and to the waters of the Klamath River Basin, nor to impair or affect the capacity of the United States, its agencies or those acting by or under its authority in any manner whatsoever, except as otherwise provided by the Federal legislation enacted for the implementation of this compact as specified in article XIII.

"B. To subject any property of the United States, its agencies or instrumentalities, to taxation by either State or any subdivision thereof, unless otherwise provided by act of Congress.

"C. To subject any works or property of the United States, its agencies, instrumentalities, or those acting by or under its authority, used in connection with the control or use of waters which are the subject of this compact, to the laws of any State to an extent other than the extent to which those laws would apply without regard to this compact, except as otherwise provided by the Federal legislation enacted for the implementation of this compact as specified in article XIII.

"D. To affect adversely the existing areas of Crater Lake National Park or Lava Beds National Monument, or to limit the operation of laws relating to the preservation thereof.

"E. To apply to the use of water for the maintenance, on the scale at which such land and water areas are maintained as of the effective date of this compact, of officially designated waterfowl management areas, including water consumed by evaporation and transpiration on water surface areas and water used for irrigation or otherwise in the Upper Klamath River Basin; nor to affect the rights and obligations of the United States under any migratory bird treaty or the Migratory Bird Conservation Act (45 Stat. 1222), as amended, to the effective date of this compact.

"ARTICLE XII. GENERAL PROVISIONS

"A. Each State and all persons using, claiming, or in any manner asserting any right to the use of the waters of the Klamath River Basin under the authority of either State shall be subject to the terms of this compact.

"B. Nothing in this compact shall be construed to limit or prevent either State from instituting or maintaining any action or proceeding, legal or equitable, in any court of competent jurisdiction for the protection of any right under this compact or the enforcement of any of its provisions.

"C. Should a court of competent jurisdiction hold any part of this compact to be contrary to the Constitution of either State or the United States, all other provisions shall continue in full force and effect, unless it is unauthoritatively and finally determined judicially that the remaining provisions cannot operate for the purposes, or substantially in the manner, intended by the States independently of the portions declared unconstitutional or invalid.

"D. Except as to matters requiring the exercise of discretion by the commission, the provisions of this compact shall be self-executing and shall by operation of law be conditions of the various State permits, licenses, or other authorizations relating to the waters of the Klamath River Basin issued after the effective date of this compact.

"E. The physical and other conditions peculiar to the Klamath River Basin constitute the basis for this compact, and neither of the States hereby, nor the Congress of the United States by its consent, considers that this compact establishes any general principle or precedent with respect to any other interstate stream.

"ARTICLE XIII. RATIFICATION

"A. This compact shall become effective when ratified by the legislature of each signatory State, and when consented to by an act of Congress of the United States which will, in substance, meet the provisions hereinafter set forth in this article.

"B. The act of Congress referred to in subdivision A of this article shall provide that the United States or any agency thereof, and any entity acting under any license or other authority granted under the laws of the United States (referred to in this article as 'the United States'), in connection with developments undertaken after the effective date of this compact pursuant to laws of the United States, shall comply with the following requirements:

"1. The United States shall recognize and be bound by the provisions of subdivision A of Article III.

"2. The United States shall not, without payment of just compensation, impair any rights to the use of water for use (a) or (b) within the Upper Klamath River Basin by the exercise of any powers or rights to use or control water (i) for any purpose whatsoever outside the Klamath River Basin by diversions in California or (ii) for any purpose whatsoever within the Klamath River Basin other than use (a) or (b). But the exercise of powers and rights by the United States shall be limited under this paragraph 2 only as against rights to the use of water for use (a) or (b) within the Upper Klamath River Basin which are required as provided in subdivision B of Article III after the effective date of this compact, but only to the extent that annual depletion in the flow of the Klamath River at Keno resulting from the exercise of such rights to use water for uses (a) and (b) do not exceed 340,000 acre-feet in any one calendar year.

"3. The United States shall be subject to the limitation on diversions of waters from the basin of Jenny Creek as provided in subdivision A of Article VII.

"4. The United States shall be governed by all the limitations and provisions of paragraph 2 and subparagraph (a) of paragraph 3 of subdivision B of Article III.

"5. The United States, with respect to any irrigation or reclamation development undertaken by the United States in the Upper Klamath River Basin in California, shall provide that substantially all of the return flows and waste water finally resulting from such diversions and use appearing as surface waters in the Upper Klamath River Basin shall be made to drain so as to be eventually returned to the Klamath River upstream from Keno, unless the Secretary of the Interior shall determine that compliance with this requirement would render it less feasible than under an alternate plan of development, in which event such return flows and waste waters shall be returned to the Klamath River at a point above Copco Lake.

"C. Upon enactment of the act of Congress referred to in subdivision A of this article and so long as such act shall be in effect, the United States, when exercising rights to use water pursuant to State law, shall be entitled to all of the same privileges and benefits of this compact as any person exercising similar rights.

"D. Such act of Congress shall not be construed as relieving the United States of any requirement of compliance with State law which may be provided by other Federal statutes.

"ARTICLE XIV. TERMINATION

"This compact may be terminated at any time by legislative consent of both States, but despite such termination all rights then established hereunder or recognized hereby shall continue to be recognized as valid by the States."

SEC. 2. As used in this act—

(a) The term "United States" shall mean collectively or separately, as the case may be, the United States, any agency thereof, and any entity acting under any license or other authority granted under the laws of the United States.

(b) The terms appearing herein which are defined in article II or III of the compact shall have the meaning there stated.

(c) "The compact" refers to the Klamath River Basin Compact, set forth in section 1 of this act.

SEC. 3 (a) Reserving the constitutional powers of the United States and subject to the provisions of section 4 of this act, the United States, in connection with developments undertaken after the effective date of this act, pursuant to the laws of the United States, shall comply with the requirements set forth in paragraphs numbered 1, 2, 3, 4, and 5 of subdivision B in article XIII of the compact.

(b) The United States, when exercising rights to use water pursuant to State law, shall be entitled to all of the same privileges and benefits of the compact as any person exercising similar rights.

(c) This act shall not be construed as relieving the United States of any requirement of compliance with State law which may be provided by other Federal statutes.

SEC. 4. Nothing in this act or in the compact shall be construed as:

(a) Affecting the obligations of the United States to the Indians or Indian tribes, bands, or communities of Indians, or any right owned or held by or for the Indians or Indian tribes, bands, or communities of Indians, which is subject to control by the United States.

(b) Enlarging, diminishing, or otherwise affecting the jurisdiction of the courts of the United States.

(c) Impairing or affecting any existing rights of the United States to waters of the Klamath River Basin now beneficially used by the United States; nor any power or capacity of the United States to acquire rights in and to the use of the said waters of said basin by purchase, donation, or eminent domain.

SEC. 5 (a) The Federal representative to the Commission shall be appointed by the President, and shall report to the President either directly or through such agency or official of the Government as the President may specify. Such representative shall have no vote.

(b) The Federal representative shall receive compensation and shall be entitled to travel expenses, including per diem in lieu of subsistence, in the same manner as provided for experts and consultants under sections 5 and 15 of the Administrative Expenses Act of 1946 and the Travel Expense Act of 1949, except (1) that his term of service shall be governed by the terms of this act and shall not be affected by the time limitations of said section 15, and (2) his per diem rate of compensation shall be in such amount, not in excess of $100, as the President shall specify, but the total amount of compensation payable in any one calendar year shall not exceed $15,000: *Provided*, That if the Federal representative be an employee of the United States he shall serve without additional compensation: *Provided further*, That a retired military officer or a retired Federal civilian officer or employee may be appointed as such representative, without prejudice to his retired status, and he shall receive compensation as authorized herein in addition to his retired pay or annuity but the sum of his retired pay or annuity and such additional compensation as may be payable hereunder shall not exceed $15,000 in any one calendar year.

(c) The Federal representative shall be provided with office space, consulting, engineering, and stenographic service, and other necessary administrative services.

(d) The compensation of the Federal representative shall be paid from the current appropriation for salaries in the White House Office. Travel and other expenses provided for in subsections (b) and (c) of this section shall be paid from any current appropriation or appropriations selected by the head of such agency or agencies as may be designated by the President to provide for such expenses.

SEC. 6. The right to alter, amend, or repeal this act is expressly reserved.

Mr. ENGLE. Mr. Speaker, I offer an amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. ENGLE: On page 31, line 18, strike out "$100" and insert "$50."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 8465) was laid on the table.

CONSTRUCTION OF CERTAIN MILITARY INSTALLATIONS

Mr. VINSON submitted a conference report and statement on the bill (H. R. 8240) to authorize certain construction at military installations and for other purposes.

AMENDING THE INTERSTATE COMMERCE ACT TO PROVIDE FOR PRESERVATION OF COMPETITIVE THROUGH ROUTES FOR RAIL CARRIERS

Mr. HARRIS. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 5384) to amend the Interstate Commerce Act to provide for the preservation of competitive through routes for rail carriers, as amended.

The Clerk read the bill as follows:

Be it enacted, etc., That paragraph (3) of section 15 of the Interstate Commerce Act, as amended (49 U. S. C. 15 (3)), is amended by striking out the last full sentence and inserting in lieu thereof the following new sentence: "No through route shall be canceled—or commercially closed—by tariff adjustments except by agreement of all carriers whose lines are embraced therein, unless the Commission shall, upon application by the proponent or proponents and after hearing, find that such cancellation, or commercial closing, is consistent with the public interest without regard to the provisions of paragraph (4) of this section, and the burden of proof shall be upon the carrier or carriers proposing such cancellation, or commercial closing, to show that the cancellation or commercial closing, is consistent with public interest, without regard to the provisions of paragraph (4) of this section. For the purposes of this paragraph, a route shall be regarded as commercially closed if the rate applicable over it on a particular commodity or description of traffic is higher than on like traffic over another route, from and to the same points, in which one or more of such carriers participate, by an amount which in the ordinary course of business restrains movements of traffic over such route."

The SPEAKER. Is a second demanded?

Mr. SCHENCK. Mr. Speaker, I demand a second.

Mr. HARRIS. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection?

There was no objection.

Mr. HARRIS. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, this bill (H. R. 5384) is brought to you unanimously by our Committee on Interstate and Foreign Commerce, to amend section 15 (3) of the Interstate Commerce Act by providing that no through route shall be canceled, as in the present law, or commercially closed, as added by this bill, by tariff adjustments, except by agreement of all carriers, parties to the tariff, unless the Interstate Commerce Commission shall, upon application and after hearing, find that such cancellation or commercial closing is consistent with the public interest.

Section 15 (3) of the Interstate Commerce Act now provides that the Commission may suspend for investigation any tariff or schedule which, without the consent of all carriers thereto, or authorized by the Commission, cancels any through route, rate, fare, charges, or classification.

Our committee held hearings on the bill. There is a division of thinking within the railroad industry itself. In fact, this bill is sponsored by the Short-line Railroad Association and at least part of the large railroads are in opposition to it.

During the hearings by the committee a number of railroads, especially the short lines, testified that while the present provision would perhaps be helpful in preservation of through routes, in recent years some rail carriers have attempted by various methods to circumvent the limitations imposed.

That is the crux of this bill.

A frequently used method is that of carrier publication—without consent of all carriers parties to existing routes over which the traffic is moving—of new through rates—lower and more attractive to shippers—which would not apply over all of the old through routes. No attempt is made to cancel the old joint rates, or the through routes to which the rates apply, but one or more through routes available to the shipper are omitted from the new tariff. From a practical standpoint, the omitted routes are commercially closed.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Iowa.

Mr. GROSS. Specifically, what does the gentleman mean by a through route?

Mr. HARRIS. That means that you have more than one road involved. As an example, on a shipment from here to Richmond, Va., by one road and from there to Durham, N. C., for example, by another road there must be through routes, there being more than one railroad involved. I think the gentleman understands.

Mr. GROSS. I am not sure that I do, but I will listen to the gentleman for his further explanation.

Mr. HARRIS. Let us use another example, that of a shipment from Washington to St. Louis, Mo., over one route, that is, over a particular road. That shipment is on its way to California. After it gets to St. Louis it must be taken by another road, Union Pacific, let us say, to California.

Now, when the tariffs are published before the Interstate Commerce Commission they publish these joint through routes; in other words, all the way from Washington to California. That is what I mean by referring to joint routes.

Mr. HILLINGS. Mr. Speaker, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from California.

Mr. HILLINGS. As the gentleman has indicated, there is considerable opposition to this bill. I understand the American Association of Railroads, for instance, is opposed to the bill. Is that correct?

Mr. HARRIS. Yes; they appeared before the committee in opposition to it.

Mr. HILLINGS. Why is it, in view of this opposition and some of the arguments which have been advanced against the bill, that the present law is not sufficient to protect the public in this situation?

Mr. HARRIS. That is precisely what I was explaining, and I hope when I have concluded the gentleman will understand.

The SPEAKER. The gentleman has consumed 5 minutes.

Mr. HARRIS. Mr. Speaker, I yield myself 5 additional minutes.

Mr. Speaker, by way of further explanation in order to stay the publication of such tariffs and obtain a hearing from the Commission under existing section 15 (3), a suspension of the tariff must be sought and obtained, entailing expense and time-consuming procedures on the part of the industry least able to afford it.

The amendment to the act proposed by the bill would dispense with protests and petitions for suspension and require the proponents, which usually are the larger trunklines standing to gain the traffic, of the tariffs which seek to cancel or commercially close through routes by whatever type of tariff device used, to assume the burden of justifying that such cancellation or commercial closing of through routes without the consent of all carriers parties thereto is in furtherance of the public interest.

It is the opinion of the committee that to insure shippers and receivers of freight and participating carriers of a hearing to determine the continuance of available competitive through rail routes in the movement of property, the amendment to the act proposed by the bill is in the public interest.

Mr. HYDE. Mr. Speaker, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. HYDE. Is it not true that the Interstate Commerce Commission and the Bureau of the Budget opposed this amendment to the present law?

Mr. HARRIS. The Interstate Commerce Commission interposed an objection to the bill, but also stated that

it was a matter of policy, and if the committee felt that it was in the public interest and was going to be approved they suggested an amendment.

The amendment they suggested with reference to the words "commercially closed" was approved.

Mr. HYDE. But the Interstate Commerce Commission has never approved the bill, even with the amendment, has it?

Mr. HARRIS. I stated to the gentleman precisely what the facts are.

Mr. HYDE. Is not the situation simply this: In effect it throws upon the railroads asking for the change in the routes or the rates the burden of proving the necessity for the change rather than having the burden on those who object to it. Is that not the effect of it?

Mr. HARRIS. Let me tell the gentleman what the facts are. It is an effort to try to prevent the long lines from using this method that they have of depriving the short lines of the business that would go over a particular route, that is that short line route to its destination, by circumventing the present law. As an example, you have a joint through route that goes from Washington to Atlanta. There are several ways in which that shipment may be routed over various routes, perhaps maybe a through long route or maybe to a certain destination, then over some short lines. Where long established routes are so agreed to and the tariffs published with the Commission, they are being contravened by certain action of the long-line roads. As an example, they will file new tariffs to go over a particular route and leave out these others that might have been in the previous filing and obtaining a part of the business, leaving them out altogether; therefore, by that action they are establishing a different new route and new tariffs and you prevent the other roads previously having tariffs in effect from getting an opportunity to receive part of the business. That is precisely what this is.

Mr. HYDE. But under the present law they cannot do that without the consent of all the carriers involved?

Mr. HARRIS. Today?

Mr. HYDE. Today.

Mr. HARRIS. Yes.

Mr. HYDE. Under present law many of the short lines affected can withhold consent. It is stated in the report that the Interstate Commerce Commission can suspend this change without the consent of all the carriers involved.

Mr. HARRIS. Yes, but they have no authority to commercially close them and this would prevent them from commercially closing the routes.

The SPEAKER pro tempore. The time of the gentleman from Arkansas has expired.

Mr. SCHENCK. Mr. Speaker, I have no requests for time on this side. We only demanded a second to permit opportunity for some questions to be asked.

Mr. HARRIS. Mr. Speaker, I have no further requests for time.

Mr. SCHENCK. Mr. Speaker, I yield 1 minute to the gentleman from Washington [Mr. PELLY].

Mr. PELLY. Mr. Speaker, the purpose of my asking for this time is to address a question to the committee chairman. I would like to inquire of the committee chairman if the shippers would be put to any additional expense of higher freight rates by this legislation.

Mr. HARRIS. No, they would not. The shippers would have different methods for different roads over which they could obtain their shipments.

Mr. PELLY. I thank the gentleman.

Mr. SCHENCK. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. HILLINGS].

Mr. HILLINGS. Mr. Speaker, I take this time to address a question to the distinguished chairman of the committee. In the event the bill proposed by the gentleman is enacted, will this not add greatly to the burdens of the Interstate Commerce Commission and cause a great multitude of hearings as the result of the passage of this legislation?

Mr. HARRIS. We do not think so; no.

Mr. HILLINGS. The gentleman does not feel that this would be an added burden on the Commission?

Mr. HARRIS. As I recall, that was not one of the reasons that the Interstate Commerce Commission offered any objections to the bill as originally introduced.

Mr. SCHENCK. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on suspending the rules and passing the bill.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

GUARANTY OF PRIVATE LOANS TO AIR CARRIERS

Mr. HARRIS. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 7993) to provide for Government guaranty of private loans to certain air carriers for purchase of aircraft and equipment, and for other purposes, as amended.

The Clerk read as follows:

Be it enacted, etc., That it is hereby declared to be the policy of Congress, in the interests of the commerce of the United States, the postal service, and the national defense to promote the development of local, feeder, and short-haul air transportation. In furtherance of this policy it is deemed necessary and desirable that provision be made to assist certain air carriers engaged in such air transportation by providing governmental guaranties of loans to enable them to purchase aircraft suitable for such transportation on reasonable terms.

SEC. 2. As used in this Act—

(a) "Board" means the Civil Aeronautics Board.

(b) "Aircraft purchase loan" means any loan, or commitment in connection therewith, made for the purchase of a commercial transport aircraft, including spare parts normally associated therewith.

SEC. 3. The Board is hereby authorized to guarantee any lender against loss of principal or interest on any aircraft purchase loan made by such lender to any air carrier holding a certificate of public convenience and necessity issued by the Board (a) designated therein to be for local or feeder air service, or (b) providing for operations wholly within the Territory of Hawaii, or (c) providing for operations (the major portion of which are conducted either within Alaska or between Alaska and the United States) within the Territory of Alaska (including service between Alaska and the United States, and between Alaska and adjacent Canadian territory), or (d) providing for operations within the Commonwealth of Puerto Rico (including service to the Virgin Islands and the Dominican Republic), or (e) providing for operations between Florida and the British West Indies (including service to Cuba), or (f) for the purpose of authorizing metropolitan helicopter service. Such guaranty shall be made in such form, on such terms and conditions and pursuant to such regulations, as the Board deems necessary and which are not inconsistent with the provisions of this Act.

SEC. 4. No guaranty shall be made:

(a) Extending to more than the unpaid interest and 90 per centum of the unpaid principal of any loan.

(b) On any loan or combination of loans for more than 90 per centum of the purchase price of the aircraft, including spare parts, to be purchased therewith.

(c) On any loan whose terms permit full repayment more than ten years after the date thereof.

(d) Wherein the total face amount of such loan, and of any other loans to the same carrier, or corporate predecessor carrier or carriers, guaranteed and outstanding under the terms of this Act exceed $5 million.

(e) Unless the Board finds that, without such guaranty, in the amount thereof, the air carrier would be unable to obtain necessary funds for the purchase of needed aircraft on reasonable terms.

SEC. 5. The Board shall prescribe, either specifically or by limits, rates of interest, guaranty fees, and such other reasonable fees or charges as it may require in connection with guaranty of aircraft purchase loans.

SEC. 6. (a) To permit it to make use of such expert advice and services as it may require in carrying out the provisions of this act, the Board may use available services and facilities of other agencies and instrumentalities of the Federal Government with their consent and on a reimbursable basis.

(b) Departments and agencies of the Federal Government shall exercise their powers, duties, and functions in such manner as will assist in carrying out the objectives of this Act.

SEC. 7. (a) Receipts from fees and charges under this Act shall be credited to miscellaneous receipts of the Treasury.

(b) Payments to lenders required as a consequence of any guaranty under this Act may be made from funds which are hereby authorized to be appropriated to the Board for that purpose.

(c) Administrative expenses under this Act shall be paid from appropriations to the Board for administrative expenses.

SEC. 8. This act shall become effective upon enactment, and the authority contained in section 3 hereof shall expire five years thereafter.

The SPEAKER pro tempore. Is a second demanded?

Mr. SCHENCK. Mr. Speaker, I demand a second.

Mr. HARRIS. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HARRIS. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, in the opinion of the Committee on Interstate and Foreign Commerce, this is a most important bill, a bill that is vitally needed.

H. R. 7993 is designed to assist in the financing of equipment programs for the small or local-service carrier airlines throughout the United States and the Territories. This bill is brought to us sponsored by the Civil Aeronautics Board.

It would provide that the Board, on behalf of the Government, could guarantee loans for the small airlines, permitting them to obtain badly needed equipment.

This legislation is needed to enable the short-haul and Territorial air carriers to buy the new and modern equipment they must have to provide adequate and efficient service.

The bill, as amended, would authorize the United States to guarantee a lender against loss of principal or interest on any aircraft-purchase loan made by any one of the 28 elegible carriers, if the loan is approved by the Civil Aeronautics Board.

Such loans could not be for more than 90 percent of the price of the aircraft, including spare parts, run not longer than 10 years, and not exceed $5 million per carrier. To guarantee the loan, the CAB must find that the carrier otherwise would be unable to obtain the necessary funds for the purchase of aircraft on reasonable terms.

This legislation was introduced at the request of the Civil Aeonautics Board.

In recent years the Committee on Interstate and Foreign Commerce has given serious attention to the operations of the local service and Territorial airlines which are costing the Government approximately $30 million a year in subsidy.

These air carriers are performing an essential service, important not only to the economy of the country but to the national defense.

Hearings were held July 17 and 18 by the Subcommittee on Transportation and Communications. Representatives of the Local Service and Territorial Airlines testified in support of the measure, as did the general counsel of the Association of Local and Territorial Airlines, the Chairman of the Civil Aeronautics Board, the president of the Air Transport Association, the legislative representatives of the AFL–CIO, and others. A representative of the Department of Commerce was the only witness to appear in opposition.

Witnesses stressed the need for a replacement for the DC–3 if the short-haul carriers are to reduce their subsidy requirements and provide adequate service.

Members of the House well know of the important service provided by the local service airlines. The 13 local service carriers serve 458 points, including 261 without other scheduled air service. This service has been developed since World War II. We all are anxious to see that service expand and become self-supporting.

The committee has long been interested in the problem of a new-type plane suitable for feeder line service. At times it seems things were not moving very rapidly. But now, the picture is much brighter. Within the past 3 years, three United States manufacturers have announced plans for the development and production of a plane designed especially for short-to-medium range operations. The Friendship F–27, a 40-passenger pressurized turboprop transport being built by Fairchild, will be off the production line by late 1957. A number of local and Territorial lines have placed orders for the F–27 and have taken options on additional aircraft.

Thus the urgency for this legislation. The committee was told that several of the local service carriers will have to cancel present equipment orders if financial arrangements are not completed shortly.

Acquiring this new equipment means that the short-haul airlines face some serious financial problems. Most DC–3's were bought at prices ranging from $25,000 to $126,000. One of the new planes has a price tag of around $600,000.

As introduced, the bill would apply only to the 21 local service and short-haul carriers operating within the United States or wholly within the Territories of Alaska and Hawaii. The committee amended the bill to include Alaska Airlines, Facific Northern Airlines, Caribbean Atlantic Airlines, Mackey Airlines, and the three certificated helicopter carriers.

The Board would collect a fee on each loan. The CAB estimated, on the basis of $60 million of guaranteed loans amortized over a 10-year period, its expenses would be $450,000, as against income from fees of $1,500,000, or a net return to the Government of approximately $1 million. This would be in addition to the reduction in subsidy payments expected.

Provisions to protect the Government are written into the bill. The carrier must pay at least 10 percent of the purchase price out of its own funds. In addition, the Government guaranty cannot exceed 90 percent of the loan, which means that the lender must assume at least 10 percent of the risk. In addition, the limit on loans guaranteed for any one carrier is $5 million.

We think that this legislation is a part of the program needed to put the small, local service carriers in a position to finance their equipment programs and therefore in a better position to perform the service they are authorized to perform and helps to carry out the policy adopted when the act was amended to give them permanent certification.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Iowa.

Mr. GROSS. Are these loans to be amortized over a 10-year period?

Mr. HARRIS. Full repayment within 10 years would be required.

Mr. GROSS. But the guaranty goes only for 5 years; is that correct?

Mr. HARRIS. No; the maximum loan guaranteed and outstanding for a carrier could not exceed $5 million.

Mr. GROSS. But the loans may be amortized over a 10-year period.

Mr. HARRIS. The loans could run not longer than 10 years.

Mr. GROSS. Is it anticipated that they can pay out in 10 years?

Mr. HARRIS. The Board seems to think so. As pointed out before there are safeguards in the bill to protect the Government. Representatives from many of these small airlines that come before us, told us they needed this program to enable them to do the things they must do.

Mr. GROSS. No minimum or maximum rate of interest is fixed in the bill?

Mr. HARRIS. That is correct. The Board would pass on terms of the loans.

Mr. SADLAK. Mr. Speaker, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Connecticut.

Mr. SADLAK. The gentleman, in his detailed explanation of this bill, also mentioned a lengthy amendment submitted by the committee to section 3; my particular inquiry is to subsection (f), "for the purpose of authorizing metropolitan helicopter service." Apparently, the committee has seen fit to acknowledge the outstanding record that helicopters have established on the feeder or intercity routes, takes cognizance of the further development and usage of passenger-transport helicopters, and have made them eligible for the same type of financing as the other feeder lines in this bill. Will the gentleman comment?

Mr. HARRIS. That is true. I would be glad to yield to my colleague on the committee who offered the amendment, the gentleman from Illinois [Mr. MACK].

Mr. MACK of Illinois. May I say that many members of the Committee on Interstate and Foreign Commerce feel deeply about the helicopters. We feel it is very important that the amendment be included in the legislation. This was not included in the bill as it passed the Senate. I hope the bill will be passed today to include this provision for helicopters, and I hope that in conference the House conferees will insist on keeping this provision in the legislation.

Mr. SADLAK. I thank the gentleman. I am in thorough agreement in both his observation and his hope.

Mr. NEAL. Mr. Speaker, will the gentleman yield?

Mr. HARRIS. I yield to my colleague on the committee, the gentleman from West Virginia.

Mr. NEAL. Being a member of the committee, I do not have to ask this question, but do the terms of this bill extend only to the four lines now in existence, or does the bill apply to organizations that may in the future be in existence and doing the same type of work?

Mr. HARRIS. It applies only to the short-haul and local service air carriers who are certificated by the Civil Aeronautics Board.

Mr. NEAL. The ones already certified?

Mr. HARRIS. Yes. I assume it would be applicable should the Board certify any other small or local service carrier.

Mr. NEAL. I think that is what is intended.

Mr. SHEPPARD. I want to take this opportunity to thank the gentleman and the gentleman's committee for recognizing the equity of incorporating the helicopter service. I think it is doing a very fine service and I am sure the committee, when the bill goes to the other body, will keep that in mind.

Mr. HARRIS. I thank the gentleman. The gentleman has spoken to me about these services on a number of occasions and has always shown a continuing interest in the helicopter service, and the potentialities that such service can provide for this country.

Mr. JONAS. Mr. Speaker, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. JONAS. Can the gentleman tell us what will be the total amount of the obligation that the Federal Government assumes under this bill?

Mr. HARRIS. It would be not more than $5 million for each company and there are 28 airlines involved here. So that would be the answer.

Mr. JONAS. It would apply to other companies in addition to the 28, if later they can be certificated.

Mr. HARRIS. That is entirely possible, but I do not anticipate a great number of additional local service carriers being certificated because, if the gentleman will look at a map of the country and see the routes that have already been certificated for these various local service carriers, he will see that there is not much room for anyone else to get in the field.

Mr. CRAMER. Mr. Speaker, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. CRAMER. I want to thank the chairman for bringing in this bill. I think it is a very meritorious bill. I want to thank the chairman for including in this bill the Mackey Airline which serves the State of Florida. I would like to ask the gentleman this question. Is it not true unless this legislation passes, and these carriers that are going into a transition period from the DC–3's to the newer craft—unless they can get some type of Federal assistance in this program, it is going to be almost impossible for them to do so because they cannot borrow money at the present time to increase their services and buy new planes?

Mr. HARRIS. I will put it this way. Unless something is done to help the small air carriers to perform this service—and it does not necessarily have to be all under this bill—then they will have a most difficult time. We think this is part of a program that will help them in this and in utilizing other types of financing that this would help to bring about.

Mr. CRAMER. Is it not true that the testimony before the committee indicated that without legislation of this type, it would be very difficult for them to finance further expansion?

Mr. HARRIS. That is the testimony we have received—yes.

Mr. BARTLETT. Mr. Speaker, will the gentleman yield?

Mr. HARRIS. I yield to the distinguished delegate from Alaska.

Mr. BARTLETT. I believe I heard the chairman of the committee say that this bill would apply to feeder lines in the Territories just as it does to those in the States; is that correct?

Mr. HARRIS. That is true.

Mr. BARTLETT. That is right. I want to say I think this is good legislation and it is essential legislation in the field of these air transport carriers.

Mr. HARRIS. I thank the gentleman.

Mr. SCHENCK. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to extend their remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SCHENCK. Mr. Speaker, I yield 1 minute to the gentleman from North Carolina [Mr. JONAS].

Mr. JONAS. Mr. Speaker, I take this time to ask the chairman of the committee another question. Does the Government have any protection on its guaranty? Does it take a lien on the equipment? Or, is it just wide open without any protection?

Mr. HARRIS. The Government guarantees a loan as it does in other such programs that we have—FHA and things of that kind whereby there is a lien on the equipment which is taken by the lender.

Mr. JONAS. The lien will be taken by the lender?

Mr. HARRIS. That is true.

Mr. JONAS. And the Government, in effect, endorses the note?

Mr. HARRIS. Yes, that is true.

Mr. JONAS. Without any lien for its own protection?

Mr. HARRIS. Of course, the lender has to make every effort at its command to protect its lien and thus protect the Government.

Mr. JONAS. I suppose if it has to foreclose the mortgage on the equipment, the Government would be liable for any deficiency?

Mr. HARRIS. As an example, if you have a certain plane on which a loan has been made and the plane suffers some tragedy and there was a loss, then the insurance, of course, would be paid on that plane to that extent and if the amount collected was not sufficient to pay off the lien, the Government would have to make up the difference.

Mr. JONAS. The only reason, as I understand it, for asking the Government to come into the picture and guarantee these loans is the inability on the part of the 21 companies to do their own financing.

Mr. HARRIS. Some of the companies. I would not say all of them.

Mr. JONAS. What assurance do we have that the income of those companies will be sufficient in the future to enable them to discharge the obligation, if it has not been sufficient in the past?

Mr. HARRIS. Well, the Board has been in this business a long time, and we have all come to the conclusion that we must assist these small local service carriers to obtain flight equipment which they must have. In this way we feel we can get the companies in a position where they will be self-supporting.

Mr. JONAS. But the Department of Commerce says there was no evidence to support that.

Mr. HARRIS. I would have to disagree with the Department of Commerce. I think it was sufficient.

Mr. SCHENCK. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, the report of the committee contains a letter from the Bureau of the Budget opposing the enactment of this legislation. It also contains a letter from the Post Office Department, the Secretary of Commerce, and the Secretary of the Treasury to the same effect. This bill will add approximately $100 million to the liabilities of the Government. True, some of them will be like an endorser on notes, but you know what generally happens to the endorser on a note. It does not seem to me as though we should embark the Government on any more of that kind of liabilities at this time. We have been trying in some way to save a dollar here and there, but it does not take very many such things as this to wipe out anything that can be saved.

For that reason, Mr. Speaker, I feel that I cannot support the bill.

Mr. HARRIS. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. PATMAN].

Mr. PATMAN. Mr. Speaker, this bill poses several questions to me. First, is it a precedent? The CAB has never gone into the business of guaranteeing loans before, to my knowledge. It is absolutely new.

I recognize that the small airlines need this accommodation from the Government. I am in sympathy with them. The question is, should we pick them out for special consideration? We had the Small Business Administration legislation before the House not long ago and many of us wanted to amend that law so that certain industries could get loans up to $5 million; like cement, steel, roadbuilding equipment, highway construction, and many things like that; but the Congress passed it with a limitation of $250,000. These airlines are small business—using small business in the sense that it is relative. They are small business. So why should we pick out these small businesses to give them special consideration in the form of guaranteed loans by the Government up to $5 million each and say to all other businesses, manufacturing, building, and everything else, you will be restricted to $250,000?

It looks like favoritism to just the small airlines. It occurs to me that we should consider if we are going to have to raise the limit for airlines that we raise it for all concerns, all businesses, all industries, and not restrict it to just one business.

Another question that is posed is, What is the interest rate that is going to be paid on these Government-guaranteed loans? This is just the same as part of the national debt. Will the interest rate be 5 percent, 6 percent, 7 percent, or 9 percent, such as one concern recently asked permission to pay? We do not know; there is no limitation in this bill. That leaves it so that the interest rate paid on the $50 million or $60 million that are granted under this bill will be in competition with the Treasury in its refinancing program the next 12 months. I can see why the Treasury would be concerned because of the interest being paid possibly at the rate of 6 or 7 percent.

That will make the refinancing by the Treasury next year that much harder at a time when we must refinance about $80 billion of the public debt.

So this will possibly increase the interest rate on the public debt.

Another question involved here that I do not understand is why we should set this precedent in order to accommodate an agency that grants subsidies. This agency grants subsidies to these very airlines that will receive loans guaranteed by the Government. It looks a little unusual to have the same agency that grants the subsidies also grant the loans. The question then occurs, if a bad loan should be made would they grant a heavier subsidy in order to make the loan easier to be repaid? It seems just a little inconsistent to me, but possibly that question can be reconciled. The question, though, of using the Government's credit for a few people without giving others under similar and like circumstances the same right of equality of opportunity impresses me very much.

Remember, this is setting a precedent. This is the first time this has ever been asked by the CAB. The railroads will come in and come in next. We know they have already given us notice; we get letters now and then indicating that the equipment purchases they expect to make in the future should be guaranteed by the Government.

Is this the camel's nose under the tent? Is this a forerunner that the railroads and others will come in and ask for individual treatment? Is this a forerunner to other concerns coming in and asking for individual treatment. This is something it seems to me we should consider, and instead of granting relief to a few in one particular line of business we should consider all businesses and all industry.

If this bill passes the Members who support it will doubtless feel obligated to extend this same privilege and benefit to other businesses and industries under the same facts and circumstances. To that extent the passage of this bill will be helpful, although such aid should be granted in a different manner.

The SPEAKER. The time of the gentleman from Texas has expired, all time of the gentleman from Arkansas has expired.

Mr. SCHENCK. Mr. Speaker, this bill is somewhat different than some of the other questions that have been considered. In the first place, the airlines are under very strict licensing of the Civil Aeronautics Board.

Also we must realize that these feeder airlines in particular are a very real support to the transportation system of this country.

Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. YOUNGER].

Mr. YOUNGER. Mr. Speaker, the gentleman from Texas was concerned about the granting of loans or guaranties to small business under similar circumstances. There are no other businesses in the United States that are under the same circumstances. The Federal Government is already in this business. We are giving subsidies to these airlines.

The guaranty is for the purpose of permitting these airlines to cut down their subsidy. If we do not make it possible for them to purchase new equipment, then we will have to grant them more and more subsidy.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. YOUNGER. I yield.

Mr. HARRIS. I would have to disagree with my distinguished colleague and friend from Texas when he says this is a precedent-setting measure; it is not at all. This kind of program was developed years ago in the merchant marine. It has been carried out for many years in our merchant marine and I did not hear anyone come to the floor of the House when such programs for the merchant marine were being provided on the same principle objecting that it was not in the best interests of the Government.

I can hardly understand the attitude of my distinguished friend from Texas [Mr. PATMAN] when he bases his objection apparently on the ground it does not cover all kinds of small business in the country. We have no jurisdiction over other small business. This bill is for the purpose of helping a vitally needed industry.

Mr. YOUNGER. That is correct. I agree with the gentleman wholeheartedly. There is no precedent being established here whatsoever. I do not believe the gentleman from Texas has established his case.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. YOUNGER. I yield to the gentleman from Texas.

Mr. PATMAN. The gentleman says that no precedent is being set. Heretofore the Board has never had this power. Heretofore the Board has never guaranteed loans. Is that not a precedent?

Mr. YOUNGER. No. The precedent has already been set in guaranteeing loans for the merchant marine, for homes, and for a number of other things.

Mr. PATMAN. That is the FHA and it is all over the United States, in all counties, in all cities.

Mr. YOUNGER. This is no precedent as it relates to small business.

Mr. PATMAN. I think the people pay a small fee in connection with housing. I look upon that differently. The merchant marine is more of a parallel case. I can accept that. I will admit it appears to be somewhat similar. But do we want to enlarge upon this precedent? How much interest will you pay? We have to refinance shortly $80 billion of our national debt. Are we going to do this for a few or are we going to do it for many?

Mr. YOUNGER. We should authorize these guaranties for all the airlines under this bill. These airlines are the only businesses in the same circumstance.

Mr. SCHENCK. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. MUMMA].

Mr. MUMMA. Mr. Speaker, I am wondering at the implications of this bill. Several weeks ago the president of the Pennsylvania Railroad, one of the two largest railroads in the country or in the world, was down here appearing before the Interstate and Foreign Commerce Committee in reference to the possibility or need of the railroads being able to get a Government guaranty or loan in reference to their equipment trusts. The railroads, from my experience, have been having a hard time and yet they are one of the most necessary forms of transportation we have in the country. Their equipment is getting in bad shape. I noted a freight train yesterday and some of the cars were made back in 1907. I noticed a car dated 1920, and that was no exception. One of these days this big industry of this country will be asking for help. They know that with the Government guaranty or loan they can obtain money much cheaper than they can without the Government help.

The SPEAKER. The question is on suspending the rules and passing the bill.

The question was taken; and on a division (demanded by Mr. TABER) there were—ayes 87, noes 44.

Mr. HARRIS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 242, nays 94, not voting 96, as follows:

[Roll No. 199]

YEAS—242

Abernethy	Cretella	Holt
Adair	Cunningham, Iowa	Horan
Addonizio	Davis, Ga.	Hosmer
Albert	Davis, Tenn.	Huddleston
Allen, Ill.	Dawson, Utah	Hull
Anderson, Mont.	Dempsey	Hyde
Andrews	Denton	Ikard
Arends	Devereux	Jarman
Ashmore	Dingell	Jenkins
Aspinall	Dixon	Johnson
Avery	Dooley	Jones, Ala.
Bailey	Dorn, S. C.	Jones, Mo.
Baker	Dowdy	Judd
Baring	Durham	Karsten
Barrett	Eberharter	Kearns
Bass, Tenn.	Edmondson	Kee
Beckworth	Elliott	Kelley, Pa.
Belcher	Engle	Kelly, N. Y.
Bennett, Fla.	Evins	Kilday
Betts	Fallon	Kilgore
Blatnik	Fascell	King
Boggs	Fisher	Kirwan
Bolling	Flood	Knutson
Bolton	Flynt	Landrum
Bonner	Fogarty	Lanham
Boykin	Forand	Lankford
Boyle	Forrester	Lennon
Breeding	Fountain	Lesinski
Brooks, La.	Frazier	Loser
Brooks, Tex.	Friedel	McCulloch
Brown, Ga.	Garmatz	McDonough
Brown, Mo.	Gathings	McFall
Brown, Ohio	Gavin	McGovern
Broyhill	Granahan	McGregor
Burdick	Grant	McIntire
Burleson	Gray	McMillan
Byrd	Green, Oreg.	Machrowicz
Byrne, Pa.	Green, Pa.	Mack, Ill.
Cannon	Gregory	Mack, Wash.
Carnahan	Griffiths	Madden
Carrigg	Hagen	Mahon
Celler	Hale	Martin
Chelf	Haley	Matthews
Chenoweth	Halleck	Merrow
Chiperfield	Harden	Metcalf
Christopher	Harris	Mills
Clark	Harvey	Montoya
Coffin	Henderson	Morano
Cole	Herlong	Morgan
Colmer	Hill	Morris
Cooley	Holifield	Moss
Cooper	Holland	Moulder
Cramer	Holmes	Multer
		Murray

Natcher	Rogers, Colo.	Sullivan
Neal	Rogers, Fla.	Taylor
Nimtz	Rogers, Mass.	Teague, Calif.
Norrell	Rogers, Tex.	Thompson, N. J.
O'Brien, Ill.	Rooney	Thompson, Tex.
O'Hara, Ill.	Roosevelt	Thomson, Wyo.
Passman	Rutherford	Thornberry
Patterson	Sadlak	Tollefson
Perkins	Saund	Trimble
Pfost	Saylor	Tuck
Poage	Schenck	Ullman
Polk	Schwingel	Utt
Porter	Scott, N. C.	Van Zandt
Price	Scott, Pa.	Vinson
Rabaut	Scrivner	Vorys
Radwan	Scudder	Watts
Rains	Seely-Brown	Whitten
Reece, Tenn.	Selden	Widnall
Reed	Shelley	Wilson, Calif.
Rees, Kans.	Sheppard	Wilson, Ind.
Reuss	Sieminski	Winstead
Rhodes, Ariz.	Sikes	Wolverton
Rhodes, Pa.	Siler	Wright
Riehlman	Sisk	Young
Riley	Smith, Miss.	Younger
Rivers	Spence	Zablocki
Roberts	Springer	
Rodino	Steed	

NAYS—94

Abbitt	Dwyer	Nicholson
Alexander	Feighan	O'Konski
Andersen, H. Carl	Ford	Ostertag
	Frelinghuysen	Patman
Andresen, August H.	Gary	Pelly
	Griffin	Poff
Ashley	Gross	Prouty
Auchincloss	Hardy	Ray
Baldwin	Harrison, Nebr.	Robeson, Va.
Bates	Harrison, Va.	Scherer
Bennett, Mich.	Haskell	Shuford
Berry	Heselton	Simpson, Ill.
Blitch	Hess	Smith, Calif.
Boland	Hoeven	Smith, Kans.
Bosch	James	Smith, Va.
Bow	Jensen	Smith, Wis.
Broomfield	Johansen	Stauffer
Budge	Jonas	Taber
Bush	Kean	Talle
Byrne, Ill.	Keating	Tewes
Byrnes, Wis.	Kenney	Thomas
Canfield	Kitchin	Vanik
Cederberg	Lane	Van Pelt
Church	Latham	Vursell
Clevenger	LeCompte	Walter
Collier	Lipscomb	Weaver
Corbett	McIntosh	Westland
Cunningham, Nebr.	McVey	Wier
	Marshall	Wigglesworth
Curtin	Meader	Withrow
Curtis, Mass.	Michel	Yates
Dague	Miller, Nebr.	
Dorn, N. Y.	Mumma	

NOT VOTING—96

Alger	George	Miller, Md.
Allen, Calif.	Gordon	Miller, N. Y.
Anfuso	Gubser	Minshall
Ayres	Gwinn	Moore
Barden	Hays, Ark.	Morrison
Bass, N. H.	Hays, Ohio	Norblad
Baumhart	Healey	O'Brien, N. Y.
Beamer	Hébert	O'Hara, Minn.
Becker	Hemphill	O'Neill
Bentley	Hiestand	Osmers
Bray	Hillings	Philbin
Brownson	Hoffman	Pilcher
Buckley	Holtzman	Pillion
Chamberlain	Jackson	Powell
Chudoff	Jennings	Preston
Coad	Kearney	Robsion, Ky.
Coudert	Keogh	Santangelo
Curtis, Mo.	Kilburn	St. George
Dawson, Ill.	Kluczynski	Sheehan
Delaney	Knox	Simpson, Pa.
Dellay	Krueger	Staggers
Dennison	Laird	Teague, Tex.
Derounian	Long	Teller
Dies	McCarthy	Thompson, La.
Diggs	McConnell	Udall
Dollinger	McCormack	Wainwright
Donohue	Macdonald	Wharton
Doyle	Magnuson	Williams, Miss.
Farbstein	Mailliard	Williams, N. Y.
Fenton	Mason	Willis
Fino	May	Whitener
Fulton	Miller, Calif.	Zelenko

So two-thirds having voted in favor thereof, the rules were suspended and the bill was passed.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Simpson of Pennsylvania.

Mr. Morrison with Mrs. St. George.

Mr. Thompson of Louisiana with Mr. Fenton.

Mr. Willis with Mr. Alger.

Mr. Long with Mr. Bray.

Mr. Hays of Ohio with Mr. Allen of California.

Mr. Udall with Mr. Baumhart.

Mr. Macdonald with Mr. Becker.

Mr. Philbin with Mr. Ayres.

Mr. Donohue with Mr. Kearney.

Mr. O'Neill with Mr. Hiestand.

Mr. Preston with Mr. Hoffman.

Mr. Pilcher with Mr. Sheehan.

Mr. Dawson of Illinois with Mr. Osmers.

Mr. Diggs with Mr. Norblad.

Mr. Miller of California with Mr. Miller of Maryland.

Mr. Doyle with Mr. May.

Mr. Kluczynski with Mr. Coudert.

Mr. Hemphill with Mr. Hillings.

Mr. Williams of Mississippi with Mr. Kilburn.

Mr. Jennings with Mr. Robinson of Kentucky.

Mr. Gordon with Mr. Fulton.

Mr. Dies with Mr. Fino.

Mr. Chudoff with Mr. Dellay.

Mr. Hays of Arkansas with Mr. Brownson.

Mr. Keogh with Mr. Bass of New Hampshire.

Mr. Anfuso with Mr. Beamer.

Mr. Holtzman with Mr. Jackson.

Mr. Buckley with Mr. Krueger.

Mr. Farbstein with Mr. Derounian.

Mr. Dollinger with Mr. Dennison.

Mr. Delaney with Mr. O'Hara of Minnesota.

Mr. Santangelo with Mr. Minshall.

Mr. Healey with Mr. Miller of New York.

Mr. O'Brien of New York with Mr. Mailliard.

Mr. Powell with Mr. Bentley.

Mr. Zelenko with Mr. Gwinn.

Mr. Teller with Mr. Wainwright.

Mr. Teague of Texas with Mr. Chamberlain.

Mr. Whitener with Mr. Moore.

Mr. McCarthy with Mr. Knox.

Mr. Barden with Mr. Gubser.

Mr. Coad with Mr. Curtis of Missouri.

Mr. Magnuson with Mr. Laird.

Mr. Staggers with Mr. Mason.

Mr. LANKFORD changed his vote from "nay" to "yea."

Mr. JUDD changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The doors were opened.

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (S. 2229) to provide for Government guaranty of private loans to certain air carriers for purchase of modern aircraft and equipment, to foster the development and use of modern transport aircraft by such carriers, and for other purposes, strike out all after the enacting clause and substitute the provisions of H. R. 7993 as just passed by the House.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. HARRIS: Strike out all after the enacting clause and insert the following:

"That it is hereby declared to be the policy of Congress, in the interests of the commerce of the United States, the postal service, and the national defense to promote the development of local, feeder, and short-haul air transportation. In furtherance of this policy it is deemed necessary and desirable that provision be made to assist certain air carriers engaged in such air transportation by providing governmental guaranties of loans to enable them to purchase aircraft suitable for such transportation on reasonable terms.

"SEC. 2. As used in this act—

"(a) 'Board' means the Civil Aeronautics Board.

"(b) 'Aircraft purchase loan' means any loan, or commitment in connection therewith, made for the purchase of a commercial transport aircraft, including spare parts normally associated therewith.

"SEC. 3. The Board is hereby authorized to guarantee any lender against loss of principal or interest on any aircraft purchase loan made by such lender to any air carrier holding a certificate of public convenience and necessity issued by the Board (a) designated therein to be for local or feeder air service, or (b) providing for operations wholly within the Territory of Hawaii, or (c) providing for operations (the major portion of which are conducted either within Alaska or between Alaska and the United States) within the Territory of Alaska (including service between Alaska and the United States, and between Alaska and adjacent Canadian territory), or (d) providing for operations within the Commonwealth of Puerto Rico (including service to the Virgin Islands and the Dominican Republic), or (e) providing for operations between Florida and the British West Indies (including service to Cuba), or (f) for the purpose of authorizing metropolitan helicopter service. Such guaranty shall be made in such form, on such terms and conditions, and pursuant to such regulations, as the Board deems necessary and which are not inconsistent with the provisions of this act.

"SEC. 4. No guaranty shall be made:

"(a) Extending to more than the unpaid interest and 90 percent of the unpaid principal of any loan.

"(b) On any loan or combination of loans for more than 90 percent of the purchase price of the aircraft, including spare parts, to be purchased therewith.

"(c) On any loan whose terms permit full repayment more than 10 years after the date thereof.

"(d) Wherein the total face amount of such loan, and of any other loans to the same carrier, or corporate predecessor carrier or carriers, guaranteed and outstanding under the terms of this act exceed $5 million.

"(e) Unless the Board finds that, without such guaranty, in the amount thereof, the air carrier would be unable to obtain necessary funds for the purchase of needed aircraft on reasonable terms.

"SEC. 5. The Board shall prescribe, either specifically or by limits, rates of interest, guaranty fees, and such other reasonable fees or charges as it may require in connection with guaranty of aircraft purchase loans.

"SEC. 6. (a) To permit it to make use of such expert advice and services as it may require in carrying out the provisions of this act, the Board may use available services and facilities of other agencies and instrumentalities of the Federal Government with their consent and on a reimbursable basis.

"(b) Departments and agencies of the Federal Government shall exercise their powers, duties, and functions in such manner as will assist in carrying out the objectives of this act.

"SEC. 7. (a) Receipts from fees and charges under this act shall be credited to miscellaneous receipts of the Treasury.

"(b) Payments to lenders required as a consequence of any guaranty under this act may be made from funds which are hereby authorized to be appropriated to the Board for that purpose.

"(c) Administrative expenses under this act shall be paid from appropriations to the Board for administrative expenses.

"SEC. 8. This act shall become effective upon enactment, and the authority contained in section 3 hereof shall expire 5 years thereafter.

The amendment was agreed to.

The Senate bill was ordered to be read a third time and was read the third time.

A motion to reconsider was laid on the table.

The proceedings whereby the bill H. R. 7993 was passed were vacated and that bill was laid on the table.

RECREATIONAL ASPECTS OF WATERSHED PROJECTS

The SPEAKER. The Chair recognizes the gentleman from North Carolina [Mr. COOLEY].

Mr. COOLEY. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 5497) to amend the Watershed Protection and Flood Prevention Act, as amended.

The Clerk read the title of the bill.

The Clerk read the bill as follows:

Be it enacted, etc., That section 4 (2) (A) of the Watershed Protection and Flood Prevention Act (Public Law 1018, 84th Cong.) be amended by inserting immediately after "and disposal of water," the following: "or for recreational and fish and wildlife development."

SEC. 2. The Secretary of Agriculture shall not furnish or agree to furnish financial assistance to local organizations for the institution of works of improvement for recreational and fish and wildlife development pursuant to the authority of this act prior to July 1, 1958.

The SPEAKER. Is a second demanded?

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I demand a second.

Mr. COOLEY. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. COOLEY. Mr. Speaker, I yield 5 minutes to the gentleman from Florida [Mr. SIKES].

Mr. SIKES. Mr. Speaker, H. R. 5497 is intended to make recreation, fish, and wildlife projects eligible for Federal participation under the watershed acts. The statement as carried in House Report No. 990 says:

The purpose of the bill is to include facilities for recreation and for fish and wildlife development in projects undertaken pursuant to the Watershed Protection and Flood Prevention Act in such a way that the Federal Government will be authorized to bear a part of the cost of such facilities if there are significant benefits of national or regional character accruing from such facilities.

I would like to point to the fact, Mr. Speaker, that representatives from the Department of the Interior and representatives from the Department of Agriculture appeared and testified for this bill.

Mr. Speaker, in my district, and I am sure this is true also in many other districts in the Nation, there are communities whose economic welfare is directly or indirectly based primarily on recreational activities and the businesses which stem from those activities. I have long felt that these communities should not be discriminated against simply because they do not have sources of income such as agriculture. I believe they should be given the same privileges of financial participation in the watershed program as other communities with economic factors whose development is now associated with Federal financing.

Mr. Speaker, I wish to quote the Presidential Advisory Committee report on water resources policy dated December 22, 1955. The following statements appear on page 29 of that report:

The committee has considered many cost-sharing proposals and has weighed carefully the elements of fairness to all concerned and precedents for sharing the cost of other programs.

Further, it gave due recognition to the types of benefits accruing to individuals, groups of individuals, local and State governments, and the Nation as a whole.

It was unable to discover for all cases a completely equitable yet practicable procedure for cost sharing based solely on the principle of sharing costs in proportion to benefits.

The commitee recommends, as a general policy, that all interests participate in the cost of projects in accordance with the measure of their benefits, and that the Federal Government assume the cost of that part of projects where the benefits are widely dispersed and represent substantial contributions to the general economic growth of the country or region, or to the national defense.

Then on page 32 the policy reports states this:

The committee believes that the enhancement or improvement of basic recreation facilities (provision for access, public health, safety, and protection) and fish and wildlife resources of less than national significance should be treated in accordance with the general cost-sharing procedure proposed herein. Those of national significance should be financed entirely by the Federal Government.

Then, Mr. Speaker, I quote from President Eisenhower's state of the Union message of January 10, 1955, where he stated:

Our soil, water, mineral, forest, fish, and wildlife resources are being conserved and improved more effectively. Their conservation and development are vital to the present and future strength of the Nation.

Mr. Speaker, I submit that more and more people have time for recreation in this age in which we now live. Recreation is becoming of greater importance to a larger number of people, and recreational activities now contribute economic benefits to a great many communities. Therefore, I feel that it should be included in the programs which participate in Federal benefits under the watershed bill which has operated so successfully for a number of years.

Mr. ASPINALL. Mr. Speaker, will the gentleman yield?

Mr. SIKES. I yield to the gentleman from Colorado.

Mr. ASPINALL. I think the gentleman from Florida has made a very good case for such benefits as are included in this bill. Did I understand the gentleman to state that this is bringing the small watershed law in conformity with other procedures in other developments, referring, I suppose, to the reclamation program?

Mr. SIKES. This act would add recreational, fish and wildlife projects to those that are now eligible for watershed project benefits.

The SPEAKER. The time of the gentleman from Florida has expired.

Mr. COOLEY. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. ASPINALL. It is true that the present legislation authorizes such benefits for flood control?

Mr. SIKES. That is correct.

Mr. ASPINALL. What this legislation seeks to do is to bring in benefits, nonreimbursable benefits, for fish and wildlife and recreation?

Mr. SIKES. Yes.

Mr. ASPINALL. The gentleman is not advising the House that in reference to reclamation or any other of our programs that we have the benefits of fish and wildlife and recreation and are nonreimbursable by general policy?

Mr. SIKES. That is correct.

Mr. ASPINALL. In other words, they are nonreimbursable only by special authorization in the authorizing bill?

Mr. SIKES. That, I believe, is correct.

Mr. BOW. Mr. Speaker, will the gentleman yield?

Mr. SIKES. I yield to the gentleman from Ohio.

Mr. BOW. Can the gentleman advise the House the approximate cost of this program if it goes into effect.

Mr. SIKES. It is not possible to determine the exact cost. That is something that will depend upon the number of projects that are approved under this program. I can give the gentleman an idea of what the watershed program is now costing. Anything further to be applicable directly to this bill would be only an estimate.

Mr. BOW. I would like that, but I am interested also to know how much this particular item would cost.

Mr. SIKES. I can give no figures, but I would think the cost would be only a small addition to the present cost of the watershed program.

If I might proceed for a moment, I should like to point out that under the flood prevention watershed programs, of which there are 11 in the Nation, for 1957 there was available $13,740,000. For the pilot projects under the watershed program—these are demonstration projects and there are some 55 in the Nation—there was available, in 1957, $8,414,000. Under Public Law 566, which is the watershed protection and flood prevention amendment passed by Congress a year or so ago, there was available, in 1957, $6,165,000. Now, that is a total of about $28 million available under the entire program for 1957. I use 1957 figures because that is the last complete year on which we have cost figures. I would assume that the recreation and fish and wildlife projects would add a comparatively small sum to that. Eligibility will be limited and the Congress will have the last word in deciding what amounts to appropriate. I hesitate to say how much; maybe three or four million dollars a year. It would depend entirely on how many of these projects are deemed to be worthy of approval and acceptable to the Congress for the program.

Mr. BOW. Mr. Speaker, will the gentleman yield further?

Mr. SIKES. Yes.

Mr. BOW. Would the gentleman advise the House whether or not, by the inclusion of fish and wildlife and these watershed programs, it might cut down the number of other worthy watershed projects throughout the country?

Mr. SIKES. I can see no reason why it would cut down the number of other watershed projects. I have considered this would be in addition to the existing program. If that is true and Congress provides for such projects by direct appropriation, other types of watershed projects could not be adversely affected.

Mr. BOW. By additional appropriations?

Mr. SIKES. Yes.

Mr. BOW. If it did not have an additional appropriation, then it would have a tendency to cut down the number of other worthy projects.

Mr. SIKES. That is conceivable, yes. Congress would have complete control of that feature.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, this bill was unanimously reported by the House Committee on Agriculture as a meritorious conservation bill in connection with the existing program. I hope the bill will pass and that we will not have any difficulty under suspension of the rules.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from New York.

Mr. TABER. Mr. Speaker, I have in my hand what is supposed to be the report of the committee on this bill. Here is what it says on page 3: Printed copies of H. R. 5497 have not yet become available to the department and the Bureau of the Budget. It has been impossible, therefore, to establish any policy position on this proposed amendment.

Now, I wonder why it is that the committee brings a bill of this kind in, that really is designed to slow down the coverage for legitimate purposes of the Watershed Protection Act, without any report at all.

Mr. SIKES. Mr. Speaker, if the gentleman will yield, I cannot speak for the committee, but I would like to point out that hearings were held on this bill back in January. The departments have had ample time to produce any report they wanted to. Printed copies certainly have been available during all that time, and witnesses from the Department of Agriculture and the Department of the Interior appeared and testified in support of the bill.

Mr. TABER. Does that mean, I wonder, that the committee did not want them to have the bill or that the committee as late as August 5, when it reported the bill, did not have available the bill that was introduced on February 28 this year? It sounds kind of funny, that is all.

Mr. POAGE. Mr. Speaker, if the gentleman will yield, on February 28, 1957, the bill was printed. On March 5, 1957, the committee held hearings, and on March 5, 1957, Mr. Williams, the head of the Soil Conservation Service, testified, which the gentleman has quoted from Mr. Williams' statement before the committee. The very next paragraph points out that as a matter of principle, however, the department would take the view that recreation and fish and wildlife benefits are of more than local character and must be fully demonstrated before any Federal cost sharing would be provided. The Department did have a printed bill before the one that was before the committee. It had been available for about 10 days.

Mr. TABER. Why would we get such language as this, then, in the committee report? I cannot understand it.

The SPEAKER. The time of the gentleman from Minnesota has expired.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. ENGLE].

Mr. ENGLE. Mr. Speaker, I desire to call the attention of the House to two matters in respect to this legislation. The first is with regard to the draftsmanship of the bill. I refer to page 4 of the committee report in which the Ramseyer Rule is complied with. If you will look at the way that language is put into this bill, it would authorize a Federal contribution to projects for recreation and fish and wildlife; no irrigation, no flood control, no nothing. In other words, if someone wants to build a project for recreation and raise some fish or build a duckpond and can find what may be construed by the Secretary of Agriculture as a national interest, then a Federal contribution would be in order.

I do not believe that is what this bill is intended to do. I think when they drafted this bill they intended that where they were building a water project under the Watershed Protection Act and there were incidental recreation features, they might be included. And, if there was a national interest, that might be compensated for by the Federal Government by a contribution. But that is not what the bill does. The bill adds the words which are in italics in the report, "or for recreational and fish and wildlife development."

Very obviously, they have set up a bill here that would authorize a Federal contribution in a field never contemplated and for which there is no precedent whatever in Federal law.

That brings me to the second point that I want to make, which is this. This is major legislation. This bill establishes a national policy because if the Federal Government is going to make a contribution for national recreational benefits in one of these acts—and this is the Watershed Act—then what are we going to do about reclamation? At the present time there is no authorization in Federal law for contributions for national benefits or any benefits so far as recreation is concerned. The same is true with reference to flood control. We have often felt throughout the West that these great irrigation and flood-control projects should have some allowance for recreation. This bill is bad in its draftsmanship and should be defeated on that ground alone. You must remember that when a bill comes before the House under suspension of the rules it is not subject to amendment and cannot be perfected, cannot be broadened to reflect national policy when national policy is involved if that is desirable. This bill involves significant national policy. This bill is very bad in its draftsmanship and does not do what the author intended. If it comes to the floor it should not come under suspension of the rules but should come in such form that it is subject to amendment and so that matters of national policy can be considered. For instance, the participation of reclamation projects of the same character, flood-control projects of the same character could be included; it is at that point that the matter brought up by the gentleman from New York [Mr. TABER], becomes very important.

We are not dealing with just one little aspect of this problem, we are going to have to deal with it all. If we pass this legislation and apply it to one feature of the watershed development we are going to have to apply it to all. It does not involve a matter of just a few million dollars.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. ENGLE. I yield to the gentleman from New York.

Mr. TABER. There was a bill from the gentleman's committee that was involved, and when it got on the floor the gentleman was delighted to amend it. I just want to say that about the gentleman; that is all.

Mr. ENGLE. I thank the gentleman very much. I would say that in this instance this bill is not subject to amendment. It cannot be amended under suspension of the rules. This language cannot even be perfected.

Mr. SIKES. Mr. Speaker, will the gentleman yield?

Mr. ENGLE. I yield to my friend the gentleman from Florida.

Mr. SIKES. Is the gentleman opposed to including recreational and fish and wildlife development participation under Federal benefits, or is he opposed to the fact that this bill does not include all activities?

Mr. ENGLE. I am opposed to this bill on the ground that the draftsmanship is bad. It has to be changed. I am not opposed to including recreational benefits which have a national character, where incidental to the main purpose of a project.

Mr. SIKES. The gentleman could have brought such a bill from his own committee if he had wanted to.

Mr. ENGLE. Yes. I say, if you adopt that policy, let us put them all in one basket and do it all at the same time.

Mr. SIKES. If the gentleman is willing to do that, why does he oppose this bill?

Mr. COOLEY. Mr. Speaker, will the gentleman yield?

Mr. ENGLE. I yield to the gentleman from North Carolina.

Mr. COOLEY. Will the gentleman just tell the House what is wrong with the draftmanship of this bill? The gentleman knows and I know that the Committee on Agriculture could not with propriety report a bill dealing with matters which come before the gentleman's

own committee. The Watershed Act was written in our committee, and here we are amending the Watershed Act. What is wrong with the draftsmanship?

Mr. ENGLE. This is what is wrong with the draftsmanship. This bill is written in such a way that when the words "or for recreational and fish and wildlife development," are added, it permits Federal participation in recreational benefits where a project was built for no other purpose. The project could be wholly or predominately for recreation. That is not what was intended. I know the gentleman did not intend that.

Mr. COOLEY. Only insofar as the Watershed Act is involved, and no projects will be undertaken other than those contemplated under the original act which we are here amending.

Mr. ENGLE. I call attention to the statement made by the witness who came up from Agriculture. He very definitely called attention to that very feature. If recreation benefits are incidental to the aims and purposes of a Water Protective Act, of course; but this goes further than that.

Mr. SIKES. Can the gentleman tell me why recreational and fish and wildlife development projects should not participate in Federal benefits when they are a major source of livelihood of a community?

Mr. ENGLE. I am not in favor of adopting basic national policy under suspension of the rules.

Mr. SIKES. The gentleman practically has supported it otherwise and is willing to support it for reclamation projects when it would come from his committee.

Mr. ENGLE. I say that this involves basic national policy, and that is whether or not the Federal Government is going to contribute for recreational benefits on water projects where it has recreational benefits of a national character. If we are going to adopt that policy we should adopt a uniform policy for projects built by the Army engineers under flood control, projects built by the Bureau of Reclamation under the Reclamation Act, and projects built by the Department of Agriculture under the Watershed Protection Act.

This bill seeks to apply this in a very, very crude way to one particular act, which establishes a matter of national policy under conditions of floor debate that do not permit us to perfect the bill or make changes in it relating to national policy.

Mr. COOLEY. If the gentleman has no objection to the policy, why does not the gentleman report some legislation from his own committee? We have gone as far as we could go. The gentleman knows that we could not report a bill that affected other agencies of the Government such as are within the jurisdiction of the gentleman's committee.

Mr. ENGLE. We have legislation pending on this at the present time.

Mr. COOLEY. Why not bring it out?

Mr. ENGLE. We can dig only one post hole at a time.

Mr. COOLEY. That is right; and why do you not dig one now?

Mr. ENGLE. We had 18 bills on the Consent Calendar today.

Mr. COOLEY. But the gentleman is not opposed to the policy.

The SPEAKER. The time of the gentleman from California has expired.

Mr. COOLEY. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. POAGE], chairman of the subcommittee that handled this bill.

Mr. POAGE. Mr. Speaker, the objections that have been raised to this bill have all been of a jurisdictional nature. None of them have been to the merits of the bill. In fact, those who have been so strenuous in their objections to this bill have said that they favor the inclusion of recreational benefits in the determination of the cost-benefit ratio. That is all this bill does. This bill does not change the basis on which a watershed flood-prevention project may be organized or established. But, it does change the basis of the cost to benefit ratio calculation.

Mr. JONES of Alabama. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield.

Mr. JONES of Alabama. How does the gentleman propose the mathematical calculation to take place in making an estimate as to how much will be apportioned to recreation or to fishing activities in relationship to the total cost of the project?

Mr. POAGE. We have not attempted to do that any more than we have attempted in the past to determine what portion of it should be allocated to flood prevention and what portion of it should be allocated to municipal waters. We have left those things for the determination in each case. If, perchance, there is need for municipal water or irrigation water to a certain extent in any project this may all be taken into consideration. But, they may not be used in the determination of the cost share. Under this bill the same rule will apply as to recreation.

Mr. JONES of Alabama. Mr. Speaker, will the gentleman from Texas yield further?

Mr. POAGE. If the gentleman would just let me explain this bill, I will be glad to yield to him. I would like to clear this basic matter up first, because we have had so much speaking on the other side. I would like to have an opportunity to try to lay this matter out for the committee before I yield further, if I may.

Mr. JONES of Alabama. May I point out to the gentleman that the question I was going to ask would be appropriate at this time in the gentleman's discussion.

Mr. POAGE. I know, but if the gentleman will let me pursue the matter in my own way, I will then be glad to try to discuss the questions he has, if he will permit me. I would like to cover this matter first. I do not want to be rude to the gentleman, but we have heard the opposition two or three times and I would like to make something quite clear as to what this bill does and what it does not do.

In the first place, it is intimated that this bill changes the basis upon which you can establish a flood prevention district. It does not do that. This bill does not even amend those sections of the law that relate to flood prevention. It amends only one section of the law and in only one place, and that relates to the cost-to-benefit ratio and adds to the amount that the Government can contribute for recreation features. Under the present law, there is no way in which the Federal Government can share in the cost of recreational benefits. If you pass this bill, there will be. That is all there is to it. The chairman of the Committee on Interior and Insular Affairs says that he is for that. He tells us we ought to take these benefits into consideration and that that is all good—and we think so too. But, he says the Committee on Agriculture did not amend those sections of the law that were written by his committee or by the Committee on Public Works in the past; and that is very true.

The Committee on Agriculture tried very carefully not to infringe on the jurisdiction of anybody else. We did not amend the reclamation laws for which the gentleman's committee is responsible. We did not amend the flood control laws for which the Committee on Public Works is responsible. We amended only one law and that one law came from the Committee on Agriculture. It does not involve any other committee. It involves the functions of the Committee on Agriculture alone and only that committee. Had we attempted to spread ourselves out and take in everybody else's jurisdiction, you all know what would have happened. There would have been a howl go up by very people who are now asking why we did not make the bill more inclusive. They would be saying "You are infringing on our jurisdiction. You have been stepping into territory where you have no right to step." That is exactly what would have happened and every one of you know it. So we tried to do the nice, and reasonable and the considerate thing and we left everybody else alone. If the Committee on Interior and Insular Affairs wants to bring out a bill that does for their projects just exactly what this does for agriculture, we will support it. If the Committee on Public Works wants to bring out a bill that does for their projects what this does for agriculture, we will support that, but we are not trying to write legislation for either Interior or Public Works.

Mr. COOLEY. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield.

Mr. COOLEY. I would like to ask the gentleman to let me call attention to the fact that when Mr. Williams was before the committee he was asked this question:

> At the present time you say you can include facilities for or related to fish, wildlife, and recreation as part of the project undertaken under this; is that correct?

Mr. Williams' answer is, "That is correct."

I just want to point out that all we are trying to do is to permit Federal partici-

pation; whereas, up to this time it has not been permitted.

Mr. POAGE. That is all it does. It relates only to a project authorized under Public Law 566, and no other bill.

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield.

Mr. MILLER of Nebraska. Will this make it easier for communities to get watershed projects because they have made smaller contributions?

Mr. POAGE. We think it will.

Mr. ENGLE. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield.

Mr. ENGLE. Will the gentleman explain what the report means on page 3:

> Moreover, in the selection of projects for Federal assistance the Department would ordinarily give lower priority to projects in which recreation and fish and wildlife were dominant purposes than to those projects which were primarily for watershed protection, flood prevention, and agricultural water management.

Is it the intention of this legislation to have the Federal Government participate in projects which primarily have recreation or are dominantly for recreational purposes under this legislation?

Mr. POAGE. What the gentleman is reading from is a quotation from Mr. Williams of the Soil Conservation Service. Of course that is quoted in the committee report, but he is reading from a quotation from the Soil Conservation Service itself which says that:

> Significant benefits of national or regional character should accrue to justify Federal cost sharing. The Department reaffirms its position that the cost of producing purely local benefits should be borne by local organizations.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I yield 3 minutes to the gentleman from Arizona [Mr. RHODES].

Mr. RHODES of Arizona. Mr. Speaker, I would like to point out a few things which are in this bill. It seems to me that this committee report, with all due respect to the great Committee on Agriculture, leaves a great deal to be desired. There is no place in the committee report where it says one thing about the cost of this particular bill. I would like to yield to the chairman of the subcommittee or the chairman of the full committee to ask him if there is any estimate as to the probable cost to the Government.

Mr. POAGE. If the gentleman will yield, I think the gentleman from Florida [Mr. SIKES] answered that question very well when he said there is not anybody who can tell how much this will amount to. It will be a rather small item, because there will be relatively few projects on which there is a national or regional character of recreational benefits. But this bill would allow that portion which is attributable in proportion to the cost shared to the Federal Government. Probably 90 percent of all the projects will make no contribution.

Mr. RHODES of Arizona. As I read the compliance with the Ramseyer rule, section 4 (2) A of the act sets forth the reasons for a project under which the Federal Government may assume a portion of the cost, and it adds to those reasons "recreation, fish, and wildlife." Has there been any study on the part of the committee of past projects to determine what would have happened as to the cost to the Government of those projects in the event this particular item had been in the law prior to this time?

Mr. POAGE. We found there were no past projects that we know of. There could not be any under this. Actually, the only project that has been presented so far has been this lake in Florida in which we do have a migratory bird and fishery situation.

Mr. RHODES of Arizona. Then, what is the urgency in passing this bill if there is no more need for it, than is apparent? The gentleman states that there have been no projects to which the amendments contained in this bill could apply.

Mr. POAGE. There is need for it. If it happened to be in Arizona and if it involved a flight of migratory birds or the movement of ocean fishes, we would think it would be just as important as if it were in Florida. We think it is important in Florida. Although there was one member of the Committee on Agriculture from Florida he did not represent that district. The committee did not report out the bill on the basis that it would help anybody's district but that it helped the United States as a whole.

Mr. RHODES of Arizona. Mr. Speaker, I yield to the gentleman from California.

Mr. ENGLE. Mr. Speaker, I observe from the committee report that the bill was introduced on February 28, 1953. Department witnesses appeared, but the date of their appearance is not specified. Even at that time, March 5, they interposed no recommendations on the bill H. R. 5497.

There is no department report on the bill nor a report from the Bureau of the Budget; and I would like to ask the gentleman this: If Hoover Dam which borders Arizona, if recreational benefits of that particular project had been assigned for their national benefits, what would have been the cost?

Mr. RHODES of Arizona. I do not have any figures at hand, but I can state to the gentleman from California that the reimbursable portion of this great project would have been much less if the philosophy of this bill had been adopted.

The SPEAKER. The time of the gentleman from Arizona has expired.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I have no further requests for time.

Mr. COOLEY. Mr. Speaker, I have no further requests for time.

The SPEAKER. The question is on the motion of the gentleman from North Carolina that the rules be suspended and the bill be passed.

The question was taken; and on a division (demanded by Mr. COOLEY) there were—ayes 45, noes 80.

So (two-thirds not having voted in favor thereof) the motion was rejected.

SCHOOL CONSTRUCTION IN FEDERALLY AFFECTED AREAS

The SPEAKER. The gentleman from Montana is recognized.

Mr. METCALF. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 8679) to provide a 1-year extension of the programs of financial assistance in the construction and operation of schools in areas affected by Federal activities under the provisions of Public Laws 815 and 874, 81st Congress, as amended.

The clerk read as follows:

Be it enacted, etc.—

That section 209 (e) of the act of September 23, 1950 (Public Law 815, 81st Cong.), as amended, is amended by striking out "1959" and inserting in lieu thereof "1960."

SEC. 2. Section 301 of such act is amended by striking out "five" and inserting in lieu thereof "six."

SEC. 3. The first sentence of section 303 of such act is amended by striking out "1958" and inserting in lieu thereof "1959."

SEC. 4. The first sentence of section 304 (a) of such act is amended by striking out "regular school year 1957–1958" and inserting in lieu thereof "increase period."

SEC. 5. (a) Section 305 of such act is amended (1) by striking out "regular school year 1955–1956" each time it appears therein and inserting in lieu thereof "base year," and (2) by striking out "regular school year 1957–1958" each time it appears therein and inserting in lieu thereof "increase period."

(b) The last sentence of subsection (d) of such section is amended by striking out "school years 1955–1956 and 1957–1958" and inserting in lieu thereof "base year and the increase period."

(c) Such section in further amended by inserting at the end thereof the following new subsection:

"(f) If—

"(1) the first year of the increase period for an application made by a local educational agency constitutes the second year of the increase period for a previous application made by such agency, and

"(2) any payment has been or may be made to such agency on the basis of such previous application,

then, in determining under this section the total of the payments which may be made to such agency on the basis of the later application, the total number of children counted for purposes of paragraph (1), (2), or (3), as the case may be, of subsection (a) may not exceed—

"(3) the number of children whose membership at the close of the increase period for the later application is compared with membership in the base year for purposes of such paragraph, minus

"(4) the number of such children whose membership at the close of the increase period for the previous application was compared with membership in the base year for purposes of such paragraph."

SEC. 6. Section 310 of such act is amended by inserting ", or June 30, 1959" after "June 30, 1958".

SEC. 7. Title III of such act is amended by adding at the end thereof the following new section:

"BASE YEAR AND INCREASE PERIOD

"SEC. 312. For purposes of this title—

"(a) In the case of an application filed after June 30, 1956, and before July 1, 1957, (1) the term 'base year' means the regular school year 1955–56, and (2) the term 'increase period' means the period consisting of the regular school years 1956–57 and 1957–58;

"(b) In the case of an application filed after June 30, 1957, and before July 1, 1958,

(1) the term 'increase period' means the period consisting of the regular school years 1956–57 and 1957–58 or the regular school years 1957–58 and 1958–59, as may be designated in the application, and (2) the term 'base year' means (A) the regular school year 1955–56 if the increase period includes the regular school year 1956–57, or (B) the regular school year 1956–57 if the increase period includes the regular school year 1958–59; and

"(c) In the case of an application filed after June 30, 1958, (1) the term 'base year' means the regular school year 1956–57, and (2) the term 'increase period' means the period consisting of the regular school years 1957–58 and 1958–59."

SEC. 8. Section 401 (b) of such act is amended (1) by striking out "four succeeding fiscal years" and inserting in lieu thereof "five succeeding fiscal years", and (2) by striking out "1958" and inserting in lieu thereof "1959".

SEC. 9. (a) The amendments made by this act shall become effective July 1, 1957.

(b) Funds appropriated after June 24, 1957, but prior to the enactment of this act, which are available for payments under title III of the act of September 23, 1950, as amended, together with funds appropriated on or before June 24, 1957, which are available for payments under such title III and are in excess of the amount required for payments for projects for which applications have been filed on or before June 24, 1957, pursuant to such title III, shall also be available for payments for projects for which applications are filed after June 30, 1957, with respect to the increase period (as defined in such title III) consisting of the regular school years 1957–58 and 1958–59. Funds appropriated prior to enactment of this act which are available for purposes of section 310 or title IV of such act shall also be available for purposes of such section and title, respectively, as herein amended.

The SPEAKER. Is a second demanded?

Mr. HOLT. Mr. Speaker, I demand a second.

Mr. METCALF. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. METCALF. Mr. Speaker, I yield myself 5 minutes.

The SPEAKER. The gentleman from Montana is recognized.

Mr. METCALF. Mr. Speaker, this bill is to extend for 1 year Public Law 815 of the 81st Congress. Public Law 815 and Public Law 874 of the 81st Congress were companion bills, 815 to provide for Federal aid for school construction in federally affected areas and 874 to provide for Federal aid for operation and maintenance of schools in federally affected areas.

As originally introduced, H. R. 8679, provided for a simple 1-year extension of both Public Law 815 and Public Law 874.

The Secretary of the Department of Health, Education, and Labor in his departmental report recommended that neither program be extended this year. They are not slated to expire until June 30, 1958.

Since 1955 the Commissioner of Education in the Department of Health, Education, and Welfare has been making a study of the impact and effect of both of these laws. The Committee on Education and Labor has been promised that by the first of January, at the beginning of the next session, the Secretary of Health, Education, and Welfare's report and recommendations as to the continuance of Public Law 815 and Public Law 874 will be presented to the committee.

Both of these laws have been in effect for 7 years. They were originally passed as emergency legislation. Members of the subcommittee that have studied these laws and the Department of Health, Education, and Welfare that has charge of administering these laws have grave doubt about the affect of some of the provisions in this legislation. I believe I can say that all members of the committee believe Public Law 815 and Public Law 874 should be extended but we have misgivings about certain parts of the law and we feel they should not be extended in their present form. That is also the feeling of the Department.

The subcommittee originally felt that perhaps we could wait until the recommendations from the Department of Health, Education, and Welfare were received and we could hold hearings on the complete extension of both of these bills next year; but as a result of an urgency created by military housing, the committee felt this year Public Law 815 should be extended. A case in point is the situation that exists at our Air Force Academy. Under Public 815 the Department of Health, Education, and Welfare cannot allocate any funds for the construction of schools for pupils, federally affected, who are not going to be there until after June 30, 1958, when the law expires.

In the case of the Air Force Academy there will be about 70 federally affected pupils on June 30, 1958, but in September, only 3 months later, there will be 600 to 700 such students. There are over 150 other areas where Capehart housing is involved and where the same situation exists, so that as many as 30,000 children may be involved.

Mr. Speaker, we want to have the schools there and available when the children arrive. So in order to make the necessary planning and to get the blueprints underway and the plans approved, 12 to 15 months will be required to take care of this urgent situation, especially affecting Capehart housing and the Air Force Academy. Therefore we have provided a simple extension of Public Law 815 for 1 more year.

Mr. FOGARTY. Mr. Speaker, will the gentleman yield?

Mr. METCALF. I yield to the gentleman from Rhode Island.

Mr. FOGARTY. Mr. Speaker, as the gentleman from Montana knows, the superintendents of schools of all of these federally impacted areas are very much interested in the extension of Public Law 874, the maintenance and operation part of the two bills we have been discussing. As I understand it, the subcommittee has held hearings on the extension of Public Law 815 and Public Law 874 and has reported to the full committee unanimously that both of those bills be extended for 1 year.

Mr. Speaker, Public Laws 815 and 874 were originally introduced as companion bills. Public Law 815 provided aid for school housing in federally impacted school districts; Public Law 874 provided help to meet current costs of educating federally connected pupils.

The laws were devised after Congress recognized that modern preparation for national defense required many large and sustained concentrations of military and industrial personnel. This resulted also in concentration of school-age children with consequent impossible burdens on school buildings and local taxpayers.

A principle supporting the laws is that a school district is entitled to tax return from the residence and the place of employment of parents of schoolchildren. Public Law 815 requires that there must be over 7 percent increase in school population before federally connected pupils may be used toward an entitlement for funds. Public Law 874 qualifies a district for maintenance and operation funds if the number of federally connected pupils is 3 percent or over of the average membership of the school district.

These laws have been effective since 1951. From time to time Congress has amended them to correct inequities or otherwise meet needs caused by a changing pattern of defense activities. Both laws are scheduled to run out June 30, 1958. Mr. Bailey introduced H. R. 8679 to extend these companion laws for 1 year, to June 30, 1959.

Title I of H. R. 8679 provides to extend Public Law 815, school construction. Along with classic needs for school construction in federally impacted school districts, Congress has approved a program of home construction on federally owned sites under the Capehart Act that plans for building over 90,000 housing units. I have a study here made by a school administrator—Leonard Maine, Portsmouth, R. I.—that shows the number of Capehart units planned for each State. This study indicates the Congressional district in which the construction is planned and the name of the Congressman.

One school district in my State has prospect of 2,000 Capehart housing units (Portsmouth). Since the Federal Office of Education allows 0.7 per school child per family unit, this district faces a possible increase of 1,400 pupils. There are but 1,200 pupils in the district at present. This makes possible a 117-percent increase in pupils during the Capehart building program.

The Education and Labor Committee has recommended for passage title I of H. R. 8679. In this I concur.

Title II of H. R. 8679 was designed to extend Public Law 874 for 1 year. It has not been recommended for passage.

The committee proposes to act immediately after the convening next January. This means examining both bills with view toward recommendations to Congress as early as possible.

Many school districts plan school budgets for the school year 1958–59 during the early months of 1958. School district administrators are on shaky grounds in budgeting Public Law 874 funds for the school year 1958–59 when the law runs out June 30, 1958. Since tax assessments and rates depend on budgets

it is probable that fiscal planning will be greatly disturbed in hundreds of schools districts by failure to extend Public Law 874 along with Public Law 815.

According to the report of the Commissioner of Education, June 30, 1956, there are 15 school districts in Rhode Island receiving Public Law 874 payments as follows:

School districts in the State of Rhode Island receiving funds under Public Law 874, 1956

School district	Net entitlement under Public Law 874	Total current expenditures
Newport City School Committee	$312,209	$1,391,614
Middletown Town School Committee	131,503	473,184
Tiverton Town School Committee	8,332	374,297
East Greenwich Town School Department	15,778	231,935
North Kingstown Town School Department, Wickford	187,944	551,543
Portsmouth Town School Committee	40,385	309,916
Jamestown Town School Committee	12,235	144,453
Coventry School Department	13,781	463,782
Warwick School Committee	56,171	3,193,789
Westerly Town School Committee	17,750	587,676
Charlestown Town School Committee	3,580	108,891
Richmond School Committee	3,073	96,858
Narragansett Town School Committee	5,611	142,924
Hopkinton Town School Committee	2,892	191,574
West Greenwich School Department, Coventry	1,496	58,063
Total	812,740	8,320,499

This table reveals that over 10 percent of expenditures in these districts is for federally connected children from Public Law 874 funds.

The situation is especially serious in the three most heavily impacted districts:

District	Entitlement	Total expenditure	Percent Public Law 874
Newport	$312,209	$1,391,614	22.4
Middletown	131,503	473,184	27.8
North Kingstown	187,944	551,543	34.1
Total	631,656	2,416,341	26.1

I agree that Congress should study and change Public Law 815 and Public Law 874 to meet changing conditions. I believe this study should be made under unhurried conditions and that affected school districts should not be penalized by withholding needed action by Congress.

Mr. METCALF. That is right, and as a result, the present bill, H. R. 8679, was introduced.

Mr. FOGARTY. And then the full Committee on Education and Labor objected to the unanimous report of the subcommittee and voted to extend only Public Law 815 for 1 year.

Mr. METCALF. That is also correct.

Mr. FOGARTY. Now, is there any guaranty to these educational authorities in these Federally impacted areas all over the country that they will have legislation approved by next March so that it will be in time to get a supplemental appropriation bill to carry on the program for fiscal 1958?

Mr. METCALF. I want to say to the gentleman that I talked to the gentleman from North Carolina [Mr. BARDEN], the chairman of the committee, this morning over the telephone and he asked me to make the motion to suspend the rules and told me I could assure the House that as soon as Mr. BAILEY'S subcommittee held the necessary hearings and as soon as we had the report from Health, Education, and Welfare, we would have legislation considered extending both 815 and 874. Now, I want to remind the gentleman from Rhode Island that it is not necessarily true that it will be extended in its present form. That is the reason we do not have a simple extension now, but there will be some legislation authorizing an appropriation so that the gentleman's subcommittee can go to work by, I hope, the end of January.

Mr. FOGARTY. I thought that when the subcommittee had held hearings on the extension of these two laws, reported unanimously that they should be extended for 1 year, that is, 815 and 874, the full committee would go along with the recommendations and then go into these different phases at the January session.

Mr. METCALF. I will say to the gentleman from Rhode Island that the reason 874 was stricken from the consideration in this bill was because the full committee felt that we should have the recommendations of the Department of Health, Education, and Welfare for the continuation of that program and that there are reservations in the minds of many members of the committee as to the continuation of certain phases of Public Law 874, and that is the reason that we did not have a simple extension and raise false hopes and delude the school boards.

Mr. FOGARTY. Is there any provision in existing law that is so large that it would prevent just a simple 1-year extension? Is there some one provision there that some of us do not know about that is holding this whole thing up?

Mr. METCALF. I want to say, so far as the gentleman from Montana is concerned, I know of no such provision. I was a member of the subcommittee that voted for the simple extension.

Mr. FOGARTY. I was wondering if the gentleman from West Virginia could assure the House that we could get some action early in the next session of the Congress.

Mr. METCALF. I yield to the gentleman from West Virginia.

Mr. BAILEY. Mr. Speaker, it is true that the Subcommittee on Education, of which I happen to be chairman, and which considered both of these pieces of legislation, 815 and 874, reported them both favorably to the full committee. I might say that I personally opposed the idea of dropping 874. I wanted both of them extended. But, since the committee did not do this, I can assure you, as chairman of the subcommittee, that it is my intention to convene the subcommittee and hold hearings immediately upon the convening of the next session of the Congress, and there is no reason why that legislation could not be completed by the 1st of March, at which time there would still be plenty of time to secure a supplemental appropriation through the subcommittee presided over by the gentleman from Rhode Island.

The SPEAKER. The time of the gentleman from Montana has expired.

Mr. HOLT. Mr. Speaker, I yield the gentleman 5 additional minutes.

Mr. FOGARTY. Mr. Speaker, if the gentleman will yield further, what would be the reaction of the subcommittee that held hearings on the extension of these two laws if the Senate saw fit to extend 874 for an additional year, the same as we are extending Public Law 815? What would be your position or the position of the committee in conference with the Senate?

Mr. METCALF. I will say to the gentleman from Rhode Island that, speaking for the committee, the committee felt that Public Law 874 should not be extended. I do not know what Mr. BARDEN'S reaction was, but it was the committee's idea that there was no emergency for the extension of Public Law 874; the only emergency being for the extension of Public Law 815, and it would be all right to wait until we got the report as to what we are going to do with Public Law 874 next year.

Mr. FOGARTY. May I make this one further observation? I am satisfied that action will be taken next year so that the subcommittee could hold hearings on the supplemental appropriation bill.

Mr. Speaker, may I make this one further observation? It seemed to me that it was important because over 3,000 school districts in this country are receiving some support, in the amount of about $127 million for 1958; and, as you know, the Federal Government and every local government starts negotiations on contracts and salary scales of teachers 7, 8, 9, and 10 months ahead of the fiscal year. It seems to me it would put them back a ways if Congress did not take action at this time because they have got to hold up their budget requests, as they cannot depend on any budget revenues that do not exist at this time. As long as we are spending $30 billion and more on national defense and billions of dollars on atomic energy, installing plants in various States, it seems to me that it is an obligation on the Federal Government to pay its share in the construction, operation and maintenance of these schools in federally impacted areas. Would the gentleman say that is a fair statement?

Mr. METCALF. That is a fair statement. I will say to the gentleman that we feel that some of this legislation should be made permanent and other phases of it should be discontinued.

Mr. FOGARTY. Mr. Speaker, may I ask the gentleman one further question. When these hearings are held, I assume that the people in the educational field from these federally impacted areas will be given every opportunity to be heard?

Mr. BAILEY. Mr. Speaker, if the gentleman will yield to me to answer that question, I have already advised the Department of Education to have any proposed changes in this legislation

available on the first day of January. It is the intention of my subcommittee to conduct thorough hearings and we shall have legislation for the House by March.

Mr. SEELY-BROWN. Mr. Speaker, will the gentleman yield?

Mr. METCALF. I yield to the gentleman from Connecticut.

Mr. SEELY-BROWN. Mr. Speaker, as the gentleman knows, I wish very much that the House had the opportunity right now to vote on the bill that the subcommittee reported out unanimously, namely, the extension of Public Laws 815 and 874. Is it not true that delay in action now or delay even until next March on Public Law 874 may work a real hardship in many of the school districts which must prepare their school budget well in advance of any action taken by us?

Mr. METCALF. There may be some budgetary difficulties. That matter was considered, I believe, by Secretary Folsom when he made his recommendations. It was also considered by members of the committee when they voted. They felt that if a simple extension of Public Law 874 held out some false hopes to some school districts and then as a result of departmental recommendations on any action next year, some parts of Public Law 874 were not kept and local districts thereby lost entitlements, we would have lost more ground and perhaps would have done a greater disservice to the educational system, than by delaying the budgetary process a short time.

Mr. SEELY-BROWN. In any case, the gentleman's committee has done such good work; and the gentleman is as sure as he can be that by next March definite action will be taken by the House so that our school districts at that time at least will have a pretty good idea what is coming out of Congress by way of legislation regarding the extension of Public Law 874.

Mr. METCALF. I hope that even before March we will have legislation cleared by the committee to present to this House for the extension of Public Law 874 and for making Public Law 815 permanent in some phases and discontinuing other phases.

Mr. SEELY-BROWN. Mr. Speaker, I thank the gentleman very much.

Mr. METCALF. Below is a table showing the nature and the location of the Capehart housing that will be occupied after the expiration of Public Law 815 unless the instant legislation extending Public Law 815 for 1 year is passed today.

Information showing military installation where Capehart housing units have been authorized as of Aug. 20, 1957, number of housing units that will be completed between June 30, 1958, and June 30, 1959, and number of units that will be completed after June 30, 1959, by State [1]

State	Name of installation	County	Number of housing units will be completed	
			Between June 30, 1958, and June 30, 1959	After June 30, 1959
Alabama				
Arizona	Yuma Test Station	Yuma	209	
	Luke AFB	Maricopa	725	
	Vincent AFB	Yuma	320	
	Williams AFB	Maricopa	235	200
	Fort Huachuca (Army)	Cochise	575	
Total			2,064	200
Arkansas				
California	Travis AFB	Solano	100	
	Barstow MCSC (Navy)	San Bernardino	51	
	El Centro NAAS (Navy)	Imperial	241	
	El Toro MCAS (Navy)	Orange	500	100
	Point Mugu NAMTC (Navy).	Ventura	180	
	Mojave MCAAS (Navy)	Kern	300	300
	Hamilton AFB	Marin	100	450
	Oxnard AFB No. 1 and No. 2.	Ventura	350	
	Cooke AFB	San Luis Obispo	800	
	Fort Ord (Army)	Monterey	711	
	Beale AFB	Yuba	100	470
	Edwards AFB No. 2	Kern	78	700
	Nots China Lake (Navy)	San Bernardino, Kern, Inyo.		288
	NB San Diego (Navy)	San Diego	500	500
	NF Centerville (Navy)	Humbolt	24	
	NAS Lemore (Navy)	Kings	400	400
	NF Point Sur (Navy)		24	
Total			4,450	3,208
Colorado	Air Force Academy AFB	El Paso	550	650
Connecticut	SB New London (Navy)	New London	400	650
Delaware	Dover AFB No. 1	Kent	250	
	Dover AFB No. 2	do	500	
Total			750	
Florida	Key West NAS	Monroe	100	390
	Panama City NMDL	Bay	42	
	Pensacola NAS	Escambia	300	300
	Whiting Field NAAS	Santa Rosa	289	
	Homestead AFB	Dade	800	355
Total			1,531	1,045
Georgia	Moody AFB	Lowndes	400	
	Robins AFB	Bibb	273	
	Turner AFB	Dougherty	200	
	NAS, Glynco (Navy)	Glynn	490	
	Fort Benning (Army)	Muscogee	1,000	
Total			2,363	
Idaho	Mount Home AFB	Elmore		
Illinois	Great Lakes NTC (Navy)	Lake	300	
	Chanote AF	Champaign	50	400
Total			305	400
Indiana				
Iowa				
Kansas	Fort Riley (Army)	Geary	433	
	McConnell AF	Sedgwick	490	
Total			923	
Kentucky	Fort Knox (Army)	Hardin	2,042	1,000
Louisiana	New Iberia NAAS	Iberia	225	200
	Lake Charles No. 2 AF	Calcasieu	150	150
Total			375	350
Maine	Brunswick NAS	Cumberland	200	77
	Winter Harbor NRS	Hancock	20	
	Dow AFB	Penobscott	350	180
Total			570	257
Maryland	Andrews AFB	Prince Georges	240	
	Fort Meade (Army)	Anne Arundel	1,000	
	Fort Detrick (Army)	Frederick	63	
	NRS Cheltenham (Navy)	Prince Georges	120	
Total			1,423	
Massachusetts	Hanscon AFB	Norfolk	395	
	Otis AFB No. 2	Barnstable	200	
	NAD Hingham (Navy)	Plymouth	22	
	NF Nantucket (Navy)	Nantucket	19	
	Westover No. 1 AFB		310	
Total			946	
Michigan	Fort Custer (Army)	Macomb	169	
	K. I. Sawyer No. 1 AF	Berien	340	
Total			509	
Minnesota	Duluth No. 1 AF	St. Louis	30	190
Mississippi	Columbus AFB	Lowndes	170	200
	NAAS Meridian (Navy)		320	
Total			490	200
Missouri	Fort Leonard Wood (Army)	Pulaski	1,329	
Montana	Malmstrom AFB	Cascade	50	100
	Glasgow AFB		150	60
Total			200	160
Nebraska	Lincoln AFB	Lancaster	600	
	Offutt AFB No. 1	Sarpy	100	175
Total			700	175
Nevada	Nellis AFB	Clark	200	
	NAAS Fallon (Navy)		77	
Total			277	
New Hampshire.	Portsmouth AFB No. 1	Rockingham	625	
New Jersey	McGuire AFB No. 1	Burlington	250	
	McGuire AFB No. 2	do	350	350

[1] This tabulation is based on the most recent report of authorized Capehart housing submitted by the Department of Defense with those Capehart housing projects that have already been counted for entitlement under Public Law 815 eliminated from that list.

Information showing military installation where Capehart housing units have been authorized as of Aug. 20, 1957, number of housing units that will be completed between June 30, 1958, and June 30, 1959, and number of units that will be completed after June 30, 1959, by State—Continued

State	Name of installation	County	Number of housing units will be completed	
			Between June 30, 1958, and June 30, 1959	After June 30, 1959
New Jersey—Continued	NARTS Dover (Navy)	Morris	19	
	NF Cape May (Navy)	Cape May	18	
Total			637	350
New Mexico	NCMTF White Sands (Navy).	Bernalillo	51	
	Holloman AFB	Otero	100	300
Total			151	300
New York	Fort Niagara AAA Nos 1-2	Niagara	200	
	Griffiss AFB	Oneida	460	
	Syracuse AFB	Onondago	216	
	Plattsburg AF	Clinton	1,060	
	Suffolk Co. AF	Suffolk	220	
	NTDC Port Washington	Nassau	34	
Total			2,280	
North Carolina	Fort Bragg (Army)	Cumberland	1,216	
	Camp Lejeune	Carteret	800	
	Cherry Point MCAS	do	600	249
	Pope AF	Cumberland	560	
	NAF Hertford (Navy)	Perquimans	300	210
	NF Cape Hatteras (Navy)	Dare	27	
Total			3,503	459
North Dakota	Grand Forks Nos. 1-2 AF	Grand Forks	290	454
	Minot AFB	Ward	150	494
Total			440	948
Ohio	Lockbourne AFB	Franklin	400	
Oklahoma	Altus AFB	Jackson	700	
	Clinton-Sherman AFB	Washita	450	
	Tinker AFB	Oklahoma	268	
	Vance AFB	Garfield	50	180
Total			1,468	180
Oregon	Klamath Falls AFB	Klamath	290	
	NF Coos Head (Navy)	Coos	24	
Total			314	
Pennsylvania	Philadelphia USNA	Philadelphia	400	
	Olmsted AFB	Dauphin	140	
	New Cumberland (Army)	Cumberland	91	
Total			631	
Rhode Island	Newport NS (Navy)	Newport	400	600
South Carolina	Charleston TD (Navy)	Charleston	20	
	Beaufort MCAS	Beaufort	900	
	Parris Island MCRD	do	355	
South Carolina—Continued	Charleston AFB	Charleston	500	
	Myrtle Beach AFB	Horry	400	
	Donaldson AF	Greenville	60	200
Total			2,235	200
Tennessee	McGhee-Tyson AFB	Knox	181	
	NAS Memphis			782
Total			181	782
Texas	Fort Bliss (Army)	El Paso	490	
	Chase Field NAAS (Navy)	Bee	425	
	Foster AFB	Victoria	250	
	Good Fellow AFB	Tom Green	160	
	Laredo AFB	Webb	250	
	Laughlin AFB	Val Verde	450	
	Webb AFB	Howard	360	
	NAAS Port Isabel (Navy)	Cameron	56	30
Total			2,441	30
Utah				
Virginia	Fort Lee 1 (Army)	Prince George	154	
	Quantico (Navy)	Prince William	300	703
Total			454	703
Washington	Fairchild AFB	Spokane	175	
	Geiger AFB	do	228	
	McChord AFB	Mason	100	700
	Seattle Defense Area (Army)	King	92	
	NF Pacific Beach (Navy)		30	
	NS Seattle (Navy)	King	100	99
	NAS Whidbey Island (Navy).	do	300	250
Total			1,025	1,049
Wisconsin	Truax AFB	Dane	235	235
Hawaii	Barbers Point NAS		640	500
	Camp H. S. Smith		168	
	Kaneohe Bay MCAS		500	350
	Lualualei Barracks NAD		17	
	Pearl Harbor NB		550	100
	Wahiawa NRS		70	
	Westlach NAD		80	
	Hickam AFB No. 1 and No. 2.		700	1,000
	Schofield Barracks (Army)		1,326	
Total			4,051	1,750
Marianas Island (Guam).	Anderson AFB		1,050	
Puerto Rico	Roosevelt Roads NS (Navy)		500	176
Grand total			45,302	16,056

Mr. HOLT. Mr. Speaker, I yield 5 minutes to the gentleman from Colorado [Mr. CHENOWETH].

Mr. CHENOWETH. Mr. Speaker, this is a very important piece of legislation so far as the Air Force Academy is concerned and I understand many other military installations in this country are also affected. I hope the House will pass this bill, which is needed to meet an emergency.

I am also in favor of the extension of Public Law 874. However, the same emergency does not exist so far as the extension of that law is concerned. We must pass this bill extending Public Law 815 for an additional year if the necessary school facilities are to be made available at the Air Academy in September 1958.

Mr. Speaker, I want to commend the chairman of the subcommittee, the gentleman from West Virginia [Mr. BAILEY], and the members of his subcommittee, as well as the chairman of the full committee, the gentleman from North Carolina [Mr. BARDEN], for their splendid cooperation in this matter. They have recognized the necessity for this extension and have acted accordingly.

Early in the year I began to receive appeals for assistance from the officials of School District No. 20 located near Colorado Springs where the permanent Air Force Academy is now being constructed. They called attention to the fact that they would not be able to provide for the children who would be living in the district when the Academy moved to the permanent site next year.

I immediately contacted the Office of Education and called attention to this serious situation. I was advised that as far as Capehart housing was concerned the same situation existed at other military installations throughout the country. On March 25 I introduced a bill providing for the extension of Public Law 815 to take care of the children who will live at the Academy. My bill applied to the Air Force Academy alone. However, the Office of Education took the attitude that there should be general legislation, and that Public Law 815 should be extended so as to include all of the military installations where Capehart housing was approved. I am perfectly happy to go along with the extension of Public Law 815 for 1 year, although I would have preferred 2 years, as provided in my bill.

This is emergency legislation. The Air Force Academy now is temporarily located at Lowry Air Force Base in Denver. The facilities there will not be sufficient to take care of the Academy after the current school year. In September 1958 the academy must move to its permanant location near Colorado Springs, Colo. We must provide adequate school facilities to take care of these children who will move to the

Academy site with their parents at that time. In order to do so we must extend Public Law 815 as provided in this bill. Otherwise, as pointed out by the gentleman from Montana, there will be between 600 and 700 children living at the Academy in September of 1958, for whom no schools will be available. The number in June of next year will probably be around 70, and this figure would have to be used unless we pass this bill today, as June 30, 1958, is the time limit for counting children for determining the amount of Federal assistance under Public Law 815. The great impact will not come until September of 1958, and that is why this legislation is necessary.

Mr. HOLT. Mr. Speaker, will the gentleman yield?

Mr. CHENOWETH. I yield to the gentleman from California.

Mr. HOLT. I think the House might be interested, I know I am, that these schools will be built by the local school districts, so the different architecture of the Air Force Academy will have no effect on the appearance of the schools. There will not be 19 towers or bells on them.

Mr. CHENOWETH. May I state to the gentleman from California, and I greatly appreciate his interest, that the school district officials are now working on the plans, and I am sure he will be perfectly satisfied with the architecture of the school buildings at the Air Academy.

Mr. Speaker, I urge the House to pass H. R. 8679 so that these schools will be available to the children living at the Air Force Academy when the move to the permanent site in Colorado Springs is made a year from now. I cannot overemphasize the urgency of the problem that faces us.

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SPRINGER. Mr. Speaker, the 1-year extension of Public Law 815, 81st Congress, at this time is necessary because of the delay in completion of the Capehart housing program. Because of the delay in the Capehart housing program, plus the 50,000 additional housing units authorized by the 85th Congress, the June 30, 1958, expiration date will result in severe hardship.

At Chanute Airbase, Rantoul, Ill., we are in the process of getting several hundred housing units which will substantially increase the number of schoolchildren in the area of Rantoul. All of these will be by reason of the Federal impact on the community.

The amendments in this bill which extend the life of the law for an additional year will make it possible for the Department of Health, Education, and Welfare to house this substantial increase in schoolchildren from Chanute Airbase.

The Capehart housing program will not be completed by the June 30, 1959, expiration date authorized in H. R. 8679. However, I am happy that the Committee on Education and Labor has promised to bring forth a revised and extended bill by March 1958 and that we will have a chance to consider this legislation in the 2d session of the 85th Congress.

Public Law 815, and its companion, Public Law 874 of the 81st Congress, authorize financial assistance in the construction and operation of schools in areas affected by Federal activities. These laws were emergency measures to meet conditions resulting from expanding defense activities. It is proposed by the House Committee on Education and Labor to make a thorough study of the entire Federal impact problem in order to develop a program which will operate efficiently and economically without periodic extensions and piecemeal changes.

If such legislation is enacted, it would be a considerable improvement over the present laws which rise periodically in the Congress. The result has been patchwork legislation which has left many loopholes and has resulted in many injustices in some communities.

The law as applied to my own area has worked rather well. At times the Federal impact has been serious. When it is realized that the population of Chanute Airbase at times has been considerably more than the community of Rantoul. On the whole I believe the Federal Government has met its share and its obligation on this problem. We are not out of the woods, but I do believe the results of Public Laws 815 and 874 have been good.

I do hope that all of the Federal agencies will have reported to the Committee on Education and Labor their ideas by the time Congress convenes in January 1958. The problems raised here on the floor today should be thoroughly analyzed and we should be ready to proceed as promptly as possible.

Unless this is done there will be no way in which school boards could approach this problem on a realistic basis. School boards should have an opportunity to know many months ahead what can be anticipated as the Federal share. Only intelligent planning along these lines can result in adequate attention to those pupils who come to any community under the federally impacted program.

I commend the chairman of the committee and the chairman of the subcommittee for their action in bringing this bill before the House today. Although it is only stopgap legislation, I feel it will be adequate until such time as permanent legislation can be enacted.

Mr. METCALF. Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey [Mr. THOMPSON].

Mr. THOMPSON of New Jersey. Mr. Speaker, it happens that, in the district I have the honor to represent, there are several impacted areas because of the defense work and because of the great Maguire Air Force Base and Fort Dix, N. J. It is unfortunate that Public Law 874 is not included here. One of the reasons, I might suggest, is that there was considerable hope that there would be a general Federal-aid-to-education bill this year, thus obviating some of that need.

Mr. RHODES of Arizona. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield.

Mr. RHODES of Arizona. I do not know who shared that hope with the gentleman, but I can assure him there are members of the committee on this side who did not share that hope. In fact, I was the most amazed man in the world when I walked into the committee and found that Public Law 874 was not included.

Mr. THOMPSON of New Jersey. I thank the gentleman, and I share his feeling on that.

I might point out that when Public Law 874 comes up for discussion next year the very serious questions of Federal control being present where Federal money is present should be carefully aired.

I am strongly in favor of Public Law 815 and Public Law 874 and I was on the subcommittee of the 84th Congress which revised them. I would be for them whether or not I had an impacted school district in my Congressional District. But, I would like to point out that some extremely strong statements were made by some of the Members in the course of debate on the general Federal-aid-for-construction bill which gave pause to a number of us because under Public Law 874, you actually have the Federal Government on your school board in your impacted area. Certainly, while this is meritorious legislation and should be amended, as it needs to be from time to time, because it is complicated, it should be continued. I think the decision of the chairman of the subcommittee to hold hearings on it at the earliest possible date is good and I hope all the Members of the House who are interested in this legislation will testify on it.

Mr. Mr. BOLAND. Mr. SPEAKER, I ask unanimous consent to revise and extend my remarks following Mr. THOMPSON of New Jersey.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. BOLAND. Mr. Speaker, I share the apprehension expressed by the gentleman from Rhode Island [Mr. FOGARTY], chairman of the Appropriations Subcommittee on the Department of Health, Education, and Welfare, with reference to the failure to include title 2 in H. R. 8679. The failure to extend Public Law 874, originally included in title 2, gives great concern to federally impacted school districts. This is true in my area. The great Westover Air Force Base in Chicopee, Mass., the Springfield Armory in Springfield, Mass., and several defense installations have substantially affected school budgets in my district. Public Law 874 has materially assisted cities and towns to meet their burgeoning school budgets. This has been possible under Public Law 874 on the basis of allocations made by the Department of Health, Education, and Welfare. These allocations have been timely made in that communities could rely on the contribution from the Federal Government under the impacted area school law. A real budgetary problem is now presented to affected cities and towns. Under the parliamentary situation, it is not possible to offer any

amendment to provide a 1-year extension of the program of financial assistance with reference to the operation of schools in areas affected by public activities under the provision of Public Law 874. I hope that the Senate will provide for the 1-year extension and an agreement can then be reached between the House and the Senate. I am pleased to know that the Subcommittee on Education, under the chairmanship of Congressman BAILEY, intends to hold hearings in the very early part of January in the next session and to make its report so that a supplemental appropriation to cover the extension of Public Law 874 for 1 year will be passed in early March. School authorities in my area have been alert to this problem and are deeply concerned over the failure of the committee to recommend an extension of the law at this time. I quote from a telegram from the very distinguished superintendent of schools of Chicopee, Mass., Mr. John L. Fitzpatrick. This city is particularly affected by financial assistance under Public Law 874. He expresses genuine concern in the following telegram:

> We have been advised that the Committee on Education and Labor has deleted title 2 from H. R. 8679 which affects the extension of Public Law 874. This will result in serious budgetary problems next spring inasmuch as appropriation will not be available. Request your assistance to have some members of the Labor and Education Committee reconsider and approve the extension of Public Law 874.

Some 3,000 communities throughout the United States participate in Federal assistance to impacted areas. In the budget for the Department of Health, Education, and Welfare for fiscal 1958 there is an item of $127 million for contributions to these areas. Under action taken by the House today, this law expires June 30, 1958 and as pointed out above, the Department of Health, Education, and Welfare will make no request and no allocation in fiscal 1959. A real financial emergency will be presented to the areas affected unless quick and adequate provision is made to extend the law. Again, it is my hope that the responsible subcommittee will make an early recommendation so that this emergency can be met.

Mr. HOLT. Mr. Speaker, I yield 3 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Speaker, it will be an event when some Member takes the floor and says that he does not want a defense installation in his district because of the impaction of schools and other community services that they know, or they should know, will occur when the defense installation is made. I am sure the State of Colorado and the people of Colorado Springs wanted the Air Force Academy and they should have known very well that it would impact their schools. But now they come to the Federal Government and want help.

Mr. CHENOWETH. Did the gentleman infer from the statement I made that we did not want the Air Force Academy?

Mr. GROSS. Not at all. I am sure you wanted the Air Force Academy, but you are unwilling now to assume the responsibilities that go with it.

Mr. CHENOWETH. Would not the same responsibilities exist wherever the Air Force Academy might be located, whether in Iowa or any other State?

Mr. GROSS. I am not too sure about that. A community might have been found in the United States that would have been willing to accept the Air Force Academy and all that goes with it. Certainly, the Air Force Academy is of a good deal of help to Colorado Springs. It should bring a lot of business to Colorado Springs and it should bring a lot of revenue to the people there.

Mr. CHENOWETH. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield.

Mr. CHENOWETH. I think everyone is pretty well satisfied that the Air Force Academy is located near the city of Colorado Springs. I want to assure my good friend from Iowa that the people of Colorado Springs are going to assume their full responsibilities to the Academy. This is a small school district located a few miles out of Colorado Springs that cannot carry this added burden. We are only asking that the Federal Government recognize this problem and provide the same assistance given other military installations throughout the country.

Mr. GROSS. There are always some poor barefoot people needing help from the Federal Treasury in the neighborhood of one of these Army camps, defense installations, or academies. I wonder if we are putting out any Federal money for impacted schools in the neighborhood of Annapolis and West Point.

Mr. THOMPSON of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield.

Mr. THOMPSON of New Jersey. The answer is definitely "Yes." Under Publice Laws 815 and 874, they apply wherever there are military installations.

Mr. GROSS. And the gentleman says that that is true of West Point and Annapolis?

Mr. THOMPSON of New Jersey. I do.

Mr. CHENOWETH. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield.

Mr. CHENOWETH. I assure the gentleman that the people of Colorado are not asking for any special concession so far as the Air Force Academy is concerned. The Academy will be located in school district No. 20. Officials of this district will do everything possible to provide the necessary school facilities, but it is obvious they cannot do this alone. We are only asking for the same consideration given to all other school districts where defense installations have been located, and where the Federal Government has rendered financial assistance because of the impacted conditions.

Mr. GROSS. I hope I will live to see the day and be around here long enough to see someone stand up and say that they do not want a defense installation if they have to take care of the impacted schools and so forth, or if they do want the installation to assume the responsibilities that go with it.

Mr. CHENOWETH. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield.

Mr. CHENOWETH. I know the gentleman is not inferring that I said we did not want this Academy because of the problems involved.

Mr. GROSS. No; I am not inferring that.

Mr. CHENOWETH. I did not say that. Of course, we want the Academy.

Mr. GROSS. All I am saying is the people who want these installations ought to be prepared to do their part to take care of the schools and other services after they become impacted or all expanded.

Mr. CHENOWETH. We do want the Academy and are merely asking for the same consideration that is given to every other school district in similar circumstances. I would like to state to the gentleman from Iowa that this school district is getting ready to issue bonds for the construction of school buildings, and is ready to do its part in meeting this problem. The district has cooperated in every way with the Air Academy officers in seeking a solution to this immediate and pressing problem. They are not avoiding any of their responsibilities, but on the other hand are doing everything within their power to make these school facilities available on schedule.

Mr. METCALF. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. ROOSEVELT].

Mr. ROOSEVELT. Mr. Speaker, I too, want to congratulate the chairman and the members of the subcommittee for bringing up this bill.

I would like to emphasize to the membership that Public Law 874, which has to do with the maintenance of the schools does not expire until next year. Therefore, there is not at this time anything which will stop that law from continuing in operation.

Mr. RHODES of Arizona. Mr. Speaker, will the gentleman yield?

Mr. ROOSEVELT. I yield.

Mr. RHODES of Arizona. When does 815 expire?

Mr. ROOSEVELT. At the same time.

Mr. RHODES of Arizona. Then what is the difference between the necessity for this bill on both of those laws?

Mr. ROOSEVELT. I think on 874 there were certain more technical details, difficulties which arose particularly in individual school districts, in the State of California, for instance. Some of those have not been resolved. Because they were not resolved, it is important for every Member of Congress who has a school district which is operating under 874 bring those difficulties before the committee so that we may have all of the evidence and will not have to bring up little individual amendments for a particular school district. I hope everybody who has a school district which has problems, particularly in deciding how their school population is affected by the present formula of Public Law 874, will bring it to the attention of the committee at the earliest possible time.

In fairness to the school districts who need all the time possible to plan their future programs, all members of the

committee will, I am sure, cooperate to bring the extension of 874 to the House floor as early in the 1958 session as possible. In the meantime, in the matter of construction, the present extension of 815 will aid many school districts in an area where lead time is even more important.

Mr. RHODES of Arizona. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. BALDWIN].

Mr. BALDWIN. Mr. Speaker, I would like to direct a question to the gentleman from Montana [Mr. METCALF] or the gentleman from West Virginia.

On page 2 of the committee report the statement is made at the bottom of the page:

> H. R. 8679 makes some technical changes in Public Law 815, 81st Congress, in order to avoid counting the same children twice in determining eligibility and establishing the amount of payments.

The wording of the actual bill is rather technical, but do I understand that there is no change that determines the eligibility of schoolchildren except a minor change to eliminate the possibility of counting the same children twice?

Mr. METCALF. There was no change. The administration used the term "roll basis period," so we had to make a definition for the base period, but there are no changes in the legislation.

Mr. BALDWIN. I thank the gentleman.

Mr. METCALF. Mr. Speaker, I yield 5 minutes to the gentleman from South Dakota [Mr. MCGOVERN.]

Mr. McGOVERN. Mr. Speaker, I ask unanimous consent to speak out of order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. McGOVERN. Mr. Speaker, for the past few days we have been hearing reports that the President may call a special session of the Congress if we should fail to enact an adequate civil-rights program or should we provide insufficient funds for foreign aid.

I should simply like to observe as one Member of the House, that these matters, important as they may be, are not necessarily the problems that press most sorely on the American people. There is other unfinished business that I trust the President will place before the Congress should he decide to call a special session.

There is a deadening agricultural depression that is driving farm families from the land and drying up the buying power of rural communities all over the Nation.

There is the disturbing shortage of classrooms, the underpaid teachers, the steady exodus of qualified educators from the teaching field—all of which weakens America's greatest resource, the minds of young people.

There is the specter of old people living on inadequate diets and denying themselves needed medical care as they attempt to stretch meager incomes over the inflationary gap.

There is the paradox of hungry, undernourished people in a land that is worried about its surplus-farm commodities.

Mr. RHODES of Arizona. Mr. Speaker, will the gentleman yield?

Mr. McGOVERN. I shall be glad to yield.

Mr. RHODES of Arizona. I just wondered what country the gentleman from South Dakota was talking about.

Mr. McGOVERN. I think it is perfectly clear.

Mr. RHODES of Arizona. It is not clear to me. I am sorry I do not recognize the country the gentleman is talking about at all.

Mr. McGOVERN. If the gentleman is referring to the statement I just made, if he will pick up a recent copy of the Washington Daily News he will read where an elderly woman living within a few blocks of the Capitol is existing on a public assistance check of $32 a month, out of which she pays for her food, medical care, transportation, and the other necessities of life. I think the gentleman would agree that is hardly an adequate income.

In addition to the problems I have touched upon there is an alarming and disturbing growth of small-business failures accelerated by a tax structure and a tight-money policy that play into the hands of the big financier at the expense of the independent main street merchant. All over the Nation, the construction of new homes, new schools, and new hospitals is hamstrung by rising interest rates brought about by the outmoded fiscal and monetary policies of the present administration.

The President is right in being concerned about the civil rights of the American Negro, but the Negro, like his white brother, is also concerned about adequate schools for his children, an opportunity to make a decent living on his farm, the availability of reasonable credit with which to build a home or carry on his business, and the assurance that when he is too old to work he can nevertheless live out his declining years in dignity and security.

Permit me to say, Mr. Speaker, that when some gentlemen berate our southern Democratic friends because their civil-rights views are not as advanced as some of us would like, we should not forget that the great social and economic gains of the Negro in this century have come largely because of progressive Federal programs that were instituted with the overwhelming support of southern Democratic Members of the Congress. These same southern Members were the first to support programs for our defense that enabled us to defeat Hitler, a master racist who would have destroyed us all.

Neither should we forget that the ability of this Nation to assist our friends abroad depends upon a healthy and expanding economy here at home.

When we permit our basic industry, agriculture, to wither and die, we are dissipating the greatest need of the world, food and fiber.

When we neglect the education of our children, we are selling short America's future.

When we permit the suffocation of small business, we undermine the cornerstone of our free-enterprise system.

Mr. Speaker, the great economic and social programs instituted during the 1930's have now been embraced by both political parties, and they constitute the basis of the constantly improved standards of living that we have enjoyed for the past two decades. I hope and pray, however, that neither the Congress nor the President will assume that these programs can remain static in a rapidly changing age. Let us not lose sight of the unfinished business of our day.

Mr. HOLT. Mr. Speaker, I yield 3 minutes to the gentleman from Arizona [Mr. RHODES].

Mr. RHODES of Arizona. Mr. Speaker, I ask unanimous consent to speak out of order and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. RHODES of Arizona. Mr. Speaker, the gentleman from South Dakota [Mr. MCGOVERN] has just painted a very alarming picture. The picture was so alarming that, as you noted, I asked him which country he was talking about because I did not recognize that the United States is in such bad shape as the gentleman would have us believe. In fact, I see in America a country which is not at war, a country which has very full employment, and a country in which I personally am very glad to be living. It is true, there are some things we could change in this country, as there are in all countries.

Mr. McGOVERN. Mr. Speaker, will the gentleman yield at that point?

Mr. RHODES of Arizona. I yield to the gentleman from South Dakota.

Mr. McGOVERN. I just want to make it perfectly clear I hope the gentleman is not implying that I am not grateful to be living in this country, but I want to see continuous improvement.

Mr. RHODES of Arizona. I believe the gentleman's words will speak for themselves without any further comment on my part.

Mr. JENSEN. Mr. Speaker, will the gentleman yield?

Mr. RHODES of Arizona. I yield.

Mr. JENSEN. I think the gentleman from South Dakota will be happy to know, if he does not already know—apparently he does not—that the American people today are eating better, are clothing themselves better, and are enjoying themselves more because they have more with which to enjoy themselves, than at any other period in the history of America.

Mr. RHODES of Arizona. I thank the gentleman for his observation.

Mr. JENSEN. I think the gentleman from South Dakota will be glad to know that.

Mr. RHODES of Arizona. I think we should point out there are things that should be done in this country. However, the 84th Congress was under the control of the party of the gentleman, the 85th Congress is under the control of the party of the gentleman. The gen-

tleman from South Dakota starts out with the premise that the President of the United States is going to call the Congress into special session. For what purpose? Why are all of these things necessary in a special session? Why does not the majority party in control of the last Congress and this Congress take care of some of these horrible things that the gentleman from South Dakota talks about?

After all, let us put the responsibility where it should lie and that is on the shoulders of that party which is in the majority in this Congress.

Mr. FRELINGHUYSEN. Mr. Speaker, will the gentleman yield?

Mr. RHODES of Arizona. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. The gentleman from South Dakota did not yield when I requested him to do so. It seems to me if he is anxious to indict this first session of the 85th Congress as a do-nothing Congress, as the gentleman from Arizona points out, it is because the responsibility rests with the Members of the majority party. It seems to me, if I understand his logic, it would be very unwise for President Eisenhower to call a special session to consider legislation similar to H. R. 1, which was defeated a few weeks ago. Similar legislation was defeated in the 84th Congress. I do not believe he could get anything out of a special session.

Mr. HOLT. Mr. Speaker, I yield 1 minute to the gentleman from Maryland [Mr. DEVEREUX].

Mr. DEVEREUX. Mr. Speaker, I would like to ask one or two questions of the gentleman from Montana. There is no question about the fact that if 874 were added to this bill by the other body the committee would go along with it?

Mr. METCALF. I cannot speak for the committee. The gentleman from North Carolina [Mr. BARDEN] is chairman of this committee. As far as the subcommittee is concerned, we voted unanimously for 874 as well as 815.

Mr. DEVEREUX. Did the subcommittee recognize the urgency as far as planning is concerned? We are particularly concerned about that in some sections of my State. We are interested in the planning phases of maintenance and operation.

Mr. METCALF. Planning was considered by Secretary Folsom and he sent his recommendations up feeling it should not be extended. We in the subcommittee discussed that.

Mr. HOLT. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, I support the pending legislation as it is. It would not have been voted out of the committee unless an emergency had existed with respect to the military bases. There are over 150 bases that are affected by this Capehart housing matter and I feel many of them are more important than the Air Force Academy. That is why I support it.

It is true we intend to take up Public Law 874 when Congress convenes once again because we realize the school districts are having a tough time with their budgets and, speaking for the Republican side, we intend to take it up thoroughly next year and give all school districts plenty of time for their planning.

I supported the extension of Public Law 815 for an additional year beyond its present expiration date of June 30, 1958. This is necessary to finance the construction of schools for approximately 34,000 children that it is expected will be living in some 45,000 Capehart housing units located on military installations in 40 States and three Territories, which will be completed between the present termination date for Public Law 815, and June 30, 1959.

If this extension is not made at this time, none of the children may be counted for entitlement under the law as it is currently in effect; yet, it is this group of children which the law is intended to cover.

While much stress was laid upon the necessity for passing this legislation to accommodate the children of military personnel who would be housed at the Air Force Academy, I found, after making a personal investigation, that 150 bases covering all branches of the service would be affected by this Capehart housing and were in need for the extension of this legislation.

I certainly feel that authority should be given at this time so that the building of schools would be ready at the time the houses were completed and occupied. If this extension were not made, a year would elapse, during which time the children would have no school buildings as it requires on the average of 12 to 15 months to construct a school after Federal funds are made available.

There are some provisions of Public Law 815 which need amending. This is true also of Public Law 874, which provides Federal funds to local school districts for the maintenance and operation of their schools in impacted areas. It is my judgment, which has been concurred with by the subcommittee and full Committee on Education and Labor, that there is no need to extend Public Law 874 at this time, primarily because the subcommittee plans to begin hearings on this matter early in January. In fact, the subcommittee expects to give a thorough study to the recommendations of the Department of Health, Education, and Welfare, and report out legislation early in the next session, which should be in ample time for the local school districts to calculate their budgeting for Public Law 874 and make any modifications necessary due to the changes made in Public Law 815.

Mr. METCALF. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include a list of Capehart housing affected by this legislation.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

The SPEAKER. The question is on suspending the rules and passing the bill.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The title was amended to read: "A bill to provide a 1-year extension of the programs of financial assistance in the construction of schools in areas affected by Federal activities under the provisions of Public Law 815, 81st Congress."

GENERAL LEAVE TO EXTEND

Mr. METCALF. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the legislation just passed.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. BROYHILL. Mr. Speaker, it is my purpose to add my voice in support of H. R. 8679, which amends Public Law 815 to provide for a 1-year extension of its program of Federal assistance for schoolhouse construction in federally affected areas.

In my opinion, the objectives accomplished under Public Law 815 have been so outstanding, that an extension of this type of program hardly seems a debatable question. For some years now, the Federal Government has been a landlord and the major employer in numerous communities of this Nation, but has not paid taxes as private business does, thus depriving these localities of resources for community welfare. In addition, the large influx of families that have moved into these communities to man the Federal projects or defense bases are overloading an already crowded situation, particularly in the schoolrooms of these localities. It is just that the Federal Government should give assistance to these areas, and help to solve the problems that it itself has created.

I believe that once we review some of the pertinent facts showing the accomplishments of this program of Federal assistance, we will see the necessity of giving support to H. R. 8679, in order that this program may be extended for another year.

As most of us recall, Public Law 815 was originally passed on September 23, 1950. It authorized action under two titles, title I and title II. The objectives of title I were to assist the States to inventory their existing school facilities, and to survey their needs for the construction of additional school facilities in relation to the distribution of the school population. Under title I, State plans for school-construction programs were to be developed and studies made to determine the adequacy of State and local resources available to meet school facilities requirements. Pursuant to the authority of this title, the 2d session of the 81st Congress appropriated $3 million to carry out its purposes.

The school facilities survey, the first national survey of school facilities ever made in the United States, was completed by June of 1953, and the 83d Congress rescinded that part of the appropriation remaining unexpended from the Treasury of the United States on December 31, 1953. The findings of this survey are well known to us all, for they served, to a great extent, as the basis for determining schoolroom needs in the recently

defeated School Construction Assistance Act of 1957. So much for the accomplishment of Public Law 815 under title I.

Under title II the Congress authorized the counting of children in federally connected areas and the submission of applications for assistance in the construction of needed school facilities, setting June 30, 1952, as the last date for receiving applications. It also authorized appropriations for one additional year, that is, for the fiscal year ending June 30, 1953, to make Federal payments on the basis of such applications. Titles III and IV have been added to Public Law 815, since that time, expanding its purposes to help federally affected communities provide for the education of the children in those areas. What has all this meant in terms of actual figures? Allow me to present some of the latest statistics available as published by the United States Office of Education:

1. Since 1950, to June 30, 1956, appropriations have totaled $618.9 million, plus $6 million appropriated in fiscal year 1957 for 1956 applications.

2. Up until June 30, 1956, the number of school construction projects on which Federal funds were reserved totaled 3,237 for approximately 1,440 local school districts and 81 Federal installations.

3. Some 29,000 classrooms to house an estimated 820,000 pupils have been approved since 1951 at a total Federal cost of $621,383,415.

What about the actual projects completed since Public Law 815 has gone into effect? Again allow me to present some of these accomplishments in actual figures.

1. Up until June 30, 1956, 2,294 projects have been completed; 794 are now under construction.

2. A total of 155 projects constructed on Federal property, chiefly military installations. They have housed 47,429 pupils at a cost of $54,303,823.

3. Projects approved for construction by local agencies include 91 costing $16,102,900 in Federal funds and housing 18,645 pupils. The majority of these pupils have been Indian children.

However, lest we forget that this program has been one of cooperation with local communities, the local school districts involved have added some $270 million, exclusive of sites and other costs, to the construction of these projects. The total dollar volume of school construction which has been initiated thus far by the enactment of Public Law 815 is in excess of $900 million.

This may seem an overly large amount of money spent for schoolroom construction, but it is a true indication that the Federal Government is willing and prepared to face up to its obligations in its domestic program for the general welfare. In the name of the general welfare, we have appropriated huge sums for the development and preservation of forest resources, we have built dams for reclamation of arid lands, the development of electric power and the control of floods; we even maintain bird and other game sanctuaries for the preservation of wildlife. In view of this fact, it hardly seems possible that a question should arise as to whether or not we should continue to provide for those citizens who maintain the defense of our Nation, either by being in the armed services or working in Federal projects that are essential to our welfare. Certainly the building of schoolhouses to educate the children of these citizens is of no less importance than the building of dams to develop electric power. We cannot say that we are willing to appropriate money to preserve the birds and wildlife of this Nation, and neglect a part of our inheritance that is more precious to us, the children of this country.

So on the grounds that Public Law 815 has accomplished much to further the progress of our Nation, both in matters of defense and the general welfare, I wish to urge strongly the passage of H. R. 8679 so that this magnificant program may continue.

PACKERS AND STOCKYARDS ACT

Mr. MACK of Illinois. Mr. Speaker, I ask unanimous consent to extend my remarks at this point on the Packers and Stockyards Act and include an editorial which appeared in the Washington Post this morning.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MACK of Illinois. Mr. Speaker, I am very pleased that H. R. 9020, a bill to amend the Packers and Stockyards Act of 1921 has been removed from the calendar. It certainly would have been ill advised to call this bill up under suspension of the rules.

During the 2d session of the 84th Congress, the Antimonopoly Subcommittee of the Judiciary Committee in the other body held hearings dealing with the meatpacking industry and its operations and their effect upon the producer of livestock and on the American consumer of meat products. As a result of these hearings, on February 25, 1957, S. 1356 was introduced in the other body under bipartisan sponsorship to vest in the Federal Trade Commission jurisdiction over unfair trade practices in the meatpacking industry. On the same date, bipartisan bills were introduced in the House of Representatives by Congressman CELLER, the chairman of the Judiciary Committee and Congressman DIXON, a member of the Agriculture Committee. These bills, H. R. 5282 and H. R. 5283 were properly referred to the Interstate and Foreign Commerce Committee.

Between May 1 and May 15, 1957, the Antimonopoly Subcommittee of the Judiciary Committee in the other body held extensive hearings on the bills introduced by Senators O'MAHONEY and WATKINS, in the course of which numerous witnesses were heard, both in support of and in opposition to the legislation. The opposition was led by the American Meat Institute.

Since bills similar in intent to the bills referred to the Interstate and Foreign Commerce Committee had been referred to the Judiciary Committee, the gentleman from New York, Congressman CELLER and I announced on May 22, 1957, that joint hearings would be held on June 5, 6, and 7, by the Antitrust Subcommittee of the Judiciary Committee and the Commerce and Finance Subcommittee of the Interstate and Foreign Commerce Committee.

On the day following this announcement, the gentleman from Colorado, Congressman HILL, introduced a bill to amend the Packers and Stockyards Act to clarify the jurisdiction of the Secretary of Agriculture with regard to the packing industry. Because of its title, this bill was referred to the Committee on Agriculture.

As announced, the joint hearings of the Judiciary and the Interstate and Foreign Commerce Committees were held on the bills before them on June 5, 6, and 7. Since is was impossible to complete the hearings within the originally allotted 3 days, an attempt was made to complete the hearings in the following week. Unfortunately the Meat Institute found it impossible, however, to attend the hearings on the day they were scheduled. These delaying tactics led to a postponement of the hearings until July 26, 1957.

In the meantime, between July 9 and July 13, and on July 31 the Committee on Agriculture held hearings on the bills referred to it to amend the Packers and Stockyards Act.

On July 24, 1957, in the other body, the Committee on the Judiciary reported favorably, substantially unchanged, the bipartisan bill, S. 1356, introduced by Senators O'MAHONEY and WATKINS. This bill was objected to by the American Meat Institute because it would shift to the Federal Trade Commission from the Department of Agriculture jurisdiction with regard to unfair trade practices in the meatpacking industry.

Now, action on some legislation more favorable to the big meatpackers became urgent, and on August 1, 1957, a new bill, H. R. 9020, was introduced in the House of Representatives to amend the Packers and Stockyards Act. This legislation, which was much more palatable to the American Meat Institute than the legislation reported from the Judiciary Committee in the other body and the legislation pending before the Judiciary Committee and the Interstate and Foreign Commerce Committee in the House of Representatives was reported on August 9, 1957, without hearings. This is the bill which the Committee on Agriculture attempted to bring before the House today.

Extensive hearings have been held jointly by the Judiciary Committee and the Interstate and Foreign Commerce Committee, and I would oppose any attempt to forestall carefully considered action by these two great committees on the bills pending before them and to rush through in the closing days of the session a bill which is more palatable to the big packers and the American Meat Institute. No formal hearings have been held on H. R. 9020 and the hearings held by the Committee on Agriculture on the predecessor bills to H. R. 9020 have not been printed. I have been advised that the bill is opposed by the Federal Trade Commission although the Commission has had no time to submit a formal report, and although the report of the

Committee on Agriculture attempts to leave an impression to the contrary.

The bill, in its present form, is opposed by the Western States Meat Packers Association. Action on this bill at the present time is being opposed by the American Farm Bureau Federation, the National Farmers Union, the National Grocery Manufacturers Association, and at least 25 other national organizations.

Mr. Speaker, for 36 years the situation with regard to unfair trade practices in the meatpacking industry has prevailed. The Judiciary Committee in the other body has reported legislation which would transfer to the Federal Trade Commission, jurisdiction over unfair trade practices in the meatpacking industry. The great Committees on the Judiciary and the Interstate and Foreign Commerce have held extensive hearings on similar legislation. This legislation is actively and strenuously opposed by the big packers organized in the Meat Packers Institute. It is favored by other segments of the meatpacking industry and important farm organizations.

H. R. 9020 requires extensive amendments and under the suspension of rules such amendments cannot be considered by the House. Mr. Speaker, on behalf of the Subcommittee on Commerce and Finance, I am opposed to the consideration of this legislation in the closing days of the session. The only reason that I can see for bringing up this legislation at all at this date, is to handicap legislation now under consideration by the Judiciary Committee and the Committee on Interstate and Foreign Commerce.

Mr. Speaker, I sincerely hope that no further attempt will be made during this session of Congress to rush this legislation through as the Interstate and Foreign Commerce Committee is vitally interested in this problem. We hope that appropriate legislation can be enacted early in the next session of Congress.

Mr. MACK of Illinois. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. HAGEN] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. HAGEN. Mr. Speaker, I am gratified to learn that an effort will not be made during this session of Congress to pass H. R. 9020. In my opinion, it is bad legislation and its importance certainly precludes it from being considered under a suspension of the rules of the House.

I invite the attention of the membership to the minority report which the distinguished gentleman from Utah [Mr. DIXON] and myself included in the report on this bill. I feel that a reading of these views will convince any unbiased person of the irrationality of the provisions of H. R. 9020 and of the need for the better answers to a real problem of monopoly and unfair practices contained in bills introduced by various Members of the House, including myself and said gentleman from Utah and by Senators O'MAHONEY and WATKINS, among others.

My only purpose now is to point out that the sponsors of H. R. 9020 apparently do not feel that they have the votes of their proposal and to invite to the attention of the Members some recent developments in the background of this legislation and to some comment thereon.

I therefore submit for your consideration the following:

First. A pertinent portion of the Daily Summary of August 16, 1957, of the United States Department of Agriculture, to wit:

WILSON & CO. CITED IN VIOLATION OF PACKERS AND STOCKYARDS ACT

Complaint and notice of hearing under Packers and Stockyards Act, naming Wilson & Co., Inc., and Davidson Meat Co. (division of Wilson & Co.) as respondents, was issued by USDA. Hearing is scheduled to open at San Francisco at 10 a. m., October 29, when respondents will be required to show cause why cease-and-desist order should not be issued under Packers and Stockyards Act. Complaint charges respondents with price discrimination, deceptive practices, and keeping of false records. It states that favored accounts in San Francisco, Oakland, and Fresno were granted special reductions not granted other accounts in prices of meat and meat products. Complaint charges also that favored accounts received special services not made available to other accounts and respondents made false entries in their books and records. Charge is also made that respondents issued to various customers invoices which falsely represented beef cuts to be of higher grade and price than cuts actually delivered. Copies of complaint and notice of hearing, Packers and Stockyards Docket No. 2280, may be obtained from Livestock Division, Agricultural Marketing Service, United States Department of Agriculture, Washington 25, D. C. (2527–57).

LOS ANGELES PACKER-BUYER AND LIVESTOCK COMMISSION FIRM CITED IN PACKERS AND STOCKYARDS CASES

Order of inquire was issued by the United States Department of Agriculture charging Nathan Miller, vice president and head packer-buyer for Union Packing Co., at Los Angeles, Calif., with violation of Packers and Stockyards Act. Order also was issued against Los Angeles Livestock Co.—commission firm operating as clearing agency. Orders allege respondents engaged in fraudulent and deceptive practices, and kept false records to conceal their operations. Numerous cattle transactions are cited in which it is charged Miller and Stanley Martin (principal owner and stockholder of Los Angeles Livestock Co.) engaged in secret and fraudulent speculative operations. The United States Department of Agriculture charges livestock was bought from various sources, falsely invoiced to Union Packing Co., and profits from transactions usually split between Miller and Martin. Details of transactions were allegely concealed by false and incorrect entries in books and records of Los Angeles Livestock Co. and Union Packing Co. Los Angeles Livestock Co. is also charged with setting up accounts for Stanley Martin and Richard Martin (a son), and for other partnerships which were not bonded and registered as provided by the Packers and Stockyards Act and with permitting its facilities as clearing agency to be used in ways that violated the act. (2519–57.)

Second. A portion of an article from the newspaper Labor of August 17, 1957, and news items from the August 5, 1957, and August 15, 1957, issues of the Wall Street Journal:

[From Labor of August 17, 1957]

SOLONS URGE LEGISLATION TO END EVASION

"Because 3 percent of its business is preparing meat for canning, Crosse & Blackwell Co., one of the Nation's leading food producers, cannot be proceeded against by the Federal Trade Commission on charges of illegally discriminating against its customers."

That ruling, by FTC Examiner Frank Hier, is one of the latest developments in a battle which has been reported in Labor and which is important to both consumers and farmers. The ruling may seem strange, but Hier explained it this way:

The Packers and Stockyards Act, hailed as a great reform law when it was passed 36 years ago, put meatpackers under antitrust regulation by the Agriculture Department, instead of the Justice Department and Federal Trade Commission, which enforce the antitrust laws against all other kinds of companies.

WHAT FTC CHARGED

One of the antitrust laws is the Robinson-Patman Act, which forbids unjustified discrimination by a manufacturer in the prices at which he sells to his customers. The FTC charged that Crosse & Blackwell did this, by price favors to big food-chain stores.

Hier pointed out that Crosse & Blackwell firm is not even registered with the Agriculture Department for antitrust regulation and does not own any packing plant or do any slaughtering. It purchases its meat from a local slaughterhouse and prepares it for canning, and meat is only 3 percent of its food business.

"Yet," Hier said, "this company comes under the Packers and Stockyards Act, so the FTC cannot proceed against it, and only the Agriculture Department could but doesn't, do this antitrust job."

AVOID REGULATION

Another development was a speech by Congressman HARLAN HAGEN, Democrat, of California who, with Congressman HENRY A. DIXON, Republican, of Utah, introduced in the House a bill which would transfer antitrust regulation of meat packers from the Agriculture Department to the FTC. In the Senate, the bill was introduced by Senators JOSEPH C. O'MAHONEY, Democrat, of Wyoming, and ARTHUR V. WATKINS, Republican, of Utah. Both urge quick action.

HAGEN pointed out that "businesses which are not packers—such as grocery chains, dairy products processors, and others—have been seeking to avoid FTC regulation by acquiring interests in packinghouses. The fact that they seek regulation by the Agriculture Department rather than the FTC is significant. It means that the Department is less regulatory of monopoly and unfair trade practices than the FTC is, and that the public interest is suffering at the hands of the Department."

HAGEN went on to charge, as O'MAHONEY and WATKINS have charged, that the Agriculture Department has done nothing whatever to enforce the antitrust provisions of the old Packers and Stockyards Act, and that Agriculture Secretary Ezra T. Benson admitted he didn't even know that was part of his Department's job. Yet Benson is fighting bitterly against the bill which would take the job away from him and give it to the FTC.

CITES BAD RESULTS

Watkins said the present situation is having these results: Big meat packers are going into other kinds of food business. Big food store chains are going into meatpacking. The packers use their power to force down prices paid to livestock farmers. All this without any antitrust regulation. If

this is not stopped, the final result will be a few gigantic food combines which will squeeze both farmers and consumers.

[From the Wall Street Journal of August 5, 1957]

CROSSE & BLACKWELL RULED "PACKER" BY FTC AIDE

WASHINGTON.—A Federal Trade Commission examiner ruled Crosse & Blackwell Co. qualifies as a "packer" because some 3 percent of its business involves preparing meat for canning.

Examiner Frank Hier, therefore, held that the FTC cannot act against the Baltimore company on charges of illegally discriminating among its customers. The FTC has no jurisdiction over meatpackers, which are under the exclusive supervision of the Agriculture Department.

But proposals are pending in Congress to give the FTC much of the regulatory power over packers now wielded by the Agriculture Department.

Mr. Hier's recommendations are subject to review by the full FTC.

According to his ruling, Crosse & Blackwell is one of the Nation's leading food producers with sales of $14 million in 1956. Of this amount, the examiner said, $380,250 came from sales of 14 products containing meat or meat stock.

The FTC had charged Crosse & Blackwell and 10 other companies with granting allegedly discriminatory advertising allowances to two big grocery chains—Giant Food Stores, Washington, and Food Fair Stores, Philadelphia.

[From the Wall Street Journal of August 15, 1957]

EXAMINER RULES GIANT FOOD DOES NOT COME UNDER FTC REGULATION—CONCERN'S MEAT PROCESSING LINE BRINGS IT UNDER JURISDICTION OF AGRICULTURE DEPARTMENT

WASHINGTON.—A Federal Trade Commission examiner ruled that another big grocery chain is immune from FTC regulation.

Giant Food Shopping Center, Inc., examiner Frank Hier decided, qualifies as a meat processor because it makes meatloaf and sausage. As a meat processor, he added, Giant comes under the exclusive control of the Agriculture Department.

Mr. Hier would similarly immunize Food Fair Stores, Inc., and Crosse & Blackwell from FTC regulation. His decisions, however, still must be reviewed by the full FTC.

The Senate Judiciary Committee has approved legislation to transfer to the FTC much of the Agriculture Department's current regulatory power over meat packers. Mr. Hier's latest ruling undoubtedly will add pressure on the lawmakers to pass the bill.

The FTC, in backing the change, contends the Agriculture Department has limited its supervision to stockyards and has done little to keep rein on possible monopolistic practices by meat packers.

The Commission had charged Giant, a Washington, D. C., chain of 36 groceries, with unlawfully inducing special advertising allowances from its suppliers which it "knew or should have known" were not being offered to competitors. The charge would be dismissed if the FTC upholds Mr. Hier's ruling.

Sausage and meatloaf, the examiner declared, are distinct meat products, not merely ground-up meat.

"Whether sausage or meatloaf making may be called manufacturing or merely processing," he ruled, "the operation is nevertheless preparing a meat food product, separate and different from meat alone and consequently in my opinion, within the definition" of the law giving the Agriculture Department sole jurisdiction over meat processors.

Third. The July 10, 1957, statement of Harold O. Smith, executive vice president of the United States Wholesale Grocers' Association, Inc:

STATEMENT OF HAROLD O. SMITH, JR., EXECUTIVE VICE PRESIDENT, UNITED STATES WHOLESALE GROCERS' ASSOCIATION, INC., REGARDING H. R. 7743 AND H. R. 8536, JULY 10, 1957

My name is Harold O. Smith, Jr. I am executive vice president of the United States Wholesale Grocers' Association, a national trade organization of wholesale food and grocery distributors, with headquarters in Washington, D. C.

We are here in opposition to the present terms of the bill, H. R. 7743, and in support of the bill, H. R. 8536.

To make our position clear, I should say that we are vitally interested in corrective legislation to close the present loophole through which those who are more or less engaged in the meatpacking business escape jurisdiction of the Federal Trade Commission, and may even entirely escape the Clayton Antitrust Act and the Robinson-Patman Anti Price Discrimination Act as well as the Federal Trade Commission.

However, we believe that H. R. 7743 is inadequate for that purpose because it would still leave those "principally" engaged in meatpacking of live poultry dealing or handling free to engage in other lines of businesses without becoming subject to the Federal Trade Commission and the antitrust laws as are their competitors in those other lines of business.

We respectfully submit that the basic fallacy in the present statute, which H. R. 7743 would perpetuate, is that of determining the rules to be applied, and the agency to apply them, according to persons rather than functions.

The Department of Agriculture and others who would perpetuate that fallacy want one class of persons (consisting of those who may have an interest to one degree or another in meat packing) to be subject to one set of rules and enforcement agency, and other persons to be subject to another set of rules and agency. Thus, the two classes of persons are to be subject to different rules and enforcement agencies even when they are doing the same things, in competition with each other.

The practical result here is to create a specially privileged class, who may go about as it pleases (so long, under H. R. 7743, as it remains principally engaged in meat packing or live poultry dealing or handling), into any industry or form of enterprise, without complying with the requirments of fair dealing with which all others in that industry or enterprise must comply.

That, we respectfully submit, is consistent with neither the realities of business and economics nor the constitutional requirements of due process and equal protection of the laws.

We believe that, instead, the determination of the rules to be applied and the agency to apply them should be functional. The doing of the same things, by whomever does them, should be under the same rules and agency, so that those who compete may have equity.

It seems to us the issue is that simple, and that the proposed amendments to allow only those principally engaged in meat packing or live poultry dealing, and not those engaged to lesser degrees in meat packing or live poultry dealing, the special privilege of regulatory exemption while engaging in other kinds of business activity, beg the question.

It would seem that those amendments would merely carry out a desire on the part of the meat packers to prevent others from getting in on the good thing, the good loophole, they have.

These are practices engaged in by some meat packers, as reported to us by our members, and apparently about which nothing effective can or will be done in the present state of the law and enforcement jurisdiction, or could or would be done if H. R. 7743 in its present form were enacted:

1. Discriminating in price between competing buyers.

2. Giving kickbacks to supervisors of a retail distributing company.

3. Subsidizing certain customers to the disadvantage of their competitors.

4. Selling evaporated milk in five case lots to some outlets cheaper than the wholesaler can buy evaporated milk in carload lots.

5. Favoring some retailers under the guise of advertising and promotional allowances and even selling to them at prices cheaper than to the wholesaler.

6. Selling to some retail buyers from branch houses below wholesale prices temporarily, to make up monthly branch house tonnage quota.

7. Packer salesmen telling wholesale grocers' retail customers the prices they have charged the wholesaler for purchase of packer merchandise, and in some cases, telling the retailer to buy up the wholesaler's stock of an item on which the price has advanced before the wholesaler learns of the advance.

8. Discriminating in price on frozen foods, on a basis of purchases of meat products.

We respectfully urge the committee to reject H. R. 7743 as presently drawn, in favor of H. R. 8536 which we believe would completely eliminate the present inequity.

Fourth. The July 31, 1957, statement of William A. Quinlan, general counsel, United States Wholesale Grocer's Association, Inc., with specific reference to the provisions of H. R. 9020 in all of their confusing array:

STATEMENT OF WILLIAM A. QUINLAN, GENERAL COUNSEL, UNITED STATES WHOLESALE GROCERS' ASSOCIATION, INC., REGARDING BILLS TO AMEND THE PACKERS AND STOCKYARDS ACT, 1921, AS AMENDED, AND THE FEDERAL TRADE COMMISSION ACT, JULY 31, 1957

My name is William A. Quinlan, and I appear here as general counsel of the United States Wholesale Grocers' Association, Inc., a national trade organization of wholesale food and grocery distributors, with headquarters in Washington, D. C.

We are here in opposition to the mimeographed bill which the committee released on July 29 with an invitation to interested persons to testify today concerning that bill, including the changes proposed by your subcommittee today.

We respectfully submit that this is a bad bill both in general principle and in its details.

The most fundamental objection is that it violates the basic principle of practical fairness and legal due process that any given business activity, regardless of what persons engage in it, should be subject to the same rules of fair play and enforcement agency as to all such persons.

In our appearance before you on July 10, with Harold O. Smith, Jr., our executive vice president, as our principal witness, we said that the basic fallacy in the present statute is that of determining the rules to be applied, and the agency to apply them, according to persons rather than functions.

The Department of Agriculture and others who would perpetuate that fallacy, we said, want one class of persons (consisting of those who may have an interest to one degree or another in meat packing or live poultry dealing) to be subject to one set of rules and enforcement agency, and other persons to be subject to another set of rules and agency. Thus, the two classes of persons are to be subject to different rules and agencies even when they are doing the same things, in competition with each other. Thus, there is to be a specially privileged class of persons—those who are classified as meat packers or

live poultry dealers according to the definitions in the Packers and Stockyards Act—which may go about as it pleases, into various forms of industry or enterprise, without complying with the requirements of fair dealing with which all others in that industry or enterprise must comply.

Under the present statutory provisions, that is so as to almost all kinds of industries and enterprises. Once a business firm becomes a packer (by acquiring 20 percent or more of a packing plant) or a live poultry dealer or handler (by engaging in the business of buying or selling live poultry in [interstate] commerce for purpose of slaughter), or a stockyard owner or dealer, it is then free to go into any kind of business activity, other than banking or for-hire transportation,[1] without being subject to jurisdiction of the Federal Trade Commission as are others engaged in that activity.

The new bill on which the committee has invited comments would preserve that basic fallacy and inequity, although reducing the scope of its practical application.

Under the bill, once a firm becomes a packer or a live poultry dealer or handler as defined, it would then be free to go—not, as now, into every kind of business activity other than banking or for-hire transportation—but into wholesaling of "* * *[2] meats, meat food products, livestock products, * * *[2] or poultry products," without being subject to jurisdiction of the Federal Trade Commission as are others engaged in such wholesaling businesses.

From a practical standpoint, wholesale grocers, for example, who are subject to the jurisdiction of the Federal Trade Commission and to the provisions of the Federal Trade Commission Act and the Clayton Act as amended by the Robinson-Patman Act in their wholesaling of "* * * meats, meat food products, livestock products, * * * or poultry products," still would be confronted in such wholesaling with competition from firms which are technically packers or live poultry dealers or handlers and therefore not subject to the same agency or statutes.

The bill thus is as bad in principle as the present statute. It merely limits the practical area of inequity to wholesaling of "* * * meats, meat food products, livestock products, * * * or poultry products."

Those terms encompass thousands of food and grocery products. The area of inequity still would be great.

The amendment which the bill would make to subsection 5 (a) (6) of the Federal Trade Commission Act points up again the basic error of attempting to apply certain regulations to certain persons, regardless of what they do, instead of applying certain regulations to what is done, regardless of who does it.

That subsection now exempts from FTC jurisdiction persons who are engaged in banking or for-hire transportation or who are subject to the Packers and Stockyards Act. The bill would amend that subsection so that it would exempt, not persons who are subject to the latter act, but matters which are subject to the latter act. The trouble then, however, is that in looking back to section 202 of the latter act as it would be amended by the bill, we find that its applicability is not entirely on a basis of matters, but instead still partly on a basis of persons. That is to say, section 202, purporting to regulate trade practices, does not apply to all wholesaling of meats, etc. Instead, it applies only to wholesaling of meats, etc., by persons who are technically classified as packers or live poultry dealers or handlers.

That inconsistency within the bill is one which would offer new opportunities for evasion of unfair trade practice regulation. A person who is not technically a packer or live poultry dealer or handler and who is engaged in wholesaling of meats, etc., could contend that he is under jurisdiction of neither the Secretary of Agriculture nor the Commission. Clearly, by definition, he is not under the former, because not within those classes of persons defined as packers or live poultry dealers or handlers. And, he would contend, under the wording of the bill, he is not under the Commission because he is engaged in matters, i. e., wholesaling of meats, etc., which have been made subject to the Packers and Stockyards Act. I do not think the courts would finally agree with that contention, but the provisions of the bill could be a source of confusion and litigation.

The same provisions would present another occasion for confusion and litigation in respect to the term "matters" as used in the amendment to subsection 5 (a) (6) of the Federal Trade Commission Act. That is to say, as the matters exempted from Commission jurisdiction all wholesale sales of meats, etc.—or are they only the practices—enumerated in section 202 of the Packers and Stockyards Act, when engaged in, in the course of such wholesaling? If the latter, it would be many years, if ever, before a delineation could be drawn between those practices and other practices, if any, remaining subject to Commission jurisdiction.

Regarding the provision of the bill for determinations by the Secretary of Agriculture in particular cases that it is in the public interest for the Federal Trade Commission to institute a proceeding, etc., we respectfully submit, as in our previous testimony, that it is Congress which should determine that in all cases it is in the public interest for the Commission to proceed against law violators who are packers or poultry dealers, as well as other law violators, in any given field of activity, and to do so under the same laws.

The treatment of so-called country buying of livestock or other aspects of title III of the Packers and Stockyards Act, which title regulates stockyards, are not matters of concern to wholesale grocers. We are concerned with title II of that act, which results in special and favored treatment of packers and poultry dealers as to their trade practices in all kinds of businesses—and which title we believe should be repealed—and subsection 406 (b) of that Act and subsection 5 (a) (6) of the Federal Trade Commission Act, which provide escape clauses for packers and poultry dealers from the laws, or at least from the enforcement agency, to which their competitors are subject.

We have no desire to try to impose on the time of the committee, or to become distracted, with more detailed criticisms of the bill and its ambiguities. No doubt there are even more defects of detail than meet the eye in the time that has been available for study of it. We do say that the defects which are immediately obvious and basic compel rejection of this bill.

We respectfully urge, Mr. Chairman, that you do reject this bill, and instead favorably report the bill H. R. 8536, which also is before you and which would make a full and clean-cut correction of the present legislative loophole in Federal regulation of unfair trade practices.

The foregoing references indicate that there is something wrong with regulation of important aspects of the meatpacking industry by the Department of Agriculture. The actions announced in item 1 are the first enforcement steps taken by the United States Department of Agriculture in this field in 19 years. The decisions by the Federal Trade Commission examiner reported indicate that wise businessmen, who desire no monopoly and unfair trade practices regulation, see the same privileges enjoyed by the traditional meatpackers. This is the best possible argument for subjecting the meatpacking industry to full regulation by the Federal Trade Commission.

Cited items 3 and 4 clearly indicate wherein H. R. 9020 is confused and confusing legislation. It should be remembered that this is legislation which will be immediately subjected to court interpretation and I would defy any lawyer to describe its complete import.

I hope and trust that during the next session of Congress we can secure legislation, from an appropriate committee, which will subject meatpackers to the same kind and degree of antimonopoly and anti unfair trade practice jurisdiction that applies to all other businesses including all other food-processing industries.

[1] See subsection 5 (a) (6), Federal Trade Commission Act.

[2] The bill, in section 202 of the act, as amended, refers also to "livestock" and "poultry," but sellers of livestock and poultry, with certain limitations, are subject to titles III and V of the act, and therefore exempt from Federal Trade Commission jurisdiction regardless of the provisions of the bill.

AMENDING SECTION 22 OF THE INTERSTATE COMMERCE ACT

Mr. HARRIS. Mr. Speaker, I call up the conference report on the bill (S. 939) to amend section 22 of the Interstate Commerce Act, as amended, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1171)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 939) to amend section 22 of the Interstate Commerce Act, as amended, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following: "That section 22 of the Interstate Commerce Act, as amended (49 U. S. C., sec. 22), is amended as follows:

"(a) By inserting '(1)' immediately after 'SEC. 22.'.

"(b) By inserting at the end of such section the following:

"'(2) All quotations or tenders of rates, fares or charges under paragraph (1) of this section for the transportation, storage, or handling of property or the transportation of persons free or at reduced rates for the United States Government, or any agency or department thereof, including quotations or tenders for retroactive application whether negotiated or renegotiated after the services have been performed, shall be in writing or confirmed in writing and a copy or copies thereof shall be submitted to the Commission by the carrier or carriers offering such

tenders or quotations in the manner specified by the Commission and only upon the submittal of such a quotation or tender made pursuant to an agreement approved by the Commission under section 5a of this Act shall the provisions of paragraph (9) of said section 5a apply, but said provisions shall continue to apply as to any agreement so approved by the Commission under which any such quotation or tender (a) was made prior to the effective date of this paragraph or (b) is hereafter made and for security reasons, as hereinafter provided, is not submitted to the Commission: *Provided*, That nothing in this paragraph shall affect any liability or cause of action which may have accrued prior to the date on which this paragraph takes effect. Submittal of such quotations or tenders to the Commission shall be made concurrently with submittal to the United States Government, or any agency or department thereof, for whose account the quotations or tenders are offered or for whom the proposed services are to be rendered. Such quotations or tenders shall be preserved by the Commission for public inspection. The provisions of this paragraph requiring submissions to the Commission shall not apply to any quotation or tender which, as indicated by the United States Government, or any agency or department thereof, to any carrier or carriers, involves information the disclosure of which would endanger the national security.'"

And the House agree to the same.

OREN HARRIS,
KENNETH ROBERTS,
WALTER ROGERS,
SAMUEL FRIEDEL,
CHAS. A. WOLVERTON,
JOSEPH P. O'HARA,
ROBERT HALE,
Managers on the Part of the House.

GEO. A. SMATHERS,
FRANK J. LAUSCHE,
ANDREW F. SCHOEPPEL,
W. A. PURTELL,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 939) to amend section 22 of the Interstate Commerce Act, as amended, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Section 22 of the Interstate Commerce Act contains various provisions specifying the cases in which carriers may transport, store, or handle property, or transport persons, service free or at reduced rates. While the section is contained in part I of the act, which applies to carriers by railroad, it applies also to common carriers by motor vehicle, common carriers by water, and (as to transportation of property) to freight forwarders.

This legislation deals only with the rendering of such services free or at reduced rates for the Government of the United States.

Two substantially identical bills, S. 939 and H. R. 3233, were introduced in this session of the Congress to carry out a recommendation of the Interstate Commerce Commission. The principal purpose of these bills was to amend section 22 of the Interstate Commerce Act so as to limit the granting of free or reduced rates to the United States, or to State or municipal governments, to any time of war or national emergency, as declared by Congress or the President.

S. 939 was reported to the Senate and H. R. 3233 was reported to the House. As reported, S. 939 was amended so that no change would have been made in section 22 except to add thereto a new paragraph, set forth below. H. R. 3233 was reported with an amendment striking out all after the enacting clause and inserting a substitute which is explained below. S. 939 passed the Senate on June 12, 1957.

The bill as passed by the Senate made no change in section 22 except to designate the present provisions of section 22 as paragraph (1) and add a new paragraph, as follows:

"(2) All quotations or tenders under paragraph (1) of this section for the transportation, storage, or handling of property or the transportation of persons free or at reduced rates for the United States Government, or any agency or department thereof including quotations for retroactive application whether negotiated or renegotiated after the services have been performed, shall be in writing or confirmed in writing and a copy or copies thereof shall be submitted to the Commission by the carrier or carriers offering such tenders or quotations in the manner specified by the Commission. Submittal of such quotations or tenders to the Commission shall be made concurrently with submittal to the United States Government, or any agency or department thereof, for whose account the quotations or tenders are offered or for whom the proposed services are to be rendered. Such quotations or tenders shall be preserved by the Commission for public inspection. The provisions of this paragraph shall not apply to any quotation or tender which, as indicated by the United States Government, or any agency or department thereof, to any carrier or carriers, involves information the disclosure of which would endanger the national security."

The House struck out all after the enacting clause of the Senate bill and inserted a substitute text.

The House substitute was the same as the Senate bill except as follows:

(1) It inserted a provision (par. (b) of the house substitute) amending section 22 of the Interstate Commerce Act so as to provide that the section would no longer apply in the case of the carriage, storage, or handling for the United States Government of "household goods" as defined by the Interstate Commerce Commission in Practices of Motor Common Carriers of Household Goods (17 M. C. C. 467) by duly authorized motor common carriers of household goods. This provision of the House amendment is omitted from the substitute agreed to by the conferees. The Senate conferees were not willing to include this provision in the conference agreement. Their feeling is that before any change is made in the present provisions of section 22 a broad inquiry should be made into the basic questions involved in the performance of transportation services for the Government at rates less than regular published rates.

(2) It modified the proposed new paragraph (2) of section 22 of the Interstate Commerce Act, as passed by the Senate, by inserting at the end of the first sentence of such paragraph the following language: "and only upon the submittal of such a quotation or tender made pursuant to an agreement approved by the Commission under section 5a of this Act shall the provisions of paragraph (9) of said section 5a apply, but said provisions shall continue to apply as to any agreement so approved by the Commission under which any such quotation or tender (a) was made prior to the effective date of this paragraph or (b) is hereafter made and for security reasons, as hereinafter provided, is not submitted to the Commission: *Provided*, That nothing in this paragraph shall affect any liability or cause of action which may have accrued prior to the date on which this paragraph takes effect."

The proposed new paragraph (2) as modified by the House substitute is contained in the substitute agreed to in conference.

The above-quoted language which the House added to the proposed new paragraph (2) of section 22 is intended to clarify a matter which developed after the House Committee on Interstate and Foreign Commerce had reported a bill on this subject (H. R. 3233) to the House on July 1. On July 5 Judge Joseph C. McGarraghy, of the United States District Court for the District of Columbia, rendered a memorandum opinion in the case of *Aircoach Transport Association, Inc., et al.* v. *Atchison, Topeka, and Santa Fe Railway Co., et al.*, holding that section 5a of the Interstate Commerce Act (commonly known as the Reed-Bulwinkle amendment) does not apply with respect to carrier agreements relating to rates established under section 22 for transportation services to the Government of the United States. This decision was most unexpected, as it had been assumed by the carriers since the enactment of the Reed-Bulwinkle amendment in 1948 that it applied to section 22 rates in the same manner that it applies to other rates. Furthermore, it is the opinion of those Members of the House who were serving on the House Committee on Interstate and Foreign Commerce at the time the Reed-Bulwinkle amendment was passed that the intention of Congress at the time was in accord with the view taken by the rail carriers.

Briefly, the Reed-Bulwinkle amendment provides that any carrier which is a party to an agreement between two or more carriers, which relates to "rates, fares, classifications, divisions, allowances, or charges * * * or rules and regulations pertaining thereto, or procedures for the joint consideration, initiation or establishment thereof" may apply to the Commission for approval of the agreement. The Commission must approve the agreement if it finds that by reason of furtherance of the national transportation policy declared in the Interstate Act the carriers involved should be relieved from the operation of the antitrust laws with respect to the making and carrying out of the agreement. Paragraph (9) of the Reed-Bulwinkle amendment provides that the carriers shall be so relieved from the operation of the antitrust laws upon Commission approval of the agreement.

After the House committee reported the bill and before it could be acted upon by the House, the Department of Defense approached the House committee urging that it accept as a floor amendment to the bill language intended to carry out the purpose expressed in the amendment which the House made to the new paragraph (2), described above. In urging this amendment the Department of Defense stated that the effect of the above decision would be that unless the Reed-Bulwinkle amendment is clearly applicable to section 22 rates a chaotic situation may well exist with respect to the rendering of transportation services to the United States Government under reduced rates as authorized by section 22. The Department represented that if the carriers are restrained from acting in concert in any manner in the establishment of section 22 rates, either (1) the carriers would refrain in the future from making section 22 quotations to the Department and thus in effect repeal section 22, with a consequent increased cost to the military of over $100 million annually, or (2) individual carriers might continue to make individual quotations but under circumstances under which cutthroat competition would be inevitable.

Therefore, the language which the House added to the proposed paragraph (2) of section 22 was intended to make it clear that the Reed-Bulwinkle amendment applies in the case of section 22 rates.

However, it is the understanding of the conference, in accepting the language which the House added to S. 939 as to the applicability of the Reed-Bulwinkle amendment to section 22 rates, that nothing therein adopted and agreed to herein would vitiate or in any way affect the order of the court in the Air Coach case or similar litigation now pending. It is the intention of your conferees that no liability or cause of action

previously accrued will be affected by this bill. The Chairman of the House Committee on Interstate and Foreign Commerce, who was in charge of the bill during its consideration in the House, gave his assurance to this effect, and it is the purpose of your conferees to emphasize this understanding. The following amendment which was adopted by the House and agreed to by the conferees of the Senate makes this clear beyond doubt: "*Provided*, That nothing in this paragraph shall affect any liability or cause of action which may have accrued prior to the date on which this paragraph takes effect."

It has been called to our attention that under existing law there may be some discrimination against air carriers in their ability to bid for Government traffic. Although air carriers may (under secs. 412 and 414 of the Civil Aeronautics Act of 1938) enter into agreements and be granted antitrust law relief in connection therewith, no specific authority is contained in that act to permit air carriers to render services to the United States Government free or at reduced rates. Section 416 (b) of that act, however, presently authorizes the Civil Aeronautics Board, under certain conditions, to exempt any air carrier from any provision of the act, and under this section the Civil Aeronautics Board has exempted certain air carriers from the normal regulations applicable to the movement of traffic at published tariffs where such carriers have had, and were operating under, contracts with the military departments. While that provision may now contain sufficient authority with respect to the rendering of transportation services by air carriers to the Government at reduced rates, the question whether the Civil Aeronautics Act of 1938 should be amended to provide language comparable to that of section 22 is a matter which would be proper for consideration by the respective legislative committees of both Houses, along with the various proposals which have been made for modification of existing law in relation to the rendering of transportation services to the Government at reduced rates.

OREN HARRIS,
KENNETH ROBERTS,
WALTER ROGERS,
SAMUEL FRIEDEL,
CHAS. A. WOLVERTON,
JOSEPH P. O'HARA,
ROBERT HALE,
Managers on the Part of the House.

Mr. HARRIS. Mr. Speaker, I yield myself 15 minutes.

Mr. Speaker, this conference report, on S. 939, is unanimously agreed to by the conferees and recommended to the House. This action was taken after a full and thorough consideration and deliberation.

I think it would be helpful to again recall some of the history and background information of this problem.

This bill proposes to amend section 22 of the Interstate Commerce Act and deals only with that part of the section which provides for free or reduced rates by common carriers for the Government.

The bill was originally introduced in the House and Senate at the recommendation of the Interstate Commerce Commission. It would have repealed this provision of section 22 granting of free or reduced rates except in time of war or national emergency.

S. 939 and H. R. 3233 as originally introduced were identical bills.

S. 939 was reported after it was amended by the Senate committee to provide that no change would have been made in section 22 except adding a new paragraph requiring the submission of tariffs at free or reduced rates to the Government to the Commission for public inspection. The amended bill passed the Senate on June 12, 1957.

The House bill was reported by our committee with an amendment which was in the nature of a substitute bill.

The substitute contained the same language as the bill reported by the Senate requiring publication of such rates but in addition, it would have provided that the section would no longer be applicable to the movement of household goods. The bill, as so amended, was reported by our Committee on Interstate and Foreign Commerce on July 1, 1957. A few days later, on July 5, 1957, Judge McGarraghy, of the District Court for the District of Columbia, rendered a memorandum opinion in the case of Air Coach Transport Association, Inc., et al., against Atchison, Topeka & Santa Fe Railroad Company et al., holding that section 5a of the Interstate Commerce Act does not apply with respect to carrier agreements relating to rates established under section 22. This was a most unexpected and far-reaching decision. It immediately created a most difficult situation with Government shipment and passenger fares. Its effect was immediate.

As a result of this action and at the urgency of the Department of Defense, a committee amendment was proposed in the House and adopted to clarify the situation and to make it perfectly clear that section 5a commonly known as the Reed-Bulwinkle amendment is applicable to section 22 rates.

The conferees after a great deal of discussion struck out the section in the House bill with reference to the movement of household goods. The Department of Defense was quite insistent that the present situation on such movement not be changed. It was contended that this action would mean between twelve and thirteen million dollars a year on the Government's freight bill.

The conferees also approved the amendment of the Senate providing for the submission of reduced rates to the Government for publicity and the amendment which the House adopted to clear up the problem resulting from the district court's memorandum opinion on July 5.

As it was in the House when this matter was considered, grave apprehension had been instilled in the minds of Members of the other body. The propaganda struck hard and definite, and I might say somewhat effective.

But with the conferees as it was here in the House, when the facts were determined and the situation clarified, the need for clearing up the unfortunate situation was no longer questioned. It is a simple matter of wading through the propaganda and determining the interest of the Government.

With adequate and assured protection that this would in no way affect any liability or cause of action already accrued or do an injustice to anyone, but providing that the Government who is the largest single shipper may continue to obtain the benefits from section 22 rates, saving the taxpayers millions of dollars, the conferees approve this language and recommend its adoption.

Now for clarification, the Senate conferees wanted language to emphasize that the amendment would not affect the pending litigation. The language in the report on this point must be taken in the full context. Some question may be raised to the use of the phrase "order of the court," but to make it perfectly clear this explanation should be made.

The House amendment included language intended to clarify a legal situation which had arisen in the courts, regarding the question of the applicability to section 22 rates of the provisions of the so-called Reed-Bulwinkle amendment, which is section 5a of the Interstate Commerce Act. The conference agreement includes this House provision.

The language which the House added reaffirmed the original intention of Congress that section 5a was applicable in the case of section 22 rates as well as other rates. The language was to assure that such intention will be carried out for the future, but, at the same time, it was made clear that the language added by the House would not destroy past accrued rights, whatever they might be.

As a part of the language adopted it was provided that nothing in the paragraph being amended "shall affect any liability or cause of action which may have accrued prior to the date on which this paragraph takes effect." Therefore, if the ultimate view of the courts in the litigation which is pending is that section 5a was not applicable to section 22 rates at the time the alleged causes of action in those cases arose, this provision would not take away from the courts the authority to award damages based on acts done prior to the enactment of this amendatory legislation. However, the court could not, in any such case, enjoin the taking of action after the enactment of this legislation to the extent that such action is made permissible by the provisions of this legislation.

Mr. Speaker, there have been a lot of erroneous claims about this problem. There have been charges and distortion of facts, the like of which I have not seen recently on such an important and far-reaching problem affecting the welfare of our own Government. We hear about lobbyists and propaganda, injustices, countercharges, and all kinds of implications. I wonder myself just what is behind it and just who is to be benefitted and just what special interest would reap a windfall at the expense of the American people.

I yield to no one in my firm belief in the freedom of the press and the right to free and unhampered public opinion and expression.

Because of the public interest, the interest of the taxpayers of the country and the stake in which our own Government is involved on this issue, I am constrained, Mr. Speaker, to refer to the unfounded charge in the Washington Merry-Go-Round carried in the Washington Post and Times Herald on Sunday, August 11, 1957.

My old friend, the impeccable, redoubtable, and impetuous Drew Pearson,

the eminent and renowned columnist, who I am sure has always good intentions, honest and sincere but who seldom ever gets his facts correct made some rather serious charges.

He said that after a majority of our committee had gone that I, as chairman, used questionable methods in bringing about the adoption by the committee of an amendment to clear up the problem resulting from Judge McGarraghy's decision.

He said: "After they—committee members—had gone he—that is, I, the chairman—literally railroaded a special railroad bill through his committee."

He said that it legalized a conspiracy and would sidetrack a $45 million triple damage suit which the small airlines had won against the railroads.

These charges, Mr. Speaker, are contrary to the facts and with no basis whatsoever.

Let me give you the facts which Mr. Pearson could have obtained only by calling by to see me or any member of the committee and I have invited him to come to see me to obtain the correct information on anything from our committee that may be of interest to him.

When the Interstate Commerce Act was passed in 1887, it included section 22, to provide for free or reduced rates on shipment of goods and passengers by common carriers. This has been a part of the Interstate Commerce Act since that time. Through the years as common carrier has expanded, the progress and growth and the development of our country and Government, shipment became greater and greater, the question of establishing through or joint rates developed.

There developed a procedure and practice then with the Government which required carriers, both rail and motor carriers, to get together and establish for the Government such through or joint rates.

Such procedure was extended to commercial shipments. After a period of time, the Department of Justice brought antitrust proceedings against the railroads alleging that such concerted action was in violation of the antitrust laws.

This was in the early 1940's, during World War II. The transportation burden during the war became so great the antitrust suits were interfering with Government transportation and threatened tremendous increase in the Government's freight bill. As a result, the War Production Board, issued certificate No. 44, approving such joint action by common carrier, through rate bureaus, rate conferences, or similar organizations in the initiation and establishment of rates, fares, and charges and regulations and practices pertaining thereto on Government traffic for the duration of the war and 6 months thereafter.

After the war and the problem still before the country, the Congress passed the Reed-Bulwinkle Act providing section 5a to the Interstate Commerce Act, legalizing such procedure when approved by the Interstate Commerce Commission. This was in 1948, and everyone including the carriers, the Government, and those in the Congress thought that it also included section 22 quotations.

During these 10 years, the Government with our Defense Department as the biggest shipper in the country, has followed this procedure in obtaining the best possible and most equitable rates on behalf of Government shipments.

The agreements by the carriers, approved by the Interstate Commerce Commission, from which the Government has benefited by untold millions of dollars and are now in existence and the quotations therefrom have developed over a period of several years.

The district court, on July 5, unexpectedly issued a memorandum opinion that the immunity conferred by section 5a of the Interstate Commerce Act does not apply to concerted section 22 quotation made to the United States Government.

Now with these facts, let us see if I, as chairman of the committee, or the committee, took action considered as "special interest legislation."

Immediately after the decision on July 5, the Department of Defense sent Capt. C. R. Adams to see me with a 4-page statement outlining the effect of the district court's decision. It explained that the effect of the decision was immediate and that by wiping out the long-established procedure, it would result among other important ways of "an increase in the domestic transportation bill of the Government in excess of $100 million, for the fiscal year 1958 alone."

Could this, Mr. Speaker, be special interest legislation?

The Department of Defense further said that "major increase in litigation involving Government traffic, which is insusceptible of estimation would result."

"The nullification of section 22," said the Department, "insofar as joint action by carriers is concerned, will destroy a flexible means of major importance in accomplishing the movement of Government traffic and eliminate an important means of protecting security in military operations."

With the statement the Department submitted language for the amendment to immediately correct the action and urged that the committee adopt it.

I presented this to the committee and with these facts it was adoped.

The charge, Mr. Speaker, that I waited until a majority of the committee had left is also erroneous. I leave that to the record in the committee and I can assure you that no action has been taken during my short term as chairman of the committee without a majority present.

I had already applied to the Rules Committee for a rule on the reported bill. I explained to the Rules Committee that this problem had just arisen and that an amendment would very likely be offered to the Bill on the Floor to correct it.

Then on July 29, I received a letter from the Assistant Secretary of Defense, officially confirming their endorsement of the amendment and presenting additional statement outlining the adverse effects on the Government if the amendment is not enacted into law.

Again, the department said: "It is essential that the present procedures for establishing section 22 rates be continued, therefore the clarifying amendment is offered."

During the deliberation by the conferees, General Lasher, head of our Transportation Division, Department of Defense, was so impressive as to the effects of this situation, and the fact that if it were not cleared up it would cost the Government about $105 million a year, that the conferees unanimously agreed to this report.

These are the facts, Mr. Speaker, on which this legislation is based, and if it can be considered "special-interest legislation," then the charge can be considered correct.

I ask in the interest of the Government and thus the public interest that this report be overwhelmingly approved.

Mr. HALE. Mr. Speaker, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. HALE. I am very pleased that the gentleman is making these remarks. I was very indignant when I read the newspaper articles to which the gentleman has referred. The chairman of our committee has been conspicuously fair in his dealing with this legislation as he has been in dealing with all other legislation. There is not a scintilla of justification for any charge to the contrary. Many members of the committee are indignant that any such charge should have been made.

Mr. HARRIS. I thank my colleague for his statement.

Mr. Speaker, I yield to my colleague on the committee, the gentleman from Illinois [Mr. MACK] such time as he may desire.

Mr. MACK of Illinois. Mr. Speaker, as a member of the Committee on Interstate and Foreign Commerce, I would like to state that our chairman, the gentleman from Arkansas [Mr. HARRIS] has been extremely fair on all occasions when legislation has been considered by our committee. I know of no time since I have been serving on the committee that we have considered any legislation without a quorum.

Mr. Speaker, I have differed with the gentleman from Arkansas [Mr. HARRIS] on many occasions and reserve the right to do so in the future. I do believe, however, that he has given me and every member of the committee a fair opportunity to express opposing views, and I cannot recall any time when any member of the committee was treated unfairly by our chairman.

I consider the distinguished gentleman from Arkansas to be not only one of the ablest, but perhaps the fairest, chairmen this great committee has had. It has been a pleasure and a privilege for me to serve under him and I hope that he continues to serve in this capacity for many years to come.

Mr. HARRIS. Mr. Speaker, I yield such time as he may require to a member of the committee, the gentleman from Alabama [Mr. ROBERTS].

Mr. ROBERTS. Mr. Speaker, I would like to concur in what the distinguished chairman of our committee had to say about this session and all the other sessions at which legislation of this committee has been considered. It certainly needs no affirmation on my part, or on

the part of anyone else, to the effect that the gentleman always conducts our meetings in strict parliamentary form according to the rules of the House. I certainly wish to advise the House that in my opinion this is certainly not special interest legislation. I attended most of the meetings of the subcommittee at which it was considered and was a member of the conference committee with the Senate. In my opinion this legislation is in the public interest, and I hope it will have the support of the House.

Mr. HARRIS. Mr. Speaker, may I say I wish to thank my colleagues for their comments regarding this matter.

Mr. Speaker, I ask unanimous consent that all Members may have leave to extend their remarks on this conference report.

The SPEAKER pro tempore (Mr. THOMAS of Texas). Is there objection?

There was no objection.

Mr. HARRIS. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

NATIONAL FARM-CITY WEEK

Mr. COOLEY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the resolution (H. J. Res. 313) designating the week of November 22–28, 1957, as National Farm-City Week.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina [Mr. COOLEY]?

There was no objection.

The Clerk read the resolution, as follows:

Resolved, etc., That the week of November 22–28, 1957, be designated as National Farm-City Week, in recognition of the contribution American farm families have made to our civilization and in order to promote better public understanding of the needs, problems, and opportunities of our country's agriculture and farm people, and to honor men and women who have contributed to agricultural achievements and progress.

To this end the President is authorized and requested to issue a proclamation calling upon the Department of Agriculture, the land-grant colleges, the Agricultural Extension Service and all other appropriate agencies and officials of the Government, to cooperate with National, State, and local farm organizations and other groups in the several States and counties in preparing and carrying out programs for the appropriate observation of National Farm-City Week, including plans for public meetings, discussions, exhibits, pageants, and press, radio, and television features with a special emphasis on notable achievements by rural groups and individuals, local, State, and National, and on the all-around enrichment of American country living through adequate cultural, spiritual, educational, recreational, and health facilities for both rural youth and rural adults.

Mr. COOLEY. Mr. Speaker, National Farm-City Week is now in its third year. Already it is an accepted national institution. Its success in such a brief period of time has been nothing short of phenomenal.

Congressional support of Farm-City Week has set a pattern of national stature without which the event would have suffered materially.

Last year this body approved unanimously a joint resolution giving Farm-City Week Congressional sanction. The Senate did likewise—also unanimously.

This year's proposed joint resolution—House Joint Resolution 313—is exactly the same as the one passed last year and the year before, except that the date has been changed.

Farm-City Week this year is slated to be held during the period from Friday, November 21, through Thursday, November 28—Thanksgiving Day—1957.

It should be noted also that both in 1955 and 1956, the President issued a Farm-City Week proclamation. I hope he will again issue such a proclamation this year.

Farm-City Week is in the American tradition in that it seeks progress under a voluntary partnership that cuts across all boundaries, be they geographical, vocational, spiritual, social, economic, political, or organizational. Progress in the field of understanding and appreciation between farm and city groups is self-evident. Farm-City Week fosters understanding and good will between the urban and rural segments of our society. It serves as a focal point around which all can rally in seeking a common objective. This objective is a fuller, more satisfying and enlightened way of life. Through an exchange of information, it seeks to bridge the gap between town and country.

The destination of all groups—indeed, the destination of the Nation itself—is to an amazing degree geared to the level of understanding between groups. The welfare of one depends upon the welfare of the other. Wise and just public decisions are only possible when there is a clear understanding of the groups and issues involved.

Now that our Nation is more mature, more densely populated and more industrialized, it faces some of the problems of older civilizations. Understanding our fellow man—his problems, his way of life, how he makes his living, his working conditions, his standard of living—in this complex age is much more difficult than it formerly was. Yet, there is no room for name-calling in this generation.

A national committee for Farm-City Week has been formed to implement the event. This committee is made up of well over 100 national leaders, representing all types of companies, organizations, trade associations, and so forth. It is charged with the general overall operation. From this committee, a board of directors and officers are elected.

Regional and State chairmen add impetus and direction to the event. Local and county committees do likewise.

Kiwanis International, on a voluntary basis, acts as a coordinating agency for the entire movement. In 1956 hundreds of our institutions—tens of thousands of the Nation's leaders, and millions of people actively participated in this event. One tabulation places participation in the event as being positive and active in over 5,000 United States communities. The movement has even spread into Canada. In 1956 it was awarded the coveted Freedoms Foundation Distinguished Service Award. In short, Farm-City Week has permeated every walk of United States life. It has captured the imagination of the communication world—including newspapers, magazines, radio stations and TV services. In one State alone—the State of Illinois—332 organized groups participated in the 1956 event.

Finally, this is a thoroughly worthwhile national endeavor in the interest of a better America.

The SPEAKER pro tempore. The question is on the resolution.

The House joint resolution was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

CONVEYING CERTAIN LANDS IN THE STATE OF NEVADA TO THE COLORADO RIVER COMMISSION

Mr. ENGLE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill S. 1568 to direct the Secretary of the Interior to convey certain public lands in the State of Nevada to the Colorado River Commission of Nevada acting for the State of Nevada.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior shall issue to the Colorado River Commission of Nevada acting for and in behalf of the State of Nevada, upon the payment by the State of Nevada into the Treasury of the United States, not more than 5 years after the Secretary has notified the State of the purchase price, of an amount equal to the fair market value as of the date of approval of this act of the lands to be conveyed as determined by the Secretary upon the appraisal of those lands, a patent or patents to the following described lands, situated in the State of Nevada and comprising approximately one hundred twenty-six thousand seven hundred and seventy-five acres;

(1) All of south half, township 23 south, range 63 east, with the exception of the following areas: east half section 22; four 5-acre tracts located in section 26 and described as follows: South half southeast quarter northwest quarter northwest quarter, north half northeast quarter southwest quarter northwest quarter, north half southwest quarter northeast quarter northwest quarter and south half southwest quarter northwest quarter northwest quarter; and those portions of the northeast quarter section 23, and north half section 24, within the Lake Mead National Recreation area.

(2) Fractional sections 25 and 36, township 23 south, range 63½ east.

(3) All of sections 27, 28, 29, 30, 31, 32, 33, and 34, township 23 south, range 64 east.

(4) Fractional sections 31, 32, 33, 34, and 35, township 23½ south, range 64 east.

(5) All of southeast quarter of township 24 south, range 62 east.

(6) All of township 24 south, range 63 east.

(7) All of township 24 south, range 64 east, except sections 1, 12, 13, 24, 25, and 36.

(8) All of township 25 south, range 62 east.

(9) All of township 25 south, range 63 east.

(10) All of sections 1, 2, 3, 4, 5, and 6, township 25 south, range 64 east.

(11) All of sections 1, 2, 11, 12, 13, and 14, township 26 south, range 62 east.

(12) All of northwest quarter, township 26 south, range 63 east.

All range references contained in the foregoing refer to the Mountain Diablo base and meridian.

SEC. 2. The Colorado River Commission of Nevada, acting on behalf of the State of Nevada, is hereby given the option, which may be exercised at any time during the 5-year period provided in the first section of this act, of having patented to it a portion of the described area upon payment of the appraised value thereof: *Provided*, That no such purchase shall be for less than 10,000 acres.

SEC. 3. The conveyance or conveyances authorized by this act shall be made subject to any existing valid rights pertaining to the lands described in the first section of this act, and to any reservations necessary to protect continuing uses of those lands by the United States.

SEC. 4. If the State of Nevada purchases under this act any lands which are subject to a lease, permit, license, or contract issued under the Mineral Lands Leasing Act of February 25, 1920 (41 Stat. 437), as amended (39 U. S. C. 181 and the following), it shall be required to purchase all the lands subject to that lease, permit, license, or contract which are included within the boundaries of the lands described in section 1. The purchase of lands subject to a lease, permit, license, or contract shall neither affect the validity nor modify the terms of the lease, permit, license, or contract in any way, or affect any rights thereunder, except that the State shall assume the position of the United States thereunder, including any right to rentals, royalties, and other payments accruing on or after the date on which the purchase by the State becomes effective, and any right to modify terms or conditions of such leases, permits, licenses, or contracts.

With the following committee amendment:

Strike out all after the enacting clause and insert "that, as used in this act—

"(a) The term 'Secretary' shall mean the Secretary of the Interior.

"(b) The term 'Commission' shall mean the Colorado River Commission of the State of Nevada.

"(c) The term 'State' shall mean the State of Nevada.

"(d) The term 'transfer area' shall mean all lands or interests in lands owned by the United States and located within the exterior boundaries of the area described in section 2 of this act.

"SEC. 2. The Secretary is hereby authorized and directed to segregate from all forms of entry under the public land laws of the United States, during a period of 5 years from and after the effective date of this act, the following described lands, situated in the State of Nevada and comprising approximately 126,775 acres:

"(1) All of south half, township 23 south, range 63 east, with the exception of the following areas: east half section 22; 4 5-acre tracts located in section 26 and described as follows: south half southeast quarter northwest quarter northwest quarter, north half northeast quarter southwest quarter northwest quarter north half southwest quarter northeast quarter northwest quarter and south half southwest quarter northwest quarter northwest quarter; and those portions of the northeast quarter section 23, and north half section 24, within the Lake Mead national recreation area.

"(2) Fractional sections 25 and 36, township 23 south, range 63½ east.

"(3) All of sections 27, 28, 29, 30, 31, 32, 33, and 34, township 23 south, range 64 east.

"(4) Fractional sections 31, 32, 33, 34, and 35, township 23½ south, range 64 east.

"(5) All of southeast quarter of township 24 south, range 62 east.

"(6) All of township 24 south, range 63 east.

"(7) All of township 24 south, range 64 east, except sections 1, 12, 13, 24, 25, and 36.

"(8) All of township 25 south, range 62 east.

"(9) All of township 25 south, range 63 east.

"(10) All of sections 1, 2, 3, 4, 5, and 6, township 25 south, range 64 east.

"(11) All of sections 1, 2, 11, 12, 13, and 14, township 26 south, range 62 east.

"(12) All of northwest quarter, township 26 south, range 63 east.

"All range references contained in the foregoing refer to the Mount Diablo base and meridian.

"SEC. 3. The Commission, acting on behalf of the State, is hereby given the option, after compliance with all of the provisions of this act and any regulations promulgated hereunder, of having patented to the State by the Secretary all or portions of the lands within the transfer area. Such option may be exercised at any time during the 5-year period of segregation established in section 2, but the filing of any application for the conveyance of title to any lands within the transfer area, if received by the Secretary from the Commission prior to the expiration of such period, shall have the effect of extending the period of segregation of such lands from all forms of entry under the public land laws until such application is finally disposed of by the Secretary.

"SEC. 4. Prior to conveying any lands or interests in lands of the United States to the State, the Commission and the Secretary shall comply with the requirements set out following:

"(a) The Commission, within 1 year after the effective date of this act, shall submit to the Secretary a proposed plan of development for the entire transfer area, which plan shall include but need not be limited to the general terms and conditions under which individuals, governmental agencies or subdivisions, corporations, associations, or other legal entities may acquire rights, title, or interests in and to lands within the transfer area.

"(b) At any time after submission of a proposed plan for the entire transfer area, as required by the preceding subsection, the Commission may select for transfer from Federal to State ownership such land units within the transfer area as contain not less than 18 sections of land in reasonably compact tracts, taking into account the situation and potential uses of the land involved. All applications for transfer of title to any such land unit shall be made to the Secretary and shall be accompanied by a development and acquisition planning report containing such information relative to any proposed development and acquisition payment plan as may by regulation be required by the Secretary. No acquisition payment plan shall be considered by the Secretary unless such plan provides for payment by the State into the Treasury of the United States, within 5 years of the delivery of patent to the Commission, of an amount equal to the appraised fair market value of the lands conveyed.

"(c) Upon receipt of any application for transfer of title to any land unit the Secretary shall cause an appraisal to be made of the fair market value of the lands within the unit proposed to be transferred, including mineral and material values, if any, but in arriving at such value the Secretary shall not include factors reflecting enhancement of the value of the lands within the unit involved by reason of development or improvement of other lands within the transfer area which have previously been patented to the State.

"(d) As soon as a proposed unit development and acquisition planning report is found by the Secretary to comply with the provisions of this act and with such regulations as the Secretary may prescribe as to the contents thereof, the Secretary is hereby authorized and directed to negotiate a contract of sale with the Commission and to prepare appropriate conveyancing instruments for the lands involved.

"Thereafter, the Secretary shall submit to the Congress for reference to the appropriate committees of the House of Representatives and the Senate, copies of the Commission application, proposed unit development and acquisition planning report, and proposed contract of sale and conveyancing instruments, together with his comments and recommendations, if any.

"(e) No contract of sale or instrument of conveyance shall be executed by the Secretary with respect to any lands applied for by the Commission prior to 60 calendar days (which 60 days, however, shall not include days on which either the House of Representatives or the Senate is not in session because of an adjournment of more than 3 calendar days to a day certain) from the day on which the Secretary makes the submissions required by the preceding subsection, unless the Congress, prior to the expiration of said 60 days, approves the execution of such contract of sale and instrument of conveyance.

"SEC. 5. The conveyance or conveyances authorized by this act shall be made subject to any existing valid rights pertaining to the lands included within the transfer area.

"SEC. 6. If the State selects and purchases under this act any lands which are subject on the date the purchase by the State becomes effective to a lease, permit, license, or contract issued under the Mineral Leasing Act of February 25, 1920 (41 Stat. 437), as amended (39 U. S. C. 181 and the following), the State shall be required to purchase all the lands subject to that lease, permit, license, or contract which are included within the boundaries of the transfer area. The purchase of lands subject to a lease, permit, license, or contract shall neither affect the validity nor modify the terms of the lease, permit, license, or contract in any way, or affect any rights thereunder, except that the State shall assume the position of the United States thereunder, including any right to rental, royalties, and other payments accruing on or after the date on which the purchase by the State becomes effective, and any right to modify the terms or conditions of such leases, permits, licenses, or contracts.

"SEC. 7. The Secretary is hereby authorized to perform any and all acts and to make such rules and regulations as may be necessary or proper in carrying out the provisions of this act. He shall give particular attention in so doing to including in any conveyancing instruments executed under the authority of this act such provisions as will in his judgment protect existing or future uses by the United States of lands within the transfer area, including, but not limited to, provision for reversion of title therein to the United States upon failure of the State or its successors in interest to strictly comply with the terms and conditions of any such conveyancing instrument. In establishing any future Federal easements, however, no lands shall be included upon which substantial improvements have been placed by the State or its successor in interest."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TO IMPLEMENT THE TREATY AGREEMENT WITH THE REPUBLIC OF PANAMA

Mr. BONNER submitted a conference report and statement on the bill (H. R. 6709), an act to implement a treaty agreement with the Republic of Panama.

WHEAT ACREAGE ALLOTMENTS

Mr. ALBERT. Mr. Speaker, I call up the conference report on the bill (S. 959) to amend the Agricultural Adjustment Act of 1938, as amended, to exempt certain wheat producers from liability under the act where all the wheat crop is fed or used for seed or food on the farm, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1180)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 959) to amend the Agricultural Adjustment Act of 1938, as amended, to exempt certain wheat producers from liability under the Act where all the wheat crop is fed or used for seed or food on the farm, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: "That section 335 of the Agricultural Adjustment Act of 1938, as amended, is further amended by adding at the end thereof the following new subsection:

"'(f) The Secretary, upon application made pursuant to regulations prescribed by him, shall exempt producers from any obligation under this Act to pay the penalty on, deliver to the Secretary, or store the farm marketing excess with respect to any farm for any crop of wheat harvested in 1958 or any subsequent year on the following conditions:

"'(1) That the total wheat acreage on the farm does not exceed 30 acres: *Provided, however*, That this condition shall not apply to farms operated by and as part of State or county institutions or religious or eleemosynary institutions;

"'(2) That none of such crop of wheat is removed from such farm except to be processed for use as human food or livestock feed on such farm and none of such crop is sold or exchanged for goods or services;

"'(3) That such entire crop of wheat is used on such farm for seed, human food, or feed for livestock, including poultry, owned by any such producer, or a subsequent owner or operator of the farm; and

"'(4) That such producers and their successors comply with all regulations prescribed by the Secretary for the purpose of determining compliance with the foregoing conditions.

Failure to comply with any of the foregoing conditions shall cause the exemption to become immediately null and void unless such failure is due to circumstances beyond the control of such producers as determined by the Secretary. In the event an exemption becomes null and void the provisions of this Act shall become applicable to the same extent as if such exemption had not been granted. No acreage planted to wheat in excess of the farm acreage allotment for a crop covered by an exemption hereunder shall be considered in determining any subsequent wheat acreage allotment or marketing quota for such farm and the estimated production from such excess acreage shall not be included in total supply and normal supply in the determination of future marketing quotas and level of price support. No producer exempted under this section shall be eligible to vote in the referendum under section 336 with respect to the next subsequent crop of wheat.'

"SEC. 2. Section 334 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding at the end thereof the following new subsection:

"'(h) Notwithstanding any other provision of law, no acreage in the commercial wheat-producing area seeded to wheat for harvest as grain in 1958 or thereafter in excess of acreage allotments shall be considered in establishing future State, county, and farm acreage allotments. The planting on a farm in the commercial wheat-producing area of wheat of the 1958 or any subsequent crop for which no farm wheat acreage allotment was established shall not make the farm eligible for an allotment as an old farm pursuant to the first sentence of subsection (c) of this section nor shall such farm by reason of such planting be considered ineligible for an allotment as a new farm under the second sentence of such subsection.'

"SEC. 3. Section 114 of the Soil Bank Act (70 Stat. 196) is amended by changing clause (2) in the first sentence thereof to read as follows: '(2) in the case of a farm which is not exempted from marketing quota penalties under section 335 (f) of the Agricultural Adjustment Act of 1938, as amended, the wheat acreage on the farm exceeds the larger of the farm wheat acreage allotment under such title or 15 acres, or'."

And the House agree to the same.

HAROLD D. COOLEY,
W. R. POAGE,
CARL ALBERT,
AUGUST H. ANDRESEN,
WILLIAM S. HILL,
Managers on the Part of the House.

ALLEN J. ELLENDER,
OLIN D. JOHNSTON,
SPESSARD L. HOLLAND,
GEORGE D. AIKEN,
MILTON R. YOUNG,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 959) to amend the Agricultural Adjustment Act of 1938, as amended, to exempt certain wheat producers from liability under the Act where all the wheat crop is fed or used for seed or food on the farm, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House amendment struck out all after the enacting clause of the Senate bill and substituted the language of H. R. 8456 as passed by the House on August 2, 1957. The bill reported herewith is a substitute for the House amendment which has been agreed upon by the conferees. It differs in only two substantial respects from the House amendment.

PRODUCTION OF WHEAT ON EXCESS ACREAGE

The House amendment provided that no wheat produced from any acreage in excess of acreage allotments should be considered in determining the supply of wheat for purposes of future acreage allotments and marketing quotas or in determining the level of price support. The committee amendment provides that wheat grown on acreage in excess of acreage allotments (including that produced in noncommercial wheat States where there are no farm allotments) will be counted for such purposes except for the estimated quantity of wheat which is produced on farms taking advantage of the feed exemption provided by this bill.

COUNTING OF EXCESS ACREAGE FOR HISTORY PURPOSES

The House amendment provided that no acreage planted in excess of acreage allotments would be counted for history purposes in establishing future State, county, and farm acreage allotments. Because of the House action striking section 3 out of the bill, a change was necessary in this provision in order to leave the noncommercial wheat States in the same position they now occupy. The committee amendment leaves the law with respect to the noncommercial wheat area unchanged and provides that acreage planted to wheat in that area will continue to be counted as history for future acreage allotment purposes.

Both these amendments were recommended by the Department of Agriculture in its reports to the chairmen of the House and Senate conferees on the bill.

HAROLD D. COOLEY,
W. R. POAGE,
CARL ALBERT,
AUGUST H. ANDRESEN,
WILLIAM S. HILL,
Managers on the Part of the House.

Mr. ALBERT. Mr. Speaker, the wheat bill which the conferees have brought back to the House is a measure in which all who have any part in it may well take some degree of satisfaction. It is a good bill. It gives small livestock and poultry producers of the Eastern States a degree of flexibility in growing wheat for their own use as feed and its does so with a minimum of damage to the commercial wheat area.

The bill represents a great deal of work on the part of the Committee on Agriculture that has extended over a period of many months. It is a compromise bill which is essentially satisfactory to all the parties involved. The bill accepted by the conferees and reported to the House is substantially the bill which was passed by the House a little over 2 weeks ago. It will permit any farmer—whether he has a wheat allotment or not—to grow up to 30 acres of wheat on his farm if all of the wheat produced on this acreage is used on the farm for livestock feed, human food, or seed. The 30-acre limitation will not apply to farms operated by State and county or eleemosynary institutions. Neither the acreage nor the production from the farms receiving this exemption will be counted for future acreage allotment, marketing quota, and price support purposes.

The bill also provides, Mr. Speaker, that in the commercial wheat area none of the acreage planted in excess of acreage allotments, beginning with the 1958 crop, will be counted for future acreage

allotment and marketing quota purposes. This provision is of great importance to the commercial wheat producers—the farmers who depend upon wheat for their livelihood. It is the same kind of a provision which already applies to most other allotted crops and will prevent the constant and very appreciable leeching away of the wheat allotment from the areas where wheat is a major crop into the areas where it is only a secondary or incidental crop. This has occurred in the past because of the fact that farmers in those areas were able to acquire wheat acreage history by planting in excess of their allotments, either under the 15-acre exemption or by simply overplanting their allotment and paying the penalty.

With respect to the noncommercial wheat States, the bill should also be satisfactory since it makes no change whatever in the present provisions of law relating to the noncommercial wheat area. Farmers in the noncommercial wheat States will continue, as long as their State allotment is less than 25,000 acres, to be eligible to plant all the wheat they want to plant without acreage allotments and will continue to receive credit for history purposes for the acreage which is planted to wheat for harvest as grain. When the State allotment exceeds 25,000 acres the State will automatically be classified as within the commercial wheat area and farms in that State will receive farm acreage allotments and marketing quotas pursuant to the provisions of existing law.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. ALBERT. I yield.

Mr. AUGUST H. ANDRESEN. I might also state that this bill, which was unanimously reported by the Committee on Agriculture, came out of conference with the Senate conferees unanimously.

The bill simply permits the planting of 30 acres without penalty by a farmer who wants to feed that wheat on his own farm to his family or to his livestock. It is a good bill and should be passed.

Mr. ALBERT. Mr. Speaker, I yield to the gentleman from Colorado [Mr. HILL].

Mr. HILL. Mr. Speaker, there are no objections, to our knowledge, to this piece of legislation, and it does give the farmers who wish to grow 30 acres of wheat and feed it on the farm a proposition under which they may grow as many bushels to the acre as they please on the 30, but they must feed it on the farm. That is the idea I had in mind.

Then, too, Mr. Speaker, we should also say something about the counting of excess acreage for historical purposes. The wheat people had always been interested in the excess acres, the growers of a considerable number of acres. This bill takes care of the large wheatgrower; and, as far as I know, no one objects to the bill.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. ALBERT. I yield.

Mr. HALLECK. Will this measure in any way interfere with the present arrangement by which 15 acres of wheat can be grown for sale?

Mr. ALBERT. The 15-acre provision remains in the law unchanged except that it is subject to the provision that no acreage in excess of allotments can be considered in establishing future allotments.

Fifteen acres of wheat may be grown on any farm for any purpose; and the wheat may be sold, fed, or disposed of in any other manner.

Mr. REED. Mr. Speaker, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from New York.

Mr. REED. This comes as a very great relief to me and my farmers. In my Congressional District we raise a great deal of poultry, and it is a great dairy region. The farms are not large, but the farmers have been greatly embarrassed by certain people up there who hauled them into court and sent them to jail for violation of this iniquitous law.

I congratulate the Committee on Agriculture for bringing this relief to these farmers who richly deserve it.

It will be a source of gratification to the farmers in my Congressional District to know that today legislation passed the House to lift the stigma from those who raise wheat to feed their own livestock and poultry. The farmers can now raise 30 acres of wheat and feed it to their own cattle and poultry without being subject to a fine and imprisonment.

This iniquitous New Deal law ought to have been wiped clean from the statute books, but to relieve the farmers, in part, is a real benefit.

I introduced the first bill to bring about this relief.

Mr. ALBERT. I thank the gentleman. I can state that the gentleman has been one of those most interested in this legislation for several years, to my personal knowledge.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks and ask unanimous consent that all Members may extend their remarks at this point in the RECORD on this bill.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

APPOINTMENT OF DR. HARRY J. REED AS COORDINATOR OF THE COOPERATIVE FEDERAL-STATE-RURAL DEVELOPMENT PROGRAM

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HALLECK. Mr. Speaker, I am happy to call to the attention of Members of this body the appointment today of Dr. Harry J. Reed, recently retired dean and director of the Purdue University School of Agriculture as the new coordinator for the cooperative Federal-State-rural development program.

Dean Reed comes to his assignment in Washington to continue a distinguished career of service to farmers both in this country and abroad.

The appointment is particularly gratifying to me since Purdue University is located in the district it is my privilege to represent here in the House.

But, beyond that, may I say that in my opinion, the Honorable Ezra Benson, Secretary of Agriculture, has made an excellent choice to coordinate this far-reaching program which, we believe, will prove highly beneficial to the lowest income people in rural areas.

Dean Reed is a man who knows agriculture, its problems and its potentials.

He has been a farm manager, a county agricultural agent, and has risen in the ranks from a member of the Purdue faculty to the position of dean of the School of Agriculture, a post he held for 18 years.

Among his many activities and honors are the following: Chairman, National Institute of Animal Agriculture, International Livestock Exposition, and International Dairy Exposition; member of National Advisory Committee on Agricultural Research and Marketing, United States Department of Agriculture; Indiana Economic Council, American Academy of Political and Social Science, and Indiana Conservation Commission. He was leader of the United States Wheat Mission to Pakistan in 1953 and in 1954 he headed the United States Agricultural Trade Mission to South America.

As chairman of the Indiana State Rural Development Committee, Dean Reed has had firsthand experience with the planning and organization of rural development activities in that State, where a pilot operation has been established in Perry County.

There is nothing of the armchair expert about Dean Reed as far as the subject of agriculture is concerned.

I recall him best as a fellow who is ready to come to even the smallest farm meeting if he feels there is a chance to contribute something constructive to the solution of a local problem. For all the important assignments he has been given—and which he has discharged most ably—Dean Reed has kept his roots close to the people he serves so well.

I share the confidence expressed in Dean Reed's energy and ability by President Eisenhower, and I believe, with the President, that under Dr. Reed's guidance, this new program will help our lowest-income rural families to obtain a greater portion of our history-making peacetime prosperity.

STEPHEN FOSTER MEMORIAL COMMISSION

Mr. MATTHEWS. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. MATTHEWS. Mr. Speaker, several weeks ago the Stephen Foster Me-

morial Commission in Florida called my attention to the censorship of Stephen Foster songs as they are used on television and radio. I checked upon their complaint and found that it is absolutely true. Representatives of the major television stations have admitted that for a period of some years they have followed a policy of changing words so as not to offend a minority group. In my reply to the letters from the television networks, I pointed out that I did not believe there was a majority of any minority group that objected to the original words of Stephen Foster. As I am sure my colleagues know, Stephen Foster wrote of the days of slavery and his songs paid tribute to the Negro in a beautiful and loving manner. Specifically, the television and radio networks have deleted such words as "darkey," "massa," and so forth, because again according to their ideas they believed these words to be objectionable to our fine Negro citizens.

Congressmen CHELF and WATTS, of Kentucky, along with Congressman SIKES and myself from Florida, called this matter to the attention of the House several weeks ago. Since that time various bills and resolutions have been introduced by the above Members of Congress to direct a thorough study of this matter.

Just this past week, one of our citizens from the District of Columbia came to my office to point out how the words of Stephen Foster songs have been changed in the songbooks used in the District of Columbia. Now to be objective, I must say that I have also heard reports from throughout the whole United States to the effect that in various songbooks throughout the country, the words of Stephen Foster have been changed.

I have hastily checked dozens of songbooks used in the District of Columbia and to amplify this point I think it would be of interest to point out certain facts of what we might call "book censorship."

In Music, Highways and Byways, by McConathy, Beattie, and Morgan, part of the Music Hour Series, copyrighted in 1936 and published by the Silver Burdett Co., on page 20 of that book we find the words of Ring, Ring the Banjo by Stephen Collins Foster. In the first line of the first stanza we find the correct words as Foster wrote them as follows: "The time is never dreary, if the darkey never groans." Now, if we examine the book entitled "Singing in Harmony" by Pitts, Glenn, and Watters, copyrighted in 1951 and published by Ginn & Co., we will note on page 14 the words of the song Ring, Ring the Banjo by Stephen C. Foster. The first line of the first stanza in that version reads, "The time is never dreary, if a fellow never groans." You see, the word "fellow" is substituted for "darkey." In passing, I should like to point out that in this same book on page 91 we find the words of My Old Kentucky Home, by Stephen C. Foster. As we start the first stanza, we read "The sun shines bright in the old Kentucky home, 'tis summer, a time to be gay." Those of you who are familiar with the words of Stephen C. Foster will recall that, instead of "a time to be gay," Foster said "the darkies are gay." In fact, if you go to the songbook entitled "Merry Music" by Armitage, Dykema, & Pitcher, copyrighted in 1939 and published by C. C. Birchard & Co., of Boston, you will find that on page 167 we have the correct words of My Old Kentucky Home and we find in the first stanza, the words, "The sun shines bright on my old Kentucky home, 'tis summer, the darkies are gay."

In World Music Horizons of the New Music series edited by McConathy, Morgan, and so forth, published by the Silver Burdett Co. and copyrighted in 1951, you find on page 22 the beautiful song by Stephen Collins Foster entitled "Massa's in the Cold, Cold Ground." In the first stanza you find the words "Round the meadows am a ringing the darkey's mournful song" which is correct. But in what must have been a second publishing of the same edition, on page 22 of the same book with the same authors and the same copyright date, you find that the words in "Massa's in the Cold, Cold Ground" start out as follows, "Round the meadows am a ringing the old ones mournful song." In the song book Singing Along in the World of Music series, copyrighted 1952, edited by Glenn, Leavitt, and Rebmann, and published by Ginn & Co., on page 148 you find "Massa's in the Cold, Cold Ground" by Stephen Foster and the first stanza begins, "Round the meadows am a ringing the people's mournful song." The Florida State song is "Old Folks at Home," by Stephen C. Foster, and in the chorus we have the words "O darkies, how my heart grows weary." In the song book Singing Together, by Pitts, Glenn, and Watters, published by Ginn & Co., with the copyright date of 1951, we find on page 70 the words in the chorus have been changed to "O loved ones, how my heart grows weary." In the book the American Singer, 2d edition, edited by Beattie, Wolverton, Wilson, and Hanger, and copyrighted in 1954 by the American Book Co., we find that on page 15 the words have been changed to "O brothers, how my heart grows weary." So we go in this series from "darkies" to "loved ones" to "brothers." In the book, Music Americans Sing, by Wilson, Leeder, and Ghee, copyrighted by the Silver Burdett Co. in 1948, on page 54 we find the words of the official State song of the State of Virginia "Carry Me Back to Ole Virginny" has been changed. In the first stanza, instead of the words "There's where this ole darkey's heart am longed to go" we find the words "There's where this ole heart of mine am longed to go." In this same book on page 45 in the words to the song "In the Evening by the Moonlight" we find the first stanza begins "In the evening by the moonlight, there are silver voices singing." As I recall, we used to sing this song, "In the evening by the moonlight you can hear those darkies singing." In the book, Let Music Ring, edited by Dykema, Pitcher, and Vandeveare, published by the C. C. Burchard & Co., of Boston, and copyrighted in 1949, on page 142 we find the words of "Southern Memories" begin "In the evening by the moonlight there are silver voices singing." However, in the book Singing Juniors, by Pitts, Glenn, Watters, and Wersen, published by the Ginn & Co. and copyrighted in 1953, we find that the words have been changed from "silver voices" to "you could hear those young folks singing." Now the authorship of this particular medley is uncertain so in all fairness I think it should be assumed that perhaps we should grant some privilege in changing these particular words in the medley "In the Evening by the Moonlight."

Incidentally, in recent editions of songbooks used in District schools, I could not find a copy of Foster's Old Black Joe. I cannot understand why the words of Stephen C. Foster, a dead author, have been changed. His words were carefully selected. He wanted to pay tribute to the songs and people of his time. He wanted particularly to pay tribute to the folksongs of the Negro. These songs are one of the great traditions of America, and I think it is improper censorship to change the words of these songs—all of which have a delicate and proper shading that Foster understood.

Mr. Speaker, we have heard a lot about book burning. It would seem to me that this type of censorship is to a certain extent "book burning." What I want to do is to call to the attention of the American people these facts and to hope that we shall be guided by the history and the facts of these songs as we sing them in the future.

I am introducing a bill which is similar to bills introduced by Congressman CHELF, of Kentucky, and I believe Congressman HERLONG, from Florida. My bill may differ in some details from theirs, but the purpose of it is to ask the House Committee on Interstate and Foreign Commerce to look into this whole matter. I think now we should look into not only the censorship of television and radio stations of the works of Stephen Foster, but we should also look upon the censorship that we find practiced in certain books.

NEED FOR A SISTER SHIP TO THE STEAMSHIP "UNITED STATES"

Mr. BONNER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. BONNER. Mr. Speaker, I have today introduced a bill to authorize the construction of a sister ship to that great flagship of the American merchant marine, the steamship *United States*.

On August 30, 1939, a great and significant event occurred. The steamship *America*, the first passenger vessel to be built under the farsighted provisions of the Merchant Marine Act of 1936, was launched. Two days later, on September 1, Germany and Russia invaded Poland, and World War II was furiously underway in Europe. Time was on our side, and this great ship was able to be completed for valiant service as the troopship renamed *West Point*, by the

time the United States became involved in the conflict. Unfortunately, she was only one ship—when many were needed.

It is a lesson of history that many of us tend to forget that the lack of an adequate operating American-flag merchant marine, capable of serving as military and naval auxiliary, forced this country into a vast and tremendously expensive emergency shipbuilding program. This lack compelled us to depend upon the dangerous expedients of slow, cramped, and unsafe conversion of cargo ships to provide urgently needed troop-lift capability, or to make expensive arrangements for troop transport on the vessels of our allies.

Since World War II, there have been built in this country only three new passenger vessels to serve the growing needs of our waterborne commerce and to be available in time of national emergency. One of these is the great ship the *United States*, which with the 18-year-old *America*, is 1 of only 2 American passenger ships plying the North Atlantic. Yet the demand for passenger space is growing by leaps and bounds and other nations are building new, modern vessels for the service as fast as they can.

By 1960, the *America* is due for replacement and all indications are that the needs of the service as well as the national interests—both from the standpoint of national defense and national prestige—require that the replacement vessel should be equivalent to, or a sister ship of, the *United States*.

I do not believe it necessary to dwell at length upon the virtues of the steamship *United States*, either as a symbol of this Nation's dominating role in the foreign commerce of the world, or of the tremendous value which she has in terms of our national defense. During the past 5 years, great numbers of American tourists have traveled on this ship and millions of others have come to regard it with much the same reverence and respect accorded other superior accomplishments of this country in competition with the countries of the world.

None can dispute the inestimable value of this magnificent ship as a national asset—nor deny the return on the Government's investment which made her construction possible. Yet, many will recall that at the time she was built grave doubts were raised over the adequacy of the provisions of the Merchant Marine Act of 1936 to authorize her construction and sale to the United States Lines under the terms which were agreed upon.

While the controversy which arose over the building of the *United States* was eventually settled, the doubts concerning the adequacy of existing law to authorize the construction and sale of such a superliner passenger ship under terms and conditions which would make commercial operation feasible still remain.

The bill I have introduced does three things:

First. It recognizes the essentiality of the national interest of another great ship like the *United States;*

Second. It adheres to the basic policies, principles and provisions of the 1936 act, which have proved a sound framework for maritime policy for over 20 years; and

Third. It resolves the doubts and precludes controversy by providing for the estabilshment of a fixed price to the purchaser which will provide a reasonable basis for private operation in competition with the great government-aided superliners of our friends across the ocean.

SUCCINCT STATEMENT OF SOUTH'S CASE

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. ROBERTS. Mr. Speaker, some time ago—even before the civil-rights bill was debated on these floors during this session—the Legislature of Alabama adopted a resolution which tersely describes the southern arguments against enaction of so-called civil-rights legislation.

The resolution, adopted on May 14, 1957, follows:

Senate Joint Resolution 9

Be it resolved by the Legislature of Alabama (both houses thereof concurring), That Alabama's Senators and Representatives in the United States Congress are hereby commended for their recent efforts to prevent enactment of the administration-supported civil-rights measures now pending on the United States Congress, many provisions of which are potentially dangerous not only to the South but to all sections of the Nation. Though their sponsors would lead the world to believe that the measures are designed solely to protect the downtrodden minorities and persons deprived of rights because of race, these measures are very broad and susceptible of use in many other fields; and the provisions thereof giving the Attorney General the right to intervene in cases where civil rights are allegedly violated, could be used to take away from defendants in civil-rights cases that most valued of all rights guaranteed under the Constitution, the right to jury trial; and the provisions vesting police powers in the Federal Government deprive the States of one of the fundamental powers which has long been deemed a right reserved under the Constitution to the States, one on which the State government is founded, the power to regulate, order, and police its own internal affairs.

Be it further resolved, That the Legislature of Alabama, representative of the people of this State, takes this means of assuring the State's Senators and Representatives in Congress that Alabama heartily approves of their stand on this vital matter, involving a fundamental principle of our American system of government and not just a sectional issue; urges them to continue their good offices toward forestalling enactment of these civil-rights bills to the end that our Nation shall continue as a true democracy composed of independent sovereign States where the will of the governed is the supreme law of the land, instead af degenerating into a centralized despotic bureaucracy under which the enforcement of laws relating solely to the internal affairs of the several States will be at the whim of a lifetime appointee, not answerable to the people of the State whose internal affairs are so regulated, and possibly not even a citizen thereof; and hereby pledges the cooperation and support of the Legislature of Alabama to its Congressional representatives in their fight to defeat legislation which infringes on the rights of this State and her citizens.

Resolved also, That the secretary of the senate be directed to send a copy of this resolution to each of Alabama's Senators and Representatives in Congress.

ALABAMA LEGISLATURE NOTES NEED FOR FEDERAL AID FOR EDUCATION

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. ROBERTS. Mr. Speaker, cognizant of the desperate condition the various States find themselves in regarding development and maintaining of adequate educaitonal standards, the legislature of the State of Alabama has gone on record as endorsing the principle of Federal aid to education.

In a joint resolution, the houses of the Alabama Legislature have called on Congress to enact legislation providing for the payment to each State of 1 percent of Federal income tax payments collected from that State. This sum would go into the general treasury of the respective States to be appropriated by the individual State legislatures for the general welfare and benefit of the people of the individual States.

Under leave to extend my remarks, I submit the resolution from the Alabama State Legislature and urge every Member to read its contents:

House Joint Resolution 8

Whereas the present maximum Federal tax rates on both individual and corporate incomes are extremely high; and

Whereas this Federal tax burden has, in many instances, become so great as to prevent adequate taxation on the part of the States and other local governments sufficient to enable the various States to properly finance and support the public schools; and

Whereas the education of the young people of this country is one of the gravest responsibilities and one of the most important functions of Government; and

Whereas the various States are desperately in need of additional funds if adequate educational standards are to be developed and maintained in the public schools, and thereby insure to the children of this great country the proper education to which they are entitled: Now, therefore, be it

Resolved by the Legislature of Alabama (both Houses thereof concurring):

1. That the Congress of the United States is hereby memorialized to enact legislation providing for the payment to each State of 1 percent of the Federal income tax payments collected by the district director of internal revenue from such State, such sum to be paid by the district collector of internal revenue into the general treasury of the respective States to be appropriated by the legislatures of the respective States for the general welfare and benefit of the people of said States.

2. That a copy of this resolution be transmitted to the various state superintendents of education, asking them to encourage similar action in their States.

3. That a copy of this resolution be transmitted to each member of the Alabama delegation to Congress.

Adopted by the House of Representatives of Alabama May 7, 1957.

Concurred in and adopted by the senate June 28, 1957.

Approved by the Governor August 2, 1957.

THE NEED FOR OPEN DEBATE ON LATIN AMERICAN POLICY

Mr. PORTER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. PORTER. Mr. Speaker, instead of attempting to correct the 13 major errors of fact or to provide any evidence for the 9 unsupported assertions in his speech of August 14—RECORD, pages 14754–14755—the gentleman from Connecticut [Mr. MORANO] in his remarks last Friday—RECORD, pages 15082–15084—seeks to change the subject and makes additional factual misstatements.

Twice last week this distinguished gentleman took the floor in my absence, and without notice to me, in order to debate with me. The second time I managed to arrive in time to arrange some exchange with him—under the disability of having to make my remarks by sufferance of the gentleman from Michigan [Mr. HOFFMAN] on whose time the colloquy took place.

When will the gentleman from Connecticut consent to meet me in direct debate on this important subject? When will he correct or apologize for the 13 major factual errors and support with evidence, if he can, the 9 unsupported opinions expressed in the 25-paragraph speech which he made attacking my Latin American activities and beliefs last Wednesday?

If what happened Friday is truly indicative of the gentleman's attitude, then I should say that he never will attempt such a defense. I asked him to debate me today but he declined.

In my speech on Thursday—RECORD, pages 14957–14961—I list 12 major factual errors. There was one more. The information came to me, after the speech was prepared, that not one of the 450 American servicemen missing in Red China was a constituent of mine, this in the face of the gentleman's assertion in his remarks Wednesday that "many" of them were "Oregon constituents."

Four of these men apparently are Oregonians, but none is from my district. The gentleman in the colloquy Friday attempts to make a distinction between "Oregon constituents" and constituents from my district. I am sure if I claimed as a constituent anyone from any of the other three districts in Oregon, I would be in an untenable position, just as the gentleman would be if he did this in Connecticut. I am, it is true, a freshman—but I know what a constituent is.

Furthermore, the gentleman said "many" of these servicemen were Oregon constituents. Are 4 out of 450 "many" in his opinion? This, I fear, is another question he will never agree to answer.

The one major factual error he did attempt to explain concerned the statement in his speech that my amendment to deny mutual security funds to Latin American dictators was "almost unanimously condemned by a vote of the full House."

My point was that a 171 to 4 vote when more than 400 Members were present on the floor is not an almost unanimous condemnation. The gentleman seeks to project the vote by assuming that if all voted I would still only have nine votes. I assume nothing. I point to the figures. The full House did not vote. At least as many Members refrained from voting as did vote. There was no unanimous condemnation.

I suppose that if 4 Oregon servicemen are "many" in the gentleman's mind, even if they were not constituents of mine, then the 4 votes I received for my amendment could also be called "many." For my part, I prefer to leave the English language as it is.

Before I try to put this debate back on the tracks on the issues of how best to fight communism in Latin America and how to prevent the deaths of more American boys like my constituent, Gerry Murphy, let me demonstrate beyond any question that the gentleman's persistence in error approaches the incredible.

This is not an error having to do with a misrepresentation of my position, such as his statements that I favored the chaos following a revolution, that I favor canceling trade with the so-called Dominican Republic and want to break off diplomatic relationships with it, or that I said Gerry Murphy is an "international kidnaper" and so on and so on.

Those are matters also stemming from insufficient preparation on his part and from his being misinformed. The error I have in mind now is one all can readily see and wonder about. He points to a page in the CONGRESSIONAL RECORD, states that a particular assertion is there—but in fact it is not. Nor is it anywhere in his speech.

This performance took place on the floor of this House Friday. I did not immediately contradict the gentleman because he purported to be reading from the page he had designated and my study of his speech in the preparation of my reply had been in the House press gallery where I had a carbon copy which I knew had been in part changed in the RECORD.

The gentleman not only did not notify me in advance but made no effort to give me a copy of his speech, a position I understood better when I had read and analyzed it.

Now, the bill of particulars. In the colloquy Friday—RECORD, page 15084—the gentleman states: "On page 14754 of the RECORD I said, Mr. Speaker, that the gentleman from Oregon in his 1954 campaign advocated the admission of Red China to the United Nations. And he calls it a factual misstatement."

If any Member concerned with standards of debate or the eyesight of some of their colleagues cares to turn to page 14754 of the RECORD, he will find no such statement nor even the words "United Nations."

On the following page, however, the gentleman does state that I "during his recent campaign for Congress advocated recognition of Red China."

Passing the fact that this was not an issue and I doubt that I made any such public statement in 1956, I am willing to grant that this is my position and has been for a long time.

However, recognition by the United States and admission to the United Nations are two very different things. Apparently the gentleman from Connecticut, in spite of his service on the Foreign Affairs Committee, does not know the difference.

Earlier in the colloquy—RECORD, page 15082—the gentleman states, "I said and charged that he advocated in his campaign for Congress, that he advocated the admission of Red China to the United Nations. And he said, 'I do advocate recognition of Red China on the same basis that we recognize Soviet Russia,' and so on."—He repeats his error twice on page 15083 of the RECORD.

His implication in the "and so on" is that I went on to favor admission of Red China to the United Nations. What I said was "certainly not as a sign of softness but as an arm's-length relationship designed to keep communications open."

The point is that the gentleman was grossly and repeatedly in error and persistently so.

Fighting communism effectively in Latin America is important. The gentleman certainly goes along with me on that. If our debate is to serve any useful purpose, we should take care to represent the position of our opponent accurately and not to argue by relying on unsupported assertions.

The issue between us is whether the policies I recommend are in fact "stirring up a lot of trouble in Latin America," as the gentleman asserts or whether they are the answer to our plummeting prestige among the people of Latin America. I welcome debate on this issue.

My position is that we should publicly differentiate between the dictatorships and the democracies and frame our policies accordingly by cutting off all foreign aid to the dictators, by insisting that our diplomatic and other official representatives do not display warm affection and high respect for dictators, and that we help in every way possible the emerging democracies in Latin America.

The gentleman from Connecticut fails to discuss these matters. He goes off on all sorts of diversions. About my reply to his Wednesday speech he says: "Of course, when you reduce that long speech to the essentials and remove from it the distortions and inaccuracies and even the gibberish, you will find that the four basic charges made were not only not denied, they were admitted."

Such audacity flabbergasts me, but then I am only a freshman Congressman on the Post Office and Civil Service Committee.

He fails to point any of "the distortions and inaccuracies and even the gibberish." Flat statements are so much easier under the circumstances and more consistent with his original speech.

There are no "four basic charges" in his original speech. What in the world

have my opinions about recognizing and trading with Red China got to do with our Latin American polices?

As I have stated, I do favor trading with Red China and recognizing Red China. In 1954 I did favor allowing its admission to the U. N., not as a sign of softness but because I regard the U. N. as the place where all the nations, good and bad, should meet to try to resolve their differences by conference and negotiation. I do not believe "aggressors" should be admitted so, as in 1956, I do not now favor the admission of Red China, whose troops are like a pistol pointing at the U. N. forces in South Korea.

But cannot the gentleman stay in this hemisphere? Or does he believe he can argue better elsewhere?

Do I favor a revolution in the Dominican Republic? Yes; and I hope it will not be a violent revolution but I fear that it will. My answer to the gentleman's question—RECORD, pages 15083–15084—"Do you advocate the overthrow by force and violence of the Dominican Republic?" was carefully put: "As I said on Meet the Press, Yes."

Of course I want bloodshed to be avoided. And of course I want dictatorships replaced by governments more in keeping with the Christian principles at the foundation of our Government. I cannot believe that the gentleman from Connecticut and I really disagree in this respect. Certainly it is not his position that dictatorships, especially that of Rafael Trujillo, are forms of government we should approve and seek to preserve?

As I said Friday, the gentleman did not even mention the question of admission of Red China to the U. N. in his speech Wednesday.

His rejoinder was, "Well, then, you have not read the speech very carefully."

I say to the gentleman that he has not read his speech very carefully and that he did not prepare his speech very carefully in many other respects, most of which have been set forth in detail in my reply last Friday—RECORD, pages 14957–14961—and to which the gentleman, no doubt for good reason, tells me he does not intend to respond.

ECONOMIC INDICATORS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, I wish to bring to the attention of the members and the general public the widespread interest in Economic Indicators, a publication of the Joint Economic Committee.

As you know, this is a collection of 32 charts and tables which is issued monthly. It contains nearly 150 series of key statistics for economic analysis. Economic Indicators is printed under a joint resolution, sponsored by all members of the Joint Economic Committee, which provides that each member of the Congress is to receive one copy and the Joint Economic Committee a small supply for distribution to the press and the cooperating agencies which prepare the materials. Copies for the general public are available only through purchase at the Superintendent of Documents, United States Government Printing Office. This is in accordance with the committee's desire to make the publication self-supporting.

The Superintendent of Documents now sells 8,000 copies a month, 6300 of which are by annual subscription. This is over $16,000 worth of sales a year. Subscribers include business analysts, college teachers and directors of research, labor and farm organizations, libraries, and individuals interested in following economic trends.

I hope many of the Members of the House will want to bring this highly useful publication to the attention of their constituents in order that it may have even wider distribution. At an annual subscription rate of $2 or 20 cents for single copies, it is one of the greatest values in economic information I know of. The data contained are from the best sources available in the areas of Total Output, Income and Spending; Employment, Unemployment and Wages; Production and Business Activity; Prices; Currency, Credit and Security Markets; and Federal Finance. The information is assembled for the Joint Economic Committee by the President's Council of Economic Advisers and most of the series come from the regular Government statistical agencies.

Persons who wish to subscribe to Economic Indicators at the annual rate of $2 or purchase single copies at 20 cents may do so by writing: Superintendent of Documents, United States Government Printing Office, Washington 25, D. C.

Foreign subscriptions are available at $2.50 a year and the domestic airmail subscription price is $4.25 a year.

HAPPY BIRTHDAY TO A GREAT AMERICAN

Mr. MULTER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MULTER. Mr. Speaker, it is our rare opportunity to extend birthday greetings to a great American, Bernard M. Baruch. As he celebrates his 87th birthday today, he continues to enhance his reputation as the elder statesman.

He reverses the custom of being a recipient of gifts as he presents to the world a really great gift in the publication of his autobiography, a book which is published coincident with his birthday. It is entitled: "Baruch: My Own Story."

It has been my good fortune to hear him testify on matters of importance before various Congressional committees and to communicate with him from time to time in connection with legislative problems. It is indeed unfortunate that his advice has not been taken to heart more frequently and implemented both by legislation and by executive order.

Many of our economic problems would long since have been solved if we had only listened to him. Inflation would have at least been curbed, if not brought to an end, if his well thought out ideas had been adopted.

It is still not too late for us to learn from this great man. I urge every one of our colleagues to read and reread his new book. If enough of us learn the lessons he there teaches, some excellent legislation will come forth from this Congress.

An excellent review of the book appeared on the front page of the New York Herald Tribune Book Review of August 18, 1957, written by the columnist, Roscoe Drummond. It does so much better than I possibly could, that I set it forth, as follows:

BERNARD M. BARUCH, ELDER STATESMAN, GREAT AMERICAN

Mr. BERNARD M. BARUCH,
Hobcaw Barony, S. C.

DEAR MR. BARUCH: I cannot resist writing to tell you how exciting and rewarding I found your autobiography.

I like its candor, simplicity and directness. The events which molded your life and which you helped to mold parallel closely the evolution of America from the reconstruction years following our Civil War to the cold war of Soviet tyranny.

Some books are written to please the author; some to satisfy the historians; some to be read by everybody for their pleasure and profit. Baruch: My Own Story" should satisfy all three. I would like to see it read by every young person from 17 to 87 because to me it tells the story of an uncommon man with the common touch. We need both; you are both. It should be prescribed reading in every college course in government, in economics and in the art of living, individually and politically.

There are few Americans whose productive lives cover such a span as yours, from the laissez faire, insulated years at the turn of the century, through four wars—Spanish-American, World Wars I and II, and Korea—to today's vast responsibilities of world leadership which we, as a nation and as a people, must discharge well or perish.

If, as you say, a speculator is a man "who observes the future and acts before it occurs," we need more speculators in our national life—men who are determined to get at the facts and appraise them lucidly and candidly; who will not try to appraise without getting the facts; and who, having got the facts, will not then refuse to follow them where they lead even if they lead to the difficult or the unpleasant or the unpopular.

I recall a crack about you which was made by a colleague of mine. He said: "I never knew anyone before who was able to acquire such a great reputation giving advice to Presidents who never took it." I am sure this was not intended as a compliment, but after reading your book I am inclined to think that, even if it were wholly true—which it is not—it is not a thought that should ever distress you. The fact that some of your best advice has been neglected does not reflect upon the advice.

For example, at the onset of World War II (and I know, because I was covering the White House at the time) you urged President Roosevelt and Congress to put a ceiling on all prices, wages, rents, and profits. Your stiff but excellent medicine was rejected then and it was neglected during the Korean war, though there is surely no more stealthy peril to our economy today than the creeping inflation which has resulted.

And I'm not prepared to blame public opinion when our political leaders shrink from apparently unpopular measures. I blame our political leadership because I believe that the American people will support whatever is truly needed if and when leadership is prepared to lead and will lay the facts on the line.

There is so much that is engrossing in your story. You must have had some pretty painful periods growing up—shy but quick-tempered, timid of speech but determined, and in the end so candidly self-analytical that in learning to understand yourself you "acquired a better understanding of other people."

You demonstrated that mistakes, even injustices, are not the tragedies of our lives, that what is important is what we do about them. You lost your shirt in the market more than once but you examined these and other mistakes and profited by them.

The blows you received from racial discrimination must have been hard to surmount. You write about them dispassionately now, and I can see that what counted is what you did about them. I like what you told your two daughters who, raised in the Episcopal faith of their mother, were refused admission to the same dancing school their mother attended: "Instead of allowing these things to embitter and frustrate them, I told them to take these discriminations as spurs to more strenuous achievement. Above all, I told my children not to be blinded to the greatness of America by the pettiness of some of the people in it."

And how well to be reminded today that while you as a Jew were being blackballed by the fraternities in New York City, your brother Herman was readily admitted to a fraternity at the University of Virginia.

Your memory must, indeed, be as well stocked as Madam Tussaud's gallery, what with Morgan, Harriman, Rockefeller, Ryan, Hill, Duke—not to mention "Diamond Jim" Brady, Lillian Russell and John W. Gates, who placed a $1 million bet in a game of baccarat at the Waldorf—in one era; and in another, Winston Churchill, Presidents Roosevelt, Truman and Eisenhower, and the luminaries of politics, the theater and newspaperdom who have trekked to your South Carolina retreat to rest, relax, talk and listen, especially listen.

I am glad that you are writing a second volume of your "story" and will devote it largely to examining the "crucial interrelationship of war and peace," because you know, as a few others do, that the cost of survival becomes progressively greater as we fail to do what is needed now.

What might we not have been spared if the United States had joined the League of Nations.

What are we failing to do now—or doing inadequately—which may make the price of survival vastly higher 10 years from now?

You have accepted a tremendous challenge in laying out the framework of your second volume. We need this second volume, we need it badly and I implore you to be a "speculator" in the best Baruchian manner and to observe the future and help us act before it occurs.

Yours sincerely,

ROSCOE DRUMMOND.

P. S.—By the way, Mr. Baruch, don't feel too bad about not getting around to buy or run a railroad. There's time. R. D.

I also commend to the attention of our colleagues the following editorial which appeared in the New York Herald Tribune of August 19, 1957:

CONGRATULATIONS TO A GREAT MAN

Bernard M. Baruch is 87 years old today. A little rapid calculation will show that he was born in 1870, only 5 years after the end of the American Civil War, when the world was far different from the world we know today. Generations have come and gone, nations have fallen and risen, the United States has undergone an unparalleled transformation. Yet through it all Bernard Baruch has remained a fixed point of sagacity, generosity, and kindliness. Particularly in recent years have his birthdays been an occasion for rejoicing and felicitations in which the leaders of men and the masses of men join.

One can sense Mr. Baruch's unique place on the American scene from the affectionate titles which have been bestowed upon him. "Adviser to Presidents," "elder statesman," "park-bench philosopher"—these friendly appellations are applied in a quite literal way to Mr. Baruch, and they are quite as accurate in the nuclear age as they were in bygone eras.

Bernard Baruch remains today what he was years ago—the genius of common sense. It is a quality that has stood him—and through him, his country—in good stead through years of strife and struggle and of wrestling with momentous problems. If his counsel has been sought—and accepted—by one President of the United States after another, surely it is because of this pervading quality of horsesense and reasonableness. Changing fads, fashions, and fancies have in no wise diminished Mr. Baruch's enviable ability to cut through the heart of the matter to essentials, to propose courses and offer counsel that make sense.

Mr. Baruch's faith in America's future is as unshakable as his belief in the principles that have made this country great. He has never succumbed to despair or to pessimism. And the personification, he himself offers of the thinking, sensitive man strengthens the confidence of others in humanity's capacity to win through to brighter days. It is an honor to be a contemporary of Bernard Baruch, and to salute him as he reaches another milestone in a great career.

STATUS OF FORCES AGREEMENT

Mr. BOW. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BOW. Mr. Speaker, the Department of Illinois, the American Legion, has adopted a forceful resolution reaffirming the Legion's opposition to the criminal jurisdiction provisions of our status of forces treaties and specifically calling on Congress to enact H. R. 8658, my bill to protect our servicemen from foreign jurisdiction.

The amendment to the motion offered by Mr. Falkenberg, of the Logan Square Post No. 405, makes this forceful restatement of the Legion's position both timely and pertinent to the legislative situation existing this summer. The resolution, adopted unanimously by the 2,400 delegates, reads as follows:

Whereas on July 15, 1953, the Senate consented to the request of the President for approval of the Status of Forces Agreement of the parties to the North Atlantic Treaty Organization, which confers upon the courts of foreign nations the power to exercise criminal jurisdiction over American Armed Forces personnel stationed within their boundaries; and

Whereas article 1, section 1, of our Federal Constitution states that "all legislative powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and House of Representatives;" and

Whereas provisions of the NATO status of forces and other similar agreements reflect a callous disregard of the rights of American Armed Forces personnel and is in violation of the Uniform Code of Military Justice for the government of the Armed Forces of the United States, which was enacted by the Congress under article 1, section 8, clause 14, of the Constitution; and

Whereas there has been introduced in the present Congress, House Joint Resolutions 11, 16, 39, 61, 134, 149, 177, 211, Senate Joint Resolution 40, Senate Concurrent Resolution 15, and House Concurrent Resolution 36, which propose to nullify that part of the NATO and similar status of forces agreements which deprive American citizens of the protection of the United States Constitution while serving in the Armed Forces overseas: Now, therefore, be it

Resolved, That the American Legion, Department of Illinois, in convention assembled in the city of Chicago, Ill., August 1 to 4, 1957, affirms its support of the legislation which would restore the protection of our Federal Constitution to the fundamental rights of United States citizens serving abroad as members of our Armed Forces, who, when being accused of crime are now denied the right to be tried for their alleged offenses before tribunals established by the laws of the United States; and therefore, again petition the Congress to rectify the present unjust discrimination against our Armed Forces personnel which has been caused by treaty and international agreements, by immediately enacting H. R. 8658, introduced by Representative FRANK T. BOW, of Ohio, on July 11, 1957, and referred to the Committee on Armed Forces and which (H. R. 8658) reads—That section 802 of title 10 of the United States Code (article 2 of the Uniform Code of Military Justice) is amended (1) by inserting "(a)" immediately before "The following persons," and (2) by adding at the end thereof the following new subsection:

"(b) No person subject to this chapter pursuant to paragraph (1) of subsection (a) shall be subject to the criminal laws of any foreign nation while he remains subject to this chapter. The Department concerned shall not relinquish jurisdiction of, or surrender, any person so subject to this chapter to any foreign nation for the purpose of prosecution under the criminal laws of that nation of such person on account of acts or omissions of such person while so subject to this chapter."

Unanimously adopted by the 2,400 delegates, as amended.

HAROLD CUMMINS,
Department Commander.
JAMES GWALTNY,
Department Adjutant.

DISTRIBUTION PRACTICES IN THE PETROLEUM INDUSTRY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. ROOSEVELT] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, I should like to call attention to House Report No. 1157 of Subcommittee No. 5 to the Select Committee on Small Business. This report concerns the distribution practices in the petroleum industry which is an exceedingly important segment of the Nation's economy. The influence of the petroleum industry upon

the general economy and most particularly upon the very many small-business people cannot be overestimated. There are about 250,000 gasoline filling or service stations in this country and the economic welfare of the persons who own and operate such facilities as well as those engaged in other phases of the industry is of vital concern to the members of the House Select Committee on Small Business.

These people, who are truly small business and who are engaged in this highly competitive field of endeavor, must of necessity deal with relatively few large supplier petroleum corporations. Unfortunately, the basic problems of the struggle for survival with which these segments of small business are confronted remain serious.

The subcommittee received complaints from retailers, distributors, jobbers, independent refiners, and producers as to alleged coercive and discriminatory practices by the oil company suppliers as well as about the destructive effects of so-called gasoline price wars. It was found that one of the basic reasons for such price wars was a surplus of gasoline in a given area.

As a result of the many complaints, an investigation was initiated and hearings were conducted by the subcommittee in Washington, Denver, Los Angeles, and Chicago. After the testimony was carefully evaluated the subcommittee made the following recommendations:

A. It is recommended for the consideration of the industry that—

1. Major suppliers reexamine their policies regarding sales to nonbranded wholesalers, distributors, retailers, and other refiners so as to avoid unfair competition within the same marketing area.

2. Suppliers and wholesalers in any well-defined competitive area sell at prices, discounts, terms, or conditions which are made known and available to all of their customers (according to class).

3. Each supplier-company encourage better and closer relations with its lessees, dealers, jobbers, and other customers, and permit these persons to make representative selections for supplier-dealer panels. Dealer organizations should be strengthened at every level of the industry in order that supplier-dealer cooperation through panels and otherwise may be made more effective, provided that all such negotiations be conducted in accordance with the provisions of the antitrust laws and the Federal Trade Commission Act.

4. The practice of granting and accepting subsidies or rebates be reviewed and eliminated in a practical method can be devised within the framework of the antitrust laws and the Federal Trade Commission Act.

5. Careful study be given by dealer-supplier panels to trade-area boundaries within the framework of existing antitrust laws.

6. Suppliers initiate a vigorous educational program for employees having direct or indirect contacts with lessee or other dealers in order that company policy may be fully carried out. This educational program should emphasize the avoidance of undue pressure, coercion, unfair trade practices, price discrimination, and deceptive methods in sales as well as other company activities.

7. Suppliers review their practices in supplying service-station equipment in an effort to prevent unfair competition with manufacturers, wholesalers and other distributors of such equipment. The suppliers also review their policy along the same line in connection with the sale of TBA items through their lessees and their own wholesalers.

8. Suppliers making direct sales to commercial or other customers within a trade area which is under franchise to the wholesaler or retailer protect the commission or gross margin of such franchised wholesalers or retailers. Franchised wholesalers and retailers protect their franchises by every legal means available to them in the interest of orderly distribution and elimination of unfair competition.

B. It is recommended, with respect to the Federal Government that—

1. The appropriate committees of the House of Representatives continue studies on cutting down the delay in the Federal Trade Commission, involving, in many instances, years of investigation and hearing procedures, culminating in cease-and-desist orders which are sometimes more honored in the breach than in the adherence. The subcommittee is aware that both the Committee on the Judiciary and the Committee on Interstate and Foreign Commerce have undertaken comprehensive investigations of the Federal Trade Commission and other regulatory agencies.

2. The appropriate committee of the House of Representatives conduct further investigation of economically feasible west coast pipeline proposals as they relate to small business and other economic matters. Irrespective of the insufficiency of military necessity for such pipeline, as set forth in a recent letter to Senator JOSEPH C. O'MAHONEY from Hon. Gordon Gray, Director of the Office of Defense Mobilization, the subcommittee is reinforced in this belief by another recent letter to Senator O'MAHONEY from Hon. Victor R. Hansen, Assistant Attorney General in charge of the Antitrust Diivsion, Department of Justice, concerning the economics of this subject. (See appendix to this report for the Gray and Hansen letters.)

3. The Select Committee on Small Business of the House of Representatives initiate a major effort to solve the risk capital problem of the independent segments of the petroleum industry.

4. The Department of Justice investigate the present influence of consignment, commission and company-operated stations in price leadership, maintenance or fixing, or in price discrimination against independent lessee-dealers, as possible violations of the antitrust laws.

5. The Department of Justice investigate, take appropriate action and report to the House of Representatives as to the legality of suggesting retail prices and of the creation of trade areas by oil suppliers within which they grant competitive allowances or subsidies to petroleum lessees and dealers.

6. The Federal Trade Commission review the present practices in the sale of automotive equipment to service stations by major oil company suppliers; this in addition to the continuing investigation by the FTC of the sale and distribution of tires, batteries, and accessories.

7. The Small Business Administration establish a policy granting financial assistance to qualified distributors at all levels in the petroluem and allied products industry who own their own property.

C. It is recommended with respect to existing law that—

1. The appropriate standing committees of the House of Representatives examine factors basically inherent in the enforcement of the antitrust laws, with particular reference to ineffective relief and delay.

With respect to pending legislation, the subcommittee recommends that H. R. 432, providing for payment of costs and reasonable attorneys' fees in successful injunction suits to restrain practices alleged to be in violation of the Clayton Act, be promptly enacted after hearings by the Committee on the Judiciary; that continuing studies be made of H. R. 425, H. R. 426, H. R. 427, and H. R. 428 by the staff of the Small Business Committee; that the Committee on the Judiciary be requested to hold hearings on H. R. 427, a bill to amend section 4 of the Sherman Act to prescribe a procedure with respect to consent judgments and decrees entered by the courts in antitrust cases; that H. R. 426 not be enacted at this time, and that consideration of H. R. 428 be postponed pending the result of the current Federal Trade Commission proceedings.

The subcommittee also recommends that consideration be given by the Committee on Ways and Means to an amendment of section 4081 of the Internal Revenue Code to provide for equalization of the collection of taxes on petroleum. Also that the House Small Business Committee recommend a small business tax relief bill to help the petroleum and all other small business segments.

Because of the importance of the problems still existing in the industry, the subcommittee suggests the following future program:

Inasmuch as this is an interim report, Subcommittee No. 5 of the House Small Business Committee wishes to note that it will continue its studies based on the facts developed in its record and of the interim conclusions reached. The subcommittee plans conferences concerning the Federal Trade Commission procedures. Another important subject remaining to be studied is whether marketing practices in geographical areas of the country that were not covered in the current investigation are sufficiently different to justify more hearings at a later time.

The experience of the subcommittee in investigating the problems of the lessee-dealers and other distributors of petroleum products at the retail level through service stations points out the advisability of further investigation at a future time. The subcommittee in the 84th and 85th Congresses has seen many of the effects without fully developing through informed authoritative testimony the fundamental causes.

As pointed out in various sections in this report, the primary problem which besets the industry, and particularly the service station operator, at various times and in various places is a surplus of gasoline. The complexities of production and distribution in the petroleum industry engender many interrelated and collateral problems at the retail level of distribution. Crude petroleum is produced in many States of the Union, some of which have important conservation laws and compacts with other States as authorized by Federal law. There are probably 8,000 or 10,000 small-business concerns engaged in the production of crude oil in the United States. These smaller concerns have a proper and important place in the industry. The subcommittee is as proportionately concerned with the welfare of this sector of the industry as it is with the many, many thousands of wholesalers and retailers in the industry. The subcommittee is likewise concerned with the small, independent refiner whose interests are often overlooked and many times misunderstood in considering the general pattern and problems of production and distribution of petroleum products.

All sectors and all factors in the industry are affected by the importation of crude oil and other petroleum products. There is a problem resulting from the importation of crude as well as the importation of residual fuel oils and highly refined products. There are, of course, many reasons which induce

the importation of crude and other petroleum products. All of these and many other factors too numerous to go into in this report tend at times to create problems in the production and distribution of domestic crude petroleum and refined products. The complexities of production and distribution tend to obscure the actual supply and demand situation at certain times in specific geographical areas. The subcommittee has a responsibility to all small-business men engaged in the industry to study and investigate at an appropriate time other phases of the production and distribution of petroleum products.

It is the sincere hope of the subcommittee that as a result of this investigation and the implementation of the recommendations made, the conditions which gave rise to the complaints will have been altered for the better.

I also wish at this time to express my deep appreciation to my colleagues on the subcommittee, the gentleman from Oklahoma, the Honorable TOM STEED, the gentleman from Missouri, the Honorable CHARLES H. BROWN, the gentleman from Illinois, the Honorable TIMOTHY SHEEHAN, and the gentleman from California, the Honorable CRAIG HOSMER for their invaluable assistance during our hearings and deliberations.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. DELLAY (at the request of Mr. MARTIN) for 2 weeks, August 19 to September 3, on account of military service.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. WITHROW, for 25 minutes tomorrow.

Mrs. ROGERS of Massachusetts today for 5 minutes.

Mr. VANIK for 30 minutes on Thursday, August 22, and to revise and extend his remarks.

Mrs. ROGERS of Massachusetts for 5 minutes on tomorrow.

Mr. BOW for 30 minutes on Wednesday next.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. WIGGLESWORTH and to include extraneous matter.

Mr. NEAL and include an editorial.

Mr. SHEEHAN (at the request of Mr. MARTIN) and include extraneous matter.

Mr. BERRY and to include extraneous matter.

Mr. THOMPSON of Louisiana (at the request of Mr. BROOKS of Texas) in two instances.

Mr. FISHER.

Mr. CANNON and to include extraneous matter.

Mr. MILLER of Nebraska.

Mr. VAN ZANDT and to include extraneous matter.

Mr. WEAVER and to include extraneous matter.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly at 4 o'clock and 23 minutes p. m.), the House adjourned until tomorrow, August 20, 1957, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1142. A letter from the Acting Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation entitled "A bill to amend the laws relating to St. Elizabeths Hospital so as to fix the salaries of the Superintendent, Assistant Superintendent, and first assistant physician of the hospital, and for other purposes"; to the Committee on Education and Labor.

1143. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting a copy of the order suspending deportation in the case of Victor Pena-Morales, pursuant to Public Law 863, 80th Congress; to the Committee on the Judiciary.

1144. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to the Immigration and Nationality Act of 1952 (8 U. S. C. 1254 (a) (1)); to the Committee on the Judiciary.

1145. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to the Immigration and Nationality Act of 1952 (8 U. S. C. 1254 (a) (5)); to the Committee on the Judiciary.

1146. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in cases of certain aliens who have been found admissible into the United States, pursuant to section 212 (a) (28) (I) (ii) of the Immigration and Nationality Act; to the Committee on the Judiciary.

1147. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in cases where the authority contained in section 212 (d) (3) of the Immigration and Nationality Act was exercised in behalf of such aliens, pursuant to the Immigration and Nationality Act; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, pursuant to the order of the House of August 16, 1957, the following bills were reported August 17, 1957:

Mr. FRAZIER: Committee on the Judiciary. House Joint Resolution 351. Joint resolution to establish a Lincoln Sesquicentennial Commission; with amendment (Rept. No. 1188). Referred to the Committee of the Whole House on the State of the Union.

Mr. LANE: Committee on the Judiciary. S. 807. An act for the relief of Jackson School Township, Ind.; with amendment (Rept. No. 1189). Referred to the Committee of the Whole House on the State of the Union.

[*Submitted August 19, 1957*]

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MURRAY: Committee on Post Office and Civil Service. S. 2500. An act to make uniform the termination date for the use of official franks by former Members of Congress, and for other purposes; without amendment (Rept. No. 1190). Referred to the Committee of the Whole House on the State of the Union.

Mr. FRAZIER: Committee on the Judiciary. H. R. 109. A bill to incorporate the Jewish War Veterans, U. S. A., National Memorial, Inc.; without amendment (Rept. No. 1191). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURRAY: Committee on Post Office and Civil Service. H. R. 8606. A bill to amend the Civil Service Retirement Act with respect to annuities of survivors of employees who are elected as Members of Congress; without amendment (Rept. No. 1192). Referred to the Committee of the Whole House on the State of the Union.

Mr. VINSON: Committee of conference. H. R. 8240. A bill to authorize certain construction at military installations, and for other purposes (Rept. No. 1193). Ordered to be printed.

Mr. FRAZIER: Committee on the Judiciary. House Joint Resolution 313. Joint resolution designating the week of November 22–28, 1957, as National Farm-City Week; without amendment (Rept. No. 1194). Referred to the House Calendar.

Mr. FRAZIER: Committee on the Judiciary. H. R. 982. A bill to amend section 77 (c) (6) of the Bankruptcy Act; with amendment (Rept. No. 1195). Referred to the House Calendar.

Mr. BONNER: Committee of conference. H. R. 6709. A bill to implement a treaty and agreement with the Republic of Panama, and for other purposes (Rept. No. 1196). Ordered to be printed.

Mr. BONNER: Committee on Merchant Marine and Fisheries. H. R. 9280. A bill to facilitate the conduct of fishing operations in the Territory of Alaska, to promote the conservation of fishery resources thereof, and for other purposes; without amendment (Rept. No. 1197). Referred to the Committee of the Whole House on the State of the Union.

Mr. CHELF: Committee on the Judiciary. H. R. 8123. A bill to facilitate the entry into the United States of certain adopted children and other relatives of United States citizens, and for other purposes; with amendment (Rept. No. 1199). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, a follows:

Mr. WALTER: Committee on the Judiciary. Senate Concurrent Resolution 41. Concurrent resolution favoring the suspension of deportation in the case of certain aliens; with amendment (Rept. No. 1198). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BONNER:

H. R. 9342. A bill to authorize the construction and sale by the Federal Maritime Board of a superliner passenger vessel equivalent to the steamship *United States;* to the Committee on Merchant Marine and Fisheries.

By Mr. HAGEN:

H. R. 9343. A bill authorizing additional appropriations for prosecution of certain river and harbor and flood-control projects; to the Committee on Public Works.

By Mr. HOSMER:

H. R. 9344. A bill to provide for research into and development of practical means for the utilization of solar energy, and for other purposes; to the Committee on Interior and Insular Affairs.

H. R. 9345. A bill to permit the payment of equivalent amounts of money to the United States in lieu of the performance of labor or the making of improvements on a mining claim for the purposes of section 2324 or 2325 of the Revised Statutes of the United States; to the Committee on Interior and Insular Affairs.

By Mr. MATTHEWS:

H. R 9346. A bill to prevent the unauthorized censorship by broadcasting, television, telephone, telegraph, and all similar companies, or networks, of songs, tunes, words, lyrics, and other material and things; and providing certain procedure to be followed in such cases, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. POFF:

H. R. 9347. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income for certain amounts paid by a teacher for his further education; to the Committee on Ways and Means.

By Mr. PORTER:

H. R. 9348. A bill to prohibit Government agencies from acquiring or using the National Grange headquarters site without specific Congressional approval, to provide for renovation of the old State Department Building, and for other purposes; to the Committee on Public Works.

By Mr. SADLAK:

H. R. 9349. A bill to permit certain educational organizations to import free of duty scientific and laboratory apparatus for educational or scientific purposes; to the Committee on Ways and Means.

By Mr. SPRINGER:

H. R. 9350. A bill to authorize the transfer of certain housing projects to the city of Decatur, Ill., or to the Decatur Housing Authority; to the Committee on Banking and Currency.

By Mr. TOLLEFSON:

H. R. 9351. A bill to authorize the construction and sale by the Federal Maritime Board of a superliner passenger vessel equivalent to the steamship *United States;* to the Committee on Merchant Marine and Fisheries.

By Mr. WALTER:

H. R. 9352. A bill to amend the Internal Security Act of 1950, and for other purposes; to the Committee on Un-American Activities.

By Mr. YOUNG:

H. R. 9353. A bill to authorize continuing studies of the biology, propagation, catch, and abundance of species of fish and shrimp that are of interest to sport and commercial fishermen in waters adjacent to certain areas in the State of Texas so that appropriate measures for protecting the environment and increasing the abundance of such species of fish and shrimp may be taken; to protect the whooping crane and the lands upon which it is dependent by the establishment of a wildlife sanctuary in the State of Texas, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. BOYLE:

H. R. 9354. A bill to provide for increases in the annuities of annuitants under the Civil Service Retirement Act of May 29, 1930, as amended; to the Committee on Post Office and Civil Service.

By Mr. BROOMFIELD:

H. R. 9355. A bill to establish the use of humane methods of slaughter of livestock as a policy of the United States, and for other purposes; to the Committee on Agriculture.

By Mr. ASHMORE:

H. Con. Res. 226. Concurrent resolution designating the 7-day period beginning March 16, 1958, as National Library Week; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHMORE:

H. R. 9356. A bill for the relief of Mrs. Ursula Matucha Murphree; to the Committee on the Judiciary.

By Mr. BAUMHART:

H. R. 9357. A bill for the relief of Joern Krause; to the Committee on the Judiciary.

By Mr. CUNNINGHAM of Iowa:

H. R. 9358. A bill for the relief of Damian Centgraf; to the Committee on the Judiciary.

By Mr. KEARNS:

H. R. 9359. A bill to authorize the National Society of the Sons of the American Revolution to use certain real estate in the District of Columbia as the national headquarters of such society; to the Committee on the District of Columbia.

By Mr. MACK of Washington:

H. R. 9360. A bill for the relief of Katica Andric and Tomislav Andric; to the Committee on the Judiciary.

By Mr. REUSS:

H. R. 9361. A bill for the relief of Ivan Novotnieck; to the Committee on the Judiciary.

By Mr. ROBERTS:

H. R. 9362. A bill to provide for the conveyance of certain real property of the United States to Post 924, Veterans of Foreign Wars; to the Committee on Armed Services.

By Mr. SHELLEY:

H. R. 9363. A bill for the relief of Kiyoko Kawano; to the Committee on the Judiciary.

By Mr. VANIK:

H. R. 9364. A bill for the relief of Pedro M. Guinto; to the Committee on the Judiciary.

H. R. 9365. A bill for the relief of Florentine Ibabao; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Food Additives

EXTENSION OF REMARKS
OF
HON. WILL E. NEAL
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES

Monday, August 19, 1957

Mr. NEAL. Mr. Speaker, an oldtimer visiting a modern food market cannot help reminiscing. Seeing fruits and vegetables from many different climates, of many varieties, clean, fresh, and appetizing, packaged to appeal to the eye, and emanating nostalgic odors, elicits comparisons of conditions in the earlier days when things were different.

Only those who remember the wellhouse or the earth cellar in the garden where a few seasonal products could be preserved from freezing and early spoilage, can fully appreciate the transition from methods common to our fathers.

Meats were smoked and salt cured for year-round use. Potatoes kept in cool places could be available until the early spring planting. Onions, subject to early decay, were planted in the fall to supply spring relish containing that vital health ingredient we now know as vitamin C. For the most part, fruits were sun dried, home canned, or preserved in sirup. Milk products demanded meticulous and timely care. Bread was made from homegrown grain. Time consuming, yes, but hungry stomachs were fully satisfied and physical energy seldom lacking.

Not only do concentrations of people make these old methods impractical, but modern advances in production and distribution of food products make it unnecessary. The scientists and the creative artists have joined mass producers to evolve methods that combine abundance, variety, and safety of foods readily available at the corner grocery store.

Without the use of chemicals used in processing, preserving, coloring, and industrial chemical products used in packaging of human foods, large groups of people living in densely populated cities could no longer boast of being the best fed people in the whole world.

But, it seems that well-fed and well-nourished people suffer from fears and frustrations among which is worry about "things that have not happened yet." Sensational lay writers for popular periodicals and magazines need only suggest that some chemical used in food may be poisonous or capable of generating cancer, to create, a fear psychology that is more detrimental to the peace and happiness of many than the actual incidence of such unusual dreaded diseases other than those experienced only in the minds of individuals.

As a matter of fact, there are several hundred chemical substances and derivatives used by food processors, some of which have been utilized for a long period of time. Some of these are known to be poisonous in large doses. But in the infinitesimal amounts used in the preparation of food, there is absolutely no danger as shown by experience over a long period.

Food processors and industrialists producing chemical additives for use in foods maintain competent research chemists and scientists at great expense to conduct such studies and experiments as will insure the harmlessness of any drug or chemical proposed to be used in the packaging of foods. More recently considerable attention has been given to so-called carcinogens. Animal experimentations show that some chemicals applied to or ingested by animals do sometimes result in the formation of tumors but as yet none, even cigarette

smoke, has been proven to be the direct cause of cancer in the human body.

So, I would like to ease the minds of fearful consumers of processed foods of their discomforting fears of chronic disease or cancer. Just forget these imaginary dangers and enjoy your food and give thanks for its purity and abundance.

The Pure Food and Drug Administration has been policing food processors for many years. The food producers have been uniformly cooperative in ceasing to use any additive even suspected of causing harm to human beings. The rapid advances in chemistry, the discovery of new and untried chemical products that promise further advantage to the food industry add new responsibilities to both the industry and to the guardian agency.

The Interstate and Foreign Commerce Committee has recently held exhaustive hearings on matters pertaining to the use of additives to foods. Out of these hearings the committee has concluded that protection for the food-consuming public can best be assured by demanding that all chemicals intended for future use in the processing of foods be thoroughly pretested for safety before they can be used as food additives for any purpose whatsoever.

With such a statute faithfully executed by the Pure Food and Drug Administration, our people can enjoy all the luxury and conveniences of processed foods without fear or worries. These words from a recent column written by Dorothy Thompson are apropos:

Excessive concern with one's health, anxieties about diseases one doesn't yet have, continuous watching for symptoms, perpetual pulse-taking, trepidation about everything one takes into one's mouth, be it a cigarette or a piece of chocolate cake, is very unhealthful indeed. Phychosomatic research (a new name for a very old observation) registers that anxiety and fear cause body derangements. One can scare oneself into one's grave.

One also can be bored to death. And all the talk of illness, disease, diets, and death has become, for this writer, hideously boring.

Everybody's going to die of something. "One out of five will die of cancer," the placards proclaim. Well, then, 4 out of 5 won't. Meanwhile, as the motto of my high school class proclaimed, "Let us live while we live."

Visit Home

EXTENSION OF REMARKS

OF

HON. A. L. MILLER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 19, 1957

COME TO THE COURTHOUSE—MEET YOUR CONGRESSMAN—HOME AFTER CONGRESS ADJOURNS—RENDER ACCOUNT OF STEWARDSHIP—HOLD GOVERNMENT CLINICS—NOT POLITICAL MEETINGS—SCHEDULE MEETINGS

Mr. MILLER of Nebraska. Mr. Speaker, during my 15 years in Congress I go home immediately after adjournment to render an account of my stewardship. This year I will again hold my government clinics in all of the 38 county-seat towns. The first hour in each clinic is devoted to high school students. The second hour to adults. The question and answer session is mutually beneficial, informative, and stimulating. It takes up all phases of government.

MEETINGS AT COURTHOUSE

September 16, Sidney, 2 p. m.
September 17, Chappell, 2 p. m.
September 17, Kimball, 8 p. m.
September 18, Bridgeport, 2 p. m.
September 18, Alliance, 8 p. m.
September 19, Harrison, 2 p. m.
September 19, Chadron, 8 p. m.
September 20, Rushville, 2 p. m.
September 20, Valentine, 8 p. m.
September 21, Springview, 10 a. m.
September 21, Bassett, 2 p. m.
September 21, Ainsworth, 8 p. m.
September 23, Butte, 10 a. m.
September 23, O'Neill, 2 p. m.
September 23, Ord, 8 p. m.
September 24, Bartlett, 10 a. m.
September 24, Taylor, 2 p. m.
September 24, Burwell, 8 p. m.
September 25, Greeley, 10 a. m.
September 25, Loup City, 2 p. m.
September 25, St. Paul, 8 p. m.
September 26, Grand Island, 2 p. m.
September 26, Kearney, 8 p. m.
September 27, Lexington, 2 p. m.
October 7, Broken Bow, 8 p. m.
October 8, Brewster, 10 a. m.
October 8, Thedford, 2 p. m.
October 8, Mullen, 8 p. m.
October 9, Tryon, 10 a. m.
October 9, North Platte, 2 p. m.
October 10, Stapleton, 2 p. m.
October 10, Ogallala, 8 p. m.
October 11, Arthur, 10 a. m.
October 11, Grant, 2 p. m.
October 11, Oshkosh, 8 p. m.
October 14, Harrisburg, 10 a. m.
October 14, Scottsbluff, 2 p. m.
October 15, Hyannis, 2 p. m.

Soil and Water Problems of Nebraska's First District

EXTENSION OF REMARKS

OF

HON. PHIL WEAVER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 19, 1957

Mr. WEAVER. Mr. Speaker, there is a significant development taking place in Nebraska about which I want to comment. It has to do with the conservation of the soil and water resources of our great State. During the past few years the people of the First Congressional District have become keenly interested in the watershed approach to their soil and water problems.

This watershed approach is a community approach in which all of the interests in a small watershed get together to bring their efforts as a group to focus on the installation of needed conservation measures for farmland and water-control structures on the small streams. This coordinated effort has developed as the people become more and more aware of the need for water conservation. It has become apparent to them that the conservation of our water and soil must go hand in hand.

In many communities within my district town and farm people alike have banded together into watershed groups to do an effective and permanent job of soil and water conservation. Construction work is already under way in some communities. In other communities they are in the planning stage. And in still other communities they are currently getting organized for this kind of a job.

As an example of what is being done I am pleased to state that construction work is moving ahead rapidly in the Dry Creek watershed in Frontier and Red Willow Counties, in the upper Salt Creek watershed in Lancaster County, and in the Indian Creek watershed in Gage and Lancaster Counties.

Watershed planning is currently in process in the Soap Creek watershed and Mud Creek watershed in Gage County, in the Plum Creek watershed in Gage and Pawnee Counties, and in the Brock tributaries watershed in Nemaha County.

In planning and installing this watershed work these local communities are getting valuable assistance from the soil and conservation agencies of the Department of Agriculture. Other communities have asked for help and are now waiting their turn for the Department of Agriculture to get to them. This is the case with the Bowman-Spring Branch watershed in Thayer County, the Buckley Creek watershed in Jefferson and Thayer Counties, the Big Indian Creek watershed in Jefferson and Gage Counties, and the Bear-Pierce-Cedar watershed in Gage County.

In Nebraska the State and county ASC committees have cooperated with local soil conservation districts, watershed associations, and local citizens in furthering this watershed work. They have cooperated magnificently in using the cost sharing resources available through the agricultural conservation program to install the soil and water conservation measures needed on farmland and required by law as an integral part of the community effort. As a result, there has been a significant increase in the establishment of many permanent soil and water conservation practices such as terracing, contour farming, waterway development, constructing diversions and ponds, channel improvements, and tree planting. I am proud of this progress in Nebraska.

The local people in my district have been pointing out to me the need for more resources to move ahead faster for this real, permanent type of soil conservation work. For the country as a whole, on the other hand, it has been reported that in 1955 from 50 to 60 percent of the ACP funds were used on temporary, short term practices that tend to increase crop production.

It is my opinion, Mr. Speaker, that during this period of crop surpluses, now is the time to concentrate the use of ACP funds on permanent soil and water conservation measures such as those presently being carried on in the area of Nebraska that I represent.

Mr. Speaker, I want to commend Ervin L. Peterson who is assistant in charge of soil and water conservation programs for the Department of Agriculture along with his many associates for the outstanding job that they are doing in directing the Federal Government's part of the national soil and water conservation effort. I congratulate them on their desire to improve on the use of funds made available to the Department of Agriculture for helping farmers with soil and water conservation work through the agricultural conservation program.

The American Red Cross and Hurricane Audrey

EXTENSION OF REMARKS
OF
HON. T. A. THOMPSON
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 19, 1957

Mr. THOMPSON of Louisiana. Mr. Speaker, I want to read into the records of the Congress of the United States an expression of praise and respect for the wonderful and outstanding work of the American Red Cross during Hurricane Audrey as well as for the thorough understanding and tireless manner in which their personnel are accomplishing the monumental task of rehabilitating the entire Parish of Cameron in addition to other areas in Jefferson Davis, St. Landry, Vermilion, a total of 21 parishes and 4 counties in Texas.

During and immediately after the hurricane struck and in the early emergency stages of the disaster, the local Calcasieu-Cameron Chapter of the American Red Cross, guided and assisted by National Red Cross personnel, opened some 18 shelters in Lake Charles and Sulphur and others throughout southwest Louisiana to care for the 26,000 or more people who left their homes seeking safety or whose homes were destroyed by the winds and tides of the hurricane. This emergency period of some 3 or 4 days duration cost the Red Cross some $374,481.

The emergency is by no means over in Cameron Parish to this day for despite the 1,108 grants made from among the requests for assistance filed in Cameron alone, there is still no store open in Cameron Parish, no restaurant or cafe, no place where a person may purchase food or clothing. Much used clothing is available through Red Cross and Salvation Army. Electric power is not yet restored although crews are working long hours erecting poles and stringing power lines. Without electric power, there are no lights, refrigeration, no way of lifting water or power to operate workmen's tools.

You may wonder why after 7 weeks this condition exists. To truly know the answer, you would have to visit Cameron Parish and see the total devastation of an entire Parish, an area some 50 miles long by 30 miles wide. The only place where a worker can get a hot meal in the entire parish is at one of the three Red Cross kitchens. These kitchens are staffed by military personnel of the Army and Air Force and are housed in tents supplied by the military and who have performed a great job in support of the Red Cross during the rehabilitation phase of this operation. Mass care of returning residents, working to clean up and rebuild their property, workers clearing roads, workers rebuilding houses and other personnel in the area has already amount to $85,059 in costs to the American Red Cross and the job is far from over—already over 100,000 meals have been served.

Outright gifts in the amount of $1,036,105 have been made to some 3,137 families who suffered losses as a result of the hurricane. There were many, many more families affected by the hurricane, but who however, due to their financial position or resources made no request to the Red Cross for assistance. The Red Cross, serving as the Nation's official disaster relief agency under its Congressional charter, in carrying out its traditional but less publicized rehabilitation assistance phase of Red Cross disaster operations which it gets underway as soon as possible after the emergency period of a disaster, plans with the individual family for the family's recovery, when the family asks Red Cross for such assistance. The Red Cross does not replace loss, but does provide the funds necessary to meet a family's disaster-caused need which the family is unable to meet through its own resources without undue hardship. The Red Cross gives this assistance as an outright gift in behalf of the American people who provide the funds which are channeled through the Red Cross to do this wonderful job. I strongly recommend that each of you become more familiar with the work of our American Red Cross in disasters. I think that all of you would have a new conception, a real understanding of what the phrase "neighbor helping neighbor" means and why it is so symbolic of our Red Cross.

To date, the American Red Cross has spent or awarded in gifts, a total of practically $1½ million in the wake of Audrey and the entire operation will probably run an additional million dollars.

I would be remiss if I did not praise the unusual and outstanding work of the Red Cross personnel. Unusual because, in a great number of cases, these families spoke French rather than the English language. Outstanding because of the understanding way in which the Red Cross workers helped families establish the required facts; their former assets, their present resources, and their basic needs. Using these developed facts, trained Red Cross technicians made recommendations to the advisory committee, composed of local business and civic leaders of the affected areas. These advisory committees, using their personal knowledge of the families and situation combined with Red Cross recommendation settled the case. Needless to say, due to the thoroughness of the Red Cross workers' development of the case and trained ability to arrive at an equitable and fair amount as an award, their suggested award was followed in 99 percent of the cases presented, and while Red Cross personnel will be still engaged in planning with the disaster stricken families in Louisiana for their rehabilitation, in the manner I have spoken of, for possibly weeks after this body adjourns, it has been my earnest desire to recognize and commend to you for the current record the work of the Red Cross to date and for what it will continue to do until every disaster sufferer who has requested Red Cross assistance has his claim carefully considered. The people of my State can never forget what it has meant to have the help of the rest of the Nation channeled to the individual families through our American Red Cross.

Reclamation and Water Conservation as National Policy Boosted by President Eisenhower in Signing San Angelo, Tex., Reclamation Bill

EXTENSION OF REMARKS
OF
HON. O. C. FISHER
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Monday, August 19, 1957

Mr. FISHER. Mr. Speaker, by signing the San Angelo, Tex., reclamation project bill on last Friday, President Eisenhower further confirmed his support of reclamation and water conservation as a national policy. The action of the Congress in passing this bill and the action of the President in approving it will be acclaimed by all true friends of reclamation, particularly in the West and Southwest where the value of water and its conservation is so universally recognized and appreciated.

This project, highly recommended and justified by the Bureau of Reclamation and the Secretary of the Interior, is one of the sounder reclamation projects that has been considered by the Congress in recent years. Its benefit-cost ratio is more than 2 to 1. The proportion of cost chargeable to municipal and industrial uses is only 20 percent—every penny of which is reimbursable to the Government, with interest. There have been very few reclamation projects before the Congress in recent years where such a small proportion of the cost was attributable to municipal uses. This proportion in most of the reclamation projects runs up as high as 40 to 75 percent.

One of the pressing domestic demands in this country today is a more widely recognized need for water conservation, which goes hand-in-hand with soil conservation. To meet the minimum requirements for normal progress we must store and conserve floodwaters and convert such water to the use of man. That sort of planning is needed everywhere, on every stream and river in America where storage dams are economically feasible. To ignore that need and its importance is to gamble with our future and to stymie progress on the homefront, and to practice false economy.

So long as the Congress supports projects of this nature that are engi-

neeringly sound and economically feasible, reclamation as a national policy will continue to command and deserve public support. The Congress in approving the San Angelo project has given support to that principle. The President in signing the bill has demonstrated his friendship for sound and feasible water conservation policies. The passage and approval of this bill is deeply appreciated by the people in the immediate area of the project, as well as by the people of Texas and of the great Southwest.

Federal Grants-in-Aid to South Dakota

EXTENSION OF REMARKS
OF
HON. E. Y. BERRY
OF SOUTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 19, 1957

Mr. BERRY. Mr. Speaker, I have just received some illuminating facts with regard to Federal grant-in-aid programs in South Dakota. These figures illustrate what is happening in these grant-in-aid programs when a small State like South Dakota receives $36,408,176 in so-called grants from the Federal Treasury.

This grant-in-aid program is one of the most alarming growths of Federal bureaucracy. The movement has grown from $1½ billion in 1947 to an estimated $5 billion in fiscal 1958. We need only to examine how bureaus grow through such grants to see that there will be no stopping of this trend of Washington-controlled government if many of the programs are not handed to the States.

At the governors' conference in Williamsburg, Va., the latter part of June, President Eisenhower told the Governors of the States that the trend toward centralized Government is not only continuing but accelerating. He said:

> If States' failure to meet pressing public need has created the opportunity, developed the excuse, and fed the temptation for the National Government to poach on the State preserves, year by year responding to transient popular demands, the Congress has increased Federal functions.

President Eisenhower suggested at that meeting the creation of a Federal-State task force which would develop adjustments in our tax structure to the end that the States would keep a greater share of tax revenue. It would determine what functions now being performed by the Federal Government can be taken over by the States, and it would establish responsibility for problems which might arise in the future.

I want to say at this point, Mr. Speaker, that I wholeheartedly endorse the suggestion of the President. I think the time has come when we must take a sharp look at this whole grant-in-aid problem.

The last session of Congress added 13 new grant-in-aid programs to the statute books. Several more have been added this session. I would emphasize that most of these funds finance good programs, but the question is not one of merit but what is the most effective means of carrying out needed programs under our constitutional form of government.

It is not the spending which should worry us so much as the effect of this spending, for as the Federal Government takes over these functions which rightly belong to the States, cities, and counties, control moves away from the people into the hands of bureaucrats in Washington who are actually responsible to no one. This is the thing which should give us great concern because it robs us of the concept of government upon which this Nation was founded.

It is, Mr. Speaker, for that reason that I wish to insert in the RECORD at this point a list of 61 of the 95 programs available to the States and Territories of which South Dakota received payments last year.

The list is as follows:

Direct Federal grants-in-aid to South Dakota, fiscal year 1956

Agricultural experimental stations	$316,699
Cooperative agricultural extension work	515,756
School-lunch program	375,049
National forests fund	78,778
Submarginal land program	33,091
Cooperative projects—marketing	15,263
State and private forestry cooperation	33,094
Commodity Credit Corporation	439,708
Special school milk program	209,192
Removal of surplus agricultural commodities	695,739
Civil Aeronautics Administration—Federal airport program	41,388
Bureau of Public Roads—highway construction	8,566,426
Army—lease of flood-control lands	36,279
Agricultural, mechanical college grants	76,511
Cooperative vocational education	253,114
School construction and survey, emergency	587,185
Maintenance, operation of schools, emergency	828,144
Venereal-disease control	1,200
Tuberculosis control	14,750
General health assistance	63,759
Polio emergency grants	15,000
Mental health activities	19,419
Cancer control	14,830
Heart disease control	13,399
Polio vaccine program	206,769
Hospital construction, survey, planning	177,945
Maternal and child health services	86,095
Crippled children services	106,326
Child welfare services	70,587
Old-age assistance	3,823,562
Aid to dependent children	1,882,459
Aid to permanently, totally disabled	309,757
Aid to the blind	76,939
Printing for the blind	1,369
Vocational rehabilitation	146,318
Wildlife restoration	401,836
Migratory bird conservation	1,953
Mineral leasing payments	96,929
Special funds payments (Interior)	8,800
Unemployment compensation, employment service	573,810
Civil defense—emergency grants	23,672
Homes for disabled soldiers, sailors	78,632
VA on-the-job training, supervision	40,918
Total grant payments (43 programs) direct	21,358,449

Federal-aid payments other than direct grants and loans, fiscal 1956

Agricultural conservation program	$4,732,035
Agricultural conservation program	147,214
Public roads, forest highways	223,921
National Guard, Air Force	1,402,762
National Guard, Army	2,669,468
National Arthritis and Metabolic Diseases Institute, research	25,415
National Cancer Institute, research	4,850
National Institute Allergy, Infectious Diseases, research	13,922
National Institute of Mental Health, research	10,587
Division Research Grants	4,579
National Cancer Institute, training	5,000
National Cancer Institute, fellowships	2,592
Unemployment compensation, veterans	507,145
Unemployment compensation, Federal employees	92,575
National Science Foundation, research	19,134
National Science Foundation, fellowships	6,180
Automobiles for disabled veterans	14,400
VA readjustment benefits and vocational rehabilitation	5,167,948
Total payments (18 programs)	15,049,727
Total grants-in-aid to South Dakota (61 programs)	36,408,176

Labor Leaders Parrot Democrat Line and Overlook the Rank and File

EXTENSION OF REMARKS
OF
HON. TIMOTHY P. SHEEHAN
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Monday, August 19, 1957

Mr. SHEEHAN. Mr. Speaker, I noticed from an Associated Press dispatch on August 14 and from newspaper articles the following day that the AFL–CIO executive council branded the Eisenhower administration's economic policies as "designed to hasten a recession," and characterized the Republican administration's fiscal policies as "blundering," "confused," and "self-defeating."

At first when I read the news articles and the Associated Press dispatch, I thought it was the spokesman of the Democrat Party talking because of the closeness of the line which both the labor leaders and the Democrat politicians have been following.

It would seem to me that the self-perpetuated leaders of the labor movement in the country would be more interested in the maintenance of the value of the dollar so as to protect the interests of the salary workers, pensioners, and people who live on fixed savings, all of whom are just as much members of the labor unions as other sections of the unions.

The Republican administration's desire to protect the interests of all Americans is certainly far more praiseworthy

than the stand of the union leaders and the resolutions coming out of the Chicago meeting which seem to prove the fact that the union labor leaders are but an arm of the Democrat Party.

On Friday, August 16, I received a letter from a former union man who bitterly protests the action of the union leaders and who speaks of the big problem of inflation which every serious minded citizen wants to control but about which the union leaders apparently are not concerned as evidenced by their blatant criticism of the administration's desire to bring inflation under control.

In order to prevent any labor union leaders from putting pressure on the writer of this letter, I am purposely withholding his name.

The letter is as follows:

GREEN VALLEY, ILL.,
August 14, 1957.

DEAR CONGRESSMAN SHEEHAN: I would like to see H. R. 5551 defeated because I do not want to pay any income taxes from my railroad retirement benefits. I want my insurance and other incomes to be worry free. My Government has no money to give except the taxes it collects.

Inflation is a problem especially for the worker who received $6,000 to $7,000 annually and not has only retirement. Could we legislate for him? Our benefits are only a stop gap.

Our union leaders through Labor seeks to discredit President Eisenhower, Senator DIRKSEN, and the Republican Party. They try to wheedle dollars for the Railway Political League and then give the money to the Democrats to defeat our candidates.

I want our party to always work for the good of the whole country and not put one man against another for the sake of a vote.

Yours respectfully.

———.

The writer of the letter enclosed the Saturday, August 10, issue of Labor and as he so well pointed out, this paper seems to take special pains to discredit the Republican administration and Republicans in general and serve as a spokesman for the Democrat Party. It is my firm belief and knowledge that the rank and file members are able to make up their own minds. However, in all fairness, papers which espouse labor's cause should bring both sides of the question and not serve as a rubber stamp for the Democrat Party and ignore the wishes and thoughts of a great number of the rank and file of union members.

The Reserve Program

EXTENSION OF REMARKS
OF
HON. ROBERT L. F. SIKES
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 19, 1957

Mr. SIKES. Mr. Speaker, I have long been of the opinion that our great country must have a reservoir of trained available manpower in reserve to back up our standing military force if we are to maintain our military strength. Recent developments have indicated that there is a move to weaken this Reserve strength. I am so strongly interested in what is happening to the Reserve that I have addressed the following letter to the Secretary of Defense:

AUGUST 19, 1957.

HON. CHARLES E. WILSON,
Secretary of Defense, the Pentagon,
Washington, D. C.

DEAR MR. SECRETARY: Members of Congress heard with satisfaction Defense Department statements 2 years ago that plans were in the making to expand and strengthen the Reserves as the standing force is reduced in strength. These policy announcements were made in testimony on the Armed Forces Reserve Policy Act of 1955.

The concept that this Nation rely for its military security upon a relatively small but highly trained and gifted standing force, supported by a huge reservoir of trained available manpower in Reserve was given to us by President Washington and has remained ever since among America's proudest and most realistic traditions.

At the conclusion of World War II, Congress and the leaders of the Defense Establishment were in agreement that the Nation must keep in readiness its huge population of experienced and battle-trained soldiers, sailors, and airmen. An incentive program, aimed particularly at keeping available for possible callup our Reserve officers was put into effect, and now has been expanded to bring into the trained military manpower pool those who would serve in the enlisted ranks.

There now are widespread reports that new Defense Department policies are replacing these incentive policies, and whether by accident or design, many of the older officers are discouraged and even dismayed by what some consider to be efforts to force them into premature retirement.

As an example of the incentive in reverse is the removal of the United States Army Reserve school trainees and other officers from a part-time pay status. Some of these Army Reserve officers have taken this as an implied suggestion that they withdraw from the training program. Whether or not that was intended, it readily can be seen that the abandonment of a training activity whose cost was relatively insignificant in a $40-billion military program might be subject to such interpretation.

More discouraging to the Reserve officer, however, has been the imposition of very low age ceilings on the United States Army Reserve school trainees, which will have the effect of forcing to the sidelines many of our finest, experienced officers with proven mature leadership capacities.

The overall effect of an unjustified curtailment of the Reserve training program could be dangerous to our security.

Our traditional reliance upon the Reserves has been more than simply a safeguard based upon superior numbers and training. The United States has survived because of the fighting spirit of our Armed Forces who have been called temporarily from civilian life to repel a military threat. In our tradition, we know this as the spirit of the minuteman—in the pattern of the American patriot who was called from his plow, his shop, and his home in 1776 to wrest our independence from the mother country. We cannot risk loss of this spirit, and a blow at our Reserve leaders, as a group, involves such a risk.

We in Congress are concerned that the civilian policymakers of the Department of Defense may have overlooked this possible effect. It is not pleasing to see our citizen-soldiers, sailors, and airmen given cavalier treatment when their desire is to be ready to serve their country in time of need. It makes us wonder if Defense leaders are dropping our guard and perhaps inviting disaster.

It is hoped that careful scrutiny will be given to all aspects of the current new policies governing Reserve training. The committees of Congress will expect to review thoroughly all decisions which affect this program, particularly those which appear to be a departure from our traditional concepts.

With good wishes, I am,

Sincerely,

ROBERT L. F. SIKES,
Chairman, Army Subcommittee,
House Appropriations Committee.

One of the Specious Claims for H. R. 8002

EXTENSION OF REMARKS
OF
HON. CLARENCE CANNON
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Monday, August 19, 1957

Mr. CANNON. Mr. Speaker, one of the foremost arguments being distributed to Members to secure support for H. R. 8002, the accrued expenditure bill, is that the Congress does not now, but should, directly control the annual rate of disbursements from the Treasury. Direct annual control is the point being stressed. The argument is:

H. R. 8002 will provide a means for Congressional control over the annual rate of Government expenditures.

Emphasis is on the words "annual rate." The inference of course is that the present system affords less annual control than would H. R. 8002.

Of course, this completely misses the point. The time and place to control is when agencies request authority to obligate the Government. It is too late to try to effectively control spending after the contract is entered into. Trying to control the precise amount to be disbursed in a particular year accomplishes nothing because, once the contracts are made, they have to be honored sooner or later—if not one year, then the next, or the next. An executed contract inevitably means an expenditure.

But, how valid is the persistent contention that H. R. 8002 will impart closer direct annual control of spending? The answer is simple. If Members will turn to table 6 of the 1958 budget, page A11, the first three columns show that $48 billion of the $72 billion spending budget is from new authorizations, that is, from current 1958 authorizations. The next three columns show that the remaining $24 billion is out of unexpended carryovers from prior years. In other words, two-thirds of spending in 1958 is from authorizations for 1958 and one-third is from carryover balances.

So, as to two-thirds of the spending budget, direct annual control of actual spending is as readily had under the present system as would be possible under the H. R. 8002 system. There is not an iota of difference. Under the present system a cut in this part of the appropriations for 1958 means a direct cut in the spending estimates for 1958, just as would be the case under the H. R. 8002 scheme.

Now, what about direct annual control as regards the remaining one-third, or

$24 billion, of the $72 billion total? By far the greater portion represents amounts contracted under authority granted in earlier years, especially in defense. An obligation created in an earlier year falling due in 1958 must be paid regardless of the system used. Would the Congress, under the accrued expenditure scheme, refuse to appropriate to cover goods and services to be received in 1958 under obligations entered into in earlier years?

The answer is that H. R. 8002 will provide little if any additional opportunity to effectively control annual spending rates.

The cold, hard reality remains. To reduce drain on the Treasury requires reduction in authority to first commit the Treasury. Statements from the executive branch corroborate this simple fact.

Former Treasury Secretary Humphrey said:

It is not the size of any particular budget which is our paramount concern. It is control of the upward march of total Government spending which is of greatest importance to all of us on a long-run basis.

The biggest budget problem, as I see it, is one of seeking out long-term savings.

And here is a statement in point from the Executive Office of the President:

Because obligational authority foreruns expenditures, it is necessary to exercise control over the amount of new authority voted for Government agencies in order to keep expenditures within receipts. If in any year the Government obligates itself to pay more money than it is receiving, it is courting future deficits.

Mr. Speaker, as indicated, the way to reduce spending is to reduce authority to commit the Government. Bookkeeping schemes, such as H. R. 8002, will not keep the money in the Treasury or the taxpayers' pockets.

Mutual Security Statement by Secretary Dulles

EXTENSION OF REMARKS
OF

HON. RICHARD B. WIGGLESWORTH

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, August 19, 1957

Mr. WIGGLESWORTH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the text of the statement on mutual security made by John Foster Dulles, Secretary of State, before the Senate Appropriations Committee on August 19, as printed in the New York Times of August 20:

DULLES STATEMENT

The House of Representatives, in its pending bill appropriating funds for the mutual security program, has made drastic cuts. These are superimposed upon substantial cuts already made by the authorizing legislation. Also they are superimposed upon cuts made in prior years against the judgment of the executive.

The cuts proposed for this year are, in the aggregate, of a magnitude and character to raise grave policy questions.

There can be honest differences of opinion as to how much money is required to carry out United States policy. But the cuts of prior years have brought the common defense into an area of serious risk. In Greece, Turkey, Pakistan, Vietnam, Free China, Korea and elsewhere, there is concern because the needed military effort is creating an inflationary threat not counterbalanced by our defense support. In other countries, bases essential to the common defense are endangered because it is felt that the risks are not being adequately compensated for. When, in the face of that situation, the amounts requested by the President for the current year are cut to the figure now in the House bill, the effect is to challenge the mutual security policy itself.

The fact is that the mutual security program, which has been successfully holding together the Free World and protecting it from Communist depredations, cannot continue to function vigorously and well under such treatment as is accorded by the current House appropriations bill.

MILITARY ASSISTANCE

The President requested $1.9 billion of new funds for military assistance, together with the reappropriation of certain unobligated balances. The House of Representatives cut this request by $650 million.

It is the judgment of the President and the immediately retired and present Chairman of the Joint Chiefs of Staff, that such a reduction in military assistance, the impact of which would come primarily in supplying new types of weapons, would deeply concern our allies, and that, particularly in the case of NATO, the failure to supply certain types of new weapons would have a serious effect upon our NATO alliance.

The report of the House Committee on Appropriations does not make clear whether the committee has a different political and military budget, or whether it is the judgment of that committee that it is now unimportant to the United States whether or not the strength of our military allies disintegrates.

We believe, however, that the Congress before it finally acts should be aware of what it is doing to the security of the United States by making it impossible to supply our allies with the military equipment needed to maintain the effectiveness and morale of their fighting forces.

DEFENSE SUPPORT

I turn now to the matter of defense support. This is money which enables those of our allies which are economically weak to maintain the military forces which we judge necessary for their security. The President asked for $900 million. The House bill would appropriate $621 million.

There is need to extend defense support to 14 allies, chiefly in the Middle and Far East. Over $600 million is required to enable five countries, Korea, Free China, Vietnam, Pakistan, and Turkey, to support the 2,100,000 men they now have under arms. These five countries all lie along the Sino-Soviet border. They are all faced by powerful Communist forces. They have all been subjected to repeated Communist threats. The United States, by treaties overwhelmingly concurred in by this Senate, has found that the peace and security of the United States would be in jeopardy if they should be attacked by Communist aggression.

It is the considered judgment of the President and his military advisers and of the Secretary of State that the House cut in defense support would make it impossible to maintain in these areas, adjudged vital to the United States, the strength necessary to defend them.

The report of the House Appropriations Committee does not make clear whether it judges that the danger is past.

Again, before the Congress finally acts, it should be clear what the issues are and what, and where, is the responsibility.

SPECIAL ASSISTANCE

I turn now to the matter of special assistance. The Executive requested $300 million. The House provides $175 million. Already $100 million is required for specific programs underway. These would have to be cut nearly in half.

The $200 million, requested for emergencies, would also have to be cut nearly in half, to about $115 million. This is substantially less than the actual emergency needs which have had to be met during each of the last 4 years.

There is no single item more vital than this President's emergency fund. At least that is the judgment of the executive branch of the Government and that is a judgment buttressed by experience.

Obviously, the House Appropriations Committee report takes the view, not shared by the President, that there are less apt to be emergencies in the future than in the past. We hope that it is right. But we think it is reckless to proceed on the assumption that what saved Iran, Vietnam, Guatemala, Jordan, and the Hungarian refugees may not be required again.

DEVELOPMENT LOAN FUND

I turn now to the development loan fund. This was designed to make it possible for underdeveloped countries, most of whom have recently achieved new political freedom, to find the way, in freedom, to strengthen their economies so that they would not turn to communism to find that way.

The plan of doing this by loans rather than grants and seeking a long-range approach was based solidly upon the notable study made by the Senate Special Committee To Study Foreign Aid on which your chairman and banking minority members served.

The President recommended that the fund be launched with an assured capital of $2 billion; to be provided in three annual increments. The House bill would appropriate $300 million.

The purpose of the fund is not to piddle away money but to engage in selected well conceived major, long-range projects which would really help get the economy out of the rut and make it easier to bring in private capital, world bank loans, etc.

The treatment accorded by the House bill is so severe as to jeopardize the basic concept that underlies the fund. In effect, the House bill is a policy measure, running contrary to the almost uniform judgments of the executive, the Senate Foreign Relations, and the House Foreign Affairs Committees and also the judgments of numerous special groups who have been studying the matter for the Executive and for the Congress during the past year.

TECHNICAL ASSISTANCE

I turn now to the item of technical assistance. The Executive requested $151 million. The House appropriated $125 million. The House action was designed to bring the program down to the level obligated for fiscal year 1957. However, this ignores the fact that in 1957 two countries, Spain and Yugoslavia, had their technical aid financed from what was then known as defense support. Also it is deemed important in 1958 to extend technical assistance to several newly independent countries. If we cannot slightly enlarge the program it will mean either cutting the present programs elsewhere or else giving no aid to these newly eligible countries.

CONCLUSION

The House action, should it stand, would involve a serious crisis of confidence in the United States and the dependability of its policies.

Throughout the postwar decade, the Congress, whether it was Republican or Democratic, and on a bipartisan basis, has, broadly speaking, followed and implemented the mutual security policies proposed by the President and approved by the Foreign Relations and Foreign Affairs Committees.

If the Congress is no longer willing to follow that kind of leadership, then the Free World in turn may not be prepared to follow the leadership of the United States and the whole foundation of our security structure is endangered. Our allies, their forces, our bases abroad, all are required for the security of the United States. If the Congress is unwilling to do what is necessary to maintain them, then we face a new insecurity and a future of grave risk.

The Cameron Disaster

EXTENSION OF REMARKS
OF
HON. T. A. THOMPSON
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 19, 1957

Mr. THOMPSON of Louisiana. Mr. Speaker, it befell the lot of the people of my district to suffer the devastation of the first killer hurricane of the 1957 hurricane season. Hurricane Audrey which came into the Louisiana coast at Cameron on June 26 and carried with it a wall of water from the Gulf of Mexico varying in height along this coast from 8 to 13 feet above normal tides. Even at this date, Mr. Speaker, an evaluation of losses, both in lives and properties, cannot be accurately determined. I do know that upwards of 600 of our people are known to be killed or are still missing—most of those missing presumed to be dead—and untold millions of dollars in property have been lost by the force of water and gales.

My frequent absence from Washington since the hurricane, I hope, will be understood by this membership. I felt it my duty to be with my people in the time of their great anguish to assist in any way that I could in coordinating the efforts of our various governmental agencies who are charged with the responsibility of rendering assistance in such disasters.

I am extremely proud, Mr. Speaker, of the marvelous efforts put forth by Senators ELLENDER and LONG and Congressman WILLIS, of the Third District, and all of our Federal officials who observed their responsibilities and reacted to them in a most expeditious manner. From the time the President declared the disaster as one qualifying for emergency assistance, the Federal Civil Defense Administration assumed the helm of operations and nothing was left undone in the matter of rescue and rehabilitation.

That organization, which represents the generosity and understanding of all the American people, namely the Red Cross, again has proved that it reflects the great humanitarian instincts of the American people. The work that was done by the Red Cross from the time the hurricane struck our areas and the work that I know is planned to be done in rehabilitation can well be an inspiration to all of us. Mr. Donald Stout, who is in charge from the national level of the Red Cross, and his associates are people of great understanding and long experience in the matter of disaster relief. The local Red Cross chapters have worked tirelessly and have no doubt been directly responsible for the saving of many lives and will be on the scene until these unfortunate people can again resume a semblance of normalcy in their lives. The American people can well be proud of these accomplishments by the Red Cross and her sister agency, the Salvation Army.

Having gone into the area immediately after hurricane Audrey had struck, I was able to see the activities of our local agencies in the matter of rescue and assistance to the suffering. Sheriff O. B. Carter and all of the officials of Cameron Parish, many of whom had themselves lost some of their dear ones and most of their properties, worked tirelessly and with inspiration. And the people of the Parish of Calcasieu, who themselves sustained many losses, reacted generously and with a show of true American neighborliness. The local civil-defense officials and other local government officials set up emergency procedures and at great risk to themselves were able to rescue literally hundreds of people who otherwise would have been lost.

Sheriff Henry A. Reid and Mayor Sidney Gray, of Calcasieu Parish, and the city of Lake Charles and other city officials did a banner job in setting up rescue stations, refugee camps, and feeding stations in coordination with Federal agencies and the Red Cross.

Sheriff Reid especially displayed great courage and effectiveness that only a staff as well trained as his could have accomplished. Throughout the day of the hurricane and the trying days following, Sheriff Reid and his deputies plied the streams of the area under almost impossible circumstances to evacuate those who were marooned on housetops and in trees, most of whom could not have survived too many hours otherwise.

The entire fraternity of the medical profession, including the nurses of the area and sepecially Dr. C. W. Clark, who himself lost half of his family, and Drs. G. W. Dix and S. E. Carter, should be commended by the American people for their heroic efforts. Certainly, it would be proper to consider that special Federal commendation be afforded these men and others who accomplished seemingly impossible tasks which exemplify the highest traditions of American heroism.

Mr. Speaker, there have been many questions asked as to whether sufficient warning was given to the people of my areas in regard to this impending disaster. Unfortunately, there have been some charges made as to incompetence or laxity in the operation of some of our services. It would not be my purpose to criticize or condemn, but certainly, there is a lesson to be learned from this horrible catastrophe and it shall be my purpose to seek better methods and adequate equipment, which I am sure will be available to us through the ingenuity of our scientists and men of training in the matter of protection of lives and property, not only of the people of my area, but wherever an even remote possibility of visitation by such a storm exists. Four years ago, Mr. Speaker, I initiated legislation to authorize that weather ships be placed in the Gulf of Mexico, where nearly all of the tropical hurricanes are born, which perhaps, if implemented, would have supplied the necessary information to many who were otherwise uninformed as to the danger. I am even now not certain, however, that this would be the answer. Suggestions have been made of providing hurricane-tracking airplanes. Perhaps a more tightly knit ring of radar installations around the perimeter of the gulf would be the answer. I feel that I am not qualified to judge these things which are of the most technical nature, but I do insist that our qualified Government scientists be given whatever authorization is necessary for them to proceed with studies with the assurance that our Government will accomplish their recommendations, not in the nebulous future, but as a matter of utmost urgency.

Last week at my suggestion, hearings were held in the area by Gen. Holmes E. Dager and Mr. Welcome Wilson, of the Natural Disaster Division of the Federal Civil Defense Administration, and other qualified persons in order to build up a file of information which will later reveal the weaknesses in our present system of weather forecasts and rescue operations. These hearings I attended and I am confident that in a short time, the answer to these all-important problems will be found and it is my hope that this body will take whatever action is necessary to insure our people of this Nation that adequate protection and forewarning will be provided.

Mr. Speaker, I know that this entire membership joins me in extending heartfelt sympathy to those who lost their dear ones to hurricane Audrey and it is my hope that we can join our efforts towards the ends that the loss of these lives may well serve the purpose of providing means for others to survive.

The Uncertainty of Canadian Natural Gas

EXTENSION OF REMARKS
OF
HON. JAMES E. VAN ZANDT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 19, 1957

Mr. VAN ZANDT. Mr. Speaker, despite the desire of applicants to speed up the Canadian gas cases, the Federal Power Commission's presiding officer followed tradition and recessed hearings for the closing days of July and the greater part of this month. This decision is commendable, for it indicates that the Commission regards the case as far too important to hurry it through to completion at the possible expense of the

wisdom and justice that come with assiduous investigation and consideration.

The Commission has insisted on deliberate action despite the international pipeline people's hurry-up attempts, including an offer of bargain rates to American consumers if applications are approved by November 1 of this year.

Obviously, Mr. Speaker, Canadian gas cannot be permitted to enter the United States until a lot of questions are answered. For my part, I strongly object to any effort to import a fuel which will cost American workers their jobs. I want to go on record in favor of legislation to bar imports on natural gas into areas which already have abundant domestic fuel resources.

Perhaps it will eventually be necessary for Congress to enact a law spelling out this position. It is my feeling, however, that the Federal Power Commission will dispose of this particular case in favor of American industry and labor; at least the Commission cannot in conscience approve the applications so long as the issue is in such complete chaos. From all indications, it will be a long, long time until the complications centered about the pipeline in Canada are neutralized. The material which I am going to insert in the RECORD at this time is a calendar of confusion assembled from Canadian publications.

For the sake of brevity, I shall go back no more than 2 months in listing excerpts that partially reflect the sharp divergencies attendant to the pipeline project.

In Babel, Noah's descendants set out to build a tower to reach to heaven. For this presumption their words were made incomprehensible. The pipeline across Canada, with its proposed outlets to the United States, has produced a variety of opinions that place the whole Canadian gas case in a state of incomprehensibility, particularly when viewed from this side of the border.

One need not be a subscriber to Canadian newspapers to uncover this intelligence. The evidence may be obtained at out-of-town newsstands or in the Congressional Library. You need only to pick up almost any Canadian newspaper to read all about it.

The Montreal Star of June 24, 1957, reprinted an editorial from La Tribune, Sherbrooke, Quebec, which includes this item:

As the CCF (Conservative Commonwealth Federation) attitude was quite categorical in pushing for nationalization, the Diefenbaker government may well find itself in an embarrassing situation if the CCF profits by its balance-of-power position to demand acceptance of its pipeline policy. After examining the question the government will perhaps see that the previous administration's pipeline policy may not have been theoretically the best but was undoubtedly practical in the circumstances.

The same issue of the Star carried this quotation from Le Droit, Ottawa, Ontario:

Because the CCF (Conservative Commonwealth Federation) more than social credit, will command the situation in the next Parliament, we presume it will put pressure on the Diefenbaker government to change the pipeline administration and push for its expropriation. We do not intend to raise again the arguments we used in support of our attitude, but we sincerely hope, for the good of the country, that this colossal and monopolistic enterprise will come into the hands of the state and be administered by a state commission. * * * Only expropriation of this enterprise at a fair price seems to us to be the logical and definitive solution of the pipeline crisis which played such a part in the Liberal defeat and the political demise of its protagonist, C. D. Howe.

The Stratford (Ontario) Beacon Herald June 25, 1957:

An oil expert foresees an early expansion of the capacity of the Trans-Canada gas pipeline. But not, it is hoped by the Brantford Expositor, with the aid of Government loans, mixed up with fat profitmaking share options for a few individuals.

The Hamilton (Ontario) Spectator of July 3, 1957, printed the following dispatch from Ottawa:

OTTAWA TO INVESTIGATE SOME PIPELINE DEALS RESPECTING CONTRACTS

(By Warren Baldwin)

OTTAWA.—The new government is expected to open a thorough investigation into the Trans-Canada pipeline deals with particular attention to the price being paid Alberta producers in relation to the proposed price to be paid for export gas at Emerson, Manitoba.

The contract between Trans-Canada Pipelines, Ltd., and Tennessee Gas Transmission Co., still dependent on Federal Power Commission approval, calls for an initial price at Emerson of 27.27 per thousand cubic feet escalating to 29.64 cents by 1981. The Trans-Canada is buying from the Alberta producer at a price of 10 cents at the wellhead escalating to 15.75 cents by 1981.

BUYS FROM MEXICO

Meanwhile Tennessee has contracted to buy gas from the Gulf of Mexico producers at an initial price of 22.4 cents escalating to 34.4 cents by 1982. The distance from delivery points to Tennessee's markets is about the same and it could prove to be that Tennessee, which is a one-third partner in Trans-Canada, has made a very advantageous deal for the 200 million cubic feet a day which it will receive at Emerson if and when the FPC has approved the import and Canada has issued the necessary export permit.

Trade Minister Howe had committed the Liberal Government to issue this permit as soon as FPC approval was obtained. In a letter to Trans-Canada dated September 1955, which was filed as evidence with the FPC, Mr. Howe states:

"Your company has also made an agreement with Tennessee Gas Transmisison Co. to sell 200 million cubic feet daily to Tennessee at Emerson, Manitoba; to sell additional gas to that company when available at Niagara Falls, Ontario, or any other designated point, and to purchase gas from Tennessee for distribution in eastern Ontario and Quebec.

"For the Emerson export Tennessee must obtain an import permit from the United States Government. When this has been issued action will be taken by the Canadian Government under the exportation of power and fluids and importation of gas act to authorize export at Emerson, Manitoba, of 200 million cubic feet of gas daily for a period of 25 years from the date of the first delivery of gas."

MAY IGNORE DEAL

The new Canadian Government will not consider itself bound by this undertaking of a defeated minister which is said to have no legal status. One aspect which is likely to be investigated is whether competing gas companies such as Northern Natural, Peoples Gas, or Michigan Wisconsin, all of them opponents of the Trans-Canadian-Tennessee deal, might bid a higher price for the gas at Emerson. It has been suggested that any one of three companies which have distribution systems in the Midwest States could afford to pay at least 3 cents more per thousand cubic feet and might be glad to do so. It would not be surprising if the new Government informs Trans-Canada that it is not standing behind the Howe undertaking and that it would like to see the door opened to competitive bidding for Canadian gas before it will agree to the export.

Mr. Speaker, I think it is particularly important that both Congress and the Federal Power Commission take especial notice of the paragraph which points out that the new Canadian Government will not consider itself bound by the undertaking made under a defeated minister. This factor should at all times be given a prominent place in every discussion regarding proposals to establish a fuel dependency upon Canadian gas in areas of the United States.

The dispatch from Forbes Rhude, Canadian press business editor, which appeared in the Winnipeg, Manitoba, Free Press on June 29, 1957—and presumably in other Canadian newspapers—presents so many problems involved in the pipeline project that I consider it important to reprint the entire article in the RECORD. It follows:

SETTING ALLOWABLE GAS FLOW COMPLEX TASK

(By Forbes Rhude)

JASPER, ALBERTA.—Important decisions lie ahead for all concerned in the natural-gas industry, it was indicated in both formal and informal discussions at this week's annual meeting of the Canadian Gas Association.

The decisions—which presumably will arouse some controversy—concern such matters as follows:

An adequate supply of natural gas for what Trans-Canada Pipe Lines, Ltd., expects to be growing requirements for its pipeline now being built from the Alberta border to Montreal.

How much gas may be made available for export to the United States via two pipelines now in the discussion stage and which at the moment appear to have differing interests.

The wellhead price for gas.

ALBERTA POLICY

Part of the background to these matters is the long-standing policy of the government of Alberta that gas may not be sold outside Alberta unless the Province's requirements are assured for a reasonable term of years.

Federal Government policy has been along the same lines—that no gas may be sold outside Canada until Canadian requirements are similarly assured.

This means that Alberta's gas may not be sold outside the Province, even in Canada, without approval by Alberta, and even if Alberta is willing, it may not be sold outside Canada without Federal approval. Additionally, it may not enter the United States without approval of the United States Federal Power Commission.

There seems little difference of opinion concerning the Alberta and Federal stands as basic principles.

OPINIONS DIFFER

There are differences of opinion, however, as to what constitutes adequate supply for both the Province and Canada; and as to what may reasonably be exported to the United States.

One side of the argument is that the gas should be retained—except for minor export—for use of Alberta and Canada.

The other side is that the whole industry will be held back—even from the Canadian point of view—if a sufficiently large market is not developed to encourage producers to spend the money necessary to find further gas.

This side holds that in view of forecasts of the reserves which will ultimately be found in Alberta, it is unrealistic to hold down export severely.

In general, in assessing reasonable supplies, gas people seem to be thinking in terms of 25 years or so. If, in future, there should be no more gas, there would be other sources of power from oil, coal, or nuclear developments.

TANNER VIEWPOINT

At this week's convention statements by three people seemed of special interest.

N. E. Tanner, chairman of Trans-Canada Pipe Lines and former Alberta minister of mines and minerals' who had much to do with framing the Province's policies on oil and gas, said:

"The Federal Government's policy is to serve Canadians first, and Trans-Canada Pipe Lines has been chosen as the vehicle to supply eastern Canadian markets."

At the same time, Mr. Tanner quoted figures to indicate that Canada, over the years to 1980, could export one-third of its gas production.

Mr. Tanner didn't say so, but there are indications that Trans-Canada, though not opposing export if there are ample supplies, would like to see a conservative look taken at applications for export of gas beyond those now contracted for.

WANTS PRIORITY KEPT

Another interesting statement was made by D. K. Yorath, president of Canadian Western Natural Gas Co., Ltd., Calgary, and Northwestern Utilities, Ltd., Edmonton—Alberta's major gas distributors. He said:

"It is absolutely essential that no additional quantities of natural gas be permitted to be withdrawn from Alberta unless the permit is contingent upon the Alberta market having prior call if the gas is needed for Alberta consumption."

At the same time he presented figures which seemed to indicate that probably reserves are beyond Alberta's or Canada's needs and he expressed belief that within the next 5 years a third pipeline (additional to the two now building) would be built to export Alberta gas.

IN EL PASO MARKET

Mr. Yorath didn't expand on this, but reference to the various existing geographical, economic and other factors would indicate that California and probably San Francisco would be the logical aim of such a line.

If this is so, it would offer competition in an area in which El Paso Natural Gas Co. now is dominant.

Pacifica Northwest is the company which will take gas—starting about next September—from Westcoast Transmission Co., Ltd., which is building a 650-mile pipeline from the Peace River area of British Columbia and Alberta to Vancouver, and to the international border south of Vancouver.

El Paso, incidentally, owns a large block of Westcoast shares.

This brings up the remarks to this week's meeting of Frank M. McMahon, president of Westcoast.

He proposes a pipeline from Savanna Creek in southwestern Alberta to the British Columbia-Idaho border to connect with a line which Pacific Northwest would build from Spokane, Wash.

This would give Westcoast two connections with Pacific Northwest

ADDITIONAL REQUEST

To supply increased demand from the Westcoast line and the new demand from the proposed Savanna Creek line, Westcoast is applying for permission to take out of Alberta an additional 400 million cubic feet of gas a day, about double the amount of its present permit.

This situation envisages two applications involving increased export to the United States—that of Mr. McMahon's Westcoast and the line mentioned by Mr. Yorath.

At present the two lines would appear to be in opposition to one another.

Some observers see a similarity to the situation which once existed between Westcoast and Pacific Northwest. They opposed one another until the United States Federal Power Commission turned down an application by Westcoast and approved one by Pacific Northwest. Then the two companies got together.

The wellhead price paid to producers may be involved in the developing situation.

Trans-Canada pays about 10 cents a 1,000 cubic feet which, it is said, nets the producer between 6 and 7 cents. A pipeline, if built to San Francisco, might be able to pay a higher price.

SEE RESERVES GROWING

Current known Alberta natural gas reserves are estimated at around 20 trillion cubic feet. They are expected to be more than double that by 1986 and may ultimately reach 100 trillion cubic feet.

Alberta to date has given permits for withdrawal from the province of 5,750,000,000,000 cubic feet. Trans-Canada's part of this is 4,350,000,000,000 cubic feet. About a quarter of this would be exported to the United States at the Manitoba border and the rest would be to meet its needs across Canada from Alberta to Montreal.

Trans-Canada is understood, however, to expect that growing markets will raise its requirements to three or four times this amount.

Its exports to the United States would be to Mid-Western Gas Transmission Co., which would build a 1,400-mile pipeline to connect with the big Tennessee corporation.

The United States Federal Power Commission has not yet given a permit for this import.

Alberta's own requirements in the period 1957 to 1986 are estimated at 7,600,000,000,000 cubic feet.

Of equal importance to Congress and to the Federal Power Commission is the following editorial entitled "Questions on Natural Gas," from the Vancouver, British Columbia, Province, reprinted in the Edmonton, Alberta, Journal, July 2, 1957:

QUESTIONS ON NATURAL GAS

News that still another gas pipeline is being planned to carry natural gas from the Savanna Creek area in Alberta into the United States raises a question of utmost importance.

The public would like to know exactly how much Canadian natural gas will be shipped to the United States when these pipelines are completed, compared with how much is to be used in Canada.

Some 4 years ago this newspaper first raised the question of use of Canadian natural gas resources. The Paley report, then before the President of the United States, had underlined the fact of rapidly diminishing supplies of natural gas in the United States. We forecast the United States would try to take over the Canadian supply. We wanted a policy that would insure preservation of adequate supplies of Canadian natural gas for Canadian use.

Since then elaborate plans have been set afoot to market natural gas, and it is clearly indicated that the bulk of our gas will be sold in the United States.

This is a public resource. The people of Canada are entitled to a clear statement of the position. Who is making the decisions about how much of Canada's natural gas will be exported? What is the basis of decision?

We know there is no additional preservation policy. The individual provinces have made their own calculations about proven reserves and their own probable needs, and export licenses are no doubt granted accordingly. The conservation role of the Board of Transport Commissioners is vague.

What is the criterion? How will these decisions affect the overall Canadian requirement in the future? Has anyone ever troubled to make a careful estimate of what Canada will need for herself in 25, 35, or 50 years?

This is a depleting resource. When it is gone it is gone.

Is this great Canadian resource to be used mainly to enrich promoters of the present era, or is it to be fitted into Canada's economic development program?

There are a lot of questions to be answered about natural gas policy. There is grave suspicion that the boomers are running away with the issue, at the expense of Canada's own future. This should be a priority issue with the new Conservative government.

Here is an important paragraph from the July 5, 1957, Sarina, Ontario, Observer, in its report of a Toronto district labor council meeting:

The labor council also called on the Conservative government to take over construction and operation of the trans-Canada gas pipeline. It said the pipeline should be completed and operated by the Dominion Government to ensure adequate supplies of gas to areas in need of it and to prevent the creation of enormous private profits out of public subsidies.

The (Calgary) Albertan's July 11, 1957, edition carried the following news story under the headline, "CCF (Conservative Commonwealth Federation) Leader Foresees Second Pipeline Debate:"

CCF LEADER FORESEES SECOND PIPELINE DEBATE

OTTAWA.—Among slippery spots on the minority government tightrope being walked by the Progressive Conservatives is the trans-Canada natural gas pipeline.

"We are not through with this pipeline business," CCF Leader M. J. Coldwell said recently, explaining that he believed it would again go before Parliament when the company sought an export permit.

If it does go before Parliament again, he added, the CCF will resume its demand that the controversial project be placed under public ownership.

Conservative spokesmen concede that this could put the Government in a delicate spot. There are several reasons for this.

The CCF with 25 commons seats, holds the balance of commons power.

WANT NO CHANGE

Since they got the project going, the Liberals would be unlikely to favor any changes in the pipeline's status. The 19-member social credit group backed the Liberal government in the bitter pipeline debate last year.

In that debate, the Conservatives opposed the Liberal government's proposal. But they did not favor the CCF's demand that the pipeline be taken from private enterprise and built as a publicly owned project.

A decision to permit gas export could be taken by cabinet order, informants say. But that still would not keep the matter from coming up in Commons.

Or any opposition party could bring up the matter in the Commons throne speech debate; as an amendment to the address in reply to the throne speech; on a supply motion, or as a private member's notice of motion. It also could be brought up on a motion to adjourn normal debate for con-

sideration of a matter of urgent public business.

From the column, Minding Your Business, in the Toronto Globe & Mail, July 18, 1957:

That old parliamentary horror, the pipeline, could be making another appearance in Parliament early next year. It depends on how quickly the Federal Power Commission in Washington rules on a case now before it, and what happens thereafter.

The important part of that case for Canada is that contained in it is an application by Tennessee-Midwestern for permission to import Canadian gas into the United States via a spur line from the Trans-Canada pipeline, south of Winnipeg.

According to an American source, the FPC might be in a position to grant a certificate by December. If it does—that is, if it gives Tennessee-Midwestern a go-ahead—the opponents will probably challenge the certification in the courts.

That probably wouldn't stop Trans-Canada Pipe Lines, Ltd., from going ahead with an application here in Ottawa to export to Tennessee-Midwestern. It would, however, make a difficult decision more difficult.

On top of that, the Government already has been advised by CCF leader Coldwell—not formally, but in a newspaper interview which he gave—that when the question of an export permit arises, he will again press the CCF's contention that the pipeline should be nationalized.

The last plainly hasn't been heard of the subject which, in 1956, produced the greatest parliamentary upheaval in Canada in decades.

After reviewing pipeline matters as they now stand, C. J. Harris wrote in the Toronto Clip Sheet of July 31, 1957:

At the moment western Canada's gas reserves are estimated at 18 to 23 trillion cubic feet. Exploratory drilling has been increasing the estimate by about 2 trillion cubic feet a year. But a field marked out is not a field finally measured and considerably more drilling is essential before a final figure is possible. Also, the question of Canada's own needs is far from settled.

The Federal law proclaimed on June 20, 1955, specifically states that "the quantity * * * to be exported shall be limited to the surplus remaining after due allowance has been made for distribution to customers for use in Canada." Thus, no gas export license may be issued by Ottawa until Canada's own needs are known, and provided for.

From the Toronto Globe and Mail of July 13, 1957:

The rapidly expanding market potential of Trans-Canada Pipe Lines, Ltd., and Westcoast Transmission may be expected to force careful consideration of the gas reserve situation, by both the Alberta and the Federal Government before approval is granted for further outlets for gas export.

Mr. Speaker, I do not believe it necessary to continue the list at this time. The statements which I have presented fully document my argument against granting permission to open American markets to Canadian natural gas. The Federal Power Commission is unquestionably aware of what has been transpiring in Canada in relation to the pipeline project, but I shall nevertheless transmit a copy of my statement of today, including the quotations from the Dominion's press, to Chairman Kuykendall in order that he may include this material in the RECORD if he chooses to do so.

Meanwhile I trust that every Member of Congress will keep in mind that the running battle over the pipeline in Canada has turned into a free-for-all that cannot possibly resolve itself for long into the future. The controversy that is taking place north of the border is important because it emphasizes the futility of any program to project the importation of Canadian natural gas on a firm basis and with any degree of stability pricewise.

To those of us who would resist foreign competition that takes away American jobs, the import proposal is all the more repugnant. Coal miners and railroad workers have suffered perhaps more than any other segment of the working population in the past decade. Exposed to the inequitable competition of imported residual oil, the coal industry has lost millions of dollars in revenue that would have gone into expansion of properities and further mechanization of equipment and operational methods. The wages lost to miners because of this deluge of a foreign fuel on east coast markets can never be regained. Almost identical losses have occurred on the railroads, which normally move—at least for a substantial part of its journey—all the coal that is used in seaboard utility and industry markets.

The losses to coal and railroads are of course reflected in every business establishment where these industries comprise an important part of the economy. Pennsylvania has been plagued by unemployment, to which foreign competition has contributed immeasurably, from the time that immediate postwar industrial activity began to recede. The Congressional District which I represent has since 1949—except for a brief period during the Korean war—been certified by the United States Department of Labor as a labor-surplus area. Since 1954, when surplus food was first made available to needy families, an average of 70,000 persons in the 3-county area of Pennsylvania's 20th Congressional District have been receiving surplus commodities. Under the circumstances, it would be completely illogical to initiate a program that would deprive the bituminous coal and anthracite industries of their natural markets through admission of another foreign fuel into this country.

A Time for Decision in Foreign Policy

EXTENSION OF REMARKS

OF

HON. GEORGE A. SMATHERS

OF FLORIDA

IN THE SENATE OF THE UNITED STATES

Monday, August 19, 1957

Mr. SMATHERS. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a very thoughtful and provocative address delivered to the Montana State Press Association by our acting majority leader, the junior Senator from Montana [Mr. MANSFIELD]. I highly commend the address to the attention of all Members of the Senate.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

A TIME FOR DECISION IN FOREIGN POLICY

(Address of Senator MIKE MANSFIELD, of Montana, convention of Montana State Press Association, Great Falls, Mont., August 17, 1957)

Some Members of the Senate read the New York Times. And some read the Chicago Tribune. But all Members of the Senate read the newspapers from home. Whatever may be the fate of your circulations, therefore, you can at least count on my loyal patronage.

There is a reason for this devotion. Newspapers from home are the flowers of the grassroots. Newspapers constitute the ground to which the ear of an elected official is bent. What he hears may sometimes bring a smile of pleasure to his face. And sometimes it may bring a frown of displeasure. One in a while what he hears is not even fit to print. Pleasant, unpleasant, or unprintable, however, you may be sure that your words do not fall on deaf ears—at least as far as your Senator is concerned.

Looking back, I find that I owe my years in Congress largely to the guidance of the press of the State, largely to you ladies and gentlemen. The Democratic editors here tonight—I hope that there are at least 2 or 3—have kept me advised of the needs of the people of Montana. The Republican editors have informed me of the needs of President Eisenhower and the Republican Party. And the independent editors have reminded me that there is a bridge upon which the Democratic and Republican train can occasionally meet. I am sure that you editors of Republican persuasion will be perturbed by the knowledge that you have helped to elect a Democrat. You may take some comfort, however, in the fact that in the process you have also contributed either to my enlightenment or to the height of my blood pressure.

This is the first time that we have all been together and I want to take the occasion to thank you for your help whether it was given wittingly or unwittingly. For, in all seriousness, out of your criticisms, your comments and your wisdom on the public issues which have confronted the State and Nation has come much of the guidance for the course I have tried to pursue as a Representative and Senator of all of the people of Montana.

Having listened to all of you for 15 years, I think there is a kind of just retribution in your having to listen to me for 15 minutes tonight. The subject to which I shall address myself is one on which the Republican-Democratic twain can and ought to meet. There is also plenty of room on the bridge for the independents. That subject is foreign policy.

When I say that we can meet, I mean that we can agree on the objectives of foreign policy. There may be some differences, however, as to how these objectives are to be achieved.

The objectives of foreign policy, I believe, are reasonably clear to all of us. We do not and ought not maintain the Department of State with its thousands of employees all over the world merely because it is the stylish thing to do. We have not or ought not to have spent some $60 billion of public funds in aid to other nations during the past decade simply because we had nothing better to do with this money. We did not spend hundreds of billions of dollars, as we have done in these postwar World War II years—we ought not to spend most of the tax money collected this year, as we shall do, to maintain an Army, Navy, and Air Force so that we may be entertained with air shows and naval exercises and parades on appropriate civic occasions.

We do or ought to do these things and others in inter-related fields of foreign relations and national defense with one overriding objective in mind. We ought to do them because they are necessary for the safety and well-being of the people of the United States.

I do not believe anyone in this room would take exception to that observation on the purpose of foreign policy and defense. With the objective of doing what is necessary for the safety and well-being of the Nation there is no dissent from any responsible quarter in this country. There is not a Democratic position, as distinct from a Republican position, as distinct from an independent position.

We can agree on this objective because, bound up in it, are the common interests, the common hopes and the common fears of all Americans. Just as we live our individual and family lives within the common framework of the State and the Nation, our national life is lived within the common framework of a world of many nations. What happens in the world, what we do or fail to do in foreign policy affects the Nation. And what affects the Nation affects each of us. If foreign policy helps to keep the Nation safe, prosperous and at peace, if it helps to reduce the cost of defense, all of us gain from it. If foreign policy produces the opposite results, all of us suffer in consequence. That is why it is possible for us to agree on the broad objective of foreign policy.

The differences arise among us when we attempt to realize the objective in practice. The differences arise when we seek to define what is necessary in foreign policy for the Nation's safety and well-being. They arise, too, when we try to determine how we are going to do the necessary even if we can agree on what it is.

It has sometimes been said that I am a critic of the administration in matters of foreign policy. I do not know whether that description is valid or not. It is true that I have commented frequently and at length and sometimes with considerable vigor on the course which this Nation has pursued in our relations with other nations. In all of these comments, however, I have had no difference with President Eisenhower or Secretary Dulles over the objectives of our foreign policy. I have never doubted that both of them had only one purpose in mind. They have sincerely tried to do what they believe is necessary for the safety and well-being of the country. They have tried to do it in the best way that they know.

If I have had differences with the administration they are over the questions of what it is that is necessary in foreign policy and how it ought to be done. I have certainly differed with the administration in my belief that the extent and the cost of the official activities in which we are presently engaged abroad is excessive. I have certainly differed with the administration on the way in which these activities are being pursued in some areas.

On the basis of what I have read in the newspapers, heard over the radio and seen for myself, moreover, I have sometimes differed with the administration's general interpretation of the international situation and the general course which we have followed in dealing with it.

To summarize, I have not differed with the objectives of the administration in foreign policy or questioned its patriotism. I have been at odds, however, with the methods which have sometimes been employed in seeking to reach these objectives.

That has been the case, when the administration has persisted in policies—often the policies of the previous Democratic administration—which seem to me to have outlived their usefulness. It has been the case when the administration seemed to me to be trying to do with dollars in foreign policy what can only be done with clear purpose, new ideas, initiative and effective diplomacy. It has been the case when I believe that the administration of policy is wasteful of public funds and manpower. It has been the case when foreign policy has borne the stamp of a boisterous of excessive public relations. It has been the case when the administration, instead of speaking to the world on behalf of this country with one stable and forthright voice has seemed to speak with a babble of many voices. It has been the case when policy has seemed to me to stray from the traditions of courage and compassion, and faith in freedom which underlie the greatness of the United States.

Some may believe that it is best for Members of the Congress and the public to stay entirely out of foreign policy. They may believe that it is best to rely exclusively on the President, the Secretary of State, and the executive bureaucracy to set an effective course in foreign relations. They may see the role of Congress as merely that of tagging along in these matters.

That is a point of view which can be defended; but I do not happen to agree with it. I have been in Washington long enough to know that all wisdom—in foreign policy as in other matters—is not concentrated in the executive branch of the Government. I know that that branch—regardless of whether it is headed by a Republican or a Democratic administration—sometimes loses sight of the forest for the trees in foreign policy. As all of us do, it sometimes makes errors of understanding and judgment. It sometimes takes the path of inertia, on the mistaken theory that if all apparently goes well today it will also go well tomorrow. It sometimes seeks to expand in power, in size and in cost whether or not the interests of the Nation actually are advanced by such expansion.

Our system of government—the system of checks and balances—was devised precisely to restrain these unhealthy tendencies in Government. That system, I believe, has great validity not only in domestic affairs but also in question of foreign policy. That is why I do not agree that the Congress and the public should automatically defer to the President, the Secretary of State and the executive branch in foreign relations. The leadership of course must come from the President, and the President and Secretary of State must conduct these relations, but the Congress and the public can contribute a great deal that is constructive. They can do so by the process of free discussion of the issues, and, when necessary, free dissent. Out of this process can come a constant and up-to-date evaluation of international developments and new ideas for meeting them. Out of this process can come change which is as essential to survival and progress in our relations with the rest of the world as it is in our daily lives.

It seems to me, therefore, that all who have public responsibilities—and that certainly includes the press of the Nation—must keep a close and continuing watch, an independent watch, on the international situation and on the policies that are pursued in dealing with it. You ladies and gentlemen of the press have as much right to criticize the decisions of the President and the Secretary of State as you have to criticize the decisions of a Senator. I would be delighted to have you exercise this right with respect to their decisions with the same enthusiasm as you have sometimes shown with respect to mine.

The questions of foreign policy may seem remote from the daily interests of the citizens of the State. Yet none which engages the attention of the Federal Government is of greater importance to each of us. The state of our foreign relations accounts for the preponderance of the taxes we pay. It has a deep effect on the prosperity and progress of our economy. In a nuclear age, it can determine whether or not future generations, if not this generation, shall live in a recognizable civilization, even perhaps in an inhabitable world. That is the reality which confronts us today whether we are prepared to face it or not. All of the issues—management-labor relations, schools, roads, public health, power—all of these domestic issues which are of the highest importance to us fall under the shadow of this reality.

As for a Senator, if he is going to discharge his responsibilities to the people who have entrusted him with public office, he cannot neglect the domestic questions which affect his state. At the same time he cannot ignore the international issues which confront the Nation. He can only seek to inform himself as best he can on these issues and make what contribution he is able to make to their solution.

In this connection, I can say without in any way desiring to flatter you that I have found the press and the radio of the Nation and the able correspondents which they maintain at home and abroad of prime importance. They provide an independent and timely source of information and ideas that is of the greatest utility in understanding the international problems of the day. It is almost amusing sometimes, as a member of the Committee on Foreign Relations, to attend secret briefings by executive branch officials on aspects of the international situation only to find that 80 to 90 percent of the ground covered behind the closed doors of the committee will have already been covered days before in the press. That is a tribute to the astuteness and the alertness of American journalists. It is, at the same time, a commentary on what is a necessary use but which becomes, on occasion, an excessive and often unfounded use of the secrecy label in Government.

I have also found it helpful to go abroad to make personal observations on the international situation. I have done so many times in may countries during the past few years and I have issued reports on the journeys. The observations which they permit have enabled me to form independent judgments. When I have agreed with the administration I have said so. I did not, for example, hesitate to comply with the invitation of the President and the Secretary of State that I serve as a delegate to the SEATO Conference in Manila in 1954.

At times, however, I have reached conclusions as to the course of foreign policy, at variance with those of the executive branch. That was the case in connection with the Indochina situation. It was the case with the foreign aid program, with the Suez crisis and many other issues. And when I have differed with the administration I have spoken out on the differences as I believe it is my public duty to speak out. And on occasion, it has been gratifying to see subsequent shifts in the position of the executive branch, shifts which I believe have been in the direction of a more effective and less costly policy.

In the same vein, I speak out tonight. Again, let me stress that I intend in my remarks no criticism of the personal motives of the President and the Secretary of State. It goes without saying that they are honorable men who seek what you seek and what I seek in foreign policy. They seek to develop and to maintain a policy that does what is necessary for the safety and well-being of the country.

They have done many things aimed at that objective. Yet I do not believe anyone can say that we have yet achieved an effective policy. We cannot say it when two-thirds of the taxes of the people of the United States—over $40 billion a year—must still go for purposes of defense. We do not have an effective policy when the situation in the Far East and the Middle East are still not far from the brink of war. We do not have an effective policy when sudden nuclear ex-

tinction still threatens not only Soviet communism, not only American democracy, but all mankind.

I realize fully that this country did not make these vast international problems and others which press in upon us. I realize fully that alone, we cannot unmake them, no matter how effective our policies may be. This administration, like its predecessor, has had to contend with a dangerous and provocative Communist totalitarianism in many parts of the world. It has had to deal, like its predecessor, with great and dynamic changes in what were formerly the colonial areas of Asia and Africa. It has had to tackle, like its predecessor, many vexing problems in connection with the survival of freedom in Europe—the birthplace of Western civilization and liberty and, in two world wars, almost their graveyard.

It is not easy to deal day after day with an international situation as complex as the one in which we live and I have a deep awareness of the burden of decision that is carried by the President and the Secretary of State. I have supported their efforts in the past whenever it has been possible to do so in good conscience.

I shall continue to extend that support in the future. By the same token, however, I shall continue to think independently on foreign policy. Whenever I reach the conclusion that policy, in concept and administration, veers from a course that is not as fully in accord with the best interests of the State and the Nation as it might be, I shall not hesitate to say so.

Since the Suez crisis last fall, I believe there have been improvements in both the general international situation and in the policies which we are following in dealing with it. As for the international situation, changes are taking place within the Soviet bloc which promise a greater national independence from Moscow for the satellites than has heretofore been the case. Even within the Soviet Union, there are apparently internal pressures at work which may impel that country toward a more rational approach to the rest of the world. Western Europe shows signs of moving in the direction of greater unity, an essential development, it seems to me, for both peace and for the survival and growth of freedom. The situation in the Far East may well be entering into a period of major transition due to obscure pressures in China as well as to the resurgence of an economically powerful and independent—or weak and dependent—Japan. In the Middle East, the tendencies toward a violence that contains the seeds of world war III have been curbed, at least for the moment.

There is general agreement that these changes are taking place. What, however, are their implications? Do the changes means that the chances for peace will brighten or are they merely a prelude to a new period of heightened international tensions which may give way to war?

It seems to me that these changes are not leading automatically in the direction of either of these alternatives. What they foreshadow, I believe, is a moment in history when the nations of the world will cast the die clearly for peace or for war; they suggest that a time of great decision is at hand. It will be a time when nations will determine whether or not to turn back from the edge of catastrophe on which they have stood for so long and walk on the surer ground of more stable relations with one another. It will be a time to determine whether the present tenuous grip on peace—this holding action for peace—can be made firmer. It will be a time to determine whether the present truce based on a fear of mutual extinction can be replaced by agreements of mutual restraint which will provide greater security for all nations. It will be a time to see whether the words of peace which echo from all lands can be translated into the actualities of peace.

Let me make clear that I do not believe that the problems which plague mankind are going to dissolve overnight. There are no miracles in foreign policy. There are no wonder drugs for the ills of international relations. A broad summit conference, for example, which produces more glittering generalities on peace may serve only to obscure the hard realities of peacemaking.

When I say that we may be approaching an hour of great decision, the only point I wish to make is this: There are indications that the international situation which is never static may now be in major transition. The changes that are taking place may open an opportunity for the world to begin the long ascent to a durable peace.

Mankind, of course, is not going to make that ascent unless all the principal nations—certainly the Soviet Union among them—are prepared to make it. I do not know whether recent political developments in the Soviet Union suggest that the Russians—in their own interest—are prepared for a new approach to the world's problems. I do not know whether friendly nations in Europe and elsewhere are prepared for it. I do know, however, that unless all nations are ready to exercise the mutual forbearance which alone will make peace possible, the world shall move irrevocably into a path which can only lead to a devastating conflict. It will not matter then, that we have managed in the year 1957 to cling to an illusion of peace. In the end, this illusion, this delicate balance on which the fate of humanity rests will be upset by some miscalculation, perhaps by some act of madness. In the end this truce of mutual terror will give way to the terror of a war of mutual extinction.

The time for dawdling with peace, in short, is running out. The chance for moving to consolidate it may be soon or never. I do not know what course other nations may take in these circumstances. I do know that if a genuine opportunity does develop which promises to reduce the present dangers of a nuclear catastrophe to all nations, if there is an opportunity to build greater international stability, it must not be lost through inertia or other shortcomings in our own policies.

It must not be lost, because a reliable peace—I emphasize the word reliable—is in the interests of the people of this state, in the interests of the people of the Nation and of all humanity. That kind of peace is essential if a significant reduction in the cost of Government is ever going to be made. It is essential if the ominous cloud of impending doom which now hangs over civilization is ever to lift. It is essential if the people of this country and of all countries are ever going to be reasonably certain that what they build today is not going to be blasted into eternity tomorrow.

Let me say that I believe we have been moving in recent months in the direction of a policy which will enable this country to seize the opportunity to strengthen peace if it should be present. The Eisenhower-Dulles policy of expanding commercial and other contacts with Poland, for example, may offer a greater promise of increased independence in Eastern Europe than the pattern of sympathetic words and bold words but no action that was followed in Hungary. And greater independence in Eastern Europe, in my opinion, is essential to peace on that continent. In recent months, we have also seen the Eisenhower doctrine, as amended by the Senate, act to bring a measure of temporary stability to the Middle East. This measure is an expensive and not very satisfactory stopgap. While it has by no means dealt with the basic difficulties in that region, it has at least bought time in which to deal with these difficulties. In the interests of our own peace, we have had no choice but to sustain this so-called doctrine. Unless the administration uses the time that has been bought, however, uses it effectively to tackle the basic problems of our relations in the Middle East, we shall be asked to go on paying an ever higher price and in the end be no closer to stability in that region.

In recent months, finally, we have also had the base laid for improvements in the foreign-aid program and the information program, both very important instruments of foreign policy. The changes in these programs, initiated largely by the Congress, have already resulted in the saving of hundreds of millions of dollars of public funds. They have also shown the way to a more effective use of these programs.

Despite these and other improvements, however, I believe much remains to be done before we obtain a policy that is well adjusted to the realities of the present world situation, the kind of policy that best serves the interests of the people of the United States. We have yet to take fully into consideration, for example, the problems and possibilities inherent in the emergence of a common market in Western Europe and the institution of Euratom for the common development of nuclear energy in that region. We have yet to develop an adequate diplomacy and other substitutes for what promises to be the endless funneling of hundreds of millions of dollars in public funds into the Middle East under the Eisenhower doctrine. We have yet to face up fully to the implications of the different directions in which the forces of liberation are acting in Eastern Europe—in Yugoslavia, in Hungary, in Poland, and elsewhere. We have yet to recognize fully that disarmament, however desirable, lies at the end of the road to peace, not at the beginning. We have yet to take the initiative in attempting to move down this road by slow and careful steps, by gradually bringing armaments under firm control, by gradually breaking down the wall of human fears and suspicions built by a lack of civil contact between ourselves and other peoples.

We have yet to recognize, finally, that changes of deep and long-range significance are taking place in the Far East while the policy of this Nation remains wedded to the fears and distortions of the past. If I digress on this point it is because the far eastern question has special significance for you ladies and gentlemen here tonight.

In the situation that is developing in Asia, it seems to me highly desirable that the activities of American newsmen be extended as far as possible. As it is now the public information which comes to us from China amounts either to official press handouts of our own Government and the Chinese Communists or the reports of journalists of other countries. As one who prefers the press of this Nation to that of other nations, as one who has often found a greater accuracy in the American press than in government press releases, I am opposed to any policy which seeks to curb the activities of the press or the free movement of its legitimate representatives.

I recognize the difficulties of the Secretary of State in attempting to determine whether press representatives should be allowed to go to China. Since it is the policy of the Department of State not to permit Americans generally to go to China—and I am in accord with that view—newsmen ought not, in the view of the Department, to go either. I believe that that position is now changing because it is untenable. In matters related to informing the people of the United States, the press is in a special position, clearly safeguarded by the Constitution.

Even though the executive branch may change its position, the issue remains and it is much larger than the question of whether

or not a handful of reporters shall be allowed to enter China. The issue is whether the press shall play in matters of foreign policy the same role that it plays in domestic questions. To put the question bluntly: is the press in matters of foreign policy an instrument of policy or an independent check on policy, an independent enlightener of the people of the United States?

It seems to me that under our system of government the press must exercise, in foreign policy, the same independence as it does in domestic matters. Under our system of government, it is not for the Congress and certainly not for the executive branch to decide where legitimate representatives of the press shall go to get the news. If they are alert newsmen they will go wherever they can. If they are willing to take the real risks of unsanctioned travel in dangerous regions abroad they are performing a very real and courageous service for the people of the Nation. They most certainly ought not to be subject to punishment or threat of reprisal from the Government or any of its officials for their courage. It is bad enough, as you well know, when other governments place obstacles in the path of legitimate news gathering abroad. It is indefensible when those obstacles arise from the policies and actions of our own Government.

Before concluding, I should like to turn to one other shortcoming which I believe must be corrected if this country is going to have the kind of foreign policy that fully serves the interests of the people of the United States. It is, in some respects, the most fundamental, the most costly and, in the last analysis, the most dangerous shortcoming of present policy.

I refer to the tendency within the executive branch to base the international actions of this country almost exclusively on fear of the Russians. Fear as a factor in international relations is not much different than it is in human relations. If it is excessive, if it is out of proportion to the danger which induces it, fear may produce unnecessary and excessive action and, in some instances, it will prevent reasonable and necessary action.

For years, I have listened in Congress to officials of the executive branch, under both Democratic and Republican administrations—officials of the Department of Defense, the Department of State, the Voice of America, and countless other agencies—justify their requests for ever-increasing appropriations. Many of these requests have had high constructive merit in terms of the interests of the United States and I have not hesitated to vote for them. Yet, increasingly, the element of fear has been brought in to justify these requests. These justifications have sometimes reached a point where it has seemed that the executive branch has been acting in foreign policy preponderantly on the basis of two fears: Fear of what the Russians might do in the world and fear of what Congress might do to appropriations if there were no Russians to fear.

Certainly this country must maintain a healthy concern with the threat which communism poses to freedom. Certainly there are continuing dangers to the peace and well-being of this country and other countries in the totalitarian power of the Soviet Union and in the erratic, unpredictable and frequently ruthless behavior of its rulers.

There is also a danger, however, in the tendency on the part of the executive agencies to inflate this fear, whether the inflation derives from an eagerness to insure appropriations or from simple miscalculation. This inflation can only lead as it has been leading to a costly and futile effort to build absolute security in a nonexistent fortress Free World. It can also lead, as it has also been leading among the people of the United States, to a revulsion with these excesses and to the unwarranted expectation that we may be able to obtain absolute security more cheaply in a fortress America.

There is no likelihood, in my opinion, that this country or any country will find absolute security regardless of what course is pursued, regardless of how much is spent or done to that end. There are, however, degrees of insecurity and I believe that an effective foreign policy can lower the degree of insecurity. It can reduce the international dangers under which we all live and labor. It can do so at the same time that it lightens the burden of Government expenditures all of us sustain because of these dangers.

Foreign policy can act in this fashion, however, only if the judgments of the international situation on which it is based are not distorted by a stimulated and excessive fear. It can do so only if the actions which are pursued under that policy are effectively adjusted to the real situation, the actual dangers that confront the Nation.

That is why I emphasize tonight that I believe it is time for the executive branch to put aside the excess of fear that has underlain much of our policy in recent years. It is time to recognize that if Russia is strong in a material sense, this Nation is and can remain stronger provided it is united and properly led. It is time to recognize that if there are dangers to freedom in the ideology of communism, there are even greater dangers to communism in the doctrines of liberty.

What I am suggesting, in short, is that foreign policy if it is to serve fully the interests of the people of this country, must be based less on fear and more on faith. I do not speak of faith in the Russians or even of excessive faith in allies. I speak rather of faith in ourselves, in the intelligence, the courage and the steadfastness of the people of this country and faith in the power and in the ultimate triumph of freedom throughout the world. It is on that faith that this Nation has grown to greatness. It is on that faith that we must depend, that we can depend, to find the way to a just and enduring peace.

SENATE

TUESDAY, AUGUST 20, 1957

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal God, in whose peace our restless spirits are quieted, in a world so filled with terror and cruel hatred, we are grateful for the gladness of the morning, the deep calm of the night, for trees and flowers and birds, and for fleecy clouds against the infinite blue. For all the tender ministries of human love, we bless Thy name.

At this noonday altar of Thy grace, we pray that in all the difficult decisions affecting the public welfare, Thy will, not ours, be done.

May our imperfect stewardship express something of Thee and for Thee, before our little day ebbs out and the evening shadows creep about us and our work is done.

We ask it in the name of the Holy One against whose truth the gates of hell cannot prevail. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Journal of the proceedings of Monday, August 19, 1957, was approved, and its reading was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT ON TORT CLAIMS PAID BY CANAL ZONE GOVERNMENT

A letter from the Governor, Canal Zone Government, Balboa Heights, C. Z., transmitting, pursuant to law, a report on tort claims paid by that government, for the period July 1, 1956, to June 30, 1957 (with an accompanying report); to the Committee on the Judiciary.

WORKS OF IMPROVEMENT IN LOUISIANA AND TEXAS

A letter from the Acting Director, Bureau of the Budget, Executive Office of the President, transmitting, pursuant to law, plans for works of improvement on the upper Bayou Nezpique watershed, La., and the Alamo Arroyo and Diablo Arroyo watershed, Tex. (with accompanying papers); to the Committee on Public Works.

RESOLUTION OF STATE BAR OF ARIZONA

The VICE PRESIDENT laid before the Senate a resolution adopted by the State bar of Arizona, favoring the enactment of legislation to permit a taxpayer who is successful in litigation with the United States in tax matters to recover court costs and reasonable attorney's fees, which was referred to the Committee on the Judiciary.

CALL OF THE ROLL

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Case, N. J.	Frear
Allott	Case, S. Dak.	Fulbright
Anderson	Chavez	Goldwater
Barrett	Clark	Gore
Beall	Cooper	Green
Bennett	Cotton	Hayden
Bible	Curtis	Hickenlooper
Bricker	Dirksen	Hill
Bush	Douglas	Holland
Butler	Dworshak	Hruska
Byrd	Eastland	Humphrey
Carlson	Ellender	Ives
Carroll	Ervin	Jackson

Javits	Martin, Pa.	Scott
Jenner	McClellan	Smathers
Johnson, Tex.	McNamara	Smith, Maine
Johnston, S. C.	Monroney	Smith, N. J.
Kefauver	Morse	Sparkman
Kennedy	Morton	Stennis
Kerr	Mundt	Symington
Knowland	Neuberger	Talmadge
Kuchel	O'Mahoney	Thurmond
Langer	Pastore	Thye
Lausche	Potter	Watkins
Long	Purtell	Wiley
Magnuson	Robertson	Williams
Malone	Russell	Yarborough
Mansfield	Saltonstall	Young
Martin, Iowa	Schoeppel	

Mr. MANSFIELD. I announce that the Senator from Montana [Mr. MURRAY] and the Senator from West Virginia [Mr. NEELY] are absent on official business.

The Senator from Idaho [Mr. CHURCH] is absent on official business, attending the Economic Conference of the Organization of American States at Buenos Aires.

The Senator from Missouri [Mr. HENNINGS] is absent by leave because of illness.

Mr. DIRKSEN. I announce that the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate to represent the Senate at the Latin American Economic Conference in Buenos Aires.

The Senator from Vermont [Mr. FLANDERS] is necessarily absent.

The Senator from West Virginia [Mr. REVERCOMB] is absent on official business.

The PRESIDING OFFICER (Mr. MORTON in the chair). A quorum is present.

MORNING HOUR

The PRESIDING OFFICER. The Senate having met today following an adjournment, there is the usual morning hour. Under the order entered yesterday, statements are limited to 3 minutes.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, with amendments:

H. R. 6760. An act to grant to the Territory of Alaska title to certain lands beneath tidal waters, and for other purposes (Rept. No. 1045).

By Mr. EASTLAND, from the Committee on the Judiciary, with amendments:

S. 2107. A bill to provide for the conveyance to the State of Florida of a certain tract of land in such State owned by the United States (Rept. No. 1050); and

S. 2792. A bill to amend the Immigration and Nationality Act, and for other purposes (Rept. No. 1057).

By Mr. KEFAUVER, from the Committee on the Judiciary, without amendment:

S. 2606. A bill to amend Private Law 498, Eighty-third Congress (68 Stat. A108), so as to permit the payment of an attorney fee (Rept. No. 1051).

By Mr. KEFAUVER, from the Committee on the Judiciary, with amendments:

S. 984. A bill conferring jurisdiction on the Court of Claims to make certain findings with respect to the amount of compensation to which certain independent ore producers are equitably entitled for uranium supplied by them to the United States during the period May 1, 1943, to August 5, 1945, and to provide for payment of the amounts so determined (Rept. No. 1052).

By Mr. O'MAHONEY, from the Committee on the Judiciary, without amendment:

H. R. 3367. An act to amend section 1867 of title 28 of the United States Code to authorize the use of certified mail in summoning jurors (Rept. No. 1047); and

H. R. 4193. An act to amend section 1716 of title 18, United States Code, so as to conform to the act of July 14, 1956 (70 Stat. 538–540) (Rept. No. 1048).

By Mr. WILEY, from the Committee on the Judiciary, without amendment:

H. R. 2938. An act for the relief of Cooperative for American Remittances to Everywhere, Inc. (Rept. No. 1049).

By Mr. HRUSKA, from the Committee on the Judiciary, without amendment:

H. R. 1591. An act for the relief of the Pacific Customs Brokerage Co., of Detroit, Mich. (Rept. No. 1046).

By Mr. HILL, from the Committee on Labor and Public Welfare, without amendment:

H. R. 8679. An act to provide a 1-year extension of the programs of financial assistance in the construction of schools in areas affected by Federal activities under the provisions of Public Law 815, 81st Congress (Rept. No. 1054).

By Mr. PURTELL, from the Committee on Labor and Public Welfare, without amendment:

S. 1889. A bill to provide in the Department of Health, Education, and Welfare for a loan service of captioned films for the deaf (Rept. No. 1058).

By Mr. JOHNSTON of South Carolina, from the Committee on Agriculture and Forestry, without amendment:

S. 314. A bill to assist the United States cotton textile industry in regaining its equitable share of the world market (Rept. No. 1056).

By Mr. WILLIAMS, from the Committee on Agriculture and Forestry, without amendment:

S. 304. A bill to provide for a specific contribution by State governments to the cost of feed or seed furnished to farmers, ranchers, or stockmen in disaster areas, and for other purposes (Rept. No. 1055).

By Mr. KERR, from the Committee on Finance, with amendments:

H. R. 6894. An act to amend the Tariff Act of 1930 as it relates to unmanufactured mica and mica films and splittings; together with minority views (Rept. No. 1053).

EXTENSION OF SUBCOMMITTEE ON DISARMAMENT UNTIL JANUARY 31, 1958

Mr. GREEN, from the Committee on Foreign Relations, reported an original resolution (S. Res. 192) to extend the Subcommittee on Disarmament until January 31, 1958, and submitted a report (No. 1044) thereon; which resolution was referred to the Committee on Rules and Administration, as follows:

Resolved, That Senate Resolution 151 extending the Subcommittee on Disarmament, 85th Congress, 1st session, agreed to June 26, 1957, is hereby amended as follows:

(a) In section 2, strike out "August 31, 1957," and substitute in lieu thereof "January 31, 1958."

(b) In section 3, strike out "August 31, 1957," and substitute in lieu thereof "January 31, 1958."

(c) In section 4, strike out "$10,000" and substitute in lieu thereof "$40,000."

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. BYRD, from the Committee on Finance:

Robert W. Dill, of New York, to be collector of customs for customs collection district No. 10, with headquarters at New York, N. Y.

W. Rae Dempsey, Jr., of Maryland, to be collector of customs in customs collection district No. 13, with headquarters at Baltimore, Md.

James P. Winne, of Hawaii, to be collector of customs in customs collection district No. 32, with headquarters at Honolulu, Hawaii; and

Harry Edwards, of New York, to be surveyor of customs in customs collection district No. 10, with headquarters at New York, N. Y.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HAYDEN:

S. 2813. A bill to provide for certain credits to the Salt River Valley Water Users' Association and the Salt River Project Agricultural Improvement and Power District in consideration of the transfer to the Government of property in Phoenix, Ariz.; to the Committee on Interior and Insular Affairs.

By Mr. POTTER:

S. 2814. A bill for the relief of Garry Lee Park; to the Committee on the Judiciary.

By Mr. BRICKER:

S. 2815: A bill to provide for the appointment of two additional district judges for the Northern District of Ohio and one additional district judge for the Southern District of Ohio; to the Committee on the Judiciary.

By Mr. LANGER:

S. 2816. A bill for the relief of Concepcion Ramiro (Romelio) Gamboa; to the Committee on the Judiciary.

By Mr. MAGNUSON (for himself and Mr. BUTLER) (by request):

S. 2817. A bill to authorize the construction and sale by the Federal Maritime Board of a superliner passenger vessel equivalent to the steamship *United States;* to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. MAGNUSON when he introduced the above bill, which appear under a separate heading.)

By Mr. IVES:

S. 2818. A bill for the relief of Sarina L. De Trabout, Lina Trabout, and Esther Trabout; and

S. 2819. A bill for the relief of Mrs. Hermine Melamed; to the Committee on the Judiciary.

By Mr. CARLSON:

S. 2820. A bill to amend Public Law 854 of the 84th Congress; to the Committee on Post Office and Civil Service.

By Mr. CASE of South Dakota (by request):

S. 2821. A bill to amend title 32, United States Code, with respect to the system of courts-martial for the National Guard not in Federal service; to the Committee on Armed Services.

S. 2822. A bill to authorize the construction of certain works of improvement in the Missouri River for power and other purposes; to the Committee on Public Works.

By Mr. KEFAUVER:

S. 2823. A bill for the relief of Giuseppina Difoca; to the Committee on the Judiciary.

PRINTING AS A SENATE DOCUMENT COMPILATION OF PROPOSED CONSTITUTIONAL AMENDMENTS FOR THE PERIOD OF 2D SESSION OF 69TH CONGRESS THROUGH THE 84TH CONGRESS

Mr. EASTLAND submitted the following resolution (S. Res. 189), which was referred to the Committee on Rules and Administration:

Resolved, That there be printed as a Senate document a list of proposed amendments to the Constitution of the United States submitted during the 69th Congress, 2d session, through the 84th Congress, as compiled by the Senate Library, under the direction of the Secretary of the Senate, and that 1,500 additional copies be printed for the use of the Committee on the Judiciary.

ADMISSION OF BONA FIDE NEWS REPRESENTATIVES TO ALL COUNTRIES ABROAD

Mr. FULBRIGHT. Mr. President, I have long assumed that the free press in this country derives its existence, not from a dispensation of the executive branch of the Government but from the Constitution of the United States. I have long assumed that while the executive branch may not have an explicit constitutional duty to encourage freedom of the press, it has an implied obligation to do so and, certainly, an obligation to refrain from impeding this essential element in the democratic process.

These assumptions which, I believe, I share with most other citizens of this country, have been challenged during this session of Congress. They have been challenged by the policies and administrative regulations of the Department of State pertaining to the travel of newsmen to China.

While the question has arisen over whether or not American newsmen are to enter China, the issue is, in fact, much broader.

In the last analysis, the issue is whether the press of this Nation is to fulfill in foreign relations the same function that it does in other matters—the function of independent enlightenment of the people of the United States. Or is it, instead, to be reduced by inhibitions imposed by the administration, by official threats and reprisals, to the role of Government-controlled tool of policy?

It is the latter role in which the free press will ultimately be cast if the present policies of the Department of State are permitted to stand unchallenged. It is true that the Department of State does not assert the right to control what is printed in the press relevant to foreign relations. The right to print, however, is seriously limited unless it is accompanied by the widest possible freedom to gather and verify the information that is printed.

It is this right, this right of movement abroad to obtain information, over which the Department of State does assert control. Ironically, it claims this power through its own administrative interpretation of acts of Congress. The Department says, in effect, that the Congress has given the Secretary of State the power—virtually the obligation—to forbid newsmen to travel to China. And what it says with respect to China today, it can say with respect to Europe, Africa, or Asia tomorrow, if it so chooses.

This is a strange and arbitrary doctrine, a dangerous doctrine. Carried to its logical conclusion, it will deny to the people of the United States, and to the Congress a major source of independent information by which to weigh the adequacy or inadequacy of the foreign policies that are pursued by the executive branch. It acts even now to deny that branch itself data which newsmen might gather in China, data which might be of value in formulating policies with respect to this largest and most volatile country in Asia. It is, in short, a head-in-the-sand doctrine, with the Department of State not only burying its own head but insisting that the people of this country do the same.

I believe it is time for the Senate of the United States to disassociate itself from this foolishness. This body ought to make clear once and for all that it does not share the interpretation which the Department of State has put upon legislative acts as they involve the right of newsmen to travel abroad. This body ought to make clear that the Department of State, instead of itself restricting the movement of legitimate newsmen, should make every effort to open areas which are now closed to them by the policies of other governments. This body ought to make clear that if, for reasons of policy, the Department cannot supply newsmen with the full protection of the passport, it will at least not take reprisals against them if they are courageous enough to risk travel without it for the purpose of gathering information for the people of this country.

For months now, the Department has wrangled with representatives of the press over the conditions under which newsmen might be permitted to go to China. I am introducing at this time a resolution which will make it clear what the sense of the Senate is in this matter. It will make clear, that as far as the Senate is concerned, legitimate representatives of the press should be permitted to exercise their independent judgment on where to travel to get the news and that it is the function of the Secretary of State to assist rather than hinder them in their movements abroad.

Mr. President, I send to the desk a Senate resolution and ask that it be received and appropriately referred, and I ask unanimous consent that the resolution be printed at this point in the body of the RECORD.

The PRESIDING OFFICER. The resolution will be received and appropriately referred.

The resolution (S. Res. 190) submitted by Mr. FULBRIGHT, was referred to the Committee on Foreign Relations, as follows:

Whereas abridgment of freedom of the press is prohibited by the first amendment to the Constitution, and such freedom is essential to the preservation of responsible government in the United States; and

Whereas a free press is not and must not become, an instrumentality of the domestic or foreign policies of the Government of the United States or any of its branches but must remain an indispensable and independent source of enlightenment for the people of the United States; and

Whereas the effective functioning of a free press depends upon the widest possible access to facts both within and without the United States and the pursuit of such facts requires the freest possible movement of representatives of the press throughout the world; and

Whereas it is incompatible with the concept and effective functioning of a free press for officials of the Government of the United States to assert the right to impede the movements of bona fide representatives of news-gathering organizations into any areas of the world into which they are able to gain access and are willing to go: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

1. The Secretary of State should exercise the powers of his office to encourage and to facilitate the entrance of bona fide representatives of news gathering organizations into all countries abroad for the purpose of gathering news;

2. The departments and agencies of the executive branch of the Government should not interpret existing legislation or make administrative regulations in such a way as to deny or impede the free movement throughout the world of such bona fide representatives except as such movement may be specifically proscribed by law.

3. If, for reasons of policy or conditions abroad beyond their control, the departments and agencies of the executive branch of the Government are unable to extend normal governmental protection to such bona fide representatives desirous of traveling abroad in any areas, they should so advise but should not, except as may be specifically required by law, forbid such travel or in any way take measures of reprisal against such representatives who enter those areas on their own responsibility.

INVESTIGATION OF JUVENILE DELINQUENCY—AMENDMENT OF SENATE RESOLUTION 52

Mr. EASTLAND (for Mr. HENNINGS) submitted the following resolution (S. Res. 191), which was referred to the Committee on Rules and Administration:

Resolved, That section 4 of Senate Resolution 52, 85th Congress, 1st session, authorizing an investigation of juvenile delinquency in the United States, agreed to on January 30, 1957, is amended by striking out "$50,000" and inserting in lieu thereof "$60,000."

EXTENSION OF SUBCOMMITTEE ON DISARMAMENT UNTIL JANUARY 31, 1958

Mr. GREEN, from the Committee on Foreign Relations, reported an original resolution (S. Res. 192) to extend the Subcommittee on Disarmament until January 31, 1958, which was referred to the Committee on Rules and Administration.

(See resolution printed in full where it appears under the heading "Reports of Committees.")

CONSTRUCTION AND SALE OF A SUPERLINER PASSENGER VESSEL

Mr. MAGNUSON. Mr. President, by request, I introduce, for appropriate reference, a bill to authorize the construction and sale by the Federal Maritime

Board of a superliner passenger vessel equivalent to the steamship *United States*. I ask unanimous consent to have printed in the RECORD a statement which I have prepared relating to the bill.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The bill (S. 2817) to authorize the construction and sale by the Federal Maritime Board of a superliner passenger vessel equivalent to the steamship *United States*, introduced by Mr. MAGNUSON, by request, was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The statement presented by Mr. MAGNUSON is as follows:

STATEMENT BY SENATOR MAGNUSON

I introduce for appropriate reference a bill which would authorize the replacement of the steamship *America* with a modern superliner.

An undertaking of this type would ordinarily be handled at the executive agency level as provided for in the Merchant Marine Act of 1936, as has been the practice in the past. This then would be followed, of course, by Congressional activity in connection with the appropriation of adequate money for the project. I believe, however, that the capital requirements from both private and Government sources, the commercial value of the ship, and its defense potential are so great as to make this project extremely unique. The issues involved in a sister ship to the steamship *United States* call for full hearings by the appropriate committees of the Congress and thorough study.

This conclusion is not new for as far back as 1950, in connection with the construction of the original steamship *United States* and following one of the most elaborate studies of the merchant marine ever undertaken, the Merchant Marine Subcommittee of the Interstate and Foreign Commerce Committee recommended an identical procedure. Senate Report 2494, 81st Congress, 2d session, on page 8 states:

"Whether the construction of a superliner, as has been approved by the old Maritime Commission, is an answer to the passenger-vessel problem or not has come under critical scrutiny by the General Accounting Office and Congressional expenditure committees, with particular criticism centered upon the extraordinary portion ($24 million) of the total cost ($71 million) which was allocated to national defense features of the ship. The members of the subcommittee, fully aware of the recommendation of the President's Advisory Committee on the Merchant Marine that a superliner of 50,000 gross tons be built, seriously question the advisability of future construction of such behemoths without Congressional approval."

On page 36 of the same report there is concluded:

"Recent investigations by the Committee on Expenditures of the House of Representatives anent subsidies granted for construction of the superliner are evidence that, regardless of the merits in the case, latent criticism of the form as well as the substance of our shipping-aid program will find its best vehicle for expression in some such project. Limitations of size and speed might well be written into the existing statute with provisions for public hearings for exceptional cases. It is deemed of far greater value to the Government, the operator, or the public to have the merits of these exceptional cases aired openly beforehand rather than after the decision has been taken, thereby avoiding the type of prejudicial criticism which overshadows the merits of the case."

Under the terms of this bill we would be doing precisely what was then recommended and be moving in a direction which I earnestly believe is the wisest possible procedure today.

No student of American maritime affairs can reject the necessity in our national interest of remaining strong at sea with a balanced and adequate merchant fleet. In the passenger area our fleet is furthest from up-to-date. My colleagues will perhaps be surprised to learn that there is in active private operation today only 41 passenger ships under American flag compared with 123 at the outbreak of World War II. In terms of passenger capacity, we have but one-third of the quantity of accommodations we possessed before World War II in spite of the fact that overseas travel by ship has been steadily increasing.

Greece, Spain, Sweden, Norway and even the Soviet Union actually have more passenger service than in 1939. France, the United Kingdom and the Netherlands are making monumental efforts to restore their war-torn passenger fleets to prewar levels. There is clearly a universal effort to meet the stepped up demands for travel by sea. Forty-eight passenger ships are being built throughout the world, but only four in the United States. A superliner of the type envisioned will offer more than double the capacity of the ship it will replace.

Although it is my belief that a sister ship to the steamship *United States* is necessary to serve the traveling public, it is perhaps even more necessary from a national defense viewpoint. It could carry, if called upon, a full division of troops and their supplies half way around the world at speeds in excess of 30 knots without refueling or reprovisioning. It is important, therefore, to be alert to the dangers pointed out clearly in the latest joint study of the Navy and the Maritime Administration. They reported a serious deficiency in quality and speed requirements of our troop lift mobilization inventory, with only 11 percent of our troop ships capable of speeds in excess of 20 knots. The construction of a new superliner will be the greatest single step we could possibly take in overcoming this potential national catastrophe.

Mr. BUTLER. Mr. President, I should like to address a question to the Senator from Washington.

As I understand, the Senator from Washington has just introduced a bill providing for the construction of a new *United States*.

Mr. MAGNUSON. The Senator is correct.

Mr. BUTLER. With the permission of the Senator from Washington, I ask unanimous consent that a statement which I have prepared be printed in the RECORD following the statement of the Senator from Washington.

Mr. MAGNUSON. I welcome the Senator's statement. I should be glad to have the Senator from Maryland as a cosponsor.

Mr. BUTLER. I should like to be a cosponsor of the bill just introduced by the Senator from Washington.

Mr. MAGNUSON. It is introduced by request.

Mr. BUTLER. I thank the Senator from Washington.

The statement submitted by Mr. BUTLER was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BUTLER

It gives me great pleasure to join with the senior Senator from Washington in the introduction of a bill calling for the construction of a superliner—sister ship of the S. S. *United States*.

I can think of no instrument which would serve better the Nation's interest from so many different points of view than the one proposed in this bill. It will increase substantially the passenger facilities for overseas travel with a ship which will fly the American flag, operated by an American company, paying taxes to the American Government. It will give employment to about 1,000 American seamen and be constructed in an American yard with American skills and know-how to meet American standards. A ship of this type is urgently needed as all of us who try to travel on American vessels particularly at the height of a season can appreciate.

The construction of such a vessel will be a significant step forward in our Nation's effort to catch up with the passenger capacity we possessed before World War II and a large part of which has since been lost to our traveling public. In 1939, the single lift capacity of our 123 passenger ships totaled 37,741. Today it totals but 13,508 in but 41 ships. We are obviously not keeping pace with the record level of travel that has been set in each of the last several years and which once again is above prewar levels. I do not propose that the growing travel business should, through forfeiture, accrue entirely through the benefit of foreign merchant fleets. We are today building but four passenger ships for our own merchant fleet. This is less than 10 percent of the world's total construction, in spite of the fact that our citizens travel abroad more than those of any other nation. In contrast with our limited construction, I note that the British have 9 new passenger ships on the ways, the Netherlands the same number, and Italy, 8.

As an integral part of our national defense, a superliner will serve as the most proper type of troop transport should it ever again be necessary for our boys in uniform to move overseas. With a speed in excess of 30 knots, it avoids the jeopardy many other less modern vessels may meet from enemy U-boats. Surely none of us would propose sending a full division, which is what the superliner could carry, from our ports as sitting ducks for Soviet action.

The superliner envisioned is therefore a unique undertaking, not only in its terms of benefit to the country and indeed the civilized world, but because it represents a joint venture between the private maritime industry and the Federal Government of record size for any one ship. I believe, however, the Congress should discuss fully, in advance of its construction, the merits of its construction as well as the fiscal requirements for its completion rather than the latter aspect alone. For this reason, I join in the introduction of the bill, and urge its consideration by the Congress with the greatest possible speed.

AMENDMENT OF IMMIGRATION AND NATIONALITY ACT—ADDITIONAL COSPONSOR OF BILL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the name of the Senator from Tennessee [Mr. KEFAUVER] may be added as an additional cosponsor of the bill (S. 2792) to amend the Immigration and Nationality Act, and for other purposes, introduced by the Senator from Massachusetts [Mr. KENNEDY] for himself and other Senators, on August 14, 1957.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, AND SO FORTH, PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, and so forth, were ordered to be printed in the RECORD, as follows:

By Mr. KNOWLAND:

Meet the Press program participated in by him on August 18, 1957.

By Mr. WILEY:

Statement by him on Aviation Day.

PROPOSED VISIT OF AMERICAN YOUTHS TO PEIPING

Mr. FULBRIGHT. Mr. President, the New York Herald Tribune, a leading Republican newspaper, carried an editorial last Thursday which deserves the attention of this body and of the people of this country.

Once again in dealing with and mishandling the question of allowing American newsmen to go to Peiping the State Department has, in the words of the editorial, "solemnly and unwittingly done Peiping a great service."

Mr. President, I submit that these "unwitting services" to Peiping or to Moscow on the part of the Department of State have become much too common. They seem to happen regularly, about once a month, if not every fortnight.

I ask unanimous consent to have the editorial printed in the RECORD, and I urge the administration, as well as my colleagues, to give serious thought to this matter.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Herald Tribune of August 15, 1957]

A STATE DEPARTMENT BLUNDER

Of the 150 young Americans who participated in the Moscow propaganda jamboree called the World Youth Festival, a certain number (41 by last count) decided that they wanted still more of the same. So the little band is on the way to Red China, some of them as an all-expense-paid nucleus and others putting up $100 apiece for the round trip. The Communists, of course, are happy to have them and undoubtedly the travelers from the United States will receive the full red-carpet treatment. Those visitors who are already disposed to the Red view of life will get fresh sustenance and as for the others—if there are any open minds or skeptics along for the ride—well, Peiping can always hope to make converts. In any event, Red China has a news instrument which it can and will use to any self-serving purpose. The Communists have nothing to lose.

But none of this, it seems to us, can be considered of major importance. If a handful of impressionable Americans wants to feed out of the Communist hand, and see and hear according to Red China's direction, there ought to be no particular reason for excitement. Our country, like any other, contains a proportion of dupes. And, aside from the willingly gulled fellow-travelers or already hardened Communists, only the silly or immature person would allow himself to be snared into a press-agent stunt. But even so, it is preposterous to think that a conducted tour of physical and mental juveniles by the Red Chinese is going to have any staggering effect. In short, whatever the Communist propagandists may think, it is bush-league publicity and ought to be taken in calm stride.

Yet here the State Department has solemnly and unwittingly done Peiping a great service. By its horrific warnings to the American nationals now on their way from Moscow, our diplomatic establishment has created a big issue out of something essentially unimportant. This is all part and parcel of the stupid position into which the State Department has got itself boxed by refusing to allow the American press to enter Red China except on a provisional, hamstrung basis as instruments of national policy. Of course the present entourage can by no means be dignified as skilled, observant reporters. But the unhappy result of across-the-board intransigeance, of leaping onto a passing incident with such fury, is that Washington has needlessly stirred up complications.

Now the Peiping propaganda boys can really go to work. And all this could have been easily avoided by a better sense of proportion in the State Department. It would have been far better to keep hands off and let this little nuisance of the 41 visitors die of its own weight.

As for getting the truth about Red China, that job should be left to professionals. Here the State Department ought to stop trying to tell the newspapers what to do and stick to genuine diplomacy.

ELIMINATING UNNECESSARY REFERENDUM FOR DETERMINING SOCIAL SECURITY ELIGIBILITY

Mr. WILEY. Mr. President, I should like to call attention to a bill which was favorably reported by the Senate Finance Committee, without amendment, and is now on the calendar, H. R. 8821.

Under present law, after a retirement system in certain States, including Wisconsin, has been divided between those who desire old-age and survivors insurance coverage and those who do not, an additional referendum must be conducted among those who want coverage under OASI.

After a period of implementation of this law, it now has been determined that this referendum is not necessary.

H. R. 8821 would permit the specified States to provide social-security coverage without the subsequent referendum, if there have been adequate safeguards to assure that the rights of each member to a free choice have been followed, that is, he can choose to stay under the present retirement system, or he can go under social security.

I should like to stress a particular problem which has arisen for my constituents in regard to this specific legislation. Presently, a number of our retirement groups are engaged in conducting the referendum—although the interested folks have already indicated their desire to be included, or excluded under OASI.

Even though it is generally agreed that the second "vote" is not only unnecessary, but also costly and time consuming, it must be taken under present law.

If the Congress could expedite the passage of H. R. 8821, it would be a sound action, and would give these groups in the State a legal basis for stopping the referendums now in process.

I am hopeful, therefore, that this bill will be considered and passed today.

COST OF FARM PRICE-SUPPORT PROGRAMS

Mr. YOUNG. Mr. President, Time magazine in its August 19 issue carried a very distorted and inaccurate article concerning the cost of farm price-support programs. Obviously, Time magazine is doing its utmost to discredit these programs in the minds of the American people. It was one of the most unfair articles I have ever read. To me, it is journalism at its worst.

The current issue of U. S. News & World Report—August 23—has an article on the same subject. It is obvious that the writer of this article tried to do an accurate job of reporting on the cost of farm programs regardless of any personal views he might have had. This is journalism at its very best.

The article could have gone into even more detail in explaining the cost of many other programs. For example, the cost of the Federal meat inspection program runs into millions of dollars. This cost rightfully should be charged either to the packers or the consumers of this Nation rather than the farmers. The income from the national forests of the United States far exceeds all the appropriations for the Forest Service. The tax under the Sugar Act more than pays the cost for this price-support program. Wool is a commodity of which we import approximately 60 percent of our requirements, and we would not need any price-support program at all for this commodity if we only had sense enough to raise the tariff sufficiently to protect and encourage production in the United States.

The article in the U. S. News & World Report is very fair, though, and is so typical of this magazine. More than any other magazine I know of, it tries very hard to do an accurate job of reporting and it reserves for its editorial column any expression of views of the editors and publishers.

Mr. President, farm price-support programs are becoming very costly. Too much so. The cost, however, is far from that pictured by Time magazine. Every farmer in this Nation would rather not have any price-support program whatever if he could be assured of even a halfway fair price otherwise. He knows very well this is not possible under present conditions and that he must at least, for the present, depend on these programs for his economic survival.

Mr. President, I ask unanimous consent to have printed in the RECORD as a part of my remarks the article appearing in U. S. News & World Report and, following that, the article appearing in Time.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the U. S. News & World Report of August 23, 1957]

FIVE BILLION FOR FARM AID—WHERE DOES IT ALL GO?

An idea is widespread that American farmers each year are taking $5 billion from the pockets of taxpayers in the form of farm aid.

Farm aid is described as costing billions more than the aid given to people abroad

and hundreds of millions of dollars more than aid to veterans.

Raised now is the question of the billions that are earmarked in the Federal budget for the Department of Agriculture. Who gets those billions and for what purpose?

When you look into the figures for the Government's accounting year that ended June 30, 1957, you discover these things:

The total of Government checks flowing to farmers in the form of direct subsidies in the last year was $806 million, not $5 billion. For these checks, farmers either took land out of use or followed practices designed to improve the land. Also, some of the money went to increase production of sugar and to increase production of wool.

Cost of Government action taken to support the price of farm commodities was $2.55 billion. This money did not go to farmers in direct subsidies. Crop loans, so called because the farmer puts up his crop as collateral, and purchases of farm products are made to support prices. At the same time, money flows back into the Treasury through repayment of crop loans and sales of surplus commodities held by the Government. Actual loss on this operation is not accurately measurable in any one year, as it depends upon market trends over a period of years.

The balance of the $5 billion paid out by the Department of Agriculture—$1.66 billion—was taken up in many ways. Loans to farmers, secured by mortgages, and loans to rural-electrification co-ops took up close to $500 million. These loans will be repaid. More than $350 million was spent on the school-lunch program and donations of food to schools and to needy people in cities at home and abroad. Administration of the Nation's forest lands, costing $151 million, was charged up to farm aid. Research costs came to $159 million. The farmer does not get any of this money directly.

DOLLARS TO FARMERS

Two big programs actually put dollars into farmers' pockets directly or indirectly. One is the program of direct payments, costing $806 million. The other is the $2.55 billion program of price supports.

Direct payments during the last year were of four kinds:

The soil bank involved payment of $447 million to farmers. This is one of the basic programs sponsored by Ezra Taft Benson, Secretary of Agriculture, to solve the farm problem. Payments are made to farmers who take land out of production. The objective is to cut farm output, and at the same time "bank" fertility in the soil.

Conservation payments totaled $237 million. If a farmer puts lime on a field, the Government pays part of the bill. Building terraces to hold water where it falls earns a payment. These payments, covering only a portion of the cost to the farmer, are aimed at encouraging farmers to build up soil resources and cut down on erosion and water loss.

Sugar subsidies, paid to encourage production of cane and beet sugar, totaled $65 million.

Wool subsidies, set up to encourage production of wool in this country, went to sheep raisers in the amount of $57 million.

COST OF PRICE SUPPORT

The program by which the Government undertakes to support farm prices is little understood outside farm circles. A fact overlooked by many is that money not only flows out to farmers under this program but also flows back into the Treasury.

It works this way: Farmers who grow crops eligible for price support can go to the county offices of the Department of Agriculture and get crop loans, putting up their harvested crop as security for the loans. Before the end of the crop year, they must either repay the loans or turn the crops over to the Government. The market price of the crop determines which they do. If the price goes above the loan level, the crop is sold and the loan paid off.

In addition, the Government supports farm prices by purchasing commodities—some from farmers and others from processors of such items as butter, cheese, and dried milk.

Through these operations, a stockpile of surplus farm products accumulates in the hands of the Government. Sales are made from this stockpile, returning money to the United States Treasury. A detailed breakdown of the price-support and surplus-disposal operations, now available for the 11 months that ended May 31, 1957, shows where the $2.55 billion spent on these operations went.

How help for farmers is divided up in the year that ended June 30, 1957—Government spending for farm programs totaled $5,021,000,000—Where the money went:

For direct payments to farmers	$806,000,000
"Soil bank"—for taking land out of production	447,000,000
Conservation — to help farmers conserve the soil	237,000,000
Sugar subsidies	65,000,000
Wool subsidies	57,000,000
For price supports and surplus disposal [1]	2,550,000,000
Giveaways, export subsidies, sales for foreign currency, barter deals	1,318,000,000
Storage of surplus products	347,000,000
Transportation of surplus products	133,000,000
Net cost of price-support loans and purchases (loans and purchases less loans repaid and sales proceeds)	208,000,000
Other costs	273,000,000
For other farm programs	1,655,000,000
Farm loans other than price-support loans	232,000,000
Loans to rural-electric cooperatives	259,000,000
Food donations to schools, needy	260,000,000
School-lunch program	99,000,000
Research to increase yields, improve markets	159,000,000
Forest Service	151,000,000
Other programs and administrative expenses	505,000,000

[1] Breakdown of price-support and surplus-disposal costs is available only for 11 months ended May 31, 1957, and figures do not add to the full-year total of $2,550,000,000.

Source: Based on data from U. S. Treasury and U. S. Department of Agriculture.

SALES BRING IN MONEY

In the 11-month period farmers got price-support loans totaling $2.4 billion. Direct purchases of farm products amounted to $500 million.

The money laid out for loans and purchases was offset by repayments of loans and by dollar sales of surplus farm products that had accumulated, some of them over a period of years. Last year the Government did a land-office business, unloading a vast amount of cotton, wheat, and other commodities. Net cost of the price-support loans and purchases was $208 million.

STORAGE: MILLION A DAY

A sizable portion of the $2.55 billion spent on supporting farm prices and disposing of surpluses was paid out to businessmen for storage and transportation.

Storage cost the Government around a million dollars a day. For the 11-month period, storage costs were $347 million. This money went to grain elevators, cotton warehouses, cold-storage warehouses, and to pay the cost of buying and maintaining the thousands of Government bins for corn storage.

Transportation of Government farm surpluses that were shipped to ports for export or moved from one point to another for various reasons, cost $133 million.

SURPLUSES FOR FOREIGN AID

Largest item charged up against the price-support program was $1.3 billion to cover the cost of surpluses exported under special programs.

A billion dollars' worth of commodities was sold for foreign currency. According to Secretary of Agriculture Benson, this billion should not be charged up to farmers, as the sales are a form of foreign aid under which much of the money will be recovered.

LONG-RANGE COST

Actually, in the view of most farm economists, the cost of the price-support program should be measured over a period of years since it depends on long-term market trends.

For example, during World War II, the Government made a profit by selling surpluses on a rising market.

The cost of price-support loans since they were started in 1936 up to now totals $4.5 billion. This is the difference between cost to the Government of the commodities accumulated under the price-support program and the amount they sold for. The bulk of this cost has come in recent years. Since 1952, total cost has been $3.5 billion.

Spending for farm programs in the years just ahead, say those familiar with the agricultural budget, is likely to remain at a relatively high level. It has been set at around $4.5 billion for this year. As with the $5 billions charged up against the Department of Agriculture last year, not all of that, by any means, will go to farmers in direct subsidies.

[From Time magazine of Aug. 19, 1957]

THE $5 BILLION FARM SCANDAL—EVERY DAY IN EVERY WAY IT GETS WORSE

Restless combines growled and rattled across the rippling wheatfields of the Northwest. In the South, newly picked cotton sped through gins and balers. Midwestern farmers sweated in fields of hay and ripe, yellow oats. Across the Nation, the yearly harvest was under way and despite drought in the Northeast, the worst in 35 years or more, many a United States farmer could agree with Fred Hill of Umatilla County, Oreg. Pushing back his Stetson, lanky farmer Hill, 44, cast an admiring eye over a field of ripened wheat and said with a grin: "The Lord's been good to us again. She's gonna be a honey." The Agriculture Department agreed.

TOPSY-TURVY VALUES

By yardsticks of commonsense, the promise of a bumper harvest ought to measure up as an unmixed blessing. But in the United States of 1957, the soil's abundance has become a costly national problem that turns values topsy-turvy, makes good crop weather seem a national calamity and drought a boon. In a year of bountiful crops, the Agriculture Department will spend a record $5 billion, largely in an effort to cope with surpluses. Instead of going to markets, countless tons of the wheat, corn, and cotton

harvested last week will swell the $5.5 billion worth of farm surpluses stored in United States Government silos, warehouses, and cold-storage vaults, which already hold more wheat than the Nation consumes in a year and a pound of cheese for every man, woman, child and white rat in the country.

The glut is largely the fault of the Federal price-support program, a mode of agricultural life so obsolete that in its present form it amounts to a national scandal. Designed to cope with the problem of farm surpluses, it brings on bigger surpluses by setting high price supports. Designed to keep small farmers from going broke when surpluses drag prices down, it actually helps the poorest farmers least and the richest most. Designed to bolster the health and welfare of agricultural communities, it has tempted many a farmer to sharp practices because only suckers would refuse to take advantage of the loopholes in the law. Designed to cut surpluses by subsidized sales of grain and cotton abroad, it is so rigged that, as overseas sales are successful, price supports rise automatically—hence bring on more surpluses. Designed to ensure farm stabilization, it has instead warped the farm economy; for example, Northwest farmers, restricted on wheat acreage, grow barley instead, and are now starting a cattle-feeding program to use the barley. "The hell of it is," said one of them, "all it would take is an administrative ruling right now to rip up the whole program."

POLITICAL REFLEX

What keeps this clumsy, costly apparatus from the scrap heap is longstanding political regard for the farm vote. Understandably, United States farmers have learned to use political power to make up for economic weakness. Unlike big unions, farmers have no collective bargaining power. Unlike big corporations, they cannot control the supply of their products. When the Nation's farms produce too much wheat, an individual farmer cannot keep the price up by holding part of his crop off the market: Even a big farmer's share of the total wheat supply is a thimbleful in a carload. In a free market, even modest surpluses can send farm prices sinking drastically. Vulnerable as they are, the farmers look to Washington for help.

After farm prices sank in the 1920's and 1930's, the New Deal bolted together the prototype support machinery. Far from dismantling it and building a sounder model as the depression gave way to postwar national prosperity, Congress kept attaching gimmicks and gadgets. Meanwhile, what Agriculture Secretary Ezra Taft Benson calls a technological explosion has taken place on United States farms. The combined impact of more machinery, more fertilizer, deadlier insecticides and higher-yielding hybrid seed has upped overall United States farm productivity by one-third since 1940, lowered the number of man-hours needed to produce 100 bushels of wheat from 67 to 26. Since the early 1940's, the average United States farm investment per worker has soared from $3,500 to more than $15,000. This technological explosion has made the small, unmechanized farm economically obsolete.

A TOLL IN MORALE

To keep high price supports from boosting surpluses, the Government imposes acreage allotments on farmers who ask for supports.[1] Last year, in a further effort to hold down surpluses. Congress passed a soil-bank program to pay farmers for taking acreage out of production. But the technological explosion makes such curbs futile. Last year, with strict acreage and marketing controls in effect, millions of acres in the soil bank and a severe drought pinching the Southwest, technology-armed United States farmers matched the biggest total harvest they had ever known. On land diverted from corn and wheat under acreage allotments, farmers bring in crops—barley, soybeans, sorghums—that compete with corn and wheat as livestock feeds. Result: bigger corn and wheat surpluses. "As soon as they plaster a patch on one place," says an Illinois farm-organization official, "something squirts out in another."

For whatever economic benefit they bring, or fail to bring to farmers, Federal farm programs exact a toll in morale. Time correspondents in all major agricultural regions found farmers who wanted to talk off the record about temptations to dishonesty under the program. One Indianian sold the topsoil off a field and put the barren ground into a soil bank; a group of Californians use soil-banked acres to start future fruit orchards. Says Lynn Larson, who holds a city job to fatten his lean income from a 209-acre farm near East Garland, Utah: "Under these Federal programs, the farmers border on being crooks—always looking for loopholes, letting cattle graze on land put into the soil bank." Echoes Kansas farmer Joe Goldsmith, a 480-acre man: "It makes cheats out of all of us. Some of them cheat more than others, and the big cheats benefit at the expense of those who are most honest."

THE CHAMELEON

Most farmers and farm leaders sense that changes in Federal farm programs are overdue. A lot of farmers, and members of Congress too, favor a two-price plan under which (1) farmers would get 100 percent of parity for commodities sold for human use in the United States, but (2) would get the free-market price for animal feeds and commodities sold for exports (a scheme sure to bring yowls against dumping from foreign countries).

A big (70,000 acres) Kansas farmer has another idea: give farmers an income-tax break by letting them average good years with bad. A little (10 acres) Georgia cotton farmer who seldom nets more than $400 a year, thinks the only fair thing is 100-percent-of-parity supports under all farm commodities—or at least under cotton. A Colorado wheat farmer offers still another plan: "Congress should create huge cooperatives to handle the crops, and only enough should be let out to maintain the market." But farm experts who take a broad view see no simple, straightforward answer. The farm problem, broods an Illinois farm economist, is semi-economic, semipolitical, semimoral and semi-social. It's as changeable as a chameleon and prickly as a porcupine.

ABOVE PRINCIPLE

How prickly the porcupine is, nobody knows better than Ezra Taft Benson. He went to Washington in 1953 convinced that a dedicated Agriculture Secretary, willing to rise above politics and make himself personally unpopular, could end huge surpluses, high price supports, acreage controls and big Agriculture Department budgets. But it was Benson's bad luck to take his job just as the farm economy was about to feel the technological explosion's full impact. Under the impact, farm prices sagged. With net farm income sliding from $13.3 billion in 1953 to $11.6 billion in 1956, United States farmers were in no mood for experiments with lower price supports, and Congress was in no mood to make the farmers any madder. So Benson found Congress unwilling to rise very far above politics.

He did win from Congress in 1954 a grudging bit of price-support flexibility, but last year it took an Eisenhower veto to keep Capitol Hill from restoring the old system of rigid, mandatory support, at 90 percent of parity, under six basic farm commodities, including wheat, cotton, corn. Benson himself has had to learn to bend with political winds, to compromise, zigzag and, as he puts it with a wan smile, rise above principle.

"PHONY AS HELL"

Despite all the porcupine quills stuck in him, Ezra Taft Benson still hopes to get a radically altered price-support program through Congress next year. Enough fresh evidence of the current program's failure has piled up, he trusts, to convince Capitol Hill that it is high time for a change.

Benson wants Congress to get rid of rigid, mandatory price supports altogether, grant the Agriculture Secretary authority to set support under any farm commodity at whatever level he deems suitable, from 100 percent down. If Benson gets his way, the Government will no longer use supports to try to make farming profitable even for an inefficient farmer on an obsolete small farm. Supports would serve only to prevent drastic price falls from one year to the next. In coping with a commodity in oversupply, e. g., wheat, Benson, would lower the support price bit by bit. Gradually, farmers would shift wheat fields to more profitable crops. In time—he hopes—supply would come into balance with demand, acreage controls would fade away, and the flow of wheat into Government storage would end.

Many Members of Congress would rather ignore the porcupine than vote for any such new program. But even farmers have come to realize that the present setup cannot last. Wonders an Oregon wheat farmer: "Is the taxpayer going to stand for it? I can't think any program relying on Government help in the long run is an answer. It's phony, phony as hell." A Utah farmer looks at it the same way: "You can't buy a solution to the farm problem by spending more and more money. So why don't they stop trying, before the city people rise up in arms?" Says Indiana farm editor (Indianapolis News) Frank Salzarulo: "It's time to quit being average or quit farming. Most farmers are willing to junk the program completely."

Nationally speaking, most farmers are not that foolhardy—if only because they may continue to need help to extricate themselves from the contradictory kind of help that now holds them like a solicitous boa constrictor. But city dwellers and farmers alike should realize that every day the present program continues—to the tune of $5 billion a year—the situation is going to get worse.

[1] In 1956, in the ultimate contradiction, the administration put into effect a support price for corn grown outside the acreage limitation program, i. e., a guaranteed market of $1.25 a bushel for those who thumbed their noses at crop-restriction programs.

THE MUTUAL SECURITY PROGRAM

Mr. SMITH of New Jersey. Mr. President, in light of the pending discussions with regard to the appropriation for the mutual security program, I ask unanimous consent to have printed in the body of the RECORD as a part of my remarks a breakdown of the relevant figures.

There being no objection, the breakdown was ordered to be printed in the RECORD, as follows:

	Million
The original request of the President	$3,800
The Senate authorization bill	3,600
The House authorization bill	3,100
The joint House-Senate conference authorization	3,300
The recent House appropriation (new appropriations)	2,500
Cut made by the House	809

Various titles of the bill:

I—Military assistance (new appropriations)

	Billion
President	$1.9
Senate authorization	1.8
House authorization	1.5
Conference report	1.6
House appropriation, H. R. 9302	1.25

II—Defense support (new appropriations)

	Million
President	$900
Senate authorization	800
House authorization	600
Conference report	750
House appropriation, H. R. 9302	585

III—Development loan fund

	Million
President	$500
Senate authorization	500
House authorization	500
Conference report	500
House appropriation, H. R. 9302	300

IV—Technical cooperation—United States bilateral operations (new appropriations)

	Million
President	$152
Senate authorization	152
House authorization	152
Conference report	152
House appropriation, H. R. 9302	113

V—Special assistance

President	$300
Senate authorization	250
House authorization	250
Conference report	200
House appropriation, H. R. 9302	175

Mr. SMITH of New Jersey. The House appropriation cuts are cause for serious concern about every category in the bill.

The military assistance slash makes the military assistance appropriations for new moneys one of the lowest since the program was stepped up in 1950. It endangers the existence of a pipeline adequate, in the opinion of military experts, to maintain a strong mutual security program in the future. It will necessitate a cutback in the new weapons program for Korea, where the Reds have an equipment advantage, and for Europe.

An especially critical title is defense support because the programs in the areas of the world where this is vitally needed and where emergencies may arise on the front lines facing the Communists—Korea, Taiwan, Vietnam, Pakistan, and Turkey—will have to be cut up to 32 percent. In addition, aid for the explosive Middle East will have to be reduced.

At a time when the underdeveloped countries are becoming deeply engaged in the cold war, the sum of the funds for economic aid in the loans fund and technical cooperation titles of the bill are less than were spent for total economic assistance last year.

The special assistance fund of the President, which is his discretionary fund to be used to meet emergencies anywhere in the world, and especially in the Middle East, has been slashed to a perilous margin of safety.

AGRICULTURAL PROSPERITY

Mr. AIKEN. Mr. President, several times during the past year and a half I have had occasion to refer to the recommendations contained in a report of the Conference on Economic Progress. This report was issued in early 1956 and was based on conditions of the year 1955. Certain recommendations were made in the report. Among them was one to the effect that there should be a liquidation of 950,000 of the smaller farms of the country during the next 5-year period.

My friend, Leon Keyserling, assumed to be the author of this report, seems to be somewhat disturbed by frequent references to this booklet. I want to say that it is really an excellent report. I, myself, can agree with a great deal of it. It contains a wealth of valuable information. There is nothing to be disturbed about in regard to this report, and I would recommend that people get a copy of it and read it in its entirety.

I should like, however, to read 2 or 3 excerpts from the report, for the simple reason that there are those who apparently would like to have it appear that others are the ones who made the recommendation for the liquidation of approximately 1 million small farms in this country over a 5-year period.

From this report, entitled "Full Prosperity for Agriculture," I should like to read a paragraph on page 80, as follows:

GOALS FOR FARM POPULATION AND EMPLOYMENT

In 1954 the farm population, according to the generally used concept of the Department of Agriculture, was about 22 million, with apparently very little change in 1955. According to the same Department concept, the number of people working on farms, full-time and part-time, is somewhat less than 8½ million, of whom about 6½ million are members of farm operator families, and about 2 million are hired workers. However, only the resident hired workers, apparently more than 1 million in number, are with their families defined as part of the farm population. By 1960, even with the greatly increased demand for farm products, the increases in yield and in productivity would seem to make it desirable that the long-range trend toward the reduction of the farm population continue, and that the farm population in 1960 come down to about 20 million.

I turn to page 99 and read again a paragraph from the report:

MEASURES TO FACILITATE THE EXODUS FROM THE FARM POPULATION OF ABOUT 2 MILLION PEOPLE BY 1960, AND TO LIFT MOST OF THEM FROM SERIOUSLY SUBSTANDARD TO DECENT STANDARDS OF LIVING

Between now and 1960, about three-quarters of a million farm-family workers and hired farm workers, comprising about 2 million people when their families are included, need to shift from full-time or part-time farmwork to full-time employment outside of agriculture. This is required because farm productivity and yield are increasing so rapidly that even a rapidly expanding demand for farm products cannot keep employed all of the current farm-labor force and provide good income for them. The proper way to make this adjustment in resource use is not to force more and more of the farm population downward to lower levels of income, but rather to provide opportunity for most of those who are already at these low levels to move into useful and rewarding work outside of agriculture.

In this paragraph, Mr. President, it will be noted that there is virtually a recommendation of the rural development program which is being promoted by President Eisenhower.

Mr. President, I ask unanimous consent that I may be permitted to use 2 additional minutes' time.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Vermont? The Chair hears none, and it is so ordered.

Mr. AIKEN. Mr. President, I ask unanimous consent to have printed at this point in my remarks the table appearing on page 108 of the report which shows how the reduction in the farm population would be achieved.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Trends and goals for farm structure

	1950 (actual)	1955 (estimated)	1960 (on basis of needed changes)
Commercial farms:			
Substandard farms as to size, efficiency, and earnings:[1]			
Number.....thousands	1,640	1,500	550
Percent of total farm sales	9	8	3
Small and middle-size family farms, able to produce and earn satisfactorily in favorable environments:[2]			
Number.....thousands	1,667	1,600	2,000
Percent of total farm sales	39	36	37
Moderately large family farms and those somewhat above family size:[3]			
Number.....thousands	389	400	450
Percent of total farm sales	26	28	33
Large to giant farms, including corporate type:[4]			
Number.....thousands	97	100	100
Percent of total farm sales	24	26	25
Noncommercial farms (all part-time and residential included):			
Number.....thousands	1,587	1,600	1,700
Percent of total farms sales	2	2	2
Total of all farms: Number.....thousands	5,380	5,000	4,600

[1] Corresponds to census classes V and VI—farm product sales of less than $2,500 per year.
[2] Corresponds to census classes III and IV—farm product sales of $2,500 to $10,000 per year.
[3] Corresponds to census class II—farm product sales $10,000 to $25,000 per year. A precise breakdown of this group between family farms and above-family farms is not possible; however, most—perhaps ¾ of these units—are actually family farms.
[4] Corresponds to census class I—farm product sales of $25,000 and over per year.

Mr. AIKEN. Mr. President, I ask unanimous consent to have printed in the RECORD with my remarks a list of the promoters of the Conference on Economic Progress, which contains many well-known names in the field of labor, agriculture, and industry. I, myself, know half of these people. I know they

have been very much interested in this work, and have done a great deal of good in the field of labor and agriculture over the years. I am in accord with many of their beliefs although I cannot agree with their recommendation that we should actively seek a reduction in our farm population. It would be best for our country to keep as many people as possible on the land even though it may be necessary for them to seek off-farm employment.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

CONFERENCE ON ECONOMIC PROGRESS

The Conference on Economic Progress is a nonprofit, nonpolitical organization engaged solely in economic research, education, and publication of studies related to full employment and full production in the United States.

The national committee of the conference includes the following:

Thurman Arnold, attorney; former Assistant Attorney General of the United States, judge, United States court of appeals.

William H. Davis, attorney; former Director, Office, Economic Stabilization.

Abraham Feinberg, chairman, Julius Kayser Co.

Richard H. Frost, president, National Pneumatic Co.; A. J. Hayes, president, International Association Machinists, vice president, and member of executive council of American Federation of Labor.

Fred V. Heinkel, president, Missouri Farmers Association, Inc.

J. M. Kaplan, president, Welch Grape Juice Co.

Leon H. Keyserling, economist and attorney; former chairman of President's Council of Economic Advisers.

O. A. Knight, president, Oil, Chemical, and Atomic Workers.

Murray D. Lincoln, president, Nationwide Mutual Insurance Cos.

Armand May, president, American Associated Cos., American Factors Co.

James G. Patton, president, National Farmers Union.

Miles Pennybacker, president, Voltarc Tubes, Inc.

Walter P. Reuther, president, Congress of Industrial Organizations, United Automobile Workers.

Marvin Rosenberg, chairman, Cameo Curtains, Inc.

M. W. Thatcher, president, National Federation Grain Cooperatives.

Mr. AIKEN. Mr. President, I invite attention to the fact that this same organization has this year issued a new report, entitled "The Gaps in Our Prosperity," in which they stand solidly behind the recommendation for the reduction in farm population, which was made in the spring of 1956.

I invite attention to the fact that this year the makeup of the conference is the same as it was in the spring of 1956, except that the name of Glenn J. Talbott, president, North Dakota Farmers Union, has been substituted for the name of Richard H. Frost, president, National Pneumatic Co.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the following bills of the Senate, severally with an amendment, in which it requested the concurrence of the Senate:

S. 1568. An act to direct the Secretary of the Interior to convey certain public lands in the State of Nevada to the Colorado River Commission of Nevada acting for the State of Nevada;

S. 1866. An act to amend the act entitled "An act to require the inspection and certification of certain vessels carrying passengers," approved May 10, 1956, in order to provide adequate time for the formulation and consideration of rules and regulations to be prescribed under such act;

S. 2229. An act to provide for Government guaranty of private loans to certain air carriers for purchase of modern aircraft and equipment, to foster the development and use of modern transport aircraft by such carriers, and for other purposes; and

S. 2431. An act granting the consent of Congress to the Klamath River Basin Compact between the States of California and Oregon, and for related purposes.

The message also announced that the House had passed the following bills of the Senate, severally with amendments, in which it requested the concurrence of the Senate:

S. 268. An act to provide that the Secretary of the Army shall return certain mineral interests in land acquired by him for flood-control purposes to the former owners of such land;

S. 1574. An act to provide for the disposal of certain Federal property in the Coulee Dam and Grand Coulee areas, to provide assistance in the establishment of a municipality incorporated under the laws of Washington, and for other purposes; and

S. 2080. An act relating to the computation of annual income for the purpose of payment of pension for nonservice-connected disability or death in certain cases.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 8240) to authorize certain construction at military installations, and for other purposes.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 8992) to provide for the appointment of representatives of the United States in the organs of the International Atomic Energy Agency, and to make other provisions with respect to the participation of the United States in that Agency, and for other purposes.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 9131) making supplemental appropriations for the fiscal year ending June 30, 1958, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. CANNON, Mr. MAHON, Mr. THOMAS, Mr. ROONEY, Mr. TABER, Mr. WIGGLESWORTH, and Mr. CLEVENGER were appointed managers on the part of the House at the conference.

The message further announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 230. An act to require the Secretary of the Army to convey to the county of Los Angeles, Calif., all right, title, and interest of the United States in and to certain portions of a tract of land heretofore conditionally conveyed to such county;

H. R. 580. An act to authorize the exchange of certain land in the State of Missouri;

H. R. 1394. An act to authorize the sale of certain keys in the State of Florida by the Secretary of the Interior;

H. R. 2136. An act to amend section 124 (c) of title 28 of the United States Code so as to transfer Shelby County from the Beaumont to the Tyler division of the eastern district of Texas;

H. R. 2548. An act to authorize payment for losses sustained by owners of wells in the vicinity of the construction area of the New Cumberland Dam project by reason of the lowering of the level of water in such wells as a result of the construction of New Cumberland Dam project;

H. R. 2580. An act to increase the storage capacity of the Whitney Dam and Reservoir and to make available 50,000 acre-feet of water from the reservoir for domestic and industrial use;

H. R. 2824. An act to provide for the distribution of the land and assets of certain Indian rancherias and reservations in California, and for other purposes;

H. R. 3018. An act to amend title 14, United States Code, entitled "Coast Guard," to authorize expenditures for recreation and welfare of Coast Guard personnel and the schooling of their dependent children;

H. R. 3210. An act to amend section 510 (a) (1) of the Merchant Marine Act, 1936, as amended, to accelerate the trade-in of old vessels with replacement by modern vessels;

H. R. 3770. An act to rename the Strawn Dam and Reservoir project in the State of Kansas as the John Redmond Dam and Reservoir;

H. R. 4183. An act to amend an act entitled "An act to provide for the refunding of the bonds of municipal corporations and public-utility districts in the Territory of Alaska, to validate bonds which have heretofore been issued by a municipal corporation or any public-utility district in the Territory of Alaska, and for other purposes" (54 Stat. 14), approved June 17, 1940; to validate bonds which have heretofore been issued by any municipal corporation, any public-utility district or any school district in the Territory of Alaska; and for other purposes;

H. R. 4260. An act to authorize the Chief of Engineers to publish information pamphlets, maps, brochures, and other material;

H. R. 4640. An act to amend the Civil Service Retirement Act with respect to payments from voluntary contributions accounts;

H. R. 4683. An act to authorize adjustment, in the public interest, of rentals under leases entered into for the provision of commercial recreational facilities at the Lake Greeson Reservoir, Narrows Dam;

H. R. 5149. An act to provide that whenever public lands have been heretofore granted to a State for the purpose of erecting certain public buildings at the capital of such State, such purpose shall be deemed to include construction, reconstruction, repair, renovation, and other permanent improvements of such public buildings, and for other purposes;

H. R. 5384. An act to amend the Interstate Commerce Act to provide for the preservation of competitive through routes for rail carriers;

H. R. 5809. An act to authorize construction of a U. S. S. *Arizona* Memorial at Pearl Harbor;

H. R. 5894. An act to amend the laws relating to the endorsement of masters on vessel documents and to provide certain additional penalties for failure to exhibit vessel documents or other papers when required by enforcement officers;

H. R. 6322. An act to provide that the dates for submission of plan for future control of

property and transfer of the property of the Menominee Tribe shall be delayed;

H. R. 6363. An act to amend the act of May 24, 1928, providing for a bridge across Bear Creek at or near Lovel Point, Baltimore County, Md., to provide for the construction of another bridge, and for other purposes;

H. R. 6382. An act to subject naval ship construction to the act of June 30, 1936 (49 Stat. 2036), as amended;

H. R. 6660. An act to provide that the lock and dam referred to as the Tuscaloosa lock and dam on the Black Warrior River, Ala., shall hereafter be known and designated as the William Bacon Oliver lock and dam;

H. R. 6765. An act to provide for reports on the acreage planted to cotton, to repeal the prohibitions against cotton acreage reports based on farmers' planting intentions, and for other purposes;

H. R. 6785. An act to amend section 26, title I, chapter I, of the act entitled "An act making further provision for a civil government for Alaska, and for other purposes," approved June 6, 1900 (48 U. S. C. 381);

H. R. 6940. An act to authorize the Secretary of the Interior to reimburse owners of lands acquired for developments under his jurisdiction for their moving expenses, and for other purposes;

H. R. 7051. An act to stimulate industrial development near Indian reservations;

H. R. 7052. An act to amend section 216 (b) of the Merchant Marine Act, 1936, as amended, to provide for appointments of cadets from the District of Columbia, Guam, American Samoa, Virgin Islands, and the Canal Zone;

H. R. 7251. An act to amend the definition of the term "State" in the Veterans' Readjustment Assistance Act and the War Orphans' Educational Assistance Act to clarify the question of whether the benefits of those acts may be afforded to persons pursuing a program of education or training in the Panama Canal Zone;

H. R. 7384. An act for the relief of the town of Medicine Lake, Mont.;

H. R. 7636. An act to provide for the conveyance to the State of Florida of a certain tract of land in such State owned by the United States;

H. R. 7671. An act to amend section 116 of chapter X of the Federal Bankruptcy Act, to make certain equipment trust provisions applicable to aircraft and aircraft equipment of air carriers;

H. R. 8121. An act to establish the Office of the Deputy Judge Advocate General of the Navy, and for other purposes;

H. R. 8126. An act to amend section 16 (c) of the Revised Organic Act of the Virgin Islands;

H. R. 8392. An act to promote the national defense by including two representatives of the Department of the Army as members of the National Advisory Committee for Aeronautics and by authorizing specifically certain functions necessary to the effective prosecution of aeronautical research;

H. R. 8429. An act to amend the Vocational Rehabilitation Act;

H. R. 8646. An act to amend the Alaska Public Works Act (63 Stat. 627, 48 U. S. C. 486, and the following) to clarify the authority of the Secretary of the Interior to convey federally owned land utilized in the furnishing of public works;

H. R. 8673. An act to amend section 69 of the Hawaiian Organic Act;

H. R. 8679. An act to provide a 1-year extension of the programs of financial assistance in the construction of schools in areas affected by Federal activities under the provisions of Public Law 815, 81st Congress;

H. J. Res. 253. Joint resolution to establish a commission to commemorate the 100th anniversary of the Civil War, and for other purposes;

H. J. Res. 313. Joint resolution designating the week of November 22–28, 1957, at National Farm-City Week; and

H. J. Res. 382. Joint resolution granting the consent and approval of Congress to an amendment of the agreement between the States of Vermont and New York relating to the creation of the Lake Champlain Bridge Commission.

ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bill and joint resolutions; and they were signed by the President pro tempore:

H. R. 7383. An act to amend the Atomic Energy Act of 1954, as amended, and for other purposes;

H. J. Res. 323. Joint resolution to facilitate the admission into the United States of certain aliens; and

H. J. Res. 339. Joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens.

HOUSE BILLS AND JOINT RESOLUTIONS REFERRED OR PLACED ON THE CALENDAR

The following bills and joint resolutions were severally read twice by their titles and referred as indicated:

H. R. 230. An act to require the Secretary of the Army to convey to the county of Los Angeles, Calif., all right, title, and interest of the United States in and to certain portions of a tract of land heretofore conditionally conveyed to such county;

H. R. 5809. An act to authorize construction of a United States Ship *Arizona* Memorial at Pearl Harbor;

H. R. 6382. An act to subject naval ship construction to the act of June 30, 1936 (49 Stat. 2036), as amended;

H. R. 8121. An act to establish the Office of the Deputy Judge Advocate General of the Navy, and for other purposes; and

H. R. 8392. An act to promote the national defense by including two representatives of the Department of the Army as members of the National Advisory Committee for Aeronautics and by authorizing specifically certain functions necessary to the effective prosecution of aeronautical research; to the Committee on Armed Services.

H. R. 580. An act to authorize the exchange of certain land in the State of Missouri; and

H. R. 6765. An act to provide for reports on the acreage planted to cotton, to repeal the prohibitions against cotton acreage reports based on farmers' planting intentions, and for other purposes; to the Committee on Agriculture and Forestry.

H. R. 1394. An act to authorize the sale of certain keys in the State of Florida by the Secretary of the Interior;

H. R. 2824. An act to provide for the distribution of the land and assets of certain Indian rancherias and reservations in California, and for other purposes;

H. R. 4183. An act to amend an act entitled "An act to provide for the refunding of the bonds of municipal corporations and public-utility districts in the Territory of Alaska, to validate bonds which have heretofore been issued by a municipal corporation or any public-utility district in the Territory of Alaska, and for other purposes" (54 Stat. 14), approved June 17, 1940; to validate bonds which have heretofore been issued by any municipal corporation, any public-utility district or any school district in the Territory of Alaska; and for other purposes;

H. R. 5149. An act to provide that whenever public lands have been heretofore granted to a State for the purpose of erecting certain public buildings at the capital of such State, such purpose shall be deemed to include construction, reconstruction, repair, renovation, and other permanent improvements of such public buildings, and for other purposes;

H. R. 6322. An act to provide that the dates for submission of plan for future control of property and transfer of the property of the Menominee Tribe shall be delayed;

H. R. 6785. An act to amend section 26, title I, chapter I, of the act entitled "An act making further provision for a civil government for Alaska, and for other purposes," approved June 6, 1900 (48 U. S. C. 381);

H. R. 6940. An act to authorize the Secretary of the Interior to reimburse owners of lands acquired for developments under his jurisdiction for their moving expenses, and for other purposes;

H. R. 8126. An act to amend section 16 (c) of the Revised Organic Act of the Virgin Islands;

H. R. 8646. An act to amend the Alaska Public Works Act (63 Stat. 627, 48 U. S. C. 486, and the following) to clarify the authority of the Secretary of the Interior to convey federally owned land utilized in the furnishing of public works; and

H. R. 8673. An act to amend section 69 of the Hawaiian Organic Act; to the Committee on Interior and Insular Affairs.

H. R. 2136. An act to amend section 124 (c) of title 28 of the United States Code so as to transfer Shelby County from the Beaumont to the Tyler division of the eastern district of Texas;

H. R. 7384. An act for the relief of the town of Medicine Lake, Mont.;

H. R. 7636. An act to provide for the conveyance to the State of Florida of a certain tract of land in such State owned by the United States;

H. J. Res. 253. Joint resolution to establish a commission to commemorate the 100th anniversary of the Civil War, and for other purposes; and

H. J. Res. 313. Joint resolution designating the week of November 22–28, 1957, as National Farm-City Week; to the Committee on the Judiciary.

H. R. 2548. An act to authorize payment for losses sustained by owners of wells in the vicinity of the construction area of the New Cumberland Dam project by reason of the lowering of the level of water in such wells as a result of the construction of New Cumberland Dam project;

H. R. 2580. An act to increase the storage capacity of the Whitney Dam and Reservoir and to make available 50,000 acre-feet of water from the reservoir for domestic and industrial use;

H. R. 3770. An act to rename the Strawn Dam and Reservoir project in the State of Kansas as the John Redmond Dam and Reservoir;

H. R. 4260. An act to authorize the Chief of Engineers to publish information pamphlets, maps, brochures, and other material;

H. R. 4683. An act to authorize adjustment, in the public interest, of rentals under leases entered into for the provision of commercial recreational facilities at the Lake Greeson Reservoir, Narrows Dam;

H. R. 6363. An act to amend the act of May 24, 1928, providing for a bridge across Bear Creek at or near Lovel Point, Baltimore County, Md., to provide for the construction of another bridge, and for other purposes;

H. R. 6660. An act to provide that the lock and dam referred to as the Tuscaloosa lock and dam on the Black Warrior River, Ala., shall hereafter be known and designated as the William Bacon Oliver lock and dam; and

H. J. Res. 382. Joint resolution granting the consent and approval of Congress to an amendment of the agreement between the States of Vermont and New York relating to the creation of the Lake Champlain Bridge Commission; to the Committee on Public Works.

H. R. 3018. An act to amend title 14, United States Code, entitled "Coast Guard," to authorize expenditures for recreation and welfare of Coast Guard personnel and the schooling of their dependent children;

H. R. 3210. An act to amend section 510 (a) (1) of the Merchant Marine Act, 1936, as amended, to accelerate the trade-in of old vessels with replacement by modern vessels;

H. R. 5384. An act to amend the Interstate Commerce Act to provide for the preservation of competitive through routes for rail carriers; and

H. R. 7052. An act to amend section 216 (b) of the Merchant Marine Act, 1936, as amended, to provide for appointments of cadets from the District of Columbia, Guam, American Samoa, Virgin Islands, and the Canal Zone; to the Committee on Interstate and Foreign Commerce.

H. R. 4640. An act to amend the Civil Service Retirement Act with respect to payments from voluntary contributions accounts; to the Committee on Post Office and Civil Service.

H. R. 7251. An act to amend the definition of the term "State" in the Veterans' Readjustment Assistance Act and the War Orphans' Educational Assistance Act to clarify the question of whether the benefits of those acts may be afforded to persons pursuing a program of education or training in the Panama Canal Zone; and

H. R. 8679. An act to provide a 1-year extension of the programs of financial assistance in the construction of schools in areas affected by Federal activities under the provisions of Public Law 815, 81st Congress; to the Committee on Labor and Public Welfare.

H. R. 7671. An act to amend section 116 of chapter X of the Federal Bankruptcy Act, to make certain equipment trust provisions applicable to aircraft and aircraft equipment of air carriers; placed on the calendar.

GOVERNMENT GUARANTY OF PRIVATE LOANS TO CERTAIN AIR CARRIERS

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 2229) to provide for Government guaranty of private loans to certain air carriers for purchase of modern aircraft and equipment, to foster the development and use of modern transport aircraft by such carriers, and for other purposes, which was, to strike out all after the enacting clause and insert:

That it is hereby declared to be the policy of Congress, in the interests of the commerce of the United States, the postal service, and the national defense to promote the development of local, feeder, and short-haul air transportation. In furtherance of this policy it is deemed necessary and desirable that provision be made to assist certain air carriers engaged in such air transportation by providing governmental guaranties of loans to enable them to purchase aircraft suitable for such transportation on reasonable terms.

SEC. 2. As used in this act—

(a) "Board" means the Civil Aeronautics Board.

(b) "Aircraft purchase loan" means any loan, or commitment in connection therewith, made for the purchase of a commercial transport aircraft, including spare parts normally associated therewith.

SEC. 3. The Board is hereby authorized to guarantee any lender against loss of principal or interest on any aircraft purchase loan made by such lender to any air carrier holding a certificate of public convenience and necessity issued by the Board (a) designated therein to be for local or feeder air service, or (b) providing for operations wholly within the Territory of Hawaii, or (c) providing for operations (the major portion of which are conducted either within Alaska or between Alaska and the United States) within the Territory of Alaska (including service between Alaska and the United States, and between Alaska and adjacent Canadian territory), or (d) providing for operations within the Commonwealth of Puerto Rico (including service to the Virgin Islands and the Dominican Republic), or (e) providing for operations between Florida and the British West Indies (including service to Cuba), or (f) for the purpose of authorizing metropolitan helicopter service. Such guaranty shall be made in such form, on such terms and conditions and pursuant to such regulations, as the Board deems necessary and which are not inconsistent with the provisions of this act.

SEC. 4. No guaranty shall be made:

(a) Extending to more than the unpaid interest and 90 percent of the unpaid principal of any loan.

(b) On any loan or combination of loans for more than 90 percent of the purchase price of the aircraft, including spare parts, to be purchased therewith.

(c) On any loan whose terms permit full repayment more than 10 years after the date thereof.

(d) Wherein the total face amount of such loan, and of any other loans to the same carrier, or corporate predecessor carrier or carriers, guaranteed and outstanding under the terms of this act exceed $5 million.

(e) Unless the Board finds that, without such guaranty, in the amount thereof, the air carrier would be unable to obtain necessary funds for the purchase of needed aircraft on reasonable terms.

SEC. 5. The Board shall prescribe, either specifically or by limits, rates of interest, guaranty fees and such other reasonable fees or charges as it may require in connection with guaranty of aircraft purchase loans.

SEC. 6. (a) To permit it to make use of such expert advice and services as it may require in carrying out the provisions of this act, the Board may use available services and facilities of other agencies and instrumentalities of the Federal Government with their consent and on a reimbursable basis.

(b) Departments and agencies of the Federal Government shall exercise their powers, duties, and functions in such manner as will assist in carrying out the objectives of this act.

SEC. 7. (a) Receipts from fees and charges under this act shall be credited to miscellaneous receipts of the Treasury.

(b) Payments to lenders required as a consequence of any guaranty under this act may be made from funds which are hereby authorized to be appropriated to the Board for that purpose.

(c) Administrative expenses under this act shall be paid from appropriations to the Board for administrative expenses.

SEC. 8. This act shall become effective upon enactment, and the authority contained in section 3 hereof shall expire 5 years thereafter.

Mr. MAGNUSON. Mr. President, I move that the Senate disagree to the amendment of the House and request a conference thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer (Mr. MORTON in the chair) appointed Mr. MONRONEY, Mr. SMATHERS, Mr. BIBLE, Mr. SCHOEPPEL, and Mr. PAYNE conferees on the part of the Senate.

INSPECTION AND CERTIFICATION OF CERTAIN VESSELS CARRYING PASSENGERS

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1866) to amend the act entitled "An act to require the inspection and certification of certain vessels carrying passengers," approved May 10, 1956, in order to provide adequate time for the formulation and consideration of rules and regulations to be prescribed under such act, which was to strike out all after the enacting clause and insert:

That section 8 of the act entitled "An act to require the inspection and certification of certain vessels carrying passengers," approved May 10, 1956, is amended by striking out "January 1, 1957" and inserting in lieu thereof "June 1, 1958."

Mr. MAGNUSON. Mr. President, I move that the Senate concur in the House amendment.

The motion was agreed to.

TARIFF ON LEAD AND ZINC—PROPOSAL TO PLACE MICA ON FREE LIST

Mr. DOUGLAS. Mr. President, this morning the Senate Finance Committee adopted a sliding scale tariff increase on lead and zinc, contained in a bill sponsored by the eminent senior Senator from Utah [Mr. WATKINS].

The Senate Finance Committee attached it to a previously passed House bill placing mica on the free list. The bill in its present form is being printed and sent to the floor, including a majority report and a statement of minority views. It should be understood that the bill which the Senate committee endorsed this morning is a substitute for the flat 3-cents-a-pound tariff which the committee tentatively adopted last Friday, and which it is now withdrawing.

While 11 members of the committee voted in favor of the action of the committee, the Senator from Tennessee [Mr. GORE] and I opposed it, and cast our votes in opposition. We have prepared a statement of minority views, opposing the proposed increase in the tariff on lead and zinc and have filed them with the committee.

Inasmuch as this issue will very shortly be before the Senate for action, I ask unanimous consent that the minority views be printed in the body of the RECORD at this point, so as to be available for study by Members of the Senate and the general public.

The PRESIDING OFFICER. Is there objection?

Mr. CASE of South Dakota. Mr. President, reserving the right to object, I should like to address a question to the able Senator from Illinois.

Do the minority views which the Senator from Illinois proposes to file deal with the provisions in the bill which would place mica on the free list?

Mr. DOUGLAS. No. They deal with the proposal for an increase in the tariff on lead and zinc.

Mr. CASE of South Dakota. Does it not strike the Senator from Illinois as a little strange that in one bill it is pro-

posed to take from mica, a strategic material, the protection it now enjoys, and, in the same measure, add a provision for an increased tariff on lead and zinc, which are not in the category of mica, so far as strategic requirements are concerned?

Mr. DOUGLAS. Let me say to my good friend from South Dakota that the Senator from Illinois did not propose to attach the increase in the tariff on lead and zinc to the mica bill. What happened was that the placing of mica on the free list was used as a locomotive, so to speak, behind which was hitched the increase in the tariff on lead and zinc.

Normally, these tariff measures originate in the House. The House has not yet passed on the lead and zinc tariff. I had assumed that in the normal course of events we would allow the House to have priority, since such bills should originate in the House. But inasmuch as the committee was approving the removal of any tariff on mica, which provision had previously passed the House, it occurred to certain members of the Finance Committee to attach the increase in the tariff on lead and zinc to the mica bill.

I esteem my colleagues on the Finance Committee very highly and I do not wish to criticize them. But I can only say that the Senator from Tennessee and the Senator from Illinois did not do it.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Illinois?

Mr. CASE of South Dakota. Mr. President, reserving the right to object, do I correctly understand that the minority views are being filed by members of the Committee on Finance?

Mr. DOUGLAS. They have been filed by the Senator from Tennessee and the Senator from Illinois and I am now asking that they be printed in the body of the RECORD.

Mr. CASE of South Dakota. I regret that I cannot join in the filing of the minority views, in view of the fact that I am not a member of the Finance Committee. However, I should like the opportunity to state my views in respect to putting mica on the free list. It is a strategic material, and should not be put on the free list under present conditions.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Illinois?

Mr. CASE of South Dakota. I have no objection, but I wish there was some way I could join in the filing of minority views.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Illinois?

Mr. JAVITS. Mr. President, reserving the right to object, I should like to state to the Senator from Illinois that, as is quite typical of him, he has flagged something which is in the interest of the country, which is most desirable. He has called attention to the effort to bypass the Reciprocal Trade Agreements Act. The issue will probably rise today. I think we are all indebted to the Senator from Illinois and the Senator from Tennessee for erecting this red-flag warning for us. I, for one, hope to participate in the debate to that end.

Mr. DOUGLAS. I should like to say, in reply, that I too had feared that the bill would be called up today because of the announcement yesterday by the acting majority leader, the Senator from Montana [Mr. MANSFIELD] that it was scheduled to be considered today. However, a few minutes ago I had the privilege of talking with the Senator from Montana, and he assured me that, in view of the fact the bill had not yet been formally printed and reported and the committee report had not yet been filed, he would not call up the bill today. I ask the Senator whether I am correct in my statement.

Mr. MANSFIELD. The Senator is correct. It is my understanding that, unfortunately, the Committee on Finance this morning rescinded its action on the 3-cent excise tax imposed on imports of lead and zinc, and has reported, I understand, the administration proposal, which certainly is going to be of little or no benefit to the lead and zinc industry.

Mr. BYRD. I should like to correct the Senator's statement. The Committee on Finance never approved the 3-cent tax, and had agreed to approve it only if it was approved by the administration.

Mr. MANSFIELD. The Senator is correct.

Mr. BYRD. The action of the Committee on Finance was that it reported the administration bill. Then the suggestion was made that the other bill be substituted, which the Committee on Finance agreed to do provided the administration would agree to it. The administration did not agree to it.

Mr. MANSFIELD. Yes. I should like to say that waving the red danger signal or red flag in behalf of the reciprocal trade program means that 30,000 lead and zinc miners will be out of jobs. In the State of Montana there is only one zinc mine operating at the present time. I wonder what the answer will be so far as the lead and zinc industry is concerned. When the mines are shut down they fill up with water, and the timbers crack, and the breasts cave in. I should hope that once in awhile we would do something to aid our own people and economy.

Mr. CASE of South Dakota. What about the mica miners?

The PRESIDING OFFICER. The Chair understands that the Senator from Illinois is requesting authority to file minority views on a bill which has not yet been reported.

Mr. BYRD. A bill affecting lead and zinc, as recommended by the administration, has been reported. The report on it has not yet been filed. If it is desired that minority views be filed, I, as chairman of the committee, request that permission be granted for the filing of such minority views by the members of the committee who desire to file them. However, the report of the committee has not yet been submitted.

The PRESIDING OFFICER. The chairman of the committee does not object to the filing of minority views.

Mr. BYRD. No; on the contrary, I ask permission that such views be filed.

Mr. DOUGLAS. Mr. President, we have already filed the minority views with the Commitee on Finance. It is for the chairman or his agent to file the bill and the majority and minority reports. What I am asking for is unanimous consent that the minority views be printed in the body of the RECORD. That is all I am asking for.

The PRESIDING OFFICER. Is there objection?

There being no objection, the minority views were ordered to be printed in the RECORD, as follows:

MINORITY VIEWS OF SENATORS DOUGLAS AND GORE ON PROPOSED INCREASE IN TARIFF ON LEAD AND ZINC

The action of the Finance Committee in recommending a sliding-scale increase in the tariff on lead and zinc is in our judgment a serious blow to our economy and an attempt to undermine our reciprocal trade program which will worsen the trade relations of the United States and the Free World.

I

In the first place, it will increase wholesale prices of important basic metals and indirectly but surely exert further inflationary pressures on the cost of living.

Under the sliding-scale proposal, the tariff on land bullion, pigs, bars, et cetera, which in 1956 made up over 50 percent of our lead imports, would be 1 cent per pound when the domestic price is between 16 cents and 17 cents, 2 cents per pound when the price is between 15 cents and 16 cents, and 3 cents per pound when the price is less than 15 cents.

The tariff on lead-bearing ores, flue dust, and mattes of all kinds, which in 1956 made up 44 percent of our remaining lead imports, would be ½ cent per pound when the domestic price is between 16 cents and 17 cents, 1¼ cents per pound when the price is between 15 cents and 16 cents, and 2 cents per pound when the price is less than 15 cents.

As the present price of lead is 14 cents (New York) this means an immediate increase to the full 3 cents for lead bullion, pigs and bars, and to the full 2 cents for lead-bearing ores, flue dust, and mattes of all kinds.

Under the sliding-scale proposal the tariff on zinc in blocks, pigs or slabs (East St. Louis) would be ½ cent per pound when the price is between 14½ and 13½ cents, 1¼ cents per pound when the price is between 13½ and 12½ cents per pound, and 2 cents per pound when the price is less than 12½ cents. Zinc in blocks, pigs, or slabs made up 26 percent of our total zinc imports in 1956.

The tariff on zinc-bearing ores of all kinds, which in 1956 made up 74 percent of our zinc imports, would be two-fifths cent per pound when the price is between 13½ cents and 14½ cents, 1⅗ cents per pound when the price is between 12½ cents and 13½ cents per pound, and 1⅘ cents per pound when the price is less than 12½ cents.

As the present price of zinc (East St. Louis) is 10 cents, this also means an immediate increase to the full 2 cents tariff for zinc in blocks, pigs, or slabs, and to the full 1⅘ cents per pound for zinc-bearing ores.

All this compares with the present tariff of 1⅗ cents per pound on lead bullion and three-fourths cent per pound on lead-bearing ores; and seven-tenths cent per pound on zinc blocks, pigs, or slabs, and six-tenths cent per pound on zinc in zinc-bearing ores. The increase is therefore very large and means that, if this is put into effect, we will have adopted the principles of the protective tariff.

This will increase the price of such products as plumbing equipment, paint, car batteries, gasoline, zinc galvanizing in steel

products, lead for printing, zinc die castings for automobiles, etc. It will therefore hurt both the producers and the consumers of these articles.

As the housing industry is now in difficulty, in part because of higher costs, the increased cost of paint and plumbing products can only increase its troubles. We can also expect a further rise in the cost of automobiles, newspapers, magazines, and steel products.

It is ironic that these increases will occur in the prices of those products which have already experienced such a serious price inflation from a variety of other causes.

The specific costs to the consumer are difficult to estimate but in 1956, alone, some $380 million of lead and $290 million of zinc were consumed in the United States in their refined forms.

II

Secondly, higher United States tariffs on lead and zinc will directly operate to decrease our exports to the four countries from which we import most of our lead and zinc, namely, Canada, Mexico, Peru, and Australia. Since the amount of goods which these four countries can sell to us will be appreciably reduced, this will automatically reduce the amounts which they can buy from us. International trade is ultimately a process of balance in barter in which the goods and services of a given country such as ours are exchanged for the goods and services of other countries. These countries cannot buy from us unless they can sell to us and when we cut our purchases from them, they will have to cut theirs from us.

In 1956 the major countries which sell lead and zinc to us purchased over $5 billion of manufactured and agricultural products from us. They sold only $191 million in lead and zinc to us. If their lead and zinc exports to us decline, as they will if this bill is enacted, we can be certain that our exports of machinery, farm implements, engines, automobiles, refrigerators, electrical goods, and equipment, steel and steel products, and thousands of other commodities produced in America and exported abroad will be curtailed because of the decrease in purchasing power of these customers due to their diminished sales to us.

Thus our exports to Canada of around $3.9 billion annually will be curtailed. This will especially hurt the manufacturers of machinery and equipment, farm implements, engines, automobile parts, electrical goods, and thousands of other articles which we produce and export to Canada. A somewhat similar group of exports to Australia will also suffer, as will tobacco and cotton goods. In a similar fashion our exports to Peru of autos, trucks, tractors, drugs, cotton and textile products, gasoline, and other articles will decrease. The sale of most of these articles to Mexico will also be reduced. In addition food, farm, and chemical exports to Mexico will suffer as will all types of machinery and equipment.

III

Apart from the decrease in exports to Canada, Mexico, Australia, and Peru which this bill would bring about because of the decreased purchasing power of those countries, there are even more serious effects which this bill would almost inevitably set into motion.

First, this bill will invite and likely provoke economic reprisals of various kinds. We can expect these countries to retaliate and raise their tariffs on American products. We can expect quotas on imports of American farm products to be imposed. We can expect them to buy from other countries the products or alternative products which they now buy from us. Further we can probably expect an increase in the trade of Mexico and Peru with Iron Curtain countries.

It is ironic, indeed, that some who vigorously oppose trade with Communist countries and who, from time to time, denounce our friends and allies for such trade now support a bill whose ultimate effect may well be to drive some of our friends and allies to trade in self-defense with Communist China or with the satellite states.

There are other important political factors which we should consider. For example, the key issue in the recent Canadian elections was that of the proper relationship between that Commonwealth and the United States. The victorious Progressive-Conservatives attacked the previous Liberal government as being too favorable to us. They promised greater independence, and since that election they have promised closer trade connections with Great Britain and a loosening of Canada's economic ties with the United States. Such action on our part will intensify the latent resentment which rightly or wrongly is cherished by many sections of Canadian public opinion. It will greatly increase the possibility that Canada will practice direct or indirect economic reprisals against us.

We should never forget that the last increase in the protective tariff, namely, the Smoot-Hawley Act of 1930, directly stimulated reprisals all over the world. This further shrank the volume of world trade and amongst other consequences stimulated the Empire preference agreements within the British Empire. It distinctly increased economic nationalism and intensified the world depression.

If the present proposal is enacted, it will invite and in all probability have similar bad effects.

IV

Our opposition to the proposed drastic increase in the tariff on lead and zinc does not mean that we are either unaware of or lack concern for the difficulties of our domestic lead and zinc industries. We respectfully suggest and insist, however, that to the extent that tariff adjustments can be justified in relationship to the national interest, authority to provide such relief is now clearly vested in the President of the United States under existing law. It was just for such purpose that the escape-clause provisions were included in the Reciprocal Trade Agreements Act.

Indeed, application for the same kind of relief which is now sought by legislation and now recommended by the administration was denied by President Eisenhower in 1954.

Moreover, we do not believe that the country should be thrown into a panic by alleged developments in the lead and zinc mining industry. The preliminary figures of the Bureau of Labor Statistics for June show 17,900 workers employed in the lead and zinc mines. This is only 300 less than the number employed in April and it is actually 100 more than the average number employed in 1953 and 1,500 more than the number in 1954.

V

Two arguments in support of the bill have, in our opinion, only dubious value.

First, there is a very real question that this bill would actually aid our domestic lead and zinc industries. As the State Department said in 1953 on a similar bill, "The foreign producers do not, in the main, have a competitive advantage because of low-labor standards." Thus, the problems of these industries arise more from slowness in improving productivity, low-grade mines, and the mining of marginal deposits than from the foreign imports. A tariff which effectively binders imports will more likely mean that domestic users of lead and zinc will shift to alternative products rather than pay higher prices. This is particularly true of zinc where a price rise makes aluminum competitive with it.

Second, the argument that imports of lead and zinc might imperil our national security cannot be supported. Canada and Mexico are contiguous to the United States, and their ores would be available in times of emergency just as would our domestic production. In fact, to the extent that this bill promotes sales to Iron Curtain countries or means the disestablishment of Canadian and Mexican mines, it imperils our own security, for the United States is by no means self-sufficient with respect to lead and zinc.

VI

This proposal is a major reversal from the reciprocal trade policy. It is well known that the tariff issue has in the past given rise to some of the worst abuses in our legislative history. The practice of "log-rolling," where support for a tariff increase on one product was exchanged for support of a tariff increase on a product from another section of the country, reached its peak on tariff bills.

By the establishment of the Tariff Commission and the reciprocal trade program, Congress put our trade and tariff policy upon a sounder footing. Under the program of Cordell Hull we moved toward greater world trade to the advantage of our own as well as of other countries. Then to protect American industry from temporary and localized losses, we set up the procedures of the so-called peril point and escape clause. This transferred to the President and to the Tariff Commission the vexatious task of dealing with the claims to protection of a wide variety of industries. The Office of Defense Mobilization has been charged with the investigation of the essentiality of given products for defense.

We are properly proud of representative government. But one of its weakest features has been the great difficulty of protecting the broad general interest, which is diffused, from the powerful pressures of specific producing and local groups. We had seemed to have reached a fairly harmonious way of dealing with these problems. It appears easier for the President, representing all the people, all other things being equal, to take a more national view about the general welfare than the average of the individual Members of Congress, exposed, as they are, to the concentrated pressures of specific business, mining, and industrial groups localized in their individual constituencies. And yet by means of the general power of Congress, the executive agencies were not insulated from public opinion.

The present proposal scraps all this and returns to the legislative determination of tariff schedules. We predict that it will open up the flood gates and that a host of other increases will be proposed. For if the tariffs on lead and zinc are skyrocketed, then we can expect that the producers of textiles, copper, and a myriad of other products, metallic, manufactured, and agricultural, will demand and quite possibly obtain similar favors. We will indeed have opened Pandora's box. Many such bills are already pending before Congressional committees.

In the process, the reciprocal trade program will go down the drain. The painful efforts to bind the Free World closer together economically will be defeated and the world will tend to relapse into economic nationalism.

This may be what some of the proponents of the tariff increase desire. But we do not believe that the people of this country want it. And we are convinced that it would be against the long-run best interests of the United States.

VII

One of the most disappointing features concerning this bill is the shift in the administration and State Department attitudes toward it. This is not to say that the Congress, including too many Members of both parties, is without blame for too often we have been content to allow specific pres-

sures to override the national good, as there is a tendency to do in this instance.

In such circumstances, a strong stand by the President and his administrative agencies in support of the national and international interests involved is the most effective method by which the specific pressures of particular commodity groups, which operate so effectively on the Congress, may be offset.

Instead of engendering and promoting such broad national interests, this administration has time and again refused to act or has acted on behalf of the narrow interests.

We have heard fine phrases from the President in support of international trade only to see him pack the Tariff Commission with protectionists.

We have watched while the State Department has shifted its position from one of opposition to the lead and zinc bill in 1953 to a position of support for a similar bill in 1957.

In such circumstances our national and international interests, which command the support of a majority of the American people are imperiled, for the interests of the majority are diffused while that of the minority is concentrated and effective. We strongly urge that this amendment and, if necessary, the whole bill be defeated.

Mr. MANSFIELD subsequently said: Mr. President, I listened with great interest to the remarks by the junior Senator from New York [Mr. JAVITS], and the Senator from Illinois [Mr. DOUGLAS], relative to the lead and zinc situation. It happens that I have been an advocate of reciprocal trade during my 15 years service in the Congress of the United States, but I am not such an advocate of it that I am willing to sacrifice industries which furnish the lifeblood of Montana. Only one zinc mine is now operating in that State. With zinc selling at 10 cents a pound, that zinc mine is not going to operate much longer. In my State 2,000 miners are out of work, and when the rustling line forms this fall, they will not be needed. Copper is selling at 28½ cents. The cost of producing copper in Butte is 31 cents a pound.

I wonder what the administration is going to do about the mining industry of this country. I wonder if, in the name of the reciprocal-trade program, the administration is going to see our mines closed down and our people put out of work. There may be high prosperity in the East and Midwest, but I want to say to the Members of the Senate there are some weak spots in the State of Montana.

I hope the administration will pay more attention to the States where the raw production takes place, the producing States, instead of favoring the type of proposed legislation which the Finance Committee is expected to report shortly. I wish the administration would do something to give real security to the miners, the smeltermen, and the lumbermen of my State, because I think they are the forgotten men. I sincerely hope Mr. Eisenhower and the others who talk about the prosperity of this country will do something about the areas where there is a great need and where there is at the present time a recession.

Mr. DOUGLAS. Mr. President, do I still have the floor?

The PRESIDING OFFICER. The time of the Senator from Illinois has expired.

WAR ASSETS

Mr. SYMINGTON. Mr. President, I ask unanimous consent to have printed in the RECORD at this point an editorial entitled "Time for Germany To Pay," published in the St. Louis Post-Dispatch of August 11, 1957.

It is particularly gratifying for the editorial to pay tribute to the work of the distinguished junior Senator from Florida [Mr. SMATHERS], whose stature grows daily, not only in his own State, but throughout the country.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TIME FOR GERMANY TO PAY

Complaining of the activities of a pro-German lobby in Washington, Florida's Senator SMATHERS has introduced a bill which would block the proposal of Secretary Dulles to return war-seized assets to West Germans. At the same time eight other Western governments again demanded that the Bonn regime make good on its pledge to compensate those of their citizens persecuted by the Nazis or used as slave laborers.

Bonn made this promise in 1955 when it was granted sovereignty, but a compensation bill was rejected 6 months ago as unsatisfactory. And now Bonn insists it has no legal obligation, but only a moral one. So it proposes to set up a charitable fund for those victims of the Nazis who may be in need. The West European governments regard this as an insult, especially since Bonn has been solicitous about the compensation of German citizens, needy or not. Certainly the Bonn proposal is far different from the idea of returning money to which the United States is entitled in lieu of reparations and for the compensation of Americans.

The German attitude may reflect the pressures of the current campaign. Just now politicians may prefer to talk about what Germany is getting rather than of what it must pay. But this does not go well with Germany's miraculous prosperity. Her balance of payments now is so favorable that even Germans realize that for commercial reasons they must bring their economy more into line with that of the rest of Western Europe.

When Adlai Stevenson was in Germany re-recently he advised Chancellor Adenauer and the Ruhr industrialists to set up out of their ample profits an industrial development fund of perhaps a billion dollars for the benefit of less advanced nations. This would be wise, he said, because it would maintain markets for German production. It also would be a way of repaying the generous aid received from the United States for the rebuilding of postwar Germany, and it would lighten the burden of American taxpayers.

The substance of the situation is that Germany—with Marshall plan aid and without the burden of a defense establishment—has outstripped such victor nations as Britain and France. She has shown democratic friendship toward these neighbors. So there is no desire to stir the old wounds of war. Yet those who suffered at the hands of Nazi Germany hardly can forget claims not yet made good. And the sooner Germany makes them good, the better. They should not cloud the integration of Europe and the solidarity of the West.

FOREIGN AID

Mr. SYMINGTON. Mr. President, shortly the Senate will be asked to vote on foreign aid.

In this connection, I ask unanimous consent that an editorial in the St. Louis Post-Dispatch of last Sunday, entitled "Gum-Up on Foreign Aid," be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

GUM-UP ON FOREIGN AID

There are no two ways about it—the mutual-security program is in a serious plight in Washington. How the White House can think that it is not largely responsible for the situation is hard to see.

Basically the muddle, which now shows Members of the House of Representatives cutting more the $842 million from the overseas mutual-security program, is of the Eisenhower administration's own making. It is the old story of too little and too late. It is more of the fire department conception of the duties of the Presidency—namely, that Mr. Eisenhower may sit by until the fire breaks out and then, after the flames are raging, rush the water pump in the hope of last-minute salvage.

The President has had one opportunity after another to strengthen the case for mutual security in the eyes of the country and Congress. He has not only passed many of them by, but has reduced the status of the program, thus suggesting that he considered it of declining importance.

Consider the stature of the post of Foreign Aid Director in the days when Paul G. Hoffman or Averell Harriman held it in the Truman administration. The post had Cabinet rank and both the country and Congress knew that the White House believed it to be important.

Under President Eisenhower, the operation has ben reorganized repeatedly and much downgraded in the process. When Harold E. Stassen was director he came off second best time and again in bouts with the Treasury and Budget Bureau heads. Eventually even Mr. Stassen was taken off the job and little has been heard of the directorship since.

A new director, James H. Smith, Jr., of Colorado, has been designated but so recently that the Senate has not yet had a chance to act on the nomination. His predecessor, John B. Hollister, of Ohio, was off in California on a vacation when Senate and House conferees were attempting to decide how much should be authorized in aid funds.

Democratic Congressional leaders meantime complained that they could not get the cooperation of the White House on mutual security matters. On being told this, the President said at a press conference that he had a staff for that purpose and that "if anybody wanted to cooperate with us," he could get the Chief Executive himself through the White House liaison officers.

And so despite 3 last-minute Presidential appeals and a sudden unscheduled press conference for a few correspondents—which reduced coverage of the emergency—the program stands severely cut. The President himself is authority for the statement that the reductions will "seriously delay modernization of the Free World's defense forces in the face of progressively improved Communist forces."

But what if Congress were to approve every penny of mutual security that the White House asks? What guaranty is there that the President would not the next day order across-the-board cutbacks for mutual security, as he recently did after Congress heeded his appeal to pass defense funds?

The simple fact is that the mutual security program, although too heavily weighted on the side of the military, is for the security of the Free World. It is not all outgoing. Much of it takes the place of defense forces the United States otherwise would have no choice but to maintain overseas.

The program is vitally important and we hope Congress will see it that way and the Senate will restore the funds. Certainly it is up to the Eisenhower administration, now well through its fifth annual session of Congress, to improve its relations with the legislative branch in the interests of national security on an international basis.

Mr. SYMINGTON. Mr. President, may I respectfully call to the attention of the Senate one sentence in this editorial:

What guaranty is there that the President would not the next day order across-the-board cutbacks for mutual security, as he recently did after Congress heeded his appeal to pass defense funds?

Let me ask my colleagues, what guaranty is there?

Mr. President——

The PRESIDING OFFICER. The Senator from Missouri.

OUR DEFENSE PROBLEM

Mr. SYMINGTON. Mr. President, recently there appeared in an outstanding industrial publication, the Iron Age, an editorial signed by its editor in chief, Tom Campbell, entitled "Our Defense Problem; Is It Survival or Fiscal?"

I ask unanimous consent that the editorial be printed in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

OUR DEFENSE PROBLEM; IS IT SURVIVAL OR FISCAL?

Official defense talk today comes close to double talk. One week we hear that we are gambling with our very future if defense is cut. The next week the same people say we can cut back further.

That is silly talk. It does little to inspire the military. It does even less to convince the man on the street that we know what we are doing.

Of course we should keep the defense expenditures under control. We should not go hog wild on fringes or fancy stuff. But we ought to face the fact that adequate defense is not something to be turned on and off—unless we want to fritter away what we have accomplished.

If we were to find out later that our failure to build schools, roads, or bridges harmed us, we could rectify it. But if—too late—we came to the horrible conclusion that we messed up our defense plans it might be catastrophic.

We have discounted our military too much. Now we don't pay enough attention to them. The President may be the military expert he once was. But he may be leaning over backwards to offset his supposed bias towards the generals.

Sometimes it almost looks as if we were treating our defense budget as if we were arranging for a clam bake. If that is unfair, then let's say we act as if defense needs were just another item in our gracious living.

It is far more than that. If we make mistakes now it will hurt later. We have colossal brass if we think we can wish ourselves safe from communism. And we have suicidal misunderstanding if we think the present Moscow clique is any less cunning or brutal than the others.

There is no price too high to pay for defense. By defense we mean anything that will maintain the freedom and safety of our people—and our allies. What good would any savings or peace drive be if it ended up with a defeat for the Free World?

Our leaders had better get together and find out what they really think. Our people should not be fed the pap that things are wonderful or that international tension is considerably lessened. Our country's safety is at stake here. That is more important than elections, budgets, and clambakes.

Let's listen to the generals again for a change. Security is their business. Defense is survival before it becomes fiscal.

TOM CAMPBELL,
Editor in Chief.

Mr. SYMINGTON. Mr. President, one paragraph of this thought-provoking presentation reads:

Our leaders had better get together and find out what they really think. Our people should not be fed the pap that things are "wonderful" or that international tension is considerably lessened. Our country's safety is at stake here. That is more important than elections, budgets, and clambakes.

Mr. President, no truer words were ever spoken. If the late great James Forrestal had heard the news this morning, he would have felt our situation to be very, very serious, in that what he felt would be the greatest danger to the future security of this country—a Communist beachhead in the Middle East—appears now to be a reality.

The Suez fiasco last fall, the subsequent Nasser triumph, plus the events in Syria of yesterday, would appear to prove that the Soviet Communists have now established a bastion of strength in the Middle East.

In this connection an editorial on this subject in the New York Times this morning says, in part:

Syria, the only Arab country to legalize the Communist Party, has long been a member of the Moscow-Damascus-Cairo axis that gave the Soviets their first foothold in the Middle East. This axis was created by President Nasser when he turned to the Soviet bloc for arms and organized an Egyptian joint command for the Egyptian and Syrian Armies to promote his campaign against the West and for his projected pan-Arabic empire. But Syria remained divided. Now the extreme leftists, led by General Bizri and Colonel Serraj, have seized control and are crushing all actual or potential opposition.

First, this administration threatened the three democracies who were willing to risk their treasure and blood to oppose the aggression of Nasser, to the point where they finally gave up. When the administration found out what were the real implications of this aggression, however, it committed our own forces through the Eisenhower doctrine.

In this doctrine, in effect, we said to the Free World, "If anyone is going to take care of the problems of the Middle East, we will," because in the joint resolution containing the so-called Eisenhower doctrine, it is clearly stated:

To this end, if the President determines the necessity thereof, the United States is prepared to use armed forces to assist any such nation or group of such nations requesting assistance against armed aggression from any country controlled by international communism.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. SYMINGTON. I am glad to yield to my able colleague from Montana.

Mr. MANSFIELD. What the Senator from Missouri is doing is bringing to the attention of the Senate the applicability of the Eisenhower doctrine, so-called, to the situation as it is developing in the Middle East. It ought to be pointed out that Syria is surrounded by Lebanon, Turkey, Iraq, Jordan, and Israel. If the Syrian Government commits an act of aggression against any one of those nations, there is the possibility that our country will become involved. I think we had better understand and recognize and realize all the implications of that doctrine.

Mr. SYMINGTON. I thank the distinguished Senator from Montana for his wise observation. We all know he is one of the authorities in the Senate on our foreign relations.

It will be interesting to note whether the administration, in the face of this grave new danger, will continue its recently announced program of reducing and stretching out the military forces and the military programs which only last May President Eisenhower emphasized were essential to the future security of this country.

Mr. MORSE subsequently said: Mr. President, apropos the remarks of the Senator from Missouri [Mr. SYMINGTON] and those of the Senator from Montana [Mr. MANSFIELD] regarding the Middle East situation, I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, an article entitled "HUMPHREY for Control of Reds' Mid-East Arms," which was published this morning in the Washington Post.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HUMPHREY FOR CONTROL OF REDS' MIDEAST ARMS

(By William Thesis)

The Senate's disarmament chairman said yesterday he intends to press for action by the United Nations this fall to control Soviet arms traffic in the Middle East.

Senator HUBERT HUMPHREY, Democrat, of Minnesota, who heads the Special Disarmament Subcommittee and was a U. N. General Assembly delegate this year, said he was having data assembled now for the U. N. move.

He declared: "The arms traffic in the Middle East, going on right now, is dangerous. The Russians are flooding that area with surplus military equipment. It all points to trouble."

Events in Syria point up the problem, he said, and noted that pro-Communist elements have moved into control of the Syrian Army and the Syrian Government has ousted three United States officials, including the American military attaché. In retaliation, the United States expelled the Syrian Ambassador and his second secretary.

The shift in Syrian Army control came in the wake of a new Syrian-Soviet agreement under which Russia reportedly will furnish Syria with $1.3 billion worth of modern weapons.

Congressional thinking on the whole disarmament problem at this stage is clouded by the uncertainty of results at the London disarmament conference. Humphrey's subcommittee has been getting periodic briefings on the London developments—or lack of them—and is marking time along with the State Department.

Some Senators are troubled by Defense Secretary Charles E. Wilson's announcement that it is tentatively planned to cut 300,000 men from the United States Armed Forces by mid-1959. This would triple the present planned reduction of 100,000.

Senator MIKE MANSFIELD, Democrat, of Montana, a member of the Foreign Relations Committee which is in overall charge of the disarmament question, said the cut would endanger United States security.

Mr. MORSE. Mr. President, I wish to make the following comment: I think the chickens are coming home to roost. There were some of us, Mr. President, as you know, who did not favor the Eisenhower Middle East program, and who at that time warned the people that the problem should be handled by the United Nations, rather than to place the burden completely on American boys.

The Senator from Montana has spoken of the importance of controlling the movement of Russian arms into the Middle East. I think that should be controlled. But let us not forget that the United States has provided millions of dollars' worth of American arms in the Middle East; it has done so alone, in the name of mutual security, whereas the action should have been taken through the United Nations.

I say to the American people that they will be hearing the propaganda and the cries that the American flag should be moved in and that American boys should start dying in the Middle East, as the result of the shipment of Russian arms into that area, along with the shipment of American arms, in this armament race. What a sad chapter in American history it is, Mr. President.

In my judgment our Government should have proceeded through the United Nations, and should have the United Nations serve clear warning on Russia that the United Nations and all the individual nations which constitute it do not intend to stand idly by, as free nations, and permit freedom to be sacrificed in the Middle East.

I wish to say, Mr. President, that the speeches I made against the Eisenhower Middle East doctrine are as sound today as they were at the time when I made them. The present move, as urged by certain American voices, about controlling the shipment of Russian arms into the Middle East will not sound very well to millions of ears in various parts of the world, where the people will ask, "What about the American arms which have been shipped into the Middle East?"

Mr. President, once again I say that this administration and the Congress made a grave mistake when the Eisenhower doctrine on the Middle East was adopted, because I think it augurs a dangerous lack of concern for the future welfore of American boys.

As I said months ago, this is not a problem of America alone. Instead, it is a problem of the United Nations. The United States should have used its leadership in working to get that organization, and the free nations which constitute it, to make clear to Russia that it must stop its threatening moves in the Middle East.

This situation also means, Mr. President, that we must adjust our program in the Middle East from the military standpoint, too.

So I wish to say that I do not share the President's point of view that the United States should take the position that Russia, and Russia alone, insofar as the shipment of arms into the Middle East is concerned, should be controlled. I wish to say that all such shipments by any nations, including my own, should be controlled through the United Nations, in the case of the present armament race in the Middle East.

RETIREMENT OF ADMIRAL RADFORD

Mr. SYMINGTON. Mr. President, when Adm. Arthur William Radford appeared before the Senate Armed Services Committee on May 28, 1953, prior to his confirmation as Chairman of the Joint Chiefs of Staff, he and I had the following colloquy:

Senator SYMINGTON. Admiral, when you were with the Navy, you worked hard for the Navy. What I would like to know, in this new job, will you consider it your duty to work as hard for the Army and the Air Force as for the Navy?

Admiral RADFORD. Senator SYMINGTON, in this new job I will work primarily for the United States, and I will do my best not to favor any particular service. I will try to call my shots as impartially as I can.

Senator SYMINGTON. Mr. Chairman, I think that is a fine answer, and I have no further questions.

Last week, after 4 years in our highest military office, Admiral Radford turned over the reins to his successor.

Mr. President, let the record show that in every way this great American has fulfilled the pledge he made to the Senate at that time.

From the new Chairman of the Joint Chiefs down, every member of our Armed Forces with whom we have talked over the past 4 years has emphasized the complete impartiality of Admiral Radford during that time.

Especially because of the admiral's deep and understandable affection for the Navy, no higher compliment could be paid to this outstanding public servant, whose brains and courage resulted in his reaching the top of his profession at a relatively early age.

Admiral Radford and I have disagreed at times in the past, and may in the future. But that is America, the America in which those who have followed Radford's private and public statements over the years know he has complete devotion, and complete faith.

At least as much as any other man in this administration, he has stood steadfast in his conviction that the way to remain free is to remain strong.

At this time, Mr. President, I ask unanimous consent that there be printed in the RECORD an outline of the career of this officer.

There being no objection, the outline was ordered to be printed in the RECORD, as follows:

ADM. ARTHUR W. RADFORD, UNITED STATES NAVY, CHAIRMAN, JOINT CHIEFS OF STAFF

Adm. Arthur William Radford has served in three wars. He was on board the U. S. S. *South Carolina*, a battleship of the Atlantic fleet, and was aide and flag lieutenant to Commander Battleship Division 1 during World War I. He served in the Navy Department's Bureaus of Aeronautics and Naval Personnel and in the office of the chief of naval operations during the first half of the World War II period, and as Commander Carrier Divisions 11 and 6, and on the staff of Commander Aircraft, Pacific, during the latter part of that war. At the outbreak of Korean hostilities he was serving as commander in chief, United States Pacific Fleet, later being given the responsibility of the Marianas-Bonin area and the Philippines-Formosa area. From that command he was appointed to his present post, the Navy's highest active assignment.

Born in Chicago, Ill., on February 27, 1896, he entered the Naval Academy from Iowa in 1912, after attending high school in Grinnell, Iowa. He was graduated and commissioned ensign in 1916 and was assigned to the *South Carolina*. After the armistice which ended World War I, he had staff duty until April 1920, then had flight training and was designated naval aviator No. 2896 in November of that year. Assigned next to the newly established Bureau of Aeronautics, Navy Department, he subsequently served with aviation units af the tender *Aroostook*, and the battleships *Colorado* and *Pennsylvania*.

From July 1927 until March 1929 he was attached to the Naval Air Station, San Diego, after which he headed the Alaskan Survey Detachment, investigating forest and mineral resources in Alaska. He joined the *Saratoga* in November 1929, and commanded that carrier's Fighting Squadron 1 from July 1930 to May 1931, then served on the staff of Commander Aircraft Battle Force, still attached to the *Saratoga*. Another tour of duty in the Bureau of Aeronautics preceded sea duty as navigator of the tender *Wright* and further duty on the staff of Commander Aircraft, Battle Force. He commanded the Naval Air Station, Seattle, from June 1937 until May 1940, and for a year thereafter was executive officer of the carrier *Yorktown*.

Following World War II, he was ordered to the Navy Department to assist in planning the postwar Navy. In December 1945 he became deputy CNO (Air) with the accompanying rank of vice admiral, and after a year in command of the Second Task Fleet, he returned to the Navy Department as Vice Chief of Naval Operations. He served in the rank of admiral as commander in chief Pacific Fleet, and high commissioner of the Trust Territory of the Pacific Islands, prior to and during the Korean conflict, and in addition to the greater Pacific command he was given increased responsibilities concerning military assistance programs in southeast Asia. In June 1953 he was appointed Chairman of the Joint Chiefs of Staff by the President of the United States, and on August 15, 1955, was reappointed for a second term.

ADM. ARTHUR W. RADFORD, UNITED STATES NAVY

Personal data

Born: Chicago, Ill., February 27, 1896.

Parents: John A. and Agnes E. (Knight) Radford.

Wife: Marion McMichael of Portland, Oreg.; home address: Grinnell, Iowa.

Current residence: Washington, D. C.

Education: Public schools, Riverside, Ill., and Grinnell, Iowa; United States Naval Academy, 1916; Naval Air Station, Pensacola, Fla., 1920; Grinnell University, LL.D. (honorary).

Promotions

July 5, 1912, midshipman.
June 3, 1916, ensign.
July 1, 1917, lieutenant (junior grade) (temporary).
January 1, 1918, lieutenant (temporary).
June 3, 1919, lieutenant (junior grade).
July 1, 1920, lieutenant
February 17, 1927, lieutenant commander.
July 1, 1936, commander.
January 2, 1942, captain (temporary).
January 1, 1942, captain.
July 21, 1943, rear admiral (temporary).
May 25, 1946, vice admiral (temporary).
August 7, 1947, rear admiral (permanent).
April 7, 1949, admiral.

Decorations and medals

Distinguished Service Medal.
Gold Star in lieu of Second Distinguished Service Medal.
Gold Star in lieu of Third Distinguished Service Medal.
Legion of Merit.
Gold Star in lieu of Second Legion of Merit.
Presidential Unit Citation.
Navy Unit Commendation.
Victory Medal, World War I—Atlantic Fleet Clasp.
American Defense Service Medal with Fleet Clasp.
American Campaign Medal.
Asiatic-Pacific Campaign Medal.
World War II Victory Medal.
National Defense Service Medal.
Philippine Liberation Ribbon with one bronze star.
Companion of the Order of the Bath by Government of Great Britain.

Citations

Distinguished Service Medal: "For exceptionally meritorious and distinguished service to the Government of the United States * * * as commander of a carrier task group in action against enemy Japanese forces prior to and during the landing activities on Baker, Makin, and Tarawa Islands in the Pacific * * * [he] directed the operations of his task group in repeated aerial attacks against the Japanese-held islands throughout the preparatory periods and in support of the subsequent landings, completing these vital missions without damage to the ships of his command despite numerous raids by enemy aircraft and the constant hazard of submarine attacks. Through his courageous initiative and aggressive determination, the first carrier-borne night fighter teams were organized and trained at sea, later proving their value by effectively dispersing a hostile night torpedo assault on the group during which two of the enemy planes were destroyed."

Gold Star in lieu of second Distinguished Service Medal: "[He] expertly directed his task group in carrying out effective attacks against the enemy in the Tokyo area on February 16, 17, and 25, Iwo Jima, from February 19 to 22, Kyushu and the Inland Sea area on March 17, 18, and 19, and supporting operations at Okinawa from March 23 to May 29, in addition to a strategically important photographic mission over this heavily fortified Japanese-controlled island * * * contributed to the success of his group in combating numerous enemy air attacks and in the infliction of extensive damage and destruction on Japanese aircraft, shipping and installations."

Gold Star in lieu of third Distinguished Service Medal: "For exceptionally meritorious service * * * as commander in chief, Pacific, and commander in chief, United States Pacific Fleet, during operations against enemy aggressor forces in Korea from June 26, 1950, to January 1, 1951. Responsible for maintaining the Pacific area and Pacific Fleet at a high level of readiness, Admiral Radford quickly and effectively prepared his command for full-scale offensive operations at the inception of the Korean conflict. As a result of his brilliant leadership, professional skill and able administration of naval operations in the western Pacific, surface forces were strategically placed to control waters surrounding the target area and to provide coordinated support of land operations designed to aid the Republic of Korea in her fight against domination and oppression * * * Admiral Radford rendered valuable and distinguished service and contributed greatly to the success of friendly forces engaged in the Korean campaign."

Legion of Merit: "For exceptionally meritorious conduct * * * as Director of Aviation Training, Bureau of Aeronautics, December 7, 1941, to April 19, 1943. * * * Upon our entry into the current war [he] immediately inaugurated a program of intensive expansion to include all phases of operational aviation training, and in addition, instigated the establishment of functional training commands to effectuate the plans conceived. [His] sound and decisive judgment in this respect and the maintenance of consistently high standards despite the rapidity of accomplishment were contributing factors in providing the fleet with skilled pilots to spearhead its offensive drive on the enemy."

Gold Star in lieu of second Legion of Merit: "* * * Assisting in the direction of the aeronautic organization of the Navy and the readiness and deployment of air units, Read Admiral Radford handled the planning and preparation of various units and all related logistic factors with skill, efficiency, and success during a difficult period of expansion and change. His wisdom of judgment and soundness of counsel in connection with all phases of naval aviation contributed materially to the successful prosecution of the war."

Chronological transcript of service

June 1916–December 1918, U. S. S. *South Carolina*.
December 1918–June 1919, Division 1, Battleship Force 1, Atlantic Fleet (aide on staff).
July 1919–October 1919, Division 1, Pacific Fleet (aide on staff and flag lieutenant).
October 1919–April 1920, train, Pacific Fleet (aide and flag lieutenant).
April 1920–November 1920, naval air station, Pensacola, Fla. (instruction).
November 1920–October 1921, naval air station, Pensacola, Fla.
October 1921–November 1923, Bureau of Aeronautics, Navy Department.
November 1923–March 1925, aircraft squadrons, battle fleet. April 1925–June 1927, VO Squadron 1, aircraft squadrons battle fleet.
July 1927–March 1929, naval air station, San Diego, Calif.
April 1929–November 1929, aircraft squadrons, battle fleet; additional duty commanding Alaskan Aerial Survey Detachment.
November 1929–July 1930, U. S. S. *Saratoga*.
July 1930–May 1931, VF Squadron 1–B, aircraft squadrons, battle fleet (commanding).
May 1931–May 1932, aircraft, battle force, United States Fleet (aide and flag secretary).
June 1932–August 1935, Bureau of Aeronautics, Navy Department.
August 1935–June 1936, U. S. S. *Wright* (navigating officer).
June 1936–June 1937, Aircraft, Battle Force (staff).
June 1937–May 1940, Naval Air Station, Seattle, Wash. (commanding officer).
May 1940–May 1941, U. S. S. *Yorktown* (executive officer).
May 1941–July 1941, Office of Chief of Naval Operations, Navy Department.
August 1941–November 1941, 10th Naval District (establishment, Naval Air Station, Trinidad, British West Indies, and duty as commanding officer).
December 1941–April 1943, Bureau of Aeronautics, Navy Department.
April 1943–July 1943, Carrier Division 2.
July 1943–December 1943, Carrier Division 11 (division commander).
December 1943–January 1944, aircraft, Pacific Fleet (Chief of Staff and aide).
January 1944–October 1944, Office of Chief of Naval Operations, Navy Department (Assistant DCNO for Air). (Additional duty, alternate member, Special Joint Chiefs of Staff Committee on Reorganization of National Defense).
November 1944–August 1945, Carrier Division 6, United States Pacific Fleet (commander).
September 1945——, Fleet Air, Seattle, Wash. (commanding officer).
January 1946–February 1947, Office of Chief of Naval Operations (DCNO for Air).
March 1947–December 1947, 2d Task Fleet (commander).
January 1948–April 1949, Vice Chief, Naval Operations, Navy Department.
April 1949–June 1953, Commander in Chief, Pacific Fleet, and High Commissioner, Trust Territory of Pacific Islands.
June 1953, Chairman, Joint Chiefs of Staff, Washington, D. C.
August 1955, reappointed Chairman, Joint Chiefs of Staff.
(Navy Biographies Branch, OI–450, December 4, 1956.)

Mr. SYMINGTON. Mr. President, Admiral Radford has earned the respect and gratitude of the Nation. My wife and I join his multitude of friends in wishing him and his gracious lady the best of everything in the years to come.

THE WOMEN'S ARMY AUXILIARY CORPS

Mr. THURMOND. Mr. President, there is on the calendar a very meritorious bill. It is S. 2305, a bill to define service as a member of the Women's Army Auxiliary Corps as active service under certain conditions.

I may say that during the period when members of the WAAC were being recruited, the posters which were used read:

This is my war, too. Women's Army Auxiliary Corps, United States Army.

Furthermore, the WAAC members took an oath for service for the duration of the war plus 6 months, as all Army enlistees did. They underwent physical examinations, and they were subject to the Articles of War. A code of conduct for them was written into Army Regulations. They received the same military pay as other Army personnel. Their military grades were similar to those of Army personnel. They performed military duties. They were assigned and transferred by Army orders. They served overseas. They attended officer candidate schools, as did Army personnel.

The period for which they have not been given credit is from the date of organization, May 14, 1942, to September 30, 1943, a period of only 15 months. I am informed that the WAVES were organized on July 30, 1942, and that the members of the WAVES got full credit from the date of organization. The members of the WAAC have not received credit for their service, and this should be done. At all times they were considered in the military and at no time were they treated in any manner as civilians. This is a just bill, and one which should be passed in all fairness to the members of the WAAC who served in that organization prior to the time it was changed to the WAC, since which period they have received credit.

Mr. President——

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

BILLS TO PROVIDE READJUSTMENT BENEFITS TO VETERANS OF PEACETIME SERVICE

Mr. THURMOND. Mr. President, as chairman of the Veterans' Subcommittee

of the Committee on Labor and Public Welfare, I desire to call attention to the status of the veterans bills which were introduced in the present session of Congress to provide readjustment benefits to veterans of peacetime service. These bills were referred to the Committee on Labor and Public Welfare at the beginning of this session, and are now pending before the Subcommittee on Veterans' Affairs, of which I am chairman.

As Senators know, these bills raise a fundamental policy question which the Congress must decide. Never before in our history has the United States, during peacetime, had compulsory military service. In recognition of the Nation's responsibility to our men and women who served in the Armed Forces during wartime, Congress has enacted a great variety of legislation for war veterans, including, in our generation the GI bill of rights for World War II and Korean veterans. The question confronting us today is whether some or all of the readjustment benefits granted to veterans who served in wartime should be made available to the millions of young Americans who, under the Selective Service Act, are required to serve in the Armed Forces during peacetime.

Many young veterans anxiously await the outcome of this question, and I regret that it could not be resolved at this session of Congress. Unfortunately, however, although extensive hearings on the bills have been held, there are still a few factual questions to be explored. In addition, because of the recent reduction both in the Armed Forces and in the monthly callups under the draft law, the subcommittee desires to have more up-to-date cost estimates than those provided during the hearings. It is quite possible that cost estimates projected from say October or November of this year, will show a substantial reduction in the cost estimates now on hand. The subcommittee has, therefore, instructed its staff to develop these matters while the Senate is in adjournment, so the necessary information will be available for immediate use when the Senate reconvenes in January.

Meanwhile, I hope Senators will be able to devote some time to the study of this very important proposed legislation concerning our young men and women in the service. I also hope Senators will be able to review the hearings, which will be available for distribution either shortly before or shortly after the adjournment.

THE CIVIL-RIGHTS BILL

Mr. MORSE. Mr. President, I ask unanimous consent, under the 3-minute rule, to have printed at this point in the RECORD two articles. One of them is entitled "Rights Bill Now Worse Than None, Says Pastor." The article was published in the Washington Post. On the basis of that thesis, Mr. President, I wish to say that today or tomorrow I shall make what will probably be my final major speech in opposition to the Senate version of the civil-rights bill.

The other article is entitled "Messages to Ike Urge Stronger Rights Bill." This article was also published in the Washington Post of today, August 20; and I ask unanimous consent to have it printed in the RECORD as a part of my remarks.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post]

RIGHTS BILL NOW WORSE THAN NONE, SAYS PASTOR

A Negro Baptist Church leader told his congregation yesterday he would rather have no civil-rights bill at all than the one passed by the Senate with the jury-trial amendment.

The Reverend Dr. William Henry Jernagin, pastor of the Mount Carmel Baptist Church, said later:

"The majority of Negroes wants the administration civil-rights bill passed by the House, regardless of what the NAACP says."

Officials of the National Association for the Advancement of Colored People have said they would rather have the Senate bill than no bill.

The House bill would permit the Attorney General to apply for Federal court injunctions against alleged violations of all types of civil rights. Persons disregarding the injunctions could be jailed by Federal court judges without jury trials.

Injunctive authority in the Senate-passed bill was narrowed to voting rights, and an amendment was added providing for jury trials in cases of criminal contempt.

Dr. Jernagin said as executive board chairman of the National Fraternal Council of Churches he sent 60 telegrams last week to Negro leaders across the Nation.

The telegrams urged the leaders to wire the President and civil-rights backers in Congress asking for a bill without the jury-trial provision. The NFCC represents 14 Protestant denominations with 10 million members, Dr. Jernagin said.

[From the Washington Post of August 20, 1957]

MESSAGES TO IKE URGE STRONGER RIGHTS BILL

The White House released yesterday 21 samples of hundreds of recent telegrams and letters to President Eisenhower urging his firm opposition to the civil-rights bill as passed by the Senate.

Press Secretary James C. Hagerty released the messages after reporters asked him about public response to the civil rights' fight in Congress.

Hagerty said hundreds of messages, plus an uncounted number of postcards, had arrived at the White House since the Senate completed action on the bill about 2 weeks ago. Virtually all of the messages came from Negro leaders and Negro organizations.

He said the 21 made public were chosen because he thought they were representative of Negro feeling as expressed to the President.

Dr. Ralph J. Bunche, Assistant Secretary General of the United Nations, messaged: "Speaking in my capacity as an American citizen, I say that the bill in its present form is disappointedly weak. I heartily support every effort now being made to strengthen it."

Jackie Robinson, former Brooklyn Dodger baseball star, telegraphed: "Am opposed to civil-rights bill in its present form. Have been in touch with a number of my friends. We disagree that half loaf better than none. Have waited this long for bill with meaning—can wait a little longer."

Henry E. Schultz, chairman of the Anti-Defamation League of B'nai B'rith, urged the President to exert all of your great leadership at this crucial moment to obtain an improved and strengthened version of the bill.

A number of the messages were from Negro publishers and clergymen. "Civil-rights bill is unsatisfactory," wired Carl Murphy, president, Afro-American newspapers. "Urge you to continue your efforts to have the House version approved."

Dr. George D. Flemmings, of the National Association for the Advancement of Colored People, called for a veto of any bill including the jury trial amendment.

A. Philip Randolph, president of the Brotherhood of the Sleeping Car Porters, also urged the veto as a private individual, saying the present measure was worse than no bill at all.

The Reverend W. E. Sims, of the Sims Tabernacle Baptist Church, Philadelphia, endorsed the President's position on civil rights and said: "We pray that you will not give in but hold to your stand under God until it is passed."

Mr. MORSE. Mr. President, I also ask unanimous consent to have printed at this point in the RECORD an editorial in opposition to the Senate version of the civil-rights bill. The editorial was written by a colored editor, in the August 8 issue of the California Eagle, a Los Angeles newspaper.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CIVIL-RIGHTS CORPSE

Senator WAYNE MORSE aptly described what remains of the civil-rights bill as a corpse. It was stripped of all significance by successive Senate votes striking out section III and by the addition of jury-trial provisions to the voting section.

* * * * *

There is the bare hope that some teeth can be put back in the bill when it goes to a conference of the House and the Senate, but that hope is forlorn in light of the differences between the legislation passed by the House and what will be enacted by the Senate.

Frankly, we think that the present Senate legislation is worse than no legislation at all because its enactment will tend to keep down agitation for another genuine law. It seems to us that supporters of civil-rights legislation would be well advised to vote against it in its present form, as amended by the Senate, and that the President ought to veto it if the Senate version is sent to him.

The present state of the bill is a resounding victory for the South, a victory made possible through a new alliance of Dixiecrats and western liberal Senators. Ten of these western Senators voted for the jury-trial amendment to nail down the southern triumph.

Eight western Democrats voted to kill section III and tip the scales on that issue in favor of EASTLAND and TALMADGE.

The important fact of the moment is that the civil-rights bill is dead as far as this session is concerned.

Mr. MORSE. Mr. President, in the editorial, the editor went further than I did. I said the civil-rights bill as passed by the Senate was a corpse. But he said it was worse than a corpse. Something that is worse than a corpse is rather dead, Mr. President.

When I make my speech I shall discuss my reasons for believing that that editor is correct, and that the civil-rights bill which has been passed by the Senate is a hoax.

Mr. President——

The PRESIDING OFFICER. The Senator from Oregon has been recognized.

VOTING RECORDS OF SENATOR MORSE AND SENATOR NEUBERGER

Mr. MORSE. Mr. President, certain editors, newspaper reporters, and correspondents in my State are having a field day with their own imaginations. As mouthpieces and pencils for the reactionary Republican organization in our State, they are drumming away and scratching away at an old smear argument used by Republicans in my State, to wit, that an irrevocable rift has developed in the Senate of the United States between the two Senators from the State of Oregon—apparently because we voted differently on the mutual-security bill and because we voted differently on the civil-rights bill.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, an analysis based on a quick check of the voting records of the two Senators from Oregon for the years 1955, 1956, and 1957.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

Senators Morse and Neuberger, voting records on rollcalls on which both answered

	1955	1956	1957
Roll calls	76	116	[1] 76
Together	65	109	56
Divided	11	7	20
Percent together	85.5	94	73.7

[1] To date.

Voted together 89.8 percent of the time in the 84th Congress. Voted together 84.4 percent of the time on all votes in both Congresses to date.

Mr. MORSE. Mr. President, the analysis shows that on the yea-and-nay votes taken in the Senate in 1955, my colleague [Mr. NEUBERGER] and I voted together 85.5 percent of the time. In 1956, we voted together 94 percent of the time. In 1957, thus far, we have voted together 73.7 percent of the time. Furthermore, if it were not for our differences—let me say to these reactionary newspaper editors in my State—over the civil rights issue and the mutual security issue, even this year my colleague [Mr. NEUBERGER] and I would have voted together more than 90 percent of the time.

I wish to say good naturedly that I do not know of any two Senators from any State represented in this body who have voting records as nearly alike as do the two Senators from Oregon.

But as I stated in a press release which I am about to ask unanimous consent to have printed in the RECORD, my colleague from Oregon and I are not political Siamese twins, thank God. We are men of independence of judgment who recognize that the duty we owe to the people of Oregon, in keeping with the oath of office we have taken as Senators, is to exercise an honest independence of judgment, based on the merits of the issues, in accordance with the facts as we believe them to be. That has been our record.

Furthermore, Mr. President, I know of no better personal relationship existing between Members of the Senate than that which exists between the two Senators from the State of Oregon.

So to those editors and newspaper writers in Oregon, I say, Mr. President, "Try it again, boys. But yours is getting to be a sorry tune, because more and more people are learning that it is the tune of your own imagination, not the tune of reality."

Therefore, Mr. President, I ask unanimous consent, under the 3-minute rule, to have printed at this point in the RECORD, as a part of my remarks, the statement I issued on August 16 to the Oregon press, in regard to some of the detracting and critical editors and articles, which have been published in our State, which seek to give the false impression to the people of Oregon that a great rift has occurred between the two Oregon Senators.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

(Book wire to: The Oregonian, Portland, Oreg.; Oregon Statesman, Salem, Oreg.; East Oregonian, Pendleton, Oreg; Oregon Journal, Portland, Oreg.; Mail-Tribune, Medford, Oreg.; Capital Press, Salem, Oreg.; Capital-Journal, Salem, Oreg.; Coos Bay Times, Coos Bay, Oreg.; Register-Guard, Eugene, Oreg.)

WASHINGTON, D. C., August 16.—Senator WAYNE MORSE today issued this statement:

"Information has just reached me that newspaper stories are appearing in Oregon to the effect that a serious parting of the political ways has developed between DICK NEUBERGER and myself. Such stories are a lot of nonsense. Apparently they grow out of the fact that Dick voted for the Senate version of the civil-rights bill and I voted against it. Both of us made speeches in the Senate setting forth our respective reasons for our votes. Those speeches show that Dick and I held diametrically opposed views as to the value of the bill. In essence, he voted for it because he thought it was a step forward in the field of civil rights. I voted against it because I thought it was a step backward. Each of us defended his position in Senate debate with vigor, and apparently some newspapermen have chosen to read into the vigor of that intellectual difference an assumed personal difference that does not exist. DICK NEUBERGER and I are close personal and political friends and we shall remain so, much to the consternation and disappointment of our mutual political enemies. We are not political Siamese twins. Each of us recognizes that the senatorial duty we owe to the people of Oregon is to cast independent votes on the merits of each issue in accordance with our honest opinions. Ever since Dick and I have been in the Senate together, we have worked as a team, always respecting the right of each to vote in accordance with his best judgment on individual issues. This teamwork is so close that I do not know of a single important problem affecting Oregon that has not been handled cooperatively between ourselves and our staffs. The people of Oregon can be assured that this cooperative relationship will continue. On the majority of rollcall votes, we have voted together. It so happens that in recent weeks there has been a series of rollcall votes on foreign-aid and civil-rights matters on which we have reached different conclusions. The Senate speeches we have made in support of our votes apparently are being seized upon by those who would make the political wish the father of the thought in an attempt to create the completely false impression in Oregon that Dick and I are no longer working closely together in the Senate. It simply is not true.

"WAYNE MORSE."

Mr. MORSE. Mr. President, I also ask unanimous consent to have printed in the RECORD an editorial from the Coos Bay Times, of August 15, 1957. I shall not take the time of the Senate to read all of the editorial into the RECORD; at this time I shall read only one paragraph, as follows:

Senators WAYNE MORSE and RICHARD NEUBERGER may disagree from time to time. We hope they do. Neither is nor should be the intellectual slave of the other.

That summarizes pretty well the attitude which exists on the part of the two Senators as to their duties in the Senate with regard to specific legislation. I am proud to say I honor my colleague as an intimate and personal friend. In my opinion, he is a great Senator. As I said in Oregon, and I repeat on the floor of the Senate, give him 10 years in the Senate and, in my opinion, he will become one of the greatest United States Senators in the history of the Senate.

The PRESIDING OFFICER. Is there objection to the unanimous-conquest request?

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Coos Bay Times of August 19, 1957]

Some Oregon papers think they have found a chink in the so far solid political armor of Senators WAYNE MORSE and RICHARD NEUBERGER. There have been repeated stories of late that the gentlemen aren't getting along with each other.

It seems they took opposite sides on a number of rollcall votes over the civil-rights bill, on the final rights vote itself, and on other legislation which did not bear directly on Oregon. Ipso facto: They are on the outs.

According to A. Robert Smith, Washington correspondent for a number of newspapers, the two Senators have had their feelings hurt by things the other has said or done. They have reportedly fired a few hot letters at each other.

Saturday Mr. MORSE took recognition of the reports. Although he and his colleague have disagreed over some issues—as any pair of Senators is sure to do—they are still politically close and personally harmonious, "much to the consternation and disappointment of our mutual political enemies," he said.

Senator MORSE, it will be recalled, was instrumental in the election of DICK NEUBERGER in 1954. The junior Senator's margin of victory over ex-Senator Guy Cordon was measured in the hundreds. Mr. MORSE campaigned up and down the State in behalf of Mr. NEUBERGER almost as intensely as did the candidate in his own behalf.

In 1956, when the nationwide apparatus and treasure of the Republican Party were marshaled to defeat Senator MORSE, Mr. NEUBERGER reciprocated with a statewide stumping in behalf of the senior Senator. It might be said that he was instrumental in reelecting MORSE, although the latter's victory margin was wide.

The two of them, together, have made an unbeatable political team on their homeground. Their relationships in Washington surprised political observers because they have "gotten along" so well. It is a rule of thumb on Capitol Hill that Senators from the same State, even if of the same political party, are seldom friends. There's too much natural rivalry between them in State poli-

tics to make them either close personal friends or political allies, except when needed for their mutual benefit.

As a matter of fact, the entire Oregon congressional delegation has pulled well in the same harness. All but one of the six Oregon Congressmen and Senators are Democrats and all are of the "liberal" brand.

Before MORSE-NEUBERGER foes began propounding the alleged "falling out" between them, their theme was an alleged rift between Senator NEUBERGER and Representative EDITH GREEN of Portland.

Mr. NEUBERGER always seems to figure in these alleged personal controversies. This might be because he is the next Oregon Senator up for election, in 1960—assuming that he stands for reelection. That assumption is no wise sure, according to persons who have talked with him about the subject since the November 1956 election.

When you come right down to it, what is so important about the two Oregon Senators disagreeing about any particular piece of legislation? If they were always in agreement, that would be strange.

When you come right down to it, what is so strange if the two gentlemen occasionally write complaints to each other or, for that matter, had a knock-down and drag-out fist fight over a particular question? Any of us can examine his closest friendship and find many a personal disagreement therein.

Senators WAYNE MORSE and RICHARD NEUBERGER may disagree from time to time. We hope they do. Neither is nor should be the intellectual slave of the other.

One or the other may get his personal feelings injured from time to time by the other's actions. This matters little and in time will work out.

The two men are too close ideologically to remain always in agreement or to stay long apart.

What matters is the job both are doing for both Oregon and the Nation. The job has been, is, and will, we're sure, be good.

—F. W. A.

BERNARD M. BARUCH

Mr. BYRD. Mr. President, yesterday was the birthday of the Honorable Bernard M. Baruch. He was 87 years of age.

I doubt whether there is any man in private life who has done as much for his country. He has responded to its every call. He has been an intimate associate of Presidents and has performed in every line of governmental effort a very notable and valuable service.

It gives me pleasure to ask unanimous consent that there be inserted in the body of the RECORD an article by Arthur Krock which appeared in the New York Times of yesterday commenting on the book written by Bernard Baruch, My Own Story.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LOOKING BACK UPON A RICH LIFE BERNARD BARUCH RECALLS HIS ADVENTURES IN WALL STREET AND IN PUBLIC SERVICE

(By Arthur Krock)

This is the first volume of the autobiography of an American whose prescience, integrity, and disciplined mind brought him fame and fortune—at 32 I had in cash $100,000 for every year of my life. But, except under Woodrow Wilson, as Chairman of the War Industries Board in World War I, Bernard Baruch, for all his miraculous prescience, though often called on, was almost as often disregarded. He accurately forecast events for succeeding Presidents who summoned him to counsel and public service, and he told how popular action would be shaped by these events. Yet, save for programs for stockpiling essential raw materials and regulating their prices and a brief adherence to his plan for checking the atomic weapons race, most of his warnings and formulas in the areas of economics and diplomacy were not acted on until it was too late to realize their full potentials.

That is the dismal history of Baruch's efforts to prepare the Nation for World War II, to dispel the awful threat of nuclear war and to head off this conflict and the war in Korea. But Baruch makes no lament for this irony in his experience. Elaboration of the point would be alien to his trait of looking forward; also, it developed after the period in which this volume comes to an end. But to a reviewer familiar with Baruch's Government services after Wilson's time, the anomaly comes strongly to mind in reading the last chapter, wherein Baruch gives his view of the qualities the American people and their public servants will require to meet the tests of the times and his formula for saving civilization from atomic war.

As a financier, in contrast to his larger role as a statesman, Baruch also knew disappointments. From the time when, as a lad in Camden, S. C., he watched the trains go by he always wanted to own a railroad. He almost attained his ambition in the struggle for control of the Louisville & Nashville. Once he came nearer to his goal.

This opportunity arose during an evening at bridge. The matter of Baruch's ambition having been mentioned, Thomas F. Ryan said to James B. Duke, "Why don't we buy the railroad for Bernie and let him run it?" The road was the Atlantic Coast Line, and Henry Walters, principal owner of its stock, was willing, but the purchase, which Baruch was resolved to finance himself, was canceled by the bankers of the ACL.

In each instance the frustrating power was J. P. Morgan, Sr. As the book makes plain, one of Baruch's great aspirations was an association with Morgan he could never attain. So much did he desire this that on an occasion when Morgan was supporting a panicked market, Baruch decided to hand the great banker in person a certified check for $1,500,000 in support of the effort. He ended by sending it through the mails to a committee.

On another occasion he offered Morgan participation in the fabulous Texas Gulf Sulphur enterprise that made Baruch and William Boyce Thompson many millions. When Baruch told Morgan, "I personally will gamble $500,000" on the project, the banker coldly replied, "I never gamble," and turned away. And once, when Baruch had produced a miracle of raw materials investment, Morgan sold a large block of shares in it to Baruch's partner without giving Baruch the chance to buy that to which he felt he was entitled. None of this experience, however, affected the judgment expressed in this book that Morgan was the greatest mind and most constructive force in our financial history.

Self-discipline and organization he puts high among the requirements for a financial career such as his, and for the United States in this perilous world. He writes: "We should ask nothing of our allies that we are not prepared to do ourselves. * * * The friendship of other nations cannot be bought * * *. I for one will never concede that we cannot do as much in defense of our freedoms as any enemy may be doing to destroy them."

Lest an erroneous impression of the autobiography may be given by stress on these aspects, the prospective reader should be notified at once that this is an exciting tale of men and millions, of titanic conflicts, speculations and panics in Wall Street and of reconstruction times in South Carolina. It also is a tale of tender family relations and parental reverence. And it is sufficiently salted with humor and peppered with anecdote to produce a literary item of absorbing interest.

Appropriately, the major part of the book relates the American financial story from the panic of 1893 to the beginning of World War I. The characters are giants—Morgan, Jacob Schiff, James J. Hill, Edward H. Harriman, John W. Gates ("I saw him bet $1,000,000 at baccarat in the old Waldorf"); James R. Keene ("easily head and shoulders above any speculator I ever knew"), Eugene Meyer, Jr. ("a man of the highest integrity"), Daniel C. Jackling and the Guggenheims. And there are quieter folk, but of equal importance to the narrative, and more charming.

Among these was Prof. George B. Newcomb of the faculty of the College of the City of New York. He taught young Baruch economics, hammering at the inevitable workings of the law of supply and demand, and "10 years later I became rich for remembering his words."

There are the simple Negroes on Hobcaw, the South Carolina plantation bought by Baruch in his thirties out of sentiment for his native state: Moses Jenkins, whose favorite sermon was about Phar-a-oh and De Chillun; Abraham, who failed to attain his repentent wish to join the church, late in life, because he could not believe with the Deacon that "dem hongry African lions done spared de prophet Dan'l."

And there are the late Senator Key Pittman of Nevada and Justice Richard Lydon of New York who rushed into the flaming manor house at Hobcaw in the agonized remembrance that a fine barrel of "corn-licker" was about to be consumed with the rest of the property.

Mr. Baruch describes the conflicts among the giants of finance in the greatest stock market wars of history. This extract from an account of the fight for control of the Northern Pacific is an example: "On the exchange floor fear had completely taken the place of reason. Stocks were being dumped wildly, dropping from 10 to 20 points. There were rumors of corners in other stocks. In a panic it is not easy to avoid being swept along with the mad tide * * *. However, having made my plans in advance, I was able to step aside and keep my wits. When stocks were dumped I bought—my net profit that day was more than I made on any other day, before or after."

"On father's side I am the son of an immigrant," Baruch writes, in an early mention of the gallant surgeon of the Confederate Army who labored with the wounded at Second Manassas, Sharpsburg, Gettysburg and the Wilderness, and lived to found, with his son's help, healing institutions of hydrotherapy in his adopted city and State of New York. "On mother's side I am descended from a family which came to America in the 1690's," is the author's first reference to Belle Wolfe Baruch, for whose sake he observed the Jewish ritual, and in her memory still observes the holy days (though "I hold to no creed"); whose reminder that tomorrow is Yom Kippur was enough to make him abandon a promising short drive in the market (incidentally to his unexpected profit), and whose forgiveness of his early propensity to visit games of chance contrived to turn his steps to Wall Street.

"New York City at first overwhelmed and terrified me," writes Baruch of his first view, at the age of 11, of the city where he was to become a legend. There, too, he had his first encounter with a "discrimination, unknown in Camden, which I was to experience many times in my later life." It barred his Episcopalian daughters from their mother's dancing class, and would have excluded them from the private schools they attended had it not been for their rector's

intervention. "But laws," he comments, "will not wipe out bigotry and oppression."

He got his first job at $3 a week with a wholesale supplier to druggists, and, taking some securities downtown, "I first saw J. P. Morgan's famous nose and tawny eyes." Then as a runner in Wall Street, still at $3 a week, he became an expert at arbitrage, amassed a few extra dollars and began his acquaintance with the stock market. ("It is merely the register of human reactions to events as affecting the future * * * it is merely people trying to read the future".) And in this reading the most proficient ultimately was B. M. Baruch.

His "real start" came when he joined the firm of A. A. Housman at $5 a week and attended night school to study bookkeeping and contract law. Then he took to the study of railroads, especially those reorganized after the panic of 1893, and chose the ones who bonds he believed would surely rise. He urged them on the firm's customers, and himself would buy 10 shares at a time on a 10 percent margin.

Part of the first substantial capital he made—$60,000—was acquired by alert exploitation of an advantage none can have in this electronic age. Baruch, at Long Branch, heard from his partner of Admiral Schley's victory at Santiago and decided that stocks would rise. The pair, at Baruch's suggestion, chartered a locomotive to take them to New York; at sunrise, having telephoned customers for orders, they bought stocks on the London market and then sold them at a high profit on the expected rise in New York.

Later came the association with Ryan and Duke that paid out in millions. Later came the day when Baruch, asking to see James Stillman, president of the National City Bank, and, referred to the cashier, opened an account with a certified check for $1 million; the furious and profitable episode of the Northern Pacific corner by Harriman; and then (mark the date), in September 1929, with a vast fortune in securities, the decision to turn into cash "everything I had."

This review of a book may fittingly conclude with the story of another book. It is a copy of Oliver Twist, and it was presented to a schoolboy by Miss Katherine Blake, teacher at P. S. 69, New York City. The citation describes as well as any a life that now has spanned 87 years. It reads: "To Bernard Baruch, for Gentlemanly Deportment and General Excellence, June 1881."

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. JOHNSON of Texas. I wish to associate myself with what the distinguished Senator from Virginia has said about that great elder statesman, Bernard Baruch. For many years he has been a source of inspiration to all of us who have known him. He has served his country in war and in peace. I wish to join the Senator and the distinguished writer, Mr. Krock, in wishing Mr. Baruch many more happy birthdays.

Mr. BYRD. I thank the Senator.

Mr. JOHNSTON of South Carolina. Mr. President, I wish to join the Senator from Virginia and also the Senator from Texas in their remarks concerning Bernard Baruch. As Senators know, he is from the State of South Carolina, having been born there, and we are proud of him. There is no question whatsoever in my mind that he has done a great deal for the welfare of our Nation. His services date back to the beginning of the century, and have continued to the present time. He has been a close adviser of many Presidents of the United States, especially insofar as financial affairs are concerned. I must say he has rendered invaluable service for the people of the United States in that regard. I join in the remarks of other Senators and wish him many future years of health and happiness.

DEMOCRATIC SENATOR TELLS HOW HE WAS ATTACKED BY GOP IN HIS STATE IN BACKING IKE ON FOREIGN POLICY VOTES

Mr. NEUBERGER. Mr. President, I ask unanimous consent that I may speak for not to exceed 10 minutes regarding an attack which has been made upon me in my State.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator from Oregon may proceed.

Mr. NEUBERGER. Mr. President, the Senate is presently receiving an appeal from the President of the United States to restore to approximately $3.8 billion his fund for foreign aid, which has been slashed by the House of Representatives to a level approximately 25 percent below that sought by the President.

I am inclined to go along with Mr. Eisenhower's request, because I believe in my heart he is right when he claims that this aid is essential to the defense of the Free World against Communist encroachment.

However, I believe the Senate is entitled to know something about the fate, in his own State, of a Democratic Member of this body who sets aside political partisanship and supports the Republican President of the United States on just such issues as this current one, involving expenditures for foreign aid.

I believe the record will show that on nearly every major foreign policy rollcall since I became a Member of the Senate some 2½ years ago, I have supported the position advocated by President Eisenhower. Furthermore, I think I can safely claim that I consistently have backed the President on the entire general question of mutual security and foreign aid.

What has happened to me politically as a result of that support? The Senate may be interested to learn a few illuminating facts.

On August 2, 1957, the Congressional Quarterly published a survey of so-called economy votes in this session of Congress. The result showed me as voting only rarely for so-called economy in this survey. On August 8, 1957, the chairman of the Oregon State Republican Committee, Mr. James Short, released a statement to the press in my home State which attacked my voting record as "appalling," and Mr. Short made clear that he based this attack entirely upon the Congressional Quarterly survey.

Accordingly, I asked the editors of the Congressional Quarterly for the facts and data upon which the survey was premised. They advised me that it included 23 Senate rollcalls between January 3 and July 28. I was further informed that, on 17 of these roll calls, the position of the President of the United States had been made clear. On 13 out of these 17 rollcalls, I had supported the President's stand. I had opposed it on only four. I supported President Eisenhower on every one of the eight rollcalls involving a question of foreign policy, in which issues of foreign aid or mutual security were at stake.

Yet, Mr. President, my reward for this was to be denounced by the Republican Party in Oregon as having an "appalling" voting record.

It seemed to me that this situation should be of some significance to the chairman of the Republican National Committee, because it is my assumption that he welcomes Democratic support in the Senate for vital programs of foreign policy which are close to the heart of the Republican President of the United States. Accordingly, Mr. President, on August 12, 1957, I addressed a communication to Hon. H. Meade Alcorn, which I ask unanimous consent to have printed in the RECORD at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

Hon. H. MEADE ALCORN,
Chairman, Republican National Committee, Washington, D. C.

DEAR MR. ALCORN: I am herewith attaching for your interest a clipping from the Portland Oregonian of August 9, 1957.

It will indicate to you that the Republican Party State chairman in Oregon, Mr. James Short, has attacked my voting record as "appalling," on the basis of a survey of so-called economy votes in the Senate undertaken by the Congressional Quarterly.

I have inquired of the editors of Congressional Quarterly and learned that this survey was premised on 23 key Senate rollcalls between January 3 and July 28. On 17 of these rollcalls, the position of the President was known. The editors of the Quarterly informed me that I supported President Eisenhower's position on 13 rollcalls and opposed it on four. This was among the highest "support" scores of the President in the Senate.

I should like to address a question to you in your capacity as chairman of the Republican National Committee. Do you approve their so-called economy survey is based on 23 of partisan attacks by leaders of your party upon Democratic Senators—attacks based upon Senate rollcalls in which the Democratic Senators have given overwhelming support to the recommendations of President Eisenhower?

I trust you do not try to evade this inquiry by attacking the accuracy of the Congressional Quarterly because, for your information, the Oregon Republican chairman quite candidly premised his attack against me on the recent "economy" review of Senate voting published by the Quarterly.

For quite some time I have been disturbed by the tendency of prominent Republicans to take political advantage of the patriotism and responsibility to duty by Democrats who have risen above narrow partisan considerations in order to support the President on issues affecting our international destiny. I refuse to believe that the national leadership of the Republican Party desires to reap partisan capital out of the fact that some Democrats have been willing to make themselves politically vulnerable by backing the President on questions which may be momentarily unpopular or misunderstood.

I shall await your reply with interest.

With good wishes, I am,

Sincerely,

RICHARD L. NEUBERGER,
United States Senator.

Mr. NEUBERGER. The main question which I addressed to Mr. Alcorn in the letter was as follows:

I should like to address a question to you in your capacity as chairman of the Republican National Committee. Do you approve of partisan attacks by leaders of your Party upon Democratic Senators—attacks based upon Senate roll calls in which the Democratic Senators have given overwhelming support to the recommendations of President Eisenhower?

Mr. President, this letter speaks for itself. It is its own explanation. As of August 20, 1957, 8 days later, I had not received even an acknowledgement from H. Meade Alcorn, chairman of the Republican National Committee.

The attack upon me by the chairman of the Republican Party in my State—and the apparent indifference to that attack by the chairman of the Republican National Committee—shall not influence me to vote against what I think is best for mankind generally and for world peace. I never intend to base my position in the Senate on vindictiveness or malice. Yet, Mr. President, I regard it as useful and proper for the RECORD to demonstrate that perhaps the political rulers of the Republican Party really do not want Democrats to vote for the foreign-policy recommendations of the President of the United States. Certainly their conduct in my case would lead to such an inference.

In conclusion, I ask unanimous consent to have printed in the RECORD with these remarks a letter dated August 10, 1957, addressed to me by Mr. Thomas N. Schroth, executive editor of the Congressional Quarterly; a news dispatch from the Portland Oregonian of August 9, 1957, describing the attack upon my voting record by the chairman of the Republican State Committee of Oregon; and a press release from my office, dated August 14, 1957, answering that attack.

There being no objection, the letter, news dispatch, and press release were ordered to be printed in the RECORD, as follows:

CONGRESSIONAL QUARTERLY
NEWS FEATURES,
Washington, D. C., August 10, 1957.

Hon. RICHARD L. NEUBERGER,
Washington, D. C.

DEAR SENATOR NEUBERGER: This is in answer to your inquiry regarding the 23 Senate rollcall votes selected by Congressional Quarterly for its economy voting study. The votes were cast between January 3 and July 28, 1957. An analysis shows that, out of the 23 rollcall votes, you voted with the President 13 times; against the President four times; the President's position was unknown six times.

The President's position is indicated by Congressional Quarterly only when it is clear from his own statements where he stands on a particular rollcall vote.

Attached is a copy of the CQ economy voting story which I have marked to show where the President stood and how you voted on each of the 23 Senate rollcall votes involved.

I hope that this will answer your question. Please call on us if you need further information.

Sincerely,

THOMAS N. SCHROTH,
Executive Editor.

[From the Portland Oregonian of August 9, 1957]

NEUBERGER HIT ON FUND VOTES

STATE HOUSE (Salem).—An attack on the economy record of Oregon Senator RICHARD NEUBERGER was made Thursday by James Short, chairman of the Republican State central committee. His statement came from the State GOP headquarters, which recently were moved to Salem from Portland.

"NEUBERGER's 96 percent disregard for the demands of the people for economy in Government is appalling," Short declared.

Short said statistics compiled by the Congressional Quarterly, a nonpartisan publication, show United States Representative WALTER NORBLAD leading the Oregon delegation in a fight for economy in Government with a 74 percent voting record from January to July.

"The voting record ranges from Senator NEUBERGER's 4 percent record on Government economy to NORBLAD's 74 percent. Representatives AL ULLMAN and CHARLES PORTER were scored with 7 percent, with EDITH GREEN 15 percent and WAYNE MORSE with 39 percent on economy," Short said.

"The variance of 35 percent in voting records between NEUBERGER and MORSE over a 6 months' period gives indication that the honeymoon for these prima donnas is nearing an end."

STATEMENT BY SENATOR RICHARD L. NEUBERGER, OF OREGON, IN REPLY TO ATTACK UPON HIS VOTING RECORD BY REPUBLICAN STATE CHAIRMAN JAMES SHORT

On August 9 the Oregon State Republican Party chairman, James Short, attacked as "appalling" my voting record in the United States Senate. Mr. Short based this attack upon a Congressional Quarterly survey which allegedly showed me as voting for economy in government only 4 percent of the time.

This assault upon my record is merely one further demonstration that the top leadership of the Republican Party in our State is still basically anti-Eisenhower, so far as policy and program are concerned.

If Mr. Short were at all worried about the substantive nature of government, he would realize that my rating in the Congressional Quarterly is due almost entirely to the fact that I have tried to rise above narrow partisanship in order to support President Eisenhower on basic issues of foreign policy like mutual security, United States Information Agency, and national defense.

Following the attack upon me by Mr. Short, I consulted the editors of Congressional Quarterly. They have told me that Senate rollcalls between January 3 and July 28. On these 23 rollcalls, the recommendations of President Eisenhower were made clear 17 times. Out of those 17 rollcalls, I voted with Mr. Eisenhower 13 times and against him only four times. Few Senators in either party sided with the President on so many occasions.

The only possible conclusion to be drawn from Mr. Short's description of my Senate voting record as appalling is that he likewise regards as appalling the position of Dwight Eisenhower on those same issues. This is a curious posture, indeed, for the chairman of the Oregon State Republican Party.

On those few occasions when I did not vote with the President on this particular series of rollcalls, I am informed by the Congressional Quarterly that it was because I voted to expand the public-housing program and to enlarge appropriations available for Government-insured mortgages. With Oregon's crucial lumber industry in the doldrums because of a sagging market for housing, I wonder if the State Republican Party would have been happier if I had tried to diminish new housing starts still further?

A sample of the unfairness and inaccuracy of Mr. Short's attack was his ridicule of me because I have voted quite differently during this session of Congress from my senior colleague, Senator WAYNE MORSE. At the start of my senatorial career, I was attacked by Oregon Republicans because they claimed I would be a "rubber stamp" for Senator MORSE. Now they criticize me because I am not always voting the same way as Senator MORSE. What a shame that such irresponsibility grips a major political party in our State.

MONETARY POLICIES OF THE UNITED STATES

Mr. COOPER. Mr. President, I ask unanimous consent to have printed in the RECORD a statement by the Honorable William McChesney Martin, Jr., Chairman of the Board of Governors of the Federal Reserve System, before the Committee on Finance of the United States Senate.

I might say it is very interesting to note that this objective report on the credit and monetary policies of the United States Government is in sharp contrast to the criticisms we hear every day on the floor of the Senate from critics of the present policies. I might say these criticisms come from those who never offer any alternative or any affirmative proposal. If their criticisms imply a return to policies which were inflationary, the statement by Mr. Martin is a very fine answer to those critics, for the statement points out the effects upon the economy and living standards of the people such inflationary policies would have.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF WILLIAM MCCHESNEY MARTIN, JR., CHAIRMAN, BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM BEFORE THE COMMITTEE ON FINANCE, UNITED STATES SENATE, AUGUST 13, 1957

Our country has been experiencing a period of unusual prosperity, featured by heavy spending, both governmental and private. As a Nation, we have been trying to spend more than we earn through production, and to invest at a rate faster than we save. The resulting demands, strong and incessant, have pressed hard upon our resources, both human and material. In consequence, prices have been rising, and the purchasing power of the dollar has been falling.

It is of the utmost importance to bring to bear on this critical problem all of the information and intelligence that we can muster. That is what you are seeking, and that is why this opportunity to appear here is timely and most welcome. We are not facing a new or insoluble problem—it is as old as the invention of money—and history is marked with both defeats and triumphs in dealing with this invisible but deadly enemy of inflation. The question is not whether we can solve the problem, but how best to deal with its under our form of Government and free enterprise institutions. Solve it we can—and must.

You have been inquiring particularly into fiscal policies and it is equally important to inquire into credit and monetary policies. They are closely interrelated, and are the two paramount and time-tested means available to the Government in combating inflation. There are undeniably practical limitations of timing and scope upon both, but they are the most effective weapons in the arsenal against this destructive invader. In fact they are indispensable.

By way of preface and for the record I should like to outline first the general structure and organization of the Federal Reserve System. Then I want to go into the nature and character of the problems the Nation is now facing.

FEDERAL RESERVE STRUCTURE

The Federal Reserve Act of 1913 was the outgrowth of prolonged Congressional study of the history of central banking in other countries and of our own experience, particularly with the first and second banks of the United States. The Congress, seeking to avoid either political or private domination of the money supply, created an independent institution which is an ingenious blending of public and private participation in the System's operations under the coordination of a public body, the Federal Reserve Board, here in Washington.

This question of independence has been thoroughly debated throughout the long history of central banking. On numerous occasions when amendments to the Federal Reserve Act were under consideration the question has been reexamined by Congress and it has reaffirmed its original judgment that the Reserve System should be independent, not independent of Government, but independent within the structure of the Government. That does not mean that the Reserve banking mechanism can or should pursue a course that is contrary to the objectives of national economic policies. It does mean that within its technical field, in deciding upon and carrying out monetary and credit policy, it shall be free to exercise its best collective judgment independently.

The Reserve System is an instrument of Government designed to foster and protect the public interest, so far as that is possible, through the exercise of monetary powers. Its basic objective is to assure a monetary climate that permits economic growth together with stability in the value of our money. Private citizens share in administering the System but, in so doing, they are acting in a public capacity. The members of the Board of Governors and the officers of the Federal Reserve banks are in a true sense public officials. The processes of policy determination are surrounded with carefully devised safeguards against domination by any special-interest group.

Broadly, the Reserve System may be likened to a trusteeship created by Congress to administer the Nation's credit and monetary affairs, a trusteeship dedicated to helping safeguard the integrity of the currency. Confidence in the value of the dollar is vital to continued economic progress and to the preservation of the social values at the heart of free institutions.

The Federal Reserve Act is, so to speak, a trust indenture that the Congress can alter or amend as it thinks best. The existing System is by no means perfect, but experience prior to 1914 suggests that either it or something closely approximating it is indispensable. In its present form, it has the advantage of being able to draw upon the knowledge and information of the directors and officers of its 12 banks and 24 branches in formulating and carrying out credit and monetary policies.

BOARD OF GOVERNORS

The Board of Governors, as you know, is composed of seven members appointed by the President and confirmed by the Senate, each for a term of 14 years. In appointing the members of the Board, the President is required to give due regard to a fair representation of the financial, agricultural, industrial, and commercial interests, as well as the geographical divisions of the country. From among these members the President designates a Chairman and a Vice Chairman for terms of 4 years. Some of the functions of the Board of Governors are (1) to exercise supervision over the Federal Reserve banks; (2) to fix, within statutory limits, the reserves which member banks are required to maintain against their deposit liabilities; (3) to review and determine the discount rates which are established biweekly at each Federal Reserve bank, subject to approval of the Board in Washington; (4) to participate, as members of the Federal Open Market Committee, in determining policies whereby the System influences the availability of credit primarily through the purchase or sale of Government securities in the open market; (5) to fix margin requirements on loans on stock exchange collateral; and (6) to perform various supervisory functions with respect to commercial banks that are members of the System and to administer Federal Reserve, Holding Company, and other legislation.

FEDERAL RESERVE BANKS

Each Federal Reserve bank has a board of nine directors, of whom six are elected by the member banks. Of these, three are bankers, one from a large, one from a medium, and one from a small bank. Three more must not be bankers, but must be engaged in some nonbanking business. The other three members are appointed by the Board of Governors in Washington, which also designates one to be the Chairman and another the Deputy Chairman. None of these three may be an officer, director, employee, or stockholder of any bank. The directors of a Reserve bank supervise its affairs. Subject to approval of the Board of Governors, they appoint the President and First Vice President. Subject to review and determination by the Board of Governors, they establish discount rates.

The stock of each Federal Reserve bank is held by the member banks of its district. This stock does not have the normal attributes of corporate stock; rather, it represents a required subscription to the capital of the Reserve bank, dividends being fixed by law at 6 percent. The residual interest in the surplus of the Federal Reserve banks belongs to the United States Government, not to the bank's stockholders.

FEDERAL OPEN MARKET COMMITTEE

The Federal Open Market Committee consists, according to law, of the seven members of the Board of Governors, together with five presidents of the Federal Reserve banks. Four of these five presidents serve on a rotating basis; the fifth, the president of the Federal Reserve bank of New York, is a permanent member of the Committee. Since June 1955, when its Executive Committee was abolished, this Committee has usually met at 3-week intervals to direct the sale and purchase of securities in the open market. In practice, all 12 presidents attend these meetings and participate freely in the discussion, although only those who are members of the Committee vote.

FEDERAL ADVISORY COUNCIL

The Federal Reserve Act also provides for a Federal Advisory Council of 12 members. One is elected by the Board of each Reserve bank for a term of 1 year. The Council is required by law to meet in Washington at least four times each year. It is authorized to confer directly with the Board of Governors respecting general business conditions and to make recommendations concerning matters within the Board's jurisdiction.

JUDGING ECONOMIC TRENDS

The work of the system requires a continuous study and exercise of judgment in order to be alert to the way the economy is trending and what Federal Reserve actions will best contribute to sustained economic growth. Such decisions are often hard to make because of the existence of crosscurrents in the economy. Even in generally prosperous times, some parts of the economy may not fare as well as others. Credit policy must, however, fit the general situation and not reflect unduly either the condition of certain industries experiencing poor business, or that of other industries enjoying a boom. Residential construction illustrates this point. In 1956 and so far in 1957 demand pressures on available resources have been generally strong and prices have been moving up, but housing construction has receded considerably from its 1955 peak. The homebuilding industry undoubtedly could supply housing at a faster rate than is now prevailing. But even at the current volume, building costs continue to increase. The prices of some building materials have fallen, it is true, but the overall cost of housing construction has increased appreciably even in the face of moderately lower demand. The explanation is to be found in the fact that expenditures for all major types of construction except residential have been maintained at or above record levels. This example shows why credit policy must take account of the overall situation, and cannot be deterred unduly by special cases that are not typical of the whole.

Another factor complicating economic interpretation is that even in a period of broad advance and upward pressure on prices, there may be lulls when conditions seem to be stabilizing and the next turn of events is difficult to appraise.

PURPOSES

The objective of the system is always the same—to promote monetary and credit conditions that will foster sustained economic growth together with stability in the value of the dollar. This goal may be thought of in human terms. The first part may be considered as concerned with job opportunities for wage earners; the latter as directed to protecting those who depend upon savings or fixed incomes, or who rely upon pension rights. In fact, however, a realization of both aims is vital to all of us. They are inseparable. Price stability is essential to sustainable growth. Inflation fosters maladjustments. In some periods these broad aims call for encouraging credit expansion; in others, for restraint on the growth of credit. The latter is what is required at present, for clearly the most critical economic problem now facing this country is that of inflation, or put in the terms of the man on the street, it is the rising cost of living.

THE CURRENT PROBLEM OF INFLATION

This problem is far different from the one that beset us during the depressed 1930's, and left an indelible impression on our thinking. The problem then was one of drastic deflation with widespread unemployment, both of men and material resources. Today's problem has persisted through the years since World War II. It consists of inflationary price increases and the economic imbalances that have resulted.

This is the overriding problem that faces the Federal Reserve System today, for a spiral of mounting prices and wages seeks more and more financing. It creates demands for funds in excess of savings, and since these demands cannot be satisfied in full, the result is mounting interest rates and a condition of so-called tight money. If the gap between investment demands and available savings should be filled by creating additional bank money, the spiral of inflation which tends to become cumulative and self-perpetuating would be given further impetus. If the Federal Reserve System were a party to that process, it would betray its trust.

CONFLICTING VIEWS ON CAUSES

There is much current discussion of the origin of inflationary pressures. Some believe they reflect a recurrence of demand-pulls, similar to those present in the earlier postwar period. Others believe they originate in

a cost-push engendered by administered pricing policies and wage agreements that violate the limits of tolerance set by advances in productivity.

These distinctions present an oversimplification of the problem. Inflation is a process in which rising costs and prices mutually interact upon each other over time with a spiral effect. Inflation always has the attributes, therefore, of a cost-push. At the same time, demand must always be sufficient to keep the spiral moving. Otherwise the marking up of prices in one sector of the economy would be offset by a reduction of prices in other sectors.

There is much to be said for the view that contractual or other arrangements designed as shelters or hedges from inflation have the effect of quickening its tempo. The 5-percent rise in the cost of living which we have experienced over the last 2 years has probably reflected and been reflected in more rapidly rising wage costs because of the prevalence of cost-of-living clauses in many modern wage contracts. Cost plus contracts tend to have the same quickening effect on the inflationary spiral.

The spiral is also, however, a demand spiral. At each point of time in the development of the inflationary spiral, there must be sufficient demand to take the higher-priced goods off the market and thus keep the process moving.

THE INFLATIONARY SPIRAL

The workings of the spiral of inflation are illustrated by the economy of the moment. As has been brought out at some of the earlier hearings of this committee, we are now faced with the seeming paradox that prices are expected to continue to rise, even though the specific bottlenecks in capacity that impeded the growth of production in 1956 have now been largely relieved, and investment in productive facilities continues at very high levels. Houses, automobiles, household appliances, and other consumer goods, as well as most basic materials, are all readily available—at a price. The problem is no longer one of specific shortages or bottlenecks causing prices of individual commodities to be bid up because of limited availability but rather it is one of broad general pressure on all of our resources. In other words, aggregate demand is in excess of aggregate availabilities of these resources at existing prices.

Taking the situation as a whole, as individuals, corporations, and governments proceed with their expenditure plans, buttressed by borrowed funds, they are in the position of attempting to bid the basic factors of production—land, labor, and capital—away from each other and in the process the general level of costs and prices is inevitably pushed upward. Recently, this general pressure has been expressing itself particularly in rising prices for services as compared with goods. Despite the existence in some lines of reduced employment and slack demand, many employers now face rising costs when they seek to expand activity by adding appreciably to the number employed. Often, the additional manpower required has to be bid away from other employers. As a result, many current plans for further expansion of capacity place great emphasis on more efficient, more productive equipment rather than on more manpower.

This generalized pressure on resources comes to a head in financial markets in the form of a shortage of saving in relation to the demand for funds. A considerable volume of expenditure is financed at all times out of borrowed funds. When these funds are borrowed from others who have curtailed their own expenditures, no additional demand for resources is generated. On balance, however, demands for funds by those who have wanted to borrow money to spend in excess of their current incomes have outrun savings. Those who have saved by limiting their current expenditures, and thus made funds available for lending, have still not kept pace with the desire of governments, businesses, and individuals to borrow in order to spend.

Just as an intense general pressure on available resources manifests itself in rising wages and prices, a deficiency of savings relative to the demand for borrowed money manifests itself in an increase in the price of credit. In such circumstances, in' rest rates are bound to rise. The rise in rates might be temporarily held down by creating new bank money to meet borrowing demands, but this, as I have said, would add fuel to inflation and bring about further increases in demands. In the end, as prices rose ever faster, interest rates could not be held down. In summary, whatever the special features of the current inflation, the important fact is that it is here, and that it has created demands for borrowed funds in excess of financial savings, even though these have grown appreciably. Any attempt to substitute newly created bank money for this deficiency in savings can only aggravate the problem and make matters worse.

EFFECTS OF HIGHER INTEREST RATES

The response to higher interest rates is complex. One result is that some would-be borrowers draw on cash balances to finance projected expenditures or lenders draw on their balances to lend at the higher rates, thus reducing their liquidity and increasing the turnover of the existing money supply. In recent years, with the large volume of Federal Government securities outstanding, many holders of these securities—both institutions and individuals—have liquidated their holdings in order to shift funds to other uses. This has been an important influence in bringing about the decline in bond prices. To the extent that accumulated cash balances or other past savings can be used more actively, expenditures remain high relative to available resources and prices tend to rise, but the reduced financial liquidity eventually exerts restraint on borrowing and spending.

Another result of higher interest costs, together with greater difficulty in obtaining loans, is that many potential borrowers revise or postpone their borrowing plans. To the extent that expenditures are revised or deferred, inflationary pressures are reduced.

The most constructive result is the encouragement of a volume of savings and investment that permits continued expansion of productive facilities at a rate consistent with growing consumption demands. Only in this way can the standard of living for a growing population be improved and the value of savings be maintained.

Such constructive adaptations, if made in time at the onset of inflationary pressures, need not be large in order to restore balance between prospective demands and the resources available to meet them. It is essential, however, that the adjustment be made. Otherwise prospective expenditures will continue to exceed the resources available and the pressure of excess demand will foster an inflationary spiral.

EXPECTATIONS OF CONTINUING INFLATION

Once such a spiral is set in motion it has a strong tendency to feed upon itself. If prices generally are expected to rise, incentives to save and to lend are diminished and incentives to borrow and to spend are increased. Consumers who would normally be savers are encouraged to postpone saving and, instead, purchase goods of which they are not in immediate need. Businessmen, likewise, are encouraged to anticipate growth requirements for new plant and equipment. Thus, spending is increased on both counts. But, because the economy is already operating at high levels, further increases in spending are not matched by corresponding increases in production. Instead, the increased spending for goods and services tends to develop a spiral of mounting prices, wages, and costs.

Unfortunately, during the past year, as price indexes gradually rose, some segments of the community apparently became reconciled to the prospects of a creeping, if not a runway, inflation. One of the baneful effects of inflation stems from the expectation of inflation. While a price increase, in itself, may cause serious dislocations and inequities, other and more serious effects occur if the price rise brings with it an expectation of still other increases. Expectations clearly have a great influence on economic and financial decisions. In fact, decisions to spend or to invest too much in a given time are a direct cause of inflation. Also, if further inflation is expected, speculative commitments are encouraged and the pattern of investment and other spending—the decisions on what kinds of things to buy—will change in a way that threatens balanced growth.

CREEPING INFLATION

The unwarranted assumption that "creeping inflation" is inevitable deserves comment. This term has been used by various writers to mean a gradual rise in prices which, they suggest, could be held to a moderate rate, averaging perhaps 2 percent a year. The idea of prices rising 2 percent in a year may not seem too startling—in fact, during the past year, average prices have increased by more than 2 percent—but this concept of creeping inflation implies that a price rise of this kind would be expected to continue indefinitely. According to those who espouse this view, rising prices would then be the normal expectation and the Federal Reserve accordingly would no longer strive to keep the value of money stable but would simply try to temper the rate of depreciation. Business and investment decisions would be made in the light of this prospect.

Such a prospect would work incalculable hardship. If monetary policy were directed with a view to permitting this kind of inflation—even if it were possible to control it so that prices rose no faster than 2 percent a year—the price level would double every 35 years and the value of the dollar would be cut in half each generation. Losses would thus be inflicted upon millions of people, pensioners, Government employees, all who have fixed incomes, including people who have part of their assets in savings accounts and long-term bonds, and other assets of fixed dollar value. The heaviest losers would be those unable to protect themselves by escalator clauses or other offsets against prices that were steadily creeping up.

Moreover the expectation of inflation would react on the composition of savings. A large part of the savings of the country is mobilized in savings deposits and similar claims that call for some stated amount of dollars. If people generally come to feel that inflation is inevitable, they will not save in this form unless they are paid a much higher interest premium to compensate them for the depreciation of their saved dollars. It is for this reason that it is impossible, in a period of demand in excess of savings, to maintain lower interest rates through a policy of easy credit. The country is experiencing a period of generally high employment in which investment outlays remain high, but, if fears of inflation cause people to spend more of their incomes and save less, the result could only be more rapid inflation and still less saving in relation to income. Such saving as remained, furthermore, would be less and less in the form of loanable funds to finance homes, highways, school construction, and other community needs.

EFFECTS ON PRODUCTIVE ENTERPRISE

An inflationary psychology also impairs the efficiency of productive enterprise—through

which our standard of living has made unparalleled strides. In countries that have had rapid or runaway inflations, this process has become so painfully obvious that no doubt remained as to what was happening to productivity. In the making of decisions on whether or not to increase inventory, or make a capital investment, or engage in some other business operation, the question of whether the operation would increase the profit from inflation became far more important than whether the proposed venture would enable the firm to sell more goods or to produce them at lower cost. The incentive to strive for efficiency no longer governed business decisions.

PRODUCTIVITY—KEY TO SUSTAINED PROSPERITY

Why have real wages in this country risen to the highest levels in the world, thus permitting our standard of living to rise correspondingly? Certainly, it is not just because wages have risen as the cost of living has risen. The big source of increase has been the increasing productivity of our national economy. Real incomes have gone up because the total size of the pie, out of which everybody receives his share, his grown so magnificently. What has enabled the productivity of the American economy to achieve the levels that make all this possible? One vital factor has been the striving by so many people, each in his own field, for better and more efficient ways of doing things. Equally important has been the willingness to set aside a part of current income to provide the machines, tools, and other equipment for further progress. Both are essential if our standard of living and material welfare are to go on advancing.

EFFECTS OF INFLATION

Inflation does not simply take something away from one group of our population and give it to another group. Universally, the standard of living is hurt, and countless people injured, not only those who are dependent on annuities or pensions, or whose savings are in the form of bonds or life insurance contracts. The great majority of those who operate their own businesses or farms, or own common stocks or real estate, or even those who have cost-of-living agreements whereby their wages will be raised, cannot escape the effects of speculative influences that accompany inflation and impair reliance upon business judgments and competitive efficiency.

Finally, in addition to these economic effects, we should not overlook the way that inflation could damage our social and political structure. Money would no longer serve as a standard of value for long-term savings. Consequently, those who would turn out to have savings in their old age would tend to be slick and clever rather than the hard-working and thrifty. Fundamental faith in the fairness of our institutions and our Government would deteriorate. The underlying strength of our country and of our political institutions rests upon faith in the fairness of these institutions, in the fact that productive effort and hard work will earn an appropriate economic reward. That faith cannot be maintained in the face of continuing, chronic inflation.

There is no validity whatever in the idea that any inflation, once accepted, can be confined to moderate proportions. Once the assumption is made that a gradual increase in prices is to be expected, and this assumption becomes a part of everybody's expectations, keeping a rising price level under control becomes incomparably more difficult than the problem of maintaining stability when that is the clearly expressed goal of public policy. Creeping inflation is neither a rational nor a realistic alternative to stability of the general price level.

PEGGING THE MARKET

It has been suggested, from time to time, that the Federal Reserve System could relieve current pressures in money and capital markets without, at the same time, contributing to inflationary pressures. These suggestions usually involve Federal Reserve support of the United States Government securities market through one form or another of pegging operations. There is no way for the Federal Reserve System to peg the price of Government bonds at any given level unless it stands ready to buy all of the bonds offered to it at that price. This process inevitably provides additional funds for the banking system, permits the expansion of loans and investments and a comparable increase in the money supply—a process sometimes referred to as monetization of the public debt. The amount of the inflationary force generated by such a policy depends to some extent upon the demand pressures in the market at the time. It would be dangerously inflationary under conditions that prevail today. In the present circumstances the Reserve System could not peg the Government securities market without, at the same time, igniting explosive inflationary fuel.

DO RISING INTEREST RATES ADD TO INFLATION?

We must be clear in viewing these relationships to distinguish cause from effect and not to confuse them. It is sometimes said that rising interest rates, by increasing the cost of doing business, lead to higher prices and thus contribute to inflation. This view is based upon an inadequate conception of the role of interest rates in the economy, and upon a mistaken idea of how interest costs compare with total costs. In municipal government budgets, it is about 2 percent; in many utilities, it is 3 to 5 percent. Thus, as an element of cost, interest rates are relatively small; but, as a reflection of demand pressures in markets for funds, interest rates are highly sensitive. As previously explained, rising interest rates result primarily from an excess of borrowing demands over the available supply of savings. Since these demands are stimulated by inflation, under these circumstances rising interest rates are an effect of inflationary pressures not a cause. Any attempt to prevent such a rise by creating new money would lead to a much more rapid rise in prices and in costs than would result from any likely increase in interest rates. Such an attempt, moreover, would not remove the need for a fundamental adjustment in the relation between saving and consumption and would probably fail in its purpose of stabilizing interest rates.

BASIC FACTORS IN RECENT INFLATIONARY PRESSURES

A major cause of recent inflationary pressures has been the attempt to crowd into this period a volume of investment greater than the economy could take without curtailing consumption more than consumers have been willing to do. In fact, there has been some increase in consumption on borrowed funds. Increases in interest rates naturally come about under such conditions; they are the economy's means of protecting itself against such excessive bunching of investment or the building up of an unsustainable rate of consumption. While the effect of a moderate change in interest rates on the cost of goods currently being produced and sold is small and relatively unimportant, changes in interest rates do assume importance as a cost in the planning of new investment outlays. These costs do not affect current operations or add to upward price pressures to any substantial extent. They do tend to deter the undertaking of new investment projects and to keep the amount of investment spending that is being undertaken in line with the economy's ability to produce investment goods. To maintain artificially low interest rates under these conditions, without introducing any other force to restrain investment, would be to invite an unbridled investment boom, inflation, and an inevitable collapse later.

It is necessary to emphasize that there are many influences, other than monetary policies and interest rates, that affect the volume of consumption, investment, and saving and their relationships. Monetary policies operate directly through the volume of bank credit and bank-created money. The volume of current saving out of income and the uses made of new and outstanding savings have a more important bearing upon the availability of investment funds than bank credit. Interest rates, therefore, are influenced by the relationship between investment demands and the availability of savings, independently of monetary policies. Interference with these relationships through monetary policies, in fact, may prevent necessary and healthy adjustments that help to maintain equilibrium in economic growth.

IN A NUTSHELL

(a) An inflationary spiral is always characterized by:

1. An interaction between rising costs and rising prices; and

2. An increase in overall effective demand sufficient to keep the spiral going. As prices generally keep rising, a larger and larger volume of demand (in dollar terms) is needed to sustain the same volume of transactions (in physical terms).

As long as it persists, therefore, an inflation will always show evidence of both demand pulls and cost pushes with their relative manifestations shifting as the inflation runs its course.

(b) The tempo of interaction between rising costs and rising prices will be speeded up if the situation is characterized by:

1. The release of a previously created overhang of pent-up money demand (such as existed when direct controls broke down or were relaxed at the end of the war).

2. The creation in volume of new money demand through excessive credit expansion and/or activation of existing cash balances (such as happened when war broke out in Korea).

3. The widespread existence in the economy of escalators which act automatically to transfer rising costs or prices into rising prices and costs (cost of living clauses in collective bargaining agreements, cost plus contracts, etc.).

4. The degree to which a speculative psychology backed by effective demand pervades business decisions.

(c) The tempo of interaction between costs and prices will also be affected by the degree to which administered prices and wage rates are prevalent in the economy. These effects are not always in the same direction. The net effect of the many and various factors influencing administered prices and wages sometimes tend to slow up and sometimes to accelerate price movements, depending upon the particular circumstances.

(d) Whatever the mix of the above ingredients, an inflation once under way will tend to persist as long as the credit necessary to finance the rising level of costs and prices is forthcoming. Credit may be supplied through new bank-credit expansion or by activation of already existing money.

(e) Whatever its antecedent characteristics, an inflation will tend to feed upon itself and be accentuated once the investing and saving public come to think of further inflation as the prospect.

(f) It is the nature of inflation hedges to act as aggravating rather than equilibrating factors.

(g) No one suffers more than the little man from the ravages of inflation.

(h) A monetary authority dedicated to promoting the public welfare must not relax restraints in the face of continuing inflationary pressures, since any efforts to relax mere-

ly add to the forces tending to keep the inflation in motion.

WHAT MORE CAN BE DONE?

How, then, may further inflation be restrained? Bluntly, the answer is to be found in a moderation of spending, both governmental and private, until the demands for funds are balanced by savings. This prudence must be coupled with sound fiscal policy, which means a larger budget surplus as well as effective monetary policy to restrain the growth of bank credit.

Among the factors influencing saving and consumption are those fiscal policies relating to taxes and governmental budgets. These require special attention because they are not as responsive to changes in the availability of credit and interest rates as are private activities. Untimely fiscal policies can create or aggravate imbalance in the economy and thus dilute the effectiveness of monetary policies. On the other hand, fiscal measures that help to maintain balance can reduce the degree of restraint that monetary policies might otherwise have to exert.

Experience over the centuries has demonstrated that there is no tolerable alternative to adequate fiscal and monetary policies, operating in an environment of open, competitive markets under our system of human freedoms. Neither an economic dictatorship nor complacent acceptance of creeping inflation is a rational or tolerable way of life for the American people.

There is no panacea, no magical means of assuring orderly economic growth, nor are we much more likely in the future than in the past to achieve perfect performance in the timing and execution of policy and action. We have every reason to believe, nevertheless, that we can discern and follow the right path. Thus, it is clear that the present situation calls both for a larger budgetary surplus than we have had or have in prospect, and a continuance of restraint upon creation of new supplies of money.

ACTION REQUIRED

Let us not follow the defeatist path of believing that widespread unemployment is the alternative to inflation.

There is no question that the Federal Government and the American people, pulling together, have the power to stabilize the cost of living. The only question is, whether there is the will to do so.

If the will is there, and it is demonstrated convincingly to the American people, the cost of living can be stabilized, interest rates will relax, and a sufficient volume of savings will be encouraged to provide for the economic growth need in this generation and the next.

This committee and the Congress can contribute greatly to that end by declaring resolutely—so that all the world will know—that stabilization of the cost of living is a primary aim of Federal economic policy.

The goal of price stability, now implicit in the Employment Act, can be made explicit by a straightforward declaration and directive to all agencies of the Government that anti-inflationary actions are to be taken promptly whenever the cost of living begins to rise.

The executive and legislative branches of Government, in conjunction, can assure adjustment of Federal revenues and expenditures so that, in times when total spending threatens to burst the bounds of capacity and drive up the cost of living, the Federal Government will set an example of restraint in outlays and at the same time produce a surplus to counterinflationary pressures from any quarter.

The Congress and the Executive can take steps to assure that free and vigorous competition is maintained in all segments of the economy as the bedrock of our free enterprise system.

The Federal Reserve System, itself a creation of the Congress, can—and I assure you that it will—make every effort to check excesses in the field of money and credit that threaten the cost of living and thus undermine sustained prosperity and growth of our economy.

In all of these ways we can, if we have the will, set the face of the Nation so resolutely against inflation as to keep that enemy from our gates.

No greater tragedy, short of war, could befall the free world than to have our country surrender to the easy delusion that a little inflation, year after year, is either inevitable or tolerable. For that way lies ultimate economic chaos and incalculable human suffering that would undermine faith in the institutions of free men.

CONTRIBUTIONS OF IMMIGRANTS TO THE UNITED STATES—EXAMPLE OF DR. BORIS SIRPO

Mr. NEUBERGER. Mr. President, at this time we in the Senate are making ready to consider legislation amending the McCarran-Walter Act. I am pleased to be a cosponsor of S. 2410, of which the principal author is the distinguished junior Senator from Massachusetts [Mr. KENNEDY]. This is a bill to liberalize certain restrictive features of our immigration code.

At such an hour it is well for us to appreciate the many great contributions to the economy and culture of our Nation by immigrants. One such person, of whom we are particularly proud in my own State, is the distinguished conductor, Boris Sirpo, who has made the Portland Little Chamber Orchestra famous and beloved in many segments of the civilized world. Twice in recent years, Boris Sirpo and his all-girl orchestra from Oregon have won thousands of friends for America in particular and democracy in general, with their talented and gifted concert presentations throughout Europe. They also have successfully toured South America.

Boris Sirpo is a native of Finland, a country celebrated for Sibelius and many other great musicians. Boris Sirpo follows in this tradition. So that my colleagues will have some appreciation of what this recent tour of Europe has meant to an illustrious immigrant to our own land, I ask unanimous consent that a letter which I have just received from Boris Sirpo, dated August 15, 1957, appear in the body of the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

PORTLAND, OREG., *August 15, 1957.*

Hon. RICHARD L. NEUBERGER,
Senator From Oregon,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: After traveling from country to country and from place to place like gypsies we are now back in our beautiful city of roses. Every member of our group is telling stories about our trip, countries, persons, natures, and especially the wonderful treatment which we have received in Germany. As a student in the University in Germany, I have known Germans very well, and I have known how critical they are to other people and to other countries. But I have decided to take a challenge, and the Army has been wonderfully kind and understanding, it is true, and given us opportunity to perform for the German people.

In München, Nürnberg, and Frankfurt, and many other places, we had audiences much over 2,000 people at the concerts. I am a really happy man that my ideas and my purpose were rightly understood. In my work I am often very misunderstood. My programs have created the highest admiration and respect in Germany. I do think that in Washington they misunderstood my purpose; that my purpose was a purpose of good feeling, not purpose of selling American music to them. I consider myself an ambassador of good will. It would have been impossible for me to present highest standards of culture and at the same time promote propaganda for American music. They just don't mix, you know.

Possibly it would be of interest to you to know that we had 56 performances overseas. We played for three television outlets, in Paris, Strasbourg, and Stockholm, comprising millions of people who heard us. In every country we were reminded that the United States never sent better cultural ambassadors than this group has been. In these 3 months of our tour, nobody was sick, and not one concert was canceled.

The concert which we had for the Army has been a big inspiration, an experience for life. I think that these boys are indeed very proud for our achievements in other countries. And then, I felt also that they had a need, a very strong need for spiritual food.

Very often the most wonderful flowers are put into funerals. But I am very proud that we have received some wonderful flowers, but we are very much alive.

We had a magnificent homecoming concert, with standing ovations and with a packed house. Better later than never.

And now, dear Senator NEUBERGER, I have an inner need to thank you for your wonderful understanding, kindness, and help. With my deepest respect, believe me to be,

Most sincerely,

BORIS SIRPO.

ORDER OF BUSINESS

The PRESIDING OFFICER. Is there further morning business?

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there further morning business? If not, morning business is closed. Under the order previously entered the calendar will now be called.

TERMINATION OF VETERANS' EDUCATION APPEALS BOARD

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1020, H. R. 8076.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 8076) to provide for the termination of the Veterans' Education Appeals Board, established to review certain determinations and actions of the Administrator of Veterans' Affairs in connection with education and training for World War II veterans.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, H. R. 8076 provides for the termination of the Veterans' Education Appeals Board. This independent board established by Public Law 610 of the 81st Congress reviews certain determinations and actions of the Administrator of Veterans' Affairs in connection with education and training for World War II veterans.

This proposed legislation has the concurrence of the Chairman of the Board and would terminate its operations 60 days after enactment. In addition, this bill provides that the records should be transferred to the National Archives and Records Service of the General Services Administration. These records would be made available to all interested parties.

In recent years the number of disputes that have arisen between the schools and the Veterans' Administration over the operation of the Servicemen's Readjustment Act has diminished, and it is believed that the few remaining disputes that might arise can now be handled expeditiously by our courts.

In brief, this is a decision to bring to a close the workings of a board which has a fine record of accomplishments but whose work is near completion. I think that the board is to be congratulated for not wanting to prolong its existence without sufficient reason.

I might add, Mr. President, that this bill, if enacted, would result in the saving of approximately $35,000 during fiscal year 1958.

I want to commend each of the members of the Board for his excellent services to our servicemen, namely, Charles M. Thompson, Chairman of the Board; Jo Zach Miller III; and the presiding member here in Washington, Edward L. Arpin, of Butte, Mont.

I may say, Mr. President, this is one of the few occasions I can recall when a bureau of the Federal Government voluntarily liquidated itself. I think that Judge Arpin and his colleagues are to be commended for pushing this particular measure and for their desire to bring about a termination of an appeals board which has fulfilled its functions and for which there seems to be very little work in the future.

Mr. President, I ask unanimous consent that the text of the bill and excerpts from the report of the House committee be printed in the RECORD at this point.

There being no objection, the text of the bill and excerpts from the report (No. 996) were ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That paragraph 11 (d) of part VIII of Veterans Regulation No. 1 (a) is amended by adding at the end thereof the following new subparagraph:

"The Veterans' Education Appeals Board established by this paragraph shall cease to exist 60 days after the date of enactment of this subparagraph, and the records of the Board shall thereupon be transferred to the National Archives and Records Service of the General Services Administration, for retention to the extent warranted, or otherwise for disposition according to law. The Board shall not receive or act upon any application for review filed after date of enactment of this subparagraph."

EXPLANATION OF THE BILL

Under the terms of Public Law 266, 81st Congress, a Veterans' Tuition Appeals Board was created to consist of three members appointed by the Administrator of Veterans' Affairs for the purpose of hearing complaints of any school which was dissatisfied with the determination of the rate of payment for tuition and other charges payable under Public Law 346, 78th Congress—the so-called World War II GI bill of rights.

Subsequently, Public Law 610, 81st Congress, created a Veterans' Education Appeals Board to replace the Veterans' Tuition Appeals Board. The new Board also consisted of three members but were appointed by the President; this Board was to be an independent Board. Cases pending before the old Board were transferred to and decided by the new Board.

Public Law 610 gave the new Board authority to review any contract entered into by any education or training institution which covered a period subsequent to August 24, 1949, the effective date of Public Law 266. On the other hand, any contract which expired prior to August 24, would not be covered.

The Veterans' Education Appeals Board, in the judgment of the committee, has performed a most useful function. Its decisions have been promptly rendered and have been equitable. The numerous cases presented to the Board have involved many which were in direct conflict with decisions of the Administrator of Veterans' Affairs or his representative.

The education provisions of the Servicemen's Readjustment Act have largely come to a close by virtue of the delimiting date, July 25, 1956. The Veterans' Education Appeals Board, through its Chairman, has officially advised the committee that, in its judgment, its operation should be terminated. Therefore, the purpose of this act is to terminate the operations of the Board, 60 days after enactment, and to provide that its records shall be transferred to the National Archives and Records Service of the General Services Administration, to be made available by that agency for the inspection and use of any interested party.

It is the decision of the committee that the interest of all concerned could best be served by providing for the transfer of these records to the National Archives and Records Service of the General Services Administration, rather than transferring them to the jurisdiction of the Veterans' Administration.

There have been many disagreements between this Board and the Veterans' Administration. The VA has been reluctant in many instances to recognize that this Board was, in fact, independent. For that reason it seems wise that the records should be available through an independent agency of the Government rather than through an agency which was hostile on many occasions to the operation of the Board.

As indicated, the enactment of this legislation would result in a saving of approximately $35,000 during fiscal year 1958.

The report of the Veterans' Administration and pertinent sections of letters received from the Chairman of the Veterans' Education Appeals Board and the Comptroller General follow:

VETERANS' EDUCATION APPEALS BOARD,
March 25, 1957.

Hon. OLIN E. TEAGUE,
Chairman, Committee on Veterans' Affairs, House of Representatives, Washington, D. C.

DEAR MR. TEAGUE: For months the members of the Veterans' Education Appeals Board have kept close attention to the trend of our workload. As you know, beginning in early 1954 we began to reduce expenditures for both personnel and space, and have continued to do so as often as we felt the situation would permit. From time to time Mr. Arpin has conferred with you or Mr. Meadows regarding the progress of the Board. At our February meeting we again reviewed the situation, on the basis of our records and informal information obtained from the Veterans' Administration. Colonel Miller, Mr. Arpin, and I considered it advisable that the time had arrived for a conference with you to discuss a repeal of that part of Public Law 610 which set up the Board, and Mr. Arpin was asked to secure your views in the matter. This he did on February 12, 1957.

Since that time you have forwarded to us a draft of a bill designed to terminate the Board's function. At a Board meeting held in Kansas City, Mo., on March 14 and 15, 1957, the members of the Board reviewed this matter from a variety of angles.

Commenting informally, we wish to state, at the outset, that we believe the present draft will adequately accomplish the purpose intended since we are unable to visualize any ill effects, now or later, from the introduction and enactment of the bill in its present form. The relatively few disputes which might arise between schools and the VA can now be expeditiously handled by our courts without fear of overloading their dockets.

Certain suggestions were made during our meeting which I would like to pass on to you.

1. As to the termination date, viz: 30 days after the date of enactment: If the bill were so worded that the right to file new appeals would cease immediately upon enactment, and that the Board would thereafter be afforded a reasonable time to close out (perhaps 60 days), we would be able to handle most (all, it is hoped) of the matters now before us, or which might be commenced during the time required to get the bill through the Congress. The additional 60-day period could then be devoted exclusively to such matters as, the final compilation of our decisions in bound volumes, the preparation of a final report and history, the disposition of our records, and any other administrative requirement necessary in closing out an operation such as this.

2. As to the disposition of Board records: It has been suggested that they be turned over to the Justice Department, or more preferably to the Archives. The thinking back of this is that, in every case, the Veterans' Administration has been a party, and any appeals or actions arising after our decision are referred to and handled by the Justice Department. In Archives the record of the hearings before the Board might be more accessible to both parties.

Although beyond the scope of this particular matter, a suggestion was also advanced that it might be advisable at this time to think of placing a cutoff date on the VA's right to reaudit or otherwise raise questions regarding past payments made to schools or veterans under the expired GI bill. Of course, this suggestion was advanced without specific knowledge of the extent of the present operations of the VA along this line and only on the basis of the review of the number of disputes brought before the Board in the last year.

With continued high esteem, I remain,

Sincerely yours,

CHARLES M. THOMPSON,
Chairman.

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, March 13, 1957.

Hon. OLIN E. TEAGUE,
Chairman, Committee on Veterans' Affairs, House of Representatives.

DEAR MR. CHAIRMAN: Further reference is made to your letter of February 28, 1957,

requesting our comments on a draft of a bill proposing the termination of the Veterans' Education Appeals Board.

The Veterans' Education Appeals Board was created for the purpose of providing an independent forum to which institutions who were dissatisfied with the actions of the Administrator of the Veterans' Administration concerning compensation payable for education and training furnished to veterans under title II of the Servicemen's Readjustment Act of 1944, Public Law 346, 78th Congress (58 Stat. 284, 287) and its amendments might appeal for reconsideration and a final administrative determination. The education and training program provided by the 1944 act has come practically to a close and it is understood that the docket of the Board is, or shortly will be, clear.

Furthermore, such claims as may be pending in the Veterans' Administration or which may hereafter arise and are not concluded administratively to the satisfaction of the institutions concerned may be submitted to the General Accounting Office for settlement and adjustment. (See 31 U. S. C. 71, 71a; see also, 31 U. S. C. 236, providing for submission to Congress by the Comptroller General of meritorious claims against the United States not subject to lawful adjustment by use of an appropriation theretofore made.) The institutions are also privileged to present claims and to obtain judicial review of settlements made administratively or by the General Accounting Office through appropriate proceedings in the United States district courts (28 U. S. C. 1346, 2401) or the United States Court of Claims (28 U. S. C. 1491, 2501). It therefore appears that should the Board be terminated the existing remedies will be adequate for the handling of any outstanding claims under this program.

With respect to the provision for transferring the records of the Board to the Veterans' Administration, it may be noted that the Veterans' Administration was an opposing party in the proceedings before the Board. Moreover, some of these cases may become the subject to litigation in which event the Attorney General will be primarily responsible for determining the action to be taken on behalf of the Government. (See sec. 5, Executive Order No. 6166, June 10, 1933, 5 U. S. C. 132, note.) Under such circumstances it is believed consideration might be given to the desirability of transferring such records to the Department of Justice rather than to the Veterans' Administration.

Sincerely yours,

JOSEPH CAMPBELL,
Comptroller General of the United States.

VETERANS' ADMINISTRATION,
OFFICE OF THE ADMINISTRATOR
OF VETERANS' AFFAIRS,
Washington, D. C., June 24, 1957.

Hon. OLIN E. TEAGUE,
Chairman, Committee on Veterans' Affairs, House of Representatives, Washington, D. C.

DEAR MR. TEAGUE: This will refer to your request for a report by the Veterans' Administration on H. R. 8076, 85th Congress, a bill to provide for the termination of the Veterans' Education Appeals Board established to review certain determinations and actions of the Administrator of Veterans' Affairs in connection with education and training for World War II veterans.

H. R. 8076 proposes to terminate the Veterans' Education Appeals Board which was established by Public Law 610, 81st Congress, July 13, 1950, to review determinations and actions of the Veterans' Administration relative to payments made to educational institutions for tuition, fees, and other charges on behalf of World War II veterans enrolled for a course of education, under title II of the Servicemen's Readjustment Act of 1944. The Board would not receive or act upon any application for review which was filed after the date of the enactment of the bill, and would cease to exist 60 days thereafter. At the time of its dissolution, the Board's records would be transferred to the National Archives and Records Service of the General Services Administration, for retention to the extent warranted, or otherwise for disposition according to law.

The Veterans' Education Appeals Board was, as noted, established by the act of July 13, 1950, and is composed of 3 members, appointed by the President, who are compensated out of appropriations available for administrative expenses of the Veterans' Administration for time spent by them in the work of the Board, and for necessary travel and subsistence expenses. The Veterans' Administration provides the Board with such stenographic, clerical, and other assistance facilities and services as are necessary for the discharge of its functions.

Under provisions of the Servicemen's Readjustment Act, most World War II veterans were required to initiate their course of education or training by July 25, 1951, and no education or training could be afforded beyond July 25, 1956, with the exception of those enlistees or reenlistees within the terms of the Armed Forces Voluntary Recruitment Act of 1945, who have the benefit of a more liberal termination date. At the end of April 1957, there were only 1,255 veteran-trainees enrolled under the Servicemen's Readjustment Act.

The Board has been in existence for nearly 7 years, and any school which desired to present its case for review has had an adequate opportunity, and a 60-day period following the bill's enactment would seem to provide an ample period during which the Board could dispose of any pending cases.

In view of the foregoing circumstances, legislation to provide for the termination of the Board and for the disposition of its records would seem to be timely. Accordingly, the Veterans' Administration recommends favorable consideration of H. R. 8076. It is informally understood that your committee has also obtained the views of the Veterans' Education Appeals Board with respect to the merits of the legislation.

It is estimated that the cost of operating the Veterans' Education Appeals Board would approximate $35,500 during the ensuing fiscal year. If H. R. 8076 is enacted all costs for the operation of the Board would cease 60 days thereafter.

Advice has been received from the Bureau of the Budget that there would be no objection to the submission of this report to your committee and that the Bureau concurs in the favorable recommendation of the Veterans' Administration.

Sincerely yours,

H. V. HIGLEY,
Administrator.

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H. R. 8076) was ordered to a third reading, read the third time, and passed.

ORDER RELATING TO CALL OF THE CALENDAR

Mr. TALMADGE. Mr. President, in view of objections which will be registered to the consideration of Calendar No. 11 through Calendar No. 264, I ask unanimous consent that the call of the calendar begin with Calendar No. 301, and that the call of the calendar be concluded with Calendar No. 1036. We do not have committee reports on bills subsequent to Calendar No. 1036.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Georgia? The Chair hears none, and it is so ordered.

ESTATE OF WILLIAM V. STEPP, JR.

Mr. KEFAUVER. Mr. President, I ask that the message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H. R. 2973) for the relief of the estate of William V. Stepp, Jr., be laid before the Senate.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H. R. 2973) for the relief of the estate of William V. Stepp, Jr., and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. KEFAUVER. Mr. President, for the information of the Senate, the bill would pay $1,500 to the estate of a young civilian who was killed by an Army sentry in Alaska. At the time the bill was reported by the committee and passed the Senate, the provision for attorney fees was stricken since there was no indication that an attorney was involved. The committee is now informed by the author of the bill that an attorney is entitled to his fee in this case, so action to provide for fee should be taken by the Senate. I move that the Senate recede from its amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Tennessee.

The motion was agreed to.

CALL OF THE CALENDAR

The PRESIDING OFFICER. The clerk will state the first measure in order on the calendar.

TRANSFER OF CERTAIN LANDS TO THE STATE OF MINNESOTA—BILL PASSED OVER

The bill (S. 864) to provide for the transfer of certain lands to the State of Minnesota, was announced as first in order.

Mr. TALMADGE. Over, Mr. President.

Mr. MORSE. Mr. President, I desire to make a statement with reference to Calendar No. 301, for future reference. Will the Senator from Georgia withhold his objection, while I make my statement?

The PRESIDING OFFICER. Does the Senator from Georgia withhold his objection temporarily?

Mr. TALMADGE. The objection of the calendar committee was predicated upon the objection of the Senator from Oregon. If the Senator from Oregon has no objection, the calendar committee withdraws its objection.

Mr. MORSE. Mr. President, the Senator from Georgia is quite correct. I shall object. I desire to make a statement, because it might serve as the basis for working out a satisfactory solution.

Mr. TALMADGE. I am happy to withhold the objection in order that the Senator from Oregon may make his statement.

Mr. MORSE. Mr. President, under the law of 1908—title 43, United States Code, sections 1021, 1027—certain poorly drained public and Indian lands were made subject to State drainage laws. The lands could be assessed by local authorities for reclamation works and could be sold, if necessary, to enforce the assessment liens.

Reclamation efforts were unsuccessful and in the 1930's the State of Minnesota assumed the bonded indebtedness of the counties on this project.

The report does not show whether the holders of the bonds have been paid, and, if so, by what agency or subdivision of the State government.

S. 864 would authorize the Secretary of the Interior to sell these lands to Minnesota for appraised value, less the total amount of the liens against the lands. Disposal without payment is provided where the total of the lien in any case exceeds the value of the land—the liens include interest, but the bill has been amended by the Senate Interior Committee to limit interest to that which accrued up to April 1929, when the State assumed the counties' indebtedness.

On April 3, 1957, the Department of the Interior wrote to the Senator from Montana, Mr. MURRAY, supplying, in part, the following comments on the bill:

> As a matter of general policy, we could support legislation for the transfer of lands owned by the Federal Government only if the United States were to receive reasonable compensation. The Recreation Act of June 14, 1926 (43 U. S. C., 869), as amended by the act of June 4, 1954 (68 Stat. 173), authorizes the disposal of public lands to States and local governments for public purposes at a price to be fixed by this Department through appraisal or otherwise, after taking into consideration the purpose for which the lands are to be used. There are, nevertheless, sound equitable considerations which would justify the deduction of the amount of the liens from the price. After the county governments collapsed financially, the State took over the county debts resulting from unwarranted and unwise drainage projects. Even though the State has no claim against the United States because of this, it does have a real financial interest in the lands.

Mr. President, in my opinion, the record is not clear as to who holds the bonds that would be redeemed under the plan set forth in the bill. We should have some information for the record to the effect that this is not a case whereby bondholders are to be bailed out by the Federal Government if it should develop that they have failed for over 25 years to get compensation from the State.

Therefore, until this matter is cleared up in the RECORD, I shall object to the bill, because under the Morse formula I will not agree to a bill which might—I do not know whether it would or not, because the record is not clear—represent a bailing out of some bondholders at the expense of the taxpayers of the United States. People make bad investments, and when they do they have no right, in my judgment, to run to the Federal Government and ask it to compensate them for their poor judgment.

I object.

Mr. TALMADGE. Mr. President, the calendar committee renews its objection, and asks that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

BILLS AND CONCURRENT RESOLUTION PASSED OVER

On objection by Mr. TALMADGE, the following bills and concurrent resolution were passed over:

S. 25, a bill relating to effective dates of increases in compensation granted to wage board employees.

S. 931, a bill to provide for the reorganization of the safety functions of the Federal Government and for other purposes.

Senate Concurrent Resolution 28, a concurrent resolution to print a compilation of materials relating to the development of the water resources of the Columbia River and its tributaries.

S. 98, a bill to provide for the establishment and operation of a mining and metallurgical research establishment in the State of Minnesota.

S. 2377, a bill to amend chapter 223, title 18, United States Code, to provide for the production of statements and reports of witnesses.

S. 2150, a bill to revise the Federal election laws, to prevent corrupt practices in Federal elections, and for other purposes.

The bill (S. 491) for the relief of Joanne Lea was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. PURTELL. Mr. President, reserving the right to object—and I shall object—this bill appears to have great merit, but the committee believes that a precedent might be established by its passage. Therefore we object on that basis, and that basis only. I shall not object if the bill is taken up on motion.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1356) to amend the antitrust laws by vesting in the Federal Trade Commission jurisdiction to prevent monopolistic acts by certain persons engaged in commerce in meat and meat products, and for other purposes was announced as next in order.

Mr. PURTELL. Over, by request.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2127) to amend section 3 (d) of the Federal Employees' Group Life Insurance Act of 1954 relating to the reduction in amounts of insurance of persons over the age of 65 was announced as next in order.

Mr. PURTELL. Over, by request.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 4240) for the relief of Cornelia S. Roberts was announced as next in order.

Mr. PURTELL. Mr. President, this bill appears to have merit, but we ask that it go over only because it would appear to set a precedent, and we feel that it ought not be passed on the call of the calendar. However, the committee would not object if the bill were taken up on motion.

On objection by Mr. PURTELL, by request, the following bills and resolution were passed over:

S. 27, a bill to increase the rates of basic compensation of officers and employees in the field service of the Post Office Department.

H. R. 2474, an act to increase the rates of basic salary of employees in the postal field service.

S. 1168, a bill to amend the Securities and Exchange Act, as amended.

Senate Resolution 118, a resolution to amend rule XXVI so as to require committee reports proposing legislation or ratification of treaties, involving expenditure of public funds, to show the estimated costs thereof.

The bill (S. 72) to increase annuities payable to certain annuitants from the civil service retirement and disability fund, and for other purposes, was announced as next in order.

Mr. PURTELL. Mr. President, this bill appears to have great merit. However, the committee feels that although it is a meritorious bill, inasmuch as it involves $119 million, we feel that it ought not be passed on the call of the calendar. For that reason we ask that it be passed over. There will be no objection from the committee if it is later taken up on motion.

The bill (H. R. 1733) for the relief of Philip Cooperman and others, was announced as next in order.

Mr. PURTELL. Over, by request.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 734) to revise the basic compensation schedules of the Classification Act of 1949, as amended, and for other purposes, was announced as next in order.

Mr. TALMADGE. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 6282) for the relief of the former shareholders and debenture noteholders of the Goshen Veneer Co., an Indiana corporation, was announced as next in order.

Mr. TALMADGE. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2672) to amend the Atomic Energy Act of 1954, as amended, to increase the salaries of certain executives of the Atomic Energy Commission, and for other purposes, was announced as next in order.

Mr. TALMADGE. Over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. PURTELL. Mr. President, I ask that Calendar Nos. 849 to 856, both inclusive, be passed over, by request.

Mr. KEFAUVER. Mr. President, will the Senator withhold his request for a moment?

Mr. PURTELL. Certainly.

Mr. KEFAUVER. Does the Senator have objection to the bills being taken up on motion later?

Mr. PURTELL. In connection with any action which the Senate may decide to take after the call of the calendar, of course, I shall be acting in my capacity as an individual Senator. I have made the objection by request. I assume, however, that debate might be had on the question of appointments of judges in the various States. Any of the bills may be taken up later on motion of the majority leader, if he wishes.

The PRESIDING OFFICER. The bills referred to will be passed over.

The bills passed over are as follows:

S. 264, a bill to provide for the appointment of a district judge for the district of Kansas.

S. 697, a bill to provide for the appointment of a district judge for the district of Maryland.

S. 2700, a bill to provide for the appointment of a district judge for the eastern, middle, and western districts of North Carolina.

S. 2701, a bill to provide for the appointment of an additional district judge for the southern district of Mississippi.

S. 2702, a bill to make permanent the temporary judgeship for the district of Utah.

S. 2703, a bill to provide for the redistricting of the judicial district of North Dakota, and for other purposes.

S. 116, a bill to provide for the appointment of an additional circuit judge for the seventh circuit, and for the appointment of additional district judges for the northern district of Illinois.

S. 430, a bill to provide for the appointment of a district judge for the middle district of Tennessee.

DISTRICT JUDGE FOR KANSAS

Mr. SCHOEPPEL subsequently said: Mr. President, with respect to Calendar No. 849, S. 264, to provide for the appointment of a district judge for the district of Kansas, I ask unanimous consent to have printed in the RECORD a letter which I have received from Joseph F. Spaniol, Jr., of the Administrative Office of the United States Courts, with reference to the business in the United States District Court for the District of Kansas, and the statement attached to the letter.

There being no objection, the letter and statement were ordered to be printed in the RECORD, as follows:

ADMINISTRATIVE OFFICE OF THE
UNITED STATES COURTS,
Washington, D. C., August 12, 1957.

Hon. ANDREW F. SCHOEPPEL,
United States Senate,
Washington, D. C.

DEAR SENATOR SCHOEPPEL: I am sending to to you herewith three copies of a statement concerning the judicial business of the United States District Court for the District of Kansas. This was prepared last January, but the statements contained therein are still applicable.

On the accompanying tables, figures concerning the number of cases handled during the fiscal year 1957 which are now available have been inserted in ink.

I hope this will provide you with the information you requested.

Yours sincerely,

JOSEPH F. SPANIOL, Jr.

THE JUDICIAL BUSINESS OF THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF KANSAS

The State of Kansas consists of a single judicial district which for many years was presided over by a single district judge. On October 16, 1945, an additional temporary judicial position was authorized and was filled on November 27, 1945, by the appointment of Judge Arthur J. Mellott, but during the next summer Kansas again became a one-judge district with the death of Judge Helvering on July 5, 1946. By the act of August 3, 1949, a permanent additional judgeship was created and Judge Delmas C. Hill was appointed. In April 1954 the Judicial Conference of the United States recommended the creation of a third judgeship for the State and reaffirmed the recommendation at its September 1954, and subsequent meetings.

Since the year 1941 the number of civil cases commenced annually in the district of Kansas has almost tripled as shown by the figures in table 1 attached hereto. For the last 10 fiscal years the total civil cases commenced and terminated each year and the number pending at the end of the year have been as follows:

Total civil cases

Fiscal year	Number of judgeships	Commenced	Terminated	Pending on June 30
1947	1	573	720	309
1948	1	491	581	219
1949	1	603	530	292
1950	2	625	557	360
1951	2	554	578	336
1952	2	555	505	386
1953	2	661	584	463
1954	2	792	665	590
1955	2	736	798	528
1956	2	800	787	541

The increase in private civil cases, which on the average consume much more judicial time per case than suits to which the United States is a party, has been proportionately even greater during the 10-year period. This is shown in the following table:

Private civil cases

Fiscal year	Commenced	Terminated	Pending on June 30
1947	182	139	145
1948	156	185	116
1949	200	180	136
1950	284	216	204
1951	239	237	206
1952	241	221	226
1953	320	238	308
1954	395	314	389
1955	326	377	338
1956	352	347	343

The rise in the number of pending cases as shown by these tables indicates that congestion has developed in the district. This is borne out by the figures on the time required to dispose of cases by trial. In the fiscal year 1956 the median time interval from filing to disposition of civil cases terminated by trial in the district of Kansas was 13.8 months compared with the national median of 15.4 months and the period from issue to trial was 10.8 months compared to the national median of 10.3 months. These intervals for the district of Kansas for the last 3 years are the largest in the 12-year period covered by table 4 attached.

Although the 1956 median from filing to disposition is somewhat less than the national median and the median from issue to trial is only slightly larger than the national figure, they indicate that cases cannot now be tried, even with considerable help from visiting judges, with the promptness which is desirable. This is the result of the heavy caseload.

The amount of time spent in the district by visiting judges in the last 2 years is shown by the following table:

Fiscal year 1955

Judge	Month	Trial time, days
Vaught, Okla.	October	10
Wallace, Okla.	November	11
Chandler, Okla.	January	10
Rice, Okla.	February	17
Chandler, Okla.	March	10
Do.	April	1
Total, 4 judges		59

Fiscal year 1956

Judge	Month	Trial time, days
Rice, Okla.	October	1
	January	2
	May	5
Chandler, Okla.	February	2
Kerr, Wyo.	March	12
Hatch, N. Mex.	January	3
Savage, Okla.	February	9
Wallace, Okla.	April	5
	June	4
Total, 6 judges		43

This is, or should be, a temporary expedient for meeting congested dockets. Where the condition is chronic, it should be met by the creation of additional judgepower for the district.

The civil caseload of 400 cases commenced per judge in this district in the fiscal year 1956 was the fourth largest of the 86 districts having only Federal jurisdiction and compares with the national average of 225 such cases. Diversity of citizenship cases and habeas corpus proceedings commenced by petitioners in the Leavenworth Penitentiary are important factors in the business of the district. These habeas corpus matters, on the average, do not require much time for hearing, but often the decision of the constitutional questions involved and the writing of opinions are burdensome. On the other hand, the diversity cases weigh heavily upon the time of the judge because a considerable proportion of these cases reach trial. During the fiscal year 1956, the number of diversity-of-citizenship cases commenced per judge in Kansas was 152, or two-thirds greater than the national average of 90 such cases per judge. There were 72 personal-injury motor-vehicle cases filed per judge in the district in 1956, compared with the national average of 33. Many of these cases require a jury trial and later a considerable amount of court time. Fifty-nine per judge were pending on June 30, 1956, compared with the national average of 34. Two private antitrust cases are pending in Wichita.

With reference to land-condemnation cases, at the end of the fiscal year there were 66 cases pending, including 247 tracts. The United States attorney, Hon. William C. Farmer, reports tht there are presently several major flood-control projects getting started in the State which will involve condemnation proceedings requiring a large amount of time to handle. These include the Tuttle Creek project, involving some 1,800 tracts, and the Toronto Dam and Reservoir project, involving 325 tracts and 2 small towns. The Lovewell Dam project already has required 65 days of trial time, and there are still 25 more farms to condemn. The Courtland Canal and Miller Canal projects involve another hundred tracts. The Forbes Air Force Base at Topeka, the Smoky Hill Air Force Base at Salina, and the McConnell Air Force Base at Wichita require additional lands from time to time, and some trials will be necessary in condemnation proceedings

of the Atchison Storage Caves at Atchison, Kans., which will eventually be a million-dollar project.

In addition to this heavy civil caseload the district has a slightly heavier than average load of criminal cases. Excluding the immigration cases which occur only in volume in the 5 districts touching the Mexican border and which by and large require very little time per case for disposition, the criminal caseload per judgeship of 124 cases in Kansas is larger than the national average of 102 criminal cases. The criminal caseload has remained at approximately the same level for the last 3 years. Because of the priority which is given to the criminal dockets, they are in good condition. On June 30, 1956, there were 60 cases pending on the criminal docket, about one-sixth of which involved fugitive defendants who could not be tried.

The number of civil and criminal cases commenced during the first quarter of the current fiscal year was somewhat less than in the same period of the previous fiscal year. The number of civil and criminal cases commenced and terminated during the first quarter of the fiscal years 1956 and 1957 and pending at the end of those periods were as follows:

Fiscal year	Commenced	Terminated	Pending at end of the 1st quarter
Total civil cases:			
1st quarter of 1956	217	166	579
1st quarter of 1957	186	190	537
Private civil cases:			
1st quarter of 1956	100	64	374
1st quarter of 1957	85	61	367
Criminal cases:			
1st quarter of 1956	44	61	55
1st quarter of 1957	32	37	51

While population per judge is by itself not the sole criterion of the number of judges needed in a particular district, it is a factor which should be taken into consideration. Kansas with 2 district judges had an estimated population in 1955 of 2,060,000. The population of other States having 3 judges is as follows:

Population, 1950 census

Wisconsin	3,694,000
South Carolina	2,283,000
West Virginia	2,002,000
Arkansas	1,789,000
Oregon	1,669,000
Delaware	387,000

The population of Kansas was less than that of 2 of the States listed and larger than that of 4 of these States. Washington with a population only slightly larger than Kansas (2,570,000) has 4 judges and Oklahoma, with a population of 2,168,000, has 5 judges.

Complete statistical information concerning the judicial business of this district for the last 16 years is attached.

Respectfully submitted.

WILL SHAFROTH,

Chief, Division of Procedural Studies and Statistics, Administrative Office of the United States Courts.

JANUARY 10, 1957.

TABLE 1.—*District of Kansas—Civil cases commenced and terminated, by fiscal year, and pending at the end of each year beginning with 1941*

TOTAL CIVIL CASES

Fiscal year	Commenced	Terminated	Pending June 30
1941	291	306	181
1942	324	340	165
1943	337	277	225
1944	333	336	222
1945	916	822	316
1946	1,234	1,094	456
1947	573	720	309
1948	491	581	219
1949	603	530	292
1950	625	557	360
1951	554	578	336
1952	555	505	386
1953	661	584	463
1954	792	665	590
1955	736	798	528
1956	800	787	541
1957	727	775	493

PRIVATE CIVIL CASES

Fiscal year	Commenced	Terminated	Pending June 30
1941	122	164	108
1942	113	146	75
1943	59	64	70
1944	54	67	57
1945	59	63	53
1946	115	66	102
1947	182	139	145
1948	156	185	116
1949	200	180	136
1950	284	216	204
1951	239	237	206
1952	241	221	226
1953	320	238	308
1954	395	314	389
1955	326	377	338
1956	352	347	343
1957	339	349	333

TABLE 2.—*District of Kansas—United States civil cases and criminal cases commenced and terminated, by fiscal year, and pending at the end of each year beginning with 1941*

UNITED STATES CIVIL CASES (UNITED STATES A PARTY)

[Price and rent control cases are in parentheses [1]]

Fiscal year	Commenced	Terminated	Pending June 30
1941	169	142	73
1942	211	194	90
1943	278 (18)	213	155
1944	279 (99)	269	165
1945	857 (673)	759	263
1946	1,119 (922)	1,028	354
1947	391 (212)	581	164
1948	335 (51)	396	103
1949	403 (95)	350	156
1950	341 (34)	341	156
1951	315 (25)	341	130
1952	314 (20)	284	160
1953	341 (25)	346	155
1954	397	351	201
1955	410	421	190
1956	448	440	198
1957	388	426	160
1958			
1959			
1960			

CRIMINAL CASES

[Cases transferred are not included in "Commenced" and "Terminated" columns]

Fiscal year	Commenced	Terminated	Pending June 30
1941	232	228	76
1942	176	174	78
1943	421	367	132
1944	244	353	23
1945	300	273	50
1946	261	268	43
1947	253	255	47
1948	159	202	5
1949	286	230	46
1950	247	233	49
1951	214	188	76
1952	226	216	80
1953	190	215	46
1954	266	234	84
1955	293	300	78
1956	257	279	60
1957	290	251	88
1958			
1959			
1960			

[1] Price and rent control cases are separately listed from 1943 to 1953. In many of these years they constituted a large proportion of all civil cases commenced, although they required on the average a relatively small proportion of court time per case for disposition. They are included in the figure which they follow.

TABLE 3.—*District of Kansas—Cases commenced per judgeship*

Fiscal year	Number of judgeships	Total civil cases		Private civil cases		Criminal cases (less immigration)[1]		Fiscal year	Number of judgeships	Total civil cases		Private civil cases		Criminal cases (less immigration)[1]	
		Kansas	National average [2]	Kansas	National average [2]	Kansas	National average [2]			Kansas	National average [2]	Kansas	National average [2]	Kansas	National average [2]
1941	1	291	164	122	82	232	163	1950	2	313	222	142	113	124	116
1942	1	324	168	113	77	176	161	1951	2	277	204	120	111	107	106
1943	1	337	158	59	58	421	174	1952	2	278	236	121	126	113	112
1944	1	333	169	54	56	244	184	1953	2	331	261	160	146	95	114
1945	1	916	295	59	57	300	176	1954	2	396	210	198	127	133	103
1946	2	617	321	58	70	131	142	1955	2	368	212	163	126	138	104
1947	1	573	271	182	109	253	134	1956	2	400	225	176	135	124	102
1948	1	491	205	156	117	159	123	1957	2	364	236	170	151	143	105
1949	1	603	238	200	121	286	123								

[1] Immigration cases have been eliminated from this table because they occur in volume in only 5 districts on the Mexican border and because the average judicial time per case for their disposition is small.

[2] This column includes 86 districts for 1949 and thereafter; 84 districts before 1949.

TABLE 4.—*District of Kansas—Time elapsing in civil cases tried* [1]

Fiscal year	Number of cases tried	Median interval in months from filing to disposition		Median interval in months from issue to trial	
		Kansas	National median	Kansas	National median
1945	65	5.4	9.0	2.8	5.3
1946	72	7.3	8.9	3.3	5.0
1947	50	6.9	9.0	3.0	5.1
1948	64	9.0	9.9	3.0	5.8
1949	59	6.0	10.4	3.3	5.9
1950	51	8.6	11.2	3.4	6.7
1951	75	9.9	12.2	4.6	7.3
1952	49	12.5	12.1	3.1	7.0
1953	62	9.6	12.4	5.0	7.4
1954	74	15.4	13.5	8.7	8.1
1955	81	15.2	14.6	8.5	9.1
1956	68	13.8	15.4	10.8	10.3
1957	82	13.5	14.2	----	----

[1] The median time interval in months is computed for the civil cases in which a trial was held, which were terminated during the year, excluding land condemnation, habeas corpus and forfeiture proceedings. No median interval is shown for the years 1945 through 1952 where less than 25 cases were terminated after trial. for the year 1953 and subsequent years, where there were less than 25 cases terminated after trial, a median is listed with an asterisk (*) on the basis of the number of cases terminated after trial for the last 2 years, provided there were 25 such cases for the 2 years.

TABLE 5.—*District of Kansas—Cases commenced per judgeship in this district and in 86 districts, by nature of suit, fiscal year 1956*

	Kansas	86 districts
CIVIL CASES		
Total cases	400	225
United States cases	224	90
Private cases	176	135
UNITED STATES CASES		
United States plaintiff	125	73
Land condemnation	14	4
Fair Labor Standards Act	2	2
Other enforcement suits	1	2
Food and Drug Act	5	4
Liquor laws	1	2
Other forfeitures and penalties	33	5
Negotiable instruments	32	25
Other contracts	32	21
Other United States plaintiff	7	8
United States defendant	100	18
Enjoin Federal agencies	6	3
Habeas corpus	83	3
Tort Claims Act	6	4
Tax suits	4	5
Other United States defendant	1	3
PRIVATE CASES		
Federal question	25	33
Copyright	1	1
Employers' Liability Act	3	6
Fair Labor Standards Act	1	1
Habeas corpus	7	3
Jones Act	----	10
Miller Act	1	2
Patent	1	3
Other Federal question	12	7
Diversity of citizenship	152	90
Insurance	19	15
Other contracts	30	16
Real property	6	3
Personal injury (motor vehicle)	72	33
Personal injury (other)	20	17
Other diversity	6	5
Admiralty	----	11
Criminal cases (less immigration)	124	102

TABLE 6.—*District of Kansas—Civil and criminal trials commenced*

Fiscal year	By Fiscal Year							Per Judgeship						
	Total trials commenced	Civil			Criminal			Number of judgeships	Total trials		Civil		Criminal	
		Total	Non-jury	Jury	Total	Non-jury	Jury		Kansas	National average [1]	Kansas	National average [1]	Kansas	National average [1]
1951	159	132	90	42	27	8	19	2	80	39	66	28	14	11
1952	132	106	85	21	26	6	20	2	66	40	53	27	13	13
1953	176	155	124	31	21	6	15	2	88	44	78	29	11	15
1954	159	141	100	41	18	3	15	2	80	40	71	25	9	15
1955	153	121	80	41	32	5	27	2	77	41	61	26	16	15
1956	149	135	89	46	14	4	10	2	75	43	68	29	7	14

[1] This column includes 86 districts.

TABLE 7.—*District of Kansas—Civil cases pending on June 30, 1956*

PER JUDGESHIP

Nature of suit	Cases pending per judgeship		Nature of suit	Cases pending per judgeship	
	Kansas	National average		Kansas	National average
Total civil cases	271	236	Federal question	18	44
United States civil cases	99	74	Antitrust	1	2
Private civil cases	172	162	Copyright	----	1
United States plaintiff	73	46	Federal Employees Liability Act	4	8
Land condemnation	34	14	Jones Act	----	16
Antitrust	1	----	Patent	1	5
Other enforcement suits	2	5	Other Federal question	12	11
Forfeitures and penalties	13	4	Diversity of citizenship	154	98
Negotiable instruments	9	8	Insurance	24	11
Other contracts	13	9	Other contracts	38	20
Other United States plaintiff	4	7	Real property	6	3
United States defendant	26	27	Personal injury (motor vehicle)	59	34
Tort Claims Act	7	7	Personal injury (other)	19	21
Tax suits	7	8	Other diversity	10	9
Other United States defendant	13	13	Admiralty	1	20

AGE

Jurisdiction	Total pending	Age of civil cases pending						
		Less than 6 months	6 months to 1 year	1 year to 2 years	2 years to 3 years	3 years to 4 years	4 years to 5 years	5 years and over
Total civil cases	541	218	142	82	66	22	8	3
United States civil	198	87	37	36	26	8	3	1
United States plaintiff	146	60	23	31	21	7	3	1
United States defendant	52	27	14	5	5	1	----	----
Private civil	343	131	105	46	40	14	5	2
Federal question	35	12	12	6	4	1	----	----
Diversity	307	119	93	40	35	13	5	2
Admiralty	1	----	----	----	1	----	----	----

BILLS PASSED OVER

The bill (S. 1483) to amend the act of August 27, 1954, relating to the rights of vessels of the United States on the high seas and in the territorial waters of foreign countries was announced as next in order.

Mr. PURTELL. Over, by request.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 2462) to adjust the rates of basic compensation of certain officers and employees of the Federal Government, and for other purposes, was announced as next in order.

Mr. PURTELL. Over, by request.

The PRESIDING OFFICER. The bill will be passed over.

CONVEYANCE OF PROPERTY AT GULFPORT, MISS.—BILL PLACED AT FOOT OF CALENDAR

The bill (S. 1746) to provide for the conveyance of certain property of the United States in Gulfport, Miss., to the

Gulfport Municipal Separate School District was announced as next in order.

Mr. TALMADGE. Over.

Mr. MORSE. Mr. President, I ask my friend from Georgia if he will withhold his objection until I make a statement for the RECORD, following which I myself will object.

Mr. TALMADGE. I am very happy to withhold my request and permit the Senator from Oregon to make his statement and register his objection.

Mr. MORSE. Mr. President, I am very hopeful that a suitable arrangement can be made for the acceptable solution of the problems raised by this bill. Again, I may not have all the information I need in order to pass final judgment on the bill.

As I understand the bill, it would authorize a conveyance from the General Services Administrator to the Gulfport Municipal Separate School District of a 10-acre tract of land located within the reservation of the Veterans' Administration Hospital, Gulfport, Miss.

The consideration to be paid for the land is $1,000. The bill provides for a reversion to the United States if the land should cease to be used for school purposes. It also calls for a reservation of mineral rights.

The land was acquired by the Government in 1922 as part of a 147-acre tract costing $125,000 or approximately $850 per acre at that time.

Senate Report No. 845 sets forth a letter from General Services Administration, dated July 12, 1957, indicating that the agency has "no information as to the current fair market value of the excess property," meaning the 10-acre tract.

That is one of the first things we ought to have. We ought to have an official estimate from a Government department—in this instance the General Services Administration—of the value of this property, because I cannot sit here and vote to transfer the property for $1,000 if, in fact, the fair market value is much more than that.

The GSA letter also states:

General Services Administration is opposed in principle to the enactment of legislation providing for the disposition of specific property prior to a determination that it is surplus property within the meaning of the Federal Property and Administrative Services Act of 1949 as amended. Furthermore, the act authorizes the Administrator of General Services, in his discretion, to assign to the Secretary of Health, Education, and Welfare for disposal surplus real property needed for school classroom, or other educational use, or for the protection of public health, including research; and, subject to the disapproval of the Administrator of General Services, the Secretary of Health, Education, and Welfare may transfer such surplus real property to States and their political subdivisions and instrumentalities for these purposes, and in fixing the sale value of the property to be disposed of for such purposes, the Secretary of Health, Education, and Welfare shall take into consideration any benefit which has accrued or may accrue to the United States from the use of such property by any such State, political subdivision, instrumentality, or institution. Therefore, it appears that the essential purposes of S. 1746 can be accomplished within the framework of existing law, provided the property is determined to be surplus.

In view of the foregoing, General Services Administration is opposed to the enactment of this measure.

So far as I can see from what I have been able to find out about this bill, there appears to be no good reason why the provisions of section 203 (k) of the Federal Property and Administration Service Act, as amended, should not apply here—title 40, United States Code, section 484 (k) (1) (A) and (C). It should be disposed of under existing law.

Why have a separate bill, unless a part of the purpose is to obtain the land for less money than would have to be paid for it if we let the law run its course? If it cannot be disposed of under existing law, which is the way I think it should be disposed of, after being declared surplus, the bill should be amended to provide for payment by the grantee of a sum equal to 50 percent of the fair appraised market value, after taking into account all the deductions referred to in the committee report.

I see no reason why the school district in Mississippi should not pay 50 percent of the appraised fair market value of the property.

This is nothing new. This question has arisen time and again since 1946. It involves the issue whether the Federal Government is to give to any school district in the United States Federal property for less than 50 percent of the appraised fair market value.

I am a great believer of Federal aid to education. I only insist that it be uniform. I do not believe in the spot approach to Federal aid to education. In this case I think we should follow existing law, or amend the bill so as to provide for 50 percent of the appraised fair market value.

Mr. STENNIS rose.

Mr. MORSE. I withhold my objection until my good friend from Mississippi makes his statement.

Mr. STENNIS. Mr. President, I ask the Senator from Oregon if he would object to a unanimous-consent request that the bill be placed at the foot of the calendar, so as to allow time to discuss one phase of it with him.

Mr. MORSE. If it means that I may have the pleasure of another conversation with my friend from Mississippi, I certainly want it to go to the foot of the calendar.

The PRESIDING OFFICER. Without objection, the bill will be placed at the foot of the calendar.

BILL PASSED OVER

The bill (H. R. 38) to amend the Tariff Act of 1930, to provide for the temporary free importation of casein was announced as next in order.

Mr. TALMADGE. Over.

The PRESIDING OFFICER. The bill will be passed over.

FORWARDING OF CHECKS FOR BENEFITS BY THE ADMINISTRATOR OF VETERANS' AFFAIRS

The bill (H. R. 1953) to provide that checks for benefits provided by laws administered by the Administrator of Veterans' Affairs may be forwarded to the addressee in certain cases was considered, ordered to a third reading, read the third time, and passed.

Mr. BYRD. Mr. President, I ask unanimous consent that a statement regarding the bill be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BYRD

This bill will permit the forwarding of Veterans' Administration checks for pension, compensation to the addressee if he has moved and filed a notice of a regular change of address with the Post Office Department.

The forwarding of checks by other agencies such as the Social Security Administration is authorized by law.

The Veterans' Administration and the Bureau of the Budget endorsed enactment of this bill.

TRANSFER OF CERTAIN VETERANS' ADMINSTRATION PROPERTY IN JOHNSON CITY, TENN.

The bill (H. R. 2237) authorizing the transfer of certain property of the Veterans' Administration (in Johnson City, Tenn.) to Johnson City National Farm Loan Association and the East Tennessee Production Credit Association, local units of the Farm Credit Administration was announced as next in order.

Mr. TALMADGE. Mr. President, on behalf of the Senator from Oregon [Mr. MORSE], I ask unanimous consent that he have the privilege of inserting in the RECORD a statement with reference to this bill, and that he also have the same unanimous consent with respect to Calendar No. 877, House bill 4098; Calendar No. 883, House bill 1826; Calendar No. 897, House bill 8005; Calendar No. 993, House bill 993; Calendar No. 1022, House bill 787; Calendar No. 1024, House bill 3025; and Calendar No. 1028, House bill 9188.

These are bills to which the distinguished Senator from Oregon has no objection, but on which he desires to make a statement for the benefit of the RECORD.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Georgia?

The Chair hears none, and it is so ordered.

Is there objection to the present consideration of Calendar 875, House bill 2237?

Mr. MORSE. I have refreshed my recollection about the bill, and I shall not object to it. Instead I wish to compliment the Senator from Tennessee [Mr. KEFAUVER] for bringing to the attention of the Senate a bill which provides that the Federal Government shall get the fair market value for property which is being turned over to a State agency. I again compliment the Senator. I have no objection to the bill.

Mr. KEFAUVER. I thank the Senator. I was sure that the bill met the Morse formula. I am happy that he does not object to it.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

Mr. BYRD. Mr. President, I ask unanimous consent that a statement regarding the bill be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BYRD

This bill directs the transfer by the Administrator of Veterans' Affairs of approximately 0.0746 acre of land to the East Tennessee Production Credit Association and the Johnson City National Farm Loan Association. This land being a part of a corner of the reservation of the Veterans' Center at Mountain Home, Tennessee. The bill provides that the Associations will pay the fair market value thereof. The two Associations named above are owned entirely by farmer members and this small piece of land will permit them to straighten out their boundary line.

The Veterans' Administration offers no objection to this bill.

ELIGIBILITY OF WIDOWS FOR BENEFITS

The bill (H. R. 3658) to liberalize certain criteria for determining eligibility of widows for benefits was considered, ordered to a third reading, read the third time, and passed.

Mr. BYRD. Mr. President, I ask unanimous consent that a statement regarding the bill be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BYRD

Section 1 of this bill provides a new definition of widow for pension purposes applicable to all wars. If the legal widow was not married to the veteran within the delimiting marriage date, under existing law, she would, nevertheless, be eligible for pension if she (1) was married to the veteran for 5 or more years, or (2) for any period of time if a child was born of the marriage.

These provisions are in the law today for widows who draw compensation for service-connected death cases.

Section 2 of the bill includes a provision to permit a person to receive a pension even though there was a legal impediment to her marriage if she entered into such marriage without any knowledge of such legal impediment. It will permit a claimant to establish, by proof satisfactory to the Administrator of Veterans' Affairs, that without any knowledge of a legal impediment she entered into a marriage with the veteran and, but for such legal impediment, the marriage would have been valid and she would qualify for a widow's pension.

It is estimated that 12,000 widows of World War I veterans would benefit under section 1 of this bill at an estimated cost for the first year of $6,559,000. There will be no additional cost for Korean cases until after 1965. The Veterans' Administration and Bureau of the Budget approve of this bill.

CONVEYANCE OF CERTAIN PROPERTY TO THE STATE OF CALIFORNIA

The bill (H. R. 4098) to provide for the conveyance to the State of California a portion of the property known as Veterans' Administration Center Reservation, Los Angeles, Calif., to be used for National Guard purposes was considered, ordered to a third reading, read the third time, and passed.

Mr. MORSE. Mr. President, I ask unanimous consent that a statement regarding the bill be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MORSE ON H. R. 4098

This bill would authorize the General Services Administrator to convey to California a 3.85-acre tract of land for National Guard purposes.

The bill provides for a reversion to the United States in the event the land should cease to be used for National Guard purposes, and contains a reservation of mineral rights.

The bill does not violate the Morse formula. Like its many predecessors, a consideration is found in the benefits derived by the United States through the use of this land for national-defense purposes.

Mr. BYRD. Mr. President, I ask unanimous consent that a statement regarding the bill be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BYRD

This bill will authorize the Administrator of General Services to transfer, without monetary consideration, to the State of California a 3.85-acre tract of land in the reservation of the Veterans' Administration Center at Los Angeles, Calif., to be used for training of the National Guard and other military purposes. In the event it ceases to be so used, the land shall revert, together with any improvements, to the United States. The bill reserves to the United States all mineral, gas, and oil rights and authorizes reentry to the property in case of war or national emergency. The State of California will bear the cost of surveys.

The Veterans' Administration has no objection to the bill.

MAILING OR SHIPPING CHARGES OF PERSONAL PROPERTY LEFT BY DECEASED VETERANS

The bill (H. R. 5757) to increase the maximum amount payable by the Veterans' Administration for mailing or shipping charges of personal property left by any deceased veteran on Veterans' Administration property was considered, ordered to a third reading, read the third time, and passed.

Mr. BYRD. Mr. President, I ask unanimous consent that a statement regarding the bill be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BYRD

The purpose of this bill is to increase from $10 to $25 the maximum amount that may be paid by the Veterans' Administration for mailing or shipping charges of personal property left by any deceased veteran on Veterans' Administration property.

The forwarding of personal property of a deceased veteran to the person entitled to receive such property is regarded as a necessary service to benefits furnished the veteran and his family during his last illness and upon his death in a Veterans' Administration hospital or domiciliary.

The Veterans' Administration and Bureau of the Budget endorse this bill and estimate that the annual cost would not be more than $500.

IMPORTATION OF COMMERCIAL SAMPLES AND ADVERTISING MATTERS

The bill (H. R. 5924) relating to the international convention to facilitate the importation of commercial samples and advertising matter was considered, ordered to a third reading, read the third time, and passed.

Mr. BYRD. Mr. President, I ask unanimous consent that a statement regarding the bill be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BYRD—IMPORTATION WITHOUT PAYMENT OF DUTY OF COMMERCIAL SAMPLES AND ADVERTISING MATTER

On February 22, 1956, the Senate of the United States gave ratification to an International Convention one phase of which was to provide for the freer exchange of advertising matter and samples of products. The United States already permits much of this material to enter free and this bill will have little effect on present trade practices nor will it affect domestic producers to any noticeable extent. It will, however, pave the way for other countries to adopt the same kind of legislation and permit material from the United States to be sent free to those countries.

I am informed that favorable reports on this bill were received by the House Ways and Means Committee from the Departments of State and Treasury.

ADMISSION OF ARTICLES IMPORTED FOR EXHIBITION PURPOSES WITHOUT PAYMENT OF TARIFF

The bill (H. R. 8705) to permit articles imported from foreign countries for the purpose of exhibition at the St. Lawrence Seaway celebration, to be held at Chicago, Ill., to be admitted without payment of tariff, and for other purposes was considered, ordered to a third reading, read the third time, and passed.

Mr. BYRD. Mr. President, I ask unanimous consent that a statement regarding the bill be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BYRD—FREE IMPORTATION OF EXHIBITS TO BE SHOWN AT THE ST. LAWRENCE SEAWAY CELEBRATION

This is a bill similar to a number of other bills which Congress has approved in the past to permit the free entry of exhibits for special and particular fairs or celebrations. The same strict rules and regulations governing the shipment and use of these materials and articles are written into this bill. There is no opposition to this bill.

FREE IMPORTATION OF CERTAIN TANNING EXTRACTS

The Senate proceeded to consider the bill (H. R. 2842) to amend the Tariff Act of 1930 to provide for the temporary free importation of certain tanning extracts.

Mr. FREAR. Mr. President, on behalf of my colleague, the senior Senator from

Delaware [Mr. WILLIAMS] and myself, I offer an amendment and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. At the end of the bill it is proposed to insert the following:

SEC. 3. The tax imposed under section 4511 (a) of the Internal Revenue Code of 1954 shall not apply with respect to the first domestic processing of coconut oil, fatty acids derived therefrom, or salts thereof, or of any combination or mixture solely because such combination or mixture contains a substantial quantity of such oil, fatty acids, or salts, during the period beginning with the first day of the first month which begins more than 10 days after the date of the enactment of this act and ending with the close of June 30, 1960.

Amend the title so as to read: "An act to amend the Tariff Act of 1930 to provide for the temporary free importation of certain tanning extracts, and to amend the Internal Revenue Code of 1954 to suspend temporarily the tax on the processing of coconut oil."

Mr. TALMADGE. Mr. President, will the Senator yield for a question?

Mr. ANDERSON. Mr. President, I should like to say, if the Senator from Georgia will indulge me, that this is a matter which came to the Committee on Finance, and the committee considered the attachment of the proposed amendment. The amendment relates to coconut oil. I was not satisfied with the language and, since it concerned an agricultural product, I asked for the views of the Department of Agriculture. The Department of Agriculture does not object to the passage of the bill. After a very careful consideration of it, the Committee on Finance voted to accept the amendment when it was offered on the floor of the Senate. I merely wished to make that explanation. The Senator from Georgia is interested in certain agricultural products which at one time would have been affected by this situation.

Mr. TALMADGE. I appreciate very much the explanation of the Senator from New Mexico. He has answered the questions I desired to propound to the Senator from Delaware.

Mr. PURTELL. Mr. President, will the Senator from New Mexico yield for a question?

Mr. ANDERSON. Certainly.

Mr. PURTELL. Was the bill reported unanimously from the committee after full consideration of it?

Mr. ANDERSON. It was reported unanimously. We reserved the right to object if it were discovered that the Department of Agriculture felt it would affect other types of oil, such as cottonseed oil and peanut oil. We found this was a proper bill, and all objections were withdrawn, and the bill was unanimously reported.

Mr. PURTELL. I have no objection to the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Delaware [Mr. FREAR].

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. BYRD. Mr. President, I ask unanimous consent that a statement regarding the bill be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BYRD—TEMPORARY FREE IMPORTATION OF CERTAIN TANNING EXTRACTS

Tanning extracts are available in the United States only in very limited quantities. A former source of supply, chestnut wood and bark, is no longer available since the blight has destroyed most domestic chestnut trees. As a result tanners in foreign countries have a distinct advantage over American tanners. This bill would assist them to compete. There has been no opposition.

The Departments of State, Commerce, and Treasury recommend enactment of this bill.

TARIFF TREATMENT OF ISTLE OR TAMPICO FIBER

The bill (H. R. 7096) to amend paragraph 1684 of the Tariff Act of 1930, with respect to istle or Tampico fiber was announced as next in order.

The PRESIDNG OFFICER. Is there objection to the present consideration of the bill?

Mr. TALMADGE. Over, Mr. President.

Mr. PURTELL. Mr. President, will the Senator from Georgia withhold his objection until the Senator from Maryland has had an opportunity to offer an amendment? After the Senate has adopted the amendment, I will suggest that the bill go to the foot of the calendar.

Mr. TALMADGE. I have no objection to the bill going to the foot of the calendar, but we do object to it. We have registered an objection by request. The Calendar Committee is not prepared at this time to approve of the passage of the bill. However, I have no objection to the bill going to the foot of the calendar.

Mr. PURTELL. I thank the Senator. I shall not request that the bill go to the foot of the calendar. I had reference to another bill.

Mr. BEALL. Mr. President, I ask unanimous consent that I may offer my amendment.

Mr. TALMADGE. I have no objection to the Senator from Maryland offering his amendment. We have registered an objection to the bill, and we are not prepared to consent to the passage of the bill at this time.

Mr. BEALL. I should like to make a statement on my amendment.

The PRESIDING OFFICER. All committee amendments would have to be agreed to before the Senator's amendment would be in order.

Mr. BEALL. I should like to make my statement on the bill.

Mr. FREAR. Mr. President, what is the status of the bill?

Mr. ANDERSON. We cannot hear what is going on.

Mr. BEALL. Mr. President, reserving the right to object, I wish to make a statement as to my amendment.

The PRESIDING OFFICER. The Senator from Maryland reserves his right to object to the consideration of the bill, so that he may make a statement on an amendment which he proposes to offer.

Mr. FREAR. Is the Senate considering Calendar No. 882, H. R. 7096?

The PRESIDING OFFICER. The Senator is correct.

Mr. BEALL. Mr. President, my amendment to H. R. 7096, would amend paragraph 1684, of the Tariff Act of 1930.

This amendment would remove from the dutiable to the free list, woolen yarns of a length not to exceed 3 inches. These yarns are in no way competitive with commercial domestic production, as the product is not produced in this country.

Each of the departments of the Government, the Departments of State, Treasury, Agriculture, and the Tariff Commission have submitted favorable reports on this amendment.

The wool growers and manufacturers associations raised some question about the original wording of the amendment, and we have no accepted wording which is agreeable to them. They are now in full accord with this amendment and its wording, and have no objection to its adoption.

Since all parties concerned are in agreement and without objection to this language, I offer it as an amendment to the pending bill, H. R. 7096.

Mr. President, I ask unanimous consent that the text of my proposed amendment be printed in the RECORD at this point.

There being no objection, the text of the amendment was ordered to be printed in the RECORD, as follows:

At the end of the bill insert the following new section:

"SEC. 5. (a) Section 201 of the Tariff Act of 1930 is amended by adding at the end thereof the following new paragraph:

" 'Par. 1822. Yarns, wholly or in chief value of wool, dyed and cut into uniform lengths not exceeding 3 inches, in immediate packages or containers not exceeding 6 ounces in weight, including the weight of the immediate package or container.'

"(b) The amendment made by this section shall apply only in the case of articles entered for consumption, or withdrawn from warehouse for consumption, on and after the day following the date of enactment of this act.

"Amend the title so as to read: 'An act to amend paragraph 1684 of the Tariff Act of 1930 with respect to istle or Tampico fiber, to admit free of duty a beta-ray spectrometer for use at Stanford University, Stanford, Calif., and for other purposes.' "

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. TALMADGE. Mr. President, over.

The PRESIDING OFFICER. Objection is heard. The bill will be passed over.

SALE OF CERTAIN LANDS IN WYOMING TO BUD E. BURNAUGH

The Senate proceeded to consider the bill (H. R. 1826) to authorize the sale of certain lands of the United States in Wyoming to Bud E. Burnaugh.

Mr. MORSE. Mr. President, the bill would authorize Mr. Bud E. Burnaugh

to purchase, under the Small Tract Act of 1938 (43 U. S. C., secs. 682a, et seq.), a 5-acre tract of land for which he had filed application in 1951.

Mr. Burnaugh entered, under a business site lease containing an option to purchase that conformed to Department of Interior Regulations, and put improvements on the land valued at $18,000.

Later, his attempt to exercise the purchase option was rejected because it was determined that by an Executive order of 1930 the land had been withdrawn from disposal because of its mineral character.

The Department of Interior recognized that its decision was harsh under the circumstances, and suggested remedial legislation.

I am in favor of remedial legislation being passed. H. R. 1826, if I understand correctly, corrects the injustices, and the Morse formula is not violated by it. However, I should like to ask the Senator who is in charge of the bill to answer one question for the RECORD. Is it perfectly clear, if we pass the bill, that the mineral rights are reserved in this case, pursuant to the Small Tract Act of 1938? Can the Senator from Wyoming [Mr. BARRETT] answer that question? I wish to be sure that what we are doing is correcting an injustice and not turning over to the purchaser the mineral rights under the property, which is certainly not what I understand to be contemplated by the act. I have looked in vain to find any language in the committee report which would give me that assurance.

Mr. BARRETT. I am perfectly willing that the bill go to the foot of the calendar.

Mr. MORSE. I believe we can clear up the matter. The Senator from New Mexico, I am sure, is familiar with the situation.

Mr. BIBLE. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. BIBLE. I believe I am in a position to answer the question. I have checked with the staff, and I am told that the mineral rights, under the Small Tract Act of 1938, are reserved.

Mr. MORSE. That is what I wanted to have clear in the RECORD. I believe we ought to have that legislative history made in the RECORD, in view of the fact that the report does not refer to it. It ought to be clear in the RECORD.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

WITHDRAWALS OF PUBLIC LANDS

The Senate proceeded to consider the bill (H. R. 5538) to provide that withdrawals, reservations, or restrictions of more than 5,000 acres of public lands of the United States for certain purposes shall not become effective until approved by act of Congress, and for other purposes, which had been reported from the Committee on Interior and Insular Affairs with an amendment on page 2, after line 20, to strike out:

(4) nothing in this act shall be deemed to be applicable to the following reservations or withdrawals which expired due to the ending of the unlimited national emergency and which subsequent to such expiration have been and are now used by the military departments with the concurrence of the Department of the Interior: Luke Williams Air Force Range, Arizona; Camp Irwin, California; Edwards Air Force Base, California; Nellis Rifle and Pistol Range Annex, Nevada; and Boardman Precision Bombing Range, Oregon.

And insert:

(4) nothing in sections 1, 2, or 3 of this act shall be deemed to be applicable either to those reservations or withdrawals which expired due to the ending of the unlimited national emergency of May 27, 1941, and which subsequent to such expiration have been and are now used by the military departments with the concurrence of the Department of the Interior, or to the withdrawal of public domain lands of the Marine Corps training center, Twentynine Palms, Calif., and the air-to-air gunnery range, Sahwave Mountain, Nev.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. BIBLE. In connection with the bill just passed, Order No. 884, H. R. 5538, I ask unanimous consent to have printed in the RECORD at the conclusion of the consideration of the bill, and its passage, a statement concerning it, and explaining the amendments.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BIBLE

H. R. 5538 places in the Congress the responsibility for approving the withdrawal from other forms of entry of public lands in excess of 5,000 acres to be used by the Military Establishment.

For many years now, the various military agencies have been acquiring public lands for their exclusive use at an alarmingly rapid rate. While the Constitution vests exclusive jurisdiction over public lands in the Congress, we in the Congress have, to a very large extent, permitted the executive branch to administer the public domain without sufficient Congressional guidemarks in certain areas of public land management. It is the judgment of the Committee on Interior and Insular Affairs that the military use of public lands has been flagrantly abused and the measure now before us provides a means of assuring that, in the future, a clear showing of actual need must be made to the Congress before public lands in excess of 5,000 acres will be set aside for use by the Army, the Navy, or the Air Force.

As the administrative custodian of public domain lands, the Secretary of the Interior must, at the present time, determine whether or not portions of the public domain should be set aside primarily for military purposes when the military agencies express a need therefor. All too often, unfortunately, the Secretary has been compelled to approve routinely the requests for additional land submitted to him by the military because of his Department's inability to assess comparatively the military need as against continued public uses of the public land in question. As a consequence, agencies of the Defense Department have acquired millions of acres of public land simply by alleging the land is needed for national defense purposes. Not having detailed information with respect to Defense Department preparations for the national defense, the Interior Department has had to "rubber stamp" these military land requests.

This undesirable situation has been greatly compounded by the fact that the Defense Department did not have, until very recently, any type of control procedures established that effectively curtailed unnecessary military public land acquisitions. Nor did the individual military services attempt to maintain current appraisals of their public land holdings to determine if public land under military control could, to any extent, be returned to the public domain as surplus to military needs. In August 1955, the Department of Defense issued a directive requiring the individual services to review their real property holdings. Studies now being made pursuant to that directive reveal that the services have indeed retained large areas of public domain land far beyond the time after which such land was no longer needed. Prior to the issuance of the August 1955, directive, the individual services made little or no effort to determine whether joint use of militarily withdrawn public lands could be accomplished in lieu of withdrawing additional public land from general public entry.

Hearings held on this question of military public land use revealed further that the lands taken by the military services were held nearly entirely on an exclusive-use basis. Other public uses of public lands so withdrawn were prohibited. H. R. 5538 establishes procedures that will insure multiple use of public lands withdrawn primarily for military purposes—mining, grazing, and hunting and fishing will be permitted wherever it is compatible with the military mission sought to be accomplished on these military reservations carved from the public domain. Furthermore, all hunting and fishing on such reservations will be done in accordance with State laws and the general public will be permitted to enjoy such activities along with the military personnel on the base wherever possible. This bill requires the military authorities to cooperate with State officals in the management and harvesting of fish and game resources, including procedures which will grant access to such State officials to these areas under military control, subject, of course, to safety and security considerations.

The military agencies have made considerable progress in establishing sound real property management procedures since Congressional hearings on the subject were first conducted last year by the House Committee on Interior and Insular Affairs. It is the Committee's hope that the Department of Defense will continue to supervise carefully and require compliance with the real property management directives it has formulated for the guidance of the individual services.

The proposed amendment to this bill would exempt 18 specific areas from the requirement that the Congress approve withdrawals in excess of 5,000 acres. Sixteen of these specified areas are listed on pages 23–24 of the committee report under the heading, "Lands Where Temporary Use Period Extended." In each case, Executive or public land orders were issued withdrawing these listed areas from general public entry for use by the military agencies. By the terms of such orders, the right of the military to use these lands was to expire automatically 6 months after the termination of the unlimited national emergency attending World War II. The Department of the Interior has permitted the military agencies to continue their use of these public lands beyond that automatic termination date. On each of the 16 reservations there exist extensive physical

improvements of considerable value which serve a continuing military need. Military training programs have been maintained on an uninterrupted basis on these reservations since they were first established. Formal withdrawal orders will be issued in the future to assure the continued use of these public lands by the military. Justification for their retention in military status continues and the language of the amendment merely permits the Secretary of the Interior to sign the necessary withdrawal order—a specific act of Congress, as would otherwise be required under the provisions of this bill, will not be necessary inasmuch as further Congressional review appears unwarranted.

The committee is suggesting a similar exception from Congressional review in the case of the Marine Corps Training Center at Twentynine Palms, Calif. As is pointed out at page 2 of the report, extensive physical improvements were constructed by the Marine Corps and military training programs were instituted at the Training Center at Twentynine Palms before the Secretary of the Interior formally approved the Navy Department's request for the withdrawal of the public lands to be used by the Marine Corps. Unbelievable as it appears, we have here an example of a military agency asserting exclusive jurisdiction over an area of federally owned property to which it hasn't the slightest semblance of legal title. H. R. 5538 will put an end to such situations. In the future, military agencies will first acquire title to areas of the public domain before they expend millions of dollars placing military installations on public land. The committee has studied the Twentynine Palms fiasco thoroughly and has concluded that it can best be resolved by permitting the necessary withdrawal order to be issued by the Secretary of the Interior without further Congressional review.

SAHWAVE MOUNTAIN STATEMENT

H. R. 5538, I repeat, requires the Congress to make future determinations with respect to the necessity of setting aside for military use additional areas of the public domain in excess of 5,000 acres as well as the manner in which such lands, if so withdrawn, shall be used by the military. We urge its enactment by the Senate at this time.

In treating the Sahwave Mountain air-to-air gunnery range as an area excepted from the requirements of the bill's first three sections, the committee is dealing with public domain lands that are presently embraced in a pending withdrawal request submitted by the Department of the Navy. The Secretary of the Interior has withheld a decision on the request of the Navy in accordance with an agreement that all pending withdrawal requests would be held in abeyance until a final disposition is made of H. R. 5538 by the Congress. Nevertheless, a thorough examination of the need for the Sahwave Mountain withdrawal has already been conducted by the Senate Committees on Armed Services and Appropriations. Legislation enacted in the 84th Congress (Public Laws 814 and 968) authorizes and provides funds for the acquisition of grazing rights, mining claims, and privately owned lands embraced within the proposed Sahwave gunnery area. It is the committee's opinion that any additional review of the matter by a legislative committee, such as that required by the provisions of this bill, is unnecessary. The Navy has modified its original request for public lands in the Sahwave area by nearly 1½ million acres since obtaining the right to utilize a portion of the Air Force's Nellis-Tonopah gunnery range. The committee is confident that the Secretary of the Interior, if permitted by the language of the reported bill to sign a withdrawal order for the Sahwave Mountain range, will honor a request submitted to him by Messrs. BIBLE and MALONE to delete an additional 114,000 acres from the proposed withdrawal which were not considered during the hearings conducted by the Committee on Armed Services and Appropriations mentioned previously. Your committee feels this amendment fully protects the general public interest and promotes the expeditious accomplishment of specific military missions.

AMENDMENT OF SOCIAL SECURITY ACT

The Senate proceeded to consider the bill (H. R. 8753) to amend title II of the Social Security Act to include California, Connecticut, and Rhode Island among the States which are permitted to divide their retirement systems into two parts so as to obtain social-security coverage, under State agreement, for only those State and local employees who desire such coverage, which had been reported from the Committee on Finance with amendments on page 1, line 5, after the word "'Florida'", to insert "by inserting 'Minnesota,' before 'New York'", and, on page 2, line 9, after the word "to", where it appears the second time, to strike out "1959" and insert "1960."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act to amend title II of the Social Security Act to include California, Connecticut, Minnesota, and Rhode Island among the States which are permitted to divide their retirement systems into two parts so as to obtain social-security coverage, under State agreement, for only those State and local employees who desire such coverage."

Mr. BYRD. Mr. President, I ask unanimous consent that a statement regarding the bill be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The social security amendments of 1956 included a provision permitting 8 specific States and the Territory of Hawaii, to divide State and local government retirement systems into 2 groups for purposes of old-age and survivors insurance coverage; 1 group to consist of those employees who desire to come under social-security coverage and the other group to be comprised of those who do not want to come into the OASI system. The Committee on Finance had made a very careful poll of all the States and included in this provision only those States specifically requested to be named by their Governors. They were: Florida, Georgia, New York, North Dakota, Pennsylvania, Tennessee, Washington, Wisconsin, and the Territory of Hawaii.

H. R. 8753 extends this privilege to four additional States who have requested to be named—California, Connecticut, Minnesota, and Rhode Island. The bill, as passed by the House, did not include Minnesota, but it was added in the Committee on Finance at the request of Senator THYE and the endorsement of Senator HUMPHREY.

In order to assure sufficient time for the four States to make arrangements for covering employees pursuant to the provisions in this bill, it is desirable to provide an extension of the time within which a retroactive coverage agreement can be entered into with respect to these employees. Under the House-approved bill a 1-year extension was provided. The Committee on Finance has amended the bill to provide a 2-year extension. The committee believes that the 1-year extension might not be long enough to permit the four States affected by the bill, and the interested subdivisions, to take the necessary action by the end of 1958. These States and their subdivisions would, of course, need a certain amount of time in order to inform interested groups of the amendment and to provide for and carry out the actions which are a prerequisite to securing social-security coverage for them. A further delay would result if State-enabling legislation necessary to action by the State has not been enacted. The problems that would arise in getting any needed State legislation if the extension of the deadline for obtaining retroactive coverage were extended for only 1 year might be particularly acute in Minnesota, since the legislature in that State ordinarily meets only in odd-numbered years.

The Finance Committee bill provides that agreements or modifications applicable to services to which the bill applies may, if they are entered into prior to 1960, be made effective with respect to such services performed as early as January 1, 1956.

AMENDMENT OF SOCIAL SECURITY ACT—BILL PLACED AT FOOT OF THE CALENDAR

The bill (H. R. 8755) to amend title II of the Social Security Act to permit any instrumentality of two or more States to obtain social-security coverage under its agreement separately for those of its employees who are covered by a retirement system and who desire such coverage, was announced as next in order.

Mr. TALMADGE. Over.

Mr. BEALL. Mr. President, at this time I wish to offer to one of the committee amendments an amendment which is in no way controversial. Quite the contrary; it is simply to place the State of Maryland in the same position as that of so many other States with respect to section 218 subsection (p) of the Social Security Act. My amendment would place Maryland after Georgia in the alphabetical listing of States in section 2 of H. R. 8755.

Mr. President, this amendment provides coverage under social security for police and firemen in the State of Maryland. It is endorsed by the Maryland Municipal League, and also by the Maryland State Legislature, which, in the State Senate on January 16, 1957, passed resolution 5 of the 1957 session. The Governor of Maryland approved this resolution on February 1, 1957.

The PRESIDING OFFICER. Does the Senator from Georgia withhold his objection?

Mr. TALMADGE. I withhold my objection, and I should like to hear the amendment of the Senator from Maryland read.

The PRESIDING OFFICER. The amendment of the Senator from Maryland will not be in order until the committee amendment to which it is submitted is considered. Since objection has been made to the consideration of the bill, the committee amendments cannot be considered at this time.

Mr. TALMADGE. Mr. President, I withdraw my objection at this time, in order that the amendment of the Senator from Maryland may be offered and read. After I hear the amendment read,

I shall know whether I wish to renew my objection.

The PRESIDING OFFICER. First, is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 8755), which had been reported from the Committee on Finance with amendments.

The PRESIDING OFFICER. The amendments of the committee will be stated.

The first amendment was on page 3, line 4, after the word "title", to insert "Services in positions covered by a separate retirement system created pursuant to this subsection (and consisting of the positions of members who desire coverage under an agreement under this section) shall be covered under such agreement on compliance, to the extent practicable, with the same conditions as are applicable to coverage under an agreement under this section of services in positions covered by a separate retirement system created pursuant to the fourth sentence of subsection (d) (6) (and consisting of the positions of members who desire coverage under such agreement)." "; and after line 14, to strike out:

SEC. 2. Notwithstanding subsection (f) of section 218 of the Social Security Act, any agreement with an instrumentality of two or more States under such section which is applicable to services performed by employees of such instrumentality in positions covered by a separate retirement system (comprising a division or part of a retirement system of such instrumentality or of any of such States or any political subdivisions thereof, and consisting of the positions of members who desire coverage under the agreement) created pursuant to subsection (k) (2) of such section, and any modification of such an agreement which makes the agreement applicable to services performed by employees of such instrumentality in such positions may, if such agreement or modification is agreed to prior to 1959, be made effective with respect to services performed in such positions after an effective date specified in the agreement or modification, except that in no case may such date be earlier than December 31, 1955.

The amendment was agreed to.

The next committee amendment was on page 4, after line 7, to insert:

SEC. 2. Subsection (p) of section 218 of the Social Security Act is amended by striking out "Florida, North Carolina, Oregon, South Carolina, or South Dakota" and inserting in lieu thereof "Alabama, Florida, Georgia, New York, North Carolina, Oregon, South Carolina, South Dakota, or Tennessee."

Mr. BEALL. Mr. President, to this committee amendment, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment of the Senator from Maryland to the committee amendment will be stated.

The LEGISLATIVE CLERK. In the committee amendment on page 4, in line 11, after "Georgia," it is proposed to insert "Maryland."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Maryland to the committee amendment.

The amendment to the amendment was agreed to.

Mr. FREAR. Mr. President, to this committee amendment, as now amended, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment of the Senator from Delaware to the committee amendment will be stated.

The LEGISLATIVE CLERK. On page 4, in line 13, after "Tennessee," it is proposed to insert "or Territory of Hawaii."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Delaware to the committee amendment.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question now is on agreeing to the committee amendment as amended.

The amendment as amended was agreed to.

The PRESIDING OFFICER. The next amendment of the committee will be stated.

The next amendment was, on page 4, after line 13, to insert:

SEC. 3. Subsection (f) of section 218 of the Social Security Act is amended by striking out "1957" in paragraph (3) and inserting in lieu thereof "1959", by striking out "and" at the end of paragraph (2), and by redesignating paragraph (3) as paragraph (4) and inserting after paragraph (2) the following new paragraph:

"(3) in the case of an agreement or modification agreed to after 1957 but prior to 1960, such date may not be earlier than December 31, 1955; and."

The amendment was agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The PRESIDING OFFICER. The question now is on the passage of the bill.

Mr. PURTELL. Mr. President, I understand that the Senator from Georgia previously objected to passage of the bill. Will he withhold his objection, so that I may ask that the bill go to the foot of the calendar?

Mr. TALMADGE. Mr. President, I withhold my objection at this time. But I should like to ask the nature of the amendment the Senator from Delaware submitted.

Mr. FREAR. It included "the Territory of Hawaii."

Mr. TALMADGE. Very well.

Mr. PURTELL. Mr. President, I ask unanimous consent that the bill go to the foot of the calendar. A Senator who will be in the Chamber a little later wishes to offer an amendment.

Mr. TALMADGE. I have no objection to the request.

The PRESIDING OFFICER. Without objection, the bill will be placed at the foot of the calendar.

Mr. BYRD. Mr. President, I ask unanimous consent that a statement regarding the bill be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BYRD

The social-security amendments of 1956 included a provision permitting the States of Florida, Georgia, New York, North Dakota, Pennsylvania, Tennessee, Washington, Wisconsin, and the Territory of Hawaii to divide a State or local government retirement system into two parts for purposes of old-age and survivors insurance coverage, one part to consist of the positions of members who desire coverage and the other to consist of the positions of members who do not desire coverage.

Problems have arisen because this provision is not applicable to interstate instrumentalities. For example, where employees of an interstate instrumentality are covered under a retirement system of any one of the nine States specified in the provision, members of the system who are employees of the interstate instrumentality cannot be accorded the same treatment as those who are State employees. H. R. 8755 would alleviate these problems, and would at the same time facilitate the extension of old-age and survivors insurance coverage to employees of an interstate instrumentality of two or more States who are members of a retirement system of such instrumentality, or of any such States or subdivisions thereof, by extending to these instrumentalities the above-described provision which permits retirement system members who desire coverage to be covered without requiring other members of the system to be covered.

The Committee on Finance has added an amendment to the House-approved bill designed to make sure that this provision will, to the extent practicable, be applicable to interstate instrumentalities on the same basis as it applies to the specified States.

A State must enact enabling legislation before it can bring groups of employees under old-age and survivors insurance. In some States such legislation has not been enacted; in others, the enabling legislation already enacted may require amendment in order to enable the States to take advantage of these amendments. The Finance Committee bill, therefore, has been amended to postpone the deadline for obtaining such coverage to afford sufficient time for many States to take the necessary action. The committee bill provides that an agreement or modification extending OASI coverage to services performed in the employ of any State (or any political subdivision thereof) or in the employ of any interstate instrumentality could be made effective as early as January 1, 1956, if the coverage agreement or modification is entered into prior to 1960.

Prior to the 1956 social-security amendments the services of all policemen and firemen covered by a State or local government retirement system were specifically excluded from social-security coverage. In 1956 at the request of Senators from Florida, North Carolina, Oregon, South Carolina, and South Dakota, an amendment was adopted making OASI coverage available to the firemen and policemen of their States if they indicate by referendum they so desire to be covered. At the request of the Senators from Alabama, Georgia, New York, and Tennessee an amendment has been added in committee to H. R. 8755 which will extend this option to the policemen and firemen of their States.

AMENDMENT OF SOCIAL SECURITY ACT

The bill (H. R. 8821) to amend title II of the Social Security Act to facilitate the provision of social security coverage for State and local employees under certain retirement systems was considered, ordered to a third reading, read the third time, and passed.

Mr. BYRD. Mr. President, I ask unanimous consent that a statement regarding the bill be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BYRD

H. R. 8821 would amend title II of the Social Security Act, as amended in 1956, to expedite the completion of an old-age and survivors insurance coverage referendum in conjunction with the special provision of the Social Security Amendments of 1956 which permits certain specified States to divide a retirement system for purposes of extending old-age and survivors insurance coverage to those members of the system who desire coverage. Under present law, after a retirement system in any of the specified States has been divided between those members who desire old-age and survivors insurance coverage and those who do not, a referendum must be conducted among the members who indicated a desire for coverage before their coverage can be effected. H. R. 8821 would permit the specified States to provide this coverage without a subsequent coverage referendum for those retirement system members desiring coverage, provided certain safeguards, similar to those applying under the existing referendum provisions, were followed in the process of dividing the system into the two parts.

The new, shorter procedure would be available, however, only if certain safeguards, similar to those included in the regular referendum provisions, were observed in connection with the division of the system into two parts. Thus, the governor would need to certify that (1) an opportunity to vote by written ballot on the question of whether they wish to be covered by old-age and survivors insurance was given to all individuals who were members of such system at the time the vote was held, (2) not less than 90 days' notice of such vote was given to all individuals who were members on the date the notice was issued, (3) the vote was conducted under the supervision of the governor or a designated agency or individual, and (4) the retirement system was divided into two parts in accordance with the existing Social Security Act provisions on this matter.

The provisions of the bill would be effective upon enactment. Consequently, if a State was in the process of dividing a retirement system before the enactment date and was doing so in such a manner as to meet the requirements set forth in the bill, the State could apply these provisions with no regular coverage referendum being required. On the other hand, a State that has already made plans for dividing a retirement system under the provisions of present law could proceed as planned if it wished, dividing the system first, then holding a referendum with respect to the part consisting of the positions of members who desire coverage. This longer procedure would continue to be available for States that wished to use it in the future.

BILL PASSED OVER

The bill (S. 2757) to authorize the Secretary of the Interior to construct, operate, and maintain a reregulating reservoir and other works at the Burns Creek site in the upper Snake River Valley, Idaho, and for other purposes, was announced as next in order.

Mr. TALMADGE. Over.

The PRESIDING OFFICER. The bill will be passed over.

DISPOSAL OF LANDS BY THE SECRETARY OF STATE TO ALIENS

The bill (H. R. 8929) to amend the act of August 27, 1935, as amended, to permit the disposal of lands and interests in lands by the Secretary of State to aliens was considered, ordered to a third reading, read the third time, and passed.

SECOND WORLD METALLURGICAL CONGRESS

The joint resolution (H. J. Res. 404) providing for the recognition and endorsement of the second World Metallurgical Congress was considered, ordered to a third reading, read the third time, and passed.

ST. LAWRENCE SEAWAY CELEBRATION

The joint resolution (H. J. Res. 408) authorizing the President to invite the States of the Union and foreign countries to participate in the St. Lawrence Seaway celebration to be held in Chicago, Ill., from January 1, 1959, to December 31, 1959, was considered, ordered to a third reading, read the third time, and passed.

ERECTION OF NATIONAL MONUMENT SYMBOLIZING THE IDEALS OF DEMOCRACY—BILL PLACED AT FOOT OF CALENDAR

The bill (S. 2363) to authorize the erection of a national monument symbolizing the ideals of democracy was announced as next in order.

Mr. TALMADGE. Mr. President, I ask unanimous consent that the bill be recommitted to the committee, for hearings. There is no objection on the part of the Senator for whom this request is made; but he has stated that no hearings were held in the committee; and he desires to have the bill recommitted, in order that hearings may be held on it.

Mr. ALLOTT. Mr. President, reserving the right to object—and I do object—I ask unanimous consent that the bill go to the foot of the calendar. This is the first notice we have had that there was any objection to the bill. I should like to find out the basis of the objection; and in order to have an opportunity to do so, I ask that the bill go to the foot of the calendar.

Mr. TALMADGE. I have no objection to having the bill go to the foot of the calendar. But unless the Senator who registered his objection can be satisfied, I would have to renew my objection at that time.

The PRESIDING OFFICER. Without objection, the bill will go to the foot of the calendar.

PERFORMANCE OF PROTECTION WORK BETWEEN THE YUMA PROJECT AND BOULDER DAM

The bill (S. 2037) to amend the act of June 28, 1946, authorizing the performance of necessary protection work between the Yuma project and Boulder Dam by the Bureau of Reclamation was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That that portion of the act of June 28, 1946 (60 Stat. 338), which reads "(b) constructing, improving, extending, operating, and maintaining protection and drainage works and systems along the Colorado River" is amended by adding at the end thereof the following: "including such protection and drainage works and systems within a non-Federal reclamation project when need for such systems results from irrigation operations on Federal reclamation projects."

CONVEYANCE OF CERTAIN LANDS TO SCHOOL DISTRICT 24, YELLOWSTONE COUNTY, MONT.

The bill (S. 1742) to amend the acts approved April 16 and July 27, 1906 (34 Stat. 116 and 519) so as to authorize the Secretary of the Interior to convey certain lands on the Huntley reclamation project, Yellowstone County, Mont., to school district No. 24, Huntley project schools, Yellowstone County, Mont., was announced as next in order.

Mr. MORSE. Mr. President, this bill would authorize the Secretary of the Interior to convey 2 acres of land to school district No. 24.

No provision is made for the payment of consideration for the transfer.

The bill calls for a reservation of minerals and a right of way for ditches and canals.

The land in question is ceded Indian land. Under a 1919 law, it could have been conveyed to the school district for school purposes; but such conveyance would have to contain a reversion for nonuse for school purposes.

A conveyance under the 1919 law would not satisfy school district No. 24, because, as stated in the August 13, 1957, letter of the Department of the Interior—

> The district has recently constructed a consolidated school which now accommodates all the students who formerly attended the two schools, and the board of trustees of the school district has determined that the school buildings are no longer required for school purposes. They are old and have no offsite value, and the board wishes to dispose of the land and buildings (S. Rept. No. 867).

Mr. President, I see no reason why the school district should not pay the fair appraised market value for the land.

But under the circumstances—because I assume there is to be sort of an offset between what they receive and the costs they have had to undergo for the consolidated school—I think the bill is fair, and I am willing to have the proposed procedure followed, if the Senate agrees to an amendment to have 50 percent of the appraised fair market value of the land paid.

Mr. ANDERSON. Mr. President, does the Senator from Oregon realize that more than three-fourths of the students are Indian students? The school is primarily for the convenience of the Indians. If several acres of land are transferred for the convenience of the Indians, I do not know why they should pay for it.

Mr. MORSE. Is the Senator from New Mexico pointing out that the Federal interest in the land is outweighed by the Federal obligation to provide a school for the Indian students?

Mr. ANDERSON. Yes.

Mr. MORSE. I was not aware of that.

Mr. ANDERSON. I wish to say that at first I was not aware that the bill was primarily for the benefit of the Indian students. But I should like to point out that the bill meets the test of the Morse formula.

Mr. MANSFIELD. I should like to point out that the bill relates to Indian children on nearby reservations.

Mr. MORSE. Mr. President, since I now learn that the primary benefit is to be for the Indian children, I have no objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 1742) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, notwithstanding the provisions, terms, and conditions of any other act of Congress, the Secretary of the Interior shall cause to be conveyed without restriction, save as hereinafter set forth, to school district numbered 24, Huntley project schools, Yellowstone County, Mont., its successors and assigns, the following described land and premises located and situated in Yellowstone County, Mont.: Lot 3 of block 3 of the original townsite of Ballantine, Mont., and block 14 of the original townsite of Pompeys Pillar, Mont., subject to reservation from said land of a right-of-way thereon for ditches and canals constructed by the authority of the United States in accordance with the provisions of the act of August 30, 1890 (26 Stat. 391) and any and all existing easements on said lands; reserving to the United States, and its assigns, all coal, oil, gas, and other minerals, including, without being limited by enumeration, sand, gravel, stone, clay, and similar materials, together with the usual mining rights, powers, and privileges, including the right at any and all times to enter upon said land and use such part of the surface thereof as may be necessary in prospecting for, mining, saving, and removing said minerals and materials, upon payment of damages caused by said surface use to the owner thereof, or upon giving a good and sufficient bond or undertaking in an action instituted in any competent court to ascertain and fix said damages.

SEC. 2. The Secretary of the Interior is hereby authorized and empowered to execute and deliver to school district No. 24, Huntley project schools, Yellowstone County, Mont., any documentary evidence which he may determine to be necessary to carry out the intent of this act.

ALLOCATION OF COSTS OF DAVIS DAM TO SERVICING THE MEXICAN WATER TREATY

The Senate proceeded to consider the bill (S. 33) to provide for the allocation of portions of the costs of Davis Dam to servicing the Mexican Water Treaty, and for other purposes, which had been reported from the Committee on Interior and Insular Affairs with amendments on page 1, line 3, after the word "Interior", to insert "after consultation with the Secretary of State"; in line 8, after the word "dated", to strike out "November 14, 1944" and insert "February 3, 1944"; at the beginning of line 9, to insert "including other benefits according to reclamation laws", and on page 2, line 6, after the word "contracts", to insert "or treaties"; so as to make the bill read:

Be it enacted, etc., That the Secretary of Interior after consultation with the Secretary of State is authorized to allocate appropriate portions of the costs of constructing, operating and maintaining Davis Dam and Reservoir, Nev.-Ariz., to the servicing of the treaty with the United Mexican States dated February 3, 1944 (T. S. 994), including other benefits according to reclamation laws and portions of the costs so allocated shall not be reimbursable or returnable under Federal Reclamation Laws (act of June 17, 1902, 32 Stat. 388 and acts amendatory thereof or supplementary thereto).

Nothing contained in this act shall be construed to alter or affect in any way any rights or obligations of the United States or any other party under contracts or treaties heretofore entered into by the United States.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF SOCIAL SECURITY ACT

The bill (H. R. 1944) to amend title II of the Social Security Act so as to make inapplicable, in the case of survivors of certain members of the Armed Forces, the provisions which presently prevent the payment of benefits to aliens who are outside the United States was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. WILLIAMS. Mr. President, I offer the amendment which I send to the desk. The amendment has been discussed in the committee, and I think it will be accepted by the chairman. I ask that the amendment be read by its identifying number only.

The PRESIDING OFFICER. Without objection, that will be done.

The LEGISLATIVE CLERK. The Senator from Delaware submits an amendment identified as "8-16-57-A."

Mr. WILLIAMS. Mr. President, I ask unanimous consent that a brief statement on the amendment, as prepared by the Department, be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF PROVISIONS OF AMENDMENT ON "LIVING WITH" REQUIREMENT

The present social security law sets out, as one of the requirements a woman must meet in order to be entitled to widow's benefits on her deceased husband's earnings record, that she must have been "living with" him at the time he died. "Living with" is a requirement for entitlement to wife's, widow's, husband's, and widower's benefits. The law defines "living with" to mean that the spouse must have been living in the same household with the worker, or that she must have been receiving regular contributions from the worker, or that the worker must have been under order by a court to contribute to her support.

The proposed amendment includes the following provisions:

1. The "living with" requirement for widow's, widower's, wife's, and husband's benefits could be eliminated, effective for monthly benefits for months after the month in which it is enacted, and for deaths that occurred either before or after its enactment.

2. The definition of wife, husband, widow, and widower under present law requires that the spouse be able to inherit the intestate personal property of the worker under applicable State law. Under the amendment, a spouse would meet the definition if a valid marriage was in existence at the time of the worker's death (or the spouse's application for benefits). If a valid marriage had not existed, the relationship would nevertheless be deemed to have existed if the spouse were able to inherit the intestate personal property of the worker.

3. The definitions of widow and widower and the "living with" requirement for the purposes of the Railroad Retirement Act would not be changed. (The survivorship benefit provisions of that act are coordinated with those of the Social Security Act, and an amendment to the former act is required in order to preserve present definitions for Railroad Retirement Act purposes.)

4. Since the existence of a potentially eligible widow bars payment of parent's benefits, a savings clause would provide that where a parent, before the month of enactment of the amendment, had filed proof that he had been chiefly supported by the deceased worker, payment of benefits to the parent would not be barred where a widow becomes eligible because of these changes.

5. In cases where a widow becomes entitled to benefits because of these changes and, because parents are already entitled to benefits, the maximum on family benefits would apply, a parent's benefits would nevertheless not be reduced below the amount payable to the parent for the month before the month in which the widow becomes entitled to a mother's or aged widow's benefit. (In other words, the amount payable to the parent without regard to whether the widow was entitled would continue to be paid. Also, the widow's benefit would not be reduced by reason of the operation of the maximum on family benefits.)

6. In cases where a widow becomes entitled to benefits because of these changes and where the maximum is involved because children are also entitled, the children's benefits would be reduced because of the family maximum provisions. To do otherwise would mean that a family with a widow and children living in the same household, where the widow could not meet the present "living with" requirement, would be able to receive higher total benefits than a family under similar conditions where the widow was able to meet the "living with" requirement.

Mr. WILLIAMS. Mr. President, the amendment further clarifies the definition of a widow for the benefit of establishing benefits under the social security system.

Mr. BYRD. Mr. President, the amendment of the Senator from Delaware was fully discussed in the committee, and was approved by the committee.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Delaware.

The amendment was agreed to, as follows:

On page 3, after line 2, insert the following:

"SEC. 3. (a) Section 202 (b) (1) of the Social Security Act is amended by striking out subparagraph (C) and redesignating subparagraph (D) as subparagraph (C), and by inserting 'and' at the end of subparagraph (B).

"(b) Section 202 (c) (1) of such act is amended by striking out subparagraph (C) and redesignating subparagraphs (D) and (E) as subparagraphs (C) and (D), respectively.

"(c) Section 202 (e) (1) of such act is amended by striking out subparagraph (D)

and redesignating subparagraph (E) as subparagraph (D) and by inserting 'and' at the end of subparagraph (C),

"(d) Section 202 (f) (1) of such act is amended by striking out subparagraph (D) and redesignating subparagraphs (E) and (F) as subparagraphs (D) and (E), respectively.

"(e) Section 202 (g) (1) (F) of such act is amended to read as follows:

"'(F) in the case of a former wife divorced, was receiving from such individual (pursuant to agreement or court order) at least one-half of her support at the time of his death, and the child referred to in subparagraph (E) is her son, daughter, or legally adopted child and the benefits referred to in such subparagraph are payable on the basis of such individual's wages and self-employment income.'

"(f) Section 202 (h) (1) of such act is amended by striking out '(e) (1) (D) and (E)' and '(f) (1) (D), (E), and (F)' and inserting in lieu thereof '(e) (1) (D)' and '(f) (1) (D) and (E)' respectively.

"(g) Section 202 (p) (1) of such act is amended by striking out 'subparagraph (D) of subsection (c) (1)' and 'subparagraph (E) of subsection (f) (1)' and inserting in lieu thereof 'subparagraph (C) of subsection (c) (1)' and 'subparagraph (D) of subsection (f) (1)', respectively.

"(h) Section 216 (h) is amended to read as follows:

"'(h) (1) An applicant is the wife, husband, widow, or widower of a fully or currently insured individual for purposes of this title if the courts of the State in which such insured individual is domiciled at the time such applicant files an application, or, if such insured individual is dead, the courts of the State in which he was domiciled at the time of death, or, if such insured individual is or was not so domiciled in any State, the courts of the District of Columbia, would find that such applicant and such insured individual were validly married at the time such applicant files such application or, if such insured individual is dead, at the time he died. If such courts would not find that such applicant and such insured individual were validly married at such time, such applicant shall, nevertheless, be deemed to be the wife, husband, widow, or widower, as the case may be, of such insured individual if such applicant would, under the laws applied by such courts in determining the devolution of intestate personal property, have the same status with respect to the taking of such property as a wife, husband, widow, or widower of such insured individual.

"'(2) In determining whether an applicant is the child or parent of a fully or currently insured individual for purposes of this title, the Secretary shall apply such law as would be applied in determining the devolution of intestate personal property by the courts of the State in which such insured individual is domiciled at the time such applicant files application, or, if such insured individual is dead, by the courts of the State in which he was domiciled at the time of his death, or, if such insured individual is or was not so domiciled in any State, by the courts of the District of Columbia. Applicants who according to such law would have the same status relative to taking intestate personal property as a child or parent shall be deemed such.

"'(3) For purposes of section 202 (i), a widow shall be deemed to have been living with her husband at the time of his death if they were both members of the same household on the date of his death, or she was receiving regular contributions from him toward her support on such date, or he had been ordered by any court to contribute to her support; a widower shall be deemed to have been living with his wife at the time of her death if they were both members of the same household at the time of her death, or he was receiving regular contributions from her toward his support on such date, or she had been ordered by any court to contribute to his support.'

"(i) (1) Except as provided in paragraph (2), the amendments made by this section shall apply in the case of monthly benefits under section 202 of the Social Security Act for months after the month in which this act is enacted.

"(2) The amendment made by subsection (f) shall not apply in the case of benefits under section 202 (h) of the Social Security Act, based on the wages and self-employment income of a deceased individual who died in or prior to the month in which this act is enacted, for any parent who files the proof of support, required by such section 202 (h), in or prior to the month in which this act is enacted; and the amendment to section 216 (h) (1) of such act made by subsection (h) of this section shall not operate to deprive any such parent of benefits to which he would otherwise be entitled under section 202 (h) of such act.

"SEC. 4. (a) Section 1 (q) of the Railroad Retirement Act of 1937, as amended, is amended by striking out '1956' and inserting in lieu thereof '1957.'

"(b) Paragraph (1) of section 5 (1) of the Railroad Retirement Act of 1937, as amended, is amended by striking out the sentence immediately following clause (iii) thereof and inserting in lieu thereof the following sentence: 'A "widow" or "widower" shall be deemed to have been living with the employee if the conditions set forth in section 216 (h) (2) or (3), whichever is applicable, of the Social Security Act, as in effect prior to 1957, are fulfilled.'

"(c) Paragraph (1) of section 5 (1) of such act is further amended by striking out the third sentence immediately following clause (iii) thereof and inserting in lieu thereof the following sentence: 'In determining for purposes of this section and subsection (f) of section 2 whether an applicant is the wife, husband, widow, widower, child, or parent of an employee as claimed, the rules set forth in section 216 (h) (1) of the Social Security Act, as in effect prior to 1957, shall be applied.'

"SEC. 5. Where—

"(a) one or more persons were entitled (without the application of section 202 (j) (1) of the Social Security Act) to parents' insurance benefits under section 202 (h) of such act for the month in which this act is enacted on the basis of the wages and self-employment income of an individual;

"(b) a person becomes entitled to a widow's, widower's, or mother's insurance benefit under section 202 (e), (f), or (g) of the Social Security Act for any subsequent month on the basis of such wages and self-employment income;

"(c) the total of the benefits to which all persons are entitled under section 202 of the Social Security Act on the basis of such wages and self-employment income for such subsequent month are reduced by reason of the application of section 203 (a) of such act;

then the amount of the benefit to which each such person referred to in paragraph (a) or (b) is entitled for such subsequent month shall be increased, after the application of such section 203 (a), to the amount it would have been—

"(d) if, in the case of a parent's insurance benefit, the person referred to in paragraph (b) was not entitled to the benefit referred to in such paragraph, or

"(e) if, in the case of a benefit referred to in paragraph (b), no person was entitled to a parent's insurance benefit for such subsequent month on the basis of such wages and self-employment income."

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill (H. R. 1944) was read the third time, and passed.

Mr. BYRD. Mr. President, I ask unanimous consent that a statement regarding the bill be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BYRD

The Committee on Finance amended the Social Security Amendments of 1956 to include a provision which suspends the payments of old-age and survivors insurance benefits to any individual not a citizen or national of the United States who first becomes eligible for benefits after December 1956 if such an individual remains out of the country for 6 consecutive months. The payments would be resumed if he returns and remains in this country. However, payment of benefits of such an individual would not be suspended if either (1) he is a citizen of a foreign country which has in effect a social insurance or pension system of general application which would permit benefit payments to United States citizens in the event they left such foreign country without regard to the duration of their absence; or (2) he has 40 quarters of coverage (10 years); or (3) he has resided in the United States for 10 years; or (4) he is serving outside the country in the Armed Forces of the United States; or (5) application of the provision would violate a treaty obligation of the United States.

The committee later approved the Servicemen's and Veterans' Survivor Benefits Act bringing under social security on a contributory basis members of the uniformed services; that is, members of the Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service.

The provision contained in the 1956 amendments to the Social Security Act would deprive a large proportion of the alien survivors of members of the uniformed services who are living outside the United States of the social-security element of this benefit.

At the present time, there are approximately 20,000 aliens enlisted in the Armed Forces, many of whose families reside outside the United States. Of these aliens, the largest single group consists of Philippine nationals, with 5,600 serving in the Navy, primarily as messmen, and approximately 600 in the Coast Guard serving in like capacity. These Philippine nationals were recruited in the Philippine Islands and enlisted with the understanding that they would be entitled to all the rights and benefits that accrue to members in the Armed Forces, yet, under present law, since the families of practically all of these Filipinos reside in the Philippine Islands, they would be deprived of social-security benefits in the event of the death of the serviceman. It should also be observed that these aliens have no alternative but to make contributions to the social-security system.

H. R. 1944 proposes to allow social security benefits to be paid to survivors of servicemen whose deaths were service-connected. The provision would be retroactive to January 1, 1957, the date on which members of the uniformed services were brought under social security.

The Department of Defense, in urging the enactment of H. R. 1944, has pointed out that to deny aliens now serving in the Armed Forces a portion of the survivor protection granted to other members would have the effect of breaking faith with them. The De-

partment of Health, Education, and Welfare also favors enactment of your committee's bill.

CONVEYANCE OF INTEREST IN TRACT OF LAND IN COOK COUNTY, ILL.

The Senate proceeded to consider the bill (H. R. 8005) to provide for the conveyance of an interest of the United States in and to fissionable materials in a tract of land in the county of Cook, and State of Illinois, which had been reported from the Committee on Government Operations with an amendment on page 2, after line 5, to insert:

SEC. 2. The Administrator of General Services is authorized and directed to convey by quitclaim deed to the city of Kearney, a municipal corporation of the county of Buffalo and State of Nebraska, all of the right, title, and interest of the United States in and to uranium, thorium, and other materials determined pursuant to section 5 (b) (1) of the Atomic Energy Act of 1946 (60 Stat. 761) to be peculiarly essential to the production of fissionable material, contained in the tract of land in the county of Buffalo, State of Nebraska, which was conveyed by quitclaim deed from the United States of America to the city of Kearney, recorded on June 15, 1950, at book 151, page 47, in the deed records of Buffalo County, Nebr. (said deed having been issued by Deputy Regional Director, Liquidation Service, General Services Administration, Office of Real Property Disposal, on behalf of the Administrator of General Services in the name of United States of America).

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

The title was amended, so as to read: "An act to provide for the conveyance of interests of the United States in and to fissionable materials in certain tracts of land situated in Cook County, Ill., and in Buffalo County, Nebr."

STATEMENT OF SENATOR MORSE ON H. R. 8005

This bill would authorize the General Services Administration:

1. To quitclaim to the city of Chicago the interest of the United States in fissionable materials which was reserved in a gratuitous conveyance of land from the United States to the city of Chicago in 1956. This land is being used to develop the new O'Hare Field, Chicago National Airport; and

2. To convey a similar interest to the city of Kearney, Nebr., in connection with a gratuitous conveyance of land made by the United States to Kearney in 1950.

The cities desire these conveyances in order to clear the way for an $85 million bond issue for completing the development of O'Hare Field, and to clear title for industrial development of land in Kearney.

When the 1946 conveyance was made, Executive Order No. 9701 implemented the Atomic Energy Act of 1946 by requiring reservations of fissionable materials in conveyances of acquired realty.

Executive Order No. 9908 of 1947 made a similar reservation essential to the 1950 conveyance.

A 1954 amendment to the Atomic Energy Act stipulated that reservations to the United States of fissionable materials in public land should be rescinded by the head of the agency issuing the prior conveyance.

The various Government agencies were uncertain as to whether acquired United States lands could be considered public lands within the meaning of the 1954 amendment.

Although requested to issue a ruling on the point by the Atomic Energy Commission, the United States Attorney General has not yet done so. (Senate Rept. No. 870, p. 3.)

GSA and the Bureau of the Budget have no objections to this proposed legislation. The Comptroller General says he cannot comment on its merits.

This proposed legislation appears to conform to the spirit and intent of the law of 1954. In the absence of an Attorney General's ruling to the contrary, it would appear proper to approve the bill.

ESTATE OF LEATHA HORN

The bill (H. R. 2354) for the relief of the estate of Leatha Horn was considered, ordered to a third reading, read the third time, and passed.

ORVILLE G. EVERETT AND MRS. AGNES H. EVERETT

The bill (H. R. 5288) for the relief of Orville G. Everett and Mrs. Agnes H. Everett was considered, ordered to a third reading, read the third time, and passed.

MAINTENANCE OF ROSTER OF RETIRED JUDGES

The bill (H. R. 3818) to provide for the maintenance of a roster of retired judges available for special judicial duty and for their assignment to such duty by the Chief Justice of the United States was considered, ordered to a third reading, read the third time, and passed.

REPRESENTATION OF DISTRICT JUDGES ON THE JUDICIAL CONFERENCE

The bill (H. R. 3819) to amend section 331 of title 28, United States Code, to provide representation of district judges on the Judicial Conference of the United States was considered, ordered to a third reading, read the third time, and passed.

EXTENSION OF PATENT TO THE UNITED DAUGHTERS OF THE CONFEDERACY

The Senate proceeded to consider the bill (S. 732) granting an extension of patent to the United Daughters of the Confederacy, which had been reported from the Committee on the Judiciary with an amendment on page 1, line 5, after the figures "29,611", to insert "which is the insignia of the United Daughters of the Confederacy", so as to make the bill read:

Be it enacted etc., That (a) a certain design patent issued by the United States Patent Office of date November 8, 1898, being patent numbered 29,611 which is the insignia of the United Daughters of the Confederacy, which was renewed and extended for a period of 14 years by Public Law No. 220, 77th Congress, approved August 18, 1941, is hereby renewed and extended for an additional period of 14 years from and after the date of enactment of this act, with all the rights and privileges pertaining to the same, being generally known as the insignia of the United Daughters of the Confederacy.

(b) No person who has manufactured the design of such patent between August 18, 1955, and the date of the enactment of this act shall be held liable for infringment of such patent by reason of the continued manufacture and sale thereof.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

NATIONAL OLYMPIC DAY

The joint resolution (H. J. Res. 354) to authorize the designation of October 19, 1957, as National Olympic Day was considered, ordered to a third reading, read the third time, and passed.

The preamble was agreed to.

JAFFA KAM

The bill (S. 281) for the relief of Jaffa Kam was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Jaffa Kam shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

YUKIO NOBUTA

The bill (S. 365) for the relief of Yukio Nobuta was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, Yukio Nobuta shall be held and considered to be the minor alien child of M. Sgt. and Mrs. W. H. Hufft, citizens of the United States.

GIUSEPPE (JOSEPH) CHILLEMI

The bill (S. 893) for the relief of Giuseppe (Joseph) Chillemi was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Giuseppe (Joseph) Chillemi, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Joseph Mirabile, citizens of the United States.

FOU YUEH LEE

The bill (S. 1545) for the relief of Fou Yueh Lee was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Fou Yueh Lee shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State

shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

MARIA TALIOURA BOISOT

The bill (S. 1635) for the relief of Maria Talioura Boisot was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Maria Talioura Boisot, shall be held and considered to be the natural-born alien child of Pauline Boisot, a citizen of the United States.

MARIA GOLDET

The bill (S. 1921) for the relief of Maria Goldet was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Maria Goldet shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

GENOVEFFA MIGLIOZZI

The bill (S. 2043) for the relief of Genoveffa Migliozzi was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Genoveffa Migliozzi, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Niles Bassett, citizens of the United States.

YASNA TREVIZAN

The bill (S. 2062) for the relief of Yasna Trevizan was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Yasna Trevizan, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Warren H. Hornsby, citizens of the United States.

FRANCES MONTELEONE

The bill (S. 2123) for the relief of Frances Monteleone was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Frances Monteleone, shall be held and considered to be the natural-born alien child of Sergeant and Mrs. Frank T. Monteleone, citizens of the United States.

TASIA J. SOMAS

The bill (S. 2124) for the relief of Tasia J. Somas was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of section 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Tasia J. Somas, shall be held and considered to be the natural-born alien child of Mr. John Somas, a United States citizen.

MARK RAYMOND JOHNSON (RAY WHANG) AND LANCE HOLT JOHNSON (LANCE WHANG)

The bill (S. 2136) for the relief of Mark Raymond Johnson (Ray Whang) and Lance Holt Johnson (Lance Whang) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, Mark Raymond Johnson (Ray Whang) and Lance Holt Johnson (Lance Whang) shall be held and considered to be the natural-born alien children of Jack and Dorothy Johnson, citizens of the United States.

ELPIS MARIA STEPHANOU FRYBACK

The bill (S. 2164) for the relief of Elpis Maria Stephanou Fryback was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Elpis Maria Stephanou Fryback, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Fryback, citizens of the United States.

WALTER HARRY HURT

The bill (S. 2172) for the relief of Walter Harry Hurt was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Walter Harry Hurt, shall be held and considered to be the natural-born alien child of A3c. William C. Hurt III, a citizen of the United States.

REINHARD KLINEFELTER

The bill (S. 2199) for the relief of Reinhard Klinefelter was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, Reinhard Klinefelter shall be held and considered to be the natural-born alien child of Millard M. and Dorothy E. Klinefelter, citizens of the United States.

MARGARET E. CULLOTY

The bill (S. 2204) for the relief of Margaret E. Culloty was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (1) of the Immigration and Nationality Act, Margaret E. Culloty may be granted a visa and be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that Act: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of said Act: *Provided further*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this Act.

EMMANUEL KIM KOSMITIS

The bill (S. 2210) for the relief of Emmanuel Kim Kosmitis was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Emmanuel Kim Kosmitis, shall be held and considered to be the natural-born alien child of Mr. and Mrs. John J. Kosmitis, citizens of the United States.

JAMES RICHARD SCARLETT (RICHARD KUROSAWA)

The bill (S. 2248) for the relief of James Richard Scarlett (Richard Kurosawa) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, James Richard Scarlett (Richard Kurosawa) shall be held and considered to be the natural-born alien child of James L. and Rozell Scarlett, citizens of the United States.

JAMES CHARLES McCAIN (KIM KEUN SHIK)

The bill (S. 2302) for the relief of James Charles McCain (Kim Keun Shik) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of section 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, James Charles McCain (Kim Keun Shik) shall be held and considered to be the natural-born alien child of Loyd B. and Marie McCain, citizens of the United States.

ELAINE ELVA OLIVER (LEE MYUNG SOOK)

The bill (S. 2309) for the relief of Elaine Elva Oliver (Lee Myung Sook) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, Elaine Elva Oliver (Lee Myung Sook) shall be held and considered to be the natural-born alien child of Mr. and Mrs. Everett W. Oliver, citizens of the United States.

PAUL DANIEL SCHAER (BA BE KIM)

The bill (S. 2314) for the relief of Paul Daniel Schaer (Ba Be Kim) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Paul Daniel Schaer (Ba Be Kim), shall be held and considered to be the natural-born alien child of Walter P. Schaer and Constance Schaer, citizens of the United States.

ELAINE MARIE SIMONTON (YU KEUM OK)

The bill (S. 2324) for the relief of Elaine Marie Simonton (Yu Keum Ok) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, Elaine Marie Simonton (Yu Keum Ok) shall be held and considered to be the natural-born alien child of Mr. and Mrs. James C. Simonton, citizens of the United States.

SIEGLINDE PREISS

The bill (S. 2328) for the relief of Sieglinde Preiss was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Sieglinde Preiss, shall be held and considered to be the natural-born alien child of Miles Clark and Virginia Clark, citizens of the United States.

JOHN TOMPKINS (K. M. SOO MAN)

The bill (S. 2382) for the relief of John Tompkins (K. M. Soo Man) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, John Tompkins (K. M. Soo Man) shall be held and considered to be the natural-born alien child of Mr. Barclay and Lela Tompkins, citizens of the United States.

MARGO DIANN WALLACE (DEMETRA)

The bill (S. 2484) for the relief of Margo Diann Wallace (Demetra) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Margo Diann Wallace (Demetra), shall be held and considered to be the natural-born alien child of Mr. and Mrs. Douglas Wallace, citizens of the United States.

ILSE STRIEGAN BACON

The Senate proceeded to consider the bill (S. 684) for the relief of Ilse Striegan Bacon, which had been reported from the Committee on the Judiciary, with an amendment to strike out all after the enacting clause and insert:

That, for the purposes of the Immigration and Nationality Act, Ilse Striegan Bacon shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act upon payment of the required visa fee, under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare may deem necessary to impose: *Provided*, That if the said Ilse Striegan Bacon is not entitled to medical care under the Dependents' Medical Care Act (70 Stat. 250), a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PAULINE ETHEL ANGUS

The Senate proceeded to consider the bill (S. 882) for the relief of Pauline Ethel Angus, which had been reported from the Committee on the Judiciary, with an amendment, on page 2, line 3, after the word "act", to insert a colon and "*Provided further*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act", so as to make the bill read:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (6) of the Immigration and Nationality Act, the alien, Pauline Ethel Angus, may be granted a visa and be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act and upon compliance with such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act: *Provided further*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ALEX P. COLLINS

The bill (S. 888) for the relief of Alex P. Collins was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Alex P. Collins, the sum of $2,000 in full satisfaction of his claim against the United States for refund of the amount of the bonds posted with the Immigration and Naturalization Service of the Department of Justice in the case of his niece, Maria Karvelis, and her three minor children, Boeleta Karvelis, Martha Karvelis, and Euterpi Karvelis, and declared breached by such Service when the said Maria Karvelis, Boeleta Karvelis, Martha Karvelis, and Euterpi Karvelis failed to depart in accordance with the terms of such bonds although they were subsequently granted permanent residence in the United States: *Provided*, That no part of the amount appropriated in this act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

MILUTIN JOVANOVIC

The Senate proceeded to consider the bill (S. 950) for the relief of Milutin Jovanovic, which had been reported from the Committee on the Judiciary, with an amendment to strike out all after the enacting clause and insert:

That, notwithstanding the provision of section 212 (a) (6) of the Immigration and Nationality Act, Milutin Jovanovic may be issued a visa and be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act and upon compliance with such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act: *And provided further*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ADELHEID PFEFFER

The Senate proceeded to consider the bill (S. 1047) for the relief of Adelheid Pfeffer, which had been reported from the Committee on the Judiciary, with an amendment, on page 2, line 3, after the word "act", to insert a colon and "*Provided further*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act", so as to make the bill read:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (6) of the Immigration and Nationality Act, Adelheid Pfeffer may be granted a visa and be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act: *Provided further*, That this exemption shall apply only to a ground for exclusion of which the Department of State or

the Department of Justice has knowledge prior to the enactment of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

HEINRICH JOHANN ELLEBRECHT

The Senate proceeded to consider the bill (S. 1322) for the relief of Heinrich Johann Ellebrecht which had been reported from the Committee on the Judiciary, with an amendment in line 5, after the word "be", to insert "issued a visa and be", so as to make the bill read:

Be it enacted etc., That, not withstanding the provisions of paragraph (9) of section 212 (a) of the Immigration and Nationality Act, Heinrich Johann Ellebrecht may be issued a visa and be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of such act: *Provided*, That this act shall apply only to grounds for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of the enactment of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JOHANNA MAYNE

The Senate proceeded to consider the bill (S. 1358) for the relief of Johanna Mayne which had been reported from the Committee on the Judiciary, with an amendment in line 5, after the word "be", to insert "issued a visa and be", so as to make the bill read:

Be it enacted, etc., That, notwithstanding the provisions of paragraph (9) of section 212 (a) of the Immigration and Nationality Act Johanna Mayne may be issued a visa and be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act: *Provided*, That this act shall apply only to grounds for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of the enactment of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

HELEN DEMOUCHIKOUS

The Senate proceeded to consider the bill (S. 1582) for the relief of Helen Demouchikous, which had been reported from the Committee on the Judiciary, with an amendment, in line 6, after the word "of", where it appears the first time, to strike out "the date of the enactment of this Act" and insert "September 17, 1948", so as to make the bill read:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Helen Demouchikous shall be held and considered to have been lawfully admitted to the United States for permanent residence as of September 17, 1948, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CAROLA OHLIG

The Senate proceeded to consider the bill (S. 1634) for the relief of Carola Ohlig, which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That, notwithstanding the provisions of sections 212 (a) (6) and 212 (a) (28) (C) of the Immigration and Nationality Act, Carola Ohlig may be issued a visa and be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act and upon compliance with such conditions and controls as the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*, That if the said Carola Ohlig is not entitled to medical care under the Dependents' Medical Care Act (70 Stat. 260), a suitable and proper bond or undertaking, approved by the Attorney General, shall be deposited as prescribed by section 213 of the Immigration and Nationality Act; *Provided further*, That these exemptions shall apply only to grounds for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act: *And provided further*, That the marriage to her United States citizen fiance, Sp2c. Willard P. Fredericks, shall occur not later than six months following the date of the enactment of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

GIULIANA DONADEL GREEN

The Senate proceeded to consider the bill (S. 2012) for the relief of Giuliana Donadel Green which had been reported from the Committee on the Judiciary, with an amendment, in line 5, after the word "be", to insert "issued a visa and be", so as to make the bill read:

Be it enacted, etc., That, notwithstanding the provisions of paragraph (12) of section 212 (a) of the Immigration and Nationality Act, Giuliana Donadel Green may be issued a visa and be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act. This act shall apply only to grounds for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of the enactment of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SHERWOOD LLOYD PIERCE

The Senate proceeded to consider the bill (S. 2028) for the relief of Sherwood Lloyd Pierce, which had been reported from the Committee on the Judiciary, with an amendment, in line 7, after the word "fee", to insert a colon and *"Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act", so as to make the bill read:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Sherwood Lloyd Pierce shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

GISELA S. HOPKINS

The Senate proceeded to consider the bill (S. 2046) for the relief of Gisela S. Hopkins, which had been reported from the Committee on the Judiciary, with an amendment, in line 5, after the word "be", to insert "issued a visa and be", so as to make the bill read:

Be it enacted, etc., That, notwithstanding the provisions of paragraph (9) of section 212 (a) of the Immigration and Nationality Act, Gisela S. Hopkins may be issued a visa and be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such Act. This act shall apply only to grounds for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of the enactment of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JUNIOR YOO LUHTA

The Senate proceeded to consider the bill (S. 2134) for the relief of Junior Yoo Luhta which had been reported from the Committee on the Judiciary, with an amendment on page 1, after line 7, to strike out:

SEC. 2. Notwithstanding the provisions of paragraph (6) of section 212 (a) of the Immigration and Nationality Act, Junior Yoo Luhta may, if he is found to be otherwise admissible under the provisions of such act, be admitted to the United States for permanent residence, under such conditions and controls as the Attorney General, after consultation with the Surgeon General of the United States, deems necessary to impose. A suitable or proper bond or undertaking, approved by the Attorney General, shall be given by or on behalf of the said Junior Yoo Luhta in the same manner and subject to the same conditions as bonds or undertakings given under section 213 of such act. This act shall apply only to grounds for exclusion under paragraph (6) of section 212 (a) of such act known to the Secretary of State or the Attorney General prior to the date of the enactment of this act.

And insert:

SEC. 2. That, notwithstanding the provision of section 212 (a) (6) of the Immigration and Nationality Act, Junior Yoo Luhta may be issued a visa and be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of such act and upon compliance with such conditions and controls as the Attorney General, after consultation with the Surgeon General of the United

States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*, That if the said Junior Yoo Luhta is not entitled to medical care under the Dependents' Medical Care Act (70 Stat. 260), a suitable and proper bond or undertaking, approved by the Attorney General, shall be deposited as prescribed by section 213 of the Immigration and Nationality Act: *Provided further*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

So as to make the bill read:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Junior Yoo Luhta, shall be held and considered to be the natural-born alien minor child of Sergeant and Mrs. John E. Luhta, citizens of the United States.

SEC. 2. That, notwithstanding the provision of section 212 (a) (6) of the Immigration and Nationality Act, Junior Yoo Luhta may be issued a visa and be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of such act and upon compliance with such conditions and controls as the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*, That if the said Junior Loo Luhta is not entitled to medical care under the Dependents' Medical Care Act (70 Stat. 260), a suitable and proper bond or undertaking, approved by the Attorney General, shall be deposited as prescribed by section 213 of the Immigration and Nationality Act: *Provided further*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RELIEF OF A CERTAIN KOREAN WAR ORPHAN

The bill (S. 2135) for the relief of a certain Korean war orphan was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, Judy-Ellen Kay (Choi Myosoon) shall be held and considered to be the natural-born alien child of Harold and Gladys H. Kay, citizens of the United States.

Amend the title so as to read: "A bill for the relief of Judy-Ellen Kay (Choi Myosoon)."

The title was amended, so as to read: "A bill for the relief of Judy-Ellen Kay (Choi Myosoon)."

GEORGE E. KITRINIARI AND DEMETROULA E. KITRINIARI

The Senate proceeded to consider the bill (S. 2182) for the relief of George E. Kitriniari and Demetroula E. Kitriniari, which had been reported from the Committee on the Judiciary, with an amendment, in line 3, after the letter "(A)", to insert "and 205", so as to make the bill read:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor children, George E. Kitriniari and Demetroula E. Kitriniari, shall be held and considered the natural-born alien children of Mr. and Mrs. Elias L. Tamboureas, citizens of the United States.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MRS. FUMI ISHIKAWA CLARK

The Senate proceeded to consider the bill (S. 2252) for the relief of Mrs. Fumi Ishikawa Clark, which had been reported from the Committee on the Judiciary, with an amendment, in line 3, after the word "the", to strike out "provision of section 212 (a) (12)" and insert "provisions of sections 212 (a) (9) and 212 (a) (12)", so as to make the bill read:

Be it enacted, etc., That, notwithstanding the provisions of sections 212 (a) (9) and 212 (a) (12) of the Immigration and Nationality Act, Mrs. Fumi Ishikawa Clark may be issued a visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BENJAMIN PAUL KLINGER (LEE JAMES)

The Senate proceeded to consider the bill (S. 2325) for the relief of Benjamin Paul Klinger (Lee James), which had been reported from the Committee on the Judiciary, with an amendment, in line 6, after the words "natural-born", to insert "alien", so as to make the bill read:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, Benjamin Paul Klinger (Lee James) shall be held and considered to be the natural-born alien child of Mr. and Mrs. William Samuel Klinger, citizens of the United States.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

KIMIKO MUSCARELLA

The Senate proceeded to consider the bill (S. 2566) for the relief of Kimiko Muscarella, which had been reported from the Committee on the Judiciary, with an amendment to strike out all after the enacting clause and insert:

That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Kimiko Muscarella may be issued a visa and be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that Act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MRS. JAMES S. CARPENTER

The Senate proceeded to consider the bill (S. 262) for the relief of Mrs. James S. Carpenter, which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That, notwithstanding the provisions of section 212 (a) (9) and (12) of the Immigration and Nationality Act, Mrs. Yuriko Carpenter (nee Arai) may be issued a visa and be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That these exemptions shall apply only to grounds for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill for the relief of Mrs. Yuriko Carpenter (nee Arai)."

BRONISLAWA CHOMICZ

The Senate proceeded to consider the bill (S. 947) for the relief of Bronislawa Chomicz, which had been reported from the Committee on the Judiciary, with amendments on page 1, line 6, after the word "be", to insert "issued a visa and be", and in line 10, after the word "States", to insert "Public Health Service, Department of Health, Education, and Welfare", so as to make the bill read:

Be it enacted, etc., That, notwithstanding the provisions of paragraph (6) of section 212 (a) of the Immigration and Nationality Act, Bronislawa Chomicz may, if she is found to be otherwise admissible under the provisions of such act, be issued a visa and be admitted to the United States for permanent residence, under such conditions and controls as the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, deems necessary to impose: *Provided*, That a suitable or proper bond or undertaking, approved by the Attorney General, shall be given by or on behalf of the said Bronislawa Chomicz in the same manner and subject to the same conditions as bonds or undertakings given under section 213 of such act: *Provided further*, That this act shall apply only to grounds for exclusion under paragraph (6) of section 212 (a) of such an act known to the Secretary of State or the Attorney General prior to the date of the enactment of this act.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

DELFINA C. LOPES

The Senate proceeded to consider the bill (S. 1636) for the relief of Delfina C. Lopes, which had been reported from the Committee on the Judiciary with an

amendment to strike out all after the enacting clause and insert:

That, notwithstanding the provisions of subsection (b) of section 202 of the Immigration and Nationality Act, Delfina Cinco de Lopez shall be classified as an immigrant under the provisions of section 101 (a) (27) (C) of that act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Delfina Cinco de Lopez."

MARIA DOMENICA RICCI

The bill (S. 1835) for the relief of Maria Domenica Ricci was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Maria Domenica Ricci, shall be held and considered to be the natural-born alien child of Luciano Ricci, a citizen of the United States.

SALA WEISBART

The Senate proceeded to consider the bill (S. 2041) for the relief of Sala Weisbart, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and insert:

That, notwithstanding the provision of section 212 (a) (6) of the Immigration and Nationality Act, Sala Weissbard may be issued a visa and be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare may deem necessary to impose: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act: *Provided further*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Sala Weissbard."

BARBARA MARIE WADDINGTON (HELEN LEE)

The Senate proceeded to consider the bill (S. 2323) for the relief of Barbara Marie Waddington (Helen Lee), which had been reported from the Committee on the Judiciary with an amendment in line 5, after the name "Waddington", to strike out "(Helen Lee)" and insert "(Marie Kim)", so as to make the bill read:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, Barbara Marie Waddington (Marie Kim) shall be held and considered to be the natural-born alien child of Mr. and Mrs. Haydn Waddington, citizens of the United States.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Barbara Marie Waddington (Marie Kim)."

JOHN J. FEDOR

The bill (H. R. 1349) for the relief of John J. Fedor was considered ordered to a third reading, read the third time, and passed.

ELMER L. HENDERSON

The bill (H. R. 1365) for the relief of Elmer L. Henderson was considered, ordered to a third reading, read the third time, and passed.

SYLVIA OTTILA TENYI

The bill (H. R. 1424) for the relief of Sylvia Ottila Tenyi was considered, ordered to a third reading, read the third time, and passed.

VANJA STIPCIC

The bill (H. R. 1595) for the relief of Vanja Stipcic was considered, ordered to a third reading, read the third time, and passed.

GEORGE D. LaMONT

The bill (H. R. 1636) for the relief of George D. LaMont was considered, ordered to a third reading, read the third time, and passed.

RAJKA MARKOVIC AND KRUNOSLAV MARKOVIC

The bill (H. R. 1652) for the relief of Rajka Markovic and Krunoslav Markovic was considered, ordered to a third reading, read the third time, and passed.

MARIA SAUSA AND GREGORIO SAUSA

The bill (H. R. 1797) for the relief of Maria Sausa and Gregorio Sausa was considered, ordered to a third reading, read the third time, and passed.

DEZRIN BOSWELL (ALSO KNOWN AS DEZRIN BOSWELL JOHNSON)

The bill (H. R. 1851) for the relief of Dezrin Boswell (also known as Dezrin Boswell Johnson) was considered, ordered to a third reading, read the third time, and passed.

FRANKLIN INSTITUTE, PENNSYLVANIA

The bill (H. R. 2058) for the relief of the Franklin Institute of the State of Pennsylvania was considered, ordered to a third reading, read the third time, and passed.

CONDEMNATION OF HIGHWAY IN THE STATE OF WASHINGTON

The bill (H. R. 2224) providing for the payment to the State of Washington for the cost of secondary highway of such State which was condemned by the United States was considered, ordered to a third reading, read the third time, and passed.

MARY HUMMEL

The bill (H. R. 2979) for the relief of Mary Hummel was considered, ordered to a third reading, read the third time, and passed.

GORDON BRODERICK

The bill (H. R. 3184) for the relief of Gordon Broderick was considered, ordered to a third reading, read the third time, and passed.

MRS. GRACE C. HILL

The bill (H. R. 3280) for the relief of Mrs. Grace C. Hill was considered, ordered to a third reading, read the third time, and passed.

CHANDLER R. SCOTT

The bill (H. R. 3583) for the relief of Chandler R. Scott was considered, ordered to a third reading, read the third time, and passed.

W. C. SHEPHERD, TRADING AS W. C. SHEPHERD CO.

The Senate proceeded to consider the bill (H. R. 4230) for the relief of W. C. Shepherd trading as W. C. Shepherd Co.

Mr. KNOWLAND. Mr. President, may we have an explanation of the bill, because of the amount involved?

Mr. KEFAUVER. Mr. President, the proposed legislation would pay to the W. C. Shepherd Co. the sum of $102,958.07 for losses incurred under a contract with the Corps of Engineers for the construction of the Cumberland oilfield protective levees.

This amount was the difference between the damages of $214,253.88 incurred by the company as found by the United States Court of Claims, and the amount of $111,295.81 allowed to the claimants by the court, the court having held that the company's recovery was limited by a release which it had executed shortly after the completion of the work.

The release excepted an amount in excess of the total amount of the losses found by the court but the release was itemized and the exception made by the company in signing the release in respect to the specific items for which the court found losses did not, in the instances involved, amount to the total of the loss as found by the court.

The circumstances of the losses and the exceptions made by the company in its release are set forth in detail in the committee report.

The Army is opposed to the proposed legislation.

The PRESIDING OFFICER. The question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

MALONE HSIA

The bill (H. R. 4344) for the relief of Malone Hsia was considered, ordered to a third reading, read the third time, and passed.

W. R. ZANES & CO., OF LOUISIANA, INC.

The bill (H. R. 4447) for the relief of W. R. Zanes & Co., of Louisiana, Inc., was considered, ordered to a third reading, read the third time, and passed.

MICHAEL S. TILIMON

The bill (H. R. 6166) for the relief of Michael S. Tilimon was considered, ordered to a third reading, read the third time, and passed.

PASQUALE PRATOLA

The bill (H. R. 8586) for the relief of Pasquale Pratola was considered, ordered to a third reading, read the third time, and passed.

WAIVING OF CERTAIN PROVISIONS OF THE IMMIGRATION AND NATIONALITY ACT

The joint resolution (H. J. Res. 367) to waive certain provisions of section 212 (a) of the Immigration and Nationality Act was considered, ordered to a third reading, read the third time, and passed.

WAIVING OF CERTAIN PROVISIONS OF THE IMMIGRATION AND NATIONALITY ACT

The joint resolution (H. J. Res. 393) to waive certain provisions of section 212 (a) of the Immigration and Nationality Act was considered, ordered to a third reading, read the third time, and passed.

ADMISSION INTO UNITED STATES OF CERTAIN ALIENS

The joint resolution (H. J. Res. 410) to facilitate the admission into the United States of certain aliens was considered, ordered to a third reading, read the third time, and passed.

PHILLIS GUYADEEN

The Senate proceeded to consider the bill (H. R. 1558) for the relief of Phillis Guyadeen which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and insert:

That, in the administration of the Immigration and Nationality Act, sections 202 (a) (5) and 202 (b) (4) of that act shall not be applicable in connection with the application for an immigrant visa by Phillis Guyadeen.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

IKUKO MOROOKA MAHONEY

The Senate proceeded to consider the bill (H. R. 1741) for the relief of Ikuko Morooka Mahoney which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and insert:

That, for the purposes of the Immigration and Nationality Act, Ikuko Morooka Mahoney, the widow of a United States citizen, shall be deemed to be within the purview of section 101 (a) (27) (A) of that act.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

Mr. KEFAUVER. Mr. President, I send to the desk an amendment to the committee amendment and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment to the amendment.

The LEGISLATIVE CLERK. On line 8, in the amendment of the committee, it is proposed to strike out "within the purview of section 101 (a) (27) (A) of that act" and insert "a nonquota immigrant."

Mr. KEFAUVER. Mr. President, this bill would preserve for the widow of a United States citizen her nonquota immigrant status, to which she would be entitled were it not for the death of her husband.

Since the bill was reported from the Committee on the Judiciary the Department of State has suggested that the language of the bill is not sufficient to accomplish the intended purpose. That is the reason the amendment has been ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Tennessee [Mr. KEFAUVER] to the committee amendment.

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

DANIEL ADAMSON

The Senate proceeded to consider the bill (H. R. 1868) for the relief of Daniel Adamson which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and insert:

That, for the purposes of the Immigration and Nationality Act, Daniel Adamson shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

VICTORIA GALEA

The Senate proceeded to consider the bill (H. R. 4854) for the relief of Victoria Galea which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and insert:

That, in the administration of the Immigration and Nationality Act, section 202 (c) (1) shall not be applicable in connection with the application for an immigrant visa by Victoria Galea.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

INNOCENZA GUARASCIO

The Senate proceeded to consider the bill (H. R. 8284) for the relief of Innocenza Guarascio which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That, in the administration of the Immigration and Nationality Act, Innocenza Guarascio may be issued a nonquota immigrant visa and may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act. Upon the issuance of such nonquota immigrant visa, the Secretary of State shall reduce by one the total number of nonquota visas authorized and not issued under the Refugee Relief Act of 1953, as amended.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

ADMISSION INTO THE UNITED STATES OF CERTAIN ALIENS

The Senate proceeded to consider the joint resolution (H. J. Res. 340) to facilitate the admission into the United States of certain aliens which had been reported from the Committee on the Judiciary, with an amendment, on page 4, after line 4, to strike out:

SEC. 9. For the purposes of the Immigration and Nationality Act, Mrs. Anneta N. Thalassinos shall be deemed to have been born in Canada.

The amendment was agreed to.

The amendment was ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

RELIEF OF CERTAIN ALIENS

The Senate proceeded to consider the joint resolution (H. J. Res. 368) for the

relief of certain aliens which had been reported from the Committee on the Judiciary, with an amendment, on page 2, line 15, after the word "act," to strike out "Purificacion de Peralta."

The amendment was agreed to.

The amendment was ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

PERMANENT RESIDENCE FOR CERTAIN ALIENS

The Senate proceeded to consider the concurrent resolution (H. Con. Res. 194) granting permanent residence to certain aliens which had been reported from the Committee on the Judiciary, with amendments, on page 3, after line 5, to strike out:

A-2201853, Lee, John Koo.

And, on page 13, after line 12, to insert:

A-6511104, Chun, Shu Gar.
A-7767904, Chiu, Cheng Chia.
A-6197692, Kuo, Hsiao-Lan.
0200-86579, Kuo, Hsiao-Mei (nee Yen).
A-5928235, Lum, Yip.
A-10489388, Peiker, Konstantin.
A-9729590, Wee, Wah Kei.

The amendments were agreed to.

The concurrent resolution, as amended, was agreed to.

RELIEF OF CERTAIN ALIENS

The Senate proceeded to consider the joint resolution (H. J. Res. 338) for the relief of certain aliens, which had been reported from the Committee on the Judiciary, with amendments, on page 1, line 4, after the name "Rezmovic", to strike out "Sister Emmanuel (Miss Margarete Fu), Jael Mercades,"; in line 8, after the name "Ting", to strike out "Mosche Davidovitz, Frieda Davidovitz,"; in line 11, after the name "Huber", to strike out "Lino Aguilon Reyes,", and on page 2, line 17, after the name "Evrenian", to strike out "Vartuhi Parsejian de Carpenter (also known as Rosa Carpenter)."

The amendments were agreed to.

The amendments were ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

ADMISSION TO THE UNITED STATES OF CERTAIN ALIENS

The Senate proceeded to consider the joint resolution (H. J. Res. 373) to facilitate the admission into the United States of certain aliens, which had been reported from the Committee on the Judiciary, with amendments, on page 1, line 4, after the word "Act,", to strike out "Clelia Cusano Puglia,"; after line 6, to strike out:

SEC. 2. For the purposes of the Immigration and Nationality Act Yotsu Yusawa Heim shall be deemed to be a nonquota immigrant.

And insert:

SEC. 2. For the purposes of the Immigration and Nationality Act, Clelia Cusano Puglia shall be deemed to be within the purview of section 203 (a) (2) of that act, and a petition in behalf of the said Clelia Cusano Puglia under section 205 of the said act may be filed by her minor daughter, Chiarina Puglia, a United States citizen.

On page 2, after line 4, to insert:

SEC. 3. For the purposes of the Immigration and Nationality Act, Yotsu Yusawa Heim, the widow of a United States citizen, shall be deemed to be within the purview of section 101 (a) (27) (A) of that act.

At the beginning of line 9, to change the section number from "3" to "4"; at the beginning of line 14, to change the section number from "4" to "5", and on page 3, at the beginning of line 10, to change the section number from "5" to "6."

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

Mr. KEFAUVER. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment for the information of the Senate.

The LEGISLATIVE CLERK. On page 2, line 7, in the committee amendment, after the word "be", it is proposed to strike out "within the purview of section 101 (a) (27) (A) of that act" and insert "a nonquota immigrant."

Mr. KEFAUVER. Mr. President, since the joint resolution was reported from the committee, the Department of State has suggested that the language of one section of the measure is not sufficient to accomplish the intended purpose of that section, which is to preserve the nonquota immigrant status on behalf of the widow of a citizen of the United States. My amendment would meet the suggestion of the Department of State.

The PRESIDING OFFICER. Without objection the vote by which the amendment on page 2 was agreed to is reconsidered, and the question is on agreeing to the amendment offered by the Senator from Tennessee [Mr. KEFAUVER] to the amendment of the committee.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The amendments were ordered to be engrossed, and the joint resolution to be read a third time.

The joint resolution was read the third time, and passed.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1520) to provide for the disposal of federally owned property at obsolescent canalized waterways and for other purposes.

The message also announced that the House insisted upon its amendment to the bill (S. 2229) to provide for Government guaranty of private loans to certain air carriers for purchase of modern aircraft and equipment, to foster the development and use of modern transport aircraft by such carriers, and for other purposes, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. HARRIS, Mr. MACK of Illinois, Mr. ROGERS of Texas, Mr. FLYNT, Mr. WOLVERTON, Mr. SPRINGER, and Mr. SCHENCK were appointed managers on the part of the House at the conference.

The message further announced that the House had agreed to the amendments of the Senate to the bill (H. R. 5807) to amend further and make permanent the Missing Persons Act, as amended.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 6709) to implement a treaty and agreement with the Republic of Panama, and for other purposes.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 8996) to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes.

APPROPRIATIONS FOR ATOMIC ENERGY COMMISSION—CONFERENCE REPORT

Mr. ANDERSON. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8996) to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of today.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. ANDERSON. Mr. President, this is a unanimous report signed by all members of the conference group, both the Senate and the House which contains the revised bill. There are some substantial changes in it. One of the matters in controversy was the construction of a gas-cooled natural uranium reactor. The conference report strikes out the provision for the construction, and provides $3 million for the development, design, engineering, and study of that particular type, with a report to be made to the Congress by April 1, 1958.

There was also a question raised on the floor as to whether the reactors to be built by the cooperatives were to be oper-

ated by them in perpetuity or whether there should be some termination of their usefulness. There is a provision inserted in section 111 (a) (1) which provides that the reactors may be utilized so long as they are useful for experimental research purposes, but in no event longer than 10 years.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. KNOWLAND. The distinguished Senator from New Mexico took the matter up with me, and it was cleared with the leadership. The ranking member of the committee is present, and I understand he has signed the conference report. I have been informed, however, that the Senator from Nebraska [Mr. CURTIS] desired to be on the floor at the time the explanation was given. I understand the Senator is on his way to the Chamber. If we could have a temporary call for a quorum, which could be lifted immediately upon his arrival, he would have a chance to get here.

Mr. ANDERSON. Would the minority leader be satisfied if we merely suspended temporarily, until the Senator from Nebraska arrives?

Mr. KNOWLAND. That would be fine.

Mr. ANDERSON. Mr. President, I ask unanimous consent that the report be temporarily laid aside, and that as soon as the Senator from Nebraska arrives in the Chamber the Senate resume the consideration of the report.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Mexico? The Chair hears none, and it is so ordered.

RELIEF OF CERTAIN SPOUSES AND MINOR CHILDREN OF CITIZENS OF THE UNITED STATES

The Senate proceeded to consider the joint resolution (H. J. Res. 387) for the relief of certain spouses and minor children of citizens of the United States, which had been reported from the Committee on the Judiciary, with amendments, on page 2, line 15, after the name "Gay", to strike out "Maria A. Grammatica,"; on page 3, line 11, after the name "Mirabelli", to strike out "and", and, in the same line, after the name "Riccardi", to insert "Hiroko Bergano, Lina Nagel Cassady, Chan Han Fong, Satsuko Yoda Murphy, and Maria Angelina Eugenia Bravo de Staniszewski."

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

Mr. KEFAUVER. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment for the information of the Senate.

The LEGISLATIVE CLERK. On page 3, line 13, after the name "Murphy" in the committee amendment, it is proposed to strike out the word "and" and insert "Mrs. Ichiko Shibata Crazy Bear, Mrs. Giuseppina De Duonni, Mrs. Giovanni D'Emilia, Mrs. Maria Begonia Dymsza, Mrs. Kazue Tomoyama Elliot, Mr. Mendel Lindenfeld, Mrs. Rose Gagnato Marciano, Mrs. Shimako Maston, Mrs. Chun Mun, and Mrs. Chieko Rainboldt."

The PRESIDING OFFICER. Without objection, the vote by which the amendment on page 3 was agreed to is reconsidered, and the question is on agreeing to the amendment offered by the Senator from Tennessee [Mr. KEFAUVER] to the amendment of the committee.

The amendment to the amendment was agreed to.

Mr. KEFAUVER. Mr. President, I ask unanimous consent that there be printed in the RECORD an explanation of the amendment.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

House Joint Resolution 387 waives the excluding provision of existing law relating to those afflicted with tuberculosis in behalf of 80 persons who are the close relatives of United States citizens. Since reporting the joint resolution from the Committee on the Judiciary, the United States citizen sponsor of one beneficiary has requested that her name be deleted from the joint resolution. In addition, since reporting the joint resolution from the Committee on the Judiciary, the Department of State has submitted 10 additional fully documented cases and has requested that House Joint Resolution 387 be amended to include the 10 names.

I send to the desk an amendment to delete one name and to provide that the additional 10 names be included in House Joint Resolution 387, and I move that the amendment be adopted.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment as amended.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The question now is on the engrossment of the amendments and the third reading of the joint resolution.

The amendments were ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

RELIEF OF CERTAIN ALIENS

The Senate proceeded to consider the joint resolution (H. J. Res. 392) for the relief of certain aliens, which had been reported from the Committee on the Judiciary with amendments, in line 5, after the name "Lee", to strike out "Kam Man Leung,"; in line 6, after the name "King", to strike out "Ellen Yuin-Shang Chung Au,", and in line 7, after the name "Billy", to strike out "Shao-Run" and insert "Shao-Ru."

The amendments were agreed to.

The amendments were ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

WAIVER OF CERTAIN PROVISIONS OF THE IMMIGRATION AND NATIONALITY ACT

The Senate proceeded to consider the joint resolution (H. J. Res. 409) to waive certain provisions of the Immigration and Nationality Act, which had been reported from the Committee on the Judiciary, with amendments, on page 1, line 5, after the name "Wan", to strike out "Josephine Braun Rice,"; on page 2, after line 4, to strike out:

SEC. 3. Notwithstanding the provisions of section 212 (a) (9) and (17) of the Immigration and Nationality Act, Gerald Augustine Grant and Maitland McKinley Joseph may be issued visas and admitted to the United States for permanent residence if they are found to be otherwise admissible under the provisions of that Act.

And insert:

SEC. 3. Notwithstanding the provisions of section 212 (a) (9), (17), and (19) of the Immigration and Nationality Act, Maitland McKinley Joseph may be issued a visa and be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that Act.

In line 19, after the name "Fomenko", to insert "Mrs. Valerie Horsakova and Moses Kuperschmidt"; in line 20, after the word "issued", to strike out "a visa" and insert "visas"; in line 21, after the word "if", to strike out "he is" and insert "they are"; on page 3, line 2, after the word "the", to strike out "beneficiary is" and insert "beneficiaries are"; in line 10, after the name "Rosenthal", to strike out "Pietro Pipitone,"; on page 5, after line 12, to insert:

SEC. 11. For the purposes of the Immigration and Nationality Act, Pietro Pipitone, the widower of a United States citizen, shall be deemed to be within the purview of section 101 (a) (27) (A) of that act, and he may be issued a visa and be admitted to the United States for permanent residence notwithstanding the provision of section 212 (a) (9) of the said act.

And, at the beginning of line 20, to change the section number from "11" to "12."

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

Mr. KEFAUVER. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment for the information of the Senate.

The LEGISLATIVE CLERK. On page 5, line 15, in the amendment of the committee, after the word "be" it is proposed to strike out "within the purview of section 101 (a) (27) (A) of that act" and insert "a nonquota immigrant."

The PRESIDING OFFICER. Without objection, the vote by which amendment on page 5 after line 12 was agreed to is reconsidered, and the question is on agreeing to the amendment offered by the Senator from Tennessee to the amendment of the committee.

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

The amendments were ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

RELIEF OF CERTAIN ALIENS

The Senate proceeded to consider the joint resolution (H. J. Res. 411) for the relief of certain aliens, which had been reported from the Committee on the Judiciary, with amendments on page 1, line 4, after the word "Act", to strike out "Wickham Courtney Anderson, Pilar A. Centeno,"; in line 8, after the name "Caruso", to strike out "Yang Sin Djen Dao, Jen Hung (Carlos Joseph) Charo,"; on page 2, line 3, after the word "visa", to strike out "fees: *Provided*, That unless Yang Sin Djen Dao is entitled to care under the Dependents' Medical Care Act, a suitable and proper bond or undertaking approved by the Attorney General, be deposited as prescribed by section 213 of the said act in the case of the said Yang Sin Djen Dao, and she may be granted permanent residence in the United States upon compliance with such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare may deem necessary to impose." and insert "fees."; on page 3, line 8, after the word "the", to strike out "case" and insert "cases", and, in the same line, after the word "of", to insert "Rosa Brunbaum and".

The amendments were agreed to.

The amendments were ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

BILL PASSED OVER

The bill (H. R. 293) to authorize settlement for certain inequitable losses in pay sustained by officers of the commissioned services under the emergency-economy legislation, and for other purposes, was announced as next in order.

Mr. PURTELL. Over, by request.

Mr. WILEY. Mr. President, will the distinguished Senator withhold his objection for a moment?

Mr. PURTELL. I am very willing to withhold my objection, and to postpone it until such time as the Senator makes such remarks as he wishes; but inasmuch as this objection is by request, I shall have to renew the objection, by request.

Mr. WILEY. I ask unanimous consent that a memorandum which I have prepared on this subject be printed in the RECORD at this point.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MEMORANDUM RE H. R. 293

The bill H. R. 293 was passed by the House of Representatives on June 3, 1957, by a voice vote, after having been reported unanimously by both the Subcommittee on Claims of the Judiciary Committee and the full House Judiciary Committee. It is now before the Senate Judiciary Committee to which it was referred on June 5, 1957.

The bill H. R. 293 would authorize payments to a group of commissioned officers of the uniformed services certain increases in pay which increases were, between 1932 and 1934, earned by such officers of the above-mentioned services, but were denied them at the time by reason of what is shown to have been an improper interpretation of section 201 of the Economy Act of June 30, 1932.

The section required the suspension for the fiscal year 1933 of automatic increases in compensation of employees of the Government, civilian and military, by reason of length of service or promotion.

As to nonautomatic increases: Had the above-mentioned provision of law been applied equally to both military personnel and civilian employees of the Government, there would be no justification for legislation at this time. Such, however, was not the case. As a result of an improper interpretation of the provision in question, officers of the military services actually advanced to a higher grade between 1932 and 1934 were denied the increased pay of such rank, but civilian employees of the Government similarly advanced in grade were not denied the increased pay incident to such advancement. It is this discrimination which the bill H. R. 293 would remove.

In an official report as to the merits of this proposed legislation, the Department of Defense in a letter to the chairman of the House Judiciary Committee stated, among other things, that its enactment "would remove an injustice of long standing and one which was imposed upon officers actually advanced in rank as distinguished from those due increases in pay based upon longevity or advancement to the next pay period. It is believed that the Congress did not mean to impose this inequity on these officers."

The report of the House Judiciary Committee on the bill H. R. 293 (H. Rept. No. 134, p. 1, of February 19, 1957) contains the following:

"The payments with which this bill is concerned were denied to certain commissioned officers of the armed services and were earned by them in the period of 1932 to 1934. However, despite the fact that these officers were entitled to the money because they had received actual promotions in rank with attendant increases in responsibility and expense, section 201 of the Economy Act of June 30, 1932 (47 Stat. 403), was applied so as to bar increases in pay as a result of the promotion. This committee is of the firm conviction that this was a clear case of injustice."

The total number of persons who could be affected by the enactment of the above bill is 2,381.

The maximum potential cost that would be involved in the enactment of this bill is estimated to be $1,442,600.

As a practical matter, it is doubtful if the actual cost to the Government would be as much as $1 million.

DELAY IN ENACTING LEGISLATION

Efforts to effect relief as provided in this bill make such a long story that this may, of itself, create a belief in the minds of some who have not looked into the matter that either there is no equity in the proposal or that the lapse of time makes the whole idea suspect or doubtful. That, we submit, is no reason for permitting a clear discrimination and inequity to continue to stand.

It would, therefore, appear appropriate to recount the various steps that have been taken to bring about what would be accomplished by an enactment of the bill presently under consideration. They are, substantially, as set forth below.

The intention of Congress not having been carried out, and the justification for relief in this matter being apparent, initial effort in this direction took the form of a suit in the then Supreme Court of the District of Columbia. Lt. Comdr. James D. Lowry, United States Navy, who on June 1, 1933, was promoted from lieutenant to lieutenant commander, brought suit to recover the increased pay to which he was entitled by virtue of such advanced rank. The court, however, dismissed the suit on the basis of a lack of jurisdiction and did not pass on its merits. This was because of section 111 of the Economy Act of 1932, which provided:

"No court of the United States shall have jurisdiction of any suit against the United States or (unless brought by the United States) against any officer, agency, or instrumentality of the United States arising out of the application of any provision of this title, unless such suit involves the Constitution of the United States."

Lieutenant Commander Lowry appealed to the United States Circuit Court of Appeals of the District of Columbia (79 F. 2d 144) which court upheld the lower court and the Supreme Court refused to hear the matter. As a result, the only recourse left to those adversely affected by the ruling of the Comptroller General was the Congress of the United States.

Subsequent efforts in the legislative field as to this matter were laid aside during World War II days, no doubt on the theory that more important things demanded attention by the Congress.

More recently progress in securing remedial legislation in this field was held up as a result of the fact that the draft of the bill presented to the Congress would have gone further than the present bill in that it would not have confined relief to those officers definitely discriminated against; that is, those who were actually promoted from one rank to another. The previous bill would also have extended relief to certain cases involving automatic increases in pay. For this reason the Department of Defense recommended against enactment of the bill in that form.

After the Subcommittee on Claims on the House Judiciary Committee proposed to amend the bill, H. R. 5888, 84th Congress, so as to eliminate authorization for payment of automatic increases in pay, the Department of Defense withdrew its adverse report and stated in a letter to the chairman of the House Judiciary Committee that its enactment, amended in this manner, "would remove an injustice of long standing."

Shortly thereafter the above bill was reported favorably with unanimous votes by the Subcommittee on Claims of the House Judiciary Committee and by the full Judiciary Committee. It was, on July 2, 1956, passed by the House on the Consent Calendar. This was too late in the session to obtain consideration by the Senate. H. R. 293, identical to H. R. 5888 as passed, was again unanimously reported by the Subcommittee on Claims and the full House Judiciary Committee. The bill was passed by the House on June 3, 1957, by a voice vote.

Mr. WILEY. Would the Senator agree to place the bill at the foot of the calendar?

Mr. PURTELL. I have no objection to the bill going to the foot of the calendar; but at that time I would have to object, because the objection is made by request.

The PRESIDING OFFICER. The bill will be passed over.

GRANT OF MINERALS ON CROW INDIAN RESERVATION

The Senate proceeded to consider the bill (S. 328) to grant minerals, including oil and gas, on certain lands in the Crow Indian Reservation, to certain Indians, which had been reported from the Committee on Interior and Insular Affairs, with an amendment, to strike out all after the enacting clause and insert:

That section 6 of the act of June 4, 1920 (41 Stat. 751), as amended by the act of

May 26, 1926 (44 Stat. 658), is hereby amended to read as follows:

"SEC. 6. (a) Any and all minerals, including oil and gas, on any of the lands to be allotted hereunder are reserved for the benefit of the members of the tribe in common and may, with the consent of the tribal council, be leased for mining purposes in accordance with the provisions of the act of May 11, 1938 (52 Stat. 347; 25 U. S. C. 396 a–f), under such rules, regulations, and conditions as the Secretary of the Interior may prescribe: *Provided*, That when any land is leased for mining purposes and development thereunder shall indicate the presence of minerals, including oil and gas, in paying quantities, the lessee or lessees shall proceed with all reasonable diligence to complete the development under said lease to extract the mineral, including oil and gas, from the land leased and to bring the product mined or extracted into market as speedily as possible unless the extraction and sale thereof be withheld with the consent of the Crow Tribe of Indians: *Provided further*, That allotments hereunder may be made of lands classified as valuable chiefly for coal or other minerals which may be patented as herein provided with a reservation, set forth in the patent, of the coal, oil, gas, or other mineral deposits for the benefit of the Crow Tribe: *Provided further*, That at the expiration of 50 years from the date of approval of this act, unless otherwise ordered by Congress, the coal, oil, gas, or other mineral deposits upon or beneath the surface of said allotted lands shall become the property of the individual allottee or his heirs or devisees, or their heirs or devisees, subject to any outstanding leases, regardless of whether such allottee, heirs, or devisees have disposed of the surface of the allotted land.

"(b) Title to the minerals so granted shall be held by the United States in trust for the Indian owners, except that (1) if upon the expiration of said 50 years, or at any time thereafter, the entire Indian interest in the minerals within any allotment or parcel thereof belongs to a person or persons who have received a fee patent to the lands overlying such minerals, then the Secretary of the Interior shall by fee patent transfer to such person or persons the unrestricted fee simple title to such minerals, which title shall vest in such person or persons as of the date of the patent, and (2) if upon the expiration of said 50 years or at any time thereafter, the entire Indian interest in the minerals within any allotment or parcel thereof belongs to a person or persons who own the lands overlying such minerals and each of whom has been determined by the Secretary, subsequent to the enactment of this subsection, either with or without application from the Indian, to be competent to manage his own affairs, then the unrestricted fee simple title to such land and minerals shall thereupon be transferred to such person or persons by the Secretary."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CONSERVATION OF FISHERY RESOURCES, ALASKA

The Senate proceeded to consider the bill (S. 2349) to facilitate the conduct of fishing operations in the Territory of Alaska, to promote the conservation of fishery resources thereof, and for other purposes, which had been reported from the Committee on Interstate and Foreign Commerce, with an amendment on page 1, line 9, after the word "hereby", to strike out "repealed;

"(b) Section 5 of the act approved June 26, 1906 (34 Stat. 479; 48 U. S. C., 1952 ed., 234), as amended, requiring a weekly closed period of 36 hours, covering a specific period of time, as prescribed by that section, concerning the taking of salmon in Alaska except by certain prescribed methods is hereby revised to the extent that hereafter the Secretary of the Interior is authorized to determine that particular period or periods of time each week during which the said closed period or periods shall be in effect: *Provided*, That the total amount of such closed period each week shall continue to be a minimum of 36 hours; and, accordingly, the regulation of the fishery and the establishment of closed periods shall be prescribed by the Secretary of the Interior consistent with the needs of conservation of the fishery and the public interest therein;

"(c) The possession or the disposal in any manner of illegally taken fish is hereby prohibited, except to such extent as may be required by authorized persons in the enforcement of this provision; and—

"(1) whoever knowingly has in his possession any fish that were illegally taken, or whoever, having such possession, upon an appropriate determination that they reasonably should know that such fish were illegally taken, shall be guilty of a violation of this provision and shall be subject to the penalties herein prescribed;

"(2) whoever knowingly disposes of any fish that were illegally taken, or whoever disposing thereof, upon an appropriate determination that they reasonably should know that such fish were illegally taken, shall be guilty of a violation of this provision and shall be subject to the penalties herein prescribed.

"The penalty for such possession or disposal of fish that were taken in violation of law and regulations shall be a fine of not to exceed $5,000 or imprisonment for a term of not more than 90 days in jail, or by both such fine and imprisonment.

"For the first violation of this provision, the catch of fish of every vessel or of any fishing gear employed in any manner, or any fish caught, possessed, or disposed of in any manner in connection with such violation shall be forfeited; and, upon a second and subsequent violation, the catch of fish shall be forfeited, and every such vessel and any fishing gear and appurtenances involved in the violation may be forfeited. Proceedings for such forfeiture shall be in rem under the rules of admiralty. None of the prohibitions contained in this act or in any other laws relating to fishing operations in Alaska shall prohibit the taking of fish or shellfish for scientific and fishery research purposes in accordance with permits that may be issued by the Secretary of the Interior, or by his authorized representatives. Such permits may be issued upon such terms and conditions as the issuing officer shall determine are consistent with the conservation of the fishery resources and the accomplishment of the scientific research for which they are issued, and

"(d) That the provisions preceding the first proviso in section 4 of the act of June 26, 1906, as amended (34 Stat. 479; 48 U. S. C., 1952 edition, 232), are hereby amended to read as follows:

"'SEC. 4. That hereafter it shall be unlawful, under the provisions of this act or other authority to fish for, take, or kill any salmon of any species or by any means, for sale or other commercial purposes, in any of the creeks, streams, or rivers of Alaska; or within 500 yards of the mouth of any such creek, stream, or river over which the United States has jurisdiction, excepting the Karluk, Yukon, Ugashik, and Kuskokwim Rivers:'."

And insert "repealed.", so as to make the bill read:

Be it enacted, etc., That in order to facilitate the conduct of fishing operations in the Territory of Alaska and to promote the conservation of fishery resources thereof, section 2 of the act approved June 6, 1924 (43 Stat. 464, 465; 48 U. S. C., 1952 edition, 225), relating to the escapement in certain instances of a portion of the salmon run in the waters of Alaska, is hereby repealed.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

QUITCLAIMING OF TITLE OF THE UNITED STATES TO THE BARCELONA LIGHTHOUSE SITE, PORTLAND, N. Y.

The bill (H. R. 1678) to provide for the quitclaiming of the title of the United States to the Barcelona Lighthouse site, Portland, N. Y., was announced as next in order.

Mr. TALMADGE. Over.

Mr. MORSE. Mr. President, will the Senator withhold his objection until I can make a statement?

Mr. TALMADGE. I gladly do so.

Mr. MORSE. Mr. President, this is an interesting bill. It almost approaches the deminimis principle. Nevertheless, I think a record ought to be made on the bill. I have an amendment to offer, or at least to have printed.

This bill would authorize the conveyance of a 0.06-acre site, known as Barcelona Lighthouse, to the Crandalls by quitclaim deed. The land has a fair market value of $600—Senate Report No. 964, page 2.

In 1828 the United States bought the site from the Holland Land Co. for $50 and established a lighthouse thereon. The lighthouse was discontinued in 1859.

Senate Report No. 964 states that the lighthouse tower and dwellings were sold in 1872 for $101 to predecessors in title to the Crandalls. Although the report does not so state, the sale presumably was made by the United States.

The Crandalls claim title to the land through conveyances and devises going back to 1859.

A complicated legal problem is presented as to whether title reverted to the Holland Land Co. when the lighthouse use of the land was discontinued in 1859, but this has been resolved by the Attorney General of the United States.

The Attorney General indicated that fee title to the property rests in the United

States and that the Crandall interest is restricted to a possible claim for breach of contract (Senate Rept. No. 964, p. 2).

The tract has been found to be in excess of the needs of the Coast Guard, but it has not been reported to GSA for disposal.

The GSA in its letter of May 23, 1957, states:

GSA is generally opposed to legislation which will preclude the maximum utilization of excess properties by executive agencies and organizations as authorized and required by section 202 (a) of the Federal Property and Administrative Service Act of 1949, as amended. However, in view of (1) the improbability of a requirement for this property, (2) the length of time the Crandalls and their predecessors have exercised ownership and dominion over the property under apparent claim of title, and (3) the length of time they have paid taxes on this property, GSA will not be opposed to the enactment of H. R. 1678 provided it is amended to require payment by the grantee of the fair market value of the land.

When the General Services Administration takes that position, I think we have a pretty clear duty, unless a good showing can be made to the contrary, to support the GSA policy. I do not believe it is fair for us to expect the GSA to lay down the rule requiring payment, no matter what the value of the land is, in other cases, and then set this bad precedent in the bill before us. Therefore, since the land is owned by the United States, the Morse formula is applicable. The fair appraised market value should be paid. It will not be much. I think it will be almost de minimis, but it will be something.

However, if the United States sold the lighthouse and dwellings in 1872 to a predecessor, there would appear to be an equity in favor of the Crandalls which would excuse payment of their value. This is particularly true in view of the fact that taxes have been paid since 1910.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. MORSE. I have drafted an amendment which carries out the recommendation of the General Services Administration. I send the amendment to the desk for action at this time.

The PRESIDING OFFICER. The amendment offered by the Senator from Oregon will be stated.

The CHIEF CLERK. On page 1, line 9, after the period, it is proposed to insert the following:

Such conveyance shall be conditional upon payment being made for such real property in amount equal to its fair market value, excluding the value of any improvements, as determined by the Administrator after appraisal.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oregon.

Mr. MORSE. Mr. President, I should like to ask the Senator from Georgia a question. Was the objection he made at my request?

Mr. TALMADGE. The objection which the calendar committee made was in the light of knowledge that the senior Senator from Oregon would object to the bill in its present form, and the objection was registered in his behalf. If the senior Senator from Oregon no longer objects, certainly the calendar committee does not.

Mr. MORSE. I appreciate very much the cooperation of the calendar committees on both sides of the aisle so far as my objections to some of these real property transfers are concerned.

Mr. JAVITS. Mr. President, reserving the right to object, naturally, I have no opportunity, under the exigencies, to find out the other side of the case; but rather than hold up the bill, which would not be in the interest of this town in New York, I shall not interpose objection. I hope the Senator from Oregon will allow me to talk with him about the bill if there is some other equity involved.

Mr. MORSE. I certainly will. All I am doing is carrying out the policy of the GSA.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. JAVITS. From the Senator's experience, is it his opinion that the amendment will be self-operating?

Mr. MORSE. Oh, yes; it will be made effective by the GSA.

The General Services Administration made the request—I think, pretty clearly—in its letter that the value of the property itself should be paid for, but not the value of the improvements, because of the equity which it was considered the Crandalls had.

Mr. JAVITS. Apparently the committee decided, however, to go along with a quitclaim-deed proposal. I am not objecting to the amendment, naturally. That is the only way to get the bill passed. If there is any other equity involved, I shall take it up with the Senator.

Mr. MORSE. This is no new experience with the Senator from Oregon. Since 1946, from time to time, committees have violated this formula, but I have been consistent in applying to it.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oregon [Mr. MORSE].

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

ATOMIC ENERGY COMMISSION APPROPRIATIONS — CONFERENCE REPORT

Mr. ANDERSON. Mr. President, a little while ago the Senate had under consideration the conference report on House bill 8996, a bill to authorize appropriations for the Atomic Energy Commission. Consideration was suspended until the return to the Senate of the Senator from Nebraska, by unanimous consent.

The PRESIDING OFFICER. In accordance with the order previously entered, the conference report will be again laid before the Senate.

The Senate resumed consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 8996) entitled "An act to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes."

Mr. CURTIS. Mr. President, will the distinguished vice chairman of the Joint Committee on Atomic Energy yield?

Mr. ANDERSON. I am happy to yield.

Mr. CURTIS. I should like to make inquiry with respect to section 111 (b) of the bill. It provides, in substance, that when the basis of a contract proposal is about to be consummated, before final action can be taken the basis of the contract must be submitted by the AEC to the Joint Committee, and then it calls for a 45-day waiting period before consummation.

I ask whether there is any provision, under certain circumstances, for a waiver of the 45-day period.

Mr. ANDERSON. Yes; I will say to the able Senator from Nebraska that there is such a provision, reading as follows:

Provided, however, that the Joint Committee after having received the basis for a proposed arrangement, or amendment thereto, may by resolution in writing waive the conditions of or all or any portion of such 45-day period.

That provision for waiver has been utilized by the Joint Committee under similar circumstances. This a new provision, but the provision for waiver is not completely new to the basic act. It has been utilized by the committee previously.

Mr. CURTIS. I may say to the distinguished vice chairman that the Consumers Public Power district is nearing the deadline with respect to consummation of a contract, and we hope that it may be consummated soon. However, the 45-day period, if there were no opportunity for waiver, might be a very material problem.

Mr. ANDERSON. I will say to the distinguished Senator from Nebraska, that, knowing every member of the Joint Committee on Atomic Energy, I think I can safely say that every one of them would be happy to help the Consumers Public Power in its negotiations. We were keenly aware of his problem, and were desirous to make sure that it could be worked out. I believe that if a request for waiver were presented—while I would not attempt to predict what individual members of the committee might do—I am sure it would be in the hands of a receptive group.

Mr. CURTIS. I appreciate that statement very much. I note that the Joint Committee on Atomic Energy has already taken considerable testimony and obtained additional information about the proposal discussed by the AEC and the Consumers of Public Power. I notice particularly the language in the report beginning at page 10.

Mr. ANDERSON. At page 34 there is language that ought to appear in the RECORD in connection with the colloquy.

It deals with the waiver of the 45-day period. The language is as follows:

It is the intention of the Joint Committee not to hinder unnecessarily progress under proposals which may be reached by the Commission as a basis for negotiation and submitted to the Joint Committee. Therefore, especially when Congress is adjourned, if the Commission certifies that a project is ready for immediate construction or other development, and requests waiver of the waiting period by the Joint Committee, the Joint Committee will proceed to consider the matter expeditiously, and grant the waiver if it seems appropriate in the opinion of the Joint Committee.

That is a promise of expeditious handling, which is as far as the Joint Committee could go, but it certainly meets the question propounded by the Senator from Nebraska, I am sure.

Mr. CURTIS. Of course the bill and the conference report carry the authorization for the full Consumers Public Power project.

Mr. ANDERSON. Yes.

Mr. CURTIS. There is no change in the contract procedure, other than what is in existing law for the projects in round one. Is that correct?

Mr. ANDERSON. That is correct with respect to round one. There is a change for projects in round two.

Mr. CURTIS. Those in round one have the same provision as are now contained in existing law.

Mr. ANDERSON. Yes.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. ANDERSON. First I should like to say that there may be some question with respect to the buying back of the plutonium. If that question should arise, I believe that the problem of funds can be handled.

I now yield to the Senator from New York.

Mr. JAVITS. There were two major policy questions decided last Friday. One related to giving the Atomic Energy Commission some money to build two plants which the Commission said it did not want; the other related to cooperatives.

I understand those questions have been settled in the conference report. Would the Senator from New Mexico be good enough to enlighten us as to the terms of the settlement, and also as to the consistency of the settlement with the policies involved when the Senate voted on these major questions?

Mr. ANDERSON. I think it would be only fair to start off by saying that if it were a matter of taking only the policy of the Senate, there would be no point in having a conference.

Mr. JAVITS. Yes.

Mr. ANDERSON. But the fact is that when one looks——

Mr. JAVITS. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order. Senators who desire to converse will retire.

Mr. ANDERSON. I should like to say that the proposal for the $40 million, which would be made available for the construction of a natural uranium gas-cooled reactor, has been altered. The original proposal, which the Joint Committee considered, contained the suggestion that a single- or dual-purpose reactor for the production of plutonium should be constructed. In the last days of the consideration by the committee, that was changed to an authorization for a study, and $3 million was made available.

When the proposal for the natural gas-cooled uranium prototype got to conference, the House had stricken the matter entirely. The Senate had included it. The compromise was that the $3 million would be made available for a design study and necessary engineering and development. The Commission is to study the natural gas-cooled uranium reactor and report back to Congress, by April 1, 1958, the details leading toward its construction.

Congress will have the option of determining whether it approves or disapproves the construction.

The other item related to the cooperatives. In that connection the change that has been made is this: The round one proposals, which involve the Consumers Public Power in Nebraska, were dropped out.

The language in the bill was modified by providing that it shall apply to arrangements sponsored under the second round of the Commission's power demonstration reactor program by cooperatives and publicly owned agencies under which the reactor is financed in major part by the Commission and is to be owned by the Federal Government. The conference committee also added three sentences at the end of section 111 (a) (1) which read as follows:

Projects covered under this subsection shall be operated under contract with the Commission for such period of time as the Commission determines to be advisable for research and development purposes but in no event to exceed 10 years.

The Senator may remember that a question arose—the Senator from Ohio [Mr. LAUSCHE] asked the question—as to how long the contracts would run. The provision as agreed to clearly states that they shall only run for such time as they may be feasible for research and development purposes, but in no event longer than 10 years. The language continued as follows:

On the expiration of such period the Commission shall offer the reactor and its appurtenances for sale to the cooperative or publicly owned agency at a price to reflect appropriate depreciation but not to include construction costs assignable to research and development. In the event the cooperative publicly owned agency elects not to purchase the reactor and its appurtenances, the Commission shall dismantle them.

Mr. JAVITS. I was one who was deeply troubled by the vote on that proposal. I am sure most of us want our country to lead in the production of power from the atom, even if it means spending a great deal of money. However, it is always difficult to force money on a commission or governmental agency when it does not want the money. When we try to force it to take the money, we are likely to get the result that we saw when Congress tried to force President Truman to accept $8 million for the Air Force. He would not be forced to take it.

I am delighted and deeply relieved that this matter has been agreed to, and I hope very much that the procedure may now go forward.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. HOLLAND. I understood the report to mean that the $40 million authorized, which was not asked for by the Atomic Energy Commission, for the gas-cooled reactor, had been taken out of the bill, and held in suspense until sometime in the future.

Mr. ANDERSON. The Senator from Florida is correct. As a matter of fact, the bill was reduced $37 million by that process, and item 14 was altered to read:

14. Project 58-e-14, natural uranium, graphite moderated, gas cooled, power reactor prototype; development, design and engineering only, $3 million. The Commission shall proceed with sufficient design work, together with appropriate engineering and development work, necessary for the Commission to begin construction as soon as practicable after authorization by the Congress, of a large-scale natural uranium power reactor prototype. The Commission shall submit to the Joint Committee on Atomic Energy a report on its design for this project, including cost estimates and schedule of construction, not later than April 1, 1958.

Mr. HOLLAND. I am very happy to hear of that development, because the so-called Florida group had been of the opinion—whether correctly or not—that there might be a conflict between this program and the program which it is endeavoring to undertake through private enterprise. I was assured the other day by my friend from New Mexico that there was no conflict, and I was completely satisfied at that time.

However, I am glad to know that now there will not be even any appearance of conflict. Am I correct in that belief, and that the Florida group will not be adversely affected?

Mr. ANDERSON. It is perfectly correct to say that the Florida group will in no way be adversely affected. Not only will it not be adversely affected, but it will probably be aided, because the Florida group will be working with a heavy water moderated natural uranium gas-cooled reactor. This provides for a graphite moderated gas-cooled reactor of the type described in the Joint Committee report. Although they are somewhat parallel ideas, they are quite separate so far as development is concerned. What is learned by the Commission in its study will be of great assistance, I am sure, to the Florida group. Vice versa, of course, what the Florida group learns will be of great benefit to the country at large. However, the Florida situation is not adversely affected. It is, I believe, aided.

Mr. HOLLAND. I am most grateful to the distinguished Senator from New Mexico and to the other conferees. The Florida group is prepared to make a real contribution in this matter.

Mr. ANDERSON. I thank the Senator. I believe I should add, that money for the Florida group is included in the other section of the authorization bill.

Mr. HOLLAND. The amount of money the Federal Government will put up is rather minor, when compared with

the amount the Florida cooperators will put up, is it not?

Mr. ANDERSON. I think it may be in the beginning, but I hope it will not be at the end, because if this is useful, the amount of research material the Government will require will cost many millions of dollars, and it will be money well spent, because there will be considerable research undertaken.

Mr. HOLLAND. The Senator from New Mexico and the Senator from Florida are entirely together in the hope that it will be helpful to the country. I am sure that, although the Florida companies are interested in serving their own interests, as they should be, they also have a great desire to be of service to the country in this matter.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. JACKSON. Is it not true that the work in connection with the natural uranium reactor and also in connection with the reactor for the production of special nuclear materials is to be more than a study? Is it not true that we have stipulated that the project is for development, design, and engineering work as a condition precedent to, and in anticipation of, actual construction?

Mr. ANDERSON. I think it is looking forward to the actual construction, but the Congress is not committed beyond the study.

Mr. JACKSON. That is true. But it is anticipated that with the $3 million we are making available for the natural uranium reactor and project 58–b–8 for the production of special nuclear materials, they will undertake the necessary technical work prior to and preliminary to the actual construction.

Mr. ANDERSON. The language is that it is for a "natural uranium, graphite moderated, gas cooled, power reactor prototype; development, design, and engineering only, $3 million. The Commission shall proceed with sufficient design work, together with appropriate engineering and development work, necessary for the Commission to begin construction as soon as practicable, after authorization by the Congress, of a large-scale natural uranium power reactor prototype. The Commission shall submit to the Joint Committee on Atomic Energy a report on its design for this project, including cost estimates and schedule of construction, not later than April 1, 1958."

Mr. JACKSON. And we anticipate the same course of action in connection with project 58–b–8, for the production of special nuclear materials, project which may be either a single purpose or dual purpose reactor.

Mr. ANDERSON. That is correct, and the language is identical.

Mr. JACKSON. And we anticipate that the Commission will proceed in good faith to carry out the mandate of the Congress in this regard.

Mr. ANDERSON. Yes; and I am sure the Commission will do so in accordance with the intent of Joint Committee's report.

Mr. JACKSON. And we also anticipate that the request for funds will come in connection with the report to the Congress, which is required to be "not later than April 1, 1958."

Mr. ANDERSON. Yes; and we clearly state that the Congress then will decide whether to proceed with it or not.

Mr. HICKENLOOPER. Mr. President, will the Senator from New Mexico yield to me?

The PRESIDING OFFICER (Mr. MONRONEY in the chair). Does the Senator from New Mexico yield to the Senator from Iowa?

Mr. ANDERSON. I yield.

Mr. HICKENLOOPER. As a member of the Joint Committee, I disagree with the statement made by the Senator from Washington, who is also a member of the Joint Committee. I do not anticipate that the Commission will necessarily request funds for the building of the full project works. The Commission will spend the money for engineering studies looking toward construction. But if the studies develop information which will for all practical purposes make the project unfeasible, I would expect no action to be taken.

So I would not anticipate this language to be a mandate to the Commission to proceed, unless the studies show the project to be feasible.

Mr. ANDERSON. Let me read the language of the conference report:

> The Commission shall submit to the Joint Committee on Atomic Energy a report on its design for this project, including cost estimates and schedule of construction, not later than April 1, 1958.

For myself, I wish to rely on that language, because I believe that covers exactly what we have in mind.

Mr. HICKENLOOPER. I wish to rely on that language, too, and on nothing else. I anticipate that they will find, or I hope that they will find, that it is worth-while to go forward with it.

Mr. JACKSON. Mr. President, will the Senator from New Mexico yield to me?

Mr. ANDERSON. I yield.

Mr. JACKSON. Obviously, no Member of this body would expect the Atomic Energy Commission to request funds for a project that is not feasible from a technical standpoint. The only point in asking these questions and in making the legislative record clear is that we expect the Commission to act with diligence and in good faith and to see to it that appropriate action is taken to carry out the stated will of the conferees, as submitted by the distinguished Senator from New Mexico.

Mr. POTTER. Mr. President, will the Senator from New Mexico yield to me?

Mr. ANDERSON. I yield.

Mr. POTTER. I should like to ask the Senator about subsection 111. I note that the conference report deletes the words "additional general." Is it the understanding of the Senator from New Mexico that the language provided in this section will be ample authorization for the Commission to grant $1,500,000 to the Power Reactor Development Corp., if it so desires?

Mr. ANDERSON. The problem has been, as the Senator from Michigan recognizes, that there is some controversy over the reactor. Throughout the discussion it was stated that the $1,500,000 would be available to be spent in the Commission laboratories for projects on a fast-breeder reactor that would be directly related to, and perhaps solely for the benefit of, the Power Reactor Development Corp. I wish to make clear that that is as far as the Committee can go. In addition, there is $40 million of other money for fast-breeder technology. But if there were particular problems relating to the project which the Power Reactor Development Corp. is planning to build, there is the $1,500,000 which is allowed for such work in the Commission laboratories, where these projects can be tested and approved.

Mr. POTTER. Is the Senator from New Mexico saying that the Commission could not grant the $1,500,000 to the Power Reactor Development Corp., for research and development on the fast-breeder reactor?

Mr. ANDERSON. The work must be done in the Commission laboratories. That is the language, and that is what would have to be done.

I only say that if they have problems which they are trying to solve, the amount granted to them is not only identical with that originally proposed, but is identical in the way it is to be handled—as was covered by the Bureau of the Budget request. It is for this fiscal year only, and therefore it can be used in case there arises a problem which the officials of the Detroit Electric and the other companies want solved. They will bring that problem to the Atomic Energy Commission, in order to have the Commission help them on their way with the fast-breeder reactor. The Atomic Energy Commission can spend $1,500,000 in its laboratories for the purpose of trying to solve these problems. I believe every member of the Committee understood what we tried to do, and I believe the Atomic Energy Commission will be able to do it without any trouble.

Mr. PASTORE. Mr. President, will the Senator from New Mexico yield to me?

Mr. ANDERSON. I yield.

Mr. PASTORE. It is a fact, is it not, that if all the research which is to be conducted in the Government laboratories is to be explicitly for the benefit of the Power Reactor Development Corporation, there will be no violation of the law. I think that straightens out the point.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

Mr. ANDERSON. Mr. President, the Senate has agreed—as has the House—to the conference report on H. R. 8996, the authorization bill for the Atomic Energy Commission. The House will start considering the appropriation bill tomorrow. If the pending bill has not reached the White House and has not been signed by the President, items in the appropriation bill will be subject to a point of order.

I therefore ask unanimous consent that H. R. 8996 may be received and signed after the adjournment of the Senate today.

The PRESIDING OFFICER. Without objection, H. R. 8996 may be received and signed by the Senate after adjournment today.

DELETION OF CERTAIN PROVISIONS RELATING TO LAND GRANTS TO THE STATES OF NEW MEXICO AND ARIZONA

The bill (H. R. 8079) to amend the act of June 20, 1910, by deleting therefrom certain provisions relating to the establishment, deposit, and investment of funds derived from land grants to the States of New Mexico and Arizona was considered, ordered to a third reading, read the third time, and passed.

CONVEYANCE OF CERTAIN LAND TO THE CAPE FLATTERY SCHOOL DISTRICT, WASHINGTON

The bill (H. R. 993) to provide for the conveyance of certain land by the United States to the Cape Flattery School District in the State of Washington was considered, ordered to a third reading, read the third time, and passed.

STATEMENT OF SENATOR MORSE ON H. R. 993

This bill would authorize an exchange of tribal trust lands for school district lands.

The United States has no real monetary interest because it holds the bare legal title in trust for the Indians.

Senate Report No. 966 indicates that neither tract has significant commercial value.

There is no objection under the Morse formula.

CLEARANCE OF TITLE TO CERTAIN INDIAN LAND

The bill (H. R. 1259) to clear the title to certain Indian land was considered, ordered to a third reading, read the third time, and passed.

PERSONAL PROPERTY LOSSES OF SIOUX INDIANS

The bill (H. R. 6521) to modify section 3 of the act of June 30, 1945 (50 Stat. 265) was considered, ordered to a third reading, read the third time, and passed.

INDUSTRIAL DEVELOPMENT NEAR INDIAN RESERVATIONS

The bill (S. 1091) to stimulate industrial development near Indian reservations was announced as next in order.

Mr. NEUBERGER. Mr. President, I understand that the House has passed a companion measure.

The PRESIDING OFFICER. The Chair so understands.

Senate bill 1091 has been reported from the Committee on Interior and Insular Affairs with an amendment. Does the Senator from Oregon know whether the House bill, as passed by the House of Representatives, contains the amendment reported by the Senate committee to the Senate bill?

Mr. NEUBERGER. That is my understanding.

The PRESIDING OFFICER. In other words, the House bill, as passed by the House, is identical with Senate bill 1091, if amended by means of the amendment which has been reported by the committee?

Mr. NEUBERGER. Substantially so.

The Presiding Officer laid before the Senate the bill (H. R. 7051) to stimulate industrial development near Indian reservations, which was read twice by its title.

The PRESIDING OFFICER. Under these circumstances, is there objection to the present consideration of the House bill?

There being no objection, the Senate proceeded to the consideration of the bill (H. R. 7051) to stimulate industrial development near Indian reservations.

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 1091 is indefinitely postponed.

Mr. NEUBERGER. Mr. President, I ask unanimous consent to have printed in the RECORD, following the passage of the bill, a brief statement explaining the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR R. NEUBERGER ON S. 1091

The purpose of S. 1091 is to authorize the Administrator of the General Services Administration, upon request of any Indian tribe, and approval of that request by the Secretary of the Interior, to transfer without cost to the tribe title to any surplus property at the McNary townsite in Oregon or the Pickstown site in South Dakota.

The Secretary of the Interior may approve a request for surplus property only if the Indian tribe is organized under State or Federal law for the purpose of holding title to the property, and if the tribe has executed a contract with an industrial enterprise which provides for employment of reasonable numbers of Indians. Title to the property will remain in the Indians, but the industrial enterprise must maintain the property and pay all taxes and utility charges. At the end of the contract period, the industry will have an option to purchase the property at its appraised value.

Several industries in the State of Oregon have expressed an interest in utilizing some of the surplus buildings at the McNary site. By making this property available, we will be affording a stimulus to industry in Oregon to utilize the property, and at the same time, provide job opportunities for Indians in that vicinity. This proposal is in keeping with the Federal policy of providing employment for Indians in an effort to improve their economic status. It also should prove a stimulus to general business conditions in Umatilla County.

AMENDMENT OF THE MISSING PERSONS ACT, AS AMENDED

Mr. MANSFIELD. Mr. President, I note on the calendar, Calendar No. 997, House bill 5807, to amend further and make permanent the Missing Persons Act, as amended. That measure has not been called by the clerk. Am I to understand that that is because the bill was passed on yesterday?

The PRESIDING OFFICER. That is correct; the bill was passed on yesterday. A mistake was made in the printing of the calendar.

Mr. MANSFIELD. Yes, Mr. President; I knew that the bill was passed on yesterday.

BILLS PASSED OVER

The bill (S. 324) to provide for the appointment of an additional district judge for the southern district of Florida was announced as next in order.

Mr. PURTELL. Mr. President, I ask that the bills on the calendar beginning with Calendar No. 998, the bill just called, and ending with Calendar No. 1004, inclusive, go over, by request.

The PRESIDING OFFICER. Objection being heard, the bills will be passed over.

The bills passed over are as follows:

S. 324, to provide for the appointment of an additional district judge for the southern district of Florida;

S. 472, to provide for the appointment of two additional district judges for the district of Connecticut;

S. 1060, to provide for the appointment of a district judge for the district of Colorado;

S. 2714, to provide for the appointment of a district judge for the district of Nevada;

S. 2747, to provide for the appointment of two additional district judges for the eastern district of Pennsylvania;

S. 2773, to provide for the appointment of a district judge for the eastern and western districts of South Carolina; and

S. 2799, to provide for a temporary circuit judgeship for the 8th circuit, and for the appointment of a district judge for the northern and southern districts of Iowa.

TRAINING OF UNITS OF THE RESERVE COMPONENTS OF THE ARMED FORCES

The Senate proceeded to consider the bill (H. R. 7697) to provide additional facilities necessary for the administration and training of units of the Reserve components of the Armed Forces of the United States which had been reported from the Committee on Armed Services with an amendment on page 1, line 8, after the word "of", to strike out "1955" and insert "1950".

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

INCREASE IN AUTHORIZATION FOR FISHERIES LOAN FUND

The Senate proceeded to consider the bill (S. 2720) to amend the Fish and Wildlife Act of 1956 in order to increase the authorization for the fisheries loan fund established under such act, which had been reported from the Committee on Interstate and Foreign Commerce with an amendment in line 5, after the word "thereof", to strike out "$20,000,000" and insert "$13,000,000"; so as to make the bill read:

Be it enacted, etc., That subsection (c) of section 4 of the Fish and Wildlife Act of 1956 (70 Stat. 1121) is amended by striking

out "$10,000,000" and inserting in lieu thereof "$13,000,000."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EXEMPTION FROM TAXATION OF PROPERTY OF B'NAI B'RITH HENRY MONSKY FOUNDATION IN THE DISTRICT OF COLUMBIA

The bill (H. R. 7825) to exempt from taxation certain property of the B'nai B'rith Henry Monsky Foundation in the District of Columbia was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 8256) to amend the District of Columbia Income and Franchise Tax Act of 1947, as amended, to exclude social-security benefits and to provide addition exemptions for age and blindness, and to exempt from personal-property taxation in the District of Columbia boats used solely for pleasure purposes, and for other purposes, was announced as next in order.

Mr. WILEY. Mr. President, I have talked with the Senator from Nevada [Mr. BIBLE], a member of the Committee on the District of Columbia, about this matter. He has agreed that the bill should go over.

Therefore, I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. WILEY. Mr. President, I ask unanimous consent that a statement on the bill be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

This statement is addressed to the licensing provisions of section 7 (b) of H. R. 8256, by Mr. SMITH of Virginia. This section, if constitutional, would require Christian science practitioners to file with the Assessor of the District of Columbia application for a professional license, accompanied by a license fee of $25, which license, upon issuance, shall entitle such person to engage in a * * * profession in the District of Columbia during the next ensuing year.

Christian science healing as it is carried on by Christian science practitioners is not a commercial professional occupation, but is an indispensable part of the religious practice of the church, and is practiced only within the religious doctrine and teachings of the church. The distinction between such practice of this religion and a usual commercial profession is recognized under title 2, section 134, of the District Code, the Healing Arts Practice Act, which reads:

"The provisions of this chapter shall not be construed to apply to * * * (d) to persons treating human ailments by prayer or spiritual means, as an exercise or enjoyment of religious freedom."

Inasmuch as H. R. 8256 is a licensing and not a revenue bill, we submit that it would violate the constitutional guaranty of free exercise of religion unless it is amended so that it will not attempt to license religious practice. The church manual of the Christian Science Church requires all members of that church to strive to demonstrate by their individual practice of Christian science that this religion heals the sick. The proposed bill would attempt to make it necessary for them to get a license from the State before they could continue to carry out this injunction and practice their religion by healing the sick whenever those who are healed pay them a total of more than $5,000 in any one year.

In the case of *Murdock* v. *Pennsylvania* ((1943) 319 U. S. 105), in which the Supreme Court held unconstitutional an ordinance requiring the payment of a licensing tax as a prerequisite to a minister engaging in religious functions, the United States Supreme Court said:

"The 1st amendment, which the 14th makes applicable to the States, declares that 'Congress shall make no law respecting an establishment of religion or prohibiting the free exercise thereof, or abridging the freedom of speech, or of the press * * *.' It could hardly be denied that a tax laid specifically on the exercise of those freedoms would be unconstitutional. Yet the license tax imposed by this ordinance is in substance just that."

This decision is still the law on this point. No State in the United States nor any country in the world requires Christian science practitioners to be licensed by law before they can carry on their healing work.

We therefore respectfully request adoption of the following amendment:

"Page 8, line 15, after period add the following new sentence:

" 'No license shall be required of any person engaged in the ministry of healing by prayer or spiritual means alone who is a member of a church or denomination whose tenets and teachings include the practice of such healing.' "

AMENDMENT OF DISTRICT OF COLUMBIA BUSINESS CORPORATION ACT

The Senate proceeded to consider the bill (S. 2438) to amend the District of Columbia Business Corporation Act, which had been reported from the Committee on the District of Columbia, with amendments on page 3, line 19, after the word "of", to strike out "the act" and insert "said act"; in line 23, after the word "incorporation", to insert "and strike "by the Commissioners" and insert in lieu thereof "with the Commissioners"."; on page 9, after line 17, to strike out:

SEC. 30. Section 121 (c) (2) of said act is amended by striking "(b)" and inserting in lieu thereof "(c)". Section 121 (c) (3) of said act is amended by striking "agreement" wherever it appears and inserting in lieu thereof "articles", and is further amended by striking "b", by striking "section" and inserting in lieu thereof "subsection," by inserting "of" between the words "shares such" and by changing the word "corporation" to "corporations" preceding the proviso in said section.

And insert:

SEC. 30. Section 121 (c) (2) of said act is amended by striking "(b)" and inserting in lieu thereof "(c)." Section 121 (c) (3) of said act is amended by striking "an agreement" wherever it appears and inserting in lieu thereof "articles"; by striking "(b)" and inserting in lieu thereof "(c)"; by striking "shares such", and inserting in lieu thereof "shares of such"; and by striking "constituent corporations."

And, on page 19, after line 19, to insert:

SEC. 36. This act shall take effect on the 30th day after its approval.

So as to make the bill read:

Be it enacted, etc., That section 7 (a) of the District of Columbia Business Corporation Act, as amended, is amended by striking the word "authorized" in the second sentence.

SEC. 2. Section 9 of said act is amended as follows: In subsection (a) (3) after the words "proposing to reincorporate," insert the words "or incorporate."

SEC. 3. Section 11 (b) of said act is amended as follows:

(1) Insert "in duplicate" after "executed."

(2) At the end of subsection (b), strike "file such statement.", insert in lieu thereof a colon, and add—

"(1) endorse on each of such duplicate originals the word 'Filed', and the month, day, and year of the filing thereof;

"(2) file one of such duplicate originals in their office;

"(3) return the other duplicate original to the corporation or its representative."

SEC. 4. Section 14 of said act is amended as follows:

(1) At the end of subsection (e) (2), strike the period, insert in lieu thereof a semicolon, and add: "(3) return the other duplicate original to the corporation or its representative."

(2) Strike subsection (f).

(3) Reletter subsection (g) as subsection (f).

SEC. 5. Section 20 of said act is amended as follows: Add a new subsection numbered "(f)" to read as follows:

"(f) As to corporations availing themselves of the provisions of section 141 of this act, the provisions of this section 20 shall be applicable only to the shares of such corporations issued subsequent to such reincorporation or incorporation."

SEC. 6. The first sentence of section 26 of said act is amended to read as follows: "Except as provided in section 134 hereof, written or printed notice stating the place, day, and hour of the meeting, and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than 10 or more than 50 days before the date of the meeting, either personally or by mail, by or at the direction of the president, the secretary, or the officer or person calling the meeting, to each shareholder of record entitled to vote at such meeting."

SEC. 7. The first sentence of section 39 of said act is amended to read as follows: "Except as provided in section 134 hereof, meetings of the board of directors shall be held upon such notice as is prescribed in the bylaws."

SEC. 8. Section 48 (b) of said act is amended by striking "recorded by the Commissioners in the office of the Recorder of Deeds" and inserting in lieu thereof "delivered to the incorporators or their representative."

SEC. 9. Section 52 (m) of said act is amended by striking "share" and inserting in lieu thereof "shares."

SEC. 10. Section 53 of the act is amended as follows:

In subsection (a), strike "Amendments to the articles of incorporation" and insert in lieu thereof "Amended articles of incorporation" and strike "by the Commissioners" and insert in lieu thereof "with the Commissioners."

Subsection (b) (3) is amended by striking "the other duplicate original shall be recorded in the office of the Recorder of Deeds" and inserting in lieu thereof "issue an amended certificate of incorporation, to which they shall affix the other duplicate original."

Strike subsection (c) and in lieu thereof insert a new subsection (c) as follows:

"(c) The amended certificate of incorporation with the duplicate original of the amended articles of incorporation affixed

thereto shall be delivered to the corporation or its representative."

Add a new subsection (d) as follows:

"(d) Upon the issuance of the amended certificate of incorporation, the amended articles of incorporation shall become effective and shall take the place of the original articles of incorporation."

SEC. 11. Section 57 (b) of said act is amended by striking "recorded in the office of the Recorder of Deeds" and inserting in lieu thereof "delivered to the corporation or its representative."

SEC. 12. Section 59 of said act is amended as follows:

(1) At the end of subsection (d) strike the period, insert in lieu thereof a semicolon, and add the following: "(3) return the other duplicate original to the corporation or its representative."

(2) Strike subsection (e).

(3) Reletter subsections (f) and (g) as subsections (e) and (f) respectively.

SEC. 13. Section 60 (b) (3) of said act is amended by striking "the other duplicate original shall be recorded in the office of the Recorder of Deeds" and inserting in lieu thereof "return the other duplicate original to the corporation or its representative".

SEC. 14. Section 61 (c) (3) of said act is amended by striking "the other duplicate original shall be recorded in the office of the Recorder of Deeds" and inserting in lieu thereof "return the other duplicate original to the corporation or its representative".

SEC. 15. Section 68 (c) of said act is amended by striking "recorded in the office of the Recorder of Deeds" and inserting in lieu thereof "delivered to the surviving or new corporation, as the case may be, or its representative".

SEC. 16. Section 72 of said act is amended as follows:

(1) In subsection (a) (3) strike "ownership" and insert in lieu thereof "merger".

(2) In subsection (b) strike "The certificate of merger or certificate of consolidation, together with the duplicate original affixed thereto, shall be recorded in the office of the Recorder of Deeds" and insert in lieu thereof "The certificate of merger together with the duplicate original affixed thereto, shall be delivered to the surviving corporation or its representative".

(3) In subsection (c) strike "ownership" where it first appears and insert in lieu thereof "merger".

SEC. 17. Section 74 of said act is amended by striking "less than" in both instances where those words appear.

SEC. 18. Section 75 of said act is amended by inserting after the comma following "corporation" where it first appears "if not made in the usual and regular course of its business,".

SEC. 19. Section 76 (c) of said act is amended by striking "recorded in the office of the Recorder of Deeds" and inserting in lieu thereof "delivered to the incorporators or their representatives".

SEC. 20. Section 79 (c) of said act is amended by striking "The other duplicate original shall be recorded in the office of the Recorder of Deeds" and inserting in lieu thereof "Return the other duplicate original to the corporation or its representative".

SEC. 21. Section 84 (c) of said act is amended by striking "The other duplicate original shall be recorded in the office of the Recorder of Deeds" and inserting in lieu thereof "Return the other duplicate original to the corporation or its representative".

SEC. 22. Section 87 (b) of said act is amended by striking "recorded in the office of the Recorder of Deeds" and inserting in lieu thereof "returned to the representative of the dissolved corporation."

SEC. 23. Section 104 (c) of said act is amended by striking "recorded in the office of the Recorder of Deeds" and inserting in lieu thereof "delivered to the corporation or its representative."

SEC. 24. Section 107 (c) (3) of said act is amended by striking "the other duplicate original shall be recorded in the office of the Recorder of Deeds" and inserting in lieu thereof "return the other duplicate original to the corporation or its representative."

SEC. 25. Section 108 (a) of said act is amended by striking "services" in the sixth sentence and inserting in lieu thereof "service."

SEC. 26. Section 113 (b) (5) of said act is amended by striking "him" and inserting in lieu thereof "them."

SEC. 27. Section 114 (b) of said act is amended by striking "recorded in the office of the Recorder of Deeds" and inserting in lieu thereof "delivered to the corporation or its representative."

SEC. 28. Section 115 of said act is amended as follows:

(1) Insert "(a)" after "SEC. 115." and before "The."

(2) Change "(a)", "(b)", "(c)", "(d)", "(e)", "(f)", "(g)", "(h)", and "(i)" as they now appear to "(1)", "(2)", "(3)", "(4)", "(5)", "(6)", "(7)", "(8)", and "(9)", respectively.

(3) In subsection (i) (redesignated "(9)") strike the comma after "act", insert in lieu thereof a period, and strike "in which event the Commissioners shall give not less than 30 days' notice forwarded by registered mail, addressed to such corporation at its principal office as the same appears in the records of the Commissioners or at its registered office in the District, of their intent to revoke the certificate of authority."

(4) Add a new subsection (b) as follows:

"(b) No certificate of authority of a foreign corporation shall be revoked by the Commissioners unless (1) they shall have given the corporation not less than 30 days' notice by mail, addressed to such corporation at its principal office as the same appears in the records of the Commissioners or at its registered office in the District, of their intent to revoke the certificate of authority, and (2) the corporation, prior to such revocation and as the case may be, shall fail to submit satisfactory evidence that said certificate was not procured by such fraud, or that the corporation has not exceeded or abused such authority, or shall fail to pay such fees, charges, or penalties, or to appoint a registered agent in the District, or to file the required statement of change of registered office or registered agent, or to file such annual report, or to file a statement showing that it has transacted business in the District within a period of 2 years, or to file a copy of any such amendment to its articles of incorporation, or shall fail to submit satisfactory evidence that a misrepresentation of a material matter was not made in any such application, report, affidavit, or other document."

SEC. 29. Section 116 (a) of said act is amended as follows:

(1) In subparagraph (2) strike "his" and insert in lieu thereof "their."

(2) In subparagraph (3) insert before the first period "together with the other such certificate" and strike "The certificate of revocation, together with the duplicate original affixed hereto, shall be recorded in the office of the Recorder of Deeds."

SEC. 30. Section 121 (c) (2) of said act is amended by striking "(b)" and inserting in lieu thereof "(c)." Section 121 (c) (3) of said act is amended by striking "an agreement" wherever it appears and inserting in lieu thereof "articles"; by striking "(b)" and inserting in lieu thereof "(c)"; by striking "shares such" and inserting in lieu thereof "shares of such"; and by striking "constituent corporation" and inserting in lieu thereof "constituent corporations."

SEC. 31. Section 123 (b) of said act is amended by striking: "A certified copy of the proclamation shall be transmitted to the Recorder of Deeds and he shall cause notation of the fact of revocation to be made upon the articles of incorporation of each domestic corporation listed in said proclamation."

SEC. 32. Section 130 (a) of said act is amended by striking "him" and inserting in lieu thereof "them."

SEC. 33. Section 141 of said act is amended by striking all after "SEC. 141." and inserting in lieu thereof the following:

"I. REINCORPORATION

"(a) Any corporation which is organized and existing under the laws of the District of Columbia on December 5, 1954, and which is organized for profit and for a purpose or purposes authorized by this act may avail itself of the provisions of this act and may become reincorporated hereunder in the following manner:

"(1) The board of directors shall adopt a resolution declaring it advisable in the judgment of the board that the corporation should be reincorporated under the provisions of this act, setting forth the proposed articles of reincorporation, and directing that such proposed reincorporation be submitted to a vote at a meeting of shareholders, which may be either an annual or a special meeting.

"(2) Written or printed notice setting forth the proposed articles of reincorporation or a summary thereof shall be given to each shareholder of record within the time and in the manner provided in this act for the giving of notice of meetings of shareholders.

"(3) At such meeting a vote of the shareholders shall be taken on the proposed reincorporation; and it shall be adopted upon receiving the affirmative vote of the holders of two-thirds of the outstanding shares unless two or more classes of shares are issued, in which event it shall be adopted upon receiving the affirmative vote of two-thirds of the outstanding shares of each class issued.

"(b) Upon receiving such approval, the articles of reincorporation shall be executed in duplicate by the corporation by its president or a vice president, and verified by him, and the corporate seal shall be thereto affixed, attested by its secretary or an assistant secretary, and shall set forth—

"(1) the name (which may be different from its existing name) under which the corporation elects to be reincorporated and which shall be subject to the other provisions of this act;

"(2) the address, including street and number if any, of its registered agent in the District of Columbia, and the name of its registered office at such address;

"(3) the period of duration, which may be perpetual and which may be different from its existing period of duration;

"(4) the purpose or purposes (which may be different from its existing purposes) which it will hereafter carry on, and which shall not include any purpose prohibited to a corporation organized under this act;

"(5) the aggregate number of shares which the corporation was authorized to issue and, if said shares were of one class only, the par value of each of such shares, or a statement that all were without par value, as the case may be; or if said shares were divided into classes, the number of shares of each class and a statement of the par value of each share of each such class or that such shares were without par value;

"(6) if the shares were divided into classes, the designation of each class and a statement of the preferences, qualifications, limitations, restrictions, and the special or relative rights in respect of the shares of each class and whether the shares of any class have full, limited, or no voting power;

"(7) any other provision, not inconsistent with law or this act (whether or not included in its existing certificate of incorporation), for the regulation of the internal affairs of the corporation, including any provision which under this act is required or permitted to be set forth in the bylaws;

"(8) the number of directors of the corporation, and a statement that the board of directors adopted a resolution declaring it advisable in the judgment of the board that the corporation should be reincorporated under the provisions of this act in the manner set forth in the articles of reincorporation;

"(9) a statement that the corporation elects to surrender its existing charter and to be reincorporated under and subject to the provisions of this act;

"(10) the aggregate number of shares outstanding of each class; and

"(11) the number of shares of each class voted for and against such reincorporation.

"(c) It shall not be necessary to set forth in the articles of reincorporation any of the corporate powers enumerated in this act. Whenever a provision of the articles of reincorporation is inconsistent with a bylaw, the provision of the articles of reincorporation shall be controlling.

"(d) Duplicate originals of the articles of reincorporation shall be delivered to the Commissioners. If the Commissioners find that the articles of reincorporation conform to law, they shall, when all fees and charges have been paid as in this act prescribed—

"(1) endorse on each of such duplicate originals the word 'Filed' and the month, day, and year of the filing thereof;

"(2) file one of such dupicate originals in their office;

"(3) issue a certificate of reincorporation to which they shall affix the other duplicate original;

"(4) deliver such certificate of reincorporation and other duplicate original to the corporation or its representative.

"II. INCORPORATION

"(a) Any corporation which is created under the provisions of a special act of Congress to transact business in the District of Columbia for profit and for purposes authorized by this act may avail itself of the provisions of this act and may become incorporated hereunder in the following manner:

"(1) The board of directors shall adopt a resolution declaring it advisable in the judgment of the board that the corporation should elect to avail itself of the provisions of this act and become incorporated hereunder, and directing that such proposed incorporation be submitted to a vote at a meeting of shareholders, which may be either an annual or a special meeting.

"(2) Written or printed notice of such proposed incorporation shall be given to each shareholder of record within the time and in the manner provided in this act for the giving of notice of meetings of shareholders.

"(3) At such meeting a vote of the shareholders shall be taken on the proposed incorporation; and it shall be adopted upon receiving the affirmative vote of the holders of a majority of the outstanding shares, unless two or more classes of shares are issued in which event it shall be adopted upon receiving the affirmative vote of a majority of the outstanding shares of each class issued.

"(b) Upon such approval being given by the shareholders, a statement of incorporation shall be executed in duplicate by the corporation by its president or a vice president, and verified by him, and the corporate seal shall be thereto affixed, attested by its secretary or an assistant secretary, and shall set forth—

"(1) the name of the corporation, which shall contain the word 'corporation', 'company', 'incorporated', or 'limited', or shall end with an abbreviation of one of said words;

"(2) the address, including street and number, if any, of its registered office in the District of Columbia, and the name of its registered agent at such address;

"(3) the purpose or purposes for which the corporation was organized and which it will hereafter carry on;

"(4) the aggregate number of shares which the corporation was authorized to issue and, if said shares were of one class only, the par value of each of such shares, or a statement that all were without par value, as the case may be; or if said shares were divided into classes, the number of shares of each class and a statement of the par value of each share of each such class or that such shares were without par value;

"(5) if the shares were divided into classes, the designation of each class and a statement of the preferences, qualifications, limitations, restrictions, and the special or relative rights in respect of the shares of each class and whether the shares of any class have full, limited, or no voting power;

"(6) a statement that the corporation elects to avail itself of the provisions of this act and become incorporated thereunder;

"(7) the number of directors of the corporation, and a statement that the board of directors adopted a resolution declaring it advisable in the judgment of the board that the corporation should elect to avail itself of the provisions of this act and become incorporated hereunder;

"(8) the aggregate number of shares outstanding of each class; and

"(9) the number of shares of each class voted for and against such incorporation.

"(c) It shall not be necessary to set forth in the statement of incorporation any of the corporate powers enumerated in this act.

"(d) Duplicate originals of the statement of incorporation shall be delivered to the Commissioners, together with a copy of the corporation's charter or articles or certificate of incorporation then in effect, certified by the secretary of the corporation. If the Commissioners find that the statement of incorporation conforms to law, they shall, when all fees and charges have been paid as in this act prescribed—

"(1) endorse on each of such duplicate originals the word 'Filed' and the month, day, and year of the filing thereof;

"(2) file one of such duplicate originals in their office, together with said copy of the corporation's charter or articles or certificate of incorporation as then in effect;

"(3) issue a certificate of incorporation to which they shall affix the other duplicate originals; and

"(4) deliver such certificate of incorporation and other duplicate original to the corporation or its representative."

SEC. 34. Section 142 of said act is amended by striking the title and inserting in lieu thereof the following title: "Effect of Issuance of Certificate of Reincorporation or Incorporation." Said section is further amended by striking: "Upon the issuance of articles of reincorporation or the certificate of incorporation by the Commissioners the existence of the corporation shall be continued under this act" and inserting in lieu thereof "Upon the issuance under section 141 of this act of a certificate of reincorporation or of incorporation, as the case may be, by the Commissioners the existence of the corporation shall be continued under this act, and such certificate shall be conclusive evidence that all conditions precedent required to be performed under section 141 of this act have been complied with and that the corporation has been reincorporated or incorporated under this act, as the case may be, except as against the District of Columbia in a proceeding to cancel or revoke the certificate of reincorporation or of incorporation;".

SEC. 35. Section 143 of said act is amended as follows:

(1) In subsection (a) (3) strike "the other duplicate original shall be recorded in the office of the Recorder of Deeds" and insert in lieu thereof "return the other duplicate original to the corporation or its representatives."

(6) In subsection (b) strike "of" after "recordation" and insert in lieu thereof "or."

SEC. 36. This act shall take effect on the 30th day after its approval.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RESTRICTION OF FAIR LABOR STANDARDS ACT OF 1938 IN CERTAIN OVERSEAS AREAS

The Senate proceeded to consider the bill (H. R. 7458) to amend the Fair Labor Standards Act of 1938, as amended, to restrict its application in certain overseas areas, and for other purposes which had been reported from the Committee on Labor and Public Welfare with amendments on page 1, after line 4, to strike out:

(1) Section 6 of such act is amended by striking out the period at the end of paragraph (3) in subsection (a), and inserting in lieu thereof a semicolon and the following new paragraph:

"(4) if such employee is employed in the Canal Zone, not less than the applicable rate established by the Secretary of Labor as herein provided. The provisions of paragraph (1) of this subsection shall not apply to any such employee but the Secretary of Labor shall from time to time determine and promulgate, following a public hearing on the matter, the minimum wage rates which he shall find appropriate for such geographical area or particular work therein in conformity with the policy of this act as expressed in subsections (a) and (b) of section 2. In making such a determination, the Secretary shall take into account the level of the economy of the area and its capacity to sustain the rate without causing substantial curtailment of employment, substantial hardship to business enterprise, substantial detriment to the public interest of the United States, or other disruptive effects; he shall also take into account the reasonable relationship of such rate to wage rates paid in neighboring economies on which such area draws substantially for its labor supply; and he shall also take into account the wages paid to civil service employees performing similar work. The minimum wage rate thus established by the Secretary shall not exceed the rate prescribed in paragraph (1) of this subsection."

(2) Section 13 of such act is amended by adding at the end thereof the following new subsections (f) and (g):

"(f) With respect to employees for whom the Secretary of Labor is authorized to establish minimum wage rates as provided in section 6 (a) (4), the Secretary may make rules and regulations providing reasonable limitations and allowing reasonable variations, tolerances, and exemptions to and from any or all of the provisions of section 7 if he shall find, after a public hearing on the matter, and taking into account the factors set forth in section 6 (a) (4), that economic conditions warrant such action.

And insert:

(1) Section 13 of such act is amended by adding at the end thereof the following new subsection (f):

On page 3, at the beginning of line 12, to strike out "(g)" and insert "(f)"; at the beginning of line 22, to strike out "(3)" and insert "(2)"; on page 4, line 6, after the numerals "13," to strike out "(g)" and insert "(f)"; in line 7, after the word "Guam," to insert "the Canal Zone"; in line 9, after the word "possession," to strike out "or Territory under United States jurisdiction named in sec-

tions 6 (a) (3) and 6 (a) (4)" and insert "named in section 6 (a) (3)," and, at the beginning of line 15, to strike out "(4)" and insert "(3)."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

CITIZENSHIP AND RESIDENCE QUALIFICATIONS OF DIRECTORS OR TRUSTEES OF CERTAIN COMPANIES IN DISTRICT OF COLUMBIA

The bill (H. R. 7467) to amend the act of March 3, 1901, with respect to the citizenship and residence qualifications of the directors or trustees of certain companies in the District of Columbia was considered, ordered to a third reading, read the third time, and passed.

EXTENSION OF PERIOD IN WHICH MINISTERS MAY ELECT SOCIAL-SECURITY COVERAGE AS SELF-EMPLOYED INDIVIDUALS

The Senate proceeded to consider the bill (H. R. 8892) to amend the Internal Revenue Code of 1954 to extend the time within which a minister may elect coverage as a self-employed individual for social-security purposes, and for other purposes, which had been reported from the Committee on Finance with an amendment, on page 7, after line 8, to insert:

SEC. 5. (a) Paragraph (7) of section 211 (a) of the Social Security Act is amended to read as follows:

"(7) An individual who is a duly ordained, commissioned, or licensed minister of a church or a member of a religious order shall compute his net earnings from self-employment derived from the performance of service described in subsection (c) (4) without regard to section 107 (relating to rental value of parsonages) and section 119 (relating to meals and lodging furnished for the convenience of the employer) of the Internal Revenue Code of 1954 and, in addition, if he is a citizen of the United States performing such service as an employee of an American employer (as defined in sec. 210 (e)) or as a minister in a foreign country who has a congregation which is composed predominantly of citizens of the United States, without regard to section 911 (relating to earned income from sources without the United States) and section 931 (relating to income from sources within possessions of the United States) of such code."

(b) Paragraph (8) of section 1402 (a) of the Internal Revenue Code of 1954 is amended to read as follows:

"(8) an individual who is a duly ordained, commissioned, or licensed minister of a church or a member of a religious order shall compute his net earnings from self-employment derived from the performance of service described in subsection (c) (4) without regard to section 107 (relating to rental value of parsonages) and section 119 (relating to meals and lodging furnished for the convenience of the employer) and, in addition, if he is a citizen of the United States performing such service as an employee of an American employer (as defined in section 3121 (h)) or as a minister in a foreign country who has a congregation which is composed predominantly of citizens of the United States, without regard to section 911 (relating to earned income from sources without the United States) and section 931 (relating to income from sources within possessions of the United States)."

(c) The amendments made by this section shall, except for purposes of section 203 of the Social Security Act, apply only with respect to taxable years ending on or after December 31, 1957. For purposes of section 203 of the Social Security Act (other than subsec. (a)), such amendments shall apply only with respect to taxable years beginning after the month in which this act is enacted. For purposes of subsection (a) of such section 203, such amendments shall apply only with respect to taxable years of the insured individual ending on or after December 31, 1957.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An Act to amend the Internal Revenue Code of 1954 to extend the time within which a minister may elect coverage as a self-employed individual for social security purposes and to permit such a minister to include, for social security purposes, the value of meals and lodging furnished him for the convenience of his employer and the rental value of the parsonage furnished to him, and for other purposes."

Mr. BYRD. Mr. President, I ask unanimous consent that an explanation of the bill which has just been passed be printed in the RECORD.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

H. R. 8892 would amend the Internal Revenue Code of 1954 to extend for 2 years (in general, through April 15, 1959) the time within which ministers (including certain members of religious orders and Christian Science practitioners) may file waiver certificates to elect coverage under the old-age, survivors, and disability insurance program as self-employed persons. Each minister who files a waiver certificate during the extended period would be covered under old-age, survivors, and disability insurance for each year, beginning with his first taxable year ending after 1955, in which he had net earnings from self-employment of $400 or more (some part of which is from the exercise of his ministry—for old-age, survivors, and disability insurance purposes these are all treated as earnings from self-employment).

The bill would not change the deadline presently prescribed for the filing of waiver certificates when that deadline is later than the one provided in the bill, as in the case of a person who becomes a minister in the future or a minister who did not have (and will not have) net earnings from self-employment of $400 or more, some portion of which was from the exercise of the ministry, in two or more of the taxable years 1955, 1956, 1957, and 1958. However, it would amend the existing provisions to make a waiver certificate filed after the extended period provided in the bill effective with the taxable year preceding the one for which it was filed (assuming this preceding year meets the $400 earnings requirement).

In addition the bill would provide, both for tax purposes under the Internal Revenue Code and benefit purposes under title II of the Social Security Act, for treatment as remuneration for employment, instead of as net earnings from self-employment, of remuneration paid in 1955 and 1956 to ministers and erroneously reported as wages, in good faith, by certain nonprofit organizations (to the extent of the unrefunded social security taxes paid).

Your committee has added an amendment to the bill as passed by the House, which would provide that a minister, in computing his earnings from his ministry for social security purposes (but not for income tax purposes), shall include the value of the meals and lodging furnished to him for the convenience of his employer, and the rental value of the parsonage furnished to him.

ENDORSEMENT OF MASTERS OR VESSEL DOCUMENTS

The bill (S. 2722) to amend the laws relating to the endorsement of masters or vessels documents and to provide certain additional penalties for failure to exhibit vessel documents or other papers when required by enforcement officers was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. MAGNUSON. Mr. President, yesterday the House passed H. R. 5894, which is identical with Calendar 1014, Senate bill 2722.

I ask unanimous consent that the Senate proceed to the consideration of the House bill, and that the Senate bill be indefinitely postponed.

The PRESIDING OFFICER laid before the Senate the bill (H. R. 5894) to amend the laws relating to the endorsement of masters or vessel documents and to provide certain additional penalties for failure to exhibit vessel documents or other papers when required by enforcement officers, which was read twice by its title.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request to consider the House bill?

There being no objection, the bill (H. R. 5894) was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 2722 is indefinitely postponed.

JOINT RESOLUTION PASSED TO FOOT OF CALENDAR

The joint resolution (H. J. Res. 370) to extend the time limit for the Secretary of Commerce to sell certain war-built vessels for utilization on essential trade routes 3 and 4 was announced as next in order.

Mr. WILLIAMS. Mr. President, I ask that the joint resolution go to the foot of the calendar.

The PRESIDING OFFICER. The joint resolution will go to the foot of the calendar.

INDIAN HOSPITALIZATION PAYMENTS TO BERNALILLO COUNTY, N. MEX.

The Senate proceeded to consider the bill (H. R. 9023) to amend the act of October 31, 1949, to extend until June 30, 1960, the authority of the Surgeon General to make certain payments to Bernalillo County, N. Mex., for furnishing hospital care to certain Indians.

Mr. WILLIAMS. Mr. President, I send to the desk an amendment to the bill on behalf of Senator FREAR, the Senator from Maryland [Mr. BUTLER], and myself, and ask to have it stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. It is proposed, on page 3, after line 4, to add the following new section:

SEC. 3. Section 13 (d) of the Fair Labor Standards Act of 1938, as amended, is amended by inserting before the period at the end thereof the following: "or to any homeworker engaged in the making of wreaths composed principally of natural holly, pine, cedar, or other evergreens (including the harvesting of the evergreens or other forest products used in making such wreaths)."

Mr. ANDERSON. Mr. President, I do not believe the amendment has any connection with the bill, has it?

The PRESIDING OFFICER. Does the Senator from Delaware refer to Calendar No. 1016, H. R. 9023?

Mr. WILLIAMS. Yes.

Mr. President, I ask unanimous consent that a letter written by the chairman of the House Education and Labor Committee, Representative GRAHAM A. BARDEN, addressed to Mr. Newell Brown, be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SEPTEMBER 28, 1956.

Mr. NEWELL BROWN,
Administrator, Wage and Hour Division, Department of Labor, Washington, D. C.

DEAR MR. BROWN: Congressman MCDOWELL, of Delaware, a member of this committee, has asked me to call to your personal attention a regrettable situation involving several dealers in Christmas wreaths made of wild holly in his State and in the adjoining State of Maryland.

I have had the matter investigated by my staff. Here are the results:

Some 4 or 5 small business enterprises are involved. They purchase holly wreaths each year from farmers in the area at a fixed price, package them and ship them to market. The wreaths are made by the farmer and members of his family from holly cut from trees which grow wild on his own lands. The entire operation is seasonal in character; purchases of wreaths begin around Thanksgiving and are over in less than a month around the middle of December.

The Wage and Hour Division has ruled that this is manufacturing, that the farmers are employees of the dealers and, therefore, must be paid a $1 minimum wage. The authority for this ruling, according to officials in your department, is the case of *Durkin* v. *Wagner Co.* (11 WH 601) decided in 1953.

I wish you would look over this case yourself and see if you don't agree with me that there are many differences between the Wagner case cited as precedent and this situation.

For one, the Wagner case involved whether or not an official regulation issued by the Administrator governing homework in the knitted outerwear industry had been properly promulgated as well as whether or not individual knitters were employees of the companies within the meaning of the Fair Labor Standards Act. Without going into the merits of the decision itself, except to note in passing that our courts are not necessarily infallible, there is no official regulation at all in existence applicable to holly wreath dealers.

Second, the people involved in the Wagner case were not farmers, nor was the material going into the product used as harvested in its natural state. To rule that holly is not an agricultural commodity because it grows wild and is not cultivated, and to hold that making wreaths of this holly is manufacturing because it is not an incident to a farming operation, even though it is performed by a farmer on a farm * * * farmers have been making holly wreaths on their farms since the time of the Pilgrims * * * such policies as these are contemptuous of the clear Congressional intent to exempt agriculture in all its branches from this law.

Third, consider the practical result of this ruling. How in the world can the dealers treat the farm families as employees? The dealers themselves never even see the people who make the wreaths. The purchases themselves are made by agents of the dealers who work on a commission basis. It is utterly impossible for them to exercise even a scintilla of supervision over these people; much less to tell them when to go to work and when to stop and to see to it that they do. You can see how ridiculous it becomes.

The practical result can only be that these dealers will go out of business, and the statistics on small-business failures continue to increase. The entire gross income of all the dealers involved is less than $75,000 annually.

For these reasons, and others which will occur to you if you will give the matter further attention, I want to request, on behalf of Congressman MCDOWELL'S constituents, that you bring about a reconsideration of this matter so as to exempt these dealers from the coverage of the wage-hour law.

Sincerely,

GRAHAM A. BARDEN,
Chairman.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Delaware.

Mr. DOUGLAS. Mr. President, I do not understand the amendment of the Senator from Delaware.

The PRESIDING OFFICER. An explanation of the amendment is requested.

Mr. WILLIAMS. Mr. President, the need of the amendment is best explained by the letter signed by the chairman of the House Education and Labor Committee, Mr. BARDEN, which has just been placed in the RECORD.

About a year and a half ago the Labor Department ruled that makers of natural holly wreaths in homes were covered by the Fair Labor Standards Act. Prior to that time and since 1938, when the Fair Labor Standards Act went into effect, the Labor Department had considered the farmers not in any way covered by the act. However, the employees of those purchasing the wreaths, working in the plants preparing the product for shipment, were covered and will still be covered. This amendment is not intended to change that status.

As a result of a court decision affecting the crocheting of certain products, the Department said the making of holly wreaths in homes would be included, unless exempted by specific legislation.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOUGLAS. Are we not considering Order No. 1016, House bill 9023?

The PRESIDING OFFICER. The Senate is now considering H. R. 9023, to amend the act of October 31, 1949, to extend until June 30, 1960, the authority of the Surgeon General to make certain payments to Bernalillo County, N. Mex., for furnishing hospital care to certain Indians.

Mr. DOUGLAS. It is a hospital bill for New Mexico Indians. To offer an amendment affecting holly for Christmas trees seems to be irrelevant. I must object to the amendment.

Mr. WILLIAMS. Patients in hospitals are certainly very much interested in having some Christmas decorations.

Mr. ANDERSON. I do not believe they are that ill.

Mr. WILLIAMS. I am offering the amendment to this bill since it is the only vehicle available.

The PRESIDING OFFICER. The Chair states that the germaneness of the amendment is not required to make it in order.

Mr. ANDERSON. I quite agree it is not necessary from the standpoint of germaneness, but the bill pertains to Indian patients in a hospital. To offer an amendment which would remove makers of holly wreaths from provisions of an act is carrying things too far.

Mr. WILLIAMS. I hope the amendment will be agreed to. I feel certain it will not delay enactment of the bill.

Mr. ANDERSON. Obviously the amendment would go to conference. If it would make anybody feel better to have it go to conference, and then have the conferees strike it from the bill——

Mr. WILLIAMS. I would like to see it go to conference but not with the idea of having it killed. There is merit to this proposal.

Mr. President, I ask unanimous consent to have a series of articles supporting the amendment printed in the RECORD at this point. The first appeared in the Farm Journal of December 1955. This is a rather interesting article on the industry as it relates to a Michigan family. It should be noted that under this recent ruling the work praised by the Farm Journal is being done by this family would be classified as illegal today.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Farm Journal of December 1955]

CHRISTMAS WREATH MONEY PAYS FOR SUMMER VACATIONS

(By Dick Braun)

In another week or so, folks in Kent County, Mich., will be expecting a knock at the door.

When they open up and see a beaming child with an armload of wreaths, they'll know Christmas is near.

It'll be one of the Norris Helsel children—typical, pep-filled kids, who can't sit still long enough to let a sofa cushion settle under them. Instead of playing during Thanksgiving vacation, though, the Helsels take orders for Christmas wreaths.

"From then on, life gets hectic around here," says Mrs. Helsel.

The Helsel farm is mainly orchard—apples, cherries, peaches, and prunes. Some of the land isn't suited to fruit growing, though, and is in pines.

"When the children attack those pines, they make beavers look lazy," says Mrs. Heisel. "They cut out trees that are too crowded, and prune branches to keep the tree well shaped."

Soon the children—Alice, Mike, Sally, and Jimmy—are riding a bumpy trailer back to the house. They pile the spicy Scotch pine branches ceiling high in the recreation room.

Now, the first job is to cut twigs off the branches. That's 14-year-old Mike's job. Older sister Alice and Mrs. Heisel wire these firmly to a coathanger that has been bent into a loop. Sally, 11, helps carry branches.

When the loop is completed, it receives a big, cheerful red bow, and some imitation holly berries (10-cent store variety).

Making wreaths is hard work—no doubt about it. "When we're making wreaths, poor Daddy has to wait for his supper a good many times," says Mrs. Heisel.

But "poor Daddy" doesn't mind. He's too busy being proud of his industrious crew, and especially proud of the way they spend the money they make ($50 to $75 a year). "They don't waste it—they save it for something special," he says.

In 1951 it was a family vacation trip to beautiful (and exclusive) Mackinac Island.

"It cost about $25 a night for a broom closet," laughed Mr. Heisel. "But we blew the works; went everywhere."

Alice was treasurer. Just for fun, she had the wreath money issued in dimes, and carried her hoard in a bag. Hotel clerks and filling-station attendants got glassy eyed counting out dimes with Alice. That was part of the fun.

The 1953 money was still in the bank when Alice visited a friend in Cadillac. She spotted a palomino riding colt in the pasture, and it was a case of "love at first sight."

She called a family quorum by long-distance phone and Alice came home in a truck with the taffy-colored colt loaded on behind.

Although the wreath money goes either for luxuries, like Taffy, or for travel (last summer it was camping in northern Wisconsin and sightseeing in Chicago), the Heisel kids have an eye on the future, too.

Dad Heisel has given them 20 acres of rough land. Last year Alice and Mike planted more than 4,000 Scotch pines. In 5 years, they'll be harvesting a nice income in Christmas trees.

Dad, and Mom Heisel believe that their project helps teach cooperation as well as providing family fun.

This year, for instance, they know that Jimmy, now being 8 instead of 7, will cooperate more readily.

Last year he got mad as a hornet when he was obliged to turn the money over to the family treasurer.

"It's mine," he shouted, bracing his feet and hanging on for dear life. "Mrs. Black gave it to me, didn't she?"

[From the Journal Every Evening of May 10, 1957]

REEF-WRAPPING TIME

Application of the Federal wage-hour law last fall played the deuce with the holly wreath industry in the lower Delmarva Peninsula. Out of a clear sky, apparently, came the ruling that a wreath-buying firm that furnished hoops, wire, and other makings of wreaths had to pay each wreath-maker the minimum rate of a dollar an hour.

What had the arrangement been previously? Simply the handcraft custom for generations. Ever since holly wreaths became an export commodity from Sussex and the Eastern Shore, farm families along all the back roads—and some of the main roads—had pitched in together in their own kitchens and made wreaths.

Reef-wrappin' time it was called. The whole family (except maybe the man) went out into the woods and brought back grass sacks full of holly twigs. They cut limber switches. Back home they used fine store-bought wire to bind the hoops and fasten on the sprigs of green and bunches of red berries.

Along in early December you could see the farm rigs stacked with cylinders of wreaths on poles, heading for the buyers at the warehouses.

In later years the hand of commerce did become more apparent. Wreaths had to come in well before Thanksgiving. The farm families had to dye them a brighter green than nature ever gave holly leaves, and fasten artificial berries of a redder red than a natural berry ever blushed. Switches from trees gave way to wire hoops. These materials were supplied by the wholesalers, who made cash settlement on delivery of wreaths.

In some fashion this new inter-relation of maker and buyer was deemed to bring the labor under the wage-hour law. But no buyer could pay a whole family—children and all, working their own hours—a dollar an hour a head. And that's where the present efforts of Delaware's Congressional delegation come in. All three of the members are going to try to get Congress to exempt holly-wreath-making from the law.

For the life of us we can see no excuse for this law's application to wreaths as made in the ancient manner whereby free people find their own time to make pretty things to sell. This isn't slave labor. It's a time for kids and mothers to make Christmas money. Money's an incentive for them to make good wreaths fast, and supply the demand of the rest of us.

Let reef-wrapping—like the other joys of Christmas—be unconfined!

[From the Salisbury Times of November 28, 1956]

When the fireside business of making Christmas wreaths began on the Eastern Shore years and years ago there was no Government red-tape such as minimum wages and record-keeping.

Farm families gathered the holly. A friendly dealer whom they knew helped them finance the project by supplying wire and berries and supple hoops. In the end, the farm folks earned Christmas money and the wreaths went off to brighten the yuletide celebration of many a city dweller.

Now it seems that all of this is illegal. The Wages and Hour Act applies. This means minimum wage and keeping records. It also means that the children, who joined with their older folks in a family project are no longer legally able to participate in this sparetime pursuit.

This country has come far in the field of labor relations. None of us would want to go back to the days when labor had no rights and no one to champion it. Indeed, the Nation's very prosperity today is due in part to the great gains won for labor in the last 50 years.

But the situation of the wreath makers points up for us the truth that too much Government regulation brings with it less freedom of individual action. This is especially so when bureaus attempt to place their broad interpretations on the narrow confines of an old custom such as holly for Christmas.

[From the St. Petersburg Independent]

ADVENTURE IN BUREAUCRACY

(By William G. Wiley)

There are an awful lot of people in this country who not only hold but promulgate the theory that if we will just turn everything over to governmental social and economic planners we will reach something of an ideal state.

They deny, of course, that they are brothers under the skin to the Communists. Or for that matter, the Socialists. Instead they call themselves Liberals. But the end results are the same. For they believe that a highly intellectual bureaucracy comprised of trained technicians in every field of endeavor should be given the authority by law to plan and control the lives of all of us.

They have a pat slogan which they quote repeatedly. It is: "The greatest good for the greatest number." It is a very hifalutin slogan. And taken as it stands, it's not too bad.

But what they really mean is this: "The greatest good for the greatest number—whether they like it or not."

These people are so smug in their belief that they have the answer to all our problems—if they could just get the power to enforce them—that I'm forced to smirk a little myself when they get caught with their ideologies down.

A case in point is reported in the current issue of Financial World which I deem worthy of passing along to the disbelievers.

It has to do with the traditional Christmas observance, and therefore appropriate to the season.

It seems that the Eastern Shore of Delaware has been the traditional center of the Christmas wreath trade. In past years more than a thousand families in that area have gathered natural holly to make wreaths from which they realize a little Christmas pin money. The story goes on:

"Shortly before Thanksgiving these low-income rural and farm families would begin cutting switches in the woods to make hoops. Then they would gather holly and the whole family would sit around the kitchen making wreaths. A little later one of the distributors would send a truck through the area to pick up the wreaths and pay for them on a piece basis. The distributor would wrap, pack, and ship the wreaths into 36 States as well as to Canada and Central America.

"But this year no truck will come: There'll be no Christmas money. 'Big brother' Uncle Sam is going to protect these people from such a thing. The Department of Labor insists that the makers of holly wreaths in the homes are subject to the Fair Labor Standards Act. Hence the distributor would have to pay for the wreaths at the rate of $1 per hour, keep elaborate records of the time each member of the family spent at the task, and make certain that no child under 16 so much as picked a sprig of holly. Even if the distributor should pay the $1-an-hour rate without pricing himself out of the market, it is impossible for him to keep the records necessary or to enforce the child-labor restrictions.

"Every reasonable person is willing to concede that this family holiday effort comes under the agricultural exemption in the act. But bureaucratic Washington insists that this is not the law in the holly wreath case."

So there you have it.

And if you can't find a natural holly Christmas wreath this year, you must recognize the fact that in past years you have not only stood in the way of the greatest good for the greatest number but have also patronized the exploiters of child labor.

Forget the low-income families—the mamas and papas and little children who have realized a little Christmas money from this activity in the past. They must be sacrificed to social and economic revolution.

And a Merry Christmas to you, too.

[From the Washington Report of December 21, 1956]

A MODERN CHRISTMAS CAROL

The central Government sometimes acts like the victim of delirium tremens who

fired a shotgun at imaginary bats flitting about on the wall.

It blasts away at its hallucinations of social evil with legislative and administrative cannon that inevitably tear the economic fabric.

The attack may rend more than the economic fabric, too. In Sussex County, Del., it has pierced also the fabric of happiness and good will which marks the Christmas season.

For 50 years, rural Sussex families made holly wreaths for sale in the Christmas market. The pleasant task brought in the extra money needed for Christmas.

But this year, Uncle Sam's "Bah, humbug!" makes it look like a mighty slim Christmas for 1,000 families in the area. The Government which they regarded as their protector apparently has killed the wreath business.

A single ruling by the Department of Labor did the job. The Department's application of a court decision on home knitting classified the families as employees of the dealers.

Therefore, the Department said, the holly wreath dealers must pay $1 an hour minimum wages and keep detailed records of the time each member of the family worked.

That apparently has put the dealers out of business. One of them, Leroy B. Truitt, of Bridgeville, says they fear that the $1 minimum wage would price the product out of the market.

But even more serious in the view of the dealers is the matter of accounts. It's an impossibility, Mr. Truitt said, for them to keep detailed records of hours worked by the families. How could they swear that children in the homes didn't help in making the wreaths?

If they couldn't there's the blunt warning of the Department:

"The dealers must be held responsible for compliance with the act."

It's doubtful that even bureaucrats could cope with the timekeeping problem. In a typical wreathmaking family, the husband might go out into the woods, cut holly for a while, hunt for a while, loaf for a while, then cut some more holly.

In making the wreaths, his wife would intersperse her work with cooking, cleaning, bedmaking, visiting, shopping, etc.

But recordkeeping is a minor matter compared with the task of dislodging an official from behind his ruling. It would be easier to get old Scrooge himself out from behind his account books.

Mr. Truitt, whose family had been in the wreath business since 1905, has pleaded his case with one department official after another. He made a final appeal in person to top wage-and-hour administrators.

But these efforts merely demonstrated that commonsense couldn't dent the Department's iron ruling. The Department went right on insisting that the wreathmaking families were "employees of the dealers."

Yet, except for artificial berries, the families gathered raw materials from the woods and processed them into a finished product. The dealers paid them no wages, purchased their output at so much per wreath. The families were free to sell to any dealer they chose, or to no dealer.

It may seem pretty obvious that the wreathmakers were small manufacturers.

Nevertheless, Uncle Sam keeps echoing Scrooge's "Bah, humbug," as his contribution to the Sussex County Christmas season.

Mr. ANDERSON. Mr. President, this is a matter which must be handled in the next 3 or 4 days. The amendment of the Senator from Delaware is one which could be attached to any one of hundreds of bills being passed. I do not see why Indians in a hospital have to be penalized. I hope the bill may be passed. If it cannot be passed on a call of the Consent Calendar. I hope a motion will be made to bring it up.

Mr. WILLIAMS. If this bill is not passed on a call of the Consent Calendar, I hope it will be brought up by motion, at which time I will offer the amendment to the bill. I support the Senator's bill and have no intention of delaying it.

Mr. ANDERSON. Will the Senator explain why the amendment should be attached to this particular bill, of the hundreds that are being considered?

Mr. WILLIAMS. This is the only bill from the Labor Committee to which the amendment can be attached. The Committee on Labor and Public Welfare has not voted to report many bills and therefore we chose this bill to get a vote on this question.

My colleague [Mr. FREAR] first offered this proposal on behalf of both the Delaware and Maryland Senators, and a similar measure has been introduced in the House by Representative HASKELL, of Delaware, and Representative MILLER of Maryland, along with other bills from other affected areas.

Mr. DOUGLAS. Mr. President, this matter may be adjusted on the floor, but I know the Indians, particularly those in New Mexico, are accustomed to bearing heavy burdens from long distances. I hope the Senator from Delaware will not insist that the bill for hospital relief of Indians shall have to carry the burden of holly wreaths on Christmas trees.

Mr. WILLIAMS. I have great respect for the Indians, whether they are in the west or in the east. In my State there is a tribe of Indians which has never asked for nor received Government subsidies. We are proud of their record. Those Indians make holly decorations along with many other people in that area. Therefore I think this bill is very appropriate.

Mr. DOUGLAS. I simply wish to record my objection to this method of legislation. I do not know what the Senator from Delaware is threatening; I suspect what he is threatening is that unless his rider is attached to the bill, he will oppose the bill.

Mr. WILLIAMS. I have not made any threat; I am merely making a statement of fact.

Mr. DOUGLAS. Do I understand the Senator from Delaware will object to the bill unless this amendment is included?

Mr. WILLIAMS. Not at all. The bill will not pass at this time. When the bill is taken up on motion, I will have an opportunity to offer my amendment and if defeated I will still vote for the bill. I have discussed this matter with the chairman of the Committee on Labor and Public Welfare. There are many members of the committee present. I have yet to find one member who is objecting to the proposal on its merits.

Mr. DOUGLAS. Why does not the Senator from Delaware include Easter lilies and petunias, in addition to holly to be used on Christmas trees?

Mr. WILLIAMS. I have no objection if the Senator wants to include Easter lilies. However, I am partial to roses and would not want them slighted.

Mr. DOUGLAS. I do not desire to include them, but it would be comparable to what the Senator from Delaware is trying to do.

Mr. WILLIAMS. The purpose of the amendment is to clear up any misunderstanding as to the right of persons who make holly wreaths in their home to sell them in a free market. The amendment extends only to the right of an individual to go in the forest, get his material, and make holly wreaths as he sees fit. For more than 50 years such a right has been recognized in our area and in other areas as belonging to the farmers. They furnish the material and do their own work. Why should they be denied this privilege?

The Labor Department for 15 years had not considered this industry as being covered. I do not criticize the Labor Department for their decision since it was based upon an interpretation of a new court ruling. It is the responsibility of Congress to amend the law if they do not approve.

At the time of the ruling it was stated there would be no retroactivity because it was recognized that the people who had been making the wreaths throughout these years had been complying with the law as it had been interpreted prior to the court decision.

I hope that the Senator from New Mexico will accept the amendment and will let it go to conference. I think the Senator will find that his bill will not be delayed by such action. I do not think we will find there is any objection in the House so far as this particular amendment is concerned.

I assure the Senator that this amendment goes no further than the explanation I have given. The chairman of the House Committee on Labor and Public Welfare, Mr. BARDEN, has endorsed this proposal, and has written a letter to the Department stating that the rule is a most ridiculous one and that it certainly was not the intent of the Congress in enacting the Fair Labor Standards Act to bring the makers of these wreaths under the law.

Mr. ANDERSON. Do I understand correctly that the Senator from Delaware does not want to put the amendment on Calendar No. 1018, which is a Labor and Public Welfare Committee bill, or on Calendar No. 1019, which is a Labor and Public Welfare Committee bill, or on Calendar No. 1017, which is a Labor and Public Welfare Committee bill?

Mr. WILLIAMS. I do not see that there is any difference involved. This happened to be the first bill that was called and I suppose the same objection could be made on any other bill.

Mr. ANDERSON. I think the difference is that the next bill has to do with the disposition of certain imported articles which have been seized and condemned, and this bill has to do with a group of Indians who are sick in a hospital. The authority to make payments has expired as of June 30. We have been trying to clear this matter up ever since then.

Mr. WILLIAMS. I desire to cooperate with the Senator from New Mexico. I

will join with him in trying to see that the enactment of his bill is not delayed by the incorporation of this amendment. I do not think it will be.

Mr. ANDERSON. Mr. President, these Indians have to be given a chance. I certainly am not going to permit them to be destroyed, even though the amendment is put on the bill. I have no alternative other than to accept the amendment, if the Senator states he is going to object, and we cannot get some assurance that the bill will be taken up on motion.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Delaware. [Putting the question.]

Mr. WILLIAMS. Mr. President, I ask that the bill go over for later discussion.

The PRESIDING OFFICER. The "noes" appear to have it.

Mr. ANDERSON. Mr. President, once before the Senate became involved in this sort of a situation, and the people then interested had to object to every bill remaining on the calendar. I wish we had known about this earlier in the day. We could destroy the calendar in this way.

These Indians have not done anything to the Senator from Delaware to make this procedure necessary.

Mr. MANSFIELD. Mr. President, it looks to me as if threats are being used against bills which have not been called. I sincerely hope that the Senate will reconsider its action, so that the amendment can be agreed to, even under the threatened procedure.

I think the welfare of the Indians, for which the Senator from New Mexico has shown such great interest down through the years should be given priority.

I should like to request, Mr. President, if I may, that the vote on the amendment offered by the Senator from Delaware to H. R. 9023 be reconsidered at this time. I move reconsideration of the vote on the amendment.

Mr. ANDERSON. Mr. President, I do not intend to object to the bills on the calendar. This procedure has happened only one time in the Senate, and happened as a result of actions by a Senator who was badly misinformed.

I subscribe to what the Senator from Montana has stated. I ask that the Senate reconsider the vote by which the amendment of the Senator from Delaware was rejected. I have no alternative. These Indians are in deep trouble.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. ALLOTT. A parliamentary inquiry, Mr. President.

Mr. ANDERSON. The motion has been made that the vote by which the amendment of the Senator from Delaware was rejected be reconsidered.

The PRESIDING OFFICER. The question is on agreeing to the motion that the vote by which the amendment of the Senator from Delaware [Mr. WILLIAMS] was rejected be reconsidered.

Mr. DOUGLAS. Mr. President, I would object.

The PRESIDING OFFICER. The acting minority leader apparently reserves the right to object. The Senator will state his objection.

Mr. ALLOTT. Mr. President, I desire to make a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ALLOTT. The Chair has not yet announced the result of the vote on the amendment offered by the Senator from Delaware.

The PRESIDING OFFICER. The Chair announced that the "noes" appeared to have it, and was in the process of announcing that the "noes" did have it.

Mr. WILLIAMS. Mr. President, I withdraw my objection to the bill.

Prior to the announcement of the Chair, I think I had asked that the bill go over. I withdraw that suggestion.

The PRESIDING OFFICER. The Chair did not recognize the Senator from Delaware at that point, so his request was not a matter of record in the Senate.

Mr. WILLIAMS. That is fine.

The PRESIDING OFFICER. The Chair in putting the question recognized the Senator from New Mexico, who offered the original bill.

Mr. ANDERSON. Mr. President, I move that the vote by which the amendment of the Senator from Delaware was rejected be reconsidered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Mexico [Mr. ANDERSON] to reconsider the vote by which the amendment of the Senator from Delaware [Mr. WILLIAMS] was rejected.

Mr. ALLOTT. Mr. President——

Mr. MORSE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. ALLOTT. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. ALLOTT. I should like to invite the attention of the Chair to the fact that the Chair has announced that the "noes" appear to have it, but has not announced that the "noes" do have it. There has not been a pronouncement of a decision on the amendment.

The PRESIDING OFFICER. The Chair will announce that the "noes" do have it.

Mr. ALLOTT. I thank the Chair.

So the amendment of Mr. WILLIAMS was rejected.

The PRESIDING OFFICER. The motion to reconsider the vote by which the amendment was rejected is in order.

Mr. MORSE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MORSE. Is a motion to reconsider subject to debate?

The PRESIDING OFFICER. The motion to reconsider is debatable. At the present moment the motion of the Senator from New Mexico should be restated.

Mr. ANDERSON. Mr. President, I move that the vote by which the amendment of the Senator from Delaware was rejected be reconsidered.

The PRESIDING OFFICER. The question is on the motion of the Senator from New Mexico.

The Senator from Oregon [Mr. MORSE] is recognized.

Mr. MORSE. Mr. President, I desire to discuss the motion.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. MORSE. Mr. President, since I have been in the Senate I have opposed proposed legislation when I felt such action was warranted.

I fully realize that the way to handle this rider is to reconsider the vote by which the amendment was rejected, accept the rider and take it to conference, and then eliminate it in conference.

Mr. President, I do not like that procedure. I think we ought to face the problem head-on. Let the Senator from Delaware object to the bill. He proposed the rider. He is making his record. Let the record speak for itself.

Then the majority leader can bring the bill up by motion, when the call of the calendar is over, and we can consider the bill on its merits. Then the Senator from Delaware can offer his rider amendment, and then we can have a vote on the amendment.

I want to say now, Mr. President, that I think we have an obligation to keep the legislative process as pure as we can. Legislation by rider is a legislative impurity. I always have opposed it. I am going to oppose this action.

I cannot stop the Senate from reconsidering the vote, but I will say to the acting majority leader that I urge him to announce to the Senate that if the bill is not passed on the unanimous-consent request, it will be taken up by motion.

I make no threats, Mr. President. I never do that. I simply say, Mr. President, that I will object to the bill with a rider passing on the calendar by unanimous consent, and going to conference.

I may say to the Senator from New Mexico, I shall vote for the bill. I want the Senator to understand that. I want the Senator from New Mexico to know that I shall vote for his bill when it comes up on motion. I will not approve of the bill with the rider attached. I think that is a very bad precedent for us to accept, particularly in the closing days of the session when all of us can be beaten around the heads by riders attached to bills. I think we had better stop the practice before it starts.

Several Senators addressed the Chair.

The PRESIDING OFFICER. Does the Senator yield; and if so, to whom?

Mr. MANSFIELD. Mr. President, will the Senator yield to me?

Mr. MORSE. I yield to the Senator from Montana.

Mr. MANSFIELD. Would it be more acceptable to the Senator if, in reconsidering the vote by which the amendment of the Senator from Delaware was rejected, we consider the bill, H. R. 9023, as originally reported, without the amendment?

Mr. MORSE. That is what I want to do, without the rider on the bill.

Mr. MANSFIELD. If it is not considered that way, I wish to assure the Senator that I shall do my best to call the bill up as soon as the call of the calendar is concluded.

Mr. MORSE. I know that. I am objecting to the rider procedure. I think it is a bad legislative practice.

The PRESIDING OFFICER. The Chair will state that the vote will occur on the question of agreeing to the motion of the Senator from New Mexico [Mr. ANDERSON] to reconsider the vote by which the amendment of the Senator from Delaware [Mr. WILLIAMS] was rejected.

Mr. ANDERSON. Mr. President, I may say that I also love to battle these things out. Sometimes I am not so full of health as are other Members of the Senate, though I did stay here 8 hours the other day on a bill in which I had a deep interest.

Mr. President, I am not concerned today about myself. I am concerned about these Indians who are in the hospital. I will take the bill to conference, for the benefit of these Indians.

Mr. WILLIAMS. In the discussion of all the amendments it should be remembered that I offered an amendment a few minutes ago on a bill previously considered, and other Senators have offered amendments. There is nothing unusual at all about offering amendments. This is not a new procedure.

This is an amendment which was offered in the form of a bill in the early part of January by my colleague and other Senators and was referred to the committee. I have discussed this matter with members of the Committee on Labor and Public Welfare. Most of them are familiar with it. We are not attempting to pull any surprise. We merely want a vote on our amendment based upon its merits.

When I said I was going to ask that the bill go over, that was not in the form of a threat, but rather on the theory that the only way we could get a vote would be to carry it over and then, later today, take the bill up by motion.

I will assure the Senator from New Mexico and the majority leader that if we cannot get the amendment agreed to now and the bill is taken up on motion, there will be no undue delay so far as I am concerned in considering the bill on its merits and getting a vote. I will vote for the bill with or without my amendment.

I am not trying to block the bill from that angle. I hope the Senator from New Mexico will be willing to take this amendment to conference with the understanding he now has of it.

I certainly hope we can get the amendment agreed to, because it means a great deal to the people in our area. I recognize the importance of the Senator's bill, but if the amendment is not considered at this session it means the entire industry in our area is finished. This is a seasonal industry and a vote next year will be too late. Either the Senate will act on this matter at this session or nothing at all can be done.

All our people desire is a decision as to whether they should proceed or not.

If it is the wish of the Senate to reject this amendment, let it be known, but I certainly hope that the decision will be favorable.

I repeat—those who buy these wreaths from the makers and ship them in interstate commerce are covered by the wage and hour law and will not be exempted therefrom by this amendment.

Mr. ANDERSON. I think, in view of the statement the Senator from Delaware has made, that he is willing, when the bill comes back from conference, to consider the matter upon its merits, and so the danger of the rider diminishes.

I have made the motion to reconsider the vote by which the amendment was rejected. I am going to vote for the amendment. I will try to get the bill out of conference, because it is vital that something be done for the people primarily affected by it.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Mexico to reconsider the vote by which the amendment of the Senator from Delaware [Mr. WILLIAMS] was rejected.

The motion was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Delaware [Mr. WILLIAMS].

The amendment was agreed to.

Mr. BEALL subsequently said: Mr. President, I ask unanimous consent to have printed in the RECORD preceding the passage of House bill 9023 a statement which I have prepared.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BEALL

I wish to associate myself with the senior Senator from Delaware in urging the adoption of this amendment which will eliminate a gross inequity against numerous self-employed workers, including the holly-wreath makers of our eastern shore. These workers, whose products add so immeasurably to our enjoyment of Christmas seasons, gather their holly boughs whenever and wherever they can, without reference to any type of time-clock schedule. They fashion these boughs into yuletide ornaments on a schedule, if I can use that word, which is equally as uncertain, taking advantage of whatever free moments come their way. To impose on these people the necessity of keeping strict records on their hours is obviously unwise and unworkable, and regulations which do so should be eliminated.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

Mr. MORSE. Over.

The PRESIDING OFFICER. The bill will be passed over.

WHEAT ACREAGE ALLOTMENTS—CONFERENCE REPORT

Mr. JOHNSTON of South Carolina. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 959) to amend the Agricultural Adjustment Act of 1938, as amended, to exempt certain wheat producers from liability under the act where all the wheat crop is fed or used for seed or food on the farm, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report. (For conference report, see House proceedings of August 16, 1957, p. 13745, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. JOHNSTON of South Carolina. Mr. President, the conference report was unanimously agreed to by all the House conferees and all the Senate conferees. There was no question with regard to it.

I send to the desk a statement which I ask to have printed in the RECORD, in explanation of the conference report.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR JOHNSTON OF SOUTH CAROLINA

The conference substitute, which was agreed upon unanimously by the conferees, differs from the bill passed by the Senate in the following respects:

(1) The conference substitute will make the feed-wheat exemption effective with the 1958 crop, while the Senate bill would have made it retroactive to the 1954 crop. To give the bill retroactive effect would involve the difficult, if not impossible, task of determining the disposition of wheat raised in violation of acreage allotments in past years and the making of refunds. Those who raised excess wheat solely for feed in past years violated their acreage allotments as fully as did those who raised excess wheat and sold or otherwise disposed of a part of their crop, so that in many cases the distinction which the Senate bill would have required would be a very fine one.

(2) The conference substitute will restrict the feed-wheat exemption to farms on which the wheat acreage does not exceed 30 acres, except in the case of State, county, religious, or eleemosynary institutions.

(3) The conference substitute provides that the estimated production from the excess acreage planted pursuant to the feed-wheat exemption shall not be counted in determining total supply or normal supply for the purpose of marketing quota or price-support determinations.

(4) The conference substitute includes a provision which is the same in substance as one contained in S. 606 passed by the Senate on June 24, 1957, and which provides that excess wheat acreage shall not be counted in determining future State, county, and farm acreage allotments. The House amendment in this respect would have gone further than S. 606 or the conference substitute and provided that the production from such acreage would not be counted in determining future marketing quotas and price-support levels. This would have required a larger supply before quotas would be proclaimed, tended to increase the amount of the quota ,and tended to increase the minimum price-support level required by law. The Department of Agriculture recommended that this provision be limited to the excess acreage raised under the feed-

wheat exemption, and the conference substitute so provides.

The foregoing are the major differences between the Senate bill and the conference substitute. Certain minor changes were also made. The feed-wheat exemption provision of the conference substitute permits removal of wheat from the farm for processing for feed use; makes it clear that no exempt wheat may be exchanged for goods or services; and provides that an exempt producer may not vote in the referendum for the next crop rather than that a producer voting in the referendum for any crop may not obtain an exemption for that crop.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

AMENDMENT OF FEDERAL FOOD, DRUG, AND COSMETIC ACT RESPECTING THE DISPOSITION OF CERTAIN IMPORTED ARTICLES SEIZED AND CONDEMNED

The bill (H. R. 6456) to amend section 304 (d) of the Federal Food, Drug, and Cosmetic Act, with respect to the disposition of certain imported articles which have been seized and condemned, was considered, ordered to a third reading, read the third time, and passed.

ELIMINATION OF TIME LIMITATION ON CERTAIN GRANTS UNDER SECTION 4 (A) OF THE VOCATIONAL REHABILITATION ACT

The bill (S. 2254) to eliminate the time limitation on certain grants under section 4 (a) of the Vocational Rehabilitation Act was announced as next in order.

The PRESIDING OFFICER. The Chair invites the attention of Senators to the fact that House bill 8429 is comparable to Senate bill 2254, Calendar No. 1018. Does the distinguished Senator from Washington desire consideration of the House bill at this time?

Mr. MAGNUSON. Yes. I ask unanimous consent for the present consideration of House bill 8429.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Washington?

Mr. PURTELL. Mr. President, reserving the right to object, I wonder if we may have an explanation of the difference between the two bills. There is a difference in time, is there not, between the House bill and the Senate bill?

Mr. MAGNUSON. That is my understanding.

Mr. PURTELL. If that is the understanding, I have no objection.

The PRESIDING OFFICER laid before the Senate the bill (H. R. 8429) to amend the Vocational Rehabilitation Act which was read twice by its title.

The PRESIDING OFFICER. Is there objection to the present consideration of House bill 8429?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 2254 is indefinitely postponed.

TIME LIMIT FOR SALE OF CERTAIN WAR-BUILT VESSELS

Mr. MAGNUSON. Mr. President, the Senate conferees are holding a final conference with the House conferees on the supplemental appropriation bill. I must attend.

I ask unanimous consent to return to Calendar No. 1015, House Joint Resolution 370. The Senator from Michigan and I have discussed the matter with the Senator from Delaware [Mr. WILLIAMS], and he has withdrawn his objection. We would like to have the bill considered at this time.

The PRESIDING OFFICER. The joint resolution will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A joint resolution (H. J. Res. 370) to extend the time limit for the Secretary of Commerce to sell certain war-built vessels for utilization on essential trade routes 3 and 4.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT OF TITLE II OF SOCIAL SECURITY ACT

Mr. JAVITS. Mr. President, I ask unanimous consent to return to Calendar No. 886, House bill 8755. An agreement has been reached with the Senator from Michigan [Mr. POTTER], and I believe the bill can now be passed by unanimous consent.

The PRESIDING OFFICER. Has the Senator who objected to House bill 8755 withdrawn his objection?

Mr. JAVITS. I understand he has agreed to do so. The Senator from Michigan will make a statement in connection with the bill.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 8755) to amend title II of the Social Security Act to permit any instrumentality of two or more States to obtain social-security coverage under its agreement separately for those of its employees who are covered by a retirement system and who desire such coverage.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. PURTELL. Mr. President, my understanding was that Calendar No. 886, House bill 8755 was not objected to. It went to the foot of the calendar.

Mr. JAVITS. That is correct.

Mr. TALMADGE. The understanding of the Senator is correct.

Mr. POTTER. Mr. President, it had been my intention to offer an amendment to the bill. Michigan is one of the States where policemen and firemen may, by their own option, come under the Social Security Act. However, the junior Senator from Michigan [Mr. MCNAMARA] has indicated that if such an amendment as was contemplated were offered he would oppose the bill.

Rather than see firemen and policemen from other States to be covered by the proposed legislation prejudiced, I will not offer my amendment at this time.

I wish the RECORD to show that many communities, particularly smaller communities in the State of Michigan, feel a need for social security protection. I regret that we have not had a unified position of police and firemen within our State, so that the amendment referred to could be included in the bill.

Therefore I shall not offer my amendment. If I do not do so, I understand that the junior Senator from Michigan will not object.

Mr. JAVITS. Mr. President, I express my appreciation to the Senator from Michigan. Speaking on behalf of the State of New York, we want legislation of this character very much, as do other States.

The PRESIDING OFFICER. All amendments to House bill 8755 have been agreed to. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

EXPANSION OF TEACHING AND RESEARCH IN EDUCATION OF MENTALLY RETARDED CHILDREN

The Senate proceeded to consider the bill (S. 395) to encourage expansion of teaching and research in the education of mentally retarded children through grants to institutions of higher learning and to State educational agencies, which had been reported from the Committee on Labor and Public Welfare, with an amendment on page 3, after line 4, to insert:

SEC. 6. This act shall continue in effect until a date 10 years after the date of the enactment of this act.

So as to make the bill read:

Be it enacted, etc., That the Commissioner of Education is authorized to make grants to public or other nonprofit institutions of higher learning to assist them in providing training of professional personnel to conduct research in, or conduct training of teachers in, fields related to education of mentally retarded children. Such grants may be used by such institutions to assist in covering the cost of courses of training or study for such personnel and for establishing and maintaining fellowships, with such stipends as may be determined by the Commissioner of Education.

SEC. 2. The Commissioner of Education is also authorized to make grants to State educational agencies to assist them in establishing and maintaining, directly or through grants to public or other nonprofit institutions of higher learning, fellowships or traineeships for training personnel engaged or preparing to engage in employment as teachers of mentally retarded children or as supervisors of such teachers.

SEC. 3. Payments of grants pursuant to this act may be made by the Commissioner of Education from time to time, in advance or by way of reimbursement, on such conditions as the Commissioner may determine.

SEC. 4. For the purposes of this act—

(a) The term "nonprofit institution" means an institution owned and operated by

one or more corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

(b) The term "State educational agency" means the State board of education or other agency or officer primarily responsible for State supervision of public elementary and secondary schools in the State.

SEC. 5. The Commissioner of Education is authorized to delegate any of his functions under this act, except the making of regulations, to any officer or employee of the Office of Education.

SEC. 6. This act shall continue in effect until a date ten years after the date of the enactment of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BRIG. GEN. CHESTER W. GOBLE

The bill (S. 655) for the relief of Brig. Gen. Chester W. Goble, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That Brig. Gen. Chester W. Goble, Army of the United States, retired, shall be advanced on the Army of the United States retired list to the rank of major general effective March 1, 1955, and shall be entitled to retired pay from such date computed on the basis of the rate of basic pay to which he would be entitled if serving on active duty in the grade of major general.

CONVEYANCE OF CERTAIN LAND TO CALIFORNIA IN EXCHANGE FOR OTHER LAND

The bill (H. R. 787) to authorize the exchange of certain lands between the United States of America and the State of California was considered, ordered to a third reading, read the third time, and passed.

STATEMENT BY SENATOR MORSE ON H. R. 787

This bill would authorize an exchange of 13-plus acres of Federal land in the Alameda Administration Center, California, for 20-plus acres of land to be conveyed by the State to the United States.

The exchange transaction is required in order to make possible the State's construction of a new tube between Oakland and Alameda under the Alameda estuary.

According to Senate Report No. 998, the 20-plus acres to be conveyed by the State are valued at $181,872 (Rept. No. 998, p. 2).

The land to be transferred to the State has an unimproved value of $173,870. (Ibid., p. 4.)

The only problem presented is in connection with the fact that roads, hardstand, rail facilities, fencing, and utilities were constructed at a prorated cost of $404,217 on the Federal acreage. However, Report No. 998 observes that the State has agreed "to relocate Government-owned facilities, utilities, and improvements from the lands made available for tube and roadway purposes and reestablish them in accordance with Army requirements."

It would appear that the United States will receive full consideration for the exchange, particularly in view of the fact that the State will bear the cost of relocating facilities and the tube will improve the traffic situation at the Alameda Administration Center.

Mr. ALLOTT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ALLOTT. May I inquire about the Calendar No. 1020, House bill 8076?

The PRESIDING OFFICER. The Chair advises the distinguished acting minority leader, the Senator from Colorado, that that bill was passed before the beginning of the call of the calendar.

CONVEYANCE OF ESLER FIELD, LA., TO THE PARISH OF RAPIDES, LA.

The bill (H. R. 2816) to provide for the conveyance of Esler Field, La., to the parish of Rapides in the State of Louisiana and for other purposes, was announced as next in order.

Mr. TALMADGE. Over.

Mr. MORSE. Mr. President, will the Senator withhold his objection? I understand that the Senator from Georgia is cooperating again, by offering an objection on my behalf.

Mr. TALMADGE. I withhold the objection. I objected in behalf of the Senator from Oregon.

Mr. MORSE. Mr. President, I should like the attention of the Senator from Mississippi [Mr. STENNIS], who I think will make a statement with regard to the bill which is not contained in the committee's report, and which clarifies the committee report, if I correctly understand the situation.

I want the Senator from Mississippi to know that my objection to the bill in its present form is that I do not think it makes clear what the Federal interest is in the transfer. I understand that the history of this particular project is such that the Federal Government has a substantial interest in this transfer, and that when it is explained for the RECORD it will be seen that it does not, in fact, violate the Morse formula.

I should like to have the Senator from Mississippi tell the Senate what he told the Senator from Oregon in personal conversation.

Mr. STENNIS. The Senator from Washington [Mr. JACKSON] will handle the bill. The Senator from Mississippi expected to be absent. I think the Senator from Washington is familiar with it, and can answer the Senator's question.

Mr. MORSE. I ask the Senator from Washington, so far as I am concerned, to address himself only to the question of what the Federal interest in this transfer is. What benefits will the Federal Government get from the transfer? The Senator will recall that originally the transfer was made for National Guard purposes.

If the Senate will bear with me for a moment, I shall state my understanding of the bill.

The bill would authorize the Secretary of the Army to convey to the parish title to Esler Field, in Louisiana.

On the basis of the record, it seems that there is no consideration involved for the conveyance. My understanding is that there is a military benefit to the Federal Government which would come from the transfer—for National Guard purposes, and so forth. For the purpose of establishing a legislative history of the bill, I should like to have the Senator from Washington demonstrate that the Federal Government would get value from the transfer. Otherwise, I would have to object to the bill. My understanding is that there is adequate Federal interest in the transfer to meet the requirements of the Morse formula.

Mr. JACKSON. Mr. President, it is my understanding, of course, that the usual recapture clause is contained in the grant in connection with the agreement to be entered into between the Federal Government and the parish, and that if the parish shall fail to utilize the airfield as a public airport for a period of 2 successive years, title shall revert to the United States.

In addition, the United States shall have the right of reentry in the event of a national emergency, and there are the usual reservations and restrictions with reference to the mineral rights, and so forth.

I am informed that the Government's interest is that the State of Louisiana may use the field for National Guard purposes. In addition, the city of Alexandria, which is within the parish of Rapides, donated its public airport to the United States Government for use as an Army Air Corps base during World War II. Since World War II the base has been made into a permanent Air Force installation, known as England Air Force Base.

Since World War II the city of Alexandria has been allowed to use the field for commercial aviation. However, this arrangement has been highly unsatisfactory. Not only is the base crowded with jet aircraft, but, with commercial planes landing on the base, the safety hazard has increased. Furthermore, additional commercial lines serving central Louisiana are reluctant to come into this area because of unsatisfactory operating conditions.

In other words, the city of Alexandria conveyed to the Federal Government, without charge, its base which is now being used by the Air Force. The city of Alexandria would like to use Esler Field. In the meantime it has given up its occupancy of what is now England Air Force Base. I am sure the distinguished Senator from Oregon will agree that there is ample consideration flowing to the Federal Government as a result of the arrangement.

Mr. MORSE. Mr. President, I appreciate very much the explanation of the Senator from Washington. When the bill first reached my desk I felt there was not shown in the report or in the bill an adequate Federal interest which would justify the transfer.

There are many cases of such transfers having been authorized within the Morse formula because of the Federal defense interest, such as National Guard use, and the availability of the base for different purposes, including a reversion clause, which is included in the pending bill. I therefore wish the RECORD to show that I am satisfied that the return the Federal Government will get from the defense use of the property justifies the transfer. I have no objection.

The PRESIDING OFFICER. Is there objection to the present consideration of H. R. 2816, to which the Senator from Oregon has withdrawn his objection?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

CONVEYANCE OF CERTAIN PROPERTY TO THE GULFPORT MUNICIPAL SEPARATE SCHOOL DISTRICT, MISSISSIPPI

Mr. TALMADGE. Mr. President, a few moments ago S. 1746 was announced as next in order. At that time the Senator from Oregon [Mr. MORSE] indicated an objection. The distinguished Senator from Mississippi [Mr. STENNIS] is now on the floor, and he is prepared to answer any questions the Senator from Oregon may have. I, therefore, ask unanimous consent that order 872 be considered at this time.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1746) to provide for the conveyance of certain property of the United States in Gulfport, Miss., to the Gulfport Municipal Separate School District.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Finance with an amendment on page 1, at the beginning of line 4, to strike out "Veterans' Affairs" and insert "General Services", so as to make the bill read:

Be it enacted, etc., That, subject to section 2 of this act, the Administrator of General Services shall convey to the Gulfport Municipal Separate School District, Gulfport, Miss., all right, title, and interest of the United States in and to a tract of land (together with improvements thereon) containing 10 acres, more or less, situated within the Veterans' Administration Center, Gulfport Division, Gulfport, Miss., upon the payment by such school district to the United States of the sum of $1,000. The exact legal description of the property authorized to be conveyed by this section shall be determined by the Administrator, except that the cost of any survey necessary to carry out the conveyance authorized by this section shall be paid by such school district.

SEC. 2. (a) The property conveyed under the first section of this act shall be subject to the condition that the property shall be used solely for school purposes, and if it shall ever cease to be used for such purposes title thereto shall revert to the United States, which shall have the right of immediate entry thereon.

(b) All mineral rights, including gas and oil, in such property are reserved to the United States.

(c) Such property shall be subject to such additional terms, conditions, reservations, and restrictions as the Administrator may deem necessary to protect the interests of the United States.

Mr. STENNIS. Mr. President, in addition to what is contained in the committee report, I should like to make a statement concerning the bill. I have already discussed the matter in part with the Senator from Oregon [Mr. MORSE].

The bill authorizes the conveyance of 10 acres of land to be used solely for school purposes. Should the land be used for other purposes, it would revert to the United States. There are also contained in the bill the usual reservations with respect to mineral rights.

The history of the land shows the following facts: About 1914 or 1915 the State of Mississippi and the city of Gulfport bought this land for the purpose of erecting buildings to celebrate the 100th anniversary of the State's admission to the Union. More than a million dollars' worth of buildings were erected on the land for that purpose.

World War I intervened, and in April 1917, the centennial celebration plans were altogether canceled. The celebration was never held. The property, including the buildings, was leased to the Federal Government for a nominal sum, and used by the Government during the war for a naval training base—something on the order of a Seabees training camp. Thereafter, the Federal Government continued to use the property for the beginning of a veterans' hospital. Thereafter, in 1922, the entire property, consisting of more than 140 acres, including the 10 acres I have mentioned, was conveyed to the Federal Government, including, of course, the buildings thereon, worth in excess of a million dollars, for $125,000.

That property has been expanded, and it is now a veterans' facility, including a 950-bed hospital.

The 10 acres are now in surplus, and not needed for veterans' hospital purposes.

The city of Gulfport donated a great deal of this land in the beginning, not merely the 10 acres. However, 10 acres now being in excess, it is proposed to deed the 10 acres back to the city of Gulfport, to be used solely for school purposes. The Veterans' Administration states that it wishes protection as to the use, but it will agree to have it used for school purposes.

There are certain equities involved in the set of facts in favor of the city of Gulfport. I believe we would be justified to let the city have the land for its use. Nevertheless, the bill provides for the payment of $1,000.

In view of these facts, I trust the Senator from Oregon will see fit to let the land be conveyed conditionally with the reservation that it will be used exclusively for the purpose stated.

Mr. MORSE. I thank the Senator from Mississippi for giving us the information. That information was not in the record when the bill came to our desks in the first place.

I wish to point out that this is a conditional transfer. Secondly, I wish to point out that the State of Mississippi and the city concerned made a substantial contribution to the Federal Government of a tract of land in the first place. There were some very valuable buildings on the land which were used during World War II by the——

Mr. STENNIS. During World War I.

Mr. MORSE. Buildings which were used by the Federal Government during World War II, at only a nominal cost to the Federal Government.

I believe this case falls very much within the pattern of other veterans' hospital cases, where a State has contributed property to the Federal Government for a specific use. When the Federal Government no longer needs the property for such use, legislation has been introduced giving it back to either the State or the city, or whatever local government agency originally contributed the property. The bill can be squared with all the precedents, and I believe the equities which have been described by the Senator from Mississippi make perfectly clear that the bill in fact does not violate the Morse formula. I withdraw any objection I may have had to the bill originally.

Mr. STENNIS. I thank the Senator. Mr. President, I ask unanimous consent that there be substituted for the Senate bill the identical House bill, which is also on the calendar. I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1062, H. R. 6080; and that, after the passage of the House bill, the Senate bill be indefinitely postponed.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 6080) to provide for the conveyance of certain property of the United States in Gulfport, Miss., to the Gulfport Municipal Separate School District.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 1746 is indefinitely postponed.

CONVEYANCE OF CERTAIN ACCESS RIGHTS, BROOKLYN NAVAL SHIPYARD, TO CITY OF NEW YORK

The bill (H. R. 3025) to authorize the Secretary of the Navy to surrender and convey to the city of New York certain rights of access in and to Marshall, John, and Little Streets adjacent to the New York Naval Shipyard, Brooklyn, N. Y., and for other purposes was considered, ordered to a third reading, read the third time, and passed.

STATEMENT OF SENATOR MORSE ON H. R. 3025

This bill would authorize the Secretary of the Navy to convey to the city of New York certain rights of access to designated streets adjacent to the New York Naval Shipyard, Brooklyn.

In exchange for the giving up of these access rights the bill provides that a certain triangular parcel of land near the shipyard shall be conveyed to the United States by the Consolidated Edison Co. Report No. 1000 states that the triangular parcel has an estimated value of $2,400. No estimate of the value of the access rights has been made and it would be somewhat difficult to place a monetary value upon them.

The exchange is desired in order to enable the Consolidated Edison Co. to improve traffic conditions on what is now an alleyway that is too narrow to permit motor vehicles to pass one another.

There is no indication that the Morse Formula would be violated by this transfer.

In that connection, Senate Report No. 1000 states:

"It is considered that this proposed exchange of property rights will be in the Government's interest. The improvement in traffic conditions within the shipyard, which would result from the widening of West Street, will considerably outweigh any possible disadvantage which might result from any waiver of the shipyard's right of access to Little Street at the location involved. Inasmuch as there is no existing authority of law whereby this exchange may be effected, legislation is considered necessary."

EXCHANGE OF LANDS BETWEEN THE UNITED STATES AND PUERTO RICO

The bill (H. R. 3246) to authorize the exchange of lands at the United States Naval Station, San Juan, P. R., between the Commonwealth of Puerto Rico and the United States of America was considered, ordered to a third reading, read the third time, and passed.

STATEMENT OF SENATOR MORSE ON H. R. 3246

Under this bill the United States would be authorized to convey to Puerto Rico 5.74 acres of land adjacent to the United States Naval Station, San Juan, for 1.12 acres of land to be conveyed to the United States by Puerto Rico.

All but 3.18 acres of the land to be conveyed by the United States are subject to reversion to Puerto Rico for nonuser, inasmuch as the original grant of the Naval Station was made subject to a nonuse reversion.

The 3.18 acres are valued at $71,809.81 and the 1.12 acres to be conveyed to the United States are valued at $65,851.96. However, other benefits are derived by the United States from this exchange. On this subject the Senate report states:

"On the land to be transferred to the United States, individuals have built very poor structures having no sanitary facilities and have attempted to tap the station's water mains. This, in addition to constituting a nuisance to the station, creates a security problem. For these additional reasons, it is deemed most desirable that this land be under the control of the Department of the Navy.

"The government of Puerto Rico has agreed to assume the financial responsibility for the correction and improvement of the traffic conditions at the entrance to the naval station which will, in general, include the construction of sidewalks and pavement, relocation of existing fences, sentry booths, provision of a parking area for vehicles of naval station personnel, and construction of isles to channel traffic."

The United States appears to be receiving substantially equivalent monetary benefits from this exchange. Thus the bill is unobjectionable under the Morse formula.

AMENDMENT OF CAREER COMPENSATION ACT OF 1949 TO PROVIDE INCENTIVE PAY FOR HUMAN TEST SUBJECTS

The bill (H. R. 7914) to amend the Career Compensation Act of 1949 to provide incentive pay for human test subjects was considered, ordered to a third reading, read the third time, and passed.

INTERIM SYSTEM OF APPOINTMENT OF CADETS TO AIR FORCE ACADEMY

The bill (H. R. 8531) to provide an interim system for appointment of cadets to the United States Air Force Academy for an additional period of four years was considered, ordered to a third reading, read the third time, and passed.

TRANSFER OF CERTAIN LANDS AT CASTLE ISLAND TERMINAL AT SOUTH BOSTON TO THE COMMONWEALTH OF MASSACHUSETTS

The bill (H. R. 9188) to amend the act to authorize the Secretary of the Navy to transfer to the Commonwealth of Massachusetts certain lands and improvements comprising the Castle Island Terminal Facility at South Boston in exchange for certain other lands was considered, ordered to a third reading, read the third time, and passed.

STATEMENT OF SENATOR MORSE ON H. R. 9188

In 1951, pursuant to Public Law 222 of the 82d Congress, the United States exchanged the Castle Island Terminal Facility, Boston, for certain parcels of land in South Boston owned by Massachusetts.

One portion of Public Law 222 gave the United States during time of war or national emergency, free and unlimited use of Castle Island, including any improvements placed thereon by Massachusetts.

The present bill would amend Public Law 222 by requiring the United States to pay for rental for such improvements used in time of emergency.

Senate Report No. 1004 states:

"It is understood that the Port of Boston Commission is desirous of improving the terminal facilities on Castle Island in order to insure a greater flow of commerce to and from the port of Boston, which would benefit not only the Commonwealth, but the Nation as a whole. Because of the recapture clause, however, the Commission finds it impossible to obtain public or private capital to make further necessary improvements to the terminal.

"Although no consideration is offered the Government for this voluntary release, it would, nevertheless, be advantageous to the Government to have the greater facilities available in time of emergency. The Government should, however, pay rental only on those facilities which it uses."

Since the Government would derive benefits in time of emergency from improvements that otherwise would not be placed on Castle Island, there is no objection under the Morse Formula.

READJUSTMENT OF RETIREMENT BENEFITS OF CERTAIN INDIVIDUALS ON EMERGENCY OFFICERS' RETIRED LIST

The Senate proceeded to consider the bill (S. 1732) to readjust equitably the retirement benefits of certain individuals on the emergency officers' retired list, and for other purposes which had been reported from the Committee on Armed Services with an amendment on page 2, line 10, after the word "Secretary", to strike out "during the period September 9, 1940, to June 30, 1946,", so as to make the bill read:

Be it enacted, etc., That (a) upon application made to the Administrator of Veterans' Affairs within 1 year after the date of enactment of this act, each individual who has been placed upon an emergency officers' retired list and is eligible to receive retired pay under the act entitled "An act making eligible for retirement under certain conditions, officers and former officers of the Army, Navy, and Marine Corps of the United States, other than officers of the Regular Army, Navy, or Marine Corps, who incurred physical disability in line of duty while in the service of the United States during the World War", approved May 24, 1928 (45 Stat. 735; 38 U. S. C. 581), as amended, shall be advanced on the applicable officers' retired list to the highest temporary grade in which he served satisfactorily on active duty for not less than 6 months as a commissioned officer of the Army, Navy, Marine Corps, or Coast Guard or of any reserve component of any such armed force, as determined by the cognizant Secretary, and shall be entitled to receive retired pay computed under applicable provisions of law on the basis of such grade.

(b) No increased retired pay shall be paid to any individual by reason of the enactment of this act for any period prior to the effective date of this act.

(c) This act shall become effective on the first day of the first month beginning after the date of enactment of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF TITLE 10, UNITED STATES CODE, RESPECTING CERTAIN SERVICE AS MEMBER OF WOMEN'S ARMY AUXILIARY CORPS

The Senate proceeded to consider the bill (S. 2305) to define service as a member of the Women's Army Auxiliary Corps as active service under certain conditions, which had been reported from the Committee on Armed Services, with an amendment, to strike out all after the enacting clause and insert:

That chapter 53 of title 10, United States Code, is amended as follows:

(1) By adding the following new section at the end thereof:

"§ 1036. Service credit: certain service in Women's Army Auxiliary Corps

"In computing years of active service of any female member of the armed forces, there shall be credited for all purposes, except the right to promotion, in addition to any other service that may be credited, all active service performed in the Women's Army Auxiliary Corps after May 13, 1942, and before September 30, 1943, if that member performed active service in the Armed Forces after September 29, 1943. Service as an officer in the Women's Army Auxiliary Corps shall be credited as active service in the status of a commissioned officer, and service as an enrolled member of the Corps shall be credited as active service in the status of an enlisted member."

(2) By adding the following new item at the end of the analysis thereof:

"1036. Service credit: certain service in Women's Army Auxiliary Corps."

SEC. 2. A person entitled to pension or compensation under any law administered by the Veterans' Administration, based upon the active service described in section 1 of this act, may elect within 1 year after the enactment of this act to receive that pension or compensation in lieu of any compensation under the Federal Employees' Compensation Act (39 Stat. 742), as amended, to which that person is entitled on the basis of the same service. Such an election is irrevocable and does not entitle that person to the pension or compensation for any period before the date the election is made.

SEC. 3. No person is entitled to back pay or allowances because of any service credited under section 1 of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill to amend title 10, United States Code, with respect to crediting certain service as a member of the Women's Army Auxiliary Corps, and for other purposes."

ESTABLISHMENT OF U. S. S. "ENTERPRISE" IN NATION'S CAPITAL AS NATIONAL SHRINE

The Senate proceeded to consider the joint resolution (S. J. Res. 96) to establish the United States ship *Enterprise* (CV–6) in the Nation's Capital as a national shrine, which had been reported from the Committee on Armed Services with an amendment on page 3, after the preamble, to strike out all after the resolving clause and insert:

That subject to the conditions hereafter prescribed, at such time as the United States ship *Enterprise* is released by the United States and acquired by the Enterprise Association and its distinguished leader Fleet Adm. William F. Halsey, United States Navy (retired), it may be berthed at, or in the vicinity of, the Nation's Capitol as a memorial museum to be supported and maintained by private funds at no expense to the United States or the Government of the District of Columbia.

SEC. 2. In furtherance of the purposes of this act, the Secretary of the Navy is authorized to transfer the *Enterprise* to the Enterprise Association upon conditions (1) that a showing satisfactory to the Secretary of the Navy that the association is in a suitable position financially, or will be in a suitable position financially, to move, repair, renovate, berth, prepare for display, maintain, and administer such vessel satisfactorily and in the public interest for purposes of this act; (2) that a site for berthing the vessel with adequate land approach facilities is approved (a) by the Secretary of the Navy, the National Capital Planning Commission and the Secretary of Commerce and, (b) if such site is within or adjacent to areas under their jurisdiction, also by the Secretary of the Interior, the Fine Arts Commission, and the Board of Commissioners of the District of Columbia; (3) that the *Enterprise* will not be operated for profit above necessary operating and maintenance costs.

SEC. 3. If the conditions described in section 2 are not met within 6 months of the date of enactment of this act, the Secretary of the Navy may dispose of the United States ship *Enterprise* in accordance with law.

The amendment was agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was amended, so as to read:

Whereas the United States ship *Enterprise*, after 20 years of outstanding service in the United States Navy, has been declared to be obsolete by reason of having outlived its military usefulness; and

Whereas the United States ship *Enterprise* was known as the "fightingest carrier in the fleet" during World War II, during which time it accumulated 18 of 22 possible combat stars for carriers in the Pacific area; and

Whereas the United States ship *Enterprise* at one period during World War II was the only aircraft carrier operating in the Pacific; and

Whereas, although reported by the Japanese to be sunk seven times, the United States ship *Enterprise* succeeded in accounting for 911 Japanese aircraft, 71 enemy ships sunk by her pilots, and another 192 ships damaged or probably sunk; and

Whereas the United States ship *Enterprise* was called "The Galloping Ghost of the Oahu Coast" by Fleet Adm. William F. Halsey, Jr., and during the early days of World War II symbolized the American resistance against a foe advancing with seemingly overwhelming strength: Now, therefore, be it

The title was amended, so as to read: "A joint resolution to authorize establishment of the United States ship *Enterprise* (CV–6) in the Nation's Capital as a memorial museum."

TRANSFER OF NAVAL VESSELS TO FRIENDLY FOREIGN COUNTRIES

The bill (H. R. 6952) to authorize the transfer of naval vessels to friendly foreign countries, was announced as next in order.

Mr. HUMPHREY. Mr. President, I should like to have a brief explanation of the bill.

Mr. TALMADGE. Mr. President, the purpose of the bill, as amended, is to authorize the President to sell not more than three destroyers and one submarine to the Government of Venezuela and to extend the loan of two submarines to the Government of the Netherlands.

Mr. HUMPHREY. Mr. President, I appreciate the explanation. I was of the opinion that the bill related to some of our merchant marine vessels which had been requested by certain friendly nations, under a sales contract. I hope those merchant marine vessels may be released, under proper conditions.

However, I have no objection at all to this bill.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 6952), which had been reported from the Committee on Armed Services with an amendment to strike out all after the enacting clause and insert:

That, notwithstanding section 7307 of title 10, United States Code, or any other law, the President may sell not to exceed three destroyers and one submarine to the Government of Venezuela, from the reserve fleet, and may extend the loan of two submarines to the Government of the Netherlands, on such terms and under such conditions as he deems appropriate. The President may promulgate such rules and regulations as he deems necessary to carry out the provisions of this act.

SEC. 2. The loan authorized under this act is in renewal of the loan made under the authority granted by the act of July 11, 1952 (66 Stat. 587), and shall be for a period not to exceed 5 years. Such loan shall be made on the condition that it may be terminated at an earlier date if necessitated by the defense requirements of the United States.

SEC. 3. All expenses involved in the activation, rehabilitation, and outfitting, including repairs, alterations, and logistic support, of vessels transferred under this act shall be charged to funds programed for the recipient government under the Mutual Security Act of 1954, as amended, or to funds provided by the recipient government under the reimbursable provisions of that act.

SEC. 4. No vessel may be made available under this act unless the Secretary of Defense, after consultation with the Joint Chiefs of Staff, determines that its transfer is in the best interests of the United States. The Secretary of Defense shall keep the Congress currently advised of all transfers under this act.

SEC. 5. The authority of the President to transfer naval vessels under this act terminates on December 31, 1960.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

EXTENSION OF PERIOD FOR GRANTING EDUCATION AND TRAINING BENEFITS TO CERTAIN VETERANS

The Senate proceeded to consider the bill (S. 166) to amend the laws granting education and training benefits to certain veterans so as to extend, with respect to certain individuals, the period during which such benefits may be offered, which had been reported from the Committee on Labor and Public Welfare with an amendment to strike out all after the enacting clause and insert:

That paragraph 1 of part VIII of Veterans Regulations No. 1 (a) is amended by adding at the end thereof the following new sentence: "Notwithstanding the provisions of the first and second provisos of the preceding sentence any otherwise eligible person whom the Administrator determines to have been prevented from initiating a course of education or training under this part within the period provided by the first of such provisos because such person had not met the nature of discharge requirements of this paragraph or of section 1503 of the Servicemen's Readjustment Act of 1944 (38 U. S. C. 697c) prior to a change, correction, or modification of a discharge or dismissal made pursuant to section 301 of the Servicemen's Readjustment Act of 1944, as amended (38 U. S. C. 693h), or the correction of a military or naval record made pursuant to title 10, United States Code, section 1552, or other corrective action by competent authority shall be permitted (a) to initiate a course of education or training under this part within 4 years after the date of his discharge or dismissal was so changed, corrected, or modified, or within 4 years after the date of enactment of this sentence, whichever is later, and (b) to pursue, subject to the other provisions of this part, such course for a period of not more than 5 years after the date of initiation thereof."

SEC. 2. (a) Section 212 (a) of the Veterans' Readjustment Assistance Act of 1952 is amended by adding at the end thereof the following new sentence: "Notwithstanding the preceding sentence any otherwise eligible veteran whom the Administrator determines to have been prevented from initiating a program of education or training under this title within such period because such veteran had not met the nature of discharge requirements of section 201 (2) (B) of this title prior to a change, correction, or modification of a discharge or dismissal made pursuant to section 301 of the Servicemen's Readjustment Act of 1944, as amended (38 U. S. C. 693h), or the correction of a military or naval record made pursuant to title 10, United States Code, section 1552, or other corrective action by competent authority shall be permitted to initiate a course of

education or training under this title within 3 years after the date his discharge or dismissal was so changed, corrected, or modified, or within 3 years after the date of enactment of this sentence, whichever is later."

(b) Section 213 of the Veterans' Readjustment Act of 1952 is amended by striking out the period at the end thereof and inserting in lieu of such period a semicolon and the following: "except that any veteran who is eligible to initiate a program of education or training by reason of the provisions of the second sentence of section 212 (a) of this title shall be permitted to pursue, subject to the other provisions of this title, such program for a period of not more than 5 years after the date of initiation thereof."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EXTENSION OF TIME FOR APPLYING FOR MUSTERING-OUT PAYMENTS

The Senate proceeded to consider the bill (S. 1698) to amend the Veterans' Readjustment Assistance Act of 1952, to extend the time for filing claims for mustering-out payments, which had been reported from the Committee on Labor and Public Welfare with an amendment in line 5, after the numerals "16", to strike out "1958" and insert "1959", so as to make the bill read:

Be it enacted, etc., That section 503 of the Veterans' Readjustment Assistance Act of 1952 is amended by striking out "July 16, 1956" and inserting in lieu thereof "July 16, 1959."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CONVEYANCE OF CERTAIN LANDS TO THE HERMANN HOSPITAL ESTATE, HOUSTON, TEX.

The Senate proceeded to consider the bill (H. R. 2741) to authorize and direct the Administrator of Veterans' Affairs to convey certain lands of the United States to the Hermann Hospital Estate, Houston, Tex., which had been reported from the Committee on Labor and Public Welfare with amendments on page 1, line 7, after the word "land", to strike out "more particularly described in section 2,"; on page 2, line 1, after the word "upon", to insert "the estate furnishing to the Administrator a legal description of such land, satisfactory to him, and", and, after line 11, to strike out:

SEC. 2. The property referred to in the first section of this Act consists of a tract of land situated in the county of Harris, State of Texas, being part of the D. W. C. Harris survey (A-325) and the P. W. Rose survey (A-645) and being more particularly described as follows:

Beginning at the intersection of the southerly right-of-way line of United States Highway No. 59 (Old Spanish Trail) with the easterly right-of-way line of Knight Road (sometimes called Old Main Street Road), said intersection being marked by a Texas Highway Department concrete monument, the northwest corner of the tract herein described; thence with the southerly right-of-way line of said United States Highway No. 59 north 74 degrees 36 minutes 30 seconds east 2,842.03 feet to the point of curve; thence with the southerly right-of-way line of said United States Highway No. 59 along the arc of a curve to the right having a radius of 11,410.0 feet and subtending a central angle of 1 degree 48 minutes 18 seconds 359.4 feet to a point for the northerly northeast corner of this tract, from which the intersection of the southerly right-of-way line of United States Highway No. 59 with the westerly right-of-way line of Almeda Road bears north 77 degrees 38 minutes 20 seconds east 1,204.36 feet; thence along the arc of a curve to the left having a radius of 1,200.0 feet and a central angle of 61 degrees 07 minutes 1,280.02 feet to a point on the westerly right-of-way line of Almeda Road for the southerly northeast corner of this tract, from which the intersection of the southerly right-of-way line of United States Highway No. 59 with the westerly right-of-way line of Almeda Road bears north 16 degrees 38 minutes 30 seconds east 1,200.0 feet; thence with the westerly right-of-way line of Almeda Road south 16 degrees 38 minutes 30 seconds west 2,563.2 feet to a point for the southeast corner of this tract; thence north 73 degrees 21 minutes 30 seconds west 3,120.34 feet to a point on the easterly right-of-way line to a roadway for the southwest corner of this tract; thence with the easterly right-of-way line of said roadway and the Knight Road north 3 degrees 48 minutes 30 seconds west 867.95 feet and north 10 degrees 36 minutes 50 seconds west 756.80 feet to the place of beginning, containing 199.959 acres of land, less the following described tracts of land:

Beginning at the intersection of the southerly right-of-way line of United States Highway 59 (Old Spanish Trail) with the easterly right-of-way line of Knight Road (sometimes called Old Main Street Road or Main Street Cutoff), said intersection being marked by a Texas Highway Department concrete monument as the northwest corner of the parcel of land herein described; thence with the southerly right-of-way line of said United States Highway 59 north 74 degrees 57 minutes east, 477 feet to a point; thence south 15 degrees 03 minutes east, 600 feet to a point; thence south 74 degrees 57 minutes west, 523.55 feet to a point in the easterly right-of-way line of Knight Road; thence north 10 degrees 36 minutes 50 seconds west, 601.8 feet to the point of beginning, containing a total of 6.89 acres of land, more or less.

Beginning at a point located on the southerly right-of-way line of United States Highway 59, said point being 477 feet in an easterly direction from a Texas Highway Department concrete monument which marks the intersection of the southerly right-of-way line of United States Highway 59 with the easterly right-of-way line of Knight Road (sometimes called Old Main Street Road or Main Street Cutoff); thence north 74 degrees 57 minutes east, 363 feet to a point; thence south 15 degrees 03 minutes east, 600 feet to a point; thence south 74 degrees 57 minutes west, 363 feet to a point; thence north 15 degrees 03 minutes west to the point of beginning, containing a total of 5 acres of land more or less.

Commencing at a concrete monument set by the Texas State Highway Department at the intersection of the southerly line of the right-of-way for United States Highway Numbered 59 (Old Spanish Trail) with the easterly line of the right-of-way for Old Main Street Road (Main Street Cutoff) thence along said southerly line of the right-of-way for United States Highway Numbered 59, north 74 degrees 57 minutes east, 840 feet to the point of beginning; thence continuing along said southerly right-of-way line north 74 degrees 57 minutes east, 600 feet to a point; thence south 15 degrees 03 minutes east, 600 feet to a point; thence south 74 degrees 57 minutes west, 600 feet to a point; thence north 15 degrees 03 minutes west, 600 feet to the point of beginning, containing 8.26 acres, more or less.

From a highway department monument approximately 50 feet southeast of the intersection of Knight Road and United States Highway Numbered 59 (Old Spanish Trail) in the city of Houston, State of Texas, north 74 degrees 34 minutes 30 seconds east a distance of 1,440 feet to the point of beginning north 74 degrees 34 minutes 30 seconds east a distance of 720 feet to a point; thence south 15 degrees 25 minutes 30 seconds east, a distance of 603.92 feet to a point; thence north 74 degrees 34 minutes 30 seconds east a distance of 723.96 feet to a point; thence north 15 degrees 03 minutes west a distance of 603.93 feet to the point of beginning consisting of approximately 10 acres more or less.

The amendments were agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. MORSE subsequently said: Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Oregon will state it.

Mr. MORSE. What action was taken on Calendar No. 1035, House bill 2741?

The PRESIDING OFFICER. The bill was passed, without objection.

Mr. MORSE. Mr. President, I have an objection on file on that bill. I was engaged in a conference on another matter when the bill was called. I ask unanimous consent that the vote by which the bill was passed be reconsidered.

The PRESIDING OFFICER. Is there objection? Without objection, the vote by which the bill was passed is reconsidered; and the bill is before the Senate.

Mr. MORSE. Mr. President, I wish to have the attention of the Senator from Texas [Mr. JOHNSON]. I desire to make a statement about the bill, because it concerns me very much.

As I understand, the bill would authorize the Veterans' Administrator to convey to the Hermann Hospital Estate 169.809 acres of land, upon payment by the grantee of the original cost, or approximately $581,356.04, plus 3 percent interest from December 17, 1946, to the date of payment.

The land in question is a part of a 200-acre tract previously owned by the Hermann Hospital Estate, and acquired by the United States, through condemnation, for $684,577.38.

Senate report No. 1011 suggests that the land is surplus to the needs of the United States. The proposed Veterans' Hospital was not constructed.

A memorandum submitted to me on a confidential basis has the following to say with respect to the present value of the land in question:

It is worth $1,150,000, as the fair market value as of October 1956, for the 169.809 acres, and that the best use of the property would seem to be for industrial and commercial purposes.

Under section 203 (k) of the Surplus Property Disposal Act, a hospital, public or private, can apply to the Secretary of Health, Education, and Welfare

for a transfer of federally owned real property. If the Secretary finds that public benefits will result from the transfer, he approves the tranfer, upon certain conditions, including the following of a program outlined by the Secretary.

In case the hospital accepts the conditions, an allowance of 5 percent a year is made, over a period of 20 years, on the purchase price. At the end of 20 years the hospital acquires a fee simple interest.

Mr. President, I am always very frank about matters in connection with proposed legislation that disturbs me.

The report on the bill gives no indication that the land will be used for hospital purposes, but the report leads one to conclude that possibly the land will be held for investment purposes. It is Federal property. I see no reason why all the taxpayers of the United States should not receive the benefits to be had from this property.

Furthermore, I am informed that oil is being struck all around the property, within very short distances of it. It might be that the property is on top of an oil dome. I do not know that it is; but at least I think we should obtain all the facts regarding the matter, and we should obtain from the committee a much clearer report than the one made thus far.

So, for the benefit of the Senator from Oregon, let me say that I wish to know, first, how much the property is really worth, because at this time it belongs to all the taxpayers of the United States. It was condemned. This is not a case of a donation by the original owners to the Federal Government. The Federal Government paid for the property, to the tune—so far as the value of this particular amount of land is concerned—of over $500,000; and the land became the property of all the people of the United States.

Second, we have on the books a statute which makes it possible for a hospital to obtain property for hospital uses if certain procedures are followed.

Third, is the property going to be used for hospital purposes?

In the report there is not a word which shows that it is.

Fourth, is this potentially rich oil land? If it is, I believe that all the people of the United States—not merely this particular group—should obtain the benefits to be had from the oil which may be found.

Let me say that the bill is not a new one; it has been around for some 3 years, in one form or another.

I only want the Senate to know that responsible people in Texas have satisfied me that I ought to proceed rather carefully in regard to the bill, at least, before permitting it to be passed during the call of the consent calendar.

If the Senator from Texas can clear up the points which are bothering me, I shall be glad to consider the matter. Otherwise, I shall object to the bill.

Mr. JOHNSON of Texas. Mr. President, I am unable to clear up all the things that bother the Senator from Oregon, because I do not have the facts in regard to all the questions he has raised.

All I know is, first, that the bill is a House bill. The land was owned by the Hermann Hospital, in Texas. The Government said it needed the land, in order to build a Veterans' Administration hospital. The strong arm of the Government moved in, and the owners were told, "We are going to take this land away from you. We are going to institute condemnation proceedings. We are going to have a condemnation jury tell us how much the land is worth, and we are going to pay you for it, because the land is required to serve a governmental interest." That is what happened.

Subsequent to the condemnation proceedings, it was determined that the land was not needed. The Hermann estate did not desire to convey the land; but when the Government condemned the land and took the land away from the estate, the estate had no recourse.

At this time, when the Government has found that the purpose for which it acquired the land no longer exists, the Hermann Hospital Estate trustees apparently feel that the land which they formerly owned should be returned to them, provided they pay the Government all the Government had paid for the land, plus a reasonable amount of interest.

The Member of Congress from that district introduced a bill, and it was considered carefully by a House committee, composed of a group of reasonable men. The committee reported the bill to the House of Representatives, and the House of Representatives passed the bill unanimously. Then the bill came to the Senate.

This is not a Senate bill. I had no knowledge of the bill until a few minutes ago, when a member of the committee informed me that the strong arm of the Government had reached in and had taken the land—land that it did not need, and could not use—from a hospital that owned it, used it, and did not want to give it up; and that the committee felt that under those circumstances—since the Government did not need the land, and could not use it, and was not in the real-estate speculation business—if the hospital would return to the Government all the money the Government had paid under the condemnation proceedings, plus interest, the land should be returned.

I have never heard anyone raise a question as to whether there is any oil or gas or whether there are rich mineral deposits under the land. If there are any under it, evidently that was not taken into consideration when the condemnation jury made its award.

This matter does not involve a private citizen, it involves the estate of a very wealthy and very prominent man, who passed away, and left his money to a charitable hospital; and a part of the estate consisted of some of this land.

To what use the hospital expects to put the land, the Senator from Texas does not know. What is under the land or what is on top of it, the Senator from Texas is not informed.

But this bill was referred to a committee headed by the able Senator from Alabama [Mr. HILL]; and the committee felt that since the Government did not need the land, and since the Government took the land under a total misapprehension, the hospital is entitled to have the land returned, since the Government can no longer use it.

If the Senator from Oregon, who has done so much in this way to protect the interests of the Government, feels that this is an inequitable situation, I shall be glad to have the bill remain on the calendar, and I shall explore the matter further; and I shall be glad to supply to him and to the Senate all the facts I may obtain.

I certainly do not wish to ask for my constituents anything I would not expect to have any other Senator have his constituents receive.

Mr. MORSE. Mr. President, will the Senator from Texas yield?

Mr. JOHNSON of Texas. I yield.

Mr. MORSE. I wish to say that the explanation given by the Senator from Texas is very helpful to me in reaching my judgment on the bill.

I desire to point out to him that there have been many, many cases of States or cities donating land to the Federal Government, for veterans' hospital purposes. The Federal Government subsequently decided it did not need the land, or abandoned its plan to have a veterans' hospital. It had proposed legislation introduced, and the land was given back to the city or State, because the purpose for which it was donated in the first place no longer was to be carried out by the Federal Government.

Time and time again I have taken the position that in such instances a city or State is entitled to take its property back. We all know why those donations are made—in part, at least. They are made because the people of the community know the donation will be a small amount compared to the return they will get from the location of the hospital in their midst, because of the new population it will bring in and the expenditures which will be made in the community.

If it is fair to do that, I think, in all equity, I would have to admit it is fair in the case where a donation has not been forthcoming and property has had to be condemned for the purpose designated, and only for that purpose. This land was not taken for a general purpose. It was for a specific purpose, against the opposition of the owners of the land. Then I think it is only fair, if the Federal Government does not use the property for the purpose for which it purchased it, at least the owner should have the first opportunity to get the property back. That is the principle we follow in some other legislation on the books; preference is given to the original owners to repurchase property which has been taken by the Government for a purpose the Government no longer wishes to pursue. I think that is an equitable point.

In the third place, from what the Senator from Texas has said—and my recollection of the record would cause me to conclude he is completely right about it—when the land was originally purchased by the Federal Government, it was not purchased, by condemnation, on the basis of potentially rich land which

might have minerals under it. Therefore, I do not think the Government would have a just right to take advantage of the original owners of the land from whom they took the property, by condemnation for a specific purpose, and no longer intend to pursue that purpose.

That leads me to the question, Is the Federal Government getting back from the original sellers of the property the amount of money the Government has in fact put into it, based upon the value as determined at the time of the original sale? If the Senator from Texas and the members of the committee can give me assurances that the Federal Government is getting back every dollar it put into this property in the first place, with interest, then, in all fairness, on the basis of the position I have taken in similar cases in the past, I would have to withdraw my objection, although it is a particularly difficult case, because of the references which have been made in regard to what may be under this land.

If the Government had not condemned it in the first place, the original owners would have the oil, if oil is there. I do not believe we have any moral right as a government to deal unfairly with the owners of the land simply because subsequently it may be discovered that it is oil-bearing.

If the Federal Government is getting back all the money it put into the property, with interest, then I cannot, on fair grounds, it seems to me, object to the bill.

Mr. JOHNSON of Texas. Mr. President, I deeply appreciate the fairness of my friend from Oregon. I shall quote from page 2, line 4, of the bill:

an amount equal to the original cost to the United States of acquiring the above 169.809 acres of land (costing approximately $581,-356.04) plus interest at the rate of 3 percent per annum computed from December 17, 1946.

So I will say to the Senator from Oregon that, according to the language of the bill, the report on the bill, and the understanding of the senior Senator from Texas, the land, which was not necessary for a veterans' hospital, which cannot be used for that purpose, and which never should have been condemned, now goes back to a hospital that can use it, that needs it, that is willing to return all the money paid under the condemnation proceedings, plus a reasonable rate of interest. I shall not go into the interest argument at this time.

Mr. MORSE. On the basis of the legislative history the Senator from Texas has made on the proposed legislation, I withdraw my objection.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (H. R. 2741) was passed.

CONTRACT FOR USE OF SEWAGE FACILITIES BY FORT MEADE VETERANS' HOSPITAL

The Senate proceeded to consider the bill (S. 2467) to authorize the Administrator of Veterans' Affairs to negotiate a new contract with the city of Sturgis, S. Dak., with respect to the use of the sewage facilities of such city by the Fort Meade Veterans' Hospital, Sturgis, S. Dak., which had been reported from the Committee on Labor and Public Welfare, with amendments, on page 1, line 8, after the word "to", where it appears the first time, to strike out "(1)"; on page 2, line 2, after the word "cost)", to strike out the comma and "and (2) pay to such city an annual maintenance and operation fee for the use of such sewage facilities by such hospital", and, in line 7, after "W-631", to strike out "Eng-2875" and insert "eng-2876"; so as to make the bill read:

Be it enacted, etc., That (a) the Administrator of Veterans' Affairs is authorized and directed to negotiate a new contract with the city of Sturgis, S. Dak., with respect to the use of the sewage facilities of such city by the Fort Meade Veterans' Hospital, Sturgis, S. Dak., for the purpose of permitting the Veterans' Administration to pay to such city a proportionate share of the construction cost for the expansion and improvement of such sewage facilities (such share to be not less than 15 percent of the construction cost). Such contract shall be for a period not exceeding 50 years.

(b) The contract entered into on September 8, 1942 (contract No. W-631-eng-2876), between the United States and the city of Sturgis, S. Dak., shall be canceled by mutual agreement upon the execution of the contract herein authorized.

(c) The payments authorized to be made under this act shall be made out of any funds appropriated to the Veterans' Administration for hospital and domiciliary facilities.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ERECTION OF NATIONAL MONUMENT SYMBOLIZING THE IDEALS OF DEMOCRACY—BILL PASSED OVER

The PRESIDING OFFICER. It was agreed by unanimous consent that the remaining bills on the calendar should be passed because the reports on them were not available. There is a bill at the foot of the calendar, Calendar No. 892, S. 2363, which will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 2363) to authorize the erection of a national monument symbolizing the ideals of democracy.

Mr. TALMADGE. Mr. President, at the request of the junior Senator from Virginia, I renew my request that the bill be recommitted to the committee for hearings.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. TALMADGE. There is.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KNOWLAND. What bill is now before the Senate?

The PRESIDING OFFICER. Calendar No. 892, S. 2363, to authorize the erection of a national monument symbolizing the ideals of democracy.

Mr. KNOWLAND. I would have to object at this time to recommitting that bill to committee.

The PRESIDING OFFICER. Under the objection of the minority leader, the bill will stay on the calendar, but will be passed over, on the objection of the Senator from Georgia.

That completes the call of the calendar.

KLAMATH RIVER BASIN COMPACT, CALIFORNIA AND OREGON

Mr. ANDERSON. Mr. President, there is at the desk an amendment of the House to S. 2431.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 2431) granting the consent of Congress to the Klamath River Basin compact between the States of California and Oregon, and for related purposes which was, on page 31, line 18, strike out "$100" and insert "$50."

Mr. ANDERSON. Mr. President, an amendment was made by the House of Representatives. There was in the bill a provision for a Federal mediator in the controversy between the States of California and Oregon. The House struck out the provision for the fee of $100 which the Senate provided, and made it $50. Rather than send the bill back to conference, we will accept the House amendment.

I move that the Senate concur in the amendment of the House.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Mexico.

The motion was agreed to.

INDIAN HOSPITALIZATION PAYMENTS TO BERNALILLO COUNTY, N. MEX.

Mr. ANDERSON. Mr. President, I thought the Senator from Montana was going to ask that the Senate proceed to the consideration of Calendar No. 1016, H. R. 9023.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar 1016, H. R. 9023.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. An act (H. R. 9023) to amend the act of October 31, 1949, to extend until June 30, 1960, the authority of the Surgeon General to make certain payments to Bernalillo County, N. Mex., for furnishing hospital care to certain Indians.

The PRESIDING OFFICER. Is there objection to the consideration of Calendar No. 1016, H. R. 9023?

There being no objection, the Senate proceeded to consider the bill.

The PRESIDING OFFICER. The bill (H. R. 9023) is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendment and third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

VACATION IN NORTHLAND

Mr. HUMPHREY. Mr. President——

The PRESIDING OFFICER. For what purpose does the Senator from Minnesota rise?

Mr. HUMPHREY. For recognition.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. HUMPHREY. Mr. President, this is the time of the year when America is on the move with vacation travel—and many of us here would like to be vacationing, ourselves.

Perhaps it will spur conclusion of our work to call attention to a wonderful vacation suggestion, appearing in the August issue of Successful Farming magazine. In an article entitled "A Thousand Miles of Excitement," it suggests an ideal vacation trip through Minnesota into Canada.

Mr. President, I ask unanimous consent that the article referred to be printed in the body of the RECORD, and invite my colleagues to enjoy this wonderful tour of the north country, with long residence in the State of Minnesota.

Mr. DOUGLAS. Mr. President, reserving the right to object—and I do not intend to object—every year at this time the Senator from Minnesota rises and gives a travel talk on behalf of the State of Minnesota. I do not object to that. Minnesota is a very fine State.

I will say, though, Mr. President, that I have never seen any group of people who take so much credit for what the Lord has done for them as the residents of Minnesota. We in Illinois are more modest. I hope the travelers the Senator from Minnesota entices into the northwoods spend some time in the Prairie State of Illinois, the home of Abraham Lincoln and Stephen A. Douglas.

Mr. HUMPHREY. Mr. President, since we are generous people, we are happy to share the travel time of anyone who wishes to come to Minnesota with a day in Illinois. The visitors will enjoy Minnesota all the more, and we will welcome them all the more.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Minnesota? Without objection, the propaganda of the Senator from Minnesota will be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A THOUSAND MILES OF EXCITEMENT

(By Mike Bay)

Vacations can be fun and not too costly if you plan your trip carefully—and with imagination.

To challenge your imagination, Successful Farming is suggesting this trip to the northland. Our map shows only one of several good routings through Minnesota to Canada and return.

This trip is designed to capture the fancy of every member of the family. Of course, fishing and swimming are the favorite activities of farm families visiting this area.

You'll nearly always be near a clear, clean lake, placing all the water sports at your beck and call. In Minnesota alone you have 10,000 lakes for sailing, water skiing, powerboating, surfboarding, swimming, or even skindiving.

But just to make sure everyone's fun needs are met, this vacationland offers golf, tennis, sightseeing, shuffleboard, riding, dancing, playground equipment for the kids, and just plain loafing.

In this northern lake country side trips are unlimited. You'll want to get more details on these by writing to the Division of Promotion, Department of Business Development, State Capitol, St. Paul 1, Minn., and to the Canadian Government Travel Bureau, Ottawa, Canada.

Now, to get started on our trip, let's go to Canada via eastern Minnesota. If you live west or south of Minneapolis you may want to reverse the routing shown on our map to save mileage.

Depending on how many miles you'll have driven before reaching the beginning of our trip, you may wish to stay overnight in the Minneapolis-St. Paul area. If you expect to arrive the week of August 24–September 2, you should make your reservations well in advance. This is Minnesota State Fair week.

At the Twin Cities you'll find the finest hotel and motel accommodations along with shops of fashion, first-rate entertainment, and famous eating places. You'll enjoy seeing Southdale Center in Minneapolis. Acclaimed for architectural beauty, it embodies a modern concept of shopping facilities.

For a better understanding of the development of earth and man, visit the science museum and see the dinosaurs and other exhibits.

Leaving St. Paul on your way north on Highway 61, you'll go through resort centers such as White Bear Lake and Forest Lake. You'll cross the southern boundary of the great Northwoods. The change from diversified farming to evergreen forests will begin to be noticeable.

If you're bothered with hay fever, Duluth will hold a special interest for you. It is known as the "Air-Conditioned City of America" and a haven for hay-fever sufferers. The Hay Fever Club of America, Inc., has maintained its summer headquarters here for more than 30 years.

At Duluth you'll want to see the Aerial Lift Bridge which spans a ship canal. This bridge is the second of its kind in the world.

At Duluth-Superior harbor, America's second largest port in tonnage shipped, trains will be unloading their ore into ships. A total of 276 ships, the ore industry's navy, moves the graded ore to the steel furnaces via the Great Lakes. The ships' total capacity is more than 3 million tons per trip. The larger vessels are more than 700 feet long.

Should you plan your vacation the early part of August, Duluth has special entertainment in store for you. Their International Folk Festival takes place the first weekend of August. Costumed folk dancers from many nations are represented and visitors are offered culinary delights from many other countries.

You'll leave Duluth on the famous North Shore drive. Your next 60 miles will be startling scenery. Rushing rivers, with spectacular cascades and waterfalls, boiling through rocky beds, tumble down from the uplands and into Lake Superior. Breathtaking cliffs, long stretches of forest, and a rocky shoreline make this lakeshore drive unforgettable.

At Illgen City, you turn into State Highway 1 for a 63-mile drive through the wilderness of the Superior National Forest to Ely. This area, known to the natives as the wilderness country, is one of the favored jumping-off places for campers. And the camp-out-week type of vacation is becoming increasingly popular among budget-minded vacationers.

At Ely, International Falls, Grand Marais, and many other places in this canoeing country, outfitters have all the necessary camping equipment for rent. This includes canoes, a tent, air mattresses, gear of all kind, fishing tackle, cooking and eating utensils, all kinds of specially selected dried and canned foods, and even the sturdy type of clothes best suited for outdoor living.

A camping party can take off in canoes and soon be in the most beautiful wilderness country in the world for as little as $5 to $6 per day per person.

Hundreds of miles of portage routes for the canoe and camp enthusiast have been clearly marked by the United States Forest Service. You'll find rustic camps, picnic grounds in this national forest.

As you leave the wilderness country of Ely on Highway 169 toward Hibbing you will see unforgettable scenes of men, cars, and machinery struggling in the great drama of steelmaking.

In the Vermillion and Mesabi Iron Range country, monster power shovels will be scooping tons of earth at a bite and dropping it with a clang into the open laps of red-bellied hoppers.

The Hull-Rust Mahoning mine at Hibbing is the largest open-pit mine in the world and the most stupendous excavation ever dug by man. Here man has moved more earth than was moved in building the Panama Canal. Sixty percent of all the ore mined in the United States is produced in Minnesota and the Mesabi Iron Range near Hibbing produces 90 percent of the State's iron ore.

At Hibbing, you're only 93 miles from International Falls—port of entry to Canada, a nation which each year welcomes visitors numbering almost twice her own population.

To assist immigration officials of both nations to speed your crossing, you should carry identifying papers such as birth, baptismal, or voter's certificate; driver's license, or special letters. If you're not a native-born United States citizen, you'll be asked to show your naturalization certificate or alien registration receipt card.

Be sure you have your car registration card. If you don't own your car, secure written permission from the owner to bring the car into Canada and have the registration card.

Your reentry into the United States will be simplified if you'll list all your purchases before you reach the border, keep sales receipts and invoices handy, and pack purchases separately for convenience of inspection.

For full details on regulations pertaining to purchases, pets, foods, boats, and other things of interest to you, write to the Canadian Government Travel Bureau, Ottawa, Canada, for their publication How to Enter Canada.

As you drive the 143 miles to Kenora, you'll be in the Lake of the Woods country. This lake has 14,000 islands, more than any other lake in the world.

Here, you can find the mighty muskellunge, or popular northern pike, the appetizing walleyed pike, and the fighting black bass, or lake trout.

If you prefer to fish in virgin waters in the Canadian northland, plan a side trip from Kenora. Outfitters are ready to fly you to camps farther north.

Make your reservations for lodgings as far in advance as possible, says the Ontario Department of Travel and Publicity. Facilities are sometimes crowded to capacity on weekends or over specific holidays. Your reservation should be accompanied by a deposit which will be applied against your accommodation account when you arrive.

On your way to Winnipeg you'll leave the Province of Ontario and enter Manitoba. Winnipeg, its capital, is a big bustling city with excellent stores.

As you leave Winnipeg to return home, you'll travel south through the rolling wheatlands. This route runs through the heart of the Red River Valley—the bread basket of the world.

After this 70-mile drive you'll reach Noyes, the United States port of entry where customs and immigration officials await you. Ninety-two miles later on highway 75, you're in Crookston; 75 miles farther on along Highway 2 and you will be in Bemidji.

Bemidji was one of the last areas opened to settlement along the Mississippi between Lake Itasca and the gulf.

Along the lake shore near the city's information center are the giant figures of Paul Bunyan, Minnesota's legendary hero, and his blue ox, Babe. They stand almost 20 feet high in steel and concrete.

Just 32 miles southwest of Bemidji is the Itasca State Park, Minnesota's largest, a vast domain of 32,000 acres. Here the Mississippi River gets its inspiration for the long journey to the gulf, making it one of the great rivers of the world. You can walk across the small stream where it begins to flow northward for almost 100 miles before turning south.

As a final chapter to what can be your most memorable vacation, take a horseback ride along the park's numerous trails and enjoy the acres of unspoiled beauty. You'll see magnificent virgin Norway and white pine, deer which roam the area at will, and crystal-clear, blue lakes. You'll be glad that you took time to see the northland.

Mr. HUMPHREY. I should like to correct the Presiding Officer, when he made his comment relating to the epistle of truth and veracity which I placed in the RECORD relating to the God-given and blessed wonders of Minnesota, as well as those which were embellished somewhat by man's hand. I want to say that that was the truth and it was not propaganda.

It will always be well for my colleagues to differentiate between truth and that which is propaganda. I was speaking of Minnesota and not other parts of the Nation.

The PRESIDING OFFICER. The Chair regrets having used the unfortunate word "propaganda" and also regrets that the description cannot be printed in technicolor.

COMMENDATION OF FORMER SENATOR HITCHCOCK

Mr. HUMPHREY. Mr. President, a distinguished former Member of the United States Senate will observe his 90th birthday on Thursday.

He is former United States Senator Herbert E. Hitchcock, of Mitchell, S. Dak.—my own native State.

I am proud to claim Senator Hitchcock as a friend. He has been a great public servant for South Dakota, and thousands of his friends will join in wishing him good health on the occasion of his approaching 90th birthday.

Herbert Hitchcock was born in Maquoketa, Iowa, on August 22, 1867. He attended high schools at Anamosa, Iowa, and San Jose, Calif., business college at Davenport, Iowa, the State College at Ames, Iowa, and took a law course at the College of Law in Chicago.

Senator Hitchcock moved to Mitchell, S. Dak., in 1884, and was admitted to the South Dakota bar on examination in 1896. He practiced law for 40 years at Mitchell, where he was a member of the firm of Hitchcock and Sickel. During that time he was president of the Mitchell School Board for 10 years—from 1924 to 1934; served as State's attorney for 4 years, 1902 to 1906, and as State senator in 1909, 1911, and 1929. He was appointed to the United States Senate on December 29, 1936, by Gov. Tom Berry, to fill the unexpired term of Peter Norbeck ending January 3, 1939.

Senator Hitchcock was a Democrat, and a good Democrat. He was active in Democratic State politics for many years, and still maintains his keen interest in our party. He served as State chairman for 4 years, and as party secretary and executive committeeman.

As a friend and admirer of Senator Hitchcock, I wanted to take this opportunity today to salute him from the floor where he once represented his fine State of South Dakota.

Mr. ANDERSON. Mr. President, will the Senator from Minnesota yield to me?

Mr. HUMPHREY. I yield.

Mr. ANDERSON. I may say to the Senator from Minnesota that he and I were both born in the State of South Dakota. We both know former Senator Hitchcock.

It was my pleasure to come to Washington to visit Senator Hitchcock when he was a Member of the Senate. He was a practicing lawyer for my family 65 years, and has continuously but only occasionally represented my family for all that time. In the last 6 months he has been engaged in doing some legal business for me.

It is a rather unusual thing when one can keep the services of a single attorney for more than 60 years.

During the time this was going on, a piece of property changed hands in the family by inheritance. When the matter came to the notice of Senator Hitchcock, he called attention to the fact but for an error of omission on the part of the deceased, the inheritance would have gone a different way. He was able to produce the papers and show that justice required some other disposition be made, and it was made.

My confidence in Senator Hitchcock has never varied. My respect for him has never changed. He is truly a remarkable man.

The interesting thing to me is that while he is 90 years old, I must say he is as keenly interested in public affairs as is any other person. I am sure he takes a great interest in what goes on in the Senate Chamber. I have received letters in the past few months from him commenting on the proceedings of the United States Senate.

I appreciate the action of the Senator from Minnesota in inviting attention of Senators to the fact that Senator Hitchcock's birthday will be Thursday.

Mr. HUMPHREY. I thank the Senator from New Mexico. I may say that one of the young friends of the distinguished former Senator to whom I have referred, the Representative from the East River district, Representative GEORGE MCGOVERN, is on this same day in the other body paying tribute to this distinguished Democrat, this fine citizen, and this trustworthy public servant.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from South Dakota.

Mr. CASE of South Dakota. Mr. President, I appreciate the opportunity to join in paying tribute to Herb Hitchcock, as we know him in South Dakota.

Former Senator Hitchcock served in this body during the time I was serving my first term in the House of Representatives. He was appointed to succeed the late Senator Peter Norbeck.

Herb Hitchcock has been a public-spirited citizen widely known throughout the State of South Dakota during his entire life. It was my privilege to be on a school platform with him last year when we were dedicating a new college hall at the Dakota Wesleyan University. Mr. Hitchcock on that occasion observed that he was present when the old college hall building of the Dakota Wesleyan University had been dedicated some 70 years before. He was again there present to participate in the dedication of a new college hall to replace the old one, which had burned down.

Mr. Hitchcock served many, many years as chairman of the board of education for Mitchell. One of the parks of the city is named Hitchcock Park. He is a distinguished citizen in any man's land or any man's country. We are all proud of him.

Mr. HUMPHREY. I thank the Senator from South Dakota for his generous comments. They are truly characteristic of his kind and generous attitude.

Mr. DOUGLAS. Mr. President, will the Senator yield to me?

Mr. HUMPHREY. I yield to the Senator from Illinois.

Mr. DOUGLAS. I am glad the Senator from Minnesota has paid tribute to the distinguished statesman and Democrat from the State of South Dakota. I should like to join the Senator in that tribute.

I am continually impressed with the famous men who once lived in South Dakota—and I dare say there are some who still continue to live there—because, in addition to the two distinguished Senators from South Dakota, the Senator from Minnesota has stated he was born in South Dakota, and the Senator from New Mexico has now come forward to say that he is a refugee from South Dakota. I believe the senior Senator from Washington grew up in South Dakota.

Mr. HUMPHREY. Minnesota was the State for the senior Senator from Washington.

Mr. DOUGLAS. I think he went to college in South Dakota.

Mr. HUMPHREY. No.

Mr. DOUGLAS. The general conclusion which I draw is that South Dakota is not only a good State to live in but a good State to come from.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. HUMPHREY. I should add at this point that South Dakota leads in experts. It is a great State and it is well represented.

Mr. CASE of South Dakota. Mr. President, will the Senator yield to me, in view of the reference to my State?

Mr. HUMPHREY. Of course, I shall now yield to the Senator from South Dakota.

Mr. CASE of South Dakota. I may say, Mr. President, that South Dakota does produce many, many fine people. We do have the privilege of having three persons in the Senate who do not now represent the State of South Dakota as Senators but who represent other States. Those persons are both Senators from Minnesota and the Senator from New Mexico. My colleague, the senior Senator from South Dakota, was born in South Dakota. I was one who was born in another State, but thought South Dakota was a good State to go to.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from New Mexico.

Mr. ANDERSON. Some years ago, Mr. President, there were contests in which one would send in questions to stump the panel of experts. I thought it would be a good idea to send in a question to stump the panel, so I sent in a question. At that time Senator Gurney was a Member of this body. I asked the question, "In what State were the largest number of the present United States Senators born?"

The obvious answer would be Massachusetts, Maryland, Maine, Pennsylvania, Virginia, Ohio, and so forth. When I wrote down the facts and showed that South Dakota at that time had 2 Senators born in South Dakota, Minnesota had 2 Senators born in South Dakota, and New Mexico had 1 Senator born in South Dakota, the people in charge of the quiz wrote back and said, "Nobody would ever look up that subject and come up with that answer. Anybody would think of some other State than the far-off State of South Dakota.

Now, South Dakota has come down one in its number, but it still is tied with any other State for the most Senators born within its borders.

I am happy that the Senator from Minnesota and I could join in paying tribute to that State.

Mr. HUMPHREY. Mr. President, I again thank the Senator from New Mexico for his generous comments about an old friend.

REREGULATING RESERVOIR AND OTHER WORKS AT BURNS CREEK SITE, UPPER SNAKE RIVER VALLEY, IDAHO

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 888, S. 2757, relating to the Burns Creek site of the upper Snake River Valley, Idaho.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 2757) to authorize the Secretary of the Interior to construct, operate, and maintain a reregulating reservoir and other works at the Burns Creek site in the upper Snake River Valley, Idaho, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. MANSFIELD. Mr. President, I withhold the suggestion.

FOREIGN-AID APPROPRIATIONS

Mr. BYRD. Mr. President, while the Senate Appropriations Committee is still considering the foreign-aid appropriations bill, I wish to say I hope they will cut it still more.

In support of this expression, I invite the attention of the committee and the Senate to the fact that there will be more than $1 billion available for expenditure through foreign-aid programs which:

First. Was not included in the President's appropriation requests or totals;

Second. Was not included in the figures shown in the President's recent message requesting foreign-aid appropriations for fiscal year 1958;

Third. Was not publicized in any reports on the hearings held by either the House or the Senate on the new basic foreign-aid bill;

Fourth. Will not be subject to appropriation control;

Fifth. Will not be susceptible of meaningful audit or accounting; and

Sixth. Is not included in the pending appropriation bill.

This $1 billion-plus is in addition to the more than $6 billion already available for foreign-aid expenditure in unexpended balances remaining in prior appropriations.

If the Senate were to accept the $3.2 billion in new appropriations passed by the House of Representatives last week, total available for foreign-aid programs would be in excess of $10 billion—$3.2 billion in new appropriations, $6.1 billion in unexpended balances in prior appropriations, and this $1 billion-plus in unbudgeted funds. This is too much, and I desire to say in advance that I shall support amendments reducing appropriations to the foreign-aid program.

These unpublicized, unbudgeted funds which I mentioned at the beginning are in the form of foreign currencies which are being generated every day for use in foreign-aid programs. Great effort has been made to keep them out of the budget, and prevent them from coming back to the Treasury where they belong for application on the public debt whence they came. The $1 billion figure for fiscal year 1958 is a highly conservative estimate on the basis of the best official information. To show how conservative the estimate is, I cite documentary references which are available to the Appropriations Committee and the Senate as a whole:

Six members of the House Foreign Affairs Committee, House Report No. 776, 85th Congress, 1st session, dated July 9, 1957, page 107, estimated foreign currency funds available for foreign-aid program expenditure at $2 billion—$1 billion generated by the Agricultural Trade Development and Assistance Act, and another billion in other programs producing foreign currencies loosely referred to as counterpart funds.

The House Appropriations Committee report on the pending foreign-aid appropriations bill—page 4—last week said:

As of June 30, 1957, the Agricultural Trade Development and Assistance Act alone was expected to generate more than $1.5 billion in foreign currencies for foreign-aid programs:

Military procurement (sec. 104c)	$243,700,000
Multilateral trade (sec. 104d)	42,400,000
Economic development grants (sec. 104e)	61,500,000
Economic development loans (sec. 104g)	1,169,300,000

Under this law the President may waive purchase of these currencies with appropriated dollars in cases where they do not become available as free-use funds.

The Congress has just enacted an amendment to the Agricultural Trade Development and Assistance Act authorizing another $1 billion for purchase of agricultural surpluses to be sold for foreign currencies which may be used largely for foreign-aid programs. This new authorization is in addition to $3 billion already available for this purpose. Foreign aid financing from this source is getting to be big business. Funds provided in this new $1 billion authority are not included in any of the estimates which I cite in this connection.

In the House Appropriations Committee hearings on the pending bill, page 219, Mr. John B. Hollister, Director of the International Cooperation Administration, said he did not know how much foreign currency would be available to foreign-aid programs in fiscal year 1958, and he declined to make a guess. Later his organization submitted a table showing, on page 1118A of the same hearings, that foreign currencies available under this law for expenditure between April 1, 1957, and June 30, 1958, were estimated at $1.2 billion.

The Budget Bureau, in the January budget document estimates which were formulated nearly a year ago, indicated more than $835 million would be available in free-use foreign currencies for fiscal year 1958. The estimate included more than $727 million for economic programs and $108 million for military assistance programs. These figures are shown in informational tables, developed a year ago, setting forth the estimated detail of these funds. The tables are to be found on pages 83 and 77 of the budget document.

It should be noted that I said informational tables. This money does not appear anywhere in the figures which add up to the $73.3 billion appropriations requested by the President, or in the $4.4 billion he originally requested for foreign aid. It should be noted also that I said these figures were developed a year ago.

I am informally advised by budget people that if this estimate were now revised it probably would be higher. I have checked also with Treasury and General Accounting Office officials. All agree that something more than $1 billion would be a conservative estimate of these currencies which will be available

for foreign-aid programs. But none of them would say how much. I can understand why they hesitate. By exempting this money from appropriation control, proper accounting and audit is impossible. The question becomes doubly complicated by the loose law under which these currencies are generated and used. The situation is ripe for a full-scale investigation, and frankly I have this under serious consideration.

At this point, however, I am completely satisfied that more than $1 billion in free-use currencies, unbudgeted, omitted from the pending bill, and beyond appropriation control, will be available to foreign-aid programs in the current year, and I hope the Appropriations Committee and the Senate will take this fully into consideration.

I hope, also, that the committee and the Senate will keep in mind the tremendous unexpended balances in these programs. And I am not impressed by any of the arguments for more foreign-aid funds on a permanent basis, or by the threat of necessity for a special session of Congress if these foreign aid funds are cut.

The House of Representatives has done a good job on the foreign aid appropriation bill, and I suspect what has been done is a direct result of pressure from the grassroots of the American public.

When the budget document was presented in January, the President requested $4.4 billion in new foreign-aid money. The American people let their dissatisfaction with that budget be known in no uncertain terms. The President revised his request down to $4 billion. The basic law recently enacted authorized $3.4 billion. The House reduced the appropriation figure to $3.2 billion, including $665 million in reappropriation of old funds which were expiring.

I sincerely believe the American people want these funds reduced still more, and I am hopeful that the Senate Appropriations Committee and the Senate will continue their good record for the year, and cut the appropriations still further.

I hope the committee and the Senate will keep in mind, also, the fact that foreign-aid loans are already available from the Export-Import Bank, the International Bank for Reconstruction and Recovery, the International Finance Corporation, and through the economic development loan program of the International Cooperation Administration.

In addition to these, the pending bill, as passed by the House, proposes to appropriate capital to set up a new foreign loan agency called the Development Loan Fund. Frankly, from all the information available to me, I do not know whether it is intended to be another Government corporation, another revolving fund, or what form it is supposed to take. This is not made clear in the basic law, and it is not made clear in the appropriation bill as it passed the House. One thing is clear; it was originally intended to be a device to make foreign aid permanent without the requirement for annual review by Congress and without appropriation control.

I realize that at each stage of its consideration this proposal has been subjected to additional curbs. But I predict that if it is allowed at all, the foot will be in the door and ultimately the original purpose will be accomplished.

The one safeguarding feature in these foreign-aid programs at the beginning was the original policy of keeping them on an annual basis, with the requirement for annual renewal of basic legislation and annual appropriations.

Gradually, over the years, advocates of the worldwide WPA have been whittling away at this policy. A permanent corporation or revolving fund for dispensing soft foreign loans would eliminate most of what remains of Congressional control.

I am hopeful that the Senate Appropriations Committee will eliminate funds for inauguration of this program, and limit all appropriations for foreign-aid programs to 1 year.

This foreign aid cannot go on forever. It would be keeping faith with the American people to cut it down now.

If we have not bought off the threat of communism with expenditures of between $60 billion and $70 billion, through more than 40 programs, over more than 10 years, we might as well recognize the uselessness of the effort and start trimming this foreign aid giveaway substantially. The so-called economic aid, especially, is not worth the price, and I would support an amendment to eliminate all new money for these programs which already have cost more than $40 billion.

While we have been pouring all this money abroad, our people at home have been suffering the cruel burden of tax rates at or near their peak.

Practically all of this foreign-aid money has increased our terrible Federal debt. Without these foreign-aid programs the debt would not now be pushing at the statutory ceiling.

Interest on the $275 billion Federal debt is now costing $7.4 billion a year. I have not calculated precisely the interest on money borrowed for foreign aid to date, but it would run into billions and the end is not in sight. The price of borrowed money is going up, and from now on interest on new and refunded Federal debt will be 4 percent or more. This is twice the rate paid in the earlier days of foreign aid.

I hope the Appropriations Committee and the Senate will cut foreign-aid appropriations for fiscal year 1958 still further, and the purpose of this statement is to pledge my support to such an effort in advance.

THE PRESIDENT'S GIFTS

Mr. CASE of South Dakota. Mr. President, there has been some comment on the floor from time to time about gifts being offered the President of the United States. I thought the Washington Evening Star made an appropriate comment. The Star said:

Any President, certainly any popular President, has something of a problem in deciding what to do about the gifts his admirers shower on him. Mr. Eisenhower, when asked about this at his news conference, gave a pretty good answer.

* * * * * *

He said that as far as he is concerned he needs no gifts and never accepts gifts if he thinks there is any personal, any selfish motive behind them. He rules out gifts from corporations and business firms, but sees no reason why he should not keep his relations with people on "a friendly, decent basis."

The Star continues:

This, it seems to us, is the only way in which a President can operate. It comes down to a matter of good taste and good judgment.

The following sentence, I think, contains the nub of the whole thing:

If the bearer of a gift has some ulterior purpose, if he is looking for a quid pro quo, of course he should be summarily sent about his business. But if this is not the case, if the person donating the gift is simply an admirer of the President, or even if he hopes to get his picture taken with the President, we see no objection. A President can hardly reject this kind of offering without implying that his admirers are trying to corrupt him—and we do not believe that any President is subject to suspicion of corruption on this score, be the gift a 10-pound ham or a prize bull.

I commend the commonsense of that editorial to Members of this body.

IN DEFENSE OF QUEEN ELIZABETH

Mr. BEALL. Mr. President, I ask unanimous consent to have printed in the RECORD, the pertinent portion of the radio news broadcast of August 8, 1957, over the WWDC broadcasting station of Washington, D. C., in which a prominent Washington attorney, Col. Heber H. Rice, who resides in Chevy Chase, Md., and who recently attended the convention of the American Bar Association in London, defended and praised Queen Elizabeth following the critical comments which had been made by Lord Altrincham.

There being no objection, the extract was ordered to be printed in the RECORD, as follows:

This is Joe Phipps, presenting the 12:30 edition of today's news, over WWDC broadcasting station. * * * A Washington colonel defends the Queen. * * * Following Lord Altrincham's recent procedural criticism concerning Queen Elizabeth, we contacted a Washington, D. C., lawyer who attended the Queen's party in London on July 29, Col. Heber H. Rice, chairman of the private claims committee, American Bar Association; and Colonel Rice said (over the radio): "At the royal reception, Queen Elizabeth was most cordial, charming, and friendly in meeting and talking with our American lawyers and their ladies in the palace gardens, and her impressive manner of speaking to us and extending her warm welcome and greetings, carried with it both the royal dignity and a spirit of cordiality and friendship which, I believe, contributed much to closer ties of cooperation and good will between our two great English-speaking nations."

COMMUNISM IN LATIN AMERICA

Mr. JOHNSTON of South Carolina. Mr. President, I send to the desk and ask to have printed after my remarks, an editorial from the Charleston, S. C., News and Courier dated August 19, 1957. This editorial has hit on the head a nail

that I have been driving home in the Senate for some time now.

It points up the amazingly ridiculous foreign policy our Government is sponsoring, one in which we are spending billions, in Asia, Africa, and Europe, to help overcome communism, but are, at the same time, not doing anything to curb communistic infiltrations here in the Western Hemisphere right at our own back door.

To the contrary, some of the loudest spokesmen and some of the most influential papers of the land are about the business of leading a journalistic crusade to assassinate the character of the Dominican Republic Government and the Cuban Government, the strongest friends of the United States in the Caribbean area. While they do this, these spokesmen and papers silently duck the issue of Communist infiltration in Latin America and pass over lightly inroads being made by communism in this hemisphere such as we witnessed recently in British Guiana.

Mr. President, I think the News and Courier should be praised for this forthright editorial on this highly controversial issue. This paper has placed reasoning and logic above the popular headline campaigns of the day and recognized friends who have done more to help halt communism in the Western Hemisphere than any other Caribbean countries.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MARXIST IN GUIANA

While the New York Times, and other liberal newspapers have been conducting a campaign against two pro-American Caribbean leaders, Batista of Cuba and Trujillo of the Dominican Republic, a Communist has come to power in British Guiana.

Dr. Cheddi Jagan, who says that the "Marxist philosophy will one day be the philosophy of the world," won a sweeping victory in recent elections. The liberal press, which should have alerted the American people to what has been taking place, has been strangely silent.

Fortunately, Dr. Jagan may not be able to set up a Communist regime. The British, who ousted him in 1953, have warned that Communist rule will not be tolerated.

Again, as in the Sultanate of Muscat and Oman, across the world, the British are serving American interests. By their firmness, they may prevent red rule in South America. If the British were not firm, would the United States intervene in order to halt communism on this continent? There is no indication whatever that it would intervene.

The hollowness and sham of our foreign policy can be seen in this paralysis of American power. We will give billions to buy the friendship of Egypt, India, Yugoslavia. But the United States, the most powerful nation on earth, won't lay down the law and say that red rule shall be struck down wherever it arises in this hemisphere.

Mr. MANSFIELD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

BURNS CREEK PROJECT, UPPER SNAKE RIVER, IDAHO

The Senate resumed the consideration of the bill (S. 2757) to authorize the Secretary of the Interior to construct, operate, and maintain a reregulating reservoir and other works at the Burns Creek site in the upper Snake River Valley, Idaho, and for other purposes.

Mr. ANDERSON. Mr. President, the junior Senator from Idaho [Mr. CHURCH] is in Buenos Aires attending the meeting of the Economic Council of American States. Before his departure he asked me to make a brief statement on his behalf in support of S. 2757, to authorize the Burns Creek project on the upper Snake River in Idaho.

S. 2757 was introduced by the senior Senator from Idaho [Mr. DWORSHAK] with his junior colleague [Mr. CHURCH] as cosponsor. Previously, each of the Idaho Senators had introduced separate bills which had the same objective—the authorization of the Burns Creek dam and reregulating reservoir with a powerplant on the upper Snake River.

The able senior Senator from Idaho [Mr. DWORSHAK] has worked hard on this proposal for a long time, and when there seemed to develop within the committee a difference of opinion as to how to approach the problem, it was suggested to the two Senators from Idaho that we should try to arrive at a bill in which they could both join. I commend the two Idaho Senators for the fact that they harmonized their differences at an open meeting of the subcommittee on reclamation, and agreed upon a single bill, which the senior Senator from Idaho introduced, and with respect to which he permitted his junior colleague to be a cosponsor. That bill was reported to the Senate.

Following public hearings by the Subcommittee on Irrigation and Reclamation, of the Interior and Insular Affairs Committee, on the bill and a series of conferences attended by representatives of the Department of the Interior, S. 2757 was cosponsored by both Idaho Senators.

The Committee on Interior and Insular Affairs reported favorably on S. 2757 and unanimously recommended that it do pass.

The bill and the project are fully explained in Senate Report No. 861, filed by the junior Senator from Idaho [Mr. CHURCH] on August 13, by direction of the Committee on Interior and Insular Affairs.

The Burns Creek project is estimated to cost $44,240,000 at January 1957 prices, and 98 percent will be reimbursable to the Federal Treasury through power revenues. A 90,000-kilowatt powerplant will be installed and operated in conjunction with the Palisades Dam project power facilities.

Burns Creek Dam, as a reregulating facility, will enhance the value of the power output of Palisades. Integrated operation will make the power output of both plants more valuable.

The water users of the upper Snake Valley have endorsed the project, which will also aid irrigation, provide protection for fish and wildlife, and recreational facilities.

The Committee on Interior and Insular Affairs has adopted the policy of incorporating in all irrigation project authorizations a proviso prohibiting the delivery of water to any new land for a period of 10 years for the production of crops in surplus. The provision was omitted in reporting S. 2757 for the reason that the Burns Creek project is for reregulation of water released from Palisades Dam, and therefore develops no new irrigation supplies. Further, no new land is irrigated by the project. This statement is made to explain the omission of the surplus crop prohibition proviso.

Mr. President, with the concurrence of the chairman of the Committee on Interior and Insular Affairs, I offer an amendment to S. 2757, which is recommended by the Department of Agriculture on behalf of the Forest Service. The amendment is to protect the interests of the Forest Service in the Burns Creek development, and is identical with a similar proposal the Senate included in S. 60, the Fryingpan-Arkansas project.

I send the amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 3, line 13, after the word "agency", it is proposed to strike out the period and insert a semicolon and the following:

Provided, That all lands within the exterior boundaries of a national forest acquired for project purposes which are not determined by the Secretary of the Interior to be needed for actual use in connection with the project works shall become national forest lands: *Provided further*, That the Secretary of the Interior shall make his determination hereunder within 5 years after approval of this act or, in the case of individual tracts of land, within 5 years after their acquisition by the United States: *Provided further*, That the authority contained in this subsection shall not be exercised by the Secretary of the Interior with respect to national forest lands without the concurrence of the Secretary of Agriculture.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Mexico [Mr. ANDERSON].

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. DWORSHAK. Mr. President, I am pleased with the cooperation of the chairman of the Subcommittee on Reclamation in bringing the bill to the floor of the Senate today. Several years ago, when the Palisades Dam was authorized and subsequently constructed on the South Fork of the Snake River—in fact, it is now under construction and is being completed—it was recognized that in order to get the maximum benefits from that multiple purpose dam, it would be advisable to construct, about 30 miles downstream, the Burns reregulating dam. That is the project which is authorized by S. 2757.

Frequently when such projects are authorized, opposition develops from a group interested directly in a public works project. In this instance, it is

significant that the reclamation interests and conservation groups and preferential powers users are in complete agreement as to the desirability of authorizing the project. Under such circumstances, I am pleased to join with my junior colleague in cosponsoring the bill. It will provide maximum benefits not only from the Palisades project but likewise from the Burns Creek re-regulating dam. It is highly desirable to provide upper watershed developments of this kind and to provide maximum benefits under them, and to enable the people in the upper watershed to enjoy these multipurpose benefits.

Under such circumstances I am happy to join with my junior colleague and with the chairman of the Subcommittee on Reclamation in sponsoring the proposed legislation.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF SECTION 22 OF THE INTERSTATE COMMERCE ACT—CONFERENCE REPORT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the conference report on S. 939.

Mr. KEFAUVER. Mr. President, I object to the consideration of the conference report.

Mr. MANSFIELD. Mr. President, I understood it was ready to be considered at this time. The Senator from Florida [Mr. SMATHERS] is prepared, and the reason I have asked that it be laid before the Senate at this time is that there may be some business pending, because the Senator from Minnesota [Mr. HUMPHREY] wishes to make a statement on another subject. Is the Senator from Tennessee opposed to the consideration of the conference report?

Mr. KEFAUVER. I am against the consideration of the conference report.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from California will state it.

Mr. KNOWLAND. A conference report, of course, is privileged, and it is not subject to objection. Is that correct?

Mr. KEFAUVER. Nevertheless a motion will have to be made to take it up.

The PRESIDING OFFICER. The Senator from California is correct; it is a privileged matter, and may be brought up at any time.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

Mr. HUMPHREY. Mr. President, will the Senator from California withhold his suggestion of the absence of a quorum? I have a statement to make on another subject which is of great interest to the Department of Agriculture. It does not relate to the conference report.

TRANSFER OF CERTAIN LANDS TO THE STATE OF MINNESOTA

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 301, S. 864.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 864) to provide for the transfer of certain lands to the State of Minnesota.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs, with an amendment.

Mr. KNOWLAND. Mr. President, the Senator from Florida [Mr. SMATHERS], is on the floor, but I shall withhold the suggestion of the absence of a quorum until the Senator from Minnesota has made his statement.

LENDING AUTHORITY OF THE RURAL ELECTRIFICATION ADMINISTRATION

Mr. HUMPHREY. Mr. President, as the session draws to a close, I should like to call to the attention of the Senate a series of events which I have mentioned on prior days.

For weeks, reports have been current that the White House is not at all satisfied with the policies of Rural Electrification Administrator, David A. Hamil. The matter first came to public attention on July 20 when the Louisville (Ky.) Courier-Journal published an article by Robert L. Riggs of its Washington Bureau which recounted the pressures brought by the White House upon Mr. Hamil to reject a $42 million loan to build a cooperative generating plant in southwestern Indiana.

Queried by the Courier-Journal, the REA Administrator pointed out that the Rural Electrification Act vests exclusive authority in the Administrator to approve loans and was quoted by Mr. Riggs in the article as follows:

> I will face my responsibilities as provided in the law. Of course, the President, or his representatives, can always ask for my resignation.

Mr. President, I have before me a copy of Public Law 605, 74th Congress, an act to provide for rural electrification, and for other purposes, and I read section 2 of the act:

> SEC. 2. The Administrator is authorized and empowered to make loans in the several States and Territories of the United States for rural electrification and the furnishing of electric energy to persons in rural areas who are not receiving central station services, as hereinafter provided.

In other words, the authority to make loans is vested in the administrator by the act.

So far Mr. Hamil has not resigned nor, to my knowledge, has the $42 million loan been approved. However, I have an idea that the palace guard at 1600 Pennsylvania Avenue is not at all happy about the existing clash of wills over who is running REA—the White House or Mr. Hamil.

Subsequently, the Rural Electrification magazine in its August issue reported that Mr. Hamil's authority to approve transmission or generation loans in excess of $500,000 had been transferred, or was on the verge of being transferred, to other officials of the Department of Agriculture. The magazine quoted the manager of the Southeastern Illinois Rural Electrification Cooperative at El Dorado, Ill., as stating that he had been advised by REA officials that a new departmental policy required approval of the office of the Secretary of Agriculture on all loans over $500,000.

Mr. President, this is a matter which I have called to the attention of the Senate on three different occasions. On each occasion I said categorically that my comments were based only upon allegations; that they were not based on any affirmation or confirmation from any official authority. Today, however, I have noted on the news ticker in the Senate lobby the following dispatch:

> WASHINGTON.—Secretary Benson said today that David Hamil, REA Administrator, now must get clearance from his office to make loans of $500,000 or more.
>
> Benson told a news conference that Kenneth Scott, Director of Agricultural Credit Services, told Hamil some time in June that he should discuss with Scott any loans of a half million dollars or more before they are made.
>
> Benson said Scott did this with his approval.
>
> Benson insisted that this did not involve a reorganization requiring Congressional approval.
>
> Reports that Hamil had been stripped of his authority to make large REA loans on his own brought criticism on Capitol Hill, particularly from Senator HUMPHREY. HUMPHREY on two occasions has sent letters to Benson asking him to appear before a Government Operations Subcommittee to give an explanation.
>
> In a letter to HUMPHREY today, Benson said he had in no way declined to appear when his schedule permits. He suggested, however, that HUMPHREY summon Scott and Hamil, saying he had no facts to which they could not testify.
>
> Benson said a tight budget situation and an increasing demand for rural electrification loans prompted the plan of requiring Hamil to clear big loans.
>
> It was Benson's first Washington news conference since June 25. He has been on a western trip during which he inspected various national forests and other projects.
>
> Benson said he came back to Washington encouraged and reassurred that his farm program is on the right track. He said he hoped to have recommendations ready for the new Congress for improving the farm program.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. HUMPHREY. I prefer to complete my statement. Then I shall be glad to yield. For the present I should like to preserve the continuity of my statement.

Subsequently, according to the magazine article which I inserted in the CONGRESSIONAL RECORD of Tuesday, August 6, this action was contemplated under the provisions of Reorganization Plan No. 2 of 1953, which transferred to the Secretary of Agriculture the functions

of all other officers, agencies, and employees of the Department of Agriculture, with certain exceptions; and it further authorized the Secretary of Agriculture to delegate the functions vested in him by Reorganization Plan No. 2 of 1953 to any other officer, employee, or agency of the Department, as he deemed fit.

This reported change in policy by the Department in administration of the three to four billion dollars rural electrification program, whether actually implemented, as the published reports indicate, or proposed for implementation when the Congress adjourns, is of vast importance, not only to Members of the Congress, but also to the hundreds of cooperative associations and the millions of farmers throughout this country who are members of them.

Mr. President, I note now that since I prepared this statement, the Associated Press dispatch confirms that this policy change has been made. The confirmation has been given by none other than the Secretary of Agriculture himself.

Mr. President, that such action would even be contemplated without both the advice and consent of the Congress was, and still is, inconceivable to me.

At this point I would note for the record that the Secretary of Agriculture, when testifying before the subcommittee of the Senate Committee on Government Operations—and as shown in the report that the committee made to the Senate—made the following comment; and now I shall quote from page 12 of Senate Report No. 297, dated May 25, 1953, which accompanied Senate Resolution 100. On page 12 of the report, the following appears:

> The authority provided in the plan for redistribution of functions is subject to express qualifications. The first qualification (section 4 (b)) provides that, to the extent deemed practicable, the Secretary of Agriculture shall give advance public notice of any proposed major change and afford interested persons and groups an opportunity to present their views.

I also call the attention of the Senate to the following comment in the report:

> The Secretary stated in his testimony before the committee that he regarded this provision as imposing upon any Secretary of Agriculture an obligation to advise and consult with the appropriate committees of the Congress before any major organization changes are made. This has been the practice for many years in the Department.

Furthermore, at the hearing at which the Secretary of Agriculture testified, many other persons participated. The Secretary replied as follows to a question which I had directed to him:

> I think there are several rather fundamental things, Senator HUMPHREY. In the first place, I feel the Secretary, under this plan—

That is to say, under Reorganization Plan No. 2 of 1953—

> is under definite obligation to consult with farmers, leaders of farm organizations, Members of Congress, and other interested groups, and to serve notice of any plan he intends to put into operation before he takes such action, and get their views and their recommendations. And I think that is a very real safeguard.
>
> I would feel under obligation to consult with Members of the Congress before I took any major step in that direction.

Mr. President, I shall not quote all the testimony which relates to that particular observation. I only state for the edification and interest of my colleagues that I am referring to the hearings before the Subcommittee on Reorganization, of the Committee on Government Operations of the United States Senate, 83d Congress, 1st session. The hearings were on Reorganization Plan No. 2 of 1953, pertaining to the Department of Agriculture, and on Senate Resolution 100, disapproving Reorganization Plan No. 2 of 1953. The hearings were held on May 12, 13, and 18, 1953.

As the RECORD will reveal, ultimately the Senate did not disapprove the plan, nor did the committee recommend it.

I call attention to the following pages: 6, 9, 27, 86 through 91, 123, 129, 135, 146, 150, 154, 155, 158, 163, 168 through 169, 171 through 175, and 186.

I shall not ask unanimous consent to have all of that testimony printed in the RECORD, because it would involve an unnecessary public expense. However, the testimony relates to the following:

First, the authority of the Administrator to make loans under the REA Act.

Second, the reorganization authority of the Secretary of Agriculture, in redistributing the functions and the activities of the agencies under his Department.

Third, at great length—because Senator after Senator questioned the Secretary—the Secretary of Agriculture made it manifestly clear, as does the report which was made to both Houses of Congress on the plan, that before any policy change whatever would be made, there would be adequate notice to the Congress and to the appropriate committees of the Congress. The Secretary of Agriculture went even further in his testimony in response to my questions; he said he would feel an obligation to consult with farmers and leaders of farm organizations, as well as with the Members of Congress.

I submit that, as of today, the Secretary of Agriculture has stated that it was in June of this year that orders were issued to Mr. Hamil, the REA Administrator, that he, Mr. Hamil, before he could grant approval in the case of any loans of over $500,000, must clear the matter with Mr. Scott—as the dispatch from which I have quoted clearly indicates. It shows clearly that Mr. Hamil must, under the order, clear such matters with Mr. Scott, the Director of Agricultural Services. This order has been the subject of conversations, discussions, and debate in public journals, newspaper articles, public speeches, and here on the floor of the United States Senate.

I have in my possession a letter from a responsible official of the Department of Agriculture—and the letter will be made a part of this record—to the effect that no change had been made.

But now we hear—and again I quote, as follows:

> Secretary Benson said today that David Hamil, REA Administrator, now must get clearance from his office to make loans of $500,000 or more.
>
> Benson told a news conference that Kenneth Scott, Director of Agricultural Credit Service, told Hamil sometime in June that he should discuss with Scott any loans of a half million dollars or more before they are made.
>
> Benson said Scott did this with his approval.

Mr. President, I submit in all fairness that this action on the part of the Secretary of Agriculture, as he has stated it in his own words, is in contradiction to and is in violation of the assurances given to the Subcommittee on Reorganization, and the assurances given to the Senate in connection with Reorganization Plan No. 2 of 1953, as stated in the report which is dated May 25, 1953; and the measure was calendar No. 301.

Furthermore, Mr. President, the report to which I have referred states as follows, in referring to the Secretary of Agriculture:

> In commenting on the requirement in the plan, that the Secretary, to the extent practicable, shall give appropriate advance notice of delegations of functions, and to afford opportunity for interested persons or groups to place their views before the Department, the former Secretary—

Referring to the former Secretary of Agriculture, now the junior Senator from New Mexico [Mr. ANDERSON]—concluded that—

> In view of this very clear mandate, it would be most unrealistic to think that any Secretary of Agriculture might disregard the will of Congress by using the "to the extent practicable" provision as an excuse to avoid the notice and hearings. * * * This is a sound provision which will insure careful consideration of any proposed transfers or delegations.

Mr. President, I quote further from the report of the committee, in support of the plan:

> Secretary Ezra Taft Benson, in his statement * * * pointed out that there was no authority contained in the plan which would authorize the Secretary to abolish, in whole or in part, any function of the Department, and thereby frustrate the will of the Congress. Although this authority is granted to the President under the Reorganization Act of 1949, any proposed abolition must be specifically included in such a plan submitted under the authority of that act before it may become effective.

I quote further from the report, on page 6:

> The Secretary gave specific assurance in his testimony before the committee that it would be his purpose to advise and consult with the appropriate committees of the Congress before any major organization changes are made, concluding that—

And now I quote the Secretary of Agriculture—

> It is hardly conceivable that a major change in organization would be made by any Secretary of Agriculture if the Congress were strongly opposed to it. The executive and legislative branches must live together, and it would hardly be possible for the Secretary to direct successfully a type of reorganization with which the Congress was not in sympathy.

Mr. President, I have quoted the pertinent pages of the report and the testimony, which are replete with commitments made by the Secretary of Agriculture and his associates to the Committee on Reorganization.

Therefore, Mr. President, as chairman of the Subcommittee on Reorganization, of the Senate Committee on Government Operations, which committee has legislative jurisdiction over the reorganization of the executive branch of the government, I wrote to the Secretary of Agriculture, Mr. Benson, on August 5, inviting him to appear at a hearing scheduled for August 9, to provide the Congress with information on the reported changes in policy.

Mr. President, I wrote the letter in light of the commitments which were given at the time when the reorganization plan was adopted. I wrote the letter in the spirit of seeking clarification. I wrote the letter with the intention of affording the Secretary of Agriculture an opportunity to fulfill the obligations he had made and the commitments he had given in his testimony before the committee in May 1953.

I assumed, of course, that, with the adjournment of the Congress imminent, the Secretary of Agriculture, along with other members of the Cabinet, whose presence might be needed during the closing days of a session, would be available to testify on such an important matter. However, Mr. President, on August 6 officials of the Department of Agriculture advised my staff that the Secretary was away from Washington inspecting the national forests, that he would be away from his office for 3 or 4 more weeks, and, therefore, would not be able to appear before the subcommittee on August 9.

On August 7 I asked officials of the Department where the Secretary could be reached, what his schedule would be for the next several days, and whether I could be given a definite date when he was expected to return so that a hearing could be subsequently scheduled at the Secretary's convenience following his return to his office. I was advised that Mr. Benson was at Priest River, Idaho, that he would remain in that vicinity for a few more days inspecting the forests, but that he was expected back in Washington late next week or on or about August 15.

Incidentally, Mr. President, the United Press, on August 15, reported that the Secretary had returned to Washington after a 50-day absence which began June 26, about half of which the United Press reported he devoted to inspecting the national forests and the remainder to a vacation.

Mr. President, I am not at all critical of the period of time the Secretary may take for his vacation. He is entitled to it. All I am speaking about is cooperation with the committee in light of the commitments which were made.

When I was informed that the Secretary was expected back about August 15, I invited him, through official channels, to come before the subcommittee on any of three dates that I suggested—Friday, August 16, Monday, August 19, or Wednesday, August 21, or any other date more convenient to him before the Congress recessed.

On the next day, August 8, Mr. Robert L. Farrington, General Counsel of the Department of Agriculture, advised my administrative assistant, and the clerk of the Reorganization Subcommittee of the Committee on Government Operations, that this request had been communicated to the Secretary of Agriculture, who was still out inspecting the national forests, but that the Secretary could not appear August 16, nor August 19, nor August 21, and, moreover, that the Secretary did not know when he could appear.

On Monday, August 12, I received a letter from Mr. True D. Morse, the Deputy Secretary of the Department of Agriculture, who was serving as Acting Secretary during the Secretary's absence.

Mr. President, I ask unanimous consent that a copy of that letter be printed at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
Washington, D. C., August 9, 1957.

Hon. HUBERT H. HUMPHREY,
Chairman, Subcommittee on Reorganization, Committee on Government Operations, United States Senate.

DEAR SENATOR HUMPHREY: This refers to your letter of August 5 about the proposed hearing on the rumors regarding a recent reorganization in the Rural Electrification Administration of this Department. There has been no reorganization.

If you have information beyond the magazine article attached to your letter we would appreciate having such information so that it can be studied.

I am informed that as a result of conversations between members of your staff and ours the hearing which you tentatively set for Friday, August 9, was canceled. A subsequent date for a hearing has not yet been determined.

We regret that the Administrator of the Rural Electrification Administration and his deputy are absent from the city at the present time, but assume that they can return and be available for the hearing at your convenience. Also, the Director of Agricultural Credit Services, who has primary responsibility for working with officials of the Rural Electrification Administration on behalf of the Secretary, and a member of our legal staff can be available at any time upon reasonable notice. Should you so desire, the undersigned would also be pleased to attend the hearing.

I assure you of the full cooperation of this Department with your committee.

Sincerely yours,

TRUE D. MORSE,
Acting Secretary.

Mr. HUMPHREY. Mr. President, I call the Senate's attention to several interesting things about Mr. Morse's letter. First, the Acting Secretary states there has been no reorganization of REA, which may technically be true, but he does not say whether Mr. Hamil's authority to approve loans has been transferred to another official of the Department of Agriculture or has been made subject to review by another or other officials of the Department, as has been publicly charged, and as of now, today, publicly confirmed.

Second, nowhere does the Acting Secretary make reference to my formal request for the Secretary of Agriculture's appearance before the subcommittee on reorganization in connection with this matter. He ignores completely, and most conveniently, I might add, the fact that it is the Secretary of Agriculture who is responsible for the Department of Agriculture for any basic changes in policy, such as that reportedly affecting the Rural Electrification Administration, and for an accounting to the Congress for any such changes made.

I again refer to the testimony given in 1953 on Reorganization Plan No. 2, in which testimony the Secretary specifically stated that he, and he alone, shall be responsible for reorganization plans and developments, and that he, and he alone, would feel under obligation to consult committees of Congress, and farm organizations, and farm leaders themselves.

I might add, Mr. President, that it was the same Secretary of Agriculture, Mr. Benson, who, when the Congress considered Reorganization Plan No. 2 of 1953, stated in public hearings to the Subcommittee on Reorganization, of which I was a member at that time, that he contemplated no major changes in the administration of the Rural Electrification Administration program; that if any major changes were made in the Department of Agriculture under the provisions of the reorganization plan, he would be the first to consult with the Congress before making such a change, and that if the Congress disapproved of any proposed changes, he was certain such changes would not be made.

On August 13, following receipt of Acting Secretary Morse's letter, I again offered the Secretary of Agriculture a cordial invitation to sit down with members of the Subcommittee on Reorganization at any time convenient with him to discuss the reported policy changes in the handling of REA loans.

I repeat, we did not accuse anybody. We said we heard these reports. I said a magazine that goes to REA members was carrying such a report, and I pointed out further that the Louisville Courier-Journal, a leading newspaper, had a feature story relating to allegations as to the loan funds.

I thought that since the Secretary was returning to Washington earlier than was expected, he might be able to give this matter a few minutes of his time.

But, not so, Mr. President. On August 16, the first day that the Secretary was in his office after his 50-day absence inspecting the national forests, his general counsel, Mr. Farrington, advised my staff that the Secretary "was in no position to make a commitment as to his appearance before the subcommittee at this time." That was a verbatim notation made by the chief clerk of the subcommittee on reorganization, who has worked with the Hoover Commission for many years in an effort to get an improvement in the administration of our Government.

Now, Mr. President, I submit that things have come to a high pass, indeed, when a Cabinet officer, after repeated requests, cannot get himself into a position where he can give a committee or a subcommittee of the Congress a few minutes of his time—particularly when he has been away from Washington for more than a month and a half inspecting the national forests.

To me this is a serious matter. So far as I am concerned, the Secretary can inspect all the national forests he desires. I can understand how air-con-

ditioned Cadillacs treading noiselessly down pine-scented forest trails between luxurious campsites can afford great balm to overworked Washington bureaucrats, but I cannot agree that such sojourns, as delightful as they must be, are quite appropriate when a Cabinet officer's presence in Washington is required by the Congress on a matter of importance to a great segment of the economy, especially in the last days of a session, as at the present time.

Finally, Mr. President, it seems to me that the Secretary would be delighted to accept a friendly invitation to appear before a committee of the Congress to refute the public allegations that have been made against him.

I now note that since I prepared this statement the Secretary has not refuted the allegations; he has confirmed them. He did this, I may say, in a news conference. He did not have time to come before the committee and sit with Members of Congress. I have been a member of the reorganization committee ever since it was established. I have supported many Hoover Commission reports and recommendations in that committee. Members of the committee are not hostile to Secretary Benson. It is a bipartisan committee. I would say the majority of the committee would approach the matter with friendly interest. But the Secretary was too busy to come before the subcommittee to say what he did. However, he was not too busy to hold a press conference, and to announce that the allegations which had been made with reference to change of policy are true.

We were asking, in light of the commitments which were made to the subcommittee 4 years ago, if we might be privileged to have the Secretary appear before us to discuss the matter, in a more orderly fashion.

I cannot reconcile Mr. Benson's refusal to come to Capitol Hill with the reported facts I have recited—unless, perchance, the facts might be true, and today we find they are true.

Mr. President, this morning a letter was finally delivered to me from Secretary Benson, the first personal acknowledgment of my subcommittee's request.

It is interesting to note that Secretary Benson says he has in no way declined to appear "when my schedule will permit," but he has failed to tell us when his schedule will permit—if ever. We had repeatedly asked when he would be able to appear. He has declined to give us any date. Yet he says he is not declining to appear.

In the conclusion of Mr. Benson's letter, he says he would be glad to visit with me after Mr. Hamil returns.

In the first place, I am not inviting Mr. Benson to visit me. I am asking him to appear before a subcommittee of this Senate in line with my official duties as chairman, covering a subject over which the committee has assigned responsibilities and jurisdiction. I consider this much different than a visit. It is generally the end product or the result of official responsibilities.

In the second place, inquiries at the Department of Agriculture regarding the possible return of Mr. Hamil indicate he is not scheduled to return until after Labor Day—in other words, until after Congress adjourns.

I think the conclusion is obvious. Secretary Benson is deliberately ducking appearance before our Committee until Congress goes home. None of the polite words of his letter can hide that fact.

Mr. Benson is most generous about sending other people. However, we are interested in discussing what Mr. Benson promised, or did not promise, to our committee at the time the reorganization authority was granted. It is hardly very becoming of the Secretary to want to hide behind subordinate personnel to try and interpret promises Secretary Benson made.

I am informed through members of the press that Secretary Benson assured them today he was perfectly willing to appear before the committee. I submit that his replies to me do not so indicate.

However, I shall ask again tomorrow, Mr. President, because I do not care to continue this argument about who is going to appear and when he is going to appear.

I am further informed that Secretary Benson on the one hand denies any policy changes, and then on the other "justifies" the new screening of larger loans at the Secretarial level on the ground of a tight budget and an increase in requests for such loans. I must admit I am a bit confused. If there has been no policy change, what is Secretary Benson justifying?

Mr. President, I think it ill-behooves the Secretary of Agriculture to try to answer these charges through the press, when he declines to answer them officially in response to official inquiries. If he wants to justify his actions, we have offered him every opportunity to do so.

I repeat, they were offered on the first two occasions at least with no recalcitrance on my part at all. It was nothing more nor less than a friendly suggestion that he appear before the subcommittee. It was a personal request on the part of the chairman, through a duly authorized staff member, so that the matter would be properly formalized. Furthermore, the request was buttressed by a formal letter to the Secretary. But I am not interested in him trying to make the REA Administrator be his scapegoat, or in sending anyone else from the Department to take on their shoulders any criticism or any questioning that may be due the Secretary himself.

The Reorganization Act does not say that the Under Secretary of Agriculture shall be responsible for reorganization. The Reorganization Act does not place upon any Assistant Secretary of Agriculture the responsibility for reorganization plans or any type of organization change. The Reorganization Act and Reorganization Plan No. 2 specifically place the responsibility upon the Secretary.

Secretary Benson's letter to me says "I have had no complaints about the manner in which REA is functioning within the Department."

Mr. President, that is rather insulting, when I personally called his attention to complaints voiced in the national magazine of the Rural Electric Cooperatives.

Mr. President, I ask unanimous consent that both my reply to Under Secretary Morse and the subsequent reply received today from Secretary Benson be printed at this point in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

AUGUST 13, 1957.

Hon. TRUE D. MORSE,
Acting Secretary, Department of Agriculture, Washington, D. C.

DEAR MR. SECRETARY: This will acknowledge your letter of August 9, 1957, relating to hearings by the Subcommittee on Reorganization on the administration of REA loans.

As I am certain you must be aware, the hearing scheduled for August 9 was temporarily postponed because of the inability of the Secretary of Agriculture to be present on that date.

I also would like to advise you that, contrary to the statement in your letter, subsequent dates for the hearing were determined to suit the convenience of the Secretary when his office advised that he could not appear on August 9. Three dates were suggested to the Secretary through the Office of the General Counsel of the Department of Agriculture—August 16, 19, or 21.

I appreciate very much your offer to appear in the Secretary's behalf, but it is my conviction since the reported policy changes affecting approval of REA loans were allegedly made at the Secretary's direction, that he would be the responsible official to provide the Congress with information on this matter.

I, therefore, would indeed appreciate a reply at your earliest opportunity as to what date the Secretary can find it convenient to meet with the subcommittee on this important matter.

I, of course, extend a cordial invitation to you or to any other Department officials to accompany the Secretary as he may desire when he appears.

Respectfully yours,

HUBERT H. HUMPHREY,
Chairman, Subcommittee on Reorganization.

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, August 20, 1957.

Hon. HUBERT H. HUMPHREY,
Chairman, Subcommittee on Reorganization, Committee on Government Operations, United States Senate.

DEAR SENATOR HUMPHREY: This is in reply to your letter of August 13, 1957, addressed to the Under Secretary of Agriculture, True D. Morse, regarding the hearing you propose to call to inquire into reported reorganizations of the Rural Electrification Administration of this Department. This same question was the subject of the letter of August 5 from Under Secretary Morse to you.

As stated by Mr. Morse, the Director of Agricultural Credit Services, Mr. Scott, through which REA reports to the Secretary's Office, is willing to meet with your committee at any time upon reasonable notice. Mr. Morse also offered to appear. As soon as Mr. Hamil, the REA Administrator, and Mr. Strong, his deputy, return to Washington, I am sure they, too, will be willing to appear upon a few days' notice. I have in no way declined to appear when my schedule will permit, although there are no facts within my knowledge which could not be testified to by the parties I have mentioned.

May I reiterate that there has been no reorganization of REA, other than the organizational changes discussed in my testimony on Reorganization Plan No. 2 early in 1953 and of which due notice was given

in the Federal Register. I have had no complaints about the manner in which REA is functioning within the Department.

Should you still feel that there are matters which should be inquired into, I, accompanied by Mr. Hamil when he returns to the city, shall be glad to visit with you.

Sincerely yours,

E. T. BENSON.

Mr. HUMPHREY. Mr. President, I want the reply of the Secretary to be featured in a prominent place in this commentary, because I feel that he is entitled to have his entire statement made public for every Member of Congress and for all interested citizens.

Mr. President, the record speaks for itself. It is an example of arrogance that has been repeated too often by the Secretary of Agriculture in refusing to cooperate with Congressional committees trying to do a responsible job in protecting the public's interest.

Mr. President, I also ask unanimous consent to have printed in the RECORD at this point the article to which I alluded earlier, so that the full text may be made a part of the official proceedings. It is an article written by Robert L. Riggs, the Courier-Journal Washington bureau feature writer. The article is entitled "REA Head Says He Will Approve Indiana Loan If Application's O. K."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

REA HEAD SAYS HE WILL APPROVE INDIANA LOAN IF APPLICATION'S O. K.

(By Robert L. Riggs)

WASHINGTON, July 20.—The man in the middle of the current fight to make Indiana a testing ground for those who want to curb the activities of rural electric cooperatives is David A. Hamil.

He is a Colorado rancher and former State legislator who for a little more than a year has been Administrator for the Rural Electrification Administration. He is being pulled and hauled by those who want him to give his approval to a $42 million loan to permit rural cooperatives to build a generating plant in southwestern Indiana, and by those who want him to refuse approval so the co-ops will have to continue buying their power from the private utility companies.

Hamil was one of the organizers of a power-generating cooperative in Colorado. Hence it is difficult for the private utilities to argue with him that generating co-ops are iniquitous.

UNUSUAL LENGTHS

But on the official side, high administration officials have gone to unusual lengths to make it clear to the REA Administrator that they would like to have him reject the Indiana loan application.

The Indiana request for funds has the unique distinction of being the cause for a summons to Hamil to visit the White House. Out of all the applications he has processed in a year, Hamil says, the Indiana case is the only one which he has been asked to discuss with the President and his Congressional advisers.

But for all the pressure which goes with a summons to see the President, Hamil stoutly insists that he is going to treat the Indiana request in exactly the same manner as he has scores of others.

"If the application meets all the proper tests, and if the money is available," Hamil says, "I will approve the loan. So far as the money is concerned, it is available now."

The Indiana request has been sent back to that State for filling-in of further information, which, Hamil says, is normal procedure in most applications. The best guess is that the data will be on hand in time for a decision by Hamil late in September or early October.

It is obvious that Hamil has much on his mind the problem of carrying out his duty as he sees it, regardless of what the administration in general, and Presidential Assistant Sherman Adams in particular, want done.

As he talks about the principles that must guide him, he picks up from his desk a copy of the law governing his agency.

"The law plainly says," Hamil remarks, "that 'the Administrator is authorized and empowered to make loans.' It doesn't say that he acts on the advice of his Department head, the Secretary of Agriculture. Nor does it say he's supposed to find out what the White House wants him to do.

"I will face my responsibilities as provided in the law. Of course, the President or his representatives can always ask for my resignation."

Being asked to resign holds no terrors for Hamil. His ambitions rest, not on being a Washington bureaucrat, but on being elected Governor of Colorado or Senator from that State. He knows that he can do more to further his political ambitions by being in Colorado than he can presiding over a governmental agency in Washington. Had he been willing to retire to a political graveyard, he more than likely could have received the 9-year appointment as member of the Board of the Tennessee Valley Authority.

The reason so much energy is being put into the Indiana loan application on both sides is that the private power companies apparently have come to the conclusion that the climate is right in that State to experiment with the idea of clipping REA expansion into the field of generating electricity.

Just how good the climate is from their point of view is demonstrated by the fact that Gov. Harold W. Handley sent the chairman of the Indiana Public Service Commission to Washington to argue against granting the $42 million. REA staff members say that never before in their memory has such an official offered opposition to a loan.

But even more spectacular was the summoning of Administrator Hamil to the White House.

That event was engineered by Representative CHARLES A. HALLECK, who represents a Congressional district almost as far removed from the site of the proposed plant, near Petersburg, as it could be and still be in Indiana.

HALLECK is, however, the President's most trusted lieutenant in the House of Representatives, taking precedence in that respect over Minority Leader JOE MARTIN.

The White House visit was made on May 28 at the weekly morning conference between President Eisenhower and the Republican leaders in House and Senate.

Hamil got his summons to attend the meeting from Adams. Accompanying him was Don Paarlberg, then assistant to Agriculture Secretary Benson. In addition to HALLECK, another influential Indiana legislator was present. He is HOMER E. CAPEHART, former supporter of the late Robert A. Taft who has emerged as Eisenhower's principal Senate defender on fiscal issues.

HALLECK OBJECTS

Reports from the meeting are that President Eisenhower asked Hamil only for a brief explanation of the Indiana loan request. Someone else is reported to have asked him his attitude toward the application; but HALLECK, for all his willingness to help apply pressure to the Administrator, objected that such a question was improper at that stage.

The tangible result of the White House meeting was that CAPEHART, in his capacity as ranking Republican on the Banking and Currency Committee, introduced a bill which would require REA loans and similar Government loans to pay an interest rate higher than the 2 percent now authorized by law.

Whether a further result will be reflected in the action on the Indiana loan application is something that obviously is giving Administrator Hamil considerable thought. He is behaving very much like a man who does not care to be pushed around.

Mr. HUMPHREY. Mr. President, I conclude on this note: One of the greatest and most able Senators of this body warned, in fact, forewarned, the Congress that this very thing might happen. Those of us who were less practical, less realistic, and more trusting did not follow the admonition we received.

I desire to quote from page 27 of the hearings, and I quote the distinguished senior Senator from Georgia [Mr. RUSSELL] who in a colloquy said:

I am perfectly willing for the President to send a plan here to reorganize the Department of Agriculture every day, so long as Congress knows what he is doing. I just do not want to buy a pig in a poke. I do not know what is proposed here. In other words, if we were to get a Secretary of Agriculture in the good year of 1965, let us say, who proposed to abolish the Rural Electrification Administration, I think the Congress ought to have a right to vote on that reorganization plan before they abolish it, or before they subordinate it or stifle it where it cannot operate.

Under this plan we do not have that right. I am perfectly willing to follow the Reorganization Act of 1949, as amended by the bill handled by the Chair this year, in reorganizing the Department of Agriculture, and I will support those programs. But I want to know what they are, and I want them to have a time limit on them, to where they will finally get the Department reorganized, and not permit the Department to be set up according to the whim or fancy of whoever happens to be the Secretary of Agriculture, rather than in accord with what Congress thinks.

Mr. President, what the distinguished Senator from Georgia was pointing out was that, despite all the protestations to the contrary from official quarters, there is a danger in the reorganization plan that the REA may be tampered with. The subject of the REA was discussed for many pages in the testimony. Every Member of Congress made it crystal clear in the testimony and in the questions that the REA was to be left untouched, and if any change whatsoever were to be made in the organizational pattern or policy, the Secretary was to come to the Congress to explain it, with plenty of advance notice.

In fact, section 4 (b) of the reorganization plan carries a specific requirement. By the way, the plan had been rejected once before by the Congress. Section 4 (b) insisted upon and made a specific requirement of advance notice to the Congress in case of any fundamental change in policy or plan of organization.

The Secretary then repeated time after time to several Senators, to a point where it was made a part of the official report to the Senate, that there would be no change made without advance consultation, and that there would be no changes in organization or policy made without notice to the appropriate committees of Congress. I note for the RECORD that the distinguished senior Senator from Vermont [Mr. AIKEN] stated his opinion,

which I quote now from the report on Reorganization Plan No. 2 of 1953, page 4:

Senator AIKEN stated that in his opinion section 4 (b) of the plan would insure the cooperation of the Secretary of Agriculture with the appropriate committees of the Congress before any reorganizations were effectuated, and that "he would consider the committees of Congress proper persons to be notified whenever he contemplates making important changes within the Department."

I ask any fairminded person, Is it not a major change when the Secretary of Agriculture requires that all loans of $500,000 or more be referred to the head of the Agricultural Credit Services when such referral was not required by the law and has never been mentioned in any hearing or testimony? If that is a major change in organizational pattern or policy, is there not a commitment in the law itself, under section 4 (b), and is there not a commitment in the testimony, in the assurances given by the Secretary, that such a change would be the subject of careful study and cooperation by the Secretary of Agriculture and the appropriate committees of Congress?

It seems to me there is no other conclusion we can draw.

The Secretary may be able to make a case for the review of loans of $500,000 or more by Mr. Kenneth Scott, the Director of Agricultural Credit Services. However, that gentleman's appointment is not confirmed by the United States Senate. He is not an Assistant Secretary. The REA Administrator, Mr. Hamil, is confirmed by the United States Senate for a Presidential appointment.

Mr. President, if the Secretary can make a case for the change in organizational pattern, he should do so. That is obviously what is involved, because one of the main features of the REA program, the granting of a loan, is being referred to an agency over and beyond what the law itself directs. The law directs that the loans be made by the REA Administrator, and no one else. If there is to be a change, then is there not a requirement, first, in the reorganization plan submitted to us, in section 4 (b), which must be met, and is there not a commitment in the testimony to which I have referred, given in May of 1953? Is there not a commitment in that testimony on the part of the Secretary at least to inform the Members of Congress and the appropriate committees of Congress before such changes take place?

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. HUMPHREY. There were no references or referrals made to the Committee on Agriculture and Forestry. There was no contact made by the Department of Agriculture with the Committee on Government Operations. Those are the two committees involved. One of them is involved on the basis of the substance of the legislation. That is the Committee on Agriculture and Forestry. The other committee is involved on the basis of the organizational pattern of the Department, and that is the Committee on Government Operations. Those committees have jurisdiction over the entire matter.

I say without fear of successful contradiction that neither committtee of Congress has ever been consulted on this policy change and this organizational change. Neither committee of Congress was given advance notice. Neither committee of Congress, nor any member of either committee, to my knowledge, has been in any way visited with, talked to, or informed of these changes.

I yield now to the Senator from Colorado.

Mr. CARROLL. I wish to say to the distinguished Senator from Minnesota that he need not feel badly because he was misled when the Reorganization Act was passed.

He is not the only Member of Congress who was misled. Let me read from the report of the House committee hearing on Reorganization Plan No. 2. This is what Secretary Benson said when he was asked by Representative POAGE about this subject. He said, referring to the Rural Electrification Administrator:

I am sure he would do nothing to weaken the program, nor would I. I cannot conceive of a Secretary appointing a man to an important post and then stripping him of his power.

Let us see whether any stripping was done. We discussed this subject on the floor of the Senate yesterday. It was said that there was to be no change in the program. It was said that this was not an important change, that there was not a limitation of lending authority. Let us take a look and see how important this is.

In the fiscal year 1957 there were 404 REA electricity loans; 158 of these loans were over $500,000. If the same proportion is maintained this year it will mean that 4 out of every 10 loans will be taken out of Mr. Hamil's hand and subjected to higher review. In the fiscal year 1957 the average loan under the electrification program was $743,000.

In the fiscal year 1956, 30 percent of the loans were for more than $500,000. With reference to telephone loans for the fiscal year 1957, 25 percent were over $500,000, and almost 25 percent in the fiscal year 1956.

This new review procedure is a very sharp departure from precedent. There is no question that Mr. Benson has broken faith with the Congress, as I read the record in this case.

In his remarks the junior Senator from Minnesota has mentioned the distinguished Senator from Vermont [Mr. AIKEN], who was the leader in connection with the reorganization bill. The able junior Senator from Washington [Mr. JACKSON] had great concern over the bill, as to whether or not the reorganization plan should be accepted. He expressed his concern to the distinguished Senator from Vermont, and the Senator from Vermont responded in debate:

We have Mr. Benson's assurance that so long as he is Secretary he will never permit it to be used for anything that is in the reorganization plan except to carry out the express intent of Congress.

I especially wish to commend the distinguished junior Senator from Minnesota for revealing and disclosing what has been happening.

Yesterday it was said that we should not pay any attention to some of the newspaper reports. It was the newspapermen who revealed what was going on. Congress had no way of knowing. I pay special tribute to the press, and especially to my own press in Colorado. Gene Wortsman, a distinguished reporter for the Rocky Mountain News, had called the Department of Agriculture, and had received the information which I placed in the RECORD yesterday. The information contained in Mr. Wortsman's August 13 news story was confirmed by Secretary Benson's press release today. According to the Associated Press report, Mr. Benson now admits that there was a limitation of lending authority, and that Kenneth Scott, Director of the Agricultural Credit Service, had already been placed over the REA Administrator in this regard. The limitation was on loans over $500,000.

The reported admission by Secretary Benson must come as a distinct shock and embarrassment to my distinguished senior colleague from Colorado [Mr. ALLOTT], who yesterday asserted so emphatically that there was no watering down of the lending authority of Dave Hamil, who comes from Colorado, and who is the REA Administrator. Twenty-four hours later he found that the rug had been pulled out from under him by the Secretary of Agriculture in his press conference today. The senior Senator from Colorado was sincere in trying to find out the facts, but apparently he was never given all of the facts by the Department of Agriculture.

Here we are on the eve of the adjournment of Congress. The Secretary of Agriculture has an obligation to come to the Congress and make a report as to why he is modifying an important Congressional policy. The Secretary has the duty to come forward and give an explanation as to why he is violating the intent of Congress.

I commend the distinguished junior Senator from Minnesota for the fine work he has done in this connection.

Mr. HUMPHREY. I thank the Senator from Colorado.

At this point I turn to the hearings, on page 168. This was a hearing on May 8, 1953, on Reorganization Plan No. 2. I should like to read, for the interest of my colleagues, one or two excerpts from those hearings. They are quite revealing, in the light of what has happened.

I asked Secretary Benson a number of questions about credit policies of the Department of Agriculture. In the earlier pages I had reviewed with the Secretary what might happen to the Farmers' Home Administration, the Farm Credit Administration, and other agencies. I received the assurance that they would be left intact, and untampered with. Then I said:

Senator HUMPHREY. Now, moving down to concern about another agency that is highly regarded yet sometimes controversial, as you know. The National Association of Rural Electric Cooperatives, I believe, has gone on record in opposition to this reorganization plan. I believe that is correct. Is that not so?

Secretary BENSON. I did not know that. If it is true, that is their prerogative, of course.

Senator HUMPHREY. I think that I have heard that.

Secretary BENSON. I was away at the time. I guess that is the reason it slipped by me.

Senator HUMPHREY. I am sure that their concern is over the autonomy of the REA. It has had a very fine record. The statute concerning REA—I have here the committee documentation on this—the authority is vested in the Secretary, but the statute makes it quite clear that it must be administered through the Rural Electrification Administrator.

Now, the fear is—I hope it is an unfounded fear—that the reorganization proposal may result in the dismantling of the Rural Electrification Administration, in other words, taking certain functions of the Rural Electrification Administration and dispersing them through several units in the Department, the credit functions, for example, of the REA. Then, of course, there are the technical aspects of REA.

What is your thinking on that, Mr. Secretary?

Secretary BENSON. I certainly have not reached any conclusion that any of the important functions of REA would be distributed to other agencies. I have been intensely interested in the work of REA.

Senator HUMPHREY. I know you have.

That was the reply to the junior Senator from Minnesota, who was asking specifically whether there had been any tampering with the credit functions, the lending functions. The Secretary indicated to the contrary.

Secretary BENSON. It goes way back even beyond REA, really.

He told us his experiences as a young man on a farm.

Reading further:

Senator HUMPHREY. Your intention, then, as I interpret from your remarks, is to leave the REA pretty much as an autonomous organization?

Secretary BENSON. Certainly I do not have in mind weakening the service which REA is rendering. I think it is very essential, and I do feel that we have selected a good man to help it, and he will be given a pretty free hand, I am sure. But if we have in mind any major changes, certainly we would want to consult with the Congress before we took such steps, because I know there is a very wide interest in that agency, probably as much as in almost any other agency in the Department.

Senator HUMPHREY. Now, Mr. Secretary, you have indicated that you have no intention of abolishing the farmer-elected committees; is that correct?

Secretary BENSON. Yes, I think that is generally true. I think my statement which I made before the Agricultural Appropriations Committee sets forth that rather clearly.

I was but one of a dozen or more Senators who showed an interest in this particular reorganization plan. Every single Senator received the same type of response to questions placed before the Secretary.

At that time some of the farm organizations were against the reorganization plan. The National Rural Electric Cooperative Association was against the plan, as I recall. The Senator from Georgia [Mr. RUSSELL] was against the plan. The distinguished Senator from North Dakota [Mr. YOUNG] was against the plan—all of them because they were dubious as to what might happen under the particular terminology of the reorganization plan.

Subsequently Congress did not disagree to the plan. Let me say again that it is not merely a question of what the Secretary is doing. It is the manner in which it is done.

I have now been appointed chairman of the conference committee on the extension of the Reorganization Act, which the President has requested. It has been my privilege to support that act every year, and to support, almost without exception, every reorganization plan. I say that this is an unfortunate set of circumstances which has recently developed. It throws a cloud over the entire reorganization program. The reorganization program specifically stated, and every implication of every word of testimony was to the effect, that before reorganizations were made the appropriate committees of Congress would be consulted.

I respectfully say—and I say it with sadness—that every attempt that has been made to have the appropriate committees of Congress informed or notified as to contemplated or alleged changes in the REA has been rebuffed. Not a single effort has been made by the Department to inform any committee or subcommittee of Congress, including the Committee on Appropriations.

The Committee on Appropriations was not told of this change in policy. The Committee on Appropriations, which makes the initial recommendation as to REA loan funds, should have been told if there was to be any major change of policy. A change of policy has been made, when loans of $500,000 or more are subject to the approval or disapproval of a man appointed by the Secretary, without his nomination being confirmed by the Senate—a man who is in charge of agricultural credit services, without a Presidential appointment, and without Senate confirmation, when, in fact, the law specifically states that the Administrator of REA, who is a Presidential appointee, and whose nomination is confirmed by the United States Senate, is to have the exclusive right and prerogative of managing the REA, particularly so far as loan authorizations are concerned.

Mr. MORTON. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MORTON. The Senator from Minnesota said it is clear, he feels, that the Secretary of Agriculture has designated a Mr. Scott as his agent and has given him power to veto loans of the REA which Mr. Hamil has agreed to make.

Mr. HUMPHREY. I would say that it is clear that Mr. Scott has been designated, as the Secretary himself has stated; and that loans in excess of $500,000 are to be cleared through Mr. Scott.

Mr. MORTON. In other words, Mr. Hamil is to consult with Mr. Scott.

Mr. HUMPHREY. Do they have so little to do in that Department that they must visit with each other?

Mr. MORTON. The Secretary has responsibility in the budgetary field. I feel he must know about these large loans. The Secretary has a very real responsibility in view of the debt ceiling.

Mr. HUMPHREY. I say most respectfully——

Mr. MORTON. He can delegate someone in his behalf to go over the loans. That is a responsibility from a budgetary standpoint, in view of the debt ceiling. If that is done, perhaps we can go through another few months without being forced to reassemble in the fall to consider raising the debt ceiling. I do not believe it involves a change in policy.

Mr. HUMPHREY. I say most respectfully that how much money is available for loans under the REA program is not within the jurisdiction of the Secretary of Agriculture. It is within the jurisdiction of Congress. Let us make no mistake about it.

Mr. MORTON. Absolutely.

Mr. HUMPHREY. If the Secretary of Agriculture sticks his nose into it, he will get his nose out of joint. The debt ceiling is not involved in this subject, because Congress determines how much money is to be made available to the Rural Electrification Administration. Congress is supposed to have established a separate, autonomous office, removed from politics, with an REA Administrator as its head, who is not supposed to be subject to the whims of political pressures in the making of loans.

I say that whenever a Presidential Cabinet officer can exercise his authority over an officer of Government whose office has been established by special act of Congress, and whom it has removed from the political field, the REA program is heading for trouble, and it will be in trouble both politically and economically.

Surely the Senator can say that the Secretary of Agriculture ought to be consulted on budgetary matters. But, if that is the case—and I am assuming for the moment that it is the case—why did not the Secretary of Agriculture tell the Committee on Appropriations or some other committee of Congress that there was a change of policy? There was no such notice given. This is a violation of the word of the Secretary of Agriculture to the committee of the Senate which handles organization plans. It is a violation of the report of that committee to the Senate. Surely if the Secretary is to exercise budgetary supervision—and I believe that is necessary—then there is a means provided for that in section 4 (b) of the Reorganization Act, for notification to the Members of Congress through appropriate committees.

Taking the argument of my friend from Kentucky on any ground, the Secretary has not acted, I will not say in bad faith, but has not acted in terms of what is sound administrative practice. If he had, this matter would not have come up.

Mr. MORTON. I cannot agree with the Senator from Minnesota that it involves a basic change of policy. I think it is the responsibility of the Secretary of Agriculture to know about large loans. Certainly the Secretary cannot be charged with not being a friend of REA. I think perhaps more money has been lent to REA under the Secretary's stewardship than any other Secretary.

Mr. HUMPHREY. I must ask the Senator not to put words in my mouth. I did not attack the Secretary as not being a friend of REA. I have never said that. I did not say he did not make loans. What I said was that the Secretary said before there was any change of policy he would notify the appropriate committee of Congress. He did not do that.

Mr. MORTON. Is there a change of policy involved when he merely keeps himself informed and requires the head of the Rural Electrification Administration to consult with a member of his staff?

Mr. HUMPHREY. I would say there was. The Secretary himself has said it. He did not say it to me or to any other Senator. He said it to a newspaper man, and we are indebted to him for that. Furthermore the Secretary said that that change of policy went into effect in June.

Mr. MORTON. I believe I will reserve further comment until I have read the report of the Secretary's press conference.

Mr. HUMPHREY. I shall be the first to apologize if I am wrong, or if I am being misinformed by the Associated Press dispatch. I made a very conscientious effort to obtain the facts. I have spent not only my time on the matter, but the staff of the committee has spent its time on it. It is a nonpartisan staff. It is the same staff that was in office during the time the Republicans were in control of Congress. I have asked members of that staff to seek out the facts. I have asked Mr. Walter Reynolds and Mr. Miles Scull of the Committee on Government Operations to assemble the facts for me. I have asked them, "All I want you to do is to get the material that is pertinent to the allegation. I do not know whether it is true. Will you please try to get the Secretary to come before the committee."

I have not stayed up nights thinking how I will make this speech. I am not the only one who has spent time on this subject. I went to the trained nonpartisan staff of the committee, and I asked them to look up the facts and give them to me. They have done that.

I say this is no way to conduct the Department of Agriculture. This is no way to operate the REA. The Senator from Kentucky can reserve his right, if he wishes, to determine whether it is a change of policy.

I say if a bank has a policy that a person can get a loan of $1,000 without filing a statement as to his worth—which many banks require—and then it changes the policy to the effect that it will grant a loan of only $200 without such a statement being filed, that involves a change of policy. Everyone knows that. This is a change of credit policy.

All I am saying is that not a single instrumentality of Congress was notified of the change. It can be argued whether the change is good or bad. The Senator suggests that the lending policy may be reviewed. Perhaps so. I say in light of the long history of REA and in the light of the REA's autonomous position within the executive branch of the Government, and in light of what I believe to be the good record of the REA, under Republican and Democratic administrations, I believe what has happened is most unfortunate.

I do not wish to prolong the argument. I am not seeking any fight. I am not angry with Mr. Benson. I am not trying to be personal at all. I would respectfully suggest to my good friend from Kentucky, if he has the opportunity—and I know he is very busy—that he take the time to look through the hearing records.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. CARROLL. I wish to say to the Senator from Kentucky that the reason I have personally taken an interest in the matter is because Dave Hamil, the REA Administrator, comes from Atwood, Colo. However, more than that, it is because of some fine newspaper reporting in Colorado. Both the Rocky Mountain News and the Denver Post have done a wonderful job in getting at the truth, namely, that there has been a limitation placed on the lending authority of the Administrator of REA.

I say to the Senator from Minnesota that a very serious charge has been leveled here. This is what the Denver Post, an independent Republican paper, said in an editorial on August 14:

> Thus, when REA's now apply for loans to heavy up their lines or to build generation and transmission systems, those applications are exposed to more frequent challenge by private power companies which insist the loans are unnecessary.

I skip a few paragraphs.

> Now, all of this bears upon the reported difficulties of Colorado's David Hamil, who for the last year has been Administrator for the REA in Washington. The Administrator is now expected to submit all applications for loans of more than $500,000 to higher authority in the Department of Agriculture for review. We can only guess why.

Here is the charge this independent Republican paper makes:

> The conflicts that are multiplying between private power companies and rural electric cooperatives have been carried into the upper strata of politics. The Administrator, who adheres to the guidelines of the REA Act, who processes loan applications by long-accepted standards of economic feasibility, and who ignores the protests of private power companies whose service areas are beginning to commingle or overlap with those of the REA, invites political repercussions. That, we suggest, happened to Mr. Hamil.

That is a very good point, it seems to me, and that is why the Secretary ought to come before the subcommittee and tell a regularly constituted Congressional authority what the facts really are.

I read further:

> The point is, such foregoing questions can be answered by Congress in the kind of REA law it makes, and not by administrative policy which exposes the REA Act to the whim or the whip of politicians and the lobbies of special interests that may or may not be effective at any given time. Mr. Hamil and indeed no administrator of the REA should be expected to distort the law by executive decision simply because the law is inadequate to the stresses modern problems impose on it.

Mr. President, in a few paragraphs the Denver Post has set forth the whole issue. In spite of the fact that the Secretary of Agriculture stated there would be no change of policy without consulting Congress, a change has now been made. The Secretary of Agriculture has the obligation to come before a committee of Congress, in view of the overwhelming evidence that a change of policy has been made.

ORDER OF BUSINESS

Mr. ALLOTT obtained the floor.

Mr. MANSFIELD. Mr. President, will the Senator from Colorado yield to me for a moment?

Mr. ALLOTT. I am glad to yield.

Mr. MANSFIELD. Mr. President, if I may do so, I yield to the Senator from Florida [Mr. SMATHERS], who desires to submit a conference report.

The PRESIDING OFFICER. Does the Senator from Colorado yield for that purpose?

Mr. ALLOTT. Yes, I yield for the purpose of having the conference report submitted, if it is understood that I shall not thereby lose the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF SECTION 22 OF INTERSTATE COMMERCE ACT—CONFERENCE REPORT

Mr. SMATHERS. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 939) to amend section 22 of the Interstate Commerce Act, as amended. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. LAUSCHE in the chair). The report will be read, for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of August 19, 1957, pp. 15235–15236, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. MANSFIELD. Mr. President, let me say that objecton was made earlier, and there was pending a call for a quorum. I think that should be stated for the record. The quorum call will be had as soon as possible, so that the objection may be heard. But I believe the conference report should be made the pending business at this time.

Mr. SMATHERS. Mr. President, will the Senator from Colorado yield further, so that I may propound a parliamentary inquiry?

Mr. ALLOTT. I am glad to yield.

Mr. SMATHERS. Mr. President, is the conference report now the pending business?

The PRESIDING OFFICER. The conference report is now before the Senate; and the pending question is on

agreeing to the report. That question is debatable.

Mr. SMATHERS. That is the pending question, is it not?

The PRESIDING OFFICER. Yes.

Mr. SMATHERS. I thank the Senator from Colorado.

LENDING AUTHORITY OF THE RURAL ELECTRIFICATION ADMINISTRATION

Mr. ALLOTT. Mr. President, I desire to address myself to the remarks, which have been made for the last hour or so by Senators on the other side of the aisle, concerning the situation in connection with the Rural Electrification Administration.

I shall try to do so with some brevity, and I hope I shall do so with some clarity, in order that no further errors will appear in the RECORD.

I do not have before me the Associated Press dispatch to which the Senator from Minnesota has referred, and from which he has quoted. If he will let me have it for a few minutes, I shall be happy to use it in the course of my remarks. But I do not have it before me now.

Mr. HUMPHREY. I now have the report before me, and I hand it to the Senator from Colorado.

Mr. ALLOTT. I thank the Senator from Minnesota.

Mr. President, I now hold in my hand the Associated Press dispatch which was issued this morning, and upon which the remarks of the distinguished Senators have been based.

First of all, let it be noted that it is a press dispatch; it is not a statement by the Secretary of Agriculture, Mr. Benson; neither is it a press release from his office; neither does it quote the Secretary of Agriculture in any respect.

On yesterday, when we discussed this matter, several issues developed. I desire to dispose of them.

First of all, I wish to make it perfectly clear that I have not yet heard on this floor any criticism of the great ability of Mr. Hamil, as applied to the performance of his duties as Director of the REA; nor, I am glad to say, has there been any criticism of the growth of the REA and the expansion of the REA under this administration and under Mr. Hamil.

Mr. AIKEN. Mr. President, will the Senator from Colorado yield?

Mr. ALLOTT. I am very happy to yield.

Mr. AIKEN. I wish to say that I do not believe the Senator from Minnesota had to rely upon a press release to find out what Secretary Benson was saying this morning, because I believe the Senator from Minnesota received, this morning a letter from Mr. Benson; and probably the Senator from Minnesota will be glad to put the letter into the RECORD.

Mr. HUMPHREY. Mr. President, will the Senator from Colorado yield to me?

Mr. ALLOTT. I yield.

Mr. HUMPHREY. Not only did I receive the letter—which I have been waiting for since August 5—but I also placed it in the RECORD.

Mr. AIKEN. It is in the RECORD; is it?

Mr. HUMPHREY. Yes. And at the time I said I wanted to do justice to the Secretary, and I wanted the entire letter to be printed in the RECORD. But the letter does not say when he will come before the committee. He said that sometime he would like to visit with me.

Mr. AIKEN. I believe he said Mr. Hamil would visit with the Senator at any time.

Mr. ALLOTT. Mr. President, I shall be glad to yield for questions, but I do not wish to yield to other Senators, to have them make speeches in the course of my remarks. .

First of all, I must disagree with my very distinguished friend, the Senator from Vermont [Mr. AIKEN]. We shall get these matters straightened out one by one.

On yesterday, the junior Senator from Minnesota [Mr. HUMPHREY] made the statement, in substance—it appears in the RECORD, and he said it categorically—that the REA was an independent agency. Yet a few minutes ago he said, in reading from his own prepared statement, which I copied down as best I could, because I do not have before me the document referred to, that he asked the Secretary of Agriculture whether he was leaving it pretty much as an autonomous organization.

I submit that one cannot say categorically that it is independent, and still ask whether a certain official is leaving it pretty much as an autonomous organization.

Mr. HUMPHREY. I did not say that.

Mr. ALLOTT. I copied it down as best I could, as the Senator from Minnesota read the statement. I shall be happy to read the paper, if the Senator from Minnesota will give it to me.

On yesterday, we discussed this matter.

At this time I desire to address myself to one point, as follows: I feel that entirely too much work is done for Senators by their staff members. I desire to make myself entirely clear on that point. I feel that if possible, and it is possible, Senators should not depend so much upon staff members. By avoiding that, perhaps Senators can avoid some of the confusion which often develops.

During the remarks made on the floor of the Senate this afternoon, I talked with two persons—one in Washington, D. C., and one in Colorado. Before that, and as a basis for the remarks I made on yesterday, I had talked to Mr. True D. Morse, in the absence of Mr. Benson; and I had talked to Mr. Scott, who is the head of the Agricultural Credit Agency in the Department of Agriculture. From those conversations it seemed abundantly clear to me, that there has been no change in the basic policies of the Department of Agriculture.

First of all, the Department of Agriculture does have a basic responsibility for the REA.

Second, no basic change has been made.

Despite what the press report says, the Secretary of Agriculture has assured me within the hour, and Mr. Hamil has assured me within the hour, that there is no veto or any direction as to how these loans shall be made.

Mr. HUMPHREY. Mr. President, at this point will the Senator from Colorado yield to me?

Mr. ALLOTT. I yield for a question.

Mr. HUMPHREY. Then, in light of the request I made personally by letter to the Secretary of Agriculture, does not the Senator from Colorado think it would have been appropriate for the Secretary of Agriculture to have informed the junior Senator from Minnesota of the same thing? The Secretary of Agriculture wrote me a letter, but in it he did not inform me of this at all.

Mr. ALLOTT. I do not know about that, and I shall not attempt to answer that question. I am simply stating what the facts are.

There has been a very serious attempt to say, here on the floor of the Senate, that the Department of Agriculture, through Mr. Scott, has set itself up in a veto relationship in the case of REA loans. That is what I propose to discuss. I intend to inform the Senate and the country of the investigation I have made into this matter.

Mr. HUMPHREY. Mr. President, will the Senator from Colorado yield for another question?

Mr. ALLOTT. I yield for a question.

Mr. HUMPHREY. Is it not rather peculiar that the Secretary of Agriculture has plenty of time to talk to the Senator from Colorado on the telephone, but has no time at all, at any time at his convenience, to meet with a duly authorized committee of the Congress? I am perfectly willing to sit down with him at 9 o'clock at night.

Mr. ALLOTT. Mr. President, I have yielded for a question, I shall answer it; and then I shall proceed with my remarks, in my own way, for a few minutes.

A few minutes ago I said, in regard to the remarks the Senator from Minnesota had made, that he had asked certain staff members to investigate this matter. There is no question in my mind that if the junior Senator from Minnesota had called the Secretary of Agriculture—and I am sure the Senator from Minnesota is not unacquainted with him—the Secretary of Agriculture would have talked with him and would have discussed the matter with him.

Mr. HUMPHREY. Mr. President, at this point will the Senator from Colorado yield?

Mr. ALLOTT. I yield for one more question.

Mr. HUMPHREY. Will the Senator from Colorado tell me how I could even get hold of the Secretary of Agriculture, when he had gone away? No one would tell where he was.

Second, when the Secretary of Agriculture did return, will the Senator from Colorado tell me why—when a letter was lying on the Secretary's desk—it would not have been proper for him to communicate with the Senator who wrote the letter?

Mr. ALLOTT. I cannot place myself in the position of Secretary Benson.

It was the Senator from Minnesota who pointed out to me, on the floor of

the Senate, on yesterday, that the Secretary of Agriculture had returned. That is why I had the information, and that is why I called him this afternoon.

Mr. HUMPHREY. I heard that from the United Press, not from the Secretary of Agriculture.

Mr. ALLOTT. Mr. President, I shall develop the matter further. As nearly as it is possible to do, I should like to straighten out several things.

First of all, question has been raised as to why Mr. Hamil is in Colorado at this time. At one point it was implied that someone was trying to "run him out." Perhaps that is true; but, if so, those who are trying to run him out are not the ones whom it has been implied were trying to do so. Mr. Hamil is in Colorado, for his annual vacation; and I do not think anyone should be critical of him for that.

As a matter of fact, there are few people in Government who have devoted themselves more assiduously to their jobs than has Mr. Hamil.

First of all, in discussing this matter with Secretary Benson, in view of the remarks I made on the floor yesterday, and in view of the remarks that were being made on the floor this afternoon, I put directly to the Secretary, the questions which have arisen as to his assumption of a veto power over and the direction of the REA. In reply to those questions, he told me that Mr. Hamil and Mr. Scott had mutually agreed some time ago that they would look into these questions and would discuss the economic feasibility of these matters, because they felt that mutual advice on the overall agricultural picture, and how it was developing, would be of great value in the matter. He told me further they had reviewed some of the files—which was the statement I made yesterday—and they had discussed them, but only as to some of the larger loans; that there had been no reorganization of their Department; that there had been no reorganization of REA; that there was no veto power; and that there had been no pressure of any kind, either to approve or disapprove any loan or any application for a loan that had come up. He further advised me that Mr. Hamil had told him this review and discussion of policy had been helpful to him.

This afternoon, when I discussed the matter with Mr. Hamil, he reaffirmed, almost in the same words, what the Secretary had said—that he has himself been wholly responsible for the decisions that were made with respect to loans; that the purpose of the discussions was primarily to bring the Department of Agriculture up to date on what the REA was doing and how it was developing and how it was performing; that not one loan had been turned down where the Department of Agriculture had ever seen the file; that there were absolutely no restrictions of any kind upon him, nor had any policies or guidelines been laid upon him; and that he finds no objection to the practice of checking the files or reviewing the files—however one wants to put it—which have come into existence.

I am sure Senators on the other side of the aisle are genuinely concerned about the benefits and welfare of REA, but it seemed to me that this matter should be made abundantly clear. If there was ever much ado about nothing, I believe this is it, because the policies of the REA, the direction and control of REA, according to Mr. Hamil's statement and according to the Secretary's statement, have remained unchanged.

Mr. Hamil was very, very emphatic in saying that in no instance had his policies ever been interfered with, nor had the Department of Agriculture, or any member of it, ever controlled or tried to tell him to approve or disapprove a loan; that he understood, as of now, that he was responsible for the directorship of REA, and not the Department of Agriculture, Mr. Scott, or anybody else; and that he intended to continue fulfilling that responsibility to the best of his ability.

So, Mr. President, while I realize that interpretations as to what is said can differ, it seems to me it is only proper at this time, in view of the rather lengthy discussion which has taken place, that the RECORD be made perfectly clear as to what the situation is with respect to the Department of Agriculture and the REA. It is that while some of the files have been reviewed, there has never been a loan turned down on any file which has been reviewed, and there has never been any attempt on the part of the Department of Agriculture, or any of its members, to cause him either to disapprove or approve a loan, or in any other way to operate or run or interfere with his department.

I believe it is necessary to make such a statement for the RECORD. It is my hope it can be set straight in more positive fashion; but during this interval, for whatever reasons there may be, in the absence of Mr. Hamil, in all due fairness to the welfare of the farmers of the Nation who are dependent upon the REA, it seems to me it is necessary to make such a statement.

In 4 years of this Republican Administration, the backlog of REA loans was reduced from $192 million to $90 million. In addition to that, I believe more money has been lent under REA during this administration than was loaned in any like period before.

The record of Mr. Hamil, as well as that of his predecessor, Mr. Ancher Nelsen, in expanding the REA and in realizing the ideal of making REA really a working and practical agency has been a record of which certainly I, and I am sure every Member of the Congress, is very proud.

Mr. President, I hope this will lay the matter at rest. In view of the fact that both the conversations occurred while the matter was under debate on the floor, I felt that my colleagues, and the people who are interested in the welfare of REA, should be aware of it.

I suggest the absence of a quorum——

Mr. HUMPHREY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado withhold his suggestion of the absence of a quorum?

Mr. ALLOTT. Does the Senator wish me to yield to him, or does he wish the floor?

Mr. HUMPHREY. I wish to make a comment in my own right.

Mr. ALLOTT. I yield the floor.

Mr. HUMPHREY. To conclude this colloquy, I wish to say to the Senator from Colorado that we are not arguing about the accomplishments of REA. While it is true that more money has been loaned, the reason it has been loaned is that it has been provided and made available by the Congress. I suppose both political parties can take credit for that.

Mr. ALLOTT. I think the Senator from Minnesota will agree that while Congress provides the money, the circumstance that it was loaned is illustrative of the fact that the policies of the Congress as expressed in legislation were being carried out.

Mr. HUMPHREY. I think that is a correct statement. I should add that the cost of construction is probably higher, so we are not too sure what we are getting for the money we are spending.

I think what must be dealt with is not the capability of Mr. Hamil, which is not questioned. If Mr. Hamil is on vacation, God bless him. I am sure he deserves it. If he is in Colorado for his vacation, he is probably having a wonderful time. It is a beautiful State.

The Senator from Minnesota was very careful in his comments, and he has reread them. If the allegations of a change in organization or policy are true, then there has been a violation of the commitments which were made at the time of Reorganization Plan No. 2 in 1953. At that time the Secretary assured us that if such a change were contemplated, the committees would be informed. It is well and good for a Senator to inform other Senators as to what is going on in the Department of Agriculture. I am deeply indebted to the Senator from Colorado for his information as to what was said. It is very helpful. But telephone calls are two-way streets. I initiated the conversation with the Secretary in my role as chairman of the subcommittee. I sent him a personal letter through my staff, and awaited a reply. A reply was not forthcoming until today, in the form of a letter. It is no more difficult for the Secretary to call the junior Senator from Minnesota than it is for the junior Senator from Minnesota to call the Secretary. Since a request was made by a Member of Congress, it appeared that a reply was only just and courteous.

The point at issue here is: If a decision has been made relating to loan policy, why was that decision not discussed with the Congress, in the light of the commitments made under Reorganization Plan No. 2? The friends of the REA had better be pretty careful, because if the present Secretary can get by with such a procedure, another Secretary will get by with even more.

I repeat what the Senator from Georgia [Mr. RUSSELL] said, when he reminded us in the committee, "If we do not tie

this thing down into specific terms, gentlemen, somebody is going to tamper with the REA."

It may be said that there is no tampering with the REA now, and we can argue the point and take sides on the question. There seems to be little doubt that the Director of the Agricultural Credit Services is at least in a consultative position with the Administrator of the REA on loans. I submit that was not the case before June 1. I submit that the record, at least so far as we have been able to ascertain it, is that their kind of arrangement is operative with the approval of the Secretary of Agriculture. I further submit that it represents a change in policy.

If there is anyone who can produce a letter from the Secretary saying that Mr. Hamil, the Administrator—whoever the Administrator may be, since we are not talking solely about Mr. Hamil—is not required to discuss loans of $500,000 or more with the Director of Agricultural Credit Services, by the production of such a letter one could say there is no change. The truth is that prior to June 1, 1957, loans of $1 million, loans of $2 million, and loans of $5 million were made, consummated, signed, sealed, and delivered by the Administrator of the REA under the authority of the Congress.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. HUMPHREY. That was done without any requirement whatsoever on the part of the Secretary of Agriculture that the loans be cleared with or discussed with any other member of the Department.

I am not going to argue the merits of the matter. If there is to be an argument about it, the place for it, it seems to me, is before a committee. All the Senator from Minnesota has said, which he will repeat, is that anyone who wants to look at his comments will find them respectful of the Secretary, and considerate of the position of the Congress and the responsibility and the authority of Reorganization Plan No. 2.

I now yield to the Senator from Colorado.

Mr. ALLOTT. Is the Senator contending that the conveyance of information in the files to the Department of Agriculture is a change of policy?

Mr. HUMPHREY. The Senator from Minnesota is contending that prior to June 1, 1957, there was no such requirement whatsoever.

Mr. ALLOTT. Let me state what is occurring.

Mr. HUMPHREY. There was no requirement that a loan of any size be cleared with any member of the Department of Agriculture, save the Director of the REA. If the Senator from Colorado can prove to the contrary, he will be given all the time necessary in my time. I will yield to him for that purpose.

Mr. ALLOTT. I shall take the time in my own time.

Mr. HUMPHREY. I should like to have the Senator prove that there was such a policy prior to June of 1957. If there was a change in policy, why were we not notified?

Mr. ALLOTT. When the Senator yields the floor I will answer him.

Mr. HUMPHREY. I thought the Senator had another question to ask.

I think all the debate boils down to whether we are to have a Cabinet officer who has administrative jurisdiction over an agency, which by law of Congress has been granted autonomy so far as its policy and function is concerned, make basic policy decisions and organizational changes without any reference to the Congress of the United States, in the light of Reorganization Plan No. 2. That is all that is involved, in my view.

Mr. ALLOTT and Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. ALLOTT. Mr. President, I should like to ask the Senator from Minnesota one question.

Did I understand the Senator to say that he had placed in the RECORD a letter he received from the Secretary this morning?

Mr. HUMPHREY. Yes. I also asked to have printed the letter to Under Secretary Morse.

Mr. ALLOTT. So that there will be no question about that, I hold in my hand a copy of the letter. It does not say at any point that there has been any reorganization.

I should like to make one point. The junior Senator from Minnesota has said that loans of $500,000, $750,000, and $1 million or more have been made heretofore upon the authority of the Director of the REA, and they are made upon the authority of the Director of the REA, according to Mr. Hamil. He is the only one, the sole person, who has the say "yes" or "no" based upon the feasibility or advisability of any loan. So there has been no change of policy. The submission of information to the Department of Agriculture for its information does not constitute a change of policy.

Mr. HUMPHREY. Will the Senator then answer a question for me? For what purpose is the reference? I am serious about the matter. I am not trying to be picayunish. What is the purpose of the reference to the Director of the Agricultural Credit Services? Perhaps the Senator can tell me, since he has had such a friendly contact with the Department and since he receives copies of letters which the Secretary sends to me. I hope the Secretary does not send copies to everybody.

Mr. ALLOTT. I received this copy after the debate had started. I do not receive copies of any letters sent from the Secretary of Agriculture to the Senator from Minnesota, or copies of letters sent to any other Senator. I want to make that perfectly clear.

Also, so that the record may be made straight, I want to make perfectly clear that I do not believe my relationships with the Secretary of Agriculture are unique or any better or any worse than those of many other Senators, and I wish to state that any other Senator could have the same access to the Secretary if he wished to have it.

The question which the Senator asked me could be answered by what Mr. Hamil said. Mr. Hamil said that they decided it would be mutually advantageous, and that he had found it helpful, since it gave them a picture of the general agricultural situation as it pertained to the REA which they would not have except through official reports. As I understood him—and I think I am quotting him correctly—he explained that it was a proper position, entirely satisfactory to him, and had not resulted in any handtying, any crippling, any direction, or any veto power.

AMENDMENT OF SECTION 22 OF INTERSTATE COMMERCE ACT—CONFERENCE REPORT

Mr. SMATHERS. Mr. President, a few moments ago when the motion was made that the Senate proceed to consider the conference report as to Senate bill 939, there apparently was some misunderstanding with respect to the wishes of the Senator from Tennessee. The Senator from Montana felt that a quorum call should have been requested prior to the motion being made to take up the conference report. In the absence of the Senator from Tennessee, of course, there was no objection to taking up the conference report, for consideration, so it became the order of business.

Shortly thereafter the Senator from Tennessee came into the Chamber, and seemed to be somewhat put out about what had happened, so I agreed with him that I would ask unanimous consent that the vote on the motion to take up the conference report be reconsidered as soon as the colloquy between the Senator from Colorado [Mr. ALLOTT] and the Senator from Minnesota [Mr. HUMPHREY] had come to an end.

Since that time the Senator from Tennessee has advised me that he is satisfied with the procedure which we originally followed, and that he does not now desire a reconsideration of the vote by which the motion to take up the conference report was agreed to.

The Senator does insist that we should have a quorum call before any vote is taken on the conference report. I have assured the Senator that if I am on the floor at that time I certainly shall ask for the quorum call, and I want to make it a matter of record, so that whoever may be the acting majority leader at the time will ask for a quorum call prior to the vote being taken on the adoption of the conference report.

JURISDICTION OVER MEATPACKERS AND FOOD HANDLERS

Mr. WATKINS. Mr. President, on August 16, 1957, the United States Department of Agriculture announced that it had issued a complaint against Wilson & Co., one of the largest meatpackers in the country, charging that firm with price discrimination, deceptive practices, and the keeping of false records in violation of title II and other provisions of the Packers and Stockyards Act.

It is too bad that such announcements, which I am sure in this case, just happen to be coincidental with rather immediate pending Senate consideration of S. 1356, a bill to return such jurisdiction to the

FTC because of 36 years of nonenforcement by the United States Department of Agriculture, have not been more frequent and thus indicative of vigorous and effective enforcement. That such is not the case, is evidenced by these facts:

First, in 36 years the United States Department of Agriculture has issued exactly 7 cease and desist orders against packers under title II for engaging in unfair trade practices in the wholesaling of meat products—the last one was issued 18 years ago.

Second, in 36 years, the United States Department of Agriculture has never issued a cease and desist order against a packer under title II in connection with the wholesaling of a nonmeat food or nonfood product.

Third, in 36 years, there has never been even one court case involving title II. As the Senate report on S. 1356 indicates:

> Agriculture's failure to prosecute cases under the trade practice provisions of the Packers and Stockyards Act has resulted in a complete lack of judicial construction of the act.

In this connection, I call attention to an editorial of August 19, 1957, in the Washington Post entitled, "Packers and the FTC." In part, it properly points out that—

> The O'Mahoney-Watkins bill would properly leave regulation of the stockyards in the Department of Agriculture. It would shift to the FTC only the kind of watchdog function it exercises against unfair trade practices in other industries. Indeed, the meatpacking industry, although it is the third largest in the United States, is the only group which effectively escapes such supervision. The meatpackers have no better claim to immunity from FTC supervision than any other food processors.

I ask unanimous consent that the editorial be printed in full at this point as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

PACKERS AND THE FTC

The Senate will have an opportunity today to extend the area of effective policing against monopolistic practices. It is scheduled to consider a bill by Senators O'MAHONEY and WATKINS that would shift jurisdiction over unfair trade practices in the meatpacking industry from the Department of Agriculture to the Federal Trade Commission. Congress assigned this function to Agriculture when it passed the Packers and Stockyards Act in 1921 on the assumption that it would be more vigorously enforced by that Department. This was an illusion. In 36 years the Department has issued only 28 cease and desist orders under the act, many of them trivial. No order dealing with monopolistic or unfair trade practices by meatpackers has been issued during the last 19 years. Representative CELLER had a good deal of justification for calling this situation a supervisory vacuum, despite recent moves to correct it.

The inability of Agriculture to cope with the problem is evident from the fact that its Trades Practices Section is staffed by only two marketing specialists and a stenographer. Probably more important is the fact that the Department relies upon the packers for an assortment of data that go into its reports. Its major interest lies in the regulation of the country's 375 livestock markets, 1,300 commission firms, and 2,000 livestock dealers. It has neither the specialists nor the experience for effective enforcement of the law against unfair trade practices.

Recently another powerful incentive to action on this measure has arisen. The law divesting the FTC of jurisdiction over packers is so sweeping that chain stores may now indulge in unfair trade practices without challenge from the FTC if they buy a packing plant or prepare meats for shipment in interstate commerce. If for no other reason than to arrest this spreading of immunity to antitrust regulation, the law should be promptly amended.

The O'Mahoney-Watkins bill would properly leave regulation of the stockyards in the Department of Agriculture. It would shift to the FTC only the kind of watchdog function it exercises against unfair trade practices in other industries. Indeed, the meatpacking industry, although it is the third largest in the United States, is the only group which effectively escapes such supervision. The meatpackers have no better claim to immunity from FTC supervision than any other food processors.

Mr. WATKINS. The action of the United States Department of Agriculture in announcing that it had issued a complaint against Wilson & Co., of course, is to be commended, but in light of 36 years of nonenforcement by the United States Department of Agriculture the public interest requires that S. 1356 be enacted, and jurisdiction over packers returned to the Federal Trade Commission, where it was before 1921.

Mr. President, on June 26, 1957, I called to the attention of Members of the Senate that the Giant Food Shopping Center on June 18, 1957, had petitioned the Federal Trade Commission to dismiss a complaint issued under section 5 of the Federal Trade Commission Act against it by the Federal Trade Commission in November 1955, because it was a meatpacker. This is a corporation which operates a chain of 36 supermarkets here in the District of Columbia, Virginia, and Maryland.

On that occasion, I went on to point out that the Giant Food Shopping Center did not even own a packing plant or a 20 percent interest in one; rather that its meatpacking operations, if you can call them that, were limited "to preparing retail cuts of meat from carcasses of steers, calves, lambs, and so forth, purchased from bona fide packers for sale in its 36 stores. Yet on this basis, it claimed exemption from the jurisdiction of the Federal Trade Commission, on the grounds that it was a packer within the definition contained in the Packers and Stockyards Act of 1921, and thus subject to the exclusive jurisdiction of the United States Department of Agriculture.

A Federal Trade Commission hearing examiner ruled on August 15, 1957, as summarized by a Federal Trade Commission release, that—

> The preparation of sausage and meatloaf by Giant Food Shopping Center, Inc., Washington, D. C., is sufficient to prevent the Federal Trade Commission from proceeding against it on charges of inducing illegal promotional allowances.

Mr. President, S. 1356, which shortly, I understand, will be called up for debate, will remedy this situation by amending the Packers and Stockyards Act of 1921 and the Federal Trade Commission Act so as to bring the trade practices of all firms wholesaling meat, nonmeat food and nonfood products under the jurisdiction of the Federal Trade Commission.

I ask unanimous consent that the press release and the hearing examiner's decision, referred to a moment ago, be inserted in the RECORD at this point in my remarks.

There being no objection, the press release and decision were ordered to be printed in the RECORD, as follows:

[Federal Trade Commission press release of August 15, 1957]

UNFAIR COMPETITION (FTC ACT)—INITIAL DECISION (6459) (FOOD PRODUCTS)

The preparation of sausage and meatloaf by Giant Food Shopping Center, Inc., Washington, D. C., is sufficient to prevent the Federal Trade Commission from proceeding against it on charges of inducing illegal promotional allowances, an FTC hearing examiner "reluctantly but firmly" ruled today.

The examiner, Frank Hier, said Giant is a packer under the Packers and Stockyards Act, and this law grants the Secretary of Agriculture exclusive jurisdiction. The FTC is denied jurisdiction, he continued, and the company's motion to dismiss the Commission's amended complaint of May 7 must be granted.

This is not a final decision of the Commission and may be appealed, stayed, or docketed for review.

The Commission had charged Giant with inducing special allowances from suppliers for promotion of an anniversary sale which it "knew or should have known" were not being offered to competitors.

The examiner ruled, contrary to Giant's contention, that cutting up, slicing, grinding, trimming, and wrapping meat does not make the concern a meat manufacturer or preparer.

"There remains, however," he continued, "the problem of sausage and meatloaf, which respondent makes by grinding up meat, mixing it with spices, and in the case of sausage, with other meat such as veal, and perhaps with other ingredients. The resultant products are not, therefore, meat per se, such as hamburger, but are meat products distinctly known to the public as such. Whether this be called manufacturing or merely processing, the operation is, nevertheless, preparing a meat-food product, separate and different from meat alone and consequently, in my opinion, within the definition [set out in the Packers Act]."

The examiner stated that Giant, which operates 36 supermarkets in the District of Columbia, Virginia, and Maryland, had retail sales of meat and meat products of about $11,800,000 for the fiscal year ending April 27, 1957, while its total sales for the same period—excluding ice cream, poultry, poultry products, and eggs—were $23,600,000. He observed that the record does not show what the percentage of meatloaf and sausage sales is compared to total sales, but it must be minuscule.

Although the company has been in business since 1936, the examiner stated it apparently did not regard its activities as within the Packers Act until the day before the filing of the motion to dismiss, when it registered as a packer with the Department of Agriculture.

The Commission's staff attorneys had argued that the Packers Act does not exempt the Commission from having jurisdiction over the Giant's entire business, but only over its meat activities. Although the examiner termed this interpretation as both plausible and persuasive, he emphasized that "Where the statute is plain and unambiguous in its terms, there is neither warrant nor

power to 'interpret'—only Congress can do so."

"The conclusion, reluctant but firm, therefore," he continued, "is that the jurisdictional grant to the Secretary of Agriculture and the denial thereof to the Federal Trade Commission is one in personam and that if any part or facet of a 'person's' business is within the definition of 'packer,' no matter how small or insignificant, all of his activities are beyond regulation by the Commission. Intellectual honesty compels no less."

UNITED STATES OF AMERICA, BEFORE THE FEDERAL TRADE COMMISSION—IN THE MATTER OF GIANT FOOD SHOPPING CENTER, INC., A CORPORATION, DOCKET NO. 6459

INITIAL DECISION

Frank Hier, hearing examiner.

Andrew C. Goodhope, Fredric T. Suss, and Alvin D. Edelson, for the Commission.

Danzansky & Dickey, by Raymond R. Dickey, Washington, D. C., for the respondent.

This matter comes on for decision on motion by respondent to dismiss the complaint because of an asserted lack of jurisdiction of the Federal Trade Commission to bring or prosecute same. Although considerable proof on the merits has been taken and the complaint has been amended by the Commission, the motion is timely since it is a plea to jurisdiction.

The ground of the motion is that respondent claims to be a packer, subject exclusively to the jurisdiction of the Secretary of Agriculture under the Packers and Stockyards Act of 1921 (7 U. S. C. 181 et seq.). Respondent operates a chain of 36 supermarkets in the District of Columbia, Virginia, and Maryland, of which 14 are located in the District of Columbia; and through these stores it markets meat, meat-food products, dairy products, poultry and poultry products, eggs, floor wax, groceries, and allied products of all kinds and descriptions, doing a business for the fiscal year ending April 30, 1955, according to the complaint of some $60 million. The moving papers, the factual allegations of which are not controverted by the counsel supporting the complaint, show that for the fiscal year ending April 27, 1957, respondent did approximately $11,800,000 at retail in meat and meat-food products manufactured or prepared by it as a packer, and that its total business at retail for meat, meat-food products, dairy products, excluding ice cream, poultry, poultry products, and eggs amounted to $23,600,000 for the same period. Its claim for immunity by reason of lack of jurisdiction is based on title 7, United States Code, section 191, paragraph (b) thereof, which reads as follows:

"When used in this chapter—the term 'packer' means any person engaged in the business of * * * manufacturing or preparing meats or meat-food products for sale or shipment in commerce."

There is no claim that respondent buys livestock in commerce for purposes of slaughter, that it owns or controls, directly or indirectly, through store ownership, controlled or otherwise, any interest in a packing plant to the extent of 20 percent or more. Although respondent has been engaged in its present business since 1936, it apparently did not regard its activities as within the Packers and Stockyards Act until the day before it filed this motion to dismiss, when it registered as a packer with the United States Department of Agriculture. This is rather persuasive evidence in and of itself. The factual allegations set forth in the moving papers, which must be taken as true as they are not controverted by counsel supporting the complaint, show that respondent buys from slaughterhouses slaughtered carcasses of steers, calves, and lambs, the lambs being in whole carcass, the calves in half carcass, and the steers in quarter carcass; and that its butchers cut them up into steaks, roasts, chops, and, in addition, make meatloaf and country sausage; that when so cut up or so ground up the results are placed in cellophane or pliofilm and set out in cool counters for customers' selection. This butchering, trimming, cutting, slicing, grinding, etc., are illustrated by some 41 fancy photographs of the operations described. Because of this, respondent claims that it is engaged in manufacturing or preparing meats or meat-food products for sale or shipment in commerce. Exclusive jurisdiction over the acts and practices enumerated in title 7, United States Code, section 192, by those defined in United States Code, section 191, is conferred on the Secretary of Agriculture by title 7, United States Code, section 227, reading as follows:

"On or after the enactment of this act, and so long as it remains in effect, the Federal Trade Commission shall have no power or jurisdiction so far as relating to any matter which by this act is made subject to the jurisdiction of the Secretary, except in cases in which, before the enactment of this act, complaint has been served under section 5 of the act entitled 'An act to create a Federal Trade Commission, to define its powers and duties * * *' and except when the Secretary of Agriculture, in the exercise of his duties hereunder, shall request of the said Federal Trade Commission that it make investigations and report in any case (August 15, 1921, ch. 64, sec. 406, 42 Stat. 169; 7 U. S. Code, sec. 227)."

The two exceptions mentioned in the above code section are obviously inapplicable to this proceeding and it will be noted that the jurisdictional exclusion is as "to any matter which by this act, is made subject to the jurisdiction of the Secretary * * *."

The "matter" above referred to is obviously that which is contained in title 7, United States Code, section 192, which is so broad as to embrace, in this hearing examiner's opinion, the charge of the complaint which, in gist, was soliciting and inducing or accepting advertising allowances from its suppliers with knowledge that such advertising allowances were in violation of section 2 (d) of the Clayton Act. Respondent is admittedly engaged in commerce.

In addition, respondent relies on section 5 (a) (6) of the Federal Trade Commission Act (15 U. S. C. 45), which reads as follows:

"The Commission is hereby empowered and directed to prevent persons, partnerships, or corporations, except banks, common carriers subject to the acts to regulate commerce, air carriers, and foreign air carriers subject to the Civil Aeronautics Act of 1938, and persons, partnerships, or corporations subject to the Packers and Stockyards Act, 1921, except as provided in section 406 (b) of said act, from using unfair methods of competition in commerce and unfair or deceptive acts or practices in commerce."

This hearing examiner has previously discussed these various sections of the law in the matter of Food Fair Stores, Inc., docket No. 6458, and in the matter of Crosse & Blackwell Co., docket No. 6463, and came to the conclusion that from the law itself and its legislative history the Congress intended, in the enactment of the Packers and Stockyards Act by its very breadth, to confer exclusively on the Secretary of Agriculture, the acts and practices of all who came within the definition of a packer as set out in title 7, United States Code, section 191, and to deny the Federal Trade Commission any regulation thereof.

The issue here, therefore, boils down to whether or not the activities of respondent, as above set out, are within the definition of "manufacturing or preparing meat or meat food products for sale or shipment in commerce."

Cutting up, slicing, grinding, trimming, and wrapping meat certainly cannot be considered manufacturing, nor is it, in my opinion, preparing meat or meat-food products for sale or shipment in commerce, any more than a delicatessen owner running a loaf of bread through a slicing machine at the customer's request is preparing bakery products for sale or shipment in commerce, or a men's clothing store which lengthens or shortens sleeves on a coat or cuffs on trousers is preparing clothing for sale or shipment in commerce. As a matter of fact, all of these trimming and slicing and grinding operations used to be done by the purchaser himself, at least, when this hearing examiner was a boy, and are presently done to a large extent by those restaurants which specialize in steaks and the like. To hold that slicing off a steak to the thickness desired by the customer would put a restaurant in the District of Columbia in the category of a packer, is stretching not only the law but one's commonsense to the breaking point. My conclusion, therefore, is that insofar as respondent cuts and wraps meat, whether it means trimming off fat or taking out bones, is not preparing meat or meat-food products for sale or shipment in commerce.

There remains, however, the problem of sausage and meatloaf, which respondent makes by grinding up meat, mixing it with spices, and in the case of sausage, with other meat such as veal, and perhaps with other ingredients. The resultant products are not, therefore, meat per se, such as hamburger, but are meat products distinctly known to the public as such. Whether this be called manufacturing or merely processing, the operation is, nevertheless, preparing a meat food product, separate and different from meat alone and consequently, in my opinion, within the definition (7 U. S. C. 191 (b)) quoted above.

The record does not show what percentage of sales these two products account for, but it must be minuscule, in comparison to respondent's total business. Hence the problem is immediately posed, does this minor and incidental activity as a "packer" exempt respondent from Federal Trade Commission jurisdiction over its entire business and give to the Secretary of Agriculture exclusive jurisdiction to regulate its immense retailing activities in groceries, fresh fruits and vegetables, kitchen aids such as floor wax and soap? Or, posed in legal terms, does the Packers and Stockyards Act confer an in personam immunity or is it merely in rem?

Commission counsel have consistently contended in this series of cases for the latter. The argument is both plausible and persuasive, but the Packers and Stockyards Act is couched in personal as opposed to activity terms. Thus, section 191 defines "packers" not "packing," and consistently uses the term "person," which by section 182 includes individuals, partnerships, corporations, and associations. Section 192, which interdicts a broad category of commercial practices, reads in preamble "it shall be unlawful for any 'packer' " etc.—"packer" having been defined in the previous section. And so throughout the remainder of the act. Similarly, the Wheeler-Lea amendment of 1938 to the Federal Trade Commission Act (15 U. S. C. 45) section 5 (a) (6), of the latter act, reads in its exempting clause "persons, partnerships or corporations subject to the Packers and Stockyards Act of 1921 * * *." I find nothing in the legislative history to support any segmentation of jurisdiction.

Commission counsel's plea in effect asks for relegislation or amendment of the Packers and Stockyards Act by adding thereto, in appropriate places, such words as "to the extent that" or "only insofar as" respondent's business falls within the definition in title 7, United States Code, section 191. This, of course, under the euphemism of "interpretation." Where the statute is plain and unambiguous in its terms, there is neither

warrant or power to "interpret"—only Congress can do so.

The conclusion, reluctant but firm, therefore, is that the jurisdictional grant to the Secretary of Agriculture and the denial thereof of the Federal Trade Commission is one in personam and that if any part or facet of a "person's" business is within the definition of "packer," no matter how small or insignificant, all of his activties are beyond regulation by the Commission. Intellectual honesty compels no less.

It follows that respondent's motion to dismiss must be granted.

ORDER

It is therefore ordered that the complaint and the amended and supplemental complaint in this proceeding be, and the same hereby are, dismissed for lack of jurisdiction.

FRANK HIER,
Hearing Examiner.

AUGUST 7, 1957.

EXPANDED PUBLIC COMMUNITY COLLEGE PROGRAM

Mr. CASE of New Jersey. Mr. President, yesterday I introduced a bill providing financial assistance to States for use in an expanded public community college program. In preparing this bill, S. 2810, I exchanged views with a good many university officials and others interested in the field of education. I ask unanimous consent to have some of their responses placed at this point in my remarks in the body of the RECORD. It should be added that the release of these replies has been authorized in each case by the correspondent.

I hope that these favorable replies from many at the higher education level will demonstrate to the Senate the need for some constructive action to overcome the current shortage of facilities which confronts high-school graduates anxious to take the next step toward their education.

There being no objection, the communications were ordered to be printed in the RECORD, as follows:

UNIVERSITY OF ALASKA,
College, Alaska, January 25, 1957.

Hon. CLIFFORD P. CASE,
Senator from New Jersey,
Senate Office Building,
Washington, D. C.

DEAR SENATOR CASE: Thank you for sending me your news release of December 27 relative to school problems. Just recently I attended a meeting of some university presidents and we are all troubled by the problem of the wave of students approaching the universities. These people are now in the grammar and high schools and we can count them. We know what a serious situation confronts us in trying to accommodate them.

Here at the University of Alaska we have had considerable experience with community college programs, and we are now successfully operating a community college at Ketchikan, Juneau and Anchorage, with a total enrollment of over 1,500 students. We were rather dubious about the community colleges when they were first established but they have worked out remarkably well and are filling a real need. This is being done by handling all classes at night and utilizing the high schools, but we will soon reach the stage where it will be necessary to have our own buildings.

So long as the Government siphons off most of the available tax money, we will have to look to the Federal Government for aid; and in my opinion this aid should be largely in providing funds for a physical plant. The money should be given without strings so that our educational program will not be dominated by Federal bureaus. I think the Canadian Government has a very commonsense approach to the problem. At the present time they give to each of their Provinces 50 cents per capita for university building construction. This money is given as a direct appropriation to each Province in Canada, depending on the population of that particular Province, and the Canadian Government does not concern itself with how the money is used except that it is for the physical plant. I understand they are now planning to increase this to $1 per capita. I am a great admirer of the Canadian people for their commonsense and direct approach to such problems and I think such an empirical form cuts right across the usual government redtape.

Sincerely yours,

ERNEST N. PATTY,
President.

UNIVERSITY OF ARKANSAS,
Fayetteville, February 11, 1957.

Senator CLIFFORD P. CASE,
United States Senate,
Washington, D. C.

MY DEAR SENATOR CASE: Your bold program for community colleges tackles a problem of national concern.

If your proposal were to succeed, the enrollments at senior-college level and beyond would also be stimulated even more than at present. This result would be good for the country, assuming, of course, that we apply adequate resources for support at the advanced level.

Safeguards against establishment of many uneconomic units should be provided somewhere along the line or higher education would find its limited faculty resources poorly used.

We all appreciate your interest. I hope your thinking stirs up additional concern for meeting the obvious need.

Sincerely yours,

JOHN T. CALDWELL,
President.

THE UNIVERSITY OF CALIFORNIA,
January 25, 1957.

The Honorable CLIFFORD P. CASE,
United States Senate,
Washington, D. C.

DEAR SENATOR CASE: It was with great interest that I read the copy of the news release reporting your suggestions for an emergency program of Federal aid to assist States in meeting their increasing needs for higher education through grants-in-aid for establishing and expanding 2-year public community colleges. Your thoughtfulness in sending it to me under cover of your letter of December 29, 1956, is much appreciated.

Those of us who have had firsthand experience with the community junior college are glad to support advocacy of their extension and expansion. Without them, it is doubtful that we, in California, could be meeting the State's higher education needs. With them, we believe we can not only continue to meet those needs but can meet them with the most proper distribution of responsibilities among the several institutions of higher education and a minimum of cost to individual students.

I am sending copies of this letter to Senators WILLIAM F. KNOWLAND and THOMAS H. KUCHEL.

Sincerely yours,

ROBERT G. SPROUL.

SAN JOSE STATE COLLEGE,
San Jose, Calif., January 18, 1957.

Hon. CLIFFORD P. CASE,
The Senate, Washington, D. C.

DEAR SENATOR CASE: Thank you for bringing to my attention your recommendations for alleviating the shortage of college facilities in our country.

Since 1931, when the United States Office of Education published my doctoral dissertation on American junior colleges, I have been speaking and writing on the subject of their potentialities as an integral part of our great system of free public education. To learn that you are now devoting your energies and exerting your influence in support of Federal aid to these community colleges is indeed heartening.

I agree with you that a well-organized national approach, rather than piece-meal efforts in separate and isolated communities, is the only way to insure that thousands of college-age young people in the next decade will not be denied admission to an institution of higher learning. Because we abhor the Russian practice of conscripting young people and training (not educating) them as scientists and technicians dedicated to a totalitarian state, we must insure that our American youth, as free men and women, will have the privilege of choosing the field of specialization which best suits their aptitudes and natural inclinations.

Your analysis of the advantage of the community college system is deserving of wide publication: Its economy, its value as a screening agency for our universities, its potentiality as a center of community culture for adults as well as young people.

My one reservation concerning your plan is whether a one-third Federal share in construction costs will prove sufficient to appeal to those communities and States which have not, as yet, been convinced of the need for such institutions. On the other hand, you may feel that any increased participation by the Federal Government might be interpreted as intention to gain control.

You may be sure that you have my full support as you carry on this campaign for the general welfare.

Sincerely yours,

JOHN T. WAHLQUIST.

LOYOLA UNIVERSITY OF LOS ANGELES,
Los Angeles, Calif., January 22, 1957.

Hon. CLIFFORD P. CASE,
United States Senate,
Washington, D. C.

Dear SENATOR CASE: Because of a long absence I have not been able to answer your letter of December 29 before this time.

I think your suggestion of Federal aid for public community colleges is an excellent one. I would like to be sure, however, that such institutions would not conflict with already existing institutions. Recent studies seem to make it clear that in many cases our existing colleges are not making a very high usage of present student stations in the classrooms. A survey made here in California came out with a recommendation that the colleges endeavor to get a higher percentage of usage of existing student stations. If existing colleges could come closer to an optimum useage of existing student stations, taxpayers would be saving a great deal of money.

Another caution I would like to express is that in community colleges there be reasonably high standards. I do not think that the community colleges should exist simply to keep young boys and girls in school for 2 more years. If standards are low, then very few students in these community colleges will be able to transfer to 4-year institutions. Thus, one purpose of your proposal would be defeated in large measure.

Apart from these two cautions, I think that your proposal will help to alleviate the shortage in college facilities.

Sincerely yours,

CHARLES S. CASASSA, S. J.,
President.

SAN BERNARDINO VALLEY COLLEGE,
San Bernardino, Calif., January 22, 1957.
The Honorable Senator CLIFFORD P. CASE,
United States Senate,
Washington, D. C.

DEAR SENATOR CASE: I am very appreciative of receiving your statement released to the newspapers on December 27, 1956, regarding the development of junior colleges. I say this because, having worked as the president of a community college or junior college since 1927, I think that I understand something about the development of such institutions, and I assure you that I am in hearty agreement with your concept of the development of such institutions as a means of taking care of the educational needs of thousands of young men and women graduating from high school. To me, the services that can be rendered by a truly great junior college are enormous. They can take care of the student who wants to transfer to institutions of higher learning such as the 4-year colleges and universities and be well prepared. They can take care of thousands of students who need additional training above the high school but need not go to a 4-year institution to secure it. They can be financed and developed at a much less cost to the local and national taxpayer than can the 4-year colleges and universities. All of these factors give added strength to the thing you advocate, namely, the development of a series of community colleges or junior colleges within each of the States.

We have in California the finest system of public junior colleges found anywhere. We have been pioneers in this development, and we feel that these institutions will take care of the educational needs of thousands of post - high - school students — youth and adults—who are benefited by the experiences they gain from attending a junior college. We are convinced that State and National aid will have to be given to these institutions, but it will be cheaper for the taxpayer for aid to be given in this way than in any other form. It would also mean that millions of young men and young women will have opportunities for educational experiences they could not have without the development of a junior college.

If I can help in any way or lend my voice to the efforts you are putting forth in securing funds or encouraging the development of junior colleges, please let me know. I stand ready and willing to help in every way.

Thanks again for calling to my attention to your stand with respect to this important matter and, with warm regards, I am,

Sincerely,

JOHN L. LOUNSBURY,
President.

MENLO SCHOOL AND COLLEGE,
Menlo Park, Calif., January 18, 1957.
The Honorable CLIFFORD P. CASE,
United States Senate, Washington, D. C.

DEAR SENATOR CASE: This will acknowledge your recent letter with the enclosure which presents your suggestion for alleviating the shortage in college facilities. Your presentation was carefully read by our entire administrative staff, and we found it to be a very excellent presentation of a very grave situation.

As we are a small, independent college with no endowment funds we are not in a position to increase our facilities even though we feel a responsibility to do so. The success of the 2-year community college has certainly been proven in this State as well as elsewhere, and as you say, offers one of the best solutions to the ever-increasing college population.

We are indebted to you for passing on your suggestion to us.

Respectfully yours,

WILLIAM E. KRATT,
President.

PASADENA CITY SCHOOLS,
PASADENA CITY COLLEGE,
Pasadena, Calif., January 10, 1957.
The Honorable CLIFFORD P. CASE,
United States Senate, Washington, D. C.

DEAR SENATOR CASE: Your proposal for Federal building aid to public community colleges is, I believe, the finest and most constructive proposal which has been as yet made toward resolving our overwhelming national problem of providing college education for the youth of America.

May I congratulate you on your penetrating analysis of the problems we face, and your very thorough and logical analysis of the reasons for proposing this particular solution. I do not believe a finer statement could have been made. In the interest of our young people of college age throughout the country I sincerely hope that the program you outline may be enacted into legislation.

Sincerely,

WILLIAM B. LANGSDORF,
President.

VALLEY JUNIOR COLLEGE
OF THE LOS ANGELES
CITY JUNIOR COLLEGE DISTRICT,
Van Nuys, Calif., January 25, 1957.
Senator CLIFFORD P. CASE,
United States Senate,
Washington, D. C.

DEAR SENATOR CASE: I would like to commend you on the presentation you made regarding the community college. In California it looks as though the community college is the No. 1 answer to the impending flood of college students.

The State university is delegating more and more of the lower division work to the junior college. Industry is turning to us for assistance in solving the need for technical training. In order to finance this program the junior college people of California are endeavoring at the present time to obtain more financial assistance from the State.

Your remarks are thus doubly welcome at this time. May we wish you success in your efforts and offer whatever help we may give.

Sincerely yours,

WALTER COULTAS,
Director.

VENTURA COLLEGE,
Ventura, Calif., January 31, 1957.
Hon. CLIFFORD P. CASE,
United States Senate,
Washington, D. C.

MY DEAR SENATOR CASE: I am deeply interested in your proposal to introduce legislation authorizing Federal aid for the construction of public community colleges. All thinking citizens are acutely aware of the complete inadequacy of our present college facilities to accommodate the inevitable two-fold increase in college-age students within the next decade. There appears to be no possibility that State and local political subdivisions or private sponsors can finance expansion of college plants sufficiently to accommodate the increasing student potential.

The Nation's only hope, in my opinion, to salvage these young people lies in Federal aid. It is sound planning, both from the educational and the financial standpoint, that priority be given to expansion of public community colleges—educationally, because the record of community colleges proves decisively that the quality of their lower division program is equal or superior to that of the lower division program of the baccalaureate institutions. From the financial standpoint, the statistics reveal that both capital investment and operating costs per student in junior college are only approximately 50 percent as great as costs per student in the 4-year colleges.

Since California leads the Nation in its junior college program, I am sure that both of the Senators from our State will share your enthusiasm for this proposal. I wish you every success in this critically needed legislation and pledge you my personal support as well as any additional support which I can obtain from the California Teachers Association, the PTA, and other interested groups.

Sincerely,

PHIL H. PUTNAM,
Director.

Copies to Hon. WILLIAM F. KNOWLAND, and Hon. THOMAS H. KUCHEL.

WHITTIER COLLEGE,
Whittier, Calif., February 13, 1957.
Senator CLIFFORD P. CASE,
United States Senate,
Washington, D. C.

DEAR SENATOR CASE: I have read your comments concerning community 2-year junior colleges and their establishment through Federal financial support.

The proposal appears to me to be a sound one. As the president of a non-tax-supported institution, I would emphasize that at the same time we continue our best thinking in all quarters to sustain the important educational program these institutions also carry on.

Very sincerely yours,

PAUL S. SMITH,
President.

ST. PETERSBURG JUNIOR COLLEGE,
St. Petersburg, Fla., January 3, 1957.
Senator CLIFFORD P. CASE,
United States Senate,
Washington, D. C.

DEAR SENATOR CASE: Thank you for your letter of December 28 with the enclosed statement of your suggestions for alleviating the shortage in college facilities.

Your summarization of the junior-college situation is one of the most enlightened statements I have read. It is most encouraging to know that you are initiating action on the national level to help care for the anticipated tremendous increase in demand for higher education in the United States.

Your proposal to administer the funds on the State level is most commendable. One of the strong advantages of the junior college is its ability to conform to local educational needs. Local needs, in my opinion, are best met through local control.

Please call on me if you have any suggestions concerning things I can do to support your program.

Very truly yours,

M. M. BENNETT,
President.

PENSACOLA JUNIOR COLLEGE,
Pensacola, Fla., February 1, 1957.
Hon. CLIFFORD P. CASE,
United States Senator,
United States Senate Building,
Washington, D. C.

DEAR SENATOR CASE: I was very interested in your suggestions which you sent on the community college and your suggested remedy for alleviating the shortage in college facilities. Those of us who are in administration at the local level realize only too well how accurately you sum up the situation. I know that you are well aware of the terrific significance of the classroom. As we endeavor to provide world leadership it is a sad commentary on American life that more of our leaders do not recognize this fact.

I wish you all the success possible in your undertaking.

Sincerely yours,

HENRY L. ASHMORE,
President.

NORTH IDAHO JUNIOR COLLEGE,
Coeur d'Alene, Idaho, January 4, 1957.
Re letter and circular of December 28, 1956.
Hon. CLIFFORD P. CASE,
Senator from New Jersey,
Senate Office Building,
Washington, D. C.

DEAR SENATOR CASE: Permit me to congratulate you on your proposal to handle the ever increasing number of college students through a government subsidy of junior or 2-year community colleges.

Since the Federal Government does not hesitate to subsidize other national resources such as waterpower, crops, livestock, railroads, etc., there should be even less hesitancy to subsidize our greatest national resource, the young men and women of America.

There are a number of valid reasons for this:

1. Every boy or girl is entitled to the opportunity to attend college; any attempt to restrict attendance in public colleges on the basis of grades, tests, or other artificial criteria is unfair, un-American, and possibly unconstitutional.

2. Community colleges, not being bound by tradition, can easily adjust to student needs, either academic or vocational.

3. The need for engineering technicians is well known; our survival may depend upon the number we produce. It is a matter of record that 2 years of college training can produce well-qualified technicians who could not have attempted the rigors of a professional engineering courses.

4. Degree granting colleges (4-year institutions and graduate schools) can do a much better job and handle more students on the junior-senior and graduate level if they do not have to process the tremendous number of freshmen and sophomores, who by the process of elimination must supply their upper division classes.

5. Statistics will show that the per-student-year cost of education in a junior college will be from one-half to one-third the cost in a senior college.

Many other reasons could be given justifying your proposal, but these seem particularly pertinent at this time.

I shall be happy to use my influence in any way possible to see that your proposal is given favorable reception.

Very truly yours,
G. O. KILDOW,
Member, Board of Directors, American Association of Junior Colleges.

LINCOLN COLLEGE,
Lincoln, Ill., January 2, 1957.
The Hon. CLIFFORD P. CASE,
United States Senate,
Washington, D. C.

DEAR SENATOR CASE: We appreciate receiving your suggestions for college expansion and sincerely believe that the 2-year program is one that will greatly aid us in keeping abreast with our college enrollment.

Very sincerely yours,
RAYMOND DOOLEY,
President.

THE PRINCIPIA COLLEGE OF LIBERAL ARTS,
Elsah, Ill., January 11, 1957.
The Hon. CLIFFORD P. CASE,
United States Senate,
Washington, D. C.

DEAR SENATOR CASE: I have read with interest the copy of your newspaper release of December 27, which you very thoughtfully forwarded to me. This is a very interesting presentation of a plan which deserves the most careful study. We are all acutely aware of the problem which you describe, and there is no doubt that the community type college can play an important part in alleviating the coming overcrowding of our colleges.

Sincerely,
WILLIAM E. MORGAN.

THE UNIVERSITY OF CHICAGO,
OFFICE OF THE CHANCELLOR,
Chicago, Ill., January 4, 1957.
The Hon. CLIFFORD P. CASE,
United States Senate,
Washington, D. C.

DEAR SENATOR CASE: Your letter to Dr. J. L. Morrill, of the Association of American Universities, has been referred to me for reply. Dr. Morrill has completed his presidency of the Association, and I am serving as Secretary at the present time. I have to speak personally on your statement, since the Association of American Universities does not customarily make pronouncements on a matter without giving thoughtful consideration to it in their annual meetings. Personally I entirely agree with your proposed program for 2 year institutions of higher education. Perhaps I should add that I have been serving as a member of the State of Illinois Commission on Higher Education, and this is one of our strongest recommendations to our State legislature.

Very sincerely yours,
LAWRENCE A. KIMPTON.

SOUTHERN ILLINOIS UNIVERSITY,
Carbondale, Ill., January 29, 1957.
Hon. CLIFFORD P. CASE,
United States Senate,
Washington, D. C.

DEAR SENATOR CASE: Thank you for your letter of January 2 and the enclosed copy of your suggestions for alleviating the shortage in college facilities. It seems to me that you have set forth the problem very clearly.

I sincerely hope you will be able to gain the support of our national leaders for the establishment of an emergency program, which will enable many thousands of boys and girls to obtain college training in spite of rapidly increasing enrollments in present colleges and universities.

Sincerely yours,
DELYTE W. MORRIS, *President.*

UNIVERSITY OF ILLINOIS,
Urbana, January 2, 1957.
Hon. CLIFFORD P. CASE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR CASE: Thank you for your letter of December 17 and a copy of the newspaper release describing your proposal for Federal aid for community colleges.

There is no doubt that the development of community colleges will be one of the mainstays for meeting the increases in enrollments in the days immediately ahead.

A copy of some excerpts from a public statement on this subject some months ago is enclosed.

As to whether there should be Federal support for this program, and the nature of such support, is a subject on which I have not formed definite conclusions. I appreciate having received your thoughts on this matter, however, and shall give it continuing attention.

Sincerely,
DAVID D. HENRY, *President.*

UNIVERSITY OF NOTRE DAME,
Notre Dame, Ind., January 28, 1957.
CLIFFORD P. CASE,
United States Senator, United States Senate, Washington, D. C.

DEAR SENATOR CASE: President Hesburgh has referred to me your letter of January 2 in which you enclose your suggestions for alleviating the shortage in college facilities. Your suggestions are quite in line with my own thinking. I have said for several years now that the big institutional development in American education in the second half of the 20th century would be the establishing of community junior colleges much as high schools were established in the past 50 to 75 years. I believe that these community colleges will become almost as universal as our high schools are today. The development of junior colleges has been going on for at least 25 years. This is because they have met a need and this need will grow tremendously with the greatly increasing number of youth who want to enter college. The impact of this greatly increased potential college student population is only now beginning to be felt by the colleges. It is, therefore, my opinion that we shall see a multiplication of local junior colleges in the next few years. Presuming that these colleges will offer 2 programs, 1 terminal and the other preparatory to upper division college education and university education, they will furnish one of the best means of meeting the challenge of affording every young American who wants to continue education beyond the high school the opportunity to do so.

We already have a number of private local junior colleges, and it is my hope that their number will increase. But in the general picture these colleges will be public institutions. I would be in favor of Federal funds up to one-third of the cost of building and equipping these colleges to be distributed as grants-in-aid to the States. But I think that demonstrated proof should be offered that local communities and the States are not able to fully finance their own colleges before Federal funds would be granted them. Also, it would be my hope that these institutions would not be tuition free, though I suspect that here too the high-school pattern will be paralleled, and that most of these public colleges will be tuition free.

As these local 2-year colleges multiply there are going to be significant changes in our present institutions of higher education. Thus I believe that all our large universities and even those that are not so large will become upper division college and graduate-school institutions. In regard to liberal arts colleges it seems to me that those which draw on a local student clientele will have to increase their enrollments, because I do not see the feasibility of establishing a junior college in a small community which already has a local liberal arts 4-year college. Many liberal arts colleges, however, do not depend upon a local student body, but are nationally known and draw students from all parts of the United States. I am not too sure what will happen to these colleges. It would be conceivable that some of them would find it hard to keep up their enrollments with most students spending the first 2 years in local community colleges. I am inclined to think, however, that they will have no trouble filling their halls, and that they will be able to perform a very valuable service to American education by remaining small with a highly selective student body.

Trusting that these comments may be of some help to you, I am,

Sincerely yours,
Rev. PHILIP S. MOORE, C. C. C.,
Vice President, Academic Affairs.

BURLINGTON COLLEGE,
Burlington, Iowa, January 2, 1957.
Senator CLIFFORD P. CASE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR CASE: I have just read your very excellent statement concerning an emergency program of Federal aid to provide classrooms at public community colleges. Your proposal is very sound, economical, and far reaching. Two years of college at or near

home can be obtained at considerably less cost to the student and to the taxpayer.

For the past 10 years I have surveyed the students at this community college concerning their financial ability to undertake a college program away from home. Seventy-five percent have reported that if the local junior college was not available they would have been unable to undertake formal study beyond high school graduation.

I sincerely hope that your proposal receives vigorous and nationwide support. By bringing college education to the many who cannot now afford it, we will be building a stronger America.

Sincerely yours,

D. D. STONEHOCKER, *Dean.*

EL DORADO JUNIOR COLLEGE,
El Dorado, Kans., January 2, 1957.

Senator CLIFFORD P. CASE,
Senate Office Building,
Washington, D. C.

DEAR SIR: I suppose most of your mail emanates from disgruntled patrons, however, in this case I come to praise Caesar and not to bury him.

We in the Kansas Public Junior Colleges feel your approach to solving the higher education is, perhaps, the most intelligent approach to the problem we have seen in years.

We know our first 2 years are comparable to any school and the fact that our cost would be but one-fourth of the 4-year college figure makes it such an economic factor that it cannot be ignored.

Our congratulations to you, sir, for your grasp of educational needs.

Very truly yours,

T. H. ALEY, *Dean.*

UNIVERSITY OF KENTUCKY,
Lexington, January 2, 1957.

Senator CLIFFORD P. CASE,
United States Senate,
Washington, D. C.

DEAR SENATOR CASE: I sincerely appreciate your thoughtfulness in sending me a copy of your suggestions for alleviating the shortage in college facilities. I was very much pleased to read part of your statement in the newspapers several days ago; however, this complete statement is much more helpful and certainly gives a clear insight into the proposal which you have presented.

As you point out, the program would require a large sum of money, but nothing is as vitally important to the future welfare of our Nation as is education. Those of us in administrative positions in higher education are most interested in the proposal which you have made, and I should like to assure you of our support of such a program.

Please feel free to call upon us if we can be of further assistance.

Very sincerely yours,

FRANK G. DICKEY,
President.

COMMONWEALTH OF KENTUCKY,
DEPARTMENT OF EDUCATION,
Frankfort, January 11, 1957.

Hon. CLIFFORD P. CASE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR CASE: Thank you for sending me a copy of your proposal for Federal aid to public community colleges. I hope it will receive serious consideration in the coming Congress. The shortage of college facilities is reaching emergency proportions and, as you point out, will grow worse in the next 10 years. We, in Kentucky, prefer an apportionment of Federal funds that recognizes differences in the financial ability of the States. The formula which you outline does this.

I am familiar with the excellent Survey of Future Facilities in Higher Education which was done in New Jersey. We are planning to do a similar survey here in Kentucky next year. I am certain our findings will be the same as New Jersey's—a large number of young people will be denied a college education unless emergency action is taken now to provide adequate facilities for them.

Cordially yours,

ROBERT R. MARTIN,
Superintendent, Public Instruction.

THE COMMONWEALTH
OF MASSACHUSETTS,
DEPARTMENT OF EDUCATION,
Boston, January 2, 1957.

Hon. CLIFFORD P. CASE,
United States Senator,
Senate Office Building,
Washington, D. C.

DEAR SENATOR CASE: I wish to acknowledge your letter of December 27 with the enclosure, a copy of your suggestions for alleviating the shortage in college facilities. I am very much interested in your proposal.

For many years in Massachusetts I have striven to have established a program of community colleges to meet the needs of the increasing number of young men and women who are seeking opportunities for higher education. The studies I have made indicate that many young people may be prepared adequately for life by a minimum of 2 years of higher education.

You have indicated many authorities to substantiate your own statements, and I wish to offer you the evidence which we have here in Massachusetts. The large number of students who withdraw after the completion of 1 or 2 years of college indicates that many of them are attracted to profitable employment early and that they seek to complete their education by extension study in the late afternoon or evening. The community college offers the incentive to these young people to begin a program of advanced study, and they receive ample encouragement from industry to continue through extension courses.

The Board of Education of Massachusetts, on my recommendation, has established the first of the community colleges this year at Fitchburg State Teachers College, Fitchburg, Mass. I have enclosed a copy of the enabling legislation which may be of interest to you. It is my proposal to establish additional community colleges at other locations in the Commonwealth. The legislation you have proposed will provide a further incentive to this plan. I shall be pleased to receive a copy of the legislation which you are to file and any further information which is available.

With personal best wishes for the success of your program, I am

Sincerely yours,

JOHN J. DESMOND, Jr.,
Commissioner of Education.

SMITH COLLEGE,
OFFICE OF THE PRESIDENT,
Northampton, Mass., January 23, 1957.

The Honorable CLIFFORD P. CASE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR CASE: Thank you for sending me the copy of your suggestions for alleviating the growing shortage in institutions of higher learning in this country.

In general I agree with the program and, if I understand it correctly with the principle on which it is proposed and defended. I think that it is an admirable plan provided it is not erected or administered according to the assumption that every young man or young woman who wants to go beyond high school has a right to do so. It seems to me extremely important that we make it perfectly clear that no one has a right to higher education unless he can and will profit from that higher education.

I am myself a graduate of a free State university which, to my great good fortune, was located in my home town, and I certainly have no doubts whatever about the desirability of free public education. Nor do I advocate the same standards of admission for all colleges, universities, and technical institutions. Nor do I believe that all of them should be modeled on Harvard or Yale or Princeton or Columbia, or, for that matter, on Radcliffe or Wellesley or Smith or Vassar. I do mean, and this I mean with all seriousness, that there are many reasons why the country cannot afford to guarantee a higher education, even through community colleges, to all young people regardless of aptitudes, of zeal, of ambition, and of character.

We need many kinds of institutions of higher learning in this country, and this point I discussed at some length at my annual report of a year ago, but the country will be much the worse if they are not all of them institutions of higher learning. And of course by that I mean they are institutions which carry learning or training well beyond the level possible in public high schools or private secondary schools.

Since I did discuss this point at some length a year ago I am sending you a copy of the report in which my discussion is contained.

I still remember with much pleasure your visit here on rally day of last year.

With all kind regards,

Cordially yours,

BENJAMIN F. WRIGHT.

STATE DEPARTMENT OF EDUCATION,
Baltimore, Md., February 7, 1957.

Senator CLIFFORD P. CASE,
United States Senate,
Washington, D. C.

DEAR SENATOR CASE: Your letter of December 27, 1956, has been referred to me in Dr. Pullen's absence. Dr. Pullen underwent a serious operation about a month ago and is still convalescing. Following a conference with him and other members of this department, I should like to commend you for your wisdom in framing the legislation for establishing and expanding 2-year public community colleges through grants-in-aid to the States.

Although, as you have suggested, such legislation is only part of the answer to the problem of providing higher educational facilities for the future, it should have the effect of stimulating further similar activity on the part of individual States.

May I congratulate you for your wisdom and courage in proposing a plan of action for helping to insure that oncoming youth will not be deprived of the opportunity to avail themselves of appropriate college education.

Sincerely yours,

D. W. ZIMMERMAN,
Assistant State Superintendent.

STATE TEACHERS COLLEGE AT TOWSON,
Baltimore, Md., January 10, 1957.

The Honorable CLIFFORD P. CASE,
United States Senator,
Washington, D. C.

DEAR SENATOR CASE: I have read with much interest the material you sent me recently dealing with the problem that will be facing higher education within the next decade or so in view of the vastly increasing number of college age youths.

I certainly agree with you that the further establishment of 2-year junior or community colleges is a most important factor to be considered if we are not to be completely overwhelmed with the number of youngsters who wish to attend college. I happen to be a member of the Commission on Higher Education which Governor McKeldin appointed here in Maryland in 1953. Our report to the governor and the State was published in the fall of 1955 and one of our basic

recommendations was the wider establishment of junior colleges throughout the State.

I think that the middle Atlantic seaboard area has lagged considerably behind many of the other areas in the country in the recognition of the part the junior college can play and in the establishment of the junior colleges. California, of course, leads the entire country in its use of junior college facilities and for some reason Mississippi is another State that has developed quite a number of public junior colleges.

I think much can be done in bringing to the public the awareness of the part the junior college can play in increasing the respectability in which junior colleges are held and in making it financially possible for many youngsters to attend a community or junior college in their own vicinity.

Here in Maryland I know that several of our counties are contemplating setting up junior colleges by using an existing high school building during the afternoon and evening hours. I think some of them are likely to be launched this coming fall—in addition to the 2 or 3 public junior colleges which have been established in our State during the past decade.

I feel sure that some available money from the Federal Government would be a spur to having States take a keener interest in the possibilities of establishing junior colleges.

It is unfortunate—isn't it?—that so often we as a people seem unwilling to act decisively enough to avoid a crisis which we definitely see is going to face us? In this instance we know that the number of college youths are definitely going to increase; the children are born, are now in our elementary schools, and beginning to flood our high schools; and within a few years they will be flooding the colleges. This is a known fact and yet I am sure you are finding it very difficult to arouse your colleagues to a sufficient extent to obtain the action that is so vitally necessary.

Thank you again for sending me the material. I would like to thank you for your forward-looking viewpoint and your efforts in behalf of meeting the educational needs of our college-age youths.

Sincerely yours,

EARLE T. HAWKINS,
President.

MICHIGAN STATE UNIVERSITY,
East Lansing, January 28, 1957.

Senator CLIFFORD P. CASE,
United States Senate,
Washington, D. C.

DEAR SENATOR CASE: I delayed replying to your letter of January 2 until I had an opportunity to discuss the matter with several of my colleagues.

There seems to be little doubt that we shall need in the years ahead to expand and strengthen our community colleges. The arguments which you advance in your release certainly are valid. Furthermore, I would guess that in order to achieve this end some assistance from the Federal Government would be necessary, and your proposal would seem to minimize the possibility of Federal intervention in the educational process.

While I am sure additional study of this matter is called for, I know that many of us in higher education appreciate the interest which you have taken in the enormous problem that confronts us.

Sincerely yours,

THOMAS H. HAMILTON,
Vice President.

WAYNE STATE UNIVERSITY,
Detroit, Mich., February 6, 1957.

Hon. CLIFFORD P. CASE,
United States Senate,
Washington, D. C.

DEAR SENATOR CASE: I have read with close attention your proposal for Federal assistance toward the provision of facilities for junior colleges. You do not overstate the need or the danger that opportunities for higher education will become annually less available to our young people. Michigan, as you no doubt know, has moved quietly but rapidly in the establishment of junior colleges. I believe you will find something close to unanimity in the State of Michigan concerning the development of community colleges as one of our fundamental needs if we are to meet the increasing demands for higher education.

I am sure that I speak for all of my colleagues in expressing our gratitude to you for your interest.

Sincerely yours,

CLARENCE B. HILBERRY,
President.

MICHIGAN STATE UNIVERSITY,
East Lansing, January 2, 1957.

The Honorable CLIFFORD P. CASE,
United States Senate,
Washington, D. C.

DEAR SENATOR CASE: This acknowledges yours of the 21st with the interesting enclosure.

I commend you for this useful contribution and hope that it may receive adequate support.

Sincerely,

JOHN A. HANNAH,
President.

EASTERN MICHIGAN COLLEGE,
Ypsilanti, Mich., January 11, 1957.

Senator CLIFFORD P. CASE,
United States Senate,
Washington, D. C.

DEAR SENATOR CASE: Thank you for sending me a copy of your suggestions for assisting community colleges.

The need for institutions of this type is growing daily. As you have suggested, I hope any funds that may be appropriated will be released in such a manner that they will not be so tied to Federal restrictions as to make them almost useless.

Yours sincerely,

EUGENE B. ELLIOTT,
President.

MICHIGAN DEPARTMENT OF
PUBLIC INSTRUCTION,
Lansing, January 18, 1957.

The Honorable CLIFFORD P. CASE,
United States Senate,
Washington, D. C.

DEAR SIR: I appreciate receiving your letter of December 27 and the newspaper release.

Your release is unusually well formulated, and I believe we can concur in almost all of your points of view. The only question which we have regarding your point of view concerns your statement on page 7 which reads: "One possible way of apportioning funds to the States would be on a formula combining flat grants made on the basis of the number of youngsters of college age with some weight given to the per capita income of the State. States would be required to establish a program of junior colleges on a statewide basis to become eligible for funds. This would encourage an organized approach to the problem, rather than a piecemeal arrangement that would mean many colleges located in some parts of the State and none in others."

Does this quoted statement mean that community colleges should be organized and controlled directly by the State? If it does mean or infer that approach as a criteria for Federal subsidy, then we believe that this is contrary to our present policy in Michigan—that community colleges should be established, organized, and controlled by local school districts as an extension of the local public school program—that the establishment of community college programs by local schools shall be made as a result of action by local school boards subject only to the approval of the superintendent of public instruction.

On the other hand, if this quoted statement might mean that the approval authority should be guided by a plan or blueprint for approval of the establishment of community colleges even though the board of education would retain option as to whether they would establish such a program, then I believe that we could agree with the quoted statement.

It is heartening to note that your statement is so very consistent with what we believe about community colleges for Michigan.

Sincerely yours,

CLAIR L. TAYLOR.

FLINT JUNIOR COLLEGE,
Flint, Mich., January 10, 1957.

The Honorable CLIFFORD P. CASE,
United States Senate,
Washington, D. C.

DEAR SENATOR CASE: It was most considerate of you to send the outline of your plan for Federal aid to community colleges. Your plan certainly reaches the heart of the problem and, if implemented along the general lines you suggest, will make it possible for us to meet the coming crisis in higher education. I cannot stress too strongly my feeling that the unlimited expansion of traditional 4-year colleges and universities will not solve the problems of higher education for most areas of the United States. It is also true that a good many areas in the country do not have the financial resources with which to build adequate physical plants for community colleges.

I believe you can count on the support of most educational leaders in the United States. Your plan effectively eliminates Federal control of education, but, at the same time, makes it possible to provide the facilities we so desperately need.

I am taking the liberty of writing to the two Senators from Michigan, indicating my support of your proposal. If I can be of any service in supporting the cause, please feel free to call on me.

Sincerely,

CLYDE E. BLOCKER, *Dean.*

NORTHERN MICHIGAN COLLEGE,
Marquette, Mich., January 11, 1957.

The Honorable CLIFFORD P. CASE,
United States Senate,
Washington, D. C.

DEAR SENATOR CASE: I have read with a great deal of interest your release to the newspapers under the dateline of December 27, 1956, relative to the problem confronting our institutions of higher learning. May I compliment you on an exceedingly intelligent approach to the difficulties which beset higher education. There is little doubt in my mind but that for many areas the junior college, or as I would prefer to designate that unit—the community college, is one of the most sensible answers.

The current manpower shortage, the need for trained intelligence, and the complex problems facing the United States in its role as world leader make it imperative that every citizen be educated to his highest potential. The plan you propose would come closest to making this possible than any other that I know.

I sincerely appreciate your sending me a copy of your release and feel that it is consistent with the thinking of forward-looking educators throughout the Nation.

My sincere good wishes for success in bringing into reality your proposal, and best wishes for a very happy New Year.

Sincerely,

EDGAR L. HARDEN,
President.

VIRGINIA JUNIOR COLLEGE,
Virginia, Minn., January 11, 1957.
The Honorable CLIFFORD P. CASE,
United States Senator,
Washington, D. C.

DEAR SENATOR CASE: Thank you for sending me a copy of your release to the press concerning junior colleges.

Your proposal is a forward-looking one. Since 50 percent of all entering college students do not reach the junior year, it should be evident that the most economical way to meet the inevitable bulge is to increase junior college facilities. The screening and try-out functions, and they are as vital as any other, can be performed at approximately one-half the regular cost in 4-year colleges.

Sincerely yours,

F. B. MOE.

UNION COLLEGE,
Lincoln, Nebr., December 31, 1956.
Senator CLIFFORD P. CASE,
United States Senate,
Washington, D. C.

DEAR SENATOR CASE: Thank you for your letter of December 21, in which you send me a copy of your suggestions pertaining to the establishment of a junior college for alleviating the shortage in college facilities.

I think this is a very fine plan, especially in crowded urban and city sections.

Very sincerely yours,

HARVEY C. HARTMAN,
President.

FEBRUARY 1, 1957.

Hon. CLIFFORD P. CASE,
Rahway, N. J.

MY DEAR SENATOR CASE: I have been following, through the excellent coverage of the Newark News, your interests and efforts in behalf of education. I think the community college can play a large role in the future of higher education, and that Federal and State aid could provide the needed impetus.

I thought you might be interested in a letter which I sent to Dr. Frederick Raubinger, commissioner of education, a short time ago, and I am enclosing a copy.

As a member of the New Jersey Citizens Committee for Public Schools, the League of Women Voters, and the Essex County Republican Committee, I am very much in favor of your efforts—from a variety of viewpoints.

Very truly yours,

ELEANORE R. RUDY
Mrs. Robert E. Rudy.

BLOOMFIELD, N. J.

JANUARY 17, 1957.

Dr. FREDERICK RAUBINGER,
Commissioner of Education,
Trenton, N. J.

DEAR DR. RAUBINGER: I have been very much interested in reading and hearing so much recently about the pressing need for more colleges. I wonder if much serious thought has been given to municipally sponsored junior colleges, which would seem to me to be able to take at least some pressure off the already established colleges without great expense or too detailed planning.

I attended such a junior college in the 1930's in Springfield, Mass. Springfield Junior College was financed entirely by the city; there were no fees or tuition of any kind. Classes were held in the high school, and our professors were high school teachers, many of them with doctorates and certainly well qualified for their jobs. Arrangements were made with the college of the student's choice, so that we took college board examinations at the end of high school, had our junior college courses approved by our future colleges, and then were able to go directly on without further examination of any kind.

I attended this junior college for 1 year (at a saving to my family of $1,000 which was the tuition in those days) and then went directly to Mount Holyoke College and was graduated from there in 1935. I experienced no difficulty whatsoever in making the transition scholastically, and if there were any psychological difficulty, I guess I was too young to know it, since I was able during my college years to work on the school paper, the yearbook, the press bureau, and was head of a cooperative house in my senior year.

It seems to me that such a plan on a large scale could do a great deal to alleviate the pressure on present colleges. High school facilities are already established, and are certainly not in use all of the time. Many high school teachers are well qualified to teach college courses, and perhaps there are some who would welcome the opportunity to do so. If a town or city did not wish to finance such a project on its own, students could be asked to pay a small tuition fee to cover expenses.

Since I have two children of my own—ages 7 and 10—I feel it behooves me at this time to start worrying about college facilities in another 8 or 10 years. I am certainly most grateful that the State board of education is worried, too, and I hope some solution may be found in the near future.

Very truly yours,

ELEANORE R. RUDY
Mrs. Robert E. Rudy.

BLOOMFIELD, N. J.

PHELPS-STOKES FUND,
New York, N. Y., December 21, 1956.
The Honorable CLIFFORD P. CASE,
United States Senator,
United States Senate,
Washington, D. C.

DEAR SENATOR CASE: I thank you for your letter of December 19 and the statement containing suggestions for alleviating the shortage in college facilities

I have read the statement and I concur most heartily in its proposal. I think it is entirely the sound way to meet the almost staggering problem of serving adequately the needs of American youth through the level of the junior college.

Sincerely yours,

F. D. PATTERSON,
Director.

TEACHERS COLLEGE,
COLUMBIA UNIVERSITY,
New York, N. Y., January 2, 1957.
Senator CLIFFORD P. CASE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR CASE: Thank you very much for the privilege of reading the prospective news release on your recommendation for grants-in-aid to the States in connection with the expansion of 2-year colleges. Let me congratulate you on this statesmanlike effort to anticipate and relieve the disturbing congestion of students which will soon beset our institutions of higher education.

It is clear that many of the additional students who will attend colleges and universities in the years ahead must, and should be, accommodated in colleges near their homes. The community college movement has developed very rapidly in the past decade and a number of localities are, therefore, ready to accept many students if they can find the financial resources to do so. Your plan for grants-in-aid would also be extremely helpful in erecting new physical plants where the community college concept has already taken root. It would also, I hope and believe, stimulate the development of completely new community colleges in areas where they do not now exist.

I am not one of those who believe that the Federal Government should constantly expand its grants-in-aid programs and, consequently, increase Federal expenditures. Nevertheless, I think it is in the national interest in inaugurate your program, for it seems to me, in terms of the national benefit, the cost is small indeed.

I would make the three following recommendations: (1) that all moneys provided under this account be administered by the United States Office of Education; (2) that the State educational authorities should be brought into close cooperation in this program so that the planning within the States will not be disturbed or distorted; (3) that, before the bill is finally drawn up, you undertake to have appointed a group of prominent educators to advise with you and the appropriate committee of the Congress on the details of this effort.

I have not undertaken to comment on all the subjects in your release because I assume that you wanted a general statement on this matter at present. If I can be helpful in the future in any respect, please call upon me.

May I suggest that President Eisenhower, just before his heart attack, in a visit to Lowry Air Base in Denver, made an even stronger statement with regard to the extension of educational opportunities into the 13th and 14th grades than the one which is quoted in his talk at Defiance.

May I conclude by saying that I have long admired your intelligent and constructive understanding of America's urgent social problems. It would be a pleasure to have an opportunity to meet you sometime when I am in Washington.

Sincerely yours,

EARL J. MCGRATH,
Executive Officer.

COLUMBIA UNIVERSITY,
IN THE CITY OF NEW YORK,
New York, N. Y., January 5, 1957.
The Honorable CLIFFORD P. CASE,
United States Senate,
Washington, D. C.

DEAR SENATOR CASE: I have read your newspaper release with much interest and I am most grateful to you for sending it to me.

Your conclusions, that much relief can be found by developing the 2-year community college plan, is undoubtedly sound, and I am confident that we shall see a substantial growth of these colleges in the next decade. They will not provide a full substitute for even the first 2 years of a first-rank college, but they will be better than nothing and they will help to meet a genuinely critical situation.

Since I am now working in a private institution which is so largely devoted to graduate and professional work, I am naturally mindful of the problems faced by the private college in years ahead. For one thing, the tremendous shortage of teachers which we are likely to experience will tend to drain off able men from the small private colleges to the universities and to the tax-supported colleges. I often wonder what the small struggling private institution will do to keep together an adequate faculty in years ahead.

The private universities will continue to be hard-pinched financially because graduate work is expensive, relatively speaking, and because classes cannot be carried on in large numbers. The strains and demands upon them are certain to be very great, and possibly beyond their power to resolve successfully.

I have set down these brief sentences, not to challenge in any way your own sound program, but to suggest that a comprehensive program for our educational needs must also take into consideration some means of assisting the small private liberal arts college and the large privately supported university to continue effectively to make their

special contributions to the satisfaction of our over-all needs. The greatness of our educational system comes from its diversity and all elements of it will be heavily taxed to meet our oncoming problems.

Sincerely,

GRAYSON KIRK,
President.

NEW YORK UNIVERSITY,
New York, N. Y., January 4, 1957.

Hon. CLIFFORD P. CASE,
United States Senate,
Washington, D. C.

DEAR SENATOR CASE: It was thoughtful of you to send me a copy of your suggestions for alleviating the shortage in college facilities. I do not feel that I am in a position to pass judgment upon the financial aspects of your proposal, but your recommendation in regard to community colleges is sound. Many times I have advocated essentially the same program that you are promulgating.

Yours sincerely,

CARROLL V. NEWSOM.

THE NEW SCHOOL
FOR SOCIAL RESEARCH,
New York, N. Y., March 4, 1957.

Senator CLIFFORD P. CASE,
United States Senate,
Washington, D. C.

DEAR SENATOR CASE: Because of illness followed by a vacation, I am very late in answering your letter of December 28 that contained your suggestions for alleviating the shortage in college facilities.

Even though my own plans are different I have been a strong advocate of junior colleges since I visited a number of them out west 10 years ago and came to admire their potentialities as educational and cultural centers in their respective communities, their capacity to render important services at reduced cost, and their screening effect. The latter should help to keep from small liberal arts colleges that considerable number of students who simply do not qualify for this kind of education yet clutter up these facilities at great financial expense and at great sacrifice on the part of better equipped students, whether they go to college or cannot get admission.

I am glad to know that your viewpoint is shared by many legislators, administrators and educators. Thus I am confident that a large part of the problem we are going to face in the not too distant future can be solved by establishing more and more community colleges all over the country.

Sincerely,

HANS SIMONS,
President.

INTERNATIONAL LADIES' GARMENT
WORKERS' UNION, AFL–CIO,
New York, N. Y., December 26, 1956.

The Honorable CLIFFORD P. CASE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR CASE: Thank you for sending me a copy of your statement on Federal aid for community colleges. I am in complete agreement with you because I think that Federal aid would be a stimulus even to those States who already, as in the case of New York, are developing a big program in this field.

I am a member of the board appointed by Governor Harriman to the Community College of Applied Arts and Sciences in New York City. Here we have the usual 2-year terminal course, but we are at pains to see that the technical training is accompanied by academic work, particularly in the social studies. I think you will agree that a balance between the so-called liberal arts and the applied sciences is necessary. We hope to help develop not only mechanics but men.

Another additional advantage which the community college has is that it can develop local advisory groups in the various industries. Obviously, the curriculum is going to be more practical and useful, and placement of the students carried through more satisfactorily if there is a good system of active advisory boards.

As you can see, these are supplementary ideas to your main proposals and I am glad that you have raised the matter.

Incidentally, may I also thank you for joining with your fellow Senators who are trying to abolish rule XXII so that the Senate can operate according to its majority.

With New Year greetings.

Yours sincerely,

MARK STARR,
Educational Director.

SKIDMORE COLLEGE,
Saratoga Springs, N. Y., January 3, 1957.

The Honorable CLIFFORD P. CASE,
The United States Senate,
Washington, D. C.

MY DEAR SENATOR CASE: I was very glad indeed to have a copy of your suggestions for alleviating the increasing shortage in college facilities. It is heartening to know that you are initiating legislation to meet this need, and I heartily agree with the method you have outlined.

Sincerely

HENRY T. MOORE, *President.*

SIENA COLLEGE,
Loudonville, N. Y., January 15, 1957.

The Honorable CLIFFORD P. CASE,
United States Senator,
Senate Office Building,
Washington, D. C.

Dear SENATOR CASE: Thank you for so kindly offering me the opportunity to comment on your proposal for alleviating the shortage in college facilities.

One the whole I agree with your views on the need for two-year colleges and on their function in relieving the shortage in higher educational opportunity. I have one reservation, however. There will be a strong tendency for the two-year colleges to become extensions of the high school system. In two-year terminal programs this will not matter too much; for those students who continue at four-year college, it could mean an almost complete loss of the time and money spent in the two-year facility. I would suggest a definite demarcation between the terminal programs and the "academic" or "general education" curriculum which would probably best serve those intending to continue their educations, and qualified to do so.

I realize that this point should be the concern of the administrators of the new institutions rather than of the legislators who provide for their establishment. I make it in the hope that influential voices like yours will be raised, when opportunity offers, to avert this development.

Sincerely yours,

Rev. EDMUND F. CHRISTY, O. F. M.

PRATT INSTITUTE,
Brooklyn, N. Y., January 2, 1957.

Hon. CLIFFORD P. CASE,
United States Senate,
Washington, D. C.

MY DEAR SENATOR CASE: Thank you very much for sending me a copy of your proposal regarding assistance to local communities and the States to establish and expand 2-year colleges. I had already read this statement since it was sent me by my successor at the Association for Higher Education, Dr. G. Kerry Smith. He had asked my advice about the matter and I felt that the association should strongly support the proposal. I believe that the 2-year institution will need to take up a heavy share of the increasing number of college students. I so indicated in an address I made over a year ago, which has been printed and of which I enclose a copy. You will find the matter discussed on pages 166 and 167.

There is only one aspect of your proposal that troubles me a bit. It is that this proposal tackles the problem of increased educational facilities only from the standpoint of the 2-year institution. Incidentally, I used to head a private junior college. The problem of the next 10 to 20 years is so great that there should be some overall approach to the problem. This may be too much to expect legislatively so that it will have to be solved by several separate actions. Your proposals are extremely well thought out and I trust will receive warm support.

With all good wishes for success in this important legislation.

Sincerely yours,

FRANCIS H. HORN, *President.*

The Honorable CLIFFORD P. CASE,
United States Senate.

MY DEAR SENATOR CASE: I was very glad indeed to have the full text of the release of January 3, 1957, which you were kind enough to send me. I have read it with great interest. As you know, I have long been an advocate of the expansion of 2-year community colleges. In my little book published a year ago, The Citadel of Learning, I devoted several paragraphs to the arguments in favor of this method of solving the problem created by the sudden increase in the number of children in the United States. You can therefore well imagine how pleased I was to learn of your proposals which in concrete form would assist the development of these colleges.

Naturally, I would hope that the emphasis would be placed on the terminal program. For I am quite convinced that such a program, if it can be made socially acceptable to the American public, will mean a saving in the money spent on education and, above all, a saving in regard to college teachers who are going to be in great demand in the future. I think the American people must learn in the coming years to consider how they can use most effectively the relatively small number of capable college teachers who will be available. We simply do not have the teaching staff which would be required for the expansion of 4-year colleges to meet the increased numbers, nor is it likely that we can greatly enlarge this staff. This line of reasoning leads therefore directly to the conclusion that a 2-year terminal community college program should be provided for a much larger proportion of the student body than at present.

May I conclude by wishing you all success in your endeavor. I hope the reaction to your proposal will be so great that the necessary Congressional action will shortly follow.

Sincerely yours,

JAMES B. CONANT.

STATE UNIVERSITY OF NEW YORK,
COLLEGE FOR TEACHERS,
Buffalo, January 2, 1957.

The Honorable CLIFFORD P. CASE,
United States Senate,
Washington, D. C.

My Dear SENATOR CASE: Thank you very much indeed for your letter of December 27, 1956, with which you sent a copy of the news release from your office of your proposals for alleviating the shortage in college facilities. I had read with a very great deal of interest the newspaper accounts of your proposals and I am delighted to receive from you a copy of the release itself in order that I might see the complete statement.

Your proposal is an excellent one and I agree with it in every detail. Much more needs to be done than has been proposed

in most of our States to provide the necessary facilities for post-high-school education for the great numbers of young people who are currently coming to college attendance age. Your proposal is a timely one and it is certainly my hope that it will bear fruit.

You may be interested in knowing that in connection with the present shortage of facilities we received 1,962 applications for admission in September 1956 and of this number we were able to admit only about 940. At the present rate of incoming applications for September 1957 we contemplate that more than 2,400 high-school graduates will apply to us for admission. We shall be able to admit only about 900. Our plant utilization is in excess of 80 percent from 8 a. m. to 6 p. m. and is more than 50 percent from 6 p. m. to 10 p. m. and on Saturdays from 9 a. m. to 2 p. m. It is in such terms of utilization that I say we cannot admit more than the number of new students I mentioned above. When you consider that 40 percent utilization was formerly considered to be "normal" and that 60 percent was considered to be very high, you can see the character of the extent to which we are using our facilities.

I wish you every success in your campaign to make possible more facilities in order that more of our young people will have opportunities for education beyond the high school.

Most sincerely yours,

HARVEY M. RICE, *President.*

STATE UNIVERSITY OF NEW YORK,
AGRICULTURAL AND TECHNICAL INSTITUTE,
Alfred, N. Y., January 25, 1957.

Senator CLIFFORD P. CASE,
The United States Senate,
Washington, D. C.

MY DEAR SENATOR: Thank you for your news release that refers to the 2-year, post-high-school program.

I agree with you that this will become one of the most effective ways of meeting the influx of students that we will be facing during the next few years. We, of course, are doing some work in this direction, as you undoubtedly know, and we do have a number of plans for expansion in the future.

With thanks for your courtesy, I am,

Very truly yours,

PAUL B. ORVIS, *Director.*

VASSAR COLLEGE,
Poughkeepsie, N. Y., December 27, 1956.

The Honorable CLIFFORD P. CASE,
United States Senator from New Jersey,
The United States Senate,
Washington, D. C.

MY DEAR SENATOR CASE: I congratulate you upon the plan you are proposing to increase facilities for higher education.

Community colleges established with the aid of State and Federal funds and providing either 2 years of college-credit education or a terminal program of 2 years education beyond the high school are, in my opinion, the best expedient that we have to meet the needs of the rapidly increasing college-age population. The Federal Government, the State, and the community must assume the financial responsibility.

I understand that the New Jersey estimate of $3,000 to $4,000 per student is for building costs. I should like to suggest that estimated figures include in addition a subsidy to cover the salaries of the teachers, and that this figure be included in the proposed one-third share of the Federal Government. I agree with your emphasis upon the desirability of State control of curriculum and policy.

With best wishes for the New Year and for the success of your proposal, I am

Cordially and sincerely,

SARAH GIBSON BLANDING.

CAMPBELL COLLEGE,
Buies Creek, N. C., February 10, 1957.

Hon. CLIFFORD P. CASE,
United States Senate,
Washington, D. C.

DEAR SENATOR CASE: I have deferred writing you to express appreciation for your address before Congress on the community college program for some time. Only recently have I found opportunity to read the speech. I believe your conclusions are rather convincing to the effect that the community college may be the most economical way for providing training for thousands of young people in the forthcoming emergency. Looking at the matter from a personal standpoint as a president of a privately supported junior college, I naturally wonder what will become of these private institutions if free junior college education is provided universally as we are now providing similar training on the high school level. Even so, I would have to agree that the overall welfare of the people is of greater significance than the preservation of any system of schools.

Yours very sincerely,

LESLIE H. CAMPBELL, *President.*

EAST CAROLINA COLLEGE,
Greenville, N. C., January 4, 1957.

Senator CLIFFORD P. CASE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR CASE: I appreciate your sending me a copy of your article concerning the shortage of college facilities. I concur with your suggestions throughout. Just a short time ago, I had a release in the papers and made a speech along similar lines. The junior college idea is certainly basically sound in every way. We should make provision for more regular 2-year scholastic junior colleges, 2-year combined scholastic-vocational junior colleges and 2-year vocational-technical colleges.

Incidentally, before coming here I was dean of Montclair State Teachers College and it has always disturbed me that the State of New Jersey has not been more conscious of its responsibilities in higher education. I certainly trust that with your vision and insight you will be able to help generate and motivate the spirit that is essential to touch the pocketbook which is so necessary to finance the on-going program you envision.

With all good wishes for the New Year, I am

Cordially yours,

J. D. MESSICK,
President.

ANTIOCH COLLEGE,
Yellow Springs, Ohio, January 3, 1957.

Hon. CLIFFORD P. CASE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR CASE: I congratulate you on the splendid suggestions you have made regarding establishing and opening 2-year colleges through grants-in-aid to the States.

Your suggestion is farsighted and practical. It will do much to alleviate the pressures which we know are soon to be upon us. It provides for the kind of education which many young people should be having today and is not at all unrealistic, financially speaking.

As you say, this is only part of the answer to the need for college expansion. The problems of the independent colleges, which are a vital aspect in higher education, still remain unsolved. Perhaps we can find people in the realm of business and industry who will concern themselves with these problems as ably as you are approaching the matter of public education.

Sincerely yours,

SAMUEL B. GOULD,
President.

LANGSTON UNIVERSITY,
Langston, Okla., January 26, 1957.

The Honorable CLIFFORD P. CASE,
United States Senate,
Washington, D. C.

DEAR SENATOR CASE: Thank you for your letter of December 27, 1956.

Your proposal relative to alleviating the shortage in college facilities is fundamentally sound. I trust legislation to that effect will be enacted by the current Congress.

Again I wish to thank you for having a copy of your proposal sent to me.

With very best wishes, I am,

Sincerely yours,

G. L. HARRISON,
President.

NORTHEASTERN OKLAHOMA
A. AND M. COLLEGE,
Miami, Okla., January 2, 1957.

Senator CLIFFORD P. CASE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR CASE: I want you to know I deeply appreciate your consideration and kindness in sending me a copy of your proposed legislation remedying the shortage of college facilities.

Frankly, I have been greatly concerned as to what we could do to take care of the growing demand of additional students seeking a college education. I certainly hope that you can and will push this legislation in such a way as to assist the students in the colleges as they strive to develop and grow into the kind of citizens that we are going to need.

Full steam ahead.

Sincerely,

BRUCE G. CARTER,
President.

PHILLIPS UNIVERSITY,
Enid, Okla., February 19, 1957.

Senator CLIFFORD CASE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR CASE: I congratulate you upon your proposal to provide Federal aid to States for the purpose of establishing public community colleges. Many of us who are connected with private colleges feel that your proposal has much merit and is in no way harmful to us. These institutions should improve both the quantity and quality of higher education and provide a partial solution to the impending tidal wave of students.

Sincerely yours,

BEN H. WEAVER,
Head, Department of Education.

CARNEGIE INSTITUTE OF TECHNOLOGY,
Pittsburgh, Pa., January 9, 1957.

The Honorable CLIFFORD P. CASE,
United States Senate,
Washington, D. C.

DEAR SENATOR CASE: I want to thank you for sending me a copy of your suggestions for alleviating the shortage in college facilities which I have read with much interest.

I favor your proposal that community colleges be developed. In this connection I have always favored the plan in which the cost of operating community colleges is borne one-third by the State, one-third by the community, and one-third by the students through tuition. I agree with you that the community colleges should have two objectives: (1) a 2-year terminal program, and (2) the educational equivalent to the first 2 years of a normal 4-year college program.

With best regards,

Sincerely yours,

J. C. WARNER.

COMMONWEALTH OF PENNSYLVANIA,
DEPARTMENT OF PUBLIC INSTRUCTION,
Harrisburg, January 2, 1957.

Hon. CLIFFORD P. CASE,
United States Senate,
Washington, D. C.

DEAR SENATOR CASE: This acknowledges with thanks your letter of December 27, 1956. Your suggestions for the alleviating of the shortage of colleges are excellent.

By assisting junior colleges, more students can be provided for at a lower cost than any other known proposal. Here most students can board at home and therefore attend college at a considerably lower cost. There are other advantages in having youth take 2 years of college at home rather than at a large institution.

May I congratulate you for your far-reaching proposal.

Sincerely yours,

CHARLES H. BOEHM.

URSINUS COLLEGE,
Collegeville, Pa.

The Honorable CLIFFORD P. CASE,
United States Senator, Senate Office Building, Washington, D. C.

DEAR SENATOR CASE: Thank you for your letter of December 21 and for your suggestions for alleviating the shortage in college facilities.

I consider your plan an excellent one and certainly in the public interest, provided that the facilities cannot be provided at the local and State level.

Sincerely yours,

N. E. MCCLURE, *President.*

JANUARY 14, 1957.

JUANITA COLLEGE,
Huntingdon, Pa., December 28, 1956.

The Honorable CLIFFORD P. CASE,
United States Senator,
Washington, D. C.

DEAR SENATOR CASE: It was a coincidence that your letter was placed on my desk this morning at the very moment when I was reading the news release in the New York Times. I congratulate you on your endorsement of community colleges. For a number of years I have believed that the 2-year community college was educationally and economically a sound idea. It is my conviction that we do not have a sufficient diversity of educational opportunity in our country to meet the needs and abilities of our youth.

I feel that the cost of education in these community colleges should be borne partly by the student, partly by the community, and partly by the State. The cost of providing the buildings and equipment would be a heavy drain upon certain communities and States and your program of Federal aid up to one-third of the cost of building and equipping academic structures would seem a reasonable contribution on the part of the Federal Government. It would also have the effect of stimulating increased interest on the part of the States and communities in this program.

With appreciation for your leadership in this program, I am

Sincerely yours,

CALVERT N. ELLIS, *President.*

COMMONWEALTH OF PENNSYLVANIA,
DEPARTMENT OF PUBLIC INSTRUCTION,
STATE TEACHERS COLLEGE,
California, Pa., February 4, 1957.

The Honorable CLIFFORD P. CASE,
United States Senate,
Washington, D. C.

DEAR SENATOR CASE: Thank you very much for including me on your privileged list to receive a copy of your suggestions for alleviating the shortage in college facilities.

I have given careful study to your proposals and am convinced that your plan for establishing and expanding our colleges through grants in aid to the States would help to catch up with the educational needs of the country.

I heartily endorse your proposal and commend you for your keen interest in desiring to assist the cause of education.

Sincerely,

MICHAEL DUDA, *President.*

UNIVERSITY OF RHODE ISLAND,
Kingston, R. I., December 28, 1956.

The Honorable CLIFFORD P. CASE,
United States Senate, Washington, D. C.

DEAR CLIFF: Your letter of December 20 has come to my desk, and I have just read your enclosed statement.

First of all, let me say that I am delighted that you have been giving attention to the problems of higher education, and that you have come forth with a concrete proposal. I think your statement is an excellent one. I have long felt that the junior college, or community college as we now call it, is one of the most promising means of meeting the mounting demands for higher education. As you indicate, it is not the whole answer, but I believe that a great increase in the number and scope of community colleges is inevitable. For their full development, I believe a measure of Federal aid will be necessary. Also, I should hope that within the respective States they will come under some kind of centralized administration so that their programs will be fully coordinated with those of the land-grant colleges and State universities.

I enclose a brief memorandum which I recently prepared in response to a request from the President's Committee on Education Beyond the High School. Some of my views also on the future prospect are given in our annual report for the year 1955–56 and an address which I delivered at the meeting of the National Association of State Universities last May.

The best of wishes to you in this effort and in the other challenging problems which will engage your attention during the new year.

Faithfully yours,

CARL R. WOODWARD, *President.*

UNIVERSITY OF RHODE ISLAND,
Kingston, R. I., December 31, 1956.

Dr. ELVIS J. STAHR, JR.,
Executive Director, President's Committee on Education Beyond the High School, Department of Health, Education, and Welfare, Washington, D. C.

DEAR DR. STAHR: I have read with great interest the first interim report of the President's Committee on Education Beyond the High School. Prompted by Mr. Josephs' request, I am writing you some thoughts about the problem of meeting the growing demands for higher education, without attempting to give you an exhaustive discourse on the subject.

While I believe that there is great need for financial aid for talented individuals who are unable to meet the expenses of a college education on their family resources, I doubt if a nationwide system of Federal scholarships offers the best solution. We should use every effort to increase scholarship aid from private sources at both private and public institutions. I believe, also, we should have Federal aid in some form, but I foresee serious difficulties in administering any large program of Federal scholarships, and I believe such a program would in large measure discourage the contribution of funds from private sources for this purpose. I would be disposed to favor a program of work-aid, similar in purpose to the NYA of depression times. And I believe also there is merit in the plan for Federal loans recently reported in the press.

More acute than the need for aid to the individuals, I believe, is the need of Federal aid for the expansion of physical facilities. If college enrollments are to be doubled within the next 15 years, the problem of providing additional buildings and other physical resources is truly a staggering one. It is a serious limiting factor at private institutions in their effort to accept their share of the increased enrollment. Almost certainly the burden of expansion will fall more heavily upon the public institutions. To this end, I believe a large-scale Federal program of building aid for colleges and universities is desirable. Such a program should provide aid for both public and private institutions. Direct grants of Federal funds to private institutions may well be questioned, on the ground that they are contrary to sound public policy. On the other hand, long-time loans at low interest to private institutions, and a combination of loans and direct grants for public colleges and universities, would meet a critical need, and could be defended from the standpoint of public policy.

But urgent as the needs may be for scholarship aid and funds for physical facilities, the most acute and the most vital problem we shall face is the shortage of competent personnel—teachers, scientists, administrators, and other specialists in education. This is an immediate problem since it is from the undergraduates and graduate students in our colleges today that we shall have to recruit the manpower of the next decade. And here we encounter the decisive factors of career motivation, aptitude, preparation, experience, salary, and the devastating competition of business, industry, and other professional forces for the upper levels of competence. In qualified manpower lies the key to the solution of our future educational problems. In this area, it seems to me, your committee will find its most difficult problem, its greatest challenge, and its largest opportunity for performing a public service.

I have discussed some of these matters at greater length, principally from the point of view of a State university, in my annual report for the year 1955–56, now in press. I shall send you a copy when it is available. You may be interested in the enclosed reprint of my presidential address before the National Association of State Universities last June, entitled "The Evolving Mission of the State University."

Sincerely,

CARL R. WOODWARD,
President.

WOFFORD COLLEGE,
Spartanburg, S. C., December 31, 1956.

Senator CLIFFORD P. CASE,
United States Senate,
Washington, D. C.

DEAR SENATOR CASE: Thank you for your material on the need for increasing college facilities. I certainly agree that the 2-year community college is one way whereby we can help alleviate this situation. I don't think it is the only answer, but certainly it will help.

I am grateful for your interest in this matter of higher education. With all good wishes, I am

Cordially yours,

PENDLETON GAINES,
President.

CONCORDIA,
Austin, Tex., January 4, 1957.

The Honorable CLIFFORD P. CASE,
United States Senator,
Washington, D. C.

DEAR SENATOR CASE: May this note acknowledge receipt of and thank you for your recent news release on the role the junior colleges may play in our expanding college population.

I am happy to note that a man in your position recognizes the potential of the junior college. If all States were to follow

the lead of California, Texas, and Florida in the establishment of junior colleges, the gravity of the problem facing American higher education would be considerably lessened.

Very truly yours,

GEORGE J. BETO.

THE TEXARKANA COLLEGE,
Texarkana, Tex., January 15, 1957.

Senator CLIFFORD P. CASE,
The United States Senate,
Washington, D. C.

DEAR SENATOR CASE: I read with much interest your release concerning the need for Federal aid for college buildings. I read it with much interest because of the present problem in connection with the growing enrollment at the various colleges.

I think all of the facts which you adduce are of indisputable nature. They all serve to point up the fact that colleges must have assistance if they take care of enrollments that will come in the next few years.

I found particularly sound reasoning in your discussion of the community colleges.

Please let me thank you for having sent this to me.

Yours very truly,

H. W. STILWELL,
President.

TEXAS CHRISTIAN UNIVERSITY,
Fort Worth, Tex., January 2, 1957.

Senator CLIFFORD P. CASE,
United States Senate,
Washington, D. C.

DEAR SENATOR CASE: I am in complete agreement when you emphasize a widespread system of community colleges which would carry the student 2 years beyond our usual high-school program. If we could have this kind of development across the country, it would not be necessary for us to increase the number or size of our senior colleges and universities. One of the major difficulties is that almost every time you have a college doing what is considered junior-college work some ambitious leaders want to make it a senior college.

With sincere appreciation, I am,

Very cordially yours,

M. E. SADLER,
President, Texas Christian University.

MIDDLEBURY COLLEGE,
Middlebury, Vt., January 14, 1957.

Hon. CLIFFORD P. CASE,
United States Senate,
Washington, D. C.

DEAR SENATOR CASE: I have read with interest your analysis of the problem of this coming shortage in facilities for higher education. I have for some time given support to the point of view of the at-least-partial solution that you propose. Certainly the 2-year community college has demonstrated its effectiveness in the Far West and Southwest. I see no reason why such institutions should not be equally successful in other parts of our country. Frankly, I see no other solution for accommodating the very great increase in numbers of high-school seniors who will be seeking further educational opportunities.

With best wishes to you,

Sincerely yours,

SAMUEL S. STRATTON,
President.

STATE OF VERMONT,
JOHNSON TEACHERS COLLEGE,
Johnson, December 26, 1956.

Hon. CLIFFORD P. CASE,
United States Senate,
Washington, D. C.

Dear SENATOR CASE: I appreciate receiving a copy of your suggestions for alleviating the shortage in college facilities.

I am completely in accord with your findings as to the need for additional facilities. I have advocated the idea of more 2-year colleges for some time. I do believe that Federal aid must be forthcoming if a State such as Vermont is to provide adequate educational opportunities for its youth.

Your plan has my wholehearted support.

Sincerely yours,

ODINO A. MARTINETTI,
President.

THE GEORGE WASHINGTON UNIVERSITY,
Washington, D. C., January 2, 1957.

The Honorable CLIFFORD P. CASE,
The United States Senate,
Washington, D. C.

My dear SENATOR CASE: I have had the pleasure of going over the address which you sent to me and find myself essentially in agreement with your statements.

Thank you for your thoughtfulness, Mr. Senator, in writing me. I sincerely hope that your interest will be highly significant in the advancement of our educational program.

A happy New Year to you.

Sincerely yours,

CLOYD H. MARVIN,
President.

WENATCHEE VALLEY COLLEGE,
Wenatchee, Wash., January 8, 1957.

Senator CLIFFORD P. CASE,
Senator from New Jersey,
United States Senate,
Washington, D. C.

DEAR SENATOR CASE: We were pleased to get your letter of December 29 indicating the proposed action with reference to the community junior colleges. It is needless for me to say that your thinking is in absolute accord with ours. We have felt for some time that the junior colleges should be used to alleviate this high enrollment problem.

The newspaper article that you included indicated to us a broad understanding of the function of the junior colleges. There was, however, one argument which we frequently use in this connection which may help to strengthen your position. We feel that we are giving a service at much less cost to the public than can be given by any of the other institutions of higher learning. In the State of Washington it is costing the people of the State through State taxes somewhere in the neighborhood of $700 to $800 per student per year; whereas in the junior colleges we are performing the same function on the freshman and sophomore level for approximately $600 per student per year. When we consider the money that the student saves in board and room and transportation, this saving becomes even greater. Since it is true that there is approximately a 52-percent dropout nationally in colleges in the freshman and sophomore years it would seem only reasonable that this should be in the local communities.

We are anxious to hear of any progress that is made by you and your supporters in this matter.

Yours very sincerely,

JAMES M. STARR,
President.

BLUEFIELD STATE COLLEGE,
Bluefield, W. Va., January 4, 1957.

The Honorable CLIFFORD P. CASE,
United States Senate,
Washington, D. C.

DEAR SIR: This will acknowledge with appreciation the receipt of your thoughtful and informative statement concerning the alleviation of the shortage in college facilities. In my opinion, the statement is timely indeed and every reasonable effort should be made to accelerate its implementation, for even with all of the breaks, we can scarcely be ready in time for the peak enrollments.

I would offer only one very minor suggestion, namely, that greater emphasis be given, in future releases and/or presentations, to the fact that many young people find the cost of room and board in noncommunity colleges prohibitive. Many American families—and many of them have two or more college-age youths—simply cannot pay these costs. Furthermore, the large majority of the families that will supply the tidal wave of students in the years immediately ahead are very probably families with modest incomes. This basic fact underlying this suggestion is, of course, clearly implied in the statement. I am simply suggesting that greater emphasis be given to it.

Very truly yours,

S. J. WRIGHT,
President.

MARQUETTE UNIVERSITY,
Milwaukee, Wis., February 25, 1957.

Subject: College facilities.

Honorable CLIFFORD P. CASE,
United States Senator,
United States Senate,
Washington, D. C.

DEAR SENATOR CASE: I am in substantial agreement with the proposal for the expansion of public community colleges as a practical approach to the problem of providing for the increasing college enrollment in the next 15 years.

A major problem confronting all higher education is the conservation of resources; that is, faculty, buildings, and equipment. The community can provide for such conservation by making use of many existing facilities in local schools, by utilizing most efficiently various levels of professional talents in the school system, and by permitting students to live at home.

Further, democratization of education through the 14th year, during a period of rapid population growth, places a burden on colleges and universities which can be handled only with great difficulty. The curriculum revisions and instructional adaptations required cannot be given adequate consideration by university faculties already straining to fulfill their obligations.

Various controls dealing with size of community served, community ability to support, local facilities and State assistance must be provided. Provision should also be made to assure local control.

Sincerely yours,

M. G. BARNETT, S. J.,
Executive Vice President.

STOUT STATE COLLEGE,
Menomonie, Wis., January 2, 1957.

Hon. CLIFFORD P. CASE,
United States Senate,
Washington, D. C.

DEAR MR. CASE: I have your letter of December 21 requesting me to examine your suggestions for alleviating the shortage in college facilities.

I have very carefully read the enclosure and I am in hearty agreement. It would be difficult for any college president to evaluate this material without being in full agreement. Unfortunately, junior colleges in the past have not been terminal in nature. The offerings in the junior colleges could be terminal in nature as well as preparation for further study at a more advanced level.

There are many vocational technical workers who do not require a college education, i. e., a college degree, but should have more than preparation offered in high school. The 2 years of junior college available at home and adjusted to the community would be a solution to this problem.

You have done much more in the East than we have out here in the Middle West in development of junior colleges of terminal nature.

I hope I have provided you with the information that you desire. My comments can only be comments of encouragement.

Sincerely yours,

VERNE C. FRYKLUND,
President.

NORTHLAND COLLEGE,
Ashland, Wis., December 31, 1956.

The Honorable CLIFFORD P. CASE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR CASE: Thank you so much for sending me a copy of your suggestions for alleviating the shortage in college facilities. It seems to me that your ideas are feasible and reasonable, and I think they deserve full support.

Cordially yours,
GUS TURBEVILLE, *President.*

AMENDMENT OF SECTION 22 OF INTERSTATE COMMERCE ACT—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 939) to amend section 22 of the Interstate Commerce Act, as amended.

Mr. SMATHERS. Mr. President, I desire to make a very brief statement on the conference report on Senate bill 939. Members of the conference committee representing the Senate were the junior Senator from Ohio [Mr. LAUSCHE], the junior Senator from Texas [Mr. YARBOROUGH], the Senator from Connecticut [Mr. PURTELL], the Senator from Kansas [Mr. SCHOEPPEL], and the junior Senator from Florida.

We found ourselves, at the time of the conference, in a rather unusual situation. We did not exactly know how to resolve the differences when we sat down in conference, but we have worked out what we believe is the best and most practicable solution at which we could arrive.

The situation, very briefly, was this: After the Senate had passed Senate bill 939, which was the bill originally submitted at the request of the Interstate Commerce Commission, to render inapplicable section 22 of the Interstate Commerce Act except during war or national emergency, the House undertook consideration of a similar bill. After considering the bill in the Senate committee, we left the substantive provisions of section 22 unchanged. This continued to make it possible for various Government agencies to take advantage of section 22 quotations, which meant that they could continue to take advantage of rate quotations below published rates.

However, we saw fit to incorporate into the original bill an amendment which provided that when the carriers did make section 22 quotations, they would have to submit copies of them to the Interstate Commerce Commission at the time they made the quotations, in order that any of their competitors might be able to see the new rates, and thereby themselves compete.

That bill, as amended, passed the Senate on June 12, and went to the House. The House undertook consideration of a similar bill. However, after the House had completed its deliberations, it decided to amend its bill by providing that section 22 should still remain operative, except for one provision, which would take away from the motor carriers of household goods the privilege under section 22.

The House bill was finally reported to the House for final action, but before it could be brought up a district court in the District of Columbia entered a memorandum decision in a case which involved certain nonscheduled air lines against certain railroads.

The decision held, in effect, that the railroads were not protected from antitrust prosecution under section 5 (a) of the Interstate Commerce Act in making rate quotations under the privilege offered to them by section 22 of the Interstate Commerce Act to quote free or reduced rates.

Immediately the question arose, particularly on the part of the Defense Department, as to what the effect of the court decision would be. The Defense Department said that if it were not permitted to continue to negotiate with the railroads as it had been doing since 1948, and to continue to follow the pattern and procedure which it had followed since that time, the cost to the Defense Department would be $100 million in 1958 alone.

The reason such a result would have been brought about is that the railroads, in the light of the decision which had been rendered against them in the district court case, did not wish to continue to make quotations to the Federal Government, and particularly to the Defense Department, under section 22, because in so doing, in the light of the district court decision, they would be subjecting themselves to further damage suits.

They wrote a letter to the Department of Defense, and said, in effect, "So long as this decision stands, we will not be in a position to offer section 22 quotations."

Thus, there came about a situation because of which the Defense Department said the cost to it would be $100 million in 1958.

The House of Representatives, having these facts explained to it, determined, in its wisdom, that the only thing to do was to attempt to put everyone back in the status quo as it had existed since 1948, until possibly some future legislation might be enacted and some changes might be made by the Congress, or at least until the Supreme Court of the United States had made a final decision on this particular question.

So the House passed what has come to be known as the Harris amendment to S. 939, which, in effect, immunized the railroads from the provision of the antitrust laws. In other words, what the House did, in effect, was to redefine or reinterpret the intent of the Congress as expressed in 1948, so as to say that when the act was passed in 1948, known as the Reed-Bulwinkle Act, the Congress not only attempted to give to the railroads the right to act in concert and get together in fixing rates with respect to commercial shippers, but also with respect to offering quotations to the Federal Government under section 22.

The Harris amendment was adopted overwhelmingly by the House of Representatives. Then the bill went to conference. We have not had a single day of testimony. We have not heard a single witness, which is a circumstance we do not like. We were faced with such a situation, however, that, if we did not go along with the House approved amendment, the Defense Department said the cost to it would be, as I have repeatedly stated, $100 million in 1958.

As practical men, we thought the only thing to do was to accept the amendment which had been previously adopted by the House. It is the amendment which seeks to maintain the status quo, so that this enormous amount of money will be saved by the Defense Department. Then, next year, or at some future date—if the Supreme Court upholds the district court decision—if it is the wish of a Senator or Member of the House to introduce a bill to strike out section 22 or to restrict the interpretation of the Reed-Bulwinkle Act, he can do so. We have assured those interested that we would have an immediate hearing on such proposals.

That, in essence, was what the conferees did. It is not what we would have preferred. We do not agree that it is the best way to legislate, but we are not up against a theory; we are up against a practical matter.

At this point I ask unanimous consent to have printed in the RECORD, a letter from the Defense Department, signed by Major General Lasher, executive director of the Military Traffic Management Agency, together with an attached memorandum on S. 939. I ask that both be printed in the RECORD.

There being no objection, the letter and memorandum were ordered to be printed in the RECORD, as follows:

MILITARY TRAFFIC
MANAGEMENT AGENCY,
UNITED STATES ARMY,
Washington, D. C., August 15, 1957.

Hon. GEORGE A. SMATHERS,
United States Senate.

DEAR SENATOR SMATHERS: I am inclosing a memorandum covering some of the essential information in connection with S. 939 as requested by your counsel, Mr. Barton.

I am happy for the opportunity of assembling this information and hope that it may be of assistance to you.

Sincerely yours,
E. C. R. LASHER,
Major General, United States Army,
Executive Director.

MEMORANDUM

S. 939, which, stripped to its essentials, affords the same privileges to Government shippers as is already afforded commercial shippers, must be enacted into law.

Concerted action by groups of carriers in connection with the rates and fares for the movement of traffic generally has been the practice for years and such action has been of great assistance to both the carriers and their customers in negotiating and establishing reasonable rates for moving both the commerce of the United States as well as persons and things for the Government. These practices result in substantial savings to shippers not only in transportation charges themselves but in the reduction of administrative expenses as well, and has greatly aided in expediting such negotiations as well as the movement of the traffic itself.

The fact that the hundreds of separate and independent railroads of the country have been integrated into virtually a single system, so far as the shipping public is concerned, is so familiar as to be apt to be taken for granted with no thought of the extent of cooperative action on the part of the carriers that is necessary to bring about such a result.

In amending the Interstate Commerce Act by adding section 5a in 1948, we do not believe that Congress could have intended to pass the benefits thereof only to industrial shippers and exclude Government shippers, for such would have been discrimination against itself. Were this the case, the meaning of "rates, fares, and charges" would have been different in different parts of the act and Congress would have made its meaning clear. However, the Congress made no distinction between "rates, fares, and charges," in one section as opposed to any other section and these words must be given the same meaning throughout the act. We have always thought that the protections of 5a extended to joint section 22 quotations. It is unbelievable that Congress expected the Commission, the carriers, the Department of Defense, other Government shippers, as well as the courts, to interpret these words differently without any indication in the law that it intended a different meaning.

However, the Interstate Commerce Act, specifically 5a thereof, was so interpreted by a recent court decision which, if upheld, makes the conscientious and honest efforts in this field, of the Interstate Commerce Commission, of Government shippers, and the carriers, illegal since 1948. The court's opinion would permit carriers to jointly establish "rates, fares, and charges" on the traffic of commercial industry through the conference method but would deny these benefits to the Government on the traffic it moves under the provisions of section 22 of the act. The economic ramifications of the Government dealing with the thousands of carriers individually on rate matters are enormous—not only impractical during peacetime and impossible during times of emergency, but at all times expensive beyond reason.

Over and above the high administrative costs, the rates and fares themselves, under such a ruling, would have been much higher. For instance, in the Department of Defense alone for fiscal year 1956, had the restriction now imposed by this court's decision been in effect, that Department would have had to pay in excess of $100 million more to move its traffic. The estimated volume of fiscal 1958 traffic appears at this time to be at about the same level as fiscal 1956.

Further, all carriers are required by law to move people and things at the legal rate. The court's decision renders illegal all rates arrived at by the conference method and offered the Government under the provisions of section 22 of the act at least since 1948. Being required, therefore, to charge the legal rate, carriers would be legally obligated to file claims for the undercharge differences thus accrued. Including as it does the Korean emergency and its high volume movement, this period could produce lawful claims almost incalculable in total.

Therefore, in order to absolutely clarify the original intent of Congress, to make doubly sure that the law will admit of no misinterpretations, to continue fair and reasonable rates for movement of Government traffic, and to prevent further embarrassment of the Interstate Commerce Commission, Government departments, and the carriers, S. 939 should be enacted into law as reported out of conference.

Mr. SMATHERS. I ask unanimous consent to have printed in the RECORD, so that Senators and Members of the House will have an opportunity to read it before we continue the discussion tomorrow, a letter from the Interstate Commerce Commission dated August 19, 1957, signed by the Honorable Owen Clarke, Chairman of the Interstate Commerce Commission, on the applicability of section 5a to rates made under section 22.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

INTERSTATE COMMERCE COMMISSION,
Washington, D. C., August 19, 1957.

Hon. GEORGE A. SMATHERS,
Chairman, Surface Transportation Subcommittee, Committee on Interstate and Foreign Commerce, United States Senate, Washington, D. C.

DEAR SENATOR SMATHERS: This is in response to a telephonic inquiry from Mr. Frank Barton requesting an expression by the Commission concerning the relation between section 5a and section 22 of the Interstate Commerce Act in connection with proposed legislation which would amend section 22.

Section 22 now provides, among other things, "That nothing in this part shall prevent the carriage, storage, or handling of property free or at reduced rates for the United States * * * or the transportation of persons for the United States Government free or at reduced rates." This provision removes such rates from the jurisdiction of the Interstate Commerce Commission insofar as the power to prescribe minimum rates and fares is concerned.

Section 5a (2) provides "Any carrier party to an agreement between or among two or more carriers relating to rates, fares, * * * may * * * apply to the Commission for approval of the agreement * * *." Under section 5a (9) such approval relieves the parties to the agreement from the operation of the antitrust laws.

The question arises as to whether the term "rates" as used in section 22, is coextensive in meaning with the words "rates" and "fares" as they are used in section 5a. As we see it, they are coextensive in meaning in the absence of any specific language to the contrary. The mere restraint upon the Commission's jurisdiction over rates under section 22 would not, in my view, make it inappropriate for the Commission to pass upon agreements relating to such rates and fares under section 5a. I do not believe that this view would in any way run counter to or be inconsistent with the broad intent of Congress in enacting section 5a. Although the Commission has not had occasion to pass upon this particular question, we have approved agreements which included the processing of section 22 proposals. I believe, therefore, that such approval would bring section 22 proposals thereunder within the purview of section 5a (9) of the Interstate Commerce Act.

In order to remove any doubt respecting the extent of our jurisdiction under section 5a, however, I believe that it would be desirable to enact clarifying legislation as proposed.

If I can be of further assistance, please do not hesitate to call on me.

Sincerely yours,

OWEN CLARKE,
Chairman.

Mr. SMATHERS. Mr. President, I also ask unanimous consent to have printed in the RECORD at this point a letter from the Atomic Energy Commission, signed by Mr. R. W. Cook, Deputy General Manager, in which he states that if we do not adopt the House amendment and agree to the conference report, as now submitted, it will cost the Atomic Energy Commission approximately $4 million in their operations next year.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES
ATOMIC ENERGY COMMISSION,
Washington, D. C., August 15, 1957.

Hon. GEORGE A. SMATHERS,
Chairman, Subcommittee on Surface Transportation, Committee on Interstate and Foreign Commerce, United States Senate.

DEAR SENATOR SMATHERS: This is in response to your request for an expression of our views on S. 939, an act to amend section 22 of the Interstate Commerce Act, as amended, as this bill was recommended yesterday by the committee of conference on the disagreeing votes of the two Houses. (See pp. 15235–15236, CONGRESSIONAL RECORD, August 19, 1957.)

As we understand this bill as reported out by the committee of conference, it would add a subsection to section 22 of the Interstate Commerce Act which would require carriers offering tenders for transportation or related services to the United States Government under section 22 to submit copies of such tenders to the Interstate Commerce Commission. Upon submittal of tenders made pursuant to an agreement approved by the ICC under section 5a of the act, the provisions of paragraph (9) of section 5a, granting relief from the operation of the antitrust laws, would apply. The bill further provides that no liability or cause of action previously accrued would be affected, and that submission of tenders to the ICC shall not be required if the Government indicates to the carriers that there is involved information disclosure of which would endanger the national security.

A recent judicial decision holding that section 5a of the Interstate Commerce Act does not apply to carrier agreements relating to section 22 quotations to the Government threatens to create a serious situation with respect to the rendering of transportation services to the Government under such quotations. Not only do estimated annual savings in excess of $4 million accrue to the Atomic Energy Commission as a result of reduced rates made available under section 22 quotations, but many special arrangements, some of nationwide scope, are negotiated with carriers for the rendering or special services in connection with shipments of items of vital importance to the national defense and security. Important considerations of public health and safety are also involved in these specially negotiated arrangements. We are disposed to regard with concern any developments which might tend to inhibit the carriers from negotiating with us for these special arrangements, both with respect to rates and other considerations mentioned above.

We therefore urge enactment of S. 939, as reported out with amendments by the Committee of Conference.

The Bureau of the Budget advises that there is no objection to the submission of this report.

Sincerely yours,

R. W. COOK,
Deputy General Manager.

Mr. SMATHERS. Mr. President, I also ask unanimous consent to incorporate in the RECORD at this point a letter, with attached memorandums, from the Association of American Railroads, dated August 13, in which it is stated that under the decision of the district court as it now stands, they are not in a position to do any business with the Government under section 2 A unless some further immunity is granted to them. Attached to the letter are two memorandums.

There being no objection, the letter and memorandums were ordered to be printed in the RECORD, as follows:

ASSOCIATION OF AMERICAN RAILROADS,
Washington, D. C., August 13, 1957.

Hon. GEORGE A. SMATHERS,
United States Senate,
Washington, D. C.

DEAR SENATOR SMATHERS: Mr. Frank Barton, transportation counsel, Senate Committee on Interstate and Foreign Commerce, has advised me that the committee has in its possession a copy of a memorandum dated July 30, 1957, from a Mr. J. J. Kelley to Mr. Gass (copy attached), and that not being aware of who these gentlemen are, you would like to have a confirmation from an official of the Association of American Railroads regarding the statements contained therein.

For your information, Mr. Gass is chairman of the car service division, Association of American Railroads and Mr. J. J. Kelley is manager of the military transportation section, car service division, Association of American Railroads. Neither has anything to do with the making of section 22 quotations to the Department of Defense, but representatives of the regional passenger associations have their offices with the military transportation section and thereby Mr. Kelley keeps abreast of the action being taken by the various passenger associations.

The Association of American Railroads performs no function in connection with the making of quotations to the Government, but in view of your request, I have undertaken to obtain the information that would enable me to inform you accurately as to the current situation with respect to making section 22 quotations to the Government for the movement of military personnel. I have obtained the information by talking directly to the chairman of each of the following passenger organizations: Trunk Line-Central Passenger Committee, New York, N. Y.; New England-Passenger Committee, Boston, Mass.; Southern Passenger Association, Atlanta, Ga.; Western Railroads Military Bureau, Chicago, Ill.

That information I am furnishing to you in the form of a separate memorandum, enclosed. As you will note, the situation was as described in the memorandum from Mr. Kelley to Mr. Gass at the time that memorandum was prepared and has continued up until almost the present time, but has now been modified somewhat.

I trust this gives you the information you desire.

Very truly yours,

GREGORY S. PRINCE,
Vice President and General Counsel.

JULY 30, 1957.

MR. GASS: As Judge McGarraghy's injunction against the rail carriers submitting concerted section 22 quotation bids to the Department of Defense on passenger traffic is now effective, the regional passenger traffic associations have been instructed to submit no quotations of any kind to the Government for the time being. The only movements the rail carriers will now get will be those on which the air carriers do not bid. In other words, while the military will continue to submit cost requests on all movements of 15 or more they will be returned with the notation that the rail carriers will handle the traffic under the joint military passenger agreement.

While the interpretation of the restraining order is that it prohibits only what is called package bidding the instructions to the passenger associations are that no bids will be submitted on straight point-to-point movements as well.

J. J. KELLEY.

AUGUST 13, 1957.

Based on the opinion of the Federal District Court for the District of Columbia (Judges McGarraghy) in *Aircoach Transport Assn. et al. v. Atchison, Topeka & Santa Fe Ry., et al.* (Civil Action 875–57), the railroads stopped making spot variable section 22 quotations and also stopped making so-called package section 22 quotations with the expiration of the court's stay on July 27, 1957. After this date, the only offering by the railroads in answer to the military's specific cost requests was the standing section 22 quotation known as the Joint Military Passenger Agreement which provides that the railroads will handle any and all military traffic at 10 percent less than regular commercial fares. This continued to August 8, and the railroads received practically none of the competitive passenger traffic. They did receive a few movements but only as a standby service when the nonscheduled air carriers found that they could not or did not desire to bid for the traffic.

On August 1, the Court of Appeals for the District of Columbia granted a stay of the order until the case could be heard and decided on appeal. Subsequently, the carriers, other than those in the New England Passenger Association, in an attempt to compete for at least a small part of the military passenger traffic, concluded that in addition to the quotations in the Joint Military Passenger Agreement they would make special section 22 per capita bids for a period of 30 days or longer between points between which they were aware of recurring traffic in substantial volume. New England roads continue to limit their quotations to those contained in the Joint Military Passenger Agreement. The eastern and western railroads proceeded to prepare a limited number of such section 22 quotations dated August 8 and 9, carrying an expiration date of September 30. The southern railroads have not made any such quotation from or within the South nor have they participated in such quotations from the West to the South and have participated in only one such quotation from the East to the South. Eastern railroads have concurred in a few such quotations on movements originating in the western territory and likewise the western railroads have concurred in a few quotations made on movements originating in eastern territory. The military started using these period quotations August 12 in their evaluation of bids received in response to their cost requests. It is our information that up to this time only one competitive movement has been awarded the railroads under these period per capita quotations.

While the statement above relates only to the movement of passenger traffic for the Government, the construction of the law arrived at by Judge McGarraghy in his opinion imposes upon the railroads a threat of possible antitrust prosecution and treble damage suits from competitors in connection with reduced-rate quotations made under section 22 through concert of action for the transportation of freight for the United States Government or for State or municipal governments. The same thing would be true for other reduced rates pursuant to section 22, such as drought relief rates, special rates to blind persons, the clergy, and others.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. SMATHERS. I yield.

Mr. CARLSON. I should like to ask one or two questions. I was on the floor on June 12 when the bill was passed. I thought I understood the proposed legislation then. As I understand the Senator's statement, the conferees have agreed upon a totally different bill. Is that correct?

Mr. SMATHERS. The Senator is not correct in that statement. The conferees have agreed upon exactly the same bill that we passed, plus an amendment.

Mr. CARLSON. It has the same number.

Mr. SMATHERS. It has the same number and the same provisions which were passed on June 12, with one addition, and that addition refers to section 5 (a). What we are attempting to do is to state that in 1948, when the Reed-Bulwinkle bill was passed, it was intended that these provisions should protect the railroads in making rates in concert not only to the business community, but to the Government as well. That seems to be everyone's interpretation.

Mr. CARLSON. I should like to propound one more question. Did I correctly understand the Senator to say that he feels it is necessary to adopt the provisions as passed by the House, or there will be no legislation enacted this year, and that the Committee on Interstate and Foreign Commerce will look at the whole program?

Mr. SMATHERS. I will answer the Senator in the affirmative. The Senator is correct. We believe, unless we take this step, there will be enacted no legislation with respect to immunizing the railroads, temporarily at least, from the decision of the district court. It is also indicated in the House report and in statements we have made that we believe the matter is of sufficient importance to go into thoroughly next year.

Mr. CARLSON. I have a very high regard for the Senator who has submitted this conference report to the Senate. I am sure that will be the view of the committee.

Mr. SMATHERS. I should like to suggest one other point. We also provide that any lawsuits which are now pending will not in any way be prejudiced by the conference bill, if it is enacted. We do not intend that that shall be the case.

There is one other point I should like to make. In the course of the hearings the conferees were all determined that the nonscheduled airlines, which at the present time are not permitted the same equal opportunity to compete for section 22 business as are the railroads and motor carriers, will at the first opportunity be placed on an equal competitive basis.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. SMATHERS. I yield.

Mr. KNOWLAND. I wish to inquire as to the parliamentary situation. As I understand, the Senator from Florida is not asking for a vote on the conference report tonight, but that it will be taken up tomorrow. Is that correct?

Mr. SMATHERS. The Senator is correct.

Mr. KNOWLAND. Has the Senator completed his statement? I was going to ask unanimous consent to make an insertion in the RECORD.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. SMATHERS. I shall yield first to the Senator from Washington.

Mr. MAGNUSON. The Senator from Florida has stated the proposition very clearly and concisely. The situation before us is not to the liking of the committee involved. However, it so happens that it has been brought about by a court decision. In the meantime all we are trying to do is to keep matters in status quo. The nonscheduled airlines have most of the business, anyway. I can assure the Senator from Kansas that it is of sufficient importance to all of us on the committee, including my distinguished friend, the Senator from Kansas, who is a member of the Surface Transportation Subcommittee, that it is a matter which we must take care of in January. In the meantime we will keep matters in status quo, so that the Government will not lose this great amount of money.

Mr. SMATHERS. The Senator is correct.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. SMATHERS. I yield.

Mr. SPARKMAN. I wish to ask the Senator if I am correct in my understanding that it is not intended to have further discussion of the conference report today, but to wait until tomorrow to discuss the merits of the report?

I heard the response of the Senator to the Senator from California that there would be no vote on it tonight. As a matter of fact, I recognize the importance of the subject and the situation we are in at the present time. Nevertheless I believe it is a very serious question that ought to be discussed thoroughly before the conference report is agreed to.

If it is the intention to carry over the debate on the conference report until tomorrow, I do not care to engage in any discussion of it at this time. However, I do not want to be precluded from discussing it. As a matter of fact, it seems to me that what we are trying to do is offset a Supreme Court decision involving an antitrust situation.

Mr. SMATHERS. A district court decision.

Mr. SPARKMAN. Yes; a district court decision, pending on appeal to the Supreme Court. It is an attempt to offset that decision by proceeding with a piece of legislation which is based upon not one single day's hearing before a committee of either the House or the Senate. It is a very serious matter. Regardless of whether the conference report is voted up or down, the Senate ought to know what it is voting on. We have had matters similar to this considered before, and I can quote some of the ablest Members of the Senate on this subject, going back to the days of the Reed-Bulwinkle bill, when southern Senators waged a fight for fair rate systems.

At that time the question arose about an effort to try to stop a court decision involving antitrust proceedings.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. SPARKMAN. The Senator from Florida has the floor.

Mr. SMATHERS. I yield.

Mr. KNOWLAND. I merely wish to say that I am sure there was no implication in what the Senator from Florida said, and certainly not in what the minority leader said in addressing the inquiry to the Senator from Florida, that it is the intention to close off discussion. To the contrary, I understand the Senator from Kansas and other Senators on both sides of the aisle will be prepared to discuss the subject before the report comes to a vote. Earlier in the day it was thought that the matter might be taken up and voted on tonight.

Mr. SMATHERS. I thank the Senator for his statement. Apparently the Senator from Alabama was not on the floor when I began my remarks.

Mr. SPARKMAN. No; I was not.

Mr. SMATHERS. I said we regretted the situation. We regretted the fact that we had had not so much as 1 day's hearing on the matter, and that we did not hear one witness testify before the committee. However, we face a situation involving a threatened cost to the Government of $100 million. Therefore we are attempting to keep matters in status quo, at least until such time as the Supreme Court enters a decision in the case, or until possibly the Senator from Alabama or some other interested Senator introduces proposed legislation at the beginning of the next session, when we will be able to look into the matter thoroughly.

Mr. SPARKMAN. Let me say, first of all, that I did not intend to imply that anyone was trying to railroad through this conference report. I wanted to be certain that we would have an opportunity to discuss it tomorrow. I wanted to serve notice how serious and important this matter is. I feel that we ought to have a thorough discussion of it, because if there is one question confronting the country today about which we ought to be very careful, indeed, it is the question of antitrust and monopolistic tendencies.

Mr. MAGNUSON. I wish to say that the Senator from Florida was very frank in his statement.

Mr. SPARKMAN. I did not mean to imply otherwise. I wanted to have it clear in my own mind.

Mr. MAGNUSON. This is a very unusual problem with which we are faced. The situation certainly is unusual. I have never seen quite such a situation arise before. The Senator from Florida, I believe, feels just as keenly about it as anyone else.

Mr. SPARKMAN. I know he does. I have talked to him about it.

Mr. SMATHERS. I agree with the Senator from Alabama that it is a matter of tremendous importance. Tomorrow I am hopeful the Senator from Ohio, the Senator from Kansas, the Senator from Connecticut, and other members of the conference committee will have something to say about it. We feel on the subject exactly as does the Senator from Alabama, but we did not know which way to turn. We believe we have arrived at the most practical solution in the light of all the circumstances. We shall have a debate on the report tomorrow.

Mr. COOPER. Mr. President, will the Senator from Florida yield?

The PRESIDING OFFICER (Mr. CLARK in the chair). Does the Senator from Florida yield to the Senator from Kentucky?

Mr. SMATHERS. I yield.

Mr. COOPER. I understand the conference report will be debated further on tomorrow.

I should like to ask a question, so it may appear in the RECORD, and so it may be the subject of some thought between now and tomorrow, because I have received a number of communications about the bill.

What is the judgment of the Senator as to the effect of the new provision upon the prosecution of any appeal from the decision of the district court? In other words, does this addition of the amendment which has been agreed to make that issue moot, insofar as any further determination by the courts is concerned?

Mr. SMATHERS. I would say to the Senator from Kentucky that we have included in the conference report bill the following words:

Provided, That nothing in this paragraph shall affect any law or cause of action which may have accrued prior to the date on which this paragraph takes effect.

Furthermore, the House, in its report, went further, and stated that it was not its intention in any way to affect any cause of action which any person or any corporation might have had prior to the enactment of this measure, or in any way to affect any rights which might accrue to them in the future. And that is our intention.

Mr. COOPER. I am not arguing about the merits of what the committee has done. But I think this is a very important legal matter. Any provision enacted by Congress is the law; and regardless of whatever a committee may state or regardless of whatever may be stated on the floor of the Senate, if the provision in itself is clear, it seems to me that statements included in the report or made on the floor could not affect the meaning of the actual provision of law. I want to state that for the RECORD.

Mr. SMATHERS. I appreciate the statement the Senator from Kentucky has made. In the case of the recent decision of the district court, apparently it placed a great deal of reliance on what had been said on the floor in respect to the Reed-Bulwinkle bill, in 1948.

Mr. COOPER. I may say that I voted for the Bulwinkle bill.

Mr. SMATHERS. We hope the record we are making here will preserve any legal right which any such person or corporation had before, or any right which may accrue in the future.

Mr. COOPER. I think that is a very important issue.

AUTHORIZATION FOR SELECT COMMITTEE ON SMALL BUSINESS TO FILE A REPORT

Mr. SMATHERS. Mr. President, I ask unanimous consent that the Select Committee on Small Business be authorized during the adjournment of the first session of the 85th Congress, to file with

the Secretary of the Senate a report entitled "Small Business Participation in Government Procurement, 1957," and that the report be printed.

The PRESIDING OFFICER. Without objection, it is so ordered.

IMPLEMENTATION OF TREATY WITH REPUBLIC OF PANAMA—CONFERENCE REPORT

Mr. MAGNUSON. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 6709) to implement a treaty and agreement with the Republic of Panama and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. CLARK in the chair). The report will be read, for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of today, pp. 15386–15387, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. MAGNUSON. Mr. President, I move that the report be agreed to.

The motion was agreed to.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

H. R. 8992. An act to provide for the appointment of representatives of the United States in the organs of the International Atomic Agency, and to make other provisions with respect to the participation of the United States in that Agency, and for other purposes; and

H. R. 8996. An act to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes.

ORDER FOR ADJOURNMENT TO TOMORROW, AT NOON

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in adjournment until tomorrow, at noon.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR LIMITATION ON STATEMENTS MADE DURING THE MORNING HOUR TOMORROW

Mr. JOHNSON of Texas. I ask unanimous consent that, during the transaction of routine business, after the Senate convenes on tomorrow, statements shall be limited to 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I understood that on tomorrow the Senate will continue consideration of the conference report on Senate bill 939, to amend section 22 of the Interstate Commerce Act, as amended. That report has been under discussion today.

In addition, I should like to give notice to all Senators, and especially to the Senator from California [Mr. KNOWLAND], of the possibility of the consideration by the Senate of the following measures:

Calendar No. 389, Senate bill 25, relating to effective dates of increases in compensation granted to Wage Board employees.

Calendar No. 660, Senate bill 491, a private relief bill which has to be brought up by motion.

Calendar No. 714, House bill 4240, which also is a private relief bill which must be brought up by motion.

Calendar No. 1054, Senate bill 2205, amending the Federal Bankruptcy Act.

In addition, there is a conference report on the veterans' housing bill. The Senator from Arkansas [Mr. FULBRIGHT] is the senior conferee. The report is on House bill 4602. The Senator from Ohio [Mr. BRICKER] is the ranking Republican Member. I have asked that the Senator from Ohio be informed of the possibility that the report will be brought up tomorrow.

Mr. KNOWLAND. I may say, Mr. President, that, according to my understanding of the parliamentary situation, that is not a conference report, but is a House bill. The Senate made some amendments to the bill, and they went to the House of Representatives. The House concurred in the Senate amendments, with some amendments of its own. But the additional amendments added $200 million or $300 million to the bill.

Mr. JOHNSON of Texas. I believe the Senator from California is correct; and I correct my previous statement accordingly. This measure involves a request that the Senate concur in some action taken by the House of Representatives.

Mr. KNOWLAND. Either that, or to send the measure to conference.

Mr. JOHNSON of Texas. It was indicated to me that it will be agreeable to the Senator from Ohio [Mr. BRICKER] to have the Senate take action on it tomorrow. So I wish to be sure that he is informed that the bill will be taken up then.

Furthermore, I wish to give notice of the possibility of bringing up the Jencks bill, which is Calendar No. 577, Senate bill 2377. We have previously announced on several occasions that the Senate would consider that bill in due time.

In addition, I list the immigration bill which is to be reported by the judiciary committee. I should like to have that bill brought up tomorrow or the next day, if we find we have any spare time.

Mr. KNOWLAND. Mr. President, while the Senator from California is checking the list, let me inquire about the nominations on the Executive Calendar; I refer particularly to the nominations of representatives to the United Nations. Those nominations were passed over last week. As the distinguished Senator from Texas knows, the session begins in September, and I believe that normally there are some advance briefings by the Department, before the representatives actually go to New York, to take over their assignments.

I wonder whether the Senator from Texas can give any indication as to when those nominations may be called up.

Mr. JOHNSON of Texas. I think we can get to them in the near future. We shall give as much advance notice about them as possible.

In addition, I include Calendar No. 706, Senate bill 1356, reported by the Senator from Wyoming [Mr. O'MAHONEY]. It is a bill to amend the antitrust laws by vesting in the Federal Trade Commission jurisdiction to prevent monopolistic acts by certain persons engaged in commerce in meat and meat products, and for other purposes.

I understand that the Senator from Utah [Mr. WATKINS] wishes to have some notice regarding that measure; and I should like to have the RECORD show that we expect to have the Senate take it up in the next day or two.

Mr. President——

The PRESIDING OFFICER. The Senator from Texas.

ADJOURNMENT

Mr. JOHNSON of Texas. Mr. President, under the order previously entered, I now move that the Senate adjourn.

The motion was agreed to; and (at 7 o'clock and 10 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, to tomorrow, Wednesday, August 21, 1957, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate August 20, 1957:

UNITED STATES MARSHAL

Paul Johnson, of Oklahoma, to be United States marshal for the eastern district of Oklahoma for a term of 4 years. He is now serving in this office under an appointment which expires August 5, 1957.

The following-named officers for temporary appointment in the Army of the United States to the grades indicated under the provisions of title 10, United States Code, sections 3442 and 3447:

To be major generals

Brig. Gen. Theodore Scott Riggs, O17076, United States Army.

Brig. Gen. Garrison Barkley Coverdale, O17148, United States Army.

Brig. Gen. Hugh Mackintosh, O17716, Army of the United States (colonel, U. S. Army).

To be brigadier generals

Col. Herbert Volvenelle Mitchell, O18073, United States Army.

Col. Willis Almeron Perry, O18131, United States Army.

Col. Harrison Alan Gerhardt, O18697, United States Army.

Col. Charles John Timmes, O29777, United States Army.

Col. Richard John Meyer, O19147, United States Army.

Col. Samuel Edward Gee, O19251, United States Army.

HOUSE OF REPRESENTATIVES

TUESDAY, AUGUST 20, 1957

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, by whose grace we are privileged and permitted to enter upon a new day, make us eager to conserve the good which we have gained from our yesterdays and all the days that are past.

Inspire us with Thy grace to cooperate with one another in reaching out to loftier fields of endeavor and in making each succeeding day even more glorious.

Grant that we may manifest Thy grace in all of life's human contacts and relationships. Give us the grace to practice the Golden Rule and to forgive those who have wronged us, as Thou art always forgiving us.

May we cultivate the grace to refrain from hasty speech and harsh judgments; the grace that is tolerant and charitable toward the thoughts and opinions of others; the grace that will make us courageous enough to change our minds when that is needed.

Now may the grace of our Lord Jesus Christ, the love of God, and the fellowship of the Holy Spirit be with us all. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 5807. An act to amend further and make permanent the Missing Persons Act, as amended.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 9131. An act making supplemental appropriations for the fiscal year ending June 30, 1958, and for other purposes.

The message further announced that the Senate insists on its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. HAYDEN, Mr. RUSSELL, Mr. CHAVEZ, Mr. ELLENDER, Mr. HILL, Mr. HOLLAND, Mr. STENNIS, Mr. SALTONSTALL, Mr. YOUNG, Mr. KNOWLAND, Mr. THYE, Mr. MUNDT, and Mrs. SMITH of Maine to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 1556. An act granting the consent of Congress to the States of Montana, North Dakota, South Dakota, and Wyoming to negotiate and enter into a compact relating to their interest in, and the apportionment of, the waters of the Little Missouri River and its tributaries as they affect such States, and for related purposes; and

S. 1799. An act to facilitate the payment of Government checks, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8240) entitled "An act to authorize certain construction at military installations, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8992) entitled "An act to provide for the appointment of representatives of the United States in the organs of the International Atomic Energy Agency, and to make other provisions with respect to the participation of the United States in that Agency, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1747) entitled "An act to provide for the compulsory inspection by the United States Department of Agriculture of poultry and poultry products."

HERBERT E. HITCHCOCK

Mr. McGOVERN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. McGOVERN. Mr. Speaker, one of the most illustrious citizens of the State of South Dakota is former United States Senator Herbert E. Hitchcock, of Mitchell, S. Dak., who will celebrate his 90th birthday on Thursday of this week. Senator Hitchcock has not only lived a long life but he has filled his life with worthwhile endeavors in the interest of his fellow citizens.

Appointed to the United States Senate on December 29, 1936, by Gov. Tom Berry to complete the unexpired term of Senator Peter Norbeck, who died in office, Mr. Hitchcock won the esteem and the warm friendship of his colleagues during the 2 years that he served in the Senate.

As a senior fellow townsman of mine, he has for many years been a source of inspiration to me during the time that I was going through the public school system and the college of our city. His vast political and public experience was in more recent years of inestimable value to me during the time that I joined with other interested citizens in rebuilding our Democratic Party in South Dakota.

In 1954, Democratic county officers in all parts of the State selected Senator Hitchcock for the honorary title, "Mr. South Dakota Democrat." This is an honor the Mitchell attorney richly deserved but he is appreciated not only by his fellow partisans.

Senator Hitchcock has been an inspiration to good citizens throughout a long and constructive life. He has for many years held the respect of both Democrats and Republicans because of his keen interest in vital public issues.

Although I have no doubt that my esteemed friend and counselor will live for many more fruitful years, I want to take this occasion of his 90th birthday to express my public appreciation for the inspiring example that he has set for me and my fellow South Dakotans. We are all richer because he is our friend.

SUPPLEMENTAL APPROPRIATION ACT, 1958

Mr. CANNON. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 9131) making supplemental appropriations for the fiscal year ending June 30, 1958, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. WIGGLESWORTH. Mr. Speaker, reserving the right to object, I understand the chairman of the committee has reached an agreement with the gentleman from New York [Mr. TABER], the ranking minority member, to go to conference?

Mr. CANNON. That is true.

The SPEAKER. Is there objection to the request of the gentleman from Missouri? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. CANNON, MAHON, THOMAS, ROONEY, TABER, WIGGLESWORTH, and CLEVENGER.

COMMITTEE ON APPROPRIATIONS

Mr. CANNON. Mr. Speaker, I ask unanimous consent that the managers on the part of the House have until midnight tonight to file a conference report.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PROTECTING THE FBI FILES

Mr. HOSMER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOSMER. Mr. Speaker, I hope the leadership of both parties will listen to these relatively few words I say today on an extremely major issue which this Congress should face and solve before it adjourns. I, for one, shall refuse to vote for adjournment until it is met. In short, I shall oppose adjournment of this session until legislation is enacted to overturn the Supreme Court decisions now imposing almost impossible burdens on law-enforcement agencies of the Government.

I refer specifically to bills aimed at overcoming the Supreme Court decisions opening up FBI files to defense lawyers in criminal cases and related decisions affecting prosecution of criminal cases.

The indictment last week of Soviet Army Col. Rudolph Ivanovich Abel, a mastermind in the Soviet espionage network in America, is fresh evidence of the secret war against the United States being carried on within our own borders. Every moment we delay enacting laws to stop the FBI's secret weapons against subversion from being disclosed to friends and enemies alike, we are playing Russian roulette with American security.

Legislation is languishing in the committees of the House to correct this condition. It would permit Federal judges to withhold FBI from disclosure whenever the public interest, safety, and security is involved. It fully protects constitutional right by limiting testimony against defendants which could not be met without seeing the files.

Both FBI Director J. Edgar Hoover and Attorney General Herbert Brownell have made urgent pleas for enactment of this legislation.

Notwithstanding these pleas, and despite the fact that Congress has been in session almost 8 months and often spent days deliberating the most trivial pieces of legislation, nothing is yet on the law books. I am sure that the American people will agree with me when I say that Congress has no business going home until this gaping hole in the Nation's security is plugged.

INTERNATIONAL ATOMIC ENERGY AGENCY

Mr. DURHAM submitted the following conference report and statement on the bill (H. R. 8992) to provide for the appointment of representatives of the United States in the organs of the International Atomic Energy Agency, and to make other provisions with respect to the participation of the United States in that Agency, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 1200)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8992) to provide for the appointment of representatives of the United States in the organs of the International Atomic Energy Agency, and to make other provisions with respect to the participation of the United States in that Agency, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment: In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

"Be it enacted, etc., That this Act may be cited as the 'International Atomic Energy Agency Participation Act of 1957'.

"SEC. 2. (a) The President, by and with the advice and consent of the Senate, shall appoint a representative and a deputy representative of the United States to the International Atomic Energy Agency (hereinafter referred to as the 'Agency'), who shall hold office at the pleasure of the President. Such representative and deputy representative shall represent the United States on the Board of Governors of the Agency, may represent the United States at the General Conference, and may serve ex officio as United States representative on any organ of that Agency, and shall perform such other functions in connection with the participation of the United States in the Agency as the President may from time to time direct.

"(b) The President, by and with the advice and consent of the Senate, may appoint or designate from time to time to attend a specified session or specified sessions of the General Conference of the Agency a representative of the United States and such number of alternates as he may determine consistent with the rules of procedure of the General Conference.

"(c) The President may also appoint or designate from time to time such other persons as he may deem necessary to represent the United States in the organs of the Agency. The President may designate any officer of the United States Government, whose appointment is subject to confirmation by the Senate, to act, without additional compensation, for temporary periods as the representative of the United States on the Board of Governors or to the General Conference of the Agency in the absence or disability of the representative and deputy representative appointed under section 2 (a) or in lieu of such representatives in connection with a specified subject matter.

"(d) All persons appointed or designated in pursuance of authority contained in this section shall receive compensation at rates determined by the President upon the basis of duties to be performed but not in excess of rates authorized by sections 411 and 412 of the Foreign Service Act of 1946, as amended (22 U. S. C. 866, 867), for Chiefs of Mission and Foreign Service officers occupying positions of equivalent importance, except that no Member of the Senate or House of Representatives or officer of the United States who is designated under subsection (b) or subsection (c) of this section as a delegate or representative of the United States or as an alternate to attend any specified session or specified sessions of the General Conference shall be entitled to receive such compensation. Any person who receives compensation pursuant to the provisions of this subsection may be granted allowances and benefits not to exceed those received by Chiefs of Mission and Foreign Service officers occupying positions of equivalent importance.

"SEC. 3. The participation of the United States in the International Atomic Energy Agency shall be consistent with and in furtherance of the purposes of the Agency set forth in its Statute and the policy concerning the development, use, and control of atomic energy set forth in the Atomic Energy Act of 1954, as amended. The President shall, from time to time as occasion may require, but not less than once each year, make reports to the Congress on the activities of the International Atomic Energy Agency and on the participation of the United States therein. In addition to any other requirements of law, the Department of State and the Atomic Energy Commission shall keep the Joint Committee on Atomic Energy, the House Committee on Foreign Affairs, and the Senate Committee on Foreign Relations, as appropriate, currently informed with respect to the activities of the Agency and the participation of the United States therein.

"SEC. 4. The representatives provided for in section 2 hereof, when representing the United States in the organs of the Agency, shall, at all times, act in accordance with the instructions of the President, and such representatives shall, in accordance with such instructions, cast any and all votes under the Statute of the International Atomic Energy Agency.

"SEC. 5. There is hereby authorized to be appropriated annually to the Department of State, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary for the payment by the United States of its share of the expenses of the International Atomic Energy Agency as apportioned by the Agency in accordance with paragraph (D) of article XIV of the Statute of the Agency, and for all necessary salaries and expenses of the representatives provided for in section 2 hereof and of their appropriate staffs, including personal services without regard to the civil service laws and the Classification Act of 1949, as amended; travel expenses without regard to the Standardized Government Travel Regulations, as amended, the Travel Expense Act of 1949, as amended, and section 10 of the Act of March 3, 1933, as amended; salaries as authorized by the Foreign Service Act of 1946, as amended, or as authorized by the Atomic Energy Act of 1954, as amended, and expenses and allowances of personnel and dependents as authorized by the Foreign Service Act of 1946, as amended; services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); translating and other services, by contract; hire of passenger motor vehicles and other local transportation; printing and binding without regard to section II of the Act of March 1, 1919 (44 U. S. C. 111); official functions and courtesies; such sums as may be necessary to defray the expenses of United States participation in the Preparatory Commission for the Agency, established pursuant to annex I of the Statute of the Agency; and such other expenses as may be authorized by the Secretary of State.

"SEC. 6. (a) Notwithstanding any other provision of law, Executive order or regulation, a Federal employee who, with the approval of the Federal agency or the head of the department by which he is employed, leaves his position to enter the employ of the Agency shall not be considered for the purposes of the Civil Service Retirement Act, as amended, and the Federal Employees' Group Life Insurance Act of 1954, as amended, as separated from his Federal position during such employment with the Agency but not to extend beyond the first three consecutive years of his entering the employ of the Agency: *Provided,* (1) That he shall pay to the Civil Service Commission within ninety days from the date he is separated without prejudice from the Agency all necessary deductions and agency contributions for coverage under the Civil Service Retirement Act for the period of his employment by the Agency, and (2) That all deductions and agency contributions necessary for continued coverage under the Federal Employees' Group Life Insurance Act of 1954, as amended, shall be made during the term of his employment with the International Atomic Energy Agency. If such employee, within three years from the date of his employment with the Agency, and within ninety days from the date he is separated without prejudice from the Agency, applies to be restored to his Federal position, he shall within thirty days of such application be restored to such position or to a position of like seniority, status and pay.

"(b) Notwithstanding any other provision of law, Executive order or regulation, any Presidential appointee or elected officer who leaves his position to enter, or who within ninety days after the termination of his position enters, the employ of the Agency, shall be entitled to the coverage and benefits of the Civil Service Retirement Act, as amended, and the Federal Employees' Group Life Insurance Act of 1954, as amended, but not beyond the earlier of either the termination of his employment with the Agency or the expiration of three years from the date he entered employment with the Agency: *Provided,* (1) That he shall pay to the Civil Service Commission within ninety days from the date he is separated without prejudice from the Agency all necessary deductions and agency contributions for coverage under the Civil Service Retirement Act for the period of his employment by the Agency, and (2) That all deductions and agency contributions necessary for continued coverage under the Federal Employees'

Group Life Insurance Act of 1954, as amended, shall be made during the term of his employment with the Agency.

"(c) The President is authorized to prescribe such regulations as may be necessary to carry out the provisions of this section and to protect the retirement, insurance and such other civil service rights and privileges as the President may find appropriate.

"SEC. 7. Section 54 of the Atomic Energy Act of 1954, as amended, is amended by adding the following new sentences: 'Unless hereafter otherwise authorized by law the Commission shall be compensated for special nuclear material so distributed at not less than the Commission's published charges applicable to the domestic distribution of such material, except that the Commission to assist and encourage research on peaceful uses or for medical therapy may so distribute without charge during any calendar year only a quantity of such material which at the time of transfer does not exceed in value $10,000 in the case of one nation or $50,000 in the case of any group of nations. The Commission may distribute to the International Atomic Energy Agency, or to any group of nations, only such amounts of special nuclear materials and for such periods of time as are authorized by Congress: *Provided, however,* That, notwithstanding this provision, the Commission is hereby authorized subject to the provisions of section 123, to distribute to the Agency five thousand kilograms of contained uranium-235, together with the amounts of special nuclear material which will match in amount the sum of all quantities of special nuclear materials made available by all other members of the Agency to July 1, 1960.'

"SEC. 8. In the event of an amendment to the Statute of the Agency being adopted in accordance with article XVIII-C of the Statute to which the Senate by formal vote shall refuse its advice and consent, upon notification by the Senate to the President of such refusal to advise and consent, all further authority under section 2, 3, 4, and 5 of this Act, as amended, shall terminate: *Provided, however,* That the Secretary of State, under such regulations as the President shall promulgate, shall have the necessary authority to complete the prompt and orderly settlement of obligations and commitments to the Agency already incurred and pay salaries, allowances, travel expenses, and other expenses required for a prompt and orderly termination of United States participation in the Agency: *And provided further,* That the representative and the deputy representative of the United States to the Agency, and such other officers or employees representing the United States in the Agency, under such regulations as the President shall promulgate, shall retain their authority under this Act for such time as may be necessary to complete the settlement of matters arising out of the United States participation in the Agency" and the Senate agree to the same.

CARL T. DURHAM,
MELVIN PRICE,
PAUL J. KILDAY,
STERLING COLE,
JAMES E. VAN ZANDT,
Managers on the Part of the House.

CLINTON P. ANDERSON,
JOHN O. PASTORE,
ALBERT GORE,
HENRY M. JACKSON,
BOURKE B. HICKENLOOPER,
WILLIAM F. KNOWLAND,
JOHN W. BRICKER,
HENRY DWORSHAK,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 8992) to provide for the appointment of representatives of the United States in the organs of the International Atomic Energy Agency, and to make other provisions with respect to the participation of the United States in that Agency, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to such amendment, namely:

The main matter in dispute between the House and the Senate was the desirability of requiring that other amounts of materials beyond the amount tentatively offered to the Agency by the President in his message of October 26, 1956, should be transferred only after Congressional authorization. The Senate members of the conference insisted that this requirement would have been written into the Resolution of Ratification if it had not been certain that it would have gone into the Participation Act. There is no doubt in the minds of Members of the House of the importance of having Congressional control of some kind over the materials to be transferred. While it was the thought of the House Members that there were already adequate controls for this purpose in the Atomic Energy Act, the House Members receded from their objections when the amendment was broadened so as to include all international agencies and not to single out just the International Atomic Energy Agency. In addition, the language of the requirement for Congressional authorization is broadened to require the Congress indicate the time limit on the authorization. This was done in order to negate any idea in other nations that the Congressional authorization would be required for either single years or single projects.

CARL T. DURHAM,
MELVIN PRICE,
PAUL J. KILDAY,
STERLING COLE,
JAMES E. VAN ZANDT,
Managers on the Part of the House.

Mr. DURHAM. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill H. R. 8992.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. GROSS. Reserving the right to object, Mr. Speaker, this conference report has not been printed; therefore, it is not in conformance with the rules of the House for the matter to be under consideration at this time. Is that not correct?

The SPEAKER. That is the reason the gentleman from North Carolina is asking unanimous consent to take it up now.

Mr. GROSS. Is any printed information available?

The SPEAKER. The Chair has no information on that. The Chair is simply putting a unanimous-consent request.

Mr. GROSS. Mr. Speaker, I object.

Mr. COLE. Mr. Speaker, will the gentleman withhold his objection?

Mr. GROSS. I withhold the objection, Mr. Speaker.

Mr. COLE. What the gentleman says is right; the printed report is not available, but I am sure the explanation that will be given to the gentleman will satisfy him that the work of the conferees is entirely acceptable.

Mr. GROSS. May I have the assurance of the gentleman from North Carolina that the conference report will be explained so that the House may know what changes were made in conference?

Mr. DURHAM. I will try to do that.

Mr. GROSS. I withdraw my objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. DURHAM. Mr. Speaker, I ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the statement.

Mr. DURHAM. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker and Members of the House, this is the implementing legislation for the treaty which was signed some weeks ago in regard to the international organization. The difference between the House and the other body was on the so-called Bricker amendment. The Bricker amendment put a limitation in the bill. The President, as we all recall, first obligated 5,000 kilograms of this material to the International Agency to begin with. Under the treaty, of course, there are, I believe, 82 nations which will meet in Geneva to finally organize this agency in October. The safeguards that the committee put around this Agency and which were of some concern to Members of the House and the Members of the other body, I think, are adequate. The State Department at first objected to part of the Bricker amendment. In revising the amendment, we made it so that all of the international organizations which participate in this material such as Euratom and under our bilateral agreements, they will all be treated alike. The committee felt, of course, that it was the best procedure to try to treat them all alike in the distribution of this material. We do not give this material away, except for small grants for research purposes. It is sold at the prevailing price, which is about $16,000 a kilogram. That, in substance, explains the conference report as far as I know.

Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. COLE].

Mr. COLE. Mr. Speaker, as the gentleman from North Carolina has explained, this conference report relates to the bill which is called the participation act making it possible for our Government to designate a member of the Board of Governors which will direct the International Atomic Energy Agency and for that representative of our Government to engage whatever personnel he may need to carry out that responsibility. There was an amendment, a sentence added to the bill by the Joint Committee which, in the minds of some of us, was highly objectionable. The effect of that amendment was, with respect to the International Agency, with the exception of the amounts heretofore promised by the President of fissionable material and special nuclear material, that hereafter the Congress would have to pass an act authorizing the transfer of any additional amounts.

That was felt to be discriminatory against the Agency and too restrictive to permit the Agency to operate in a reasonable program. The conferees worked out a compromise which seems to have accomplished all that the so-called Bricker amendment sought to accomplish, but at the same time removing some of the discriminatory aspects and its limitations. It is now worded so that the Commission may distribute to the International Agency or to any other group of nations only those amounts of special nuclear material and for such periods of time as the Congress may designate. So that as it is now worded, both the amounts of material and the periods of time under which those amounts may be sold to the Agency are retained in the hands of the Congress. It indicates that the Congress may, by appropriate act, authorize the sale of whatever quantity the Congress feels reasonable and for whatever period of time the Agency may need to use that material. So there is a reasonably acceptable compromise from both viewpoints. I urge that the conference report be accepted.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. COLE. I yield.

Mr. GROSS. This bill provides for participation in the international organization?

Mr. COLE. Yes.

Mr. GROSS. Were any further safeguards provided, strengthening the ability of this international organization to control fissionable material?

Mr. COLE. Whatever additional safeguards may be added would not be appropriate for the participation act, because the statute which has been ratified by the required number of countries covers the operation of the agency itself. It contains safeguards appropriate for the inspection of the operations of the agency, to make sure that there is no diversion of this material to nonpeaceful purposes, and provides for penalties and sanctions in case of violation of the commitment.

Mr. GROSS. The gentleman may disagree, but one of my reasons for opposing the bill was that there were not adequate safeguards set up in the international statute despite the inspection provisions, and so forth and so on.

Mr. COLE. The gentleman should know that our Government is now engaged in making bilateral agreements with individual countries in which our Government retains the right of inspection for the purpose of safety and health of the people, and to prevent diversion. Those very same safeguards are contained in the statute of the international organization.

Mr. GROSS. I thank the gentleman for yielding.

Mr. DURHAM. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

MILITARY CONSTRUCTION ACT OF 1957

Mr. VINSON. Mr. Speaker, I call up the conference report on the bill (H. R. 8240) to authorize certain construction at military installations, and for other purposes, and I ask unanimous consent that the statement be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

MILITARY CONSTRUCTION ACT OF 1957 (H. REPT. NO. 1193)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 8240) to authorize certain construction at military installations, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"TITLE I

"SEC. 101. The Secretary of the Army may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including site preparation, appurtenances, utilities and equipment, for the following projects:

"Inside the United States

"Technical Services Facilities

"(Ordnance Corps)

"Aberdeen Proving Ground, Maryland: Troop housing, $2,288,000.

"Anniston Ordnance Depot, Alabama: Utilities, $2,015,000.

"Jet propulsion laboratory, California: Utilities, $130,000.

"Savanna Ordnance Depot, Illinois: Supply facilities, and utilities, $758,000.

"Sioux Ordnance Depot, Nebraska: Maintenance facility, $249,000.

"White Sands Proving Ground, New Mexico: Operational and training facilities, maintenance facilities, research and development facilities, storage facilities, administrative facilities, troop housing, community facilities, and utilities, $16,530,000.

"(Quartermaster Corps)

"Atlanta General Depot, Georgia: Operational facility, land acquisition, and utilities, $595,000.

"New Cumberland General Depot, Pennsylvania: Operational facilities, and utilities, $464,000.

"Fort Lee, Virginia: Operational facility, storage facilities, hospital facility, troop housing, and utilities, $5,417,000.

"Seattle Quartermaster Market Center, Washington: Land acquisition, $40,000.

"Sharpe General Depot, California: Operational facilities, and utilities, $110,000.

"Fort Worth General Depot, Texas: Operational facility, and land acquisition, $95,000.

"(Chemical Corps)

"Fort Detrick, Maryland: Utilities, $627,000.

"Dugway Proving Ground, Utah. Troop housing, $54,000.

"(Signal Corps)

"Fort Huachuca, Arizona: Troop housing, $1,936,000.

"(Corps of Engineers)

"Cold regions laboratory, Hanover, New Hampshire: Research and development facility, $2,496,000.

"Fort Belvoir, Virginia: Operational facilities, training facility, and maintenance facility, $1,654,000.

"Granite City Engineer Depot, Illinois: Utilities, $765,000.

"(Transportation Corps)

"Brooklyn Army Base, New York: Operational facilities, $1,169,000.

"Charleston TC Depot, South Carolina: Operational facilities, $306,000.

"Fort Eustis, Virginia: Operational facilities, troop housing, and utilities, $562,000.

"(Medical Corps)

"Fitzsimons Army Medical Center, Colorado: Troop housing, $937,000.

"Walter Reed Medical Center, Washington, D. C.: Utilities, $1,920,000.

"Field Forces Facilities

"(First Army area)

"Fort Devens, Massachusetts: Operational facilities, maintenance facilities, administrative facilities, troop housing, and utilities, $6,719,000.

"(Second Army area)

"A. P. Hill Military Reservation, Virginia: Troop housing, $153,000.

"Fort Knox, Kentucky: Operational facilities, maintenance facilities, storage facilities and utilities, $4,205,000.

"Fort George G. Meade, Maryland: community facilities, $589,000.

"Fort Ritchie, Maryland: Troop housing, $320,000.

"(Third Army area)

"Fort Benning, Georgia: Operational facilities, and maintenance facilities, $1,583,000.

"Fort Bragg, North Carolina: Operational and maintenance facilities, $1,051,000.

"Fort Campbell, Kentucky: Operational facilities, maintenance facilities, ground improvements, and utilities, $5,117,000.

"Fort Rucker, Alabama: Operational facilities, and troop housing, $7,549,000.

"Fort Stewart, Georgia: Troop housing, $3,691,000.

"(Fourth Army area)

"Fort Bliss, Texas: Operational facilities, training facilities, maintenance facilities, storage facilites, medical facility, administrative facilities, troop housing, community facilities, and utilities, $7,704,000.

"Fort Hood, Texas: Operational facilities, training facilities, administrative facility, maintenance facilities, community facility, and utilities, $2,362,000.

"Fort Polk, Louisiana: Operational facilities, maintenance facilities, troop housing, and utilities, $7,734,000.

"Fort Sam Houston, Texas: Acquisition of land and improvements, $675,000.

"(Fifth Army area)

"Fort Carson, Colorado: Utilities, $1,049,000.

"Fort Leavenworth, Kansas: Utilities, $336,000.

"Fort Riley, Kansas: Operational facility, maintenance facility, and troop housing, $2,525,000.

"Fort Leonard Wood, Missouri: Troop housing, $4,663,000.

"(Sixth Army area)

"Fort Lewis, Washington: Operational facilities, maintenance facilities, administrative facilities, community facility, and utilities, $1,487,000.

"Fort Ord, California: Operational facilities, maintenance facilities, and utilities, $3,307,000.

"(Military Academy)

"United States Military Academy, West Point, New York: Utilities, $1,666,000.

"(Armed Forces special weapons)

"Various installations: Operational facility, community facilities, and utilities, $1,056,000.

"(Tactical installations support facilities)

"Various locations: Operational facility, maintenance facilities, administrative facilities, storage facilities, community facilities, troop housing, family housing, and utilities, $8,466,000.

Outside continental United States

"(Alaskan area)

"Alaska general, Eielson Air Force Base, Fort Greely, Ladd Air Force Base, Fort Richardson, and tactical installations: Operational facilities, maintenance facilities, administrative facilities, family housing, and utilities, $4,143,000.

"(Pacific Command area)

"Tripler Army Hospital, Hawaii: Medical facilities, $154,000.

"(Caribbean command area)

"Fort Buchanan, Puerto Rico: Utilities, $137,000.

"Fort Gulick, Canal Zone: Community facility, $289,000.

"(United States Army, Europe)

"Various locations: Maintenance facilities, and storage facilities, $20,754,000.

"(Army Forces Far East)

"Various installations: Operational facilities, training facilities, maintenance facilities; storage facilities, troop housing, community facilities, administrative facilities, medical facilities, and utilities, $9,000,000.

"SEC. 102. The Secretary of the Army may establish or develop classified military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities and equipment, in a total amount of $143,002,000.

"SEC. 103. The Secretary of the Army is authorized to purchase out of appropriations available for military construction family housing including necessary land at, or near, military tactical installations for assignment as public quarters to military personnel and their dependents. Not more than 300 units of such housing may be purchased under this section. Space limitations per unit will be in accordance with subsections (a), (b), and (c) of section 4774 of title 10, United States Code, and cost limitations as now or hereafter established for military housing constructed with appropriated funds.

"SEC. 104. (a) Public Law 209, Eighty-third Congress, is amended, under the heading 'Continental United States' in section 101, as follows:

"Under the subheading 'Technical Services Facilities (Ordnance Corps)' with respect to Red River Arsenal, Texas, strike out '$1,808,000' and insert in place thereof '$2,212,000.'

"(b) Public Law 209, Eighty-third Congress, as amended, is amended by striking out in clause (1) of section 502 the amounts '$44,003,000' and '$133,671,000' and inserting in place thereof '$44,407,000' and '$134,075,000', respectively.

"SEC. 105. (a) Public Law 534, Eighty-third Congress, as amended, is amended under the heading 'Continental United States' in section 101, as follows:

"Under the subheading 'Technical Services Facilities (Signal Corps)' with respect to Department of the Army transmitting station, vicinity of Camp Detrick, Maryland, strike out '$2,360,000' and insert in place thereof '$3,137,000'.

"Under the subheading 'Field Forces Facilities (Military Academy)' with respect to United States Military Academy, New York, strike out '$9,950,000' and insert in place thereof '$11,983,000'.

"(b) Public Law 534, Eighty-third Congress, as amended, is amended by striking out in clause (1) of section 502 the amounts '$129,096,000' and '$236,060,000' and inserting in place thereof '$131,906,000' and '$238,870,000', respectively.

"SEC. 106. (a) Public Law 161, Eighty-fourth Congress, as amended, is amended under the heading 'Continental United States' in section 101, as follows:

"Under the subheading 'Technical Services Facilities (Ordnance Corps)'—

"(1) with respect to Aberdeen Proving Ground, Maryland, strike out '$1,736,000' and insert in place thereof '$2,039,000'.

"(2) with respect to Seneca Ordnance Depot, New York, strike out '$129,000' and insert in place thereof '$212,000'.

"Under the subheading 'Technical Services Facilities (Quartermaster Corps)'—with respect to Fort Lee, Virginia, strike out '$8,589,000' and insert in place thereof '$9,874,000'.

"Under the subheading 'Technical Services Facilities (Chemical Corps)'—

"(1) with respect to Camp Detrick, Maryland, strike out '$452,000' and insert in place thereof '$525,000'.

"(2) with respect to Dugway Proving Ground, Utah, strike out '$1,129,000' and insert in place thereof '$1,491,000'.

"Under the subheading 'Technical Services Facilities (Transportation Corps)'—

"(1) with respect to Brooklyn Army Base, New York, strike out '$1,055,000' and insert in place thereof '$1,240,000'.

"(2) with respect to Fort Eustis, Virginia, strike out '$6,597,000' and insert in place thereof '$8,072,000'.

"Under the subheading 'Technical Services (Medical Corps)'—

Facilities (Medical Corps)'—

"(1) with respect to Brooke Army Medical Center, Texas, strike out '$549,000' and insert in place thereof '$876,000'.

"(2) with respect to Madigan Army Hospital, Washington, strike out '$333,000' and insert in place thereof '$669,000'.

"(3) with respect to Walter Reed Army Medical Center, District of Columbia, strike out '$3,557,000' and insert in place thereof '$4,472,000'.

"Under the subheading 'Field Forces Facilities (Second Army Area)'—with respect to Fort Holabird, Maryland, strike out '$612,000' and insert in place thereof '$800,000'.

"Under the subheading 'Field Forces Facilities (Third Army Area)'—with respect to Camp Jackson, South Carolina, strike out '$5,000,000' and insert in place thereof '$7,500,000'.

"Under the subheading 'Field Forces Facilities (Fourth Army Area)'—with respect to Fort Hood, Texas, strike out '$12,922,000' and insert in place thereof '$14,283,000'.

"Under the subheading 'Field Forces Facilities (Fifth Army Area)'—

"(1) with respect to Fort Carson, Colorado, strike out '$7,487,000' and insert in place thereof '$8,621,000'.

"(2) with respect to Fort Leavenworth, Kansas, strike out '$8,615,000' and insert in place thereof '$9,893,000'.

"(3) with respect to Camp Lucas, Michigan, strike out '$145,000'. and insert in place thereof '$193,000'.

"Under the subheading 'Field Forces Facilities (Armed Forces Special Weapons Project)'—with respect to various installations, strike out '$3,014,000' and insert in place thereof '$3,204,000'.

"(b) Public Law 161, Eighty-fourth Congress, as amended, is amended under the heading 'Outside Continental United States' in section 101 as follows:

"Under the subheading 'Alaskan Area'—with respect to Wildwood Station (Kenai) strike out '$469,000' and insert in place thereof '$559,000'.

"(c) Public Law 161, Eighty-fourth Congress, as amended, is amended by striking out in clause (1) of section 502 the amounts '$225,277,000', '$74,984,000', and '$534,254,000' and inserting in place thereof '$237,320,000', '$75,074,000', and '$546,387,000', respectively.

SEC. 107. (a) Public Law 968, Eighty-fourth Congress is amended under the heading 'Inside the United States' in section 101 as follows:

"Under the subheading 'Technical Services Facilities (Ordnance Corps)'—

"(1) with respect to Seneca Ordnance Depot, New York, strike out '$88,000' and insert in place thereof '$136,000'.

"(2) with respect to Redstone Arsenal, Alabama, strike out '$6,159,000' and insert in place thereof '$8,593,000'.

Under the subheading 'Technical Services Facilities (Quartermaster Corps)'—

"(1) with respect to Atlanta General Depot, strike out '$832,000' and insert in place thereof '$984,000'.

"(2) with respect to Fort Worth General Depot, Texas, strike out '$1,285,000' and insert in place thereof '$1,847,000'.

"Under the subheading 'Field Forces Facilities'—

"(1) with respect to Fort Bliss, Texas, strike out '$5,301,000' and insert in place thereof '$8,293,000'.

"(2) with respect to Fort Sill, Oklahoma, strike out '$4,173,000' and insert in place thereof '$5,798,000'.

"(3) with respect to Fort Leavenworth, Kansas, strike out '$1,092,000' and insert in place thereof '$1,373,000'.

"(b) Public Law 968, Eighty-fourth Congress, as amended, is amended by striking out in section 102, '$200,783,000' and inserting in place thereof '$203,331,000'.

"(c) Public Law 968, Eighty-fourth Congress, as amended, is amended by striking out in clause (1) of section 402 the amounts '$86,916,000', '$200,783,000', and '$323,462,000' and inserting in place thereof '$95,010,000', '$203,331,000', and '$334,104,000', respectively.

"TITLE II

"SEC. 201. The Secretary of the Navy may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing, permanent or temporary public works, including site preparation, appurtenances, utilities, and equipment for the following projects:

"Inside the United States

"Shipyard Facilities

"Naval Engineering Experiment Station, Annapolis, Maryland: Development and test facilities, $618,000.

"Naval Shipyard, Bremerton, Washington: Drydock $25,438,000.

"Naval Shipyard, Brooklyn, New York: Utilities, $1,452,000.

"Naval Shipyard, Long Beach, California: Facilities for remedying effects of ground subsidies, $1,500,000.

"Naval Submarine Base, New London, Connecticut: Waterfront facilities, $2,966,000.

"Fleet Base Facilities

"Naval Station, Key West, Florida: Troop housing, $1,326,000.

"Naval Station, Long Beach, California: Waterfront facilities, $544,000.

"Naval Station, Newport, Rhode Island: Troop housing, and utilities, $2,729,000.

"Aviation Facilities

"(Naval air training stations)

"Naval Auxiliary Air Station, Chase Field, Texas: Operational facilities, $566,000.

"Naval Air Station, Corpus Christi, Texas: Operational facilities (Optical landing system), $140,000.

"Naval Air Station, Glynco, Georgia: Utilities, $293,000.

"Naval Auxiliary Air Station, Kingsville, Texas: Operational facilities (Optical landing system), $160,000.

"Navy Auxiliary Air Station, Meridian, Mississippi: Operational facilities, and maintenance facilities, $13,387,000.

"Naval Auxiliary Air Station, New Iberia, Louisiana: Operational facilities, and maintenance facilities, $3,653,000.

"Naval Air Station, Pensacola: Operational facilities, waterfront facilities, and land acquisition, $6,225,000.

"Navy Auxiliary Air Station, Saufley Field, Florida: Operational facilities (Tactical air navigation facility), $39,000.

"(Fleet support air stations)

"Naval Air Stations, Alameda, California: Operational facilities, (Guided missile support facilities), $185,000.

"Naval Air Station, Brunswick, Maine: Operational facilities, and land acquisition, $180,000.

"Naval Air Station, Cecil Field, Florida: Operational facilities, and land acquisition, $5,089,000.

"Naval Air Station, Chincoteague, Virginia: Operational facilities, and land acquisition, $2,818,000.

"Naval Auxiliary Landing Field, Crows Landing, California: Operational facilities (Tactical air navigation facility), $39,000.

"Naval Auxiliary Air Station, El Centro, California: Operational facilities, and land acquisition, $4,310,000.

"Naval Auxiliary Air Station, Fallon, Nevada: Operational facilities, and land acquisition, $4,199,000.

"Naval Seaplane Facility, Harvey Point, North Carolina: Operational facilities, waterfront facilities, supply facilities, and utilities, $5,728,000.

"Naval Air Station, Jacksonville, Florida: Operational facilities (Tactical air navigation facility), $39,000.

"Naval Air Station, Key West, Florida: Operational facilities (Optical landing system), $130,000.

"Naval Air Station, Lemoore, California: Operational facilities, maintenance facilities and utilities, $27,535,000.

"Naval Auxiliary Air Station, Mayport, Florida: Operational facilities, $384,000.

"Naval Air Station, Miramar, California: Operational facilities, $3,401,000.

"Naval Air Station, Norfolk, Virginia: Operational facilities (Tactical Air Navigation facility), $39,000.

"Naval Air Station, North Island, San Diego, California: Maintenance facilities, and supply facilities, $7,964,000.

"Naval Air Station, Oceana, Virginia: Operational and training facilities, maintenance facilities, utilities and ground improvements, and land acquisition, $6,975,000.

"Naval Air Station, Quonset Point, Rhode Island: Operational facilities (Aircraft parking areas), $882,000.

"Naval Auxiliary Landing Field, San Clemente Island, California: Operational facilities, waterfront facilities, and utilities, $9,448,000.

"Naval Air Station, Whidbey Island, Washington: Operational facilities, and land acquisition, $9,365,000.

"(Marine Corps air stations)

"Marine Corps Auxiliary Air Station, Beaufort, South Carolina: Operational facilities, supply facilities, and administrative facilities, $2,632,000.

"Marine Corps Air Station, Cherry Point, North Carolina: Operational facilities, maintenance facilities, administrative facilities, supply facilities, and utilities and ground improvements, $6,503,000.

"Marine Corps Air Station, El Toro, California: Operational facilities, $3,620,000.

"Marine Corps Auxiliary Air Station, Mojave, California: Land acquisition, $3,281,000.

"Marine Corps Air Facility, New River, North Carolina: Operational facilities, $39,000.

"(Special purpose air stations)

"Naval Air Development Center, Johnsville, Pennsylvania: Operational facilities, $39,000.

"Naval Air Station, Patuxent River, Maryland: Operational facilities, $2,209,000.

"Naval Air Missile Test Center, Point Mugu, California: Operational facilities (including operational facilities on San Nicolas Island), $7,669,000.

"Naval Air Facility, to be known as John H. Towers Field, and to be located at Andrews Air Force Base, Camp Springs, Maryland, operational facilities, utilities, and ground improvements, $3,200,000.

"Supply Facilities

"Electronics Supply Office, Great Lakes, Illinois: Administrative facilities, $92,000.

"Naval Ordnance Supply Office, Mechanicsburg, Pennsylvania: Administrative facilities, $155,000.

"Aviation Supply Office, Philadelphia, Pennsylvania: Administrative facilities, $550,000.

"Marine Corps Facilities

"Marine Corps Supply Center, Albany, Georgia: Community facilities, $140,000.

"Marine Corps Supply Center, Barstow, California: Maintenance facilities, administrative facilities, and utilities, $6,841,000.

"Marine Corps Base, Camp Lejeune, North Carolina: Operational and training facilities, and utilities, $2,372,000.

"Marine Corps Recruit Depot, Parris Island, South Carolina: Training facilities, troop housing, messhall, and utilities, $2,643,000.

"Marine Corps Base, Camp Pendleton, California: Operational facilities, and utilities, $1,469,000.

"Marine Corps School, Quantico, Virginia: Supply facilities, troop housing, and utilities, $1,923,000.

"Marine Corps Recruit Depot, San Diego, California: Training facilities, $116,000.

"Marine Corps Training Center, Twentynine Palms, California: Training facilities, maintenance facilities, administrative facilities, and community facilities, $2,331,000.

"Ordnance Facilities

"Naval Ammunition Depot, Bangor, Washington: Utilities, $316,000.

"Ordnance Aerophysics Laboratory, Daingerfield, Texas: Research and development facilities, $2,649,000.

"Applied Physics Laboratory, Howard County, Maryland: Research and development facilities, $1,452,000.

"Naval Magazine, Port Chicago, California: Utilities, $236,000.

"Service School Facilities

"Naval Academy, Annapolis, Maryland: Dormitory foundations, $1,602,000.

"Naval Training Center, Great Lakes, Illinois: Training facilities, and troop housing, $5,598,000.

"Naval Training Center, San Diego, California: Troop housing, $1,613,000.

"Communication Facilities

"Naval Communication Station, Norfolk, Virginia: Operational facilities, $443,000.

"Naval Communication Station, San Diego, California: Operational facilities, $100,000.

"Naval Communication Center, Stockton, California: Operational facilities, and land acquisition, $460,000.

"Naval Radio Station, Washington County, Maine: Operational facilities, and utilities, $13,982,000.

"Yards and Docks Facilities

"Naval Shipyard, Brooklyn, New York: Utilities, $332,000.

"Public Works Center, Norfolk, Virginia: Utilities, $3,244,000.

"Naval Construction Battalion Center, Port Hueneme, California: Supply facilities, and administrative facilities, $759,000.

"Outside the United States

"Shipyard Facilities

"Naval Shipyard, Pearl Harbor, Oahu, Territory of Hawaii: Operational facilities, $1,297,000.

"Naval Base, Subic Bay, Luzon, Philippine Islands: Maintenance facilities, hospital facilities, troop housing and community facilities, and utilities, $1,750,000.

"Naval Station, Subic Bay, Luzon, Philippine Islands: Troop housing and community facilities, supply facilities, and ground improvements, $7,576,000.

"Fleet Base Facilities

"Naval Station, Adak, Alaska: Hospital facilities, community facilities, and family housing, $1,005,000.

"Commander-in-Chief Pacific, Headquarters, Pearl Harbor, Oahu, Territory of Hawaii: Administrative facilities and utilities, $332,000.

"Naval Station, San Juan, Puerto Rico: Utilities, $190,000.

"Aviation Facilities

"Naval Air Station, Agana, Guam, Mariana Islands: Operational facilities (Guided missile support facilities), $428,000.

"Naval Station, Argentia, Canada: Family housing and community facilities, $1,793,000.

"Naval Air Station, Barber's Point, Oahu, Territory of Hawaii: Operational facilities (Aircraft parking areas), $2,088,000.

"Naval Air Station, Cubi Point, Luzon, Philippine Islands: Operational facilities, and land acquisition, $149,000.

"Naval Air Station, Guantanamo Bay, Cuba: Operational facilities, $5,730,000.

"Marine Corps Air Station, Kaneohe Bay, Oahu, Territory of Hawaii: Operational facilities, $249,000.

"Naval Station, Kwajalein, Marshall Islands: Operational facilities (Tactical air navigation facility), $69,000.

"Naval Station, Midway Islands, Territory of Hawaii: Operational facilities (tactical air navigation facility), $69,000.

"Naval Air Facility, Naha, Okinawa: Waterfront facilities at White Beach, $504,000.

"Naval Air Station, Roosevelt Roads, Puerto Rico: Operational facilities, maintenance facilities, troop housing, utilities, and land acquisition, $15,182,000.

"Supply Facilities

"Naval Station, Adak, Alaska: Supply facilities, $1,550,000.

"Naval Station, Guam, Mariana Islands: Community facilities, $884,000.

"Naval Supply Depot, Subic Bay, Luzon, Philippine Islands: Supply facilities, $397,000.

"Ordnance Facilities

"Naval Ammunition Depot, Oahu, Territory of Hawaii: Utilities, and land acquisition, $326,000.

"Communication Facilities

"Naval Communication Station, Adak,, Alaska: Troop housing, $1,053,000.

"Naval Communication Station, Finegayan, Guam, Mariana Islands: Troop housing, $594,000.

"Naval Security Group Activity, Istanbul, Turkey: Operational facilities, and troop housing, $130,000.

"Naval Security Group Activity, Sakata, Japan: Operational facilities: $69,000.

"Naval Radio Station, Wahiawa, Oahu, Territory of Hawaii: Operation facilities, $4,392,000.

"Yards and Dock Facilities

"Public Works Center, Subic Bay, Luzon, Philippine Islands: Maintenance facilities, $393,000.

"SEC. 202. The Secretary of the Navy may establish or develop classified naval installations and facilities by constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment in the total amount of $59,056,000.

"SEC. 203. (a) Public Law 534, Eighty-second Congress, as amended, is amended under the hearing 'Continental United States' in section 201, as follows:

"Under the subheading 'Yards and Docks Facilities', with respect to 'Various locations', strike out '$4,500,000' and insert in place thereof '$5,460,000'.

"(b) Public Law 534, Eighty-second Congress, as amended, is amended by striking out in section 202 '$86,397,000' and inserting in place thereof '$95,489,000'.

"(c) Public Law 534, Eighty-second Congress, as amended, is amended by striking out in clause (2) of section 402 the amounts '$138,183,000', '$86,397,000', and '$256,875,000' and inserting respectively in place thereof, '$139,143,000', '$95,489,000', and '$266,927,000'.

"SEC. 204. (a) Public Law 534, Eighty-third Congress, as amended, is amended under the heading 'Continental United States' in section 201 as follows:

"Under the subheading 'Aviation Facilities' with respect to the Naval Auxiliary Air Station, El Centro, California, strike out '$225,000' and insert in place thereof '$369,000'; with respect to the Marine Corps Air Station, El Toro, California, strike out '$1,675,000' and insert in place thereof '$2,030,000'; and with respect to the Naval Air Station, Glenview, Illinois, strike out '$70,000' and insert in place thereof '$170,000'.

"(b) Public Law 534, Eighty-third Congress, as amended, is amended by striking out, in section 202 '$63,358,000' and inserting in place thereof '$70,656,000'.

"(c) Public Law 534, Eighty-third Congress, as amended, is amended by striking out in clause (2) of section 502 the amounts '$102,956,000', '$63,358,000', '$202,807,000' and inserting respectively in place thereof '$103,555,000', '$70,656,000', and '$210,704,000'.

"SEC. 205. (a) Public Law 161, Eighty-fourth Congress, as amended, is amended under the heading 'Continental United States' in section 201 as follows:

"(1) Under the subheading 'Shipyard Facilities', with respect to the Naval Repair Facility, San Diego, California, strike out '$629,000' and insert in place thereof '$1,099,000'.

"(2) Under the subheading 'Fleet Base Facilities', with respect to the Naval Station, Orange, Texas, strike out '$399,000' and insert in place thereof '$563,000'.

"(3) Under the subheading 'Aviation Facilities (Naval Air Training Stations)', with respect to the Naval Auxiliary Air Station, Kingsville, Texas, strike out '$3,686,000' and insert in place thereof '$4,292,000'; and with respect to the Naval Auxiliary Air Station, New Iberia, Louisiana, strike out '$24,361,000' and insert in place thereof '$26,871,000',

"(4) Under the subheading 'Aviation Facilities (Fleet Support Air Stations)', with respect to the Naval Air Station, Alameda, California, strike out '$3,729,000' and insert in place thereof '$4,217,000'; with respect to the Naval Air Station, Moffett Field California, strike out '$2,581,000' and insert in place thereof '$4,355,000'; and with respect to the Outlying Field, Whitehouse Field, Duval County, Florida, strike out '$1,687,000' and insert in place thereof '$1,587,000'.

"(5) Under the subheading 'Aviation Facilities (Special Purpose Air Stations)', with respect to the Naval Air Station, Lakehurst, New Jersey, strike out '$16,311,000' and insert in place thereof '$17,911,000'.

"(6) Under the subheading 'Ordnance Facilities', with respect to the Naval Ordnance Aerophysics Laboratory, Daingerfield, Texas, strike out '$1,111,000' and insert in place thereof '$1,751,000'; and with respect to the Naval Ordnance Test Station, Inyokern, California, strike out '$375,000' and insert in place thereof '$475,000'.

"(7) Under the subheading 'Service School Facilities' with respect to the Naval Powder Factory, Indian Head, Maryland, strike out '$780,000' and insert in place thereof '$879,000'.

"(b) Public Law 161, Eighty-fourth Congress, as amended, is amended under the heading 'Outside Continental United States' in section 201 as follows:

"(1) Under the subheading 'Aviation Facilities' with respect to the Naval Station, Kwajelein, Marshall Islands, strike out '$4,411,000' and insert in place thereof '$5,235,000'.

"(2) Under the subheading 'Communication Facilities', with respect to the Naval Communication Facility, Port Lyautey, French Morocco, strike out '$2,848,000' and insert in place thereof '$3,198,600'.

"(c) Public Law 161, Eighty-fourth Congress, as amended, is amended by striking out in section 202 '$151,342,400' and inserting in place thereof '$152,763,400'.

"(d) Public Law 161, Eighty-fourth Congress, as amended, is amended by striking out in clause (2) of section 502 the amounts '$299,512,600', '$107,191,300', '$151,342,400', and '$564,046,300' and inserting respectively in place thereof '$308,463,600', '$108,365,300', '$152,763,400', and '$575,592,300'.

"SEC. 206. (a) Public Law 968, Eighty-fourth Congress, is amended under the heading, 'Inside the United States' in section 201, as follows:

"(1) Under the subheading 'Shipyard Facilities' with respect to the Naval Shipyard, Charleston, South Carolina, strike out '$148,000' and insert in place thereof '$191,000'; and with respect to the Naval Shipyard, Long Beach, California, strike out '$5,984,000' and insert in place thereof '$8,169,000'.

"(2) Under the subheading 'Fleet Base Facilities', with respect to the Naval Station, Long Beach, California, strike out '$2,256,000' and insert in place thereof '$2,623,000'; and with respect to the Naval Station, Norfolk, Virginia, strike out '$2,844,000' and insert in place thereof '$3,340,000'.

"(3) Under the subheading 'Aviation Facilities (Fleet Support Air Stations)', with respect to the Naval Air Station, Miramar, California, strike out '$8,835,000' and insert in place thereof '$11,040,000'.

"(4) Under the subheading 'Aviation Facilities (Special Purpose Air Stations)', with respect to the Naval Air Missile Test Center, Point Mugu, California, strike out '$1,682,000' and insert in place thereof '$2,010,000'.

"(5) Under the subheading 'Service School Facilities' with respect to the Naval Academy, Annapolis, Maryland, strike out '$7,469,000' and insert in place thereof '$10,919,000'.

"(6) Under the subheading 'Communications Facilities', with respect to the Naval Communication Station, San Francisco, California, strike out '$2,029,000' and insert in place thereof '$3,779,000'.

"(7) Under the subheading 'Yards and Docks Facilities', with respect to the Public Works Center, Norfolk, Virginia, strike out '$443,000' and insert in place thereof '$500,000'.

"(b) Public Law 968, Eighty-fourth Congress, is amended under the heading 'Outside the United States' in section 201, as follows:

"(1) Under the subheading 'Aviation Facilities', with respect to the Naval Air Station, Atsugi, Japan, strike out '$1,961,000' and insert in place thereof '$2,337,000'.

"(c) Public Law 968, Eighty-fourth Congress, is amended by striking out in section 203, '$84,043,000' and inserting in place thereof '$85,939,000'.

"(d) Public Law 968, Eighty-fourth Congress, is amended by striking out in clause (2) of section 402 the amounts '$292,572,000', '$61,625,000', '$84,043,000', and '$438,240,000' and inserting respectively in place thereof '$303,453,000', '$62,001,000', '$85,939,000', and '$451,393,000'.

"TITLE III

"SEC. 301. The Secretary of the Air Force may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including site preparation, appurtenances, utilities, and equipment, for the following projects:

"Inside the United States

"Air Defense Command

"Duluth Municipal Airport, Duluth, Minnesota: Operational and training facilities, supply facilities, troop housing, community facilities, and utilities and ground improvements, $4,499,000.

"Ethan Allen Air Force Base, Winooski, Vermont: Operational and training facilities, maintenance facilities, supply facilities, and ground improvements, $2,048,000.

"Geiger Field, Spokane, Washington: Maintenance facilities, hospital and medical facilities, community facilities, and land acquisition, $1,583,000.

"Glasgow Air Force Base, Glasgow, Montana: Operational and training facilities, maintenance facilities, supply facilities, administrative facilities, troop housing, family housing, community facilities, and utilities and ground improvements, $2,048,000.

"Grand Forks Air Force Base, Grand Forks, North Dakota: Operational and training facilities, maintenance facilities, supply facilities, administrative facilities, community facilities, and utilities and ground improvements, $4,466,000.

"Grandview Air Force Base, Kansas City, Missouri: Operational and training facilities, maintenance facilities, supply facilities, administrative facilities, community facilities, and utilities and ground improvements, $1,100,000.

"Hamilton Air Force Base, San Rafael, California: Operational and training facilities, troop housing, and utilities and ground improvements, $614,000.

"Kinross Air Force Base, Sault Sainte Marie, Michigan: Family housing, community facilities, and utilities and ground improvements, $429,000.

"K. I. Sawyer Municipal Airport, Marquette, Michigan: Operational and training facilities, maintenance facilities, community facilities, and utilities and ground improvements, $905,000.

"Klamath Falls Municipal Airport, Klamath Falls, Oregon: Maintenance facilities, supply facilities, troop housing, community facilities, and utilities and ground improvements, $1,299,000.

"McChord Air Force Base, Tacoma, Washington: Operational and training facilities, supply facilities, and utilities and ground improvements, $632,000.

"McGhee-Tyson Airport, Knoxville, Tennessee: Supply facilities and community facilities, $189,000.

"Minot Air Force Base, Minot, North Dakota: Operational and training facilities, maintenance facilities, supply facilities, administrative facilities, hospital and medical facilities, community facilities, and utilities and ground improvements, $6,804,000.

"Niagara Falls Municipal Airport, Niagara Falls, New York: Supply facilities, community facilities, and utilities and ground improvements, $674,000.

"Otis Air Force Base, Falmouth, Massachusetts: Family housing, and utilities and ground improvements, $559,000.

"Oxnard Air Force Base, Camarillo, California: Maintenance facilities, supply facilities, administrative facilities, troop housing, and utilities and ground improvements, $1,828,000.

"Portland International Airport, Portland, Oregon: Operational and training facilities,

maintenance facilities, supply facilities, and utilities and ground improvements, $3,768,000.

"Presque Isle Air Force Base, Presque Isle, Maine: Community facilities, $244,000.

"Richard Bong Air Force Base, Kansasville, Wisconsin: Operational and training facilities, supply facilities, and utilities and ground improvements, $7,804,000.

"Selfridge Air Force Base, Mount Clemens, Michigan: Supply facilities, troop housing, community facilities, and utilities and ground improvements, $2,898,000.

"Sioux City Municipal Airport, Sioux City, Iowa: Operational and training facilities and supply facilities, $248,000.

"Stewart Air Force Base, Newburgh, New York: Supply facilities, community facilities, utilities and ground improvements, and real estate improvement, $694,000.

"Suffolk County Air Force Base, Westhampton Beach, New York: Supply facilities, community facilities, and utilities and ground improvements, $956,000.

"Truax Field, Madison, Wisconsin: Utilities and ground improvements and land acquisition, $130,000.

"Tyndall Air Force Base, Panama City, Florida: Maintenance facilities, supply facilities, troop housing, community facilities, and utilities and ground improvements, $3,186,000.

"Wurtsmith Air Force Base, Oscoda, Michigan: Operational and training facilities, maintenance facilities, supply facilities, troop housing, and utilities and ground improvements, $2,153,000.

"Youngstown Municipal Airport, Youngstown, Ohio: Community facilities, and utilities and ground improvements, $358,000.

"Various locations: Operational and training facilities, maintenance facilities, supply facilities, administrative facilities, hospital and medical facilities, troop housing, community facilities, utilities and ground improvements, and land acquisition, $44,428,000.

"Air Materiel Command

"Griffiss Air Force Base, Rome, New York: Operational and training facilities, maintenance facilities, research, development, and test facilities, supply facilities, administrative facilities, troop housing, utilities and ground improvements, and land acquisition, $10,410,000.

"Hill Air Force Base, Ogden, Utah: Operational and training facilities, and troop housing, $1,911,000.

"Kelly Air Force Base, San Antonio, Texas: Maintenance facilities, and utilities and ground improvements, $899,000.

"Marietta Air Force Station, Marietta, Pennsylvania: Utilities and ground improvements, $2,438,000.

"McClellan Air Force Base, Sacramento, California: Operational and training facilities, maintenance facilities, troop housing, community facilities, utilities and ground improvements, and land acquisition, $4,912,000.

"Olmsted Air Force Base, Middletown, Pennsylvania: Maintenance facilities, and troop housing, $1,673,000.

"Robins Air Force Base, Macon, Georgia: Operational and training facilities, maintenance facilities, supply facilities, troop housing, community facilities, utilities and ground improvements, and land acquisition, $13,104,000.

"Rushmore Air Force Station, Rapid City, South Dakota: Community facilities, $56,000.

"Tinker Air Force Base: Oklahoma City, Oklahoma: Operational and training facilities, supply facilities, troop housing, and utilities and ground improvements, $2,674,000.

"Wright-Patterson Air Force Base, Dayton, Ohio: Operational and training facilities, research, development, and test facilities, supply facilities, community facilities, utilities and ground improvements, and land acquisition, $1,777,000.

"Air Proving Ground Command

"Eglin Air Force Base, Valparaiso, Florida: Research development, and test facilities, troop housing, community facilities, utilities and ground improvements, and land acquisition, $5,826,000.

"Air Research and Development Command

"Edwards Air Force Base, Muroc, California: Operational and training facilities, research, development, and test facilities, community facilities, and utilities and ground improvements, $1,987,000.

"Holloman Air Force Base, Alamogordo, New Mexico: Operational and training facilities, research, development, and test facilities, troop housing, community facilities, and utilities and ground improvements, $11,869,000.

"Indian Springs Air Force Base, Indian Springs, Nevada: Community facilities, $206,000.

"Kirtland Air Force Base, Albuquerque, New Mexico: Supply facilities, troop housing, community facilities, and utilities and ground improvements, $2,276,000.

"Laurence G. Hanscom Field, Bedford, Massachusetts: Operational and training facilities, maintenance facilities, research, development, and test facilities, supply facilities, community facilities, utilities and ground improvements, and land acquisition, $3,469,000.

"Patrick Air Force Base, Cocoa, Florida: Operational and training facilities, research, development, and test facilities, troop housing, community facilities, utilities and ground improvements, and real estate improvements, $2,882,000.

"Air Training Command

"Amarillo Air Force Base, Amarillo, Texas: Operational and training facilities, maintenance facilities, supply facilities, community facilities, utilities and ground improvements, and land acquisition, $2,872,000.

"Craig Air Force Base, Selma, Alabama: Operational and training facilities, and land acquisition, $2,193,000.

"Harlingen Air Force Base, Harlingen, Texas: Community facilities, $262,000.

"Keesler Air Force Base, Biloxi, Mississippi: Operational and training facilities, troop housing, and community facilities, $2,209,000.

"Luke Air Force Base, Phoenix, Arizona: Maintenance facilities, supply facilities, community facilities, utilities and ground improvements, and land acquisition, $1,848,000.

"Mather Air Force Base, Sacramento, California: Operational and training facilities, maintenance facilities, supply facilities, administrative facilities, troop housing, and land acquisition, $8,249,000.

"McConnell Air Force Base, Wichita, Kansas: Troop housing, community facilities, utilities and ground improvements, and real estate improvements, $763,000.

"Moody Air Force Base, Valdosta, Georgia: Operational and training facilities, maintenance facilities, supply facilities, and community facilities, $938,000.

"Nellis Air Force Base, Las Vegas, Nevada: Community facilities, $436,000.

"Perrin Air Force Base, Sherman, Texas: Operational and training facilities, and land acquisition, $460,000.

"Randolph Air Force Base, San Antonio, Texas: Operational and training facilities, supply facilities, and utilities and ground improvements, $2,858,000.

"Reese Air Force Base, Lubbock, Texas: Operational and training facilities, supply facilities, and land acquisition, $5,909,000.

"Scott Air Force Base, Belleville, Illinois: Community facilities, utilities and ground improvements, land acquisition, and real estate improvements, $900,000.

"Sheppard Air Force Base, Wichita Falls, Texas: Operational and training facilities, maintenance facilities, supply facilities, community facilities, and real estate improvements, $4,200,000.

"Stead Air Force Base, Reno, Nevada: Troop housing, and community facilities, $1,945,000.

"Vance Air Force Base, Enid, Oklahoma: Operational and training facilities, supply facilities, and land acquisition, $1,977,000.

"Webb Air Force Base, Big Spring, Texas: Operational and training facilities, maintenance facilities, supply facilities, community facilities, and utilities, and ground improvements, $4,118,000.

"Williams Air Force Base, Chandler, Arizona: Maintenance facilities, community facilities, and land acquisition, $865,000.

"Air University

"Maxwell Air Force Base, Montgomery, Alabama: Land acquisition, $50,000.

"Continental Air Command

"Brooks Air Force Base, San Antonio, Texas: Medical facilities, $952,000.

"Dobbins Air Force Base, Marietta, Georgia: Operational and training facilities, and family housing, $139,000.

"Mitchel Air Force Base, Hempstead, New York: Utilities and ground improvements, and land acquisition, $337,000.

"Military Air Transport Service

"Aeronautical chart and information center, St. Louis, Missouri: Utilities and ground improvements, $620,000.

"Andrews Air Force Base, Camp Springs, Maryland: Operational and training facilities, $920,000.

"Charleston Air Force Base, Charleston, South Carolina: Supply facilities, and utilities and ground improvements, $2,216,000.

"Dover Air Force Base, Dover, Delaware: Troop housing, and utilities and ground improvements, $745,000.

"McGuire Air Force Base, Wrightstown, New Jersey: Maintenance facilities, utilities and ground improvements, and land acquisition, $496,000.

"Strategic Air Command

"Altus Air Force Base, Altus, Oklahoma: Operational and training facilities, maintenance facilities, and community facilities, $848,000.

"Barksdale Air Force Base, Shreveport, Louisiana: Operational and training facilities, maintenance facilities, supply facilities, troop housing, and community facilities, $3,344,000.

"Beale Air Force Base, Marysville, California: Operational and training facilities, maintenance facilities, supply facilities, and utilities and ground improvements, $7,458,000.

"Bergstrom Air Force Base, Austin, Texas: Operational and training facilities, maintenance facilities, and supply facilities, $1,487,000.

"Biggs Air Force Base, El Paso, Texas: Operational and training facilities, supply facilities, and troop housing, $5,557,000.

"Blytheville Air Force Base, Blytheville, Arkansas: Operational and training facilities, maintenance facilities, supply facilities, troop housing, community facilities, and land acquisition, $11,510,000.

"Bunker Hill Air Force Base, Peru, Indiana: Operational and training facilities, maintenance facilities, supply facilities, administrative facilities, community facilities, and land acquisition, $8,966,000.

"Carswell Air Force Base, Fort Worth, Texas: Operational and training facilities, supply facilities, troop housing, land acquisition, and real estate improvements, $2,059,000.

"Castle Air Force Base, Merced, California: Maintenance facilities, supply facilities, troop housing, utilities and ground improvements, land acquisition, and real estate improvements, $2,076,000.

"Clinton-Sherman Air Force Base, Clinton, Oklahoma: Operational and training facilities, supply facilities, and community facilities, $536,000.

"Columbus Air Force Base, Columbus, Mississippi: Operational and training facilities, maintenance facilities, supply facilities, administrative facilities, and utilities, and ground improvements, $2,320,000.

"Davis-Monthan Air Force Base, Tucson, Arizona: Maintenance facilities, supply facilities, troop housing, community facilities, and land acquisition, $2,361,000.

"Dow Air Force Base, Bangor, Maine: Operational and training facilities, maintenance facilities, supply facilities, community facilities, utilities and ground improvements, and land acquisition, $14,638,000.

"Dyess Air Force Base, Abilene, Texas: Community facilities, $100,000.

"Ellsworth Air Force Base, Rapid City, South Dakota: Operational and training facilities and supply facilities, $1,976,000.

"Fairchild Air Force Base, Spokane, Washington: Operational and training facilities, $1,480,000.

"Forbes Air Force Base, Topeka, Kansas: Operational and training facilities, and supply facilities, $1,357,000.

"Gray Air Force Base, Killeen, Texas: Community facilities, $34,000.

"Greenville Air Force Base, Greenville, Mississippi: Operational and training facilities, maintenance facilities, supply facilities, and land acquisition, $19,389,000.

"Homestead Air Force Base, Homestead, Florida: Maintenance facilities, $380,000.

"Hunter Air Force Base, Savannah, Georgia; Troop housing and community facilities, $994,000.

"Lake Charles Air Force Base, Lake Charles, Louisiana: Real estate improvements, $179,000.

"Larson Air Force Base, Moses Lake, Washington: Operational and training facilities, supply facilities, and community facilities, $12,552,000.

"Laughlin Air Force Base, Del Rio, Texas: Operational and training facilities, $250,000.

"Lincoln Air Force Base, Lincoln, Nebraska: Land acquisition, $37,000.

"Lockbourne Air Force Base, Columbus, Ohio: Operational and training facilities, supply facilities, and utilities and ground improvements, $1,504,000.

"Loring Air Force Base, Limestone, Maine: Operational and training facilities, maintenance facilities, supply facilities, and utilities and ground improvements, $7,322,000.

"MacDill Air Force Base, Tampa, Florida: Operational and training facilities, supply facilities, and utilities and ground improvements, $936,000.

"Malmstrom Air Force Base, Great Falls, Montana: Operational and training facilities, supply facilities, and utilities and ground improvements, $3,518,000.

"March Air Force Base, Riverside, California: Operational and training facilities, and troop housing, $2,347,000.

"Mountain Home Air Force Base, Mountain Home, Idaho: Maintenance facilities, troop housing, community facilities, and utilities and ground improvements, $2,022,000.

"Offutt Air Force Base, Omaha, Nebraska: Operational and training facilities, maintenance facilities, supply facilities, troop housing, community facilities, utilities and ground improvements, and land acquisition, $7,681,000.

"Plattsburg Air Force Base, Plattsburg, New York: Supply facilities, and utilities and ground improvements, $231,000.

"Portsmouth Air Force Base, Portsmouth, New Hampshire: Supply facilities, community facilities, utilities and ground improvements, and land acquisition, $2,344,000.

"Schilling Air Force Base, Salina, Kansas: Community facilities, $372,000.

"Travis Air Force Base, Fairfield, California: Operational and training facilities, maintenance facilities, community facilities, and utilities and ground improvements, $1,937,000.

"Turner Air Force Base, Albany, Georgia: Operational and training facilities, maintenance facilities, supply facilities, and land acquisition, $3,628,000.

"Walker Air Force Base, Roswell, New Mexico: Operational and training facilities maintenance facilities, supply facilities, administrative facilities, troop housing, community facilities, and utilities and ground improvements, $9,676,000.

"Westover Air Force Base, Chicopee Falls, Massachusetts: Operational and training facilities, troop housing, community facilities, and utilities and ground improvements, $1,901,000.

"Whiteman Air Force Base, Knobnoster, Missouri: Operational and training facilities, and community facilities, $235,000.

"Tactical Air Command

"Clovis Air Force Base, Clovis, New Mexico: Maintenance facilities, administrative facilities, troop housing, community facilities, utilities and ground improvements, and land acquisition, $2,149,000.

"Donaldson Air Force Base, Greenville, South Carolina: Operational and training facilities, troop housing and community facilities, $1,287,000.

"England Air Force Base, Alexandria, Louisiana: Troop housing, community facilities, and land acquisition, $1,558,000.

"Foster Air Force Base, Victoria, Texas: Community facilities, utilities and ground improvements and land acquisition, $683,000.

"George Air Force Base, Victorville, California: Supply facilities, and community facilities, $2,478,000.

"Langley Air Force Base, Hampton, Virginia: Utilities and ground improvements, $20,000.

"Myrtle Beach Air Force Base, Myrtle Beach, South Carolina: Maintenance facilities, troop housing, community facilities, land acquisition, and real estate improvements, $1,204,000.

"Sewart Air Force Base, Smyrna, Tennessee: Community facilities, $484,000.

"Seymour Johnson Air Force Base, Goldsboro, North Carolina: Operational and training facilities, maintenance facilities, supply facilities, administrative facilities, community facilities, utilities and ground improvements, land acquisition, and real estate improvements, $9,991,000.

"Shaw Air Force Base, Sumter, South Carolina: Troop housing, and community facilities, $1,184,000.

"Special Facilities

"Various locations: Operational and training facilities, $229,000.

"Aircraft Control and Warning System

"Various locations: Operational and training facilities, maintenance facilities, supply facilities, administrative facilities, hospital and medical facilities, troop housing, family housing, community facilities, utilities and ground improvements, and land acquisition, $7,331,000.

"Outside the United States

"Alaskan Air Command

"Elmendorf Air Force Base: Operational and training facilities, maintenance facilities, and community facilities, $4,742,000.

"Ladd Air Force Base: Community facilities, $1,630,000.

"Various locations: Operational and training facilities, maintenance facilities, supply facilities, administrative facilities, hospital and medical facilities, troop housing, community facilities, utilities and ground improvements and land acquisition, $11,500,000.

"Air Materiel Command

"Various locations: Operational and training facilities, and community facilities, $247,000.

"Far East Air Forces

"Hickam Air Force Base, Honolulu, Hawaii: Troop housing, and community facilities, $2,228,000.

"Various locations: Operational and training facilities, maintenance facilities, supply facilities, troop housing, community facilities, and utilities and ground improvements, $7,569,000.

"Military Air Transport Service

"Various locations: Operational and training facilities, supply facilities, troop housing, community facilities, and utilities and ground improvements, $14,741,000.

"Strategic Air Command

"Andersen Air Force Base, Guam: Community facilities, $820,000.

"Ramey Air Force Base, Puerto Rico: Operational and training facilities, community facilities, utilities and ground improvements and land acquisition, $3,783,000.

"Various locations: Operational and training facilities, maintenance facilities, supply facilities, troop housing, community facilities, and utilities and ground improvements, $57,218,000.

"United States Air Forces in Europe

"Various locations: Operational and training facilities, maintenance facilities, supply facilities, administrative facilities, hospital and medical facilities, troop housing, community facilities, utilities and ground improvements, and real estate improvements, $36,057,000.

"Special Facilities

"Various locations:: Operational and training facilities, $170,000.

"Aircraft Control and Warning System

"Various locations: Operational and training facilities, maintenance facilities, supply facilities, administrative facilities, hospital and medical facilities, troop housing, community facilities, and utilities and ground improvements, $20,000,000.

"SEC. 302. The Secretary of the Air Force may establish or develop classified military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment in the total amount of $47,000,000.

"SEC. 303. (a) Public Law 534, Eighty-third Congress, as amended, is amended under the heading 'Continental United States' in section 301, as follows:

"Under the subheading 'Air Defense Command'—with respect to Pescadero Consolan Station, Pescadero, California, strike out '$224,000' and insert in place thereof '$584,000'.

"Under the subheading 'Strategic Air Command'—with respect to Clinton-Sherman Airport, Clinton, Oklahoma, strike out '$11,393,000' and insert in place thereof '$12,686,000'; and strike out '$1,463,000' and insert in place thereof '$2,756,000'.

"Under the subheading 'Continental Air Command'—with respect to Mitchel Air Force Base, Hempstead, New York, strike out '$729,000' and insert in place thereof '$929,000'; and strike out '$686,000' and insert in place thereof '$886,000'.

"Under the subheading 'Research and Development Command'—with respect to Edwards Air Force Base, Muroc, California, strike out '$27,478,000' and insert in place thereof '$29,442,000'; and strike out '$16,192,000' and insert in place thereof '$18,156,000'.

"(b) Public Law 534, Eighty-third Congress, as amended, is amended by striking out in clause (3) of section 502 so much as reads '$406,120,000' and '$415,949,000' and inserting in place thereof '$409,937,000' and '$419,766,000', respectively.

"SEC. 304. (a) Public Law 161, Eighty-fourth Congress, as amended, is amended, under the heading 'Continental United States' in section 301, as follows:

"Under the subheading 'Air Defense Command'—

"(1) with respect to Geiger Field, Spokane, Washington, strike out '$1,716,000' and insert in place thereof '$2,717,000';

"(2) with respect to Grand Forks site, North Dakota, strike out '$7,709,000' and insert in place thereof '$9,220,000';

"(3) with respect to Kinross Air Force Base, Sault Sainte Marie, Michigan, strike out '$2,029,000' and insert in place thereof '$2,195,000';

"(4) with respect to Minot site, North Dakota, strike out '$6,630,000' and insert in place thereof '$7,268,000';

"(5) with respect to Oxnard Air Force Base, Oxnard, California, strike out '$2,445,000' and insert in place thereof '$2,935,000';

"(6) with respect to Selfridge Air Force Base, Mount Clemens, Michigan, strike out '$5,526,000' and insert in place thereof '$6,445,000';

"(7) with respect to Youngstown Municipal Airport, Youngstown, Ohio, strike out '$742,000' and insert in place thereof '$893,000';

"(8) with respect to Yuma County Airport, Yuma, Arizona, strike out '$2,107,000' and insert in place thereof '$2,676,000'.

"Under the subheading 'Air Materiel Command'—

"(1) with respect to Brookley Air Force Base, Mobile, Alabama, strike out '$4,170,000' and insert in place thereof '$4,728,000';

"(2) with respect to Griffiss Air Force Base, Rome, New York, strike out '$15,803,000' and insert in place thereof '$16,654,000';

"(3) with respect to McClellan Air Force Base, Sacramento, California, strike out '$9,522,000' and insert in place thereof '$11,970,000';

"(4) with respect to Wright-Patterson Air Force Base, Dayton, Ohio, strike out '$12,001,000' and insert in place thereof '$14,508,000'.

"Under the subheading 'Air Training Command'—

"(1) with respect to Ellington Air Force Base, Houston, Texas, strike out '$3,438,000' and insert in place thereof '$3,876,000';

"(2) with respect to Goodfellow Air Force Base, San Angelo, Texas, strike out '$4,081,000' and insert in place thereof '$5,088,000';

"(3) with respect to Greenville Air Force Base, Greenville, Mississippi, strike out '$500,000' and insert in place thereof '$545,000';

"(4) with respect to Harlingen Air Force Base, Harlingen, Texas, strike out '$446,000' and insert in place thereof '$529,000';

"(5) with respect to James Connally Air Force Base, Waco, Texas, strike out '$883,000' and insert in place thereof '$1,129,000';

"(6) with respect to Mather Air Force Base, Sacramento, California, strike out '$1,516,000' and insert in place thereof '$1,998,000';

"(7) with respect to Reese Air Force Base, Lubbock, Texas, strike out '$1,076,000' and insert in place thereof '$1,304,000';

"(8) with respect to Williams Air Force Base, Chandler, Arizona, strike out '$1,215,000' and insert in place thereof '$1,556,000'.

"Under the subheading 'Headquarters Command'—with respect to Bolling Air Force Base, Washington, District of Columbia, strike out '$520,000' and insert in place thereof '$825,000'.

"Under the subheading 'Research and Development Command'—with respect to Indian Springs Air Force Base (Kirtland Auxiliary Numbered 1), Clark, Nevada, strike out '$555,500' and insert in place thereof '$624,500'.

"Under the subheading 'Strategic Air Command'—

"(1) with respect to Carswell Air Force Base, Fort Worth, Texas, strike out '$5,929,000' and insert in place thereof '$7,363,000';

"(2) with respect to Dow Air Force Base, Bangor, Maine, strike out '$11,155,000' and insert in place thereof '$12,218,000';

"(3) with respect to Travis Air Force Base, Fairfield, California, strike out '$9,769,000' and insert in place thereof '$11,473,000';

"(4) with respect to Walker Air Force Base, Roswell, New Mexico, strike out '$6,657,000' and insert in place thereof '$8,324,000'.

"Under the subheading 'Tactical Air Command'—

"(1) with respect to Alexandria Air Force Base, Alexandria, Louisiana, strike out '$2,684,000' and insert in place thereof '$3,527,000';

"(2) with respect to Bunker Hill Air Force Base, Peru, Indiana, strike out '$559,000' and insert in place thereof '$611,000';

"(3) with respect to George Air Force Base, Victorville, California, strike out '$1,598,000' and insert in place thereof '$1,905,000';

"(4) with respect to Larson Air Force Base, Moses Lake, Washington, strike out '$4,724,000' and insert in place thereof '$5,197,000';

"(5) with respect to Sewart Air Force Base, Smyrna, Tennessee, strike out '$3,589,000' and insert in place thereof '$4,010,000'.

"(b) Public Law 161, Eighty-fourth Congress, as amended, is amended under the heading 'Outside Continental United States' in section 301, as follows:

"Under the subheading, 'Alaskan Air Command'—with respect to Galena Airfield, strike out '$518,000' and insert in place thereof '$735,000'.

"Under the subheading 'Area Control Navigational Aids'—with respect to various locations, strike out '$526,000' and insert in place thereof '$1,394,000'.

"(c) Public Law 161, Eighty-fourth Congress, as amended, is amended by striking out in clause (3) of section 502 the amounts '$801,256,000', '$532,454,000', and '$1,339,060,000' and inserting in place thereof '$824,300,000', '$533,539,000', and '$1,363,189,000', respectively.

"SEC. 305. (a) Public Law 968, Eighty-fourth Congress, is amended, under the heading 'Continental United States' in section 301, as follows:

"Under the subheading 'Air Defense Command'—

"(1) with respect to Duluth Municipal Airport, Duluth, Minnesota, strike out '$863,000' and insert in place thereof '$1,469,000';

"(2) with respect to Geiger Field, Spokane, Washington, strike out '$2,827,000' and insert in place thereof '$3,079,000';

"(3) with respect to Glasgow Air Force Base, Glasgow, Montana, strike out '$2,470,000' and insert in place thereof '$3,080,000';

"(4) with respect to Grand Forks Air Force Base, Grand Forks, North Dakota, strike out '$18,969,000' and insert in place thereof '$30,521,000';

"(5) with respect to Grandview Air Force Base, Kansas City, Missouri, strike out '$1,673,000' and insert in place thereof '$1,781,000';

"(6) with respect to Kinross Air Force Base, Sault Sainte Marie, Michigan, strike out '$2,156,000' and insert in place thereof '$2,336,000';

"(7) with respect to Klamath Falls Municipal Airport, Klamath Falls, Oregon, strike out '$1,130,000' and insert in place thereof '$1,580,000';

"(8) with respect to Minot Air Force Base, Minot, North Dakota, strike out '$21,215,000' and insert in place thereof '$27,035,000';

"(9) with respect to Niagara Falls Municipal Airport, Niagara Falls, New York, strike out '$3,030,000' and insert in place thereof $3,409,000';

"(10) with respect to Oxnard Air Force Base, Camarillo, California, strike out '$2,392,000' and insert in place thereof '$2,779,000';

"(11) with respect to Sioux City Municipal Airport, Sioux City, Iowa, strike out '$2,288,000' and insert in place thereof '$2,900,000';

"(12) with respect to Truax Field, Madison, Wisconsin, strike out '$4,876,000' and insert in place thereof '$8,726,000';

"(13) with respect to Wurtsmith Air Force Base, Oscoda, Michigan, strike out '$3,278,000' and insert in place thereof '$3,808,000';

"(14) with respect to various locations, strike out ($21,510,000' and insert in place thereof '$26,201,000'.

"Under the subheading 'Air Materiel Command'—

"(1) with respect to Griffiss Air Force Base, Rome, New York, strike out '$17,966,000' and insert in place thereof '$22,005,000';

"(2) with respect to Searsport Fuel Storage Station, Searsport, Maine, strike out '$473,000' and insert in place thereof '$745,000';

"(3) with respect to Tacoma Fuel Storage Station, Tacoma, Washington, strike out '$129,000' and insert in place thereof '$251,000';

"(4) with respect to Tinker Air Force Base, Oklahoma City, Oklahoma, strike out '$5,990,000' and insert in place thereof '$7,763,000'.

"Under the subheading 'Air Training Command'—

"(1) with respect to Amarillo Air Force Base, Amarillo, Texas, strike out '$17,121,000' and insert in place thereof '$26,471,000';

"(2) with respect to Craig Air Force Base, Selma, Alabama, strike out '$18,000' and insert in place thereof '$22,000';

"(3) with respect to Sheppard Air Force Base, Wichita Falls, Texas, strike out '$24,433,000' and insert in place thereof '$33,858,000';

"(4) with respect to Stead Air Force Base, Reno, Nevada, strike out '$2,221,000' and insert in place thereof '$3,063,000';

"(5) with respect to Vance Air Force Base, Enid, Oklahoma, strike out '$977,000' and insert in place thereof '$1,064,000'.

"Under the subheading 'Air University'—with respect to Maxwell Air Force Base, Montgomery, Alabama, strike out '$215,000' and insert in place thereof '$311,000'.

"Under the subheading 'Continental Air Command'—

"(1) with respect to Beale Air Force Base, Marysville, California, strike out '$13,395,000' and insert in place thereof '$15,993,000';

"(2) with respect to Dobbins Air Force Base, Marietta, Georgia, strike out '$345,000' and insert in place thereof, '$500,000'.

"Under the subheading 'Research and Development Command'—

"(1) with respect to Laurence G. Hanscom Field, Bedford, Massachusetts, strike out '$6,939,000' and insert in place thereof '$7,530,000';

"(2) with respect to Edwards Air Force Base, Muroc, California, strike out '$5,488,000' and insert in place thereof '$7,220,000'.

"Under the subheading 'Strategic Air Command'—

"(1) with respect to Biggs Air Force Base, El Paso, Texas, strike out '$922,000' and insert in place thereof '$1,190,000';

"(2) with respect to Castle Air Force Base, Merced, California, strike out '$2,179,000' and insert in place thereof '$2,643,000';

"(3) with respect to Columbus Air Force Base, Columbus, Mississippi, strike out '$14,518,000' and insert in place thereof '$15,322,000';

"(4) with respect to Ellsworth Air Force Base, Rapid City, South Dakota, strike out '$943,000' and insert in place thereof '$1,075,000';

"(5) with respect to Homestead Air Force Base, Homestead, Florida, strike out '$1,694,000' and insert in place thereof '$1,966,000';

"(6) with respect to Lockbourne Air Force Base, Columbus, Ohio, strike out '$4,952,000' and insert in place thereof '$7,880,000';

"(7) with respect to Malmstrom Air Force Base, Great Falls, Montana, strike out '$1,236,000' and insert in place thereof '$1,586,000';

"(8) with respect to Mountain Home Air Force Base, Mountain Home, Idaho, strike out '$2,064,000' and insert in place thereof '$2,607,000';

"(9) with respect to Offutt Air Force Base, Omaha, Nebraska, strike out '$5,697,000' and insert in place thereof '$6,155,000';

"(10) with respect to Plattsburg Air Force Base, Plattsburg, New York, strike out

'$1,491,000' and insert in place thereof '$2,027,000';

"(11) with respect to Portsmouth Air Force Base, Portsmouth, New Hampshire, strike out '$661,000' and insert in place thereof '$720,000';

"(12) with respect to Walker Air Force Base, Roswell, New Mexico, strike out '$2,791,000' and insert in place thereof '$3,181,000'.

"Under the subheading 'Tactical Air Command'—with respect to Langley Air Force Base, Hampton, Virginia, strike out '$2,613,000' and insert in place thereof '$2,785,000'.

"(b) Public Law 968, Eighty-fourth Congress, is amended under the heading 'Outside the United States' as follows:

"Under the subheading 'Northeast Air Command'—with respect to various locations, strike out '$75,650,000' and insert in place thereof '$94,197,000'.

"(c) Public Law 968, Eighty-fourth Congress is amended by striking out in clause (3) of section 402 the amounts '$742,873,000', '$405,061,000', and '$1,360,934,000' and inserting in place thereof '$811,342,000', '$423,608,000', and '$1,447,950,000', respectively.

"SEC. 306. Subsection (b) of section 302 of the Act of August 3, 1956 (70 Stat. 991, 1012), is amended to read as follows:

"'(b) Air Force installations and facilities by proceeding with construction made necessary by changes in Air Force missions, new weapons developments, new and unforeseen research and development requirements, or improved production schedules, if the Secretary of Defense determines that deferral of such construction for inclusion in the next military construction authorization Act would be inconsistent with interests of national security, and in connection therewith to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment, in the total amount of $50,000,000: *Provided*, That the Secretary of the Air Force, or his designee, shall notify the Committees on Armed Services of the Senate and House of Representatives immediately upon reaching a final decision to implement, of the cost of construction of any public work undertaken under this subsection, including those real estate actions pertaining thereto.'

"TITLE IV—FAMILY HOUSING

"SEC. 401. Any outstanding authority heretofore provided by the Act of September 1, 1954 (68 Stat. 1119), the Act of July 15, 1955 (39 Stat. 324), and the Act of August 3, 1956 (70 Stat. 991) for the provision of family housing shall be available for the construction of family housing at any installation for which family housing is authorized to be constructed under titles I, II, and III of this Act.

"SEC. 402. Section 515 of the Act of July 15, 1955 (69 Stat. 324, 352), as amended, is further amended to read as follows:

"'SEC. 515. During the fiscal years 1957, 1958, and 1959, the Secretaries of the Army, Navy, and Air Force, respectively, are authorized to lease housing facilities at or near military tactical installations for assignment as public quarters to military personnel and their dependents, if any, without rental charge upon a determination by the Secretary of Defense, or his designee, that there is a lack of adequate housing facilities at or near such military tactical installations. Such housing facilities shall be leased on a family or individual unit basis and not more than five thousand of such units may be so leased at any one time. Expenditures for the rental of such housing facilities may be made out of appropriations available for maintenance and operation but may not exceed $150 a month for any such unit.'

"SEC. 403. (a) Family quarters to be constructed under the authority of titles I, II, and III of the Act of September 1, 1954 (68 Stat. 1119), shall be subject to the net floor area limitations respectively prescribed in sections 4774, 7574, and 9774 of title 10, United States Code.

"(b) Section 404 of the Act of September 1, 1954 (68 Stat. 1119, 1125), is hereby repealed.

"SEC. 404. Title 10, United States Code, is amended as follows:

"(a) Section 4774 is amended by adding the following new subsection at the end thereof:

"'(f) Not more than 15 percent of the family quarters constructed from appropriated funds for enlisted members of the Army may be four-bedroom quarters having a net floor area of 1,250 square feet or less.'

"(b) Section 7574 is amended by adding the following new subsection at the end thereof:

"'(d) Not more than 15 percent of the family quarters constructed from appropriated funds for enlisted members of the Navy may be four-bedroom quarters having a net floor area of 1,250 square feet or less.'

"(c) Section 9774 is amended by adding the following new subsection at the end thereof:

"'(f) Not more than 15 percent of the family quarters constructed from appropriated funds for enlisted members of the Air Force may be four-bedroom quarters having a net floor area of 1,250 square feet or less.'

"SEC. 405. The second paragraph of section 407 of the Act of September 1, 1954 (68 Stat. 1119, 1125), as amended, is further amended to read as follows:

"'The Department of Defense shall pay the Commodity Credit Corporation, from appropriations otherwise available for the payment of quarters allowances for military personnel and from appropriate allotments or rental charges for civilian personnel, amounts equal to the quarters allowances or allotments otherwise payable to or the rental charges collected from personnel occupying any housing constructed or acquired under authority of this section after deducting amounts chargeable for the maintenance and operation of such housing: *Provided*, That such payments shall not exceed the dollar equivalent of the value of the foreign currencies used for all such construction or acquisition.'

"SEC. 406. (a) Notwithstanding the provisions of any other law, and effective July 1, 1958, no family housing units (other than housing units required to be acquired pursuant to the provisions of section 404 of the Housing Amendments of 1955) shall be contracted for or acquired at or in support of military installations or activities unless the actual number of units involved has been specifically authorized by an annual military construction authorization act.

"(b) Effective July 1, 1958, the provisions of section 419, Public Law 968, Eighty-fifth Congress, second session, are hereby repealed.

"SEC. 407. (a) Notwithstanding the provisions of any other law, members of the Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service, with dependents, may occupy on a rental basis, without loss of basic allowance for quarters, inadequate quarters under the jurisdiction of any of the uniformed services, notwithstanding that such quarters may have been constructed or converted for assignment as public quarters. The net difference between the basic allowance for quarters and the fair rental value of such quarters shall be paid from otherwise available appropriations.

"(b) The provisions of this section shall be administered under regulations approved by the President.

"(c) The Secretaries of the Army, Navy, and Air Force for the respective military departments, the Secretary of the Treasury for the Coast Guard when the Coast Guard is operating as a service in the Treasury Department, the Secretary of Commerce for the Coast and Geodetic Survey, and the Secretary of Health, Education, and Welfare for the Public Health Service (hereafter referred to as the "Secretaries"), are each authorized, subject to standards established pursuant to (b) above, to designate as rental housing such housing as he may determine to be inadequate as public quarters.

"(d) The Secretaries are each further authorized, subject to standards established pursuant to subsection (b) above, to lease inadequate housing to personnel of any of the mentioned services for occupancy by them and their dependents. The housing facilities leased, as herein provided, shall not be required to have been constructed with funds derived from appropriations specifically made for the purpose of the construction of rental housing for personnel of the services mentioned.

"(e) All housing units determined pursuant to subsection (c) of this section to be inadequate shall, prior to July 1, 1960, either be altered or improved so as to qualify as public quarters, or be demolished or otherwise disposed of.

"(f) This section shall have no application to any housing financed with mortgages insured under the provisions of Title VIII of the National Housing Act as in effect prior to the enactment of the Housing Amendments of 1955.

"TITLE V—GENERAL PROVISIONS

"SEC. 501. The Secretary of each military department may proceed to establish or develop installations and facilities under this Act without regard to sections 3648 and 3734 of the Revised Statutes, as amended, and sections 4774 (d) and 9774 (d) of title 10, United States Code. The authority to place permanent or temporary improvements on land includes authority for surveys, administration, overhead, planning, and supervision incident to construction. That authority may be exercised before title to the land is approved under section 355 of the Revised Statutes, as amended, and even though the land is held temporarily. The authority to acquire real estate or land includes authority to make surveys and to acquire land, and interests in land (including temporary use), by gift, purchase, exchange of Government-owned land, or otherwise.

"SEC. 502. There are authorized to be appropriated such sums as may be necessary for the purposes of this Act, but appropriations, for public works projects authorized by titles I, II, and III shall not exceed—

"(1) for title I: Inside the United States, $115,624,000; outside the United States, $34,477,000; section 102, $143,002,000; or a total of $293,103,000;

"(2) for title II: Inside the United States, $230,574,000; outside the United States, $48,199,000; section 202, $59,056,000; or a total of $337,611,000; and

"(3) for title III: Inside the United States $394,076,000; outside the United States, $160,705,000; section 302, $47,000,000; or a total of $601,781,000.

"SEC. 503. Any of the amounts named in title I, II, and III of this Act may, in the discretion of the Secretary concerned, be increased by 5 per centum for projects inside the United States and by 10 per centum for projects outside the United States. However, the total cost of all projects in each such title may not be more than the total amount authorized to be appropriated for projects in that title.

"SEC. 504. Whenever—

"(1) the President determines that compliance with section 2313 (b) of title 10, United States Code, for contracts made under this Act for the establishment or development of military installations and facilities in foreign countries would interfere with the carrying out of this Act; and

"(2) the Secretary of Defense and the Comptroller General have agreed upon alternative methods for adequately auditing those contracts;

the President may exempt those contracts from the requirements of that section.

"SEC. 505. Contracts made by the United States under this Act shall be awarded, insofar as practicable, on a competitive basis to the lowest responsible bidder, if the national security will not be impaired and the award is consistent with chapter 137 of title 10, United States Code, and section 15 of the Act of August 9, 1955 (69 Stat. 547, 551). The Secretaries of the military departments shall report semiannually to the President of the Senate and the Speaker of the House of Representatives with respect to all contracts awarded on other than a competitive basis to the lowest responsible bidder.

"SEC. 506. As of July 1, 1958, all authorizations for military public works to be accomplished by the Secretary of a military department in connection wih the establishment or development of military installations and facilities, and all authorizations for appropriations therefore, that are contained in Acts approved before July 28, 1954, and not superseded or otherwise modified by a later authorization are repealed, except—

"(1) authorizations for public works and for appropriations therefor that are set forth in those Acts in the titles that contain the general provisions;

"(2) the authorization for public works projects as to which appropriated funds have been obligated for construction contracts in whole or in part before July 1, 1958, and authorizations for appropriations therefor;

"(3) the authorization for the rental guaranty for family housing in the amount of $100,000,000 that is contained in section 302 of Public Law 534, Eighty-second Congress;

"(4) the authorizations for public works and the appropriation of funds that are contained in sections 2231-2238 of title 10, United States Code, as amended (50 U. S. C. 882, 883, 885, 886);

"(5) the authorization for the development of the Line of Communications, France, in the amount of $60,000,000 that is contained in title I, section 102, of Public Law 534, Eighty-second Congress;

"(6) notwithstanding the provisions of section 410 of the Act of August 3, 1956 (70 Stat. 991, 1016), the authorization for (a) development of classified facilities in the amount of $6,439,000 that is contained in title I, section 102, of the Act of September 28, 1951 (65 Stat. 336, 343), and (b) development of classified facilities in the amount of $6,654,000 that is contained in title I, section 102 of the Act of July 14, 1952 (66 Stat. 606, 609); and

"(7) the authorization for public works and for the appropriations of funds that are contained in the Act of April 1, 1954 (68 Stat. 47), as amended.

"SEC. 507. None of the authority contained in titles I, II, and III of this Act shall be deemed to authorize any building construction project within the continental United States at an average nationwide unit cost in excess of—

"(a) $28 per square foot for cold-storage warehousing;

"(b) $6 per square foot for regular warehousing;

"(c) $1,850 per man for permanent barracks;

"(d) $7,500 per man for bachelor officer quarters,

unless the Secretary of Defense determines that, because of special circumstances, application to such project of the limitation on unit costs contained in this section is impracticable.

"SEC. 508. Section 9 of the Air Force Academy Act, as amended (68 Stat. 49), is further amended by striking out in the first sentence the figure '$126,000,000' and inserting in place thereof the figure '$135,425,000'."

And the Senate agree to the same.

CARL VINSON,
OVERTON BROOKS,
PAUL J. KILDAY,
CARL T. DURHAM,
L. MENDEL RIVERS,
LESLIE C. ARENDS,
STERLING COLE,
LEON H. GAVIN,
WALTER NORBLAD,
Managers on the Part of the House.

RICHARD B. RUSSELL,
JOHN STENNIS,
HENRY M. JACKSON,
LEVERETT SALTONSTALL,
FRANCIS CASE,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8240) to authorize certain construction at military installations, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

On July 10, the House of Representatives passed H. R. 8240, which was the fiscal year 1958 military construction and authorization for the three military departments. On August 12, 1957, the Senate passed H. R. 8240, amended.

The larger differences and the action agreed upon by the conferees are as follows:

ARMY

In title I, the Army section of the bill, there were several items in disagreement. Some of them resulted from the decision of the executive branch to lower its budget request subsequent to the House hearings on H. R. 8240. To these changes by the Senate, the House found itself in substantial agreement.

Upon completion of the conference on title I of the bill, the Senate receded with respect to the item involving Fort Sam Houston, Tex., and the House receded with respect to the provision of a gas-heating system for Fort Devens, Mass.

Among the deficiency authorizations for the Army, the committee had raised the authorization for the hospital at Fort Jackson, S. C., from $5,000,000 to $10,400,000. It was the decision of the conferees that the higher figure should be $7,500,000, an amount sufficient to provide a wholly usable hospital facility for this installation.

NAVY

In similar fashion, for budgetary or funding reasons, a large number of the Navy items were lowered or eliminated by the Senate. Most of these items which are not to be funded were accepted in their modified form by the House conferees.

Upon completion of the conference of title II of the bill, the Senate receded with respect to the item involving the construction of a pier at the naval air station, Pensacola, Fla., and also in the case of the Marine Corps air station, El Toro, Calif., where $209,000 was added to the Senate figure for items relating to the extension of a runway. The Senate also receded, in part, for the Marine Corps base, Camp Lejeune, N. C., in order that one of the two requested headquarters buildings might be constructed. At the Marine Corps recruit depot, Parris Island, S. C., the Senate receded in order that provision might be made for barracks and other needed facilities. $48,000 was added to the Senate figure for the Marine Corps schools, Quantico, Va., for utilities. With respect to the Naval Air Station, Chincoteague, Va., the House accepted the Senate figure.

The Senate had deleted $270,000 at the Marine Corps Training Center, Twenty-Nine Palms, Calif. Subsequent investigation by both committees revealed that the soil stabilization which would be performed under this authority was an urgently required item and the Senate receded.

Similarly, subsequent investigation by both committees revealed the importance of the work contemplated at the Ordnance Aerophysics Laboratory, Daingerfield, Tex., and at the Applied Physics Laboratory, Howard County, Md. The Senate, therefore, receded with respect to these two items. In Okinawa, certain waterfront facilities necessary at White Beach were restored in conference, with the Senate receding.

The House had allowed $199,000 for operational facilities at the naval auxiliary air station, Edenton, N. C., while the Senate had allowed only $160,000. In conference, it was determined that the item in its entirety should be stricken.

The House receded in connection with the naval air station, Lemoore, Calif., permitting the Senate reduction of approximately 10 percent to stand. The House also receded with respect to the increased amount granted for the Naval Air Missile Test Center, Point Mugu, Calif.

Other items which were the subject of recession by the House involved, for the most part, construction items which would not be funded during fiscal year 1958.

The Congress is familiar with the long legislative history involved in the provision of a flying facility for the Naval Academy. Again this year the matter came up for Congressional consideration and the House inserted an item authorizing the acquisition of land for such a facility to be named John H. Towers Field (location undetermined). The Senate version of the bill contained no similar authority. Recent studies by both committees have revealed that Andrews Air Force Base would provide an apparently feasible and acceptable site for the now somewhat enlarged functions contemplated by the Navy. The conferees decided, therefore, to insert the following language which, in essence, preserves the thinking of both the House and the Senate:

"Naval Air Facility, to be known as John H. Towers Field, and to be located at Andrews Air Force Base, Camp Springs, Md., operational facilities, utilities, and ground improvement, $3,200,000."

The conferees urge both the Department of the Navy and the Department of the Air Force to arrive at a prompt agreement for the use of such facilities at Andrews Air Force Base, and urge the Navy to proceed expeditiously in planning for such construction or modification as may be necessary to enable this facility to see early operation.

AIR FORCE

The House conferees found themselves in only minor disagreement with the Senate action on title III, the Air Force section of the bill. Again, as was the case with respect to the other two military departments, budgetary and funding considerations made reasonable the deletion or lowering of certain of the items and the House, therefore, receded with respect to a large number of these changes.

At the conclusion of the conference on title III of the bill, the Senate receded with respect to an exchange facility at Niagara Falls Municipal Airport, Niagara Falls, N. Y., the provision of a commissary at the Youngstown Municipal Airport, Youngstown, Ohio, and all items at the Marietta Air Force Station, Marietta, Pa.

At Robins Air Force Base, Macon, Ga., the Senate figure was raised in order to grant authority for the construction of a primary runway and its attendant taxiway.

The House receded with respect to the provision of a dormitory at Otis Air Force Base,

Falmouth, Mass., and the provision of an exchange facility at Oxnard Air Force Base, Camarillo, Calif.

Virtually all of the other recessions by the House involved items which are not to be funded during fiscal year 1958.

GENERAL PROVISIONS

Most of the general provisions in both the Senate and the House versions of the bill were identical. There were, however, some fundamental differences. These differences were found in sections 406 and 407 of the Senate bill.

Section 406 contained no counterpart in the House bill. It was designed, the House conferees were informed, to require that all housing, from whatever source, should be the subject of line item justification in military construction bills enacted after July 1, 1958. After extended discussion, the conferees agreed that the language should be modified in such fashion as to eliminate the applicability of the section to Wherry housing and, specifically, to render certain that Wherry housing would be acquired at any installation where Capehart housing is planned for construction.

The other section which was in substantial disagreement, section 407 of the Senate version, related to the granting of an authority for the occupancy of inadequate quarters on a rental basis, as distinguished from the surrender of an individual's whole housing allowance. The House conferees insisted on amendments which would (1) limit the housing affected to family quarters; (2) require that all housing determined to be inadequate should, prior to July 1, 1960, either be altered or improved so as to qualify as public quarters, or be demolished, or otherwise disposed of; (3) exclude so-called Wherry housing from the applicability of the section; and (4) require that the net difference between the basic allowance for quarters and the fair rental value of the quarters be paid from otherwise available appropriations.

Section 506 of the Senate version, and its House counterpart, of the bill rescinds existing authorizations after they have been in existence for 4 years, and contains certain exceptions. Among these exceptions in the House version of the bill was that relating to the authorizations of the rental guaranty for family housing that is contained in section 302 of Public Law 534, 82d Congress. The Senate version did not include this exception. After deliberation, the conferees agreed that this exception should be included and the Senate receded.

Section 411 of the House bill, which had no counterpart in the Senate bill, in effect, required that the Secretary of Defense inform the Senate and the House of Representatives, for appropriate Congressional consideration, whenever it was proposed to terminate or reduce the operations of any commercial- or industrial-type activity where such activity had been in operation for 5 or more years and required the services of 10 or more civilian employees, and the supplies or services furnished by such activity were to be furnished by other than civilian employees of the United States. After deliberation, the House receded with respect to this section.

Section 412 of the House version of the bill, which similarly found no counterpart in the Senate version, prohibited the use of the national emergency declared by the President on December 16, 1950, as a basis for negotiated contracts, as distinguished from competitive bidding. The section contained certain exceptions to this limitation.

While both the Senate and House conferees were in very substantial agreement that the end to be achieved was a proper one, it was decided that action to this end should be embodied in separate legislation and the House, therefore, receded.

The Senate version of the bill contains cost limitations with respect to cold storage and regular warehousing, permanent barracks, and bachelor officer quarters. The House receded with respect to this section.

The Senate and the House were in disagreement with respect to the amount of additional authority which should be granted for the Air Force Academy. The House on the one hand agreed that a flying facility should be provided at the Academy site while the Senate felt that another airfield in that area could be used for this activity. The House conferees felt that at least on a temporary basis, other flying facilities could be used and therefore receded.

As the bill passed the House, the authorities granted in the Army, Navy, and Air Force titles totaled $1,416,573,000. The corresponding authority granted in the Senate version totaled $1,203,413,000 or $213,165,000 less than the House version. The total agreed to by the conferees for titles I, II, and III is $1,232,495,000. This latter sum is $184,078,000 less than the House version and $29,082,000 more than the Senate version.

CARL VINSON,
OVERTON BROOKS,
PAUL J. KILDAY,
CARL T. DURHAM,
L. MENDEL RIVERS,
LESLIE C. ARENDS,
STERLING COLE,
LEON H. GAVIN,
WALTER NORBLAD,
Managers on the Part of the House.

Mr. VINSON. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, I would like to discuss briefly the conference report on H. R. 8240, the military construction bill for fiscal year 1958. As you are aware, the Senate took the House bill and struck all language after the enacting clause.

As the bill passed the House, the authorities granted in the Army, Navy, and Air Force titles totaled $1,416,573,000. The corresponding authority granted in the Senate version totaled $1,203,413,000 or $213,165,000 less than the House version. The total agreed to by the conferees for titles I, II, and III is $1,232,495,000. This latter sum is $184,078,000 less than the House version and $29,082,000 more than the Senate version. The House has appropriated $1,475,000,000 for the projects authorized in this bill and for authorizations granted in prior years.

There were some rather important differences in the general provisions of the bill. For example, section 411 of the House bill would require a resolution of one of the Houses to prevent the Secretary of Defense from closing down on industrial or commercial type activity under certain circumstances. The House receded with respect to this section.

Section 412 of the House bill would have prevented the use of the national emergency as a basis for negotiated contracts. I might say with respect to this section that the Senate and House conferees were in complete agreement that legislation of this kind appears necessary, but it was agreed that separate legislation should be used for this purpose.

The Senate version of the bill contained authority for the occupancy of substandard housing by military personnel on a rental basis and without loss of housing allowance. The House version contained no such provision. The House, however, earlier this year had passed a separate bill covering this matter. The language in the Senate construction bill was at considerable variance from this bill passed by the House. In conference, the Senate agreed to language which is virtually identical to the substandard bill as it had passed the House. Under the version accepted by the conferees, no Wherry housing can be declared substandard.

The Senate version also had a section 406 which would require that all housing, from whatever source, and under whatever law, would be the subject of a specific line item in the military construction bill. The House version had no such provision. The conferees agreed that the Senate version should be accepted with an amendment. The amendment eliminates from the applicability of the section to Wherry housing which is located at installations where Capehart housing is to be constructed.

I wish to make it entirely clear that this section does not repeal any existing law. All the current housing programs of the various services continue exactly as they are today through June 30, 1958. After that time, in order to maintain a single unified view of all military housing, the section will require that individual line items be included in the construction bill covering all housing from whatever source.

It might be asked why the clearance procedure with the committee which is in force today, is not sufficient. To this I would answer that it is obviously more effective and more efficient if the committee can check housing requirements at installations at the same time that it is considering the other construction items at that installation. Also with recent cuts and rumors of further cuts in personnel strength an even greater control must be exercised over the housing to be built for our military people in order that we will not find ourselves with vacant family houses at or near military installations.

In effect, then, the change made by the House will require that wherever Capehart housing is to be constructed the Wherry housing must be acquired.

I will file in the RECORD today a State breakdown of all installations indicating the results of the conference.

CAPEHART HOUSING

I do not think the gentleman needs to be at all concerned about the effect of this section on Capehart housing. The House Armed Services Committee has already passed on over 90,000 units of Capehart housing and given its favorable consideration of it.

Between now and next July, a period of almost a year, it would be my judgment that the departments will have firmed up their plans and submitted virtually all of the additional projects which they hope to build. And I can say that wherever the housing is really needed, the House Armed Services Committee will continue as it has in the past and approve these projects.

I might say also that the statement which I have just made in presenting the conference report is wholly consistent with statements made yesterday on the floor of the Senate concerning the effect of section 406 on housing to be constructed under the Capehart law.

Mr. RAINS. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield.

Mr. RAINS. As I understand, the only change in that part of the act is that after July 1, 1958, the military in the event they desire to build Capehart or title VIII housing will first have to present their needs to the House Armed Services Committee when you consider the military construction bill.

Mr. VINSON. The gentleman is correct.

Mr. RAINS. But now the operation is that you have a kind of veto over them after they bring them in. Is that not it?

Mr. VINSON. We must clear them in 180 days.

Mr. RAINS. One other question, I noticed the gentleman said that no change had to do with the mandatory requirement of Wherry housing.

Mr. VINSON. That is right.

Mr. RAINS. But I notice that the gentleman said in his remarks, if I did not misunderstand him, up until 1958—

Mr. VINSON. No; that is permanent, that stands. In other words, so the House and the public can understand it, no Capehart houses can be built at any installation where there are Wherry houses until the Wherry houses have been acquired, or are in the process of acquisition.

Mr. RAINS. One other question or comment. Then, I am sure, the distinguished gentleman from Georgia would not think that there is anything in this conference report that would adversely affect the program of Capehart housing, would he?

Mr. VINSON. Up to date, as I said, the House committee and the Senate committee have approved 90,000 units of Capehart housing.

Mr. RAINS. If the gentleman will allow me to interrupt I would like to say at this particular point that since January 1957 there have been 20,663 Capehart houses actually started. This I think is a fine record.

Mr. VINSON. That is right. Between now and next July there is almost a year, and in that time the Departments will have presented their plans, submitted what projects they need; but as far as the law is concerned it stands that they have the authority to build Capehart houses. All we are doing is requiring them to come before the committees and Congress in a bill of this kind authorizing Capehart houses to be constructed.

Mr. RAINS. I thank the gentleman.

Mr. TALLE. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Iowa.

Mr. TALLE. I should like to have the assurance of the distinguished gentleman from Georgia on one point. I have read what is included in the CONGRESSIONAL RECORD with reference to section 406 (a), on page 15378, and likewise with reference to section 406 at the top of page 15380. It is not necessary for me to point out to the distinguished gentleman from Georgia that the need for adequate military housing is urgent. Furthermore, the gentleman from Georgia is aware, I am sure, that 15 units of Capehart housing are being built for every unit built with appropriated funds. The contrast is great indeed. What I would like from the chairman of the Committee on the Armed Services, the distinguished gentleman from Georgia, is assurance that there is nothing in this report which will tend to slow up the construction of Capehart military housing.

Mr. VINSON. There is nothing in this report that interferes with the method of authorization of Capehart houses until 1958, in July. After that, instead of having a clearance by the committee, as I just stated to the gentleman from Alabama, they must be cleared in a military construction bill. That will not slow them up because by that time most of the units will be, no doubt, authorized by the committee.

Mr. TALLE. I am glad to have the gentleman's assurance.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Iowa.

Mr. GROSS. Do I understand that this conference report is $184 million less than the House version of the bill?

Mr. VINSON. To give the figures, when it passed the House there was provided $1,416,573,000. When it passed the Senate it was $1,203,413,000 or $213,165,000 less than the House bill. The conferees agreed on a figure of $1,232,495,000, which is $184,078,000 less than the House version or $29,082,000 more than the Senate version.

Mr. GROSS. Where was the cutback effected principally, if in any particular item?

Mr. VINSON. They went all through the bill because after the House had finished its consideration of the bill and before we took it up in conference, the Department reexamined their authorization and requested that some $200 million in authorizations be deleted. We did not delete it in the House bill because we knew that the Senate would follow the new look of the Department of Defense. That is what they did and that is what accounts for this decrease.

Mr. GROSS. How much was in the House version of the bill for the flying field at the new Air Force Academy?

Mr. VINSON. I do not have that right before me, but that has been reduced. When it was called up in conference someone remarked that this is the item the gentleman was interested in.

Mr. GROSS. I am not speaking about Grandview, Mo. I am speaking about the new Air Academy.

Mr. VINSON. We stand at the Senate figure on that, which was about $12 million under the House version.

Mr. GROSS. There will be a field built out there?

Mr. VINSON. No; no field for the time being is to be built. I will file the State breakdown at this point.

Summary of military public works bill, fiscal year 1958, continental United States

ALABAMA	
Army:	
Anniston Ordnance Depot	$2,015,000
Fort Rucker	7,549,000
Air Force:	
Craige AFB, Selma	2,193,000
Maxwell 3FB, Montgomery	300,000
Total	12,057,000
ARIZONA	
Army: Fort Huachuca	1,936,000
Air Force:	
Davis-Monthan AFB, Tucson	2,361,000
Luke AFB, Phoenix	1,848,000
Williams AFB, Chandler	865,000
Total	7,010,000
ARKANSAS	
Air Force: Blytheville AFB, Blytheville	11,516,000
CALIFORNIA	
Army:	
Jet Propulsion Laboratory	130,000
Fort MacArthur	1,192,000
Fort Ord	3,307,000
Presidio of San Francisco	120,000
Sharpe General Depot	110,000
Navy:	
Naval Air Station, Alameda	185,000
Marine Corps Supply Center, Barstow	6,841,000
Auxiliary Landing Field, Crows Landing	39,000
Naval Auxiliary Air Station, El Centro	4,310,000
Marine Corps Air Station, El Toro	3,620,000
Naval Air Station, Lemoore	27,535,000
Naval Shipyard, Long Beach	1,500,000
Naval Station, Long Beach	544,000
Naval Air Station, Miramar	3,401,000
Marine Corps Auxiliary Air Station, Mohave	3,281,000
Naval Air Station, North Island	7,964,000
Marine Corps Base, Camp Pendleton	1,469,000
Naval Air Missile Test Center, Point Mugu	7,669,000
Naval Magazine, Port Chicago	236,000
Naval Construction Battalion Center, Port Hueneme	759,000
Auxiliary Landing Field, San Clemente	9,443,000
Marine Corps Recruit Depot, San Diego	116,000
Naval Training Center, San Diego	1,613,000
Naval Communication Station, San Diego	100,000
Naval Communication Center, Stockton	460,000
Marine Corps Training Center, 29 Palms	2,331,000
Air Force:	
Beale AFB, Marysville	7,458,000
Castle AFB, Merced	2,076,000
Edwards AFB, Muroc	1,987,000
George AFB, Victorville	2,478,000
Hamilton AFB, San Rafael	614,000
March AFB, Riverside	2,372,000
Mather AFB, Sacramento	8,249,000
McClellan AFB, Sacramento	4,912,000
Oxnard AFB, Oxnard	1,828,000
Travis AFB, Fairfield	1,937,000
Total	122,191,000

Summary of military public works bill, fiscal year 1958, continental United States— Continued

COLORADO

Army:	
Fort Carson	$1,049,000
Fitzsimons Army Hospital	937,000
Air Force: Air Force Academy, Colorado Springs	11,916,000
Total	13,902,000

CONNECTICUT

Navy: Naval Submarine Base, New London	2,966,000

DELAWARE

Air Force: Dover AFB, Dover	745,000

DISTRICT OF COLUMBIA

Army: Walter Reed Army Medical Center	1,920,000

FLORIDA

Navy:	
Naval Air Station, Cecil Field	5,089,000
Naval Air Station, Jacksonville	39,000
Naval Air Station, Key West	1,456,000
Naval Auxiliary Air Station, Mayport	384,000
Naval Air Station, Pensacola	6,225,000
Naval Auxiliary Air Station, Saufley Field	39,000
Air Force:	
Eglin AFB, Valparaiso	5,826,000
Homestead AFB, Homestead	380,000
MacDill AFB, Tampa	936,000
Patrick AFB, Cocoa	2,882,000
Pinecastle AFB, Orlando	3,271,000
Tyndall AFB, Panama City	3,186,000
Total	29,713,000

GEORGIA

Army:	
Fort Benning	1,583,000
Atlanta General Depot	595,000
Fort Stewart	3,691,000
Navy:	
Marine Corps Supply Center, Albany	140,000
Naval Air Station, Glynco	293,000
Air Force:	
Dobbins AFB, Marietta	247,000
Hunter AFB, Savannah	994,000
Moody AFB, Valdosta	938,000
Robins AFB, Macon	13,104,000
Turner AFB, Albany	8,628,000
Total	30,213,000

IDAHO

Air Force: Mountain Home AFB, Mountain Home	2,022,000

ILLINOIS

Army:	
Granite City Engineer Depot	765,000
Savanna Ordnance Depot	758,000
Fort Sheridan	359,000
Navy:	
Electronics Supply Office, Great Lakes	92,000
Naval Training Center, Great Lakes	5,598,000
Air Force: Scott AFB, Belleville	900,000
Total	8,472,000

INDIANA

Air Force: Bunker Hill AFB, Peru	8,966,000

IOWA

Air Force: Sioux City Municipal Airport, Sioux City	248,000

Summary of military public works bill, fiscal year 1958, continental United States— Continued

KANSAS

Army:	
Fort Leavenworth	$336,000
Fort Riley	2,525,000
Air Force:	
Forbes AFB, Topeka	1,357,000
McConnell AFB, Wichita	763,000
Schilling AFB, Salina	372,000
Total	5,353,000

KENTUCKY

Army:	
Fort Campbell	5,117,000
Fort Knox	4,205,000
Total	9,322,000

LOUISIANA

Army:	
Bossier Base	164,000
Fort Polk	7,734,000
Navy: Naval Auxiliary Air Station, New Iberia	3,653,000
Air Force:	
England AFB, Alexandria	1,558,000
Barksdale AFB, Shreveport	3,344,000
Lake Charles AFB, Lake Charles	179,000
Total	16,632,000

MAINE

Navy:	
Naval Air Station, Brunswick	180,000
Naval Radio Station, Washington County	13,982,000
Air Force:	
Dow AFB, Bangor	14,638,000
Loring AFB, Limestone	7,322,000
Presque Isle AFB, Presque Isle	244,000
Total	36,366,000

MARYLAND

Army:	
Aberdeen Proving Ground	2,288,000
Fort Detrick	627,000
Fort George G. Meade	589,000
Fort Ritchie	820,000
Navy:	
Naval Academy, Annapolis	1,602,000
Naval Engineering Experiment Station, Annapolis	618,000
Applied Physics Laboratory, Howard County	1,452,000
Naval Air Station, Patuxent River	2,209,000
Naval Air Facility (Andrews AFB) John H. Towers Field	3,200,000
Air Force: Andrews AFB, Camp Springs	920,000
Total	14,325,000

MASSACHUSETTS

Army:	
Boston Defense Area	58,000
Fort Devens	6,719,000
Air Force:	
Laurence G. Hanscom Field, Bedford	3,469,000
Otis AFB, Falmouth	559,000
Westover AFB, Chicopee Falls	2,073,000
Total	12,878,000

MICHIGAN

Air Force:	
Kinross AFB, Sault Ste. Marie	1,118,000
K. I. Sawyer Municipal Airport, Marquette	905,000
Selfridge AFB, Mount Clemens	2,898,000
Wurtsmith AFB, Oscoda	2,153,000
Total	7,074,000

Summary of military public works bill, fiscal year 1958, continental United States— Continued

MINNESOTA

Air Force: Duluth Municipal Airport, Duluth	$4,499,000

MISSISSIPPI

Navy: Naval Auxiliary Air Station, Meridian	13,387,000
Air Force:	
Columbus AFB, Columbus	2,320,000
Greenville AFB, Greenville	19,389,000
Keesler AFB, Biloxi	2,209,000
Total	37,305,000

MISSOURI

Army: Fort Leonard Wood	4,663,000
Air Force:	
Aeronautical Chart and Information Center, St. Louis	60,000
Grandview AFB, Kansas City	1,100,000
Whiteman AFB, Knobnoster	235,000
Total	6,058,000

MONTANA

Air Force:	
Glasgow site	3,232,000
Malmstrom AFB, Great Falls	3,518,000
Total	6,750,000

NEBRASKA

Army: Sioux Ordnance Depot	249,000
Air Force:	
Lincoln AFB, Lincoln	37,000
Offutt AFB, Omaha	7,631,000
Total	7,967,000

NEVADA

Army: Lake Mead Base	138,000
Navy: Naval Auxiliary Air Station, Fallon	4,199,000
Air Force:	
Indian Spring Air Force Base	206,000
Nellis Air Force Base, Las Vegas	436,000
Stead Air Force Base, Reno	1,945,000
Total	6,924,000

NEW HAMPSHIRE

Army: Cold Regions Laborary	2,496,000
Air Force: Portsmouth Air Force Base, Portsmouth	2,344,000
Total	4,840,000

NEW JERSEY

Army: Camp Kilmer	2,381,000
Air Force: McGuire Air Force Base, Wrightstown	595,000
Total	2,976,000

NEW MEXICO

Army:	
Manzano Base	50,000
White Sands Proving Ground	16,530,000
Air Force:	
Clovis AFB, Clovis	2,149,000
Holloman AFB, Alamogordo	11,869,000
Walker AFB, Roswell	9,676,000
Kirtland AFB, Albuquerque	2,276,000
Total	42,550,000

NEW YORK

Army:	
Bellemore, Long Island	1,201,000
Brooklyn Army Base	1,169,000
Fort Totten	200,000
United States Military Academy	1,666,000
Navy: Naval Shipyard, Brooklyn	1,452,000

Summary of military public works bill, fiscal year 1958, continental United States— Continued

NEW YORK

Air Force:	
Griffiss AFB, Rome	$10,410,000
Mitchel AFB, Hempstead	963,000
Niagara Falls Municipal Airport	674,000
Plattsburg AFB, Plattsburg	231,000
Stewart AFB, Newburgh	694,000
Suffolk County AFB, Westhampton	956,000
Total	19,616,000

NORTH CAROLINA

Army: Fort Bragg	1,051,000
Navy:	
Marine Corps Air Station, Cherry Point	6,503,000
Naval Seaplane Facility, Harvey Point	5,728,000
Marine Corps Air Facility, New River, Jacksonville	39,000
Marine Corps Base, Camp Lejeune	2,372,000
Air Force: Seymour Johnson AFB, Goldsboro	9,991,000
Total	25,684,000

NORTH DAKOTA

Air Force:	
Grand Forks AFB, Grand Forks	5,079,000
Minot AFB, Minot	6,889,000
Total	11,968,000

OHIO

Army: Cleveland Defense Area	350,000
Air Force:	
Lockbourne AFB, Columbus	1,504,000
Wright-Patterson AFB, Dayton	1,777,000
Youngstown Municipal Airport, Youngstown	217,000
Total	3,848,000

OKLAHOMA

Air Force:	
Altus AFB, Altus	848,000
Clinton-Sherman AFB, Clinton	536,000
Tinker AFB, Oklahoma City	2,674,000
Vance AFB, Enid	1,977,000
Total	6,035,000

OREGON

Air Force:	
Klamath Falls Municipal Airport, Klamath	1,299,000
Portland International Airport, Portland	3,768,000
Total	5,067,000

PENNSYLVANIA

Army: New Cumberland General Depot	464,000
Navy:	
Naval Air Development Center, Johnsville	39,000
Naval Ordnance Supply Office, Mechanicsburg	155,000
Aviation Supply Office, Philadelphia	550,000
Air Force:	
Olmstead AFB, Middletown	1,673,000
Marietta AF Station	2,438,000
Total	5,319,000

Summary of military public works bill, fiscal year 1958, continental United States— Continued

RHODE ISLAND

Navy:	
Naval Station, Newport	$2,729,000
Naval Air Station, Quonset Point	882,000
Total	3,611,000

SOUTH CAROLINA

Army:	
Charleston Transportation Corps Depot	306,000
Navy:	
Marine Corps Auxiliary Air Station, Beaufort	2,632,000
Marine Corps Recruit Depot, Parris Island	2,643,000
Air Force:	
Charleston AFB, Charleston	2,216,000
Donaldson AFB, Greenville	1,623,000
Myrtle Beach Municipal Airport, Myrtle Beach	1,204,000
Shaw AFB, Sumter	1,184,000
Total	11,808,000

SOUTH DAKOTA

Air Force:	
Elsworth AFB, Rapid City	1,976,000
Rushmore AFS, Rapid City	56,000
Total	2,032,000

TENNESSEE

Army:	
Clarksville Base	200,000
Oak Ridge Defense Area	749,000
Air Force:	
McGhee-Tyson Airport, Knoxville	189,000
Mallory AFS, Memphis	1,561,000
Sewart AFB, Smyrna	484,000
Total	3,183,000

TEXAS

Army:	
Fort Bliss	7,704,000
Medina Base	125,000
Fort Hood	2,362,000
Killeen Base	379,000
Fort Worth General Depot	95,000
Fort Sam Houston	675,000
Navy:	
Naval Auxiliary Air Station, Chase Field	566,000
Naval Air Station, Corpus Christi	140,000
Ordnance Aerophysics Laboratory, Daingerfield	2,649,000
Naval Auxiliary Air Station, Kingsville	160,000
Air Force:	
Amarillo AFB, Amarillo	2,872,000
Bergstrom AFB, Austin	1,487,000
Biggs AFB, El Paso	5,557,000
Carswell AFB, Fort Worth	2,249,000
Dyess AFB, Abilene	100,000
Ellington AFB, Houston	8,000
Foster AFB, Victoria	683,000
Gray AFB, Killeen	34,000
Harlingen AFB, Harlingen	262,000
James Connally AFB, Waco	191,000
Kelly AFB, San Antonio	899,000
Laughlin AFB, Del Rio	250,000
Perrin AFB, Sherman	460,000
Randolph AFB, San Antonio	2,858,000
Reese AFB, Lubbock	5,909,000
Sheppard AFB, Wichita Falls	4,442,000
Webb AFB, Big Spring	4,118,000
Total	47,234,000

UTAH

Army: Dugway Proving Ground	54,000
Air Force: Hill AFB, Ogden	1,911,000
	1,965,000

Summary of military public works bill, fiscal year 1958, continental United States— Continued

VERMONT

Air Force: Ethan Allen AFB, Winooski	$723,000

VIRGINIA

Army:	
Fort Belvoir	1,654,000
Fort Eustis	562,000
A. P. Hill Military Reservation	153,000
Fort Lee	5,417,000
Navy:	
Naval Air Station, Chincoteague	2,818,000
Naval Air Station, Norfolk	39,000
Naval Communication Station, Norfolk	443,000
Public Works Center, Norfolk	3,244,000
Naval Air Station, Oceana	6,975,000
Marine Corps Schools, Quantico	1,923,000
Air Force: Langley AFB, Hampton	20,000
Total	23,248,000

WASHINGTON

Army:	
Camp Hanford	1,045,000
Fort Lewis	2,298,000
Seattle Market Center	40,000
Navy:	
Naval Ammunition Depot, Bangor	316,000
Naval Shipyard, Bremerton	25,438,000
Naval Air Station, Whidbey Island	9,365,000
Air Force:	
Fairchild AFB, Spokane	1,480,000
Geiger Field, Spokane	1,583,000
Larson AFB, Moses Lake	12,552,000
McChord AFB, Tacoma	632,000
Total	54,749,000

WEST VIRGINIA

Navy: Naval Radio Facility, Sugar Grove	6,600,000

WISCONSIN

Air Force:	
Richard Bong AFB, Kansasville	7,804,000
Truax Field, Madison	130,000
Total	7,934,000

Mr. VINSON. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

MISSING PERSONS ACT

Mr. BROOKS of Louisiana. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 5807) to amend further and make permanent the Missing Persons Act, as amended, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 6, after "departments" insert "exclusive of part time or intermittent employees or native labor casually hired on an hourly or per diem basis."

Page 4, lines 13 and 14, strike out "after an investigation a finding is made that."

Page 4, line 16, strike out "an active" and insert "a."

Page 5, line 6, strike out "imprisonment." " and insert "imprisonment.

"(c) No part of any amount paid on any claim filed pursuant to subsection (b) of this section in excess of 10 percent of the first $1,000 so paid on such claim, and 7 percent of the amount so paid over $1,000, shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with any such claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this subsection shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $10,000 or imprisoned not more than 1 year, or both."

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

Mr. BROWN of Ohio. Mr. Speaker, reserving the right to object, I would like to know what is in this legislation.

Mr. BROOKS of Louisiana. May I say to the distinguished gentleman from Ohio that this is what is known as the Permanent Missing Persons Act. Previously we temporarily extended the Missing Persons Act. This bill was approved by the House and contained a provision for missing persons in the future and also a provision for the Philippine scouts. This bill went to the Senate and the Senate has made some minor changes. Perhaps the most important change is the one which they made adding subsection (c) to the bill. Subsection (c) limits the fees of attorneys that may handle cases to 10 percent up to $1,000 and above $1,000 the fee is limited to 7 percent. That is the most important amendment, perhaps, in the bill.

Mr. BROWN of Ohio. I thank the gentleman for his explanation of the bill. I reserved the right to object because I feel in these closing days of the Congress the Members of this House should at least be advised as to what amendments they are accepting or what conference reports are agreed to before they are called upon to vote. I withdraw my reservation of objection, Mr. Speaker.

Mr. BROOKS of Louisiana. The gentleman is always diligent.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

STADIUM IN THE DISTRICT OF COLUMBIA

Mr. McMILLAN. Mr. Speaker, I call up the conference report on the bill (H. R. 1937) to authorize the construction, maintenance, and operation by the Armory Board of the District of Columbia of a stadium in the District of Columbia, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

Mr. GROSS. Mr. Speaker, reserving the right to object, I assume the gentleman is going to explain the changes made in this bill.

Mr. McMILLAN. Yes.

Mr. GROSS. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1183)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1937) to authorize the construction, maintenance, and operation by the Armory Board of the District of Columbia of a stadium in the District of Columbia, and for other purposes, having met, under full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, and 3, and agree to the same.

JOHN L. McMILLAN,
OREN HARRIS,
OLIN E. TEAGUE,
SID SIMPSON,
JOS. P. O'HARA,
Managers on the Part of the House.

ALAN BIBLE,
J. ALLEN FREAR, Jr.
J. GLENN BEALL,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1937) to authorize the construction, maintenance, and operation by the Armory Board of the District of Columbia of a stadium in the District of Columbia, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Amendment No. 1: The House bill requires the Armory Board to issue bonds to provide for payment of the cost of the stadium and the land upon which the stadium is located. This Senate amendment requires the Armory Board to issue bonds for payment of the cost of the stadium only. The House recedes.

Amendment No. 2: The House bill provides that the bonds to be issued by the Armory Board are to bear interest at a rate not more than that approved by the Secretary of the Treasury. This Senate amendment provides that the bonds shall bear interest at a rate of not more than 6 percent per annum. The House recedes.

Amendment No. 3: The House bill permitted the Armory Board to operate or contract for the operation of concessions for the sale of nonalcoholic beverages at the stadium. This Senate amendment strikes out the word "nonalcoholic." The House recedes.

JOHN L. McMILLAN,
OREN HARRIS,
OLIN E. TEAGUE,
SID SIMPSON,
JOS. P. O'HARA,
Managers on the Part of the House.

Mr. McMILLAN. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, the conferees on the part of the House and the Senate discussed these three amendments at length. We came to the conclusion that this bill, if enacted, would give the Housing and Home Finance Agency permission to grant some money to make plans, and study this proposed stadium. We thought at the proper time after the Armory Board came up with a plan as to the type of stadium to be built, if they decide to erect a stadium at all, then we could consider perfecting amendments at that time concerning what would be sold in the stadium, and items such as a number of Members have indicated an interest.

Mr. TABER. Mr. Speaker, will the gentleman yield for a question?

Mr. McMILLAN. I yield to the gentleman.

Mr. TABER. Is it a fact that under this conference report the United States Government would be stuck with the cost of the land to the tune of about $5 million?

Mr. McMILLAN. It is my understanding that the United States Government already owns the land. This land was purchased some years ago for a memorial stadium. It is considered property of the National Park System and purchased for recreation purposes.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. McMILLAN. I yield.

Mr. GROSS. But the Government owns this valuable land and under the terms of the bill would donate it to this stadium project; is that true?

Mr. McMILLAN. It was the opinion of the conferees that there should be some amendments to the bill after a study was made of the proposed stadium, as to whether the District of Columbia would pay for the land or the Armory Board or the Federal Government. We were of the opinion that a study of the project should be made before amending the bill or act.

Mr. GROSS. In other words, the amendment that was adopted by the House was lost in the conference. That was my amendment which provided that the stadium corporation should pay for the land on which the stadium would be erected. That was lost in the conference, is that correct?

Mr. McMILLAN. In the original bill we were supposed to purchase four additional acres at a cost of $1 million. That was knocked out by the Senate. We decided that since the Government already owned all the other land, we would not make any other provision or changes until it was actually decided to build a stadium.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. McMILLAN. I yield to the gentleman.

Mr. HARRIS. Is it not a fact that this property that is to be made available for this purpose was purchased for the purpose years ago, for recreational facilities, and so forth? This bill provides that this property shall be made available for that purpose and that at a certain time when the bonds have been repaid—not more than 50 years, but very likely much less than that—it shall be given to the District of Columbia, which is a part of the Federal Government. It is a Federal Government

project and for that reason it should be donated to the Federal Government. It would seem that property that is owned by the Federal Government for the development of its own properties should be made available for this purpose. The conferees thought they were thoroughly justified in that kind of a program.

Mr. GROSS. Mr. Speaker, will the gentleman yield further?

Mr. McMILLAN. I yield.

Mr. GROSS. I am not interested in this 50-year proposition, because I will be dead and gone then. I am interested in the taxpayers of this country, who are paying altogether too many of the bills around here in one way or another. I do not know of any reason why this corporation should not buy the land from the Government. There is no reason in the world why the Government should not take that money, and use it, for instance to build post offices that are very badly needed in some places.

Mr. HARRIS. Mr. Speaker, will the gentleman yield to me?

Mr. McMILLAN. I yield to the gentleman from Arkansas.

Mr. HARRIS. The Government is not putting any money in this.

Mr. GROSS. Are they getting anything out of it?

Mr. HARRIS. Yes; they are getting a stadium, a very fine facility which is going to be given to the Government.

Mr. SEELY-BROWN. Mr. Speaker, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman.

Mr. SEELY-BROWN. Can the gentleman advise us as to the interest that is going to be paid on these bonds?

Mr. McMILLAN. Not more than 6 percent.

Mr. SEELY-BROWN. Does the Government stand behind the bonds?

Mr. McMILLAN. No, sir.

Mr. SEELY-BROWN. Are the bonds tax exempt?

Mr. McMILLAN. Yes.

Mr. SEELY-BROWN. That is a very attractive buy, is it not?

Mr. McMILLAN. I suppose it would be attractive.

Mr. GROSS. If the gentleman will yield further, the interest rate can be anything up to 6 percent, is that correct?

Mr. McMILLAN. That is correct.

Mr. GROSS. That is another beautiful deal when tied to tax-free bonds.

Mr. HARRIS. It is a matter of fact that bonds for purposes of this kind all over the country are paying interest at the rate of 5, 5½, or 6 percent. Therefore this is no different from what you have in respect to any other State throughout the country, whether in California or my State or the gentleman's State.

Mr. SEELY-BROWN. Mr. Speaker, will the gentleman yield?

Mr. McMILLAN. I yield to the gentleman from Connecticut.

Mr. SEELY-BROWN. Are all bonds that provide for the construction of stadiums such as this in other cities tax exempt?

Mr. HARRIS. If they are municipally owned or are part of the municipality they are tax exempt, or if they are State-owned they are tax exempt.

Mr. McMILLAN. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. MULTER].

Mr. MULTER. Mr. Speaker, I dislike very much taking a position contrary to that of my distinguished chairman and the distinguished conferees on the part of the House who agreed to this conference report, but I must urge that this conference report be rejected.

This bill is an out and out authorization for the building of a $6-million stadium. It gives the Armory Board the full right and authority to do anything and everything it pleases, once the law is enacted, with reference to the construction and maintenance of this stadium.

The reason given for enacting it at this time is that such enactment will enable the Armory Board to get $35,000 from the Housing and Home Finance Agency to make a survey to determine whether or not this stadium will be feasible, both as to construction and operation. The Board needs that money for the survey and can get it nowhere else. To accomplish that, we should bring in a simple resolution authorizing the Board to make the survey. That would make the money available and we could get the survey. The Board could then tell us whether it is feasible and what we should do about it.

Once this bill becomes law, there is no regulating the Board's activities. There is $6 million involved here, all of which could be committed the day after the law becomes effective and the District government would be duty bound to back up the commitments.

In addition, as has already been pointed out, these bonds are tax exempt, with a maximum interest rate of 6 percent, and are redeemable at the price of $105 for every $100 bond. I heard the gentleman from Arkansas remark that bonds of this kind are being sold throughout the country at an interest rate of 5 to 5½ percent. Take the Wall Street Journal of today or yesterday, and I have both in my hand, and you will find that private bonds, not tax exempt, are yielding 4 to 4½ percent. United States Government obligations are yielding 4 percent maximum today, and they are not tax exempt.

I say to you in all fairness, this conference report ought to be rejected now.

The way to proceed is to get an authorization for a survey first, spend the $35,000 to get the survey, and then decide what we should do on the basis of that survey. I want a stadium in the District. I sincerely believe this is not the way to get it.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from Arkansas.

Mr. HARRIS. Can the gentleman cite any place in the United States that is more in need of a facility of this kind than our Nation's Capital?

Mr. MULTER. Yes. The city of New York needs not one but two stadiums, but we are refusing to build stadiums with municipal funds. Our municipal bonds in the city of New York are tax exempt and are selling to yield under 4 percent.

Mr. HARRIS. San Francisco is building a stadium to give to the New York Giants, too.

Mr. MULTER. Yes; they are. I am sure they are not doing it with tax-exempt bonds. I believe it will be done with private funds.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from Iowa.

Mr. GROSS. Last year the House authorized $5 million for the building of a stadium at Cleveland, Ohio, but this year that was wiped out. There will be no stadium built at Cleveland, Ohio. Congress did not make an appropriation for it. I am glad they did not.

Mr. HARRIS. If the gentleman will yield, that money was to be provided out of the Treasury of the United States. This is not. This is a private operation and will cost the Government nothing for the construction of the stadium, yet it is a facility that is badly needed.

Mr. MULTER. It will cost nothing except the taxes that otherwise would be payable on the principal and the interest on these bonds, and that is substantial. Six percent on $6 million plus $5 on every $100 when redeemed is a lot of taxable revenue. If you are only in the 50-percent income tax bracket, 6 percent interest tax-exempt means you are getting a 12-percent return on these bonds. Where can you get that on guaranteed municipal or State bonds or on any bond that is issued by any private company anywhere in this country? Look at the Wall Street Journal, as I suggested to you before. Private bonds, fully taxable that are not quaranteed by municipalities, States or governments are yielding under 4½ percent. When there is a public offering of private bonds and the lowest bid is 5 percent interest, the company invariably withdraws the offering and postpones it until a future time when the money market may be easier and they can get a lower interest quotation on the bonds.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. MULTER. I yield.

Mr. CELLER. Does the gentleman know of any issue at 6 percent which is tax exempt?

Mr. MULTER. I do not know of any tax-exempt issue in the last 20 years that has carried any such interest rate.

Mr. CELLER. Does the gentleman know the name of the broker or the brokerage house that is going to handle this issue?

Mr. MULTER. I do not believe there is any commitment. We are told they cannot get a commitment until they first spend $35,000 and bring back to the Armory Board a survey. The trouble is that nothing in the bill requires the survey to be submitted to this House in advance of the project being started. The Armory Board may proceed the minute the bill is enacted and make a commitment, if it so desires.

Mr. CELLER. Does not the gentleman think this is utterly unprecedented to issue bonds of this character guaranteed as they are bearing a 6-percent interest rate and tax exempt? Is that not unprecedented?

Mr. MULTER. It is to my knowledge. I know of no similar instance.

Mr. CELLER. And these bonds when issued are to be secured by a mortgage and a sinking fund.

Mr. MULTER. That is correct. The mortgage will cover both the land now owned by the Government and the stadium when completed. The revenues will go into a sinking fund to guarantee principal and interest.

The SPEAKER. The time of the gentleman from New York has expired.

The question is on agreeing to the conference report.

The question was taken; and on a division (demanded by Mr. McMILLAN) there were—ayes 30, noes 59.

Mr. McMILLAN. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify the absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 135, nays 234, not voting 63, as follows:

[Roll No. 200]

YEAS—135

Abernethy	Forand	Norrell
Albert	Ford	Osmers
Allen, Calif.	Forrester	Passman
Anderson, Mont.	Friedel	Patterson
	Fulton	Pilcher
Arends	Garmatz	Poage
Ashmore	Gary	Price
Aspinall	Gavin	Rains
Ayres	Halleck	Reece, Tenn.
Bailey	Hardy	Rhodes, Ariz.
Bass, Tenn.	Harris	Riley
Bennett, Fla.	Haskell	Rivers
Bennett, Mich.	Hébert	Rogers, Fla.
Blitch	Hemphill	Rogers, Mass.
Boggs	Herlong	Rooney
Bolling	Hillings	Roosevelt
Bonner	Holifield	Rutherford
Boykin	Huddleston	Saylor
Brown, Ga.	Hyde	Sieminski
Broyhill	James	Sikes
Burdick	Jarman	Simpson, Ill.
Burleson	Karsten	Simpson, Pa.
Byrnes, Wis.	Kearns	Smith, Miss.
Canfield	Kee	Smith, Va.
Carnahan	Kilday	Staggers
Carrigg	King	Steed
Cederberg	Kitchin	Sullivan
Clark	Knox	Teague, Calif.
Coffin	Landrum	Teague, Tex.
Cole	Lanham	Tewes
Cooley	Lankford	Thomas
Corbett	Long	Thompson, N. J.
Davis, Ga.	McMillan	Thompson, Tex.
Dempsey	Mack, Ill.	Thornberry
Devereux	Mahon	Trimble
Dorn, S. C.	Martin	Vinson
Dowdy	Matthews	Vorys
Durham	Meader	Wainwright
Edmondson	Merrow	Walter
Elliott	Metcalf	Whitten
Engle	Miller, Md.	Wier
Fallon	Mills	Williams, Miss.
Fascell	Montoya	Withrow
Fisher	Morano	Wright
Flood	Morris	
Flynt	Nicholson	

NAYS—234

Abbitt	Baldwin	Boyle
Adair	Barden	Breeding
Addonizio	Baring	Brooks, La.
Alexander	Barrett	Brooks, Tex.
Andersen, H. Carl	Bates	Broomfield
	Becker	Brown, Mo.
Andresen, August H.	Beckworth	Brown, Ohio
	Belcher	Budge
Andrews	Berry	Bush
Ashley	Betts	Byrd
Auchincloss	Blatnik	Byrne, Ill.
Avery	Boland	Byrne, Pa.
Baker	Bosch	Cannon
Celler	Horan	Radwan
Chamberlain	Hosmer	Ray
Chelf	Hull	Reed
Chenoweth	Ikard	Rees, Kans.
Chudoff	Jenkins	Reuss
Church	Jensen	Rhodes, Pa.
Clevenger	Johansen	Riehlman
Collier	Johnson	Roberts
Colmer	Jonas	Robeson, Va.
Cooper	Jones, Ala.	Rodino
Coudert	Jones, Mo.	Rogers, Colo.
Cramer	Judd	Rogers, Tex.
Cunningham, Iowa	Kean	Sadlak
	Keating	Santangelo
Cunningham, Nebr.	Keeney	St. George
	Kelley, Pa.	Saund
Curtin	Kelly, N. Y.	Schenck
Curtis, Mass.	Keogh	Scherer
Curtis, Mo.	Kilgore	Schwengel
Dague	Kirwan	Scott, Pa.
Davis, Tenn.	Kluczynski	Scrivner
Dawson, Utah	Knutson	Scudder
Delaney	Lane	Seely-Brown
Denton	Latham	Selden
Derounian	LeCompte	Shuford
Diggs	Lennon	Siler
Dingell	Lesinski	Sisk
Dixon	Lipscomb	Smith, Calif.
Dollinger	McCulloch	Smith, Kans.
Donohue	McDonough	Smith, Wis.
Dooley	McFall	Spence
Dorn, N. Y.	McGovern	Springer
Dwyer	McGregor	Stauffer
Eberharter	McIntire	Taber
Evins	McIntosh	Talle
Feighan	McVey	Taylor
Fino	Machrowicz	Teller
Fogarty	Mack, Wash.	Thompson, La.
Fountain	Marshall	Thomson, Wyo.
Frazier	May	Tollefson
Frelinghuysen	Michel	Tuck
Gathings	Miller, Nebr.	Ullman
Granahan	Minshall	Utt
Grant	Moore	Vanik
Gray	Morgan	Van Pelt
Green, Pa.	Moss	Van Zandt
Gregory	Moulder	Vursell
Griffin	Multer	Watts
Griffiths	Mumma	Weaver
Gross	Murray	Westland
Gubser	Natcher	Wharton
Hagen	Neal	Whitener
Hale	Nimtz	Widnall
Haley	O'Brien, Ill.	Wigglesworth
Harden	O'Hara, Ill.	Williams, N. Y.
Harrison, Nebr.	O'Konski	Willis
Harrison, Va.	Ostertag	Wilson, Calif.
Harvey	Patman	Wilson, Ind.
Healey	Pelly	Winstead
Henderson	Perkins	Wolverton
Heselton	Pfost	Yates
Hess	Philbin	Young
Hill	Poff	Younger
Hoeven	Polk	Zablocki
Holland	Porter	Zelenko
Holmes	Prouty	
Holt	Rabaut	

NOT VOTING—63

Alger	Farbstein	Macdonald
Allen, Ill.	Fenton	Madden
Anfuso	George	Magnuson
Bass, N. H.	Gordon	Mailliard
Baumhart	Green, Oreg.	Mason
Beamer	Gwinn	Miller, Calif.
Bentley	Hays, Ark.	Miller, N. Y.
Bolton	Hays, Ohio	Morrison
Bow	Hiestand	Norblad
Bray	Hoffman	O'Brien, N. Y.
Brownson	Holtzman	O'Hara, Minn.
Buckley	Jackson	O'Neill
Chiperfield	Jennings	Pillion
Christopher	Kearney	Powell
Coad	Kilburn	Preston
Cretella	Krueger	Robsion, Ky.
Dawson, Ill.	Laird	Scott, N. C.
Dellay	Loser	Sheehan
Dennison	McCarthy	Shelley
Dies	McConnell	Sheppard
Doyle	McCormack	Udall

So the conference report was rejected.

The Clerk announced the following pairs:

Mr. Udall with Mr. Fenton.
Mr. Hays of Arkansas with Mr. Dellay.
Mr. Morrison with Mr. Norblad.
Mr. Scott of North Carolina with Mr. Alger.
Mr. Shelley with Mr. Allen of Illinois.
Mr. Sheppard with Mr. Bass of New Hampshire.
Mr. Jennings with Mr. Bentley.
Mr. Dawson of Illinois with Mr. Krueger.
Mr. Gordon with Mr. Sheehan.
Mr. McCarthy with Mr. Hiestand.
Mr. O'Neill with Mr. Beamer.
Mr. Doyle with Mr. Kilburn.
Mr. Miller of California with Mr. Hoffman.
Mr. Coad with Mr. O'Hara of Minnesota.
Mr. Dies with Mr. Baumhart.
Mr. Madden with Mr. Cretella.
Mr. Magnuson with Mr. Bow.
Mr. Macdonald with Mrs. Bolton.
Mr. Preston with Mr. Miller of New York.
Mr. Hays of Ohio with Mr. Brownson.
Mr. Christopher with Mr. Mailliard.
Mr. Loser with Mr. Gwinn.
Mr. Anfuso with Mr. Robsion of Kentucky.
Mr. Buckley with Mr. Mason.
Mr. Powell with Mr. Kearney.
Mr. Farbstein with Mr. Dennison.
Mr. Holtzman with Mr. Chiperfield.
Mr. O'Brien of New York with Mr. Jackson.

Mr. JONAS, Mr. WHITENER, and Mr. JUDD changed their vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

IMPLEMENTING A TREATY AND AGREEMENT WITH THE REPUBLIC OF PANAMA

Mr. BONNER. Mr. Speaker, I call up the conference report on the bill (H. R. 6709) to implement a treaty and agreement with the Republic of Panama and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1196)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 6709) To implement a treaty and agreement with the Republic of Panama and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"TITLE I—CONVEYANCE OF PROPERTY TO THE REPUBLIC OF PANAMA AND FISCAL ADJUSTMENTS BY PANAMA CANAL COMPANY

"SEC. 101. It is hereby declared to be the purpose of this title—

"(1) to authorize and direct the fulfillment of those provisions of the Treaty of Mutual Understanding and Cooperation between the United States of America and the Republic of Panama signed on January 25, 1955, and of the memorandum of understandings reached signed on the same date, which contemplate, subject to authorization by the Congress, the conveyance of various lands and improvements to the Republic of Panama, including, but not limited to, conveyance of the lands and improvements in, and simultaneous relinquishment of all right, power and authority in, the area known as Paitilla Point, and including the removal of the railway terminal operations of the Panama Canal Company from the city of

Panama and the conveyance of the lands and improvements known as Panama Railroad Yard in the city of Panama; and

"(2) to authorize and provide for the adjustments in the fiscal obligations of the Panama Canal Company necessitated by the aforesaid conveyances.

"SEC. 102. (a) In accordance with and subject to the provisions of article V of the Treaty of Mutual Understanding and Cooperation between the United States of America and the Republic of Panama signed on January 25, 1955, and item 2 of the memorandum of understandings reached signed on same date—

"(1) the Secretary of State is authorized and directed to convey to the Republic of Panama free of cost all the right, title, and interest held by the United States of America or its agencies in and to the land and improvements in the area known as Paitilla Point and in the areas designated in paragraphs 1, 2, and 3 of paragraph (a) of said item 2; and

"(2) the Panama Canal Company is authorized and directed to remove its operations and withdraw from the other lands and improvements designated in said item 2, and to convey to the Republic of Panama free of cost all the right, title, and interest held by the Panama Canal Company and the United States of America in and to said other lands and improvements.

"(b) The market value of the property of the Panama Canal Company conveyed under this directive or by operation of articles VI or VII of the treaty and the net capital loss, if any, as established by the Panama Canal Company and approved by the Director of the Bureau of the Budget, sustained in the disposal, relocation, or reutilization of any facility or other property of the Panama Canal Company rendered excess, wholly or in part, by operation of articles V or XII of the treaty or items 2, 6, 9, or 10 of the memorandum of understandings reached shall be treated as extraordinary expenditures and losses incurred through directives based on national policy and not related to the operations of the corporation, within the meaning of section 246 (d) of title 2 of the Canal Zone Code, as added by the Act of June 29, 1948 (ch. 706, 62 Stat. 1075). The market value of Canal Zone Government property conveyed under this directive shall be removed from the capital investment of the United States in the Canal Zone Government without charge to the costs of operation of that agency. There are hereby authorized to be appropriated such amounts as may be required for the necessary replacement of property or facilities of the Panama Canal Company or Canal Zone Governmnent conveyed or rendered excess as the result of the treaty or memorandum, such amounts to be charged to the Panama Canal Company or the Canal Zone Government, respectively.

And the Senate agree to the same.

HERBERT C. BONNER,
LEONOR K. SULLIVAN,
EDWARD A. GARMATZ,
THOR C. TOLLEFSON,
TIMOTHY P. SHEEHAN,
Managers on the Part of the House.

WARREN G. MAGNUSON,
JOHN O. PASTORE,
FRANK J. LAUSCHE,
JOHN M. BUTLER,
NORRIS COTTON,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 6709) to implement a treaty and agreement with the Republic of Panama and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendment to the bill as passed by the House added a provision allocating to the Panama Canal Company the payment of an increase in the annuity paid by the United States to the Republic of Panama pursuant to the Treaty of January 25, 1955. It was agreed at the Conference that this matter of internal accounting as between the Treasury and the Panama Canal Company should more properly be the subject of a separate bill.

The Senate amendment to the House bill contained section numbers that it was believed should be retained.

HERBERT C. BONNER,
LEONOR K. SULLIVAN,
EDWARD A. GARMATZ,
THOR C. TOLLEFSON,
TIMOTHY P. SHEEHAN,
Managers on the Part of the House.

Mr. BONNER. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

ATOMIC ENERGY COMMISSION

Mr. DURHAM submitted the following conference report and statement on the bill (H. R. 8996) to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 1204)

The committee of conference on the disagreeing votes of the two House on the amendments of the Senate to the bill (H. R. 8996) to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate and agree to the same with an amendment: In lieu of the matter proposed to be inserted in the Senate amendment, insert the following:

"SEC. 101. Authorization: There is hereby authorized to be appropriated to the Atomic Energy Commission, in accordance with the provisions of section 261 a. (1) of the Atomic Energy Act of 1954, as amended, the sum of $222,230,000 for acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion, as follows:

"(a) Raw materials.—

"1. Project 58–a–1, offsite access roads.

"(b) Special nuclear materials.—

"1. Project 58–b–1, fabrication plant, $5,000,000.

"2. Project 58–b–2, mechanical production line, Hanford, Washington, $1,500,000.

"3. Project 58–b–3, metal treatment plant, Fernald, Ohio, $850,000.

"4. Project 58–b–4, improvements to production and supporting installations, Hanford, Washington, and Savannah River, South Carolina, $10,000,000.

"5. Project 58–b–5, additions to scrap plants, various sites, $1,500,000.

"6. Project 58–b–6, additions to gaseous diffusion plants, $6,600,000.

"7. Project 58–b–7, reduction in fire hazards—gaseous diffusion plants, Oak Ridge, Paducah, and Portsmouth, $12,000,000.

"8. Project 58–b–8, production reactor for special nuclear materials; development, design, and engineering only, $3,000,000. The Commission shall proceed with sufficient design work, together with appropriate engineering and development work, necessary for the Commission to begin construction as soon as practicable after authorization by the Congress, of a large scale single or dual purpose reactor for the production of special nuclear materials. The Commission shall submit to the Joint Committee on Atomic Energy a report on its design for this project, including cost estimates and schedule of construction, not later than April 1, 1958.

"(c) Atomic weapons.—

"1. Project 58–c–1, weapons production and development plant, $10,000,000.

"2. Project 58–c–2, weapons special component plant, $6,000,000.

"(d) Atomic weapons.—

"1. Project 58–d–1, manufacturing plant expansion, Albuquerque, New Mexico, $3,325,000.

"2. Project 58–d–2, storage site modifications, $2,000,000.

"3. Project 58–d–3, high explosive development plant, Livermore, California, $2,100,000.

"4. Project 58–d–4, engineering and laboratory building, Los Alamos, New Mexico, $1,013,000.

"5. Project 58–d–5, ventilation system replacements, Los Alamos, New Mexico, $618,000.

"6. Project 58–d–6, reclamation foundry, shop, and warehouse, Sandia Base, New Mexico, $308,000.

"7. Project 58–d–7, reactor, area III, Sandia Base, New Mexico, $2,900,000.

"8. Project 58–d–8, base construction, Nevada test site, $350,000.

"9. Project 58–d–9, base construction, Eniwetok Proving Ground, $7,917,000.

"(e) Reactor development.—

"1. Project 58–e–1, power reactor development acceleration project, $11,500,000.

"2. Project 58–e–2, Puerto Rico power reactor.

"3. Project 58–e–3, fuels technology center, Argonne National Laboratory, Illinois, $10,000,000.

"4. Project 58–e–4, modifications and additions, aircraft nuclear propulsion ground test plant, area numbered 1, National Reactor Testing Station, Idaho, $8,000,000.

"5. Project 58–e–5, test installations for classified project, $9,000,000.

"6. Project 58–e–6, project Sherwood plant, $7,750,000.

"7. Project 58–e–7, waste calcination system, National Reactor Testing Station, Idaho, $4,000,000.

"8. Project 58–e–8, hot cells, $3,500,000.

"9. Project 58–e–9, high temperature test installation, Bettis plant, Pennsylvania, $3,000,000.

"10. Project 58–e–10, destroyer reactor development plant, $750,000.

"11. Project 58–e–11, sodium reactor experiment (SRE) modification, Santa Susana, California, $4,700,000.

"12. Project 58–e–12, liquid metal fuel reactor experiment (LMFRE), $17,500,000.

"13. Project 58–e–13, Argonne boiling reactor (ARBOR), National Reactor Testing Station, Idaho, $8,500,000.

"14. Project 58–e–14, natural uranium, graphite moderated, gas cooled, power reactor prototype development, design, and engineering only, $3,000,000. The Commission shall proceed with sufficient design work, together with appropriate engineering and development work, necessary for the Commission to begin construction as soon as practicable after authorization by the Congress, of a large scale natural uranium power reactor prototype. The Commission shall submit to the Joint Committee on Atomic Energy a report on its design for this project, including cost estimates and schedule of construction, not later than April 1, 1958.

"15. Project 58–e–15, plutonium recycle experimental reactor designed for the production of 15,000 electrical kilowatt equivalent, $15,000,000.

"(f) Reactor development.—

"1. Project 58–f–1, waste storage tanks, National Reactor Testing Station, Idaho, $3,700,000.

"2. Project 58–f–2, hot pilot plant, $2,000,000.

"3. Project 58–f–3, land acquisition, National Reactor Testing Station, Idaho, $1,000,000.

"(g) Physical research.—

"1. Project 58–g–1, accelerator improvements, University of California Radiation Laboratory, California, $875,000.

"(h) Physical research.—

"1. Project 58–h–1, reactor improvements, Argonne National Laboratory, Illinois, $380,000.

"(i) Biology and medicine.—

"1. Project 58–i–1, mammalian radiation injury and recovery area, Oak Ridge National Laboratory, Tennessee, $475,000.

"(j) Training, education, and information.—

"1. Project 58–j–1, nuclear training project, Regional Nuclear Training Center, Puerto Rico, $2,500,000.

"(k) Community.—

"1. Project 58–k–1, schools, Los Alamos, New Mexico, $965,000.

"2. Project 58–k–2, housing modifications, Los Alamos, New Mexico, $1,000,000.

"3. Project 58–k–3, additional water well, Los Alamos, New Mexico, $138,000.

"(l) General plant projects—$26,016,000.

"SEC. 102. Limitations: (a) The Commission is authorized to start any project set forth in subsections 101 (b), 101 (c), 101 (e), 101 (g), and 101 (j) only if the currently estimated cost of that project does not exceed by more than 25 per centum the estimated cost set forth for that project.

"(b) The Commission is authorized to start any project set forth in subsections 101 (d), 101 (f), 101 (h), 101 (i), and 101 (k) only if the currently estimated cost of that project does not exceed by more than 10 per centum the estimated cost set forth for that project.

"(c) The Commission is authorized to start a project under subsection 101 (l) only if it is in accordance with the following:

"1. For community operations, the maximum currently estimated cost of any project shall be $100,000 and the maximum currently estimated cost of any building included in such project shall be $10,000.

"2. For all other programs, the maximum currently estimated cost of any project shall be $500,000 and the maximum currently estimated cost of any building included in such a project shall be $100,000.

"3. The total cost of all projects undertaken under subsection 101 (l) shall not exceed the estimated cost set forth in that subsection by more than 10 per centum.

"SEC. 103. Advance planning and design: There are hereby authorized to be appropriated funds for advance planning, construction design, and architectural services, in connection with projects which are not otherwise authorized by law, and the Atomic Energy Commission is authorized to use funds currently or otherwise available to it for such purposes.

"SEC. 104. Restoration or replacement: There are hereby authorized to be appropriated funds necessary to restore or to replace plants or facilities destroyed or otherwise seriously damaged, and the Atomic Energy Commission is authorized to use funds currently or otherwise available to it for such purposes.

"SEC. 105. Currently available funds: In addition to the sums authorized to be appropriated to the Atomic Energy Commission by this Act, there are hereby authorized to be appropriated to the Atomic Energy Commission to accomplish the purposes of this Act such sums of money as may be currently available to the Atomic Energy Commission.

"SEC. 106. Substitutions: Funds authorized to be appropriated or otherwise made available by this Act may be used to start any other new project for which an estimate was not included in this Act if it be a substitute for a project authorized in subsections 101 (b), 101 (c), or 101 (d) and the estimated cost thereof is within the limit of cost of the project for which substitution is to be made, and the Commission certifies that—

"(a) the project is essential to the common defense and security; and

"(b) the new project is required by changes in weapon characteristics or weapon logistic operations; and

"(c) it is unable to enter into a contract with any person, including a licensee, on terms satisfactory to the Commission to furnish from a privately owned plant or facility the product or services to be provided in the new project.

"SEC. 107. Increases in prior project authorizations: (a) Public Law 141, Eighty-fourth Congress, first session, is amended as follows:

"(1) By striking therefrom the figure '$14,850,000' for project 56–b–2, fast power breeder pilot facility (EBR–II), and substituting therefor the figure '$29,100,000'; and

"(2) By striking therefrom the figure '$4,015,000' for project 56–f–3, new Sigma Laboratory, Los Alamos, New Mexico, and substituting therefor the figure '$5,100,000'.

"(b) Public Law 506, Eighty-fourth Congress, second session, is amended as follows:

"(1) By striking therefrom the figure '$15,000,000' for project 57–d–1, high energy accelerator, and substituting therefor the figure '$27,000,000'; and

"(2) By striking therefrom the figure '$350,000' for project 57–h–5, cosmotron target area, Brookhaven National Laboratory, and substituting therefor the figure '$3,550,000'.

"SEC. 108. Project rescissions: (a) Public Law 141, Eighty-fourth Congress, first session, is amended by rescinding therefrom authorization for certain projects, except for funds heretofore obligated, as follows:

"Project 56–b–1, power reactor development acceleration project, $25,000,000;

"Project 56–d–1, metallex pilot facility, Oak Ridge National Laboratory, $1,000,000;

"Project 56–d–3, special reactor facilities equipment, Hanford, Washington, $5,600,000;

"Project 56–d–5, conversion of pilot plant and facility to production plant and facility, Fernald, Ohio, $600,000;

"Project 56–d–8, expansion of metal recovery facility, Oak Ridge National Laboratory, $370,000;

"Project 56–f–1, art construction project, fiscal year 1956 increment, $17,873,000;

"Project 56–f–2, expansion of weapons material fabrication plant and facility, $15,000,000;

"Project 56–g–2, reactor training school, Argonne National Laboratory, $712,000;

"Project 56–g–3, chemistry cave for radioactive materials, Argonne National Laboratory, $448,000; and

"Project 56–g–7, research reactors for the development of peacetime uses of atomic energy under Agreements for Cooperation, $5,000,000.

"(b) Public Law 506, Eighty-fourth Congress, second session, is amended by rescinding therefrom authorization for certain projects, except for funds heretofore obligated, as follows:

"Project 57–a–1, additional feed materials plant, $22,200,000;

"Project 57–a–8, chemical processing facility, St. Louis, Missouri, $1,600,000;

"Project 57–a–9, barrier plant automation, Oak Ridge, Tennessee, $1,400,000;

"Project 57–a–10, reactor temperature test installation, Hanford, Washington, $900,000;

"Project 57–a–11, improvements to reactor cooling water, effluent system, Hanford, Washington, $550,000;

"Project 57–a–12, fuel element heat-treating plant, Fernald, Ohio, $500,000;

"Project 57–c–10, amended reactor development project, $15,000,000;

"Project 57–f–6, manufacturing support plant, Kansas City, Missouri, $444,000; and

"Project 57–f–8, mechanical shop additions, Livermore, California, $300,000.

"SEC. 109. Expenses for move to new principal office: (a) The Commission is authorized to use its funds for the following purposes in order to facilitate retention and relocation of Commission headquarters employees in the course of and following establishment of a new principal office outside the District of Columbia, and without limitation on the Commission's authority under existing law, as follows:

"(1) Allowance and payment for travel and transportation authorized by section 1 of the Administrative Expenses Act of 1946, as amended, in connection with the relocation of residence occurring after July 29, 1955, prior to the effective date of the employee's change of official station: *Provided, however,* That each employee who received payments under the Administrative Expenses Act of 1946, as amended, prior to his change of official station shall be obligated to reimburse the amont thereof to the Government as a debt due the United States if he separates from Commission employ, other than for reasons beyond his control or otherwise acceptable to the Commission, prior to the effective date of the employee's change of official station.

"(2) Until the move to the new principal office is effected, providing or arranging for commuting transportation to present Commisison offices in Washington, District of Columbia, for employees, including those of other agencies who are assigned to full time duty at Commission headquarters, recruited from, or who have relocated their residences in, the area of the new headquarters, to the extent necessary and at such charge as to assure an adequate work force for the new principal office where this purpose cannot be achieved by ordinary transportation.

"(3) Following the move to the new principal office, providing or arranging for commuting transportation for Commission employees and employees of other agencies who are assigned to full time duty at Commission headquarters to and from the new headquarters site to the extent necessary and at such charge as to assure an adequate work force where this purpose cannot be achieved by ordinary transportation.

"(4) Funds in an amount not to exceed $75,000 are authorized for purposes of subsections (2) and (3).

"(b) Other departments and agencies of Government are authorized, without limitation upon their authority under existing law, to use funds available to them to make allowances and payments to their civilian officers and employees who are assigned to full time duty at Commission headquarters prior to the time of the move to the new principal office, such allowances and payments to be in accordance with the provisions of subsection a. (1) of this section.

"SEC. 110. Prototype power reactor facilities: (a) The Commission shall proceed with the design engineering, and construction under contract, as soon as practicable, of the prototype power reactor facilities authorized by section 101 for project 58–e–14 and project 58–e–15 at installations operated by or on behalf of the Commission and the electric energy generated shall be used by the Commission in connection with the operation of such installations.

"(b) In the conduct of the work under this section the Commission is authorized to obtain the participation of private, coopera-

tive, or public power organizations to the fullest extent consistent with Commission direction of the project, ownership of the reactor, and utilization of the electric energy generated.

"(c) Each prototype power reactor facility constructed under this section shall be operated by, or under contract with, the Commission for such period of time as the Commission determines to be advisable for research and development purposes and for such additional periods as the Commission may determine to be necessary for national defense purposes and for the purposes of subsection (a) of this section. Upon the expiration of the prototype reactor operations as determined by the Commission in accordance with this subsection, the Commission shall dismantle the reactor and its appurtenances.

"SEC. 111. Cooperative power reactor demonstration program: (a) There is hereby authorized to be appropriated to the Atomic Energy Commission, in accordance with the provisions of section 261 a. (2) of the Atomic Energy Act of 1954, as amended, the sum of $129,915,000 for use in a program not to exceed $149,915,000, subject to the following conditions:

"(1) Arrangements for projects sponsored under the Second Round of the Commission's power reactor demonstration programs by cooperatives and publicly owned agencies under which the reactor is financed in major part by the Commission and is to be owned by the Federal Government shall be carried on by direct contract between the Commission and the equipment manufacturer or engineering organization with respect to the development, design, and construction of the reactor and related facilities, and by direct contract between the Commission and the cooperative or publicly owned organization with respect to the provision of a site and conventional turbogenerating facilities, the operation of the entire plant including training of personnel, the sale by the Commission of steam from the reactor complex to the cooperative or publicly owned organization, and other relevant matters. Sale of steam by the Commission under contract with the cooperative or publicly owned organization shall be at rates based upon the present cost of, or the projected cost of, comparable steam from a plant using conventional fuels at such locations. Projects covered under this subsection shall be operated under contract with the Commission for such period of time as the Commission determines to be advisable for research and development purposes but in no event to exceed 10 years. Upon the expiration of such period the Commission shall offer the reactor and its appurtenances for sale to the cooperative or publicly owned agency at a price to reflect appropriate depreciation but not to include construction costs assignable to research and development. In the event the cooperative or publicly owned agency elects not to purchase the reactor and its appurtenances, the Commission shall dismantle them.

"(2) Funds in the amount of $1,500,000 may be expended for research and development in Commission laboratories to advance the technology of the fast breeder reactor concept.

"(3) The date for approving proposals under the third round of the power demonstration reactor program shall be no later than December 31, 1958, and no funds authorized for the third round shall be expended on projects approved under the first or second rounds of such program or on other nuclear power projects already under construction.

"(b) Before the Commission enters into any arrangement (including contract, agreement, and loan) or amendment thereto, the basis of which has not been included in the program justification data previously submitted to the Joint Committee on Atomic Energy in support of authorization legislation approved in accordance with the provisions of section 261 a. (2) of the Atomic Energy Act of 1954, as amended, and which involves appropriations authorized by subsection (a) of this section, the basis for the arrangement or amendment thereto which the Commission proposes to execute (including the name of the proposed contractor or party with whom the arrangement is to be made, a general description of the proposed reactor, the estimated amount of the assistance to be provided under section 261 a. (2), the estimated cost to be incurred by the contractor or other party, and the general features of the proposed arrangement or amendment) shall be submitted to the Joint Committee, and a period of forty-five days shall elapse while Congress is in session (in computing such forty-five days, there shall be excluded the days on which either House is not in session because of adjournment for more than three days): *Provided, however,* That the Joint Committee after having received the basis for a proposed arrangement, or amendment thereto, may by resolution in writing waive the conditions of or all or any portion of such forty-five-day period: *Provided further,* That such arrangement or amendment shall be entered into in accordance with the program justification data described above and the basis for the arrangement or amendment submitted as provided herein: *And provided further,* That no basis for a particular arrangement or amendment thereto need be resubmitted to the Joint Committee for the sole reason that the estimated amount of assistance provided for therein exceeds the estimated amount of assistance previously submitted to the Joint Committee by not more than 15 per centum.

"SEC. 201. Section 161 e. of the Atomic Energy Act of 1954, as amended, is amended by adding after the words 'adjusted terms which' in the proviso thereof, the following: '(at the time of the initial grant of any privilege grant, lease, or permit, or renewal thereof, or in order to avoid inequities or undue hardship prior to the sale by the United States of property affected by such grant)'.

"SEC. 202. Section 35 of the Atomic Energy Community Act of 1955, as amended, is amended by adding thereto:

"'c. The appraised value of the Government's interest in commercial property shall, in the cases where renegotiation of the lease is requested by the lessee under the provisions of section 161 e. of the Atomic Energy Act of 1954, as amended, be based upon the renegotiated lease if any is agreed on. Where such renegotiations are requested, the sales proceedings shall not be initiated until the completion of the renegotiation.'

"SEC. 203. The Atomic Energy Commission, the Federal Housing Administration, and the Housing and Home Finance Agency shall report to the Joint Committee by January 31, 1958, with respect to the renegotiations, reappraisals, and sales proceedings authorized under sections 201 and 202 of this Act.

"SEC. 204. Section 161 of the Atomic Energy Act of 1954, as amended, is amended by adding the following new subsection:

"'s. Under such regulations and for such periods and at such prices the Commission may prescribe, the Commission may sell or contract to sell to purchasers within Commission-owned communities or in the immediate vicinity of the Commission community, as the case may be, any of the following utilities and related services, if it is determined that they are not available from another local source and that the sale is in the interest of the national defense or in the public interest:

"'(1) Electric power.

"'(2) Steam.

"'(3) Compressed air.

"'(4) Water.

"'(5) Sewage and garbage disposal.

"'(6) Natural, manufactured, or mixed gas.

"'(7) Ice.

"'(8) Mechanical refrigeration.

"'(9) Telephone service.

"'Proceeds of sales under this subsection shall be credited to the appropriation currently available for the supply of that utility or service. To meet local needs the Commission may make minor expansions and extensions of any distributing system or facility within or in the immediate vicinity of a Commission-owned community through which a utility or service is furnished under this subsection.'"

And the Senate agree to the same.

CARL T. DURHAM,
CHET HOLIFIELD,
MELVIN PRICE,
STERLING COLE,
JAMES E. VAN ZANDT,
Managers on the Part of the House.

CLINTON P. ANDERSON,
RICHARD B. RUSSELL,
JOHN O. PASTORE,
ALBERT GORE,
HENRY M. JACKSON,
BOURKE B. HICKENLOOPER,
WILLIAM F. KNOWLAND,
JOHN W. BRICKER,
HENRY DWORSHAK,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 8996) to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate struck out all of the House bill after the enacting clause and inserted a substitute amendment. The committee of conference has agreed to a substitute for both the House bill and the Senate bill. Except for technical, clarifying, and conforming changes, the following statement explains the differences between the House bill and the substitute agreed to in conference.

SECTION 101—PROJECT 58–E–14 AND PROJECT 58–E–15

The House, when it considered H. R. 8996 as reported out by the Joint Committee on Atomic Energy, deleted the following 2 projects from line 9 through line 15 on page 5 of H. R. 8996:

"14. Project 58–e–14, natural uranium, graphite moderated, gas cooled, power reactor prototype, designed for the production of approximately 40,000 electrical kilowatts, $40,000,000.

"15. Project 58–e–15, plutonium recycle experimental reactor designed for the production of 15,000 electrical kilowatt equivalent, $15,000,000."

The Senate retained both projects in the bill. The conference substitute retains project 58–e–15, but modifies project 58–e–14 to read as follows:

"Project 58–e–14, natural uranium, graphite moderated, gas cooled power reactor prototype; development, design, and engineering only, $3,000,000. The Commission shall proceed with sufficient design work, together with appropriate engineering and development work, necessary for the Commission to begin construction as soon as practicable after authorization by the Congress of a large scale natural uranium power reactor prototype. The Commission shall submit to the Joint Committee on Atomic Energy a report on its design for this project, including cost estimates and schedule of construction, not later than April 1, 1958."

The conference substitute, therefore, provides for development, design, and engineering only rather than construction, on project 58-e-14, with the requirement that the Commission shall report to the Joint Committee on its design not later than April 1, 1958. Project 58-e-14, in the substitute approved by the conferees, therefore, follows the same approach as in project 58-b-8 of the bill.

Because of the reduction from $40 million to $3 million in the amount authorized for project 58-e-14, the total amount authorized in section 101 of the bill was accordingly reduced by the conferees from $259,230,000 to $222,230,000.

SECTION 110—PROTOTYPE POWER REACTOR FACILITIES

The House bill eliminates section 110. The Senate bill retained section 110 in its entirety, as reported out by the Joint Committee, applicable to both project 58-e-14 and project 58-e-15. Because of the conference committee action in reducing project 58-e-14 from construction authorization to design study authorization, section 110 was modified to be made applicable only to project 58-e-15.

SECTION 111—COOPERATIVE POWER REACTOR DEMONSTRATION PROGRAM

The House bill authorized $132,621,000 with the proviso that not more than $1,500,000 is authorized for the Power Reactor Development Company project during fiscal year 1958, and eliminated the provision as to program total. It also eliminated the three subsections in section 111 a. of the bill as reported out by the Joint Committee. The Senate bill authorized the sum of $129,915,000 for use in a program not to exceed $149,915,000 subject to the three conditions as reported out by the Joint Committee.

The conference substitute retains the language of the Senate bill with modifications to subsection 111 a. (1) and 111 a. (2). Subsection 111 a. (1) is modified by providing that it shall apply to arrangements sponsored under the second round of the Commission's power demonstration reactor program by cooperatives and publicly owned agencies under which the reactor is financed in major part by the Commission and is to be owned by the Federal Government. The conference committee also added three sentences at the end of subsection 111 a. (1) which read as follows:

"Projects covered under this subsection shall be operated under contract with the Commission for such period of time as the Commission determines to be advisable for research and development purposes but in no event to exceed ten years. Upon the expiration of such period the Commission shall offer the reactor and its appurtenances for sale to the cooperative or publicly owned agency at a price to reflect appropriate depreciation but not to include construction costs assignable to research and development. In the event the cooperative or publicly owned agency elects not to purchase the reactor and its appurtenances, the Commission shall dismantle them."

In subsection 111 a. (2) the conference committee deleted the words "additional general" from the language in the Senate bill. It was understood that the funds authorized in this subsection might be used for research and development in Commission facilities by the Commission as it deems desirable to advance the technology of the fast breeder reactor concept.

The conference committee adopted subsection 111 a. (3) as contained in the Senate bill.

The Senate added sections 201, 202, 203, and 204 to the bill relating to community problems on which there was no disagreement. The House conferees agreed that these four sections might be included in the bill.

CARL T. DURHAM,
CHET HOLIFIELD,
MELVIN PRICE,
STERLING COLE,
JAMES E. VAN ZANDT,
Managers on the Part of the House.

Mr. DURHAM. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill H. R. 8996.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. GROSS. Reserving the right to object, Mr. Speaker, and I shall not object, there are no printed copies of the conference report available. Can the gentleman from North Carolina assure me that he will explain the conference report?

Mr. DURHAM. I assure the gentleman I will do the best I can.

Mr. GROSS. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. DURHAM. Mr. Speaker, I ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the statement.

Mr. DURHAM. Mr. Speaker, this is the general authorization bill for the Atomic Energy Commission.

The House a few weeks ago passed the measure, as you recall, and the House struck out from the committee bill reported to the House an amount of about $55 million. The bill passed the House with $204,230,000. The Senate put back the $55 million. The conference report now is reduced to a total of $222,230,000. In the conference we struck from the Senate-passed bill the amount of $37 million.

This authorization carries items for weapons production as well as the general running of the plants and the laboratories thoughout the country. For research and development, the items that were in disagreement, the House put in for plutonium-production reactors study, $3 million. That remains in the conference report to the House. Also the House bill had an item in for $15 million for a recycling reactor. A recycling reactor study has been made and we have spent about $2 million in research funds at Hanford. The committee feels that this is a very important item because of the fact that if we can ever get to where we have peaceful uses for these materials and do not need them for weapons, we desire and hope to use them for energy purposes for the benefit of the American people and for plutonium, which I believe, from the best reports of the scientists of the country, qualified on this subject, can be accomplished.

Another item in the House bill was for a gas-cooled natural-uranium reactor. The item was in the committee bill at $40 million. That was stricken out on the floor of the House. The conference report reduced it to a study similar to the one on the plutonium reactor, and placed in the bill $3 million for a study on this reactor to report back to the committee. It does not authorize the full-scale reactor which will have to be authorized by the Congress before a full-scale size can be built.

Mr. MEADER. Mr. Speaker, will the gentleman yield?

Mr. DURHAM. I yield.

Mr. MEADER. As the gentleman knows, the Power Reactor Development Co. fast-breeder reactor project is located near Monroe, Mich., in my Congressional District. The gentleman will recall that an amendment offered by the gentleman from New York [Mr. COLE] on the floor of the House specifically earmarked $1,500,000 for research on that fast-breeder reactor. I have been shown the language in the conference report and the amendment that was agreed to by the conferees. I would like to read one sentence from the conference report and then ask the gentleman's opinion:

It was understood that the funds authorized in this subsection might be used for research and development in Commission facilities by the Commission, as it deems desirable to advance the technology of the fast-breeder reactor concept.

Under that language and the wording of the bill, as agreed to by the conferees, would the gentleman construe the language to mean that the Atomic Energy Commission can, if it so desires, spend up to $1,500,000 on the fast-breeder reactor at Monroe, Mich.?

Mr. DURHAM. I think it is in general agreement that the gentleman's statement is correct and it can be used for that purpose.

Mr. MEADER. I thank the gentleman.

This report comes to the House signed by all of the House conferees and I believe if the House will agree to the report, we can and will continue to lead the world in the development of atomic energy.

Mr. DURHAM. Mr. Speaker, I yield 15 minutes to the gentleman from New York [Mr. COLE].

Mr. COLE. Mr. Speaker, I doubt if it ever happens that the conferees report back to their respective bodies indicating complete happiness and jubilation over the outcome of the work of the conference. However, in this instance, I think it can be said that the conferees went into the conference representing completely divergent viewpoints, but did succeed in adjusting their differences and are now in process of reporting back to the House and the other body, adjustments which meet many of the objections of those who were critical, and at the same time gratify some of the wishes of those who were in support of the proposed program.

As the gentleman from North Carolina has indicated, there were four principal items in dispute. One was with respect to the provision directing the Commission to immediately inaugurate

the construction of a natural uranium, graphite, gas-cooled reactor at a cost of $40 million. That was stricken out by the House, although it was retained by the Senate. In conference we have authorized and directed the Commission to spend up to $3 million to engage in engineering designs and studies with respect to looking toward the eventual construction of that type of reactor, subject to the condition that actual construction of the reactor will not occur until after specific authorization by the Congress for that purpose.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. COLE. I yield.

Mr. HALLECK. Do I understand from what the gentleman has just said that the $3 million made available is for the purpose of carrying on engineering studies as to the practicability of this type of reactor, and that there is no express or implied commitment, as far as the Congress is concerned, regarding the matter of construction at some future date?

Mr. COLE. On the contrary, and negating the idea that there is any slight inference that the Congress is obligated to construct the reactor, the wording of the language which the conferees have inserted in the authorization bill specifically says that the construction will not begin until after authorization by the Congress. Perhaps I had better read it to make certain that it is understood. It reads as follows:

> The Commission shall proceed with sufficient design work, together with appropriate engineering and development work necessary for the Commission to begin construction, as soon as practicable after authorization by the Congress.

So it is perfectly clear that the intent of the conferees and the words of their recommendation indicate that before any actual construction is made the Congress must authorize it.

Mr. HALLECK. In other words, would it be fair to say that in the event further study should indicate the feasibility of such design, it would yet be within the province of the Congress to determine whether construction should be undertaken by the Commission as a matter of public enterprise, or whether it should be undertaken otherwise as a matter of private enterprise?

Mr. COLE. The gentleman is entirely correct.

The second item in dispute was with respect to a different type of reactor, that is called a plutonium recycle reactor, which everybody acknowledges is a concept of highly desirable effects, and should be pursued. It is a question of whether doing it this year or next year. The House eliminated it for a variety of reasons principally one of economy. The Senate retained it. The conferees have agreed to retain it so that the Commission is authorized and directed to proceed with this relatively small experimental prototype of reactor which is identified as a plutonium recycle reactor.

The third item in dispute, of some considerable interest and magnitude, was with respect to these reactor projects which were sponsored by the electric cooperatives. Under the present arrangement which the Commission is making with the cooperatives, the Commission makes a contract with the cooperative, the cooperative makes a contract with the reactor builder or manufacturer and the cooperative operates the reactor after it has been constructed. The cost of the reactor comes out of the Atomic Energy Commission. As it passed the Senate, the Commission was required to make a contract with the manufacturer, to supervise the construction of the reactor, and then to contract with the cooperative for the operation of the reactor for an indefinite period of time, charging the cooperative a price for the steam comparable to the conventional cost of steam from coal or oil. An indefinite term for that operation was the basis of the opposition in the House to that program.

Mr. WIER. Mr. Speaker, will the gentleman yield for a question?

Mr. COLE. I yield.

Mr. WIER. What is the difference now between the conference report the gentleman is recommending today and the bill as it passed the House with regard to these cooperatives? I see several differences of opinion expressed in our Minneapolis papers between management and the other interested parties regarding the House bill versus the Senate bill.

Mr. COLE. The recommendation of the conferences is that the cooperative program, the program in which electric cooperatives are engaged with the exception of the Consumers Electric Power Company of Nebraska, will use small reactors. There are four projects here in what is known as the second round of the Commission's reactor demonstration program. Those reactors are located in Minnesota, Michigan, Ohio, and Alaska. The recommendation of the conferees is that with those reactors which will be built with Government funds be owned by the Government the contracting for construction and the supervision of the construction contract will be under the commission.

After the reactor has been constructed, the commission makes a contract with the cooperative to operate the reactor. The cooperative is charged a price for the steam measured in terms of comparable cost for steam from coal or oil.

But there is this further provision which is of great importance, and that is that after the reactor has been operated for a sufficient length of time to prove up whatever the Commission needs to know by way of demonstration by this particular type of reactor or research and development; when that time has been reached, but in no event beyond 10 years, then the Commission is required to offer the reactor for sale to the cooperative at a depreciated price on the cost of the reactor not including the cost of the research assigned to the reactor. If the cooperative does not want to buy the reactor at that price, then the Commission is directed to dismantle it.

So we will accomplish the objective of exploring the possibility of this small type of reactor—and all these cooperatives will use the small reactors—but as soon as those lessons have been learned by the Commission it is required to discontinue its activities and it can no longer be subject to the charge of being in competition with private enterprise or being in the electric-power business.

Mr. WIER. I thank the gentleman.

Mr. COLE. The fourth item of controversy was with respect to the PRDC reactor known as the fast-group reactor about which some question of safety has been raised.

The Commission asked $1,500,000 to continue research in its own laboratories in connection with the PRDC type. The conferees were hesitant to incorporate in a statute any language which could be construed as an approval by the Congress of this particular type of reactor because of the unresolved questions regarding safety. So we did write into the authorization words as follows:

> Funds in the amount of $1,500,000 may be expended for research and development in the Commission's laboratories to advance the technology of the fast pressure reactor—

And so forth. That makes it perfectly clear that there is an authorization for the Commission to spend $1,500,000 in its own laboratories for research in connection with the fast-pressure type. If the Commission determines that its studies shall be in connection with the PRDC contract the Commission could within its authority spend the fund for that purpose.

That, I think, Mr. Speaker, explains the items in dispute and I think it is a reasonable adjustment of our differences.

I urge the adoption of the conference report.

Mr. DURHAM. Mr. Speaker, I yield 5 minutes to the gentleman who has been studying and handling this question from the beginning in the committee, the gentleman from California [Mr. HOLIFIELD].

Mr. HOLIFIELD. Mr. Speaker, the chairman of the committee and the ranking minority member thereof have explained the differences in the bill. I would like to comment for a few minutes on this natural uranium section as it now exists. It was a great disappointment to me that the $40 million was not agreed to in the conference as I feel it is very important, in view of some new studies we have received of the Calder Hall type of reactor in England and other projected new types that we should follow up in our technology as quickly as possible. But in a conference where there is a difference between the two bodies it cannot of necessity be one-way and a compromise agreement must be entered into by both Houses in good faith. So I accept the $3 million study of the natural uranium graphite moderated gas cooled prototype reactor as a study which will be made in good faith by the Commission. They naturally will have to look at the different types of the natural uranium reactors and they are obligated by the language to bring a report back to us by April 1, 1958. Then

if it seems wise for the Congress to authorize the building of a prototype reactor in order that we may learn the technology and be able to be in a position to compete with England, the House will have an opportunity to do just that.

There has been some discussion in regard to the PRDC matter. The language of the bill, as amended, authorizes funds in the amount of $1,500,000,000 to be expended for research and development in Commission laboratories to advance the technology of the fast breeder reactor concept.

As the gentleman from New York [Mr. COLE] said, there was a hesitancy on the part of the majority of the Atomic Energy Commission to pin down this authorized fund directly to the PRDC contract which is now under litigation and the language of the report of the House and the report of the other body, particularly the report of the other body, explains in detail that this is not Congressional approval of the PRDC contract.

However, it also goes further and explains that this amount of money can be used in the fast breeder reactor technology in the Commission's laboratories and all the techniques and developments that are made with this additional money, as well as the forty-some-odd-million dollars which is already included in the authorization and in the forthcoming appropriation bill, will also be available to the PRDC, and, in fact, to all industry in general. I insert at this point the language of the committee report which shows clearly the legislative intent of the Congress:

With respect to the PRDC project, it is also already under contract. The contract, however, provides that AEC obligations are subject to the availability of funds. Funds for preconstruction research and development for fiscal 1958 and thereafter for PRDC, which will be expended in AEC laboratories, have not been obligated. The total amount requested for authorization is $4,206,000, and $244,000 was obligated by AEC in fiscal year 1957. The sum of $1,500,000 was requested in the budget for obligation in 1958, and the remainder for fiscal 1959 and 1960.

The committee does not approve the requested authorization for preconstruction research and development work and waiver of fuel use charges in connection with the reactor project of the Power Reactor Development Co., since legal proceedings before the AEC to determine the probable safety of the proposed reactor are still pending.

The committee's attention has been called to sworn testimony given in May and June 1957 by the chairman and other members of the AEC Advisory Committee on Reactor Safeguards that there is insufficient information available at this time to give assurance that the PRDC reactor can be operated at the Laguna Beach site without public hazard.

However, the committee has voted to make available to the AEC an additional sum of $1,500,000 for research and development in the art of the fast breeder reactor generally, anticipating that this special sum will be expended by AEC in its own laboratories on research and development to gain experience and information.

So, as one who worked for 2 months on this bill, I am not fully satisfied with it. I am satisfied with some parts of it. But I think it is as good a bill as we can work out with the compromise that was necessary and I am going to vote for the bill in good faith and hope all my friends will do likewise.

Mr. DURHAM. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The conference report was agreed to and a motion to reconsider was laid on the table.

DISPOSAL OF FEDERALLY OWNED PROPERTY AT OBSOLESCENT CANALIZED WATERWAYS

Mr. BLATNIK. Mr. Speaker, I call up the conference report on the bill (S. 1520) to amend an act entitled "An act to provide for the disposal of federally owned property at obsolescent canalized waterways and for other purposes," and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1181)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1520) to amend an act entitled "An act to provide for the disposal of federally owned property at obsolescent canalized waterways and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: "That section 2 of the Act approved August 6, 1956, entitled 'An Act to provide for the disposal of federally owned property at obsolescent canalized waterways, and for other purposes', Public Law 996, Eighty-fourth Congress, second session, is hereby amended by adding the following: '*And provided further*, That in lieu of preparing dam numbered 3 on the Little Kanawha River, West Virginia, for abandoning, such funds may be expended for modification of the lock and restoration for said dam either as a movable or fixed type dam, but not to exceed $112,500, contingent upon local interests furnishing such additional funds as may be necessary and agreeing to accept the property and take over operation and maintenance of said structure.' "

And the House agree to the same.

JOHN A. BLATNIK,
GEORGE H. FALLON,
CLIFFORD DAVIS,
Managers on the Part of the House.

DENNIS CHAVEZ,
ROBT. S. KERR,
ALBERT GORE,
EDWARD MARTIN,
CHAPMAN REVERCOMB,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1520) to amend an act entitled "An act to provide for the disposal of federally owned property at obsolescent canalized waterways and for other purposes," submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House amendment to S. 1520 authorized the expenditure of Federal funds, not to exceed $50,000, to reconstruct lock and dam No. 3 on the Little Kanawha River, W. Va., in lieu of preparing the structure for abandonment, with local interests to assume operation and maintenance of the structure after its restoration. The conference substitute is identical with the House amendment, with the exception that the amount of Federal funds authorized to be expended is increased from $50,000 to $112,500.

JOHN A. BLATNIK,
GEORGE H. FALLON,
CLIFFORD DAVIS,
Managers on the Part of the House.

Mr. BLATNIK. Mr. Speaker, I yield myself such time as I may require.

Briefly, Mr. Speaker, this bill, S. 1520, amends Public Law 996 of the 84th Congress. It authorizes an expenditure of funds not to exceed $112,500 to reconstruct lock and dam No. 3 on the Little Kanawha River, West Virginia, in lieu of preparing the structure for abandonment, with local interests to assume operation and maintenance of the structure after its restoration.

Briefly, Public Law 996 provides that the Government turn over any part or all of the navigation works that have been abandoned and declared of no further use to the Government. In this particular case the local community of Elizabeth, the county seat of Wirt County, has been attempting for several years to have the Federal Government restore for abandonment this particular site which the community uses primarily as a source of water.

During the summer of 1956 this dam No. 3 just below Elizabeth breached near one bank and did considerable damage. Even greater damage was done upstream where the water levels and the water tables fell down so severely that the farmers had to drill new wells in order to get a source of water. Here we have a community that for almost half a century, for 50 years, was getting its water from this area. The Federal Government, finding no more use for navigation on this river declared its intention to abandon the locks. It provides for no maintenance or repair outside of custodial service. With the dam being breached last year, this is a serious problem for the local people.

Mr. Speaker, the principle of turning this lock over to the municipality was agreed upon and established by Congress through Public Law 996. However, the amount of money required to restore the breached dam, dam No. 3, is the point in dispute. The Bureau of the Budget recommended an amount of $20,000 which would be that required only to clear out the bed of the dam and have a free flow of the river. The Army Corps of Engineers recommended $50,000 to be used in cooperation with the local contribution of up to $100,000 to restore the dam. The other body authorized an expenditure of $150,000. The House authorized only $50,000. In conference the conferees between the House and the

other body then reached a compromise at a figure of $112,500.

So, Mr. Speaker, while these benefits are primarily local for the continued source of supply which these people in the area have had for over half a century, the committee felt and the conferees felt that the benefits would accrue to that area and the conferees felt that the cost to restore the dam was not excessive, and the House conferees on the majority side agreed to $112,500.

It was the opinion of the conferees that this legislation would be in the public interest and its adoption is recommended.

Mr. Speaker, I yield 10 minutes to the gentleman from Ohio, Mr. McGREGOR.

Mr. McGREGOR. Mr. Speaker, I yield to the gentleman from Washington [Mr. MACK].

Mr. MACK of Washington. Mr. Speaker, the Republican conferees on this bill, the gentleman from California [Mr. SCUDDER] and I, did not sign the conference report. Our reason for not signing the conference report is that we believe this constitutes a wasteful and extravagant expenditure of Federal funds and is contrary to the recommendations of all the agencies of the Government which have investigated this matter.

Briefly, the history of the project is this. More than 80 years ago the Federal Government constructed a navigation project on the Little Kanawha River. The project consisted of locks and dams. It has fallen into disuse. The locks have disintegrated. The dam is in a dilapidated condition. Under a public law enacted by the 84th Congress the engineers were instructed to abandon this dam site. The engineers have made a survey and say that the cost of taking out the dam and restoring the river to its original condition would be $20,000.

The Bureau of the Budget has recommended that $20,000 be provided for the people of the village of Elizabeth to be used in the restoration of the dam. The Army engineers have recommended $50,000 as the total amount of Government obligation for taking away the dam and taking care of any damages that might result. So we have one Government agency recommending $20,000 and another Government agency recommending a maximum of $50,000.

Then in the conference report we say that we should give them, not $20,000 or $50,000 but that we should give to the village of Elizabeth, with a present population of 1,200, the sum of $112,000 or 6 times what the budget recommends and 2½ times what the Army engineers recommend, in order to rehabilitate this dam.

The dam has no navigation in it any longer. There is no use for navigation, according to the Army engineers. There is no flood control project authorized in the district. The purpose of the village of Elizabeth, population 1,200, in rehabilitating this dam is to create a recreational facility in an artificial lake to be made by the rebuilding of this dam, and also to firm up the water supply which is obtained from artesian wells.

The Congress of the United States and the Federal Government have never had a policy of providing artificial lakes for communities. There are 10,000 little villages in America with a population of about 1,200 that would like to have an artificial lake, provided somebody would build it for them, without any expense to their community.

The only argument I have heard advanced in our committee or in the conference as to why the Federal Government should give to the village of Elizabeth $112,000 instead of the $20,000 or $50,000 recommended is that we have been squandering a lot of money overseas and now we ought to go ahead and provide some extravagant projects here in the United States.

It is the opinion of the minority conferees that this bill should be recommitted, that we should not exceed the recommendations of the Army engineers, which is $50,000.

Mr. Speaker, that is my statement concerning this matter. I hope the House will sustain the minority conferees and insist that the amount appropriated shall not exceed the highest amount recommended either by the Bureau of the Budget or the Army engineers.

Mr. MORANO. Mr. Speaker, will the gentleman yield?

Mr. MACK of Washington. I yield to the gentleman from Connecticut.

Mr. MORANO. Is the gentleman going to make a motion to recommit with instructions to bring back a conference report with the $50,000?

Mr. MACK of Washington. That will be submitted.

Mr. McGREGOR. Mr. Speaker, if the gentleman will yield, I wonder if the gentleman, who was a member of the conferees, would explain a subject that is going to be brought up, I am sure, by the gentleman from West Virginia, that the Federal Government owes for a fish hatchery that is supposed to have been destroyed.

Mr. MACK of Washington. The fish hatchery was damaged some time ago. The Congress last year provided $20,000 toward the restoration of the fish hatchery. The fish hatchery is not on this lake that is involved in this legislation. We are talking here about a dam at lock 3. The fish hatchery is located on an entirely different lock.

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. MACK of Washington. I yield to the gentleman from West Virginia.

Mr. BAILEY. The Congress never has appropriated the $20,000 and the Army engineers never approached the West Virginia Conservation Commission about taking over the responsibility.

Mr. MACK of Washington. The gentleman is correct. It was an authorization bill. The Congress did pass an authorization bill recommending that $20,000 be appropriated for the restoration of a fish hatchery that is not located on this particular lock at all but is located upon another lock. The engineers at Huntington informed me that the building of this dam by the village of Elizabeth will have no effect whatever on the fish hatchery situation.

Mr. McGREGOR. Further, in connection with the gentleman's statement, I should like to read this:

Public Law 996 provides for the reimbursement of $20,000 to the State of West Virginia for damages to a fish hatchery near Palestine incurred by the failure of the Government to keep lock and dam No. 4 in proper repair.

Mr. MACK of Washington. That is correct.

Mr. McGREGOR. I think the gentleman made the statement that lock No. 4 is not involved in this legislation.

Mr. MACK of Washington. So I am informed by the engineers at Huntington. Claims have been made by some that the Federal Government did rebuild a dam for the benefit of the Viscose Company of America and that we rebuilt the dam and then turned the lake behind it over to the Viscose Co. I had the committee yesterday contact the engineers at Huntington, and the engineers said that not one single dollar of Federal funds had been provided for the repair or rehabilitation of that dam, but that the Viscose Co. had provided all the money for the repair of that structure and that the Viscose Co. had guaranteed to maintain the dam.

Mr. BLATNIK. Mr. Speaker, I yield 10 minutes to the gentleman from California [Mr. SCUDDER].

Mr. SCUDDER. Mr. Speaker, the bill before us is not of very great consequence when we consider spending Federal money. We just finished a bill today running into the hundreds of millions of dollars. Now we have here a bill involving $150,000, and some feel that that is just pin money.

When I was a young man I was told to save my pennies and the dollars would take care of themselves. I always felt that was good advice. I feel that we should approach legislation in a sane manner and endeavor to save money wherever it is possible.

The House Committee on Public Works gave full and considered attention to the hearings on this proposal. I believe if you would read the hearings and the report, you would find that there is little or no justification for the expenditure of $112,500 on this project.

Mr. McGREGOR. Mr. Speaker, will the gentleman yield?

Mr. SCUDDER. I yield to the gentleman from Ohio.

Mr. McGREGOR. Is this statement not correct, that we are not only asking this House today to agree to the minority report but we are asking them to confirm what was done a few days ago by the full Committee on Public Works, that recommended the $50,000. The bill came on the floor and I think without a dissenting voice or vote it was passed by this body at the $50,000. So we are asking the House to reiterate what was done a few days ago.

Mr. SCUDDER. That is right.

We had a thorough hearing on this bill. The Bureau of the Budget recommended $20,000 to be expended for placing this river back into a safe condition. The engineers also said that it would take $150,000 to repair the dam and set it up in perfect shape. But, there was no obligation on the part of

the Federal Government to do other than to make the river safe for the waterflow. Members of the House, we have hundreds of rivers in this country that at one time were navigable. They have filled in by erosion. Is it going to be the policy of this Congress to go back and restore all the eroded waterways that exist throughout the entire country? I think our committee was fair. I think the engineers were fair because they said rather than taking the recommendation of the Bureau of the Budget, which was $20,000, and would be all that the Government was obligated to spend for abandonment of the project. The engineers in order to help the local entities agreed to and recommended $50,000. Our committee, after considering it thoroughly, adopted the $50,000 monetary amount to take care of the situation. The House passed that bill. When we went to conference with the other body the conference voted to increase the amount. I do not see why this body should be more liberal than we were when we passed this bill. The conference recommended $112,500 which is $62,500 in excess of the amount that the House passed.

Mr. BLATNIK. Mr. Speaker, will the gentleman yield?

Mr. SCUDDER. I yield.

Mr. BLATNIK. The gentleman referred to $50,000 as recommended by the Corps of Engineers. Is it not true that that $50,000 in itself will not do anything and that that will only be a part of the $150,000 which is required to restore the dam and bring the water levels back up to the condition where the local people can use them?

Mr. SCUDDER. That is correct, but the engineers did not feel there was any liability on the part of the Government to do that. It was only a matter of compromising to get out of the situation. The Bureau of the Budget recommended $20,000, and their recommendation was made to help local interests doing a water-conservation job.

Mr. BLATNIK. But will the gentleman then explain why, when the Bureau of the Budget recommends $20,000 as being sufficient merely to tear down the remaining wreck and the old lock and to clear out the channel, so that they will have a straight and free flow of water, will the gentleman explain why, when $20,000 is recommended by the Bureau as sufficient to take care of the situation, the Army Corps of Engineers then comes in and recognizes some obligation on the part of the Federal Government by recommending we increase that to $50,000?

Mr. SCUDDER. I think it is more of a good will gesture, just like our conference committee raised it to $112,500. The engineers felt that they should wash their hands of it and maybe that this was the best way to get it off their hands, and they were willing to recommend that $50,000 be placed in the bill to assist the local communities, the State and local government, in repairing the project to their liking—as the Federal Government has no further use as to navigation.

Mr. McGREGOR. Mr. Speaker, will the gentleman yield to me so that I may read some testimony from the hearings?

Mr. SCUDDER. Yes; I know the hearings cover it very closely.

Mr. McGREGOR. I would like to incorporate in the RECORD the testimony of Mr. Heller of the Army engineers before the Committee of Public Works on this legislation:

Mr. HELLER. The Department of the Army has no objection to the bill if it is amended to limit the cost of Federal participation to $50,000.

Mr. SCUDDER. Fifty thousand dollars?

Mr. HELLER. Yes, sir.

Mr. McGREGOR. And the Bureau of the Budget wants $20,000.

Mr. HELLER. That is correct.

Mr. McGREGOR. How much would it cost if this were not involved? How much would it cost the Federal Government to take out the debris, and so forth, that might be considered necessary?

Mr. HELLER. We estimate about $20,000 to do the minimum work to take out the section of the old dam.

Mr. McGREGOR. Then, in other words, the Bureau of the Budget is willing to go along and pay what would be required by the Federal Government just to clear it up. They are willing to allow $20,000 to do it in conjunction with the local people.

Mr. HELLER. That is correct. Instead of spending $20,000 to tear it down we spend $20,000 to help build it up.

Mr. McGREGOR. And the Army engineers are adding $30,000 more to that?

Mr. HELLER. That is correct.

Mr. McGREGOR. For good will, or what have you?

Mr. HELLER. Yes, sir.

That, Mr. Speaker, is the testimony of representatives of our Government when they appeared before our committee.

Mr. SCUDDER. That is correct. I just want to give you one more reference regarding this bill. The bill carries this language on page 1, line 4: "This is an act to provide for the disposal of federally owned property at obsolescent canalized waterways and for other purposes."

Now, Members of the House, you are not only putting up this money but you are making provision for a gift of 25 acres of Federal land to the State or city or whatever entity takes over this project.

Mr. CRAMER. Mr. Speaker, will the gentleman yield?

Mr. SCUDDER. I yield.

Mr. CRAMER. Is it not true that the only Federal obligation existing in the whole matter is under Public Law 996?

Mr. SCUDDER. That is correct.

Mr. CRAMER. Which provides for the disposal of Federally owned property at obsolescent canalized waterways?

Mr. SCUDDER. That is correct.

Mr. CRAMER. And that $20,000 should be made available?

Mr. SCUDDER. Yes.

Mr. CRAMER. The Army engineers recommended $50,000, so that there would be some assistance to the local communities. The House passed that. Then the Senate made it $150,000, which is the total cost of the total project, which is a new proposal and it has not been previously before the Congress. Then in conference they put in $112,500, which is $65,000 more than can be justified. Is that not correct?

Mr. SCUDDER. That is correct. The only Federal obligation is $20,000. The Senate did pass a bill providing for $150,000, and the compromise is between the House bill of $50,000 and $150,000 as passed by the Senate. I feel that this type of legislation is setting a very bad precedent, and many claims could be brought against the Federal Government asking for improvements in projects that have long since been useless and inoperative. In fact, as I said before, there are hundreds of rivers in our country which were at one time navigable. If the Federal Government can wipe out this obligation by putting them back in their original state, I think their obligation has been met. But we have been ultraliberal in our program to give to the area to be benefited $50,000 as contained in the original bill.

I hope that the motion to recommit and report back a bill for $50,000 will be carried.

The SPEAKER. The time of the gentleman from California [Mr. SCUDDER] has expired.

Mr. BLATNIK. Mr. Speaker, I yield 5 minutes to the gentleman from West Virginia [Mr. BAILEY].

Mr. BAILEY. Mr. Speaker, I am very much surprised at the position of the gentlemen on the left side of the aisle who have discussed this proposal. The gentleman from California, my good friend Mr. SCUDDER, referred to it as a charity proposition. I wonder what he thought I had in mind during the last 11 years when I voted for a half billion dollars for flood-control improvements in the State of California. It was not charity.

Mr. SCUDDER. It was not charity.

Mr. BAILEY. I would like to say the same thing for the distinguished gentleman from Washington [Mr. MACK]. I voted for improvements on the Columbia River and the Coulee Dam. Yet they talk now about a charity proposition.

Mr. MACK of Washington. Every project on the Columbia River was recommended by the Army engineers and the Bureau of the Budget. In no place has the Congress given them more money than recommended by the Bureau of the Budget.

Mr. BAILEY. We are talking about the Government taking care of its just responsibility. I want to pay my respects also to the gentleman from Ohio [Mr. McGREGOR]. S. 1520 was sponsored by Senator REVERCOMB, a Republican Member of the Senate from the State of West Virginia. This particular project is in a Republican county. Your Congressman is just acting as a Boy Scout in the hope of doing a good turn for some people in Wirt County, but the Army engineers have that included.

I want the opportunity of making good, so I am supporting the Senator's position.

Mr. McGREGOR. Mr. Speaker, will the gentleman yield?

Mr. BAILEY. I think I will not yield.

Mr. McGREGOR. The gentleman used my name; I think he should yield.

Mr. BAILEY. The gentleman has 10 minutes in which to discuss the matter.

I like for people at least to be consistent. The situation is this: In 1874 a private corporation built five locks on the Little Kanawha River in the State of West Virginia. It is a small river intersecting the Ohio River at Parkersburg, W. Va. It was operated as a private concern until around 1905, at which time Congress appropriated funds to purchase it and Army Engineers took over its operation. They continued to operate it as a navigation project until the close of World War II. I think about 1947 was the last active participation. It was neglected by the Army engineers over the years right following World War II until 1954. In 1954 a break occurred in the lock which diverted the flow of the Little Kanawha River considerably.

Right there is the time when the Army engineers' responsibility began. They totally ignored doing anything about this situation in 1954 when this break in the locks occurred. It is their business and it was their business to keep those locks in repair, or at least it was their business to take action at the end of World War II when they ceased to use it as a navigation facility. It was their business then to try to get rid of the responsibility. But they waited until 1955, 2 years ago, and Public Law 996 was the result of it. But their responsibility began at that time.

They have continued to neglect it despite Public Law 996 passed by the 84th Congress. They are still neglecting it because they have not done anything to comply with the provisions of Public Law 996. They never even asked for an appropriation of the $20,000 which was carried in Public Law 996.

So the responsibility of the Federal Government is well established. They failed to take care of this situation.

Let me explain to the members of the committee the situation affecting the State fish hatchery. It is true that the fish hatchery is not on the water impounded by lock No. 3; it is lock No. 4; but the Army engineers allowed lock No. 4 to wash out completely. There was damage to the State fish hatchery and they submitted to me an estimated cost of building a retaining wall. That estimated cost was turned over to the committee by former Congressman Burnside when we were considering Public Law 996. It was in the amount of $94,000.

On two separate occasions I have visited the scene of this particular lock. I have inspected the fish hatchery and the damage that has been done there. I have consulted with property owners whose property has been damaged. This land is particularly susceptible to caving banks. It is mostly sand. When the current of the stream is changed and it hits a bank of the river, there is undermining. If it were possible to do so, I could take the members of the committee and show you 50 or 60 acres of land that have fallen into the riverbed. This is fine bottom land, and it has been lost forever due to change in the course of the river.

The people there are not responsible for this situation. Those property owners are not responsible. I want to say to the Members of the House that unless this legislation is approved and this committee report is agreed to, the Government will face damage suits involving $4 million or $5 million filed by 8 or 10 property owners, the State Conservation Commission of the State of West Virginia, and other people who have been adversely affected by this situation just because it was not taken care of at the time it should have been by the Army engineers.

Mr. Speaker, at this time I wish to yield to the distinguished gentleman from West Virginia's Fourth District who at one time was a Member of Congress when this particular county was a part of his district. The gentleman is thoroughly familiar with the situation and I am going to ask him to make a statement.

Mr. NEAL. I thank the gentleman. It is rather surprising to me that some Representatives of other States of the Union who have proverbially participated in the great benefits of public works in their own areas now come before the House today and object to an appropriation as small as this in an area of a State that has been neglected not only in the way of public works but it has been the little stepchild ever since we have had support prices on grains and anything else of that nature. It has had to bear its proportion of the cost without in any way participating in the benefits.

The State of West Virginia is entitled to a proportionate amount of public funds in whatever way it may be spent, provided there is a useful purpose. I consider this proposition a very useful purpose.

While it is not in my district, it just borders on my District. The little Kanawha Basin from the headwaters to the point where it empties into the Ohio River is one of a series of mountains and lowlands. The floodwaters run off very rapidly. The floods they have down there do a great deal of destruction. Where this little stream flows into the Little Kanawha Valley is an area of the State of West Virginia where droughts are frequent, where the rains are heavy and where the runoff is heavy. For the protection of those people who have farms along the river it is very important that they have some storage of flood waters some place.

It is probably 10 to 12 miles from the point of this proposed dam down to the mouth of the river at Parkersburg. As has been said before, the dam at the mouth of the river is now being maintained by private interests—the Viscose Co. Navigation is no longer engaged in.

As a matter of flood protection this is not such a great problem because it is only 10 to 15 miles from the dam to the mouth of the river, but as a matter of water storage for these farmers in this valley who have to dig deep for their water and who during the dry season are almost without water at all, this would be a wonderful protection.

When the Department of Agriculture goes all over the country and enables headwater areas to build dams for the preservation and conservation of water, that is one thing. Here we have the Public Works Committee representing the Army engineers proposing to have a project built on a non-navigable stream that serves the very same purpose as these headwater dams and construction works do for the preservation of the water system.

To my mind, this is not asking too much. I have visited this location personally and I know the damage that has been done up and down this valley by reason of these heavy floods and by the diversion of the stream and by reason of a portion of it having fallen in, depositing material on the other side. To my mind, the amount of money that is necessary to do this job is not too much. It is not overestimated, when you accept the committee's recommendation of $112,500.

May I say to the gentleman from West Virginia [Mr. BAILEY] I sincerely hope that the Members of this House will see his side of the proposition and sustain the committee.

Mr. FALLON. Mr. Speaker, if the gentleman will yield, I believe, Doctor, you will recall that several years ago a committee, of which you and I were members, went on a trip to the great Northwest and inspected some public-works projects. We looked over projects that cost, some of them, $300 million and $400 million. Is it not ironic for you to come in here and ask this House for $112,500 in the face of what we have seen all over this country in public-works programs?

Mr. NEAL. As I said in the beginning, it seems unusual and rather surprising that representatives from States who have asked so much and received such a large share of public funds for various improvements that are not any more deserving than the one we present today should oppose this. I feel they are just a little inconsistent, even though they are members of my own party.

Mr. BAILEY. I thank the distinguished gentleman from the Fourth West Virginia District. He knows the situation and he had given you the facts.

Mr. Speaker, there is another item of responsibility that would attach to the Army engineers. This little county seat town of Elizabeth, of some 1,200 or 1,500 population, has drilled some water wells along the riverbank from which they get their water supply. When this dam was breached and the impounded waters receded and disappeared, their water wells dried up, and they are going to have to redrill them much deeper in order to maintain their municipal water supply. So I again point out that through the neglect of the Army engineers not handling this property and not taking care of it when the first break came, great sections of it have washed away since then until practically the entire dam has to be rebuilt and the locks sealed off. So, there is a definite Government responsibility, and that is all I am asking for at this time. And, I am certainly objecting to anyone referring to it as charity when again I want to say to you that I have voted for hundreds of millions of dollars—yes, even billions of dollars—for reclamation projects and for flood control projects in the districts of the gentlemen who are today raising the question about the difference between

this project and those they were interested in.

Mr. SCHERER. Mr. Speaker, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman from Ohio.

Mr. SCHERER. I believe the gentleman stated that a great deal of damage has resulted from the neglect of the Army engineers in the maintenance of this dam and lock. Did I understand correctly?

Mr. BAILEY. I inferred as much, yes, and I am correct.

Mr. SCHERER. Then the gentleman said that the Government was facing a series of damage suits totaling possibly $5 million or $6 million.

Mr. BAILEY. I say that individuals have already consulted attorneys, and I know the State conservation commission is getting ready to file a suit against the Government.

Mr. SCHERER. What assurance do we have that if we pass this legislation no suits will be brought?

Mr. BAILEY. This bill provides that the responsibility for the maintenance of it rests with the people, and I can assure you there will be no suits filed if this lock is repaired.

Mr. SCHERER. In spite of the fact that this damage of $5 million or $6 million has already been sustained, you can assure us that if we pass this legislation the Government will not be facing those suits?

Mr. BAILEY. There will not be any suits filed by the State conservation commission. I could not speak for the individuals, but I think they will assume the same attitude. We want the lock repaired. We need it, and we are not interested in bringing suit. We are entitled to it. I hope it will be the pleasure of the House to support the findings of the conference committeee.

Mr. O'HARA of Illinois. Mr. Speaker, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman.

Mr. O'HARA of Illinois. Mr. Speaker, am I to understand that the people of West Virginia and all of its officials believe that this is absolutely necessary for the good of West Virginia?

Mr. BAILEY. Yes, sir.

Mr. O'HARA of Illinois. Is it not a fact that West Virginia has received practically nothing from the Federal Government in the way of public works, at least to compare with that received by other States?

Mr. BAILEY. That is true. For the benefit of the gentleman, may I remind him that the last military construction bill carried one item for West Virginia. That was the first installation that West Virginia has received in 2 or 3 bills of that kind. It was the only State of the Union that had not received a military installation.

Mr. O'HARA of Illinois. Mr. Speaker, I can say to the gentleman from West Virginia that West Virginia being in this situation and facing this need and having received so little from the Federal Government, it will have the support of our Democratic colleagues from Illinois.

Mr. BAILEY. I thank the gentleman.

Mr. BLATNIK. Mr. Speaker, I yield 10 minutes to the gentleman from Ohio [Mr. McGREGOR].

Mr. McGREGOR. Mr. Speaker, I want to assure the distinguished gentleman who just left the well [Mr. BAILEY] that we have all the respect in the world for him as we do for the distinguished gentleman from West Virginia, Dr. NEAL, who has done such a grand job for his State. We have nothing whatsoever against these gentlemen nor against the State of West Virginia, nor against the distinguished Republican Senator from West Virginia to whom the gentleman from West Virginia [Mr. BAILEY] referred.

This is the proposition with which we are faced. We are not accusing the people of West Virginia of asking for a handout, but we say that the people of the other 47 States should not be taxed for something that is not necessary.

On August 5 the gentlemen from West Virginia [Mr. BAILEY and Mr. NEAL] voted for this bill at $50,000. The bill had been approved by the Committee on Public Works. The Members who are now handling the bill voted $50,000. It goes to the other body and they decide to make some kind of an arrangement and it comes back to us at $112,500. Of course, I would not say that the conferees representing the House did not try to put into effect the will of the House. I am sure they did. But is it not a little unusual, when we have passed a bill by a unanimous vote, carrying $50,000, to have it come back at $112,500?

Mr. BLATNIK. Mr. Speaker, will the gentleman yield?

Mr. McGREGOR. I yield to the gentleman.

Mr. BLATNIK. The fact is, as the gentleman knows, that most of the members of the Committee on Public Works were in favor either of the full $150,000 or $100,000. It was suggested in the committee that the Bureau of the Budget had recommended only $20,000, that being all that was required to remove the remaining obstruction and leave the stream free. But all of us, including the Members on the gentleman's side of the aisle felt that there was equity in the proposal, and they also felt that appropriating merely $20,000 as suggested by the Bureau of the Budget would not be sufficient. They felt that there was a problem and that the figure should be $100,000. But we agreed on a compromise. We came to a figure of $50,000. So I would like to ask this question. I am sure we all act in the same spirit. The gentleman felt that there was equity at least in the proposal to appropriate $20,000 as recommended by the Bureau of the Budget. But the Members on that side were willing to increase it 2½ times, to $50,000, feeling perhaps that that would be adequate. We felt that $50,000 would not do anything unless there were a contribution by local people of $100,000. So I would ask the gentleman, Was there not some justice, equity, and courtesy about the problem of this small community that desired water? Was not that the reason you on that side yourselves went for the $50,000?

Mr. McGREGOR. Absolutely. I read into the RECORD a few minutes ago the statement of the Army engineers in which we conceded that we would give $30,000, a token of good will. This is really $20,000 more than needed.

May I say to my distinguished friend from Minnesota, not giving away the secrets of our committee in executive session, I hope he will tell this assembly who made the motion to strike $150,000 and put in $50,000, in our committee. It is a part of the record.

We have nothing against anyone, but if we are going to double and triple the recommendations of the Army engineers, the Bureau of the Budget, the Committee on Public Works by unanimous vote, and the House of Representatives by unanimous vote, where in the world are we going? I repeat, it passed the House for $50,000. It passed our committee for $50,000. The two gentlemen from West Virginia who are now asking $112,500 voted for it at $50,000. Now they come back and want $112,500.

Mr. SCHERER. Mr. Speaker, will the gentleman yield?

Mr. McGREGOR. I yield to the gentleman from Ohio.

Mr. SCHERER. Is it not a fact that although when a few of us, not a majority, but a few of us on the committee, felt that $20,000 was the maximum amount which should be voted, we compromised on $50,000?

Mr. McGREGOR. The gentleman is right. Actually, there are many Members here on the floor who have just as good projects as this, but we have held them down to the recommendations of the Army engineers. Yet here is one you are going to double, triple, or quadruple. Why? Because we like the distinguished gentlemen from West Virginia? Sure we like them, but we like the taxpayers, too. We cannot continue this philosophy of spending where it is not necessary.

Mr. AVERY. Mr. Speaker, will the gentleman yield?

Mr. McGREGOR. I yield to the gentleman from Kansas.

Mr. AVERY. I have listened to this debate since it has been on the floor this afternoon. I have no particular prejudice or feeling about this bill, about giving this amount of money to certain interests in the State of West Virginia. However, I cannot quite reconcile my mind to the fact that the Committee on Public Works can be so very generous on a project like this, yet when certain public-works projects are authorized they can be so very, very conservative when it comes to considering the persons to be displaced by a reservoir project.

I have a situation in my district where a whole town will be displaced. A farmer in good financial shape can hire four lawyers to take care of his interests, but what about a woman with a little $1,300 house who cannot afford to hire a lawyer, and thus is pushed aside? How about a businessman who is compensated $1,500 for the building in which he is doing business, but his business interests are pushed entirely out in the cold? Does the gentleman from Ohio think a policy like that is consistent

with the bill we have before us this afternoon?

Mr. McGREGOR. I want to be consistent, of course, and we recognize the very situation the gentleman has described. It certainly is not consistent to treat one group as the gentleman has described and give this group in West Virginia more money then they need. That is the reason we are trying to get consistency in our committe. I see no reason in the world why we should grant $112,500 for this project. There will be a motion to recommit made with instructions to cut the amount back to $50,000, the amount that was in the bill when it was passed by the House by unanimous vote on August 5 and the same amount that the bill carried when it was voted out of our Public Works Committee.

Mr. BLATNIK. Mr. Speaker, on behalf of the House conferees of the majority, I do urge the adoption of this conference report.

Mr. Speaker, there being no further requests for time, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

Mr. MACK of Washington. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the conference report?

Mr. MACK of Washington. Yes, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. MACK of Washington moves to recommit the conference report to the committee of conference with instructions to the managers on the part of the House to insist on the House amendment.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and the Chair being in doubt, the Committee divided and there were—ayes 56, noes 86.

Mr. McGREGOR. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 137, nays 232, not voting 63, as follows:

[Roll No. 201]

YEAS—137

Abbitt	Carrigg	Dawson, Utah
Allen, Calif.	Chamberlain	Derounian
Arends	Chiperfield	Devereux
Auchincloss	Church	Dixon
Avery	Clevenger	Dooley
Ayers	Cole	Dorn, N. Y.
Baker	Collier	Dwyer
Baldwin	Coudert	Fino
Bates	Cramer	Ford
Becker	Cunningham, Iowa	Frelinghuysen
Berry	Cunningham, Nebr.	Griffin
Bolton	Curtin	Gross
Bosch	Curtis, Mass.	Gubser
Broomfield	Curtis, Mo.	Gwinn
Budge	Dague	Hale
Byrne, Ill.	Davis, Ga.	Halleck
Byrnes, Wis.	Derounian	Harden
Canfield	Devereux	Harrison, Nebr.
Harvey	Merrow	Scudder
Haskell	Michel	Simpson, Ill.
Heselton	Miller, Md.	Simpson, Pa.
Hill	Miller, Nebr.	Smith, Calif.
Hillings	Miller, N. Y.	Smith, Wis.
Hoeven	Minshall	Springer
Holmes	Morano	Stauffer
Horan	Mumma	Taber
Hosmer	Nicholson	Talle
James	Nimtz	Teague, Calif.
Jensen	O'Konski	Tewes
Jonas	Osmers	Tuck
Judd	Ostertag	Utt
Kean	Pelly	Van Pelt
Keating	Poff	Vorys
Latham	Prouty	Vursell
LeCompte	Radwan	Wainwright
Lipscomb	Ray	Weaver
McCulloch	Reece, Tenn.	Westland
McDonough	Reed	Wharton
McGregor	Rees, Kans.	Widnall
McIntire	Riehlman	Wigglesworth
McIntosh	Rogers, Mass.	Williams, N. Y.
McVey	Sadlak	Wilson, Calif.
Mack, Wash.	St. George	Wilson, Ind.
Marshall	Schenck	Withrow
Martin	Scherer	Younger
May	Schwengel	
Meader	Scott, Pa.	

NAYS—232

Abernethy	Fascell	Montoya
Adair	Feighan	Moore
Addonizio	Fisher	Morgan
Albert	Flood	Morris
Alexander	Flynt	Moss
Andersen, H. Carl	Fogarty	Moulder
Anderson, Mont.	Forand	Multer
Andresen, August H.	Forrester	Murray
Andrews	Fountain	Natcher
Ashley	Frazier	Neal
Ashmore	Friedel	Norrell
Aspinall	Fulton	O'Brien, Ill.
Bailey	Garmatz	O'Hara, Ill.
Barden	Gary	Passman
Baring	Gathings	Patman
Barrett	Gavin	Patterson
Bass, Tenn.	Granahan	Perkins
Beckworth	Grant	Pfost
Bennett, Fla.	Gray	Philbin
Bennett, Mich.	Green, Pa.	Pilcher
Betts	Gregory	Poage
Blatnik	Griffiths	Polk
Blitch	Hagen	Porter
Boggs	Haley	Price
Boland	Hardy	Rabaut
Bolling	Harris	Rains
Bonner	Harrison, Va.	Reuss
Bow	Hays, Ark.	Rhodes, Ariz.
Boykin	Healey	Rhodes, Pa.
Boyle	Hébert	Riley
Brooks, La.	Hemphill	Rivers
Brooks, Tex.	Henderson	Roberts
Brown, Ga.	Herlong	Robeson, Va.
Brown, Mo.	Hess	Rodino
Brown, Ohio	Holifield	Rogers, Colo.
Broyhill	Holland	Rogers, Fla.
Burdick	Holt	Rogers, Tex.
Burleson	Huddleston	Rooney
Bush	Hull	Roosevelt
Byrd	Hyde	Rutherford
Byrne, Pa.	Ikard	Santangelo
Cannon	Jarman	Saund
Carnahan	Jenkins	Saylor
Cederberg	Johansen	Scrivner
Celler	Johnson	Seely-Brown
Chelf	Jones, Ala.	Selden
Chenoweth	Jones, Mo.	Sheppard
Christopher	Karsten	Shuford
Chudoff	Kee	Sieminski
Clark	Keeney	Sikes
Coffin	Kelley, Pa.	Siler
Colmer	Kelly, N. Y.	Sisk
Cooley	Keogh	Smith, Kans.
Cooper	Kilday	Smith, Miss.
Corbett	Kilgore	Smith, Va.
Davis, Tenn.	King	Spence
Delany	Kitchen	Staggers
Dempsey	Knox	Steed
Denton	Knutson	Sullivan
Dingell	Landrum	Taylor
Dollinger	Lane	Teague, Tex.
Donohue	Lanham	Teller
Dorn, S. C.	Lankford	Thomas
Dowdy	Lennon	Thompson, N. J.
Durham	Lesinski	Thompson, Tex.
Eberharter	Long	Thomson, Wyo.
Edmondson	McFall	Thornberry
Elliott	McGovern	Tollefson
Engle	McMillan	Trimble
Evins	Machrowicz	Ullman
Fallon	Mack, Ill.	Vanik
Farbstein	Mahon	Van Zandt
	Matthews	Walter
	Metcalf	Watts
	Mills	Whitener
Whitten	Wolverton	Zablocki
Wier	Wright	Zelenko
Willis	Yates	
Winstead	Young	

NOT VOTING—63

Alger	George	Madden
Allen, Ill.	Gordon	Magnuson
Anfuso	Green, Oreg.	Mailliard
Bass, N. H.	Hays, Ohio	Mason
Baumhart	Hiestand	Miller, Calif.
Beamer	Hoffman	Morrison
Belcher	Holtzman	Norblad
Bentley	Jackson	O'Brien, N. Y.
Bray	Jennings	O'Hara, Minn.
Breeding	Kearney	O'Neill
Brownson	Kearns	Pillion
Buckley	Kilburn	Powell
Coad	Kirwan	Preston
Cretella	Kluczynski	Robsion, Ky.
Dawson, Ill.	Krueger	Scott, N. C.
Dellay	Laird	Sheehan
Dennison	Loser	Shelley
Dies	McCarthy	Thompson, La.
Diggs	McConnell	Udall
Doyle	McCormack	Vinson
Fenton	Macdonald	Williams, Miss.

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Dellay for, with Mr. McCormack against.

Mr. Bass of New Hampshire for, with Mr. Udall against.

Mr. Bentley for, with Mr. Jennings against.

Mr. Dennison for, with Mr. Gordon against.

Mr. Krueger for, with Mr. Dawson of Illinois against.

Mr. Baumhart for, with Mr. Hays of Ohio against.

Mr. Beamer for, with Mr. Holtzman against.

Mr. Bray for, with Mr. Anfuso against.

Mr. Brownson for, with Mr. Buckley against.

Mr. Robsion of Kentucky for, with Mr. Scott of North Carolina against.

Mr. Sheehan for, with Mr. Shelley against.

Mr. Jackson for, with Mr. Thompson of Louisiana against.

Mr. Kearney for, with Mr. McCarthy against.

Mr. Cretella for, with Mr. O'Neill against.

Mr. Mailliard for, with Mr. Morrison against.

Mr. Mason for, with Mr. Miller of California against.

Mr. Hiestand for, with Mr. Doyle against.

Until further notice:

Mr. Madden with Mr. Allen of Illinois.

Mr. Kluczynski with Mr. Alger.

Mr. Kirwan with Mr. Belcher.

Mr. O'Brien of New York with Mr. Fenton.

Mr. Vinson with Mr. McConnell.

Mr. Williams of Mississippi with Mr. Norblad.

Mr. Breeding with Mr. O'Hara of Minnesota.

Mr. Coad with Mr. O'Konski.

Mr. Dies with Mr. Pillion.

Mr. Diggs with Mr. Kearns.

Mr. Loser with Mr. Kilburn.

Mr. Magnuson with Mr. George.

Mrs. Green of Oregon with Mr. Laird.

Mr. Macdonald with Mr. Hoffman.

Mrs. SULLIVAN and Mr. WOLVERTON changed their vote from "yea" to "nay."

Mr. ABBITT and Mr. DAGUE changed their vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

GOVERNMENT GUARANTY OF PRIVATE LOANS TO AIR CARRIERS

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (S. 2229) to provide for Government guaranty of private loans to certain air carriers for purchase of modern aircraft and equipment, to foster the development and use of modern transport aircraft by such carriers, and for other purposes, with a House amendment thereto, insist on the House amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. HARRIS, MACK of Illinois, ROGERS of Texas, FLYNT, WOLVERTON, SPRINGER, and SCHENCK.

LINCOLN SESQUICENTENNIAL COMMISSION

Mr. FRAZIER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution, House Joint Resolution 351.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

There was no objection.

The Clerk read the joint resolution, as follows:

Whereas the year 1959 marks the 150th anniversary of the birth of Abraham Lincoln on February 12, 1809; and

Whereas Abraham Lincoln served as the 16th President of the United States; and

Whereas his life and ideals played an important part in the history of the United States during a critical period of its history; and

Whereas his spoken and written words and his philosophy of government have continued to have influence in our Government and in our daily way of life; and

Whereas the United States observed with appropriate ceremonies the 100th anniversary of the birth of Abraham Lincoln in 1909; and

Whereas the interest in, and respect for, Abraham Lincoln is demonstrated by over 1,850,000 people from all parts of the Nation visiting the Lincoln Memorial in Washington, D. C., during the year 1956, making it the most visited memorial in the world; and

Whereas it is appropriate that his ideals and accomplishments be reemphasized and be given wider public knowledge on the occasion of the 150th anniversary of his birth; and

Whereas it is incumbent upon us as a nation to provide for the proper observance of the birth of this great man who has continued to be a force in our history: Therefore be it

Resolved, etc., That (a) in order to provide for appropriate and nationwide observances and the coordination of ceremonies, there is hereby established a commission to be known as the Lincoln Sesquicentennial Commission, hereafter in this act referred to as the "Commission", which shall be composed of 28 members, as follows:

(1) The President of the United States, President of the Senate, and Speaker of the House of Representatives, who shall be ex officio members of the Commission;

(2) Six Members of the Senate to be appointed by the President of the Senate;

(3) Six Members of the House of Representatives to be appointed by the Speaker of the House of Representatives;

(4) Twelve members to be appointed by the President of the United States; and

(5) One member from the Department of the Interior who shall be the Director of the National Park Service or his representative.

(b) The Director of the National Park Service shall call the first meeting for the purpose of electing a chairman. The Commission, at its discretion, may appoint honorary members, and may establish an advisory council to assist it in its work.

(c) Appointments provided for in this section, with the exception of honorary members, shall be made within 90 days from the date of enactment of this resolution. Vacancies shall be filled in the same manner as the original appointments were made.

SEC. 2. It shall be the duty of the Commission to prepare an overall program to include specific plans for commemorating the 150th anniversary of the birth of Abraham Lincoln. In preparing its plans and programs, the Commission shall give due consideration to any similar and related plans advanced by State, civic, patriotic, hereditary, and historical bodies, and may designate special committees with representation from the above-mentioned bodies to plan and conduct specific ceremonies. The Commission may give suitable recognition such as the award of medals and certificates or by other appropriate means to persons and organizations for outstanding accomplishments in preserving the writings and ideals of Abraham Lincoln, or historical locations connected with his life.

SEC. 3. The President of the United States is authorized and requested to issue proclamations inviting the people of the United States to participate in and observe the centennial anniversaries of the nationally significant historic events, the commemorations of which are provided for herein.

SEC. 4. (a) The Commission is authorized to accept donations of money, property, or personal services; to cooperate with State, civic, patriotic, hereditary, and historical groups and with institutions of learning; and to call upon other Federal departments or agencies for their advice and assistance in carrying out the purposes of this resolution.

(b) The Commission, to such extent as it finds to be necessary, may, without regard to the laws and procedures applicable to Federal agencies, procure supplies, services, and property and make contracts, expend in furtherance of this resolution funds donated or funds received in pursuance of contracts hereunder, and may exercise those powers that are necessary to enable it to carry out efficiently and in the public interest the purposes of this resolution.

(c) The National Park Service is designated to provide all general administrative services.

SEC. 5. (a) The Commission may employ, without regard to civil service laws or the Classification Act of 1949, an executive director and such employees as may be necessary to carry out its functions.

(b) Expenditures of the Commission shall be paid by the National Park Service as general administrative agent, which shall keep complete records of such expenditures and shall account also for all funds received by the Commission.

(c) A report shall be submitted to the Congress, presenting the preliminary plans of the Commission not later than March 1, 1958, in order that further enabling legislation may be enacted. A final report shall be made to the Congress no later than March 1, 1960, upon which date the Commission shall terminate.

(d) Any property acquired by the Commission remaining upon its termination may be used by the Secretary of the Interior for purposes of the National Park System or may be disposed of as surplus property. The net revenues, after payment of Commission expenses, derived from Commission activities, shall be deposited in the Treasury of the United States.

SEC. 6. (a) The members of the Commission shall serve without compensation, but shall be furnished transportation and be reimbursed at not to exceed $20 per diem, in lieu of subsistence, while engaged in the discharge of their duties provided for in this resolution.

(b) Service of an individual as a member of the Commission shall not be considered as service or employment bringing such individual within the provisions of sections 216, 281, 283, 284, 434, or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes (5 U. S. C. 99); nor shall any member of the Commission by reason of his status as such be deemed to be an "officer of the Government" with the meaning of the act of April 27, 1916 (5 U. S. C. 101).

SEC. 7. Notwithstanding section 2 of the act of July 31, 1894 (28 Stat. 205), as amended (5 U. S. C. 62), or section 6 of the act of May 10, 1916 (39 Stat. 120), as amended (5 U. S. C. 58, 59), the Chairman of the Commission may appoint to, and employ in, any civilian office or position in the Commission, and pay, any retired commissioned officer, or retired warrant officer, of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, or Public Health Service. The retired status, office, rank, and grade of retired commissioned officers or retired warrant officers, so appointed or employed and, except as provided in section 212 of the act of June 30, 1932 (47 Stat. 406), as amended (5 U. S. C. 59a), any emolument, perquisite, right, privilege, or benefit incident to or arising out of any such status, office, rank, or grade, shall be in no way affected by reason of such appointment to or employment in, or by reason of service in, or acceptance or holding of, any civilian office or position in the Commission or the receipt of the pay thereof.

SEC. 8. There are hereby authorized to be appropriated such funds as may be necessary to carry out the provisions of this resolution, including an appropriation of not to exceed $40,000 to prepare the preliminary report and plans of the Commission described in section 5 (c).

The SPEAKER. The Clerk will report the committee amendments.

The Clerk read as follows:

Page 4, line 11, strike out "centennial anniversaries" and insert "anniversary."

Page 4, line 13, strike out "events," and insert "event."

Page 4, line 13, strike out "commemorations" and insert "commemoration."

Page 4, line 14, strike out "are" and insert "is."

Page 4, line 20, after the period, insert the following paragraph:

"All books, manuscripts, miscellaneous printed matter, memorabilia, relics and other materials relating to Abraham Lincoln and donated to the Commission may be deposited for permanent preservation in a National, State, or local library or museum or be otherwise disposed of by the Commission in consultation with the Librarian of Congress or the Secretary of the Smithsonian Institution."

The committee amendments were agreed to.

Mr. NIMTZ. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. NIMTZ: On page 4, line 11, strike out "obseve" and insert "observe."

On page 7, line 22, strike out "$40,000" and insert "$10,000."

The amendment was agreed to.

Mr. MACK of Illinois. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MACK of Illinois. Mr. Speaker, I rise in support of the resolution as amended. On June 11, 1957, I introduced a similar resolution to establish an Abraham Lincoln Sesquicentennial Commission. Similar resolutions were also introduced by the gentleman from Illinois [Mr. ALLEN], the gentleman from Pennsylvania [Mr. SCOTT], and the gentleman from Iowa [Mr. SCHWENGEL].

On Wednesday, July 31, 1957, in the House caucus room, I testified before Subcommittee No. 4 of the House Judiciary Committee. At that time I stated that I had no pride of authorship and that any of the bills would be satisfactory. I urged the committee to take immediate action as little time remained to prepare for the appropriate observance of this historic occasion. During my testimony several members of the subcommittee objected to my resolution on the basis that the $10,000 authorized to be appropriated was not sufficient. While I felt that this amount was entirely sufficient, I certainly did not object to the authorization of a larger amount. It is my understanding that on the basis of this testimony the subcommittee reported the resolution introduced by my colleague, the gentleman from Indiana [Mr. NIMTZ]. Therefore, Mr. Speaker, I wish to support this legislation with an amendment to reduce the amount to $10,000, as provided in my resolution, House Joint Resolution 357, which I introduced on June 11. Since the provisions of this legislation are now almost identical to my resolution, I strongly urge the passage of this legislation during this session of Congress.

Mr. Speaker, Abraham Lincoln served in Congress just 100 years before I was first elected. The district I represent is known as the Land of Lincoln, and it includes Oak Ridge Cemetery where Lincoln was buried. It is a historic area and includes Lincoln's home as well as many other Lincoln shrines. Therefore, Mr. Speaker, I am vitally interested in the passage of this legislation.

The people of Springfield, Ill., are extremely anxious to have this resolution adopted so that appropriate ceremonies can be held throughout the country on the 150th anniversary of the birth of Abraham Lincoln. This occasion will have international significance, and it is entirely possible this sesquicentennial will be celebrated throughout the world.

Springfield, Ill., is the place where Abraham Lincoln spent all of his adult life until he was elected President of the United States. Springfield was home to Lincoln, and it is my hope that this resolution will be adopted so that the Abraham Lincoln Sesquicentennial Commission can arrange appropriate ceremonies in Springfield, Ill., and elsewhere throughout the world.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate disagrees to the amendment of the House to the bill (S. 2229) entitled "An act to provide for Government guaranty of private loans to certain air carriers for purchase of modern aircraft and equipment, to foster the development and use of modern transport aircraft by such carriers, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MONRONEY, Mr. SMATHERS, Mr. BIBLE, Mr. SCHOEPPEL, and Mr. PAYNE to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 1866. An act to amend the act entitled "An act to require the inspection and certification of certain vessels carrying passengers," approved May 10, 1956, in order to provide adequate time for the formulation and consideration of rules and regulations to be prescribed under such act.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 8996) entitled "An act to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes."

WEAKENING THE RECIPROCAL TRADE-AGREEMENTS PROGRAM

Mr. KARSTEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. KARSTEN. Mr. Speaker, it is not often that a Member of the House takes the floor to urge the defeat of a bill he has introduced; yet that is my purpose today.

Every bill is important in one way or another to the Member who sponsors it. No matter how little or insignificant the bill, it is always a pleasant experience to have the House approve it. A few days ago, the House approved one of my bills, H. R. 6894, to reduce the tariff on mica. This is an insulating material which is used in the manufacture of many electrical products. Foreign manufacturers of electronic devices are not required to pay tariff on mica. The enactment of my bill was designed to aid American industry.

I am grateful to the House for approving this bill, but the legislation has been drastically changed by the other body. A major amendment was adopted to include the imposition of a sliding-scale import tax on lead and zinc. This is a broad departure from the reciprocal trade-agreements program. It completely bypasses existing authority given the President under the present trade-agreements legislation.

The Committee on Ways and Means, of which I am a member, recently held hearings on the lead and zinc amendment. From the testimony presented, it is apparent that the lead and zinc mining industry in the United States is in a distressed condition. The Under Secretary of the Interior, Hatfield Chilson, declared that a "world oversupply" of lead and zinc made it necessary for the administration to recommend legislation to Congress which would apply an excise tax on imports of the two minerals. It was contended that large imports of foreign ore had resulted in the closing of many American mines. At the same hearing it was pointed out that the President has authority under the trade-agreements legislation to grant relief to the lead and zinc mining industry without legislative action. It was also pointed out that the legislative proposal is almost identical with the recommendations the Tariff Commission made to the President under the lead and zinc escape-clause proceeding in 1954. The President stated among other things that the proposed relief did not meet the needs of these industries. Evidence the committee received indicated that the situation today in the lead and zinc mining industries is similar to what it was at the time of the Tariff Commission investigation and the President's rejection of their findings.

To further complicate the problem, the Department of the Interior is making grants in the form of loans to private lead and zinc interests. The purpose of these grants is to help finance exploration and to locate more lead and zinc mines. If there is actually a world oversupply, and if it is also true that many American mines are closing, it is difficult to understand why the Department of the Interior is engaging upon a program which is designed to add to the world oversupply of these metals.

The lead and zinc mining industry is a most important one. Both are strategic minerals and I should like to see American mines continue to operate. But, I do not believe this legislation is the method by which it should be accomplished. There are a great many other industries seeking similar tariff relief, such as textiles, hardwood, plywood, flatware, stainless steel, and many others. There are numerous bills before the Committee on Ways and Means which would provide relief from import competition. To pass this legislation would undermine the authority of the President under trade-agreements legislation. The passage of one would serve as a precedent and we might ultimately find Congress acting on hundreds of indiivdual items.

Since the passage of the Reciprocal Trade Agreements Act, there has been consistent efforts over the years to go back to the old system of the Smoot-Hayley Tariff. The Reciprocal Trade Agreements Act has stood up fairly well. It has been weakened from time to time but these attacks have not resulted in serious damage to American trade throughout the world. The passage of a bill containing provisions such as this one, however, would be a signal to the world that the free trade we have talked

about for the last 20 years is only a myth and that we are really isolationists after all. I believe the enactment of this legislation would have most serious repercussions and irreparably damage our trade policy. The passage of this bill would be followed by others seeking to impose tariff walls around the United States under the guise of protecting American labor and industry.

I believe in the reciprocal trade agreements program. When it was passed, I recall the advocates of high tariffs predicted it would utterly destroy the economy of the United States. Instead, after 20 years' experience, our economy has today reached the highest point in our history. Instead of losing industry and destroying jobs, our trade policies have had just the opposite effect.

The bill H. R. 6894 is important to me. But I would prefer to see it defeated than let the measure become a wedge which might eventually destroyed the reciprocal trade agreements program. While it is not easy to do, I urge my colleagues who were so generous to support my original bill to join me in opposing it when the legislation returns to the House with the lead and zinc rider attached to it.

UNITED STATES AIR FORCE

Mr. BYRNE of Illinois. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include a resolution.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. BYRNE of Illinois. Mr. Speaker, I would like permission to extend my remarks in the RECORD in connection with the 50th anniversary of the United States Air Force. I also want to insert a resolution adopted by Aviation Post No. 651 of the American Legion, Department of Illinois. Aviation Post No. 651 of Chicago is a fine post dedicated to keeping our American Air Force the greatest in the world.

None of us doubt today that the United States Air Force has become the first line of our defense. Becoming the greatest air power in the world has not been without supreme sacrifice on the part of men who had the vision and faith to recognize the potential of American air power. These men had the courage and impetus to meet the "wild blue yonder" and to look at it as a friend and ally who would year by year and day by day prove its worthiness of the trust they placed in it.

The ascendency of American air power and the courage of our pilots is another example of what is possible under the American free enterprise system. Without these we would not have gotten off the ground.

I hereby salute the United States Air Force for their past and present contribution to the world.

I commend the commander of Aviation Post No. 651, Lew W. Cleminson, adjutant, Willard J. Einspar, and all the members for this patriotic resolution.

RESOLUTION OF AVIATION POST NO. 651, THE AMERICAN LEGION, DEPARTMENT OF ILLINOIS

Whereas, the United States Air Force is celebrating its 50th anniversary and has become the first line of our defense in the protection of freedom and democracy, not only for America but for the entire civilized world and humanity; and

Whereas the past 50 years have brought us from the age of the "Jennie" to the giant supersonic jet bombers capable of miraculous performances and of being able to deliver nuclear and hydrogen weapons, as well as guided missiles, with pinpoint accuracy and precision, and with devastating results when and where needed; that our Air Force has completely annihilated time and space; and

Whereas the original Air Force was duly created on August 1, 1907, having previously thereto been an insignificant part or adjunct of the Signal Corps of the United States Army; that the official 14-word sentence creating the Air Force was as follows: "An aeronautical division of this office is hereby established to take effect this date"; that thereafter, each branch of our armed services organized its own air force until, at long last, the Air Force, as a separate and distinct unit attained the proportions it now enjoys, namely, the most important and indispensable arm for our security and protection; and

Whereas today Gen. Nathan F. Twining, Chief of our Air Force, is now the Chairman of the Joint Chiefs of Staff, with full and complete charge over all of our Armed Forces; and

Whereas this recognition of our Air Force was not attained without personal sacrifices and heroic efforts against overwhelming obstacles, and stubborn resistance of the top military and naval leaders, who refused to face reality, and accept air power and its great potential for peace as well as war; that time has proven the value of air power whose worth, daring exploits and phenomenal accomplishments, have kept the world free from aggression and tyranny, against the enemies who would subjugate and reduce us to abject slavery, and it is our most sincere and frevent hope that we shall never be compelled to use either nuclear or hydrogen weapons at any time in the future; and

Whereas the late General "Billy" Mitchell was sacrificed on the altar of truth for his uncompromising stand in espousing proper recognition of air power, and because of the intolerance and short-sightedness of the high military generals; that at this celebrated court-martial it was proven that General "Billy" Mitchell had pleaded with the generals and War Department to purchase a bombsight for $10,000, so as to develop precision bombing and that the War Department promptly rejected the request as exorbitant and unrealistic, and today our present automatic bombsights cost upward of a quarter million dollars each, but while General Mitchell failed at that time, he nevertheless kept up his fight and as a result of his tenacity and fighting heart, we were the first Nation in the world to develop instrument flying and perfect and use automatic gunsights; and

Whereas Aviation Post No. 651, the American Legion, Department of Illinois, is composed of veteran fliers of the First and Second World Wars, as well as the Korean conflict, many having been singularly honored by a grateful Nation, and men preeminent for their respective attainments in many fields akin to airpower, pioneers of aviation from the founding of the first airmail service, which resulted in the first scheduled flights, along our own air routes, which subsequently resulted in the creation of our present airlines, and the development of the entire aircraft industry as we know them today; that Aviation Post has given our present great airlines vice presidents and many of their most important executives, technicians, experts, and pilots; that the youngest general of our Air Force in World War II is our own Maj. Gen. John P. Henebry; among others are Gen. Ray W. Ireland, vice president, United Air Lines; Gen. Whitney Lafeton, Gen. Wilson E. Newhall, and other distinguished generals, as well as judges, noted lawyers, business executives, many Reserve officers of the Air Force, etc.; that we furnished the first Civil Secretary of Aviation, William P. MacCracken, Jr., under Herbert Hoover; the late and lamented Maj. Rudolf (Shorty) Schroeder, who first established the record in conquering the stratosphere, the late David F. Behnecke, who became the president of the very powerful Air Line Pilots Association, International, which is the most dynamic force and influence for the safety and welfare of the traveling public, whose staff of research experts in engineering and aerodynamics are constantly employing their genius in the continued study and development of safety devices under their capable President Clarence N. Sayen, and his efficient and very capable corps of scientists, so that air travel today has exceeded all other modes of transportation, both here and abroad; that the greatest percentage of pilots in commercial flying are Air Force trained, and the same is true of the greatest number of its top executives of all civilian airlines. Thus our Nation's youth is benefiting materially and financially as a result of our wonderful Air Force program; and

Whereas Aviation Post through its officers and special committees are constantly on the alert, in the public interest, and have voiced their protests against unjust discrimination, disloyalty, injustice, and oppression.

Therefore it is with a sense of deep pride, gratitude, and humility that we extend our congratulations, felicitations, and best wishes for the continued success of our Air Force on this 50th anniversary, to our beloved President Dwight D. Eisenhower, and to Gen. Nathan F. Twining, Chairman of the Joint Chiefs of Staff; and be it further

Resolved, That a copy of this resolution be forwarded to President Dwight D. Eisenhower, Gen. Nathan F. Twining; Gov. William G. Stratton, of Illinois, who has always manifested a deep and abiding faith and confidence in our Air Force, and in the members of Aviation Post, by his constant interest in appointing from among its members men now holding positions of confidence and trust in the various posts dealing with aviation in our State; Gov. Joe Foss, of South Dakota, that peerless, outstanding hero flier of World War II, who has always proven his great interest in Aviation Post and in all matters pertaining to airpower; Mayor Richard J. Daley, of Chicago, whose interest in aviation and in Aviation Post has been proven on many occasions by his appointments from among our membership to positions of confidence and trust, executives of our airfields and airposts, men preeminently qualified to efficiently handle these very important assignments; to the Members of the Congress of the United States from Illinois whose cooperation we have sought and whose wholehearted support we have always received; and to Clarence N. Sayen, and his very important organization, the Air Line Pilots Association International, whose valuable research programs and constant vigilance in the field of aerodynamics has resulted in highly efficient, capable, and conscientious pilots, whose membership in his organization is a guaranty to the general public of the highest degree of safety all over the world, and which is ample proof that our wonderful land of free enterprise makes it possible to merge all of our efforts, scientific and technical knowledge, inventive genius, financial

resources, and industrial competence in every field of endeavor, for the common good of civilization, so that from this vast reservoir we have given the world the greatest airpower known to man.

Dated at Chicago, Ill., this 1st day of August, A. D. 1957.

LEW W. CLEMINSON,
Commander, Aviation Post No. 651, the American Legion, Department of Illinois.

Attest:

WILLARD J. EINSPAR,
Adjutant.

DANGER TO PUBLIC HEALTH BY AUTOMOBILE EXHAUST GASES

Mr. SCHENCK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SCHENCK. Mr. Speaker, each of us, at times, has had the experience of having to drive our car in heavy traffic close behind the car, bus, or truck in front of us. Each of these motor vehicles is powered by some type of an internal combustion engine which, of course, must exhaust the gases resulting from the combustion. The odor of the exhaust of the vehicle in front of us has frequently been most unpleasant and at time nearly nauseating even to the point of making us feel ill. Some attempt to lessen this effect has been made by requiring some vehicles to point their exhaust pipes upwards instead of directly to the rear. This perhaps helps some, but these exhaust gases being heavier than air settle. Some engineers expressed the opinion that exhaust gases are dissipated more rapidly when the exhaust pipe is pointed downward because of increased air turbulence closer to the road surfaces.

According to some information I have been able to assemble there are some 60 million motor vehicles of all kinds using the highways and streets throughout our Nation each day and this number is being increased at the present net rate of more than 3 million annually. The problems of air pollution resulting from these exhaust gases will become constantly more difficult to handle unless some very necessary and important steps are taken very soon. The problem now is bad enough in the wide open spaces throughout the countryside, but it is much worse in the closely built-up urban areas where tall buildings line the streets. Thus these streets, which are literally chasms, become filled with the exhaust gas poured into them by thousands of vehicles with little chance of these gases being replaced by fresh air. The problem is being constantly worsened by the transition from the electric streetcars which are rapidly becoming, for many reasons, a thing of the past, to buses powered by internal combustion engines.

The danger to the public health from breathing air polluted by these exhaust gases, Mr. Speaker, has not yet been fully appraised, but there is a growing appreciation of the dangers and many studies are being made. Recently I saw some figures which estimated that 7 percent of the gasoline we put into the tanks of our cars comes out of the exhaust pipe unburned to taint the air we breathe. In this connection it was estimated that 2,000 tons of such impurities are hoisted every day into the air of large metropolitan cities.

Most of us, Mr. Speaker, who know something about the methods used to tune up the engine of our car have seen the mechanic use an exhaust gas analyzer to determine the degree of combustion being obtained. The degree of good combustion depends upon a number of factors including the kind and quality of the fuel itself, the adjustment and quality of the ignition system, the proper adjustment and efficiency of the carburetion system, and the general mechanical condition of the engine itself. All of this equipment must be very well engineered in the first place and our automotive engineers have done a great job. All of this equipment must be properly maintained and even the best engineered equipment can be made ineffective by the use of a cheaper or unsuited fuel. Also much depends upon the driver. Not long ago, Mr. Speaker, I was in the engineering laboratory of one of our leading automobile manufacturers. They were running some tests and analyzing exhaust gases on recording type instruments. It was conclusively shown that considerable amounts of unburned fuel was exhausted upon acceleration and deceleration of the engine. I asked the engineer to accelerate and decelerate the engine quickly several times, similar to the habit of some drivers as they are waiting for a traffic light change. He did so and the amount of unburned gasoline exhausted was a most vivid demonstration of air pollution showing conclusively what such a bad practice can and will do.

It has been pointed out by many scientific authorities in a number of research projects the unburned hydrocarbons can and do cause cancer and other illnesses. Much work is being done on this question by some of our most outstanding scientific research authorities throughout the Nation and startling results are being obtained.

With this thought in mind, Mr. Speaker, I have today proposed legislation to instruct the Surgeon General of the Public Health Service to determine, prescribe, and publish in the Federal Register within 6 months after the enactment of this legislation, standards as to the amount of unburned hydrocarbons which is safe, from the standpoint of human health—with particular reference to the carcinogenic nature of unburned hydrocarbons—for a motor vehicle to discharge into the atmosphere. My bill provides further, Mr. Speaker, that no one may use any motor vehicle in commerce which exceeds these standards prescribed by the Surgeon General. My bill also provides for the proper enforcement of these standards as determined by the Surgeon General beginning 1 year after these standards are published in the Federal Register. These provisions, Mr. Speaker, I believe will give everyone ample time in which to comply. Almost every owner and operator of a motor vehicle is interested in obtaining the best performance possible out of his car or truck, in the selfish interest of his own operating costs. Many are also deeply concerned and very properly so in the matter of the conservation of fuel for future generations. All of us, Mr. Speaker, have a very understandable and deeply personal interest to assure the highest degree of purity possible in the air we breathe so that we may live. This fact alone, Mr. Speaker, is one of almost overpowering interest to every man, woman, and child.

It is my earnest hope, Mr. Speaker, that the committee to which this legislation is referred will consider this subject important enough to conduct some hearings during the time Congress is in adjournment so that this proposal may be considered early in the next session of the Congress.

IN SUPPORT OF THE ESTABLISHMENT OF A LINCOLN SESQUICENTENNIAL COMMISSION

Mr. DENTON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. DENTON. Mr. Speaker, I rise in support of House Joint Resolution 351, to establish a Lincoln Sesquicentennial Commission. Abraham Lincoln is one of the most typical of Americans, and it is certainly apropos that this Commission be established to plan an appropriate observance of the 150th anniversary of his birth.

Abraham Lincoln was, to use his own words, born in "the most humble walks of life" in a log cabin in Hardin County, Ky. In 1816 when he was 7, his family crossed the Ohio River into southern Indiana, following a newly blazed trail to their new home in Spencer County, in the district I have the honor to represent. There Lincoln spent most of his youth, and it was not until he was 21 that the family moved once again in the year 1830, to Macon County, Ill.

The formative period of Lincoln's life was, therefore, spent in Indiana. Life in this frontier area was hard. The family was poor, and the country but little developed. The first winter Lincoln and his family lived in a mere shelter of poles, brush, and leaves enclosed on three sides. When Lincoln's father got around to building a cabin, it had no floor.

In 1818, Lincoln's mother, Nancy Hanks Lincoln died, unaware of the great destiny which awaited her son. The State of Indiana has established a State park where his mother is buried, in the midst of the rugged and beautiful country where Lincoln lived as a young man.

It is reported that Lincoln once said, "The Lord prefers common-looking people. That is the reason He makes so many of them." Much has been made of the fact that Lincoln was by origin a common sort of man. It is the nature of our system, that uncommon men such

as Lincoln can rise above their surroundings and put the superior talents and superior ability with which they are endowed to use.

Life on the American frontier, it has been said, was an important formative influence in the development of our way of life. Where all find themselves in a condition of equality, where all face common difficulties, there, it is argued, a truly democratic spirit will prevail.

It is certain that Lincoln never lost the common touch acquired on the Indiana frontier. His formal education was meager. In Indiana he attended log schools, to which he had to walk long distances, for several years. In all, it is estimated, however, his attendance at school did not exceed 1 full year. His education was largely a matter of intellectual interest and application. His reading was largely in a few classics and in the miscellany of books which found its way to backwoods Indiana—the Bible, of course, Robinson Crusoe, Pilgrim's Progress, Aesop's Fables, Weem's Life of Washington, and a few others. His home might have been a rude frontier cabin—yet he did not lack contact with the great cultural traditions which have so strongly influenced the development of Western society and our own civilization.

The nearby Ohio River strongly attracted Lincoln. He operated a ferry over Anderson River at its mouth in Perry County, Ind., which county is also in the Eighth District. He also earned an occasional dollar by rowing passengers from the Indiana shore to passing steamers on the Ohio River. In 1828 he journeyed from Indiana down the Mississippi River into New Orleans. An early ambition was to become a steamboatman, but instead he stayed at home and worked on the family farm.

If life on the frontier was in many ways an ennobling force, it was also for those who lived on it, as did Abraham Lincoln and his family, a time of great trial and challenge. The poverty and physical hardships of the frontier are often forgotten. It is well to remember that a man's greatness is measured not only in his accomplishments, but also in the moral and intellectual distance he has come. Lincoln's achievement was all the greater when we consider the great obstacles he overcame in achieving his place as one of the great leaders in our history and in the history of the world.

I am glad to speak in support of the establishment of a Lincoln Sesquicentennial Commission, which would do honor to this great man who spent the formative years of his life in the State of Indiana and in the Eighth District, which I represent.

ONE HUNDRED AND FIFTIETH ANNIVERSARY OF THE BIRTH OF ABRAHAM LINCOLN

Mr. NIMTZ. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. NIMTZ. Mr. Speaker, House Joint Resolution 351 provides for a 28-member Commission to prepare plans for the observance in 1959 of the 150th anniversary of the birth of Abraham Lincoln. The Commission will be composed of the President of the United States, the Vice President, the Speaker of the House, 6 Members of the Senate to be named by the Vice President, 6 Members of the House to be named by the Speaker, 12 members to be named by the President, and a representative of the National Park Service.

This resolution provides for the issuance of appropriate proclamations by the President and for other authorizations necessary for the celebration. The Commission would prepare an overall program to include specific plans for commemorating the 150th anniversary of the birth of Abraham Lincoln; and in preparing these plans, the Commission would give due consideration to any similar and related plans advanced by State, civic, patriotic, hereditary, and historical bodies.

Undoubtedly, this Commission will receive many articles and items pertaining to or about Abraham Lincoln. In order to provide for the deposit of these items of interest in the most appropriate depository upon the close of the Commission's work, the resolution very appropriately provides that all books, manuscripts, miscellaneous printed matter, memorabilia, relics, and other materials relating to Abraham Lincoln and donated to the Commission may be deposited for permanent preservation in a National, State, or local library or museum or be otherwise disposed of by the Commission in consultation with the Librarian of Congress or the Secretary of the Smithsonian Institution.

I have long been interested in the life of the Great Emancipator, who spent his formative years in Indiana. Among the Lincoln scholars who appeared before the subcommittee of the House Committee on the Judiciary when this resolution was being considered, was Dr. R. Gerald McMurtry, who is now director of the Lincoln National Life Foundation of Fort Wayne, Ind. I know it would be of interest to all Members to have the opportunity to read the testimony of this great scholar concerning the proposed observance of the sesquicentennial anniversary of Lincoln's birth, as provided for in this resolution. Dr. McMurtry's testimony follows:

I am the director of the Lincoln National Life Foundation, an historical research center of Lincoln information located in Fort Wayne, Ind., and sponsored by the Lincoln National Life Insurance Co., with some 200,000 separately catalogued items of Lincolniana. The foundation has assembled the largest amount of material ever gathered about one historical character.

Prior to my association with the Lincoln National Life Insurance Co., I was the director of the department of Lincolniana at Lincoln Memorial University at Harrogate, Tenn., and for more than 25 years I have devoted my full time to a study of the life, and the historical incidents, surrounding the career of Abraham Lincoln.

In your deliberations on the resolutions, including H. J. Res. 351, proposing a celebration of the 150th anniversary of Mr. Lincoln's birth, it should be remembered that he is generally acknowledged as the greatest character of the 19th century, that his fame is worldwide, that he is the most revered universal character which the world has produced since the beginning of the Christian Era. H. G. Wells has named him with Jesus, Buddha, Asoka, Aristotle, and Roger Bacon as among the greatest names in history and Lord Shaw has placed Lincoln among such immortal lawyers as Papinianus, Grotius, Duncan-Forbes, and Lord Mansfield.

John Hay once said that Lincoln is "the precious heirloom of the Republic" and the story of his life is a vast and inspiring topic:

1. A new book, brochure, pamphlet or folder, concerning some phase of his life comes from the press, on the average, every 7 days and more books have been published on Lincoln than on any other historical character.

2. Biographies of his life and career appear in over 40 languages and dialects.

3. Lincoln is the theme of more sheet music (500 pieces approximately) than has been published about any other historical character. This music is not popular today but it contains certain elements of time and place which may one day be incorporated into a great Lincoln symphony.

4. More heroic bronze statues have been cast, by great sculptors, depicting Lincoln than of any other historical character that has ever lived.

5. Perhaps the most significant aspect of Lincoln's enduring fame is that the people of his own generation recognized him as one of the world's great men—and this has never occurred before or since in world history, except with Christ.

This is the calibre of man whom we wish to honor in 1959.

The Nation needs Lincoln. To adequately commemorate his life and deeds we need to reiterate the logic of his thinking, to study anew his concept of government, to better understand the motivating spirit of his character and to emulate his simplicity, faith, foresight, honesty, and justice.

To adequately honor Abraham Lincoln in the sesquicentennial year of 1959, we should pattern our celebration after the great centennials of the past, namely the 1876 anniversary of our Nation or the 1932 bicentennial of George Washington's birth.

One of the most significant accomplishments of the Washington Bicentennial Commission was the issuance by the Post Office Department of a series of commemorative postage stamps ranging in denominations from one-half cent to 10 cents inclusive, 12 stamps in all. These stamps depicted Washington as a young man and then through various periods of life until he reached old age.

A similar study could be designed depicting Lincoln as a youth, as a soldier in the Black Hawk war, as a State legislator, as a Congressman; as a debator with Stephen A. Douglas, as a party candidate, a presidential nominee, a President-elect, a Commander in Chief, an emancipator, Gettysburg orator and martyr.

Lincoln literature, with the ever recurring traditions and fanciful folklore deleted, should be widely circulated in 1959. Lincoln essay contests should be sponsored and Lincoln oratorical contests should be conducted. Lincoln speeches, for those who do not have the research facilities, should be distributed. The publication of Lincoln books and pamphlets should be encouraged. Newspaper editors should be prevailed upon to write Lincoln editorials and cartoonists should be so stimulated with this patriotic fervor that they will draw Lincoln cartoons.

Perhaps the Treasury Department might consider the minting of a Lincoln sesquicentennial half-dollar. Likely a new Lincoln coin could be introduced into our coinage. The Lincoln penny might be studied for a new design in 1959.

With the stimulus provided by a National Lincoln Sesquicentennial Commission there is a probability that a new Lincoln play could be produced on Broadway. A new Lincoln motion picture might earn its way in 1959. Lincoln plays and Lincoln motion pictures run in 20-year cycles. The Lincoln sesquicentennial year might well mark the revival of Lincoln drama.

Nineteen hundred and fifty-nine could also become a target date for the unveiling of new Lincoln statues (several of which are now being sculptured), the dedication of hitherto neglected Lincoln historic sites, and the unveiling of Lincoln portraits of a 20th-century concept.

Then, too, radio network broadcasts and television spectaculars could well feature the life of Lincoln, in 1959. Modern musicians might be inspired to write great classical Lincoln music during the sesquicentennial year.

Next year, 1958, will mark the anniversary of the seven great debates between Lincoln and Douglas. Already plans are underway to celebrate the debate centennials.

In the 1960's this Nation will stage the centennial of the Civil War. We predict that this will be one of the most exciting and spectacular centennials ever staged in any age or in any country.

The Lincoln National Life Foundation pledges its facilities to help make 1959 a great festival of patriotism, with its hub revolving around the 16th President. Lincoln did not believe that man is motivated primarily by economic self-interest and American business has often acted altruistically. Perhaps the foundation's monthly historical publication Lincoln Lore which is sent gratis to approximately 7,000 students, collectors, public libraries, and historical societies can serve as a medium of information to alert the people of America to review again during the sesquicentennial year of 1959 the life, career, and immortality of the 16th President. Certainly such an interest manifested by our citizens will serve as one more bulwark in the protection of our democratic institutions.

It is our sincere wish that appropriate legislation will be enacted for the establishment of a National Lincoln Sesquicentennial Commission, with ample funds to carry out its many worthwhile objectives.

Lincoln's own words, in a message to Congress, November 1, 1862, perhaps will best point up our Nation's need for a great revival of the principles expounded by Lincoln: "We cannot escape history. We * * * will be remembered in spite of ourselves. No personal significance or insignificance can spare one or another of us. The fiery trail through which we pass will light us down in honor or dishonor to the latest generation. We shall nobly save or meaningly lose the last best hope of earth."

A national commission is especially needed to coordinate State efforts to celebrate the sesquicentennial year of 1959.

Indiana will very soon establish a State commission and Kentucky and Illinois will likely immediately follow suit.

Perhaps a dozen States in the Midwest will want to have some part in this sesquicentennial celebration. However, this will not rule out a like interest in the States of the North, the South, and the East.

The people are interested. Someone has said that you cannot tell where the people leave off and Abraham Lincoln begins.

This effort to honor the 16th President will prove to be a spontaneous movement. All this can be brought about with State initiative and national coordination.

LEAVE OF ABSENCE

Mr. McDONOUGH. Mr. Speaker, I ask unanimous consent that I may be granted leave of absence on account of official business after August 23.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

A DANGEROUS TAX PROPOSAL

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent to revise and extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, in our time, the word "subversive" has been very much overworked. Yet, this is the word that must be applied to a tax proposal which was placed before this body during the current session of Congress and which will undoubtedly be pushed for action when Congress reconvenes. I want to take time to put the facts before this body before adjournment, so that the membership may be informed of what this proposal really means, and may thus be prepared for the pressure which people are being induced to put on their Congressmen when we return to our home districts.

I refer to the proposal contained in H. R. 6452 and H. R. 9119, which are identical measures.

There has already been placed in the CONGRESSIONAL RECORD samples of the attention this tax cutting plan is getting in the public press as a result of the energetic promotion it is receiving. Instances have been brought to my attention of handbills being distributed among workers in some of the factories of the country, to persuade these people to support this proposal, which is directly contrary to their interests. I am persuaded that it is very important that the membership of this body be informed about this proposal as soon as possible.

We ought to know that it is intended to cut taxes by a large amount of money, nearly $15 billion per year. While giving a small tax cut to the low-income families who really need it, it would give huge tax cuts to the biggest taxpayers. It would tighten a vise around the Federal Government, so that even though our population increases, and the need for services for business and the public increases, we will have no resources with which to meet these needs. It will force Congress to turn to increased sales taxes, which as everyone knows, burden the poorest families of the country most grievously, if we are to meet the needs of our growing and expanding country.

Yet this proposal, which would reduce income tax collections by $10.6 billion and corporation profits tax collections by $4.2 billion is being peddled to the American people as a plan which would not reduce Government revenues. The advertising that goes with this plan does not trouble to explain to the American people how you can reduce taxes by $15 billion without cutting Government revenues by $15 billion below what they would have been if the tax cut had not been made.

What the proponents of these bills really mean is that the growth in national income will keep revenues as high as they would have been if the growth had not taken place. We are not told, however, how we are to keep up with the demands that this higher national income will make, out of a purse that is limited to the size that went along with the lower national income. The proponents of this plan have discovered that one can save money by keeping a 6-foot tall, growing boy in the pants he wore when he was 5 feet 6 inches tall. This is hardly a great discovery, and the American people ought to be told that this is the kind of scheme on which this plan is based. I am sure that the people would see through it as something that will not work in Federal financing any more than it would work in family financing.

They ought to be told clearly, too, that this bill, which is being advertised as everyman's tax bill is in this respect, too, not as good as its advertising.

This bill would give the worker who pays taxes on $2,000 income per year a tax cut of $1.92 per week. Many workers would get even less.

The taxpayer who pays taxes on $50,000-per-year income would receive a tax cut of nearly $192 per week.

Usually there are about 200 taxpayers in the income group of a million dollars per year and more. The average income per taxpayer in this income bracket is about $2 million per year. Under H. R. 6452, these taxpayers would receive a tax cut of $18,498 per week.

I submit that the partnership which makes this everyman's tax bill, but which gives the $2,000 taxpayer $1.92 per week, while giving the $2 million taxpayer $18,498 per week is a very uneven one. I believe strongly that if this fact were made clear to the American people, at least some of the support for which the proponents are working would become very difficult to obtain.

It may be a minor point, but on one handbill which supports H. R. 6452, the amount lost to the Federal Government through this $10.6 billion cut for individuals and the $4.2 billion tax cut for corporations is not even mentioned.

These facts may reveal no more than that the proponents of this plan have not been completely candid. They may show that whoever is writing the advertising for the plan is not being completely honest with those who are being asked to support it. Why, then, did I use a word as strong as "subversive" in describing this proposal?

I used that word because these bills would tear the props from under the American system of progressive taxation on the Federal level, the only place where it now exists.

Our State and local governments, which are driven to depend more and more on property and sales taxes for the major part of their revenue, already place a much greater strain on the incomes of low-income families than on incomes of upper-income families. It is generally and widely known that our State and local tax systems are regressive in this respect.

Our Federal tax system avoids that pitfall. It helps to offset in some measure the unequal burden that the State and local systems place on the smaller taxpayers. It does this through taxing on the basis of ability to pay, and for this reason taxes big incomes at a higher rate than it taxes small incomes.

This progressive aspect of our tax system has helped to build our economy. It is widely regarded by economists as one of the devices that helps to stabilize our economic system and protect us against a downward spiral if income and buying power begin to fall. It has helped to protect the living standards of our lower income families; it has thus helped to provide mass buying power, on which our mass production economy depends.

It is this feature of our economic system that those who support proposals like this one are out to destroy.

These bills would wipe out a great part of the progression in the Federal income tax structure. Many of those who support this proposal are interested in destroying all of it. If we ever permit ourselves to swallow what these bills propose, we had better prepare ourselves for the next step, for the complete elimination of progression from the Federal income tax. And the next step in the subversion of our progressive tax structure will be easier than the present one, for the propaganda work to prepare the way will already have been done.

We will discover that we cannot really get along with the revenue that this proposal will take from us while telling people that there will be no revenue loss. Then, we will be forced to begin putting through the proposals for a national sales tax that have been laid before Congressional committees before this. We will be ready to add a national sales tax to the heavy and growing burden of State and local sales taxes that our people already carry. Thus the subversion of our Federal, progressive tax structure will be complete.

I intend to come back to this body with additional facts about this proposal and about similar proposals which may be put before the American people, surrounded by pleasing words and euphemistic descriptions. For now, I am glad to have had the chance to alert this membership and the American people to what this proposal really means, and where the hook is that goes along with the bait that is being offered. I believe that we will do well to prepare ourselves for the trips to our own home districts with the facts about proposals of this kind, so that we can lay them before our people. We have a responsibility to prepare them to answer the soft pleas of those who believe that they stand to gain by what to the people as a whole would be a calamity.

FOREIGN POLICY

The SPEAKER. Under previous order of the House, the gentleman from Wisconsin [Mr. WITHROW] is recognized for 25 minutes.

Mr. WITHROW. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include a cablegram.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. WITHROW. Mr. Speaker, I shall be brief in my observations, and perhaps pointed. I do not expect to yield until after I have finished because I have been some time in getting the floor and I would like to complete my remarks within the time I have.

Because of our desires to economize, we voted a 25-percent reduction in the mutual security appropriations. We did this, I am sure, because we want to save our constituents every hard-earned tax dollar we can spare. The President of the United States has been very critical of our actions.

I think one fact stands out in the final decision of the House. We voted a $5 million increase for Guatemala because one man died. Because our friend, President Castillo Armas was assassinated, the House voted not the earlier recommendation of $5 million for this ally; we voted 10 million American dollars. I assume we voted this to strengthen Guatemala's new government against communism in the Western Hemisphere. Actually, it is almost as much our defense as theirs. We may be strengthening the anticommunism program, but not too much so. We call the program mutual security because it is a very quick way of saying we are together against the common enemy, international communism.

It seems to me, Mr. Speaker, that the only courage we have today is the American dollar. The withholding tax from Mr. and Mrs. American's salary or wage check is our most used, and most expensive, weapon against communism. Mutual security and the military budgets account for half of the national budget, and if ever we reduce the Federal budget it must come from the places where it is most free and available. I am not advocating war. On the contrary, I am advocating we act like the world power and the Nation which we are.

That is partially why, Mr. Speaker, I am so aggravated by this welter of misinformation and junk which has been cluttering up the House proceedings in the CONGRESSIONAL RECORD at various times. It is why I am sometimes embarrassed by the administration. It is why the people of Wisconsin, and the United States, strongly resent our foreign aid. More particularly, it is why there is a frequently expressed lack of confidence in the State Department.

Just a few words today from the President, the Secretary of State, or even the Secretary of Defense actually, would bring an end to the mysterious and ridiculous attack on the Dominican Republic. If the Pennsylvania Avenue authorities are willing to let anyone in Congress proceed without knowledge, perhaps they must share in the destruction of United States respect abroad which is bound to be the result. Yet, nothing is heard—nothing openly, publicly, or easily understood. Why, I do not know, except secrecy seems preferable to an informed America, an informed Congress, and a more true idea abroad. It is the same atmosphere of silence, of suggested resistance, and suspected motives, which produced the challenge of my good friend, the late Senator Joseph McCarthy, of Wisconsin. McCarthyism never quite reached the real hard core of communism, but he certainly evaporated the pink fringes here in the United States, and he forced a more open and firm foreign policy we could all know and understand.

I have no quarrel with the beliefs and the efforts of any Member of the Congress on behalf of his home State or their peoples. If he did otherwise, he would probably be a poor servant. The natural resource development of the west coast has had the same interest on my part which has been given in Wisconsin. I can easily understand the expenditures of taxes for projects which will improve our wealth, and for services which are wanted by the American people. That is one of the major reasons we are here.

Dr. Reinhold Niebuhr, perhaps the greatest theologian outside of the Roman Church in the United States today, finds America in her foreign aid sometimes like the Communists. The Communists believe they have the answer to human living and freedom and they want to thrust it upon everyone. To a similar degree, he finds Americans want to impose our governmental forms upon everyone else in the world, and we want them to be grateful to us for it. I am not anxious to vote millions of dollars for any crusade. I am not so anxious to bring life, liberty, and the pursuit of happiness to those abroad that I would encourage them to arise and die by the thousands as they did in Hungary while I stood safely aside and tossed a couple of dollar bills in their direction. I might also observe that I do not carry a pistol around the Congress as evidence of my crusade and willingness to work for my constituents. For 17 years I have represented the Third District of Wisconsin. I have worked for the legislation most desired, and I have tried to be saving in my personal life as well as in my public duties. All this time I have not found it necessary to stage any shows.

Supposing, Mr. Speaker, we were to encourage change in every country in the Western Hemisphere as has been suggested. It cost us $5 million for one friend. Think of the millions and billions we might vote out of the Treasury to get a 20th century crusade going against so-called dictators. The Third District of Wisconsin wants economy, we want friends in the world, and we want to oppose Communists and befriend and ally ourselves with those who oppose communism. We are unwilling to spend Treasury funds to deal with Red China. I saw a United Press dispatch August 9 from Oregon in which a freshman member of the House Committee on Post Office and Civil Service was quoted as favoring trading with Red China because it would be a boon to Oregon's economy. Just who does the House think we fought a war with in Korea?

Is it not Red China which today holds 450 American servicemen—not a Girard among them, not a flying soldier of fortune among them—just who holds 450 American servicemen today and who after 80 separate conferences refuses to

even admit these boys are there. My colleague, the Congressman from Milwaukee, is the expert on this phase. Just who, through trade, can get the only things she wants—materials. I do not think Red China is worried about respectability or recognition. She needs trade. Give her trade and all else which naturally follow. I just hope we do not reach the day when American business and industry can sell out any avowed American foreign policy on communism. If John Foster Dulles never did another thing, he at least keeps a firm unswerving policy on this score.

I am unwilling to deal with Communists for the sake of a sectional economy. The security of the United States overrides the purely sectional interests of us all. The need for a firm policy on communism, and on the anti-Communists is such as to overpower any trickle in economy.

I am not willing to condone any encouragements for revolt in the Latin Americas where communism is at its lowest ebb as an aid to the legislative efforts of any Member of the House for his district, and I do not think the taxpayers are for this program or that the administration is for any such effort. I think Latin America ought to know it.

It has been repeatedly said that we buy our friends in the world and they hate us for it. Such is a major objection of Wisconsin voters. I think if they ever knew the facts, and not the hogwash, they might favor it more. We could have more international friends, and more support here at home, for our State Department, if instead of pocketbook courage we said what we mean, and mean just what we say. We could save the taxpayers money by being resolute and clear.

I think most of us here know we make friends in our communities at home through a few words of praise, of encouragement, and support at the appropriate times. This way we earn real friends, loyal friends, upon whom we can depend in circumstances of our own. It does not cost one penny. The diplomats of the United States must be armed with not only unusual abilities, but sureness and boldness, rather than authority to negotiate a tariff reduction or recommend a loan from the American taxpayers. This is not diplomacy. Partly it is our fault, I am sure.

For the second time the Communists have won control of the Government of British Guiana. It is no fluke. It is the second time for the same candidates. Why? Because the British foreign policy seems only slightly different and slightly softer than ours. The British have lost the Empire piece by piece—just so do we seem to lose the fight on communism. The British had trouble making up their minds on the political state of affairs in the colonies, and so this wavering policy brought destruction.

I know the cold cash viewpoint is entirely wrong. There are many things wrong.

Suppose, for example, one of the Canadian Provinces was opposed to the United States Government for some reason. Suppose that Province invited a careless political speaker from France or Norway or anywhere to come there and make a government sponsored speech aimed at the United States Government. I can picture the reaction here, in the Congress, in the press, and in the United States. We would be up in arms, because we would view the thing from an entirely different light than in Canada or in the mind of the speaker. So is the Dominican Legislature alarmed. Let me read a cablegram I received when I suggested a study of communism in Latin America by the Committee on Foreign Affairs. It is an interesting cablegram, and it started me thinking about this problem in the light of the remarks I make here today:

[Translation (Spanish)]

CIUDAD TRUJILLO,
DOMINICAN GOVERNMENT,
August 10, 1957.

Hon. GARDNER R. WITHROW,
House of Representatives,
Washington D. C.:

Have read with vivid satisfaction the references made by the international [news] agencies relative to the impressive speech made by you in the House of Representatives of your great country about the danger which the revolutionary action of communism is posing for the security of the American Continent. By warmly congratulating you upon your memorable intervention [gesture] in the interest of hemispheric security I consider it my duty to inform you that in contrast to your noble position the Governor of Puerto Rico, Mr. Luis Muñoz Marín, has dedicated himself to favoring the agents of international communism who are trying to establish pro-Soviet regimes in the Caribbean [region] and that the FBI for its part has adopted a policy which tends to favor the leaders of that revolutionary action such as Icolas Silfa [Nicolás Silfa?] and others supporting the same ideology while molesting and persecuting, in return, all persons connected with the Dominican Government, such as has happened in the case of Mr. Braulio Mendez, who was questioned nine times in the last few days because of presumed connections with the Dominican Government. These facts are worthy of being taken into account because they prove that international communism works actively [effectively] in Latin America and has the support of many influential persons who have the duty, because of the offices they hold, to oppose that vast conspiracy against the security of the continent and against the traditional ways of life of the American Nations.

CARLOS SACHEZ Y SANCHEZ,
President of the House of Deputies.

I had made no effort to participate in the controversy over the Dominican Republic. I have listened, and I thought some of the speakers who advocated antagonistic viewpoints were wrong. On Sunday I heard a radio broadcast on the program called Monitor in which the broadcaster said:

There are now 35,000 card carrying Communists in Rio de Janeiro, Brazil, and 3,000 in the all important naval base at Natal and Recife, Brazil.

We sometimes presen' a curious picture to the world. You and I know that is a part of democracy. However, there is nothing in the world like our Constitution, and our liberty, and not everyone understands it as easily as we do. Here is another picture we sometimes present:

We can vote for Tito because he is a Communist and maybe we want to win him over, to neutralize him, or perhaps someday we can use the Yugoslavian nation in a military sense against communism. We can trade with Red China because it may do a little to help some businesses. But we also knock the anti-Communist allies like Franco or the Trujillos because they are not representative of our ideas of democracy. If this cold war is purely one of whether Russia or the United States is to impose her concepts of government and human relations upon the rest of the world I am sadly mistaken and we are certainly not going to convert any enemies into friends in this world. I was under the distinct impression mutual security, and American ideals, are aimed at letting non-Communist countries exist as they are or as they want to be—free only from the Communists. Free from Communists, because communism is the one big enemy of American democracy and the American people.

It is not a clear picture outside the United States, you can be sure. The gentleman can easily satisfy himself on the facts in the Caribbean if he can untangle himself from the Latin influence in the Library of Congress and those records long enough to telephone the Joint Chiefs of Staff, and providing, of course, they trust him sufficiently with facts to give them to him. The Pentagon not only holds the facts on our natural security but the real importance of our allies. I state here, and I am confident the Joint Chiefs of Staff will support, the fact that the Dominican Republic is vital to us. Let me leave it there, except to add that the President knows this, and that is why he follows the course he takes. Tito means far, far less to America, Red China means much, much less to us, than do the Trujillos of the Caribbean and the Francos of Spain. They are against communism whether some of the Members believe it or not, and because they are stable in this regard, they are important keys in our own defense. They are against communism and so is Wisconsin.

About democracy and dictators. Monarchs and absolute power is in the majority far and away in the governments of the world today. I wouldn't know just what democracy would mean elsewhere. The Jews are notoriously democratic people, a people with a long record of fighting oppression. Yet the Jewish refugees are enthusiastic about the Dominican Republic in which they settled, and they have praised the governments of most of the Latin American and South American countries where they have settled. As I said, I would not know what the ideas of democracy might be in other countries than my own.

I wonder if the gentleman from Oregon would accept the word and opinion and verdict of the Archbishop of the Catholic Church in the Dominican Republic on the state of the people on that island?

The question in my mind is whether or not we want to know the truth, whether or not we rely upon the Library of Congress, the political shenanigans of New York State and her minorities, or the vitriolic feelings of political exiles.

I am satisfied the Department of Defense knows what it is doing and what it needs and we can rely upon that judgment. I think we can rely upon the word of the Archbishop on the state of affairs in the Dominican Republic. I have written His Excellency a note of inquiry. I wonder if the gentleman from Oregon will face the facts, face the church, and face the best good of the United States, rather than simply face expediencies, face mistakes in judgment and all other errors which plague all of us in our freshman term in the Congress.

Rather than abuse and hearsay, the CONGRESSIONAL RECORD ought to contain a pat on the back now and then to those who do oppose communism. Let us be appreciative for a change rather than to expect the appreciation in others. Give them credit, give them encouragement, give them a firm and clear policy that we mean. Our rewards will be a new respect, a new vigor, and some new successes against communism. It will cost us many less billions of dollars, which our taxpayers want, and cost us much less in world opinion and leadership, which is what we most lose and what we most need today to win the battle for little people everywhere who stand afraid of communism. They have good reason to be afraid. I most certainly am.

REPUBLICAN MEETING

The SPEAKER. Under previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 5 minutes.

Mrs. ROGERS of Massachusetts. Mr. Speaker, because the Republicans are going to have a very delightful and, I am sure, harmonious meeting, and I do not want to miss a minute of it, I ask to vacate my time until tomorrow.

ENROLLED BILLS AND JOINT RESOLUTIONS

Mr. JONES of Missouri. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House until tomorrow noon the Clerk be authorized to receive messages from the Senate and that the Speaker be authorized to sign any enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. NICHOLSON (at the request of Mr. MARTIN), indefinitely, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. SMITH of Wisconsin, for 15 minutes, on tomorrow.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. KARSTEN and to include a letter to the President.

Mr. COLMER and to include a speech by Mr. WHITENER.

Mr. COFFIN.

Mr. VAN ZANDT and to include extraneous matter.

Mr. OSTERTAG.

Mr. SMITH of Wisconsin and to include extraneous matter.

Mr. REED and to include extraneous matter.

Mr. RAINS.

Mr. WILSON of California.

Mr. MULTER (at the request of Mr. ROOSEVELT) and to include extraneous matter.

Mrs. GRANAHAN and to include extraneous matter.

Mr. HOLIFIELD and to include extraneous matter.

ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee has examined and found truly enrolled a bill and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 7383. An act to amend the Atomic Energy Act of 1954, as amended, and for other purposes;

H. J. Res. 323. Joint resolution to facilitate the admission into the United States of certain aliens; and

H. J. Res. 339. Joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens.

ADJOURNMENT

Mr. JONES of Missouri. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 32 minutes p. m.), the House adjourned until tomorrow, Wednesday, August 21, 1957, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1148. A letter from the Governor, Canal Zone Government, transmitting a report of claims paid by the Canal Zone Government for the period June 1, 1956, to June 30, 1957, pursuant to section 2673 of title 28, United States Code; to the Committee on the Judiciary.

1149. A letter from the executive director, United States Olympic Association, Inc.; transmitting a report covering the financial operations of the United States Olympic Committee as well as those of the United States Olympic Association covering the period as of December 31, 1956, pursuant to an act of Congress known as Public Law 805; to the Committee on the Judiciary.

1150. A letter from the Acting Director, Bureau of the Budget, Executive Office of the President, transmitting a watershed work plan for the upper Bayou Nezpique watershed, Louisiana, pursuant to section 5 of the Watershed Protection and Flood Prevention Act (68 Stat. 667) as amended by the act of August 7, 1956 (70 Stat. 1088), and Executive Order No. 10654 of January 20, 1956; to the Committee on Public Works.

1151. A letter from the Acting Director, Bureau of the Budget, Executive Office of the President, transmitting a watershed work plan for the Alamo Arroyo watershed, Texas, pursuant to section 5 of the Watershed Protection and Flood Prevention Act (68 Stat. 667) as amended by the act of August 7, 1956 (70 Stat. 1088), and Executive Order No. 10654 of January 20, 1956; to the Committee on Public Works.

1152. A letter from the Acting Director, Bureau of the Budget, Executive Office of the President, transmitting a watershed work plan for the Diablo Arroyo watershed, Texas, pursuant to section 5 of the Watershed Protection and Flood Prevention Act (68 Stat. 667) as amended by the act of August 7, 1956 (70 Stat. 1088), and Executive Order No. 10654 of January 20, 1956; to the Committee on Public Works.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DURHAM: Committee of conference. H. R. 8992. A bill to provide for the appointment of representatives of the United States in the organs of the International Atomic Energy Agency, and to make other provisions with respect to the participation of the United States in that Agency, and for other purposes (Rept. No. 1200). Ordered to be printed.

Mr. MURRAY: Committee on Post Office and Civil Service. S. 1411. An act to amend the act of August 26, 1950, relating to the suspension of employment of civilian personnel of the United States in the interest of national security; with amendment (Rept. No. 1201). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. S. 969. An act to prescribe the weight to be given to evidence of tests of alcohol in the blood or urine of persons tried in the District of Columbia for operating vehicles while under the influence of intoxicating liquor; with amendment (Rept. No. 1202). Referred to the House Calendar.

Mr. McMILLAN: Committee on the District of Columbia. H. R. 9285. A bill to amend the charter of St. Thomas' Literary Society; without amendment (Rept. No. 1203). Referred to the Committee of the Whole House on the State of the Union.

Mr. DURHAM: Committee of conference. H. R. 8996. A bill to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes (Rept. No. 1204). Ordered to be printed.

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. H. R. 5124. A bill to authorize the Interstate Commerce Commission to prescribe rules, standards, and instructions for the installation, inspection, maintenance, and repair of power or train brakes; with amendment (Rept. No. 1205). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 8928. A bill to amend the act of June 9, 1880, entitled "An act to grant to the corporate authorities of the city of Council Bluffs, in the State of Iowa, for public uses, a certain lake or bayou sit-

uated near said city"; without amendment (Rept. No. 1206). Referred to the Committee of the Whole House on the State of the Union.

Mr. CANNON: Committee of conference, H. R. 9131. A bill making supplemental appropriations for the fiscal year ending June 30, 1958, and for other purposes (Rept. No. 1207). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BRAY:

H. R. 9366. A bill to provide for a scientific study and research program for the purpose of developing increased and additional industrial uses of agricultural products so as to reduce surpluses of such products and to increase the income of farmers, and for other purposes; to the Committee on Agriculture.

By Mr. McGOVERN:

H. R. 9367. A bill to prohibit Government agencies from acquiring or using the National Grange headquarters site without specific Congressional approval, to provide for renovation of the old State Department Building, and for other purposes; to the Committee on Public Works.

By Mr. SCHENCK:

H. R. 9368. A bill to prohibit the use in commerce of any motor vehicle which discharges unburned hydrocarbons in an amount which is found by the Surgeon General of the Public Health Service to be dangerous to human health; to the Committee on Interstate and Foreign Commerce.

By Mr. TBAGUE of Texas (by request):

H. R. 9369. A bill to authorize refunds by the Veterans' Administration of amounts collected from former servicemen by the Government pursuant to guarantee of life insurance premiums under the original Soldiers' and Sailors' Civil Relief Act of 1940; to the Committee on Veterans' Affairs.

By Mr. CELLER:

H. R. 9370. A bill to permit illustrations and films of United States and foreign obligations and securities under circumstances, and for other purposes; to the Committee on the Judiciary.

H. R. 9371. A bill to provide for the relief of certain members and former members of the Army and the Air Force, and for other purposes; to the Committee on the Judiciary.

By Mr. REES of Kansas:

H. R. 9372. A bill to amend Public Law 854 of the 84th Congress; to the Committee on Post Office and Civil Service.

By Mr. THOMPSON of New Jersey:

H. R. 9373. A bill to establish a free guide service for the United States Capitol Building; to the Committee on House Administration.

By Mr. WESTLAND:

H. R. 9374. A bill to amend the act of August 24, 1935 (40 U. S. C., sec. 270a (a)), so as to bring additional persons within the protection of payment bonds required of contractors under such act, and to permit an increase to be made in the sum of the payment bonds required of contractors under such act; to the Committee on the Judiciary.

By Mr. GREEN of Pennsylvania:

H. Res. 402. Resolution to authorize the Committee on Education and Labor to conduct an investigation and study of public library services in metropolitan areas; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FRELINGHUYSEN:

H. R. 9375. A bill for the relief of Strattis Sarantellis; to the Committee on the Judiciary.

By Mr. GAVIN:

H. R. 9376. A bill for the relief of Francesco Villanti Seneca; to the Committee on the Judiciary.

By Mr. HIESTAND:

H. R. 9377. A bill for the relief of Rose A. Fadel-Idriss; to the Committee on the Judiciary.

By Mr. SHEPPARD:

H. R. 9378. A bill to authorize the sale of a certain number of merchant-type vessels to Naviera Andes Peruana, with offices in Edificio Cofico, Avenida Abancay No. 235, Lima, Peru, for the coastwise trade of South America or for certain other services not competitive with United States-flag ships; to the Committee on Merchant Marine and Fisheries.

EXTENSIONS OF REMARKS

The Jaycee Safe Driving Program

EXTENSION OF REMARKS
OF
HON. HAROLD C. OSTERTAG
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 20, 1957

Mr. OSTERTAG. Mr. Speaker, I am sure the Members of this body are familiar with and applaud the efforts of the United States Junior Chamber of Commerce to encourage safe and responsible automobile driving on the part of our teen-agers and to report the progress being made. These efforts are made effective through the Jaycee chapters and members in the several States. The written examinations and road tests provided for afford an opportunity for all teen-agers to demonstrate to their community that they are interested in increasing their knowledge of traffic laws and improving their driving ability, and that actually they are doing so.

Now in its sixth year as a national junior chamber of commerce safety program, the Teen-Age Road-E-O has gained steadily in teen-age participation. The demonstrated value of this type of traffic safety programing has attracted the support of teen-agers themselves, their parents, educators, traffic authorities, and community leaders. Each year, State and National organizations, all interested in traffic safety, contribute time, abilities, and money to make every Teen-Age Road-E-O a success. Businesses, law enforcement officials, driving instructors, and insurance personnel cooperate with the Jaycees in staging the local, State, and National Teen-Age Road-E-O programs.

On June 30, last, I had the privilege and pleasure of attending the New York State Teen-Age Road-E-O held in Batavia, N. Y., in my Congressional District. Upon this occasion the Batavia Jaycee Chapter, under the chairmanship of Mr. E. A. Thornton, Jr., of Batavia, was host to the participants. Some seventy-odd teen-agers from all parts of the State were there to sit for the written examination and participate in the driving tests. I was deeply impressed and encouraged by what I saw there. There is much to hope for from the enthusiasm and determination of those young people and the results of their performances.

I am proud to report at this time that the United States Junior Chamber of Commerce has honored the State of New York for conducting the outstanding Teen-Age Road-E-O in the Nation. The welcome and gratifying decision to do so was made upon the basis of the overall excellence of the Batavia event, the splendid percentage of participation of Jaycee Chapters in the State, the effective promotion program used, and the size and scope of the awards banquet.

A handsome trophy was presented to the State by the national Jaycee organization. Its executive board made the presentation to Past New York State Jaycee President F. Joseph Leone at a luncheon meeting in Tulsa, Okla., on July 26. The inscription upon it read: "United States Junior Chamber of Commerce Outstanding Safe Driving Teen-Age Road-E-O 1956–57—New York—State President F. Joseph Leone, State Chairman E. A. Thornton, Jr." This is the first time that such an award has been made and we of New York State are justly proud of this outstanding record of achievement.

Warning From the Past

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 20, 1957

Mr. REED. Mr. Speaker, as we watch the trend of the times it is interesting to take note of the warning from the past. Aristotle, the Greek philosopher, speaking some 2,300 years ago, said:

The insolence of demogogs is generally the cause of ruin in democracies. First, they calumniate the wealthy, and rouse them against the government, thus causing opposite parties to unite against a common danger. Next, they produce the same result by stirring up the populace and creating a sense of insecurity. Nearly all the tyrants of old began with being demagogs. In well-balanced commonwealths, besides strict observance of established laws, it is especially necessary to keep close watch upon little matters. For a great change in the laws may creep on gradually, just as a small expense often incurred ruins a large fortune. Next, let men be on their guard against those who flatter and mislead the multitude; their actions prove what sort of men they are.

Of the tyrant, spies and informers are the principal instruments. War is his favorite occupation, for the sake of engrossing the attention of the people, and making himself necessary to them as their leader. An unbridled democracy is exactly similiar to a tyranny. Its objects and instruments are the worst, and both are equally served by the tamest of mankind. It is always anxious to lord it as a sovereign; it therefore has its flatterers in the shape of demagogs. Ancient customs must be done away with; ancient ties, civil and sacred, must be broken; everything must be changed according to new and false theories; and the result is an assimilation of democratic to tyrannical government, in its habits and modes of action.—*Aristotle.*

A Bill Extending the Effective Date for Regulations Governing the Operation of Small Passenger Vessels

EXTENSION OF REMARKS
OF
HON. FRANK M. COFFIN
OF MAINE
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 20, 1957

Mr. COFFIN. Mr. Speaker, yesterday the House did a very sensible thing in passing H. R. 7494, which extends time for working out reasonable regulations for the passenger-boat owners of the Nation. This is not a frivolous move, nor is it a delaying tactic. This is an effort to arrive at a sensible and realistic set of regulations for the field of small passenger boat operation, covering multitudes of small operators, working in every conceivable set of climatic and geographic environments.

We do not want to delay, longer than necessary, the promulgation of these regulations. We do want to be absolutely sure that the overwhelming majority of conscientious passenger-boat owners will not be penalized and driven to the wall by regulations which incur great expense without necessarily adding appreciably to the safety factor in the vessels which they operate.

There is, at the present time, a great divergence of opinion between the Coast Guard and boatowners on the reasonableness and practicability of the tentative regulations. The Coast Guard has made two revisions in the proposed regulations, indicating the problems which the agency itself recognizes.

Patterns of regulation can more easily be imposed on big units than on small ones. The five biggest steel companies form a unit easier to handle than the 5,000 smallest machine shops. The giant steamship lines are, for all their vastness, a more manageable subject matter for safety rules than the numberless flotillas of small passenger craft plying their way along the coasts of this Nation.

Boatowners have indicated their willingness to sit down with the Coast Guard and work out sound regulations which will insure, as far as is possible, safe operation of small passenger vessels.

The 6-month delay proposed in this bill is not as much as we would have liked, but it does give us time to work out this problem in a sensible fashion. I know some of the men who captain small passenger vessels along the Maine coast. They are expert sailors and they have great pride in the safety record they have compiled. They deserve the opportunity to work with the Coast Guard, contributing their invaluable experience to the drafting of the final version of these regulations.

I hope that the Coast Guard will use this added time in the spirit in which the House has granted it.

Free World Divided in Its Resistance to Communism—There Is No Common Front Against It

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 20, 1957

Mr. SMITH of Wisconsin. Mr. Speaker, until the Free World can unite on basic principles in its opposition to communism, the cold war will continue for many years. It must present a common front against the common enemy.

This fact is obvious when it is recalled that the free nations as members of the United Nations have been unable to agree on a statement that would suggest the proper structure of human dignity.

The eighth session of the Commission on Human Rights which lasted for 9 weeks was the longest ever held and one of the longest held by any committee or commission of the United Nations. Yet all that the Commission was able to complete of its agenda was 3 or 4 items out of a total of 20.

The objective of the Commission was to work out an international bill of rights which now appears to have been strictly illusory. It did not take the Commission long to discover that there was a deep division between East and West on basic concepts but it was rather surprising to find that even the free nations were unable to agree on a basic statement of principle.

This became quite apparent when an effort was made to include an article on the right to own property. Mr. Speaker, this is basic so far as free men are concerned and article 17 of the Universal Declaration proclaimed this right but that is as far as it has gone to date.

At one time, the French delegation made a proposal which seemed reasonable but so many objections were raised, particularly in regard to expropriation and compensation for property, that finally the Commission tired of the apparent hopelessness of the situation and decided to adjourn debate on it.

Mr. Speaker, it has been well said that the concept of property and its ownership is at the heart of the great ideological conflict of the present day between communism and the Free World. It was not only the Communists who ridiculed this concept of private property and expropriation but a goodly proportion of the non-Communist world had itself succumbed to these doubts.

An obvious deduction that can be made in light of this position by the non-Communist world is that it has been frightened and terrified by the philosophy of communism.

Mr. Speaker, it is incredible that in these economic matters which reflect much more than economic divergencies, the Free World, or the West, is so divided among itself as to be incapable of presenting a common front against communism.

Mr. Speaker, we have and are spending billions of dollars in a cold war on the theory that it will stop communism. Our taxpayers' dollars have been freely advanced not only for military and economic support to counter Communist aggression but our dollars have been given to nations we call free who today seem unwilling to oppose the basic concepts of communism.

How much longer will the people of the United States continue to support other nations until all agree on a common front against the tyranny of the Kremlin?

St. Stephen's Day in Hungary

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 20, 1957

Mr. MULTER. Mr. Speaker, 950 years ago a king ascended the throne of Hungary; a king who by his Christian character and benign rule gained the title of "Apostolic King"; a king who was the founder of the Hungarian state as it has existed down through succeeding centuries. In commemoration of the saint who was the first King of Hungary, Hungarians will celebrate on August 20, as best they can, St. Stephen's Day.

To remember their national founder today must bring mixed feelings to the hearts of the Hungarian people. On the one hand, it must arouse a feeling of pride in the history of the Hungarian nation, a history brightly studded with achievements in the arts, in the sciences, and above all, in the struggle for human and national freedom. On the other hand, it must bring a feeling of tragedy and sorrow as they consider their nation, ground under the heel of the oppressor, betrayed and dishonored by the ruthless tyranny of Soviet communism.

Every American who cherishes deeply within him the belief in human rights and fundamental freedoms, the belief in the sovereign right of self-government, would have joined in some way, if he could have, in the recent gallant fight of the Hungarian people for the restoration of their freedom. The cruel exigencies of modern power politics and of modern warfare, made such a course impossible. A liberation which precipitated a world war would be a liberation of desolation, a silent freedom of the grave. What can be done now, however, is to keep aroused the world public opinion which has so

sternly condemned the Soviet Union in the United Nations. What can be done now is to keep open the doors of sympathy and relief and rehabilitation and resettlement of those valiant freedom fighters who would have given their all for the redemption of their homeland. What can be done now, is for individual Americans to help in what way they can, those warriors of the cause of Hungarian freedom who have had to seek refuge in our own land. What can be done now is to keep alive the hope that some day, in the not too far distant future, St. Stephen's Day will again be celebrated in freedom, in joy, and in thanksgiving.

Charles E. Lofgren, National Secretary, Fleet Reserve Association

EXTENSION OF REMARKS
OF
HON. BOB WILSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 20, 1957

Mr. WILSON of California. Mr. Speaker, since 1922 the enlisted men of the United States Navy have had a determined champion representing them in Washington in the person of Charles E. Lofgren, who is retiring this year as national secretary of the Fleet Reserve Association.

Charlie Lofgren has testified on behalf of all pay legislation affecting the Navy for the past 35 years. He has been an articulate spokesman for the enlisted personnel of the armed services, and his well-deserved retirement is bound to leave a void that will be difficult to fill.

As evidence of the high regard and sincere esteem with which he is held by many fellow members of the House Committee on Armed Services, under unanimous consent, I include as a portion of my remarks copies of letters addressed to Mr. Lofgren by members of this committee and other members with whom he has worked for many years.

I know I speak for the entire membership of the Armed Services Committee when I personally wish Charlie Lofgren many more years of happy yet productive life.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, D. C., August 15, 1957.

Mr. CHARLES LOFGREN,
National Secretary, Fleet Reserve Association, Washington, D. C.

MY DEAR MR. LOFGREN: I have learned, with deep regret, that you are about to retire as National Secretary of the Fleet Reserve Association.

I cannot believe it possible that your retirement from this splendid organization will mean the termination of your long and distinguished association with the Fleet Reserve. Therefore, I will assume that I may in the future think of you and the Fleet Reserve Association as one and the same.

I want to take this opportunity to tell you that in my opinion you have not only ably represented the Fleet Reserve and the Fleet Marine Corps Reserve, but also many millions of other men who have served in our Armed Forces. In your many appearances before the Committee on Armed Services you have always stood for sound principles in legislation affecting pay, retirement, promotion, and other matters of vital concern to service personnel.

You have established an enviable record as an able advocate and a stanch representative of a distinguished naval organization. I wish you well for everything in the future and sincerely hope that your good advice will continue to be available for many, many years to come.

Very sincerely,

CARL VINSON,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, D. C., August 19, 1957.

Mr. CHARLES LOFGREN,
National Secretary, Fleet Reserve Association, Washington, D. C.

MY DEAR MR. LOFGREN: It has come to my attention that you are about to retire from the Fleet Reserve Association.

It will be difficult for me to think of the Fleet Reserve Association without your presence before the Committee on Armed Services to express the views of your association on legislation affecting the personnel of our armed services.

In the many years that you have appeared as a witness my respect for your ability and your reasonableness has grown.

I can assure you that the Navy Department, the Fleet Reserve Association, the Committee on Armed Services, and in many ways, all of the enlisted personnel of our armed services, will be conscious of your absence.

I sincerely hope that the years ahead hold many pleasant things in store for you and that your sound counsel will continue to be available to all who have learned to hold it in such high regard.

Sincerely,

PAUL J. KILDAY,
Member of Congress.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., August 16, 1957.

Mr. CHARLES LOFGREN,
National Secretary, Fleet Reserve Association, Washington, D. C.

DEAR FRIEND: Word just reached me that you are soon to retire as national secretary of the association.

I would like to take this opportunity to express my sincere appreciation of your many instances of cooperation with me personally; and, of course, your help and cooperation with the Armed Services Committee, of which I am a member. I hope we may still see you around from time to time.

You have made a distinguished record representing this worthy organization and I wish you continued success and high achievements.

With kind personal regards,

Cordially,

CLYDE DOYLE,
Member of Congress.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, D. C., August 16, 1957.

Mr. CHARLES LOFGREN,
National Secretary, Fleet Reserve Association, Washington, D. C.

MY DEAR MR. LOFGREN: On the occasion of your pending retirement as national secretary of the Fleet Reserve Association, I wish to take this opportunity to express to you the admiration I have for you personally and the Fleet Reserve Association.

I have observed your conduct before the Committee on Armed Services on many occasions. I have always found you to be a man of high integrity, extremely well informed, and invariably guided by sound principles in all of your testimony.

I think it is sufficient for me to say that on every occasion when you appeared before the committee your stature rose even higher. May I wish you every success in the future and also express the hope that your sound counsel and advice will always be available to the Fleet Reserve Association, the United States Navy, and the House Armed Services Committee.

Sincerely,

LESLIE C. ARENDS.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., August 21, 1957.

Commander CHARLES LOFGREN,
National Secretary, Fleet Reserve Association, Washington, D. C.

DEAR COMMANDER LOFGREN: I want to join with your thousands of friends in wishing you well in your retirement and expressing my personal gratitude for the magnificent job you have consistently done for naval personnel, whether active or retired.

We will all miss working with you, but know that, despite your retirement, you will ever be behind all those working for the common cause.

Most sincerely,

CRAIG HOSMER,
Member of Congress, 18th District, California.

Minority Views of Mr. Holifield and Mr. Porter on the Amended Bill, S. 1411

EXTENSION OF REMARKS
OF
HON. CHET HOLIFIELD
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 20, 1957

Mr. HOLIFIELD. Mr. Speaker, the Post Office and Civil Service Committee of the House has reported out an amended form of S. 1411.

At the present time it is impossible to predict whether the bill will be considered in this session. But in the event that it is scheduled for consideration, I fear the opportunity to debate the bill will be limited.

I, therefore, under unanimous consent heretofore granted, will have printed the minority report for the benefit of advance information to the Members. The brief report is appended hereto.

MINORITY VIEWS ON S. 1411

INTRODUCTION

The Supreme Court in *Cole* v. *Young* (76 S. Ct. 861 (1956)) declared that the intent of Congress in passing Public Law 733 (64 Stat. 476), was to define national security, to comprehend only those activities of the Government that are directly concerned with the protection of the Nation from internal subversion or foreign aggression, and not those which contribute to the strength of the Nation only through the impact on general welfare.

Accordingly, the Court held that President Eisenhower acted without statutory authority when he issued his Executive Order No. 10450 imposing the standard that a Federal employee's employment must be clearly consistent with the interest of national security to Federal employees occupying positions not affecting national security.

The committee's amendment to S. 1411 is designed to overrule the Cole case by defining

national security to mean that all Government activities involve the national safety and security, including the protection of the United States from internal subversion or foreign aggression.

COMMITTEE REVISION OF SENATE BILL

As S. 1411 passed the Senate and came to the committee it was a noncontroversial measure to clarify suspension provisions in existing law. The majority in our committee has added to this simple proposal a highly controversial basic change in the substance of our laws governing personnel security. We suggest that S. 1411 should be shorn of these new and unrelated provisions; otherwise the Senate will reject the rewritten bill on which no hearings have been held in the Senate, and the salutary Senate bill will be lost.

Despite the clear implications in the arguments of those who would have the House adopt S. 1411 as reported by our committee, the present state of the law does not require the Government to retain in its employment or to hire disloyal persons. On the contrary, the Government not only has the authority to bar Communists and those who would overthrow our Government from its rolls, but is under the positive duty to do so. The Hatch Act of 1939 and the Internal Security Act of 1950 are a positive bar to the employment of such persons.

The provisions the committee has added to this bill are an attempt to legislate a national security interest into every Government position. This is an attempt to create a security interest where none exists. This is an attempt to reverse the Supreme Court without rhyme or reason; it is spite legislation.

The proposal was first presented to the committee as section 3 of Mr. WALTER'S bill, H. R. 981, and would have extended the Federal personnel security program to all positions affecting the national welfare as well as the national safety. The bill as reported drops the national welfare criterion. Which employees are meant to be included by the phrase national safety? Which employees are meant to be excluded by deletion of the phrase national welfare? How many years of senseless litigation will be required to answer these questions?

The proponents of S. 1411 suggest that all Government employees should be put back under the often-criticized, loose-security program, which fathered the disgraceful numbers game of a few years ago. Many sincere advocates of a strong security system have vigorously criticized the application of the security program to all positions in Government as the weakest link in our national security. In its monumental study, the Federal loyalty-security program, the association of the bar of the city of New York had this to say:

"In evaluating the personnel security system the committee has been guided by the need to protect national security and at the same time to adhere to the American tradition of individual liberty. Other security measures must also be taken into account, such as existing statutes which bar Communists from all Government positions. With these considerations in mind the committee has found weaknesses in four aspects of the program:

"1. There is a lack of coordination and supervision of the various personnel security programs.

"2. The scope of the personnel security programs is too broad in that positions are covered which have no substantial relationship to national security.

"3. The standards and criteria do not sufficiently recognize the variety of elements to be considered, including the positive contribution which an employee may make to national security, and they do not readily permit a commonsense judgment on the whole record.

"4. The security procedures fail in various ways to protect as they could the interests of the Government and of employees."

PROPOSAL WILL NOT AID NATIONAL SECURITY

As a result of the Supreme Court decision in the Cole case, the Federal personnel security program has been limited to security-sensitive positions. In this limited area improvements can be worked out to provide security for the Government and fair procedure for the Government employee. Improvement of the existing program rather than its extension should be of first concern to the Congress. To reextend the present inadequate and unfair program will make improvement all the more difficult.

The bill, far from strengthening our national security, will actually weaken it. If the intelligence agencies of our Government concentrate on sensitive positions, they can do their job well; if they have to investigate millions of persons in nonsecurity positions, they can only do their job superficially. As has been well said, "If we watch our toothbrushes and diamond rings with equal care, we will lose less toothbrushes but far more diamond rings."

In the summer of 1956 our committee and the Congress were told by the proponents of the pending measure that immediate legislation to overcome the Supreme Court's decision in *Cole* v. *Young* was essential if the Government were to protect itself from disloyal persons. The Congress in its wisdom did not succumb to these urgent appeals, and there has been no evidence presented that as a result of *Cole* v. *Young* one disloyal person has been kept on the Federal payroll. Here again, in the closing days of a session of Congress, we are urged that immediate action is necessary to protect the integrity of the Government. Such hasty action is no more necessary now than it was last summer.

NO CASE HAS BEEN MADE FOR S. 1411

No one has made a case for the reextension of the security program to all Federal jobs. In testimony before our committee the only witnesses who supported the pending legislation were a few members of the Wright Commission on Government Security. The Chairman of the Civil Service Commission was called, and stated that the Civil Service Commission has not taken a position on the pending legislation. Eight representatives of Government employees' unions, including a representative of the parent labor body, the AFL–CIO, appeared, and all eight of them opposed enactment of the pending legislation. These sincere and conscientious officials are concerned with the Nation's security. They know that Communist imperialism is a real threat to freedom. They have fought the Communists in the trade-union movement and know the tactics the Communists employ. And they urged the committee and the Congress not to weaken our security and undermine our civil service by adopting this proposal to extend the security program to non-security-sensitive Federal jobs.

We reject, categorically, the assertion made in the hearings by the principal proponent of the pending bill when he appeared as a witness, that "Now, this," [the decision in *Cole* v. *Young*] "of course, adds an additional burden and excepts from the operation of the law disloyal people unless they are in a sensitive position." We also reject the contention of this same witness that a janitor, who has access to the confidential files of the head of an agency or the stenographer that takes the notes of conferences involving national security have been excluded from the Federal personnel-security program by the decision in *Cole* v. *Young*. The decision does no more than prevent the Government from treating nonsensitive jobs as though they were security positions; any positions reasonably classified as sensitive positions, including this janitor and this stenographer, are within the security program under the Cole case.

We note that there has been no urgent appeal for the pending legislation from the administration. On the contrary, following the Supreme Court decision in *Cole* v. *Young*, Assistant Attorney General George C. Doub told the Criminal Law Section of the American Bar Association last August, in Dallas, that the administration was preparing a new Executive order limiting the Federal employee security program to sensitive positions.

THIS IS NOT STOPGAP LEGISLATION

The proponents of this bill demand its enactment as stopgap legislation. But it stops nothing, and fills no gaps. The Cole decision is almost 15 months old; there has been no showing of any harmful effects to our national security during this 15-month period that should now be stopped. There is no gap in our national security to be filled; the bill provides for security screening in a nonsecurity area where it is unnecessary and unwarranted.

We urge that the pending proposal be rejected and that the committee face up to the task of making a thorough study of how the present restricted program can be improved. In the meantime, we suggest that there is no need for alarm for the Nation's security. As the Association of the Bar of the City of New York stated in the report referred to above:

"Restriction of the personnel security program would leave unaffected the laws which bar all Federal employment to Communists or persons who belong to an organization which advocates the overthrow of our constitutional Government by unlawful means. The Internal Security Act of 1950 bars from all Federal employment any present member of a Communist-action, Communist-front, or Communist-infiltrated organization. Members of Communist-action organizations are forbidden employment in any defense facility. The general suitability requirements of the Civil Service Commission would also continue to apply to the classified service in Federal employment."

CONCLUSION

The bill establishes each of the 65 agency heads as a court with power to fire and, be there no mistake, to brand permanently in the eyes of his community—any employee on unspecified and unproven charges of disloyalty. The appeal to the Civil Service Commission would be of small value because the records submitted would be prepared solely by the agency head who is both accuser and judge in the first instance.

Any agency head who wished to restaff his organization could unrestrainedly dismiss any and all his subordinates. While we do not expect such extreme action by an agency head, it is possible and we fear the granting of such power to any man.

The cost to the Government of extending FBI loyalty clearance to all of its employees regardless of job classification could be required by agency heads in the discharge of their new responsibility. If this occurs the cost could well run into millions as well as requiring FBI personnel to be assigned to routine and relatively unimportant new and extended responsibilities. Each FBI loyalty investigation costs on an average of over $500 each.

The undersigned yield to no one in their desire to protect the national safety and security. The closing days of the session of Congress do not permit adequate hearings and calm consideration of this most important problem. The Congress might be well advised to study carefully the report of President Eisenhower's Wright Commission, whose recommendations are being passed over without due evaluation by those who support this stopgap bill.

CHET HOLIFIELD.
CHARLES O. PORTER.

Lt. Gen. Thomas W. Herren

EXTENSION OF REMARKS
OF
HON. ALBERT RAINS
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 20, 1957

Mr. RAINS. Mr. Speaker, on July 31, 1957, a distinguished son of Alabama and a faithful servant of the United States, Lt. Gen. Thomas W. Herren, retired from the Army after serving more than 40 years.

General Herren marked his long years of service with the outstanding qualities of integrity, intelligence, and fortitude. He is a credit to the traditions of faithful national service and sacrifice which have been characterized by military service.

He was born in Dadeville, Ala., August 9, 1895, and was graduated from the University of Alabama in 1917. He immediately entered the Army and received a commission as second lieutenant after completing the officer's training course. Shortly afterwards, he decided his lifelong career by accepting a commission in the Regular Army.

General Herren served in France during World War I, and returned to the United States to serve as a distinguished horseman in the old cavalry units. He was well known in and out of the Army as an expert polo player and a champion horseman.

During World War II, he took three regiments of his division, the 70th Infantry, into Marseille and moved the force, named Task Force Herren, to the west bank of the Rhine River where defensive positions were set up. The task force played an important part in halting the last-ditch German offensive effort of late 1944. When the remainder of the division arrived in France, Task Force Herren was dissolved, but General Herren continued to demonstrate his leadership and skill as a valued subordinate.

After the war, General Herren held important assignments in Korea, and as the Chief of Army Special Services where he did much to improve the Army's splendid intramural athletics activities. He was well known to many of us while he served as commander of the Military District of Washington.

In 1952, General Herren returned to Korea, where he served as chief of civil affairs, and later as the commander of the Korean Communications Zone.

General Herren's enormous capacities for leadership and administration typified his service in the Korean war. He was the engineer for the pattern of prisoner exchanges which repatriated gallant American fighting men. He met the demands, often urgent, for critical military supplies on the front lines, and he skillfully helped to maintain the democratic Government of Korea on a firm footing. His work was often behind the scenes, and rarely made the headlines, but it was the sustaining lifeblood of the action in Korea.

Subsequently, General Herren took command of the vast Northern Area Command of Germany at a time that the democratic Republic was truly beginning to assume its position among the leading nations of the world. Through his skillful, tactful, and understanding direction, lasting bonds were cemented between the American and German peoples. In the short span of 8 years, one of Germany's fiercest fighters had become one of its stanchest friends.

In December 1954, General Herren took command of the First United States Army, where he directed the Army units in New York, New Jersey, and New England. In this populous area of the United States, General Herren became a valued counselor, benefactor, and rescuer.

During the disastrous hurricanes and New England floods of 1955, General Herren directed the skillful and humanitarian efforts of his troops to avert tragedy which might well have followed had he not acted quickly and decisively. In the flight for freedom of the Hungarian patriots, it was General Herren who personally directed the opening and Army operation of the Hungarian Refugee Center at Camp Kilmer. He threw excuses and delays out the window and prepared the Kilmer center in a few days for the tremendous influx of grateful Hungarians who have come to be a world symbol in defiance of the evil forces of communism.

In his capacity as senior member for the Army to the Mililtary Staff Committee of the United Nations, General Herren won the respect and admiration of that august body. He strengthened relations among the various armed services in his area, and he was counted as a valuable friend by his New York City neighbors. His life is reflection of the highest standards of service to his country.

The citizens of the United States together with their elected servants give their sincere thanks to Lt. Gen. Thomas W. Herren for his faithful and effective service, and all wish him every happiness in his retirement.

Speech of Hon. Basil L. Whitener

EXTENSION OF REMARKS
OF
HON. WILLIAM M. COLMER
OF MISSISSIPPI
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 20, 1957

Mr. COLMER. Mr. Speaker, on last evening our distinguished colleague, Congressman BASIL L. WHITENER, the Representative of the 11th North Carolina Congressional District, delivered a splendid address before the Shelby Junior Chamber of Commerce at Hotel Charles in Shelby, N. C.

In view of the sound and basic philosophy embodied in that speech and because of my very high regard for Congressman WHITENER, I desire to see it made a part of the permanent RECORD of this Congress. Mr. Speaker, I am firmly convinced that unless the trend toward centralism in this country is reversed, this splendid young Republic with its great institutions is bound to come to an end. If this tragedy to the world is to be prevented, our people must awaken to the dangers ahead and rededicate themselves to the Jeffersonian principles upon which the Democratic Party and the country were founded.

Congressman WHITENER's able address is as follows:

President Heath, members of the Shelby Junior Chamber of Commerce, and distinguished guests, I am most appreciative of the very generous introduction by my longtime friend, Dave Gillespie. While Dave has only been in Shelby a short time, I am certain that you have already observed in him those traits of character and that sense of public service which resulted in his being selected by the Gastonia Junior Chamber of Commerce as Young Man of the Year a short time ago. His service as managing editor of your great daily newspaper, the Shelby Star, will, I am sure, be of great value to his paper and to the community which it serves.

It is always a privilege for me to speak to Jaycees. The most enjoyable period of my life was that period in which I was permitted to take a somewhat active role in the affairs of the local, State, and national organizations of which you are a part.

As a matter of fact, I have always had a deep sense of pride in the role that I was able to play in the formation of your organization here in Shelby. I remember so well our first meeting at the Cleveland Hotel and the enthusiasm for civic work which was evidenced by the young men of Shelby who at that time founded this organization which has meant so much to your city and county. Through the years that have followed this zeal for civic service has not lessened as is shown by the splendid record of service which you are continuing to build from day to day.

Your membership and activity in the various projects of this organization directly and indirectly touch every phase of community life. This broader value of your service is a noble thing. But there is another and more personal value resulting from your pursuit of the high ideals of the Junior Chamber of Commerce.

This other important value arises out of the personal development which the individual Jaycee experiences through his diligence in community service. No other organization in the Nation affords young men a greater opportunity of self-expression, equality of participation, and opportunity for accomplishment than does the Junior Chamber of Commerce.

We are told in the book of Joel that: "Your old men shall dream dreams, your young men shall see visions." These visions of the young men of hundreds of communities throughout the Nation are being given reality through the programs and projects which you and your colleagues conceive and promote. Tonight I would like to call to your attention another area of public service in which you as an individual and as a member of this great organization may find an opportunity for further service. This field of service is not limited by city, county, or State lines but embraces the entire area of the American Continent. And, by reason of the influence which our great Nation has in the affairs of the world we might even say that this area of opportunity is as large as the world itself.

I speak of the opportunity to assist in the preservation of the fundamental principles upon which this Nation has built its foundation of greatness.

The psalmist has said: "The lines are fallen unto me in pleasant places; yea, I have a goodly heritage."

The heritage of all Americans is known and understood by even the casual student of history. I, therefore, shall not undertake to remind you of the many lines that have fallen about us in pleasant places. Rather, I prefer to discuss with you in a brief way

some of the assaults which are being made upon this heritage of ours.

While my service in the Congress has been of short duration, it has been sufficient to convince me that in no similar period of our history has this country strayed further from the sound philosophy and principles of good government upon which this Republic was founded than it has during our lifetime. As a Member of Congress I have witnessed some further assaults which have been made on the very foundation stone of our society, the Bill of Rights.

It has been my constant aim when I was called upon to cast a vote to record myself as one who believes that the time has come when the chipping away at the bedrock of our society shall be stopped.

I am sure that you, as young civic leaders, are greatly alarmed over the ever-increasing tendency toward consolidation of power in the Federal Government at the expense of the States and freedom of our citizens. The great Thomas Jefferson issued a warning to the people of this country when he said: "It is not by the consolidation or concentration of powers that good government is effected. Were not this great country already divided into States, that division must be made, that each might do for itself what concerns itself directly, and what it can do much better than distant authority."

In order to prevent this consolidation of power our forebears adopted the 10th amendment of the Constitution which provides that: "The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people."

For more than a century that mandate was scrupulously honored. On those rare occasions, when the Congress in its zeal invaded the domain of the States, the Supreme Court firmly pulled it back. The Court at that time was a great bulwark in the preservation of constitutional Government.

How changed the situation today. Apparently the States no longer have any rights which the Federal Government is bound to respect. The Congress cannot evade its partial responsibility for this development. It has passed laws, expressed in vague general terms, empowering the Federal agencies to regulate vast areas of our economy. Immediately these agencies set up all the trappings of bureaucracy. They issue directives, regulations, and interpretations, which, as time goes on, bear less and less resemblance to the act passed by Congress.

But the evil presented by the executive and legislative branches has been minor in comparison with the destructive influence during the past two decades of the nine black-robed gentlemen who occupy the marble palace across the plaza from the Nation's Capitol.

You may search the Constitution, but you will find nothing about preemption in it.

The Supreme Court, however, with ever-increasing frequency is applying that doctrine to whittle down the jurisdiction of the State courts. In doing this the argument is advanced that the Court is carrying out the intent of Congress. Whatever its purpose, this assault upon time-honored constitutional principles has as its net effect the further centralization of power in the Federal Government.

Some of the outstanding examples of this are found in recent decisions which I will mention briefly.

(a) The Steve Nelson case in which the Court held that under this so-called doctrine of preemption the antisedition law of the State of Pennsylvania was void. This means that the antisedition laws of every State in the Union were stricken down with a stroke of the pen and that there is no authority except in the Federal Government to legislate against such sedition.

(b) The Slochower case in which the Court denied the right of the city of New York to terminate employment of a schoolteacher who had invoked the fifth amendment in a Congressional committee investigation concerning his past membership in the Communist Party.

(c) The Girard College case in which the Court said that Steven Girard had no right to provide in his will, over a hundred years ago, that his money was to be used for the establishment of a college for the education of white orphan boys. The flimsy reason given was that the board which operated the college is an agency of the State of Pennsylvania.

(d) The Konigsberg case and its companion case in which the Court held that a State had no right to deprive an applicant of his law license where it was shown that the applicant was a Communist. The rather remarkable idea was expressed by the nine black robes that membership in the Communist Party did not necessarily reflect upon the moral character of the person applying for admission to the bar.

These are just a few of the ill-advised departures from the goodly heritage which our generation has received from those who went ahead of us. One great newspaper has commented that in its recent decisions the Supreme Court had continued its studied campaign to obliterate the States of the American Union. This is not a partisan political matter. It is as fundamental to the members of my party as it is to the members of the Republican Party. It presents a problem which is on the minds of laymen and lawyers alike. Legislators are constantly wrestling with the problem of determining what legislative steps, if any, can be taken to curb the assault upon constitutional principles now being carried on by these men who have tenure in office for the duration of their natural lives.

I mention to you the fact that young men have visions. To be sure, young Thomas Jefferson had more vision than many of his fellows when he wrote: "There is no danger I apprehend so much, as the consolidation of our Government by the noiseless and, therefore, alarming instrumentality of the Supreme Court."

Jefferson's basic philosophy and vision was set out in the oft-quoted statement: "That government is best that governs least."

In 1798 Jefferson was the author of the famous Kentucky Resolution, which spelled out the kind of nation that he hoped to see, when it said: "The several States composing the United States of America, are not united on the principle of unlimited submission to their general Government, but * * * by compact under the style and title of a Constitution for the United States and of amendments thereto, they constituted a general Government for special purposes, delegated to that Government certain definite powers, reserving each State to itself, the residuary mass of right to their own self-government."

Jefferson's principal antagonist, Alexander Hamilton, ably presented his plea for complete sovereignty in the general Government, but this principle was not engrafted into the basic constitutional concepts of our Nation.

Can anyone fail to see that there is now a trend away from the Jeffersonian theory of government, and toward the Hamiltonian concept?

Those who profess to be great liberals seem to me to have turned their backs upon that great liberal, Thomas Jefferson, and to have embraced the theories which in Jefferson's day and time were known as conservatism or federalism.

I believe that the people in the South have consistently clung to the Jeffersonian idea of liberalism. To me a liberal is one who believes that the individual should be as free as possible of restrictions upon the exercise of his daily pursuits, whether of a social or business nature. How then can one say that the further expansion of Federal domination over State, local, and county government and the very lives of the individual within the various local communities constitutes liberalism?

As the young business and professional leaders of this Nation, the members of the Junior Chamber of Commerce have a great opportunity and responsibility in this battle for survival of our established system of government. You can do much to direct the people of your community and the Nation from the present path now being trod and restoring to the people all of our cherished, God-given institutions of freedom and liberty which were wrested from the tyrannies and oppressions of the past.

In the Acts of the Apostles the chief captain was quoted as saying to Paul: "With a great sum obtained I this freedom." And Paul said: "But I was freeborn."

Yes, my friends, you and I, as Paul, were freeborn. But if we are to remain free it may be necessary that we pay a great sum to maintain and preserve our freedom.

Address by Congresswoman Kathryn E. Granahan, of Pennsylvania, at Annual Session, Imperial Court, Daughters of Isis

---

EXTENSION OF REMARKS

OF

HON. KATHRYN E. GRANAHAN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 20, 1957

Mrs. GRANAHAN. Mr. Speaker, on last Sunday it was my privilege and pleasure to address the opening meeting of the 43d annual session of the Imperial Court, Daughters of Isis, as this group began an outstanding convention in my city of Philadelphia.

A number of the Members have inquired of me about the speech I made at that affair and indicated that there was some interest in my remarks among the membership of the House. I am flattered to think that is so. In any event, and in view of the inquiries, I am including the text of my talk under unanimous consent in the CONGRESSIONAL RECORD, as follows:

To the imperial commandress and to all the members of the Daughters of Isis, I bring you greetings from Philadelphia—and a warm welcome to each and every one of you. We are pleased and delighted to have this wonderful group meeting in our convention hall. I bid you welcome on behalf of everyone in this great city.

Believe me when I say that I am deeply flattered—and that is the only word for it—to be invited to address this great gathering. The letter which came to me from my fellow Philadelphian, your imperial publicist, Mrs. Louise Stewart Jones, was so complimentary that the moment I received it I immediately accepted and said I would come.

Congresswomen are not immune from flattery, and a comparatively new Member of Congress such as I am is still at the stage of being a little surprised to be singled out for attention.

But it was not just the nice invitation, addressed in such flattering terms by Mrs. Jones, which convinced me I should quickly accept the invitation. It was, rather, some

of the information which I received about this organization, and the work you do, which convinced me I wanted to come and speak to you and meet with you and join you in this affair honoring your imperial commandress.

The world is full of a lot of things, and everyone is so busy that frequently we neglect to stop and look at the things of real value all around us. Each day we have problems in the operation of our households, or problems on the job of one sort or another, or problems in finding the right shoes to go with the new dress or hat, or problems in paying off debts or buying a car or a million and one other things. The day ends and we are exhausted and we wonder where all of our efforts have gone—and what we have accomplished.

As individuals, I am sure all of us have had that experience from time to time. There are never enough hours in the day, never enough days in the week, for us to be able to do the things we plan for and intend to do. We just never seem to have enough energy to carry out our good intentions.

But through your organization, I note that you have found the time and found the energy and found the leadership and found the will to do many fine things as a group. And for that I salute you and congratulate you.

You seek, through this organization, to achieve as your goals the virtues ascribed to the goddess from whom your organization's name is derived—the ability to change evil to good, to change sorrow to joy, to change poverty to plenty, to change ignorance to shining light.

You could have no greater goals, no finer goals.

And I will say this, too: If we are, in fact, to carry out the theme of your convention—Building for Tomorrow's World—then not only your organization, but all Americans must endeavor to change evil to good, to change sorrow to joy, to change poverty to plenty, and to change ignorance to shining light.

And the people in every land must join us in that endeavor.

We have in our power—in our country—the ability, just by a push of a button, to turn darkness to daylight, and life to death just by pushing a button, or throwing a switch. And in other countries—for instance, in the Soviet Union science has reached a similar pinnacle—it can also accomplish the same miracle of brightening the sky with a brilliance which outdoes the brilliance of the sun—at the same time plunging mankind to destruction.

That is a great scientific accomplishment—there is no doubt about it. Scientists have used their God-given brains and reasoning power to unlock the secrets of nature, to give them the power of destroying whole nations, whole continents, and, in fact, the whole human race, and everything which lives or breathes on this earth.

"Give us time," the scientists might well be saying to us, "and we will figure out how to blow up not only a continent but the entire earth, the moon and the nearer planets, and perhaps the entire universe."

That is one way that mankind can be said to be building for tomorrow's world. But it is building to a sorry goal if all effort goes toward mass destruction.

Who builds for a better world of tomorrow?

Who organizes the brains of man to seek the end of suffering, the elimination of cancer, the destruction of poverty, the opening of new opportunities for every person—for every man, woman, and child on this earth?

Well, for one, I think this group the Daughters of Isis, is building in the right direction. You may or may not have in your membership the genius the world needs who will find the solution to cancer. But that does not deter you from doing your part. There is a role for everyone in the fight on cancer, and you are making your contribution by the funds you provide in the fight.

Jonas Salk developed the polio vaccine, and we honor him for it. But one man alone cannot eliminate polio. Everyone must help. You are helping, and I know will continue your efforts to see to it that every child and eventually every adult in the vulnerable age groups is vaccinated against polio.

These are just some of the things you do in behalf of a better tomorrow through the activities of this organization. You have proved how an organization set up primarily for social fellowship can be utilized also for great good for your fellow citizens.

To me, that is the reason for life, and the reason for organizations of people, and yes, even for governments.

The test of our worthiness on earth is what we do for each other—not what we can grab for ourselves. We learn that in our churches, and we learn it in the closeness of our families as we grow from childhood, and we learn it in our schools—or we should.

But how often we forget. And how easy it often is to forget.

In our country, and even in Washington, there are frequently voices raised to appeal not to the greatness in men, but to the weaknesses in the character of human beings. The process of government is sometimes used not to help but to harm—to harm the great majority of the population in order to grant special privilege or special treatment to a few.

It is a great tribute to the essential goodness and rightness of the American form of government that these raids on the public interest are getting harder and harder to accomplish, but that does not prevent many groups and individuals from making the attempt nevertheless.

I think there is a greater alertness these days on the part of the newspapers, joined by radio and television, in trying to keep the people informed on these self-seeking and self-serving efforts, but nevertheless, I know it is hard—it is extremely hard—for the average citizen to keep up with each new development. Even for those of us in the Congress, it is difficult to keep track of each step and each development on the major legislative issues which arise in one House or another, and are shuttled back and forth in committee, on the House or Senate floor, in conference committees, and so on.

I know you are interested in the subject matter of the civil-rights bill which has so dramatically dominated the Washington scene these past few months, and yet I will tell you right now, as one who is intensely interested in that bill and who is deeply concerned about the attempts which have been made to water it down or kill it, that no one can yet really tell you what is going to happen on it.

Those of us who are sincerely concerned and want a good bill are deeply anxious. We have argued among ourselves hour after hour in the cloakroom of the House and in the Chamber and in our offices over the best policy to follow at this point.

We want a bill which is meaningful and which will do some real good. We do not want to kill off the possibility of having any progress at all by insisting on the unobtainable perfect bill. On the other hand, I do not want to settle for the milktoast bill which passed the Senate. Is there a real possibility of compromise—or is this issue once again going to be shaped and decided and determined by those who want no effective civil-rights legislation?

I just don't know at this moment. I wish I could bring you a final and decisive word on this. All I can do is assert to you my own sincere conviction that we must not surrender to those who would deny qualified Americans the full rights of citizenship, including—and especially—the full rights of voting in our elections.

It is not my intention to be political at this fine gathering, because I know that you have in your membership the same diversity of political views as one would find in any large gathering of Americans. But I must speak what is in my heart in connection with this great issue which we have been debating in the Congress.

And this fact strikes me and worries me deeply: Why was the Attorney General of the United States, the man who drafted the civil-rights bill, not on hand to defend it and fight for it and explain any unclear features of it when the fight was hot and heavy in the Senate?

Why did he pick that particular time to go to London to make a political speech attacking former President Harry Truman's administration?

It seems to me—and I make no apology for this statement—that if Mr. Truman were in the White House during this bitter struggle he would not have allowed his Attorney General to be off somewhere abroad making political speeches attacking the Hoover administration, but would have insisted on his chief lawyer being right on hand every moment of the debate to fight for his handiwork, and to go down the line for the principles of civil rights and decency.

And that's where the present Attorney General should have been.

If he could not have explained his bill better than he did to the President, so that the President would feel he knew what was in the legislation he was recommending, the Attorney General could at least have been on hand to explain it to critical Senators who were intent on tearing it to shreds.

If this bill had in it some of the things the President admitted he feared might be in it, then what sort of relationship is there between the President and the Attorney General? Was the Attorney General guilty of deliberately misleading the President about this bill?

If so, then I would say the Attorney General should either be asked by the President to resign or should be impeached. That is a strong statement to make, and I do not make it without a great deal of thought. The developments over this civil-rights bill have been little short of scandalous—the way the President supported it and then backed away from it and expressed doubts about it and allowed its enemies to use his own doubts to help shred the bill. If the President was misled, or not properly informed on this legislation, the fault lies in his Attorney General—an official who could not even be bothered to be on hand in Washington when the bill was under its most damaging fire.

If we are going to build for a better tomorrow—and if we are to try to enlist all of the other nations of the world to join us in the hard tasks which must be accomplished if we are to achieve a better world—then we, in this country, at least, have got to stop fooling each other. We have to stop trying to trick each other for possible political advantage or other purposes. We have got to stop misleading each other—or trying to mislead each other.

Facts are sometimes elusive. We must search for them. We must think about their meaning, their significance. We must seek out the divine guidance we need to understand the facts.

It is a hard and difficult process, but in a democracy it is a process which must take place among all citizens. We must be encouraged and stimulated to think our problems out together.

But we cannot think out the issues if we are being deliberately mislead or unlead. In that connection, our President must show real leadership and understanding not

just of the overall aims or objectives but of the day-to-day details of achieving those goals.

He must work terribly hard at the job if the job is to be done. He cannot assign this responsibility to underlings. Under the Constitution it is his job, and under our way of doing things, he alone can execute its responsibilities.

Now I hope what I have said is not taken to be partisan, for I do not mean it that way at all. We must look at these problems objectively. Neither party is ever completely right on any issue. Neither party is ever completely wrong on any issue. We must weigh the facts in each case.

On the question of human rights or human dignity the protection of the individual from violence or discrimination or persecution based on un-American concepts of race or creed or color the question is not partisan in that both political parties have in their membership high officials who oppose civil-rights legislation. Largely, this is a sectional issue. Republicans and Democrats alike from the South joined to try to kill this legislation. This is often lost sight of, in view of the fact that the South is so often regarded as a one-party area. But there are Republican Congressmen from the South and they were just as vehemently against civil-rights legislation as Democratic Congressmen from the South. So we cannot win this battle by ascribing partisan political praise or blame.

But win it we must.

The Supreme Court and the lower Federal courts have led the way in recent years, in contrast to the experience of only 20 years or so ago when the Supreme Court was standing squarely in the way of progress. Now it leads the way.

And to me the most remarkable and encouraging and heartwarming feature of this great advance in human decency, as represented by the Supreme Court, is that the southerners on that Court were in agreement with the northerners on the need, for instance, of integration of the schools—on the unconstitutionality of segregation in the schools—the most significant single forward step in civil rights, I believe, since the report of the Truman Commission on civil rights of 10 years ago.

This means to me that the fight for civil rights in the South is certain to be won. Politicians who play the theme song of divisiveness and segregation and hate are going to learn that this issue has gradually lost its appeal to thinking people. They are going to find that it is poor politics, and is no longer the sure-fire road to votes and election.

I look forward confidently to that day. It will be part of the better world of tomorrow which you and I and all of us here today look to and pray for and are going to work for. And that is the kind of work which brings joy in the doing. Thank you, and have a wonderful time in Philadelphia.

Wiley Salutes Aviation Industry—Urges Approval of More Funds for Research

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Tuesday, August 20, 1957

Mr. WILEY. Mr. President, as we know, yesterday was National Aviation Day. All of us, of course, are deeply aware that our country is safer, stronger, and greatly advanced because of the great contributions of the aeronautical industry to our development and progress.

In its brief lifetime, aviation has changed the complexion of communication, commerce, warfare, and, generally, world affairs.

Behind this conquest of the air, of course, are the brains, brawn, foresight, imagination, and sweat of millions of men. Lest we forget, there are also the graves of those who risked their necks in experimenting and testing.

During the years, aviation has been confronted with a multitude of challenges—from the problem of just getting off the ground to development of supersonic jets, launching of space satellites, and other advancements that, only yesterday, were the subject of science fiction.

Now our task is to increase our efforts for ever greater air progress, including resolving its problems and supporting programs to meet our air needs of the future.

BUDGET CUTBACKS "TRIM THE WINGS" OF AVIATION

Regrettably, some budget cutbacks are, in effect, "trimming the wings" of the aviation industry.

The Air Force is stretching out or canceling a great many contracts.

Civil aviation, too, feels that its expansion programs as well as its ability to provide adequate services to our people, is being too greatly restricted.

Frankly, I do not believe we can afford to jeopardize air progress by wielding the economy knife recklessly.

As we know, progress in any field is based on a sound research program.

Today on the Senate Calendar is a bill, H. R. 3377, which would authorize the acquisition of new land and the construction of additional facilities for aeronautical research. It would include testing and experimentations of nuclear propulsion, rocket research, pilotless aircraft, and other phases of aeronautical progress. The authorized cost is not to exceed $45 million for these purposes.

I should like to point out that none of the projects in this particular bill are in my State. However, I am happy to note that the University of Wisconsin in 1956 participated in other research projects sponsored by the National Advisory Committee for Aeronautics.

I believe that this modest step—the passage of H. R. 3377—in advancing aeronautical research, is definitely necessary.

Consequently, I urge that the bill be favorably considered when it is reached on the calendar today.

In addition, I request unanimous consent to have printed in the CONGRESSIONAL RECORD a brief statement saluting Aviation Day, and briefly pointing up the challenges facing our aeronautical industry.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WILEY

Now that yesterday's dreams of air travel have become today's realities, we must dedicate ourselves to ever-increased progress in this industry which has contributed so much to our growth and progress as a Nation. In this young industry of aviation the question of "Can man fly?" has been displaced by the queries: "How fast can he fly?" and "How safely can he fly?"

Too, we are faced with fulfilling the needs and requirements of the dual role aviation plays in our country: that of maintaining strong, effective air power to protect us; and, that of further developing aviation for commerce, travel, and other peaceful pursuits.

As we know, the Air Force celebrates its 50th anniversary this year. Again and again, this flying fighting arm of our service has spearheaded progress in aviation.

Our civilian industry, too, has been a fine record of notable breakthroughs toward ever-greater progress in harnessing the airways for the benefit of our people.

WISCONSIN'S FINE RECORD OF AIR DEVELOPMENT

As we look forward to additional achievements in aviation, we must also prepare to resolve its problems.

These problems exist in varying degrees, across the Nation.

In Wisconsin, our officials and citizens are making valiant efforts to fully bring the benefits of this air age to our people. They are grappling with the jobs of expanding facilities, improving navigation aids for local and interstate commerce, establishing new routes linking us with the South, Southwest, and Far West, and others.

I am proud to point out that this work is going forward at a good pace. For example, the following facts illustrate the scope of our program as regards airports, aircraft, pilots, and airways:

Airports: As of January 1, 1957, there were a total of 182 civil airports in the State of Wisconsin. Of this number, 80 were public-use airports and 102 were classified as limited.

Aircraft: As of January 1, 1957, there were a total of 1,338 civil aircraft registered in the State of Wisconsin. These include: general aviation multiengine, 85; postwar, 5; and 5-place single engine, 418; all other, 835.

Pilots: As of January 1, 1956 (latest available figure) there were 14,409 pilots registered in the State of Wisconsin. Of this number there were: Student, 1,575; private, 8,615; commercial, 4,103; air transport rating, 108; and others, 8.

Airways: As of May 30, 1957, there were a total of 2,392 miles of airways in the State of Wisconsin. Of this total, 568 miles were on low-frequency airways, 1,129 miles were very high frequency airways, and 695 miles were very high frequency alternate airways.

I am proud to point out also that in Wisconsin there have been many outstanding men who have contributed to the advancement of aviation.

To name a few, I include Gen. Billy Mitchell, Gen. Nathan Twining, Gen. Hoyt Vandenberg, Adm. Mark Mischer, Maj. Richard I. Bong, Gen. Lester Maitland, and others.

To this notable group, I am now happy to add the name of Jim Durfee, present Chairman of the Civil Aeronautics Board, who is making a fine contribution in this field.

PROBLEMS CONFRONTING THIS VITAL INDUSTRY

On the national scope, we need a stepped-up program for the future if we are to get maximum benefit from the potential of our air age—the jet age. The requirements of such a program include expanded air facilities; improved navigational aids; greater air safety; a fair competitive climate for economically healthy airlines; a sound rate system to enable them to meet their financial burdens; strong United States-flag carriers servicing routes to the four corners of the world; a wider program for cross-continent travel; trunklines to provide service to fast-developing areas of the Nation; and adequate local service; expanded use of aeronautical advancements for such important segments as agriculture, commerce, industry, etc.; an appropriate assumption of responsibilities for aeronautical development at Federal,

State, and local levels; highway improvement to and from airports, so as to relieve congestion.

These are only a few of the challenges confronting us.

I could mention the military and dozens of other problems. The problems of jet noise, of airways used exclusively by the military.

I am happy that our people are displaying foresight, ingenuity, and commonsense in tackling these and other problems.

I should like also to pay tribute to Wisconsin's Aeronautics Commission, and to its counterparts across the Nation, as well as other officials who are making an outstanding contribution in this field.

Their unrelenting efforts to meet and resolve our problems are, indeed, an example of the best way we can commemorate Aviation Day.

Senator Knowland's Interview on the Meet the Press Program

EXTENSION OF REMARKS
OF
HON. WILLIAM F. KNOWLAND
OF CALIFORNIA

IN THE SENATE OF THE UNITED STATES

Tuesday, August 20, 1957

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD the text of the program Meet the Press on which I appeared last Sunday evening.

There being no objection, the text of the program was ordered to be printed in the RECORD, as follows:

MEET THE PRESS

(Produced by Lawrence E. Spivak, Sunday, August 18, 1957; moderator, Ned Brooks; guest, Senator William F. Knowland, Republican, of California; panel, May Craig (Portland (Maine) Press Herald), Lyle Wilson (United Press), Bill Thies (International News Service), and Lawrence E. Spivak)

The ANNOUNCER. Our guest, ladies and gentlemen, is Senator WILLIAM F. KNOWLAND, Republican, from California, whose announcement early in January that he would not run again for the Senate has kept interest high in his future political plans.

Now, Meet the Press, the prizewinning program produced by Lawrence E. Spivak.

Ready for this spontaneous, unrehearsed conference are four of America's top reporters. Their questions, please remember, do not necessarily reflect their point of view. It is their way of getting a story for you.

Here is the moderator of Meet the Press, Mr. Ned Brooks.

Mr. BROOKS. And welcome once again to Meet the Press.

Our guest is the Republican leader of the Senate, Senator WILLIAM KNOWLAND, of California. As Congress comes closer to adjournment, important decisions are still to be made. One major issue is the administration's foreign program. The House of Representatives has reduced the appropriation asked by President Eisenhower by more than $800 million. Senator KNOWLAND was called to the White House on Friday to discuss the restoration of at least a substantial part of that reduction. He also was in the forefront of the battle to reach a compromise on the administration's civil-rights bill.

On the political front, Senator KNOWLAND's plans for the future have been the subject of much speculation. Early this year he announced he will not be a candidate for reelection in 1958. Since then he has been talked of prominently as a candidate for Governor of California next year and for President in 1960. When Congress adjourns he plans to make an extensive speaking tour of his home State.

Senator KNOWLAND has been the Republican leader of the Senate since 1953. He is a member of three important committees, Foreign Relations, Appropriations, and Atomic Energy.

And now seated around the press table ready to interview Senator KNOWLAND are Lyle Wilson of the United Press, May Craig of the Portland (Maine) Press Herald, William Thies of International News Service, and Lawrence E. Spivak, our regular member of the Meet the Press panel.

Now, Senator KNOWLAND, if you are ready, we will start the questions with Mr. Spivak.

Mr. SPIVAK. Senator, you were one of the first to call for a cut in the foreign-aid program. Do you approve of the cuts made by the House or do you think, as the President does, that they have gone too far for our security?

Senator KNOWLAND. I think the House cuts go far too deeply for our national defense interests and our foreign policy. I believe that the Senate amount will be less than the authorization bill, but more than the House appropriation.

Actually, even with the authorization bill, if you will total the amount, will be over $1 billion less than the President first recommended in January.

Mr. SPIVAK. Senator, after your talks with the President, what do you consider the minimum foreign-aid money that we need?

Senator KNOWLAND. I think something in the neighborhood of $3 billion can be justified in the assistance to those Nations where we have a deep obligation, with mutual defense pacts, for instance Korea. We are supporting some 20 divisions—helping to support some 20 divisions there. I think it would be generally looked upon as a catastrophe if the Communists should be able to destroy seven divisions. Yet a 30-percent cut in the defense support and the military support for Korea would be indicated by the action taken by the House and I think that is far too deep a cut in our own national interests or the interests of the Free World.

Mr. SPIVAK. Senator, there is one question I would like to ask you about the House of Representatives' most recent cut: Do you think that our House of Representatives is conducting itself as a responsible body when it votes a bill authorizing a foreign aid expenditure of $3.3 billion and then cuts that authorization when it comes to appropriating the money, to $2.5 billion, in round figures?

Senator KNOWLAND. Yes, I think the House is conducting itself—I certainly wouldn't be critical of the House action. That is part of our constitutional system. We have to get an adjustment between the House and the Senate point of view and I think there is room for an honest difference of opinion. They happen to have one viewpoint, the Senate may have another.

Mr. SPIVAK. Now, that is not what I am getting at, Senator. The House itself passed a bill for $3.1 billion and then in conference agreed to a bill roughly of $3.3 billion but now when it comes to appropriating the money for the bill that it itself accepted, it cuts it to $2.5 billion. Now, is that responsible government?

Senator KNOWLAND. Yes; I think it is responsible government, Mr. Spivak. It happens to be the viewpoint of a majority of the Members of the House. That is representative government. We don't have to agree with that action and term it irresponsible. I don't believe that is the proper term to use.

Mr. SPIVAK. No; but why did they pass a bill for $3.3 billion?

Senator KNOWLAND. That is not unusual for an authorization bill to be higher than an appropriation bill. I think that the House perhaps in the back of its mind may have thought that the Senate was going to adjust the amount upward. That has been done before. In the final analysis, however, I think that the House cut is too deep in our own national interest because it will most heavily fall upon the Republic of Korea where they are facing some very heavy Communist forces north of the 38th parallel; it would drastically cut the defense forces in the Republic of China, on Formosa; it would cut them in southeast Asia, in Pakistan and in Turkey and all of these countries have been very stout allies of ours.

Mr. THIES. Well, Senator, as the Republican leader of the Senate, do you fight for restoration of the full $800 million eliminated by the House or will you tend to compromise the $3 billion figure?

Senator KNOWLAND. No; I do not believe that it is feasible to restore the entire amount of the authorization bill, but I do believe that the House reduction is deeper than it should have been and I shall certainly do what I can to have the Senate adjust those figures in the neighborhood of $3 billion.

That, as I pointed out before, will be a reduction of about $1,400,000,000 under the January recommendations of the President.

Mr. THIES. This week the President warned pretty bluntly that if he didn't get adequate foreign aid appropriations he would call Congress back into a special session. Now, what is your understanding of what he means by adequate?

Senator KNOWLAND. I didn't quite interpret his press conference statement in the way that you did. I think what he said was that if there were not adequate appropriations and if the world conditions warranted, where he felt that the national interests of our country were adversely affected, he would then consider calling Congress into special session and I think that would be the obligation of any President, Democrat or Republican, if he felt our vital national interests were adversely affected or if world conditions should indicate a further Communist encroachment.

Mr. THIES. In other words, if there is no worsening of the international situation he would not go that far?

Senator KNOWLAND. I am inclined to believe that would be the case because we will be back here in January. I think the second part of his alternative is the one that would be controlling if the international situation should warrant.

Mr. THIES. Did he have Syria in mind this week when he spoke of possible changes in the international situation?

Senator KNOWLAND. Syria is one of the critical problems in a very difficult area of the world and we never know when there may be some outbreak in the Middle East, in the Far East, or in Europe that would completely change the international situation. The developments in Syria certainly indicate that the situation in the Middle East is still tense.

Mrs. CRAIG. Senator, it is definite you will not run for the Senate in 1958?

Senator KNOWLAND. Yes; I made that position clear on January 7 and I have not changed it. I am not going to be a candidate for reelection to the Senate.

Mrs. CRAIG. Will you retain the Senate leadership while you are in the Senate?

Senator KNOWLAND. I have no present intentions of resigning from the Senate leadership.

Mrs. CRAIG. Will you tell us whether or not you are going to run for Governor of California?

Senator KNOWLAND. No; not at this time. When I make that decision I expect to inform the people of California, in the State of California.

Mrs. CRAIG. If you remain as leader, how would you get time to campaign for governor?

Senator KNOWLAND. We will cross that bridge when we come to it, Mrs. Craig.

Mrs. CRAIG. Did you read the story in the Washington Star, the interview with Mrs. Knowland, in which she said that she believed you would run, but you were not committed?

Senator KNOWLAND. I read the interview and that was her opinion.

Mrs. CRAIG. Do you agree with her?

Senator KNOWLAND. I would say I have never attempted to censor my wife's views or her letters.

Mrs. CRAIG. Well, Senator, you are scheduled for something like 45 speeches in September in California. Now, if you are not going to run for reelection, what are you going to make speeches about?

Senator KNOWLAND. Oh, Mrs. Craig, for 12 years I have gone back to California and made reports to the people of my State and I am doing that this year. I may discuss some other problems with them as well, but I am still reporting on conditions in Washington and elsewhere in the world.

Mrs. CRAIG. Do you have any agreement, tacit or otherwise, with Vice President NIXON that he will support you for governor if you decide to run for governor?

Senator KNOWLAND. No; I have no agreement with the Vice President whatsoever.

Mr. WILSON. Senator, may I take you to perhaps an easier area, back to foreign relations? When President Eisenhower proposed aerial inspection at the summit conference, it is my recollection that you were something less than enthusiastic. Now the aerial inspection idea seems to be basic in the present disarmament discussion. Do you think now that that proposal or the policy is useful, desirable, or mistaken?

Senator KNOWLAND. When the original proposal was made, Mr. Wilson, it is true that I was less than enthusiastic until we had some of the details develop. For instance, on the first announcement I could personally not picture a situation where Soviet planes would be allowed to fly over the United States and maybe fly over six times and on the seventh time come over containing atomic or other weapons and I wanted to be sure how we were to be safeguarded in that regard. I think that has been satisfactorily explained that either the planes, if they were Soviet planes, would have to land at an American airport, we will say in Alaska or elsewhere, be searched, take on an American observer before they could proceed, or American planes would be furnished to Soviet observers and they would make the trip in that way, so we would be safeguarded against maybe on the sixth or seventh trip, having a sting in the tail of the plane, so to speak.

The next thing was, personally I could not accept the idea that we would merely inspect the frozen wastes of Siberia while they were inspecting all of the United States including my own State of California, and the United States west of the Mississippi River. I thought this was trading 1 horse for 1 rabbit and that did not appeal to me. But that is not the proposal. If they are only willing to allow arctic areas to be inspected, I now understand our position that we will only allow arctic areas in Alaska and northern Canada to be inspected.

If they will allow all of their country to be inspected, we would then consider allowing all of our country to be inspected but I think it is a more equitable arrangement than some of the Soviet proposals that have heretofore been made.

Mr. WILSON. Would you be prepared to defend it in the Senate?

Senator KNOWLAND. I would be prepared, with the necessary safeguards.

Mr. WILSON. May I take you to another area now: Assuming that you are familiar with the McClellan hearing, the Senate hearing on rackets and labor, organized labor has accumulated a great deal of money and a great deal of political power. Do you think that the political and money power of organized labor should be held as strictly accountable before the law as are the powers exercised or that could be exercised by corporations, with their vast supplies of money?

Senator KNOWLAND. I certainly do. I believe that always in a business, in labor or in Government, with power must go responsibility. I believe that it is very dangerous to have power without having the equal responsibility to go with it and I think that the leaders of organized labor have the same responsibility to their membership and to the public to adequately and honestly account for their funds and to safeguard them as our great insurance companies or business organizations have. And I think that a great many of the leaders of the organization, including Mr. Meany, feel that way about it.

Mr. WILSON. Corporate money and political power is strictly accountable to law passed by the Congress.

Now, if you feel that way about labor money and political power, do you plan any legislation to bring it about?

Senator KNOWLAND. I am not sure that that is necessarily the field of Federal legislation. I think that the States have a great responsibility to be sure that trust funds are adequately safeguarded and I don't think that the States should fall down on their responsibility in giving this protection to the general public and to the union membership and pass the buck entirely to the Federal Government.

Now, it may be in those organizations which are interstate in character and where one State could not get to the problem, that the Federal Government would be amply justified in passing some legislation.

Mr. WILSON. Do you think the big unions are interstate?

Senator KNOWLAND. Yes.

Mr. WILSON. Would you propose legislation in California if you were governor?

Senator KNOWLAND. Wherever legislation would be necessary to protect the rank and file of the union membership and the general public, I would believe that a governor would have a responsibility to recommend legislation.

Mr. SPIVAK. Senator, where do you stand on the controversial right-to-work laws? I believe they have been under consideration in California. Do you believe that the State has a responsibility to pass such laws?

Senator KNOWLAND. I think that that is primarily a State problem. I think undoubtedly that the right to work is a civil right of the highest character and that the person's ability to earn a livelihood is one of the highest civil rights next to voting that a person could have and I think he ought to be assured that he has a right to earn a living.

Mr. SPIVAK. You are satisfied then with section 14 (b) of the Taft-Hartley Act which now gives the States the right to pass such laws. You wouldn't want an amendment for a national act of that kind?

Senator KNOWLAND. No; I would oppose any attempt on the part of Federal legislation to take away from the States the right to enact such legislation if in their judgment they felt it was wise to do so.

Mr. SPIVAK. As I understand it you are for State legislation. Are you for a State law of that kind, though?

Senator KNOWLAND. On that Mr. Spivak, I don't know. It would depend on what the type of the State law might be. I personally believe that, as I say, the right to work is one of the greatest rights next to the right to vote and worship your God according to your conscience, that an American citizen can have and I don't think it should be infringed upon by any group or organization.

Mr. SPIVAK. Senator, most of us have found it rather difficult to make head or tail of the disarmament discussions that are going on in London between Governor Stassen for the West, and the Soviet. Do you think that Governor Stassen has made any progress of importance in these discussions?

Senator KNOWLAND. I am not certain at this time whether we have made any real progress in this regard. I think we may have made some negative progress in the sense that we have found that the Soviet Union is just as determined to have their way, or have no agreement and to that extent I suppose you can say there is some progress in knowing that the Soviet Union hasn't changed its position. But I see up to this point no indication that a satisfactory and sound agreement will be entered into.

Mr. SPIVAK. Do you see any point in the continuing of these discussions?

Senator KNOWLAND. I think that we should always search for ways of finding methods of limiting armaments and preserving international law and order and there may come a time—maybe not with this crowd that is controlling the Kremlin, but at some future time—when we can reach such an agreement and I don't think we should ever abandon the possibility that some such agreement may be arrived at.

Mr. THIES. Senator, conceding your natural reluctance to make what you may think is a premature announcement about the governorship of California, many Republicans, including Gov. Goodwin Knight, have said that a fight between you and the Governor for that seat in the primary would split the party wide open in California and possibly throw the election to the Democrats. What is your view on that?

Senator KNOWLAND. I don't agree with that point of view. I happen to believe in the direct primary system. I think the people of my State who have for now, for some 50 years almost, had the direct primary—40 years—feel that they are entitled to have a voice in the selection of their candidates for State office and for the legislature.

Mr. THIES. Senator, I remember a conference that you had with Vice President NIXON aboard his airplane in 1953 in which you and he got together and issued a joint statement endorsing then Lieutenant Governor Knight for the governorship. I assume at that time it was to avoid a fight. Was that correct, and how does that compare with this situation?

Senator KNOWLAND. Not necessarily, because I don't think you can always draw a parallel between conditions one year and in a subsequent year. I think conditions change and if the people of California have a choice of candidates I certainly think they are competent to make a choice.

Mrs. CRAIG. Senator, going back to foreign aid, you said in a speech last May "I do not favor taxing the American people to support Communist economic or political systems abroad."

Senator KNOWLAND. I don't favor it now.

Mrs. CRAIG. Yes.

Well, now, in this bill which will come up to you soon for money, are you for money for Yugoslavia and Tito?

Senator KNOWLAND. Personally I am not.

Mrs. CRAIG. How are you going to get it out? Will you get it out? Will you try?

Senator KNOWLAND. I don't know whether we can get it out, but I have made representations to the administration then and I expect to make them in the future. I certainly think that it is unsound to give military aid to Tito. I did then; I do now.

Mrs. CRAIG. Well, how do you feel then perhaps about selling food to Poland and the other satellites? You did say, I believe, that you thought anything that would make

people happy in a Communist country only strengthened the Communist system.

Senator KNOWLAND. I have always drawn a line, I believe, Mrs. Craig, if you will examine the text of speeches and statements I have made, between feeding hungry people and supporting the general economic system of Communist powers.

Now under the leadership of Mr. Hoover after World War I in the twenties when there was a great famine in the Soviet Union itself, the American people showed their desire as humanitarians to prevent innocent people from starving to death due to the incompetence of their Government. And I would believe that we could help hungry people in the world without strengthening their economic system.

I do not favor a building up of Communist nations by the support of their economic systems.

Mrs. CRAIG. Do you think that there should be a special session and do you think the President's eventual suggestion of such a thing was resented at the Capitol?

Senator KNOWLAND. Personally, I do not see the necessity of a special session, at this time. If world conditions warranted it, I would think any President of the United States would call Congress into special session.

Mrs. CRAIG. But not for more foreign aid?

Senator KNOWLAND. Not necessarily unless that, in turn, had a direct implication with the international situation, which then might be confronting the Nation.

Mr. BROOKS. Senator, before we close, I think we ought to have a word about the civil-rights bill and the conference between the House and the Senate. How do you account for the fact that so many Republicans voted to weaken the civil-rights bill?

Senator KNOWLAND. Not so many of them did vote to weaken it. As a matter of fact, the predominant vote of the Senate Republicans was against weakening the bill. But some did and those together with the large majority of the Democrats who voted to weaken it, was a sufficient majority to enable them to make the change.

Mr. BROOKS. Mr. Wilson——

Mr. WILSON. I wanted to go back to that matter of economic aid. You would oppose economic aid to a Communist state. Would you oppose it to a Socialist state?

Senator KNOWLAND. No; I think that there is a difference between those countries which are under Soviet occupation and a neutral state which is not under Soviet occupation. Personally, however, I think that insofar as we can, we should gradually get out of the business of government to government, even loans, to say nothing of grants, and encourage private enterprise making investment in foreign countries. And, of course, they are not apt to make investments in countries which are threatening to socialize the economy.

Mr. WILSON. The reason I inquire is that the movement toward socialism in Europe, for example, has been precipitous since the war and it is perfectly likely that in the course of time, the United States will be a little island of private enterprise in a Socialist world. It would make it very difficult for the United States to trade and engage in foreign trade under those circumstances.

Senator KNOWLAND. Of course, one of the great differences, however, has been that Germany which has had the greatest advance in all of Western Europe, has turned directly to private enterprise and away from socialism and I think that is what has given them their economic superiority.

Mr. SPIVAK. Senator, are you willing to settle for the Senate bill on civil rights?

Senator KNOWLAND. No; I am not willing to settle for the Senate bill as finally passed. I believe it will be amended. I hope that it will be sufficiently amended to make it fully effective.

Mr. SPIVAK. You are going to fight for a better bill then; are you?

Senator KNOWLAND. Yes; I would expect that we will get a better bill than the one finally passed in the Senate.

Mr. THIES. Do you think this will end the long battle for civil-rights legislation for the foreseeable future, Senator?

Senator KNOWLAND. No; I think not, but I think we will get some experience under this and the Commission will be able to make a study of just how much progress we can make under this bill.

Mrs. CRAIG. How are you going to get out of the civil-rights bill that section which would fine or put in jail a reporter who revealed anything in a secret session of that Commission?

Senator KNOWLAND. That could be done by a separate bill or they can concur and amend in the House and I think they can get it out.

Mr. BROOKS. I am sorry, I am going to have to interrupt. Our time is up.

Thank you, Senator KNOWLAND, for being with us.

Tyrone, Pa., Celebrates the 100th Anniversary of Its Incorporation as a Borough

EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 20, 1957

Mr. VAN ZANDT. Mr. Speaker, as a fitting climax to months of careful and patient planning, the Borough of Tyrone, Pa., in my Congressional District, opened its centennial program, August 11, heralding the beginning of a fun-packed week of community celebration in commemorating the epochal event.

Situated in northern Blair County, for a century Tyrone has been known as the gateway to the picturesque Bald Eagle Valley regarded as one of the scenic splendors in the great Keystone State.

Tyrone which is a thriving community of patriotic and God-fearing people takes pardonable pride in its colorful history which was reenacted in a stirring pageant titled "Proud Heritage" which told the captivating story of the history of Tyrone with a cast of over 400 local residents performing on a 300-foot outdoor stage.

During the centennial celebration, it was my privilege to have the honor of crowning, as queen of the centennial, "Miss Tyrone" in the person of Miss Hope Snyder. In addition, I had the pleasure of bestowing the crown of "Little Queen" of the centennial on 5-year old Debbie Markel, daughter of Mr. and Mrs. William L. Markel.

One of the highlights of the centennial celebration was the participation by the famed Tyrone Gardner Guards in each performance of the pageant Proud Heritage. This famous drum and bugle corps has gained national recognition and since 1950 has won 145 first-place awards, including first prize in President Eisenhower's inaugural parade in Washington, D. C., last January. Recently the Gardner Guards appeared on Ed Sullivan's TV show, Toast of the Town, and has recently received an invitation to appear on Fred Waring's program. Incidentally, Fred Waring is a native son of Tyrone and all through the years of his successful ascent in the musical world has always found time to take an active interest in his old hometown, lending his support in a material manner in support of any programs designed to make Tyrone an ideal community in which to live.

The week-long centennial program opened in an appropriate manner in a spiritual vein on Sunday evening, August 11, with a community vesper service which included clergymen of all religious faiths.

During the period Monday, August 12, through Saturday, August 19, the weekly program consisted of Youth Day, Civic-Industrial Day, Rural-Suburban Day, Firemen's Day, and Veterans' Day. Each evening during the week there was a gigantic display of fireworks with the Saturday program consisting of an antique auto parade, a muzzle-loaders shooting match at Sportsmen's Lodge, and, as a finale, a musical festival featuring Lanny Ross, Elizabeth Doubleday, Buddy Williams and his Golden Echo Music, and the Winged Victory Chorus.

The various parades held during the centennial period elicited enthusiastic approval from the overflowing throngs that gathered along the route of march. With the Kiddies' Day parade on Monday and the martial atmosphere of the fine Veterans' Day and firemen's parades, coupled with the dazzling beauty of nearly twoscore of business and industrial floats in the civic and industrial parade, centennial visitors were treated to parades that were second to none for beauty and interest. The colorful and unique floats in the civic and industrial parade portrayed in a novel and effective manner Tyrone's progress during the past century. Almost every phase of American life was depicted due to the ingenuity and artistic talents of those who designed the many brilliant floats.

During the entire week, general chairman of the centennial, Emmanuel E. Rodgers, who is also burgess of Tyrone, and his many associates on the various committees were the recipients of warm praise for the well-planned and entertaining programs that daily delighted the thousands of centennial visitors and residents of Tyrone.

One aspect of the Tyrone centennial that sounded a nostalgic note was the outdoor horse show at Horseman's Field. For many years the famous Sheridan troop of cavalry soldiers was known far and wide in the military circles of the State and Nation. The gleaming spectacle of over 100 expertly groomed horses on exhibition was a vivid reminder of the part horses played in the early history of Tyrone. Their important role is revealed by an article from the pen of William Robert Fuoss, Tyrone, Pa., which appeared in the August 9, 1957, centennial edition of the Tyrone (Pa.) Daily Herald. Mr. Fuoss, who is known throughout Pennsylvania as an orator and writer of no mean ability, is an expert on horses having been interested in them since early boyhood.

In addition to Mr. Fuoss' article, which I am inserting at the conclusion of my remarks, there is also appended an article from the August 9, 1957, centennial edition of the Tyrone (Pa.) Herald which gives an interesting account of the incorporation of Tyrone as a borough, July 27, 1857.

In concluding this salute to the borough of Tyrone, I wish to congratulate the centennial committee for its untiring efforts which culminated in a successful celebration of the 100th birthday of Tyrone borough.

At the same time I warmly commend the businessmen and industrial leaders of Tyrone, and all the residents of that thriving community, for their civic-minded and cooperative efforts in making the centennial celebration an outstanding success.

It is my sincere wish that the progress enjoyed by the borough of Tyrone during the 100 years of its existence will be continued in even greater measure. This is certain to be experienced because the theme of the 1957 centennial pageant, Proud Heritage, will provide a stimulating influence and prove an incentive to Tyrone residents to face the future with unbounded faith in God in meeting the challenge of everyday living in this atomic age.

[From the Tyrone (Pa.) Daily Herald of August 9, 1957]

TYRONE INCORPORATED AS A BOROUGH ON JULY 27, 1857—SITE OF TYRONE LAID OUT IN 1850, THE SAME YEAR FIRST HOUSE BUILT

Tyrone City, so called in its earliest day by its original proprietors, was one of the comparatively new towns in the central part of the State.

It was originally laid out by Lyon, Schorb & Co. an old and much-respected iron firm, that carried on extensive ironworks in different parts of the State.

John T. Mathias, a venerable and highly respected citizen of the town at that time, in 1850, assisted in planning the streets and laying out the lots. He was then the superintendent of what was known as the Tyrone forges.

Jacob Burley built the first house and moved into it in November 1850, and Rev. John D. Stewart and Mr. Burley started business together in the building first then completed, adjoining the city hotel.

In 1852, the Central Hotel was erected by Joshua Burley, and in 1853, Edwin L. Study, Pius Sneeringer and Samuel Berlin, on their way to the Far West from Adams County, were induced to interrupt their journey and look at the new town. They were so favorably impressed that they purchased lots and ever afterward identified themselves with the growth and prosperity of Tyrone.

Mr. Study died some years later, in 1879, after being widely and favorably known over the entire State as an active and honorable businessman. He was president of the Blair County Banking Co. at the time of his death.

Mr. Berlin commenced in the drug business, and Mr. Sneeringer started in general merchandising and retired in the late 1870's.

In 1852, the first schoolhouse and the Methodist Episcopal Church were added to the many new buildings previously erected, and in the following year the Presbyterian and United Brethren churches were built.

The railroad facilities of Tyrone were second to no town of like population in the State, and the early completion of the Tyrone & Lewisburg Railroad (soon to be affected) made Tyrone in reality a railroad center and a point which was sought after by persons whose inclinations and means would lead them into the manufacturing business.

In 1853, the Bellefonte plank road was completed, and in 1856 the Tyrone & Clearfield Railroad was commenced by David J. Pruner, but owing to some difficulties the road was in an incomplete condition until 1860, when the Pennsylvania Railroad took charge of it and soon laid the rails over what is said to be the steepest grade in the State, and Clearfield County poured its coal and lumber into the already flourishing borough.

In 1862, the Bald Eagle Valley Railroad superseded the old plank road, and a new division of the Pennsylvania Railroad was organized, with Samuel G. Black as superintendent and D. D. Wood, a well-known railroadman, as trainmaster. From this time the town grew rapidly.

The Pennsylvania Railroad, as early as 1863, established shops for repairs in Tyrone, which, for a number of years, were under the management of Andrew Vauclain, Sr., of Altoona. He was succeeded by William H. Jackson, Altoona. Mr. Jackson was succeeded by William H. Carothers, who had also held the office of chief director of the Good Will Fire Company of Altoona in its early history.

There were large boiler and machine shops in successful operation, under the management of W. H. Pawling; two large planing mills, owned by Samuel McCamannt & Co.; and Boyer, Guyer & Co.; a large steam tannery, owned and conducted by D. P. Ray; extensive limestone works and quarries of A. S. Morris, sawmill and shingle mill; large steam flouring mill in town and others close by; new process steelworks in the vicinity, as well as the extensive Tyrone forges, conducted by S. C. Stewart, proprietor, who was long identified with the prosperity of Tyrone, doing all that could be done to further its interests and especially in urging the completion of the Tyrone & Lewisburg Railroad. The manufacture of illuminating gas, by the Tyrone Gas & Water Co., was considered as one of the growing industries of 1880.

A large paper mill was erected in the northern end of the town in 1880 by Morrison, Bare and Cass in which about 80 persons were employed. With a front of 120 feet on Main Street, the building extended back 190 feet. The rear wing on a parallel with the front, was 70 feet, making the walls on three sides 380 feet. Other buildings were also erected in the immediate vicinity of the plant. The interior of the main building was filled with improved and finely adjusted machinery.

About 1866, William M. Lloyd opened the first bank in the town, and was shortly after succeeded by the Tyrone bank, with Caleb Guyer as its cashier. For a long time previously, Mr. Guyer had acted as railroad agent, and in that capacity acquired an extensive acquaintance. Both banks did a large business. In 1876 the Blair County Banking Co. was organized, and it also became one of the fixed institutions of Tyrone. Edwin L. Study became its first president and Gen. Robert A. McCoy of the famed Pennsylvania Reserves and private secretary of Governor Curtin, was made cashier.

In 1835, 11 years before the establishment of Blair County, David Robinson; J. G. Fleck, of Sinking Valley; Allen McGlathery, E. B. Tipton, Robert Biddle, of Altoona; O. P. Haggerth, of Logan Township, and Thomas Skith, of Scotch Valley, were seven of the 60 men who formed a military organization called the Union cavalry company.

The company was organized in Pleasant Valley and Martin Bell, of Elizabeth Furnace, uncle of Martin Bell, Hollidaysburg attorney, was made captain. James Hutchinson, of Altoona, was made first lieutenant and Joseph Irvin, of Hollidaysburg, second lieutenant.

Other members of the Union cavalry company included: B. F. Bell, James Hutchison, Oliver P. Haggerty, J. G. Fleck, John Hamilton, Smith Hamilton, Allen McGlathery, David Hershey, Samuel Noble, who was born in the old log house that formerly marked the site of Altoona; Thomas Smith, E. P. Tipton, Robert Biddle, Elias B. McClellan, Stephen Johnson, Thomas Trout, O. P. Trout, Joseph Irvin, Elias Moore, James Hopkins, A. K. Bell.

The Sheridan troop was organized July 15, 1871, with C. S. W. Jones, captain, and J. C. Akers, first lieutenant. Jones was elected captain in 1876.

Up to the 8th day of July 1880, Tyrone met with no serious reverses. About 3 o'clock on the morning of that day, a fire broke out in the livery stable attached to the City Hotel. The stable was burned to the ground. Its contents, including horses, a number of buggies, carriages, wagons, etc., were also destroyed. The third story of the Central Hotel, as well as a two-story frame dwelling, occupied by the Blair Banking Co., clothing firm of Meminger and Stewart and by Dr. J. M. Gemmil as an office, disappeared with the flames; also a frame two-story house with a one-story frame addition owned by James T. Owens, and occupied by W. B. Stewart as a shoe store and dwelling, and by Mrs. S. G. Black as a notions and stationery store.

The next victim of the fire was a two-story frame building owned by John A. Crawford and brother, of Sinking Valley, and occupied by John W. Thomas as a dwelling and by Smith & Gray groceries. From this point the flames leaped across an alley and attacked a large brick building owned by the heirs of Wesley Nowlin, and occupied by Templeton, Crawford & Co. as a dry-goods store, the roof and upper story of which were partially destroyed.

A large frame warehouse in the rear of the store and a frame dwelling house in the same locality also belonging to the Nowlin estate, met a similar fate. A frame dwelling house, owned by F. W. Fisk Conrad, was next consumed. A dwelling house adjoining, owned by Mrs. Rebecca Waler, was totally destroyed.

The Herald Building next to the City Hotel on Main Street, the first floor of which was occupied by D. B. Wilson, was a book and stationery store, the second floor of the Herald printing office, and the third floor by the Grand Army of the Republic, were partially destroyed, the first story remaining.

Next to the Herald Building, a two-story brick house, owned by Patrick Flynn, the first floor of which was occupied by the Tyrone Banking Co., and the second floor as offices of D. T. Caldwell and John A. Mathias, as well as a two-story frame hall adjoining the bank building, also owned by Mr. Flynn, yielded to the flames. The latter building was occupied on the first floor by the post office; P. Sneeringer & Sons, tobacco dealers, and George H. Garner, dealer in drugs; second floor, Democrat Printing Office.

Next destroyed was a frame building, owned and occupied by Van Valsah and Wilson as a dry goods and grocery store; also John Schullin's three-story brick building, occupied by him as a dwelling and merchant tailoring establishment; two-story frame building used by I. P. Walton as a dwelling and jewelry store.

An inconsiderable portion of personal property (goods, furniture, etc.) were saved, and in the absence of insurance the loss fell heavily upon many. The insurance, altogether amounted to about $100,000. The value of property destroyed was in the neighborhood of $150,000.

In response to a telegram transmitted by J. D. Hicks of Tyrone to Chief Engineer Rose of Altoona, about an hour after the fire broke out, the latter gentleman, with the Vigilant Steam Fire company, hastened to the scene of the conflagration.

Fires and floods, however, never dimmed the spirit of the businessmen and people of

Tyrone. After every disaster the people worked together for reconstruction to make a bigger and better community.

There have been disasters which are not recorded in this account, but they are still within the memory of many persons residing in the community. Only the early vicissitudes of the community are recorded here.

Tyrone was incorporated as a borough on July 27, 1857, and on August 11, 1857, the community began to function as a borough and the first meeting of the Tyrone Borough Council was held. Jonathan H. Burley was the first burgess of Tyrone and through the succeeding years the borough has had men of competence and integrity as head of the municipal government.

Men with true community spirit directed the municipal affairs of the community. Those who have served as burgess are: Jonathan H. Burley, William Davidson, James Crowther, J. M. Harper, W. O. Myers, I. P. Walton, Samuel Berlin, James Bell, S. W. Barr, G. W. Ramsay, J. M. Calderwood, Thomas W. Graffius, Robert G. McLanahan, D. P. Ray, C. S. W. Jones, Rowan Clarke, James McCann, C. W. Bowles, J. W. Thomas, S. B. Templeton, Richard Beaston, J. K. Ray, J. W. Howe, James S. Gillam, Jacob A. Hoffman, E. J. Pruner, A. M. LaPorte, John H. Grazier, James I. Ginter, John S. Ginter, Raymond A. Hagerman, and Emanuel E. Rodgers, the present burgess.

Tyrone's first big step toward municipal ownership of public utilities came on February 5, 1932, when the water properties of the Tyrone Gas & Water Co. were purchased at a cost of $400,000. Since then great improvements have been made to the watersheds, reservoirs, and to Reservoir Park, which was first made available to the public by the late Adie A. Stevens, the park being known as Stevens Park until the name was changed, after being acquired by the borough.

The present municipal building at the corner of Logan Avenue and 11th Street houses all municipal offices, including the police department storage rooms, tax collector, borough auditor, water department offices, office of the burgess, and the council room on the second floor.

At present extensive improvements and extensions are being made to the sewage system of the borough, first erecting a large sewage-disposal plant on the old Stine foundry property just east of the borough.

The present borough council and burgess are: Emanuel E. Rodgers, burgess; J. Lynne Ferner, council president; J. Scott Hommer, borough secretary and secretary for the water department; Miss Charlotte Faust, assistant secretary of the water department; Benjamin C. Jones, solicitor; Edgar A. Guyer, borough treasurer; Joseph A. Dickson, tax collector; James W. Hutchinson, chief of police; John W. Keefer, chief of the fire department and building inspector.

Members of the borough council are: First ward, James R. Black, John B. Jones; second ward, P. J. Meiklejohn and Bernard J. Oberly; third ward, Charles H. Cassady and Gilbert W. Kessler; fourth ward, John F. Dickson and Harry R. Gates; fifth ward, Edwin H. Woodring, Jr., and Sheldon Sellers; sixth ward, J. Lynne Ferner and Guy W. Hess; seventh ward, Robert H. Wilson and John T. Fitzpatrick.

[From the Tyrone (Pa.) Daily Herald of August 9, 1957]

HORSES HAD IMPORTANT ROLE IN BUILDING OF COMMUNITY

(By William Robert Fuoss)

Anybody who loves an outdoor horse show won't want to miss the big centennial celebration exhibition of Wednesday, August 14 at Horesman's field, Athletic park. This is the show extraordinary—the first and best of its kind ever staged at the field. It begins at 1 p. m.

No prettier, more dramatic spectacle is imaginable than the sight of one hundred silken-coated, brilliant-eyed and splendidly groomed show horses making the grand entry to spirited music, into an outdoor ring where, for 3 full hours, these horses and their riders will give a classical portrayal of Tyrone's century of progress.

Each set of ears will be at alert and velvety-soft necks will be arched as never before and long-flowing tails will be carried with a dash of extra pride for, consciously or otherwise, these beautiful creatures will know that they are putting on a show in Tyrone's honor. Even their glossy legs will glisten under the power of their great strength—these specially-trained animals that will come from far and near.

In ancient times these honors—such as Tyroners will see for nothing August 14—were reserved for the greats of earth, kings and potentates, the rulers of empires. Only those of noble birth then dared own a horse. Many a crown fell from a kingly head for the want of a horse—the means of safety and security. No king or queen was crowned without the horse being at the coronation.

In this age of the mechanical, even the dawning of atomic power and wonders, few take time out to ponder what made this Nation great and strong and free. Three factors entered into the picture, the arduous labors of pioneering men, the advent of the steam engine and the domestication of the horse. It has been said "the railways brought civilization together and the horse kept it together." The horse tilled the soil, hauled the grains to the grist mills where they were translated into food for the table of men, even brought the timbers from stern mountains so they could be transformed into lumbers for man's home, his church, his school, his mill, plant and factory.

In a century of peace and prosperity—1857–1957—men do well to think of the part three factors played in our today's peace and progress. These things will be faithfully told, in simple and understandable language, at the big show of August 14. Long hours have gone into the drills, the preparation, and the planning. There will be a variety in this show—the kind you will like.

Life then was stern—100 years ago. The hours spent on farm and in factory were long, the pay miserably meager. Evolution, like education, is slow and gradual and so, too, is progress and prosperity. The early man, the steam locomotive and the faithful horse were the trailblazers, forerunners of the glories of today. "Our Proud Heritage," factually speaking, dares not overlook these three factors—to do so amounts to a perversion of history. There will be a wholesome entertainment for all August 14. Plenty of food and plenty of souvenirs, too.

Letter to the President by the Chairman of the House Committee on Ways and Means

---

EXTENSION OF REMARKS

OF

HON. FRANK M. KARSTEN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 20, 1957

Mr. KARSTEN. Mr. Speaker, under leave to extend my remarks, I include the following letter addressed to the President by the chairman of the Committee on Ways and Means regarding pending proposals for the enactment of a sliding scale import excise tax on lead and zinc:

AUGUST 16, 1957.

The PRESIDENT,
The White House.

MY DEAR MR. PRESIDENT: I am writing to you in connection with the proposal of the Honorable Fred A. Seaton, Secretary of the Interior, on behalf of the administration, for the enactment of sliding-scale import excise taxes on lead and zinc.

Although the communication from Secretary Seaton on this subject was not received by the Committee on Ways and Means until June 19, 1957, at a time when the session was far advanced and the committee was diligently following an agenda previously determined by it, due to the importance of the subject and due to conditions in the lead and zinc industry as depicted by the communication of the Secretary, the committee broke into its agenda and conducted hearings on August 1 and 2, 1957.

I have now had time to carefully review and study the testimony which was presented to the committee at the public hearing on this important subject. It is my sincere conviction that you already have authority, previously delegated to you by the Congress in the trade agreements legislation, to afford relief to domestic industries from import competition in appropriate cases. The testimony of your representatives at the public hearings, in conjunction with the written recommendation of the Secretary of the Interior, indicates that the lead and zinc industries properly constitute such a case in the opinion of the administration. The testimony further shows that your present authority is adequate to afford the relief which you have recommended to the Congress.

As you will recall, one of the principal purposes of the so-called escape clause provision (section 7 of the Trade Agreements Extension Act of 1951) and the national security amendment (section 7 of the Trade Agreements Extension Act of 1955) was to afford you an avenue under which you can provide relief from import competition to domestic industries according to the procedures and standards set forth therein. As may further be recalled, the committees of the Congress and the Congress in past years have devoted much time, thought, and attention to providing you with these powers so that our domestic industries can be afforded protection in appropriate cases and so that the national interest can be served by presidential action without resort to further legislation.

It is clear that in this instance you have not made recourse to existing administrative procedures which are available to provide relief to these industries. In addition, you have not advised the Congress that your existing authority under the escape clause and the national security amendment is inadequate in these matters generally, although a subcommittee of the Committee on Ways and Means last fall specifically called upon the administration for any recommendations which it might have for modifying or strengthening these provisions of existing legislation.

The testimony presented to the Committee on Ways and Means during the course of the public hearings on August 1 and 2, 1957, indicated that the proposal for a sliding-scale import excise tax on lead and zinc is almost identical in major respects with the recommendations of the Tariff Commission made to you under the lead and zinc escape clause proceeding in 1954. You rejected this recommendation, stating among other things, that the proposed relief did not meet the needs of these industries. The testimony of your representatives further indicated that the situation today in the lead and zinc industries is substantially the same as it was at the time of the

escape clause investigation by the Tariff Commission and your rejection of the unanimous finding of the Tariff Commission.

The testimony at the public hearings also clearly showed that the proposal which the Secretary of the Interior now recommends on behalf of the administration is almost identical in effect to a proposal that was before the Committee on Ways and Means in 1953 and on which a strongly adverse report was submitted by the State Department. The State Department set forth 10 reasons why this proposal was inadvisable and contrary to the national interest. This report was made a part of the recent public hearings.

The proposal which the administration has now recommended would not become effective, in event of its enactment, until January 1, 1958. Yet, under the national security amendment any relief found appropriate could be put into effect by you almost immediately. Also, under the escape clause I see no reason why you cannot direct the Tariff Commission to report to you within a stated time as to measures which it may deem appropriate for relief of these industries, and I see no reason why you could not have done so on June 19, the date of the proposal, or even earlier for that matter. It is clear from the testimony presented to our committee, aside from the merits of the proposal, that relief can be afforded by you much more speedily than would be the case even with enactment of the proposal.

As you of course know, I have been a strong and consistent supporter of the reciprocal trade agreements program since the inception of the program in 1934. I have consistently supported and worked for proposals which you have made to continue our foreign-trade policies, including, for example, your proposal during the last Congress and in this Congress for approval by the Congress for membership in OTC.

You have gone on record strongly supporting the reciprocal trade agreements program. At your request the Congress has provided three extensions of your authority during your administration. An important consideration of the Congress in providing these extensions was the fact that should trade agreements concessions result in such import competition that domestic industries are injured or are threatened with injury you would have the authority where it is in the national interest to relieve domestic industries of such injury.

I cannot refrain from expressing to you my very great concern as to the impact of a proposal such as the one which your administration has made concerning lead and zinc on the whole structure of the trade-agreements program. In stating this, I do not intend to imply that the lead and zinc industries may not need relief. My concern is due to the fact that this proposal would completely bypass existing authority given you in present trade-agreements legislation. You are asking the Congress to do that which you already have ample authority to do. The authority which you have is not selective, but broad and general, and applies to any and all industries which are injured or threatened with injury as a result of trade-agreements concessions. I am sure you are aware of the fact that there are many other industries that are asking for relief from import competition. Among these are textiles, velveteen and ginghams, tuna fish, hardwood-plywood, stainless steel flatware, fluorspar, natural gas, petroleum, and many others. There are numerous bills now pending before the Committee on Ways and Means which would provide relief from import competition on the above specified items and many additional ones. I am confident that you would not want to see the Congress bypass and undermine your present authority under trade-agreements legislation by acting on individual items.

I sincerely urge you to personally review the situation in the lead and zinc industries and the proposal submitted to the Congress. Upon such a review, I am sure you will be convinced as I am that you do have ample authority to provide such relief as you deem necessary in the national interest to the lead and zinc industries. I am also confident that you will agree that to bypass the existing provisions of our trade-agreements law will undermine the trade-agreements program.

I can only observe in closing that there is considerable sentiments that in the absence of your exercising such authority as you may have for an expansion of our foreign trade and the protection of domestic industries, the Congress will be forced to study again the delegation of authority made to you under the trade-agreements legislation. This is an eventuality which neither you nor I would contemplate with equanimity.

The other 14 Democratic members of the Committee on Ways and Means concur with me in this letter.

Very cordially yours,

JERE COOPER,
Chairman, Committee on Ways and Means.

SENATE

WEDNESDAY, AUGUST 21, 1957

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O Thou who art from everlasting to everlasting, while granting Thy grace for the tasks of this day, give us, we pray Thee, an elevated vision, that we may see hours and days in the perspective of the long years. May we toil in these fields of time in the sense of the eternal, with the constant realization that a lifetime here is but a second in the eternal plan of the God of the ages, to whom a thousand years are but as yesterday when it is past. Undiscouraged and undismayed by the imperfections of mankind barely emerging from the nursery of his destiny, teach us Thy patience, as we labor on in the hope that sends a shining ray far down the future's broadening way. In the dear Redeemer's name, we ask it. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Journal of the proceedings of Tuesday, August 20, 1957, was approved, and its reading was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed a joint resolution (H. J. Res. 351) to establish a Lincoln Sesquicentennial Commission, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 319. An act to provide for the conveyance to the State of Maine of certain lands located in such State;

S. 364. An act for the relief of the village of Wauneta, Nebr.;

S. 534. An act to amend section 702 of the Merchant Marine Act, 1936, in order to authorize the construction, reconditioning, or remodeling of vessels under the provisions of such section in shipyards in the continental United States;

S. 538. An act to amend Public Law 298, 84th Congress, relating to the Corregidor-Bataan Memorial Commission, and for other purposes;

S. 556. An act to provide for the conveyance of certain real property of the United States situated in Clark County, Nev., to the State of Nevada for the use of the Nevada State Board of Fish and Game Commissioners;

S. 620. An act to transfer ownership to Allegany County, Md., of a bridge loaned to such county by the Bureau of Public Roads;

S. 919. An act to provide that certain employees in the postal field service assigned to road duty, and rural carriers, shall receive the benefit of holidays created by Executive order, memorandum, or other administrative action by the President;

S. 1113. An act to provide for the conveyance of certain lands of the United States to the city of Gloucester, Mass.;

S. 1417. An act relating to the affairs of the Osage Tribe of Indians in Oklahoma;

S. 1556. An act granting the consent of Congress to the States of Montana, North Dakota, South Dakota, and Wyoming to negotiate and enter into a contract relating to their interest in, and the apportionment of, the waters of the Little Missouri River and its tributaries as they affect such States, and for related purposes;

S. 1631. An act to amend certain sections of title 13 of the United States Code, entitled "Census";

S. 1747. An act to provide for the compulsory inspection by the United States Department of Agriculture of poultry and poultry products;

S. 1799. An act to facilitate the payment of Government checks, and for other purposes;

S. 1823. An act to authorize the conveyance of Bunker Hill Island in Lake Cumberland near Burnside, Ky., to the Commonwealth of Kentucky, for public park purposes; and

S. 1971. An act to amend sections 4 (a) and 7 (a) of the Vocational Rehabilitation Act.

HOUSE JOINT RESOLUTION REFERRED

The joint resolution (H. J. Res. 351) to establish a Lincoln Sesquicentennial

Commission was read twice by its title and referred to the Committee on the Judiciary.

MORNING HOUR

THE PRESIDENT pro tempore. The Senate having met today following an adjournment, there is the usual morning hour. Under the order entered yesterday, statements are limited to 3 minutes.

REPORT ON EXPORT CONTROL

The PRESIDENT pro tempore laid before the Senate a letter from the Acting Secretary of Commerce, transmitting, pursuant to law, a report on Export Control, covering the second quarter of 1957, which, with an accompanying report, was referred to the Committee on Banking and Currency.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A resolution of the House of Delegates of the State of Maryland; to the Committee on the District of Columbia:

"House Resolution 52

"House resolution memorializing Congress to enact Uniform Reciprocal Enforcement of Support Act for the District of Columbia

"Whereas the Uniform Reciprocal Enforcement of Support Act has, in the short time since it was recommended for adoption, been adopted by all of the States of the United States, but has not been enacted by the Congress for the District of Columbia; and

"Whereas the beneficial effects of this statute have been amply demonstrated by experience in the adopting States, as a means of providing for dependents abandoned by those legally responsible for their support; and

"Whereas the failure of an adjacent jurisdiction to adopt this statute results in a heavier burden on public funds for the support of such dependents: Now, therefore, be it

"*Resolved by the House of Delegates of Maryland*, That the Congress of the United States is memorialized to aid the authorities of the District of Columbia and the several States in securing, for their citizens, the benefits of support to which they are legally entitled from those legally and morally responsible therefor by enactment for the District of Columbia of the Uniform Reciprocal Enforcement of Support Act; and

"*Resolved further*, That the chief clerk of the house of delegates is directed to send a copy of this resolution to the Presiding Officers of the Senate and House of Representatives of the United States, and to each member of the Maryland delegation in the Congress of the United States.

"By the house of delegates, March 12, 1957.

"Read and adopted.

"By order,

"GEORGE W. OWINGS, Jr.,
"Chief Clerk.

"JOHN C. LUBER,
"Speaker of the House of Delegates.

"GEORGE W. OWINGS, Jr.,
"Chief Clerk of the House of Delegates."

The petition of George H. Sortos II, of Boise, Idaho, relating to his claims against the United States for the overpayment of taxes; to the Committee on the Judiciary.

LICENSING OF INTERSTATE COMMERCE COMMISSION PRACTITIONERS—RESOLUTION

Mr. LANGER. Mr. President, I send to the desk a resolution passed by the North Dakota Public Service Commission and ask unanimous consent that it be printed in the RECORD at this point.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas there have been introduced in Congress H. R. 3350, H. R. 3349, H. R. 7006 and S. 932 which were prepared by the special committee on legal services and procedure of the American Bar Association, and which would practically prohibit any nonlawyer practitioner now licensed by the Interstate Commerce Commission from representing any party to a hearing before such agency; and

Whereas the utility section of the American Bar Association, composed of attorneys who practice before administrative bodies and who appreciate the value of nonlawyer practitioners in practice before such bodies, have opposed legislation of this type; and

Whereas the Interstate Commerce Commission is also opposed to this legislation because it recognizes the value of the technical knowledge possessed by the nonlawyers in assisting them in arriving at a proper solution to matters under consideration; and

Whereas eminent attorneys experienced and skilled in procedure before the Interstate Commerce Commission also are opposed to this type of legislation; and

Whereas it has been the experience of this commission that nonlawyer practitioners experienced and skilled in matters coming before us, have assisted this commission immeasurably in bringing facts to our attention and can and usually do represent the people as ably as most attorneys, if not more so, in the technical aspects of certain types of cases; and

Whereas the passage of this legislation would require the sending of an attorney, along with our director of traffic in all cases participated in by this commission even though it usually is not necessary, particularly in matters being considered by the Interstate Commerce Commission, said director of traffic being now admitted to practice by the Interstate Commerce Commission; and

Whereas this would lead to greater expense and inconvenience and be wholly unnecessary and inadvisable: Therefore be it

Resolved, That this commission go on record as being opposed to all legislation of this type, and that we urge our Senators and Congressmen to not only oppose the passage of this legislation but aggressively work for its defeat.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ANDERSON, from the Committee on Interior and Insular Affairs, without amendment:

H. R. 1394. An act to authorize the sale of certain keys in the State of Florida by the Secretary of the Interior (Rept. No. 1061).

By Mr. ANDERSON, from the Committee on Interior and Insular Affairs, with amendments:

S. 479. A bill to convey waterway to Eagle Creek Inter-Community Water Supply Association (Rept. No. 1059); and

S. 1245. A bill to provide a right-of-way to the city of Alamogordo, a municipal corporation of the State of New Mexico (Rept. No. 1060).

By Mr. MURRAY, from the Committee on Interior and Insular Affairs, without amendment:

S. 1828. A bill to retrocede to the State of Montana concurrent police jurisdiction over the Blackfeet Highway and its connections with the Glacier National Park road system, and for other purposes (Rept. No. 1063).

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, without amendment:

H. R. 8126. An act to amend section 16 (c) of the Revised Organic Act of the Virgin Islands (Rept. No. 1062).

By Mr. WATKINS, from the Committee on Interior and Insular Affairs, without amendment:

S. 2230. A bill to authorize the Secretary of the Interior to convey certain lands to the Charlotte Rudland Dansie Association (Rept. No. 1064).

By Mr. HENNINGS, from the Committee on Rules and Administration, without amendment:

S. Con. Res. 45. Concurrent resolution authorizing the printing of additional copies of the hearings on the mutual security program for fiscal year 1958 for the use of the Committee on Foreign Relations;

S. Con. Res. 47. Concurrent resolution to print additional copies of part 1 and subsequent parts of hearings entitled "Investigation of the Financial Condition of the United States", held by the Committee on Finance during the 85th Congress, first session (Rept. No. 1066);

S. Res. 166. Resolution amending Senate Resolution 57, 85th Congress, authorizing an investigation of antitrust and antimonopoly laws and their administration (Rept. No. 1067);

S. Res. 174. Resolution relative to the procurement of likenesses of Senators to be placed in the Senate reception room (Rept. No. 1068);

S. Res. 177. Resolution amending Senate Resolution 160, to appoint a special committee to attend the coming meeting of the Commonwealth Parliamentary Association in India (Rept. No. 1069);

S. Res. 179. Resolution increasing the limit of expenditures for hearings before the Committee on Armed Services;

S. Res. 186. Resolution increasing the limit of expenditures for the Select Committee on Improper Activities in the Labor or Management Field (Rept. No. 1071);

S. Res. 187. Resolution increasing the limit of expenditures for the Committee on Appropriations;

S. Res. 188. Resolution increasing the limit of expenditures for the Committee on Agriculture and Forestry;

S. Res. 189. Resolution to print a compilation of proposed constitutional amendments for the period of the second session of the 69th Congress through the 84th Congress, with additional copies;

S. Res. 191. Resolution amending S. Res. 52, 85th Congress, authorizing an investigation of juvenile delinquency in the United States (Rept. No. 1072); and

S. Res. 192. Resolution to extend the Subcommittee on Disarmament until January 31, 1958 (Rept. No. 1073).

By Mr. HENNINGS, from the Committee on Rules and Administration, with additional amendments:

H. Con. Res. 172. Concurrent resolution to establish a joint Congressional committee to investigate matters pertaining to the growth and expansion of the District of Columbia and its metropolitan area (Rept. No. 1065).

By Mr. HENNINGS, from the Committee on Rules and Administration, with amendments:

S. Res. 183. Resolution to amend rule XIX so as to prohibit the introduction of occupants of the galleries during sessions of the Senate (Rept. No. 1070).

By Mr. CLARK, from the Committee on the District of Columbia, without amendment:

H. R. 7785. An act to provide for the appointment of an additional judge for the Juvenile Court of the District of Columbia (Rept. No. 1074).

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

H. R. 7384. An act for the relief of the town of Medicine Lake, Mont. (Rept. No. 1075).

By Mr. O'MAHONEY, from the Committee on the Judiciary, with amendments:

H. J. Res. 253. Joint resolution to establish a commission to commemorate the one hundredth anniversary of the Civil War, and for other purposes (Rept. No. 1076).

By Mr. MORSE, from the Committee on the District of Columbia, without amendment:

H. R. 8918. An act to further amend the act of August 7, 1946 (60 Stat. 896), as amended by the act of October 25, 1951 (65 Stat. 657), to provide for the exchange of lands of the United States as a site for the new Sibley Memorial Hospital; to provide for the transfer of the property of the Hahnemann Hospital of the District of Columbia, formerly the National Homeopathic Association, a corporation organized under the laws of the District of Columbia, to the Lucy Webb Hayes National Training School for Deaconesses and Missionaries, including Sibley Memorial Hospital, a corporation organized under the laws of the District of Columbia, and for other purposes (Rept. No. 1079).

By Mr. MORSE, from the Committee on the District of Columbia, with an amendment:

S. 1764. A bill to amend the District of Columbia Public School Food Services Act (Rept. No. 1077).

By Mr. MORSE, from the Committee on the District of Columbia, with amendments:

S. 1849. A bill to provide for more effective administration of public assistance in the District of Columbia; to make certain relatives responsible for support of needy persons, and for other purposes (Rept. No. 1078).

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary:

Edward T. Gignoux, of Maine, to be United States district judge for the district of Maine, vice John D. Clifford, Jr.;

Thomas C. Egan, of Pennsylvania, to be United States district judge for the eastern district of Pennsylvania, vice George A. Welsh;

T. Fitzhugh Wilson, of Louisiana, to be United States attorney for the western district of Louisiana;

James A. Boriand, of New Mexico, to be United States attorney for the district of New Mexico;

William M. Steger, of Texas, to be United States attorney for the eastern district of Texas;

Thomas H. Trent, of Florida, to be United States marshal for the southern district of Florida; and

Harvey G. Straub, of Ohio, to be a member of the Board of Parole.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BUSH:

S. 2824. A bill to amend the Employment Act of 1946 to make the stabilization of the cost of living one of the explicit and primary aims of Federal economic policy; to the Committee on Banking and Currency.

(See the remarks of Mr. BUSH when he introduced the above bill, which appear under a separate heading.)

By Mr. LANGER:

S. 2825. A bill to amend the Small Business Act of 1953 to include within the definition of a small business concern certain agricultural enterprises; to the Committee on Banking and Currency.

(See the remarks of Mr. LANGER when he introduced the above bill, which appear under a separate heading.)

By Mr. NEUBERGER (for himself and Mr. MORSE):

S. 2826. A bill to rescind the authorization for the Waldo Lake Tunnel and regulating works, Willamette River, Oreg.; to the Committee on Public Works.

(See the remarks of Mr. NEUBERGER when he introduced the above bill, which appear under a separate heading.)

By Mr. SCOTT:

S. 2827. A bill for the relief of Elizabeth Alida Tate and her minor child, Elizabeth Alida Chappelo; to the Committee on the Judiciary.

By Mr. KENNEDY:

S. 2828. A bill to authorize the President under certain conditions to permit the entering into of loan, grant, or other aid agreements with certain nations; to the Committee on Foreign Relations.

(See the remarks of Mr. KENNEDY when he introduced the above bill, which appear under a separate heading.)

By Mr. SALTONSTALL (by request):

S. 2829. A bill for the relief of Azat Serkis Belgin, Sofik Yevkine Belgin, Nadya Ayla Belgin, Karmen Silva Belgin Ketli, and Vahe Ketli; to the Committee on the Judiciary.

By Mr. CASE of South Dakota:

S. 2830. A bill for the relief of Greta Schafer Kennedy; to the Committee on the Judiciary.

By Mr. SMITH of New Jersey (for himself and Mr. CASE of New Jersey):

S. 2831. A bill for the relief of the Borough of Ringwood in the County of Passaic, N. J.; to the Committee on the Judiciary.

By Mr. BRICKER:

S. 2832. A bill to provide for the appointment of 1 additional district judge for the Northern District of Ohio and 1 additional district judge for the Southern District of Ohio; to the Committee on the Judiciary.

By Mr. ERVIN:

S. 2833. A bill to provide for the conveyance of the interest of the United States in and to certain fissionable materials in a tract of land in the County of Alamance, State of North Carolina; to the Committee on Government Operations.

By Mr. SMATHERS:

S. 2834. A bill to provide that a license for a radio or television broadcasting station shall not be granted to, or held by, any person or corporation engaged directly or indirectly in the business of publishing music or of manufacturing or selling musical recordings; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. SMATHERS when he introduced the above bill, which appear under a separate heading.)

AMENDMENT OF EMPLOYMENT ACT OF 1946, RELATING TO STABILIZATION OF COST OF LIVING

Mr. BUSH. Mr. President, I introduce a bill to amend the Employment Act of 1946 to make the stabilization of the cost of living one of the explicit and primary aims of Federal economic policy, and ask that it be referred to the Committee on Banking and Currency.

Mr. President, inflation is the greatest threat to our prosperity and the greatest enemy of the stable growth of our national economy. It is an enemy already within our gates. The Congress has the responsibility and the duty to take firm and effective action to bring inflation under control, and prevent further decline in the purchasing power of the people.

The hearings by the Finance Committee on the financial condition of the United States have demonstrated to many observers that the more radical wing of the Democratic Party has succumbed to the dangerous doctrine that a little inflation may not be harmful, and that our Nation may be able to grow and prosper under permanent conditions of creeping inflation.

My bill, if enacted, will make it possible for the issue to be cleary drawn between the inflationists and those who believe, as I do, that inflation must be stopped and that stability in the cost of living is essential for the protection of the overwhelming majority of all Americans and for the steady growth of the national economy.

The Employment Act of 1946, the basic charter of Federal economic policy, is silent about the necessity of maintaining price stability. Some economists have maintained that this goal is implicit in the act; others have contended that the act contains an inflationary bias.

It is time the act was amended to make it crystal clear that the Congress is determined that stabilization of the cost of living is, and shall continue to be, a primary goal of Federal economic policy.

The act now declares that "it is the continuing policy and responsibility of the Federal Government to use all practicable means consistent with its needs and obligations and other essential considerations of national policy, with the assistance and cooperation of industry, agriculture, labor, and State and local governments, to coordinate and utilize all its plans, functions, and resources for the purpose of creating and maintaining, in a manner calculated to foster and promote free competitive enterprise and the general welfare, conditions under which there will be afforded useful employment opportunities, including self-employment, for those able, willing, and seeking to work, and to promote maximum employment, production, and purchasing power."

My bill would amend the foregoing declaration of policy as follows:

The Congress further declares that the foregoing objectives must be attained, if they are to be meaningful, in an economy in which the cost of living is relatively stable. To this end the agencies and instrumentalities of the Federal Government must utilize all practicable and available means to combat inflationary pressures as they develop within the economy.

In keeping with the amended declaration of policy, my bill would require the President, in his annual Economic Report, to advise the Congress concerning "current and foreseeable trends in price levels prevailing in the economy and the steps, if any, which have been taken to stabilize the cost of living and to combat

inflationary pressures existing within the economy."

The bill also would require the Council of Economic Advisers to take into consideration the necessity of maintaining an economy of relatively stable prices in formulating its recommendations to the President concerning economic policy.

I hope the Committee on Banking and Currency will direct its staff to begin studies on the problem of inflation, and will schedule hearings on my bill immediately after the Congress reconvenes next January. There will be no more important issue before the committee, the Congress and the country.

Mr. President, my bill is drawn in line with a suggestion made by Mr. William McChesney Martin, Chairman of the Board of Governors of the Federal Reserve System, in recent testimony before the Committee on Finance. Since the full text of Mr. Martin's statement was placed in the RECORD on yesterday by the distinguished senior Senator from Kentucky [Mr. COOPER], I shall not ask that it be duplicated. But I do request, Mr. President, unanimous consent that a portion of Mr. Martin's testimony dealing with the dangers of creeping inflation and its effects upon our institutions and the strength of our country be printed following these remarks.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the testimony will be printed in the RECORD.

The bill (S. 2824) to amend the Employment Act of 1946 to make the stabilization of the cost of living one of the explicit and primary aims of Federal economic policy, introduced by Mr. BUSH, was received, read twice by its title, and referred to the Committee on Banking and Currency.

The testimony presented by Mr. BUSH is as follows:

CREEPING INFLATION

The unwarranted assumption that creeping inflation is inevitable deserves comment. This term has been used by various writers to mean a gradual rise in prices which, they suggest, could be held to a moderate rate, averaging perhaps 2 percent a year. The idea of prices rising 2 percent in a year may not seem too startling—in fact, during the past year, average prices have increased by more than 2 percent—but this concept of creeping inflation implies that a price rise of this kind would be expected to continue indefinitely. According to those who espouse this view, rising prices would then be the normal expectation and the Federal Reserve accordingly would no longer strive to keep the value of money stable but would simply try to temper the rate of depreciation. Business and investment decisions would be made in the light of this prospect.

Such a prospect would work incalculable hardship. If monetary policy were directed with a view to permitting this kind of inflation—even if it were possible to control it so that prices rose no faster than 2 percent a year—the price level would double every 35 years and the value of the dollar would be cut in half each generation. Losses would thus be inflicted upon millions of people, pensioners, Government employees, all who have fixed incomes, including people who have part of their assets in savings accounts and long-term bonds, and other assets of fixed dollar value. The heaviest losers would be those unable to protect themselves by escalator clauses or other offsets against prices that were steadily creeping up.

Moreover the expectation of inflation would react on the composition of savings. A large part of the savings of the country is mobilized in savings deposits and similar claims that call for some stated amount of dollars. If people generally come to feel that inflation is inevitable, they will not save in this form unless they are paid a much higher interest premium to compensate them for the depreciation of their saved dollars. It is for this reason that it is impossible, in a period of demand in excess of savings, to maintain lower interest rates through a policy of easy credit. The country is experiencing a period of generally high employment in which investment outlays remain high, but if fears of inflation cause people to spend more of their incomes and save less, the result could only be more rapid inflation and still less saving in relation to income. Such saving as remained, furthermore, would be less and less in the form of loanable funds to finance homes, highways, school construction, and other community needs.

EFFECTS ON PRODUCTIVE ENTERPRISE

An inflationary psychology also impairs the efficiency of productive enterprise—through which our standard of living has made unparalleled strides. In countries that have had rapid or runaway inflations, this process has become so painfully obvious that no doubt remained as to what was happening to productivity. In the making of decisions on whether or not to increase inventory, or make a capital investment, or engage in some other business operation, the question of whether the operation would increase the profit from inflation became far more important than whether the proposed venture would enable the firm to sell more goods or to produce them at lower cost. The incentive to strive for efficiency no longer governed business decisions.

PRODUCTIVITY—KEY TO SUSTAINED PROSPERITY

Why have real wages in this country risen to the highest levels in the world, thus permitting our standard of living to rise correspondingly? Certainly, it is not just because wages have risen as the cost of living has risen. The big source of increase has been the increasing productivity of our national economy. Real incomes have gone up because the total size of the pie, out of which everybody receives his share, has grown so magnificently. What has enabled the productivity of the American economy to achieve the levels that make all this possible? One vital factor has been the striving by so many people, each in his own field, for better and more efficient ways of doing things. Equally important has been the willingness to set aside a part of current income to provide the machines, tools, and other equipment for further progress. Both are essential if our standard of living and material welfare are to go on advancing.

EFFECTS OF INFLATION

Inflation does not simply take something away from one group of our population and give it to another group. Universally, the standard of living is hurt, and countless people injured, not only those who are dependent on annuities or pensions, or whose savings are in the form of bonds or life insurance contracts. The great majority of those who operate their own businesses or farms, or own common stocks or real estate, or even those who have cost of living agreements whereby their wages will be raised, cannot escape the effects of speculative influences that accompany inflation and impair reliance upon business judgments and competitive efficiency.

Finally, in addition to these economic effects, we should not overlook the way that inflation could damage our social and political structure. Money would no longer serve as a standard of value for long-term savings. Consequently, those who would turn out to have savings in their old age would tend to be the slick and clever rather than the hard working and thrifty. Fundamental faith in the fairness of our institutions and our Government would deteriorate. The underlying strength of our country and of our political institutions rests upon faith in the fairness of these institutions, in the fact that productive effort and hard work will earn an appropriate economic reward. That faith cannot be maintained in the face of continuing, chronic inflation.

There is no validity whatever in the idea that any inflation, once accepted, can be confined to moderate proportions. Once the assumption is made that a gradual increase in prices is to be expected, and this assumption becomes a part of everybody's expectations, keeping a rising price level under control becomes incomparably more difficult than the problem of maintaining stability when that is the clearly expressed goal of public policy. Creeping inflation is neither a rational nor a realistic alternative to stability of the general price level.

AMENDMENT OF SMALL BUSINESS ACT OF 1953, RELATING TO INCLUSION OF CERTAIN AGRICULTURAL ENTERPRISES

Mr. LANGER. Mr. President, I introduce, for appropriate reference, a bill to amend the Small Business Act of 1953 to include within the definition of a small business concern certain agricultural enterprises.

I might say, Mr. President, that the record of the Small Business Administration in making loans to small business in North Dakota is very unsatisfactory. The bill proposes an amendment to the present small business law.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2825) to amend the Small Business Act of 1953 to include within the definition of a small business concern certain agricultural enterprises, introduced by Mr. LANGER, was received, read twice by its title, and referred to the Committee on Banking and Currency.

PROTECTION OF WALDO LAKE IN CASCADE MOUNTAIN RANGE

Mr. NEUBERGER. Mr. President, high in the forested slopes of Oregon's Cascade Range lies a clear mountain lake of unique scenic beauty. The lake is named Waldo Lake, and is the largest summit lake in our State. Because of its location high in the headwaters of the Willamette River, the natural water storage reservoir of Waldo Lake has received considerable attention from engineers concerned with multiple-purpose development of the basin. It was determined by the Corps of Engineers that construction of a tunnel of only 625 feet in length would make it possible to divert up to 220,000 acre-feet from Waldo Lake during dry years to augment the water supply and firm-up the power output at the Federal powerplants located downstream at the already-constructed Lookout Point and Dexter Dams on the Middle Fork of the Willamette. From the standpoint of power production alone such a development would

have added considerably to the potential supply of electrical energy available in Oregon.

But, Mr. President, in the utilization of water resources it always has been my position that those projects should be undertaken first which do the least damage to scenic, fishery and wildlife values. We have too few remnants of majestic mountain grandeur untarnished by commercial exploitation. The Waldo Lake storage and tunnel development could add power benefits to other projects; but in so doing, the drawdown of water from the lake would convert the shoreline to unsightly mudbanks and detract from the crystal-clear lake.

We need more low-cost power in the Pacific Northwest, but it should not be obtained by damaging the irreplaceable beauty of areas like Waldo Lake. The Waldo Lake tunnel project has been dormant ever since it was authorized for construction in the Flood Control Act of 1950. Apparently recognizing the scenic values at stake, the Army engineers have left its development on the shelf and no funds have been sought for the start of construction. Despite the fact that this project has been in inactive status for 6 years, many residents of Oregon fear that existence of the authorization will make it difficult to plan for preservation of the scenic area.

To alleviate that fear, I am today introducing for myself and my colleague the senior Senator from Oregon [Mr. MORSE], a bill to rescind the authorization for the Waldo Lake tunnel and regulating works. A similar bill has been introduced in the House by Representative CHARLES O. PORTER, whose district includes the Waldo Lake area. Through our joint efforts, it is my hope that the authorization for the Waldo Lake tunnel project may be rescinded.

I ask unanimous consent to have printed in the RECORD the bill rescinding Congressional approval of the Waldo Lake project.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2826) to rescind the authorization for the Waldo Lake Tunnel and regulating works, Willamette River, Oreg., introduced by Mr. NEUBERGER (for himself and Mr. MORSE), was received, read twice by its title, referred to the Committee on Public Works, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the authorization for the Waldo Lake tunnel and regulating works, Middle Fork-North Fork, Willamette River, Oreg., contained in the Flood Control Act of 1950 (64 Stat. 163) under the heading "Columbia River Basin," is hereby rescinded.

AMENDMENT OF TARIFF ACT OF 1930, RELATING TO UNMANUFACTURED MICA AND MICA FILMS AND SPLITTINGS—AMENDMENT

Mr. PURTELL submitted an amendment, intended to be proposed by him, to the bill (H. R. 6894) to amend the Tariff Act of 1930 as it relates to unmanufactured mica and mica films and splittings, which was ordered to lie on the table and to be printed.

HUMANE METHODS OF TRAPPING ANIMALS AND BIRDS — ADDITIONAL COSPONSORS OF BILL

Mr. NEUBERGER. Mr. President, I ask unanimous consent that the name of the distinguished junior Senator from Massachusetts [Mr. KENNEDY] and the name of my colleague, the distinguished senior Senator from Oregon [Mr. MORSE] be added to the list of cosponsors of the bill (S. 2489) to require the use of humane methods of trapping animals and birds on lands and waterways under the jurisdiction of the United States, introduced by me, for myself and Senators HUMPHREY and KEFAUVER, on July 8, 1957.

The PRESIDENT pro tempore Without objection, it is so ordered.

ADMISSION OF BONA FIDE NEWS REPRESENTATIVES INTO FOREIGN COUNTRIES—ADDITIONAL COSPONSOR OF RESOLUTION

Mr. FULBRIGHT. Mr. President, yesterday I submitted the resolution (S. Res. 190) favoring admission of bona fide representatives of newsgathering organizations into all countries abroad for the purpose of gathering news. I had intended to include the Senator from Minnesota [Mr. HUMPHREY] as a cosponsor. At the moment I simply overlooked it.

I ask unanimous consent that at the earliest opportunity, when and if the resolution is reprinted, or when it is reported from the committee, the Senator from Minnesota be included as a cosponsor of the resolution.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HUMPHREY. I thank the Senator from Arkansas for his consideration.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. BEALL:

Statement prepared by him paying tribute to Italian-American citizens.

By Mr. NEUBERGER:

Text of Meet the Press program of Sunday, August 4, 1957, featuring Representative CHARLES O. PORTER.

NOTICE OF CONSIDERATION OF A NOMINATION BY THE COMMITTEE ON FOREIGN RELATIONS

Mr. GREEN. Mr. President, the Senate received today the nomination of Dr. H. van Zile Hyde, of Maryland, to be the representative of the United States of America on the Executive Board of the World Health Organization.

As chairman of the Committee on Foreign Relations I desire to give notice that this nomination will be eligible for consideration by the committee at the expiration of 6 days, in accordance with the committee rule.

CALL OF THE ROLL

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. MURRAY in the chair). Without objection, it is so ordered.

JOANNE LEA (BUFFINGTON) LYBARGER

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that S. 864 be displaced as the unfinished business and that Calendar No. 660, S. 491, be made the unfinished business.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill (S. 491) for the relief of Joanne Lea (Buffington) Lybarger, which had been reported from the Committee on the Judiciary with an amendment.

NECESSITY OF EXTENDING FEDERAL CONTROL OF MENOMINEE TRIBES TO DECEMBER 31, 1960

Mr. WILEY. Mr. President, I should like to call attention to a bill, S. 2131, which is still before the Senate Interior and Insular Affairs Committee. This bill would extend the date for taking the Menominee Indian Tribe out from under Federal jurisdiction to December 31, 1960. At that time the measure provides for a per capita distribution of Menominee tribal funds and for transfer and control of property to the tribe.

Under present law, the effective date of this transfer of property and responsibility is December 31 of this year. A special Indian study committee in Wisconsin, as well as other organizations within, and outside of, the Menominee Tribe have indicated that additional time is very much needed.

Our State legislature, too, has pointed out that it must act on Menominee-related matters—prior to termination of Federal control—but that it cannot possibly do so before January of 1959.

As can be appreciated, there is a great deal of work to be done in informing the tribe of crucial facts, obtaining tribal decisions, setting up machinery for tribal control, and other matters. Regrettably, all of this cannot be done by December of this year. It is felt, however, that these objectives could be accomplished by December 31, 1960.

It will be recalled that H. R. 6322 for extension of the termination date passed the House on August 19. I know that our colleagues on the Interior and Insular Affairs Committee are laboring under a tremendously heavy workload. I would hope, however, that the report on S. 2131 could be completed, and the bill which has been ordered reported could come before this Senate as quickly as possible. Moreover, I respectfully stress the need for early and favorable consideration by the Senate.

I have received a great many communications from a number of the Menominee Tribe itself, from individuals and organizations concerned with tribal affairs, and from Wisconsin State officials on the need for extension of the termination date. I request unanimous consent to have a few of these printed at this point in the RECORD.

There being no objection, the communications were ordered to be printed in the RECORD, as follows:

TELEGRAM FROM STEWART G. HONECK, ATTORNEY GENERAL, STATE OF WISCONSIN, CHAIRMAN, MENOMINEE INDIAN STUDY COMMITTEE, WISCONSIN LEGISLATIVE COUNCIL

As chairman of State of Wisconsin Menominee Indian Study Committee, which has intimate detailed knowledge of actual Menominee termination situation, based on careful studies, I respectfully and urgently request favorable action by your subcommittee on S. 2131, which I understand you will consider next Monday. Our studies find extensions of termination date and planning deadline unquestionably necessary for developing needed data, informing Menominee people of crucial facts, and obtaining very numerous intelligent tribal decisions. Impartial analysis will show adverse Interior Department report on S. 2131 is unconstructive, superficial, ignores grassroot realities, Wisconsin's Legislature has officially supported S. 2131 because it, too, must act on important Menominee-related matters before termination date, and cannot possibly do so until January 1959 session. While we oppose indefinite extension of termination, we are most gravely concerned lest Menominee Indian termination program not be orderly and successful and a credit to the American people. Undue haste can lead to dissolution of Menominee forest, a tremendous natural resource and untold harm to the Menominee people and their neighbors. Gov. Vernon W. Thompson, my predecessor as chairman, joins me in this plea. Were hearing time available before your subcommittee, I would gladly present testimony personally.

SHAWANO, WIS., *August 20, 1957.*

Senator ALEXANDER WILEY,
Washington, D. C.

Menominees respectfully urge Senate action on termination extension bill without amendments, as passed by the House.

JAMES G. FRECHETTE,
Chairman, Menominee Advisory Council.

SHAWANO, WIS., *August 20, 1957.*

Hon. ALEXANDER WILEY,
United States Senate Chamber,
Washington, D. C.:

We, the undersigned civic organizations of Shawano County, respectfully urge immediate Senate action on Menominee termination extension bill without amendments as passed by House of Representatives. Special request of this support comes from Menominee Tribal Council.

FRANKLIN SCHAUDER,
President, Chamber of Commerce.
JAMES JUDD,
President, Economic Development, Inc.
DON SCHOEDEL,
President, Junior Chamber of Commerce.
Dr. H. C. MARSH,
President, Rotary Club.
CLIFTON GROSSKOPF,
President, Kiwanis Club.
RAY GRUETZMACHER,
President, Shawano Club.
EMIL JUEDES,
Mayor, Shawano City Council.

EAU CLAIRE, WIS., *June 28, 1957.*

Hon. ALEXANDER WILEY,
Washington, D. C.

DEAR SIR: The Eau Claire Business and Professional Women's Club is most concerned with the problems facing the Menominee Indian Tribe in getting ready for the termination of Government supervision of tribal affairs. The club has asked me to write you enlisting your support.

We hope with time and education, planning and preparation, they can avoid some of the degrading occurrences which have marked the past, when tribal members were thrown on the mercies of conditions and sharpers for which they were ill prepared. Certainly their status as citizens depends on the preparation now.

We hope you will vote for the bill which extends the date of termination of the Menominee Tribe to 1960.

Yours very truly,

LOIS L. WILLIAMS,
Corresponding Secretary.

ANTIGO, WIS., *August 20, 1957.*

Hon. ALEXANDER WILEY,
Senate Building, Washington, D. C.:

The Antigo Chapter, DAR, wishes to encourage your support of Menominee Indian extension bill H. R. 6322 and urges your continued effort to have this bill passed by the Senate without amendment or delay. We feel that this bill is in the best interest of the Menominee Indian Tribe and of the State of Wisconsin.

Respectfully submitted.

NEQUI ANTIGO SIEBAH CHAPTER, DAR,
Mrs. GERALD LEONARD.

ANTIGO, WIS., *August 20, 1957.*

Hon. ALEXANDER WILEY,
United States Senator,
Washington, D. C.:

Understand bill extending termination of Federal control over Menominee Indian Tribe is up for consideration in Senate after passage by the House. Would appreciate anything you can do to expedite passage of Senate bill without amendment and in same form as House bill.

Proper handling of Menominee Indian affairs is vital not only to the tribe but also the economy of Langlade County and this area.

Thank you very much.

FREDERIC W. BRAUN,
Chairman, Langlade County Republican Organization.

ANTIGO, WIS., *August 20, 1957.*

The Honorable ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.:

On behalf of the residents of our community and our neighbors the Menominee Indian Tribe, we earnestly request that you lend all possible personal support to get the Menominee Indian extension bill H. R. 6322, which has passed the House, through the Senate without amendments. Dates referred to in bill meet favorably with all interested groups and State officials who are working with the tribe. Please lend this bill your personal support.

THE FIDELITY SAVINGS BANK,
B. H. DIERCKS, *President.*

RHINELANDER, WIS., *August 20, 1957.*

Senator ALEXANDER WILEY,
Senate Building, Washington, D. C.:

Your support for passage of Menominee termination extension bill without amendments as passed by House is requested.

RHINELANDER COUNCIL OF CHURCHWOMEN,
Mrs. ROYAL REIK, *Secretary.*

A MEMORIAL SO THAT WE MAY NEVER FORGET AMERICA'S UNPREPAREDNESS—THE U. S. S. "ARIZONA" MEMORIAL AT PEARL HARBOR

Mr. WILEY. Mr. President, I was pleased to hear this morning from the Honorable JOHN A. BURNS, Delegate at Large from Hawaii, in the House of Representatives, with regard to a bill which I know is of deep interest to the Members of the Congress.

The bill is H. R. 4809 which authorizes the construction of a U. S. S. *Arizona* memorial at Pearl Harbor, T. H. The bill passed the House of Representatives on August 19, and is now pending before the Senate Armed Services Committee.

Its purpose is to enable the Secretary of the Navy to accept contributions for the construction of a memorial and museum to be located on the hulk of the sunken battleship *Arizona* at Pearl Harbor. It would enable the Navy to furnish material to the Pacific War Memorial Commission for use in the national undertaking of a public subscription campaign to raise funds for the *Arizona* Memorial. It authorizes the Secretary, as well, to undertake the construction of the memorial and museum as soon as sufficient public funds have been subscribed. Thereafter, he would provide maintenance for the memorial and museum, once it has been completed.

Mr. President, no American can forget that the U. S. S. *Arizona* lies beneath the waters of Pearl Harbor with the mortal remains of 1,102 American servicemen still entombed within her. Among that group are 13 Wisconsin lads, whose names I shall shortly record following these brief remarks. But, even if there were no Wisconsin youngsters inside that sunken hulk, the fact is that we must never forget what the U. S. S. *Arizona* symbolizes. It constitutes perhaps the most dramatic single reminder of the terrible price of American unpreparedness, the tragic toll of lack of vigilance.

The sailors who were blasted into the ocean bottom, when a Japanese bomb came through the smokestack of the *Arizona* that Sunday morning, are the symbols of something even more grim. They symbolize the infinitely larger number of American lives which might some day be lost if we were, so to speak, to "fall asleep at the switch" and be similarly unprepared in this atomic age.

I earnestly hope, therefore, that the bill will be enacted into law so that the public subscription can immediately commence.

I send to the desk the names of the 13 Wisconsin Navy lads, including the cities and counties which they represented. I ask unanimous consent that this list be printed at this point in the body of the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Residents of Wisconsin entombed on the U. S. S. *Arizona:*

Wallace, James Frank (S1c), Adams, Adams County; Funk, Lawrence Henry (S1c), Geise, Marvin Frederick (S1c), Beloit, Rock County;

Boviall, Walter Robert (AMM2c), Delavan, Walworth County; Curtis, Lyle Carl (BM2c), Glidden, Ashland County; Uhrenholdt, Andrew Curtis (Ens.), Hayward, Sawyer County; Lewison, Neil Stanley (FC3c), Melrose, Jackson County; Gazecki, Philip Robert (Ens.), Menasha, Winnebago County; Musser, Raymond Alfred (GM3c), Oshkosh, Winnebago County; Hansen, Harvey Ralph (S1c), Racine, Racine County; Ehlert, Casper (SM3c), Sheboygan, Sheboygan County; Heath, Alfred Grant (S1c), Spencer, Marathon County; Mathison, Charles Harris (S1c), Waukesha, Waukesha County.

THE IMPORTANCE OF MARITIME TRADE TO WISCONSIN

Mr. WILEY. Mr. President, I was pleased to receive this morning from Mr. S. B. Terman, chairman of the committee of American Steamship Lines, a letter and enclosed bulletin, entitled "Maritime Affairs." They describe the considerable role played by the American merchant marine in serving the economy of my State, as well as the rest of the Nation.

The Badger State has long been navy—and merchant marine—minded. We have always had a strong seafaring tradition, thanks to our fronting to the Great Lakes system.

However, with the advent of the St. Lawrence Seaway, opening in the spring of 1959, we expect still more jobs, still more economic health to be generated through greatly expanded export and import activities.

Wisconsin's share of United States exports by 6 industries alone—centered in Milwaukee, Racine, and other great centers, has been estimated by the maritime industry at no less than $312 million.

Thus, more and more, the products of Wisconsin's farms and industries are utilizing the sea arteries of the world. More and more, we see that we "do not live unto ourselves alone." So, a strong merchant marine—a United States-flag merchant marine—is increasingly indispensable.

I send to the desk the text of the aforementioned letter and enclosure. I ask unanimous consent that they be printed in the body of the RECORD at this point.

There being no objection, the letter and enclosure were ordered to be printed in the RECORD, as follows:

COMMITTEE OF AMERICAN
STEAMSHIP LINES,
Washington, D. C., August 19, 1957.

Hon. ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WILEY: You will be interested, I believe, in the enclosed bulletin showing how foreign trade—and the United States merchant marine—help to sustain the economy of the State of Wisconsin.

Last year Wisconsin's share of the United States exports by six industries alone totaled $312 million. A third of the State's total employment is affected directly or indirectly by world trade.

Your American merchant marine not only assures United States farmers and manufacturers of reliable access to overseas markets, it also offers them dependable access to vital raw materials from overseas; contributes $5.3 billion to our national economy; stands ready when called to act as our fourth arm of defense; and protects our commerce by stabilizing world freight rates from all our shores.

Sincerely yours,

S. B. TURMAN,
Chairman.

UNITED STATES MERCHANT SHIPS SUPPORT MIDWEST COMMERCE—OVERSEAS SALES NET BIG GAINS FOR WISCONSIN

More than 313,000 Wisconsin employees, with an annual income of $1.5 billion, work in industries depending on United States merchant ships to help carry a substantial portion of their products to foreign ports.

Add to that 130,000 persons working on Wisconsin dairy farms and it is seen that a third of the State's total employment of 1,136,000 is from businesses affected directly or indirectly by foreign trade.

THREE HUNDRED AND TWELVE MILLION DOLLARS IN EXPORTS

Last year, Wisconsin's share of United States exports by six industries alone was $312 million.

Machinery exports from Racine and other Wisconsin factories accounted for $175 million of this.

The State could also claim $45 million as its share of United States automotive exports; $40 million from the sale of electrical machinery; $20 million from paper product exports; $14 million from the export of fabricated metal; and $18 million from dairy products exports.

LATIN AMERICAN SALES

One of Wisconsin's most important customers is the group of 14 Latin American countries that export coffee to the United States. With the money so earned, those countries spent $69.8 million for Wisconsin products in 1955.

EXPORTS CREATE JOBS FOR 1,000 RACINE WORKERS

Of Racine, Wisconsin's 14,000 industrial workers, 1,000 owe their jobs to foreign trade and ocean shipping, a recent poll of more than 50 companies shows.

TRACTOR EXPORTS UP

Racine's J. I. Case Co. estimates that 10 to 12 percent of its employees are directly affected by the company's ability to sell to overseas customers. Foreign markets for its wheel tractors and crawler tractors last year helped lift total United States tractor exports to $390 million, the highest level in 7 years.

Massey-Harris-Ferguson estimates that 25 percent of its Racine-manufactured farm equipment is shipped overseas. American-flag merchant ships help carry its repair parts to more than 100 countries.

MALTED MILK TO BORNEO

Horlick's Corp. has salesmen in Ethiopia, Aden, the Channel Islands, Borneo, and elsewhere. Its malted milk, an invention of its founder, is carried abroad regularly to a score of other foreign nations.

Racine's S. C. Johnson & Son Co., world's largest maker of wax polishes and allied products for household, industrial and other uses, owes its success to a host of managerial skills—and a waxy powder from a Brazilian palm tree. Ocean-going ships carry tons of this powder, extracted from the fronds of the carnauba palm, to Johnson subsidiary plants all over the world and to New Orleans and New York for transshipment to Racine.

DEPENDENCE ON IMPORTS

Other imports for which Johnson depends on ocean transportation include shellac from India, sugar cane wax from Cuba and beeswax from West Africa, Portugal, Iran, and Afghanistan. American freighters help carry Johnson products to customers in 90 countries.

Racine sells calf weaners to Canada and golf-swing practice devices to Italy and Japan. Other exports include everything from artificial limb parts, hair clippers and tools to puzzles, wrapping paper and insecticides.

AUTOMATION IN THE RAILROAD INDUSTRY—THE 20TH-CENTURY CHALLENGE TO MANAGEMENT AND LABOR

Mr. LANGER. Mr. President, it is with deep pleasure that I invite to the attention of the United States Senate a statesmanlike speech delivered by W. P. Kennedy, president of the Brotherhood of Railroad Trainmen, in Grand Forks, N. Dak., last May 22.

That speech was on the vitally important subject of automation in the railroad industry. It sets forth this 20th-century challenge to management and labor, and to all of us who in any ways use the railroads in business, farming, or travel, in a way which offers constructive proposals for meeting push-button railroading that is displacing workers long experienced in their jobs.

I have known President Kennedy as one of America's outstanding labor leaders for several decades now. He has done many constructive things during his career of leadership in one of the great unions of the Nation. But he has never done anything more important, both for those in his own brotherhoods with whom he works, and for all who labor in these United States, than in this carefully designed analysis of the impact of automation on the status of labor.

Because this is an issue of widespread significance to America, and because the Congress of the United States is even now wrestling with the public impact of automation on the economic welfare of the Nation, I deem it altogether fitting that this timely and knowledgeable statement on such a provocative and vital subject as automation be made available to all of the Congress through the pages of the CONGRESSIONAL RECORD.

I ask unanimous consent that the address may be printed in the RECORD at this point.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

AUTOMATION IN THE RAILROAD INDUSTRY: THE 20TH CENTURY CHALLENGE TO MANAGEMENT AND LABOR

(By W. P. Kennedy, president, Brotherhood of Railroad Trainmen, at the 65th anniversary of Wheat Sheaf Lodge, No. 463, Grand Forks, N. Dak., May 22, 1957)

Railroad labor and management have overcome many challenges in the past. But today we face our most crucial test. We are seeking to take the utmost advantage of modern technology in order to make the railroads competitive with other forms of transportation. We must, however, do this with a minimum of dislocation and hardship to our labor force.

Railroad automation is not some promise of the future. It is the challenge of the 20th century. We in labor are seeing jobs disappear right before our eyes as pushbutttons enable one man to do the job which previously required 10 or 20. And that is not all, vacuum tubes and radar are now eliminating the need for a man to push buttons.

Lest there be any doubt in anyone's mind about the seriousness of this situation, let me cite a few necessary figures.

Railroad employment in 1957, and by this I mean all who work for the railroads lumped together, has fallen to the bottom of the depression levels. For the first 4 months of this year, midmonth employment averaged less than 1 million workers (990,500.) [1] In the throes of the depression in 1933 the number employed on the railroads was 971,000. We have lost over 400,000 jobs in the post-World War II era.

But there is no depression in the railroad business today. On the contrary, the net income after taxes for class I roads for the last 2 years, 1955 and 1956, averaged $900 million, compared with an annual average of $776 million earned in the period 1951–54. It has more than tripled in the past decade. Total dividends paid in 1956 exceeded $520 million, breaking the alltime boom record of 1929–30. And the ratio of dividends paid to capital stock invested was 6.8 percent, the highest rate of return on record since the plush 1920's.

All this was accomplished on the profit side of the railroad ledger while employment was sinking to depression levels as technological advances were being made at breakneck speed. Expenditures for new plant and equipment rose from $854 million in 1954 to $1,231 million in 1956, and an estimated level of $1,468 million for this year. This 75-percent increase in expenditures to improve plant and equipment and to reduce labor costs was more than twice as great as the rate of increase in new investment for all businesses in the United States.

How has all this affected labor? While Barron's (March 25, 1957) observes that "Technologically speaking, the railroads never had it so good," that very technology has taken away our jobs at an astounding rate. In 1956, for example, we moved about the same tonnage of freight as we did in the year 1948, but with 700,000 or 30 percent fewer workers.

Let me say in passing that this is a doubly serious problem for us. In other industries, displacement due to technological advance has been cushioned in part by the expansion of those industries parallel with the growth of the economy. But this has not been true in railroading. Although the Nation's gross national product increased 40 percent, in real terms, since 1948, the railroads carried the same volume of freight in 1956 as they did 8 years ago. So when we speak of advancing productivity and technological change in the railroad industry we are talking about a development that can and has wiped out jobs on a large scale.[2]

What is the nature of this great technological change that we call automation? There is scarcely an operation in the whole of the railroad industry which has not been subjected recently to study to determine if it cannot be done automatically.[3] In this process significant changes have been wrought. Each of these changes had the same motive—to increase efficiency, to require less human labor, to reduce operating costs.

Two short years ago I was invited to appear before the Joint Economic Committee of the Congress to present my views in connection with that committee's study of the effects of automation on American industry. In that important Congressional hearing of 2 years ago, I said that we in the Brotherhood are not opposed to technological progress. On the contrary, we welcome it. For the modernization of the railroads and the increase in their efficiency make the prospects for more railroad business brighter. It means we can meet the inroads of competing modes of transport, especially the competition of the trucks with their heavily subsidized public roads.

But I would not have been telling the whole story if I had not at the same time expressed our common fears that automation would bring increasing unemployment for many, even when providing additional economic security for a few. Our fears, in some instances, have been well founded. For while railroad workers have willingly cooperated with management in the installation of new automated devices, not in all cases has management been willing to accept its responsibility for mitigating the adverse effects on particular workers. I refer to the failure by management in some instances to work out adequate job displacement safeguards. One of the most shocking aspects of the 19th century lack of social responsibility was the arbitrary way in which a certain carrier suddenly consolidated its operations and closed down an entire office with little consideration for the welfare and security of its employees.

Two years ago I offered a program of cooperation to management for working out the problems that will arise in the wake of automation. I offer it again now with even more insistence, because during this short 2-year span the tempo of automation has been stepped up, while the suggestions I made then are still largely in the realm of suggestions yet to be acted upon seriously by management.

We in railroad labor simply ask that management regard the process of automating the industry as a cooperative endeavor, a two-way street. We pledge the fullest cooperation to management in accepting the new technology and making it work as it should. We ask in return that management pledge us an equitable share in the fruits of increased productivity that our labor and skills coupled with the new inventions make possible, and that it accept some of the social costs of technological displacement. To get at the meaning of such cooperation in more precise terms, let me call attention to certain facts about our industry that are often overlooked.

In the operating end of railroading, we have a larger proportion of older workers to our total labor force than is characteristic of other industries. Ours is a skilled and steady labor force based mainly on long years of experience. Seniority has meant a great deal to our workers, as it has to management. For the workers this has meant better runs, more pay, better conditions of work. For management, seniority has meant an assured and responsible labor force, a train crew entirely competent to be entrusted with thousands of dollars of valuable property and a passenger list whose worth cannot be calculated in cold dollars at all. However, railroad skills acquired by the operation of our seniority rules and long years of experience, unfortunately, cannot be readily transferred to some other industry.

We are now finding that the impact of automation is affecting the older workers in our industry most severely. Among unemployed workers between 45 and 49 years of age average days of unemployment rose from 76 in 1948 and 1951 to 95 days average in 1956; among the unemployed from 50 to 54 years of age average duration of unemployment increased from 80 days in 1948 to 99 days in 1956.

One measure of permanent technological displacement among older workers is the percentage who exhausted their unemployment benefits. In 1948, 11 percent of those workers 45 to 49 years of age drawing some unemployment benefits exhausted their rights. In 1956 the percentage of exhaustions rose to 16 percent or by close to 50 percent.

These older workers also had the longest railroad service. Of those 45 years and over in 1954, 85 percent had more than 10 years with the railroads.

Displacement of older workers through the introduction of automatic devices means great hardship. They are not as mobile as younger workers. They have roots in their communities. So, it is altogether fitting that we insist that management cooperate with us in developing programs for earlier retirement and for adequate severance pay to lighten the impact of technological displacement for older workers.

At the other end of the age scale are our younger workers who also face loss of jobs through the introduction of automatic devices. These younger workers however, can move; they can be transferred readily to other jobs without undue loss of skills.

I suggested 2 years ago that management accept its responsibility to workers already on the job by establishing a system of transferring workers from one division to another on the same railroad, from one railroad to another, from one part of the country to another. For while there are minor differences in the job, other things being equal, already experienced workers can grasp the job needs faster and perform more efficiently than inexperienced workers newly hired. It is a commonplace in our industry that one road is both hiring and laying off workers at the same time; that another railroad in the same territory may be hiring workers while the other road is laying workers off. Surely, it is not too much to expect that management face up to its responsibility in this matter; that it work out a plan of transferring workers from one place on a road to another as need arises; that the prospects of transferring workers from one road to another be given the serious consideration from management it deserves in view of the heavy toll automation is taking of our employed workers.

Finally, if no other jobs of comparable skill and pay are available in the railroad industry for the workers which machines and new devices displace, I suggest the Federal Government with its responsibility under the Employment Act for maintaining full employment take appropriate action to help those workers. This can take the form of retraining and relocation programs specifically designed to meet the needs of those whom technological advances displace in the railroad industry.

In this connection may I point out why we in the railroad industry require this special type of aid. Unlike workers in textiles and coal mining who are concentrated in a few readily defined geographical areas which can be singled out and assisted under the proposed Federal aid to distressed areas bill, railroad yards, divisions, and terminals are dispersed all over the country and may be located in areas which, outside of railroading, are not experiencing distressed conditions. Distressed area legislation will not help the railroad workers stranded in some remote division point or terminal as a result of automation. This is a problem that must be dealt with on a different basis.

Automation means greater efficiency and more output per worker. This requires not only fewer workers, but the possibility of a shorter number of required hours per worker. For those still on the job, automation therefore, ushers in the prospect of more leisure time to devote to their families, to recreation,

---

[1] In rejecting the disposition to regard this decline below the million mark as the result of diversion of traffic from the railroads to competing carriers the New York Journal of Commerce June 6, 1957 stated: "Upon analysis, this decline past the million worker mark must be traced directly to a trend toward rail automation."

[2] It has been pointed out that the preautomation impact of technological change in the railroad industry, during which employment dropped from 1.9 million to 1 million was a gradual decline stretched out over a period of almost 50 years. In contrast, the new electronics era means elimination of human services on a large scale. (New York Journal of Commerce, June 3, 1957.)

[3] This includes a crewless train, remote-control locomotives, and electronic classification yards.

to civic, religious, and other citizen-building activities in their communities. But this can only give good results if the benefits of automation resulting in more free time for those employed are accompanied by appropriate wage adjustments to preserve the workers' purchasing power. This means that as hours are reduced wage rates must be adjusted correspondingly. It also means that as the gains of automation materialize, such benefits as vacations with pay can and should be broadened and expanded.

In my appearance before the Joint Economic Committee 2 years ago, I stressed another area of deep concern to railroad workers, namely, the health and safety of themselves and their families. It was not so long ago that railroad workers could not obtain insurance at a reasonable rate, so hazardous was their work considered. And despite the great progress we have made in our negotiations with management to improve the safety of our work, our jobs are still hazardous. We work in all kinds of weather under the most risky conditions. Yet management has not always considered favorably our insistence on maintaining safe working conditions. Moreover, they have lagged behind other industries in meeting the problem of providing adequate medical care for railroad workers and their families. It is in this area of so-called fringe benefits that we can expect to negotiate even more vigorously in the future as automation takes its toll of jobs and as railroad employment becomes increasingly selective. For certainly some of the savings resulting from automation belong to the workers and there are few better ways to use them than in promoting their health, safety, and greater leisure time.

Not only must the gains from automation be reflected in more leisure time, better safety, improved medical care and retirement programs but also in the workers' pay envelope. Savings from automation promise to increase the earnings of the railroads substantially and provide the strongest of arguments for continuing adjustments in the wages paid railroad employees. In fact, the improved earnings of the carriers and the upgrading of our men required to do the more skilled work that automation brings in, combine to challenge management and the brotherhoods alike to sit down and bargain collectively to restore to railroad labor its place in the national wage structure commensurate with the training, discipline, and responsibility which their occupations represent in the field of all labor, and in the public mind.

The foregoing adds up to a reasonable program for meeting the impact of automation so that management and labor may both share in its fruits and provide the public with a more efficient transportation service while at the same time maintaining a solvent, profitable industry for its owners. Only as all parties are benefited equally by the automation that takes place can we justify the rapid extension of this labor saving technology in our railroad industry.

Thus far, the men on the laboring end of the transportation business have not shared in the benefits of automation as they should have. Instead, they have been absorbing the total effect of its labor-displacing impact. And we are told that what has occurred in the past few years is only a token, a sign, of what is to happen. We do not have direct figures on what the carriers are spending on automation currently.[4] But a glimpse of it can be seen from the overall figures on equipment expenditure, much of which will reduce labor requirements. An analysis made by the ICC of the capital expenditures of class I roads disclosed that in 1956 they spent $1.2 billion, and the estimates for 1957 were placed at $1.4 billion, an increase in a single year of 15 percent. And nearly three-fourths of it goes for equipment outlays. The total dollar amount expended for equipment outlays is expected to be about a fourth higher (24.7 percent) for the first 6 months of 1957 than it was in the first half of 1956.

Some hint of the direction of such outlays is given in the figures presented by the Federal Telecommunication Laboratories of the I. T. & T., which reported its sales of electronic equipment to the railroads had doubled in 1956. And Westinghouse Airbrake Corp.'s Union Switch and Signal Division reported a 31 percent gain in sales of automatic equipment in the same year.

The most spectacular automation progress has been made in the pushbutton freight classification yards. Since 1955, some 30 fully automatic freight yards have been put into operation. And this is only a beginning. The Union Switch and Signal Division estimates that 200 such yards will be put into operation in the United States and Canada.

The 1955 type of automatic freight yard I spoke of before the Joint Economic Committee of the Congress 2 years ago has already been superseded by an even more automatic system. Take the Pennsylvania's East Bound Conway freight classification yard installed as the last word in automation in 1955. A single employee, operating from a glass enclosed tower, flipped switches and pushed buttons that made up trains by remote control. This single employee did the work of a half-dozen outmoded humping yards and replaced whole crews of riders and switchmen. Now, along comes the radar beam and an electronic brain, and this watchtower worker is no longer there.[5]

Car distribution by electronic IBM brains now threatens to displace train dispatchers. The recent advances in automation taking place in the front offices of the railroads are a match for what we are experiencing in the yards and terminals. Computers and telefax keep records, handle reservations, and sell tickets faster than ever before. And one has only to step into some of the antiquated railroad terminals and depots that dot the Nation to realize how much more can be done to bring the effects of automation home to the nonoperating labor force now manning these outmoded installations.

We who work on the railroads feel that the problems of automation are piling up unsolved so thick and fast that we must insist on an across-the-board review of the entire situation. Automation is the most serious threat and the most promising opportunity of the 20th century. If it is to be removed as a threat and fulfill its great promise, the attention and time of our best brains, both in management and in labor, must be given to it.

As a first step, and to focus industrywide attention on a major aspect of the problem, we in railroad labor have proposed changes in the Railroad Unemployment Insurance Act embodied in a bill before the Congress, H. R. 4353.

Under our proposal (H. R. 4353) an employee with five or more years of railroad service who is displaced through no fault of his own and has exhausted his rights to normal unemployment benefits would be entitled to receive additional benefits during an extended benefit period. The duration of such extended benefit period would vary in accordance with the length of the employee's railroad service, so that a displaced railroad man with 20 or more years of service could receive benefits for as much as 4½ years longer than he would under present law. In other words, the older displaced employees would receive severance pay allowances up to a maximum of 5 years.

In addition, we have proposed a new schedule of daily benefit rates which is 20 percent higher than the present rates; an increase in the maximum amount of compensation for which unemployment compensation base year credit would be given; and an increase in the number of days for which benefits may be paid.

It is our belief that the proposed extended unemployment compensation bill and the liberalized unemployment benefit rates will not only help to stabilize unemployment in our industry but that it will go a long way toward caring for the more needy and more experienced of those displaced.

First, it will provide the carriers with a specific incentive to regularize employment. Second, it will provide them with an incentive to relocate older and experienced workers within our industry, since by so doing the carriers will reduce the cost of unemployment compensation to themselves. Finally, it represents a just and adequate way of compensating those older employees whose jobs are completely eliminated by technological change.

What of the costs involved? We believe that the savings resulting from automation provide an ample fund from which the human costs of technological progress may be met.[6] The carriers are enjoying an unprecedented period of prosperity. Stockholders are enjoying record dividends and the highest rate of return on capital investment since 1920.

With the rate of productivity advance that has been experienced in our industry, there is reason to believe that additions to the railroads' labor bill by reason of the proposed unemployment compensation benefits will not result in any higher labor costs per unit of output. As a case in point it is only necessary to cite the fact that despite additions to the costs of unemployment compensation and railroad retirement to the total railroad labor bill, in recent years, total railroad labor cost in 1956 in proportion to operating expenses was virtually the same as in 1952. Wages plus payroll taxes amounted to $0.665 per dollar of operating expenses in 1952 and $0.666 in 1956. Moreover much of the added costs of proposed protection for older unemployed railroad workers displaced through automation, consolidation, merger, etc., can be avoided largely by the carriers cooperating to improve the placement service for unemployed railroad workers. The industry can absorb what costs remain with little difficulty.

Our proposals for extended unemployment benefits are not new. Other unions have recognized the inadequacy of unemployment compensation benefits and have contracts whereby their employers agree to supplement standard unemployment compensation. Such agreements have been signed in the

---

[4] The railroad industry invested approximately $4 billion in automation over the 11-year period 1946–56. This estimate, based on carrier reports to the ICC and the American Association of Railroads, was published by the New York Journal of Commerce on June 3, 1957, in connection with a series of articles analyzing the impact of automation on the railroad industry. And the Journal of Commerce noted the $4 billion "is a fraction of what it will become according to present plans and nothing at all compared to what it will total if given cooperation of rail labor leadership."

[5] It is important to distinguish between the electrified pushbutton yard and the electronic yard. The latter is the automation of the future based on the vacuum tube, the transistor, and radar. It eliminates the pushbutton as well as the worker pushing the buttons. Whole train lengths of cars can now be broken up and reassembled into new train lengths directed solely by a tape programmer.

[6] The financial weekly, Barron's (Mar. 25, 1957) speaking of the spread of the automated yards explained that, "* * * the roads are able to amortize them in 3 or 4 years through savings in labor costs."

steel, auto, and container industries. The steel and container industry plans both provide for 52 weeks of unemployment benefits though State payments are for shorter periods. The auto plan is for a shorter period.

A comparison of the steel, container, and railroad workers unemployment compensation plans shows that we in the railroad industry are not asking for as much as other workers are now receiving. The maximum weekly benefit for a steel worker earning $80 a week after taxes, under the United States Steel agreement, is $52 per week including State benefits; employees of Continental Can Co., covered by the IAM supplementary unemployment insurance agreement, earning $80 a week after taxes get $54 a week. The railroad employee earning $80 a week after taxes now can receive a maximum of only $42.50 a week; and under the proposed amendments this would rise to a maximum of only $51 per week. Thus even the proposed amendments would leave the railroad workers' weekly and annual maximum unemployment compensation amount below that now available to steel and container industry workers.

Because of the special conditions in the railroad industry—restrictions on the interchangeability of skills with other industries, and the difficulty of reemployment for workers in stranded division or terminal points—special provision has to be made for adequate long-period protection for displaced older workers. Therefore, we are emphasizing a type of severance pay that goes beyond those developed in other industries. Our senior employees who are displaced through no fault of their own will get extended unemployment compensation benefits not now available to employees of any other industry.

Our proposal for extended unemployment compensation is but one part of our program for meeting the challenge of displacement for older workers on the railroads. We believe that we must face the problem of displacement in its totality. We must consider displacement arising not only by reason of technological change, but also as a result of mergers and consolidations. In this connection I call attention to the fact that under the Washington agreement of 1936 there exist certain rules and provisions regarding consolidations designed to protect the worker against deprivation of employment through no fault of his own. In my estimation the time has come for a review and modernization of the 1936 agreement looking toward its updating in the light of current conditions.

Another part of our approach to the problem of automation in our industry is our proposal for liberalizing railroad retirement benefits, so as to make possible earlier retirements for senior workers. Our proposal embodied in H. R. 4353 would increase railroad retirement annuities generally by 10 percent. In addition, the privilege now available to any employee with 30 years of service electing to receive a reduced annuity to begin after age 60 and before 65 would be available to women employees with 10 years of service at age 62 and at the same age to wives of annuitants.

In this connection let me point out that we have not precluded any other method of easing the impact of automation on our older worker. For example, I see no reason why we could not set aside a special fund from the retirement fund for workers displaced through no fault of their own who are too young to retire but too old to be retrained easily. A railroad worker, say, 50 or over, who gets displaced by automation and exhausts his normal unemployment benefits, could begin to draw reduced retirement benefits from this special displacement retirement fund. If the worker obtains a job, then his retirement benefits would cease.

In addition to our program for extending unemployment compensation and protecting senior workers against the impact of technological change, we have continued to direct our collective bargaining activities toward improving wages and working conditions in our industry. We have just concluded a successful negotiation with the carriers which provides for a series of wage adjustments for road and yard service employees; extends our escalator clause which assures automatic adjustments to compensate for increases in the cost of living; and provides, with certain adjustments in pay, that yard service employees may elect to take seven paid holidays.

In these negotiations we have continued to insist, as we have in the past and will in the future, that our members will never submit to unilateral decisions by the carriers, or grant them arbitrary and uncontrolled discretion to eliminate jobs, change job classifications and assignments or in any way abrogate work rules that have been developed to meet the needs of workers confronted by great technological changes. In this connection, the time has come for the carriers and the employee representatives to consider the problem of reclassifying and upgrading certain classes of workers whose responsibilities and skills have been changed by the introduction of automated processes and equipment.

One of the things we and management should be working at right now is a procedure for establishing pay scales for automated jobs. Why should we in labor have to bargain over wage scales for the new jobs automation requires on an ex post basis? Advance negotiations by labor and management should make it possible to set up a new set of wage rates to go into effect immediately as soon as a yard is automated.

In our future negotiations we are going to pay more and more attention to the question of the length of the workweek and the standard workday. One of the great aims of the trade-union movement in this country has been to reduce hours of work. We in the railroad industry, and particularly in the Brotherhood of Railroad Trainmen, played a leading role in the early fight to establish the 8-hour day. In recent years we have perhaps, to some extent, lagged behind in the shorter hours movement. However, we have established the standard 40-hour workweek for 80 percent of the railroad employees. And we intend to participate actively with the rest of the American trade unions in the drive to win schedules shorter than 40 hours. As automation and productivity advance increases, some of the savings should be shared with the worker in the form of increased leisure, regardless of the immediate employment picture. And of course where the productivity advance is accompanied by technological displacement the union will insist on a shorter workweek, without reduction in pay, as a means of stabilizing employment.

It seems clear that we are already in the process of a fundamental alteration in the standard or scheduled workweek. In early 1956 the Department of Labor surveyed 17 major cities covering almost 6 million plant and office workers. It found that about one in every six was already on a regular schedule of less than 40 hours a week. The scheduled workweeks were found to be principally 37½ or 35 hours.

We in the railroad industry have made some progress in the field of paid holidays and paid vacations but we have a great deal more to gain. It is now common practice in industry for all workers to enjoy six to eight or more paid holidays. We have just obtained an option for yard service employees to elect seven paid holidays in lieu of part of the general wage adjustments agreed to for all employees.

Today not only most industries have accepted a system of paid vacations for their employees but also it is common practice for longer service workers to receive paid vacations of 3 to 4 weeks.

We in the railroad industry must plan to bring our paid holiday and vacation practices abreast of the commonly accepted patterns in American industry.

There are many other areas of collective bargaining, of course, in which we can and will seek improvements in accordance with the responsibilities and problems that are raised by reason of the advent of automation.

In conclusion let me say this to our brothers in the American trade-union movement—in the AFL–CIO, the United Mine Workers, the railroad brotherhoods, and the independent unions. Technological displacement is not solely a railroad problem. It has occurred in coal mining, in textiles as well as in railroads. It is now occurring at an accelerated tempo in the factories throughout the land.

Factory worker employment in mid-1953 was 14 million. Today it is 13 million and there are fewer hours worked today. Factory workers' spendable earnings are going down as hours of work are reduced. Yet our real gross national product is increasing. It is up 10 percent in real terms since mid-1953 and industrial production is up 6 percent.

We are all in this together brothers. We in the railroad industry have seen jobs lost until we have 1 million fewer workers in our industry today than we had a few decades ago. Factory workers are only now beginning to feel the impact of technological change.

The future of our trade-union movement depends upon our ability to discern changes that are in the offing and work out ways and means of meeting them. New occupations are emerging to become the major ones in the labor force. The proportion of white collar, engineering, and technically skilled employees to total is on the rise in all industry as well as in transportation. Unless we make necessary changes to meet the needs of these groups we will lose our effectiveness as trade unions.

I take this opportunity to invite the leaders of the great American trade unions to sit down together and to map a common program to assure that the threat of economic insecurity will be defeated and the promise of automation will be fully realized for America's workers.

We are only on the threshold of the second industrial revolution. Automation is yet in its infancy and atomic energy has yet to be applied to practical peacetime uses. These two fields, automation and atomic energy will change the whole face of our present-day economy. They will in large measure change the picture of the railroad industry as we know it today. We must be alert to the implications of these wonderful new forces. They must be made to work for man's progress, for abundance and security—not destruction and insecurity.

SPEECH BY SECRETARY OF TREASURY BEFORE FIRST PLENARY SESSION OF ECONOMIC CONFERENCE OF ORGANIZATION OF AMERICAN STATES

Mr. SMATHERS. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a speech delivered by the new Secretary of the Treasury, the Honorable Robert B. Anderson, before the first plenary session of the Economic Conference of the Organization of American States at Buenos Aires, Argentina, on Monday, August 19, 1957.

If I may, I should like to point out to the Senate a paragraph from the speech, wherein the Secretary states:

There are certain profound convictions with which I come to our meeting. They

are convictions which I have held throughout a lifetime. The first conviction is this: No difference exists between us as to the objectives we seek. They are objectives that can be defined only in terms of human well-being and progress. We all agree that man does not exist to enhance the importance and power of the state, as the Communists would have us believe. The state exists for man to respect his dignity as a child of God, to preserve his rights as an individual, and to provide opportunities which will enable him to develop, freely and fully, in all the ways that enrich human life and exalt its spiritual meaning and dignity.

Mr. President, I think that is a vital and meaningful paragraph. It is the strongest statement I have seen on the part of any official of this administration, giving, as it does, complete support to the idea of promoting democracy and individual and human rights in that area of the world. It indicates definitely that this Government, and we the people of the United States, believe in and approve, that government which recognizes the dignity and the rights of individual citizens. I should like to point out one other paragraph, Mr. President, on page 5 of the speech, in which the Secretary mentions the following:

Military expenditures, by their very nature, act as a brake on rising living standards, and for that reason they should be held to a level that will provide an adequate posture of defense. All of us in the Americas look forward to the day when a changed world situation will permit a substantial reduction of our large military expenditures. In the meantime, however, we must all do everything we can to control reasonably our expenditures in this area. All of us, I am confident, will continue to scrutinize our military budgets in an effort to accomplish savings that would make resources available in each of our economies for the kind of constructive development that advances economic well-being.

Mr. President, again I wish to congratulate the Secretary for making such an assertion. I hope that our Defense Department will look at its own program in its relation to the western defense hemisphere program, to determine whether we might be forcing upon these Latin American countries a military posture which in fact economically they cannot afford. In the light of the Secretary's statement some thought, I hope, will be given to that subject. Again I congratulate the Secretary on his fine speech. I wish that he had said more. I wish he had approved of efforts to create common markets among Latin countries, but the fact that he did not does not negate the fact that this speech was a fine and thoughtful presentation.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

REMARKS BY ROBERT B. ANDERSON, SECRETARY OF THE TREASURY OF THE UNITED STATES, BEFORE THE FIRST PLENARY SESSION OF THE ECONOMIC CONFERENCE OF THE ORGANIZATION OF AMERICAN STATES, BUENOS AIRES, ARGENTINA, MONDAY, AUGUST 19, 1957

It is an honor to participate in this conference with so many of the ministers who deal with the financial and economic questions which continually arise in the conduct of government affairs in our American Republics. It is a particularly happy occasion to come here as one of my first official acts as Secretary of the Treasury.

As a Texan, who has lived most of his life close to Latin America, I have always had a deep and warm personal interest in its people, its culture, its traditions, and its progress. One of my earliest employments was to teach Spanish in a town near the place where I grew up. While I must confess a neglect of the language in the intervening years, it is a fault I hope to correct. It is my earnest hope that my present duties will give me new opportunities to visit the other American Republics and to experience more direct and personal contacts with this great region, and to continue and enrich the friendships which I have established here with the delegates of these American Republics.

This conference follows in logical succession from the conference at Quitandinha in 1954. I was deeply impressed by the enthusiasm with which my predecessor, Secretary Humphrey, viewed the Quitandinha meeting. He was convinced at that meeting that there was unanimity among the delegates as to the great and inspiring objectives which we seek in this hemisphere.

These objectives are clear and can be defined simply: We want our people all around the Americas to live better, we want them to pursue more healthful lives, we want their lives filled with hope, enriched with progress, and inspired toward the improvement of standards of well-being. Above all, we seek these goals while preserving the freedom of our peoples.

It was most encouraging to me that in this eloquent address inaugurating this conference, President Aramburu strongly reaffirmed the validity of these views. As practical men with responsibility for helping to shape our nations' economic policies, we shall try to see our tasks as they really are, and not as we might wish them to be. They are many, they are difficult, and they are continuing. They are not to be dealt with by words alone, nor can they be laid to rest once and for all by some dramatic pronouncement at this or any other conference. Patience, persistence, and good will are the qualities of mind and heart which we must bring to our tasks.

I have talked at length with President Eisenhower about these matters. He shares the conviction that direct personal contacts and intimate exchanges between those of us who carry public responsibilities are the surest guaranty that our efforts will be successful and our objectives transformed into practical and satisfactory realities.

You will all recall the unprecedented meeting of the chiefs of state of the American Republics which took place in Panama in July 1956, and the Inter-American Committee of Presidential Representatives which developed from it to consider ways of strengthening the Organization of American States in fields of cooperative effort which directly affect the welfare of the individual. As a result of the committee's deliberations, a series of recommendations was drawn up and submitted to the various chiefs of state. President Eisenhower on May 26 publicly expressed his hope that many of the recommendations would be put into effect as promptly as possible.

We should not regard the meeting in Quitandinha, the conference in Panama, or this conference as ends in themselves. Rather, each conference evidences greater strides forward to our common objectives. What is really important is the fact that we continue to demonstrate that 21 nations collectively, forming one of the world's most important communities, have come to the same conviction that the welfare and progress of each member is related to the welfare and progress of each other member. Our approach has been, and will continue to be, that of good partners.

How then shall the ministers of finance or economy of our governments go about the task of increasing the effectiveness of their cooperative efforts? It would be presumptuous for me, one of the newest members of the group, to claim extensive personal familiarity with the details of the questions which we shall discuss. The delegation of the United States will express its views on the matters of our agenda, and I earnestly hope you will find them forward looking and constructive.

Before we came here, my Government reviewed and considered carefully the views that were expressed by the delegations in 1954 and weighed them in the light of the progress we have made in the interval of nearly 3 years since that meeting. We welcome this opportunity, indeed, we feel it is a responsibility, to express to you the fundamental approach which we bring to the questions before us. This conference represents another important step in the continuing evolution of a long history of economic cooperation and business partnership. We are dealing with fundamental and long-range questions on which we can take stock and fruitfully exchange thoughts and points of view. But we recognize that in the economic field the march of day-to-day events and the cumulative effect of specific decisions in business and in government play the major role.

A country achieves material progress by developing its human and material resources. There is no other way to do it. The question that faces this conference, therefore, is how can our countries most effectively develop their resources? At inter-American meetings of this kind, when we consider economic development we sometimes tend to talk as though Latin America were one great homogeneous area. In fact, economic development of Latin America is the sum total of the economic development of each of the individual countries in the area.

When we examine the economic characteristics of the Latin American countries one by one we find a natural diversity. Some countries have limited natural resources. Others are among the most favored nations in the world in this respect. Some countries are almost entirely producers of raw materials. Others produce not only raw materials but also a wide variety of manufactured goods. But amidst this diversity let there be this unity: However we develop our economies, however we use our resources or make our goods, or provide opportunities for work, let us above all else guard freedom in all its aspects, for freedom is indivisible.

There are certain profound convictions with which I come to our meeting. They are convictions which I have held throughout a lifetime. The first conviction is this: No difference exists between us as to the objectives we seek. They are objectives that can be defined only in terms of human well-being and progress. We all agree that man does not exist to enhance the importance and power of the state, as the Communists would have us believe. The state exists for man to respect his dignity as a child of God, to preserve his rights as an individual, and to provide opportunities which will enable him to develop, freely and fully, in all the ways that enrich human life and exalt its spiritual meaning and dignity. And this is what we mean when we speak of promoting commerce, industry, agriculture, and development of all of our resources. We promote them because they make for the better employment of our citizens, better homes for our families, better education for our children, greater satisfaction of our aspirations, in short, a better America for all of us.

History has demonstrated the vital role of the competitive enterprise system in the economic life of our hemisphere. Its promise for the future is even greater. Just as truth flourishes best in the climate of political

freedom, so in the economic field the system of competitive enterprise promises to yield most in the satisfaction of man's material needs. This system produces most of what people want most.

I hope that at this conference we can contribute to the growth and strengthening of this system. It is wholesome that we should explore the various ideas presented to us. No one knows better than a minister of finance or economy how difficult it is to choose between alternative measures. No one knows better than we that the fields of economy and finance are not exact sciences. Let us, therefore, approach our discussions with the hope that from a sincere and thoughtful exchange of views will come ways of doing things which are perhaps better than those which any of us alone might have brought to this conference.

This leads me to a second conviction which I hold strongly and which has been substantiated in actual experience. This is that there is no question incapable of resolution if we, as reasonable men of good will, and as the representatives of our respective peoples, bring to bear on it the best and united effort of all of our people.

President Eisenhower has characterized the Organization of American States and its predecessors as "the most successfully sustained adventure in international community living the world has ever known." In this hemisphere we have had the courage to approach openly many problems for which solutions had not been found in international society. Some of these problems have found their first solution in the Americas. On other problems we have made the greatest progress toward an eventual solution that has yet been achieved. Why is this true? I believe that it is because we do not let differences of opinion divide us or breed distrust among us. When we encounter a new problem or engage in a new field of discussion we seek a road we can all follow and which will ultimately bring us to our common objective.

This method of approach has been a salient part of our cooperative effort during the past 50 years and against the background of history has been little short of remarkable. For example, we developed in the Americas a hemispheric approach to security which was sealed in the Rio Treaty of 1947. We unanimously agreed that an attack on any one state would be considered an attack on all. This concept of collective security has served as a pattern for the strengthening of the entire Free World. Our purpose is peace, both with the rest of the world and among ourselves. The repeatedly successful application of the Rio Treaty to settle disputes between American States and the outstanding services of the Inter-American Peace Committee for peaceful settlement have established beyond doubt the desire and ability of the countries of the Americas to live peacefully together.

This fact has great economic significance. The assurances now provided by our common-defense system offer us a dramatic opportunity to give greater emphasis to those economic activities that can better the lot of our peoples.

Military expenditures, by their very nature, act as a brake on rising living standards, and for that reason they should be held to a level that will provide an adequate posture of defense. All of us in the Americas look forward to the day when a changed world situation will permit a substantial reduction of our large military expenditures. In the meantime, however, we must all do everything we can to control reasonably our expenditures in this area. All of us, I am confident, will continue to scrutinize our military budgets in an effort to accomplish savings that would make resources available in each of our economies for the kind of constructive development that advances economic well being.

My third great conviction is that the progress and welfare of every American State is directly related to the progress and welfare of each. None of us can ever be indifferent to the problems and the suffering of another. Each of us has a personal and strong interest in the welfare of each of our partners. Often in the economic fields our problems are particularly subtle and stubborn. Our best interests as members of this great American community clearly lie in pursuing a policy of cooperation.

A basic aspect of this policy of cooperation is a firm determination on the part of my country to preserve a climate that will lead to the maintenance of a growing prosperity in the United States, which continues to represent the largest, most stable, and expanding market for the increasing production of the hemisphere. To seek to avoid any return to the depressed conditions of an earlier decade with the costly shrinkage it meant in our own economy and with the harmful reduction of your markets is a fixed point in the policy of my Government and of our whole people.

A further aspect of this policy of cooperation relates to the important areas of trade and investment. Needless to say, each of us occasionally is compelled to take action on the basis of important domestic considerations. Such departures from the general policy should be held to an inescapable minimum and should be justified by rigorous standards of necessity. In that way we can maintain our basic course with respect to international economic cooperation and maintain as well the integrity of those occasional departures from it which legitimate national considerations require.

What are the results of our cooperative efforts during the past 4 years? Today, the people of the American States are contributing more to the economic progress and well-being of the world than at any previous time in our history. The output of goods and services is rising continuously at the rate of about 3 percent a year in the United States, and at even higher rates in other American Republics. The average annual increase in the real gross national product for Latin America, as a whole, is estimated by the Economic Commission for Latin America at 4.3 percent for the 4 years 1953 through 1956. In several countries the rate of growth has been even higher.

Rarely, if ever, in history have we witnessed such a sustained and vigorous level of prosperity as we have been enjoying recently in the Free World. Indeed, in this decade we find we have a striking contrast to the world of 20 years ago. Then trade had shrunk, prices were depressed, and economic activity was feeble and discouraging. Today there is an increasing concern of an opposite character. In country after country, the pressure of monetary demand is so great that inflation is either an unpleasant reality or a constant threat.

In my country we are well aware of this fact. We are exerting our best efforts to keep our prosperity healthy, and to avoid the adverse effects of inflation fever. Many of you have experienced the effects of this economic illness, and as finance ministers know all too well what it brings. You know how it not only complicates the task of the finance minister, but enters as a disturbing factor into all the operations of business and the affairs of everyday life. You know how it can lead a whole people into competitive efforts to seek protection of their assets rather than employing them for the benefit of the community. You know how difficult it is for domestic and foreign capital to play an effective role in productive investment when there is continual worry and preoccupation with the dangers of a depreciating currency. You are familiar with the exchange difficulties and the constant tendency to excessive imports which inflation brings in its train. You know how exports may be discouraged when price relationships become distorted.

The United States applauds the efforts that are being made in many of the other American Republics to deal with this menace and to achieve greater financial stability and realistic and freer rates of exchange. We are happy that the International Monetary Fund has supported well-conceived programs for combating inflation in a number of these countries. The Treasury Department and other agencies of my Government have also supported these efforts. We recognize that foreign trade and foreign investments is only one limited aspect of this broad program of economic development. Inter-American transactions are themselves a segment of the broader fabric of economic relations in the Free World.

Let me speak briefly, however, of the trade and investment transactions between my own country and the other American Republics. Through these transactions dollars become available to be effectively used by our sister republics. The flow of these dollars is generated first, by our imports from the rest of the American states; second, by our investments; and third, by our loans for economic development. In each of these categories we have in recent years reached the highest levels yet recorded.

When we met at Quitandinha in 1954, imports into the United States from Latin America had reached the impressive annual rate of $3.5 billion. In 1956, they reached the record level of $3.8 billion. About 30 percent of our total imports of goods from foreign countries are shipped from Latin America.

The increase of United States and other foreign private investment in Latin America has been most impressive. The flow of private investment from the United States, as shown by our balance of payments, has greatly increased in the past 5 years. During the first 2¼ years following our meeting at Quitandinha, the figure amounts to about $1.4 billion, or more than 3 times the corresponding rate during a comparable period proceeding the meeting at Quitandinha. This is largely due to very sharp expansion in direct investments, particularly in 1956. In that year direct investments exceeded $600 million and total private investment amounted to more than $800 million.

I should like to refer to some aspects of the role of private enterprise and private capital in the development of the American Republics. It is reasonable that the governments and people of Latin America should expect our United States investors to whom they extend a hospitable welcome, to be constructive members of the communities in which they operate. It is our earnest desire that they shall be. These same investors, we believe, are substantially determined that they shall be a factor toward progress in human welfare.

In the field of foreign investment we think there is a danger that undue attention may be given to the very partial figures which appear in balance-of-payments statements. From these figures it might be inferred that the investment of foreign capital brings no advantage, no balance, to the international accounts of the country receiving such investment. We believe such a conclusion would be incorrect for several reasons.

First, the balance of payments data do not show the complete picture. They do not show, for example, the total amount of new investment which has taken place on behalf of private investors. The Department of Commerce of my government made a special study of the operations of a large group of United States enterprises operating in Latin America. The study covered the year 1955

and included companies holding nearly $6 billion of assets in Latin America. These companies represent about 85 percent of all United States operations in Latin America. The study showed that whereas the net capital these companies received from the United States amounted to $129 million, their total investment expenditures were about 4 times that amount, or $570 million. The difference between these two figures was financed out of retained earnings, depreciation, and other sources of funds.

The study showed further that the operations of these companies resulted in direct foreign exchange income to Latin America of $2.3 billion, or $1 billion more than the total exchange required by these companies for their operations and remittances.

This $1 billion remained in Latin American countries for other exchange purposes. In connection with their total sales of nearly $5 billion, wages and salaries were paid by these companies to 600,000 employees. Moreover, approximately $1 billion was paid to Latin American governments in various forms of taxation. The revenue derived from this source became available for the financing of highways, ports and other activities which the governments have undertaken.

This special study, we believe, helped to correct one misconception about the effect of foreign investment upon the financial position of recipient countries; it does not, however, tell the whole story. The advantages of foreign investment do not end with their final effect upon the balance of payments position. Chief value of the investment, whether it be domestic or foreign, lies in its capacity to increase the total national production of the country in which it was made. This comes through increased productivity.

We believe in my country that technical improvements and managerial knowledge which lead to increased productivity may be even more important to rising standards of living than growth in the stock of capital. The shortage of managerial skills and technical knowledge may be more real and more pressing than any shortage of capital.

Private investment carries with it the most highly developed technical and managerial skill. It brings to bear on the development process this essential and dynamic influence to which we attribute so much of our own growth. The managerial experience and knowledge of techniques and skills required for the successful development of resources is a prerequisite to the most effective use of increased capital funds. The technical knowledge and managerial skill acquired by citizens of Latin America, both on-the-job in plants and enterprises financed by foreign capital as well as through the quite remarkable number of visits to the United States sponsored by both private enterprise and our technical cooperation programs, represent for this hemisphere an ever-expanding fund of what might be called managerial wealth—an asset of incalculable value.

As we all realize, the movement of private capital cannot be forced. Private investment flows only where the situation is attractive. Investment opportunities throughout the Free World are so numerous that all who seek investment capital must compete for it. Even in the most highly developed countries there is a shortage of savings for investment. Nevertheless, as the figures demonstrate, the Latin American Republics have been successfully competing and obtaining a sharply expanded flow of new capital funds. In this they have been more fortunate than many other areas which have not been able to devote their resources so fully to peaceful and constructive purposes.

The process of private capital investment can of course be facilitated. As you know, my Government believes that toward this end, governments should remove tax obstacles that lie in the way of capital formation and private investment. This can be done both through unilateral measures, which would remove unsound tax policies and administrative practices, and through international tax agreements.

We have been engaged in the negotiation of broad tax agreements with a number of countries. In addition to establishing rules in these agreements by which to assure fair tax treatment, we have sought to give recognition to so-called tax-sparing laws which seek to encourage the inflow of capital by granting tax reduction for limited periods of time.

The executive departments of our Government are trying to devise a formula by which a credit would be allowed under our laws for the taxes given up by a country seeking to attract capital, in the same way as a credit is given for taxes actually collected by that country.

Tax agreements are, of course, a matter for negotiating between the executive branches of the governments. Like all treaties, they must, in the United States as in many other countries, obtain the approval of the legislative branches of government before they can become effective. We now have several prospective treaties in varying stages of the procedure. One, which includes a credit for tax sparing, is now under review by the legislative bodies of the signatory countries.

We realize that much is to be done toward economic development in Latin America. In addition to private capital, credits by public institutions are important sources of capital. Many hundreds of millions of dollars will be involved. We feel a sense of responsibility and will participate in this development. The extent of our effort will be determined by careful planning, by the ability of countries to absorb capital, and by the assurance of realistic benefits of the economy and the people of the republics involved.

Here my country acts directly through the Export-Import Bank. You will recall the policy of the Export-Import Bank, first announced at the Caracas Conference, and reaffirmed at the Quitandinha Conference. Our Government indicated that our country would be prepared to encourage the financing of all sound economic development projects, including loans in the private sector, in the best interest of the countries involved, and for which private capital was not available. This policy has, I believe, produced impressive results.

In the 3-year period ending June 30, 1957, the bank has authorized credits of some $840 million to Latin America. It is significant that more than 40 percent of the bank's total authorizations in all countries during the last 10 years have been made in the Latin American Republics. Since the Quitandinha Conference, the bank has extended in Latin America almost 2½ times as much in development loans as it had extended in the similar period before that conference. During the last fiscal year, indeed, the Export-Import Bank concentrated even more on its development lending in Latin America. Leaving aside its loans for the purchase of agricultural commodities and livestock, and the special loan to the United Kingdom which was made on a secured basis, the bank's total of development loans throughout the world was $482 million during the year. Of this amount no less than $354 million, or 73 percent of the total was extended in Latin America. As more and more economic projects are developed, the participation of the Export-Import Bank will be intensified so as to meet expanding needs.

The International Bank for Reconstruction and Development is also an important source of development loans, and the International Finance Corporation is becoming an additional significant source. As far as we can see ahead, we believe that the adequacy of capital to meet the needs of sound development is not a question of additional institutions but the fuller utilization of those in being so as to keep pace with the expanding needs of constructive projects as they develop.

We are, as well, providing important credits to our Latin American neighbors, through the so-called Public Law 480 agreements, under which our Government sells quantities of our agricultural reserves to foreign governments for local currencies. Under these agreements, substantial portions of the sales proceeds are lent to the purchasing governments as additional sources of economic development capital. Thus far the amounts allocated for loans, or actually lent, to Latin American countries through this arrangement total about $250 million.

In addition to the expansion of the technical cooperation program in Latin America, which was announced by the United States delegation at the Quitandinha Conference in 1954, the United States through the International Cooperation Administration continued its program of emergency economic assistance to Latin America to help resolve problems which were beyond the resources of the individual countries. During the last year, a special regional fund authorized by the Congress of the United States was the source of grants amounting to $2 million to the Organization of American States for malaria eradication and for improved research facilities at the Inter-American Institute of Agricultural Sciences in Costa Rica. This fund was also the source of loans totalling nearly $13 million to 7 countries for projects in the fields of education, health, and sanitation, and land settlement.

All of these are encouraging developments. They are further evidence of a wholesome trend in inter-American cooperation. But let us always remember that economic development in a large and complex area cannot be reduced to easy simplicity. More important than any other factor will be the individual efforts of each people and their dedication to a program of work and savings, and the orderly management of their own government and economic affairs.

Heartening as the flow of foreign capital into Latin America may be, we are all fully aware that such capital can, at the best, make only a partial contribution to the total investment requirements of an expanding economy. The accumulation of domestic savings and the application of those savings in productive activity are essential to sound economic progress. We must not lose sight of this important fact. We should study with great care the general conditions which are necessary to encourage domestic private savings and to insure that these are used productively in the domestic economy.

You and I, as ministers bearing the principal responsibility for our governments in this field, can find real encouragement in the current rate of development in our countries, but we must ask ourselves, are we justified in complacency and satisfaction? We are not. The energetic and farsighted peoples of all of our republics demand that we find effective ways to bring to more and more millions of people throughout the hemisphere those standards of living which are attainable if we make the best use of our human and natural resources and our capital.

It is to consider ways of meeting this challenge that we are here. It will never be simple to put together our natural resources, labor, and capital so as to produce the requirements of a rapidly growing population and, at the same time, raise per capita standards. It will always be a challenging task. It requires unrelenting effort to improve technology. It requires improvement in organization and skills. It will depend upon the people and the leaders of each of our countries and their willingness to work, and save, and encourage efficiency.

The delegation from my country will approach this challenge with sincerity. We shall not underestimate the problems of the future. None of us wishes to encourage unreasonable or impractical expectations. But I hope that we all share the conviction that when the time comes for us to return to our respective countries it will be with the knowledge that each of us has made a contribution to the discharge of our historic responsibility to make of these lands a better home for all of our citizens and for our children, and a better heritage for other generations of Americans.

Mr. SMATHERS. Mr. President, I also ask unanimous consent to have printed in the RECORD an editorial entitled "Spotlight on Buenos Aires" which relates to the same subject.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SPOTLIGHT ON BUENOS AIRES

The inter-American economic conference now under way in Buenos Aires can serve a useful function by providing an escape valve for some of the economic discontents afflicting the Latin American Republics. Some complaints about United States policies will undoubtedly have merit, and it is good that a strong delegation—led by the new Secretary of Treasury, Robert B. Anderson—will be present to hear them.

Latin Americans frequently point out that this country's lofty pronouncements on hemisphere solidarity sometimes conceal an attitude of neglect. There is some justice in this assertion; the tide of world events has inevitably diverted attention away from the hemisphere. But there are also signs that a more creative effort is being made to repair backyard fences. Secretary Anderson can point to President Eisenhower's endorsement of a $4.5 million program for economic, health and cultural projects; this country has also been instrumental in fostering the idea of a Latin-American common market.

Now as in the past, the chief problem is the shortage of capital development funds. Latin Americans will undoubtedly be disappointed at this country's continued coolness to a proposed inter-American development bank, to be financed mostly by the United States and run by Latin Americans. Yet in justice, lagging investments cannot be blamed solely on American tight-fistedness. Some Latin American Governments have failed to place their own economic houses in order. The problems of inflation are evaded; loans are sought for development programs only vaguely outlined; domestic capital is invested elsewhere largely because citizens simply do not trust their own governments. To be sure, many Latin Americans are aware of these failings. Mexico, Peru, and Colombia, for example, have relatively stable economies, and in some countries—notably Bolivia and Chile—a vigorous effort is being made to meet basic fiscal problems.

Some investment problems could be ameliorated by establishment of a common market freed of hobbling tariffs. Such a market would encourage United States large-scale investment in certain desperately needed areas, particularly electric power. But any hope for a common market must be tempered by the enormous difficulties and the endless haggling that will precede its establishment. It would seem wisest for the conference to focus immediate attention on regional markets encompassing adjacent states.

The overall outlook at Buenos Aires is hopeful. Politically, some of the harshest despotisms in Latin America have been overthrown and replaced by fairly stable free governments. United States purchases are rising; last year, this country's trade with Latin America reversed its traditional pattern, with purchases of $5.7 billion exceeding sales by $140 million. Few outright solutions are to be expected at Buenos Aires, but with good will and a generous dose of candor, the conference can help illuminate the problems on all sides of hemisphere relationships.

THE HELLS CANYON DAM

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD as a part of my remarks an editorial from the Oregon Labor Press of August 16, 1957, entitled "Reader's Digest Peddles Idaho Power's Propaganda."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

READER'S DIGEST PEDDLES IDAHO POWER'S PROPAGANDA

The power trust puts out such a blizzard of propaganda that it's seldom worth while to single out any one piece of it. However, when a particularly devious and deceptive article is published in Reader's Digest, comment is needed because that magazine has millions of readers.

The article—entitled "Pacific Northwest Stands on Its Own Feet"—was written by William Hard.

Hard lauds the Pacific Northwest States for, as he claims, "proving that local agencies can meet their own light and power needs without a penny from the Federal Government."

As examples of this thesis, he cited three power projects in the State of Washington. One is being built by a group of public and private electric utility bodies. Another, the Rocky Reach Dam is being built by the Chelan Public Utility District, a local public power agency. The third, the Priest Rapids-Wanapum project, is being built by the Grant County Public Utility District under contracts to sell the power to 12 distributors, some public owned and some private power companies.

Hard completely disregarded a main point in this story, declared Senators WARREN MAGNUSON and HENRY M. JACKSON, and Congressman DON MAGNUSON, all Washington State Democrats, in a protesting letter to the editor of Reader's Digest.

"This point," they said, "is that neither Rocky Reach nor Priest Rapids-Wanapum could have been built without the upstream water storage and river flow control provided by the Federal dams at Grand Coulee, Albeni Falls, and Hungry Horse.

"This combination of Federal multipurpose projects, plus largely power-only dams built by non-Federal bodies, is a working reality only because the water-storage facilities exist through previous Federal developments," said the three lawmakers from the State of Washington. "We feel that Hard's article, making the illogical conclusion that local utility districts should take over the Columbia River and its tributaries, is misleading and deceptive."

Actually, the first part of Hard's article about the dam projects named above, is merely window dressing for the part he is leading up to—a shockingly distorted version of the Hells Canyon dispute. The real purpose of his article is a devious attempt to justify the administration's giveaway of the Snake River to the Idaho Power Co., thus blocking construction of the high Federal dam in Hells Canyon.

The article contains so many omissions and misstatements that only a few can be noted here. For example:

Hard says that the Idaho Power Co. dams "must impound up to 1 million acre-feet of flood-control water." He fails to mention that the high public dam would provide nearly 4 million acre-feet of water storage—about 4 times as much as the low private dams.

Hard dodges the two biggest issues—the comparative amounts of power which the private and public Hells Canyon projects would produce, and the prices at which the power would be sold. He didn't challenge official figures showing that:

The high Federal dam would produce 1,124,000 kilowatts of power, roughly twice as much as Idaho Power's low dams.

The cost of the public power would be 2.7 mills, less than half the 6.7 mills for the private power.

That's why supporters of the high Federal dam project say that the giveaway is an inexcusable waste of natural resources vital to the Northwest and the Nation.

Discussing the Hells Canyon part of Hard's article in their letter of protest to the Reader's Digest, the two MAGNUSONS and JACKSON said:

"Just as the Grand Coulee, Albeni Falls, and Hungry Horse Federal Dams make downstream projects possible, so would the high Hells Canyon Dam utilize the river's upstream resources to the fullest. The high Hells Canyon Dam would provide an additional 436,000 kilowatts of power at dams downstream on the Snake and Columbia Rivers.

"This is the crux of the fight for the high Hells Canyon Dam project," the letter to the Digest editor declared. "Contrary to Hard's conclusion, the issue is not private versus public power development. The issue is full development of these public resources, as opposed to the partial utilization envisioned by the Idaho Power Co. projects."

Mr. MORSE. Mr. President, I also ask unanimous consent that there be printed in the RECORD at this point as a part of my remarks a letter published in the Oregon Labor Press of August 16, 1957, written by the president of the Oregon Farmers' Union, Harley Libby, on the subject The Fight Goes On, relating to Hells Canyon Dam.

There being no objection, the letter to the editor was ordered to be printed in the RECORD, as follows:

THE FIGHT GOES ON

To the Labor Press:

Today many people may view Hells Canyon as a lost cause—and perhaps with mixed emotions. True, it would seem that little short of a miracle, or a return to conscience, could save the high Hells Canyon Dam.

This great site with its multipurpose potentialities may be finally and largely lost, but the philosophy of the full usage of our natural resources in the best public interest will live on as long as people think freely and democratically and have the courage of their convictions.

We read many soothing items and editorials intended—I presume—to ease the feeling of our people, and certainly to erase from their memory the sense of loss.

People will not soon forget. Offering consolation is much like saying to the workman who has just lost his hand in the saw, "There, there—it will soon quit hurting." True, the pain will stop—after a while. But the injured man well knows that he must learn to live with this impairment for the rest of his days.

We all need to remember that this battle concerns much more than a dam site at Hells Canyon, or any other place.

It is a struggle between two distinct philosophies in the generation and distribution of power in this Nation;

1. Whether it shall belong to the people and be produced abundantly for broad use at the lowest possible price;

2. Whether it shall belong to private interests and be produced in planned scarcity to insure prices that maintain sure profits.

If we lose the present issue of Hells Canyon we can expect immediate moves upon the systems of distribution, the preference clause and attempts to break down TVA, Bonneville, et al. These successful examples are a constant threat to the philosophy of the private interests and they shall never rest. Their hope is to gain all possible ground under a political climate favorable to their plans.

If the shortsighted policies of small dams and low up river storage are allowed to progress and dissipate our water and power resources, so will the economic development of the Northwest be impaired forever.

The people must realize, and now, what is truly involved. They must know how high are the stakes, and that we are all concerned. Ground once lost is sometimes gone forever, and always most difficult to regain.

HARLEY LIBBY,
President, Oregon Farmers' Union.

INTEREST RATES AND TIGHT MONEY

Mr. MORSE. Mr. President, I ask unanimous consent that there may be published in the RECORD as a part of my remarks a column from the Oregon Labor Press of August 16, 1957, written by my able colleague, the junior Senator from Oregon [Mr. NEUBERGER] on the subject of "Senator NEUBERGER Reports," in which the Senator discusses very ably, accurately, and effectively some of the policies of the present administration.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SENATOR NEUBERGER REPORTS

Some readers of this column may wonder why I have protested so vigorously against the administration's policy of raising interest rates. An explanation which parallels my view appeared in the New York Times last month. Two great railroads, the New York Central and the Boston & Maine, reported that the cost of borrowing money was so high that they could no longer buy the new rolling stock they needed.

If great transportation empires are unable to cope with soaring interest rates, what about the ex-GI who wants to build a home or the farmer who must finance next year's crop. What chance do they have?

Here are the real complaints over tight money:

1. It makes borrowing difficult for small business.

2. It creates a severe shortage of mortgage credit and thus produces a decline in home building at a time when millions already are not properly housed.

3. It causes great difficulty for State and local governments in their efforts to borrow money, especially to finance new school buildings.

4. It afflicts all borrowers with far higher costs and enriches all lenders, particularly bankers. It is hard on the little man, but a bonanza for many who already are wealthy.

5. It pushes up prices because interest rates are a cost of doing business. Thus, it adds to the very inflation which tight money is supposed to prevent.

6. It drives down the price of marketable Government bonds (not savings bonds), thus causing losses to the owners of these bonds.

7. It drives up total Federal spending by increasing materially the cost of interest on the national debt.

8. It chokes off industries such as lumber and plywood, which are reliant on such activities as housing—where the impact of hard money has been so adverse.

VIVISECTION

Mr. MORSE. Mr. President, I wish to say that I have been receiving—and I am sure my colleagues in the Senate have been receiving—a great deal of mail in the past several weeks on two subjects. The first is the need for humane slaughtering legislation, and the other is in regard to antivivisection.

Mr. President, I do not know of anyone who could possibly be more fond of animals than the senior Senator from Oregon. I certainly share the protests we are receiving in regard to the need for humane slaughtering legislation. I shall support a humane slaughtering bill.

I am a little disturbed, Mr. President, about some of the material I have received from representatives of antivivisection groups. They have asked me to put some material in the RECORD, and, by request, I shall do so.

In doing so, Mr. President, I want to make it clear to the antivivisectionists that I am not an antivivisectionist. I am in favor of humane policies in animal experimentation. In our medical schools and in our scientific laboratories I have always taken the position that I did not favor the dissection of animals for any useless purpose.

Mr. President, when experiments on animals are carried on in a humane manner for the welfare of mankind, for the discovery of new drugs and the discovery of new treatments for curing human illness, I think such experiments are proper, since they serve the great humanitarian cause of improvement of human health. Nevertheless, I recognize there are those in my State and outside my State who do not share my views and who belong to the antivivisectionist group.

Mr. President, I ask unanimous consent that there may be printed in the CONGRESSIONAL RECORD certain material sent to me by the antivivisectionist group. I know nothing about the facts, true or alleged, which are set forth in the material, but I think the group referred to is entitled to have this material available for the reading of Senators.

I close these comments by saying that my position in regard to animal experimentation is this: There should not be useless experimentation, and such experiments on animals as are conducted should be conducted in the most humane manner possible.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oregon?

There being no objection, the material was ordered to be printed in the RECORD, where it appears under appropriate headings.

MIDDLE EAST POLICIES OF THE UNITED STATES—THE ASWAN DAM

Mr. KNOWLAND. Mr. President, I ask unanimous consent that I may be recognized for not to exceed 20 minutes.

The PRESIDING OFFICER (Mr. BIBLE in the chair). Is there objection to the request of the Senator from California? The Chair hears none; and, without objection, the Senator from California is recognized for 20 minutes.

Mr. KNOWLAND. Mr. President, on August 14, 1957, the Senator from Arkansas [Mr. FULBRIGHT] discussed his interpretation of certain documents and events which were considered by the Subcommittee for the Review of Middle East Policy of which he was chairman and upon which I served as a member.

During the course of his discussion, I raised a number of questions.

It still is not clear to me as to whether he seeks to prove that President Nasser was right and Secretary Dulles wrong or whether he believes that the Fulbright doctrine—whatever that may be—should be substituted for the Eisenhower doctrine supported by the Mideast resolution—Public Law 7—passed by the House of Representatives on January 30 by a vote of 355 yeas to 61 nays, and by the Senate on March 5 by a vote of 72 yeas to 19 nays.

Since time immemorial the people living in the Nile Valley have sought to harness the waters of their river. A variety of schemes has been advanced—some based on unified development of the valley and others intended to serve primarily a more local interest. Among the better known projects of recent years was one worked out after exhaustive studies by Hurst, Black, and Simaika—Egyptian and British irrigation experts. This plan provided for a series of works starting at Lake Victoria. A proposal for a high dam near Aswan known as the Sadd-El-Aali is understood to have been advanced first privately in 1949. This project falls in the class of those intended primarily to benefit a national interest. Indeed, one of its attractions for the Egyptian Government appears to be the fact that it would lie entirely within Egyptian territory.

Shortly after the present Egyptian Government came into power in July 1952, the Aswan Dam was given official endorsement. Early in 1953 the Egyptian Minister of Finance informed the International Bank for Redevelopment of Egypt's interest in the project and International Bank for Redevelopment President Black discussed the matter during a visit to Cairo. On the basis of available studies, the United States was not at that time convinced that from an economic point of view the high dam would best serve the interests of the region. However, even at that early date, the Egyptian Government attached great political importance to the high dam. Accordingly, in view of our desire to work with the Egyptian Government, in September 1953 we informed the Egyptians of our willingness to finance a study of the valley as a whole by the International Bank for Redevelopment; and at the same time a site reconnaissance of Aswan, also by the bank. The United States noted that according to its understanding of international law and of existing Nile waters agreements there must be consultation and agreement between the riparian states concerned before structures controlling Nile waters were built. This United States offer, however, was not accepted by the Egyptians, presumably because the study

would not focus entirely on the Aswan project.

To meet the wishes of the Egyptian Government the United States refrained from pressing its point of view and in 1954 accepted for planning purposes the concept that a high dam should be constructed at Aswan. In June of that year the IBRD offered to assist Egypt in the preparation and organization of the project and in response to an Egyptian request sent a technical and economic mission to study the proposal with particular attention to the extent to which Egypt might supply funds out of its own resources and its ability to service any foreign borrowing that would be required. By August 1955, the International Bank was in a position to inform the Egyptian Government that it was satisfied that the project was technically sound. The bank at the same time raised certain questions concerning the nonagreement over the division of certain surplus Nile waters and offered to cooperate and in finding solutions of important technical and economical problems. The United States at this time told the Egyptians of its willingness to assist in bringing about agreement between Egypt and Sudan on Nile waters.

In these efforts to work out agreements and arrangements which would make the dam realistically possible the United States acted on the tacit understanding that Egypt would conduct its affairs in such a way as to foster mutual confidence and a close working relationship between the American and Egyptian people; that Egypt would contribute fully toward area stability; that Egypt would concentrate a large proportion of its economic resources upon the project, a most necessary condition, in view of its magnitude; and that the Nile water rights of the other riparian states would be fully protected and any necessary agreements concluded at an appropriate time.

In an effort to work with the Egyptian Government, the United States and the United Kingdom together with the IBRD presented definite proposals for financial assistance toward the Aswan Dam in December 1955. The proposals were worked out during a visit to this country of the Egyptian Minister of Finance.

The huge project involved expenditures of $1,300 million, of which $900 million represented internal costs. The United States joined with the United Kingdom in offering to provide $70 million of grant aid toward defraying the foreign exchange costs of the first stages of work on the dam—the United States $54.6 million and the United Kingdom $15.4 million. This stage, involving cofferdams, foundations for the main dam, diversion tunnels and auxiliary works, would have taken an estimated 4 to 5 years to complete.

The United States and United Kingdom further stated to Egypt that, subject to legislative authority, they would be prepared to consider sympathetically and in the light of existing circumstances further support toward financing later stages of the construction.

At the same time the IBRD planned to participate in the foreign exchange requirements of a project to the extent of $200 million.

In September 1955, there occurred the Egyptian-Soviet arms deal, originally portrayed to us by the Egyptian Government as a one-time commercial arrangement with Czechoslovakia. Concurrently, the government-directed Egyptian press and radio had begun a series of continuing attacks upon the policies and motives of the United States and other Western nations. The offer on the high dam was made despite the fact that these developments had brought seriously into question the continued validity of the assumptions upon which we had been proceeding. We hoped that events in Egypt did not reflect a permanent trend in Egyptian policy.

Announcement of the IBRD-United States-United Kingdom offer immediately met with opposition in this country. Associations connected with the American cotton producer associates expressed fear of increased cotton production. A Congressional letter stated in part:

> There is growing concern among the representatives of the cotton and rice growing industries that the completion of this project, at least partially at the expense of the taxpayer, will have the primary result of increasing the difficulties which their industries are already experiencing in finding a market for their production.
>
> Western power groups and those interested in TVA asserted first attention should be given to comparable projects in this country. Other critics asked why the United States should help a country which recently signed the Communist Czech arms deal.

Governments in the area traditionally friendly to the United States also voiced their concern, in the light of the developing trend of Egyptian policy. One foreign representative described the situation as follows: In many countries which are on the fence politically, it will raise the question of what role pays off. It will tend to bolster the position of neutral elements in countries which are hesitant to stand up and to be counted in the Western camp. Other countries will think it pays off in dollars to flirt with the U. S. S. R.

Furthermore, in Egypt, Government officials indicated that the United States-United Kingdom international bank proposals were likely not to be accepted unless considerably modified. In January 1956, further talks were held in Cairo by the president of the IBRD, with the United States and United Kingdom participating. In February the Egyptian Government reached the decision that it would neither start work on the high Aswan Dam nor require any amounts from grants and other forms of aid until agreement had been reached with the Sudan Government on division of Nile waters. The Egyptian Government also made known to the United States and United Kingdom its desire for modifications in the offer. The changes sought essentially:

First. To assure United States-United Kingdom financial assistance beyond that which had been offered for the first phase of construction; in other words to get a better price in grant aid;

Second. To secure greater freedom of action for Egypt in regard to economic measures which might be required; in other words to give Egypt a free hand;

Third. To increase the political attractiveness of the aide memoire; in other words to make it appear that the West was competing for the privilege of building the dam.

A hiatus then ensued in the discussions between the United States and Egypt on the Aswan Dam, but other events brought about a reexamination of the assumptions upon which the United States had proceeded since 1953. The trend of Egyptian foreign policy signaled out by the Soviet bloc arms agreement in 1955 became pronounced.

Egypt recognized Communist China, indicating that the move was intended to be a slap at the West. Soviet Foreign Minister Shepilov was guest of honor at the June 18 independence day celebrations in Cairo, which featured a display of Soviet military equipment.

Plans were widely discussed for President Nasser's forthcoming visit to the Soviet Union with hints that major agreements might result. Egyption sources indicated that active negotiations were in progress with the U. S. S. R. on the Aswan Dam and that firm commitments with attractive long-term financial clauses had been received. Egypt's activities beyond its borders increased tensions between and within other countries of the area. It became increasingly clear and was in fact confirmed that the Soviet arms arrangement was a continuing one of major proportions involving a long-term commitment of Egypt's economic resources. Other economic development projects announced by the Egyptian Government were bound to make further heavy demands upon Egyptian resources which were already strained by the obligations incurred with the Soviet bloc.

In talks with the Sudan on the division of Nile waters Egypt demanded a share the Sudanese considered exorbitant. Ethiopia asserted its interest in Nile waters and a right to be consulted. The United States informed the Ethiopians that this Government would in all events continue to hold the view that no action in derogation of Ethiopia's legitimate rights in the Nile waters would be taken in any negotiation involving the United States without Ethiopia's consent.

The accumulation of evidence of Egyptian intentions to work closely with the Soviet bloc and of hostility to Western interests had a growing pronounced effect upon the attitudes of the American public and Congress toward the Aswan project. A move was discussed in the Congress to attach a rider to the mutual security bill specifically prohibiting the use of funds for the Aswan project. In the face of this, the Secretary of State provided the Senate Appropriations Committee assurances that none of the funds appropriated for the mutual security program for fiscal year 1957 would be committed to financing the Aswan Dam without specific prior consultation with the committee. Nevertheless, the Appropriations Committee's report included the following statement:

> The committee directs that none of the funds provided in this act shall be used for

assistance in connection with the construction of the Aswan Dam, nor shall any of the funds heretofore provided under the Mutual Security Act as amended be used on this dam without prior approval by the Committee on Appropriations.

In this atmosphere the Egyptian Ambassador to the United States, who was in Cairo on consultation, suddenly announced to the press that he had been instructed to return immediately to his post and to conclude an agreement on the Aswan Dam. The Egyptian press proclaimed that Egypt was thereby offering the West a last chance to finance the dam. Upon landing in New York July 17 the Ambassador reiterated the statement made in Cairo, adding that he was proceeding immediately to confer with the Secretary. Thus Egypt took the initiative in forcing a decision on the Aswan question, and focused worldwide attention upon that decision, under circumstances which had made a favorable decision increasingly unlikely.

In a lengthy meeting with the American Secretary of State on July 19 the Egyptian Ambassador was advised of the reasons which caused the United States to withdraw its offer and a press release was issued, which I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks.

There being no objection, the press release was ordered to be printed in the RECORD, as follows:

ASWAN HIGH DAM

At the request of the Government of Egypt, the United States joined in December 1955 with the United Kingdom and with the World Bank in an offer to assist Egypt in the construction of a high dam on the Nile at Aswan. This project is one of great magnitude. It would require an estimated 12 to 16 years to complete at a total cost estimated at some $1,300,000,000, of which over $900 million represents local currency requirements. It involves not merely the rights and interests of Egypt but of other states whose waters are contributory, including Sudan, Ethiopia, and Uganda.

The December offer contemplated an extension by the United States and United Kingdom of grant aid to help finance certain early phases of the work, the effects of which would be confined solely to Egypt, with the understanding that accomplishment of the project as a whole would require a satisfactory resolution of the question of Nile water rights. Another important consideration bearing upon the feasibility of the undertaking and thus the practicability of American aid was Egyptian readiness and ability to concentrate its economic resources upon this vast construction program.

Developments within the succeeding 7 months have not been favorable to the success of the project, and the United States Government has concluded that it is not feasible in present circumstances to participate in the project. Agreement by the riparian states has not been achieved, and the ability of Egypt to devote adequate resources to assure the project's success has become more uncertain than at the time the offer was made.

This decision in no way reflects or involves any alteration in the friendly relations of the Government and people of the United States toward the Government and people of Egypt.

The United States remains deeply interested in the welfare of the Egyptian people and in the development of the Nile. It is prepared to consider at an appropriate time and at the request of the riparian states what steps might be taken toward a more effective utilization of the water resources of the Nile for the benefit of the peoples of the region. Furthermore, the United States remains ready to assist Egypt in its efforts to improve the economic condition of its people and is prepared, through its appropriate agencies, to discuss these matters within the context of funds appropriated by the Congress.

Mr. KNOWLAND. Great Britain withdrew its offer of aid on July 20, stating, "Our position at the moment is that we have concluded that in the present circumstances it is not feasible for us to participate in the project. The factors which have influenced the United States Government and ourselves are the same in this matter." As a result of the withdrawal of the two offers, the offer of the IBRD lapsed, as it had been made contingent upon those of the United States and the United Kingdom.

At the time the United States decision was taken Egyptian officials were assuring this country the Soviet Union had made a very generous offer on the dam, an offer far more generous from the purely financial and technical point of view than that of the United States-United Kingdom-IBRD. In contradiction the Soviet Foreign Minister was widely quoted on July 21 as stating that the U. S. S. R. was not considering aid to Egypt for construction of the dam.

The impact of Foreign Minister Shepilov's statement in Egypt is indicated by the fact that all Cairo newspapers, reportedly on government orders, carried a version of the Shepilov statement indicating that Russia might build the dam. The headlines, not justified by the story, stated that Russia would in fact build the dam. Three days later, after conferences with Egyptian officials, the Soviet Ambassador to Egypt declared that the U. S. S. R. was prepared to finance the high dam if Egypt should request it, but indicated that Egypt had not so far made the request. The Soviet Union in the months that have elapsed since has made no move toward assistance in constructing the dam if it ever had any intention of doing so.

The Egyptian reaction was hysterical. In a speech in Cairo on July 24, President Nasser declared, "If an uproar in Washington creates false and misleading announcements—that the Egyptian economy is unsound—I say to those behind the uproar, may your hate choke you to death." On July 26 President Nasser announced nationalization of the Suez Canal Co. saying that the proceeds from canal tolls would be used to build the Aswan Dam.

Points brought out by the above record include the following:

First. United States efforts, in cooperation with the United Kingdom and IBRD, to assist Egypt in developing the Nile were long drawn out and patient.

Second. The United States persisted in these efforts despite the first Soviet bloc arms deal, taking in good faith Egyptian assurances that this was a one-shot commercial transaction and hoping that a permanent trend of collaboration with the U. S. S. R. had not been established. It afterward became clear that acquisition of arms by Egypt from the U. S. S. R. was a continuing proposition.

Third. By July 30, 1956, Egyptian actions had made unmistakably clear the new orientation of Egyptian foreign policy, and Egypt's arms and loan commitments to the Soviet bloc had destroyed Egypt's ability to devote adequate resources to assure the Aswan Dam project's success.

Fourth. The United States-United Kingdom-IBRD December 1955 offer met immediate opposition from the American Congress and public, from area states friendly to the West and from other Nile riparian nations.

Fifth. Egypt disregarded the necessity to reach agreement with the riparian states on division of Nile waters.

Sixth. Egypt tried to play the United States off against the Russians over the dam project.

Seventh. American public and Congressional opposition to the project mounted steadily to the point where the Senate Appropriations Committee sought to bar use of public funds for the purpose.

Eighth. Before the Aswan Dam decision, Nasser had already determined to nationalize the Suez Canal Co. at an appropriate moment. Marshal Tito declared in November 1956 that President Nasser told him early in 1955 that one day he would have to nationalize the Suez Canal since Egypt as an independent country could not tolerate foreigners to govern over its territory.

Nasser himself said in a press interview after nationalization that he had been discussing the move for 2 years. Thus, nationalization was in line with the established trend of Nasser's policy, both in the sense that it was a manifestation of nationalism and that it struck at the position of the West in the area.

With this factual record I believe the criticism of Secretary Dulles on the Aswan Dam cancellation is not justified.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. MANSFIELD. Mr. President, I have listened with a great deal of interest to the distinguished minority leader. I am quite sure that what he gave to the Senate today was an accurate factual account of the situation.

I should like to point out that there was not much stress placed on the riparian rights of Ethiopia and the Sudan in January 1956, when Under Secretary of State Herbert Hoover, Jr., came before the Foreign Relations Committee and in effect told us that it was the position of the administration that this Government would give $56 million to the Government of Egypt, and that the British would contribute another $14 million, all on a grant basis, making a total of $70 million to be given to the Egyptian Government by the two Western nations in order that the Aswan Dam could be started.

The distinguished minority leader will recall that at that meeting of the Foreign Relations Committee Mr. Hoover did not meet with a very warm reception, because it was to be grant aid; because, as the minority leader has pointed out, there were those of us who were inter-

ested in building multipurpose projects in our own country, and we could not even get a loan from our own Government for such projects; and because there were other factors involved, such as the attitude of the Committee on Appropriations, and the statement issued by it, which indicated there was a possibility of friction in view of the development of new cotton and rice areas if the Aswan Dam were built.

However, I do not recall anything being said in January 1956, by Under Secretary Hoover concerning the riparian rights of Sudan and Ethiopia. Does the Senator recall any?

Mr. KNOWLAND. I will say to the Senator from Montana that I recall the question of riparian rights being raised, but, frankly, I am not able to pinpoint at this time where it was raised. As the Senator from Montana knows, I serve both on the Committee on Foreign Relations and the Committee on Appropriations. Also, in a leadership capacity, from time to time, I attend bipartisan meetings and discussions of our foreign policy.

I am quite clear in my mind, however, that at one of the meetings I attended the question of riparian rights was raised, because at one of them I recall there was reference to the grave problems involved, because as the distinguished Senator knows, even in our own country, among States in a common Union, difficulties arise in bringing about interstate compacts when honest differences of opinion exist. States which have such close economic ties and such friendly relationships as Arizona and Nevada and California have had very honest differences of opinion. That situation has prevailed in the case of other States as well.

I recall that the question was raised, because it was pointed out that if in a nation such as ours, with a common language and a common heritage, there arose controversies which sometimes extended over many years, how much more difficult would it be to handle riparian problems which involved several foreign countries.

Mr. MANSFIELD. That is correct, and I agree with the Senator. I think the question was raised after Mr. Hoover appeared before the committee. In my opinion Ethiopia and Sudan could well have had prior rights to the Nile waters.

Mr. KNOWLAND. Some of the water rises in those countries.

Mr. MANSFIELD. That is correct. I was opposed to the earlier offer which was made to Egypt, because, for one thing, it was to be on a grant basis, and because, for another reason, I did not see why we should give money to build a multipurpose project like Aswan Dam in another country when our Government would not even lend money to our people to build multipurpose projects in the Northwest.

Mr. KNOWLAND. I appreciate the fact that the Senator from Montana was here and very attentive during the time when I delivered my remarks. My remarks today were not based on the original Aswan offer.

Mr. MANSFIELD. I understand.

Mr. KNOWLAND. The points I made, rather, grew out of the discussion of the distinguished Senator from Arkansas [Mr. FULBRIGHT]. I should like to say that I called his office this morning to tell him that I was going to make my speech. Unfortunately, he was not able to be present.

Mr. MANSFIELD. The Senator from California is always fair.

Mr. KNOWLAND. My remarks grew out of the remarks made the other day by the Senator from Arkansas in which he seemed to draw the conclusion—from his membership on a special subcommittee which had been established in connection with the Middle Eastern problems—that the cancellation by the Secretary of State had perhaps not been justified, and that the responsibility for other events which took place could be pinned to the Secretary's decision. I was merely trying for the RECORD, in as factual a way as I could and in a wholly nonpartisan way, to outline the record with regard to the Aswan Dam.

Mr. MANSFIELD. I understand that, and I appreciate the viewpoint of the Senator from California. I know he is always fair. What I wish to make clear in the RECORD, in addition to the Senator's factual account, is that I for one was opposed to the proposal of a grant, in the first place, and was not at all averse to the Secretary's decision to withdraw the offer when he did. Of course, it was rather sudden. Within the week Nasser made his 4-hour speech, in which he announced the expropriation of the universal Suez Canal Co. and the Suez Canal itself.

I agree that, whether or not he had received funds from the Western governments for the building of the Aswan Dam, it was his intention to go ahead with the expropriation of the company and the Suez Canal anyway.

From the Aswan Dam withdrawal, however, there did come a series of events which resulted finally in the invasion of Egypt by Israel, France, and England, and from it came the Eisenhower doctrine. The Eisenhower doctrine now is faced with a situation in regard to Syria, which I believe is fraught with great danger.

If the distinguished minority leader will indulge me further, I should like to read from the Eisenhower doctrine, so-called:

> To this end, if the President determines the necessity thereof, the United States is prepared to use Armed Forces to assist any such nation or group of such nations requesting assistance against armed aggression from any country controlled by international communism.

It appears, from press dispatches, that Syria is at the very least controlled by extreme leftist elements, and very likely certain Communists are coming into control of the Government. If that is the case, and if any action is taken by Syria against any of its surrounding neighbors—Israel, Iraq, Lebanon, Jordan, or Turkey—is there not the possibility, under the Eisenhower doctrine, that our country may become involved in such an imbroglio?

Mr. KNOWLAND. I would say to the distinguished Senator from Montana that under the existing policy—and he knows this as well as I do, if not better than I do; and it was true under the Truman administration, just as it has been true under the present administration; indeed, it has been true ever since the United States became a charter member of the United Nations—the United States has certain obligations under the charter, entirely aside from the Eisenhower doctrine and the Middle East resolution, to help defend countries under attack by an unprovoked aggression.

So I believe we would have, in effect, a double obligation—both the one which exists, namely, the one to preserve international law and order under the charter of the United Nations, and the additional, specific obligation in the event of aggression in the Middle East sponsored by the Soviet Union. I think that was fully discussed in the Senate at the time when the resolution was under consideration.

Mr. MANSFIELD. Mr. President, will the Senator from California yield further to me?

The PRESIDING OFFICER (Mr. MORSE in the chair). Does the Senator from California yield to the Senator from Montana?

Mr. KNOWLAND. I yield.

Mr. MANSFIELD. I should like to point out that among all those nations, the only one to whose aid we must come, if it is attacked, is the Republic of Turkey, our NATO ally. So far as the others are concerned, the Eisenhower doctrine is a unique, unilateral declaration on the part of the United States to go to the aid of any nation in the Middle East, and that includes a great area.

But in this specific case we might find ourselves faced with a most difficult situation; if Syria became controlled by international communism, and if Syria were to attack one of her neighbors, then—and I believe we should consider this possibility—the United States might become unilaterally involved, because under the so-called doctrine we have made a commitment in the case of that particular area.

Mr. KNOWLAND. Of course, I do not quite understand the Senator's point, when he says we would become unilaterally involved in all that area, inasmuch as all those countries, as well as other nations, are bound together in the United Nations Charter, which presumably was established to prevent aggression in the world.

It is true—and it has been pointed out on the floor of the Senate from time to time in the past—that although in the case of Korea we had no special doctrine at the time in regard to Korea, nevertheless, under the Charter of the United Nations, we did go into Korea. But of the then 62 member nations of the United Nations, other than the United States, only 15 others joined us in participation; and the other countries "ran out" on their obligations relative to collective security.

So we must be a little realistic and must recognize that, perhaps, other nations will not live up to their treaty obligations.

However, I say there rests on all the nations in that area and all nations elsewhere in the world—I refer to all nations belonging to the United Nations—the obligation to see that a Nation's sovereignty is not wiped out if unprovoked aggression occurs, whether from Syria or from any other place.

Mr. MANSFIELD. Mr. President, will the Senator from California yield at this point?

Mr. KNOWLAND. I yield.

Mr. MANSFIELD. I will not disagree with what the Senator from California has said; but again, I emphasize the point that the so-called Eisenhower doctrine is an instrument under which this country can act on a unilateral basis; and so long as there is a possibility that other nations will not assume their obligations, in the end the difficulties which arise may well be our own, either entirely, or to a large degree.

I should like to ask the distinguished minority leader this question: Why is it that at this time, or within the past several weeks, there has been an announcement to the effect that there will be a 300,000-man reduction in the Armed Forces of the United States during the remainder of this fiscal year and the next fiscal year? I understand that as of now, 10,000 men have been taken out of the Marine Corps. If the projected decrease in the strength of our Armed Forces is made, that will mean that the Marine Corps—the most mobile striking arm we have—will be reduced well below the statutory floor, as set by legislation enacted by the Congress, three combat-size divisions and three air wings. If any untoward developments occur in the Middle East, it will be quite important that we have a mobile, ready striking force attached to the 6th Fleet. I think that point should be given some consideration; and we should recognize the possibility—although I hope it will never eventuate—that this country may become involved in little wars, in limited wars; and we should realize that the United States cannot afford to let down its guard at this time, in view of the insecure position in which the world finds itself.

Mr. KNOWLAND. I may say to the distinguished Senator from Montana, who is the assistant leader on his side of the aisle, and is now acting as majority leader, that, first of all, the purpose of the Eisenhower doctrine was not to get the United States into little wars, or into big wars, either. Instead, the purpose was to prevent wars from breaking out.

Mr. MANSFIELD. That is correct.

Mr. KNOWLAND. That was the purpose, because in the case of World War I and World War II we found that, despite the desires and hopes of, I am sure, the Presidents of the United States at those times, and the public generally, the United States did become involved, once war broke out and once human freedom was jeopardized. The whole effort is to prevent the outbreak of any war—whether small or large—and not to encourage war.

Second, with regard to the matter of defense, I think that ties in very closely with the whole mutual-aid program. We have to consider our defense in its overall capacity. The fact that 15 Turkish divisions may be in existence and the fact that certain divisions may be in existence in other areas of the world mean that we do not have to have American divisions there. Those countries have their obligations under the United Nations Charter, just as do nations in the Middle East. Unless the armed forces of some of our allies are to be completely decimated as a result of deep and perhaps unjustified cuts in our military assistance and defense support, I think we would certainly consider their forces as being a part of the overall, available forces to help defend the Free World.

Mr. MANSFIELD. Mr. President, will the Senator from California yield further?

Mr. KNOWLAND. I yield.

Mr. MANSFIELD. I do not wish to carry the debate further. I recognize the arguments the distinguished minority leader has advanced.

But again I wish to call to the attention of the Senate the fact that the Middle East is a cockpit in which anything can happen, and in which anything may well happen.

I should like to read section 2 of the Eisenhower doctrine resolution.

Mr. KNOWLAND. Before the Senator from Montana does that, let me say that I think we must be realistic and we must recognize that the Middle East is a critical area of the world and is a potentially explosive area. I think the Far East is in the same category. We saw what happened in 1950, as a result of the Communist aggression in Korea and in southeast Asia; and it was not very long ago, certainly, that there were great pressures against Germany and other countries of Western Europe.

So in any area of the world, trouble can flare up at some time, if the men in the Kremlin believe that serves their purposes.

Mr. MANSFIELD. That is true. But with all these danger spots in the world, announcement has now been made that our Armed Forces are to be decreased in size to the extent of 300,000 men, over the next year and one-half.

I should like to call section 2 of the Eisenhower resolution to the attention of the Senate, because I think we had better be aware of all the possibilities inherent in the present situation.

Section 2 reads as follows:

> The President is authorized to undertake, in the general area of the Middle East, military assistance programs with any nation or group of nations of that area desiring such assistance.

Mr. KNOWLAND. In other words, under that provision, they have to request the assistance.

Mr. MANSFIELD. That is right—so far.

I read further:

> Furthermore, the United States regards as vital to the national interest and world peace the preservation of the independence and integrity of the nations of the Middle East. To this end, if the President determines the necessity thereof, the United States is prepared to use Armed Forces to assist any such nation or group of such nations requesting assistance against armed aggression from any country controlled by international communism: *Provided*, That such employment shall be consonant with the treaty obligations of the United States and with the Constitution of the United States.

That is the end of section 2. It does not contain any reference to the United Nations, although incidentally there is such a reference in another section. But the resolution deals with an area in which anything can happen, and in which I think we should expect that anything may happen.

Mr. KNOWLAND. However, I think the Senator from Montana will agree with me that we should not expect that it would be in the national interest of the United States to have the countries of the Middle East pass under the control of the Soviet Union.

Mr. MANSFIELD. Not at all. But a number of us—including the distinguished Senator who now is presiding over the Senate [Mr. MORSE]—tried to have the United Nations brought into that situation, so that if anything happened in that area, action could be taken on a multilateral basis, not on a unilateral basis.

Mr. KNOWLAND. The Senator from Montana has served ably at the United Nations, and certainly he has been interested in that organization. And let me say that I happened to be a delegate to the 11th General Assembly of the United Nations, along with the Senator from Minnesota [Mr. HUMPHREY]; and in the 12th General Assembly, which soon will meet, I shall be an alternate delegate, along with a Member of the House of Representatives, inasmuch as one Democratic Member of Congress and one Republican Member of Congress serve with the United States delegation. I am sure the Senator from Montana has not overlooked the fact that, unfortunately, the difficulty with the United Nations—and we might just as well face it—arises because of the possibility that the Soviet Union will exercise its veto right in the Security Council. If the Soviet Union exercises its veto right there, in the case of such a situation, nation after nation, or perhaps the entire group of those nations, could fall, before the United Nations could act.

Mr. MANSFIELD. That is correct, except I think we should continue to try to find ways and means to bring about the creation of a United Nations police force, so that these "brush fires," these Syrias, these Omans, and these Muscats, which arise from time to time, could be settled on a multilateral basis, by means of an organization which would have the efforts of the most of the nations of the world behind it.

Mr. KNOWLAND. If the Senator from Montana can devise a solution of the problem, I am sure it will be welcomed both at the United Nations and elsewhere.

Mr. JAVITS. Mr. President, will the Senator from California yield to me?

Mr. KNOWLAND. I yield.

Mr. JAVITS. Is it not a fact that what the Senator from California is pointing out is of tremendous importance, because the forces of the United

States would not have been engaged in Korea, along with the forces of certain other members of the United Nations, if the Russian representatives had been present at the council table of the Security Council when the resolution was passed.

Mr. KNOWLAND. Yes, and I think all of Korea probably would have gone down the drain.

Mr. JAVITS. Secondly, this is not a unilateral doctrine, because it states the aid is to be granted at the request of the nation to be aided, both in respect of military supplies and military aid.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. MANSFIELD. I think that is being a little technical. Would the Senator call action of two nations multilateral action, in comparison with United Nations action, or action by a group of nations tied together by an alliance? As a matter of fact, rather than the Eisenhower resolution, I think we would have been much better off if we had joined the Baghdad pact.

Mr. JAVITS. I agree with the desirability of joining the Baghdad pact; but unilateral is not bilateral, either. At the very least, the Eisenhower doctrine calls for bilateral action. The majority of this body stated that not only the President can, as the Senator stated, but the President should, if there is danger of the Middle East being subverted, take action on the behalf of the United States.

Mr. KNOWLAND. I may say, as I pointed out in my opening remarks, that action was taken in the Senate by a vote of 72 yeas to 19 nays, and in the House of Representatives by a vote of 365 yeas to 61 nays.

Mr. JAVITS. Mr. President, will the Senator yield further? I do not think that we should miss the main point.

Mr. KNOWLAND. I yield.

Mr. JAVITS. Based on the speech made by the Senator from Arkansas [Mr. FULBRIGHT], I think the Senator from California is performing a great service, not only for this country, but for the Free World. If Nasser can advertise that it is we who forced the things that are taking place, then it would enormously strengthen his hand. By setting the record straight, the Senator from California demonstrates that Nasser has no right to make such a claim; that, on the contrary, this was an action which he had fomented, arranged, contracted for, and harbored consistently. The fact that Secretary Dulles turned Nasser down—many of us thought rather brusquely, but nevertheless he turned him down—did not represent the button which was pressed that led to all the other actions.

Mr. KNOWLAND. The main purpose of my statement was to emphasize that fact.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. LANGER. I do not know whether I shall compliment the Senator from California, but I am sure the Senator from Montana and the Senator from California have not forgotten that when Secretary Dulles discussed the matter before the Foreign Relations Committee in the very middle of the negotiations over the Aswan Dam, during which we were trying to establish good public relations with Egypt, Russia announced that she was lending Egypt $142 million to build a steel factory, much to the surprise of Secretary Dulles, who had not been informed of that offer on the part of Russia. The loan included payment of interest at the rate of 2½ percent. Russia was not doing anything to help Egypt in the way Secretary Dulles, on our behalf, was trying to assist Egypt. Russia was offering to lend Egypt money, and, of course, Egypt would have to pay interest, which would not be of any help to her.

Mr. KNOWLAND. And it would interfere with the financing originally contemplated.

Mr. MORTON. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. MORTON. I am glad the Senator from California has made the statement and has placed in the RECORD a factual account of what happened. I might say I accompanied Under Secretary Hoover on the three visits to the Capitol concerning the Aswan Dam. He appeared before the Foreign Relations Committees of the Senate and the House of Representatives and the Senate Appropriations Committee. He had an engagement with the House Appropriations Committee, which he could not fill, and I filled it in the role of "pinch-hitter." I must say the reception on the Hill to the proposition was cool, to say the least.

When I had to undertake that appearance alone before the committee, I felt, as the saying is back home, like Fido in the high weeds. I had never before tried to sell anything which was so unpopular as was the Aswan Dam proposition. I appeared before the subcommittee of the House Appropriations Committee, the chairman of which was Representative PASSMAN, of Louisiana. I had a very rough time. There was very little enthusiasm for the Aswan Dam on Capitol Hill, on either side of the aisle. Everybody now says, "If you had gone ahead, there would not have occurred what happened at Suez. Syria would not be in the hands of the Communists." I wish to point out that it has not been a chain reaction at all, and I think we on the Hill should accept our share of the responsibility, if there is any responsibility involved, for the Aswan Dam decision.

Mr. KNOWLAND. I wish to thank the Senator from Kentucky. That is what I tried to bring out in the colloquy with the Senator from Arkansas on the day he spoke, and why I wanted to document the RECORD today.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. MANSFIELD. I am delighted that the discussion has taken place and that the matter has been cleared up. I hope Senators will read carefully the discussion in the RECORD.

Mr. KNOWLAND. Mr. President, I yield the floor.

TRANSFER OF CERTAIN LANDS TO THE STATE OF MINNESOTA

Mr. MANSFIELD. Mr. President, I ask unanimous consent that Calendar No. 301, S. 864, be considered by the Senate at this time.

The PRESIDING OFFICER (Mr. LAUSCHE in the chair). The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 864) to provide for the transfer of certain lands to the State of Minnesota.

Mr. THYE. Mr. President, if the Senator will yield, I should like to make a brief explanation of S. 864.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs with an amendment on page 2, line 3, after the word "tracts", to insert a comma and "which liens shall not include any interest charges which may have accrued after April 19, 1929, for land in the Red Lake Game Preserve and after April 25, 1931, for other lands", so as to make the bill read:

Be it enacted etc., That (a) the State of Minnesota may, within 3 years after the date of enactment of this act, file with the Secretary of the Interior (1) a schedule showing (A) each tract of public land which the State may have selected and which has not been reserved or withdrawn for some Federal use, and each tract of ceded or other Indian lands, which tracts are subject to liens under the act entitled "An act to authorize the drainage of certain lands in the State of Minnesota", approved May 20, 1908 (43 U.S.C. 1021–1027); (B) the amount of the lien under the act of May 20, 1908, on each such tract of land, and the sum of the liens on all such tracts, which liens shall not include any interest charges which may have accrued after April 19, 1929, for land in the Red Lake Game Preserve and after April 25, 1931, for other lands; (C) the date when the lien on each such tract became effective; and (D) the authority under which the charges were assessed; and (2) an application to acquire the lands listed in such schedule in the manner provided in this act.

(b) The Secretary may, in his discretion, approve the listing of the lands in such schedule and accept the application for such lands. Upon such acceptance, the Secretary shall appraise the tracts listed in accordance with their fair market value. Such appraisal shall be conclusive for the purposes of this act. The secretary shall also determine the amount, if any, by which the total appraised value of the lands listed exceeds the total amount of the liens on such lands under the act of May 20, 1908.

SEC. 2. (a) Subject to the provisions of sections 3 and 5, the secretary shall patent to the State the lands listed in any application accepted under the first section upon payment by the State to the United States of the excess of the total appraised value of the lands listed in such application over the total amount of the liens on such lands under the act of May 20, 1908: *Provided*, That the payment for each tract of ceded or other Indian land shall be not less than $1.25 per acre for the use and benefit of the Indian tribe or individual owning the tract. The secretary shall issue a patent to the State under the authority of this subsection only if the State makes payment of the amount of such excess within 2 years after the determination of such amount. The failure of the State to make payment within the time required by this subsection shall not operate

as a bar to the filing of any subsequent schedule and application by the State in the manner, and within the time, prescribed by the first section.

(b) Notwithstanding any other provisions of this act, the secretary may issue a patent to the State for the public lands subject to liens under the act of May 20, 1908, not withdrawn or reserved for Indians or some Federal use, without payment, if he determines through appraisal or otherwise that the total amount of the liens on such lands under that act is approximately equal to or exceeds the total value of the lands.

(c) Any patent issued to the State under this act shall contain the provisions and reservations which are inserted in patents for public lands entered under the homestead law.

SEC. 3. Nothing in this act shall be construed to prejudice any valid claims relating to the lands for which an application has been made and accepted under the first section of this act. The secretary shall notify all entrymen of the sum due the State for drainage charges under the act of May 20, 1908, and shall give to the entrymen any extension of time which he determines is reasonable within which to comply with the requirements of the law under which the entry was made, and to make the payments due the State. The secretary shall not patent to the State any lands subject to such entries unless and until the entry involved is canceled in accordance with the law under which the entry was made.

SEC. 4. After the date of enactment of this act, no further liens or assessments shall be imposed on any Federal lands or any ceded or other Indian lands in the State of Minnesota under authority of the act of May 20, 1908.

SEC. 5. (a) With respect to ceded or other Indian lands, the secretary may exercise the authority granted in the first section and section 2 of this act only with the consent of the Indian owner or owners. The consent of the individuals owning two-thirds of the beneficial interest shall be sufficient in the case of undivided heirship lands. The consent of the Minnesota Chippewa Tribe and of the Red Lake Band of Chippewas, in the case of tribal lands, shall be evidenced by resolution of the recognized governing body of the tribe or band.

(b) Nothing in this act shall be constructed to prejudice Indian title to any lands subject to lien, nor to preclude the right of the Indian owner, or owners, to clear title to their lands by payment of the lien claimed by the State.

(c) Payments made by the State under this act for the purchase of tribally owned Indian lands, shall be deposited in the Treasury of the United States to the credit of the tribe owning such lands, and payments made for the purchase of individually owned Indian lands shall be deposited with the officer in charge of the Indian agency having jurisdiction over such lands to the credit of the Indian owners thereof.

SEC. 6. The secretary may prescribe rules and regulations which he determines will effectuate the purposes of this act.

Mr. THYE. Mr. President, as I understand, the bill was objected to yesterday afternoon on the call of the Consent Calendar. I was in a conference committee of the Appropriations Committee, and therefore could not discuss the bill at the time. I understand objection was raised by the distinguished senior Senator from Oregon [Mr. MORSE]. I have spoken to the Senator from Oregon. He has withdrawn his objection. As I understand, there is now no objection to the bill.

I ask unanimous consent that a very brief statement of mine explaining the reasons for the bill and why it would be beneficial to have it passed be printed in the body of the RECORD at this point, so that I need not take the time to read it.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR THYE

This bill, S. 864, which we are now considering would provide for the transfer of certain lands to the State of Minnesota. I first introduced this proposal here in the Senate in the 83d Congress in 1954. At that time, the Department of Interior suggested certain amendments which should be incorporated into the bill. No action was taken by the 83d Congress on that bill.

I again introduced this proposal in the 84th Congress, incorporating the amendments which were suggested by the Department of Interior during the preceding Congress. Again, no action was taken. Now, during this, the 85th Congress, I have introduced my proposal for the third time, and my proposal has received the endorsement of the Committee on Interior and Insular Affairs, by the Department of Interior, and by the State of Minnesota.

This bill will make possible the settlement of claims of the State of Minnesota and of the Federal Government with reference to titles to certain lands in Minnesota. During the first quarter of this century, many county and judicial ditches were constructed to drain the lands here involved and other lands. The cost of construction of the ditches was assessed against the lands benefited thereby and such cost became a lien upon the lands. By enactment of the so-called Volstead Act of May 20, 1908, all Federal lands in Minnesota, when subject to entry, and all entered lands were made subject to the State drainage laws in the same manner in which like privately owned lands were subject to such State drainage laws. The act further provided for the enforcement of payment of such charges against unentered lands or lands covered by an unpatented entry in the same manner and under the same proceedings under which such charges are enforced against privately owned lands. The act, also, provided for issuance of Federal patents to purchasers in the State proceedings upon payment of a minimum price of $1.25 per acre to the Federal Government.

Because of financial conditions prevailing in 1929 and subsequent years in the early 1930's, a number of counties in which such ditches had been constructed were unable to pay the bonds issued by them to finance such ditch construction. The State of Minnesota by laws enacted in 1929, 1931, and 1933 assumed all of said bonds amounting to millions of dollars and paid them as they matured.

Since 1935, the title to much of the lands subject to ditch liens has been forfeited to the State for nonpayment of such liens. Many people have purchased such forfeited lands from the State. A great confusion has arisen about the title to such lands. These purchasers in good faith do not have a marketable title to the lands which they have purchased, because of this confusion. Many entrymen who have obtained patents from the Federal Government are in a like situation.

The purpose of this bill is to remove all this confusion and to resolve all questions of title to the lands whether the lands are acquired by the State or remain in Federal ownership and to give a marketable title to purchasers from the State or Federal Governments.

This bill will permit the State of Minnesota to select and apply, within 3 years after the date of enactment of the act, for conveyance to it of certain Federal public lands and ceded or other Indian land within the State. The Secretary of the Interior may accept or reject the listing of the lands and accept the application by the State. If he approves, the Secretary shall appraise the lands and the appraisal is conclusive. If the Secretary determines that the total appraised value of the lands listed in the application exceeds the total amount of the State's ditch liens upon such lands, plus interest, the State must pay the difference to the Federal Government in order to obtain a conveyance thereof to it. If the total appraised value of the listed lands does not exceed the total amount of the State's ditch liens thereon, the Secretary shall issue to the State a patent for all the listed lands. The State has the right at any time within 3 years after the date of enactment of the act to file new lists and applications for lands included in prior applications and for additional lands.

The patents issued to the State are to contain the provisions and reservations in patents for public lands issued under the Homestead Law.

The bill, also, provides that no further liens or assessments shall be imposed on any Federal lands in the State under authority of the act of May 20, 1908.

The bill, also, provides with respect to ceded or other Indian lands that the Secretary may act only with the consent of the Indian owner or owners. If the lands are tribal lands, the consent must be by resolution of the Minnesota Chippewa Tribe or the Red Lake Band of Chippewas.

The bill specifically provides that it shall not prejudice Indian title to any lands subject to lien nor preclude the right of Indian owners to clear title to their lands by payment of the lien claimed by the State.

The bill also provides for the disposition of payments made by the State for Indian lands.

At this point, I refer to a statement by Chester S. Wilson, the former Minnesota commissioner of conservation, with regard to this proposal. I should like to point out that Mr. Wilson, in his statement, says that the transfer of these lands to the State will relieve the Government of a problem and enable the State to make some use of them for public conservation purposes but with little or no prospect of cash profit.

Mr. MORSE. Mr. President, I wish to thank the Senator from Minnesota for the explanation of the bill. The RECORD will show that yesterday I made it clear I did not think the bill violated the Morse formula unless there were some outstanding bonds which would be picked up, in effect, by the Federal Government, and paid for, when they ought to be paid for by investors. The RECORD will show that I said I did not think the taxpayers of the United States should pay the bill for any bad investments the bond purchasers might previously have made.

The statement which the Senator from Minnesota has just put in the RECORD makes it perfectly clear that there are no outstanding bonds.

I assured the Senator if I could have had that matter cleared up yesterday afternoon, there would have been no objection filed. The Senator could not clear it up because he was in a meeting of a conference committee.

I have no objection to the bill. I am glad to join in its passage.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment to be offered, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ELIMINATION OF CRUELTY AND BARBARISM ON AMERICAN TRAPLINES

Mr. MANSFIELD. Mr. President, may I ask what the unfinished business is now

The PRESIDING OFFICER. The Senate is still transacting morning business.

Mr. NEUBERGER. Mr. President, the degree of protection from unnecessary savagery accorded domestic animals and wildlife is one measure of the advancement of a people's civilization. Such a statement has been made by the great Dr. Albert Schweitzer. For this reason, I have been happy to cosponsor in the 84th and 85 Congresses legislation providing for the humane slaughter of animals used for food. Because I believe that this same principle of decent treatment should be extended to our wildlife, I introduced on July 8 a bill to prohibit the use of inhumane traps for the capture of animals or birds on lands and waters belonging to or under the jurisdiction of the United States.

Mr. President, the American female, a person of great gentleness and compassion, often wears her fur coat at the expense of terrible suffering and cruelty among wild animals.

We consider ourselves members of an enlightened society, yet we condone the use of brutal and primitive trapping practices which cause much needless torture. Use of traps which catch with metal jaws—but do not kill—results in undeniable cruelty. The injured animal may be held for days without either food or water and in constant pain. Sometimes animals are able to travel with the trap still clamped to a limb—as in the case of a beaver trapped near John Day, Oreg., which dragged its snare in agony for 4 days until it finally died.

Since I introduced my bill, S. 2489, I have received support from the Defenders of Furbearers, the Humane Society of the United States, and the National Parks Association. Cosponsors with me of S. 2489 are the Senator from Minnesota [Mr. HUMPHREY] and the Senator from Tennessee [Mr. KEFAUVER]. I should like to read to the Senate a portion of a moving letter sent to me by Mr. Fred Packard, executive secretary of the National Parks Association, an organization which has been active for many years in the struggle to preserve and protect our wildlife:

It seems incredible that 300 years of harvesting of fur on the North American Continent should have produced so little improvement in the practice of taking furs. Americans are a humane people, vitally concerned that domestic animals, birds, and other wildlife be treated kindly, and they contribute vast sums to humanitarian causes for the elimination of cruelty. Yet our smaller mammals, among the most interesting, sensitive, and useful members of the native wildlife, continue to be subjected to barbaric agonies inflicted by antiquated traps which the noted editor Tom Wallace has justly described as "instruments of medieval torture."

The toothed steel trap is the worst offender. Anyone who has been kicked sharply on his shin knows to some slight degree the excruciating pain a blow there causes. These traps do not only strike; they often crack or break the bone and relentlessly hold their grip, driving their victims into frenzies of pain.

Mr. Packard points out that a number of effective humane traps, which either kill quickly or retain the animal unharmed, have been developed, and that use of these snares will greatly decrease pain and anguish on traplines. Provisions of my bill would require the use of such traps and that they be inspected at least every 24 hours. As Mr. Packard indicates in his letter, this latter requirement would directly benefit trappers and fur dealers by reducing wastage in inadequately inspected traps.

Mr. Packard concludes his letter with this statement:

It seems particularly ironic that the present torture of animals should be continued for the purpose of adorning America's women, who are the most sensitive, kindly people in the world. Few of them are aware of the implications behind a coat made of furs obtained by this kind of trapping. Some have awakened and are turning to ranch-raised furs or to fur substitutes. This may be the ultimate answer; but, if the use of wild furs is to continue, it behooves the industry dependent on them to improve its practices and eliminate the cause of the rising protest against its present methods.

Mr. President, because the communication from which I have just quoted offers such compelling testimony to the need for legislation such as that proposed in S. 2489, I ask unanimous consent that it be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL PARKS ASSOCIATION,
Washington, D. C., August 13, 1957.

Senator RICHARD L. NEUBERGER,
United States Senate,
Washington, D. C.

DEAR SENATOR NEUBERGER: It seems incredible that 300 years of harvesting of fur on the North American Continent should have produced so little improvement in the practice of taking furs. Americans are a humane people, vitally concerned that domestic animals, birds, and other wildlife be treated kindly, and they contribute vast sums to humanitarian causes for the elimination of cruelty. Yet our smaller mammals, among the most interesting, sensitive, and useful members of the native wildlife, continue to be subjected to barbaric agonies inflicted by antiquated traps which the noted editor, Tom Wallace, has justly described as "instruments of medieval torture."

The toothed steel trap is the worst offender. Anyone who has been kicked sharply on his shin knows to some slight degree the excruciating pain a blow there causes. These traps do not only strike; they often crack or break the bone and relentlessly hold their grip, driving their victims into frenzies of pain. In constant torment, unable to get relief, to drink or to eat, these animals may survive for days or weeks until they die exhausted, or chew their feet free to starve because no longer can they catch their food. Many trappers are humane men and abhor the cruelty they practice. They try to justify their practices to themselves and to others, including the youths they introduce to the pursuit, on the thesis that "lower animals cannot feel pain as men do," although actually they know this excuse is not valid.

Perpetuation of practices which inflict cruelty on any creature is reprehensible in an age that considers itself enlightened. Nor are such methods of capture necessary today. There have been devised a number of effective traps which kill quickly or which retain the animal unharmed. They have been improved to a point where each is efficient for the capture of the species for which it is designed, economical, and otherwise practical. They have been thoroughly tested and are in use in some localities.

America outlawed inhumane devices that tortured domestic animals of former years; today no one seeks to use them. S. 2489 would apply the same humanitarian regulations to methods of taking wildlife, and require the captured animals be removed from the traps with proper frequency. These reforms cannot injure the legitimate trapper, but rather will benefit him.

There has been serious depletion of some of our furbearers because of unwise harvesting methods. Notable examples are the fisher and marten, now fortunately recovering under sound protective laws and procedures that conform with their gestation period. Hundreds of thousands of wild animals are killed every year to no purpose, because their pelts are not in prime condition and because of wastage in inadequately inspected traps. Not only do they die uselessly, but their potential progeny are lost as well.

In a warehouse in St. Louis, I saw huge rooms filled to the ceiling with rejected furs, a morgue of countless animals taken for fur that could not be used even for trimming. I daresay the loss represented the equivalent of the total animal population of one of our national forests. S. 2489 may not be the whole answer to the problem, for other sound conservation practices should be applied by the fur industry to the natural resource on which it is dependent, but it will improve the situation importantly.

It seems particularly ironic that the present torture of animals should be continued for the purpose of adorning America's women, who are the most sensitive, kindly people in the world. Few of them are aware of the implications behind a coat made of furs obtained by this kind of trapping. Some have awakened and are turning to ranch-raised furs or to fur substitutes. This may be the ultimate answer; but if the use of wild furs is to continue, it behooves the industry dependent on them to improve its practices and eliminate the cause of the rising protest against its present methods.

Yours sincerely,

FRED M. PACKARD,
Executive Secretary, National Parks Association; Member, Board of Directors, Defenders of Furbearers.

TAXES AND INDUSTRIAL DEVELOPMENT

Mr. MORSE. Mr. President, on several occasions my very able junior colleague has had articles printed in the RECORD, and has made statements on his own behalf, with regard to the deplorable economic conditions which now prevail and which for some months past have prevailed in the great State of Oregon.

Supplementing and supporting the observations of my colleague, I hold in my hand an interesting article written by Mike Katz, of Portland, Oreg., entitled "Taxes and Industrial Development."

I ask unanimous consent, Mr. President, that Mr. Katz' article be printed

in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TAXES AND INDUSTRIAL DEVELOPMENT

(By Mike Katz)

With Oregon's economy dawdling along in the doldrums, considerable public attention is being paid to the pressing need for luring new industries and new payrolls to our State. As a result of this increased interest in attracting new payrolls, the question of taxes has been receiving intensive play.

Among the more extreme views, one hears the allegation that Oregon's progressive tax structure is the one factor which is retarding the State's economic development. It is alleged that high corporate income taxes and high personal income taxes are the chief factors obstructing plant location in Oregon and restricting expansion of existing industries. It is even charged that our tax structure is actually responsible for driving some existing industries away.

It should be recognized by all fairminded persons that the possibility exists that a fair, just, and equitable tax structure, in terms of social justice, might serve to impede economic development. In other words, while Oregon's taxes might be deemed progressive and enlightened in that they tend to be based upon ability to pay, it is conceivable that such a tax structure might be in conflict with the State's program to encourage industrial expansion and thus attract new payrolls. In the event that such incompatibility between tax justice, on the one hand, and economic development, on the other, is in fact found to exist, something should be done to reconcile the conflict in a fashion which will provide optimum standards of fairness in taxation together with a reasonably attractive climate for industrial expansion.

Frankly, however, it is difficult to either confirm or refute the accusations that our present tax policies do indeed retard economic growth. In all honesty it should be admitted from the start that in the absence of a comprehensive and systematic study of the subject—and no such study has ever been attempted in Oregon—it is almost impossible to tell precisely what effect present tax policies are having on the development of Oregon's economy. The absence of an authoritative study, however, has not proven a handicap to some businessmen who claim that were it not for Oregon's taxes, business would be expanding. Lack of data likewise has not deterred executives of eastern financial institutions who, when on a 1-day visit to Oregon, chime in with their respective 2 cents worth to the effect that business would be booming in Oregon if only the income tax would be scrapped in favor of a sales tax.

To begin with, Oregon's economy at present is in bad shape. The State is now in the midst of a business recession while the rest of the country appears to be enjoying the fruits of prosperity. Our presently distressed economic circumstances stem from a combination of factors. Our two biggest industries, for example—forest products and agriculture—are both seasonal and cyclical. In addition we have run out of plentiful low-cost hydroelectric power which, when it was available, was responsible for attracting a substantial electroprocess industry to the Pacific Northwest. Oregon is severely discriminated against in the matter of railroad-freight rates. We lack the teeming populations of the Atlantic seaboard, the industrial Middle West or southern California, which make for the Nation's largest consumer markets. We lack critical raw materials such as oil, iron ore, and coal.

To lack raw materials, power, markets and good transportation facilities is to be found wanting in those classic economic conditions necessary for expansion. These deficiencies have combined to hinder economic development in Oregon. And the situation is made even more critical by a substantial unemployment problem caused by overdependence upon two seasonal and cyclical industries. This then is the crux of the problem confronting our State. To suggest that our tax structure is responsible for this dilemma is an obvious oversimplification and indicates an almost total disregard of the classic requisites necessary for economic growth. After all, why would a corporation be concerned about a corporate income tax if it is unable to generate any income with which to be taxed? What industry, for example, would locate a plant in Oregon, even if it were completely exempted from corporate profits taxes, if it could not operate at a profit? As Ivan Bloch, prominent Portland industrial consultant, recently stated, we could line our streets with bathing beauties and otherwise provide the most attractive and sympathetic business climate as far as taxes are concerned and we would still fail to get even one new plant to locate here if basic economic factors—markets, transportation, raw materials, power, etc.—are inadequate.

This line of reasoning would indicate that while taxes might or might not play a leading role in industrial development, they have probably been of only minor consequence as a factor responsible for Oregon's present economic insecurity.

Of particular interest, as far as the problem of taxes is concerned, is the fact that more and more enlightened industries are becoming apprehensive about State and local tax concessions. Westinghouse Electric Corp., for example, has announced its reluctance to establish new plants in communities which give the company a favored tax status. The company recognizes that tax burdens from which it is relieved must be borne by someone else or else public services must be reduced. Moreover, a tax concession to industry is used only as a lure and plants, once located, become vulnerable to a high tax burden when the concession, which is usually granted for a limited time, expires. Stable taxes are probably of far greater appeal to industries seeking new location sites than special concessions.

The most vociferous critics of Oregon's present tax structure, who see taxes as the leading factor in discouraging industrial expansion, fail to consider the disadvantages of their oft-proposed alternative—the sales tax. Oregon, without a sales tax, imposes a maximum corporate income tax of 6 percent. The effective corporate income tax rate in Oregon is lower than 6 percent, however, since Oregon manufacturing corporations are allowed to reduce their State income taxes by as much as one-third by the amount of personal property taxes they pay on their inventories. California, on the other hand, has a maximum corporate income tax of 4 percent with no personal property tax offset allowed. In addition, according to Professor Robert Campbell of the economics department of the University of Oregon, the 3 percent California sales tax is designed to draw approximately 25 percent of its revenues from taxed sales made to business. In other words, California businesses must pay both a 4 percent income tax and a 3 percent sales tax on selected purchases. California's 4 percent corporation income tax in 1956 was responsible for tax collections totaling about $157 million annually. At the same time, California businesses in 1956 also paid about $150 million annually in sales taxes (about one-quarter of all the sales tax revenues received by the State). This means that California businesses, in addition to paying a 4 percent corporate income tax, pay almost as much again in sales taxes while Oregon corporations, on the other hand, pay a maximum 6 percent corporate income tax without any sales tax whatsoever.

In essence businessmen who advocate substitution of the sales tax for the income tax often fail to realize that under a sales tax, selected purchases by businesses (usually where the business is the ultimate consumer) are taxed. In sales tax States businesses must usually pay taxes on materials used in plant construction, on manufacturing equipment, on autos and trucks, on office supplies and on virtually every other item purchased except raw materials used in the manufacturing process. While industries located in sales tax States might pay reduced corporate income taxes, they nevertheless account for a substantial portion of the revenues derived from sales taxes—a burden which they are completely spared in Oregon. In the State of Washington, for example, there is no income tax either on individuals or corporations. But businesses in Washington must pay the highest sales tax in the Nation and, in addition, have levied upon them a business and occupation tax not levied upon Oregon businesses.

This then exposes the problem of the influence of taxation upon industrial development. No one can deny its complexity. It is not susceptible to easy and impulsive solution. The questions which must be answered in evaluating Oregon taxes insofar as they may or may not influence economic development are these: Do low State and local taxes really attract new industrial plants? Do high taxes repel industry? Is the combined Federal, State, and local tax load upon Oregon citizens and businesses really out of line with tax loads in other States?

First of all it should be understood that all taxes are taxes on income or, in the absence of any income, on savings. The sales tax which consumers and businesses must pay in California and Washington, for example, must be paid out of personal and corporate income. The only difference between a sales tax and an income tax is that the former is based upon consumption (how much is purchased and consumed) while the latter is based directly upon income (ability to pay). Both, however, must be paid out of available income. Thus, if Government services are to be maintained without reduction in scope or quality, the total aggregate tax impact upon income, whether sales taxes or income taxes, will remain unchanged no matter how taxes might be shifted about from one type to another.

In assessing the relative impact of State and local taxes upon economic development, one must consider the total combined tax burden—Federal, State, and local. In addition, industry should consider the impact of unemployment and workmen's compensation taxes which are particularly important for those industries which employ large numbers of workers. When all of these taxes are combined, taxes in Oregon are found to be by no means out of line with most other States throughout the country. This is particularly true because Oregonians are allowed to reduce their individual Federal income taxes by deducting from their taxable income the amount of State and local taxes they pay and thus the combined tax burden is modified. In effect, it means that while Oregon citizens might pay higher State taxes, they also pay lower Federal taxes and thus Uncle Sam indirectly helps to support our State and local governmental units.

A recent study by Fantus Factory Locating Service, of New York and Chicago, reveals that on a per capita basis Oregon's State tax revenues are lower than in 6 States—California, Delaware, Louisiana, Nevada, New Mexico, and Washington—and on a par with 4 other States—Arizona, Michigan, Oklahoma, and Wyoming. Moreover, since one must look at the entire tax picture, it is very important to note that Oregon's per capita

local tax revenues are lower than in 15 States—California, Colorado, Connecticut, Illinois, Iowa, Kansas, Massachusetts, Minnesota, Montana, Nebraska, New Hampshire, New Jersey, New York, North Dakota, and Wisconsin—and on a par with 13 other States—Florida, Georgia, Indiana, Maine, Maryland, Michigan, Nevada, Ohio, Rhode Island, South Dakota, Utah, Vermont, and Wyoming. The added fact that Oregon's total tax payments to the Federal Government (including individual income tax, corporation profits tax, employment, alcohol, tobacco, estate, and excise taxes) amounted to only an estimated $280 per person in the fiscal year ended June 30, 1956, compared with a national per capita average for that same period of $462, indicates that the combined tax burden imposed upon Oregon citizens and businesses is by no means disproportional with other States and is far less than in many States which are participating fully in the Nation's prosperity. This data tends to support the contention that taxes alone are certainly not responsible for economic retardation in Oregon.

Another recent study sponsored by the Committee for Economic Development and undertaken by study groups composed of business executives and university faculty members under the direction of the School of Business Administration of the University of Michigan seems to answer the questions of whether or not taxes play an important role in attracting or repelling industry. The study concludes that "taxation as a factor in industrial location is rarely of primary importance." Taxes on business and individuals are, of course, considered by business management in determining plant expansion plans but, states the report, "rarely will this factor alone be the deciding issue in a location decision." The report pays particular attention to State taxes and declares that they are the least important of all taxes which are considered in formulating plant location decisions.

This comprehensive study, which was based not only on a survey of industrial development in Michigan but on dozens of other surveys on the tax structure problem made in a great number of States and communities around the country, takes a pointed slam at those who insist that Oregon's taxes are the crucial factor in driving industry away from our State by declaring that "it is particularly clear that at the State level no clear relationship between tax burdens and industrial growth can be shown." The main reasons for slower or faster industrialization of one State compared with another are simply not to be found in the field of taxation.

Of salient and primary importance, the University of Michigan study bears out the contention that overemphasis of tax structure by industry may be an illusory pursuit. A company which selects a low-tax community in which to locate a new plant may find itself paying out of its own pocket for any number of community services which are provided publicly in other higher tax communities. A low-tax community, for example, might demand that a new plant, spared a part of the tax burden, nevertheless pay for its own sewage installation or pave roads in front of its facilities or have its employees' children attend inferior schools or be denied a countless number of State and local public services which plants located in higher tax communities take for granted.

Enlightened and competently managed business, before making a plant location decision, will first consider those basic economic factors which make or break any industrial enterprise irrespective of whether taxes are high or low, progressive or regressive, fair or discriminatory. It is only after these primary economic factors of markets, materials, power, transportation, and labor have been satisfied that the intelligent corporate manager will consider the effect of State and local taxes.

Oregon does have an impressive potential for future economic development. We can develop our hydroelectric power resources by speeding Federal construction of multipurpose dams and local construction of other dam sites. We have direct ocean access to the potentially enormous consumer markets of the transpacific hemisphere wherein resides most of the world's population. We have a river system which, if developed can be of monumental importance in providing our State with a first-class transportation system. We have a highly skilled and intelligent labor force and can offer the good life to highly paid scientific and technically trained workers who demand top standards in health, education, and recreation for themselves and their families. Our State's literacy rate is one of the highest in the world. Our schools are first rate. Our public services cannot be matched anywhere. Our recreational facilities are renowned throughout the world. Most important of all, perhaps, Oregon can offer to industry, in abundant quantities, that most precious (and fast becoming critical) industrial resource of all—water.

One of the first jobs of Oregon's new department of planning and development should be an exhaustive and comprehensive study on the precise effect which Oregon's tax structure has on industrial development and, if the study bears out the conclusions of the University of Michigan report cited above, it would then seem the job of the development department to give those conclusions widespread publicity. After that it will be essential for all interest agencies and organizations—State and local governments, chambers of commerce and other business associations, farm groups, city planners, and civic clubs—to jointly embark upon an aggressive and imaginative promotional campaign to point out to industry the numerous advantages of Oregon and the extraordinary character of our economic potential.

The job cannot be done by adopting a defeatist attitude. It cannot be done by hiding our heads in the sand and pretending that all that is needed is a revamping of our tax structure. It cannot be done if timidity permits us to be misled by the self-serving proclamations of vested interest groups. Oregon has the talent, the potential, and the wherewithal to sell itself to industry and escape from the economic lethargy which too many years of complacency has imposed.

COMMENCEMENT DAY ADDRESS BY JUSTICE JESSE W. CARTER, OF THE SUPREME COURT OF CALIFORNIA

Mr. MORSE. Mr. President, the west coast is proud to claim one of the outstanding jurists of today, Associate Justice Jesse W. Carter, of the Supreme Court of California.

A commencement address he delivered on June 8, 1957, at Shasta College in Redding, Calif., is among the most provocative speeches I have read in a long time. I desire to read excerpts from the address before I incorporate it in the RECORD as a part of my remarks.

Justice Carter said:

While economists may not agree as to the cause of economic depressions, I think they will all agree that they have resulted from manipulations in both the financial and industrial fields which are planned and executed by individuals for their own financial gain. Just prior to the depression which occurred between 1893 and 1897, President Grover Cleveland made this observation: "As we view the achievements of aggregated capital, we discover the existence of trusts, combinations, and monopolies, while the citizen is struggling far in the rear or is trampled to death beneath the iron heel. Corporations which should be carefully restrained creatures of the law and servants of the people, are fast becoming the people's master."

Justice Carter goes on to say:

President Theodore Roosevelt, a few years later, declared that the panic of 1907 was caused by "the speculative folly and flagrant dishonesty of a few men of great wealth," and he attributed the depression to "malpractices of business and industry." And it may be remembered by some here tonight that President Franklin Roosevelt charged that a group of "economic royalists" were attempting to obstruct the recovery program he had inaugurated to bring us out of the 1929 depression. * * *

From my study of history, I am led to the definite conclusion that we cannot look to the leaders in finance and industry to chart a course which will prevent another depression. I feel that we may expect little from the National Manufacturers' Association, the State and National Chambers of Commerce, or the labor unions in this direction.

Each of these groups represent and seek to advance the selfish interests of their members. While I am sure that none of them would like to see another economic depression, I doubt if they are devoting any substantial effort toward the charting of a course which will prevent one. This is most regrettable, however, because they exert tremendous influence in the casting of legislation affecting our social and economic stability, but there is little doubt that the influence exerted is for the purpose of securing legislation which will favor the particular group promoting it and is not in the interest of the general welfare of the people as a whole.

To this excerpt from the address by Justice Carter, Mr. President, I say "Amen."

Because there is so much in this address which I think is deserving of consideration by the Senate, I ask unanimous consent that the entire address be printed in the RECORD, as a part of my remarks in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

SHOULD OUR EDUCATIONAL INSTITUTIONS CHART OUR COURSE TOWARD ECONOMIC STABILITY AND SOCIAL EQUALITY?

(Commencement day address delivered by Justice Jesse W. Carter, of the supreme court of California, before the Shasta College at Redding, Calif., June 8, 1957)

This is a happy occasion. I am sure it must be for those of you who are graduating here tonight and for the members of your families. I am sure that it is likewise a happy occasion for the school officials and members of your faculty who have been instrumental in directing your educational pursuits thus far. This graduating class here tonight is a credit to any educational institution and the officials of Shasta College and its faculty should be justly proud of their accomplishment. This is also a happy moment for me as it takes me back to a period about 30 years ago when I was a resident of this community and somewhat active in its civic affairs. At that time I advocated the establishment of a college here to accommodate the youth of northern California who might want to pursue their studies in an institution of higher education after graduating from a local high school. At that time I visualized such an institution as Shasta College, but the economy of the

locality was such at that time that the establishment of such an institution seemed impracticable. While I did not have the privilege of personally participating in the proceedings which culminated in the establishment of Shasta College, I am both proud and happy tonight to participate in this commencement day program and view the accomplishment of those whose wisdom and foresight resulted in the establishment of this institution. • • •

It cannot be denied that the great progress which has been made in the various fields of science has brought to light knowledge, by means of which navigation, methods of communication, and the amelioration of human ills have been the direct product of our educational institutions.

While I do not wish to assume the roll of a critic, I have a very definite belief that these institutions have not produced comparable results in the field of human behavior. By this I mean to refer to the fields commonly known as social, economic, and political sciences.

I have witnessed three major economic depressions. The first of these occurred between 1892 and 1897; the second between 1907 and 1912; and the third between 1929 and the beginning of the Second World War. These so-called depressions have been sometimes referred to as panics. During each of these periods many financial and industrial institutions failed, unemployment rose to a point where jobs were at a premium and there were numerous business failures because the purchasing power of the public was at such a low ebb that there was no market for the goods produced. During these periods there was untold suffering by millions of people who suffered financial ruin and were unable to obtain adequate food or clothing and the grief and mental anguish which was endured by the less fortunate defies description and probably cannot be fully comprehended by anyone who had not witnessed it with his own eyes. It took a war to bring us out of each of these depressions. I do not want to see another depression or another war. They are both unnecessary, and I am confident that at this advanced stage of our civilization, they can both be avoided by the charting of a course toward social equality and economic stability.

We are now riding on a receding wave of unstable prosperity. It is supported largely by defense spending. In other words, it may be said that our present national economic structure is supported by activity in the field of military operations which are made necessary as an aftermath of the last war or in anticipation of a future war. Of course, the wisdom of these activities, so far as we are presently concerned, is exclusively for those at the head of our Government. Future events will afford us true perspective of the wisdom of contemporary decisions in this field.

While I have no crystal ball, I believe I can foresee a somewhat drastic economic readjustment in the not too distant future, and it will require the ingenuity of the best minds in the fields of social, economic, and political philosophy to avert another economic depression. I say this not as an alarmist but as a student of history which is the only true guide we have to foretell of future happenings. I believe there are cures for our economic ills and that the time will come when our people will not be victims of economic depressions and required to suffer the misery and grief which is the direct result of the poverty and want which follows from such depressions.

The scenes are rapidly changing on the social and economic screen. Customs and practices which were basic in the social order 2 or 3 generations ago have lost their appeal to present-day society, and present-day economy finds no parallel in any prior decade.

It would seem that with the occurrence of 3 major depressions and 3 major wars in 1 generation, the causes of such depressions and the solution of the problems arising from them should be readily apparent and that we should now be able to chart a course which would prevent their recurrence. But from my observation of the picture on both the national and international scene, I have the feeling that the same forces are now at work and the same trends now exist which preceded each of the economic depressions I have witnessed during the last 60 years.

While economists may not agree as to the cause of economic depressions, I think they will all agree that they have resulted from manipulations in both the financial and industrial fields which are planned and executed by individuals for their own financial gain. Just prior to the depression which occurred between 1893 and 1897, President Grover Cleveland made this observation: "As we view the achievements of aggregated capital, we discover the existence of trusts, combinations, and monopolies, while the citizen is struggling far in the rear or is trampled to death beneath the iron heel. Corporations which should be carefully restrained creatures of the law and servants of the people, are fast becoming the people's master." President Theodore Roosevelt, a few years later, declared that the panic of 1907 was caused by "the speculative folly and flagrant dishonesty of a few men of great wealth," and he attributed the depression to "malpractices of business and industry." And it may be remembered by some here tonight that President Franklin Roosevelt charged that a group of "economic royalists" were attempting to obstruct the recovery program he had inaugurated to bring us out of the 1929 depression.

From my study of history, I am led to the definite conclusion that we cannot look to the leaders in finance and industry to chart a course which will prevent another depression. I feel that we may expect little from the National Manufacturers' Association, the State and National Chambers of Commerce, or the labor unions in this direction. Each of these groups represent and seek to advance the selfish interests of their members. While I am sure that none of them would like to see another economic depression, I doubt if they are devoting any substantial effort toward the charting of a course which will prevent one. This is most regrettable, however, because they exert tremendous influence in the casting of legislation affecting our social and economic stability, but there is little doubt that the influence exerted is for the purpose of securing legislation which will favor the particular group promoting it and is not in the interest of the general welfare of the people as a whole.

I am convinced beyond doubt that the only safeguard we have against a future economic depression is leadership which may develop as a result of training in our educational institutions. I have no panacea to offer as a cure for future economic ills. They are bound to occur. My thought is that with a clear concept of the problems and wise planning the effect of an economic depression may be ameliorated so that the anguish and misery of the less fortunate may be alleviated.

While political leadership in this field is important, I am constrained to warn against the idea some may have that a political Moses will arise and lead us out of the wilderness of economic bewilderment. Such a solution would be highly improbable, as the solution lies within our own power. We have a highly literate society. Our schools have done and are doing a good job. There is no doubt that we have the brainpower to solve any problem we are required to face if such power is properly directed and applied. First, the problem must exist and be recognized. Second, it must be freely discussed, debated, and explored. And third, the general welfare of our people as a whole must be the controlling factor in its solution. The ever present outstreached hand of selfish, special interest groups should be turned away empty handed. The economic history of our country is replete with the exploitation of our national resources by special interest groups and such groups are still active. National statistics reveal the appalling fact that since the institution of our Government more than two-thirds of our public domain in Government ownership has been given away for the promotion of enterprises controlled by special interest groups. The railroad companies were granted over 130 million acres of our public domain as a so-called subsidy for the construction of the railroads. Our valuable oil lands have likewise been acquired by one method or another by special interest groups, and before the enactment of the Forest Reserve Act a considerable portion of our most valuable timberlands was allowed to fall into private hands and ultimately acquired by special interest groups.

In recent years we have heard a lot about the giveaway policy of the national administration. While this policy has received a severe setback as the result of recent elections, its specter still remains on our national political scene, and it may be considered a current political and economic issue as to whether our vast water resources should be turned over to special interest groups for exploitation or preserved and controlled by governmental agencies for the promotion of the general welfare. The solution of this problem will have a tremendous impact on our national economy.

Right here at your back door a controversy is now raging over the disposal of the falling water from the so-called Trinity project. Here again special interest demands that this water be turned over to a privately owned public utility for exploitation by it rather than the Government retaining the power-development feature of this project as a Government owned and operated facility.

It might be well to consider for a moment the background of the great water conservation and power development projects which our Government has undertaken in recent years. It is an accepted proposition that none of these projects was economically feasible or would justify the investment of private capital to promote their development.

In other words the cost of these projects was so great compared to the anticipated return therefrom that they were not attractive to those operating in the field of private enterprise. The interest of the government in developing these projects may be said to be fourfold. First, conservation of the vast water supply which had been running to waste and destruction; second, the reclamation of arid lands by the use of the water so conserved; third, flood control and navigation; and fourth, the development of hydroelectric power by use of the falling water stored behind giant dams. While private enterprise is happy to make use of this falling water for the generation of electric energy to be disposed of by it for private profit, it is obviously not interested in the other features of these projects. Experience has shown, however, that the chief source of revenue produced by these projects is from the sale of the electrical energy produced thereby, and of course, special interest groups are interested in this feature.

Since the turn of the century the development of these projects has been a highly controversial subject in the national legislative halls. Muscle Shoals on the Tennessee River was developed during the Wilson administration as a war measure. It was almost completely abandoned during the three Republican regimes which followed. It was

again revived during the administration of the late Franklin D. Roosevelt, and many other similar projects, including the Shasta, Grand Coulee and Friant Dams, came into existence during this period. The economic and social philosophy behind these projects is to make available arid lands which were previously unfit for agricultural purposes and thereby provide homes for those who desire to follow agricultural pursuits. The Reclamation Act limits the quantity of water available to any one person from these projects to an amount adequate for irrigation and domestic use upon 160 acres of land. This provision was contained in the original act which was adopted in 1902 and still remains a part of the act. The Supreme Court of California recently declared this provision unconstitutional as applied to the distribution of project water by irrigation districts in California. The effect of this decision is to give to the large landowners a Federal subsidy in the form of water for excess lands which will, in certain instances, amount to millions of dollars to an individual landowner. In my opinion this decision is bound to have a detrimental effect on the economy of this State and will probably curtail the development of similar projects in this State in the future. It may also have the effect of expanding large holdings of land by private interests and change our agricultural economy from a large number of small landowners with happy homes to a few large landowners with many employees or sharecroppers which will ultimately result in a semifeudal system.

These are matters which will definitely affect our present and future economic structure and should be the subject of extensive study by our educational institutions. Prof. Paul Taylor, of the University of California, has made extensive studies in this field and written many articles which should be read by those seeking light on this subject.

The whole civilized world came out of the last World War a more homogeneous people than ever before. The United Nations brought the nations of the world together as one people. There, people with white, black, brown, yellow, and red skins meet, discuss and endeavor to solve the problems which beset the nations of the world. There, Christian, Jew, Mohammedan, Buddhist, and all other creeds and denominations join in a sincere effort to preserve the peace of the world.

It would seem that the time has arrived in the history of the world when the social concept of Thomas Jefferson has been given recognition by the people of the world. This concept was expressed in these words: "We hold these truths to be self-evident: That all men are created equal; that they are endowed by their Creator with certain unalienable rights; that among these are life, liberty, and the pursuit of happiness." While these words are a part of our Declaration of Independence, they typify the basic concept underlying the charter of the United Nations. * * * Yet we are told that in certain portions of this country there is vigorous organized opposition to recent decisions of the Supreme Court of the United States declaring illegal, the practice in some States, of segregating schoolchildren because of race or color. While I can appreciate the feeling of those who may have a personal preference for those with a skin of a certain color in the selection of their associates, I cannot justify opposition to the mandate of the Supreme Court on any constitutional or legal ground. Neither can I see any basis or justification for such segregation in the social concept embraced in the above-quoted language from the Declaration of Independence which is also a part of our Federal statutory law. Nevertheless the problem is with us and it is probably our most vital domestic social problem. Fortunately it does not exist in this State as both our legislature and our courts have struck down every vestige of the once accepted concept that a person could be denied a right, privilege or immunity on account of his race, color, or creed. This does not mean that those of other races and skin types are given equal recognition in our society. It is obvious to the casual observer that they are not, but this situation must be met by a process of education and enlightenment. Those who have a keen sense of social consciousness are more apt to classify people socially on the basis of culture and character rather than their race or the color of their skin. When our society as a whole recognizes and accepts this concept the present false barrier of race or color will disappear from our social register.

PUBLIC VERSUS PRIVATE POWER

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial from a newspaper in my State, the only Pulitzer prize-receiving newspaper in my State, the Medford Mail Tribune, entitled "Jumbo As a Switch Hitter."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

JUMBO AS A SWITCH HITTER

It's an old story but time really does fugit.

It seems only yesterday that former Secretary of the Interior McKay and the Republican "Old Guard" were celebrating their miracle-making solution of the public versus private power issue.

It was all so simple. There would be a partnership between the taxpayers of the country—that is the Government—and the private power combine.

Instead of the Government paying all the expenses—and eventually getting it all back—the Government would only pay for the nonprofit features such as irrigation, transportation, and recreation. Private power would pay for all the features that would bring them the usual assured and gratifying return.

It listened well, particularly when an economy drive was in the air.

But the people were not as dumb as the "fast-buck boys" assumed. It didn't take the FBI to divulge the fact that this was "a heads we win tails you lose" proposal—the taxpayers would pay out millions and not get a dime in return, while the private power companies would invest millions and make a killing.

It was just as simple as that.

But what do we find today?

Even the Oregonian admits that in this part of the country, this phony deal is as moribund as Rameses the Second. Not only that, but in spite of its strong endorsement of former Secretary McKay and his anti-public-power policies, it welcomes a million-dollar appropriation for John Day and wishes it increased and condemns the Federal Power Commission for licensing a low dam in Hells Canyon. Finally it admits that Congressional hopes for a partnership plan are dead.

As indicated above, so much is happening these days it seems it happened only a few days ago.

R. W. R.

GEORGE OF GEORGIA

Mr. MONRONEY. Mr. President, I was unable to be present when many of my colleagues saluted the late Senator George, and I want to pay my humble tribute to my former colleague.

George of Georgia truly was one of "the choice and master spirits" of the Senate, not only "of this age," as Mark Antony said of Caesar, but of all the years since its beginning.

Majestic was the word quite often used to describe Senator George, both before and after his death earlier this month. Bill White, in The Citadel, spoke of his majestic voice. One editorial writer recently spoke of the Senator's majestic decency.

I think all of us would agree that Senator George did have a majesty about him, part of which he brought to the Senate with him as a retired judge in November 23, 1922, and part of which developed as he served here, learning and teaching the fine art of politics and at the same time growing in stature as a statesman.

Certainly the Senate and Walter George seemed to be made for each other. Despite any differences of philosophy or conflicts in approach, all of us felt a deep and abiding respect for this man's calm and wisdom, his force and his character.

STUMPED HIS TOES

Most of us see Senator George, in our memory, as the polished, distinguished southern gentleman we knew. When I recall how many times I have seen him rise to speak with that special dignity and flourish which was his, it is difficult to see him as a barefoot "cracker" boy doing the chores on a small tenant farm in Georgia. It is easy, however, to chuckle at his own estimate that in his barefoot childhood he had more than 100 stumped toes and that he learned on the first one not to cry.

It is hard for me to imagine him in a country school, but easy to recognize that he would have stood at the top of his class there; hard to realize that he had to earn much of his way through Mercer University and law school, by teaching, but easy to visualize the ferocity and stubbornness with which he later fought his lawsuits, even though he rode to town bareback on a mule. He became solicitor general for his judicial circuit, married the fine woman we know as Miss Lucy, and became the father of two boys.

The rest is history. I remember a paragraph from one of his biographies:

Rapidly young Walter rose * * * never so much a brilliant, as a majestically calm and patient superior court judge, a methodical, carefully correct member of the court of appeals, a fair and learned justice of the Georgia Supreme Court.

GEORGE SOUGHT PEACE

We know his record in the Senate. He started quietly and slowly but somehow moved fast. There is a monument in Vienna, Ga., which signals the fight he made in 1929 to pass the Vocational Education Act which bears his name. He was identified with much tax, farm, social security, and veterans' legislation. In 1928, he was proposed for President of the United States as a Georgia favorite son. In 1938 he successfully resisted a Presidential attempt to purge him for his stand on the Supreme Court plan.

It was in the foreign relations field that Walter Franklin George reached his

greatest heights. Under both Democratic and Republican Presidents, he exerted an important influence in the Senate and in the Nation toward an understanding, and the full implementation of this country's increasing role of leadership and responsibility in the world.

We were sorry to see him leave the Senate last year, but proud of his new role as a Presidential representative to NATO. Now we must say another sorrowful farewell, with gratitude, however, that Walter George served here among us.

Mr. President, I ask unanimous consent to have printed in the RECORD an article from the Tulsa (Okla.) Daily World of August 6, 1957.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SENATOR WALTER F. GEORGE

The Nation does not readily grant the term "statesman" to its political leaders. Singularly few in recent decades have been given this lofty recognition. One of few was former Senator Walter F. George who died at the age of 79 years in his home in Vienna, Ga.

The Georgian has been a figure of integrity, courage, and intelligence in the United States Senate for 34 years. His distinguished career came to an end as he was serving as special Presidential Ambassador to the North Atlantic Treaty Organization.

President Eisenhower and leaders of the Democratic and Republican Parties alike spoke in unstinted terms of their high respect for Mr. George. The Senator was a man who rose completely above partisan politics. It was as chairman of the Foreign Relations Committee that he climaxed his Senate service. In this capacity he was credited with major contributions to the success of the foreign policy pronounced by Mr. Eisenhower as the Nation's first Republican President in 28 years.

Walter F. George has earned the Nation's respect and gratitude.

CONFERENCE REPORT ON S. 939, TO AMEND SECTION 22 OF THE INTERSTATE COMMERCE ACT, AS AMENDED

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

The Chair lays before the Senate the pending business, which will be stated for the information of the Senate.

The LEGISLATIVE CLERK. The conference report on S. 939, to amend section 22 of the Interstate Commerce Act, as amended.

Mr. KENNEDY obtained the floor.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senator from Massachusetts may yield to me for the purpose of suggesting the absence of a quorum, without the Senator losing his right to the floor.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Massachusetts [Mr. KENNEDY] is recognized.

THE STRUGGLE AGAINST IMPERIALISM, PART II—POLAND AND EASTERN EUROPE

Mr. KENNEDY. Mr. President, in my address to this body on July 2, I spoke of man's eternal desire to be free and independent, of the continuing clash between the forces of freedom and the forces of imperialism, and of the critical challenge which this overriding issue presented to American foreign policy today. I spoke in that context of the handicap to our prestige created by what is regarded as western imperialism, and specifically of the critical impasse in Algeria. Without attempting to equate western and Soviet imperialism, I indicated at that time my intention to examine, in a two-part series of speeches, the role of our foreign policy in the continuing struggles between the forces of imperialism and independence within both the Soviet and Western Worlds. Having discussed in that address the complex problems of western imperialism and Algeria, I desire to turn now to the problems posed by the evil of Soviet imperialism.

Just as the challenge of western imperialism is most critically confronting us in Algeria and North Africa, so, too, does the challenge of Soviet imperialism confront American foreign policy today in one critical area in particular—Eastern Europe and Poland.

The Soviets, of course, regard their actions in Eastern Europe much as the French regard their actions in Africa—as none of our affair. Our own Department of State and diplomatic officials are also likely to regard Congressional discussion of these vital world issues as a trespass upon their private domain.

I am strongly persuaded that the inadequacies of current American foreign policies and programs concerning Poland and Eastern Europe require their public review and reexamination by the Senate, the Congress and the people of the United States—not to assign the blame for our past failures, but to explore what steps might be taken to increase the future effectiveness of our foreign policy in this area.

OUR GOALS AND APPROACH IN EASTERN EUROPE

I realize that it is not difficult to make a popular speech on Poland and Eastern Europe. It is easy to denounce the treachery of Yalta; to call upon the enslaved millions to cast off their chains; to decry Soviet brutality and greed; and to predict eventual deliverance of those nations now held captive behind the Iron Curtain. If necessary, it can even be easy to favor American aid—to be delivered only to those satellite nations that become truly independent, or that join an anti-Russian alliance, or that abandon national communism—or to be limited to emergency relief or surplus foods, with its distribution in each village carefully supervised by American observers to guaranty its delivery to the needy and the starving alone.

But such a speech, however plausible it may seem in its oratorical or political context, only makes it more difficult to take the hard decisions and real risks necessary in any effective policy for Eastern Europe. We are reluctant to take risks in this dangerous age; we are reluctant to make hard and unpopular decisions in this popular democracy. But the complex problems of Eastern Europe—the area which at one and the same time represents a great Western setback and a great western hope—will never be solved with an excess of caution or an avoidance of risk.

It is baffling beyond words to review that so-called liberation policy which this administration has proclaimed and on which it has taken patent rights. In several speeches in 1952 Mr. Dulles sought to shed light on a new liberation policy which would replace the supposed sterilities of containment. For example, in a prepared address before a learned gathering in Buffalo on August 27, 1952 Mr. Dulles elaborated a three-pronged program for the freeing of the Iron Curtain satellites. In this speech he emphasized that the Voice of America and other agencies should stir up the resistance spirit of peoples behind the Iron Curtain and make certain that they have the assurance of our moral backing. He went on to say that resistance movements would spring up among patriots who "would be supplied and integrated via air drops and other communications from private organizations like the Committee for Free Europe." Finally, he underscored his now-familiar thesis that the Communists would disintegrate from within and that the Russian's, "preoccupied with their own problems, would cease aggressive actions" and eventually give up and go home "realizing that they had swallowed more than they could digest."

Four years later, on October 29, 1956, the distinguished Vice President announced confidently at Occidental College that the Soviet setback in Poland and Hungary proved the soundness of the administration's liberation policy. A little more than 2 weeks later on November 14 the President, in a prepared preface to his press conference, spoke of our sympathy for the suffering people of Hungary—"Our hearts have gone out to them and we have done everything it is possible to, in the way of alleviating suffering." "But," he continued, "the United States doesn't now, and never has, advocated open rebellion by an undefended populace against force over which they could not possibly prevail." One needs little imagination to appreciate the feeling of frustration which overcame the people of Eastern Europe to hear that the United States had never meant the obvious implications of its liberation policy.

It is all very well to talk of liberation or peaceful evolution. But until we formulate a program of concrete steps as to what this Nation can do to help achieve such goals, we are offering those

still hopeful partisans of freedom behind the Iron Curtain nothing but empty oratory.

AMERICAN POLICY TODAY

I respectfully suggest that the last comprehensive review of our policies with respect to the satellite areas by the Secretary of State failed to provide the specific steps necessary to implement his rhetorical goal of liberation. In that address of April 23 in New York, Mr. Dulles outlined, as I analyzed his speech, six steps as constituting our approach to liberation:

(1) Provide an example which demonstrates the blessings of liberty, and spread knowledge of that around the world, through our information and cultural exchange programs.

(2) See to it that the divided or captive nations know that they are not forgotten through such means, for example, as sponsoring a U. N. resolution condemning Soviet intervention in Hungary.

(3) Never make a political settlement at their expense.

(4) Revere and honor those who as martyrs gave their blood for freedom * * * but do not * * * incite violent revolt.

(5) Make apparent to the Soviet rulers (that) our real purpose in liberation is peace and freedom and not the encirclement of Russia with hostile forces.

(6) Encourage evolution to freedom * * * and when some steps are made toward independence * * * show a readiness to respond with friendly acts * * * see to it that the divided or captive nations know * * * that a heartfelt welcome and new opportunity await them as they gain more freedom.

This policy, if it can be called a policy, is easily stated and even more easily implemented. It requires practically no risk, no cost, no thought, and very little explanation. Its contents are neither new nor tangible, and its results in terms of helping liberate Eastern Europe are speculative, to say the least.

The key to our present policy, I believe, is found in the sixth and final item I quoted from the Secretary's address. We will "show a readiness to respond with friendly acts," with "a heartfelt welcome and new opportunity," whatever that may mean, only "as they gain more freedom and some steps are made toward independence," not before. No suggestion is made as to what we might do, in the way of positive and concrete diplomacy, to help them take those steps and gain that freedom.

I believe it is this status quo policy which has stultified all discussion of new proposals for the area—the terms under which withdrawal of Soviet troops from Eastern Europe might be arranged, Hungary neutralized, or Germany united—proposals which merit more careful analysis than they have been given. It is this approach of broad generalizations and platitudes that treats all European satellites alike, without regard to anti-Russian and anti-Slav traditions—as in Rumania—higher rates of industrialization and living standards—as in Czechoslovakia—and other distinguishing characteristics that lend themselves to individual approaches. And finally, it is this attitude, of merely waiting and hoping, that caused us to be caught wholly unprepared for the events in Poland and Hungary last October.

POLAND TODAY

I shall limit my discussion today to Poland, because that is the area of both our greatest failures and our greatest hope, and the area most urgently demanding a reexamination of our current policies. I make no claim that Poland is a typical example of Eastern Europe. On the contrary, it would be dangerously erroneous to assume that our policies and programs for that area may be applied generally behind the Iron Curtain. But the nature and success of our relations with Poland—like a wind, good or ill, that blows through the only open window in a vast and crowded prison—will vitally affect the future, the hope or despair, of every satellite country.

The most important fact about Poland today is that it is different, however easy it may be to dismiss it as just another Communist country. To be sure, it is still in many outward appearances a Communist regime. There are many magnetic pulls toward the Soviet orbit; Russian soldiers still patrol in the country; antiwestern sentiments in the U. N. are supported by Polish representatives. But it is essential that we look deeper than the labels of communism. Terrorism and thought control have very much diminished; public opinion, very markedly anti-Communist and always anti-Soviet, is influential; and at least a precarious working accommodation has been reached with the Catholic Church in Poland under Cardinal Wysznyski. Visitors in Poland note practically no Red flags and feel little of the inquisitorial pressure that has characterized most of the Iron Curtain countries. We must be very careful not to miss the internal realities of the Polish scene while looking at the outward and legal forms.

Moreover, Mr. President, there has been an increasing decentralization of agriculture. The denationalization and decentralization of industry has not been nearly as effective, but in April the Polish Parliament approved a new budget and economic plan to slacken the rate of heavy industrial expansion and raise the living standards. And perhaps most telling of all, the Polish Government last fall turned for the first time toward the West—for friendship, for increased trade, and for American credit and economic assistance.

This economic assistance was made urgent by the cruel and corrosive results of Communist mismanagement, inefficiency, and exploitation. Absentee Soviet centralization and nationalization resulted only in lower productivity, widespread raw material deficits, both labor shortages and surpluses, and increasing uselessness and obsolescence of machinery. At the moment, the unemployment problem is assuming critical proportions. This provides melancholy testimony as to the ability of a directed Communist economy to cure dislocations, maintain planning goals, and allocate raw materials—supposedly the peculiar virtues of a Socialist state. The attempt to force a heavy industralization and rearmament program too rapidly upon an economy milked dry by Soviet demands resulted in drastic shortages of consumer goods and housing, spiraling inflation, and a raging black market. It is no wonder that, without decent living standards, adequate housing or fuel, and ravaged by tuberculosis and other diseases, the Polish people turned rumbling discontent into a violent roar at Poznan, and finally last October insisted upon the new anti-Stalinist regime of Mr. Gomulka.

THE UNITED STATES RESPONSE TO POLAND: THE LOAN AGREEMENT

But it is not my intention today to dwell on Soviet brutality or Polish bravery—for I am sure this body is well aware of both—but to examine instead the response of our own foreign-policy makers to the Polish crisis and our preparedness to meet this problem.

The adequacy of that response ought to be reviewed by the Congress now, even after the Polish loan agreement has been concluded—not for purposes of distributing credit or blame, but for purposes of revising our policies and statutes for the future. In my opinion, revision will definitely be in order—for the loan agreement of last June for American aid to Poland can unfortunately be summed up in only five words—too little and too late.

I do not mean to say that that agreement was worse than no agreement at all, that it will accomplish nothing, or that it should be regarded as a waste of American funds and a mistake in American diplomacy. But I do say that this inadequate agreement, coming at such a late date, after months of haggling, indecision, and delay, fell so short of our earlier boasts and our earlier promises that it failed to obtain for either our country or the people of Poland the full benefits for the cause of independence which such an agreement might have achieved.

TOO LITTLE

Permit me to explain further what I mean when I say that this agreement is "too little." American aid under the new agreement will be helpful, to be sure. The Poles, without doubt, appreciate it and will make good use of this assistance and Mr. Khrushchev has indicated that he is not happy about it. But let us compare the assistance contained in this agreement with the needs of the Polish people embraced in their original request, a request which a bolder, more imaginative American foreign policy might have met more closely.

The Polish mission originally requested a total of over $300 million worth of aid, to prevent mass unemployment, discontent, sabotage, and either a recurrence of violence and revolt doomed to be crushed, or a return to complete economic subservience to the Soviet Union. We agreed to less than one-third of the amount requested.

Perhaps most desperate of all their needs was the Polish request for 1 million tons of wheat and other grains—to end compulsory deliveries of grain by the Polish farmers, a chief cause of discontent; to prevent skyrocketing prices from spreading hunger and starvation in the cities; and to reduce reliance upon

the irregular supplies of the Russians. One million tons of grain would have provided the Polish Government with an adequate reserve against another bad crop year, and with enough grain for use on the domestic market as a means of holding down inflation and abolishing the compulsory deliveries—a major step in transforming the former Stalinist pattern of the Polish economy, and a genuine incentive for greater farm production. But these plans are now less certain—for we agreed to only one-half of the amount requested.

The next most urgent request was for at least 100,000 tons of our surplus cotton. The Polish textile industry, one of the nation's most important, employing one-sixth of the labor force, is operating far below capacity, with many mills shut down and thousands out of work, despite a crying need for cloth—and unless their needs for cotton can be met, experts have warned, the industry will be chronically restless and completely dependent on the Soviets. But we agreed to only one-half of the amount requested.

The next Polish request was for upward of $30 million in coal-mining machinery. Coal is a mainstay of the Polish economy, constituting 40 percent of its export trade—and yet their equipment is so outmoded and run down that productivity is actually below its rate of 20 years ago. New machinery in new mines could do wonders in putting the Polish economy back on its feet without dependence on the U. S. S. R.—but we agreed to less than one-seventh of their request on this item.

Finally—in addition to a request for surplus fats, oils, and soybeans—the Poles were interested in obtaining $70 million to $100 million worth of American farm machinery, fertilizer, and seeds, to increase the output of the gradually decollectivized Polish farms. Once Poland was the breadbasket of East Central Europe—now there is not enough grain to supply bread for her own people. Here again, this nation had a dramatic opportunity to demonstrate to other Iron Curtain countries that courage in turning away from complete Soviet domination, and looking to the West for aid, could mean a better life for the farmer and the consumer. But we failed to grant a single dollar of this request.

I say, therefore, that our final offer was too little to match the striking opportunity that has been ours to seize. Mr. Gomulka is grateful for the help, and he needs it badly—but considering the risk undertaken by his government in turning to the West for aid, I can only repeat my statement that our action was too little and too late. The failure by the United States to deliver on the implied promises of Mr. Eisenhower's October speech, widely advertised through the Voice of America and other United States information media, has brought much disappointment to anti-Soviet Poles and greatly weakened their authority. The frustration of hopes has unquestionably strengthened the anti-Gomulka faction in the Central Committee, which argues that American aid is largely verbal and propagandistic. The pro-Soviet faction in the Central Committee contends that United States assistance is too erratic and meager to provide the catalyst for long-term economic development. We must make every effort to avoid a further disenchantment with the United States and a heightened acceptance of fraudulent Soviet promises.

TOO LATE

Why do I say "too late"? Let us review the record of events following the dramatic Polish revolution of last October. On October 20, President Eisenhower promptly pledged the United States to offer economic aid to Poland because of our mission to expand the areas in which freemen and free government can flourish; and the official Polish newspaper Trybuna Ludu commented editorially that we are in favor of assistance with no political strings attached. The Polish Government thereupon advised the United States that it would be interested in concluding a loan agreement. But other than a reiteration on December 18 by Secretary Dulles of our willingness to give assistance to Poland which would assist it to maintain its growing independence, the American Government took no further steps. Finally, the welcome mat was haltingly extended in February after 4 precious months had gone by; and negotiations began here on February 26. Then, while the Gomulka regime teetered on a dangerous tightrope between a new bloody, fruitless revolt and a return to Soviet domination, we offered delay and indecision, and we extended an offer of aid so small the Polish delegation dared not return home with it. On May 26, as negotiations continued to drag, a news dispatch from Warsaw reported that the Poles were forced once again to ask Moscow for increased economic help.

Long before now—

The report went on—

the Poles had hoped to be receiving United States economic assistance that would have made it unnecessary to turn to their mighty eastern neighbor again. A sense of frustration and dismay has been gathering strength for weeks in Poland over the failure to complete the Polish-United States negotiations in Washington.

Finally, after nearly 4 more precious months had passed, a partial agreement was signed in June.

The need to set our economic relations with Poland in a fresh perspective is further underscored by the fact that the survival of the Gomulka regime is more and more dependent on economic progress and specific achievements. Mr. Gomulka's early successes rested primarily upon a political ascendancy and a political detachment from the U. S. S. R. Inevitably these successes will fade into the background and popular anticipation of economic improvement will have to be met. The Polish story is but one more lesson illustrating the close harness in which political and economic development occur in the modern world. A political convalescence has no durability unless it is invigorated by economic therapy.

THE RATIONALE OF ECONOMIC AID TO POLAND

There were two fundamental reasons for the failure to meet fully Poland's needs and our opportunities. The first was a pervading doubt as to whether aid to this Communist state was a wise policy after all. The distinguished minority leader, I know, has strongly criticized such a policy; and its controversial nature convinced the administration that it should not request Congress for the specific statutory authority necessary to make the loan complete. The negotiations dragged on while the risks were weighed—and they were very real risks. There was the risk that we would be doing nothing more than aiding the prestige of a Communist regime that all too often praised the Soviet Union and criticized the West; strengthening the Communist bloc; relieving pressure on the Soviets; and permitting the U. S. S. R. to divert to armaments those resources devoted to staving off Polish discontent. Others warned that extensive American aid to Red-occupied Poland may serve only as a pretext for violent Soviet intervention, permanently crushing the Gomulka government and completely wasting any American investment.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. MANSFIELD. The Senator has pointed out the risks in the administration's negotiations with the present Polish Government. It is true, is it not, that Gomulka is a Communist?

Mr. KENNEDY. That is correct.

Mr. MANSFIELD. It is true, is it not, that the present government in control of Poland is a Communist Government?

Mr. KENNEDY. There is no doubt of it.

Mr. MANSFIELD. Is it a Communist government closely allied to Moscow, or does it have a semi-independent status, with a certain degree of autonomy?

Mr. KENNEDY. As the Senator knows, the Secretary of State, in order to make the loan possible, defined Poland as a friendly country. It is difficult to defend that definition completely, because, of course, economic ties are intimate. But I think there is no doubt that Gomulka has attempted to and to some degree succeeded in loosening the ties with the Soviet Union which existed before the Polish revolt of last October.

Mr. MANSFIELD. Is it true that Secretary of State Dulles and the National Security Council both made a legal finding to the effect that Gomulka was not, in the strictest sense, controlled by Moscow, and therefore was eligible for American aid consideration?

Mr. KENNEDY. That is correct.

Mr. MANSFIELD. Is it true that 95 percent of the Polish people are strongly anti-Communist?

Mr. KENNEDY. I do not think there is any doubt that they are probably as strongly against communism as any other people behind the Iron Curtain, if not more strongly so.

Mr. MANSFIELD. Is it true that in the elections last January Cardinal Wyshinsky took to the radio and exhorted the faithful to vote for Gomulka?

Mr. KENNEDY. He did; and the reason he did so was that he realized, as many others realized, that there are only three choices available to the Poles, namely, the Gomulka regime of national communism; a return to the Stalinist tyranny of previous Soviet domination; or a Hungarian type experience of revolt, in which they could anticipate no aid from the West. For that reason, this represented a step away from Soviet control.

Mr. MANSFIELD. Is there any deep affection between Gomulka and the cardinal?

Mr. KENNEDY. No. I think it is a working relationship, with advantages to each—with respect to the cardinal, for the reasons given, that he feels that the alternative to Gomulka would be worse; and with respect to Gomulka, because the arrangement is a source of strength to him, and helps to cement his position, and also to fight the Stalinists within the Communist Party who are still strong politically in Poland.

Mr. MANSFIELD. Is it not true that because of Cardinal Wyshinsky's attitude there is a greater degree of religious freedom in Poland, and a good deal more in the way of church education for the children?

Mr. KENNEDY. The Senator is correct.

Mr. MANSFIELD. Can the Senator point out what would likely be the situation if no aid were extended to Poland, and if, because of that situation, Russian penetration, a la Hungary, took place, and if, because of that fact, Eastern Germany itself should become stronger? Suppose that happened. What would be the effect on the West? What would be the effect, eventually, on East Germany pulling away from the Soviets if there were a weak Poland between it and the Soviet Union? If on the other hand, the program is successful, as the Senator has pointed out so succinctly—and of course it is a calculated risk—there is no reason why its effect will not be felt in East Germany, or other Communist satellites; nor is there any reason why it will not be felt eventually in other areas of Eastern Europe. Does the Senator agree?

Mr. KENNEDY. Yes; I agree with the Senator. I recognize the fact that there is a calculated risk involved. Nevertheless I think it is to our interest to help the Polish people at this time. I would say to the Senator the reason I am particularly concerned about this situation is, as I intend to explain, the legislative legerdemain by which we gave Poland the aid she is receiving. If the Soviet Union should turn off its supplies to Poland, there would be no funds and little authority available with which to help Poland, except possibly, under Public Law 480. In other words, because of legislative restrictions, assistance to a country like Poland would be impossible for the United States to render, and we could not give assistance to Poland until next year, first, because the $30 million which is permitted under present legislative restrictions, have already been given to Poland and, furthermore, we would have to wait for another year; secondly, because the President's discretionary and emergency fund has already been committed to Poland to the extent of $30 million, and also because there are claims on it from other areas of the world. Therefore, we have come to an impasse; and if the Polish people turned to us for assistance, if the Soviet Union cut off economic aid, I do not believe we could respond until next January or February at the very best.

Mr. MANSFIELD. I think that is correct. The administration ought to be commended for the initiative it has shown in this situation. It is a calculated risk, but it is a risk worth taking, because, if something is not done to bring about a break between the satellites, especially Poland, on the one hand, and the Soviet Union on the other, I think the peace of Western Europe, and perhaps the peace of the world, is in great danger.

Mr. KENNEDY. I thank the Senator.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. KNOWLAND. I had not intended to interrupt the Senator at this time. However, he was kind enough to yield to the Senator from Montana, and I should like to ask some questions for clarification purposes, and I should like to have his answers to these questions, if he would be kind enough to yield to me. I very carefully read the advance copy of his speech, and I have listened to his remarks today. The proposed change in the law which the Senator has in mind would apply not only to Poland, as I understand, but also to the other so-called satellite nations. Is that correct?

Mr. KENNEDY. The Senator is correct.

Mr. KNOWLAND. I notice that the Senator states that the amount requested by the Polish mission from the Communist Gomulka government, when it came to Washington, was more than $300 million worth of aid, which amount was rather substantially cut down, as the Senator has already indicated. Assuming that the precedent of providing for the Polish Government $300 million in aid were established, has the Senator any estimate as to what, on a comparable basis, the satellite governments of Rumania, Bulgaria, Czechoslovakia, Hungary, and Albania might reasonably expect, on the basis of either population or industrial activity, or need?

Mr. KENNEDY. I would say to the Senator from California that, in my opinion, the same conditions would not prevail for a grant to any of the other countries at this time. What I am attempting to point out is this: In view of what has happened in Poland, it is possible that East Germany or other satellites may pull away from the Soviet Union, and I am thinking of legislation which will be needed over a long period of time. I hope, therefore, that such other satellite countries will come into the same position that Poland occupies today. Then, in my opinion, the Battle Act would be too restrictive to meet a situation like that. By the change I have suggested, the President would have to make a determination, as he must make now in the case of Yugoslavia, before aid could be given. However, today Poland is the only country which can qualify for aid. Not that the people of the other countries do not need aid, but Poland is the only country in which a condition of government exists and where the circumstances are such that aid can be fruitfully given.

Mr. KNOWLAND. The problem I have is that the bill covers more than Poland, and covers all satellites. I can well imagine a government sitting at Bucharest, Rumania, saying, "Mr. Gomulka, by indicating some independence"—and I will not use this time to debate how much independence he may have of the Soviet Union, but at least he has made some show of independence—"has been able to get from the United States $300 million of economic aid. If we show a little independence, as Mr. Gomulka did, we may get some economic aid, too."

Not long ago I made some computations, based on population and other factors, which would indicate that if Poland was in the $300 million bracket, and if that is the correct bracket for Poland, East Germany, and the other satellite countries could reasonably expect aid to the extent of a billion and a half dollars.

Mr. KENNEDY. If I may interrupt the Senator at that point, I should like to say that if the situation in other satellite countries were similar to that which prevails in Poland, although I do not think we can now expect that, we would be making a very worthwhile and substantial investment, because there is no doubt such a condition would imperil the security of the Soviet Union.

I would not object if there could be similar unrest and discontent with Soviet domination in other countries, to the same extent it prevails in Poland. It would be worth an investment to us.

Mr. KNOWLAND. That is the point I find difficult to understand in the Senator's thesis and presentation. He says that if there could be some discontent it would be of benefit to us, as I understand his statement. Actually, the reason for the so-called mutual-aid assistance program, under which we give assistance to the Western free nations is for the purpose of strengthening their economic foundations, so that they will have a solid political structure and so that they will be able to function, and so that their defense efforts will help protect the Free World, because we recognize the fact that if there were an economic collapse in France, or if there were an economic collapse in Western Germany, or in Italy, it would not only imperil their economies, but would certainly disrupt their political systems, and would tend to enable the Communist Parties in those countries to grow in strength, and would, in effect, help disintegrate the Free World.

What the Senator is proposing is, to the contrary, that with respect to the nations which are behind the Soviet Union, and which are under occupation by the Soviet forces, we should help strengthen their economies. In that way we would make them more satisfied with

the Communist government and we would make them less likely to try to throw off the yoke of Communist regimes, and we would make it more possible for the Soviet Union, which has been stripping the economies of those nations of billions of dollars in the way of coal and industrial production in order to strengthen the Communist war-making potential.

That is why I have great difficulty in understanding the Senator's proposal. However, I am glad he raised the issue in the Senate, because I am sure that if the bill were reported, it would have been under a most searching study. It seems to me that the Senator is now asking the American people to undertake a whole economic plan of bolstering the Communist world.

Mr. KENNEDY. There is nothing contained in the bill which would provide an appropriation. The Senator talks about making countries eligible. The point I am making is that we have seen what happens in countries like Hungary when they try to revolt. In such a case, the United States has taken a position that we will not assist a satellite country in revolting against the armed forces of the Soviet Union. That being true, I do not see how the people of those countries can win through to freedom, except through a gradual evolutionary policy such as is developing, I hope, in Poland. With such an evolution, if the Polish people turn to us for assistance, in order to lessen their dependence on the Soviet Union, we should be in a flexible enough position, if the President makes the appropriate finding, to assist them at the time when aid might best promote their freedom. If the Soviet Union, as I have said, turned the heat on the Poles today and denied them economic assistance—such as oil, for example—we would have to wait at least until next year to give assistance, because of statutory restrictions, and in the meantime it would be impossible for us because of the legislative and administrative straitjacket to grant them economic assistance.

Mr. KNOWLAND. If the Soviet Union should turn on the heat, what would be the result? Would that cause contentment behind the Soviet lines, or would it cause discontent?

Mr. KENNEDY. I do not think there is any doubt that it would bring about discontent.

Mr. KNOWLAND. When there is in the world a force which is a threat to the security and peace of the world—and at least some of us believe that the Soviet Union is such a threat——

Mr. KENNEDY. I believe it, too.

Mr. KNOWLAND. If that be the case, is it to our advantage to have contentment behind the enemy lines, or is it to our advantage to have discontent behind the enemy lines?

I could see some merit to the Senator's proposal if he were to say that we should be prepared, in the event the Soviets withdrew their forces from Poland or Hungary or Rumania, the President should have authority to help governments which would have an opportunity to be free and not be under Soviet occupation, and I would perhaps even join the Senator in proposing legislation of that kind.

However, the Senator's proposal does not state that as a condition precedent, the Soviets will withdraw their forces from Poland or Hungary or Rumania or Bulgaria before those countries will get such assistance.

Mr. KENNEDY. No.

Mr. KNOWLAND. In effect, we will be picking up the tab, so to speak, and in that way strengthening the economies of the nations while they are still under Soviet occupation.

Mr. KENNEDY. My proposal would provide that the President would have to make a finding that giving the aid would "enable such freedom-loving peoples to strengthen their capacity to maintain a sovereign national government increasingly independent of outside domination and control of the Soviet Union."

The only point I make is that we have seen, when discontent becomes too great, as in the case of Hungary, what has happened within the country when the United States has considered itself powerless to assist it. Therefore, at this time we do not wish to encourage those people to revolt, because there is nothing we can do for them, or nothing that we will do for them.

Consequently, it seems to me there is a limbo or a twilight zone between complete Soviet domination—as is true in the case of Hungary—and a free, friendly nation—a nationalist Communist government such as is evolving in the case of Poland. The question is whether, when that kind of government is evolving and developing in other satellite countries, the United States should choose to assist them. My point is that because of legislative restrictions, there is practically nothing the United States can do to aid them further except by lengthy negotiations and resort to a medley of legal artifices.

Mr. KNOWLAND. My only point is that no one can be wise enough to say that the spark which was struck in Hungary, and which developed into the revolt which occurred in Budapest, may not have set off a chain reaction which ultimately will have its repercussions in the Soviet Union itself, because Hungary was the first country within the Soviet orbit to rebel. It is important for us to point out that the people of Hungary who rebelled were the people of the younger generation, not the older people who could remember the economic or political conditions which existed under former regimes. Instead, those who rebelled were the members of the younger generation, who had never known anything but the indoctrination of communism. Despite the fact that their entire indoctrination had been by the Communist line, they were the leaders of the rebellion in Hungary. That rebellion certainly weakened the Soviet's international position and the Soviet's position in the United Nations. Certainly, it has weakened the Soviet's position in Asia, in the Middle East, and elsewhere.

The Senator from Massachusetts, with his Irish ancestry, of which he should be very proud, knows very well that for a very long period of time the Irish engaged in unsuccessful revolts. But probably the spirit which developed by means of those revolts ultimately led to the independence of Ireland. The Easter Rebellion was put down; but growing out of it, and as a result of the fires which had been lit and the chain reaction which had been begun, ultimately Ireland gained its freedom and independence.

I think none of us is able to predict what will happen; of course none of us has a crystal ball. But I believe that the spirit demonstrated by the Hungarian people may have indeed struck a spark which will have its effect for many years to come.

However, what worries me about the proposal of the Senator from Massachusetts is that unless an additional authorization is made or unless additional appropriations are made, in order to bolster the economies of these Communist countries, then the only source of aid for them will be our friends who have been prepared to stand up with us in the Free World, such as Turkey, the Republic of Korea, the Republic of China on Formosa, and our allies in Western Europe.

Many of us feel that the reductions voted by the House of Representatives were too severe. But that matter will be argued later in the Senate. However, it is certainly true that drastic cuts have been made.

There is no magical source for these funds. So, unless the Senator from Massachusetts is going to propose additional funds for these Communist-controlled nations, in addition to the mutual-aid program, then the only source of the funds will be the nations which are standing up with us in opposing the Communist menace.

Mr. KENNEDY. In the first place, the Irish revolt lasted 700 years, and the Easter Rebellion was one of a long series of disasters which befell the Irish people before they became independent. I do not wish to have the Poles undergo the same experience, especially under conditions of modern totalitarianism, and I know the Senator from California does not.

Second, the revolt in Hungary resulted in the slaughter of great numbers of Hungarians and in putting the surviving and suffering Hungarians even more tightly in bondage.

At this time, in view of the unwillingness of the United States to decide on an aggressive policy, if such an event occurred in the case of Poland, I do not wish to have the Poles have to go through the same ordeal the Hungarians went through last year, even if the result were to weaken the Soviets. I do not wish to have the Poles become storm troopers in connection with such an effort, and to have them go through such disaster and bloodshed, even though the Senator from California has said that, as a result, discontent might develop among the satellite countries in the Soviet orbit. I do not believe these countries can make one leap from Soviet domination to freedom.

I am proposing that if the United States gave money to a country which

found itself in the same situation as that in which the Poles now find themselves, the President could submit the matter to Congress, and request Congress to make the authorizations and the appropriations. In that way, I think the proper safeguards would be provided.

But when a country is going through the evolutionary process through which I believe Poland is going, I believe it is in the interest of the United States to reasonably assist that country. As I understand, the position of the Senator from California is that unless the country is free, it would not be in our interest to assist it.

Mr. KNOWLAND. I would say to the distinguished Senator from Massachusetts, that when we can give hope and assistance to enslaved people in the world we should do so. But I do not believe we should use the funds of the American people to bolster the economic and political systems of the Soviet world and of the Communist governments which control the people of satellite countries without their approval, and by means of the force of Soviet divisions which are kept in those countries. If there is any way by which we can give encouragement to those people—for instance, if there is any way by which we can negotiate with the Soviet Union for the withdrawal of its troops, and if, as a result, they are withdrawn—then I think we can well give help to the peoples of Hungary, Rumania, Poland, and Czechoslovakia, who then would be outside the Soviet occupation. I think there would be great merit in doing that.

If there is no other way, then I should think we would be prepared to help them—and I believe there would be merit in it—by working toward modification of the Yalta and other world-war agreements, so as to enable those countries to have free elections. In that event, so long as the elections were free, we would be willing to have the people of those countries elect according to their own choice—regardless of whether, as a result of the election, they were to have a Communist government, a Socialist government, or a democratic government.

But I believe it would be a great mistake for us to strengthen the economic and political systems of the Communist dictatorships in those nations, while they are behind the Soviet lines or within the Soviet orbit, and when we know that, on the other hand, any weakness behind our lines would, in effect, be a contribution to the Soviet potentials.

Mr. KENNEDY. Of course I should like to see the Soviet Union withdraw its forces. Of course I should like to see free elections held. And, of course, I should like to see the provisions of the Yalta Pact affecting these areas changed. But in my opinion those things will not happen in the foreseeable future.

Because I recognize the situation as it is, I am interested in whatever practical assistance we can give the Polish people, as they turn to us for aid. In my opinion, what I have proposed is all we can do for them, short of the things the Senator from California has described, which I hope for just as much as he does, but which the Soviet Union will not permit to happen, in view of the present cold war which exists between the Soviets and the West.

Mr. KNOWLAND. Of course what we do not know, and what the distinguished Senator from Massachusetts and I cannot demonstrate to the satisfaction of each other, or perhaps to the satisfaction of our colleagues—in fact, perhaps only history will demonstrate it—is whether the theory of the Senator from Massachusetts is correct. The Senator from Massachusetts has one theory regarding what will happen if the United States does what he proposes and what will happen if the United States does not do so.

However, I submit to him that there is another tenable position, namely, that if we do not do as he has suggested, then the Soviet Union must itself contribute more aid to those countries. Certainly there is serious question as to whether the Soviet economy could stand the strain which would result from giving such aid to those countries.

In that connection, of course, we are aware of the internal pullings and haulings within the Kremlin and of the fight which has been going on there, and we realize that only recently Molotov and others of the Kremlin hierarchy were deposed. Furthermore, we realize that the giving of such additional aid by the Soviets might result in bleeding the Russian people white. Moreover, probably only a minority of the Russians want a Communist regime.

So at that point, if we did not "pick up the check" for the Soviets and take care of stabilizing the Communist regimes in the satellite nations, the Soviets might then find themselves in such a position that they would be willing to negotiate for the withdrawal of Soviet forces, so long as there could be, at that point, a guaranty that the United States had no aggressive intent against them—and, as the Senator from Massachusetts and I know, no responsible person in this country has such an intent—and so long as we could obtain from the Soviets assurances that they had no aggressive intent. In that event, it might be possible to build up a neutral bloc of such nations—including Hungary, Poland, Rumania, and Czechoslovakia—which would not be under Soviet occupation, and which really would contribute to the peace of the world and, equally important, to the freedom of those peoples, because I submit there is something more in life than merely looking forward to having to live in perpetuity under a Communist regime.

Mr. KENNEDY. If the United States were ready to say to the Poles that if they revolted, the United States would come to their assistance, as the administration once seemed to suggest, then I would agree that the Senator from California is correct. But experience shows that we would not come to their assistance. Therefore, I do not believe it is beneficial to deny them aid to lift their standard of living, on the theory that to do so would mean that eventually they would revolt, and then to have the United States say that it would not do anything to help them after they had revolted. I do not believe such a circular position makes much sense, in view of the practical realities of the situation existing behind the Iron Curtain.

Mr. MANSFIELD. Mr. President, will the Senator from Massachusetts yield to me?

Mr. KENNEDY. I yield.

Mr. MANSFIELD. I think it would do all of us good to examine the map of Western Europe and the position in which Poland finds herself. She is squeezed between the Soviet Union, on the east, and East Germany, on the west. We know there are 50,000 Soviet troops on Polish soil. They cannot be dislodged, except by force. We know that the Soviets have in excess of 20 divisions in East Germany, a satellite country. I have an idea that the future of the peace of Western Europe is tied up with the question of the unification of Germany.

If the Poles can be dragged away from complete and outright domination by the Soviet Union—and at the present time the Soviet Union exercises such dominations over Bulgaria, Rumania, Hungary, and Czechoslovakia—then I think there is a chance of furthering the existing difficulties and causing greater unrest among the other satellites; and—and this is most important, in my opinion—I think there is also a chance of bringing about a weakening of the East German Communist People's Republic, so-called. If we can do that, then I think we shall be hastening the day, through the use of aid to Poland, for the reunification of Germany and the settling of one of the deep-seated problems of friction in all Europe.

I point out, with reference to maintaining the lines of communication and troops in Hungary and Rumania, that under the agreement, the Soviet Union was supposed to have withdrawn its troops from the two countries when the Austrian peace treaty was finally ratified. We made no move to call that matter to the attention of the Soviet Union; at least I do not know of any move we made in that direction. Certainly, after more than 274 meetings of our representatives with those of the Soviet Union, Great Britain, and France, which led to the Austrian peace treaty, we should have brought to the attention of the Soviet Union at that time the clause in the prior agreement that Russia would withdraw its troops and not maintain lines of communication in Rumania and Hungary. We did not do that.

I certainly think the President, the National Security Council, and Mr. Dulles are right in taking this calculated risk, because while it may fail and react against us, if we do nothing we pave the way for the Soviet Union to entrench itself that much more strongly in Poland, in East Germany, and in Central Europe.

Mr. KENNEDY. I thank the Senator.

Mr. LONG. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. LONG. It seems to me of the matters we must keep in mind with respect to Poland is that a revolt is not likely to be successful so long as Soviet troops are kept there, as the Senator has said, whereas the Polish people

might rise in revolt if there were no Russian troops present.

If the Soviets should decide to take an all-out risk and gamble with the possibility of war with the West, which would include the United States and the NATO nations, the question then would be, Where would the loyalty of the Polish people be? Having been there, I do not think the Soviets could count on even 1,000 people in Poland taking Russia's side. It might be that Russia could find that many persons who would say that they would take Russia's side, but so far as finding 1,000 people in Poland on whom Russia could rely, I doubt that it could be done. We saw what happened in Hungary when Hungary's forces were called to put down the revolt. Instead of the Hungarians using the arms furnished by the Soviets against those who were revolting, they used them against Russia's troops. Russia would have that same problem in Poland. In other words, I think it is quite possible that the arms Russia is giving to Poland might be used against Russia in case Russia became involved in a great aggression against Poland.

One reason for the ill will of Poland against Russia is the fact that the Russian Army sat across the river while the German stormtroopers were liquidating the underground fighters who were trying to help defeat the Nazis before the Russians crossed the river. Warsaw was more completely destroyed than was any city in Europe. It always seemed to me it would be of great help if this country should offer to rebuild the city, in order to indicate the good will of this Nation toward the people of Poland, which good will might some day pay off in the event an occasion arose where we would want Poland to be on our side.

Mr. KENNEDY. I think that would be particularly helpful in the field of housing. I was going to mention that a little later in my statement. I thank the Senator very much for what he has said.

No, I do not say that there are no real risks in aiding the Gomulka government. But I do say that the United States had an even greater responsibility, as leader of the Free World, to take those risks, to meet this opportunity and this challenge. Any other course would have either forced a suffering nation into a fruitless revolt—or forced the Polish Government to become hopelessly dependent once again on Moscow completely, on Moscow's terms. Any failure on our part to help Poland today is only encouraging the Polish Stalinists—who have already considerably exploited the delay in our loan negotiations—in their anti-Western propaganda; and it is very possibly causing the collapse of the present, more independent government. Other satellites, we may be sure, are watching—and if we fail to help the Poles, who else will dare stand up to the Russians and look westward?

If, on the other hand, we take these risks, through a more adequate program of loans and other assistance, and provide a dramatic, concrete demonstration of our sympathy and sincerity, we can obtain an invaluable reservoir of good will among the Polish people, strengthen their will to resist, and drive still a further wedge between the Polish Government and the Kremlin. For the satellite nations of Eastern Europe represent the one area in the world where the Soviet Union is on the defensive today, the tender spot within its coat of iron armor, the potential source of an inflammation that could spread infectious independence throughout its system, accomplishing from within what the West could never accomplish from without.

Poland may still be a satellite government—but the Poles, as I have said many time, are not satellite people. To deny them help because they have not been able to shake off total Communist control would be a brutal and dangerous policy, either increasing their dependence on Russia, driving them into the slaughter of a fruitless, premature revolt, or causing them to despair of ever regaining their freedom.

It is difficult to believe the latter could ever come about. I was in Poland less than 2 years ago. I saw firsthand not only the total repression which gripped that country in contrast with the gradual increases in freedom we have witnessed since last October; but I saw, too, that the Polish people of the mid-20th century would never in their hearts accept permanent status as a Soviet colony. Indeed, the people of Poland—because of their religious convictions and strong patriotic spirit, because of their historical hatred of the Russians—are perhaps better equipped than any people on earth to withstand the present period of persecution, just as their forefathers withstood successive invasions and partitions from the Germans and the Austrians and the Russians for centuries before them, and just as theirs was the only country occupied by Hitler that did not produce a quisling.

But time works against the people of Poland. It is upon the youth who have no recollection of a free Poland that the Communists concentrate their attention. Given control over education, given control over all the means of communication, given at least an indirect limitation on the traditional influence of the church, given all of the weapons of a modern police state and given time to consolidate their gains, the Communists feel that they can remake Poland and the Polish people.

If the Poles come to believe that we in the West, with all of our advantages and wealth, care little about their problems and are unwilling to risk going to their assistance even economically, then even their courageous struggle to preserve the spirit of independence may fail.

I recognize, of course, that others have pointed out advantages for us in refusing aid to the Poles—it will make matters more difficult for their Communist government and absentee Soviet masters, and it will demonstrate our recognition of the degree to which the Polish Government is still within the orbit of Soviet control and ideology. But the hunger and misery of other freedom-loving peoples have never been weapons of American foreign policy—and if there is even a slight chance that this demonstration of friendship on our part will help the Polish people to loosen further the bonds of Soviet domination, then the obvious gains to this Nation and the Free World will have been well worth the effort. If, on the other hand, Poland should once again slip completely behind the Iron Curtain, then this Nation will have at least demonstrated to the world our willingness to help impoverished, freedom-loving people in any land, whatever the political situation may be.

THE STATUTORY FRAMEWORK HAMPERING POLISH AID

The second reason for the final American loan agreement being too little and too late was the inflexibility of our various foreign-aid statutes in dealing with a nation in Poland's unique position between Moscow and the West. The Battle Act, which is the pertinent law governing this aspect of our foreign aid under the Mutual Security Act, and the Agricultural Surplus Disposal Act, recognize only two categories of nations in the world: nations under the domination or control of the U. S. S. R. or the world Communist movement—and friendly nations. They make no recognition of the fact that there can be shades of gray between these blacks and whites—that there are and will be nations such as Poland that may not yet be our allies or in a position to be truly friendly, but which are at least beginning to move out from Soviet domination and control.

Thus, in order for American surplus cotton and wheat to be sent to Poland as a part of this loan, it was necessary for Secretary of State Dulles to make the highly arguable finding that Poland is not dominated or controlled by the U. S. S. R. and is a friendly nation—a finding which was vulnerable on its face to criticism and ridicule from the opponents of Polish aid. In order for the rest of the loan to go through, the administration was forced to resort to still another legal artifice to get around the Battle Act, transferring to the Export-Import Bank for loan purposes money from the President's unrestricted foreign aid contingency fund under section 401 of the Mutual Security Act—an action which brought with it a $30 million limitation on the amount going to any one country in any fiscal year. Morever, part of the local currencies resulting from sales of agricultural surpluses are often loaned back to the recipient nation for economic development projects—but this presumably cannot be done in Poland's case because of the Battle Act.

We may, by resorting to these artificial—though self-defeating—devices, have avoided for a time the responsibility of openly ventilating this problem in the Congress and the larger forum of public opinion. But the issue cannot be long smothered. The existing agreement may need additional legislative implementation—a new and more adequate Polish loan undoubtedly will be requested in the near future—and while the Gomulka government falters and all of Eastern Europe watches its performance and our response, Congress and the administration must face up to this issue directly.

PROPOSED LEGISLATION

For these reasons, I am introducing today a bill to amend the Battle, Surplus

Disposal, and Mutual Security Acts which would make unnecessary these strained interpretations to sell or loan surplus foods for local currencies to countries in Poland's situation; which would permit regular Export-Import Bank loans, guaranties of private loans, and presumably regular foreign-aid development loans under the Mutual Security Act; and which would thus recognize that nations in neither the completely friendly nor completely dominated categories may be in a situation where American aid—surplus sales, development loan, commercial loan, technical assistance—might well, if the President so determined on a selective basis, be in the interest of the national security of the United States.

Specifically, this bill would authorize such assistance whenever the President shall determine that there is an opportunity thereby—

1. To assist the freedom-loving peoples of any such nation to achieve greater political, economic, and social freedom and well-being; or

2. To enable such freedom-loving peoples to strengthen their capacity to maintain a sovereign national government increasingly independent of outside domination and control; and thus to promote world peace and to strengthen the national security of the United States by expanding the areas in which freemen and free governments can flourish.

OTHER STEPS

Finally, what other steps might be taken to help the Poles short of civil or international war?

First, perhaps the next most important step we could take would be an increase of people-to-people contacts, of cultural, scientific, and educational exchanges, of reciprocal visits by delegations representing every aspect of life in the two countries. In addition to improving our propaganda activities, let us also break through the long isolation from the Western World, imposed upon the Polish people by the Soviets with films, records, and a true picture of life in the West. I emphasize "true," for it has repeatedly been shown that cheap sensationalism, public-relations gimmicks, and the propagation of unrealizable promises and hopes only injure our prestige. Though no information program can be perfectly attuned to political needs or address itself to all potential audiences, it is probably true that the British, working with a much smaller budget, have very often had better effect in radio broadcasts to East Europe—especially in their transmissions of simple, unadorned, and factual news broadcasts.

There has been some progress made already in unofficial student-teacher exchanges through the generosity and foresight of the Ford and Rockefeller Foundations. These are beginnings, which the Congress, acting within the framework of the Smith-Mundt Act, could further consolidate to demonstrate our readiness to take advantage of a unique opportunity to strengthen our ties with the Polish. This kind of aid is not costly, and yet is rewarding—especially in Poland, where the younger generation and university students and teachers have been singularly brave and resistant to Communist pressures. In no small measure, the Polish Revolution is an intellectual revolution fed by the infusion of Western ideas, books, and principles of conduct.

Second, we may strengthen ties by an expansion of trade, visible, and invisible, between our countries. American exports are only a fraction of their prewar level. Other than Polish hams and coal-tar derivatives, we have done very little to encourage those imports which might be most suitable for our markets. The Poles have indicated their desire to accelerate considerably the flow of commerce between our two countries—and I am confident that some of these wishes can be fulfilled. One very practical step we could take would be to lift the bars—as the Canadians have done—against Polish ships and liners coming to our ports. At a later date it may be possible to certify a Polish airline for transatlantic air service. These are very practical moves which would have a bracing effect on Polish dollar income, fill a general consumer need with ever enlarging international travel, and encourage people of Polish extraction to make visits to Poland.

There are also exports which the United States might make to Poland through private-capital investment, possibly with governmental sponsorship. One suggestion which has been under discussion is American sponsorship and financing of a housing district in Warsaw, preferably illustrating also some of the best features of our contemporary architecture and urban planning. We have seen in Berlin how the Germans with Western help have undertaken some large building and construction programs which not only fill vital needs but also offset the impressive showpiece facade of Russian rebuilding in the Stalinallee of East Berlin. In Warsaw, too, we could counter the gaudy and hated Soviet Palace of Culture with such a municipal project.

Third, we should explore further the possibilities of offering a program of technical assistance to the Gomulka government. Such a policy is obviously subject to some of the same risks as economic assistance, but it also offers even greater possibilities for enlarging the independent personality of the Polish nation. I feel certain that ways can be found to help the Poles acquire expert help, especially for agriculture and the management of medium-sized industry.

Fourth, the United States should consider some humanitarian relief to repatriates who are still, 12 years after the war, returning from Russia. This is more in the nature of emergency, short-term aid to tide over some of these persons who are finding it very difficult to locate jobs and shelter. All in all there are about 300,000 returning, of whom 20,000 to 25,000 were members of the Polish underground, whom General Eisenhower in September 1944 rightfully called fellow combatants.

Fifth, we must think more clearly and make more specific preparations for effective action in case of another outbreak of violence or Soviet intervention in Eastern Europe. The dangers of such a crisis persist in Poland, where anti-Russian sentiment and continued political and economic discontent make Mr. Gomulka's efforts at gradualism very hazardous indeed. It could recur in Hungary—or East Germany—or Rumania, or elsewhere in Eastern Europe. The West cannot be caught again, as it was during the Berlin riots of June 1953 or last fall in Poland and Hungary, without coordinated policies or machinery to meet such a crisis.

For on last October 21, Mr. Dulles, during an era of Republican campaign pacificism, veered to an extreme position when he wrote off completely any possibility of the use of American military means in East Europe, thus inviting Soviet intervention. I suggest that Mr. Dulles and his party, who have often condemned the previous Secretary of State for his January 1950 speech on the Far Eastern perimeter and Korea, might usefully ponder Mr. Dulles' much more sweeping remarks of last October in regard to East Europe. At the very minimum, it would be desirable at once to create a permanent U. N. Observation Commission, ready to fly at a moment's notice to any spot where an advance toward freedom is menaced by Soviet intervention. The recent and classic U. N. Commission report on Hungary, though in the nature of a post mortem, indicates how world opinion could be rallied if such an investigation could be made on the spot and simultaneously with the rupture of a nation's independence.

Sixth, finally, we must view the Polish problem in its wider European setting. Though chances for a general European and German settlement are not at the moment bright, we must not foreclose possibilities when they present themselves. New policies and proposals for troop withdrawals, disarmament, and neutralization must receive our careful consideration. Moreover, the effect of our present policies—our failure to outlaw genocide, the inadequacy of our assistance to refugees, escapees, and repatriates—must be reexamined.

Especially, we cannot honestly overlook the close connections between our policies toward Germany and those toward Poland. Though I agree in very wide measure with the policies of our Government toward Germany under both Democratic and Republican administrations, there is, I think, a danger that the very unanimity of support which they have enjoyed makes them a little too rigid and unyielding to changing currents in European politics. The United States has had every reason to rejoice in the statesmanship of Chancellor Adenauer and the impressive leadership he has given in shaping the new German democracy. But I do think that the United States, in assessing this achievement, has in its public statements and in the more informal workings of its diplomacy unduly neglected the contribution of the democratic opposition, the German Socialists, whose resistance to communism has been stalwart and who may someday become a part of a German Government with whom we shall be allies. Especially in Eastern Europe, it has not been to our interest

to make pariahs of the German Social Democrats.

Chancellor Adenauer on August 4 gave public voice to the rising realization that there will soon have to be an exchange of recognition between Western Germany and Poland, despite the unfortunate fact that all the countries of Eastern Europe recognize also the Communist regime of Eastern Germany. There is already substantial trade between Western Germany and Poland, and we should seek to clarify the benefits of an exchange of political recognition between the two countries.

I realize that this raises some collateral issues of great complexity—particularly the question of the Polish western borders and the German eastern territories which the Potsdam Agreement passed under Polish administration. This question, perhaps, more than any other, serves to create gravitational pulls in Poland toward Russia. It is not possible or proper to freeze the legal status of these territories until there has been a final peace conference. The German Foreign Minister, Dr. von Brentano, asserted last December 14 that this was an issue which could be worked out in a European spirit and that there are possibilities for negotiation. One former High Commissioner in Germany, John McCloy, a distinguished Republican who ably served the United States and the cause of the new Germany, has likewise pointed to the danger of failing to determine the future of these territories. This is not a matter on which the United States should impose a settlement, but we can encourage the many reasonable voices in all parties who have recognized the need in Germany to press toward an accommodation of this dispute. Fortunately, with full employment and a sustained prosperity in Western Germany, this is a matter which is less charged with emotional asperities than it was some years ago. It is certainly within the interests of the United States to adopt an attitude which accepts no settlement which has not been recognized by a free Polish nation. To say this is not, of course, to gloss over the fact that many Germans have suffered in these territories and that many expellees—especially the older ones—have not found happiness or even a tolerable existence in their new homes.

Finally, it is obvious that we should, where possible, avoid the minor irritants which can be magnified into national affronts. A small recent example was an action of the State Department in changing methods of issuing passports. Although perhaps meaningless to us, it was provoking to the Poles when the State Department altered the way in which the birthplace of persons born in the eastern territories is indicated. For nearly 12 years after the war, a person born in Breslau or Stettin was identified as having been born in Poland. This year the identification was changed to Germany—under Polish administration. Whatever the reasons for such an action, it only plays—at this date—into the hands of the U. S. S. R.

CONCLUSION

There is, Mr. President, no single passkey to freedom in this program, no easy solution by which Poland can gain its freedom effortlessly or by simple counting on the internal erosion of the Soviet Union. Action and foresight are the only possible preludes to freedom. And there are, I repeat, obvious risks. There is a sardonic saying of a Polish exile that we might recall: "I wish," he said, "that Poland would become the world's business rather than the world's inspiration." We have too long covered a nakedness of policy with lofty phrases, which call attention to the glory of Poland, but hardly offer signposts to her salvation. Recent dispatches from Warsaw have made it all too clear that the brave people of Poland are still, even under present conditions, in a prison—however more tolerable their jailers may have become. But are we to ignore their needs because they cannot escape by one leap or by picking one lock? Is this an excuse for inaction? Have we forgotten the words—I was—

> Hungry, and you gave me to eat;
> Naked, and you covered me;
> Sick, and you visited me;
> I was in prison, and you came to me.

Mr. President, I introduce, for appropriate reference, a bill to authorize the President under certain conditions to permit the entering into of loan, grant, or other aid agreements with certain nations.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2828) to authorize the President under certain conditions to permit the entering into of loan, grant, or other aid agreements with certain nations, introduced by Mr. KENNEDY, was received, read twice by its title, and referred to the Committee on Foreign Relations.

AMENDMENT OF SECTION 22 OF INTERSTATE COMMERCE ACT—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 939) to amend section 22 of the Interstate Commerce Act, as amended.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SMATHERS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SMATHERS. What is the question before the Senate?

The PRESIDING OFFICER. The question is on agreeing to the conference report on Senate bill 939.

Mr. SMATHERS. I thank the Chair. I might state, for the information of the Senate, that the conferees are of the opinion that they are ready to vote. However, I have been advised that the Senator from Tennessee [Mr. KEFAUVER] desires to make some expression in opposition. I am of the opinion that the Senator from Alabama [Mr. SPARKMAN] also wants to make a record.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. SMATHERS. I yield.

Mr. SPARKMAN. There is a little matter with relation to the veterans' housing bill which I hope we can dispose of in a very short time. It is a matter of agreeing to a House amendment. That will give time to give notice to the Senator from Tennessee.

Mr. SMATHERS. Mr. President, I am happy to yield, with that understanding, to the Senator from Alabama.

HOUSING ACT OF 1957

Mr. SPARKMAN. Mr. President, there is on the Secretary's desk the bill, H. R. 4602, which passed the Senate recently. The Senate asked for a conference and appointed conferees. The House, instead of agreeing to a conference, accepted the bill with an amendment. It is apparent that in the amendment of the House the amount of authorization is greater than the Senate intended, in that it would be $350 million. It seems to me the amount really intended was $200 million.

I should like to move, Mr. President, that the Senate accept the amendment of the House with an amendment which I will send to the desk and ask the clerk to state.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 4602, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
August 13, 1957.

Resolved, That the House agrees to the amendments of the Senate numbered 1, 2, 3, 4, 5, and 7 to the bill (H. R. 4602) entitled "An act to encourage new residential construction for veterans' housing in rural areas and small cities and towns by raising the maximum amount in which direct loans may be made from $10,000 to $13,500, to authorize advance financing commitments, to extend the direct loan program for veterans, and for other purposes."

That the House agrees to the amendment of the Senate numbered 6, with an amendment, as follows: Strike out the matter proposed to be stricken out by the Senate amendment and in lieu thereof insert the following:

"(c) Subsection (d) of such section 513 is amended (1) by striking out '1957' and inserting '1959'; (2) by inserting immediately after 'so advanced' the following: 'under this sentence'; and (3) by inserting immediately after the first sentence therein the following new sentence: 'The Secretary of the Treasury shall also advance to the Administrator from time to time until July 25, 1959, such additional sums as the Administrator may request (not in excess of the difference between the amounts advanced under this subsection

after June 30, 1955, and the maximum amounts which could have been advanced upon the request of the Administrator after June 30, 1955, and before the date of the request).'"

Mr. SPARKMAN. Mr. President, I send to the desk an amendment to the amendment of the House to Senate amendment No. 6, and ask that it be stated by the clerk.

The PRESIDING OFFICER. The amendment to the House amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. In lieu of the language inserted by the House amendment to Senate amendment No. 6 it is proposed to insert the following:

(c) Subsection (d) of such section 513 is amended (1) by striking out "1957" and inserting "1958"; (2) by inserting immediately after "so advanced" the following "under this sentence"; and (3) by inserting immediately after the first sentence therein the following new sentence: "The Secretary of the Treasury shall also advance to the Administrator from time to time until July 25, 1958, such additional sums as the Administrator may request (not in excess of the difference between the amounts advanced under this subsection after June 30, 1955, and the maximum amounts which could have been advanced upon the request of the Administrator after June 30, 1955, and before the date of the request)."

Mr. SPARKMAN. Mr. President, I move that the Senate agree to the Senate amendment to the House amendment to Senate amendment No. 6.

Mr. BRICKER. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield to the Senator from Ohio.

Mr. BRICKER. The suggestion of the Senator from Alabama is to the effect that there will be added $125 million to the sum which has already been authorized?

Mr. SPARKMAN. One hundred and fifty million dollars.

Mr. BRICKER. One hundred and fifty million dollars?

Mr. SPARKMAN. That is correct.

I may say to the Senator that is the amount which heretofore has been added automatically each year for which an extension was granted.

Mr. BRICKER. Each year, when an extension was made, it has automatically carried such an authorization from the original bill.

Mr. SPARKMAN. That has been true heretofore.

Mr. BRICKER. Mr. President, I should like to say to the Senator from Alabama that this is about the best which can be done under the circumstances. The House increased the authorization in the bill as passed by the Senate to, I believe, $300 million.

Mr. SPARKMAN. Three hundred and fifty million dollars.

Mr. BRICKER. Which amount is entirely out of reason. There was a great deal of opposition, as the Senator knows, in the committee to any extension of the program. The necessity for the program, if there be one, arises from the unrealistic interest rate carried on the GI loans, which has practically dried up the market for GI money. The Government is now entering into the direct-lending field, which, I think, is unsound, except in those cases where it is necessary in a war or defense effort, or something of that kind.

I should like to see this matter go to conference, but I presume that such a delay would not accomplish a great deal.

Let me emphasize the fact that we are now approaching the ceiling on the debt limit. We are, by the action proposed, asked to add another $150 million to the authorized expenditures of our Government, so that we will push the total debt amount that much closer to the debt ceiling.

I do not think any Member of the Senate wants to see an increase in the debt ceiling; I know the Senator from Ohio does not; although it may be necessary if the Government keeps on borrowing money and lending money, and going into this and that field, which I do not believe is essential or necessary at this time.

We have entered into a program by which interest rates are increasing, yet we have been unwilling either in the Senate or in the other body to increase the interest rates on the GI loans. If there is any reason for this at all, it is because that program has broken down simply because the Congress will not meet the practical situation and make a realistic reappraisal of the interest rates on the GI loans.

I am opposed to the action. I think the matter ought to go to conference and be worked out. On the other hand, I realize the Senate passed the bill, and possibly such action would not achieve a great deal.

Mr. SPARKMAN. Mr. President, I wish to say to the Senator from Ohio that I know he did not intend to leave the impression that this is a new program.

Mr. BRICKER. The program has been carried on for many years, with the exception of 1 year when there was nothing appropriated and another year when only $25 million was authorized.

Mr. SPARKMAN. I believe there has been a program every year since it started. The primary purpose is to reach veterans who live in rural and semirural areas in which mortgage money is not available. This program had that purpose in view even when the interest rate was the same on the GI and FHA loans.

Mr. BRICKER. These programs have a way of going up and up and up, and adding more and more to the debt which, in the final analysis, the general taxpayer has to carry. I do not feel that it is an essential program, because of the limited amount available and because there will have to be discrimination between the veterans who apply. I think the Senator realizes that there cannot be enough money to supply everybody, under the present market demand, with 4½ percent interest loans.

Mr. BUSH. Mr. President, will the Senator yield to me?

Mr. SPARKMAN. I yield to the Senator from Connecticut.

Mr. BUSH. I feel, Mr. President, very much as does my distinguished colleague, the Senator from Ohio [Mr. BRICKER], who has just expressed himself. This program originally was designed to attract the money of private investors to finance the home-building program. As the Senator from Ohio says, the fact that the Congress insists on keeping an unrealistic interest rate on the program has resulted in a disinclination of private investors to put up the money.

We now ask the Federal Government to buy up these mortgages to the extent that the Senator from Alabama recommends. I agree that we should not be doing so at this time.

The Senator from Ohio has pointed out that we must consider the debt limit. The authorized legal debt limit is under pressure. By the action proposed, we will authorize the expenditure of an additional $150 million today, which is a potential $150 million additional pressure against the debt limit, at a time when we should be trying, in my judgment, to reduce the budget so as to offer to the people next year some opportunity for a tax reduction.

I feel very unhappy about this procedure. I feel we are somewhat handcuffed by the situation we face. I do not propose to do very much more about it, but I wish to register my protest for the RECORD, and to state that this is not a sound way to conduct the program. If the interest rate had been raised to an amount comparable with the interest rates other citizens have to pay, I think the money could have been attracted to the program so that we would not be faced with the budgetary situation we confront today.

I thank the Senator very much for yielding to me.

Mr. LONG. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield to the Senator from Louisiana.

Mr. LONG. The RECORD should indicate that there are varying points of view on this matter.

I should like to make clear that in my judgment the Congress is not derelict in not raising interest rates for veterans' housing loans. If the Congress is derelict in its duty in any respect, it is derelict in not requiring the Federal Reserve Board to use its powers, which Congress delegated to the Board, in the national interest to hold down interest rates.

I believe that by the time the investigation of this matter is completed it will be established that the high interest rates and the so-called tight money policy are not doing what it has been claimed they would do, when it was said they would resist inflation. They are not stopping inflation. As a matter of fact, inflation is occurring in areas where this policy has practically no effect whatsoever.

However, the policy is penalizing the National Government by increasing the cost of government $1,250 million a year at the present time. If continued, the policy will increase the cost of government more than $4.5 billion a year. If applied to the private debt as well as the public debt, the result of the policy would be that those who must pay interest on borrowed money would have to pay an increased charge of $15 billion a year. That is the same, in effect, as putting a tax on the poor for the benefit of those who are better fixed financially.

Many of us feel that if we are going to take any action it should not be an action to raise interest rates on a veteran's loan, but it should be an action which will make credit more freely available to all people who wish to buy homes on more reasonable terms—on terms which are in line with what we have had in the past.

The Senator knows as well as I do that housing starts at the present time are 20 percent below what they were about 18 months ago. We could have cleared many slums and could have built many new houses, more decent and fit for human use, in that period of time. The facilities, the labor, and the materials are available.

The Senator perhaps knows, as I know, that when we increase the cost of interest 1 percent, we increase the monthly mortgage payments by 10 percent. We increase the over-all cost of buying the house by 10 percent. Realizing all those consequences, some of us feel that while we need to go forward with home construction—and this bill will help—we are not prepared to vote to raise interest rates, because rather than raising them we ought to be doing something to bring them down.

Mr. SPARKMAN. Interest rates are not involved in the bill at all. I appreciate the remarks of the Senator from Louisiana, but there is no provision in the bill relating to interest rates, one way or the other.

Mr. LONG. The point is made that the bill is necessary because Congress has thus far declined to raise interest rates on veterans' loans. I wish to say for the RECORD that so far as I am concerned, I believe our effort should not be directed toward increasing interest rates but toward reducing them.

Mr. SPARKMAN. I appreciate the remarks of the Senator from Louisiana.

I wish to make it clear that this law was in existence when interest rates were low. The program has gone forward at the rate of from about $100 million to $150 million a year. This is nothing new. It is simply an extension of the program for a year, with the provision of about the same amount of money we have provided heretofore. It is for the purpose of reaching those veterans who could not be reached, regardless of what the interest rates are, simply because mortgage money is not available in many rural communities.

Mr. LONG. There is one Senator who is not unhappy about voting to reduce interest rates.

Mr. JAVITS. Mr. President, I should like to express my support of the Senator from Alabama on this subject.

This measure is only making good the promise we made to veterans. I feel that we should not yield to the argument for higher interest rates. I have heard the figure of $15 billion mentioned time and again as to the cost of higher interest rates; it must, of course be juxtaposed to what the American working man has been saved in terms of inflation which is probably a multiple $15 billion.

However, low interest rates are characteristic of our vital economy and should be the norm. But, I do not think this is the place for that argument on interest rates. We promised the veteran a 4½-percent interest rate because of his special status, because he lost essential years of his earning power. I am for making good on our promise.

I think that is all the Senator from Alabama is doing in advocating giving the veteran a loan opportunity for housing. It is true that this bill would not greatly benefit my section of the country. In the large cities there are also great problems involved in raising money for mortgages. However, the bill would help to take the strain off the mortgage market to a certain extent. But whether it did or not, the point is that we are redeeming our promise to at least some of the veterans.

I am glad the Senator has brought about an accord to get this bill passed.

Mr. SPARKMAN. I thank the Senator from New York.

With further reference to the interest rates, I was quite pleased to read in the Wall Street Journal of yesterday that the Chairman of the Federal Reserve Board, William McChesney Martin, Jr., said he saw some glimmer of hope that interest rates would come down. I look forward to the day, let me say to the Senator from Louisiana, when that becomes a reality.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. LAUSCHE. I do not recall what the amount was that the Senate committee recommended to deal with this item.

Mr. SPARKMAN. In the Senate committee we recommended an extension of the program for 25 days, in order to make it coterminous with the VA guaranty; and we provided $50 million additional.

When the bill came to the floor of the Senate, the Senator from South Carolina [Mr. THURMOND] representing the entire Labor and Public Welfare Committee, offered an amendment to extend the VA program by another year, and we extended this program for another year, to make it coterminous.

All we are seeking to do is to ratify the appropriation of $150 million, which ordinarily would have been for the full year.

The House, in its amendment, voted not only that amount, but an additional $150 million. We are asking that the bill be sent back to the House carrying a figure of $200 million, rather than $350 million.

Mr. LAUSCHE. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Alabama that the Senate agree to the Senate amendment to House amendment to Senate amendment No. 6.

The motion was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Bartlett, one of its reading clerks, announced that the House had passed, without amendment, the joint resolution (S. J. Res. 96) to authorize establishment of the U. S. S. *Enterprise* (CV–6) in the Nation's Capital as a memorial museum.

The message also announced that the House insisted upon its amendment to the bill (S. 1791) to further amend the Reorganization Act of 1949, as amended, so that such act will apply to reorganization plans transmitted to the Congress at any time before June 1, 1959, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. DAWSON of Illinois, Mr. CHUDOFF, Mr. BROOKS of Texas, Mr. MOSS, Mrs. HARDEN, Mr. BROWN of Ohio, and Mr. MICHEL were appointed managers on the part of the House at the conference.

The message further announced that the House had disagreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1937) to authorize the construction, maintenance, and operation by the Armory Board of the District of Columbia of a stadium in the District of Columbia, and for other purposes; insisted upon its disagreement to said amendments, asked a further conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MCMILLAN, Mr. HARRIS, Mr. TEAGUE of Texas, Mr. SIMPSON of Illinois, and Mr. O'HARA of Minnesota were appointed managers on the part of the House at the further conference.

The message also announced that the House had agreed to the amendments of the Senate to each of the following bills of the House:

H. R. 2741. An act to authorize and direct the Administrator of Veterans' Affairs to convey certain lands of the United States to the Hermann Hospital Estate, Houston, Tex.; and

H. R. 8005. An act to provide for the conveyance of an interest of the United States in and to fissionable materials in a tract of land in the county of Cook, and State of Illinois.

The message further announced that the House had severally agreed to the amendment of the Senate to the following bills of the House:

H. R. 3653. An act to liberalize certain criteria for determining eligibility of widows for benefits;

H. R. 6952. An act to authorize the transfer of naval vessels to friendly foreign countries; and

H. R. 7697. An act to provide additional facilities necessary for the administration and training of units of the Reserve components of the Armed Forces of the United States.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolutions, and they were signed by the Vice President:

H. R. 1652. An act for the relief of Rajka Markovic and Krunoslav Markovic;

H. R. 1797. An act for the relief of Maria Sausa and Gregorio Sausa;

H. R. 2058. An act for the relief of the Franklin Institute of the State of Pennsylvania;

H. R. 2237. An act authorizing the transfer of certain property of the Veterans' Administration (in Johnson City, Tenn.) to Johnson City National Farm Loan Association and the East Tennessee Production Credit Association, local units of the Farm Credit Administration;

H. R. 2354. An act for the relief of the estate of Leatha Horn;

H. R. 2816. An act to provide for the conveyance of Esler Field, La., to the parish of Rapides in the State of Louisiana, and for other purposes;

H. R. 5757. An act to increase the maximum amount payable by the Veterans' Administration for mailing or shipping charges of personal property left by any deceased veteran on Veterans' Administration property;

H. R. 5807. An act to amend further and make permanent the Missing Persons Act, as amended;

H. R. 6521. An act to modify section 3 of the Act of June 30, 1945 (59 Stat. 265);

H. R. 7825. An act to exempt from taxation certain property of the B'nai B'rith Henry Monsky Foundation, in the District of Columbia;

H. R. 8429. An act to amend the Vocational Rehabilitation Act;

H. R. 8586. An act for the relief of Pasquale Pratola;

H. R. 9188. An act to amend the act to authorize the Secretary of the Navy to transfer to the Commonwealth of Massachusetts certain lands and improvements comprising the Castle Island terminal facility at South Boston in exchange for certain other lands;

H. J. Res. 354. An act to authorize the designation of October 19, 1957, as National Olympic Day;

H. J. Res. 367. An act to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens;

H. J. Res. 370. An act to extend the time limit for the Secretary of Commerce to sell certain war-built vessels for utilization on essential trade routes 3 and 4;

H. J. Res. 393. An act to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain persons;

H. J. Res. 404. An act providing for the recognition and endorsement of the second world metallurgical congress;

H. J. Res. 408. An act authorizing the President to invite the States of the Union and foreign countries to participate in the St. Lawrence Seaway celebration to be held in Chicago, Ill., from January 1, 1959, to December 31, 1959; and

H. J. Res. 410. An act to facilitate the admission into the United States of certain aliens.

AMENDMENT OF SECTION 22 OF THE INTERSTATE COMMERCE ACT—CONFERENCE REPORT

The Senate resumed consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 939) to amend section 22 of the Interstate Commerce Act, as amended.

Mr. KEFAUVER. Mr. President, I wish to file a motion in connection with the pending conference report, and ask that it be read.

The PRESIDING OFFICER. The motion will be read.

The LEGISLATIVE CLERK. Mr. KEFAUVER proposes that further consideration of the pending conference report be postponed until January 30, 1958, at 2 o'clock p. m.

Mr. KEFAUVER. Mr. President, at this time I ask for the yeas and nays on my motion.

Mr. LONG. Mr. President, what is the motion?

Mr. KEFAUVER. The motion is that further consideration of the conference report on Senate bill 939 be postponed until January 30, 1958, at 2 o'clock p. m.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KNOWLAND. If the yeas and nays were ordered on this motion, would that subsequently prevent a motion being made to lay the motion on the table?

The PRESIDING OFFICER. It would not.

Mr. KEFAUVER. I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. KEFAUVER. I suggest the absence of a quorum.

Mr. MORSE. Mr. President, will the Senator withhold his suggestion of the absence of a quorum while I make a speech which I intend to make? Later I shall join with him in suggesting the absence of a quorum and in the request for the yeas and nays. I completely agree with the Senator from Tennessee.

Mr. SMATHERS. Mr. President, I think possibly the Senator from Tennessee could obtain an order for the yeas and nays. I wonder what the Senator's disposition would be if, after some debate, a motion were made to lay his motion on the table. Would it satisfy the Senator to have the yeas and nays on the motion to lay on the table? Would not that accomplish the Senator's purpose?

Mr. KEFAUVER. I would rather have the yeas and nays on my motion to postpone. Then if any Senator wishes to make a motion to lay my motion on the table, and to ask for the yeas and nays, that is his prerogative.

Mr. MORSE. Will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. MORSE. I have a suggestion to make to my friend from Tennessee. I think it is perfectly obvious that the Senator from Tennessee needs a little time to negotiate in the cloakrooms of the Senate. My speech will give him the time necessary. At the end of my speech there can be a quorum call, and I think there will be more support for his motion then than now.

Mr. KEFAUVER. I think the Senator from Oregon was first on the list. He was good enough to allow me to file my motion.

With the understanding that the Senator from Oregon will suggest the absence of a quorum upon the conclusion of his speech, and request the yeas and nays——

Mr. MORSE. I will suggest the absence of a quorum.

Mr. KEFAUVER. I yield the floor now.

Mr. KNOWLAND subsequently said: Mr. President, apropos of the request of the Senator from Tennessee, that the yeas and nays be ordered on his motion to postpone, I ask for the yeas and nays.

The yeas and nays were ordered.

LIPSERVICE TO CIVIL RIGHTS—THE SENATE BILL

Mr. MORSE. Mr. President, for the past several days I have been subjected to very severe and bitter criticism in some quarters because of my position in the Senate on civil rights. I propose this afternoon to make my last major speech on the subject in this session of Congress. I shall make it without interruption, because I wish to have the RECORD show, in continuity, exactly where I stand on this issue—if, perchance anyone really does not know; although, as I read some of the criticisms of the senior Senator from Oregon I am satisfied that the writers of the criticisms, and in some instances the speakers of the criticism, know full well that their editorials and comments do not accord with the facts.

I do not expect my speech to be pleasing to many, but it is my record that I must live with, and it is my conscience that I must live with. I intend to make this record once and for all, so far as the senior Senator from Oregon is concerned, crystal clear as to where I stand on civil rights. When I shall have concluded my speech, I shall be glad to yield.

It is one of the ironies of the civil-rights controversy that there has been more intensive public discussion of the measure since it passed the Senate than there was about the contents of the bill and the amendments when they were under consideration. The politics of civil rights has come in for more attention than the bill in its relation to actual protection and advancement of the rights of Negroes as citizens.

The Negro as a voter for or against Republicans and for or against Democrats is the great concern of the day. The Negro as a citizen with rights to be secured has become the forgotten man of civil rights.

On the one hand, the President, whose walkout on part III of the bill led to the emasculation of the bill in the Senate, is reported by his political lieutenants to be damned mad. What is he mad about? His generalship led the retreat.

The Republican leader of the House has attempted to create a deadlock in favor of an undefined strong bill, yet the House Republican leadership cynically supported a desegregation amendment to the Federal aid-to-education bill with the knowledge that the amendment would kill the bill and achieve neither school desegregation nor school construction.

Senate Republican leaders who helped kill part III of the bill and thereby started the stampede to the exits profess chagrin at the addition of a jury-trial amendment to the voting-rights section.

The Democratic leaders of the Senate who engineered the gutting of part III and the virtual incapacitation of the remainder of the bill now cry that the opponents of the bill are more interested in a political issue than a bill. That may well be true. But are the accusers in any better position to withstand the same charge?

Many Senators who voted for the amended Senate bill did so with a heavy heart and grave misgivings. Judging

from their comments, they voted for the bill more in the hope than the belief that it might accomplish some good.

The original supporters of the bill in and out of Congress can do little more than say it is better than nothing. Only the opponents of the original measure can be heard to hail it as a good bill.

It is not a good bill and there is growing realization that its enactment will serve principally to postpone effective legislation.

BACKGROUND OF THE CIVIL-RIGHTS BILL

Let me review the background of this measure briefly.

For many years there has been a hardy band of liberals who sponsored and fought for affirmative legislation to secure for our Negro people their rights as free citizens. The measures we proposed were specific and provided for enforcement. They covered nondiscrimination in employment, nondiscrimination in public transportation, abolition of the poll tax, Federal protection against attack for those serving in the national armed services, and other procedural protections for the rights of citizens.

During the first 3 years of the Eisenhower administration, none of these bills or proposals received a helping hand from the President.

At the 11th hour in the campaign year of 1956, the Eisenhower administration proposed a civil-rights bill composed of the least vigorous parts of the legislative program of Congressional supporters of civil rights.

As originally proposed by the administration last year, late in the session, the civil-rights bill was a pale shadow of the program of the civil-rights bloc in Congress, composed in the main of Democrats.

House Democratic civil-rights leaders, such as EMANUEL CELLER, pointed out that the administration bill was a plagiarization of the weakest parts of the program for which he and his associates had worked for years. They swallowed their pride, political and legislative, and supported the bill because it was the price for the first organized Republican support for civil-rights legislation since reconstruction.

The Democratic House in 1956 passed the so-called administration bill, despite the political credit it would give the administration and despite the poor timing and limited content of the administration bill.

So let us remember, we started this year with a watered-down version of Congressional proposals of long standing.

After a struggle, the Democratic-controlled House passed the very limited administration bill with bipartisan support.

THE DEATH OF PART III

When the bill was headed for a showdown vote in the Senate, the President pulled the rug out from under the supporters of the overall measure by indicating in a press conference that he was primarily concerned with part IV of the bill dealing with voting rights and that he was relatively unconcerned over part III—which only deals with the rights of citizens under the 14th amendment.

This was the beginning of the end for part III of the bill. If that Presidential statement did not kill the major portion of part III, the announcement by supposed supporters of civil rights, such as the senior Senators from New Jersey and Massachusetts, that they were willing to sacrifice part III were the all but final lethal blows.

At that time some of us pleaded that the rights of citizenship could not be divided in so arbitrary a fashion. Either a citizen of the United States is to have Federal protection for his rights under the Constitution or he is not, we said in effect. You cannot have fractions of citizenship.

The discussion of the merits of part III was complicated by two major factors.

CLOTURE AND RULE XXII

On the one hand, the cloakroom argument was spread that there would be no bill if part III stayed in; that a filibuster would result and there were not the votes to impose cloture. That was an artful argument the accuracy of which we shall never know. For my part, I believe that the Senate should not have bowed to this secret threat. At the very least, we should have tried our strength and gone to the mat. It would have been time enough to decide what should be done if cloture was tried and failed.

There again we were haunted by the ghost of rule XXII and the failure to modify it so that a recalcitrant one-third of the Senate does not have the power to exercise a veto power over whether the Senate can ever reach a final vote on legislation.

THE JURY-TRIAL ISSUE

The record complication was the jury-trial issue. Those who opposed legislation to protect civil rights attempted to discredit the bill, and particularly part III, by claiming that its enforcement by contempt proceedings in Federal courts would deprive defendants of their supposed right to a trial by jury.

The confusion surrounding this issue was a wonder to behold. The claims of the jury-trial advocates constantly changed.

They implied that there was a constitutional issue involved, but eventually conceded this was not so.

They claimed that there should be a jury trial in all contempt cases under the bill, but retreated to cases of criminal contempt.

And at this point confusion became confounded. The impression was given that criminal contempt is a crime in the ordinary sense. The chief sponsor of the various jury-trial amendments, the junior Senator from Wyoming, on July 16, made this the burden of his argument. His detailed argument in the RECORD is the work of an excellent advocate; but I differ with him most emphatically.

The thread of his contention is that the civil proceeding provided by part III covered acts already classified as crimes. As a result, the failure to adopt his jury-trial amendment would enable the Attorney General to choose between the civil and criminal proceeding and, if he chose the former, to deny defendants their right to trial by jury.

In order to be logical, the Senator from Wyoming's amendment should have provided for a jury trial in the civil proceeding itself in which the issue of denial of rights is tried and a remedial order issued. But that was not in any of the amendments he proposed.

The jury-trial amendments, including the one adopted, applies only to the violation of orders or decrees of a court issued in the civil proceeding. The proceeding itself goes to a final determination made by a judge alone.

Only where it is alleged that a person willfully has failed to comply with or violated a judge's order or decree is there to be a jury trial.

As I pointed out with several illustrations on July 26, such willful contravention of orders or decrees are not necessarily violations of the underlying criminal statutes.

On that occasion, I said:

WHAT IS CRIMINAL CONTEMPT?

It has been contended that the law since 1914 requires jury trial in all cases of criminal contempt. That is not so. The Clayton Act provisions requiring jury trial for criminal contempts apply only to those cases in which the violation of the court decree is also a violation of a criminal statute of the United States or a State. The elements of a criminal contempt are willful disobedience and punishment which cannot be avoided by later compliance. The factor, under the Clayton Act, which has been applied to all classes of criminal contempt, and not merely violations of antitrust law decrees, requiring jury trial, is that the violation of the decree is also an act which violates a criminal statute. The mere fact that the underlying case may be similar to a criminal case does not make it a certainty that criminal contempts invoke the violation of the similar criminal statute.

VIOLATION OF COURT ORDER NOT NECESSARILY AN INDEPENDENT CRIME

For example, a remedial decree may require a vote registrar to report back to the court at fixed intervals what he is doing to comply. If he willfully fails to report as directed, he would violate the decree—but not the statute prohibiting officials to discriminate in the registering of voters. Or the decree may order the official to post and publish notices as to new registry procedures. A willful refusal to follow the order could be punished as criminal contempt and yet not be a violation of a criminal statute.

I digress from the quotation to say that that point has been missed, by and large, by all the editorials, newspaper articles, and periodical articles I have read on the subject. The assumption is abroad—and Senators would be surprised to know how many people seem to believe it to be well-founded—that when we are talking about criminal contempt, we are talking about a violation of a criminal statute. That is not true at all. We are talking about a violation of an order of a court, issued by a court to protect its own judicial integrity. We are talking about a lawful order. Of course it is foreign to our conception of judicial processes, and the protection thereof, that a jury should intervene between the court and the integrity of the court to determine a question of contempt.

I continue with the quotation:

A lawful order to remedy discrimination can have requirements very different from the prohibitions of a criminal statute on the

same subject. So it is not accurate to say that in civil proceedings in the field in which there is also a criminal statute, trial for contempt is essentially the same as trial for violation of the criminal statute.

Even beyond that, the purpose of the trials is different. Sentence for violation of the statute is punishment for the transgression of law. Punishment for willful contempt of a court order is in vindication of the court's authority to require compliance of orders presumptively valid.

Mr. President, the offense of a criminal contempt is not the violation of a statute; it is the willful flouting of the authority of the courts as organs of government.

This element is made quite clear by the authorities.

Mr. President, I take pride in the fact that I do not argue in support of a legal premise at any time when I am not willing to back up my premise by reference to legal authorities.

Black's Law Dictionary, third edition, page 417, draws this distinction between civil and criminal contempts:

Contempts are also classed as "civil" or "criminal." The former are those quasi-contempts which consists in the failure to do something which the party is ordered by the court to do for the benefit or advantage of another party to the proceeding before the court, while criminal contempts are acts done in disrespect of the court or its process or which obstruct the administration of justice or tend to bring the court into disrespect. A civil contempt is not an offense against the dignity of the court, but against the party in whose behalf the mandate of the court was issued, and a fine is imposed for his indemnity. But criminal contempts are offenses or injuries offered to the court, and a fine or imprisonment is imposed upon the contemnor for the purpose of punishment.

To the same effect is this comment in 17 Corpus Juris Secundum:

A criminal contempt is conduct directed against the dignity and authority of the court, or a judge acting judicially; it is an act of obstructing the administration of justice, which tends to bring the court into disrepute or disrespect. It may arise in the course of a criminal action, in special proceedings, or in civil or private litigation.

In *Myers* v. *U. S.* (264 U. S. 96 (1924)), in which the Supreme Court held that a contempt proceeding did not amount to prosecution for a criminal offense within the meaning of the venue section of the Judicial Code, the Court stated—and, Mr. President, at this time I wish to quote from the Supreme Court on this issue, which I respectfully submit has been left in a very confused and confounded condition throughout the entire debate because of the impression which has been created that when one is dealing with a criminal contempt he is dealing with the violation of a criminal statute, whereas that simply is not so.

Mr. President, listen to what the Supreme Court said in its decision in the Myers case:

While contempt may be an offense against the law and subject to appropriate punishment, certain it is that since the foundation of our Government proceedings to punish such offenses have been regarded as sui generis and not criminal prosecutions within the sixth amendment or common understanding (pp. 104, 105).

In reaffirming the nonapplicability of constitutional jury-trial guaranties to contempt proceedings, the courts have repeatedly pointed out the judicial necessity which prompted the rule. Thus, in *Gompers* v. *Buck's Stove & Range Co.* (221 U. S. 418 (1911)), the Supreme Court explained in these words the necessity for enabling a court to find the facts concerning violations of its authority, as well as to punish violators without resort to another factfinding agency—the jury:

For while it is sparingly to be used, yet the power of courts to punish for contempts is a necessary and integral part of the independence of the judiciary, and is absolutely essential to the performance of the duties imposed on them by law. Without it they are mere boards of arbitration whose judgment and decrees would be only advisory.* * *

There has been general recognition of the fact that the courts are clothed with this power and must be authorized to exercise it without referring the issues of fact or law to another tribunal. For if there was no such authority in the first instance, there would be no power to enforce its orders if they were disregarded in such independent investigation. Without authority to act promptly and independently, the courts could not administer public justice or enforce the rights of private litigants. *Bessette* v. *Conkey* (194 U. S. 337), supra (p. 450).

Mr. President, I wish to stress this point, because I desire to say—and I have great respect for lawyers who differ with me—that, as a lawyer, I cannot vote for such a piece of proposed legislation, and I will not vote for any conference report which comes from the House of Representatives, if one does, with this provision in it.

So far as I am concerned, as a lawyer, I consider the decisions of the United States Supreme Court from which I have been quoting as final and binding in the case of this issue.

Again, in *Eilenbecker* v. *Plymouth County* (134 U. S. 31 (1890)), in which the defendant in a contempt proceeding in a State court claimed that his right to jury trial under the due process clause of the 14th amendment had been infringed, the United States Supreme Court stated at page 36:

The contention of these parties is that they were entitled to a trial by jury on question as to whether they were guilty or not guilty of the contempt charged upon them, and because they did not have this trial by jury they say that they were deprived of their liberty without due process of law within the meaning of the 14th amendment to the Constitution of the United States.

If it has ever been understood that proceedings according to the common law for contempt of court have been subject to the right of trial jury, we have been unable to find any instance of it. It has always been one of the attributes—one of the powers necessarily incident to a court of justice—that it would have this power of vindicating its dignity, of enforcing its orders, of protecting itself from insult, without the necessity of calling upon a jury to assist it in the exercise of this power.

That is the Supreme Court speaking, Mr. President; and, so far as I am concerned, it puts to rest any argument that there is any right of a trial by jury in a criminal-contempt case.

Mr. President, to sum up my position on this phase of the bill:

First. Criminal contempts are not crimes in the ordinary sense; they are offenses against the courts;

Second. The authority to punish for willful contempt is a necessary power of the courts to protect the integrity of their orders and decrees.

The jury-trial amendment was justified on the unsound argument, in my opinion, that criminal contempts were crimes.

The jury-trial amendment threatens to deprive the courts of their necessary and inherent power to preserve the judicial system.

All seem agreed that to graft a jury trial upon all manner of criminal-contempt proceedings to which the United States is a party is to invite chaos. The jury trial proponents seem to be saying: "Just this once; let us change the whole method of law enforcement just this once."

The importance of just this once is that, whether intended to do so or not, the little remaining power of the bill is placed in jeopardy.

WHAT REMAINS?

The jury-trial issue helped kill part III. The junior Senator from Idaho even took the position that although he was for part III, he wanted a jury trial amendment adopted, and that without a jury trial provision, he had to vote against part III. It was this kind of self-defeating reasoning which contributed to the demise of part III.

We are left then with part IV, which provides for civil proceedings to protect voting rights.

The voting rights provisions are little enough, especially when we view the one-party monopoly which exists in so many States. In Georgia, for example, the county unit system already segregates the voting strength of Negroes found in cities such as Atlanta. Under the county unit system, a vote in Atlanta is worth only a small fraction of a vote in counties with small Negro population and registration. The one-party primary situation makes it all but impossible for the Negro minority to vindicate its own rights of citizenship by the ballot.

On July 21, the Washington Post published an article which emphasized the relative unimportance of Negro voting, actual and potential, in the South. The article read in part:

The controversial voting rights provisions of the civil-rights bill may be keeping the Senate up nights, but the threat that it may be enacted into law is having curiously little effect on the practical southern politicians.

In fact, as the bill is viewed by politically wise southerners, both Negro and white, it will, if passed, have little or no immediate effect on southern politics. * * *

A Negro college professor agrees with this estimate and adds:

"The fight for the ballot has far less appeal to the southern Negro today than things like the Montgomery bus boycott, or school integration, things that involve a more direct fight for personal dignity."

Outside the South, where things look simple, and where southern politicians sometimes try to make them look even more simple, the debate over the voting rights bill seems like a profound cause involving clear

rights and unmistakable wrongs, depending on where you stand.

But in the South, where nothing is ever quite what it seems on the surface, it looks only like one, and perhaps at the moment, not the most important of the many points at which the Negro is seeking to upgrade himself.

But, Mr. President, part IV itself is weighted down and hobbled by the jury-trial amendment, which can render it meaningless, for if a few irreconcilables succeed in defying the courts, and obtain acquittals or hung juries, the remainder will be on notice that the law is ineffectual. Only a few such cases will be needed to render the law impotent. Once it becomes into such disrepute, no avalanche of cases could fill the breach. A law is effective only if it is regarded as meaningful and enforceable. Observance is obtained by respect, if not for the substance of the law, then at least for its enforcement. The jury-trial amendment creates the strong possibility that the law will be regarded as of dubious enforceability.

It is clear to me that the little which remains in the bill is too little to be worthy of the name civil rights.

GROWING REALIZATION OF BILL'S WEAKNESS

That view is widely shared, and its adherents are growing more numerous every day.

For example, a highly significant letter to the editor is to be found in the Washington Post of August 19. It is signed only "Louis R. Lautier," without identification. But Mr. Lautier is the Senate representative of the National Negro Press Association and the Atlanta Daily World. He has been a reporter and observer of Negro affairs for many years. He knows something about discrimination at first hand; as the Senate will recall, his election to membership in the National Press Club was the subject of a referendum vote. To the credit of the press, he was elected; but it took until a year or so ago for Mr. Lautier to become the first Negro member of the association.

He writes in part—and I shall quote the letter only in part, because if I were to read the entire letter, I might become involved in a transgression of rule XIX of the Senate:

CIVIL-RIGHTS FRAUD?

I have hesitated to comment upon the tenor of editorials on civil-rights legislation which have appeared in the Washington Post during consideration of the civil-rights bill, but I think someone needs to express what I believe to be the prevailing opinion among Negroes, literate and illiterate.

That view is that the bill, in the form in which it was passed by the Senate, is virtually worthless.

The action of the Senate in stripping part III from the bill assures the South that it may violate the rights of colored persons, guaranteed by the 14th amendment, without interference from the Government.

The 14th amendment has been in the Constitution since July 28, 1868.

Yet when the Senate had an opportunity to give the Attorney General authority to bring civil actions to enjoin threatened violations of rights guaranteed by the 14th amendment, 52 Senators—34 Democrats and 18 Republicans—voted to strip part III from the bill.

They substituted language purporting to give to aggrieved persons the right to sue for damages after their civil rights have been violated.

That was a fraud, Negroes have had the right to sue ever since Congress passed the Civil Rights Act of 1866 over the veto of President Andrew Johnson.

The jury-trial amendment is another fraud. There is no requirement in the Constitution for a jury trial in contempt-of-court cases. Part IV of the bill, as it passed the House, deprived nobody of any right.

Those are Mr. Lautier's views, Mr. President. I do not think anybody can dispute the fact that he is a great leader among Negroes. I consider him one of the best qualified witnesses who could be produced regarding the effect of the Senate bill on the great civil-rights cause, and I may say I share the views expressed in the portion of Mr. Lautier's letter which I have just read into the RECORD. I think they are sound.

The views expressed by Mr. Lautier are the growing sentiment of American Negroes and those of us who seek legislation to give them their due as citizens.

My strong belief is that the American people believe in equality before the law and would support legislation to accomplish that purpose. A bill bearing the title "civil rights" is not enough to accomplish what they want, although it might be enough to take the pressure off for decent legislation for years to come. That is what I fear, and I fear it greatly. Let the Senate bill become law, and I think the pressure will be off, for years, for the passage of a true civil-rights bill that will give legislative implementation to the 14th and 15th amendments, which implementation is so essential if we are to guarantee first-class citizenship to the Negroes of America. The time is long overdue for the bestowing of first-class citizenship on the colored people of America.

In both public and private discussion it has been urged that this bill is only the beginning. It is said that if enacted into law, the bill will open the door for further legislation and that proven shortcomings will be changed by amendment. I seriously doubt it.

I have heard arguments like that before. Legislation once enacted has permanence and imperviousness to change. Rule XXII is one example. In that case advocates of civil rights found that in order to obtain a rule to make cloture applicable to a motion to take up, they had to buy a more stringent vote requirement and exempt amendments to the Senate rules from cloture. I warned that the Wherry amendment made the so-called compromise worse than the poor situation in which the Senate found itself when cloture was held inapplicable to the motion to take up.

I stood on the other side of the aisle in those days, Mr. President, in opposition to the Wherry amendment. The RECORD will show that I said that if the amendment were adopted it would make it more difficult to have rule by the majority prevail in the Senate of the United States; but, oh, no, the argument was, as I have said, that in order to obtain a rule to make cloture applicable to a motion to take up, it was necessary to buy a more stringent vote requirement and exempt amendments to the Senate rules from cloture.

It is only further evidence that the senior Senator from Oregon is not a Johnny-come-lately in this fight for first-class citizenship for the Negroes.

Mr. President, so long as I have been in the Senate, for 13 years, I have fought shoulder to shoulder with a band of liberals trying to get legislative implementation of the 14th and 15th amendments. That is why I speak with some feeling today in regard to the false charges made in some quarters against the senior Senator from Oregon in regard to my position on civil rights. There are Members of the Senate who have fought as vigorously as I have for civil rights; but, Mr. President, I do not intend to yield my position and my record in this field to anyone in the Senate.

In regard to the compromise which was sought at the time of the Wherry amendment, on the terms I have just described, I would say we ate that pudding in the civil-rights debate this year. This sort of compromise, with phantom hopes for a better future, are not for me. American people—not only American Negroes—do not want that kind of horse and rabbit compromise. The American people want and deserve a meaningful civil-rights bill from this Congress. If H. R. 6127 is not enacted at this session, I believe public sentiment will be so strong that next year a much better bill will be enacted. I think the demand for a better bill will come not only from Negro Americans, but white Americans as well.

I am for putting a new cake to bake and letting the yeast of democracy operate. By next January both parties in Congress and the administration, as well, will be on notice that the American people want the real thing—real protection for the rights of United States citizens—not a civil-rights cake with an escape file built in.

THE ROLE OF THE DEMOCRATIC PARTY

On May 18 of this year it was my privilege to address the Michigan Jefferson-Jackson dinner at Detroit. In that speech I discussed this problem and said:

An old, old issue that plagues the Nation and therefore the Democratic Party, too, because of the very fact that we are a national party, is that involving civil rights. I am not one to stand up in Detroit, or in Chicago, or Cleveland, or New York, and point to the South and say that that region of the country is the one that must start assuring its racial minority of equal protection of law, and social and economic opportunity. But I do say that the Democratic Party must show the way, and to the extent that we fail to do so, we fail the people and do not deserve their support.

The day when an eligible voter can be intimidated, or otherwise denied the exercise of this basic right of participation in self-government, belongs to the historic past. It is abhorrent to every principle on which our Nation was founded, and is therefore equally abhorrent to the principles of our party. That practice must be attacked wherever it occurs, and the voting privilege protected vigorously by all three branches of the Government.

Equivocation on suffrage and on equal protection of the law is intolerable and inexcusable, and will lose for the Democratic Party the confidence of millions of Ameri-

cans who have every right to expect strong leadership from us. If we fail them, they will be right to turn away from the Democratic Party.

What I said in Detroit that day, in my judgment, has greater meaning today. The voters will feel, and with some reason, that the Democrats in the Senate let down the Negro and the cause of equality before the law in this debate.

I greatly admire the expertness of the Senate Democratic leadership in this debate. It was impressive, as it always is. I further believe that the majority leader honestly believes that he has served both the Democratic Party and the cause of civil rights. I do not question that he believes the Senate has passed the best bill on that subject that could be passed in this Congress. I simply just do not agree with him.

But if the Senate bill is the best that the Democratic-controlled Senate can do, then the voters have cause to be dissatisfied, and I predict they will be. The fact that Republican leaders, such as the senior Senators from New Jersey and Massachusetts, led the initial rout of the civil-rights forces will not protect the Democratic Party from the wrath of voters who care about civil rights.

I would regret that, and I think it is avoidable. I believe that with determination a better bill can be passed by this Congress at the next session, and possibly a special session for the purpose.

The fortunes of any political party mean less to me than the fortunes of the American people and our constitutional system. The Democratic Party can serve them as they have in the past. I joined the Democratic Party because I believed it held greater promise for constitutional liberalism. And I have no regrets for my course of action. But it is no consolation to me that the Republicans have talked "big" and performed "little."

The Democratic Party has its own responsibility. That Senators from the South oppose civil rights is no surprise to anyone. It is a fact of political life in America. In the same fashion, northern and western Democrats have traditionally advocated sound civil-rights legislation. That surprises no one, including our brethren from the South. However, when nonsouthern Democrats act to weaken civil-rights legislation, with, I say most respectfully, the most questionable legal reasoning, then the American people are both surprised and chagrined. When only nine Democratic Senators vote against the crippling jury trial amendment, I care not what rationalizations are employed nor how many Republicans supported the amendment, the American people will hold our party accountable in large measure for the emasculation of this bill.

The Democratic Party of Roosevelt and Truman stood for equality of citizens before the law, regardless of race or color. If a majority of Americans come to believe that this is no longer the case, Democrats in Congress have only themselves to blame. It is little defense that many Republicans have been cynical or ineffectual in advocating strong protection for civil rights.

URGES NO BILL THIS YEAR

For my part, I believe the country will be better off without the enactment of this weak and unsound bill if Congress, having heard from the people, comes back in January and starts work afresh.

If Congress cannot do better than the Senate has done, let the people know it. And let the chips fly where they may in 1958 and 1960.

I have made this speech knowing full well, as I said in the beginning, it will not be pleasing to some, but I have made the speech because I feel some of the criticisms on civil rights in which the opposition has indulged will not be borne out by the record, and I felt I owed it to myself to set the record perfectly straight.

I close by saying I shall continue to fight in the Senate for first-class citizenship for all people of the country, irrespective of race, color or creed.

Mr. President, at no time will I vote for a bill based upon a compromise of what I think is a precious constitutional principle with the excuse that half a loaf is better than no loaf at all. Sometimes it is better to be defeated and try again on a new day. I think it would have been better for us to be defeated on the civil rights issue and to try again at the dawn of a new day, come January or a special session of Congress called for the purpose of enacting a civil rights bill which does not have the shortcomings I feel this bill has.

Unless there are questions, Mr. President, as I previously stated, I would suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF SECTION 22 OF THE INTERSTATE COMMERCE ACT—CONFERENCE REPORT

Mr. KEFAUVER obtained the floor.

Mr. CHAVEZ rose.

Mr. KEFAUVER. Mr. President, I shall be happy to yield to the Senator from New Mexico if he desires to make a unanimous-consent request.

Mr. CHAVEZ. I do not desire to make a unanimous-consent request. I merely wished to take care of a 4-year-old child in New Mexico, adopted by a veteran.

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from New Mexico?

Mr. KEFAUVER. I yield for that purpose, Mr. President.

JOANNE LEA (BUFFINGTON) LYBARGER

Mr. CHAVEZ. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of Calendar No. 660, Senate bill 491.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 491) for the relief of Joanne Lea (Buffington) Lybarger.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Mexico?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with an amendment, on page 2, after line 2, to insert:

SEC. 2. Claim for such benefits shall be filed within 6 months of the date of enactment of this act: *Provided*, That no benefits shall be payable prior to the date of filing such claim.

So as to make the bill read:

Be it enacted etc., That, for the purposes of any benefits payable to, or on account of, the surviving children of deceased individuals under (a) the Railroad Retirement Act, or (b) any law conferring benefits upon the survivors of veterans of World War I, the minor child, Joanne Lea (Buffington) Lybarger, of Albuquerque, N. Mex., shall be held and considered to be the child of Alvin Earl Lybarger who died on October 28, 1953, the said Alvin Earl Lybarger having cared for such child since her birth and having instituted proceedings to adopt such child which were pending at the time of his death.

SEC. 2. Claim for such benefits shall be filed within 6 months of the date of enactment of this act: *Provided*, That no benefits shall be payable prior to the date of filing such claim.

Mr. CHAVEZ. Mr. President, this bill would authorize the widow of a World War I veteran to apply for dependent's benefits in favor of a child for whom she and her husband initiated adoption proceedings prior to her husband's death, and which proceedings did not become final until about 8 months following the death of the adoptive father.

There is no question in the mind of the committee that the deceased veteran fully intended to go through with the adoption and would have participated in the final order had he been alive at the time and, for this reason, believes that, if otherwise eligible, the child should derive whatever benefits she may be entitled to under the veterans' regulations and those of the railroad retirement board.

So far as the Veterans' Administration is concerned, the only thing the bill would do would be to increase the payment to the mother of a 4-year-old child from $50.40 to $63. If there are any objections to that kind of treatment, let me give the further story. I read from the report:

Joanne Lea (Buffington) Lybarger was born on June 2, 1953, to a daughter of the deceased and was immediately given to the deceased and his wife to rear as their own. On October 8, 1953, a petition for adoption was filed by the deceased and his wife. Under the law of New Mexico, it is necessary, as a condition precedent to a legal adoption, that if the child to be adopted is under 1 year of age, no final decree of adoption shall be entered until the child shall have attained the age of 1 year. Such an order was entered in the New Mexico court records on June 3, 1954, which was subsequent to the death of the foster father and, therefore, under the existing law and regulations, with respect to both the Railroad Retirement Act and the Veterans' regulations, Joanne could not be considered to be the adopted child of the

deceased so as to entitle her to the benefits of that legislation.

It is evident to the committee that both the deceased and his wife fully intended to and did treat the infant as their own, and had not the death of the foster father occurred, he would have participated in the final court action.

Under these circumstances, the committee recommends enactment of the bill, as amended.

In the report there is a letter from the Railroad Retirement Board dated February 18, 1957, and a letter from the Veterans' Administration dated June 20, 1957, which set forth in detail the facts in this case.

Mr. President, I believe that the case is worthy. There never was opportunity for more humane treatment.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SETTLEMENT OF CERTAIN INEQUITABLE LOSSES IN PAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of Calendar No. 988, House bill 293.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 293) to authorize settlement for certain inequitable losses in pay sustained by officers of the commissioned services under the emergency economy legislation, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. WILEY. Mr. President, enactment of H. R. 5888 would remove an injustice of long standing and one which was imposed upon officers actually advanced in rank as distinguished from those due increases in pay based upon longevity or advancement to the next pay period. It is believed that the Congress did not mean to impose this inequity on these officers.

Yesterday, when this bill was reached on the call of the calendar, objection was made to its consideration. The objection has now been withdrawn.

Mr. POTTER. Mr. President, will the Senator yield?

Mr. WILEY. I yield.

Mr. POTTER. Let me say to the Senator that I interposed an objection to the bill, not because I am opposed to the bill, but the cost will be in excess of $1 million, and a bill of that kind should not be passed by unanimous consent on the call of the calendar. That was the reason why I objected.

Has the Senator from Wisconsin an estimate as to the cost of the proposed legislation?

Mr. WILEY. Yes. If all those involved could be found, the cost would amount to $1,400,000. However, it was stated in committee that it was estimated that the cost would not be more than $700,000. The proposed legislation would give to each of these officers a payment of about $400.

The record shows clearly that the committee approved the bill. It involves only the question of doing justice. I feel that it should be passed; and I ask the Senator to withdraw any reservation.

Mr. POTTER. Mr. President, let me ask one further question. What are the years involved, with respect to which back payment would be considered?

Mr. WILEY. It involves only the period between 1932 and 1934 when these officers were promoted. For that period, because of the statute which was enacted, they did not receive all the pay they should have received, and which others in other classes received. The $400 is approximately the amount which each will receive. It was really withheld from them.

Mr. POTTER. What will be the administrative procedure? Will the officers themselves have to apply for this back payment, or can the military make the grants without further ado?

Mr. WILEY. No. Each case will have to be passed upon by the Comptroller General of the United States.

Mr. POTTER. I have no objection.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

DISPOSAL OF CERTAIN FEDERALLY OWNED PROPERTY—CONFERENCE REPORT

Mr. CHAVEZ. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1520) to amend an act entitled "An act to provide for the disposal of federally owned property at obsolescent canalized waterways and for other purposes." I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report. (For conference report, see House proceedings of August 20, 1957, p. 15392, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

AMENDMENT OF SECTION 22 OF THE INTERSTATE COMMERCE ACT—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on disagreeing votes of the two Houses on the amendment of the House to the bill (S. 939) to amend section 22 of the Interstate Commerce Act, as amended.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Tennessee [Mr. KEFAUVER] to postpone until January 30, 1958, at 2 o'clock p. m., the further consideration of the conference report on Senate bill 939.

Mr. KEFAUVER. Mr. President, I hope Senators will give me their attention in connection with this motion, because I think it involves not only a very important subject, but a most important principle as well.

The motion is to postpone until January 30, 1958, at 2 o'clock p. m., the further consideration of the conference report on Senate bill 939.

This motion is made because the subject matter is very complicated and intricate. The proposed legislation involves a very important change in the Interstate Commerce Act. It involves an important policy in connection with our antitrust and monopoly laws. No hearings whatsoever have been held on this point. It involves a very important change in the Interstate Commerce Act, and in the principles of the antitrust laws, in the absence of an opinion from the Interstate Commerce Commission itself, and in the absence of an opinion from the Department of Justice as to what effect the proposed legislation would have.

When I first heard about this subject, on August 14, I wrote a letter to Judge Hansen, the head of the Antitrust Division of the Department of Justice, asking what effect the proposed legislation would have, and what the opinion of the Department was. I have not received a reply to that letter.

We should not be legislating on such an important matter as is involved in the so-called Harris amendment which is contained in the conference report without the opinion of the Interstate Commerce Commission and of the Department of Justice——

Mr. SMATHERS. Mr. President, will the Senator yield so that I may correct the RECORD on that point?

Mr. KEFAUVER. And of the railroads themselves, as well as of the small airlines, and others who may be interested. Of course, there were hearings held on the original Senate bill, on the surface transportation bill, in which section 22 was discussed, and there were hearings on section 22 before the House committee. However, the Harris amendment was added on the floor of the House. On that amendment no hearings have been held. This is a matter of important policy which has been brought to the floor for the first time. Am I correct in my statements?

Mr. SMATHERS. The Senator is correct in the last part of his statement. However, when he says that we do not have the opinion of the Interstate Commerce Commission, he is in error. As a matter of fact, I filed for the RECORD last night, and it is in the RECORD this morning, the statement of the Interstate Commerce Commission with respect not

only to the Harris amendment, but to the bill as amended.

The Senator is correct with respect to the fact that we did not have any hearings on the particular amendment, and that the bill was amended on the floor of the House of Representatives. However, after the matter was presented to the House of Representatives, and after debate and discussion, the House overwhelmingly supported the measure which is now before the Senate.

The reason that was done, as I attempted to explain yesterday on several occasions, was that after the hearings on the bill had been concluded and the Senate had passed the Senate bill, and after it had gone to the House of Representatives, where hearings on it had been held, and after the bill itself had been passed by the House, the local district court rendered a decision, which upset the interpretation heretofore made, and which provided a new and unusual interpretation, we might say, of section 5 (a) of the Interstate Commerce Act.

It was then felt by the Defense Department, unless we took action to offset the opinion of the district court, and unless we put the railroads and the Government and the commercial shippers back in the same relationship they had occupied since 1948, it would cost the Defense Department alone $100 million. That is why this rather unusual action was taken.

Mr. KEFAUVER. I appreciate the comments of the Senator from Florida. I do find that in fine print last night the Senator from Florida did put some statement from the Interstate Commerce Commission in the RECORD.

Mr. SMATHERS. Does the Senator from Tennessee know how I can get it into the RECORD in large print?

Mr. KEFAUVER. I have not had an opportunity of reading the statement; but I insist that on an important matter such as this we ought to hold a regular hearing and call upon the chairman of the Interstate Commerce Commission to appear, and give an opportunity to all interested parties to ask him questions. I have no brief for the small airlines, and I have no brief for the railroads. As such, they do not mean anything to me. However, the small airlines say this bill, if enacted in its present form, will put them out of business, and will take away the competition they have been offering the railroads on the transportation of Government property. I say before we put an important segment of our economy out of business, or before we enact a law which, it is contended, will put an important segment of our economy out of business, we ought to give them the opportunity to be heard.

It is not right to do what is proposed. It smells to high heaven. It is an amendment brought forward, after the railroad companies lost a lawsuit, in an effort to enable them to win their lawsuit in Congress rather than in the courts. I do not like that way of doing business. It is an imposition on Congress to do that. They ought to conduct their lawsuits in the courts, not run to Congress because they have received an adverse decision, and insist that Congress pass a bill on which no hearings have been held, and on which the people affected by it have not even had an opportunity to present their views.

Let us follow the history of the bill, and see whether what I have said is correct.

On June 13, 1957, the bill which was reported from the Committee on Interstate and Foreign Commerce passed the Senate. That bill simply provided, in substance, that on Government business the railroads would make reports to the ICC, but the ICC would not be required to approve them; they would simply make their reports, and the reports, apparently, were to be made for statistical studies or for informational purposes. The bill did not endeavor to give the ICC any jurisdiction or any right of approval or any requirement of approval or regulation whatever. There was merely a matter of submitting reports. That had nothing at all to do with helping the railroads win their lawsuits or further exempting them from the antitrust laws, as the Harris amendment does.

That was a Senate bill. That was a good measure, I think. It required the railroads and trucking companies to file certain reports for study and information. If that statement is not correct, I should be glad to have the Senator from Florida correct me.

As I have said, the Senate passed that bill on June 12, 1957.

We now come to the action of House of Representatives. Apparently the bill as originally filed in the House was for the purpose of merely striking out section 22. Finally, the bill that went to the floor of the House of Representatives was the Senate bill, providing for the reporting to the ICC, plus an amendment to the effect that the household goods of the armed services would be exempt from the operation of section 22 when the carriers were transporting household goods for the services. Such transportation, in other words, would be exempt from the operation of section 22.

What did the House of Representatives do? The House of Representatives adopted the section exempting household goods from the operation of section 22, and also adopted the section of the Senate bill requiring reports by the railroads. Then the railroads, having lost the lawsuit before a judge in the district court, rushed forward and presented an amendment to change the antitrust laws, in an effort to win their lawsuit in Congress, rather than to fight it out in the courts. That amendment was offered on the floor of the House, and adopted by the House of Representatives. Then when the bill went to conference, the exemption on household goods, which was in the House bill, was stricken by the conferees. The reporting features of the bill were not disturbed.

The group of small airlines, which it is intended to crucify, ought to have an opportunity to be heard before such a bill is passed. At least we ought to give them their day in court before a bill affecting them is passed. In the conference the Harris amendment was included. It is a provision which apparently attempts retroactively to allow the Reed-Bulwinkle Act to be applied to section 22, referring to Government business, and reports to be filed, and then subsection 9, to provide antitrust immunity, was added.

This is a tremendously important matter. It was a public issue for a very long time. Congress debated the question whether the Reed-Bulwinkle bill should be passed, to allow carriers to take concerted action in fixing rates for transportation; that is, to have one person speak for them, which ordinarily would be a violation of antitrust laws. The Reed-Bulwinkle Act gave them immunity from the antitrust laws, allowing them to take concerted action. But to get that immunity they had to go through certain steps; they had to file with the ICC their rates or tariffs, which today they work out by concerted action, and the ICC had to approve them.

Under the Reed-Bulwinkle bill, section 22 rates were not covered. There may have been some argument about the matter, but the Interstate Commerce Commission has long since said they were not covered.

Mr. SMATHERS. Mr. President, if the Senator from Tennessee wishes to make a correct statement, he should read the letter from the Interstate Commerce Commission, in which the Commission says they were covered.

Mr. KEFAUVER. In its reports issued from time to time, the Interstate Commerce Commission has said they were not covered.

Mr. LAUSCHE. Mr. President, at this point will the Senator from Tennessee yield for several questions?

The PRESIDING OFFICER (Mr. CLARK in the chair). Does the Senator from Tennessee yield to the Senator from Ohio?

Mr. KEFAUVER. First, Mr. President, I wish to refer to the report of the Interstate Commerce Commission. In the Commission's 1956 report, we find, at page 160, that the Commission said, in so many words, that they were not covered; and the Commission recommended the enactment of a law to cover them under the Reed-Bulwinkle bill.

Mr. SMATHERS. I should like to point out that what the Commission there refers to is section 22, but not section 5 (a) as applied to section 22.

Mr. KEFAUVER. Section 5 (a) never has applied to section 22, and never will, unless this conference report is agreed to.

Mr. SMATHERS. Mr. President, will the Senator from Tennessee yield, so that I may discuss that particular point?

Mr. KEFAUVER. First, I wish to read the court's decision. After having lost their case in the court, the railroads now are asking the Congress to provide them with relief, instead of carrying the case through the court of appeals, where it is now.

Mr. President, I do not like the idea of having someone who has lost a court case rush to Congress, to get Congress to "bail him out." But that is what the railroads are doing in this case; they are doing it blatantly. That is what the Senator from Florida has admitted the railroads are doing.

Mr. SMATHERS. Mr. President, I feel that under the circumstances I am

entitled to set that matter straight. Apparently the Senator from Tennessee was not on the floor last evening, nor has he read the RECORD of last evening as to what was said then, because if he had, he would clearly understand that the one who rushed to the Congress was, not the railroads, but the Defense Department. The Defense Department has said to the Congress, "If this decision stands as it is now, the railroads will not do business with us, because they very properly tell us that by doing business with us under section 22, they are subjecting themselves to further lawsuits."

So the Defense Department has said, "If you do not do something about it, it will cost us an additional $100 million."

There is no evidence anywhere, so far as I know, that the railroads have sponsored this proposed legislation. It may be that they will appreciate it; I do not know that, but I do not deny it. But certainly no representative of the railroads has come to me, or, so far as I know, to any other Senator, to make such a request. The one who has come to the Congress and has made the request has been the Defense Department of our own Government.

Mr. KEFAUVER. Mr. President, if it is necessary to repeal the antitrust laws because of a threat by the railroads that they will not continue to do business with the Government; if it is necessary to repeal the antitrust laws because someone says he will raise his rates or will charge more, then the Senate and the House of Representatives are very weak, indeed. All of us know that the railroads have made plenty of money from doing business with the Government. If the Congress is going to fall for the railroads' bluff, then the Congress will not be fulfilling its responsibility as an essential part of the Government.

Mr. LAUSCHE. Mr. President, will the Senator from Tennessee yield to me?

Mr. KEFAUVER. I shall yield in a moment.

Mr. President, in regard to the point of whether the railroads are attempting to push the Congress, if any Member of the Senate has not been contacted by some representatives of the railroads, he has not had the experience I have had. That situation is historic, and it has previously been referred to by very distinguished Senators. The late Senator Barkley and the Senator from Georgia [Mr. RUSSELL] had quite a colloquy about this very kind of thing. At that time Senator Barkley said:

> The railroads are to be put on an island of safety, beyond the reach of the antitrust laws.

The Senator from Georgia [Mr. RUSSELL] had considerable to say about the matter when the Reed-Bulwinkle bill was under consideration in the Senate. At that time the Senator from Georgia said:

> Instead of pleading guilty in the courts to violating the antitrust laws, the railroads and their satellites have come to Congress. They have said: "We are guilty; they have got us on the hip, and we want you to give us a pardon before the courts can even write a decision in the case." I submit, Mr. President, we ought at least to wait until the Supreme Court has decided the cases, and that any action of Congress in dealing with the problem prior to that time is premature and will result in divesting the people of the country of a protection to which they are entitled.

Those were the words of a very able Member of the Senate—the distinguished Senator from Georgia [Mr. RUSSELL]—when a similar situation had developed, when the railroads were found guilty, and when they rushed to Congress, in an attempt to obtain immunity—just as the railroads are doing at the present time. There is no doubt about it.

In a few minutes I shall discuss whether the Government will save money or not.

But at this time I say to the Senate that if the Senate has to succumb to the threat by any segment of the economy that, "You have to exempt us from the antitrust laws, or we will not do business with you," then the Government is in a very sorry plight.

Mr. LAUSCHE. Mr. President, will the Senator from Tennessee yield for a question?

Mr. KEFAUVER. I yield.

Mr. LAUSCHE. I should like to say to the Senator from Tennessee, that I talked with General Lasher, representing the Defense Department. I asked him whether the information he gave me in regard to the matter was the judgment of the Defense Department. General Lasher told me that unless this action was taken, the Government would have an additional cost of $100 million a year.

I asked him what interpretation was made of these sections by, respectively, first, the Interstate Commerce Commission; second, the Department of Defense; and third, the railroads.

His statement to me was that the Interstate Commerce Commission constantly ruled that the railroads came under the protection of the Bulwinkle bill; that the Department of Defense construed the Bulwinkle bill to mean that concerted action could be taken; and that, also, the railroads construed it that way.

I then asked General Lasher, "By that, do you mean you were participating in this arrangement of hauling prices, with an understanding with the railroads?"

General Lasher replied, "Yes."

Then I said, "If the decision of the court is correct, that would mean that the United States Government was a party to this crime."

He said, "Yes, that is what it would mean; but that is not the truth."

Mr. KEFAUVER. Mr. President, if the United States Government was a party to the crime, it should not have been a party to the crime, any more than the railroads should have been a party to the crime. I am opposed to having someone attempt to have the Congress "bail him out," after a judge has found that he is guilty—regardless of whether the one involved is the United States Government or the railroads.

In further response to what the Senator from Ohio has said, let me say that he has stated that General Lasher—whoever he may be—informed him of something in the course of a conversation. However, what we want is an opportunity to have some questioning done by the members of the Congressional committee who are interested in this matter.

Other testimony which I have seen shows that the Government has actually made money as a result of section 22—more money than the Government otherwise would have made. We can be sure that if the Government is getting a special break from the railroads, under section 22, the railroads are, in turn, charging additional amounts to other shippers. That is why action on this matter should be postponed.

General Lasher may have talked to the Senator from Ohio [Mr. LAUSCHE]; but there was no testimony before a Congressional committee that the Government would lose money. No Senator has had an opportunity at a Senate committee session to ask the railroads or the Department of Defense or anyone else whether they would lose money. As a matter of fact, the testimony on this subject is to the contrary.

Mr. Clarke, the chairman of the Interstate Commerce Commission—when he was testifying on a collateral matter at hearings on April 17, before a Senate committee, and when he was referring to the transportation data for 1950, 1952, 1953, and 1954, as published in Transport Economics, for August and September 1955, a publication issued by the Bureau of Transport Economics and Statistics, of the Interstate Commerce Commission—pointed out that they said that section 22 rates averaged 13 to 14 percent higher than the comparable commodity rates available to commercial shippers for the years 1950 and 1952 through 1954. And, as shown on page 37, Mr. Clarke confirmed that that was the case.

But what we need is some testimony before a Senate committee about the matter. I do not know what is correct. But I know that as a United States Senator, I am not going to stand here and see a further breaking down of the antitrust laws because some railroad wants to hold a hammer over the Senate of the United States.

Mr. LAUSCHE. Mr. President, let me say——

Mr. KEFAUVER. I ask the Senator from Ohio to wait a moment, please; I wish to complete my answer to what he has already said.

If the Government of the United States is not able to do business without letting the railroads conspire together and take concerted action, but if the Government has to give them immunity, how does the Government expect the antitrust laws applicable to others to be enforced? The granting of such immunity would be a distressing thing to antitrust-law enforcement. That is what would happen if the Senate were to succumb to the attempt of the railroads, who are saying, "We will charge you more if you do not give us antitrust-law immunity."

Mr. President, it is not right, it is scandalous; and I shall talk about it for a long time.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. KEFAUVER. I do not yield yet. I have to complete the answer I am making to the Senator. The Senator from Ohio has said the Interstate Commerce Commission has always said it had jurisdiction over section 22 rates. The Senator from Florida has said that. I would invite Senators to read page 39 of the Senate committee hearings of April 1957. At the top of the page, when Mr. Clarke, Chairman of the ICC, was before the Senate committee, there will be found this colloquy. The Senator from Ohio [Mr. LAUSCHE] was there. He was the questioner. I am surprised he does not remember it:

Senator LAUSCHE. Is that in substance what the present status of the law is?

Mr. CLARKE. No, sir. The Commission has no power or authority at the present time to interfere in any way with the section 22 rate. We can't compel it to be raised or lowered. It is outside our jurisdiction entirely.

Does the Senator see that?

Mr. LAUSCHE. Yes.

Mr. KEFAUVER. Then, what does the Senator mean?

Mr. LAUSCHE. The Senator from Ohio means that under the law the mode of procedure is that the application has to be filed with the Commission and the Commission can approve that mode of procedure only if it finds it is in the general interest of the people of the country.

If the Senator from Tennessee will read the record to which he is referring, he will find that a representative of the Defense Department said that the elimination of section 22 would have resulted in a loss of $250 million a year during the years of the war. General Lasher said that for this coming year it would mean a loss of $100 million to the Defense Department.

I suggest to the Senator from Tennessee that if he desires to learn who is the motivating cause for the action taken by the House, he should call the Secretary of Defense or General Lasher.

Mr. KEFAUVER. I should like to have the opportunity, as would other Senators, of examining the general. He has not been on any witness stand. I would rather take the word of the Interstate Commerce Commission itself, which said that for 1950 and 1952 section 22 rates were 14 percent higher; that for the years 1953 and 1954 they were 13 percent higher. Who is right about it? I do not doubt the railroads have been able to talk to some general and get him to try to help them carry the load and to get them out from under the burden of the lawsuit. That is their prerogative. They have not appeared on the witness stand. I care not if it is going to cost $100 million more. If this Government has to give immunity to the railroads under the antitrust laws in order to eliminate competition, in order to save some money, we are in a mighty poor position. I am not going to vote for any bill as a result of which we would be put under the hammer, and told to give an exemption under the antitrust laws or the railroads would raise their rates. The railroads have been making a great deal of money as a result of section 22. They will continue to make money under section 22. I am not going to bail them out of their difficulties as a result of a violation of the law of which the district court has convicted them.

The Senator from Ohio and the Senator from Florida stated unequivocally a few minutes ago that the ICC had always said section 22 rates were under their jurisdiction. I wish to read again what Mr. Clarke said, as it appears on page 39 of the hearings, at which the Senator from Ohio and the Senator from Florida were present. He was asked what interpretation the ICC put on that section, and Mr. Clarke, who is Chairman of the ICC, said, as appears on page 39:

No, sir. The Commission has no power or authority at the present time to interfere in any way with the section 22 rate. We can't compel it to be raised or lowered. It is outside our jurisdiction entirely.

Mr. SMATHERS. Mr. President, would the Senator like an answer?

Mr. KEFAUVER. I would like to know what that means.

Mr. SMATHERS. It means this. Section 22 was adopted in 1887, at the time the Interstate Commerce law was enacted. It provided that the railroads could always grant to the Federal Government, or State governments, or to the blind, or to persons suffering from disasters, and so on, free or reduced rates.

How much those particular rates amounted to was not a problem of the ICC, so long as they were below the normal rates, and so long as the railroads claimed the application of the provisions of section 22.

The distinguishing point in this whole debate is that the Senator from Tennessee is talking about section 22 rates, not the agreements into which the railroads enter, whereby they get together, as in the Southern Freight Association, or the Western Freight Association, or the Central Freight Association, to determine the rates. That is what the ICC has to approve. Those agreements have to be filed with the ICC. The ICC has to give them its approval. But once the agreement, under which the railroads will act in concert, has been filed, it is true that immunity is granted under the antitrust laws, and the railroads can make a quotation of rates under section 22, over which the ICC has no jurisdiction.

I point out to the Senator that the airlines also have immunity. The Senator should realize that. They are permitted, under the Civil Aeronautics Act, to get together to decide what their rates shall be. They publish them. It is not only the railroads which do so. In a system of regulated transportation, we must remember we are not talking about railroads alone; we are talking about motor carriers; we are talking about inland-waterway carriers and freight forwarders. We are not talking merely about railroads. Such immunity is not granted only to the railroads.

I have no particular brief for the railroads, but the fact is that the law was enacted in 1887, and it has not been repealed up to this time. There was a bill before the committee to repeal section 22, but the nonscheduled airlines did not appear. Where were they? We held hearings for 10 days. I do not recall that they attended. I do not recall that even the Senator from Tennessee was there. There was no one from the particular group that was objecting to section 22 rates, which may or may not be bad. The committee acted on its best judgment, and its judgment was approved by the Senate on June 12. I presume the Senator from Tennessee voted for the bill, because it passed. It was said that it was desired to maintain the section 22 rates, whereby motor carriers, railroads, water carriers, and all other carriers, can give to the Government rates below the published rates.

Mr. KEFAUVER. I was waiting for a question. I did not know——

Mr. SMATHERS. I thank the Senator. I shall be glad to yield to him in a minute to make a statement.

Mr. KEFAUVER. I would rather yield only for a brief time, because the Senator from Florida has brought up so many subjects that I may have a difficult time trying to answer all he has said.

The Senator has said the Interstate Commerce Commission had jurisdiction over section 22 cases. The ICC has said that is not true. Mr. Clarke has said the ICC has no jurisdiction.

Mr. SMATHERS. The Senator should get the distinction in his mind between agreements and rates. I respectfully submit that otherwise he will not understand what the law is about. There is a difference between an agreement approved by ICC allowing the railroads to act in concert on the rates which will be made under the terms of such agreement, and the law. We are talking about two different parts of the law.

Mr. KEFAUVER. It is very difficult for me to see how the Interstate Commerce Commission can give carriers an exemption, under the Reed-Bulwinkle bill, on section 22 rates, if the ICC has no jurisdiction over section 22 rates. The ICC can allow no exemption, because it has no jurisdiction over that section. That is what the courts have held, and that is what the railroads are trying to get around.

So far as the airline carriers are concerned, I have no brief for them. I believe in live and let live. Let them get along if they can make the grade. There is no section 22 program for the airlines. They cannot, as the railroads can, quote one rate for the purpose of moving Army goods and another rate for another purpose. The airlines have to file with CAB uniform tariff rates which are applicable to everyone, since they cannot have any concert of action for the purpose of making discrimination in rates. They do not get any exemption from the antitrust laws, because they have to file the same tariffs for Government business and everything else.

We talk about the Government saving money. Wherever the airlines can compete, the railroads will reduce their rates. Wherever there is no competition, the railroads charge the Government just about as much as they do anybody else. But if we drive these little airlines out of business, we will find that instead of $100 million, it will cost the Government many hundreds of millions of dollars

more, because then there will be no competition.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MAGNUSON. Mr. President, I ask unanimous consent to have printed in the RECORD at this point telegrams from the Order of Railway Conductors and Brakemen, the Brotherhood of Locomotive Firemen and Enginemen, the Brotherhood of Locomotive Engineers, and the Brotherhood of Railroad Trainmen, all sent to me as chairman of the committee, endorsing the conference report on S. 939.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *August 16, 1957.*

Hon. WARREN G. MAGNUSON,
United States Senate, Washington, D. C.:

On behalf of the Order of Railway Conductors and Brakemen, I respectfully urge your support of conference committee report on S. 939 to amend section 22 of Interstate Commerce Act. Railroads should be permitted to work together to provide reduced charges to Federal Government for transportation and should not be penalized for cooperating to that end. No single railroad can accomplish this by itself. Therefore, your help in having conference committee report adopted this session will mean much to the taxpayers, railroads, and employees.

R. O. HUGHES, *President.*

CLEVELAND, OHIO, *August 15, 1957.*

Hon. WARREN G. MAGNUSON,
Senate Office Building,
Washington, D. C.:

I urge your support of conference committee report on S. 939 to amend section 22 of Interstate Commerce Act. Carriers should be permitted to work together when it means reduced charges to Federal Government for transportation, and railroads should not be penalized for cooperating in this effort. No single line can accomplish this by itself. I seek your help in having conference committee report adopted this session.

H. E. GILBERT,
President, Brotherhood of Locomotive Firemen and Enginemen.

CLEVELAND, OHIO, *August 14, 1957.*

WARREN G. MAGNUSON,
Senate Office Building,
Washington, D. C.:

On behalf of more than 70,000 members of the Brotherhood of Locomotive Engineers manning the locomotives on the Nation's railroads I urge you to support the conference committee report on S. 939 and assist in having it adopted at this session. We believe the railroads should be encouraged to work together in reducing charges to the Federal Government covering transportation of both troops and freight without becoming subject to antitrust penalties.

GUY L. BROWN,
Grand Chief Engineer, Brotherhood of Locomotive Engineers.

CLEVELAND, OHIO, *August 15, 1957.*

Hon. WARREN G. MAGNUSON,
Senate Office Building,
Washington, D. C.:

We urge your support of conference committee report on S. 939 to amend section 22 of Interstate Commerce Act. Carriers should be permitted to work together when it means reduced charges to Federal Government for transportation and railroads should not be penalized for cooperating in this effort, no single line can accomplish this by itself. We seek your help in having conference committee report adopted this session.

W. P. KENNEDY,
President, Brotherhood of Railroad Trainmen.

THE CORDINER REPORT

Mr. GOLDWATER. Mr. President, today our colleague, the able Senator from Mississippi [Mr. STENNIS] will begin hearings on S. 2014, one of the most important bills to come before Congress during this session. As chairman of the special subcommittee, he and the members of the subcommittee will hear testimony on the bill which is designed to reverse a trend in the Armed Forces—that is, to retain in the services highly qualified and skilled officers and men of the Army, Navy, Air Force, and Marine Corps.

One facet of the Cordiner report which seems to cause much raising of eyebrows is that part dealing with the upward adjustment of the pay of general officers. It is the one part which is creating the greatest resistance to acceptance of the Cordiner committee proposals as contained in S. 2014.

Why should this be so? Are we so blind as not to be able to see that the rising cost of living affects a general or an admiral as much as it affects a sergeant or a petty officer. In fact, with all of the requirements to maintain a certain standard of living, it is more difficult for general officers to make a go of it on what the Government pays them, than it is for many lower ranking officers, or even some noncommissioned officers.

Let us look at the facts. This country has always watched over the little man. With respect to service personnel, it has watched over the basic private quite well. During the period 1908 through 1956, the pay of a private has gone up 800 percent. A major general's pay has gone up 60 percent during the same period. Frankly, I would dislike immensely living on pay only 60 percent greater than that being paid in 1908, and I think most of us would.

There is another fact which is most interesting, and not surprising. It is well-known throughout the country that good executives, management people, are hard to find and hard to keep. Recently I read in the Wall Street Journal, in the July 18, 1957, issue, to be exact, that many companies were setting up new salary systems, rating systems, and other devices, to enable them to hold on to scarce "brass." And we well know that talent scouts in business are constantly on the lookout for likely prospects to add to their companies' executive rosters.

The Armed Forces are so well endowed with personnel possessing executive experience and organizational management ability that they are a tempting source to those companies searching for a new president, manager, or director. I could enumerate and cite many cases illustrating the Armed Forces' loss and industry's gain. Instead, let me give one recent poignant example.

The Washington, D. C., Evening Star of July 24, 1957, told of the naming of a new president of Capital Airlines. His name is David H. Baker—he was Air Force Major General Baker, previously head of all Air Force procurement under the Air Materiel Command. He is gone from the Air Force now—departed at the age of 49, after 27 years of commissioned service. He was and is recognized as an outstanding man in the field of procurement; trained by the Air Force, educated by the Air Force, provided experience by the Air Force. He is gone now and his value to the Air Force is gone with him—gone to Capital Airlines. Capital Airlines got itself a good president. The Air Force got itself a big void to fill.

Why did General Baker ask for retirement? As a major general in the Regular Air Force he could have stayed on active duty until 1965. On that date, with 35 years of service, he would normally have been required to retire. Why did he not stay those 8 years? Perhaps if we look at the picture of his pay we will get an idea.

In 1955, with the new pay established by Public Law 20, 84th Congress, General Baker began drawing $1,021.80 base pay a month, $171.00 per month quarters allowance and $47.88 per month subsistence. To that he could add $165 for incentive pay as a flying officer. Total, $1,405.68 a month or $16,868.16 a year, before taxes and social security deductions. Could General Baker look forward to an increase in pay if he were promoted? No, not one cent, even if he had been promoted to four stars and appointed Chairman of the Joint Chiefs of Staff. At the end of 30 years' service he would receive a tremendous increase of $54.60 per month, before taxes, and so forth. And if he retired with four stars, he would still retire at the pay of a major general—unless Congress passed a special act, as it is now considering for Admiral Radford, to permit him to retire at a higher rate.

What kind of inducement is that? Certainly not enough to make a man think seriously of refusing the presidency of Capital Airlines. Compare the two positions. A major general receives $16,000 a year. An airlines president draws $48,000 a year, plus expenses.

I have used General Baker as one example. There are literally thousands more—thousands of colonels, captains, generals and admirals—with their retirement papers ready to go in. Admiral Nimitz's son just resigned from the Navy. The newspapers carried the story of this Navy captain with an outstanding record who was leaving the service because he could not afford to send his children to college on the pay he was receiving. I do not know what kind of a position Captain Nimitz got, but I am willing to wager that his children will be in college and their father will be paying the bills.

And there is the case of the Air Force colonel who with 22 years of service has been selected for promotion to brigadier general. From last report, he prefers to resign rather than accept the star and the small pay it gives for the tremendous responsibility which goes with it. It is a sad state of affairs when we cannot even induce a man to accept a promotion.

Let us stop being unrealistic about our leaders. Yes, they are dedicated men, but they are human, too, and they have families to worry about. If we want them to continue to occupy the high positions of leadership, the frightening loads of responsibilities, the mammoth tasks of national defense, then I say let us pay them enough to induce them to stay on the job.

We need well-run airlines, merchandise corporations, and relief foundations. But we need, even more, a well-led, inspired Army, Navy, Air Force and Marine Corps. The best weapons and the biggest stocks of equipment are nothing but junk heaps without leadership.

I say let us act now to enact the Cordiner proposals. We must act now or pay the price of national defenselessness.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the article to which I have referred, published in the Evening Star of July 24, 1957, entitled "General Baker Named Head of Capital Air Lines."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GENERAL BAKER NAMED HEAD OF CAPITAL AIRLINES

Maj. Gen. David H. Baker, recent head of Air Force procurement, has been elected president of Washington-based Capital Airlines, succeeding J. H. Carmichael, who becomes chairman of the board.

In another top-level change, George R. Hann, who has been board chairman, was elected chairman of the executive committee.

In making the announcement late yesterday, Mr. Carmichael stressed the increasing demands on management and the problems encountered as the company enters the jet age, which made it timely to create an organizational structure designed to meet this challenge.

WITH FIRM SINCE 1929

He has been associated with Capital or its predecessors since 1929 and has been president since 1947. He is 50 years old.

General Baker, 49, has been director of procurement and production for the Air Force since 1953. He is a command pilot, a graduate of West Point and the Harvard Business School, and a native of Paterson, N. J.

A rated Army pilot in 1932, he flew the mail between Newark, Cleveland, and Boston. He was in England in late 1942 as executive officer of the plans section of the 8th Air Force Service Command and later headed the plans division.

General Baker was deputy commander of the 9th Air Force Service Command and from March to May of 1946 commanded the service command.

SERVED AT WAR COLLEGE

He has been on the faculty of the National War College and was senior Air Force member of the Joint Logistics Plans Group in the Office of the Joint Chiefs of Staff in 1948 and 1949.

In 1950 he was made responsible for the air defense of central and northern Alaska and in 1953 became director of procurement and productions of the Air Force.

He holds the Legion of Merit with one Oak Leaf Cluster and the Bronze Star. Foreign decorations include the French Croix de Guerre with Palm and the Legion of Honor, the Luxembourg Croix de Guerre, the Belgian Order of Leopold with Palm and the Croix de Guerre with Palm, the Most Excellent Order of the British Empire, and the Polish Order of Polonia Restituta.

Mr. GOLDWATER. Mr. President, I also ask unanimous consent to have printed in the RECORD at this point the article from the Wall Street Journal of July 18, 1957, to which I made reference.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MORE COMPANIES SET UP FORMAL SALARY SYSTEMS TO HOLD SCARCE BRASS—PILLSBURY MILLS DRAWS JOB PROFILES; S. C. JOHNSON RATES EMPLOYEES ON POINTS—BUT MANY FIRMS ARE OPPOSED

(By Roger W. Benedict)

John D. was restless and unhappy in his job. He worked hard and well as a junior executive for a large, diversified manufacturing company, but his quietly efficient efforts were going unnoticed. He did not engage in office "politics," and he was losing promotions to those who did. He believed his career had run into a dead end and, secretly he began looking for another job.

In the same firm, an apparently successful man named Richard R. was in danger of being fired. As a middle management executive, he was expected to live in a manner that would uphold the prestige of his office. But the financial burden of keeping himself and his family on a social par with business acquaintances was wearing on his nerves. The more he worried, the more his work suffered.

Surprisingly enough, these two men, who only a short time ago seemed sure to leave the company, today are candidates for top management positions in that same company.

FORMAL PAY PLAN

Credit for saving these men in their jobs is given an increasingly popular—and controversial—development in management relations. In the jargon of personnel experts, the development is a "formalized program of salary administration." In layman's language, that means there is a definite system for figuring out how much a man in management work should be paid by determining what he is supposed to be doing, how much the job is worth to the company and how well the man is doing it.

For example, in Mr. D.'s case, trained evaluators from a management consulting firm compared his work with the requirements established for his job. They found he rated well above his coworkers, and possessed unsuspected executive abilities. He was started up the promotional ladder and was assigned activities that would help him develop his basic talents. Recognition of his efforts perked up his morale and he decided to stay with the company.

The company's salary administrators also set up minimum and maximum salaries for each management job. They discovered that Mr. R.'s position was underpaid in relation to its value to the company, and in comparison with similar jobs in other companies. A rise in pay ended Mr. R.'s feeling of insecurity, and his work rapidly returned to the former high level of performance.

HAPHAZARD RAISES

Most bosses, of course, decide on promotions, raises, and firings of their management people by judging what a man's job is worth, how well he is doing it and what his potential is. But in the majority of cases today, say management consultants, the process is highly informal and haphazard.

Many companies, to be sure, strongly prefer informal pay plans. "We feel that highly formalized systems should be avoided," says Robert J. Howe, director of salary and organization for Cleveland's Thompson Products, Inc. "They breed jealousy and contention, and introduce the danger of mechanizing the human equation." Thompson Products believes a simpler and more accurate guide to salaries can be found in the going market prices for jobs with similar requirements and responsibilities.

Some management consultants flatly condemn most formal pay plans. "Most of them are not worth the paper they're printed on," declares Dr. Robert N. McMurray, of McMurray, Hamstra & Co., of Chicago, "and some are downright dangerous. They are popular because a lot of companies are looking for every gimmick that will relieve management of making a decision."

PLAYING POLITICS

But an increasing number of companies are adopting formal pay plans in the belief that informal arrangements have the worst pitfalls. A manager who can suavely play office politics, has a charming personality, or merely knows the right time and way to hit the boss for a raise may push himself up through the ranks more easily under an informal scheme, claim opponents of such systems. Another management executive who might be better qualified could be passed over because he's reticent and unnoticed or his rounded talents are hidden in the duties of a square job.

As a result, many companies find valuable management people leaving for other companies and jobs. An executive usually leaves a company either because he has not received recognition for his work or because he is under paid, says John L. Shirley, chairman of Communications Institute of America, a Chicago management consulting firm. Heavy turnover also can occur when inefficient executives are placed in top jobs, stunting the progress of the men under them, he adds.

A survey conducted by the American Management Association indicated 7.5 percent of middle management men—those between the policymaking level and that of general foreman—change jobs each year. Booz, Allen & Hamilton, a Chicago management consulting firm, estimates that turnover of all management in pre-World War II days was about 6.5 percent.

"Management turnover in industry is appalling," declares Mr. Shirley, of Communications Institute. "A chemical company called us in recently and was shocked to learn it had lost more than $1.5 million last year through turnover in its middle management ranks."

And few companies can afford a rising turnover rate among management. Booz, Allen & Hamilton estimates that in the next 3 years, United States industry's need for management talent—from the general foreman level on up—with rise 10 percent above 1955, while the supply of such people will be up only 4 percent. By 1965, the shortage should be even greater; demand for management will be up 22 percent over 1955 while the management pool will rise only 8 percent, say the firm's forecasters.

To train new executives, many companies are setting up or expanding management training programs. To retain—and attract—management talent, many corporations are offering stock option plans, improved pension programs and other fringe benefits. And a growing number are adopting formal salary programs.

"Proper salary administration is one of the important keys to attract and hold employes, reduce turnover, and contribute to

higher morale," says L. W. Fries, manager of wage and salary administration for Monsanto Chemical Co., which put a formal pay plan into effect in 1949. "It doesn't do the whole job, but it is a necessary part of any good personnel program," he says.

In hushed tones, the personnel manager of a firm employing more than 4,000 management people adds still another reason for adopting formal pay plans: "They are a good way to keep the unions from invading management ranks."

Although there has been no count of how many of the formal pay schemes are now in use, there are indications their popularity is growing.

"We're up to our eyeballs in requests for management compensation advice," says John Gallagher, of Booz, Allen & Hamilton. Dartnell Corp., also of Chicago, says that more than 3,000 firms have bought its recent study of management pay plans and policies.

And subscribers to the AMA annual executive pay survey have vaulted to over 4,000 from 250 in 1950. The association describes the survey as "intended to provide subscribers—on a confidential basis—the latest information on what and how other companies are paying executives holding comparable jobs," such information is often used to help set up a pay plan.

Formal pay plans vary widely. "There are probably no two company programs exactly alike," says Mr. Gallagher. "Each plan must be tailor made to fit the needs and aims of an individual company."

Basically, pay plans do two things: Set up pay scales for a management job based on the job's relative importance and difficulty; and rate the actual performance of each man in the job.

ELIMINATING THE PRESIDENT

Many pay plans start by evaluating the president's job. Other executive salaries are established as a percentage of the president's salary. Some companies, however, eliminate the president—and frequently other board-elected officers—from their plans. The reasoning behind this is that the "man makes the job" after a certain point is reached in the upper echelons of management jobs, and that rigid standards, therefore, cannot be set up.

The plans can produce some surprises. A diversified Southwest company found that one executive had achieved his high title in their organization chiefly on the strength of his aggressive personality. They found he wasn't qualified for the job he held, and was performing duties completely foreign to what he was supposed to be doing. Further investigation showed these other duties to be valuable to the company, and that the man was performing them well. His title was changed to correspond to his actual work, and a new man succeeded him in his former job. The man was happy, and the company benefited from improved efficiency in its operations.

After salary structures and job requirements have been established, a company can evaluate each man's performance in his job every year or 6 months to determine whether he merits a salary increase or a promotion.

NEW TALENT FOUND

This can often lead to discovery of new talent. An electronics company found that successive semiannual ratings of an unimpressive appearing engineer showed his performance to be exceptional. He was moved along the promotional ladder and continued to achieve outstanding ratings. Today, he is the company's chief engineer. The firm says he might still be "just another engineer" if it had not been for the performance appraisals.

An employee's performance may be rated by his immediate superior, a personnel department specialist or a management consultant from outside. Many companies, even including some with formal pay plans, admit ratings by supervisors may have their drawbacks. A supervisor who feels insecure in his own position may deliberately underrate his subordinates, fearing that he may be replaced by one of them. On the other hand, a supervisor who thinks he is being judged on the basis of his ability to develop new management talent may overrate his subordinates.

Dr. McMurray, the Chicago management consultant, is one who objects to ratings by supervisory people. "They regard it as a chore, and generally do a superficial job," he says. "And if a supervisor dislikes a man, he can either rate him so low he is fired, or rate him so high he is promoted, gets in over his head, and is then fired."

He suggests the "field review" method to solve this problem. General Mills, Inc., Minneapolis, uses this method, drawing its interviewers from either its personnel department or from executives in departments other than those being rated. They interview not the man, but two of his bosses. If one of these executives has nothing good to say about the man, they ask, "doesn't he have any good points?" If an interview is too favorable, they ask, "well surely he has some faults, doesn't he?" They also demand proof of each opinion expressed.

Many compensation plans are not limited to a mere appraisal of the man in his job.

Once a year, for example, each young executive at Monsanto sits down with his boss to review his latest evaluation report and to work out a program of self-improvement. Each program is fitted to the needs of the individual. It can include such things as taking on additional duties, more active participation in community activities, attending night school or management seminars, public speaking engagements, representing the boss at industry functions, reading technical papers, books and magazines, filling in for a higher executive during his vacation, teaching company training courses, or even taking leave of absence for postgraduate study at Harvard, M. I. T. or some other university.

We no longer have "forgotten" employees, and we have been able to eliminate so-called 'deadend' jobs," says Mr. Fries of Monsanto.

The methods used to carry out these plans generally follow one of several patterns. Figuring out what a job is worth and how it compares with other positions can be on a simple ranking system, following the company's organization chart, or on a classification system, which uses job descriptions to grade each job. Or it can be based on one of several complex numerical systems.

A typical numerical plan is the "point factor" system used by S. C. Johnson & Sons, Inc., wax products maker in Racine, Wis. This involves breaking down management jobs into sets of "functions" and "classifications of difficulty and importance." For example, one of the basic management functions is developing and determining policy. This function is then classified on the basis of the importance of the policy involved. A further breakdown classes the job's difficulty, whether it involves formulating and recommending policy, for instance, or whether the job simply involves making a decision based on the policy. By giving each breakdown a set number of points, personnel managers can come up with a point score for each job. Its score determines where the job ranks in the company, its importance and relative pay.

A somewhat less rigid method, the job profile guide chart, is used by Pillsbury Mills of Minneapolis. It rates a position by how much know-how (defined as experience and skill in technical and human relations fields), problem solving (original thinking and decisionmaking) and accountability (control exercised and impact on the end result of the job) is involved in the work.

For example, a junior accountant's position might require 59 percent know-how, 22 percent problem solving and 19 percent accountability, while a vice presidency has a profile of 33 percent know-how, 29 percent problem solving and 38 percent accountability. The profile is then applied to a chart to determine the final rank of the job in comparison with all other management positions.

A BARN BURNER

"We think it's a real barn burner," says Harry Funk, Pillsbury's wage and salary administrator.

A simpler point system is in use in Canada and is now being installed in several United States firms, Mr. Shirley of Communications Institute says. The plan sets up a required number of points for each management job that must be attained before a man can be considered for promotion to that job. Points are given for such things as educational background, night school and correspondence courses, tenure, achieving quotas, special assignments, and membership in professional and community organizations.

"If a guy hasn't got what it takes, he isn't even considered for promotion, no matter whose brother-in-law he is," says Mr. Shirley.

An employee's performance is usually matched against one of these job evaluations to see if he deserves a promotion. Texas Instruments Inc., in Dallas, for example, rates each man every 6 months on 14 basic qualities, each broken into 5 degrees of performance. On the basis of this rating the man's boss recommends him for a salary increase, promotion, reclassification, transfer to another job, probation, or retention in his current status. Reasons for the recommendation must be listed.

CONVEYANCE OF CERTAIN LAND TO STATE OF NORTH DAKOTA

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 999) authorizing the Secretary of the Interior to convey certain land to the State of North Dakota for the use and benefit of the North Dakota State School of Science, which were, on page 1, line 9, after "The" insert "north half of the southwest quarter of the northwest quarter, the north half of the south half of the"; on page 2, line 2, after "the", where it appears the second time, insert "north half of the southwest quarter of the northwest quarter, the north half of the south half of the"; on page 2, line 3, strike out "quarter", where it appears the second time, and insert "quarter,"; on page 2, line 4, strike out "quarter" and insert "quarter,"; on page 2, line 7, strike out "80.0637" and insert "70.0637"; and on page 2, line 9, after "acres" insert "more or less".

Mr. ANDERSON. Mr. President, S. 999 authorizes the conveyance to the North Dakota State School of Science of certain Federal lands administered by the Bureau of Indian Affairs which are no longer needed for any Federal program.

Since consideration of the bill in the Senate, the Indian Bureau expressed an interest in retaining a portion of the lands to be conveyed. The House amendments delete from the bill the lands sought to be retained by the Indian Bureau.

As compensation for the conveyance, the school of science is providing free tuition for 10 Indian students each year for 10 years.

I am directed by the Committee on Interior and Insular Affairs to recommend that the Senate concur in the House amendments. I so move.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Mexico [Mr. ANDERSON].

The motion was agreed to.

DISPOSAL OF CERTAIN PROPERTY IN THE COULEE DAM AND GRAND COULEE AREAS.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 1574) to provide for the disposal of certain Federal property in the Coulee Dam and Grand Coulee areas, to provide assistance in the establishment of a municipality incorporated under the laws of Washington, and for other purposes, which were on page 4, line 15, strike out "Such" and insert "The land and"; on page 10, line 8, strike out "contiguous areas" and insert "and contiguous", and on page 13, strike out lines 5 through 8 inclusive, and insert "responsible bidder under this section or property sold to the first taker from the general public under subsection (h) of this section or by negotiated sale under subsection (c) (3) of this section, persons purchasing property under this section."

Mr. ANDERSON. Mr. President, S. 1574 provides for the disposal of certain Federal property in the Coulee Dam and Grand Coulee areas of the Columbia Basin project in Washington State, and to provide assistance in the establishment of a municipality. The amendments are primarily corrective and for purposes of clarification.

I move that the Senate concur in the House amendments to S. 1574.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Mexico [Mr. ANDERSON].

The motion was agreed to.

THE RURAL ELECTRIFICATION ADMINISTRATION — SECRETARY BENSON'S PRESS CONFERENCE

Mr. MORTON. Mr. President, yesterday, as the result of an Associated Press 6- or 8-line news-ticker report, the Senator from Minnesota [Mr. HUMPHREY] and other Senators entered into quite a discussion concerning the REA and Secretary Benson's press conference and statements yesterday.

I have obtained a verbatim report of the press conference—at least that portion of it dealing with the REA—in which the Secretary was interrogated by several distinguished newspaper reporters.

I ask unanimous consent to have this verbatim transcript printed in the RECORD at this point, as a part of my remarks.

There being no objection, the transcript was ordered to be printed in the RECORD, as follows:

EXCERPTS FROM SECRETARY BENSON'S PRESS CONFERENCE, AUGUST 20, 1957

Mr. BAILEY (Minneapolis Star and Tribune). Mr. Secretary, one of the things that you missed and probably enjoyed missing, being away from town, was some of the political jockeying that goes on constantly around here about this Department. At this time, some of it seems to center around REA.

Two questions were raised. One was the question raised by Senator HUMPHREY about your nonavailability to go up before a subcommittee he had, and the other was to question factual matters at issue, the question of whether, and if so why, there is a procedure now for reviewing on this side of the street big loan applications that come into REA after they go through the Administrator's office over in the other building.

Could you tell us something about that?

Secretary BENSON. I learned before I returned home that there had been some talk about REA, so I had occasion just this morning to check into it at some length, as to the legal authority, the line of authority, and I have one or two notes here.

I want to give it to you in some detail, because there has been some misinformation circulated about it.

There has been no reorganization of REA other than set forth in the reorganization plan which was issued November 2, 1953. You remember that plan which was approved by the Congress.

Under that plan, the authority of the heads of all agencies of the Department of Agriculture was transferred to the Secretary of Agriculture. There was some question as to the Secretary's authority in the case of some of the agencies, particularly where the head was appointed by the President. Subsequently, the Secretary redelegated to the agency heads, including the Administrator of REA, the functions necessary to carry out the programs of their agencies.

This delegation, which appeared in the Federal Register of January 6, 1954, provided that each of the functions in question would be performed under the general direction and the supervision of certain officials of the Department of Agriculture, certain officials of the immediate staff of the Secretary.

And in the case of REA, this was the Director of Agricultural Credit Services. This was in line with the authority provided for and the delegation issued to the Director on August 28, 1953.

Now, this arrangement was in effect while Mr. Ancher Nelson was Administrator, and it is still in effect. Mr. Hamil has been asked by the Director of Agricultural Credit Services to discuss with him all loans over $500,000.

This is not a reorganization. It is merely in line with the coordination between the agency heads of all of the divisions of the Department and their respective group heads.

Mr. BAILEY. May I ask another question at that point, Mr. Secretary?

Secretary BENSON. Yes.

Mr. BAILEY. Was Mr. Nelson, when he was Administrator, asked to discuss with Mr. Scott all loans over $500,000?

Secretary BENSON. I don't know whether he was or not. I know that he did discuss some loans with Mr. Scott, but I don't know whether it was a regular thing or not.

Mr. BAILEY. Thank you.

Secretary BENSON. But may I say that the action was taken really to achieve full coordination of REA activities, in large measure due to the fact that we had a rather tight budget situation and there has been an unusual demand for REA loans.

Now the loan applications in connection with Farmers Home Administration, the large ones, are likewise discussed with the Director of the Agricultural Credit Services. And the suggestion was given to Mr. Hamil orally. He took it in fine spirit. It is entirely in line with Mr. Scott's authority and responsibility, and I support him in it.

I think it is a good thing. I think there is safety in counsel, and it is working out very well.

Now, I have been out of the office, as you know, for some time, and when I returned the Deputy Administrator of REA and the Administrator were out in the field, so I have not had an opportunity to talk with them. But en route home I did read an account in the Denver Post of an interview which reporters had had with Mr. Hamil, the Administrator, in which he pointed out that he had been sending applications of $500,000 and more to the Secretary's Office at the request of Mr. Scott, and that any suggestions on loans from the Secretary's Office had been constructive and restricted to financial feasibility, and that there had been no pressure on him to approve or disapprove loans so far as this office is concerned.

Now, those are the whole facts as I know them.

And I don't know of any friction or difficulty. Certainly there has been no reorganization of REA.

Mr. MAHONEY. The question remains: Just when did this procedure start and why did it start at that particular time?

Secretary BENSON. Well, I am not sure I have the date, but I think it was some time in June, Mr. Mahoney, that Mr. Scott orally suggested to Mr. Hamil that these loans be reviewed, the larger ones, and in large measure it was due to the fact of this tight budget situation and to the fact there has been an unusual demand for loans from REA.

One factor has been the differentials in interest, as the cost of commercial loans has gone up. That has increased the demand, no doubt, for REA loans which are at 2 percent interest.

Miss SARAH MCCLENDON (San Antonio). Mr. Secretary, did you not see any reason for you to put another order in the Federal Register outlining this policy, since it sort of conflicts with the one of January 6, 1954, in the Federal Register?

Secretary BENSON. No; there has been no official reorganization. Mr. Peterson (Assistant Secretary in charge of States' Relations) may request the same thing of the Director of Extension, or any agencies under him. It is simply good organization, good procedure.

Miss MCCLENDON. Would you say this was done without your direction?

Secretary BENSON. No; it was not done without my direction. It was done with my approval.

Miss MCCLENDON. What was the date of your approval?

Secretary BENSON. I don't recall that, because it was done verbally, but Mr. Scott had already discussed it with the REA people and said he felt it would be a safeguard and a good thing, and Mr. Hamil took to it in good spirit.

That is all I know about it.

Mr. DEACON (St. Louis Post-Dispatch). Would you review for us once more what the responsibility and authority of the Director of Agricultural Credit Services was under this delegation of authority?

Secretary BENSON. Yes. Under the Reorganization Act, all authority held by the heads of any agricultural agencies was (transferred) to the Secretary of Agriculture. There were some of them where the delegation was not quite clear. Then the Secretary in turn——

Mr. BAILEY. You mean before the act some of them were not quite clear?

Secretary BENSON. Before the act some of them were not quite clear. In the act the clarification was made.

Then the Secretary in turn, as is the custom, delegated authority to the agency heads, with supervision by the various group heads or the assistant secretaries and the Director of Agricultural Credit Services. They have general supervision under the Secretary for the various agencies under their supervision.

Peterson, for example, has Extension Service, Soil Conservation Service, Agricultural Research Service, and so on. In the case of Scott, he has the REA, our emergency drought programs, and the Farmers' Home Administration. * * *

Mr. MONROE (Albuquerque Journal). I believe the REA loans for the fiscal year 1957, which ended last June 30, were up to about $380 million total, which, I think, is a rise of 35 to 40 percent over the previous year, and I wondered if this is not all part of the inflation picture, if there has not been some concern at the White House level about the increase in the number of loans.

Secretary BENSON. There has been a rather substantial increase. I do not know what the percentage figure is. And if that would occur in any agency, it would give us some concern, naturally, particularly when you consider that about 95 percent of all of our farms are now electrified.

Of course, one of the problems we face, ladies and gentlemen, is the fact that there is no clear line of demarcation any longer between rural and urban areas, and that presents a problem to REA. We have this decentralization of industry—and industries move out into a rural area and they have great demands for electric power. And if they can get it through REA, particularly if they can get a loan with a lower interest rate, it is only natural they might apply for it. That is a fact. It is only one of several, but there has been a substantial increase and we want to be as cautious and careful as we can. We are using the taxpayers' money in this operation, as we are in most of the operations of the Department. * * *

Mr. DEACON. Mr. Secretary, two questions, if I may. First of all, do you intend to appear before Senator HUMPHREY's Government Operations Subcommittee before the adjournment of Congress?

Secretary BENSON. I have never refused to appear before any committee or meet with any Member of Congress privately.

I have just dictated the answer to Senator HUMPHREY's letter, which came to Mr. Morse, really. I dictated that this morning, and it has gone up to him, and I have suggested that copies be available if that is possible at the end of this press conference.

Mr. DEACON. In case you don't have them available, did you say you would appear or not appear, or what did you say?

Secretary BENSON. Well, I can't quote the letter exactly, but I think I indicated that our people had been available all along, the Under Secretary, Mr. Scott, and the Administrator and Deputy Administrator; that there had been no reorganization of REA, but that if he wanted me to come up when the Administrator returns to town, I would bring Mr. Hamil and we would come up and sit down with him.

Question: Do you know if a Cabinet officer can be subpenaed?

Secretary BENSON. I do not know. I have never faced that. I am told that certainly he could not be if the President indicated his objection. But then, I don't think that should enter into a thing like this, especially when there has been no reorganization of REA.

Miss HELEN MONBERG (Pueblo, Colo.). In Pueblo, Colo., we are very much interested in Mr. Hamil. I want to ask you two questions also.

One is: Is there any question about Mr. Hamil being forced to resign?

Secretary BENSON. I have never raised the question and no one has ever raised it with me. The thought has not entered my mind at all.

Miss MONBERG. He is satisfactory to you?

Secretary BENSON. Well, he has given excellent satisfaction so far as I am concerned, and my relationship with him has been very satisfactory. I think he is a good administrator or I wouldn't have selected him, nominated him to the President.

Miss MONBERG. The next thing I want to ask you is: Have you had any trouble recently with the large REA loans?

Secretary BENSON. I wouldn't say we have had trouble with them.

Miss MONBERG. Was there any loan that went sour, for instance?

Secretary BENSON. I don't recall. I would have to check. I don't recall that there has been.

Miss MONBERG. Thank you.

Mr. DEACON. Still on this REA matter, the contention by some REA groups has been that in actuality or in practical effect the review of these REA loans of more than $500,000 has been made by Mr. D'Ewart rather than Mr. Scott. Would you comment on that?

Secretary BENSON. I think generally speaking they have been made by Mr. Scott. Mr. D'Ewart is assistant to Mr. Scott and sometimes when Mr. Scott is away I assume Mr. D'Ewart would do some of the preliminary work on them. I think all of them have been called to Mr. Scott's attention before any suggestion or recommendation has been made.

I have mentioned REA all the way along. I don't want to exclude the telephone loans. They are not all electric loans; some of them are also telephone loans, as you know.

Mr. MORTON. I think the transcript makes it abundantly clear first, that there is no great reorganization of the REA; second, that there is no policy change; and third, that the Secretary feels that he has a budgetary responsibility as Secretary of Agriculture for all the lending agencies within the Department of Agriculture. Furthermore, I believe that as a member of the Cabinet he has an obligation shared by all members of the Cabinet, to watch over every major expenditure, in view of the possibility that Congress may have to come back here in November or December because of the debt ceiling.

I understand that today there is a sharp demand for REA loans—greater than at almost any other time; yet our farms are 95 percent electrified. This makes it important that the Secretary keep himself informed, and discuss the problems with the administrator of the REA, without attempting to dictate or to change the policy in any way.

I trust that Members of this body who followed the discussion yesterday will read the verbatim transcript of the Secretary's press conference.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. MORTON. I yield.

Mr. HUMPHREY. I respectfully suggest to the Senator that the so-called verbatim transcript consists of excerpts from the press conference, edited by the Department of Agriculture. I have a copy of the so-called verbatim transcript, but it is verbatim only to a point. It is verbatim after appropriate editing and deletions by the Department. But even what is there, I say, is rather revealing.

The Secretary of Agriculture points out, for example, in response to a question from a reporter of the Minneapolis Tribune, Mr. Bailey, the situation with respect to Mr. Nelson, when he was Administrator of the REA. I read from the transcript:

Mr. BAILEY. Was Mr. Nelson, when he was Administrator, asked to discuss with Mr. Scott all loans over $500,000?

Secretary BENSON. I don't know whether he was or not. I know that he did discuss some loans with Mr. Scott, but I don't know whether it was a regular thing or not.

The Secretary goes on to point out that the purpose of the action was to achieve full coordination of REA activities. I submit that full coordination of REA activities is a function of the Administrator of the REA, and not the Secretary of Agriculture, even though the REA is under the Department of Agriculture by reason of the Reorganization Act.

Mr. MORTON. I have already placed in the RECORD the quotation which the Senator has just read. I think the transcript speaks for itself. Let me say that it does consist of excerpts, because I asked only for that portion which dealt with REA. The Secretary held a rather lengthy press conference, dealing with other subjects besides the REA. I did not wish to burden the RECORD with the other subjects. I wished to place in the RECORD merely the portion which was anent our discussion yesterday.

Mr. HUMPHREY. So far as the budgetary responsibility of the Secretary of Agriculture for all the lending agencies within the Department is concerned, let me say that the Congress of the United States authorizes the amount of money available for loan funds in the REA. The Congress of the United States authorizes the Director to make the loans.

The Secretary of Agriculture assured the Congress that before any change was made in either policy or organization, he would consult with the Congress.

I charge that the Secretary has not kept his word. All he needs to do to keep his word is to respond to a request from a committee of the Congress to appear before the committee. He should stop holding press conferences and come to the Capitol, where a Cabinet officer belongs when he is requested to appear before a committee.

Mr. MORTON. In his letter of yesterday the Secretary made it clear that as soon as Mr. Hamil returns to Washington, he will be glad to appear before the committee.

AMENDMENT OF SECTION 22 OF THE INTERSTATE COMMERCE ACT—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill S. 939 to amend section 22 of the Interstate Commerce Act, as amended.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Tennessee [Mr. KEFAUVER] to postpone, until January 30,

1958, at 2 o'clock p. m., further consideration of the conference report.

Mr. MAGNUSON. Mr. President, I wish to address myself for a few minutes to the pending business.

I believe that the very complex and unusual situation in which we find ourselves points up the necessity of something which should have been done a long while ago, and which I have advocated, but which I have never been persuasive enough with the Committee on Interstate and Foreign Commerce to achieve by way of enactment of proposed legislation which I introduced.

I think there is a real necessity for the outright repeal of section 22 of the Interstate Commerce Act, so that the Federal Government will pay the same rates that any citizen pays. Under such an arrangement, these situations could not occur. There would be ample free competition among all forms of transportation.

However, in view of the fact that the committee will again tackle this very important subject in January, and in view of the fact that it involves a cost of several million dollars to the United States Government, probably the better part of wisdom at this particular time would be to agree to the conference report.

However, I repeat that I am still strongly in favor of repeal of section 22 altogether, so that none of these untimely, unusual, complex, and somewhat inequitable situations can occur again.

Mr. HUMPHREY. Mr. President, I wish to address myself to the pending question, relating to the conference report on Senate bill 939.

This situation involves a most unusual procedure, in an unusual situation. This was openly admitted yesterday by the chairman of the conference committee, the Senator from Florida [Mr. SMATHERS], when he urged the adoption of the conference report on Senate bill 939.

The Senate was told—and I believe I am paraphrasing accurately the report of the chairman of the conference committee—that this was an imperfect bill. The Senate was told that hearings had not been held. The Senate was further told that no witness was heard representing those who were in opposition to the bill.

The Senate was also told that the information as to the moneys to be saved by favorable action upon the conference report was information obtained from a Pentagon official, who was never cross-examined. The official presented his own estimate as to what he thought the savings to the Government would be because of the so-called Harris amendment of the House to Senate bill 939.

Mr. President, I do not wish to labor the situation, but it seems to me that when we start to amend the antitrust laws, which are fundamental to the preservation of free enterprise—the antitrust laws which may be the difference between an America which has a free economy and an America which could have a controlled economy—no matter to whom the amendment is made to apply, we had better first have some discussion and some testimony from witnesses, and some cross-examination of the witnesses.

The power of big business in America today is such that it takes the courage of a warrior to stand up against it, and the stamina of a warrior to enforce antitrust laws.

The enforcement of laws is indeed quite an ordeal. Even the support of antitrust laws requires a good deal of perseverance and courage.

The railroads are no different than any other part of the American economy. They are entitled to all the protection of the laws. They are entitled to a fair profit. They are entitled to fair consideration by their Government. They are entitled to the business of their Government. They have been given all that—plus.

To exempt them from the restrictions and from the applicable portions of antitrust laws when they are doing business with the Government is to set a precedent which could lead to further requests in other areas of the American economy for the very same kind of exemption.

Recently, when the Mideastern oil crisis developed, after the debacle in the Suez, and when the oil supplies from the Middle East to Europe were cut off, there was a temporary suspension of the antitrust laws relating to certain American oil companies, so that they could furnish oil to European countries, particularly our allies.

I suggest that that situation was of sufficient importance to call for a congressional investigation into it. As I recall, the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Colorado [Mr. CARROLL], and other Senators spent months in looking into this very point of the exemption of the oil companies from the antitrust law. I see on the floor the distinguished junior Senator from Wyoming [Mr. O'MAHONEY]. I again commend him for being a stalwart champion of free enterprise, for being the No. 1 trustbuster in modern times—I mean it—second only to Teddy Roosevelt. He walks in the same direction. We need more of that spirit in America.

I am not an expert on this subject. However, when antitrust laws are set aside, or an attempt is made to set them aside, it is time to put up the warning flag. Perhaps a good case could be made out for S. 939, as amended. It is fair to say, perhaps, that the case for the suspension of the antitrust laws, as contained in the bill, was made in the House of Representatives. However, how was it made? It was made by amendment on the floor of the House of Representatives, not by any committee action.

Here an attempt is made to modify the whole structure of American law. The attempt is made not only to modify it, but to strike it down insofar as it applies to railroads and other contractual relationships with the Government in the movement of American servicemen. It is proposed that that be done without any hearing and without giving any consideration and without any examination of the Government witnesses, and without any testimony from those who are opposed to the bill, and without even any testimony from those who are in favor of the bill.

The argument has been made—and it is an argument which has great appeal—that the passage of the law will save the Government $100 million. The argument has been made by the Defense Department that unless the so-called Harris amendment, which is the substance, basically, of the conference report, is adopted, the Defense Department will have to spend an additional $100 million during fiscal year 1958.

My question is, What is the authority for that figure? Who is responsible for it? We are told it is in a letter from a Major General Lasher, an officer in the Pentagon who is in charge of the Traffic Management Agency of the Department of Defense.

We are told that a letter has been sent by a Pentagon officer to the committee, and we are told that on the strength of that letter we should depart from the usual procedure of committee business and violate traditions of Congress by proceeding without holding any hearings whatever on the subject matter, much less on the bill. We are asked, on the basis of a letter, to amend drastically the antitrust laws.

Before Congress does such violence to its own procedures, it seems to me we would have to be confronted with a rather dire emergency. There seems to be no emergency that I can find which necessitates this type of action. I know that very few people, if any, have made the point that the Association of American Railroads has been pressing the very same argument which the Pentagon official has pressed, namely, that unless we accept the Harris amendment it will cost the Government $100 million more than would be the case under existing procedures.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. KEFAUVER. Does the Senator agree that it is a sorry plight we have come to when the great United States Government has to make another big exemption in the antitrust laws because of the threat of a common carrier that it is going to charge the Government more money? I have never seen anything quite so ridiculous and so belittling of the United States Government, as for these people to come forward and say, "Pass this bill or it will cost a lot of money to the Government. Modify the antitrust laws and give us another great exemption."

I think for that reason alone, if for no other reason, the Senate ought to stand up and tell them, "We are not going to approve your conspiracy, your concerted action, with a price tag on it."

Mr. HUMPHREY. I say to the Senator from Tennessee, who, like the Senator from Wyoming, has been another power of strength in the enforcement of antitrust laws, and of course a battler against monopoly, that there are many times when we could repeal a section of the antitrust laws to save the Government some money. I have heard that argument made, for example, with respect to the discount houses. Why does everyone buy at discount houses?

It is said they buy at discount houses to save money. However, by that action legitimate businessmen are driven out of business. I say a man is entitled to a profit. I do not think it is right for a Government agency or any other institution to seek to buy commodities at the lowest price it can get, regardless of the consequences. We impose standards. We insist on the preservation of small business, and we insist that certain privileges be accorded to small business, in order to protect that segment of our economy.

As I said, what seems most unusual to me is the methodology which has been devised to bring the conference report before us. I do not criticize the distinguished Senator from Florida [Mr. SMATHERS]. I realize that the bill was the subject of House action, and that the House conferees insist upon their amendment. It is fair to say that the Senate bill did not contain the amendment. The Senator from Florida has said that he would prefer something different than the bill before us, but that this is what he has to present to the Senate. I suggest that once in a while it is a good thing to tell the other House that we do not always accept their amendments.

Mr. LONG and Mr. LAUSCHE addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Minnesota yield; and, if so, to whom?

Mr. HUMPHREY. I yield first to the Senator from Louisiana; then I shall yield to the Senator from Ohio.

Mr. LONG. The point has been made that the Defense Department will have to pay about $100 million a year more for freight in the event the amendment is not adopted than would be the case otherwise. I do not know how that figure was arrived at. However, I do know what I have observed of the way the Defense Department has done business in the transportation of freight in an area with which I am familiar, and in an area where I have lived. I have never seen more opportunities lost to economize by the Government than the failures on the part of the Defense Establishment to hold down freight costs.

I have seen this happen many times. I have seen cases affecting installations under Government control where the freight rate was rigged in such a way as to make it impossible for any other private enterprise to do any business on that basis. Then I have seen the Government sell the installation to a private concern, whereupon all the freight rates and switching charges were reduced, and then, when the Government came back into the same installations, all the rates went up again, because the Government was in control.

It is fantastic to see the extent to which that has been done. I feel sure that condition is duplicated many times throughout the country, where large amounts of money have been wasted.

I do not know on what theory the $100 million saving on freight charges was based. However, it occurs to me, and I have mixed feelings on the amendment, that if we are to rely upon a $100 million figure, as a basis for not enforcing the antitrust laws, it would be well to know how that figure was arrived at. I would like to know how the figure was computed.

Mr. HUMPHREY. I should like to inquire into that, also. The Senator from Ohio [Mr. LAUSCHE] undoubtedly is intimately informed on this subject. Perhaps he would like to make some comments on it.

Mr. LAUSCHE. The Senator from Minnesota is partially correct in his statement, that no hearings were held on the specific provision which is now being discussed on the floor of the Senate. But the fact is that the entire committee conducted extensive hearings on Senate bill 939, a companion bill.

Mr. HUMPHREY. Yes.

Mr. LAUSCHE. On page 101 of the hearings on the bill, S. 939, we find the testimony of Mr. Smith, the Director for Transportation and Petroleum Logistics, of the Office of the Assistant Secretary of Defense, at the Pentagon, Washington, D. C. He was questioned by the Senator from Florida [Mr. SMATHERS]. I read the following from the hearings:

> How much would it cost the Government if section 22 were repealed or changed, as has been recommended in Senate bill 939? How much additional expense would it cost the Government?
>
> Mr. SMITH. At the time I testified before the House committee last year, based on the then freight bills of the military departments, I estimated it would cost, if section 22 were eliminated, and all the rates went back to the tariff basis, the cost to the Government would be $215 million per year. Based on the present freight bill, I testified before the House just a few days ago that the cost would be $128 milion per year.

That dealt with the question of whether section 22 should be repealed.

We decided that section 22 ought not be repealed. The Government's bill for such shipments is $615 million a year. The Government is the largest shipper in the Nation.

The committee—unanimously, I think—decided that section 22 should not be repealed.

Then the carriers sent word to the Government, that, "Under the decision which was rendered, unless the law is amended, we shall have to discontinue giving you the reduced rates."

Based upon that testimony and upon the direct word of General Lasher, who stated that he was speaking for the Defense Department, the conclusion has been reached that the additional cost to the Government would be $100 million, in the case of the Defense Department alone—I repeat, in the case of the Defense Department alone, without considering the other Government shippers.

Mr. HUMPHREY. The response made by the Senator from Ohio answers in part the Senator from Louisiana.

However, I must say that the statement by the general in the Pentagon—namely, that in this particular instance, there would be an additional cost of $100 million a year for Government freight—was an assertion, and was not broken down in terms of what we might call a study of cost items. It was a general assertion.

Mr. KEFAUVER. Mr. President, will the Senator from Minnesota yield for a question?

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). Does the Senator from Minnesota yield to the Senator from Tennessee?

Mr. HUMPHREY. I yield.

Mr. KEFAUVER. That is the point which I think is so important in this case. One of the bureaus of the Interstate Commerce Commission has said that the section 22 rates are 13 or 14 percent higher than the comparable commodity rates available to commercial shippers.

General Lasher says one thing, but those who are directly involved say something else.

That is one of the reasons why I believe it is important to postpone further consideration of this conference report to a day certain, when we would not be acting under the whip of trying to relieve the railroads of the burden of the decision of the district court, which was against them. That is the moving force at this time.

By making such a postponement, we would have a chance to hold hearings and to find out who is correct, and the public could be informed, and those who say they will be put out of business would have a chance to be heard.

Does the Senator from Minnesota not believe that the members of the committee are entitled to that consideration?

Mr. HUMPHREY. I certainly do. I point out that the Pentagon has said that unless section 22, as it applies to Government business is maintained, there will be an additional cost to the Government. I wish to emphasize that point.

On the other hand, as the Senator from Tennessee has just pointed out, according to the Bureau of Transportation Economics and Statistics, of the Interstate Commerce Commission, as set forth in official publications in 1950 and 1952, the average level of quoted rates was 14 percent higher than comparable commodity rates available to commercial shippers. In other words, as the Senator from Louisiana has stated, the Government paid, on an average, 14 percent more to move similar commodities under rate schedules under section 22 than did private shippers. Yet the Pentagon says the Government will save money by having the conference report agreed to—and the conference report includes the Harris amendment, which in effect applies section 22 rate schedules.

Let me say that in 1953 and 1954 the Government's section 22 rates were, on the average, 13 percent higher than comparable commercial commodity rates. My interest in the economic phase of the matter is shown by the following question: What would led one to the conclusion that the Government will get a better deal by means of section 22 rates than it would by means of the regular rate schedule, as applied to other shippers?

Mr. SPARKMAN. Mr. President, at this point will the Senator from Minnesota yield to me?

Mr. HUMPHREY. I yield.

Mr. SPARKMAN. I should like to ask a question, and I invite the attention of the Senator from Florida [Mr. SMATHERS], the Senator from Ohio [Mr. LAUSCHE], and the Senator from Connecticut [Mr. PURTELL], if I may; all of them were members of the conference committee, I believe. It has been suggested that unless this amendment is agreed to the Government will be subjected to an additional cost of $100 million. That statement has been made on the assumption that in that event the railroads will not be able to confer under section 22, and therefore they will not be able to give the Government the reduced rates, and therefore the rates applied to the Government will be higher.

But in its decision, the district court said the following:

Nothing—

Meaning nothing in its order or decree—

shall prevent or preclude defendants—

In other words, the railroads—

from submitting any rate quotations, concertedly arrived at, for the transportation of persons or freight for the Government of the United States at free or reduced rates * * * pursuant to section 22 of the Interstate Commerce Act * * * without regard to the level of the rates.

If that is a correct quotation from the decision of the district court, what is there to prevent the railroads from continuing to give the Government free or reduced rates pursuant to section 22, even if they are arrived at in concert? How would they be hurt?

Mr. HUMPHREY. Mr. President, I am pleased that the Senator from Alabama has raised that point in the argument, because from what I knew of the decision by Judge McGarraghy—which I believe was rendered in July of this year—nothing in the decision would prevent the railroads from being patriotic or considerate of the Government's needs in time of emergency; nothing in the decision would prevent the railroads from offering to the Government rate schedules under section 22, after agreeing among themselves about the advantageous rates to which the Senator from Alabama has referred.

Perhaps the Senator from Florida [Mr. SMATHERS] can throw some light on that matter. Was the quotation a correct one?

Mr. LAUSCHE. Mr. President, let me say that it was only partially correct. It did not include all the decree.

Mr. SMATHERS. That is correct.

In addition, I should like to point out several things which I believe will help all of us in our thinking about this matter.

We must remember that in its decision, the court did not forbid the railroads, the water carriers, and the motor carriers to get together and, in concert, to fix rates, and to do so for all commercial shippers. So they have the advantage of that arrangement today, if they wished.

What Judge McGarraghy said was, in effect, "We are going to let that happen in the case of all the commercial houses, and they will get the benefit of it. But we do not believe it applies to the Government."

So, Mr. President, all we are concerned with now is whether the immunity granted under section 5 (a) applies to making of section 22 rates for the Government. The judge said that the railroads could not, in dealing with the Government, do what they could do in dealing with the commercial houses.

After further discussion, we concluded that the decision means the following: With respect to the rates charged to the Government, the carriers cannot work in concert, except in a certain way, which means end on end. In other words, if a shipment begins with the Pennsylvania Railroad and is to go all the way to Florida, later the shipment will be carried by the Atlantic Coast Line, and later it will be carried by the Florida East Coast Line—end on end. The decision is that this can be done by the end-on-end carriers making up the route over which the traffic is to move.

But as of today, under the court decision with respect to section 5 (a), in the case of section 22 rates on shipments which travel through the whole area—which means one end-on-end group of carriers and another such group, which parallel each other, and which now act in concert—the decision is that they will not be allowed to act in concert, in parallel lines. That is the distinction the judge was trying to draw.

So, in effect, he was saying, "The railroads will not be permitted to give the Government the advantage which the railroads can give the commercial shippers."

Our point is that if such an advantage is to be given to the commercial shippers, why should the Government be punished? Why should not the same advantage also be given to the Government, to the taxpayers of the Nation?

The Atomic Energy Commission has written a letter saying that it is to the advantage of the Government to have the Harris amendment go into effect; and the Department of Defense and the other governmental agencies have said the same.

I hope what I have stated answers the question of the Senator from Alabama.

Mr. SPARKMAN. I should like to pursue the matter a little further.

I now have before me a copy of the decision of Judge McGarraghy, or his decree or order. It is true that what I read did not include all the words used in the order, but I believe it included the entire substance of it. I shall be very glad to read the entire paragraph into the RECORD. I think it would be well for the RECORD to show it. I am not an expert on these matters. I submit that perhaps I do not interpret the decision correctly.

Mr. LAUSCHE. The language which the Senator from Alabama read did not contain at all the gist on which the decision was based. It did not contain the language which dealt with disconnected lines rather than connected lines. That is in further explanation of that given by the Senator from Florida.

Mr. SPARKMAN. It may very well be that some of the language——

Mr. HUMPHREY. I suggest that the Senator from Alabama read it into the RECORD, so that we may have an understanding of what the bill is about. I may say to the Senator from Florida I am very grateful for his listening to the discussion. He has been most patient for 2 days with respect to action on the conference report. I have no ax to grind. I have no particular bias about it. I was concerned about what I considered to be an exemption from the antitrust laws. I have talked to the Senator privately about it. He has been most considerate in delaying the bringing up of the conference report, until we have had time to look into the matter. It may be helpful to the purposes we are trying to accomplish.

Mr. SMATHERS. I am grateful for the very temperate and reasoned attitude of the Senator from Minnesota, which he always exhibits. Particularly on this matter under discussion at the present moment, I think it would be helpful to state, as we have stated over and over again, that we were faced with a situation rather than a theory. As conferees, we attempted to resolve it as practical men, trying, insofar as possible, to maintain the status quo, as the act has existed since 1948, when the Reed-Bulwinkle bill was passed. Although such actions would be in violation of the antitrust laws, they have been granted immunity. Even airlines have been granted such immunity. We felt we would try to maintain the status quo until next year, when section 22 could be repealed, or the Reed-Bulwinkle provision could be repealed.

Mr. HUMPHREY. That was the substance of the argument by the Senator from Washington.

Mr. SMATHERS. That is correct.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from Alabama.

Mr. SPARKMAN. I will ask the Senator from Minnesota this question. Has he seen the decree handed down by Judge McGarraghy?

Mr. HUMPHREY. Yes; I have.

Mr. SPARKMAN. I wonder if he has read section (c) subsection 4, which reads as follows:

Nothing provided in subparagraphs (1), (2), or (3) above shall prevent or preclude defendants and each of them, their officers, directors, servants and employees and all persons, natural and corporate, acting for or in concert with each or any of them or under their control, direction, permission, or license from submitting any rate quotations, concertedly arrived at, for the transportation of persons for the Government of the United States at free or reduced rates under and pursuant to section 22 of the Interstate Commerce Act, as amended, (49 U. S. C., 22), without regard to the level of the rates, where such rate quotations are made for through transportation between any 2 specific points over a single route, portions of which are operated by 2 or more railroads, nor shall the provisions of subparagraphs (1), (2), or (3) above require defendants and each of them, and their officers, directors, servants and employees, and all persons, natural and corporate, acting for or in concert with each

or any of them, to discriminate as to such rate quotations between 2 or more railroads connecting with any defendant railroad in offering through transportation between any 2 specific points over a single route; nor shall the provisions of subparagraphs (1), (2), and (3) above apply to the making of rate quotations for traffic not in competition with the 4 named plaintiff air carriers or any other presently noncertified air carrier similarly situated who may thereafter be permitted by order of the court to intervene;

Mr. HUMPHREY. What the Senator is saying is that in the judge's decree there is plenty of room for protection of the Government's interests where two or more railroads are handling the business going from one point of destination to another. That is what the decree suggests, in language which is perhaps more formal than I have stated it, but I think I have adequately paraphrased it.

Mr. SPARKMAN. I think the decree does that, and it seems to me it gives ample protection. With reference to the talk about a saving of $100 million, I want to say I have been considerably concerned about that, but it is my understanding that this case was decided by Judge McGarraghy based on the railroad's own statements that the gross revenue—this is not extra cost or the down part, but the gross revenues—from the enjoined practices; namely, the practices for which the suit was brought amounted to $8 million annually. I do not see where the amount of $100 million comes in. That has been a puzzlement to me.

Mr. HUMPHREY. It is a puzzlement to the Senator from Minnesota. I stated earlier that it appears to me when a Pentagon official, honorable as he may be, and informed as he may be, states in a letter to a Senate committee that there is involved a saving of $100 million, it requires more than the receipt of the letter and its reading or printing to prove the authenticity of the statement.

I would also note, on the information we have from the Interstate Commerce Commission Bureau of Transportation Economics and Statistics, which was alluded to by the Senator from Alabama, and subsequently by the junior Senator from Minnesota, which we find in the subcommittee hearings of the other body, that according to hearings before the Subcommittee of the Committee on Interstate and Foreign Commerce of the House—84th Congress—on Transportation Policy conducted from April 24 to May 8, 1956, section 22 rates were considerably higher than regular rates charged the commercial shipper.

For instance, within Mountain Pacific territory, section 22 traffic pays the railroad $36.37 per ton and 6.06 cents per ton-mile, as compared with commercial rates at $19.40 per ton and 4.34 cents per ton-mile. On transcontinental traffic having its origin or destination in Mountain-Pacific territory, the section 22 traffic pays $90.79 per ton and 5.05 cents per ton-mile, as compared with $78.87 per ton and 4.03 cent per ton-mile on commercial shipments.

So the so-called savings under section 22, of which such a point has been made, have at least, in the ICC's economic analysis, not been quite so meaningful as we have been led to believe.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from Ohio.

Mr. LAUSCHE. The Senator from Florida questioned the witnesses on this very subject. They told of the reduced rates. It was further stated that in some instances carriages were made at a loss, so the Senator from Florida, as shown on page 36, put this question:

Senator SMATHERS. The point that I still don't understand is this: You say that transportation companies still will let the Government, in effect, browbeat them or force them—there is no coercion or there is nothing of that nature, is there?

Mr. CLARKE. No.

Senator SMATHERS. Requiring them to take the contract?

Mr. CLARKE. No. It is entirely voluntary.

Senator SMATHERS. Which results in a loss to them, and they still take it?

Mr. CLARKE. Yes. Sometimes, as Senator PURTELL pointed out, it is better to take a loss, a small loss, than to have idle equipment, we will say.

Then a question was put to Mr. Clarke by Mr. Barton, transportation counsel for the subcommittee, as appears on page 37:

Mr. BARTON. Mr. Chairman, isn't it true that all the studies that have been made of this subject show, not that the Government pays less than commercial shippers but, on the whole, pays more?

That question was pursued by the committee.

Mr. HUMPHREY. Yes.

Mr. LAUSCHE. I continue to read:

Mr. Clarke, Chairman of the Interstate Commerce Commission, answered:

No. There is only one study that even intimates that, and that is the one by our Bureau of Transport Economics and Statistics. However, the very fact that section 22 rates are just reduced rates seems to answer the question. There would be no purpose in the Government negotiating a rate that is higher than the published tariff rate, because they are free to use that any time they want to. The only time they avail themselves of section 22 quotations is when they want to move traffic at below the published tariff rate.

Mr. HUMPHREY. I am grateful to the Senator from Ohio.

Mr. LAUSCHE. We plunged at that question. It was struck at. That is the identical point the Senators are trying to make.

Mr. HUMPHREY. I hope the Senator will realize that when another Senator who is not a member of the committee receives a report from the Bureau of Transport Economics and Statistics of the Interstate Commerce Commission, to the effect that the rates under section 22 are higher than the commercially listed rates, it makes him wonder. Therefore, as I have said to the Senator from Florida, it appeared to me that some of the economic statistical evidence would have been much more understandable, and I think much more sound and convincing, had it been the result of work in the conference committee, with some help from the statisticians and economists of the ICC.

Mr. SMATHERS. I agree with the Senator.

I think, in furtherance of what the Senator from Ohio has said, we can get some idea about this subject and establish the fact that the railroads do offer to the Government rates below published rates, by looking at the complaint which the nonscheduled airlines filed in the district court, wherein they say that the variable spot rates quoted on individual movements and on a move-by-move basis vary to as much as 50 percent below the regularly published tariffs.

I am very sympathetic to their problem. They tell us, in fact, that there is no saving, because the Government pays rates higher than the published rates; yet in their own brief that is what they say.

Mr. HUMPHREY. In their own brief they tell us that the rates are lower.

Mr. SMATHERS. I should like to read one statement from the judge's decision. The judge states:

Commencing in 1953, the defendants began the practice of making concerted quotations to the Military Establishment of special rates varying to as low as 50 percent below the defendants' regularly filed tariffs.

That was the judge's finding. It is asked: "Where is the saving?" There has been a great saving to the Government.

With respect to the figures mentioned by the Senator from Minnesota, I was disturbed about them, because I also had seen those figures. However, it turns out that the actual explanation is that the figures quoted the per ton-miles and car-mile figures for Government traffic. In fact, when the haul is for the Federal Government the cars are loaded heavier to start with, a heavier loading than for the ordinary shippers, with the result that on certain of the long hauls the carrier does get more than would be gotten from a commercial house. The material is packed in, and it is not given exactly the same service.

There is still a saving to the Government, even though, as has been pointed out, the figures indicate more attractive earnings for the railroads.

Mr. SPARKMAN. Mr. President, will the Senator yield to me in that connection?

Mr. HUMPHREY. I yield.

Mr. SPARKMAN. I wish to ask as to whether the reduced rates were applicable generally, or whether they applied only in those areas where there was competition from other carriers.

Mr. SMATHERS. My information is that they were applied almost exclusively in the area where there was competition.

I will agree with the Senator—all the members of the conference committee agreed, and we went over this again and again—that the nonskeds have an important part in the Government in the transportation picture. It would be most unfortunate if they should disappear. We would not want to have them disappear, because when they come into the picture the railroads have to lower their rates. Competition does that.

The conference committee have indicated that at the beginning of next year, we want to put the nonscheduled airlines on an equal competitive basis with the railroads, the motor carriers, and the

water carriers. That statement was put in the RECORD by the House; it was so stated on the floor.

We do not think what is suggested is the way to accomplish the desired end. We think the better way to do it would be next year to amend the Civil Aeronautics Act, allowing to the nonskeds the same privileges given to the railroads under section 22 and section 5 (a).

Mr. HUMPHREY. The Senator agrees, does he not, that the competition which has come from the air carriers, the nonskeds in particular, has had a tendency to bring about a saving to the Government?

Mr. SMATHERS. Absolutely.

Mr. HUMPHREY. Because of the factor of competition?

Mr. SMATHERS. I agree.

Mr. HUMPHREY. Does the Senator agree that the reduced rates which the railroads frequently talk about are the result of competition, which comes into the area from the nonscheduled airlines and other carriers?

Mr. SMATHERS. Absolutely. I completely agree.

Mr. HUMPHREY. Let me ask another question, so that the legislative record will be crystal clear. Does the bill which comes from the conference committee, which is before the Senate, in any way prejudice the legal rights of the parties in the case at law which was adjudicated in the district court, I believe, on July 5, in which Judge McGarraghy sat? Does it in any way prejudice any appeal or any further litigation?

Mr. SMATHERS. I will say to the Senator from Minnesota that on page 2 there appears this language, which was put in the RECORD on the House side by Representative DINGELL, of Michigan, I believe.

Provided, That nothing in this paragraph shall affect any liability or cause of action which may have accrued prior to the date on which this paragraph takes effect.

As a matter of fact, we have gone further, because the statement filed by the House conferees, which we have also made a part of our RECORD, goes so far as to say that it is the hope of the conferees that this in no way will affect any legal cause of action which is now in existence or which might include any person or corporation by reason of alleged acts on the part of certain railroads. We are doing everything we can as a practical matter not to bar such proceedings. It may be that the effect of the action will bar them. Our answer to that is that, after all, many other people have rights in this matter in addition to the four nonscheduled airlines.

Mr. HUMPHREY. In other words, the Senator interprets the proviso as written into the amendment to the bill, which comes from the conferees, as within the language of the conference report which has been made available to Members of both Houses?

Mr. SMATHERS. The Senator is correct.

Mr. HUMPHREY. In other words, no rights of litigation or further proceedings in law are prejudiced, as the Senator sees it, by the conference report?

Mr. SMATHERS. The Senator is correct.

Mr. PURTELL. That is the opinion of the Senator from Connecticut, also. We were firm in our belief that that ought to be the understanding of the committee, and it was.

Mr. HUMPHREY. Was the conference report a unanimous report?

Mr. SMATHERS. No. The junior Senator from Texas did not sign it. Everyone else signed it. It was not unanimous, however.

Mr. HUMPHREY. Mr. President, I desire to yield the floor after one observation.

I have never been particularly happy about the Reed-Bulwinkle law itself. As I recall, the law was passed in the 80th Congress, and became effective in 1948. It has always seemed to me that this particular statute was fraught with many dangers to the whole body of law relating to the control and regulation of monopoly and to the antitrust laws.

I remember that in my campaign for the Senate in 1948 I assailed the Reed-Bulwinkle Act. It is now almost 9 years later, and I have not changed my mind one bit. I do not think the Reed-Bulwinkle law is a good law. I think the Reed-Bulwinkle law was meant to extend primarily to commercial enterprises, and the attempt now is to extend it, by the action proposed, to the Government, so that we are asked to compound what I called a just grievance in the beginning.

I shall yield the floor. I have tried to make my point. There are other Senators who desire to be heard. I shall remain openminded and ready to yield to the rule of reason.

Mr. YARBOROUGH. Mr. President, will the Senator from Minnesota yield for a question?

Mr. HUMPHREY. I am sorry; I have yielded the floor.

Mr. SCHOEPPEL. Mr. President, I concur with the junior Senator from Florida and the junior Senator from Ohio with reference to what we have attempted to do in the conference report on S. 939, which is now before the Senate. The manner in which this bill was originally passed by the Senate and the manner in which a similar bill was originally passed by the House has been described in full by the distinguished Senator from Florida. No good purpose would be served by my retracing these steps.

The amendment made by the House, and acquiesced in by our conferees, is designed to protect the tremendous interest of the Department of Defense in its present method and manner of doing business with the common carriers of this country.

The necessity for the amendment was brought about by a court opinion which, contrary to the intention of the Congress, would deprive the agencies of the United States Government and the carriers of a long-established method of ratemaking.

This method, the Department of Defense has said, is the only feasible way by which the carriers may meet its transportation demands both in times of peace and times of war. If the court's opinion that section 5a of the Interstate Commerce Act does not apply to the making and carrying out of section 22 quotations for transportation services furnished the United States Government is a correct interpretation of the present law, then, without enactment of the amendment made by the House, the Department of Defense alone will suffer increased costs of over $100 million anually. And this, I might say, is contrary to the very intention of Congress in enacting section 5a of the Interstate Commerce Act.

This possible effect upon the Department of Defense and other Government agencies led both the Senate and House of this Congress to reject bills that would have repealed in large measure section 22. But the court's opinion would in effect do what we declined to do.

I am impressed, as I believe we all are, with the importance of this matter and the necessity of assuring that Congressional intent will receive full recognition in the future. Briefly, the situation is this:

In 1948 Congress enacted section 5a of the Interstate Comerce Act, the so-called Reed-Bulwinkle Act. It is not necesary for us to determine that section 5a should apply to the making of section 22 quotations, since that decision was made at the time section 5a was enacted after a most careful and exhaustive consideration of the necessity for the conference method of ratemaking.

The legislative history leaves no doubt in this respect. Subsequent to the passage of section 5a, the carriers submitted numerous carefully drafted agreements to the Interstate Commerce Commission for approval under the provisions of that section.

Extensive public hearings were held, with the Department of Justice actively participating therein.

The Interstate Commerce Commission approved these agreements with such modifications and amendments as it deemed desirable in the public interest. Since that time the carriers, and the Government agencies to whom they quote rates, have operated under the assumption, and properly so, that section 5a would apply to the making of section 22 quotations.

Today there are outstanding numerous quotations made pursuant to the provision of those agreements. Under the court's opinion the Government would be deprived of the use of such quotations and any future quotations under these agreements would be violative of the antitrust laws.

It is essential, therefore, that this Congress assure that there no longer shall be any question as to whether section 5a shall apply in the future to the making of section 22 quotations. It is essential that action be taken so that the carriers can continue to offer and the Department of Defense and other governmental agencies can continue to accept and utilize section 22 quotations arrived at through the conference method of ratemaking.

This is the very method which the Department of Defense has repeatedly stated is the only practicable way in which it and the railroads can handle their businesses.

Moreover, in assuring the future application of section 5a, the carriers, the

Interstate Commerce Commission, Government agencies, and the interested public should not be required to repeat the lengthy and costly processes of hearings that have already been gone through in obtaining Interstate Commerce Commission approval of agreements providing for this conference method of ratemaking, including section 22 quotations.

All this the amendment made by the House, and agreed to by the conferees, will make clear. In the form submitted, the amendment is not retroactive legislation and it does not destroy past accrued rights, whatever they may be.

When the amendment was being considered on the floor of the House its proponents made clear that it was not intended to be nor was it retroactive legislation as such.

It was made clear that, in and of itself, it would not retroactively destroy past accrued rights or dissolve past incurred liabilities. To make this doubly clear, the House saw fit to adopt an additional amendment in the form of a proviso stating:

> That nothing in this paragraph shall affect any liability or cause of action which may have accrued prior to the date on which this paragraph takes effect.

The effect, then, of approving the House amendment contained in the conference substitute will be to assure the carrying out in the future of the intent of Congress and to leave with the courts the question whether, in the past, the Congressional intent was successfully carried out through the enactment of section 5a in 1948.

Mr. SPARKMAN. Mr. President, I was hoping to be able to address a few questions to the Senator from Florida [Mr. SMATHERS]. Perhaps he will be in the Chamber later.

First, let me say that I am greatly in sympathy with the position in which the conferees found themselves. I think the Senator from Florida, chairman of the conferees on the part of the Senate, made a very fine statement with reference to the position in which the conferees found themselves. I think it is a risky business, in dealing with the antitrust laws, particularly in this complex field of transportation, to act with such scant consideration. It is for that reason that I have been greatly concerned.

I note the presence in the Chamber of the Senator from Ohio [Mr. LAUSCHE]. Perhaps I can address a question to him.

We were told a while ago that pending lawsuits were not affected, and the Senator from Ohio referred to the proviso which was added on the floor of the House. I should like to ask for an interpretation of clause (a) in the same section, which provides:

> But such provisions shall continue to apply as to any agreement so approved by the Commission, under which any such quotation or tender (a) was made prior to the effective date of this paragraph.

It seems to me that that provision actually takes away the cause of action, although the Dingell amendment attempts to save this one single cause of action, or the damages accruing from it. I ask the Senator from Ohio if I am correct in that interpretation.

Mr. LAUSCHE. It is my understanding—and it is the purpose of the conferees—that any causes of action vested in anyone under section 22 and the antitrust laws, having accrued prior to the passage of this bill, shall not be affected.

Mr. SPARKMAN. In any way whatsoever?

Mr. LAUSCHE. None of the causes of action pending or accrued shall be affected.

The language just read by the Senator from Alabama was inserted because the Defense Department said that unless the provisions of the law were continued, there would be the process of having to file new applications with the Interstate Commerce Commission; new hearings would have to be held, with notices given; there would be possible lawsuits filed challenging the granting of the new applications—all delaying the effective date of section 22 for a protracted period of time.

Mr. SPARKMAN. I appreciate the explanation by the Senator from Ohio.

Mr. PURTELL. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. PURTELL. I should like to answer the question, if I may.

I think we have gone a little far afield when we are pinning all our discussions on the question of the amount of money which might be involved.

Mr. SPARKMAN. I agree wholeheartedly with that statement. This is a question which I wished to ask a while ago. Is the antitrust law for sale for $100 million? That is what it amounts to.

Mr. PURTELL. It amounts to a great deal more. Let me point out to the Senator from Alabama that, as a matter of fact, in the letter and memorandum we received from General Lasher, he points out a significant fact which has been forgotten. This was no compelling argument or reason for any action I took, or any action any member of the committee took. When we come to the question of cost, he points out, as shown on page 15364 of the CONGRESSIONAL RECORD for yesterday:

> Further, all carriers are required by law to move people and things at the legal rate. The court's decision renders illegal all rates arrived at by the conference method and offered the Government under the provisions of section 22 of the act at least since 1948. Being required, therefore, to charge the legal rate, carriers would be legally obligated to file claims for the undercharge differences thus accrued. Including as it does the Korean emergency and its high volume movement, this period could produce lawful claims almost incalculable in total.

That is the truth. I do not think we are talking about $100 million. If what I have read is so, we are probably talking about many times that amount.

I should like to address myself, rather, to what we really have before us. We have section 22, and we have section 5a which concerned the conferees in their deliberations.

Section 22 goes back to 1887, and it clearly states:

> Nothing in this chapter shall prevent the carriage, storage, or handling of property free or at reduced rates for the United States, a State, or municipal governments, or for charitable purposes, or to or from fairs and expositions for exhibition thereat—

And so forth. In 1948 the so-called Reed-Bulwinkle Act was passed. That provides, in paragraph 2:

> Any carrier party to an agreement between or among two or more carriers relating to rates, fares, classifications, divisions, alowances, or charges (including charges between carriers and compensation paid or received for the use of facilities and equipment), or rules or regulations pertaining thereto, or procedures for the joint consideration, initiation, or establishment thereof, may, under such rules and regulations as the Commission may prescribe, apply to the Commission for approval of the agreement, and the Commission shall by order approve any such agreement (if approval thereof is not prohibited by paragraph (4), (5), or (6) if it finds that, by reason of the furtherance of the national transportation policy declared in this act, the relief provided in pargraph (9) should apply with respect to the making and carrying out of such agreement.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. PURTELL. Let me finish, and then I shall be glad to answer questions.

Mr. SPARKMAN. Mr. President, I have the floor.

Mr. PURTELL. I beg the Senator's pardon. Of course I recognize that fact.

Mr. SPARKMAN. If the Senator wishes to add something further, I yield for that purpose. I merely wanted to keep the RECORD straight.

Mr. PURTELL. The Senator does have the floor. Will he yield to me for a further answer?

Mr. SPARKMAN. I yield to the Senator from Connecticut.

Mr. PURTELL. A question was raised as to whether in fact section 22, which gave the right to carry the goods of the Government free or at reduced rates, was a violation of section 5a. It is interesting to note that since the Government has been using section 22, there has been no governmental agency which has ever questioned the validity of operating under that section. The Department of Justice has never claimed it, or raised that question. The Government has been operating under that section.

Mr. SPARKMAN. Mr. President, will the Senator yield for a moment at that point?

Mr. PURTELL. I am happy to yield.

Mr. SPARKMAN. Was the Department of Justice consulted regarding the amendment?

Mr. PURTELL. To the best of my knowledge, it was not.

Mr. SPARKMAN. That is something that is of great concern to me. We established an Antitrust Division in the Department of Justice, which is supposed to enforce the antitrust laws; yet here we knock a big hole in the antitrust laws without consulting the Antitrust Division of the Department of Justice.

Mr. PURTELL. May I point out that section 5a——

Mr. SPARKMAN. I wish the Senator would give me an answer to that question.

Mr. PURTELL. I wish to point out that the reason for section 5a was to transfer——

Mr. SPARKMAN. No, no. I should like to know the reason for not consulting the Department of Justice.

Mr. PURTELL. I would say, insofar as the Senate conferees were concerned, we did not have occasion to do that.

Mr. SPARKMAN. I realize that is true. Again I think it is a terrible indictment of the whole procedure that the Senate committee never had an opportunity to consider this all-important measure dealing with the antitrust laws of our country.

Mr. PURTELL. But I point out, insofar as section 22 and section 5a are concerned, what the Chairman of the Interstate Commerce Commission says. I am not defending the railroads, and I subscribe wholeheartedly to what the Senator has said. The only reason why I signed the conference report was that the Dingell amendment was added to the bill. However, let me say to the Senator from Alabama that I have read the letter of the Chairman of the Interstate Commerce Commission. That letter is printed in the CONGRESSIONAL RECORD at page 15364. This is what the Chairman of the ICC says:

DEAR SENATOR SMATHERS: This is in response to a telephonic inquiry from Mr. Frank Barton requesting an expression by the Commission concerning the relation between section 5a and section 22 of the Interstate Commerce Act in connection with proposed legislation which would amend section 22.

Section 22 now provides, among other things, that nothing in this part shall prevent the carriage, storage, or handling of property free or at reduced rates for the United States * * * or the transportation of persons for the United States Government free or at reduced rates. This provision removes such rates from the jurisdiction of the Interstate Commerce Commission insofar as the power to prescribe minimum rates and fares is concerned.

Section 5a (2) provides any carrier party to an agreement between or among two or more carriers relating to rates, fares, * * * may * * * apply to the Commission for approval of the agreement * * *. Under section 5a (9) such approval relieves the parties to the agreement from the operation of the antitrust laws.

Section 5a (9) is the immunity section.

The question arises as to whether the term rates as used in section 22, is coextensive in meaning with the words rates and fares as they are used in section 5a. As we see it, they are coextensive in meaning in the absence of any specific language to the contrary. The mere restraint upon the Commission's jurisdiction over rates under section 22 would not, in my view, make it inappropriate for the Commission to pass upon agreements relating to such rates and fares under section 5a. I do not believe that this view would in any way run counter to or be inconsistent with the broad intent of Congress in enacting section 5a. Although the Commission has not had occasion to pass upon this particular question, we have approved agreements which included the processing of section 22 proposals. I believe, therefore, that such approval would bring section 22 proposals thereunder within the purview of section 5a (9) of the Interstate Commerce Act.

We had this evidence——

Mr. SPARKMAN. Before the Senator gets away from that point, may I ask him a question? Of course the part the Commission plays there is not in approving rates, but in approving agreements relating to rates.

Mr. PURTELL. The Senator is correct.

Mr. SPARKMAN. Under section 5a (9) what is the procedure that is followed? Does it not require prior notice and approval? Is not the effect of the proposed legislation to take away that necessity and to say in effect that something that has already been done is right?

Mr. PURTELL. Let me read section 5a (9). It reads:

Parties to any agreement approved by the Commission under this section and other persons are, if the approval of such agreement is not prohibited by paragraph (4), (5), or (6), hereby relieved from the operation of the antitrust laws with respect to the making of such agreement, and with respect to the carrying out of such agreement in conformity with its provisions and in conformity with the terms and conditions prescribed by the Commission.

This is rather clear. It says that any party to an agreement under section 5a (2), if the Interstate Commerce Commission has approved the agreement——

Mr. SPARKMAN. Under 5a (9) the approval is supposed to be of agreements which have already been made and notice of which has been given. It is not an approval in advance for them to make an agreement. The bill, in effect, turns it around and gives them the right to approve an agreement to be made.

Mr. PURTELL. I must disagree with the Senator from Alabama.

Mr. SPARKMAN. I have stated my understanding.

Mr. PURTELL. Let us read from the bill:

(2) All quotations or tenders of rates, fares or charges under paragraph (1) of this section for the transportation, storage, or handling of property or the transportation of persons free or at reduced rates for the United States Government, or any agency or department thereof, including quotations or tenders for retroactive application whether negotiated or renegotiated after the services have been performed—

In these particular cases, let me point out, the Government has no other recourse but to adopt that course, because of the nature of the goods shipped—

shall be in writing or confirmed in writing and a copy or copies thereof shall be submitted to the Commission by the carrier or carriers offering such tenders or quotations in the manner specified by the Commission and only upon the—

And so forth.

Mr. SPARKMAN. Yes, yes. I wish to say to the Senator that in all that language there is not one word that differs from the statement I have made. All that relates to a time after the act, not before. There is nothing requiring prior notice. As I understand, the Senator from Connecticut says that is necessary because of the nature of the services. I agree with him.

Mr. PURTELL. It is necessary in many instances.

Mr. SPARKMAN. Yes; I agree with the Senator.

Mr. PURTELL. In many instances.

Mr. SPARKMAN. However, let me say that I did not intend to get into a discussion of the legal aspects of this subject. The Senator from Tennessee [Mr. KEFAUVER], who has started that discussion, will be back later and will continue it. What I wanted to do was to ask some questions. I see the Senator from Florida [Mr. SMATHERS] on the floor. I particularly wanted to ask some questions so as to establish a record in connection with this matter. For instance, the statement was made a few minutes ago, in a discussion between the Senator from Florida and the Senator from Minnesota, that the nonscheduled airlines were the complainants in the case.

Mr. SMATHERS. The Senator is correct.

Mr. SPARKMAN. They were four different nonscheduled airlines.

Mr. SMATHERS. The Senator is correct.

Mr. SPARKMAN. I do not know which airlines they were. I hold no brief for any particular nonscheduled airline, but I know that several years ago the Small Business Committee, of which the Senator from Florida is a member, held rather extensive hearings on the matter and submitted a report.

Our decision was that there was a useful service to be performed by these airline carriers and that utilization ought to be made of their services. We did not particularly tell CAB how they should do it, but certainly it was felt that their services were a useful part of our overall transportation system. I understand from the statement of the Senator from Florida that he still subscribes to that view.

Mr. SMATHERS. The Senator is absolutely correct. As a matter of fact, in this particular field, relating to section 22 rates, I believe the nonscheduled airlines have rendered great service to the general taxpayers of the Nation, because it has been their competition which has caused the railroads to lower their rates even below what they would ordinarily be under section 22.

Mr. SPARKMAN. Was there a stipulation of fact in the case before Judge McGarraghy?

Mr. SMATHERS. My understanding is that there was.

Mr. SPARKMAN. At any rate the facts were not disputed. The judge found the railroads had reduced their rates in many cases lower than they should have.

Mr. SMATHERS. The Senator is correct.

Mr. SPARKMAN. In order to compete with the nonscheduled airlines. Is it not true that in the Korean airlift, and generally in the transportation of men and supplies to our forces overseas, the nonscheduled airlines with their equipment have rendered valuable service to the Defense Department of the United States?

Mr. SMATHERS. The Senator is absolutely correct. They have rendered great service. As a matter of fact, they continue to render great service. It is very important that Congress do something to put them on an equal competitive basis with the railroads in the matter

of competing for section 22 business, which is the business of the Government.

Mr. SPARKMAN. By the way, Mr. President, something was said here about the need to make certain that this segment of the transportation system will be available. When that was said, I happened to look at a list of air carriers which have been put out of business in recent years. I find that 16 airlines have been put out of business since October 16, 1953, and the last one was put out of business as recently as December 7, 1956. In other words, there has been a rather regular or steady line of funerals, so to speak, of airlines which have been put out of business.

Let me say that I appreciate the statement of the Senator from Florida, namely, that something should be done about this matter. I wonder whether we shall be able to do something early enough in the next session, in order to make certain that this useful segment of the transportation industry will be given a fair break—certainly it does not ask for any advantage—along with the railroads, in conection with handling the business of the Government.

Mr. SMATHERS. I would say as an individual Senator, that I certainly hope so. I must say that in the conference committee the Senator from Ohio, the Senator from Kansas, the Senator from Connecticut, the Senator from Texas, and all the conferees on the part of the House of Representatives agreed that something should be done for the nonscheduled airlines, in order to make them competitive in this field.

The very distinguished chairman of the Aviation Subcommittee, the junior Senator from Oklahoma [Mr. MONRONEY], is in the Chamber at this time, and I have reason to believe that he shares the desire to do something about the plight of the nonscheduled airlines.

Mr. LAUSCHE. Mr. President——

Mr. SPARKMAN. Before I yield to the Senator from Ohio, let me say, in all fairness, that I have a large question mark in my mind as to the wisdom of this proposed action. I do not say that something should not be done. But when we begin to tinker with the antitrust laws, without having a thorough committee hearing, and particularly without hearing from representatives of the Antitrust Division of the Department of Justice, to see what it has to say about the matter, I believe we are playing with fire. So I regret to see this action taken.

I am not saying that against the railroads. I believe in the railroads. They have played a most important part in the economic life of the Nation, and they still do.

I voted against the Reed-Bulwinkle bill. As a matter of fact, I voted against the Reed-Bulwinkle bill when I served in the House of Representatives, at which time I was one of 45 Members of the House of Representatives who voted against it. Later, when I became a Member of the Senate, I voted against the bill again; and before that I spoke against it. I regretted to see it become law, because I felt that it very definitely weakened our antitrust laws.

Mr. SMATHERS. Mr. President, let me say to the able Senator from Alabama that I believe the way to satisfy his anxiety—and of course all of us were somewhat anxious and disturbed about the particular procedure which the conferees now have proposed be adopted—is to point out that we were faced with a factual situation, not with a theory.

Mr. SPARKMAN. Let me say that at a time when the Senator from Florida was out of the Chamber, I referred to the very fine statement he made last night, and I have said that I appreciate the position in which the conferees found themselves.

Mr. SMATHERS. If the same situation develops next year, in connection with the Reed-Bulwinkle bill, and if I am still chairman of the Transportation Subcommittee, certainly we will be glad to have hearings held on this matter.

Mr. SPARKMAN. I hope we can have a rather definite promise from the Senator from Florida—and I take it that what he has just stated is a promise—and also from the Senator from Oklahoma [Mr. MONRONEY], who is chairman of the special committee, that help will be given in drafting, preparing, introducing, and getting action taken on proposed legislation which will give the nonscheduled airlines an equal opportunity—no favors, no advantages, but just an equal opportunity.

I realize—and the Senator from Florida has made this clear, in connection with the conference report; and it is made very clear in the statement by the managers on the part of the House—that in this case we are dealing with the Interstate Commerce Commission, whereas the nonscheduled airlines come under the jurisdiction of the Civil Aeronautics Board.

Mr. SMATHERS. That is correct.

Mr. SPARKMAN. So the conferees were dealing with two separate acts. I realize that proposed legislation dealing with the nonscheduled airlines will have to be amendatory of the Civil Aeronautics Act.

But let me say that although I would regret to see the conference report acted on favorably, yet I, for one, would feel much better if we had assurance on the part of the Senators who handled the conference report that every assistance will be given early in the next session so as to make certain that other nonscheduled airlines will not have to be added to the list of those which have had to go out of business.

Mr. SMATHERS. I gladly give the Senator from Alabama assurance that I will do all within my limited capacity to bring about equality on the part of the nonscheduled air carriers in their endeavor to obtain section 22 business.

Mr. SPARKMAN. I wonder whether the Senator from Ohio feels the same way about that matter.

Mr. LAUSCHE. Mr. President, the conference report indicates the belief of the conferees that under the Civil Aeronautics Act the nonscheduled air carriers can now submit rates based upon concerted action. However, there is a question concerning the absolute legality of that declaration.

From my standpoint, there should be no question that the nonscheduled air carriers should be permitted to avail themselves fully of the exemptions granted by the Reed-Bulwinkle bill, either as set forth in a general law or as set forth in a special law applicable to the nonscheduled air carriers. That was discussed in the conference. The substance of the statement I have just made reflects, in my opinion, the attitude of every member of the conference committee.

Mr. SPARKMAN. Mr. President, I appreciate that statement. I think it is a very fine and a very fair one.

Mr. LAUSCHE. I think the RECORD also should include the report which was submitted to me by the Defense Department, concerning the proportionate volume of business, in the case of group and individual travel, going to the railroads, the buses, and the airlines, beginning in 1950 and including the year 1956.

According to the statistics set forth in the table received from the Defense Department, in 1950 the railroads had 84-plus percent; the buses had 2-plus percent, and the airlines had 12-plus percent.

Mr. SPARKMAN. Who handled the other 2 percent?

Mr. LAUSCHE. That is covered by the plus amounts.

Mr. SPARKMAN. Very well.

Mr. LAUSCHE. In 1953, the railroads carried 50 percent, the buses carried approximately 7½ percent, and the airlines carried 42 percent.

Mr. SPARKMAN. Of course, in 1953 there was a great deal of activity in connection with the situation in Korea.

Mr. LAUSCHE. Now let me state the figures on the basis of the years 1950, 1953, and 1956:

In 1950, the railroads carried 84 percent; in 1953, 50 percent; in 1956, 38 percent.

The buses carried, in 1950, 2 percent; in 1953, 7 percent; in 1956, 5 percent.

In 1950, the airlines carried 12 percent; in 1953, the airlines carried 42 percent; in 1956, the airlines carried 55 percent.

So the percentages have approximately reversed during the past 6 years.

Mr. SPARKMAN. I wonder whether the Senator from Ohio will tell me whether those figures include the transportation afforded by MATS—the Military Air Transport Service. Or are those figures only for the commercial air carriers?

Mr. LAUSCHE. The table from which I have been reading is entitled as follows: "Distribution of Transportation Dollars by Mode of Transportation for Department of Defense Group and Individual Travel, Calendar Years 1950 Through 1956."

So the table is for commercial transportation.

Mr. SMATHERS. The figures are very interesting. I wonder whether the Senator from Ohio will request that the entire table be printed in the RECORD?

Mr. LAUSCHE. Certainly.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that, without losing the floor, I may yield to the Senator from Ohio, so that he may ask unanimous consent to have the table printed in the RECORD.

The PRESIDING OFFICER (Mr. MORTON in the chair). Is there objection? Without objection, it is so ordered.

Mr. LAUSCHE. Then, Mr. President, I ask unanimous consent to have the table printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Distribution of transportation dollars by mode of transportation for Department of Defense group and individual travel, calendar years 1950 through 1956

Mode of transportation	1950		1951		1952		1953		1954		1955		1956	
	Dollars (millions)	Percent of total	Dollars (millions)	Percent of total	Dollars (millions)	Percent of total	Dollars (millions)	Percent of total	Dollars (millions)	Percent of total	Dollars (millions)	Percent of total	Dollars (millions)	Percent of total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
Total all modes	$79	100.00	$171	100.00	$166	100.00	$147	100.00	$127	100.00	$114	100.00	$104	100.00
Rail	67	84.81	133	77.78	107	64.46	74	50.34	56	44.09	44	38.60	40	38.46
Bus	2	2.53	6	3.51	10	6.02	11	7.48	12	9.45	7	6.14	6	5.77
Air	10	12.66	32	18.71	49	29.52	62	42.18	59	46.46	63	55.26	58	55.77

Source: DOD CONUS travel from disbursement reports of the military departments for the years 1950 through 1953; DD8&L-M-180 reports for the years 1954, 1955, and 1956.
Prepared by: Military Traffic Management Agency, Statistics Branch, Transport Economics Division.
Action copy: MTMA Passenger Division.
File number: 4869-92.35.
Date of release: May 15, 1957.

Mr. SPARKMAN. Mr. President, there are a great many other things which I should like to say about this matter; but at this time I shall not proceed further.

Let me say to the Senator from Florida and the Senator from Ohio that I appreciate the assurances which have been given; and I believe that early in the next session something should be done to make certain that the same treatment, or as nearly the same treatment as possible, is afforded all the way across the board.

Mr. LAUSCHE. From my standpoint, I believe that, in substance, I have correctly construed the statements made in the conference report to the effect that the Civil Aeronautics Board has control.

Mr. SPARKMAN. Yes.

Mr. LAUSCHE. So we are speaking of the same subject.

Mr. SPARKMAN. I think the Senator has made a very fine statement, and I am grateful to him for it.

Mr. President, I yield the floor.

Mr. MORSE. Mr. President, I wish to discuss this matter briefly.

First, let me say that I have never risen to discuss a matter on the floor of the Senate with so little knowledge of it as the knowledge I have about the conference report now under consideration.

The reason why I am supporting the Kefauver motion is that I do not think I know enough about this issue to fill an intellectual thimble. After I listened to the debate this afternoon, even that thimble was empty, because up to now I have been in almost complete and total ignorance about what is involved. Therefore, what I shall say I am saying on advice of counsel, and not on the basis of my own knowledge, because I do not have any knowledge about it, except that I am satisfied that most of my colleagues do not seem to have, either.

I am disturbed about several matters. I am disturbed about the fact that two of the Senate conferees refused to sign the report. That is a danger signal to me. When our conferees are badly split and are in disagreement, as the debate has shown this afternoon, I think we ought to stop, look, and listen. That is why I think we should vote for the Kefauver motion and let the conference report go over until January. No great harm will be done. I am not at all impressed by the assertion of General Lasher. I should like to see General Lasher under cross-examination. I speak most respectfully when I say that. Under all the circumstances, I think the Senate members of the conference committee ought to be urging that the report go over until January.

There seems to be no doubt, if my ears have not betrayed me, that the problem was created by an amendment placed in the bill on the floor of the House, and that it comes to the Senate by way of that back door, so to speak. If I heard aright in the Senate Chamber this afternoon, I heard some of our own conferees say there had been no hearing in the Senate on the Harris amendment; there had been no testimony from the Interstate Commerce Commission; there had been no testimony from the Antitrust Division of the Department of Justice. So I do not know what to believe, except that I am satisfied we do not know enough about it to take action on the conference report, and we ought to wait until January, as the Kefauver motion proposes, have some hearings and make a record on it, and then carry out what I think is our clear obligation as Senators; that is, vote on the basis of what we are satisfied is a reliable record.

The chairman of the Senate committee [Mr. MAGNUSON] I think cast my vote for me when, in his discussion this afternoon, he said, if I understood him correctly, we ought to wait. There is the chairman of the committee making that statement. I listened to him in his earlier speech on the floor. Then I had a private conversation with him. I said, "You have me completely confused about this, because when you start dealing with the antitrust laws, you had better look out." I am not so sure, as I listened to the discussion this afternoon about the Reed-Bulwinkle bill, if what we have in this particular instance is not delegation rather than regulation.

I wish to repeat, Mr. President. I do not know, in view of what is provided in the Senate bill, as it is brought back to us by the conferees, whether or not we are not adopting a procedure that can be described as delegation rather than regulation of the Reed-Bulwinkle provisions. The bill provides for regulation. Unless I am grossly uninformed about the situation, under the provisions of the Reed-Bulwinkle bill, the carriers can act in concert, but only under the regulatory supervision of the Interstate Commerce Commission, including, for example, hearings, and the approval of the Commission.

Unless, again, I did not hear correctly this afternoon, under the procedure what the carriers will be allowed to do will be to act in concert, change their rates on the basis of such concerted action, and then notify the Interstate Commerce Commission, by way of report, that that is it, and the Interstate Commerce Commission will not be able to do anything about it. That is not regulation; that is delegation. As I have understood the debate this afternoon, that amounts to a delegation of what ought to be the regulatory authority of the Interstate Commerce Commission over the carriers, and would give the carriers authority simply to report what they have decided, under the limitations. I recognize this is a limited field, but, under the limitations provided for in the bill, that would be so.

If that is so, I think it is perfectly clear I ought to vote for the Kefauver motion, there ought to be hearings on the Harris amendment and the effects of the Harris amendment, and in the hearings witnesses from the Interstate Commerce Commission, the Antitrust Division of the Department of Justice, and the Pentagon Building should be called.

I would like to have General Lasher be required to appear before a committee and give a breakdown of his figure. I will say I do not have much confidence in a letter from a general in the Pentagon Building which contains merely an assertion that something is going to cost $100 million. I want to ask him, "How do you know that? What is the proof of it?"

Anyone who serves in the Senate has his intuitive senses sharpened. I would not say that it makes one suspicious, but it sharpens his intuition—and perhaps his olfactory nerves, as has just been suggested to me by my friend from

Florida. One develops a very keen sense of smell and a very keen intuitive sense.

I do not know what there is about it, but something keeps saying, "Watch out. Better watch out when you have a matter quite so broad as this, which comes to you from the floor of the House of Representatives, with no record of hearings on it, which really has been handled in conference and thrashed out in conference."

We have all participated in conference hearings. We have not any record of that conference hearing or the arguments and evidence presented to the conference. All we have is the conference report. That is pretty unfortunate in what I hope will be the closing week of this session. I hope we will get out of Washington Saturday night. I do not think there is time to give this matter the studious, analytical attention I think it ought to be given when we are dealing with antitrust laws.

When I mention the antitrust laws, I cannot relate them to the conference report, because I do not know enough about the facts of this matter. When we are put in the position of having before us only a conference report, not signed by all the conferees, and our conferees are in great disagreement as to the effect of the Harris amendment, I say, What is the hurry? There is going to be another day. After all, the court has spoken.

I have a feeling that we in the Senate are falling into a bad habit, and that is true of the House, too, but I speak only of the Senate; I never speak of the House. I think the Senate is developing a pretty bad habit of being rather fast on the trigger when court decisions, which some of us do not like, are handed down. We immediately start shooting from the hip at those decisions. I think we had better wait and see what the effects of the McGarraghy decision are going to be. The case will be appealed. It deals with antitrust laws. If there is anything the consumers of this Nation are interested in, it is the protection of the antitrust laws.

Mr. President, I understand some Senators are very anxious to vote. I can talk for 10 hours, and will, unless I get the courtesies of the floor.

Returning to the subject, I think we ought to wait and see what the appellate court says about the McGarraghy decision, because when we are dealing with the antitrust laws we are dealing with one of the greatest consumer protections we have. I do not believe in tinkering with the antitrust laws, at least not on such a meager record as is presented to me this afternoon, in justification of the Harris amendment.

I have just told the Senator from Ohio [Mr. BRICKER] that he would have plenty of time for dinner.

Mr. President, on advice of counsel I am going to read into the RECORD information which has been furnished to me. I am not going to vouch for the information, except to say that the counsel source is very reliable.

This information raises the questions, Mr. President, about which I think we ought to find out before we cast any final votes on the merits of the conference report.

I never stand up on the floor of the Senate and present something which is not the product of my own thinking when I do not make clear to the Senate that such is the case. I believe in the reliability of this information which has been prepared in a law office which is very much concerned about this problem. I am perfectly willing to admit that the office has an interest, from the standpoint of clients who were protected by the McGarraghy decision, but nevertheless I think it is a point of view which ought to get into the RECORD, and I propose to read the information into the RECORD so that when we come to vote on this matter tomorrow—and I am reasonably certain we will not vote on it until tomorrow——

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MORSE. Only for a question.

Mr. DOUGLAS. Will the Senator yield for a question?

Mr. MORSE. I yield only for a question.

Mr. DOUGLAS. I noticed the Senator stated he did not believe we would vote on the conference report until tomorrow. Is that belief based on the Senator's conviction that the issue involves so many points which need thorough discussion that the Senate and the country should be fully informed before a vote is taken?

Mr. MORSE. I think a great educational process is needed.

Mr. President, the memorandum which I have, for the reliability of which I vouch, which does not represent the product of my own mind, I think is good enough to be made a part of the RECORD. It makes several points. It states, for example—

> No hearings have been held on this matter in either House. Neither the antitrust division of the Justice Department nor any of the victims of this hasty legislation have been heard. Why the great haste?

I assume when they say that none of the victims of this hasty legislation have been heard they mean, for example, the nonscheduled airline representatives, and they mean the other transportation companies in competition with the railroads. I think those people ought to be heard. The statements in the memorandum are true. I think they ought to be heard.

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

Mr. MORSE. The motion of the Senator from Tennessee [Mr. KEFAUVER] would certainly make it possible to see that those persons were heard.

I will yield to the Senator from Illinois for a question only.

Mr. DOUGLAS. Is it not true that the effect of the action of the House Committee on Interstate and Foreign Commerce is to present a pistol at the head of the Senate and say, "You apply to troop transport the exemptions from antitrust laws of the Bulwinkle bill or you will not get the relief desired in the measure you passed?"

Mr. MORSE. I do not know.

Mr. DOUGLAS. I think, if the Senator will forgive me, he is being very charitable. Is there any other interpretation which can be placed upon the action of the House committee except that?

Mr. MORSE. The Senator heard me say that my suspicions have been sharpened by all this. My suspicion would cause me to believe that there is probably a great deal of accuracy in the figure of speech which the Senator from Illinois has used to describe what is involved here. I know the Senator from Illinois has an exceedingly keen sense of legislative smell. I am inclined to follow his lead in this matter.

When I listen to the questions the Senator is raising, they confirm me all the more in my convictions: "Go slow. Go slow. Take your time. There is no great rush. There is no great rush. Take your time."

The memorandum says further, Mr. President:

> Because on July 17, Judge McGarraghy issued an order in the Aircoach case against the railroads, in a suit brought by the small independent airlines to compel the railroads to discontinue their antitrust conspiracy, by which they seek to corner the business of carrying military personnel for the Government. The sum of $45 million damages was claimed.

All I know is that the decision went against the railroads. So we get the Harris amendment.

I do not have to defend my position or my record, Mr. President, in always being willing to protect the legitimate interests of the railroads, but I first want some evidence as to the legitimacy of the interest. I want to be sure that I am not dealing with an illegitimate brain child of a railroad lobby. I want to be certain.

I do not know how I can be certain, Mr. President, until my colleagues on the Committee on Interstate and Foreign Commerce of the Senate can put on top of my desk a record of witnesses heard, with direct questions and answers, such as I am going to ask for the RECORD in a few moments. The Committee on Interstate and Foreign Commerce owes to all Senators a duty to give answers to those questions.

I speak most respectfully. I think the Committee on Interstate and Foreign Commerce ought to withdraw this conference report for the time being. I think we face a very novel situation. The Senate passed one bill, and the House passed a bill with a very important amendment added to it, which is now before the Senate, and which has caused a great deal of controversy. We have never discussed that amendment on the floor of the Senate at all. We had never even had the Harris amendment before the Senate for debate, before our conferees went into action.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MORSE. I will yield for a question.

Mr. DOUGLAS. Is this not about the worst type of legislative rider with which the Senate has been confronted for a long time?

Mr. MORSE. On that the Senator and I are completely in agreement. Let

me say something about legislation by the rider system. I think that is a most apt description of what we are considering. We have a rider which has been written into the bill.

The Senator from Illinois and I stood here yesterday while the calendar was being called and one of our colleagues tried to add to a bill an amendment which had no more relation to the bill than a parakeet has to an American eagle.

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

Mr. MORSE. I yield for a question.

Mr. DOUGLAS. Is it not true that yesterday an attempt was made to attach to another bill a rider in the nature of an amendment to the Fair Labor Standards Act, to take the making of holly wreaths for Christmas out from underneath the protection of that act, which rider was sought to be attached to a bill to give hospital relief for Indians in New Mexico?

Mr. MORSE. That is exactly what the proposal was. The Senator from Illinois and I protested. I objected to the bill on the call of the calendar, after the majority of the Senate expressed a willingness to add that amendment, on the basis of a promise in advance that it would be stricken in conference. I said, "That is no way to enact legislation."

There is no place on the floor of the Senate, in my judgment, for legislation by the rider method, either yesterday or today.

I think the Senator from Illinois has very aptly described what the Harris amendment to this bill is. So far as the Senate is concerned it amounts to a rider. We should not adopt it. Let us take our time. Let us have a hearing on it. Let us see how germane it is. There is plenty of time for that.

Those of us who have been here a few years know that what we are experiencing tonight is no new phenomenon. We have to watch for such things in the closing days of every session of Congress. The political scientists in their writings on the procedures of the Senate have various terms they use for descriptive purposes, but the most common one is that it is a "steamroller tactic" or that it is a "sleeping pill approach to legislation"—the hope to catch Members asleep and get it passed.

I am not asleep, Mr. President. I am not going to go to sleep very soon, unless we can get some agreement to give further consideration to this matter tomorrow, because we are certainly not ready to vote on it tonight.

I am sure the Senator from Illinois and other Senators will agree with me about that matter. We at least ought to give this question more consideration than we could give it if we yielded to the pressure to vote on this matter tonight.

This memorandum further says that this is another example of an historic habit of the railroads to rush to Congress when they get decisions they do not like from the courts, to see if they can get the Congress, at least, to yield to them.

All the railroad brotherhoods are in favor of this. I mean to say, all the railroad brotherhoods are for this procedure, judging from the pressure telegrams which I assume many Senators, if not all Senators, got. I got them.

Do Senators know what would be interesting? It would be interesting to get the presidents of all these railroad brotherhoods, who signed these telegrams we received today, put them on the witness stand, and ask them a few questions about this subject. They are very able men. They are presidents of railroad brotherhoods. But I will tell Senators what I will do; I will take judicial notice that these men could not pass an examination on this subject, because we are dealing with highly complicated legal matters involving the antitrust laws.

I am glad to have the opinion of the railroad brotherhoods, from the standpoint of what advantage this proposal would be to their economic benefit. It might put the railroads in a position where, by squeezing out some competition, they might create more railroad jobs.

But what is my job as a Senator? My job as a Senator is not to make that kind of approach to a piece of proposed legislation, merely because the railroad brotherhoods want it. My job is to decide what is in the public interest. If this memorandum is correct—and I put it in the RECORD tonight only so that those who know so much more about the subject, including members of the committee, can study it and advise us. If this memorandum is correct, the public interest would not be well served by the alleged resulting elimination of competition for Government business.

If I correctly understand the situation, what would happen under this proposal would be that the railroads could go into one area where there is a great military installation, for example, and offer multiple rates, undercutting weaker competition, and getting the business. Then they would raise rates elsewhere, where there was not such competition, taking a loss in one place, and making it up with excessive profits elsewhere. That is an old ratemaking juggling game; and one of the reasons for the antitrust laws, in the first place, was to prevent opportunities for taking advantage of the consumers and shippers.

As I stated at the beginning of my remarks, I do not know what the situation is. There is no record made available to us by the conferees which will answer these questions. I am advised that we have a situation in which, if we should approve the conference report, the railroads could undercut competition and take Government business out of some military installation, fixing the rates so low that the "nonskeds," to use one example of competition, could not possibly compete. They would increase rates elsewhere, and succeed in squeezing out a competitor. Such an operation would create more railroad jobs, but it would decrease the number of other jobs.

I will not assume such a discriminatory position as a Senator, in favor of one group of workers against another group of workers, because my job is to try to find the common denominator, in terms of legislation, which will best protect the public—not the airline employees, not the railroad employees—but the consumer interests of this country. That is our job.

I realize there will be brotherhood members who will not like to hear those statements, but that happens to be my responsibility, and I will not vote for a piece of proposed legislation merely because I receive a great many telegrams from presidents of railroad brotherhoods. Neither would I vote for any proposal merely because I had received many telegrams from presidents of airlines or airline brotherhoods.

I want to know what the facts are. The conferees have not given them to us. I will not vote on the basis of faith. I want hearings on the Harris amendment.

I come back to the memorandum which was given to me on advice of counsel. It ought to be made a part of the RECORD.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. MORSE. I yield for a question.

Mr. HUMPHREY. Does the Senator feel that the explanation which was given today, relating to the continued right of litigation if this bill is enacted, would really stand the test of a case in court?

Mr. MORSE. I do not think so, but I do not know. We have not had time to study the question. We have not been given a record which covers these points. All we have is a conference report. Does the Senator know what the conferees said among themselves in conference? Of course he does not.

Mr. HUMPHREY. Mr. President, will the Senator further yield for a question?

Mr. MORSE. I yield for a question.

Mr. HUMPHREY. Does the Senator agree with me that when a Pentagon official sends a letter to a Senate committee relating to items of cost, such letter ought at least to have in it a breakdown of the respective categories of commodities and personnel which might be covered?

Mr. MORSE. There is no question about it. Let me tell the Senator what my suspicions are.

I think someone called the Pentagon Building and said, "Get a letter up here fast that supports our contention that failure to enact this measure would cost the taxpayers a great deal of money."

That is a pretty unkind statement, but I cannot help it. That is what I suspect. I believe that the general to whom reference has been made had the responsibility of breaking down his figures. He is the one who raised the suspicion. I am glad the Senator raised the point. I suspect that letter. The figures should be broken down.

Let me say to the Senator from Minnesota that we have been around here long enough to know how pressures work between powerful forces and Government departments.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. MORSE. I yield for a question.

Mr. HUMPHREY. Does the Senator agree with me that in these late days of the session, when the pressure is exceedingly heavy, and when the corridors are literally filled with representatives of

particular groups which have legislative proposals before us, this is a very inopportune time to legislate on a question which fundamentally affects the antitrust laws of the United States, particularly when such proposed legislation was never aired or examined in a hearing?

Mr. MORSE. The Senator is completely right. Let the American people know that in these days we almost need a Capitol policeman at times to break a lane so that we can get into the Senate Chamber, in order to get away from buttonholers who want this, that, or something else, in the great pressure of the closing days of the session.

The proposal before us is a good example of what I mean. The purpose is to steamroller this kind of legislation through; but no one has placed on our desks the record of hearings with respect to an amendment proposed on the floor of the House, written into the bill on the floor of the House, and which went directly to conference—not even to the floor of the Senate for debate.

That is what we are up against. We are dealing with a proposal involving the antitrust laws, supposedly the great protection of the consumers and shippers of America.

Does the Senator from Minnesota know what he and I and the Senator from Illinois [Mr. DOUGLAS] are doing in this debate? As I see it at this moment we are standing here as three liberals protecting the businessmen of America from the danger of monopolistic combines designed, apparently, to fix rates so as to squeeze out competition in transportation.

What is the history of that kind of procedure? Once they get by with it, the real squeeze will be on. The effort will be made to kill off competition, and then charge what the traffic will bear. That is the history of monopolistic ratemaking in this country. That is why the senior Senator from Oregon does not intend to vote for any breach in the wall of antitrust protection to the consumers, until he knows that there is real need for it, in order to give better protection to the consumer.

Mr. HUMPHREY. Mr. President, will the Senator further yield for a question?

Mr. MORSE. I yield.

Mr. HUMPHREY. Does the Senator agree with me that what is being attempted by the so-called Harris amendment is to enlist the support of the executive branch of the Government, which claims that it would receive some benefits in terms of reduced rates and reduced costs—I say "claims"; it does not offer proof—in an attempted further extension of the Reed-Bulwinkle Act?

Mr. MORSE. That is what I think. But I do not believe we have had enough information or evidence given us, so that we can be sure. I am afraid of this proposal. It can best be described as a substitution of delegation for regulation.

I do not propose to delegate to the railroads the authority to fix their own rates and then send a report to the Interstate Commerce Commission. At least, under the Reed-Bulwinkle Act, as it has been discussed on the floor of the Senate, and according to my recollection of the administration of that act, the Interstate Commerce Commission gets a chance to hold hearings and the opportunity to give or withhold approval. I should like to have anyone show me a line in the proposal before the Senate which recognizes any such authority in the Interstate Commerce Commission. To the contrary, I understand just the opposite is true; the Interstate Commerce Commission has no right of approval, but merely receives reports as to what the railroads have done.

Mr. HUMPHREY. It is a receptacle for reports.

Mr. MORSE. If that be true—and I do not know, as I say, but that is the conclusion I have reached from listening to the discussion this afternoon—let me say that that is not regulation. It is delegation. It is delegation to the very groups against which the antitrust laws were designed to protect the public.

I cannot go for that, Mr. President, if I am right in my premises. Again, as I said, I am not sure that I am.

I have some more ammunition before me, to assist me in my educational process on this subject. I will be glad to yield for some more questions.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MORSE. I yield for a question.

Mr. DOUGLAS. Is it not true that during the 10 years which have passed since the Reed-Bulwinkle Act became law, very serious doubts have arisen about the worthwhileness of that act?

Mr. MORSE. The Senator is correct.

Mr. DOUGLAS. Is it not also true that the Reed-Bulwinkle Act permits the railroads to reach rate agreements with each other, and then merely submit those rates to the Interstate Commerce Commission, which, in practice, has almost universally approved the voluntary agreements; and that, therefore, the cartel system has been substituted for the regulatory system; is that not correct?

Mr. MORSE. The Senator is correct. That opens up another whole field of discussion which I should like to enter for a while. We have another responsibility as Senators, come January, and that is for a thoroughgoing investigation of the Interstate Commerce Commission itself, as to whether or not this practice, which the Senator from Illinois has so accurately outlined, has not really made the Interstate Commerce Commission pretty much of a vestibule of the presidential offices of the railroad companies of America, and a waiting vestibule at that.

The original purpose, of course, of any legislation involving the Interstate Commerce Commission was to place upon the Commission the responsibility of holding hearings on the merits of the so-called agreements reached by the railroad companies in this limited field, and then to grant approval or to disapprove—tested by what? Tested by the public interest; tested by the consumer interest; tested by the shipper interest. It should not be merely an automatic approval.

As the Senator from Illinois has implied in his question—and very properly so—it has become the practice of the Interstate Commerce Commission to do just that. Therefore, we should find out whether, Reed-Bulwinkle Act or no Reed-Bulwinkle Act, the Interstate Commerce Commission is carrying out the spirit and intent of Congress in regard to railroad regulation laws, as it should be carrying them out.

I have heard too many complaints, and I have listened to too many people say they feel that the Interstate Commerce Commission is a vestibule of the American Railway Association, to cause me to accept for a moment the idea that we can place all our confidence in the Interstate Commerce Commission, and everything will be all right in that regulatory field.

To get back to the memorandum which I am submitting on advice of counsel: It points out that this is one of the most technical matters in the complex field of ICC regulations. However, apparently, Members of the House were under the impression, when the Harris amendment was offered, that it was something noncontroversial. When the matter reached the floor a couple of days later, a great awakening took place, and the Harris amendment was amended to include some protection for monetary damages, but the legalizing of the alleged cutthroat conspiracy remained. The House adopted the Senate bill number and the bill went to conference as S. 939. The bill bears the Senate number, but it is really the House bill. By itself, S. 939 is an innocuous bill, containing nothing particularly meaningful.

I understand that if we should enact the Harris amendment and hitch it to the bill, the antitrust laws would be gravely damaged, while the violators would be given a special immunity, described by the late Senator Alben Barkley, when he was debating a similar situation: "The railroads are to be put on an island of safety, beyond the reach of the antitrust laws."

It is alleged that here are some of the consequences of enacting S. 93 with the Harris proviso:

First, we would make Congress the survile and pliant tool of the railroad lobby. Let us remember what the Senator from Georgia [Mr. RUSSELL] said, on June 9, 1947:

> At the behest of certain people who are about to be pricked with a pin by the courts, we are changing the policy here, when it is grossly unfair to the people who have been placed at a disadvantage for so many years by this artificial rate structure that the railroads and the freight bureaus have built up over the country.

I might state that I have just had a delightful conversation with the Senator from California [Mr. KNOWLAND]. I am always honored when he pays me a visit, on or off the floor of the Senate. [Laughter.]

I return now to what the Senator from Georgia said in 1947. He said:

> Instead of pleading guilty in the courts to violating the antitrust laws, the railroads and their satellites have come to Congress. They have said: "We are guilty; they have got us on the hip, and we want you to give us a pardon before the courts can even right a decision in the case." I submit, Mr. Presi-

dent, we ought at least to wait until the Supreme Court has decided the cases, and that any action of Congress in dealing with the problem prior to that time is premature and will result in divesting the people of the country of a protection to which they are entitled.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MORSE. I yield for a question.

Mr. DOUGLAS. Is it not true that the South has suffered for a long period of time because of discriminatory freight rates?

Mr. MORSE. Yes; and the West also.

Mr. DOUGLAS. The South and the West.

Mr. MORSE. The South and the West.

Mr. DOUGLAS. Is it not true that the representatives of the South had good reason to fear that the Reed-Bulwinkle Act would permit the railroads to continue the discriminatory rates?

Mr. MORSE. The Senator is correct. The Senator from Illinois is a great authority in the field of railroad economics and in the field of economics generally.

Mr. DOUGLAS. I do not claim to be an authority on railroads.

Mr. MORSE. If I want to know anything about railroad economics, I know where to turn first, and that is to the Senator from Illinois. I understand, theoretically—that is why I am making these comments about the Interstate Commerce Commission—that the Interstate Commerce Commission has the authority to disapprove as well as to approve rates.

Mr. DOUGLAS. Is not that rule more honored in the breach than in the observance?

Mr. MORSE. That is why I think we ought to investigate the Commission. I understand that that is pretty much the pattern of the Interstate Commerce Commission decisions. I think we ought to investigate it.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MORSE. I yield for a question.

Mr. DOUGLAS. Is it not true that, although we come from the North, nevertheless on the floor of the Senate in efforts to bar discriminatory rates we are fighting for the South.

Mr. MORSE. We always have.

Mr. DOUGLAS. Frequently, when the South has not defended itself, the liberals of the North and the West have defended it and have warned about the effect of the Reed-Bulwinkle Act.

Mr. HUMPHREY. Mr. President, may another Senator join the discussion?

Mr. MORSE. I say to the Senator from Illinois that that has always been the case. As liberals we recognize that our great responsibility is to translate into legislation the general welfare clause of the Constitution, which means protecting the public interest.

Mr. DOUGLAS. While we are opposed to the general attitude of the South on so-called constitutional rights questions, we will fight for the South when the South is correct on rate matters, even when many representatives of the South themselves sit silent and do not defend the interests of their section of the country.

Mr. MORSE. We will do it to the best of our judgment. We do not claim to be infallible. However, we do claim that we are not going to let any pressures of any kind—in the form of telegrams from presidents of railroad brotherhoods, for example—influence us to vote for something that may not be in the public interest, until we are certain that we have all the facts involved in the issue.

Then the memorandum I am using on advice of counsel, in order tc raise these questions in the RECORD, states:

2. The Harris amendment would create for the railroads an area which is neither regulated by the Interstate Commerce Commission nor subject to the antitrust laws. This is unprecedented in the history of public-utility law, providing a special preserve for monopoly.

Mr. President, if that charge be true, I think there should be a hearing on this matter.

What is wrong with the motion of the Senator from Tennessee [Mr. KEFAUVER]? The allegation to which I have just referred has been made, and nothing in the conference report gives an answer to it. Such information is of the very type of the information which would be presented at a committee hearing.

So what is the hurry? Let committee hearings be held on these matters. These allegations are serious ones.

Next, the memorandum states:

3. The independent airlines will be destroyed by the price-fixing conspiracy which the Harris amendment seeks to legalize. These small enterprisers carried 50 percent of the Berlin and Korean airlift, and constitute the only civilian airlift reserve immediately available in the case of emergency—such as the Hungarian refugee rescue of last winter. Also, the impact on the small truckers, and inland water carriers will be great, and in some instances disastrous.

Mr. President, what are the facts? Who knows? I did not hear any of the conferees state, this afternoon, what the facts are in that connection. I do not think they know. I do not see how they can, until a hearing is held. No witnesses appeared before the conferees. The conferees did not take any testimony. They received a letter from General Lasher, but no breakdown was included in the letter. I do not know how it happened that the conferees received the letter, but they received it. I have stated that I am suspicious of it. The more I think about this matter, the more my suspicion grows; and the more I read the memorandum which, on advice of counsel, I am reading now, the more convinced I become that I am correct—so much so, that I am about convinced that I should proceed at greater length than I first contemplated when I began this speech.

I think the matter is much worse than I first suspected it to be. The memorandum I am reading is quite a good one.

I read further from it, as follows:

4. This will result in direct additional costs to the taxpayers.

Mr. President, this afternoon we have heard a great deal about the additional $100 million which the taxpayers would have to pay. It is very interesting that when we are dealing with the question of protecting shippers and consumers, there is the attitude that to increase the cost to the Government will be bad. This is a very important point. Certainly there is no reason why the Government should be exempt from the antitrust laws, insofar as protecting the rights of shippers is concerned and insofar as protecting the rights of consumers is concerned. For the sake of the argument—although I do not think the premise is sound, but let us assume that it is—let us assume that the taxpayers might be subjected to an additional cost of $100 million. Well, Mr. President, I wish to say that is a rather cheap price to pay for protecting the American people in their full rights under the antitrust laws. I do not think the Government, any more than commercial concerns, ought to yield to that kind of a financial consideration, which is offered, because I do not believe any case has been made to prove that there will be an additional cost of $100 million to the taxpayers.

But the point I wish to stress is that the antitrust laws are aimed at protecting the consuming public from discriminatory raids and bad competitive practices. So I shall not vote to breach those laws merely because some general comes forward and says, "Oh, but it will cost the Pentagon $100 million more." Mr. President, I do not know of any persons who have less right to talk about what something will cost the taxpayers than do those in the Pentagon Building, when I think of the horrendous ways that characterize the activities of those in the Pentagon Building, insofar as the costs to the taxpayers are concerned.

Mr. DOUGLAS. Mr. President, will the Senator from Oregon yield for a question?

The PRESIDING OFFICER (Mr. CLARK in the chair). Does the Senator from Oregon yield to the Senator from Illinois?

Mr. MORSE. I yield for a question.

Mr. DOUGLAS. Is it not true that the original Interstate Commerce Act of 1887 was passed to protect the public, including shippers, from the very abuse of discriminatory rates?

Mr. MORSE. That is correct.

Mr. DOUGLAS. Was the practice not widespread in the 1860's, the 1870's, and the 1880's, whereby the railroads would give to one set of shippers favorable rates which they would not give to other shippers who were shipping identical commodities to identical points?

Mr. MORSE. That is correct.

Mr. DOUGLAS. And originally the purpose of the Interstate Commerce Commission was to secure equality in ratemaking, so that all shippers would be treated on fair terms. Is that not true?

Mr. MORSE. That is correct.

Mr. DOUGLAS. It was done because of the great abuses which developed on the part of the Standard Oil Co. and other companies in conjunction with the railroads.

Mr. MORSE. Mr. President, my answer to the question is "Yes."

Mr. DOUGLAS. That is a very laconic, but wholly accurate, answer to the question. [Laughter.]

Mr. MORSE. Mr. President, the memorandum also points out the following:

If the independent competitors are knocked out of serving the Department of Defense, the cost for troop movements will immediately skyrocket. Note costs prior to 1952, when the railroads had this market strictly to themselves. The railroads have persuaded certain transportation officers at the Pentagon to tell Congressional committees privately that unless the railroads are granted immunity from antitrust laws, "it will cost the Department $100 million a year." The origin of this figure, and how procurement of a service will be cheaper when purchased from a shutout monopoly, in preference to a competitive market, has never been explained.

Mr. President, I do not know. But I do know that all the facts ought to be placed on record. I do not think there is anything unreasonable about the motion to let the conference report go over until January—as my good friend, the Senator from Tennessee [Mr. KEFAUVER], who has just returned to the floor, has proposed, so that we can have the kind of hearings I am pleading for, and can ask, at those hearings, questions such as the ones I am asking now, and which I wish to have answered.

Mr. KEFAUVER. Mr. President, at this point, will the Senator from Oregon yield?

Mr. MORSE. I yield for a question. I am faced with a parliamentary difficulty; therefore, in yielding, I must yield only for a question.

Mr. KEFAUVER. Does the Senator from Oregon not think that, in fairness to the public, and also in fairness to the Senate, we should have from the Department of Justice some word as to what it thinks about the Harris amendment?

Mr. MORSE. I have already stressed that point, in the course of my argument. I think it is of the utmost importance that we hear, at such a committee hearing, from the head of the Antitrust Division of the Department of Justice, and also from the Attorney General; and at the hearing I would cross-examine them on the effect of this proposal. And I would also hear, at that hearing, from the members of the Interstate Commerce Commission and from the counsel of the Interstate Commerce Commission; I would cross-examine them at the hearing.

Mr. KEFAUVER. I have written——

Mr. MORSE. Mr. President, is the Senator from Tennessee about to ask me a question?

Mr. KEFAUVER. Yes; I wish to ask a question.

Mr. MORSE. Then I should like to hear it.

Mr. KEFAUVER. Inasmuch as I have written a letter, dated August 14, to Judge Hansen, requesting his opinion as head of the Antitrust Division, about this proposed legislation——

Mr. MORSE. The Senator from Tennessee should ask me his question.

Mr. KEFAUVER. Does the Senator from Oregon not think it would be well to wait until we hear from Judge Hansen?

Mr. MORSE. That is one of the points I am making. If I make any point at all, it is the point that we should wait. I continue to ask, What is the rush?

I do not know what is so important about this matter that it cannot be taken up by the Congress by means of regular committee action in January. I will bet that the Capitol dome will still be standing in January, if we postpone this matter until then; nothing will topple in the meantime. And by postponing action until then, we shall be preserving what I believe to be a precious right of the American people, because when I talk about these procedures, let me stress the fact that Senators do not own them. These committee procedures belong to the American people. They are great guaranties to the American people—guaranties that their elected representatives in the Congress will act on the basis of a record, not on the basis of an amendment offered on the floor of the House of Representatives, but never considered on the floor of the Senate. The amendment got into conference, and we do not even know what transpired in the conference, except we have a final report about the action taken by the conferees. And we have learned that our conferees are split—that the Senator from Texas [Mr. YARBOROUGH] did not sign the conference report. I wish to know a great deal about his views on this matter. I also understand that another conferee, the Senator from Florida [Mr. SMATHERS], did not sign the report. I think I am correct as to that.

Mr. President, when we are presented with a conference report which does not represent the unanimous opinion of the Senate conferees, and when the report involves an amendment which never appeared on the floor of the Senate for discussion and debate—an amendment which never was considered by a Senate committee at a hearing—I say, as I said at the beginning of my remarks, "Look out! Look out! There may be something rotten in Denmark."

I read further from the memorandum:

5. Congress will be legislating without giving the Antitrust Division of the Department of Justice an opportunity to state its views. Nor has the ICC been called for its views. In other words, not only have the businessmen and the employees whose economic lives are in jeopardy been deprived of a hearing, but the expert and responsible Government agencies have not presented their views.

Are the proponents of the Harris amendment afraid to follow the traditional procedures of Congress in permitting all the facts to be placed on the record?

6. Congress will be superseding the courts, setting the dangerous precedent in interfering in the due processes of justice, in order to provide special protections for special interests. The comment of the late Senator Barkley, regarding the railroads' attempt in 1947 to escape from a similar court action, could be directly applied to the Harris amendment:

"The introduction of such bills seems to have become a habit here. If someone brings a lawsuit in the Federal court, and it gets to the Supreme Court, or does not get to the Supreme Court, a case which involves an interpretation of the laws which Congress has passed to protect the American people, instead of fighting the question out in the courts and allowing the courts to exercise their jurisdiction, Congress is asked to enact a law passing upon the question in advance of the courts having an opportunity to pass upon it."

Mr. President, I digress from reading that important statement by the great American statesman, the late Senator Alben Barkley, to suggest to the Senate that what he said on that occasion is completely apropos the discussion being had tonight in the United States Senate. What Senator Barkley had in mind at that time is exactly what I propose now.

We have the McGarraghy decision. That decision is on its way to the Court of Appeals. Why should we not wait until the appellate court has acted on it? Why do we rush in with proposed legislation which seeks to set aside a decision of the district court?

The late Senator Barkley also said:

I think it is a vicious practice; I think it is a vicious habit; it ought never to have been indulged in. * * * And now for the third time we are asked to take similar action, by lifting the railroads out from under the antitrust laws so that no court can pass on the validity of agreements, combinations, all sorts of things that involve practices and rates and agreements and combinations. Everything we can think of that the antitrust laws were enacted to outlaw would be possible under this bill if it should become law, only subject to the approval of the Interstate Commerce Commission, and the Interstate Commerce Commission has no power and will have no power under the bill nor under the law to inflict any penalty for violation, even if it is in connection with approved combinations that might be entered into under this legislation.

I am deeply in earnest about this matter. It seems to me extremely bad practice. It is a violation of the traditional field of legislation for us to undertake to do this in the Senate, because a lawsuit has been brought.

That is Barkley. I will take my stand with Barkley, Mr. President. I think what he said in 1947 is so applicable to the issue before the Senate tonight that the Kefauver motion ought to be unanimously agreed to by the Senate. We ought to wait until we can get the hearings for which I am pleading.

Before yielding to the majority leader, I shall close with the reading of my memorandum. Then later, if necessary, I shall turn to a treatise I have.

TWISTING THE ARM OF CONGRESS

The railroad representatives have told Congress that they will refuse to offer their lower rates to the Government—known as section 22 rates—unless the McGarraghy decision is nullified by the Harris amendment. This threat has been termed "economic blackmail" by some members of the conference.

It should be noted that the McGarraghy decision in no way precludes the railroads from offering free or reduced rates for moving Government personnel and cargo. What it does do is prohibit the railroads from conspiring together to form compacts as a device to drive out all other modes of transportation.

The memorandum has attached to it a list of air carriers which it is alleged have been put out of business by the railroad monopoly conspiracy. I ask unanimous consent that the list be in-

corporated in the RECORD at this point as a part of my remarks, without my reading it, although I shall be glad to read it if the Senate insists.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

AIR CARRIERS PUT OUT OF BUSINESS BY THE RAILROAD MONOPOLY CONSPIRACY

The following carriers succumbed to the tactics of the railroads and were forced to cease operations in the domestic military group passenger market on these dates: United States Aircoach, October 10, 1953; Air America, Inc., November 29, 1953; Caribbean-American Lines, Inc., December 5, 1953; Economy Airways, Inc., December 18, 1953; Air Transport Associates, Inc., December 31, 1953; Argonaut Airways Corp., January 9, 1954; Conner Air Lines, Inc., January 9, 1954; Continental Charters, Inc., January 15, 1954; Trans-National Airlines, Inc., January 25, 1954; Miami Airlines, Inc., February 8, 1955; Coastal Cargo Co., Inc., March 20, 1955; California Air Charter, Inc., April 30, 1955; Standard Airways, May 18, 1955; Blatz Airlines, Inc., June 27, 1955; Quaker City Airways, Inc., February 12, 1956; Air Cargo Express, Inc., December 7, 1956.

Mr. MORSE. Mr. President, before I continue this discussion, I should like to yield to the acting majority leader, with the understanding that by so yielding I do not lose my rights to the floor, for the consideration of any request he or the minority leader or other Senators may wish to make procedurewise, and that when we get through with a discussion of any procedural matter which the acting majority leader wishes to raise now—I have been advised, by a whispered conversation, it may be a request for an agreement—I will have the floor at the conclusion of that discussion. I yield to the Senator from Montana [Mr. MANSFIELD].

UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, I appreciate the courtesy of the Senator from Oregon.

I send to the desk a proposed unanimous-consent agreement on behalf of the majority leader and the minority leader.

The PRESIDING OFFICER. The clerk will state it.

The legislative clerk read as follows:

UNANIMOUS-CONSENT AGREEMENT

Ordered, That on tomorrow, Thursday, August 22, 1957, at the close of routine morning business, the Senate resume the consideration of the conference report on S. 939, a bill amending section 22 of the Interstate Commerce Act; that further debate on the pending motion of Mr. KEFAUVER to postpone the further consideration of the report to January 30, 1958, at 2 p. m., be limited to 2 hours, to be equally divided and controlled by Mr. KEFAUVER and the majority leader, respectively, after which time a vote shall be taken on the question of agreeing to the said motion; that in the event the motion is not agreed to, further debate on the question of agreeing to the conference report shall be limited to 2 hours, to be equally divided and controlled by the majority and minority leaders, respectively; after which a vote shall be taken on the question of agreeing to the said report.

The PRESIDING OFFICER. Is there objection to the proposed unanimous-consent agreement? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Mr. President, will the Senator yield to me——

Mr. MORSE. The Senator from Montana will be surprised if he listens to me for a moment.

Mr. President, in view of the unanimous-consent agreement, I am delighted to yield the floor.

Mr. KEFAUVER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD at this point a letter dated August 14, 1957, addressed by me to the Honorable Victor R. Hansen, head of the Antitrust Division of the Department of Justice, asking his views on the so-called Harris amendment.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AUGUST 14, 1957.

Hon. VICTOR R. HANSEN,
Assistant Attorney General of the United States, Department of Justice, Washington, D. C.

DEAR JUDGE HANSEN: I would greatly appreciate the views of the Antitrust Division with respect to the so-called Harris amendment to S. 939. This is a matter which will be reported to the Senate within the next few days and it would be of considerable help if we could have an expression from your Division and its transportation experts at the earliest possible time.

I am informed that this amendment may have a serious effect on the enforcement and administration of antitrust laws and would exempt certain practices of the railroads which are now under the jurisdiction of the antitrust laws. Since these practices are not anywise subject to regulation by the ICC at the present time, it would appear that S. 939 as amended in the House would create a unique instance where a utility is neither subject to a regulatory agency nor covered by our antitrust laws.

Furthermore, I would like to know if your department has ever been invited to express its views regarding the Harris amendment which passed the House on July 30. And, do you consider this matter to be of sufficient importance to the administration and enforcement of our antitrust laws for the department views to be considered prior to the final enactment of such legislation? In view of the shortness of time any views, however preliminary, which you could send to us would be appreciated.

Sincerely,

ESTES KEFAUVER,
United States Senator.

Mr. KEFAUVER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD, if it has not already been included, the memorandum opinion of Judge McGarraghy in the pending case which the Harris amendment is intended to set aside and nullify; that is, the case of Aircoach Transport Association, Inc., versus Atchison, Topeka & Santa Fe Railway Co., Civil Action No. 875–57.

There being no objection, the memorandum opinion was ordered to be printed in the RECORD, as follows:

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA—AIRCOACH TRANSPORT ASSOCIATION, INC., ETC., ET AL., PLAINTIFFS, *v.* ATCHISON, TOPEKA & SANTA FE RAILWAY CO., ETC., ET AL., DEFENDANTS—CIVIL ACTION NO. 875–57

MEMORANDUM

Since October 1, 1946, the defendant railroads have been transporting military personnel on official business under a reduced rate agreement known as the joint military passenger agreement providing that the railroads would charge the Military Establishment a standard or uniform discount of 10 percent below their filed commercial tariffs. Commencing in 1953, the defendants began the practice of making concerted quotations to the Military Establishment of special rates varying to as low as 50 percent below the defendants' regularly filed tariffs.

The plaintiffs who are supplemental air carriers have brought this action to enjoin said concerted special rates and for treble damages, alleging violation of the Sherman Act and of the Clayton Act. With the filing of the complaint, the plaintiffs moved for a preliminary injunction. Prior to hearing on that motion, certain of the defendants moved to dismiss in the alternative for summary judgment and certain other defendants filed motions for summary judgment. The plaintiffs also filed a motion for summary judgment.

The defendants claim that the bids which are attacked by the complaint as being in violation of the antitrust laws have been made pursuant to and in conformity with agreements approved by the Interstate Commerce Commission and, therefore, that they are expressly relieved from the operation of the antitrust laws with respect to the practices complained of by section 5 (a) of the Interstate Commerce Act. Further, the defendants say that the subject matter of this suit is within the exclusive primary jurisdiction of the Interstate Commerce Commission and that this court is without jurisdiction to grant relief to the plaintiffs.

With reference to the points of law raised by the several motions which have been argued fully and briefed exhaustively, the court is of the opinion as follows:

1. The antitrust immunity conferred by section 5 (a) of the Interstate Commerce Act does not apply to concerted section 22 quotations made to the United States Government.

2. The Interstate Commerce Commission has never immunized defendants' concerted section 22 quotations.

3. The Interstate Commerce Commission does not have primary jurisdiction over the subject matter of this suit.

4. The concerted section 22 quotations of defendants are illegal per se under the antitrust laws.

5. The defenses raised by the defendants are insufficient as a matter of law and there is no genuine issue as to any material fact.

Accordingly, the plaintiffs' motion for summary judgment except as to damages will be granted and the defendants will be enjoined in accordance with the prayers of the complaint.

Counsel for plaintiffs will submit an order in conformity with this memorandum.

JOSEPH C. MCGARRAGHY,
Judge.

JULY 5, 1957.

IN THE UNITED STATES DISTRICT COURT—FOR THE DISTRICT OF COLUMBIA—AIRCOACH TRANSPORT ASSOCIATION, INC., ETC., ET AL., PLAINTIFFS *v.* ATCHISON, TOPEKA & SANTA FE RAILWAY CO., ETC., ET AL., DEFENDANTS—CIVIL ACTION NO. 875–57

ORDER

The cause having been heard on defendants' motion to dismiss the complaint or in the alternative for summary judgment pursuant to rules 12 and 56 of the Federal Rules of Civil Procedure and on plaintiffs' cross motion for summary judgment for the relief requested in the complaint except as to the amount of damages pursuant to rule 56, subparagraphs (a), (c), and (d) of the Federal Rules of Civil Procedure and upon due and careful consideration of all of the papers, documents, and materials heretofore submitted to the court herein and having

heard oral argument thereon, it is now hereby ordered—

(a) That defendants' motion to dismiss the complaint, or in the alternative for summary judgment pursuant to rules 12 and 56 of the Federal Rules of Civil Procedure be and the same is hereby denied and plaintiffs' cross motion for summary judgment with respect to the injunctive relief demanded in the complaint, which relief excludes the amount of the damages, under and pursuant to rule 56, subparagraphs (a), (c), and (d) of the Federal Rules of Civil Procedure be and the same is hereby granted;

(b) That the court finds, in accordance with rule 54, subparagraph (b), that no just reason for delay exists with respect to the entry of final judgment upon plaintiffs' claim for injunctive relief, and that the entry of such judgment is hereby expressly directed; and

(c) Whereas plaintiffs have conceded on the record that no injury has been caused them by the uniform 10-percent fare allowance provided in section 6 (a) of joint military passenger agreement No. 29, as extended, to which defendants are parties, defendants and each of them, and their officers, directors, servants, and employees, and all persons, natural and corporate, acting for or in concert with each or any of them, are permanently enjoined and restrained from:

(1) Engaging in and continuing to engage in the practice of making special variable rate quotations, concertedly arrived at, pursuant to section 22 of the Interstate Commerce Act, as amended, title 49 United States Code, section 22, to the Department of Defense and/or any agency of the Military Establishment for the transportation of military personnel traveling at Government expense in groups of 15 or more within the continental United States, whether such concerted joint "special" variable rate quotations are submitted to the military agencies under section 2 (a) of joint military passenger agreement No. 29, as extended, to which defendants are parties, or otherwise;

(2) Submitting to the Department of Defense and/or any other agency of the Military Establishment concertedly arrived at package or nonseverable rate quotations under section 22 of the Interstate Commerce Act, as amended (49 U. S. C., 22), for movements of military personnel traveling at Government expense in groups of 15 or more within the continental United States where such movements have a common point of origin and 2 or more points of destination;

(3) Submitting to the Department of Defense and/or any other agency of the Military Establishment concertedly arrived at package or nonseverable rate quotations under section 22 of the Interstate Commerce Act, as amended (49 U. S. C., 22), for movements of military personnel traveling at Government expense in groups of 15 or more within the continental United States where such movements have a common point of destination and 2 or more points of origin;

(4) Nothing provided in subparagraph (1), (2), or (3) above shall prevent or preclude defendants and each of them, their officers, directors, servants and employees and all persons, natural and corporate, acting for or in concert with each or any of them or under their control, direction, permission, or license from submitting any rate quotations, concertedly arrived at, for the transportation of persons for the Government of the United States at free or reduced rates under and pursuant to section 22 of the Interstate Commerce Act, as amended (49 U. S. C. 22), without regard to the level of rates, where such rate quotations are made for through transportation between any 2 specific points over a single route, portions of which are operated by 2 or more railroads, nor shall the provisions of subparagraph (1), (2), or (3) above require defendants and each of them, and their officers, directors, servants and employees, and all persons, natural and corporate, acting for or in concert with each or any of them, to discriminate as to such rate quotations between 2 or more railroads connecting with any defendant railroad in offering through transportation between any 2 specific points over a single route; nor shall the provisions of subparagraphs (1), (2), and (3) above apply to the making of rate quotations for traffic not in competition with the 4 named plaintiff air carriers or any other presently noncertificated air carrier similarly situated who may thereafter be permitted by order of the court to intervene; and it is further ordered—

(d) That the court hereby retains jurisdiction and directs that hearings be held and evidence be taken solely as to the amount of damages suffered by each of the plaintiffs by reason of the rate activities enjoined above or which may hereafter be enjoined in the cause; and it is further ordered—

(e) That this court, upon its own motion or upon the motion of any party hereto, may make and enter from time to time such other and further orders as are appropriate for the effectuation of the determination and decision of this court filed July 5, 1957;

(f) That the provisions of paragraph (c) above are stayed for a period not exceeding 10 days from the date hereof to permit defendants to apply for a further stay to the Court of Appeals for the District of Columbia.

JOSEPH C. McGARRAGHY,
United States District Judge.

JULY 17, 1957.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the conference report on S. 939, a bill amending section 22 of the Interstate Commerce Act, be temporarily laid aside.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House has agreed to the amendments of the Senate to the bill (H. R. 7458) to amend the Fair Labor Standards Act of 1938, as amended, to restrict its application in certain overseas areas, and for other purposes.

The message also announced that the House had agreed to the amendment of the Senate to the House amendment to the Senate amendment No. 6 to the bill (H. R. 4602) to encourage new residential construction for veterans' housing in rural areas and small cities and towns by raising the maximum amount in which direct loans may be made from $10,000 to $13,500, to authorize advance financing commitments, to extend the direct loan program for veterans, and for other purposes.

The message further announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 9023) to amend the act of October 31, 1949, to extend until June 30, 1960, the authority of the Surgeon General to make certain payments to Bernalillo County, N. Mex., for furnishing hospital care to certain Indians; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. HARRIS, Mr. WILLIAMS of Mississippi, Mr. RHODES of Pennsylvania, Mr. LOSER, Mr. WOLVERTON, Mr. BUSH, and Mr. NEAL were appointed managers on the part of the House at the conference.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9131) making supplemental appropriations for the fiscal year ending June 30, 1958, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 8, 15, 33, 34, 43, 45, 47, 49, 50, 57, 58, 64, 69, 70, 72, and 75 to the bill, and concurred therein; that the House receded from its disagreement to the amendments of the Senate numbered 3, 4, 7, 10, 12, 14, 32, 38, 40, and 61 to the bill, and concurred therein severally with an amendment, in which it requested the concurrence of the Senate, and that the House insisted upon its disagreement to the amendments of the Senate numbered 6 and 54 to the bill.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills:

H. R. 993. An act to provide for the conveyance of certain land by the United States to the Cape Flattery School District in the State of Washington;

H. R. 1259. An act to clear the title to certain Indian land;

H. R. 1349. An act for the relief of John J. Fedor;

H. R. 1365. An act for the relief of Elmer L. Henderson;

H. R. 1595. An act for the relief of Vanja Stipcic;

H. R. 1636. An act for the relief of George D. LaMont;

H. R. 1826. An act to authorize the sale of certain lands of the United States in Wyoming to Bud E. Burnaugh;

H. R. 1424. An act for the relief of Sylvia Ottila Tenyi;

H. R. 1851. An act for the relief of Dezrin Boswell (also known as Dezrin Boswell Johnson);

H. R. 1953. An act to provide that checks for benefits provided by laws administered by the Administrator of Veterans' Affairs may be forwarded to the addressee in certain cases;

H. R. 2224. An act providing for payment to the State of Washington by the United States for the cost of replacing and relocating a portion of secondary highway of such State which was condemned and taken by the United States;

H. R. 2973. An act for the relief of the estate of William V. Stepp, Jr.;

H. R. 3025. An act to authorize the Secretary of the Navy to surrender and convey to the city of New York certain rights of access in and to Marshall, John, and Little Streets adjacent to the New York Naval Shipyard, Brooklyn, N. Y., and for other purposes;

H. R. 3184. An act for the relief of Gordon Broderick;

H. R. 3280. An act for the relief of Mrs. Grace C. Hill;

H. R. 3818. An act to provide for the maintenance of a roster of retired judges available for special judicial duty and for their assignment to such duty by the Chief Justice of the United States;

H. R. 3819. An act to amend section 331 of title 28, United States Code, to provide representation of district judges on the Judicial Conference of the United States;

H. R. 4098. An act to provide for the conveyance to the State of California a portion of the property known as Veterans' Adminis-

tration Center Reservation, Los Angeles, Calif., to be used for National Guard purposes;

H. R. 4230. An act for the relief of W. C. Shepherd, trading as W. C. Shepherd Co.;

H. R. 4344. An act for the relief of Malone Hsia;

H. R. 4447. An act for the relief of W. R. Zanes & Co., of Louisiana, Inc.;

H. R. 5288. An act for the relief of Orville G. Everett and Mrs. Agnes H. Everett;

H. R. 5894. An act to amend the laws relating to the endorsement of masters on vessel documents and to provide certain additional penalties for failure to exhibit vessel documents or other papers when required by enforcement officers;

H. R. 5924. An act relating to the International Convention to Facilitate the Importation of Commercial Samples and Advertising Matter;

H. R. 6080. An act to provide for the conveyance of certain property of the United States in Gulfport, Miss., to the Gulfport Municipal Separate School District;

H. R. 6709. An act to implement a treaty and agreement with the Republic of Panama, and for other purposes;

H. R. 7051. An act to stimulate industrial development near Indian reservations;

H. R. 7914. An act to amend the Career Compensation Act of 1949 to provide incentive pay for human subjects;

H. R. 8076. An act to provide for the termination of the Veterans' Education Appeals Board established to review certain determinations and actions of the Administrator of Veterans' Affairs in connection with education and training for World War II veterans;

H. R. 8531. An act to provide interim system for appointment of cadets to the United States Air Force Academy for an additional period of 4 years;

H. R. 8705. An act to permit articles imported from foreign countries for the purpose of exhibition at the St. Lawrence Seaway Celebration, to be held at Chicago, Ill., to be admitted without payment of tariff, and for other purposes; and

H. R. 8821. An act to amend title II of the Social Security Act to facilitate the provision of social security coverage for State and local employees under certain retirement systems.

LEAD AND ZINC TARIFF

Mr. DOUGLAS. Mr. President, I ask unanimous consent to have printed in the RECORD, as in the morning hour, a very able editorial which appeared in the New York Times for Tuesday, August 20, 1957, protesting against the action of the Finance Committee in attempting to increase the tariff on lead and zinc.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BYPASSING THE TARIFF ACT

The lead and zinc industry in this country has been having some difficulties lately and its spokesmen have felt that it required some protection against foreign lead and zinc. There were two ways of dealing with this situation. One of them was for the President to proceed under the authority given him by the Reciprocal Trade Agreements Act, which has been operating since 1934.

Mr. Eisenhower has repeatedly expressed his approval of the reciprocal trade program, even though in a fairly mild way it cuts across the ancient Republican policy of protection. The flexibility provided by the so-called escape clause and a 1955 amendment intended to safeguard the interests of national security seemingly enabled him to deal with the existing emergency. This opinion was advanced in a letter sent to the White House last Friday by Chairman JERE COOPER of the House Ways and Means Committee, a Tennessee Democrat.

But the administration for some reason did not take the obvious road. It sent to the Ways and Means Committee a straight-out request for a sliding scale of tariffs on different types of lead and zinc. The committee promptly rejected this request. Then somebody had the bright and rather devious idea of attaching a flat 3-cent tariff on lead and zinc to an otherwise noncontroversial bill that the House had already passed and that was being considered in the Senate Finance Committee. The lead and zinc industry apparently liked the proposal—perhaps because it did not require any higher mathematics.

At the moment nobody knows whether or not the lead-and-zinc proposals will go through in the hurried last days of the present session. It would be a comfort if they did not. Even though there may be an emergency in the affected industries, the principle that has been invoked is a bad one. If the administration and Congress were to get into the habit of bypassing the Reciprocal Trade Agreements Act, that act would be in effect repealed. This, in a world situation where the free countries need to have their international trade as unhampered as possible, would be a calamity.

AMENDMENT OF IMMIGRATION AND NATIONALITY ACT

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of S. 2792, which is Calendar No. 1080, and ask that it be stated by the clerk.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 2792) to amend the Immigration and Nationality Act, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with amendments.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EASTLAND. Mr. President, this bill is a compromise. It does not touch the basic provisions of the McCarran-Walter Act. It is designed to relieve certain hardship conditions which have arisen in the administration of that act.

At the outset, I wish to emphasize that in making these adjustments the bill does not modify the national origins quota provisions which have been a part of our immigration and nationality system since 1924, and which were carried forward in the Immigration and Nationality Act.

The bill, S. 2792, would permit the entry of a limited number of alien orphan children adopted by United States citizens. What it provides is that orphans, without any numerical limitation, can be admitted for adoption within a 2-year period. It is thought that during that time we could see how the act works and could determine whether or not to renew it. That provision is a committee amendment. The bill as introduced provided for the entry of 2,500 orphans a year. We thought the number of 2,500 was wholly inadequate. I know of several hundred applications from my State at this time. We thought the fair thing to do would be to allow an unlimited number for 2 years.

Mr. MORSE. Mr. President, will the Senator yield at that point?

Mr. EASTLAND. I yield.

Mr. MORSE. My colleague, the junior Senator from Oregon, is not present in the Chamber. He will want to have this clear in the RECORD, at least.

The Senator from Mississippi knows that my colleague has been very active in connection with legislation in respect to the adoption of Korean orphans. There are a great many orphans in Korea, many of whom have been fathered by American servicemen. Many applications are made for their adoption.

Do I understand correctly that for the next 2 years those applications could be processed without any ceiling?

Mr. EASTLAND. Without any limitation.

Mr. MORSE. Without any limitation?

Mr. EASTLAND. The Senator is correct.

Mr. MORSE. Can the Senator give some idea as to how long it takes to process adoption papers in those instances?

Mr. EASTLAND. No, I cannot say how long it takes to process an application. I am informed by the Immigration Service and the State Department that they would be able properly to administer this section of the bill.

Mr. MORSE. Will the Senator yield for a further question?

Mr. EASTLAND. I yield.

Mr. MORSE. I do not know anything about the procedure. Suppose an application for the adoption of a Korean orphan were filed, let us say, 18 months after the bill was passed, and the papers were not processed or completed before 22 months. Would the fact that the application was filed before the end of the 2-year limitation permit the immigration authorities to complete the processing?

Mr. EASTLAND. It would permit admission of the child, if the visa could be issued prior to the cutoff date and there was assurance that the adoption would be completed.

Mr. MORSE. They would not stop processing at the end of the 24 months?

Mr. EASTLAND. The Senator is correct, because if need for further legislation is apparent, I believe additional authorization will be granted.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. ELLENDER. What is the age limitation for these orphans?

Mr. EASTLAND. Fourteen years.

Mr. SMATHERS. Mr. President, will the Senator yield for a question?

Mr. EASTLAND. I yield for a question.

Mr. SMATHERS. The Tarpon Springs Sponge Exchange of Tarpon Springs, Fla., has notified my senior colleague, the Senator from Florida [Mr. HOLLAND] and me that the industry there is badly in need of at least 100 skilled divers and deckhands to carry on the necessary work of procuring sponges. We are told that these skilled personnel can be found only in Greece.

Mr. EASTLAND. Of course, skilled personnel have a preference under the quotas.

Mr. SMATHERS. Does this bill permit entry of that type of skilled person?

Mr. EASTLAND. If those persons have qualified for a first preference under the Greek quota, section 12 of the bill would take care of them. Such persons should be able to qualify on the basis of their skills and the need for their services in this country.

Mr. SMATHERS. I thank the Senator.

Mr. EASTLAND. Mr. President, the bill would regularize the immigration status of certain skilled specialists in the United States and their immediate families. It would permit the waiver of excludability in the case of certain aliens who are afflicted with tuberculosis or who are excludable because they are members of classes who have had minor brushes with the law but who are reformed, in behalf of close relatives of United States citizens or lawful resident aliens. It would provide for the expeditious naturalization of certain adopted children in order to prevent hardship. It would stay the deportation of certain displaced persons who made false statements in order to prevent their repatriation to Communist-controlled countries. It would forgive the mortgages which were placed against the quotas of small quota countries under the Displaced Persons Act. Let me say, under that provision there will be eligible for admission about 8,200 each year. It would also provide relief for certain refugee-escapees by permitting the use of the unused special nonquota immigrant visas under the Refugee Relief Act.

Mr. ELLENDER. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator yield? Let the Senate be in order. Attachés will cease audible conversation.

Mr. EASTLAND. I yield to the Senator from Louisiana.

Mr. ELLENDER. For how long a period of time would this be?

Mr. EASTLAND. It would be an indefinite time. Under the Displaced Persons Act, when we admitted refugees the quotas were mortgaged. We are now forgiving the mortgage. The number would be 8,200 for several years.

Mr. ELLENDER. What is the number now for those who could come in under such a provision?

Mr. EASTLAND. They have already come in under the Displaced Persons Act.

Mr. ELLENDER. I understand.

Mr. EASTLAND. There will be approximately 8,200 a year under that section as a result of the extinguishment of the mortgage.

Mr. ELLENDER. What is the number in the mortgage?

Mr. EASTLAND. Three hundred and twenty-five thousand.

Mr. ELLENDER. Three hundred and twenty-five thousand?

Mr. EASTLAND. Yes.

Mr. ELLENDER. In respect to the immigrants with special skills, how is skill defined?

Mr. EASTLAND. It is defined in the basic act. I will get the definition for the Senator, if he desires it. Does the Senator want me to state it?

Mr. ELLENDER. I think it might be well to have it in the RECORD at this point. Some Senators may have forgotten the language.

Mr. EASTLAND. The language is:

(1) The first 50 percent of the quota of each quota area for such year, plus any portion of such quota not required for the issuance of immigrant visas to the classes specified in paragraphs (2) and (3), shall be made available for the issuance of immigrant visas (A) to qualified quota immigrants whose services are determined by the Attorney General to be needed urgently in the United States because of the high education, technical training, specialized experience, or exceptional ability of such immigrants and to be substantially beneficial prospectively to the national economy, cultural interests, or welfare of the United States, and (B) to qualified quota immigrants who are the spouse or children of any immigrant described in clause (A) if accompanying him.

Mr. ELLENDER. Is there any limitation as to the number who may come into the United States under that provision?

Mr. EASTLAND. There are about 500 here now, and their status will be adjusted.

Mr. ELLENDER. Can the Senator give us an estimate as to how many immigrants could come into this country a year if the bill should be enacted as written?

Mr. EASTLAND. Does the Senator mean the total number?

Mr. ELLENDER. Yes, altogether.

Mr. EASTLAND. No. I do not know how many immigrants are going to be adopted. There is no way to tell. It is a humanitarian enterprise in which, in my judgment, we should engage.

Mr. ELLENDER. With reference to those other than orphans, can the Senator give us an estimate as to what the number of immigrants would be a year?

Mr. EASTLAND. I am going to come to that point in a moment.

Under section 12 there can come in, from Greece, 3,588; from Italy, 21,308; from Spain, 363; Chinese, 634; from Hungary, 554; from Japan 592; from the Philippines, 317; from Poland, 1,118; and from Turkey, 599.

I believe that will be the maximum number that can come in from those countries under section 12 of the bill.

In further answer to the Senator's question, we permit the families of persons who came legally to this country to come into the United States. Whether all of them will come or not I do not know. There will be many who will be eligible from each of those countries.

Mr. ELLENDER. Is the number which the distinguished Senator mentioned a moment ago on a yearly basis, or in toto?

Mr. EASTLAND. The 8,200 come under another section of the bill.

Mr. ELLENDER. I am talking about the numbers given.

Mr. EASTLAND. These would be the totals.

Mr. ELLENDER. The totals. I thank the Senator.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. HOLLAND. The Senator will recall that on several occasions soldiers from my State, stationed in Japan or on Okinawa with their families, have adopted children who were either children of Japanese or Okinawan blood, or partially so. Under the existing law, we have had to enact special legislation in order to permit such persons to bring back their adopted children. Do I understand correctly that under the bill now pending such adopted children will be allowed to come in under the terms of the law without requiring special legislation?

Mr. EASTLAND. The Senator is correct.

Mr. HOLLAND. I think that is a very fine improvement.

Mr. President, I have one more question. The distinguished Senator will remember that a short while ago there was great need in Florida for trained men who can lay terrazza and do special types of tilework, and the like, who could not be found in the United States. We were able to bring such men in from Italy, but with great difficulty, and in a very limited number. Is there a provision in this proposed legislation which will continue that arrangement, so that such needs for skilled workers can be met?

Mr. EASTLAND. Section 12 of the bill would grant such skilled aliens who qualify a nonquota status.

Mr. HOLLAND. I am glad to hear that. I think I understand the colloquy between my distinguished colleague, the junior Senator from Florida, and the chairman of the committee relative to the Greek spongers. We do not find it possible to locate anywhere in the United States divers who can produce the results in that field that the Greeks, who are found particularly in the islands of the Aegean Sea, produce. Do I understand correctly that there will be the opportunity under this bill to bring in, under these special quotas and without special legislation, Greek divers trained to do that work?

Mr. EASTLAND. Certainly, where they can aid the economy of our country, and can qualify under section 12. Also section 12 will have the effect of making current the regular quota.

Mr. NEUBERGER. Mr. President, will the Senator yield to me?

Mr. EASTLAND. I yield to the Senator from Oregon.

Mr. NEUBERGER. I should like to ask the distinguished chairman of the Committee on the Judiciary a question with respect to the admission of orphans, a subject in which I have been particu-

larly interested. Perhaps the Senator will remember our discussion on the Senate floor some months ago, when I read letters from Mrs. Pearl S. Buck and from Mr. Harry Holt.

It is my understanding that under this bill an unlimited number of alien orphans may be admitted for the next 2 years, provided they are adopted by families consisting of American citizens. Is that correct?

Mr. EASTLAND. Yes.

Mr. NEUBERGER. If this privilege were to extend beyond 2 years, it would require additional legislation. Is that correct?

Mr. EASTLAND. That is correct. I do not think there would be any objection to extending the legislation. I think the provision of the original bill which limited the number to 2,500 a year was totally unrealistic, and that many more than that number would be adopted. I am judging that by the requests from my own State. We thought that we would establish a 2-year limitation in order to see how the law worked, and then extend it if it were found desirable.

Mr. NEUBERGER. But the chairman of the committee does not at the present time anticipate any great difficulty in extending the law, should the demand with regard to orphans be great?

Mr. EASTLAND. I do not know of any opposition.

Mr. NEUBERGER. I thank the chairman of the committee and his colleagues, particularly for including the orphans provision. I think the Senator knows of the great interest in our State, because of the Korean orphans who have been brought over by so many Oregon families.

Mr. EASTLAND. The Senator is one of those responsible for that provision being in the bill. He has done very able work in that connection.

Mr. NEUBERGER. I thank the Senator.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. LAUSCHE. Referring to section 12, I note that there is no inclusion of Rumanians, Bulgarians, Czechoslovakians, and Yugoslavs.

Mr. EASTLAND. The figures I read represent a cross section of several countries. I did not mention the figures for every country in the world. All countries will benefit under the section.

Mr. LAUSCHE. Is the allocation related to a uniform formula, under which the proportions are sound, and related to special conditions in the formula?

Mr. EASTLAND. Yes. Those who have first, second, or third preference petitions come in outside the quota. The cutoff date established for approved petitions is July 1, 1957.

Mr. LAUSCHE. Then I understand that all those nations will be allocated their proportion, based upon a uniform formula as applied to a specific date.

Mr. EASTLAND. That is correct.

Mr. LAUSCHE. And though the language to which I have just referred makes no mention of the citizens of satellite nations, such as Rumania, Bulgaria, and Czechoslovakia, as well as Yugoslavia, outside the satellite nations.

Mr. EASTLAND. I certainly hope that we shall take care of the Yugoslavs. My figures merely represent a cross section.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. HOLLAND. Am I correct in my understanding that there is nothing in the bill which would affect in any way the existing law relative to the admission for temporary agricultural work in this country of aliens from Mexico, who serve a large part of the Nation?

Mr. EASTLAND. The Senator is correct.

Mr. HOLLAND. As well as aliens from the Bahamas, Jamaica, Barbadoes, and Honduras, who serve in other parts of the country?

Mr. EASTLAND. The Senator is correct.

Mr. HOLLAND. I understand that there is nothing in the bill that would affect them.

Mr. EASTLAND. The Senator is correct.

Mr. HOLLAND. I thank the Senator.

Mr. EASTLAND. I think the bill is all right. It is a compromise. I do not think anyone gets all he wants out of it, but it is the best we could do.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. JAVITS. I notice a statement in the report which might prove to be very important in connection with the legislative intent in connection with this proposed legislation. If the chairman will permit me, I shall read it. I am sure the chairman of the committee will approve it as a statement of the legislative intent.

I refer to the language on page 6, in the middle of the second full paragraph, reading as follows:

> It is the intention of the committee that the distribution of this remainder will be made in a fair and equitable manner, without any prescribed numerical limitations for any particular group, according to the showing of hardship, persecution, and the welfare of the United States.

Mr. EASTLAND. From what page is the Senator reading?

Mr. JAVITS. Page 6.

Mr. EASTLAND. Section 15?

Mr. JAVITS. Toward the end of that paragraph.

Mr. EASTLAND. I have it. Proceed.

Mr. JAVITS. My only point was that that language should be read into the RECORD, which I am doing. I know the chairman will confirm that statement as the legislative intent.

Mr. EASTLAND. Certainly.

Mr. JAVITS. A great deal depends upon the question of legislative intent. Therefore, I thought that statement should be a part of the record of the debate.

Mr. EASTLAND. The Senator is absolutely correct. Moreover, the entire report is a part of the legislative history.

Mr. President, as a part of the legislative history, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a statement which I have had prepared.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR EASTLAND

The bill, S. 2792, is designed to relieve certain hardship situations which have arisen in the administration of the Immigration and Nationality Act since its enactment in the 2d session of the 82d Congress. At the outset, I wish to emphasize that in making these adjustments in the immigration laws, the bill does not modify the national-origins quota provisions, which have been a part of our immigration and nationality system since 1924, and which were carried forward in the Immigration and Nationality Act.

The bill, S. 2792, would permit the entry of an unlimited number of alien orphan children adopted by United States citizens; it would facilitate the admission into the United States of certain close relatives of United States citizens and lawful alien residents by granting them nonquota status; it would regularize the immigration status of certain skilled specialists in the United States and their immediate families; it would permit the waiver of excludability in the case of certain aliens who are afflicted with tuberculosis or who are excludable because they are members of classes who have had minor brushes with the law, but who are reformed, in behalf of close relatives of United States citizens or lawful resident aliens; it would provide for the expeditious naturalization of certain adopted children in order to prevent hardship; it would stay the deportation of certain displaced persons who made false statements in order to prevent their repatriation to Communist-controlled countries; it would forgive the mortgages which were placed against the quotas of small-quota countries under the Displaced Persons Act; and it would provide relief for certain refugee-escapees by permitting the use of the unused special nonquota immigrant visas under the Refugee Relief Act.

The foregoing are but a few of the adjustments which would be made in the immigration laws to provide relief in meritorious cases which cannot be handled under the present provisions of the law. I do not believe it is necessary to go into great detail in regard to the provisions of the bill, but I do believe it would be helpful to explain to the Members of the Senate section by section what the bill contains.

Section 1 of the bill would amend the definition of the term "child" as defined in the Immigration and Nationality Act, for the purpose of alleviating certain hardships which have arisen as a result of an administrative interpretation that a child born out of wedlock to a woman who subsequently marries a man not the father of the child is not included in the term "stepchild". Under the terms of the bill, existing law would be clarified in such manner as to make it clear that a child born out of wedlock, in relation to its mother, may be included in the term "stepchild", and thereby enjoy the same immigration status as other stepchildren.

Section 2 of the bill would further redefine the term "child" as used in the Immigration and Nationality Act to clarify the law so that the illegitimate child would, in relation to his mother, enjoy the same status under the immigration laws as a legitimate child to remove any doubt of the intent of the original drafters of the act. The term "child" is also amended to include adopted children in those cases where the child is adopted while under the age of 14 years and has thereafter been in the legal custody of and has resided with the adopting parent or parents for at least 2 years. At the present time, the term "child" does not include adopted children, and it is believed that the proposed language is desirable to prevent hardship in cases where

the child is chargeable to a heavily oversubscribed quota and who would not otherwise be able to accompany his adoptive parent or parents. The bill contains adequate safeguards to prevent abuses.

Under the provisions of the Immigration and Nationality Act, a preference of 50 percent under each quota is allotted to aliens with special skills whose services are urgently needed in the United States. Such first preference status is also extended to the spouse or children who are accompanying the principal applicant. Under section 3 of the bill, it is provided that such first preference status shall also be accorded to the spouse or children who are following to join such a principal applicant.

Section 4 of the bill would authorize the issuance of special nonquota immigrant visas to certain eligible alien orphans under 14 years of age who are adopted by United States citizens or who are coming to the United States to be adopted. The authority to issue such special nonquota immigrant visas shall expire on June 30, 1959, at which time the Congress may review the operation of the program and a determination may then be made whether the program should be curtailed, modified or canceled. Not more than two such special nonquota immigrant visas may be issued to orphans adopted by any one United States citizen and spouse unless to prevent the separation of brothers and sisters.

Under the provisions of the Immigration and Nationality Act, aliens who have been convicted of or who admit the commission of crimes involving moral turpitude, or who admit committing acts which constitute the essential elements of such a crime are ineligible to receive a visa or be admitted to the United States. In addition, under the provisions of the Immigration and Nationality Act, aliens who have been convicted of two offenses, regardless of whether the offenses involved moral turpitude, for which the aggregate sentences to confinement actually imposed were 5 years or more, are ineligible to receive a visa and be admitted to the United States. Also, under the provisions of the Immigration and Nationality Act, aliens who are members of certain immoral classes are forever barred from entering the United States for permanent residence. Section 5 of the bill would grant discretionary authority to the Attorney General to waive these grounds of exclusion in behalf of the spouse, parent or child, including a minor adopted child of a United States citizen or an alien lawfully admitted for permanent residence, who is an applicant for a visa for permanent residence in the United States if such aliens are found to be otherwise admissible. In meritorious cases, therefore, the Attorney General would, in the future, be authorized to admit certain aliens to the United States even though they are subject to exclusion on the foregoing grounds in order to prevent the separation of families.

Section 6 of the bill would permit the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, to admit the spouses, parents and minor children, including adopted children, of United States citizens or aliens lawfully admitted for permanent residence notwithstanding the fact that such close relatives are afflicted with tuberculosis. Adequate safeguards are included in the bill to assure that where the discretionary authority is exercised that the alien will not become a public charge.

Section 7 of the bill would provide for the correction of a situation which exists in the case of certain aliens admitted under the Displaced Persons Act who are in a deportable status because of misrepresentations made with reference to their nationality or place of birth to avoid repatriation to Communist-controlled countries. Section 7 of the bill would also permit a similar adjustment to be made in the case of spouses, parents or children of United States citizens or lawful resident aliens who have sought to procure or have procured visas or other documentation or entry into the United States by fraud or misrepresentation. The section further provides that after the effective date, the Attorney General shall have discretionary authority to waive the ground of inadmissibility in behalf of the spouse, parent or child of a United States citizen or alien lawfully admitted for permanent residence who is found to be subject to exclusion because he has practiced fraud or made a misrepresentation in connection with his visa application or application for admission to the United States.

Section 8 of the bill grants to the Secretary of State and the Attorney General the discretionary authority to waive the fingerprinting requirements, on a basis of reciprocity, in the case of aliens who are seeking to enter the United States temporarily as nonimmigrants.

Section 9 of the bill authorizes the Attorney General in the administration of the Immigration and Nationality Act, to adjust the status of certain highly skilled specialists who are in the United States temporarily and whose services have been determined to be urgently needed in the United States, to that of aliens lawfully admitted for permanent residence. As a prerequisite to such adjustment, it must be found that the alien was physically present within the United States on July 1, 1957, and the alien must be the beneficiary of an approved visa petition for first preference immigrant status filed on his behalf prior to the date of the enactment of this act. The section also provides that the spouse and children, who were physically present in the United States on July 1, 1957, of such alien may have their status similarly adjusted to that of aliens lawfully admitted for permanent residence. If the principal beneficiary is married at the time such an adjustment is made under this section, the Attorney General is also authorized to grant nonquota status to the spouse or child of the alien residing outside the United States, and such spouse or child may be admitted to the United States for permanent residence, if otherwise admissible.

Section 10 of the bill would remove the mortgages on the quotas of certain countries imposed under the Displaced Persons Act of 1948, as amended, and under the acts of June 30, 1950, and April 9, 1952, relating to the importation of certain skilled sheepherders.

Section 11 of the bill would provide for the expeditious naturalization of certain adopted children of United States citizens employed abroad.

Section 12 of the bill would provide for the granting of nonquota immigrant status to certain skilled specialists, parents of United States citizens, and spouses and children of aliens lawfully admitted for permanent residence, on behalf of whom a petition for the preference status under the Immigration and Nationality Act was approved by the Attorney General prior to July 1, 1957. Provision is made that such skilled specialists and relative preference aliens must be otherwise admissible under the immigration laws.

Section 13 of the bill would provide a procedure for the adjustment of the immigration status of certain aliens who entered the United States in a diplomatic or semidiplomatic status as officers or employees of a foreign government or certain international organizations and who have failed to maintain their official status, but who have not been required to depart from the United States. In such cases the alien would be permitted to apply to the Attorney General for an adjustment of his status to that of an alien lawfully admitted for permanent residence and if the application is approved, the Attorney General is required to submit a report thereon to the Congress. Such an adjustment becomes final if neither the Senate nor the House of Representatives passes a resolution disapproving the action of the Attorney General in the session in which the report is submitted, or the session next following. The number of aliens who may be granted the status of an alien lawfully admitted for permanent residence under the provision, is limited to 50 in any fiscal year.

Section 14 of the bill merely provides that the definitions contained in the Immigration and Nationality Act shall apply to certain sections of the bill, S. 2792.

Section 15 of the bill authorizes the issuance, under the existing provisions of the basic Immigration and Nationality Act, of the special nonquota immigrant visas which were authorized under the Refugee Relief Act of 1953, as amended, but which remained unissued on January 1, 1957. Under that act, 18,656 such visas remained unissued. This section allots and authorizes the issuance of 2,500 of the remaining visas to German expellees described in section 4 (a) (1) of the Refugee Relief Act, as amended; 1,600 to the Dutch ethnics described in paragraphs (9) and (10) of that section; and 500 to the refugees described in paragraph (11) of that section which refers to nonindigenous refugees residing in the Far East. All the rest and remainder of the unused visas are authorized to be issued to refugee-escapees who are carefully defined in the bill, so as to include any alien who was forced to flee from Communist territory, or from any country in the Middle East (a term strictly defined) and who is unable to return to the place from which he fled because of persecution or fear of persecution on account of race, religion, or political opinion. It is felt that the distribution of these remaining visas will be made in a fair and equitable manner, without any prescribed numerical limitations for any particular group, according to the showing of hardship, persecution, and the welfare of the United States. It is carefully spelled out in the bill that the alien must be eligible for admission to the United States under the provisions of the Immigration and Nationality Act, except for the fact that a quota number is not available to him at the time of his application for a visa.

The bill has received the careful consideration of the Judiciary Committee, and it is felt that it is a good bill. As previously stated, it is designed to relieve certain hardship cases, and I believe that the bill adequately accomplishes this purpose. I wish to state here and now that I am unalterably opposed to any changes in the immigration laws which would weaken in any way the national origins quota system, and I will fight to the end any attempts to amend this bill which would destroy the Immigration and Nationality Act. I sincerely hope that no amendments will be offered which would jeopardize the chances of passage of this bill.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. HUMPHREY. As I understand the Senator's response to the Senator from New York, the language describing section 15, so far as the unused visas were concerned under the Refuge Relief Act, might still apply to Hugarian refugees, for example.

Mr. EASTLAND. If qualified.

Mr. HUMPHREY. And refugees from the Middle East, such as Egyptian refugees?

Mr. EASTLAND. Yes.

Mr. HUMPHREY. Let me ask a question with reference to the orphan provision. I wish to clarify this point for myself. As I understand, there is not a limitation of 2,500 in the bill.

Mr. EASTLAND. There is no limitation. As the bill was introduced, there was a limitation of 2,500.

Mr. HUMPHREY. That is correct.

Mr. EASTLAND. We removed it; but we limited the operation to 2 years.

Mr. HUMPHREY. I notice that discretionary authority is given on page 3, under item 8, to the Secretary of State and the Attorney General. They are granted discretionary authority, on the basis of reciprocity, to waive the requirement of fingerprinting in the case of any nonimmigrant alien. I am thinking in terms of visitors who might come to this country—for example, a group of young people from another country might wish to come to this country for some kind of conclave. Also, scientists might wish to visit this country.

Mr. EASTLAND. The Senator is correct. That was a subject of some controversy in the Judiciary Committee. What we have in the bill, I think, is fair.

Mr. HUMPHREY. It surely is a step that will be very helpful, particularly as it relates to scientists, and the exchange of young people. For example, I had some correspondence with persons in Finland, where young people are surely anything but Communists, but at some time in their lives they may have unknowingly become members of an organization which can be termed a Communist front. Yet we want to have those young people visit us on occasion.

Mr. EASTLAND. Our problem was this: The Communist countries send people here under different names, and the security agencies say that the only way they can keep a check on them is by fingerprinting. The Communist countries send agents here under different names. I realize that there is a problem on the other side, as the Senator has described. The only thing we could do was to make the fingerprinting discretionary with the Attorney General and the Secretary of State.

Mr. HUMPHREY. That seems to me to be a reasonable provision. Surely it represents recognition of what the Government has termed a very difficult problem in our foreign policy.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. JAVITS. I think the reciprocity idea is a very sound one.

Mr. EASTLAND. Of course, there is no such thing as reciprocity in this connection. No other country requires fingerprinting.

Mr. JAVITS. I had in mind reciprocity in terms of student exchange.

Mr. EASTLAND. The Senator is correct in that regard.

Mr. JAVITS. I thank the Senator.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. LAUSCHE. Does the bill generally approach the allocation of rights to enter the country on the basis of an intention that the allocation will be made in a fair and equitable manner, with regard to all the satellite nations?

Mr. EASTLAND. Yes; it does.

Mr. LAUSCHE. That is the general yardstick which was applied?

Mr. EASTLAND. That is correct.

Mr. LAUSCHE. There was no purpose to give preferential treatment to those of one country over another?

Mr. EASTLAND. That is exactly correct. I do not think we should legislate on the basis of preferential treatment.

Mr. President, I ask unanimous consent that an explanatory statement be printed in the RECORD, as a part of the legislative history, in connection with the committee amendments to the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

I wish to offer a brief explanation with respect to the committee amendments.

Amendments Nos. 1 and 2 relate to section 4 of the bill, authorizing the issuance of special nonquota immigrant visas to certain eligible orphans. As introduced, the section authorized the issuance of 2,500 such visas during each fiscal year. The amendment removes the numerical limitation on the issuance of the special nonquota visas, but limits the issuance to a period ending June 30, 1959, at which time the Congress will be in a position to review the program and at that time make a determination of whether additional authorization should be granted.

Amendment No. 4 adds language to section 6 of the bill, as introduced, relating to the discretionary authority of the Attorney General to waive the ground of inadmissibility in the case of certain close relatives of United States citizens and lawfully resident aliens who are afflicted with tuberculosis. The purpose of the additional language is to authorize the giving of a bond and require the Attorney General to consult with the Surgeon General of the United States Public Health Service concerning the conditions under which such aliens may be admitted to the United States, in order to safeguard properly the health of our communities.

Amendment No. 5 removes from the bill section 7 of the bill, as introduced, which related to procedures for the commencement of deportation proceedings under the Immigration and Nationality Act. That section would merely have written into the law a practice presently being followed by the Immigration and Naturalization Service under the authority of the Immigration and Nationality Act, and the committee did not feel that it was necessary to include the language in the instant bill. The amendment also appropriately renumbers the remaining sections of the bill.

Amendment No. 9 modifies the provisions of section 15 of the bill, as introduced. The bill, as introduced, provided in section 15, for the issuance of the special nonquota visas which remained unissued on January 1, 1957, under the Refugee Relief Act, as amended, to certain specifically defined refugee-escapees from Communist-controlled or dominated countries or from the general area of the Middle East, as defined. As revised, the section makes specific allocations of a part of the special nonquota visas which remained unissued to certain German expellees, refugees, and nationals in the Netherlands, and nonindigenous refugees in the Far East, and then provides that the remainder of such visas may be issued to the refugees and escapees from Communist-dominated or controlled countries or the general area of the Middle East.

Amendments Nos. 3, 6, 7, and 8, are technical and make no substantive changes.

Mr. WATKINS. Mr. President, before the Senate concludes its consideration of S. 2792 I should like to point out for the information of my colleagues and for the information of the general public why, as the sponsor of the administration's immigration bill, I am supporting this measure which falls short of the President's recommendation. Before explaining my personal position, I think for the legislative history of this particular bill it would be well to have in the RECORD what provisions of this bill are included as recommendations of the President, wherein the President's recommendations are being denied, and wherein things not recommended by the President are being proposed.

First let me state that the administration's proposal, as embodied in S. 1006 introduced February 1, 1957, contained four general amendments to the Immigration and Nationality Act of 1952. First was a revision of the national origins quota, the major portion of which was the updating of the census date from 1920 to 1950 which would have permitted the immigration of approximately 64,000 additional immigrants each year.

Secondly, the bill contained provisions for relieving Congress of much of the burden necessitated by private bill legislation by authorizing the Attorney General to adjust the status of certain recognized hardship cases which are now the subject of the majority of our private bill legislation.

Thirdly, the bill provided through approximately 20 amendments for perfecting of the administrative technicalities which now make the operation of the act less effective than it should be and could be, were those amendments adopted.

A fourth provision of the administration's proposal provided for a uniform method of judicial review of exclusion and deportation proceedings. If adopted this procedure would materially reduce the confusion and abuses presently existing under the act.

The President also included in his recommendation to Congress specific request that legislation be enacted to clarify existing parole authority so that status of Hungarian refugees now in this country might be regularized so that these refugees might finally become citizens; and that authority be provided to accept refugees from other areas in the event future anti-Communist revolts develop elsewhere in the world.

Mr. President, I should like to interpolate here that in agreeing to a compromise and in supporting the bill which is now before the Senate, I am giving up something that I feel is very important, indeed. I hope that immediately after the first of the year, when a little further study can be given to the matter, Congress will enact legislation which will regularize the status of these Hungarians—some 27,000 of them, or so many of them as can qualify under the law—so that they may become candidates for citizenship. It is important for them to know now whether they will be permitted to stay or whether they will have to return to their native country. It was a great tragedy that happened in Hungary. The world has been told, in a report recently made by a United Nations committee, about the terrible catastrophe that came to those people. They were heroic. They were

brave. They deserve the commendation of the entire world. At the time this was happening, the public press of the United States—and public feeling generally—ran strongly in their favor. At that time it seemed that everyone was willing to help them. We should not forget them now. These are human beings suffering from a great tragedy, and many of them have a price on their heads. If they were forced to go back to Hungary, they would most likely either be sent before a firing squad or would be exiled to a slave labor camp in Siberia or elsewhere.

That is what would happen. The least we can do when we consider this problem after the first of the year is to make it possible for them to qualify, under security requirements of our law, to become citizens of the United States.

The bill presently being considered by the Senate, and which I shall support, since I believe half a loaf or a quarter of a loaf is better than none—depending on how we measure the benefits under the bill—provides in its first section for a redefinition of stepchild so as to include an illegitimate child. This is contained in section 22 of the administration's bill, S. 1006.

Section 2 of the present proposal extends to the illegitimate child the same benefits as are enjoyed by the legitimate child, accruing from its relationship to its natural mother. This is also covered in the administration bill.

Section 3 extends to the spouse and child of an alien entering the United States under first preference the benefits so that preference in those cases where the spouses and children cannot accompany the first preference alien but are able to follow him to join him later. This is covered by section 25 of the administration's proposal.

Section 4 of the bill provides for the admission of an unlimited number of orphans quota-free to enter in the next 2-year period. Section 36 of the administration bill provided for the admission of 2,500 orphans each and every year. It was not limited as to its duration.

Section 5 of S. 2792 provides authority for the Attorney General to waive crimes involving moral turpitude. This includes the "loaf of bread" cases which have been the subject of a great deal of private legislation in this and previous Congresses and is covered by section 7 of the bill I introduced in February of this year in response to the President's request for legislation.

Section 6 likewise permits the Attorney General to waive a ground of exclusion. Specifically this waiver would be directed to immigrants suffering tuberculosis who would be separated from the family unit unless the waiver were granted. This is also covered in the administration bill.

Section 7 is directed to the problem created under the Displaced Persons Act of 1948 and would permit those aliens who misrepresented the place of their nationality, etc., in making application for admission into the United States for fear that they would be sent back to suffer persecution or possible annihilation to remain in this country. This provision was also taken from the administration's proposal introduced in February of this year.

Section 8 grants to the Secretary of State and the Attorney General the discretionary authority to waive fingerprinting of nonimmigrant aliens who enter the United States temporarily, provided their native country extends the same privilege on a reciprocal basis with the United States for temporary visitors. Section 14 of my bill, S. 1006, also was directed to solving this same problem.

Under section 9 of the present proposal the Attorney General could adjust the status of highly skilled aliens who are in this country on July 1, 1957, and who are the beneficiary of an approved petition for first preference, but who are unable to make use of that preference because of the over-subscription of their quota area. This subject is covered in S.461 which is lying on the table awaiting Senate concurrence in certain House amendments. There is no similar provision in S. 1006.

Section 10 strikes the mortgages placed on the quotas of various countries by the Displaced Persons Act and the Sheepherders Acts of 1948, 1950, and 1952 respectively. These mortgages were similarly dissolved under section 1 of the administration's proposal.

Section 11 of the bill now under discussion provides for the expeditious naturalization of children adopted by American citizens living abroad. This proposal was pointed up by the service personnel who because of their employment overseas were unable to satisfy the residence requirements incident to naturalization of such adopted children. Similar provision was contained in section 33 of S. 1006.

Section 12 would permit the holders of first preference status as well as those parents of United States citizens and spouses and children of aliens admitted for lawful residence on whose behalf a petition for preference status under the Walter-McCarran Act had been filed prior to July 1, 1957, to enter nonquota if otherwise admissible. There is no similar provision in the administration's proposal as presented in February.

Section 13 would provide relief in the situation where a foreign diplomat presently in this country cannot or does not choose to return to his country but who has not been requested to depart from the United States might be given permanent residence. The provision provides for submission to Congress of a resolution by the Attorney General to adjust the status and is limited to 50 such adjustmental status cases per year. There was nothing in the administration's proposal dealing with this particular matter.

This need was brought to the attention of Congress and of the country in the case of Wellington Koo, former Chinese Ambassador to the United States, who could not return to his own country, and who, in fact, became a man without status of any kind. This provision would take care of that kind of situation.

Section 14 contains reference to the standard definitions used in the Immigration and Nationality Act of 1952 and making them applicable to this act just as was done in section 9 of my February 1 bill.

Section 15 of this proposal takes from the expired Refugee Relief Act of 1953 those visa numbers which were unused as of the date of its expiration and without in any other way extending that act, makes those numbers available to certain refugees and expellees: 2,500 of these numbers will be available to German expellees who were the people of German ethnic origin expelled from principally the Baltic countries; 1,600 of these would be reserved for persons of Dutch ethnic origin who were either refugees residing in the Netherlands or residents of the Netherlands claiming second, third, or fourth preference under the Immigration and Nationality Act; 500 would be reserved for refugees in the Far East who are not indigenous to the area.

This category generally has been identified as applying to White Russians. The balance of the unused Refugee Relief Act visa numbers, approximately 14,055, will be available on a first-come, first-served basis, I presume, to refugees from Communist territory or refugees from the Middle East who are unable to return to the place from which they fled because of persecution or fear of persecution due to race, religion, or political opinion. The administration proposal did not deal with these unused Refugee Relief Act numbers.

The following is a summary of the differences between the administration's proposal, or what the President asked for, and the present bill, which proposes what the administration will receive: (1) The President asked for a change in the national-origins census date—which he will not get. (2) He asked for approximately 20 technical amendments to the act, and he will get about 7. (3) The President asked for permanent legislation to deal with the orphan problem. He will get a 2-year program. (4) The President asked for a uniform judicial review procedure—which he will not get. (5) The President asked for a waiver of existing mortgages on quotas—which he will receive. (6) The President asked for an amendment which would relieve Congress of much of the burden of private bill legislation. He will receive part of what he asked for in this regard.

In addition to what the President requested, he will receive (1) the relief granted in section 9, dealing with skilled specialists from oversubscribed areas; (2) the relief granted in section 12, dealing with the updating of first, second, and third preference applicants from oversubscribed areas; (3) the relief granted in section 13, dealing with diplomats seeking asylum; and (4) the relief extended by the allocation of the unused Refugee Relief Act numbers.

Admittedly, Mr. President, the controversial provisions of the President's program are omitted in S. 2792, as are many of the technical amendments which would improve the operation of the Immigration and Nationality Act. We are being presented with the sections dealing with the emotional issues included in the President's program—the issues dealing in human lives. Recognizing the lateness of the session and also the

inability of the Senate to gain the concurrence of the House in similar proposed legislation last year, I am speaking in support of S. 2792 in the hope that we may yet get part of an immigration program, rather than hold out for the entire program and get nothing at all.

Mr. President, the issue is just that simple.

However, my support of the pending bill does not indicate that I am relinquishing my attempt to have the Congress enact legislation which will bring about a better revision of the inequities in the Immigration and Nationality Act of 1952.

I hope Congress will give serious attention to those problems soon after the first of the coming year; and I hope that then the Congress will promptly enact legislation which at least will take care of the refugees who came from Hungary during the great rebellion in that country.

I also hope there will be enacted a measure which will give the President much firmer authority and establish procedures to be used in connection with occasions such as the Hungarian crisis. We should be in a position to do at least that much to help those who are willing to risk their all in the cause of liberty.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD an analysis of the new immigration bill, S. 2792. The analysis is divided into sections. It is chiefly the work of the committee staff, and I believe it should be printed in the RECORD, for purposes of clarification of the pending measure.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

ANALYSIS OF NEW IMMIGRATION BILL, S. 2792

Section 1. Stepchildren: The definition of stepchild will now include an illegitimate child.

Section 1 of the bill, as amended, would amend the definition of the term "child" as used in titles I and II of the Immigration and Nationality Act, for the purpose of alleviating certain hardships which have arisen as a result of an administrative interpretation that a child born out of wedlock to a woman who subsequently marries a man not the father of the child is not included within the term "stepchild." The proposed amendment would clarify the law in such manner as to make it clear that a child born out of wedlock in relation to its mother may be included in the term "stepchild" and thereby enjoy the same immigration status as other stepchildren. The committee believes that this would accomplish the original intent of the section.

Section 2. Illegitimate children: An illegitimate child will receive the same benefits as a legitimate child, accruing from relationship to its mother.

Section 2 would further redefine the term "child" as used in titles I and II of the Immigration and Nationality Act to clarify the law so that the illegitimate child would in relation to his mother enjoy the same status under the immigration laws as a legitimate child, to remove any doubt of the intent of the original drafters of the act. The term "child" is also amended to include adopted children in those cases where the child is adopted while under the age of 14 years and has thereafter been in the legal custody of and has resided with the adopting parent or parents for at least 2 years. At present, the term "child" does not include adopted children, and it is believed that the proposed amendment is desirable to prevent hardship in cases where the child is chargeable to a heavily oversubscribed quota and would not otherwise be able to accompany his adoptive parents. Adequate safeguards are included to prevent abuse.

Section 3. First-preference spouses and children: Benefits now extend to spouse and children of a first-preference alien even though they do not accompany him to the United States, but follow to join him later.

Under section 203 of the Immigration and Nationality Act, a preference of 50 percent of each quota is allotted to aliens with special skills whose services are urgently needed in the United States, and under subsection (a) (1) (B) of that section such first-preference status is also extended to the spouse and children who are accompanying the principal applicant. Under section 3 of the bill, it is provided that such first-preference status shall also be accorded to the spouse and children who are "following to join" such a principal applicant.

Section 4. Orphans: This admits an unlimited number of orphans quota-free for the next 2 years.

Section 4 would authorize the issuance of special nonquota immigrant visas to certain eligible alien orphans under 14 years of age who are adopted by United States citizens or who are coming to the United States to be adopted. The authority to issue such special nonquota immigrant visas shall expire on June 30, 1959, at which time the Congress may review the operation of the program and a determination may then be made whether the program should be curtailed, modified or canceled. Not more than two such special nonquota immigrant visas may be issued to orphans adopted by any one United States citizen and spouse unless necessary to prevent the separation of brothers and sisters.

Section 5. Waiver cases: This permits waivers by the Attorney General of moral turpitude (generally theft) and immorality cases.

Under the provisions of existing law found in section 212 (a) (9) of the Immigration and Nationality Act, aliens who have been convicted of or who admit the commission of crimes involving moral turpitude or who admit committing acts which constitute the essential elements of such a crime are ineligible to receive a visa or be admitted to the United States. Under section 212 (a) (10) of that act, aliens who have been convicted of two offenses regardless of whether the offenses involved moral turpitude and for which the aggregate sentences to confinement actually imposed were 5 years or more are ineligible to receive a visa and be admitted to the United States. Also, under section 212 (a) (12) of that act, aliens who are members of certain immoral classes such as aliens who have practiced prostitution are forever barred from entering the United States for permanent residence. Section 5 of the bill would grant discretionary authority to the Attorney General to waive these grounds of exclusion in behalf of the spouse, parent, or child, including a minor adopted child, of a United States citizen, or an alien lawfully admitted for permanent residence, who is an applicant for a visa for permanent residence in the United States if such aliens are found to be otherwise admissible. In meritorious cases, therefore, the Attorney General would in the future be authorized to admit certain aliens to the United States even though they are subject to exclusion on the foregoing grounds in order to prevent the separation of families.

Section 6. TB waiver: This permits waivers of certain TB cases by the Attorney General.

Under the provisions of section 212 (a) (6) of the Immigration and Nationality Act, aliens who are afflicted with tuberculosis are ineligible to receive a visa and be admitted to the United States as permanent residents. Section 6 of the bill would permit the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, to admit the spouses, parents, and minor children, including adopted children, of United States citizens, or aliens lawfully admitted for permanent residence notwithstanding the fact that such close relatives are afflicted with tuberculosis. Adequate safeguards are included to assure that where the discretionary authority is exercised that the alien will not become a public charge.

Section 7. Misrepresentations: This would permit certain aliens who misrepresented their nationality to remain in this country.

Section 7 of the bill would provide for the correction of a situation which exists in the case of certain aliens admitted under the Displaced Persons Act who are in a deportable status because of misrepresentations made with reference to their nationality or place of birth to avoid repatriation to Communist-controlled countries. This section would also permit a similar adjustment to be made in the case of spouses, parents, or children of United States citizens or lawful resident aliens, who have sought to procure or have procured visas or other documentation or entry into the United States by fraud or misrepresentation. The section further provides that after the effective date, the Attorney General shall have discretionary authority to waive the ground of inadmissibility in behalf of the spouse, parent or child of a United States citizen or alien lawfully admitted for permanent residence who is found to be subject to exclusion because he has practiced fraud or made a misrepresentation in connection with his visa application or application for admission to the United States.

Section 8. Waiving fingerprints: This would grant the Secretary of State and the Attorney General the authority to waive fingerprinting of alien visitors.

Section 8 of the bill grants to the Secretary of State and the Attorney General the discretionary authority to waive the fingerprinting requirements, on a basis of reciprocity, in the case of aliens who are seeking to enter the United States temporarily as nonimmigrants.

Section 9. First preference from over-subscribed areas: This would permit the Attorney General to adjust for permanent residence the status of highly skilled aliens who are already in this country, and who have acquired first preference ratings, but are unable to make use of them because the quotas of their homelands are oversubscribed.

Section 9 of the bill authorizes the Attorney General, in the administration of the Immigration and Nationality Act, to adjust the status of certain highly skilled specialists who are in the United States temporarily and whose services have been determined to be urgently needed in the United States, to that of aliens lawfully admitted for permanent residence. As a prerequisite to such adjustment, it must be found that the alien was physically present in the United States on July 1, 1957, and the alien must be the beneficiary of an approved visa petition for first preference immigrant status, filed on his behalf prior to the date of the enactment of this act. The section also provides that the spouse and children, who were physically present in the United States on July 1, 1957, of such alien, may have their status similarly adjusted to that of aliens lawfully admitted for permanent residence. If the principal beneficiary is married at the time such an adjustment is made under this section, the Attorney General is also authorized to grant nonquota status to the spouse or child of the alien residing outside the United States and such spouse or child may be admitted, if otherwise admissible.

Section 10. Lifting of mortgages: Quota deductions under the mortgaging plan are hereby terminated.

Section 10 of the bill would remove the mortgages on the quotas of certain countries imposed under the Displaced Persons Act of 1948, as amended, and under the acts of June 30, 1950, and April 9, 1952, relating to the importation of certain skilled sheepherders.

Section 11. Naturalization of children adopted abroad: This would permit children, who are living abroad with their American adoptive parents, to obtain United States citizenship without residence in the United States.

Section 11 of the bill would provide for the expeditious naturalization of certain adopted children of United States citizens employed abroad.

Section 12. Upgrading preference categories: This would permit holders of first preferences; parents of United States citizens; and spouses and children of lawful resident aliens, to come into this country quota-free.

Section 12 of this bill provides for the granting of nonquota immigrant status to certain skilled specialists, parents of United States citizens, and spouses and children of aliens lawfully admitted for permanent residence on behalf of whom a petition for the preference status under the Immigration and Nationality Act was approved by the Attorney General prior to July 1, 1957. Provision is made that such skilled specialists and relative-preference aliens must be otherwise admissible under the immigration laws.

(It is estimated that there are over 3,500 cases in Greece which will be granted visas under this section, and over 21,000 cases in Italy which will be granted visas.)

Section 13. Special diplomatic cases: This would permit an annual maximum of 50 diplomatic people now in this country to remain here permanently if they do not desire to return to their homelands.

Section 13 of the bill would provide a procedure for the adjustment of the immigration status of certain aliens who entered the United States in a diplomatic or semidiplomatic status as officers or employees of a foreign government or certain international organizations and who has failed to maintain his official status, but who has not been required to depart from the United States. In such cases the alien would be permitted to apply to the Attorney General for an adjustment of his status to that of an alien lawfully admitted for permanent residence and if the application is approved, the Attorney General is required to submit a report thereon to the Congress. Such an adjustment becomes final if neither the Senate nor the House of Representatives passes a resolution disapproving the action of the Attorney General in the session in which the report is submitted or the session next following. The number of aliens who may be granted the status of an alien lawfully admitted for permanent residence under the provision is limited to 50 in any fiscal year.

Section 14. Use of standard definitions: Definitions contained in the Immigration and Nationality Act are applicable in this act. Section 14 of the bill merely provides that the definitions contained in the Immigration and Nationality Act shall apply to certain sections of the proposed legislation (noncontroversial).

Section 15. Refugee Relief Act visas: 18,656 numbers were left unused from the Refugee Relief Act, which has expired. This would permit use of these numbers by escapees from communism and by refugees in various parts of the world.

Section 15 of the bill authorizes the issuance, under the existing provisions of the basic Immigration and Nationality Act, of the special nonquota immigrant visas which were authorized under the Refugee Relief Act of 1953, as amended, but which remained unissued on January 1, 1957. Under that act, 18,656 such visas remained unissued. This section allots and authorizes the issuance of 2,500 of the remaining visas to German expellees described in section 4 (a) (1) of the Refugee Relief Act, as amended; 1,600 to the Dutch ethnics described in paragraphs (9) and (10) of that section; and 500 to the refugees described in paragraph (11) of that section. All the rest and remainder of the unissued visas are authorized to be issued to refugee-escapees who are carefully defined in the bill so as to include any alien who was forced to flee from Communist territory, or from any country in the Middle East (a term strictly defined) and who is unable to return to the place from which he fled because of persecution or fear of persecution on account of race, religion, or political opinion. It is the intention of the committee that the distribution of this remainder will be made in a fair and equitable manner, without any prescribed numerical limitations for any particular group, according to the showing of hardship, persecution, and the welfare of the United States. It is carefully spelled out in the bill that the alien must be eligible for admission to the United States under all the provisions of the Immigration and Nationality Act, except for the fact that a quota number is not available to him at the time of his application for a visa.

Two thousand five hundred to German expellees (German ethnics who were born in the Balkans, the Baltic area, Poland, U. S. S. R., etc.).

One thousand six hundred to Dutch ethnic refugees.

Five hundred to White Russians, Europeans, and other nonindigenous people in the Far East.

Fourteen thousand and fifty-six to refugees from communism anywhere in the world, and to refugees in the Middle East (both Arab and Jew) who are fleeing from oppression due to race, religion, or political opinion.

Mr. LAUSCHE. Mr. President, will the Senator from Utah yield to me?

The PRESIDING OFFICER (Mr. TALMADGE in the chair). Does the Senator from Utah yield to the Senator from Ohio?

Mr. WATKINS. I yield for a question.

Mr. LAUSCHE. Under existing law or under the existing powers vested in the Chief Executive, is there any way by means of which the 27,000 patriots of Hungary who fled to the United States can have their residence in the United States legalized?

Mr. WATKINS. Does the Senator from Ohio mean under existing law?

Mr. LAUSCHE. Yes; and under the powers of the Executive.

Mr. WATKINS. When the Senator from Ohio uses the word "legalize," we are likely to become involved in difficulty. I may not be able to answer that particular question, because it is not yet certain—according to some of those who have been working for years on proposed legislation in this field—whether there was full authority to have those 27,000 persons admitted to the United States under the parolee clause of the Immigration Act of 1952. However, they have been admitted to the United States, and the presumption is that they were admitted legally.

In order to enable them to become citizens of the United States, additional legislation must be enacted in order to regularize their admission. I would not use the word "legalize," because that would put them in position where their present status would be open to question.

Mr. LAUSCHE. So, in the opinion of the Senator from Utah, additional legislation must be enacted. Is that correct?

Mr. WATKINS. That is correct, because they are legally in the United States; but they were not admitted for the purpose of becoming citizens.

Mr. LAUSCHE. To what extent would any of the provisions of the pending measure apply to any of these 27,000 Hungarians, if at all?

Mr. WATKINS. I doubt very much that any of the provisions of the presently proposed legislation would apply to them. But the committee experts are here, and we can ask them. They advise me that the present proposal does not affect them.

Mr. LAUSCHE. Mr. President, I wish to subscribe fully to the beautiful statement made about our obligation to the patriots of Hungary. They fought for our cause just as much as they did for their own. If we do not do something to help them, we shall have a black stain upon the fulfillment of our responsibility to people who believe in our cause.

Mr. WATKINS. Mr. President, in concluding my remarks, let me state that I hope the Senate will pass the bill, and I hope the bill will be passed by the favorable votes of a large majority of the Members of the Senate. We have great hopes that it will be possible to get through the House of Representatives a bill which will be substantially the same as the one now before the Senate. Certainly proposed legislation of this sort should be passed this year; and we should not come to the end of the session—as was the case last year—with no bill in this field passed by both Houses of Congress, even though last year the Senate did pass such a bill.

The PRESIDING OFFICER. The question is on agreeing to the first committee amendment.

Mr. EASTLAND. Mr. President, I ask unanimous consent that the committee amendments be considered and agreed to en bloc.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Mississippi? Without objection, the committee amendments are considered and agreed to en bloc.

The amendments agreed to en bloc are as follows:

On page 2, after line 14, strike out:

"SEC. 4. The Immigration and Nationality Act is amended by adding after section 207 a new section to read as follows:

"'SEC. 208. (a) Not to exceed 2,500'."

And insert:

"SEC. 4. (a) On or before June 30, 1959, special"

In line 20, after the word "issued", strike out "during each fiscal year"; on page 3, at the beginning of line 3, strike out "'(b)" and insert "(b)"; and in the same line, after the word "term", strike out "'eligible orphan'" and insert "'eligible orphan'"; on page 4, line 3, after the word "this", strike out "act." and insert "act."; on page 5, line 4, after the word "any", strike out "which the Attorney General in his discretion may by regulations prescribe" and insert "including the giving of a bond, as the Attorney General, in his discretion, after consultation with the Surgeon General of the United

States Public Health Service, may by regulations prescribe"; after line 8, strike out:

"SEC. 7. Subsection (b) of section 242 of the Immigration and Nationality Act is amended by inserting immediately after '(b)' the following: 'Proceedings to determine the deportability of an alien shall be commenced by the issuance of any process, pleading, or document as the Attorney General shall by regulations prescribe. For the purposes of this act, a proceeding to determine deportability instituted upon the basis of such a process, pleading, or document shall have the same effect as if instituted by the issuance and service of a warrant of arrest'."

At the beginning of line 19, change the section number from "8" to "7"; on page 7, at the beginning of line 3, change the section number from "9" to "8"; at the beginning of line 10, change the section number from "10" to "9"; in line 13, after the word "status", strike out "of" and insert "to"; on page 8, at the beginning of line 15, change the section number from "11" to "10"; at the beginning of line 25, change the section number from "12" to "11"; on page 9, line 16, after the word "faith", strike out "and" and insert "an"; on page 10, at the beginning of line 1, change the section number from "13" to "12"; at the beginning of line 12, change the section number from "14" to "13"; on page 12, at the beginning of line 9, change the section number from "15" to "14"; in line 12, after the word "sections", strike out "5, 6, 8, 9, 10, 13, and 14" and insert "4, 5, 6, 7, 8, 9, 12, 13, and 15"; after line 13, strike out:

"SEC. 16. (a) Notwithstanding the provisions of section 20 of the Refugee Relief Act of 1953, as amended (67 Stat. 400; 68 Stat. 1044), special nonquota immigrant visas allotted for issuance to aliens specified in paragraphs (1), (9), (10), and (11) of section 4 (a) of such act, which remained on January 1, 1957, may be issued by consular officers as defined in section 101 (a) (9) of the Immigration and Nationality Act to aliens who are refugee-escapees (as defined in subsection (b)): *Provided*, That such alien is found to be eligible to be issued an immigrant visa and to be admitted to the United States under the provisions of the Immigration and Nationality Act: *Provided further*, That all special nonquota immigrant visas authorized to be issued under this section shall be issued in accordance with the provisions of section 221 of the Immigration and Nationality Act: *Provided further*, That a quota number is not available to such alien at the time of his application for a visa.

"(b) (1) For purposes of subsection (a), the term "refugee-escapee" means any alien who, because of persecution or fear of persecution on account of race, religion, or political opinion has fled or shall flee (A) from any Communist, Communist-dominated, or Communist-occupied area, or (B) from any country within the general area of the Middle East, and who cannot return to such area, or to such country, on account of race, religion, or political opinion.

"(2) For purposes of paragraph (1), the term 'general area of the Middle East' means the area between and including Libya on the west, Turkey on the north, Pakistan on the east, and Saudi Arabia and Ethiopia on the south.

"(3) Nothing in this section shall be held to extend the Refugee Relief Act of 1953, as amended (66 Stat. 174; 68 Stat. 1044), and nothing in this section shall be held to authorize the issuance of special nonquota immigrant visas in excess of the number provided in section 3 of that act."

And insert:

"SEC. 15. (a) Notwithstanding the provisions of section 20 of the Refugee Relief Act of 1953, as amended (67 Stat. 400; 68 Stat. 1044), special nonquota immigrant visas authorized to be issued under section 3 of that act which remained unissued on January 1, 1957, shall be allotted and may be issued by consular officers as defined in the Immigration and Nationality Act in the following manner:

"(1) Not to exceed 2,500 visas to aliens described in paragraph (1) of section 4 (a) of the Refugee Relief Act, as amended;

"(2) Not to exceed 1,600 visas to aliens described in paragraphs (9) or (10) of such section 4 (a);

"(3) Not to exceed 500 visas to aliens described in paragraph (11) of such section 4 (a);

"(4) All the rest and remained of said visas to aliens who are refugee-escapees as defined in subsection (c).

"(b) The allotments provided in subsection (a) of this section shall be available for the issuance of immigrant visas to the spouses and unmarried sons or daughters under 21 years of age, including stepsons or stepdaughters and sons or daughters adopted prior to July 1, 1957, of persons referred to in subsection (a) of this section if accompanying them: *Provided*, That each such alien is found to be eligible to be issued an immigrant visa and to be admitted to the United States under the provisions of the Immigration and Nationality Act: *Provided further*, That all special nonquota immigrant visas authorized to be issued under this section shall be issued in accordance with the provisions of section 221 of the Immigration and Nationality Act: *Provided further*, That a quota number is not available to such alien at the time of his application for a visa.

"(c) (1) For purposes of subsection (a), the term 'refugee-escapee' means any alien who, because of persecution or fear of persecution on account of race, religion, or political opinion has fled or shall flee (A) from any Communist, Communist-dominated, or Communist-occupied area, or (B) from any country within the general area of the Middle East, and who cannot return to such area, or to such country, on account of race, religion, or political opinion.

"(2) For the purposes of this section, the term 'general area of the Middle East' means the area between and including (1) Libya on the west, (2) Turkey on the north, (3) Pakistan on the east, and (4) Saudi Arabia and Ethiopia on the south.

"(d) Except as otherwise provided in subsection (a) of this section, nothing in this section shall be held to extend the Refugee Relief Act of 1953, as amended (67 Stat. 400; 68 Stat. 1044), and nothing in this section shall be held to authorize the issuance of special nonquota immigrant visas in excess of the number provided in section 3 of that act."

So as to make the bill read:

Be it enacted, etc., That subparagraph (B) of section 101 (b) (1) of the Immigration and Nationality Act is amended to read as follows:

"(B) a stepchild, whether or not born out of wedlock, provided the child had not reached the age of 18 years at the time the marriage creating the status of stepchild occurred; or"

SEC. 2. Section 101 (b) (1) of the Immigration and Nationality Act is amended by adding at the end thereof the following new subparagraphs:

"(D) an illegitimate child, by, through whom, or on whose behalf a status, privilege, or benefit is sought by virtue of the relationship of the child to its natural mother;

"(E) a child adopted while under the age of 14 years if the child has thereafter been in the legal custody of, and has resided with, the adopting parent or parents for at least 2 years."

SEC. 3. Section 203 (a) (1) of the Immigration and Nationality Act is amended by striking out "him." and inserting in lieu thereof the following: "or following to join him.".

SEC. 4. (a) On or before June 30, 1959, special nonquota immigrant visas may be issued to eligible orphans as defined in this section who are under 14 years of age at the time the visa is issued. Not more than two such special nonquota immigrant visas may be issued to eligible orphans adopted or to be adopted by any one United States citizen and spouse, unless necessary to prevent the separation of brothers or sisters.

(b) When used in this section, the term "eligible orphan" shall mean an alien child (1) who is an orphan because of the death or disappearance of both parents, or because of abandonment or desertion by, or separation or loss from, both parents, or who has only one parent due to the death or disappearance of, abandonment, or desertion by, or separation or loss from the other parent and the remaining parent is incapable of providing care for such orphan and has in writing irrevocably released him for emigration and adoption; (2) (A) who has been lawfully adopted abroad by a United States citizen and spouse, or (B) for whom assurances, satisfactory to the Attorney General, have been given by a United States citizen and spouse that if the orphan is admitted into the United States they will adopt him in the United States and will care for him properly and that the preadoption requirements, if any, of the State of the orphan's proposed residence have been met; and (3) who is ineligible for admission into the United States solely because that portion of the quota to which he would otherwise be chargeable is oversubscribed by applicants registered on the consular waiting list at the time his visa application is made. No natural parent of any eligible orphan who shall be admitted into the United States pursuant to this section shall thereafter, by virtue of such parentage, be accorded any right, privilege, or status under this act.

SEC. 5. Any alien, who is excludable from the United States under paragraphs (9), (10), or (12) of section 212 (a) of the Immigration and Nationality Act, who (A) is the spouse or child, including a minor unmarried adopted child, of a United States citizen, or of an alien lawfully admitted for permanent residence, or (B) has a son or daughter who is a United States citizen or an alien lawfully admitted for permanent residence, shall, if otherwise admissible, be issued a visa and admitted to the United States for permanent residence if the Attorney General, in his discretion, and pursuant to such terms, conditions, and procedures as he may by regulations prescribe, has consented to the alien's applying or reapplying for a visa and for admission to the United States.

SEC. 6. Notwithstanding the provisions of section 212 (a) (6) of the Immigration and Nationality Act as far as they relate to aliens afflicted with tuberculosis, any alien who (A) is the spouse or child, including the minor unmarried adopted child, of a United States citizen, or of an alien lawfully admitted for permanent residence, or (B) has a son or daughter who is a United States citizen or an alien lawfully admitted for permanent residence, shall, if otherwise admissible, be issued a visa and admitted to the United States for permanent residence in accordance with such terms, conditions, and controls, if any, including the giving of a bond, as the Attorney General, in his discretion, after consultation with the Surgeon General of the United States Public Health Service, may by regulations prescribe.

SEC. 7. The provisions of section 241 of the Immigration and Nationality Act relating to the deportation of aliens within the United States on the ground that they were excludable at the time of entry as (1) aliens who have sought to procure, or have procured visas or other documentation, or entry

into the United States by fraud or misrepresentation, or (2) aliens who were not of the nationality specified in their visas, shall not apply to an alien otherwise admissible at the time of entry who (A) is the spouse, parent, or a child of a United States citizen or of an alien lawfully admitted for permanent residence; or (B) was admitted to the United States between December 22, 1945, and November 1, 1954, both dates inclusive, and misrepresented his nationality, place of birth, identity, or residence in applying for a visa: *Provided*, That such alien described in clause (B) shall establish to the satisfaction of the Attorney General that the misrepresentation was predicated upon the alien's fear of persecution because of race, religion, or political opinion if repatriated to his former home or residence, and was not committed for the purpose of evading the quota restrictions of the immigration laws or an investigation of the alien at the place of his former home, or residence, or elsewhere. After the effective date of this act, any alien who is the spouse, parent, or child of a United States citizen or of an alien lawfully admitted for permanent residence and who is excludable because (1) he seeks, has sought to procure, or has procured, a visa or other documentation, or entry into the United States, by fraud or misrepresentation, or (2) he admits the commission of perjury in connection therewith, shall hereafter be granted a visa and admitted to the United States for permanent residence, if otherwise admissible, if the Attorney General in his discretion has consented to the alien's applying or reapplying for a visa and for admission to the United States.

SEC. 8. The Secretary of State and the Attorney General are hereby authorized, in their discretion and on a basis of reciprocity, pursuant to such regulations as they may severally prescribe, to waive the requirement of fingerprinting specified in sections 221 (b) and 262 of the Immigration and Nationality Act, respectively, in the case of any nonimmigrant alien.

SEC. 9. In the administration of the Immigration and Nationality Act, the Attorney General is authorized, pursuant to such terms and conditions as he may by regulations prescribe, to adjust the status to that of an alien lawfully admitted for permanent residence in the case of (A) an alien, physically present within the United States on July 1, 1957, who is the beneficiary of an approved visa petition for immigrant status under section 203 (a) (1) (A) of the Immigration and Nationality Act filed on his behalf prior to the date of enactment of this act, and (B) his spouse and children physically present within the United States on July 1, 1957. This section shall be applicable only to aliens admissible to the United States except for the fact that an immigrant visa is not promptly available for issuance to them because the quota of the quota area to which they are chargeable is oversubscribed. Upon the payment of the required visa fee and the adjustment of status under this act, the Attorney General shall record the alien's lawful admission for permanent residence as of the date of the order adjusting status. Nothing contained in this section shall be held to repeal, amend or modify any of the provisions of the act of June 4, 1956 (70 Stat. 241). Pursuant to such terms and conditions, and in accordance with such procedure, as he may by regulations prescribe, the Attorney General is authorized to grant nonquota status, and a nonquota immigrant visa shall be issued, to the otherwise admissible spouse and child of any alien specified in clause (A) whose status has been adjusted under this act if the marriage by virtue of which such relationship exists occurred prior to July 1, 1957.

SEC. 10. The quota deductions required under the provisions of the following acts are hereby terminated effective on the date of the enactment of this act—

(1) section 201 (e) (2) of the Immigration and Nationality Act;

(2) the Displaced Persons Act of 1948, as amended (62 Stat. 1009, 64 Stat. 219; 65 Stat. 96);

(3) the act of June 30, 1950 (64 Stat. 306); and

(4) the act of April 9, 1952 (66 Stat. 50).

SEC. 11. Section 323 of the Immigration and Nationality Act is amended by adding at the end thereof the following new subsection:

"(c) Any such adopted child (1) one of whose adoptive parents is (A) a citizen of the United States, (B) in the Armed Forces of the United States or in the employment of the Government of the United States, or of an American institution of research recognized as such by the Attorney General, or of an American firm or corporation engaged in whole or in part in the development of foreign trade and commerce of the United States, or a subsidiary thereof, or of a public international organization in which the United States participates by treaty or statute, and (C) regularly stationed abroad in such service or employment, and (2) who is in the United States at the time of naturalization, and (3) whose citizen adopted parent declares before the naturalization court in good faith an intention to have such child take up residence within the United States immediately upon the termination of such service or employment abroad of such citizen adoptive parent, may be naturalized upon compliance with all the requirements of the naturalization laws except that no prior residence or specified period of physical presence within the United States or within the jurisdiction of the naturalization court or proof thereof shall be required, and paragraph (3) of subsection (a) of this section shall not be applicable."

SEC. 12. Any alien eligible for a quota immigrant status under the provisions of section 203 (a) (1), (2), or (3) of the Immigration and Nationality Act on the basis of a petition approved by the Attorney General prior to July 1, 1957, shall be held to be a nonquota immigrant and, if otherwise admissible under the provisions of that act, shall be issued a nonquota immigrant visa: *Provided*, That, upon his application for an immigrant visa, and for admission to the United States, the alien is found to have retained his relationship to the petitioner, and status, as established in the approved petition.

SEC. 13. Notwithstanding any other provision of law—

(a) Any alien admitted to the United States as a nonimmigrant under the provisions of either section 101 (a) (15) (A) (i) or (ii) or 101 (a) (15) (G) (i) or (ii) of the Immigration and Nationality Act, who has failed to maintain a status under any of those provisions, and who has not been required to depart from the United States under the authority of section 241 (e) of such act, may apply to the Attorney General for adjustment of his status to that of an alien lawfully admitted for permanent residence.

(b) If it shall appear to the satisfaction of the Attorney General that the alien is a person of good moral character, and that such action would not be contrary to the national welfare, safety, or security, the Attorney General, in his discretion, may record the alien's lawful admission for permanent residence as of the date of the order of the Attorney General approving the application for adjustment of status is made.

(c) A complete and detailed statement of the facts and pertinent provisions of law in the case shall be reported to the Congress with the reasons for such adjustment of status. Such reports shall be submitted on the first day of each calendar month in which Congress is in session. If, during the session of the Congress at which a case is reported, or prior to the close of the session of Congress next following the session at which a case is reported, either the Senate or the House of Representatives passes a resolution stating in substance that it does not favor the adjustment of status of such alien, the Attorney General shall thereupon require the departure of such alien in the manner provided by law. If neither the Senate nor the House of Representatives passes such a resolution within the time above specified, the Secretary of State shall, if the alien was classifiable as a quota immigrant at the time of his entry, reduce by one the quota of the quota area to which the alien is chargeable under section 202 of the Immigration and Nationality Act for the fiscal year then current or the next following year in which a quota is available. No quota shall be so reduced by more than 50 percent in any fiscal year.

(d) The number of aliens who may be granted the status of aliens lawfully admitted for permanent residence in any fiscal year, pursuant to this section, shall not exceed 50.

SEC. 14. Except as otherwise specifically provided in this act, the definitions contained in subsections (a) and (b) of section 101 of the Immigration and Nationality Act shall apply to sections 4, 5, 6, 7, 8, 9, 12, 13, and 15 of this act.

SEC. 15. (a) Notwithstanding the provisions of section 20 of the Refugee Relief Act of 1953, as amended (67 Stat. 400; 68 Stat. 1044), special nonquota immigrant visas authorized to be issued under section 3 of that act which remained unissued on January 1, 1957, shall be allotted and may be issued by consular officers as defined in the Immigration and Nationality Act in the following manner:

(1) Not to exceed 2,500 visas to aliens described in paragraph (1) of section 4 (a) of the Refugee Relief Act, as amended;

(2) Not to exceed 1,600 visas to aliens described in paragraphs (9) or (10) of such section 4 (a);

(3) Not to exceed 500 visas to aliens described in paragraph (11) of such section 4 (a);

(4) All the rest and remaining of said visas to aliens who are refugee-escapees as defined in subsection (c).

(b) The allotments provided in subsection (a) of this section shall be available for the issuance of immigrant visas to the spouses and unmarried sons or daughters under 21 years of age, including stepsons or stepdaughters and sons or daughters adopted prior to July 1, 1957, of persons referred to in subsection (a) of this section if accompanying them: *Provided*, That each such alien is found to be eligible to be issued an immigrant visa and to be admitted to the United States under the provisions of the Immigration and Nationality Act: *Provided further*, That all special nonquota immigrant visas authorized to be issued under this section shall be issued in accordance with the provisions of section 221 of the Immigration and Nationality Act: *Provided further*, That a quota number is not available to such alien at the time of his application for a visa.

(c) (1) For purposes of subsection (a), the term "refugee-escapee" means any alien who, because of persecution or fear of persecution on account of race, religion, or political opinion has fled or shall flee (A) from any Communist, Communist-dominated, or Communist-occupied area, or (B) from any country within the general area of the Middle East, and who cannot return to such area, or to such country, on account of race, religion, or political opinion.

(2) For the purposes of this section the term "general area of the Middle East" means the area between and including (1) Libya on the west, (2) Turkey on the north,

(3) Pakistan on the east, and (4) Saudi Arabia and Ethiopia on the south.

(d) Except as otherwise provided in subsection (a) of this section, nothing in this section shall be held to extend the Refugee Relief Act of 1953, as amended (67 Stat. 400; 68 Stat. 1044), and nothing in this section shall be held to authorize the issuance of special nonquota immigrant visas in excess of the number provided in section 3 of that act.

Mr. EASTLAND. Mr. President, I wish to say that I do not believe any Member of the Senate has worked harder or is more diligent or more conscientious in dealing with either this subject or any other subject with which the Senate considers, than the distinguished senior Senator from Utah [Mr. WATKINS]. He has done very effective work on the Judiciary Committee. It is the judgment of the chairman of the committee that the Senator from Utah is entitled to a great amount of credit for the progress represented by this bill.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. PASTORE. Mr. President, I rise to support S. 2792, a bill to amend the Immigration and Nationality Act. I am a cosponsor of this bill, but I am frank to say that it does not measure up to all my hopes. It does not measure up to the aspirations of those who, in season and out of season, have believed in, and fought for, immigration laws liberal enough to represent the responsibility of America. I believe that the moral leadership and economic standards of our country permit of something much better, and should produce something better.

But this measure, although only a mild and moderate step forward, is an affirmative step. It indicates the direction in which we intend to move. It may be termed a compromise; but, indeed, it is not a surrender.

The bill will get some things done. Through its various steps, 60,000 persons will be allowed to come to this country. Sixty thousand may be only a trickle; but for each of the 60,000, the bill may be something of a triumph. These will be 60,000 who, but for this bill, would not get this opportunity.

This bill is praiseworthy in its fundamental purpose—to reunite families. It does achieve this in fair measure, and it keeps alive our sense of obligation to do the right thing as befits our position among the nations of a troubled world.

It is not my intention to analyze the bill. I am discussing only the overall philosophy of the bill. It is the product of divergent views, and that christens it a compromise. But we can accept it, as practical people, in the closing hours of this session, as an accomplishment, whereas otherwise we might be left with no advance at all.

It is my clear understanding that this is the view of the individuals and organizations who have long led the fight for strong, realistic measures, and who recognize S. 2792 as the most we can hope for at this time.

It was because of its evidence of moral responsibility that I joined as a cosponsor of the bill. It is because it is a practical, forward step, however modest, that I am going to vote for it; and I strongly recommend to the other Members of the Senate that they vote for it, too.

This bill does not mark the end. We must work on. In this challenging world, our country cannot stand still. It cannot isolate itself from the demands of our times that would destroy the fearful. The hour has its rewards for nations bold enough to be as great as they can be, brave enough to realize their strength of the past, born of the mingled cultures and courage of many races; and practical enough to understand that mere material wealth is not total security in an atomic age. It takes moral courage to accept leadership and to make high decisions in keeping with the character of the growing, generous America that is the parent of us all. Today, we are taking a step forward.

Let us keep on to the heights where we shall be unafraid to welcome the worthy in a world which constantly grows smaller in size. We can still be giants in a land to which God has been so kind, a land for which we hold such power of decision, such high duty for its destiny.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from California will state it.

Mr. KNOWLAND. Has the bill been read the third time?

The PRESIDING OFFICER. It has not.

Mr. JOHNSON of Texas. Mr. President, I support this bill with mixed feelings. I have favored a more substantial immigration bill—one which would have provided further improvements in this field.

Last year, the Senate passed such a bill. It was my hope that the Senate would be able, this year, to pass a bill regularizing the status of the Hungarian refugees who came to the United States as parolees, and who do not now enjoy the status of permanent residents. It was my further hope that it would be possible, this year, to pass proposed legislation reallocating a small portion of the unused quotas each year to the countries whose quotas are heavily and consistently oversubscribed, and who receive relatively small initial quotas under existing law.

Those of us who believe that such steps are justified will not abandon our hopes. We shall strive to achieve these further improvements at the earliest possible time.

The bill now before the Senate accomplishes many substantial improvements. By releasing the displaced person mortgages, it will open up new avenues of immigration for many people now unable to come to this country.

Orphan children will be able to qualify in unlimited numbers for the next 2 years. Eighteen thousand refugees and expellees from countries throughout the world will be able to come and make their home in this great land we are proud to call the home of liberty.

This bill is in the nature of an emergency measure to relieve immediate and existing hardships. I am glad it has brought together men from both sides of the aisle, from both parties. I hope it will be passed by a substantial vote. I think it must and should be passed without delay in the Senate, and I hope the House will act on it before Congress adjourns.

Mr. JAVITS. Mr. President, I ask unanimous consent to include in the RECORD as a part of my remarks a statement of declarations subscribed to by nine Senators, with respect to their reasons for not offering amendments to the bill and their views as to the things which it leaves undone.

In order not to take too much time of the Senate, I merely wish to read the following sentences of the declaration:

Within its very sharp limitations the bill does some good things, but it fails to do so much that is urgently needed as to be deeply disappointing. * * *

We pledge our determined efforts in the next session of Congress to seek to effectuate the fundamental revisions required in the immigration law by the interests of justice and our national interest. We shall do everything we can to bring such measures to hearing and floor consideration. We issue this statement to state our reason for not offering amendments to the pending legislation. We are convinced it is so essential to get even some element of immigration relief at this session, that unsatisfactory and unimpressive as is this bill, we nevertheless wish to do nothing which could jeopardize its passage.

It is signed by Messrs. CLARK, DOUGLAS, HUMPHREY, NEUBERGER, BUSH, CASE of New Jersey, COOPER, IVES, and myself.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from New York?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

JOINT STATEMENT BY SENATORS CLARK, DEMOCRAT OF PENNSYLVANIA, DOUGLAS, DEMOCRAT OF ILLINOIS, HUMPHREY, DEMOCRAT OF MINNESOTA, NEUBERGER, DEMOCRAT OF OREGON, BUSH, REPUBLICAN OF CONNECTICUT, CASE, REPUBLICAN OF NEW JERSEY, COOPER, REPUBLICAN OF KENTUCKY, IVES, REPUBLICAN OF NEW YORK, JAVITS, REPUBLICAN OF NEW YORK, AND BEALL, REPUBLICAN OF MARYLAND

We consider the bill before us, S. 2792, as reported with amendments by the Judiciary Committee, amending the Immigration and Nationality Act, to be unsatisfactory and inadequate. Within its very sharp limitations the bill does some good things, but it fails to do so much that is urgently needed as to be deeply disappointing.

It is our considered judgment that the immigration laws need basic revision in the national interest and in the interests of national security not accomplished by this bill. We are advised, however, and are convinced that amendment of this bill in the Senate to accomplish the revisions we consider necessary in our immigration law would mean that the bill, even if it passes the Senate with such amendments, will not be brought up in the other body at this session. After careful consideration we have come to the conclusion that inadequate as is this measure we nevertheless cannot contribute to its defeat by our own action. The experience in a similar situation in 1956 convinces us that we are facing no idle threat.

We point out that among the major deficiencies of the pending measure is its failure to regularize the status of the refugees from Hungary admitted on parole—over 27,000 of them, including thousands of Hungarian freedom fighters and their families. Also the failure to open the door adequately to our fair share of other thousands of Hungarians, many of them teen-agers who composed the

heart of the organized anti-Communist element in Hungary and who languish in Austrian refugee camps and are fast losing their faith in freedom. The pending bill also fails to make adequate provision for refugees and escapees from other situations paralleling that of Hungary which may develop behind the Iron Curtain, an urgent element in the anti-Communist struggle, or from the persecution of the Nasser government in Egypt.

Nor does the bill deal with some of the major basic injustices and inequities of the McCarran-Walter immigration law, among them the archaic 1920 census as the basis for the establishment of nationality quotas, which arbitrarily cuts off some 65,000 additional opportunities for worthy immigration into the United States; the provisions regarding loss of citizenship which make most unjust discrimination against naturalized citizens; the continuation of the racial test for those of half-Asiatic origin seeking to immigrate; the absence of the statute of limitations regarding deportation, which exposes men and women who have lived here for decades and raised their families here to sudden deportation; and the crippling of the previous provisions which allowed hardship cases to be dealt with fairly. Even as modest a proposal as the pooling of unused quotas is denied.

We pledge our determined efforts in the next session of Congress to seek to effectuate the fundamental revisions required in the immigration law by the interests of justice and our national interest. We shall do everything we can to bring such measures to hearing and floor consideration. We issue this statement to state our reason for not offering amendments to the pending legislation. We are convinced it is so essential to get even some element of immigration relief at this session, that unsatisfactory and unimpressive as is this bill, we nevertheless wish to do nothing which could jeopardize its passage.

Mr. HUMPHREY. Mr. President, I was very happy to work out with the Senator from New York, along with other colleagues, the statement he has received consent to place in the RECORD. I have been a sponsor of immigration legislation ever since I have been in the Senate. I feel that the present law is unworthy of the great traditions of this Republic, and I am hopeful that the proposed legislation which is now being acted upon, of which I am a cosponsor, will do something to alleviate many hardships which have come to the attention of respective Members of Congress. The bill goes a part of the way. It does much for children. It does something, I may say, for the needy and for the refugees from different lands; but it surely does not get at the fundamentals of the weaknesses and inequities of the Immigration Act.

I only want to say I pledge my continuing efforts in the years to come, and particularly in the next session, for more important modification and alteration of our immigration statutes.

Mr. JAVITS. I thank my colleague.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

The PRESIDING OFFICER. The question now is, Shall the bill pass?

Mr. KNOWLAND. Mr. President, on that question I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. KENNEDY. Mr. President, I believe that this bill is the utmost that could be passed in this Congress. I think it is a good bill. It will take care of some people who have vital need to be taken care of. It takes care of certain categories to which attention has long been overdue. I hope the Senate will pass it.

I ask unanimous consent to have printed in the body of the RECORD at this point a statement I have prepared on the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR KENNEDY

I would like to make a few brief comments on the pending bill, S. 2792, which I have introduced with the cosponsorship of a number of Senators on both sides of the aisle. I should like to make it clear at the outset that this legislation represents the work of many who, like myself, have been extremely interested in seeing to it that a substantial immigration bill is enacted during the current session of Congress. Therefore, the provisions of this bill are an amalgam taken from many bills, all of which have had substantially the same purposes.

The bill which is now before the Senate is the result of a considerable amount of consultation among various Members who are interested and informed on the subject of immigration and has been exhaustively considered by the Judiciary Committee. The bill which is now before us does not, nor have any of its sponsors claimed that it does go to the heart of what many of us believe are critical weaknesses in our immigration policy. I believe that a full examination of certain aspects of immigration policy should be undertaken by the Congress at an early date, for I do not believe that our immigration policy is geared to the challenges and requirements of the age in which we live. Therefore, let it be clear to all that this bill is not the final answer to our immigration problems. It is merely designed to meet some pressing and obvious situations which require legislative action now.

I shall not go into a detailed section-by-section analysis, since an excellent summary of this bill is provided in the report which lies before the Senate. However, I think it is useful to point out that this bill accomplished two principal purposes and its provisions generally support these two purposes.

Most of the provisions of this bill are designed to correct certain situations which have arisen as a result of the workings of statutes already on the books, specifically the Immigration and Nationality Act itself and the Refugee Relief Act of 1953 as amended. In each case, these provisions are designed to clarify or adjust existing provisions of law in the interest of reuniting broken families or permitting American citizens to perform eminently humanitarian acts. One example is the section of this bill which would permit orphans adopted by United States citizens to enter the country during the next 2 years. Another provision is section 12, which permits the issuance of a limited number of visas to certain skilled specialists, parents of United States citizens and spouses and children of aliens lawfully admitted for permanent residence. This group of provisions is, in short, designed to overcome certain features of our law which time and experience have demonstrated cause untold and needless human suffering in terms of separating families.

The second series of provisions address themselves to refugee problems which are so bound up with the welfare of the United States and the conduct of our foreign relations. These provisions allow a limited number of nonquota visas to be granted to certain specified refugees who have fled from communism or some other form of tyranny.

I should also like to point out to my colleagues that this bill has the support of agencies which are affiliated with each of the major religious faiths in the United States. I do not maintain that they, nor I, nor each of the sponsors of this legislation believe that it meets every problem or goes far enough. On the contrary, they recognize in this bill a substantial step forward which needs to be taken before the Congress adjourns. But this is an important and beneficial step forward. On this ground then, I urge passage of S. 2792.

Mr. SYMINGTON. Mr. President, I support S. 2792, the bill to amend the Immigration and Nationality Act.

Although this bill is not all we had hoped for, it does represent a step forward.

Mr. President, AHEPA, the American Hellenic Educational Progressive Association, a notable organization of Greek-Americans, is meeting in St. Louis, Mo., at this time. It is particularly appropriate that this proposed immigration legislation should be considered by the Senate and acted upon at the time of their convention.

This bill affords an opportunity for entry into the United States of at least 3,500 Greeks, plus orphans, 25,000 Italians, and 5,000 Germans. In my opinion it is a step forward in the long struggle to bring about a better and more constructive approach to the problem of immigration.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill having been read the third time, the question is, Shall it pass? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. SPARKMAN (when his name was called). On this vote I have a pair with the Senator from Vermont [Mr. FLANDERS]. It is my understanding that if he were present and voting, he would vote the same way I shall vote. I therefore vote "yea."

The rollcall was concluded.

Mr. MANSFIELD. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Alabama [Mr. HILL], the Senator from Louisiana [Mr. LONG], the Senator from Michigan [Mr. MCNAMARA], the Senator from Oregon [Mr. MORSE], the Senator from Montana [Mr. MURRAY], the Senator from West Virginia [Mr. NEELY], the Senator from Wyoming [Mr.

O'MAHONEY], the Senator from Virginia [Mr. ROBERTSON], and the Senator from North Carolina [Mr. SCOTT] are absent on official business.

The Senator from Idaho [Mr. CHURCH] is absent on official business attending the Economic Conference of the Organization of American States at Buenos Aires.

The Senator from Missouri [Mr. HENNINGS] is absent by leave of the Senate because of illness.

I further announce that if present and voting, the Senator from New Mexico [Mr. ANDERSON], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Idaho [Mr. CHURCH], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Missouri [Mr. HENNINGS], the Senator from Alabama [Mr. HILL], the Senator from Michigan [Mr. MCNAMARA], the Senator from Oregon [Mr. MORSE], the Senator from Montana [Mr. MURRAY], the Senator from West Virginia [Mr. NEELY], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from North Carolina [Mr. SCOTT] would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate to represent the Senate at the Latin American Economic Conference in Buenos Aires.

The Senator from Vermont [Mr. FLANDERS] is necessarily absent.

The Senator from Maryland [Mr. BUTLER] and the Senator from South Dakota [Mr. CASE] are absent on official business.

The Senator from New York [Mr. IVES] and the Senator from Wisconsin [Mr. WILEY] are detained on official business.

The Senator from Kansas [Mr. CARLSON] and the Senators from North Dakota [Mr. LANGER and Mr. YOUNG] are also detained on official business.

If present and voting, the Senator from Maryland [Mr. BUTLER], the Senator from Indiana [Mr. CAPEHART], the Senator from South Dakota [Mr. CASE], the Senator from Vermont [Mr. FLANDERS], the Senator from New York [Mr. IVES], and the Senator from Maine [Mr. PAYNE] would each vote "yea."

The result was announced—yeas 65, nays 4, as follows:

YEAS—65

Aiken	Green	Monroney
Allott	Hayden	Morton
Barrett	Hickenlooper	Mundt
Beall	Holland	Neuberger
Bennett	Hruska	Pastore
Bible	Humphrey	Potter
Bricker	Jackson	Purtell
Bush	Javits	Revercomb
Carroll	Jenner	Saltonstall
Case, N. J.	Johnson, Tex.	Schoeppel
Clark	Kefauver	Smathers
Cooper	Kennedy	Smith, Maine
Cotton	Kerr	Smith, N. J.
Curtis	Knowland	Sparkman
Dirksen	Kuchel	Stennis
Douglas	Lausche	Symington
Dworshak	Magnuson	Talmadge
Eastland	Malone	Thye
Ervin	Mansfield	Watkins
Frear	Martin, Iowa	Williams
Goldwater	Martin, Pa.	Yarborough
Gore	McClellan	

NAYS—4

Ellender	Russell	Thurmond
Johnston, S. C.		

NOT VOTING—26

Anderson	Flanders	Murray
Bridges	Fulbright	Neely
Butler	Hennings	O'Mahoney
Byrd	Hill	Payne
Capehart	Ives	Robertson
Carlson	Langer	Scott
Case, S. Dak.	Long	Wiley
Chavez	McNamara	Young
Church	Morse	

So the bill S. 2792 was passed.

CONTROL OF MUSIC BROADCAST BY RADIO AND TELEVISION

Mr. SMATHERS. Mr. President, for many years, and particularly in recent years, the American people have been deprived of the opportunity to hear over radio and television all the music they may like to hear, and frequently they are deprived of the opportunity of hearing new and dramatic songs, because those songs do not come from the right, or controlling, organization. This action has jeopardized to a great extent our entire musical heritage—and if continued—threatens the caliber of the music of the future.

The music that all of us grew up with and cherish today was written by a large group of talented and dedicated composers. Many of their names are well known to all of us. They include such names as Victor Herbert, George M. Cohan, Jerome Kern, George Gershwin, Irving Berlin, Richard Rodgers, Oscar Hammerstein, and others. All of them have unquestionably made great contributions to our musical literature.

I should like to give a little history. To protect the rights of these creators a cooperative association was formed in 1914. It was called the American Society of Composers, Authors, and Publishers and its catalog now contains more than a million compositions, ranging from the operatic and symphonic to musical comedy and jazz. The association licenses the works of these composers to broadcasters and theaters and all other users of music.

Mr. DOUGLAS. Mr. President, may we have order?

The PRESIDING OFFICER. There will be order in the Senate. Attachés who desire to converse will retire from the Chamber. Others will take their seats and not converse in audible tone. The Senator from Florida may proceed.

Mr. SMATHERS. I might say for the record that I have sat here all afternoon, restraining myself at the request of, first, one Senator and then another, who said, "Please do not make the speech until after we get rid of certain bills."

So I, naturally trying to be cooperative, said that I would restrain myself. I have waited just about as long as I could, particularly in light of the fact that no other Senator wants to practice what he preached. That being the case, I felt it was only proper that I should say what I had in my mind at this time.

As a matter of fact, so influential did this association become, as its copyrights increased over the years, that in 1934 it was accused by the Department of Justice of being a monopolistic association. As a result, it agreed to make basic alterations in its structure and operation and by complying with consent decrees, freed itself of all improper attributes.

Meanwhile, radio and television had grown enormously as a medium of entertainment, and the nationwide networks began to realize that there was no more important ingredient in filling up air time than music, for music can be pleasurably listened to hour after hour, whereas a continuous diet of the spoken word often becomes indigestible—as we have seen demonstrated here this afternoon and on other afternoons and on other occasions.

Realizing this fact, the broadcasters in 1940, when their negotiations with ASCAP for a new license broke down, decided to create another source of music and at the same time pay ASCAP less. This was the beginning of the broadcasters' influence and control over the source of music, and it may be said to be the beginning of the end of the public's freedom to listen to all types and kinds of music unrestricted by monopolistic practices.

The leading networks (CBS, NBC, ABC, and the Mutual Broadcasting System) joined with over 600 of their affiliated radio and television stations to go into the music business. With their considerable pooled capital, they formed a corporation known as Broadcast Music, Inc., through which they gave subsidies to hundreds of publishing firms. Today this musical empire consists of 2,000 such firms.

In conducting its inquiry into the same subject matter, an Antitrust Subcommittee of the Committee on the Judiciary of the House of Representatives had this to say concerning the organizational structure of BMI, as well as its relationship to the broadcasting industry:

> At the outset it will be noted that only broadcasters have ever owned stock in BMI. Except where the purchaser buys the station along with the vendor's stock, the stock cannot be sold to a third party unless it has first been offered for sale to the corporations. At present, 624 radio stations—many controlled by, or affiliated with TV stations—own 73,104 outstanding shares. But it is the networks that are BMI's largest individual stockholders. Thus, CBS owns 6,519 shares or 8.9 percent of the outstanding stock; NBC 4,264 shares or 5.8 percent; and ABC, 3,304 shares or 4.5 percent. What is more, the principal owner of the Mutual Broadcasting System, General Teleradio, owns 4,601 shares or 6.4 percent. The networks, in sum, own 25.6 percent of BMI's outstanding stock. Furthermore, 46,938 shares or 64.2 percent are owned by stations affiliated with the networks while the balance of 7,478 shares or 10.2 percent is owned by independent stations.
>
> BMI's board of directors comprises 14 members with CBS, NBC, ABC, and the Mutual Broadcasting System, each having one representative. * * * The short of the matter is that with two exceptions, every member of BMI's board of directors is associated with an organization that has a direct network relationship (H. Rept. 607, p. 118).

Again on page 128 of the same report, it is stated:

> BMI through its publications and the statements of its representatives, has stated in effect, on numerous occasions that it is an instrument of the broadcasting industry. In a publication entitled "BMI Reports

to the Industry" dated October 21, 1946, for example, such statements appear as "BMI Is Yours; When It's BMI, It's Yours; Every Bit of Music in the BMI Catalog Is Your Music; Every Service Provided by BMI to Broadcasters Is Your Service." A BMI advertisement appearing in Radio Daily in 1949 is another illustration. In that document it was stated: "Industry-owned and operated Broadcast Music, Inc., was established and is maintained and operated by and for the broadcasting industry. Management of BMI is directed and guided by a board of directors elected by the broadcasting industry and functions solely in your interest as a broadcaster."

It is significant to note that present Federal Communications Commission rules permit the ownership of as many as seven stations by the networks themselves, not more than five of which shall be VHF and not more than three of which shall be UHF. Today NBC owns 100 percent control in five VHF stations and two UHF; CBS owns 100 percent control in three VHF stations, and two UHF stations, and it has received a construction permit for a fourth VHF station. ABC has 100-percent control in five VHF stations. All of these stations are major units operating in large markets and exercise great control over the programing of those stations involved, as well as the networks themselves.

It is well known that today a musical composition has practically no chance of becoming popular and succesfsul unless it is played on radio and television. Thus realizing that the first indispensable step in popularizing a song is to get it recorded, two of the largest networks purchased the two largest recording companies. CBS purchased Columbia Records, and NBC's parent, RCA, purchased Victor. Through their combined capital they were easily able to pay for their music to be written, published and recorded. The broadcasters, controlling networks and television stations, then engaged in exploiting it over the air waves. This interlocking combination, in my opinion, constitutes in and of itself a structure which—to say the least—is not in the public interest. Consequently, the public today, to a great extent, is a captive audience. It is being force-fed a brand of music not always to its liking.

It is significant to note that women's clubs throughout the Nation, with a combined membership of 5½ million, together with other groups and organizations, have protested the practices going on today. Had these practices been in existence in prior years many great songs, such as "Star Dust," "Night and Day," the "Missouri Waltz," and others too numerous to mention, might not have been available for the enjoyment of the public. This, indeed, emphasizes the great disservice that is being done the public today.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. SMATHERS. I am happy to yield to the able Senator from Arizona.

Mr. GOLDWATER. Would the Senator from Florida say that the establishment of BMI, and the participation in that program by the network, was to get around the payment of royalties to ASCAP?

Mr. SMATHERS. I think originally that was the purpose of the organization of BMI.

Mr. GOLDWATER. Would the Senator further agree that the airways of this country have been flooded with inferior music ever since BMI was formed?

Mr. SMATHERS. I would completely agree with the able Senator's assertion.

Mr. GOLDWATER. I should like to inform the Senator from Florida that one of my closest friends is Hoagy Carmichael, a prominent composer. I heard him 2 or 3 nights ago say that he has not been able to get a song published since BMI was introduced. This is the man who gave us "Star Dust" and many top tunes, who today is not able to sell music.

I hope something can be done by the proper committees of the Congress to ascertain why BMI was started and what it has done to good, decent American music since it has been in existence.

Mr. SMATHERS. I thank the Senator for his observations. I also hope something will be done. That is my purpose in introducing the bill.

Mr. President, competition in the free enterprise system, which has made great contributions to this country's growth, economically and musically, is now being stifled and the general public is the ultimate loser.

I am sure that all will agree that equal opportunities should be afforded the Victor Herberts, the George M. Cohans, the George Gershwins and the Irving Berlins of today to have their music heard in the free atmosphere of our competitive democratic system.

In order to bring this present practice of controlled music to an end and to protect the public interest, I am today introducing proposed legislation which would amend section 310 of the Communications Act of 1934 so as to provide that a license for a radio or television broadcasting station shall not be granted to or held by any person or corporation engaged directly or indirectly in the business of publishing music or of manufacturing or selling of musical recordings. I am convinced that it is not in the public interest to have the networks and radio and television stations engaged in the music publishing and recording business. This legislation is designed to save them from their own excesses.

Specifically, the legislation provides that no construction permit or license for a broadcasting station shall be granted to or held by (a) any person or corporation engaged in, or which owns any interest in a corporation engaged in, the business of publishing music or of manufacturing or selling recordings of musical compositions; (b) any corporation which directly or indirectly is controlled by any person or corporation engaged in the business of publishing music or of manufacturing or selling recordings of musical compositions; or (c) any corporation which directly or indirectly is controlled by any person or corporation which directly or indirectly controls any corporation engaged in the business of publishing music or of manufacturing or selling recordings of musical compositions.

The legislation further provides that if any license is in violation of these provisions it shall be suspended for such time as the Federal Communications Commission determines to be reasonable to enable such licensee to dispose of the property which constitutes a violation of the provisions of this amendment or to transfer or surrender his license pursuant to the provisions of the Federal Communications Commission Act.

Behind the Iron Curtain, we have been able to observe the stultifying effect on the creative arts produced by arbitrary control. The works of the inspired composers and literary figures of pre-Communist days in Russia and all the satellite countries have never been equaled under the tightly censured and manipulated regimes of today.

Such control and censorship are repugnant to the American spirit.

We must not permit broadcasters or any other power group to chain that spirit.

I sincerely trust that the committee to which this bill is referred will act promptly and favorably upon it and that it will be passed by the Congress.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2834) to provide that a license for a radio or television broadcasting station shall not be granted to, or held by, any person or corporation engaged directly or indirectly in the business of publishing music or of manufacturing or selling musical recordings, introduced by Mr. SMATHERS, was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. SMATHERS. I am happy to yield to the Senator from Massachusetts.

Mr. KENNEDY. I think the Senator is discussing a matter which involves importantly the public interest. I am sure the members of the committee will have an opportunity to go into this matter next January when the Congress returns.

Mr. SMATHERS. I thank the Senator. I hope there will be hearings on the bill.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. SMATHERS. I am happy to yield to the Senator from Washington.

Mr. MAGNUSON. I should like to point out to the Senator from Florida that this is a matter which has been long considered to be a subject necessary to be gone into by the members of the Committee on Interstate and Foreign Commerce. I think there has been some hesitancy about taking the matter up without there being before the Senate a bill such as the one the Senator from Florida has introduced tonight, because there is a suit pending. This is a matter of such importance to the people of America that I am sure by next January there will be very favorable consideration by the committee at least with re-

gard to having hearings and discussing the bill fully.

Mr. SMATHERS. I thank the able Senator from Washington for his statement.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. SMATHERS. I am happy to yield to the Senator from Rhode Island, the chairman of the Subcommittee on Communications.

Mr. PASTORE. I wish to assure the Senator from Florida that we have had members of our staff documenting some of the allegations which have been made by the persons who are interested in the bill which is being sponsored by the distinguished Senator from Florida. When that investigation is completed, if a hearing is merited, it will be held.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. SMATHERS. I am happy to yield to the Senator from Montana.

Mr. MANSFIELD. Mr. President, I commend the Senator from Florida for bringing this matter to the attention of the Senate again. I was delighted to hear the chairman of the Committee on Interstate and Foreign Commerce make the assertion that this subject will be looked into, and justice rendered where justice is due.

Mr. SMATHERS. I thank the Senator.

CONSTRUCTION OF A STADIUM IN THE DISTRICT OF COLUMBIA

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives insisting upon its disagreement to the amendment of the Senate to the bill (H. R. 1937) to authorize the construction, maintenance, and operation by the Armory Board of the District of Columbia of a stadium in the District of Columbia, and for other purposes, and requesting a further conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. BIBLE. I move that the Senate insist upon its amendment, agree to the request of the House for a further conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. BIBLE, Mr. FREAR, and Mr. BEALL conferees on the part of the Senate.

TRANSFER OF CERTAIN HOUSING PROJECTS TO THE CITY OF DECATUR, ILL.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1066, S. 2460.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 2460) to authorize the transfer of certain housing projects to the city of Decatur, Ill., or to the Decatur Housing Authority.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Banking and Currency with an amendment to strike out all after the enacting clause and insert:

That, notwithstanding any other provision of law, the Housing and Home Finance Administrator is authorized and directed to sell and convey to the city of Decatur, Ill., or to the Decatur Housing Authority, all of the right, title, and interest of the United States in and to that part of the North Jasper Homes housing projects (ILL–11218 and ILL–11219) which comprises a single site of approximately 22.452 acres and on which there are located 180 dwelling units and an administration building. Such sale shall be made in consideration of the payment of $266,000 by the purchaser to the United States. The purchase price shall be paid at the time of closing, or in such installments as may be agreed upon by the Housing and Home Finance Administrator over a period not in excess of five years after the date of sale. Such sale shall be subject to the condition that if, at the end of five years after the date of sale, any such dwelling units have not been demolished, the purchaser shall pay an additional amount, to be determined by the Housing and Home Finance Administrator, to the United States for each month beyond the stated five-year period that any such units have not been demolished. Any sale pursuant to this authorization shall be made within four months after the date of enactment of this Act.

Mr. DOUGLAS. Mr. President, I believe the bill is noncontroversial.

The city of Decatur is anxious to purchase or enable its housing authority to purchase these homes and within 5 years to demolish them, rather than to have them sold at auction to the highest bidder under the Lanham Act. It fears that the project will become a slum if occupied for a longer period, and it desires, instead, to demolish the project within 5 years and control the future use of the land as a part of an urban redevelopment program.

Hearings were held earlier this year by the Banking and Currency Committee, and the mayor, Hon. Clarence A. Sablotny, and other leading citizens testified and made a convincing case for such a purchase. But the necessary appraisals and negotiations could not be concluded in time to include this bill in the Housing Act of 1957.

The bill would now authorize and direct the Housing and Home Finance Administrator, therefore, to sell this project, known as the North Jasper Homes, to the city or its housing authority for $266,000.

The sale price fixed in the bill is the figure which the Housing and Home Finance Agency has determined to be a fair evaluation on the basis of demolition in 5 years. The bill would also require a condition in the sales contract compelling the payment of additional amounts if at the end of 5 years any of the units have not been demolished.

It is my understanding that the executive agencies have no objection to the bill. The bill was reported without objection by the Banking and Currency Committee, and I understand that it has likewise been cleared with the majority and minority leaders and calendar committees.

There are numerous precedents for the bill. Sales of four such projects were authorized, for example, in the Housing Act of 1957, H. R. 6659.

Mr. President, I ask unanimous consent that there be printed in the RECORD excerpts from the committee report on S. 2460, so that the House may have a fuller statement of the nature of the bill and the reasons behind it, in the hope that it will possibly assist in getting

There being no objection, the excerpts from the report—No. 1043—were ordered to be printed in the RECORD, as follows:

EXPLANATION OF THE BILL

This bill would authorize and direct the Housing and Home Finance Administrator to sell and convey to the city of Decatur, Ill., or to the Decatur Housing Authority warhousing projects ILL–11218 and ILL–11219. Section 614 of the Lanham Act now provides that all permanent Lanham Act housing not sold by January 1, 1957, be advertised and sold as expeditiously as possible to the highest bidder. This bill, therefore, would suspend section 614 to permit the Housing and Home Finance Administrator to sell the North Jasper Homes project (ILL–11218 and ILL–11219) to the city of Decatur, Ill., or to the Decatur Housing Authority for $266,000.

This bill further provides that the purchase price shall be paid at the time of closing or in such installments as may be agreed upon by the Housing and Home Finance Administrator over a period not to exceed 5 years. The bill also provides that if at the end of 5 years the structures and dwelling units involved have not been demolished, the city of Decatur or the Decatur Housing Authority shall pay an additional amount, to be determined by the Housing and Home Finance Administrator, to the United States for each month beyond the stated 5-year period that such structures and dwelling units have not been demolished. In addition, the bill provides that any sale pursuant to this bill shall be made within 4 months after the date of enactment of the legislation.

The North Jasper Homes project was originally constructed as two projects—ILL–11218 and ILL–11219. The ILL–11218 project was developed with funds provided by Public Law 849, 76th Congress, as amended. Construction was completed in 1945. This project originally contained 30 single-family dwelling units on scattered sites which have been or will be sold to tenants and veterans. The remaining units of this project which are authorized to be sold by this bill are 60 dwelling units in 30 duplex structures, and 60 dwelling units in 15 four-family buildings. All structures are one-story frame on concrete piers. The project ILL–11219 was developed with funds provided by Public Law 375, 78th Congress. Construction was completed in February 1945. This project consists of 60 permanent family-dwelling units in 10 six-family buildings. These structures are all two-family frame buildings on concrete piers.

The 180 units are located on approximately 22.452 acres of land in the northeast part of Decatur just outside the city limits. The bill also authorizes the sale of an administration building, as a part of the project. City officials informed the committee that the primary purpose for acquiring this project is to control the future use of underlying land and to prevent its development into a slum area. The city, therefore, desires to purchase these projects under the stipulation that they will be used for a period not in excess of 5 years, after which they will be demolished.

The Acting Administrator of the Housing and Home Finance Agency reports on the bill as follows:

HOUSING AND HOME FINANCE AGENCY,
OFFICE OF THE ADMINISTRATOR,
Washington, D. C., August 13, 1957.

Re S. 2460, 85th Congress.

Hon. J. W. FULBRIGHT,
Chairman, Committee on Banking and Currency, United States Senate, Washington, D. C.

DEAR MR. CHAIRMAN: This is in further reference to your letter of July 8 and to informal inquiries by Messrs. Semer and O'Neil of your staff concerning S. 2460, a bill to authorize the transfer of certain housing projects to the city of Decatur, Ill., or to the Decatur Housing Authority. If the 180 housing units referred to in the bill, including the underlying land, were to be appraised on the assumption that the structures will be removed after 5 years, we believe that the resulting evaluation would be $266,000. In our opinion also, a fair return to the Federal Government for the continued on-site use of the structures after a 5-year period would be $25 per unit per month.

Sincerely yours,

WALLACE MASON,
Acting Administrator.

The committee bill authorizes the city of Decatur to utilize these structures for 5 years only. The bill further provides for the payment of a penalty to the United States if the structures are not demolished before the expiration of that 5-year period. No attempt has been made to establish a specific dollar penalty to be paid for failure to comply with the demolition requirement, as the committee feels that such an amount should be left to the determination of the Housing and Home Finance Administrator, who could prescribe the amount in the contract of sale. The committee, however, has noted the statement in a letter of August 13, 1957, to the chairman from the Acting Administrator of the HHFA, in which it is stated that—

"A fair return to the Federal Government for the continued on-site use of the structures after a 5-year period would be $25 per unit per month."

AMENDMENT

The committee amended the bill by striking everything after the enacting clause and inserting new language which incorporates in the bill the sale price of the property, the time during which the sale must be consummated, and various other minor technical changes.

SUMMARY

This bill authorizes the sale of Government-owned war housing to a municipality or a local agency of the municipality for a price of $266,000. The committee believes that this bill is in the public interest and recommends its approval.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. HICKENLOOPER. Does the bill conform with the Morse formula?

Mr. DOUGLAS. Yes; it conforms to that formula. The city will pay the full appraised value, based on the assumption of demolition in 5 years, and additional amount if any units are used for a longer period.

Mr. HICKENLOOPER. Has the senior Senator from Oregon cleared the bill?

Mr. DOUGLAS. It has been cleared with the senior Senator from Oregon.

Mr. HICKENLOOPER. I have no objection to the bill if it conforms with the Morse formula.

Mr. DOUGLAS. I appreciate the desire of the Senator from Iowa, which the Senator from Illinois shares, to conform to the Morse formula.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

INCREASE IN COMPENSATION GRANTED TO WAGE BOARD EMPLOYEES

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 389, S. 25.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 25) relating to effective dates of increases in compensation granted to wage board employees.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to and the Senate proceeded to consider the bill.

ORDER FOR ADJOURNMENT

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its deliberations today, it stand in adjournment until 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER LIMITING DEBATE DURING MORNING HOUR TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that during the transaction of routine business in the usual morning hour tomorrow statements by Senators be limited to 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, August 21, 1957, he presented to the President of the United States the following enrolled bills:

S. 319. An act to provide for the conveyance to the State of Maine of certain lands located in such State;

S. 364. An act for the relief of the village of Wauneta, Nebr.;

S. 534. An act to amend section 702 of the Merchant Marine Act, 1936, in order to authorize the construction, reconditioning, or remodeling of vessels under the provisions of such section in shipyards in the continental United States;

S. 538. An act to amend Public Law 298, 84th Congress, relating to the Corregidor-Bataan Memorial Commission, and for other purposes;

S. 556. An act to provide for the conveyance of certain real property of the United States situated in Clark County, Nev., to the State of Nevada for the use of the Nevada State Board of Fish and Game Commissioners;

S. 620. An act to transfer ownership to Allegany County, Md., of a bridge loaned to such county by the Bureau of Public Roads;

S. 919. An act to provide that certain employees in the Postal Field Service assigned to road duty, and rural carriers, shall receive the benefit of holidays created by Executive order, memorandum, or other administrative action by the President;

S. 1113. An act to provide for the conveyance of certain lands of the United States to the city of Gloucester, Mass.

S. 1417. An act relating to the affairs of the Osage Tribe of Indians of Oklahoma;

S. 1556. An act granting the consent of Congress to the States of Montana, North Dakota, South Dakota, and Wyoming to negotiate and enter into a contract relating to their interest in, and the apportionment of, the waters of the Little Missouri River and its tributaries as they affect such States, and for related purposes;

S. 1631. An act to amend certain sections of title 13 of the United States Code, entitled "Census";

S. 1747. An act to provide for the compulsory inspection by the United States Department of Agriculture of poultry and poultry products;

S. 1799. An act to facilitate the payment of Government checks, and for other purposes;

S. 1823. An act to authorize the conveyance of Bunker Hill Island in Lake Cumberland near Burnside, Ky., to the Commonwealth of Kentucky for public park purposes; and

S. 1971. An act to amend sections 4 (a) and 7 (a) of the Vocational Rehabilitation Act.

ADJOURNMENT

Mr. JOHNSON of Texas. Mr. President, pursuant to the order previously entered, I move that the Senate stand in adjournment until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 8 o'clock and 55 minutes p. m.) the Senate adjourned, the adjournment being under the order previously entered, until tomorrow, Thursday, August 22, 1957, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate August 21, 1957:

WORLD HEALTH ORGANIZATION

Dr. H. van Zile Hyde, of Maryland, to be the representative of the United States of America on the Executive Board of the World Health Organization.

CALIFORNIA DEBRIS COMMISSION

Col. John S. Harnett, Corps of Engineers, to be a member of the California Debris Commission, under the provisions of section 1 of the act of Congress approved March 1, 1893 (27 Stat. 507; 33 U. S. C. 661), vice Col. Arthur H. Frye, Jr., to be relieved.

IN THE NAVY

The following-named officers for temporary promotion to the grade of captain in the Medical Corps of the Navy, subject to qualification therefore as provided by law:

Edward G. Goodman
Paul E. Black

The following-named officer for temporary promotion to the grade of captain in the Dental Corps of the Navy, subject to qualification therefor as provided by law:

Robert T. Salandi

Carl W. Thompson, civilian college graduate, to be a lieutenant commander in the

Medical Corps of the Navy, subject to qualification therefor as provided by law.

The following-named Reserve officers to the grades indicated in the Medical Corps of the Navy, subject to qualification therefor as provided by law:

COMMANDER

Harry A. Jenkins

LIEUTENANT

James K. Arnold
Joseph F. Britton
Fred W. Doyle
Robert G. Galbraith, Jr.
Robert H. Hux
Roy C. Pittman
Roy S. White

The following-named Reserve officers to be lieutenants in the Dental Corps of the Navy, subject to qualification therefor as provided by law:

William V. Gibson, Jr.
Roscoe P. Hylton, Jr.
Robert H. Spicer
George K. Thomas

The following-named civilian college graduates to be lieutenants in the Dental Corps of the Navy, subject to qualification therefor as provided by law:

James D. Enoch
Norman K. Luther
James A. VanDyke

Vincent C. Caranante, civilian college graduate to be a lieutenant (junior grade) in the Dental Corps of the Navy, and to be promoted to the grade of lieutenant when his line running mate is so promoted, subject to qualification therefor as provided by law.

Hollis Goddard, United States Navy, retired, to be reappointed from the temporary disability retired list under title 10, United States Code, section 1211, to the grade of lieutenant commander in the United States Navy, subject to qualification therefor as provided by law.

Jack C. Bolander, United States Navy, for transfer to and appointment in the Supply Corps of the Navy in the permanent grade of lieutenant (junior grade) and in the temporary grade of lieutenant.

The following-named officers of the Navy for permanent promotion to the grade of lieutenant:

LIEUTENANTS, LINE

Charles H. Temple
"G" "E" Townsend
Alan D. Watt
David E. Leue
James D. Elliott
Darrell F. Kirkpatrick
Robert W. Barnard
George E. Eckerd
Homer R. Johnson
Marvin J. Miller
Edward J. Hofstra
Richard T. Whitlock
Robert H. Wagner

LIEUTENANTS, SUPPLY CORPS

George F. Borbidge
Willard R. Crabtree
Thomas J. May
John M. Henderson
George B. Halperin

LIEUTENANT, CIVIL ENGINEER CORPS

Richard L. Foley

LIEUTENANT, MEDICAL SERVICE CORPS

John D. Pruitt

Farquhar Macbeth for permanent appointment to the grade of second lieutenant for limited duty in the Marine Corps pursuant to the provisions of title 10, United States Code, section 5589.

The following-named officers for temporary promotion to the grade of first lieutenant in the Marine Corps pursuant to the provisions of title 10, United States Code, section 5784:

Orville R. Kartchner
Robert W. Smith

UNITED STATES CIRCUIT JUDGE

W. Lynn Parkinson, of Indiana, to be United States circuit judge, seventh circuit, vice H. Nathan Swaim, deceased.

UNITED STATES DISTRICT JUDGE

Robert A. Grant, of Indiana, to be United States district judge for the northern district of Indiana, vice W. Lynn Parkinson, elevated.

HOUSE OF REPRESENTATIVES

WEDNESDAY, AUGUST 21, 1957

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Most merciful and gracious God, Thou art always standing at the door of our hearts waiting to be welcomed and to bestow upon us the blessings of Thy grace and goodness.

May we acknowledge, gratefully and gladly, that at no moment of the day do we lack Thy kind and beneficent care, and never are we compelled to carry on in our own strength alone.

Grant that we may be more sensitive and responsive to Thy voice calling us to be faithful stewards of Thy manifold blessings.

We rejoice that Thou dost graciously condescend to take our feeble and faulty human efforts and use them in fulfilling Thy blessed purposes for all mankind.

Give us a vivid sense of Thy presence and a vital experience of Thy power as we labor for the security of our beloved country and the peace of the world.

Hear us in Christ's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

HOUSE BILLS ENROLLED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles:

H. R. 8992. An act to provide for the appointment of representatives of the United States in the organs of the International Atomic Energy Agency, and to make other provisions with respect to the participation of the United States in that Agency, and for other purposes; and

H. R. 8996. An act to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes.

ENROLLED BILLS SIGNED

The SPEAKER. The Chair desires to announce that pursuant to the authority granted him on Tuesday, August 20, 1957, he did on that day sign the following enrolled bills of the House:

H. R. 8992. An act to provide for the appointment of representatives of the United States in the organs of the International Atomic Energy Agency, and to make other provisions with respect to the participation of the United States in that Agency, and for other purposes; and

H. R. 8996. An act to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McBride, one of its clerks, announced that the Senate had passed without amendment bills and joint resolutions of the House of the following titles:

H. R. 293. An act to authorize settlement for certain inequitable losses in pay sustained by officers of the commissioned services under the emergency economy legislation, and for other purposes;

H. R. 787. An act to authorize the exchange of certain lands between the United States of America and the State of California;

H. R. 993. An act to provide for the conveyance of certain land by the United States to the Cape Flattery School District in the State of Washington;

H. R. 1259. An act to clear the title to certain Indian land;

H. R. 1349. An act for the relief of John J. Fedor;

H. R. 1365. An act for the relief of Elmer L. Henderson;

H. R. 1424. An act for the relief of Sylvia Ottila Tenyi;

H. R. 1595. An act for the relief of Vanja Stipcic;

H. R. 1636. An act for the relief of George D. LaMont;

H. R. 1652. An act for the relief of Rajka Markovic and Krunoslav Markovic;

H. R. 1797. An act for the relief of Maria Sausa and Gregorio Sausa;

H. R. 1826. An act to authorize the sale of certain lands of the United States in Wyoming to Bud E. Burnaugh;

H. R. 1851. An act for the relief of Dezrin Boswell (also known as Dezrin Boswell Johnson);

H. R. 1953. An act to provide that checks for benefits provided by laws administered by the Administrator of Veterans' Affairs may be forwarded to the addressee in certain cases;

H. R. 2058. An act for the relief of the Franklin Institute of the State of Pennsylvania;

H. R. 2224. An act providing for payment to the State of Washington by the United States for the cost of replacing and relocating a portion of secondary highway of such State which was condemned and taken by the United States;

H. R. 2237. An act authorizing the transfer of certain property of the Veterans' Administration (in Johnson City, Tenn.) to Johnson City National Farm Loan Association and the East Tennessee Production Credit Association, local units of the Farm Credit Administration;

H. R. 2354. An act for the relief of the estate of Leatha Horn;

H. R. 2816. An act to provide for the conveyance of Esler Field, La., to the parish of Rapides in the State of Louisiana, and for other purposes;

H. R. 2979. An act for the relief of Mary Hummel;

H. R. 3025. An act to authorize the Secretary of the Navy to surrender and convey to the city of New York certain rights of access in and to Marshall, John, and Little Streets, adjacent to the New York Naval Shipyard, Brooklyn, N. Y., and for other purposes;

H. R. 3184. An act for the relief of Gordon Broderick;

H. R. 3246. An act to authorize the exchange of lands at the United States Naval Station, San Juan, P. R., between the Commonwealth of Puerto Rico and the United States of America;

H. R. 3280. An act for the relief of Mrs. Grace C. Hill;

H. R. 3583. An act for the relief of Chandler R. Scott;

H. R. 3818. An act to provide for the maintenance of a roster of retired judges available

for special judicial duty and for their assignment to such duty by the Chief Justice of the United States;

H. R. 3819. An act to amend section 331 of title 28, United States Code, to provide representation of district judges on the Judicial Conference of the United States.

H. R. 4098. An act to provide for the conveyance to the State of California a portion of the property known as Veterans' Administration Center Reservation, Los Angeles, Calif., to be used for National Guard purposes;

H. R. 4230. An act for the relief of W. C. Shepherd, trading as W. C. Shepherd Co.;

H. R. 4344. An act for the relief of Malone Hsia;

H. R. 4447. An act for the relief of W. R. Zanes & Co., of Louisiana, Inc.;

H. R. 5288. An act for the relief of Orville G. Everett and Mrs. Agnes H. Everett;

H. R. 5757. An act to increase the maximum amount payable by the Veterans' Administration for mailing or shipping charges of personal property left by any deceased veteran on Veterans' Administration property;

H. R. 5894. An act to amend the laws relating to the endorsement of masters on vessel documents and to provide certain additional penalties for failure to exhibit vessel documents or other papers when required by enforcement officers;

H. R. 5924. An act relating to the international convention to facilitate the importation of commercial samples and advertising matter;

H. R. 6080. An act to provide for the conveyance of certain property of the United States in Gulfport, Miss., to the Gulfport Municipal Separate School District;

H. R. 6166. An act for the relief of Michael S. Tilimon;

H. R. 6456. An act to amend section 304 (d) of the Federal Food, Drug, and Cosmetic Act, with respect to the disposition of certain imported articles which have been seized and condemned;

H. R. 6521. An act to modify section 3 of the act of June 30, 1945 (59 Stat. 265);

H. R. 7051. An act to stimulate industrial development near Indian reservations;

H. R. 7467. An act to amend the act of March 3, 1901, with respect to the citizenship and residence qualifications of the directors or trustees of certain companies in the District of Columbia;

H. R. 7825. An act to exempt from taxation certain property of the B'nai B'rith Henry Monsky Foundation, in the District of Columbia;

H. R. 7914. An act to amend the Career Compensation Act of 1949 to provide incentive pay for human test subjects;

H. R. 8076. An act to provide for the termination of the Veterans' Education Appeals Board established to review certain determinations and actions of the Administrator of Veterans' Affairs in connection with education and training for World War II veterans;

H. R. 8079. An act to amend the act of June 20, 1910, by deleting therefrom certain provisions relating to the establishment, deposit, and investment of funds derived from land grants to the States of New Mexico and Arizona;

H. R. 8429. An act to amend the Vocational Rehabilitation Act;

H. R. 8531. An act to provide an interim system for appointment of cadets to the United States Air Force Academy for an additional period of 4 years;

H. R. 8586. An act for the relief of Pasquale Pratola;

H. R. 8705. An act to permit articles imported from foreign countries for the purpose of exhibition at the St. Lawrence Seaway Celebration, to be held at Chicago, Ill., to be admitted without payment of tariff, and for other purposes;

H. R. 8821. An act to amend title II of the Social Security Act to facilitate the provision of social security coverage for State and local employees under certain retirement systems;

H. R. 8929. An act to amend the act of August 27, 1935, as amended, to permit the disposal of lands and interests in lands by the Secretary of State to aliens;

H. R. 9188. An act to amend the act to authorize the Secretary of the Navy to transfer to the Commonwealth of Massachusetts certain lands and improvements comprising the Castle Island Terminal Facility at South Boston in exchange for certain other lands;

H. J. Res. 354. Joint resolution to authorize the designation of October 19, 1957, as National Olympic Day;

H. J. Res. 367. Joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens;

H. J. Res. 370. Joint resolution to extend the time limit for the Secretary of Commerce to sell certain war-built vessels for utilization on essential trade routes 3 and 4;

H. J. Res. 393. Joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain persons;

H. J. Res. 404. Joint resolution providing for the recognition and endorsement of the second World Metallurgical Congress;

H. J. Res. 408. Joint resolution authorizing the President to invite the States of the Union and foreign countries to participate in the St. Lawrence Seaway celebration to be held in Chicago, Ill., from January 1, 1959, to December 31, 1959; and

H. J. Res. 410. Joint resolution to facilitate the admission into the United States of certain aliens.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills, joint resolutions, and a concurrent resolution of the House of the following titles:

H. R. 1558. An act for the relief of Phillis Guyadeen;

H. R. 1678. An act to provide for the quitclaiming of the title of the United States to the real property known as the Barcelona Lighthouse site, Portland, N. Y.;

H. R. 1741. An act for the relief of Ikuko Morooka Mahoney;

H. R. 1868. An act for the relief of Daniel Adamson;

H. R. 1944. An act to amend title II of the Social Security Act so as to make inapplicable, in the case of the survivors of certain members of the Armed Forces, the provisions which presently prevent the payment of benefits to aliens who are outside the United States;

H. R. 2741. An act to authorize and direct the Administrator of Veterans' Affairs to convey certain lands of the United States to Hermann Hospital Estate, Houston, Tex.;

H. R. 2842. An act to amend the Tariff Act of 1930 to provide for the temporary free importation of certain tanning extracts;

H. R. 3658. An act to liberalize certain criteria for determining eligibility of widows for benefits;

H. R. 4854. An act for the relief of Victoria Galea;

H. R. 5538. An act to provide that withdrawals, reservations, or restrictions of more than 5,000 acres of public lands of the United States for certain purposes shall not become effective until approved by act of Congress, and for other purposes;

H. R. 6952. An act to authorize the transfer of naval vessels to friendly foreign countries;

H. R. 7458. An act to amend the Fair Labor Standards Act of 1938, as amended, to restrict its application in certain overseas areas, and for other purposes;

H. R. 7697. An act to provide additional facilities necessary for the administration and training of units of the Reserve components of the Armed Forces of the United States;

H. R. 8005. An act to provide for the conveyance of an interest of the United States in and to fissionable materials in a tract of land in the county of Cook, and State of Illinois;

H. R. 8284. An act for the relief of Innocenza Guarascio;

H. R. 8753. An act to amend title II of the Social Security Act to include California, Connecticut, and Rhode Island among the States which are permitted to divide their retirement systems into two parts so as to obtain social-security coverage, under State agreement, for only those State and local employees who desire such coverage;

H. R. 8755. An act to amend title II of the Social Security Act to permit any instrumentality of two or more States to obtain social-security coverage under its agreement separately for those of its employees who are covered by a retirement system and who desire such coverage;

H. R. 8892. An act to amend the Internal Revenue Code of 1954 to extend the time within which a minister may elect coverage as a self-employed individual for social-security purposes, and for other purposes;

H. R. 9023. An act to amend the act of October 31, 1949, to extend until June 30, 1960, the authority of the Surgeon General to make certain payments to Bernalillo County, N. Mex., for furnishing hospital care to certain Indians;

H. J. Res. 338. Joint resolution for the relief of certain aliens;

H. J. Res. 340. Joint resolution to facilitate the admission into the United States of certain aliens;

H. J. Res. 368. Joint resolution for the relief of certain aliens;

H. J. Res. 373. Joint resolution to facilitate the admission into the United States of certain aliens;

H. J. Res. 387. Joint resolution for the relief of certain spouses and minor children of citizens of the United States;

H. J. Res. 392. Joint resolution for the relief of certain aliens;

H. J. Res. 409. Joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens;

H. J. Res. 411. Joint resolution for the relief of certain aliens; and

H. Con. Res. 194. Concurrent resolution granting permanent residence to certain aliens.

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 33. An act to provide for the allocation of portions of the costs of Davis Dam and Reservoir to servicing the Mexican Water Treaty, and for other purposes;

S. 166. An act to amend the laws granting education and training benefits to certain veterans so as to extend, with respect to certain individuals, the period during which such benefits may be offered;

S. 262. An act for the relief of Mrs. Yuriko Carpenter (nee Arai);

S. 281. An act for the relief of Jaffa Kam;

S. 328. An act to grant minerals, including oil and gas, on certain lands in the Crow Indian Reservation, Mont., to certain Indians, and for other purposes;

S. 365. An act for the relief of Yukio Nobuta;

S. 395. An act to encourage expansion of teaching and research in the education of mentally retarded children through grants to institutions of higher learning and to State educational agencies;

S. 655. An act for the relief of Brig. Gen. Chester W. Goble;

S. 684. An act for the relief of Ilse Striegan Bacon;

S. 752. An act granting an extension of patent to the United Daughters of the Confederacy;

S. 882. An act for the relief of Pauline Ethel Angus;

S. 888. An act for the relief of Alex P. Collins;

S. 893. An act for the relief of Giuseppe (Joseph) Chillemi;

S. 947. An act for the relief of Bronislawa Chomicz;

S. 950. An act for the relief of Milutin Jovanovic;

S. 1047. An act for the relief of Adelheid Pfeffer;

S. 1322. An act for the relief of Heinrich Johann Ellebrecht;

S. 1358. An act for the relief of Johanna Mayne;

S. 1545. An act for the relief of Fou Yueh Lee;

S. 1582. An act for the relief of Helen Demouchikous;

S. 1634. An act for the relief of Carola Ohlig;

S. 1635. An act for the relief of Maria Talloura Boisot;

S. 1636. An act for the relief of Delfina Cinco de Lopez;

S. 1698. An act to amend the Veterans' Readjustment Assistance Act of 1952, to extend the time for filing claims for mustering-out payments;

S. 1732. An act to readjust equitably the retirement benefits of certain individuals on the Emergency Officers' Retired List, and for other purposes;

S. 1742. An act to amend the acts approved April 16 and July 17, 1906 (34 Stat. 116 and 519), so as to authorize the Secretary of the Interior to convey certain lands on the Huntley reclamation project, Yellowstone County, Mont., to school district numbered 24, Huntley Project Schools, Yellowstone County, Mont.

S. 1835. An act for the relief of Maria Domenica Ricci;

S. 1921. An act for the relief of Maria Goldet;

S. 2012. An act for the relief of Giuliana Donadel Green;

S. 2028. An act for the relief of Sherwood Lloyd Pierce;

S. 2037. An act to amend the act of June 28, 1946, authorizing the performance of necessary protection work between the Yuma project and Boulder Dam by the Bureau of Reclamation;

S. 2041. An act for the relief of Sala Weissbard;

S. 2043. An act for the relief of Genoveffa Migliozzi;

S. 2046. An act for the relief of Gisela S. Hopkins;

S. 2062. An act for the relief of Yasna Trevizan;

S. 2123. An act for the relief of Frances Monteleone;

S. 2124. An act for the relief of Tasia J. Somas;

S. 2134. An act for the relief of Junior Yoo Luhta;

S. 2135. An act for the relief of Judy-Ellen Kay (Choi Myosoon);

S. 2136. An act for the relief of Mark Raymond Johnson (Ray Whang) and Lance Holt Johnson (Lance Whang);

S. 2164. An act for the relief of Elpis Maria Stephanou Fryback;

S. 2172. An act for the relief of Walter Harry Hurt;

S. 2182. An act for the relief of George E. Kitriniari and Demetroula E. Kitriniari;

S. 2199. An act for the relief of Reinhard Klinefelter;

S. 2204. An act for the relief of Margaret E. Culloty;

S. 2210. An act for the relief of Emmanuel Kim Kosmitis;

S. 2248. An act for the relief of James Richard Scarlett (Richard Kurosawa);

S. 2252. An act for the relief of Mrs. Fumi Ishikawa Clark;

S. 2302. An act for the relief of James Charles McCain (Kim Keun Shik);

S. 2305. An act to amend title 10, United States Code, with respect to crediting certain service as a member of the Women's Army Auxiliary Corps, and for other purposes;

S. 2309. An act for the relief of Elaine Elva Oliver (Lee Myung Sook);

S. 2314. An act for the relief of Paul Daniel Schaer (Ba Be Kim);

S. 2323. An act for the relief of Barbara Marie Waddington (Marie Kim);

S. 2324. An act for the relief of Elaine Marie Simonton (Yu Keum Ok);

S. 2325. An act for the relief of Benjamin Paul Klinger (Lee James);

S. 2328. An act for the relief of Sieglinde Preiss;

S. 2349. An act to facilitate the conduct of fishing operations in the Territory of Alaska, to promote the conservation of fishery resources thereof, and for other purposes;

S. 2382. An act for the relief of John Tompkins (K. M. Soo Man);

S. 2438. An act to amend the District of Columbia Business Corporation Act;

S. 2467. An act to authorize the Administrator of Veterans' Affairs to negotiate a new contract with the city of Sturgis, S. Dak., with respect to the use of the sewage facilities of such city by the Fort Meade Veterans' Hospital, Sturgis, S. Dak.;

S. 2484. An act for the relief of Margo Diann Wallace (Demetra);

S. 2566. An act for the relief of Kimiko Muscarella;

S. 2720. An act to amend the Fish and Wildlife Act of 1956 in order to increase the authorization for the fisheries loan fund established under such act;

S. 2757. An act to authorize the Secretary of the Interior to construct, operate, and maintain a reregulating reservoir and other works at the Burns Creek site in the upper Snake River Valley, Idaho, and for other purposes; and

S. J. Res. 96. A joint resolution to authorize establishment of the U. S. S. *Enterprise* (CV-6) in the Nation's Capital as a memorial museum.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 2431. An act granting the consent of Congress to the Klamath River Basin Compact between the States of California and Oregon, and for related purposes.

The message also announced that the Senate recedes from its amendment to the bill (H. R. 2973) entitled "An act for the relief of the estate of William V. Stepp, Jr."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (S. 959) entitled "An act to amend the Agricultural Adjustment Act of 1938, as amended, to exempt certain wheat producers from liability under the act where all the wheat crop is fed or used for seed or food on the farm, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 6709) entitled "An act to implement a treaty and agreement with the Republic of Panama, and for other purposes."

The message further announced that the Senate agrees to the amendment of the House to Senate amendment No. 6 to the bill (H. R. 4602) entitled "An act to encourage new residential construction for veterans' housing in rural areas and small cities and towns by raising the maximum amount in which direct loans may be made from $10,000 to $13,500, to authorize and advance financing commitments, to extend the direct loan program for veterans, and for other purposes," with an amendment.

ADDITIONAL FACILITIES FOR RESERVE COMPONENTS

Mr. BROOKS of Louisiana. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 7697) to provide additional facilities necessary for the administration and training of units of the Reserve components of the Armed Forces of the United States, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 8, strike out "1955" and insert "1950."

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

Mr. GROSS. Mr. Speaker, reserving the right to object, will the gentleman explain what this does.

Mr. BROOKS of Louisiana. The amendment is purely clerical. Where the figure "1955" is used it should be "1950." That is the only change.

Mr. GROSS. This in no way alters the regulation that was issued this week?

Mr. BROOKS of Louisiana. It does not make any change whatsoever in the bill except for this one minor clerical change.

Mr. GROSS. Mr. Speaker, I thank the gentleman and I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

ELIGIBILITY OF WIDOWS FOR BENEFITS

Mr. TEAGUE of Texas. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3658) to liberalize certain criteria for determining eligibility of widows for benefits, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Page 1, line 3, strike out "(c)" and insert: "(c)."

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

HERMANN HOSPITAL ESTATE, HOUSTON, TEX.

Mr. TEAGUE of Texas. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2741) to authorize and direct the Administrator of Veterans' Affairs to convey certain lands of the United States to the Hermann Hospital Estate, Houston, Tex., with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, lines 7 and 8, strike out "more particularly described in section 2."

Page 2, line 1, after "upon" insert "the estate furnishing to the Administrator a legal description of such land, satisfactory to him, and."

Page 2, strike out all after line 9 over to and including line 8 on page 6.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. MARTIN. Reserving the right to object, Mr. Speaker, will the gentleman explain the amendments?

Mr. TEAGUE of Texas. Mr. Speaker, this is a land bill. There was a legal definition of the land. The Senate struck out the legal definition and left the determination to the Administrator of Veterans' Affairs.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. MARTIN. I yield to the gentleman from Iowa.

Mr. GROSS. With what land does this deal?

Mr. TEAGUE of Texas. This is land in Houston, Tex., which the Veterans' Administration took to build a hospital, but it will not require it for a hospital.

Mr. MARTIN. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

TRANSFER OF NAVAL VESSELS TO FRIENDLY FOREIGN COUNTRIES

Mr. RIVERS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6952) to authorize the transfer of naval vessels to friendly foreign countries, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert: "That, notwithstanding section 7307 of title 10, United States Code, or any other law, the President may sell not to exceed three destroyers and one submarine to the Government of Venezuela, from the reserve fleet, and may extend the loan to two submarines to the Government of The Netherlands, on such terms and under such conditions as he deems appropriate. The President may promulgate such rules and regulations as he deems necessary to carry out the provisions of this act.

"SEC. 2. The loan authorized under this act is in renewal of the loan made under the authority granted by the act of July 11, 1952 (66 Stat. 587) and shall be for a period not to exceed 5 years. Such loan shall be made on the condition that it may be terminated at an earlier date if necessitated by the defense requirements of the United States.

"SEC. 3. All expenses involved in the activation, rehabilitation, and outfitting, including repairs, alterations, and logistic support, of vessels transferred under this act shall be charged to funds programed for the recipient government under the Mutual Security Act of 1954, as amended, or to funds provided by the recipient government under the reimbursable provisions of that act.

"SEC. 4. No vessel may be made available under this act unless the Secretary of Defense, after consultation with the Joint Chiefs of Staff, determines that its transfer is in the best interests of the United States. The Secretary of Defense shall keep the Congress currently advised of all transfers under this act.

"SEC. 5. The authority of the President to transfer naval vessels under this act terminates on December 31, 1959."

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

Mr. GROSS. Reserving the right to object, Mr. Speaker, this bill passed the House?

Mr. RIVERS. This bill passed the House, authorizing the transfer of 49 warships to friendly nations. It included destroyers, destroyer escorts, and submarines, and enumerated the recipient nations. The other body struck out all of the numbers of the ships and made available only four ships to the Government of Venezuela, which would buy the ships outright, and would extend a loan of two ships to the Government of the Netherlands. The other body struck out the remaining ships, with the understanding that, it being a policy matter, they would take it up next session. The matter was taken up in the Committee on Armed Services. While we did not recommend such a course, it was all we could get, so the committee concurred in it.

Mr. GROSS. The gentleman is well aware, I am sure, of the use that is being made of some of the vessels we have given or sold, mostly given, to certain countries which are now harassing American fishermen. I hope that in any future legislation some cognizance will be taken of that situation where American vessels are used to harass American fishermen on the high seas.

Mr. RIVERS. I thoroughly concur in what the gentleman has said. We would not want a thing like that. I am well aware of what the gentleman has in mind. This only relates to four ships to Venezuela, and extends a loan of two ships to the Netherlands. The distinguished Members of the other body said they would take up the remaining questions in the next session. Our committee had no alternative but to accept.

Mr. GROSS. I thank the gentleman, and withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

U. S. S. "ENTERPRISE"

Mr. VINSON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (S. J. Res. 96) to authorize establishment of the U. S. S. *Enterprise* (CV–6) in the Nation's Capital as a memorial museum.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

Mr. MARTIN. Reserving the right to object, Mr. Speaker, will the gentleman explain this joint resolution?

Mr. VINSON. Mr. Speaker, this resolution, Senate Joint Resolution 96, which passed the Senate on yesterday, would establish the U. S. S. *Enterprise* as a memorial museum in the Washington area.

A group of officers who served aboard the U. S. S. *Enterprise* during World War II have associated themselves for the purpose of raising funds to establish the *Enterprise* as a memorial museum. It is proposed to berth the *Enterprise* somewhere in the Washington, D. C., area if the necessary funds to set up the *Enterprise* as a museum on a nonprofit basis are collected. The leader of the group engaged in this undertaking is Fleet Adm. William F. Halsey.

The *Enterprise* has become obsolete after 20 years of outstanding service in the Navy. During World War II it accumulated 18 or 22 possible combat stars for carriers in the Pacific area. At one time it was the only aircraft carrier operating in the Pacific. Thus it seems appropriate that the *Enterprise* be selected for memorial purposes.

The approval of this resolution will not involve any expenditure of Federal funds and the resolution is so worded as to render this absolutely certain.

The Department of the Navy is in full support of this bill and the Bureau of the Budget has no objection to it.

Mr. MARTIN. How many of these are coming in? I suppose there are many historic ships.

Mr. VINSON. This is the only one where an association has been organized to take care of it out of the funds of the association.

Mr. MARTIN. They will pay for it themselves?

Mr. VINSON. This does not cost 1 penny to the Federal Government.

Mr. MARTIN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

Whereas the U. S. S. *Enterprise*, after 20 years of outstanding service in the United States Navy, has been declared to be obsolete by reason of having outlived its military usefulness; and

Whereas the U. S. S. *Enterprise* was known as the fightingest carrier in the fleet during World War II, during which time it accumulated 18 of 22 possible combat stars for carriers in the Pacific area; and

Whereas the U. S. S. *Enterprise* at one period during World War II was the only aircraft carrier operating in the Pacific; and

Whereas, although reported by the Japanese to be sunk 7 times, the U. S. S. *Enterprise* succeeded in accounting for 911 Japanese aircraft, 71 enemy ships sunk by her pilots, and another 192 ships damaged or probably sunk; and

Whereas the U. S. S. *Enterprise* was called the Galloping Ghost of the Oahu Coast by Fleet Adm. William F. Halsey, Jr., and during the early days of World War II symbolized the American resistance against a foe advancing with seemingly overwhelming strength: Now, therefore, be it

Resolved, etc., That subject to the conditions hereafter prescribed, at such time as the U. S. S. *Enterprise* is released by the United States and acquired by the Enterprise Association and its distinguished leader, Fleet Adm. William F. Halsey, United States Navy (retired), it may be berthed at, or in the vicinity of, the Nation's Capital as a memorial museum to be supported and maintained by private funds at no expense to the United States or the Government of the District of Columbia.

SEC. 2. In furtherance of the purposes of this act, the Secretary of the Navy is authorized to transfer the *Enterprise* to the Enterprise Association upon conditions (1) that a showing satisfactory to the Secretary of the Navy that the association is in a suitable position financially, or will be in a suitable position financially, to move, repair, renovate, berth, prepare for display, maintain, and administer such vessel satisfactorily and in the public interest for purposes of this act; (2) that a site for berthing the vessel with adequate land approach facilities is approved (a) by the Secretary of the Navy, the National Capital Planning Commission and the Secretary of Commerce and (b) if such site is within or adjacent to areas under their jurisdiction, also by the Secretary of the Interior, the Fine Arts Commission, and the Board of Commissioners of the District of Columbia; (3) that the *Enterprise* will not be operated for profit above necessary operating and maintenance costs.

SEC. 3. If the conditions described in section 2 are not met within 6 months of the date of enactment of this act, the Secretary of the Navy may dispose of the U. S. S. *Enterprise* in accordance with law.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

CONVEYANCE OF FISSIONABLE MATERIAL

Mr. BROOKS of Texas. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 8005) to provide for the conveyance of an interest of the United States in and to fissionable materials in a tract of land in the county of Cook, and State of Illinois, with Senate amendments thereto and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, after line 5, insert:

"SEC. 2. The Administrator of General Services is authorized and directed to convey by quitclaim deed to the city of Kearney, a municipal corporation of the county of Buffalo and State of Nebraska, all of the right, title, and interest of the United States in and to uranium, thorium, and other materials determined pursuant to section 5 (b) (1) of the Atomic Energy Act of 1946 (60 Stat. 761) to be peculiarly essential to the production of fissionable material, contained in the tract of land in the county of Buffalo, State of Nebraska, which was conveyed by quitclaim deed from the United States of America to the city of Kearney, recorded on June 15, 1950, at book 151, page 47, in the deed records of Buffalo County, Nebr. (said deed having been issued by Deputy Regional Director, Liquidation Service, General Services Administration, Office of Real Property Disposal, on behalf of the Administrator of General Services in the name of United States of America)."

Amend the title so as to read: "An act to provide for the conveyance of interests of the United States in and to fissionable materials in certain tracts of land situated in Cook County, Ill., and in Buffalo County, Nebr."

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. MARTIN. Mr. Speaker, reserving the right to object, will the gentleman explain the amendments?

Mr. BROOKS of Texas. I would be delighted to. The amendment was put on the bill by the other body and provides that certain fissionable material reservations be reserved to the city of Kearney. The same matter was taken up in the original bill and, as the gentleman will recall, I talked with him yesterday about it and with the senior Republican member on the subcommittee that handled it, the gentleman from Connecticut [Mr. MAY].

Mr. MARTIN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

AMENDING REORGANIZATION ACT OF 1949

Mr. BROOKS of Texas. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1791) to further amend the Reorganization Act of 1949, as amended, so that such act will apply to reorganization plans transmitted to the Congress at any time before June 1, 1959, with amendments of the House thereto, insist on the amendment of the House and agree to the conference requested by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Texas? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. DAWSON of Illinois, CHUDOFF, BROOKS of Texas, MOSS, HARDEN, BROWN of Ohio, and MICHEL.

DISTRICT OF COLUMBIA STADIUM

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 1937) to authorize the construction, maintenance, and operation by the Armory Board of the District of Columbia of a stadium in the District of Columbia, and for other purposes, with amendments of the Senate thereto, further disagree to the Senate amendments and ask for a further conference with the Senate.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. McMILLAN, HARRIS, TEAGUE of Texas, SIMPSON of Illinois, and O'HARA of Minnesota.

PERMITTING SALE OF LAND IN OTTAWA COUNTY, MICH.

Mr. FORD. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 7900) to permit the Secretary of Agriculture to sell to individuals, land in Ottawa County, Mich., which was acquired pursuant to the provisions of title III of the Bankhead-Jones Farm Tenant Act.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That (a) the Secretary of Agriculture may sell to individuals such real property in Ottawa County, Mich., as (1) was acquired by him pursuant to the provisions of section 32 of the Bankhead-Jones Farm Tenant Act (7 U. S. C. 1011), (2) is being administered by him, and (3) he determines is not needed for public purposes and is suitable for private ownership.

(b) The Secretary of Agriculture shall sell real property which is sold pursuant to the provisions of subsection (a) at a price which he determines to be the market value subject to such terms and conditions as he may prescribe. Such terms and conditions shall be prescribed by the Secretary of Agriculture in light of guidance and recommendations received by him in consultation with the Ottawa County Board of Supervisors and the West Ottawa Soil Conservation District of Ottawa County, Mich.

With the following committee amendment:

Page 2, beginning with line 3, strike out all the rest of subsection (b) and insert "to the highest responsible bidder but at not less than the fair market price thereof as determined by him and in such parcels and subject to such terms and conditions as he may prescribe."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SUBCOMMITTEE OF COMMITTEE ON ARMED SERVICES

Mr. HÉBERT. Mr. Speaker, I ask unanimous consent that the Subcommittee of the Committee on Armed Services may have permission to sit during general debate today.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

SUPPLEMENTAL APPROPRIATION BILL, 1958

The SPEAKER. The Chair recognizes the gentleman from Missouri [Mr. CANNON].

Mr. CANNON. Mr. Speaker, I call up the conference report on the bill (H. R. 9131) making supplemental appropriations for the fiscal year ending June 30, 1958, and for other purposes, and I ask unanimous consent that the statement on the part of the managers be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1207)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9131) making supplemental appropriations for the fiscal year ending June 30, 1958, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 19, 20, 52, and 60.

That the House recede from its disagreement to the amendments of the Senate numbered, 1, 5, 11, 13, 16, 18, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 35, 36, 37, 39, 42, 44, 46, 48, 51, 53, 55, 59, 62, 63, 65, 66, 67, 68, 71, 73, and 74, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$4,000,000"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$100,000"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$310,000,000"; and the Senate agree to the same.

Amendment numbered 41: That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$75,000"; and the Senate agree to the same.

Amendment numbered 56: That the House recede from its disagreement to the amendment of the Senate numbered 56, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$332,500"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 3, 4, 6, 7, 8, 10, 12, 14, 15, 32, 33, 34, 38, 40, 43, 45, 47, 49, 50, 54, 57, 58, 61, 64, 69, 70, 72, and 75.

CLARENCE CANNON,
GEORGE MAHON,
ALBERT THOMAS,
JOHN J. ROONEY (except as to language in proviso, Amendment No. 58).
R. B. WIGGLESWORTH,
CLIFF CLEVENGER,
Managers on the Part of the House.

CARL HAYDEN,
RICHARD B. RUSSELL,
DENNIS CHAVEZ,
ALLEN J. ELLENDER,
LISTER HILL,
SPESSARD L. HOLLAND,
JOHN STENNIS,
LEVERETT SALTONSTALL,
MILTON YOUNG,
WILLIAM F. KNOWLAND,
EDWARD J. THYE,
KARL E. MUNDT,
MARGARET CHASE SMITH,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9131) making supplemental appropriations for the fiscal year ending June 30, 1958, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

CHAPTER I

Department of Agriculture

Amendment No. 1: Inserts chapter number.

Agricultural Research Service

Amendment No. 2: Appropriates $4,000,000 for plant and animal disease and pest control instead of $5,000,000 as proposed by the Senate. The amount agreed to will provide $1,600,000 to initiate a program of eradication of the screwworm and will provide $2,400,000 to initiate the fireant eradication program.

Agricultural Marketing Service

Amendment No. 3: Reported in disagreement. It is the intention of the managers on the part of the House to offer a motion to recede and concur with the Senate amendment, inserting $1,300,000 instead of $3,500,000 as proposed by the Senate. The amount approved will provide funds to enable the Department to initiate the poultry inspection program, on a deficiency basis if necessary.

Agricultural Conservation Program Service

Amendment No. 4: Reported in disagreement.

CHAPTER II

Department of Commerce

Amendment No. 5: Changes chapter number.

Civil Aeronautics Administration

Amendment No. 6: Reported in disagreement.

Coast and Geodetic Survey

Amendment No. 7: Reported in disagreement. The managers on the part of the House intend to offer a motion which will appropriate $2,400,000 in lieu of $3,456,000 as proposed by the Senate. The amount provided herein, together with funds previously appropriated, provides a total of $6,100,000 for the new surveying ship. The conferees are in agreement that this amount is to be the total cost of the ship.

Bureau of Public Roads

Amendment No. 8: Reported in disagreement.

Weather Bureau

Amendment No. 9: Appropriates $100,000 for Salaries and Expenses instead of $372,100 as proposed by the Senate.

The Panama Canal

Amendment No. 10: Reported in disagreement.

Independent Agencies

Amendment No. 11: Inserts heading.

Advisory Committee on Weather Control

Amendment No. 12: Reported in disagreement.

Small Business Administration

Amendment No. 13: Inserts heading.

Amendments Nos. 14 and 15: Reported in disagreement.

CHAPTER III

Department of Defense—Military functions

Department of the Army

Amendment No. 16: Changes chapter number.

Amendment No. 17: Appropriates $310,000,000 for military construction, Army, instead of $305,000,000 as proposed by the House and $315,000,000 as proposed by the Senate.

Amendment No. 18: Appropriates $55,000,000 for military construction, Army Reserve Forces as proposed by the Senate instead of $46,000,000 as proposed by the House.

Department of the Navy

Amendment No. 19: Appropriates $265,000,000 for military construction, Navy, as proposed by the House instead of $300,000,000 as proposed by the Senate and adds the following projects, as approved by the House, to the funding program as approved by the Senate:

MCAS, El Toro, Calif	$209,000
MCTC, Twentynine Palms, Calif	270,000

Department of the Air Force

Amendment No. 20: Appropriates $900,000,000 for military construction, Air Force, as proposed by the House instead of $950,000,000 as proposed by the Senate. The committee of conference approves the funding program as proposed by the Senate and has allowed $17,253,000 for the Air Academy.

General provisions

Amendments Nos. 21 through 31: Change section numbers.

Amendments Nos. 32, 33, and 34: Reported in disagreement.

CHAPTER IV

Department of Defense—Civil functions

Department of the Army

Amendment No. 35: Changes chapter number.

Amendments Nos. 36 and 37: Appropriate $2,475,000, of which not to exceed $1,405,000 shall be available for administrative and information and education expenses for administration, Ryukyu Islands, as proposed by the Senate, instead of $2,410,000 and $1,340,000, respectively, as proposed by the House.

Amendment No. 38: Reported in disagreement. It is the intention of the managers on the part of the House to offer a motion to recede and concur with the Senate amendment with an amendment. In recommending an appropriation of $1,513,000 the conferees are agreed that the amount is for power facilities at the marine base or a transmission system to the marine base, whichever is more economical. No other construction is authorized.

CHAPTER V

Independent Offices

Amendment No. 39: Changes chapter number.

General Services Administration

Hospital Facilities in the District of Columbia

Amendment No. 40: Reported in disagreement.

Housing and Home Finance Agency

Amendment No. 41: Appropriates $75,000 for farm housing research instead of $150,000 as proposed by the Senate.

Department of the Interior

Amendment No. 42: Changes chapter number.

Bureau of Land Management

Amendment No. 43: Reported in disagreement.

Bureau of Indian Affairs

Amendment No. 44: Authorizes transfer of $169,000 as proposed by the Senate instead of $118,000 as proposed by the House for emergency operation and maintenance of the San Carlos irrigation project on a nonreimbursable basis.

Amendment No. 45: Reported in disagreement.

Commission for a National Cultural Center

Amendment No. 46: Inserts limitation proposed by the Senate that not to exceed $12,000 of the unobligated balance may be used for expenses of the Commission for a National Cultural Center.

Department of Agriculture

Forest Service

Amendment No. 47: Reported in disagreement.

CHAPTER VII

Department of Health, Education, and Welfare

Amendment No. 48: Inserts chapter number.

Public Health Service

Amendments Nos. 49 and 50: Reported in disagreement.

Amendment No. 51: Appropriates $34,000 for construction of Indian health facilities as proposed by the Senate.

General provisions

Amendment No. 52: Deletes language proposed by the Senate.

CHAPTER VIII

Public works

Amendment No. 53: Changes chapter number.

Department of Defense—Civil functions

Amendment No. 54: Reported in disagreement. The managers on the part of the House will propose an amendment to include $425,000 in lieu of $475,000, proposed by the Senate. This action will eliminate funds provided in the Senate amendment for Rathbun Dam, Iowa (planning).

CHAPTER IX

Department of State

Amendment No. 55: Changes chapter number.

Amendment No. 56: Appropriates $332,500 for the Eleventh World Health Assembly instead of $290,000 as proposed by the House and $375,000 as proposed by the Senate.

Amendment No. 57: Reported in disagreement.

Amendment No. 58: Reported in disagreement.

The judiciary

Amendment No. 59: Authorizes $10,000 for salaries of referees as proposed by the Senate.

Amendment No. 60: Authorizes $75,000 for expenses of referees as proposed by the House instead of $150,000 as proposed by the Senate.

FUNDS APPROPRIATED TO THE PRESIDENT

President's special international program

Amendment No. 61: Reported in disagreement. The managers on the part of the House will propose an amendment to include $545,000 of the increased amount provided for in the Senate amendment; of this amount $430,000 is solely for the purpose of paying Belgian taxes and $115,000 is solely for insurance required under Belgian law.

CHAPTER X

Treasury Department

Amendment No. 62: Changes chapter number.

CHAPTER XI

District of Columbia

Amendment No. 63: Changes chapter number.

Amendment No. 64: Reported in disagreement.

Amendments Nos. 65 and 66: Insert $29,090 to pay judgments set forth in Senate Document Numbered 57.

CHAPTER XII

Legislative branch

Amendment No. 67: Changes chapter number.

Amendment No. 68: Inserts heading.

Amendment No. 69: Reported in disagreement.

Amendment No. 70: Reported in disagreement.

CHAPTER XIII

Claims for damages, audited claims, and judgments

Amendment No. 71: Changes chapter number.

Amendment No. 72: Reported in disagreement.

CHAPTER XIV

General provisions

Amendments Nos. 73 and 74: Change chapter and section number.

Amendment No. 75: Reported in disagreement.

CLARENCE CANNON,
GEORGE MAHON,
ALBERT THOMAS,
JOHN J. ROONEY (except as to language in proviso, Amendment No. 58)
R. B. WIGGLESWORTH,
CLIFF CLEVENGER,
Managers on the Part of the House.

Mr. CANNON. Mr. Speaker, I think there is nothing controversial in this conference report. There are, in addition to the report, 28 amendments in technical disagreement. That is, under the rules the conferees are required to bring them back to be voted upon separately, and they will come up immediately following adoption of the conference report.

I might say, by way of summary, Mr. Speaker, that the estimates which came to us from the Bureau of the Budget aggregated $1,860,748,967.

We made a material reduction in those estimates in the committee, and the bill as it passed the House carried only $1,581,590,587. In the other body estimates aggregated even more, reaching $1,972,767,827. As passed by the Senate the bill aggregated $1,824,001,547. The conference agreed to $1,734,011,947.

As compared with the Senate estimates the conference was $238,755,880 below. As compared with the House bill it was $152,421,360 above, and compared with the Senate bill it was $89,989,600 below.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Iowa.

Mr. GROSS. Will the gentleman again state, for the benefit of the gentleman from Iowa and the Members of the House, the difference between the figures of the House bill and the Senate bill and whether or not the figure arrived at in the conference is higher or lower than the bill which the House originally approved?

Mr. CANNON. The bill as passed by the House was much lower than the estimates. The House bill carried $1,581,590,587. The other body, however, had a greater amount of estimates, $1,972,767,827, and passed it at $1,824,001,547, which was still less than the estimate but more than the House bill. I trust that answers the gentleman's question.

Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, it did not take very long, only 48 hours, for the other body to run up this bill from $1,581,000,000 to $1,824,000,000.

The bill which comes from the conference is $89,989,600 below the Senate bill. It is above the House bill by $152 million, approximately.

I have no objection to this conference report. There are some pretty big items in it, but it is the best that could be done under the circumstances.

Mr. GROSS. Mr. Speaker, will the gentleman yield in order that I may make a suggestion to the chairman of the Committee on Appropriations?

Mr. TABER. I yield to the gentleman from Iowa.

Mr. GROSS. If I may have the attention of the chairman of the Appropriations Committee, Mr. CANNON, I would like to suggest that in the next session of Congress all conference reports—on which we get all too little information—come to the House with a table showing as did the conference report on H. R. 7665, the Defense Department appropriation bill, the changes that are made. That ought to be comparatively easy to provide.

I suggest to the gentleman that next year the Appropriations Committee try to accompany every report with this kind of table so that all Members of the House can readily see the changes that have been made in the bill as to total amounts and the various purposes for which appropriated.

Mr. CANNON. As the gentleman is aware, these conference reports are customarily in stereotyped form. It has never been the practice to show those figures in the conference report for the reason that they are in the bill itself.

Mr. TABER. There are two items in disagreement, one with reference to the Burke Airport and one with reference to a channel in the Columbia River running into The Dalles. I shall oppose them as they are reached, but as far as the conference report itself is concerned, I am not opposed to that.

Mr. CANNON. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

Mr. CANNON. Mr. Speaker, of the 28 amendments remaining, I shall ask unanimous consent that we consider en bloc those that are purely formal and upon which there is no difference of opinion. I ask unanimous consent that the following amendments be considered en bloc: Nos. 8, 15, 34, 43, 45, 47, 49, 50, 58, 64, 72, and 75.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. ROONEY. Mr. Speaker, I urge adoption of the pending motion of the distinguished gentleman from Missouri [Mr. CANNON] particularly since the House would thereby recede and concur in amendment in disagreement No. 58 which concerns the sum $3,525,000 for the purchase of Israeli pounds for educational, scientific, and cultural activities in the State of Israel. The other body added to the House appropriation a proviso "that this amount shall be used for purchase of foreign currencies from the special account for the informational media guaranty program, at rates of exchange determined by the Treasury Department, but in no event at a higher rate per unit than the Free World market value of the currency purchased, and the amounts of any such purchases shall be covered into miscellaneous receipts of the Treasury."

I have been advised this morning that the Department of State and the Treasury Department feel that with this language inserted by the other body including the words "but in no event at a higher rate per unit than the Free World market value of the currency purchased" they will be able to effectively carry out the program as originally presented to the House Committee on Appropriations. The pending motion should be adopted.

The SPEAKER. The Clerk will report the Senate amendments.

Senate amendment No. 8: On page 3, after line 17, insert the following:

"BUREAU OF PUBLIC ROADS

"Public lands highways

"Liquidation of contract authorization

"For payment of obligations incurred pursuant to the contract authorization granted by section 6 of the Federal-Aid Highway Act of 1954 (68 Stat. 73) and section 106 of the Federal-Aid Highway Act of 1956 (70 Stat. 376), to remain available until expended, $1,533,000, which sum is composed of $225,000, the balance of the amount authorized to be appropriated for the fiscal year 1957, and $1,308,000, a part of the amount authorized to be appropriated for the fiscal year 1958."

Senate amendment No. 15: Page 6, after line 2, insert the following:

"REVOLVING FUND

"For additional capital for the revolving fund authorized by the Small Business Act of 1953, as amended, to be available without fiscal year limitations, $100,000,000."

Senate amendment No. 34: On page 13 after line 7 insert the following:

"SEC. 314. The General Counsel of the Department of Defense shall be paid at the rate prescribed by Reorganization Plan No. 6 approved June 30, 1953 (67 Stat. 638)."

Senate amendment No. 43: Page 19, after line 14, insert the following:

"BUREAU OF LAND MANAGEMENT

"Construction

"Not to exceed $1,423 of the funds available to the Bureau of Land Management from definite annual appropriations shall be available for reimbursing the city of Monticello, Utah, for the cost of improvements to streets and appurtenant facilities adjoining property under the jurisdiction of the Bureau of Land Management."

Senate amendment No. 45: On page 20, line 9, after the word "basis" insert a colon and the following: "*Provided*, That the Secretary of the Interior is authorized to expend income received from leases on lands on the Colorado River Indian Reservation (southern and northern reserves) for the benefit of the Colorado River Indian Tribes and their members during the current fiscal year, or until beneficial ownership of the lands has been determined if such determination is made during the current fiscal year."

Senate amendment No. 47: On page 21, after line 14, insert the following:

"DEPARTMENT OF AGRICULTURE

"Forest Service

"Forest land management: During the current fiscal year not to exceed $50,000 of the funds appropriated under this heading shall be available for the acquisition of sites authorized by the act of March 3, 1925, as amended (16 U. S. C. 555), without regard to any other limitation on the amount available for this purpose."

Senate amendment No. 49: On page 22, after line 4, insert the following:

"COMMUNICABLE DISEASES

"Communicable diseases: For an additional amount for 'Communicable diseases', for emergency measures necessary for the further prevention and control of a threatened or actual epidemic of influenza, $800,000: *Provided*, That $2,000,000 may be transferred from funds appropriated for disaster relief pursuant to the act of September 30, 1950, chapter 1125, section 8 (64 Stat. 1109), for the purposes specified in this paragraph, including the purchase, without regard to section 3709 of the Revised Statutes, and distribution of supplies and materials for prevention and control and grants to States of money and medical supplies and materials, upon a finding by the Secretary of Health, Education, and Welfare, upon the recommendation of the Surgeon General and the National Advisory Health Council, that a threatened or actual epidemic of influenza constitutes an actual or potential health emergency of national significance."

Senate amendment No. 50: On page 22, after line 21, insert the following:

"HOSPITALS AND MEDICAL CARE

"The limitation under this head contained in the Third Supplemental Appropriation Act, 1957, for payments for medical care of dependents and retired personnel under the Dependents' Medical Care Act is increased by such sum or sums as may be necessary for the purpose."

Senate amendment No. 58: On page 25, line 9, after "$3,525,000" insert a colon and the following: "*Provided*, That this amount shall be used for purchase of foreign currencies from the special account for the informational mediums guaranty program, at rates of exchange determined by the Treasury Department, but in no event at a higher rate per unit than the Free World market value of the currency purchased, and the amounts of any such purchases shall be covered into miscellaneous receipts of the Treasury."

Senate amendment No. 64: On page 27, after line 19, insert the following:

"DEPARTMENT OF PUBLIC HEALTH

"Department of Public Health, amounts equal to the cost of medical services rendered recipients of public assistance, without charge, may from time to time be transferred to the Department of Public Welfare for deposit into a fund, hereby established, for the purpose of matching Federal grants under the Social Security Act for payment for medical services as provided under that act, payment of related administrative expense, and return of any surplus to the general fund of the District of Columbia."

Senate amendment No. 72: Page 32, after line 24, insert the following:

"For payment of claims for damages as settled and determined by departments and agencies in accord with law, audited claims, certified to be due by the General Accounting Office, and judgments rendered against the United States by United States district courts and the United States Court of Claims, as set forth in Senate Document No. 60, 85th Congress, $753,860 together with such amounts as may be necessary to pay interest (as and when specified in such judgments or in certain of the settlements of the General Accounting Office or provided by law) and such additional sums due to increases in rates of exchange as may be necessary to pay claims in foreign currency: *Provided*, That no judgment herein appropriated for shall be paid until it shall have become final and conclusive against the United States by failure of the parties to appeal or otherwise: *Provided further*, That, unless otherwise specifically required by law or by the judgment, payment of interest wherever appropriated for herein shall not continue for more than 30 days after the date of approval of this act."

Senate amendment No. 75: On page 34, after line 14, insert the following:

"SEC. 1402. The appropriations, authorizations, and authority with respect thereto in this act shall be available from July 1, 1957, for the purposes provided in such appropriations, authorizations, and authority. All obligations incurred during the period between June 30, 1957, and the date of enactment of this act in anticipation of such appropriations, authorizations, and authority are hereby ratified and confirmed if in accordance with the terms hereof, and the terms of Public Law 85-78, 85th Congress, as amended."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendments.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 3: On page 2, line 10, insert:

"AGRICULTURAL MARKETING SERVICE

"For an additional amount for 'Marketing Research and Service,' for Marketing Services, $3,500,000: *Provided*, That this paragraph shall be effective only upon enactment into law of S. 1747 of the 85th Congress."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 3, and concur therein with an amendment, as follows: In lieu of the sum proposed in said amendment insert "$1,300,000."

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Iowa.

Mr. GROSS. Is the money provided in this bill for the other body for $1 million worth of furniture?

Mr. CANNON. That will come in a later amendment. We are taking the Senate amendments in the order in which they appear in the bill.

Mr. GROSS. What is that amendment number?

Mr. CANNON. Amendments Nos. 69 and 70 deal with the subject.

Mr. GROSS. That includes the $1 million worth of furniture?

Mr. CANNON. Yes, furniture and furnishings for the new Senate Office Building.

Mr. GROSS. I thank the gentleman.

The SPEAKER. The question is on the motion offered by the gentleman from Missouri.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 4: Page 2, line 15, insert:

"AGRICULTURAL CONSERVATION PROGRAM SERVICE

"Emergency conservation measures

"For an additional amount for 'Emergency conservation measures,' to be used for the same purposes and subject to the same conditions as the funds appropriated under this head in the Third Supplemental Appropriation Act, 1957, $25,000,000."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 4, and concur therein with an amendment, as follows: In lieu of the sum proposed in said amendment insert "$20,000,000."

Mr. H. CARL ANDERSEN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. H. CARL ANDERSEN. Mr. Speaker, the $20 million contained in the conference report on H. R. 9131 will enable the Secretary of Agriculture to make payments to farmers to carry our emergency conservation measures to rehabilitate farmlands damaged by wind erosion, floods, hurricanes, and other natural disasters. A substantial portion of the funds will be used to provide assistance to farmers who have suffered serious flood damage in recent weeks in about 11 States, including Minnesota.

The language of the bill provides that the funds may be distributed among States and individual farmers without regard to the formula contained in the basic law. It is proposed, therefore, to distribute the funds among the States in accordance with the needs for such assistance.

The program will be carried out on a cost-sharing basis. The Federal portion will run from 50 to 80 percent. Specific practices on farmlands to be authorized include emergency drainage, filling of gulleys and holes, removing of debris, and deep plowing to turn under gravel and sand deposits.

The SPEAKER. The question is on the motion offered by the gentleman from Missouri.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 6: Page 3, line 3, strike out:

"CIVIL AERONAUTICS ADMINISTRATION

"Construction and development, additional Washington airport

"For necessary expenses for the construction and development of a public airport in the vicinity of the District of Columbia, as authorized by the act of September 7, 1950 (64 Stat. 770), including acquisition of land, $12,500,000, to remain available until expended: *Provided*, That not to exceed a total of $250,000 may be advanced to the applicable appropriations of the Civil Aeronautics Administration for necessary administrative expenses."

Mr. CANNON. Mr. Speaker, I move that the House insist on its disagreement to the Senate amendment.

Mr. TABER. Mr. Speaker, I offer a preferential motion.

The Clerk read as follows:

Mr. TABER moves to recede and concur in Senate amendment No. 6.

Mr. CANNON. Mr. Speaker, I yield to the gentleman from Texas [Mr. THOMAS].

Mr. THOMAS. Mr. Speaker, I hope Mr. TABER's motion is voted down. This is our old familiar problem, the Burke Airport. What our amendment does is simply to reinstate the House language, just like this House passed it 2 weeks ago. Then what we will do is to take the language of the Senate report. Now, the Senate report says they are going to appoint this high-powered, super-duper board, the expert of all experts. We agree to that. We would agree that they report back on the 15th of January. Then we would make it mandatory that the Secretary of Commerce make a decision where he wants to put that airport. We do not say where—Friendship, Chantilly, Burke, or any place in the area—and then it should be mandatory that the CAA go ahead and start building it with the $12.5 million.

Now, we have no personal interest in this matter. Our interest is on the side of safety. Frankly, I have never been to any one of these sites, and all I am trying to do is to carry a little chore for the CAA, Secretary Rothschild, and Secretary Sinclair Weeks. That is my interest in it. I understand the President wants the airport. He knows it is dangerous not to have another facility, and that is our interest.

I hope the amendment offered by the gentleman from New York is voted down. If we go back to conference with the Senate, I have every reason to believe that we will reach an agreement in less than 30 minutes.

Mr. YOUNGER. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from California.

Mr. YOUNGER. Am I to understand from the gentleman from Texas that the new Air Modernization Board is the group to settle on the airport question?

Mr. THOMAS. They are going to make the recommendation. That is what the other body wanted and we adopted what they wanted. They made the recommendation.

Mr. YOUNGER. When the House approved setting up the Modernization Board it was solely for the purpose of establishing safety devices for air transportation. This injects an entirely new purpose into the Air Modernization Board.

Mr. THOMAS. I will say to my friend that he is exactly right. But the other body said that these were the experts of all experts and they wanted them to go out and study this problem and make a report by January 15. We said, "Okay, we think that is a good idea. But after they make their report we want Mr. Sinclair Weeks to really start something moving. We do not care where it is—Burke, Chantilly, or whatnot; any place in the area, just so we take the pressure off this airport out here and prevent a serious accident." That is all we are trying to do.

Mr. YOUNGER. I have no objection to that. I agree with the gentleman from Texas that it is fine to get the airport, but it would be absolutely wrong for us to assign duties to the Air Modernization Board which were never contemplated when that Board was established.

Mr. THOMAS. That was the thinking of the other body and we were just trying to go along. Of course, we know the Board is very capable and very responsible.

Mr. FRIEDEL. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from Maryland.

Mr. FRIEDEL. I thank the gentleman for saying that he is interested in safety. I am sure all of us are. All of us know that the Washington National Airport is overcrowded. But without expending this $12½ million you have Friendship available today. You can relieve the overcrowded condition by using Friendship right now. The $12½ million is only the beginning. It will run closer to $75 million or $90 million. I hope the motion of the gentleman from New York will be approved.

Mr. THOMAS. May I say to my friend that I do not know where he gets his figure of $90 million. None of the experts have gone that high. I am a nonexpert and the figure that I would pick out, based upon what they say, is around $60 million. But let me say to my friend from Maryland that we are trying to help him. We know the pressure he is under. If my guess is worth anything, and I give it to him as a guess, purely as a nonexpert, the CAB will force the use of his airport in less than 7 months.

Mr. FRIEDEL. That I will have to see.

Mr. THOMAS. I take their word for it, and I believe they will.

Mr. FRIEDEL. Judging by past actions, I cannot be too sure.

Mr. THOMAS. The gentleman must remember that the CAB is under some legal restrictions. They will get out from under those legal restrictions, in my judgment, in from 5 to 7 months. Further, my judgment is that they will force the use of that airport.

Mr. Speaker, at this time I yield 5 minutes to the distinguished gentleman from Virginia [Mr. BROYHILL].

Mr. BROYHILL. Mr. Speaker, I take the floor at this time to make a very brief and possibly final appeal to my colleagues concerning this airport problem. I do so fully realizing that when the distinguished members of the Committee on Appropriations make a recommendation to this body it is almost impossible, certainly the odds are overwhelmingly against, a person with the little influence that I have, to overcome their recommendations.

However, Mr. Speaker, I submit that there is not one Member of this body who, if he felt as I do, that the welfare, safety, comfort, and well-being of his constituents were at stake would not take the floor and take the same position I am taking here this morning. We are all aware of the problem of air facilities around here. We do not want to delay the improvement of those facilities. We appreciate that the members of the Committee on Appropriations have recognized that the Congress does have a responsibility to the people of the Nation's Capital and the surrounding area in helping them to solve the problem.

However, I feel that we are approaching this problem in an air of desperation and panic. We have heard some rather dramatic statements about the danger out there at National Airport, that it is a deathtrap. We have heard that we have been confronted with the problem for 7 years and we should not delay it any further. We have heard that the experts have recommended a certain site and that we should shut our eyes and acquiesce in the advice of the experts.

I do not think the danger at the National Airport is as great as has been portrayed here. The Civil Aeronautics Administration officials do not say there is danger there. They control the flights coming in and taking off there. They can shift the flights to Friendship if the conditions do become too dangerous. They never testified that there was a dangerous situation existing at the National Airport. They have testified that they need additional air facilities.

What about this emergency? Sure, it has been 7 years since the problem first came before us. But the Department of Commerce and the Civil Aeronautics Administration have not treated it as an emergency. They have not come up here every year asking for appropriations on an emergency basis. Certainly if it were an emergency they would have come up here earlier this year, and not in the closing days of the session.

As far as the advice of experts is concerned, there is a lot of inconsistency and contradiction among the experts on this matter. The Curtis White House Commission stated in their report that an airport should not be located within a radius of 16 miles of an existing air facility. So I think it is because of the conflict in the advice of these experts that we should hold off on this appropriation here today. Certainly it is not consistent for the Congress to take blindly the advice of experts in appropriating money for anything. We merely seek the advice and the consultation of the experts.

I submit also that we have arrived at a crossroads in this problem. We do not want to take a negative approach any further. We want to take positive action. That is why we feel like going along with the other body when they state that they want until January 15, that they do want to consult with the other experts on the safety measures involved here in the construction of this second airport. If you will agree to hold up this appropriation and go along with the language of the other body, I would have to make the statement here this morning that after January 15 we would have to go along with those appropriations. We do not want to delay the solution of this problem any further, but we do feel that since the safety interests of so many people are involved we should receive the advice of this other body of experts whose opinions up to this point have been in conflict with the advice of the Civil Aeronautics Administration.

If we err on going ahead with these funds on a project that may cost $75 or $100 million—no one knows, because the experts have been inconsistent—if we err on this matter it will be too late to correct it and save these millions and millions of dollars.

I plead with my colleagues to give our community some consideration on this matter. I promise you we will work with you from January 15, to work with the construction of this needed facility, if you will consider our problems and give us a chance to check the safety problem with the other experts who have been appointed by the President. I urge that the motion to recede an offer by the gentleman from New York [Mr. TABER] be adopted.

Mr. THOMAS. Mr. Speaker, I yield 4 minutes to the gentleman from Ohio [Mr. BOW], but before I yield, may I say that I want the House to bear in mind two things: First. There is a plane taking off or landing at the National Airport every 45 or 50 seconds in peak periods. In my nonexpert judgment, that is per se a death trap.

Second. This new airport is not going to cost the taxpayers 1 penny, so they say. They say they will amortize not only the construction but the operation, and I will do my best to see that that happens.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield.

Mr. HARRIS. The gentleman said something a moment ago about the responsibility that the Air Modernization Board might have in connection with the airport.

Mr. THOMAS. I will say to my distinguished friend that in its report the other body thought it would be well for that distinguished group of experts to advise them of their opinion on where to locate it. It is not mandatory. It is not a part of the law that the Board do that, but if the Board wants to do that, would the gentleman have any objection to them doing it?

Mr. HARRIS. I think I would because we discussed the responsibility and authority of the Board in connection with the authorization. It has a particular function and that is technical in connection with the development of navigation aids and certainly not in connection with the development of airports.

Mr. THOMAS. But, to say the least, it is not in the law and it is not mandatory that they do it.

Mr. HARRIS. I think the RECORD should be very clear. The Congress did not extend such authority to the Board.

Mr. THOMAS. It is not mandatory. It is not in the law now that they do that.

Mr. EVINS. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield.

Mr. EVINS. I think the RECORD should also be made clear that the chairman of the Committee on Interstate and Foreign Commerce, the gentleman from Arkansas [Mr. HARRIS] at the time the legislation was considered stated to the House that he favored setting up an independent agency for this purpose, and that the legislation was the first step in that direction. Why should the Board be prevented from giving its opinion on a question of safety?

Mr. THOMAS. I thank my friend, the gentleman from Tennessee.

Mr. Speaker, I now yield to the gentleman from Ohio [Mr. BOW].

Mr. BOW. Mr. Speaker, I rise in support of the position taken by the gentleman from Texas that something should be done and should be done now to provide for the future needs of aviation in the Nation's Capital. Mr. Speaker, I should like to point out so far as the language of the report of the other body is concerned, where they have placed some responsibility upon this new Board, that exists there already. It is already there. There is still a responsibility on the part of that Board to make this study and report back. It seems to me that if we are going to get something done, the House should insist upon its position—leave this money in the bill, and then as the gentleman from Texas has said, we can agree upon some language whereby the Secretary of Commerce at a certain time will go ahead and designate the place. We have no particular interest in whether it is in Burke, or Chantilly or some other place, but we think an airport is necessary. I say to the gentleman from Virginia who is going to ask me to yield and I will yield to him in a moment that he comfortably rides back and forth to Virginia, but my constituents and when I go home have to fly and I am worried about this situation of the crowding of the airport. Those

who have been objecting the most are not the users of this particular airport and they should give some consideration to those of us who have to fly rather than driving across either a bridge or a tunnel to their homes in Virginia.

I yield to the gentleman from Virginia [Mr. BROYHILL].

Mr. BROYHILL. I would like to point out for the gentleman that all of us, and certainly the Members of the other body who supported the position of the other body, committed themselves on January 15 of next year these funds will be appropriated and we will proceed with the construction of the airport. The only thing we are asking here today is that we wait another 5 months to check with this other group of experts.

Mr. BOW. May I ask the gentleman this question? Do I understand from the gentleman's statement that if this Board that makes the study should determine that Burke is the proper place to put this airport that we will hear nothing more from the gentleman in objection to it?

Mr. BROYHILL. I might say that the gentleman has enough sense to know when he is licked. I will acquiesce in being licked if that should happen.

Mr. BOW. Will the gentleman say to us now that if the Board should make the finding that Burke is the place, he will no longer object?

Mr. BROYHILL. I may reserve the right to object, but I recognize that it would be futile at that time to continue to object.

Mr. BOW. Then, why can we not leave this money in the bill and let them make the study and come up with their recommendation? What is the gentleman objecting to if he says now that when the study is made, he is going to abide by it? Let us move on with this. This study can be made with the money in the bill so we do not have to go through these processes again. We fought this out on the floor of the House and the House has spoken. The House thinks there should be an airport started now. Why do we not go ahead instead of letting the other body say to us, "No, there will be no airport until we determine where it is going to be"? I think the House has a right to express its opinion in this matter and that we should stand by the decision made here last week.

Mr. BROYHILL. The CAA have committed themselves that they are going to build an airport at Burke. If you appropriate these funds, they will proceed with the erection of the facility.

Mr. BOW. I say to the gentleman he does not understand what the gentleman from Texas [Mr. THOMAS] has said. If we leave this money in and work out the language—we have no interest whether it will be Burke or Chantilly. Let them make a study, but leave the money in so that we know there is going to be an airport. This House should accept its responsibility. We will have this kind of protection to the people who fly in and out of Washington.

Mr. BROYHILL. The only problem here is that under the version of the other body the recommendation would also have to come back to Congress, whereas if we appropriate the money now the recommendation would only be to the CAA.

The SPEAKER. The time of the gentleman from Ohio [Mr. BOW] has expired.

Mr. THOMAS. Mr. Speaker, I yield such time as he may use to the gentleman from New York [Mr. TABER].

Mr. LANKFORD. Mr. Speaker, will the gentleman yield?

Mr. TABER. Let me say a few things first, and then I will yield.

The trouble with this situation is we have been messing around with this Burke Airport, which is a false alarm, for a long time. The result has been that we do not have any airport that we ought to have. Now, let us wake up and not go to sleep any longer. We must have another site for an airport in order to get one, and this Burke Airport picture involves cutting down hills 150 feet high and monkeying around, and everybody who has approached it has come to the conclusion that it cannot be done and done satisfactorily. If we are going to get an airport, we have to have a good site. Let us stop fooling around. The other body went into this situation convinced that we should go ahead with this Burke Airport. They came out of it absolutely unanimous that they should get another site. They have another site down at a place called Chantilly. I do not know where it is. It is on Route 50, somewhere between here and Warrenton. They think that perhaps that might measure up to the situation. If we keep this money in the bill for Burke, we are just holding the thing up another 6 months, perhaps more than 6 months. Now let us stop fooling around. Let us agree to the Senate amendment and wipe this thing out of the bill. Then as soon as it is possible to get some kind of decision and recommendation and plan for another site they can go ahead. That is the situation we we are in. Those who do not want anything done—just want to continue to fiddle around—will want to just monkey around with this thing; but if you recede and concur in the Senate amendment and knock this thing out, we have a chance of getting something in front of us that will be intelligible.

Mr. LANKFORD. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. LANKFORD. The gentleman from Ohio [Mr. BOW] spoke of the House taking its responsibility seriously. I would like to ask the gentleman if he does not believe that the CAB should take its responsibility seriously, in view of the fact that so much has been said about the hazardous flying conditions at National Airport? Does he not believe that the CAB should take its responsibility seriously and take immediate steps to relieve the hazards at the National Airport by diverting some of the traffic to Friendship?

I do not care where the airport goes, Chantilly or Burke, but if they are truly interested in safety they will take immediate steps now.

Mr. TABER. That situation has been the same for the last 4 or 5 years; it has been before Congress for consideration time after time, and the Congress has known of the situation.

Frankly, I want to see this airport situation worked out and I think the way to work it out is to vote to recede and concur.

Mr. ROONEY. Mr. Speaker, I do trust the pending motion of the gentleman from New York [Mr. TABER], to recede and concur will be voted down. This matter of an additional airport for the Nation's Capital has been postponed far too long. It is now time to fish or cut bait. The Washington National Airport has certainly reached the saturation point when landings and takeoffs occur as often as one every three-quarters of a minute. When the pending motion is voted down it will be in order to adopt the motion of the distinguished gentleman from Missouri [Mr. CANNON], to insist upon the disagreement with the other body.

The SPEAKER. The question is on the motion of the gentleman from New York [Mr. TABER] to recede and concur.

The questions was taken; and on a division (demanded by Mr. TABER) there were—ayes 44, noes 81.

Mr. TABER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present. The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken and there were—yeas 125, nays 233, answering "Present" 1, not voting 73, as follows:

[Roll No. 202]

YEAS—125

Abbitt	Gross	Poff
Adair	Gwinn	Ray
Allen, Ill.	Hagen	Reece, Tenn.
Andersen, H. Carl	Halleck	Reed
	Harden	Rees, Kans.
Andresen, August H.	Harrison, Nebr.	Reuss
	Hemphill	Rhodes, Ariz.
Arends	Henderson	Riehlman
Ashley	Hill	Riley
Betts	Hillings	Robeson, Va.
Blatnik	Holt	Rogers, Tex.
Blitch	Hosmer	Rutherford
Breeding	Huddleston	Schenck
Broyhill	Hull	Scherer
Budge	Hyde	Scott, Pa.
Burleson	James	Scrivner
Bush	Jenkins	Seely-Brown
Byrd	Jensen	Siler
Byrne, Ill.	Johansen	Simpson, Pa.
Carrigg	Johnson	Smith, Calif.
Cederberg	Jonas	Smith, Kans.
Chenoweth	Jones, Mo.	Smith, Wis.
Cole	Judd	Staggers
Collier	Keating	Stauffer
Colmer	Knox	Taber
Corbett	Lankford	Talle
Coudert	LeCompte	Taylor
Cunningham, Iowa	Lipscomb	Teague, Calif.
	McCulloch	Thomson, Wyo.
Cunningham, Nebr.	McGregor	Tuck
	McIntosh	Van Pelt
Curtin	McMillan	Van Zandt
Curtis, Mo.	McVey	Vorys
Dague	Mack, Wash.	Vursell
Davis, Ga.	Martin	Walter
Dawson, Utah	Miller, Md.	Weaver
Devereux	Miller, Nebr.	Wharton
Dixon	Minshall	Wier
Donohue	Mumma	Williams, N. Y.
Flynt	Neal	Wilson, Ind.
Friedel	Nimtz	Winstead
Garmatz	O'Konski	Wolverton
Griffin	Poage	Wright

NAYS—233

Abernethy	Allen, Calif.	Ashmore
Addonizio	Anderson, Mont.	Aspinall
Albert		Auchincloss
Alexander	Andrews	Avery

Ayres	Fulton	O'Brien, Ill.
Bailey	Gary	O'Hara, Ill.
Baker	Gathings	O'Hara, Minn.
Baldwin	Gavin	Osmers
Baring	Granahan	Ostertag
Barrett	Grant	Passman
Bass, Tenn.	Gray	Patman
Bates	Green, Oreg.	Patterson
Beckworth	Green, Pa.	Pelly
Belcher	Gregory	Perkins
Bennett, Fla.	Griffiths	Pfost
Berry	Gubser	Philbin
Boggs	Hale	Pilcher
Boland	Haley	Polk
Bolling	Hardy	Porter
Bolton	Harris	Price
Bonner	Harrison, Va.	Prouty
Bosch	Haskell	Rabaut
Bow	Hays, Ark.	Radwan
Boykin	Hébert	Rains
Boyle	Herlong	Rhodes, Pa.
Brooks, La.	Heselton	Rivers
Brooks, Tex.	Hess	Roberts
Broomfield	Hoeven	Rodino
Brown, Ga.	Holifield	Rogers, Colo.
Brown, Mo.	Holland	Rogers, Fla.
Brown, Ohio	Holmes	Rogers, Mass.
Burdick	Horan	Rooney
Byrne, Pa.	Ikard	Roosevelt
Byrnes, Wis.	Jarman	Sadlak
Canfield	Jones, Ala.	Santangelo
Cannon	Karsten	St. George
Celler	Kearns	Saund
Chamberlain	Kelley, Pa.	Saylor
Chelf	Kelly, N. Y.	Schwengel
Chudoff	Keogh	Scott, N. C.
Church	Kilday	Scudder
Clark	Kilgore	Selden
Clevenger	King	Sheppard
Coffin	Kirwan	Shuford
Cooper	Kitchin	Simpson, Ill.
Cramer	Kluczynski	Sisk
Cretella	Knutson	Smith, Miss.
Davis, Tenn.	Landrum	Smith, Va.
Delaney	Lane	Spence
Dempsey	Lennon	Springer
Denton	Lesinski	Steed
Derounian	Long	Sullivan
Diggs	Loser	Teague, Tex.
Dingell	McDonough	Teller
Dollinger	McFall	Tewes
Dorn, N. Y.	McGovern	Thomas
Dorn, S. C.	Machrowicz	Thompson, La.
Dowdy	Mack, Ill.	Thompson, N. J.
Durham	Madden	Thompson, Tex.
Dwyer	Magnuson	Thornberry
Eberharter	Mahon	Tollefson
Edmondson	Marshall	Trimble
Elliott	May	Ullman
Engle	Merrow	Utt
Evins	Metcalf	Vanik
Farbstein	Michel	Vinson
Fascell	Mills	Whitener
Feighan	Montoya	Whitten
Fenton	Moore	Widnall
Fino	Morano	Wigglesworth
Fisher	Morgan	Williams, Miss.
Flood	Morris	Willis
Fogarty	Moss	Withrow
Forand	Multer	Yates
Ford	Murray	Young
Forrester	Natcher	Younger
Fountain	Nicholson	Zablocki
Frazier	Norrell	Zelenko

ANSWERED "PRESENT"—1

Lanham

NOT VOTING—73

Alger	Frelinghuysen	Mason
Anfuso	George	Matthews
Barden	Gordon	Meader
Bass, N. H.	Harvey	Miller, Calif.
Baumhart	Hays, Ohio	Miller, N. Y.
Beamer	Healey	Morrison
Becker	Hiestand	Moulder
Bennett, Mich.	Hoffman	Norblad
Bentley	Holtzman	O'Brien, N. Y.
Bray	Jackson	O'Neill
Brownson	Jennings	Pillion
Buckley	Kean	Powell
Carnahan	Kearney	Preston
Chiperfield	Kee	Robsion, Ky.
Christopher	Keeney	Sheehan
Coad	Kilburn	Shelley
Cooley	Krueger	Sieminski
Curtis, Mass.	Laird	Sikes
Dawson, Ill.	Latham	Udall
Dellay	McCarthy	Wainwright
Dennison	McConnell	Watts
Dies	McCormack	Westland
Dooley	McIntire	Wilson, Calif.
Doyle	Macdonald	
Fallon	Mailliard	

So the motion was rejected.

The Clerk announced the following pairs:

Mr. Holtzman with Mr. Alger.
Mr. Jennings with Mr. Brownson.
Mr. Buckley with Mr. Latham.
Mr. Hays of Ohio with Mr. Dellay.
Mr. Anfuso with Mr. Dennison.
Mr. Jordan with Mr. Hiestand.
Mr. Morrison with Mr. Kean.
Mr. Udall with Mr. Krueger.
Mr. Doyle with Mr. Mailliard.
Mr. Miller of California with Mr. Mason.
Mr. Fallon with Mr. Robsion of Kentucky.
Mr. Carnahan with Mr. Kilburn.
Mr. Sikes with Mr. Becker.
Mr. Matthews with Mr. Baumhart.
Mr. Macdonald with Mr. Bass of New Hampshire.
Mr. Preston with Mr. Bentley.
Mr. Watts with Mr. Harvey.
Mrs. Kee with Mr. Dooley.
Mr. Coad with Mr. Bray.
Mr. Dawson of Illinois with Mr. McIntire.
Mr. Barden with Mr. Frelinghuysen.
Mr. Sieminski with Mr. Hoffman.
Mr. Shelley with Mr. Jackson.
Mr. O'Neil with Mr. Kearney.
Mr. Moulder with Mr. Keeney.
Mr. O'Brien of New York with Mr. Norblad.
Mr. McCarthy with Mr. Miller of New York.
Mr. Christopher with Mr. Bennett of Michigan.
Mr. Powell with Mr. Sheehan.
Mr. Cooley with Mr. Wainwright.
Mr. Healey with Mr. Wilson of California.
Mr. Dies with Mr. Curtis of Massachusetts.

Messrs. WINSTEAD, RHODES of Arizona, and THOMSON of Wyoming changed their votes from "nay" to "yea."

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER. The question is on the motion offered by the gentleman from Missouri.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 7. On page 3, line 14, insert:

"COAST AND GEODETIC SURVEY

"Construction of a surveying ship

"For an additional amount for 'Construction of a surveying ship,' $3,456,000, to remain available until expended."

Mr. CANNON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 7, and concur therein with an amendment, as follows: In lieu of the sum proposed in said amendment insert "$2,400,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 10. On page 4, line 12, insert:

"THE PANAMA CANAL

"Panama Canal Company

"Panama Canal Bridge

"For expenses necessary for work preliminary to the construction of a high-level bridge across the Panama Canal at Balboa, Canal Zone, as authorized by the act of July 23, 1956 (70 Stat. 596), $1,000,000, to remain available until expended."

Mr. CANNON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 10, and concur therein with an amendment, as follows: In lieu of the sum proposed in said amendment insert "$750,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 12. On page 4, line 21, insert:

"ADVISORY COMMITTEE ON WEATHER CONTROL

"To complete its final report to the President and the Congress as provided by law, $175,000: *Provided, however,* That the Committee shall complete its report and terminate its activities by December 31, 1957, and turn its records over to the National Science Foundation, together with any unexpended balances."

Mr. CANNON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 12, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

"ADVISORY COMMITTEE ON WEATHER CONTROL

"To complete its final report to the President and the Congress as provided by law, $100,000: *Provided,* That the Committee shall complete its report and terminate its activities by December 31, 1957."

Mr. FOGARTY. Mr. Speaker, I am at a loss to understand the action of the Appropriations Committee in reporting out a figure of only $100,000 for the Weather Bureau instead of the sum of $372,100 recently voted by the Senate.

This action by the House will be interpreted by our constituents as plain notice that we are not interested in providing them with effective warning services against loss of life and property from hurricanes, tornadoes, severe storms, and floods.

More directly, it means that Weather Bureau services at many locations across the country will have to curtail abruptly their forecast and warning services to the public, and will have to terminate the services of more than a hundred weather experts because of inadequate funds.

I do not believe that today's action by the House will be accepted as necessary for reasons of economy by the millions of people living along our hurricane threatened coasts, or by those additional millions living along rivers and streams subject to sudden flooding, or by those who know well the destruction caused by tornadoes and severe storms.

Perhaps the coming year we should keep our fingers crossed for the Weather Bureau and hope that all hurricanes, tornadoes, and floods will stay away from our doors from dusk to dawn and also stay away on Saturdays, Sundays, and holidays. Stormy weather hereafter will have to show up between 9 in the morning and 5 at night on weekdays or there will be no Weather Bureau man

on hand in many areas to tell us about it.

From the information I have this totally inadequate appropriation of $100,000 means we are going to have to depend on emergency and overtime arrangements for much of our storm protection for widespread areas and during many of the 148 hours in the Weather Bureau's week.

Senator GREEN, in a letter written to the Senate Appropriations Committee—which I have asked to be inserted in the RECORD—has pointed out that more than 500 citizens in Louisiana and Texas lost their lives unnecessarily during Hurricane Audrey this year. I am informed that most of this tragic loss would not have occurred if Congress had appropriated sufficient funds to the Weather Bureau for an adequate hurricane preparedness information program and for the observation and telecommunication facilities needed to guarantee more precise and more timely warnings.

As mentioned in my remarks on this floor last year concerning Weather Bureau appropriations, I believe we are sliding backward instead of moving forward from our common objective to eliminate all avoidable loss of life and property from hurricanes, tornadoes, severe storms and floods.

I believe with Senator GREEN that the expenditure of $5 million for the Weather Bureau's fight against loss of life from sudden storms and floods would repay itself many times over in the increased protection to life and property that would come from more precise and more timely warnings.

In the last 4 years, hurricanes have taken almost a thousand lives along our shores, and have wrought more than a billion dollars of property damage. Most of the lives lost and a substantial part of the property lost, could have been saved if Congress had provided the funds that would enable the Weather Bureau to establish the type of warning service modern meteorology, modern telecommunications, and modern observation facilities now make possible.

I believe Members of Congress, like all other citizens, have the right to criticize the Weather Bureau when their forecasts and warnings are wrong. I believe we also have the right to ask the Weather Bureau to provide additional forecast and warning services when we feel such services are needed and justified in the public interest.

But I do not believe we should exercise these rights if at the same time we refuse to provide the funds needed by the Weather Bureau for an adequate forecast and warning service. The $372,100 recommended by the Senate Appropriations Committee is described in their report to the Senate as alleviating to some extent the need for terminating existing services. In other words, even this sum of $372,100 goes only a small way toward meeting existing needs. The reduced sum of $100,000 proposed by the House Appropriations Committee is barely a gesture toward continuing existing services and does nothing toward securing an improved warning service.

I regret to note that we now have lost still another year in building up to the type of public storm protection service we should have had 3 years ago.

AUGUST 14, 1957.

Hon. CARL HAYDEN,
Chairman, Senate Committee on Appropriations, Senate Office Building, Washington, D. C.

DEAR SENATOR HAYDEN: As you know, for several years I have given considerable attention to appropriations for the Weather Bureau and in view of the hurricane which visited the coasts of Louisiana and Texas during June, resulting in unnecessary loss of life, I believe it is most important that your committee include in the supplemental appropriation bill, H. R. 9131, the following amendment:

"WEATHER BUREAU

"For necessary expenses of the Weather Bureau in strengthening its program of forecasting weather and issuing warnings of hurricanes, tornadoes and severe storms and floods, $5 million, to remain available until expended."

I have been advised that at least 500 of the lives lost in Hurricane Audrey which visited the coasts of Louisiana and Texas could have been saved if the Weather Bureau had been enabled to provide more precise warnings and if that agency had the necessary funds and personnel to put into effect advance warnings and a public information program on hurricane preparedness.

But, this they were unable to do because last year they were denied the required funds technical experts insist are necessary to provide the type of storm protection our citizens expect.

It is no comfort to me to note that a disaster of this type was exactly what I was trying to get Congress to prevent when I wrote to the Senate Committee on Appropriations on May 7, 1956, and again on May 8, 1957, in support of additional Weather Bureau funds. For example, I called to the attention of Congress the immediate need for more accurate advance warnings of "damaging high water surges caused by coastal storms."

Copies of these two letters are enclosed for the information of my colleagues who are interested in knowing what needs to be done to prevent similar disasters to their constituents.

Along our eastern coast hurricanes in 1954 caused the loss of hundreds of lives and a property loss amounting to hundreds of millions of dollars. Even more costly hurricane losses occured in 1955. Now that we already have had a still greater loss of life in 1957 from the first hurricane that hit Texas and Louisiana, I believe the time has come for Congress to take immediate corrective action toward reducing these avoidable and unnecessary losses. I believe Members of Congress will agree that we now have passed that stage where we can be put off any longer by paper studies of what might be done to get better storm protection in the years to come.

Citizens of our coastal States naturally have become apprehensive lest what happened during hurricane Audrey may also happen to their communities. Expert meteorologists, who are cognizant of these dangers, have advised me that it can happen again, and even in most disastrous proportions if Congress does not appropriate the necessary funds to improve the existing warning systems.

It may be a surprise to many of us that the Weather Bureau this year is forced to decrease its forecasts and warning services and its hours of operations at many locations in all parts of the countnry. For example, their special services to aviation, agriculture, fruitgrowers, and forestry interests will have to be curtailed and important basic storm-warning activities will be continued only through the use of emergency help and overtime. The weather search radar network, that has saved hundreds of lives already this year from tornadoes and flash floods in our Western States, cannot be attended or maintained adequately because of shortages in trained staff.

In the face of these admitted curtailments in their established warning services, it has just been reported to me that more than 100 meteorologists are to have their services terminated in the name of economy and because necessary funds to continue their services are not available.

Accordingly, I urge that there be included in the supplemental appropriation bill for fiscal year 1958 an appropriation of $5 million to the Department of Commerce Weather Bureau "for strengthening its forecast and warning services with especial attention to hurricanes, tornadoes, severe storms, and floods."

I trust that the committee will give sympathetic consideration to this recommendation.

Yours sincerely,

THEODORE FRANCIS GREEN.

MAY 8, 1957.

Hon. SPESSARD L. HOLLAND,
Chairman, Subcommittee on the Department of Commerce and Related Agencies, Senate Committee on Appropriations, Senate Office Building, Washington, D. C.

DEAR SENATOR HOLLAND: As you know, for some years I have given considerable attention to appropriations for the Weather Bureau and to the problem of determining what is actually required to provide improved weather forecasts and warning services to our people in all parts of the United States.

Two years ago the Congress was awakened to the increased danger from hurricanes and tornadoes which result from inadequate warnings, and finally provided the necessary funds needed to start a modest hurricane and tornado research program.

Last year, however, and again this year the Department of Commerce and the Budget Bureau have not complied with the request of the weather experts who have the responsibility of providing storm protection and who must face public criticism for missed forecasts and inadequate warnings. The result has been that the Weather Bureau's proposed new operations and storm research programs, which Congress approved 2 years ago with such high hopes, is gradually being readjusted to the point of nonexistence.

I am firmly convinced that the appropriations for the Department of Commerce Weather Bureau, as recommended in the President's estimates for 1958, are far from adequate to provide necessary forecasts and warnings against hurricanes, tornadoes, severe storm and floods.

Accordingly, I recommend that your subcommittee consider adequate appropriations for the Weather Bureau and that the recommended appropriation be increased by $5 million for fiscal year 1958. I further recommend that $2 million of this proposed increase should be earmarked for operations and research programs designed to improve the hurricane, tornado, and severe storm warnings services; also, that $2 million of this suggested increase should be set aside for an expanded flood-warning system throughout the United States, including improved warnings of flash floods and improved forecasts of damaging high water surges caused by coastal storms; and that $1 million should be set aside for improved weather observation and forecasting services for domestic and international aviation.

I feel certain that you and the members of your subcommittee are aware that people in all parts of the country have been demanding for several years a more complete protection from hurricanes, tornadoes, and floods.

I know that you will agree there exists considerable evidence for believing that the

modest increased costs of an improved warning service would be repaid many times over in reduced loss of life and reduced property damage. This return in public benefits from increased weather protection insurance is often overlooked by advocates of a false economy.

Accordingly, I strongly urge that your subcommittee favorably consider my recommendation for increased appropriations for the Weather Bureau in the coming year, and I trust that this letter will be made a part of the record of the hearings conducted by your subcommittee.

Yours sincerely,

THEODORE FRANCIS GREEN.

MAY 7, 1956.

Hon. SPESSARD L. HOLLAND,

Chairman, Subcommittee on Appropriations for the Department of Commerce, Senate Office Building, Washington, D. C.

DEAR SENATOR HOLLAND: With this letter I am presenting my statement in support of increased appropriations for the Weather Bureau. I trust you can have it inserted as part of the hearings conducted by the Subcommittee on Appropriations considering the Department of Commerce appropriation bill.

After the disaster wrought on our Atlantic coast by hurricanes Carol, Edna, and Hazel in 1954, I studied with care the reports made by the Weather Bureau and by private meteorologists. As a result, I recommended to the Appropriations subcommittee on June 1, 1955, a substantial increase in the 1956 fiscal year appropriations for the Weather Bureau.

With your assistance and cooperation Congress later approved part of this urgently required increase and the Weather Bureau accordingly was able to begin a concentrated attack on the formidable problems involved in successfully forecasting hurricanes and tornadoes. The hurricanes and floods of 1955 proved to be the most disastrous in North American history, causing more than 300 deaths in the United States and a property loss of more than $1 billion.

In the months which have passed since hurricane Diane brought record-breaking floods to most of our northeastern States, I have continued my studies of the requirements of an adequate weather forecast and storm-warning service for all the people of the United States. As a result, I am firmly convinced that the Department of Commerce Weather Bureau appropriations are not adequate for the varied and important jobs it has to do, and I accordingly recommend an increase of $7 million for the fiscal year 1957. Of this increase $3 million should be for an improved and widened flood-warning system throughout the United States, including the forecasting of flash floods and damaging high-water surges caused by coastal storms; $2 million should be for the operation, improvement, and facilities of hurricane, tornado, and severe storm-warning services throughout the United States; $2 million should be for improved weather observation, reporting and forecasting services and facilities for domestic and international aviation.

I suggest that you request the Director of the Weather Bureau to let you have his comments and views with regard to my recommendations and also request him to furnish your subcommittee with a definite report as to whether the Weather Bureau included any of these funds in the program submitted to the Secretary of Commerce and what action was taken by the Secretary.

The continued anxiety and interest of many of our citizens in Weather Bureau capabilities and services, and the importance of adequate advance warnings of the ravages of nature, lead me to hope that your subcommittee will favorably consider my recommendations for increased appropriations for the Weather Bureau.

Yours sincerely,

THEODORE FRANCIS GREEN.

MAY 7, 1956.

STATEMENT OF UNITED STATES SENATOR THEODORE FRANCIS GREEN, OF RHODE ISLAND, IN SUPPORT OF INCREASED APPROPRIATIONS FOR THE UNITED STATES WEATHER BUREAU FOR THE FISCAL YEAR 1957

In 1954 hurricanes Carol, Edna, and Hazel swept across the Atlantic Coast States causing the loss of hundreds of lives and property loss amounting to hundreds of millions of dollars. One year later hurricanes Connie, Diane, and Ione repeated the tragic record with more hundreds of lives lost and with property losses again amounting to hundreds of millions of dollars.

Disaster experts frequently have said that most of the loss of life, and much of the loss of property, could have been avoided if the citizens concerned had been given accurate advance warnings of the movement and intensity of the storms.

Weather-forecasting experts also frequently have said that more accurate advance warnings could be made and could be better distributed to all concerned, if the Weather Bureau had been provided with the required staff and facilities.

If what these disaster experts and these weather-forecasting experts say is true, and I have yet to hear any responsible technical person contradict them, it seems to me that Congress should take appropriate and immediate corrective action.

Unfortunately, the storms of 1956 and 1957 are not going to wait until that far off year in the future when economy-before-safety officials get around to deciding that something will really have to be done about providing the funds actually needed for a modern and effective storm and flood protection service.

The proposed estimates for fiscal year 1957 indicate that neither the Budget Bureau nor the Department of Commerce realizes fully the widespread anxiety over storms which has arisen among the residents of our Middle and North Atlantic States. This deep concern about future storms is understandable when it is remembered that hundreds of our communities along the coast experienced more hurricanes in the past 2 years than have occurred in all of the previous 54 years of the 20th century added together.

The people of New England cannot quickly forget that a single hurricane in August 1954 set an all-time national record in damaged property amounting to about $500 million. Yet, this shattering loss was to be surpassed just 1 year later when a storm named Diane in August 1955 flooded hundreds of important communities in our Northeastern States.

I believe you will agree that it is prudent for all of us, including Federal, State, and local agencies, to take positive remedial action without further delay, and to make doubly certain that such coastal storms never again will strike our citizens without adequate advance warnings and other protective measures.

High on the list of the positive actions that can be taken now to reduce loss of life and property is the provision by Congress of increased funds for Weather Bureau use in widening its storm and flood-warning services.

The sooner Congress enables the Weather Bureau to tackle our critical storm and flood problems with energy and resolution, and provides sufficient technical staff and supporting funds, the sooner our citizens can regain the confidence they need to reduce existing concern about the adequacy of present warning services.

After carefully considering the information I have gathered from several expert sources, I am convinced that the funds presently needed to provide significantly improved weather services throughout the United States amount to an increase of not less than $7 million over the amount now proposed by the Budget Bureau.

My studies have revealed that there are many and varied technical activities and special public services of the Weather Bureau which do not have sufficient resources to carry out their assigned responsibilities. So, I would like to recommend that the $7 million of increased appropriations for fiscal year 1957 be employed for the purposes and in the amounts indicated below:

A. $3 MILLION IS NEEDED FOR IMPROVED AND WIDENED FLOOD-WARNING SYSTEMS, INCLUDING THE FORECASTING OF FLASH FLOODS THROUGHOUT THE UNITED STATES

Flood experts have estimated that the Weather Bureau, if provided an increase of $3 million, could effect annual savings to our economy amounting to more than $30 million which is a benefit-to-cost ratio of 10 to 1 and accordingly should satisfy our most economy-minded taxpayer.

The average annual losses from major floods in the United States amounts to more than $300 million, and on 2 occasions the total annual loss has approximated $1 billion.

Bearing in mind the potential savings in human lives, and the annual property losses and savings cited above, the requested increase of $3 million in flood-protection funds must surely appear as a modest price to pay for added protective flood-warning services along every river in the United States.

Late last year thousands of citizens lost their homes and life-savings overnight in flash floods, and businessmen suddenly became bankrupt when floods swamped hundreds of communities in the Northeast and along the west coast. They would be shocked to learn, as I was, that the Weather Bureau does not yet have a modern flash-flood warning system for a single valley in the United States.

Judging by the recent rate of appropriations for flood warning improvements, it will be about 10 years before the Weather Bureau is able to establish entirely adequate flood-warning services to the hundreds of river communities still being denied even the rudiments of a flood-warning service.

The proposed increase of $3 million would mean—

1. an immediately improved flood-warning service along major rivers;

2. the establishment of flash-flood warning systems along hundreds of rivers in all parts of America; and

3. a welcome reduction in the fear and apprehension that exists in countless valleys of a sudden and unheralded destruction from heavy rains during the day or night.

B. $2 MILLION MORE IS NEEDED FOR EXPANDED OPERATIONS FOR GENERAL WEATHER SERVICES AND FOR SPECIAL WARNING SERVICES AGAINST HURRICANES, TORNADOES, SEVERE STORMS AND HIGH WATER COASTAL STORM SURGES

The increased funds Congress made available for improved storm-warning operations and research in fiscal year 1956 have already been put to excellent use by the Weather Bureau, and have begun to correct widespread service weaknesses resulting from years of woefully inadequate appropriations and diminishing staffs.

These recent improvements have merited much favorable public comment and should be continued next year with even greater vigor. But that will not be possible under the appropriations recently voted by the House of Representatives. I call your attention to the published hearings and report of the Subcommittee on Appropriations of the House of Representatives on the Department of Commerce bill. Therein it is shown that

a decrease rather than an increase over the current fiscal year has been requested by the Budget Bureau for "general weather services" and for the many special warning services included thereunder.

In other words, someone has decreed that not one dollar additional is to be appropriated this coming year for general weather service improvements, despite a year with the most disastrous storms in history and despite a year punctuated by public demands for improved forest services, and despite a year of intense local protests against inadequate warnings of hurricanes, snowstorms, and heavy rains.

It may need to be emphasized that in the Department of Commerce Appropriation bill under the heading "General Weather Services" there are lumped together dozens of special Weather Bureau services to the public. I may list them to show their extent and variety. These services include:

1. Special agricultural forecasts and advice for farmers.
2. Wind and weather forecasts for coastal and Great Lakes shipping.
3. Frost protection warnings for fruit growers.
4. Fire weather protective services for forestry interests.
5. Detailed forecasts of cold waves, sudden temperature changes, freezing rain and sleet for shipping and transportation interests and for public utilities.
6. Forecasts and warning services relating to hurricanes, tornadoes, severe windstorms, thunderstorms, hailstones, blizzards, and heavy rainstorms.
7. Forecasts of high-water storm surges and heavy seas of danger to coastal, bay, and lakeside communities.
8. And, finally, routine forecasts of general weather 1, 2, 5, and 30 days in advance.

The above and other general weather services cannot be continued in fiscal year 1957 at a satisfactory level with a mere continuance of present Weather Bureau appropriations, and it is misleading to pretend that they can be.

Let us face up to the plain fact that without increased appropriations for general weather services in the coming year, the forecasters across the country must continue their night and day struggles to provide the services I have listed, but with insufficient observations, with inadequate telecommunications, with overcrowded offices, with overworked staffs, and with ever-mounting demands by the public for even additional services. Because of the above limitations the public suffers in impaired weather services, in enormous loss of property and loss of human life.

C. $2 MILLION MORE IS ALSO NEEDED FOR IMPROVED OBSERVATION, REPORTING AND FORECASTING SERVICES FOR DOMESTIC AND INTERNATIONAL AVIATION

In the past few years the Weather Bureau has been unable to keep up with the soaring needs for aviation weather information needed by private and commercial pilots, and by scheduled and nonscheduled operators, and by domestic and international airline companies.

Each succeeding year Weather Bureau staffs at major airports across the country are falling further and further behind in their attempts to provide adequate forecasting services. In the same period in which domestic and international flying activity has tripled, the size of weather staffs at most airports over the country has remained stationary.

This deteriorating condition has now reached the dangerous stage where considerable flying today is undertaken without provision for adequate weather information and protection services before and during flight. The remedy, which most pilots agree is long overdue, is additional airways weather forecasters.

In the past few years pilots in increasing numbers also have been protesting the difficulty and even impossibility of reaching Weather Bureau airways weather forecasters personally or on the telephone for briefing on expected weather conditions. The remedy in this case, also overdue, is the employment of additional airways weather forecasters, the installation of improved telecommunication systems, and the establishment of continuous radio broadcasts of airways weather information.

I am advised that there are at least two dozen heavy traffic airports serving important areas in the United States, which sorely need Weather Bureau stations, and that there are additional dozens of airports which have insufficient weather observing and forecasting staffs, and that there are still other dozens of airports which have inadequate provisions for airway forecast service from remote Weather Bureau stations.

My recommended increase of $2 million will not be sufficient to effect all the weather needs of both domestic and international aviation, but it is a start toward meeting the most essential current requirements, and it will prevent further and dangerous deterioration in the aviation weather service of the Weather Bureau.

I am sure your committee will be pleased to know that last year's increased appropriations for the Weather Bureau made possible certain service improvements which directly resulted in the savings of dozens of lives during the hurricanes and floods which occurred on the east coast late last autumn, and during tornadoes which occurred in the Middle West this spring.

After the fine start made this year by the Weather Bureau, following years of struggling to provide adequate public service with grossly inadequate funds, it is especially timely and important that we should provide the additional increased appropriations needed for the coming fiscal year in the flood-forecasting services, in the general weather services, and in the aviation weather services.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 14, page 5, line 5, insert:

"SALARIES AND EXPENSES

"For necessary expenses, not otherwise provided for, of the Small Business Administration, including expenses of attendance at meetings concerned with the purposes of this appropriation and hire of passenger motor vehicles, $2,570,000; and in addition there may be transferred to this appropriation not to exceed $8,590,000 from the revolving fund, Small Business Administration, and not to exceed $490,000 from the fund for liquidation of Reconstruction Finance Corporation Disaster Loans, Small Business Administration, for administrative expenses in connection with activities financed under said funds: *Provided*, That the amount authorized for transfer from the revolving fund, Small Business Administration, may be increased, with the approval of the Bureau of the Budget, by such amount as may be required to finance administrative expenses incurred in the making of disaster loans: *Provided further*, That 10 percent of the amount authorized to be transferred from the revolving fund, Small Business Administration, shall be placed in reserve to be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended, only in such amounts and at such times as may become necessary to carry out the business loan program."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 14, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

"SALARIES AND EXPENSES

"For necessary expenses, not otherwise provided for, of the Small Business Administration, including expenses of attendance at meetings concerned with the purposes of this appropriation and hire of passenger motor vehicles, $2,235,000; and in addition there may be transferred to this appropriation not to exceed $6,877,000 from the revolving fund, Small Business Administration, and not to exceed $490,000 from the fund for liquidation of Reconstruction Finance Corporation Disaster Loans, Small Business Administration, for administrative expenses in connection with activities financed under said funds: *Provided*, That the amount authorized for transfer from the revolving fund, Small Business Administration, may be increased, with the approval of the Bureau of the Budget, by such amount as may be required to finance administrative expenses incurred in the making of disaster loans: *Provided further*, That the Committees on Appropriations of the House of Representatives and the Senate shall be notified in advance of such increases in transfers from the revolving fund."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 32: Page 12, line 22, insert:

"SEC. 312. The Secretary of Defense is hereby authorized to transfer to the 'Air Force industrial fund' not to exceed $100 million from appropriations to the Department of Defense available for obligation during the fiscal year 1958."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 32, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

"SEC. 312. The Secretary of Defense in his discretion, is hereby authorized to transfer to the 'Air Force industrial fund' not to exceed $75 million from appropriations to the Department of the Air Force available for obligation during the fiscal year 1958."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 33: Page 13, line 3, insert:

"SEC. 313. Section 612 of the Department of Defense Appropriation Act of 1958, Public Law 117, approved August 2, 1957, is amended by deleting the figures '$41,000,000' in the first line and inserting in lieu thereof '$45,000,000.'"

Mr. CANNON. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate numbered 33 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 38: Page 16, line 6, insert:

"CONSTRUCTION OF POWER SYSTEMS, RYUKYU ISLANDS

"For necessary expenses of construction, installation, and equipment of electric power systems in the Ryukyu Islands, which shall be operated by the Ryukyu Electric Power Corporation, an instrumentality of the United States Civil Administration of the Ryukyu Islands; services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), at rates not in excess of $50 a day for individuals; hire of passenger motor vehicles and hire of aircraft; $1,513,000 to remain available until expended, without regard to sections 355 and 3734 of the Revised Statutes, as amended, and title 10, United States Code, section 4774."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 38, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert:

"CONSTRUCTION OF POWER SYSTEMS, RYUKYU ISLANDS

"For necessary expenses of construction, installation, and equipment of electric power systems in the Ryukyu Islands, which shall be operated by the Ryukyu Electric Power Corporation, an instrumentality of the United States Civil Administration of the Ryukyu Islands; services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), at rates not in excess of $50 a day for individuals; $1,513,000 to remain available until expended, without regard to sections 355 and 3734 of the Revised Statutes, as amended, and title 10, United States Code, section 4774."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 40: Page 18, line 10, insert:

"HOSPITAL FACILITIES IN THE DISTRICT OF COLUMBIA

"For an additional amount for expenses necessary in carying out the provisions of the act of August 7, 1946 (60 Stat. 896), as amended, authorizing the establishment of a hospital center in the District of Columbia, including grants to private agencies for hospital facilities in said District, $290,000, to remain available until expended: *Provided*, That the limitation under this head in the act of July 15, 1952 (66 Stat. 644), as amended, on the total amount to be provided for completion of grant projects, is increased from $13,010,000 to $13,300,000."

Mr. CANNON. Mr. Speaker, I offer a motion to recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 40, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

"HOSPITAL FACILITIES IN THE DISTRICT OF COLUMBIA

"For an additional amount for expenses necessary in carrying out the provisions of the act of August 7, 1946 (60 Stat. 896), as amended, authorizing the establishment of a hospital center in the District of Columbia, including grants to private agencies for hospital facilities in said District, $500,000, to remain available until expended: *Provided*, That the limitation under this head in the act of July 15, 1952 (66 Stat. 644), as amended, on the total amount to be provided for completion of grant projects, is increased from $13,010,000 to $13,300,000: *Provided further*, That the limitation on the total amount for completion of the hospital center is increased from $23,200,000 to $23,410,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 54: Page 23, line 18, insert:

"DEPARTMENT OF DEFENSE—CIVIL FUNCTIONS

"Department of the Army

"Rivers and Harbors and Flood Control

"Construction, general

"For an additional amount for 'Construction, general,' $475,000, to remain available until expended."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 54, and concur therein with an amendment, as follows: In lieu of the sum named in said amendment insert "$425,000."

Mr. LECOMPTE. Mr. Speaker, I offer a preferential motion.

The SPEAKER. The Clerk will report the motion.

The Clerk read as follows:

Mr. LECOMPTE moves to recede and concur with Senate amendment numbered 54.

Mr. TABER. Mr. Speaker, I ask for a division of the question.

The SPEAKER. The question is, Will the House recede from its disagreement?

The question was taken; and on a division (demanded by Mr. CANNON) there were—ayes 76, noes 22.

Mr. TABER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 142, nays 215, not voting 75, as follows:

[Roll No. 203]

YEAS—142

Adair	Brown, Ohio	Friedel
Albert	Byrne, Pa.	Fulton
Allen, Calif.	Cannon	Garmatz
Anderson, Mont.	Celler	Gary
Andresen, August H.	Chudoff	Granahan
Ashley	Clark	Gray
Bailey	Clevenger	Green, Oreg.
Baker	Coffin	Gubser
Baring	Cunningham, Iowa	Hagen
Barrett	Davis, Ga.	Halleck
Bennett, Fla.	Davis, Tenn.	Harris
Blatnik	Denton	Hill
Blitch	Dingell	Hillings
Boggs	Donohue	Hoeven
Bolling	Edmondson	Holifield
Bonner	Engle	Holland
Bow	Evins	Holmes
Boyle	Farbstein	Horan
Brooks, La.	Fascell	Hosmer
Brooks, Tex.	Fisher	Ikard
Brown, Ga.	Flood	Jenkins
Brown, Mo.	Forand	Johnson
	Forrester	Jones, Mo.
Kearns	O'Hara, Minn.	Saylor
Kelley, Pa.	Patman	Schwengel
Kilday	Patterson	Scott, N. C.
King	Perkins	Scott, Pa.
Kirwan	Pfost	Seely-Brown
Landrum	Philbin	Sheppard
Lanham	Pilcher	Sisk
LeCompte	Poage	Smith, Miss.
Lesinski	Polk	Spence
McDonough	Porter	Sullivan
McFall	Price	Talle
Mack, Wash.	Rabaut	Taylor
Magnuson	Reece, Tenn.	Teller
Mahon	Reuss	Thomas
Martin	Rhodes, Pa.	Thompson, N. J.
Merrow	Riley	Thomson, Wyo.
Metcalf	Rogers, Fla.	Thornberry
Mills	Rogers, Mass.	Tollefson
Montoya	Rogers, Tex.	Trimble
Morano	Rooney	Ullman
Morris	Roosevelt	Walter
Moss	Sadlak	Wier
Moulder	Santangelo	Zelenko
Multer	St. George	
Norrell	Saund	
O'Hara, Ill.		

NAYS—215

Abbitt	Fogarty	Neal
Abernethy	Ford	Nicholson
Addonizio	Fountain	Nimtz
Alexander	Frazier	O'Brien, Ill.
Allen, Ill.	Frelinghuysen	O'Konski
Andersen, H. Carl	Gathings	Osmers
Andrews	Gavin	Ostertag
Arends	Grant	Passman
Ashmore	Green, Pa.	Pelly
Aspinall	Gregory	Poff
Auchincloss	Griffin	Prouty
Avery	Griffiths	Radwan
Baldwin	Gross	Rains
Bass, Tenn.	Gwinn	Ray
Bates	Hale	Reed
Beckworth	Haley	Rees, Kans.
Belcher	Harden	Rhodes, Ariz.
Berry	Hardy	Riehlman
Betts	Harrison, Nebr.	Rivers
Boland	Harrison, Va.	Roberts
Bolton	Haskell	Robeson, Va.
Bosch	Hays, Ark.	Rodino
Boykin	Hemphill	Rogers, Colo.
Breeding	Henderson	Rutherford
Broomfield	Herlong	Schenck
Broyhill	Heselton	Scherer
Budge	Hess	Scrivner
Burdick	Holt	Scudder
Burleson	Huddleston	Selden
Bush	Hull	Shuford
Byrd	Hyde	Siler
Byrne, Ill.	James	Simpson, Ill.
Byrnes, Wis.	Jarman	Simpson, Pa.
Canfield	Jensen	Smith, Calif.
Carrigg	Johansen	Smith, Kans.
Cederberg	Jonas	Smith, Va.
Chamberlain	Jones, Ala.	Smith, Wis.
Chelf	Judd	Springer
Chenoweth	Karsten	Staggers
Church	Keating	Stauffer
Cole	Kelly, N. Y.	Steed
Collier	Keogh	Taber
Colmer	Kilgore	Teague, Calif.
Cooper	Kitchin	Teague, Tex.
Corbett	Kluczynski	Tewes
Coudert	Knox	Thompson, Tex.
Cramer	Lane	Tuck
Cretella	Lankford	Utt
Cunningham, Nebr.	Lennon	Vanik
Curtin	Lipscomb	Van Pelt
Curtis, Mo.	Long	Van Zandt
Dague	Loser	Vinson
Dawson, Utah	McCulloch	Vorys
Delaney	McGovern	Vursell
Dempsey	McGregor	Weaver
Derounian	McIntosh	Wharton
Devereux	McMillan	Whitener
Diggs	McVey	Whitten
Dixon	Machrowicz	Widnall
Dollinger	Mack, Ill.	Wigglesworth
Dorn, N. Y.	Madden	Williams, Miss.
Dorn, S. C.	Marshall	Williams, N. Y.
Dowdy	May	Wilson, Calif.
Durham	Michel	Wilson, Ind.
Dwyer	Miller, Md.	Winstead
Eberharter	Miller, Nebr.	Withrow
Elliott	Minshall	Wolverton
Feighan	Moore	Wright
Fenton	Morgan	Yates
Fino	Mumma	Young
Flynt	Murray	Younger
	Natcher	Zablocki

NOT VOTING—75

Alger	Barden	Beamer
Anfuso	Bass, N. H.	Becker
Ayres	Baumhart	Bennett, Mich.

Bentley	Hébert	Matthews
Bray	Hiestand	Meader
Brownson	Hoffman	Miller, Calif.
Buckley	Holtzman	Miller, N. Y.
Carnahan	Jackson	Morrison
Chiperfield	Jennings	Norblad
Christopher	Kean	O'Brien, N. Y.
Coad	Kearney	O'Neill
Cooley	Kee	Pillion
Curtis, Mass.	Keeney	Powell
Dawson, Ill.	Kilburn	Preston
Dellay	Knutson	Robsion, Ky.
Dennison	Krueger	Sheehan
Dies	Laird	Shelley
Dooley	Latham	Sieminski
Doyle	McCarthy	Sikes
Fallon	McConnell	Thompson, La.
George	McCormack	Udall
Gordon	McIntire	Wainwright
Harvey	Macdonald	Watts
Hays, Ohio	Mailliard	Westland
Healey	Mason	Willis

So the motion was rejected.

The Clerk announced the following pairs:

Mr. Hays of Ohio with Mr. Alger.
Mr. Jennings with Mr. Norblad.
Mr. Udall with Mr. Dooley.
Mrs. Kee with Mr. Hoffman.
Mr. Shelley with Mr. Hiestand.
Mr. Preston with Mr. Sheehan.
Mr. O'Neill with Mr. Bray.
Mr. Fallon with Mr. Kean.
Mr. Doyle with Mr. Keeney.
Mr. Miller of California with Mr. Krueger.
Mr. McCarthy with Mr. Ayres.
Mr. Macdonald with Mr. Bass of New Hampshire.
Mrs. Knutson with Mr. Baumhart.
Mr. Carnahan with Mr. Harvey.
Mr. Dawson of Illinois with Mr. Dellay.
Mr. Gordon with Mr. Brownson.
Mr. Hébert with Mr. Latham.
Mr. Sikes with Mr. McIntire.
Mr. Sieminski with Mr. Mailliard.
Mr. Thompson of Louisiana with Mr. Mason.
Mr. Willis with Mr. Jackson.
Mr. Watts with Mr. Beamer.
Mr. Coad with Mr. Kearney.
Mr. Cooley with Mr. Bentley.
Mr. Barden with Mr. Becker.
Mr. Matthews with Mr. Miller of New York.
Mr. Morrison with Mr. Bennett of Michigan.
Mr. O'Brien of New York with Mr. Dennison.
Mr. Dies with Mr. Wainwright.
Mr. Anfuso with Mr. Westland.
Mr. Buckley with Mr. Chiperfield.
Mr. Healey with Mr. Curtis of Massachusetts.
Mr. Powell with Mr. Kilburn.
Mr. Holtzman with Mr. Pillion.
Mr. Christopher with Mr. McConnell.

Mr. CHUDOFF, Mr. ALBERT, Mr. FORAND, Mr. BYRNE of Pennsylvania, Mr. DIGGS, Mr. DEMPSEY, Mr. ENGLE, Mr. DELANEY, Mr. BOLLING, Mr. EBERHARTER, Mr. BOYLE, Mr. ASPINALL, Mr. CELLER, Mr. ASHMORE, Mr. NATCHER, Mr. JOHNSON, Mr. ROBESON of Virginia, Mr. ANDERSON of Montana, Mr. BURLESON, Mr. BREEDING, Mr. EDMONDSON, Mr. MUMMA, Mr. RADWAN, Mr. AUGUST H. ANDRESEN, Mr. PELLY, Mr. AVERY, Mr. BALDWIN, Mr. SIMPSON of Illinois, Mr. MAY, Mr. NEAL, Mr. HASKELL, Mr. LIPSCOMB, Mr. GROSS, Mr. JENSEN, Mr. TEAGUE of California, Mr. NIMTZ, Mr. DEVEREUX, Mr. HYDE, Mr. MILLER of Maryland, and Mr. MCVEY changed their vote from "yea" to "nay."

Mrs. PFOST, Mr. ROONEY, Mrs. GREEN of Oregon, Mr. SHEPPARD, Mr. MAGNUSON, Mr. ULLMAN, Mr. O'HARA of Illinois, Mr. TELLER, Mr. REUSS, Mr. ENGLE, Mr. ANDERSON of Montana, Mr. ROOSEVELT, Mr. SISK, Mr. SAUND, Mr. MONTOYA, Mr. LESINSKI, Mr. FARBSTEIN, Mr. CELLER, Mr. FORAND, Mr. COFFIN, Mr. METCALF, Mr. HOLIFIELD, Mrs. SULLIVAN, Mr. SANTANGELO, Mr. ZELENKO, Mrs. GRANAHAN, Mr. CHUDOFF, Mr. BYRNE of Pennsylvania, Mr. KING, Mr. BARRETT, Mr. MOSS, Mr. WALTER, Mr. ALBERT, Mr. EDMONDSON, Mr. KIRWAN, Mr. KELLEY of Pennsylvania, Mr. RHODES of Pennsylvania, Mr. THOMPSON of New Jersey, Mr. MCFALL, Mr. MILLS, Mr. CLARK, Mr. FRIEDEL, Mr. FISHER, Mr. PATMAN, Mr. POAGE, Mr. POLK, Mr. MULTER, Mr. MORRIS, Mr. CANNON, Mr. RILEY, Mr. ROGERS of Texas, Mr. BLATNIK, Mr. GRAY, Mr. TRIMBLE, Mr. HARRIS, Mr. KILDAY, Mr. SPENCE, Mr. NORRELL, Mr. DENTON, Mr. BROWN of Missouri, Mr. GARY, Mr. JONES of Missouri, Mr. THOMAS, Mr. EVINS, Mr. ROGERS of Florida, Mr. FASCELL, Mr. DAVIS of Tennessee, Mr. BONNER, Mr. BOGGS, Mr. BROOKS of Texas, Mr. RABAUT, Mr. LANHAM, Mr. JOHNSON, Mr. SMITH of Mississippi, Mrs. BLITCH, Mr. DONOHUE, Mr. PRICE, Mr. SCOTT of North Carolina, Mr. BENNETT of Florida, Mr. MAHON, Mr. IKARD, Mr. THORNBERRY, Mr. BOYLE, Mr. BROOKS of Louisiana, Mr. PORTER, Mr. HOLLAND, Mr. FLOOD, Mr. ASHLEY, Mr. DINGELL, Mr. BOLLING, Mr. GARMATZ, Mr. BAILEY, and Mr. WIER changed their vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER. The House insists on its disagreement to the Senate amendment.

The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 57. Page 24, line 18, insert:

"Notwithstanding the provisions of section 2 of Public Law 689, 84th Congress, an additional contribution of $5,696 to the North Atlantic Treaty Organization Parliamentary Conference is authorized out of funds previously appropriated for 'Contributions to International Organizations'."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The SPEAKER. The question is on the motion of the gentleman from Missouri.

Mr. CANNON. Mr. Speaker, may I say that this misapprehension was due to the failure here at the desk to understand that the question had been divided. We took for granted we were voting on receding and concurring when, as a matter of fact, the vote was on the question to recede.

May I add, Mr. Speaker, that we expect to go back to conference tomorrow and will have an opportunity to again take up the matter in conference.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from New York.

Mr. TABER. Mr. Speaker, we had such good luck with the last amendment by not saying anything, maybe I ought not to say anything on this. This runs only to $5,500. It is not authorized by law. It is to cover junkets, as I understand, of Members of Congress. I do not know whether they want to vote for it or not, but I cannot vote for it.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Iowa.

Mr. GROSS. This matter has never been before the House; is that not correct?

Mr. CANNON. This was in the bill as reported to the House. It went out of the bill on a point of order, due to the fact that there was no authorization for it. When it reached the Senate, the Senate rewrote it as an amendment and it is now in the pending bill.

Mr. GROSS. This is for the purpose of a junket; is that not right?

Mr. ROONEY. Mr. Speaker, will the distinguished gentleman yield?

Mr. CANNON. I yield to the gentleman from New York.

Mr. ROONEY. This is not for the purpose of any junket. I am not a member of the North Atlantic Treaty Organization Parliamentary Conference, but there are a number of Members of this body on both sides of the aisle and of the other body who are. I assume that when they meet in this parliamentary conference of the NATO countries some good for our country comes out of it, certainly enough to get $5,696 worth, and that is what we are concerned with here. If the Congress of the United States is going to belong to the North Atlantic Treaty Organization Parliamentary Conference, we must appropriate this $5,696. It is as simple as that.

Mr. CANNON. I ask for a vote, Mr. Speaker.

The SPEAKER. The question is on the motion offered by the gentleman from Missouri.

The question was taken; and on a division (demanded by Mr. GROSS) there were—ayes 189, noes 105.

So the motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 61. On page 26, line 8, strike out all of lines 8, 9 and 10 and insert:

"For an additional amount for the 'President's special international program,' including uniforms or allowances therefor, as authorized by law (5 U. S. C. 2131), $5,089,000, to remain available until expended: *Provided*, That the amount made available under this head in the Departments of State and Justice, the Judiciary, and Related Agencies Appropriation Act, 1958, for United States participation in the Universal and International Exhibition of Brussels, 1958, is increased from '$6,500,000' to '$9,389,000.'"

Mr. CANNON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 61, and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment insert the following:

"For an additional amount for the 'President's special international program,' including uniforms or allowances therefor, as authorized by law (5 U. S. C. 2131), $2,745,000, to remain available until expended: *Provided*, That the amount made available under this head in the Departments of State and Justice, the Judiciary, and Related Agencies Appropriation Act, 1958, for

United States participation in the Universal and International Exhibition of Brussels, 1958, is increased from '$6,500,000' to '$7,045,000.'"

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 69. On page 30, line 22, insert:

"Furniture and furnishings additional Senate Office Building: To enable the Architect of the Capitol, under the direction of the Senate Office Building Commission, to carry out the provisions of the act of July 10, 1957 (Public Law 85-93, 85th Cong.), authorizing furniture and furnishings for the additional office building for the United States Senate, authorized to be constructed and equipped by the Second Deficiency Appropriation Act, 1948 (62 Stat. 1029), $1 million, to remain available until expended."

Mr. CANNON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 69 and concur therein.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Iowa.

Mr. GROSS. This provides, as I understand it, for a million dollars to buy new furniture for the new office building that is presently being constructed for the other body; is that not true?

Mr. CANNON. That is correct.

Mr. GROSS. Does this provide any vibrating chairs; can the gentleman tell the House?

Mr. CANNON. I am not familiar with that.

Mr. GROSS. Does not the gentleman think this is an excessive appropriation for the purpose?

Mr. CANNON. It has always been, throughout the history of the Congress, customary for each body to handle its own housekeeping expenditures. The House has never dictated to the other body what the other body shall spend on its office building or furnishings, and the other body has never dictated to the House what we should spend on our own housekeeping items.

It is highly important in the maintenance of comity between the two bodies that we take no action which might be construed as criticism and to refuse to agree to this item might be taken as criticism of the other body, a criticism which the House has never made and cannot afford to make now.

Mr. ROONEY. Mr. Speaker, will the distinguished gentleman yield?

Mr. CANNON. I yield to the gentleman from New York.

Mr. ROONEY. Mr. Speaker, I agree entirely with the expressions of the distinguished chairman, the gentleman from Missouri [Mr. CANNON]. In fairness to the other body, I should like to point out that with regard to one of these items, furniture and furnishings, the other body reduced the amount from $1,350,000 to $1,000,000, and that with regard to remodeling the present Senate Office Building, it reduced the amount of $500,000 to $250,000 and struck out a proviso which gave unlimited authority to spend. I point these things out to you to merely supplement what the distinguished gentleman from Missouri [Mr. CANNON] has said. This is a matter of comity between the two Houses. This is the concern and the responsibility of the other body and I urge adoption of the action proposed by the gentleman from Missouri [Mr. CANNON].

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Iowa.

Mr. GROSS. Now let us not be carried away by the statement of the gentleman from New York as to the reduction. It is a reduction of $1,350,000 to $1 million in the asking by the other body for the purpose. So it is a small reduction and the gentleman from New York, I think, would be the first to admit that $250,000 for the purpose of remodeling the old building across the way belonging to the other body is simply putting a foot in the door toward the expenditure of millions of dollars for the purpose. Let us get right down to the facts. You are here going to approve $1 million for the purchase of new furniture, when as I understand it Government warehouses are bursting with new furniture that has been stored away and now we are asked to vote a million dollars to equip a new office building around here. You can vote for this conference report, if you want to. I am opposed. I cannot denounce the State Department for the purchase of $27 waste paper baskets and remain silent when confronted with such an inordinate request for spending as this.

Mr. CANNON. Mr. Speaker, we consider the House entirely competent to conduct its own affairs. By the same rule we consider the Senate entirely competent to conduct its own affairs, and we have no desire, and it has never been the custom for us to interfere in domestic affairs of the other body and we do not desire to interfere in this instance.

Mr. MAHON. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield.

Mr. MAHON. Mr. Speaker, the major money in the supplemental appropriation bill, the subject of the conference report we have considered today, has to do with the Department of Defense. I am sure that members of the House will be interested to learn of certain Department of Defense economies that have recently been effected.

BETTER MANAGEMENT OF DEFENSE CONTRACTS

For a number of years I have been greatly concerned about the management of defense contracts. Procurement costs have been too high. The negotiated-bid basis of buying is not conducive to economy, but we all agree the negotiated bid is often necessary. I have talked about this problem in the House on numerous occasions. We have hammered away on this issue in Appropriations Committee reports on the Defense appropriation bill. We have had staff studies made of procurement policies and practices of the Department of Defense, and we are continuing those studies again this year.

It is gratifying to note that in the Department of Defense there now appears to be a concerted effort directed toward getting industry to control costs in connection with military procurement. Over the past few months the top levels of management in the Department have been stressing this cost theme in their various speeches made to industrial groups throughout the Nation. In speaking to such a group last week in San Diego, the Secretary of the Navy, Thomas S. Gates, Jr., pointed out that the Nation has just about come to its limit on military spending and that we are presently faced with an unprecedented inflation of costs. The Secretary said: "The producer who reduces his costs is the one who will survive." The Secretary of the Air Force, James H. Douglas, has initiated a forceful program for economy in procurement and has so notified industry.

Recently an official appeal has gone out to industry to curtail or reduce employment by a flat 5 percent. This is in the employment that goes to make up what is known as overhead costs that are reimbursed fully under procedures in negotiated defense procurement. I have been informed that the Air Force alone expects to save in the current fiscal year approximately $120 million by this move. More power to those who are seeking more defense for fewer dollars.

The SPEAKER. The question is on the motion.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 70: On page 31, line 8, insert:

"Remodeling, Senate Office Building: Toward carrying out the provisions of the act of July 10, 1957 (Public Law 85-95, 85th Cong.), authorizing the enlargement and remodeling of Senators' suites and structural, mechanical, and other changes and improvements in the existing Senate Office Building to provide improved accommodations for the United States Senate, $250,000, to be expended by the Architect of the Capitol under the direction of the Senate Office Building Commission and to remain available until expended: *Provided*, That the funds herein appropriated may be expended only for such work as can be done by the force of the Architect of the Capitol, except that not to exceed $20,000 of such funds may be expended on a personal service contract basis for consulting architectural and engineering services for preparation of preliminary plans and estimates of cost heretofore completed."

Mr. CANNON. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate numbered 70 and concur therein.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. CANNON. Mr. Speaker, I ask unanimous consent that all Members who have spoken may have 5 legislative

days in which to extend their remarks on the conference report.

The SPEAKER. Is there objection?

There was no objection.

SPECIAL ORDER

Mr. VANIK. Mr. Speaker, I ask unanimous consent to vacate the special order granted me for tomorrow; and in lieu thereof I ask permission to address the House for 30 minutes on Thursday of next week and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

NEW YORK CITY HOUSING AUTHORITY

Mr. FINO. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FINO. Mr. Speaker, on April 2 of this year, I urged the chairman of the Subcommittee on Housing to conduct an investigation of certain deplorable conditions in the New York City Housing Authority. My request for such an inquiry was based on a series of articles which appeared in the New York News revealing a scandalous situation in the authority. These articles, as I then pointed out to the subcommittee, disclosed evidence of Communist infiltration among employees; mismanagement in the authority; proof of increased crime; inadequate police protection and widespread violence.

Mr. Speaker, shortly after these shocking revelations appeared in the News, the city administration in New York ordered a survey of the authority. At that time I stated on the floor of this House that this serious matter was "headed for a whitewash." And that is exactly what has happened.

After 2 months of city investigation, a report was handed up which described the crime situation in the city's public housing projects as "sensitive and potentially explosive." It further reported that there was evidence of "grave management defects that cry for correction," and that "a substantial part of the authority's management structure will need overhauling for better operation."

Mr. Speaker, this 40-page report, to say the least, was a forthright condemnation of conditions in the authority and backed up completely the revelations made by the News. Again and again, this report stressed that immediate action was needed urgently. Among other things, it urged that the housing police force be doubled at once. In stressing the importance of this grave situation, the report added, "the urgency of such action cannot be overemphasized" to protect the tenants and "prevent destruction or deterioration of public housing."

Well, what has happened since this glaring report was made public?

Mr. Speaker, although this report last May urged immediate boosting of its police force from 244 to 548 men to cope with a "sensitive and potentially explosive" situation in the city's 83 public-housing projects, nothing was done until last week—5 months after disclosure by the News and 3 months after its own acknowledgment of these frightening conditions. Do you know what the authority did? It requested the municipal civil-service commission to certify not 300 men, not even 100 men, but 50 additional housing police officers. Imagine 50 additional cops to cope with increasing evidence of crime, violence, and vandalism in 83 housing projects. What a farce.

Mr. Speaker, if such inaction has been displayed in trying to correct a serious matter which is of compelling importance and should have had exclusive and immediate attention, then you can imagine what steps have been taken to correct the other disgraceful conditions. None.

Mr. Speaker, there is absolutely no question that shameful conditions actually exist in the New York City Housing Authority. And we know that no effort is being made to bring about the correction of this situation. The American taxpayers who subsidize these housing projects are entitled to better treatment. It is obvious that the city administration in New York has treated its own report of these shocking conditions with its usual hushed manner. It is the apparent hope of the city that by juggling, maneuvering, and delaying action on its problems, the people will forget.

Mr. Speaker, this matter is too serious and too dangerous to put aside or sweep under the rug. The city of New York has failed in its responsibility to the people. It is for this reason that I again urge the Subcommittee on Housing to step in and clean up this horrible mess and not only protect the decent tenants but also prevent possible destruction of public housing in New York City.

AMENDMENT OF FAIR LABOR STANDARDS ACT OF 1938 AS AMENDED

Mr. LANDRUM. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7458) to amend the Fair Labor Standards Act of 1938, as amended, to restrict its application in certain overseas areas, and for other purposes, with Senate amendments thereto and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, strike out all after line 4 over to and including line 9 on page 3 and insert: "(1) Section 13 of such act is amended by adding at the end thereof the following new subsection (f)."

Page 3, line 10, strike out "(g)" and insert "(f)."

Page 3, line 20, strike out "(3)" and insert "(2)."

Page 4, line 4, strike out "(g)" and insert "(f)."

Page 4, line 5, after "Guam" insert "the Canal Zone."

Page 4, line 7, strike out all after "possession" down to and including "(4)" in line 9 and insert "named in section 6 (a) (3)."

Page 4, line 12, strike out "(4)" and insert "(3)."

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. ROONEY. Mr. Speaker, I ask unanimous consent in connection with the conference report amendments just adopted that I may extend my remarks in two places: First, before the vote on rollcall No. 202; and, second, at a point immediately following the "en bloc" motion in which amendment No. 58 was included.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

ATOMIC ENERGY COMMISSION APPROPRIATION BILL, 1958

Mr. CANNON, from the Committee on Appropriations, reported the bill (H. R. 9379) making appropriations for the Atomic Energy Commission for the fiscal year ending June 30, 1958, and for other purposes (Rept. No. 1217), which was read a first and second time and, with the accompanying papers, referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

Mr. VURSELL reserved all points of order on the bill.

Mr. CANNON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9379) making appropriations for the Atomic Energy Commission for the fiscal year ending June 30, 1958, and for other purposes.

Pending that motion, Mr. Speaker, I ask unanimous consent that general debate continue not to exceed 2 hours, the time to be equally divided between the gentleman from Iowa [Mr. JENSEN] and myself. I trust that is agreeable to the gentleman from Iowa?

Mr. JENSEN. I think that is sufficient time. There is no real controversy about the bill.

Mr. CANNON. Would it be agreeable to the gentleman to further limit debate?

Mr. JENSEN. I suggest that the gentleman make it an hour and a half.

Mr. CANNON. Mr. Speaker, I ask unanimous consent that general debate be limited to one hour and a half, the time to be equally divided and controlled by the gentleman from Iowa [Mr. JENSEN] and myself.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The SPEAKER. The question is on the motion.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House

on the State of the Union for the consideration of the bill (H. R. 9379) with Mr. BOGGS in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. CANNON. Mr. Chairman, we live in a rapid age. The world has moved faster and further in the last decade than in the previous 100 years. Within the lifetime of Members of this body new developments, new inventions, new formulas, have revolutionized the economy of the country, the routines of business and all standards of living.

We have seen developed within the last dozen years devices more wonderful, more inexplicable, than any Biblical miracle. The most recent of these, and perhaps the most important, is the development of atomic energy.

The theory of atomic energy was first conceived by the great Einstein. When presented to the President of the United States with elaboration of the possibilities involved the President collaborated and there was inserted in the legislative budget an appropriation of $800 million cleverly camouflaged with other military items. The Department did not expect to be interrogated about it, and when we asked how this $800 million was to be used, they refused to tell us. We said to the general and to Mr. Bush, who was representing the President "The Committee on Appropriations has never yet appropriated a dollar unless it knew for what purpose it was to be spent, and certainly we cannot now appropriate $800 million without some explanation of its purpose. Finally the general said, "Germany and the United States are in a close race. If Germany solves this scientific problem first, Germany will win the war regardless of anything that we can do. On the other hand," he said, "if we solve the problem first the United States will win the war in spite of anything Germany can do. But," he said, "we cannot tell you what it is for."

It was a difficult situation. We did not want it to be said in the future that America lost the war because this little group of five men, a subcommittee of the Committee on Appropriations, had refused to appropriate $800 million. So, for the first time in the history of the United States, and certainly for the first time in the history of the Committee on Appropriations, we gave them $800 million without knowing how it was going to be spent. We supposed that disposed of the matter. We expected them to reach a prompt solution of the problem. But, at the beginning of the next fiscal year they came back and requested a further appropriation that eventually amounted to a billion dollars more. Well, we were rather appalled at the idea, but we had already spent $800 million, and so, reluctantly, we agreed to appropriate the additional money. We thought certainly that that would solve the problem, but at the end of the year they came again, and finally we found we had appropriated $2 billion and no solution in sight.

There we stopped, and we said to them, "We have given you unlimited money and you have had 3 years. If you have not solved the problem in that time with the funds we have given you, you will never solve it, and we refuse to give you more. We are not going to send good money after bad."

By this time we five men were in a desperate situation. Nobody in the House except the Speaker knew anything about it. We had concealed the money in other items in the bills and not a Member on the floor of the House knew that we had poured $2 billion down a rathole without knowing what it was for. We realized that it was useless for us to expect to be returned to Congress when it became known. The amount by this time exceeded the assessed value of the entire city of St. Louis and we refused to make any further appropriation. Early the next morning Secretary Stimson, who served as Secretary of War under both Democratic and Republican administrations, a very great man, a very able man, was in my office. He said, "I want to take you over to Oak Ridge and show you what we have done with this money and convince you that we must have enough to finish the project. We are on the verge of solving the problem, but we must have more money and have it now." I said, "No, Mr. Secretary, I will not go with you, but if you will permit me to take the five men of the committee, we will go." He agreed and we took with us Mr. Snyder who at that time was chairman of the Miiltary Services Subcommittee of the Committee on Appropriations, Mr. Engel, of Michigan, who was the ranking minority member of that subcommittee. The gentleman from New York [Mr. TABER], the ranking minority member of the full committee, and the gentleman from Texas [Mr. MAHON], who at that time was, as I recall, the second man on the subcommittee.

We left Washington at midnight. No one knew we had gone; no one knew where we had gone. We flew down to Oak Ridge and to our astonishment found down there a city of 60,000 people. They had gone out into the forests and fields and had built a great city with every utility. No newspaper had ever referred to it and there was this great TVA plant. We remained there 2 days. It would be interesting if I had time to tell you of our experience there.

They convinced us they were very near the solution of the problem. We were not to say a word about it until we saw in the newspapers that the bomb had been dropped.

We came back here and gave them the money and every morning I would grab the morning paper, run through it to see if the bomb had been dropped. Time went by. Still no bomb.

That summer, in the midst of the session, Congress recessed for 2 weeks and gave us a chance to go back home.

As I left Washington I looked around believing I was serving my last term. I knew I was not coming back. It was my last session of Congress. I was building a new barn on the farm and the workmen every day went into town at noon. One day, when they came back from lunch, one of the men said to me, "You know, I heard a peculiar thing over the radio." I was not much interested. I wanted to be sure that we got a good roof on this barn. He said, "They—have dropped some sort of a bomb on Japan."

I never felt as relieved in my life. We had gambled for big stakes. We had risked $2 billion, but we had won. America had won.

Now we are again in a similar race. We are in a race with Russia to determine which will first solve the problem of producing atomic electric power. Conditions are identical and that is the problem before us in this bill.

While we were anxiously waiting the development of the atomic bomb all of us had the idea that it was solely for war purposes. It did not occur to us that it could be used for peacetime purposes. It was a surprise to find that out of the carnage and wreckage and devastation of war we had salvaged something that would be of permanent benefit to humanity. Now that the war feature of it has dropped into the background, we begin to realize that we have overlooked the most important feature of it and that atomic energy will confer upon mankind benefits unparalleled in the annals of the human race. It can be used to control disease, to banish human suffering. It can be used to supply every household in the United States with electric power at so low a rate that it will not pay to hire men to read the meters. All the consumer will pay will be merely a connection charge. Then the consumer can use as little or as much as he wants, the power will be too cheap to measure.

We now find that it provides a new method of conserving food. We will dispense with refrigerators, because we will preserve food much better and longer with cheap atomic energy.

We will revolutionize the national economy and world economy, to an extent that cannot be fully understand for years yet to come.

But, Mr. Chairman, with this brilliant prospect ahead of us, we are dragging our feet, we have not been making appreciable progress. After these years, longer than it took to make the bomb, and after the expenditure of $15 billion, many times what it cost to develop the bomb, we have accomplished very little and at least two other nations are forging ahead of us. We have only one large reactor in a position to operate now or in the near future, the one at Shippingport, Pa. Although we had the initiative, although we originated the idea, England is taking it away from us and has constructed at Calder Hall a successful plant which is solving the problems we expected to solve long ago.

England is already producing electric energy in commercial quantities and at commercial prices. England is taking away from us the business that we expected to transact. Production of electric enery originated in America. Nobody outside of America had ever dreamed of it. It was American scientists and our advanced American thought and American laboratories that first demonstrated it. We expected the nations of the world to come to America

to buy the machinery and equipment, fuel and formulas. We justly expected to take the lead in this new era, this new atomic age. We now discover to our dismay that we are marking time and England is taking the business away from us. Japan, for example. Japan was under every obligation to us. We have provided the money and spirit which has rehabilitated Japan. We are today strengthening the Japanese Army to confront the Siberian Bear. Still, when Japan came to buy a reactor, her delegation looked over our plants, talked with our scientists, then went to England and looked over English plants and the newspapers now tell us she is buying her principal equipment from England and not from the United States.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Iowa.

Mr. GROSS. Why should any of these countries buy from the United States when they can play us for "suckers" and get the money to buy the equipment somewhere else—why should they?

Mr. CANNON. Just this month the newspapers carried the story that Japan is buying her equipment from England and not from the United States. Her major purchases are to be made from England. The Washington Star the day before yesterday carried an announcement that Brazil, after sending delegations to the United States and to England, is buying from England. We are losing the leadership that should be ours. We are not only losing to England in a field and on a scientific achievement which we initiated and originated and in which we were the pioneers, but I do not have to tell you that Russian competition is more serious still. All England will ever take away from us is business—and profits. But, if Russia ever takes us over, they will take away from us, as they have taken away from every satellite, not only wealth but our mode of living—our Government itself.

We cannot afford at this critical time to permit Russia to take the lead in atomic energy any more than we could afford during the Second World War to let Germany take leadership on the atomic bomb.

There is no politics involved here.

This is not a Republican question. It is not a Democratic question. This is American solvency and security.

We report here today a bill which has been so exhaustively debated in this House and the other body that I am certain nobody needs any information on it. I am quite glad to say the subcommittee which reported this bill reported it out unanimously; there was not a dissenting vote and the whole committee likewise reported it out unanimously. We trust that the House, laying aside any political considerations, will as expeditiously give us this bill and start us on the way to recouping American leadership.

Mr. JENSEN. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. RABAUT].

Mr. RABAUT. I thank the chairman.

If you have the report of the committee before you, you will see there is some changed language in the report.

The committee has made one change in the committee print of the report. On page 2, under the heading "Reactor Development Program," it has stricken the first sentence and has inserted the following:

> The additional $1,500,000 requested for the fast breeder reactor research has been disallowed. Of the $13,600,000 in the bill for the fast breeder technology, up to $1,500,000 may be used on decision of the Atomic Energy Commission for the purpose set forth in section 111 (a) (2) of H. R. 8996, 85th Congress.

The purpose of this change is to make it possible for the AEC to conduct research which is applicable to the development of a large-scale fast breeder reactor. Such a reactor is presently under construction by the Power Reactor Development Co., at Monroe, Mich. The AEC has a contract with this company to provide certain research. The $1,500,000 requested in the budget estimate was for financing such research in AEC laboratories to be charged against the contract commitment.

The action that the committee has taken provides for the same amount of money for research, the cost of which is not charged against the contract commitment. In other words, the Congress is not endorsing or implying approval of the existing contract with the Power Reactor Development Co.

At this point I would like to yield to my colleague the gentleman from Michigan [Mr. FORD].

Mr. FORD. I appreciate the opportunity of making an inquiry of my colleague and friend, the gentleman from Michigan [Mr. RABAUT]. Section 111 (a) (2) states:

> Not more than $1,500,000 may be expended for research and development in the Commission's laboratories of the functions and technology of the fast breeder reactor concept.

As I understand the language in the committee report, up to $1,500,000 may be used to conform to the authorizing language for research to be conducted in AEC laboratories by AEC employees.

Mr. RABAUT. That was the understanding of the committee this morning.

Mr. FORD. Furthermore, is it accurate to say that any benefits from such research may and will accrue to the project which is in effect referred to in section 111 (a) (2)?

Mr. RABAUT. May accrue to any project which has a fast breeder reactor.

Mr. Chairman, I yield back the balance of my time.

Mr. JENSEN. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, when one such as I or one such as any member of the Appropriations Committee sets himself up as an authority on this important and far-reaching matter of atomic energy and all it entails, I think he is stepping completely out of cast. I, as one member of the committee, will not take it upon myself to criticize the action of the Atomic Energy Commission; rather, I will praise them and commend them as able, devoted, patriotic Americans doing an outstanding job.

After listening to these great scientists, metallurgists, and engineers, the heads of all the different branches of the Atomic Energy Commission, and after listening to members of the Commission, one must say, thank God we have such men in this blessed land of ours who devote themselves to this great and important task. I never leave the committee, after listening to those great men of the AEC, but that I feel a great sense of security. A wild, vicious horse in the hands of a tenderfoot is a dangerous article. But in the hands of one who knows how to handle that horse, will tame, harness, and train the horse to do his bidding and soon that horse becomes gentle and useful. The atomic bomb in the hands of those who know little or nothing about it is a dangerous article; but in the hands of these great scientists, engineers, and metallurgists such as we have handling this dangerous article for the people of the United States, is harnessed and tamed to a very great degree for peaceful uses for the good of peace-loving people everywhere.

I would be the last to criticize the AEC. While I know the are not infallible, I do know they are doing their level best. For anyone to stand on the floor of the House and criticize them is certainly most unfair and a detriment to our security.

You have been told that we have not come as far in the development of atomic energy as some people had hoped we would. To some degree I must concur in that statement. The reason is, Mr. Chairman, we have in private industry many thousands of great nuclear scientists, engineers, metallurgists, and people who understand the atom, but until a few days ago this Congress had not given private industry the law which they long wanted. That law has not yet been signed by the President of the United States unless it was signed today. That law provides that private industry will be responsible for the first $50 billion damages which might happen if an atomic explosion occurs in some plant owned and operated by private industry.

Private industry has been pleading for such a law for many years. Had we had such a law on our statute books years ago private industry would have advanced faster, more atomic reactor plants would have been built and we would have been further on the road in developing the reactor plants for power.

You have just been told that England has built a reactor which produces atomic power competitive with electric power. Well, now, that is possible, because since the electric power industry in England was socialized power rates have gone up, up, and up until today the electric power rates in England are three times higher than our electric power rates.

Mr. COLE. Mr. Chairman, will the gentleman yield.

Mr. JENSEN. I yield to the gentleman from New York.

Mr. COLE. In addition to the explanation the gentleman has just given, indicating that the British reactor generating power is competitive with electricity, it should be pointed out in addition that the reactor also makes materials for its weapons program. So, it is a matter of counting the price or the figures that you assign to the cost of the weapons materials and the figures that you assign to the cost of electricity. Now, if you assign a low figure for the weapons materials, why, then the cost of electricity is high, but if you assign a high cost to your weapons materials, of course, you can show it is competitive.

Mr. JENSEN. I thank the gentleman for his contribution.

Mr. VAN ZANDT. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I yield to the gentleman from Pennsylvania.

Mr. VAN ZANDT. I think also the Members should know that in establishing the price of conventional power in England you must take into consideration that better than 50 percent of the coal that they use in England is transported from the United States, and that certainly boosts the cost of conventional power considerably.

Mr. JENSEN. I thank the gentleman for his contribution.

Let me at this point say that while I am the ranking minority member of the Atomic Energy Appropriations Committee of the House, I must, like every other member of that committee, put great dependence upon the advice and the counsel and the recommendations of our Joint Atomic Energy Committee. And, I can assure the gentlemen on that committee, whether they be Republicans or Democrats, that I—and I am sure I speak for most of the members of the Committee on Appropriations and of the Congress of the United States and for most of the people of the United States, in fact, all the people of the United States who have taken the time to learn about the great work that that committee has done, not only for America but for humanity everywhere—when I say we appreciate the good services of that committee. We thank the gentlemen on that committee for the hours, the weeks, the months, the years you have spent and the sleepless nights, I know, that you must have spent in studying and informing yourselves and deciding with God's blessing, just what you should recommend to the Congress of the United States. And, I say again, thank God for such men as you as well as for such men as we have in the Atomic Energy Commission from top to bottom; devoted men, great men, great Americans.

We talk about different kinds of reactors. The Atomic Energy Commission is now experimenting and have for quite some time, with a number of different types of reactors in an attempt to ascertain for certain exactly which type is the best and the most efficient. I shall not say on this floor all the matter to which the Atomic Energy Commission testified in committee. But I can assure you that America is not behind any nation in this wide world in the development of the nuclear development. I wish I had the privilege to explain a few things that are classified; that means, of course, highly secret.

We have the *Nautilus* submarine, atomic-powered, as you know. That submarine traveled 60,000 miles under water and had enough fuel in its original charge to travel another 30,000 miles. There is no atomic power plant on earth that can match that performance, I can assure you and there are many other proofs of my statement.

There are many other fields in which the Atomic Energy Commission is making research and investigation; for instance in medicine and biology, in the field of agriculture and so forth. In fact, in almost every part of our economy you will find that the Atomic Energy Commission is taking a hand. The Atomic Energy Commission is cooperating with some 80 colleges and universities by allocating funds that those colleges may train scientists in all the different phases of atomic energy and we are encouraged by the progress made. We are also encouraged, even though it is most difficult for the learned doctors in the Atomic Energy Commission staff and many private doctors of medicine to assure us of a completely successful campaign against human dread diseases. But they are experimenting with mice, rats, dogs, and monkeys to ascertain the effect of radioactive isotopes on these animals to make sure that when they experiment with radioactive isotopes on human beings it will be successful.

So in the field of peaceful pursuits, peaceful purposes as well as defense purposes, I am pleased with the progress that is being made with the fund and the tools the Atomic Energy Commission has had to work with up to this time. I know that if we give private industry and their great scientists, metallurgists, and doctors the green light to go forward with the Federal Government officials in this field, we need not fear that anyone will even come close to the record we will make in the atomic-energy program.

An item in this bill has been reduced which would give private industry an opportunity to go forward in cooperation with the Federal Government's program. An amendment will be offered at the proper time to correct that mistake made in this bill. I am in full support of that amendment which will be offered by Congressman COLE of New York.

Mr. CANNON. Mr. Chairman, I yield 5 minutes to the gentleman from Tennessee [Mr. EVINS].

Mr. EVINS. Mr. Chairman, I certainly wish to concur with the distinguished chairman of our committee [Mr. CANNON] and also the gentleman from Iowa [Mr. JENSEN] in their statements of their high regard and respect for the members of the Atomic Energy Commission. However, I do not think that any of the Commission are such that we should approve carte blanche everything they recommend. We should reserve the right to disagree and question them with respect to their recommendations.

Mr. Chairman, we all recognize the fact that the Atomic Energy Commission is an important arm of our national defense and certainly I would not want to handicap its ability to contribute to our national security. But, Mr. Speaker, I believe that we must look at its operations with the same perspective we look at other national-defense programs. Nor do I believe that the AEC should be exempted from the careful scrutiny we give all other agencies.

The AEC is the largest by far of our independent agencies. Where the other commissions have budgets of a few millions, the AEC comes to us with requests for billions. And yet we know less about its operations than we do about any other agency of the Government—this because of the classified and restrictive nature of its programs. Indeed, although it was established as a creature of Congress, responsible to Congress, in recent years it has shown an increasing tendency to escape the supervision of Congress and even to move in its own orbit with wide flexibility in the exercise of its powers, so much so that, as we know, some weeks ago it was necessary for this Congress to reassert its authority in legislation requiring positive Congressional oversight of its activities and particularly its expenditures.

Mr. Chairman, last year the AEC received roughly $2 billion in appropriations. This year the AEC is asking for approximately 2½ billion, an increase of 25 percent. Meanwhile, we have reduced the budgets of all other agencies—including the budget of the Defense Department and the foreign-aid program which are also vital to our national security. Meanwhile, too, the President and the State Department have been carrying on negotiations with other nations on a high level with a view to arriving at some limitation of arms. Meanwhile, also, the President, through his Budget Bureau, has issued a directive requesting all agencies to hold their budgets to the 1957 level—and I might point out that the President has not told us that the AEC should be an exception to this directive. On the contrary, the AEC received the directive and indeed it was in this way that we first learned of its existence. In view of all these factors, the committee has effected and in this bill is recommending a cut of $215,906,500 in appropriations for AEC for 1958. Some feel that other economies should be made in the expanding programs of the Commission.

Mr. Chairman, I realize the AEC is a giant we need to secure our future and the peace of the world; but, Mr. Chairman, let us keep the giant within reasonable limits responsible and responsive to Congressional control. Let us give the Commission whatever it needs, within reason, to perform its share of the job of protecting us, but let us not contribute to the creation of a Frankenstein bigger than the Congress, bigger than the people themselves. The Joint Committee on Atomic Energy of the House and the Senate has written and the Congress has on yesterday approved, legislation which would make the Commission more responsive to the will of Congress and the country. This appropriation is in line with this legislation.

My own view is that the Commission should direct more of its efforts and

energies in providing scientific advancement and nuclear knowledge to our own people—our industries, our public agencies, our own American colleges and universities—yes, lower levels of public education—rather than diverting its major efforts overseas in giving data and information in scientific know-how to other than our own citizenship.

Certainly, Mr. Chairman, as an apostle of Cordell Hull, I am not an "isonationalist"—but considerations of our own country and its interests and safety and security should and must be paramount and foremost.

As a member of the subcommittee that heard testimony on the AEC's operations and programs, I want to say that I have a great admiration for the members of the Commission and the staff but express the hope that this appropriation will contribute substantially to building up and strengthening our own posture—our own national strength.

Mr. JENSEN. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, a while ago the gentleman from Missouri [Mr. CANNON] seemed to express surprise that the Japanese and, perhaps, others are buying materials for reactor plants from the British. I am sure he is not too surprised by that move. It is my understanding that the British are building a steel plant—2 or 3 foreign countries are building steel plants in India, which has been the beneficiary of our foreign aid. The British are building a steel plant in India on the basis of a loan. The British will be paid because we are suckers enough to help provide the money through various forms of foreign aid and loans.

Mr. CANNON. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. CANNON. Nations buying reactors are buying them from England and not from the United States. We are told that Germany is on the verge of buying a reactor plant and will buy it from England. Japan made a few minor purchases from us, but are buying their big reactor from England. They are now in negotiation to buy from England the Calder Hall type plant. We have no gas-cooled reactors in this country. England's reactor is of a type. As I have said, Germany is in negotiation with England. Argentina, and as far as I know, all of the major nations of the world which are preparing to invest in reactors are proposing to buy from England. Here is a clipping from the Washington Star of August 18:

SÃO PAULO WILL BUY BRITISH-MADE REACTOR

LONDON, August 17.—Gov. Janio Quadros announced last night his Brazilian State of São Paulo will buy a 30,000-kilowatt atomic reactor from Britain for the first nuclear-power station in Latin America.

Mr. GROSS. The British are going to build a steel mill in India and they are going to equip it. The British are going to build the second largest rubber plant outside the United States in Soviet Russia. We are not going to sell the equipment for either of these plants. That is the return we get when we dish out money and assistance to these countries.

I wonder if there is any money in this $2½ billion to implement the so-called statute which created the International Atomic Agency. Is there any money in this bill for that purpose?

Mr. CANNON. We have money in this bill for the atoms-for-peace program, but not for the Agency.

Mr. GROSS. That is what I wanted to know. In other words, I assume some of this money will be used on a 33⅓ percent basis to finance foreign countries in the so-called purchase of fissionable material, and the building of reactor plants, because under the statute creating the international agency, the formula for contribution on the part of the United States is 33⅓ percent.

Mr. CANNON. Of course the gentleman understands that the development of atomic energy originated in the United States, and we should retain that lead.

The CHAIRMAN. The time of the gentleman from Iowa [Mr. GROSS] has expired.

Mr. JENSEN. Mr. Chairman, I yield the gentleman 2 additional minutes.

I am sure the gentleman will be glad to know that we still have the lead in atomic research.

Mr. GROSS. I do not question that at all, but we certainly do not have the lead in marketing the products of our know-how if what we have heard this afternoon is correct.

Mr. COLE. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. COLE. I deny the assertion that the Japanese have bought a British reactor. I deny that they are contemplating purchasing a British reactor. It is true that the Japanese have been studying the British reactor, like other possible eventual purchasers, just the same as they have been studying the American reactor looking toward possible purchase. But in addition to those two countries which are now engaged in reactor purchases, we have Italy and Belgium who are studying the American reactor designs. And the South American countries who are studying the American manufacturers' designs. So this is not a British monopoly by any means.

Mr. GROSS. Let me say that I accepted the statement of the gentleman from Missouri [Mr. CANNON] that the Japanese were purchasing a British reactor.

I do understand that the British are building a steel mill in India and are going to equip it. I do know that the British have entered into a contract to build the second largest rubber plant outside of the United States in Soviet Russia and are going to equip that plant.

My concern in this extraordinary contribution of 33⅓ percent to the so-called atoms-for-peace program is whether the money will be spent for the purchase of equipment for other countries. In other words, is industry and labor in this country going to be left in the lurch?

Mr. COLE. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. COLE. Not a cent of this 33⅓ percent to which the gentleman refers will be used for equipment in any country by the international agency. It relates to the cost of administration of the agency, such as the pay of employees, office rent, or whatever it may be.

Not a cent of our contribution goes toward the purchase of a single item of equipment for anyone.

Mr. GROSS. I am glad to have that clarified. I hope it remains on that basis.

Mr. CANNON. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. HOLIFIELD].

Mr. HOLIFIELD. Mr. Chairman, I hardly know what to say as I stand in the well of the House today. We have had a long and intensive struggle over the authorization bill for the construction part of this program which comes to the Joint Committee on Atomic Energy and the subcommittee of which I am chairman.

There was strong disagreement as to the type of program that should be handled. I think it is very unfortunate that a program which was advocated by the AEC in the assistance of both private industry and cooperative and publicly owned organizations should be used, in the minority report, and in my opinion, in a very regrettable way.

The accusation was made against the majority members of the committee that we were for atomic-power federalism and socialism. I do not intend to go back and review that battle, because it is a battle that has already been fought.

I also am regretful of the fact that the chairman of the Atomic Energy Committee has consistently fought the majority wishes of this committee. He sets himself up as an omnipotent and all-powerful individual in the field of atomic knowledge; yet this Congress has to appropriate over $2 billion a year to operate this program. We have the real responsibility to the taxpayers.

I have heard some things said in the well of this House today in regard to the fact that this is a mysterious program. I am going to say as a Member who has been on this committee since its inception that this program is rapidly getting to the point where it ought to be looked at just like the Agricultural Committee's program or the Interstate and Foreign Commerce Committee's program, or any other program, because we are getting into development which is a commercial type of development and in which secrecy and security and all these mysterious banners behind which men have hidden in the past can no longer be used to hide behind.

This program is getting into every facet of American commercial life, and when you get into American commercial life you cannot carry secrets along with you. It just does not work out that way in a democracy. I do not mean by that that there are not still some secrets: How to make these weapons, how many of them you have, what sizes they are, where they are stored, how they are delivered, and that sort of thing. But this is not the only part of this program. This program is growing from the point

where it was a completely secret program and one of national security—and it still is in this field, of course secret. But it is also growing into this other civilian field. That is why the Members of this House have that same duty upon them to understand that this is not altogether a mysterious program but it is going to be a commercial program from now on. That is what we are involved in.

Mr. Chairman, I want to get to the authorization bill as it was passed by the House. We finally came to an agreement which was not satisfactory to the members of the majority or the members of the minority. In that authorization bill there was a $129,915,000 item; $30 million of that was for the so-called third round private power reactor program. The other $99 million was for the so-called cooperative-assistance program and provided funds to build the reactors which would be owned by the Government, but which would have the steam accepted by cooperatives and public organizations. It is regrettable and reprehensible that the majority members of this committee were accused of being Socialists and Federal atomic power advocates, because this is not our program. However, we went along with the program on the one ground that the types of reactors which were involved in these five reactors were necessary to advance the reactor program. One of the reactors absorbed $50 million of the $99 million. This one was Consumers of Nebraska, a power monopoly in the State of Nebraska, a State chartered institution, and the other $49 million was divided between 4 little co-ops. We went along with that because of the research and development phase of it. That is the only reason we went along with it, because we did not originate or initiate the program. Then to be accused of being a Socialist because we went along with the AEC program, I say is a regrettable affair. However, in that $129 million there were $30 million for the so-called third-round invitation. This was to be used by the AEC to subsidize research for private utilities, who responded to the third-round invitation.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. CANNON. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. HOLIFIELD. Mr. Chairman, the committee authorized that, but I regret to find that the $30 million is not provided for in the appropriation bill.

There was another item we finally agreed upon, $15 million for a plutonium recycle reactor. This was for the purpose of learning how to burn plutonium in place of just using it in weapons. I regret also that this item is not in the appropriation bill.

I am not fighting the committee. I realize the great job they have had, because if I had a job that took me some 2 or 3 months of day and night work in understanding a $400 million appropriation, it would be a much greater job to understand a $2 billion appropriation, which they had to pass upon here. The fact remains, however, that these two items have not been put in the appropriation bill.

I realize that in dealing with these appropriations for research you have to deal with them on nebulous justifications. The Commission could not come forward at this time and justify the $30 million of contracts already agreed upon, or upon details already arrived at. These details are in negotiation and it is expected they will be consummated. If we want to go ahead with the research and development in this particular field it is necessary for us to provide in advance the appropriations so that the Atomic Energy Commission can enter into contracts on these particular types of reactors which the majority of our committee as well as the minority agree should be built. The same thing is true with the $15 million for the plutonium recycle reactor. It should be built.

It is true that at this time you cannot bring in an exact estimate for it, but the Atomic Energy Commission has spent $2 million in exploring the feasibility of this reactor.

The scientists that are in the employ of the General Electric Company out at Hanford have assured us that they are ready to go ahead with the building of this reactor. It will be the first time a reactor of this size has ever been built. So we are still in the research and development stage and we have to gamble like we gambled originally with the atomic bomb, and like we gambled in 1950 in the manufacture of the hydrogen bomb. But this happens to be a gamble in the civilian application field rather than in the military field. I realize that this is one of those places where you cannot consider an appropriation on the basis of an already arrived at mass of details and a rigid estimate. This is the one area where Congress must gamble. I speak of research and development. You cannot accurately forecast the solution of a scientific enigma. We must depend on the scientists and engineers to discover and develop new fields of knowledge. We cannot apply factual estimates nor rigid forms of normal justification to the justification of funds to explore the unknown. And so I say that if this amount is not restored either in this body or in the other body—and again I say I am not in a fight with the Committee on Appropriations—unless the $30 million is restored by the other body and agreed upon in conference and unless the $15 million is restored and agreed upon in conference, then there will be two great areas where projects will not be built; there will be a void in the area of two civilian types of reactors which everyone is agreed upon, the minority and the majority, should be built, and then the other will be the very important field of learning how to use plutonium for civilian application rather than for just bombs alone.

I just wanted to say that I am not quarreling with the committee. I have not been able, of course, to go through $2 billion worth of amounts and find where the other cuts are, but I do know these 2 because they are fresh in my mind on account of last week's debate on this subject, and I hope that somewhere along the line these 2 items can be restored for the benefit of the program; not for the benefit of the majority and the minority but for the benefit of going along the line of trying to find out how to bring this whole program to civilian application as we have succeeded in bringing it to military application.

Mr. McCULLOCH. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Ohio.

Mr. McCULLOCH. The gentleman from California has shown great interest in the reactor which has been tentatively scheduled for Piqua, Ohio, my hometown. Will this bill provide the funds for that reactor if a contract be entered into by my hometown and the Atomic Energy Commission or by the engineering or manufacturing firm directly involved?

Mr. HOLIFIELD. I would not want to answer definitely to the gentleman, because I have not studied it, but I think it is included in the appropriation bill. I think all of the funds for the five reactors are included in the appropriation bill. But, the part that was deleted was the $30 million I spoke of for assistance to private utilities.

The CHAIRMAN. The time of the gentleman from California has again expired.

Mr. JENSEN. Mr. Chairman, I yield 1 minute to the gentleman from Ohio [Mr. McCULLOCH].

Mr. McCULLOCH. Mr. Chairman, would the gentleman from Missouri [Mr. CANNON] care to answer that question?

Mr. CANNON. The money is in the bill. There is $1.5 million in the item to which he refers.

Mr. McCULLOCH. Which would take care of the initial needs of a contract that might be entered into by the Atomic Energy Commission and the manufacturing or the engineering concern involved?

Mr. CANNON. That was the understanding of the committee.

Mr. McCULLOCH. I thank the gentleman.

Mr. JENSEN. Mr. Chairman, I have no further requests for time.

Mr. CANNON. We have no further requests for time, Mr. Chairman.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

OPERATING EXPENSES

For necessary operating expenses of the Commission in carrying out the purposes of the Atomic Energy Act of 1954, as amended, including the employment of aliens; rental in or near the District of Columbia; services authorized by section 15 of the act of August 2, 1946 (5 U. S. S. 55a); purchase of equipment; purchase, maintenance, and operation of aircraft; publication and dissemination of atomic information; purchase, repair, and cleaning of uniforms; purchase of newspapers and periodicals (not to exceed $5,000); official entertainment expenses (not to exceed $22,500); not to exceed $3,700,000 for expenses of travel, including expenses of attendance at meetings of organizations concerned with the function or activity for which this appropriation is made; reimbursement of the General Services Administration for security guard services; not to exceed $45,000,000 for personal services; purchase (not to exceed 460 for replacement only, including 2 at not to exceed $3,500 each) and hire of passenger motor vehicles;

$2,166,556,000, together with the unexpended balances, as of June 30, 1957, of prior year appropriations made available under this head to the Atomic Energy Commission, and, in addition, any moneys (except sums received from disposal of property under the Atomic Energy Community Act of 1955 (42 U. S. C. 2301)) received by the Commission, notwithstanding the provisions of section 3617 of the Revised Statutes (31 U. S. C. 484): *Provided*, That of such amounts $100,000 may be expended for objects of a confidential nature and in any such case the certificate of the Commission as to the amount of the expenditure and that it is deemed inadvisable to specify the nature thereof shall be deemed a sufficient voucher for the sum therein expressed to have been expended: *Provided further*, That from this appropriation transfers of sums may be made to other agencies of the Government for the performance of the work for which this appropriation is made, and in such cases the sums so transferred may be merged with the appropriation to which transferred: *Provided further*, That no part of this appropriation shall be used in connection with the payment of a fixed fee to any contractor or firm of contractors engaged under a cost-plus-a-fixed-fee contract or contracts at any installation of the Commission, where that fee for community management is at a rate in excess of $90,000 per anum, or for the operation of a transportation system where that fee is at a rate in excess of $45,000 per annum.

Mr. COLE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COLE: On page 2, line 20, strike out "$2,166,556,000" and insert "$2,196,556,000."

Mr. COLE. Mr. Chairman, this amendment would restore the item of $30 million to which the gentleman from California directed his remarks a moment ago. It is an amount that has been approved by the Budget, included in the Commission's program; an amount which is essential for the progress and the exploration of the possibility of using atomic energy for generating electricity. As has been previously explained today and other days the Commission, since the law was changed in 1954 making it possible for private capital, private utilities to enter this field of exploration, has engaged in two different rounds. The first round was largely composed of private capital. The second round was composed exclusively of cooperatives, that item that we discussed last week and earlier this week. The third round is the one now current for which the $30 million is necessary. If the $30 million is not approved by the Congress a more devastating blow could not be struck against the development of atomic energy by private participation in cooperation with the Government.

About a month ago, because of the criticism of the chairman of the Committee on Appropriations with respect to legislative authorizations for Commission appropriations, the law was changed, section 261 of the basic atomic energy law was changed so that thereafter it was necessary for the Commission to submit to the Congress requests for authorizations for funds needed for participation with private capital in this field. The Commission has done that.

The authorization was carried in the bill which we adopted last week, the conference report being approved on yesterday or the day before. Without these funds, the program cannot go forward. That section 261 carried a further provision that after the appropriation may be obtained by the Commission for distribution among these various proposals, before any contract is finally signed the details of that contract with respect to each particular project must be submitted to the joint committee for its consideration for a period of 45 days while the Congress is in session. That was a method which was arrived at by the Congress to meet the criticism of the chairman of the Committee on Appropriations.

The consequence of the denial of this fund, by denying private participation, inevitably is that the Government is going to have to build all of these reactors. This $30 million which is involved in the amendment represents a total investment of capital expenditures for reactor construction in the neighborhood of $150 to $200 million. By using some public funds, the balance private capital, we are able to explore many, many more of the various types and concepts of reactors. If we do not use private capital the alternative is public funds. That means that the cost of building all these many types of reactors will involve the expenditure of hundreds and hundreds of millions of dollars.

The restoration of this amount is essential to carry on the program. I subscribe to the urgency of the remarks of the gentleman from California. Let me further indicate that already there have been 4 proposals made to the Commission in this third round; 1 by a group of utilities down in Florida; 1 by a group up in Minnesota, Wisconsin, and Iowa, called the Northern States Utility; a third group consisting of utilities in North Carolina and Virginia and the Pennsylvania Power & Light is the fourth one. All of these companies are ready to come in and invest substantial amounts of money, coming to several millions of dollars in this new and untried field in which they will not reap a cent of profit.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. COLE. I yield to the gentleman from Indiana.

Mr. HALLECK. I have asked the gentleman to yield principally for the purpose of commending him on his great efforts in behalf of this program not only on this occasion but through the years, and also to commend the gentleman from California [Mr. HOLIFIELD], who earlier made what I thought was a strong statement in support of the amendment the gentleman is offering. The gentleman from California talked about the difficulty of justification. As I listened to what he had to say, it occurred to me that this is all in kind of an experimental phase, with every attempt being made to find the best ways and means of utilizing commercial atomic power. It is so, necessarily. As progress is made in that direction, it must be, as he said, sometimes a little nebulous so far as direct, absolute, true arithmetic is concerned.

Mr. COLE. It must be nebulous because of the very nature of the thing, because of the uncertainties and the research costs involved in this exploration. Let me indicate to the gentleman that as far as I know there is no disagreement by any member of the joint committee with respect to the need for this $30 million. Everybody is in agreement that we must have it. Otherwise the type of participation in the program will fall flat.

Mr. VAN ZANDT. Mr. Chairman, will the gentleman yield?

Mr. COLE. I yield to the gentleman from Pennsylvania.

Mr. VAN ZANDT. The gentleman mentioned a moment ago the amount the private utilities have contributed in this program. With respect to the Florida group, $40 million is committed; the Northern States, $25 million; Pennsylvania Power & Light Co., $30 million; and the North Carolina-Virginia private utility group have not yet announced the amount of money they are committing.

Mr. COLE. I thank the gentleman. It further should be indicated that in this third round is the natural uranium program, on which the gentleman from Missouri [Mr. CANNON] has placed such great emphasis. If it is important for us to move along in the natural uranium field, then this $30 million is most essential.

The CHAIRMAN. The time of the gentleman from New York has expired.

(By unanimous consent, at the request of Mr. CANNON, Mr. COLE was permitted to proceed for 5 additional minutes.)

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. COLE. I yield to the gentleman from North Carolina.

Mr. JONAS. I was interested in the comment the gentleman made about the participation of private utilities. I do know that the private utilities in the Carolinas and Virginia are preparing to go forward in participation in this program. Is the gentleman telling the House that if this $30 million is not restored to the bill it will eliminate the possibility of that participation?

Mr. COLE. If the $30 million is not approved by the Congress the North Carolina-Virginia group will lock their doors tonight.

Mr. JONAS. As well as the others.

Mr. COLE. And all of the others. They will not spend another nickel.

Mr. EVINS. Mr. Chairman, will the gentleman yield?

Mr. COLE. I yield to the gentleman from Tennessee.

Mr. EVINS. The gentleman has certainly made it clear to the House that both sides of the aisle on the joint committee are for increased expenditures in this area. I merely want to point out that last year the Atomic Energy Commission had $1,808,700,000. This year they are getting $2,269,718,500, or an increase of $371,018,500. The gentleman talks about the use of public funds. They are getting this year over $2,269,718,500 of public funds. That is a substantial use of public funds. It seems

to me there must be some area in which we must practice a little economy.

Mr. COLE. Yes, but the gentleman loses sight of the fact that approximately 80 percent, perhaps more, of that vast sum of money goes for weapons production for our national security. It is not appropriated for the peacetime exploration of atomic energy. The great bulk of it is for defense.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. COLE. I yield to the gentleman from Iowa.

Mr. JENSEN. It is for defense and for many kinds of nuclear materials, and the material which goes into the construction of the bomb and related facilities.

Mr. COLE. Of course; the gentleman is entirely right.

Mr. CANNON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, no one appreciates more than I do the distinguished service the gentleman from New York [Mr. COLE] has rendered in this very important development and that applies to all members of the joint committee. They have given a great deal of their time and energy and wisdom; we deeply appreciate it. I think however there must be some misunderstanding as to just what the program demands. Certainly, the Committee on Appropriations was unanimous in opposing this appropriation when we wrote the bill.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Iowa.

Mr. JENSEN. The gentleman said we were unanimous. We knew, of course, there was no chance of getting the things done in committee which we were quite sure we could do on the floor of the House and so very little was said about this matter in committee. In fact, it was kept very quiet by both sides.

Mr. CANNON. Well, of course, I am not expressing the gentleman's opinion as of this time. I do not know how the gentleman feels about it now, but I do know that at the time the subcommittee reported out this bill, they reported it out without a dissenting vote and there was complete unanimity on the part of the committee at that time.

Mr. JENSEN. There was outward unanimity, but inwardly, no.

Mr. CANNON. Of course, there was no record of the gentleman's inward opinion, but his outward opinion was in complete agreement—we were all in complete agreement and the gentleman, I am certain, will agree on this one thing that we are still in agreement in desiring to expedite and effectively accelerate the development of this important program. We are all agreed on that. And at the time, as I have said, the subcommittee reported out the bill unanimously, there was not a vote against it. And in turn the whole committee reported it out unanimously. There was not a vote against it.

There was a very good reason. This action was not taken accidentally or incidentally. It is a matter of transcending importance.

As has been well said by the distinguished leader on the other side, the distinguished gentleman from Indiana, this item provides for a nebulous program and he wants us to appropriate for a nebulous program, but that is not our custom. The committee does not appropriate a dollar unless we know what it is for, and I say to you, my friends, that Government finances are in a bad shape whenever Congress falls into the habit of appropriating money without knowing the purpose for which it is appropriating it. We do not appropriate for nebulous programs. We do not know what this $30 million is for. We are asked to give a blank check. I do not think anybody could approve of that. We should know exactly what this money is for and we indicated that. This statement is not being made for any partisan purpose. I want to read to you what the committee said in our report. We took out this money because no one could tell us what it was for. We said:

> Should any separate proposal in the third round advance to the stage where it can be clearly delineated and the Federal costs are based on firm plans, the committee will consider a supplemental estimate to implement it.

That is our position. Just as soon as you bring us a definite plan, we are ready to provide the money, but not before. Certainly, you would not ask us to appropriate money before we had a definite plan for its use. I was glad to hear the gentleman say that we should consider this bill just as we consider an agricultural appropriation bill or a bill reported out by the Committee on Interstate and Foreign Commerce. Economy is as important in this committee as it is in any committee and in this bill as in any bill. Why should you give them $30 million when we do not know how they propose to spend it? Why give them $30 million? They are not giving us the plans. We have told them—and we tell them again—just as soon as they give us a definite plan, we will provide the money.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. VAN ZANDT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it has been said before during general debate that another nation has taken advantage of our research and development and today is offering to the world reactors as well as their necessary equipment. Of course, the nation referred to is Great Britain. If the committee wants to make sure that the United States leads in the field of reactor development, here is an opportunity to do so, by supporting the Cole amendment which will write into this bill $30 million badly needed for what is called the third round in the atomic reactor program.

The gentleman from New York [Mr. COLE] mentioned the Florida group, headed by Dr. Zinn. This group is already committed to spend about $40 million to build a natural uranium gas-cooled reactor. This type of reactor was discussed during the general debate in the past week on the atomic energy authorization bill. The Northern States group representing the utilities of Minnesota, Iowa, and Wisconsin will spend some $25 million to build a boiling water type reactor.

Mr. PATTERSON. Mr. Chairman, will the gentleman yield?

Mr. VAN ZANDT. I yield.

Mr. PATTERSON. The atomic corporation in Massachusetts has committed over $40 million to date, and if necessary they will continue.

Mr. VAN ZANDT. That is correct. The third group is the Pennsylvania Power & Light Co. They already have spent several million dollars in research and development and are ready to join the Atomic Energy Commission in building a homogenous type reactor. They will eventually spend a total of $30 million. Another group already mentioned is the North Carolina and Virginia private utilities group, which have not yet agreed to the definite amount they will spend.

Mr. Chairman, it should be kept in mind that after each of these projects has been negotiated and the contract signed between the utilities and the Atomic Energy Commission, the projects will come before the Joint Committee on Atomic Energy, where they will be either approved or disapproved.

Mr. COLE. Mr. Chairman, will the gentleman yield?

Mr. VAN ZANDT. I yield.

Mr. COLE. It is at that point when this present charge of the project being nebulous will be resolved.

Mr. VAN ZANDT. The gentleman from New York is correct.

Mr. COLE. They are nebulous today, but when the details are worked out and the proposed contract is submitted, there will not be anything nebulous about it.

Mr. VAN ZANDT. That is correct, because the joint committee will have the opportunity to either approve or disapprove the project. As the gentleman from New York [Mr. COLE] mentioned, kill this $30 million item and you kill the third round of the reactor program of the Atomic Energy Commission.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. VAN ZANDT. I yield.

Mr. VORYS. I am wondering if this is not the issue, that the Joint Committee on Atomic Energy by law has the review of these specific projects. On the other hand, the Appropriations Committee of the House would also like to have review of these specific projects. So it is turning down the money. It seems to me that those of us who are on neither of those great and important committees are justified in relying upon the review, which we have set up by law, by the Joint Committee on Atomic Energy, and, therefore, should vote this money, even though the members of the Appropriations Committee would like to have us vote the other way.

Mr. VAN ZANDT. The gentleman from Ohio is correct.

Mr. NEAL. Mr. Chairman, will the gentleman yield?

Mr. VAN ZANDT. I yield.

Mr. NEAL. I understand this sum of $30 million is intended to provide a sufficient support for private industry to make a start on these investigations.

Mr. VAN ZANDT. The gentleman is correct. This $30 million broken down into small sums will be used to augment what these private utilities will spend in the development of various types of reactors.

Mr. NEAL. In the gentleman's opinion, is it not far better and much more promising in the development of the atomic-energy program if we secure the help and aid of private industry with their chemists and scientists? Might not it hasten the development program because of having so many different groups work on it?

Mr. VAN ZANDT. The gentleman is correct.

Mr. Chairman, I hope the committee will approve the Cole amendment.

Mr. RABAUT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, since when do appropriation matters become the responsibility of the joint committee? The Appropriations Committee of the House does a line item study for the expenditures of the people's money. Just a few minutes ago the gentleman from California who brought up this subject said that this atomic energy activity was rapidly getting into the category of every other agency of this Government; in other words, he compared it to Agriculture, or to any of the other many agencies that come before the House and go through the processes here and end up in the Appropriations Committee for their money.

It is not a question of the commitment of somebody to someone else; it is a question of the justifications before the Appropriations Committee of the commitments that they can set forth in line items.

This is a $30 million debate we are having here. This is the House that talks about economy, but because we are dealing with this subject that has so much money from the United States—because Uncle Sam is in this in excess of $15 billion—we think lightly, of this tremendous sum of $30 million at this time.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. In just a moment. It is just as important in its relationship to cash in this bill as it is to the smallest item that might be brought into this House.

The other day in the authorization bill there was a matter of some $30 million or some $48 million, and what we were to do with it. But all of a sudden because this is AEC—we neglect to consider the proper functions of the Appropriations Committee. We spend hours studying line items, and we came up with a decision and are anxious to give them the funds if they will only show us the need for them. This is set forth in black and white on page 2 of the report, and while the chairman of the committee read it, I want to read it again:

Should any separate proposal in the third round advance to the stage where it can be clearly delineated and the Federal costs are based on firm plans, the committee will consider a supplemental estimate to implement it.

It is an open invitation: Show us your need, show us your plan, and you have your money.

Now I will yield to the gentleman from Minnesota.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from Minnesota.

Mr. JUDD. I am troubled at the apparent difference between the position which the gentleman from Michigan and the chairman of the committee [Mr. CANNON], are now taking and the position that the gentleman from Missouri presented in his original statement. I listened to him carefully. He disturbed me deeply when he said that we have fallen behind other countries in this field of using atomic energy for industrial purposes. I was about ready to appropriate almost anything to get ahead again or, at least, to catch up in this field. Now the two gentlemen oppose an amendment designed to cure the very thing of which the gentleman from Missouri complained.

Mr. RABAUT. We in this Congress, and I do not think the gentleman addressing me at this time wants to go along so fast as to have confidence in the Congress in one man on items of this size or in one commission on items of this size, when we say to him or them, "Here is your invitation. You have the need. Come to us."

Mr. JUDD. If we put in this $30 million, we will get some $150 million of private funds, plus the experience and skills of the power companies. Why should we deny that to this program?

Mr. RABAUT. We are denying it because it is a blank check. That is why we are denying it. We say, "Give us the need, give us the plan, and we will give you the money." That is the program we stand on.

Mr. JUDD. This whole $15 billion has been a blank check from the beginning. I think it has been a good blank check, and I believe we must be as bold in pushing ahead in the peacetime uses of the atom as we have been in developing its uses for weapons.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. COLE].

The question was taken; and on a division (demanded by Mr. CANNON) there were—ayes 99, noes 44.

Mr. CANNON. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. RABAUT and Mr. COLE.

The committee again divided and the tellers reported that there were—ayes 102, noes 54.

So the amendment was agreed to.

The Clerk read as follows:

PLANT ACQUISITION AND CONSTRUCTION

For expenses of the Commission in connection with the purchase and construction of plant and other expenses incidental thereto necessary in carrying out the purposes of the Atomic Energy Act of 1954, as amended, including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; and hire of passenger motor vehicles; $103,162,500, to remain available until expended.

Mr. CURTIS of Missouri. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise simply to ask a question of the chairman of the committee. I notice on page 199 of the hearings it states that $2.5 million were provided for facilities and construction of a reactor at the University of Puerto Rico. It is my understanding that that amount has been deleted from the appropriation bill.

Mr. CANNON. Mr. Chairman, in response to the inquiry of the gentleman, that amount is in the bill for the purpose.

Mr. CURTIS of Missouri. That it is in the bill?

Mr. CANNON. Yes. It was in the estimates.

Mr. CURTIS of Missouri. That is the information I needed. I had been misinformed; that it had been taken out. I have just had called to my attention that it was originally planned to have two reactors in Puerto Rico. One to cost $9 million was deleted but this other reactor, which was to be used in conjunction with teaching at the university, still remains. I thank the gentleman.

Mr. HOLMES. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to ask the committee a question on two items. It is my understanding, in going into the provisions of this appropriation, that there is $2 million appropriated for the dual-purpose reactor at Hanford. I understand the authorizing legislation permitted $3 million for this appropriation for the dual reactor at Hanford Engineer Works.

That is the first question I would like to ask.

Mr. CANNON. Mr. Chairman, as the gentleman will note on page 2 of the report this money has been provided. The reason we did not approve $3 million is that they indicated they could use only $2 million at this time. That being true we thought we should subject them to the same rule of economy that we subject every other bill in the House. We gave them just the amount that could be utilized and no more.

Mr. HOLMES. My second question is this. My understanding is that the bill contains in appropriated funds $4 million for the plutonium recycle reactor at Hanford Engineer Works. The authorizing legislation granted $15 million for construction of that plutonium recycle reactor; is that correct?

Mr. CANNON. That is correct.

Mr. HOLMES. Mr. Chairman, may I ask the chairman why the $15 million for construction of the plutonium recycle reactor at Hanford was not granted by the committee.

Mr. CANNON. We had the AEC before us and went into the matter very exhaustively. They gave us no indication that they were in a position to use the money at this time. Again, following the rule of economy which applies to this bill as to every other appropriation bill, we saw no reason to give them surplus money.

Mr. HOLMES. It seems rather strange, because the scientists of the General Electric Co., and they are among

the finest scientists in this business in the world, say that they are ready to go ahead with that construction at Hanford. I regret very much the construction money was not included for that plutonium recycle reactor.

Mr. Chairman, I listened with a great deal of interest to the remarks made by the gentleman from California [Mr. HOLIFIELD], about the importance of moving ahead in the whole field. We have the facilities at Hanford, we have the scientists at Hanford, and providing the full construction moneys for the plutonium recycle reactor I think would be a very constructive and necessary move in the whole program.

I think it is an extremely important move and I congratulate the Atomic Energy Committee on Legislation for Atomic Energy of the Congress, that the committee being chairmaned by the distinguished gentleman from North Carolina [Mr. DURHAM], the ranking Republican Member being the gentleman from New York [Mr. COLE], for agreeing in the authorizing legislation that this plutonium recycle reactor at the Hanford Engineer Works was an important contribution to the advancement of the atomic-energy program of this country. I regret very much that the Committee on Appropriations has not seen fit to grant the construction money. I assume, in directing my last question to the chairman, that it will be followed by the committee in relation to supplemental appropriations, if justified before the committee.

Mr. CANNON. Certainly.

Mr. HOLMES. I thank the gentleman very much.

The CHAIRMAN. The Clerk will read.

The Clerk concluded the reading of the bill.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, may I ask the gentleman from Missouri [Mr. CANNON] if it is true that there is in this bill approximately $2,800,000 for the construction and operation of a reactor in Puerto Rico?

Mr. CANNON. In connection with the provision for the University of Puerto Rico, we have $2,500,000 for the construction of a reactor there and $300,000 for operation.

Mr. GROSS. If I recall correctly, the University of Iowa requested some $85,000 and got nothing. Is that the way this program is being worked out—that many schools in this country are being denied participation? Why this program in Puerto Rico?

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. GROSS. Yes; I am happy to yield to get information.

Mr. RABAUT. Puerto Rico is a United States possession.

Mr. GROSS. I know that.

Mr. RABAUT. The gentleman asked me about it. I am telling him.

Mr. GROSS. The State of Iowa is, too.

Mr. RABAUT. That is right. The language down there is Spanish.

Mr. GROSS. At least, Iowa was still in the Union the last I heard.

Mr. RABAUT. The one in Puerto Rico is the one reactor that is going to be put in the whole of Central and South America. It is for those people who use the Spanish tongue and who will work with this reactor. While there are reactors being placed in other parts of the world, this is the reactor for South and Central America. The Commission made a very good justification for this item, and we thought it was a good idea.

Mr. EVINS. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Tennessee.

Mr. EVINS. This item was in the authorization which passed the House on yesterday. It is also a part of the President's atoms-for-peace program. That is the reason it is provided.

Mr. GROSS. These bills are coming so fast I can hardly keep up with them. I am not sure that this bill is properly before the House, because I do not know whether the President has signed the authorization bill. However, I do not expect to make a point of order against it.

Mr. EVINS. It is in the authorization bill and the President has recommended it. There are 87 universities and colleges in our own country that applied for grants, but 52 of them have not received any grants.

Mr. GROSS. I am glad to have the information from the gentleman. I hope that in the future the Committee on Appropriations will look into the possibility of doing something for the universities and colleges in our own country before spreading out over the world.

Mr. RABAUT. Do not blame this on the Committee on Appropriations. We are just carrying out the will of another committee in the House in supplying the money that is requested.

Mr. GROSS. Of course, the Committee on Appropriations can refuse to provide money and appropriate for other purposes if convinced that is the proper thing to do.

Mr. RABAUT. That is a criticism that is made of the Committee on Appropriations every time we come in here.

Mr. CANNON. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BOGGS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 9379) making appropriations for the Atomic Energy Commission for the fiscal year ending June 30, 1958, and for other purposes, had directed him to report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

Mr. CANNON. Mr. Speaker, I move the previous question on the bill and the amendment thereto to final passage.

The previous question was ordered.

The SPEAKER. The question is on the amendment.

Mr. CANNON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 214, nays 135, not voting 83, as follows:

[Roll No. 204]

YEAS—214

Adair	Frelinghuysen	O'Brien, Ill.
Alexander	Friedel	O'Hara, Minn.
Allen, Calif.	Fulton	O'Konski
Allen, Ill.	Garmatz	Osmers
Andersen, H. Carl	Gathings	Patterson
	Gavin	Pelly
Andresen, August H.	Griffin	Pilcher
	Gross	Poff
Arends	Gubser	Price
Ashley	Hale	Prouty
Auchincloss	Haley	Radwan
Avery	Halleck	Ray
Ayres	Harden	Reece, Tenn.
Bates	Hardy	Reed
Belcher	Harrison, Nebr.	Rees, Kans.
Bennett, Fla.	Haskell	Reuss
Berry	Henderson	Rhodes, Ariz.
Betts	Herlong	Rivers
Blatnik	Heselton	Robeson, Va.
Blitch	Hess	Rogers, Colo.
Boland	Hill	Rogers, Fla.
Bolton	Hillings	Rogers, Mass.
Bosch	Holifield	Rogers, Tex.
Bow	Holmes	St. George
Brooks, La.	Hosmer	Saylor
Broomfield	Huddleston	Schenck
Brown, Ga.	Hyde	Scherer
Brown, Ohio	James	Schwengel
Broyhill	Jarman	Scott, N. C.
Budge	Jenkins	Scott, Pa.
Burleson	Jensen	Scrivner
Bush	Johansen	Scudder
Byrne, Ill.	Jonas	Seely-Brown
Byrnes, Wis.	Judd	Selden
Carrigg	Karsten	Shuford
Cederberg	Kearns	Siler
Celler	Keating	Simpson, Ill.
Chamberlain	Keogh	Smith, Calif.
Chenoweth	Kilday	Smith, Kans.
Church	Kilgore	Smith, Miss.
Clark	Kitchin	Smith, Wis.
Clevenger	Knox	Springer
Coffin	Knutson	Stauffer
Cole	Landrum	Taber
Collier	Lankford	Talle
Colmer	LeCompte	Teague, Calif.
Corbett	Lennon	Teague, Tex.
Coudert	Lipscomb	Tewes
Cramer	McConnell	Thomson, Wyo.
Cretella	McCulloch	Tuck
Cunningham, Iowa	McDonough	Utt
	McFall	Van Pelt
Cunningham, Nebr.	McGovern	Van Zandt
	McGregor	Vorys
Curtin	McIntosh	Vursell
Curtis, Mo.	McVey	Weaver
Dague	Mack, Wash.	Westland
Davis, Ga.	Marshall	Wharton
Dawson, Utah	Martin	Whitener
Dempsey	May	Whitten
Derounian	Meader	Widnall
Devereux	Merrow	Wier
Dixon	Michel	Wigglesworth
Durham	Miller, Md.	Williams, N. Y.
Dwyer	Miller, Nebr.	Wilson, Calif.
Eberharter	Minshall	Wilson, Ind.
Fascell	Moore	Withrow
Fenton	Morano	Wolverton
Flynt	Moss	Wright
Fogarty	Mumma	Yates
Ford	Neal	Young
Forrester	Nicholson	Zablocki
Fountain	Nimtz	

NAYS—135

Abbitt	Breeding	Edmondson
Abernethy	Brooks, Tex.	Elliott
Addonizio	Brown, Mo.	Engle
Albert	Byrd	Evins
Anderson, Mont.	Byrne, Pa.	Farbstein
	Canfield	Feighan
Andrews	Cannon	Fino
Ashmore	Chelf	Fisher
Aspinall	Christopher	Forand
Bailey	Chudoff	Frazier
Baldwin	Cooper	Gary
Baring	Davis, Tenn.	Granahan
Barrett	Delaney	Grant
Bass, Tenn.	Denton	Gray
Beckworth	Diggs	Green, Oreg.
Boggs	Dingell	Green, Pa.
Bolling	Dollinger	Gregory
Bonner	Donohue	Griffiths
Boykin	Dorn, S. C.	Hagen
Boyle	Dowdy	Harris

Harrison, Va.	Matthews	Rooney
Hays, Ark.	Metcalf	Roosevelt
Hemphill	Mills	Rutherford
Holland	Montoya	Santangelo
Horan	Morgan	Saund
Hull	Morris	Shelley
Ikard	Moulder	Sheppard
Johnson	Multer	Sieminski
Jones, Ala.	Murray	Sisk
Jones, Mo.	Natcher	Smith, Va.
Kelley, Pa.	Norrell	Spence
Kelly, N. Y.	O'Hara, Ill.	Staggers
King	Passman	Steed
Kirwan	Patman	Sullivan
Kluczynski	Perkins	Teller
Lane	Pfost	Thompson, La.
Lanham	Philbin	Thompson, Tex.
Lesinski	Poage	Thornberry
Long	Polk	Trimble
Loser	Porter	Ullman
McMillan	Rabaut	Vanik
Machrowicz	Rains	Walter
Mack, Ill.	Rhodes, Pa.	Willis
Madden	Riley	Zelenko
Magnuson	Roberts	
Mahon	Rodino	

NOT VOTING—83

Alger	George	Miller, Calif.
Anfuso	Gordon	Miller, N. Y.
Baker	Gwinn	Morrison
Barden	Harvey	Norblad
Bass, N. H.	Hays, Ohio	O'Brien, N. Y.
Baumhart	Healey	O'Neill
Beamer	Hébert	Ostertag
Becker	Hiestand	Pillion
Bennett, Mich.	Hoeven	Powell
Bentley	Hoffman	Preston
Bray	Holt	Riehlman
Brownson	Holtzman	Robsion, Ky.
Buckley	Jackson	Sadlak
Burdick	Jennings	Sheehan
Carnahan	Kean	Sikes
Chiperfield	Kearney	Simpson, Pa.
Coad	Kee	Taylor
Cooley	Keeney	Thomas
Curtis, Mass	Kilburn	Thompson, N. J.
Dawson, Ill.	Krueger	Tollefson
Dellay	Laird	Udall
Dennison	Latham	Vinson
Dies	McCarthy	Wainwright
Dooley	McCormack	Watts
Dorn, N. Y.	McIntire	Williams, Miss.
Doyle	Macdonald	Winstead
Fallon	Mailliard	Younger
Flood	Mason	

So the amendment was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Hiestand for, with Mr. McCormack against.

Mr. Baumhart for, with Mr. Dawson of Illinois against.

Mr. Becker for, with Mr. Anfuso against.

Mr. Dellay for, with Mr. Buckley against.

Mr. Bentley for, with Mr. Jennings against.

Mr. Holt for, with Mr. Udall against.

Mr. Bass of New Hampshire for, with Mr. Holtzman against.

Mr. Sheehan for, with Mr. Carnahan against.

Mr. Alger for, with Mr. Hays of Ohio against.

Mr. Vinson for, with Mr. Gordon against.

Mr. O'Neil for, with Mr. Healey against.

Mr. Kean for, with Mr. Powell against.

Mr. Fallon for, with Mr. Doyle against.

Mr. Hoeven for, with Mr. Miller of California against.

Mr. Taylor for, with Mr. Hébert against.

Mr. Watts for, with Mr. Morrison against.

Mr. Beamer for, with Mr. Flood against.

Mr. Cooley for, with Mrs. Kee against.

Mr. Bray for, with Mr. Dies against.

Mr. Harvey for, with Mr. O'Brien of New York against.

Mr. Simpson of Pennsylvania for, with Mr. Thompson of New Jersey against.

Mr. Sadlak for, with Mr. Coad against.

Until further notice:

Mr. Macdonald with Mr. Dooley.

Mr. McCarthy with Mr. McIntire.

Mr. Williams of Mississippi with Mr. Norblad.

Mr. Winstead with Mr. Jackson.

Mr. Sikes with Mr. Keeney.

Mr. Barden with Mr. Krueger.

Mr. Preston with Mr. Brownson.

Mrs. KNUTSON and Messrs. O'BRIEN of Illinois, RADWAN, OSMERS, and O'KONSKI changed their votes from "nay" to "yea."

Mr. KING changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

PROGRAM FOR THE BALANCE OF THE WEEK

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ARENDS. Mr. Speaker, I take this time to ask the acting majority leader if he can kindly advise us as to the program for the balance of the week.

Mr. ALBERT. The Private Calendar will be called tomorrow, as previously announced.

In addition, the gentleman from Texas [Mr. BURLESON] advises that the Committtee on House Administration has quite a number of bills and resolutions which will be brought up for consideration in the House tomorrow.

Of course, we have the usual reservation that conference reports may be brought up at any time and that bills may be brought up under unanimous consent.

Mr. ARENDS. It is more than likely that we will finish all such business on tomorrow with the possibility of not having anything to do on Friday?

Mr. ALBERT. Certainly that is a possibility.

AMENDING TITLE TO THE SOCIAL SECURITY ACT

Mr. COOPER. Mr. Speaker, I ask unanimous consent following the calling of each of these bills which I shall call up, I may have unanimous consent to extend my remarks in the RECORD, that following my remarks the gentleman from New York [Mr. REED] may extend his remarks; and following that, any other Member of the House who desires to do so may extend his remarks on the bill in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. COOPER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 8753) to amend title II of the Social Security Act to include California, Connecticut, and Rhode Island among the States which are permitted to divide their retirement systems into two parts so as to obtain social security coverage, under State agreement, for only those State and local employees who desire such coverage with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 5, after "'Florida'," insert "by inserting 'Minnesota,' before New York' ".

Page 2, line 2, after "Connecticut," insert "Minnesota".

Page 2, line 9, strike out "1959" and insert "1960".

Amend the title so as to read: "An act to amend title II of the Social Security Act to include California, Connecticut, Minnesota, and Rhode Island among the States which are permitted to divide their retirement systems into two parts so as to obtain social-security coverage, under State agreement, for only those State and local employees who desire such coverage."

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, in the form in which H. R. 8753 passed the House of Representatives, three additional States, California, Connecticut, and Rhode Island, were added to the list of States which are permitted to divide a retirement system into two parts and provide social security coverage for the part consisting of the positions of those employees who desire such coverage. The Senate added the State of Minnesota to the three States included in the House bill.

The bill as approved by the House also provided that coverage agreements or modifications entered into prior to 1959 could be made effective with respect to services performed at any time after December 31, 1955, by employees obtaining coverage under the provisions of the bill. The Senate amended that provision to make it applicable to such services under coverage agreements or modifications thereof entered into prior to 1960. The Senate committee report stated that the 1-year extension might not be long enough to permit the four States affected by the bill, and the interested subdivisions, to take the necessary action by the end of 1958, and the Senate report pointed out that the problems in this regard would be particularly acute with respect to the State of Minnesota since the legislature in that State ordinarily meets only in odd-numbered years. As I indicated, the Senate amendment would provide a 2-year extension instead of a 1-year extension as included in the House bill, in this regard.

Mr. REED. Mr. Speaker, the House passed version of H. R. 8753 had as its purpose the amendment of title II of the Social Security Act so as to include the States of California, Connecticut, and Rhode Island among the enumeration of States contained in present law which are permitted to divide a retirement system into two parts and to provide social security coverage for the part consisting of the positions of those employees who desire OASI coverage. The Senate in acting on the legislation has added the State of Minnesota to the new list of States and has provided that

agreements with States to accomplish this purpose entered into prior to 1960 may be made effective with respect to services performed as early as January 1, 1956. This legislation will assist deserving public employees in the States affected to obtain protection under the Social Security System.

EXTENDING TIME FOR A MINISTER TO ELECT COVERAGE FOR SOCIAL SECURITY PURPOSES

Mr. COOPER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 8892) to amend the Internal Revenue Code of 1954 to extend the time within which a minister may elect coverage as a self-employed individual for social security purposes, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 7, after line 7, insert:

"SEC. 5. (a) Paragraph (7) of section 211 (a) of the Social Security Act is amended to read as follows:

"'(7) An individual who is a duly ordained, commissioned, or licensed minister of a church or a member of a religious order shall compute his net earnings from self-employment derived from the performance of service described in subsection (c) (4) without regard to section 107 (relating to rental value of parsonages) and section 119 (relating to meals and lodging furnished for the convenience of the employer) of the Internal Revenue Code of 1954 and, in addition, if he is a citizen of the United States performing such service as an employee of an American employer (as defined in section 210 (e)) or as a minister in a foreign country who has a congregation which is composed predominantly of citizens of the United States, without regard to section 911 (relating to earned income from sources without the United States) and section 931 (relating to income from sources within possessions of the United States) of such Code.'

"(b) Paragraph (8) of section 1402 (a) of the Internal Revenue Code of 1954 is amended to read as follows:

"'(8) an individual who is a duly ordained, commissioned, or licensed minister of a church or a member of a religious order shall compute his net earnings from self-employment derived from the performance of service described in subsection (c) (4) without regard to section 107 (relating to rental value of parsonages) and section 119 (relating to meals and lodging furnished for the convenience of the employer) and, in addition, if he is a citizen of the United States performing such service as an employee of an American employer (as defined in section 3121 (h)) or as a minister in a foreign country who has a congregation which is composed predominantly of citizens of the United States, without regard to section 911 (relating to earned income from sources without the United States) and section 931 (relating to income from sources within possessions of the United States.'

"(c) The amendments made by this section shall, except for purposes of section 203 of the Social Security Act, apply only with respect to taxable years ending on or after December 31, 1957. For purposes of section 203 of the Social Security Act (other than subsection (a)), such amendments shall apply only with respect to taxable years beginning after the month in which this act is enacted. For purposes of subsection (a) of such section 203, such amendments shall apply only with respect to taxable years of the insured individual ending on or after December 31, 1957.

"Amend the title so as to read 'An act to amend the Internal Revenue Code of 1954 to extend the time within which a minister may elect coverage as a self-employed individual for social security purposes and to permit such a minister to include, for social security purposes, the value of meals and lodging furnished him for the convenience of his employer and the rental value of the parsonage furnished to him, and for other purposes.'"

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, as I indicated at the time when H. R. 8892 passed the House of Representatives, the purpose of the bill was to amend the Internal Revenue Code of 1954 to extend for 2 years the time within which ministers may file waiver certificates to elect coverage under the old-age, survivors, and disability insurance program as self-employed persons.

The Senate has added an amendment to this bill which would provide that a minister who elects or has elected coverage under old-age and survivors insurance shall, in determining his net earnings from self-employment, include the rental value of a parsonage—or allowance for the rental value of a parsonage—and the value of meals and lodging furnished to him for the convenience of the employer. Under existing law only the cash salary, fees, and honoraria are counted in determining a minister's earnings from his ministry for social security purposes. The Senate committee report states that the Senate amendment would give recognition to the fact that noncash remuneration—value of parsonage, meals, and lodging—received by ministers may, in many instances, constitute a significant portion of their total earnings, and that the amendment would provide for the treatment of such remuneration of the ministers affected—who are actually employees—similar to the treatment provided under old-age and survivors insurance for employees generally. As is also indicated in the Senate committee report, enactment of the amendment would not affect the traditional tax-exempt status of such remuneration accorded ministers for income tax purposes. This amendment would be effective with taxable years ending on or after December 31, 1957, except that, for purposes of the retirement test under old-age and survivors insurance, the provision would be effective with taxable years beginning after the month of enactment of the provision.

Mr. REED. Mr. Speaker, the House of Representatives acted favorable on this legislation so as to extend the time within which ministers may elect social security coverage as self-employed individuals. The Senate, in its consideration of this meritorious legislation, included an amendment to provide that ministers, in computing their creditable income, may include the value of meals and lodging furnished them for the convenience of their ministerial obligations. The Senate amendment will have the effect, in many instances, of enabling a minister to become entitled for a higher OASI benefit than would otherwise be possible.

Mr. HARRISON of Virginia. Mr. Speaker, as the author of H. R. 8892, I want to take this opportunity to thank my colleagues in the House and commend them for the favorable action which has just been taken on this bill. This legislation will make it possible for a very substantial number of ministers, who failed to receive information as to their rights or who received misinformation, to elect social-security coverage.

The problem involved was at least a twofold one. First, many ministers throughout the country had failed to exercise their right under the law to elect to receive social security coverage within the time specified by the law. It was evident that a large number of these ministers did desire coverage and that their failure to act was caused by lack of knowledge or by misunderstanding of the provisions of existing law.

Second, I was informed that a very large number of ministers who were employed by certain church-related nonprofit organizations—such as colleges chartered by churches—were erroneously enrolled along with lay employees and that when this became known they were in a position of possibly losing their social security coverage. This legislation will make it possible for such persons to elect coverage as though they were self-employed, just as the other ministers have been covered.

I initiated this legislation not only because a number of these ministers had discussed these problems with me but also because the National Council of the Churches of Christ in the United States of America had taken action requesting the Congress to amend the basic provisions of the act so that these ministers could obtain coverage.

The amendment which the Senate has added to the basic legislation is entirely agreeable to me.

It, in brief, would provide that a minister who elects or has elected coverage under old-age and survivors insurance shall, in determining his net earnings from self-employment, include the rental value of his parsonage and the value of meals and lodging furnished to him for the convenience of the employer.

Under existing law, this cannot be counted for social security purposes. I am advised that in many instances the value of the parsonage, meals and lodging received by ministers constitutes a significant portion of their total earnings and therefore this amendment should be of material assistance to ministers.

TEMPORARY FREE IMPORTATION OF CERTAIN TANNING EXTRACTS

Mr. COOPER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 2842) to amend the Tariff Act of 1930 to provide for the temporary free importation of certain tanning extracts, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, after line 13, insert:

"SEC. 3. The tax imposed under section 4511 (a) of the Internal Revenue Code of 1954 shall not apply with respect to the first domestic processing of coconut oil, fatty acids derived therefrom, or salts thereof, or of any combination or mixture solely because such combination or mixture contains a substantial quantity of such oil, fatty acids, or salts, during the period beginning with the first day of the first month which begins more than 10 days after the date of the enactment of this act and ending with the close of June 30, 1960."

Amend the title so as to read: "An act to amend the Tariff Act of 1930 to provide for the temporary free importation of certain tanning extracts, and to amend the Internal Revenue Code of 1954 to suspend temporarily the tax on the processing of coconut oil."

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, as I indicated at the time when H. R. 2842 passed the House of Representatives, its purpose was to amend the Tariff Act of 1930 to provide for the temporary free importation of certain tanning extracts.

The Senate has added an amendment to this bill which would provide for a suspension, through June 30, 1960, of the 3-cent-per-pound tax on the first domestic processing of coconut oil, fatty acids derived therefrom, or salts thereof, or of certain combinations or mixtures thereof.

Our colleague, the gentleman from California, the Honorable CECIL R. KING, has a House bill pending on this subject as is also true of our colleagues, Representatives DINGELL and ALLEN. The Committee on Ways and Means received favorable reports from the interested departments and agencies on these pending measures. Moreover, a subcommittee of the Committee on Ways and Means, the Subcommittee on Excise Taxes under the chairmanship of the Honorable AIME J. FORAND, has submitted a unanimous report to the full committee recommending favorable action on this subject, and it was included on the agenda for early consideration by the committee.

Mr. REED. Mr. Speaker, as this legislation passed the House it provided for the temporary free importation of certain tanning extracts. The legislation was designed to assist our domestic tanners to compete more successfully with their foreign counterparts. The Senate in acting on the legislation added an amendment to provide for the temporary suspension of the import tax imposed on the first domestic processing of coconut oil.

The Committee on Ways and Means has had legislation referred to it to accomplish this purpose and the committee has received favorable reports from the interested executive departments. In addition, the Subcommittee on Excise Taxes of the Committee on Ways and Means has also recommended to the full committee that favorable action be taken on such legislation. It is therefore appropriate that the House concur in this Senate amendment.

AMENDING TITLE II OF THE SOCIAL SECURITY ACT

Mr. COOPER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1944) to amend title II of the Social Security Act so as to make inapplicable, in the case of the survivors of certain members of the Armed Forces, the provisions which presently prevent the payment of benefits to aliens who are outside the United States, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 3, after line 2, insert:

"SEC. 3. (a) Section 202 (b) (1) of the Social Security Act is amended by striking out subparagraph (C) and redesignating subparagraph (D) as subparagraph (C), and by inserting 'and' at the end of subparagraph (B).

"(b) Section 202 (c) (1) of such act is amended by striking out subparagraph (C) and redesignating subparagraphs (D) and (E) as subparagraphs (C) and (D), respectively.

"(c) Section 202 (e) (1) of such act is amended by striking out subparagraph (D) and redesignating subparagraph (E) as subparagraph (D) and by inserting 'and' at the end of subparagraph (C).

"(d) Section 202 (f) (1) of such act is amended by striking out subparagraph (D) and redesignating subparagraphs (E) and (F) as subparagraphs (D) and (E), respectively.

"(e) Section 202 (g) (1) (F) of such act is amended to read as follows:

"'(F) in the case of a former wife divorced, was receiving from such individual (pursuant to agreement or court order) at least one-half of her support at the time of his death, and the child referred to in subparagraph (E) is her son, daughter, or legally adopted child and the benefits referred to in such subparagraph are payable on the basis of such individual's wages and self-employment income.'

"(f) Section 202 (h) (1) of such act is amended by striking out '(e) (1) (D) and (E)' and '(f) (1) (D), (E), and (F)' and inserting in lieu thereof '(e) (1) (D)' and '(f) (1) (D) and (E)', respectively.

"(g) Section 202 (p) (1) of such act is amended by striking out 'subparagraph (D) of subsection (c) (1)' and 'subparagraph (E) of subsection (f) (1)' and inserting in lieu thereof 'subparagraph (C) of subsection (c) (1)' and 'subparagraph (D) of subsection (f) (1)', respectively.

"(h) Section 216 (h) is amended to read as follows:

"'(h) (1) An applicant is the wife, husband, widow, or widower of a fully or currently insured individual for purposes of this title if the courts of the State in which such insured individual is domiciled at the time such applicant files an application, or, if such insured individual is dead, the courts of the State in which he was domiciled at the time of death, or, if such insured individual is or was not so domiciled in any State, the courts of the District of Columbia, would find that such applicant and such insured individual were validly married at the time such applicant files such application or, if such insured individual is dead, at the time he died. If such courts would not find that such applicant and such insured individual were validly married at such time, such applicant shall, nevertheless be deemed to be the wife, husband, widow, or widower, as the case may be, of such insured individual if such applicant would, under the laws applied by such courts in determining the devolution of intestates personal property, have the same status with respect to the taking of such property as a wife, husband, widow, or widower of such insured individual.

"'(2) In determining whether an applicant is the child or parent of a fully or currently insured individual for purposes of this title, the secretary shall apply such law as would be applied in determining the devolution of intestate personal property by the courts of the State in which such insured individual is domiciled at the time such applicant files application, or, if such insured individual is dead, by the courts of the State in which he was domiciled at the time of his death, or, if such insured individual is or was not so domiciled in any State, by the courts of the District of Columbia. Applicants who according to such law would have the same status relative to taking intestate personal property as a child or parent shall be deemed such.

"'(3) For purposes of section 202 (1), a widow shall be deemed to have been living with her husband at the time of his death if they were both members of the same household on the date of his death, or she was receiving regular contributions from him toward her support on such date, or he had been ordered by any court to contribute to her support; a widower shall be deemed to have been living with his wife at the time of her death if they were both members of the same household at the time of her death, or he was receiving regular contributions from her toward his support on such date, or she had been ordered by any court to contribute to his support.'

"(i) (1) Except as provided in paragraph (2), the amendments made by this section shall apply in the case of monthly benefits under section 202 of the Social Security Act for months after the month in which this act is enacted.

"(2) The amendment made by subsection (f) shall not apply in the case of benefits under section 202 (h) of the Social Security Act, based on the wages and self-employment income of a deceased individual who died in or prior to the month in which this act is enacted, for any parent who files the proof of support, required by such section 202 (h), in or prior to the month in which this act is enacted; and the amendment to section 216 (h) (1) of such act made by subsection (h) of this section shall not operate to deprive any such parent of benefits to which he would otherwise be entitled under section 202 (h) of such act.

"SEC. 4. (a) Section 1 (q) of the Railroad Retirement Act of 1937, as amended, is amended by striking out '1956' and inserting in lieu thereof '1957.'

"(b) Paragraph (1) of section 5 (1) of the Railroad Retirement Act of 1937, as amended, is amended by striking out the sentence immediately following clause (iii) thereof and inserting in lieu thereof the following sentence: 'A "widow" or "widower" shall be deemed to have been living with the employee if the conditions set forth in section 216 (h) (2) or (3), whichever is applicable, of the Social Security Act, as in effect prior to 1957, are fulfilled.'

"(c) Paragraph (1) of section 5 (1) of such act is further amended by striking out the third sentence immediately following clause (iii) thereof and inserting in lieu thereof the following sentence: 'In determining, for purposes of this section and subsection (f) of section 2 whether an applicant is the wife, husband, widow, widower, child, or parent of an employee as claimed, the rules set forth in section 216 (h) (1) of the Social Security Act, as in effect prior to 1957, shall be applied."

"SEC. 5. Where—

"(a) one or more persons were entitled (without the application of sec. 202 (j) (1) of the Social Security Act) to parents' insurance benefits under section 202 (h) of such act for the month in which this act is

enacted on the basis of the wages and self-employment income of an individual;

"(b) a person becomes entitled to a widow's, widower's, or mother's insurance benefit under section 202 (e), (f), or (g) of the Social Security Act for any subsequent month on the basis of such wages and self-employment income;

"(c) the total of the benefits to which all persons are entitled under section 202 of the Social Security Act, on the basis of such wages and self-employment income for such subsequent month are reduced by reason of the application of section 203 (a) of such act;

then the amount of the benefit to which each such person referred to in paragraph (a) or (b) is entitled for such subsequent month shall be increased, after the application of such section 203 (a), to the amount it would have been—

"(d) if, in the case of a parent's insurance benefit, the person referred to in paragraph (b) was not entitled to the benefit referred to in such paragraph, or

"(e) if, in the case of a benefit referred to in paragraph (b), no person was entitled to a parent's insurance benefit for such subsequent month on the basis of such wages and self-employment income."

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, H. R. 1944 as it passed the House would have amended the old-age and survivors insurance provisions of the social-security laws so as to permit the payment of survivors' benefits to aliens residing outside the United States where the beneficiaries are survivors of members of the uniformed armed services who die as a result of service-connected disabilities. The Senate added a floor amendment which was approved by the Senate Committee on Finance which would eliminate the "living with" requirement for widows', widowers', wives', and husbands' benefits. At the present time the law defines "living with" to mean that the spouse must have been living in the same household with the worker or that she must have been receiving regular contribution from the worker or that the worker must have been under order by a court to contribute to her support. The definition of wife, husband, widow, and widower under present law requires that the spouse be able to inherit the intestate personal property of the worker under applicable State law. Under the Senate amendment a spouse would meet the definition if a valid marriage is in existence at the time of the worker's death or the spouse's application for benefits. If a valid marriage had not existed, the relationship would nevertheless be deemed to have existed if the spouse was able to inherit the intestate personal property of the worker.

Under present law the existence of a potentially eligible widow bars the payment of a parent's benefit. The Senate amendment contains a savings clause which provides that where a parent before the month of enactment of the amendment had filed proof that he had been chiefly supported by the deceased worker, payments of benefits to the parent would not be barred if a widow becomes eligible because of these amendments. The amendment also provides that a parent's benefit would not be reduced below the amount payable to the parent before the month in which the widow becomes entitled to a mother's or aged widow's benefit. Otherwise, the maximum on family benefits would apply. Also, under the amendments the widow's benefit would not be reduced by reason of the operation on the maximum on family benefits. Under the amendments in cases where a widow becomes entitled to benefits because of the amendments, children's benefits would be reduced because of the family maximum provisions in those cases where the maximum is involved because the children are also entitled to benefits.

I urge that the Senate amendments be agreed to.

Mr. REED. Mr. Speaker, the purpose of the House-passed version of this legislation was to provide OASI benefit entitlement with respect to certain aliens serving in the Armed Forces of the United States who are required by law, on a compulsory basis, to contribute to the OASI trust fund. The Senate has amended this legislation to provide that a widow's benefit would be available to a woman surviving a deceased husband, if such widow would be legally entitled to inherit the intestate personal property of the worker under applicable State law. Mr. Speaker, the Senate amendment will serve to clarify the status of widows under the Social Security Act with respect to OASI benefit entitlement.

AMENDMENT OF TITLE II OF THE SOCIAL SECURITY ACT

Mr. COOPER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 8755) to amend title II of the Social Security Act to permit any instrumentality of two or more States to obtain social-security coverage under its agreement separately for those of its employees who are covered by a retirement system and who desire such coverage, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 3, line 7, after "title," insert "Services in positions covered by a separate retirement system created pursuant to this subsection (and consisting of the positions of members who desire coverage under an agreement under this section) shall be covered under such agreement on compliance, to the extent practicable with the same conditions as are applicable to coverage under an agreement under this section of services in positions covered by a separate retirement system created pursuant to the fourth sentence of subsection (d) (6) (and consisting of the positions of members who desire coverage under such agreement)."

Page 3, strike out all after line 7 over to and including line 3 on page 4 and insert:

"SEC. 2. Subsection (p) of section 218 of the Social Security Act is amended by striking out 'Florida, North Carolina, Oregon, South Carolina, or South Dakota' and inserting in lieu thereof 'Alabama, Florida, Georgia, Maryland, New York, North Carolina, Oregon, South Carolina, South Dakota, Tennessee, or Territory of Hawaii.'

"SEC. 3. Subsection (f) of section 218 of the Social Security Act is amended by striking out '1957' in paragraph (3) and inserting in lieu thereof '1959', by striking out 'and' at the end of paragraph (2) and by redesignating paragraph (3) as paragraph (4) and inserting after paragraph (2) the following new paragraph:

"'(3) in the case of an agreement or modification agreed to after 1957 but prior to 1960, such date may not be earlier than December 31, 1955 and'."

Amend the title so as to read: "An act to amend title II of the Social Security Act to permit any instrumentality of two or more States to obtain social security coverage, under its agreement, separately for those of its employees who are covered by a retirement system and who desire such coverage, to include Alabama, Georgia, New York, and Tennessee among the States which may obtain social security coverage for policemen and firemen in position covered by a retirement system on the same basis as other State and local employees, and to extend the period during which State agreements for social security coverage of State and local employees may be made retroactive."

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, H. R. 8755 as it passed the House would have amended title II of the Social Security Act so as to permit a division of a retirement system on the part of interstate instrumentalities into two parts and thereby providing social-security coverage for the part consisting of the positions of those employees who desire such coverage.

The Senate added three main amendments to this bill. The first amendment is designed to make sure that the division in the case of interstate instrumentalities, to the extent practicable, will be on the same basis as the division now permitted to specified States.

The Senate also substituted a more general retroactive coverage provision which would be applicable to agreements and modifications pertaining to services performed for a State or any of its political subdivisions, as well as those pertaining to services performed for an interstate instrumentality. Under the Senate amendment a coverage agreement or modification could be made effective any time after December 31, 1955, if the agreement or modification is entered into prior to 1960.

The Senate also added a provision which would remove the bar to coverage of policemen and firemen covered by a State or local retirement system in the States of Alabama, Georgia, Maryland, New York, and Tennessee, and in Hawaii.

I urge that the House recede and concur in these Senate amendments.

Mr. REED. Mr. Speaker, H. R. 8755 as it passed the House of Representatives amended title II of the Social Security Act so as to provide improved OASI coverage to employees of interstate instrumentalities by permitting the retirement system to be divided into two parts for coverage purposes. The Senate amended the legislation to provide that Alabama, Georgia, Maryland, New York, and Tennessee, as well as the

Territory of Hawaii, would be allowed to include policemen and firemen under the protection of the OASI system. In addition the Senate amended the bill so as to postpone the deadline for obtaining coverage to afford sufficient time for the many State legislatures to take appropriate action so as to enable giving effect to this extension of coverage.

VETERANS' HOUSING

Mr. TEAGUE of Texas. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4602) to encourage new residential construction for veterans' housing in rural areas and small cities and towns by raising the maximum amount in which direct loans may be made from $10,000 to $13,500, to authorize advance financing commitments, to extend the direct-loan program for veterans, and for other purposes, and concur in the Senate amendment to the House amendment to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

In lieu of the language inserted by the House amendment, insert the following:

"(c) Subsection (d) of such section 513 is amended (1) by striking out '1957' and inserting '1958'; (2) by inserting immediately after 'so advanced' the following: 'under this sentence'; and (3) by inserting immediately after the first sentence therein the following new sentence: 'The Secretary of the Treasury shall also advance to the administrator from time to time until July 25, 1958, such additional sums as the administrator may request (not in excess of the difference between the amounts advanced under this subsection after June 30, 1955, and the maximum amounts which could have been advanced upon the request of the administrator after June 30, 1955, and before the date of the request).'"

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mrs. ROGERS of Massachusetts. Reserving the right to object, Mr. Speaker, and I shall not object, I know the chairman of our committee will explain the bill to the Members of the House, who are eager to know about it. I think this is perhaps the best we can do. Does not the chairman agree with that?

Mr. TEAGUE of Texas. That is correct.

Mr. Speaker, the pertinent provisions involved in this difference between the House and Senate in this bill are that the bill, as passed by the House, authorized $200 million for the operation of the direct-loan program of the Veterans' Administration to July 25, 1958. The Senate, in approving the bill, reduced this authorization to $50 million and extended the program until July 25, 1959, along with a 1-year extension to the same date for the guaranteed-loan program for World War II veterans. The House accepted the extension to 1 year, but insisted on the full amount of the money previously authorized which, in effect, meant $200 million to July 25, 1958, and $150 million additional to July 25, 1959. The Senate has now adopted an amendment which provides for $200 million for the program until July 25, 1958.

The action which I have proposed is the only practical approach at the present time and one which I take with considerable regret. I say this with all due respect to the other body, but it is illogical to me to increase the authorization of a direct loan from $10,000 to $13,500, and at the same time reduce the amount of money that is available for this program. I am, therefore, urging the House to concur in the Senate amendment, and at the same time I am introducing legislation to provide that beginning July 26, 1958, and continuing through July 25, 1959, the Veterans' Administration shall have $150 million authorization which it has had to operate this program in recent years when the overall limit for one loan was only $10,000.

Mr. WHITENER. Mr. Speaker, while the provisions of H. R. 4602 have been changed by reason of amendments by the other body, I believe it represents a step forward in meeting the veterans' housing problem.

Seldom am I in my district that I do not receive telephone calls from veterans in small towns and rural areas who are having difficulty in obtaining GI loans. Since this bill is intended to alleviate the difficult stituation confronting our veterans in small towns and rural areas I rise in support of it.

As the chairman of our Committee on Veterans' Affairs has stated, the other body reduced the $200 million authorization to $50 million and extended the program until July 25, 1959. In conference the House accepted the extension of the period of time covered by this bill but insisted that the original authorization of $200 million be restored.

While the present bill limits the period of the effectiveness of the program to July 25, 1958, it is my earnest hope that at the next session of Congress an authorization will be received so as to continue the direct-loan program in its full effectiveness until July 25, 1959.

I take this opportunity to commend our distinguished chairman, Mr. TEAGUE of Texas, for his steadfastness to the will of the House in bringing about a final bill which is so nearly consistent with the provisions of the original House action.

The enactment of this legislation is a great boost to the housing industry and to the many veterans of this Nation who have not heretofore been able to obtain housing loans under the VA program.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Senate amendment to the House amendment to the Senate amendment was concurred in.

A motion to reconsider was laid on the table.

GENERAL PERMISSION TO EXTEND REMARKS

Mr. TEAGUE of Texas. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks in the RECORD on the bill H. R. 4602, on which action was just taken.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

BERNALILLO COUNTY, N. MEX.

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 9023) to amend the act of October 31, 1949, to extend until June 30, 1960, the authority of the Surgeon General to make certain payments to Bernalillo County, N. Mex., for furnishing hospital care to certain Indians, with a Senate amendment thereto, disagree to the Senate amendment, and request a conference with the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. HARRIS, WILLIAMS of Mississippi, RHODES of Pennsylvania, LOSER, WOLVERTON, BUSH, and NEAL.

AIR CARRIERS

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to have until midnight tonight to file a conference report on the bill (S. 2229) to provide for Government guaranty of private loans to certain air carriers for purchase of modern aircraft and equipment to foster the development and use of modern transport aircraft by such carriers, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

JACKSON SCHOOL TOWNSHIP, IND.

Mr. LANE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 807) for the relief of Jackson School Township, Ind.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Jackson School Township, Cass County, Ind., the sum of $275,000 in full satisfaction of such school township's claim against the United States for compensation for the loss of utility of its school at Lincoln, Ind., and for costs to be incurred in relocating such school due to the noise and danger from Department of the Air Force aircraft using Bunker Hill Air Base: *Provided*, That the appropriate authorities convey to the United States all their right, title, and interest in and to the township school property located at Lincoln, Ind., which property has been rendered useless for school purposes due to the noise and danger from Department of the Air Force aircraft using Bunker Hill Air Base: *Provided further*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection

with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out "$275,000" and insert "$193,352."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INCREASING SERVICE-CONNECTED DISABILITY COMPENSATION AND DEPENDENCY ALLOWANCES

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to revise and extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I rise at this time to remind the House that the President has until next Tuesday to sign the bill, H. R. 52, a bill to increase compensation of service-connected veterans, which passed the House and Senate unanimously. While I firmly believe that the President will sign the bill, we do not want a veto and I suggest that every Member remind the President of our wishes. In three or four of his speeches, President Eisenhower has said that such a bill should be passed. It was also in both the Democratic and Republican platforms. I think every Member of the House should get in touch with the White House. It might be very helpful in this time of great confusion. The House passed a similar bill late in the last session of Congress. The Senate failed to pass it last year.

Two years is a terribly long time for disabled veterans to wait for increased compensation. It has been a great hardship for them and a real tragedy.

HIGHER POSTAL RATES

Mr. METCALF. Mr. Speaker, I ask unanimous consent to revise and extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. METCALF. Mr. Speaker, Postmaster General Summerfield's plea that he needs higher postal rates in order to provide essential services would carry more weight if his administrative practices were consistent with his assertions. When an individual wants special handling and special delivery of a piece of mail he pays 55 cents. The additional rate is supposed to pay for the special service.

But the Ford Motor Co. is planning a mailing of 1½ million pieces that are to be delivered no earlier than September 3 and no later than September 4. Yet the Ford Motor Co. doesn't pay anything for the special service necessary to make these deliveries as scheduled. Instead the District Transportation Manager merely issued the following directive:

SPECIAL MAILING FROM DEARBORN, MICH.

During the week of August 26, 1957, the Ford Motor Co., Dearborn, Mich., will place in the mails 1,500,000 pieces of first-class mail announcing the debut of the Edsel car. This mail is due to be delivered no earlier than September 3 and no later than September 4, 1957.

Primary distribution is due to be performed at the Dearborn Post Office and residue will be dispatched for the States involved as follows: Idaho, Council Bluffs, Iowa, terminal; Montana, St. Paul, Minn., terminal; Oregon, Portland, Oreg. terminal; Washington, Spokane, Wash. terminal. Clerks in mobile and stationary organizations receiving this mailing will make every effort to give it the most expeditious dispatch handling.

PERSONAL ANNOUNCEMENT

Mr. THOMPSON of New Jersey. Mr. Speaker, on the last rollcall, the second bells did not ring in the Old House Office Building. Because of that, I missed the rollcall. Had I been present, I would have voted "No."

THE RAPID AMORTIZATION PROGRAM AND THE ELECTRIC POWER INDUSTRY

The SPEAKER. Under the previous order of the House, the gentleman from Ohio [Mr. BOW] is recognized for 30 minutes.

Mr. BOW. Mr. Speaker, in recent months we have observed a new tactic in the strategy of those whose aim it is to nationalize the electric-power industry of the United States. In the Hells Canyon debate and in other discussions of the power issue, the proponents of Government-subsidized electric power have attacked the Government's rapid amortization program on the ground that it represents a gigantic giveaway to the free-enterprise electric companies.

The vigor with which this charge was pressed, and its evident effect on many of our colleagues including some reasonable men not ordinarily in the public power camp, gave me concern. For the past several months, in consultation with experts on taxation and in the power industry, I have been studying the rapid amortization program to determine whether there is any foundation in fact for the charges made by public power advocates.

I find their attack is based on distortion and falsehood.

Their real aim is to draw attention away from the large and various subsidies enjoyed by the public power group, to set up a smokescreen behind which they can continue to receive these subsidies, as well as to attempt to discredit the free-enterprise electric power industry which has played such an enormously important part in helping the American people to achieve their present high standard of living and to insure its future increase. The attack has been irresponsible in its failure to acknowledge the true purpose of the rapid amortization program and its real effects on the electric power industry, the defense of the Nation, and the economy as a whole.

Typical of the charges that have been made by the subsidized public power groups is the contention that the Government has given away $5 billion to the free-enterprise electric power companies and that this sum of money is being paid out in dividends to the shareholders of those companies. The real facts are that, first, the Government has not given away any money to the free-enterprise electric power companies since the rapid amortization program can under no circumstances involve any payments out of the United States Treasury to them; second, rapid-amortization certificates merely permit the faster recovery of the companies' own capital invested in productive assets; third, the faster capital recovery only results in a temporary reduction in Federal income taxes which is thereafter offset by the increased higher taxes that must be paid at the end of the 5-year amortization period; and fourth, Federal and State regulatory authorities have ruled that the temporary tax deferrals may not be passed on to the company's stockholders, but must be held in special restricted accounts to be used to offset the later higher taxes that might otherwise require increased rates.

It is not surprising that the Government-subsidized public-power groups, including their supporters and apologists, should be sensitive about the subject of subsidies. The subsidies, inherent in their tax-exempt status and the fact that their capital requirements are actually furnished by the Federal Treasury at less than it costs the Treasury for such funds, and at only a fraction of the cost of money for comparable risks, make them especially vulnerable and, therefore, sensitive to criticism. This sensitiveness apparently has been responsible for the fact that one of their spokesmen has, in desperation, been led to make the reckless and demonstrably untrue claim that, through rapid amortization, the Government has given the free-enterprise electric-power industry as much or more than the billions of dollars which the Government has made available to the subsidized public-power cooperatives. It is thus apparent that the real aim of the subsidized public-power groups in their attack on rapid amortization is to set up a smokescreen in an attempt to divert attention away from the enormous subsidies, particularly through tax exemption and artificially low interest rates, which they themselves have received at the expense of the American taxpayer.

In answer to the charges which have been made, the following will be discussed:

First. The facts of rapid amortization as applied to the free-enterprise electric-power industry;

Second. A demonstration of the falsity of the charges made by the Government-subsidized public-power groups; and

Third. An application of the same kind of economic analysis used by the Government-subsidized public-power groups to determine what the amount of the subsidies which the Government has

given to such groups would be if calculated on the basis of such analysis.

THE FACTS OF RAPID AMORTIZATION AS APPLIED TO THE ELECTRIC POWER INDUSTRY

The subsidized public power groups have studiously attempted to misrepresent the real purpose and effect of the rapid amortization program. The facts are these. The legislation was first enacted in President Roosevelt's Administration during World War II to encourage the use of private capital and, to that extent, make unnecessary the use of governmental expenditures in the rapid expansion of vital facilities needed for the successful prosecution of the war. It was reinstated in President Truman's administration during the Korean war for the same purpose and has continued in effect to the present date throughout the cold war emergency. It is now embodied in section 168 of the Internal Revenue Code of 1954.

The legislative history of rapid amortization shows that Congress intended to provide a financial incentive to encourage private investment in new facilities required for the defense and safety of the country. There is no question but that an incentive was intended. But the amount of the incentive has been grossly and cynically misrepresented by the Government-subsidized public power groups. For example, they never indicate, as indeed is the case, that the certificate holder runs the risk of there being no advantage whatsoever. But what does the statute provide? In summary, it permits a taxpayer to charge off as an expense, over a 5-year period, some stated portion of the cost of particular facilities urgently needed for or importantly useful to national defense, although their expected physical life may be more than five years. The determination whether the capital invested in a particular facility may be recovered and the percentage of the investment that may be so recovered is made by the Office of Defense Mobilization. This office is an agency of the United States Government and it is charged with the duty to determine whether it is in the interests of national defense that the taxpayer's application for a certificate should be granted.

In simple terms, the effect of rapid amortization is to permit a taxpayer to take the amortization deductions allowed pursuant to the ODM certificate and thus recover the capital invested in the facility during the first 5 years of the life of a facility and none at all during the remaining life. This is in lieu of recovery of the invested capital over the entire life of the facility as is permitted to all taxpayers. The result is that in the case of a facility with a service life of, say, 33⅓ years, the taxpayer—assuming the taxpayer has taxable income during the life of the facility—pays lower taxes for the first 5 years and higher taxes during all of the remaining 28⅓ years. If tax rates remain constant, the taxpayer will pay—and the Treasury will receive—the same aggregate amount of taxes. This has properly been characterized as a deferral of taxes, or a temporary reduction in taxes in the early years which is made up in the later years. It has been erroneously called an interest-free loan. Quite obviously there is no loan.

The taxpayer is merely permitted to recover his own capital, which he has their construction. If at any time during the first 5 years after the completion of their construction. If at any time during the life of the facilities any profit is made, whether during the first 5 years or thereafter, the full corporate income tax on such profits must be paid.

In the absence of rapid amortization, the taxpayer would be entitled to smaller deductions for capital recovery in each year of the entire life of the particular facility, instead of higher deductions the first 5 years and none at all thereafter. Thus it should be noted that so far as capital recovery is concerned, the overall effects of normal depreciation and rapid amortization are the same; the original investment in the facility is recovered by a charge to expenses only once.

Rapid amortization has been applicable not only to regulated industries such as the electric utility and natural gas utility industries and the railroads but also to a wide variety of unregulated industries, such as the steel industry. Thus, from the start of the program in 1950 through December 12, 1956, a total of 21,673 certificates were issued in connection with the construction of $38,242,000,000 of facilities and providing for the rapid amortization of $22,422,000,000, or 61 percent thereof. Only 913 certificates in connection with the construction of $6,655,765,000 of facilities and providing for the rapid amortization of $3,253,064,000, or 48.8 percent, were issued to the electric utilities through May 1, 1957—CONGRESSIONAL RECORD, page 9640, June 19, 1957.

The most important criterion in connection with the issuance of a certificate is the relation of the particular productive facilities to the needs of national defense. It is obvious that electric power is of fundamental importance to the defense of the Nation and, therefore, it is not surprising that an increase in the country's capacity to produce electric power has been an important concern of the Office of Defense Mobilization and that the electric power industry has qualified for the issuance of certificates to it.

Since electric power companies are subject to regulation by Federal and State commissions, it is obvious that the effects of rapid amortization on the industry would have to be considered and determined by the appropriate regulatory authorities. This has been done. Among the first matters which the commissions had to consider in this connection was the accounting treatment to be accorded rapid amortization on the books of account of the certificate holders. This obviously was a complicated and an important matter.

It was clear that if the tax deferrals were allowed to have the effect of increasing the company's net income, either dividends to the company's shareholders could be increased or rates paid by the consumers could be reduced. In either case, an equivalent amount of funds would not then have been available to pay for the additional productive facilities deemed necessary by the Government for national defense. Moreover, if such amounts were passed on to the present consumers in the form of rate reductions, it would not only have defeated the Government's objective by making such funds unavailable to help finance the new construction but would have cast a heavier burden on future consumers, who would have had to pay rates increased in an amount sufficient to cover the later higher taxes. In other words, this approach would have been obviously inequitable to the ratepayers since it would have given a temporary reduction and windfall to present consumers at the expense of a subsequent increase in rates to future consumers.

The aim of the electric utilities and most regulatory agencies, therefore, was to find a method of accounting for rapid amortization which would be fair to all concerned; fair to both present and future consumers by not giving a windfall to present ratepayers at the expense of future ratepayers, fair to the utility by giving it the incentive which the Government intended it to have in order to induce the construction of additional productive facilities essential for defense purposes, and fair to the Government by providing the country with the additional productive capacity with which to help safeguard our liberties. It is a tribute to the electrical power industry and to the regulatory Commissions that, for the most part, all of those objectives were realized and reflected in the accounting treatment which was proposed and approved.

Thus, in this connection, the Federal Power Commission in its Opinion No. 264 dated December 3, 1953, on the question of treatment of Federal income taxes as affected by accelerated amortization, had the following to say:

> While it is clear to us that Congress, by the enactment of this law, did not intend to make gifts to the customers of the public utilities and natural-gas companies which received certificates, it is equally clear that Congress did not intend to provide a temporary fund to these companies which could be diverted to the payment of dividends to their shareholders. Since the possession of necessity certificates is essentially a deferment of tax liability, the accruals for taxes in excess of those actually paid should logically be treated, not as free and unrestricted income, but earmarked to provide for the future meeting of such liability.
>
> Consequently, we will take all steps necessary to insure that provision is made for meeting the deferred tax liability and the temporary savings produced by the deferral of taxes are not used, directly or indirectly, for the payment of dividends, but are used for the purpose intended; namely, to aid in the construction of the facilities described in the certificate which were deemed by our Government to be necessary to the national defense.

The result was that the Federal Power Commission and most of the State regulatory agencies ordered the utilities to normalize income-tax charges; that is to say, to determine net income after taxes as if there had been no deductions for rapid amortization, and to account for the tax deferrals by putting them into a restricted account. This precluded

paying the deferred amounts out as dividends to the shareholders. It required that the deferred amounts be held for use in the future as an offset against the later higher taxes. Thus, the rates of present and future consumers would be required to cover only the taxes which would have been payable if no certificate had been requested or issued.

It was also decided that the utilities should charge to expense as depreciation on the facilities subject to rapid amortization only amounts calculated at the usual rate for accounting purposes and not charge any larger amounts by reason of the fast capital recovery for tax purposes. This made it possible for certificate holders to avoid requests for higher rates to cover the higher rate of capital recovery.

It is apparent that this treatment is fair and equitable to both present and future consumers, for their rates are unaffected. It is fair to the utilities because they are not deprived of the incentive which Congress intended them to have in order to induce the construction of additional productive capacity needed for the national defense. It is fair to the Government because the additional facilities it desired to have constructed for the defense of the country were actually brought into existence.

There has been considerable confusion—for the most part generated by propagandists desiring to misrepresent the true nature of rapid amortization—as to the benefits of the program to the free-enterprise electric power industry. As indicated below, it is far from clear that the companies will actually realize any substantial advantages as a result of their participation in it.

Necessity certificates are issued only to encourage added construction of new facilities, and particularly facilities which represent excess capacity. Hence, one important fact associated with rapid amortization, as applied to an electric power company, is that the program operates to create greater reserves of electric power than may then be needed to meet the normal needs of the company's consumers. As a result, such reserve capacity may produce little or no additional revenue and yet be extremely costly in terms of higher carrying costs consisting of, among other things, depreciation, State and local taxes, insurance, administrative expenses and interest charges and dividend requirements on the unrecovered cost of the facilities. Another significant effect, since the certificates provide that construction of the facility must be completed by a stated early date, is to induce faster construction, which increases the cost of the facilities.

The Byrd committee of the United States Senate, in a report on rapid amortization dated December 28, 1956, had the following to say about the value of these certificates to their holders:

> In particular cases, the value of a rapid amortization certificate must be weighed in the light of number of circumstances. These circumstances include all the conditions that constitute a handicap for a firm that participates in the expansion program, as well as incidental benefits of a certificate.
>
> One disadvantage is that if the expansion program is a large one the firm's competitors will have expanded also which should increase the supply of its product and lower prices in the future. Also the firm may have been induced to build the new facility several years before the facility could be fully utilized by current demand so that the firm may be saddled with extra carrying costs for several years. The firm may have been required to put up the new facility at a time when the demand for such facilities was exceptionally high causing the construction costs to be inflated. (Entitled "A Report on 5-Year Amortization of Emergency Defense Facilities Under Section 168 of the Internal Revenue Code of 1954," prepared by the Joint Committee on Internal Revenue Taxation for the use of the United States Senate Committee on Finance, Senator HARRY F. BYRD, chairman, submitted by the Committee on Finance to the President of the Senate on December 28, 1956.)

If there is any basic benefit from rapid amortization, it results from the rapid recovery of the capital invested in the new facilities, thus assisting the utility in financing a part of its new construction without resorting to the conventional means of obtaining funds, such as long-term borrowings or the issuance of stock. Apparently, the reason that rapid amortization has been called an interest-free loan by the Government is that the company, because of the rapid recovery of its own invested capital, does not have to raise the same amount of money in some other way and hence does not have to pay the carrying charges that otherwise would be involved. But it should be emphasized that the company itself must initially provide the funds to build the facilities. The Federal Government gives it nothing for that purpose. All the company gets is the right to recover a portion of its own capital at a faster rate than it would have recovered it without a certificate. But without a certificate it may never have built the facility in the first instance. Further, whatever the benefit may be, it must be measured against such disadvantages as the increased costs of accelerated construction and the possibility that the new facilities, representing additional reserve capacity, will be a white elephant in whole or in part, for a considerable period of time.

Hence, when it is glibly charged that rapid amortization results in excessive profits or a windfall to the investor-owned electric power industry, it can only be as a result of the foregoing facts having been overlooked or disregarded. Further, to assume that an industry whose return is strictly regulated can reap excessive profits is also to assume that the regulatory commissions, and the courts which review their decisions, are incompetent or unscrupulous. No basis for such an assumption concerning conscientious public servants has been shown to exist.

AN ANALYSIS OF THE CHARGES MADE BY THE PUBLIC POWER GROUPS

The charges made by spokesmen for the Government-subsidized public power groups in their attack on rapid amortization, or rapid capital recovery, are palpably and demonstrably untrue. For example, they have testified that the resulting cash accumulations are paid out in the form of dividends to the industry's shareholders. But we have already seen that this is exactly what orders issued by various regulatory authorities, including the Federal Power Commission, prohibit the utilities from doing—See Re Treatment of Federal Income Taxes as Affected by Accelerated Amortization (2 P. U. R. 3d 41 (F. P. C. 1953)); and see, for example, Re Florida Power & Light Co. (4 P. U. R. 3d 91 (Fla. R. R. P. U. C. 1954)); In the Matter of Iowa-Illinois Gas & Elec. Co. (C. C. H. Util. Law Rep. State, ¶17,286 (Ill. C. C. 1956)); Re Boston Edison Co. (2 P. U. R. 3d 137 (Mass. Dept. P. U. 1953)); Re Detroit Edison Co. (90 P. U. R. N. S. 76 (Mich. P. U. C. 1951)); Re Utah Power & Light Co. (11 P. U. R. 3d 477 (Utah P. S. C. 1955)); In the Matter of Pacific Power & Light Co. (C. C. H. Util. Law Rep. State ¶16,649 (Wash. P. S. C. 1953)). Nevertheless, in testimony before a Senate subcommittee investigating the effects of rapid amortization on regulated industries, the Government-subsidized public power spokesmen have relied heavily on this patently false assumption.

In some of their more absurd attacks the subsidized public power groups have lamented the fact that the benefits of rapid amortization are not available to them. The simple fact of the matter is that the rapid amortization program is available to all qualified taxpayers. Since the public power groups pay no Federal income taxes, there is nothing to be postponed. Their Federal income taxes have already been reduced to zero and postponed forever. A psychiatrist would no doubt conclude that only the feeling of guilt on the part of the subsidized public power interests, which, to repeat, pay no Federal income taxes whatsoever, would lead them thus to attack the free-enterprise electric power companies, which in 1956 paid $897 million in Federal income taxes, or almost 4 percent of the total Federal income taxes of $22,742,726,000 paid to the United States Treasury by all corporations for the same period.

But probably the most outrageous claim which the subsidized public power groups have made is based on the sleight-of-hand arithmetic by which they seek to justify the charge that rapid amortization has resulted in a giveaway of $5 billion to the electric power industry.

Leaving aside the fact that the rapid amortization program does not require the Government to appropriate a single penny to the certificate holders, let us analyze the tricky and misleading arithmetic involved in computing this $5 billion figure. To begin with, the Government to date has actually certified only about $3,253,000,000 of electric power facilities for rapid amortization. The overall deferral of taxes on that $3,253,000,000 would amount to approximately $1,438,000,000; that is, there would be a postponement of the payment of taxes in that amount over the initial 5-year amortization period.

Thus, in claiming that the Government has given away $5 billion to the industry, the public-power groups are suggesting that what they call a loan of $1,438,000,000 is worth almost 4 times

as much as an outright gift of such amount, which is patently ridiculous. The fact is that even the so-called loan can in no event have a present worth of more than a fraction of the amount of the property which has been certified for rapid amortization, as is demonstrated by the following example.

Consider the effect of a 50-percent certificate on facilities costing $2 million and having a life of 33⅓ years. Such a certificate, in the amount of $1 million, would permit the holder, after the completion of the construction of the facilities, to charge as an expense for Federal income-tax purposes $200,000—20 percent of $1 million—for the recovery of his invested capital in each of the first 5 years of the facilities' life. The uncertified portion of the construction cost would be depreciated for tax purposes under any of the options normally available to the taxpayer. At the end of the 5-year period, and for the next 28⅓ years, no charge to expense, and, hence, no tax deduction would be allowed on the certified portion of the construction costs.

Assuming that the taxpayer elects straight-line depreciation for tax purposes—this assumption is the least favorable to the taxpayer—the increase in the certificate holder's deduction for each of the first 5 years would be the difference between 3 percent—normal depreciation—and 20 percent—rapid amortization—of $1 million, or $170,000 a year. Since the corporate income tax rate is 52 percent, the increased deduction would involve a yearly tax deferral of $88,400. At the end of 5 years the total deferral would amount to $442,000.

During each of the next 28⅓ years, however, the certificate holder, having recovered all of his capital invested in the certified portion of the facilities, would not have available his normal depreciation deduction of 3 percent of the certified amount per year. At the 52-percent corporate income tax rate, the additional income tax in each year will amount to $15,600. Over the 28⅓-year period, these additional taxes will exactly equal $442,000, thus resulting in no net tax reduction to the certificate holder, and in no net tax loss to the Government.

As mentioned earlier, any benefit from rapid amortization results from the rapid recovery of capital invested in certified facilities, which enables a certificate holder to finance a portion of new construction without resorting to the conventional means of obtaining new funds. Making the highly doubtful assumption that the utility is successful—in the face of rising price levels and of the costs of carrying plant capacity in excess of normal reserve requirements—in earning as much as 6 percent on these new facilities, a calculation can be made to determine the maximum value of a certificate to the utility. The method for determining this maximum value is well known. In fact, it was described in detail and used by the Byrd committee of the United States Senate in its report to the Senate dated December 28, 1956, previously referred to.

In its report—page 18—the committee stated:

> The excess of the current value of the amortization deduction over that of normal depreciation deductions is the value of a certificate.

Using an assumed earnings rate of 6 percent, the committee determined that the value of a $100, 100-percent certificate covering facilities with a useful life of 30 years, which facilities would otherwise have been depreciated by the method of sum-of-the-years digits—this method of taking depreciation is optional with the taxpayer—was $13.60, or 13.6 percent of the amount certified. The same computation performed with alternative straight-line depreciation method would result in a value of $19.97, or 19.97 percent of the certified amount. If the useful life of the facility is 33⅓ years, and straight-line depreciation would otherwise be taken, the maximum value of a $1 million certificate would be $215,400, or 21.54 percent of the certified amount. This latter amount, computed on assumptions most favorable to their claim, is less than one-seventh of the false figure which has been used by the Government-subsidized public-power groups in their attack on the rapid amortization program and the free enterprise electric power companies.

Moreover, as previously mentioned, there are disadvantages cited by the Byrd committee of the Senate which would reduce this value and which must also be taken into account.

The subsidized public power groups have used a totally different, invalid, and misleading analysis in computing what they allege to be the benefits of the certificate in the last example shown above. First, they make the wholly unwarranted assumption that utilities earn a guaranteed return of 6 percent on their investment. Ask any investor in street railway properties if this assumption is warranted. He knows from the bitter experience of having lost virtually his entire investment that it is a false assumption. They then add together the five yearly $88,400 tax deferrals—$442,000—plus 6 percent interest compounded annually for 33⅓ years. Finally, they subtract the actual tax repayments—without any credit for interest on those amounts. This results in a figure which they describe as the "value" of a $1 million certificate. The figure is more than $1,500,000, or approximately 3.4 times as much as the total amount of the postponed taxes. A spokesman for these subsidized groups, when asked to explain how a tax postponement of $442,000 could be worth over 3 times as much as a gift of $442,000, blandly testified that this was merely "a lesson in compound interest."

The obvious invalidity of this "lesson in compound interest" can be seen from the report of the Byrd committee. As pointed out above, the Byrd committee has indicated that the value of a certificate is the excess of the current value of the amortization deductions over the current value of the normal depreciation deductions. These current values were determined by discounting, at an assumed earnings rate of 6 percent, the future tax deferrals and tax repayments. The committee illustrated this principle by pointing out that a $100 series E savings bond issued by the United States Government has a current value of only $75. It is the passage of time and the accumulation of interest at 3¼ percent over a period of 8 years and 11 months which eventually give the bond a value of $100 at its redemption date. Yet the bond is worth currently only $75, and this is all that the Government charges its citizen-savers for it. The method of analysis proposed by the Government-subsidized public-power groups, if applied to United States savings bonds, would result in the Government's setting a current price of $100 for a non-interest-bearing bond that was not redeemable at $100 until almost 9 years in the future.

The fallacies in the analysis by the subsidized public-power groups are legion. Clearly, as indicated above, if the Government made an outright gift of $442,000 to a utility, the value of the gift could be no more than $442,000. But the public-power groups would have us believe that a loan of $442,000 is worth over 3 times as much as a gift of such amount. A second major fallacy is the wholly unsupported assumption that the tax deferral is invested in facilities which will necessarily earn a guaranteed return of 6 percent. But note that if the additional facilities represent excess or reserve capacity, they will involve large carrying costs and may not produce any revenue at all for a substantial period of time. Note also that electric utilities are certainly not guaranteed a 6-percent return on their investment; they are entitled only to an opportunity to earn a fair return, but that is far from being guaranteed such a return. Transit companies had the same opportunity, but many of them were unable to earn any return at all and were forced out of business. Indeed, there are today many electric utilities which do not and cannot earn a 6-percent return. Finally, even if it were assumed that electric utilities could earn at the rate of 6 percent on certified facilities beginning with the very date such facilities were placed in service, it is clear that with a 52-percent Federal income-tax rate they must perforce also earn an additional amount equal to 6.50 percent, which would be paid to the Government as Federal income taxes. Thus the Government would receive as additional taxes an amount almost twice as great as the interest rate the Government would have to pay for moneys required to replace the taxes deferred by a certificate.

If the ridiculous contentions of the subsidized public-power groups were true, all the Government need do is to defer all electric utility Federal income taxes for a year—about $900 million at present—borrow at the rate of 3.5 percent to replace the deferred taxes, and the utilities, having invested the tax deferral at a guaranteed 6-percent return, will, for about the next three decades, furnish the Government annually not only its 3.5 percent interest cost but, in addition, 3 percent of $900 million, or $27 million of

new income taxes created by the tax deferral. As might be expected, the subsidized public-power apologists have neglected to carry their own spurious argument to this logical conclusion.

Another fantastic charge made by the public-power groups is that rapid amortization constitutes a rank discrimination against subsidized public power. Presumably that is because the subsidized public-power groups are not granted rapid amortization certificates. But, as already noted, subsidized public-power groups pay no Federal income taxes whatsoever. Indeed, this is one of their major continuing subsidies, and it is elementary that the Government cannot give them any more tax relief than the 100 percent they already have. This charge raises an interesting question: Why do organizations which have a tax-exempt status—which, in other words, have a 100-percent Federal income-tax exemption—become outraged because an industry which pays its full share of taxes (both Federal, State, and local) is granted relatively minor and temporary tax relief? It is, quite simply, because public power has cost the taxpayers billions of dollars by way of direct and indirect Government subsidies, including a complete exemption from Federal income taxes, and the public-power groups apparently believe it necessary to do what they can to divert attention from that fact.

THE SUBSIDIES WHICH PUBLIC POWER HAS RECEIVED FROM THE GOVERNMENT

The subsidized public-power groups which are leading the attack on rapid amortization as it affects the free-enterprise electric-power industry have themselves been the beneficiaries of literally billions of dollars of the taxpayers' money. That is the fact which they are earnestly trying to conceal.

Public power is subsidized by the American taxpayer in at least two ways. First of all, the interest rate which those groups pay on Government loans is not only far below the interest rate which everyone else must pay for a comparable risk; it is actually below the interest rate which the Government itself must pay. In fact, there have been cases in which public-power groups borrowed money from the United States Government at 2 percent and, at the same time, bought United States Government bonds yielding them over 3 percent. Secondly, as noted, public-power groups pay no Federal income taxes whatsoever and, in some cases, are in a favored position with respect to local taxes as well.

In this connection, it is interesting to note that loans by the Government to rural electric cooperatives, as of the end of April 1957, had been approved in the amount of $3,461,000,000. Funds actually advanced by that date amounted to more than $2,914,000,000. At the annual interest rate of 2 percent which the cooperatives pay the Government for these loans—after an initial 5-year period during which they pay no interest—the cooperatives pay only about $58,300,000 a year in interest for the funds which have actually been advanced. Assuming that it costs the Government 3½ percent to borrow the money which it lends to the cooperatives, it is costing the taxpayers $43,700,000 a year—the difference between 2-percent and 3½-percent interest—to make these loans. If, instead of furnishing these funds to the public power cooperatives on a subsidized basis, the Government had used them to furnish mortgage money for veterans' housing loans, which now carry an interest rate of 4½ percent, or 2¼ times as great as the 2-percent rate cooperatives pay, it would have aided men who fought for their country to acquire needed housing, it would have more than covered its own interest rate, and the subsidized public power interests would have been taken off the backs of the taxpayers.

If the same form of economic analysis employed by the spokesmen for subsidized public power in their charge that rapid-amortization certificates issued to the free-enterprise electric-power industry has involved a Government giveaway of $5 billion is applied to the subsidized public-power groups, the result is startling. As indicated above, the Government is losing a minimum of $43,700,000 a year—the difference between 2-percent and 3½-percent interest—on those loans. If that interest loss is compounded annually at 3½ percent for 40 years—the estimated life of the facilities—which is the method of economic analysis favored by the cooperatives, the giveaway to these cooperatives, representing only 3.27 percent of the electric-power industry, amounts to $3,695,000,000—and that is the interest loss only on loans made before the end of 1955.

And that is just the beginning of the subsidy to the cooperatives. It does not take into consideration the fact that the cooperatives pay no Federal income taxes whatsoever. The 1955 Annual Statistical Report of the Rural Electrification Administration, which doesn't even purport to cover all the cooperatives in the country, indicates that the cooperatives in 1955 retained $58,800,000 after deducting operating expenses and depreciation from operating revenues. If Federal income taxes had been paid, the cooperatives would have had to increase their rates sufficiently to produce additional income equal to $63,700,000 to be paid to the Government as Federal income taxes in order to result in a net after taxes of $58,800,000. It should be noted that this $63,700,000 a year is not an interest-free loan; it is equivalent to a permanent gift to be invested in cooperative facilities, and therefore the guaranteed return on these facilities can be compounded to infinity. If the "lesson in compound interest" which the public-power spokesmen have applied to rapid amortization were applied to the Federal income taxes which the cooperatives are not paying, and never will pay, the amount of this subsidy—even if it were assumed to be available for only 40 years rather than forever—would amount to an additional $5,386,000,000.

The result of adding the foregoing together would be some $9,081 million—which, adopting the approach taken by the subsidized public-power groups, is still an understatement because the tax subsidy to them is a permanent gift. It is the free-enterprise electric power industry, together with other taxpayers, which is providing the public-power groups with these huge subsidies through the enormous taxes which they pay each year to the Government. And yet the subsidized public-power groups continue to contend that rapid amortization, which represents at most a temporary tax deferral, is a giveaway to free-enterprise electric utility companies which discriminates against them. If the subsidized public power interests were willing to pay the same taxes as the free-enterprise electric power companies and were willing to finance their operations on the same basis as the free-enterprise companies, then at least some progress would have been made toward the elimination of the preferential subsidies given to the public-power groups and some steps would have been taken toward eliminating the present discrimination against the free-enterprise electric power companies.

It is fair to ask the subsidized public-power groups whether they are willing to organize themselves as free-enterprise companies and pay Federal income and other taxes on the same basis as the free-enterprise electric power companies. It is fair to ask the subsidized public-power groups whether they will give up their 2-percent money borrowed from the United States Government—which must pay 3½ percent for the same moneys—and finance on the same basis as the free-enterprise electric power companies. But we know their answer. They will fight for their subsidies, they will ride on the backs of the taxpayers forever if they can manage to do so. And, to divert attention from that fact, they will malign and defame that same taxpayer through every means—no matter how untrue or unfair—they can devise.

PEOPLE ARE WEARY OF FOREIGN-AID PROGRAM

The SPEAKER. Under the previous order of the House the gentleman from Wisconsin [Mr. SMITH] is recognized for 15 minutes.

Mr. SMITH of Wisconsin. Mr. Speaker, the action of the House on the foreign-aid appropriation bill last week has caused consternation at the White House. The President is making an all-out effort to have the other body restore the cuts which we have made.

Mr. Speaker, there seems to be great surprise as a result of the House action. Why this surprise, Mr. Speaker? It does not seem possible that the proponents of the legislation can be unaware of public opposition to it. Admiral Radford in his usual frank and honest opinion said the action by the House was no doubt a reflection of the attitude of constituents at home. Admiral Radford has always been forthright and honest when he has appeared before House committees. In this instance he was right as usual. Let us be honest, Mr. Speaker, the truth is that the American people are not sold on the program.

Mr. Speaker, there is public indignation against the insistent demand that

the taxpayers support a program that has produced so little in tangible results as we view world conditions. They have become tired and weary. They see no end to a program which this year calls for spending far into the future.

Under the development-aid section of the bill which is a new scheme to loan our dollars, its proponents admit the taxpayers must continue to dole out dollars for 20, 30, or 50 years. What a dismal outlook at a time when taxes are very high and the general economic situation in this country is in a state of flux. Mr. Speaker, the cry of a communistic threat and the argument that this program is in the interest of our own national security is falling on deaf ears—rightly or wrongly. These are facts and cannot be ignored.

A recent news article called attention to the fact that we defeated Germany and Japan only to make possible the consolidation of Soviet Russia and Red China into a far worse menace. Was that in the interest of our national security?

Thousands of our young men died in Korea and today there is a stalemate with no peace. We endeavored to bail out the French in Indochina only to permit the Communists to take over the northern half of that land.

Mr. Speaker, we have spent billions of dollars in Europe on the theory that we had established the perfect military alliance in NATO and we have shored up that alliance with billions of dollars, yet what is the situation in Europe? Britain has decided it will reduce its military expenditures; it is reducing its army, navy, and air force. In addition to that the British are unfriendly because we interfered in the unfortunate Suez situation. Can we count on the British?

France has no real fighting force in Europe. It is engaged in a war in northern Africa, yet France was to be the key to NATO forces. Today the French treasury faces bankruptcy and soon we shall be asked to bail them out, yet there is every evidence of prosperity in France. The political situation is utterly chaotic, but that is their business.

In Italy, where we have invested billions of dollars to restore a war-devastated country, the situation is dangerous. The Communist Party and its allies control the balance of power in the Parliament, 35 percent of the votes. It is an acknowledged fact that the biggest labor union in Italy is controlled by the Communists. It is fair to ask, Mr. Speaker, where are our security interests in this situation? Have our dollars stopped communism in Italy?

The situation in the Middle East and the Mediterranean is precarious. In this area we have given away almost a billion dollars. Events in the last 48 hours have served notice that the Communists have made great inroads. Both Egypt and Syria are now openly doing business with the Kremlin, they are about to become satellites. All of which indicates, Mr. Speaker, that in spite of the millions of dollars invested in this part of the world, that our national interests are insecure.

I ask in all fairness, Mr. Speaker, how much longer can our Government expect its people to acquiesce to the demands for more and more money on a policy with such dubious results? Has it no other approach to the critical world situation?

Mr. Speaker, the American people and those of us who have opposed this program are not isolationists. We believe in making valuable contributions to world stability, but we are wearied by the persistent demand for more and more billions of dollars because dollars is not the solution to this problem. Time and events have clearly demonstrated that this is an untenable concept. It can never succeed.

We are weary, too, Mr. Speaker, when we observe that our country has become involved in the affairs of almost every nation on the face of the earth. The American taxpayer is not rich enough to carry the burdens of all the world.

It is my humble opinion that the time has come for a new approach to this whole problem. There was some hope 1 year ago that a reappraisal would result in a new program. It is basic that foreign policy to succeed must have the support of the people. This support is lacking. And it is time that our leaders understood that fact.

Can it be, Mr. Speaker, that the President was serious when he said, after passage of the appropriation bill, that the cut we made would put the country "in serious jeopardy"? How, where—we are entitled to a bill of particulars. There is sufficient money on hand to run the program for 2 years without the appropriation of new money. This fact cannot be successfully denied.

I repeat again what I said before, Mr. Speaker, that in spite of all our spending—$60 billion worth in 10 or 12 years—our position in the world today is more precarious than at any time since the end of World War II. This is a sad, sad commentary on our foreign policy today, a policy which was inherited from our predecessors, and pursued by the present administration with very little change.

Mr. Speaker, the people of the United States are entitled to a better break. It is incumbent on this House to stand solidly behind its conferees in the important conference about to be held. The cuts in the appropriation bill must be sustained. I trust the House members on the conference committee will stand fast.

LOANS ON VETERANS' HOUSING

The SPEAKER pro tempore (Mr. ALBERT). Under the previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 1 minute.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I think the Congress ought immediately to pass legislation authorizing direct loans for GI's, without regard to where the veteran may live—the present program is restricted largely to rural areas. I am afraid they are not going to obtain loans at a 4½-percent rate. The FHA has gone from 5 to 5¼ percent, which means the borrower pays 5¾-percent interest on their loans. It is impossible for the veterans to get any guaranteed loans at 4½ percent, or even 5 percent. So I am hoping we can immediately pass legislation to provide direct loans for GI housing; otherwise there will be little housing for the GI's.

The lending companies and those interested in all the ramifications of housing are having a very difficult time, because houses are just not being built.

FRAUDULENT USE OF THE MAILS IN THE FIELD OF LABOR-MANAGEMENT RELATIONS

The SPEAKER pro tempore (Mr. ALBERT). Under the previous order of the House, the gentleman from New York [Mr. ZELENKO] is recognized for 5 minutes.

Mr. ZELENKO. Mr. Speaker, the people of the United States are aghast at the disclosures before the Senate Select Committee on Improper Activities in the Labor or Management Fields of labor fraud, thievery, embezzlement, and corrupt collusion.

Nearly all of the labor unions and employers are and have been ethical, but the infinitesimal number of chiselers both in labor and management have attempted to, and in some instances have, succeeded in putting a stranglehold on large segments of the American economy. The ethical practices committee of the AFL–CIO is doing tremendous work in the public interest to rectify this situation. Employer groups should set about to do the same. The main purpose of the Senate committee is to determine whether additional Federal laws are needed to clean up this mess. Such an investigation is necessary because either through lack of enforcement or absence of appropriate statute in various States, this chicanery has been allowed to progress.

There have been isolated attempts in various United States district courts to secure convictions of wrongdoers through the sole or upon the main reliance of coconspirators and accomplices, and several indictments on income-tax evasion.

The results of prosecutions of this type are necessarily limited either to the individual involved or upon the tenuous or unpredictable testimony of a fellow thief. The broad effect of the crimes involved cannot be punished or deterred in this way. It is not necessary for Federal law-enforcement agencies to await possible new legislation to rectify this deplorable situation existing in the labor-management field. There are Federal statutes long existent which can amply cope with the situation, but which have never been used in this area of crime. The statutes are title 18, sections 1341 and 1342, commonly known as the mail-fraud statutes.

Two weeks ago I communicated by telephone with the Office of the Attorney General to suggest that investigation and prosecution could be had under these laws in appropriate cases. I was told that an assistant would return my call, but I have received no response. Last week I sent a letter to the Attorney General to the same effect. It was my thought at the time that if there was any merit to my contentions that the discussion would be of a private rather than

of a public nature. To this moment I have not even been given the courtesy of an acknowledgment, either of the telephone calls or of my letter. Therefore, I feel justified to reveal the contents of the letter at this time.

The following is a copy of the letter which I addressed to the Attorney General:

AUGUST 13, 1957.

Hon. HERBERT BROWNELL, JR.,
Attorney General of the United States,
United States Department of Justice,
Washington, D. C.

MY DEAR MR. ATTORNEY GENERAL: The current hearings of the Senate Select Committee on Improper Activities in the Labor or Management Fields have focused the attention of the entire country upon the deplorable situation existing and created by iniquitous persons to the detriment of all labor and management.

I refer to the infiltration into the labor movement by racketeers using the devices of fake union locals and nonexistent management consultation services for illegal profit, which has put a stranglehold on the American economy.

One of the prime functions of the Senate committee is, of course, to determine whether or not new legislation is needed to correct these vile abuses.

You will agree that it is in the interests of everyone that all those engaged in illegal activities should be prosecuted under existing law. I am aware that in the few prosecutions so far undertaken in this area the refusal of coconspirators or accomplices to testify has tied the hands of justice. One such instance recently took place in the Southern District of New York, a case with which you are undoubtedly familiar.

It seems to me that thus far your Department has failed to take advantage of a Federal statute long existent under which prosecution of these frauds could be successful. The evidence adduced before the Senate committee in itself would appear to be sufficient for successful enforcement of this law, without the necessity of relying solely or at all upon the testimony of an accomplice or coconspirator.

With this in mind, I communicated by telephone with your office last week and was informed I would receive a call from one of your assistants. As I have received no response to date, I am writing this letter to you.

It is my considered opinion that investigation and prosecution of these racketeers should have already been commenced under title 18, section 1341, commonly known as the mail fraud statute. From what I have learned I believe that both the Senate committee and your various local offices have enough evidence on hand in order that your Department may proceed under its provisions.

I would appreciate your comment, and I know that if you agree with my opinion that you will proceed forthwith.

I trust that you may find this note of some value.

Sincerely yours,

HERBERT ZELENKO,
Member of Congress.

Furthermore, in view of all of the disclosures before the Senate committee, I do believe that a small measure of initiative should have already been indicated by the Postmaster General when it is so apparent from the testimony of numerous witnesses that the United States mails have been used in various schemes to embezzle, to engage in collusion and to defraud.

In order to sustain my opinion that the statutes I speak of are at present sufficient under the circumstances to correct these vile abuses of labor, I am submitting herewith some of the legal precedents.

This section penalizing the use of the mail to defraud is a broad proscription of behavior for the purposes of protecting society—*U. S.* v. *Owen* (231 F. 2d 831).

Defendant can participate in the commission of crime even though not physically present—*King* v. *U. S.* (144 F. 2d 729).

The offense is complete when, a scheme to defraud being present, an attempt to execute it by use of mails is made, regardless of whether the use of mails was or was not a part of the scheme and regardless of whether the letters were effective—*Newingham* v. *U. S.* (4 F. 2d 490). Also *U. S.* v. *Graham* (8 F. Supp. 87).

Intentionally converting trust funds to personal use of trustees is a patent fraud on cestuis from whom funds were solicited and a violation—*U. S.* v. *Buckner* (108 F. 2d 921).

In a prosecution for using the mails to defraud, the accused need not specifically authorize the deposit of the letter in the mails, but it is enough if he knows that in the execution of the scheme letters are likely to be mailed and if in fact they are mailed—*U. S.* v. *Cohen* (145 F. 2d 82).

Fraudulent intent as a mental element of crime may be inferred from a series of seemingly isolated acts if they are sufficiently numerous, even though each act standing by itself may seem unimportant—*Nassan* v. *U. S.* (126 F. 2d 613).

To warrant conviction of using the mails to defraud it is not essential that the matter mailed be in itself criminal or objectionable, or that it disclose a fraudulent purpose—*Holmes* v. *U. S.* (134 F. 2d 125).

The defendants may cause the letter to be sent or delivered by mail though such mode of transmission was neither known nor intended by him, provided that mailing or delivery by post might reasonably be foreseen—*U. S.* v. *Weisman* (83 F. 2d 470).

Nor is it necessary that the scheme be successful. It is enough if the artifice was designed to deceive as to the substantial identity of the thing to have been received—*Deaver* v. *U. S.* (155 F. 2d 740).

It is not essential to the crime that there was on the part of the defendant either an expectation or a realization of a pecuniary gain to himself—*Calnay* v. *U. S.* (1 F. 2d 926).

It is sufficient in the crime if there is a scheme completely outside the cognizance of the Federal law. It becomes a Federal crime if mail is subsequently used in the furtherance of such scheme even if the mail is incidentally or without the consent, knowledge, or intent of the participants—*Blue* v. *U. S.* (138 F. 2d 351). Also *Bogy* v. *U. S.* (96 F. 2d 734).

A conviction may be authorized in the use of mails to defraud even though the letter was not mailed to the victim. It is enough if the letter was mailed to anyone in the furtherance of the scheme—*McNear* v. *U. S.* (60 F. 2d 861).

Taking from the post office of a letter in the aid of scheme to defraud is also an offense though the letter was mailed by defendants' agent—*Trent* v. *U. S.* (228 F. 648).

Where one of the schemers uses the mails for the collection of fee in the furtherance of the fradulent scheme, all defendents who are partners in the scheme are responsible for the mailing—*Steiner* v. *U. S.* (134 F. 2d 931).

The rule that where several acts constitute together one crime, if each is separately performed by one individual with the absence of the rest, all are principals to the whole crime—*Alexander* v. *U. S.* (95 F. 2d 873).

A party to the scheme to defraud by sending letters is guilty although he did not sign or send any of the letters—*Sasser* v. *U. S.* (29 F. 2d 76).

In the prosecution for mail fraud, good faith and intent are questions for the jury—*Coleman* v. *U. S.* (167 F. 2d 837).

In prosecutions of this type, title 18, section 1342, makes the use of fictitious names through the mails a crime.

Whether or not I am correct is not so important to me as is the fact that a citizen who feels that he may in some small way be able to contribute to the betterment of our life and the protection of our people has been ignored by those persons charged with responsibility in the matter involved.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted to:

Mr. SADLAK, for an indefinite period, on account of official business as a delegate to Inter-Parliamentary Union Conference.

Mr. TEAGUE of Texas (at the request of Mr. KILDAY), from August 22 through August 26, 1957, on account of attending the national convention of the Veterans of Foreign Wars.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. ZELENKO, for 5 minutes today, and to revise and extend his remarks.

Mr. PATMAN, for 30 minutes today, and to revise and extend his remarks and include extraneous matter.

Mr. BROWN of Missouri (at the request of Mr. EDMONDSON), on tomorrow for 15 minutes.

Mr. METCALF (at the request of Mr. EDMONDSON), for 15 minutes tomorrow.

Mr. EDMONDSON, for 15 minutes on tomorrow.

Mr. HESELTON, for 15 minutes on Thursday, August 22, for 15 minutes on Friday, August 23.

Mr. PATMAN, for 30 minutes tomorrow, and to vacate the special order granted him for today, to revise and extend his remarks and include extraneous matter, and tables if necessary.

Mrs. ROGERS of Massachusetts, for 5 minutes tomorrow.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. HOLLAND.

Mr. SISK.

Mr. ANDERSON of Montana and include extraneous matter.

Mr. ROBERTS.

Mr. POLK and include extraneous matter.

Mr. ALEXANDER and include extraneous matter.

Mr. JENKINS.

Mr. VURSELL and to include extraneous matter.

Mr. FULTON (at the request of Mr. GREEN of Pennsylvania) and to include extraneous matter.

Mr. FOGARTY and to include extraneous matter during the debate on the third supplemental appropriation conference report where the Weather Bureau was taken up.

Mr. THORNBERRY (at the request of Mr. ALBERT) and to include extraneous matter.

Mr. WOLVERTON and to include extraneous matter.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 33. An act to provide for the allocation of portions of the costs of Davis Dam and Reservoir to servicing the Mexican Water Treaty, and for other purposes; to the Committee on Interior and Insular Affairs.

S. 166. An act to amend the laws granting education and training benefits to certain veterans so as to extend, with respect to certain individuals, the period during which such benefits may be offered; to the Committee on Veterans' Affairs.

S. 262. An act for the relief of Mrs. Yuriko Carpenter (nee Arai); to the Committee on the Judiciary.

S. 281. An act for the relief of Jaffa Kam; to the Committee on the Judiciary.

S. 328. An act to grant minerals, including oil and gas, on certain lands in the Crow Indian Reservation, Mont., to certain Indians, and for other purposes; to the Committee on Interior and Insular Affairs.

S. 365. An act for the relief of Yukio Nobuta; to the Committee on the Judiciary.

S. 395. An act to encourage expansion of teaching and research in the education of mentally retarded children through grants to institutions of higher learning and to State educational agencies; to the Committee on Education and Labor.

S. 655. An act for the relief of Brig. Gen. Chester W. Goble; to the Committee on Armed Services.

S. 684. An act for the relief of Ilse Striegan Bacon; to the Committee on the Judiciary.

S. 732. An act granting an extension of patent to the United Daughters of the Confederacy; to the Committee on the Judiciary.

S. 882. An act for the relief of Pauline Ethel Angus; to the Committee on the Judiciary.

S. 888. An act for the relief of Alex P. Collins; to the Committee on the Judiciary.

S. 893. An act for the relief of Giuseppe (Joseph) Chillemi; to the Committee on the Judiciary.

S. 947. An act for the relief of Bronislawa Chomicz; to the Committee on the Judiciary.

S. 950. An act for the relief of Milutin Jovanovic; to the Committee on the Judiciary.

S. 1047. An act for the relief of Adelheid Pfeffer; to the Committee on the Judiciary.

S. 1322. An act for the relief of Heinrich Johann Ellebrecht; to the Committee on the Judiciary.

S. 1358. An act for the relief of Johanna Mayne; to the Committee on the Judiciary.

S. 1545. An act for the relief of Fou Yueh Lee; to the Committee on the Judiciary.

S. 1582. An act for the relief of Helen Demouchikous; to the Commitee on the Judiciary.

S. 1634. An act for the relief of Carola Ohlig; to the Committee on the Judiciary.

S. 1635. An act for the relief of Maria Talloura Boisot; to the Committee on the Judiciary.

S. 1636. An act for the relief of Delfina Cinco de Lopez; to the Committee on the Judiciary.

S. 1698. An act to amend the Veterans' Readjustment Assistance Act of 1952, to extend the time for filing claims for mustering-out payments; to the Committee on Veterans' Affairs.

S. 1732. An act to readjust equitably the retirement benefits of certain individuals on the Emergency Officers' Retired List, and for other purposes; to the Committee on Armed Services.

S. 1742. An act to amend the acts approved April 16 and July 27, 1906 (34 Stats. 116 and 519), so as to authorize the Secretary of the Interior to convey certain lands on the Huntley reclamation project, Yellowstone County, Mont., to school district No. 24, Huntley Project Schools, Yellowstone County, Mont.; to the Committee on Interior and Insular Affairs.

S. 1835. An act for the relief of Maria Domenica Ricci; to the Committee on the Judiciary.

S. 1921. An act for the relief of Maria Goldet; to the Committee on the Judiciary.

S. 2012. An act for the relief of Giuliana Donadel Green; to the Committee on the Judiciary.

S. 2028. An act for the relief of Sherwood Lloyd Pierce; to the Committee on the Judiciary.

S. 2037. An act to amend the act of June 28, 1946, authorizing the performance of necessary protection work between the Yuma project and Boulder Dam by the Bureau of Reclamation; to the Committee on Interior and Insular Affairs.

S. 2041. An act for the relief of Sala Weissbard; to the Committee on the Judiciary.

S. 2043. An act for the relief of Genoveffa Migliozzi; to the Committee on the Judiciary.

S. 2046. An act for the relief of Gisela S. Hopkins; to the Committee on the Judiciary.

S. 2062. An act for the relief of Yasna Trevizan; to the Committee on the Judiciary.

S. 2123. An act for the relief of Frances Monteleone; to the Committee on the Judiciary.

S. 2124. An act for the relief of Tasia J. Somas; to the Committee on the Judiciary.

S. 2134. An act for the relief of Junior Yoo Luhta; to the Committee on the Judiciary.

S. 2135. An act for the relief of Judy-Ellen Kay (Choi Myosoon); to the Committee on the Judiciary.

S. 2136. An act for the relief of Mark Raymond Johnson (Ray Whang) and Lance Holt Johnson (Lance Whang); to the Committee on the Judiciary.

S. 2164. An act for the relief of Elpis Maria Stephanou Fryback; to the Committee on the Judiciary.

S. 2172. An act for the relief of Walter Harry Hurt; to the Committee on the Judiciary.

S. 2182. An act for the relief of George E. Kitriniari and Demetroula E. Kitriniari; to the Committee on the Judiciary.

S. 2199. An act for the relief of Reinhard Klinefelter; to the Committee on the Judiciary.

S. 2204. An act for the relief of Margaret E. Culloty; to the Committee on the Judiciary.

S. 2210. An act for the relief of Emmanuel Kim Kosmitis; to the Committee on the Judiciary.

S. 2248. An act for the relief of James Richard Scarlett (Richard Kurosawa); to the Committee on the Judiciary.

S. 2252. An act for the relief of Mrs. Fumi Ishikawa Clark; to the Committee on the Judiciary.

S. 2302. An act for the relief of James Charles McCain (Kim Keun Shik); to the Committee on the Judiciary.

S. 2305. An act to amend title 10, United States Code, with respect to crediting certain service as a member of the Women's Army Auxiliary Corps, and for other purposes; to the Committee on Armed Services.

S. 2309. An act for the relief of Elaine Elva Oliver (Lee Myung Sook); to the Committee on the Judiciary.

S. 2314. An act for the relief of Paul Daniel Echaer (Ba Be Kim); to the Committee on the Judiciary.

S. 2323. An act for the relief of Barbara Marie Waddington (Marie Kim); to the Committee on the Judiciary.

S. 2324. An act for the relief of Elaine Marie Simonton (Yu Keum Ok); to the Committee on the Judiciary.

S. 2325. An act for the relief of Benjamin Paul Klinger (Lee James); to the Committee on the Judiciary.

S. 2328. An act for the relief of Sieglinde Preiss; to the Committee on the Judiciary.

S. 2349. An act to facilitate the conduct of fishing operations in the Territory of Alaska, to promote the conservation of fishery resources thereof, and for other purposes; to the Committee on Merchant Marine and Fisheries.

S. 2382. An act for the relief of John Tompkins (K. M. Soo Man); to the Committee on the Judiciary.

S. 2467. An act to authorize the Administrator of Veterans' Affairs to negotiate a new contract with the city of Sturgis, S. Dak., with respect to the use of the sewage facilities of such city by the Fort Meade Veterans' Hospital, Sturgis, S. Dak.; to the Committee on Veterans' Affairs.

S. 2484. An act for the relief of Margo Diann Wallace (Demetra); to the Committee on the Judiciary.

S. 2566. An act for the relief of Kimiko Muscarella; to the Committee on the Judiciary.

S. 2720. An act to amend the Fish and Wildlife Act of 1956 in order to increase the authorization for the fisheries loan fund established under such act; to the Committee on Merchant Marine and Fisheries.

S. 2757. An act to authorize the Secretary of the Interior to construct, operate, and maintain a regulating reservoir and other works at the Burns Creek site in the upper Snake River Valley, Idaho, and for other purposes; to the Committee on Interior and Insular Affairs.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 993. An act to provide for the conveyance of certain land by the United States to the Cape Flattery School District in the State of Washington;

H. R. 1259. An act to clear the title to certain Indian land;

H. R. 1349. An act for the relief of John J. Fedor;

H. R. 1365. An act for the relief of Elmer L. Henderson;

H. R. 1424. An act for the relief of Sylvia Ottila Tenyi;

H. R. 1595. An act for the relief of Vanja Stipcic;

H. R. 1636. An act for the relief of George D. LaMont;

H. R. 1652. An act for the relief of Rajka Markovic and Krunoslav Markovic;

H. R. 1797. An act for the relief of Maria Sausa and Gregorio Sausa;

H. R. 1826. An act to authorize the sale of certain lands of the United States in Wyoming to Bud E. Burnaugh;

H. R. 1851. An act for the relief of Dezrin Boswell (also known as Dezrin Boswell Johnson);

H. R. 1953. An act to provide that checks for benefits provided by laws administered by the Administrator of Veterans' Affairs may be forwarded to the addressee in certain cases;

H. R. 2058. An act for the relief of the Franklin Institute of the State of Pennsylvania;

H. R. 2224. An act providing for payment to the State of Washington by the United States for the cost of replacing and relocating a portion of secondary highway of such State which was condemned and taken by the United States;

H. R. 2237. An act authorizing the transfer of certain property of the Veterans' Administration (in Johnson City, Tenn.) to Johnson City National Farm Loan Association and the East Tennessee Production Credit Association, local units of the Farm Credit Administration;

H. R. 2354. An act for the relief of the estate of Leatha Horn;

H. R. 2816. An act to provide for the conveyance of Esler Field, La., to the parish of Rapides in the State of Louisiana, and for other purposes;

H. R. 2973. An act for the relief of the estate of William V. Stepp, Jr.;

H. R. 3025. An act to authorize the Secretary of the Navy to surrender and convey to the city of New York certain rights of access in and to Marshall, John, and Little Streets adjacent to the New York Naval Shipyard, Brooklyn, N. Y., and for other purposes;

H. R. 3184. An act for the relief of Gordon Broderick;

H. R. 3280. An act for the relief of Mrs. Grace C. Hill;

H. R. 3818. An act to provide for the maintenance of a roster of retired judges available for special judicial duty and for their assignment to such duty by the Chief Justice of the United States;

H. R. 3819. An act to amend section 331 of title 28, United States Code, to provide representation of district judges on the Judicial Conference of the United States;

H. R. 4098. An act to provide for the conveyance to the State of California a portion of the property known as Veterans' Administration Center Reservation, Los Angeles, Calif., to be used for National Guard purposes;

H. R. 4230. An act for the relief of W. C. Shepherd, trading as W. C. Shepherd Co.;

H. R. 4344. An act for the relief of Malone Hsia;

H. R. 4447. An act for the relief of W. R. Zanes & Co, of Louisiana, Inc.;

H. R. 5288. An act for the relief of Orville G. Everett and Mrs. Agnes H. Everett;

H. R. 5757 An act to increase the maximum amount payable by the Veterans' Administration for mailing or shipping charges of personal property left by any deceased veteran on Veterans' Administration property;

H. R. 5807. An act to amend further and make permanent the Missing Persons Act, as amended;

H. R. 5894. An act to amend the laws relating to the endorsement of masters on vessel documents and to provide certain additional penalties for failure to exhibit vessel documents or other papers when required by enforcement officers;

H. R. 5924. An act relating to the international convention to facilitate the importation of commercial samples and advertising matter;

H. R. 6080. An act to provide for the conveyance of certain property of the United States in Gulfport, Miss., to the Gulfport Municipal Separate School District;

H. R. 6521. An act to modify section 3 of the act of June 30, 1945 (59 Stat. 265).

H. R. 6709. An act to implement a treaty and agreement with the Republic of Panama, and for other purposes;

H. R. 7051. An act to stimulate industrial development near Indian reservations;

H. R. 7825. An act to exempt from taxation certain property of the B'nai B'rith Henry Monsky Foundation, in the District of Columbia;

H. R. 7914. An act to amend the Career Compensation Act of 1949 to provide incentive pay for human subjects;

H. R. 8076. An act to provide for the termination of the Veterans' Education Appeals Board established to review certain determinations and actions of the Administrator of Veterans' Affairs in connection with education and training for World War II veterans;

H. R. 8429. An act to amend the Vocational Rehabilitation Act;

H. R. 8531. An act to provide interim system for appointment of cadets to the United States Air Force Academy for an additional period of 4 years;

H. R. 8586. An act for the relief of Pasquale Pratola;

H. R. 8705. An act to permit articles imported from foreign countries for the purpose of exhibition at the St. Lawrence Seaway Celebration, to be held at Chicago, Ill., to be admitted without payment of tariff, and for other purposes;

H. R. 8821. An act to amend title II of the Social Security Act to facilitate the provision of social-security coverage for State and local employees under certain retirement systems;

H. R. 9188. An act to amend the act to authorize the Secretary of the Navy to transfer to the Commonwealth of Massachusetts certain lands and improvements comprising the Castle Island terminal facility at South Boston in exchange for certain other lands;

H. J. Res. 354. Joint resolution to authorise the designation of October 19, 1957, as National Olympic Day;

H. J. Res. 367. Joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens;

H. J. Res. 370. Joint resolution to extend the time limit for the Secretary of Commerce to sell certain war-built vessels for utilization on essential trade routes 3 and 4;

H. J. Res. 393. Joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain persons;

H. J. Res. 404. Joint resolution providing for the recognition and endorsement of the second World Metallurgical Congress;

H. J. Res. 408. Joint resolution authorizing the President to invite the States of the Union and foreign countries to participate in the St. Lawrence Seaway Celebration to be held in Chicago, Ill., from January 1, 1959, to December 31, 1959; and

H. J. Res. 410. Joint resolution to facilitate the admission into the United States of certain aliens.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 319. An act to provide for the conveyance to the State of Maine of certain lands located in such State;

S. 364. An act for the relief of the village of Wauneta, Nebr.;

S. 534. An act to amend section 702 of the Merchant Marine Act, 1936, in order to authorize the construction, reconditioning, or remodeling of vessels under the provisions of such section in shipyards in the continental United States;

S. 538. An act to amend Public Law 298, 84th Congress, relating to the Corregidor-Bataan Memorial Commission, and for other purposes;

S. 556. An act to provide for the conveyance of certain real property of the United States situated in Clark County, Nev., to the State of Nevada for the use of the Nevada State Board of Fish and Game Commissioners;

S. 620. An act to transfer ownership to Allegany County, Md., of a bridge loaned to such county by the Bureau of Public Roads;

S. 919. An act to provide that certain employees in the Postal Field Service assigned to road duty, and rural carriers, shall receive the benefit of holidays created by Executive order, memorandum, or other administrative action by the President;

S. 1113. An act to provide for the conveyance of certain lands of the United States to the city of Gloucester, Mass.;

S. 1417. An act relating to the affairs of the Osage Tribe of Indians in Oklahoma;

S. 1556. An act granting the consent of Congress to the States of Montana, North Dakota, South Dakota, and Wyoming to negotiate and enter into a contract relating to their interest in, and the apportionment of, the waters of the Little Missouri River and its tributaries as they affect such States, and for related purposes;

S. 1631. An act to amend certain sections of title 13 of the United States Code, entitled "Census";

S. 1747. An act to provide for the compulsory inspection by the United States Department of Agriculture of poultry and poultry products;

S. 1799. An act to facilitate the payment of Government checks, and for other purposes;

S. 1823. An act to authorize the conveyance of Bunker Hill Island in Lake Cumberland, near Burnsidem, Ky., to the Commonwealth of Kentucky, for public park purposes; and

S. 1971. An act to amend sections 4 (a) and 7 (a) of the Vocational Rehabilitation Act.

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on the following dates present to the President, for his approval, bills and joint resolutions of the House of the following titles:

On August 20, 1957:

H. R. 6992. An act to provide for the appointment of representatives of the United States in the organs of the International Atomic Energy Agency, and to make other provisions with respect to the participation of the United States in that Agency, and for other purposes; and

H. R. 8996. An act to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes.

On August 21, 1957:

H. J. Res. 323. Joint resolution to facilitate the admission into the United States of certain aliens; and

H. J. Res. 339. Joint Resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens.

ADJOURNMENT

Mr. LANDRUM. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 31 minutes p. m.) the House adjourned until tomorrow, Thursday, August 22, 1957, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MURRAY: Committee on Post Office and Civil Service. House Concurrent Resolution 175. Concurrent resolution proposing a code of ethics for Government service; without amendment (Rept. No. 1208). Referred to the House Calendar.

Mr. KILDAY: Committee on Armed Services. H. R. 499. A bill to direct the Secretary of the Navy or his designee to convey a 2,477.43 acre tract of land, navigation, and sewer easements, in Tarrant and Wise Counties, Tex., situated about 20 miles northwest of the city of Fort Worth, Tex., to the State of Texas; with amendment (Rept. No. 1209). Referred to the Committee of the Whole House on the State of the Union.

Mr. VINSON: Committee on Armed Services. H. R. 7972. A bill to provide for the conveyance to the city of Warner Robins, Ga., of certain lands located in such city; with amendment (Rept. No. 1210). Referred to the Committee of the Whole House on the State of the Union.

Mrs. PFOST: Committee on Post Office and Civil Service. H. R. 607. A bill to provide for increases in the annuities of annuitants under the Civil Service Retirement Act of May 29, 1930, as amended; with amendment (Rept. No. 1211). Referred to the Committee of the Whole House on the State of the Union.

Mr. BONNER: Committee on Merchant Marine and Fisheries. S. 1552. An act to authorize the Secretary of the Interior to establish a program for the purpose of carrying on certain research and experimentation to develop methods for the commercial production of fish on flooded rice acreage in rotation with rice field crops, and for other purposes; with amendment (Rept. No. 1212). Referred to the Committee of the Whole House on the State of the Union.

Mr. BONNER: Committee on Merchant Marine and Fisheries. S. 1645. An act to authorize the Secretary of the Interior to grant easements in certain lands to the city of Las Vegas, Nev., for road widening purposes; without amendment (Rept. No. 1213). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. S. 1996. An act to approve the contract negotiated with the Casper-Alcova Irrigation District, to authorize its execution, to provide that the excess-land provisions of the Federal reclamation laws shall not apply to the lands of the Kendrick project, Wyoming, and for other purposes; with amendment (Rept. No. 1214). Referred to the Committee of the Whole House on the State of the Union.

Mr. HERLONG: Committee on Ways and Means. H. R. 9057. A bill to amend the Internal Revenue Code of 1954 to provide for amortization deductions with respect to housing facilities for farmworkers; without amendment (Rept. No. 1215). Referred to the Committee of the Whole House on the State of the Union.

Mrs. GREEN of Oregon: Joint Committee on the Disposition of Executive Papers. House Report No. 1216. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. CANNON: Committee on Appropriations. H. R. 9379. A bill making appropriations for the Atomic Energy Commission for the fiscal year ending June 30, 1958, and for other purposes; without amendment (Rept. No. 1217). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOPER: Committee on Ways and Means. H. R. 9028. A bill to discharge more effectively obligations of the United States under certain conventions and protocols relating to the institution of controls over the manufacture of narcotic drugs, and for other purposes; with amendment (Rept. No. 1218). Referred to the Committee of the Whole House on the State of the Union.

Mr. HARRIS: Committee of conference. S. 2229. A bill to provide for Government guaranty of private loans to certain air carriers for purchase of aircraft and equipment, and for other purposes; without amendment (Rept. No. 1219). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CANNON:

H. R. 9379. A bill making appropriations for the Atomic Energy Commission for the fiscal year ending June 30, 1958, and for other purposes.

By Mr. AUCHINCLOSS:

H. R. 9380. A bill to provide for stabilizing the broiler and egg industries by instituting a program for marketing regulations; to the Committee on Agriculture.

By Mr. BALDWIN:

H. R. 9381. A bill to designate the lake above the diversion dam of the Solano project in California as Lake Solano; to the Committee on Interior and Insular Affairs.

H. R. 9382. A bill to designate the main dam of the Solano project in California as Monticello Dam; to the Committee on Interior and Insular Affairs.

By Mr. KILGORE:

H. R. 9383. A bill to provide for the settlement of claims of certain inhabitants of the United States living in the area inundated by the sudden flood of the Rio Grande as a result of the construction of the Falcon Dam, and for other purposes; to the Committee on the Judiciary.

By Mr. MACHROWICZ:

H. R. 9384. A bill to authorize the President under certain conditions to permit the entering into of loan, grant, or other aid agreements with nations within the Soviet sphere of influence; to the Committee on Foreign Affairs.

By Mr. MARSHALL:

H. R. 9385. A bill to amend section 22 of the Agricultural Adjustment Act, as amended; to the Committee on Agriculture.

By Mr. REED:

H. R. 9386. A bill to prohibit Government agencies to acquire or use the National Grange headquarters site without specific Congressional approval; to the Committee on Public Works.

By Mr. WOLVERTON:

H. R. 9387. A bill to amend certain provisions of the Investment Company Act of 1940, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. YOUNGER:

H. R. 9388. A bill to amend the Railway Labor Act to classify yardmasters with train- and yard-service employees for the purpose of that act; to the Committee on Interstate and Foreign Commerce.

By Mr. HAGEN:

H. R. 9389. A bill to amend section 15 (4) of the Interstate Commerce Act, with respect to rates for the transportation of ordinary livestock; to the Committee on Interstate and Foreign Commerce.

By Mr. BROYHILL (by request):

H. R. 9390. A bill to credit certain teachers in the District of Columbia for services performed by them between September 1944 and July 1, 1955; to the Committee on the District of Columbia.

By Mr. TEAGUE of Texas:

H. R. 9391. A bill to amend section 513 of the Servicemen's Readjustment Act of 1944 to make funds available for the veterans direct home loan program until July 25, 1959; to the Committee on Veterans' Affairs.

By Mr. WIDNALL:

H. R. 9392. A bill for the relief of the Borough of Ringwood in the county of Passaic, N. J.; to the Committee on the Judiciary.

H. R. 9393. A bill to amend the Social Security Act to provide that the Secretary of Health, Education, and Welfare shall, under certain circumstances, disclose the current addresses of husbands and parents who have deserted their families; to the Committee on Ways and Means.

By Mr. ROGERS of Texas:

H. J. Res. 443. Joint resolution proposing an amendment to the Constitution with respect to the admission of new States as sovereign States of the United States; to the Committee on the Judiciary.

By Mr. RUTHERFORD:

H. J. Res. 444. Joint resolution proposing an amendment to the Constitution with respect to the admission of new States as sovereign States of the United States; to the Committee on the Judiciary.

By Mr. SCHERER:

H. J. Res. 445. Joint resolution proposing an amendment to the Constitution of the United States to provide that a person serving as a member of the Supreme Court of the United States shall not be eligible to the office of President or Vice President of the United States while serving on the Court or for a period after he leaves the Court; to the Committee on the Judiciary.

By Mr. HALEY:

H. J. Res. 446. Joint resolution proposing an amendment to the Constitution with respect to the admission of new States as sovereign States of the United States; to the Committee on the Judiciary.

By Mr. BURDICK:

H. Res. 403. Resolution to authorize the Committee on the Judiciary to conduct an investigation of the sanity of Ezra Pound; to the Committee on Rules.

By Mr. WALTER:

H. Res. 404. Resolution authorizing the printing of additional copies of House Report No. 1182, current session; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Maryland, memorializing the President and the Congress of the United States to enact Uniform Reciprocal Enforcement of Support Act for the District of Columbia; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DELLAY:

H. R. 9394. A bill for the relief of Elizabeth Savino; to the Committee on the Judiciary.

By Mr. HILLINGS:

H. R. 9395. A bill for the relief of Cornelia V. Lane; to the Committee on the Judiciary.

By Mr. HOLLAND:

H. R. 9396. A bill for the relief of C. J. Pobojeski; to the Committee on the Judiciary.

By Mr. MARTIN:

H. R. 9397. A bill for the relief of the William T. Manning Co., Inc., of Fall River, Mass.; to the Committee on the Judiciary.

By Mr. MICHEL:

H. R. 9398. A bill for the relief of Luis H. Trevino; to the Committee on the Judiciary.

By Mr. PRICE:

H. R. 9399. A bill for the relief of Aemar Donikian; to the Committee on the Judiciary.

By Mr. RAY:

H. R. 9400. A bill for the relief of Angelina Materdomini; to the Committee on the Judiciary.

By Mr. REUSS:

H. R. 9401. A bill for the relief of Mrs. Anna (Anita) Verber; to the Committee on the Judiciary.

By Mr. ROGERS of Texas:

H. R. 9402. A bill for the relief of John Teiber; to the Committee on the Judiciary.

By Mrs. ST. GEORGE:

H. R. 9403. A bill for the relief of Ester Revidi Peretz; to the Committee on the Judiciary.

By Mr. SCHERER:

H. R. 9404. A bill for the relief of Kornel Laszlo Huvos, Mrs. Anna Huvos, and son, Christopher Huvos; to the Committee on the Judiciary.

By Mr. VANIK:

H. R. 9405. A bill for the relief of Dr. Antonio Valbuena; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

334. Mr. MARTIN presented a petition of Miss Glennie Scott and sundry citizens of Durham, N. C., opposing jury-trial amendment to civil-rights legislation; which was referred to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

St. Stephen, Symbol of Hungarian Freedom

EXTENSION OF REMARKS

OF

HON. ELMER J. HOLLAND

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 21, 1957

Mr. HOLLAND. Mr. Speaker, in the days before the Communist occupation, August 20, St. Stephen's Day, was a happy feast day in Hungary. On this occasion the Hungarian people with great pomp and religious ceremony celebrated the feast of the saint who brought them out of the darkness of paganism into the light of Christianity.

Although the Hungarians today will not be celebrating this holy day with jubilance, they nevertheless will observe it with solemn prayer. They still piously and graciously cherish the memory of Saint Stephen. They remember that during his reign, Hungary was a free nation ruled by Christian laws rather than by fear, as it is today.

St. Stephen was a deeply religious monarch. It has been said that all his life he had Christ on his lips, Christ in his heart, and Christ in all he did. When he became King in 1000 A. D. he vowed that the task of his reign would be the extension of Christianity throughout his kingdom. He accomplished this by rooting out idolatry, breaking the power of paganism, and establishing monasteries and churches throughout Hungary.

King Stephen was also a benevolent monarch. He passed good laws and saw to their execution. The King was easily approached; he listened to all his subjects no matter how minor their station in life. A large sum of his royal funds were distributed to the poor. Under his benign leadership Hungary became a great nation. He died in the year 1038. Forty-five years later he was canonized by Pope Benedict IX.

Today, the Communists will prevent any open celebration of this great feast day. Nevertheless, the day is still hallowed to his memory. The Hungarian people still refer to his holy acts, judgment and knowledge. He still is a source of inspiration to them during these troubled days. On this holy day, they will fervently pray to St. Stephen to ask God for sustenance enabling them to endure the brutality of communism.

To all Hungarians St. Stephen is a symbol of a free Hungary where truth and justice prevailed and where the dignity of man was recognized. Consequently, on this August 20, they will be praying for the return of this freedom. All freedom-loving people will join them in their prayers.

Congress Should Not Adjourn Until the Pay Increase Bills for Postal and Federal Employees Have Been Finally Acted Upon

EXTENSION OF REMARKS

OF

HON. CHARLES A. WOLVERTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 21, 1957

Mr. WOLVERTON. Mr. Speaker, the drive for adjournment of Congress is on in full force. It is regrettable to realize that in all probability the adjournment at this time will leave the postal pay bill and the classified employee pay bill in the hands of the President without final action by Congress if the President vetoes the bills.

It is generally understood that the President will veto both bills. This in the ordinary course of events will come after Congress has adjourned and gone home. Thus, without Congress in session to pass on the vetoes it leaves them in force and effect, and the legislation is dead.

It is particularly regrettable because both bills were passed by overwhelming majorities in both Houses of Congress in both instances. There were very few votes against either of the bills. It could be truthfully said that both of them were passed almost unanimously.

It is right and just that Federal employees in the postal service and other agencies of government should receive the benefit of these increase pay bills to enable them to meet the high cost of living. Workers in industrial and commercial enterprises have in many instances received by means of negotiation or even by strikes, in some cases, the increase they were entitled to have. We have also recently seen the wages or salaries of employees in the State, county, or municipal offices increased. This has been necessary. Why, then, should faithful Government employees be denied the increase they are in justice entitled to have?

When the necessary increase pay bills were passed, especially by such large majorities in both the House and Senate, it is not right for Congress now to deny the increases provided by an adjournment and thereby make effective a "pocket veto."

Of course, if the President signs the bills it would not be necessary for Congress to be in session as the bills would then become law, but in case the President does not sign the bills, then in my opinion the Congress should be in session to act on the vetoes, and by the votes of the Members either sustain the veto or pass the bills over the vetoes. It is not fair nor just that Congress should run away from its responsibility in this matter.

I am opposed to adjournment until this important piece of business has been decided, as it should be by the Congress, if and in the event Presidential vetoes should make such necessary.

Let's Begin the War Against Fire Ants

EXTENSION OF REMARKS

OF

HON. KENNETH A. ROBERTS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 21, 1957

Mr. ROBERTS. Mr. Speaker, until one has actually seen what damage the imported Argentine fire ant can do, it is hard to realize the dire necessity for immediate action to eradicate this pest. Earlier this year, I walked across Alabama farmland and saw the havoc that had been wrought by fire ants. The ravage was typical of what is happening in an ever-spreading section of our country.

In March legislation which I strongly supported was enacted, authorizing the Department of Agriculture to enter into a program to eradicate this uninvited and dangerous pest. Up until now, USDA has dragged its feet on this pro-

gram, claiming that it did not have the money to implement this project.

I am extremely happy that both Houses of Congress now have approved funds to initiate an eradication program. The $2.4 million authorized in the supplemental appropriation budget for combating fire ants is not much, considering the vast job that must be done, but it is a start, a step in the right direction, and I am grateful. Thousands of stricken farmers and cattlemen are also grateful.

Mr. Speaker, even while there was no action taken by the Department of Agriculture to fight fire ants, some States have taken the initiative in finding products to eradicate this pest which is taking an annual toll of millions of dollars.

In Arkansas, Union County has successfully ridden itself of the fire ant. I have a report which shows how successful their program was. Using granular heptachlor at the rate of 2 pounds per acre and applying this chemical by air, ground, and hand equipment, the State's plant board covered 11,153 acres.

Mr. Carter P. Seymour, head of the department of plant pathology and entomology, Arkansas State Plant Board, reports that he has reinspected the treated area and is unable to find any fire-ant activity in mounds located within the treated area.

This, Mr. Speaker, shows that fire ants can be beaten. I submit that they must be beaten. The experiment station at Alabama Polytechnic Institute reports that fire ants are known to be in 40 or more counties in Alabama and are spreading rapidly. If left alone, the pests will multiply to such an extent that the value of land will drop and certain farming operations will become very difficult, if not impossible. In many instances, this has happened. This is typical of what is happening in a number of States.

One of the problems which has been necessary to overcome is very technical, since it involves pesticide residue in milk. The fire ant prefers open, sunny sites in pastures or uncultivated areas, but they also build their mounds in woods and cultivated areas. These mounds average in size from 10 to 12 inches high, but around posts, stumps, or bunches of grass, they sometimes reach 2 feet or more in height.

On pastures, farmers must be extremely careful since many chemicals which have been used have been found to show up in the milk of dairy cows or in the fat of meat animals. At present, one of the products cleared under the Miller pesticide residue amendment to the Federal Food and Drug Act is heptachlor. This chemical, when used as it was in Arkansas, that is, as prescribed, does not show up in milk or meat; and farmers do not have to worry about their products being seized by Food and Drug as being adulterated.

In short, Mr. Speaker, we have a chemical—heptachlor—which can safely and effectively kill fire ants; and we have funds—$2.4 million—to initiate an eradication program. I see no reason why the Federal Government, through the Department of Agriculture, should not begin immediately full-scale war against fire ants.

Address by Hon. Basil L. Whitener to Adelphotis Arahoviton Karyae Annual Greek-American Reunion

EXTENSION OF REMARKS
OF

HON. HUGH Q. ALEXANDER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 21, 1957

Mr. ALEXANDER. Mr. Speaker, on Sunday, August 18, 1957, our colleague, Congressman BASIL L. WHITENER, of the 11th District of North Carolina, delivered an excellent address to the Greek-American Society known as Adelphotis Arahoviton Karyae at its annual reunion in Gastonia, N. C.

This assemblage of approximately a thousand Americans of Greek descent is an annual occasion in Piedmont, North Carolina. It brings to that area citizens from all parts of the United States.

The sentiments expressed by Congressman WHITENER as to the worth and value of our citizens of Greek descent conforms to the high regard which I have for those splendid citizens. It is, therefore, a pleasure for me to bring to the attention of our colleagues in the House the splendid address made by our colleague, Mr. WHITENER.

ADDRESS BY HON. BASIL L. WHITENER TO ADELPHOTIS ARAHOVITON KARYAE ANNUAL GREEK-AMERICAN REUNION

I consider it an honor and a great privilege to have the opportunity to meet with you this afternoon. Of course, I always feel at home among my friends of Greek ancestry.

For many years it has been my great pleasure to attend your annual reunion held here at Karyae Park. Each of these events has been most enjoyable and informative. The bringing together of your friends and relatives from every section of the United States is of great value to you in keeping the ties of kinship and friendship more tightly bound.

This convocation of distinguished and splendid citizens also constitutes a great compliment to the people in our section of North Carolina. All of us appreciate your selection of this beautiful property at the foot of Crowders Mountain as a permanent park and recreational facility for the ingathering of your families and friends for a week each year.

And may I say to you that the churches of all faiths, the civic clubs, and the citizens generally appreciate the generosity of your society in making these excellent recreational facilities available to them for public gatherings and events. This is a further evidence of the type of unselfish citizenship which is exercised by you from day to day.

And, I will say to you that I personally am deeply appreciative of the warm friendship which I have had through the years with so many of you. In the professional, political, and social activities in which I have participated you have been most helpful and generous toward me.

Your devotion to the principles upon which our great Nation is founded and your glorious heritage of enlightened civilization stretching back through 3,000 years of history have always been an inspiration to me. Free people everywhere have been fascinated and thrilled by the magnificent history of Greece. One never tires of reading and studying of the land of Aristotle, Socrates, Hippocrates, and Demosthenes.

Greece has given so much beauty to the world. The art galleries in every land reflect her glory. The mind of man from early antiquity has been enriched and disciplined by Greek philosophy, and Spartan courage has thrilled all ages and given hope to mankind in its unceasing struggle for liberty.

No country on earth can boast of a more glorious, constructive, or romantic history than Greece.

Our Nation's Capital is full of Greek temples. I remember the first time I saw the United States Capitol. This beautiful shrine of representative government is supported by countless columns whose very names reflect the glory of ancient Greek cities and islands. The fluted and delicate columns of beautiful Corinth support the wing where I sit as a Member of the House of Representatives. Throughout our magnificent Capitol Building are many stately Ionic and Doric columns of polished marble. To walk among the Government buildings in Washington actually is to take a journey into the distant past and stroll over the slopes of the majestic Acropolis.

The civilized world owes a debt to Greece impossible to repay in material things. Wherever you find men who love freedom and cherish the forms and modes of representative government, you will find friends of Greece. She gave the first representative government to the world, and it was her blood and treasure that was first sacrificed in order that civilization might not perish from the earth.

Had there not been a Greece the world would not have succesafully struggled forth from the savage bondage of antiquity. Had there not been a Greece our Christian faith would not have flourished so soon after the crucifixion of the Man of Galilee.

Greece has been a defender of the Christian faith for nearly 2,000 years. Her devotion to the teachings of Christ has been and is reflected in the character of her people. The very name of Christ—Christos—is Greek. The New Testament was written in the Greek language and for many centuries even the Old Testament was preserved in the Greek language.

It was to the Athenians that Paul preached his great sermon that has come down in ringing tones through the ages to comfort mankind.

Greece is the cradle of democracy, the lover of liberty. She is the mother of philosophy and creator of the drama; the patron of medicine, philosophy, mathematics, astronomy, and oratory.

The bonds between the United States and Greece have been strong and enduring for many years. The American people, ever mindful of the price paid for their own liberty, have been quick to support and cultivate the friendship of other nations devoted to democratic principles and representative government. No one can deny that this mutual friendship has been of inestimable value to both nations.

When the heroic Greek struggle for independence broke out in 1821 the United States rallied to the side of the Greeks. The American people sympathized with the Greek patriots in their effort to throw off the tyrannical yoke of foreign despotism. Our great statesmen, Henry Clay and Daniel Webster, lifted their eloquent voices in support of Greece. President Monroe in a message to Congress paid special tribute to the Greek patriots fighting for their liberty. Greek independence became a reality, and the spirit of freedom in the hearts of her people remains alive and vigorous unto this day.

Greece has known great tragedy in her march through history. She has been trampled upon by barbarians of old and frequently threatened by totalitarian foes in modern times. All too well we remember the yoke of Turkish domination that strangled Greece until the early 1920's, and

we shall never forget Greece's heroic defense against the German and Italian invaders in World War II.

Conquered after stiff resistance, the Greek nation continued to harass the invader and keep large numbers of Italian and German troops immobilized.

After the defeat of the Axis powers Greece again faced a grave problem that threatened her free existence. International communism decided to make Greece a testing ground for Marxist ideology. The memory of Greek resistance to that menace is fresh in our minds.

As she had resisted other forms of tyranny over the mind of man during 3,000 years of history the Greek nation successfully threw off the yoke of Communist domination. Today she stands as a stalwart sentinel in the front line of the defense of the free world.

America is proud of Greece and her unsurpassed contribution to civilization. America is proud also of the many thousands of her citizens of Greek ancestry.

Our great Nation is made up of people of many lands. Here they have been assembled, and in our wonderful climate of freedom they have been welded into a common Nation.

Some of our American citizens of foreign birth have found it difficult to become assimilated into American life. They have held on to their ancient customs and allegiances, and as a result they have been accused by some as not being first-class American citizens.

Such has not been the case of the Americans of Greek descent. Wherever Greek immigrants have gone in the United States they have become active and patriotic American citizens. They have bought homes, established businesses, and assumed an active part in the social, educational, and religious life of their communities. They have been proud to call themselves Americans and anxious to fulfill their obligations of citizenship.

When one reads the list of persons of Greek origin who have become leaders in the business and professional life of the Nation, one realizes how completely our people of Greek ancestry have become a part of America.

In every phase of American life we find outstanding examples of your contribution to our society. The story of men like Spyros Skouras, head of the giant 20th Century Film Corp., is in keeping with the best American business tradition. A poor immigrant boy, he rose to be a giant in his industry, and his many philanthropic activities have done much to help his fellow Americans.

In the entertainment world we also have of Greek ancestry the famous Elia Kazan, noted for his production and direction of such films as On the Waterfront. Of Greek origin is Dimitri Mitropoulos, conductor of the New York Philharmonic Orchestra. And in the popular music field the Andrew sisters, who are of Greek ancestry, are internationally known.

In the field of government and politics, we find that Americans of Greek ancestry have been honored by election to public office in every part of the country. San Francisco has the able and popular George Christopher as mayor. Just below us in South Carolina, Peter Lempesis is serving as the mayor pro tempore of Charleston. And you and I are all proud of our mutual good friend, Ernest Kerhulas, who has served with such distinction as mayor pro tempore of the lovely resort city of Tryon, N. C., in my own congressional district. Then, too, one of your sons, young George Miller, is making a great contribution to good government in Charlotte, the metropolis of the two Carolinas, as he daily serves as prosecuting attorney in the Charlotte municipal court.

I do not want to overlook another great man whose tireless efforts have contributed immeasurably to the spiritual life of the United States. I refer, of course, to the great Archbishop Michael, head of the Greek Orthodox Church in North and South America. Archbishop Michael's tireless efforts in behalf of his great church and of Americans of every creed is an example of the highest type of religious leadership.

Yes, the roll of distinguished Americans of Greek origin is a long and honorable one. There are countless other examples of their accomplishments which time limitation will not permit us to discuss.

Your people have a record of patriotic citizenship that is admired and respected by all America. Here in the Carolinas your splendid contributions toward the betterment of your individual communities has endeared you to all of our citizens of whatever national origin, or religious persuasion. You are thought of as proud and honorable Carolinians. I know of no greater tribute that can be paid to any segment of our society.

In conclusion, I would like to say that your community and Nation as a whole is appreciative of your leadership in the area of good citizenship.

Ours is a great freedom-loving country. The blood of many lands and many races flows in our veins. No finer blood is to be found than that of the Hellenic race.

I salute you for your many past accomplishments and envision for you an even greater role in the life of this great Nation of ours as she marches forward to a more glorious future.

Sportsmen, Dealers Oppose Unwarranted Restrictions on Firearms, Ammunition

EXTENSION OF REMARKS

OF

HON. LeROY H. ANDERSON

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 21, 1957

Mr. ANDERSON. Mr. Speaker, we Members in Congress from Montana are deeply concerned about a proposed Internal Revenue Service administrative action to place sharp restrictions on firearms and ammunition. A hearing on this matter has been scheduled by the Revenue Service here in Washington, August 27.

I should like to present the views of our Montana delegation and also the views of our western sportsmen and equipment dealers, which I believe are very well expressed in a letter I have just received from an eminent physician and sportsman, Dr. Alexander C. Johnson, of Great Falls.

The Montana delegation has directed the following letter to Mr. Dwight E. Avis, Director, Alcohol and Tobacco Tax Division, Internal Revenue Service:

DEAR MR. AVIS: In the opinion of the Montana Congressional delegation, the proposed regulations pertaining to interstate traffic in firearms and ammunition appearing in the May 3, 1957, Federal Register, represent an invasion of the rights and privileges of the sportsmen in our State as well as those throughout the Nation. Furthermore, the procedures that would be established would work a hardship and an inconvenience upon manufacturers and dealers in sporting arms and ammunition.

The idea of firearms registration by owner is not new. In application, however, it is associated with attempts to suppress crime and amounts to no more than a penalty on the millions of law abiding sportsmen and gun owners in the hopes of frustrating those few individuals who would use firearms for illegal purposes.

It is conjectural whether the authority for the proposed regulations is contained in the Federal Firearms Act. In fact, it appears that the Internal Revenue Service is going beyond the implications of that act with the proposed regulations.

We object to the adoption of the proposed regulations in that they impose unreasonable and unwarranted restrictions on millions of sportsmen and other gun owners, on dealers and the manufacturers and importers of firearms and ammunition.

Sincerely yours,

JAMES E. MURRAY,
United States Senator.
MIKE MANSFIELD,
United States Senator.
LEE METCALF,
Member of Congress.
LEROY ANDERSON,
Member of Congress.

A BUREAUCRATIC EDICT

The letter from Dr. Alexander C. Johnson is as follows:

GREAT FALLS, MONT., *August 13, 1957.*

The Honorable LEROY ANDERSON,
Representative From Montana,
House of Representatives,
Washington, D. C.

MY DEAR CONGRESSMAN: I am taking this opportunity to add my voice to the numerous protests you have undoubtedly already received concerning proposed revisions of the Internal Revenue Service regulations pertaining to the Federal Firearms Act.

Hearings on this are scheduled for 10 a. m., August 27, room 3313, Internal Revenue Building, Washington, D. C. These hearings are in reference to proposals on the part of the Alcohol and Tobacco Tax Division of the Internal Revenue Service which would impose a multitude of new regulations concerning the identifications of firearms, firearms records by manufacturers, and to add absurdity to the ridiculous even the requirement that complete and detailed records be kept of over the counter ammunition sales. I venture in regard to this latter item alone it would take a 10-story building of bureaucrats (heaven forbid) to keep the files and records alone during an average hunting season in Montana.

A particular item that is particularly dangerous is the proposal that the Internal Revenue Service would have the authority to examine records, etc., of arms and ammunition dealers at any time during business hours. This alone would appear to violate the constitutional provisions concerned with search and seizure.

All of these proposals constitute a usurpation of legislative action since various proposals encompassing the matters under consideration have been many times introduced as bills in State legislatures throughout the country and by and large have been rejected through the education and efforts by the honest law abiding sportsman of the country who use and enjoy firearms for hunting and marksmanship competition. There is no need for the proposals of the Internal Revenue Department and the only excuse that I can conceive for these matters even being considered is the desire of the Internal Revenue Department to enhance its own bureaucratic stature.

The history of all restrictive firearms legislation shows that the proponents of such action fall into two categories: The largest group are merely misguided individuals who feel that registration and control of firearms and ammunition will have beneficial effects from the standpoint of law enforcement. This is manifestly not so since some areas of the most rigid statutes and attempted control such as New York City are among the

highest in crimes of violence involving firearms. The criminal can always get firearms. Restrictive legislation only disarms the honest sportsman. The second and possibly more dangerous group are the subversive elements who are aware of the value of a disarmed American public should there ever be an invasion or a war in which internal sabotage or turmoil would be much more easily carried out by armed subversive groups in the face of a disarmed public. This was the experience in numerous invaded countries during World War II where the invading army simply confiscated registration books and either collected the weapons or executed those who did not have the weapons listed in their name. The recent disclosures of active espionage networks in the United States suggests that this is not an idle supposition or fear.

I urgently commend to you that you exert all efforts to suppress this reprehensible attempt of the Internal Revenue Department to usurp the legislative prerogatives of the Congress by mere bureaucratic edict.

ALEXANDER C. JOHNSON, M. D.,
Commissioner Great Falls Police Department, Life Member National Rifle Association.

A Report to the Farmers

EXTENSION OF REMARKS
OF

HON. CHARLES W. VURSELL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, August 26, 1957

Mr. VURSELL. Mr. Speaker, today I want to make a brief report to the farmers discussing important legislation considered in this session which affects agriculture.

There has been so much discussion over the Federal budget. I feel what we have done in reducing it will be of interest to the farmers.

BUDGET REDUCED

Some will claim greater reductions and some may claim less; however, as nearly as I can determine, as a member of the Appropriations Committee, it appears that the Congress, with the help of the President from the latest estimate, has reduced the budget request by about $3.5 billion, in real cuts that can and will be sustained.

Budget cutting is not new to me, as I have been voting to reduce Federal budgets for the past 15 years. I helped to cut the last Truman budget of $78 billion several billions, which he said could not be reduced.

Politics should have no consideration in trying to reduce cost of Government. I have made my greatest effort to reduce the present budget request of $71.8 billion in this session.

As the ranking Republican member of the Independent Offices Subcommittee on Appropriations, I helped to reduce the budget of 18 agencies of Government coming before us by $537,993,300—the largest reduction of those agencies ever made by this committee.

On another subcommittee on which I served, we reduced that budget by $272,556,860—making a total reduction in my two subcommittees of $810½ million. In addition, I helped reduce every budget that came before us.

There has been so much criticism of what the press terms "The President's Budget." I believe we should admit that those who are largely responsible for the present budget are the Members of Congress who pass the laws, and they generally pass them under pressure from the people.

DEMOCRATS CONTROL CONGRESS

In discussing the budget, we must keep in mind that President Eisenhower has had a majority of his own party in the Congress only the first 2 years; that the Democratic Party has controlled Congress by a majority of over 30 in the House, and a majority in the Senate throughout 1955, 1956, 1957.

We must realize that more laws mean more Federal employees, more office space, more equipment, more supplies, more salaries, larger pension funds and more benefits, which add up to bigger budgets and higher taxes. In fact, no money can be spent by the President unless it is appropriated or authorized by Congress.

SPENDERS WHO BUILT UP BUREAUCRACY NOW SHOUT ECONOMY

Since the budget of $71.8 billion is about $2.4 billion more than the $69.4 billion spent last year to operate the Government, the people became concerned about this sharp increase in the cost of Government. I think the people should have the facts as to where the responsibility lies for the $2.4 billion increase in Government expense.

Unfortunately, there is a large group in Congress that for years has been liberal in spending the taxpayers' money, which has helped to expand and build up the present bureaucracy and cost of Government—largely resulting in this big budget.

These same spenders are now branding it as "the Eisenhower budget." The people should know that in many instances these Members in the last two Congresses have passed new laws which greatly added to the cost of Government, and passed them over the opposition of the President—which expense is reflected in the $71.8 billion budget. Yet, they shout about economy in Government.

A FEW OF MANY INSTANCES WHERE BUDGET WAS INCREASED ABOVE THE PRESIDENT'S REQUEST

First. Last year Senate Democratic leaders insisted upon increasing the Air Force budget over $900,000,000. Secretary of Defense Wilson and other officials opposed it. Nevertheless, they increased the budget by that amount.

Second. That same Congress, with a heavy Democratic vote, passed a flood-insurance indemnity bill, which put the Government into the flood-insurance business obligating the Government to insure risks along the rivers and streams that regular insurance agencies would not insure, which could have cost the Government $5 billion. To get this program started, they asked for $50 million in this session.

As the ranking Member of a Subcommittee on Appropriations, I, along with others, refused to approve the $50 million, and we were sustained by a House vote.

The legislation went to the Senate where this amount, $50 million, was written in, and came back to the House on a conference committee vote. We beat it again, saving $50 million, and I think we have killed the 10-year program in this legislation, which would ultimately cost $500 million plus insurance risks that could run to $5 billion.

Third. Last year, the same Democratic-controlled Congress, by a heavy vote of that body, over the opposition of myself and others, voted to spend $500 million in 10 years—in giveaway—to help communities build sewage-disposal plants.

I led the fight to help cut out the $50 million in this budget required to put the program into effect. We were defeated, as the record will show, by a heavy Democrat majority while a majority of Republicans voted against it.

Fourth. The Congress, last year, by amending the Social Security Act increased the Government's part of participation by $108 million above the President's recommendation.

Fifth. Last year, the Congress added appropriations for more than 50 new reinstated flood-control projects, which involved direct and future expenditures in excess of $700 million. This figure would have been over $1 billion had the President not vetoed H. R. 12080, another flood-control bill which saved the taxpayers, by his veto, $530 million.

I point out these few of many instances where the budget was increased over the President's requests by over $2 billion.

ONE BILLION IN PUBLIC HOUSING PASSED OVER PRESIDENT'S OBJECTION

The following table will show where over $1 billion should have been saved by the Congress in housing authorizations when legislation was passed in this session:

The President requested $975 million.

The House bill increased it to $2,475,000,000.

The Senate bill reduced it to $1,350,000,000.

The House and Senate report of the conferees authorized $1,990,000,000 which is $1,015,000,000 more than the President requested.

I made an earnest fight to reduce these expenditures when the bill was before the House. It would have been greatly reduced had it not been for the opposition of the Democratic majority in the House and Senate. Members of this same party over the years in supporting this legislation have wasted billions of the people's tax money.

Fortunately, outside of such instances to which I have referred, I am glad to say we have had the support of many of the Democrats in this session in reducing appropriations.

The CONGRESSIONAL RECORD of Monday, June 3, 1957, contains a speech in which I pointed out that millions, yes, billions, have been and are still being given away in grants of tax money collected from all of the people which was taken out of the Treasury under the urban renewal and public housing bill for the purpose of rebuilding the large cities.

I showed that there had been allocated to New York City $92 million; to Chicago, $74 million; Philadelphia, $54 million; and large amounts to many cities throughout the Nation; that there was being allocated in the bill before the House a total of $1¼ billion in grant money, or gifts, to do a facelifting job, so to speak, improving large cities at the expense of every taxpayer in every Congressional district in the United States. Of course, I voted against the bill.

REA INTEREST RATES

On May 14 I spoke against an amendment which would raise REA loan interest rates.

I will quote a couple of paragraphs of my talk:

The REA is organized by farmers at the grassroots, who put in millions of dollars worth of extra time without any cost. They have managed this great organization so well there are only 3 or 4 small cooperatives that are in financial trouble.

May I say further the Treasury has had a cushion for the last 2 or 3 years of about $40 million in total paid by the cooperatives in advance of the due date which the Government has been able to use.

The REA at 2 percent interest with the low money rates of the past years, and with their advance payments, has made the Government a profit even at the present 2 percent rate. The best financial brains in this country say we cannot increase these rates as provided in this amendment without destroying the financial structure and the services of REA in the future.

We defeated the amendment.

REA LOANS

For REA light and power, we approved budget estimate of $179 million for REA loans, and $60 million for telephone loans in addition to the $200 million loan authorization contained in the Second Deficiency Appropriations Act of 1957.

OTHER FARM LEGISLATION

I supported the soil-bank legislation, and when the bill came before the House to carry out the mandate of the farmers' vote for increased corn acreage, I supported the legislation.

May I quote a paragraph or two from my remarks on March 13, appearing on page 3593 of the CONGRESSIONAL RECORD:

We can give the farmers in the Harrison bill, which has been endorsed by the Farm Bureau Federation of 1,500,000 farmers, and by the Illinois Agricultural Association of my State with 200,000 members, what they voted for. The passage of this bill will make an effective attack to reduce surpluses that have been depressing all phases of agriculture. It, I repeat, will give the farmers either plan they voted for in the corn referendum last December.

This legislation was defeated by the representatives of the cotton farmers and the wheat farmers led by the gentleman from North Carolina [Mr. COOLEY], chairman of the Committee on Agriculture, and the gentleman from Texas [Mr. POAGE], vice chairman of that committee—both Democrats.

SCHOOL LUNCH PROGRAM

We provided $100 million in cash payment to the school lunch program, and for the use of farm commodities in the amount of $185 million—making a total contribution of about $285 million.

PUBLIC LAW 480

We extended Public Law 480 which has been so effective in helping to reduce surpluses and to increase our farm exports to the highest volume in our history without which the economic condition of the farmers would be much worse than they are today.

SOIL CONSERVATION

We provided ample appropriations for the small watershed conservation program, and for every phase of soil conservation including $250 million for the ASC programs.

We increased appropriations for the eradication of brucellosis—great progress is being made against this disease nationwide.

H. R. 7244

We defeated House Resolution 7244, a bill to check off a certain amount from the proceeds of sales of livestock. This bill was opposed by the American Farm Bureau and the Illinois Agricultural Association. I spoke against the bill and took an active part in bringing about its defeat.

FEDERAL SCHOOL CONSTRUCTION

I spoke in opposition to the Federal school construction bill which was also opposed by the Illinois Agricultural Association, and helped to bring about its defeat.

FARM PRICES

The drop in farm prices which began in 1948 was stopped in December 1955. Since then, prices have gradually gone up 7 percent. Figures for the first 5 months indicate the income of farmers in Illinois for 1957 will be $200 million greater than in 1956.

Current cattle prices from $20 to $27 as compared with $17 to $23 last year; hog prices from $18 to $21 as compared to $15 or $16 last year help to increase the gross and net farm income.

The regaining of our farm export trade—now the highest in the history of the Nation—is a stimulating factor in holding up farm commodity prices.

I regret the farmers have not received their full share of the unprecedented prosperity during the past 4 years largely due to the tremendous accumulation of surpluses that depressed all farm prices.

I believe that the passage of Public Law 480 and other legislation, and our constant efforts to remove farm surpluses offer a more optimistic future for the farmers.

BALANCED BUDGETS, NATIONAL DEBT REDUCED, TAXES CUT

Deficit financing has been stopped. Three budgets will be balanced in succession for the first time in 25 years.

A $3.8 billion reduction in the public debt was made during fiscal years 1956 and 1957. We will balance the budget again next year, with a substantial surplus to be applied to either a tax reduction, or another payment on the public debt.

These balanced budgets and public-debt reductions came about after a Republican Congress in 1953 voted tax reductions which have saved American taxpayers in 4 years $29.6 billion. Not one tax reduction by the Federal Government has been restored. If taxes are higher, it is the result of higher State and local rates. Cuts of about $800 million per year were made in Federal excise taxes.

You cannot put a price on freedom. To modernize and build our strongest military power for peace in our history has required billions of dollars which are reflected in this budget. We all appreciate that we have had peace since President Eisenhower ended the Korean war.

Our diplomacy and military force have kept Russia from starting another war. We must keep the pressure on her because with the cooperation of the free nations of the world which contain our airbases surrounding her, she is being forced constantly toward world peace. Nothing is of greater importance to the American people.

The Jenkins-Keogh Bill

EXTENSION OF REMARKS

OF

HON. THOMAS A. JENKINS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 21, 1957

Mr. JENKINS. Mr. Speaker, I dare say that every Member of the House has received letters with reference to the Jenkins-Keogh bills. Many of you have received dozens of letters, many of you have spoken to me about these bills. I want to say at the outset that many of the intelligent people of the country favor the passage of one of these bills.

Our existing tax structure contains a regrettable discrimination against self-employed taxpayers in that they are denied the tax benefits accorded to employees generally for their retirement. Under existing law a general employee is not taxed on amounts paid by a corporation for the establishment of a retirement fund with respect to the employee. The employee does not become subject to tax until he begins to draw his retirement benefits. A self-employed person does not have a similar opportunity to defer his tax liability on amounts set aside for his retirement. The doctors and the lawyers and thousands of other self-employed are interested.

There are several disadvantages in this discriminatory aspect of our Federal tax structure. The first of these is the fact that this discrimination results in an inequitable apportionment of the total tax burden among our citizens. A second disadvantage is found in the fact that existing law with its onerous schedule of tax rates virtually precludes the self-employed individual from making any realistic provision for his years of retirement. A third disadvantage of the present law treatment of self-employment income is that it prevents the accumulation of investment savings that is vital to the industrial and technological development of our Nation.

Mr. Speaker, there is legislation pending before the Congress that would remove the discrimination I have referred

to. I refer to "The Self-Employed Individuals' Retirement Act of 1957", H. R. 9 and H. R. 10, introduced by my distinguished colleague from New York [Mr. KEOGH] and myself. In commenting on this legislation, Mr. Speaker, I believe it is appropriate that I first make brief reference to the outstanding work on this matter by my distinguished cosponsor. The gentleman from New York as a member of the House Committee on Ways and Means, has worked conscientiously and effectively in behalf of this legislation. Mr. KEOGH has worked with diligence and with dignity to have this meritorious legislation made a part of our Federal tax structure and I express the unequivocable conviction that in the not too distant future our efforts will meet with success.

Mr. Speaker, simply stated this legislation would allow self-employed individuals to exclude amounts up to 10 percent of their otherwise taxable income in computing their tax liability, provided such amounts are invested in prescribed types of retirement funds, annuities, and insurance contracts. These bills would provide an annual maximum deduction of $5,000 and a lifetime maximum deduction of $100,000. Appropriately the bills would allow a somewhat larger annual deduction for individuals who are age 50 or over at the time the legislation becomes effective. The amounts excluded from tax would become subject to tax as they are withdrawn after the taxpayer reaches 65 and retires.

From this brief description of the legislation it is evident self-employed individuals from all walks of life would receive deserved benefit from the enactment of this legislation. Examples of specific economic groups that would be benefited are farmers, self-employed businessmen, physicians, lawyers, and other self-employed individuals.

The principle embodied in the so-called Jenkins-Keogh proposal has been pending before the Congress of the United States for years. I believe it is proper to state that there is general agreement that the principle is sound but objection has been raised to the legislation on the grounds that its enactment would entail a revenue loss. The Treasury has felt obligated to oppose the legislation under both Democrat and Republican administrations. However, with the modest improvement in the fiscal affairs of our Nation that has occurred in recent years I believe that the time is at hand when the Congress can and should take favorable action on the Jenkins-Keogh proposal. It is my hope that this prospect will become reality during the 85th Congress and will be made possible through substantially reduced Federal expenditures and enlargement of the budgetary surplus. It is my hope that across-the-board tax reduction fairly granted to all our taxpayers will be possible and that an important part of such a tax reduction program will include the provisions of the Jenkins-Keogh bills.

It is a matter of simple justice for the 10 million American citizens who are the victims of this discrimination in our present tax structure that this result should be realized without delay. That is not to say that the enactment of the Jenkins-Keogh bill will remove all the tax discriminations against the self-employed. Existing law would retain special benefits for corporate employees not available to self-employed individuals such as stock options and accident and health benefit programs.

Mr. Speaker, as one of the coauthors of this legislation I have been gratified by the public response that I have received in support of the Jenkins-Keogh bill. This support has been expressed by responsible citizens across the Nation, from my Congressional district and from virtually every Congressional district, from individuals who would personally receive equity under the bill and from individuals who have no economic interest in its enactment but who recognize the merit in its objective.

My distinguished colleague from New York [Mr. KEOGH] and I have worked hard during this 1st session of the 85th Congress to bring about favorable consideration of the bill. The fact that the legislation has not become a part of our Federal tax structure does not imply that our efforts have been to no avail. I believe that a great deal has been accomplished that will be reflected in results in the foreseeable future. This legislative proposal will undoubtedly play an important part in the revenue revision hearings scheduled by the Committee on Ways and Means to begin January 7, 1958. I am confident that when the legislation is presented to the House of Representatives for a vote that it will receive the overwhelming support of the distinguished membership of this great legislative body. If the employees of the country are taken care of in this respect why should not the men who employ them be given some protection?

Mr. Speaker, this legislation represents tax fairness and tax equity. It represents principles that are consistent with our American way of life. It represents in my judgment must legislation for favorable action during the 85th Congress.

Segregation in the Field of Sports

EXTENSION OF REMARKS
OF
HON. JAMES G. FULTON
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 21, 1957

Mr. FULTON. Mr. Speaker, I am submitting the enclosed letter, two articles, and my reply for the consideration of Congress and the American people:

SUN-TELEGRAPH,
Pittsburgh, Pa., August 28, 1957.
Representative JAMES G. FULTON,
House of Representatives,
Washington, D. C.

Mr. FULTON: I am enclosing a couple articles I've written on a situation I find annoying. If it annoys you as it does me, you may be able to get the Defense Department to advise the United States Military Academy to withdraw from this football game.

It is my feeling that the United States Military Academy should represent all the people, that the United States Military Academy has no business participating in a segregated sports event.

I concede that the contract for this game was signed 4 years ago, but other northern colleges have canceled contracted games since Louisiana last year passed its distasteful Jim Crow sports law (Negroes and whites cannot compete together or sit together at public events). Unofficially, a boycott exists. The United States Military Academy is about to break that boycott and become the first northern college to go into Louisiana since the law went into effect.

GEORGE J. P. KISEDA.

[From the Pittsburgh Sun-Telegraph of Saturday, August 24, 1957]

ARMY DEFIES THE BOYCOTT

(By George Kiseda)

The United States Military Academy is going ahead with plans to play a segregated football game with Tulane University in New Orleans November 16. Lt. Gen. Garrison H. Davidson, Superintendent at West Point, told the Sun-Telegraph yesterday that "we made our contract 4 years ago and we're going to honor it."

It will be the first breakthrough in an unofficial boycott that has existed among northern colleges since the Louisiana State Legislature last year passed a law barring interracial sports competition and integrated seating. No northern colleges have sent their football and basketball teams into Louisiana since then.

The University of Pittsburgh was the first to announce its position, withdrawing as a possible candidate for the Sugar Bowl football game. Then the University of Wisconsin canceled a 2-year football contract with Louisiana State University.

Subsequently, Notre Dame, Dayton, and St. Louis asked to be relieved of their contracts to appear in the Sugar Bowl basketball tournament. In some cases there were no Negroes on the college teams involved, but the colleges withdrew on principle and also because they had Negro students and alumni who would not be able to sit with white students and alumni.

There are no Negroes on the Army football team, but there are seven Negroes in the Academy.

According to General Davidson, himself, an old Army football star and coach, the Tulane game was scheduled 4 years ago by Col. Earl Blaik, who is coach and athletic director at West Point. A telephone interview with General Davidson went like this:

"Question. Are you going ahead with plans to play Tulane in New Orleans?

"Answer. Sure.

"Question. Are you aware of the year-old Louisiana law barring interracial competition and requiring segregated seating?

"Answer. Yes. We entered this contract 4 years ago, you know.

"Question. Are you aware that no northern college has played down there since the law went into effect, that, in other words, there has been a boycott?

"Answer. Well, we made our contract 4 years ago and we're going to honor it.

"Question. Some of the northern schools have broken contracts since the law went into effect.

"Answer. Our responsibility is to play the game. Our policies, insofar as the corps of cadets is concerned, are equal opportunity for everybody.

"Question. Suppose 1 of the 7 Negroes in the academy wants to go to the game. What will you do?

"Answer. Nobody from the corps of cadets is going. It's too far—it's a matter of economy.

"Question. What about Negro alumni? What if they want to go to the game?

"Answer. I wouldn't guess at a proposition like that. I'd have to wait and see what develops.

"Question. How will you sell your allotment of tickets?

"Answer. We won't place restrictions on our tickets.

"Question. But Negroes won't be admitted to white sections.

"Answer. I'm not so sure about that. I don't know.

"Question. What is your position on the United States Military Academy participating in segregated sports events?

"Answer. Our laws are the national laws. We follow a policy of equality of opportunity for everybody in the corps of cadets.

"Question. But what is your policy on the United States Military Academy participating in a segregated sports event such as this?

"Answer. I don't think I'd want to comment on a hypothetical question that hasn't arisen yet. I just know that we're going through with the game. I think that should answer it.

"Question. Aren't you embarrassed somewhat that the United States Military Academy will be the first northern college to play there since the law went into effect?

"Answer. Oh, no. Not a bit. We contracted this game with the university and we're going to honor our contract."

[From the Pittsburgh Sun-Telegraph of August 26, 1957]

SPEAKING OUT ON SPORTS

(By George Kiseda)

When Louisiana's odious Jim Crow sports law passed in the State legislature last year, there was some speculation that it would hurt New Orleans' Sugar Bowl promotion. But the lowercase democrat who introduced the bill into the legislature assured everybody that no such thing would happen.

"Sugar Bowl teams," said Louisiana State Representative Lawrence Gibbs, "will put first things first when they get an opportunity to play in the annual classic. They get $120,000 (sic) for appearing in the Sugar Bowl and don't think they overlook the prestige either."

Northern colleges did put first things first but not the way Representative Gibbs expected. Putting principle before principal, Pitt said it wants no part of the Sugar Bowl until Louisiana decides to rejoin the Union. Notre Dame, Dayton, and St. Louis pulled out of the Sugar Bowl basketball tournament, Wisconsin canceled a 2-year football contract with LSU.

Since Gibbs' gibberish became law, no northern colleges have sent their football or basketball teams into Louisiana. Now, though, the boycott is about to be broken in the last place you would expect it to be broken—West Point.

Lt. Gen. Garrison H. Davidson, Superintendent of the United States Military Academy, told the Sun-Telegraph last week that Army will play Tulane in New Orleans November 16 as scheduled.

General Davidson's explanation was that the game was contracted 4 years ago and Army was dutybound to honor its contract. Other colleges have felt differently.

General Davidson was cordial throughout the telephone interview but seemed not to be aware of the significance of the United States Military Academy participating in a segregated sports event.

The United States Military Academy presumably represents all the people. It seems to me that the Academy is under no obligation to honor a contract that was legally conceived but now can be honored only by violating the Constitution.

The last thing I asked General Davidson was, "Aren't you embarrassed that the United States Military Academy will be the first northern college to play there since the law went into effect?"

"Oh, no," he replied. "Not a bit. We contracted this game with the university and we're going to honor our contract."

I, for one, am embarrassed that General Davidson is not embarrassed.

WASHINGTON, D. C., *August 29, 1957.*

Mr. GEORGE KISEDA,
The Pittsburgh Sun-Telegraph,
Pittsburgh, Pa.

DEAR GEORGE: Received your articles. Certainly admire your courage and think they are wonderful. Am placing them in the CONGRESSIONAL RECORD today and will send you copies. Am also contacting White House immediately protesting football game in New Orleans on November 16, and strongly urging its cancellation. What is use of civil-rights law by Congress if Army disregards civil-rights and cooperates in their repression. Will be glad to follow up on this matter strongly. Count on my full cooperation.

Congressman JIM FULTON.

Address of Hon. Melvin Price, Democrat, of Illinois, Member of the Joint Committee on Atomic Energy and the House Committee on Armed Services, at the Jefferson-Jackson Day Banquet Held by the Scioto County, Ohio, Democratic Central-Executive Committee in Portsmouth, Ohio, May 25, 1957

EXTENSION OF REMARKS

OF

HON. JAMES G. POLK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 21, 1957

Mr. POLK. Mr. Speaker, some time back, Hon. MELVIN PRICE delivered a very thought-provoking and constructive address at the Jefferson-Jackson Day banquet in Portsmouth, Ohio. His statements and observations are of such importance that I want the Members of the House of Representatives to have the opportunity of reading his message on this occasion.

The address follows:

Mr. Chairman, ladies and gentlemen of the Democratic Party, it seems to me a good thing for us to be celebrating the Jefferson-Jackson era together. I think the party of Jefferson and Jackson, the party of Franklin D. Roosevelt and Harry S. Truman, has a very good chance to win the Congress again next year and to regain the White House in 1960.

We must not minimize the difficulties of the 3½ years ahead. As good Americans we must recognize that we live in a world of danger, that Soviet aggression is a factor we cannot ignore, that we must pay the price of security and freedom.

It is still fair to point out that it is we Democrats who have forced the Eisenhower administration to recognize the facts of modern life and to spend the necessary money to be sure that we have enough muscle in our Armed Forces to defend our way of life.

Some remarkable things have happened to the Eisenhower "Great Crusade" in the six months since the President was re-elected on promises and pledges which most of his own party did not believe in.

We have had the spectacle of a $72 billion budget which the President's own Secretary of the Treasury violently attacked.

We have had the spectacle of the President saying that the budget could not possibly be cut as much as $2 billion—and the President himself then sending a letter to Speaker SAM RAYBURN saying that he had discovered, after all, that budget reductions of $1.8 billion were tolerable.

The Republicans' one authentic so-called egghead, Mr. Arthur Larson, has a habit of calling us Democrats a "divided" party.

What in the world does he think of his own Republican Party?

Larson's personally proposed budget for the United States Information Agency was slashed sharply because he couldn't find any words, despite his brains, to defend it properly. He got precious little support from his own Republicans.

The senior Senator of the Republicans, Senator BRIDGES of New Hampshire, wants Eisenhower's budget cut by $5 billion.

The GOP official floor leader, Senator KNOWLAND of California, is withdrawing from Congress at the conclusion of his present term because apparently he can't endure Mr. Eisenhower's "modern Republicanism."

It is commonly believed that Senator KNOWLAND, for whose personal integrity every Member of Congress has respect, intends to run next year for the governorship of California. He wants to re-establish a base, apparently, from which to challenge Eisenhower's "modern Republicanism."

Our Republican friends are split so sharply, so fundamentally, that not more than a third or a fourth of the Republican Members of Congress can be counted as Eisenhower people.

We Democrats have our differences. These differences are sometimes earnest and are warmly argued.

But the differences haven't kept us from mapping out and enacting all the legislative and social progress in our democracy for the past quarter of a century.

Let's ignore for a moment the historic contributions of the early New Deal, the depression era, when the country was paralyzed by the excesses and abuses of Wall Street control and the refusal of Herbert Hoover to use Federal power to meet the needs of the people.

Let's talk about recent history.

The first Republican Congress in 18 years—the 80th Congress—passed the Taft-Hartley Act and a few other laws intended to repeal or modify the New Deal.

The country got tired of that very quickly and elected the Democratic 81st Congress that raised the minimum wage from 40 cents to 75 cents an hour—and did something to help the farmers, too.

We got another Republican Congress in 1952—the 83d Congress—and a tax bill was adopted that gave most of the tax relief to corporations and large personal taxpayers.

There wasn't any social reform, though. There was no school-aid bill, no social security change of major importance that plowed new ground.

Under the leadership of Eisenhower—the Eisenhower who called himself, at that moment, a dynamic conservative or a moderate progressive or a middle-of-the-roader—we got, instead, the Dixon-Yates scheme to torpedo the Tennessee Valley Authority and inject politics in the Atomic Energy Commission.

We got farmers sold down the river. We got drought districts denied Federal assistance except in belated and stingy amounts. We got the late Martin P. Durkin resigning, angrily, from the President's Cabinet because he thought he had been sold down the river on Taft-Hartley law changes.

The proposed Hells Canyon high dam on the Snake River in the northwest was sold down the river by Sherman Adams in the White House—and Democrats have been winning Congressional and local elections in the northwest ever since.

The country got tired of the Republicans again.

It takes the country only about 2 years to get tired of Republican control of Congress, no matter how befuddled the voters may be by the legend and fame of a general.

In 1954 the people elected a Democratic Congress again—and once again we got progress.

The Democratic Congress checked the plans of Agriculture Secretary Ezra Taft Benson to push farm price supports lower and lower.

The Democratic Congress pushed through a minimum wage bill of $1 an hour—although Eisenhower's Secretary of Labor, Mr. Mitchell, pretended that anything more than 90 cents might prove terribly inflationary and harmful to the economy.

It was not until this year—a full 18 months after we Democrats insisted on $1 an hour—that Secretary Mitchell acknowledged that $1, instead of 90 cents, had not produced unemployment and business bankruptcies and all the other horrid things he worried about in 1955.

The Democratic Congress elected in 1954 pushed through basic Social Security Act changes granting benefits to women workers and widows at age 62 instead of age 65.

It pushed through disability benefits at age 50, giving a disabled worker the right to start collecting insurance for himself and his family at that age instead of forcing the family on charity by a rigid rule that nothing could ever be paid before age 65.

President Eisenhower, the self-proclaimed "modern Republican," wasn't in favor of these changes in 1955 and 1956. He signed the Democratic bills because he didn't dare veto them.

And finally last year, when he was running for reelection, he decided to join us—since he couldn't lick us.

He became "modern." His Republican party was perfectly willing to pretend to be modern in order to capitalize again upon the personal popularity of its general.

But his Republican Party didn't really mean it. Once the President was reelected, and all the coattail riders were taken care of, the Republicans began to do what came naturally.

Senator BRIDGES spoke with contempt of "modern Republicanism." Senator KNOWLAND, Mr. Eisenhower's Senate leader, came out against the school-aid bill. JOE MARTIN, the voice of the Republicans in the House, became absolutely certain that Eisenhower's budget could be cut—and cut sharply.

I say to you solemnly, the President today does not lead his own party.

The President cannot count on his own party for support of the programs he says are significant and even vital.

Do you know why the school-aid bill failed last year? It is because about 75 Republicans first voted to load down the bill with amendments, and then voted against it.

Do you know why a civil-rights bill failed last year? It is because the Republicans in the House delayed the bill until the last week of the session, when there wasn't time for the Senate to act.

Do you know why civil-rights legislation has been delayed this year? It is because Republicans in key committees of the House and Senate refused to attend sessions and vote to expedite a civil-rights bill.

If all the Republicans on the House Rules Committee and Senate Judiciary Committee claiming to favor civil-rights laws actually attended and voted that way, the fight would already be over.

The only rollcall votes in the House of Representatives on appropriation bills this year came on the bill to finance the Department of Labor and the Department of Health, Education, and Welfare. Let us see what the record shows.

The bill was handled on the floor by Representative JOHN FOGARTY, of Rhode Island, a Democrat. FOGARTY'S subcommittee had made some careful reductions in the money the two departments asked, but it cut carefully rather than with a meat ax. This didn't satisfy Eisenhower's Republicans.

An amendment was filed to slash an additional $204,000 from the Labor Departments' Office of Solicitor. This is an important job, because the Solicitor makes the investigations necessary for minimum-wage decisions on Government contracts under the Walsh-Healey and Davis-Bacon laws. To protect workers from chiseling contractors on Government work, the Solicitor must have enough money to do his job.

The Secretary of Labor, James P. Mitchell, is a Republican—but Republicans in the House voted 153 to 42 to cut down his Solicitor's operations. Democrats voted 129 to 88 against the reduction.

Another Republican amendment proposed a slash of $136,000 from the Labor Department bureau protecting the reemployment rights of veterans. Republicans in the House voted 107 to 86 in favor of the slash. Democrats voted 118 to 30 against it.

An amendment was filed to cut $346,000 from funds for the Bureau of Labor Statistics. This Bureau gathers and publishes statistics of employment, labor disputes, and the cost of living. Its Consumer Price Index is of vital importance because the wages of millions of workers are tied to the index and go up or down as it rises or falls.

Secretary Mitchell, a Republican, begged Congress not to impose the cut, but Republicans in the House voted 134 to 62 in favor of the reduction, while Democrats voted 139 to 83 against it.

All of us in Congress are mindful of the need for economy and careful spending. But when it is a matter of a few hundreds of thousands of dollars for the Department of Labor—the smallest department of Government—it is not true economy to knock out vital functions.

The President can get Democrats to understand this. He can't get his nonmodern Republicans to understand it.

The manner in which the Republicans have dealt with the public power issue is a failure of President Eisenhower personally.

He plays golf with so many private-utility executives that he believes they are telling him the solemn truth when all they are feeding him is private-utility propaganda.

So he calls the Tennessee Valley Authority "creepng socialism" and he sells out the proposed big Federal dam in Hells Canyon. He refuses to support the Gore-Holifield bill to let the Government itself build atomic reactors for industrial electricity—although he is perfectly willing to sign bills giving the private-utility industry subsidies for building reactors based on the people's investment of billions in atomic energy.

He was stopped cold in the Dixon-Yates raid on the TVA, and I predict he will eventually be stopped cold in the raid of a private utility on the Hells Canyon site.

I am even hopeful that if we can get a few more Democrats in Congress next session—or maybe this session—we can at last pass the Gore-Holifield bill for Government-built reactors and begin the process of bringing the blessings of peacetime uses of atomic energy to all our people.

It is a terribly dangerous thing for this country to sit idle, siphoning money to private industry in the atomic field, while both Great Britain and the Soviet Union surpass us in the development of industrial reactors. Yet, I tell you this is exactly what is happening—and that this kind of program is the only Eisenhower type of program that his own Republicans will support.

Take a look at the Eisenhower record on Federal aid to the schools. He was totally against it in 1953 and 1954. In 1955 he grudgingly came up with a proposal for $225 million in Federal funds spread across 3 years. Finally—last year—he proposed $1.225 billion in 5 years. And when his own Republicans killed that program, he blamed the Democrats.

I suggest to you, in all seriousness, that in 20 years of frustrated defeat in the New Deal-Fair Deal era the so-called modern Republican Party became incapable of governing our country.

It became so accustomed to blind opposition that it cannot recover the habit of affirmation, of constructive action.

I do not question the integrity or patriotism of our opposition—as they questioned and slurred ours. There is a genuine possibility, however, that the Republican Party has been made obsolete by history.

Republicans came reluctantly to the acceptance of the necessity of internationalism, the necessity of acting as if we know we live in a world of peril, and that we need allies.

They came reluctantly or never at all to acceptance of the social responsibilities of government. What have they contributed, really, in what is now nearly 25 long years? Nothing in the domestic field except a grudging concession that they will tolerate what they are compelled to tolerate.

They twice elect a President, with a shining name, and the bloom is scarcely off his second election before they hasten to repudiate him.

The President himself belatedly acknowledges that the Democrats were right all along—on the budget, on foreign policy, on domestic policy—and his horrified Republicans in Congress refuse to make the compromises necessary to survival.

There is no head, no tail, no backbone in the Executive leadership of this administration—and the members of the general's own party in Congress are striving with each other for ways to denounce him.

Mr. Eisenhower's press secretary, James C. Hagerty, has been suggesting that lots of other Presidents took more time away from the job than Ike himself.

I may suggest, in turn, that when Roosevelt and Truman were in the White House, nobody ever doubted who was the country's Chief Executive, in or out of Washington.

The history of the past quarter century proves that with a bold and brave President in the White House, a Democratic President who understands and accepts his job, the country can make progress.

It can make progress providing the people give that President enough Democratic Members of the House and Senate to overbalance the inevitable individual defections on some issues.

It isn't enough to give the President a Democratic margin of maybe 20 in the House and of only 2 in the Senate.

Give us 20 more Democrats in the House and half a dozen more Democrats in the Senate—and the country can look forward again to progress that will keep us up with history.

We'll be able to pass the good programs that Eisenhower requests in his last 2 years and to force through some other good programs that he doesn't request.

This is the task of our party in the year and a half leading to the November 1958 Congressional elections. Let's elect some more Democrats—and then in 1960 we will elect a Democratic President to lead the country.

Commencement Address Delivered by Representative Albert Thomas, of Texas, at Stephen F. Austin State College, Nacogdoches, Tex., August 22, 1957

EXTENSION OF REMARKS
OF

HON. HOMER THORNBERRY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 21, 1957

Mr. THORNBERRY. Mr. Speaker, under leave to extend my remarks in the RECORD, I insert a commencement address made by my colleague, ALBERT THOMAS, to the graduates of the Stephen F. Austin State College, Nacogdoches, Tex., August 22, 1957:

THE IMPORTANCE OF ESTABLISHING OPEN LINES OF COMMUNICATION BETWEEN SOCIETY AND SCIENCE

Many of you have been the captured audiences of commencement speakers on other occasions, and some of you are now seated here for your first college commencement address. I sympathize with your entrapped dilemma because I have been caught in it myself. I recall some few years ago when I attended my own commencement exercises, the distinguished speaker's subject was Einstein's Theory of Relativity. He labored for some 30 to 40 minutes making one of the most scholarly speeches I have ever heard. But, when he finished, I had a small idea that he didn't know too much about his subject and, as far as I was concerned, I knew nothing about the subject before or after the speech.

Let me exhort you, as you move away from this happy and tranquil campus into a comparatively unhappy world of tranquilizers, to do all you can to improve the channels of communication between society and science.

I respectfully suggest that one of the big reasons why you have progressed thus far in acquiring knowledge is because it was conveyed to you simply, imaginatively, and clearly, and you did some digging, too. Lest you too quickly judge that observation a platitude, I cordially invite you to spend a few hours with me in my office in Washington trying to dig out the meaning of letters, official documents, and statements, from and by responsible officers of Government, and some from my good voters. Nor can I escape from my own charge—maybe you would appreciate more clarity now.

Understanding precedes learning. If we don't understand what is written or said, we don't begin to learn, do we? For example, here in Stephen F. Austin earlier this summer was concluded a 6 weeks' institute in the natural sciences for secondary-school teachers designed to help increase the numbers of scientists through improved science teaching. The significant phrase there is "through improved science teaching." Science teachers today face tremendous tasks in keeping up with the furious pace set by advances in science. In order to help them understand these new advances in science, including nuclear physics, the National Science Foundation undertook a small program 4 years ago to enable high-school teachers, without cost to them, to return to college during the summer and study under scientists trained in the subject matter. The American Association for the Advancement of Science called it "one of the most significant developments in teacher education in the past 20 years."

I know something about the program because, as an independent agency of the United States Government, the National Science Foundation appears before the Appropriations Subcommittee, which I am privileged to head, to defend its budget proposals. I considered it to be one of the finest programs developed by the Foundation because it reaches the heart of the problem—the motivation of young men and women toward careers in science. From an early beginning of two summer institutes in 1953, the project has grown until during this summer there were 96 institutes supported by the Foundation in all parts of the Nation. Naturally, I was delighted that the Stephen F. Austin State College, whose genial, able, and distinguished president, Dr. Paul Boynton, is my friend, was chosen one of the institutions qualified to help carry forward this important job. Your record is excellent.

The job is indeed important. Our principal competitor for the minds and hearts of men is the Soviet Union. Since World War II, the Soviets have so far progressed in training scientists and engineers that one of our foremost physicists has stated that he believes the United States has already been surpassed in the race for numbers of graduates in the sciences and that it is now too late for us to catch up in the near future.

My doubt arises when I consider kinds of graduates. We cherish the freedom we enjoy to pursue careers of our own choosing.

No such freedom exists in Russia where careers are selected for Soviet youth by the State. We may have been surpassed in quantity during the last 5-year period, but I seriously question whether we have been outrun in quality, or total numbers. I recognize that this may be myopic rationalization, but so long as we are able to convey facts clearly to our young people about the danger of Russia outstripping us in scientific manpower, I am confident your students will, in adequate numbers, choose careers which will sustain our economy and our defense. Having chosen careers by their own designation, our youth will be more productive than youth coerced into directed careers.

The problem may be resolved by keeping open our lines of communication. Let us underscore to our youth the opportunities presented to them by our sturdy economy. Let us not build our Nation on fear. Dr. James R. Killian, Jr., president of the Massachusetts Institute of Technology, expressed the point of view I wish to emphasize. Dr. Killian said, and I quote:

"The last thing we should do is to engage in an academic numbers race with the Russians. We need, instead, to concentrate on those qualitative aims which will keep our science and engineering always ahead. * * * This policy and objective, if followed, will require us to set quality and creativeness at the highest achievable level."

How does one go about setting quality and creativeness at the highest achievable level? Certainly not through coercion. It seems to me, achievement of quality and creativeness is attained through the inspiration which arises from the kind of rapport which exists between the good teacher and his student. Teacher-student harmony is keyed to clear communication which supports understanding which, in turn, fans the flame of inspiration. In this connection, I am convinced, we who have chosen careers in the social sciences—as lawyer, writers, teachers, artists, have much to give to our fellow men who have chosen careers in the natural sciences—engineers, mathematicians, physicists, chemists, others.

The scientist and engineer are frequently not good communicators. Would you agree, then, that we, who are supposed to be good communicators, ought to help them? If science is, as I believe it is, no less a part of our culture than law, literature, and art, each of us is mutually obligated to understand the other. For example, would it not be possible for you, as teachers of English, history, or geography to develop course content, which pointed up the significance of scientific advances as you prepare your curricula? Similarly, is it not possible for the mathematics teacher to underscore the importance of his subject matter as a factor in music—yes, even in history? I think there is vast room for a constructive interchange of knowledges here, and I am persuaded that such interchange is quite necessary in order for society to catch up with science.

I am not quite sure that I have said that just right. Who's catching up with whom? Should society catch up with science, or science with society? In a large sense, both concepts are wrong. Science and society are not mutually exclusive—science is as much a part of society as literature. Science itself is much concerned with this problem. The American Association for the Advancement of Science last winter stated that "in marked contrast to other associations, scientific societies seldom consider the social and economic position of their group." In all fairness, I think the Triple-A S could as well have stated that "in marked contrast with older civilizations, United States society has not seriously enough considered the place of science and teachers within itself or within its economy."

To train more teachers and scientists we must first elevate the teacher to that high position of leadership and prominence in the community that he or she so richly deserves. And we must pay them in accordance with that high position. One good way to expedite the training of teachers and scientists is to put a premium pay on both professions. Premium pay is long overdue and will be helpful.

I have worked very closely over the past years with several scientific organizations of the United States Government in handling their finances. In doing so, I have come to know many men of science. These men do not wear long white coats, nor do they have long beards or long hair. They are long on brains, however, but as they themselves point out, they are short on the know-how of public affairs. Their business is too important, however, for you or me to be indifferent about their status in our society. Society and science have a long road to travel before they meet in complete understanding, and I'm reasonably sure that science has already traveled more than half the distance to set up the meeting. Society must be willing now to travel the rest of the way.

Most of you, I believe, are, or soon will be, teachers. Whether you teach the sciences or the arts, there is not a more worthwhile, more rewarding job in the world. To an extent possibly greater than any other group, you can do more to help young people understand the importance of the role of science in our society. In the final analysis, you teachers must do it. We in Washington can help by directing the resources of Government into constructive uses, but we have no business whatsoever in directing you or your schools.

The world in which you are to venture is as new and strange to my generation as to yours. Perhaps you are better equipped to meet it than we older ones. My generation has been forced to change as the times in which we lived, changed. Your education has been tailored to meet the new conditions. In spite of that apparent advantage, which you may have, your generation faces a terrible dilemma. It is how can you exist with an incompatible system of government such as Russia and her satellites have, without succumbing to it or becoming engaged in an all-out war, from which there could easily be no survival. The answer is to stay ahead of Russia in the arts and sciences. In my judgment, Russia today is behind us

in total numbers and quality of engineers, teachers, and scientists. But if she continues to produce in numbers for the next 10 years what she is doing today; and we do not step up our production, then Russia will be ahead of us. The day she outstrips us in number and quality of professions is the day we become a second-rate power to Russia.

Let me leave this last thought with you. It is your duty, as college graduates, to see to it that Russia never surpasses this country in the annual training of engineers, teachers, and scientists. As you pass through these portals of learning, see to it that others take your place.

I wish Godspeed to each of you as you leave this friendly, pine-scented campus and move into a troubled world which, in my judgment, will be less troubled if you do what you can to keep open channels of communication between society and science.

Record of Italians in the United States

EXTENSION OF REMARKS
OF
HON. J. GLENN BEALL
OF MARYLAND
IN THE SENATE OF THE UNITED STATES
Wednesday, August 21, 1957

Mr. BEALL. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement I have prepared paying a well deserved tribute to loyal Americans of Italian descent.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BEALL

I wish today to offer a strong protest against a vicious insult which has been directed against all loyal Americans of Italian descent, against the good citizens of Italy itself, and, in fact, against every person who believes in the principles of truth and fairness.

This insult was delivered recently by one of our retired admirals during testimony on proposed changes in the Immigration and Naturalization Act.

These changes, incidentally, were ones offered by the Eisenhower Administration to wipe out the injustices and hardships which have arisen as a result of certain sections of the McCarran-Walter Immigration Act.

I shall not dignify the unfortunate statement made by the retired admiral by repeating it at this time but, as a cosponsor of immigration legislation which would eliminate the type of petty prejudice which he supported, I should like to make a few comments of my own.

It is only natural that we deplore slurs against our fine Italian-American citizens because each such lie insults a culture which is 3,000 years old and which has contributed immensely to the progress of civilization in every corner of the world.

Some idea of the advancements and glories which have flowed in unceasing torrents from the shores of Italy to other lands and climes can be gained from a visit to the Albert Memorial in Kensington Garden, London. There it will be found that of the 169 statues representing benefactors of our humanity, more than half pay honor to Italians.

In Italy was cradled and nourished the poetry of antiquity, and in Italy was found a group of historians who would preserve and continue the registry of civilization.

When one thinks of literature, the theater, architecture, sculpture, art, navigation, science, music, or religion, it is impossible not to think of the men and women of Italian blood who were primary contributors to their development.

Ovid, Horace, Michelangelo, Verdi—I could go on and on and on. With each name, though, I think of a dozen more, and with each of the dozen comes the memory of the renowned accomplishments of still another dozen. It is not necessary that I call this honor roll.

Suffice it to say that in age after age Italy has enriched civilization through her thought, talent and work, so that all the world can join with Macaulay, the English historian, in the tribute he offered when he wrote:

"Italian civilization, nearly 3,000 years old, has never faded out.

"The nights which have descended on Italy have been nights of Arctic summer, the dawn always reappearing before the reflection of the preceding sunset has faded from the horizon."

I have commented in a very general way on the contributions which Italy has made to the entire world, and now I should like to discuss some of her gifts to our United States.

Any schoolboy will tell us, of course, that Christopher Columbus discovered America, and that the very name "America" is derived from that of an Italian mapmaker and navigator, Amerigo Vespucci.

In addition, there have been such men as Cabot, who laid the foundation for English settlements in this country; Verrazzano, discoverer of New York Bay, and Malespina, who explored the West. Nor can we forget that Paolo Busti founded Buffalo; Father Cataldo, Spokane; Henry DiTonti, Detroit.

In 1773, Philip Mazzei, a physician of Tuscany, became a companion and adviser to Thomas Jefferson. The most interesting fact about Mazzei, however, is that he was the first writer to present the cause of the colonies to Europe and to encourage support from many Europeans of culture and refinement who had been deprived of liberty in their own homelands.

One of the greatest of the Italian heroes of the Revolution was Col. Francis Vigo. In Vincennes, Vigo County, Ind., an immense boulder placed over his grave by the Francis Vigo Chapter of the Daughters of the American Revolution bears this inscription:

"Francis Vigo—Patriot—Whose devotion to the cause of American Liberty made possible the capture of Fort Sackett, February 25, 1779. Born in Mondovi, Piedmont, Italy, 1744. Died, Vincennes, Ind., 1836."

Another, Cosmo de Medici, a Florentine captain, organized the first troop of light dragoons in the Revolution and fought with distinction throughout the war, many times under the direct command of Washington.

Now we come to the present day, which also brings us face to face with the pros and cons of the Italian immigration issue.

If immigration from Italy were a detriment to the United States, as some misguided persons have claimed, we would not have in this body such a man as our worthy colleague from Rhode Island, Senator PASTORE.

If immigration from Italy were a detriment to the United States, as some misguided persons have tried in vain to prove, we would not have in the other House of this Congress such men as Representatives ADDONIZIO, ANFUSO, CRETELLA, FASCELL, DELLAY, FINO, MORANO, RODINO, and SANTANGELO.

These men are representative of the thousands of Italian-Americans who are serving America faithfully and loyally in the executive, the judicial, and the legislative branches of the government, on the national, state, and local levels.

At this time I would like to pay a very special tribute to the Marylanders in public and semipublic positions who can point with just pride to their Italian background.

Again, it would be impossible to name them all.

I will mention, however, that in Baltimore alone we have such men as Mayor Thomas D'Alesandro, Jr., a former Member of the House of Representatives; Judge Anself Sodaro, of the Supreme Bench, who formerly served as State's Attorney; State Senators Joseph A. Bertorelli and Anthony F. DiDomenico; State Delegate Samuel A. Culotta, who is also a counsel to the Senate Judiciary Committee and Venerable of the Lord Baltimore Lodge of the Order of Sons of Italy in America; Joseph F. DiDomenico, Commissioner of the Maryland Department of Labor and Industry; Mrs. Agnes L. Giordano, Chairman of the State Board of Hairdressers and Beauty Culturists; and Dr. Frank C. Marino, member of numerous State boards and commissions, civic leader, and philanthropist.

I would like to mention hundreds more—for instance, the great Metropolitan Opera diva Rosa Ponselle—but time forbids.

Instead, I will turn once again to the national picture to pay tribute to a very special group of Italian-Americans, and I will then conclude my remarks.

The men to whom I wish to direct my special praise are the ones whose patriotism is reflected, in part, in the rollcalls which echo throughout our land each Memorial Day and whose names are etched in the Defense Department's records of wearers of Purple Hearts and other decorations.

Now I should like to end my statement by quoting the words of Charles E. Russell, the historian. Mr. Russell wrote: "From the southern shore of Europe projects a peninsula of no great size, partially filled with mountains and with stretches of land no better than any other terrain, and yet out of that strip of land has emerged a great flaming dynamic force that has influenced the entire Western World and made that world what it is, in its anatomy, in its essence and function, purely Italian."

Fantastic Federal Aid to Dallas County Revealed

EXTENSION OF REMARKS
OF
HON. B. F. SISK
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 21, 1957

Mr. SISK. Mr. Speaker, the gentleman from Dallas, Tex., Mr. ALGER, has placed his newsletter in the CONGRESSIONAL RECORD each week. These statements have told at great length what a statesman is the gentleman from Dallas, and he has been modest enough to admit that he is apparently the only Member of Congress interested in economy in government.

I have nothing against newsletters, and believe they often are useful in informing the people of governmental actions. But the gentleman from Dallas is unusual in that he is one of the few, and perhaps the only, Member of Congress who places his newsletter in the RECORD each week, at a cost of some $200 per week to the taxpayers, for the purpose of saying he is opposed to spending Government funds.

In Dallas, Mr. Speaker, it is chic in some circles these days to be a Republican, and in those same circles it is popular to condemn Federal grants, loans,

or any form of Federal assistance. The gentleman from Dallas, who apparently represents a very vocal oligarchy in his city, does not deviate from the norm in this respect, with relation to his public utterances and literary efforts.

But the idea that Dallas does not want, and does not accept, Federal funds is so false and misleading I am almost willing to ask the Federal Trade Commission to investigate it as unfair advertising. While the gentleman from Dallas, Mr. ALGER, and the Dallas Chamber of Commerce board of directors flay Federal aid in all forms, that aid pours into Dallas County in great abundance. It is a well-known fact that Dallas has two full-time paid lobbyists in Washington for the purpose of obtaining Federal projects, and furnishes them with an almost unlimited expense account, a suite of rooms at a swank hotel, and a modern office in downtown Washington.

I do not condemn the programs, for the most part, that are made available to the good people of Dallas. But I do think this House should be informed as to the true amount of Federal funds and projects going into this conservative stronghold, Dallas County, Tex., United States of America. For the facts are not consistent with Mr. ALGER's public statements.

Let me say at this point I believe I am privileged to make these remarks for two reasons: first, I am Texas born, and although I hold the State of California near and dear to my heart, I am not anti-Texas nor anti-Dallas. As a matter of fact, I have been in Dallas many times, and I found it to be a beautiful city populated by many very cordial, friendly, fair people. Second, the fact that the gentleman from Texas [Mr. ALGER] spends tax money in reproducing remarks showing him to be economy minded is a direct invitation for the full facts to be brought out.

I believe at this point I should relate that while the gentleman from Dallas was in his district recently, telling the people how he opposes foreign aid and other spending programs, a huge foreign-aid program was then under House consideration. On August 15, 1957, a foreign-aid bill came up in which the House trimmed more than $800 million from the measure. Mr. ALGER was not present in this Chamber to vote either way on the measure. I submit that Mr. ALGER can fight programs to which he is opposed much more effectively in Washington, D. C., than he can in Dallas.

I have said that many of the Federal projects in Dallas are good ones. That is true. But it is not true of a proposed Federal building there, which is billed as a $24 million building, but which will actually cost much more. According to General Services Administration, this huge Federal building is apparently for the sole purpose of consolidating agencies from their present widely scattered locations. The GSA admits the Federal Government already owns one enormous building in Dallas at 1114 Commerce Street, but says it is not quite nice enough for their purpose.

Now it would cost only $870,000 to renovate the present building in Dallas. But apparently the administration had rather spend a great deal more money. This proposed new building would be financed at 4 percent interest rates, and during the first 25 years the Government would pay out $2,361,000 annually. At the end of that time, there would still be an annual custodial and maintenance upkeep cost of approximately $746,000 annually. The upkeep on the new building would be almost double the present $428,000 total rent the Federal Government pays annually to provide space for these widely scattered agencies that will be brought into this costly new building. Average cost to the Federal Government for this building will be $1,553,800 annually for a period of 50 years.

It would appear that if the gentleman from Dallas is really as economy minded as he would have us believe, he would protest the construction of this building. I am sure that, being a member of the Republican Party, which controls the executive branch, he could convince the Government this is an extravagant spending proposal. But I have searched the CONGRESSIONAL RECORD in vain for an objection to this construction by the gentleman from Texas [Mr. ALGER]. I point out, too, that the gentleman from Texas [Mr. ALGER] was a member of the committee to which such construction matters are assigned for the necessary legislative action, and that he cannot, therefore, logically plead ignorance of this proposed building. Yet, within his committee he has not opposed this costly proposal. Now, he is either for economy or he is either for construction of this Federal building at great expense to the taxpayers. The gentleman from Texas [Mr. ALGER] cannot be for both. How will he declare himself on this matter?

Dallas is a prosperous city. It is a city of wealth and great abundance. Yet, according to the Texas Education Agency in a report dated August 1, 1957, Dallas County last year received Federal funds in the amount of $135,437.93 for its school-lunch program. And the Government gave Dallas County a total of $613,276 in Federal subsidy for its lunch program since 1952, and an additional $96,941.08 for its school-milk program. In addition to this, the Federal Government has reserved approximately $654,000 for Dallas County schools under the Federal-aid-to-impacted-areas program. The gentleman from Texas [Mr. ALGER] says he is against Federal aid to education. Does it not follow, then, that he wants the benefits herein described withdrawn from the schoolchildren of Dallas? And yet, I have not heard him make such a suggestion.

Dallas County last year received $249,617 from the Federal Government for medical research, and another $53,899 for dental research. In fact, the Federal Government has sent almost $847,000 into Dallas County for this research during the last 10 years, and put up $1,500,000 in Federal funds to help construct a fine hospital completed there in 1955. It would appear that the gentleman from Texas [Mr. ALGER] and his conservative physician friends would have objected to the Federal Government's helping the sick folks of Dallas.

According to Charles R. Grant, budget officer of the Department of Agriculture, Dallas County, during fiscal years 1955 through 1957, received $916,000 in Federal money from the Agriculture Department. I believe the gentleman from Texas [Mr. ALGER] has been in Congress during that period, and, although he has said he is opposed to farm subsidies, the records do not show that he has protested 1 penny of the money sent into Dallas County.

During the year ending June 25, 1957, the Small Business Administration granted 52 loans in Dallas totaling $1,849,913 of Federal money, and additional $69,420 in disaster loans. No protests are filed.

Mr. ALGER hates Federal contributions, social security, and what he calls Government handouts if we can believe his newsletters. Then how does he feel about the people of Dallas County who receive $1,641,281 per month—or almost $20 million per year—in connection with the old-age and survivor's insurance program? Some 31,582 Dallas residents receive such checks every month. Does the gentleman from Dallas wish these checks to be discontinued? If he does, why does he not say so? And if he does not, then why does he insist upon verbally flaying that program that assists so many of his constituents?

According to the Veterans' Administration, for the year ending June 25, 1957, some 3,523 Dallas residents obtained GI home loans totaling more than $41 million, with a Government guaranty of $22,945,706. Since the end of World War II, veterans in Dallas County have received loans on 45,575 GI homes for a total of almost $350 million, with a Federal guaranty of more than $194 million. Would Mr. ALGER have these more than 45,000 Dallas families move out of their homes because a Government program is involved? No telling how many of these veterans and many others received $75 monthly Government checks for some time while attending Southern Methodist University in Dallas under veterans' educational program. Would the gentleman from Dallas have these veterans surrender their diplomas from SMU because they are trained by Federal assistance?

I do not have the figures, but I am certain that much money from the Federal Government goes to thousands of Dallas County veterans in connection with pensions and disability compensation. Mr. ALGER says he is opposed to the veterans' program. Does he mean the Dallas County veterans should turn back their checks to the Government?

Another example of these terrible Federal funds is found in connection with Love Field, a commercial airport located in a heavily populated section of Dallas. Then entire project at Love Field was created and constructed outright by the Federal Government at a cost of $3,412,000, and all told the Government has given $5,832,109 to Love Field construction, expansion and renovation. And even this does not account for all Federal funds going into Dallas County for the use of airports there. The total figure for all Dallas County airports is $7,-

465,866. Why does not Mr. ALGER protest this encroachment by the Federal Government upon Dallas' commercial air industry?

Mr. ALGER recently attacked a flood-control project passed in the district of one of his Texas colleagues, shortly after the area for which it had been passed had suffered a damaging flood. He issued press releases and wrote in his newsletter that he could not in good faith vote to spend Federal money on the project. Where was Mr. ALGER'S good faith when the Government was considering a project known as the Dallas floodway? I did not see him rise to object to the fact that the Federal Government is putting up $8,996,000 in Federal funds for this project, while the Dallas local government will put up only $1,400,000.

In addition to the federally financed Dallas floodway, Dallas directly gets the benefit of three other dams, located in adjoining counties, costing a total of 36,123,000 Federal dollars for construction, maintenance, studies, and general operation. The dams were constructed for the primary purpose of helping Dallas citizens. Would Mr. ALGER say to the Government: "Remove these dams, they are not needed nor wanted by the people I represent, because they were constructed by tax funds"?

And how about those socialistic military payrolls? In Hensley Field, Dallas, the Federal Government last year paid out $1,462,000 to civilian employees, and another $1,526,000 to military personnel stationed there. Grand Prairie Naval Air Station in Dallas County got $581,415 for the civilian payroll and another $2,104,000 for the military payroll, during the past year. Should the merchants of Dallas reject these "evil" Federal dollars, I ask the gentleman from Dallas?

Even those payrolls pale when compared with the Federal contracts given Temco Aircraft Corp. and Chance Vought Aircraft in Dallas County. According to the Department of Defense, the Government contracts at Temco total $33 million, and at Chance Vought the total Government contracts amount to $463 million. Yes, these plants are free enterprise in name, but who will dispute the fact that money from the Federal Government provides employment for thousands of Dallas citizens and brings food to their tables? Should these plants be moved from Dallas County, Mr. ALGER, or should the Government cancel its contracts because you say you are opposed to Government in business?

There are many Government employees in Dallas, and they receive a great deal of Federal money with which they pay their local taxes, buy their cars, their food, their clothes, their entertainment, and other items from Dallas businessmen. Mr. ALGER apparently has not protested any of the fine buildings and projects constructed by Federal money in Dallas, nor the excellent equipment placed in these buildings by Federal funds. But how has Mr. ALGER reacted to the workers who are employed in these buildings and on these projects? Why, he has voted against pay raises in Congress that would give these many Dallas employees added compensation, and allow their purchasing power in Dallas to increase for the benefit of the local economy.

Dallas Post employees number 2,505, and in a single year, fiscal 1957, their payroll amounted to $11,431,000. Would Mr. ALGER have mail service in Dallas discontinued because it costs some Federal funds to provide service? Would he toss the faithful Dallas postal workers out of jobs? Or, does he feel he is being big hearted because he has not asked for their jobs, but "only" opposed their recent pay raise, designed to bring up their standard of living?

There are numerous other Federal offices of regional and district importance in Dallas, including the District Internal Revenue Office, the Immigration Service, Customs, General Services Administration, Regional Post Office Department, Small Business Administration, Department of Labor, and so on. I don't have the figures for all these agencies, but let us consider one as an example.

Let's look, for instance, at the Regional Veteran's Administration office in Dallas. The Government constructed a hospital there at an original cost of $11,397,652. The Government has since invested more than $2 million in additional equipment, and the payroll at the Dallas VA office is almost $5 million—to be exact, $4,899,804 per year.

How about the Commodity Credit Corporation? Well, one man, the epitome of conservatism," received more than $8 million from this agency for storing Government wheat, then became outraged when the Government insisted he make good on most of the wheat because he allowed it to spoil and ruin from faulty storage. And that is only one case of Federal money being released in Dallas through this agency.

Dallas County has some excellent roads and highways. Some 109.9 miles of this was constructed by Federal funds totaling $19,128,800 through fiscal 1957, from fiscal 1953. I will bet Mr. ALGER drives on those roads, and I know many of his constituents do. Shall we rip the roads up, I ask the gentleman from Dallas, who loves economy and hates Federal money?

Why, Mr. Speaker, I don't believe there is a field in which Dallas citizens have failed to receive some Federal aid. At Seagoville, Tex., in Dallas County, the Government spent a great deal of money constructing a Federal Correctional Institute. During fiscal 1957, the Federal Government spent $752,919 operating this correctional institute. Would Mr. ALGER say open the gates, turn the inmates loose on Dallas County's law-abiding citizens and never mind the danger, because, after all, we'll save the Government some money?

Now the figures I have recited to you certainly do not account for all Federal money in Dallas County. Think of the untold dollars that could be added to this total if one but had the time to figure them out. This does not include construction and upkeep of many regional and district offices, salaries for each of these agencies' employees, and many, many other items. The best I can figure, the total amount of Government expenditures revealed here today, counting grants, loans, gifts, subsidies, guaranties, and other programs, is $885,167,334, and that is only a drop in the bucket, as I only hit the high spots.

So let the gentleman from Texas [Mr. ALGER], and the Dallas Chamber of Commerce directors, and others of this high oligarchy which prides itself in "controlling" Dallas County, cease from their verbal spoutings against Federal aid, while they enjoy the fruits of Federal aid in so many, many ways. Let us dispel the idea that Dallas County is so conservative it stands alone without any Federal assistance. Let the Dallas Morning News, which gleefully chronicles the statements of the gentleman from Texas [Mr. ALGER], to all and sundry, reflect for a moment on the good the Federal Government has done for Dallas County. Let this newspaper and the chamber board of directors and its Congressman realize, for once, that the Federal Government is here to help, not hurt, our people.

I am sure the great majority of the thinking people of Dallas already know these facts. I am sure the average Dallas resident loves his city, loves his State, loves his Nation, and the Government that works for the benefit of the people. Most thinking Dallas people, I am sure, are fully aware of the bountiful blessings they enjoy, and will no longer be fooled by the utterances of the gentleman from Dallas [Mr. ALGER], who wants to pretend Dallas gets no Federal aid, who wants to speak against Federal aid, but who knows within his heart that the good people of Dallas benefit from almost every Federal program known to the mind of man.

Either the gentleman from Texas [Mr. ALGER] is opposed to these programs, and is, therefore, against the benefits his city and its people get, or he is not opposed to them. And if it is the latter, Mr. Speaker, then he should change his speeches to fit his views accordingly.

I hope, Mr. Speaker, this has set the RECORD straight with relation to "conservative Dallas and its Federal-aid-hating leaders."

Appearance of Representative Charles O. Porter on Meet the Press

EXTENSION OF REMARKS

OF

HON. RICHARD L. NEUBERGER

OF OREGON

IN THE SENATE OF THE UNITED STATES

Wednesday, August 21, 1957

Mr. NEUBERGER. Mr. President, on August 4, 1957, a most unusual honor came to Representative CHARLES O. PORTER, of the Fourth Oregon District. It is comparatively rare for a freshman Member of the House of Representatives to be interviewed on the National Broadcasting Co. network program, Meet the Press. On that occasion, Representative PORTER was interrogated by four veteran interviewers and newspapermen. They were Luke P. Carroll, New York Herald

Tribune; Marquis Childs, St. Louis Post-Dispatch; Richard Wilson, Cowles publications, and Lawrence E. Spivak, regular panel member.

Incidentally, one of these outstanding journalists has told me that he thought Representative PORTER was one of the most adroit and effective public figures yet to appear on Meet the Press.

Representative PORTER has taken a particular interest in the entire controversy surrounding the Government of the Dominican Republic because Gerald Murphy has tragically disappeared in that country. Mr. Murphy is an outstanding airplane pilot, 23 years old, and a resident of Eugene, Oreg., where his parents live. Eugene is located within the Fourth Oregon Congressional District.

So that Members of the Senate may learn of the questions put to Representative PORTER and his answers, I ask unanimous consent that the full text of the Meet the Press program of Sunday, August 4, 1957, be printed in the CONGRESSIONAL RECORD.

There being no objection, the text of the program was ordered to be printed in the RECORD, as follows:

MEET THE PRESS—AMERICA'S PRESS CONFERENCE OF THE AIR

(Produced by Lawrence E. Spivak; guest, Representative Charles O. Porter, Democrat, of Oregon; panel, Luke P. Carroll (New York Herald Tribune), Marquis Childs (St. Louis Post-Dispatch), Richard Wilson (Cowles publications), Lawrence E. Spivak (regular panel member); moderator, Frank Blair)

ANNOUNCER. Now, Meet the Press, the prizewinning program produced by Lawrence E. Spivak. Ready for this spontaneous, unrehearsed conference are four of America's top reporters. Please remember, their questions do not necessarily reflect their point of view; it is their way of getting a story for you. While Ned Brooks is on vacation, here is our guest moderator of Meet the Press, Mr. Frank Blair.

Mr. BLAIR. Good evening and welcome once again to Meet the Press. Our guest this evening is Congressman CHARLES O. PORTER, Democrat from Oregon. Most freshman Congressmen are seen and not heard, but Mr. PORTER in his first 7 months in office has been involved in a sensational cloak and dagger tale of international intrigue. His speeches in Congress on the subject have been widely reported. He has been the hero of Calypso ballads in Latin American countries. He has been attacked as a self-appointed international revolutionary by fellow Congressmen, and he has been advised by police authorities to carry a gun for protection in our Nation's Capital.

The facts in the case are these: Dr. Jesus de Galindez, a Columbia University teacher and a critic of Generalissimo Trujillo, the dictator of the Dominican Republic, disappeared from New York City without trace on March 12,1956. Gerald Murphy, a young airplane pilot from Congressman PORTER'S home town in Oregon, told friends he had flown an invalid believed to be De Galindez from the United States to the Dominican Republic on that date. Then on December 4, 1956, Gerald Murphy himself disappeared in the Dominican Republic. Congressman PORTER insisted there is a direct link between the three events and persistently demanded an investigation. Congressman PORTER'S one-man crusade, and an aroused public opinion, forced State Department action, and as a result the Dominican Republic has taken an extraordinary step in international affairs. It hired an American public relations man, Sidney Baron, who hired the American lawyer, Morris Ernst, to investigate the Murphy-Galindez mystery. This investigation is soon to begin. And now seated at the press table, ready to interview Congressman PORTER, are, Marquis Childs of the St. Louis Post-Dispatch, Richard Wilson of Cowles Publications, Luke P. Carroll of the New York Herald Tribune, and Lawrence E. Spivak, our regular member of the Meet the Press panel. Now Congressman PORTER, if you are ready, we will start the questioning with Mr. Spivak.

Mr. SPIVAK. Congressman PORTER, in Coronet magazine recently you were quoted as saying this: "The shocking fact is that a highly paid organization of killers is at large in our country, operating chiefly in New York City and Miami, whose job it is to assassinate or intimidate the enemies of Trujillo in the United States. They don't draw the line at expatriate Dominicans. They will murder Americans, too." That is a serious charge against a man who has long been considered a friend of this country, Generalissimo Trujillo. You are a lawyer; have you evidence that will stand up in court to prove these sweeping statements?

Representative PORTER. Yes; I have such evidence. Of course, this charge didn't originate with me, and I wouldn't say that Generalissimo Trujillo has long been regarded as a friend of the United States by many people who have facts similar to this. We can cite all sorts of cases; we can start with people like Bencosme and Requena. We can name cases that are very familiar in New York. But we can come down to date, if you want evidence of this network of terror. You can recall a radio show that Ed Murrow had not long ago and how 50 of the 130 people he talked to didn't want to say anything or have their names used. In answer to your question, yes, I do have.

Mr. SPIVAK. You say that, as a lawyer, you have evidence to make out a case on which a jury would convict the people you mention.

Representative PORTER. The crime of murder in the Murphy case; yes. I suppose it is no crime to have a network of terror, specifically, although it is something that we don't want to have here.

Mr. SPIVAK. Are you prepared to furnish this evidence to Morris Ernst, who is now carrying on the investigation of the charges?

Representative PORTER. No; I am not, and that represents a change in my point of view. I have given all this evidence as I have gotten it to the FBI, because they are the ones conducting the investigation. I told Mr. Ernst just last week when he called me that I was going to give him full access to my files. I have thought the matter over, and even before I received telephone calls from people who said, "Don't show him letters I wrote to you because if they get back to Trujillo—," I decided I would not make this material available to Mr. Ernst. He, in effect, is working for Trujillo, and I would be turning over information to him which would mean trouble for these people who are helping our Government to solve the case.

Mr. SPIVAK. You say you have given this evidence to the FBI?

Representative PORTER. Yes; I have.

Mr. SPIVAK. I take it you have great confidence in the FBI as an organization?

Representative PORTER. I have great confidence.

Mr. SPIVAK. Do they know what you know—that there is a network of spies here—and are they letting these people get away with murder?

Representative PORTER. No; I wouldn't say that; I would say the FBI is working hard on this case. I am not one of those who thinks the FBI is infallible. I think they are fallible like the rest of us.

Mr. CARROLL. To go back to Mr. Ernst for a moment, Mr. Porter, do you think it is impossible for him to make an objective study of this crime?

Representative PORTER. I don't know Mr. Ernst. I know him by reputation. I know people who like him and respect him. The circumstances, I think, just make it impossible for him to come up with a conclusion that the public will accept, because he is paid by the man who is charged with the murder.

Mr. SPIVAK. But he has said that if he is handicapped in any way he will get out of the investigation.

Representative PORTER. Then, I think he should get out now, because I think he is handicapped by the way he has gotten into the investigation.

Mr. SPIVAK. It is impossible for some of our authorities to question some of the people in the Dominican Republic who may or may not be involved—the former consul general in New York. Why would you not allow Mr. Ernst to question him and then to turn over his material to the proper authorities? Wouldn't you be one step ahead that way?

Representative PORTER. I am not saying there are not advantages in it, but I think the disadvantages overweigh the advantages because it will make people think because a man like Ernst is in this, those who do know him, that we are going to come up with something that we can rely on. It won't be anything that will be generally acceptable because it can't be. But Espaillat, the man you are talking about, could come up here and be questioned as we have asked, twice, officially, of the Dominican Government. They want to cooperate. If they want to clear the record, let them send General Espaillat up here. Why have their client, or their attorney, go down to the Dominican Republic to question him there? To me, that doesn't seem in accordance with the usual processes of investigation.

Mr. CHILDS. You and others have repeatedly made charges in the Galindez and Murphy cases, but there has never been anything more than circumstantial evidence in these cases, isn't that correct?

Representative PORTER. Many people, Mr. Childs, go to prison, to death, on what is called circumstantial evidence. Actually there is also real evidence—the forged note.

Mr. CHILDS. That is not proof of murder in itself.

Representative PORTER. But to show that someone who is accused of murder would make up a purposeful lie, as in this case the Dominicans did when they presented us an explanation of Jerry Murphy's death. Circumstantial evidence and real evidence—those are the two classes of evidence, if you want to make the legal distinction, but circumstantial evidence when it is powerful, when it convinces a lot of juries, every day——

Mr. CHILDS. But you, as a lawyer, would hesitate to send a man to death on circumstantial evidence?

Representative PORTER. It is done all the time. I hesitate to send any man to his death, but——

Mr. CHILDS. Let me ask you this further question. The murderer or murderers are obviously in the Dominican Republic, won't you say?

Representative PORTER. I would say the murderer or murderers, the actual ones are dead, but they were in the Dominican Republic.

Mr. CHILDS. Or those who ordered the murder?

Representative PORTER. Yes.

Mr. CHILDS. Then, do you see any point in this grand jury investigation that is now going on? Do you think this is a complete dead end, Congressman?

Representative PORTER. No, we can't reach Trujillo himself, because of international

law. He is the man, I believe, who ordered the murders. Getting his minions like John Frank, who has been indicted for being an agent and having a part in this—and I am told by high State Department officials that much of the evidence which has to do with connecting the Dominican Government will come out in the course of the trial of John Frank, and, I assume, any other trials that result from the present grand jury's indictments.

Mr. CHILDS. You think the administration moved quickly enough and vigorously enough in this case?

Representative PORTER. No, indeed.

Mr. CHILDS. Do you think anything more than the indictment of an incidental person such as Mr. Frank will come out of this grand jury investigation?

Representative PORTER. After they began to move they got Mr. Frank, but not in the very first, last December and January when they wanted to slough this thing off, and when Trujillo had every reason to think they would slough it off because he had always gotten such fine treatment by our Government, many of whose personnel treat him as though he is respectable when he is not.

Mr. WILSON. Mr. Porter, some of your critics speak of the anti-Trujillo script writers as being responsible for building up what they say is this fanciful tale of kidnaping and murder. Your insertions in the CONGRESSIONAL RECORD on this subject are quite comprehensive and even journalistic in tone. Did you write all of those, or did you get any help in writing them?

Representative PORTER. I had help from the Library of Congress experts in this matter, but every word that went in there could have been based on fact, much of it was based on facts by people who know more about historical matters and current matters than I do, but they are my words, and nobody writes my script.

Mr. WILSON. You got no help from anybody except the Legislative Reference people?

Representative PORTER. That is correct.

Mr. WILSON. You state that you have evidence that a crime was committed here. What evidence do you have that either de Galindez or Murphy is dead?

Representative PORTER. This is the old problem of the corpus delicti which many people think mean the dead body, but, of course, it is the body of the wrong in crime. Murphy disappeared in December, and he is gone. De Galindez disappeared. We have a great deal of circumstantial but very strong and legally acceptable evidence to show that they were murdered because they crossed Mr. Trujillo.

Mr. WILSON. What evidence, sir?

Representative PORTER. Starting at the first we know that de Galindez worked for Trujillo for some time. He went there and was there during the war. He learned about Trujillo's methods, he went to Columbia to write his thesis about Trujillo, a thesis which was very detailed with regard to Trujillo's wrongs and the kind of government he had. Trujillo didn't want that published. We have evidence that he especially didn't want it published because it showed how his own bloodline was not exactly pure, in his own terms. It showed things which he didn't like, at all. Shortly, after it was finished, before it was published, he disappeared. After there had been threats, which had been reported to the FBI, from people we know were working for Trujillo. The circumstances of his disappearance pointed a finger at Trujillo. Of course, there was this blind alley. The evidence is very complete. I couldn't go into all of it. There is a good deal of it.

Mr. WILSON. You haven't cited any evidence that would impress me, as a curbstone lawyer, but let me pass that. The Dominican Ambassador de Moya asserts that the answer to de Galindez' death—he was a Spanish Basque, as we all know—he says, "The answer is to be found in Manhattan's Spanish-speaking colony, and I have a feeling that the final solution is not far distant." What is your reaction?

Representative PORTER. Like so many of Ambassador de Moya's statements, it isn't supported. As a matter of fact, one of your panel members knows that de Moya is a liar, because he lied to him and was found out. The Ambassador made statements like that in San Francisco about this Murphy-de Galindez operation being a Communist plot. Going back to your question about evidence, our State Department, based on FBI findings, has already said there is a connection between Murphy and de Galindez.

Mr. WILSON. I want to ask you about this note which was found in de Galindez' apartment. Much has been made of the note as being a substantial piece of evidence. In this note it was stated that his kidnapers—he apparently assumed he might be kidnaped—should be looked for in the Dominican Republic. Is it true that this note was not found until the third search of the de Galindez apartment, although when it was found it was lying in plain sight on top of a desk and that two previous searches had failed to disclose it?

Representative PORTER. I have heard those allegations. I do not regard the note as the most important item of evidence in hooking de Galindez to the Dominican Republic. I do not know whether it is true.

Mr. SPIVAK. You yourself and others have said that Trujillo knows how to get rid of a man in this country. Why would he kidnap him and take him over there to get rid of him when you can buy somebody in this country to "bump a man off" for a good deal less?

Representative PORTER. I think there are two answers to that. One is that he wanted to stop publication of the book, which he would do, if he just disappeared. If he dies, it goes to his heirs. The other explanation, which is probably more credible, is that in this book he had written, "The Era of Trujillo," he had criticized the Generalissimo, said he had part Negro blood, pointed out the illegitimacy both above him, and below him, something about his children being born at embarrassing times and by two different marriages. That sort of thing, we are informed, made the Generalissimo very angry, and he said he was going to have de Galindez eat this article; he wanted personal revenge.

Mr. SPIVAK. But you yourself said in that Coronet article, "Only one thing could successfully silence the work. De Galindez must disappear." He hasn't silenced the work. Some of these things appeared in Mexico, they appeared in Chile, and chapters have appeared already here. He hasn't been successful, at all, has he?

Representative PORTER. He hasn't always accomplished what he wanted to accomplish.

Mr. SPIVAK. Congressman Reece recently charged you appear to have used your office "for the purpose of advocating the violent overthrow of the Dominican Government." Would you like to see that Government overthrown by revolution?

Representative PORTER. I would.

Mr. SPIVAK. Do you think such overthrow would be in the interest of this country in view of what is happening in all of Latin America?

Representative PORTER. I favor people any place, whether in Hungary or Poland or any other country where there is a dictator, overthrowing that dictator. I would not take any personal part in it, but I sympathize with people who want to overthrow dictators.

Mr. SPIVAK. And you would take chaos at this time in that country rather than a strong dictator who has been a friend of ours?

Representative PORTER. Chaos, Mr. Spivak, does not come from an emerging democracy; it comes from the death pains of a dictatorship. I would say the chaos, at least, is leading to something which means freedom and justice, and the dictatorship is not.

Mr. SPIVAK. What do you want to get out of all this thing? Do you want to send Marines over there, to bring Trujillo back here and try him?

Representative PORTER. No; some of my criticis have said that that is what I have in mind, but I have never advocated that. We know that that wouldn't work. All that I want our country to do is to differentiate between the dictators and the democracies and frame our policies accordingly. If we just publicly said which are the dictators and which are the democracies, we would be a big step ahead.

Mr. SPIVAK. Don't you think our President and Secretary of State have said that? You are not the only man who said that.

Representative PORTER. A high State Department official told me the other day that the reason President Eisenhower had never said "Bravo, Colombia" after Colombia came out on May 10 from 8 years of dictatorship—the President said nothing because he thought he would make Venezuela which is a dictatorship, of course, mad.

Mr. SPIVAK. At one point you called for an investigation by the Organization of American States. You felt that was the only way to get anywhere with this. But you also said "Again and again Latin Americans tell me they have no faith in the OAS, because it is controlled by the dictators with the tacit approval of the United States." Why would you want an organization which you yourself have condemned to do the investigating?

Representative PORTER. I have been told by some responsible Latin Americans that the reason they believe that is because the United States has been treating these dictatorships as though they were respectable. If we change our attitude, the OAS would change its attitude and could be effective in promoting inter-American relations.

Mr. CARROLL. To go back to the former Dominican Republic Consul General in New York, General Espaillat, you have suggested that he come to the United States and subject himself to our juridical system. Would you apply this in reverse, if a representative of the United States was involved in some questionable matter, or if the Government wanted to investigate to make inquiry of a representative of the United States and if that government was a backward, primitive, even Communist country, would you say "Yes, our representative should be turned over to that country?"

Representative PORTER. I would say, yes, if the circumstances were exactly the same as in the case of Mr. Espaillat.

Mr. CARROLL. Who would determine those circumstances?

Representative PORTER. The circumstances in this case are very plain.

Mr. CARROLL. They are plain to you.

Representative PORTER. They are plain to everybody in New York, or everybody who has followed this case. He said time and again, "I want to cooperate to the fullest extent. My country is innocent; we are much wronged." And then what happened? Two days after the State Department sent a note to his Government saying, "We want Espaillat available, amenable to the usual processes of investigation and trial," he packed up on the fourth and went back to the Dominican Republic and refuses to come out. In other words, he turned tail and ran.

Mr. CARROLL. Wouldn't this be a precedent in diplomatic relations? Has it ever been done before?

Representative PORTER. We had no way to demand it. We have no way to require it. I don't know whether it has or not.

Mr. CARROLL. I think not. Let me ask you one question about Generalissimo Trujillo's holdings in the United States: You have asked that these be investigated. Have you any evidence at all to indicate what the result of that investigation might be?

Representative PORTER. The evidence I have is that he owns considerable real estate in Florida, in New York, and some Middle Western cities—that he has very considerable holdings in the United States.

Mr. CARROLL. What would that prove one way or the other?

Representative PORTER. It would prove for one thing we shouldn't send him $250,000 a year point 4 aid, and we shouldn't as Look magazine says in an issue coming out this week, give him $6 million in military aid.

Mr. CARROLL. Do you think all this money is going to Trujillo?

Representative PORTER. I know it is. There is nobody familiar with the setup down there who doesn't know he controls the economy of the country. It is his plantation, and then we give him aid.

Mr. CHILDS. While advocating we stop our aid to four Latin American dictatorships, you have gone along with the administration in urging or continuing aid to Tito in Yugoslavia because you said we would get some benefit out of this. Isn't it true that now that Tito has made his peace with Moscow, there is no point in this?

Representative PORTER. And, the aid to Yugoslavia is conditioned on that. If we consider him lost to the other side, we don't give him aid. That is the way it should be done. If we see a military advantage in terms of security to the American people, sure, we "sup with the Devil with a long-handled spoon," but we don't do it when there is no military reason for it.

Mr. CARROLL. It is a pretty risky policy, though, isn't it? Do you make a distinction between a dictatorship of the left and the right?

Representative PORTER. No; I say they are the same, but where we have a military advantage to gain—I don't say we are close to them or show we like them or think they are respectable, but we have bases in Spain because it is going to mean our protection. Then we deal with the government, and we spend $400 million there.

Mr. CARROLL. Our new Ambassador in Cuba, Mr. Smith, has just spoken out apparently against the Batista dictatorship. Do you think this is right, or do you think it was a blunder?

Representative PORTER. I think it was very right, indeed. I think, Mr. Smith is to be congratulated for speaking up as an American would. He didn't speak up against the regime; he spoke out against the terroristics or the police methods, turning the fire hose on some defenseless women who were protesting a treaty that had been violated namely, that American arms were being used to kill their boys. The Ambassador simply said, "I'll give this my serious consideration," which he should do, because those arms were given to Cuba on the basis they would not be used internally. I say, Mr. Smith is acting as a good American and not as his predecessor did, who was so close to Batista that everybody, all the oppressed people in Cuba—and there are some oppressed people there—thought that the American Government was on the side of the dictator.

Mr. WILSON. Mr. PORTER, you mentioned the article in Look magazine which charges that a half dozen very well known people in this country, including a son-in-law of Secretary Dulles and several other prominent people—a relative by marriage to the President's wife have received large sums of money, some of them as high as $270,000. Are they a part of all this scheme of Trujillo's to spread a network of terror?

Representative PORTER. He works in two ways, Mr. Wilson, generally, cold cash or cold terror. He gets what he wants either by spending his money, or he gets it by sending his boys to do it another way. So it is part of his way of exercising his influence for his own profit, his own power.

Mr. WILSON. Does he get his money's worth out of these highly placed people?

Representative PORTER. I don't know. Some of them I suppose he does, and some he doesn't.

Mr. BLAIR. There is one question I would like to ask you before we conclude: Do you carry a gun?

Representative PORTER. Whenever I think it is reasonably necessary. The Washington police have so advised me, and when I think it is necessary I carry it.